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Meiji Holdings Co., Ltd.
Pharmaceutical Segment Small Meeting Q&A

September 3, 2025, 15:30-17:00 for Securities Analysts

September 10, 2025, 15:30-17:00 for Institutional Investors

Presenters:

Toshiaki Nagasato	Chief Operating Officer of the Pharmaceutical Segment, Member of the Board and Executive Officer of Meiji Holdings Co., Ltd.
Takeshi Naruse	Managing Executive Officer, Head of R&D of Meiji Seika Pharma Co., Ltd.

*This material has been edited to make it easier to understand some of the questions and answers.

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Q-1

Can you provide a detailed schedule concerning the new consortium concept for generic drugs? Also, please discuss your thoughts on the merits of your company leading this initiative.

A-1

We plan to provide our initial report on the new consortium concept sometime in October of this year. Rather than our company arbitrarily leading the new consortium concept, we will advance this initiative with a focus on collaborating with partner companies. We will first begin by building a sustainable collaboration structure with companies interested in participating in this initiative. Our policy will be to carefully assess the production capacity of the plants of each company and designate applicable products before evaluating specific methods for generating the merits of scale through mass production.

At some point in the future there will be a need for an organization to serve as the general manager of this initiative. However, initially, rather than restrictions based on strict rules, we want to get started with a flexible structure that provides merits for participating companies. As for specifics, we ask that you wait for future announcements.

As for the merits of this consortium concept, generic drugs face significant structural challenges that lead to continuously declining drug prices. To overcome this severe operating environment, it is essential that manufacturers consolidate our wisdom and collaborate. The key to sustainable growth is pursuing the merits of scale and becoming as efficient as possible in our processes, from production to sales. We view this consortium concept as the most effective means of achievement, and will promote this initiative based on the belief that the generic drug industry must unite to resolve the challenges we face.

Q-2

On the subject of your company leading the consortium, it seems like a feasible format would be to establish an entity equivalent to a systems integrator that is capitalized by participating

companies, and having that entity manage supply chain and other functions. What are your thoughts on such a format?

A-2

I think establishing a systems integrator would be an incredibly effective option as a starting point for this concept. I believe it would be feasible to get started by establishing a joint venture with functions for overall supply chain management and optimization. Of course, I anticipate there will be various challenges related to advancing such a collaboration but, from our perspective as well, I believe we must work proactively to realize this concept.

With that in mind, we split off our sales division for generic drugs to form Me Pharma Co., Ltd. as a separate entity. We believe this structure, which is composed of independent specialized teams, will serve as a major strength by supporting the rapid and flexible formation of partnerships with other companies and decision-making related to this consortium concept.

Q-3

My question is concerning the new drug for insomnia *Vorzzz*. The insomnia treatment market is growing significantly, even in Japan. At the same time, it has become a market with fierce competition with multiple powerful competitor products. One of the strengths of *Vorzzz* is that its effects do not carry over to the following morning but, to put it another way, this could be viewed as meaning that its time of efficacy is short. Are there concerns of this being indicated as a risk of waking during sleep? In this severe market environment, how are you evaluating the potential of this drug?

A-3

While certain competitor drugs do have excellent efficacy manifestation, there have been cases of users reporting drowsiness the following morning. *Vorzzz* has demonstrated improvement in both users who have difficulty falling asleep and users who have difficulty maintaining a sleeping state. At the same time, the greatest advantage of *Vorzzz* is that it presents little concern regarding a

carryover effect the day after dosage, one of the concerns related to drugs for insomnia, due to its short dissipation half-life. We are confident that this provides a clear differentiation from existing drugs.
Concerning the risk of waking during sleep, we believe that, by establishing multiple dosage specifications, it is possible to enable detailed prescriptions tailored to each patient's symptoms and condition. I believe we can sufficiently eliminate concerns by ensuring appropriate information provision to physicians and patients to promote an understanding of drug characteristics. While we recognize that market competition is fierce, this drug holds significant potential. At present I cannot disclose detailed numerical targets, but I can say that internal expectations are incredibly high. We will leverage our powerful sales structure to establish a competitive advantage for this.
Furthermore, we are planning on the joint sales together with Taisho Pharmaceutical Co., Ltd.

