



Notice of Revisions to Dividend Forecasts (Dividend Increase)

OSAKA, Japan, April 25, 2024 - Shionogi & Co., Ltd. (Head Office: Osaka, Japan; Chief Executive Officer: Isao Teshirogi, Ph.D.; hereafter "Shionogi") announced that it has made the following revisions to its dividend forecasts for the fiscal year ending March 31, 2024 (fiscal 2023; April 1, 2023 – March 31, 2024). The dividend forecasts were originally announced on May 10, 2023.

1. Revisions to Dividend Forecasts

| | Dividends per share (yen) | | |
|--|---------------------------|----------|--------|
| | End of second quarter | Year end | Annual |
| Previous forecast | — | 75.00 | 150.00 |
| Revised forecast | — | 85.00 | 160.00 |
| Current fiscal year | 75.00 | | |
| Previous fiscal year (ended March 31, 2023) | 60.00 | 75.00 | 135.00 |

2. Reasons for Revisions to Dividend Forecasts

Shionogi strives to maximize corporate value by balancing investment in growth and shareholder return, and to share the benefits of mid-to-long term profit growth with shareholders. Consistent with that intention, Shionogi plans to stably increase its consolidated dividends, with a DOE of 4% or higher as an index. In fiscal 2023, Shionogi announced our new revision to our Medium-term Business Plan, STS2030. Accordingly, we have continued to enhance our strengths as a drug-discovery-based pharmaceutical company, while transforming ourselves into a HaaS company that provides a broader integrated range of healthcare products and services, providing new value to society. We have been progressing these efforts in order to offer more comprehensive solutions to the healthcare challenges faced by patients and society.

As a result, we have expanded the sales of Xocova, a COVID-19 treatment drug, and of our influenza franchise, mainly Xofluza, in Japan. By establishing multi-drug respiratory infectious disease portfolio, we have been able to record stable profits throughout the year and have stabilized our acute infectious disease business which is considered to be easily affected by shifting epidemics. We are also working towards the realization of early diagnosis and early treatment ("test and treat") to ensure that infectious disease drugs promptly reach the patients who need them. In the overseas business, in addition to our own sales growth with cefiderocol, we have made great progress in expanding access to this important drug by utilizing partnerships to significantly increase the number of countries in which it is available. Xocova, Xofluza, and cefiderocol are all in-house discovered products, and expanding the presence of these products globally and advancing their growth is one of the most important initiatives in the STS2030 Revision. We will continue to focus on the global expansion of in-house sales capability for internally developed products.

Furthermore, as a result of intensive investment in multiple R&D projects, our next growth driver candidates have advanced in clinical development, and we believe that we have built a solid foundation for future growth. In addition to these initiatives, with respect to the HIV franchise partnered with ViiV, we received increasing royalty and dividend income, exceeding previous forecasts, due to the sales growth of innovative long-acting injectable products, such as Cabenuva, and oral two-drug regimens, such as Dovato. We expect continuous medium-to long-term growth of the HIV franchise.

As in the previous year, in fiscal 2023 Shionogi also acquired its own shares (10,842,100 shares, the total value of which was approximately 75 billion yen, a record high) and canceled treasury shares (10,840,000 shares, 3.53% of total outstanding shares before cancellation) in order to increase shareholder return and capital efficiency, following its flexible capital policy, aligned with consistent business progress.

As a result of the aforementioned progress, and comprehensively considering our current financial condition, and our EPS, DOE, ROE metrics, which are the key shareholder return-indicators in our STS2030 Revision, Shionogi plans to increase its year-end cash dividend by 10 yen per share, revising the previously announced dividend of 75 yen to 85 yen per share. Together with the interim cash dividend, Shionogi will therefore pay annual cash dividends of 160 yen per share, an increase of 25 yen per share from the prior fiscal year, and its annual dividend will have been increased for 12 consecutive years.

Forward-Looking Statements

This announcement contains forward-looking statements. These statements are based on expectations in light of the information currently available, assumptions that are subject to risks and uncertainties which could cause actual results to differ materially from these statements. Risks and uncertainties include general domestic and international economic conditions such as general industry and market conditions, and changes of interest rate and currency exchange rate. These risks and uncertainties particularly apply with respect to product-related forward-looking statements. Product risks and uncertainties include, but are not limited to, completion and discontinuation of clinical trials; obtaining regulatory approvals; claims and concerns about product safety and efficacy; technological advances; adverse outcome of important litigation; domestic and foreign healthcare reforms and changes of laws and regulations. Also, for existing products, there are manufacturing and marketing risks, which include, but are not limited to, inability to build production capacity to meet demand, lack of availability of raw materials and entry of competitive products. The company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

For Further Information, Contact:

SHIONOGI Website Inquiry Form : <https://www.shionogi.com/global/en/contact.html>