

Life Innovation



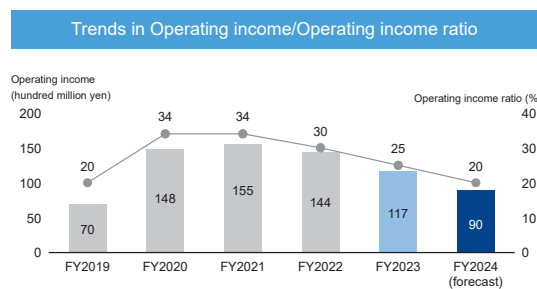
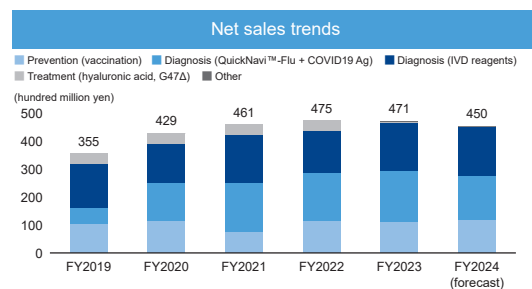
Message from the Division Head

After COVID-19 was classified as the Category V infectious disease, the same as the seasonal influenzas, we are regaining our normal lives. The lesson we learned in the last few years is that humanity is always at risk of infectious diseases, and that we need to be prepared to cope with these infectious diseases. As a leading company in the field of infectious disease antigen

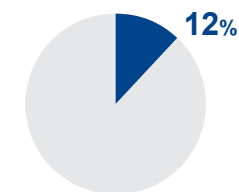
Taro Inada

Executive Officer
Head of Life Innovation

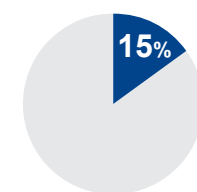
diagnostic kits, we will promote innovations, and continue to contribute to people's improved quality of life (QOL) through a series of Life Innovation Business, including various clinical reagents, vaccines, and commissioned development/manufacturing of the pharmaceuticals.



Percentage in overall net sales (FY2023)



Percentage of employees to overall net sales (FY2023)



To achieve the “Mission 2030” management plan targets

Areas of focus and markets	[Key products]	[2023 results]	[2026 plan]	[Divisional vision (ideal form in 2030)]
Prevention	<ul style="list-style-type: none"> Influenza vaccines 	<ul style="list-style-type: none"> Began operation of new facility for the manufacturing of undiluted influenza vaccines to enable early and stable supply of influenza vaccines in 2022 With an anticipation that the number of the vaccines would regain as that of an average year in 2023, we manufactured 10 million vaccines, exceeding the number in the previous year, but the vaccination rate did not exceed that of the average year Soaring prices of raw material for influenza vaccines 	<ul style="list-style-type: none"> Promote initiatives to increase profitability by enhancing stable production and early shipment, while aiming at expanding share and increased shipment of existing vaccines as one of our core businesses through early shipment and enhanced logistics strategies Enhance the fundamental technologies of vaccine production and promote new vaccine development 	<ul style="list-style-type: none"> Advance the development of safer and more effective vaccines in addition to early stable supply of existing vaccines
Diagnosis	<ul style="list-style-type: none"> QuickNavi™-Flu + COVID19 Ag Diagnostic reagents 	<ul style="list-style-type: none"> Increase in income and profit compared to 2022 Increased sales of the simultaneous tests kits (combo kits) for COVID-19 and influenza due to the influenza outbreak Expanding Gosen site reagent production capacity to address increased demand of the antigen QuickNavi™-Flu + COVID19 Ag and diagnostic reagents (Scheduled for completion in second half of 2024) 	<ul style="list-style-type: none"> Advance stable supply and maximize production of high quality product through the expanding production capacity Promote income increase by enhancing domestic and overseas marketing, establishing new sales channels, and expanding our product portfolio 	<ul style="list-style-type: none"> Provide a variety of diagnostic agents and systems that are quick, simple, inexpensive, high quality, and multi-diagnostic
Treatment	<ul style="list-style-type: none"> G47Δ oncolytic herpes simplex virus type 1 product 	<ul style="list-style-type: none"> Redeveloping the invest plan in production capacity reinforcement of G47Δ, oncolytic herpes simplex virus type 1 product 	<ul style="list-style-type: none"> Establish a system for stable production, supply, and expanded production of G47Δ, oncolytic herpes simplex virus type 1 product Promote initiatives to address overseas expansion and expansion of domestic applications 	<ul style="list-style-type: none"> Aim for CMOs and CDMOs based on oncolytic herpes simplex virus type 1

SWOT analysis

- A lineup of various diagnostic reagents developed in-house employing Denka's proprietary technologies
- Superior technological capabilities and robust production capacities backed by cutting-edge vaccine manufacturing facilities
- A robust network of industry-academia-government collaboration with a diverse range of partners to enhance Denka's own R&D capabilities
- Innovation arising from the integration of know-how in the fields of chemistry and healthcare, two very different fields, and marketing capabilities derived from a combination of customer bases in both fields

