

Q2 FY2025 Financial Results

November 6, 2025



Featuring



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■ Presentation
■ Q&A

■ Presentation
■ Q&A

■ Q&A

Agenda

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02	Q2 Results and Forecast P. 9
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Executive Summary

Q2 FY2025 results



- Revenue: JPY 137.9 billion (-5.8% YoY), Core OP: JPY 22.3 billion (-25.0% YoY)
- On-track vis-a-vis Company's FY2025 Outlook with stronger contribution anticipated in H2

Business update

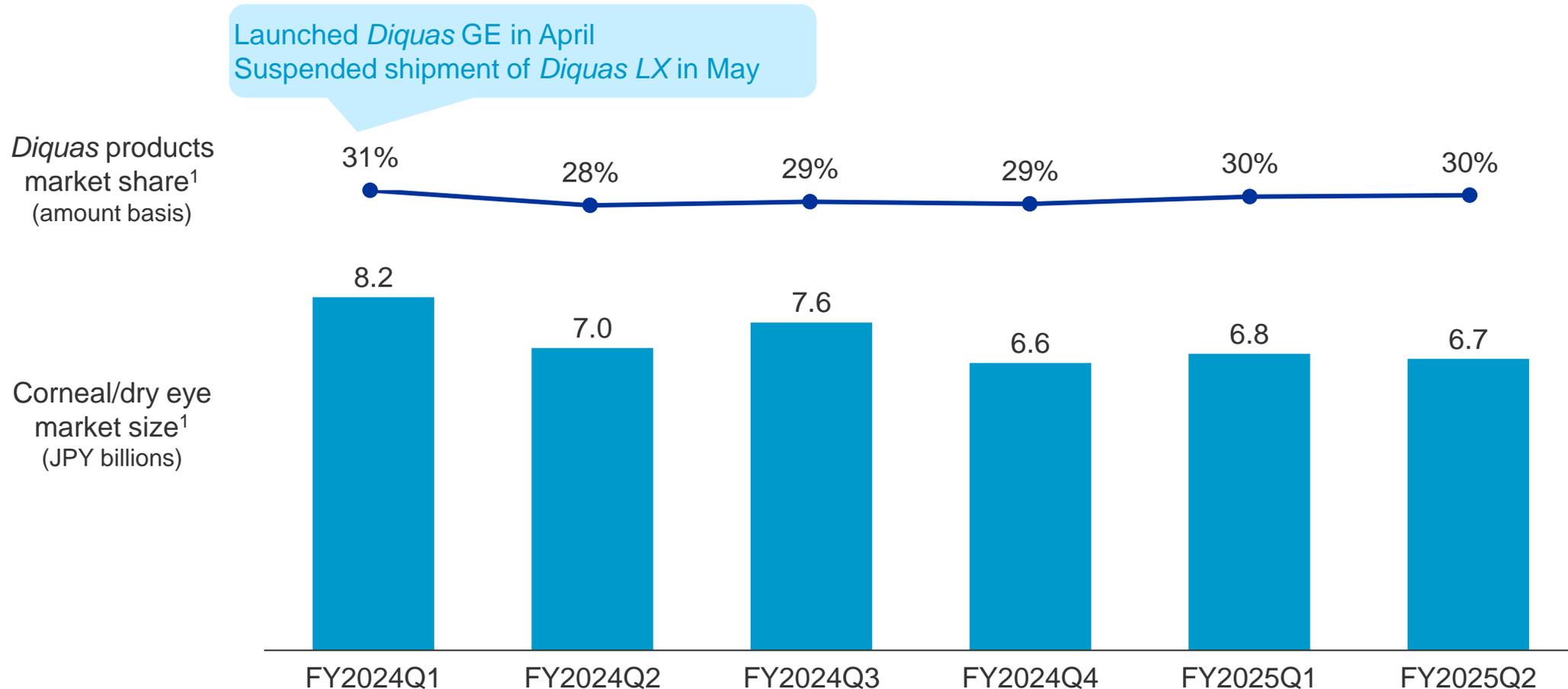


- *Diquas LX* shipments scheduled to resume in early December
- Myopia drug on track in Japan. As the only approved drug in Europe, launches planned in additional countries following Germany
- Glaucoma drugs *Tapcom* and *Setaneo* launched in China and Japan, respectively
- Secured two strategic business development partnerships in back of the eye segment

Current status of *Diquas* products in Japan

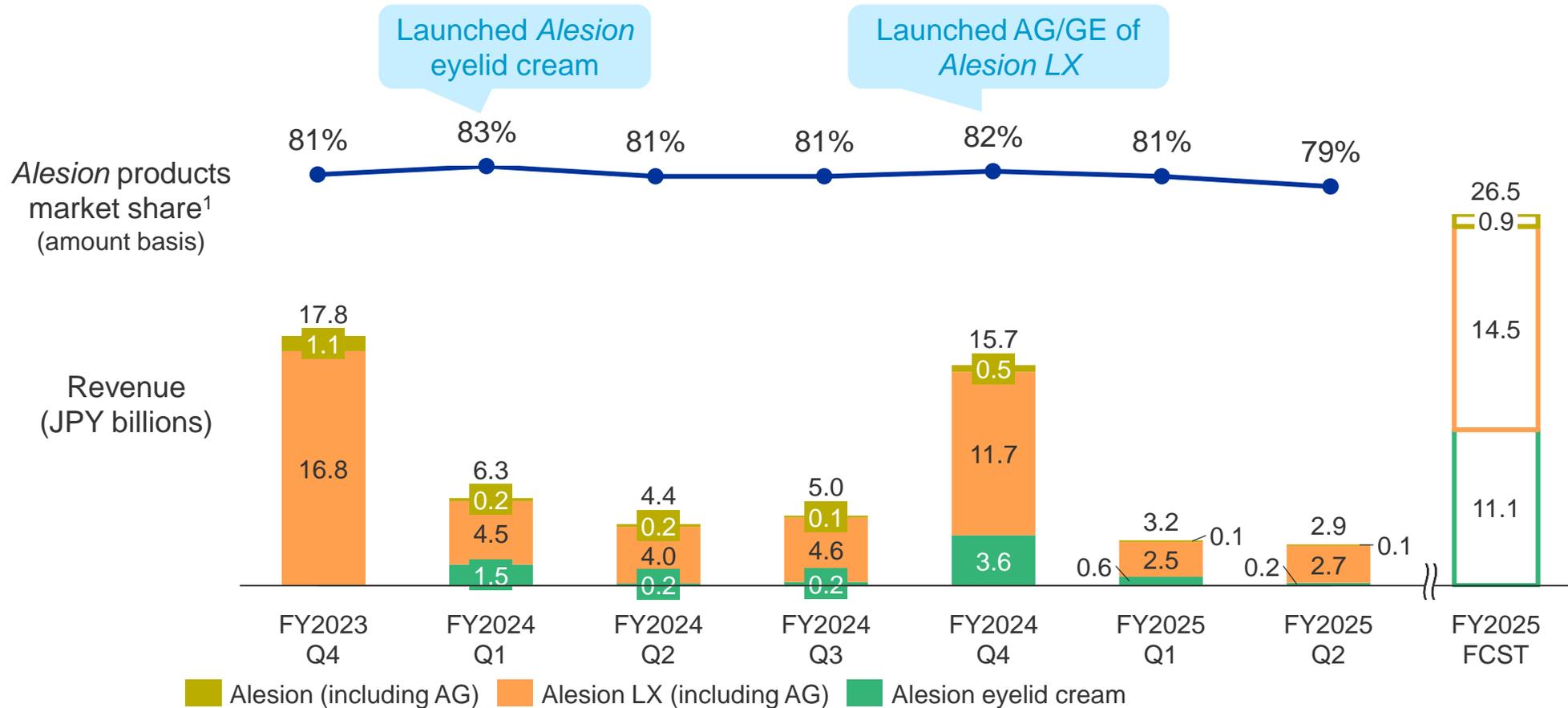
Maintained share in corneal/dry eye market after *Diquas* GE launch.

