

161st Annual General Meeting of Shareholders

Current State of the SHIONOGI Group

Business Operations and Results

2030 Vision

2030 Vision

Building Innovation Platforms to Shape the Future of Healthcare

SHIONOGI Group Vision (2030 Vision)

- What SHIONOGI wants to achieve in 2030 -

Continuously enhance our “strengths” as a drug-discovery-oriented pharma company, become the premier partner for other companies/industries for its unique strengths, build new platforms in the healthcare arena

Key Focus Areas for Achieving the 2030 Vision

Achieving the 2030 Vision by Strengthening Our Core Businesses and R&D Framework



Expansion of Core Businesses



Sustainable Growth of Domestic Business



Accelerating Global Business Expansion



Establishing Growth Areas Beyond Infectious Diseases



R&D Framework



Further Strengthening Small-Molecule Drug Discovery



Strengthening Drug Discovery Research Platforms



Continuous Pipeline Generation

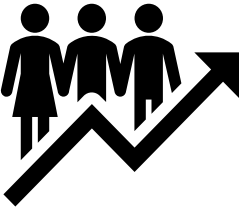
Business Investments Executed in FY2025

Three strategic investments to expand our businesses and accelerate globalization

M&A of JT Group's Pharmaceutical Business

Investment Amount

Approx. **160.0** B yen



Purpose

Strengthening In-House Drug Discovery and Domestic Business

Acquisition of the Edaravone*1 Business

Investment Amount

Approx. **390.0** B yen



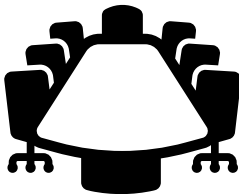
Purpose

Establishing a Rare Disease Business in the U.S.

Additional Investment in ViiV Healthcare

Investment Amount

Approx. **330.0** B yen



Purpose

Reinforcing Our Management Foundation

*1 Edaravone : ALS (Amyotrophic Lateral Sclerosis) 

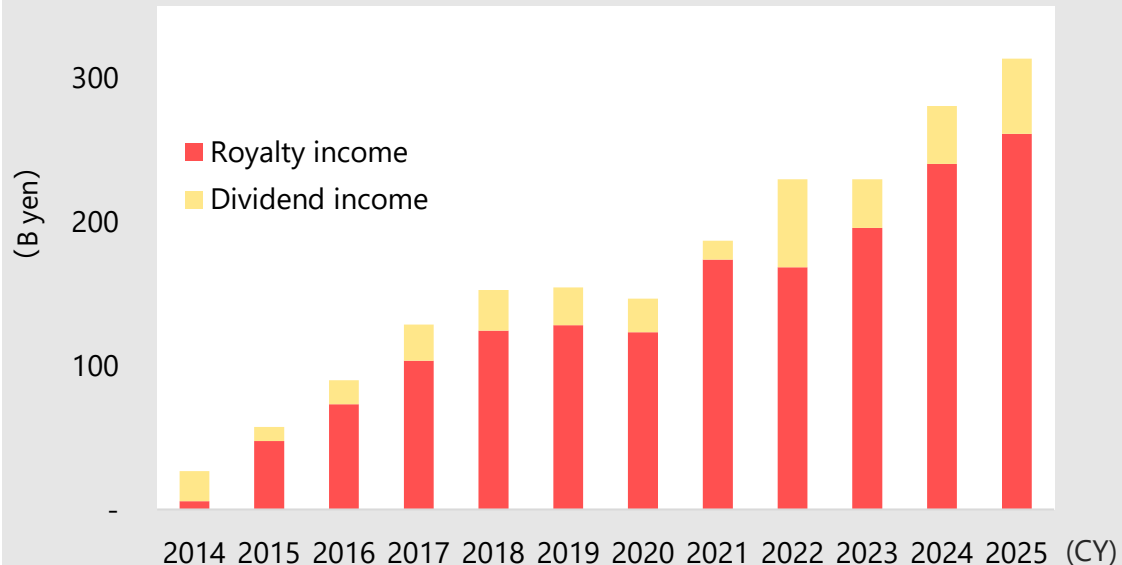
Background of the FY2025 Business Investments

Our HIV business, a core earnings pillar, will continue to achieve steady growth

Growth of the HIV Business

Building a high-margin and resilient earnings base

【Trends in HIV Royalty Income and Dividends from ViiV Healthcare】



Mid- to Long-Term Outlook for the HIV Business

The HIV business will remain a cornerstone of our management beyond 2030

— Further Market Penetration of Long-Acting Formulations*¹ —
Sustained growth of Cabenuva and Apretude

