Exploring the Innovative Promise of Glycoscience

Financial Results for the 3rd Quarter of Fiscal Year 2021

(April 1, 2021 – December 31, 2021)

SEIKAGAKU CORPORATION

(TSE:4548)

Contents

< Cautionary Notes >

This material contains forward-looking statements regarding future management strategies or performance forecasts. These statements are based on judgments derived from information that is currently available to Seikagaku and are subject to risk and uncertainty. Actual results and developments may differ significantly from these forward-looking statements due to various factors.

Information about pharmaceutical products or medical devices (including products currently in development) included in this material is not intended to constitute an advertisement or medical advice.

Overview for 3Q of FY 2021

(Millions of Yen)	3Q FY2021 Results	Year-on-Year		(Reference) FY2021 Full Year Forecasts	
		Change	% of Change	FY 2021 Forecasts	Degree of Progress
Net sales	**28,145**	**+7,595**	**+37.0%**	**32,200**	**87.4%**
Operating Income	**6,234**	**+4,610**	**+283.7%**	**4,550**	**137.0%**
Ordinary Income	**6,905**	**+4,822**	**+231.5%**	**4,650**	**148.5%**
Net Income	**5,364**	**+3,505**	**+188.6%**	**3,650**	**147.0%**
R&D Expenses (excluding royalty income)	**5,855** (23.8%)	**+474** (-2.6pt)	**+8.8%**	**7,900** (28.3%)	**74.1%**
Average Exchange Rate (1US$)	¥111.10	+4.99			

	3Q FY2021 Results	2Q FY2020 Results	(Reference) FY2021 Forecasts
Net Income per Share	**¥95.25**	¥32.94	¥64.83*2
SKK EBITDA*1	**6,957million yen**	2,221million yen	5,750million yen

*1 SKK EBITDA : A profit indicator that adds depreciation to operating income
*2 Including the impact of the acquisition of treasury stock in July 2021

Net sales by Business Segment (3Q of FY2021)

(Millions of Yen)	3Q FY2021 Results	Year-on-Year	% of Change
Net sales	28,145	+7,595	+37.0%
Pharmaceuticals	21,420	+5,830	+37.4%
Domestic Pharmaceuticals	9,173	-20	-0.2%
Overseas Pharmaceuticals	6,743	+2,079	+44.6%
Bulk Products /CDMO	1,952	+417	+27.2%
Royalty Income	3,550	+3,354	+1,714.0%
LAL Business	6,725	+1,765	+35.6%
(Overseas sales)	13,922	+4,114	+42.0%

＊ Foreign exchange impact on overall net sales ： approx. +450million yen

Domestic Pharmaceuticals

▶ ARTZ (Joint-function improving agent)

- Market recovering from impact of COVID-19 (+2.6%)
- Higher unit deliveries to medical institutions (+4.8%)
- Market share increased (+1.3%)
- Sales offset impact of NHI drug price reductions by increasing volumes and were at prior-year level

▶ JOYCLU (Joint-function improving agent)

- May 19, 2021 launched
- Providing information to ensure appropriate use, striving for early investigation of cause
- Due to issuance of Blue Letter, sales of products due for shipping were recorded as negative in 3Q

▶ OPEGAN series (Ophthalmic viscoelastic devices)

- Market recovering from impact of COVID-19 (+6.6%)
- Higher unit deliveries to medical institutions (+2.8%)
- In addition to reduced shipments from high level in 3Q FY2020, sales decreased due to impact of NHI drug price reductions

▶ MucoUp (Submucosal injection agent for endoscopic surgery)

- Sales increased due to impact of shipment timing

▶ HERNICORE (Treatment for lumbar disc herniation)

- Higher unit deliveries to medical institutions and increased sales

Net sales by Business Segment (3Q of FY2021)

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Overseas Pharmaceuticals

*Foreign exchange impact on Overseas Pharmaceuticals: approx. +300 million yen

▶ Gel-One in the U.S. (Single injection)

- Market almost recovered from impact of COVID-19
- Local sales volume increased due to successful measures to promote switching from competing products and continued preference for products requiring low number of injections (approx. +20%)
- Seikagaku exports also increased

▶ SUPARTZ FX in the U.S. (Multiple injection)

- Local sales volume increased due to rebound from impact of COVID-19 in previous year
- Seikagaku exports increased as a result of earlier-than-planned shipments

▶ ARTZ in China (Multiple injection)

- Changes in the market environment due to government price restraint measures, centralized purchasing, etc.
- Local sales volume increased due to aggressive sales promotion activities
- Seikagaku exports also increased due to concentration of shipment timing

Net sales by Business Segment (3Q of FY2021)

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Bulk Products / CDMO

*Foreign exchange impact on Bulk Products/CDMO: approx. +100million yen

Despite sales of bulk products declining, sales of CDMO, etc. at Dalton Chemical Laboratories, Inc. increased

Royalty Income

Substantial increase

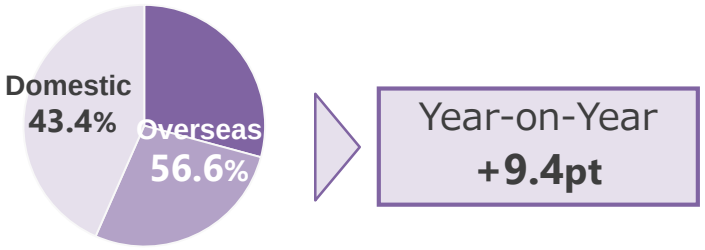
* Royalty income reclassified from non-operating income to net sales beginning in FY2021

LAL Business

*Foreign exchange impact on LAL Business: approx. +50million yen

In addition to a steady trend in domestic sales, sales up on growth in sales of ACC's reagents for Bacterial Endotoxin Testing (BET), contract services and Clinical Diagnostic (Fungitell) reagents

Overseas Sales Ratio (excluding royalty income)



Income for 3Q of FY2021

(Millions of Yen)	2Q FY2021 Results	Year-on-Year	% of Change
Net sales	28,145	+7,595	+37.0%
Cost of Sales (excluding royalty income)	10,998 (44.7%)	+1,806 (-0.5pt)	+19.7%
SGA expenses	10,913	+1,179	+12.1%
R&D Expenses (excluding royalty income)	5,855 (23.8%)	+474 (-2.6pt)	+8.8%
Operating Income (to Net sales ratio)	6,234 (22.2%)	+4,610 (+14.3pt)	+283.7%
Ordinary Income	6,905	+4,822	+231.5%
Net Income	5,364	+3,505	+188.6%
Depreciation	722	+125	+21.0%

Operating Income 6,234 (+4,610)

Cost of sales ratio （-0.5pt）

- Decrease attributable to change in the sales mix

SGA Expenses（+1,179）

- Increase in R&D expenses due to progress in additional clinical study of SI-6603 in the U.S. (+474)

Ordinary Income 6,905 (+4,822)

Non-operating Income / Expenses（+212）

- Increase in foreign exchange gain (+288)

Net Income 5,364 (+3,505)

Income Taxes（+1,316）

- Higher income taxes due to the profit increase

Safety Information on Joint Function Improving Agent JOYCLU

Blue Letter (rapid safety information) issued June 1
Prompt provision of information to alert healthcare professionals
Launched systematic investigation of cause

Dear Healthcare Professionals Letter of Rapid Safety Communication (Blue Letter) issued on June 1 in response to multiple reports of anaphylaxis occurring in patients following administration of JOYCLU

- To ensure patient safety by promptly alerting healthcare professionals of the situation to enable the provision of appropriate treatment and measures
- Addition of a WARNING section to the drug package insert and revision of the IMPORTANT PRECAUTIONS section
- Leaflet created to alert patients and their families to the risk of side effects

In cooperation with Sales Partner Ono Pharmaceutical Co., Ltd. endeavoring to gather safety information and investigate cause

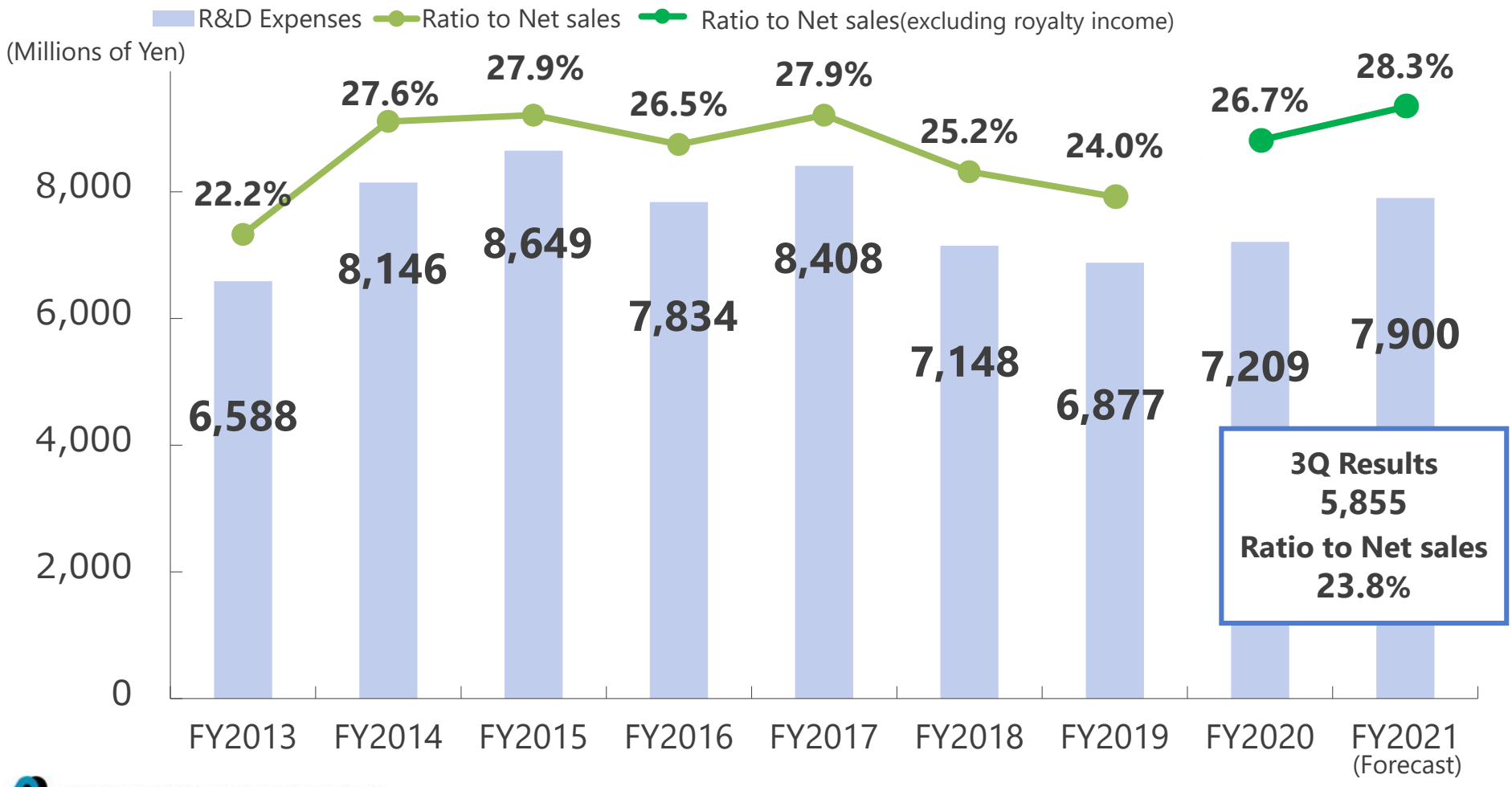
We will continue to make efforts to provide safety information so that JOYCLU can be used appropriately

Information included in the package insert at the time of NDA approval

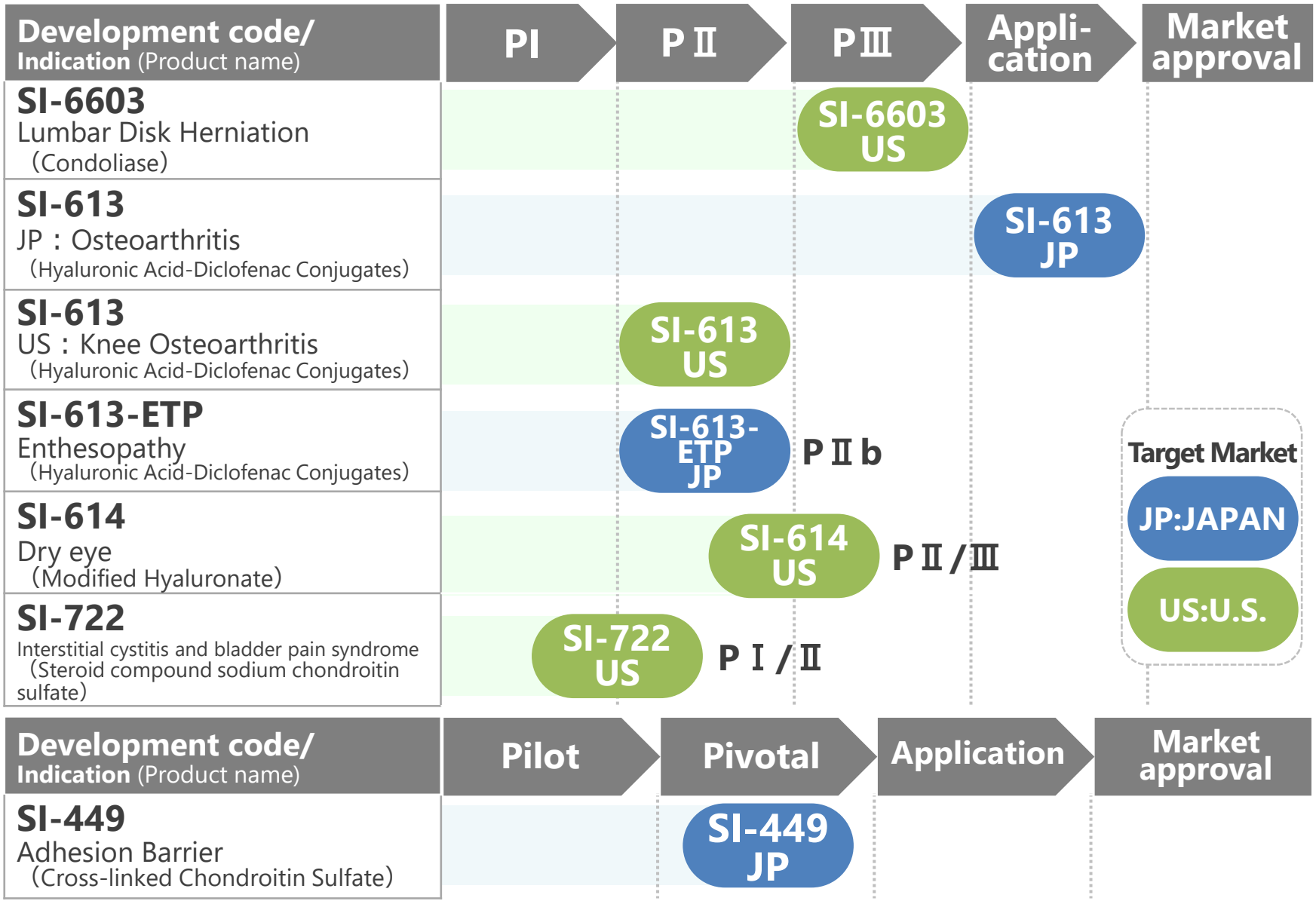
- Important Side Effects: Shock, anaphylaxis (0.4%)
- Contraindications: Patients with a previous history of hypersensitivity to diclofenac sodium and sodium hyaluronate (the ingredients of JOYCLU)