Diquas LX (FY2023 revenue in Japan: JPY 13.3 billion) shipments to resume early December



Current status of *Alesion* products in Japan

Maintained share of *Alesion* products. Drive further penetration of *Alesion* eyelid cream in Q4



Glaucoma portfolio

Representing a quarter of revenue, expanding with innovative products across key markets

	Prostanoid receptor agonists				β-blocker	Single drug by other MOA				Combination drug			device
 Launched  Developing  Focus in MTP													
	Setaneo	Catiolanze	Eybelis	Tapros	Timoptol	Rhopressa	Detantol	Trusopt	Sanpilo	Rocklatan	Tapcom	Cosopt	Micro Shunt
	New					New				New			
Japan	October 2025 Launch					July 2025 Filed				 P3			
China			 P3								August 2025 Launch		
EMEA													
Asia		 Filed											

7 *Only major products are listed. Including single-use bottle depended on product/business region. In China, only launched/developing products with approval by the National Medical Products Administration are included.

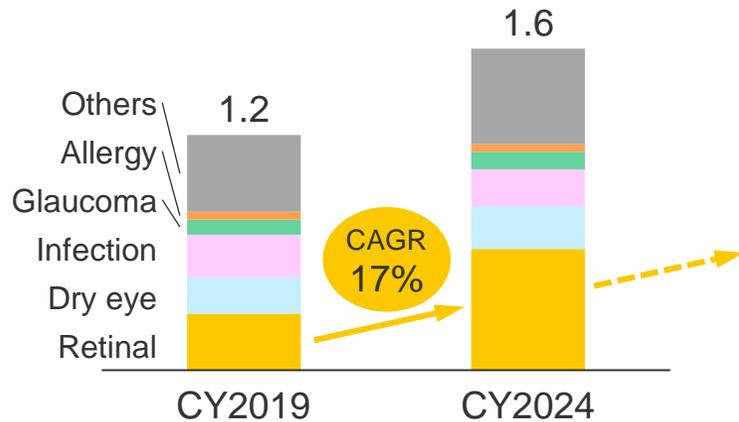
Business development

Entering back of the eye segment in China and Asia (Market “Entry”)

China RC28-E (STN1014300/01)

- Anti-VEGF/FGF dual-target fusion protein intravitreal injection
- Obtained rights to develop, manufacture and commercialize in Mainland China etc.¹ from RemeGen
- Filed for DME² in September 2025 in China. Conducting P3 for wAMD³ in China (expecting to complete in FY2025)
- Number of patients in China
DME: 5.7 million⁴
wAMD: 3.81 million⁵

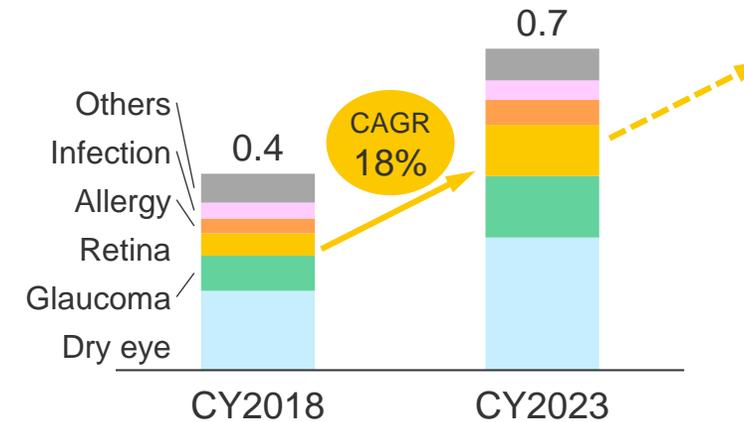
China ophthalmology market (USD billion)⁶



S. Korea Beovu, Lucentis

- Anti-VEGF intravitreal injection
- Obtained exclusive promotion and marketing rights in S. Korea from Novartis
- Both are reimbursed
- Number of patients with retinal disease in S. Korea approximately 1 million⁷

S. Korea ophthalmology market (USD billion)⁶



Since the provision of some data has been discontinued from CY2024, CY2023 is referenced as the latest data.

Q2 FY2025 Consolidated results

	Q2 FY2024	Q2 FY2025
	ACT	ACT
USD (JPY)	153.20	146.23
EUR (JPY)	166.19	167.79
CNY (JPY)	21.40	20.39

(JPY billions)	Q2 FY2024		Q2 FY2025				
	Actual	vs Revenue	Q1 QTD	Q2 QTD	Actual	vs Revenue	YoY
Revenue	146.4	-	68.7	69.1	137.9	-	-5.8%
Cost of sales	63.5	43%	31.6	29.1	60.7	44%	-4.5%
Gross profit	82.9	57%	37.1	40.1	77.2	56%	-6.9%
SG&A expenses	42.2	29%	21.2	21.3	42.5	31%	+0.7%
R&D expenses	10.9	7%	6.2	6.2	12.4	9%	+13.0%
Core operating profit	29.7	20%	9.7	12.6	22.3	16%	-25.0%
Amortization on intangible assets associated with products	4.5	3%	2.2	2.3	4.4	3%	-1.3%
Other income	0.2	0%	0.2	0.2	0.4	0%	+101.4%
Other expenses	1.6	1%	0.1	0.2	0.4	0%	-76.4%
Operating profit	23.9	16%	7.6	10.3	17.9	13%	-25.0%
Finance income	1.0	1%	0.6	0.3	0.9	1%	-12.4%
Finance expenses	1.0	1%	0.7	0.4	1.2	1%	+11.6%
Profit before tax	23.8	16%	7.5	10.2	17.6	13%	-26.0%
Income tax expenses	5.1	4%	1.6	2.2	3.8	3%	-26.4%
<i>Actual tax ratio</i>	22%	-			21%	-	-0.1pt
Net profit	18.7	13%	5.9	8.0	13.9	10%	-25.9%
Net profit attributable to owners of the company	18.8	13%	5.9	8.1	13.9	10%	-25.7%
Core net profit	23.2	16%			17.5	13%	-24.6%
EBITDA	34.3	-			27.1	-	-21.0%

- vs. FY2025 forecasts
On-track revenue and profits

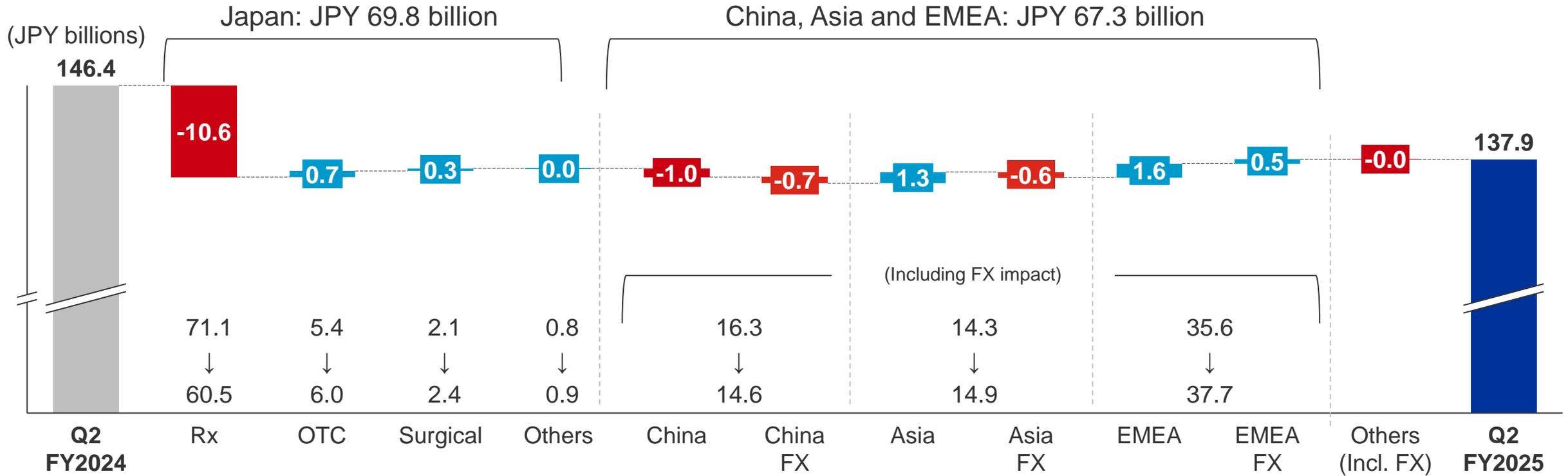
- vs. Q2 FY2024 (YoY)

