Conference on FY2022.12 Financial Results

CHUGAI PHARMACEUTICAL CO., LTD.

2 February 2023

Important Reminder

Forward-Looking Statements

This presentation may include forward-looking statements pertaining to the business and prospects of Chugai Pharmaceutical Co., Ltd. (the “Company”). These statements reflect the Company’s current analysis of existing information and trends. Actual results may differ from expectations based on risks and uncertainties that may affect the Company’s businesses.

Core Results

Chugai discloses its results on a Core basis from 2013 in conjunction with its transition to IFRS. Core results are the results after adjusting non-recurring items recognized by Chugai to IFRS results. Chugai’s recognition of non-recurring items may differ from that of Roche due to the difference in the scale of operations, the scope of business and other factors. Core results are used by Chugai as an internal performance indicator, for explaining the status of recurring profits both internally and externally, and as the basis for payment-by-results.

Note:

- Amounts shown in this report are rounded to the nearest 0.1 billion yen
- Variance and % are calculated based on the amounts shown

Agenda

01 **FY2022 Overview and FY2023 Forecast**

Dr. Osamu Okuda
President & CEO

02 **FY2022 Consolidated Financial Overview (Core)**

Toshiaki Itagaki
Director, Executive Vice President & CFO

03 **Overview of Development Pipeline**

Tetsuya Yamaguchi
Executive Vice President, Head of Project & Lifecycle Management Unit

FY2022 Overview and FY2023 Forecast

Dr. Osamu Okuda

President & CEO

2022 Financial Performance

- Due to significant increase in sales, the company achieved YoY increase in revenues and profits, exceeding its full-year forecast
- Revenues exceeded 1 trillion JPY for the first time, achieving the record-high revenues and profits for six consecutive fiscal years

Core (billions of JPY)	2021 Jan - Dec actual	2022 Jan - Dec actual	Growth		2022 Jan - Dec forecast	Progress (%)
Revenues	**999.8**	**1,168.0**	**+168.2**	**+16.8%**	**1,150.0**	**101.6%**
Domestic sales	518.9	654.7	+135.8	+26.2%	646.3	101.3%
Overseas sales	283.9	384.6	+100.7	+35.5%	385.2	99.8%
ROOI	196.9	128.8	-68.1	-34.6%	118.5	108.7%
Operating profit	**434.1**	**451.7**	**+17.6**	**+4.1%**	**440.0**	**102.7%**
Operating margin	43.4%	38.7%	-4.7%pts	-	38.3%	-
Net income	**311.5**	**317.7**	**+6.2**	**+2.0%**	**312.5**	**101.7%**
EPS (yen)	**189.35**	**193.11**	**+3.76**	**+2.0%**	**190.00**	**101.6%**

- Domestic sales significantly increased mainly due to the supply of Ronapreve to the government, in addition to the steady market penetration of new products (Evrysdi, Polivy, Enspryng, Vabysmo), and the favorable growth of mainstay products(Hemlibra, Kadcyla), despite the impact of NHI drug price revision and generics
- Overseas sales significantly increased in sales of Hemlibra and Actemra
- ROOI significantly decreased in royalty income for initial shipping inventory of Hemlibra
- Due to the significant increase in sales, the company achieved YoY increase in revenues and profits

2023 Forecast

- **Revenues and profits are expected to decrease to 1,070.0 billion JPY (-8.4%, YoY) and 415.0 billion JPY (-8.1%, YoY) in 2023, respectively**
- **The decline in sales and profit is due to lower sales revenues from COVID-19-related drugs such as Ronapreve**
- **Excluding the COVID-19-related temporary impact, revenues are expected to increase, and profits are expected to increase slightly**

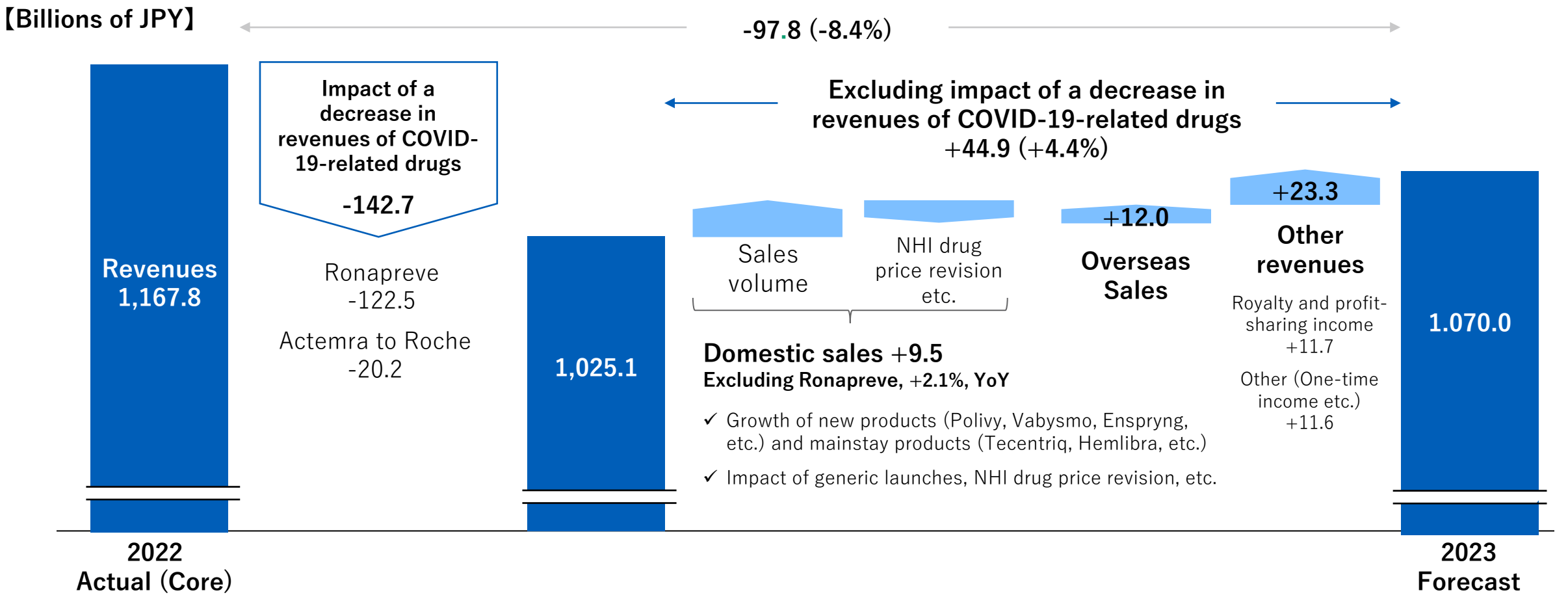
Core (billions of JPY)	2022 Jan - Dec actual	2023 Jan - Dec forecast	Growth (year on year)	
Revenues	**1,167.8**	**1,070.0**	**-97.8**	**-8.4%**
Domestic sales	654.7	**541.7**	-113.0	-17.3%
Overseas sales	384.6	**378.3**	-6.3	-1.6%
Other revenues	128.6	**150.0**	+21.4	+16.6%
Operating profit	**451.7**	**415.0**	**-36.7**	**-8.1%**
Operating margin	38.7%	38.8%	+0.1%pts	-
Net income	**317.7**	**306.0**	**-11.7**	**-3.7%**
EPS (yen)	**193.11**	**186.00**	**-7.11**	**-3.7%**

- Domestic sales are expected to decrease due to the decrease in the supply of Ronapreve to the government and the impacts of generics despite the growth of new and mainstay products both in Oncology and Speciality fields. Domestic sales excluding Ronapreve expect steady growth to 460.5 billon JPY (+2.1%)
- Overseas sales are expected to decrease slightly due to a decrease in export volume reflecting the Roche Group's optimization of Hemlibra inventory levels and decrease of Actemra COVID-19-related demand
- Other revenues are expected to increase due to the increase of Hemlibra-related royalty and profit-sharing income and one-time income

"Royalties and Other Operating Income," which has previously been reported under "Revenues," will be changed to "Other Revenues," while income from disposal of product rights will be excluded therefrom. Figures in the green color of the above table apply the aforementioned change.

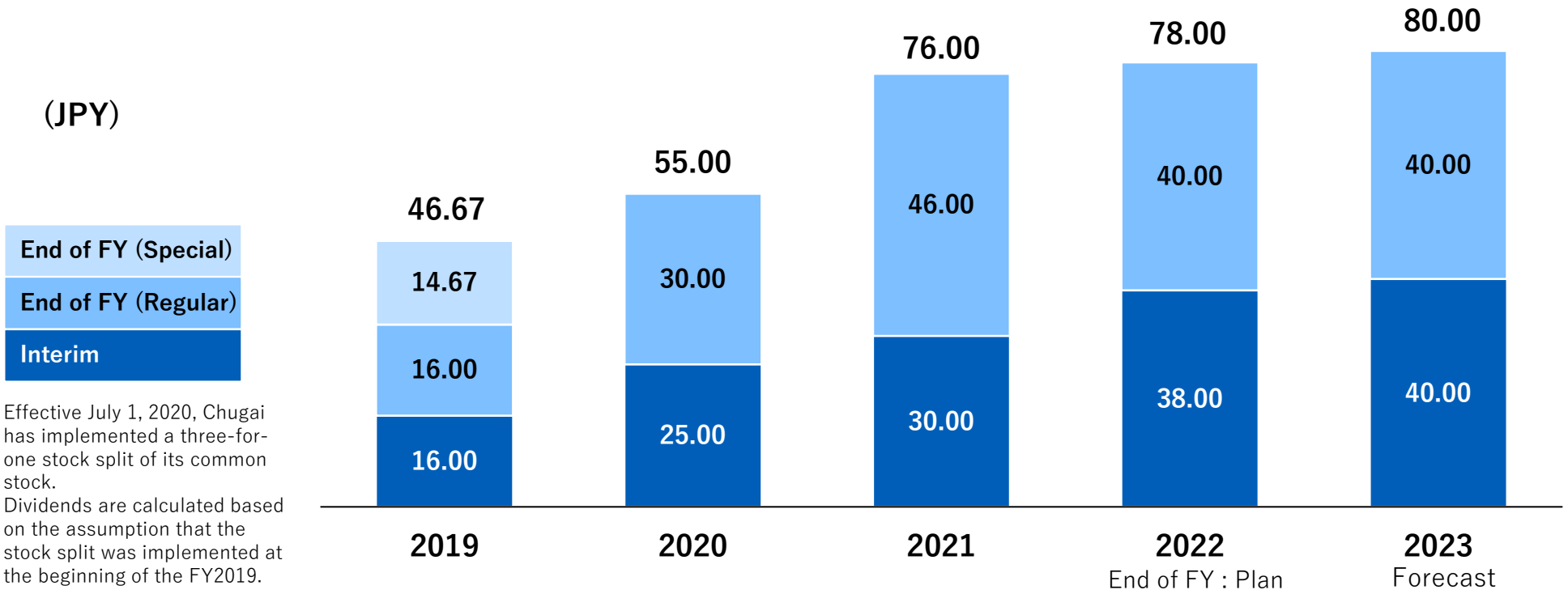
Topline Analysis of 2023 Forecast

- Expected growth of core businesses in Japan and overseas
- Increased revenues (+44.9 billion JPY, +4.4%, YoY) excluding the impact of a decrease in revenues of COVID-19 related drugs (-142.7 billion JPY, YoY)



Contribution to Shareholders

- **The 2022 year-end dividends are increased to 40 JPY to reflect favorable financial performance. For 2023, we expect annual dividends of 80 JPY**
- **Basic profit distribution principles**
  - ✓ Taking into account strategic funding needs and earnings prospects, Chugai sets a target for a consolidated dividend payout ratio of 45% on average compared with Core EPS, to continuously provide a stable profit allocation of profit to all shareholders.



Effective July 1, 2020, Chugai has implemented a three-for-one stock split of its common stock.
Dividends are calculated based on the assumption that the stock split was implemented at the beginning of the FY2019.

		2019	2020	2021	2022 End of FY : Plan	2023 Forecast
Core dividend payout ratio	5-year average	47.4%	44.9%	42.9%	42.0%	41.8%
	Single FY	45.8%	41.2%	40.1%	40.4%	43.0%

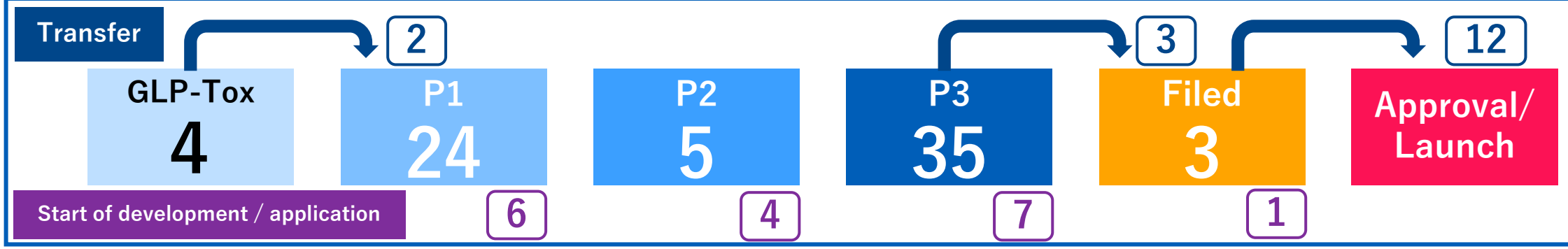
Review of Strategic Policies for 2022 (1/2)

Continuous creation of R&D output

- **Mid-size molecule project: LUNA18 and subsequent mid-size molecule projects are on track**
- **Progress of in-house projects is slightly behind the plan**
  - Slight delay in the PC transition of new projects
  - P1 study preparation/progress are on track: DONQ52, RAY121, ALPS12 (study started in Jan. 2023), etc.
  - Progress of GP3 is favorable: Expansion of indications such as crovalimab, Enspryng, and Alecensa
- **Partial change in plan for regulatory filings**
  - Filed (4): RG6264*, crovalimab [PNH/China], Gazyva [CLL]**, Actemra
  - Development Discontinued/Changed (7): Development, including Tecentriq/tiragolumab, was discontinued due to failure of primary endpoints in P3. Filing year changed for Tecentriq [HNC (adjuvant)] .
- **Steady progress in Approval/Launch**
  - Approval/Launch (12): Tecentriq, Hemlibra, Vabysmo, Polivy, etc.

(): number of projects *PER/HER fixed-dose subcutaneous combination ** Gazyva was filed for the treatment of CLL in March 2022, and obtained approval in December 2022

Changes in the number of R&D projects (from January 1 to December 31, 2022)



Development Discontinued/Changed：6 projects (Discontinued), 1 project (Changed)

Review of Strategic Policies for 2022 (2/2)

Maximize the value of growth drivers	● Tecentriq: Early market penetration in expanded indications such as eNSCLC ● Vabysmo: Successful entry into the ophthalmology field, and established product position ● Hemlibra: Steady market penetration in Japan and overseas* ● Establishment of new distribution system: Established an efficient distribution system for specialty products
Strengthen business foundation	● Chugai Life Science Park Yokohama: Completed in October 2022; transfer of research function started in November 2022 ● Steady progress in the drug discovery process using AI technology ● Utilization and consideration of development and application strategies utilizing RWD ● Initiate and expand new value delivery channels: Remote/Digital MSLs, On-line MRs ● Employee awareness survey: A high positive “employee engagement” response rate was maintained. However, issues were found in the “environment for maximizing employees” ● Implement human resource management reform as part of the transformation of affiliates, and build an autonomous business management system ● Digital plants: Initiate digital infrastructure to support new production operations at Ukima Plant

***Hemlibra: Trends of domestic hemophilia A patient share**

	’18 Q4	’19 Q4	’20 Q4	’21 Q4	’22 Q1	’22 Q2	’22 Q3	**’22 Q4**
Share	2.2%	14.4%	20.0%	24.7%	26.3%	27.3%	28.5%	**29.2%**

TOP I 2030 Progress to Date

■ Generally steady progress for two years

Drug Discovery	✓ Steady progress in the clinical study of the mid-size molecule project “LUNA18” ✓ Improvement of digital research infrastructure by introducing AI drug discovery (MALEXA) and experimental robots ✓ Completion of Chugai Life Science Park Yokohama
Development	✓ Progress in simultaneous development of in-house products for multiple diseases (Expanded indications of Enspryng, crovalimab, and GYM 329, and projects out-licensed to third-party) ✓ Obtain regulatory approval of HER/PER mCRC using RWD
Pharmaceutical Technology	✓ Establishment of manufacturing system for mid-size molecule projects (Completion of FJ2, promotion of FJ3 construction, etc.) ✓ Strengthen cost competitiveness by operating a Production operation digital platform in UK3 ✓ Start of new CPMC organization in line with domestic affiliate reforms
Value Delivery	✓ Start new information provision channels (remote/digital MSLs, online MRs, central SEs) ✓ Disseminate the internal value delivery model by changing the marketing structure and using the cross-functional information platform ✓ Prioritized resource allocation for new areas and products
Foundation for Growth	✓ While employee engagement is high, we are only halfway to increasing active employees ✓ Strengthen the foundation of sustainability, including steady progress in environmental measures such as reducing CO_2 emissions ✓ Achieved total 150,000 hours reduction through RPA ✓ Received highest rating in pharmaceutical sector in the DJSI2022 World

Updates on Mid-term Milestones

■ **Although some track changes and gaps remain, we are generally on track to achieve TOP I 2030**

Drug Discovery	●**Progress on schedule** **However, for "Creation and Promotion of Innovative Drug Discovery Projects by Strengthening Biology," the goals are clarified as follows** （**Before change**）Development of a system for utilizing human clinical samples to improve the accuracy of non-clinical research <2024> （**Revised**）Speeding up access to inaccessible human clinical samples as part of improving the accuracy of non-clinical research <2024>
Development	●**Progress on schedule**
Pharmaceutical Technology	●**Progress on schedule**
Value Delivery	●**Progress is almost on schedule** **Since it is necessary to reconstruct the plan for the "Introduction of assays for monitoring the therapeutic effects of molecular target drugs," new goals and options are being considered.**
Foundation for Growth	●**Progress is almost on schedule** **However, there are gaps between the target and two items for human resources (HR). We will accelerate our response to the issues and aim to achieve the target.** （HR）**Increase the number of active employees based on the results of the employee awareness survey** • Percentage of active employees: Achieve the same level as high-performing global companies <2024> （HR）**Acceleration and penetration of D&I** • Positive response rate to the employee awareness survey innovation questions (Quantitative target exists) <2024> **In addition, one item was added to human resources from 2023.** （HR）**Employee's Health**

Strategic Policies for 2023

1) Strengthening of RED Function
Enhancement and development of in-house development portfolio

- **Promotion and expansion of development of mid-size molecule projects**
  - Promotion of P1 for LUNA18
- **Continuous creation of new projects and construction of technology infrastructure**
  - Development of next-generation antibody technology
- **Proof of value of in-house pre-PoC projects and strengthening of Foundation**
  - Accelerated development of in-house products
- **Accelerating Open Innovation**
  - Establishment of system for promotion

2) Maximize the value of growth drivers
Promotion of development/VD and evolution of operations

- **Enhance value of post-PoC projects**
  - Achievement of approval/application plan
- **Maximizing value of new products and growth drivers**
  - Penetration of mainstay products in Japan and overseas (Hemlibra, Tecentriq, Enspryng, Vabysmo, Polivy, etc.)
- **Operation Model Evolution**
  - Efficient production system and late-stage development operations

