

# FY2021 First-Half results Briefing Session

Financial Results –Six Months Ended Sep.30, 2021 (2Q FY2021)

November 2, 2021

**JCR Pharmaceuticals co., Ltd.**

【Securities code】4552, 1<sup>st</sup> Sec. TSE

## 2Q FY2021 results (Apr. 1 2021- Sep. 30, 2021)

**Net sales and income exceeded the results of the same period of the previous year.**

Unit : million yen

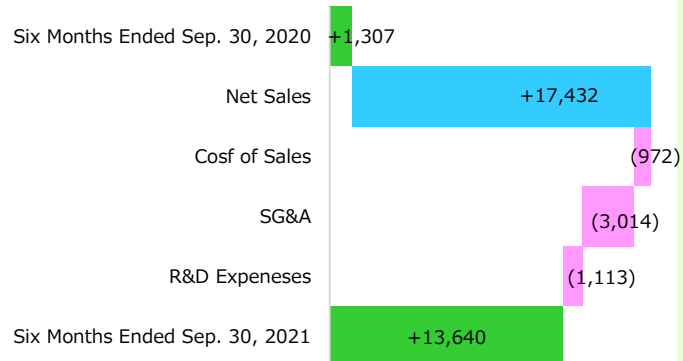
	Results	Year-on-year	Progress rate against full-year revised forecast
Net sales	28,383	+159.2%	54.6%
Operating Income	13,640	+943.3%	62.9%
Ordinary Income	13,731	+916.4%	63.3%
Profit attributable to owners of parent	9,234	+652.6%	60.0%

- Sep.30 – Revised the Consolidated Financial Forecast (Upward)
- Product sales increased YoY due to the launch of IZCARGO® and growth in sales of existing products. In addition, License Revenue and sales of AZD1222 bulk solution made significant contributions, resulting in a significant increase in total sales YoY.
- SG&A expenses and R&D expenses increased YoY, and the effect of the increase in sales led to a significant increase in each profit.

# Consolidated Results

Unit : million yen

## ◆ Net Sales 13,640 million yen Year-on-year: +12,333 million yen



### Factors of change

- Significant increase in License Revenue and AZD1222  
+ 17,432 million yen
- Increase in the cost of sales due to increase in net sales  
(972) million yen
- Increase in SG&A expenses  
(3,014) million yen
- Increase in R&D expenses  
(1,113) million yen

Consolidated	Six Months Ended Sep. 30, 2020	Six Months Ended Sep. 30, 2021		FY2021 (Apr. 1, 2021- Mar. 31, 2022)	
		A	Year-on-year	Forecast (revised) B	Progress rate A/B
Net sales	10,951	28,383	+159.2%	52,000	54.6%
Cost of Sales	3,513	4,485	+27.7%	8,300	54.0%
Gross Profit	7,438	23,898	+221.3%	43,700	54.7%
SG&A	3,723	6,737	+81.0%	11,700	57.6%
R&D Expenses	2,407	3,520	+46.2%	10,300	34.2%
Operating Income	1,307	13,640	+943.3%	21,700	62.9%
Ordinary Income	1,351	13,731	+916.4%	21,700	63.3%
Profit*	1,227	9,234	+652.6%	15,400	60.0%

\*Profit attributable to owners of parent

(Reference)

R&D Expenses**	2,607	3,570	+36.9%	11,080	32.2%
----------------	-------	-------	--------	--------	-------

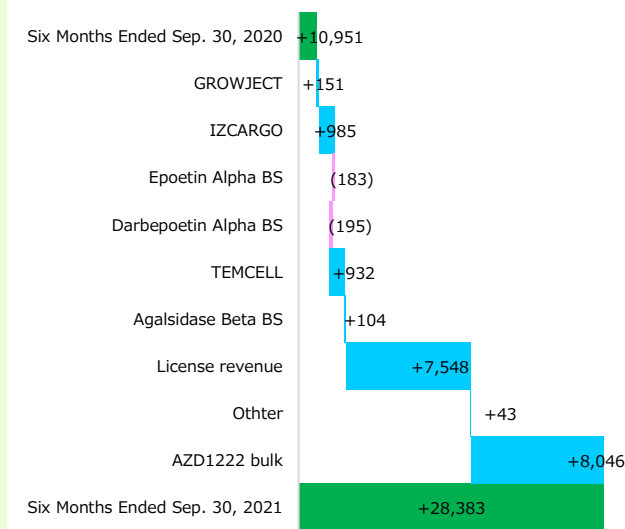
\*\*R&D Expenses before deducting contribution amount by collaborative R&D partners