Trend in R&D Expenses

Continuing to focus on drug discovery specializing in Glycoscience
Undertaking improvement in R&D efficiency



Pipeline List (Research and Development themes)



Outline of SEIKAGAKU NORTH AMERICA CORPORATION

Established new company in Canada, promoting development of Seikagaku pharmaceuticals and medical devices in North America

SEIKAGAKU NORTH AMERICA CORPORATION

- Location : Toronto, Ontario Province, Canada
- Established : January 25, 2022
- Start of operation : March 2022 (planned)
- Capital : CAD10
- Business description : Development of pharmaceuticals and medical devices in North America

* Established as a wholly owned subsidiary of Dalton Chemical Laboratories, Inc., a subsidiary of Seikagaku

Purpose of establishment

- Enable responses with fewer constraints on time differences or distance by operating a development base in North America
  - Formulate development plans more closely aligned with local medical environment
  - Create smooth communications with U.S. Food and Drug Administration (FDA) and clinical trial sites

Strengthening the development system in North America.
Aiming to accelerate pharmaceutical and medical device development as well as obtaining of approvals

SI-6603 (Lumbar disc herniation)

Steady progress in subject enrollment thanks to various measures Endeavoring to minimize delays due to COVID-19 infection

Development status

▶**Additional Phase III study in the U.S.** Intiated February 2018.
Aiming for November 2022 completion
⇒Delay of anticipated due to the spread of COVID-19 infection

Measures to promote enrollment

- Increase number of subjects
  - Advertising suited to treatment facility requirements
  - Strengthen coordination with medical institutions and increase patient introductions
  - Relax enrollment standards
- Increase trial facilities
  - Link-up with support vendors specializing in facility selection to increase number of facilities

⇒The measures have been successful, and the number of subjects enrolled has steadily increased

<SI-6603 summary>
Dev. Code : SI-6603 Generic name : Condoliase
Indication : Lumbar disc herniation
Method of use : Injection into lumbar disc (under X-ray observation)
Estimated U.S. patients : New patients with lumbar disc herniation: 3 to 5 million per year
(Seikagaku estimates)

SI-613 (Osteoarthritis)

While scrutinizing JOYCLU situation in Japan, considering future development policy

SI-613 (osteoarthritis of the knee) U.S.

▶ Future development policy under consideration

SI-613 (osteoarthritis of the knee) China

▶ Agreement with Eisai on a co-development and marketing alliance in China, in April 2020
Future development policy under consideration

SI-613 (osteoarthritis of the knee) South Korea

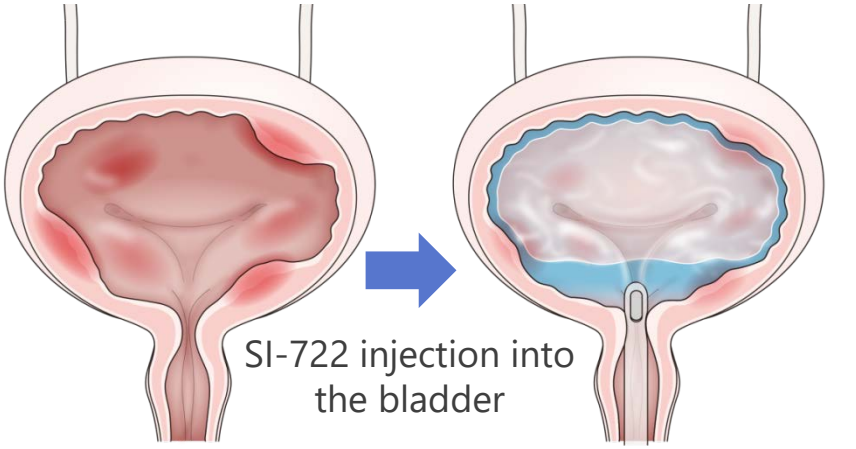
▶ Agreement with Eisai for a market alliance in South Korea in September 2020
Future development policy under consideration

<SI-613 summary>
Dev. code : SI-613 Generic name : Diclofenac etalhyaluronate sodium
Indication : Osteoarthritis/Enthesopathy
Method of use : Injection into joint cavity
Estimated patients : 24 million (U.S.) / 47 million (China) / 3.7 million (South Korea)
(Seikagaku estimates)

SI-722 (Interstitial cystitis and bladder pain syndrome)

Subject enrollment for PI/PII studies in the U.S. completed
Advancing considerations for next-phase study

SI-722 Administration image



Development status

- ▶ **U.S. Phase I/II / Starting November 2019**
  - **Subject enrollment complete in January 2021**

    ⇒Tolerability confirmed (a primary objective)

    Will consider the next-phase study

Promising features

- ▶ Designed for sustained release by bonding steroids to chondroitin sulfate
- ▶ Anti-inflammatory effects of steroids under sustained release should provide sustainable relief of frequent urination and bladder pain

<SI-722 summary>

Dev. Code : SI-722 Generic name : Steroid conjugated with chondroitin sulfate

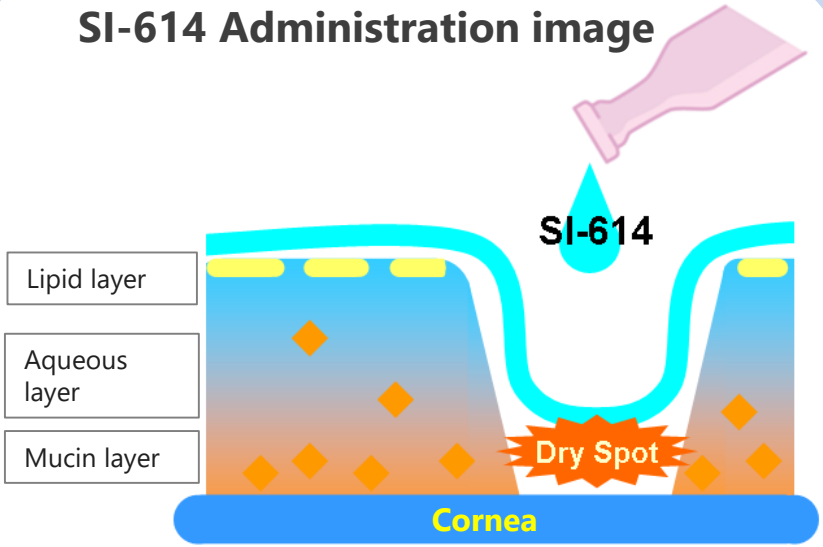
Indication : Interstitial cystitis and bladder pain syndrome

Method of use : Injection into the bladder

Estimated U.S. patients : 1.3 million (Seikagaku estimates)

SI-614 (Dry Eye)

Aimed at improvement of symptoms of dry eye by protecting the ocular surface and promoting corneal epithelial wound healing



Development status

▶ **U.S. : P II/III**

- January 2015: Phase II/III clinical study completed
- Plan to conduct a PIII study after a sales partner has been decided

Promising features

▶SI-614 Improves symptoms of dry eye by protecting the ocular surface and promoting corneal epithelial wound healing

▶Dry Eye is a multifactorial disease, and Seikagaku aims to provide a treatment option based on a new mechanism unavailable from existing products

<SI-614 summary>

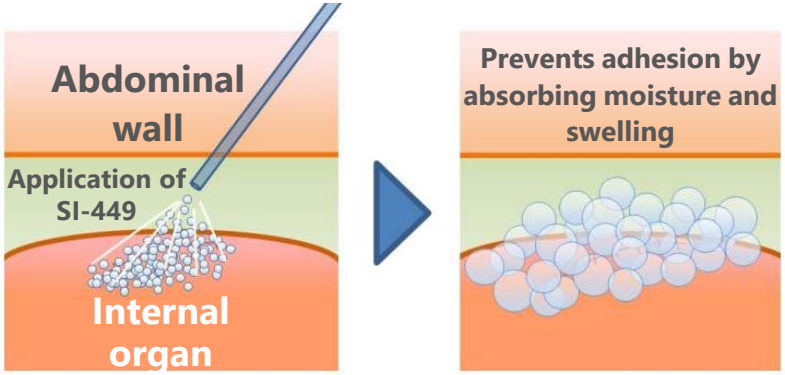
Dev. Code	: SI-614	Generic name	: Modified Hyaluronate
Product name	: Dry eye	Formulation	: Ophthalmic solution

Estimated U.S. patients : 18 million (Seikagaku estimates)

SI-449 (Adhesion Barrier / Medical Device)

Commenced pilot study in field of gynecology in November 2021
Aiming to expand range of applications

SI-449 Administration image



Development status

- **Japan pivotal study(field of gastroenterological surgery) Starting May 2020**
  - **Evaluated for effectiveness, safety, and usability**

  ⇒Plans delayed by restrictions on visits to facilities due to COVID-19 infection effects
- **Japan pilot study (field of gynecology) Starting November 2021**
  - **Confirming operability and safety**
  - **Aiming to expand range of applications**
- Proceed with development with a view to global development; Start of U.S. pilot study under review

Promising features

- Leveraging pulverized characteristics to respond to healthcare needs through the spreading use of laproscopic surgery

<SI-449 summary>
Dev. Code : SI-449 Generic name : Cross-linked chondroitin sulfate
Product name : Adhesion barrier
Method of use : Intra-abdominal application (powdered formulation)
Adhesion barrier market : Japan: ¥14 billion, Global: ¥100 billion (Seikagaku estimates)

Dividend of Surplus and Acquisition of Treasury Stocks

Dividend from Retained Earnings (Commemorative Dividend,Special Divided) Acquisition of Treasury Stocks

FY2020

Year-end dividend：Ordinary dividend ¥10＋**JOYCUL approval commemorative dividend ¥4**
Total ¥14 per share
→Annual dividend：¥24 per share, including the interim dividend of ¥10 per share

FY2021

Ordinary dividend ¥20＋**JOYCUL launch special dividend ¥10**
→Annual dividend：¥30 per share, including the interim dividend of ¥15 per share

	FY2017	FY2018	FY2019	FY2020	FY2021 (Forecast)
Net Income per share	¥69.30	¥39.76	¥-192.15	¥75.54	¥64.83※3
Annual Total Dividend	¥26.00	¥26.00	¥26.00	¥24.00※1	¥30.00※2
Dividend Payout Ratio	37.5%	65.4%	–	31.8%	46.3%

※1 including a JOYCUL approval commemorative dividend ¥4
※2 including a JOYCUL launch special dividend ¥10
※3 Including in the impact of the acquisition of treasury stock in July 2021

Acquisition of Treasury

Total number of shares to be acquired：200,000shares (maximum)
Total amount of acquisition cost：¥221,596,300 (maximum)
Acquisition period：July 1, 2021 to July 16, 2021

Appendix

Change in Accounting Standards

(Application of new revenue recognition standard, change in accounting classification of royalty income)

Change in accounting standards beginning from the first quarter of the fiscal year ending March 31, 2022

1. Application of a new revenue recognition standard

- Implementation of Accounting Standard for Revenue Recognition and its implementation guidance
- Reclassification of sales commissions paid to sales partners from SGA expenses to a sales deduction

2. Change in accounting classification of royalty income

- Revision of the sales and income recognition method to coincide with application of the new revenue recognition standard
- Royalty income, previously recognized as non-operating income, to be reclassified as net sales

	FY2020	FY2021
Net sales	・Pharmaceuticals ・LAL Business	・Pharmaceuticals ＋Royalty Income △Sales Commissions ・LAL Business
SGA Expenses	＋Sales Commissions	
Operating Income		
Non-operating Income / Expenses	＋Royalty Income	
Ordinary Income		

Overview of Forecasts in FY2021

(Millions of Yen)	FY2021 Forecasts	FY2020 Results*1 Results	Change	% of Change
Net sales	32,200	27,734	+4,465	+16.1%
Operating Income	4,550	2,248	+2,301	+102.3%
Ordinary Income	4,650	3,024	+1,625	+53.7%
Net Income	3,650	4,262	-612	-14.4%
R&D Expenses (Ratio to net sales excluding royalty income)	7,900 (28.3%)	7,209 (26.7%)	+690 (+1.6pt)	+9.6%
Average Exchange Rate (1US$)	¥105.00	¥106.06		

	FY2021 Forecasts	FY2020*1 Results
Net Income per share	¥64.83*2	¥75.54
Dividend per share	¥30.00	¥24.00
Dividend Payout ratio	46.3%	31.8%

Exchange Rate Sensitivity (Impact of a change of ¥1against the US$)	
Net sales	Approx. ¥150 million
Operating income	Approx. ¥60 million

＊1 It's corrected retrospectively in the new revenue recognition standard ＊2 Including the impact of the acquisition of treasury stock in July 2021

*** There is no change in forecast announced on May 13, 2021.**

Forecasts (Net sales) in FY2021

(Millions of Yen)	FY2021 Forecasts	Year-on-Year * Change	Year-on-Year * % of Change
Net sales	32,200	+4,465	+16.1%
Pharmaceuticals	25,150	+4,356	+21.0%
Domestic Pharmaceuticals	11,600	+147	+1.3%
Overseas Pharmaceuticals	6,900	+123	+1.8%
Bulk Products /CDMO	2,350	+503	+27.3%
Royalty income	4,300	+3,581	+498.8%
LAL Business	7,050	+108	+1.6%
(Overseas sales)	14,500	+856	+6.3%

Foreign exchange impact on overall net sales：approx. -50million yen
＊It's corrected retrospectively in the new revenue recognition standard

Net sales

- Forecast of higher sales from an increase in royalty income, the launch of the new product JOYCLU, and higher sales for bulk products/contract development and manufacturing, despite the negative impact of NHI price reductions

＊ Foreign exchange impact on overall net sales：approx. -50million yen

Pharmaceuticals

Domestic Pharmaceuticals：
Sales at prior-year level, with the launch of JOYCLU offsetting the negative impact of NHI drug price reductions

Overseas Pharmaceuticals：
Sales increase from higher local sales volumes of Gel-One and ARTZ in China

Bulk Products/CDMO：
Sales increase from contract development and manufacturing (Dalton)