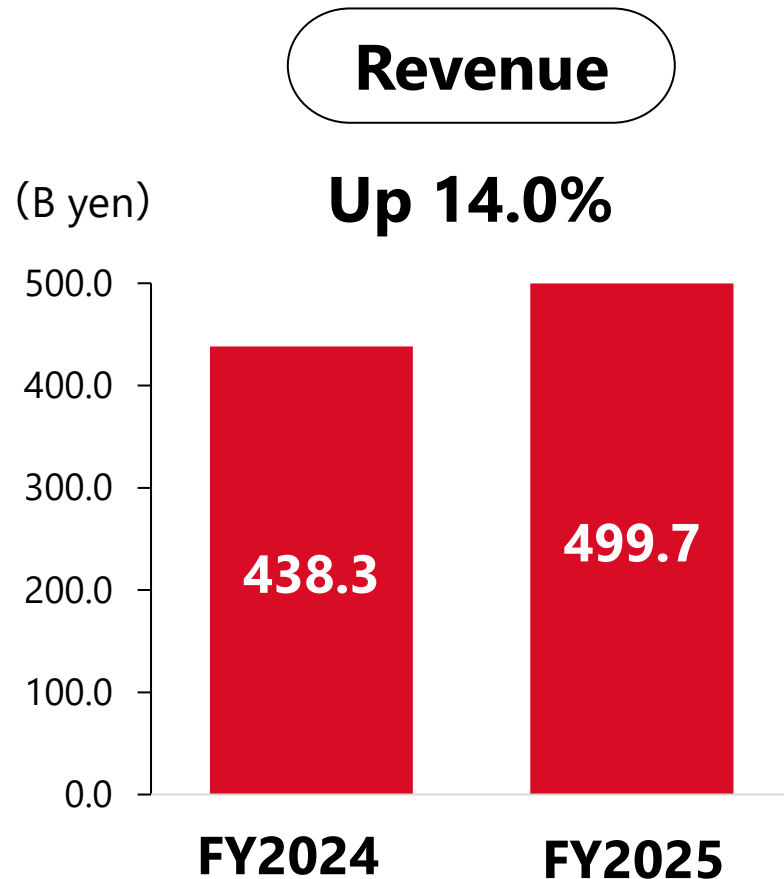
— Advancing the Development of Next-Generation Growth Drivers —
Accelerating growth through the launch of "Ultra" Long-Acting Formulations*²