- Factors behind revenue decline:
Inventory adjustments: Japan/China
Market expansion re-pricing of key product in Japan

- SG&A:
Nearly flat. Disciplined expenditures

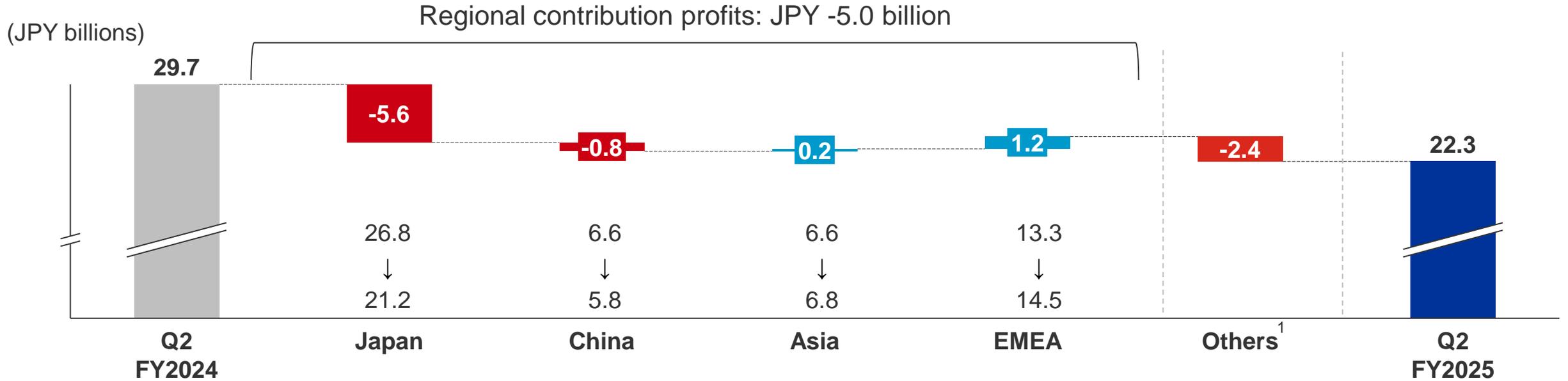
- R&D expenses:
Increase driven by pipeline advancement

Q2 FY2025 Sales bridge



Japan	-12.1% YoY: Excess channel inventory of <i>Alesion</i> products at end of FY2024, prior-FY Q1 front-loaded shipments of <i>Alesion</i> eyelid cream and price cut of main products due to market expansion re-pricing from August
China	-10.5% YoY (excl. FX impact -6.1%): Recovery trend despite adjustments in channel inventory levels (<i>Cravit</i> , <i>Hyalein</i>) since H2 FY2024 and <i>Diquas</i> sales
Asia	+4.6% YoY (excl. FX impact +9.1%): Solid performance from glaucoma and dry eye products
EMEA	+6.0% YoY (excl. FX impact +4.5%): Solid performance from new glaucoma products

Q2 FY2025 Core operation profit bridge



Regional contribution profits

Others

Japan
On track with plan. YoY decrease

Overseas (incl. FX)
China: YoY decrease. On-track with plan
Asia: Increase from steady sales growth. Progress slightly ahead of plan
EMEA: Increase from steady sales growth. Progress as planned

R&D and other expenses increase

FY2025 Outlook (maintain May 13 guidance)

	FY2024	FY2025
	ACT	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	Q2 Progress
Revenue	300.0	-	294.0	-	-2.0%	46.9%
Cost of sales	129.0	43%	123.0	42%	-4.6%	49.3%
Gross profit	171.0	57%	171.0	58%	-0.0%	45.1%
SG&A expenses	87.5	29%	92.0	31%	+5.1%	46.2%
R&D expenses	24.1	8%	25.0	9%	+3.7%	49.5%
Core operating profit	59.4	20%	54.0	18%	-9.1%	41.3%
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%	40.7%
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%	40.2%
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%	41.4%
Net profit attributable to owners of the company	36.3	12%	34.0	12%	-6.2%	41.0%
ROE	12%		12%			
EPS (IFRS) JPY	104	-	103	-	-1.3%	40.7%

■ Factors affecting revenue

Japan

- Solid market uptake of *Alesion* eyelid cream during pollen season

Overseas

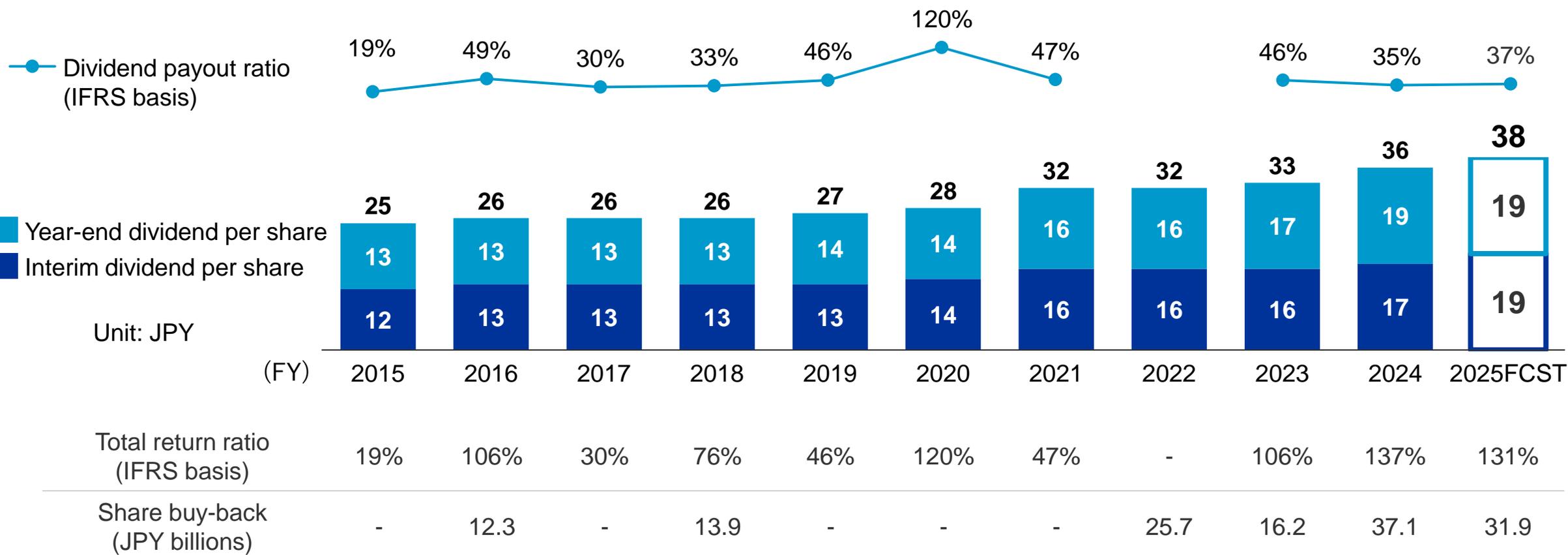
- Normalization of channel inventory levels and other factors in China

■ Factors affecting core OP

- R&D expenses prioritized as planned
- Improvement in COGS ratio vs H1 driven by product mix based on above revenue
- Ensure profits by resilient management of SG&A, even with revenue and gross profit fluctuations

