

Supplementary Financial Data (IFRS) for the Third Quarter of the Year Ending March 31, 2020

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January 30, 2020

Sumitomo Dainippon Pharma Co., Ltd.

- This material contains forecasts, projections, targets, plans, and other forward-looking statements regarding the Group's financial results and other data. Such forward-looking statements are based on the Company's assumptions, estimates, outlook, and other judgments made in light of information available at the time of preparation of such statements and involve both known and unknown risks and uncertainties. Accordingly, plans, goals, and other statements may not be realized as described, and actual financial results, success/failure or progress of development, and other projections may differ materially from those presented herein.
- All values are rounded. Therefore totals may not be consistent with aggregated figures.

I. Consolidated Financial Highlights

1. Consolidated Statement of Profit or Loss (Core Basis)

(Billions of yen)

| | Q3 FY2018 | Q3 FY2019 | Change % YoY | FY2018 | Change % YoY | FY2019 (Forecast) | Change % YoY |
|---|--------------|---------------|-----------------|--------|-----------------|----------------------|-----------------|
| Revenue | 346.9 | 357.0 | 2.9 | 459.3 | (1.6) | 475.0 | 3.4 |
| Cost of sales *1 | 85.2 | 93.1 | 9.2 | 113.1 | 0.7 | 125.0 | 10.5 |
| Gross profit | 261.7 | 264.0 | 0.9 | 346.2 | (2.4) | 350.0 | 1.1 |
| SG&A expenses *1 | 144.0 | 138.6 | (3.7) | 186.1 | (0.0) | [187.0] | 0.5 |
| R&D expenses *1 | 62.0 | 61.2 | (1.2) | 82.9 | (4.6) | [86.0] | 3.8 |
| Other operating income/expenses (Core Basis) *2 | 0.1 | 0.1 | | 0.2 | | 0.0 | |
| Core operating profit | 55.9 | 64.3 | 15.0 | 77.3 | (14.7) | [77.0] | (0.4) |
| Changes in fair value of contingent consideration (negative number indicates loss) | (5.5) | 40.8 | | 9.1 | | [35.0] | 34.5 |
| Other non-recurring items *3 (negative number indicates loss) | (3.6) | (23.6) | | (28.5) | | [(24.0)] | (23.5) |
| Operating profit | 46.8 | 81.5 | 73.9 | 57.9 | (34.4) | [88.0] | 52.0 |
| Net profit attributable to owners of the parent | 40.0 | 44.0 | 10.0 | 48.6 | (9.0) | [36.0] | (26.0) |
| Basic earnings per share (yen) | 100.60 | 110.70 | | 122.39 | | 78.03 | |
| Net profit/ Equity attributable to owners of the parent (ROE) | 8.4% | 8.6% | | 10.2% | | *4 — | |

Note: The forecasts have been revised. Figures in parentheses [] are previous forecasts. Change % is calculated by using revised forecasts.

2. Consolidated Statement of Profit or Loss (Full Basis)

(Billions of yen)

| | Q3 FY2018 | Q3 FY2019 | Change % YoY |
|--|--------------|--------------|-----------------|
| Revenue | 346.9 | 357.0 | 2.9 |
| Cost of sales | 85.2 | 93.3 | 9.6 |
| Gross profit | 261.7 | 263.7 | 0.8 |
| SG&A expenses | 149.5 | 97.8 | (34.6) |
| R&D expenses | 62.0 | 83.7 | 35.1 |
| Other operating income/expenses | (3.4) | (0.7) | |
| Operating profit | 46.8 | 81.5 | 73.9 |
| Finance income/costs | 6.3 | 3.0 | |
| Profit before taxes | 53.2 | 84.4 | 58.8 |
| Net profit attributable to owners of the parent | 40.0 | 44.0 | 10.0 |

*1 Exclude non-recurring items (impairment loss, changes in fair value of contingent consideration, etc.)

*2 "P/L on business transfer" and "share of P/L of associates accounted for using equity method"

*3 Non-recurring items ("other operating income and expenses" except for *2 items, impairment loss, etc.)

*4 ROE forecast has not calculated since the fair value valuation of acquired assets and assumed liabilities through the strategic alliance with Roivant has not completed yet.

3. Consolidated Statement of Cash Flows

(Billions of yen)

| | Q3 FY2018 | Q3 FY2019 |
|---|--------------|----------------|
| Net cash provided by operating activities | 19.2 | 36.8 |
| Net cash provided by (used in) investing activities | (4.2) | (284.7) |
| Net cash used in financing activities | (27.6) | 240.5 |
| Cash and cash equivalents at the end of period | 139.6 | 129.3 |

4. Foreign Exchange Rates

| | FY2018 Apr.-Dec. | | FY2019 Apr.-Dec. | | FY2019 assumption | Forex sensitivity FY2019 (Impact of yen depreciation by ¥1) | |
|-----------|--------------------|-----------------|--------------------|-----------------|----------------------|---|--------------------------|
| | Period end rate | Average rate | Period end rate | Average rate | Average rate | Revenue | Core operating profit |
| Yen / USD | 111.0 | 111.2 | 109.5 | 108.7 | 108.5 | 2.4 | (0.1) |
| Yen / RMB | 16.2 | 16.6 | 15.7 | 15.6 | 15.5 | 1.8 | 0.3 |

(Billions of yen)

| 5. Capital Expenditures/ Depreciation and Amortization | Q3 FY2018 | Q3 FY2019 | Change | FY2019 (Forecast) | Change | (Billions of yen) |
|---|--------------|--------------|--------|----------------------|--------|-------------------|
| Capital expenditures | 10.3 | 7.7 | (2.6) | 9.0 | (4.2) | |
| Property, plant and equipment | 5.5 | 7.7 | 2.2 | 9.5 | 2.2 | |
| Intangible assets | 5.0 | 5.2 | 0.2 | 6.7 | 0.1 | |

Note: The amount of capital expenditures are for tangible fixed assets and software.

Major capital expenditure project in FY2019

Reinforcement of production facilities, total budget ¥2.0billion, to be completed in FY2022

II. Consolidated Statement of Profit or Loss

1. Consolidated Statement of Profit or Loss (Core Basis) (Billions of yen)

| | Q3 FY2018 | Q3 FY2019 | Change | Change % |
|--|--------------|---------------|--------|-------------|
| Revenue | 346.9 | 357.0 | 10.1 | 2.9 |
| Overseas revenue | 141.3 | 149.4 | 8.1 | 5.7 |
| % of Revenue | 63.0% | 63.4% | | |
| Cost of sales | 85.2 | 93.1 | 7.9 | 9.2 |
| % of Revenue | 24.6% | 26.1% | | |
| Gross profit | 261.7 | 264.0 | 2.3 | 0.9 |
| SG&A expenses | 144.0 | 138.6 | (5.4) | (3.7) |
| Labor costs | 57.1 | 59.4 | 2.3 | 4.0 |
| Advertising and promotion costs | 19.1 | 17.6 | (1.4) | (7.5) |
| Sales promotion costs | 11.5 | 11.1 | (0.4) | (3.1) |
| Amortization/Depreciation | 5.9 | 8.3 | 2.4 | 41.5 |
| Others | 50.4 | 42.1 | (8.3) | (16.5) |
| R&D expenses | 62.0 | 61.2 | (0.8) | (1.2) |
| % of Revenue | 17.9% | 17.1% | | |
| Other operating income/expenses (Core Basis) | 0.1 | 0.1 | (0.0) | (16.3) |
| Core operating profit | 55.9 | 64.3 | 8.4 | 15.0 |
| Changes in fair value of contingent consideration * | (5.5) | 40.8 | 46.3 | |
| Other non-recurring items * | (3.6) | (23.6) | (20.0) | |
| Operating profit | 46.8 | 81.5 | 34.6 | 73.9 |
| Finance income | 6.5 | 3.3 | (3.2) | |
| Finance costs | 0.2 | 0.4 | 0.2 | |
| Profit before taxes | 53.2 | 84.4 | 31.3 | 58.8 |
| Income tax expenses | 13.2 | 40.4 | 27.3 | |
| Net profit | 40.0 | 44.0 | 4.0 | 10.0 |
| Net profit attributable to owners of the parent | 40.0 | 44.0 | 4.0 | 10.0 |

