

Financial Results

First-Half (Interim period) of Fiscal 2025

November 10, 2025

KYORIN Pharmaceutical Co., Ltd.
Representative Director, President and CEO
Yutaka Ogihara



- **Outline of Consolidated Financial Results for Interim Period**
- **Consolidated Financial Forecast**
- **Medium-Term Business Plan of “Vision 110 –Stage 1–”**
 - **Initiative for FY2025 First Half**
 - **Status of R&D Pipeline**
 - **Trends of Mainstay Products**
- **Shareholder Returns**
- **Reduction of Cross-Shareholdings**

■ Outline of Consolidated Financial Results for Interim Period

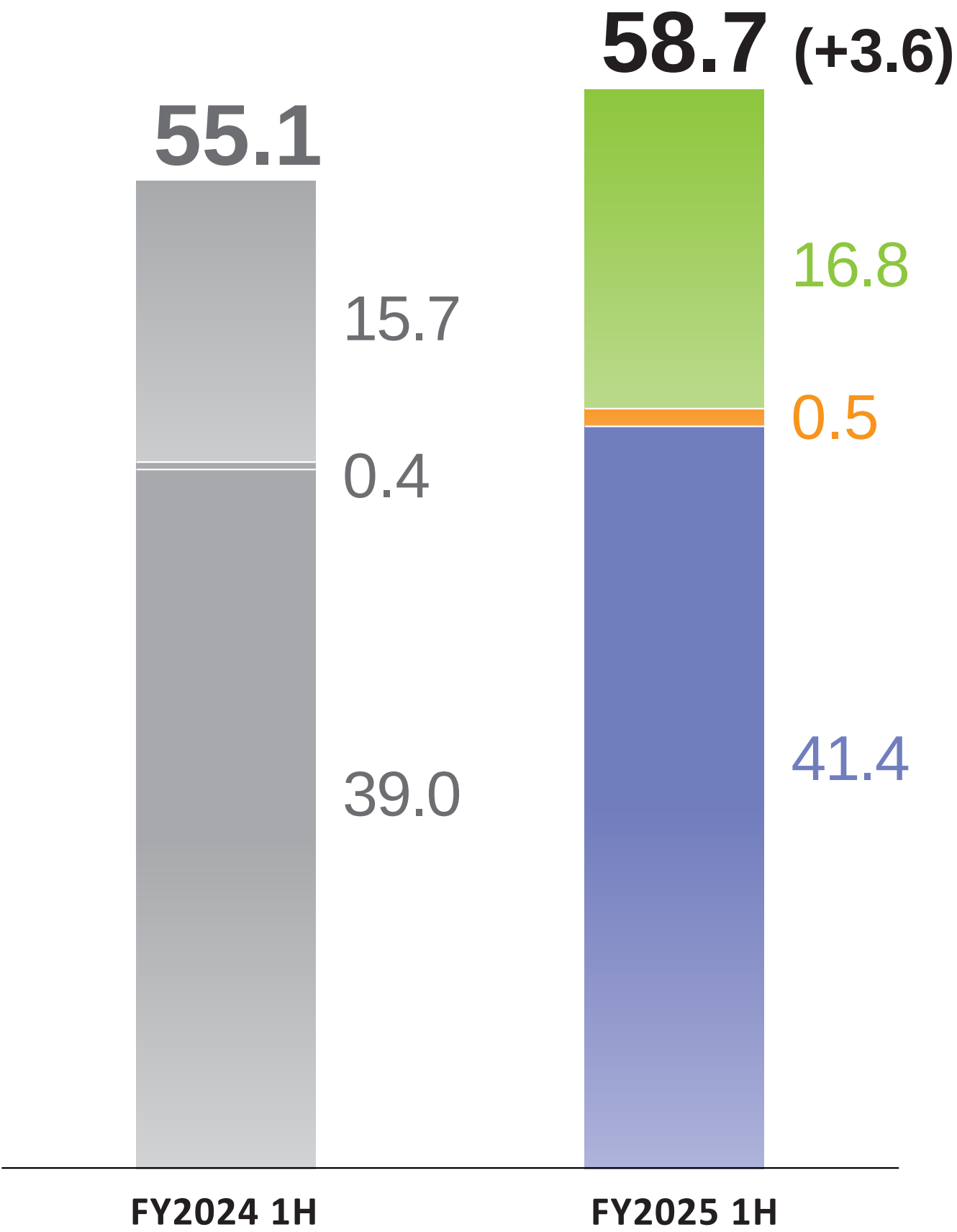
Outline of Consolidated Financial Results for Interim Period



(Units: JPY billions)

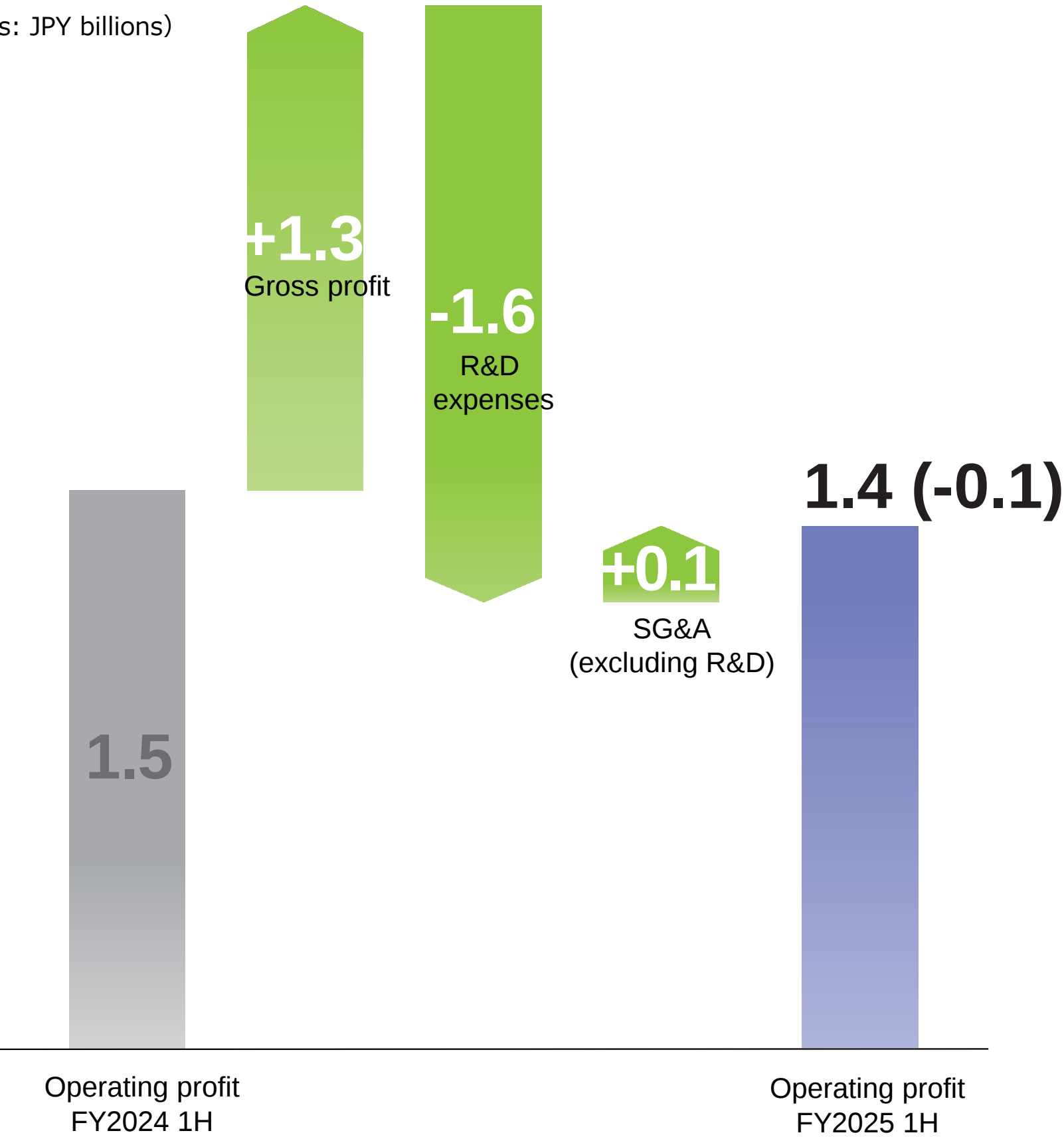
	FY2024 1H	FY2025 1H	Year on year	
			Change	Change (%)
Net sales	55.1	58.7	+3.6	+6.5
New drugs, etc. (Japan)	39.0	41.4	+2.4	+6.1
New drugs (overseas)	0.4	0.5	+0.1	+18.8
Generic drugs	15.7	16.8	+1.1	+7.2
Cost of sales	31.6	33.8	+2.2	+7.2
Gross profit	23.6	24.9	+1.3	+5.7
SG&A (R&D)	22.0 (3.8)	23.5 (5.4)	+1.5 (+1.6)	+6.9 (+41.6)
Operating profit	1.5	1.4	-0.1	-12.0
Ordinary profit	2.1	1.6	-0.5	-22.8
Profit attributable to owners of parent	1.3	1.5	+0.2	+19.0

(Units: JPY billions)



(year on year)		
New drugs, etc. (Japan)	41.4	+2.4
Factor of increase		
● New drugs grew (Beova, Lasvic and Lyfnua, etc.)		
Factor of decrease		
● NHI drug price revisions (Kyorin Pharmaceutical: 5% range)		
New drugs (Overseas)	0.5	+0.1
Generic drugs	16.8	+1.1
● Increase sales in new listed products in FY2024		
● Impact of the new health coverage rule for long-listed products		

(Units: JPY billions)



(year on year)

Gross profit	24.9	+1.3
Net sales	+3.6	
Cost of sales ratio	+0.3%pt	
Factor of Increase	● NHI drug price revisions (Kyorin Pharmaceutical: 5% range) ● Increase sales in generic drugs	
Factor of Decrease	Increase in sales of new drugs (Beova, Lasvic, Lyfnua, etc.)	
R&D expenses	5.4	+1.6
3.8 (FY2024 1H) ⇒ 5.4 (FY2025 1H)		
● Upfront payment for in-license product (KRP-A225) 1.5 billion yen		
SG&A (exclusing R&D)	18.1	-0.1
18.2 (FY2024 1H) ⇒ 18.1 (FY2025 1H)		
● Cost reduction through head office relocation etc. ● Increase in license fees, etc.		

Highlights of Business Performance (3/3) : Vs Forecast



(Units: JPY billions)

		FY2025 1H (forecast)	FY2025 1H	Vs. forecast	
				Change	Achievement rate (%)
Net sales		57.4	58.7	+1.3	102.3
	New drugs, etc. (Japan)	40.7	41.4	+0.7	101.7
	New drugs (overseas)	0.1	0.5	+0.4	504.1
	Generic drugs	16.5	16.8	+0.3	102.0
Cost of sales		—	33.8	—	—
Gross profit		—	24.9	—	—
SG&A (R&D)		— (4.3)	23.5 (5.4)	— (+1.1)	— (126.6)
Operating profit		1.7	1.4	-0.3	80.2
Ordinary profit		1.8	1.6	-0.2	87.9
Profit attributable to owners of parent		1.4	1.5	+0.1	106.7

Difference from the Forecast announced on May 12, 2025

Net sales: Interim forecasts were exceeded due to the growth of new drugs such as Beova and income related to Gatifloxacin.

Operating profit: R&D expenses included a upfront payment of 1.5 billion yen associated with KRP-A225, resulting in a shortfall of 0.3 billion yen.

Profit attributable to owners of parent: Extraordinary income included a 0.4 billion yen gain on the sale of investment securities, etc.