3) Strengthen business foundation
Innovation, efficiency, and ESG

- **Foster an organizational culture that continues to produce innovation**
  - Change human resource behavior and promote D&I
- **Resource creation by business process reform**
  - Promotion of ASPIRE program* and business transformation (Bx)
- **Sophistication of risk management functions**
  - Improvement of risk compliance system
- **Promotion of autonomous management of affiliated companies**
  - Sophistication of group management
- **Measures to address Mid-Term Environmental Goals**
  - Continuous initiatives for environmental protect

*ASPIRE: The name of a business and digital transformation program that will deliver cutting edge global standard processes and the next-generation ERP platforms across Chugai Group

Outlook of Mid- to Long-term Growth after 2023

- Steady progress in domestic and overseas core business despite uncertainties and ambiguities
- Innovative drug discovery is the key to growth. Double R&D output in 10 years, establish a system to launch innovative global in-house products every year, and aim at a sustainable growth path

Short-mid-term driver

- Contributing to revenues through further growth of Hemlibra and Alecensa
- Increase in revenues due to penetration and expansion of indications in global markets for in-house products, including Enspryng, crovalimab, and out-licensed products to third-parties (nemolizumab, OWL833, etc.)
- Stable revenues from the exclusive domestic sales of Roche products

Mid-long-term driver

- Commercialization of in-house products currently in P1 to P2
- Continuous commercialization of next-generation antibody projects
- Continuous commercialization of mid-size molecule projects

Transformation

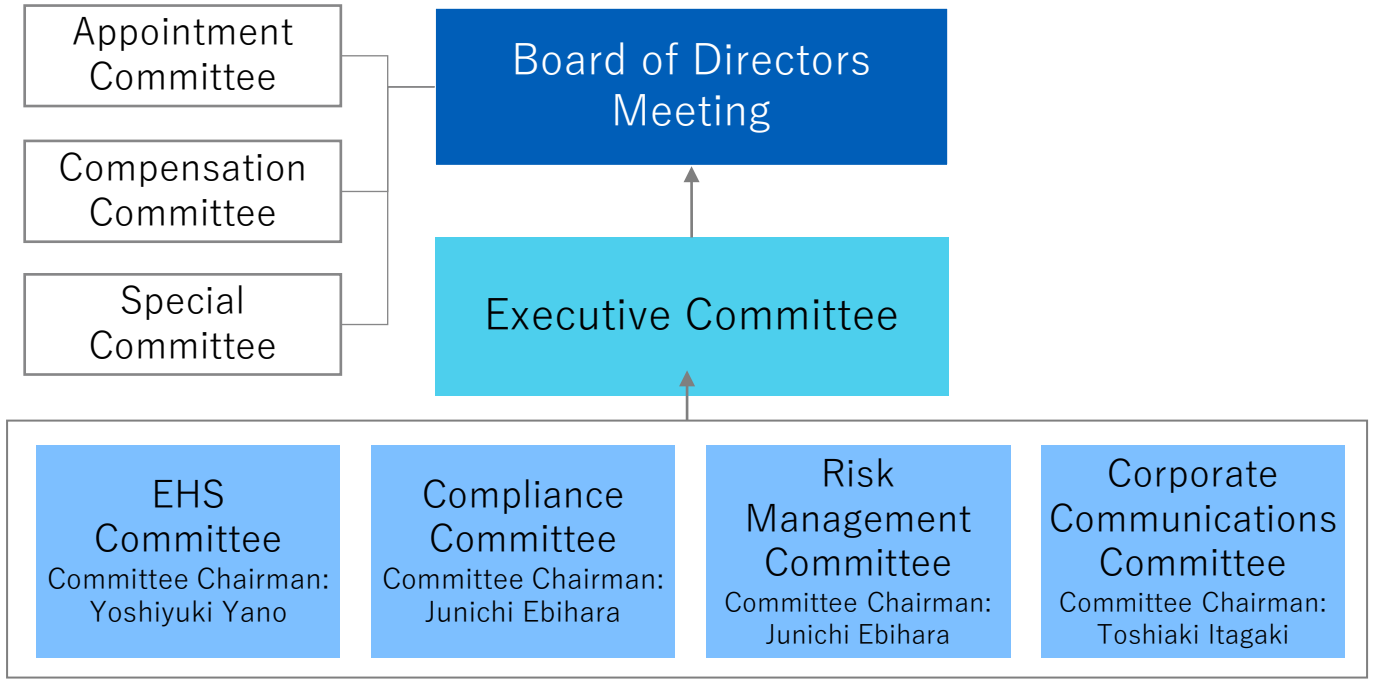
- Improved productivity through the renewal of core business infrastructure and revision of business processes by Bx*
  *Bx: Business transformation
- Enhance the ability of creating global in-house products by accelerating RED SHIFT

Factor of revenue decline (Risk)

- Decrease in COVID-19-related special factors
- Actemra maturation in Japan and overseas
- Suppression of social security expenses, NHI drug price revision, promotion of use of BS and generics

Sustainability Management

- **The Chugai Group views sustainability as the sustainable development of both our company and society**
- **Accelerate to promote sustainability throughout the company - deliberation and decision-making by the Board of Directors Meeting, Executive Committee, and Management Advisory Committees**



- Dr. Okuda, the chairman of the Board of Directors and the Executive Committee, will be responsible for sustainability. The eight members of the ELT, as members of the Executive Committee, are responsible for the implementation of sustainability initiatives

- Four advisory bodies (the EHS Committee, Compliance Committee, Risk Management Committee, and Corporate Communications Committee) will deliberate specific matters within their field of expertise, and then the Executive Committee deliberates and approves plans and policies related to sustainability
- Mr. Yano chairs the EHS Committee, and Mr. Ebihara chairs both the Compliance Committee and the Risk Management Committee. Mr. Itagaki, who chairs the Corporate Communications Committee, will have overall responsibility for all ESG communications
- In addition to the ELT promotion system outlined above, managers, including the heads of each unit, division, and department, will work together to promote sustainability throughout the company

Summary

- In 2022, Chugai achieved record-high revenues and profits for the sixth consecutive year. Domestic and overseas core business has been steadily growing, even after excluding the Ronapreve effect.
- All five reforms to realize TOP I 2030 made generally steady progress. Strategic policies for 2023 consist of Strengthening of RED function, Maximize the value of growth drivers, and Strengthen business foundation. We will continue to promote RED SHIFT going forward.
- Despite the anticipated decline in revenues and profits in 2023, we expect our core businesses to grow, excluding COVID-19-related temporary impact.
- Backed by steady progress in R&D based on abundant pipelines and proprietary technologies, Chugai aims to achieve sustainable growth by strengthening its strategy and foundation towards the realization of TOP I 2030.

Mid-term Milestones (1/6)

Purple: Changes from the last announcement on February 3, 2022

	Milestones ＜Target year＞	Progress
Drug Discovery	**Acquisition of ePoC for LUNA18 ＜2024＞**	●On Schedule
	Continuous Creation of Drug Discovery Projects Utilizing Mid-size Molecule Technology ＜2023-2025＞ (Quantitative target for PC transition exists)	●On Schedule PC transition: zero (2022)
	Establishment of New Technologies that Enhance Competitive Advantage (Acquisition of new MOA) ＜2023-2025＞	●On Schedule
	Developing Next-Generation Antibody Technologies to Solve Drug-Wants • PC transition of new antibody engineering technologies that work selectively with tissue and cells following Switch-Ig <2023>	●On Schedule
	Establishment of a Technology Platform and New Modality Research Platform Comprising Multiple Modalities with Competitive Advantages • PoC of new technologies through a combination of protein engineering technology and new modalities <2023> • Project creation and PC transition by combining antibody engineering technologies and new modalities <2025>	 ●On Schedule ●On Schedule
	Strengthening the Drug Discovery Process by Utilizing Digital Technology • Antibodies: Efficiency of the discovery process through machine learning technology <2023> • Implementation of lab automation at Yokohama site <2024> • Improve drug discovery productivity by establishing a digital infrastructure (Quantitative target exists for FTE reduction) <2024>	 ●On Schedule ●On Schedule ●On Schedule
	Creation and Promotion of Innovative Drug Discovery Projects by Strengthening Biology • Speeding up access to inaccessible human clinical samples as part of improving the accuracy of non-clinical research <2024> • Creation of a platform for drug discovery approaches that target continuous innovation from a biological perspective <2024>	 ●On Schedule ●On Schedule
	Capturing External Innovation • Incorporation of new modalities, technologies, and numerators (Quantitative target exists for the number of projects implemented) <2024>	●On Schedule In-licensed: 2 projects (2022)

Mid-term Milestones (2/6)

	Milestones <Target year>	Progress
Development	**Strengthen the Clinical Predictability Platform and Implement Model & Simulation (M&S) Projects** • Improving clinical predictability through M&S and implementing clinical trials based on M&S <2025> ✓ Utilize M&S for molecular design, product candidate selection, safety range forecast, FIH dosing, etc., from the early stages of trials (Quantitative target exists for the percentage of applicable themes) • Implementation of patient segmentation based on pathological biomarkers <2025>	●On Schedule ●On Schedule
	Accelerate value expansion of in-house developed products through the simultaneous development of multiple diseases • Multiple projects for simultaneous development of multiple diseases based on science and commerciality <2023>	●On Schedule
	Proof of the value of in-house projects • Establishing general-purpose indicators that lead to true endpoint assessment of patients <2025>	●On Schedule
	Evolution of Late-Stage Development Operations (Quantitative target exists) • Increase workforce productivity <2023> • Implementing clinical/regulatory applications utilizing RWDs, control group data, disease registry data, etc. <2023>	●On Schedule ●On Schedule

Mid-term Milestones (3/6)

	Milestones <Target year>	Progress
PT	**Establishment of Manufacturing System and Process for Mid-size Molecules** • Establishment of mid-size molecule CMC technologies and production bases for API and formulations <2024> ✓ Start operation of FJ2 and manufacturing of investigational drugs ✓ Operation of high-difficulty formulation building and the start of manufacturing for investigational drugs ✓ Establishment of initial commercial manufacturing system (FJ3) • Shortening the time to PoC in collaboration with non-clinical functions <2024>	●On Schedule ●On Schedule
	Establishment of Biopharmaceutical API Manufacturing System in Response to Doubling of R&D output • Establish a manufacturing system through facilities dedicated to APIs (FIHs) (UK4) <2024> • Establish cost reduction technologies for in-house production <2024> • Develop antibody pharmaceutical technologies to become the world's forerunner <2027> • Shortening the time to IND in collaboration with non-clinical functions <2024>	●On Schedule ●On Schedule ●On Schedule ●On Schedule
	Establishment of an Efficient Manufacturing System for CPMC • Strengthen core manufacturing technologies, establish a cost-competitive CPMC system, and firmly establish operations <2023> • Establish a CMO management system for future product portfolio <2023> • Launch a new operational model at other sites through the development of digital and IT infrastructure <2023> • Reflecting the use of robotics in the design of new facilities <2025>	●On Schedule ●On Schedule ●On Schedule ●On Schedule

PT: Pharmaceutical Technology

Mid-term Milestones (4/6)

VD: Value Delivery

Purple: Changes from the last announcement on February 3, 2022

	Milestones <Target year>	Progress
VD	**Building an Engagement Model to Meet Diversifying Customer Needs** • Implement a precise individual strategy that combines in-person, remote, and digital channels <2023> ✓ Customer satisfaction (cancer): No. 1 in obtaining information other than Medical Reps ✓ Customer satisfaction (MA Priority Activity Disease Area Assessment): Top 3 in all areas ✓ Customer satisfaction (providing safety information): No. 1	●On Schedule
	Creation of Unique Evidence Contributing to Personalized Medicine • Realization of integrated use of internal and external data for predicting effectiveness and safety <2024> ✓ Provide healthcare professional research papers about biomarker evidence leading to Personalized Medical & Safety Care ✓ Start research to provide solutions utilizing personalized evidence	●On Schedule
	Functional Reforms Through Resource Shifts and Digital Use, etc. • Systematically withdraw from mature areas and invest resources in new areas (Quantitative targets exist) <2023> • Establishment of a business execution system that does not interfere with remote work, and the realization of assignments of employees with specialized knowledge from all over the country, regardless of their location <2025>	●On Schedule ●On Schedule
	Contribute to Further Advancement of PHC by Expanding New Portfolio (monitoring the efficacy of therapies) <2024> • Introduction of assays for monitoring the therapeutic effects of molecular target drugs	●Considering new goals/options

Mid-term Milestones (5/6)

Purple: Changes from the last announcement on February 3, 2022

Milestones ＜Target year＞		Progress
Foundation (People & Organization)	**Increase in active employees based on awareness survey results** • Percentage of active employees: Achieve the same level as high-performing global companies <2024>	●Recognized a gap between the goal and the current status
	Acceleration and penetration of D&I • Positive response rate to the employee awareness survey innovation questions (Quantitative target exists) <2024> • Ratio of female managers/Ratio of female managers with subordinates: 17% / 17% achieved <2023>	●Recognized a gap between the goal and the current status ●On Schedule 17.9%/15.9%
	Employee's Health • Smoking rate: 9% <2025> • Cancer reexamination rate: 80% <2025> • Percentage of high-stress employees who request interviews (those who requested/those who were examined): 1.5% < 2026 >	Added in 2023
Foundation (Digital)	**Improve Efficiency of All Value Chains** • Improve productivity of targeted operations based on the impact of digital investment projects (Quantitative target exists) <2025>	●On Schedule Reduced total 150,000 hours by RPA

Mid-term Milestones (6/6)

Purple: Changes from the last announcement on February 3, 2022

	Milestones <Target year>	Progress
Foundation (Environment)	**Strengthen the Foundation for Sustainability at the Global Level** • Continued selection for Dow Jones Sustainable Index World <2025> • Scope 1 + 2 CO_2 emissions: Achieve 40% reduction (compared to 2019) <2025> • Use of CFCs: Achieve 25% reduction (compared to 2020) <2025>	DJSI World Selected ●On Schedule ●On Schedule
Foundation (Quality)	**Next-Generation Quality Management that Balances Quality and Efficiency with an Eye Toward New Modalities and New Business Processes** • Productivity improvement: Personnel and costs per product and development projects (Quantitative target exists) <2024> • Establishment of a Chugai Quality System for Total Assurance of Products in New Domains <2024>	●On Schedule ●On Schedule
Foundation (Overseas)	**Strengthen Overseas Business Foundation to Drive Growth and Maximize Chugai products' Global Value** • Launch 6 in-house products globally (ACT, ALC, HEM, ENS, SKY59, CIM331) <2025> • Establishment of early development and regulatory systems at U.S. and European subsidiaries in response to an increase in early-stage projects <2025>	●On Schedule 5 products ●On Schedule
Foundation (Insight Business)	**Search for commercialization of insight business** • Establishment of an Insight Business promotion system (infrastructure development, capabilities, and information aggregation as a hub) <2024> • Start using data assets aggregated through in-house projects or Use Cases related to the FMU business <2025>	●On Schedule ●On Schedule

FY2022 Consolidated Financial Overview (Core)

Toshiaki Itagaki

Director, Executive Vice President & CFO

P/L Jan – Dec (Non-core adjustment)

(Billions of JPY)	IFRS results	Non-core items		Core results
		Intangible assets	Others	
Revenues	**1,259.9**		**-91.9**	**1,168.0**
Sales	1,039.2			1,039.2
Royalties and other operating income	128.8			128.8
Other revenue	91.9		-91.9	-
Cost of sales	-476.3	+1.2		-475.0
Operating expenses	**-250.4**	**+1.1**	**+8.0**	**-241.3**
M&D and G&A*	-100.8		+3.1	-97.6
Research and development	-149.6	+1.1	+4.8	-143.7
Operating profit	**533.3**	**+2.3**	**-83.9**	**451.7**
Financial account balance	-2.1			-2.1
Income taxes	-156.7	-0.7	+25.6	-131.8
Net income	**374.4**	**+1.6**	**-58.3**	**317.7**
EPS (JPY)	227.57			193.11

Non-core items

(Billions of JPY)

Intangible assets

Amortization	+1.7
Impairment	+0.6

Others

Lump-sum income related to settlement agreement with Alexion Pharmaceuticals, Inc., etc.	-90.7
Restructuring expenses, etc.	+6.8

* M&D: Marketing and distribution, G&A: General and administration

FY2022 Consolidated Financial Overview (Core)

P/L Jan – Dec (Year on Year)

(Billions of JPY)	2021	2022	Growth	
Revenues	**999.8**	**1,168.0**	**+ 168.2**	**+ 16.8%**
Sales	802.8	1,039.2	+ 236.4	+ 29.4%
Domestic	518.9	654.7	+ 135.8	+ 26.2%
Overseas	283.9	384.6	+ 100.7	+ 35.5%
Royalties and other operating income	196.9	128.8	- 68.1	- 34.6%
Royalty and profit-sharing income	187.2	123.2	- 64.0	- 34.2%
Other operating income	9.8	5.6	- 4.2	- 42.9%
Cost of sales	**-335.5**	**-475.0**	**- 139.5**	**+ 41.6%**
(cost to sales ratio)	41.8%	45.7%	+3.9%pts	-
Operating expenses	**-230.2**	**-241.3**	**- 11.1**	**+ 4.8%**
M&D and G&A	-100.4	-97.6	+ 2.8	- 2.8%
Research and development	-129.8	-143.7	- 13.9	+ 10.7%
Operating profit	**434.1**	**451.7**	**+ 17.6**	**+ 4.1%**
(operating margin)	43.4%	38.7%	-4.7%pts	-
Financial account balance	-2.5	-2.1	+ 0.4	- 16.0%
Income taxes	-120.1	-131.8	- 11.7	+ 9.7%
Net income	**311.5**	**317.7**	**+ 6.2**	**+ 2.0%**
EPS (JPY)	189.35	193.11	+3.76	+ 2.0%

Domestic sales
Increase due to sales growth of new products as well as mainstay products

Overseas sales
Significant increase in sales of Hemlibra and Actemra

Royalty and profit-sharing income
Significant decrease in royalty income for initial shipping inventory of Hemlibra

Other operating income
Decrease in one-time income

Cost of sales
Cost to sales ratio higher due to a change in product mix, etc.

