The Fiscal Year Ended March 31, 2026
Consolidated Financial Results Briefing

Presentation Material

May 11, 2026

株式会社新日本科学

SHIN NIPPON BIOMEDICAL LABORATORIES, LTD.

1. FY3/26 Overview & Future Outlook

Ryoichi Nagata, MD, PhD, FFPM
Representative Chairman and President

Summary

1. FY3/2026 Financial Results

- Revenue reached a record high for the fourth consecutive year. The decline in profit was mainly due to business-related expenses for Satsuma's intranasal migraine drug, Atzumi™.
- Order intake in the nonclinical CRO business increased by 11.3% YoY to ¥35.7 billion, marking a new record high.
- SNBL plans to maintain an annual dividend of ¥50 per share.

2. FY3/2027 Forecast & Future Direction

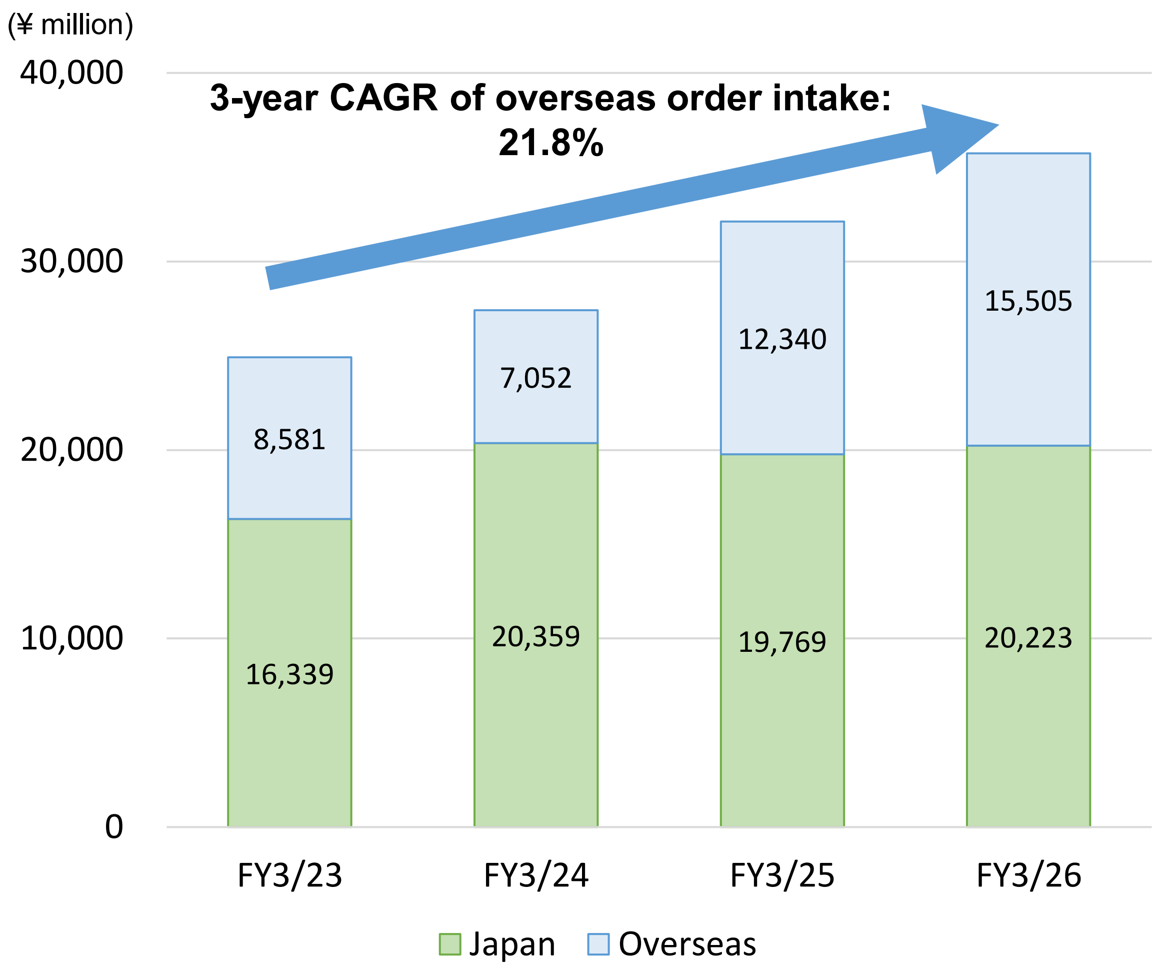
- Satsuma will accelerate commercialization of Atzumi™ while pursuing a broad range of business partnership opportunities.
- Order intake in the nonclinical CRO business is forecast to increase by 5.8% YoY to ¥37.8 billion, driven by strong demand from U.S. and European clients.
- To further capture demand from U.S. and European clients, SNBL has begun preparations for the construction of a world-class NHP laboratory compliant with EU standards, with completion targeted for 2027.