Shareholder returns

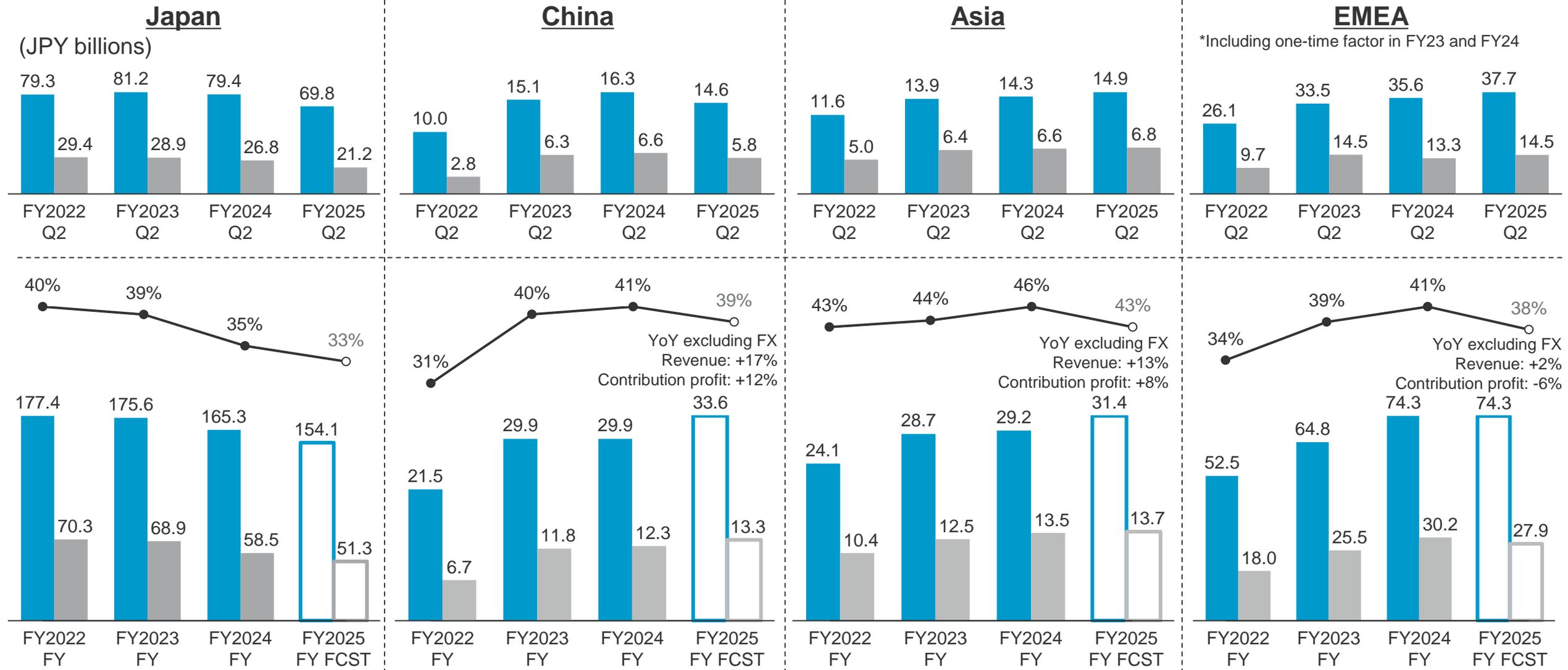
- Interim dividend: JPY 19/share. Year-end dividend expected to be JPY 19/share (+JPY 2/share annually).
- Completed share buy-back of JPY 31.9 billion, 19,800,000 shares from May 22, 2025 to November 5, 2025. Reduced outstanding shares by 20% from FY2022.



Appendix

Revenue and contribution profit by region

■ Revenue ■ Contribution profit ● Contribution profit ratio

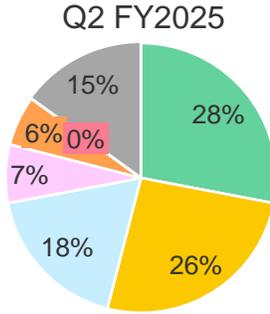


Note) Contribution profit: Deducting cost of sales and expenses related to revenue generation from regional revenue. Regional revenue related to regional business are used to calculate contribution profit and regional revenue may differ from revenue (location basis) in the above chart. Reorganization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

Q2 FY2025 revenue by region

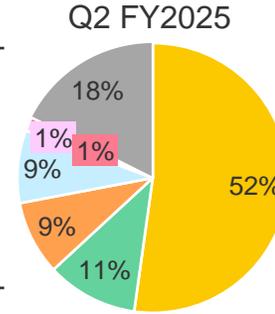
Consolidated

(JPY billions)	Q2 FY2024 (Ref.)	Q2 FY2025
EYLEA ¹	39.2	36.4
Cosopt	14.1	13.2
Hyalein	9.0	8.1
Others	84.2	80.2
Total	146.4	137.9



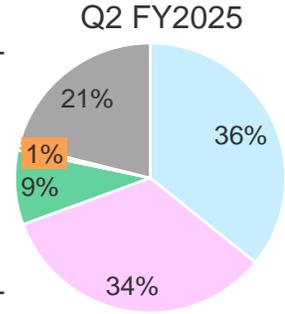
Japan

(JPY billions)	Q2 FY2024 (Ref.)	Q2 FY2025
EYLEA ¹	39.2	36.4
Alesion ²	10.6	6.2
Diquas	3.3	3.5
Others	26.3	23.8
Total	79.4	69.8



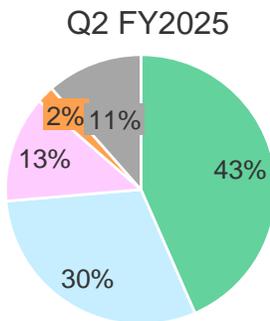
China

(JPY billions)	Q2 FY2024 (Ref.)	Q2 FY2025
Cravit	5.1	4.2
Hyalein	4.5	4.2
Tapros	1.2	1.2
Others	5.5	5.0
Total	16.3	14.6



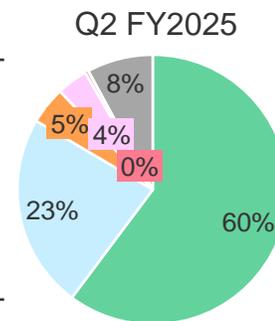
Asia

(JPY billions)	Q2 FY2024 (Ref.)	Q2 FY2025
Cosopt	3.5	3.4
Hyalein	1.9	2.0
Cravit	1.3	1.4
Others	7.6	8.2
Total	14.3	14.9

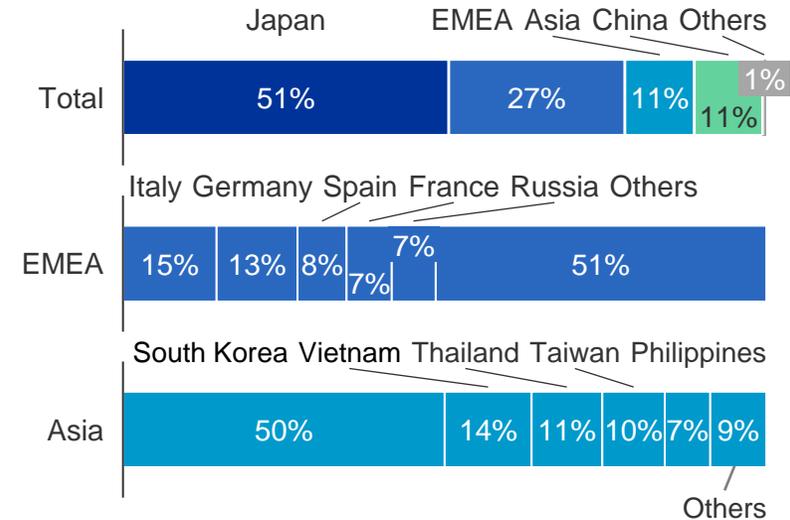


EMEA

(JPY billions)	Q2 FY2024 (Ref.)	Q2 FY2025
Cosopt	9.0	8.9
Ikervis	4.3	5.1
Tapros	4.3	4.3
Others	18.0	19.5
Total	35.6	37.7



Revenue in each region (Q2 FY2025)



