



FY2025-2029

Medium-Term Management Plan

May 21, 2025



A crystal ball sits on a rocky surface, reflecting a clear image of a mountain range with green valleys and blue skies. The background of the slide features a blurred mountain landscape with evergreen trees under a bright sky.

Agenda

**Medium-Term Management Plan
Approach and Targets**

Growth Strategy

Capital Allocation

Sustainability

Medium-Term Management Plan Approach and Targets



Why Santen? / Executive Summary

As a dedicated ophthalmology pharmaceutical company, we ensure steady global profit growth through Santen's business model that minimizes development risk and patent cliff impact



Patient-centric approach, striving to provide value to patients and consumers with eye diseases and concerns as one of the few global pharmaceutical companies dedicated to ophthalmology



The ophthalmology pharmaceutical market Santen is committed to is expected to see high growth (CAGR 5.5%¹)



Leveraging Santen's global sales network allows for product acquisition through partnerships



Well-balanced pipeline assets with high level of development certainty and technology to extend product life cycle addressing three global growth drivers; Market Expansion (new drugs, LCM) in existing markets, Market Creation in new markets, and Market Entry in untapped markets



Through our accumulated developed organizational capability “Santen Commercial Excellence”, we are able to maximize the sales of each product



Use generated cash to lay a foundation for mid to long-term growth foundations to be built by generated cash, through growth investments, increase dividends from 60.0B to 80.0B yen over five years, and execute opportunistic share buyback(s) to improve capital efficiency and realize capital returns significantly exceeding capital costs

Promoting
management in
accordance with our
newly established
Guiding Principle and
Values to embody our
Core Principle & Vision

Core
principle

天機に参与する
Tenki ni sanyo suru

Vision

Happiness with Vision

Guiding
principle

We carefully consider
what is essential in each situation,
determine what we should do,
and act quickly.

Values

Patient Centricity
Integrity and Trust
Continuous Advancement
Achieve Together

What Santen aspires To-be in 2035

A leading ophthalmology company leveraging "Santen Commercial Excellence" earning the trust of patients and the ophthalmic community worldwide

Santen's way of achieving To-be

Provide optimal ophthalmic care by maximizing product value



- Continuously pursue optimal eye care from a patient perspective, maximizing product value through promotion of appropriate treatment concepts and care, and providing optimal care to patients through strong collaboration with stakeholders in each market

Innovation in ophthalmic care

- Deeply understand patients' unmet needs and medical challenges, utilizing our extensive ophthalmic expertise and open collaboration to deliver innovative products for untreated diseases and products that shift the paradigm for existing standard treatments

Review of performance targets for previous Medium-Term Management Plan

Medium-Term Management Plan (~FY2025) targets achieved ahead of schedule through steady implementation of structural reforms

	 Previous targets (~FY2025)	 Outcomes (FY2024)
Revenue	280.0B yen	300.0B yen ✓ Achieved!
Core operating profit/margin	56.0B yen / 20%	59.4B yen / 20% ✓ Achieved!
Sales growth rate per overseas employee	Over 7% ^{1,2}	19% ^{3,4} ✓ Achieved!
Core ROE	13%	15% (full ROE: 12%) ✓ Achieved!
Core EPS growth rate	Over 10% ²	23% ⁴ (full EPS: 104 yen) ✓ Achieved!
Shareholder returns	Flexible share buybacks to adjust dividend capital, minimum dividend of 32 yen/year	Increased dividends to 33 yen/year for FY2023 and 36 yen/year for FY2024. Acquired and cancelled 53.3B yen worth of treasury shares (10% of OTSD shares) in FY2023-FY2024

1. Total for China, Asia, and EMEA, excluding currency effects. Converted at the Medium-Term Management Plan rate disclosed in April 2023.
2. CAGR from the forecast for fiscal year 2022 to the target for fiscal year 2025. 3.Total for China, Asia, and EMEA, including foreign exchange impacts, excluding one-time factors. 4.CAGR from the actual results for fiscal year 2022 to the actual results for fiscal year 2024.

In the previous Medium-Term Management Plan, we steadily executed and completed structural and other reforms to create a foundation for change

FY2023-2024

Foundation for change

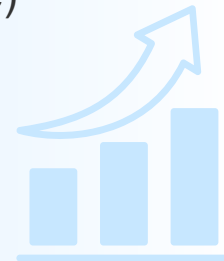
Improve profitability through structural reforms

- Withdrew from commercial operations in Americas, reviewed major investment projects
- Enhanced company-wide productivity through cost and organizational optimization



Grow regional operations

- Strengthened overseas biz capabilities through global rollout of Santen Commercial Excellence
- Increased overseas business sales and productivity (sales per employee)



Strengthen pipeline

- Supported regional business growth through LCM¹
 - e.g. development of *Alesion*² eyelid cream
- Developed pipelines for future growth
 - e.g. approval of slowing myopia progression drugs
- Acquired new pipelines
 - e.g. obtained pterygium treatment drug

High unmet needs in the ophthalmology market & Significant potential for Santen value contribution

Significant opportunities to deliver value to patients through new drug development and high-value-added LCM in a growing ophthalmic pharmaceutical market

- Global ophthalmology pharmaceutical market expected to grow at 5.5% CAGR¹
- Market growth underpinned by 3 broad unmet needs:
 - Absence of established treatments with pharmaceuticals
 - Pharmaceutical treatments exist, but patients lack access
 - Current treatments do not fully meet patients and physician expectations

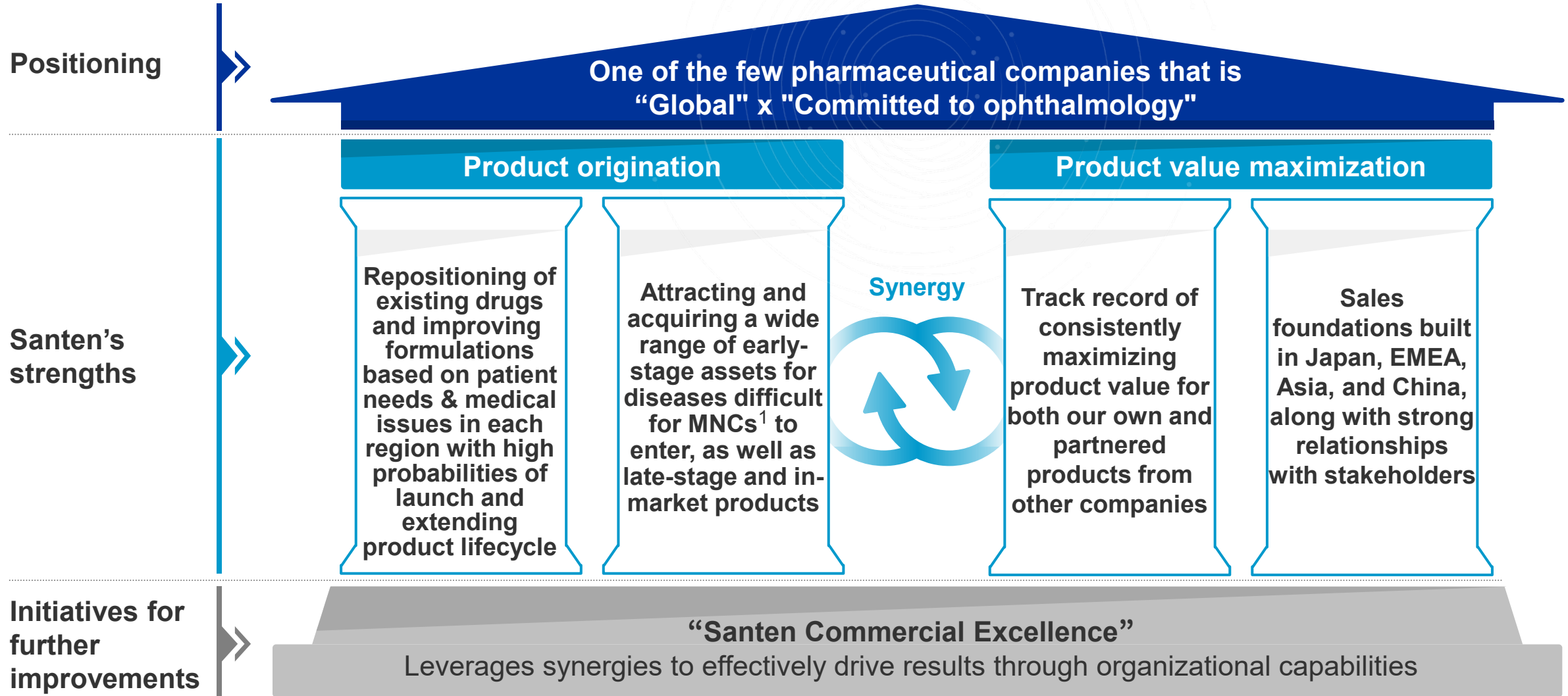
Drug discovery ventures focus & promote early-stage development in ophthalmology, but many lack late-stage development or commercial functions

- Dependence on other companies for functions they lack (licensing, distribution)

Several large pharma companies develop ophthalmic products, but proactively developing Rx treatments to meet specific needs is rare

- Management resources are focused on high-priced areas (i.e. oncology, rare diseases) and consider repurposing for ophthalmic diseases as an extension of this strategy
- Focus on large scalable products with significant market scale (such as retinal diseases)

Santen's distinctive strength: Delivering a wide range of products that address various needs of a large number of patients



Strengthen Santen's business model across all regions, build market-leader reputation and establish foundations for sustainable growth

Build strong presence in each region

Establish our presence as a trusted ophthalmology leader, ex-Japan as we have done in Japan

Market creation in new disease areas

Establish and commercialize treatment systems for myopia and ptosis tailored to each region's medical env.

Expand Rx portfolio to support mid-to-long-term growth

Expansion of pipeline to generate sales for the mid-term and beyond FY2030

Continued enhancement of stable supply & productivity



Operations in place for flexible response to changes in business env.



Medium-Term Management Plan growth strategy

FY2029 targets

Outperforming market growth: 400B yen revenue, 80B yen core operating profit, 40% dividend payout, and opportunistic share buybacks

		 FY2024 performance	 FY2029 targets
Business strategy	Revenue	300.0B yen	400.0B yen
	Core operating profit	59.4B yen (EBITDA: 68.1B yen)	80.0B yen (EBITDA: 90.0B yen) ¹
Financial strategy	ROE	12%	over 14%
	EPS Growth rate	EPS : 104 yen	Double-digit growth ² (EPS : 160 yen or more)
Shareholder value	Shareholder returns	<ul style="list-style-type: none">• Maintained progressive dividend increases• Annual dividend per share 36 yen in FY2024• Share buybacks in FY2023-2024	<ul style="list-style-type: none">• Min. annual div of 38 yen with dividend hikes targeting 40% payout ratio• Opportunistic buyback(s) as a function of share price and surplus cash³• Further ROE, EPS improvements

