CHUGAI PHARMACEUTICAL

A member of the Roche group

CHUGAI PHARMACEUTICAL CO., LTD.

Conference on FY2025.12 Q1 Financial Results

April 24, 2025

Event Summary

[Company Name]	Chugai Pharmaceutical Co., Ltd.
[Company ID]	4519-QCODE
[Event Language]	JPN
[Event Type]	Earnings Announcement
[Event Name]	Conference on FY2025.12 Q1 Financial Results
[Fiscal Period]	FY2025 Q1
[Date]	April 24, 2025
[Number of Pages]	31
[Time]	18:00 – 19:09 (Total: 69 minutes, Presentation: 30 minutes, Q&A: 39 minutes)
[Venue]	Webcast
[Venue Size]	
[Participants]	

[Number of Speakers]	5	
	Osamu Okuda	President & CEO
	Iwaaki Taniguchi	Director, Executive Vice President & CFO
	Tsukasa Kusano	Exective Vice President, Head of Project & Lifecycle Management Unit
	Junichi Takano	Head of Marketing and Sales Div.
	Kae Miyata	Head of Corporate Communications Dept.
[Analyst Names]*	Shinichiro Muraoka	Morgan Stanley MUFG Securities
	Kazuaki Hashiguchi	Daiwa Securities
	Hidemaru Yamaguchi	Citigroup Global Markets
	Seiji Wakao	JPMorgan Securities
	Miki Sogi	Sanford C. Bernstein
	Hiroyuki Matsubara	Nomura Securities
	Tony Ren	Macquarie Capital Securities
	Akinori Ueda	Goldman Sachs

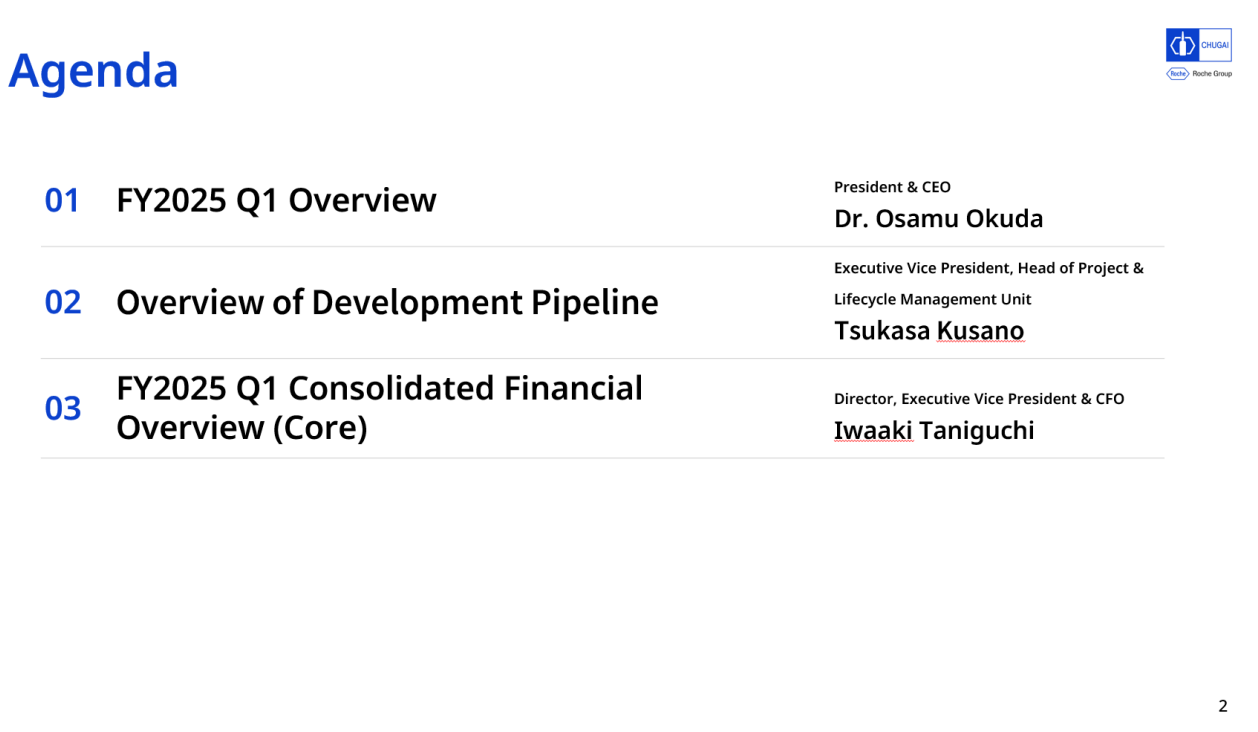
Fumiyoshi Sakai UBS Securities

*Analysts that SCRIPTS Asia was able to identify from the audio who spoke during Q&A or whose questions were read by moderator/company representatives.

Presentation

Miyata: Thank you very much for taking the time out of your busy schedule to attend the Chugai Pharmaceutical Co., Ltd.'s financial results presentation for Q1 of the fiscal year ending December 2025. I am Miyata from the Corporate Communications Department, and I will be your moderator today.

Today's session will be conducted as a Zoom webinar.



The agenda for today's meeting is displayed on the presentation material, page two. We will follow this agenda.

This presentation will be conducted in Japanese, but simultaneous English interpretation is available via the Zoom webinar.

We will take questions after the presentation is done. The Q&A time is scheduled for 30 minutes. During the presentation, please be aware that your microphones will be remained muted.

Now, I would like to give the floor over to Dr. Okuda to present FY2025 Q1 overview.

FY2025 Q1 Overview

Financial Overview

- **Financial results with increased revenue and profit, primarily driven by strong overseas export of in-house products**
- **Operating margin of 48.4% demonstrated high profitability**

Core (billions of JPY)	2024 Jan - Mar actual	2025 Jan - Mar actual	Growth (year-on-year)		2025 Jan - Dec forecast	2025 Progress
Revenue	**236.9**	**288.5**	**+51.6**	**+21.8%**	**1,190.0**	**24.2%**
Domestic sales	103.2	103.0	-0.2	-0.2%	462.5	22.3%
Overseas sales	101.3	156.7	+55.4	+54.7%	555.5	28.2%
Other revenue	32.5	28.7	-3.8	-11.7%	172.0	16.7%
Operating profit	**102.1**	**139.5**	**+37.4**	**+36.6%**	**570.0**	**24.5%**
Operating margin	43.1%	48.4%	+5.3%pts	-	47.9%	-
Net income	**76.0**	**99.2**	**+23.2**	**+30.5%**	**410.0**	**24.2%**
EPS (yen)	**46.16**	**60.30**	**14.14**	**+30.6%**	**250.00**	**24.1%**

- Domestic sales remained at the same levels YoY. New products Phesgo and PiaSky, and the mainstay product Vabysmo performed favorably, despite the effects of the NHI drug price revisions and the market penetration of generic drugs.
- Overseas sales increased significantly YoY due to the significant increase in the export of Hemlibra and Actemra to Roche.
- Other revenue decreased YoY due to reductions in one-time income, despite an increase in income related to Hemlibra
- Core operating profit was ¥139.5 billion (an increase of 36.6% YoY) and core net income was ¥99.2 billion (an increase of 30.5% YoY), showing favorable performance.

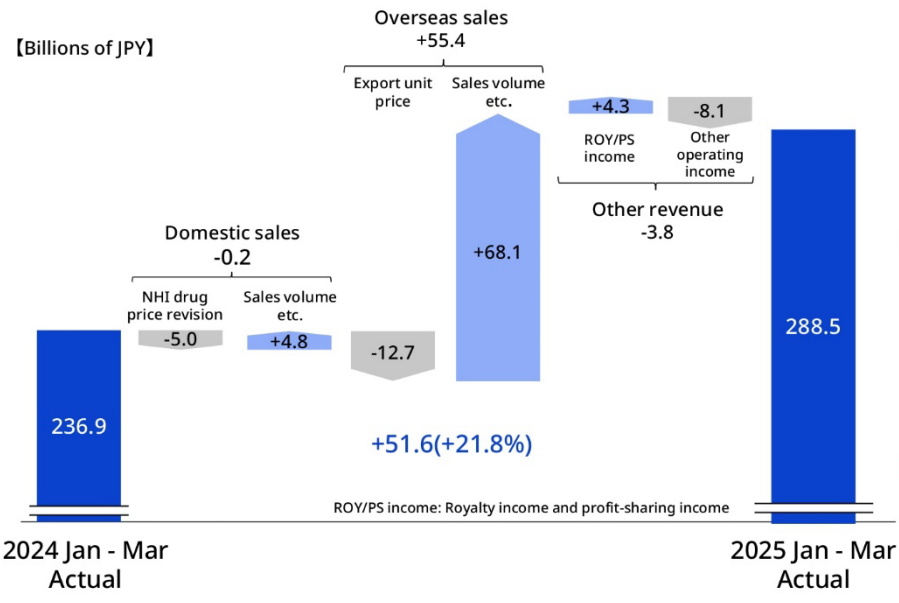
4

Okuda: I am Okuda, the President of the Company. I will give you the overview of FY2025 Q1. Please take a look at page four of the slide. The Q1 of 2025 saw increased revenue and profit, primarily driven by strong overseas export of in-house products.

On a YoY basis, revenue increased by 21.8%, operating profit increased by 36.6%, and net income by 30.5%. Our operating margin remained high at 48.4%. As you can see, Q1 started out well in line with our initial expectations. The details of the revenue will be explained on the next slide onwards.

FY2025 Q1 Overview

Topline Overview



- **Domestic sales**
  Remained at the same levels YoY. New products Phesgo and PiaSky, and the mainstay product Vabysmo performed favorably, despite the effects of the NHI drug price revisions and penetration of generic drugs.
- **Overseas sales**
  Increased significantly YoY mainly due to the significant volume increase in the export of Hemlibra and Actemra to Roche and positive foreign exchange impact, despite the decline in the export unit price
- **Other revenue**
  Decreased YoY due to reductions in one-time income, despite an increase in income related to Hemlibra.

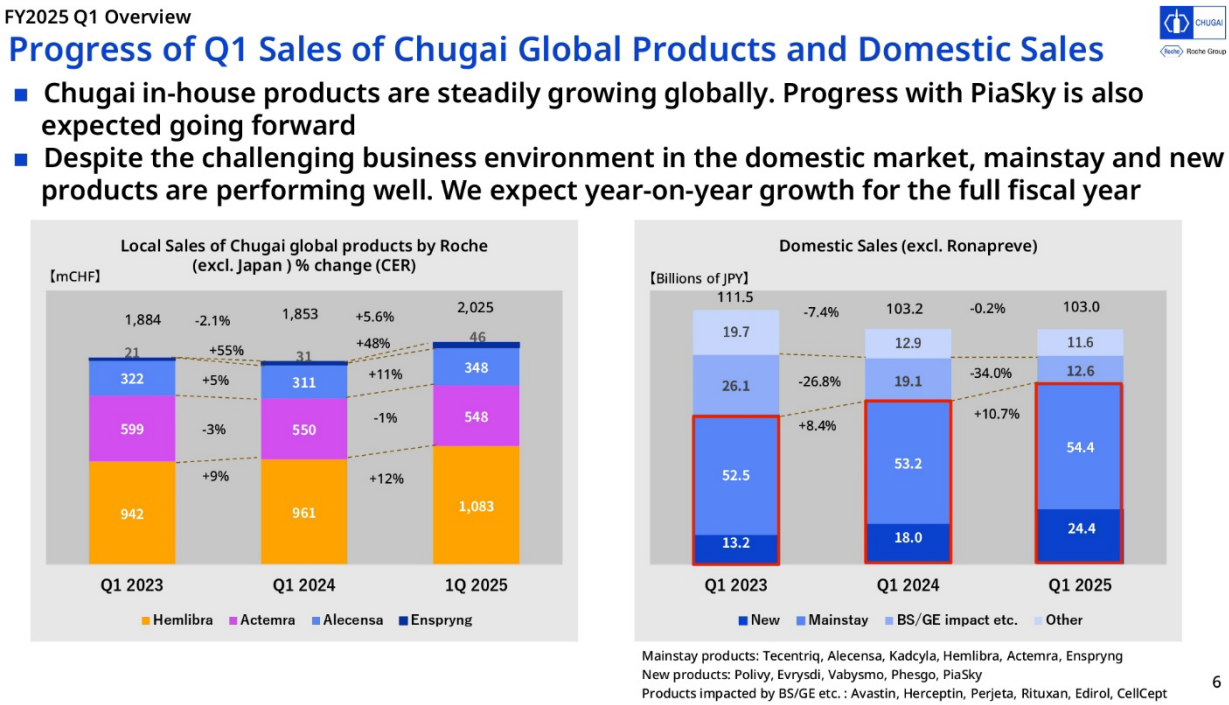
5

This graph shows the increase and decrease in revenue as compared to the same period last year. Revenue grew steadily by JPY51.6 billion or 21.8%. I will explain from the left.

