

Corporate Philosophy

Otsuka-people creating new products for better health worldwide

In keeping with this corporate philosophy and the Otsuka values of Ryukan-godo (by sweat we recognize the way), Jissho (actualization) and Sozosei (creativity), we strive to do what only Otsuka can do. The Otsuka group supports the lives of people worldwide through a wide range of innovative and creative products including pharmaceuticals, functional beverages, and functional foods. We are dedicated to cultivating a dynamic corporate culture and workplaces that reflect our vision as a healthcare company, to finding ways to live in harmony with local communities and the natural environment, and to contributing to richer and healthier lives.

Otsuka's Goal

To become an indispensable contributor to people's health worldwide

The Otsuka group aims to be an indispensable contributor to people's health worldwide, fulfilling its corporate philosophy in every aspect of its operations. This commitment to improving people's health worldwide is part of the unchanging value we will continue to provide society. Our operations encompass two core businesses: the Pharmaceutical Business, which provides comprehensive health support from diagnosis to treatment of diseases, and the Nutraceutical* Business, which helps people maintain and improve day-to-day health.

* Nutraceuticals = nutrition + pharmaceuticals

Essence of Management (Our Corporate Culture)

Ryukan-godo

(by sweat we recognize the way)

The process of discovering the core substance of something through hard work and practice

Jissho

(actualization)

Self-actualization through achievement, completion and the discovery of truth

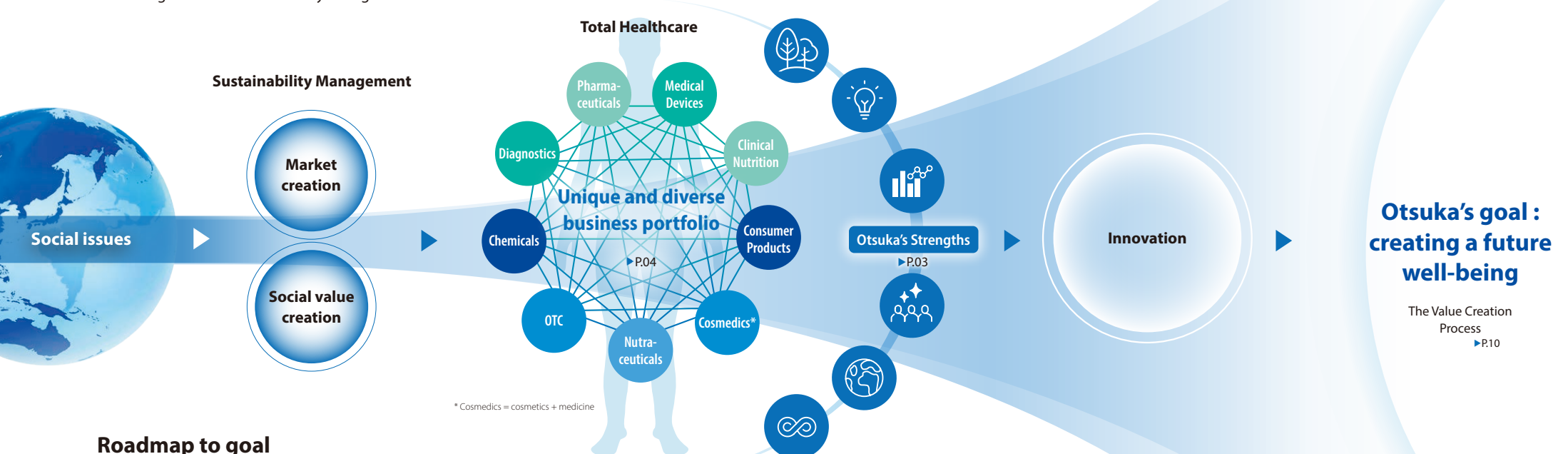
Sozosei

(creativity)

Pursuing that which only Otsuka is capable of delivering

Otsuka's Goal as a Total Healthcare Company Is to Create a Well-being Future

The Otsuka group is a total healthcare company involved in a wide range of activities that extend from health maintenance and improvement and diagnosis to treatment. Within an ever-changing society, we are promoting initiatives to generate sustainable growth as a "total healthcare company that solves social issues keeping in mind the whole of society that people live in" by incorporating new technologies and needs driven by changes in the environment.



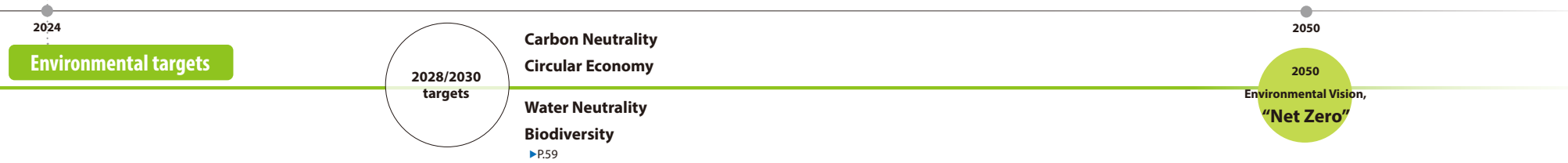
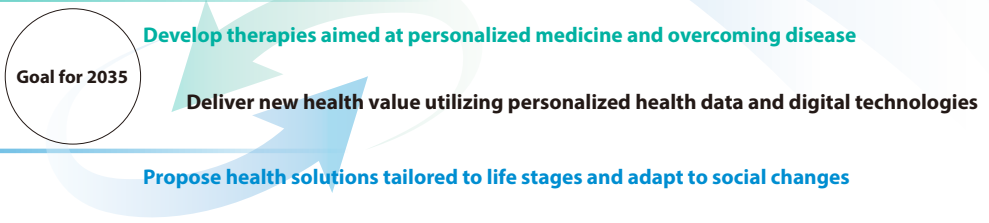
Roadmap to goal

