

Pharmaceutical Business Strategy

May 20, 2025

Managing Director, General Manager
of Pharmaceutical Business Division

Kenichi Nishida



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- 2** Status of initiatives regarding pharmaceutical production system

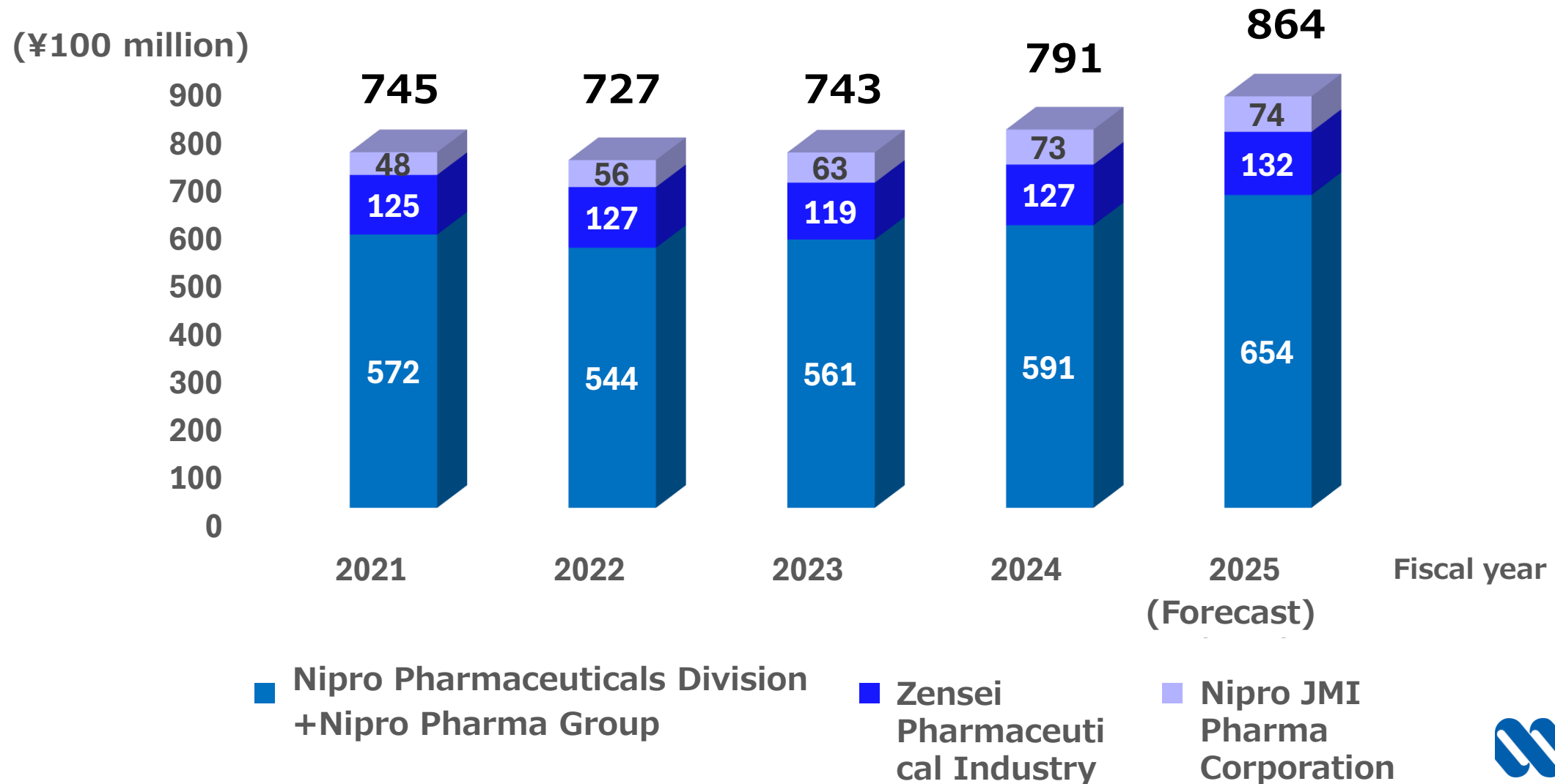
Pharmaceuticals Business Segment Profit and Loss

(FY2024 Results)

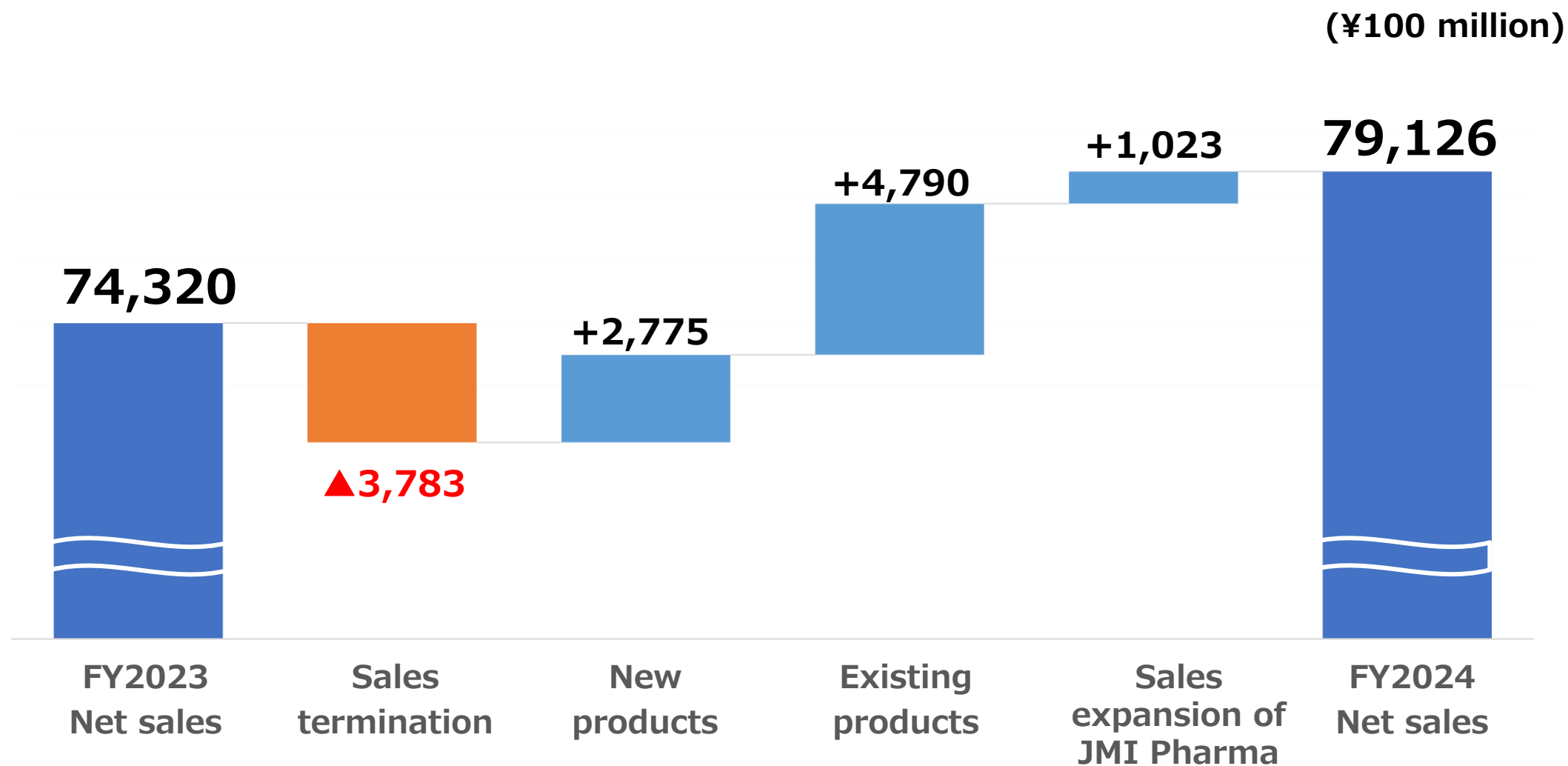
(¥100 million)