| | ¥billion | Change | FX rate |
|---------------|----------|--------|---------|
| Japan | 3.6 | | |
| North America | 5.0 | (4.5) | |
| China | 3.8 | (1.3) | |
| Other Regions | (1.5) | | |
| Other | (0.9) | | |

• Decrease in litigation expense and others

| Changes in fair value of contingent consideration | | | |
|--|--------|--------|--|
| | Q3FY18 | Q3FY19 | |
| LONHALA®/MAGNAIR® | 2.7 | (0.7) | |
| BBI | (3.8) | *27.5 | |
| Tolero | (4.3) | *14.0 | |

* Decrease in fair value by revising business plans

• FY19: Impairment of intangible assets (22.5)

• FY18: Foreign exchange gain on financial assets
denominated in USD

• FY19: Reversal of deferred tax assets in U.S.

* Negative number indicates loss.

2. Adjustments to Core Operating Profit

(Billions of yen)

| Q3 FY2019 Results | Full Basis | Core Basis | Adjustment | Major adjustment items |
|--------------------------|------------|--------------|------------|--|
| Revenue | 357.0 | 357.0 | — | |
| Cost of sales | 93.3 | 93.1 | (0.3) | |
| Gross profit | 263.7 | 264.0 | 0.3 | |
| SG&A expenses | 97.8 | 138.6 | 40.8 | Changes in fair value of contingent consideration 40.8 |
| R&D expenses | 83.7 | 61.2 | (22.5) | Impairment loss (22.5) |
| Other operating income | 0.8 | 0.1 | (0.7) | |
| Other operating expenses | 1.5 | — | (1.5) | |
| Operating profit | 81.5 | 64.3 | (17.2) | |

III. Segment Information (Core Basis)

(Billions of yen)

| Q3 FY2019 Results | Pharmaceuticals Business | | | | | Other Business | Total |
|---|--------------------------|---------------|------------|---------------|--------------|----------------|--------------|
| | Japan | North America | China | Other Regions | Subtotal | | |
| Revenue (Sales to customers) | 104.3 | 195.7 | 20.2 | 8.7 | 328.8 | 28.2 | 357.0 |
| Cost of sales | 46.5 | 17.8 | 3.8 | 3.1 | 71.2 | 21.9 | 93.1 |
| Gross profit | 57.8 | 177.8 | 16.4 | 5.6 | 257.6 | 6.3 | 264.0 |
| SG&A expenses | 37.7 | 87.6 | 7.0 | 2.4 | 134.7 | 3.9 | 138.6 |
| Core segment profit | 20.1 | 90.2 | 9.4 | 3.2 | 122.9 | 2.5 | 125.3 |
| R&D expenses *1 | | | | | 60.6 | 0.6 | 61.2 |
| Other operating income/expenses (Core basis)*2 | | | | | 0.1 | 0.0 | 0.1 |
| Core operating profit | | | | | 62.4 | 1.8 | 64.3 |

(Billions of yen)

| Q3 FY2018 Results | Pharmaceuticals Business | | | | | Other Business | Total |
|---|--------------------------|---------------|------------|---------------|--------------|----------------|--------------|
| | Japan | North America | China | Other Regions | Subtotal | | |
| Revenue (Sales to customers) | 100.6 | 190.6 | 16.3 | 10.2 | 317.8 | 29.1 | 346.9 |
| Cost of sales | 39.6 | 15.7 | 2.9 | 4.4 | 62.6 | 22.6 | 85.2 |
| Gross profit | 61.1 | 174.9 | 13.4 | 5.8 | 255.2 | 6.5 | 261.7 |
| SG&A expenses | 37.9 | 92.4 | 6.8 | 2.8 | 139.9 | 4.1 | 144.0 |
| Core segment profit | 23.2 | 82.5 | 6.7 | 3.0 | 115.4 | 2.3 | 117.7 |
| R&D expenses *1 | | | | | 61.2 | 0.8 | 62.0 |
| Other operating income/expenses (Core basis)*2 | | | | | 0.1 | 0.0 | 0.1 |
| Core operating profit | | | | | 54.3 | 1.6 | 55.9 |

(Billions of yen)

| FY2019 Forecasts | Pharmaceuticals Business | | | | | Other Business | Total |
|---|--------------------------|---------------|-------------|---------------|--------------|----------------|--------------|
| | Japan | North America | China | Other Regions | Subtotal | | |
| Revenue (Sales to customers) | 137.0 | 257.3 | 28.2 | 14.5 | 437.0 | 38.0 | 475.0 |
| Cost of sales | 63.1 | 22.4 | 5.1 | 5.0 | 95.6 | 29.4 | 125.0 |
| Gross profit | 73.9 | 234.9 | 23.1 | 9.5 | 341.4 | 8.6 | 350.0 |
| SG&A expenses | 52.5 | 121.5 | 9.3 | 3.2 | 186.5 | 5.5 | 192.0 |
| Core segment profit | 21.4 | 113.4 | 13.8 | 6.3 | 154.9 | 3.1 | 158.0 |
| R&D expenses *1 | | | | | 93.0 | 1.0 | 94.0 |
| Other operating income/expenses (Core basis)*2 | | | | | 0.0 | 0.0 | 0.0 |
| Core operating profit | | | | | 61.9 | 2.1 | 64.0 |

*1 R&D expenses for pharmaceuticals business are controlled globally and not allocated to each segment.

*2 P/L on business transfer and share of P/L of associates accounted for using equity method

Note: FY2019 forecasts have been revised.