Royalty income：
Projected increase in royalty income

LAL Business

- Projected increase in royalty income

*** There is no change in forecast announced on May 13, 2021.**

Forecasts (Income) in FY2021

(Millions of Yen)	FY2021 Forecasts	Year-on-Year *	
		Change	% of Change
Net sales	32,200	+4,465	+16.1%
Operating Income (Ratio to net sales)	4,550 (16.3%)	+2,301 (+8.0pt)	+102.3%
Ordinary Income	4,650	+1,625	+53.7%
Net Income	3,650	-612	-14.4%
Cost of Sales ratio (excluding royalty income)	38.8% (44.8%)	-4.9pt (±0.0pt)	–
R&D Expenses	7,900	+690	+9.6%
R&D Expenses ratio (excluding royalty income)	24.5% (28.3%)	-1.5pt (+1.6pt)	–
Depreciation	1,150	+341	+42.2%

＊It's corrected retrospectively in the new revenue recognition standard

Operating Income

SGA Expenses（approx. +1,700）:

- Increase in R&D expenses (+690)
- JOYCLU post-marketing surveillance, higher subsidiary expenses

Ordinary Income

Non-operating Income / Expenses :

- Projected increase in foreign exchange loss

Net Income

Income Taxes

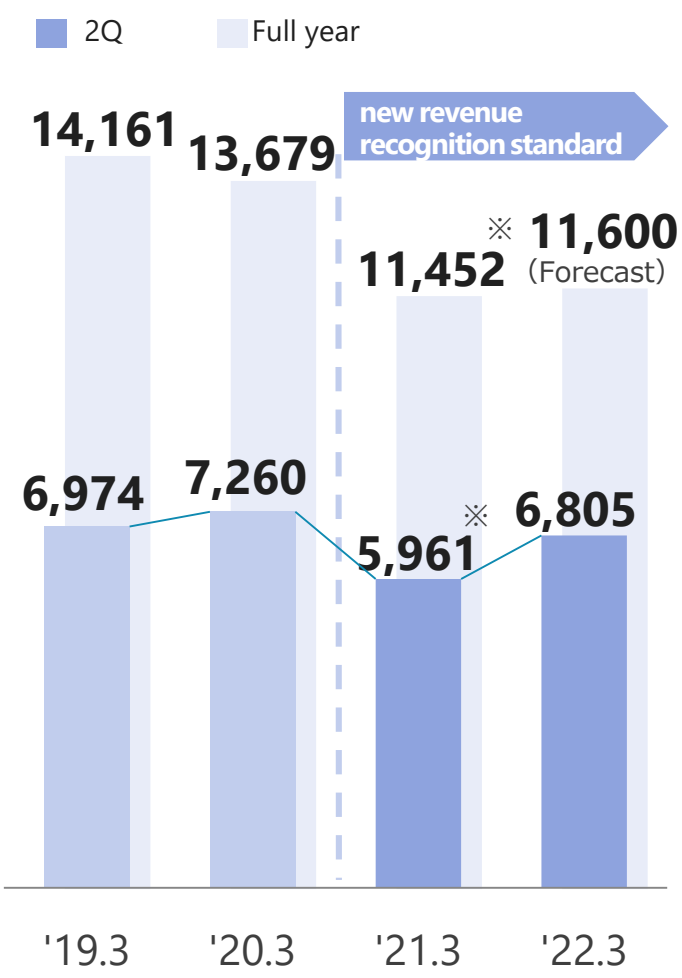
- Recognition of deferred income taxes in connection with recognition of deferred tax assets in the prior-year period (-1,561)

*** There is no change in forecast announced on May 13, 2021.**

Domestic Pharmaceuticals 1/2 (Year-on-Year / Unit deliveries to medical institutions)

Domestic Pharmaceuticals Sales trend

<Breakdown> (Millions of Yen)



2Q FY2021 Results

+14.2% (Sales)

Impact of NHI drug price reductions offset by volume increase due to rebound from COVID-19 infection effects and JOYCLU launch

Joint-function improving agent (Unit deliveries to medical institutions)

Market (+3.7%)

- Trending toward recovery from COVID-19 infection impact

ARTZ (+6.3%)

2Q Results

- Volume and market share increased due to continuing effectiveness of measures to acquire new user facilities (62.3% / +1.6pt)

Forecasts

- Stronger demand due to promotion of switching from competing products

JOYCLU

2Q Results

- Made ongoing efforts to provide information on appropriate use

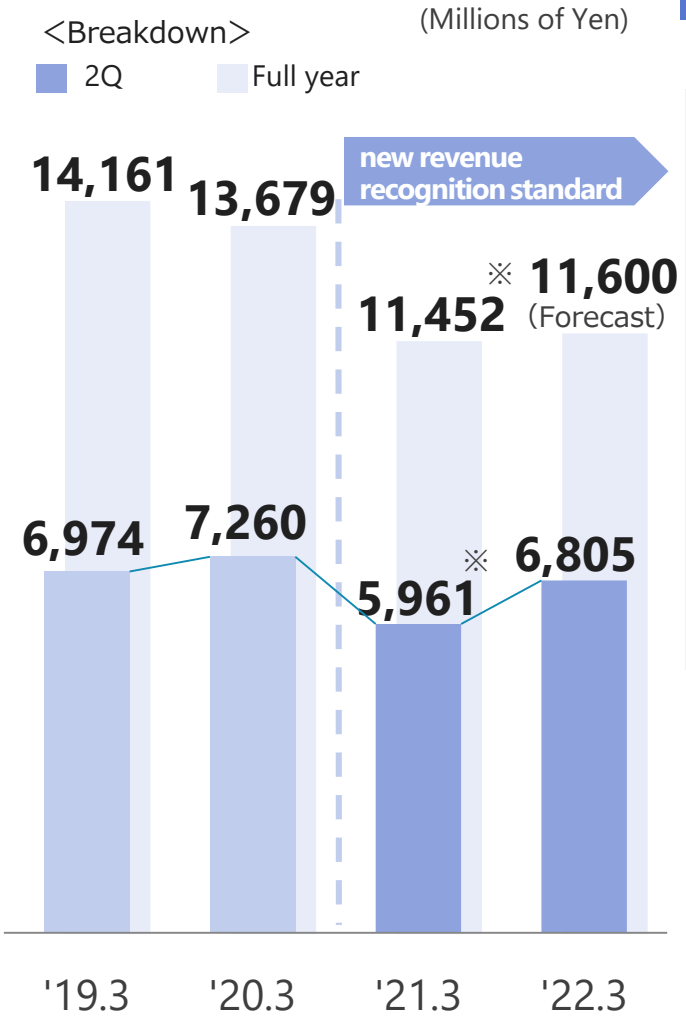
Forecast

- Expected to decrease significantly from initial forecast due to issuance of Blue Letter

＊It's corrected retrospectively in the new revenue recognition standard

Domestic Pharmaceuticals 2/2 (Year-on-Year / Unit deliveries to medical institutions)

Domestic Pharmaceuticals Sales trend



2Q FY2021 Results

+14.2% (Sales)

Impact of NHI drug price reductions offset by volume increase due to rebound from COVID-19 infection effects and JOYCLU launch

Ophthalmic viscoelastic devices (Unit deliveries to medical institutions)

Market (+7.3%)

- Surgery numbers recovering, but still below pre-COVID-19 levels

OPEGAN (+3.3%)

2Q Results

- Volume increased due to market recovery
- Market share shrank, rebounding from volume increase due to shipment adjustments of competing products in same period of previous year (52.2% / -2.0pt)

Forecasts

- No change from start of fiscal year due to maintenance of newly acquired accounts

Treatment for lumbar disc herniation (Unit deliveries to medical institutions)

HERNICORE

2Q Results

- Trending toward recovery from impact of COVID-19 infection
- Steady increase in the number of new user institutions

Forecasts

- Working on market penetration, trending as earlier forecast

＊It's corrected retrospectively in the new revenue recognition standard

Overview of JOYCLU

Manufacturing and marketing approval in Japan obtained in March 2021
For the indication of osteoarthritis (knee joint and hip joint)
May 19 NHI drug price listing and launch

Product name	JOYCLU®30mg Intra-articular Injection
Generic name	diclofenac etalhyaluronate sodium
Indication	Osteoarthritis (knee joint and hip joint)
Dosage and administration	The usual adult dosage is 1 syringe per dose (30 mg of diclofenac etalhyaluronate sodium) injected intra-articularly every 4 weeks.

Overview of JOYCLU

Improvement of symptoms expected by administration once every 4 weeks
First joint function improvement agent in Japan indicated for the treatment of osteoarthritis of the hip joint

features

- Hyaluronic acid and diclofenac chemically bound using a proprietary technology
- Diclofenac released by hydrolysis in the joint
- Improvement of symptoms of osteoarthritis (knee joint and hip joint) expected by administration once every four weeks
- First joint function improvement agent in Japan indicated for the treatment of osteoarthritis of the hip joint

Expected positioning

- **Establishment as a new base drug** in the treatment of osteoarthritis alongside existing hyaluronic acid formulations and NSAIDs

  ＜Target Patients＞

  - ▷ People for whom existing hyaluronic acid formulations are insufficiently effective
  - ▷ People who want to avoid NSAIDs, such as oral drugs or patches, in consideration of side effects
  - ▷ People for whom frequent hospital visits are a hardship

- Provision of **a new treatment option for osteoarthritis of the hip joint**

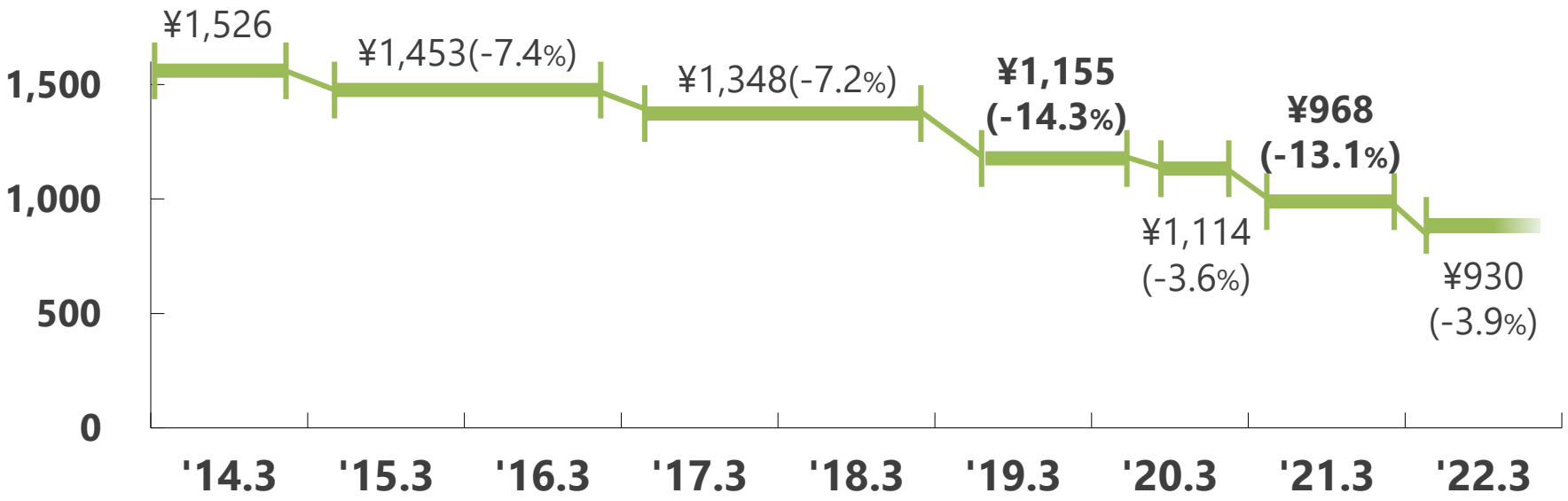
Recombinant LAL reagent「PyroSmart NextGen™」

April 2021 launch at ACC
Product to be marketed globally, with a launch in Japan planned for May or later in 2021

Product Features

- ▶ Product manufactured using recombinant technology without using blood harvested from horseshoe crabs, a raw material used in traditional products
  - → Ensures continuous product supply
- ▶ Ability to utilize the same test methods and instruments as naturally sourced products
  - → Ensures consistency with endotoxin-testing reagents
  - → A next-generation BET reagent designed to deliver highly reliable quantitation of endotoxins

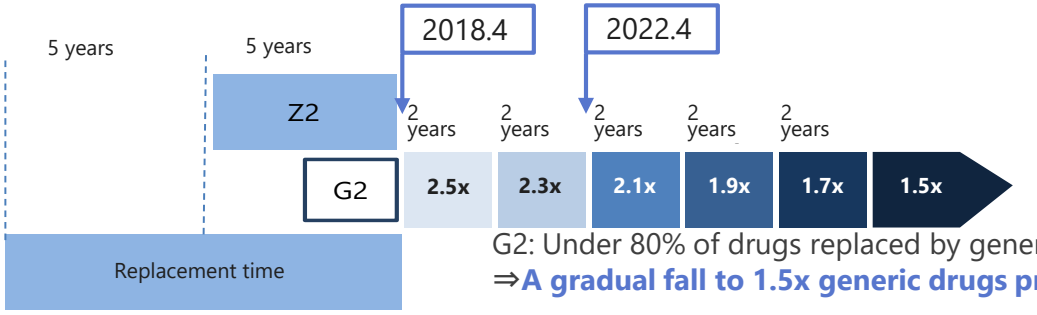
Trend in NHI Reimbursement Price of ARTZ to Domestic



Extraordinary drug price revision in FY2019 accompanying a consumption tax increase (October 2019)

<Drastic drug pricing reforms>

NHI reimbursement price reduction for long-time listed drugs



G2: Under 80% of drugs replaced by generics

⇒**A gradual fall to 1.5x generic drugs price through 2028**

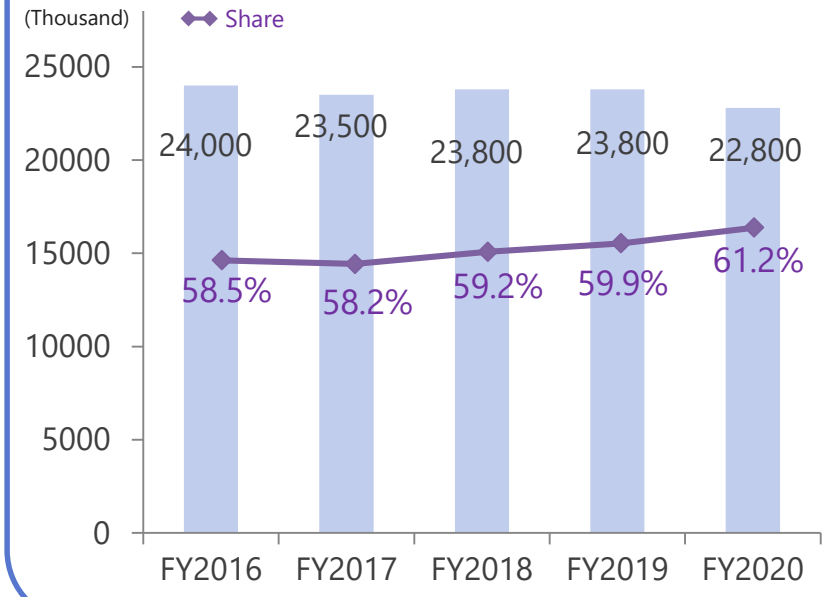
Trend in Deliveries of ARTZ / OPEGAN to Domestic Medical Institutions