	Nipro Pharmaceuticals Division+Nipro Pharma Group	Zensei Pharma- ceutical Industry	Nipro JMI Pharma Corporation	Total	Previous year	Forecast
Net sales	59,118	12,679	7,329	79,126	74,320	81,250
YoY relative	105.3%	106.6%	116.2%	106.5%		
vs Forecast	96.5%	98.0%	110.7%	97.4%		
Gross profit	15,437	4,408	4,844	24,689	15,633	22,860
YoY relative	207.6%	109.5%	116.1%	157.9%		
vs Forecast	114.4%	95.8%	112.1%	108.0%		
S&G expenses	7,850	2,150	4,063	14,063	11,200	13,830
YoY relative	146.3%	95.1%	113.7%	125.6%		
vs Forecast	106.8%	84.2%	111.2%	101.7%		
Operating profit	7,588	2,257	780	10,625	4,433	9,030
YoY relative	366.6%	127.9%	130.4%	239.7%		
vs Forecast	123.7%	110.1%	117.3%	117.7%		

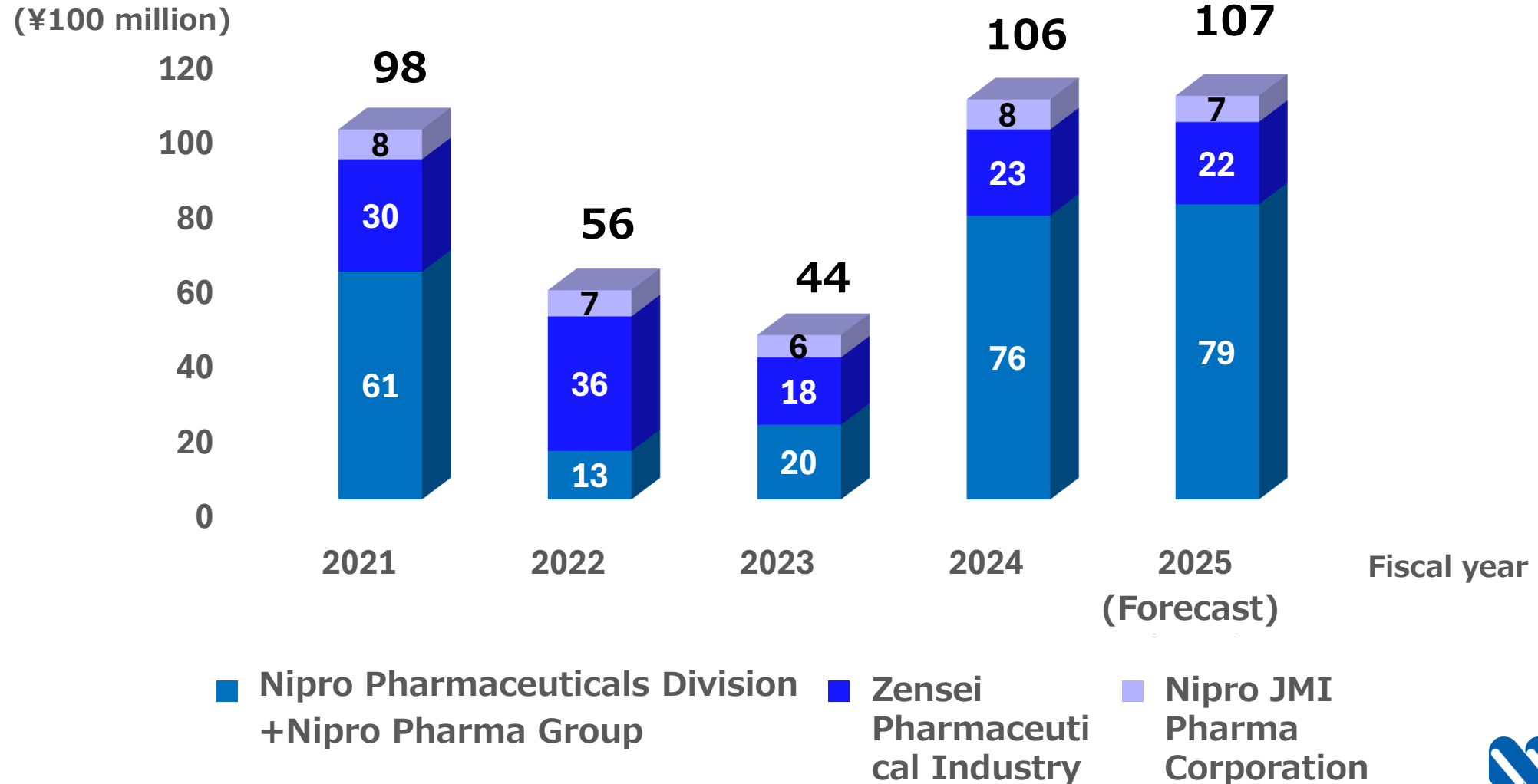
Pharmaceutical Business Divisions - Sales Trends