Domestic sales decreased by JPY0.2 billion due to the negative impacts of NHI price revision and penetration of generics despite the strong sales of new products and mainstay products.

Overseas sales increased by JPY55.4 billion, mainly due to an increase in export volumes and foreign exchange impact, which more than offset the impacts of decrease in export unit prices with a particularly strong increase in exports of Hemlibra and Actemra to Roche.

Other revenue decreased YoY due to a decrease in one-time income despite an increase in Hemlibra-related income. Overall, sales increased mainly due to strong overseas sales of in-house products.



Next, I would like to explain the comparison of Q1 sales of our in-house global products and domestic products with Q1 of last year, 2024, and the year before last, 2023. First of all, please take a look at the graph on the left, which shows Roche's local sales of four of our in-house global products. It is on a constant exchange rate basis. The bar graph shows the results of Hemlibra, Actemra, Alecensa, and Enspryng from the bottom.

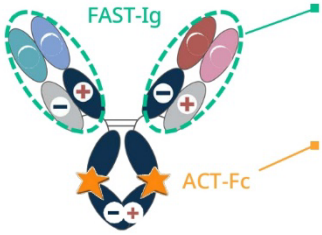
Sales of Actemra are slightly decreasing, partly due to the impact of generics. On the other hand, sales of other products, including Hemlibra, are steadily increasing. As a result, the total sales of the four products grew steadily by 5.6% from the previous year. We expect to see further progress in PiaSky to be added.

The graph on the right shows sales of domestic products, excluding Ronapreve. While the NHI price revisions and generics have caused sales to decline, the growth of major products and new products has offset these declines. As a result, total domestic sales are almost flat YoY as compared to 2024. We expect YoY increase in sales for the full year of 2025, driven primarily by new products and mainstay products.

FY2025 Q1 Overview

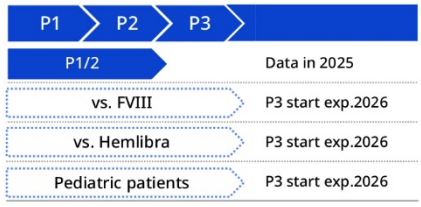
NXT007: Providing New Value to People with Hemophilia A

- **Chugai's proprietary antibody engineering technologies are applied. The ongoing Phase 2 trial results will be presented at a medical conference in 2025**
- **Three Phase 3 trials, including head to head vs. Hemlibra, are planned to start in 2026**



Anti-coagulation factor IXa/X bispecific antibody applying FAST-Ig™: Higher efficacy is expected by optimizing the variable region of Hemlibra

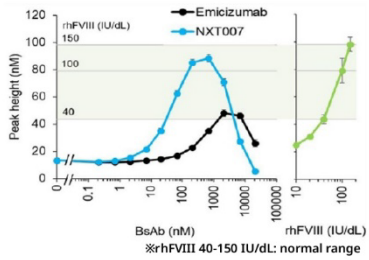
Expecting high convenience by improving antibody pharmacokinetics through the application of ACT-Fc®



Engineered based on Hemlibra, to enhance binding affinities, extend half-life, and allow for low volume, infrequent subcutaneous injections

- ~30-fold more potent than Hemlibra and in vitro assay indicates that thrombin generation is within the range of people without Hemophilia A*
- High convenience in dosing (~10-week half-life** and subcutaneous injection)

in vitro Thrombin Generation Assay [1,a]



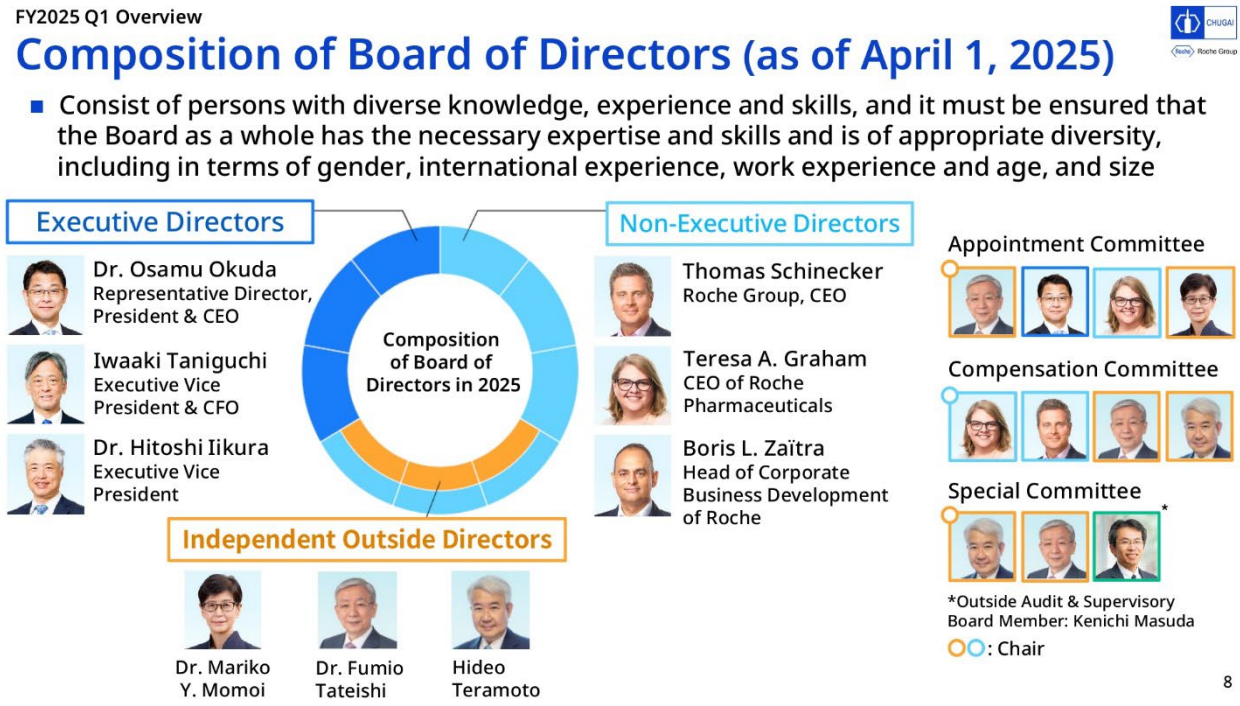
※rhFVIII 40-150 IU/dL: normal range

*A bispecific antibody NXT007 exerts a hemostatic activity in hemophilia A monkeys enough to keep a non-hemophiliac state (https://doi.org/10.1016/j.jtha.2023.09.034)
**Data of healthy adult part in the NXT001JG study presented at 2023 ISTH
[1] *Yuri Teranishi-Ikawa et. al Journal of Thrombosis and Haemostasis 2023* [a] tissue factor triggered

7

Next, I'd like to provide the latest update on one of our most important projects, NXT007. NXT007 is a next-generation bispecific antibody following Hemlibra. Leveraging Chugai's proprietary antibody engineering technologies, NXT007 is designed to optimize binding affinity, extend half-life, and aim for normal coagulation activity comparable to that of healthy individuals while also offering greater convenience through reduced dosing frequency. Proof of concept has been confirmed based on the results from the Phase I/II study. Please understand that the data cannot be disclosed at this time. The results will be presented at the Medical Conference in mid-2025.

Based on the results, we have decided to initiate three Phase III studies during 2026. Among these three studies, one will include a head-to-head comparison with Hemlibra. We will continue to advance development with the goal of delivering new value to people living with hemophilia A.



Next, I'd like to introduce the composition of our Board of Directors. Two new members have been appointed, and we have now commenced operations under this new structure. Dr. Thomas Schinecker and Mr. Boris L. Zaïtra have joined as Non-Executive Directors from Roche. Dr. Thomas Schinecker has also been appointed as a member of the Compensation Committee. Our Board of Directors is composed of individuals with diverse knowledge, experience, and expertise, ensuring that the Board as a whole maintains an appropriate expertise, skills and diversity, including gender, international background, career history and age as well as an appropriate size.

As a publicly listed company and a member of the Roche Group, we will continue to ensure our management's autonomy and independence while striving to enhance corporate governance in order to appropriately and fairly fulfill the trust placed in us by our various stakeholders.

FY2025 Q1 Overview

Medium to Long-term Growth Outlook for Late-stage In-house Developed Products

- **Continuous revenue contribution from subsequent in-house developed products is expected in the medium to long term**

Letters in red : latest events or milestones in 2025

	Development status	Filing	Peak sales*1	Revenue contribution and points of interest
NXT007	• (Hemophilia A) P2 data to be presented at upcoming medical conference exp. 2025 • (Hemophilia A) Start exp. 2026: Three P3 studies, including H2H vs. Hemlibra	Hemophilia A: 2028 and beyond	>3bn CHF	• Efficacy (Blood coagulation activity equivalent to healthy individuals), high convenience (extension of dosing interval)
GYM329	• (SMA, combination with Evrysdi) MANATEE study, (FSHD) MANOEUVRE study: P2 readout exp. 2025, respectively • (Obesity, monotherapy) P1 study ongoing • (Obesity, combination with incretin) P2 study start exp. 2025	SMA, FSHD: 2028 and beyond Obesity: TBD	2-3bn CHF (SMA, FSHD, Obesity)	• Anti-latent myostatin antibody applying our Sweeping Antibody® technology • Disclosure of peak sales including for obesity
Enspryng	• (TED) SatraGO-1/2 studies (P3) ongoing • (MOGAD) METEOROID study (P3) ongoing • (AIE) CIELO study (P3) ongoing	TED: 2026 MOGAD: 2026 AIE: 2027	1-2bn CHF (TED, MOGAD, AIE)	• Market potential of TED
PiaSky	• (aHUS) P3 readout exp. 2025: COMMUTE-a study • (SCD) P2 study ongoing	aHUS: 2026 SCD: 2028 and beyond	1-2bn CHF (PNH, aHUS, SCD)	• Market potential of SCD
NEMLUVIO	• (AD, PN) Approved in US (2024 Aug.: AD, 2024 Dec. : PN) • (AD, PN) Approved in EU (2025 Feb.: AD, PN)	AD, PN: Launched (US), Approved (EU)	2bn+ USD (AD、PN)	• Sales for 2024 are 23 million dollars*2 • Fast onset on itch, and lasting skin clearance
avutometinib	• (KRAS-mutated recurrent LGSOC) Filed in US • (NSCLC, mPDAC) Multiple P2 studies ongoing	LGSOC: Filed (US)	-	• Review seeking accelerated approval is ongoing
orforglipron*3	• (T2D) Apr. 2025: Primary endpoint achieved in ACHIEVE-1 study • (Obesity) P3 readout exp. 2025: ATTAIN-1/2 studies	Obesity: 2025 T2D: 2026	-	• Market potential of obesity • The first oral drug that can be taken without dietary restrictions

*1 As for NEMLUVIO, based on the guidance by Galderma (Source: Galderma.com). As for others, based on Roche's forecasted peak sales *2 Nemluvio 2024 Net Sales as reported by Galderma
*3 orforglipron's worldwide development and commercialization rights have been out-licensed to Eli Lilly and Company. All related information is based on disclosures from Eli Lilly and Company

9

This slide summarizes our expectations for continued revenue contributions from in-house products.

