Consolidated Financial Results for Fiscal Year 2025(IFRS)

May 12, 2026

Name of Listed Company: **SHIONOGI & CO., LTD.** Listed Exchanges: Tokyo

Code: 4507 URL: https://www.shionogi.com

Representative:Isao Teshirogi, Representative Director, President and CEO

Contact responsibility: Yoshimasa Kyokawa, Vice President,Corporate Communications Department Tel.:(06)6202-2161

Scheduled date of Annual General Meeting of Shareholders June 24, 2026

Scheduled date of dividend payments June 25, 2026

Scheduled date of annual securities report submission: June 19, 2026

Preparation of supplemental material for the financial results: Yes

Holding of presentation for the financial results: Yes (for investment analysts)

(Note: All amounts are rounded down to the nearest million yen.)

1. Consolidated results for the period from April 1, 2025 to March 31, 2026

(1) Consolidated operating results *(% shows changes from the same period of the previous fiscal year)*

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Comprehensive income	
	Millions of yen	*%*	*Millions of yen*	*%*	*Millions of yen*	*%*	*Millions of yen*	*%*	*Millions of yen*	*%*	*Millions of yen*	*%*
Year ended March 31, 2026	499,677	14.0	166,725	6.5	238,916	19.0	205,914	21.5	205,159	20.4	379,748	121.7
Year ended March 31, 2025	438,268	0.7	156,603	2.1	200,750	1.2	169,534	5.6	170,435	5.2	171,292	(32.6)

	Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
	Yen	*Yen*	*%*	*%*	*%*
Year ended March 31, 2026	241.11	241.04	13.5	11.6	33.4
Year ended March 31, 2025	200.36	200.29	13.1	13.6	35.7

Reference: Share of profit (loss) of investments accounted for using equity method:
Year ended March 31, 2026: (2,293) million yen, Year ended March 31, 2025: (768) million yen

Note:The Company conducted a 3-for-1 stock split of shares of common stock, effective October 1, 2024. Basic earnings per share and diluted earnings per share were calculated under the assumption that the stock split had been conducted at the beginning of the year ended March 31, 2025.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
	Millions of yen	*Millions of yen*	*Millions of yen*	*%*	Yen
As of March 31, 2026	2,576,870	1,686,205	1,685,215	65.4	1,980.14
As of March 31, 2025	1,535,349	1,362,497	1,361,924	88.7	1,600.68

Note:The Company conducted a 3-for-1 stock split of shares of common stock, effective October 1, 2024. Equity attributable to owners of parent per share was calculated under the assumption that the stock split had been conducted at the beginning of the year ended March 31, 2025.

(3)Consolidated cash flows

	From operating activities	From investing activities	From financing activities	Cash and cash equivalents at end of period
	Millions of yen	*Millions of yen*	*Millions of yen*	*Millions of yen*
Year ended March 31, 2026	213,572	(506,137)	599,321	711,397
Year ended March 31, 2025	195,460	(116,080)	(64,908)	374,795

2. Dividends

	Annual dividends per share					*Total dividends (Annual)*	Payout *ratio* (Consolidated)	Ratio of dividends to equity attributable to owners of parent
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Annual			
	Yen	*Yen*	*Yen*	*Yen*	*Yen*	*Millions of yen*	*%*	*%*
Year ended March 31, 2025	—	85.00	—	33.00	—	52,727	30.6	4.0
Year ended March 31, 2026	—	33.00	—	38.00	71.00	61,058	29.4	4.0
Year ending March 31, 2027 (forecast)	—	38.00	—	38.00	76.00		30.8	

Note:The Company conducted a 3-for-1 stock split of shares of common stock, effective October 1, 2024, so the amount of the year-end dividend per share for fiscal year ended March 31, 2025 takes into consideration the impact of this stock split, and the total annual dividend is not stated. If the stock split is not considered, the year-end dividend per share for the year ended March 2025 is 99 yen and the annual dividend per share is 184 yen.

3. Consolidated financial forecast for the year ending March 31, 2027

(% shows changes from the same period of the previous fiscal year)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	*%*	*Millions of yen*	*%*	*Millions of yen*	*%*	*Millions of yen*	*%*	*Yen*
Six months ending September 30, 2026	340,000	59.7	96,000	28.4	96,000	(2.4)	108,000	29.3	126.91
Year ending March 31, 2027	700,000	40.1	220,000	32.0	220,000	(7.9)	210,000	2.4	246.79

※ Notes

(1) Significant changes in subsidiaries during the period (changes in specified subsidiaries involving changes in scope of consolidation) : YES

Newly included:1 companies (TORII PHARMACEUTICAL CO.,LTD.)

(2) Changes in accounting policies, changes/restatements of accounting estimates

a) Changes in accounting policies required by IFRS : None

b) Changes in accounting policies other than a) above : None

c) Changes in accounting estimates : None

(3) Number of shares issued (common stock)

a) Number of shares issued (including treasury stock)

As of March 31, 2026: 889,632,195 shares

As of March 31, 2025: 889,632,195 shares

b) Number of treasury stock

As of March 31, 2026: 38,656,758 shares

As of March 31, 2025: 38,944,777 shares

c) Average number of shares issued during the period

As of March 31, 2026 850,912,617 shares

As of March 31, 2025: 850,635,616 shares

Note: 1. The number of treasury shares at the end of the fiscal year includes the Company's shares held by Sumitomo Mitsui Trust Bank, Limited's trust account with respect to the Shionogi Infectious Disease Research Promotion Foundation (sub-trustee: Custody Bank of Japan, Ltd. (Trust Account)) (fiscal years ended March 2026 and March 2025: 9 million shares). In addition, these shares are included in the treasury shares, which are deducted in the calculation of the average number of shares outstanding (fiscal years ended March 2026 and March 2025: 9 million shares).

2. The Company conducted a 3-for-1 stock split of shares of common stock, effective October 1, 2024. Number of shares issued (common stock) wsa calculated under the assumption that the stock split had been conducted at the beginning of the year ended March 31, 2025.