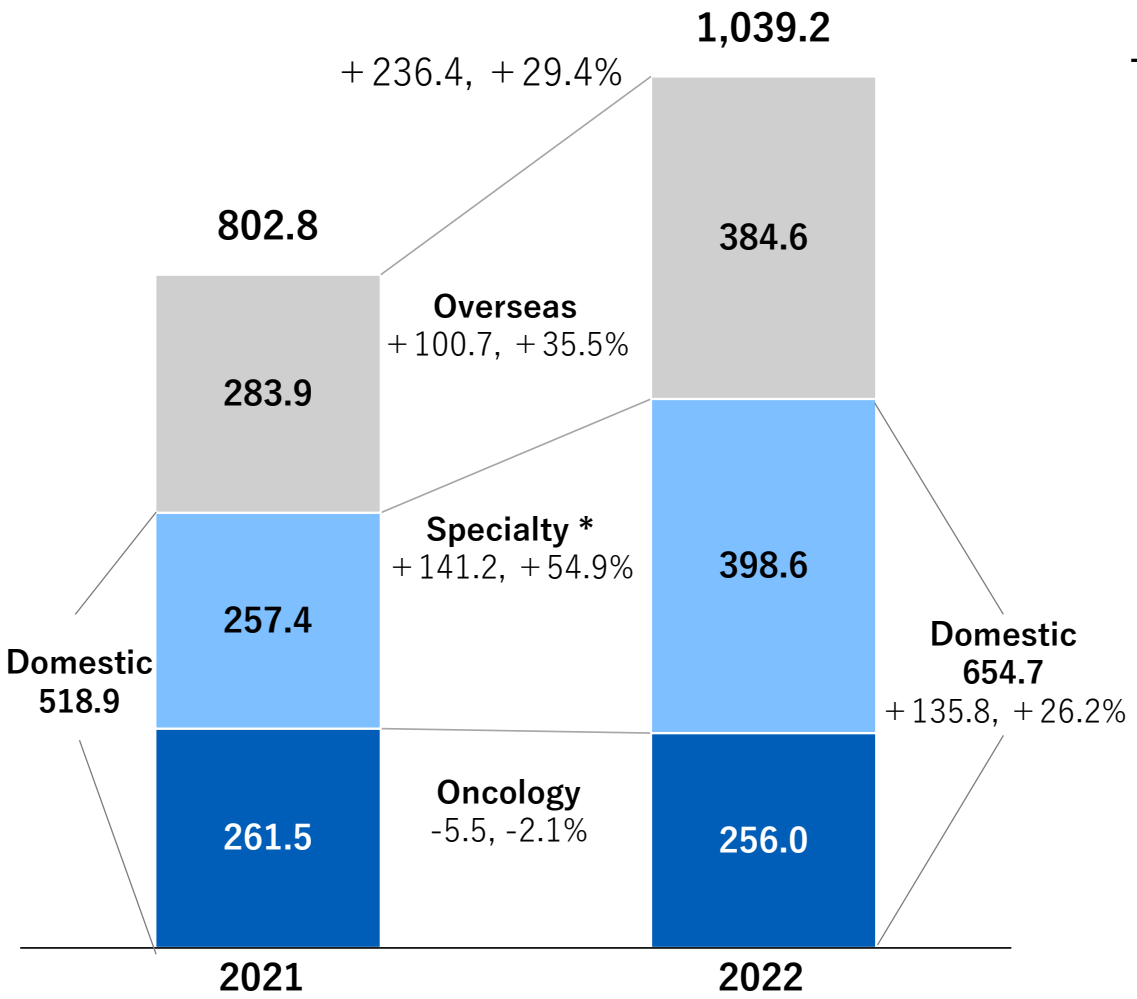
Operating expenses
Despite decrease in various expenses, increase in R&D expenses due to progress of development projects and impact of yen depreciation on costs denominated in foreign currencies, etc.

Operating profit
Growth mainly due to increase in sales

Sales Jan – Dec (Year on Year)

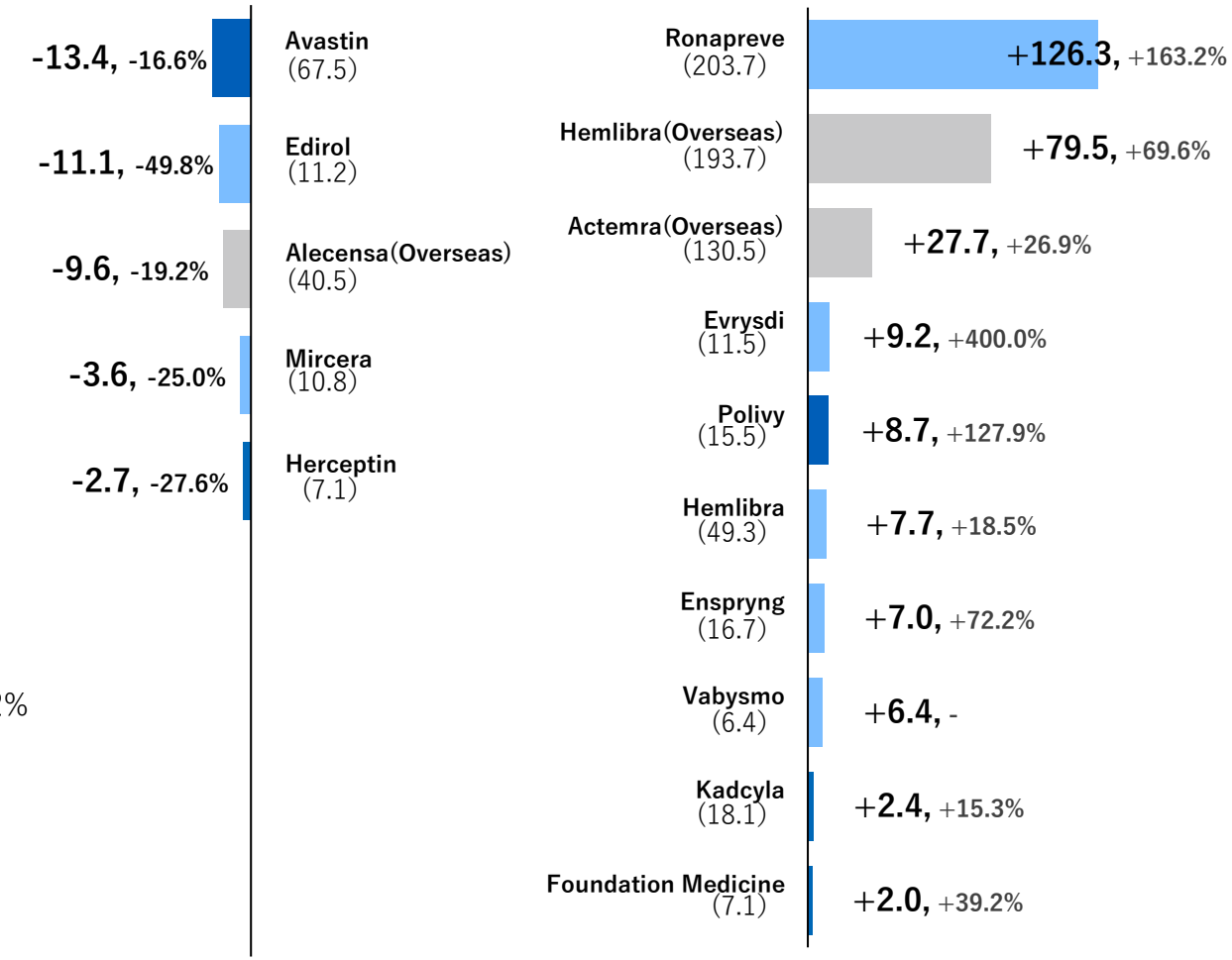
(Billions of JPY)

Sales by Disease Area, Year on Year



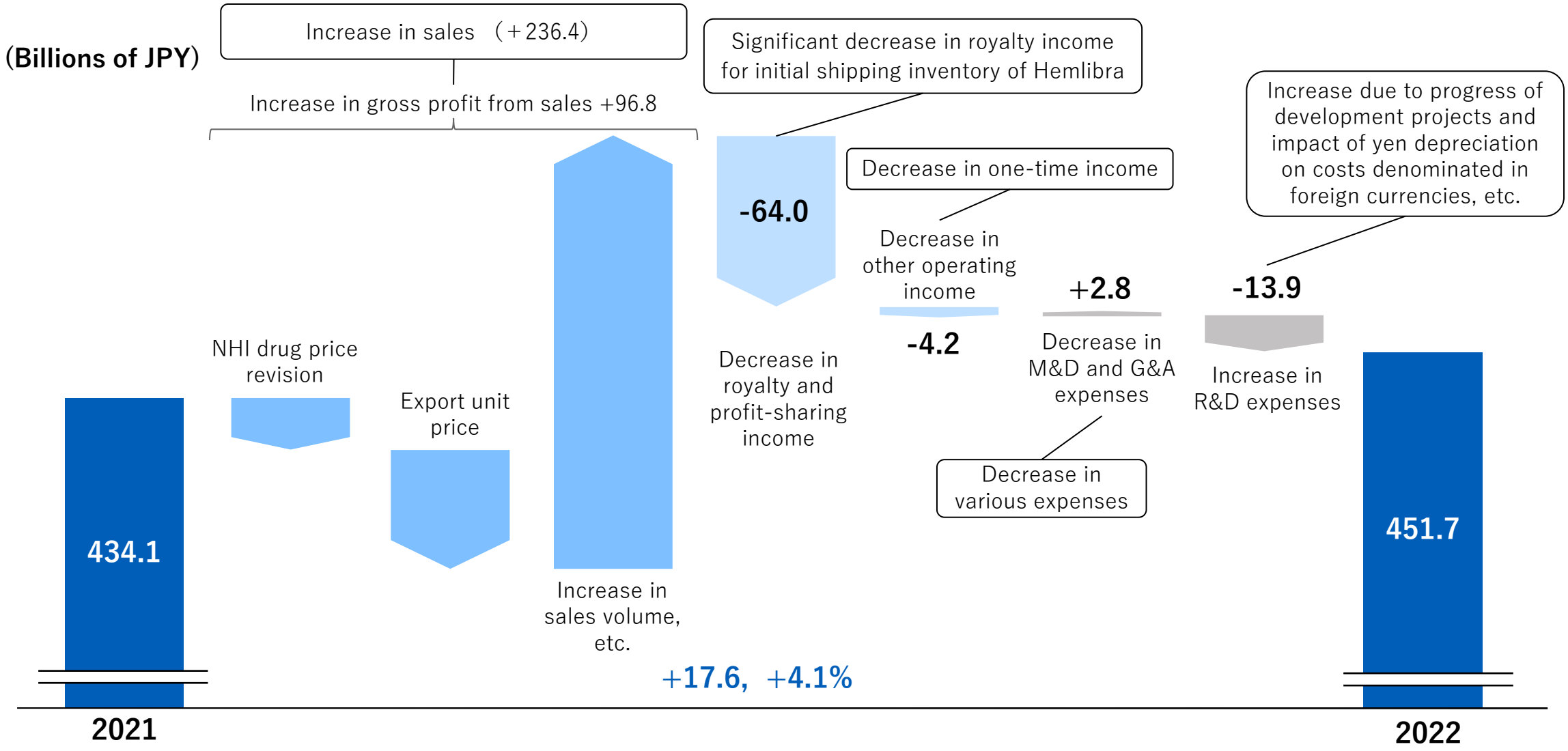
Sales by Product, Year on Year

( ): Actual sales in FY2022
%: Year-on-year percentage change



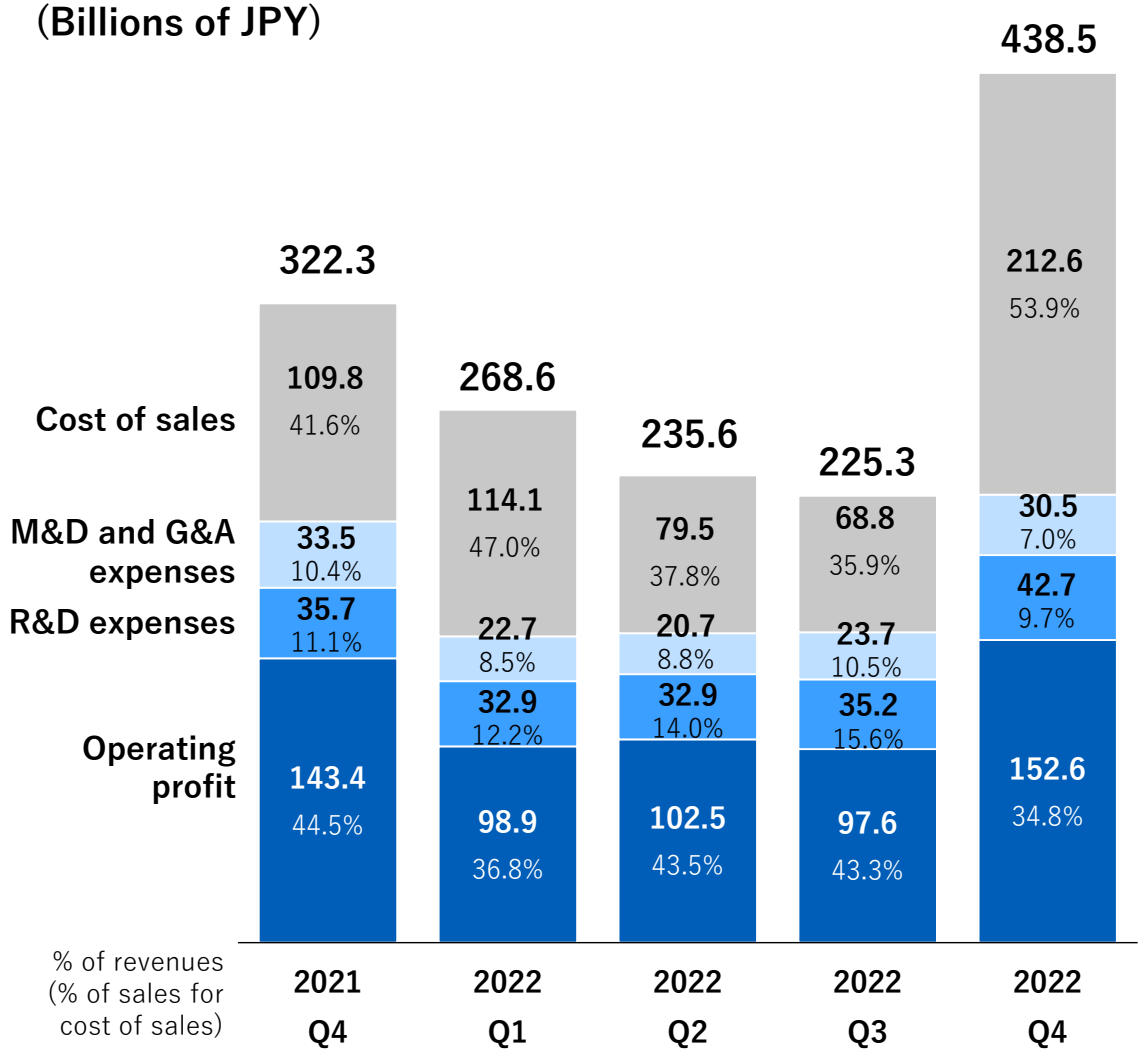
*"Primary" used as the name of disease area is replaced with "Specialty" from July 2022

Operating Profit Jan – Dec (Year on Year)



Structure of Costs and Profit by Quarter

(Billions of JPY)



Year on Year (2021 Q4)

Cost of sales ratio: higher due to a change in product mix, etc.

M&D and G&A expenses: decrease in various expenses

R&D expenses: increase due to completion of Chugai Life Science Park Yokohama and progress of development projects, etc., as well as impact of yen depreciation on costs denominated in foreign currencies

Operating profit: +9.2, +6.4%

Quarter on Quarter (2022 Q3)

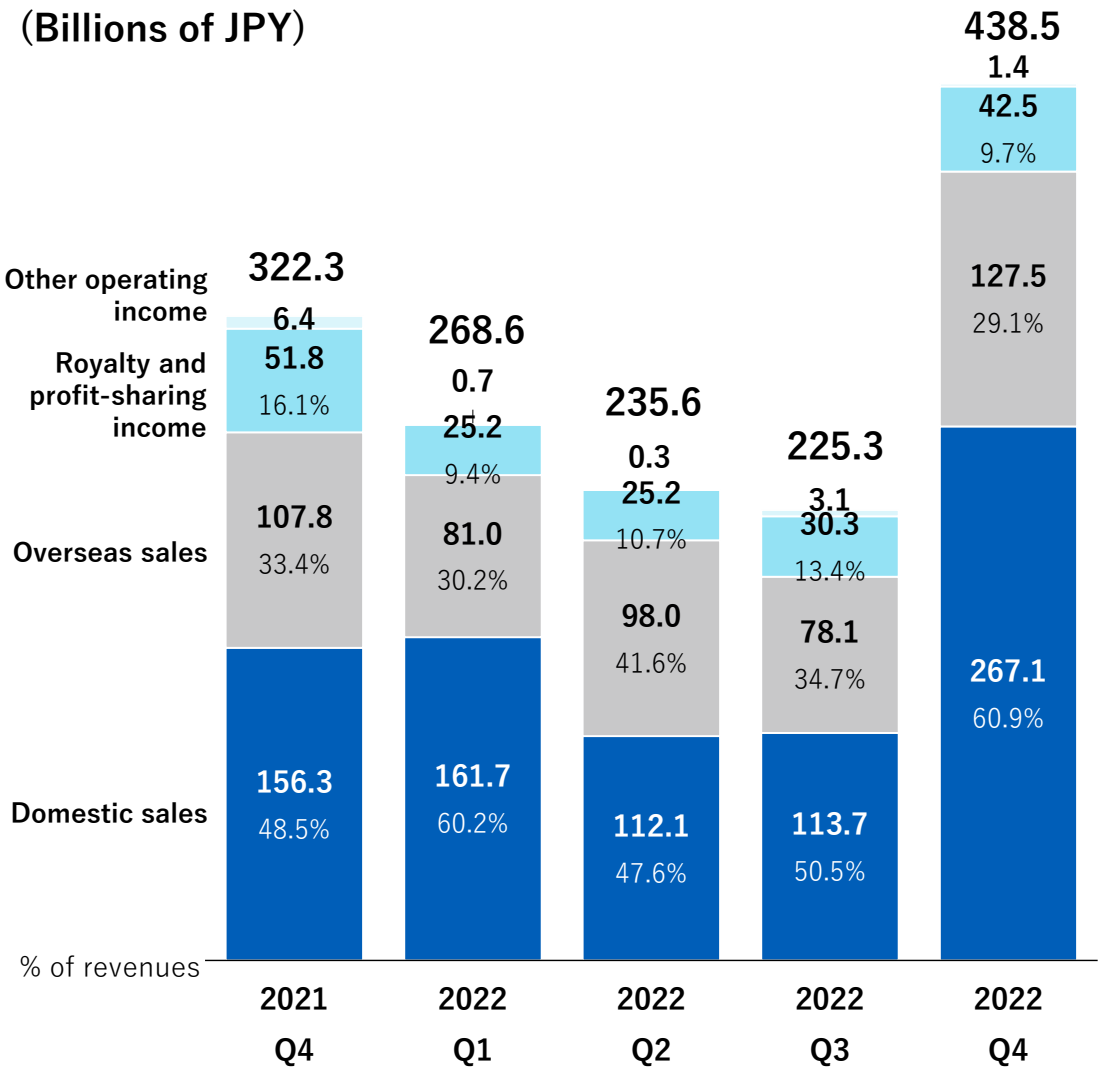
Cost of sales ratio: higher due to a change in product mix, etc.

M&D and G&A expenses: increase due to the annual upward trend of costs

R&D expenses: increase due to completion of Chugai Life Science Park Yokohama and progress of development projects, etc.