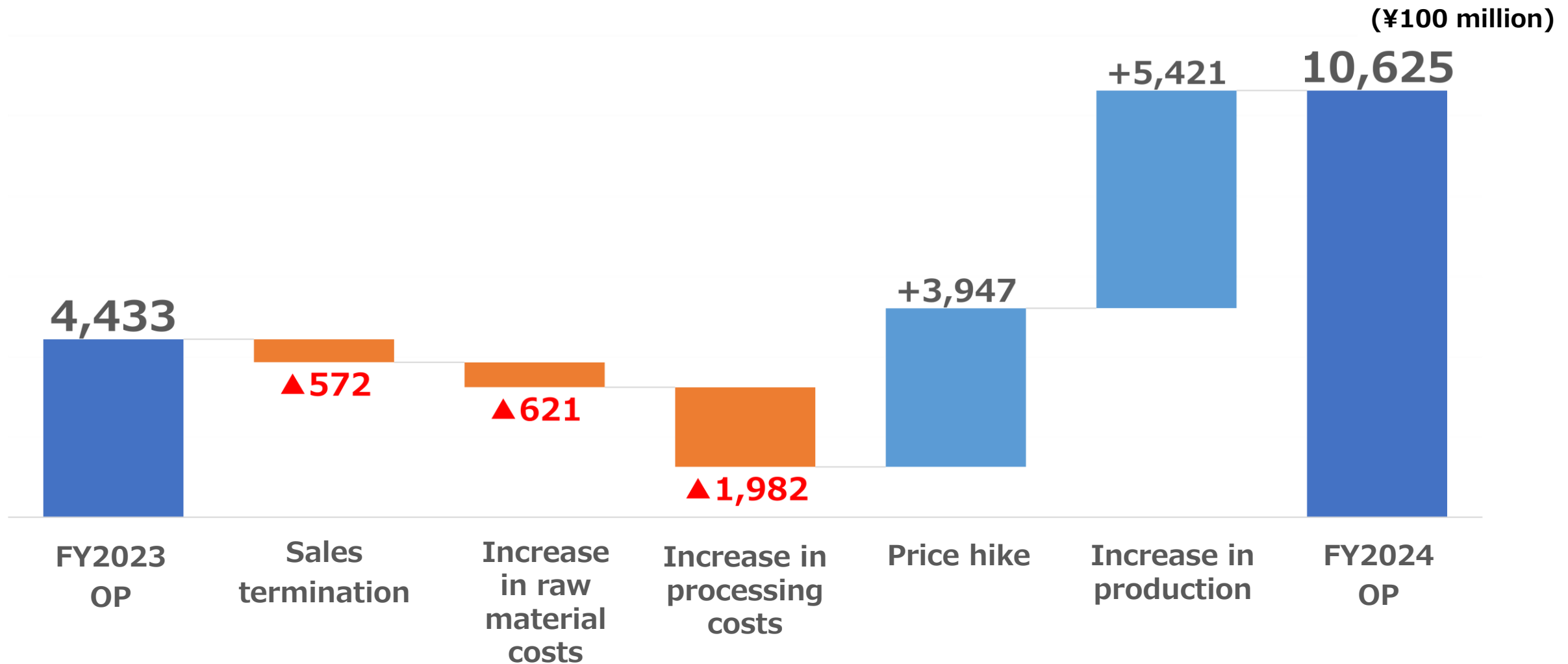
Factors for Increase/Decrease in Sales (vs. previous year)



Pharmaceuticals Business Division - Operating Profit Trends



Factors of Increase/Decrease in Operating Profit (vs. Previous Year)



Pharmaceuticals Business Division - FY2025 Forecast

(¥100 million)

	Nipro Pharmaceuticals Division+Nipro Pharma Group	Zensei Pharma- ceutical Industry	Nipro JMI Pharma Corporation	Total	FY2024
Net sales	65,441	13,195	7,426	86,373	79,126
YoY	110.7%	104.1%	116.2%	109.2%	
Gross profit	14,835	4,960	4,796	24,591	24,689
YoY	96.1%	112.5%	99.0%	99.6%	
S&G expenses	6,923	2,760	4,120	13,802	14,063
YoY	88.2%	128.4%	101.4%	98.1%	
Operating profit	7,912	2,200	676	10,789	10,625
YoY	104.3%	97.5%	86.7	101.5%	

Pharmaceuticals Business Division - Investment Amount and Subsidy

(¥100 million)