(Reference) Non-consolidated financial results (Japanese GAAP)

Non-consolidated results for the period from April 1, 2025 to March 31, 2026

(1) Non-consolidated operating results *(% shows changes from the same period of the previous fiscal year)*

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	*%*	*Millions of yen*	*%*	*Millions of yen*	*%*	*Millions of yen*	*%*
Year ended March 31, 2026	388,503	6.9	133,261	16.5	138,315	26.7	138,883	59.8
Year ended March 31, 2025	363,309	5.1	114,356	4.9	109,143	(57.8)	86,927	(65.6)

	Earnings per share	Earnings per share (diluted)
	Yen	*Yen*
Year ended March 31, 2026	161.51	161.47
Year ended March 31, 2025	101.12	101.09

Note: The Company conducted a 3-for-1 stock split of shares of common stock, effective October 1, 2024. Earnings per share and Earnings per share (diluted) were calculated under the assumption that the stock split had been conducted at the beginning of the year ended March 31, 2025.

(2) Non-consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	*Millions of yen*	*%*	*Yen*
As of March 31, 2026	1,783,962	880,509	49.3	1,023.68
As of March 31, 2025	941,227	791,825	84.1	920.78

Reference: Shareholders' equity: As of March 31, 2026: 880,343 million yen, As of March 31,2025: 791,579 million yen

Note: The Company conducted a 3-for-1 stock split of shares of common stock, effective October 1, 2024. Net assets per share was calculated under the assumption that the stock split had been conducted at the beginning of the year ended March 31, 2025.

※ *This report of financial results is unaudited.*

※ *Explanation Concerning the Appropriate Use of Financial Results Forecasts and Other Special Instructions*

(Cautionary note concerning forward-looking statements)

The forecast of financial results and forward-looking statements contained in this report are based on information currently available to the Company as well as certain assumptions that it judges to be reasonable. Actual results may differ materially due to a variety of factors.

For the assumptions used in forecasts and precautionary statements regarding the use of the forecasts, please refer to "1. Overview of Operating Results and Financial Position (4) Outlook" on page 5 of the accompanying materials.

(Method of Obtaining Financial Results Supplementary Materials and Details of Results Briefing Meeting)

Financial results supplementary materials are posted via TDnet on the date of disclosure. The Company plans to hold a results briefing meeting for analysts on Wednesday, May 13, 2026. Plans are also in place to post explanatory details (Transcript) together with financial results explanatory materials distributed to analysts on Wednesday, May 13, 2026 on the Company's website in a timely manner after the results briefing.

CONTENTS

1. Overview of Operating Results and Financial Position

(1) Operating Results for the Fiscal Year Ended March 31, 2026

1) Revenue and profit

For the year ended March 31, 2026 (April 1, 2025 to March 31, 2026), operating results were as follows.

Since September 2025, Torii Pharmaceutical Co., Ltd. (hereinafter, "Torii Pharmaceutical") has been included in the scope of consolidation. In addition, as of December 2025, the Company has succeeded to the pharmaceutical business of Japan Tobacco Inc. (hereinafter, "JT pharmaceutical business") through an absorption-type company split.

Millions of yen

	Year ended March 31, 2026	Year ended March 31, 2025	Change	Percentage change (%)
Revenue	499,677	438,268	61,409	14.0
Operating profit	166,725	156,603	10,121	6.5
Core operating profit*1	160,752	158,362	2,389	1.5
Profit before tax	238,916	200,750	38,165	19.0
Profit attributable to owners of parent	205,159	170,435	34,723	20.4
EBITDA*2	187,720	179,296	8,424	4.7

*1 Core operating profit: An adjusted profit in which non-recurring items (impairment, gain on sales of property, plant, and equipment, etc.) are deducted from operating profit.

*2 Earnings Before Interest, Taxes, Depreciation, and Amortization: Core operating profit added depreciation and amortization.

Revenue was 499.7 billion yen (up 14.0 percent year on year). In addition to the steady growth of overseas business and royalty income, our domestic business expanded significantly following the acquisition of Torii Pharmaceutical Co., Ltd. as a consolidated subsidiary through M&A of the Japan Tobacco Inc. (hereinafter, "JT") Group's pharmaceutical business (JT pharmaceutical business, domestic group company Torii Pharmaceutical Co., Ltd., and U.S. group company Akros), and the recording of its revenue. As a result, each business made steady progress, and revenue for the fiscal year ended March 31, 2026 exceeded that of the previous fiscal year, marking a record high for the fourth consecutive year.

In terms of profits, despite a year-on-year increase in expenses, mainly selling, general and administrative expenses, as a result of actively making preparations for the launch of new products in the U.S., and post-merger integration (PMI) activities related to business investments for future growth, operating profit increased 6.5 percent to 166.7 billion yen, marking a record high for the fourth consecutive year. Profit before tax was 238.9 billion yen, a 19.0 percent increase year on year, and profit attributable to owners of parent was 205.2 billion yen, a 20.4 percent increase year on year, and EBITDA increased 4.7 percent year on year to 187.7 billion yen.

In the consolidated fiscal year ended March 31, 2026, we achieved record-high results in revenue and for all profit items, while making significant business investments aimed at strengthening our management and business foundations to realize our 2030 Vision.

■Domestic sales of prescription drugs

Domestic sales of prescription drugs increased 25.0 percent year on year to 123.5 billion yen. Since Torii Pharmaceutical became a consolidated subsidiary on September 1, 2025, its sales for seven months have been recorded. In addition, by co-promoting key products of Shionogi & Co., Ltd. and Torii Pharmaceutical, we were able to leverage each company's strengths to provide information to medical institutions in a mutually complementary manner, thereby achieving an increase in revenue.

By product category, revenue from acute respiratory infection drugs was 33.8 billion yen, a 34.8 percent decrease year on year. Sales of the anti-coronavirus drug Xocova decreased due to the low prevalence of COVID-19 compared to the previous consolidated fiscal year. On the other hand, sales of the anti-influenza virus drug Xofluza increased in line with the spread of influenza during the winter. Although both drugs maintained a high market share in their respective treatment drug markets and generated a certain level of revenue, overall revenue in the acute respiratory infections field fell short of the level of the previous consolidated fiscal year. In the QOL disease field, prescriptions of QUVIVIQ, an insomnia treatment, have increased as one year has passed since its launch and the 14-day prescription restriction has been lifted. As a result, revenue increased 224.1 percent to 2.6 billion yen, significantly exceeding that of the previous fiscal year. Furthermore, in March 2026, sales commenced for ZURZUVAE, a treatment drug for depression with a novel mechanism of action.