Finally, I would like to briefly share the latest update on orforglipron, an innovative compound discovered by Chugai. Eli Lilly, which is currently leading the development of orforglipron, has issued a press release announcing that the drug met its primary endpoint regarding efficacy in the Phase III ACHIEVE-1 trial for type 2 diabetes.

The safety profile of orforglipron was comparable to that of injectable GLP-1 receptor agonist. As the first oral GLP-1 receptor agonist that does not require dietary restrictions at the time of dosing, we have high expectations for orforglipron to deliver even greater value to patients. That concludes my presentation.

Miyata: Next, I'd like to invite Mr. Kusano to talk about development pipeline.

Overview of Development Pipeline

Q1 Topics (1/2)

As of April 24, 2025

Launched	**Lunsumio**	Relapsed or refractory follicular lymphoma after two or more prior standard therapies	March 2025 (Japan)
Approved	**NEMLUVIO® (nemolizumab)***	Moderate-to-severe atopic dermatitis and prurigo nodularis	February 2025 (EU)
	Tecentriq	Alveolar soft part sarcoma	February 2025 (Japan)
	Vabysmo	Addition of dosage form (prefilled syringe)	March 2025 (Japan)
	Evrysdi	Addition of dosage form (tablet)	March 2025 (Japan)
Filed	**CellCept**	Refractory nephrotic syndrome (public knowledge-based application)	March 2025 (Japan)
Initiation of Study	**RAY121**	- (Phase I)	March 2025
	Enspryng	Duchenne muscular dystrophy (Phase II)	April 2025
	MINT91	Solid tumors (Phase I)	April 2025
	Anti-TL1A antibody/RG6631	Ulcerative colitis (Phase III)	April 2025

Orange: in-house projects (development in global) Blue: In-licensed from Roche (development and distribution in Japan) *Conducted by Galderma, a global licensee

11

Kusano: I am Kusano, Head of the Project Lifecycle Management Unit. I'll explain the overview of our development pipeline.

Please take a look at slide 11. These are the topics of Q1. As for the launches and approvals, they have already been announced, except for the approval of Vabysmo prefilled syringe. Lunsumio launched in Japan in March. As it is a fixed duration treatment which is predetermined according to the patient's response, we expect that it will reduce the burden of treatment on patients as a third-line treatment for relapsed or refractory follicular lymphoma.

In terms of regulatory approvals, NEMLUVIO, a Chugai originated product licensed out to Galderma was approved for atopic dermatitis and prurigo nodularis in Europe following its approval in the US last December. CellCept has been filed for refractory nephrotic syndrome in the form of public knowledge-based application. Three in-house products and Roche product started the trials. Among in-house products, RAY121 entered Phase I trial for a new indication in addition to the ongoing autoimmune disease study. Enspryng started Phase II trial for Duchenne muscular dystrophy. MINT91, an in-house small molecule product and this has entered Phase I trial for the solid tumors. In the area of Roche products, the Anti-TL1A antibody licensed in last year entered to Phase III trial for ulcerative colitis.

Overview of Development Pipeline

Q1 Topics (2/2)

As of April 24, 2025

Readout	orforglipron*	Phase III ACHIEVE-1 (Type 2 diabetes) : Primary endpoint was achieved	April 2025
	Lunsumio	Phase III SUNMO study (r/r aggressive B-cell non-Hodgkin lymphoma) : Primary endpoint was achieved	April 2025
PoC confirmed	NXT007	Hemophilia A	February 2025
Removed from Pipeline	Avastin	Small cell lung cancer (1st line, BEAT-SC study) : development discontinued	
Medical Conference	Vabysmo	Data from the domestic phase IIII NIHONBASHI study for angioid streaks	April 2025
	trontinemab	Data from the phase Ib/IIa Brainshuttle™ AD study for Alzheimer's disease	April 2025
Orphan Drug Designation	Tecentriq	Unresectable thymic carcinoma	March 2025

Orange: in-house projects (development in global) Blue: In-licensed from Roche (development and distribution in Japan)
r/r: relapsed or refractory, PoC: Proof of Concept *Conducted by Eli Lilly and Company, a global licensee

12

Next readout, orforglipron, an in-house oral GLP-1 receptor agonist achieved the primary endpoint in the Phase III study for type 2 diabetes conducted by Eli Lilly to which it had been licensed out. The good tolerability, glycemic control, and weight loss were observed with once daily oral administration. The details of the results will be presented at the American Diabetes Association meeting in June. The results of the study for weight management are expected to be out later this year, and the Company plans to file for approval by the end of this year. Submission for treatment of type 2 diabetes is expected sometime in 2026. We hope for further promotion of orforglipron by Eli Lilly. Lunsumio has met its primary endpoint in the SUNMO study in relapsed or refractory aggressive B-cell non-Hodgkin lymphoma. We will accelerate preparations for submission in 2025.

Next, as explained by Dr. Okuda, NXT007, which is expected to be a next-generation Hemlibra has been confirmed for its Proof of Concept. The results of the Phase II study, which is currently underway, will be presented at the 2025 academic conference so please stay tuned. Three Phase III studies are scheduled to start in the next year, including head-to-head comparison with Hemlibra, which is widely used for hemophilia A. We will continue to strengthen our hemophilia franchise.

Regarding the removal from the pipeline, we have halted the development of Phase III study with Avastin added on top of Tecentriq for small cell lung cancer in light of the results of the study so far. The results of Phase III study of Vabysmo for angioid streaks showed the first good improvements in vision in Japanese patients for the first time, which was presented at the Japanese Society of Ophthalmology. Now, trontinemab, which is being developed for Alzheimer's disease will be explained later. Tecentriq was designated as an orphan drug for unresectable thymic carcinoma. We will proceed with the application for approval.

Overview of Development Pipeline

2025: Key R&D Milestones

As of April 24, 2025

	Product	Indication / Study name	Progress
Projects to be Approved	delandistrogene moxeparvovec	Duchenne muscular dystrophy (ambulatory)	
	Vabysmo	angioid streaks	
P3/Pivotal Readouts	PiaSky	COMMUTE-a study*: atypical hemolytic uremic syndrome（aHUS)	
	Lunsumio＋Polivy	SUNMO study: r/r aggressive B-cell non-Hodgkin lymphoma	Achieved PE
	Lunsumio	CELESTIMO study: follicular lymphoma (2nd line)	
	giredestrant	persevERA study: HR positive breast cancer (1st line)	
	vamikibart	SANDCAT study: noninfectious uvetic macular edema (UME)	
	GAZYVA	INShore study: pediatric nephrotic syndrome	
P2 Readouts	GYM329＋Evrysdi	MANATEE study: spinal muscular atrophy (SMA)	
	GYM329	MANOEUVRE study: facioscapulohumeral muscular dystrophy (FSHD)	
	NXT007	hemophilia A	PoC confirmed / Decision to proceed to Phase III**
P1/2 Readout	trontinemab	Brainshuttle™ AD study: Alzheimer's disease	Decision to proceed to Phase III
Initiation of study	GYM329	obesity (Phase II study)	

Orange: in-house projects (development in global) Blue: In-licensed from Roche (development and distribution in Japan
*Adult/Adolescent patients, **Three phase 3 studies scheduled to initiate in 2026 (vs. FVIII products, vs. Hemlibra, and pediatric patients)
r/r: relapsed or refractory, PE: primary endpoint, HR: hormone receptor, PoC: Proof of Concept

Underlined: Changes since January 30, 2025

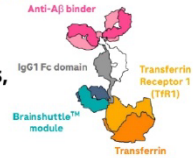
13

Major R&D events in 2025 are shown here. Underlying parts are changes from the previous earnings call. The SUNMO study of Lunsumio and Polivy combination therapy achieved its primary endpoint and is scheduled for submission in 2025. The Proof of Concept of NXT007 was confirmed, and we decided to move to Phase III. We'll present the details at the conference in 2025. Trontinemab will be explained in the latter half of the slide, as I mentioned earlier.

Overview of Development Pipeline

Trontinemab：Global Phase Ib/IIa Study in Participants with AD

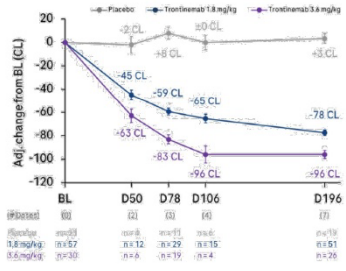
- **Trontinemab is a novel Brainshuttle™* bispecific 2+1 mAb targeting amyloid-β (Aβ) that enables more rapid and deep reduction of brain Aβ levels compared to conventional antibodies, while maintaining a favorable safety profile**



Pharmacodynamics（Amyloid PET）

- Dose-dependent, extensive, rapid and substantial reduction in brain amyloid levels was confirmed at 1.8 mg/kg and 3.6 mg/kg
- At 3.6 mg/kg, 21 out of 26 cases (81%) achieved brain amyloid negativity (24 CL or below) by Week 28

Adjusted mean change from baseline in Amyloid PET



Number and percentage of subjects who achieved brain amyloid negativity (24 CL or below)

Participants ≤24 CL (%)	1.8 mg/kg (Part 1+2)	3.6 mg/kg (Part 1+2)
BL	0/61 (0%)	0/31 (0%)
D50	1/12 (8%)	1/6 (17%)
D78	12/29 (41%)	11/19 (58%)
D106	4/15 (27%)	4/4 (100%)
D196	33/51 (65%)	21/26 (81%)

*It combines an anti-transferrin receptor 1 binding Fab fragment with an anti-amyloid binding mAb

Safety[1]

- Trontinemab continues to show a favourable safety and tolerability profile
  - Low ARIA cases
  - Limited and transient anemia, manageable IRRs

