News Release

Chugai Announces Consolidated 2025 1st Quarter Results

- Core revenue, core operating profit, and core net income at ¥288.5 billion (+21.8%), ¥139.5 billion (+36.6%), and ¥99.2 billion (+30.5%), respectively (all changes year-on-year)
  - Strong financial results with increased revenue and profit, primarily driven by robust overseas exports
- Research and development activities progressed well in both early and late-stage development of in-house projects
  - In early-stage development, NXT007 achieved PoC and several other in-house projects initiated new clinical trials
  - In late-stage development, orforglipron, an oral GLP-1 agonist, met its primary endpoint in Phase III clinical trials for type 2 diabetes, and NEMLUVIO received approval in Europe

TOKYO, April 24, 2025 -- Chugai Pharmaceutical Co., Ltd. (TOKYO: 4519) announced its financial results for the first quarter of fiscal year 2025.

"The first quarter of 2025 got off to a strong start with increased revenue and profit year-on-year. In Japan, despite the impact of NHI drug price revisions and generic penetration, our new products Phesgo® and PiaSky®, along with our mainstay product Vabysmo®, performed well. Overseas sales increased, with exports of our mainstay products Hemlibra® and Actemra® growing significantly, driving overall growth. In development pipeline progress, LUNSUMIO®, in-licensed from Roche, has been launched in Japan for the treatment of relapsed or refractory follicular lymphoma. For in-house projects, NEMLUVIO® (nemolizumab), out-licensed to Galderma received approval in Europe, while orforglipron, out-licensed to Eli Lilly, met its primary endpoint in a Phase III clinical trial for type 2 diabetes, each making significant progress. NXT007, one of our most important development projects achieved Proof of Concept (PoC)* for hemophilia A, and we are accelerating preparations for the earliest possible initiation of Phase III trials. Additionally, three in-house projects of Enspryng®, RAY121, and MINT91 initiated new clinical trials. We will continue to strongly promote our unique and innovative drug development to deliver new value to patients worldwide," said Dr. Osamu Okuda, Chugai's President and CEO.

<First Quarter Financial Results (Core results, January to March 2025)>
Chugai reported an increase in revenue of 21.8% and in operating profit of 36.6% year-on-year for the first quarter of 2025 (Core-basis), primarily driven by significant growth in overseas sales.

CHUGAI PHARMACEUTICAL CO., LTD. Corporate Communications Dept.
1-1 Nihonbashi-Muromachi 2-chome, Chuo-ku, Tokyo 103-8324 Japan
Media Relations Group TEL: +81-(0)3-3273-0881 E-mail: pr@chugai-pharm.co.jp
Investor Relations Group TEL: +81-(0)3-3273-0554 E-mail: ir@chugai-pharm.co.jp

Regarding revenue, domestic sales remained nearly flat with a slight decrease of 0.2% year-on-year. In the oncology field, sales decreased by 5.3% compared to the previous year. While our new product Phesgo performed well, this was offset by the decline in Perjeta® and Herceptin® along with the market penetration of Phesgo which includes the same active pharmaceutical ingredients. Additionally, products including our mainstay product Avastin® were affected by NHI drug price revisions and biosimilars. In the specialty field, sales increased by 6.2% year-on-year, driven by the strong performance of our mainstay product Vabysmo and successful market penetration of our new product PiaSky. Overseas sales increased significantly by 54.7% year-on-year, driven by a substantial increase in exports of Hemlibra and Actemra to Roche. Other revenue decreased by 11.7%, despite the increase in royalty income related to Hemlibra, mainly due to a decrease in one-time income, etc.

Cost to sales ratio improved by 1.8 percentage points year-on-year to 33.7%, mainly due to a change in the product mix. Research and development expenses and selling, general and administration expenses remained at levels comparable to the previous year. Other operating income (expense) resulted in a gain of ¥0.3 billion. As a result, Core operating profit totaled ¥139.5 billion (+36.6%).

<R&D activities>
Chugai made good progress in both early and late-stage development activities.
In early-stage development of in-house products that will drive mid to long-term growth, Enspryng (for Duchenne muscular dystrophy) has initiated Phase II clinical trials. Additionally, RAY121 and MINT91 (for solid tumors) have each entered Phase I clinical trials. Furthermore, NXT007 (for hemophilia A) has achieved an important milestone by obtaining PoC. In-house products out-licensed to third parties excluding Roche also progressed steadily. Orforglipron, an oral GLP-1 agonist out-licensed to Eli Lilly, has shown favorable results in a Phase III clinical trial for type 2 diabetes. NEMLUVIO, being developed overseas by Galderma, has received approval in Europe for moderate-to-severe atopic dermatitis and prurigo nodularis.
For products in-licensed from Roche, LUNSUMIO has been launched in Japan for the treatment of relapsed or refractory follicular lymphoma. Tecentriq has received approval for an expanded indication for alveolar soft part sarcoma, while Vabysmo and Evrysdi® have received approvals for new formulations. Trontinemab, under development for Alzheimer's disease, has shown favorable results in Phase I/II clinical trials.

