At a Glance

Nippon Shinyaku by the Numbers

* Figures for FY2024 or as of March 31, 2025

Revenue
¥160.2billion
Increase of 8.1% year on year

Operating profit
¥35.4billion
Increase of 6.5% year on year

Profit attributable to owners of parent
¥32.5billion
Increase of 25.9% year on year

EPS
¥483.40
Increase of 25.9% year on year

ROE
13.9%
Increase of 1.5 pt year on year

ROIC
17.0%
Increase of 1.0 pt year on year

R&D expenses
¥34.3billion
Increase of 8.4% year on year

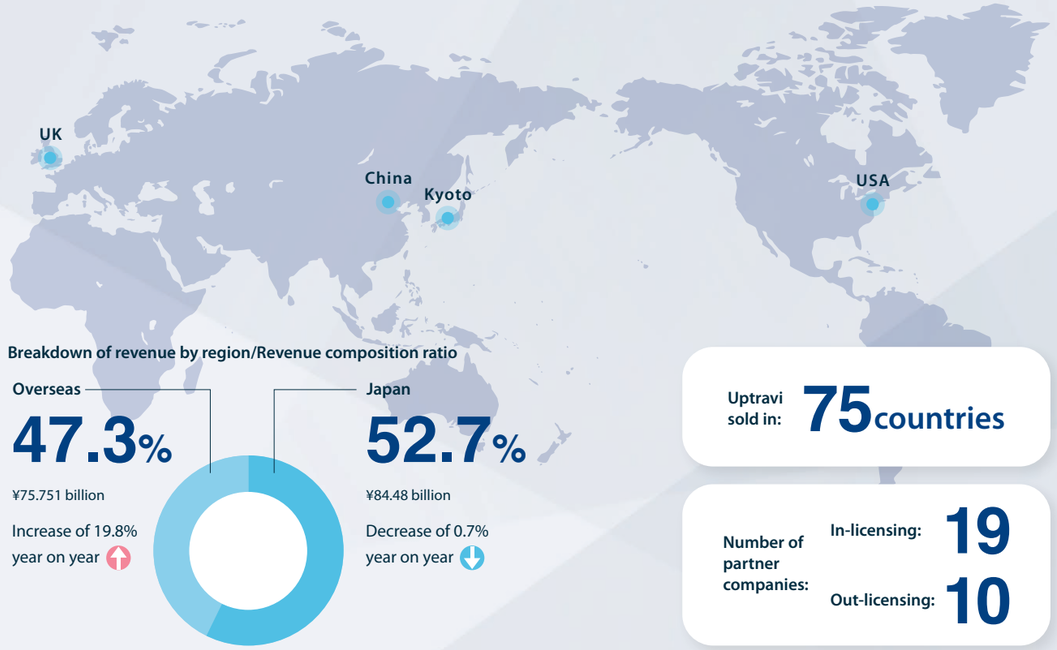
Capital investment
¥31.0billion
Increase of 88.8% year on year

Prescription medicine pipelines
26
Increase of 1 year on year

DX promotion human resources
787

CO_2 emissions (Scopes 1 & 2)
-26.4%
(from the FY2020 benchmark)

CO_2 emissions (Scope 3)
+26.8%
(from the FY2020 benchmark)



Breakdown of revenue by region/Revenue composition ratio

Overseas
47.3%
¥75.751 billion
Increase of 19.8% year on year

Japan
52.7%
¥84.48 billion
Decrease of 0.7% year on year

Uptravi sold in: 75countries

Number of partner companies:
In-licensing: **19**
Out-licensing: **10**

Number of employees (consolidated)
2,243
Increase of 30 year on year

Engagement survey positive response rate
68%
Decrease of 2 pt year on year

Ranking among Nihon Keizai Shimbun "Top 100 Platinum Companies"
8th

Uptake rate for childcare leave (male)
76.2%
Increase of 5.4 pt year on year

Percentage of female managers
14.4%
Increase of 1.0 pt year on year

Gender pay gap
81.0%
Increase of 2.2 pt year on year

External evaluation of human resources and DX

- "White 500" Health & Productivity Management Outstanding Organization
- "Kurumin" certification
- "Eruboshi" certification
- Digital Transformation Certification

At a Glance Business Overview

Nippon Shinyaku's two businesses—Pharmaceuticals and Functional Food—are supported by our self-developed drug discovery capacity, and through them, we help improve quality of life for people around the world and contribute to realizing a sustainable society. In our Pharmaceuticals Business, we aim to swiftly deliver distinctive, high-quality products. In our Functional Food Business, we provide high-value-added products that help people lead healthier, happier lives.

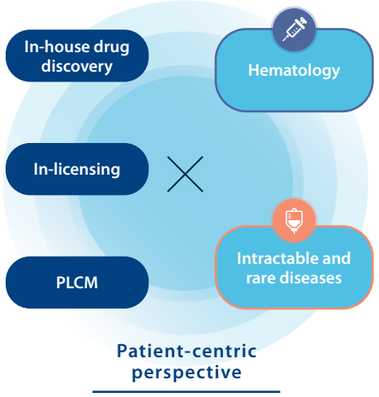
Revenue by segment/ Revenue ratio

Pharmaceuticals
¥138.6 billion
Increase of 10.8% year on year
86.5%

Functional Food
¥21.5 billion
Decrease of 6.8% year on year
13.5%

Pharmaceuticals Business

In our Pharmaceuticals Business, we focus on hematology and intractable and rare diseases, and deploy three approaches to help people lead healthier, happier lives.



