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May 11, 2023

**Consolidated Financial Results
for the Fiscal Year Ended March 31, 2023
(Under Japanese GAAP)**

Listed Company: Zeria Pharmaceutical Co., Ltd.

(Stock Exchange: Tokyo Stock Exchange)

Code Number: 4559

(URL: <https://www.zeria.co.jp/>)

Representative: Mitsuhiro Ibe, Representative Director, President & COO

Person in charge of reference: Tomoyuki Nishizawa, Director, Public Relations Division

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Scheduled date of ordinary general meeting of shareholders: June 29, 2023

Scheduled date to commence dividend payments: June 30, 2023

Scheduled date to submit the Securities Report: June 29, 2023

Preparation of supplementary documents to the financial results: Yes

Holding of financial results presentation: Yes (for analysts, institutional investors and the press)

(Amounts under a million yen are truncated.)

1. Consolidated Financial Highlights (April 1, 2022 through March 31, 2023)

(1) Consolidated Financial Results

(Percentage figures indicate changes from the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended								
March 31, 2023	68,383	14.9	9,014	41.6	7,579	27.7	6,195	56.4
March 31, 2022	59,532	12.8	6,366	83.2	5,935	85.0	3,961	26.0

Note: Comprehensive income: For the year ended March 31, 2023: 12,857 million yen [329.6%]

For the year ended March 31, 2022: 2,992 million yen [(52.1)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Year ended					
March 31, 2023	140.26	–	10.3	5.8	13.2
March 31, 2022	87.76	–	7.1	4.8	10.7

Reference: Share of profit (loss) of entities accounted for using equity method: For the year ended March 31, 2023: – million yen

For the year ended March 31, 2022: – million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of				
March 31, 2023	135,034	65,680	48.5	1,484.79
March 31, 2022	124,282	55,092	44.2	1,236.09

Reference: Equity: As of March 31, 2023: 65,449 million yen As of March 31, 2022: 54,894 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of term
	Million yen	Million yen	Million yen	Million yen
Year ended				
March 31, 2023	13,157	(2,574)	(7,415)	16,094
March 31, 2022	8,950	(2,892)	(4,841)	11,579

2. Dividends

	Annual dividends					Total dividends paid (Total)	Payout ratio (Consolidated)	Dividend rate for net assets (Consolidated)
	First quarter	Second quarter	Third quarter	Year-end	Total			
Year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2022	–	17.00	–	18.00	35.00	1,566	39.9	2.8
March 31, 2023	–	18.00	–	22.00	40.00	1,764	28.5	2.9
Year ending March 31, 2024 (Forecast)	–	22.00	–	22.00	44.00		27.7	

3. Consolidated Financial Forecast for Fiscal Year Ending March 31, 2024 (April 1, 2023 through March 31, 2024)

(Percentage figures indicate changes from the same period of the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First six months	35,000	3.8	5,500	(6.7)	5,500	6.1	4,500	12.5	102.09
Full year	73,000	6.8	9,100	0.9	9,000	18.7	7,000	13.0	158.80

* Notes

(1) Significant changes of subsidiaries during the fiscal year ended March 31, 2023 (changes in specified subsidiaries resulting in changes in scope of consolidation): None

Inclusion: – (Company name: –) Exclusion: – (Company name: –)

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: Yes

4) Restatement of prior period financial statements after error corrections: None

Note: For details, please refer to “3. Consolidated Financial Statements and Significant Notes Thereto, (5) Notes to consolidated financial statements (Change in accounting policy) and (Changes in accounting estimates)” on page 16 of the Attached Material.

(3) Number of shares issued (common shares)

1) Number of shares issued as of the end of the term (including treasury shares):

As of March 31, 2023: 53,119,190 shares As of March 31, 2022: 53,119,190 shares

2) Number of shares of treasury shares as of the end of the term:

As of March 31, 2023: 9,038,982 shares As of March 31, 2022: 8,709,322 shares

3) Average number of shares during the term:

For the year ended March 31, 2023: 44,173,346 shares

For the year ended March 31, 2022: 45,139,009 shares

Reference: Summary of Non-consolidated Financial Results

Non-consolidated Financial Highlights (April 1, 2022 through March 31, 2023)

(1) Non-consolidated Financial Results

(Percentage figures indicate changes from the previous year.)

Year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2023	32,960	3.1	1,793	129.2	2,738	71.8	2,157	55.0
March 31, 2022	31,956	1.2	782	100.6	1,594	46.4	1,392	9.3

Year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2023	48.85	—
March 31, 2022	30.85	—

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2023	92,091	38,023	41.3	862.59
March 31, 2022	94,903	38,252	40.3	861.34

Reference: Equity: As of March 31, 2023: 38,023 million yen As of March 31, 2022: 38,252 million yen

* Financial Results Reports Are Not Required to Be Audited by Certified Public Accountants or An Audit Corporation.

* Cautionary Statement with Respect to Appropriate Use of Financial Forecast and Other Special Matters

The description about the future including the projection in this document is based on information available to the Company at present and certain presumptions which the Company considers reasonable. Consequently, any descriptions herein do not constitute assurances regarding actual results by the Company. The actual results for future terms may differ from the information in this document due to various factors. For the assumptions made in financial forecasts and cautions concerning the use thereof, please refer to "1. Summary of Business Results (1) Summary of business results for the current fiscal year" on page 2 of the Attached Material.

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1. Summary of Business Results

(1) Summary of business results for the current fiscal year

(i) Business results for the current fiscal year

Net sales for the current fiscal year were 68,383 million yen (up 14.9% from the previous fiscal year). As for profits, operating profit was 9,014 million yen (up 41.6% from the previous year), ordinary profit was 7,579 million yen (up 27.7% from the previous year), and profit attributable to owners of parent was 6,195 million yen (up 56.4% from the previous year).

In the current fiscal year, the overseas sales to net sales ratio was 47.4%, compared with 41.4% in the previous fiscal year.

