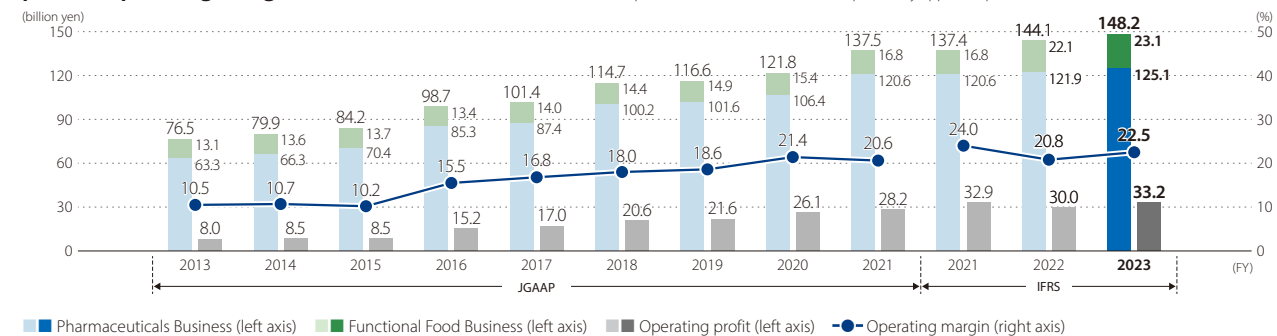


Financial and Non-Financial Highlights

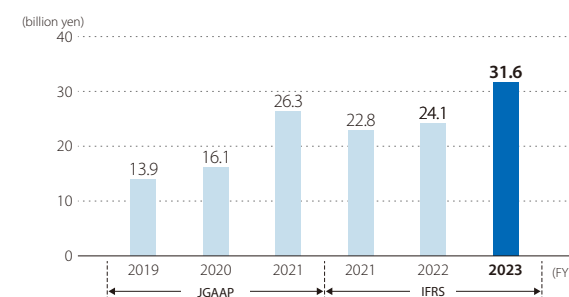
Financial highlights

Net sales & Revenue / Operating income & Operating profit / Operating margin



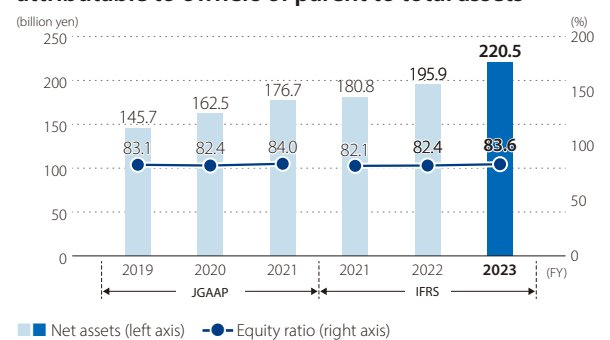
In FY2023, revenue stood at ¥148,255 million (up 2.8% year on year). Operating profit was ¥33,295 million (up 10.8% year on year) due to higher revenue and a lower cost of sales in the composition of sales. The operating profit margin was 22.5%. In the Pharmaceuticals Business, sales of leading products, such as Uptravi and Viletpso, and royalty revenues from overseas sales of Uptravi contributed to the results. In the Functional Food Business, sales of supplements and protein preparations increased.

R&D expenses



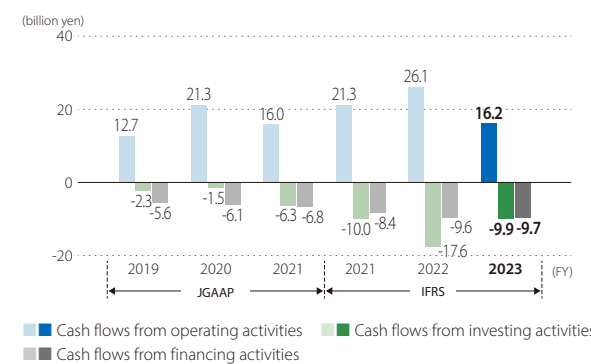
In FY2023, investment expenses rose due to an increase in contract research expenses (for nucleic acid drugs). In line with its global development, Nippon Shinyaku intends to expand the development pipeline in its focus disease areas based on the R&D approaches of in-house drug discovery, in-licensing, and product life cycle management (PLCM), and it aims to launch an average of at least two new products per year.