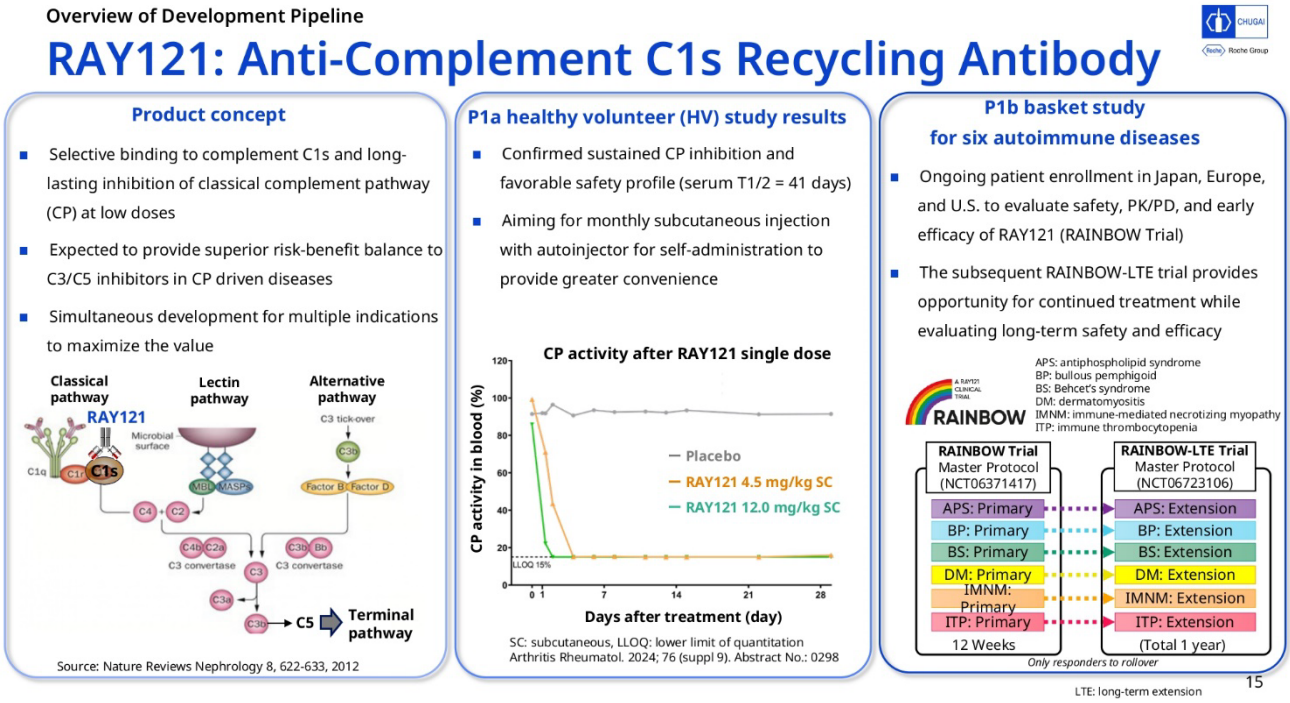
Total number of participants with event (%)	PART 1＋2 (COMBINED) (n＝114)	
	Cohort 3 1.8 mg/kg or Pbo (n＝76)	Cohort 4 3.6 mg/kg or Pbo (n＝38)
ARIA-E	3 (3.9%)	0
ARIA-H	5 (6.6%)	1 (2.6%)
Microhemorrhage	2 (2.6%)	1 (2.6%)
Superficial siderosis	3 (3.9%)	0
Concurrent ARIA-E＋ARIA-H	0	0

1:Blinded safety data by dosing cohorts (cut-off date: November 2024). The study remains ongoing and blinded to individual treatment assignments (randomization active to placebo 4:1 in both Part 1 and 2). Participants
receiving trontinemab and placebo in a respective dose cohort are presented together by dosing cohort to avoid unblindingAD/PD:International Conference on Alzheimer's and Parkinson's Diseases and related neurological disorders, ARIA: amyloid-related imaging abnormalities, BL：baseline, CL：centiloid, D：Day, IRR: infusion-related reactions, Part1:Dose escalation part, Part2：Dose expansion part
Source：AD/PD (April 1-5) presentation (Kulic L, et al.)

14

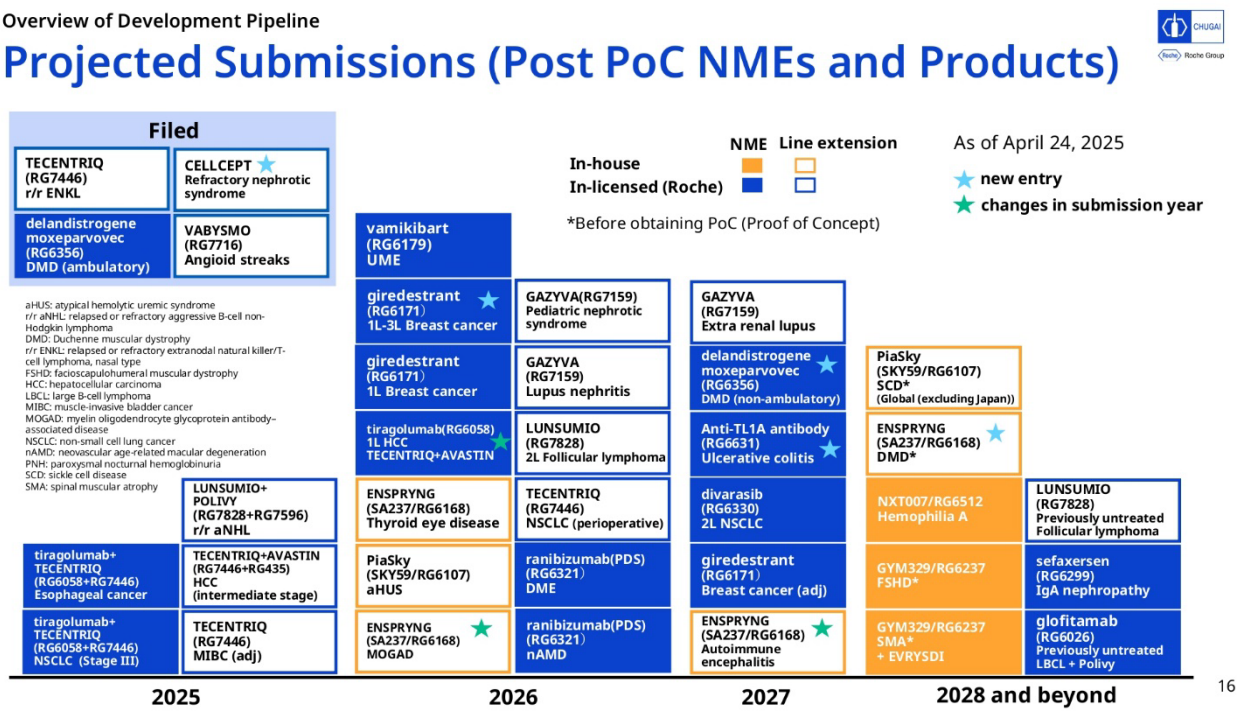
Trontinemab, currently under development for Alzheimer's disease, is a novel bispecific antibody that targets amyloid beta and is designed to enhance brain penetration. Utilizing Roche's Brainshuttle™ technology, the antibody is expected to improve both transporting to the brain via transferrin and binding affinity to its target.

In the ongoing global Phase I/II study, which includes sites in Japan, PET imaging has shown that brain amyloid beta levels decrease more extensively and rapidly compared to conventional antibodies. By seven months after administration, approximately 80% of patients in the 3.6 mg/kg cohort achieved brain amyloid negativity. The safety profile has been favorable with a low incidence of amyloid-related imaging abnormalities or ARIA and only mild manageable infusion-related reactions. We plan to advance to Phase III trial in H2 of 2025 and we are committed to accelerating development so that we can deliver this therapy to patients as soon as possible.



Next, I'd like to present the results from the Phase I study in healthy adults for RAY121, which is currently under development for autoimmune diseases. RAY121 is a recycling antibody that selectively binds to complement C1s and inhibits the classical pathway. It is expected to provide a more favorable risk-benefit profile compared to C3 or C5 inhibitors in the downstream, particularly in classical complement pathway-driven diseases.

In the Phase Ia study involving healthy adults, RAY121 demonstrated a favorable safety profile. In addition, it was confirmed that subcutaneous administration of a low dose could sufficiently suppress the classical complement pathway for over 28 days. Moving forward, we aim to develop a once-monthly subcutaneous administration using an auto-injector for self-injection. Currently, a basket trial of RAY121 involving 12-week treatment period is underway across six autoimmune diseases. For patients who have shown treatment response during the 12-week period, we have newly initiated an extension study that allows continued treatment for up to one year. Through this study, we aim to evaluate the long-term efficacy and safety of RAY121 and maximize its therapeutic value.



Here are our upcoming regulatory submission plans. Projects marked with the light blue star indicate newly added programs, while those marked with the green star indicate programs for which the planned submission year has been revised. For Enspryng, our in-house developed product, the planned submission for MOGAD has been moved up from 2027 or later to 2026. Meanwhile, the submission for autoimmune encephalitis has been shifted from 2026 to 2027 in alignment with the progress of clinical trials. The following slides are provided as reference materials, so please feel free to review them as needed. That concludes my presentation.

Miyata: Last but not least, I'd like to invite Mr. Taniguchi to talk about consolidated results on a core basis for Q1 of FY2025.

Taniguchi: I'm Taniguchi, CFO. Now, I would like to explain the business results of Q1 of FY2025. The camera is not working well. Please hold on.

FY2025 Q1 Consolidated Financial Overview (Core)

P/L Jan – Mar (Year on Year)

(Billions of JPY)	2024	2025	Growth	
Revenue	**236.9**	**288.5**	**+ 51.6**	**+ 21.8%**
Sales	204.5	259.7	+ 55.2	+ 27.0%
Domestic	103.2	103.0	- 0.2	- 0.2%
Overseas	101.3	156.7	+ 54.7	+ 54.7%
Other revenue	32.5	28.7	- 3.8	- 11.7%
Cost of sales	-72.6	-87.5	- 14.9	+ 20.5%
(cost to sales ratio)	35.5%	33.7%	-1.8%p	-
Research and development	-41.2	-40.7	+ 0.5	- 1.2%
Selling, general and administration	-21.2	-21.0	+ 0.2	- 0.9%
Other operating income (expense)	0.2	0.3	+ 0.1	+ 50.0%
Operating profit	**102.1**	**139.5**	**+ 37.4**	**+ 36.6%**
(operating margin)	43.1%	48.4%	+5.3%p	-
Financial account balance	0.0	-0.8	- 0.8	-
Income taxes	-26.2	-39.5	- 13.3	+ 50.8%
Net income	**76.0**	**99.2**	**+ 23.2**	**+ 30.5%**
EPS (JPY)	**46.16**	**60.30**	**+14.14**	**+ 30.6%**

Domestic sales
Same level as the same period of the previous year due to the NHI drug price revisions and the market penetration of generic drugs, despite the growth of new and mainstay products

Overseas sales
Significant increase in sales of Hemlibra and Actemra

Other revenue
Decrease in the one-time income, despite increase in the income related to Hemlibra

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

Research and development expenses
Same level as the same period of the previous year

Selling, general and administration expenses
Same level as the same period of the previous year

24

Please take a look at next page. First of all, I'd like to report the consolidated revenue for Q1 of 2025 increased by JPY51.6 billion or 21.8% to JPY288.5 billion, and operating profit increased by JPY37.4 billion or 36.6% to JPY139.5 billion YoY.

Now, let me start from the top, the contents of the revenue, the breakdown. Among the revenue, the product sales were JPY259.7 billion, up JPY55.2 billion or 27%. By region, overseas and domestic, sales in Japan were JPY 103billion, a slight decrease of JPY0.2 billion or 0.2% YoY. Although new products and mainstay products performed well, results were slightly negative due to the effect of NHI drug price revisions and penetration of generics. For the full year, as already announced, we expect an increase by approximately JPY1 billion in sales in Japan alone on the YoY basis.