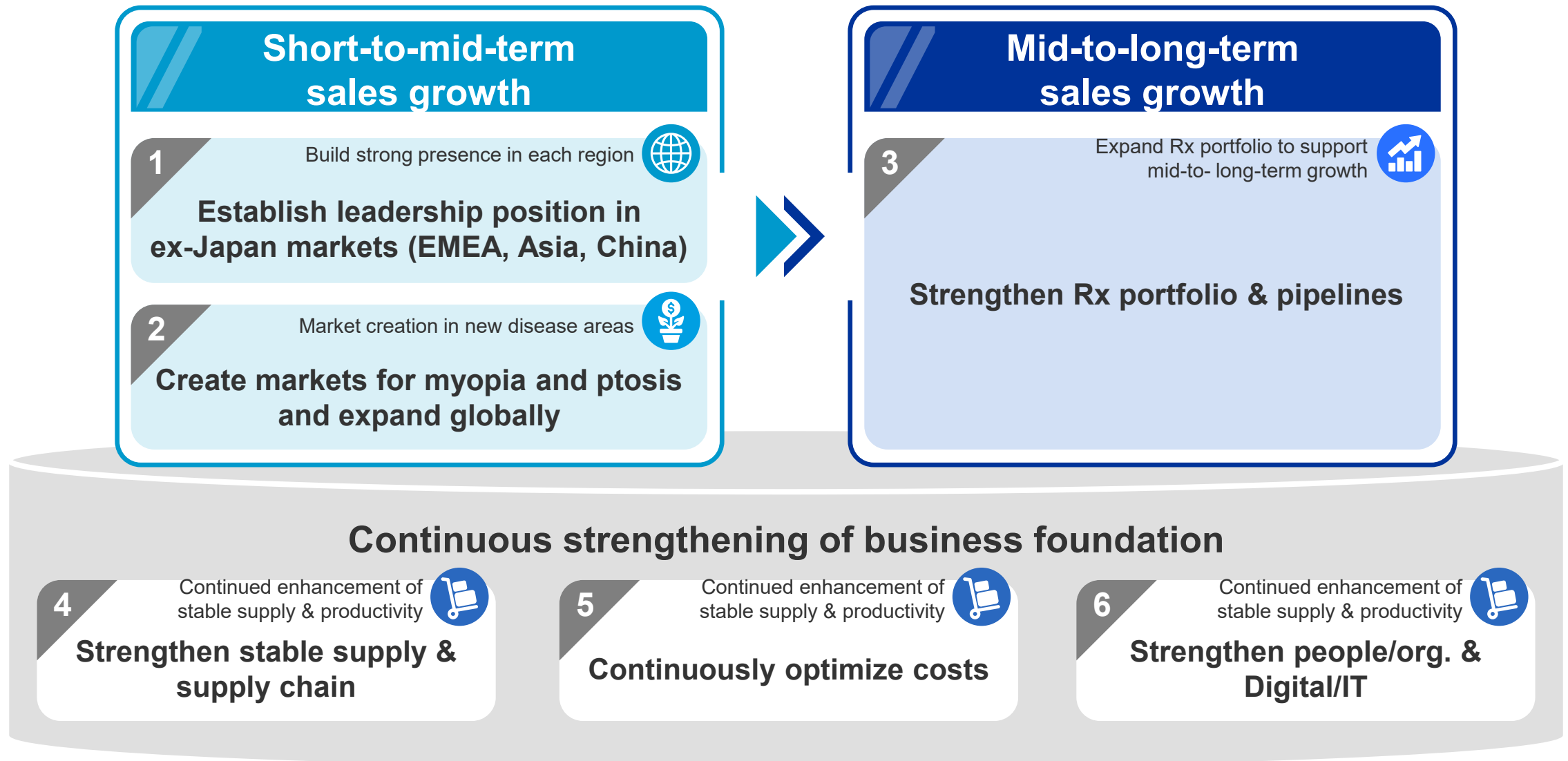
12 1. Reference range 2. 2024 results - 2029 target CAGR
3. Define necessary working capital as 45.0 billion yen and use retained surplus cash over a fixed period as the source for implementation



Growth Strategy



Establish sustainable growth foundations: 6 initiatives



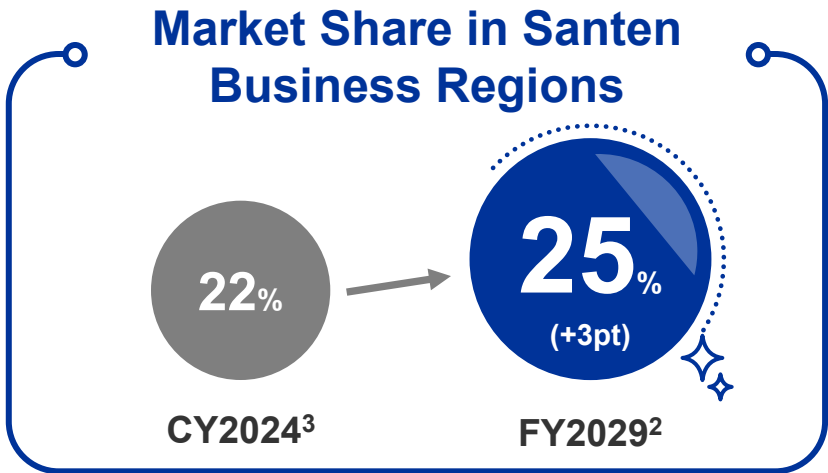
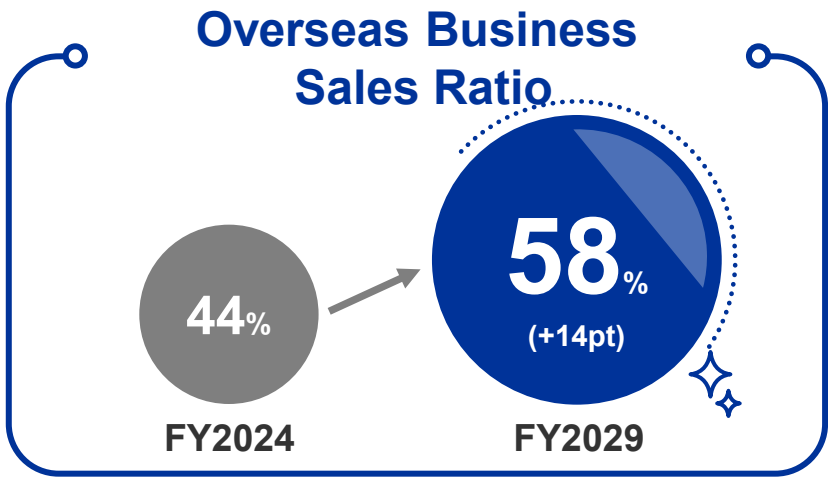


**Establish leadership position
in ex-Japan markets**

Maximizing sales in each region

Strengthen presence and build foundations for mid-to-long term sales growth anchored in Japan & sales expansion in all regions > market growth

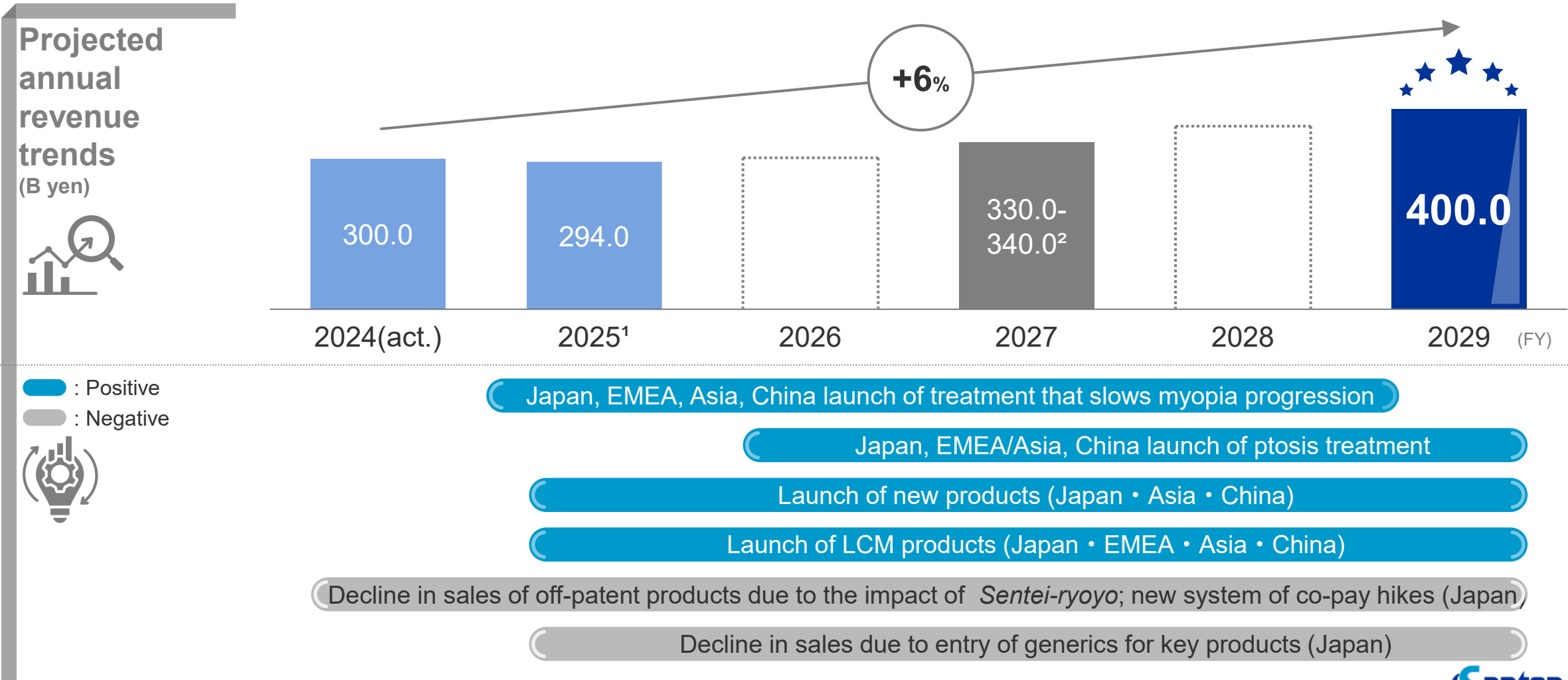
	Region			
	Japan	EMEA	Asia	China
FY2029 Revenue B yen (contribution profit ratio)	170.0 (35%)	100.0 (38%)	65.0 (48%)	65.0 (39%)
Change ¹ B yen (vs. FY2024)	+4.7	+ 25.7	+ 34.9	+ 36.1
Santen CAGR (FY2024-2029)	1%	6%	17%	18%
Market CAGR ² (FY2024-2029)	- 3%	3%	7%	5%



1. FY2024 revenue includes revenue other than from four regions. Revenue of Hong Kong is included Asia for FY2024 and China for FY2029. 2. Santen estimate. The figures for FY2024 are estimates. Retina excluding in EMEA, Asia and China 3. EMEA, Asia, and China exclude the retinal disease area. Refer to the following slides for the constituent markets of Asia and EMEA Source: Copyright © 2025 IQVIA. IQVIA MIDAS 2024.1Q-2024.4Q. Santen analysis based on IQVIA data. Reprinted with permission.

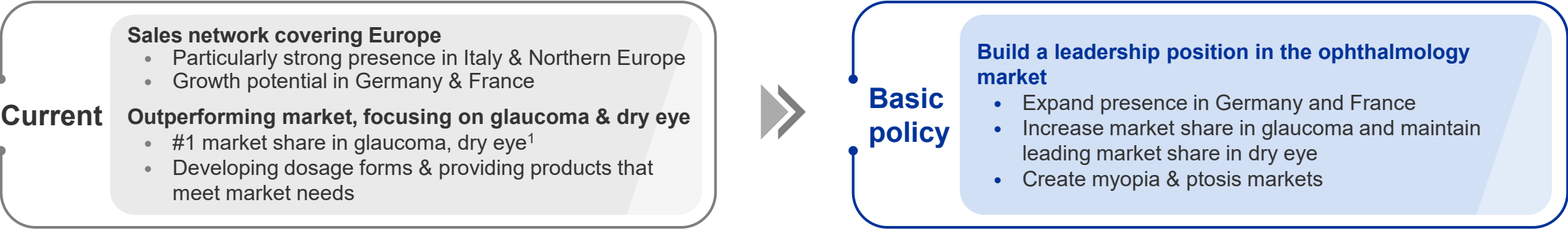
Projected annual sales trends up to FY2029

FY2024 revenue levels expected in FY2025 due to Japan sales decline.
Growth expected FY2026 & beyond on sales contribution from new & LCM products. Targeting 400B yen in FY2029

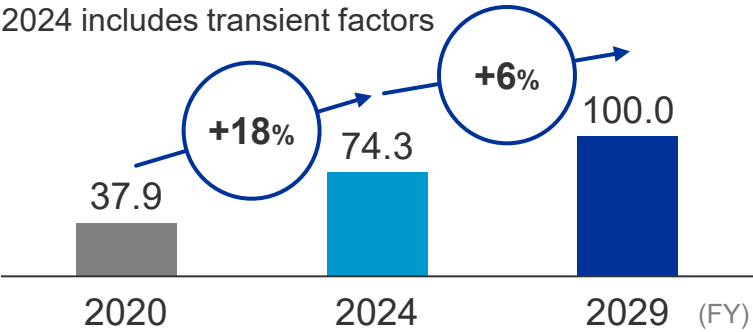


17 1. Forecast disclosed on 13 May 2025 2. FY2027 core operating profit ratio of 19-20% is targeted

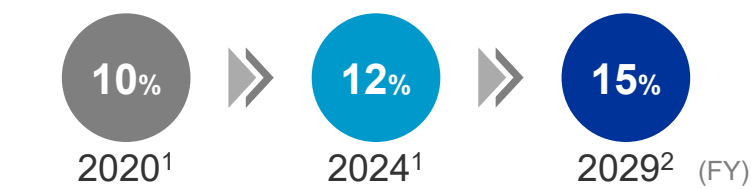
Focus on glaucoma, dry eye & myopia, grow EU5 market share mainly in Germany & France. Targeting FY2029 sales of 100B yen



Revenue (B yen)



Santen market share (excl. retina market)



Growth opp.