Operating profit: +55.0, +56.4%

Structure of Revenues by Quarter



Year on Year (2021 Q4)

Domestic sales: significant increase due to sales growth of new products as well as mainstay products

Overseas sales: increase in sales of Actemra and Hemlibra

Royalty and profit-sharing income: decrease in royalty income for initial shipping inventory of Hemlibra

Quarter on Quarter (2022 Q3)

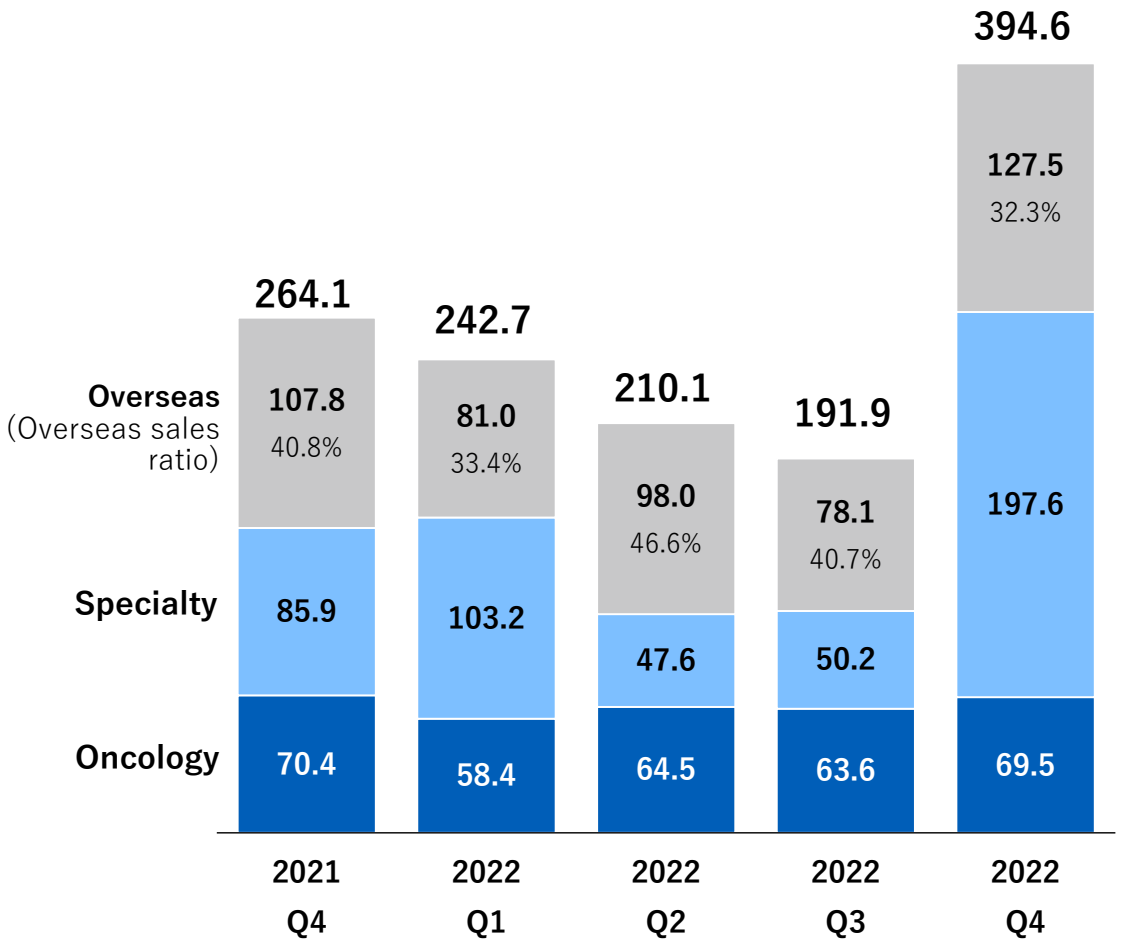
Domestic sales: significant increase due to sales growth of new products as well as mainstay products

Overseas sales: significant increase in sales of Actemra and Hemlibra

Royalty and profit-sharing income: Increase in royalty income related to intellectual property rights of Hemlibra

Structure of Sales by Quarter

(Billions of JPY)



Year on Year (2021 Q4)

Oncology	Avastin:	-4.5	Herceptin:	-0.6
	Polivy:	+3.1	Tecentriq:	+1.0
Specialty	Ronapreve:	+108.2	Vabysmo:	+3.2
	Hemlibra:	+1.8	Enspryng:	+1.7
	Evrysdi:	+1.6	Edirol:	-2.3
Overseas	Actemra:	+11.0	Hemlibra:	+6.2
	Alecensa:	+1.7		

Quarter on Quarter (2022 Q3)

Oncology	Polivy:	+2.9	Tecentriq:	+1.6
Specialty	Ronapreve:	+142.8	Hemlibra:	+1.0
Overseas	Actemra:	+33.5	Hemlibra:	+14.7
	Alecensa:	+1.1		

FY2022 Consolidated Financial Overview (Core)

P/L Jan – Dec (vs. Forecast)

(Billions of JPY)	2022 Forecast	2022 Actual	+/-	Achiev.
Revenues	**1,150.0**	**1,168.0**	**+ 18.0**	**101.6%**
Sales	1,031.5	1,039.2	+ 7.7	100.7%
Domestic	646.3	654.7	+ 8.4	101.3%
Overseas	385.2	384.6	- 0.6	99.8%
Royalties and other operating income	118.5	128.8	+ 10.3	108.7%
Royalty and profit-sharing income	114.0	123.2	+ 9.2	108.1%
Other operating income	4.5	5.6	+ 1.1	124.4%
Cost of sales	**- 460.0**	**- 475.0**	**- 15.0**	**103.3%**
(cost to sales ratio)	44.6%	45.7%	+1.1%pts	-
Operating expenses	**- 250.0**	**- 241.3**	**+ 8.7**	**96.5%**
M&D and G&A	- 100.5	- 97.6	+ 2.9	97.1%
Research and development	- 149.5	- 143.7	+ 5.8	96.1%
Operating profit	**440.0**	**451.7**	**+ 11.7**	**102.7%**
(operating margin)	38.3%	38.7%	+0.4%pts	-
Net income	**312.5**	**317.7**	**+ 5.2**	**101.7%**
EPS (JPY)	190.00	193.11	+ 3.11	101.6%

Domestic Sales
Various products outperformed the forecast (see next slide)

Overseas sales
Despite higher sales from foreign exchange impact etc., export of Actemra was delayed due to manufacturing timing

Royalty and profit-sharing income
Exceeded the forecast due to the impact of foreign exchange, etc.

Cost of Sales
Cost to sales ratio higher from the forecast due to the impact of foreign exchange, etc.

Operating expenses
Total expenses are lower than forecast partly due to spending controls throughout the fiscal year

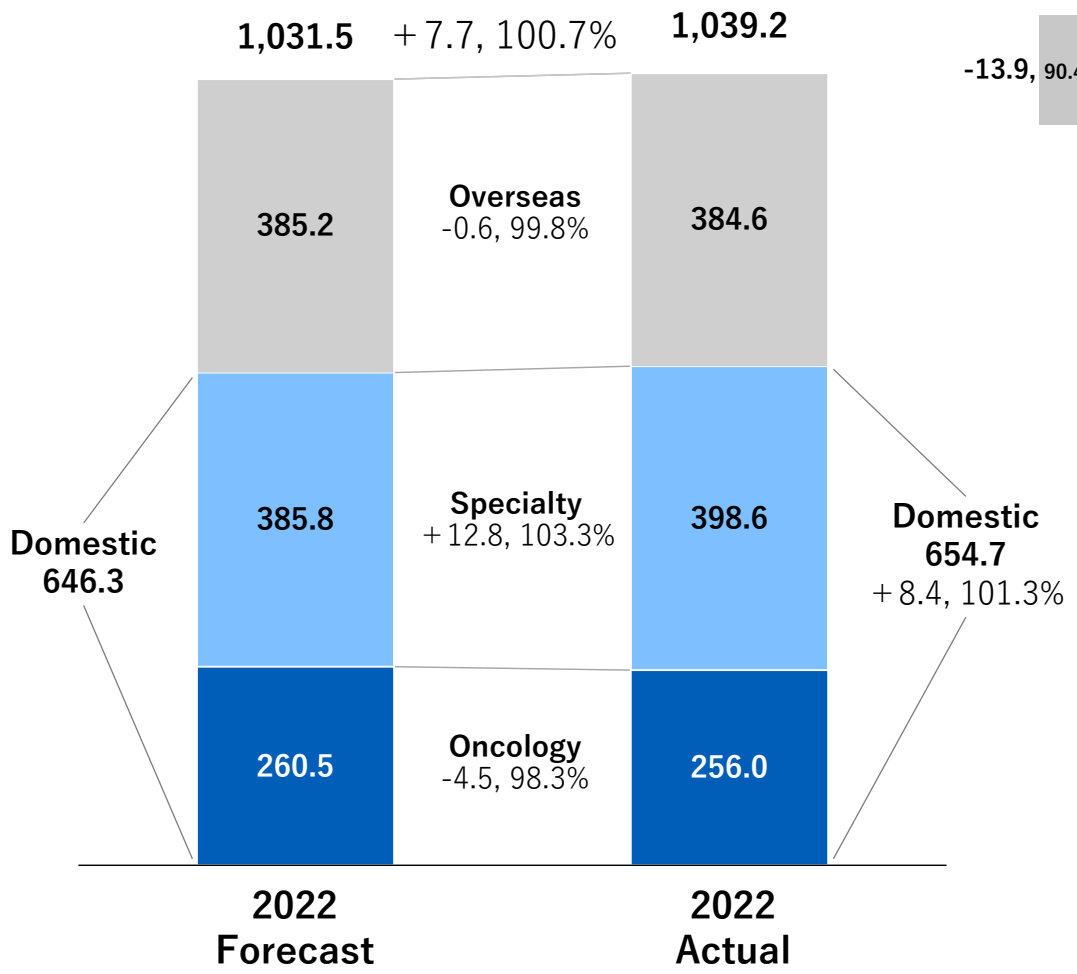
Operating profit
Actual profit exceeded the forecast by +11.7(+2.7%)

* Jan - Dec progress versus Jan - Dec

Sales Jan – Dec (vs. Forecast)

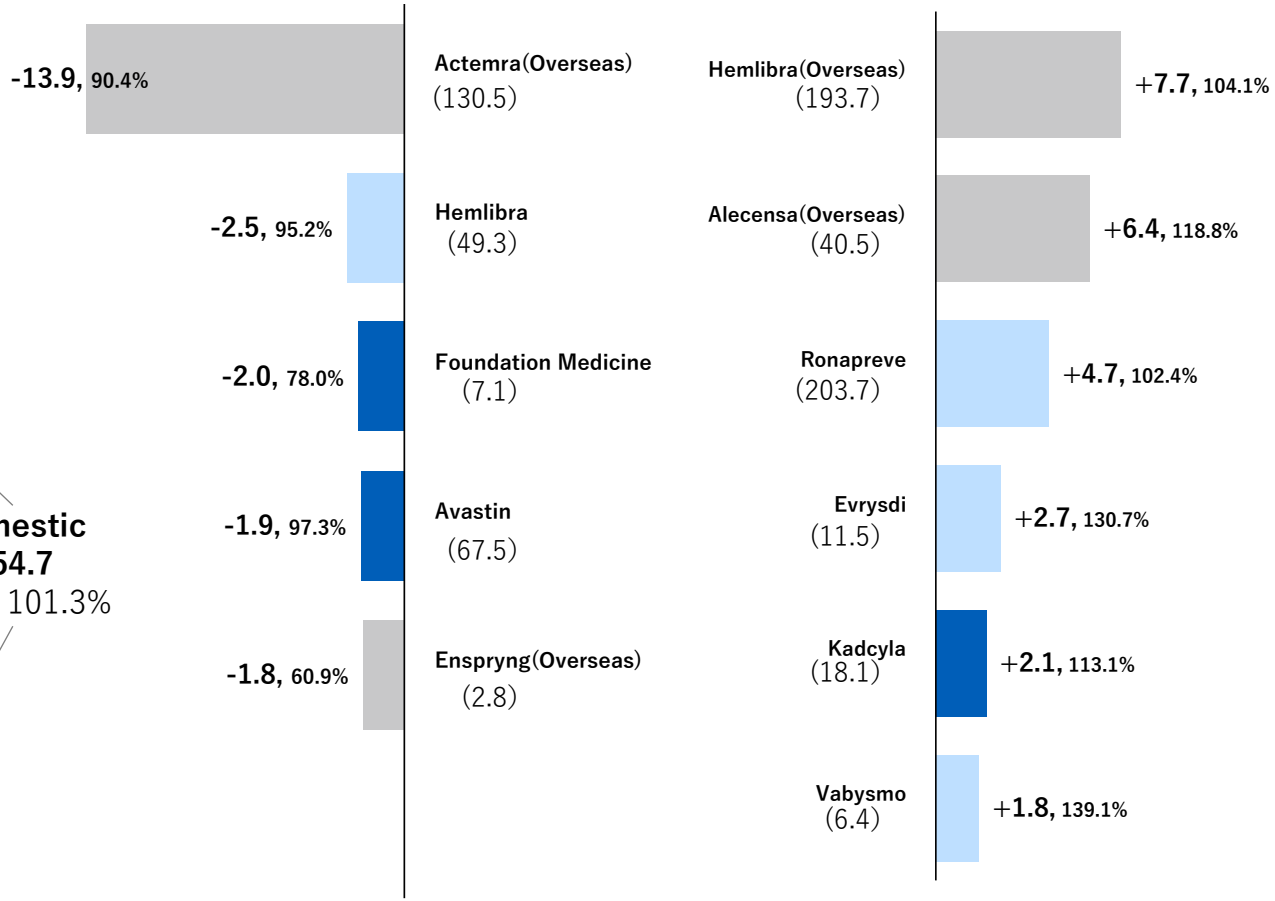
(Billions of JPY)

Sales by Disease Area, Actual vs Forecast



Sales by Product, Actual vs Forecast

( ): Actual sales in FY2022
%: Achievement

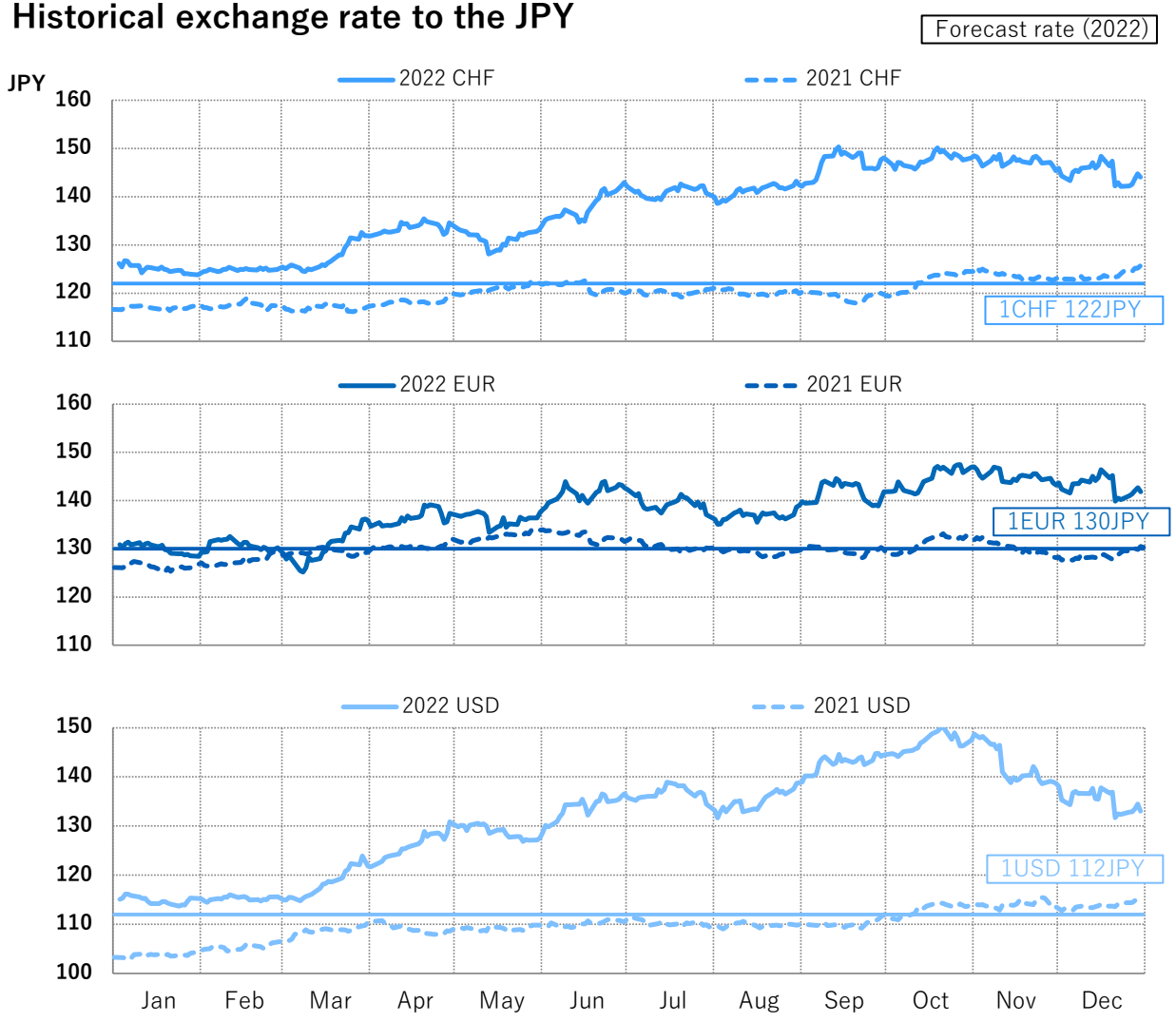


Impact from Foreign Exchange Jan - Dec

(billions of JPY)	vs. 2021 Actual	vs. 2022 Assumption
Revenues	**+39.2**	**+19.6**
Sales	+27.9	+12.0
Royalties and other operating income	+11.3	+7.6
Cost of sales	**-18.1**	**-17.6**
Operating expenses	**-5.3**	**-3.7**
Operating profit	**+15.7**	**-1.7**

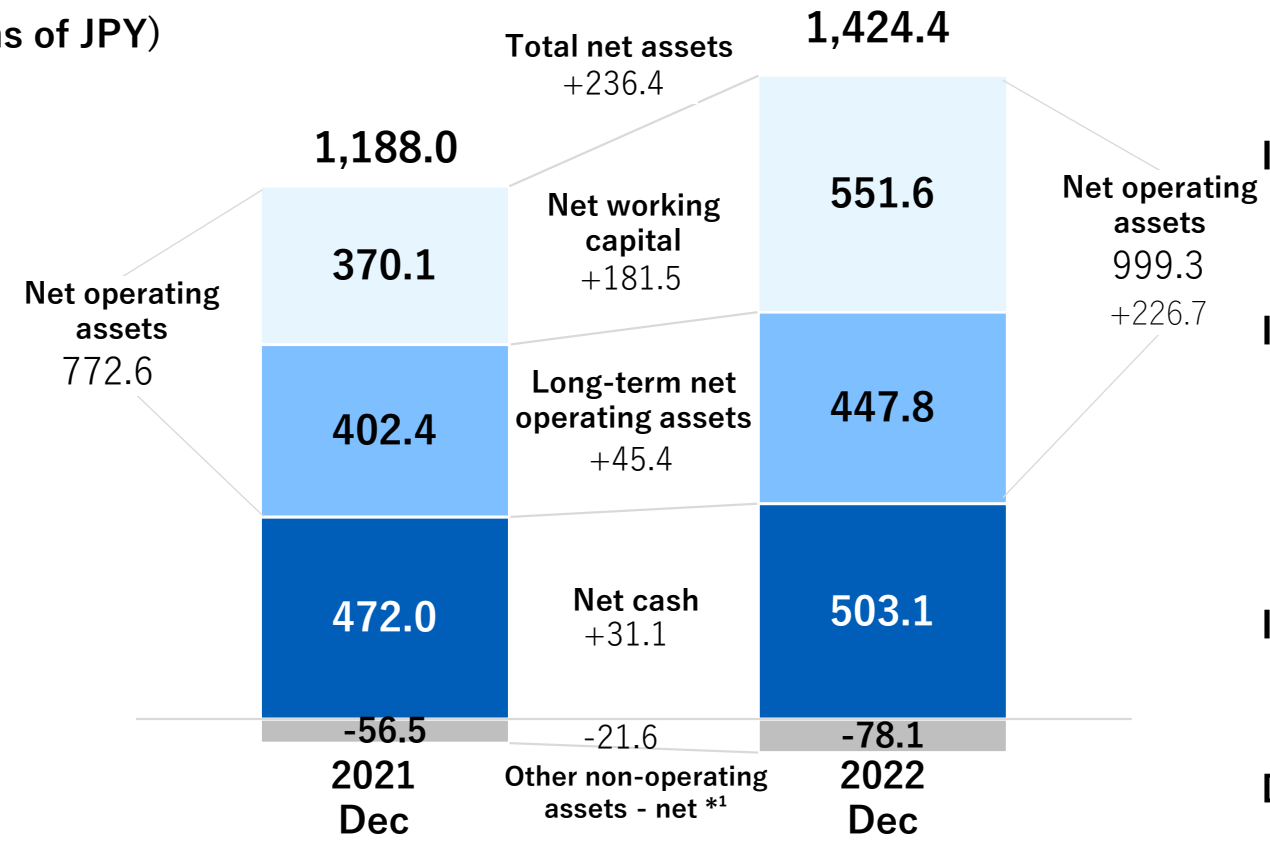
Market average exchange rate(JPY)	2021 Actual	2022 Assumption	2022 Actual
1CHF	120.10	122.00	137.62
1EUR	129.83	130.00	138.21
1USD	109.75	112.00	131.40