(Units: JPY billions)

		FY2024 1H	FY2025 1H	Year on year		FY2025 1H (Forecast) announced on May 12, 2025	Vs. forecast	
				Change	Change (%)		Change	Achievement rate (%)
New Drugs, etc. (Japan)	Beova (KYORIN)	10.4	12.3	+1.9	+17.5	11.6	+0.7	105.8
	Lasvic	3.0	3.5	+0.5	+19.0	3.7	-0.2	95.2
	Lyfnua	0.4	0.5	+0.1	+9.9	0.5	0	93.2
	Desalex	3.4	3.7	+0.3	+8.1	3.6	+0.1	101.8
	Flutiform	6.4	6.3	-0.1	-1.1	6.2	+0.1	101.8
	Pentasa	6.2	6.3	+0.1	+1.4	5.9	+0.4	106.2
	Kipres	1.8	0.9	-0.9	-48.9	0.8	+0.1	117.2
	Mucodyne	1.5	2.0	+0.5	+30.2	2.2	-0.2	90.1
	Milton	0.9	0.9	0	+0.5	0.9	0	103.8
	Rubysta	0.6	0.4	-0.2	-31.6	0.5	-0.1	81.6
Generic Drugs	Montelukast tablets“KM”	5.0	4.4	-0.6	-12.8	4.9	-0.5	89.7
	Mometasone Nasal 50mg “KYORIN”	0.7	1.1	+0.4	+58.6	0.8	+0.3	140.0

Consolidated Financial Forecast

Consolidated Financial Forecast for FY2025 *remain unchanged



(Units: JPY billions)

		FY2024 (Actual)	FY2025 (Forecast)	Year-on-year	
				Change	Change (%)
Net sales		130.1	127.0	-3.1	-2.4
	New drugs, etc. (Japan)	84.2	89.0	+4.8	+5.8
	New drugs (overseas)	8.9	0.2	-8.7	-97.7
	Generic drugs	37.1	37.7	+0.6	+1.7
Cost of sales		70.6	—	—	—
SG&A (R&D)		47.0	—	—	—
		(10.5)	(10.4)	(-0.1)	(-1.1)
Operating profit		12.6	6.1	-6.5	-51.5
Ordinary profit		13.2	6.3	-6.9	-52.3
Profit attributable to owners of parent		9.1	4.8	-4.3	-47.2

Forecast of Mainstay Products Sales *remain unchanged



(Units: JPY billions)

		FY2024 Actual	FY2025 Forecast	Year-on-year	
				Change	Change (%)
New Drugs, etc. (Japan)	Beova (KYORIN)	22.1	25.1	+3.0	+13.7
	Lasvic	7.8	8.5	+0.7	+8.3
	Lyfnua	0.9	1.1	+0.2	+20.4
	Desalex	9.6	10.1	+0.5	+5.0
	Flutiform	13.7	13.2	-0.5	-3.9
	Pentasa	12.2	11.6	-0.6	-4.7
	Kipres	3.5	2.1	-1.4	-40.0
	Mucodyne	3.6	5.2	+1.6	+45.8
	Milton	1.8	1.8	0	-2.3
	Rubysta	1.1	1.0	-0.1	-9.7
Generic Drugs	Montelukast tablets “KM”	12.0	11.3	-0.7	-5.6
	Mometasone Nasal 50mg “KYORIN”	4.1	4.3	+0.2	+4.5

 **Medium-Term Business Plan of “Vision 110 –Stage 1–”
Initiatives for FY2025 First Half**

Vision 110

— Stage 1 —

Strengthening drug discovery capability to create high-value new drugs that meet medical needs

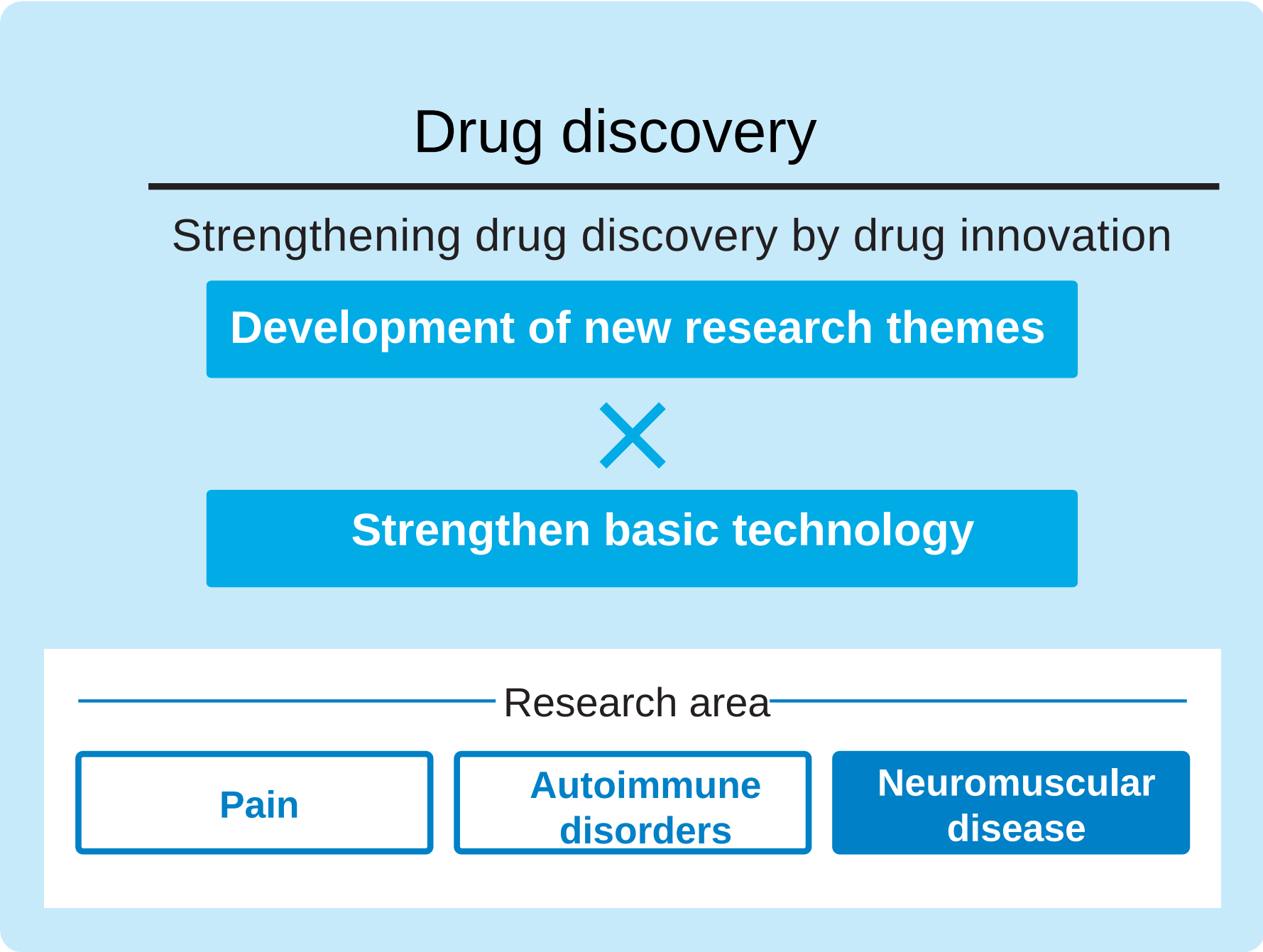
Expansion of development pipeline through in-licensing

Maximization of the ratio of new drugs

Promoting healthcare-related businesses that have synergies with the new drugs business

Building a sustainable corporate foundation

**Strengthening drug discovery capability to create
high-value new drugs that meet medical needs**



Newly establishing Neuromuscular Disorders
as a drug discovery research area

**Neuromuscular
disease**

A general term for diseases that cause motor impairment (movement disorders) due to a lesion/pathology in the nerves themselves (such as the brain, spinal cord, and peripheral nerves) or in the muscles themselves.

- Amyotrophic Lateral Sclerosis (ALS)
- Parkinson's Disease (PD)
- Myasthenia Gravis (MG)
- Multiple Sclerosis (MS)
- Muscular Dystrophy
- Hereditary Neuropathies, etc.

Etiology / Causes Genetic mutations, autoimmunity, aging, environmental factors, etc.

Expansion of development pipeline through in-licensing

**Stage1
Target**

At least six in-licensing items

**FY2025
Initiatives**

Obtain at least two in-licensed assets (including marketed products) demonstrating high potential for rapid revenue generation

**FY2025
Actual for
first half**

KRP-A225 (HB2198, new drug candidate for SLE, etc.):
September 2025, Hinge Bio Inc.

Target disease: Systemic Lupus Erythematosus - SLE

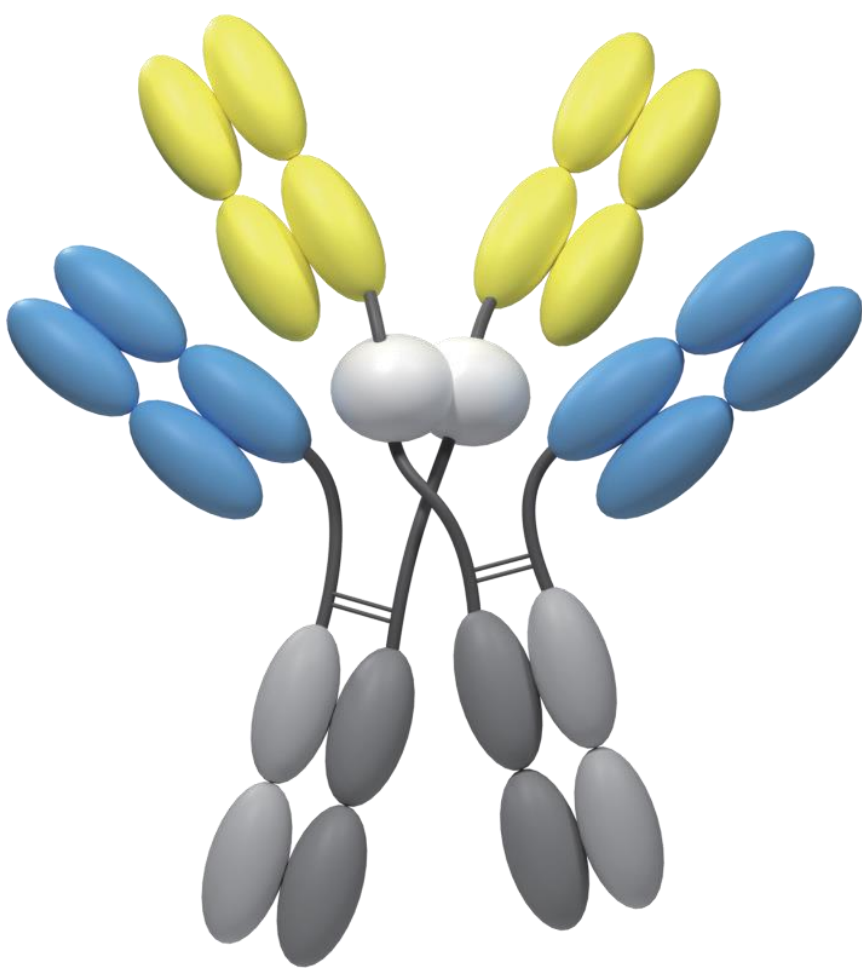
Overview	●An autoimmune disease where immune abnormalities lead to the production of autoantibodies, damaging organs ●Excessively produced autoantibodies form immune complexes, which deposit in tissues, leading to inflammation ●A designated intractable disease in Japan
Symptoms	●Most patients exhibit systemic, skin, and joint symptoms ●Other symptoms are diverse, including visceral symptoms such as lupus nephritis, and vascular symptoms. The specific symptoms and combinations vary from person to person
Number of patients	Estimated prevalence: Approximately 60,000 to 100,000 people Number of medical certificate holders (for designated intractable disease): 66,307 (FY 2023) Prevalence rate: 20 to 150 per 100,000 people*
Current treatments	●Steroids ●Immunosuppressants ●Immunomodulatory drugs ●Biologics