Joint-function improving agent

ARTZ

- The first HA joint function improving agent in the world
- Knee osteoarthritis (OA) pain relief
- Distributor: Kaken Pharmaceutical

Trend in unit deliveries to medical institutions



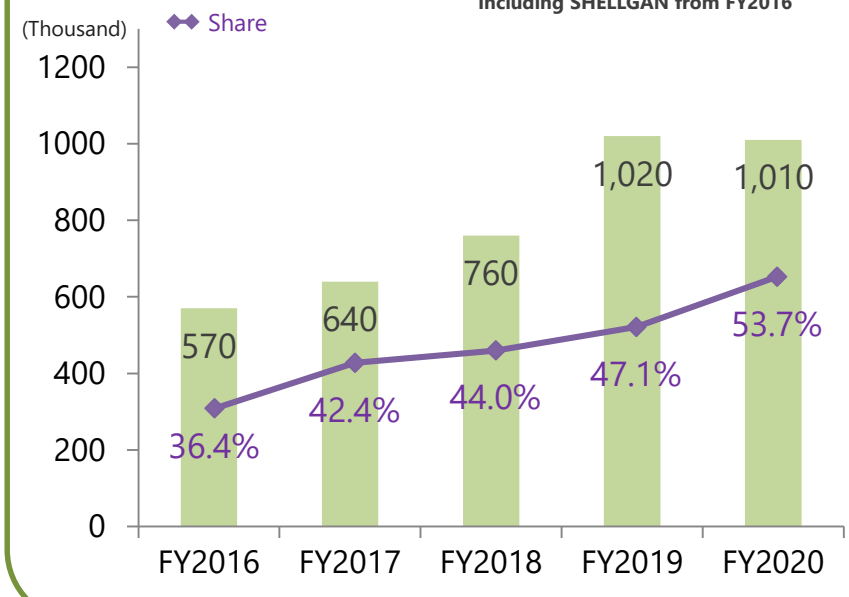
Ophthalmic viscoelastic devices

OPEGAN

- The first domestically HA formulation
- Used in cataract surgery to anterior chamber expansion
- Distributor: Santen Pharmaceutical

Trend in unit deliveries to medical institutions

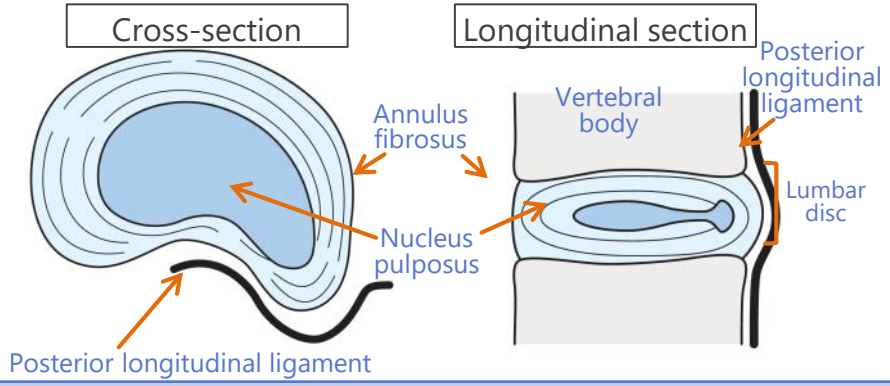
*Including SHELLGAN from FY2016



Four types of lumbar disc herniation

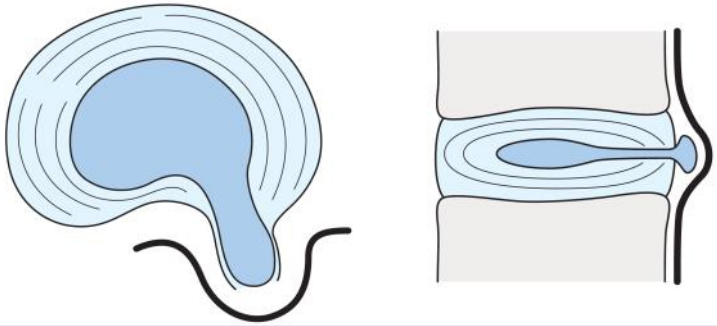
1. Protrusion

The hernia does not extend beyond the outermost layer of the annulus fibrosus



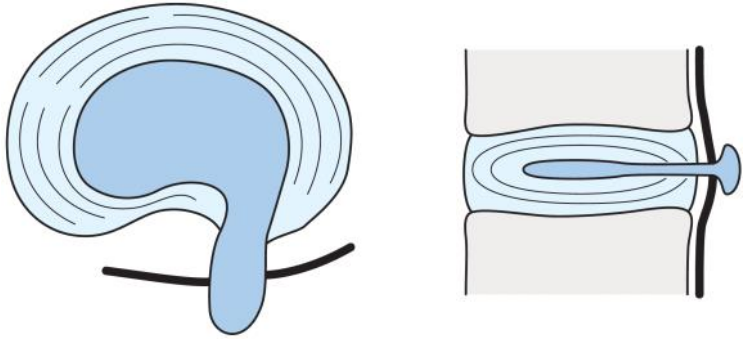
2. Subligamentous extrusion

Although the hernia extends beyond the outermost layer of the annulus fibrosus, it is covered by the posterior longitudinal ligament



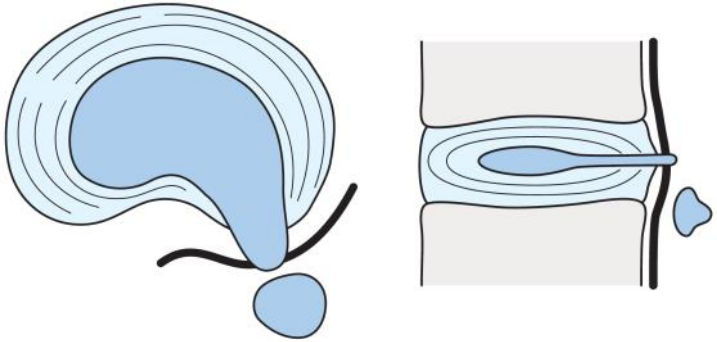
3. Transligamentous extrusion

The hernia perforates the posterior longitudinal ligament



4. Sequestration

The hernia migrates outside the dura mater



Post-marketing of HERNICORE in Japan

Promoting appropriate use and expanding opportunities for use; Firming up usage as new treatment options

- Coordinating with Kaken Pharmaceutical **engaging in information provision activities to ensure appropriate use and safety** through seminars with scientific societies and local workshops
- **Collecting pertinent information (post marketing surveillance)** with emphasis on safety information
- **Raising patients' recognition through awareness campaigns on the ailment**
- **Gradually expanding available physicians and facilities** through a review of requirements (expecting moderate growth)

・ November 2019
Non-fulltime work facilities of supervisory physicians of the JSSR

・ April 2019
Physicians of the Neurospinal Society of Japan ＊ [2]

・August 2018
Physicians of the Japanese Society for Spine Surgery and Related Research (JSSR) *[1]

Roll-out to scientific societies
Requirements review
Adding facilities, etc.

Physician requirements

※1 ① Supervisory physicians or certified physicians of the Japanese Society for Spine Surgery and Related Research (JSSR) or who are supervised under the JSSR, or who participated in the this clinical study
②Physicians having experience with performing intradiscal puncture or at least 50 surgeries for lumbar disc herniation

※2 ① Supervisory physicians or certified physicians of the Neurospinal Society of Japan
②Physicians having experience with performing intradiscal puncture or at least 50 surgeries for lumbar disc herniation

Physician and Facilities Requirements for HERNICORE Use

Setting of physician and facility requirements for HERNICORE use to promote appropriate use and ensure safety

【 Physician requirements 】

【Japanese Society for Spine Surgery and Related Research】
: Physicians under the following conditions（as of April 2019）

1. Supervisory physicians or certified physicians of the Japanese Society for Spine Surgery and Related Research (JSSR) or who are supervised under the JSSR, or who participated in the this clinical study
2. Physicians having experience with performing intradiscal puncture or at least 50 surgeries for lumbar disc herniation

【 Neurospinal Society of Japan 】: Physicians under the following conditions（as of April 2019）

1. Supervisory physicians or certified physicians of the Neurospinal Society of Japan
2. Physicians having experience with performing intradiscal puncture or at least 50 surgeries for lumbar disc herniation

【Facility requirements】: Facilities under the following conditions

1. Facilities equipped with an X-ray fluoroscopic system (C-arm, etc.) capable of administering HERNICORE using clean technique
2. Facilities capable of treating shock and anaphylaxis
3. Facilities capable of performing urgent spine surgery or facilities that cooperate with facilities capable of performing spine surgery
4. Facilities with hospitalization equipment

※ Among those who meet the physician requirements, supervisory physicians in the JSSR may be used at non-fulltime work facilities that meet the facilities requirements (as of November 2019)

We plan to review these requirements with the consent of PMDA* approximately six months to one year after launching, following collection and careful examination of post-marketing safety information etc.

*PMDA: Pharmaceuticals and Medical Devices Agency

Ophthalmic viscoelastic devices SHELLGAN

■ Product SHELLGAN Outline

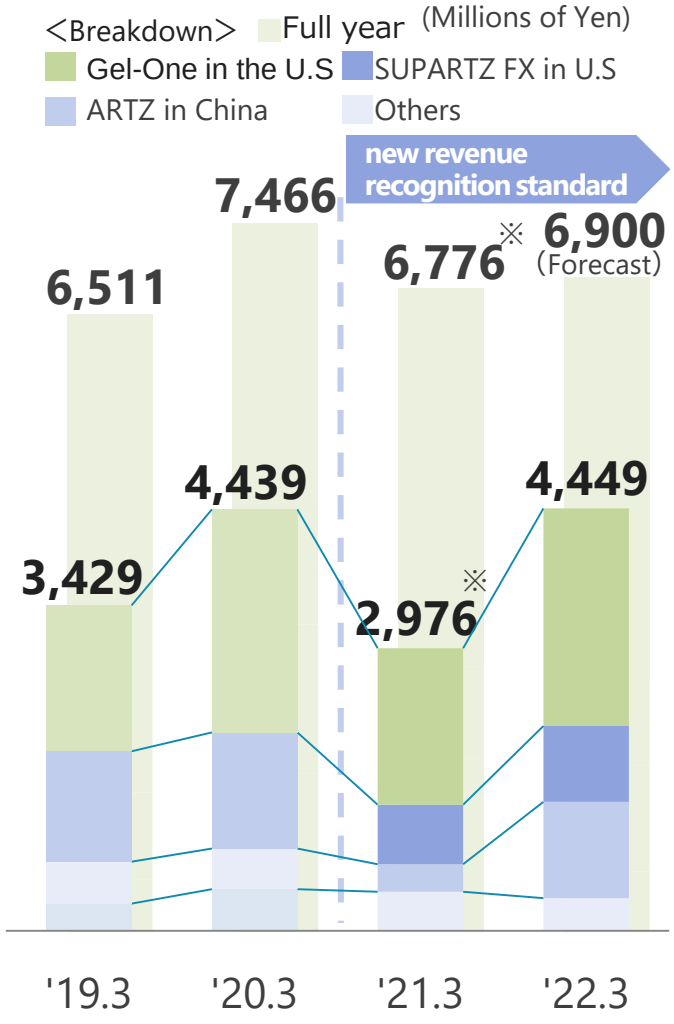
- Suited to a surgical procedure that has become more pervasive in recent years
- Can be stored at room temperature
  - ▶ A product feature unavailable from competitors
- Strengthening of the OPEGAN family product line
  - ▶ Seven-product line up provides a wider range of options appropriate to symptoms and physician needs

The OPEGAN series, used mainly in cataract surgery

The OPEGAN family viscoelasticity comparison

Overseas Pharmaceuticals 1/2 (Year-on-Year / value basis)

Overseas Pharmaceuticals Sales trend



2Q FY2021 Results +49.5%

In addition to rebound from COVID-19's impact in same period of previous year, sales up due to earlier-than-planned shipments of SUPART FX and of ARTZ in China

＊Foreign exchange impact: approx. +¥130million

U.S.

Market in U.S.

- Trending toward recovery from impact of COVID-19 infection
- Continued preference for products that require low number of injections

Gel-One

2Q Results (approx. +25% on a volume basis)

Local sales：Significant increase due to recovery from impact of COVID-19

Seikagaku exports：Sales up due to increase in local sales volume

Forecast

Local sales：Slightly stronger demand due to more aggressive sales promotion activities

Seikagaku exports：Trending in line with initial forecast

SUPARTZ FX

2Q Results

Local sales：Increased due to recovery from impact of COVID-19 infection

Seikagaku exports：In addition to increase in local sales, sales increased due to earlier-than-planned shipments

Forecast

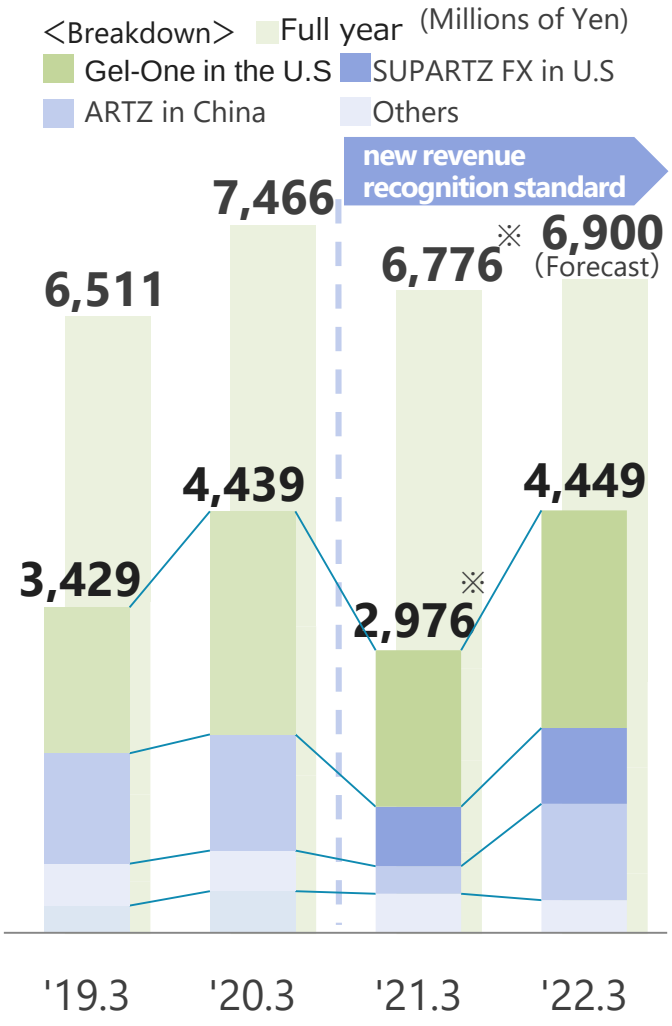
Local sales：Trending in line with initial forecast

Seikagaku eports：Stronger demand due to earlier-than-planned shipments

＊It's corrected retrospectively in the new revenue recognition standard

Overseas Pharmaceuticals 2/2 (Year-on-Year / value basis)

Overseas Pharmaceuticals Sales trend



2Q FY2021 Results +49.5%

In addition to rebound from COVID-19's impact in same period of previous year, sales up due to earlier-than-planned shipments of SUPART FX and of ARTZ in China

＊Foreign exchange impact: approx. +¥130million

China, Other Regions

Market in China

- Following impact of COVID-19, has now returned to near normal
- Centralized purchasing by multiple provinces and districts commenced

ARTZ in China

2Q Results

Local sales：Growth of successful bid areas for centralized purchasing, increased volume due to full-scale resumption of sales promotion activities

Seikagaku exports：In addition to increase in local sales volume, sales increased due to concentrated shipments in 2Q

Forecast

Local sales：Trending in line with initial forecast

Seikagaku exporsts：Strengthening due to concentration of shipment timing, foreign exchange impact

Other Region

Seikagaku exports

2Q Results：Italy/Sales increased due to rebound from impact of COVID-19
Taiwan/Launched HyLink August 2021

Forecast ：Italy / Weak

＊It's corrected retrospectively in the new revenue recognition standard

Market Situation of Hyaluronic Acid Products in the U.S.