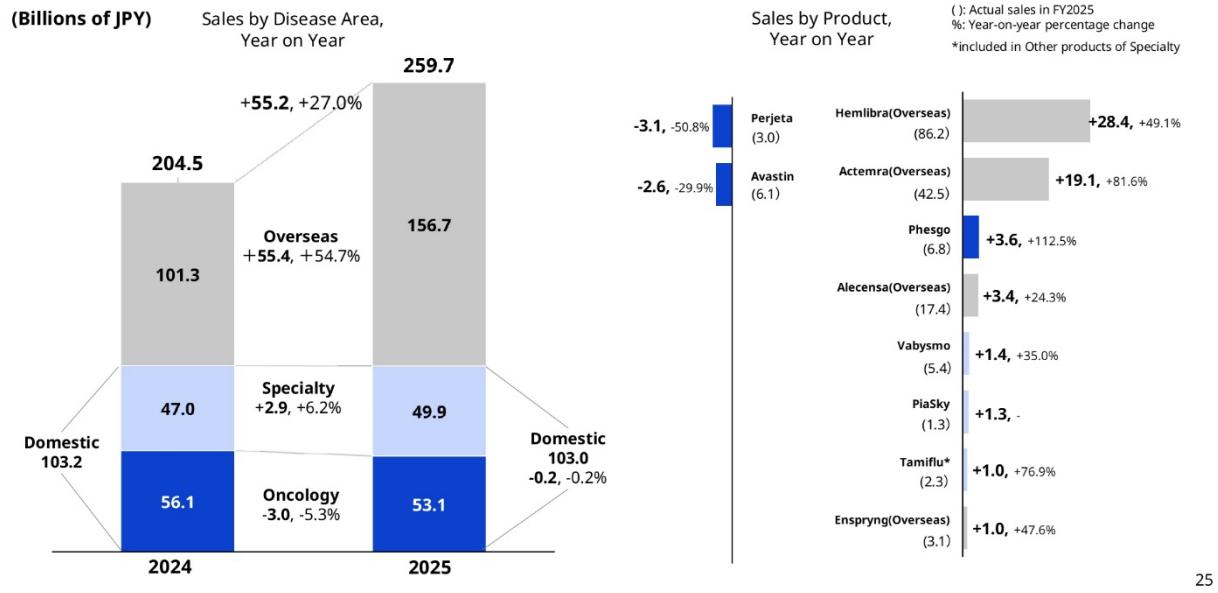
Now, overseas, exports of Hemlibra and Actemra, the mainstay products were strong, growing JPY55.4 billion or 54.7% to JPY156.7 billion. Other revenue was JPY28.7 billion, down JPY3.8 billion or 11.7% YoY due to a decrease in one-time income despite an increase in royalty income from Hemlibra.

Next, let us turn to expenses. Cost of sales was JPY87.5 billion, up JPY14.9 billion or 20.5% YoY. This was due to the increase in volume of products manufactured in line with the increase in sales. The cost to sales ratio, which is important, improved by 1.8 percentage points to 33.7% due to an increase in the proportion of products with low cost to sales ratios such as Hemlibra.

With regard to SG&A expenses, due to efforts to improve efficiency despite the impact of higher prices and labor costs, it decreased by JPY0.2 billion YoY. R&D expenses decreased by JPY0.5 billion YoY due to the timing difference of expense recognition despite the steady progress of drug discovery, research, and early-stage development projects. As a result, operating profit increased by JPY37.4 billion YoY to JPY139.5 billion, and operating margin increased by 5.3 percentage points to 48.4%. After-tax net income was JPY99.2 billion, an increase of JPY23.2 billion or 30.5%.

FY2025 Q1 Consolidated Financial Overview (Core)

Sales Jan – Mar (Year on Year)

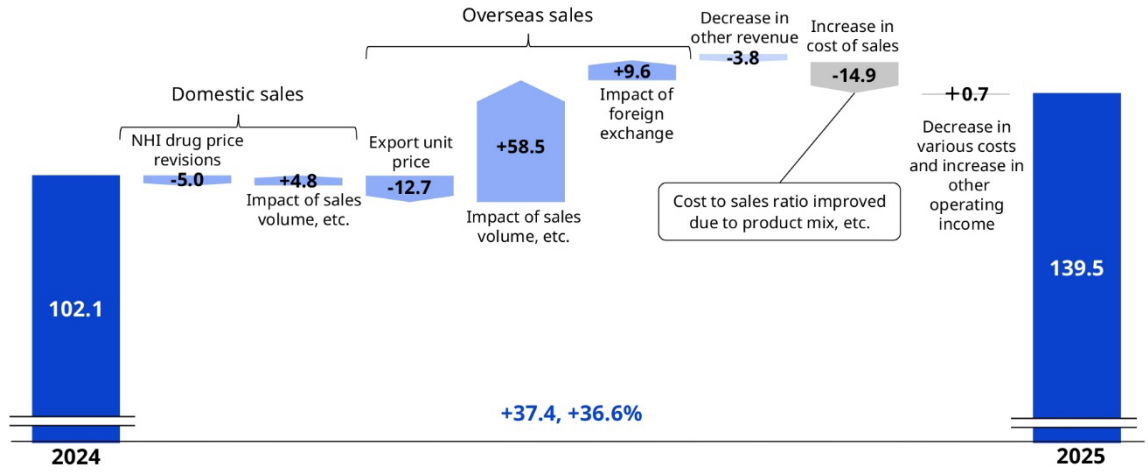


The next page shows the breakdown of the increase and decrease in sales of products. First, in the domestic oncology field in Japan, sales declined JPY3 billion or 5.3% to JPY53.1 billion. Sales of Avastin decreased due to the penetration of generics, but sales of the new product, Phesgo, increased more than the decrease in sales of Perjeta, which was to be replaced by Phesgo. Sales in the specialty area increased JPY2.9 billion to JPY49.9 billion or up 6.2% YoY. While overall sales are affected by NHI drug price revision, sales of mainstay products such as Vabysmo and new product, PiaSky grew steadily. Overseas product sales increased by JPY55.4 billion or 54.7% with all four mainstay products, especially Hemlibra and Actemra, achieving positive growth.

FY2025 Q1 Consolidated Financial Overview (Core)

Operating Profit Jan – Mar (Year on Year)

(Billions of JPY)



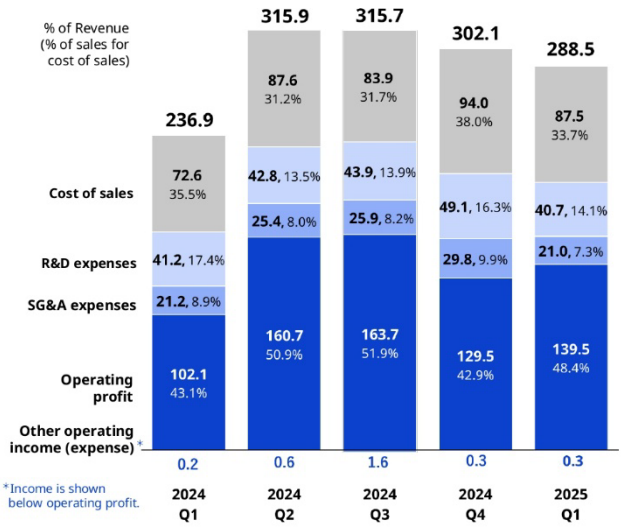
26

The next page shows the breakdown of the increase in operating profit. From the left, in Japan, the negative impact of NHI drug price revision slightly exceeded the increase in volume, resulting in JPY0.2 billion decrease in sales. On the other hand, overseas sales volume growth significantly exceeded the decrease in export unit price because of the expansion of sales in emerging countries and this is the reason for the increase in sales. Thus, the main factor for increased operating profit. As for other revenue, results decreased slightly due to the decrease in onetime income from milestone payments, et cetera. In addition, a decrease in the cost of sales ratio due to a change in the product mix is an important background for boosting operating profit.

FY2025 Q1 Consolidated Financial Overview (Core)

Structure of Costs and Profit by Quarter

(Billions of JPY)



Year on Year (vs. 2024 Q1)

See the slide "P/L Jan – Mar (Year on Year)"

Operating Profit +37.4, +36.6%

Quarter on Quarter (vs. 2024 Q4)

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

R&D: decrease in line with the trend of previous years

SG&A: decrease in line with the trend of previous years

Other operating income (expense): same level as the previous quarter

Operating profit: +10.0 billion JPY, +7.7%

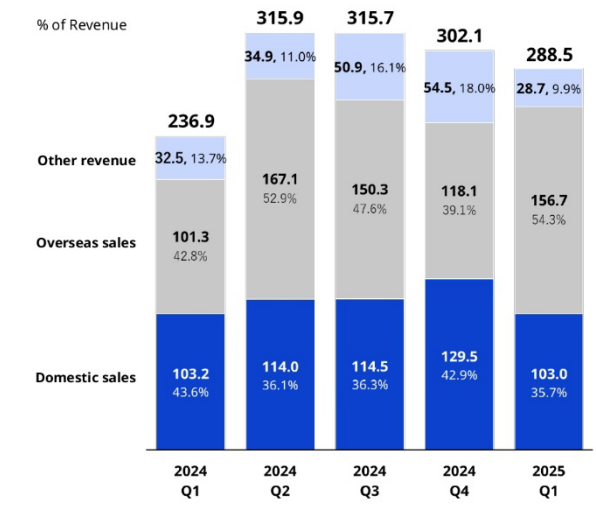
27

The next slide shows the quarterly trends in our profit and loss items. By quarter or every three months, due to factors such as the timing of exports, there tends to be some fluctuation on a quarterly basis. However, when comparing first quarters YoY, operating profit increased by JPY37.4 billion, driven by a synergistic effect of higher sales and a lower cost of sales ratio. If you compare to the previous quarter, though revenue slightly decreased, there was improvement in the cost of sales and that has led to the improvement in the operating profit.

FY2025 Q1 Consolidated Financial Overview (Core)

Structure of Revenue by Quarter

(Billions of JPY)



Year on Year (vs. 2024 Q1)

See the slide "P/L Jan – Mar (Year on Year)"

Quarter on Quarter (vs. 2024 Q4)

Domestic sales: decrease in line with the trend of previous years

Overseas sales: significant increase in sales of Hemlibra

Other revenue: decrease mainly in the royalty income of Hemlibra

28

The next slide shows the quarterly trends in the composition of revenue. If you compare Q1 YoY, or to the previous quarter, this indicates a significant increase in overseas sales of products.

FY2025 Q1 Consolidated Financial Overview (Core)

P/L Jan – Mar (vs. Forecast)

(Billions of JPY)	Actual 2025 Jan - Mar	Forecast 2025 Jan - Dec	Progress	2024 Progress*
Revenue	**288.5**	**1,190.0**	**24.2%**	**20.2%**
Sales	259.7	1,018.0	25.5%	20.5%
Domestic	103.0	462.5	22.3%	22.4%
Overseas	156.7	555.5	28.2%	18.9%
Other revenue	28.7	172.0	16.7%	18.8%
Cost of sales	- 87.5	- 341.0	25.7%	21.5%
(cost to sales ratio)	33.7%	33.5%	-	-
Research and development	- 40.7	- 178.0	22.9%	23.3%
Selling, general and administration	- 21.0	- 101.0	20.8%	20.7%
Other operating income (expense)	0.3	-	-	7.4%
Operating profit	**139.5**	**570.0**	**24.5%**	**18.4%**
(operating margin)	48.4%	47.9%	-	-
Net Income	**99.2**	**410.0**	**24.2%**	**19.1%**
EPS (JPY)	**60.30**	**250.00**	**24.1%**	**19.1%**

Domestic sales
Mostly in line with the forecast

Overseas sales
Sales of Actemra to Roche exceeding forecast

Other revenue
Mostly in line with the forecast

Cost of sales
Mostly in line with the forecast as a cost to sales ratio from Jan. to Mar.

Research and development
Mostly in line with the forecast

Selling, general and administration expenses
Mostly in line with the forecast

* Jan - Mar 2024 progress versus Jan – Dec 2024 actual

29

The next slide shows the progress of our actual performance against the full-year forecast figures announced in January of this year. Both revenue and operating profit are progressing at a relatively higher rate compared to the previous year. At this point in time, it may be calculated to be around 25%, but there were less business days in Q1, so I could say that the performance is generally on track with our initial projections.