IV. Revenues Information

1. Sales of Pharmaceuticals Business (Sales to customers)

(Billions of yen)

| Segment | Q3 FY2018 | Q3 FY2019 | Change | Change % | Progress % | FY2019 (Forecast) | |
|---------------|--------------|--------------|--------|-------------|---------------|----------------------|-------|
| Japan | 100.6 | 104.3 | 3.6 | 3.6 | 76.7 | [136.0] | 137.0 |
| North America | 190.6 | 195.7 | 5.0 | 2.6 | 75.3 | [260.0] | 257.3 |
| China | 16.3 | 20.2 | 3.8 | 23.4 | 73.8 | [27.3] | 28.2 |
| Other Regions | 10.2 | 8.7 | (1.5) | (14.7) | 63.4 | [13.7] | 14.5 |

2. Sales of Major Products (1)

(Invoice price basis, Billions of yen)

| Brand name Therapeutic indication | Q3 FY2018 | Q3 FY2019 | Change | Change % | Progress % | FY2019 (Forecast) | |
|--------------------------------------|--------------|--------------|--------|-------------|---------------|----------------------|--|
|--------------------------------------|--------------|--------------|--------|-------------|---------------|----------------------|--|

Japan

Promoted products

| | | | | | | | |
|--|------|-------------|-------|-------|------|--------|------|
| Trulicity® *1 Therapeutic agent for type 2 diabetes (Sep. 2015~) | 17.4 | 22.9 | 5.5 | 31.4 | 81.1 | [28.2] | 30.0 |
| TRERIEF® Therapeutic agent for Parkinson's disease | 12.2 | 12.6 | 0.4 | 2.9 | 73.7 | [17.1] | 16.3 |
| REPLAGAL® Therapeutic agent for Anderson-Fabry disease | 9.7 | 10.3 | 0.6 | 6.4 | 81.8 | [12.6] | 13.1 |
| METGLUCO® Therapeutic agent for type 2 diabetes | 7.8 | 7.4 | (0.4) | (5.4) | 79.8 | | 9.3 |
| Euqa®/EquMet® *2 Therapeutic agent for type 2 diabetes (Nov. 2019~) | — | 7.8 | 7.8 | — | 48.7 | | 16.0 |
| SUREPOST® Therapeutic agent for type 2 diabetes | 4.6 | 5.2 | 0.6 | 13.0 | 84.6 | [6.2] | 6.7 |
| AmBisome® Therapeutic agent for systemic fungal infection | 3.1 | 3.3 | 0.2 | 5.8 | 84.4 | | 3.9 |
| LONASEN® Tape Atypical antipsychotic (Sep. 2019~) | — | 0.3 | 0.3 | — | 16.7 | [1.8] | 1.0 |

Other products

| | | | | | | | |
|--|-----|------------|-------|--------|------|--|-----|
| AMLODIN® Therapeutic agent for hypertension and angina pectoris | 7.2 | 6.0 | (1.2) | (16.1) | 80.1 | | 7.5 |
| LONASEN® tablet/powder Atypical antipsychotic | 9.6 | 4.9 | (4.7) | (49.2) | 94.1 | | 5.2 |
| AIMIX® Therapeutic agent for hypertension | 7.1 | 3.2 | (3.9) | (55.2) | 86.4 | | 3.7 |
| PRORENAL® Vasodilator | 3.2 | 2.6 | (0.6) | (19.7) | 77.9 | | 3.3 |
| GASMOTIN® Gastroprokinetic | 3.0 | 2.4 | (0.6) | (18.6) | 78.7 | | 3.1 |
| Authorized Generics | 4.1 | 5.8 | 1.7 | 41.2 | 83.4 | | 6.9 |

*1 Revenue of Trulicity® is shown by NHI price.

*2 Not including promotion fee revenue

Note: The forecasts of some products have been revised. Figures in parentheses [] are previous forecasts.

2. Sales of Major Products (2)

(Billions of yen)

| Brand name Therapeutic indication | Q3 FY2018 | Q3 FY2019 | Change | Change % | Progress % | FY2019 (Forecast) |
|---|--------------|--------------|--------|-------------|---------------|----------------------|
| North America | | | | | | |
| LATUDA [®] Atypical antipsychotic | 139.6 | 142.1 | 2.5 | 1.8 | 75.1 | [189.3] 186.7 |
| BROVANA [®] Therapeutic agent for COPD | 25.3 | 26.0 | 0.6 | 2.5 | 78.7 | [33.0] 32.6 |
| APTIOM [®] Antiepileptic | 15.5 | 17.0 | 1.4 | 9.3 | 75.5 | [22.5] 22.2 |
| LONHALA [®] MAGNAIR [®] Therapeutic agent for COPD (Apr. 2018~) | 0.9 | 2.3 | 1.3 | 141.7 | 53.6 | [4.2] 4.1 |
| XOPENEX [®] Therapeutic agent for asthma | 3.3 | 2.8 | (0.5) | (15.3) | 67.4 | [4.1] 4.0 |

China

| | | | | | | |
|-----------------------------|------|-------------|-----|------|------|-------------|
| MEROPEN [®] | 13.9 | 17.0 | 3.1 | 22.0 | 73.4 | [23.1] 23.8 |
|-----------------------------|------|-------------|-----|------|------|-------------|

Other Regions

| | | | | | | |
|-----------------------------|-----|------------|-------|--------|------|-----------|
| MEROPEN [®] | 6.5 | 5.1 | (1.4) | (21.8) | 73.2 | [7.0] 8.0 |
|-----------------------------|-----|------------|-------|--------|------|-----------|

(Ref.) Products sales in North America (based on local currency)

(Millions of dollar)

| 品目 | Q3 FY2018 | Q3 FY2019 | Change | Change % | Progress % | FY2019 (Forecast) |
|---|--------------|--------------|--------|-------------|---------------|----------------------|
| LATUDA [®] | 1,256 | 1,308 | 52 | 4.1 | 76.0 | 1,721 |
| BROVANA [®] | 228 | 239 | 11 | 4.8 | 79.6 | 300 |
| APTIOM [®] | 140 | 156 | 17 | 11.8 | 76.3 | 205 |
| LONHALA [®] MAGNAIR [®] | 8 | 21 | 12 | 147.3 | 54.5 | 38 |
| XOPENEX [®] | 29 | 25 | (4) | (13.4) | 68.7 | 37 |

Note: The forecasts of some products have been revised. Figures in parentheses [] are previous forecasts.

V. Consolidated Statement of Financial Position

(Billions of yen)

| | Mar.31 2019 | Dec. 31 2019 | Change |
|---|----------------|-----------------|---------------|
| Assets | 834.7 | 1,115.2 | 280.4 |
| Non-current assets | 461.4 | 766.9 | 305.5 |
| Property, plant and equipmer | 59.5 | 71.1 | 11.6 |
| Goodwill | 99.3 | 331.3 | 232.0 |
| Intangible assets | 171.4 | 144.9 | (26.5) |
| Patent rights/Marketing rights | 24.0 | 21.8 | (2.2) |
| In-process R&D | 141.4 | 117.2 | (24.2) |
| Others | 5.9 | 5.9 | (0.0) |
| Other financial assets | 74.7 | 175.2 | 100.5 |
| Other non-current assets | 5.8 | 5.5 | (0.3) |
| Deferred tax assets | 50.7 | 38.9 | (11.8) |
| Current assets | 373.3 | 348.2 | (25.1) |
| Inventories | 66.9 | 73.3 | 6.4 |
| Trade and other receivables | 118.8 | 127.8 | 9.1 |
| Other financial assets | 43.8 | 3.9 | (39.9) |
| Other current assets | 6.6 | 13.9 | 7.3 |
| Cash and cash equivalents | 137.3 | 129.3 | (7.9) |
| Liabilities | 336.6 | 592.8 | 256.2 |
| Non-current liabilities | 138.4 | 103.7 | (34.7) |
| Bonds and borrowings | 28.0 | 25.7 | (2.2) |
| Other financial liabilities | 80.4 | 49.1 | (31.3) |
| Retirement benefit liabilities | 23.6 | 23.9 | 0.3 |
| Other non-current liabilities | 6.4 | 4.9 | (1.5) |
| Deferred tax liabilities | — | 0.0 | 0.0 |
| Current liabilities | 198.2 | 489.1 | 290.9 |
| Bonds and borrowings | 3.0 | 277.8 | 274.8 |
| Trade and other payables | 49.2 | 55.5 | 6.3 |
| Other financial liabilities | 8.7 | 14.3 | 5.7 |
| Income taxes payable | 15.7 | 15.6 | (0.1) |
| Provisions | 92.2 | 87.2 | (5.0) |
| Other current liabilities | 29.4 | 38.7 | 9.3 |
| Equity | 498.1 | 522.4 | 24.2 |
| Share capital | 22.4 | 22.4 | — |
| Capital surplus | 15.9 | 15.9 | — |
| Treasury shares | (0.7) | (0.7) | (0.0) |
| Retained earnings | 431.8 | 460.3 | 28.5 |
| Other components of equity | 28.8 | 22.1 | (6.7) |
| Equity attributable to owners of the parent | 498.1 | 519.9 | 21.8 |
| Non-controlling interests | — | 2.4 | 2.4 |