• Revenue from main products

Viltepso® for Duchenne muscular dystrophy
¥21.7billion

Uptravi® for pulmonary arterial hypertension and chronic thromboembolic pulmonary hypertension
¥14.9billion

Vyxeos® for high-risk acute myeloid leukemia
¥5.1billion

Defitelio® for sinusoidal obstruction syndrome
¥2.3billion

Hematology
Products on market (approval year)

Cylocide®	Trisenox®	Amnolake®	Vidaza®	Gazyva®	Defitelio®	Vyxeos®	Jaypirca®
1971	2004	2005	2011	2018	2019	2024	2024

Development pipeline

- NS-917
- LY3527727
- NS-401 (Japan) > P.40

Phase1 → Phase2 → Phase3 → Application filed

Intractable and rare diseases
Products on market (approval year)

Uptravi®	Viltepso®	Fintepla®	Yuvanci®	Uptravi® for children
2016	2020	2022	2024	2024

Development pipeline

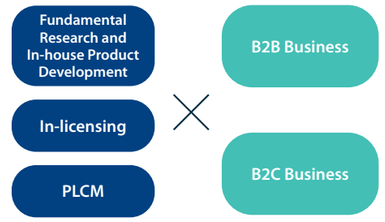
- NS-050/NCNP-03
- ATSN-101
- RGX-111
- NS-089/NCNP-02
- NS-229
- NS-065/NCNP-01
- CAP-1002
- GA101
- ZX008
- CAP-1002 (U.S.)
- RGX-121 (U.S.)

Phase1 → Phase2 → Phase3 → Application filed

Producer/seller: Nippon Shinyaku | Producer/seller: Other

Functional Food Business

Since we are a pharmaceutical company, our Functional Food Business contributes to establishing a sustainable society through dietary education activities and by resolving social issues pertaining to health promotion and food safety and security.



B2B Business

For B2B Business, we develop products aiming to promote health and prolong healthy lives, and products that reduce food loss and otherwise contribute to realizing a sustainable society.


Health food ingredients


Preservatives


Protein preparations

B2C Business

For B2C Business, we market products in two areas—Sports Supplements and Aging Care Supplements—as supplements made by a prescription medicine manufacturer.

Major Supplement Products

Message from the President

TORU NAKAI

Representative Director, President

Creating new value through distinct innovation to continue on the path to becoming a global healthcare company

Nippon Shinyaku aims to provide the value society needs through two businesses—Pharmaceuticals and Functional Food—under a business philosophy of "Helping People Lead Healthier, Happier Lives." While honoring this philosophy, we will continue to respond flexibly to ever-changing circumstances and remain worthy of the trust and expectations of our stakeholders through distinctive, high-quality products and services only Nippon Shinyaku can offer.

Our mission: To meet unmet medical needs

Nippon Shinyaku endeavors to create new value in an effort to realize a society where patients and their families can be happy, an objective consistent with the spirit of founder Hisomu Ichinose, who originally set out to "making Japanese medicines with Japanese hands."

Despite the vast number of new drugs in the modern world, we still lack effective treatments for many diseases. Treatment options are particularly scarce for intractable and rare diseases, which lack market potential because they afflict so few people. However, we have strategically identified business potential for these types of diseases with high unmet medical needs, and are proactively working to develop new therapeutic technologies for them.

With an adventurous spirit rooted in our origin of Kyoto—where tradition coexists with innovation—we consider our mission to be continuously exploring the frontiers of medicine as long as needs exist, no matter how small the number of patients. Therefore, our identity is rooted in our fervent desire to deliver new value with our own hands.

Three strengths underpinning our originality

Since our establishment in 1919, we have strived to create distinctive products as a new drug manufacturer. In the process, we have developed three strengths.

The first is our in-house drug discovery infrastructure. For more than 30 years, we have devoted energy to researching nucleic acid drugs. One outcome of these efforts is Viltepso, a treatment we developed for Duchenne muscular dystrophy (DMD) and launched in 2020.

It was the first nucleic acid drug developed by a Japanese company, and has contributed substantially to treating DMD. We have also developed and established a track record for many small molecule drugs, including Uptravi, a treatment for pulmonary arterial hypertension and chronic thromboembolic pulmonary hypertension. In the near future, we will combine AI drug discovery with our drug discovery infrastructure to explore new modalities in drug discovery—for example, nucleic acid-small molecule complex drugs based on a fusion of nucleic acid drug and small molecule drug technology, and gene therapy—in an effort to further enhance our development pipeline through three approaches: in-house

drug discovery, in-licensing, and Product Life Cycle Management (PLCM).

The second strength is field specialization. To date, the energy we have devoted to specific fields—namely hematology, intractable and rare diseases, urology, and gynecology—has helped us further our knowledge of diseases and build trust with healthcare professionals. The expertise we have developed has led us to in-licensing opportunities and helped us expand our pipeline. In hematology, we believe our experience developing Cylocide, Vidaza, and other treatments and track record selling multiple products have impressed licensees with our capabilities and led to contracts.