* Guideline for the management of systemic lupus erythematosus 2019

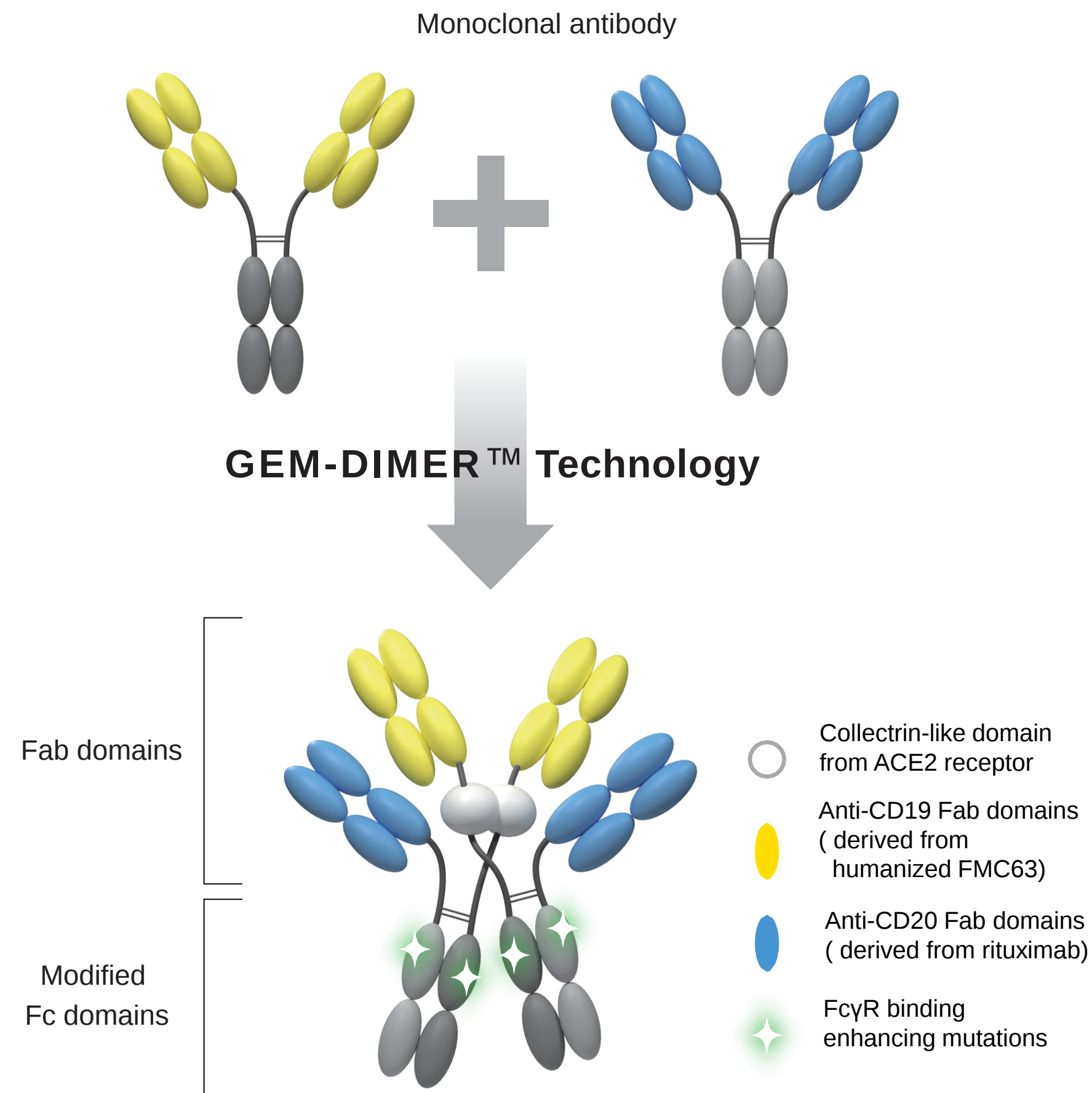
A significant unmet need for new therapeutic options remains

Overview of KRP-A225

Target disease	Systemic Lupus Erythematosus (SLE), etc.
MoA	B cell depletion by a humanized bispecific antibody targeting CD19 and CD20
Patients	Moderate to severe patients
Formulation	Iv infusion
Development status	Phase 1 trial in preparation (targeted to start in 2025)
Future direction	The next steps will be determined based on the results of the Phase 1 trial conducted by Hinge Bio



Development will be advanced in collaboration with Hinge Bio, aiming for the earliest possible market launch



A humanized bispecific antibody that features a dimeric structure of a full-length IgG antibody, generated using Hinge Bio's proprietary GEM-DIMER™ technology.

It targets the CD19 and CD20 molecules, which have clinically validated efficacy against SLE, and is expected to achieve rapid and potent B-cell depletion in the circulating blood and lymphoid tissues.

"Superdimerization" is mediated by an ACE2 receptor-derived collectrin-like domain.

The high-affinity modified Fc region is expected to enhance immune effector functions such as ADCC (Antibody-Dependent Cellular Cytotoxicity), ADCP (Antibody-Dependent Cellular Phagocytosis), and CDC (Complement-Dependent Cytotoxicity)

The antibody can be manufactured using standard antibody drug manufacturing processes.

Status of R&D Pipeline

- No statistically significant difference was achieved in the primary endpoint
- Clinical benefit was observed across multiple study efficacy parameters

EFZO-FIT Study

Titles	Efficacy and Safety of Intravenous Efzofitimod in Patients With Pulmonary Sarcoidosis	Others* Nominal p-value	● Steroid free at week 48 Efzofitimod 5mg/kg: 52.6% Placebo: 40.2% p = 0.0919
Study Design	○ Randomized, Double-Blind, Placebo-Controlled Parallel Assignment Study ○ Efzofitimod 3mg/kg or 5mg/kg of Efzofitimod or placebo dosed intravenously once a month		● Change from baseline in KSQ-lung Efzofitimod 5mg/kg: 10.36 Placebo: 6.19 p = 0.0479
Primary Outcome Measures	● Change from baseline in mean daily oral corticosteroid (OCS) dose at week 48 Efzofitimod 5mg/kg: -7.9% Placebo: -7.1% p = 0.3313		● Steroid free and KSQ-lung improvement Efzofitimod 5mg/kg: 29.5% Placebo: 14.4 p = 0.0199
		Safety	Safe and well-tolerated

*The statistical analysis plan was designed on a hierarchical assessment basis. Therefore, since the primary endpoint was not met, all subsequent statistical testing is reported as nominal findings.

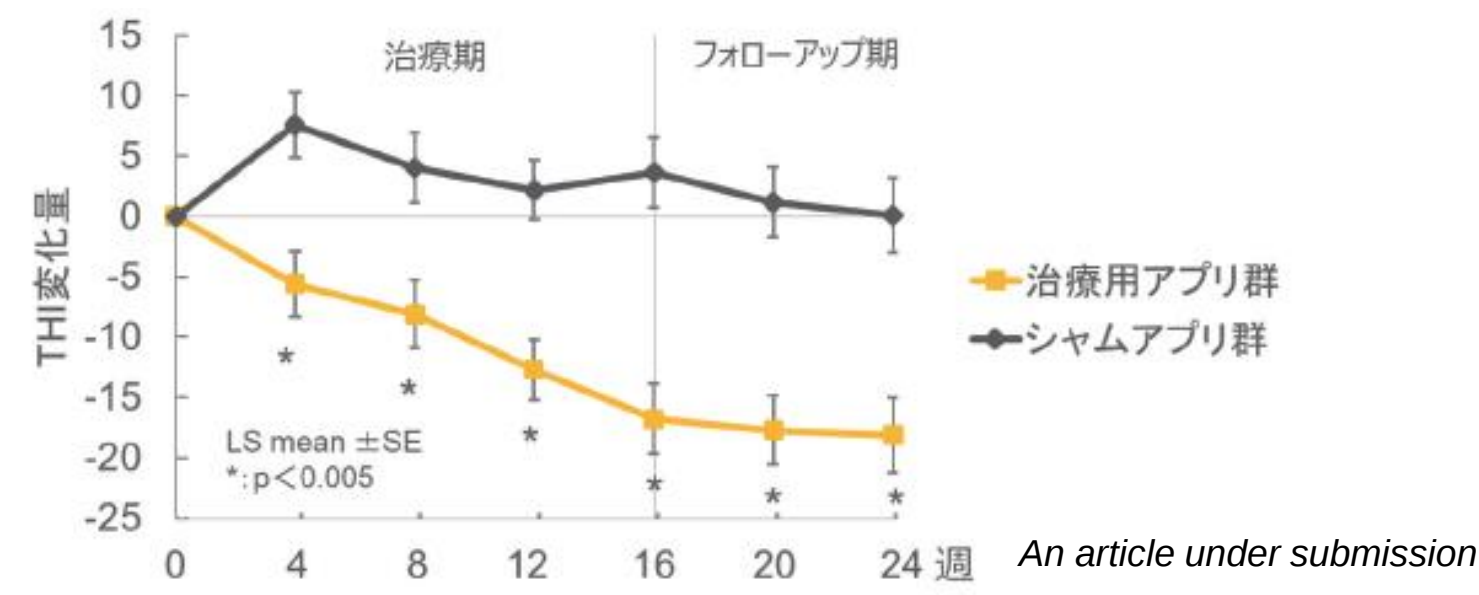
The path forward will be determined following a discussion with aTyr

*Professor Koichiro Wasano (Department of Otorhinolaryngology, Head and Neck Surgery, Tokai University School of Medicine)

jRCTs032230359 | Primary endpoint showed a statistically significant improvement

Titles	A Multicenter, Randomized, Double-Blind, Sham-Controlled Study using the App for Tinnitus Treatment in Patients with Tinnitus (Pilot Study)
Target sample	60: Chronic tinnitus patients with associated suffering
Primary Outcome Measures	● Change in THI* total score from week 0 at week 16 after study app prescription *Tinnitus Handicap Inventory DTx group: -16.8 Sham group: 3.6 p < 0.001

Other outcome Measures	● TFI score DTx group: -16.3 Sham group: 0.3 p < 0.001 ● NRS Tinnitus annoyance p < 0.001 Tinnitus control p < 0.001 ● HADS, AIS HADS Anxiety score p = 0.017 HADS Depression score p = 0.082 Athens insomnia scale p = 0.027
Safety	No safety issues were confirmed in the treatment group

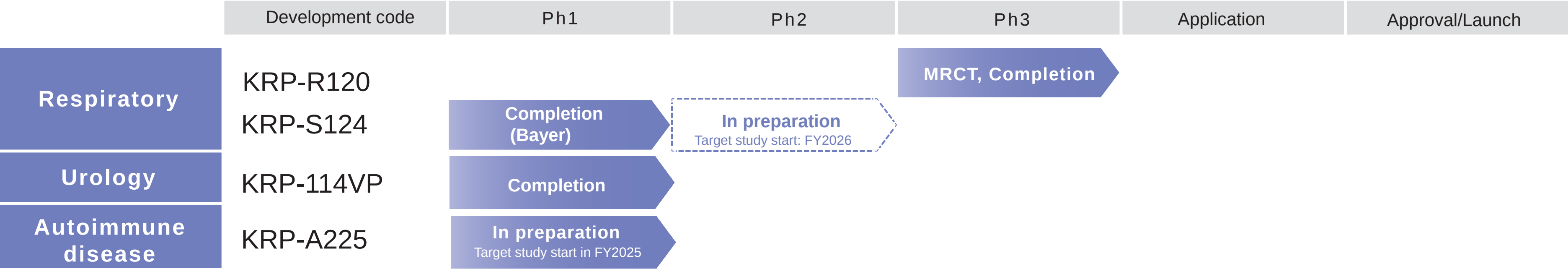


An article under submission

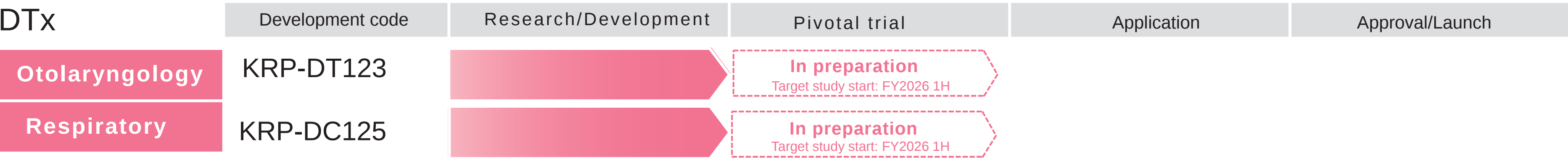
Sham: DTx/app that corresponds to a placebo in pharmaceutical development

