



Notice of Revisions to Dividend Forecasts (Dividend Increase)

OSAKA, Japan, April 24, 2023 - Shionogi & Co., Ltd. (Head Office: Osaka, Japan; Chief Executive Officer: Isao Teshirogi, Ph.D.; hereafter "Shionogi") announced that it has made the following revisions to its dividend forecasts for the fiscal year ending March 31, 2023 (fiscal 2022; April 1, 2022 – March 31, 2023). The dividend forecasts were originally announced on May 11, 2022.

1. Revisions to Dividend Forecasts

	Dividends per share (yen)		
	End of second quarter	Year end	Annual
Previous forecast	—	60.00	120.00
Revised forecast	—	75.00	135.00
Current fiscal year	60.00		
Previous fiscal year (ended March 31, 2022)	55.00	60.00	115.00

2. Reasons for Revisions to Dividend Forecasts

Shionogi strives to maximize corporate value while balancing investment in growth and shareholder return, and to share the benefits of mid-to-long term profit growth with shareholders. Consistent with that intention, Shionogi plans to stably increase its consolidated dividends, with a DOE of 4% or higher as an index. In fiscal 2022, in accordance with the Medium-term Business plan STS2030 unveiled in June 2020, we have continuously enhanced our strengths as a drug-discovery-based pharmaceutical company, and we have been transforming ourselves into a HaaS* company that provides a broader integrated range of healthcare products and services, providing new value to society. We have been advancing these efforts to offer more comprehensive solutions to the healthcare challenges faced by patients and society.

As a result, we obtained domestic manufacturing and marketing approval for the novel coronavirus disease (COVID-19) Xocova, which we have continued to invest in, and signed a purchase agreement for a total of 2 million courses with the Japanese government. Since March 31, 2022, we have started regular distribution of Xocova in Japan and are engaging in efforts contributing to the realization of early diagnosis and early treatment to ensure that Xocova promptly reaches patients who need it. In addition, we are building a supply network for Asia, centered on China and South Korea, and advancing clinical trials for further global registration, including in the United States and Europe.

We have filed for manufacturing and sales approval in Japan for S-268019, a recombinant protein-based preventive vaccine, and the review is currently underway by the Ministry of Health, Labor and Welfare and the Pharmaceuticals and Medical Devices Agency. We are seeking to establish the vaccine business as a core pillar of a sustainable infectious disease business that does not depend on epidemics.

Furthermore, as a result of intensive investment in multiple R&D projects, we have advanced our next growth driver candidates in clinical development, and we believe that we have built a solid foundation for further growth in the future.

In addition to these initiatives, regarding the HIV franchise partnered with ViiV, we received increasing royalty and dividend income, exceeding previous forecasts, due to the sales growth of Dovato and Cabenuva. Long-acting formulations Cabenuva and Apretude have made significant progress in market penetration, and we expect continuous medium- to long-term growth of HIV franchise.

Based on the above achievements, we plan to revise STS2030 ahead of schedule, and expect favorable full-year performance for the fiscal year ending March 31, 2023, as well as sustainable growth from the fiscal year ending March 31, 2024, onwards. As a result of comprehensively considering the aforementioned progress, our current finance condition, and our EPS, DOE, ROE values, which are shareholder return-indicators in STS2030, Shionogi plans to increase its year-end cash dividend by two yen per share, revising the previously announced dividend of 53 yen to 55 yen per share. Together with the interim cash dividend, Shionogi will therefore pay annual cash dividends of 108 yen per share, an increase of 5 yen per share from the prior fiscal year.

* Healthcare as a Service; Provide a range of healthcare services in line with customer needs, rather than only supplying pharmaceuticals.

Forward-Looking Statements

This announcement contains forward-looking statements. These statements are based on expectations in light of the information currently available, assumptions that are subject to risks and uncertainties which could cause actual results to differ materially from these statements. Risks and uncertainties include general domestic and international economic conditions such as general industry and market conditions, and changes of interest rate and currency exchange rate. These risks and uncertainties particularly apply with respect to product-related forward-looking statements. Product risks and uncertainties include, but are not limited to, completion and discontinuation of clinical trials; obtaining regulatory approvals; claims and concerns about product safety and efficacy; technological advances; adverse outcome of important litigation; domestic and foreign healthcare reforms and changes of laws and regulations. Also for existing products, there are manufacturing and marketing risks, which include, but are not limited to, inability to build production capacity to meet demand, lack of availability of raw materials and entry of competitive products. The company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

For Further Information, Contact:

SHIONOGI Website Inquiry Form : <https://www.shionogi.com/global/en/contact.html>