*¹ Formulations administered 6 times per year

*² Formulations administered 2 or 4 times per year

Financial Results (Consolidated) – Revenue –

Revenue exceeded record high for the fourth consecutive fiscal year

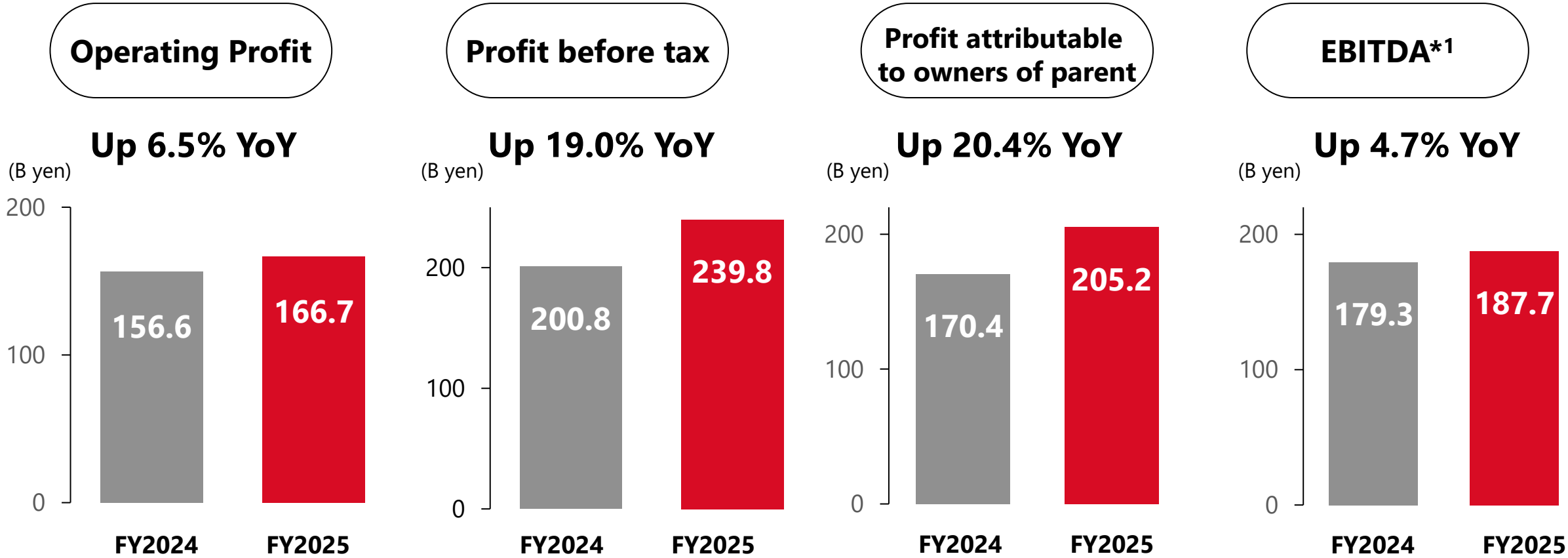


Revenue by segment (B yen)

	FY2024	FY2025
Prescription drugs	98.8	123.5
Overseas subsidiaries/ Export	59.1	65.0
Contract manufacturing	17.3	15.1
OTC and quasi-drug	16.8	15.0
Royalty income	244.7	278.6

Financial Results (Consolidated) - Each Profit -

All profit categories including operating profit exceeded record highs



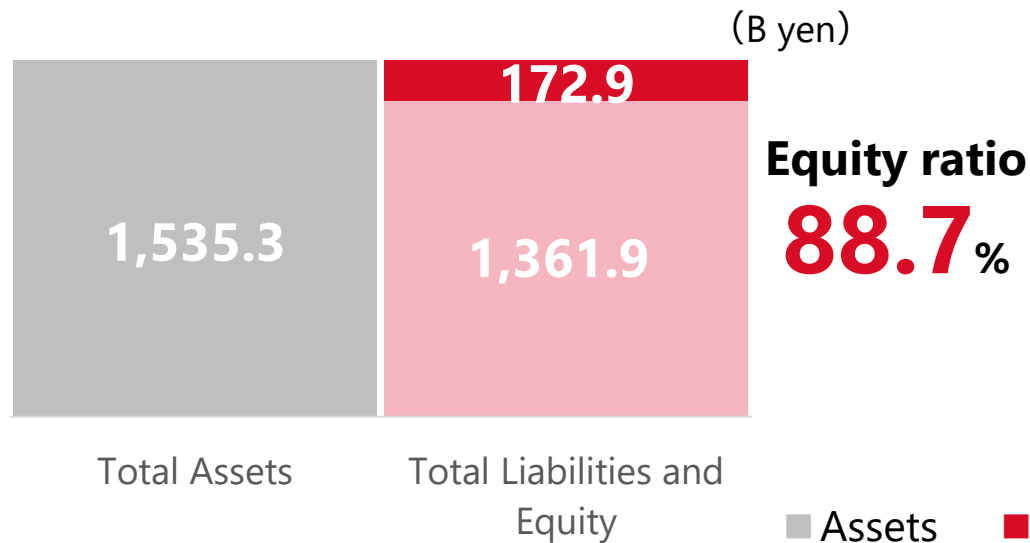
*1 EBITDA (Earning Before Interest, Taxes, Depreciation, and Amortization)  SHIONOGI