3. Advancing Human Capital Management to Drive Corporate Value Creation

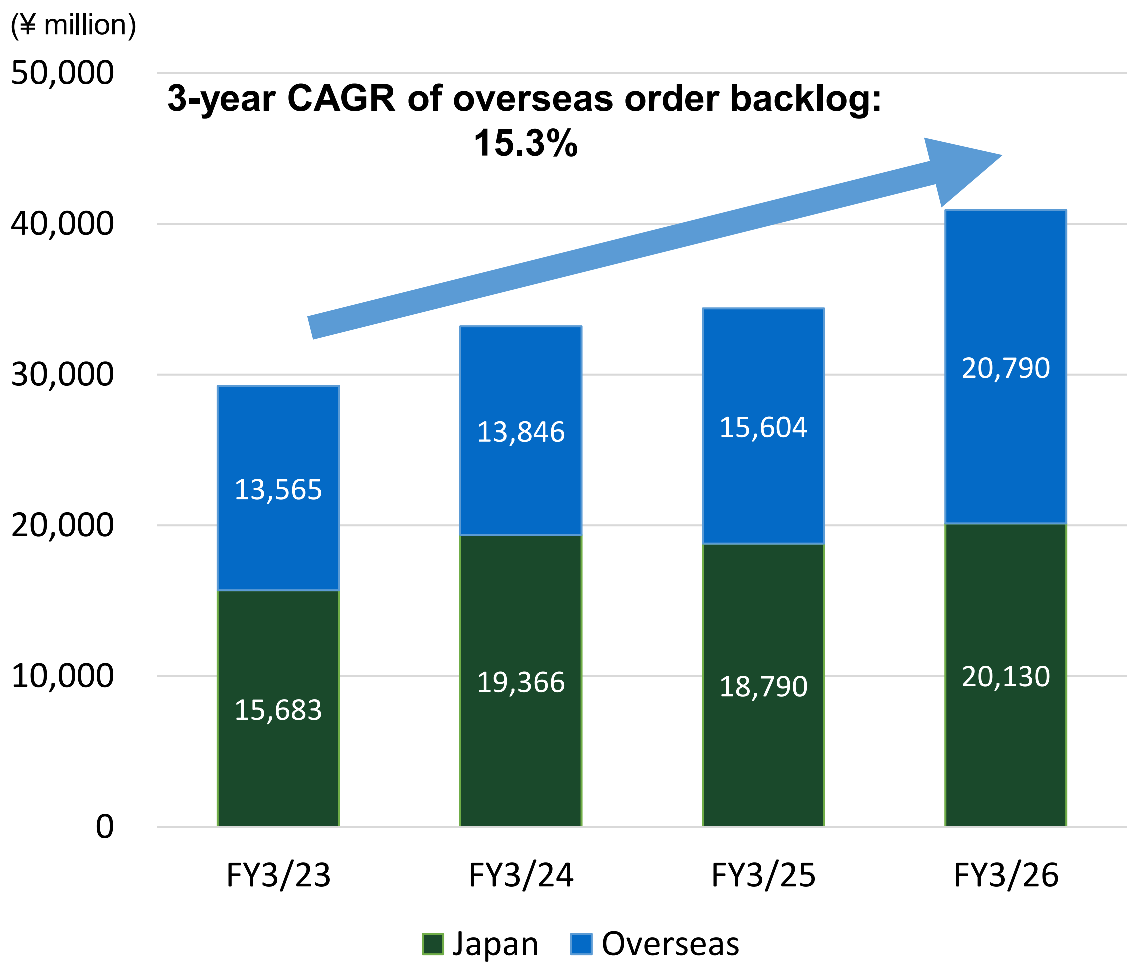
- In March 2026, SNBL was selected as a Nadeshiko Brand 2026 company in recognition of its excellence in promoting women's empowerment.
- To further strengthen the management structure, SNBL plans to appoint a new Representative Director and President.