FY2025 Q1 Consolidated Financial Overview (Core)

Sales Jan – Mar (vs. Forecast)

(Billions of JPY)	Actual 2025 Jan - Mar	Forecast 2025 Jan - Dec	Progress	2024 Progress *
Sales	**259.7**	**1,018.0**	**25.5%**	**20.5%**
Domestic	**103.0**	**462.5**	**22.3%**	**22.4%**
Oncology	**53.1**	**239.2**	**22.2%**	**22.6%**
Tecentriq	13.8	62.0	22.3%	22.2%
Polivy	7.5	35.8	20.9%	21.7%
Alecensa	7.5	34.0	22.1%	21.3%
Phesgo	6.8	31.6	21.5%	13.6%
Avastin	6.1	25.5	23.9%	25.7%
Kadcyla	3.5	16.6	21.1%	21.4%
Perjeta	3.0	11.9	25.2%	30.5%
Lunsumio	0.0	3.7	0.0%	-
Herceptin	0.3	1.4	21.4%	29.2%
Foundation Medicine	2.0	7.1	28.2%	23.7%
Other	2.6	9.6	27.1%	26.0%

(Billions of JPY)	Actual 2025 Jan - Mar	Forecast 2025 Jan - Dec	Progress	2024 Progress *
Specialty	**49.9**	**223.3**	**22.3%**	**22.0%**
Hemlibra	12.6	59.4	21.2%	21.2%
Actemra	10.9	50.0	21.8%	21.3%
Enspryng	6.1	26.0	23.5%	23.5%
Vabysmo	5.4	23.5	23.0%	18.6%
Evrysdi	3.4	15.9	21.4%	21.4%
CellCept	2.0	5.8	34.5%	22.1%
Mircera	1.2	5.0	24.0%	23.1%
PiaSky	1.3	4.4	29.5%	-
Other	7.0	33.2	21.1%	28.4%
Overseas	**156.7**	**555.5**	**28.2%**	**18.9%**
Hemlibra	86.2	324.2	26.6%	18.8%
Actemra	42.5	127.6	33.3%	17.7%
Alecensa	17.4	67.0	26.0%	22.3%
Enspryng	3.1	12.6	24.6%	15.2%
Sigmart	2.2	7.8	28.2%	21.3%
Neutrogin	2.4	6.5	36.9%	24.4%
Other	2.9	9.8	29.6%	5.1%

* Jan - Mar 2024 progress versus Jan – Dec 2024 actual

30

This slide presents the progress against our initial forecast by segment and by individual product. Here as well, the strength of the overseas segment as a whole is clearly evident, especially Actemra has outperformed expectations in exports due in part to a slower-than-anticipated uptake of biosimilars and the resulting trend of inventory reduction.

FY2025 Q1 Consolidated Financial Overview (Core)

Impact from Foreign Exchange Jan – Mar

(Billions of JPY)	vs.2024 Actual rate 【C】vs. 【A】	vs.2025 Forecast rate 【C】vs. 【B】
Revenue	**+12.3**	**+0.0**
Sales	+9.6	+0.0
Other revenue	+2.7	-0.0
Cost of sales	**-0.4**	**-0.0**
Other than above*1	**-0.1**	**+0.2**
Operating profit	**+11.8**	**+0.2**

Exchange Rate (JPY)	2024 Actual rate*2 Jan - Mar 【A】	2025 Forecast rate Jan - Mar 【B】	2025 Actual rate*2 Jan -Mar 【C】	2025 Market average rate*3 Jan – Mar	2025 Forecast rate Jan – Dec
1CHF	162.70	171.66	172.46	169.60	171.00
1EUR	161.10	160.00	159.84	160.38	160.00
1USD	131.49	148.00	147.35	152.47	148.00

*1 Total of R&D, SG&A and other operating income (expense)
*2 Weighted average of the exchange rates used to record foreign currency transactions included in categories from revenue to operating profit
*3 Market average rates in during the fiscal period

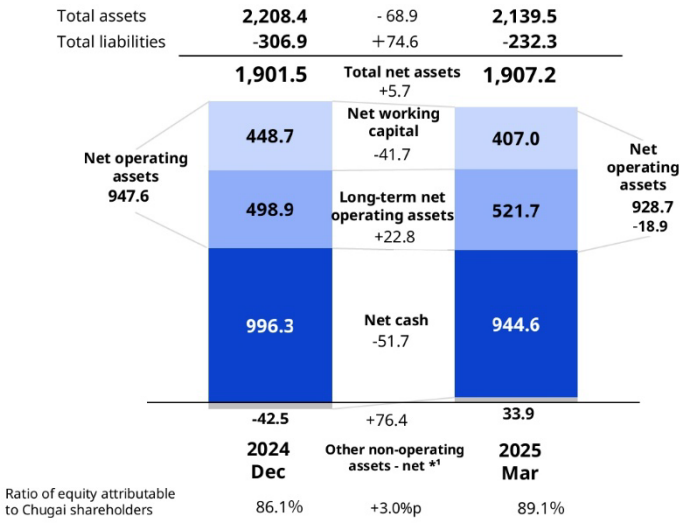
31

The next one is the foreign exchange rates. Compared to the actual rates from last year, foreign exchange had a positive impact of JPY12.3 billion on revenue and JPY11.8 billion on operating profit. The primary factor behind this is the depreciation of the yen, particularly against the Swiss franc, which is our largest trading currency. Looking at the Swiss franc, the actual exchange rate used for accounting purpose shifted from JPY162.70 in Q1 of last year to JPY172.46 in the same period this year, an approximate JPY10 depreciation. This has contributed to an increase in revenue when converted to yen.

FY2025 Q1 Consolidated Financial Overview (Core)

Financial Position (vs. 2024 Year End)

(Billions of JPY)



Decrease in net working capital

Decrease mainly due to decrease in accounts receivable

Increase in long-term net operating assets

Increase in property, plant and equipment mainly due to the investment in

- the manufacturing building for bio drug substance (UT3) at Utsunomiya Plant
- the manufacturing building for injectables (UTA) at Utsunomiya Plant

Decrease in net cash

(See next slide)

Increase in other non-operating assets – net

Increase mainly due to a decrease in accrued corporate tax

* 1 E.g., deferred income tax assets, accrued corporate tax, etc.

32

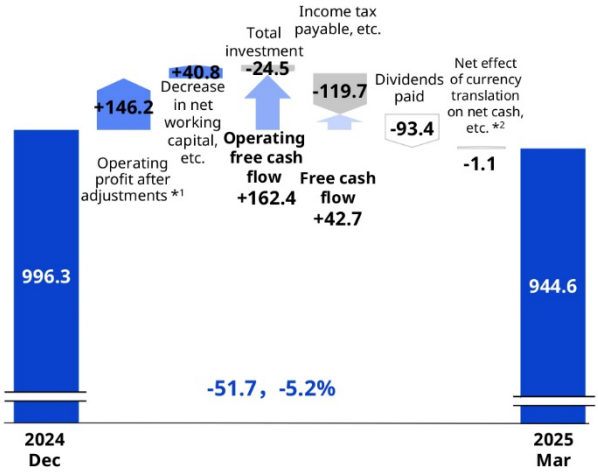
Next one is our balance sheet. Total assets amount to JPY2,139.5 billion, a decrease of JPY68.9 billion from the end of the previous year. This was primarily due to a reduction in cash and cash equivalents following

dividend and tax payments as well as a decrease in working capital, such as accounts receivables. Meanwhile, total net assets increased by JPY5.7 billion from the end of last year, reaching JPY 1,907.2 billion, reflecting the accumulation of retained earnings from profits. As a result, the equity ratio rose to 89.1%.

FY2025 Q1 Consolidated Financial Overview (Core)

Net Cash (vs. 2024 Year End)

(Billions of JPY)



Operating profit after adjustment *1	**+146.2**
Operating profit *1	+136.7
Depreciation, amortization and impairment *1	+8.0
Decrease in net working capital, etc.	**+40.8**
Total investment	**-24.5**
Property, plant and equipment	-22.0
Payment for lease liabilities	-2.0
Intangible assets	-0.5
Operating free cash flows	**+162.4**
Income tax payable, etc.	**-119.7**
Income tax payable	-106.9
Free cash flows	**+42.7**
Dividends paid	**-93.4**
Net effect of currency transaction on net cash, etc.	**-1.1**

*1 Including Non-Core (IFRS results)
*2 Net effect of currency translation on net cash, etc. = Transaction in own equity instruments + 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)

33

The next slide shows the breakdown of the change in net cash, which as I mentioned earlier, decreased by JPY51.7 billion. Operating free cash flow was JPY162.4 billion, calculated by adding cash inflows from operating profit and increase due to less working capital and subtracting investment-related outflows. After deducting corporate income taxes and dividend payments, net cash decreased by JPY51.7 billion over the three-month period.

FY2025 Q1 Consolidated Financial Overview (Core)

Current Status / Plan for Major Investments

			~2024	2025	2026	2027	2028	2029	2030~	Planned investment: Total amount	Planned investment: Investment to-date	Planned investment: Unit	Start of investment	Planned completion
Manufacturing	Utsunomiya plant	UT3: Manufacture bio drug substance for middle to later-stage clinical development and early commercial use								37.4	24.4	billion JPY	2023	2026
	Utsunomiya plant	UTA: Manufacture sterile injectables for early commercial use								19.0	14.3	billion JPY	2023	2025
	Ukima plant	UK3(modification): Manufacture bio drug substance								20.3	4.3	billion JPY	2024	2027
Research and development	CPR	Move and renovate facilities to enhance research functions								60	2	million SGD	2024	2026
	IFReC	Funding to IFReC per comprehensive collaboration agreement								10.0	8.0	billion JPY	2017	2027
Environment	Environmental investment*	Equipment upgrade to achieve Mid-Term Environmental Goals 2030								135.9 estimated total amount	5.2	billion JPY	2022	2032

* incl. part of investments described in the schedule above

34

This slide shows our near-term capital investment plan, which has been approved internally and is presented at each earnings call. Environmental investments have increased by approximately JPY25 billion, reflecting ongoing revisions aimed at achieving our targets, and this increase is partly due to rising construction costs and other related factors.

FY2025 Q1 Consolidated Financial Overview (Core)

P/L Jan – Mar (Non-core adjustment)

(Billions of JPY)	IFRS results	Non-core items: Intangible assets	Non-core items: Others	Core results
Revenue	**288.5**			**288.5**
Sales	259.7			259.7
Other revenue	28.7			28.7
Cost of sales	-87.8	+0.3	+0.0	-87.5
Research and development	-40.9	+0.2	+0.0	-40.7
Selling, general and administration	-23.2		+2.2	-21.0
Other operating income (expense)	0.2		+0.1	0.3
Operating profit	**136.7**	**+0.5**	**+2.4**	**139.5**
Financial account balance	-0.8			-0.8
Income taxes	-38.6	-0.1	-0.7	-39.5
Net income	**97.2**	**+0.3**	**+1.7**	**99.2**
EPS (JPY)	**59.08**			**60.30**

Non-core items

Factors affected operating profit

Intangible assets

Amortization	+0.4
Impairment	+0.1

Others

Business rebuilding expenses	+2.2
Restructuring expenses	+0.1

35

Now here, we are looking at non-core adjustment for Q1.