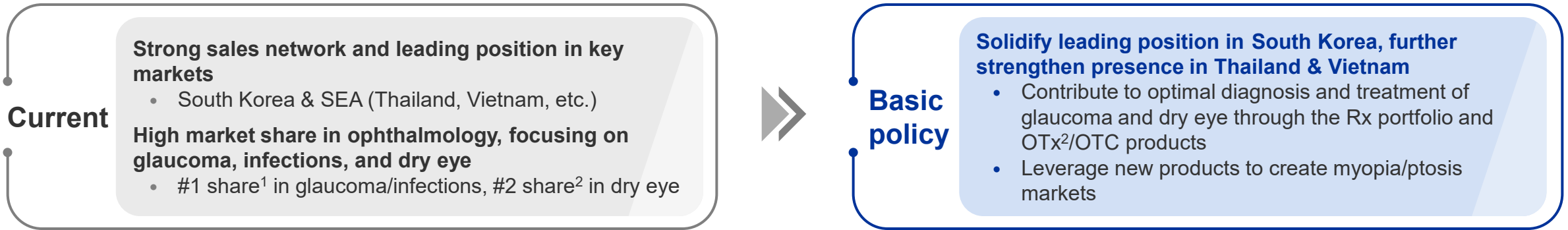


Measures

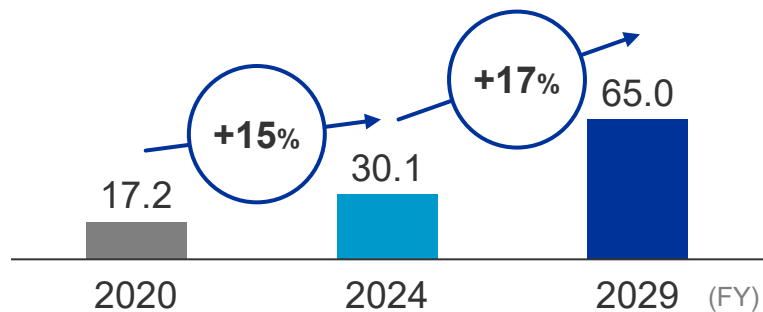
- Expand market & increase presence by promoting standardized glaucoma treatment in collaboration with stakeholders
- Launch & regional development of key products (*Catiolanze*, *Roclanda*, *Preserflo MicroShunt*) and early market penetration
- Strengthen *Ikervis*' targeting and value proposition to establish it as first choice in an increasingly competitive anti-inflammatory treatment segment, thereby maintaining our top share of dry eye Rx treatments
- Create the Rx market and establish a leadership position through the launch of *Ryjunea* and STN1013800, and strengthen collaboration with stakeholders to improve the treatment environment for myopia/ptosis

Regional strategy_Asia

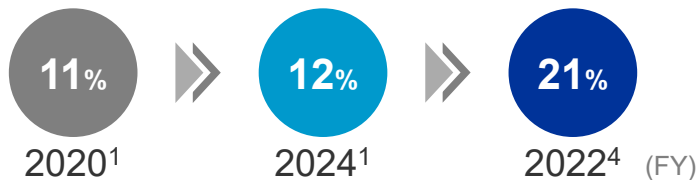
Strengthen portfolio in glaucoma & dry eye. Focus on OTx/OTC demand. Targeting 65B yen FY2029 sales mainly in S. Korea, Thailand, & Vietnam



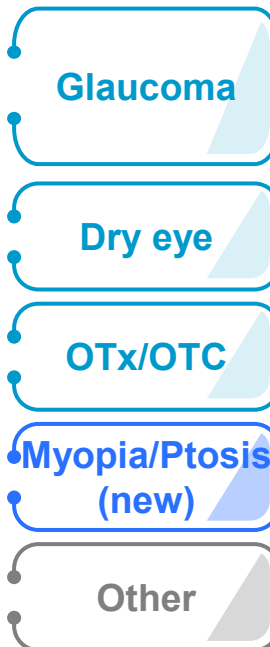
Revenue (B yen)³



Santen market share (excl. retina market)



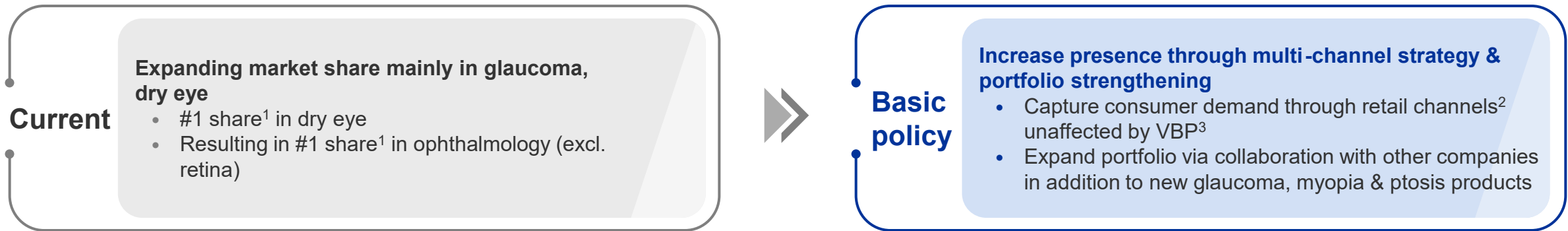
Growth opp.



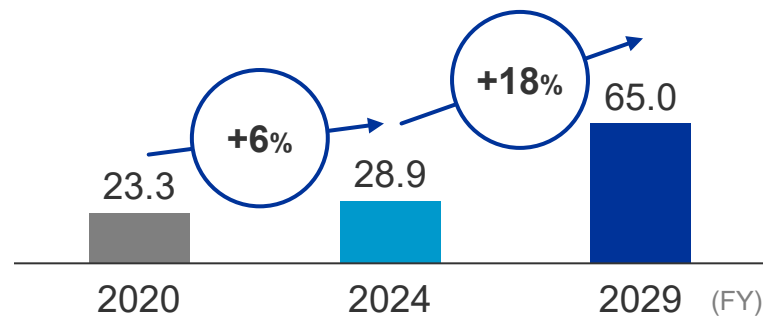
Measures

- Launch and early regional expansion of *Rhopressa*, *Rocklatan*, and *Catiolanze*
- Expand market by promoting of correct treatment concept & care using strategies that address patient journey pain points
- Establish and disseminate new framework for diagnosis & treatment of dry eye by working with KOLs and societies in each market
- Strengthen marketing strategy to capture growing self-medication demand mainly in Thailand, Vietnam, Philippines and other SEA markets
- Enter myopia & ptosis markets via launch of STN1012700 & STN1013800, using sales base to lead market creation
- Establish optimal sales models in the Indonesia & Australia markets

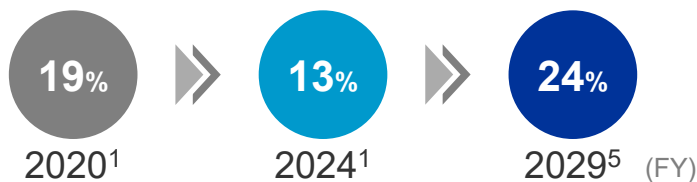
Maximize sales with new products & BD-acquired assets & strengthen multichannel sales for sustainable growth. Targeting 65B yen FY2029 sales



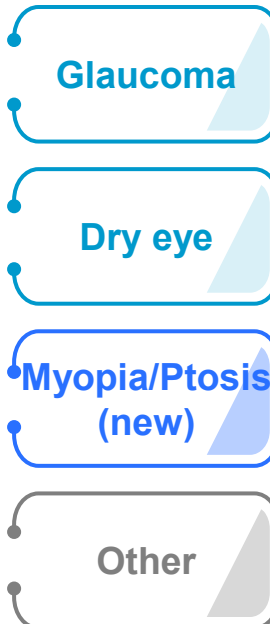
Revenue (B yen)⁴



Santen market share (excl. retina market)



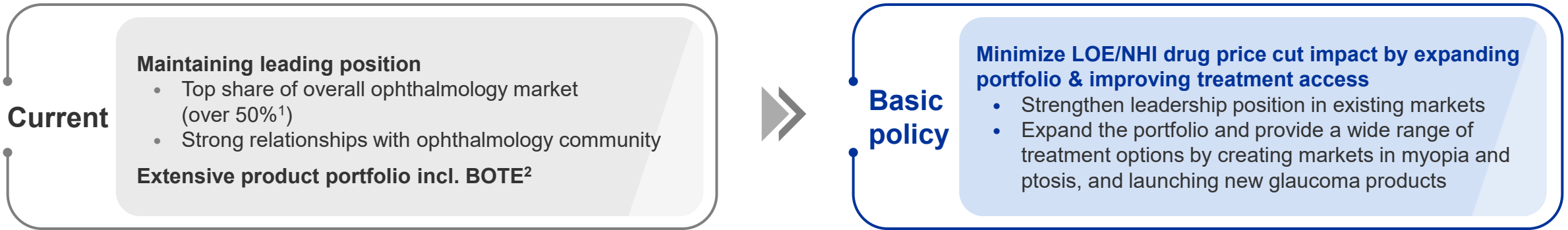
Growth opp.



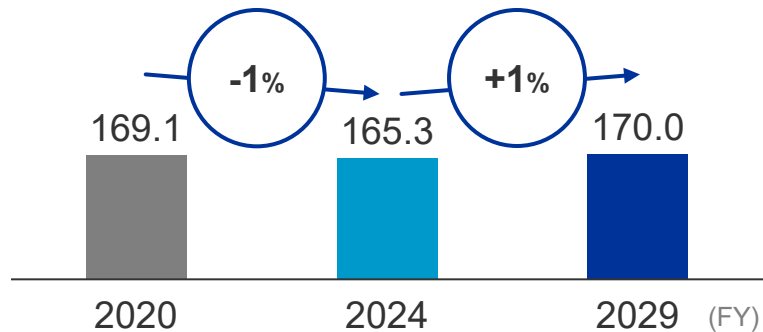
Measures

- Promote expansion of product portfolio through launch of new products such as *Tapcom*, *Eybelis* and provide comprehensive treatment options to patients
- Expand sales channels with particular focus on retail channels
- Promote of early branding activities
- Expand sales channels with particular focus on retail channels
- Explore further business development opportunities in addition to ARVN001

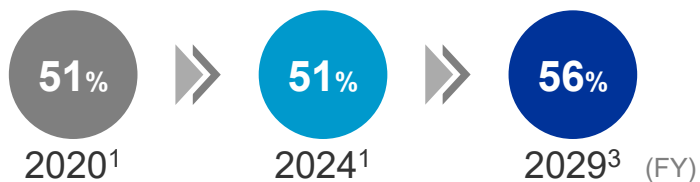
Launch new products & enhance access, seeking wins across patients, facilities & Santen. Targeting FY2029 sales of 170B yen



Revenue (B yen)



Santen market share (incl. retina market)



Growth opp.



Measures

- Expand treatment options and increase market share by launching new products (STN1012600, STN1013900, STN1014003)
- Create myopia market with *Ryjusea* and establish it as standard treatment for controlling myopia progression
 - Build 3-way win model for patients, medical institutions, and Santen in the out-of-pocket market
- Launch STN1013800 to create a world where “ptosis is treated by ophthalmologists” and lead the Rx market for ptosis
 - As with myopia, build 3-way win model for patients, medical institutions, and Santen in the out-of-pocket market



**Create markets for
myopia and ptosis and
expand globally**

Myopia/ptosis market creation goals

Create myopia & ptosis Rx markets, enhance environment for proactive treatment by medical institutions. Targeting sales of 60B+ yen for myopia & 45B+ for ptosis sales


Goals



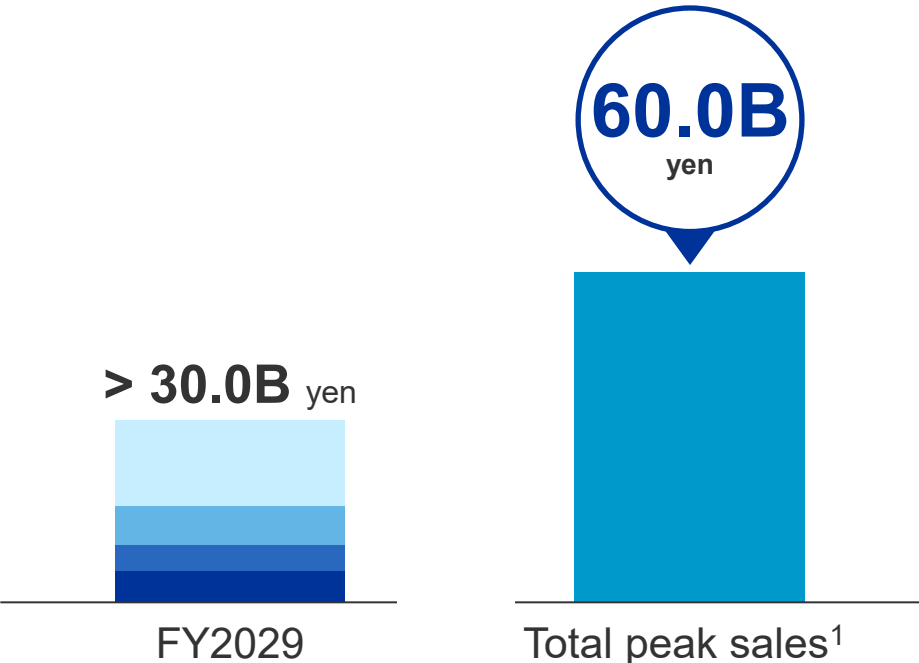
Myopia

Curb myopia progression, establish eye drop market to reduce burden on daily life & alleviate future eye-related concerns