Next, we would like to report on the results by business segment.

(Ethical Pharmaceuticals Business)

As for our mainstay product, Asacol, a therapeutic agent for ulcerative colitis, sales in the domestic market faced challenging circumstances, owing to the impact of the NHI drug price revision and the competing products. Despite this, sales increased overall as a result of strong performance in overseas markets such as Northern Europe and the UK due to growth in sales of Asacol 1600 mg. Sales of Entocort (domestic sales name: Zentacort), an inflammatory bowel disease therapeutic agent, increased, as sales grew significantly in various regions including Canada, and also Italy, where the Company established a local subsidiary in 2021 and transitioned to direct-distribution system. Although a generic drug was launched in some European countries in September 2022, the impact on our financial results for the current fiscal year was negligible. In addition, sales of DIFICLIR, a therapeutic agent for *Clostridium difficile* infections, achieved a significant sales growth as a result of aggressive investment of sales resources in response to its recommendation as a first-line drug in the European guidelines for the treatment of infectious diseases. In April 2023, we were transferred approval from Astellas Pharma Inc. for the manufacturing and marketing of the drug in Japan and commenced its sale (domestic sales name: Dafclir). With regard to Ferinject, an iron deficiency anemia treatment launched in the domestic market in September 2020, we are working to build the market, particularly in the obstetrics and gynecology and gastroenterology fields.

As a result, net sales in the business amounted to 43,145 million yen (up 16.6% from the previous fiscal year).

(Consumer Healthcare Business)

As for the Hepalyse range, our mainstay product, although it continued to be affected by the COVID-19 pandemic and a stagnation in demand from inbound tourists, its sales increased owing to the recovery trend in the sales of both the pharmaceutical Hepalyse range and the Hepalyse W range for convenience stores. Sales of the Chondroitin range also remained strong, due in part to aggressive advertising and promotional investments. On the other hand, sales of the WithOne range of botanical laxative products struggled due to the impact from competing products.

In addition, efforts were made to strengthen product lineups, and new products such as Hi Jelly Granules EX, a nutrient tonic that contains royal jelly as the active ingredient, and the chondroitin eye drops Viewclear Hi40 active were launched. We made efforts toward increasing brand awareness for Prefemin, a treatment for premenstrual syndrome (PMS), as the number of stores selling the product is expected to increase because it transferred to a Type-2 OTC drug in April 2023.

As a result, net sales in the business amounted to 25,085 million yen (up 12.1% from the previous fiscal year).

(Other Business)

Net sales in this segment amounted to 152 million yen (down 2.8% from the previous fiscal year), mainly due to insurance agency business and real estate lease revenue.

(Status of Research and Development)

In the Research and Development division, Zeria is carefully selecting development themes and promoting new drug research and development including in-licensed, centered on the priority gastrointestinal field under a global development structure in coordination with Tillotts Pharma AG.

As for Z-100, we are proceeding with clinical development planning and non-clinical trials to facilitate the early commencement of clinical trials for new indications.

Regarding Zeria's own original drug Z-338 (generic name: Acotiamide), we filed separate drug applications for the indication of functional dyspepsia in Thailand, Indonesia, and 12 Latin American countries under license agreements with Meiji Seika Pharma Co., Ltd. and FAES FARMA, S.A. for the exclusive development and marketing of the drug. Approval has been obtained for five of the Latin American countries, including Mexico. Phase III trials are also being conducted for pediatric functional dyspepsia patients in Japan. Part 1 of the trial, in which pharmacokinetics and safety were confirmed, has been completed, and Part 2 is currently underway to confirm efficacy and safety. We have also commenced a Phase II trial in Japan for a new theme ZG-802, aiming to enhance the medical contribution of our original drug Acotiamide. The trial is for the indication of underactive bladder, for which an effective drug treatment has still not been confirmed despite the advance of the super-aging society and growing medical interest globally.

Phase III trials have been completed in Japan for ZG-801, a therapeutic agent for hyperkalemia in-licensed from Vifor (International) AG of Switzerland, and we are proceeding with preparation for the drug application.

As for consumer healthcare products, we have sequentially launched products with distinct features, such as Hi Jelly Granules EX, which contains royal jelly that is freeze-dried using our original technique.

As a result of these activities, research and development expenses for the current fiscal year were 3,456 million yen (down 27.8% from the previous fiscal year).

(ii) Future outlook

For the fiscal year ending March 31, 2024, we forecast net sales of 73,000 million yen (up 6.8% from the previous year), operating profit of 9,100 million yen (up 0.9% from the previous year), ordinary profit of 9,000 million yen (up 18.7% from the previous year), and profit attributable to owners of parent of 7,000 million yen (up 13.0% from the previous year).

Net sales

In the Ethical Pharmaceuticals Business, the Company forecasts that sales will increase, with continued growth expected mainly in the overseas market for Asacol and DIFICLIR. In the Consumer Healthcare Business, the Company expects sales to increase, contributed by sales growth in the Hepalyse range and Chondroitin range as well as products such as the nutrient tonic Hi Jelly Granules EX, which launched in October 2022, and Prefemin, a treatment for premenstrual syndrome (PMS) that transferred to a Type-2 OTC drug in April 2023.

Profit

Despite expected impacts from rising energy and raw materials prices and increases in research and development expenses and other expenses, we forecast an increase in operating profit, ordinary profit, and profit attributable to owners of parent due to the increase in net sales. Our forecast for the exchange rate assumes that the situation of January to April 2023 will continue.

(2) Overview of financial position for the current fiscal year

(i) Assets, liabilities, and net assets

Total assets at the end of the current fiscal year were 135,034 million yen, an increase of 10,752 million yen from the end of the previous fiscal year. Current assets increased 6,540 million yen to 48,203 million yen from the end of the previous fiscal year, and non-current assets increased 4,212 million yen to 86,830

million yen from the end of the previous fiscal year. Major changes in current assets included an increase of 4,514 million yen in cash and deposits and an increase of 1,256 million yen in accounts receivable - trade. Main changes in non-current assets were an increase of 1,452 million yen in property, plant and equipment, and an increase of 2,035 million yen in investments and other assets.