Consolidated Results – Assets, etc. –

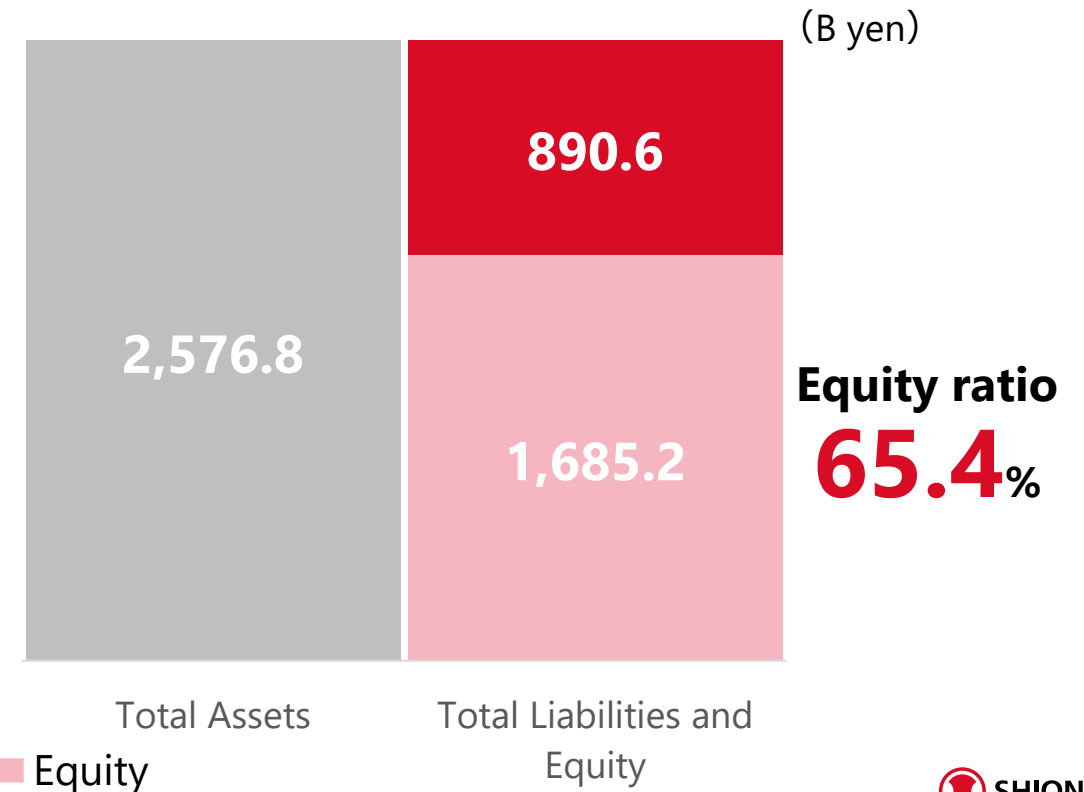
Maintaining a sound financial position while leveraging strategic borrowings for future growth

Executed total borrowings of 660 B yen for the acquisition of the edaravone business and additional investment in ViiV Healthcare

