



Notice Regarding the Absorption-Type Merger of Torii Pharmaceutical Co., Ltd., a Wholly Owned Subsidiary

OSAKA, Japan, April 27, 2026 - Shionogi & Co., Ltd. (Head Office: Osaka, Japan; Chief Executive Officer: Isao Teshirogi, Ph.D.; hereafter "Shionogi") announced that at the Board of Directors meeting held today, it was resolved to absorb and merge with TORII PHARMACEUTICAL Co., Ltd. (Head Office: Tokyo, Japan; Representative Director, President and Chief Executive Officer: Nobumasa Kondo; hereafter "Torii Pharmaceutical"), our wholly owned subsidiary, with an effective date of April 1, 2027 (hereinafter "the Merger"), and that it has entered into an absorption merger agreement with Torii Pharmaceutical. Note that the company has omitted some of the disclosure items and details as the Merger is a simplified absorption-type merger of its wholly owned subsidiaries.

1. Purpose of the Merger

Based on SHIONOGI Group Heritage, "SHIONOGI strives constantly to supply the best possible medicine to protect the health and wellbeing of the patients we serve", Shionogi initiated a tender offer for Torii Pharmaceutical on May 8, 2025, with the aim of further strengthening our domestic business and enhancing our ability to deliver medicines that meet the needs of a greater number of patients. As a result, Torii Pharmaceutical became a wholly owned subsidiary of Shionogi on September 1, 2025. Since then, Shionogi and Torii Pharmaceutical have been working to build a stronger system for delivering our respective core products to a broader patient population by leveraging each company's distinct strengths and by expanding and reinforcing our medical information and promotion activities. In particular, the allergy and skin diseases areas in which Torii Pharmaceutical possesses high levels of expertise are less susceptible to fluctuations caused by seasonal trends and are characterized by significant unmet medical needs. By continuing to respond to patient needs in these therapeutic areas, Torii Pharmaceutical is also contributing to the establishment of a stable and sustainable business foundation for our domestic operations. To further accelerate these initiatives and enhance our contribution to healthcare, we have determined that it is essential to strengthen collaboration between both companies even further and to transition to a new phase in which integration synergies can be maximized through swift and unified decision-making. Accordingly, at the Board of Directors meeting held on February 20, 2026, Shionogi resolved to adopt the basic policy of merging Torii Pharmaceutical into SHIONOGI¹. Following deliberations based on this policy, we resolved to proceed with the merger and entered into a merger agreement with Torii Pharmaceutical.

2. Outline of the Merger

(1) Schedule of the Merger

Resolution by the Board of Directors regarding the merger agreement	: April 27, 2026
Date of execution of the merger agreement	: April 27, 2026
Effective date of the merger	: April 1, 2027 (planned)

Note that this merger falls under the simplified absorption-type split stipulated in Article 796, Paragraph 2 of the Companies Act for the Company and it falls under a short form merger as prescribed for in Article 784, Paragraph 1 of the Companies Act in relation to Torii Pharmaceutical. Therefore, the merger agreement will be approved without the approval resolution of the shareholders' meeting.

(2) Method of the Merger

The merger will be an absorption-type merger, with Shionogi as the surviving company and Torii Pharmaceutical as the dissolved company.

(3) Allocation Related to the Merger

As Torii Pharmaceutical is a wholly owned subsidiary of the Company, no new shares will be issued, and no cash or other consideration will be allocated because of the Merger.

(4) Treatment of Stock Acquisition Rights and Bonds with Stock Acquisition Rights

Not applicable.

3. Overview of the Parties to the Merger

	Surviving Company	Absorbed company
(1) Company Name	Shionogi & Co., Ltd.	TORII PHARMACEUTICAL Co., Ltd.
(2) Head Office Location	1-8, Doshomachi 3-chome, Chuo-ku, Osaka 541-0045, Japan	4-1, Nihonbashi-Honcho 3-chome, Chuo-ku, Tokyo
(3) Job Title and Name of Representative	Isao Teshirogi, Ph.D., Representative Director, President and CEO	Nobumasa Kondo, Representative Director, President and Chief Executive Officer
(4) Business Description	Research and development, purchasing, manufacturing, sales, and related operations of prescription pharmaceuticals	Manufacture and sale of pharmaceutical products
(5) Capital	¥21,279 million (As of March 31, 2026)	¥5,190 million (As of September 1, 2025)
(6) Date of Establishment	June 5, 1919	November 1, 1921
(7) Total Number of Issued Shares	889,632,195 shares	6 shares
(8) Fiscal Year End	March 31	March 31
(9) Major Shareholders and Shareholding Ratio	Japan Master Trust Bank, Ltd. (Trust Account) 18.31% Custody Bank of Japan, Ltd. (Trust Account) 7.81% Sumitomo Life Insurance Company 6.48% STATE STREET BANK AND TRUST COMPANY 505001 4.12%	Shionogi & Co., Ltd. 100.0% (As of March 31, 2026)

	SMBC Trust Bank Ltd. (Sumitomo Mitsui Banking Corporation Retirement Benefit Trust Account) 3.30% (As of March 31, 2026)		
(10) Financial Condition and Operating Results for the Most Recent Fiscal Year			
	Shionogi & Co., Ltd. (Consolidated, IFRS) (Fiscal Year 2025)	Shionogi Pharma Co., Ltd. (non-consolidated, Japanese accounting standards) (Calendar Year 2024)	
Total Capital	¥1,362,497 million	Total Equity	¥121,533 million
Total Assets	¥1,535,349 million	Total Assets	¥140,664 million
Equity Attributable to Owners of the Parent Company per Share	¥1,600.68	Total Equity per Share	-
Sales Revenue	¥438,268 million	Sales	¥60,426 million
Operating profit	¥156,603 million	Operating Income	¥6,798 million
Profit before Tax	¥200,750 million	Ordinary Income	¥6,926 million
Profit Attributable to Owners of the Parent Company	¥170,435 million	Net Income	¥5,042 million
Basic Earnings per Share	¥200.36	Net Income per Share	-

Note: Due to changes in the number of shares since the calendar year 2024, certain figures are indicated by “-” as they would not be meaningful if calculated based on the current number of shares.

4. Status After the Merger

There will be no changes to the Company’s corporate name, location, title and name of its representative, business activities, capital, or fiscal year because of the Merger.

5. Outlook

As this Merger involves the Company and its wholly owned subsidiary, the impact on the Company’s consolidated financial results is expected to be minor.

Reference

Press Release (February 20, 2026):

["Notice Regarding the Decision of the Basic Policy for the Absorption-Type Merger of Torii Pharmaceutical Co., Ltd., a Wholly Owned Subsidiary"](#)

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>