Additionally, we have established a formidable presence in the field of pulmonary arterial hypertension (PAH), having developed and marketed Uptravi, a prostacyclin receptor agonist, as well as selling Adcirca, a PDE5 inhibitor, and co-promoting Opsumit, an endothelin receptor antagonist. We could not have accomplished these things without intimately understanding the diseases and patients' needs. Our persistent pursuit of knowledge in specific fields is a significant strength not only in product development, but also in information provision activities. The trusting relationships we have established with healthcare professionals help us provide information and propose solutions with greater speed and allow us to consistently demonstrate our strengths from product development to sales.

The third strength is integrated team capabilities that transcend departments. the firmly rooted venturous spirit dating back to our founding, each and every one of our employees is committed to delivering the products that patients need. This attitude engenders collaboration across departments and underpins teamwork throughout the organization. When people with different perspectives and expertise work together, we can develop innovative new products that give markets exactly what they need and strengthen our sales capabilities. Also, the fact that many of our departments involved in product development are based in Kyoto greatly expedites our decision-making, one of the reasons for our dominance in the industry. I always tell our employees that we want to be an organization where everyone can say what they think. We want this because we truly want to deliver our distinctive products to as many people as soon as possible. Having shared goals as well as team capabilities and active communication based on total teamwork is the driving force behind all processes, from product development to manufacturing and sales.

Charging ahead to Vision for 2035 with everyone on the same page

To date, we have leveraged the Company's strengths to achieve steady growth while providing the valuable products and services needed by patients suffering from illnesses, and their families.

Based on our history, we re-examined what kind of company we are aiming to be over the long term, and set out our Vision for 2035: to be a global healthcare company from Kyoto creating various types of new ways of life for each person around the world. Our vision incorporates both our intent to continue honoring the philosophy dating back to the founding of Nippon Shinyaku, and the course we believe we should take for the future.

Our head office is located in Kyoto, an attractive city with a distinctive atmosphere and culture, and home to many world-class companies. Few new drug manufacturers would choose to locate their headquarters in Kyoto as we have; we believe this is one of many things that set us apart from our competitors. While continuing to honor our founder's intent to contribute to people's health by developing pharmaceuticals in Japan, we aim to achieve growth under our own power and gain worldwide recognition as a great global company from Kyoto.

We are holding town hall-style meetings—small gatherings of directors and employees—in an effort to develop a shared understanding of Vision for 2035 throughout the Company. Focusing on the 7th Five-Year Medium-Term Management Plan as the main topic, the directors provide background for the Company's plans and strategies and answer employees' questions, resulting in two-way communication. Participants have indicated that these meetings gave them a clearer picture of the Company's vision. We will continue to engage in efforts like these to get everyone on board with the Company's strategies so that we are an organization in which everyone can take action with a proper understanding of their role.

Definite progress toward achieving growth beyond the patent cliff

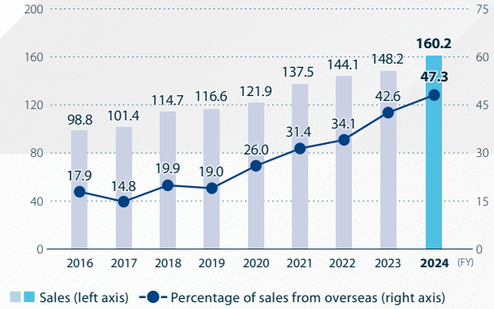
We formulated the 7th Five-Year Medium-Term Management Plan to map out the steps to take from FY2024 to FY2028 to realize Vision for 2035 and achieve sustainable growth. The main challenge is overcoming the Uptravi patent cliff in FY2028 and ensuring growth beyond that point.

In FY2024, the first year of the plan, in the hematology field of the domestic pharmaceuticals business, we launched Vyxeos, a treatment for high-risk acute myeloid leukemia, and Jaypirca, a treatment for mantle cell lymphoma.

In the pulmonary hypertension field, we began co-promoting Yuvanci and obtained a pediatric indication for Uptravi, releasing a pediatric formulation accordingly. The expansion of these new product lines boosted overall performance, making FY2024 a start far better than envisioned. Our expectations were exceeded globally as well, with royalty revenue from Uptravi and U.S. sales of Viltepso stronger than projected. As a result, the Group's revenue for FY2024 increased by 8.1% year-on-year to 160,232 million yen.

Operating profit increased by 6.5% year-on-year to 35,450 million yen, helping us achieve record highs in both sales and profit for the second consecutive year.

Sales and percentage of sales from overseas



In terms of expanding our product development pipeline, we successfully licensed ATSN-101, a gene therapy drug for inherited retinal dystrophy, from Atsena Therapeutics, Inc. and RGX-121 and RGX-111, gene therapy drugs for the expected indications of mucopolysaccharidosis type II and type I, from REGENXBIO Inc.

We also entered an option agreement with AB2 Bio Ltd. for Tadekinig alfa, a promising treatment for NLRC4 disorder and XIAP deficiency. We consider these to be substantial accomplishments in pursuit of achieving the two key tasks in the 7th Five-Year Medium-Term Management Plan: cultivating growth drivers to replace Uptravi and continuous pipeline expansion. Looking ahead, we will strive to expedite the market penetration of the products we released in FY2024 in addition to preparing to market in-licensed products to steadily cultivate pillars of growth to succeed Uptravi.