Market size of US$850 mil. in 2020 (-15.0% year-on-year)

■ **U.S. market share by number of injections** (Value basis, including competitors)

single-injection product
Gel-One

- Full-scale sales since 2012
- September 2016:
  Efficacy extension label change
  (13weeks⇒26weeks)

Gel-One® Cross-linked Hyaluronate
the only 3 mL single injection, cross-linked hyaluronate gel

three-injection product
VISCO-3

- December 2015：
  Market approval
- November 2016:
  Conclusion of an exclusive sales agreement with Zimmer Biomet

VISCO-3™
SODIUM HYALURONATE 25 mg
2.5 mL intra-articular injection.

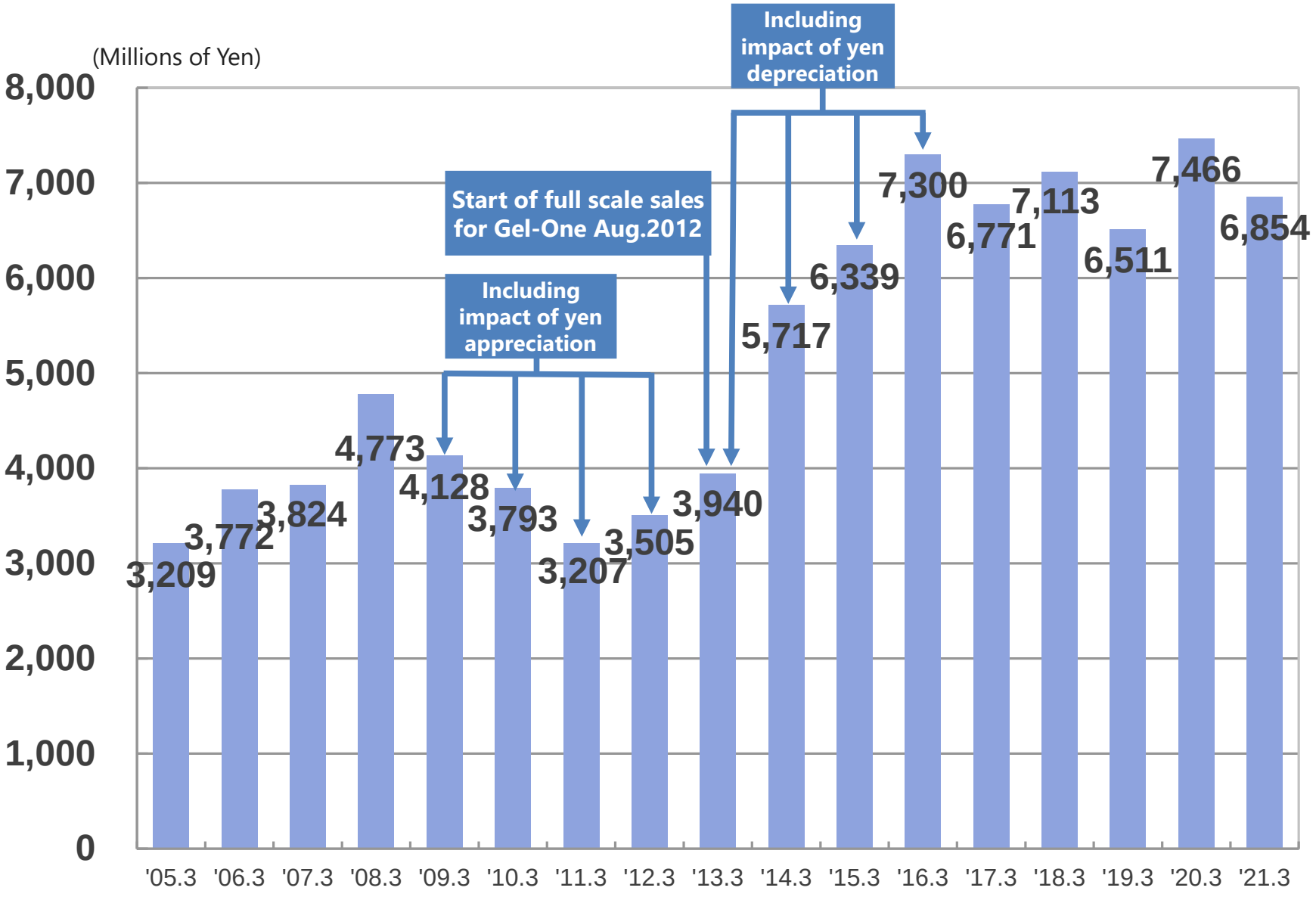
five-injection product
SUPARTZ FX

- Sales since 2001
- October 2015:
  Brand name changed from SUPARTZ

SUPARTZ FX™
sodium hyaluronate

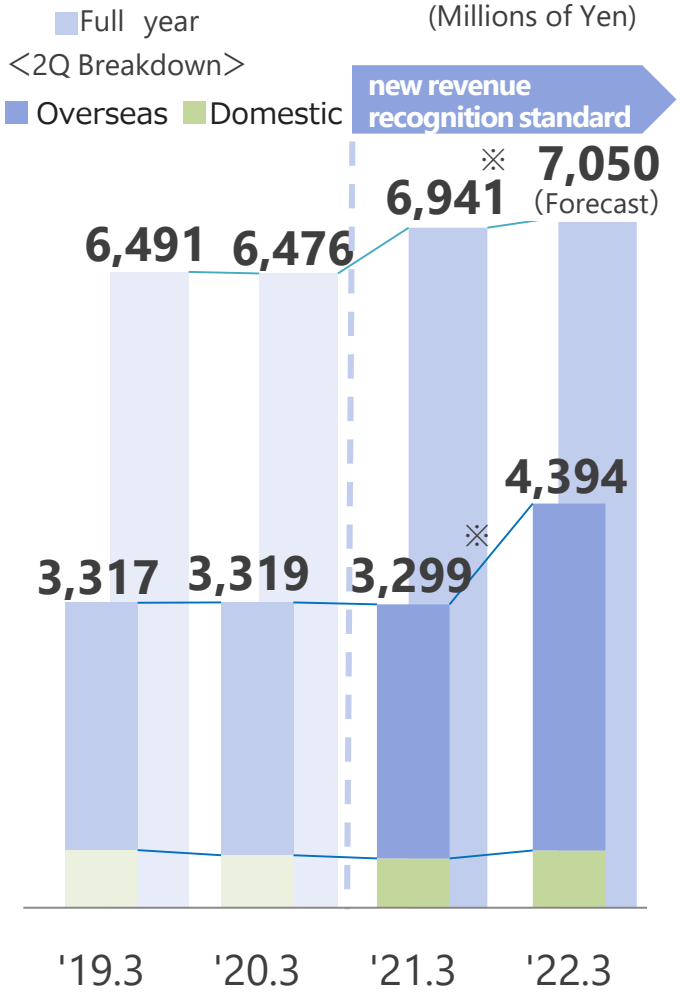
*Figures for 2020, Seikagaku estimates

Trend in Overseas Sales of Hyaluronic Acid Products



Sales of LAL Business (year-on-year / value basis)

LAL Business Sales trend



2Q FY2021 Results : +33.2% (Year-on-Year)

＊Foreign exchange impact: approx. - ¥20million

Overseas

Growth in sales of Bacterial Endotoxin Testing (BET) and Clinical Diagnostic (Fungitell) reagents at overseas subsidiary

Domestic

Slight sales increase on solid sales of reagents and other products

FY2021 Forecasts

Overseas

Stronger demand due to enhanced sales promotion activities

Domestic

Trending in line with initial forecast

LAL Business : The manufacturing and sales of Endotoxin detection reagents* used in the quality control of pharmaceuticals and medical devices

*Endotoxin detection reagents are reagents whose main ingredient is Limulus Amebocyte Lysate (LAL).

＊It's corrected retrospectively in the new revenue recognition standard

The LAL Business

What is the LAL business?

The manufacturing and sale of reagents used in the quality control of pharmaceuticals, medical devices, biopharmaceuticals,
and in water quality control in dialysis at hospitals

＊Endotoxin detection reagents are reagents whose main ingredient is Limulus Amebocyte Lysate (LAL).

＊Endotoxins are substances derived from bacteria. Since they cause fever even in minute amounts, testing for endotoxin contamination in pharmaceuticals is regulatorily required by certain jurisdictions

▶**Size of the global market: Approx. ¥25.0 billion**
(Seikagaku estimate, including required equipments)

Endotoxin detection reagents
(for quality control of pharmaceuticals and medical devices)

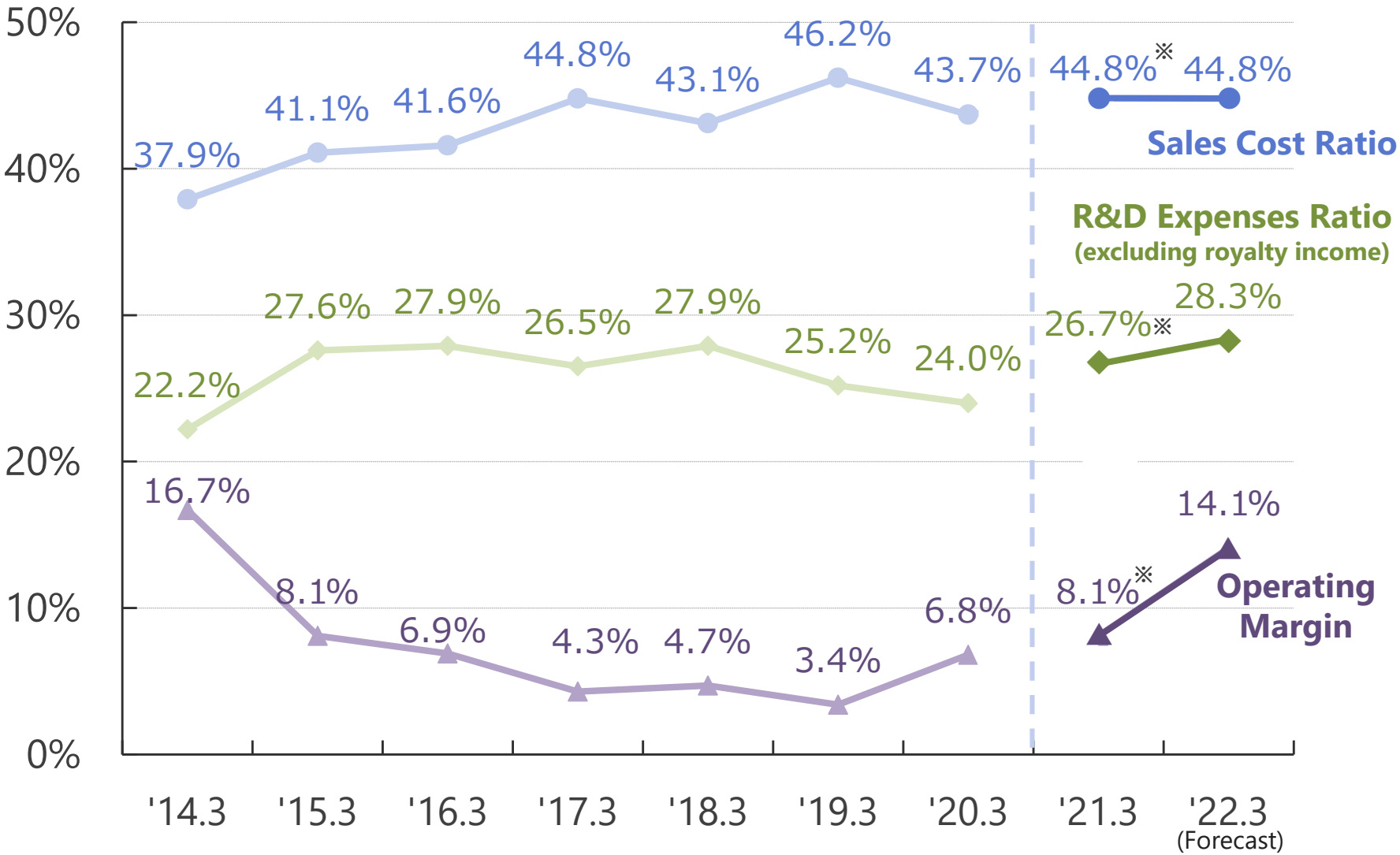
Associates of Cape Cod, Inc. （ACC）

- U.S. subsidiary of Seikagaku
(established in 1974, acquired by Seikagaku in 1997)
- Developed the world's first endotoxin detection reagent and obtained FDA approval in 1977
- A sales network spanning over 80 countries
- Strong revenue growth in recent years

PYROCHROME®

Exterior of the ACC offices

Trend in Financial Index



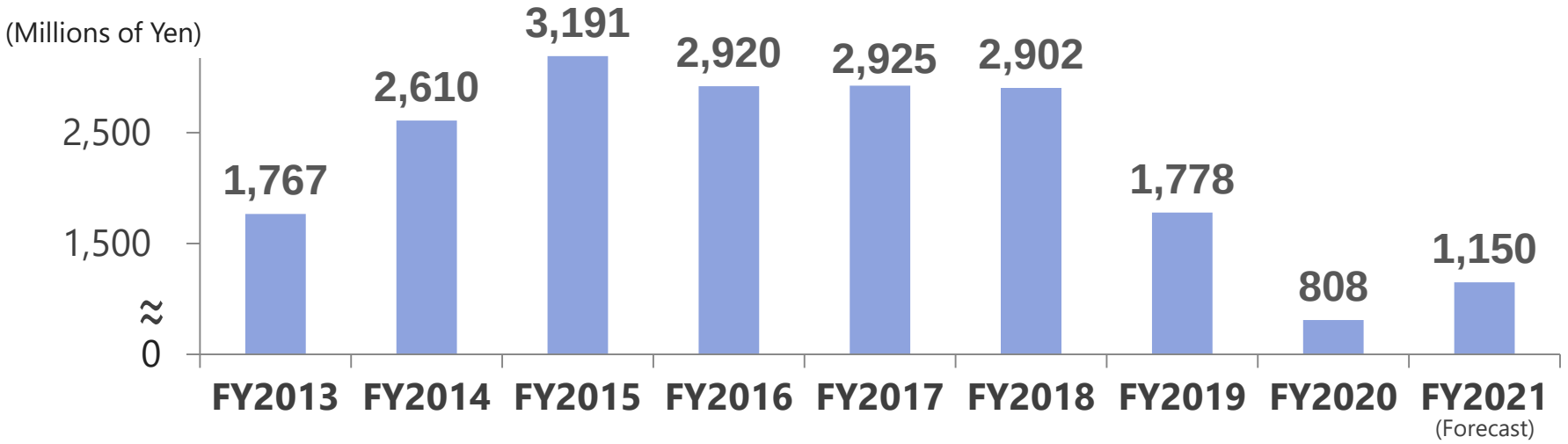
＊It's corrected retrospectively in the new revenue recognition standard

