

Q1 FY2025 Financial Results

August 7, 2025



Financial Results

Kazuo Koshiji

Corporate Officer,
Chief Financial Officer

Q1 FY2025 Overview

Given the anticipated H2 FY2025 skew in revenue and profit, Q1 YoY declines were more accentuated relative to full-year guidance. Nonetheless, performance remains on track with Company expectations

■ Q1 FY2025 results

Revenue: JPY 68.7 billion (-8.1% YoY)

Core OP: JPY 9.7 billion (-38.9% YoY)

Net profit attributable to owners of the company: JPY 5.9 billion (-44.7% YoY)

■ Business update

Diquas LX: Re-initiated manufacturing activities with aim to ship in H2

Mid-to long term growth: Launch of eye drops to slow myopia progression (*Ryjunea*) in Europe/
Filed in Asia, Filed STN1013900 (glaucoma) in Japan

■ FY2025 forecast

May 13 disclosed guidance maintained

■ Shareholder returns

Share buyback of up to JPY 35.0 billion currently underway, scheduled May 22 to November 5, 2025
(Executed JPY 14.1 billion as of July 31)

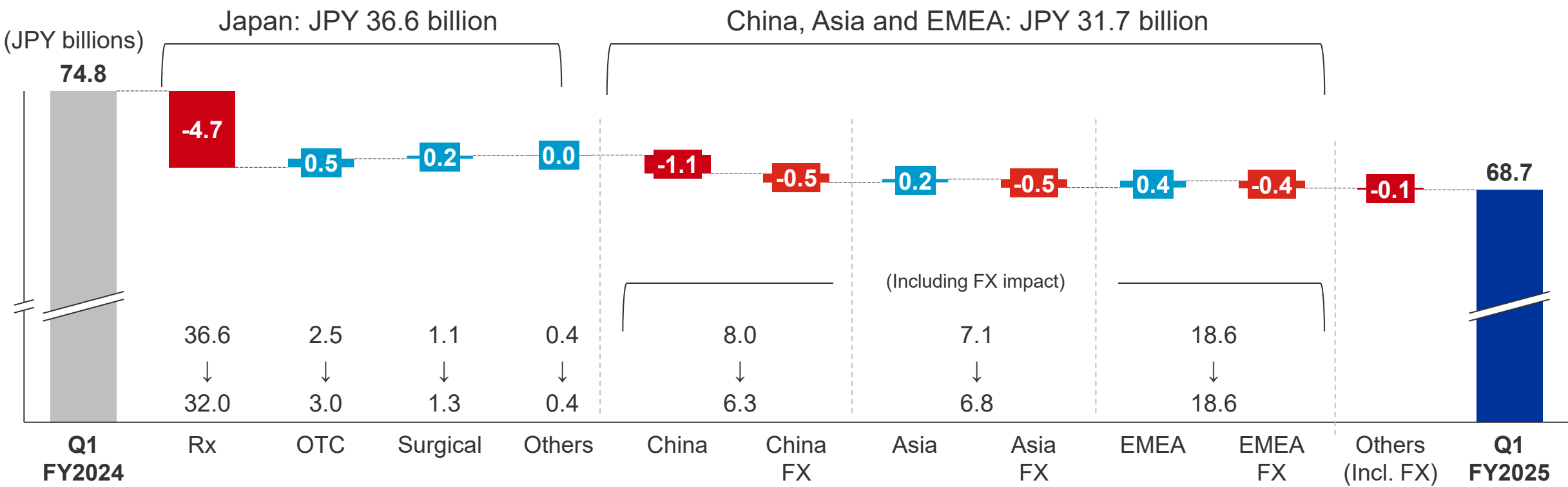
Q1 FY2025 Consolidated results

	Q1 FY2024	Q1 FY2025
	ACT	ACT
USD (JPY)	156.88	144.63
EUR (JPY)	168.77	163.81
CNY (JPY)	21.80	20.07

(JPY billions)	Q1 FY2024		Q1 FY2025		
	Actual	vs Revenue	Actual	vs Revenue	YoY
Revenue	74.8	-	68.7	-	-8.1%
Cost of sales	32.0	43%	31.6	46%	-1.2%
Gross profit	42.8	57%	37.1	54%	-13.2%
SG&A expenses	21.4	29%	21.2	31%	-0.8%
R&D expenses	5.5	7%	6.2	9%	+12.8%
Core operating profit	15.9	21%	9.7	14%	-38.9%
Amortization on intangible assets associated with products	2.4	3%	2.2	3%	-10.6%
Other income	0.1	0%	0.2	0%	+177.8%
Other expenses	0.4	0%	0.1	0%	-62.4%
Operating profit	13.2	18%	7.6	11%	-42.4%
Finance income	0.7	1%	0.6	1%	-10.7%
Finance expenses	0.4	1%	0.7	1%	+84.2%
Profit before tax	13.5	18%	7.5	11%	-44.6%
Income tax expenses	2.8	4%	1.6	2%	-44.2%
<i>Actual tax ratio</i>	<i>21%</i>	<i>-</i>	<i>21%</i>	<i>-</i>	<i>+0.2pt</i>
Net profit	10.6	14%	5.9	9%	-44.7%
Net profit attributable to owners of the company	10.6	14%	5.9	9%	-44.7%
Core net profit	12.5	17%	7.6	11%	-39.0%
EBITDA	18.2	-	12.0	-	-33.7%