We must also nurture as many potential growth drivers for the future among our in-house drugs. I consider research and development to be a task to tackle Companywide, and to work toward that end with a sense of urgency, I have attended meetings to discuss the progress of overseas development projects and spoken directly with relevant executives on many occasions. I am also promoting several other initiatives, for example establishing a department dedicated to clinical development around the world in April 2025.

Additionally, we are accelerating DX and our use of AI in research and development activities in an effort to streamline our nucleic acid drug discovery process through AI. In other areas as well, we are promoting efforts to improve productivity Companywide, and our Digital Transformation Promotion Committee is managing the progress of those efforts. We are also promoting DX in our Functional Food Business to reduce food loss, and are currently building a platform to promote the use of preservatives that extend the shelf life of food products.

Target: Overseas sales accounting for 50% of overall sales

We are proactively promoting global expansion with the aim of increasing the overseas component of overall sales to 50%. In the U.S., Group company NS Pharma fulfills a central role, promoting sales of DMD treatment Viltepso and continuously providing information to medical institutions and specialists throughout the country. These efforts have borne fruit; overseas sales in FY2024 were 75.7 billion yen, 47.3% of overall sales and well on the way to achieving the target of 50%.

As of now, NS-089, NS-050, and other drugs we developed are in clinical trials in the U.S. We are also looking beyond Nippon Shinyaku drugs, using in-licensing to strengthen our product lineup in an effort to improve our competitiveness in the global market. CAP-1002 is comprised of human allogenic cardiosphere derived cells in-licensed from Capricor Therapeutics Inc., has demonstrated potential efficacy in upper limb and cardiac function in clinical trials in patients with DMD. RGX-121 is the first gene therapy drug for mucopolysaccharidosis type II, and is currently under review by the FDA. We will further accelerate our preparations to expand in the U.S. market.

In China, Tianjin Nippon Shinyaku Co., Ltd., a Group company based in the city of Tianjin, imports and sells our products. The plan is to expand into the Chinese market with Nippon Shinyaku drugs and in-licensed drugs from overseas as we have in the U.S. Additionally, to expand into the European market, we are considering the establishment of a new local subsidiary and moving forward with preparations to build a marketing system. We will continue efforts to enhance our product lineup and expand sales areas with the aim of further accelerating our global expansion.

Empowering employees to tackle challenges to become an organization where people grow together

In our view, human resources are the strongest driving force for implementing the strategies described here and realizing sustainable growth. Under the key concepts of becoming a "company of choice" that fosters "employees companies choose," we are developing systems and environments that enable a diverse range of human resources to flourish. We expect our employees to continuously and proactively tackle challenges without fearing change or failure, and we aim to be a company that can accommodate employees who are committed to this kind of self-development. I, myself, realized the importance of taking action on my own when I decided to study abroad in my mid-thirties and eventually did with the support of my supervisor and others around me.

I was also stationed at NS Pharma and helped them set up the local organization for selling DMD treatment Viltepso, the Group's first sales effort in the U.S. During interviews for hiring local employees, I was often asked to explain which diseases we were targeting and the social significance of our products, and I was impressed that so many people decided to join the Company because our aspirations resonated with them. The fact that these people from a different country shared our desire to deliver products for patients reminded me of the importance of everyone being on the same page. These experiences highlight the importance of building relationships with every employee in which we share each other's thoughts and grow together, in addition to acquiring global human resources and developing people who will lead us through changes. Toward this end, we will maintain dialogue with our employees, conduct engagement surveys, and take other steps to build a better organization through mutual connections between the Company and our employees.

Creating various types of new "ways of life" for each person around the world

Achieving patient-centric value creation

Our corporate activities to deliver the products patients need are of great significance to society. To sustainably increase our social value in the future, we will continue to conduct our business activities with our minds on the concept of patient-centricity, in which the patient is always the focus of attention. We need to find the answers to important questions at each stage of research and development. For example, in the exploratory stage, we must ask whether our efforts will result in drugs that patients truly want. In the development stage, we must ask if our system is set up to facilitate patient cooperation. When considering aspects such as dosage form, we must ask if there are any more convenient forms of delivery. If we proceed with development without this information, our new drugs may not meet patients' expectations.

Also, if our failure to provide proper information after launching products prevents healthcare professionals from understanding them, it may take longer for the products to reach patients. This way of thinking is not limited to our research and development and sales and marketing divisions; it is the starting point for new initiatives in all of our departments, including production. Consequently, every one of us must incorporate the concept of patient-centricity into our goals and actions to guide our daily work and decisions and motivate us to change our behavior, and keep challenging ourselves. In my view, understanding that patients are waiting for us to deliver is the first step toward self-improvement.

In February 2025, we donated picture books and funds for opening Ronald McDonald House Kyoto (Kyoto House), a residential facility for children with illnesses and their families. We also wanted to send picture books to the other 12 Ronald McDonald Houses across Japan, and when we announced our plans internally, many employees indicated their willingness to participate. I was very happy to see that our activities inspired so many employees to act on their desire to do something for patients. Looking ahead, we will continue to promote and institutionalize the concept of patient-centricity as part of our corporate culture so that all of our employees can maintain their desire to serve patients.