Total liabilities at the end of the current fiscal year were 69,353 million yen, an increase of 163 million yen from the end of the previous fiscal year. Current liabilities increased 2,965 million yen to 47,158 million yen from the end of the previous fiscal year, and non-current liabilities decreased 2,801 million yen to 22,195 million yen from the end of the previous fiscal year. Main changes in current liabilities were an increase of 1,047 million yen in short-term borrowings and an increase of 1,656 million yen in other current liabilities including an increase in accounts payable - other. Main changes in non-current liabilities were a decrease of 3,844 million yen in long-term borrowings, an increase of 1,285 million yen in deferred tax liabilities, and a decrease of 839 million yen in retirement benefit liability.

Net assets at the end of the current fiscal year were 65,680 million yen, an increase of 10,588 million yen from the end of the previous fiscal year. This was due to profit attributable to owners of parent of 6,195 million yen, payment of 1,593 million yen as dividends declared at the end of the previous period and in the current interim period, and an increase of 4,800 million yen in foreign currency translation adjustment.

As a result, equity ratio at the end of the current fiscal year increased by 4.3% from the end of the previous fiscal year to 48.5%.

(ii) Status of cash flows

Cash and cash equivalents (below, "cash") at the end of the current fiscal year increased 4,514 million yen from the beginning of the period to 16,094 million yen. This was due to net cash provided by operating activities of 13,157 million yen, despite net cash used in investing activities of 2,574 million yen and net cash used in financing activities of 7,415 million yen.

The status of each cash flow and its factors for the current fiscal year are as follows.

[Net cash provided by (used in) operating activities]

Net cash provided by operating activities amounted to 13,157 million yen in the current fiscal year (up 4,206 million yen from the previous fiscal year). This was due to factors including profit before income taxes of 7,272 million yen and depreciation of 5,431 million yen.

[Net cash provided by (used in) investing activities]

Net cash used in investing activities totaled 2,574 million yen in the current fiscal year (up 318 million yen from the previous fiscal year). This was mainly due to an expenditure of 2,399 million yen for the purchase of property, plant and equipment.

[Net cash provided by (used in) financing activities]

Net cash used in financing activities totaled 7,415 million yen in the current fiscal year (down 2,573 million yen from the previous fiscal year). This was mainly due to repayments of long-term borrowings of 5,628 million yen and dividends paid of 1,589 million yen.

Trends in cash flow-related indicators

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Equity ratio (%)	45.9	44.2	48.5
Equity ratio based on market value (%)	78.9	68.0	73.3
Ratio of interest-bearing debt to cash flow (years)	7.4	6.0	3.9
Interest coverage ratio (times)	30.8	29.4	43.8

(Notes) 1. Each indicator is calculated as follows.

- (i) Equity ratio: equity/total assets
 - (ii) Equity ratio based on market value: market capitalization/total assets
 - (iii) Ratio of interest-bearing debt to cash flow: interest-bearing debt/cash flow
 - (iv) Interest coverage ratio: cash flow/interest payments
2. All of the above ratios are calculated based on consolidated financial figures.
 3. Market capitalization is calculated based on the number of shares issued excluding treasury shares.
 4. Operating cash flow is used for cash flow calculations.
 5. Interest-bearing debt includes all liabilities on the consolidated balance sheets for which interest is paid.

(3) Basic policy on profit distribution and dividends for the current and next fiscal year

The Company considers the return of profit to shareholders as one of its most important management issues, and our basic profit distribution policy is to pay stable and consistent dividends.

Based on a full consideration of the financial results and other factors, we will pay a year-end dividend for the current fiscal year of 22 yen per share, a 4 yen increase compared to the previous fiscal year. Accordingly, we intend to pay an annual dividend of 40 yen, including an interim dividend of 18 yen (an increase of 5 yen compared to the annual dividend for the previous fiscal year).

For the next fiscal year, we are planning for an annual dividend of 44 yen per share (an increase of 4 yen compared to the current fiscal year), including a dividend of 22 yen per share for both the interim and year-end dividend.

2. Basic Policy on Selection of Accounting Standards

In order to ensure comparability among companies and over time, the Group prepares its consolidated financial statements in accordance with the Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements (excluding Chapters VII and VIII) (Ministry of Finance Order No. 28 of 1976).

It is the Company's policy to apply International Financial Reporting Standards in an appropriate manner, taking into consideration various domestic and overseas circumstances.

3. Consolidated Financial Statements and Significant Notes Thereto

(1) Consolidated balance sheet

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	11,704,282	16,219,078
Notes receivable - trade	231,444	281,188
Accounts receivable - trade	15,975,368	17,231,736
Merchandise and finished goods	6,721,583	6,843,723
Work in process	1,409,684	1,433,308
Raw materials and supplies	3,819,276	4,487,158
Other	1,855,502	1,800,930
Allowance for doubtful accounts	(53,425)	(93,366)
Total current assets	41,663,717	48,203,757
Non-current assets		
Property, plant and equipment		
Buildings and structures	24,540,208	25,304,071
Accumulated depreciation	(17,664,571)	(18,336,259)
Buildings and structures, net	6,875,636	6,967,811
Machinery, equipment and vehicles	15,072,462	15,420,532
Accumulated depreciation	(13,151,051)	(13,850,234)
Machinery, equipment and vehicles, net	1,921,411	1,570,297
Land	12,354,010	12,359,997
Construction in progress	480,590	1,619,218
Other	5,439,464	6,307,809
Accumulated depreciation	(3,931,769)	(4,233,758)
Other, net	1,507,694	2,074,050
Total property, plant and equipment	23,139,343	24,591,375
Intangible assets		
Goodwill	5,830,459	5,299,798
Sales right	27,539,473	28,157,670
Trademark right	6,786,202	7,457,373
Other	1,049,892	1,015,828
Total intangible assets	41,206,029	41,930,669
Investments and other assets		
Investment securities	7,005,587	6,849,304
Deferred tax assets	108,187	136,295
Retirement benefit asset	10,736,005	12,927,173
Other	475,407	442,420
Allowance for doubtful accounts	(51,945)	(46,460)
Total investments and other assets	18,273,242	20,308,733
Total non-current assets	82,618,615	86,830,779
Total assets	124,282,333	135,034,536