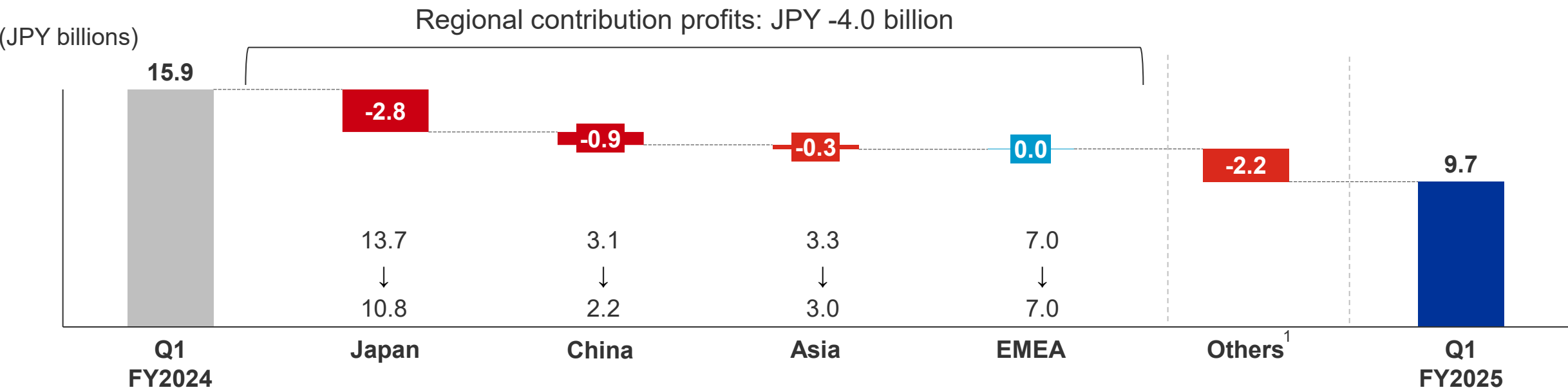
- Revenue: Impacted by excess channel inventory of *Alesion* products at end of FY2024 and adjustments in channel inventory levels in China since H2 FY2024
- COGS ratio: Temporarily increased mainly due to product mix
- Profits: YoY decrease, on-track with Company expectations

Q1 FY2025 Sales bridge



Japan	-9.6% YoY: Excess channel inventory at end of FY2024, prior-FY Q1 front-loaded shipments of <i>Alesion</i> eyelid cream and product mix in <i>Alesion</i> products
China	-20.9% YoY (excl. FX impact -14.0%): Adjustments in channel inventory levels (<i>Cravit</i> , <i>Hyalein</i>) since H2 FY2024 and <i>Diquas</i> sales
Asia	-4.3% YoY (excl. FX impact +2.8%): Solid performance from glaucoma and dry eye products in Southeast Asia partially offset by increased competition in S. Korea glaucoma market
EMEA	-0.2% YoY (excl. FX impact +2.2%): Continued <i>Ikervis</i> growth contribution. New glaucoma products off to solid start with other products in-line with expectations

Q1 FY2025 Core operation profit bridge



Regional contribution profits	Japan
	Impact from excess <i>Alesion</i> -related channel inventory at end of FY2024, reactionary effect of prior FY-Q1 front-loaded shipment of cream formulation and change in product mix of <i>Alesion</i> products partially offset by solid performance in other disease areas and controlled SG&A expenses
Regional contribution profits	Overseas (incl. FX)
	China: Decrease. Impact from adjustments in channel inventory levels (<i>Cravit</i> , <i>Hyalein</i>) and <i>Diquas</i> sales partially mitigated by appropriate control of SG&A expenses
	Asia: Secured contribution profit comparable to Q1 FY2024 excluding the FX impact
	EMEA: Secured Q1 FY2024 contribution profit level from steady sales growth
Others	R&D and other expenses increase

1 R&D and back-office expenses in region and global functions, and contribution profit not related to the regions above * Hong Kong is included in China.

FY2025 Outlook (maintain May 13 guidance)

	FY2024 ACT	FY2025 FCST
USD (JPY)	152.70	145.00
EUR (JPY)	163.57	160.00
CNY (JPY)	21.29	20.50

(JPY billions)	FY2024		FY2025			
	Actual	vs Revenue	Forecast	vs Revenue	YoY	Q1 Progress
Revenue	300.0	-	294.0	-	-2.0%	23.4%
Cost of sales	129.0	43%	123.0	42%	-4.6%	25.7%
Gross profit	171.0	57%	171.0	58%	-0.0%	21.7%
SG&A expenses	87.5	29%	92.0	31%	+5.1%	23.0%
R&D expenses	24.1	8%	25.0	9%	+3.7%	24.8%
Core operating profit	59.4	20%	54.0	18%	-9.1%	18.0%
Non-core expenses	0.4	0%	-	-	-100.0%	
Amortization on intangible assets associated with products	8.8	3%	8.7	3%	-1.3%	
Other income	0.6	0%	0.7	0%	+18.8%	
Other expenses	3.9	1%	2.0	1%	-48.1%	
Operating profit	46.9	16%	44.0	15%	-6.1%	17.2%
Finance income	4.0	1%	1.3	0%	-67.5%	
Finance expenses	2.7	1%	1.4	0%	-48.5%	
Share of loss of investments accounted for using equity method	0.7	0%	-	-	-100.0%	
Profit before tax	47.5	16%	43.9	15%	-7.5%	17.0%
Income tax expenses	11.6	4%	10.4	4%	-10.6%	
<i>Actual tax ratio</i>	25%	-	24%	-	-	
Net profit	35.9	12%	33.5	11%	-6.6%	17.5%
Net profit attributable to owners of the company	36.3	12%	34.0	12%	-6.2%	17.3%
ROE	12%		12%			
EPS (IFRS) JPY	104	-	103	-	-1.3%	16.9%

■ Factors affecting revenue

Japan

- *Diquas LX* reshipment timing and volume in H2
- Solid market uptake of *Alesion* eyelid cream during pollen season