Q-4

While you have several highly promising products in development such as a six-in-one combination vaccine and a dengue fever vaccine, the vaccine business is fundamentally susceptible to a high degree of profit volatility. Does the size of this volatility serve as a factor that interferes with overall improvements in the business valuation of the Pharmaceutical segment? Please discuss your thoughts on the possibility of reducing this profit volatility moving forward.

A-4

As you suggest, we recognize the profit volatility of the vaccine business as a major management issue. However, there is no change in our belief that vaccines are the most effective and essential means of protecting people from the global threat of infectious diseases. At the same time, improving vaccine literacy in Japan has become an urgent issue. While interest in vaccination rapidly increases during an epidemic, that interest tends to fade quickly once the epidemic subsides. This is one factor that leads to profit volatility. Continuous education and awareness activities during normal times are essential to resolving this issue.
Also, vaccines included in the routine vaccine schedule offset this volatility and contribute greatly

to business stability. Products such as the five-in-one combination vaccine and the Japanese encephalitis vaccine are mandated by law to be included in the routine vaccine schedule for infants. These vaccines have a vaccination rate exceeding 90% and represent a stable operating base. Our policy is to control overall business volatility by building a balanced portfolio containing vaccines like the influenza vaccine, which are influenced by the degree to which the infection has spread, and vaccines that provide continuous and stable profits, such as vaccines included in the routine vaccine schedule.

Over the medium and long term, it will be important to reform public perception concerning prevention. There is a need for proper education concerning the importance of prevention and the efficacy and safety of vaccines. This will require a nationwide effort based on cooperation from the Ministry of Health, Labour and Welfare (MHLW) as well as Ministry of Education, Culture, Sports, Science and Technology (MEXT).

On a global level, there is extreme need for vaccines for infectious diseases such as mpox and malaria, which can see infections advance to critical condition and result in death. By steadily advancing development and achieving commercialization, we will fulfill our mission of protecting the world from the threat of serious infectious diseases while also positioning these vaccines as new growth drivers that contribute to business.
We will continue to provide the public with detailed information and conduct activities that promote understanding as we strive for sustainable growth for the vaccine business as both a stable revenue platform and as future growth driver.

Q-5

My question is concerning the operating profit target of JPY40.0 billion indicated in the 2026 Medium-Term Business Plan. COVID-19 vaccine demand assumptions at the time of formulation have changed significantly but your targets remain unchanged. Please discuss your approach in terms of a detailed growth strategy or positive factors to be applied towards filling that gap.

A-5

As suggested, the vaccination environment for COVID-19 vaccine is quite severe as demand has fallen significantly below initial assumptions. We will aim to fill this gap and achieve targets by steadily executing several policies. First, we are positioning the drug for insomnia *Vorzzz* as a highly promising growth driver. We are planning to launch this drug during the current FY2025, with plans to aggressively drive growth by conducting full-scale marketing in FY2026. For our blood plasma pharmaceuticals, we will work to expand sales by consolidating manufacturing and sales within the Meiji Group. Overseas, we are making progress towards obtaining approval for *REZUROCK*, a treatment for chronic GVHD, mainly in ASEAN nations. We will further strengthen overseas sales of this treatment drug.

Another important factor is the NHI drug price revisions scheduled for next spring. Unlike generic drugs, several of our antibacterial drugs and blood plasma pharmaceuticals have been designated as stable supply medicines, for which securing a stable supply is outlined in government policy. In particular, we have many products classified as Category A Stable Supply Medicines, drugs for which securing supply is deemed highly essential. For those pharmaceuticals, our policy will be to request drug price support. Capital is essential to making the capital expenditures required to maintain and strengthen the stable supply structure, and we recognize that achieving appropriate drug prices is an extremely important issue.
By implementing these growth strategies, we will aim to overcome the gap with initial assumptions and achieve the targets of the 2026 Medium-Term Business Plan.

Q-6

Looking at NHI drug price revisions this fiscal year, you have been impacted by downward revisions. Please discuss the reason behind this and your current view on projections for next fiscal year.

A-6

NHI drug price revisions have both a positive and negative impact on our portfolio. Generally speaking, there are two major aspects to NHI drug price revisions. The first is the lowering of prices based on the market price applied to generics and other drugs. The other factor is the support provisions in place to support the stable supply of medicines designated for which there is a risk of supply instability.