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	2,049,590	1,996,122
Short-term borrowings	33,842,933	34,890,470
Income taxes payable	458,297	749,106
Provision for bonuses	1,530,935	1,554,662
Other	6,311,307	7,967,956
Total current liabilities	44,193,063	47,158,318
Non-current liabilities		
Long-term borrowings	18,385,860	14,541,480
Deferred tax liabilities	3,905,088	5,190,743
Provision for loss on cancellation of contracts	490,142	897,300
Retirement benefit liability	1,073,819	234,465
Asset retirement obligations	55,827	56,031
Other	1,086,057	1,275,486
Total non-current liabilities	24,996,794	22,195,507
Total liabilities	69,189,858	69,353,826
Net assets		
Shareholders' equity		
Share capital	6,593,398	6,593,398
Capital surplus	11,685,121	11,685,121
Retained earnings	48,860,697	53,462,589
Treasury shares	(17,593,074)	(18,264,989)
Total shareholders' equity	49,546,143	53,476,120
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(193,416)	(314,469)
Foreign currency translation adjustment	3,215,379	8,015,623
Remeasurements of defined benefit plans	2,326,536	4,272,642
Total accumulated other comprehensive income	5,348,499	11,973,796
Non-controlling interests	197,832	230,793
Total net assets	55,092,474	65,680,710
Total liabilities and net assets	124,282,333	135,034,536

(2) Consolidated statement of income and consolidated statement of comprehensive income
Consolidated statement of income

(Thousands of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	59,532,829	68,383,227
Cost of sales	17,384,577	18,894,627
Gross profit	42,148,251	49,488,600
Selling, general and administrative expenses	35,782,192	40,473,626
Operating profit	6,366,058	9,014,973
Non-operating income		
Interest income	17,239	67,887
Dividend income	192,216	228,766
Other	78,050	82,842
Total non-operating income	287,506	379,496
Non-operating expenses		
Interest expenses	315,462	337,281
Foreign exchange losses	329,990	1,416,679
Other	72,465	61,059
Total non-operating expenses	717,918	1,815,020
Ordinary profit	5,935,646	7,579,449
Extraordinary income		
Gain on sale of non-current assets	3,513	1,916
Gain on sale of investment securities	14,589	19,940
Total extraordinary income	18,103	21,856
Extraordinary losses		
Loss on retirement of non-current assets	4,027	6,135
Provision for loss on cancellation of contracts	227,958	322,472
Total extraordinary losses	231,985	328,608
Profit before income taxes	5,721,764	7,272,698
Income taxes - current	726,625	823,257
Income taxes - deferred	1,020,344	242,629
Total income taxes	1,746,969	1,065,887
Profit	3,974,794	6,206,810
Profit attributable to non-controlling interests	13,609	10,945
Profit attributable to owners of parent	3,961,184	6,195,865

Consolidated statement of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	3,974,794	6,206,810
Other comprehensive income		
Valuation difference on available-for-sale securities	(330,865)	(121,052)
Foreign currency translation adjustment	636,557	4,826,049
Remeasurements of defined benefit plans, net of tax	(1,287,618)	1,946,105
Total other comprehensive income	(981,925)	6,651,102
Comprehensive income	2,992,868	12,857,913
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,958,880	12,821,162
Comprehensive income attributable to non-controlling interests	33,987	36,750

(3) Consolidated statement of changes in equity

Fiscal year ended March 31, 2022

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,593,398	11,685,121	46,353,650	(14,997,702)	49,634,467
Changes during period					
Change in scope of consolidation			89,448		89,448
Dividends of surplus			(1,543,585)		(1,543,585)
Profit attributable to owners of parent			3,961,184		3,961,184
Purchase of treasury shares				(2,595,372)	(2,595,372)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	2,507,047	(2,595,372)	(88,324)
Balance at end of period	6,593,398	11,685,121	48,860,697	(17,593,074)	49,546,143

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	137,448	2,599,199	3,614,155	6,350,802	167,402	56,152,673
Changes during period						
Change in scope of consolidation						89,448
Dividends of surplus						(1,543,585)
Profit attributable to owners of parent						3,961,184
Purchase of treasury shares						(2,595,372)
Net changes in items other than shareholders' equity	(330,865)	616,179	(1,287,618)	(1,002,303)	30,429	(971,874)
Total changes during period	(330,865)	616,179	(1,287,618)	(1,002,303)	30,429	(1,060,198)
Balance at end of period	(193,416)	3,215,379	2,326,536	5,348,499	197,832	55,092,474

Fiscal year ended March 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,593,398	11,685,121	48,860,697	(17,593,074)	49,546,143
Changes during period					
Dividends of surplus			(1,593,973)		(1,593,973)
Profit attributable to owners of parent			6,195,865		6,195,865
Purchase of treasury shares				(671,914)	(671,914)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	4,601,891	(671,914)	3,929,976
Balance at end of period	6,593,398	11,685,121	53,462,589	(18,264,989)	53,476,120

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	(193,416)	3,215,379	2,326,536	5,348,499	197,832	55,092,474
Changes during period						
Dividends of surplus						(1,593,973)
Profit attributable to owners of parent						6,195,865
Purchase of treasury shares						(671,914)
Net changes in items other than shareholders' equity	(121,052)	4,800,244	1,946,105	6,625,297	32,961	6,658,258
Total changes during period	(121,052)	4,800,244	1,946,105	6,625,297	32,961	10,588,235
Balance at end of period	(314,469)	8,015,623	4,272,642	11,973,796	230,793	65,680,710