Overseas

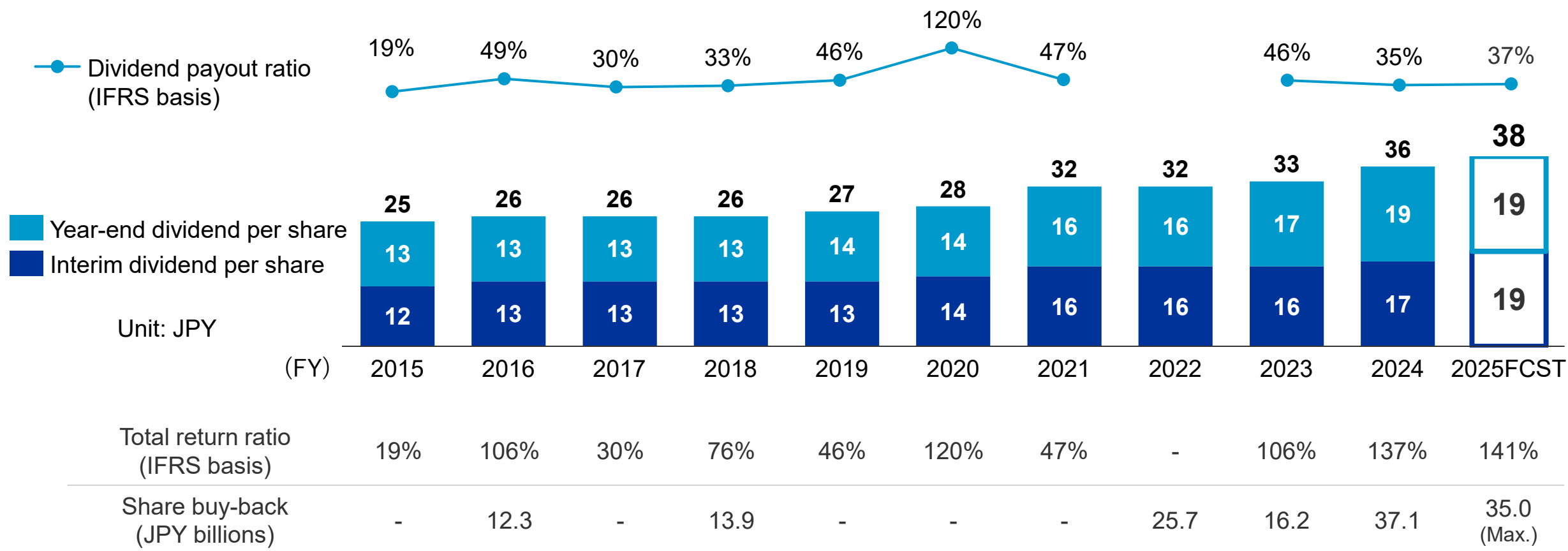
- Normalization of channel inventory levels and other factors in China
- Steady performance in EMEA and Asia

■ Factors affecting operation profit

- COGS ratio improvement from H2 product mix

Shareholder returns

- Share buyback of up to 19,800,000 shares or JPY 35.0 billion currently underway (since May 22)
- Amount purchased as of July 31: 8,567,400 shares, JPY 14.1 billion



R&D Update

Peter Sallstig

Corporate Officer,
Chief Medical Officer

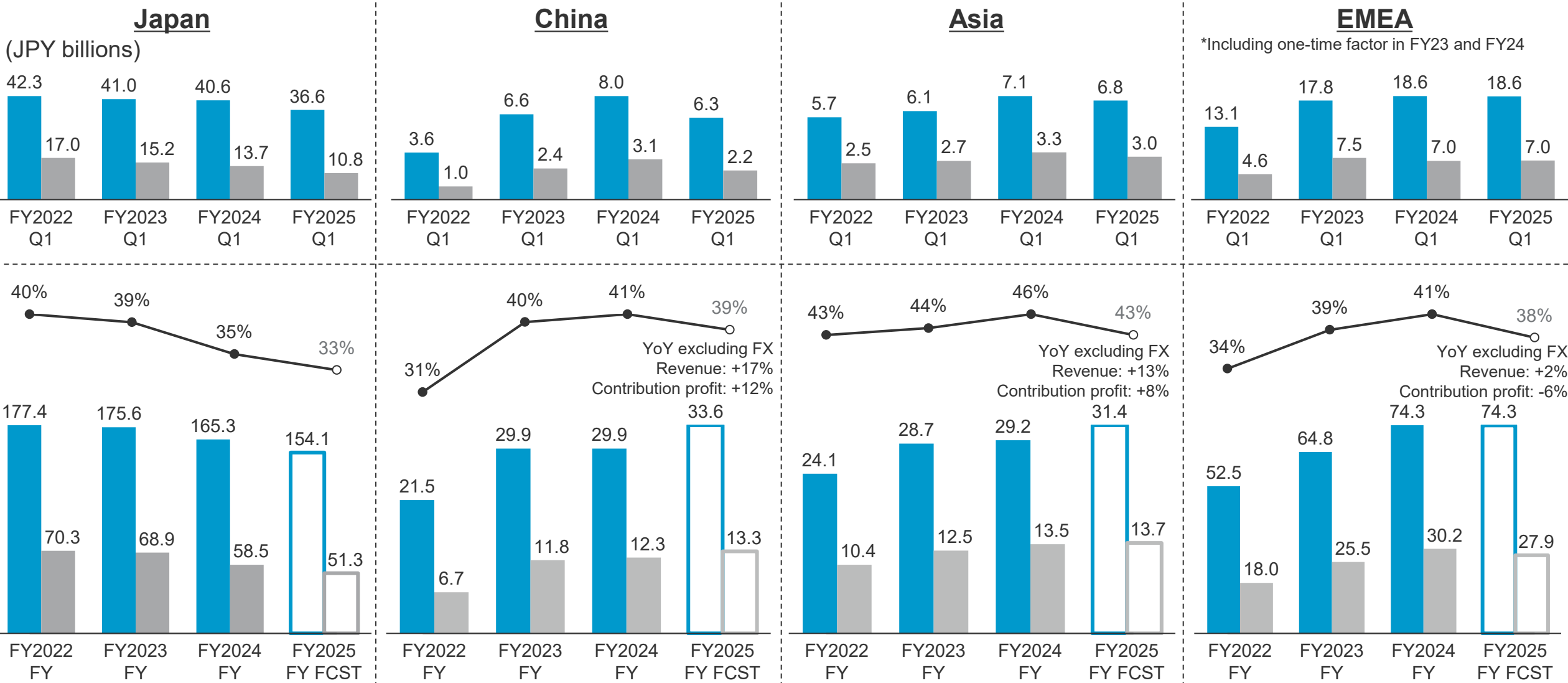
Q1 FY2025 R&D update

<div>New area</div> <div>Existing area</div>	Atropine sulfate STN1012700/01 <i>Ryjusea Mini / Ryjunea</i>	Myopia	Launched in Europe (Germany) Filed in Asia
	Netarsudil mesylate STN1013900 <i>Rhopressa®/Rhokiinsa®</i>	Glaucoma	Filed in Japan
	Epinastine hydrochloride (eyelid cream) STN1011402	Allergic conjunctivitis	Started preparations for P3 trial in China
	Olodaterol hydrochloride STN1014100	Dry eye	Achieved FPI ¹ in P2b trial in Japan

Appendix

Revenue and contribution profit by region

Revenue Contribution profit Contribution profit ratio

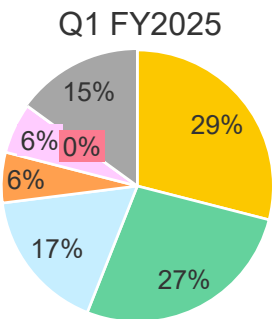


Note) Contribution profit: Deducting cost of sales and expenses related to revenue generation from regional revenue. Regional revenue related to regional business are used to calculate contribution profit and regional revenue may differ from revenue (location basis) in the above chart. Reorganization in overseas in FY2023 reflects to contribution profits. Hong Kong is included in Asia until FY2023 and in China from FY2024 onwards.