– Balance Sheet as of End of FY2024 –

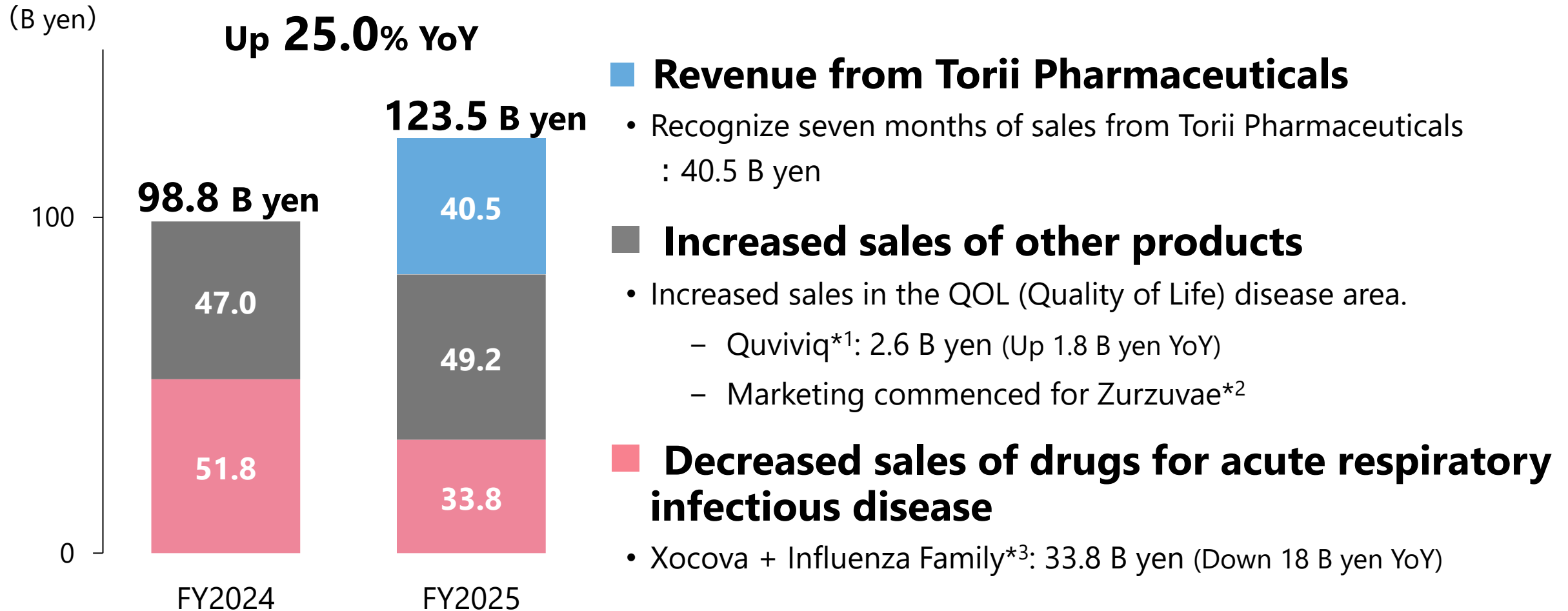


– Balance Sheet as of End of FY2025 –



Domestic Business

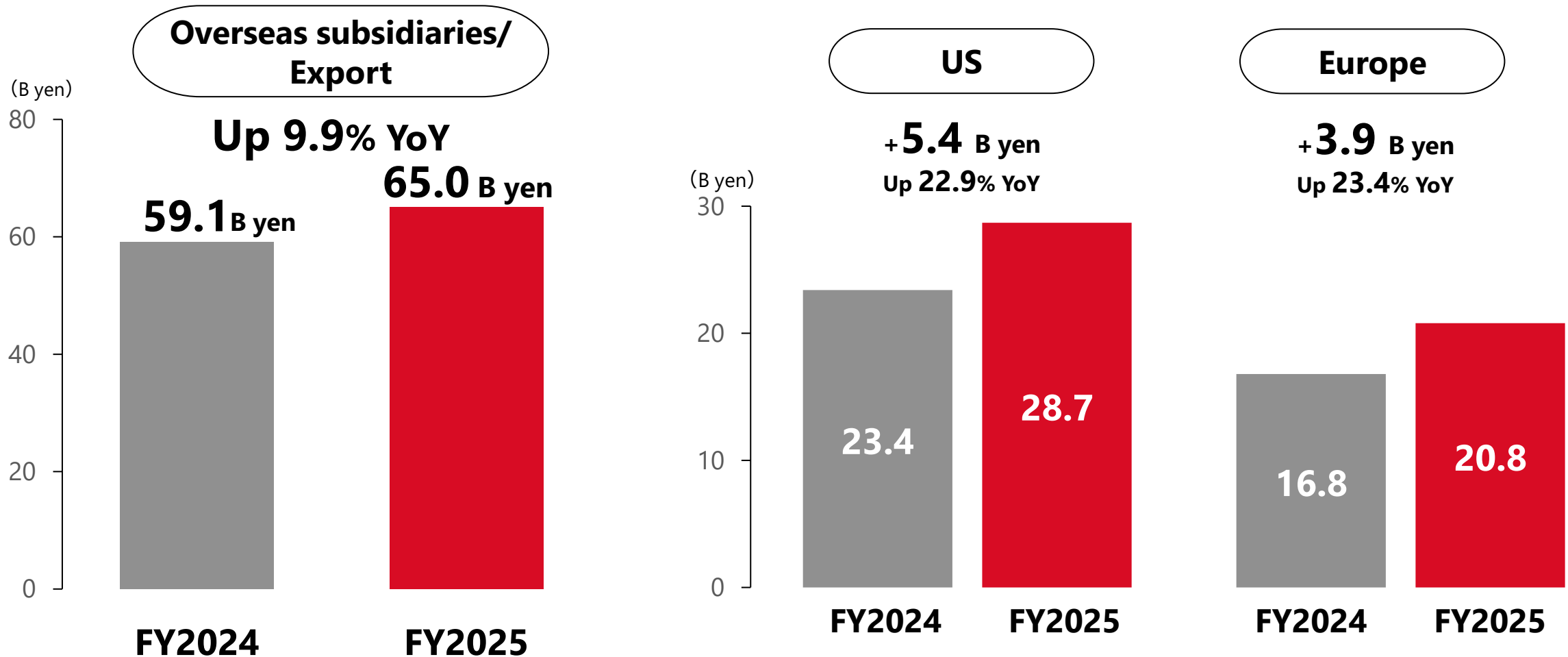
Increased revenue due to the recording of sales from Torii Pharmaceutical and the expansion of Quviviq



*¹ Quviviq: Insomnia treatment drug *² Zurzuvae: Depression treatment drug *³ Influenza family: Xofluza, Rapiacta

Overseas Business (Revenue from overseas subsidiaries)