*** There is no change in forecast announced on May 13, 2021.**

Trends in Depreciation & Capital Investments

Impairment loss taken in FY2019
Depreciation will trend toward ¥1.0 billion

■ Trend in Depreciation



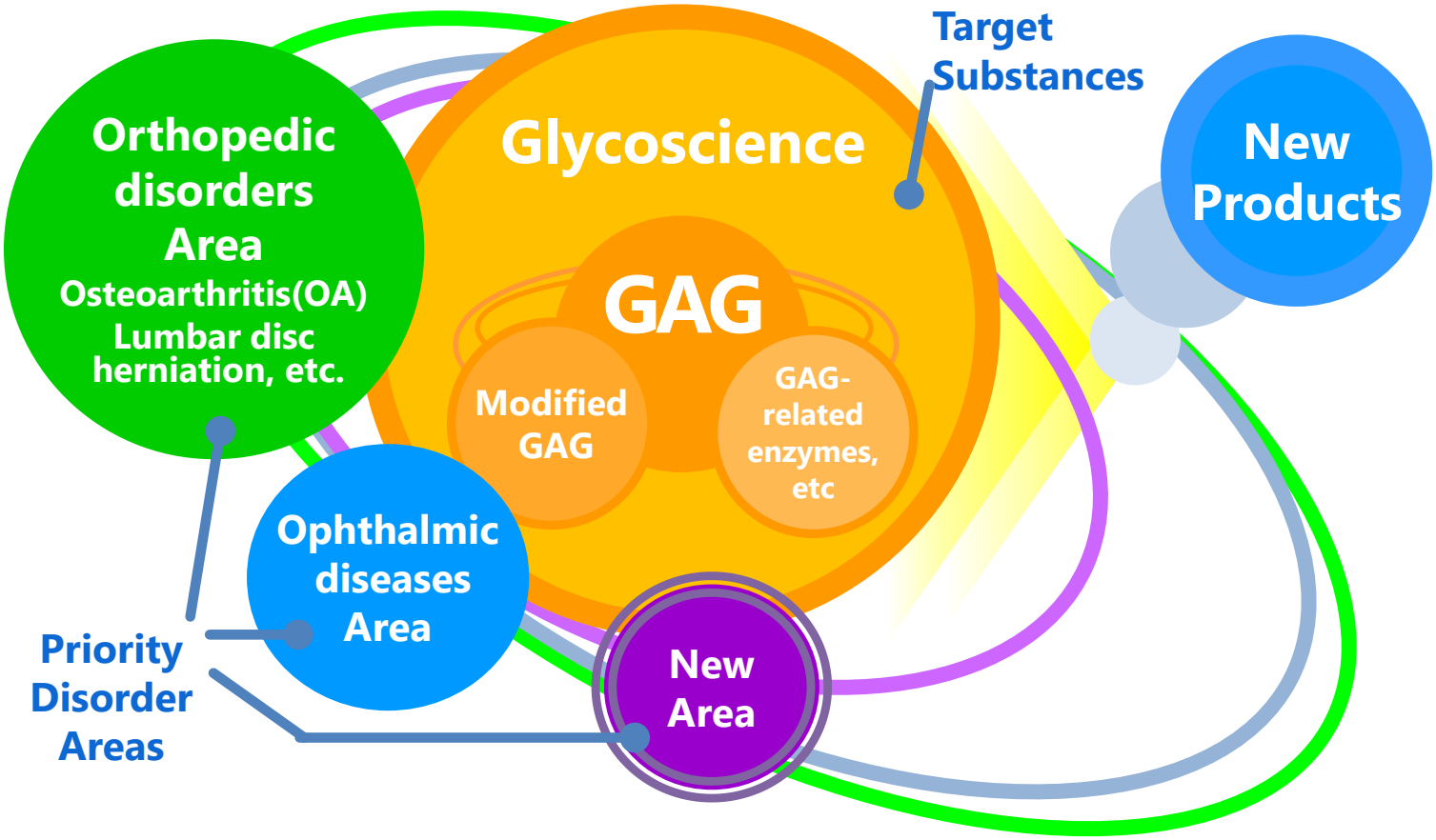
■ Trend in Capital Investments (Millions of Yen)

FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021 (Forecast)
7,222	2,095	1,975	1,173	1,591	1,310	2,109	2,127	3,000

* There is no change in forecast announced on May 13, 2021.

Basic Policy on Research and Development

Continue Our R&D policy to make the most of our technology and knowledge



GAG: Glycosaminoglycans (One of the constituents of complex carbohydrates)

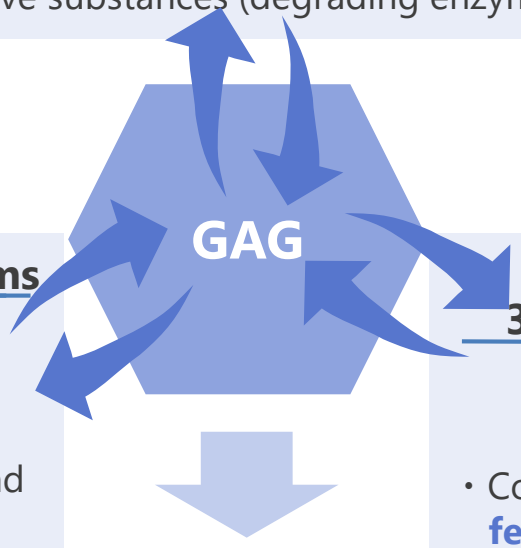
Strengthening and Making Use of The Company's Own GAG-related Core Technology

Accelerating R&D by leveraging our innovative drug discovery technology

1. Developing drugs through modification, processing, and bioactivity

- GAG **photo-cross-linking and chemical-cross-linking**
- **Physio-chemical functions** including viscoelasticity and retention
- Bioactive substances (degrading enzymes)

Gel-One
HERNICORE
SI-449



2. Applying drug delivery systems (DDS)

- **Support and delivery of** active pharmaceutical ingredients
- Expanding the lineup of supportable and deliverable drugs
  (low molecular→medium molecular→cells)
- DDS technology highly adaptable to general use
  (establishing drug discovery techniques)

SI-613
SI-722

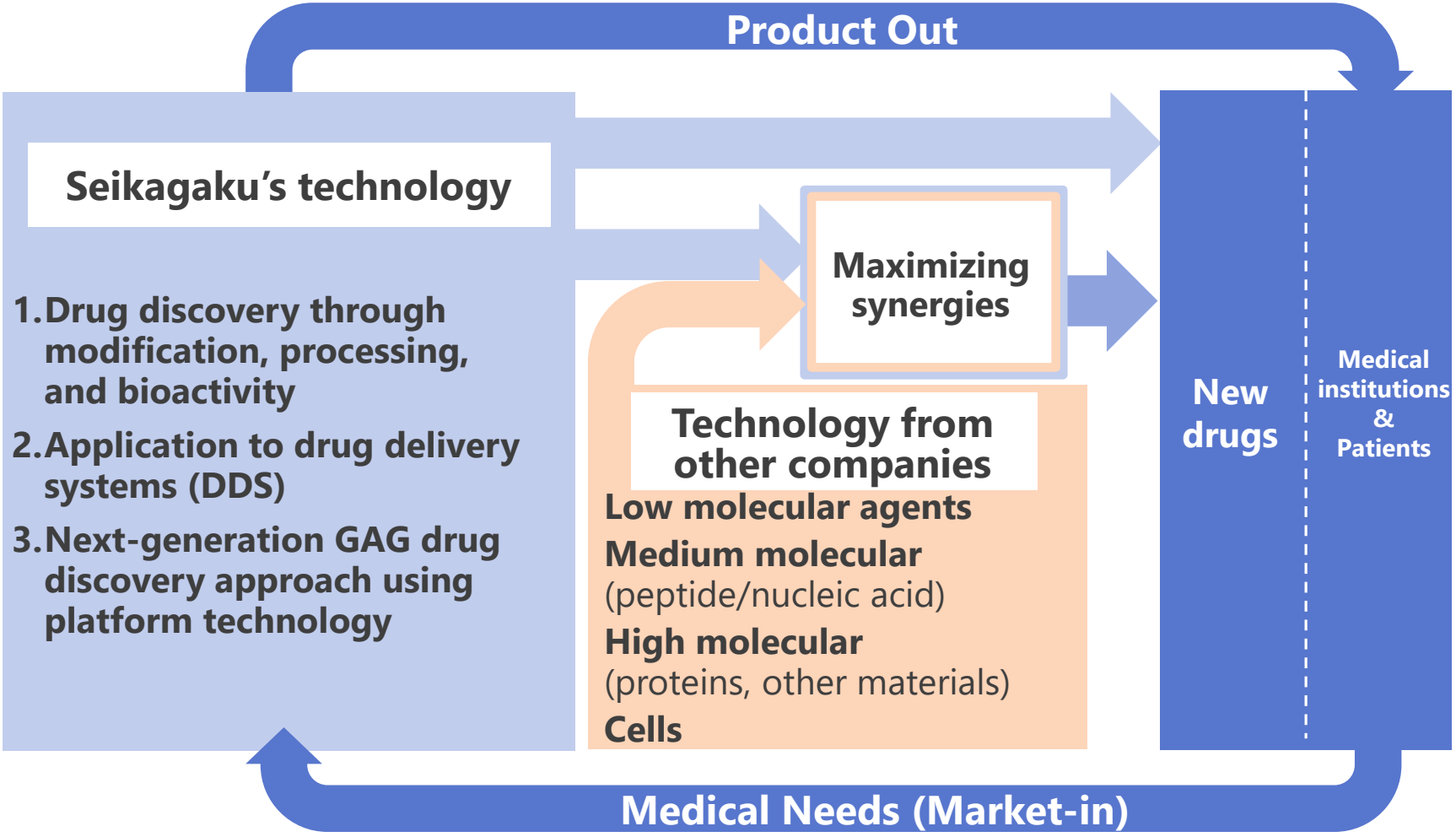
3. Next-generation GAG drug discovery approach using platform technology

- Conversion from natural GAG **to fermented GAG**
- Expanding the field of sugar chain drug discovery
  Applying to glycobiology

SI-613
SI-614

Accelerating Innovative Drug Discovery Using The Open Innovation Strategy

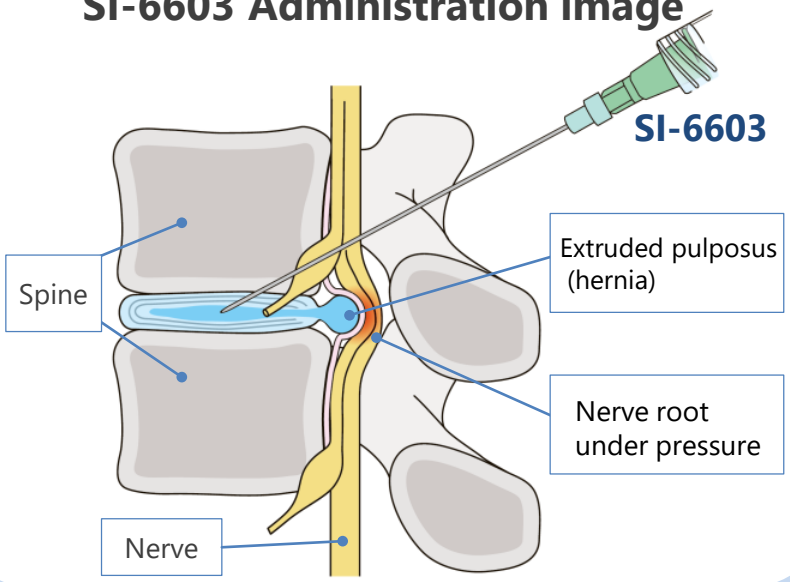
Speeding up and augmenting the number of projects through a drug discovery approach using Open Innovation



SI-6603 (Treatment for Lumbar Disc Herniation)

Single injection expected to relieve the pain of lumber disc herniation by decreasing intradiscal pressure and then reducing the pressure on nerve root

SI-6603 Administration image



Expected Features

- ▶Relieving symptoms by decreasing intradiscal pressure and reducing the pressure on the nerve root by single injection
- ▶It can be administered without general anesthesia, and the administration can be less invasive for the patient compared to surgical technique because of direct intradiscal injection

<SI-6603 summary>

Dev. Code : SI-6603 Generic name : Condoliase

Indication : Lumbar disc herniation

Method of use : Injection into lumbar disc (under X-ray observation)

Estimated U.S. patients : New patients with lumbar disc herniation: 3 to 5 million per year

(Seikagaku estimates)

Result for SI-6603 Phase III Clinical Study in the U.S.

Significant improvement in the primary endpoint was demonstrated in Phase III study of Japan but Phase III study in the U.S. did not meet its primary endpoint of pain improvement

Pharmacological effect (Objective indicator)

- Statistically significant decrease in the intervertebral disc and herniation volume assessed with MRI: **Confirmed pharmacological effect of SI-6603**

Evaluation of safety

- No major concern such as adverse reactions was observed: **Confirmed safety of SI-6603**

Improvement at alleviation of leg pain (Subjective indicator)

- Statistically significant improvement of leg pain at 13 weeks by VAS was not demonstrated

▶ ① There is a guideline for diagnostic and pathology of lumbar disc herniation in Japan, however there is no widely used guideline in the U.S. Therefore, there is possibility that some patients out of Japanese guideline were included in the clinical trial in the U.S.