Pharmaceutical Business ▶P.31

4th Medium-Term Management Plan 2024–2028
Global 10 Plus 2, next-generation growth drivers

Nutra-ceutical Business ▶P.38

4th Medium-Term Management Plan 2024–2028
Provide health solutions tailored to life stages



What Only Otsuka Can Do: Otsuka's Strengths

For more information on Otsuka's strengths, click here.

<https://www.otsuka.com/en/rd/strength/>



Since Otsuka's establishment in 1921, its employees everywhere have pursued business guided by our enduring corporate philosophy in order to contribute to people's health worldwide. Through their determination, we have developed many strengths. The six strengths described below are representative samples. We will contribute to people's health worldwide by making the most of these strengths and creating unique value.



Diverse human resources
Embodying our corporate philosophy and corporate culture

32 countries/regions

Our corporate philosophy is displayed prominently in offices in every country and region where we do business



An unwavering quest for originality

68% **58** projects

In-house drug discovery ratio¹

Development projects for unmet needs²



An ability to nurture enduring brands

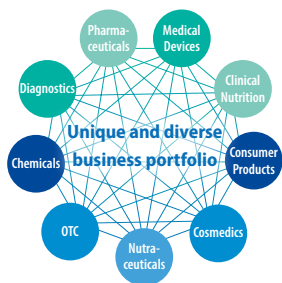
Japan **9** Outside Japan **3** **85.1%**

Top-share products by pharmaceutical category⁴

Consumption experience of *POCARI SWEAT*⁵



A business model centered on total healthcare



A global reach incorporating solutions to social issues through our core business processes

Access to medicine **17** Climate change **More than 20** Infectious disease **More than 120**

IV solutions business overseas companies³

Countries/Regions where *POCARI SWEAT* is expanding

Countries/Regions where the anti-tuberculosis drug delamanid is available



A solid financial foundation and strong earnings power that drive sustainable growth

AA- **12.4%** **+107.5%**

Rating by R&I (Rating and Investment Information, Inc.)

Business profit margin of Nutraceutical Business⁶

TSR⁷ Ten Year annualized, cumulative

1. In-house drug discovery ratio among late-phase development projects (Phase 3 onward)

2. As of December 2023; unmet needs areas defined by Otsuka based on PatientsMap2023JP and PatientsMap2022US, M3 & SSR1

3. Number of companies engaged in the IV solutions business. Many of these companies also export products to neighboring countries, thereby making a meaningful contribution to medical care in those countries.

4. Copyright © 2024 IQVIA. Created based on annual category totals for the past 10 years, including IQVIA MIDAS 2013 to 2023 and Otsuka research. Categories defined by Otsuka. Reprinted with permission.

5. May 2024 survey in Japan conducted by Otsuka: n=2,000

6. Average for the previous three years (For reference: average operating profit margin of S&P Food & Beverage Select Industry Index constituents for the previous three years: 7.4%)








7. TSR: Total shareholder return

What Only Otsuka Can Do: Businesses That Are Unique and Diverse

Established more than a century ago, the Otsuka group has taken the first step for the next century. We have been pursuing what only Otsuka can do and group members have spurred each other on toward the goal of becoming a unique total healthcare company.

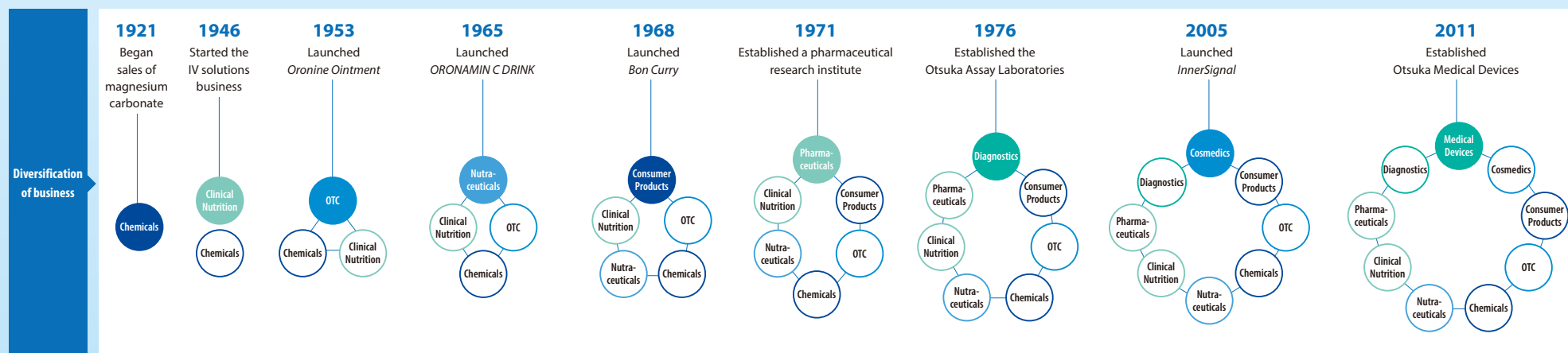
We will continue to contribute to the health of people around the world by responding to changes in the social environment and developing businesses that leverage our uniqueness hereafter while always looking ahead.