Nonclinical Business: Progress in Overseas Strategy

Trend in Year-End Order Intake in Nonclinical Business



Trend in Year-End Order Backlog in Nonclinical Business



Strategic Investments for Sustainable Growth

■ **Ongoing investments to enhance operational capacity to accommodate increased overseas orders in the nonclinical business**

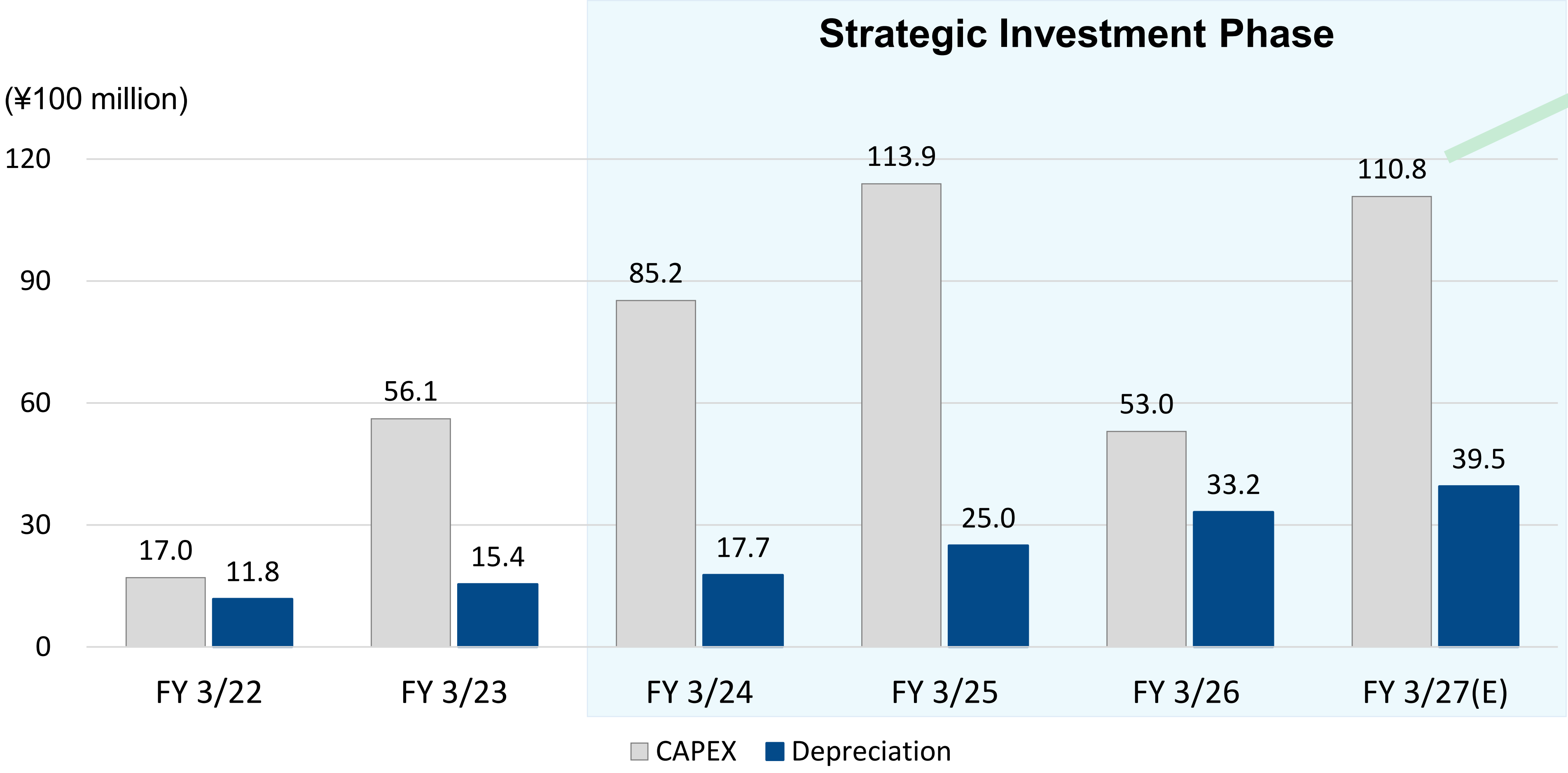
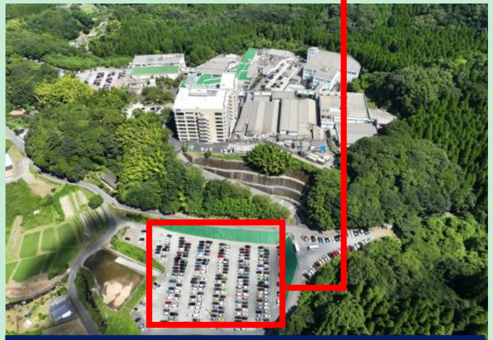
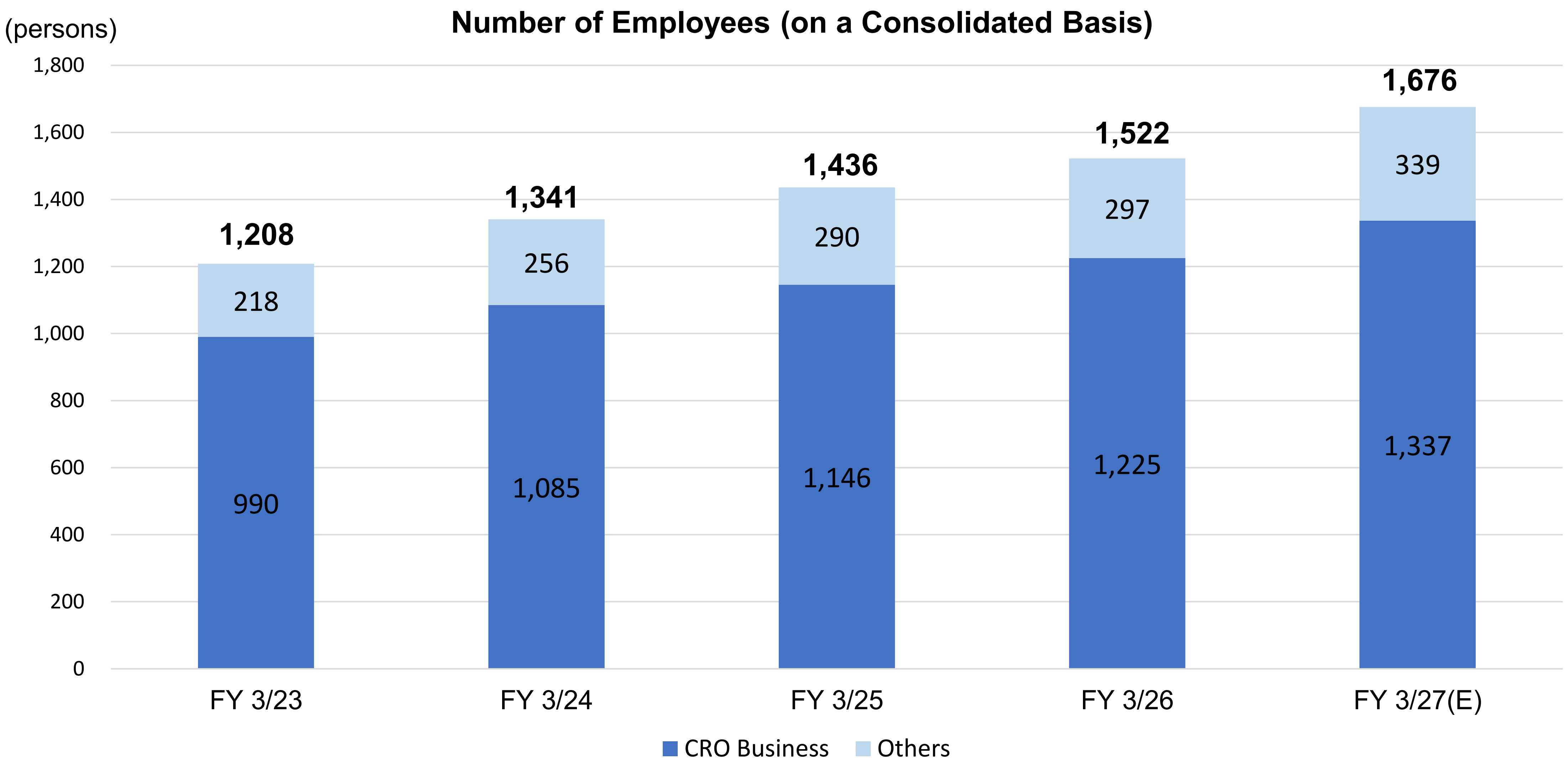