■ Investment amount ■ Subsidy Received

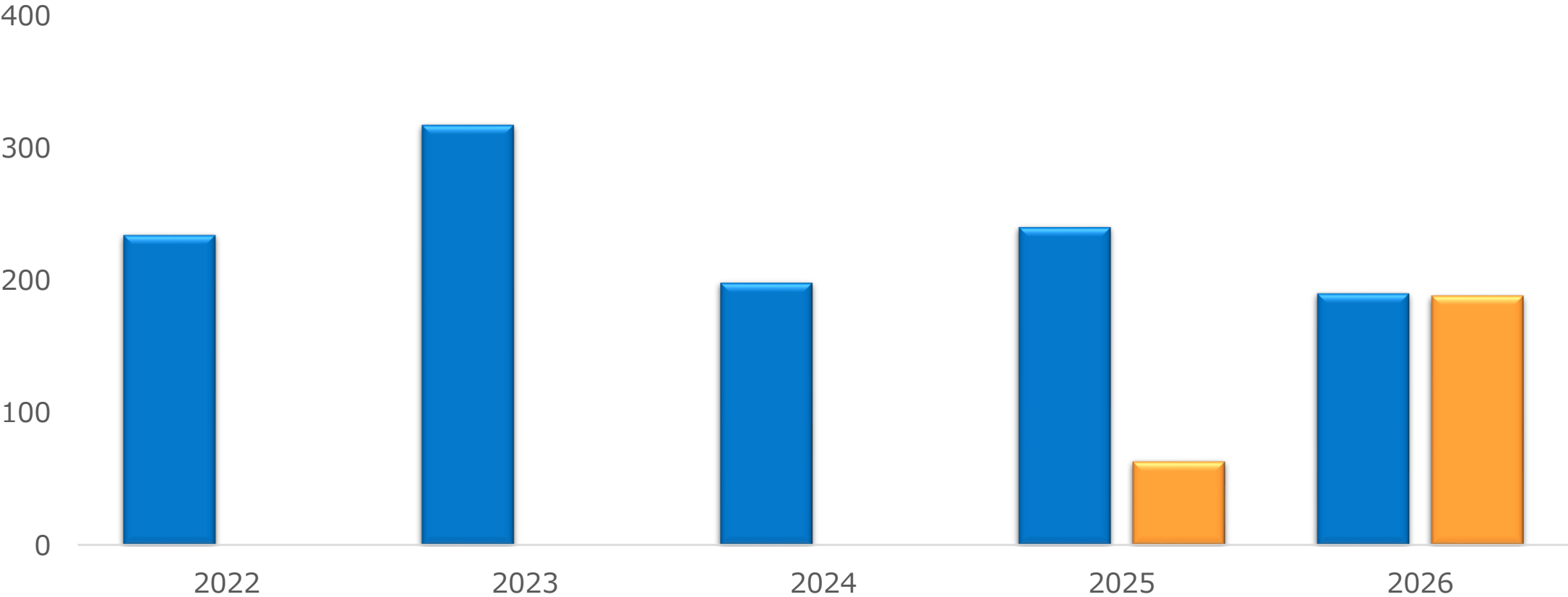
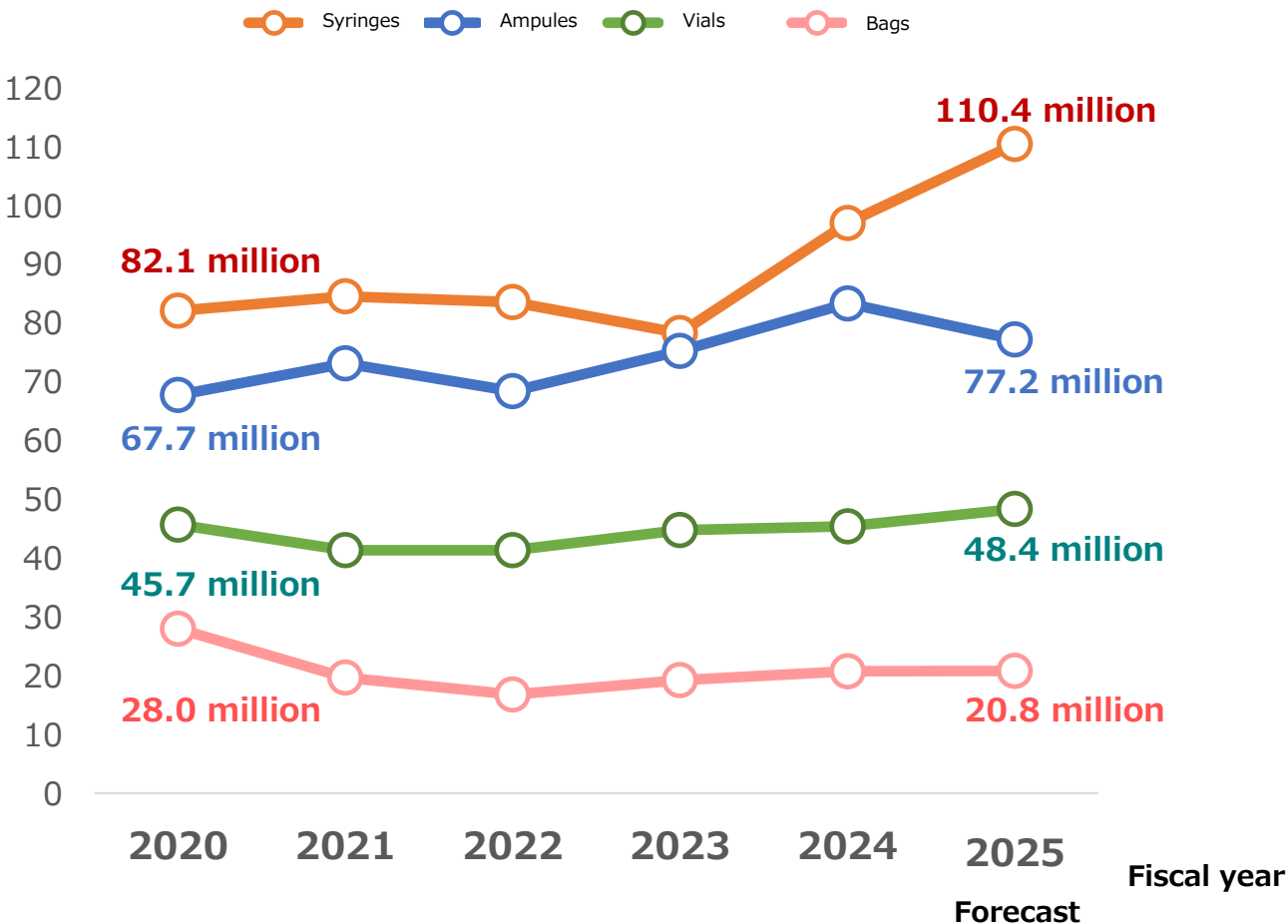


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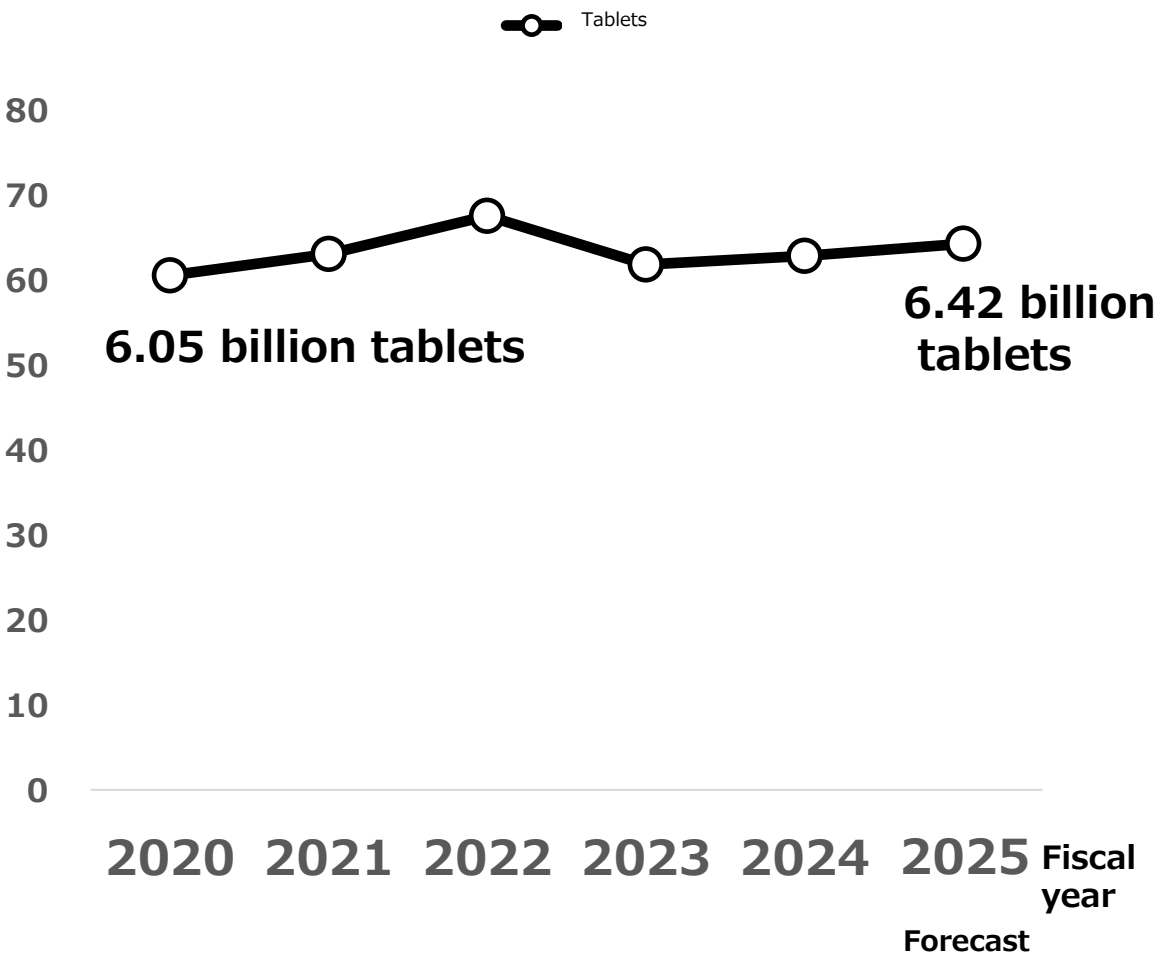
Shipment Volume of Nipro Group