Aim to initiate the pivotal trial in the first half of FY2026

*Updated (As of November, 7 2025)



MRCT: Multi-Regional Clinical Trials



Licensed Compound	Compound/Code	Licensee	Stage	Features
	KRP-M223*	Novartis	Pre-clinical	●MRGPRX2 antagonist ●Target: allergic and inflammatory diseases involving mast cells
	KRP-203	Priothera	Ph3	●Sphingosine-1-Phosphate receptor Agonist ●Target: AML patients undergoing HSCT ●Assignment of IP and drug substances (Sep 2020)

Compound/Code	Origin	Stage	Target disease	Features
BDT272	BIODOL Therapeutics	Ph1 (In France)	Pain	● Press release on Jan 2025 ● FLT3 inhibitor ● Patient market of 23 million (Japan)

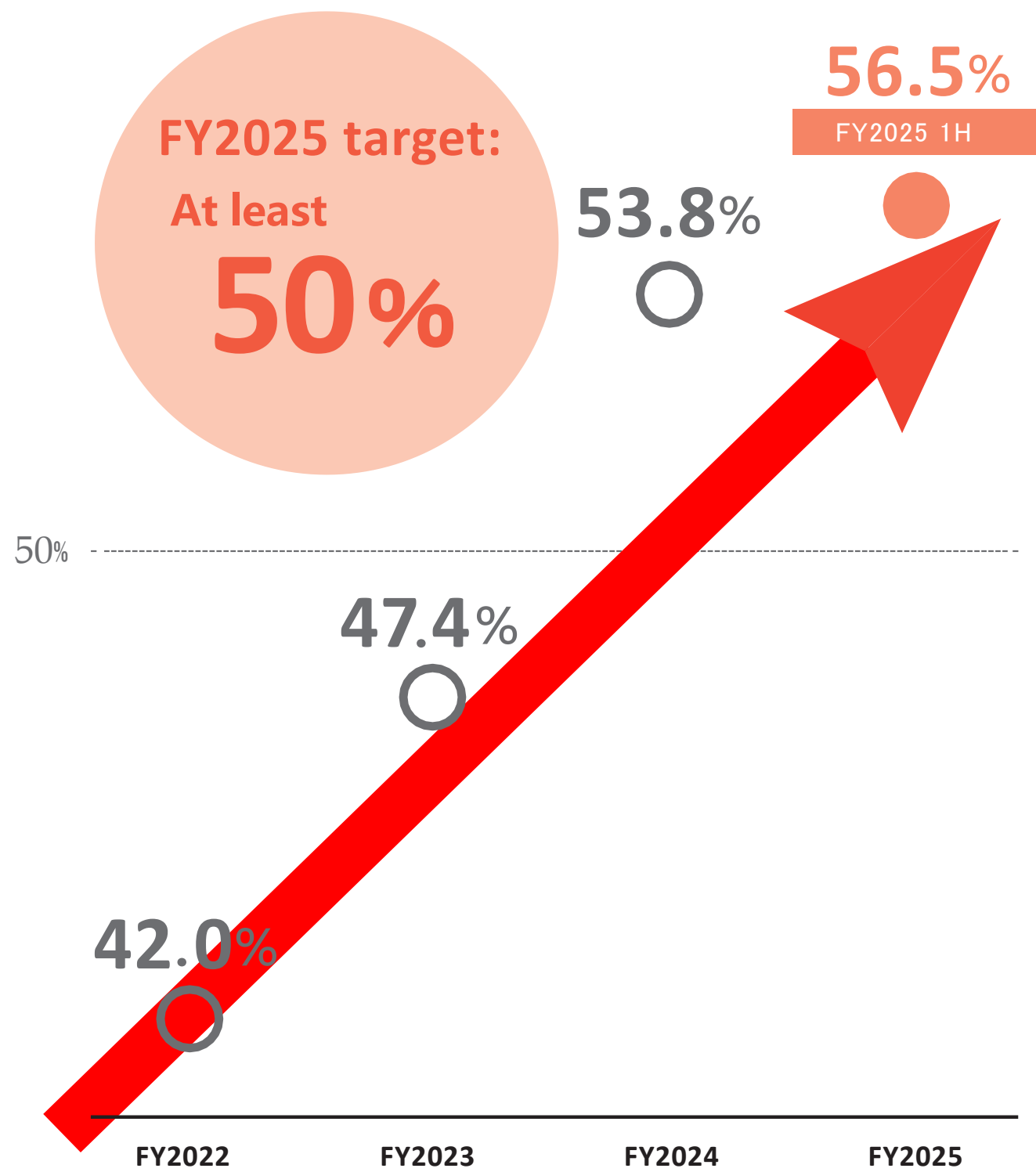
Based on the results of the Phase 1 trial, the decision on whether to transition to a licensing agreement will be made within FY2025.

Compound/Code	Origin	Stage	Target disease	Features
CYR-064	Cyrano Therapeutics	Ph2 (In USA)	Post-viral loss of smell	●Press release on Feb 2025 ●PDE inhibitor ●Patient market of 1 million (Kyorin estimated)

Based on the results of the Phase 2 trial, the decision on whether to transition to a licensing agreement will be made within FY2025.

Maximization of the ratio of new drugs

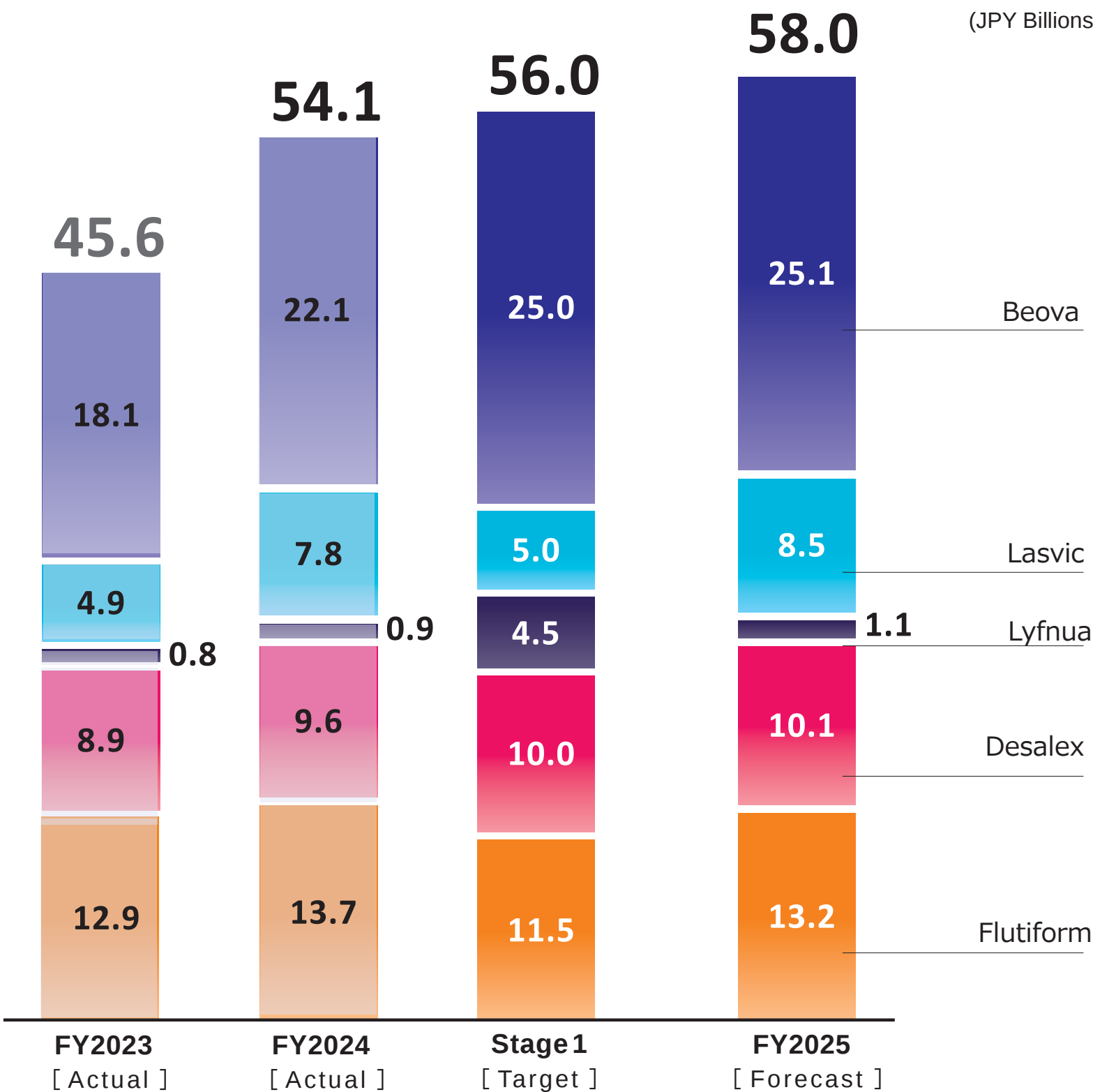
Ratio of new drugs Exceeding the FY2025 target



Product sales

The first half of FY2025 target has been achieved, and progress is on track.

Target **25.6** Actual **26.3** Progress **102.5%**



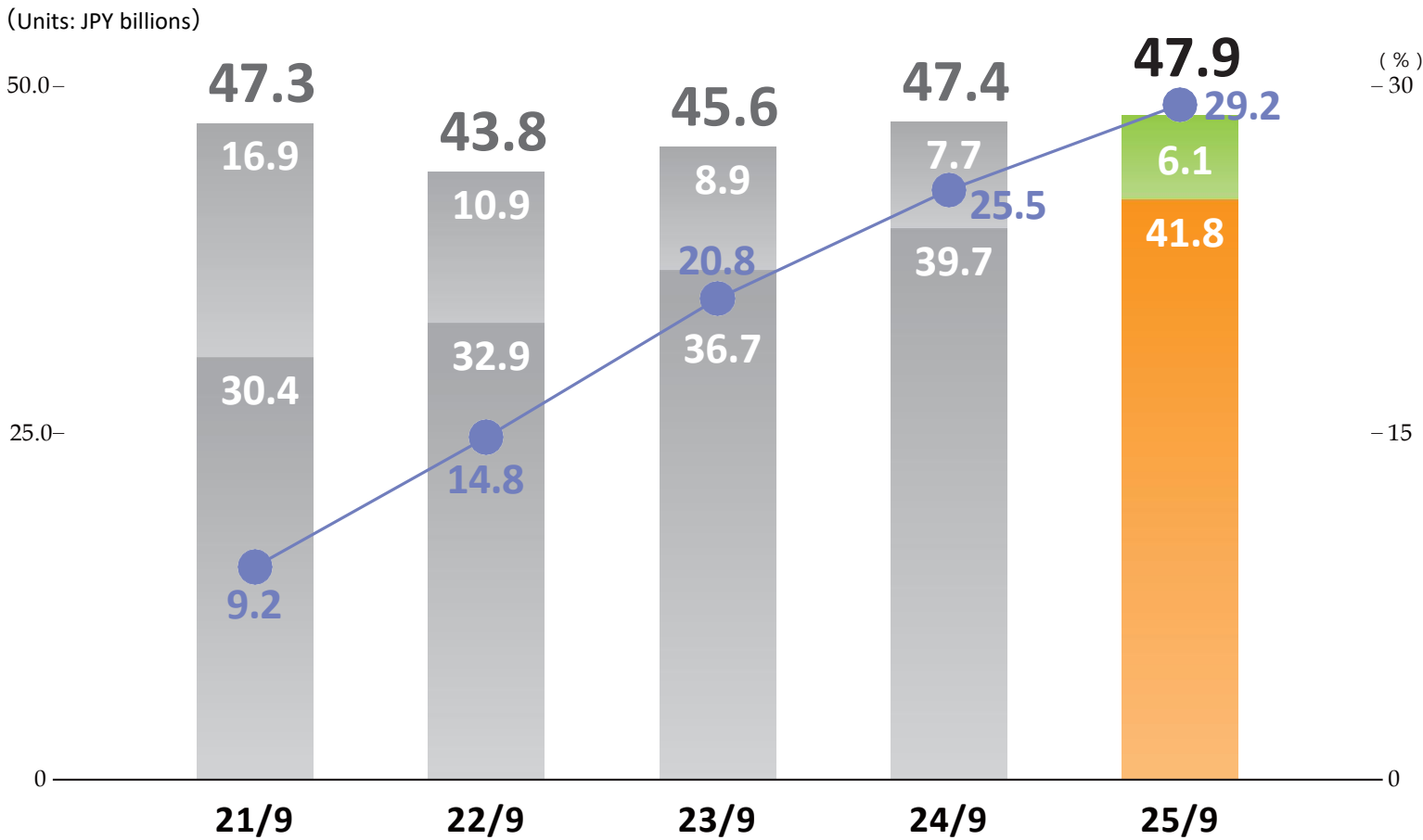
Trends of Mainstay Products

[Mainstay products] Beova (Therapeutic agent for OAB)