Pursuing a future only possible with Nippon Shinyaku

Upon assuming office as president, I made three commitments. I committed to (1) continuing to launch an average of at least one distinctive new product per year, (2) increasing the overseas component of overall sales to at least 50%, and (3) more than doubling both sales and operating income. By fulfilling these commitments, I intend to build a solid foundation for growing into a company with sales of 300 billion yen or even 500 billion yen. Also, given that we appeared to be ready to craft a vision for the future beyond these commitments, I announced Vision for 2035 when we formulated our 7th Five-Year Mid-Term Management Plan in 2024.

Our vision is to be a global healthcare company, and as such, it is more important than ever to expand into overseas markets for further growth in the future. In addition to the U.S. and China, we will deploy and proactively promote our business development policy in Europe as soon as possible. Regarding our management system, we changed the directors in charge of R&D and sales at the end of June 2025 to bring in new perspectives and energy with the aim of ensuring that we can respond more quickly and flexibly to rapidly changing circumstances.

Given our progress under the 7th Five-Year Medium-Term Management Plan to date, we feel that we are advancing toward realizing Vision for 2035, one step at a time. We aim to achieve further growth as a company by delivering new value to society, specifically by daring to take on the challenges of diseases for which treatment needs are unmet, creating distinctive products only we can create, and shaping a future only possible with Nippon Shinyaku.

I sincerely ask all stakeholders for their continued understanding and support for Nippon Shinyaku.

Expanding global development


NS Pharma

In our 7th Five-Year Medium-Term Management Plan, we identified "expanding global development" as a key theme. Accordingly, we aim to increase the overseas component of overall sales to at least 50% by FY2030. In addition to overseas expansion of Viltepso, a Duchenne Muscular Dystrophy (DMD) treatment that we developed, we will strengthen our systems to deliver innovative medicines to patients around the world by in-licensing new drugs in collaboration with partner companies, thereby helping people lead healthier, happier lives.

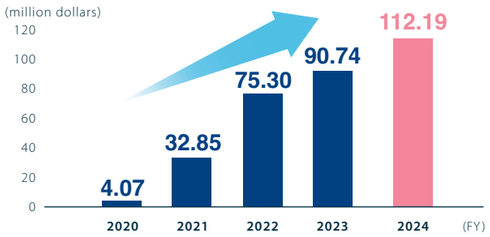
Global business strategy

The Nippon Shinyaku Group is promoting the global development of Viltepso as its main product. Viltepso is a nucleic acid drug we discovered and developed to treat DMD by skipping exon 53 of the dystrophin gene, and we launched it in Japan and the U.S. in 2020. We are also developing other DMD treatments overseas, for example NS-089 and NS-050, which skip exons 44 and 50, respectively, of the dystrophin gene.

In January 2025, we acquired exclusive sales rights for RGX-121 and RGX-111 in the U.S. from REGENXBIO Inc. We also acquired exclusive development and sales rights for the drugs in Japan and the rest of Asia. RGX-121 is the first gene therapy drug for mucopolysaccharidosis type II, and is currently under review by the FDA. Following approval, our U.S. subsidiary NS Pharma is scheduled to carry out sales and marketing for RGX-121 in the U.S.

Also, CAP-1002, in-licensed from Capricor Therapeutics Inc. in the U.S., is comprised of human allogenic cardiosphere derived cells. The exosomes secreted by this product are believed to promote reductions in oxidative stress, inflammation, and fibrosis, thereby improving motor and cardiac function. In a Phase II study (HOPE-2 trial) conducted in the U.S., CAP-1002 also suggested efficacy for upper limb and cardiac function primarily in people with DMD who cannot walk, and it is expected to demonstrate effects regardless of gene mutation type. With respect to this product, Capricor Therapeutics Inc. is proceeding with the regulatory process toward U.S. approval, while NS Pharma is preparing for commercialization. We have also taken other steps to expand our product lineup worldwide, including entering an exclusive licensing agreement with American gene therapy company Atsena Therapeutics, Inc. for ATSN-101, a therapy for inherited retinal dystrophy, in Japan and the U.S., and an option agreement with Swiss biotech company AB2 Bio Ltd. for Tadekinig alfa, a treatment for hereditary autoinflammatory diseases.

Sales from Viltepso in the U.S.



Establishing a global system

We are aiming to expand our marketing system to equip us to supply our lineup of pharmaceutical products to the world. We have already established marketing systems in the U.S. and China, and are currently considering establishing one in Europe to expand our sales area. Through these efforts, we aim to deliver our pharmaceuticals directly to as many patients as possible.

To expand in Europe, we must strengthen our reliability assurance system and establish a global system for supplying products. We are also looking into establishing an ultra-cold chain and other components of an international distribution and management system in addition to systems to comply with regulations in each country.

Additionally, we aim to facilitate global expansion by ensuring close coordination between our head office in Kyoto and Group companies overseas in research, clinical development, manufacturing, supply chain management, reliability assurance, sales, and other functions.

YUKITERU SUGIYAMA
President, NS Pharma, Inc.

NS Pharma creates new ways of life by delivering better treatments as soon as possible

NS Pharma is the Nippon Shinyaku Group's base of operations in the U.S. and plays a central role in global clinical development, business development, and exploring potential in research in collaboration with our head office. In 2020, following the approval of Viltepso in the U.S., NS Pharma established its own marketing system and expanded its marketing activities.