Projected sales

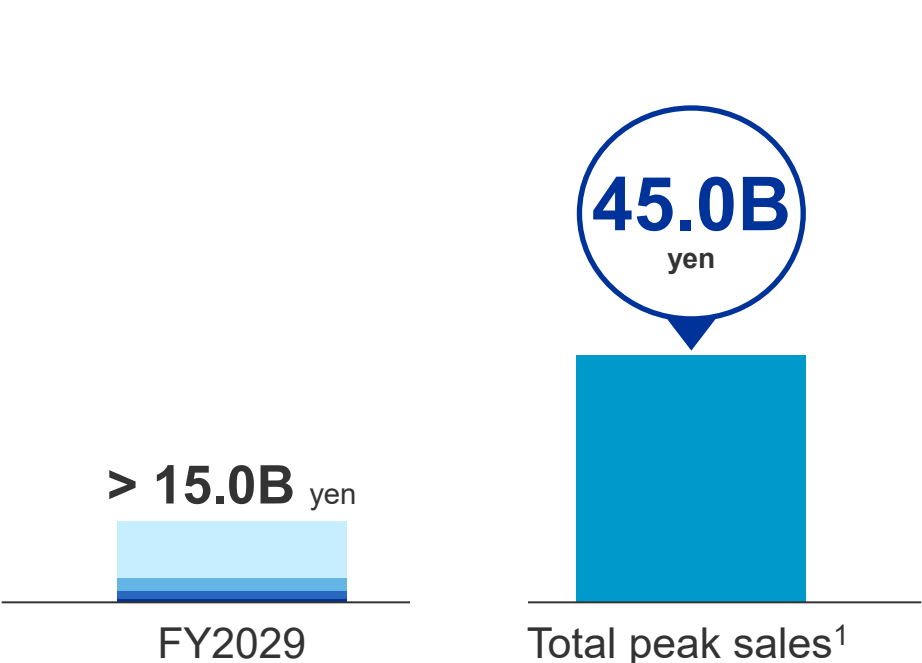


- Japan
- EMEA
- Asia
- China



Ptosis

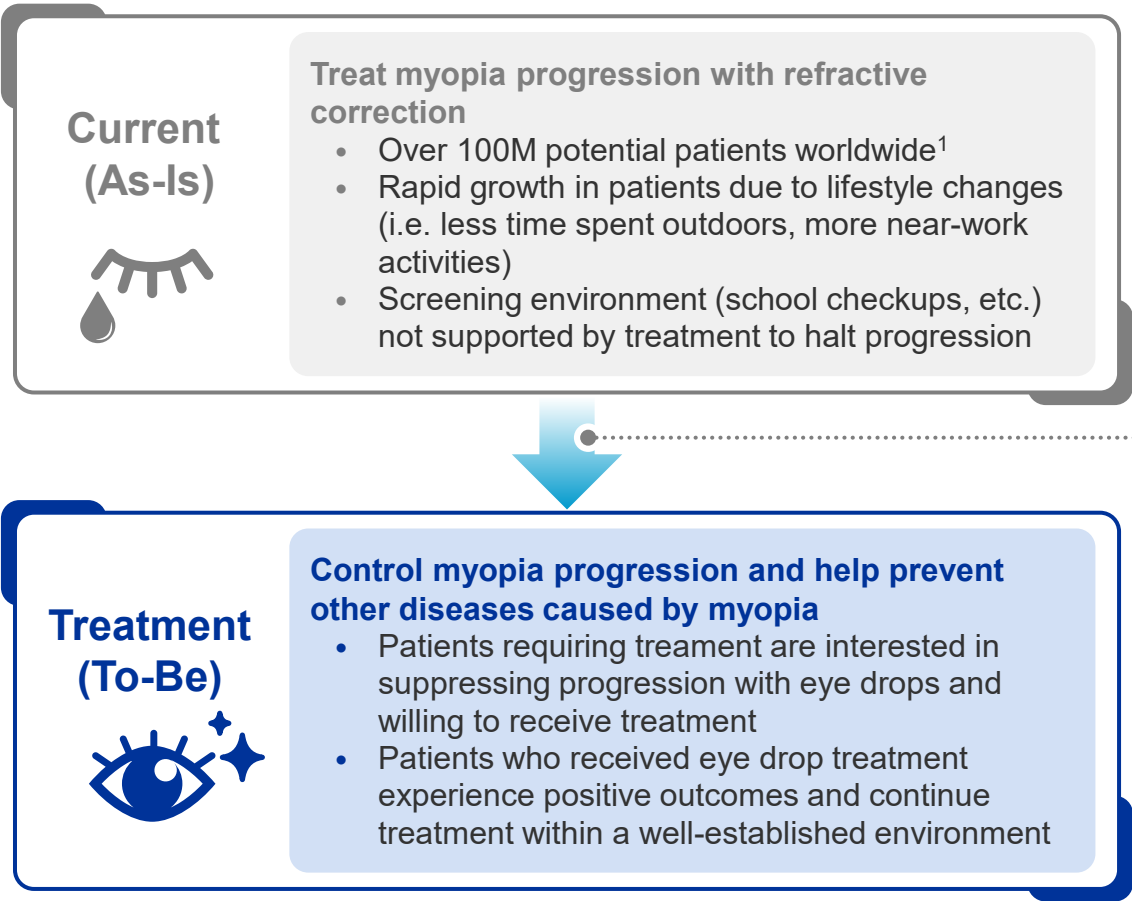
Transform the perception of ptosis into a condition treatable with eye drops and establish non-invasive ptosis eye drop treatment market



Vision and key initiatives for slowing myopia progression treatment

Provide eye drop treatment that slows myopia progression to 100 million+ potential patients

Our vision for myopia treatment



Leverage points

Point 1
Increased awareness of myopia control

Point 2
Establish treatment policy

Point 3
Mechanisms for realizing effects

Measures

Promoting awareness of slowing pediatric myopia and its urgency

- Seek to improve clinic visit and consultation rates through DTC-driven screening and parent education initiatives region-tailored

Boost Rx rates by promoting HCP understanding of treatment

- Advocacy to increase understanding of clinical significance of treatment
- Work with HCPs to establish standard diagnostic procedures

Improve treatment adherence by visualizing treatment outcomes

- Prepare systems & tools that allow patients & guardians to fully realize significance of treatment

24 1. Santen estimate (total estimated number of potential pediatric myopia patients in four regions: Japan, EMEA, Asia and China. Asia: South Korea, Taiwan, Singapore, Thailand, Philippines, Hong Kong, Indonesia, Vietnam, Malaysia/ EMEA: UK, France, Germany, Spain, Italy, Switzerland, Austria, Netherlands, Denmark, Norway, Sweden, Finland, Ireland, Portugal.)
2. Morgan IG et al: *Invest Ophthalmol Vis Sci.* 62, 3 (2021).

Vision and key initiatives for ptosis

Transform perception into condition treatable with eye drops for 400M potential patients¹, facilitate early detection via regular ophthalmology visits

Our vision for ptosis treatment

Current (As-Is)



Addressed through surgery or cosmetics

- Aging and long-term use of contact lenses are risk factors for ptosis symptoms^{2,3}. Ophthalmology outpatients include many potential patients
- Estimated consultation and diagnosis rate is less than 10% in many countries, and many patients rely on non-medical methods or abandon treatment despite symptoms⁴



Treatment (To-Be)



Eye drops are commonly prescribed for conditions treated by ophthalmologists

- Patients recognize that symptoms can be treated with eye drops and consult medical professionals when symptoms cause problems
- Ophthalmologists properly prescribe eye drops as a non-invasive option for ptosis
- Growth in patient visits contributes to early detection and treatment of other diseases, such as glaucoma

Leverage points

Point 1

Increased awareness of ptosis treatment

Point 2

Envt. for medical care tailored to region

Point 3

Maintaining motivation to continue treatment

Measures

Education about disease/pathology and treatment

- DTC: Awareness that ophthalmologists can treat ptosis
- Disease awareness through medical institutions for outpatients

Create envt. where doctors & pts. can begin treatment with peace of mind

- Collaborate with medical community to promote evidence-based treatments
- Work with HCPs to establish standard diagnostic procedures

Create an environment that maintains motivation for continued treatment

- Promote understanding of safety and cost-effectiveness
- Reduce barriers to continued treatment through online medical care

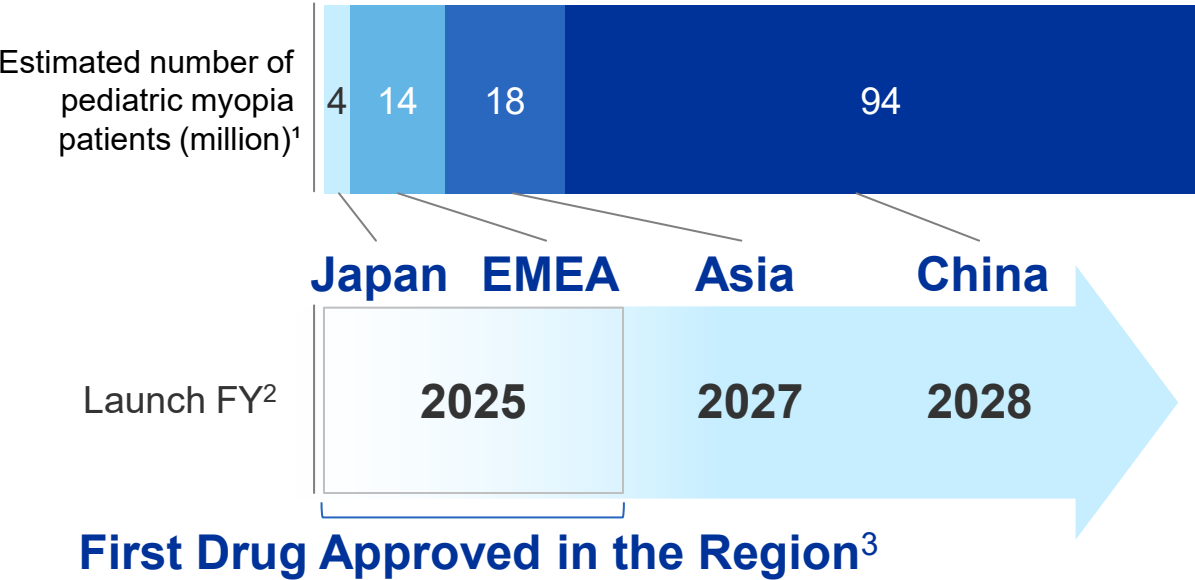
¹ Santen estimate (the total number of potential patients with acquired ptosis in four regions: Japan, EMEA, Asia, and China, based on epidemiological data. Asia: South Korea, Taiwan, Singapore, Thailand, the Philippines, Hong Kong, Indonesia, Vietnam, Malaysia / EMEA: United Kingdom, France, Germany, Spain, Italy, Switzerland, Austria, Netherlands, Denmark, Norway, Sweden, Finland, Ireland, Portugal)

² 5. *Orbit*. 2013 May 10;32(4):231–234. ³ *J Craniofac Surg* 2015 Jul;26(5):e373-4. ⁴ Our assessment based on a 10-country survey (2022) of suspected ptosis patients. ⁵ Treatment

Myopia/ptosis overview by region

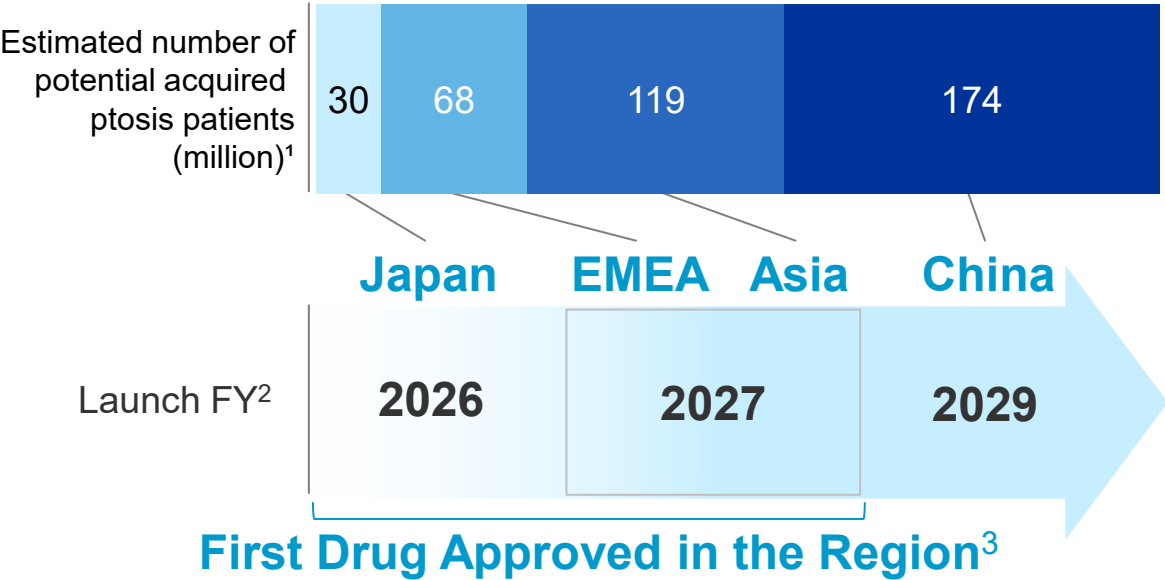
Myopia & ptosis: create markets in Japan & transplant best practices to other regions with large numbers of potential patients

Myopia



Promote market creation and standardization of treatment in Japan & EMEA, and leverage this experience to gain competitive edge in Asia/China

Ptosis



Leverage the approach and experience from market creation & standardization of treatment in Japan to lead market creation in all regions

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1. Santen estimate. Refer to pages 24-25 for the target countries in Asia and EMEA.
2. The schedule is based on the best-case scenario assumed as of the end of March 2025 and does not guarantee launch.
3. The description is based on the information recognized as of the end of March 2025.