Q1 FY2025 revenue by region

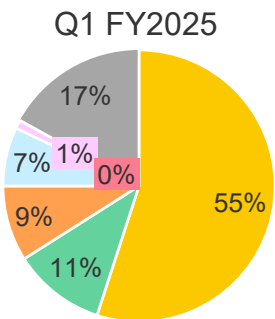
Consolidated

(JPY billions)	Q1 FY2024 (Ref.)	Q1 FY2025
EYLEA ¹	19.9	20.1
Cosopt	7.2	6.3
Tapros	4.3	3.8
Others	43.5	38.5
Total	74.8	68.7



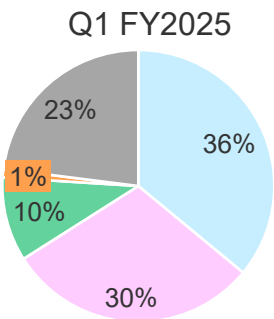
Japan

(JPY billions)	Q1 FY2024 (Ref.)	Q1 FY2025
EYLEA ¹	19.9	20.1
Alesion ²	6.3	3.2
Diquas	1.2	1.6
Others	13.3	11.7
Total	40.6	36.6



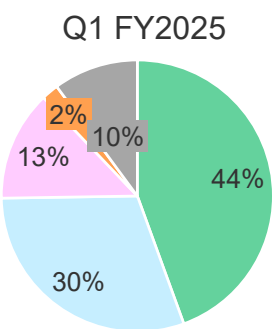
China

(JPY billions)	Q1 FY2024 (Ref.)	Q1 FY2025
Hyalein	2.2	1.8
Cravit	2.1	1.6
Tapros	0.6	0.6
Others	3.0	2.3
Total	8.0	6.3



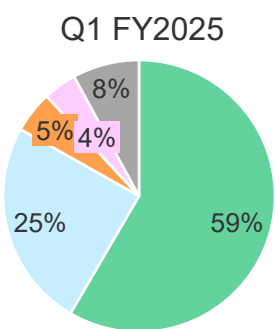
Asia

(JPY billions)	Q1 FY2024 (Ref.)	Q1 FY2025
Cosopt	1.8	1.6
Hyalein	1.0	0.9
Cravit	0.5	0.7
Others	3.8	3.7
Total	7.1	6.8

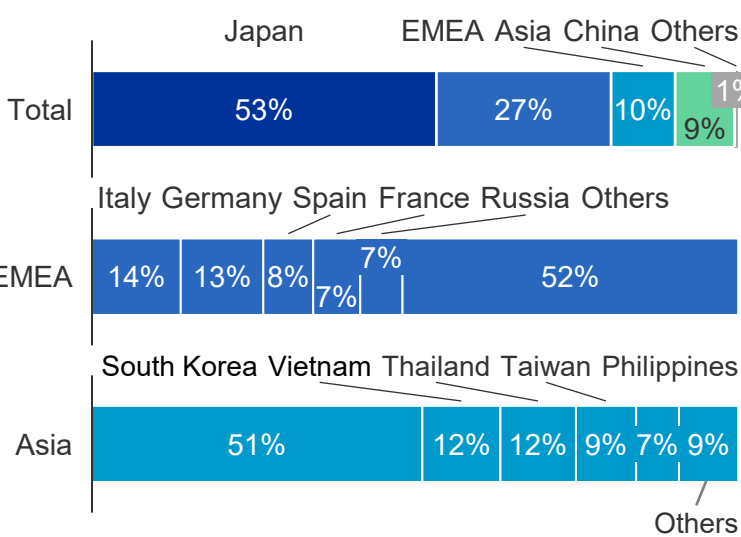


EMEA

(JPY billions)	Q1 FY2024 (Ref.)	Q1 FY2025
Cosopt	4.5	4.3
Ikervis	2.3	2.7
Tapros	2.1	2.0
Others	9.6	9.6
Total	18.6	18.6



Revenue in each region (Q1 FY2025)



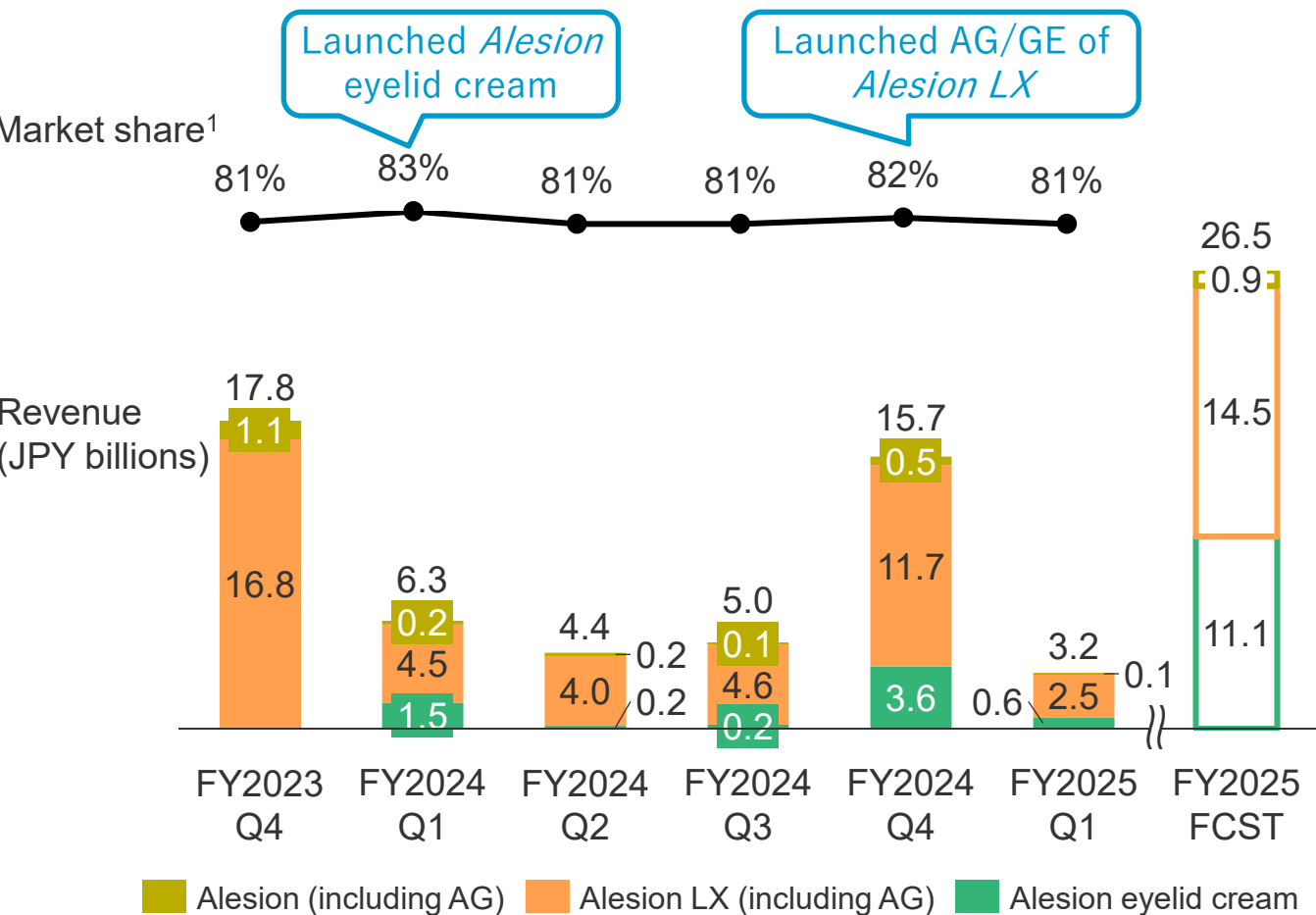
■ Intravitreal VEGF inhibitor ■ Dry eye ■ Bacterial conjunctivitis ■ Others
■ Glaucoma/Device ■ Allergy ■ Slowing myopia progression