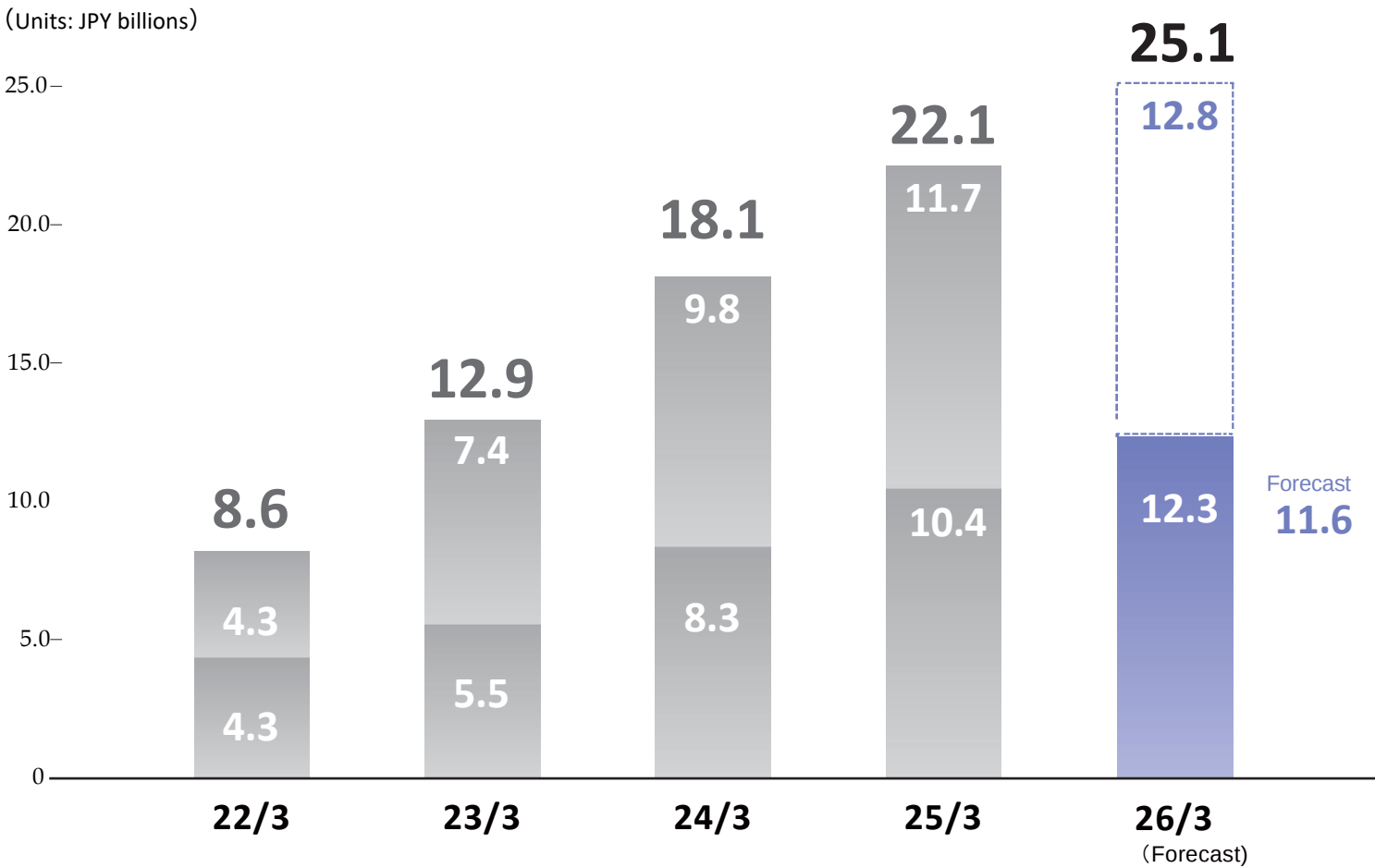


■ OAB market | Apr-Sep | ■ Anticholinergic agents
■ β3 receptor antagonist ● Beova (KYORIN) share

■ Sales $\frac{2H}{1H}$



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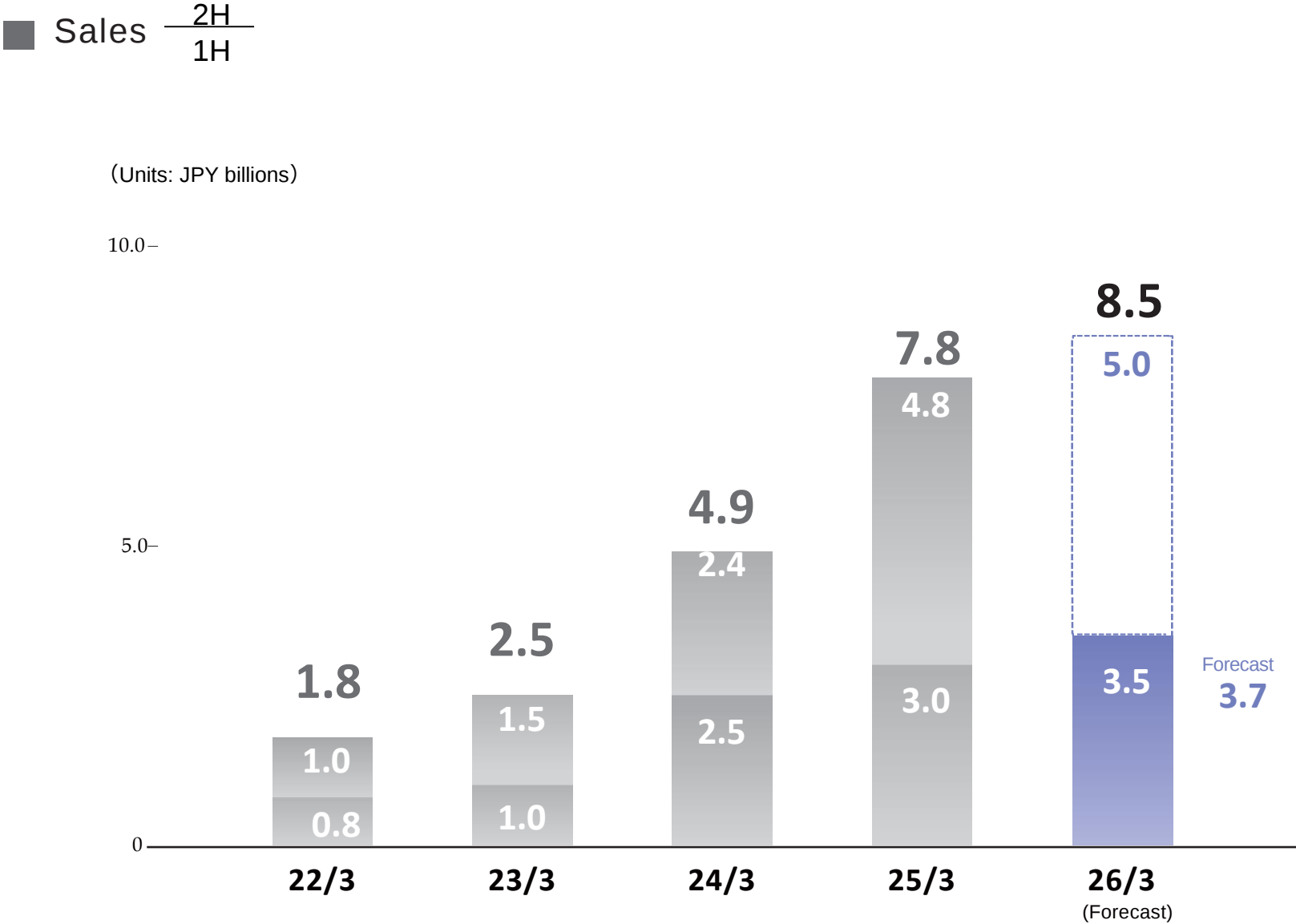
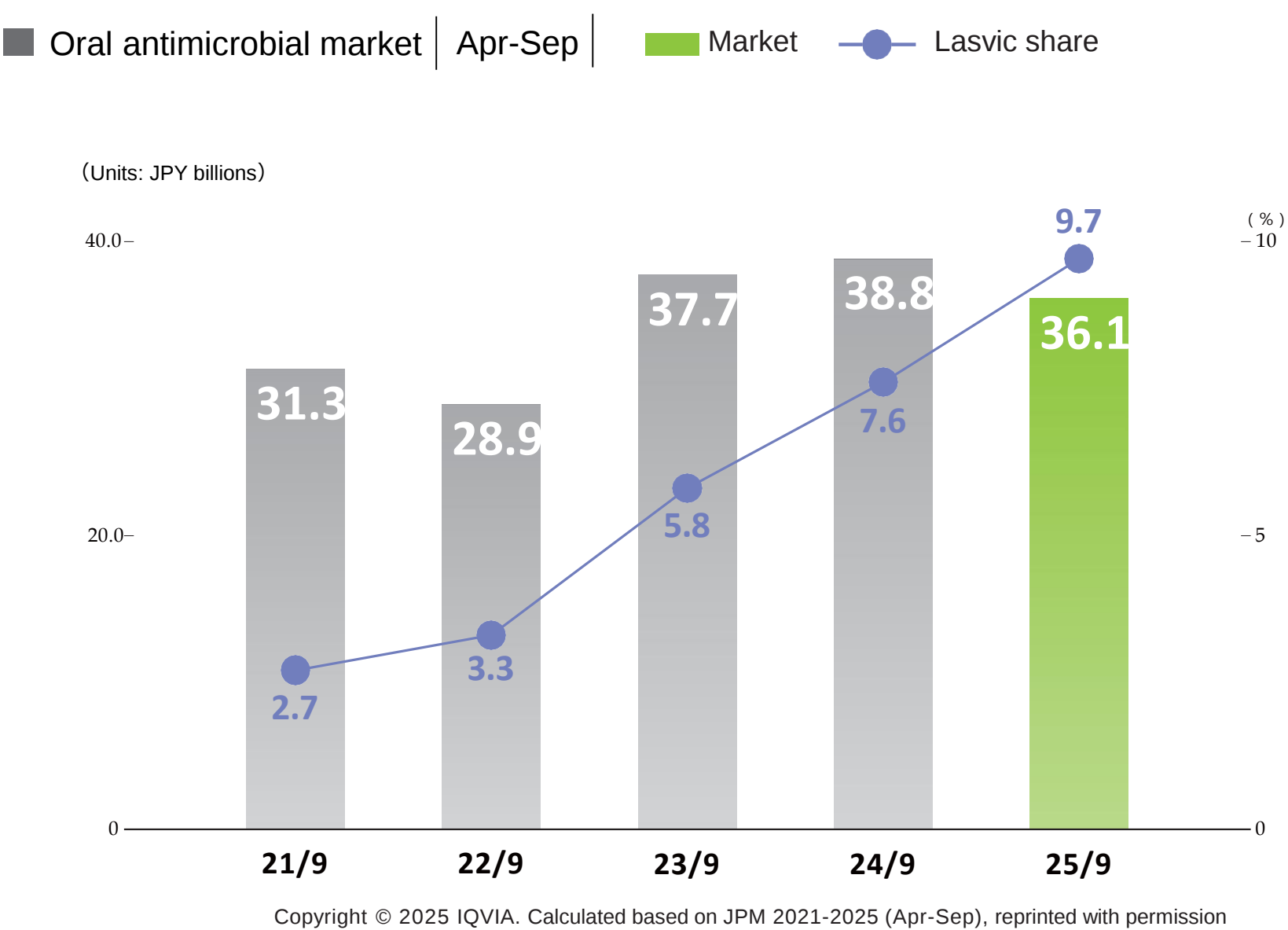