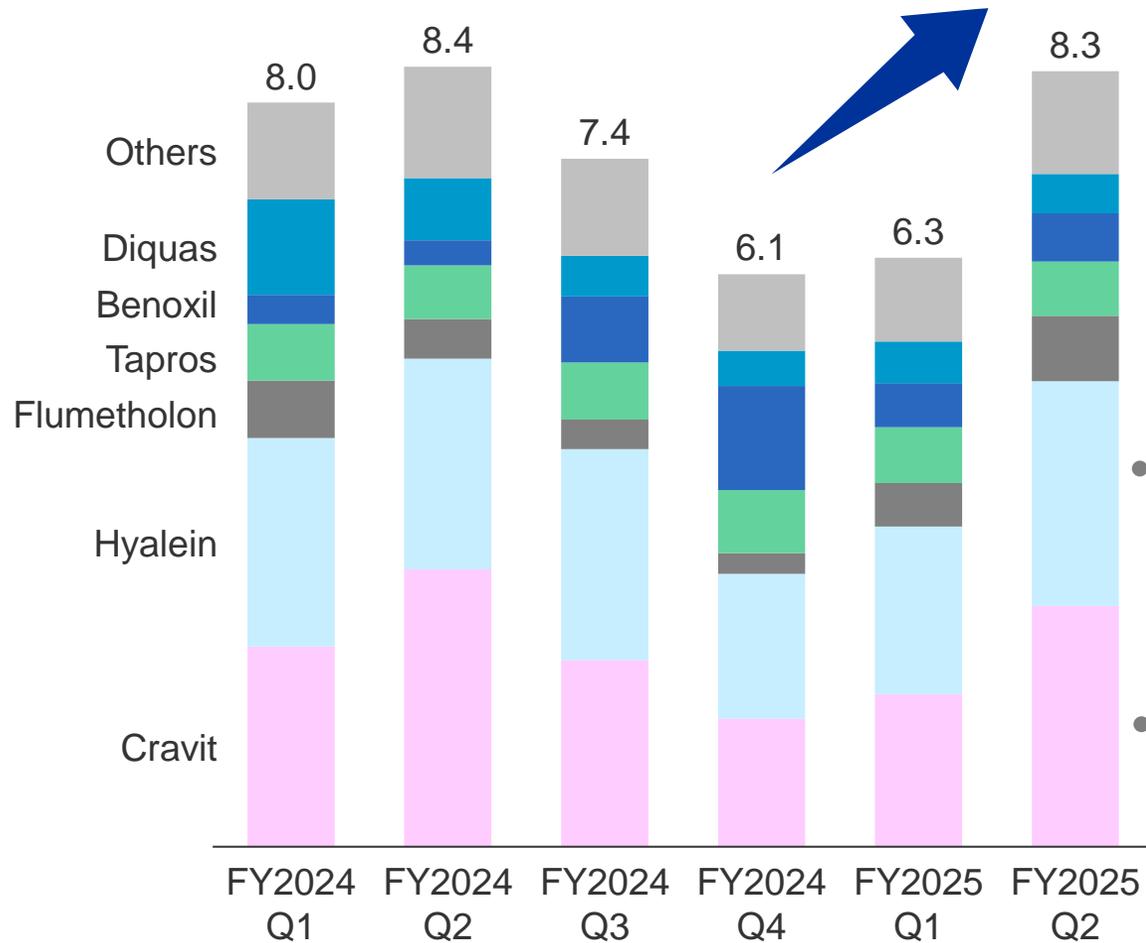
- Glaucoma
- Dry eye
- Allergy
- Others
- Intravitreal VEGF inhibitor
- Bacterial conjunctivitis
- Slowing myopia progression

¹ Co-promoted product of Bayer Yakuhin, Ltd. (MAH), including EYLEA 8mg

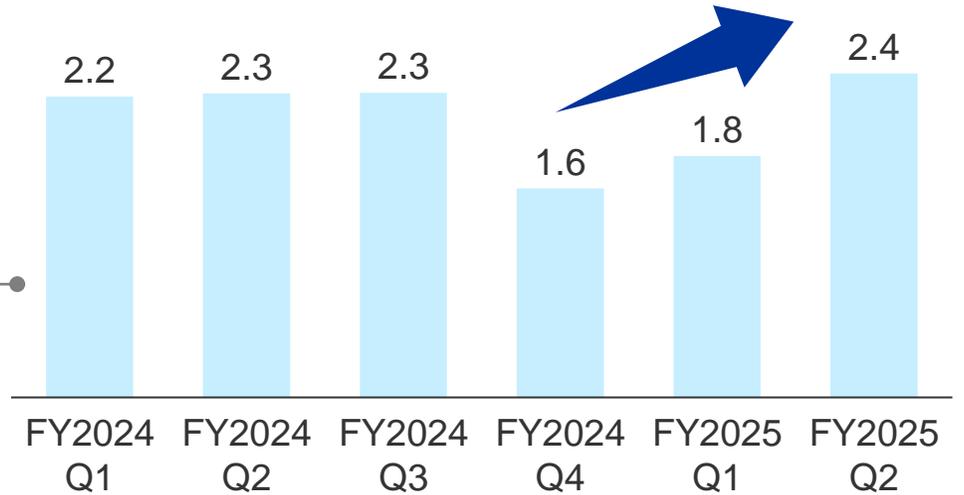
² Alesion: Trademark of alliance partner, Boehringer Ingelheim KG, including Alesion LX, Alesion eyelid cream, Epinastine and Epinastine LX

Sales trend in China

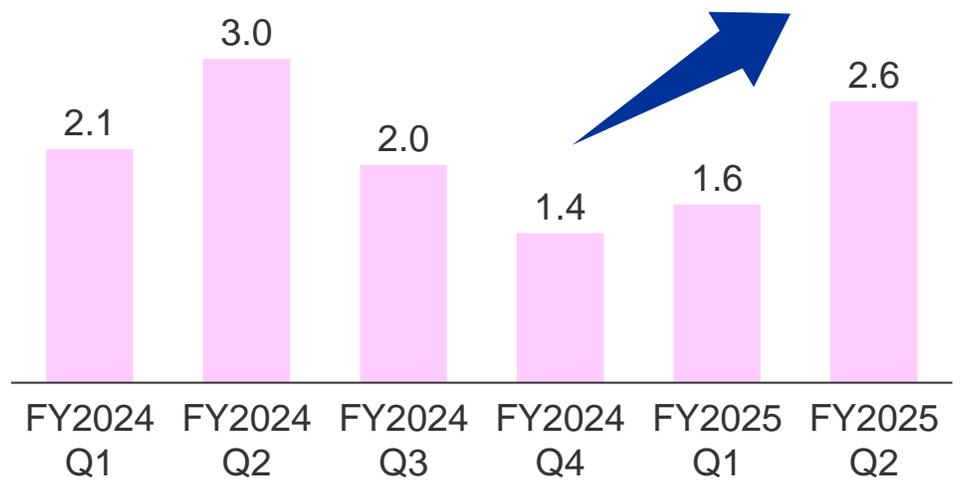
Quarterly sales trend in China (JPY billions)