FY2025 Q1 Consolidated Financial Overview (Core)

Summary of Chugai Originated Global Products

Product (Billions of JPY)		FY2025 Q1 Results	Y on Y	FY2025 Forecast	Comments
Hemlibra®	Domestic:	**12.6**	+0.8%	**59.4**	• Japan: Domestic market share steadily increased. Sales were same level as the same period of the previous year, despite special factors*1. • Overseas: Sales increased in EU and international . Exports greatly increased year on year. • We provide value to patients worldwide through its convenience and accumulated clinical evidence.
	Export:	**86.2**	+49.1%	**324.2**	
	Overseas local:	**1,083**mCHF	+12%	-	
Actemra®	Domestic:	**10.9**	+6.9%	**50.0**	• Japan: Continued to obtain new prescriptions for rheumatoid arthritis. Other indications also penetrated. • Overseas: Sales increased in the U.S. and International, while decreasing in EU. Exports greatly increased year on year. • We provide value to patients through the established evidence as an originator of IL-6 inhibitor.
	Export:	**42.5**	+81.6%	**127.6**	
	Overseas local:	**548**mCHF	-1%	-	
Alecensa®	Domestic:	**7.5**	+13.6%	**34.0**	• Japan: Maintain its high share in the first-line therapy despite competitors' entry since 2021. • Overseas: Sales increased especially in the U.S. and International. Exports also performed favorably. • We provide value to patients for early stage NSCLC as the first ALK inhibitor, in addition to advanced NSCLC.
	Export:	**17.4**	+24.3%	**67.0**	
	Overseas local:	**348**mCHF	+11%	-	
Enspryng®	Domestic:	**6.1**	+5.2%	**26.0**	• Japan: Sales increased year on year as the switching from other drugs progressed steadily, despite the significant drug price revision implemented in 2024*2. • Overseas: Sales increased in all regions. Exports also performed favorably. • We provide a convenient treatment option for patients who wish to avoid steroids.
	Export:	**3.1**	+47.6%	**12.6**	
	Overseas local:	**46**mCHF	+48%	-	
PiaSky®	Domestic:	**1.3**	-%	**4.4**	• Japan: The product successfully penetrates the market, gaining favorable evaluation in medical facilities due to the convenience of subcutaneous administration and reduced hospital time. • Overseas: Market introduction is progressing in the EU. We aim to penetrate markets in various countries worldwide. • We provide an improved convenience and a broad range of treatment opportunities for patients including C5 gene polymorphisms.
	Export:	-	-%	-	
	Overseas local:	**1**mCHF	-%	-	

'Export' in the table includes Taiwan local sales in the Chugai territory.
'Overseas local' refers to overseas local sales by Roche, and Year on Year (%) is on a constant exchange rate basis.
Y on Y: year on year, NSCLC: non-small cell lung cancer
*1 The New Year's holiday was 9 days long, which is longer than usual, with the possibility of shipments being moved forward to the previous year's fourth quarter.
*2 Market expansion re-pricing in April 2024 (-25.0%)

[Hemlibra] Domestic Hemophilia A Patient Share Trends

Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
33.2%	33.8%	34.9%	35.3%	36.2%

36

And then we also have the situation of our in-house global products. That's all from me. Thank you very much for your kind attention.

Question & Answer

Miyata [M]: Now, let's move to the Q&A session. With regard to Q&A, we also have Takano, Head of Marketing and Sales to be present as well. In order to have as many questions as possible, I'd like to limit the questions to two per person. Together with the presentation, the sound of the questions and answers will be also posted to the website on a later date. I'd like to ask for your kind understanding.

Now, we would like to start entertaining questions.

Matsubara-San from Nomura Securities, please.

Matsubara [Q]: There are two questions. First of all, Actemra. More than expected exports were achieved. That's what you said. In Q2, should we expect some bumps and downs? The supply chain situation, to what extent is it expected to continue in your view?

Taniguchi [A]: Taniguchi will answer that question. Thank you for the question. Biosimilar ideally would have been launched from last year. This year, of course, there are differences in regions, but there are some slight delays. Also, we have been conservative on the inventory so there is some shortage in inventory so we have seen good results in Q1. We can't talk about Q2 onward because of the delay in biosimilars. Actemra exports are performing quite well. For the full year, there could be a slight upside. That is the trend that we've seen.

With regard to prices, regardless of biosimilar coming in or not, we are maintaining the price of brand products. But of course, there are some sales in emerging countries with a totally different pricing scheme.

Matsubara [Q]: Thank you. The second question is trontinemab. Is my understanding correct that the reason for the low incidence of ARIA is due to its high brain permeability through transferrin? Also, regarding Roche's RG6289, which I believe targets early-stage treatment based on its mechanism of action, could you tell me about your introduction strategy for this?

Kusano [A]: Thank you for your question, Matsubara-san. Regarding the low incidence of ARIA, this is just a hypothesis at this moment, but with the addition of Brainshuttle technology, trontinemab is expected to pass through BBB (blood-brain barrier) and go into the brain especially for the capillary blood vessel. As a hypothesis, the binding to vascular amyloid, which is attached to the brain artery, is going to be declined that's why we are seeing some lower incidence of ARIA.

With regard to development number, trontinemab indication expansion, is that what you're asking about?

Matsubara [A]: The RG6289, modulator of the secretase.

Kusano [A]: This is in the pipeline of Roche and this is going to be the future development items.

Matsubara [Q]: Therefore, trontinemab is for the patients with Alzheimer's disease. There's already onset and 6289 is for those who are at the early stage. Is that correct?

Kusano [A]: RG6289 has not been introduced by us, so please further to Roche.

Miyata [M]: Next, Wakao-san from JPMorgan.

Wakao [Q]: Thank you. I would like to talk about the US tariffs, how it's going to impact your business. According to your business model, you are exporting to Roche in Swiss, so you may not be affected by the

tariffs. But then Roche itself may be affected by the tariffs being imposed. Therefore, within the Group overall, when tariffs are being imposed, what would be the negative impact? Will there be negativity sharing between the two companies? What would be the stance being taken by Roche in that regard?

Okuda [A]: Yes, thank you very much, Wakao-san, for your question. About the US reciprocal tariffs that may be imposed on pharmaceuticals, there are a lot of uncertainties out there. For the future potential impact, it will be very difficult to project such an impact going forward, including Roche, working together with other business partners, we will try to understand what the potential impact would be and how we could appropriately respond to that kind of potential situation. We will be discussing that with the partners. This is not directly answering your question, I do understand, but there are many uncertainties so we will see what we can do. Please understand.

Wakao [Q]: Thank you. That means that what we are looking at from your business model, you may not have a direct impact, but you will be having discussions with the partners. Depending on the outcome of the discussions, you may take responsibility for the part of the negativity by the tariffs.

Okuda [A]: I'm not in a position to answer that question. In our response, we will be discussing with our business partners.

Wakao [Q]: Thank you very much. Understood. Another question and this is also relevant to the previous question, export sales situation is something I would like to ask. Actemra, there is an upside. What about Hemlibra? Given the current situation in the world, export to the US, probably you should stock up in the US as early as possible. That way, you can reduce the impact of the tariff being imposed. In terms of the impact on export, you can probably bring forward the export of your products. Is that something you are considering?

Taniguchi [A]: This is Taniguchi speaking. Thank you for your question. As of now, because we have just completed Q1, I can't really talk about the full-year impact. We have not really revised anything from the original projection. We had a strong Q1, but then the firm order is not for the full year. Therefore, there are still some periods where there are some uncertainties so I would like to carefully watch for the future development.

In terms of bringing forward exports, generally speaking, that can be possible but then we have to look at the supply chain and also the manufacturing capacity so I can't really give you any confirmed answer. Generally speaking, that may be possible.

Wakao [Q]: In terms of Hemlibra exports, such exports are also strong. What is the background of that favorable exports of Hemlibra?

Taniguchi [A]: Looking at different regions, international market is doing very well. It's growing more than last year in terms of the volume so that's where we are very, very strong.

Wakao [M]: I see. Thank you very much, that’s all from me. Thank you.

Muraoka [Q]: Thank you. Muraoka from Morgan Stanley. Orfo good results, I would like to congratulate upon that. There are only two questions allowed for me so I'd like to ask a question other than that. On tariff, the USD5 billion investment has already been announced by Roche yesterday or so. In this context, transfer of manufacturing Chugai products to US, is it something that you have as an option going forward? In that case, CapEx might increase, and although it is unlikely, your fund for dividends could be reduced. That's something that's slightly on my mind so can you explain more about your thought on that?

Okuda [A]: Muraoka-san, thank you very much for your question. The question was that, if there is any such plan that the mutual tariff from US could induce us to transfer manufacturing sites to the US, and in that case,

the possibility CapEx could increase and in return affect our funds for dividends. Generally speaking, production transfer to the US to avoid the impact from the tariff is a generally considered idea. As I said, with regard to mutual tariff, there is a great uncertainty so it is quite difficult to see or forecast the impact as we speak. Together with Roche and other partners, we plan to address this. CapEx increases potentially and other impacts are not something that we can refer to at this moment.

Muraoka [Q]: The USD50 billion investment by Roche, does it include your products or not?

Okuda [A]: USD50 billion investment in the US by Roche, please refer the question to Roche.

Muraoka [Q]: Okay, thank you. Then, the second question, NXT007. Probably in today's Roche's material, June 23, hematology update will be held by Roche. I don't know if this coincides with the academic conference, but apart from that timing, you are going to have head-to-head study with Hemlibra. You must have a great confidence so there must have been quite positive response as compared to expectations one year ago or half year ago. Is that a correct understanding?

Kusano [A]: Muraoka-san, thank you very much for your question. This year, there's going to be an academic conference meeting so please wait until the result to be presented there. Regarding the study in comparison with Hemlibra, in clinical studies, the control arm is generally the standard of care. What is mostly used is Hemlibra so we have to compare it to Hemlibra to see the results. The results will be presented this year so please wait for that.

Muraoka [M]: Okay, thank you.

Yamaguchi [Q]: I'm Yamaguchi from Citi. First question is something about tariffs once again to avoid confusion. You are selling to Roche so you don't have to pay tariffs, is my understanding correct?

Okuda [A]: Yamaguchi-san, thank you for your question. As has been said already, there is great uncertainty. Tariffs will be imposed on what? That itself is not known yet. That is another uncertainty, please understand.

Yamaguchi [Q]: I see. In relation to that, Actemra has double source Genentech and your own manufacturing site, so is it possible to transfer your manufacturing? Meaning that you don't have to pay tariffs, that's my understanding right now. Partially, that product is being manufactured in the United States, but that's Genentech so I don't know how goods are going to move around. You have a manufacturing site in the US, is that right?

Taniguchi [A]: This is Taniguchi speaking. Yes, it's true that due to factors including production capacity, the contract manufacturing has been done. Not just to Roche, but also CDMOs. What is the volume? What is the value? That's something we are not disclosing. Please understand.

Yamaguchi [Q]: Understood. Another one is about Hemlibra exports. Somebody else asked a similar question. Compared to the last year, there was a lot of fluctuation. Q1 was weak last year so that's why the growth rate seems very big this year, but then you are really selling to end users a lot, it seems. Is this expectation that there may be an upside on Hemlibra?

Taniguchi [A]: Taniguchi speaking, compared to Q1 last year, this year, yes, we see a great growth. Last year's Q1, towards the end of the previous year the wholesale chain in the United States, there was a kind of a holding. That's why there was a dip in Q1 last year. This year, there is a similar situation. But then, it's doing very well, especially in the international market. I do believe that this trend is going to continue for some time to come. I think that this is actually leading to a very strong performance of Hemlibra. Towards the end of this year, what will happen? I think it's too early to predict at this point in time after only Q1 being ended.

Yamaguchi [M]: Thank you very much.

Miyata [M]: Next, Macquarie Capital. Tony Ren, please.

Ren [Q]*: First question is also on hemophilia. Your NXT007 trials, you are running three trials, two against the standards of care. You mentioned already that Hemlibra is one of the standards of care so you are doing a trial against it and also a trial against Factor VIII. Just curious, have you decided to pick standard half-life Factor VIII or an extended half-life products such as ALTUVIIIO from Sanofi? That's on the trial design on NXT007.