■Overseas subsidiary sales and exports

Revenue from overseas business increased 9.9 percent to 65.0 billion yen from the previous year. Due to strong sales of Cefiderocol (product name in U.S.: Fetroja, product name in Europe: Fetcroja), revenues from businesses in the U.S. and Europe were 28.7 billion yen, a 22.9 percent increase, and 20.8 billion yen, a 23.4 percent increase, respectively. Revenue from our China business was 6.2 billion yen, a 28.3 percent decrease. This is mainly due to a decline in sales of generic drugs resulting from healthcare cost-containment policies. Meanwhile, we made steady progress in transitioning to a new drug business. We obtained approval for Cefiderocol in January 2026 for the treatment of complicated urinary tract infections caused by Gram-negative bacteria, and our new drug application for Naldemedine, a treatment for opioid-induced constipation, was accepted in May 2025.

■Royalty income and dividend income from ViiV

Royalty income from ViiV Healthcare Ltd. (hereinafter, "ViiV") increased 8.7 percent from the previous year to 261.3 billion yen due to the strong growth of oral two-drug combinations and long-acting formulations (LA formulations). Other royalty income increased significantly to 17.3 billion yen, up 304.9 percent year on year, supported by strong sales of the anti-influenza drug Xofluza, which is out-licensed to Roche (Switzerland), as well as the recognition of new royalties related to the JT pharmaceutical business, which the Company acquired on December 1, 2025. Dividend income from ViiV increased 30.0 percent to 52.4 billion yen due to the steady progress of ViiV's business.

2) Research and Development

During the fiscal year ended March 31, 2026, we actively advanced our research and development activities, focusing on projects in our priority areas of infectious diseases and QOL diseases with significant social impact.

■Research

Research on S-567123, a vaccine designed to prevent the onset of infection by inducing antibodies that suppress the activity of sarbecoviruses (a group of viruses including SARS coronavirus [SARS-CoV-1] and novel coronavirus [SARS-CoV-2]), has progressed, and a Phase 1 clinical trial has begun. This vaccine is a next-generation vaccine expected to be effective against emerging variants of SARS-CoV-2, as it induces antibodies that target regions of the virus where mutations are unlikely to occur.

Furthermore, research on S-898270, a therapeutic candidate for improving symptoms of Alzheimer's disease, has progressed, and a Phase 1 clinical trial has been initiated. This drug is expected to improve cognitive function by enhancing neuronal and synaptic functions.

In addition to advancing these research activities, we completed the acquisition of the JT Group's pharmaceutical business with the aim of strengthening our in-house drug discovery capabilities, particularly in small-molecule drug discovery. Through this acquisition, we enhanced our drug discovery infrastructure by expanding our talent base of experienced medicinal chemists and other specialists, and by acquiring and integrating advanced technology platforms, such as AI and quantum computing, from the JT pharmaceutical business. We aim to further enhance our strengths as a drug discovery-based pharmaceutical company and generate globally competitive in-house developed products.

■Development

In the field of infectious diseases, based on the positive results of the global Phase 3 post-exposure prophylaxis study (SCORPIO-PEP) for ensitrelvir (product name in Japan: Xocova), an oral antiviral drug for COVID-19, we submitted an application for approval in the United States for the prevention of COVID-19, and the application was accepted by the U.S. FDA. In Europe, we submitted marketing authorization applications for both post-exposure prophylaxis and treatment indications. In addition, in Japan, we obtained approval for post-exposure prophylaxis and also submitted a manufacturing and marketing authorization application for treatment in children aged 6 to 11 years. Furthermore, we initiated a Phase 3 clinical trial to expand the age range to include children aged 0 to 5 years.

Regarding S-892216, a next-generation antiviral drug for COVID-19, we obtained positive results in a Phase 2 clinical trial toward obtaining approval as an oral treatment and advanced preparations for a Phase 3 clinical trial. Furthermore, development of long-acting formulations has progressed toward obtaining approval for pre-exposure prophylaxis for the purpose of preventing infection.

Regarding S-268024, a COVID-19 vaccine targeting the JN.1 lineage of the SARS-CoV-2 variant, the primary endpoint was achieved in a Phase 3 clinical trial, demonstrating efficacy and a favorable safety profile. Based on these results, we submitted an application for partial change to the manufacturing and marketing approval in Japan.

Regarding baloxavir marboxil (product name in Japan: Xofluza), an anti-influenza drug, we obtained manufacturing and marketing approval in Japan for a granule formulation intended for pediatric patients. This has made it possible to offer treatment options to a wider range of patients.

Cefiderocol, an injectable antibacterial agent for the treatment of Gram-negative bacterial infections, including those caused by multidrug-resistant bacteria, was approved in China for the treatment of complicated urinary tract infections.

In the field of QOL diseases with significant social impact, we initiated a global Phase 2 clinical trial of S-606001, a small-molecule oral treatment candidate for the rare disease Pompe disease. This disease is a genetic metabolic disorder characterized by muscle weakness and respiratory dysfunction, with significant unmet medical needs that existing treatments have not fully addressed, and this drug is expected to provide a new treatment option.

Regarding zuranolone (product name in Japan: ZURZUVAE), an oral antidepressant with a novel mechanism of action, we obtained manufacturing and marketing approval in Japan. This drug is effective when taken orally once a day for 14 days. In a Phase 3 clinical trial in Japan, it demonstrated a significant improvement in depressive symptoms compared with placebo as early as two days after the start of administration, suggesting a rapid onset of action.

Regarding S-531011, an anti-CCR8 antibody for solid tumors, we obtained results from the Phase 1 portion of a Phase 1/2 clinical trial and initiated a Phase 2 clinical trial.

Furthermore, following the M&A of the JT Group's pharmaceutical business, we acquired several promising development products from the former JT pharmaceutical business and Torii Pharmaceutical.

(2) Financial Position for the Fiscal Year Ended March 31, 2026

As of March 31, 2026, total assets were 2,576,870 million yen, an increase of 1,041,521 million yen from the end of the previous fiscal year.

Non-current assets increased, primarily due to an increase in investments accounted for using the equity method, following an additional investment in ViiV, which resulted in the company becoming an equity-method affiliate. Furthermore, due to increases in property, plant and equipment, goodwill, and intangible assets following the consolidation of Torii Pharmaceutical as a subsidiary and the absorption-type split of the JT pharmaceutical business, non-current assets totaled 1,266,535 million yen, an increase of 589,690 million yen from the end of the previous fiscal year. Please note that the amounts of goodwill, intangible assets, etc. are provisionally calculated amounts as allocation of the acquisition cost has not yet been completed. Current assets were 1,310,335 million yen, an increase of 451,831 million yen from the end of the previous fiscal year, due to increases in cash and cash equivalents resulting from borrowings associated with large investments, fixed-term deposits of more than three months (included in other financial assets under current assets), and trade receivables.