Historical exchange rate to the JPY



Financial Position (vs. 2021 Year End)

(Billions of JPY)



	2021 Dec		2022 Dec
Total assets	1,538.7	+331.1	1,869.8
Total liabilities	-350.7	-94.7	-445.4
Total net assets	1,188.0	+236.4	1,424.4
Ratio of equity attributable to Chugai shareholders	77.2%	-1.0%pts	76.2%

Increase in net working capital

Increase in trade accounts receivable including Ronapreve

Increase in long-term net operating assets

Increase in property, plant and equipment due mainly to the following investments
- Chugai Life Science Park Yokohama
- Manufacturing building for APIs*2 (FJ3) at Fujieda Plant

Increase in net cash

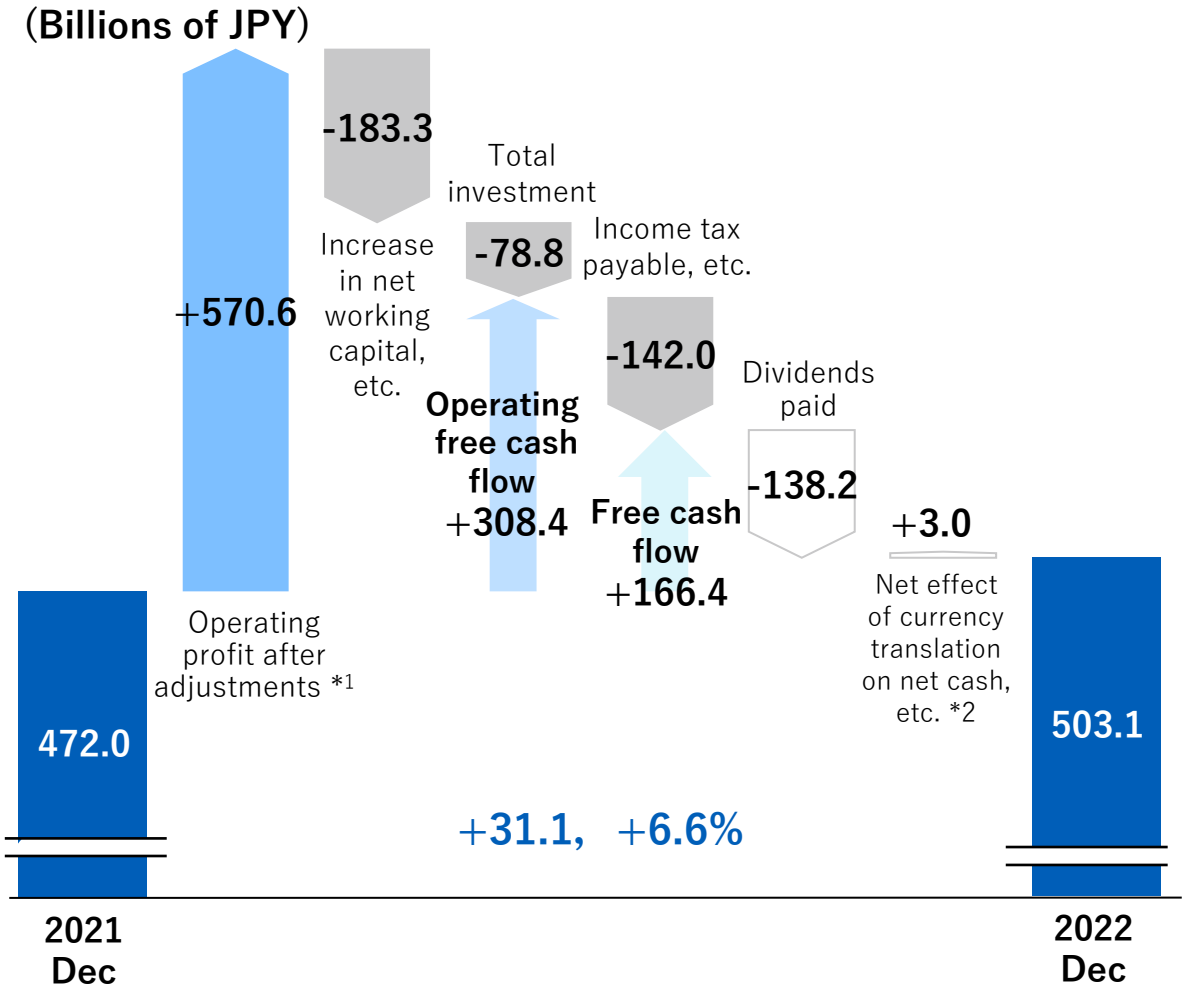
(See next slide)

Decrease in other non-operating assets – net

Increase mainly in foreign exchange contracts liabilities

* 1 E.g., deferred income tax assets, accrued corporate tax, etc.
* 2 APIs: active pharmaceutical ingredients

Net Cash (vs. 2021 Year End)



Operating profit after adjustment *1	**+570.6**
Operating profit *1	+533.3
Depreciation, amortization and impairment *1	+32.1
Increase in net working capital, etc.	**-183.3**
Trade accounts receivable, accounts payable and inventory of Ronapreve	-92.0
Total investment	**-78.8**
Property, plant and equipment	-62.6
Payment for lease liabilities	-7.6
Intangible assets	-8.6
Operating free cash flow	**+308.4**
Income tax payable, etc.	**-142.0**
Income tax payable	-152.1
Free cash flow	**+166.4**
Dividends paid	**-138.2**
Net effect of currency transaction on net cash, etc. *2	**+3.0**

*1 Including Non-Core (IFRS results)
*2 Net effect of currency translation on net cash, etc. = Transaction in own equity instruments + Purchase of non-controlling interests + Net effect of currency translation on net cash(*3)
*3 Results from using different types of exchange rates when consolidating overseas subsidiaries in financial statements, i.e. net cash using end of period exchange rate and free cash flows using average exchange rate. (Chugai defines this term based on International Accounting Standard (IAS) 7 and IAS 21)

Current Status / Plan for Major Investments

2012 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027

Production

Fujieda Plant: Construction of a new synthetic manufacturing building to accelerate the development of small- and mid-size molecule active pharmaceutical ingredients (FJ2)

2019-22: 19.1 billion JPY (19.8 billion JPY)

Fujieda Plant: Construction of a manufacturing building for active pharmaceutical ingredients to cover late-stage clinical development and early commercial production of small and mid-size molecule drugs (FJ3)

2021-24: 55.5 billion JPY (23.2 billion JPY)

Ukima Branch: Construction of biopharmaceutical APIs manufacturing building for early-stage clinical development (UK4)

2021-23: 12.1 billion JPY (3.3 billion JPY)

Research and development

CPR (Singapore): Accelerate creation of clinical candidates utilizing proprietary antibody technologies

2012-21: 476 million SGD (437 million SGD),
incl. capital investments of 61 million SGD (70 million SGD)

2022-26: 282 million SGD (60 million SGD),
incl. capital investments of 21 million SGD (3 million SGD)

Chugai Life Science Park Yokohama: Building of state-of-the-art R&D site to create innovative new drug candidates

Purchase of business site 2016-18: 43.0 billion JPY

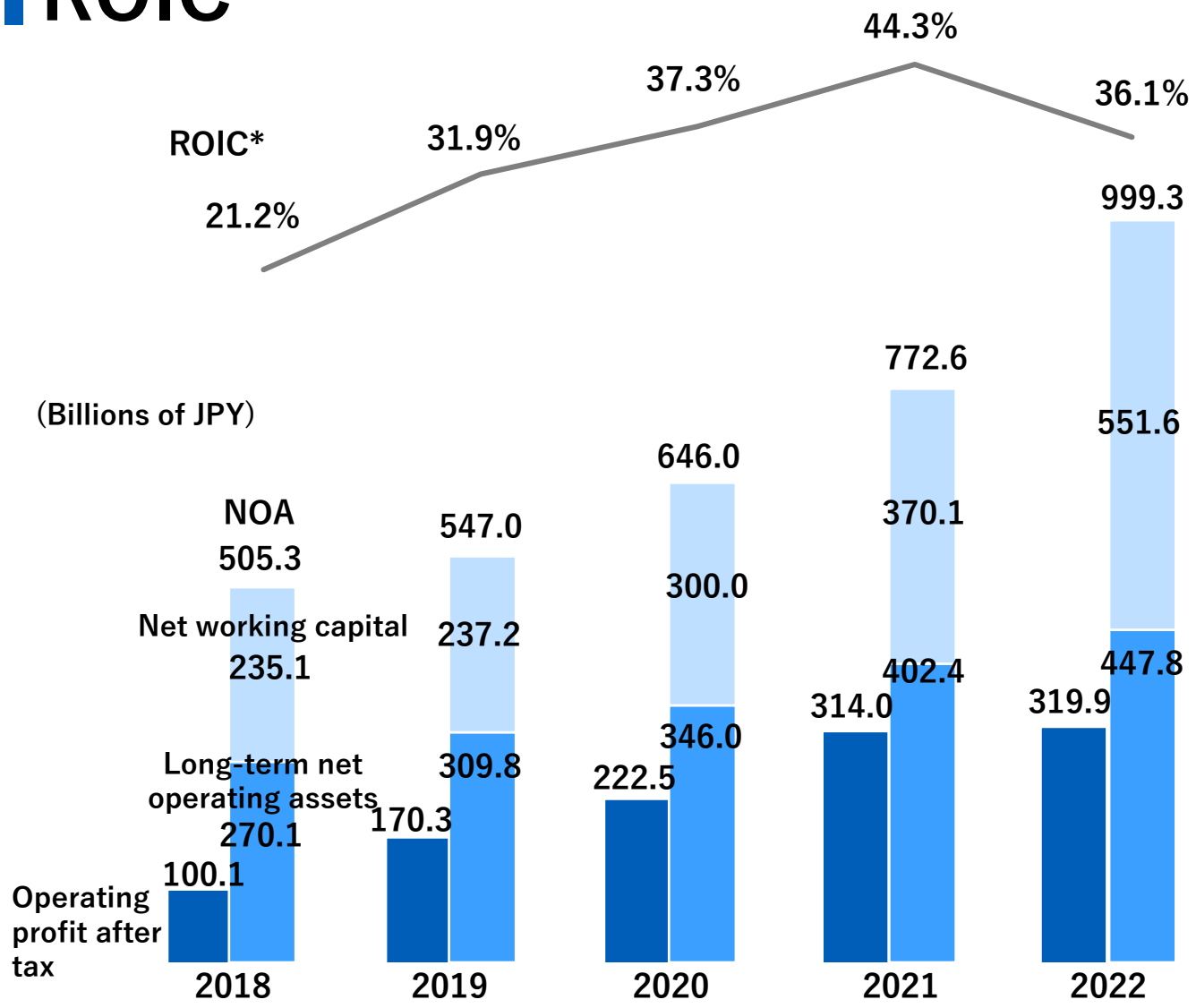
Construction of laboratory 2019-22: 128.8 billion JPY (120.9 billion JPY)

Funding to **IFReC** per comprehensive collaboration agreement

2017-27: 10.0 billion JPY (5.8 billion JPY)

( ): Cumulative amount at the end of Dec, 2022

ROIC



Core operating profit after tax

Steady increase due to sales growth of new products and mainstay products, export of Hemlibra, and royalty income

Net operating assets (NOA)

Increase mainly in long-term net operating assets due to aggressive capital investment, such as Chugai Life Science Park Yokohama

Significant increase in net working capital in 2022 due to supply of Ronapreve to the government

ROIC

ROIC has risen continuously as a result of the growth rate of core operating profit after tax exceeding the increase rate of net operating assets (NOA) until 2021

In 2022, ROIC decreased significantly due to significant increase in NOA due to supply of Ronapreve to the government

*ROIC = core operating profit after tax / the average of opening and ending NOA balances
Opening balance as of FY2019 was adjusted by the adoption of IFRS16 Leases.

P/L - Renaming and Reclassification

(Billions of JPY)	2022 Actual
Revenues	**1,168.0**
Sales	1,039.2
Domestic	654.7
Overseas	384.6
Royalties and other operating income	128.8
Royalty and profit-sharing income	123.2
Other operating income	5.6
Cost of sales	**- 475.0**
(cost to sales ratio)	45.7%
Operating expenses	**- 241.3**
M&D and G&A	- 97.6
Research and development	- 143.7
Operating profit	**451.7**
(operating margin)	38.7%
Net income	**317.7**
EPS (JPY)	193.11

Blue text :rename categories

0.2 billion JPY

Income from disposal of product rights is reclassified to the new category “Other operating income (expense)”

1.2 billions JPY

Income and expenses associated with operating activities that were previously included in “G&A” but could not be classified into functional expense categories such as gain (loss) on sale of land and buildings, etc., is reclassified to the new category “Other operating income (expense)”

(Billions of JPY)	2022 Actual
Revenues	**1,167.8**
Sales	1,039.2
Domestic	654.7
Overseas	384.6
Other revenue	128.6
Cost of sales	- 475.0
(cost to sales ratio)	45.7%
Research and development	- 143.7
Selling, general and administration	- 98.8
Other operating income (expense)	1.4
Operating profit	**451.7**
(operating margin)	38.7%
Net income	**317.7**
EPS (JPY)	193.11

P/L 2023 Forecast

(Billions of JPY)	2022 Actual	2023 Forecast	Growth	
Revenues	**1,167.8**	**1,070.0**	**- 97.8**	**- 8.4%**
Sales	1,039.2	920.0	- 119.2	- 11.5%
Domestic	654.7	541.7	- 113.0	- 17.3%
Overseas	384.6	378.3	- 6.3	- 1.6%
Other revenue	128.6	150.0	+ 21.4	+ 16.6%
Cost of sales	- 475.0	- 405.0	+ 70.0	- 14.7%
(cost to sales ratio)	45.7%	44.0%	-1.7%pts	-
Research and development	- 143.7	- 165.0	- 21.3	+ 14.8%
Selling, general and administration	- 98.8	- 100.0	- 1.2	+ 1.2%
Other operating income (expense)	1.4	15.0	+ 13.6	11times
Operating profit	**451.7**	**415.0**	**- 36.7**	**- 8.1%**
(operating margin)	38.7%	38.8%	+0.1%pts	-
Net income	**317.7**	**306.0**	**- 11.7**	**- 3.7%**
EPS (JPY)	193.11	186.00	- 7.11	- 3.7%

Domestic sales
Decrease in supply of Ronapreve to the government

Overseas sales
Decrease in sales of Actemra and Hemlibra, increase in sales of Alecensa

Other revenue
Increase in income for Hemlibra and one-time income

Cost of sales
Cost to sales ratio improved due to a change in product mix, etc.

Research and development
Increase due to investments in research and early development, including start of operation of Chugai Life Science Park Yokohama, and progress of development projects, etc.

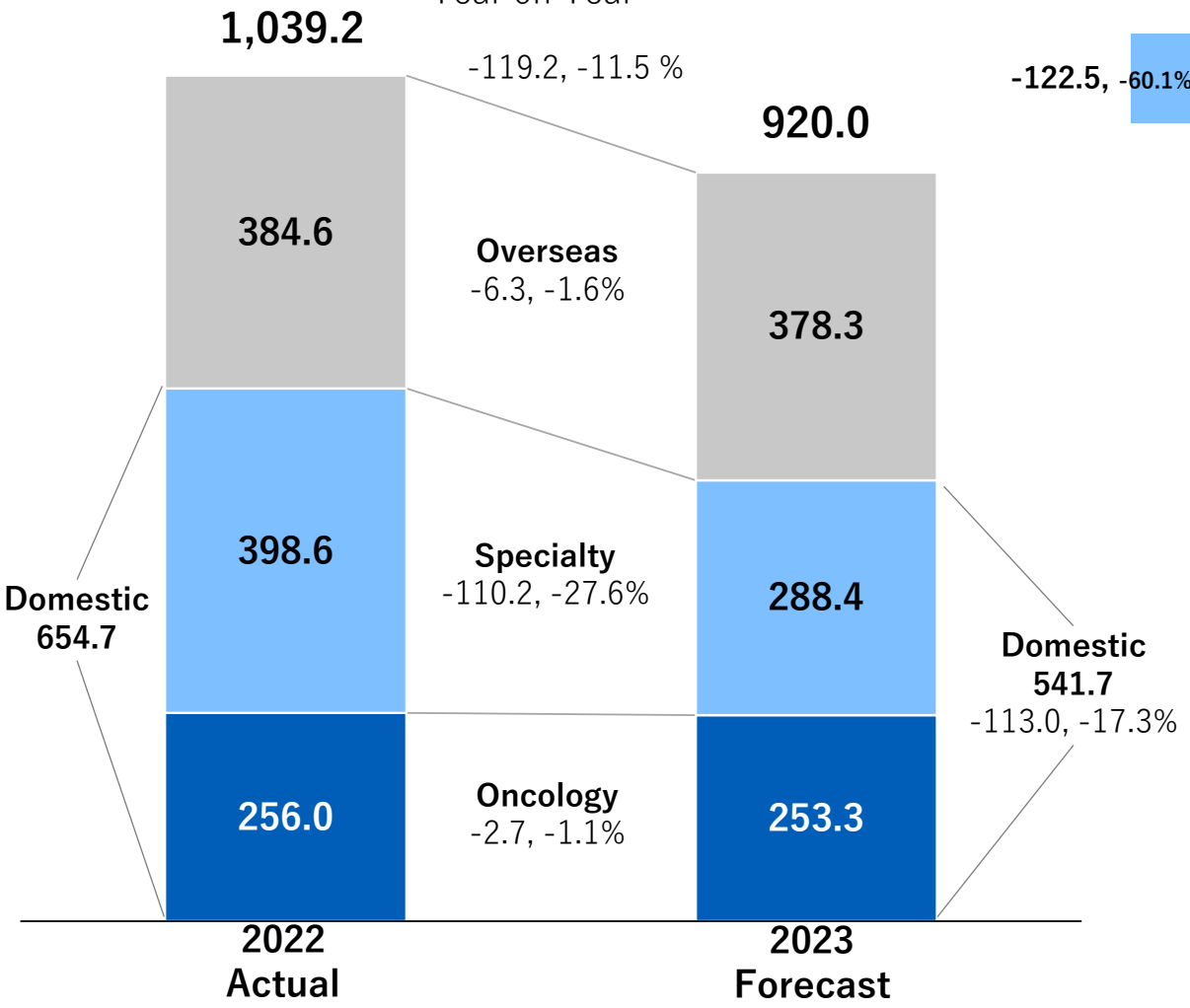
Other operating income (expense)
Mainly income from disposal of product rights

Operating profit
Despite increase in other revenue and income from disposal of product rights, etc., operating profit decreased due to decrease in supply of Ronapreve to the government and increase in R&D expenses, etc.