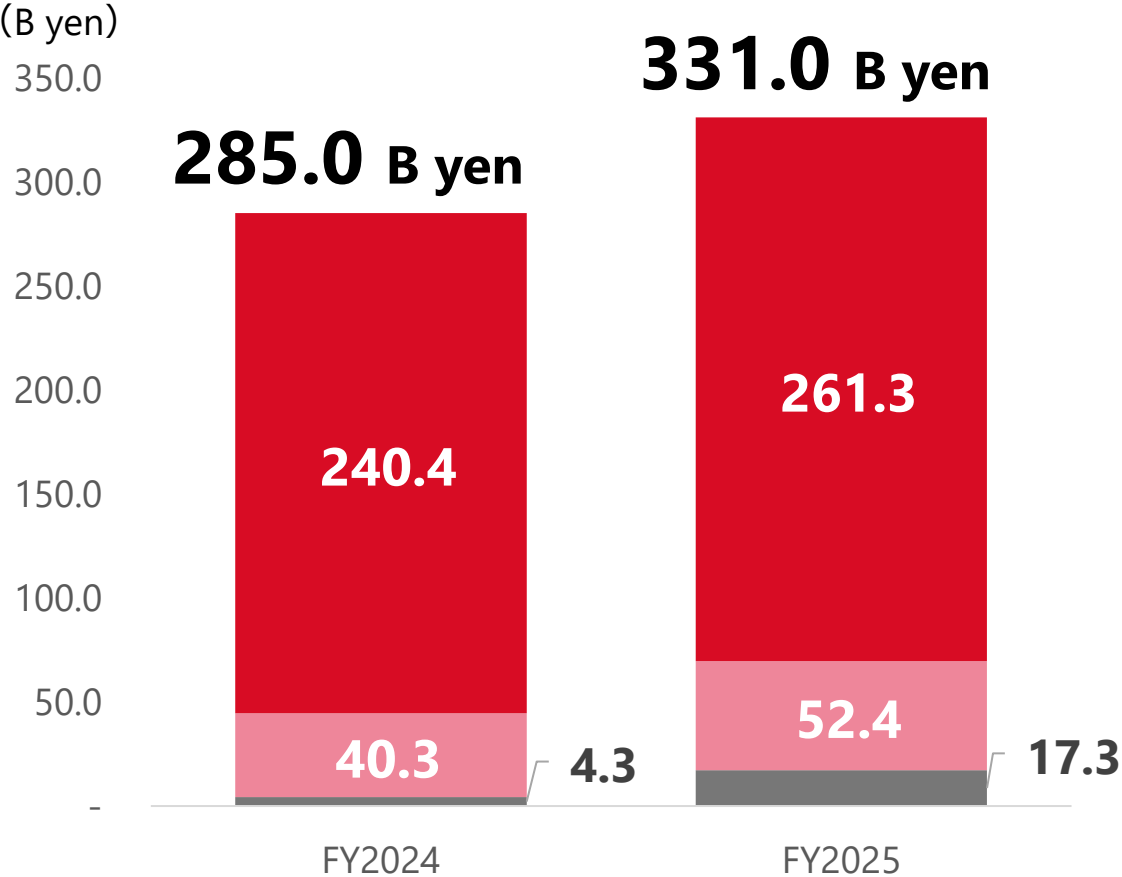
Sales of Cefiderocol*¹ in the US and Europe remained strong, resulting in record-high overseas business for the fifth consecutive year



*1 US product name: Fetroja, European product name: Fetcroja

Royalties and Dividend Income from ViiV

Royalty income and dividends remain solid, driven by the strong growth of the HIV franchise



- Royalty income from ViiV Healthcare**
+¥20.9 B yen (Up 8.7% YoY)
- Dividend income from ViiV Healthcare**
+¥12.1 B yen (Up 30.0% YoY)
- Royalty income from others**
+¥13.0 B yen (Up 304.9% YoY)
 - Royalty income related to the former JT pharmaceutical business
 - Royalty income from Roche

R&D – Progress of Key R&D Activities –

Multiple approvals and filings achieved many pipeline projects progressing steadily