- Market
 - OAB market: +1.2%*¹
 - Market expansion of β3 adrenergic receptor
- Medium to long-term market outlook
 - Number of OAB patients tend to increase
 - Despite the impact of the NHI drug price revision, the Market for β3 adrenergic receptor is expanding

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- Status in FY2025 1H
 - No.1 in OAB market sale*²
 - No.1 share of OAB patients and rate of new patients acquisition*² [NHI drug price revision: -4.32% (Apr 2025)]
- Initiative FY2025
 - Expand patient share in general internal medicine
 - Enhance the consultation rate and generate consultation opportunities in urology
 - DTC: initiative to encourage medical consultation

*2 Combined total with partner company
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Market

- Oral antimicrobial market: +6.9%*1
- Negative rebound from last year's Mycoplasma pneumoniae epidemic

Medium to long-term market outlook

- Expect to tend to decrease in oral antimicrobial market due to prevent infection/appropriate use against AMR

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Status in FY2025 1H

- Achieved No.1 of sales share in oral NQ market*1
- [NHI drug price revision: -6.21% (tab), 0.00% (iv) (Apr 2025)]

Initiative FY2025

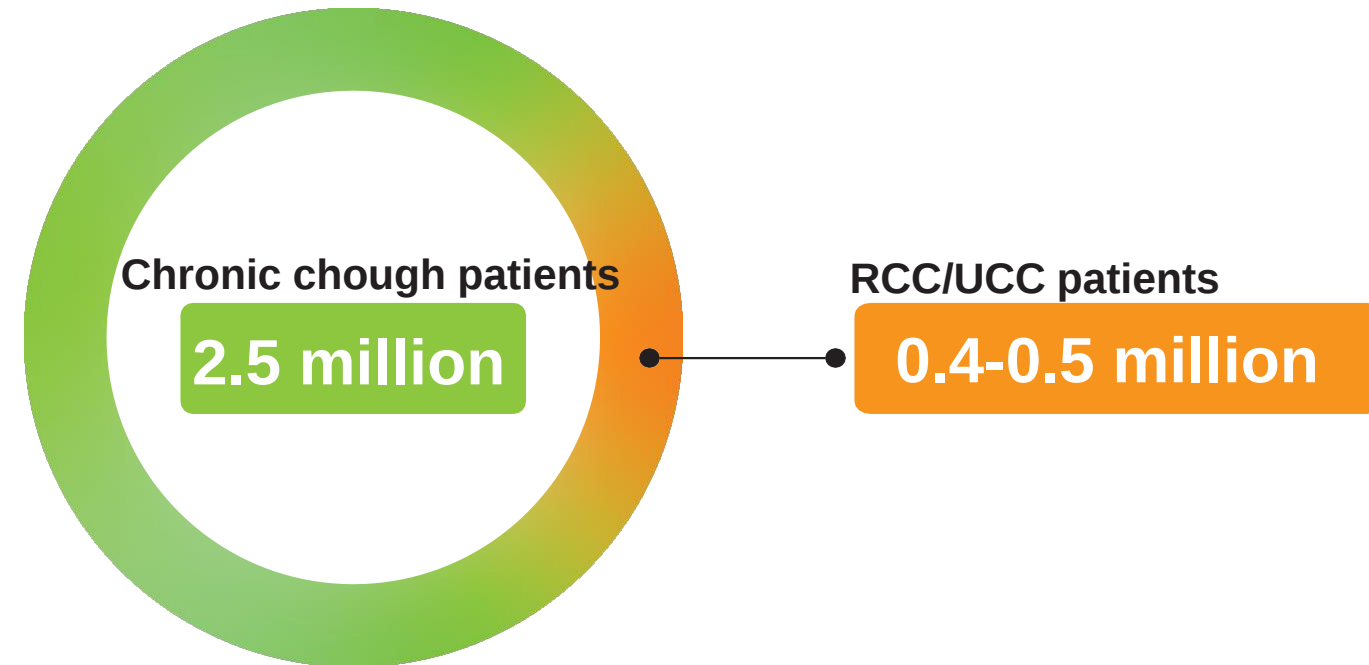
- Promote treatment and therapeutic drug selection in accordance with each guideline
- Clearly define the distinctiveness and novel positioning of Lasvic

HP: Expand new adoptions at university hospitals and key regional hospitals.
GP: Promote prescription recommendations to diseases targeted for AMR action (※rhinosinusitis, tonsillitis, pharyngolaryngitis, acute bronchitis) and pneumonia.

Selective P2X3 receptor antagonist [Mainstay products] Lyfnua (Cough treatment)



■ The number of estimated patients



■ JRS Guidelines for the Management for Cough and Sputum



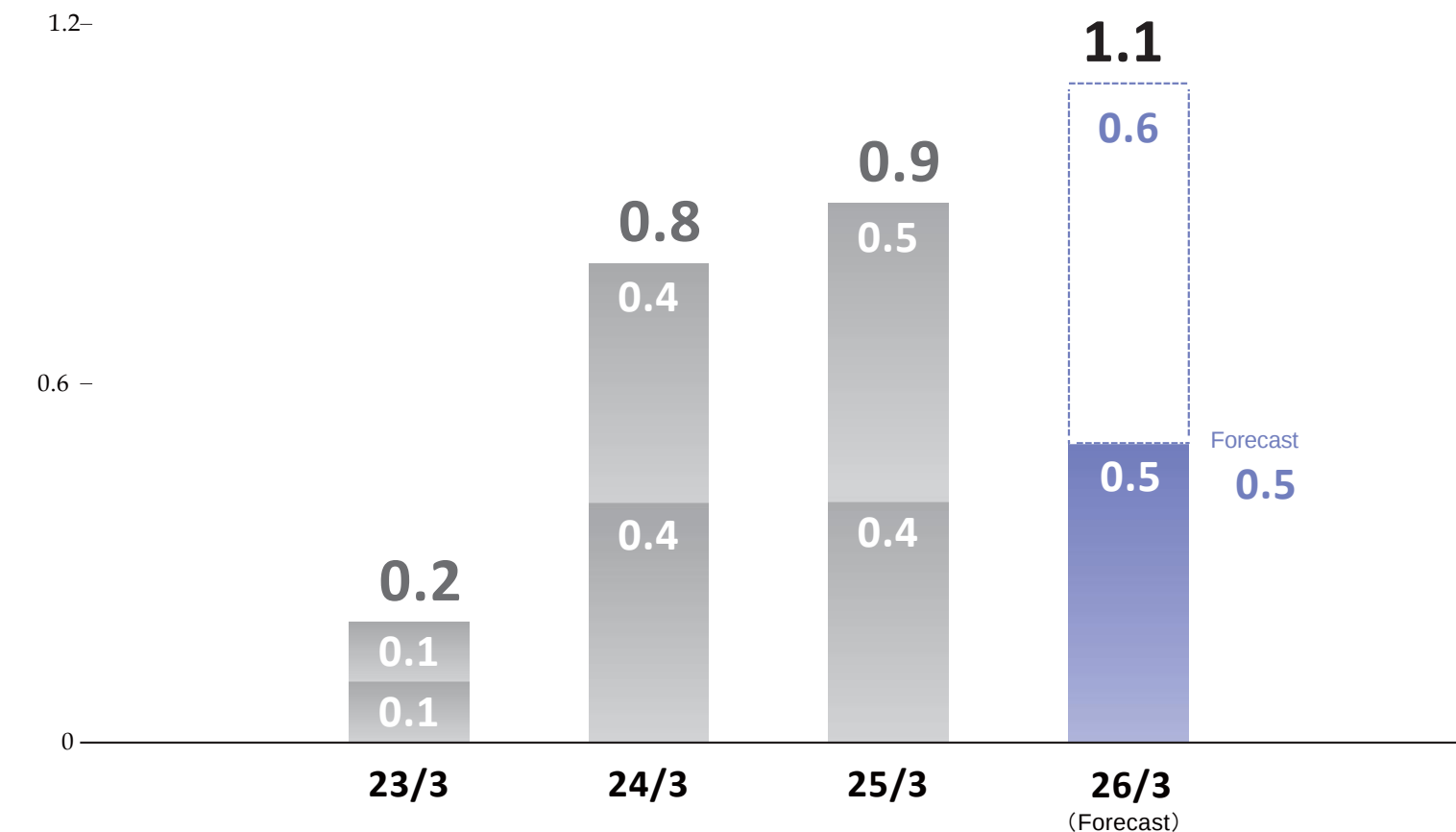
Revision Point

- Clearly state the recommendation levels for cough and sputum treatment
- The importance of Cough Hypersensitivity (CHS)
- Detailed explanation of refractory chronic cough

Partial modification of the JRS Guidelines for the Management for cough and Sputum 2025. p.xv Medical Review

P2X3 receptor antagonists for the management of persistent and chronic cough in adults, described on flowchart

■ Sales $\frac{2H}{1H}$



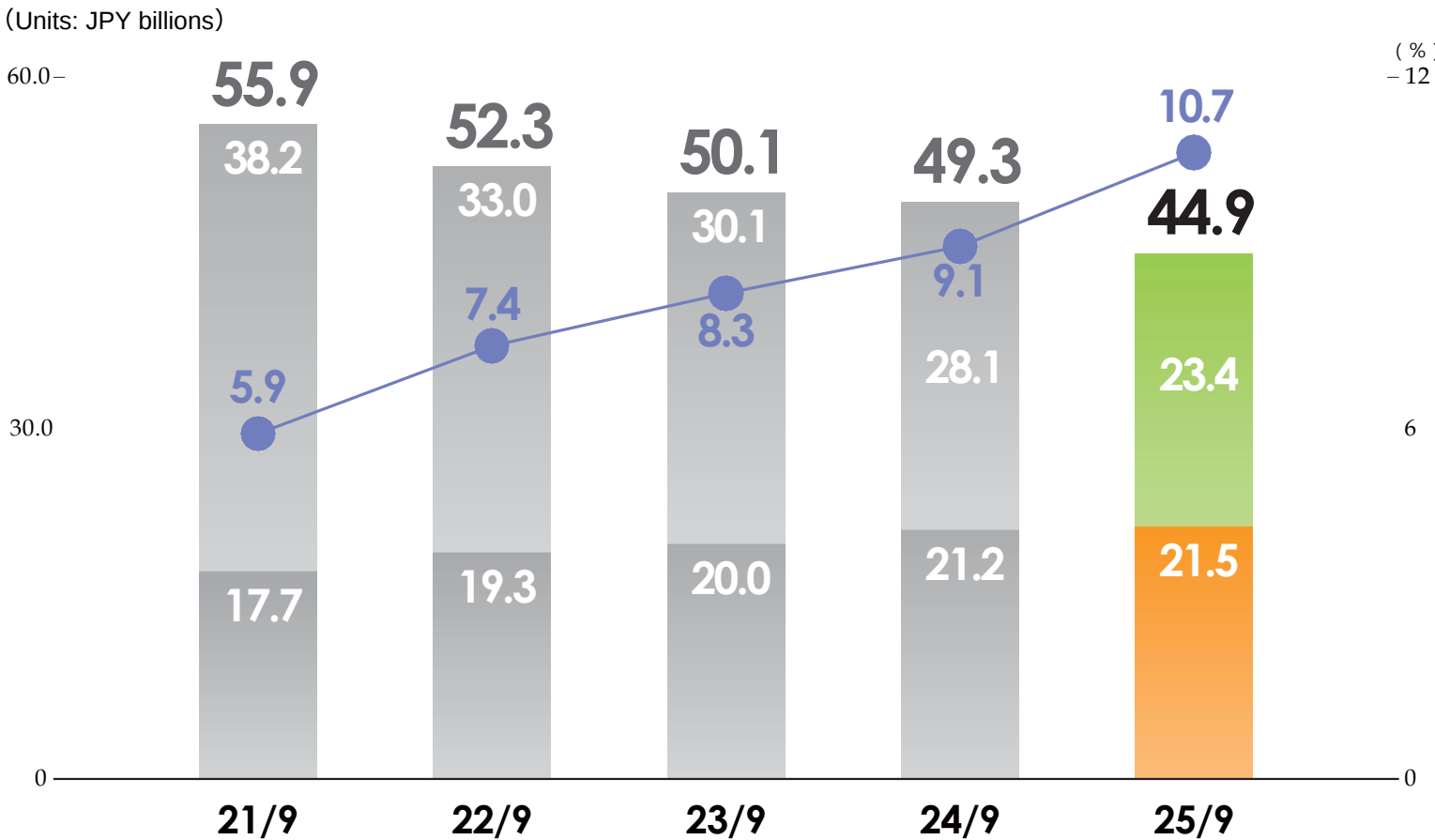
Status in FY2025 1H

- The guideline was published in April 2025
 - Due to the early onset of efficacy and taste-related adverse events, the persistence is short.
- [NHI drug price revision: 0.0 % (Apr 2025)]