RGX-121, the first Nippon Shinyaku Group gene therapy drug, and the cell therapy product CAP-1002, are expected to be approved in the U.S. in the near future. Accordingly, we are strengthening our organizational structure as we expand our product lineup.

We are preparing for the launch of these new product lines by leveraging our experience and strength in building and launching our own marketing system for Viltepso from scratch while furthering our relationships with our partners. We will contribute to the further growth of the Nippon Shinyaku Group by delivering these drugs to as many patients as possible as soon as possible.

Origin of Nippon Shinyaku

The foundation of Nippon Shinyaku's growth, formed by Kyoto's atmosphere and culture

Changing the world from a city where tradition coexists with innovation

Nippon Shinyaku has researched and developed pharmaceuticals with the unchanging aspiration to contribute to people's health.
This attitude stems from our founding spirit, which still occupies the core of our management and serves as the source of our value creation.
The Company was founded in Kyoto, a city where tradition coexists with innovation.
The attributes of Kyoto helped us cultivate a pioneering spirit and creativity, and fundamentally support our sustainable growth.

Making Japanese medicine with Japanese hands

In 1911, Hisomu Ichinose founded Kyoto Shinyakudo, the predecessor of Nippon Shinyaku, just south of Sanjo in the Furukawa-cho district of the Higashiyama ward (Shimogyo ward, at the time) of Kyoto.

At first, Ichinose rented a small space in Oda Jinendo Pharmacy. Kyoto Shinyakudo tackled the challenge of making medicines from scratch and laid the foundation of Nippon Shinyaku-style manufacturing.

The company's name reflected Ichinose's desire to "make Japanese medicine with Japanese hands"; "Shinyaku" means "new medicine."

The company's development of Santonin, the first vermicide for roundworm produced in Japan, symbolized this desire. Although roundworm was prevalent in Japan at the time, the only treatment option was imported drugs, which were quite expensive. After working for 15 years to improve on these circumstances —from growing the plants used to make the drug to devising the manufacturing process—Ichinose finally succeeded at bringing Santonin production to Japan. The launch of Santonin contributed substantially to the health of people in Japan.

Hisomu Ichinose, Founder

Corporate culture conducive to pioneering and originality

Our corporate culture centered on pioneering and originality is rooted in the spiritual climate of Kyoto. Each and every employee refines their expertise, naturally forming a culture in which everyone is committed to creating distinctive pharmaceuticals.

The Company has inherited Ichinose's venturous spirit, tackling the challenge of discovering and mastering the latest technology without fear of failure and subsequently creating the new pharmaceuticals patients and their families need.

We continue to proactively develop new drugs, even for intractable and rare diseases. This attitude is both the origin and the driving force of Nippon Shinyaku.

Founding aspirations sustained for the future and shared with the world

Since our founding, we have passed down our philosophy of contributing to people's health while reshaping it to fit with the times. Our audacity to tackle the daunting task of finding treatments for intractable and rare diseases that lack established cures is the modern embodiment of our founder's aspirations.

We continue our bold, sincere efforts to break new ground and create new ways of life for people suffering from diseases.

We aim to become known as a global healthcare company from Kyoto by 2035. This vision redefines our founding spirit in a more future-oriented way and embodies our desire to achieve both a sustainable society and corporate growth.

"Nippon Shinyaku's creativity advanced as Kyoto developed"

Kyoto—the capital of Japan for more than 1,000 years—has a distinct culture and progressive spirit.

Highly acclaimed worldwide, it ranked third among the 25 Favorite Cities of the World published by American travel magazine Travel + Leisure in 2023. Kyoto has established itself as an internationally beloved city, attracting a large number of tourists year-round with 17 UNESCO World Heritage sites and other attractions.

With its head office in such a culturally and internationally attractive city, Nippon Shinyaku has conducted research and development with a focus on creativity and created value rooted in the local community for many years.

Kyoto also has many universities, and is home to roughly 150,000 students. This outstanding academic environment is extremely advantageous in terms of recruiting and developing young people, and is a foundational element of our research and development capabilities. Our collaboration with Kyoto University and other world-class research institutions enables us to develop pharmaceuticals that leverage leading-edge knowledge.

The coexistence of traditional industry and cutting-edge technology in Kyoto blends very well with the pioneering spirit of Nippon Shinyaku. Furthermore, Kyoto's atmosphere of open innovation, which facilitates collaboration with external parties and makes it easier to adopt technology, serves as a tailwind for creating innovative pharmaceuticals.

We will continue to leverage the cultural and intellectual assets of Kyoto as we advance as a company that delivers new ways of life to patients around the world.