(4) Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	5,721,764	7,272,698
Depreciation	4,700,838	5,431,037
Amortization of goodwill	699,707	717,233
Increase (decrease) in provision for bonuses	220,865	(67,288)
Increase (decrease) in provision for loss on cancellation of contracts	179,902	322,472
Increase (decrease) in retirement benefit liability	218,716	(27,233)
Interest and dividend income	(209,456)	(296,653)
Interest expenses	315,462	337,281
Foreign exchange losses (gains)	(53,551)	(106,464)
Loss (gain) on sale of investment securities	(14,589)	(19,940)
Decrease (increase) in trade receivables	(2,029,753)	(171,927)
Decrease (increase) in inventories	(542,344)	(150,258)
Increase (decrease) in trade payables	284,495	(207,545)
Decrease (increase) in other current assets	1,412,991	126,178
Increase (decrease) in other current liabilities	(223,635)	1,185,433
Decrease (increase) in retirement benefit asset	(763,810)	(656,104)
Other, net	3,589	36,895
Subtotal	9,921,192	13,725,813
Interest and dividends received	209,456	296,668
Interest paid	(304,746)	(300,687)
Income taxes paid	(874,969)	(564,379)
Net cash provided by (used in) operating activities	8,950,932	13,157,415
Cash flows from investing activities		
Payments into time deposits	(125,000)	(125,000)
Proceeds from withdrawal of time deposits	125,000	125,000
Purchase of property, plant and equipment	(1,063,805)	(2,399,782)
Purchase of intangible assets	(356,699)	(257,954)
Purchase of investment securities	(1,640,950)	(157,718)
Proceeds from sale and redemption of investment securities	163,769	215,908
Other payments	(6,150)	(5,274)
Other proceeds	11,021	30,304
Net cash provided by (used in) investing activities	(2,892,814)	(2,574,517)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(13,241,762)	279,722
Proceeds from long-term borrowings	16,158,850	500,000
Repayments of long-term borrowings	(3,388,135)	(5,628,975)
Repayments of lease liabilities	(225,371)	(297,963)
Purchase of treasury shares	(2,603,156)	(673,928)
Dividends paid	(1,538,123)	(1,589,995)
Dividends paid to non-controlling interests	(3,513)	(3,929)
Net cash provided by (used in) financing activities	(4,841,212)	(7,415,068)
Effect of exchange rate change on cash and cash equivalents	564,008	1,346,966
Net increase (decrease) in cash and cash equivalents	1,780,913	4,514,795
Cash and cash equivalents at beginning of period	9,668,938	11,579,282
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	129,430	—
Cash and cash equivalents at end of period	11,579,282	16,094,078

(5) Notes to consolidated financial statements

(Notes on premise of a going concern)

Not applicable.

(Significant matters that form the basis for the preparation of consolidated financial statements)

1 Scope of consolidation

(A) Number of consolidated subsidiaries: 17

Tillotts Pharma AG
Tillotts Pharma AB
Tillotts Pharma Ltd.
Tillotts Pharma UK Ltd.
Tillotts Pharma Czech s.r.o.
Tillotts Pharma Spain S.L.U.
Tillotts Pharma GmbH
Tillotts Pharma France SAS
Tillotts Pharma Italy srl
Pharmaceutical Joint Stock Company of February 3rd
ZPD A/S
Zeria Healthway Co., Ltd.
IONA INTERNATIONAL CORPORATION
Kenso-Seiyaku Co., Ltd.
Zevice Co., Ltd.
Zeriap Co., Ltd.
Zeria USA, INC.

(B) Major non-consolidated subsidiaries

Zeria Shoji Co., Ltd.

Zeria Ecotech Co., Ltd.

Non-consolidated subsidiaries are excluded from the scope of consolidation because they are small companies and their combined total assets, net sales, net income or loss, and retained earnings do not have a material impact on the consolidated financial statements.

2 Application of equity method

Names of major non-consolidated subsidiaries not accounted for by the equity method

Zeria Shoji Co., Ltd.

Zeria Ecotech Co., Ltd.

Non-consolidated subsidiaries not accounted for by the equity method are excluded from the scope of equity method because their net income and retained earnings have a minimal effect on the consolidated financial statements and they are insignificant in the aggregate.

3 Fiscal year of consolidated subsidiaries

Of the consolidated subsidiaries, Tillotts Pharma AG, Pharmaceutical Joint Stock Company of February 3rd, ZPD A/S, and other overseas consolidated subsidiaries have a fiscal year ending December 31.

In preparing the consolidated financial statements, the financial statements of these subsidiaries as of their fiscal year-end are used. However, adjustments necessary for consolidation are made for significant transactions that occurred between January 1 and March 31, the end of the consolidated fiscal year.

4 Matters related to accounting policies

(A) Valuation standards and methods for significant assets

(1) Investment securities

Other securities

Other than stocks and other securities without market price

..... Market value method (unrealized gains or losses are reported as a separate component of net assets, and the cost of securities sold is determined by the moving-average method)

- Stocks and other securities without market price
 - Cost method based on the moving-average method
 - (2) Derivatives
 - Market value method
 - (3) Inventories
 - Mainly stated at cost determined by the weighted average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins)
- (B) Depreciation and amortization method for significant depreciable assets
- (1) Property, plant and equipment (excluding leased assets)

The straight-line method is used for the Saitama Plant (including warehouses) and Tsukuba Plant, and the declining-balance method is used for all others. However, buildings (excluding facilities attached to buildings) acquired on or after April 1, 1998 and facilities attached to buildings and structures acquired on or after April 1, 2016 are depreciated using the straight-line method. Overseas consolidated subsidiaries use the straight-line method.

The useful lives of major assets are as follows.