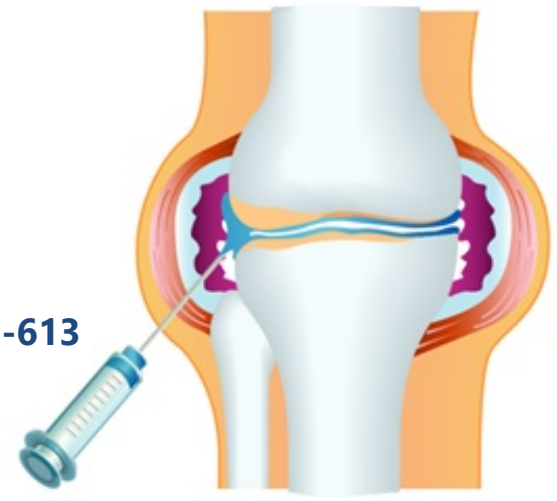
② There is possibility that some factors such as complications biased assessment of leg pain

Increasing the certainty of success for the additional study by reflecting the knowledge and perception obtained from result of the study

SI-613 (Treatment of Osteoarthritis/Enthesopathy)

Aiming for rapid and sustained improvement of pain and other clinical manifestations associated with osteoarthritis and Enthesopathy

SI-613 Administration image



Expected Features

- **Hyaluronic acid and diclofenac (an anti-inflammatory drug) are bound in a formulation designed for gradual release of diclofenac over a fixed period of time**
  Sustained improvement of clinical manifestations, including pain, for 28 days from the day after administration shown in a clinical trial of osteoarthritis patients
- **The first pharmaceutical suitable for treatment of osteoarthritis in the hip joint using a hyaluronic acid formulation**
- **Directly administered to the affected area as an injectable treatment, resulting in low systemic exposure to diclofenac**
  Low risk of systemic side effects

<SI-613 summary>

Dev. code : SI-613 Generic name : Diclofenac Etalhyaluronate Sodium

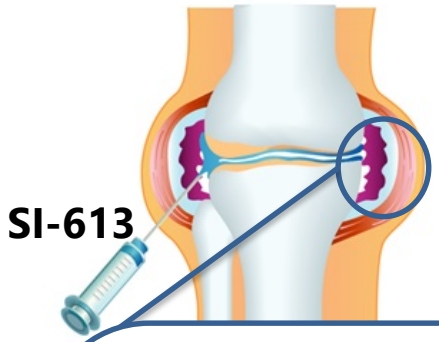
Indication : Osteoarthritis/Enthesopathy

Method of use : Injection into joint cavity

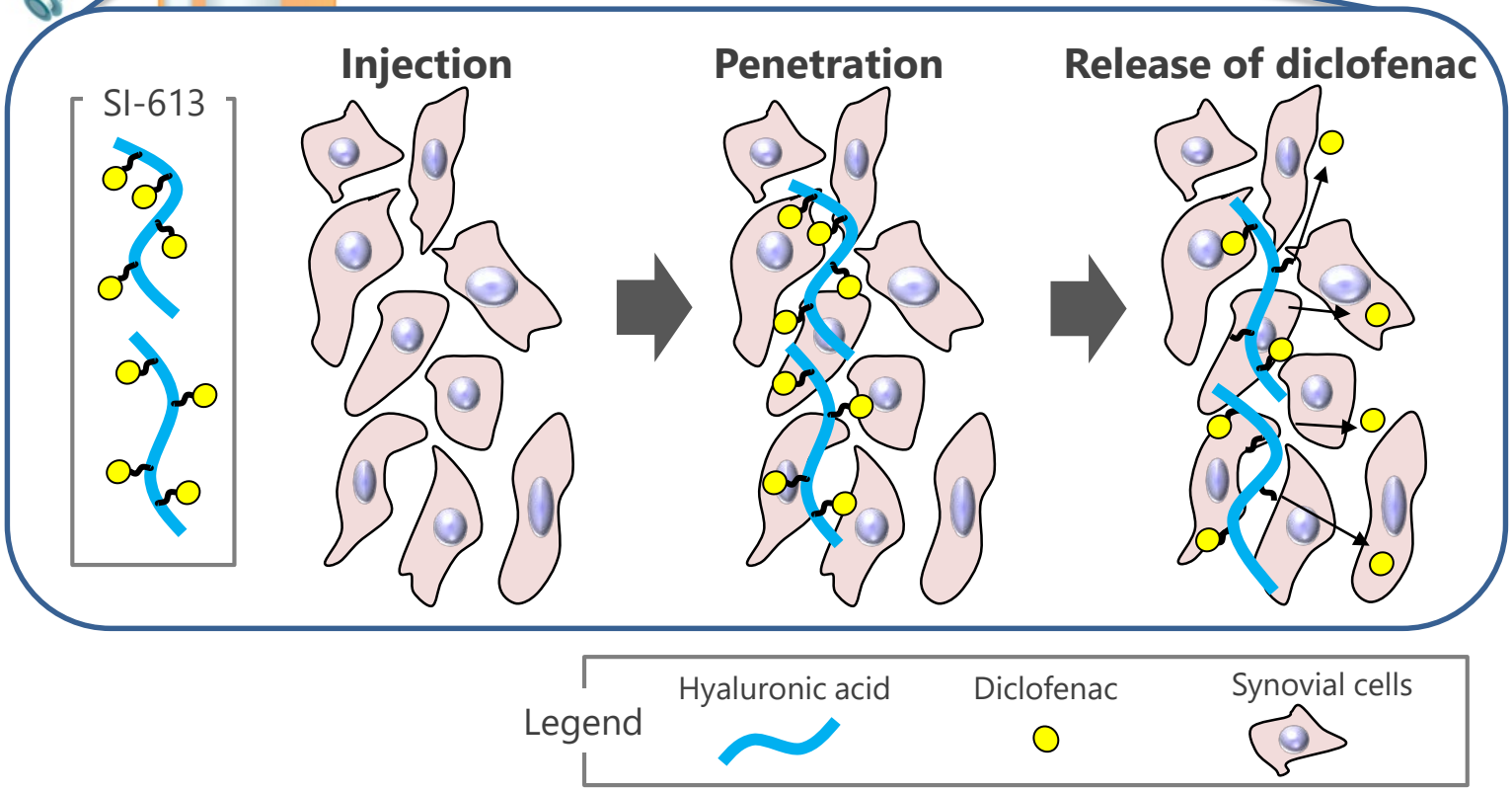
Estimated patients : 24 million (U.S.) / 47 million (China) / 3.7 million (South Korea)

(Seikagaku estimates)

Sustained Release of Diclofenac in SI-613

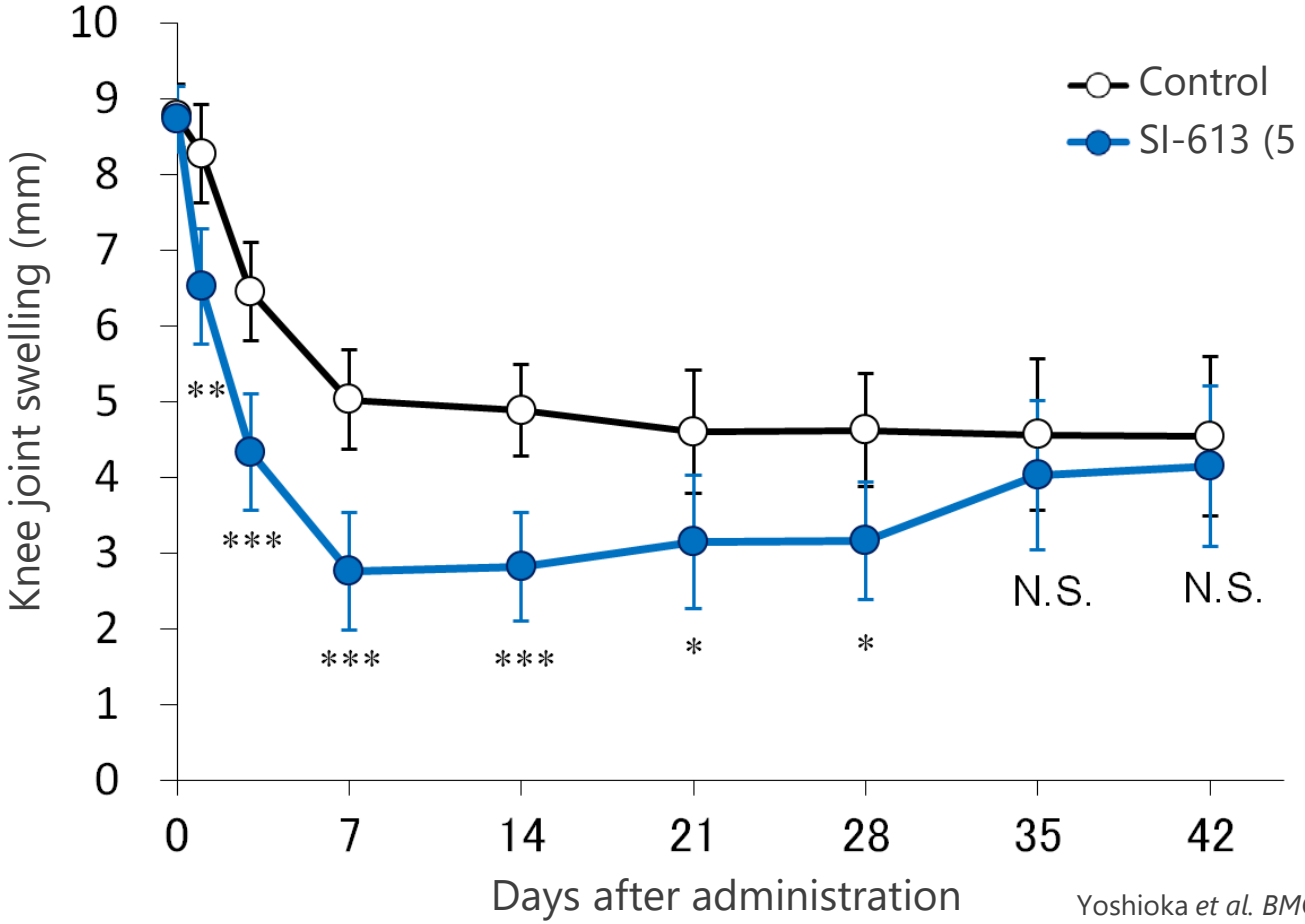


SI-613 (substance name: Diclofenac Etalhyaluronate Sodium) is thought to penetrate the synovial membrane (connective tissue within the articular capsule) and gradually release diclofenac



Results of Non-clinical Study for SI-613

Results of non-clinical study : Anti-inflammatory effect of SI-613 on antigen-induced arthritis in rabbits

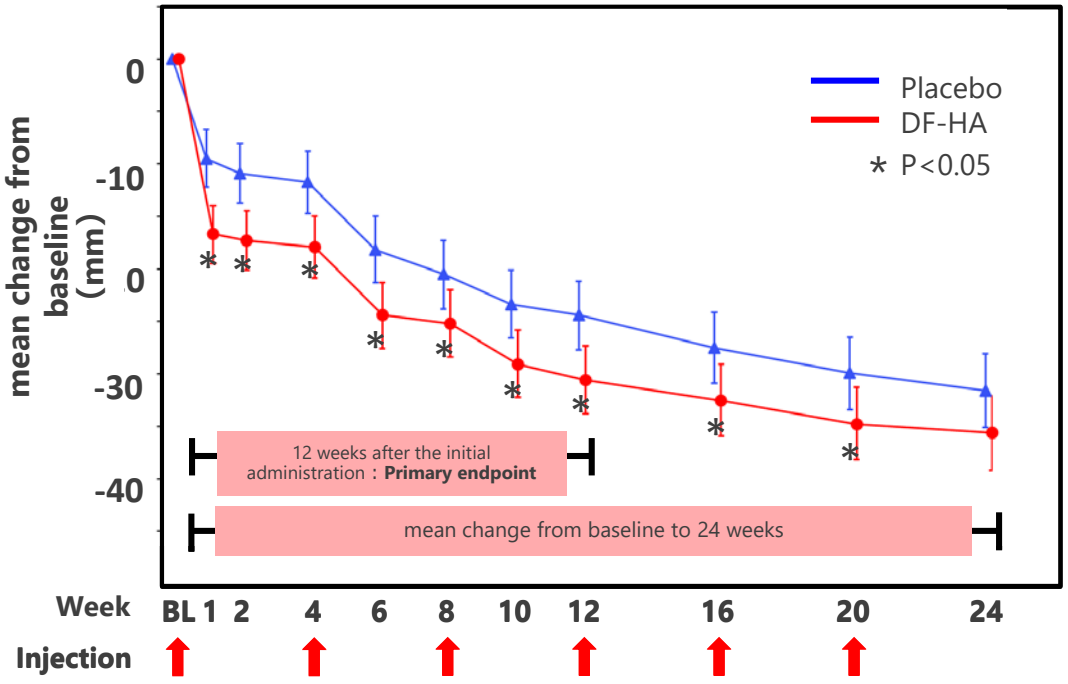


Mean±S.E. (n=20)
*** P<0.001, ** P<0.01, * P<0.05
N.S.(not significant) :
Student's *t*-test with
Holm's correction (vs control)

Yoshioka *et al. BMC Musculoskeletal Disorders* (2018) 19:157
https://doi.org/10.1186/s12891-018-2077-8

SI-613 (Treatment of Osteoarthritis)

On the WOMAC A (pain) score, the primary endpoint, a statistically significant difference is recognized between the placebo group



	Placebo (n=220)	DF-HA (n=218*)
mean change from baseline to 12 weeks：Primary endpoint		
mean change from baseline	-17.1 [-19.8, -14.4]	-23.2 [-25.9, -20.4]
difference	-6.1 [-9.4, -2.8]	
P value	<0.001	
mean change from baseline to 24 weeks		
mean change from baseline	-20.8 [-23.6, -18.0]	-26.4 [-29.2, -23.6]
difference	-5.6 [-9.1, -2.2]	
P value	0.001	

least square mean [The 95% confidence interval]
Mixed model for repeated measures analysis
*FAS：Except for two cases with no effectiveness results after administration

※ DF-HA： Diclofenac Etalhyaluronate Sodium （SI-613）

Source：The 93rd Annual Meeting of the Japanese Orthopaedic Association
The phase III study of Diclofenac etalhyaluronate (ONO-5704/SI-613) in osteoarthritis of the knee

SI-613 (Treatment of Osteoarthritis/Enthesopathy)

Academic conference presentation of the results of a phase III study in Japan of SI-613 in patients with knee osteoarthritis

Outline of Conference Presentation

The results of a phase III study in Japan of SI-613 in patients with knee osteoarthritis were presented at the 93rd Annual Meeting of the Japanese Orthopaedic Association, an online meeting held from June 11 to August 31, 2020.