Strengths **S**

- Growing need for solutions supporting the prevention and early diagnosis of disease in countries around the globe
- Growing demand for rapid diagnostic testing kits in the face of the COVID-19 pandemic
- Growing demand for medical services tailored to the needs of individual patients
- Widespread use of IoT and AI
- Possible emergence of novel types of business supported by government-led growth strategies (legal revisions and regulatory relaxation)

Opportunities **O**

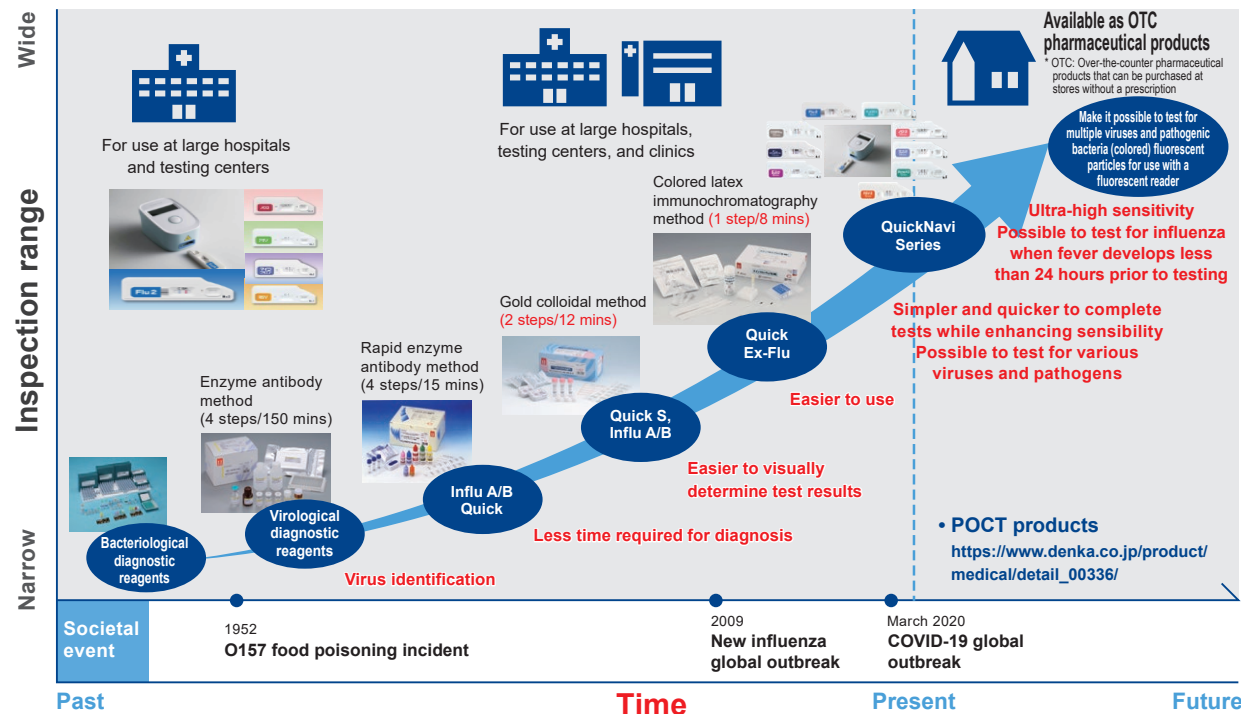
Weaknesses **W**

- Susceptibility of infectious disease-related products to demand fluctuations attributable to changes in the magnitude of epidemics and types of disease

Threats **T**

- Acceleration of competitor technologies for vaccine and diagnostic reagents on the back of global efforts to counter the COVID-19 pandemic

Development of POCT Products



Contributing to society through business

• Influenza vaccines

We will contribute to maintaining health of people and the entire society as well as improved well-being level and production capacity by preventing seasonal influenza that infects many people every year.



• QuickNavi™-Flu + COVID19 Ag

(Influenza, novel coronavirus, hemolytic streptococcus, norovirus, RS virus, etc.) By diagnosing infectious disease infection, including influenza and novel coronavirus, we will enable early and appropriate treatment to shorten recovery time and prevent outbreak. We will contribute to burden reduction of patients and medical staff, continuous economic activities, and public hygiene (we offer combo kits capable of simultaneous diagnosis for influenza and novel coronavirus).



• Test reagents

(Immune serum test reagents, clinical chemistry test reagents, bacteria/virus test reagents, etc.)

We provide various test reagents to the domestic and overseas markets, enabling early diagnosis of myocardial infarction and rheumatism, diagnosis of lifestyle related diseases such as arteriosclerosis and diabetes, and diagnosis of various infectious diseases. By enabling quick and accurate diagnosis, we play an essential role in selecting appropriate treatment methods and disease management. We contribute to improvement of public hygiene, early diagnosis and prevention of diseases, reduction of medical cost, as well as to maintaining healthy society.