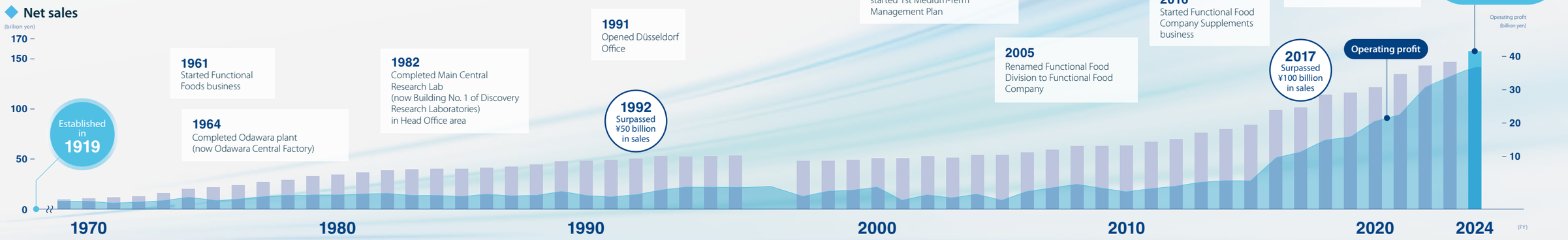
Foundation of growth provided by Kyoto (2024)

University and graduate students*1 **Roughly 150,000**	Universities and junior colleges*1 **More than 30**
New startups*2 **Roughly 230**	Visitors to Kyoto City*3 **Roughly 56 million**

*1 Source: 2024 Basic School Survey, Kyoto Prefectural Government *2 Source: Materials published by the Kyoto Prefectural Government
*3 Source: 2024 General Survey of Tourism in Kyoto, Kyoto Municipal Government

History of Nippon Shinyaku

For over 100 years since its establishment in 1919, Nippon Shinyaku has created distinctive pharmaceuticals as an R&D-led new drug manufacturer with the aim of creating new ways of life for everyone around the world.



Drug discovery and R&D in constant pursuit of patient centricity

1940
Achieved first domestic production

Roundworm vermicide wonder drug Santonin

1967
One of the Company's top long-selling products

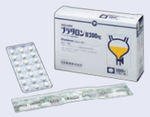
Eviprostat for benign prostatic hypertrophy

1971
Long-standing key drug for acute myeloid leukemia (AML)

Cylocide injection for solid tumor and acute leukemia

1979
First in Japan to obtain indication for frequent urination

Bladderon for pollakiuria



1989
In-house discovered product with unique mechanism of action

Gaslon N for gastric ulcers

2011
Eagerly awaited key drug for myelodysplastic syndrome (MDS)

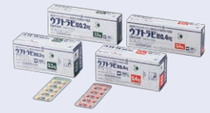
Vidaza for MDS

2014
First-in-class drug with new mechanism of action

Zalutia for urinary disorder caused by benign prostatic hypertrophy

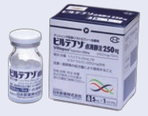
2016
In-house discovered product for a rare disease, eagerly awaited worldwide

Uptravi for pulmonary arterial hypertension



2020
First nucleic acid drug made in Japan for treating an intractable disease

Viltepso for Duchenne muscular dystrophy



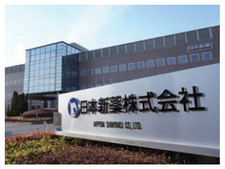
2024
New liposomal preparation for high-risk AML

Vyxeos for high-risk acute myeloid leukemia

Key turning points that established Nippon Shinyaku's originality

01. Evolution of nucleic acid drugs driven by pioneering RNA synthesis technology

More than 30 years ago, we began researching oligonucleotide drugs at the Discovery Research Laboratories in our Head Office area. Later, the Discovery Research Laboratories in Tsukuba assumed the lead in full-scale research on nucleic acid drugs. When we began our research, nucleic acid synthesis was inefficient and RNA strands longer than a certain length could not be synthesized. We persisted, and ultimately succeeded in developing an original method of synthesis that is both efficient and compatible with automated synthesizers, establishing technology for synthesizing longer RNA strands than anyone else in the world with high purity and high yield. We also developed drug delivery system (DDS)* technology needed for applying nucleic acids to pharmaceuticals. Our stockpile of experience and technology eventually helped us develop Japan's first nucleic acid drug, Viltepso.



* Drug Delivery System

02. Shifting to specialty pharma to find paths to survival in specific fields

As needs for pharmaceuticals became increasingly diversified and fragmented in the 2000s, we began to clarify our vision of becoming a specialty pharma company that would find paths to survival for specific diseases. We advanced three approaches to research—in-house drug discovery, in-licensing, and Product Life Cycle Management (PLCM)—based on a policy of proactively searching for unmet needs in fields rarely explored by major pharmaceutical companies and providing drugs that give hope to patients. We strengthened our development pipeline and continuously marketed distinctive new products, including Vidaza, Zalutia, and other major new drugs.

03. Leveraging our expertise to create value in the field of intractable and rare diseases

To survive as a specialty pharmaceutical company, we have declared our focus on intractable and rare diseases—a field with few competitors and extremely pressing needs for new treatment options—and concentrated our management resources on new drug development in highly specialized disease fields. Uptravi, a prostacyclin receptor agonist we discovered, grew to become a blockbuster product sold in 75 countries worldwide thanks to partner companies marketing it as a treatment for pulmonary arterial hypertension, and is now a growth driver for the Company.

We also made it a critical mission to expedite our development of Viltepso, a treatment for Duchenne muscular dystrophy (DMD), discovered through years of researching nucleic acid drugs.

04. Shift to expanding our global network and new product development

In 2020, we established a marketing system at our American subsidiary to prepare for local sales of DMD treatment Viltepso, the first product we would sell globally. The next year, we established a subsidiary in China to expand sales channels for our products in that market, and are currently considering establishing a subsidiary in Europe and making other efforts to expand our global network to deliver our distinctive products to patients around the world. As for research and development, in 2023, we opened Innovation Research Partnering (IRP) in Cambridge, Massachusetts—the capital of one of the world's leading drug discovery ecosystems—to accelerate and diversify our in-house drug discovery research.