Buildings and structures	3 to 50 years
Machinery, equipment and vehicles	2 to 15 years
 - (2) Intangible assets (excluding leased assets)

The straight-line method is used.

Software for internal use is amortized by the straight-line method over the estimated useful life (5 years).
 - (3) Leased assets

Finance lease transactions that do not transfer ownership are depreciated using the straight-line method over the lease period with a residual value of zero.
 - (4) Long-term prepaid expenses

The straight-line method is used.
- (C) Accounting for significant provisions
- (1) Allowance for doubtful accounts

To provide for possible bad debt expenses on trade receivables, etc. as of the end of the current fiscal year, an allowance for doubtful accounts is provided in the amount deemed uncollectible based on historical bad debt ratios for general receivables and on an individual assessment of collectibility for specific receivables for which there is concern about default.
 - (2) Provision for bonuses

To provide for bonuses to employees to be paid after the next fiscal year, an amount accrued for the current fiscal year among the estimated future payments is recorded.
 - (3) Provision for loss on cancellation of contracts

To provide for losses due to contract cancellations, an allowance is provided for the estimated amount of losses.
- (D) Accounting for retirement benefits
- (1) Method of attributing estimated retirement benefits to periods of service

The estimated amount of retirement benefits is attributed to the period until the end of the current fiscal year based on the benefit calculation method.
 - (2) Method of amortizing actuarial gains and losses and prior service cost

Prior service cost is amortized by the straight-line method over a fixed number of years (10 years) within the average remaining service period of employees at the time the cost is incurred. Actuarial gains and losses are amortized by the straight-line method over a fixed number of years (10 years) within the average remaining service period of employees at the time of their accrual, starting from the following fiscal year of accrual.
 - (3) Accounting for unrecognized actuarial gains and losses and unrecognized prior service cost

Unrecognized actuarial gains and losses and unrecognized prior service cost are recognized in accumulated other comprehensive income under net assets, remeasurements of defined benefit plans, after adjusting for tax effects.

(E) Basis for recording significant income and expenses

The Group's principal business is the manufacture and sale of products and the sale of merchandise in the Ethical Pharmaceuticals Business and Consumer Healthcare Business. For the sale of these products and merchandise, the Group usually recognizes revenue when the products and merchandise are inspected and accepted by the customer, since it is considered that the customer has acquired control over the products and merchandise and the performance obligation has been satisfied when the products and merchandise are inspected and accepted by the customer. For sales in Japan, revenue is recognized at the time of shipment if the period between the time of shipment and the time of acceptance by the customer is a normal period of time. Revenue is measured at the amount of consideration promised in the contract with the customer, less any returns, discounts and rebates. Deductions other than those for confirmed payments, such as rebates and sales incentives paid to customers, are estimated and recognized to the extent that it is probable that a material reversal will not occur, taking into consideration the content of the contract and past results.

The consideration for transactions is received within one year of satisfaction of the performance obligation and does not include a significant financial component. Certain consolidated subsidiaries identify points granted to customers as performance obligations, allocate the transaction price based on the independent sales price, and recognize revenue when the points are used.

(F) Basis of translation of significant assets and liabilities denominated in foreign currencies into Japanese yen

Receivables and liabilities denominated in foreign currencies are translated into yen at the spot exchange rates prevailing on the consolidated balance sheet date, with translation differences recognized as gains or losses. Assets and liabilities of overseas consolidated subsidiaries are translated into yen at the spot exchange rate on the balance sheet date of the overseas consolidated subsidiaries, and revenues and expenses are translated into yen at the average exchange rate during the accounting period of the relevant overseas consolidated subsidiaries, with the translation differences included in the foreign currency translation adjustments and non-controlling interests in net assets.

(G) Significant hedge accounting methods

(1) Hedge accounting methods

In principle, deferred hedge accounting is applied. Foreign exchange contracts that meet the requirements for allocation method are accounted for using the allocation method.

(2) Hedging instruments and hedged items

Forward exchange contracts are used as hedging instruments and forecasted import transactions denominated in foreign currencies are used as hedged items.

(3) Hedging policy

The Company uses forward exchange contracts and other hedging instruments to hedge foreign exchange fluctuation risks of forecasted import transactions denominated in foreign currencies, and hedging instruments, such as forward exchange contracts, are made within the scope of forecasted import transactions denominated in foreign currencies that are hedged items.

(4) Evaluation of hedge effectiveness

The evaluation of hedge effectiveness is omitted because the hedging instruments are identical to the material terms of the hedged forecasted transactions, and it can be assumed that the hedging instruments will completely offset the market fluctuations at the inception of the hedge and continuously thereafter.

(H) Amortization method and period of goodwill

Goodwill of Tillotts Pharma AG, Pharmaceutical Joint Stock Company of February 3rd and ZPD A/S is amortized by the straight-line method over 20 years.

(I) Scope of cash in the consolidated statements of cash flows

Cash (cash and cash equivalents) in the consolidated statements of cash flows include cash on hand, deposits that can be withdrawn on demand, and short-term investments with maturities of three months or less at the time of acquisition that are readily convertible to cash and are exposed to insignificant risk of changes in value.

(Change in accounting policy)

Adoption of the Implementation Guidance on Accounting Standard for Fair Value Measurement

The Company adopted the Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31, June 17, 2021) from the beginning of the current fiscal year. In accordance with the transitional treatment prescribed in paragraph 27-2 of the Implementation Guidance on Accounting Standard for Fair Value Measurement, the new accounting policies prescribed by the Implementation Guidance on Accounting Standard for Fair Value Measurement are to be applied prospectively. There is no impact on the consolidated financial statements for the current fiscal year.

(Changes in accounting estimates)

Previously, the trademark right for the product Entocort, held by our subsidiary Tillotts Pharma AG, was not amortized because its useful life could not be determined. However, since a generic drug was launched in some European countries, the Company started to amortize the right by estimating the remaining useful life of 13 years as the period when the brand can be maintained in the future.