# Breakdown of net sales (Consolidated)

Unit : million yen

	Six Months Ended Sep. 30, 2020		Six Months Ended Sep. 30 2021			FY2021 (Apr. 1, 2021- Mar. 31, 2022)	
		Composition ratio	A	Composition ratio	Year-on-year	Forecast (revised) B	Progress rate A/B
GROWJECT®	6,538	59.7%	6,689	23.6%	+2.3%	13,900	48.1%
IZCARGO®	—	—	985	3.5%	—	2,800	35.2%
Treatment for renal anemia	3,390	31.0%	3,011	10.6%	(11.2)%	6,400	47.0%
Epoetin Alpha BS Inj. [JCR]	1,696	15.5%	1,512	5.3%	(10.8)%	2,700	56.0%
Darbepoetin Alpha BS Inj.[JCR]	1,694	15.5%	1,498	5.3%	(11.6)%	3,700	40.5%
TEMCELL® HS Inj.	784	7.2%	1,717	6.1%	+118.9%	3,200	53.7%
Agalsidase Beta BS I.V. Infusion [JCR]	220	2.0%	323	1.1%	+47.0%	800	40.4%
<b>Total Core products</b>	10,934	99.8%	12,728	44.9%	+16.4%	27,100	47.0%
License Revenue	10	0.1%	7,557	26.6%	+74,360%	10,200	74.1%
Other	7	0.1%	51	0.2%	+565.8%	0	—
AZD1222 stock solution	—	—	8,046	28.3%	—	14,700	54.7%
<b>Total Net Sales</b>	10,951	100.0%	28,383	100.0%	+159.2%	52,000	54.6%

## ◆ Net sales 28,383 million yen Year-on-year +17,432million yen



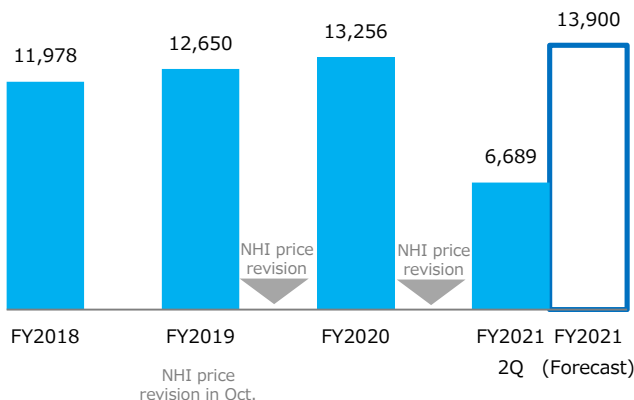
### Factors of change

- Launch of IZCARGO® +985 million yen
- Increase in License Revenue +7,547 million yen
- Shipment of AZD1222 stock solution according to the contract schedule +8,046 million yen

# Net sales by each core product

Unit : million yen

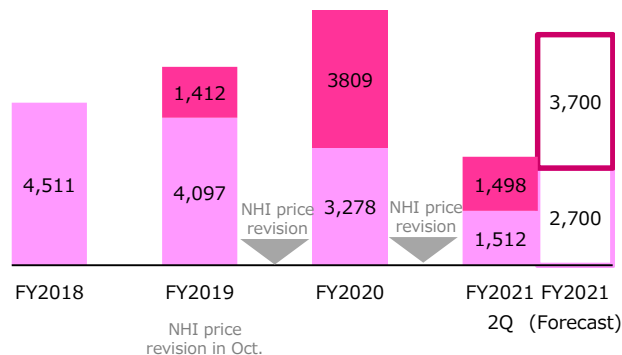
## GROWJECT®



- Topics
- Oct. 2020: Change in sales structure
  - Oct. 2020: Launch of Melon Nikki