Revisions over the past several years have heavily included support provisions for stable supply. Those provisions exceeded the lowering of prices, meaning the NHI drug price revisions had an overall positive impact. However, the revisions implemented last April of this year reversed the application rules for those support measures, narrowing the list of applicable products. At the same time, the normal lowering of prices was also conducted. As a result, this had an overall negative impact on our company.

At present, the rules to be applied to the next NHI drug price revisions have not yet been finalized. This is a question of what types of considerations will be made by the medical compensation system. In addition to the country's financial situation, societal conditions such as recent increases in cost of living could also be taken into consideration. Our understanding is that the extent to which such factors will be reflected in the NHI pricing system is something that will be determined when rules are decided on through deliberations by the Central Social Insurance Medical Council (Chuikyo) and other entities to be held at the end of this year.

Our position will be to lobby the government to make appropriate drug price evaluations for stable supply medicines so that we are capable of continuing to fulfill our social mission of securing a stable supply of essential medicines.

Q-7

There was talk of returning to domestic production of bulk drugs for penicillin but what are your thoughts in regards to any resulting decline in cost competitiveness or impact on profit? Also, does this movement to restore domestic production represent a larger trend within the pharmaceutical

industry overall rather than just a localized policy for antibacterials?

A-7

Compared to procurement from China or other foreign countries, total domestic production beginning from starting materials would result in cost increases. However, this is an initiative in which the government is taking a leading role from the perspective of economic security, so it is not something that can be measured simply based on cost competitiveness.
We will engage in close-knit discussions with the government as a critical point moving forward will be how the value of domestically produced drugs is reflected in drug prices to prevent cost increases associated with domestic production from constraining business profitability.

We view this move towards a return to domestic production as a larger trend enveloping the entire pharmaceutical industry and as something occurring at the national level. The greatest opportunity comes from the experience gained through the 2020 COVID-19 pandemic. During the pandemic, the country was forced to depend on supplies of vaccines and treatments from overseas, exposing vulnerabilities in the supply chain. Japan was shown the reality of the risk of how the spread of an infectious disease can bring all economic activities to a halt. From these lessons, the nation reaffirmed the importance of securing domestic production sites for essential medicines, even if costs increase somewhat.

Additionally, there is also the aspect of being prepared for emergencies in light of recent international relations. Considering the risk of a sudden stoppage in overseas supply due to geopolitical reasons, it is essential to maintain the technology and structure needed for domestic drug manufacturing to ensure our ability to protect the lives of the nation's population. Unlike chronic diseases such as high blood pressure, infectious diseases in particular have the potential to present a sudden risk to human life. As such, as a nation, there is a strong commitment to securing stable supplies of treatment drugs, so we expect this trend to continue moving forward.

Q-8

Among your drug development technologies, it appears that messenger RNA (mRNA) technology could become your greatest pillar of differentiation. The development of COVID-19 vaccines represents a special case in which the concentration of global resources was used to conduct spike protein analysis at an unprecedented speed. To apply this technology in other fields such as cancer immunity, the discovery and analysis of the target spike protein will be essential. Based on the R&D resources (personnel, budget) at your disposal, what is your current projection on the timing for being able to achieve commercialization in such domains?

A-8

As you indicated, mRNA technology holds significant potential, and we have launched multiple projects that represent promising drug development seeds for the future. This technology, which enables the discretionary creation of designated proteins within the body, is expected to have applications for a wide range of disease domains.

For example, one potential therapeutic application is in patients with gene defects leaving them incapable of creating specific proteins. In such patients, mRNA (self-amplifying RNA in particular) can be used to supplement that protein. This has the potential to provide significant benefits in terms of convenience compared to conventional enzyme replacement therapy or gene therapy.

Rather than a focus on independent, in-house R&D, collaborations with academia and research institutes possessing superior drug development seeds will be essential to the speedy realization of such applications. It is critical that we rapidly form alliances with promising partners and promote a fusion of technologies to accelerate development.

At this time, it is difficult to provide specifics concerning the timing of commercialization, but the Meiji Group has excellent human capital with expertise in this field, including KM Biologics. We will gather our talent and focus our resources on the commercialization of mRNA technology.

While we have nothing to share concerning details on collaborations and development themes at this time, we are certain that the time will come when we can provide you with a report. I hope you

will look forward to our future progress.

Q-9

I have three questions concerning the dengue fever vaccine currently under development. Firstly, why did it take nearly four years from the announcement of Phase I trial results (2021) to begin Phase II trials? Next, with competing products beginning Phase III trials, how will you differentiate your vaccine? Lastly, please discuss your progress on the alliance with global companies, which was discussed previously at the briefing for investors.