Abstract Number: 3-12-15

The phase III study of Diclofenac Etalhyaluronate Sodium(ONO-5704/SI-613) in osteoarthritis of the knee

Conducted as a randomized, double-blind, placebo-controlled, parallel-group comparative study in 440 patients with knee osteoarthritis to evaluate efficacy and safety

Primary endpoint: WOMAC pain score

Statistically significant difference found versus the placebo group in difference in mean change in WOMAC score from baseline to 12 weeks after initial administration

Main Secondary endpoints: WOMAC stiffness score and physical function score

Statistically significant difference found versus the placebo group in difference in mean change in WOMAC scores from baseline to 12 weeks after initial administration

Safety evaluation:

No difference in frequency of adverse events and no clinically evident problems found

Clinical Study Information

Development code/ Indication	Develop-ment Location	Clinical Study Title (Study ID)	Target Enroll-ment	Estimated Period	Primary End Point (Primary Follow-up period)
SI-6603 Lumbar Disk Herniation	U.S.	Phase III additional study (NCT03607838)	320	May. 2018 – Nov. 2022	Leg pain (13 weeks)
SI-613-ETP Enthesopathy	Japan	Late-stage Phase II clinical study (JapicCTI-173758)	240	Oct. 2017 – Oct. 2018	Pain in motion (4 weeks)
SI-613 Knee Osteoarthritis	U.S.	Phase II clinical study (NCT03209362)	80	Oct. 2017 – Nov. 2018	WOMAC(Knee pain) (12 weeks)
SI-614 Dry eye	U.S.	Phase II / III clinical study (NCT02205840)	240	Jul. 2014 – Nov. 2014	Corneal staining score, Symptom score (28 days)
SI-722 Interstitial cystitis and bladder pain syndrome	U.S.	Phase I / II clinical study (NCT04208087)	32	Mar. 2020 – Jan. 2021	Maximum observed plasma concentration
SI-449 Adhesion Barrier	Japan	Pivotal study (Field of gastroenterological surgery) (JapicCTI-205343)	130	Jun. 2020 – Dec. 2022	Efficacy
SI-449 Adhesion Barrier	Japan	Pilot study (Field of gynecology) (jRCT2072210100)	10	Dec. 2021 – Sep. 2022	Usability, Safety

Note: The table shows data registered (or planned to be registered) on clinical trial information websites.
The information is updated from time to time. Refer to the websites for details and the latest information.
(The websites can be accessed from the trial ID links.)

- Japan Pharmaceutical Information Center(JAPIC) http://www.clinicaltrials.jp/user/cteSearch_e.jsp
- University hospital Medical Information Network (UMIN) Center http://www.umin.ac.jp/ctr/index.htm
- ClinicalTrials.gov https://clinicaltrials.gov/ct2/search

Note: Actual enrollments or trial periods may differ from targets and plans due to various factors.

Contract Status by R&D Theme

Planned receipt of milestone royalties in accordance with future progress in development and marketing

Development Code Indication	Develop-ment Location	Sales Partner	Total Amount of Milestone Royalties (of which, in upfront payment)
SI-6603 Lumbar Disk Herniation	U.S.	Ferring Pharmaceuticals (Switzerland)	Max. US $95 million (US $5 million)
SI-613 Japan: Osteoarthritis U.S. : Knee Osteoarthritis	Japan	Ono Pharmaceutical Co., Ltd.	Max. ¥12.0 billion (¥2.0 billion)
	U.S.	Searching	—
	China	Eisai Co., Ltd.	—
	Korea	Eisai Co., Ltd.	—
SI-613-ETP Enthesopathy	Japan	Ono Pharmaceutical Co., Ltd.	*included in the above
SI-614 Dry eye	U.S.	Searching	—
SI-722 Interstitial cystitis	U.S.	—	—
SI-449 Adhesion Barrier	Japan	—	—

Progress Against the Mid-Term Management Plan in Fiscal 2020

Ⅰ. Accelerating new drug discovery to become the pillar of new profits

- SI-613(JOYCLU):Obtained a manufacturing and marketing approval in Japan for the joint function improvement agent JOYCLU 30mg Intra-articular Injection for the indication of osteoarthritis (knee joint and hip joint) (March 2021)
- SI-722: US Phase I/II clinical study was completed(Jan 2021)

Ⅱ. Solidifying the profit foundation through market expansion of new products

- SI-613: Concluded an agreement for marketing alliance in South Korea with Eisai (Sep 2020)
- ACC launched PyroSmart NextGen recombinant LAL reagent(April 2021)

Ⅲ. Productivity improvement reforms

- The transfer of manufacturing to Dalton Chemical Laboratories, Inc., is proceeding
- The Company is implementing organizational moves designed to maximize the value of resources

Solidifying our foundation in order to lay out a path for revived growth
Initiating various measures towards accelerated expansion and early realization

Numerical targets

	FY2021 Forecast		FY2021 targets (2019.11)
	new revenue	old revenue	
Net sales	¥32.2 billion	¥28.3 billion	¥28.3 billion
Ordinary income	¥4.6 billion	¥4.6 billion	¥4.5 billion
SKK EBITDA	¥5.7 billion	¥5.7 billion	¥5.0 billion
Overseas sales ratio	45.0%	51.8%	50.0%

≪Assumptions (2019.11)≫

- Expansion of overseas sales in the LAL business makes up for the effects of the NHI drug price revisions in Japan
- Depreciation declines as a result of impairment loss
- R&D expenses are 25–30% of sales
- Various royalty income is included as non-operating income
- Exchange rate: ¥105 to the U.S. dollar

＊SKK EBITDA：A profit indicator that adds depreciation and royalty income to operating income

*** There is no change in forecast announced on May 13, 2021.**

Outline of Acquisition

Dalton, a Canadian CDMO, becomes a subsidiary Acquiring a pharmaceuticals manufacturing base compliant with US/Canadian GMP

Outline of acquisition

- Name：Dalton Chemical Laboratories, Inc.
- Acquisition cost：Up to CAD 41 million
- Acquisition method：Acquired all issued shares

Dalton Chemical Laboratories, Inc.

- Location：Toronto, Ontario Province, Canada
- Established：1986
- Business description：
  Contract manufacturing services (CDMO*), including the manufacturing of chemosynthesis products and active pharmaceutical ingredients (API) and API process development for pharmaceutical companies
- Employee number：132 (2021.3)

Exterior of the Dalton offices

＊CDMO：Contract Development and Manufacturing Organization
A business that supplies comprehensive services in drug development and manufacturing to pharmaceutical companies, including contract drug manufacturing, pharmaceutical formulation planning at the development stage, manufacturing of investigational drugs, and optimization of manufacturing conditions.

Synergistic effects of making Dalton a subsidiary

Accelerating new drug discovery and advancing production optimization and efficiency

Seikagaku
Specialized in new drug development & manufacturing

- Glycoscience R&D ability
- Final formulation technology and know-how in pharmaceuticals and medical devices

Dalton
Technology prowess related to CDMO

- Advanced technical skills in chemosyntheis
- Know-how in investigational drug manufacturing and process development
- Overseas GMP-certified

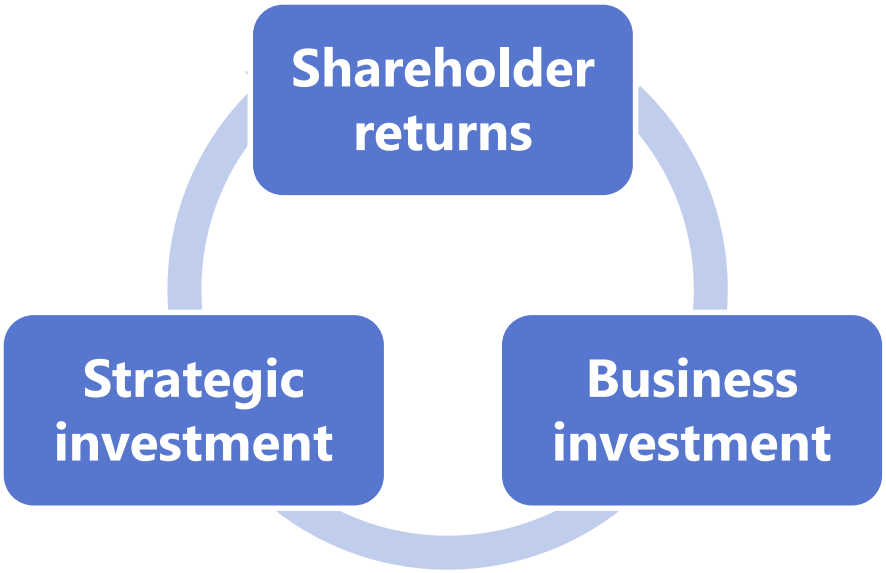
Synergies between the two companies

➢ **Seikagaku**
- Accelerating drug discovery (applying Dalton technology)
- In-house development of chemosynthesis products used in R&D, etc.
- Production optimization and efficiency improvements

➢ **Dalton**
- Business expansion by contracting from Seikagaku
- Developing a final formulation business

Basic policy on profit distributions

Investing for sustainable profit growth and raising corporate value, implement business performance-linked dividends



Shareholder returns

- Aiming for a 50% dividend payout after considering business profits etc.
- Examining the purchase of company treasury stock when appropriate

Business investment

Investing efficiently in R&D and production facilities etc. for creating new value

Strategic investment

Carrying out initiatives for strategic investments with prospects for future growth and synergy effects

*** Dividend plan: FY2019-¥26, FY2020 & 2021-based on dividend policy described here**

Seikagaku's vision

Our vision	A company that is valued by the world through its innovative drug discovery
Core values (motto)	Creativity, Fairness, Dreams and Passion
Creed	We create safe and useful products for human well-being with basic research based on glycoscience.
Guidelines for Our Activities	● We create a corporate environment of mutual trust and communication using individual abilities. ● We create innovative and useful products through in-depth cooperation between industrial and academic circles. ● We assure the highest quality and safety of our products. ● We enhance interaction with society by establishing genuine trust. Through these efforts, Seikagaku will strive to become a sound and socially responsible company that protects the natural environment and improves quality of life.
Mission statement	"Glycoscience for human well-being"
Corporate slogan of the new mid-term management plan	”Innovative Thinking” Creating value based on innovative thinking

Special Profile

1 Specialization in Glycoscience

- Niche field, market not big enough for the major pharmaceutical companies to penetrate
- Focusing on this field more than ***70 years***

2 State-of-the-art technology related to GAG

- Drug discovery expertise using ***modified-GAG***, ***GAG-related enzymes***, etc.
- ***Extraction, Purification, Fermentation,*** etc. technology to manufacture GAG related products

3 Unique business model

- Concentration on ***R&D*** and ***manufacturing***
- R&D staff comprising ***one-third*** of our total employees
- Allocation of ***25% to 30%*** of net sales to R&D investment

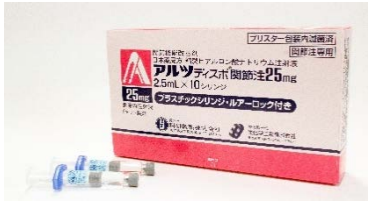
GAG: Glycosaminoglycans (One of the constituents of complex carbohydrates)

Our Business Segment

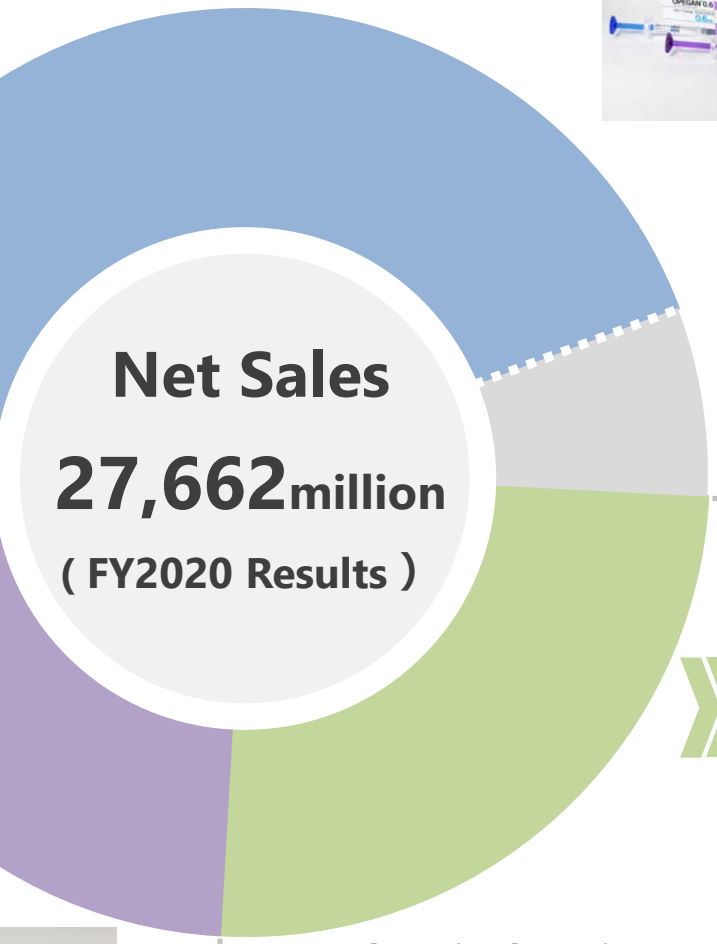
Pharmaceutical Business 74.9%

Domestic Pharmaceuticals ➡43.4%

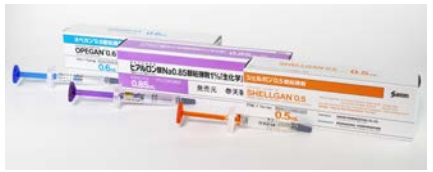
Joint Function Improving Agents



Overseas Pharmaceuticals ➡24.8%



Ophthalmic Surgical Aids



Bulk Products

Bulk Products/ CDMO ➡6.7%

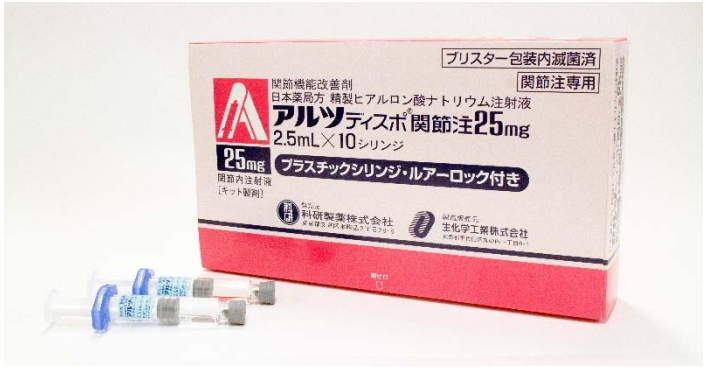
LAL Business 25.1%

Endotoxin-detecting reagents
(used mainly for quality control of pharmaceuticals and medical devices)

Main Hyaluronic Acid (HA) Products

ARTZ® Joint function improving agent by multiple injections

- The first HA joint function improving agent in the world
- Main distributors:
  - Kaken Pharmaceutical (Japan): ARTZ
  - Bioventus (U.S.): SUPARTZ FX
  - Kunming Baker Norton Pharmaceutical (China): ARTZ



Gel-One® Intra-articular single-injection viscosupplement for the treatment of knee osteoarthritis

- Requires only 3ml to be as effective as multiple injections
- Full-scale sales since August 2012
- Distributor: Zimmer (U.S.)

■ Cautionary Notes

This material contains forward-looking statements regarding future management strategies or performance forecasts. These descriptions are based on judgments derived from information that is currently available to Seikagaku and are subject to risk and uncertainty. Actual results and developments may differ significantly from these descriptions due to various factors.Information about pharmaceutical products or medical devices (including products currently in development) contained in this material is not intended to constitute an advertisement or medical advice.

https://www.ehiza.jp/

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