Injection (Million unit)



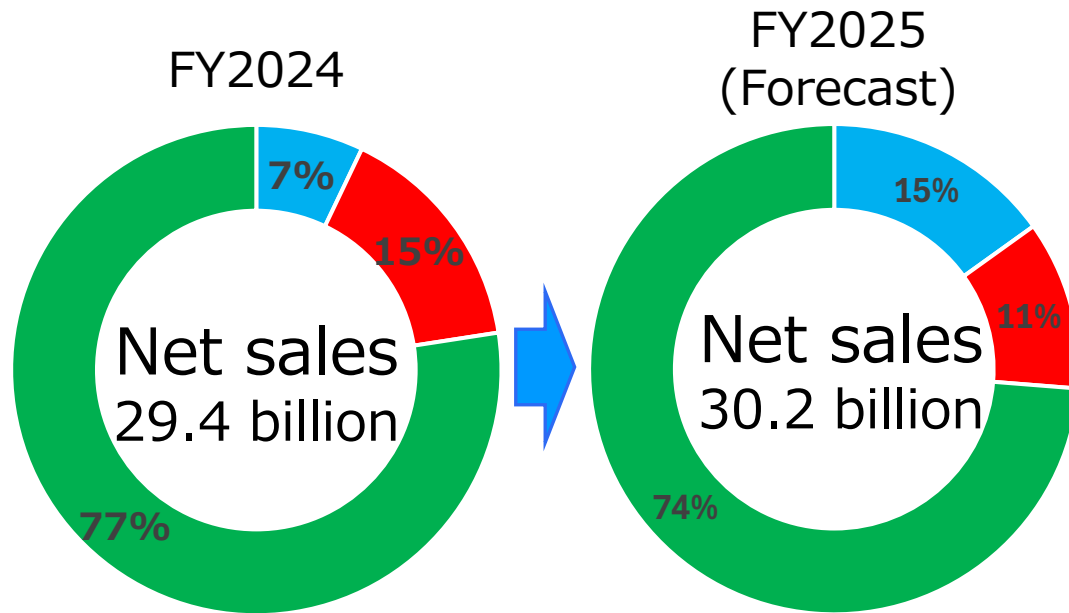
Oral drugs

Unit: billions of tablets

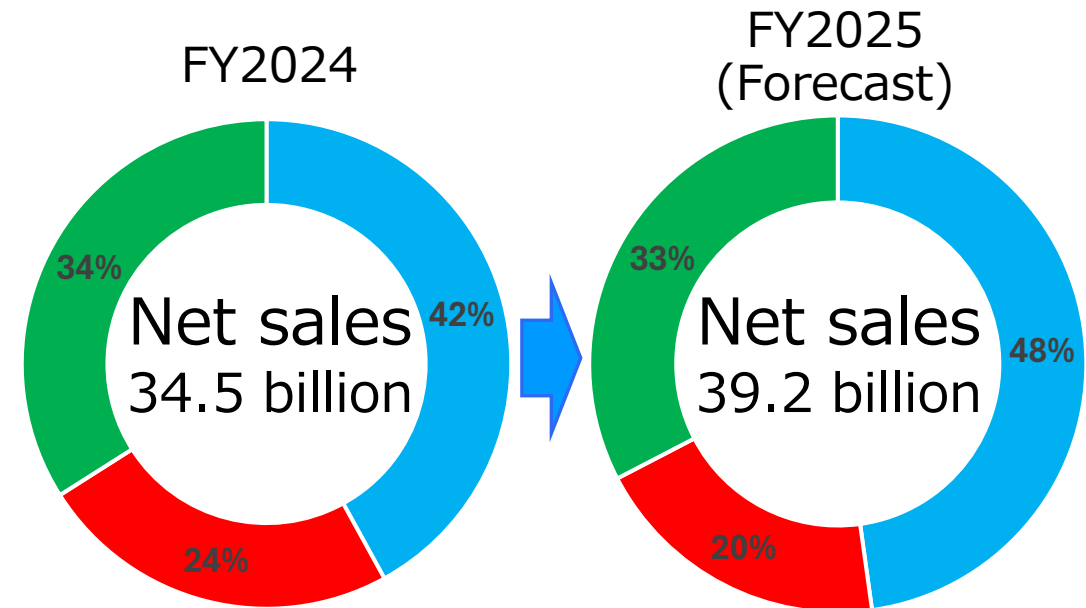


Contract Manufacturing - Items Share by Category

Oral drugs External sales



Injectable drugs External sales



■ Original drugs ■ Long-listed drugs ■ Generic drugs

Nipro Pharma Corporation



Odate Plant

To meet the increasing demand, we have developed several products such as syringes and vials by implementing lot size increase and other measures. We plan to increase production by several million units this fiscal year.



Kagamiishi Plant

BCP initiatives are underway in light of the 2021 and 2022 earthquakes. We consider increasing production at the second solid dosage form building in the future.



Ise Plant

Established a system to increase production of syringes (approx. 10 million units) and vials (0.5-1 million units) to correspond to the increasing demand.