As a result, operating profit, ordinary profit and profit before income taxes for the current fiscal year each decreased by 285,295 thousand yen.

(Additional information)

Effect of change in corporate tax rate

In the Swiss canton where our subsidiary Tillotts Pharma AG is headquartered, the corporate income tax rate was reduced. Consequently, deferred tax assets and deferred tax liabilities related to temporary differences expected to reverse in the next fiscal year or thereafter were calculated using the statutory effective tax rate after the reduction in the corporate income tax rate.

As a result, income taxes - deferred for the current fiscal year decreased by 802,670 thousand yen.

(Segment information, etc.)

[Segment information]

1. Overview of reportable segments

The Company's reportable segments are components of the Company for which separate financial statements are available and which are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate their performance.

The Company's reportable segments are Ethical Pharmaceuticals Business and Consumer Healthcare Business, as the Company's business activities are focused on ethical and OTC drugs.

In the Ethical Pharmaceuticals Business, the Company conducts research, development, manufacturing, and sales of ethical pharmaceuticals.

In the Consumer Healthcare Business, the Company conducts manufacturing, purchase, and sales of OTC drugs, health foods, quasi-drugs, and cosmetics for self-medication.

2. Method of calculating net sales, profit or loss, assets, liabilities and other items by reportable segment

The accounting method for reported business segments is generally the same as that described in the "Significant matters that form the basis for the preparation of consolidated financial statements."

Profits of reportable segments are based on operating profit (after amortization of goodwill), and intersegment revenues and transfers are based on prevailing market prices.

3. Information on net sales, profit or loss, assets, liabilities and other items by reportable segment

Previous fiscal year (April 1, 2021 to March 31, 2022)

(Thousands of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	Ethical Pharmaceutic als Business	Consumer Healthcare Business	Total				
Net sales							
Sales to external customers	37,006,163	22,370,061	59,376,224	156,604	59,532,829	–	59,532,829
Intersegment sales and transfers	–	96	96	558,468	558,565	(558,565)	–
Total	37,006,163	22,370,157	59,376,321	715,073	60,091,394	(558,565)	59,532,829
Segment profit	6,911,845	4,038,239	10,950,085	261,047	11,211,132	(4,845,074)	6,366,058
Segment assets	68,184,856	27,106,630	95,291,486	5,006,873	100,298,359	23,983,973	124,282,333
Other items							
Depreciation	3,657,903	863,256	4,521,160	82,997	4,604,157	96,681	4,700,838
Amortization of goodwill	506,749	192,957	699,707	–	699,707	–	699,707
Increase in property, plant and equipment and intangible assets	641,547	562,919	1,204,466	38,549	1,243,015	216,851	1,459,867

- (Notes)
- "Other" is a business segment not included in the reportable segments and includes the insurance agency business and real estate business.
 - Adjustment of segment profit of (4,845,074) thousand yen is mainly corporate expenses such as general and administrative expenses that are not allocated to each reportable segment.
 - Adjustment of segment assets of 23,983,973 thousand yen is mainly corporate assets not allocated to each reportable segment.
 - Segment profit is adjusted with operating profit in the consolidated financial statements.
 - Depreciation and increase in property, plant and equipment and intangible assets include amortization and increase in long-term prepaid expenses.

Current fiscal year (April 1, 2022 to March 31, 2023)

(Thousands of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	Ethical Pharmaceutic als Business	Consumer Healthcare Business	Total				
Net sales							
Sales to external customers	43,145,144	25,085,823	68,230,968	152,258	68,383,227	–	68,383,227
Intersegment sales and transfers	2,848	105	2,954	505,162	508,117	(508,117)	–
Total	43,147,993	25,085,929	68,233,923	657,421	68,891,344	(508,117)	68,383,227
Segment profit	8,721,162	4,970,801	13,691,964	242,317	13,934,282	(4,919,308)	9,014,973
Segment assets	77,099,979	27,541,466	104,641,445	4,962,023	109,603,468	25,431,067	135,034,536
Other items							
Depreciation	4,363,627	866,949	5,230,576	86,122	5,316,699	114,337	5,431,037
Amortization of goodwill	512,008	205,224	717,233	–	717,233	–	717,233
Increase in property, plant and equipment and intangible assets	2,214,429	555,907	2,770,337	82,335	2,852,672	283,989	3,136,661

- (Notes)
1. “Other” is a business segment not included in the reportable segments and includes the insurance agency business and real estate business.
 2. (i) Adjustment of segment profit of (4,919,308) thousand yen is mainly corporate expenses such as general and administrative expenses that are not allocated to each reportable segment.
(ii) Adjustment of segment assets of 25,431,067 thousand yen is mainly corporate assets not allocated to each reportable segment.
 3. Segment profit is adjusted with operating profit in the consolidated financial statements.
 4. Depreciation and increase in property, plant and equipment and intangible assets include amortization and increase in long-term prepaid expenses.

[Related information]

Previous fiscal year (April 1, 2021 to March 31, 2022)

1. Information by product and service

(Thousands of yen)

	Ethical pharmaceuticals	Consumer healthcare products	Other	Total
Sales to external customers	37,006,163	22,370,061	156,604	59,532,829

2. Information by region

(1) Net sales

(Thousands of yen)

Japan	Europe	Other	Total
34,863,897	20,954,241	3,714,690	59,532,829

(Notes) 1. Net sales are based on the location of customers and are classified by country or region.

2. Major countries or regions included in each category

Other: Asia, Africa, Oceania, Latin America, and North America

(2) Property, plant and equipment

(Thousands of yen)

Japan	Other	Total
20,460,876	2,678,466	23,139,343

(Note) Major countries or regions included in each category

Other: Europe and Asia

Current fiscal year (April 1, 2022 to March 31, 2023)

1. Information by product and service

(Thousands of yen)

	Ethical pharmaceuticals	Consumer healthcare products	Other	Total
Sales to external customers	43,145,144	25,085,823	152,258	68,383,227

2. Information by region

(1) Net sales

(Thousands of yen)

Japan	UK	Europe	Other	Total
36,000,666	7,327,707	20,153,345	4,901,507	68,383,227

(Notes) 1. Net sales are based on the location of customers and are classified by country or region.