Adopted IFRS 16 "Leases" from the beginning

| Goodwill | 19/3 | 19/12 |
|---------------------|------|---------|
| Other than oncology | 75.0 | 307.4 |
| [Sumitovant] | | [233.3] |
| Oncology | 24.3 | 24.0 |

The value of "Sumitovant" is provisional as of Q3

| IPR&D | 19/3 | 19/12 |
|-----------------|------|-------|
| apomorphine | 55.2 | 54.4 |
| BBI products | 30.0 | *27.8 |
| Tolero products | 44.4 | *26.3 |
| Others | 11.9 | *8.7 |

*Decrease mainly due to impairment loss

Acquisition of Roivant shares

Reversal of deferred tax assets in U.S.

Decrease in short-term loan receivable

| | |
|----------------------------|--------------|
| Total bonds and borrowings | 30.9 → 308.5 |
| [New borrowing 270.0] | |

| Contingent consideration liabilities | 19/3 | 19/12 | Total probable payment (Max) |
|--------------------------------------|------|-------|------------------------------|
| LONHALA®MAGNAIR® | 8.9 | 9.5 | \$210M |
| BBI | 44.5 | *16.2 | \$1,390M |
| Tolero | 27.9 | *13.5 | \$580M |
| Total | 81.4 | 39.1 | |

Included in "Other financial liabilities (Non current/Current)"

* Decrease by revising business plans

| FX rate | 19/3 | 19/12 |
|---------|----------|--------|
| USD | ¥111.0 ⇒ | ¥109.5 |
| RMB | ¥16.5 ⇒ | ¥15.7 |

VI. Changes in Quarterly Results

(Billions of yen)

| | FY2018 | | | | FY2019 | | |
|--|--------|-------|-------|--------|--------|--------|-------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q |
| Revenue | 115.9 | 110.2 | 120.7 | 112.4 | 117.5 | 113.1 | 126.4 |
| Cost of sales | 28.9 | 26.7 | 29.6 | 27.9 | 28.8 | 27.3 | 37.0 |
| Gross profit | 87.0 | 83.6 | 91.1 | 84.5 | 88.6 | 85.9 | 89.4 |
| SG&A expenses | 47.8 | 44.4 | 51.8 | 42.1 | 46.3 | 42.4 | 49.8 |
| R&D expenses | 20.9 | 20.5 | 20.6 | 20.9 | 20.0 | 21.0 | 20.2 |
| Other operating income/expenses (Core Basis) | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 |
| Core operating profit | 18.4 | 18.7 | 18.7 | 21.4 | 22.3 | 22.5 | 19.5 |
| Changes in fair value of contingent consideration (negative number indicates loss) | (2.5) | (4.4) | 1.4 | 14.6 | 18.5 | 23.3 | (0.9) |
| Other non-recurring items (negative number indicates loss) | (0.1) | (0.6) | (2.9) | (25.0) | (0.3) | (19.4) | (3.9) |
| Operating profit | 15.8 | 13.8 | 17.2 | 11.1 | 40.4 | 26.4 | 14.6 |
| Net profit attributable to owners of the parent | 15.2 | 12.6 | 12.1 | 8.7 | 6.7 | 23.6 | 13.6 |

VII. Major Consolidated Subsidiaries (As of December 31, 2019)

| Domestic | Establishment | Ownership | Number of employees | Businesses |
|---|---------------|-----------|---------------------|---|
| DSP Gokyo Food & Chemical Co., Ltd. | 1947/10 | 100% | 197 | Manufacturing and sales of food ingredients, food additives, chemical product materials, etc. |
| DS Pharma Animal Health Co., Ltd. | 2010/ 7 | 100% | 90 | Manufacturing, and sales of veterinary medicines, etc. |
| DS PharmaPromo Co., Ltd. | 1998/ 6 | 100% | 50 | Manufacturing and sales of pharmaceuticals, etc. |
| Overseas | Establishment | Ownership | Number of employees | Businesses |
| Sunovion Pharmaceuticals Inc. | 1984/ 1 | 100% | *1,666 | Manufacturing and sales of pharmaceuticals |
| Sumitovant Biopharma, Inc. | 2019/10 | 100% | 29 | Implement oversight of Sumitovant group companies, formulation of potential business and sales strategies for consideration of its group companies, and promotion of utilization of healthcare technology platforms, etc. |
| Myovant Sciences Ltd. | 2016/ 2 | 50% | *202 | R&D in the women's health, prostate cancer area |
| Urovant Sciences, Ltd. | 2016/ 1 | 75% | *60 | R&D in the urology area |
| Enzyvant Therapeutics, Ltd. | 2016/ 1 | 100% | *26 | R&D in the pediatric rare diseases area |
| Altavant Sciences, Ltd. | 2017/ 9 | 100% | *12 | R&D in the respiratory rare diseases area |
| Spirovant Sciences, Ltd. | 2019/ 2 | 100% | *11 | R&D in the cystic fibrosis gene therapy area |
| Boston Biomedical, Inc. | 2006/11 | 100% | 130 | R&D in the oncology area |
| Tolero Pharmaceuticals, Inc. | 2011/ 6 | 100% | 54 | R&D in the oncology area |
| Sumitomo Pharmaceuticals (Suzhou) Co., Ltd. | 2003/12 | 100% | 727 | Manufacturing and sales of pharmaceuticals |

* Include employees of consolidated subsidiaries

(Reference) Number of employees and MRs

| | As of Mar. 31, 2018 | | As of Mar. 31, 2019 | | As of Dec. 31, 2019 | |
|-------------------------------------|--|-------|------------------------|-------|------------------------|--------------|
| | consolidated / non-consolidated | 6,268 | 3,402 | 6,140 | 3,067 | 6,488 |
| MRs | | | | | | |
| Japan Exclude managers/Total | 1,130 | 1,260 | 1,120 | 1,240 | 1,190 | 1,310 |
| U.S. Exclude managers/Total | 830 | 930 | 720 | 820 | 700 | 800 |
| China Exclude managers/Total | 330 | 400 | 340 | 400 | 330 | 400 |

"MRs" include number of contracted MRs

VIII. Development Pipeline (As of January 30, 2020)

- This table shows clinical studies on indications for which the Sumitomo Dainippon Pharma Group aims to obtain approval in Japan, U.S. or China, and does not cover all clinical studies.
- For oncology area, the study for the most advanced development stage is listed if there are multiple studies with the same indication.
- The development stage is changed when Investigational New Drug Application/amended IND/ Clinical Trial Notification is filed/approved by the authority.