A-9

After the completion of Phase I trials, we sought out alliances with global companies based on those results but were unable to form an alliance involving large-scale development investments based solely on Phase I data. Advancing to Phase II and Phase III will require capital on the scale of tens of billions of yen so we have been carefully considering funding methods, which ended up taking some time.

However, there were significant developments during that period as dengue fever was designated by the country as a priority infectious disease. Firstly, it was decided that we would receive Phase II trial implementation funding from the Strategic Center of Biomedical Advanced Vaccine Research and Development for Preparedness and Response (SCARDA) as well as implementation funding support from the MHLW for Phase III trials. While it did take some time, we have now established a solid structure for promoting development that is based on sound government backing. Accordingly, we reevaluated part of our development strategy. Unlike initial plans, our current policy is to complete development through Phase III trials in-house. We are engaged in preparations so that, depending on Phase II results, we will be ready to immediately advance to Phase III trials.

Next, the biggest difference between our dengue fever vaccine and competing products further along in development is in the basic design of the vaccine. Competitor products are using manufacturing methods such as the partial recombination of the genes of other types of viruses

based on attenuated viruses of a specific serotype. Conversely, the greatest characteristic of our vaccine is that it is a full component vaccine combining attenuated versions of each of the four serotypes of dengue virus (types 1 to 4). As a result, our vaccine is expected to provide superior performance in terms of inciting a more balanced immune response against the four serotypes while maintaining long-term preventative effects from a single inoculation. This basic design represents the source of our competitive advantage, and we are confident that it will serve as a pillar of differentiation.

On the subject of building a supply structure for global markets, there is a limit to our in-house production capacity. At the point we are able to obtain favorable clinical data, we plan to proactively evaluate alliances with partners capable of overseeing global production and sales. We will first complete development in-house and then work to maximize product value.

Q-10

My question is concerning sales trends for the self-amplifying vaccine *KOSTAIVE*. According to materials released by the MHLW, vaccine supply volume for the 2025/26 season is expected at roughly nine million doses overall, with your company supplying roughly 820,000 doses. Is it accurate to assume that you are progressing smoothly towards the 10% market share indicated in your briefing? Also, last season saw a significant divergence between demand projections and actual demand. Is it your view that supply targets for this fiscal year are appropriately aligned with current demand?

A-10

The sales environment this year has improved significantly compared to the previous season. Last year, 16 dose vials presented difficult operational challenges because medical institutions had to gather 16 people for vaccinations. However, the switch to 2 dose vials from this season enables the same user convenience as with the influenza vaccine. We believe this solves a major operational hurdle. In light of this product improvement and the supply trends of other companies, securing a 10% share is a sufficiently achievable target.

Supply plans for this fiscal year reflect our experience from the previous season. Last season led to severe results due to a gross over-estimate of demand. From those lessons learned, we have been very careful with demand projections for this fiscal year and formulated a supply plan that takes demand-supply balance into consideration. We will steadily promote sales while paying close attention to vaccination trends.

Q-11

For the Meiji Group, the synergy between food and pharmaceuticals has long been an important management issue. As the COO of the Pharmaceutical segment, what is your awareness of current issues related to this theme and what directional approach will you take moving forward?

A-11

Synergy between food and pharmaceuticals is a long-standing theme for the Meiji Group. I personally have taken on multiple challenges related to this theme over the years, so I understand that there are numerous issues related to commercialization.

Management continues to engage in ongoing discussions related to this theme but, at present, we have not established any specific business plans. One factor is that pharmaceuticals and food are governed by different laws and regulations that require compliance. Another factor is that while pharmaceutical development requires massive time and capital investments, food requires a great sense of speediness, and it is relatively easy to make decisions on market withdrawal. As such, there are fundamental differences in the approaches and cycles for investment recovery in each business.

While it is not easy to overcome these differences to generate synergy that represents true value for both businesses, it is not the case that we have given up on this potential. For example, when we look at research in intestinal flora, one of our strengths in the Food segment, there is the potential for the future creation of domains that will enable links between the two businesses. We will continue to explore opportunities for generating synergy for the entire Meiji Group, but there are no specific plans I can discuss at this time.