Strengths of Nippon Shinyaku

Our strengths lie in our long history of creating distinctive products as an R&D-led new drug manufacturer; everything about the Company traces back to this history. We will continue to refine our strengths and improve our drug discovery capacity with the aim of sustainably creating distinctive products and expanding added value.

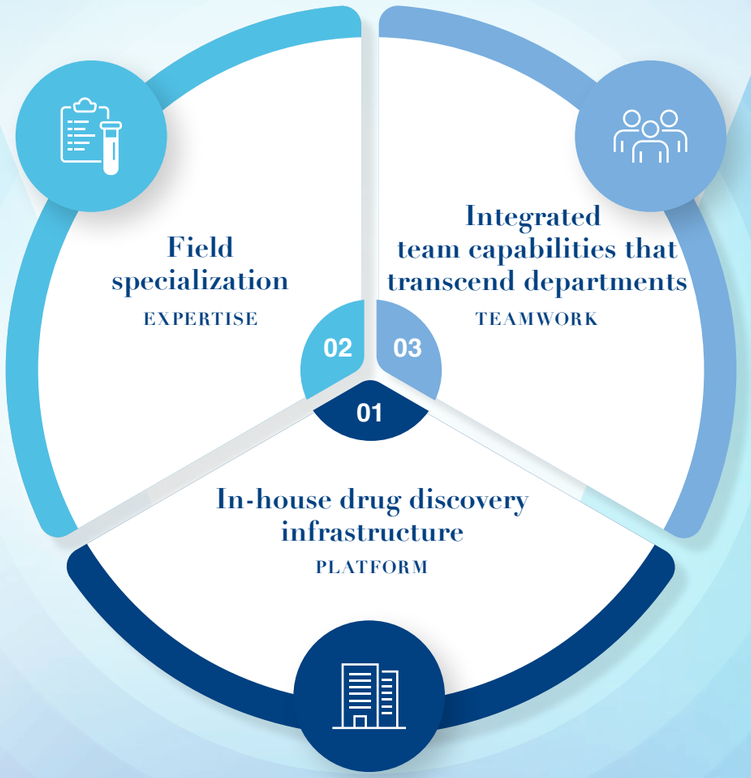
01 In-house drug discovery infrastructure

Since our founding, we have continuously pursued our commitment to in-house drug discovery and built infrastructure for small molecule drug discovery at two locations: the Discovery Research Laboratories in Kyoto, where our head office is located, and the Discovery Research Laboratories in Tsukuba, Ibaraki Prefecture. In the 1990s, we began researching and developing nucleic acid drugs, which many expected to become the next generation of pharmaceuticals. Our efforts bore fruit in 2020, when we launched Duchenne muscular dystrophy (DMD) treatment Viltepso, the first antisense nucleic acid drug produced in Japan. Our bold efforts to meet unmet treatment needs have strengthened our unique drug discovery capacity and serve as the driving force behind our creation of innovative, distinctive pharmaceuticals.

02 Field specialization

To create drugs that offer hope to patients suffering from illnesses, we proactively explore fields other companies do not. We focus our energy on three fields—hematology, intractable and rare diseases, and urology and gynecology—and work intensively on intractable and rare diseases that are difficult to develop drugs to treat. Intractable and rare diseases are difficult to accurately diagnose because there are so few cases. To address this challenge, our expert sales representatives actively engage in activities to promote early diagnosis and proper treatment, for example by promoting disease awareness and providing information about diagnostic methods and more to healthcare professionals. In the course of developing DMD treatments, we have strengthened our partnerships with overseas specialists and DMD patient groups through information provision activities, and are assembling a deep understanding and knowledge of the disease and patients' needs. We will continue to enhance our DMD expertise and search for new topics of research with an accurate understanding of what patients need.

Distinctive products



03 Integrated team capabilities that transcend departments

We honor the venturous spirit that has guided the Company since its founding. This spirit is represented in the key message on the recruiting page of our website: "Ready to Give Our All For One?" This ensures that each and every one of us pours their passion into drug discovery. This passion leads to collaboration across departments and supports an expeditious development system geared toward the soonest possible launch of products. To develop Viltepso—the first nucleic acid drug produced in Japan—our team had to work together on the Company's first simultaneous development effort between Japan and the U.S., and deal with the SAKIGAKE Designation System of Japan's pharmaceuticals regulator.

At Nippon Shinyaku, the R&D Division serves as the project leader and collaborates with relevant departments on development in an effort to expedite drug discovery and improve the probability of success. Cooperation between departments is essential for efforts to continuously and rapidly launch new products and maximize product value. For example, our R&D Division collaborates with relevant departments during every phase, from pre-approval to post-launch. Our Sales and Medical Affairs divisions take steps to ascertain needs and identify issues, and then consolidate the information they gather and send it to the R&D Division so that they can prioritize subsequent projects and properly allocate resources.

Our corporate culture is conducive to collaboration, and we will continue to leverage it to expedite our delivery of innovative pharmaceuticals to patients around the world.

Research & development

Sales

Medical affairs

Supply chain & reliability assurance