Also, I just want to confirm if Hemlibra is losing market share in the US and Europe. Roche provided market share for Q4 of 2024, but today, they did not, a little bit surprising. I just want to see if Hemlibra is losing market share in US and Europe. If so, to which competitor product?

Also, if I could just slip in one more question is about your interaction with the FDA. There has been a lot of questions asked already about the tariffs, but we also know that there have been some changes at the US FDA to say the very least. Have you noticed any delay or disruption through your interaction with the US FDA? Thank you.

Kusano [A]: Thank you very much, Tony Ren-san. With regard to Hemlibra, NXT007 Phase III trial. Let me answer that question first. Generally speaking, which Factor VIII will be chosen has not been announced yet. Generally speaking, in Phase III study, you have to use a standard of care where the treatment has been established. That's the normal. In the ALTUVIIIO which has been launched just recently, we don't know what is going to happen to that. Head-to-head comparison with that kind of drug is rare. It is a normal to compare the trial product to the standard of care with established treatment. For the actual choice, I would like to announce later.

Taniguchi [A]: Hemlibra market share, Roche has not announced it yet. That's what we are aware of as well. With regard to background for that, we have yet to receive the information. We are not aware that Hemlibra has lost share suddenly so we'd like to wait for Roche to share with us some information. Kusano will answer your question about FDA.

Kusano [A]: There are some resources, human resources reduction and how are they having impact. The personnel reduction at FDA has been reported, and we are aware of that. At the moment, any negative impact, we haven't felt that yet. That's all. Thank you.

Miyata [M]: Thank you very much. Now, Hashiguchi-san from Daiwa Securities. Hashiguchi?

Hashiguchi [Q]: Thank you for this opportunity. The first question is about trading conditions with your partners. I understand that the transactions with Roche, when Roche's average selling price fluctuates, Chugai's export price also changes. When cost sharing of Roche changes, your royalty and also export business conditions may also be affected. Is that the contract that you have? In some European countries, there is a profit share scheme. In such countries, when the cost changes, I think the profit that's being shared may also change as well. What about in the United States? Do you also have such a clause or provision in the contract in the United States as well?

Taniguchi [A]: This is Taniguchi speaking. Thank you for your question. As you have pointed out, as for the export unit price, the weighted average price of each region is referred to determine the price for the next year. Then apart from that, details of the licensing agreement are not disclosed so please understand.

Hashiguchi [Q]: Thank you very much. Another one is Enspryng DMD Phase II trial is going to be started. Anti-IL-6 receptor antibody against DMD, how does it modify the disease or improve symptoms? What's your expectation in going ahead with this development?

Kusano [A]: Enspryng DMD indication Phase II trial had already started. Duchenne muscular dystrophy, pediatric patients may have osteoporosis, severe one or there may be a higher incidence of fracture according to some reports. DMD patients, the lumbar, the bone density is declined. If you look at bone absorption marker in the blood and the Interleukin value, It has been reported to show very high values. From this perspective, Enspryng anti-IL-6 antibody can have an effect. There are already reports showing improvement in bone density decline in rheumatoid arthritis patients with Actemra (tocilizumab), so Roche has now initiated Phase II trials aiming for fracture prevention or improvement of muscle atrophy.

Ueda [Q]: Ueda from Goldman Sachs Securities. I'd like to ask about NXT007. I understood that Phase III initiation has been determined at this time. In the previously conducted healthy volunteer part of the Phase I / II study, I believe some anti-drug antibodies were observed. Is it correct to understand that your company has determined that this does not affect efficacy? A head-to-head with Hemlibra, are you going to aim for superiority or non-inferiority? Which one are you going to aim for?

Kusano [A]: Thank you very much for your question, Ueda-san. In Phase I, the auto antibody, we are going to announce that, including that at the academic conference so please wait for that. In terms of non-inferiority or superiority in Phase III, I'm so sorry to say this, but with regard to details of the protocol, I cannot answer. The study is expected to initiate next year so by that time, we would like to disclose that. Thank you.

Ueda [Q]: I have one follow-up question. If there is a shift from Hemlibra to NXT007, the basic contract framework will stay the same as Hemlibra as well in terms of economic conditions?

Taniguchi [A]: Thank you for the question. Taniguchi speaking. As for economic terms and conditions, we are not in a position to disclose that. Thank you.

Miyata [M]: From Sanford C. Bernstein, Sogi-san, please.

Sogi [Q]: Thank you for this opportunity. I have some questions. First, about Roche. Yesterday or the day before yesterday, JPY50 billion investment in the United States. Okuda-san has already said that there are a lot of uncertainties there. As a possibility, I would like to ask you the following questions. This JPY50 billion is quite a big amount so I think the majority of that is going to go for the manufacturing site. When that is the case, your products, especially in the United States, your product may be manufactured by Roche in the United States. Could that be the case? For PiaSky, this is your original product. However, Roche is producing this product so this may impact your revenue model going forward. Is there such a possibility? That's something I'd like to learn.

The next one is about NXT007, head-to-head trial with Hemlibra. Is this based on the results of the discussion with FDA? Are you planning that as a pivotal trial? Roche CEO is now your board member. Roche CEO was not your board member in the past. Now, there has been a shift or a change. What is the background to that change?

Okuda [A]: Sogi-san, thank you very much for your questions. First, about the Trump reciprocal tariffs and in response, Roche announcing a large investment in the United States. What about the Chugai's manufacturing sites and whether Chugai products may be manufactured in the Roche manufacturing site in the US? That's the question. PiaSky, the manufacturing rights has been transferred to Roche so Roche makes a decision as to where this product is to be produced. As for other Chugai in-house products, we have the manufacturing

rights for these products. Where we are producing, it's on us to decide. As I have said, there are a lot of uncertainty, and certain factors so what kind of impact is going to be seen with what kind of direction and where. That's something we need to understand so that we, Chugai, will be able to decide where to manufacture our products. Of course, one of the options is to have contract manufacturing. In which country it's best to produce our products, that's something we need to consider going forward.

To answer your second question, I think I would like to ask Kusano.

Kusano [A]: Thank you very much, Sogi-san, for your question. About NXT007 Phase III trial, based on the discussions with FDA, is this going to be considered a pivotal trial? As for consultations with FDA because this is something to do with the strategy, I can't really disclose what kind of discussions took place. Having said that, generally speaking, this is a Phase III trial, whether you ask whether this is a pivotal trial or not, I would say, yes, this is a pivotal trial. Thank you.

Okuda [A]: To answer your third question, Sogi-san, I would like to answer your question. Roche, CEO, is now a member of the Board of Chugai. As you have pointed out, previously, Roche CEO was not a board member of Chugai. If you look at the past, Roche CEO was a board member in the past. Dr. Schinecker, who is Roche CEO, he has a lot of wide experience and knowledge as a pharmaceutical company manager. Also, he has a good decision-making ability based on science. Therefore, he is the right person to be a board member of Chugai. That's why he became a member of the Board.

Sogi [Q]: That means that you asked Dr. Schinecker to become a board member of Chugai. Is that the case?

Okuda [A]: We have three board members from Roche so please understand that there was a Roche wish that is at play.

Miyata [M]: Mr. Sakai from UBS Securities, please.

Sakai [Q]: Sakai from UBS Securities. Two questions. First, probably you will ask me to ask Eli Lilly. If you can give us some idea, that will be appreciated. Earlier this year, Novo Nordisk semaglutide oral drug application for approval or recommendation for that has been reported and weight loss effect was 15%. That was the data that seems to have been used. To you, was it a surprise or there had already been communication with Eli Lilly and you had expected this already that this could also be the result. Can you answer that question? After this news, your share price, I don't know if this is the only reason. The share price has dropped so some investors might be concerned.

Kusano [A]: Thank you for the question. Semaglutide application or filing has been reported to have been made so we are aware of that news. But we cannot tell whether we have conducted any communication with Eli Lilly. As you said, please ask Eli Lilly for that. Thank you.

Sakai [Q]: Then the last question, I don't want to keep asking about tariff, but if you consider tariff issue, where the profit will be incurred. Of course, where you manufacture products is important. If you're talking about drugs, who is holding IP in which country will become important. In your case, your US subsidiary could have an IP of one product and then the profit will be incurred there. Of course, this depends on the nature of the products. Is that kind of thought process working? I think this was slightly referred to by Roche in today's materials as well so can you give us your thoughts?

Taniguchi [A]: Taniguchi speaking. IP could be transferred to various parts of the world. I think that was what was discussed in 1990s in pharmaceutical companies. In order to reach any conclusion, there's large shortage of information so things will be clearer. Once the information is enough, then we can act, but there is too little information to determine that at the moment. Thank you.

Miyata [M]: Thank you very much so we have gone over the time. I would like to have this question as the last question. Narita-san from Nikkan Yakugyo.

Narita [Q]: Totally different topic. About the pipeline exclusion, about Avastin, I think the development has been terminated. What is the background? What is the reason for the discontinuation of the development of Avastin?

Kusano [A]: Narita-san, thank you very much for your question. Regarding clinical trial for Avastin in combination with Tecentriq for non-small cell lung cancer, we had some interim analysis being done, and after examining whether there was a possibility of extending PFS and OS in the future, unfortunately, the results indicated that the additional positive effect of Avastin would not be observed. That's why we decided to discontinue the development of this project at this point in time.

Narita [M]: Thank you very much.

Miyata [M]: Thank you. With this, we conclude the Q&A session. With this, we conclude financial results presentation for Q1 2025. Due to the time limitation, we may not have been able to answer all of the questions so please send in those questions to Corporate Communications or IR department. We have the contact numbers at the back of the presentation material. We have those links provided as appendix to introduce our strategic alliance with Roche as well as our R&D activities.

Once again, thank you very much for taking time out of your very busy schedule to attend this.

[END]

_____

Document Notes

1. *Portions of the document where the audio is unclear are marked with [inaudible].*
2. *Portions of the document where the audio is obscured by technical difficulty are marked with [TD].*

3. *Speaker speech is classified based on whether it [Q] asks a question to the Company, [A] provides an answer from the Company, or [M] neither asks nor answers a question.*
4. *This document has been transcribed based on interpreted audio provided by the Company.*

Disclaimer

SCRIPTS Asia reserves the right to edit or modify, at its sole discretion and at any time, the contents of this document and any related materials, and in such case SCRIPTS Asia shall have no obligation to provide notification of such edits or modifications to any party. This event transcript is based on sources SCRIPTS Asia believes to be reliable, but the accuracy of this transcript is not guaranteed by us and this transcript does not purport to be a complete or error-free statement or summary of the available data. Accordingly, SCRIPTS Asia does not warrant, endorse or guarantee the completeness, accuracy, integrity, or timeliness of the information contained in this event transcript. This event transcript is published solely for information purposes, and is not to be construed as financial or other advice or as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal.

In the public meetings and conference calls upon which SCRIPTS Asia's event transcripts are based, companies may make projections or other forward-looking statements regarding a variety of matters. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the applicable company's most recent public securities filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are accurate and reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the anticipated outcome described in any forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE PUBLIC MEETING OR CONFERENCE CALL. ALTHOUGH SCRIPTS ASIA ENDEAVORS TO PROVIDE ACCURATE TRANSCRIPTIONS, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE TRANSCRIPTIONS. IN NO WAY DOES SCRIPTS ASIA OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BY ANY PARTY BASED UPON ANY EVENT TRANSCRIPT OR OTHER CONTENT PROVIDED BY SCRIPTS ASIA. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S PUBLIC SECURITIES FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS. THIS EVENT TRANSCRIPT IS PROVIDED ON AN "AS IS" BASIS. SCRIPTS ASIA DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, AND ACCURACY, COMPLETENESS, AND NON-INFRINGEMENT.

The content of this document may be edited or revised by SCRIPTS Asia at any time without notice.