Equity totaled 1,686,205 million yen, an increase of 323,708 million yen from the end of the previous fiscal year, due to recording of profits and other factors despite a decrease due to dividend payments and other components of equity.

Liabilities totaled 890,665 million yen, an increase of 717,813 million yen from the end of the previous fiscal year.

Non-current liabilities were 63,235 million yen, an increase of 19,775 million yen from the end of the previous fiscal year, mainly due to an increase in deferred tax liabilities. Current liabilities were 827,430 million yen, an increase of 698,037 million yen from the end of the previous fiscal year, mainly due to an increase in borrowings associated with large investments.

(3) Cash Flows for the Fiscal Year Ended March 31, 2026

Net cash provided by operating activities during the consolidated fiscal year ended March 31, 2026 was 213,572 million yen, an increase of 18,112 million yen from the previous fiscal year. Factors included an increase in profit before tax, as well as increases in inventories, trade receivables, and income taxes paid.

Net cash used in investing activities was 506,137 million yen, an increase of 390,056 million yen year on year, mainly due to expenses for the acquisition of shares of equity-method affiliates and changes in time deposits.

Net cash provided in financing activities was 599,321 million yen, a increase of 664,229 million yen year on year, due to income from short-term borrowings.

As a result, cash and cash equivalents on March 31, 2026 totaled 711,397 million yen, an increase of 336,602 million yen from a year earlier.

Cash flow indicators

	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2026
Ratio of equity attributable to owners of parent to total assets	87.2%	88.7%	65.4%
Ratio of equity attributable to owners of parent to total assets on market value basis	155.1	124.4%	114.6%
Interest-bearing liabilities/Cash flow ratio	0.1	0.1	3.2
Interest coverage ratio (times)	937.5	639.7	620.5

Notes: Ratio of equity attributable to owners of parent to total assets: Equity attributable to owners of parent/Total assets
Ratio of equity attributable to owners of parent to total assets on market value basis: Total market value of stock/Total assets
Interest-bearing liabilities/Cash flow ratio: Interest-bearing liabilities/Net cash provided by operating activities
Interest coverage ratio: Net cash provided by operating activities/Interest expense
1. All indicators are calculated on a consolidated basis.
2. Total market value of stock is calculated based on the total number of shares outstanding excluding treasury stock.
3. Net cash provided by operating activities is as reported in the consolidated statements of cash flows.
4. Interest-bearing liabilities are liabilities stated on the consolidated balance sheets on which interest is paid

(4) Outlook

The financial forecast for the year ending March 31, 2027 is as follows.

Millions of yen

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent
Year ending March 31, 2027	700,000	220,000	220,000	210,000

■Revenue

Regarding revenue, in our domestic business, the anti-coronavirus drug Xocova and the anti-influenza drug Xofluza have each achieved a high market share in their respective treatment markets. These products are expected to contribute steadily to business performance in the event of infectious disease outbreaks. Furthermore, to establish a growth foundation beyond the infectious disease field, we anticipate steady growth across our entire domestic business, driven by the growth of new products such as QUVIVIQ, an insomnia treatment, and ZURZUVAE, a depression treatment, in addition to the extensive non-infectious disease product portfolio of Torii Pharmaceutical.

In our overseas business, in addition to Cefiderocol, which has achieved steady growth primarily in Europe and the U.S., we have acquired the edaravone (product name in Japan: RADICUT, product name in U.S.: RADICAVA) business. We anticipate significant global growth, primarily in the U.S., by establishing a rare disease business as a key pillar outside the infectious disease field. For ensitrelvir, we will promote its global expansion by obtaining approval for post-exposure prophylaxis and through its commercial launch.

Regarding royalty income, royalties from HIV-related products from ViiV are expected to increase, supported by the sales growth of Dovato, the long-acting treatment drug Cabenuva, and the preventive drug Apretude. In addition, royalty income previously received by the former JT pharmaceutical business will be recognized for the full year. As a result, overall revenue is expected to increase for the fifth consecutive year.

■Profit

In terms of profits, we expect an increase in selling, general, and administrative expenses, reflecting the strengthening of our domestic business through integration with Torii Pharmaceutical, which became a wholly owned subsidiary in the previous fiscal year, as well as efforts to maximize the value of the Radicava business in the U.S. We also expect an increase in amortization expenses due to the recognition of intangible assets arising from M&A. Regarding research and development expenses, we expect an increase in costs as we integrate the pipeline acquired through M&A, advance the prioritization and focus of development products, and continue to invest primarily in late-stage clinical trials. As outlined above, overall expenses are expected to increase, but we anticipate a significant increase in revenue that will more than offset these costs. As a result, we expect operating profit to increase for the fifth consecutive year and profit attributable to owners of parent to increase for the third consecutive year.

2. Accounting Standards

The SHIONOGI Group will voluntarily adopt International Financial Reporting Standards (IFRS) to enhance the international comparability of financial statements and to improve business operations by unifying accounting standards within the SHIONOGI Group.

3. Consolidated Financial Statements and Notes

(1) Consolidated statement of profit or loss and Consolidated statement of comprehensive income

Consolidated statement of profit or loss

Millions of yen

	Year ended March 31, 2025	Year ended March 31, 2026
Revenue	438,268	499,677
Cost of sales	(63,826)	(82,450)
Gross profit	374,441	417,226
Selling, general and administrative expenses	(101,873)	(126,905)
Research and development expenses	(108,612)	(122,843)
Amortization of intangible assets associated with products	(4,178)	(6,099)
Other income	528	47,151
Other expenses	(3,702)	(41,805)
Operating profit	156,603	166,725
Finance income	53,174	80,796
Finance costs	(9,027)	(8,605)
Profit before tax	200,750	238,916
Income tax expense	(31,215)	(33,002)
Profit	169,534	205,914

Profit attributable to		
Owners of parent	170,435	205,159
Non-controlling interests	(900)	754
Profit	169,534	205,914

Earnings per share		
Basic earnings per share	200.36	241.11
Diluted earnings per share	200.29	241.04

Consolidated statement of comprehensive income

Millions of yen

	Year ended March 31, 2025	Year ended March 31, 2026
Profit	169,534	205,914
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(4,590)	107,076
Remeasurements of defined benefit plans	(321)	337
Total of items that will not be reclassified to profit or loss	(4,911)	107,414
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	5,928	66,363
Effective portion of cash flow hedges	794	55
Share of other comprehensive income of investments accounted for using equity method	(53)	—
Total of items that may be reclassified to profit or loss	6,669	66,419
Total other comprehensive income, net of tax	1,757	173,833
Comprehensive income	171,292	379,748