1. Psychiatry & Neurology

| Brand name/ Product code (Generic name) | Proposed indication | Region | Development stage |
|---|--|-------------|--|
| SM-13496 (lurasidone hydrochloride) | Schizophrenia | Japan | NDA submitted in July 2019 |
| | Bipolar depression | Japan | NDA submitted in July 2019 |
| SEP-225289 (dasotraline) | Binge eating disorder (BED) | U.S. | NDA submitted in May 2019 |
| | Attention-deficit hyperactivity disorder (ADHD) | U.S. | NDA submitted in August 2017 Received Complete Response Letter in August 2018 |
| | | Japan | Phase 1 |
| APL-130277 (apomorphine hydrochloride) | OFF episodes associated with Parkinson's disease | U.S. | NDA submitted in March 2018 Received Complete Response Letter in January 2019 NDA resubmitted in November 2019 |
| LONASEN® (blonanserin) | (New usage: pediatric) Schizophrenia | Japan | Phase 3 |
| SEP-363856 | Schizophrenia | U.S. | Phase 3 |
| | | Japan | Phase 1 |
| | Parkinson's disease psychosis | U.S. | Phase 2 |
| EPI-743 (vatiquinone) | Leigh syndrome | Japan | Phase 2/3 |
| EPI-589 | Parkinson's disease | U.S. | Phase 2 |
| | Amyotrophic lateral sclerosis (ALS) | U.S. | Phase 2 |
| | | Japan | Phase 1 |
| SEP-4199 | Bipolar I depression | U.S., Japan | Phase 2 (Global clinical study) |
| DSP-6745 | Parkinson's disease psychosis | U.S. | Phase 1 |
| SEP-378608 | Bipolar disorder | U.S. | Phase 1 |
| DSP-3905 | Neuropathic pain | U.S. | Phase 1 |
| SEP-378614 | Treatment resistant depression | U.S. | Phase 1 |
| SEP-380135 | Agitation in Alzheimer's disease | U.S. | Phase 1 |
| DSP-1181 | Obsessive compulsive disorder | Japan | Phase 1 |

2. Oncology

| Brand name/ Product code (Generic name) | Proposed indication | Region | Development stage |
|---|---|-------------|------------------------------------|
| RETHIO® (thiotepa) | (New indication) Conditioning Treatment Prior to Autologous Hematopoietic Stem Cell Transplantation (HSCT) for malignant lymphoma * Development for the use of unapproved or off-labeled drugs | Japan | NDA submitted in March 2019 |
| BBI608 (napabucasin) | Colorectal cancer (Combination therapy) | U.S., Japan | Phase 3 (Global clinical study) |
| | Hepatocellular carcinoma (Combination therapy) | U.S. | Phase 1/2 |
| | Gastrointestinal cancer (Combination therapy) | U.S. | Phase 1/2 |
| | Solid tumors (Combination therapy) | U.S. | Phase 1/2 |
| relugolix | Prostate cancer (Monotherapy) | U.S. | Phase 3 (Global clinical study) |
| DSP-2033 (alvocidib) | Acute myeloid leukemia (AML) (Combination therapy) (Refractory or relapsed patients) | U.S. | Phase 2 |
| | Myelodysplastic syndromes (MDS) (Combination therapy) | U.S. | Phase 1/2 |
| | Acute myeloid leukemia (AML) (Combination therapy) (Newly diagnosed patients) | U.S. | Phase 1 |
| | Acute myeloid leukemia (AML) (Combination therapy) (Newly diagnosed and refractory or relapsed patients) | Japan | Phase 1 |
| DSP-7888 (adegramotide/ nelatimotide) | Glioblastoma (Combination therapy) | U.S., Japan | Phase 2 (Global clinical study) |
| | Myelodysplastic syndromes (MDS) (Monotherapy) | Japan | Phase 1/2 |
| | Pediatric malignant gliomas (Monotherapy) | Japan | Phase 1/2 |
| | Solid tumors (Combination therapy) | U.S. | Phase 1/2 |
| TP-0903 (dubermatinib) | Chronic lymphocytic leukemia (CLL) (Monotherapy / Combination therapy) | U.S. | Phase 1/2 |
| | Solid tumors (Monotherapy / Combination therapy) | U.S., Japan | Phase 1 |
| DSP-0509 | Solid tumors (Monotherapy / Combination therapy) | U.S. | Phase 1/2 |
| TP-0184 | Solid tumors (Monotherapy) | U.S. | Phase 1 |
| DSP-0337 | Solid tumors (Monotherapy) | U.S. | Phase 1 |
| TP-1287 | Solid tumors (Monotherapy) | U.S. | Phase 1 |
| TP-3654 | Solid tumors (Monotherapy) | U.S. | Phase 1 |
| | Myelofibrosis (Monotherapy / Combination therapy) | U.S. | Phase 1 |

3. Regenerative medicine / cell therapy

| Brand name/ Product code (Generic name) | Proposed indication | Region | Development stage |
|---|--|--------|---|
| RVT-802 | Pediatric congenital athymia | U.S. | BLA submitted in April 2019 Received Complete Response Letter in December 2019 |
| Allo iPS cell-derived dopamine neural progenitor | Parkinson's disease | Japan | Phase 1/2 (Investigator-initiated clinical study) |
| HLCR011 (Allo iPS cell-derived retinal pigment epithelium) | Age-related macular degeneration (AMD) | Japan | Preparing for start of clinical study |

4. Others

| Brand name/ Product code (Generic name) | Proposed indication | Region | Development stage |
|---|---|---------|------------------------------------|
| vibegron | Overactive bladder (OAB) | U.S. | NDA submitted in December 2019 |
| | Overactive bladder (OAB) in men with Benign prostatic hyperplasia (BPH) | U.S. | Phase 3 |
| | IBS-associated pain | U.S. | Phase 2 |
| PXL008 (imeglimin) | Type 2 diabetes | Japan | Phase 3 |
| relugolix | Uterine fibroids | U.S. | Phase 3 (Global clinical study) |
| | Endometriosis | U.S. | Phase 3 (Global clinical study) |
| rodatristat ethyl | Pulmonary arterial hypertension (PAH) | U.S. | Phase 2 |
| MVT-602 | Female infertility | Germany | Phase 2 |
| URO-902 | Overactive bladder (OAB) | U.S. | Phase 2 |

【Main revisions since the announcement of October 2019】

| Changes | Brand name/ Product code (Generic name) | Proposed indication | Region | Development stage |
|---|---|--|---------|---|
| Newly added because of the strategic alliance with Roivant | RVT-802 | Pediatric congenital athymia | U.S. | BLA submitted in April 2019 Received Complete Response Letter in December 2019 |
| | vibegron | Overactive bladder (OAB) | U.S. | NDA submitted in December 2019 |
| | | Overactive bladder (OAB) in men with Benign prostatic hyperplasia (BPH) | U.S. | Phase 3 |
| | | IBS-associated pain | U.S. | Phase 2 |
| | relugolix | Uterine fibroids | U.S. | Phase 3 (Global clinical study) |
| | | Endometriosis | U.S. | Phase 3 (Global clinical study) |
| | | Prostate cancer (Monotherapy) | U.S. | Phase 3 (Global clinical study) |
| | rodatristat ethyl | Pulmonary arterial hypertension (PAH) | U.S. | Phase 2 |
| | MVT-602 | Female infertility | Germany | Phase 2 |
| URO-902 | Overactive bladder (OAB) | U.S. | Phase 2 | |
| Newly added because of studies started | DSP-1181 | Obsessive compulsive disorder | Japan | Phase 1 |
| Deleted from the table due to discontinuation | SB623 | Chronic stroke | U.S. | Phase 2 |