The Otsuka Approach to addressing social issues

Social issues	Clinical nutrition issues	Skin disease that families face	Unbalanced diet and higher incidence of heat disorder	Shift toward nuclear families and diversified lifestyles	Unmet medical needs	Skin health	Medical needs that are not satisfied by pharmaceuticals only
What we can achieve	Stable supply of high-quality IV solutions	Develop ointments that combine sterilization ingredients	Development of functional beverages and food products	Development of retort pouch food products	Providing total healthcare solutions, from diagnosis to treatment	Evidence-based development of skincare products	Develop unique and innovative therapeutic devices
Representative products	IV solutions 	Oronine H Ointment 	ORONAMIN C DRINK 	POCARI SWEAT Calorie Mate 	Bon Curry 	REXULTI LONSURF JINARC/ JYNARQUE Quick Navi 	InnerSignal UL-OS Ultrasound renal denervation system* 

* Japan: Under clinical trials
US: FDA approved and commercialized
EU: CE mark certified

Diversification of business aimed at the resolution of social issues



Continuing to Be a Part of Life

Along with our desire to contribute to people's health worldwide, we are continuing to be there for people in every aspect of their lives by providing products and services that help solve social issues.



When you're dehydrated: OS-1

It's important to deal with dehydration as early as possible, while it is still mild. OS-1 is sold as a food for the sick to reduce the burden on patients if the dehydration can be treated with food, not IV treatment.

More than 20 countries and regions worldwide: POCARI SWEAT

Situations in which the body loses water occur in a variety of settings, regardless of the era and national borders. We are working to raise awareness of the importance of hydration and electrolyte replenishment in more than 20 countries and regions around the world.



Women's health & beauty: EQUELLE

The period of physical and mental changes that occur with aging is called menopause. Equol, an ingredient derived from soybeans, contained in EQUELLE calms such changes unique to women.

More than 120 countries and regions worldwide: Pharmaceuticals & Medical Devices

We contribute to people around the world by creating new therapeutic value and developing and providing innovative new drugs and medical devices in areas where there is an apparent but unmet medical need.



For medical institutions: IV solution multi-chamber bag system

IV solutions are Otsuka's starting point. They are used in a variety of medical departments and are indispensable to medical practice. Otsuka contributes to medical care by creating innovative IV solution products and providing a stable supply.



Physical Condition: BODYMAINTÉ

In BODYMAINTÉ products, Otsuka Pharmaceutical's unique* lactic acid bacterium B240 is combined with other ingredients to support the daily good physical condition of people so that they are ready for critical moments during such activities as hobbies, work, tests, and travel.

* Lactic acid bacteria isolated by Tokyo University of Agriculture and confirmed effective by Otsuka Pharmaceutical

Health Prevention & Promotion



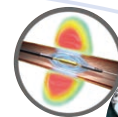
Always in the middle of the family: Bon Curry

Since its birth as the world's first commercially available retort curry, Bon Curry has continued to evolve, such as getting a microwaveable box, and introducing Japan-grown vegetables as ingredients, it keeps pace with the times and family time.



Balanced nutrition: Calorie Mate

Calorie Mate, a nutritionally balanced food, supports people's activities in all situations, such as when they cannot eat breakfast, during sports, getting some nutrition while studying or working, and reserves for disasters.



New treatment option for hypertension: Ultrasound renal denervation system

Provides a new adjunctive treatment option for hypertension that cannot be adequately controlled with lifestyle modification or medications.

Treatment and Diagnosis



Major depressive disorder treatment app: Rejoyn

Rejoyn is the world's first treatment app for major depressive disorder approved by the FDA in the U.S. We will handle unmet needs using this as an innovative adjuvant treatment that supplements standard treatments.



For the generation busy with work, housework, and childcare: Tiovita Drink

"Aijou-ippou." (A Bottle of Thoughtfulness) This is our slogan. We continue to be there for people "today and every day" when they need to take a breather, or when they want to express their gratitude or affection to their loved ones.

For more information on "Today and every day," click here.
<https://www.taiho.co.jp/en/company/slogan/>



Diagnostics: Quick Navi

We contribute to the construction of clinical test system at medical institutions within Japan and quick and appropriate treatments.