Strengthen Rx portfolio & pipelines

Expand the Rx portfolio and pipeline for sales contribution during the Medium-Term Management Plan period and achieve sustainable growth beyond FY2030



Priority measures

Accelerating approvals for current pipeline

Continuous LCM promotion

BD target selection and capability enhancement

Eye drop formulation tech development

Tackling new modalities

Measure policy

Shorten development time & accelerate development

- Improve facility selection, patient recruitment, etc. for clinical development
- Consult with & receive feedback from authorities in early stages

Develop & deploy new formulations based on medical needs

- Develop & deploy *Alesion* cream in Asia/China
- Add new formulation with improved usage convenience PFMD¹ (*Catiolanze*, *Roclanda*)
- Early initiation of LCM for new products

Acquire ex-scope seeds/products of large pharma companies

- Acquiring first-in-class therapeutic products and products for untapped markets through new partnerships based on development and sales creds

Pursue possibilities for new eye drop treatments



- Drug Delivery System (DDS) technology for the treatment of posterior eye diseases, e.g.

Develop medicines for diseases without drug treatments

- Develop treatments for genetic eye diseases and intractable corneal conditions

Current Rx pipeline

High approval rate for regional expansion in existing areas. Secured development products in new areas, with further strengthening through LCM

Indication		Pipeline ¹	J; Japan, E; EMEA, A; Asia, C; China							
			Clinical trial	Filing	Approval	Launch	Planned launch regions ²			
<div>Existing areas</div> <div></div>	Glaucoma	Catiolanze	EMEA				E	A		
		Rhopressal/ Rocklatan	EMEA/Asia				J	E	A	
		STN1012600					J			
	Dry eye	Diquas LX	Japan				J	A		
		STN1014100 ³	P2b	in preparation			J	E	A	C
	Allergy/ inflammation	Alesion LX/Cream	Japan				J	A		C
<div>New areas</div> <div></div>	Myopia	STN1012700/01	Japan				J	E	A	C
	Ptosis	STN1013800					J	E	A	C
	MGD ⁴	STN1010905	P2a				J	E	A	C
	FECD ⁵	STN1010904 ³	P2a				J	E	A	C
	Pterygium	STN1014200	P2b	in preparation			J	A		
	UME ⁶	ARVN001					C			

Concept for growth drivers

Market "Expansion"

- Focus on regional expansion of existing products
- Enhance global sales through LCM
- Seek to launch new drugs like STN1014100

Market "Creation"

- Forge new areas by creating the actual markets
- Target further expansion of created market through LCM

Market "Entry"

- Aim for market entry by expanding products and forming partnerships in new areas

Current Rx pipeline's projected launches by region¹

Three growth drivers will ensure successful market launches in each region and support sustained growth in the medium term

Current Rx pipeline

 : Market "Expansion"
 : Market "Creation"
 : Market "Entry"

	FY2025	FY2026	FY2027	FY2028	FY2029
Japan	<div>Ryjusea Myopia</div> <div>STN1012600 Glaucoma</div>	<div>STN1013800 Ptosis</div> <div>Rhopressa Glaucoma</div>		<div>Rocklatan Glaucoma</div>	
EMEA	<div>Ryjunea Myopia</div>		<div>STN1013800 Ptosis</div> <div>Catiolanze, PFMD Glaucoma</div>		<div>Roclanda, PFMD² Glaucoma</div>
Asia			<div>Ryjusea Myopia</div> <div>STN1013800 Ptosis</div> <div>Catiolanze Glaucoma</div>	<div>Alesion Cream Allergy</div>	
China	<div>Tapcom, UD³ Glaucoma</div> <div>Verkazia VKC⁴</div>		<div>ARVN001 Uveitis</div> <div>Alesion LX Allergy</div>	<div>Ryjusea Myopia</div> <div>Eybelis, UD Glaucoma</div>	<div>STN1013800 Ptosis</div> <div>Alesion Cream Allergy</div>



Continued enhancement of stable supply & productivity

Strengthen stable supply & supply chain

Ancitipating higher demand in new products (i.e. myopia, ptosis), we will strengthen our stable & flexible product supply system by expanding our production capacity and reviewing our production network

Main challenges



Stable supply

Diversifying risk for business continuity due to high dependence on single production site (incl. natural disaster countermeasures)



Production capacity

Addressing increased production/supply volume from new product launches



Demand fluctuation

Addressing supply shortage and over-capacity from large demand upswings for multiple products



Review production & supply network

- Inter-plant production volume optimization
- Inventory optimization and securing of backup sites



Increase internal production capacity

- Start operations at new Suzhou plant
- Intro. & operation of new production line at Shiga Product Supply Centre

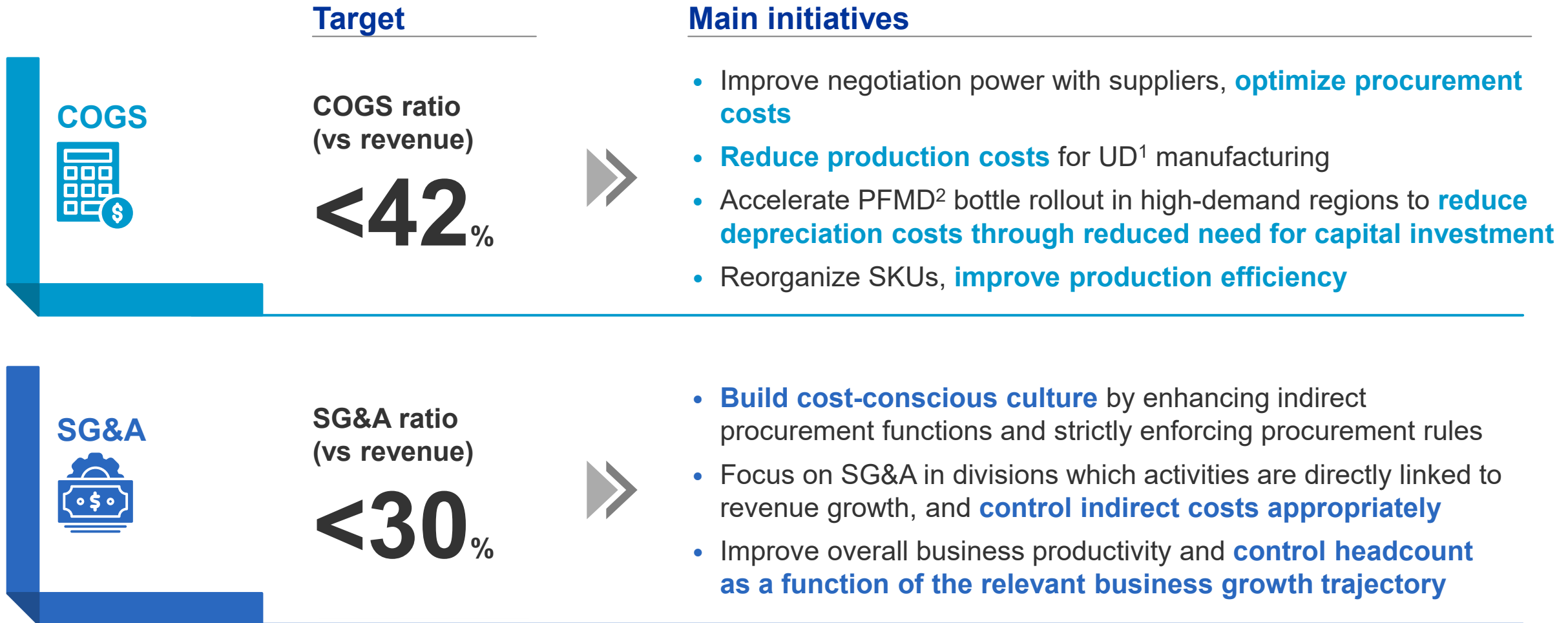


Search for external supply sites

- Strategic partnerships with new CMOs/CDMOs¹

Continuously optimize costs

Promote multifaceted COGS-related initiatives and optimize SG&A through business process streamlining



Strengthen people/org. and Digital/IT capabilities for sustainable growth

Basic
policy

Key
mea-
sures

People/organization strengthening

Position “talents” that embody core principle/vision as the most important assets, building an organization that improves & leverages their abilities



Clarify & effectively disseminate “**the value of working at Santen: EVP¹**,” promoting talent acquisition & retention



Provide **opportunities** to understand business, learn about ophthalmology, develop abilities to create outcomes, etc.



Strengthen headcount & personnel expense management **governance**, thoroughly designing & running an organization that maximizes results

Digital/IT strengthening

Strengthen company-wide IT/security foundation and promote utilization of digital technologies in every business layer for sustainable mid-to-long-term growth



Accelerate and advance decision-making using **data & analytics**



Promote and advance **generative AI** utilization



Strengthen **information security** for entire Santen group

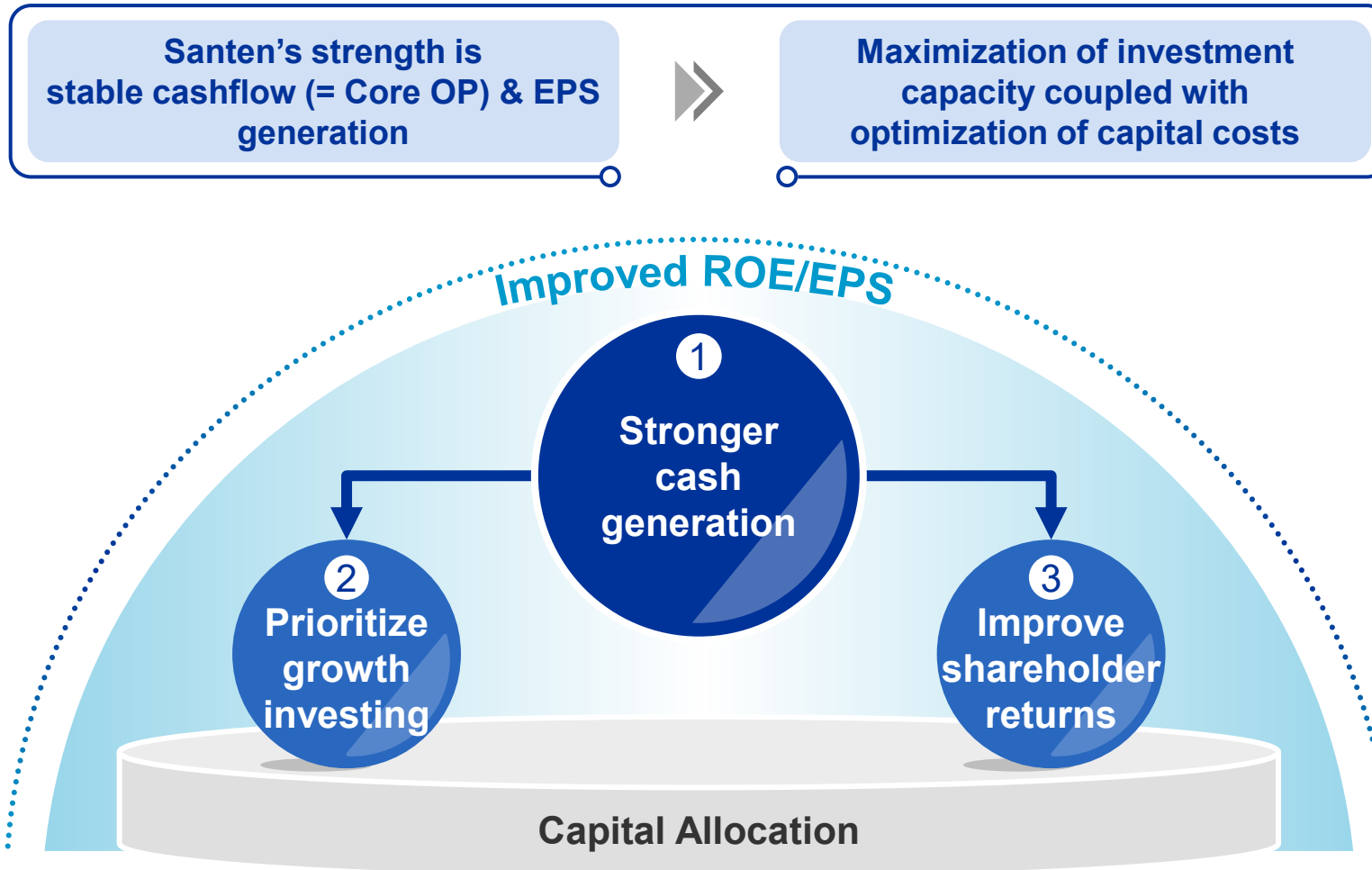


Increase **resilience** for disaster recovery & business continuity

Capital Allocation



Prioritize cash allocation to growth investments and distribute profits via dividend increase & opportunistic share buyback(s)