IX. Profiles of Major Products under Development (As of January 30, 2020)

1. Psychiatry & Neurology

dasotraline (SEP-225289) Developed in-house (Sunovion Pharmaceuticals Inc.), Formulation: oral

- SEP-225289 is a dopamine and norepinephrine reuptake inhibitor (DNRI). SEP-225289 has an extended half-life (47-77 hours) that supports the potential for plasma concentrations yielding a continuous therapeutic effect over the 24-hour dosing interval.
- Development stage:
Binge eating disorder (BED): NDA submitted in the U.S. in May 2019
Attention-deficit hyperactivity disorder (ADHD):
U.S.: NDA submitted in August 2017, Complete Response Letter received in August 2018, development strategy under consideration
Japan: Phase 1 in Japan

apomorphine hydrochloride (APL-130277) Developed in-house (Sunovion Pharmaceuticals Inc., from former Cynapsus Therapeutics), Formulation: sublingual film

- APL-130277 is a sublingual film formulation of apomorphine, a dopamine agonist, which is the molecule approved for acute intermittent treatment of OFF episodes associated with Parkinson's disease. It is designed to rapidly, safely and reliably convert a Parkinson's disease patient from the OFF to the ON state while avoiding many of the issues associated with subcutaneous delivery of apomorphine.
- Development stage: NDA submitted in the U.S. in March 2018
NDA resubmitted in the U.S. in November 2019

SEP-363856 Developed in-house (Joint research with Sunovion Pharmaceuticals Inc. and PsychoGenics Inc.), Formulation: oral

- SEP-363856 is an antipsychotic agent with a novel mechanism of action and doesn't show affinity to dopamine D₂ receptors. Sunovion discovered SEP-363856 in collaboration with PsychoGenics using its in vivo phenotypic SmartCube® platform and associated artificial intelligence algorithms. The molecular target(s) responsible for the profile of effects is unknown, but may include agonist effects at serotonin 5-HT_{1A} and TAAR1 (trace amine-associated receptor 1) receptors. Phase 2 results in patients with schizophrenia support the efficacy of SEP-363856 in treating both positive and negative symptoms of schizophrenia, while demonstrating a side effect of profile with notable similarities to placebo; extrapyramidal symptoms, weight gain, lipid and glucose derangements, cardiovascular abnormalities or prolactin elevation.
- Development stage:
Schizophrenia: Phase 3 in the U.S.
Parkinson's disease psychosis: Phase 2 in the U.S.
Schizophrenia: Phase 1 in Japan

vatiquinone (EPI-743) In-licensed from PTC Therapeutics, Inc. (Acquired from BioElectron Technology Corporation), Formulation: oral

- EPI-743 is expected to show efficacy by removing the oxidative stress that is generated excessively by decreased mitochondrial function. It is expected to be the world's first treatment for mitochondrial diseases, beginning with Leigh syndrome, for which there is no effective therapy.
- Development stage:
A Phase 2 / 3 study for Leigh syndrome in Japan completed, development strategy under consideration

EPI-589

In-licensed from PTC Therapeutics, Inc.

(Acquired from BioElectron Technology Corporation), Formulation: oral

- EPI-589 is expected to show efficacy by removing the oxidative stress that is generated excessively by decreased mitochondrial function. It is expected to be developed for neurodegenerative indications arising through redox stress.
Development stage:
Parkinson's disease: Phase 2 in the U.S.
Amyotrophic lateral sclerosis (ALS): Phase 2 in the U.S.
Amyotrophic lateral sclerosis (ALS): Phase 1 in Japan

SEP-4199

Developed in-house (Sunovion Pharmaceuticals Inc.), Formulation: oral

- SEP-4199 is investigated for the treatment of major depressive episodes associated with bipolar I disorder. The mechanism of action is not disclosed at this time.
- Development stage:
Bipolar I depression: Phase 2 in the U.S. and Japan

DSP-6745

Developed in-house, Formulation: oral

- DSP-6745 is a serotonin 5-HT_{2A} and serotonin 5-HT_{2C} receptors dual antagonist, which is expected to be effective for Parkinson's disease psychosis and one or more Parkinson's disease non-motor symptoms (depression, anxiety, or cognitive impairment). In addition, DSP-6745 has negligible affinity for dopamine D₂ receptors.
- Development stage: Parkinson's disease psychosis: Phase 1 in the U.S.

SEP-378608

Developed in-house (Joint research with Sunovion Pharmaceuticals Inc. and PsychoGenics Inc.), Formulation: oral

- SEP-378608 is a novel CNS-active molecule. Sunovion discovered SEP-378608 in collaboration with PsychoGenics using its in vivo phenotypic SmartCube® platform and associated artificial intelligence algorithms. Pre-clinical studies suggest that it may modulate neuronal activity in key areas of the brain associated with the regulation of mood.
- Development stage: Bipolar disorder: Phase 1 in the U.S.

DSP-3905

Developed in-house, Formulation: oral

- DSP-3905 is an agent that selectively inhibits voltage-gated sodium channels Nav1.7. Based on its inhibitory mode of action, the agent is expected to show a potent analgesic effect on the pain occurring when neurons get excessively excited. In addition, DSP-3905 has a high selectivity for Nav1.7 expressed in peripheral neuron and may not produce central nervous system or cardiovascular system side effects, which are present with the current drugs for neuropathic pain.
- Development stage: Neuropathic pain: Phase 1 in the U.S.

SEP-378614

Developed in-house (Joint research with Sunovion Pharmaceuticals Inc. and PsychoGenics Inc.), Formulation: oral

- SEP-378614 is a novel CNS-active molecule. Sunovion discovered SEP-378614 in collaboration with PsychoGenics using its in vivo phenotypic SmartCube® platform and associated artificial intelligence algorithms. Pre-clinical studies suggest that it may have rapid onset and long lasting antidepressant-like activity and enhance neuroplasticity.
- Development stage: Treatment resistant depression: Phase 1 in the U.S.

SEP-380135

Developed in-house (Joint research with Sunovion Pharmaceuticals Inc. and PsychoGenics Inc.), Formulation: oral

- SEP-380135 is a novel CNS-active molecule. Sunovion discovered SEP-380135 in collaboration with PsychoGenics using its in vivo phenotypic SmartCube® platform and associated artificial intelligence algorithms. Pre-clinical studies showed a broad range of in vivo activities suggesting efficacy against a number of behavioral and psychological symptoms in dementia, including agitation/aggression, psychomotor hyperactivity, depression and deficits in social interaction.
- Development stage: Agitation in Alzheimer's disease: Phase 1 in the U.S.