Sales 2023 Forecast

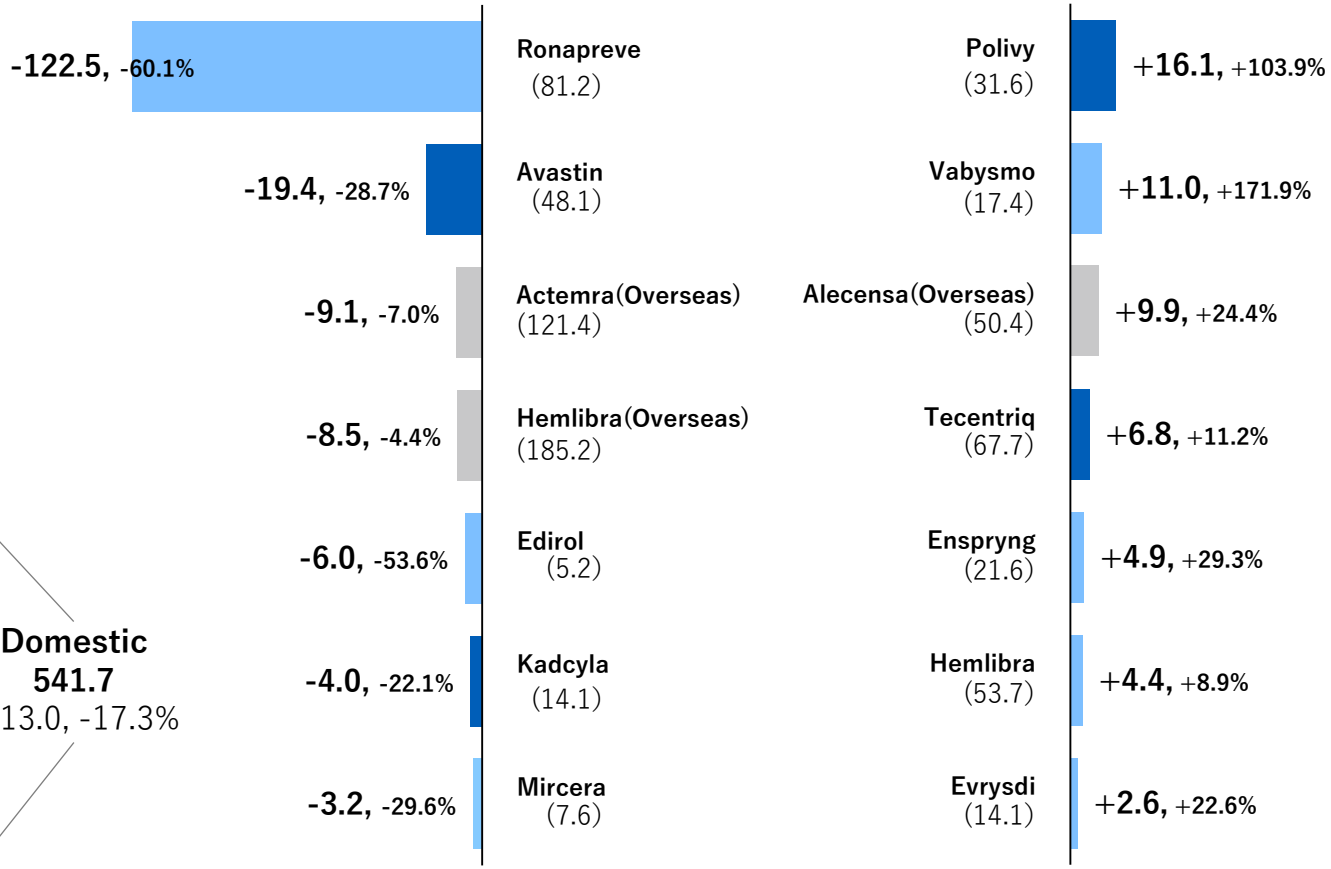
(Billions of JPY)

Sales by Disease Area, Year on Year



Sales by Product, Year on Year

( ): Forecast sales in FY2023
%: Year-on-year percentage change

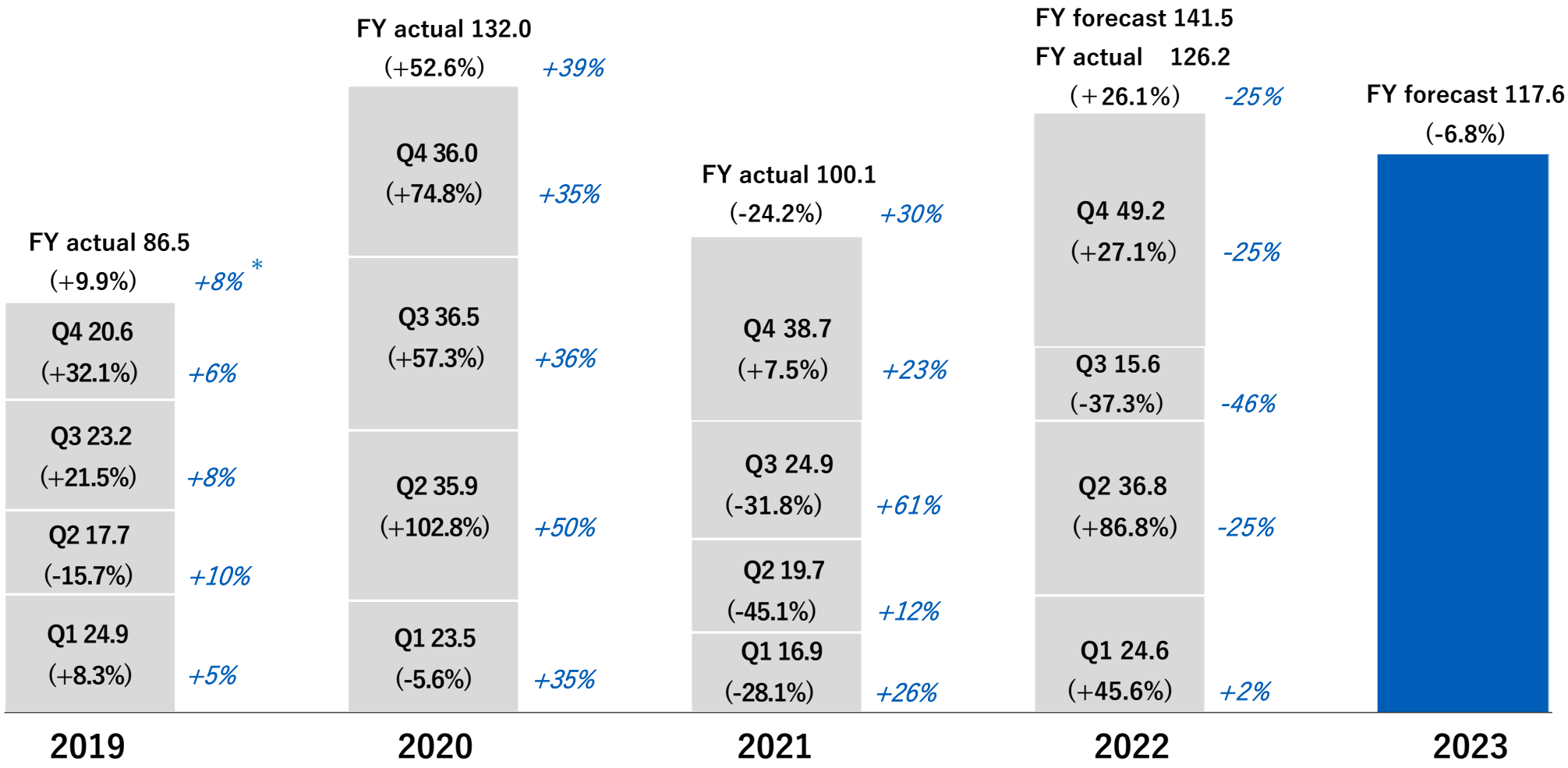


FY2022 Consolidated Financial Overview (Core)

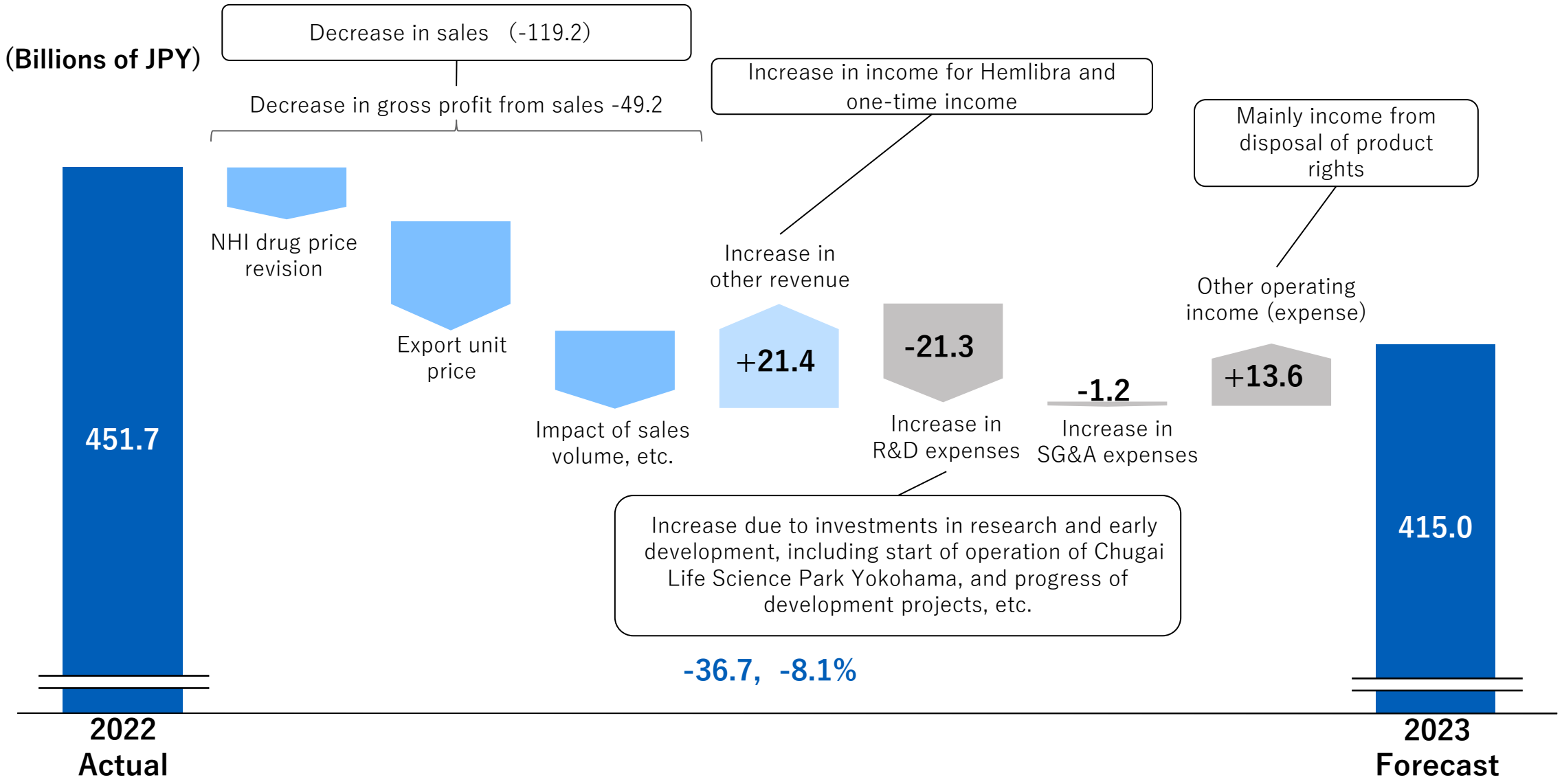
Export of Actemra to Roche

%: year on year growth
black: Chugai sales to Roche
blue*: Roche sales excluding Japan (for reference)
*Growth rates in blue are calculated with the effects of exchange rate fluctuations eliminated.

(Billions of JPY)



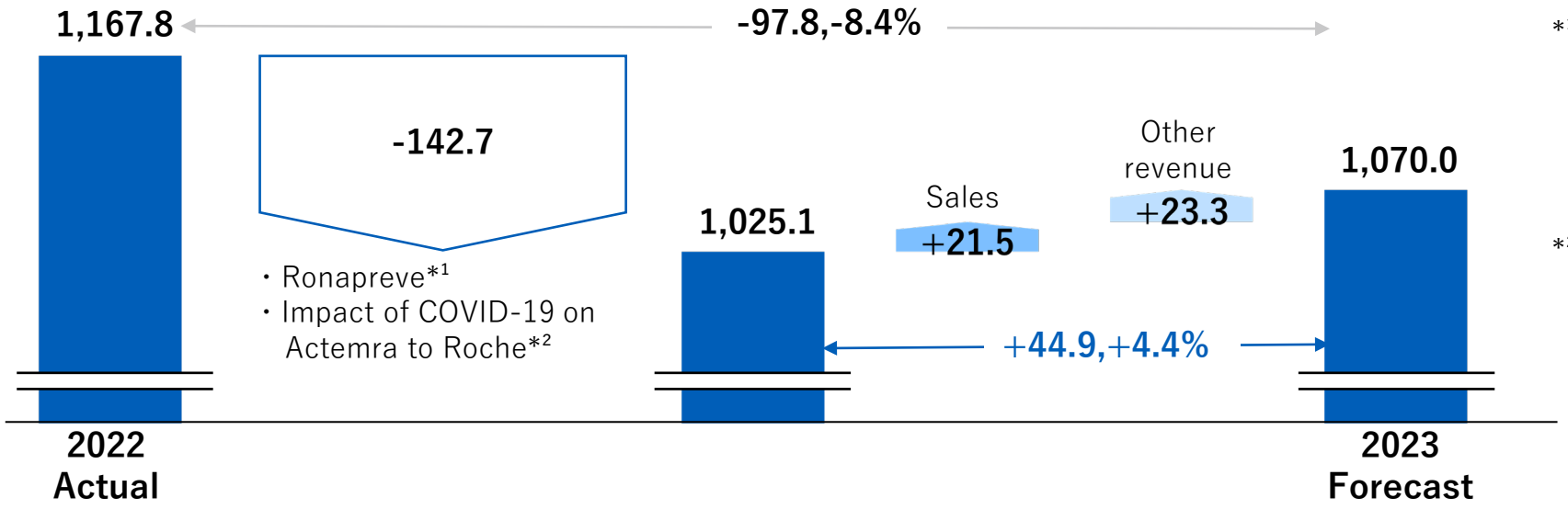
Operating Profit 2023 Forecast



P/L Analysis

＜Revenues＞

(Billions of JPY)



*1Ronapreve

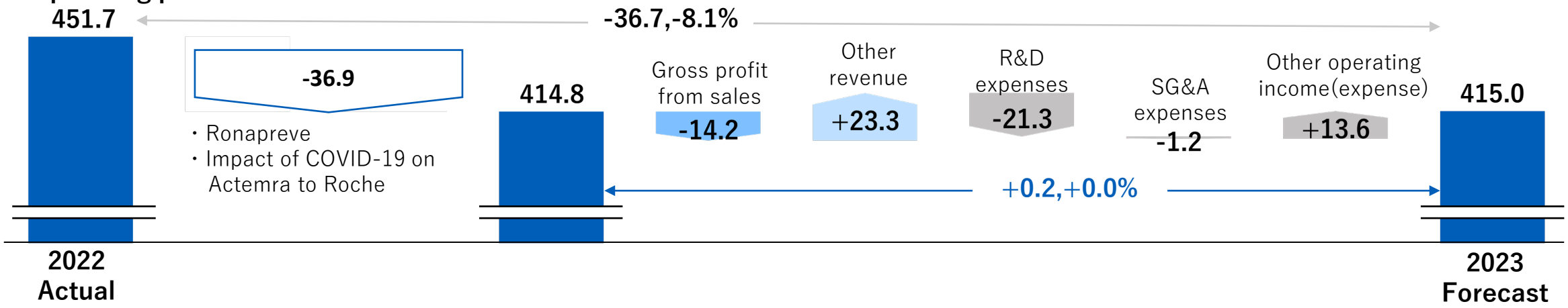
2022 sales (actual)	203.7
2023 sales (forecast)	81.2
Year on Year	-122.5

*2Impact of COVID-19 on Actemra to Roche

(Decrease in export of IV products and royalty and profit-sharing income(ROY&PS) considered as impact of COVID-19)

2022 IV exports・ ROY&PS	60.3
2023 IV exports・ ROY&PS	40.1
Year on Year	-20.2

＜Operating profit＞



Overview of Development Pipeline

Tetsuya Yamaguchi

Executive Vice President, Head of Project & Lifecycle Management Unit

Overview of Development Pipeline

Q4 Topics

As of February 2, 2023

Launched	**Edirol tablet**	Osteoporosis (Additional dosage form)	December 2022
Approved	**Gazyva**	CD20-positive CLL (including small lymphocytic lymphoma)	December 2022
	Actemra/RG1569	COVID-19 in hospitalized adult patients (US)	December 2022
	Hemlibra/RG6013	Moderate hemophilia A (EU)	January 2023
Filed	**FoundationOne Liquid CDx cancer genomic profile**	Capmatinib hydrochloride hydrate: NSCLC (*MET* exon14 skipping alterations)	December 2022
New to pipeline	**Alecensa/RG7853**	Stage III NSCLC (maintenance treatment after chemoradiotherapy)	P3(November 2022)
	tiragolumab	Non-squamous NSCLC (1L)	P3(November 2022)
	RAY121	Autoimmune disease	P1(October 2022)
	ALPS12/RG6524	Solid tumors	P1(January 2023)
	cevostamab	r/r MM	P1(November 2022)
Medical conference	**crovalimab/RG6107**	COMMODORE 3 study (PNH), efficacy and safety data: ASH	December 2022
	Hemlibra/RG6013	HAVEN 7 study (infant with hemophilia A), interim analysis: ASH	December 2022
	Polivy	POLARIX study (DLBCL), PFS and OS data at 3 years: ASH	December 2022
	AMY109	Non-clinical efficacy data including MOA: The 44th Annual Meeting of the Japanese Society of Endometriosis	January 2023
Others	**OWL833/orforglipron**	Announcment of P2 study results for obesity* and type 2 diabetes	December 2022
Development discontinued	**Tecentriq**	NSCLC (2L) (CONTACT-01 study in combination with cabozantinib)	
	Tecentriq	UC (1L) (IMvigor130 study)	
	gantenerumab	Alzheimer's disease (GRADUATE1/2 study)	

Letters in orange：in-house projects (global development)　**Letters in blue**：in-licensed from Roche (development and distribution in Japan)

* preliminary data

ALPS12/RG6524

The first next-generation T-cell redirecting antibody applying Chugai's proprietary Dual-Ig® technology. Phase 1 study for solid tumors initiated.