Comprehensive income attributable to		
Owners of parent	171,262	378,993
Non-controlling interests	30	754
Comprehensive income	171,292	379,748

(2) Consolidated statement of financial position

Millions of yen

	As of March 31, 2025	As of March 31, 2026
Assets		
Non-current assets		
Property, plant and equipment	115,412	156,519
Goodwill	15,748	35,061
Intangible assets	143,652	173,553
Right-of-use assets	19,395	22,789
Investment property	27,722	27,337
Investments accounted for using equity method	10,429	710,751
Other financial assets	299,799	107,518
Deferred tax assets	13,244	4,344
Other non-current assets	31,440	28,660
Total non-current assets	676,844	1,266,535
Current assets		
Inventories	65,477	99,396
Trade receivables	120,553	159,773
Other financial assets	270,024	310,748
Other current assets	27,653	29,020
Cash and cash equivalents	374,795	711,397
Total current assets	858,504	1,310,335
Total assets	1,535,349	2,576,870

Millions of yen

	As of March 31, 2025	As of March 31, 2026
Equity and liabilities		
Equity		
Share capital	21,279	21,279
Capital surplus	17,845	17,824
Treasury shares	(65,855)	(65,189)
Retained earnings	1,115,729	1,492,697
Other components of equity	272,924	218,603
Equity attributable to owners of parent	1,361,924	1,685,215
Non-controlling interests	572	989
Total equity	1,362,497	1,686,205
Liabilities		
Non-current liabilities		
Lease liabilities	18,418	18,895
Other financial liabilities	8,258	3,974
Retirement benefit liability	8,018	16,735
Deferred tax liabilities	4,401	17,476
Provisions	—	2,526
Other non-current liabilities	4,363	3,626
Total non-current liabilities	43,459	63,235
Current liabilities		
Bonds and borrowings	—	660,000
Lease liabilities	3,464	5,499
Trade payables	13,579	22,149
Other financial liabilities	18,091	40,716
Income taxes payable	22,399	18,881
Other current liabilities	71,857	80,183
Total current liabilities	129,392	827,430
Total liabilities	172,852	890,665
Total equity and liabilities	1,535,349	2,576,870

(3) Consolidated statement of changes in equity

Millions of yen

	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity	Equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of April 1, 2024	21,279	14,242	(137,889)	1,065,913	271,778	1,235,325	17,236	1,252,562
Profit				170,435		170,435	(900)	169,534
Total other comprehensive income, net of tax					826	826	930	1,757
Comprehensive income	―	―	―	170,435	826	171,262	30	171,292
Purchase of treasury shares			(10)			(10)		(10)
Disposal of treasury shares		(44)	494			449		449
Cancellation of treasury shares		(71,550)	71,550			―		―
Dividends				(48,709)		(48,709)	(98)	(48,807)
Changes in ownership interest in subsudiaries		3,607				3,607	(16,596)	(12,989)
Transfer from other components of equity to retained earnings				(319)	319	―		―
Transfer to capital surplus from retained earnings		71,590		(71,590)		―		―
Balance as of March 31, 2025	21,279	17,845	(65,855)	1,115,729	272,924	1,361,924	572	1,362,497
Profit				205,159		205,159	754	205,914
Total other comprehensive income, net of tax					173,833	173,833		173,833
Comprehensive income	―	―	―	205,159	173,833	378,993	754	379,748
Purchase of treasury shares			(5)			(5)		(5)
Disposal of treasury shares		(171)	671			500		500
Dividends				(56,196)		(56,196)	(337)	(56,534)
Transfer from other components of equity to retained earnings				228,155	(228,155)	―		―
Transfer to capital surplus from retained earnings		150		(150)		―		―
Balance as of March 31, 2026	21,279	17,824	(65,189)	1,492,697	218,603	1,685,215	989	1,686,205

(4) Consolidated statement of cash flows

Millions of yen

	Year ended March 31, 2025	Year ended March 31, 2026
Cash flows from operating activities		
Profit before tax	200,750	238,916
Depreciation and amortization	20,933	26,968
Impairment losses (reversals of impairment losses)	254	35,040
Bargain purchase gain	—	(43,868)
Finance income and finance costs	(52,288)	(71,063)
Decrease (increase) in trade and other receivables	1,910	(2,582)
Decrease (increase) in inventories	(388)	(12,728)
Increase (decrease) in trade and other payables	(1,703)	7,027
Other	5,925	13,952
Subtotal	175,393	191,662
Interest and dividends received	52,190	63,236
Interest paid	(305)	(344)
Income taxes refund (paid)	(31,817)	(40,982)
Net cash provided by (used in) operating activities	195,460	213,572
Cash flows from investing activities		
Payments into time deposits	(382,979)	(116,984)
Proceeds from withdrawal of time deposits	308,606	119,453
Purchase of property, plant and equipment	(17,126)	(14,464)
Purchase of intangible assets	(34,977)	(16,840)
Purchase of investments	(55,521)	(72,379)
Proceeds from sale and redemption of investments	69,095	66,619
Payments for acquisition of businesses	—	(4,271)
Payments for acquisition of subsidiaries	(200)	(8,267)
Payments for acquisition of shares of equity-method affiliates	(1,125)	(416,446)
Payments for loans receivable	—	(45,000)
Other	(1,852)	2,444
Net cash provided by (used in) investing activities	(116,080)	(506,137)

Millions of yen

	Year ended March 31, 2025	Year ended March 31, 2026
Cash flows from financing activities		
Proceeds from short-term borrowings	―	660,000
Repayments of lease liabilities	(3,112)	(4,160)
Purchase of treasury shares	(10)	(5)
Dividends paid	(48,698)	(56,175)
Dividends paid to non-controlling interests	(98)	(337)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(12,989)	―
Net cash provided by (used in) financing activities	(64,908)	599,321
Effect of exchange rate changes on cash and cash equivalents	2,233	29,845
Net increase (decrease) in cash and cash equivalents	16,704	336,602
Cash and cash equivalents at beginning of period	358,090	374,795
Cash and cash equivalents at end of period	374,795	711,397

(5) Notes

Consolidated statement of cash flows

The 45,000 million yen recognized as “Payments for loans receivable” represents funds loaned to Torii Pharmaceutical Co., Ltd. for its share repurchase.