- ① Maximize investment capacity by cash generated from operations through revenue growth and cost optimization, in addition to working capital reduction, utilization of surplus within the group, and financing¹
- ② Prioritize allocation of generated cash to future growth investments, such as CAPEX for production capacity expansion, and R&D and business development for innovation
- ③ Continue progressive dividends with dividend hikes as a function of profit growth and execute share buybacks as a function of investment opportunities and share price levels

Capital allocation

Maximize PER and shareholder value via proactive growth investments and shareholder returns with core financial strategy: Operating CF & EPS growth

Stock + Inflow

Increase inflow as a function of cash needs through financing

Operating CF
(excl. R&D)
420.0B yen

FY24E cash
93.0B yen


Surplus cash
48.0B yen

Working capital
45.0B yen

Outflow

Use

Growth investing


Shareholder return


CAPEX

R&D

Business development investing

Additional returns
(Share buy-back) ²

Dividends

Amount (change from past 5 years)

55.0B yen
(-17.0B yen)

160.0B yen
(+23.0B yen)
Incl. development milestones¹

With only liquidity on hand
> 150.0B yen
(BD:+86.0B yen)
Share buyback
(from 22 May)
35.0B yen

> 80.0B yen
(+20.0B yen)

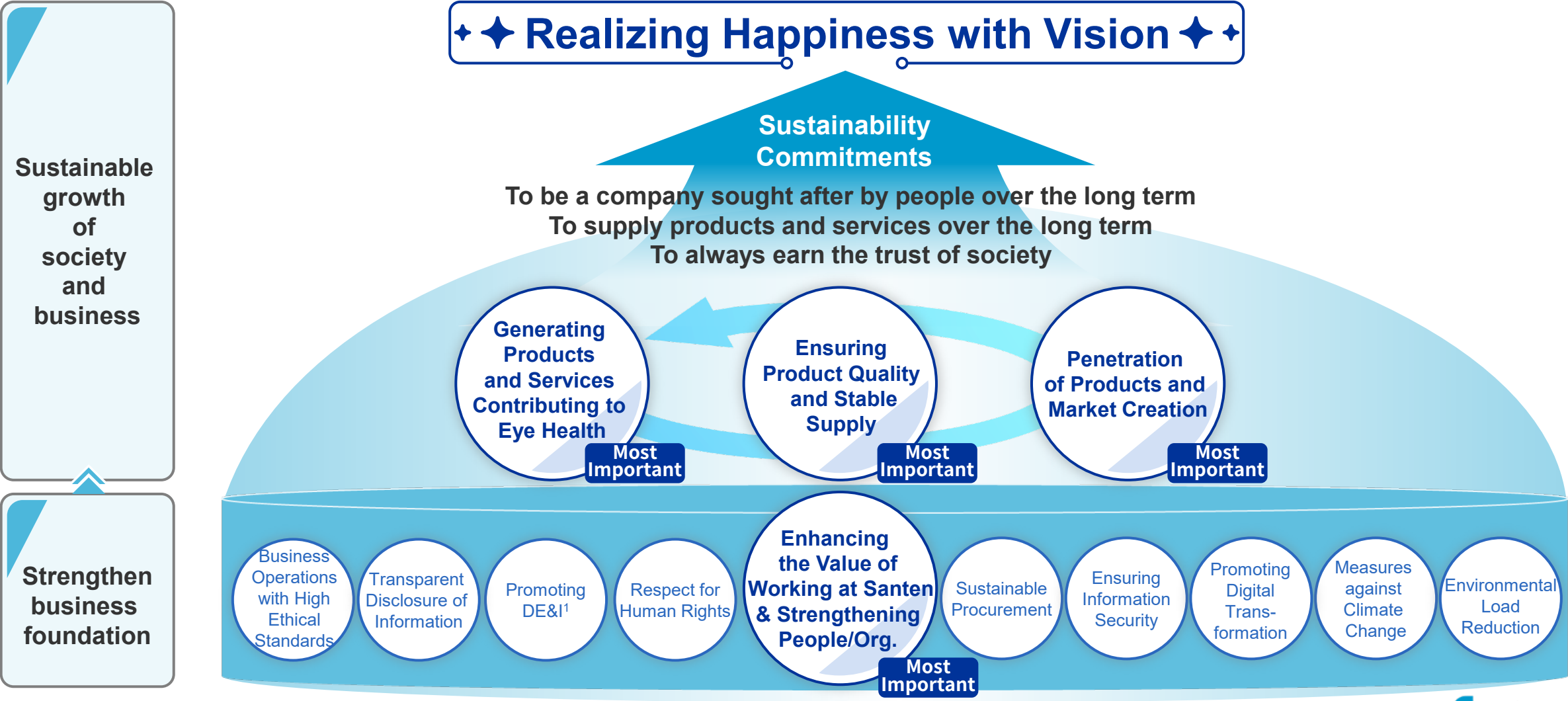
Approach

- Large-scale CAPEX completed in previous Medium-Term Management Plan; hereafter selective investment based on essential needs
 - e.g., plant/facility investment to increase production capacity
- Higher prioritization than previously
- Strengthen investment in seeds, pipeline/LCM product development
- Asset acquisitions that strengthen our leading position in overseas markets
 - Maintain short to mid-term growth momentum, strengthen regional products
- Secure sources of future growth for FY2030 & beyond
 - Acquire distinct pipelines with strong differentiation potential
 - Early pipeline/development theme creation
- Share buy-backs in absence of investment opportunities
 - Secure necessary operating capital (45.0 - 50.0B yen)
 - Evaluate surplus amount to be allocated for share buybacks as a function of investment opportunities and future cash flow projections
 - Execution decision is a function of share price levels
- Minimum dividend of 38 yen/year with continued progressive dividends as a function of profit growth
 - Target 40% dividend payout ratio

Sustainability



Strong promotion of materialities that contribute to society and lead to sustainable growth



Takeaways



Reprint) Why Santen? / Executive Summary

As a dedicated ophthalmology pharmaceutical company, we ensure steady global profit growth through Santen's business model that minimizes development risk and patent cliff impact



Patient-centric approach, striving to provide value to patients and consumers with eye diseases and concerns as one of the few global pharmaceutical companies dedicated to ophthalmology



The ophthalmology pharmaceutical market Santen is committed to is expected to see high growth (CAGR 5.5%¹)



Leveraging Santen's global sales network allows for product acquisition through partnerships



Well-balanced pipeline assets with high level of development certainty and technology to extend product life cycle addressing three global growth drivers; Market Expansion (new drugs, LCM) in existing markets, Market Creation in new markets, and Market Entry in untapped markets



Through our accumulated developed organizational capability "Santen Commercial Excellence", we are able to maximize the sales of each product



Use generated cash to lay a foundation for mid to long-term growth foundations to be built by generated cash, through growth investments, increase dividends from 60.0B to 80.0B yen over five years, and execute opportunistic share buyback(s) to improve capital efficiency and realize capital returns significantly exceeding capital costs