1 Co-promoted product of Bayer Yakuhin, Ltd. (MAH), including EYLEA 8mg
2 Alesion: Trademark of alliance partner, Boehringer Ingelheim KG, including Alesion LX and Alesion eyelid cream

Alesion products

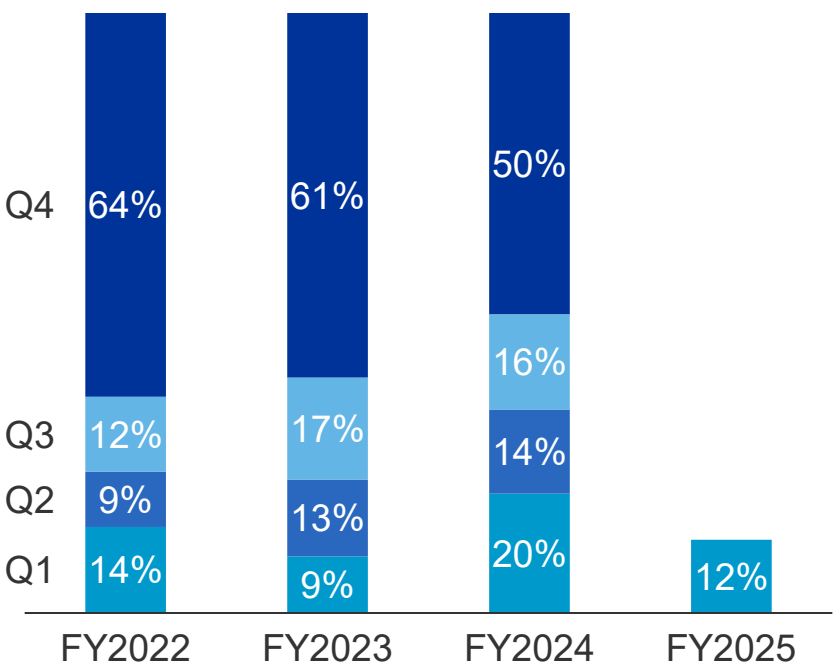
Revenue and market share

- Maintain share of *Alesion* products in allergy market

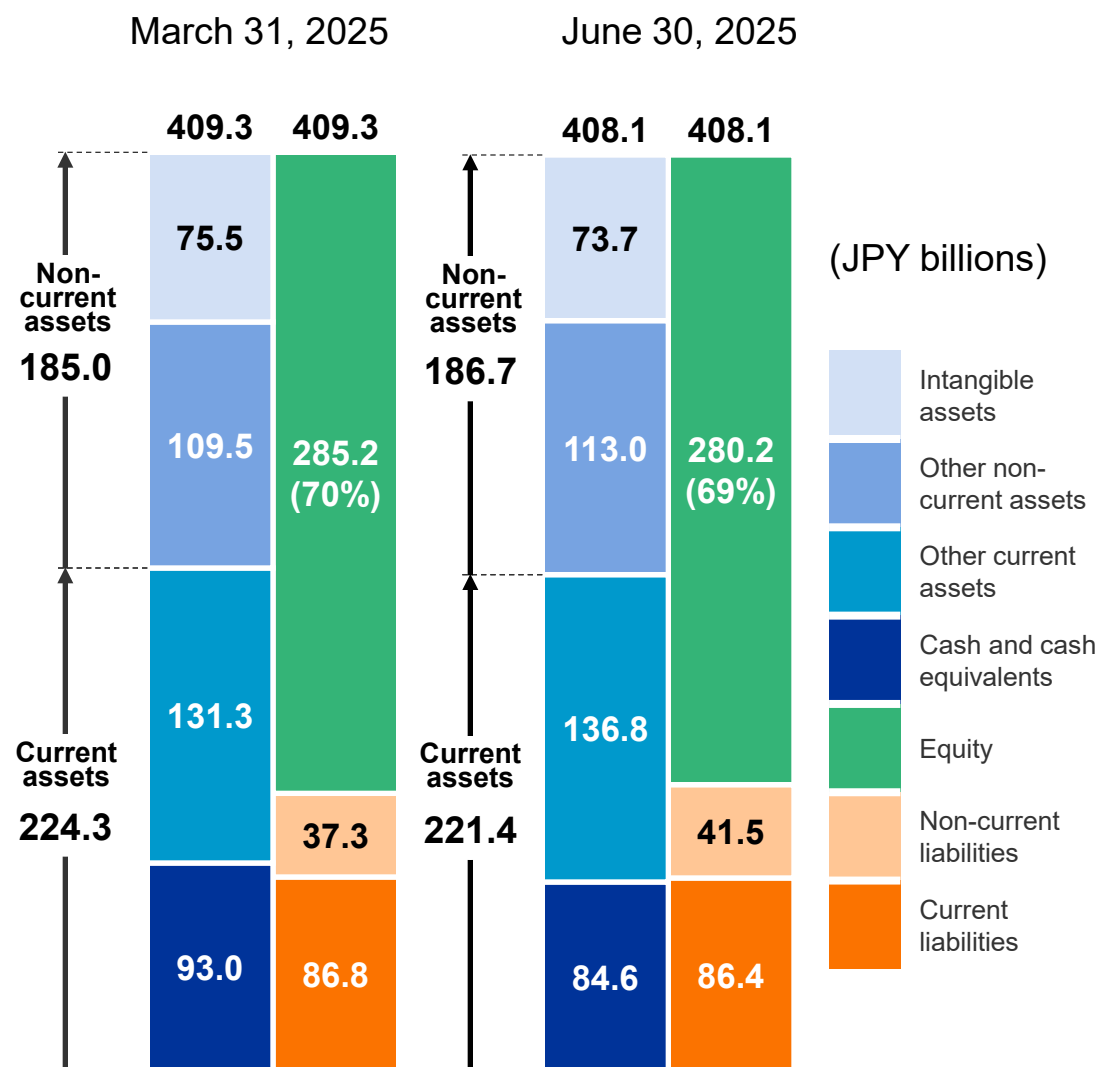


Revenue progress