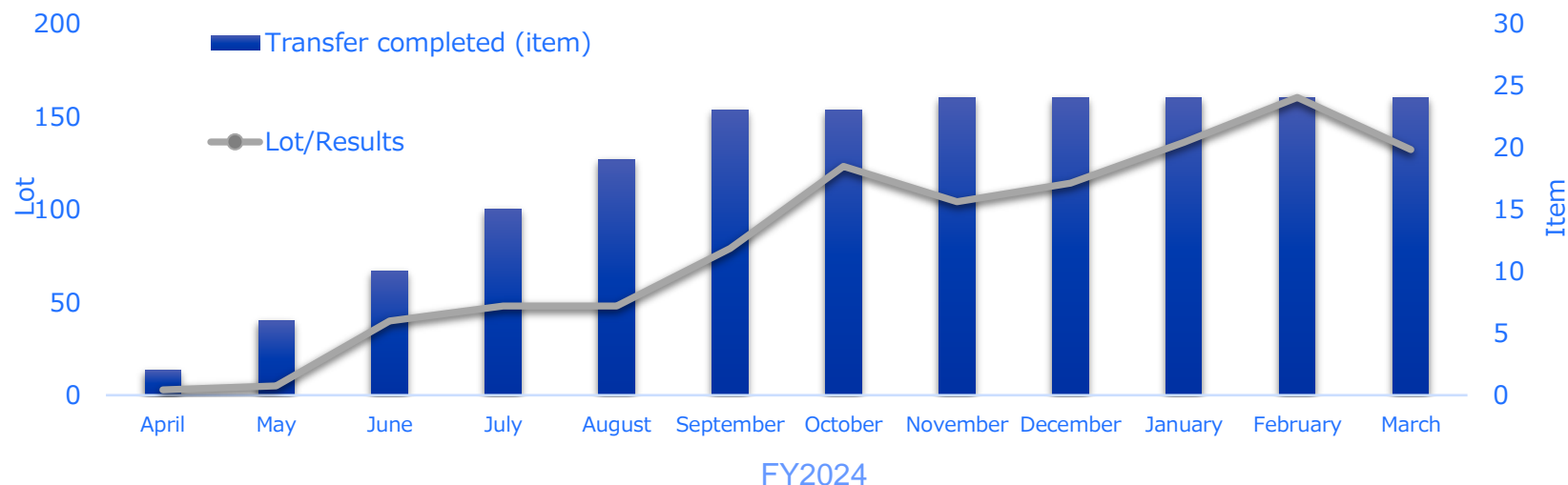


Saitama Plant

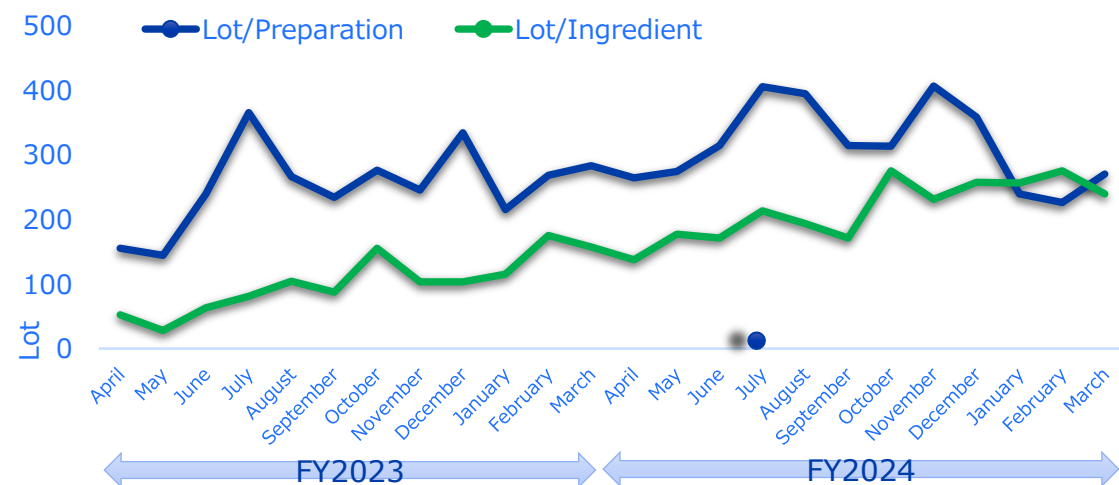
Technology transfer is underway from multiple contracts from original manufacturers.

Full-Scale Launch of Quality Control Testing Base

Doshomachi Analysis Center steadily increased the number of tests performed and contributed to the improvement of testing capabilities of the entire QC Division.

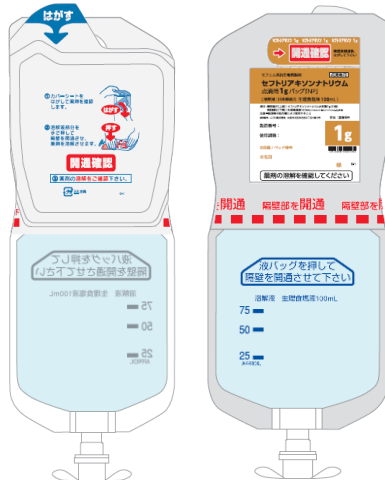
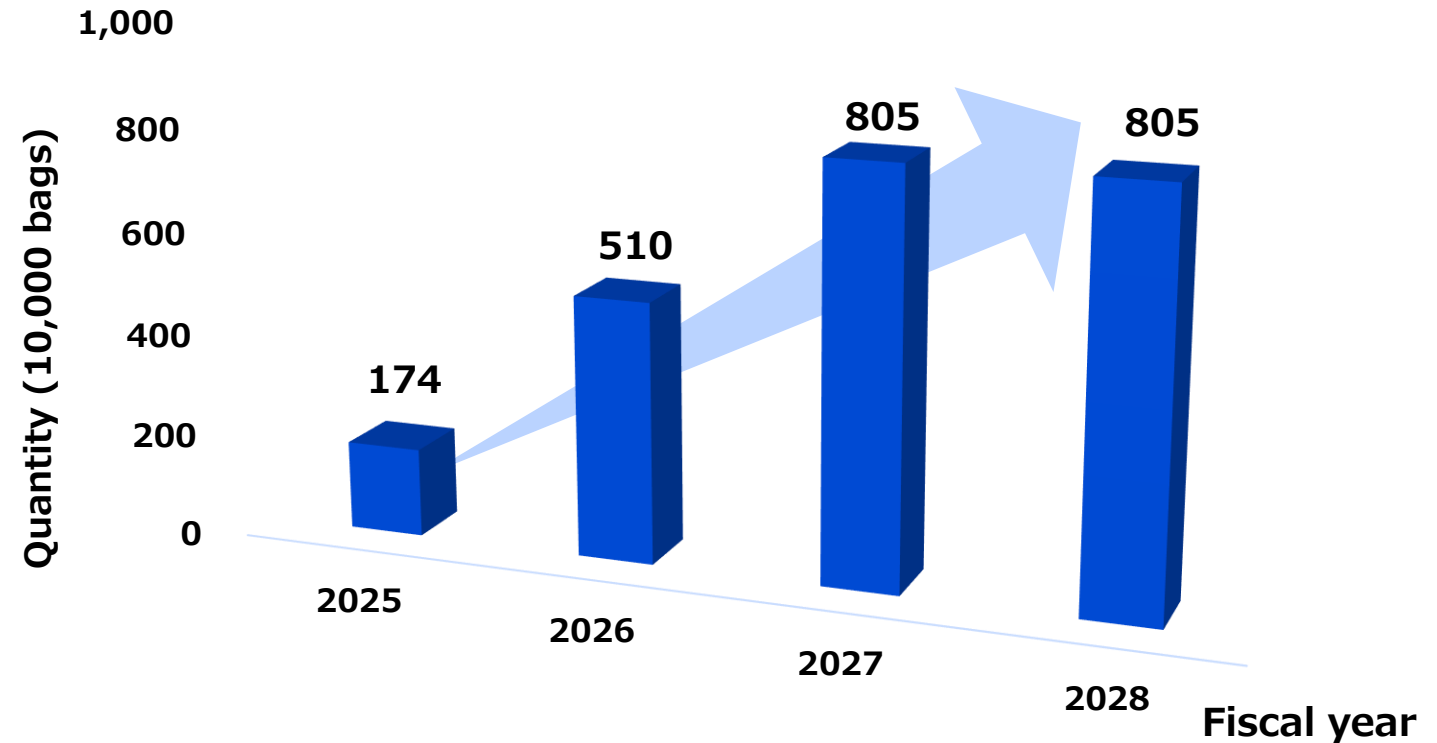
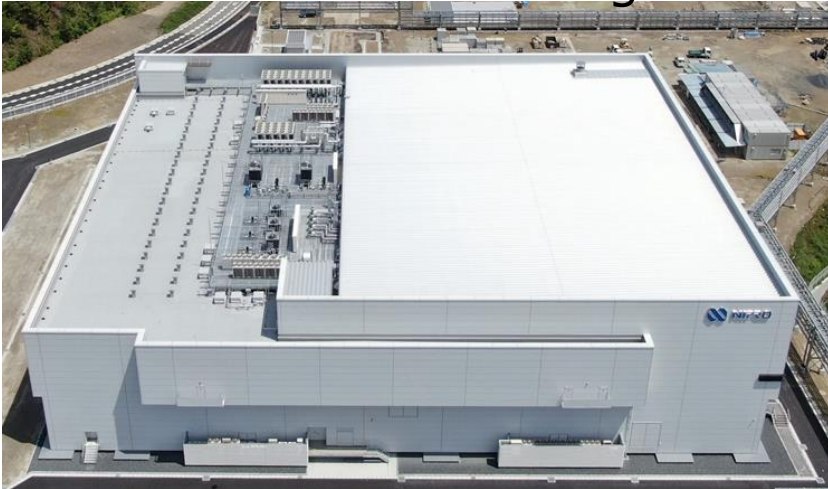