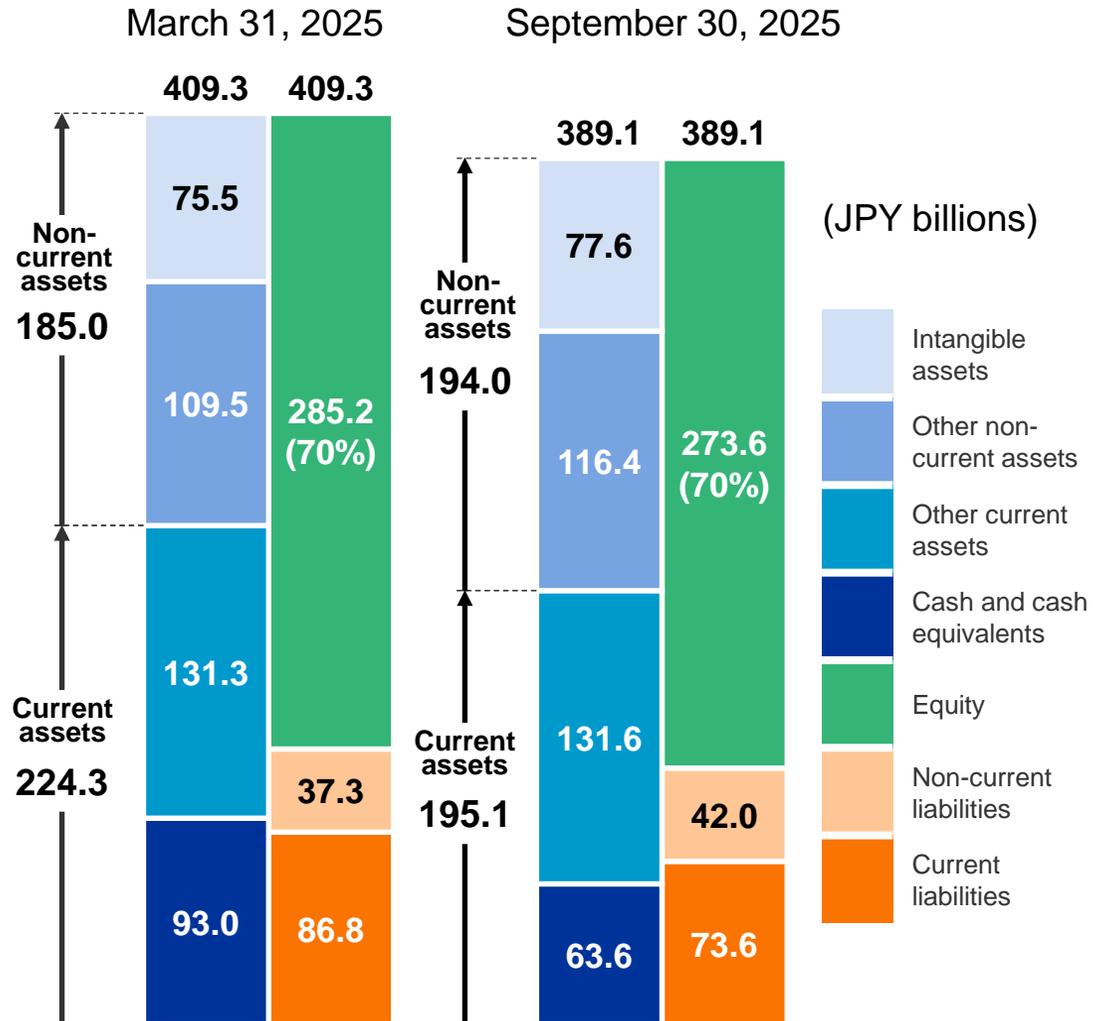
Quarterly sales trend of *Hyalein* in China (JPY billions)



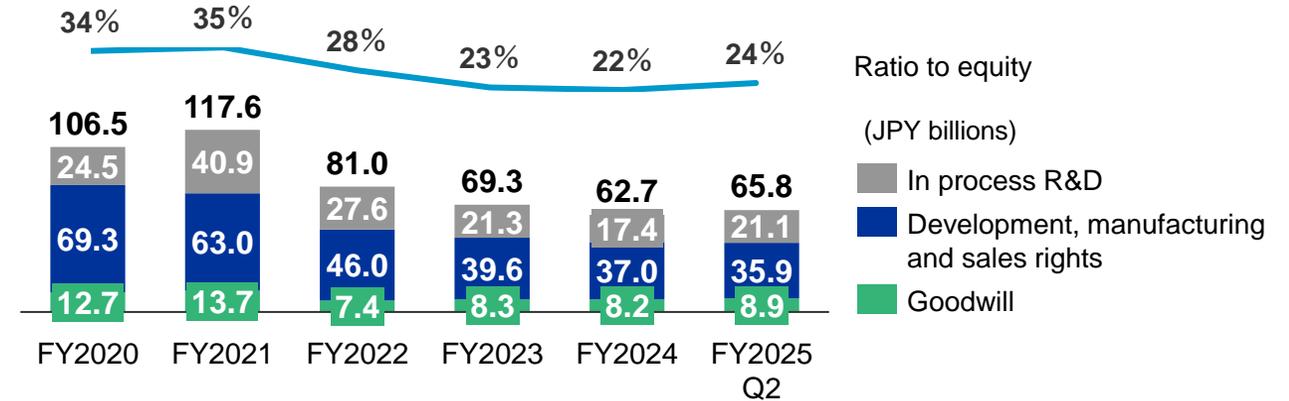
Quarterly sales trend of *Cravit* in China (JPY billions)



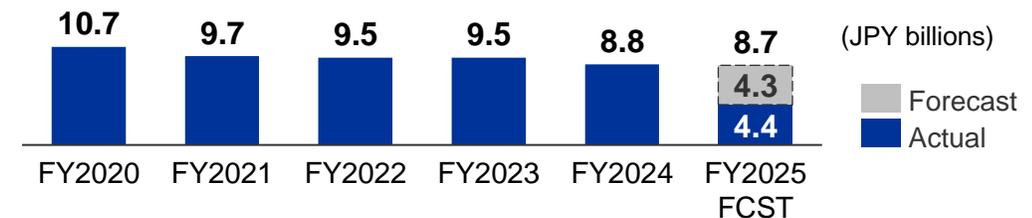
Financial position



Status of intangible assets related to products and goodwill



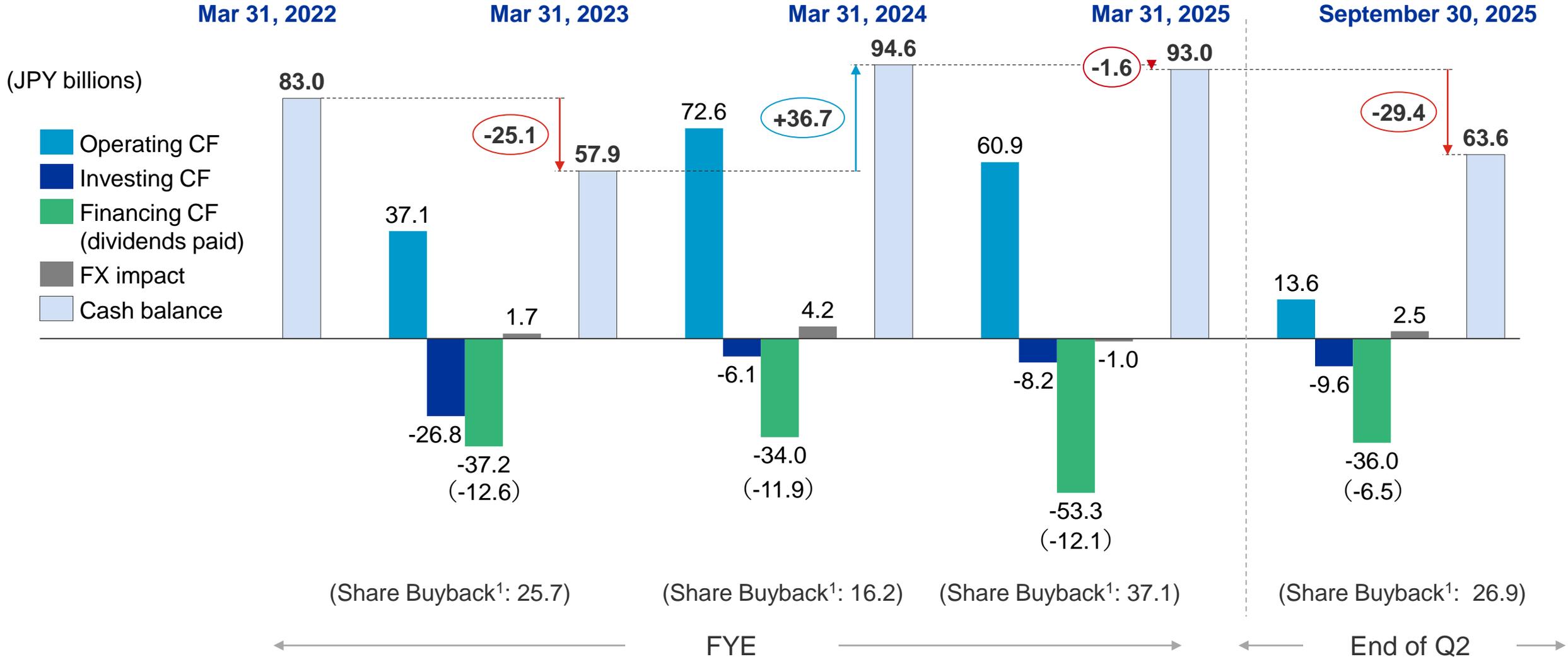
Status of intangible assets amortization related to products



ROE, ROIC, CCC¹

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025 Q2	FY2025 FCST
ROE	3%	8%	-	9%	12%	-	12% ²
ROIC	5%	12%	-	16%	18%	-	17% ³
CCC (Day)	220	190	194	167	170	207	165