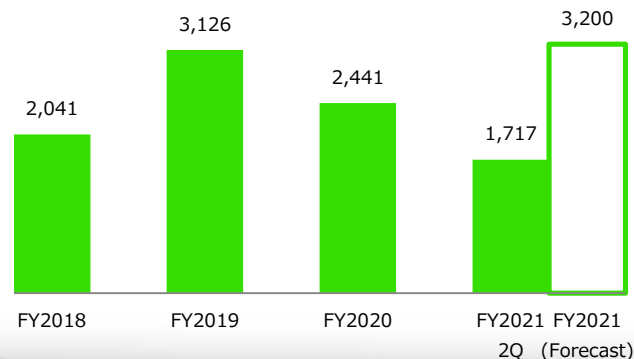
## Epoetin Alpha BS Inj.[JCR], Darbepoetin Alpha BS Inj.[JCR]

■ Epoetin Alpha BS ■ Darbepoetin Alpha BS



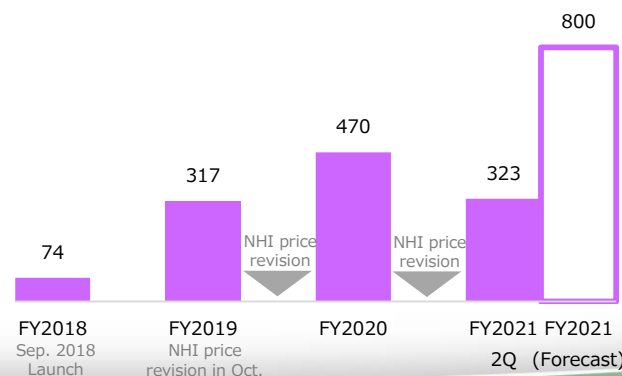
- Topics
- Apr.-May 2021: Epoetin Alpha BS Inj. [JCR] syringe formulation shipment adjustment

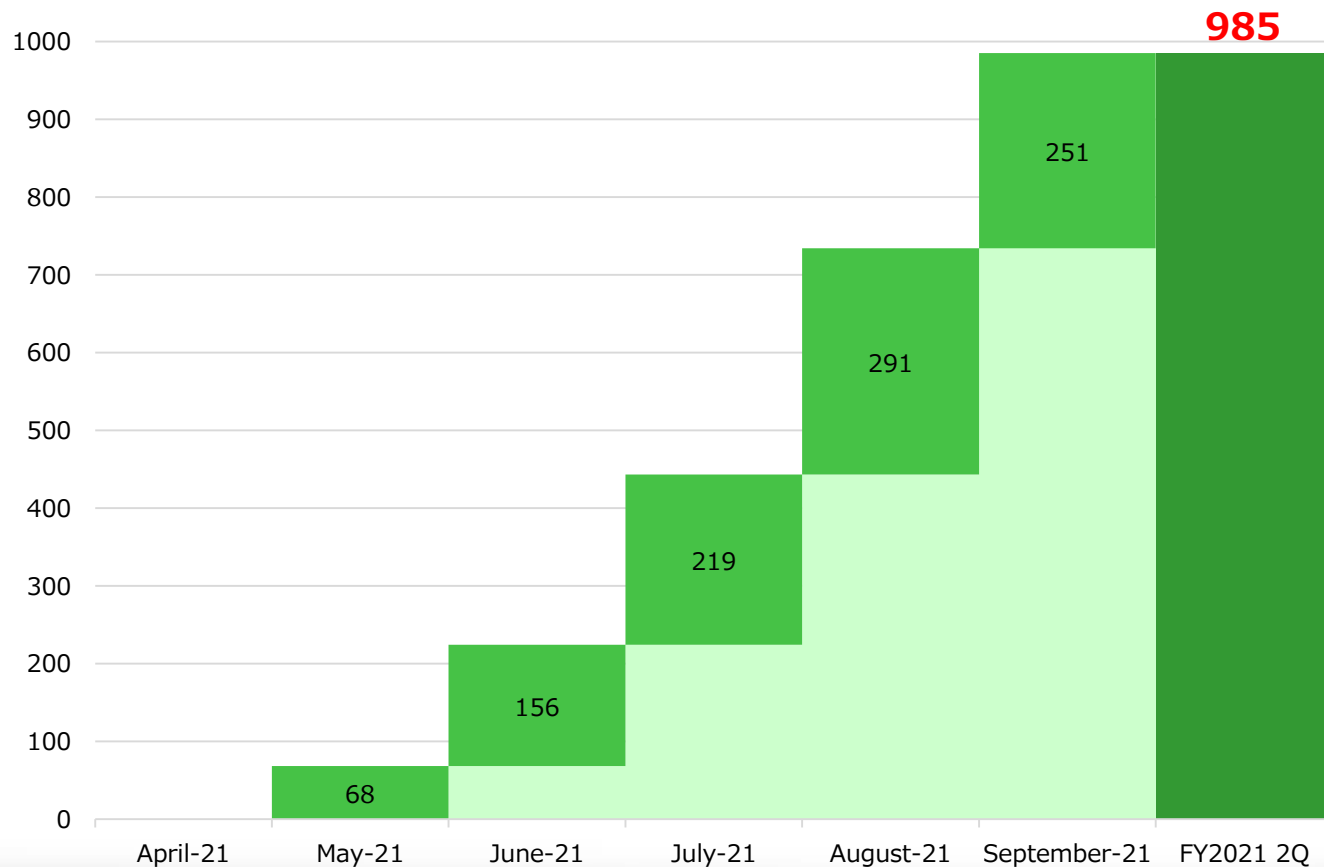
## TEMCELL® HS Inj.