Going concern assumption

None

Changes in Presentation

"Investments accounted for using the equity method,” which were included in “Other non-current assets” in the fiscal year ended March 31, 2025, are now presented separately starting from the fiscal year ended March 31, 2026 because of their increased significance.

To reflect this change in presentation, the 10,429 million yen included in “Other non-current assets” in the consolidated financial statements for the previous consolidated fiscal year has been reclassified and presented as “Investments accounted for using the equity method.

Segment information

Year ended March 31, 2025 (April 1, 2024 to March 31, 2025) and Year ended March 31, 2026 (April 1,2025 to March 31, 2026)

The SHIONOGI Group has a single business segment related to prescription drugs. We operate research, development, purchase, manufacturing, and distributing prescription drugs and related businesses. While analysis of each product sales and profits or expenses of each subsidiary are made, decision of business strategy and allocation of the management resources, especially allocation of R&D expenses, are made on a company-wide basis. Therefore disclosure of segment information is omitted.

Earnings per share

The basis for calculating basic earnings per share and diluted earnings per share is as follows.

Item	Year ended March 31,2025	Year ended March 31,2026
Basis for calculating basic earnings per share		
Profit attributable to owners of parent	170,435 million yen	205,159 million yen
Profit not attributable to ordinary equity holders of parent	—	—
Profit used for calculating basic earnings per share	170,435 million yen	205,159 million yen
Weighted-average number of ordinary shares outstanding	850,635 thousands of stocks	850,912 thousands of stocks
Basis for calculating diluted earnings per share		
Profit for the year used for calculating basic earnings per share	170,435 million yen	205,159 million yen
Adjustments to profit	—	—
Profit for the year used for calculating diluted earnings per share	170,435 million yen	205,159 million yen
Weighted-average number of ordinary shares outstanding	850,635 thousands of stocks	850,912 thousands of stocks
Increase in number of ordinary shares from exercise of stock options	300 thousands of stocks	217 thousands of stocks
Weighted-average number of dilutive ordinary shares outstanding	850,936 thousands of stocks	851,129 thousands of stocks
Earnings per share		
Basic earnings per share	200.36 yen	241.11 yen
Diluted earnings per share	200.29 yen	241.04 yen

Notes: 1. No financial instruments are excluded from the calculation of diluted earnings per share because they are not dilutive.

2. In September 2022, Shionogi made a disposition of 9,000,000(before stock split 3,000,000) shares of treasury stock to Sumitomo Mitsui Trust Bank, Limited (re-trustee: the trust account of Custody Bank of Japan, Ltd.) in relation to the Shionogi Infectious Disease Research Promotion Foundation. However, these shares are treated as treasury stock. Therefore, these shares are deducted from the average number of shares of common stock during the period in the calculation of basic earnings per share and diluted earnings per share.

3.The Company conducted a 3-for-1 stock split of shares of common stock, effective October 1, 2024. Basic earnings per share and diluted earnings per share were calculated under the assumption that the stock split had been conducted at the beginning of the year ended March 31, 2025.

Business combination

For the consolidated year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

At the Board of Directors meeting held on May 7, 2025, the Company resolved to acquire common shares of Torii Pharmaceutical Co., Ltd. (hereinafter, “Torii Pharmaceutical”) through a tender offer pursuant to the Financial Instruments and Exchange Act (hereinafter, the “Tender Offer), to succeed to the pharmaceutical business of Japan Tobacco Inc. (hereinafter, “Japan Tobacco”) (hereinafter, “JT Pharmaceutical Business”) through a company split (simplified absorption-type split) (hereinafter, the “Absorption-type Split”), and to enter into an agreement regarding the acceptance of all issued shares of Akros Pharma Inc. (a 100% sub-subsidiary of Japan Tobacco, hereinafter, “Akros”) by Shionogi Inc., a SHIONOGI subsidiary company in the U.S.A. (hereinafter, the “Share Acceptance”).

As a result of the Tender Offer, which the Company has implemented since May 8, 2025, Torii Pharmaceutical became an equity-method affiliate of the Company on June 25, 2025, which is the commencement date of settlement for the Tender Offer.

Torii Pharmaceutical resolved at its extraordinary general meeting of shareholders held on September 1, 2025 to acquire all of Torii Pharmaceutical’s common shares held by Japan Tobacco (hereinafter referred to as the “Share Repurchase”), and the Share Repurchase became effective on the same day. As a result, Torii Pharmaceutical became a subsidiary of the Company on September 1, 2025, the effective date of the Share Repurchase.

On December 1, 2025, the Company completed the succession to the JT Pharmaceutical Business through a simplified absorption-type split, and Akros became a wholly owned subsidiary of Shionogi Inc. through the Share Acceptance.

The acquisition-related expenses for the Absorption-type Split, the Share Acceptance, and the Tender Offer amount to 1,500 million yen. Acquisition-related expenses are included in "Selling, general and administrative expenses" in the consolidated statement of profit or loss.

Torii Pharmaceutical

1. Outline of business combination

(1) Name and the line of business of the acquired company

Name	Torii Pharmaceutical Co., Ltd.
Line of business	Manufacture and sale of pharmaceutical products
Date of acquisition	September 1, 2025

(2) Main reasons for the business combination

The SHIONOGI Group had been considering a collaboration with the JT Pharmaceutical Business since the beginning of 2024 to realize its vision “Building Innovation Platforms to Shape the Future of Healthcare” in its efforts relating to the STS2030 Revision, its medium-term business plan. After careful consideration, it concluded that acquiring the JT Pharmaceutical Business and making Akros and Torii Pharmaceutical wholly owned subsidiaries were highly significant to realizing the vision.

While the JT Pharmaceutical Business is responsible for research and development, Torii Pharmaceutical is responsible for manufacturing, sales, and promotional activities. By establishing an integrated value chain between the two companies, we have created an efficient collaborative framework. Torii Pharmaceutical is a pharmaceutical company with strengths in the areas of skin diseases, allergens, and kidney/dialysis. To achieve its medium- to long-term business vision “VISION2030” and ensure sustainable growth beyond 2030, it has been focusing on “maximizing the value of existing products and development products” and “acquiring new in-licensed products.”