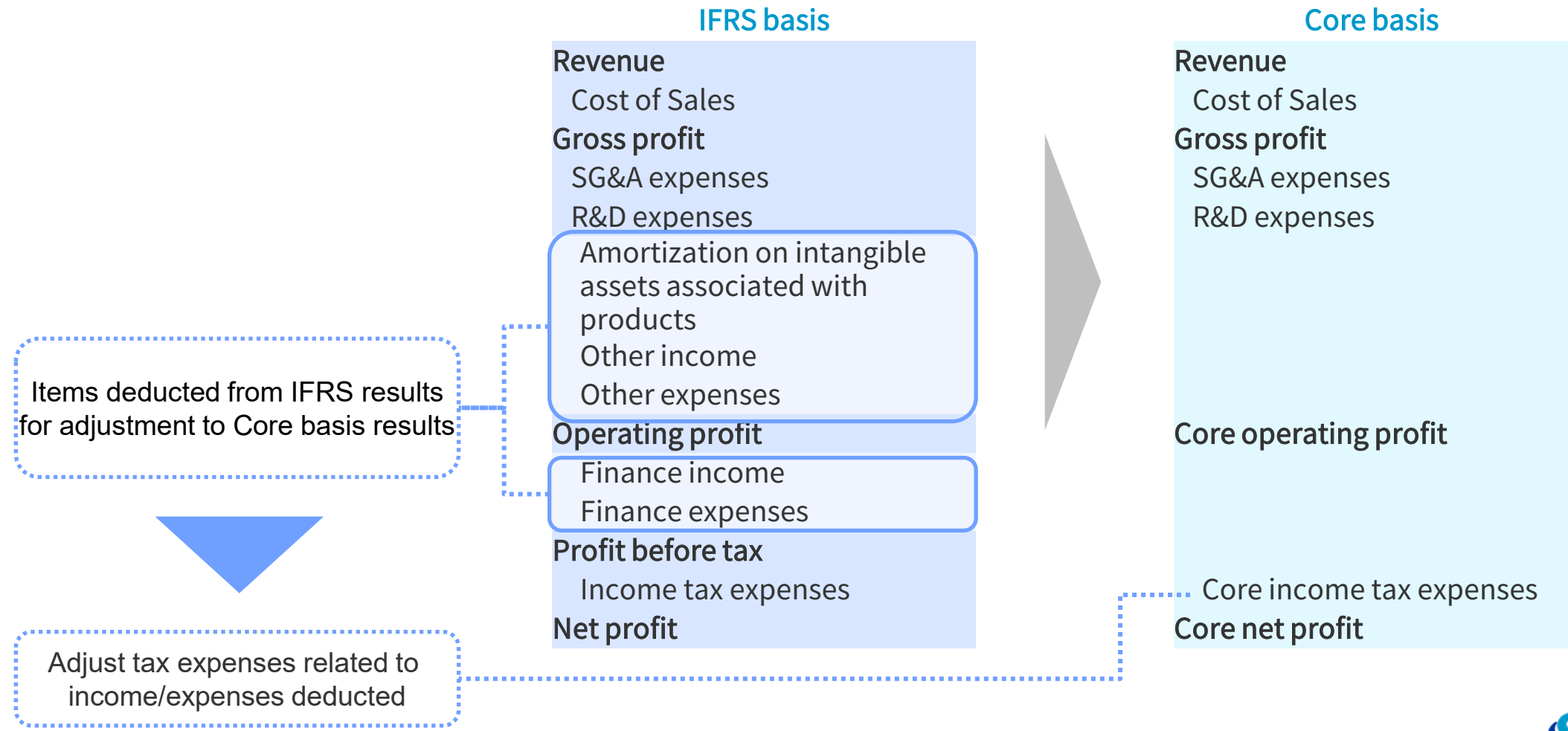
Appendix

Foreign exchange rate assumption

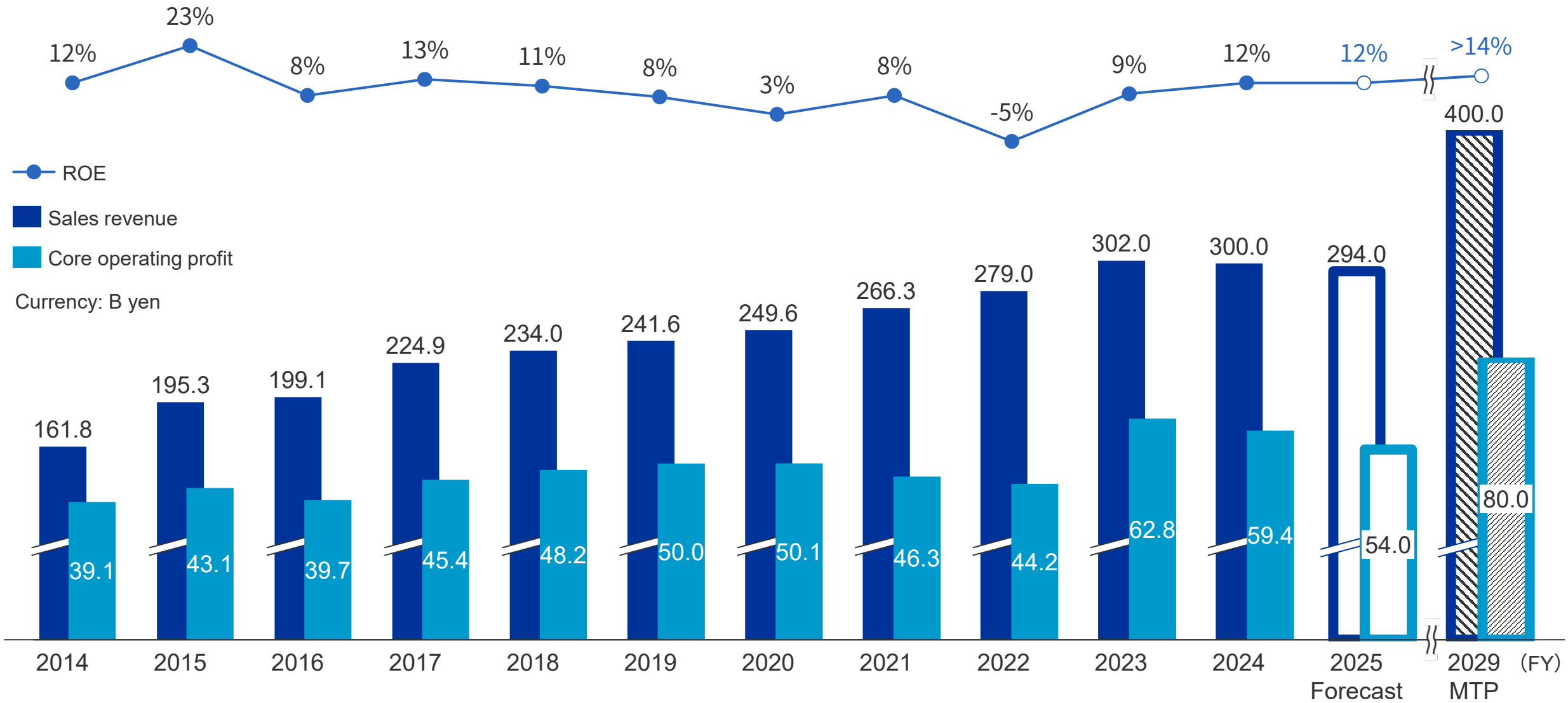
			(yen)
	FY2023-2025 medium-term management plan assumptions (disclosed Apr 13, 2023)	FY2024 results (disclosed May 13, 2025)	FY2025-2029 medium-term management plan assumptions (disclosed May 21, 2025)
USD	130.00	152.70	145.00
EUR	140.00	163.57	160.00
CNY	19.00	21.29	20.50

Definition of Core basis

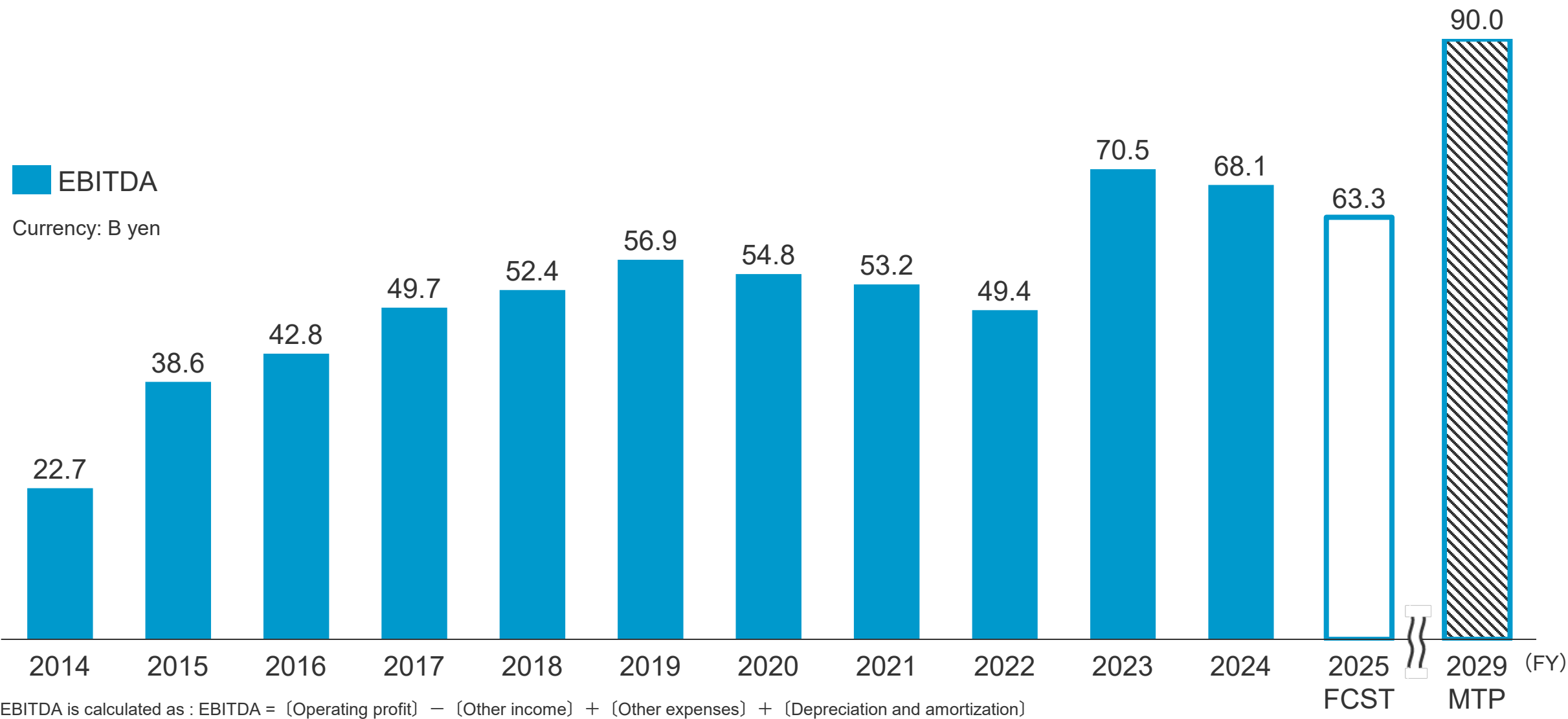
With the adoption of IFRS in FY2014, Santen discloses financial information on a core basis, which is calculated by excluding certain income and expense items from the IFRS results (IFRS basis), as an indicator of profitability from business activities



Revenue, Core operating profit, ROE

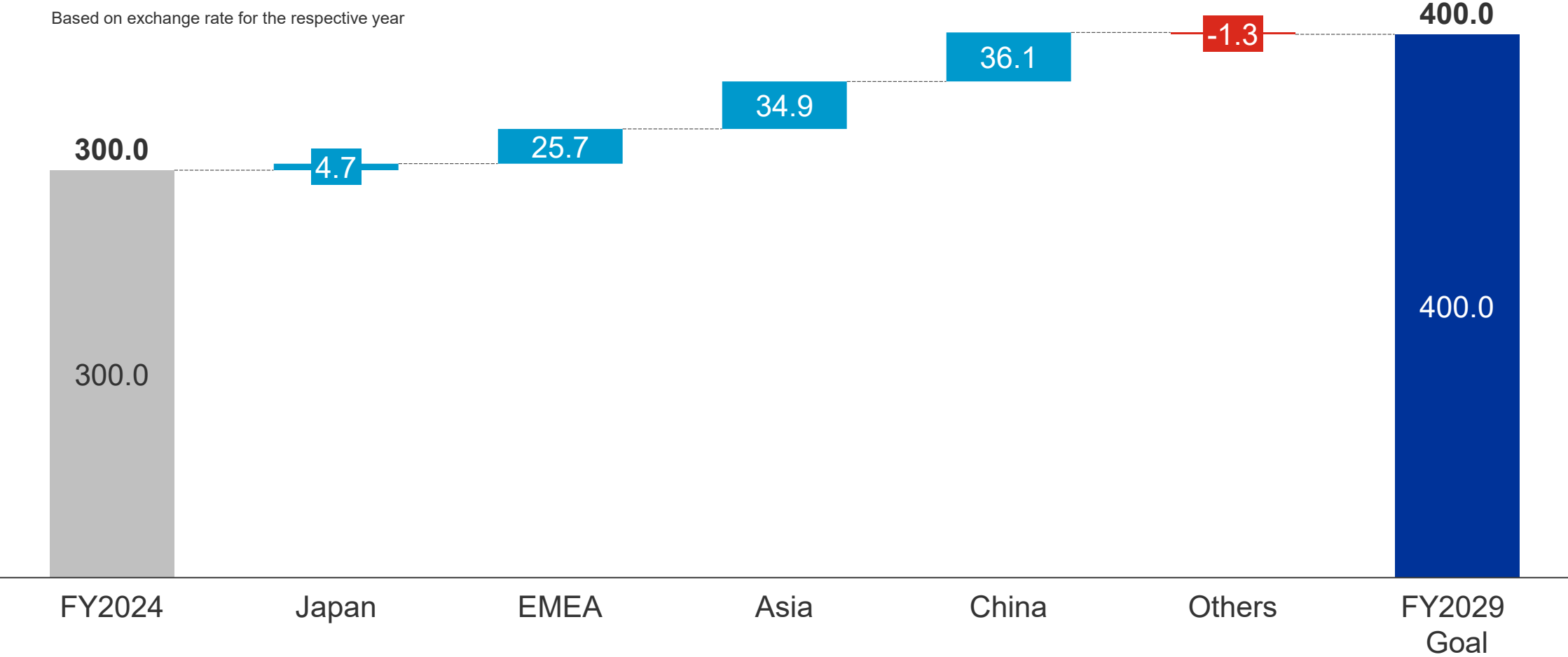


EBITDA



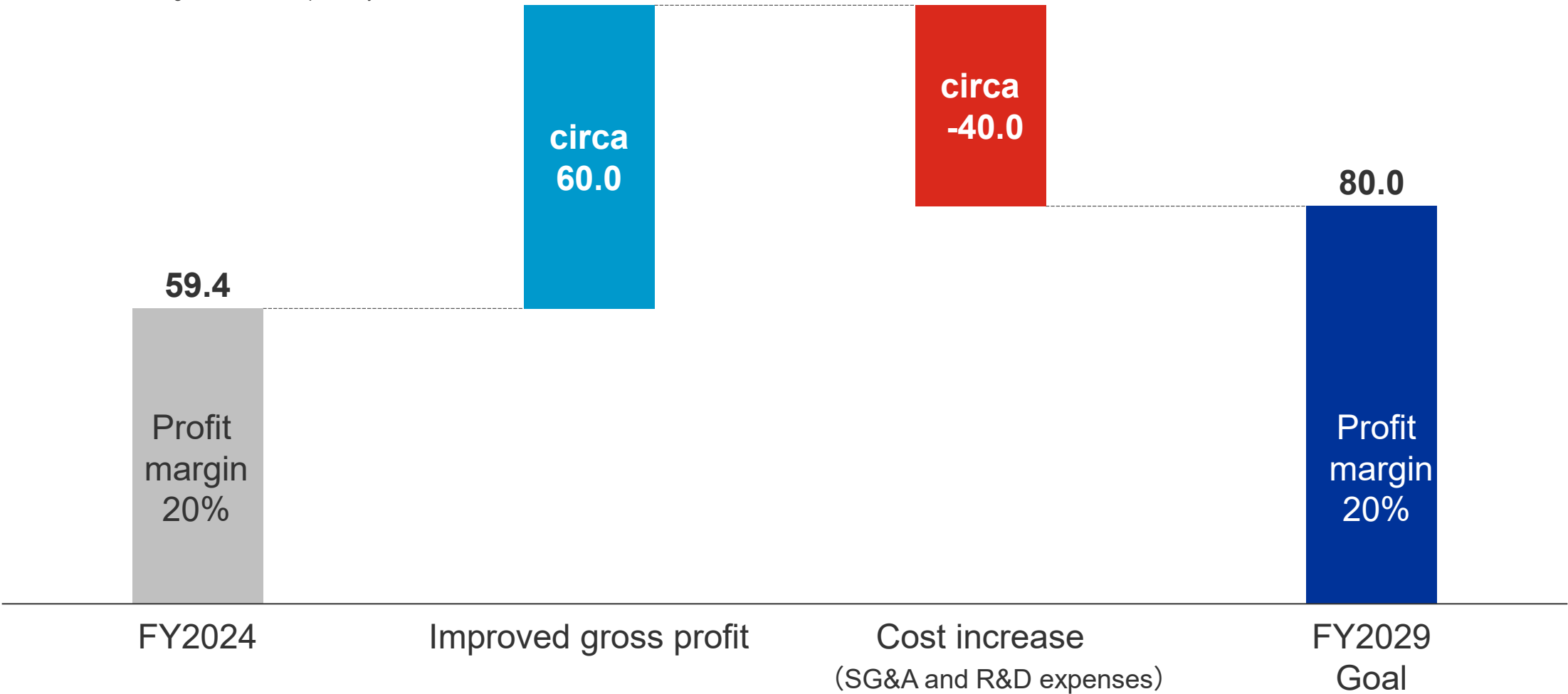
Revenue increase/decrease factors for FY2024 - 2029