	Project	Target indication	FY2025 achievements
Infectious Disease	Ensitrelvir* ¹	COVID-19 (Treatment)	Submitted in Europe, submitted in Japan (Pediatric: ages 6–11), Phase 3 study initiated (pediatric: ages 0–5)
	Ensitrelvir* ¹	COVID-19 (Post-exposure prophylaxis)	Approved in Japan, Submitted in the US and Europe
	Cefiderocol* ²	AMR (Gram-negative bacterial infections)	Approved in China
	S-268024	COVID-19 (JN.1) (Preventive Vaccine)	Submitted in Japan
	S-567123 (Broadly protective coronavirus vaccine)	Sarbecovirus infections (Preventive Vaccine)	Phase 1 study initiated
QOL Diseases with High Social Impact	Zuranolone* ³	Depression	Approved in Japan
	S-606001	Pompe disease	Phase 2 study initiated
	S-898270	Alzheimer's Disease	Phase 1 study initiated

Brand name in Japan: *¹ Xocova, *² Fetroja, *³ Zurzuvae

R&D – Pipeline Acquired through the M&A of JT Group's Pharmaceutical Business –

Acquired multiple promising pipeline assets

Development pipeline of JT's pharmaceutical business and Torii Pharmaceutical

Total **23** projects

Preclinical

1

Phase 1

8

Phase 2

4

Phase 3

7

Submission

3

Challenges Ahead

Positioning of FY2026

**Steadily integrating and embedding the acquired business foundations,
with the entire company united to accelerate growth**

M&A of JT Group's
pharmaceutical business



Purpose

**Strengthening in-house drug
discovery capabilities and the
domestic business**

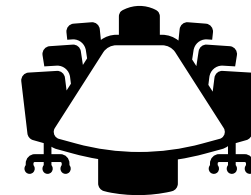
Acquisition of the
edaravone*¹ business



Purpose

**Establishing the rare disease
business in the U.S.**

Additional investment in ViiV
Healthcare



Purpose

**Strengthening the
management foundation**

*¹ Edaravone: a treatment for ALS (Amyotrophic Lateral Sclerosis)

Major Transformation through Business Investments

– Strengthening Core Businesses –

Toward Accelerated growth built on the HIV franchise



Overseas Business

- **Growth of cefiderocol**
 - Further progress in development
- **Start of the edaravone business**
 - Entry into the rare disease business
- **Launch of ensitrelvir (planned)**
 - Strengthen sales structure following approval



Domestic Business

- **Stabilization of the infectious disease business**
 - Xocova, Xofluza
- **Strengthen sales of new products**
 - Quiviviq・Zurzuvae
 - Products marketed by Torii



HIV Business

- **Application of the equity method to ViiV Healthcare**
 - Stronger commitment to the HIV business
- **Growth of LAI formulations**
 - Cabenuva, Apretude
- **Progress in development of new LAI formulations**
 - Q6M formulation: S-365598

Achieve stable growth together with infectious disease products



FY2025



Overseas Business

Domestic Business

HIV Business

*1Q6M: Formulation administered once every 6 months

Major Transformation through Business Investments

– Strengthening the R&D Structure –

Becoming the world's No.1 pharmaceutical company in small-molecule drug discovery

SHIONOGI

- In-house drug discovery ratio: 60%
- Small-molecule drug discovery

JT Pharmaceutical Business

- Advanced technology platforms
- Experienced medicinal chemists*1

Further strengthening of in-house drug discovery capabilities

Strengthening the drug discovery foundation

Streamlining the drug discovery process



- Prediction of pharmacokinetic profiles
- Highly efficient drug discovery evaluation system

Synthesis of superior compounds



- JT Pharma's proprietary target identification system
- Increased number of medicinal chemists