Q-12

Please discuss the changes to your business strategy and organizational management as well as your new policies related to your changes to the management team for the Pharmaceutical segment implemented from June 2025.

A-12

With the new management team, our basic policy is to incorporate and further enhance our strengths developed under the previous team. From there, our main theme for the new team is sustainable growth on a global level.

Rather than focusing on any single product strategy, we are addressing the macro issue of how we build an organizational structure that enables us to win in the global market. Regarding this issue, management will proactively engage in discussions and implement reforms.

Q-13

Overseas business accounts for roughly one-fourth of Pharmaceutical segment profits. Please discuss your current problem awareness as it relates to overseas business and how you will position overseas business moving forward, including the contracted manufacturing organization (CMO) and the contracted development and manufacturing organization (CDMO) businesses.

A-13

I personally have been involved in overseas business for many years. Initially, there was a period when business struggled mightily and was not able to turn a profit. However, there has been a significantly favorable shift in the business environment over the past 10 years or so, and it feels like the tide has turned.

About 30 years ago, the cost of living in ASEAN nations was incredibly inexpensive, but today it is on the verge of surpassing Japan. This is proof that life in these regions has become prosperous and an indication that the stage is set for us to sufficiently leverage the competitive strengths of our products and technology for the pharmaceutical market in the region. These changes are also

clearly evident in our business. For example, Medreich Ltd. in India is steadily growing their globally competitive CMO/CDMO business in addition to the generic drugs business.
Backed by this strong market growth, we are positioning overseas business as an extremely important growth driver. While this business did struggle in the past, today it has grown into a major profit pillar. We will solidify this transformation and drive business expansion that is aligned with the economic development of each country.

Q-14

As Japanese CDMO operators face stiff competition in overseas markets, your overseas business has become a growth driver. In light of your successes with Medreich Ltd. in India, what approach will your next growth strategy take? Also, how do you plan to promote the value of your B2B business to the capital markets?

A-14

As our next step to pursue growth, we are focusing on markets in Africa. Just as the ASEAN region has achieved remarkable economic growth over the past 20-30 years, African regions are similarly projected to see significant growth in the next 20-30 years. In response to the massive potential of this market, we are envisioning a strategy that will involve leveraging Medreich Ltd. in India to develop business rather than making market approaches directly from Japan.

Medreich Ltd. has a significant track record of success through its joint venture in South Africa, Adcock Ingram, which has been a major profit source for our overseas business. We believe that establishing a base of operations in India, which has a high affinity with Africa both geographically and culturally, will enable more efficient business development. As a medium- to long-term concept, we should be able to implement a strategy of expanding our diverse product portfolio of vaccines and antibacterial drugs to Africa through India, and we are confident that our efforts will generate significant growth opportunities.
Regarding promoting the value of our B2B business, we believe that we can link the formulation

and steady implementation of this type of concrete global growth strategy to future improvements in corporate value.

Q-15

It appears that the importance of overseas business within the Pharmaceutical segment will only increase moving forward. What are your thoughts on enhancing information disclosure, including the disclosure of earnings data?

A-15

Moving forward, we will further enhance our information disclosure related to overseas business. In recent years, there has been a notable increase in the ratio of overseas business as a percentage of Pharmaceutical segment profit, and the importance of overseas business is increasing. When projecting for future growth, it will be essential that we not only develop the domestic market, but also expand into overseas growth markets such as ASEAN, India, and eventually Africa. We have the operating bases for developing business in these markets. We recognize that one of our critical functions is to diligently explain the growth potential and financial results of these markets to stakeholders.

Q-16

While Pharmaceutical segment earnings are steadily increasing, it appears as if that value is not sufficiently being reflected in the overall corporate value assessments of the Meiji Group. From the perspective of an investor, it is difficult to see your competitive advantage in some areas and there are questions about your ability to continue recording sustainable wins based on the business scope of the Pharmaceutical segment. Please discuss what you, as COO, see as the winning path for the Pharmaceutical segment.

A-16

The competitive advantage of and source of sustainable growth for the Pharmaceutical segment, in other words, our path to success, is in the management decision to specialize on the infectious disease domain and to pursue global expansion centered on that domain.

When I was appointed as an executive at Meiji Seika Pharma in 2014, many pharmaceutical companies focused on the lifestyle-related disease domain based on an outlook for long-term usage, and were withdrawing from the infectious disease domain, which was viewed as a difficult domain for securing profitability. Amid that major shift, we chose a management strategy that went against the tide by deciding to specialize in infectious diseases. This reflected our strong commitment to becoming a leading company in a domain in which we could maximally leverage our history and strengths as a company, rather than seek to engage in the same markets as our competitors.