DSP-1181

Developed in-house, Formulation: oral

- DSP-1181 is a novel compound created by Sumitomo Dainippon Pharma using Exscientia's AI technologies. In contrast to conventional serotonin 5-HT_{1A} receptor partial agonists (non-benzodiazepine anxiolytics), DSP-1181 has a potent full agonistic activity for serotonin 5-HT_{1A} receptors and is expected to have a long half-life, therefore it is suggested that DSP-1181 has strong efficacy over a long period of time. In Obsessive compulsive disorder (OCD) model mice manipulated OCD-related neural circuit, DSP-1181 is expected to have an earlier onset of efficacy than a standard medication, a selective serotonin reuptake inhibitor (SSRI).
- Development stage: Obsessive compulsive disorder: Phase 1 in Japan.

2. Oncology**napabucasin (BBI608)**

Developed in-house (Boston Biomedical, Inc.), Formulation: oral

- BBI608 is an orally administered small molecule agent with a novel mechanism of action which is bioactivated by the enzyme NQO1 in cancer cells, which generates reactive oxygen species (ROS) to inhibit cancer stemness and tumor progression-related pathways including STAT3, which is expected to result in cancer cell death.
- Development stage:

| Stage | Proposed indication | Country/ Area | Combination products | Study number |
|-------------|--|---------------|---|--------------|
| Phase 3 | Colorectal cancer (combination therapy) | U.S., Japan | FOLFIRI ^{*3} , FOLFIRI ^{*3} + bevacizumab | CanStem303C |
| Phase 1 / 2 | Solid tumors ^{*1} (combination therapy) | U.S. | paclitaxel | 201 |
| | Hepatocellular carcinoma ^{*2} (combination therapy) | U.S. | sorafenib | HCC-103 |
| | Solid tumors (combination therapy) | U.S. | ipilimumab, pembrolizumab, nivolumab | 201CIT |
| | Gastrointestinal cancer (combination therapy) | U.S., Canada | FOLFOX ^{*3} , FOLFOX ^{*3} + bevacizumab, CAPOX ^{*3} , FOLFIRI ^{*3} , FOLFIRI ^{*3} + bevacizumab, regorafenib, irinotecan | 246 |
| Phase 1 | Pancreatic cancer (combination therapy) | U.S. | gemcitabine + nab-paclitaxel, FOLFIRINOX ^{*3} , FOLFIRI ^{*3} , irinotecan liposome injection + fluorouracil + leucovorin | 118 |

*1 Phase 2 stage: Ovarian cancer, Breast cancer, Melanoma, etc.

*2 Phase 2 stage

*3 FOLFOX: Combination therapy with fluorouracil, leucovorin, oxaliplatin

CAPOX: Combination therapy with capecitabine, oxaliplatin

FOLFIRI: Combination therapy with fluorouracil, leucovorin, irinotecan

FOLFIRINOX: Combination therapy with fluorouracil, leucovorin, irinotecan, oxaliplatin

alvocidib (DSP-2033)

In-licensed from Sanofi S.A., Formulation: injection

- Alvocidib is a small molecule inhibitor of cyclin-dependent kinase 9 (CDK9), a member of cyclin-dependent kinase family, which activates transcription of cancer-related genes. The subsequent down-regulation of MCL-1, an anti-apoptotic gene, may be responsible for the potential clinical anti-cancer activity observed with alvocidib.
- Development stage:

| Stage | Proposed indication | Country/ Area | Combination products | Study number |
|-----------|--|---------------|--|-------------------------|
| Phase 2 | Acute myeloid leukemia (combination therapy) (refractory or relapsed patients) | U.S. | cytarabine, mitoxantrone | TPI-ALV-201 (Zella 201) |
| Phase 2 | Acute myeloid leukemia (monotherapy/combination therapy) (refractory or relapsed patients following treatment with venetoclax combination therapy) | U.S. | cytarabine | TPI-ALV-202 |
| Phase 1/2 | Myelodysplastic syndromes (combination therapy) | U.S. | decitabine, azacitidine | TPI-ALV-102 (Zella 102) |
| Phase 1 | Acute myeloid leukemia (combination therapy) (newly diagnosed patients) | U.S. | cytarabine, daunorubicin | TPI-ALV-101 (Zella 101) |
| | Acute myeloid leukemia (combination therapy) (newly diagnosed and refractory or relapsed patients) | Japan | newly diagnosed: cytarabine, daunorubicin refractory or relapsed : cytarabine, mitoxantrone | DC850101 |
| | Acute myeloid leukemia (combination therapy) (refractory or relapsed patients) | U.S. | venetoclax | M16-186* |

* Co-development with AbbVie

adegramotide/nelatimotide (DSP-7888)

Developed in-house, Formulation: injection

- DSP-7888 is a therapeutic cancer peptide vaccine derived from Wilms' tumor gene 1 (WT1) protein. DSP-7888 is a vaccine containing peptides that induces WT1-specific cytotoxic T lymphocytes (CTLs) and helper T cells. DSP-7888 is expected to become a treatment option for patients with various types of hematologic malignancies and solid tumors that express WT1, by inducing WT1-specific CTLs that attack WT1-expressing cancer cells. By adding a helper T cell-inducing peptide, improved efficacy over that observed with a CTL-inducing peptide alone may be achieved. DSP-7888 is expected to be an option for a wide range of patients.
- Development stage:

| Stage | Proposed indication | Country/ Area | Combination products | Study number |
|-----------|--|---------------|--------------------------|-------------------|
| Phase 2 | Glioblastoma (combination therapy) | U.S., Japan | Bevacizumab | BBI-DSP7888-201G |
| Phase 1/2 | Myelodysplastic syndromes (monotherapy)* | Japan | - | DB650027 |
| | Pediatric malignant gliomas (monotherapy)* | Japan | - | DB601001 |
| | Solid tumors (combination therapy) | U.S. | nivolumab, pembrolizumab | BBI-DSP7888-102CI |

* Phase 2 stage

dubermatinib (TP-0903) In-licensed from University of Utah, Formulation: oral

- TP-0903 is an AXL receptor tyrosine kinase inhibitor, which is known to be involved in acquiring resistance to conventional agents and developing metastatic capacity in cancer cells. TP-0903 may have anti-cancer activities on various cancer types through blocking transition from epithelial to mesenchymal phenotype by inhibiting AXL. TP-0903 has been shown to inhibit AXL signaling and reverse the mesenchymal to epithelial phenotype in pre-clinical studies.
- Development stage:
Chronic lymphocytic leukemia (monotherapy / combination therapy): Phase 1/2 in the U.S.
Solid tumors (monotherapy / combination therapy): Phase 1 in the U.S. and Japan

DSP-0509 Developed in-house, Formulation: injection

- DSP-0509 is a novel Toll-like receptor (TLR) 7 agonist. DSP-0509 may promote the cytokine induction and cytotoxic T lymphocyte (CTL) activation mediated by agonistic effect of TLR 7 expressing in plasmacytoid dendritic cell. Furthermore, DSP-0509 is expected to sustain the immune-mediated anti-cancer activity by induction of immune system memory T cells.
- Development stage: Solid tumors (monotherapy / combination therapy): Phase 1/2 in the U.S.