Net assets & Total equity / Equity ratio & Ratio of equity attributable to owners of parent to total assets



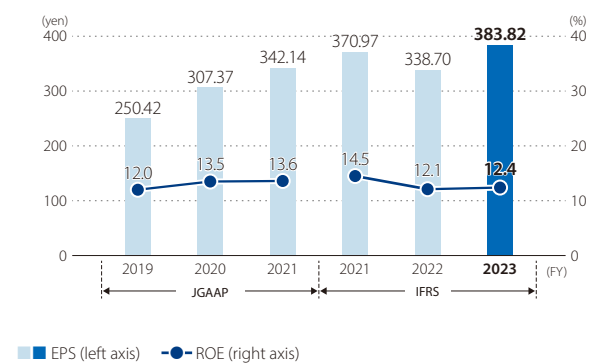
Total equity amounted to ¥220,534 million, an increase of ¥24,600 million year on year. Total assets stood at ¥263,404 million, and equity attributable to owners of parent amounted to 83.6%.

Cash flows from operating activities / Cash flows from investing activities / Cash flows from financing activities



Net cash provided by operating activities stood at ¥16,289 million. The main components included profit before tax of ¥33,616 million in cash inflows and income taxes paid of ¥11,744 million in cash outflows. Net cash used by investing activities stood at ¥9,921 million, mainly due to purchases of property, plant, and equipment and intangible assets. Net cash used in financing activities stood at ¥9,719 million, mainly due to dividends paid. As a result, cash and cash equivalents at the end of the period totaled ¥58,094 million.

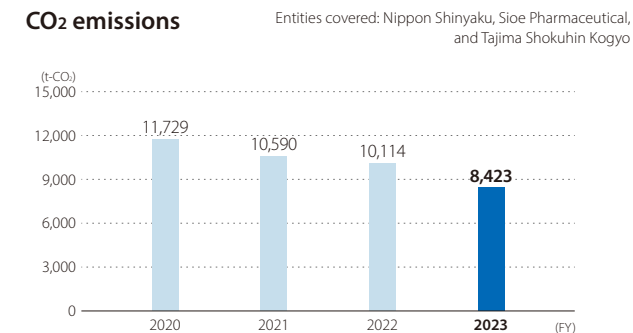
EPS & Basic earnings per share / ROE & Return on equity attributable to owners of parent



Profit attributable to owners of parent amounted to ¥25,851 million, up 13.3% year on year, with EPS at ¥383.82. ROE stood at 12.4%. The Company had been aiming for ROE of 10% or more throughout the term of the 6th Five-Year Medium-Term Management Plan, and it exceeded this target.

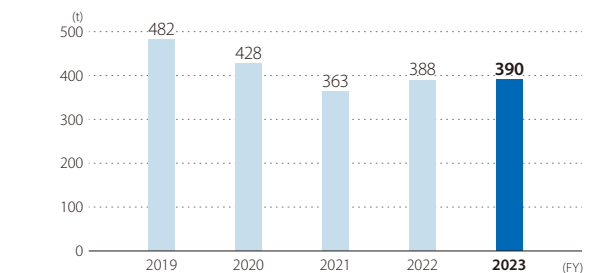
Non-financial highlights

CO₂ emissions



Nippon Shinyaku has been reducing CO₂ emissions by switching to electricity derived from renewable energy sources and introducing hybrid vehicles into its corporate fleet. In FY2024, we are taking Group-wide initiatives in line with the formulation of the Nippon Shinyaku Group's Basic Environmental Policy.