- Topics
- Apr.-Aug. 2020: Shipment restrictions due to tight inventory

## Agalsidase Beta BS I.V. Infusion [JCR]





## Topics

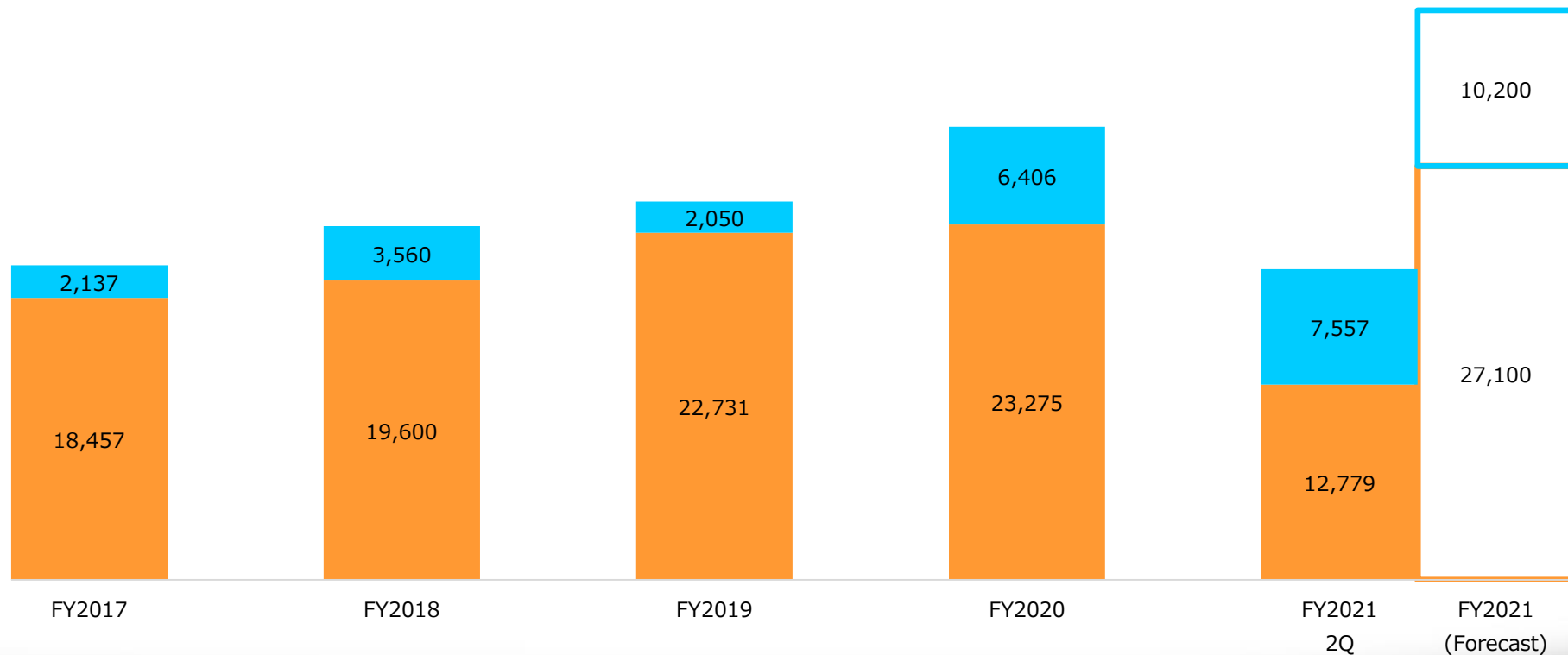
- Mya 19, 2021: Newly launched
- Establishment of a dedicated team for lysosomal diseases within the Marketing Department to provide professional support for information provision activities related to IZCARGO®.