Cash flow



Foreign exchange rate assumptions and sensitivities

FX rate

(JPY)

	Q2 FY2024 Actual	Q2 FY2025 Actual	Q2 FY2025 vs Q2 F2024	FY2024 Actual	FY2025 Forecast	FY2025 vs FY2024	Q2 FY2025 vs FY2025 Forecast
USD	153.20	146.23	95.5%	152.70	145.00	95.0%	100.8%
EUR	166.19	167.79	101.0%	163.57	160.00	97.8%	104.9%
CNY	21.40	20.39	95.3%	21.29	20.50	96.3%	99.5%

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 Q2 FY2025 (vs Q2 FY2024)

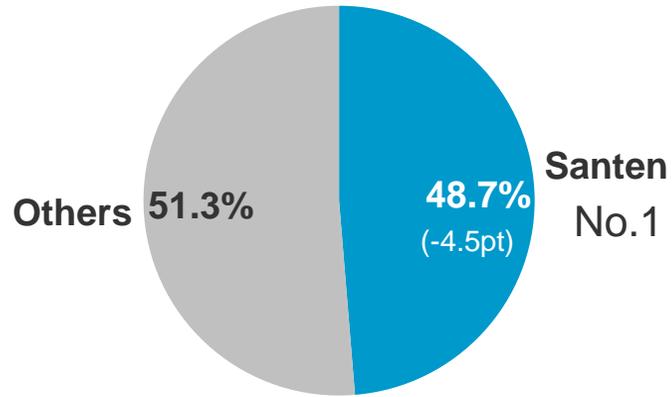
(JPY billions)

	合計
Revenue	-0.9
Core OP	-0.4
OP (IFRS basis)	-0.4

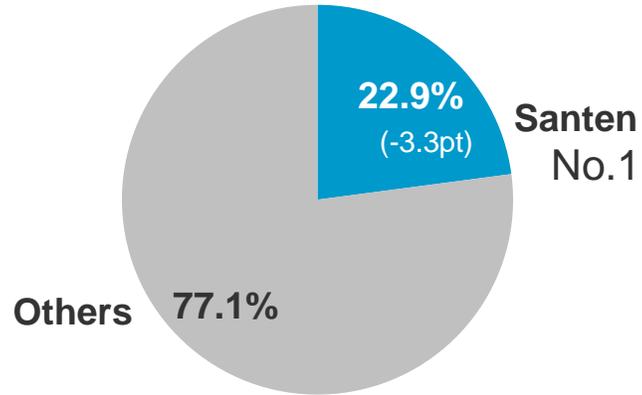
¹ Total: impacts from USD, EUR, CNY and other major currencies (rounding to nearest 100 million)

Prescription ophthalmic market in Japan (Oct. 2024 - Sep. 2025)

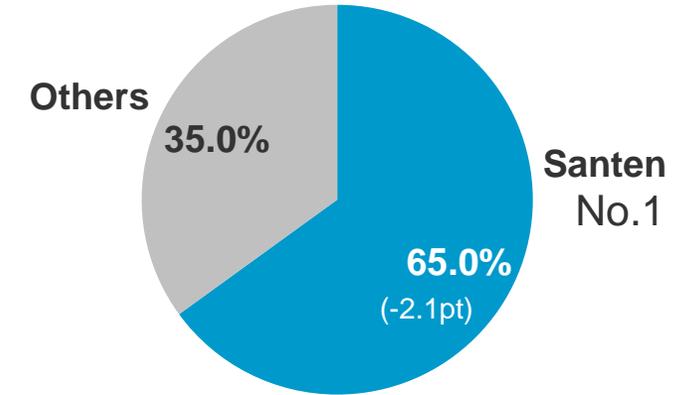
Total: JPY 353.5 bil



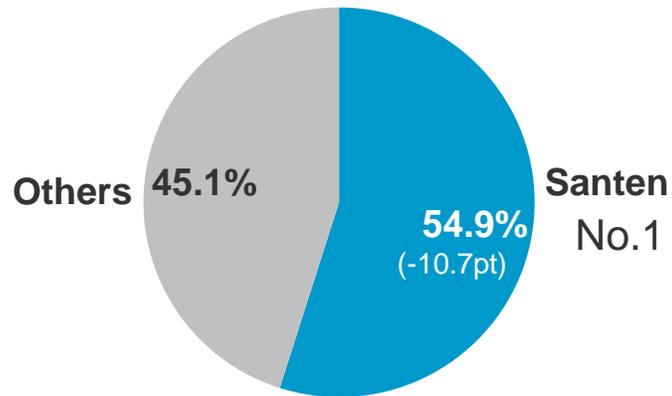
Glaucoma: JPY 73.7 bil



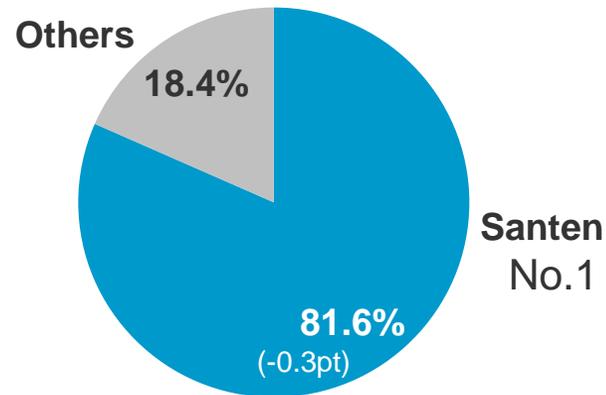
Retinal disorders*: JPY 143.6 bil



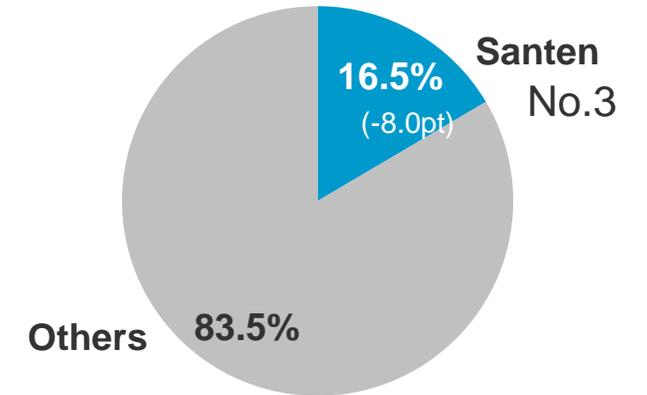
Corneal/dry eye: JPY 27.8 bil



Allergy: JPY 41.9 bil



Anti-infection: JPY 5.2 bil



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

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Q2 FY2025 R&D update

Market "Entry"	Eflimrufusp alfa STN1014300/RC28-E	Diabetic macular edema	Filed in China
	Eflimrufusp alfa STN1014301/RC28-E	Wet age-related macular degeneration	In-licensed from RemeGen in August Conducting P3 in China
Market "Expansion"	Tafluprost and timolol maleate STN1011101/DE-111A <i>Tapcom/Taptiqom</i>	Glaucoma	Launched in China
	Sepetaprost STN1012600/DE-126 <i>Setaneo</i>	Glaucoma	Launched in Japan

Current status of global development (1)

Glaucoma and ocular hypertension area

Indication	Generic Name	Dev. Code	Development Status ¹	
Glaucoma	Tafluprost and timolol maleate (combination) <i>Tapcom/Taptiqom</i>	STN1011101 DE-111A	China	Launched in August 2025
	Omidenepag isopropyl <i>Eybelis Mini</i>	STN1011702	China	P3 <i>Plan: FY2026 P3 completion</i>
	Sepetaprost <i>Setaneo</i>	STN1012600 DE-126	US	P2 (met primary endpoint)
			Japan	Launched in October 2025
			Europe	P2 (exploratory study) completion
	Latanoprost <i>Catiolanze</i>	STN1013001 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)

Glaucoma and ocular hypertension area

Indication	Generic Name	Dev. Code	Development Status	
Glaucoma	Netarsudil mesylate <i>Rhopressa®/Rhokiinsa®</i>	STN1013900 AR-13324	Japan	Filed <i>Plan: FY2026 approval</i>
			Europe	Launched
			Asia	Launched
	Netarsudil mesylate and latanoprost (combination) <i>Rocklatan®/Roclanda®</i>	STN1014003	Japan	P3 <i>Plan: FY2027 P3 completion</i>
		STN1014000 PG-324	Europe	Launched
			Asia	Launched