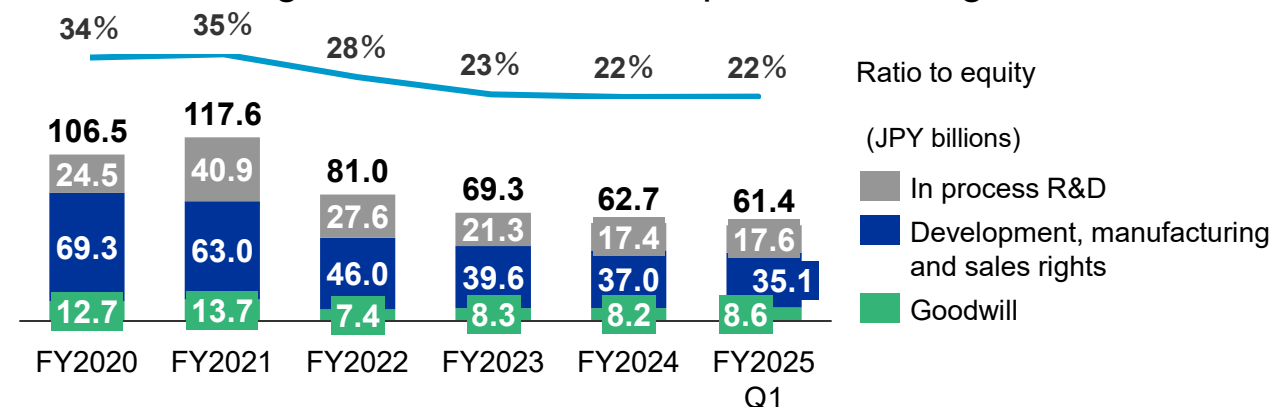
- Q4 skew during pollen allergy season
- Q1 FY2023 includes impacts from previous pollen allergy season



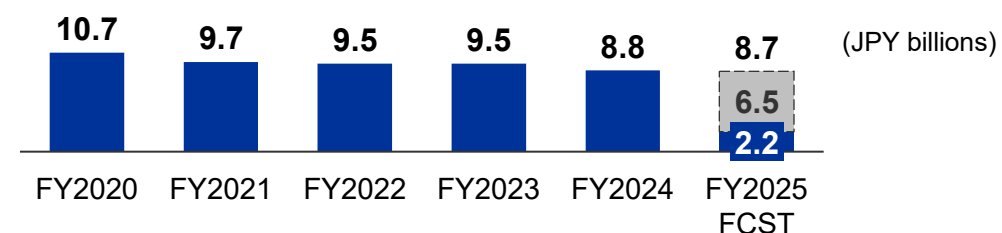
Financial position



Status of intangible assets related to products and goodwill



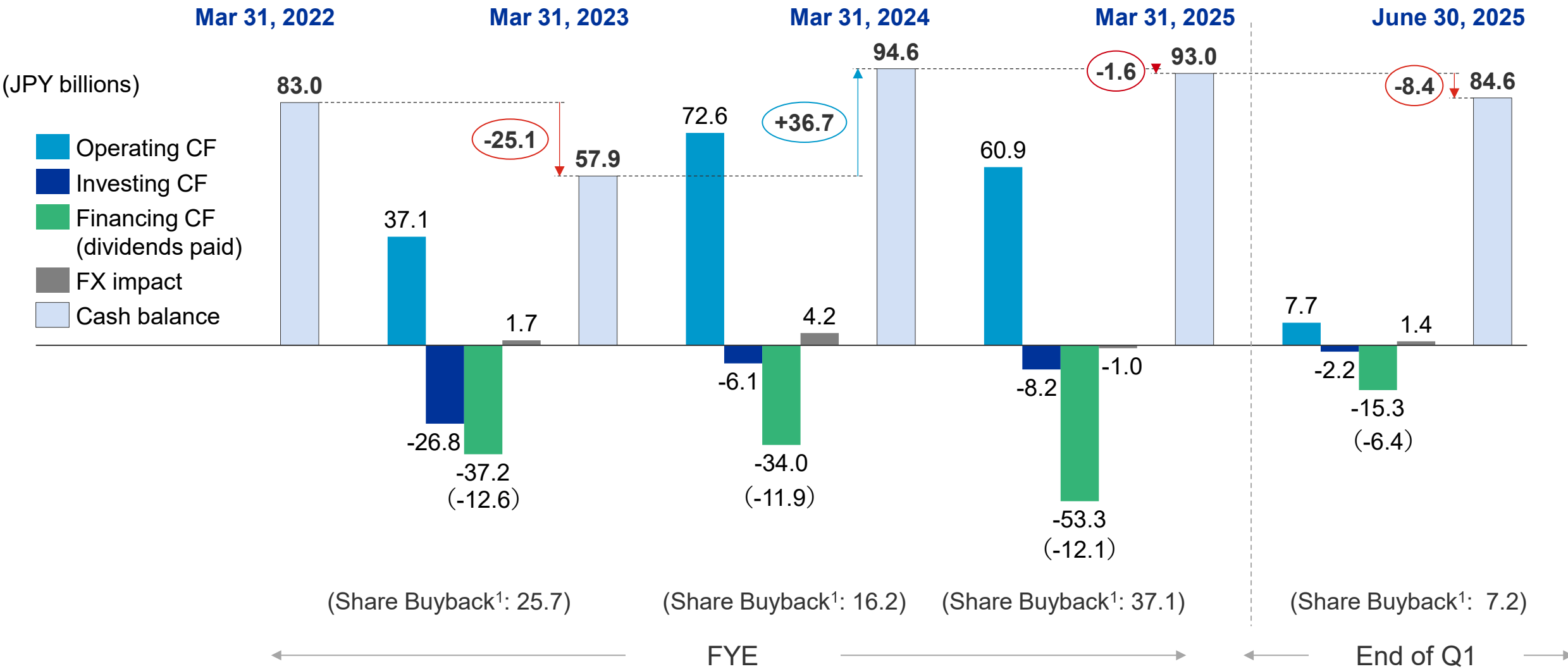
Status of intangible assets amortization related to products