# Changes in sales (Except AZD1222 stock solution)

■ Products\* sales ■ License Revenue

Unit : million yen

\*Products: GROWJECT®, IZCARGO®, Treatment for renal anemia, TEMCELL®, Agalsidase Beta BS[JCR], Other



# Balance sheet (Consolidated)

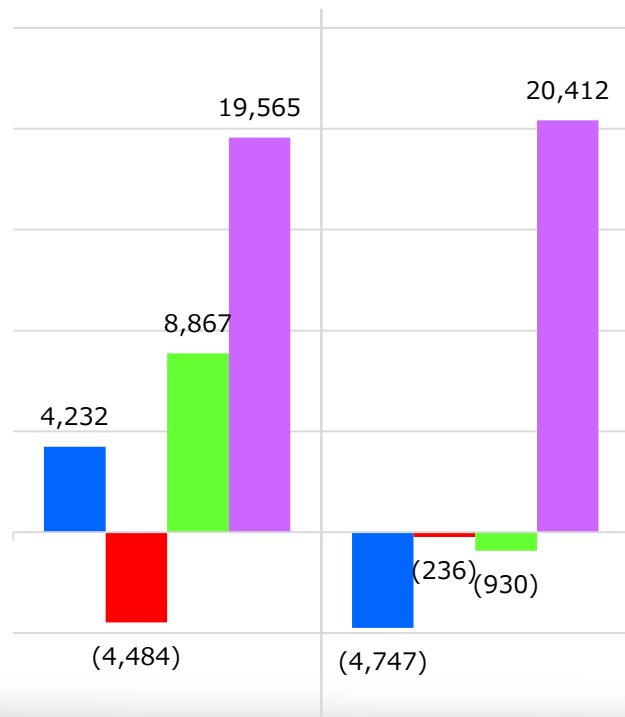
Unit : million yen

	Mar. 2021	Sep. 2021	Change • Main change		Mar. 2021	Sep. 2021	Change • Main change
Current assets	48,545	58,422	<b>Total +9,876</b> • Cash and deposits (5,848) • Accounts receivable +13,956 • Inventories +1,491	Current liabilities	29,028	35,586	<b>Total +6,558</b> • Special suspense account for tax purpose reduction entry +4,345 • Short-term loans payable +2,200
				Non-current liabilities	6,199	4,024	<b>Total (2,174)</b> • Long-term loans payable (2,200)
Non-current assets	25,238	28,197	<b>Total +2,958</b> • Property, plant and equipment +3,343	Total liabilities	35,227	39,610	<b>+4,383</b>
				Total net sales	38,557	47,008	<b>Total +8,451</b> • Dividends (929) • Profit appropriation +9,233
Total	73,784	86,619	<b>+12,834</b>	Total	73,784	86,619	<b>+12,834</b>
				Equity ratio	51.3%	53.4%	