Currency: B yen
Based on exchange rate for the respective year



Factors contributing to changes in Core operating profit in FY2024 - 2029

Currency: B yen
Based on exchange rate for the respective year

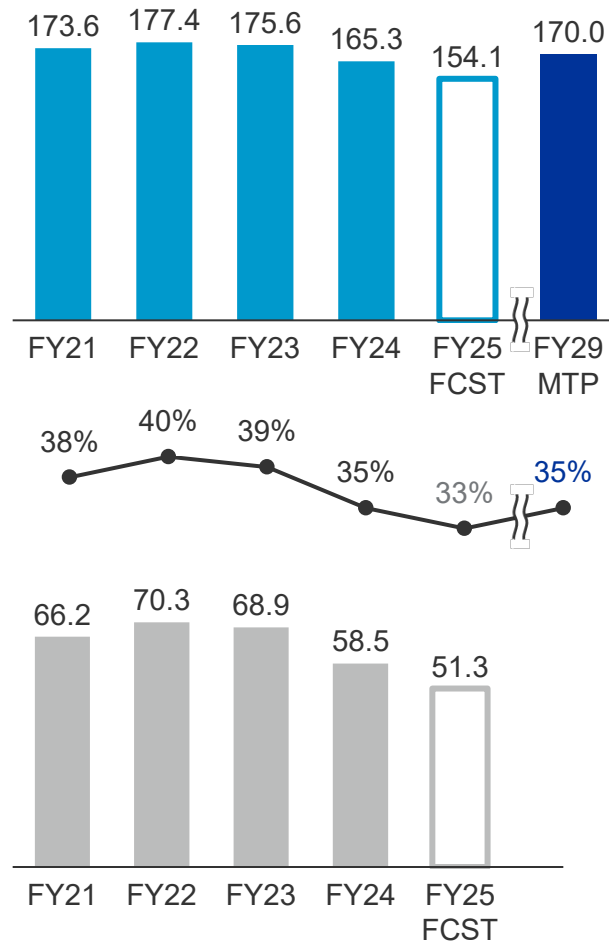


Revenue and contribution profit by region

Revenue Contribution profit Contribution profit ratio

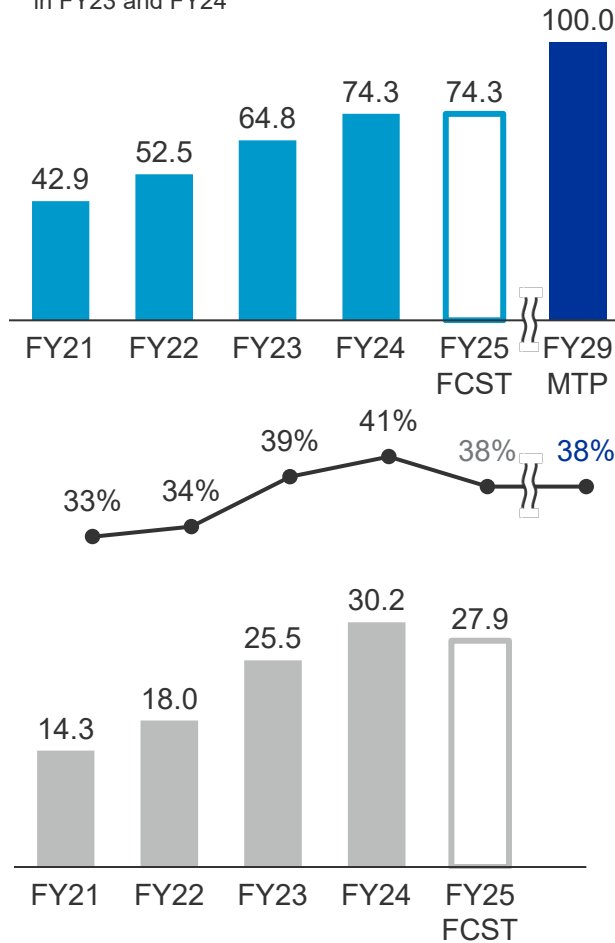
Japan

Currency: B yen

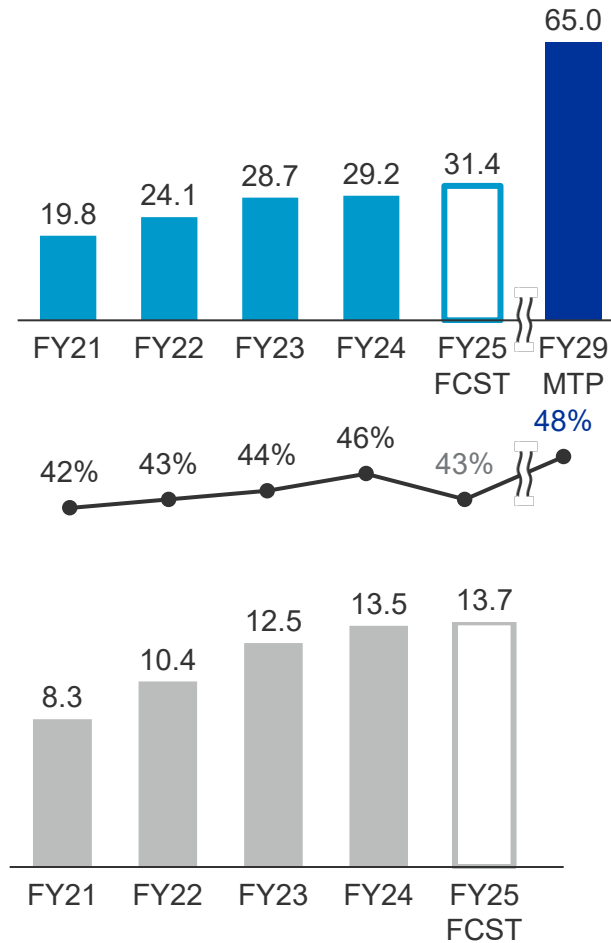


EMEA

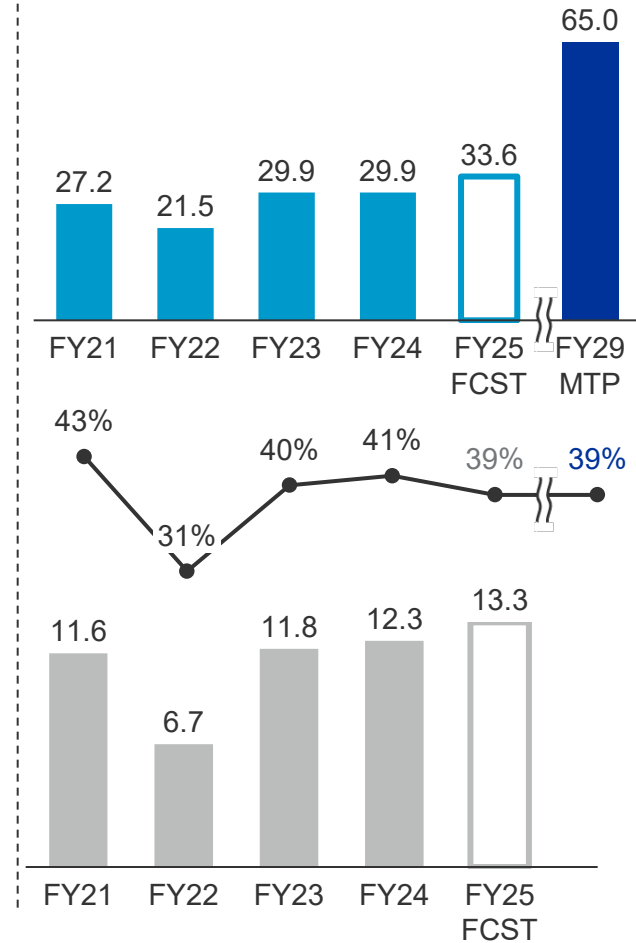
*Including one-time factor in FY23 and FY24



Asia



China



Note) Contribution profit: Deducting cost of sales and expenses related to revenue generation from regional revenue.

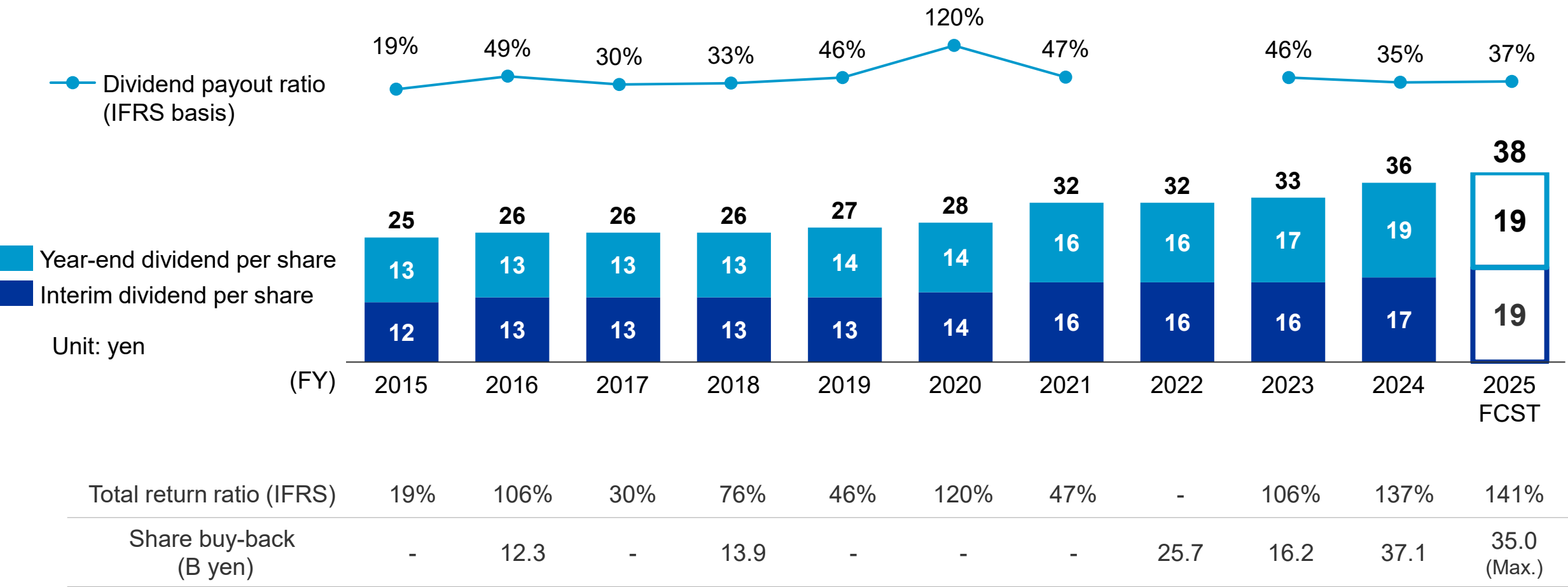
Regional revenue related to regional business are used to calculate contribution profit and regional revenue may differ from revenue (location basis) in the above chart.

49 Hong Kong is included in Asia until FY2023 and in China from FY2024 onwards.

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Shareholder returns trend



Forward-looking statements

- Materials and information provided in this announcement include so-called "forward-looking statements". The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions that we believe to be reasonable. The realization of these forecasts is subject to various risks and uncertainties. Please be aware that actual results could differ materially from these forward-looking statements. We assume no obligation to update the contents of this document from time to time.
- Risk factors include, but are not limited to, the following:
External factors such as trends in pharmaceutical administration, social and economic conditions, changes in laws and regulations, and exchange rates. Changes in the competitive environment, such as the impact of generics. Reliance on certain products and business partners, such as dependence on mainstay products, reliance on licensed products, and reliance on certain business partners for the supply of bulk drugs. Uncertainty in the development of new drugs, the possibility that R&D investment will not produce sufficient results, the success or failure of alliances with other companies, and other R&D activities. Other factors include intellectual property rights, production slowdowns and delays caused by natural disasters, product supply issues such as discontinuations and product recalls, litigation, and risks related to global business development.
- This document contains information about pharmaceutical products (including products under development) but is not intended for advertising or medical advice.
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