ROE, ROIC, CCC¹

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025 Q1	FY2025 FCST
ROE	3%	8%	-	9%	12%	-	12% ²
ROIC	5%	12%	-	16%	18%	-	17% ³
CCC (Day)	220	190	194	167	170	183	165

Cash flow



Foreign exchange rate assumptions and sensitivities

FX rate

(JPY)

	Q1 FY2024 Actual	Q1 FY2025 Actual	Q1 FY2025 vs Q1 F2024	FY2024 Actual	FY2025 Forecast	FY2025 vs FY2024	Q1 FY2025 vs FY2025 Forecast
USD	156.88	144.63	92.2%	152.70	145.00	95.0%	99.7%
EUR	168.77	163.81	97.1%	163.57	160.00	97.8%	102.4%
CNY	21.80	20.07	92.1%	21.29	20.50	96.3%	97.9%

Sensitivities

Impact of a 1% depreciation of the yen
(vs FY2025 forecast)

(JPY billions)

	合計 ¹	USD	EUR	CNY
Revenue	+1.2	+0.02	+0.67	+0.33
Core OP	+0.1	-0.06	+0.07	+0.07
OP (IFRS basis)	+0.1	-0.07	+0.05	+0.06

FX impact on Q1 FY2025 (vs Q1 FY2025)

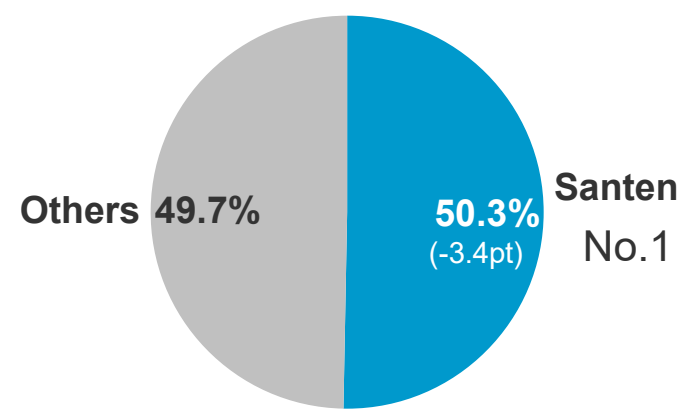
(JPY billions)

	合計
Revenue	-1.6
Core OP	-0.3
OP (IFRS basis)	-0.2

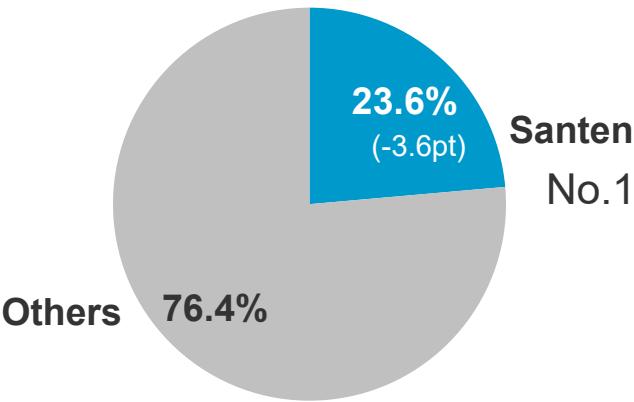
¹ Total: impacts from USD, EUR, CNY and other major currencies (rounding to nearest 100 million)

Prescription ophthalmic market in Japan (Jul. 2024 - Jun. 2025)