After this transaction, synergies can be anticipated, such as the following: (1) the distinct strengths of the Company and Torii Pharmaceutical with regard to medical departments and facilities will be integrated, expanding the scope of information provision and also enabling the provision of information that meets the needs of doctors; (2) the potential for global expansion of future development pipelines will increase, leading to strengthened sales through the accumulation of R&D and sales data collected and evaluated both in Japan and overseas; and (3) by utilizing the Company’s manufacturing facilities, a flexible in-house production system can be established, including the ability to increase production. Therefore, Torii Pharmaceutical became a subsidiary of the SHIONOGI Group by repurchasing its shares from Japan Tobacco, the former parent company of Torii Pharmaceutical.

(3) Ratio of equity interest acquired

	Voting Rights Ratio	Equity Ownership Ratio
Percentage immediately prior to acquisition	38.46%	38.46%
Percentage on the acquisition date	61.54%	47.88%
Percentage after acquisition	100.00%	86.34%

2. Fair value of the consideration for the acquired company

Fair value of existing equity interest 69,754 million yen

3. Fair values of assets acquired, liabilities assumed and consideration paid as of the acquisition date

(Million yen)

	Provisional fair value
Fair value of acquisition consideration	69,754
Fair values of assets acquired and liabilities assumed	
Intangible assets (Note 2)	5,576
Other financial assets (non-current)	34,351
Other non-current assets	11,101
Inventories	20,177
Trade receivables	31,879
Other financial assets (current)	12,132
Cash and cash equivalents	4,414
Other current assets	1,917
Other non-current liabilities	(3,364)
Trade payables	(9,008)
Other financial liabilities (current)	(48,557)
Other current liabilities	(2,899)
Fair values of assets acquired and liabilities assumed (net)	57,721
Goodwill (Note 3)	19,918
Non-controlling interests (Note 4)	(7,884)
Total	69,754

(Notes) 1. The identification of assets and liabilities is currently under a detailed review, and the allocation of the acquisition cost has not been completed. Therefore, provisional accounting treatment has been applied based on reasonable information available at this time. Based on new information obtained by the end of the current fiscal year, the provisional fair value was adjusted. The main contents of the change were increases of 7,036 million yen in other non-current assets, 3,141 million yen in Inventories and 2,102 million yen in other non-current liabilities, and a decrease of 3,501 million yen in Intangible assets. As a result, goodwill decreased by 3,947 million yen.

2. Intangible assets are primarily sales rights.
3. Goodwill is primarily generated in relation to expected future profitability. None of the recognized goodwill is expected to be deductible for tax purposes.
4. Non-controlling interests are measured by multiplying the percentage of non-controlling interests by the identifiable net assets of the acquired company on the date control was acquired

4. Cash flows associated with the acquisition

Acquisition consideration in cash	-
Cash and cash equivalents received on acquisition date	4,414 million yen
Payments for acquisition of subsidiaries	4,414 million yen

5. Business combinations achieved in stages

The loss on the step acquisition is not material.

6. Impact on business performance

The revenue and quarterly profit arising on and after the acquisition date in relation to this business combination are 40,548 million yen and 4,176 million yen, respectively. The revenue and profit for the year ended March 31,2026 as if the business combination had taken place at the beginning of the consolidated fiscal year ended March 31, 2026 are 527,766 million yen and 206,962 million yen (pro forma information), respectively.

Please note that this pro forma information has not been audited by an auditing firm.

7. Additional acquisition

In October 2025, the Company acquired additional shares of Torii Pharmaceutical, which became a consolidated subsidiary in September 2025, through a squeeze-out procedure. We have determined that it is appropriate to account for this acquisition as a single transaction together with the Share Repurchase.

As a result, our equity interest in Torii Pharmaceutical has increased from 86.34 percent to 100.00 percent.

The acquisition consideration for the additional shares of Torii Pharmaceutical acquired through the squeeze-out procedure was 11,026 million yen. As a result of this additional acquisition, non-controlling interests decreased by 7,884 million yen and goodwill increased by 3,142 million yen.

JT Pharmaceutical Business

1. Outline of business combination

(1) Name and the line of business of the acquired company

Name	Japan Tobacco Inc.
Line of business	Pharmaceutical business
Date of acquisition	December 1, 2025

(2) Main reasons for the business combination

The JT Pharmaceutical Business has been engaged in research and development of prescription drugs since entering the business in 1987, aiming to create first-in-class small molecule drugs through stable research and development investment. Currently, under the business purpose of “valuing science, technology, and human resources and contributing to patients' health” and aiming to create original new drugs that can be used internationally, Japan Tobacco conducts research and development, while Torii Pharmaceutical handles manufacturing, sales, and promotion activities, building an integrated value chain and maximizing synergies within the group. The JT Pharmaceutical Business focuses on three priority research and development areas: cardiovascular, renal, and muscle; immunology and inflammation; and central nervous system. It has strengths in efficient and rapid clinical development through specialization on research and development in small molecule drug discovery and collaboration between domestic and international research and development bases. To deliver new drugs created in-house to patients as early as possible, the JT Pharmaceutical Business actively engages in out-licensing and partnerships with global mega-pharma companies, in addition to promoting in-house development.

To realize its Vision, the Company concluded that by acquiring the JT Pharmaceutical Business, which has strengths in small molecule drug discovery and high research and development capabilities, it would be possible to accelerate the development of promising pipeline projects held by the two companies and increase the efficiency and speed of business operations through the establishment of a collaborative structure with the Company's pharmaceutical manufacturing functions. The Company believes that this business combination will create a leading company that delivers innovative pharmaceuticals from Japan to the world, contributing to the health of patients and people worldwide and contributing to the realization of a sustainable and healthy society.

2. Fair value of the consideration for the acquired company

Fair value of acquisition consideration	4,271 million yen	(Adjusted for working capital)

3. Fair values of assets acquired, liabilities assumed and consideration paid as of the acquisition date

(Million yen)

	Provisional fair value
Fair value of acquisition consideration	4,271
Fair values of assets acquired and liabilities assumed	
Intangible assets (Note 2)	45,933
Property, plant and equipment	28,406
Other non-current assets	7,106
Other current assets	15,603
Other non-current liabilities	(35,902)
Other current liabilities	(13,093)
Fair values of assets acquired and liabilities assumed (net)	48,053
Bargain purchase gain (Note 3)	(43,781)
Total	4,271

(Notes) 1. The identification of assets and liabilities is currently under a detailed review, and the allocation of the acquisition cost has not been completed. Therefore, provisional accounting treatment has been applied based on reasonable information available at this time. Based on new information obtained by the end of the current fiscal year, the provisional fair value was adjusted. The main contents of the change were increases of 33,351 million yen in Intangible assets, 9,538 million yen in Property, plant and equipment and 26,023 million yen in other non-current liabilities. As a result, bargain purchase gain increased by 23,515 million yen.