# Cash Flows (Consolidated)

Unit : million yen

- Operating Activities
- Investing Activities
- Financing Activities
- Cash and Cash Equivalents at End of Period



	Six Months Ended Sep. 30, 2020 A	Six Months Ended Sep. 30, 2021 B	Year-on-year B - A
Income before income taxes	1,381	12,729	11,348
Depreciation and amortization	872	922	49
Accounts receivable-trade	1,462	(13,934)	(15,397)
Inventories	(1,562)	(1,491)	71
Other	2,078	(2,972)	(5,050)
<b>Operating Activities</b>	4,232	(4,747)	(8,979)
Securities	0	0	0
Capital investment	(1,437)	(4,514)	(3,076)
Other	(3,047)	4,277	7,324
<b>Investing Activities</b>	(4,484)	(236)	4,247
Borrowings	9,420	0	(9,420)
Dividends-treasury stock	(516)	(920)	(404)
Other	(36)	(9)	(26)
<b>Financing Activities</b>	8,867	(930)	(9,798)
Increase/ decrease of cash and cash Equivalents at end of Period	8,637	(5,848)	(14,485)
<b>Cash and Cash Equivalents at End of Period</b>	19,565	20,412	847

(Reference)	FY2020		FY2021	
	2Q	4Q	2Q	4Q (Forecast)
Depreciation and amortization	872	1,892	922	1,860
Capital investment	306	3,965	583	4,190

# FORWARD- LOOKING STATEMENT

This presentation contains forward-looking statements that are subject to a number of risks and uncertainties, many of which are outside our control. All forward-looking statements regarding our plans, outlook, strategy and future performance are based on judgments derived from the information available to us at this time.