Promote transfer to Saitama MF building of testing technologies for product testing and API testing to reduce the burden on other plants



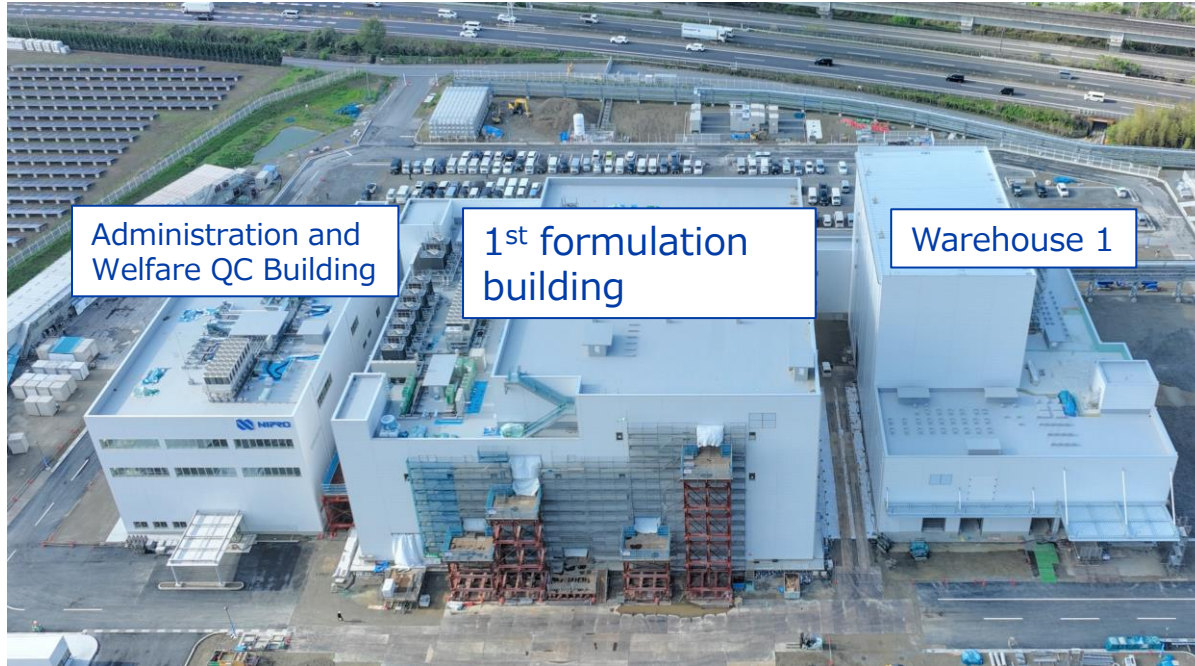
Omi Plant- New PLDB Production Line

Nipro Pharma Omi Plant (Shiga Pref)
PLDB Building



	2025	2026	2027	2028
Cephem system (1)	1,736,000	2,320,000	2,320,000	2,320,000
Cephem system (2)		2,030,000	2,030,000	2,030,000
Cephem system (3)		750,000	1,500,000	1,500,000
Cephem system (4)			2,200,000	2,200,000
Total Production Quantity	1,736,000	5,100,000	8,050,000	8,050,000

Omi Plant - New Vial Production Line



Vial Formulation Line

Total of liquid vials and lyophilized vials
Production capacity of approx. 40 million
bottles/year (theoretical quantity: 47 million bottles)

* Adopted for the development project of biopharmaceutical
manufacturing sites to strengthen the vaccine production system

September, 2025 Temporary use of Administration and Welfare QC Building scheduled to start
November, 2025 Equipment delivery is scheduled to be completed

February, 2026 Construction inspection to be completed

Shipment to domestic market from FY2027 and to overseas market from FY2028

Shiki Plant - Ampule Production Capacity Expansion

Ampule production volume increases year after year. Ampoule facilities at the Shiki Plant (Osaka Pref) will be expanded to accommodate future volume growth (expansion of production capacity through renewal and addition of packaging facilities).