2. Intangible assets are primarily sales rights.

3. In measuring the fair value of the acquired assets, the fair value of the net assets acquired exceeded the consideration transferred due to the recognition of valuation gains on intangible assets and property, plant and equipment (land and buildings). As a result, a bargain purchase gain of 43,781 million yen was recognized from this absorption-type split and was recorded in “Other revenue” in the consolidated statement of profit or loss.

4. Cash flows associated with the acquisition

Acquisition consideration in cash	4,271 million yen
Cash and cash equivalents received on acquisition date	-
Payments for acquisition of businesses	4,271 million yen

5. Impact on business performance

The revenue and quarterly profit arising on and after the acquisition date in relation to this business combination are 8,265 million yen and (298) million yen, respectively. The revenue and profit for the year ended March 31, 2026 as if the business combination had taken place at the beginning of the consolidated fiscal year ended March 31, 2026 are 529,422 million yen and 208,370 million yen (pro forma information), respectively.

Please note that this pro forma information has not been audited by an auditing firm.

Akros Pharma Inc.

1. Outline of business combination

(1) Name and the line of business of the acquired company

Name	Akros Pharma Inc.
Line of business	Clinical development and exploration of joint research and new technology projects overseas
Date of acquisition	December 1, 2025

(2) Main reasons for the business combination

Please refer to “1. Outline of business combination (2) Main reasons for the business combination” of the JT Pharmaceutical Business.

(3) Ratio of equity interest acquired

	Voting Rights Ratio
Percentage immediately prior to acquisition	-
Percentage on the acquisition date	100.00%
Percentage after acquisition	100.00%

2. Fair value of the consideration for the acquired company

Fair value of acquisition consideration 4,238 million yen (Adjusted for working capital)

3. Fair values of assets acquired, liabilities assumed and consideration paid as of the acquisition date

(Million yen)

	Provisional fair value
Fair value of acquisition consideration	4,238
Fair value of assets acquired and liabilities assumed	
Other financial assets (non - current)	1,954
Other non - current assets	1,154
Other current assets	513
Cash and cash equivalents	2,583
Other non - current liabilities	(986)
Other current liabilities	(891)
Fair values of assets acquired and liabilities assumed (net)	4,328
Bargain purchase gain (Note 2)	(89)
Total	4,238

(Notes) 1. The identification of assets and liabilities is currently under a detailed review, and the allocation of the acquisition cost has not been completed. Therefore, provisional accounting treatment has been applied based on reasonable information available at this time. Based on new information obtained by the end of the current fiscal year, the provisional fair value was adjusted. The main contents of the change were a decrease of 211 million yen in other non-current assets.

2. The bargain purchase gain that arose as a result of measuring the assets acquired and liabilities assumed at fair value in connection with the business combination and comparing them with the consideration paid was recorded in “Other revenue” in the consolidated statement of profit or loss.

4. Cash flows associated with the acquisition

Acquisition consideration in cash	4,238 million yen
Cash and cash equivalents received on acquisition date	2,583 million yen
Payments for acquisition of subsidiaries	1,655 million yen

5. Impact on business performance

Profit and loss information relating to the business combination after the acquisition date and profit and loss information assuming that the business combination took place at the beginning of the fiscal year are omitted because the impact on the consolidated statement of profit or loss is immaterial.

Important subsequent events

(Absorption-type merger with Torii Pharmaceutical Co., Ltd.)

At a meeting of the Board of Directors held on February 20, 2026, the Company resolved to adopt a basic policy of effecting an absorption-type merger with Torii Pharmaceutical Co., Ltd., its wholly owned subsidiary. At a meeting of the Board of Directors held on April 27, 2026, the Company resolved to effect the absorption-type merger, with an effective date of April 1, 2027. For details of this absorption-type merger, please refer to the "Notice Regarding the Absorption-Type Merger of Torii Pharmaceutical Co., Ltd., a Wholly Owned Subsidiary" which we published on April 27, 2026.

(Completion of transfer of the edaravone business and establishment of a Radicava business company)

At a meeting of our Board of Directors held on December 22, 2025, the Company resolved to enter into an agreement to acquire, on a global basis (including Japan and the United States), all rights to edaravone – a treatment for amyotrophic lateral sclerosis (ALS) developed and marketed by Tanabe Pharma Corporation (hereafter "Tanabe Pharma") ; product name in Japan: RADICUT, product name in U.S.: RADICAVA).Effective April 1, 2026, we have completed the transfer of all rights to the Company, including intellectual property rights and sales rights, for edaravone (product name in Japan: RADICUT, product name in U.S.: RADICAVA), a treatment for amyotrophic lateral sclerosis (ALS), in major countries and regions.

In addition, the Radicava operating company established as a result of this transaction commenced operations on that date as a wholly owned subsidiary of Shionogi Inc., the Company's U.S. group company.

1. Overview of the Radicava Operating Company

Name	RADIANCE NEWCO, LLC		
Headquarters location	400 Campus Drive, Florham Park, NJ 07932, USA		
Representative's title and name	Shionogi Inc.*		
Business activities	Radicava sales and related activities.		
Year established	2026		
Major shareholders and ownership percentages	Shionogi Inc. 100%		
Number of employees	143		
Relationship with the Company	a wholly owned subsidiary of Shionogi Inc.		
Reference	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2025
Tanabe Pharma's Radicava sales revenue in the United States for the most recent three years.	43,330 million yen	74,713 million yen	94,491 million yen

* The operating company was established as a single - member, member - managed LLC (with a corporation as the sole member) and is not structured for an individual to serve as its representative.

2. Outlook

The impact on consolidated financial results for the fiscal year ending March 31, 2027 and beyond is currently under review.

(Consolidation of Shionogi-Apnimed Sleep Science, LLC as a consolidated subsidiary)

At a meeting of the Board of Directors held on March 23, 2026, the Company resolved to make Shionogi-Apnimed Sleep Science, LLC (hereinafter "SASS"), an equity-method affiliate of the Company, a consolidated subsidiary, and entered into an equity transfer agreement with Apnimed, Inc. to acquire its equity interest in SASS. Thereafter, on April 6, 2026, the Company acquired such equity interest for US$100 million.

The impact on consolidated performance for the fiscal year ending March 2027 and beyond is currently under review. In addition, with respect to this transaction, the Company will account for it as an asset acquisition in accordance with the provisions of IFRS 3, Business Combinations.