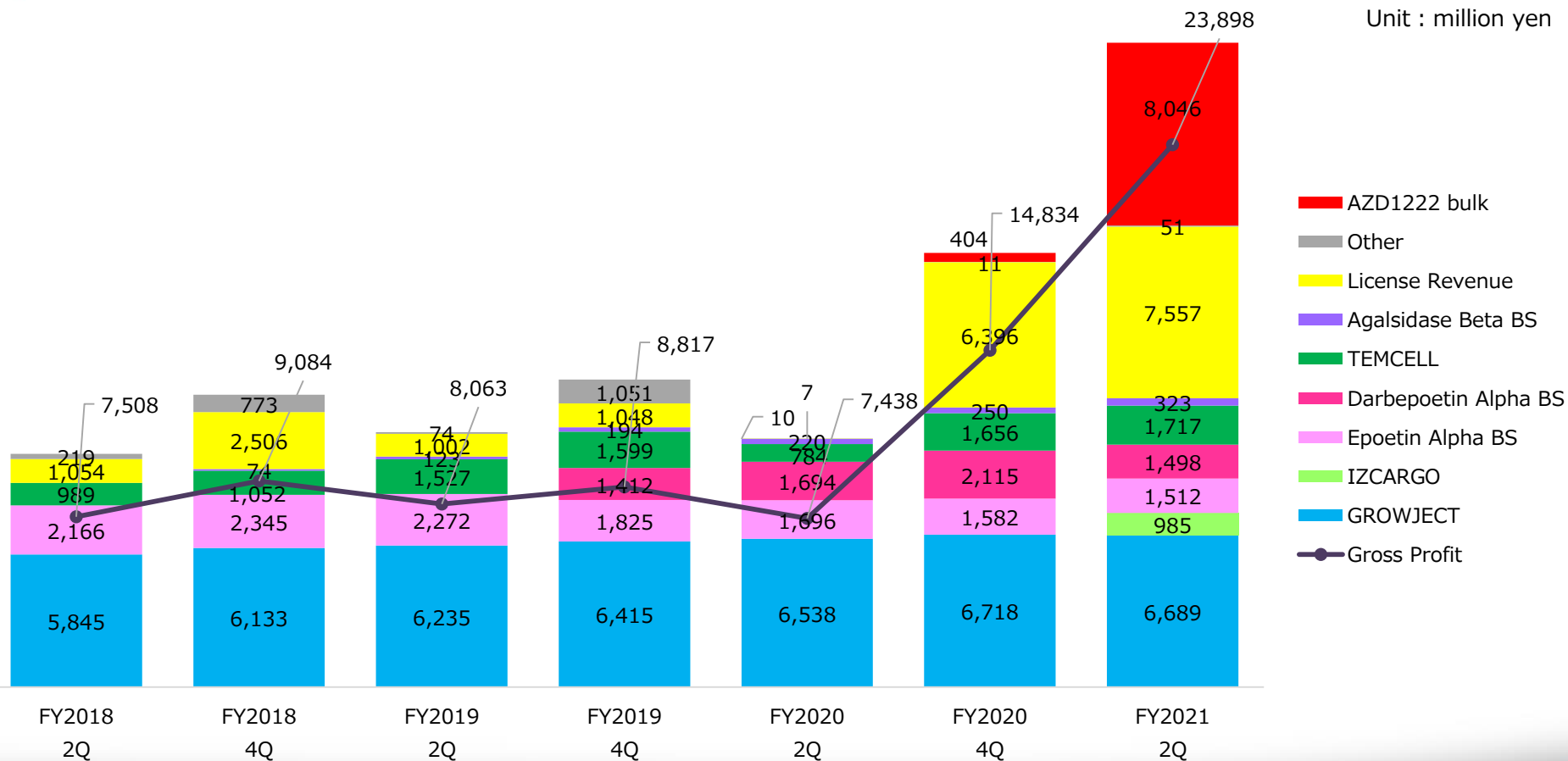
All forward-looking statements speak only as of the date of this presentation. Except as required by law, we assume no obligation to update these forward-looking statements publicly or to update the factors that could cause actual results to differ materially, even if new information becomes available in the future.