2. Major countries or regions included in each category

Other: Asia, Africa, Oceania, Latin America, and North America

(2) Property, plant and equipment

(Thousands of yen)

Japan	Europe	Asia	Total
20,006,950	2,842,148	1,742,277	24,591,375

[Information on impairment losses on fixed assets by reportable segment]

Previous fiscal year (April 1, 2021 to March 31, 2022)

Not applicable.

Current fiscal year (April 1, 2022 to March 31, 2023)

Not applicable.

[Information on amortization of goodwill and unamortized balance by reportable segment]

Previous fiscal year (April 1, 2021 to March 31, 2022)

(Thousands of yen)

	Ethical Pharmaceuticals Business	Consumer Healthcare Business	Other	Total
Amortization for the current fiscal year	506,749	192,957	–	699,707
Balance at end of period	4,021,520	1,808,939	–	5,830,459

Current fiscal year (April 1, 2022 to March 31, 2023)

(Thousands of yen)

	Ethical Pharmaceuticals Business	Consumer Healthcare Business	Other	Total
Amortization for the current fiscal year	512,008	205,224	–	717,233
Balance at end of period	3,569,444	1,730,353	–	5,299,798

[Information on gain on bargain purchase by reportable segment]

Previous fiscal year (April 1, 2021 to March 31, 2022)

Not applicable.

Current fiscal year (April 1, 2022 to March 31, 2023)

Not applicable.

(Per share information)

(Yen)

	Previous fiscal year (April 1, 2021 to March 31, 2022)	Current fiscal year (April 1, 2022 to March 31, 2023)
Net assets per share	1,236.09	1,484.79
Profit per share	87.76	140.26

(Notes) 1. Diluted profit per share is not shown in the above table, as there are no dilutive shares.

2. Basis for calculation of net assets per share is as follows.

Item	End of previous fiscal year (March 31, 2022)	End of current fiscal year (March 31, 2023)
Total net assets (thousand yen)	55,092,474	65,680,710
Amount deducted from total net assets (thousand yen)	197,832	230,793
[Of which, non-controlling interests (thousand yen)]	[197,832]	[230,793]
Net assets related to common shares at the end of the period (thousand yen)	54,894,642	65,449,916
Number of common shares issued and outstanding (shares)	53,119,190	53,119,190
Number of treasury common shares (shares)	8,709,322	9,038,982
Number of common shares used for calculation of net assets per share (shares)	44,409,868	44,080,208

3. Basis for calculation of profit per share is as follows.

Item	Previous fiscal year (April 1, 2021 to March 31, 2022)	Current fiscal year (April 1, 2022 to March 31, 2023)
Profit attributable to owners of parent (thousand yen)	3,961,184	6,195,865
Profit attributable to owners of parent related to common shares (thousand yen)	3,961,184	6,195,865
Average number of common shares during the period (shares)	45,139,009	44,173,346

(Significant subsequent events)

Not applicable.

4. Other

(1) Sales of major products and merchandise Consolidated

(Thousands of yen)

	Previous fiscal year April 1, 2021 to March 31, 2022	Current fiscal year April 1, 2022 to March 31, 2023	Percentage change (%)
1. Ethical Pharmaceuticals Business	37,006,163	43,145,144	16.6
Asacol	17,476,480	19,511,190	11.6
DIFICLIR	5,211,038	8,345,617	60.2
Entocort	4,480,006	5,688,312	27.0
Acofide	3,154,149	3,108,507	(1.4)
Other	6,684,488	6,491,516	(2.9)
2. Consumer Healthcare Business	22,370,061	25,085,823	12.1
Hepalyse range	7,770,683	9,848,681	26.7
Chondroitin range	5,135,343	5,421,820	5.6
WithOne range	1,359,670	1,266,766	(6.8)
Other	8,104,363	8,548,555	5.5
3. Other Business	156,604	152,258	(2.8)
Total	59,532,829	68,383,227	14.9

(2) Status of pipeline of new drugs

I. Domestic

As of May 11, 2023

Stage	Development Code/ Generic Name	Development	Indications	Classification	Origin
NDA in preparation	ZG-801/Patiromer Sorbitex Calcium	Zeria	Hyperkalemia	Potassium binder	In-licensed
Phase III	Z-338/Acotiamide	Zeria	Pediatric functional dyspepsia	Upper gastrointestinal motility modulator	Original
Phase II	ZG-802/Acotiamide	Zeria	Underactive bladder	Lower urinary tract function modulator	Original
Phase II* (Investigator- Initiated Trial)	Z-338/Acotiamide	Kyushu University	Esophagogastric junction outflow obstruction	Upper gastrointestinal motility modulator	Original

*: Supported by a grant from Japan Agency for Medical Research and Development (AMED)

II. Overseas

Stage	Development Code/ Generic Name	Development	Indications	Classification	Origin
Phase III (Europe)	Z-338/Acotiamide	Zeria	Functional dyspepsia	Upper gastrointestinal motility modulator	Original
NDA approved (Mexico, Honduras, Dominican Republic, Ecuador, Chile)	Z-338/Acotiamide	Faes Farma	Functional dyspepsia	Upper gastrointestinal motility modulator	Original (Out- licensed)
NDA filed (Colombia, Peru, Costa Rica, Guatemala, Panama, Nicaragua, El Salvador)	Z-338/Acotiamide	Faes Farma	Functional dyspepsia	Upper gastrointestinal motility modulator	Original (Out- licensed)
NDA filed (Thailand, Indonesia)	Z-338/Acotiamide	Meiji Seika Pharma	Functional dyspepsia	Upper gastrointestinal motility modulator	Original (Out- licensed)