Initiative FY2025

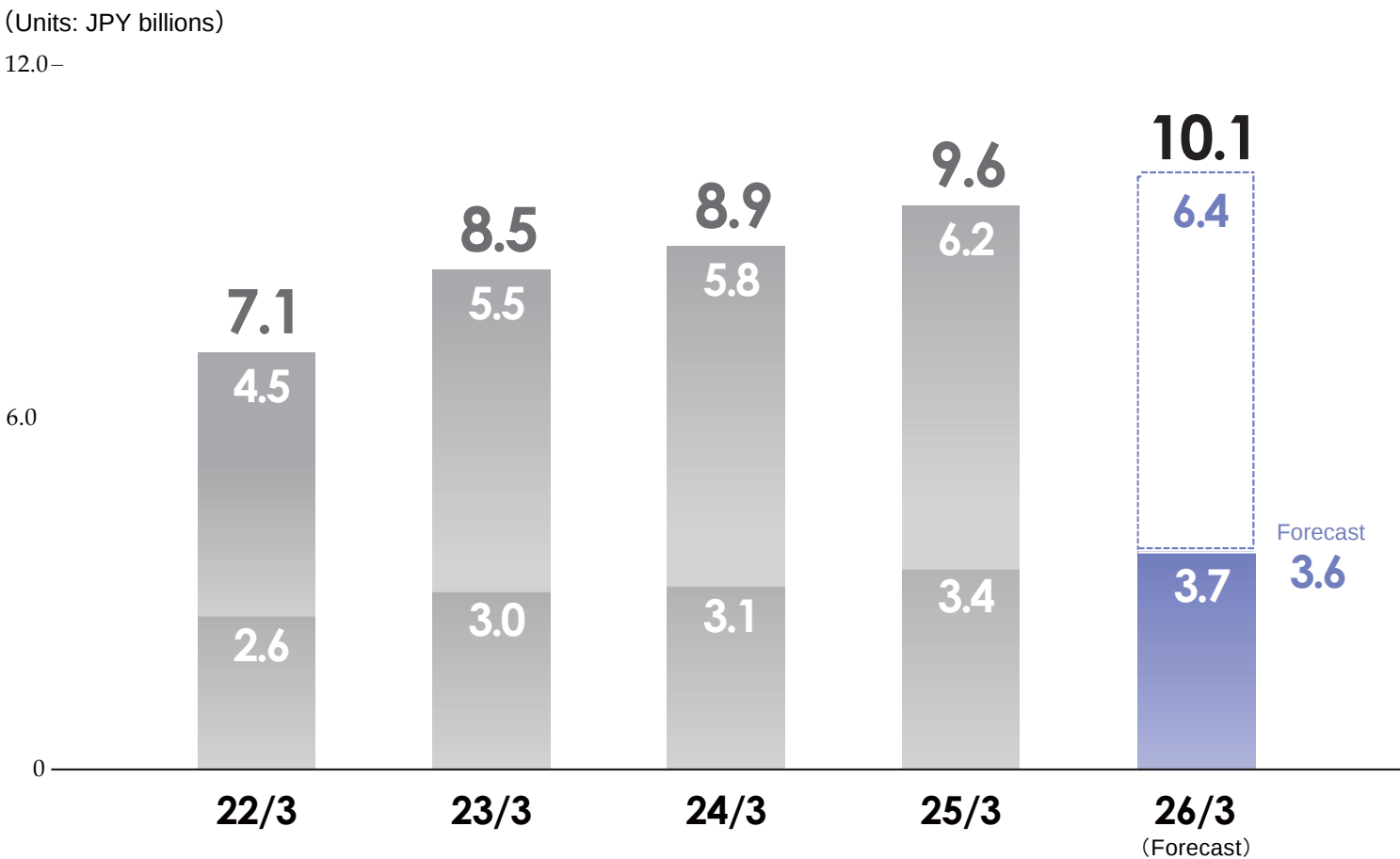
- Utilized Practical guideline and new evidences
- Enhancement of better understanding for product characteristic (suppressing cough caused by nerve hypersensitivity)
- Initiative to extend the patient's period of taking drug (Promotion of proper medication counseling)

Antihistamine market | Apr-Sep | Long-listed and generic drugs | Desalex share | New drugs



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Sales $\frac{2H}{1H}$



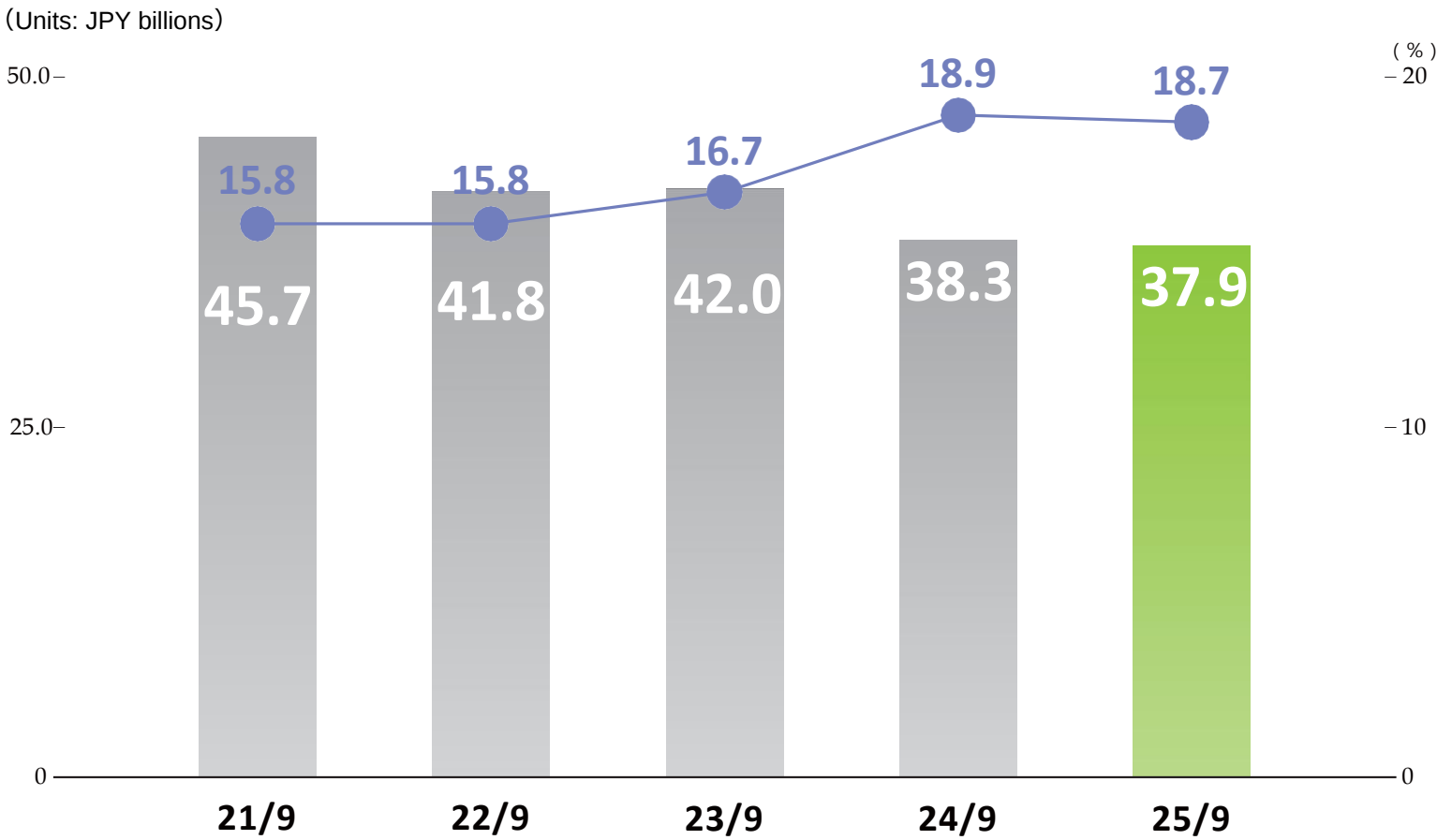
- Market
- Antihistamine market: -8.7%*
- Medium to long-term market outlook
- Although the number of patients continues to increase, the market is shrinking due to the NHI drug price revision and generic drugs.

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- Status in FY2025 1H
- Sales increased steadily
 - No.1 prescribing share in Otolaryngology*2 [NHI drug price revision: -9.16% (Apr 2025)]
- Initiative FY2025
- Promote prescribing to Otolaryngology and Internal Medicine
 - Aim to establish a position as a drug that combines both efficacy and ease of use

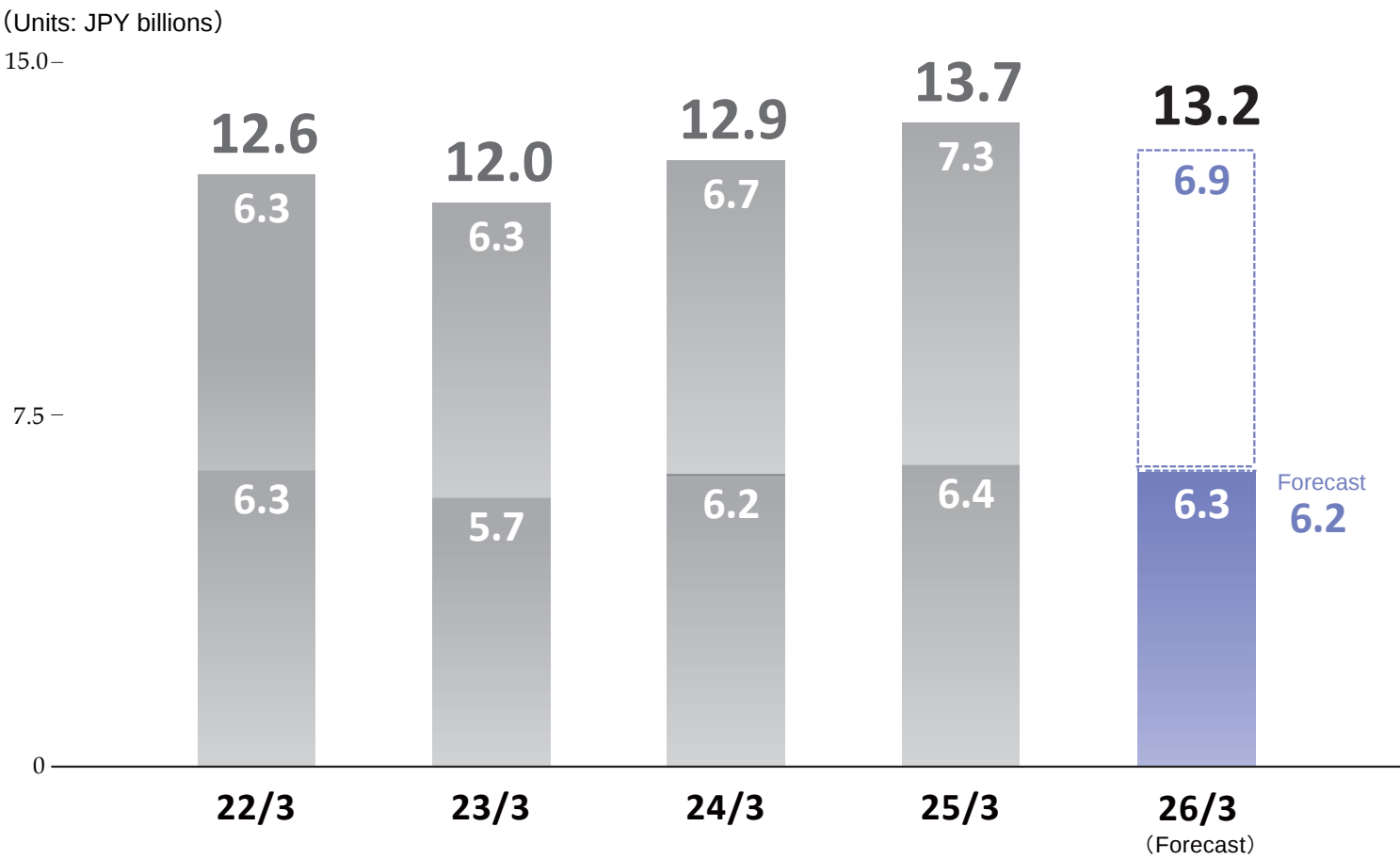
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■ ICS/LABA Market ■ Market ● Flutiform share