TP-0184 Developed in-house (Tolero Pharmaceuticals, Inc.), Formulation: oral

- TP-0184 has an inhibitory effect against kinase such as activin A receptor type 1 (ACVR1, also known as ALK2) kinase and transforming growth factor β receptor 1 (TGF β R1, also known as ALK5), part of the transforming growth factor beta (TGF β) receptor superfamily. TP-0184 is expected to show anti-cancer activities through the kinase inhibitory effect.
- Development stage: Solid tumors (monotherapy): Phase 1 in the U.S.

DSP-0337 Developed in-house, Formulation: oral

- DSP-0337 is a small molecule oral prodrug of napabucasin. DSP-0337 is expected to be stable and dispersed in the stomach, and converted to napabucasin in the intestine, which may be absorbed and exert its pharmacologic activities.
- Development stage: Solid tumors (monotherapy): Phase 1 in the U.S.

TP-1287 Developed in-house (Tolero Pharmaceuticals, Inc.), Formulation: oral

- TP-1287 is a small molecule oral agent that inhibits cyclin-dependent kinase 9 (CDK9). TP-1287 has shown favorable oral bioavailability in preclinical studies. It is enzymatically cleaved, yielding alvocidib, a potent inhibitor of CDK9. The oral administration of TP-1287 may allow for administration for a prolonged period, which may lead to a continuous inhibition of CDK9.
- Development stage: Solid tumors (monotherapy): Phase 1 in the U.S.

TP-3654 Developed in-house (Tolero Pharmaceuticals, Inc.), Formulation: oral

- TP-3654 inhibits the inflammatory signaling pathways through inhibition of PIM (proviral integration site for Moloney murine leukemia virus) kinases. PIM kinases are frequently overexpressed in various hematologic malignancies and solid tumors, allowing cancer cells to evade apoptosis and promoting tumor growth.
- Development stage:
Solid tumors (monotherapy): Phase 1 in the U.S.
Myelofibrosis (monotherapy / combination therapy): Phase 1 in the U.S.

3. Regenerative medicine / cell therapy

RVT-802

In-licensed from Duke University

- RVT-802, a one-time regenerative therapy, is cultured human thymus tissue engineered to generate a functioning immune response when implanted in pediatric patients with congenital athymia. The key source material for RVT-802 is human thymus tissue that has been removed during pediatric cardiac surgery for unrelated conditions. Patients receive RVT-802 in the quadricep muscle during a single surgical procedure. The patient's own bone marrow stem cells migrate to RVT-802, where they develop into mature T-cells that can fight infection. For patients who respond to RVT-802, a diverse T-cell population is established and thymic function sufficient to protect from infection usually develops between 6 and 12 months post treatment.
- Development stage: Pediatric congenital athymia: BLA submitted in the U.S. in April 2019, Complete Response Letter received in December 2019

Allo iPS cell-derived products

- In cooperation with the partners in the industry-academia collaboration, we are promoting toward the commercialization of regenerative medicine / cell therapy using allo iPS cell (healthy patients) for AMD (age-related macular degeneration), Parkinson's disease, retinitis pigmentosa, and spinal cord injury.
- Development stage:

| Development code | Partnering | Proposed indication | Area | Development stage |
|------------------|--------------------------|--|-------|--|
| - | Kyoto University CiRA | Parkinson's disease | Japan | Phase 1/2 (Investigator-initiated clinical study) |
| HLCR011 | RIKEN, Healios | Age-related macular degeneration (AMD) | Japan | Preparing for start of clinical study |

4. Others

vibegron

In-licensed from Merck Sharp & Dohme Corp., Formulation: oral

- Vibegron is an oral, once-daily, small molecule β_3 adrenergic receptor agonist. Vibegron selectively acts on the β_3 adrenergic receptor in the bladder, relaxes the bladder, enhances urinary storage, and improves symptoms of urgency, urinary frequency, and urge urinary incontinence in overactive bladder.
- Development stage:
Overactive bladder: NDA submitted in the U.S. in December 2019
Overactive bladder in men with BPH: Phase 3 in the U.S.
IBS-associated pain: Phase 2 in the U.S.

imeglimin (PXL008)

In-licensed from Poxel SA, Formulation: oral

- Imeglimin is a new chemical substance classified as a tetrahydrotriazine compound, and the first clinical candidate in a chemical class. Imeglimin has a unique mechanism of action that targets mitochondrial bioenergetics. Imeglimin acts on all three key organs which play an important role in the treatment of type 2 diabetes: the pancreas, muscles, and the liver, and it has demonstrated glucose lowering benefits by increasing insulin secretion in response to glucose, improving insulin sensitivity and suppressing gluconeogenesis.
- Development stage: Type 2 diabetes: Phase 3 in Japan (Co-development with Poxel)

relugolix In-licensed from Takeda Pharmaceutical Company Ltd, Formulation: oral

- Relugolix is a once-daily, oral gonadotropin-releasing hormone (GnRH) receptor antagonist that reduces testicular testosterone production, the hormone primarily responsible for stimulating prostate cancer, and ovarian estradiol and progesterone production, hormones known to stimulate the growth of uterine fibroids and endometriosis. Myovant is developing a relugolix monotherapy tablet (120 mg) for men with advanced prostate cancer. Myovant is developing a distinct product, relugolix combination tablet (relugolix 40 mg plus estradiol 1.0 mg and norethindrone acetate 0.5 mg) for uterine fibroids and endometriosis.
- Development stage:
Uterine fibroids: Phase 3 in the U.S.
Endometriosis: Phase 3 in the U.S.
Prostate cancer: Phase 3 in the U.S.

rodatristat ethyl In-licensed from Karos Pharmaceuticals, Inc., Formulation: oral

- Rodatristat ethyl is a prodrug of tryptophan hydroxylase (TPH) inhibitor designed to reduce peripheral production of serotonin without entering the brain. It is believed that rodatristat ethyl may halt or reverse the pathology of diseases that are driven by excessive serotonin production, such as PAH, idiopathic pulmonary fibrosis (IPF) and sarcoidosis.
- Development stage: Pulmonary arterial hypertension (PAH): Phase 2 in the U.S.

MVT-602 In-licensed from Takeda Pharmaceutical Company Ltd, Formulation: oral

- MVT-602 is an oligopeptide kisspeptin-1 receptor agonist. Activation of kisspeptin in upstream hypothalamic neurons is hypothesized to lead to the transmission of a signal that stimulates downstream neurons to increase the secretion of GnRH. Continued stimulation of kisspeptin is thought to result in the desensitization of receptor transduction, which is anticipated to result in a complete cessation of the signaling pathway. Myovant is developing MVT-602 as part of the hormonal preparation for women with infertility undergoing in vitro fertilization. MVT-602 is believed to stimulate GnRH which in turn increases secretion of luteinizing hormone that acts as a trigger for egg maturation prior to oocyte collection.
- Development stage: Female infertility: Phase 2 in Germany

URO-902 In-licensed from Ion Channel Innovations, Formulation: injection

- URO-902 is a novel gene therapy for patients with overactive bladder symptoms who have failed oral pharmacologic therapy. URO-902 is a plasmid vector containing a human cDNA encoding the pore-forming component of the Maxi-K ion channel. Expression of the Maxi-K protein in muscle cells is hypothesized to increase potassium ion flow across the cell membrane, reducing excitability of smooth muscle cells. This mechanism could potentially normalize the heightened detrusor smooth muscle tone in overactive bladder, thereby reducing the symptoms of overactive bladder.
- Development stage: Overactive bladder: Phase 2 in the U.S.