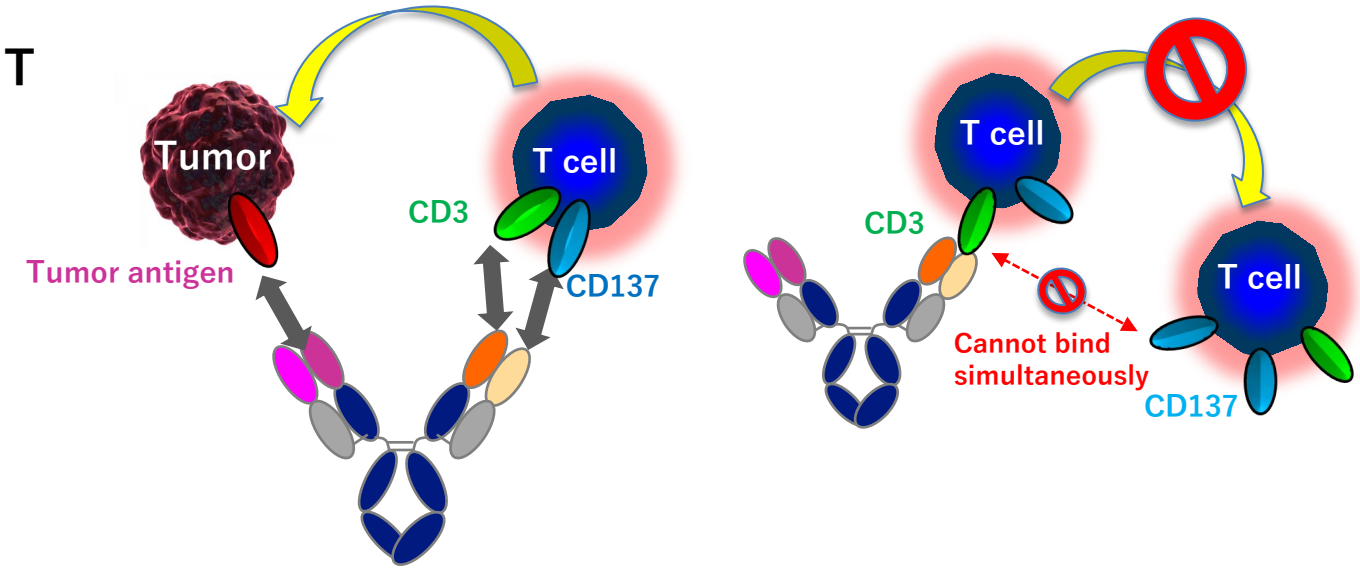
■ Characteristics of Dual-Ig®:

- **Dual-Ig® binds to CD3 and CD137 with T cell binding Fab. It is designed to avoid binding to CD3 and CD137 simultaneously.**
- **This would result in CD3-mediated activation and CD137-mediated costimulation of T cell only in the presence of tumor antigen.**

■ Effect of CD137 signal*:

- **T cell proliferation and survival**
- **Th1 cytokine production**
- **Prevention of T cell exhaustion**

** Adrienne L, Nat Med. 2015 Jun; 21(6): 581–590.*



Conceptual illustration: Dual-Ig®

* Tumor antigen is not disclosed
* Actual molecular shape of ALPS12 is different from the molecular shape of Dual-Ig® used in this conceptual illustration.
* Out-licensed to Roche

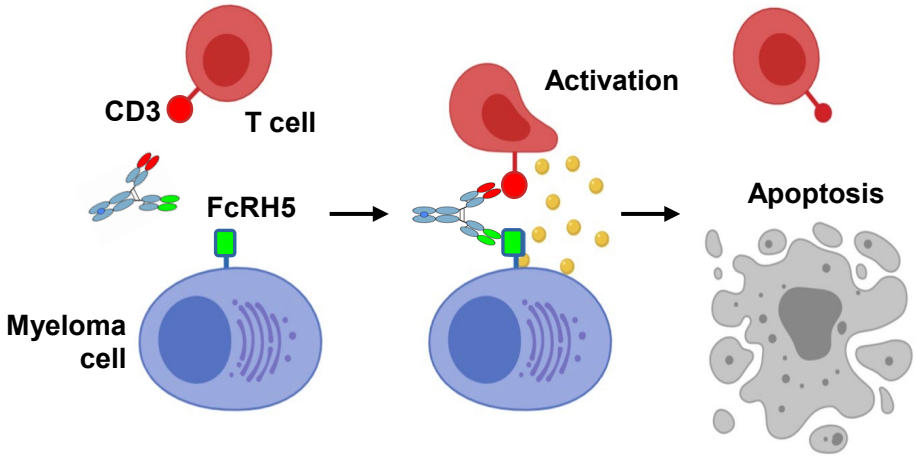
Source: Slides partly modified from Chugai R&D Meeting (Dec, 2021)

Cevostamab : Relapsed or Refractory Multiple Myeloma

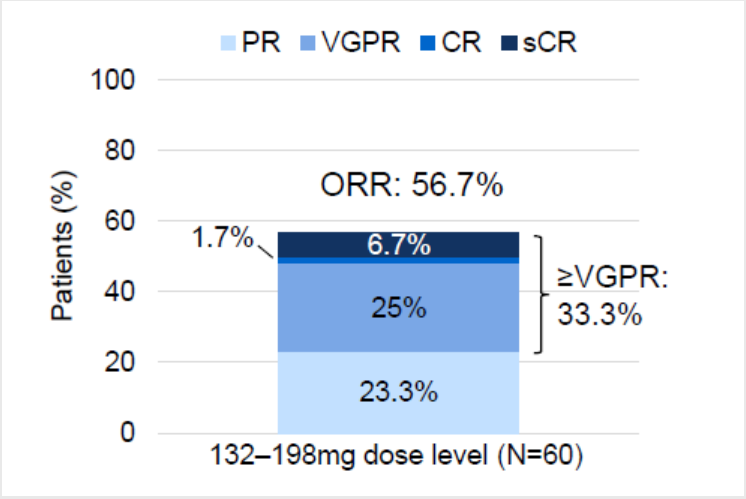
Antitumor efficacy is expected via cytotoxic T cell activation against myeloma cells. Local Phase 1 study initiated.

- **Multiple myeloma is a tumor of plasma cells differentiated from B cells, and causes abnormal monoclonal immunoglobulin (M protein) production, hematopoietic disorders (mainly anemia), renal disorders, osteolytic lesions, etc.**
- **Fc receptor-homolog 5 (FcRH5) has been shown to be selectively expressed in B cell lineages, including plasma cells[*1].**

  FcRH5 expression level: myeloma cells ＞ B cells
- **Cevostamab is a humanized bispecific monoclonal antibody against FcRH5/CD3 that binds to FcRH5 on myeloma cells and CD3 on T cells to activate cytotoxic T cell-mediated immunity and kill myeloma cells[*1,2].**
- **Anti-tumor activity has been demonstrated in the ongoing Global P1 study conducted by Roche[*2].**



Results of global P1 study (single agent) for previously treated multiple myeloma



1. Li et al. Cancer Cell 2017;31:383–95, 2. Suzanne Trudel et al. ASH2021

ORR: over all response rate, VGPR: very good partial response, PR: partial response; sCR: stringent complete response, CR: complete response

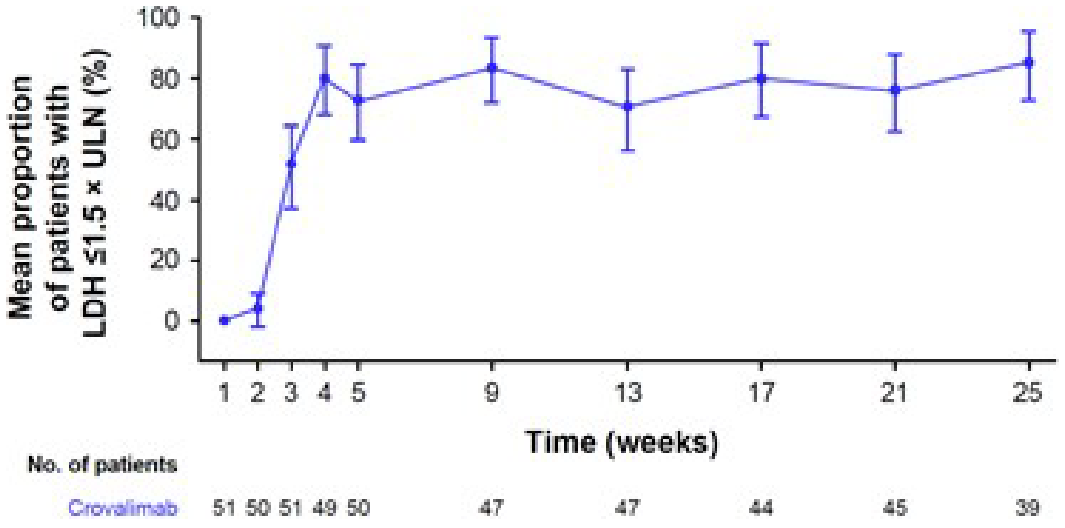
Crovalimab: Data from COMMODORE 3 Study (China) (1/2)

Phase 3 single-arm study in PNH (complement inhibitor-naïve patients) met co-primary endpoints (hemolysis control and transfusion avoidance)

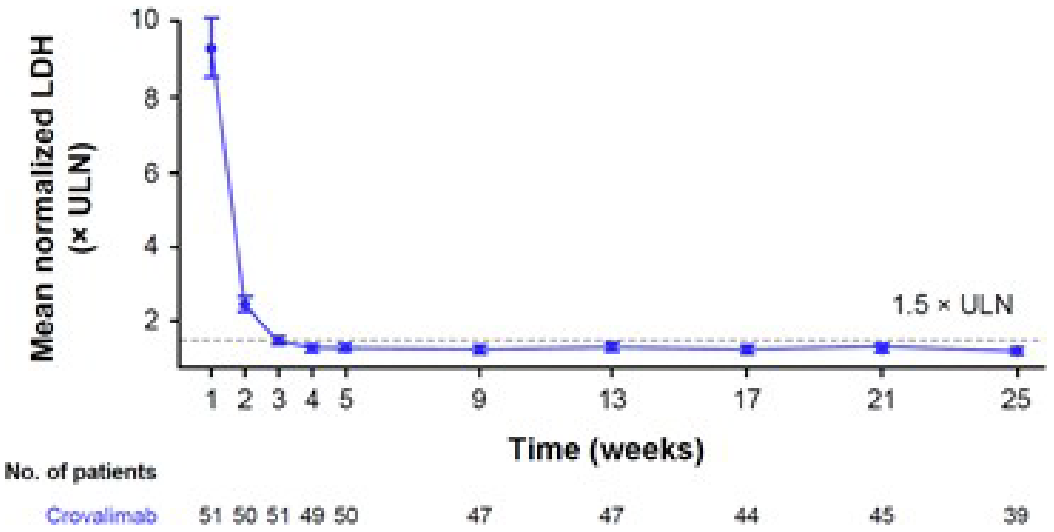
■ Achieved rapid and stable hemolysis control

Mean proportion of patients achieving hemolysis control (LDH≤1.5×ULN) from Week 5 through Week 25 was 78.7% (95% CI: 67.8, 86.6) [a-c]

Proportion of patients achieving LDH ≤1.5 × ULN was 72% at Week 5, and remained between 70% and 85% through Week 25



Mean LDH reached ≤1.5 × ULN in Week 3, and maintained through Week 25



ULN: upper limit of normal

Clinical cutoff: Feb 10, 2022. Error bars represent 95% CIs. Week 1 corresponds to the baseline. Missing values, except for 1 patient, were due to COVID-19. [a] Mean proportion and its 95% CI were estimated using generalized estimating equations. [b] Co-primary efficacy endpoint of hemolysis control met the prespecified study success criterion that the 95% CI lower bound is ≥60%. [c] A prespecified sensitivity analysis confirmed the robustness of the main analysis against missing data due to local COVID-19 travel restrictions.

Source: "Results From the First Phase 3 Crovalimab Study (COMMODORE 3): Efficacy and Safety in Complement Inhibitor-Naive Patients With Paroxysmal Nocturnal Hemoglobinuria" presented at the 64th ASH Annual Meeting during December 10–13, 2022

Crovalimab: Data from COMMODORE 3 Study (China) (2/2)

Phase 3 single-arm study in PNH (complement inhibitor-naïve patients) met co-primary endpoints (hemolysis control and transfusion avoidance)

- Patients with transfusion avoidance reached 51.0% from baseline through Week 25, a statistically significant improvement compared with 0% during 24 weeks prior to screening
- The overall safety data were consistent with the known safety profile of C5 inhibitors and the underlying disease. No new safety signals were identified with crovalimab and it was well tolerated
- No neutralizing antibodies against crovalimab were detected during the first 24 weeks of study treatment

	Crovalimab (N=51)	
	Prior to screening[a]	from baseline through week 25
Patients with transfusion avoidance, n (%)	0	26 (51.0)
95% CI	0.0, 8.7	36.8, 65.1
Difference in proportions (95% CI), %	51.0 (34.3, 65.1)	
P value[b]	<0.0001[c]	
pRBC units transfused per patient, mean (SD)	10.8 (6.6)	4.6 (6.7)
Among patients who did not achieve transfusion avoidance (n=25)[e]	13.4 (6.5)	9.4 (6.8)

Clinical cutoff: Feb 10, 2022. [a] Within 24 weeks prior to screening. [b] Paired McNemar test. [c] Statistically significant at two-sided type I error level of 0.05. [d] Post-hoc subgroup analysis.

Source: "Results From the First Phase 3 Crovalimab Study (COMMODORE 3): Efficacy and Safety in Complement Inhibitor-Naive Patients With Paroxysmal Nocturnal Hemoglobinuria" presented at the 64th ASH Annual Meeting during December 10–13, 2022

Overview of Development Pipeline

2022: Key R&D Milestones

	Product	Indication/Study name	Progress
Projects to be approved	Actemra	COVID-19 pneumonia (Japan)	✓
	Actemra	**COVID-19 pneumonia (US)**	✓
	Mitchga	Atopic dermatitis (Japan)	✓
	Hemlibra	Acquired hemophilia A (Japan)	✓
	Herceptin/Perjeta	HER2 positive CRC	✓
	Vabysmo	nAMD	✓
	Vabysmo	DME	✓
	Tecentriq	NSCLC [adjuvant]	✓
	Polivy	Previously untreated DLBCL	✓
	Gazyva	**CD20-positive CLL (including small lymphocytic lymphoma)**	✓
P3/Pivotal readouts	Alecensa	ALINA Study: NSCLC [adjuvant]	2023
	crovalimab	COMMODORE 3 study (China): PNH	✓
	nemolizumab	OLYMPIA 2 study: Prurigo nodularis	✓
	gantenerumab	**GRADUATE 1/2 study: Alzheimer's disease**	✗
	Vabysmo	**BALATON/COMINO study: RVO**	✓
	Tecentriq	IMpower030 study: NSCLC [neoadjuvant]	2024
	Tecentriq	IMmotion010 study: RCC [adjuvant]	✗
	Tecentriq	IMvoke010 study: HNC [adjuvant]	2023
	Tecentriq + Avastin	**IMbrave050 study: HCC [adjuvant]**	✓*
	Tecentriq + tiragolumab	SKYSCRAPER-01 study: NSCLC [1st line]	2023
	Tecentriq + tiragolumab	SKYSCRAPER-02 study: SCLC	✗

Letters in orange：in-house projects (development in global)　Letters in blue：in-licensed from Roche (development and distribution in Japan)

Underlined are new progress since October 24, 2022　* January 2023

Overview of Development Pipeline

2023: Key R&D Milestones

	Product	Indication/Study name	Progress
Projects to be approved	Actemra	SSc with ILD (EU)	✓
	Hemlibra	**Moderate hemophilia A (EU)**	
	crovalimab	PNH (China)	
	RG6264 (PER/HER FDC)	HER2 positive BC and CRC	
P3/Pivotal readouts	Alecensa	ALINA study: NSCLC [adjuvant]	✓
	crovalimab	COMMODORE 1/2 study: PNH	
	Tecentriq + Avastin	**IMbrave050 study: HCC [adjuvant]**	
	Tecentriq	IMpassion030: eBC [adjuvant]	
	Tecentriq	IMvoke010 study: HNC [adjuvant]	
	Tecentriq + tiragolumab	SKYSCRAPER-01 study: NSCLC [1st line]	
	mosunetuzumab + Polivy	SUNMO study*: r/r aNHL	
	delandistrogene moxeparvovec	EMBARK study	

Letters in orange：in-house projects (development in global)　Letters in blue：in-licensed from Roche (development and distribution in Japan)

Underlined are new progress since January 1, 2023　　*readouts expected in 2023/24

Overview of Development Pipeline

Potential Market Sales* of Post PoC Projects

As of February 2, 2023

In-house projects	Indications	Global sales** (billion JPY)	Peak Sales Year
Hemlibra	Hemophilia A, acquired hemophilia A	400-800	-2030
Alecensa	NSCLC, ALCL, NSCLC (adjuvant), etc.	200-400	-2030
Enspryng	NMOSD, gMG, AIE, MOGAD, etc.		2031 and beyond
crovalimab	PNH, aHUS, SCD, etc.	100-200	-2030

In-licensed (Roche)	Indications	Domestic sales (billion JPY)	Peak Sales Year
Tecentriq	Lung cancer, BC, HCC, Urological cancer, HNC, etc.	120-240	2031 and beyond
Polivy	DLBCL	30-60	-2030
Vabysmo	nAMD、DME、RVO		2031 and beyond
Evrysdi	SMA	15-30	-2030
RG6264 (PER/HER FDC)	MBC, eBC, CRC		-2030
tiragolumab	NSCLC, Esophageal cancer, etc.		2031 and beyond
giredestrant	MBC, eBC		2031 and beyond
Gazyva	FL, LN, etc.	< 15	-2030

*Not considering probability of success
**Global sales are calculated at 1 CHF = 138 JPY

Overview of Development Pipeline

Projected Submissions (Post PoC NMEs and Products)

As of February 2, 2023

NME Line extension

in-house

in-licensed (Roche)

Filed

- RG6264 (FDC, sc) BC/CRC
- ACTEMRA (MRA/RG1569) SSc-ILD (EU)
- crovalimab (SKY59/RG6107) PNH (China)

2023

- tiragolumab (RG6058) 1L NSCLC + TECENTRIQ
- VABYSMO (RG7716) RVO
- ALECENSA (AF802/RG7853) NSCLC (adjuvant)
- TECENTRIQ+AVASTIN (RG7446＋RG435) HCC (adjuvant)
- crovalimab (SKY59/RG6107) PNH
- TECENTRIQ (RG7446) 2L RCC + cabozantinib