Additional production capacity of approx. 7 million units after 2026



Feb. FY26

Installation of facility

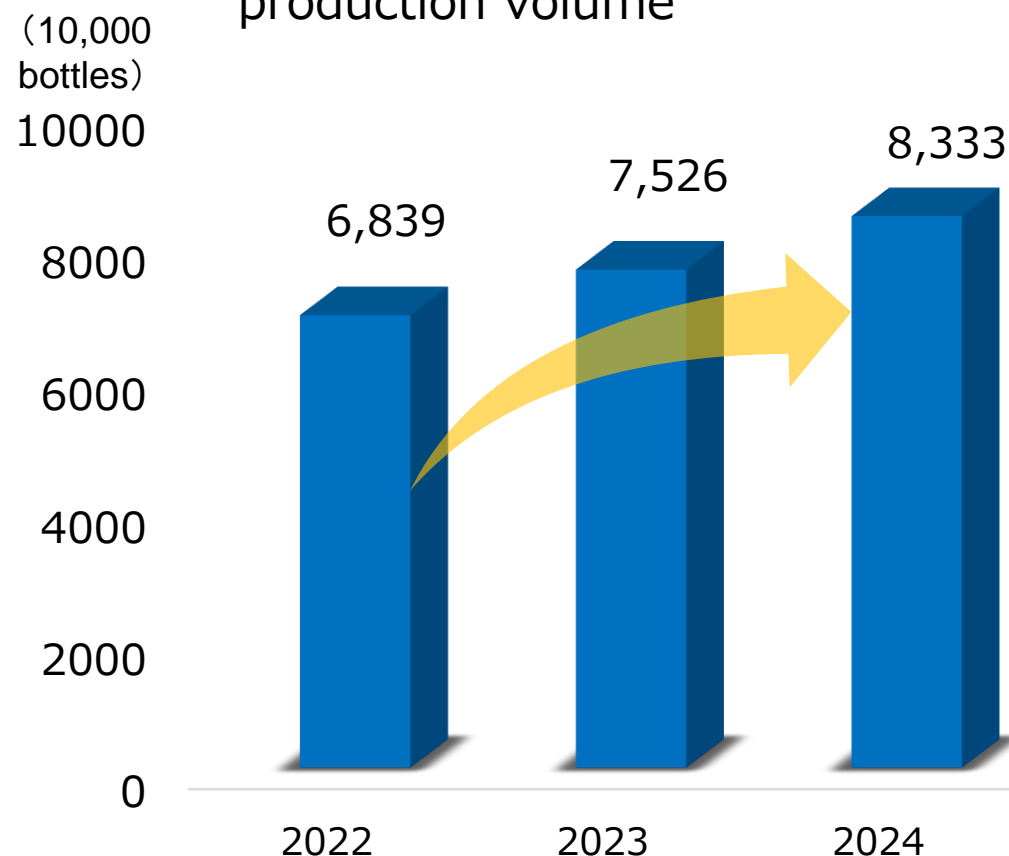
May. FY26

IOQ

Aug. FY26

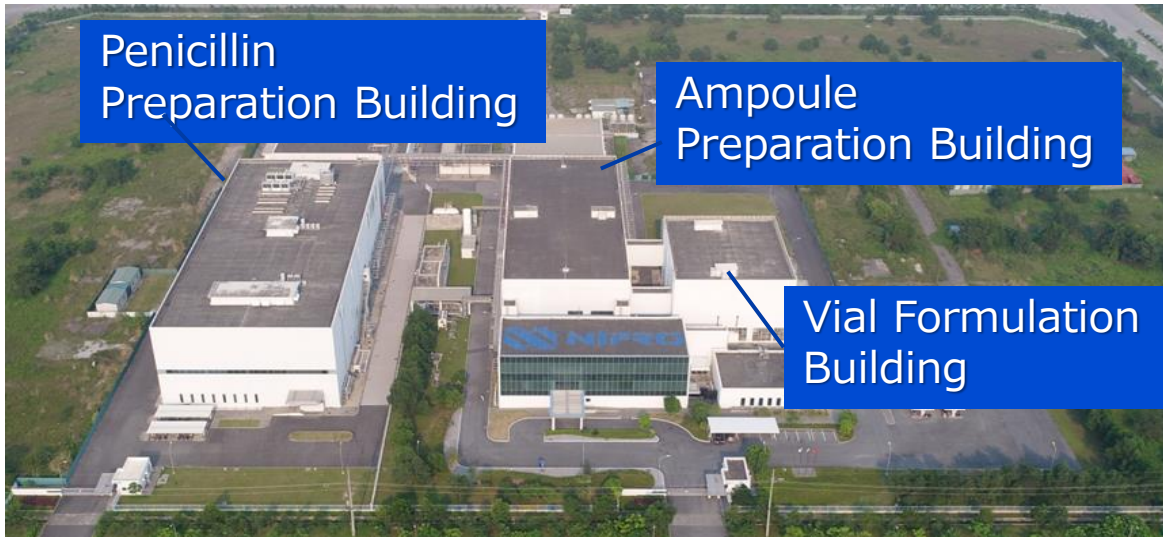
Start of production

Nipro Pharma's overall ampule production volume



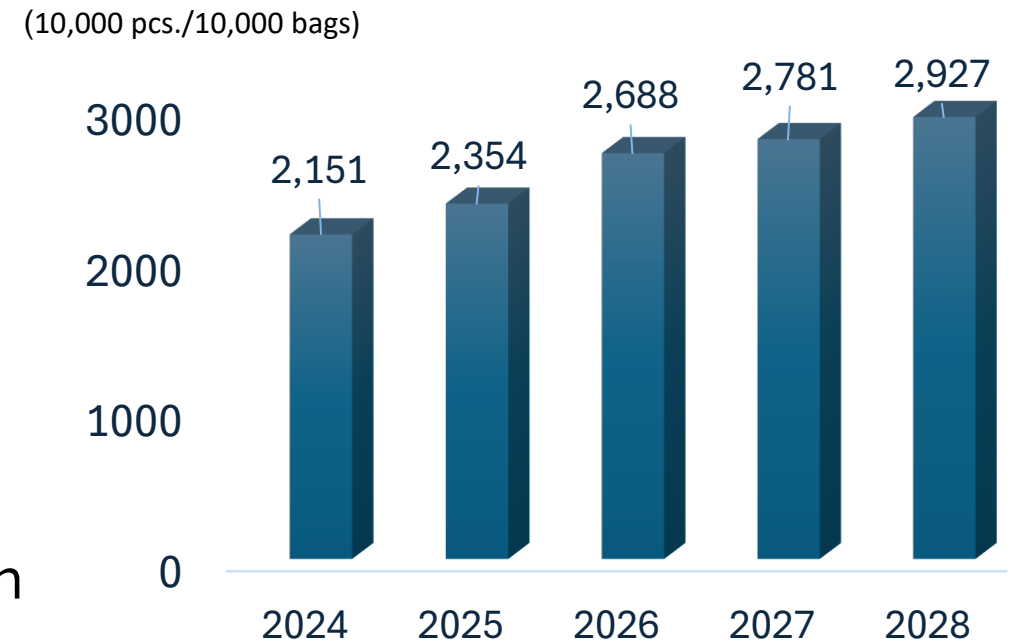
Vietnam Plant - Penicillin Building Begins Operation

Nipro Pharma Vietnam Factory



Commence shipment of approximately 1.2 million penicillin vials in FY2025.
The number is planned to increase from FY2026 onward, to approximately 5 million shipments.

NPP Vietnam Plant Production Volume Trends



Zensei Pharmaceutical Industry Co.

Zensei Pharmaceutical Industry is actively engaged in additional production of new contract manufacturing products and new generic development products.

New Items in FY2025

3 items: approx. 60 million tablets

New items in FY2026

2 items: approx. 50 million tablets

*Including items under development

New Items in FY2027

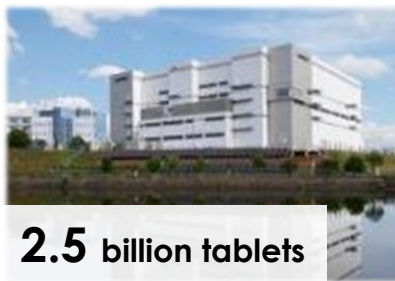
4 items: approx. 500 million tablets

*Including items under negotiation and under development

Production Volume

Theoretical limit: 4.5 billion tablets

*Production volume without taking manufacturing troubles into account



Izumi Plant

2.5 billion tablets



Kishiwada Plant

2 billion tablets

Production Volume by Plant

Unit: Billions of tablets