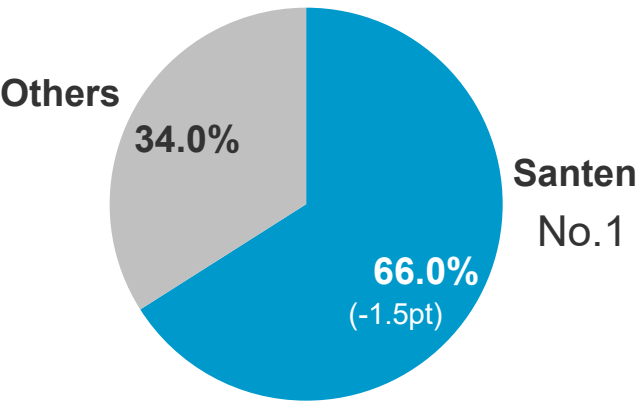
Total: JPY 353.3 bil



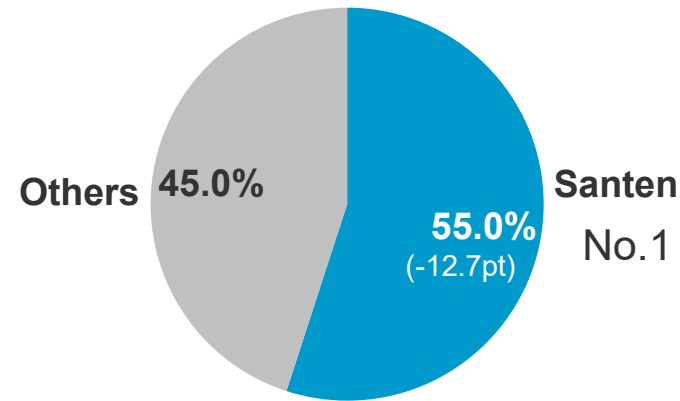
Glaucoma: JPY 75.9 bil



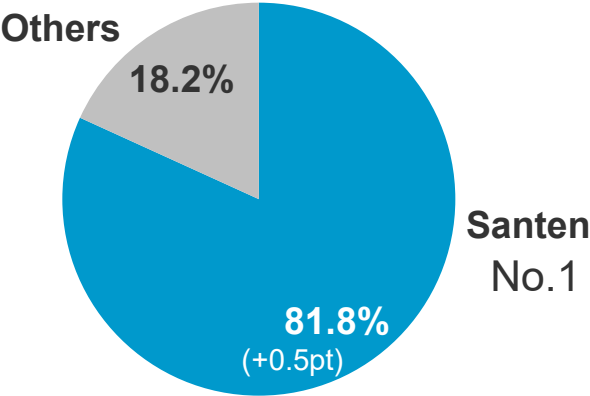
Retinal disorders*: JPY 145.4 bil



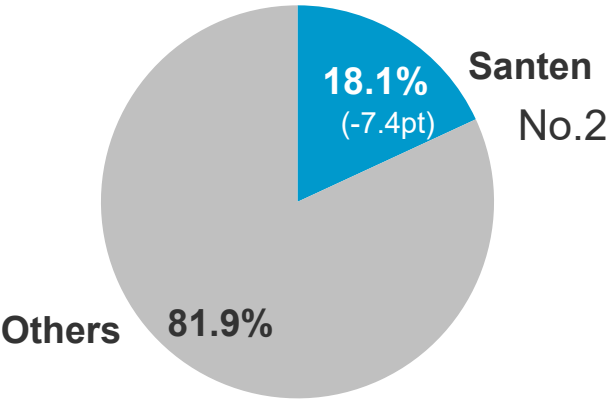
Corneal/dry eye: JPY 28.0 bil



Allergy: JPY 43.9 bil



Anti-infection: JPY 5.4 bil



18 *Including co-promoted product (Anti-VEGF EYLEA, EYLEA 8mg) of Bayer Yakuhin, Ltd. (MAH). Based on Santen Pharmaceutical (distributor) records.
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Current status of global development (1)

As of July 2025
Updated information [is in blue](#)

Glaucoma and ocular hypertension area

Indication	Generic Name	Dev. Code	Development Status ¹	
Glaucoma	Tafluprost / timolol maleate (combination) <i>Tapcom / Taptiqom</i>	STN101 11 01 DE-111A	China	Approved <i>Plan: FY2025 launch</i>
	Omidenepag isopropyl <i>Eybelis Mini</i>	STN101 17 02	China	P3 <i>Plan: FY2026 P3 completion</i>
	Sepetaprost	STN101 26 00 DE-126	US	P2 (met primary endpoint)
			Japan	Filed <i>Plan: FY2025 approval</i>
			Europe	P2 (exploratory study) completion
	Latanoprost <i>Catiolanze</i>	STN101 30 01 DE-130A Catioprost	Europe	Launched
			Asia	Filed <i>Plan: FY2026 approval</i>

¹ Only projects for which the study protocols were approved in-house are shown,

Current status of global development (2)

As of July 2025
Updated information is in blue

Glaucoma and ocular hypertension area

Indication	Generic Name	Dev. Code	Development Status	
Glaucoma	Netarsudil mesylate <i>Rhopressa® / Rhokiinsa®</i>	STN101 3900 AR-13324	Japan	Filed in July 2025 <i>Plan: FY2026 approval</i>
			Europe	Launched
			Asia	Launched
	Netarsudil mesylate / latanoprost (combination) <i>Rocklatan® / Roclanda®</i>	STN101 4003	Japan	P3 <i>Plan: FY2027 P3 completion</i>
		STN101 4000 PG-324	Europe	Launched
			Asia	Launched

Current status of global development (3)

As of July 2025
Updated information is in blue

Keratoconjunctival disease area including dry eye

Indication	Generic Name	Dev. Code	Development Status	
Vernal keratoconjunctivitis	Ciclosporin <i>Verkazia</i>	STN1007603 DE-076C	China	Approved <i>Plan: FY2025 launch</i>
Dry eye	Olodaterol hydrochloride	STN1014100	Japan	Started P2b in May 2025 <i>Plan: FY2026 P2b completion</i>
Fuchs endothelial corneal dystrophy	Sirolimus (eye drop)	STN1010904 ¹	US France India	P2a <i>Plan: FY2025 P2a completion</i>
Meibomian gland dysfunction	Sirolimus (eye drop)	STN1010905	Japan	An additional P2a <i>Plan: FY2025 additional P2a completion</i>
Allergic conjunctivitis	Epinastine HCl (eyelid cream)	STN1011402	Japan	Launched
			China	<i>Plan: FY2025 P3 start</i>
			Asia	<i>Plan: FY2025 filing</i>
	Epinastine HCl (twice a day, eye drop)	STN1011403	China	Filed <i>Plan: FY2026 approval</i>
Pterygium	Nintedanib	STN1014200 CBT-001	Japan	<i>Plan: FY2025 P2b start</i>

21 1 Santen retains the option right for exclusive license of this program. Santen development code to be formally assigned to the product when Santen obtains exclusive license upon the completion of Phase II trial.

Current status of global development (4)

As of July 2025
Updated information [is in blue](#)

Refractive disorder

Indication	Generic Name	Dev. Code	Development Status	
Myopia	Atropine sulfate <i>Ryjusea Mini / Ryjunea</i>	STN101 2700 DE-127	Japan	Launched
			China	P2/3 <i>Plan: FY2026 P2/3 completion</i>
			Asia	Filed in July 2025 <i>Plan: FY2026 approval</i>
		STN101 2701 SYD-101	Europe	Launched in July 2025 in Germany

Current status of global development (5)

As of July 2025
Updated information [is in blue](#)

Others

Indication	Generic Name	Dev. Code	Development Status	
Ptosis	Oxymetazoline hydrochloride	STN101 3800 RVL-1201	Japan	Filed <i>Plan: FY2025 approval</i>
			Europe	P3 <i>Plan: FY2025 P3 completion</i>
			China	P3 <i>Plan: FY2026 P3 completion</i>
			Asia	<i>Plan: FY2026 filing</i>
Retinitis pigmentosa	jCell	STN 6000 100	-	jCyte Planning P3

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.
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