Enhancing the speed and quality of the drug discovery cycle

*1 Medicinal chemist: a researcher specializing in drug discovery chemistry

Toward a New Growth Phase

Embodying SHIONOGI Group Heritage

**「Research, Produce, and Promote」
on a global scale**



To the Next Stage

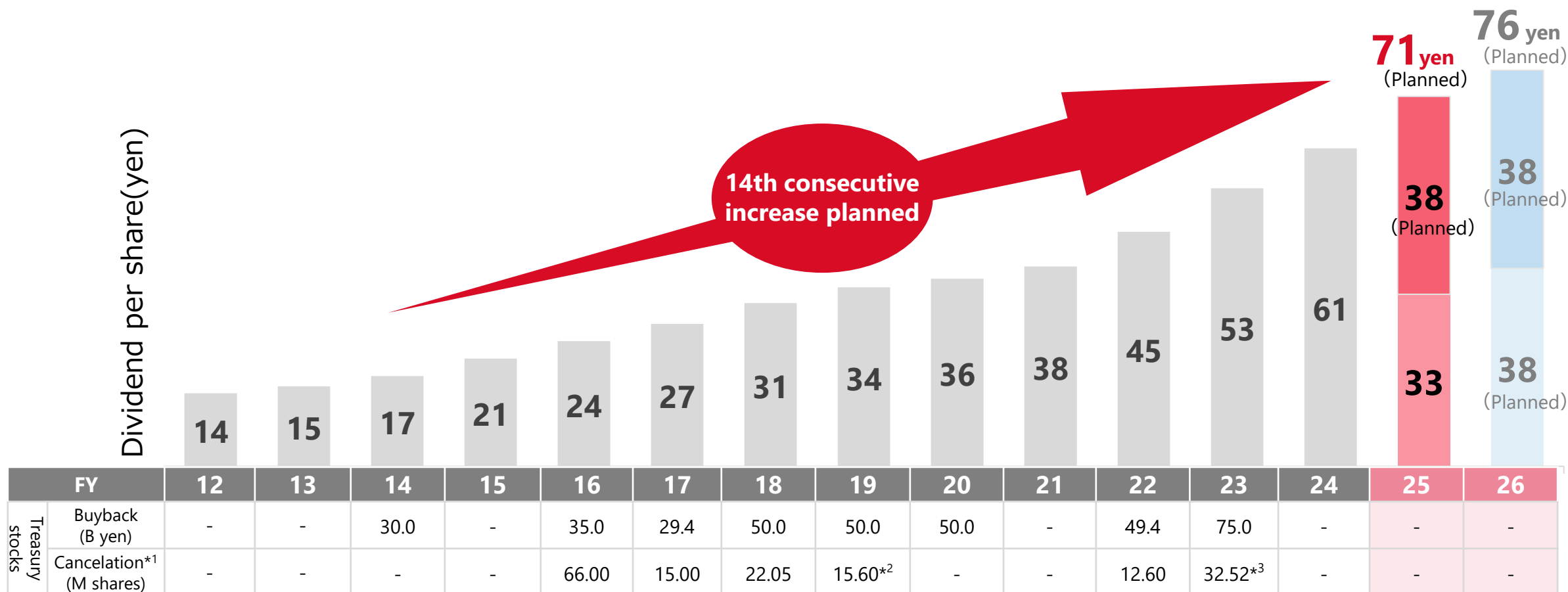
From April 2027 onward

New Medium-Term Business Plan to be announced

Dividend Policy

Shareholder Return Policy through which Shareholders Can Feel Our Growth

Annual dividend planned at 71 yen per share, marking the 14th consecutive increase



*1 Effective October 1, 2024, Shionogi has implemented a 3-for-1 stock split of its common stock. Dividends and Treasury stock's Cancellation are calculated based on the assumption that the stock split was implemented at the beginning of the FY2012

*2 Resolution passed on March 30, 2020, and treasure shares cancelled on April 6 *3 Resolution passed on July 31, 2023, and treasure shares cancelled on April 17, 2024

Forward-Looking Statements

- Forecast or target figures in this material are neither official forecasts of earnings and dividends nor guarantee of target, achievement and forecasts, but present the midterm strategies, goals and visions. Official earnings guidance should be referred to in the disclosure of the annual financial report (*kessan tanshin*) in accordance with the rules set by Tokyo Stock Exchange.
- Materials and information provided during this presentation may contain so-called “forward-looking statements”. These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties which could cause actual outcomes and results to differ materially from these statements.
- Risks and uncertainties include general industry and market conditions, and general domestic and international economic conditions such as interest rate and currency exchange fluctuations. Risks and uncertainties particularly apply with respect to product-related forward-looking statements. Product risks and uncertainties include, but are not limited to, technological advances and patents attained by competitors; challenges inherent in new product development, including completion of clinical trials; claims and concerns about product safety and efficacy; regulatory agency’s examination period, obtaining regulatory approvals; domestic and foreign healthcare reforms; trend toward managed care and healthcare cost containment; and governmental laws and regulations affecting domestic and foreign operations.
- For products that are approved, there are manufacturing and marketing risks and uncertainties, which include, but are not limited to, inability to build production capacity to meet demand, lack of availability of raw materials, and failure to gain market acceptance.
- Shionogi disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.
- This material is presented to inform stakeholders of the views of Shionogi's management but should not be relied on solely in making investment and other decisions.
- You should rely on your own independent examination of us before investing in any securities issued by our company. Shionogi shall accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding or changes of target figures or any other use of this material.
- This English presentation was translated from the original Japanese version. In the event of any inconsistency between the statements in the two versions, the statements in the Japanese version shall prevail.