Waste substances generated



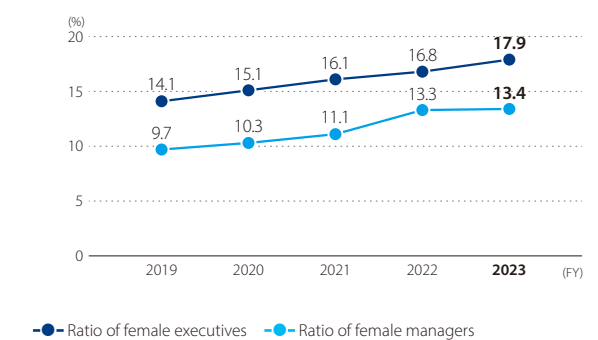
Waste substances generated in 2023 increased by 2 tons year on year, mainly due to the start of full-scale operation of the building for highly active solid formulations within the Odawara Central Factory. Nippon Shinyaku will continue to promote waste reduction efforts by reviewing its waste generation processes while promoting proper disposal of waste.

Number of employees (consolidated) / Employee turnover



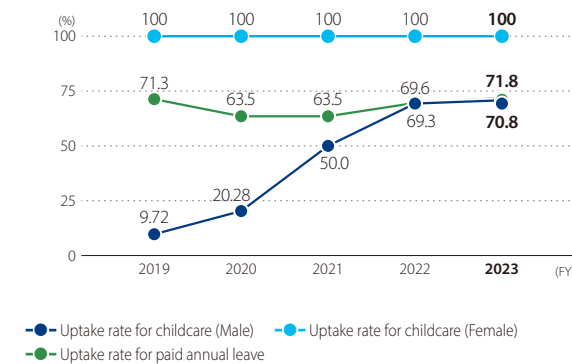
Nippon Shinyaku has kept employee turnover due to personal reasons and early retirement low in the 1% range by ensuring that employees have a deep understanding of its Business Philosophy and of its Code of Conduct established in FY2022, as well as by promoting the establishment of a supportive working environment. Also, in order to expand its business and speed up its operations, the Company aims to maximize the potential of each individual and become an individualistic organization with a high-level cadre while proactively recruiting both new graduates and mid-career professionals.

Ratio of female executives / Female managers



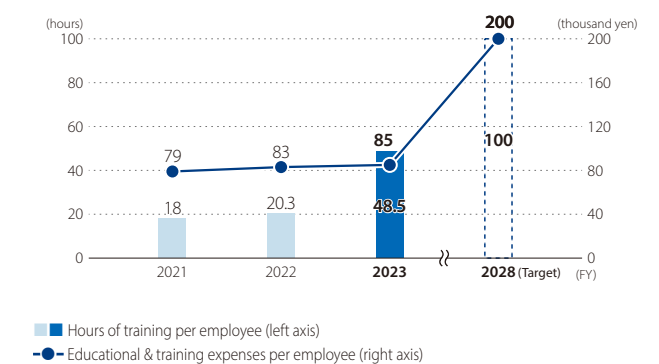
Nippon Shinyaku believes that developing a workplace environment in which people can utilize their diverse individuality is essential so that the Company can achieve sustainable growth and to exhibit our presence to society. In FY2024, the Company will further strengthen its efforts to grow by drawing on the perspectives of a diverse workforce, including women, through such initiatives as formulating a DE&I statement and revising its Code of Conduct in line with the Act on the Promotion of Women's Active Engagement in Professional Life and the Act on Advancement of Measures to Support Raising Next-Generation Children.

Uptake rate for childcare leave / Paid annual leave



The male uptake rate for childcare leave reached 70.8% in FY2023, as a result of creating a workplace environment in which male employees can easily take childcare leave by providing paid leave for a portion of childcare leave (up to 14 days total paid leave when taking childcare leave for five consecutive business days or more). To continue increasing the uptake rate, the Company is taking such measures as promoting employees' understanding of the childcare leave system and sharing the experiences of employees who have taken childcare leave. The Company is also encouraging employees to use their days of annual paid leave.

Hours of training per employee / Educational & training expenses per employee



Based on the idea that unique products are the product of unique people, Nippon Shinyaku respects diversity and provides opportunities for individuals to take on challenges and grow in a positive manner. The Company has a target of 100 hours of training per employee and 200,000 yen of educational and training expenses per employee by FY2028 and is taking steps to promote human capital management in which each and every employee can grow and diverse human resources can play an active role.