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■ Sales $\frac{2H}{1H}$



(Forecast)

Market

- ICS/LABA market: -1.1%*1
- Increase to seek treatment after Covid-19, and promote to switch to generic drugs

Medium to long-term market outlook

- While the number of patients continues to increase, the market is forecast to remain flat due to the NHI drug price revision and generic drugs

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Status in FY2025 1H

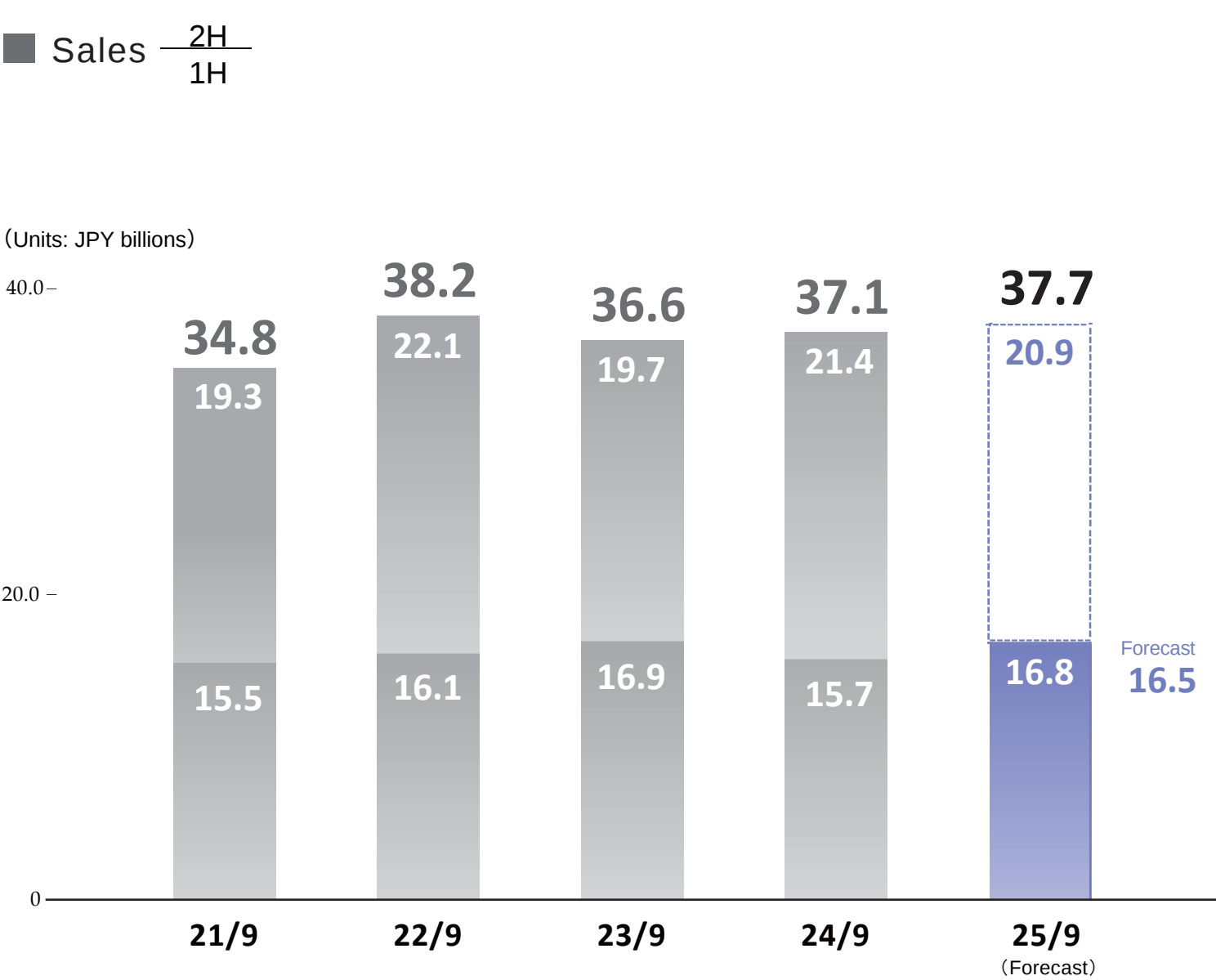
- Sales increased steadily, 3% year-on-year increase in volume.
- Market share in terms of volume: 18.6% (Sep 2024) to 19.3% (Sep 2025) *2 [NHI drug price revision: -5.59% (Apr 2025)]

Initiative FY2025

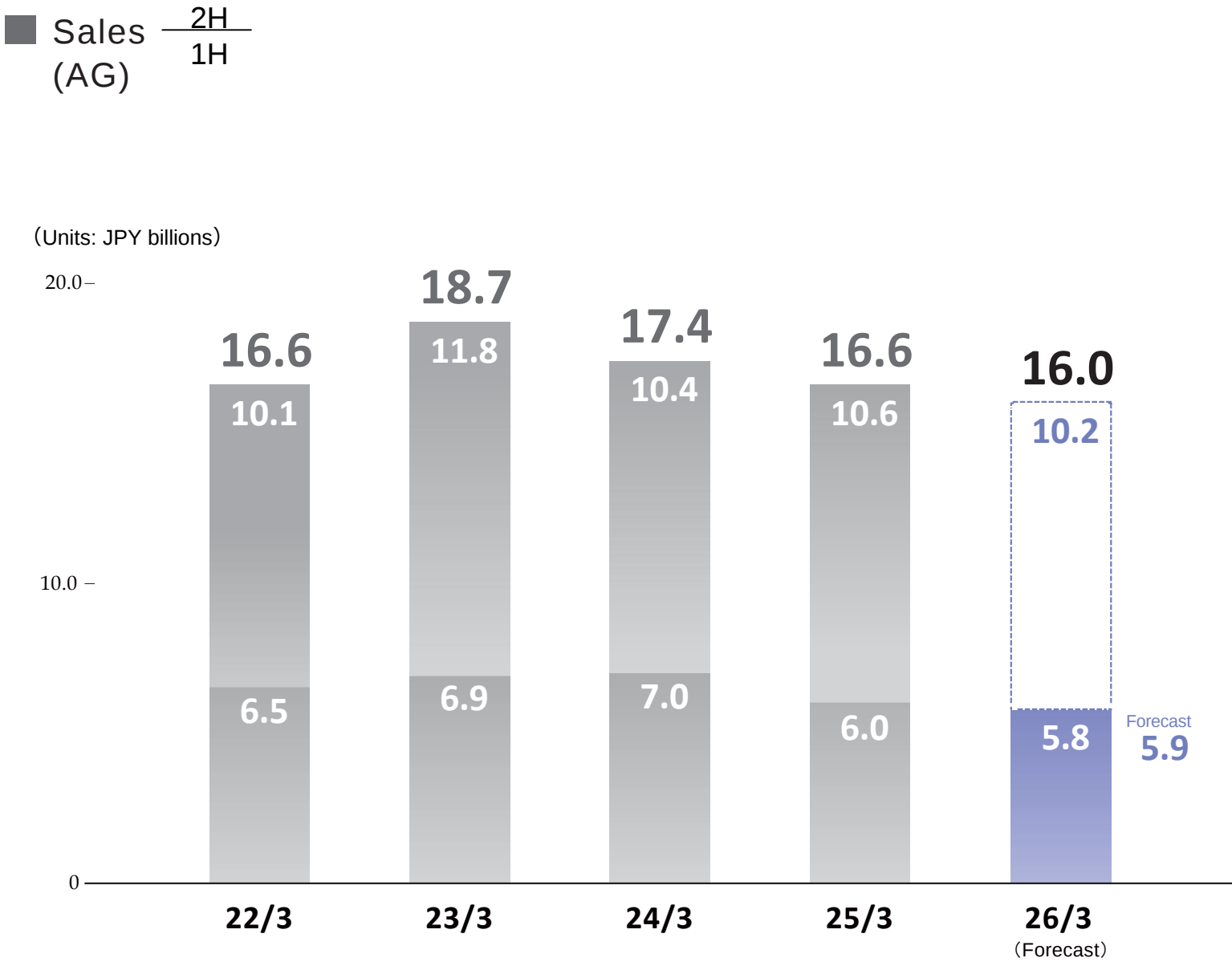
- Appeal to the utility of the aerosol formulation as suitable for patients with weak inspiratory force
- Expand prescriptions through synergy with Lyfnua promotion activities

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**Promoting healthcare-related businesses
that have synergies with the new drugs business**



- Quantity growth driven by the impact of the new health coverage rule for long-listed products
- Expansion of sales for products added to the new listed products in FY2024 and key focus items
- Sales decline in AG due to the drug price revision, etc.



- Sales decline due to the drug price revision, etc.
- Keep market share of 50% in AG

Shareholder Returns

Capital Policy	Maintain a stable dividends, taking DOE (Dividend on Equity ratio) into account
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Dividend

	FY2023 Interim period	FY2024 Interim period	FY2025 Interim period
Interim dividend per share (Yen)	20 yen (Annual dividend of 52 yen)	20 yen (Annual dividend of 57 yen, which includes special dividend of 5 yen)	20 yen (Annual dividend of 57 yen)

- The interim dividend of 20 yen have been decided at in the Board Meeting scheduled in November 7, 2025
- The year-end dividend of 57 yen announce on May 12, 2025 remain unchanged

Reduction of Cross-shareholdings

Reduction Target The ratio of Cross-shareholding to net assets to be less than 10% by 2030

- One stock was reduced in the first half of FY2025
- Aim to reduce the ratio of cross-shareholding to net assets to less than 10% ahead of schedule

	Mar 2022	Mar 2023	Mar 2024	Mar 2025	Sep 2025	change
Total of holdings	25	21	20	20	19	-1
Listed	14	12	11	11	10	-1
Unlisted	11	9	9	9	9	0

Ref. The ratio of cross-shareholding to net assets as of the end of September 2025: 11.9%

●Disclaimer

This material contains performance forecasts, goals and plans, and other forward-looking statements related to the Group. These statements are based on the judgment of the Group's assumptions and outlooks based on the information and forecasts available at the time of preparation of this material, and contain known or unknown risks and uncertainties. Therefore, due to various factors that may occur, the actual performance, progress / success / failure of the development and other insights may differ significantly from the description. It also contains information about medicines (including those under development), but the description is not for the purpose of advertising or medical advice.