Current status of global development (3)

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	P2b <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>

²⁵ 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 October 2025
Updated information is in blue

Refractive disorder

Indication	Generic Name	Dev. Code	Development Status	
Myopia	Atropine sulfate <i>Ryjusea Mini/Ryjunea</i>	STN1012700 DE-127	Japan	Launched
			China	P2/3 <i>Plan: FY2026 P2/3 completion</i>
			Asia	Filed <i>Plan: FY2026 approval</i>
		STN1012701 SYD-101	Europe	Launched

Retinal diseases area

Indication	Generic Name	Dev. Code	Development Status	
Diabetic macular edema	Eflimrufusp alfa	STN1014300 RC28-E	China	Filed in September 2025 <i>Plan: FY2027 approval</i>
Wet age-related macular degeneration	Eflimrufusp alfa	STN1014301 RC28-E	China	P3 <i>Plan: FY2025 P3 completion</i>
Retinitis pigmentosa	jCell	STN6000100	-	jCyte Planning P3

Current status of global development (5)

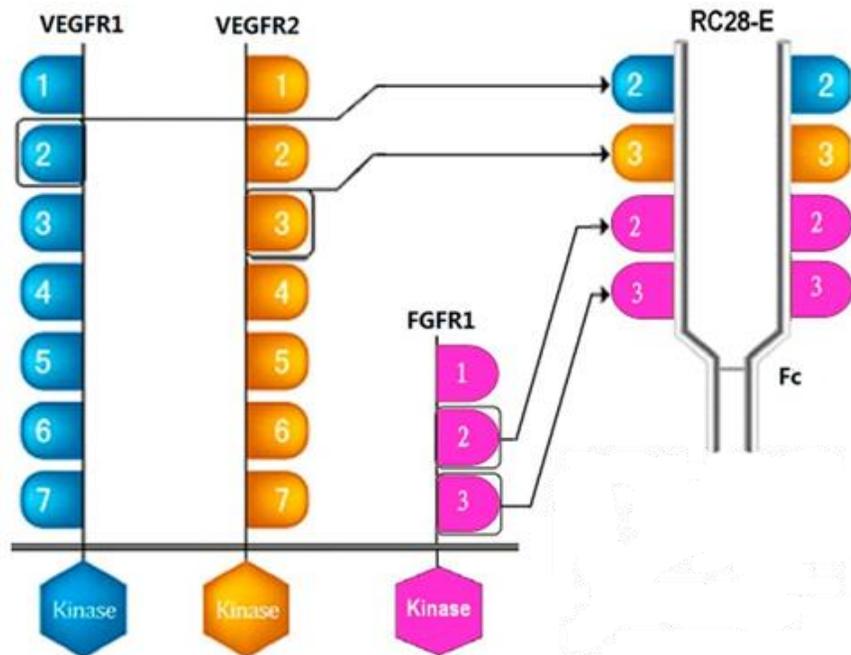
As of October 2025
 Updated information is in blue

Others

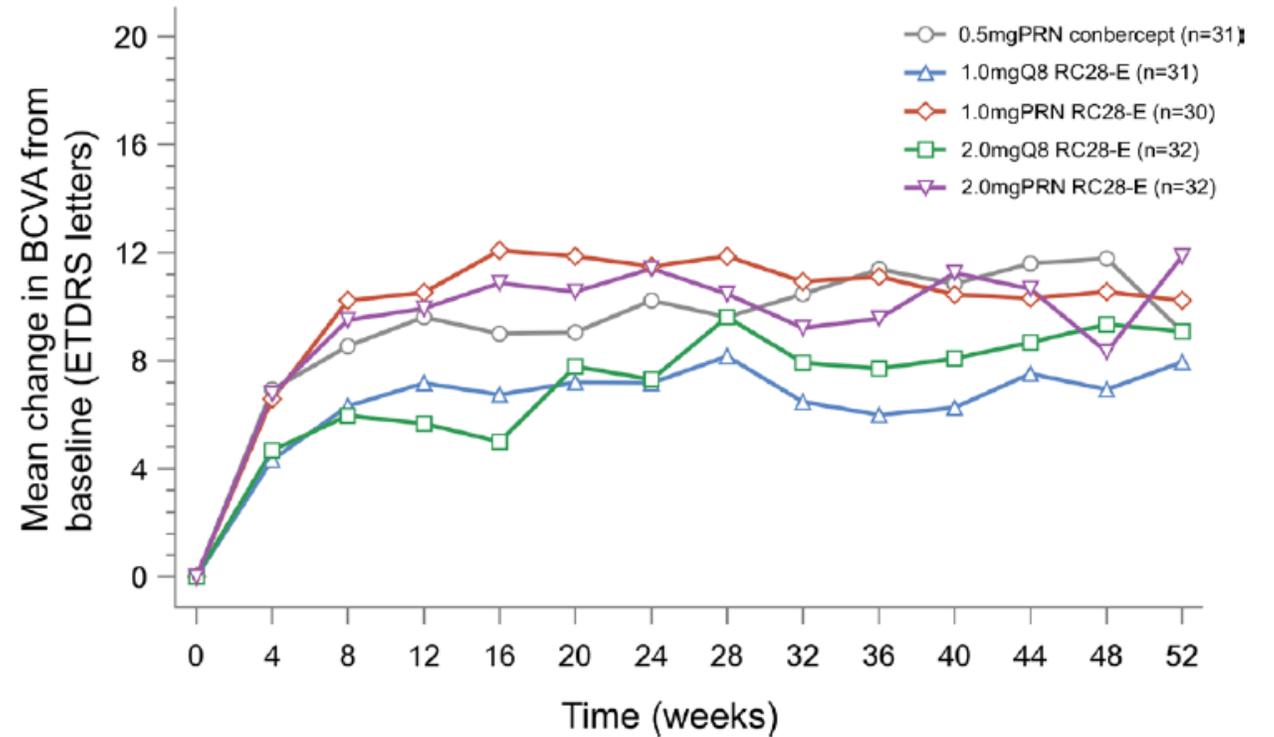
Indication	Generic Name	Dev. Code	Development Status	
Ptosis	Oxymetazoline hydrochloride	STN1013800 RVL-1201	Japan	Filed <i>Plan: FY2025 approval</i>
			Europe	P3 <i>Plan: FY2026 P3 completion</i>
			China	P3 <i>Plan: FY2026 P3 completion</i>
			Asia	<i>Plan: FY2026 filing</i>

RC28-E (STN1014300/01, eflimrufusp alfa): overview

- Generic name: Eflimrufusp alfa
- Dual-target fusion protein to inhibit VEGF and FGF



Result of P2 for DME



RC28-E (STN1014300/01, eflimrufusp alfa): P3 trials

- Filed for DME in September 2025 in China
- Conducting P3 for wAMD3 in China (expecting to complete in FY2025)

P3 trials design		
Indication	Diabetic macular edema	Wet age-related macular degeneration
ClinicalTrials.gov ID	NCT05885503	NCT05727397
Arms	<ul style="list-style-type: none"> • 2.0 mg/50 µL RC28-E • 2.0 mg/50 µL aflibercept 	<ul style="list-style-type: none"> • 2.0 mg/50 µL RC28-E • 2.0 mg/50 µL aflibercept
Dosing frequency	0~16w: every 4w (total 5 times) 20~48w: every 8w	0~8w: every 4w (total 3 times) 12w~: RC28-E; every 12w unless there is disease activity. If disease activity is identified, every 8w. Aflibercept; every 8w
Administration rout	Intravitreal injection	Intravitreal injection
Enrollment	316 eyes	432 eyes
Primary endpoint	Mean change from baseline in Best Corrected Visual Acuity (BCVA) at 52w	Mean change from baseline in Best Corrected Visual Acuity (BCVA) at 48w
Location	China	China
Result	Demonstrated non-inferiority compared to aflibercept Plan to publish the detail data at upcoming academic meetings	N/A (final data collection: December 2025)

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.
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