This strategy proved successful as, today, our infectious diseases drugs and vaccines are now positioned as medicines that are incredibly important to national security and essential to protecting the lives of the people. We have limited competition in the domestic market, and we have established a dominant position in this domain.

Our strengths in the Japanese market will next serve as the pillars of our overseas growth strategy. In the emerging economies of ASEAN, India, and eventually Africa, infectious diseases represent the greatest medical challenge, so we believe there is increasingly strong need for our products and technology.

We will leverage our past successes in Indonesia and Thailand to go beyond simply exporting products from Japan. We will offer technology to local partner companies and promote business models that contribute to healthcare in each country. This policy addresses the true needs of these countries, and we believe it is the most effective means of building long-term, trust-based relationships. We are already advancing preparations to provide vaccine technology to a company in India, which will link to the creation of a new business model based on royalty income.

Having this clearly defined pillar centered on the infectious disease domain is the greatest strength that will support our sustainable growth, and we are confident that this represents our path to success.

Q-17

You allocated R&D budget from the growth of new drugs such as *Quintovac*, *REZUROCK*, and *Equfina*, which have a high marginal profit rate, yet decided to reevaluate R&D for ME3183. How have R&D budget levels in the 2026 Medium-Term Business Plan changed compared to initial plans?

A-17

R&D budget levels will increase to advance the development of the enhanced pipeline.
Facing limited resources, in addition to R&D budgeting, we must also determine our order of priority. As such, we are shifting resources to concentrate on infectious diseases, vaccines, blood plasma, and cancer, which we position as our highest priority domains.
In light of the market environment, we reevaluated development plans for ME3183 during Phase II trials, but it was not the case that trial results were unfavorable. Budgetary limitations made global deployment difficult, so we are reassessing based on the idea of narrowing down the target regions for deployment. Furthermore, the R&D budget levels outlined in the 2026 Medium-Term Business Plan have not changed significantly from initial plans.

Q-18

Is the pipeline from seeds well developed? Or, has there been a decline in R&D progressing from seeds?

A-18

We currently have a strong pipeline developed from seeds, but we do recognize this as a potential future issue. Even looking at mega pharma companies in Japan and overseas, there are not many companies conducting R&D from their own seeds. Involvement in the entire process, from drug development to approval, for a company of our size would lead to a significant burden in terms of both resources and funding. As such, even if we search for seeds in Japan and overseas, we want to conduct POC in-house while possessing a value chain for investigational drugs, clinical trials, application and approval, and manufacturing.

Q-19

Please discuss your thoughts on M&A as it relates to future overseas expansion.

A-19

There are not as many companies in Japan as Meiji with a network of manufacturing sites in Asia. As such, we are not really considering M&A for acquiring manufacturing sites. There is the possibility of forming sales alliances. Where we must most consider M&A is with drug development. I think there is potential when it comes to companies possessing new technology and biopharmaceutical ventures.

Q-20

When looking at cash flow in the Pharmaceutical segment, is it correct to assume that M&A represent the largest investments resulting in a major cash outflow, and that all other outflows are largely covered by cash flows from operating activities?

A-20

That is correct. Additionally, we conduct R&D that contributes to national policy, including in the fields of infectious diseases drugs, vaccines, and blood plasma products. We must consider the fact we are receiving funding from the government for equipment and development activities. At

the same time, this can create difficult conditions as operations following launch to market involve massive costs that we must bear internally. As such, it is important that we negotiate with the government regarding operating costs.

Q-21

Looking at the Pharmaceutical segment, for the past few years you have discussed advancing the consolidation of management for Meiji Seika Pharma and KM Biologics. Is it your assessment that you have achieved resource optimization? Also, as your pipeline is increasing, moving forward will you be increasing resources allocated to those endeavors?

A-21

R&D is critical to pharmaceutical companies. To promote the consolidation of the Pharmaceutical segment, Takeshi Naruse, General Manager of R&D Division at KM Biologics, was also appointed as Head of R&D Division at Meiji Seika Pharma. We are advancing the optimization of resources, and I believe that the speed of development will increase as well. Similarly, we are also advancing the consolidation of command functions.

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