2024

- TECENTRIQ (RG7446) HNC (adjuvant)
- ranibizumab(PDS) (RG6321) nAMD
- TECENTRIQ (RG7446) NSCLC (neoadjuvant) ★
- SRP-9001 (RG6356) DMD
- AVASTIN (RG435) 1L SCLC + TECENTRIQ ★
- pralsetinib (RG6396) 2L NSCLC
- TECENTRIQ (RG7446) eBC (neoadjuvant) ★
- mosunetuzumab (RG7828) 3L FL
- TECENTRIQ (RG7446) eBC (adjuvant)
- tiragolumab + TECENTRIQ (RG6058 + RG7446) NSCLC (Stage III)
- TECENTRIQ (RG7446) MIBC (adjuvant)
- ENSPRYNG (SA237/RG6168) gMG
- mosunetuzumab+ POLIVY (RG7828+RG7596) r/r aNHL
- crovalimab (SKY59/RG6107) aHUS
- ranibizumab(PDS) (RG6321) DME

2025 and beyond

- tiragolumab + TECENTRIQ (RG6058 + RG7446) 1L NSQ NSCLC ★
- GAZYVA (RG7159) LN
- tiragolumab + TECENTRIQ (RG6058 + RG7446) Esophageal cancer
- TECENTRIQ (RG7446) 2L HCC
- ALECENSA (AF802/RG7853) NSCLC (Stage III) ★
- TECENTRIQ+AVASTIN (RG7446＋RG435) HCC(intermediate stage)
- ENSPRYNG (SA237/RG6168) AIE
- pralsetinib (RG6396) 1L NSCLC
- ENSPRYNG (SA237/RG6168) MOGAD
- mosunetuzumab (RG7828) 2L FL
- crovalimab (SKY59/RG6107) SCD* (US/EU)
- giredestrant (RG6171) 1L BC
- GYM329/RG6237 SMA* + EVRYSDI
- giredestrant (RG6171) BC (adjuvant)

★: new entry ★: changes in submission year *Before obtaining PoC

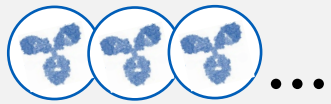
Overview of Development Pipeline

Research Portfolio of Each Modality

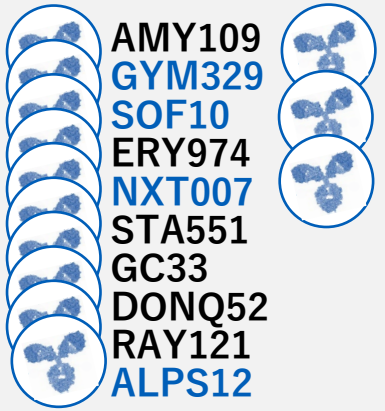
As of February 2, 2023

Discovery – Lead Optimization	GLP-Tox	Clinical	Launched

Antibody drugs, cellular and gene therapy products



>20

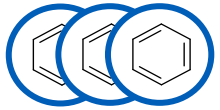


- AMY109
- GYM329
- SOF10
- ERY974
- NXT007
- STA551
- GC33
- DONQ52
- RAY121
- ALPS12

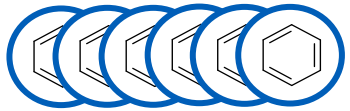
- crovalimab (PNH, aHUS, SCD)
- Enspryng (gMG, MOGAD, AIE)
- nemolizumab (AD(overseas), PN)

- Enspryng
- Hemlibra
- Actemra
- Mitchga (JPN)

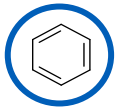
Small molecule drugs



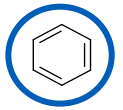
Hit Identification
3



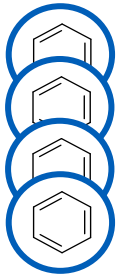
Lead Optimization
6



- SPYK04
- OWL833 (T2D, obesity)
- CKI27
- EOS789

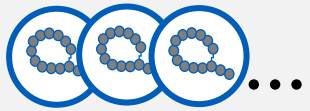


- Alecensa (NSCLC adjuvant)

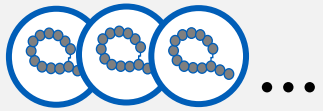


- Alecensa
- Edirol
- Oxarol
- Deberza

Mid-size molecule drugs



Lead Identification
12



Lead Optimization
11

- LUNA18

Blue: Joint development with Roche Orange: Outsourced to a third party other than Roche

Appendix

Overview of Development Pipeline

Projects under Development (1/2)

As of February 2, 2023

	Phase I	Phase II	Phase III	Filed
Cancer	**LUNA18** - solid tumors **GC33 / codrituzumab** - HCC **ERY974** - solid tumors **STA551** - solid tumors **SOF10 (RG6440)** - solid tumors **SPYK04** - solid tumors **ALPS12 (RG6524)** - solid tumors ★ **RG7828 / mosunetuzumab** - follicular lymphoma (3L) **RG7421 / cobimetinib** - solid tumors **RG7802 / cibisatamab** - solid tumors **RG6026 / glofitamab** - hematologic tumors **RG6194 / runimotamab** - solid tumors **RG6330 / KRAS G12C inhibitor** - solid tumors **RG6433 / SHP2 inhibitor** - solid tumors **RG6160 / cevostamab** - r/r MM ★	**RG6396 / pralsetinib** - NSCLC (2L) - solid tumors	**AF802 (RG7853) / Alecensa** - NSCLC (adjuvant) - NSCLC (stage III)* ★ **RG7446 / Tecentriq** - NSCLC (neoadjuvant) - MIBC (adjuvant) - RCC (2L) - eBC (adjuvant) - eBC (neoadjuvant) - HCC (2L) - HNC (adjuvant) - prostate cancer (2L) **RG7446 / Tecentriq + RG435 / Avastin** - SCLC (1L) - HCC (adjuvant) - HCC (intermediate stage) **RG7440 / ipatasertib** - prostate cancer (1L) **RG6058 / tiragolumab + RG7446 / Tecentriq** - NSCLC (1L) - NSCLC (stage III) - NSQ NSCLC (1L) ★ - esophageal cancer **RG6171 / giredestrant** - BC (1L) - BC (adjuvant) **RG7828 / mosunetuzumab** - follicular lymphoma (2L) **RG7828 / mosunetuzumab + RG7596 / Polivy** - r/r aNHL **RG6396 / pralsetinib** - NSCLC (1L)	**RG6264 (PER/HER FDC)** - BC/CRC

Letters in orange：in-house projects (development in global)　**Letters in blue**：in-licensed from Roche (development and distribution in Japan)

In principle, completion of first dose is regarded as the start of clinical studies in each phase.　★: Projects with advances in stages since October 24, 2022

* maintenance therapy after chemoradiation

Overview of Development Pipeline

Projects under Development (2/2)

As of February 2, 2023

	Phase I	Phase II	Phase III	Filed
Immunology	**DONQ52** - Celiac disease **RAY121** - Autoimmune disease★		**RG7159 / Gazyva** - LN	**MRA (RG1569) / Actemra (EU)** - SSc-ILD
Neurology	**GYM329 (RG6237)** - neuromuscular disease **RG7935 / prasinezumab** - Parkinson's disease **RG6100 / semorinemab** - Alzheimer's disease **RG6102 / trontinemab** - Alzheimer's disease	**GYM329 (RG6237)** **+ RG7916/ Evrysdi** - SMA (PII/III) **RG7906 / ralmitaront** - schizophrenia **RG6042 / tominersen** ★ - Huntington's disease	**SA237 (RG6168) / Enspryng** - gMG - MOGAD - AIE **SRP-9001(RG6356) / delandistrogene moxeparvovec** -DMD *	
Hematology	**NXT007 (RG6512)** - hemophilia A (PI/II)	**SKY59 (RG6107) / crovalimab (US/EU)** - SCD	**SKY59 (RG6107) / crovalimab** - PNH - aHUS	**SKY59 (RG6107) / crovalimab (China)** - PNH
Ophthalmology	**RG6321 / PDS** - nAMD (PI/II) - DME (PI/II)		**RG7716 / Vabysmo** - RVO	
Other	**AMY109** - endometriosis			

Letters in orange：in-house projects (development in global)　**Letters in blue**：in-licensed from Roche (development and distribution in Japan)　* Sarepta manages the global study, including Japan

In principle, completion of first dose is regarded as the start of clinical studies in each phase. ★: Projects with advances in stages since October 24, 2022

Overview of Development Pipeline

Advances in Major Chugai Originated Projects Licensed Out to the 3rd Party

★: changes since October 24, 2022　　As of February 2, 2023

Development code	Mode of Action	Licensee	Granted rights to licensee	Indication	Stage	Progress
CKI27 (VS-6766) **avutometinib**	RAF/MEK inhibitor	Verastem Oncology	exclusive global license for the manufacturing, development and marketing	Ovarian cancer	global: P2	• US FDA BTD（recurrent LGSOC in combination with defactinib)
				NSCLC	global: P2	—
					global: P1/2	• RAMP 203 trial (in combination with KRAS G12C inhibitor sotorasib）initiated • RAMP 204 trial (in combination with KRAS G12C inhibitor, adagrasib) initiated
CIM331/ nemolizumab	Anti-IL-31 receptor A humanized monoclonal antibody	Global (Galderma) Japan (Maruho)	Galderma exclusive global license for the development and marketing excluding Japan and Taiwan Maruho rights for development and marketing in the skin disease area for the Japanese market	Atopic dermatitis	global: P3	—
					Japan: launched	Granted regulatory approval for itch associated with atopic dermatitis
				Prurigo nodularis	global: P3	• US FDA BTD • Primary endpoint was met in the one of two P3 studies
					Japan: P2/3	—
				CKDaP	global: P2/3	—
OWL833 (LY3502970) **orforglipron**	Oral non-peptidic GLP-1 receptor agonist	Eli Lilly and Company	worldwide development and commercialization rights	T2D	global: P2	• Results of P2 study (26 wks treatment with OWL833) ★ ✓ Dose-dependent reduction in HbA1c up to 2.1% and weight reduction up to 9.6% were observed
				Obesity	global: P2	• Results of P2 study* (36 wks treatment with OWL833) ★ ✓ Weight reduction of approximately 14%-15% was estimated

* preliminary analysis

Overview of Development Pipeline

FoundationOne CDx Cancer Genomic Profile -Companion diagnostic indications-

As of February 2, 2023

Alterations	Cancer type	Relevant drugs
Activated *EGFR* gene alterations	NSCLC	afatinib dimaleate, erlotinib hydrochloride, gefitinib, osimertinib mesylate, dacomitinib hydrate
EGFR exon 20 T790M alterations		osimertinib mesylate
ALK fusion genes		alectinib hydrochloride, crizotinib, ceritinib, brigatinib
ROS1 fusion genes		entrectinib
MET exon 14 skipping alterations		capmatinib hydrochloride hydrate
BRAF V600E and V600K alterations	Malignant melanoma	dabrafenib mesylate, trametinib dimethyl sulfoxide, vemurafenib, encorafenib, binimetinib
ERBB2 copy number alterations (HER2 gene amplification positive)	BC	trastuzumab (genetical recombination)
KRAS/NRAS wild-type	CRC	cetuximab (genetical recombination), panitumumab (genetical recombination)
Microsatellite Instability-High		nivolumab (genetical recombination)
Microsatellite Instability-High	Solid tumors	pembrolizumab (genetical recombination)
Tumor Mutational Burden-High		pembrolizumab (genetical recombination)
NTRK1/2/3 fusion gene		entrectinib, larotrectinib sulfate
BRCA1/2 alterations	Ovarian cancer	olaparib
BRCA1/2 alterations	Prostate cancer	olaparib
FGFR2 fusion genes	Biliary tract cancer	pemigatinib

FoundationOne Liquid CDx Cancer Genomic Profile

Companion diagnostic indications

As of February 2, 2023

Alterations	Cancer type	Relevant drugs
Activated *EGFR* gene alterations	Non-small cell lung cancer (NSCLC)	afatinib dimaleate, erlotinib hydrochloride, gefitinib, osimertinib mesylate
EGFR exon 20 T790M alterations		osimertinib mesylate
ALK fusion genes		alectinib hydrochloride, crizotinib, ceritinib
ROS1 fusion genes		entrectinib
MET exon14 skipping alterations		capmatinib hydrochloride hydrate
NTRK1/2/3 fusion gene	Solid tumors	entrectinib
BRCA1/2 alterations	Prostate cancer	olaparib

* Underlined are the companion diagnostic features and relevant drugs currently filed for regulatory approval.

Overview of Development Pipeline

Small molecule Drug Discovery: Research Portfolio

As of February 2, 2023

In-house molecule

- Chronic disease
- Chronic disease
- Chronic disease
- Cancer
- Chronic disease
- Cancer
- Acute disease
- SPYK04 (cancer)
- Alesenca (NSCLC adjuvant)
- Alecensa (cancer)
- Edirol (osteoporosis)
- Oxarol (psoriasis)

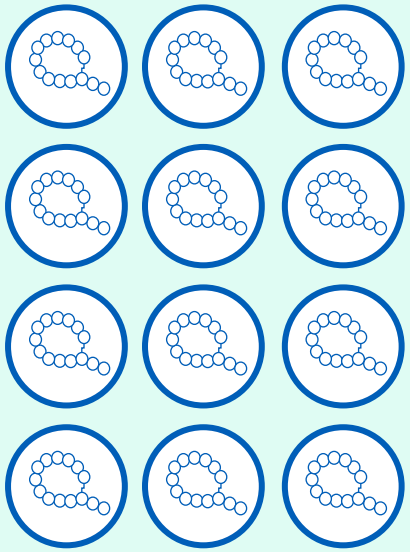
Outsourced to a third party other than Roche

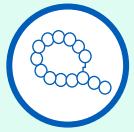
- OWL833 (diabetes /obesity)
- CKI27 (cancer)
- Deberza (diabetes)
- EOS789 (hyperphosphatemia)

Hit Identification → Lead optimization → GLP-tox → Clinical trial → Launched

Mid-Size Molecule Drug Discovery: Research Portfolio

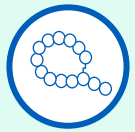
As of February 2, 2023





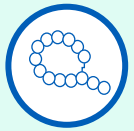
Chronic disease

✓ Extracellular
・Cellular activity
✓ Oral



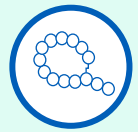
Cancer

✓ Intracellular
✓ Oral



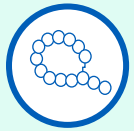
Cancer

✓ intracellular
・Cellular activity
✓ Oral/Injection



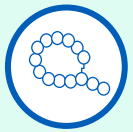
Cancer

✓ intracellular
・Cellular activity
・Efficacy in animal
✓ Oral



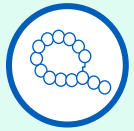
Acute disease

✓ intracellular
・Cellular activity
・Efficacy in animal
✓ Injection



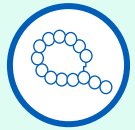
Cancer

✓ intracellular
・Cellular activity
✓ Oral



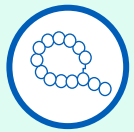
Chronic disease

✓ Extracellular
・Cellular activity
✓ Oral



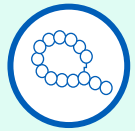
Cancer

✓ intracellular
・Cellular Activity
・Efficacy in animal
✓ Oral



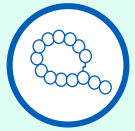
Cancer

✓ intracellular
・Cellular Activity
・Efficacy in animal
✓ Oral



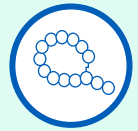
Chronic disease

✓ Extracellular
・Cellular activity
✓ Oral



Cancer

✓ Intracellular
✓ Oral



Cancer

LUNA18
Pan-RAS inhibitor
✓ intracellular targets
・Cellular activity
・Efficacy in animal
✓ Oral

Lead Identification | Lead Optimization | GLP-tox | Phase 1

Overview of Development Pipeline

Antibody Drug, Cellular and Gene Therapy Product: Research Portfolio

CHUGAI
Roche Roche Group

* Projects that utilize multiple technologies are displayed in each technology. As of February 2, 2023

Recycling Antibody®
Sweeping Antibody®
etc.

- AMY109 (endometriosis/P1)
- GYM329 (SMA/P2/3))
- RAY121 (Autoimmune disease/P1)
- Enspryng
- Crovalimab* (PNH/P3)
  * Filed in China

Multispecific antibody (Non-Oncology)

- NXT007 (hemophilia A/P1/2)
- DONQ52 (Celiac disease/P1)
- Hemlibra

Bispecific antibody (Oncology, Dual-Ig® etc.)

(cancer)

- ERY974 (cancer/P1)
- ALPS12 (cancer/P1)

Switch Antibody™

(cancer)

- STA551 (cancer/P1)

PAC-Ig®, new technologies, etc.

and more incl CAR-T

(infectious disease)

- SOF10 (cancer/P1)
- GC33 (cancer/P1)
- Actemra
- Mitchga (atopic dermatitis/JPN)

Discovery | GLP-tox | Clinical trial | Launched

Public Clinical Trial Information regarding Chugai Originated Products to be Initiated

NOTE: No additional data other than public information are disclosed prior to initiation of trials

Development Code	Indication	Phase	CT information
SKY59 / crovalimab	LN	P1	ISRCTN12809537
GYM329	FSHD	P2	NCT05548556
SAIL66	Solid tumors	P1	jRCT2031220588

Abbreviations

aHUS	atypical hemolytic uremic syndrome
AIE	autoimmune encephalitis
ALCL	anaplastic large cell lymphoma
aNHL	aggressive B-cell non-Hodgkin lymphoma
BC	breast cancer
bTMB	blood tumor mutation burden
CKDaP	chronic kidney disease associated pruritus
CLL	chronic lymphocytic leukemia
CRC	colorectal cancer
DLBCL	diffuse large B-cell lymphoma
DMD	duchenne muscular dystrophy
DME	diabetic macular edema
eBC	early Breast cancer
FDC	fixed-dose combination
FL	follicular lymphoma
FSHD	facioscapulohumeral muscular dystrophy
gMG	generalized myasthenia gravis
HCC	hepatocellular carcinoma
HNC	head and neck carcinoma
ILD	interstitial lung disease
LGSOC	low-grade serous ovarian
LN	lupus nephritis
MIBC	muscle-invasive bladder cancer
MM	multiple myeloma
MOA	mode of action
MOGAD	myelin oligodendrocyte glycoprotein antibody–associated disease
MSL	medical science liaison
nAMD	neovascular age-related macular degeneration
NSCLC	non-small cell lung cancer
PDS	port delivery system with ranibizumab
PNH	paroxysmal nocturnal hematuria
PS	profit share
r/r	relapsed or refractory
RCC	renal cell carcinoma
RON	Ronapreve
ROY	royalty
RVO	retinal vein occlusion
RWD	real world data
SCD	sickle cell disease
SCLC	small cell lung cancer
SE	safety expert
SSc	systemic sclerosis
TDB	T cell-dependent bispecific
T2D	type 2 diabetes
UC	urothelial carcinoma

Contacts

Corporate Communications Dept.

For Media: Media Relations Group

Tel :	+81 (0)3-3273-0881
E-mail :	pr@chugai-pharm.co.jp
Person in charge :	Toshiya Sasai, Shumpei Yokoyama, Mitsuka Saito, Kaho Izumi, Mari Otsuka

For Investors: Investor Relations Group

Tel :	+81 (0)3-3273-0554
E-mail :	ir@chugai-pharm.co.jp
Person in charge :	Takayuki Sakurai, Hideki Sato, Tomoyuki Shimamura, Sachiyo Yoshimura, Yayoi Yamada

CHUGAI

Roche Group

INNOVATION BEYOND IMAGINATION