– JCR Biotech for a New Tomorrow –

# Changes in sales breakdown (Consolidated)

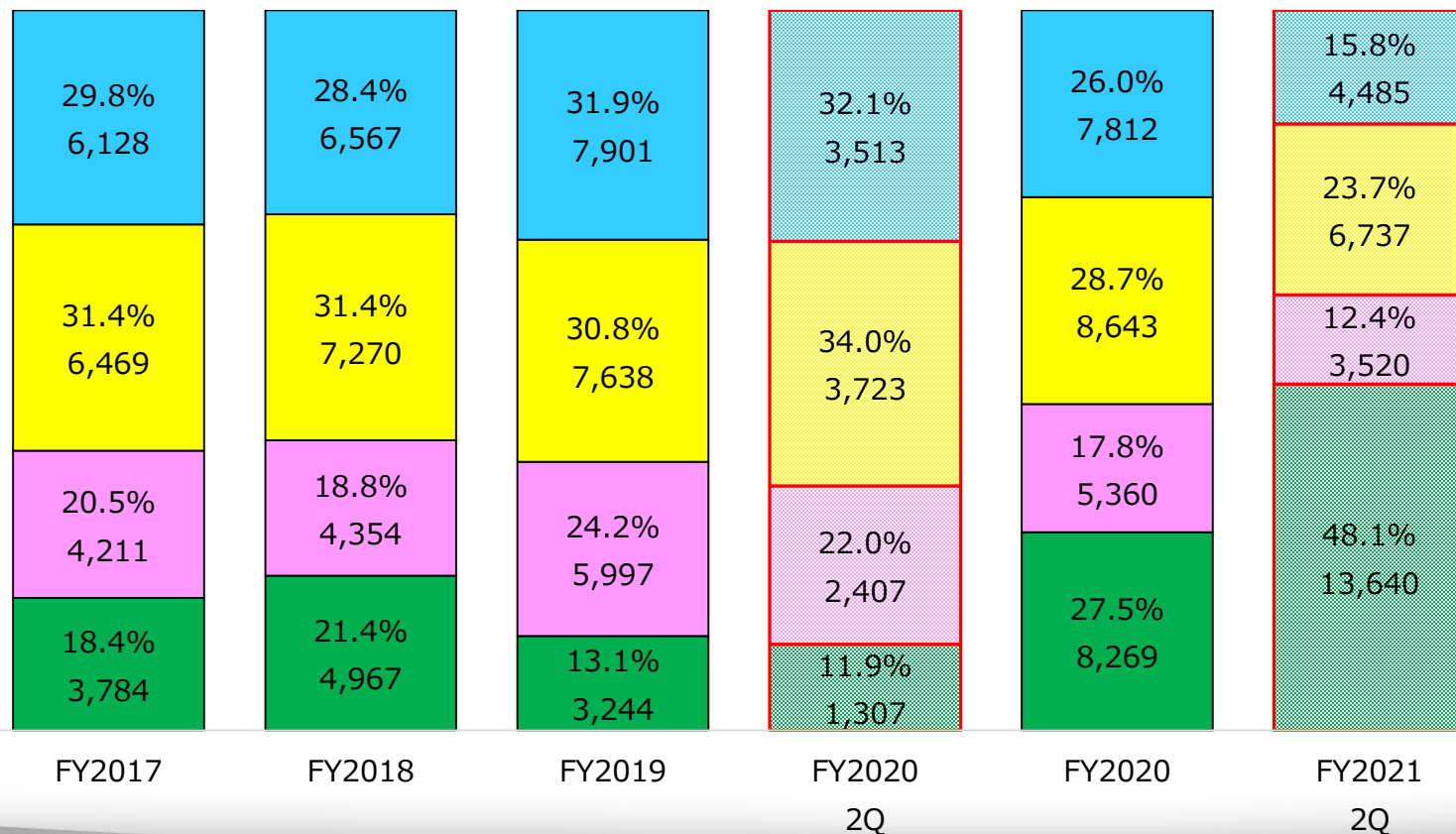
Unit : million yen



# Changes in composition ratio of cost/expense

Unit : million yen

■ Operating Income ■ R&D ■ SG&A ■ Cost of sales



Above number (%)  
rate of sales  
Lower number  
(million yen)  
Amount of money

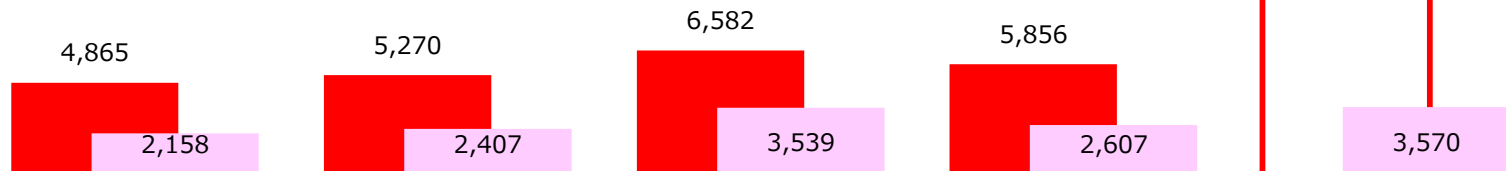
# Correlation between R&D expenses and main R&D pipeline

Unit : million yen  
11,080

- Preclinical
- Clinical
- ★ Filed an application
- Approved

R&D Expenses (before deducting)

■ 4Q ■ 2Q



	FY2017	FY2018	FY2019	FY2020	FY2021
JR-141(Japan)				★	○
JR-141(Brazil)				★	
JR-141(Global)					
JR-171(Global)					
JR-162					
JR-441					
JR-443					
JR-446					
JR-401X					
JR-142					
JR-031EB				Mar. 2021: Discontinuation of Development	
JR-031HIE					
JTR-161/JR-161					
Darbepoetin Alpha BS		★	○		
Agalsidase Beta BS	★	○			