* Proof of Concept (A demonstration that the therapeutic effect conceived in the research stage is effective in humans)

[2025 first quarter results]

Billion JPY	2025 Jan-Mar	2024 Jan-Mar	% change
Core results			
Revenue	288.5	236.9	+21.8%
Sales	259.7	204.5	+27.0%
Other revenue	28.7	32.5	-11.7%
Operating profit	139.5	102.1	+36.6%
Net income	99.2	76.0	+30.5%
IFRS results			
Revenue	288.5	236.9	+21.8%
Operating profit	136.7	99.9	+36.8%
Net income	97.2	74.4	+30.6%

[Sales breakdown]

Billion JPY	2025 Jan-Mar	2024 Jan-Mar	% change
Sales	259.7	204.5	+27.0%
Domestic sales	103.0	103.2	-0.2%
Oncology	53.1	56.1	-5.3%
Specialty	49.9	47.0	+6.2%
Overseas sales	156.7	101.3	+54.7%

[Oncology field (Domestic) Top5-selling medicines]

Billion JPY	2025 Jan-Mar	2024 Jan-Mar	% change
Tecentriq	13.8	14.5	-4.8%
Polivy	7.5	7.4	+1.4%
Alecensa	7.5	6.6	+13.6%
Phesgo	6.8	3.2	+112.5%
Avastin	6.1	8.7	-29.9%

[Specialty field (Domestic) Top5-selling medicines]

Billion JPY	2025 Jan-Mar	2024 Jan-Mar	% change
Hemlibra	12.6	12.5	+0.8%
Actemra	10.9	10.2	+6.9%
Enspryng	6.1	5.8	+5.2%
Vabysmo	5.4	4.0	+35.0%
Evrysdi	3.4	3.4	+0.0%

[Progress in R&D activities from Jan 30th, 2025 to Apr 24th, 2025]

As of April 24, 2025

Launched	Lunsumio	Relapsed or refractory follicular lymphoma after two or more prior standard therapies	March 2025 (Japan)
Approved	NEMLUVIO® (nemolizumab)*	Moderate-to-severe atopic dermatitis and prurigo nodularis	February 2025 (EU)
	Tecentriq	Alveolar soft part sarcoma	February 2025 (Japan)
	Vabysmo	Addition of dosage form (prefilled syringe)	March 2025 (Japan)
	Evrysdi	Addition of dosage form (tablet)	March 2025 (Japan)
Filed	CellCept	Refractory nephrotic syndrome (public knowledge-based application)	March 2025 (Japan)
Initiation of Study	RAY121	- (Phase I)	March 2025
	Enspryng	Duchenne muscular dystrophy (Phase II)	April 2025
	MINT91	Solid tumors (Phase I)	April 2025
	Anti-TL1A antibody/RG6631	Ulcerative colitis (Phase III)	April 2025

Orange: in-house projects (development in global) Blue: In-licensed from Roche (development and distribution in Japan)

Readout	orforglipron*	Phase III ACHIEVE-1 (Type 2 diabetes) : Primary endpoint was achieved	April 2025
	Lunsumio	Phase III SUNMO study (r/r aggressive B-cell non-Hodgkin lymphoma) : Primary endpoint was achieved	April 2025
PoC confirmed	NXT007	Hemophilia A	February 2025
Removed from Pipeline	Avastin	Small cell lung cancer (1st line, BEAT-SC study) : development discontinued	
Medical Conference	Vabysmo	Data from the domestic phase IIII NIHONBASHI study for angioid streaks	April 2025
	trontinemab	Data from the phase Ib/IIa Brainshuttle™ AD study for Alzheimer's disease	April 2025
Orphan Drug Designation	Tecentriq	Unresectable thymic carcinoma	March 2025

Orange: in-house projects (development in global) Blue: In-licensed from Roche (development and distribution in Japan)
r/r: relapsed or refractory, PoC: Proof of Concept *Conducted by Eli Lilly and Company, a global licensee

About Core results

Chugai discloses its results on a Core basis from 2013 in conjunction with its decision to apply IFRS. Core results are the results after adjusting Non-Core items to IFRS results. Chugai's recognition of non-recurring items may differ from that of Roche due to the difference in the scale of operations, the scope of business and other factors. Core results are used by Chugai as an internal performance indicator, for explaining the underlying business performance both internally and externally, and as the basis for payment-by-results such as a return to shareholders.

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