Illustration of EU-Compliant NHP Laboratory (Planned)



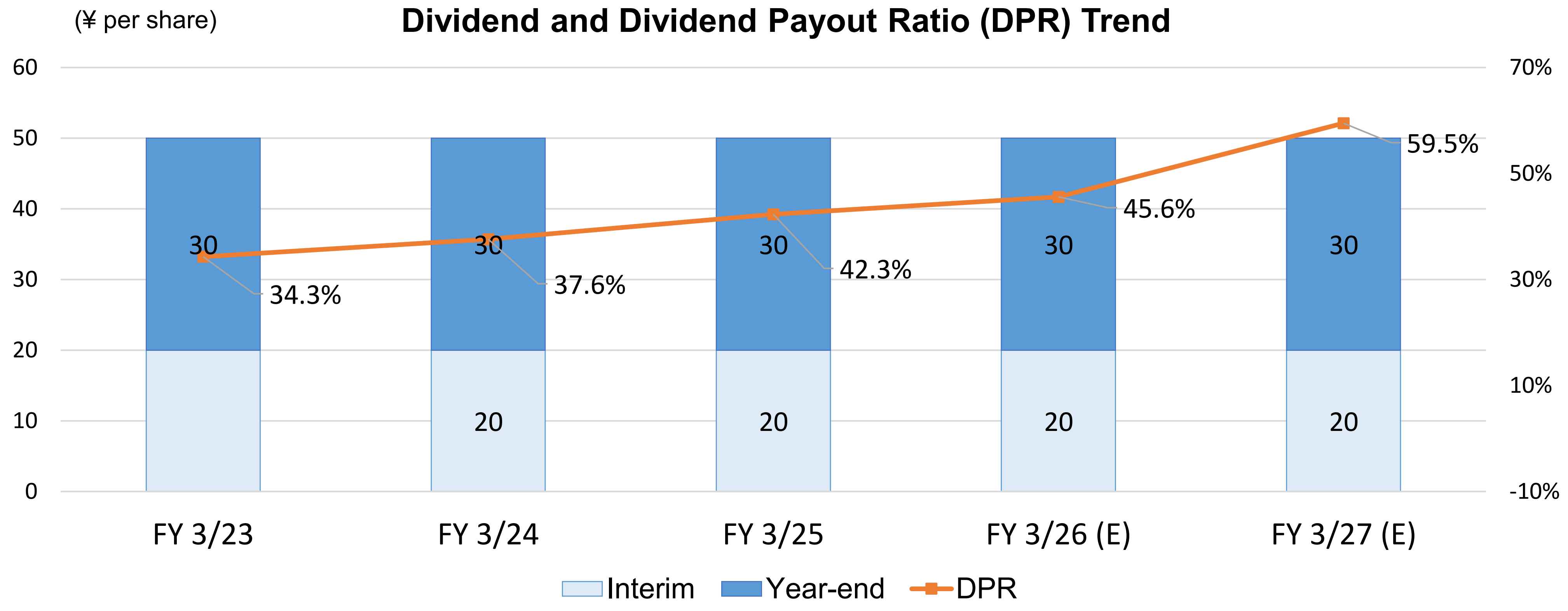
Planned Site (Kagoshima Head Office)

Significant Enhancement of Human Capital



Number of employees does not include part-time or temporary employees

Shareholders' Return



	FY 3/23	FY 3/24	FY 3/25	FY 3/26（E）	FY 3/27（E）
Dividend per Share	¥50/share	¥50/share	**¥50/share**	**¥50/share**	**¥50/share**
Dividend Payout Ratio	34.3%	37.6%	42.3%	45.6%	59.5%

ESG Initiatives

- Selected for the second time as a Nadeshiko Brand company for leadership in promoting women's empowerment.
- Acknowledged as one of only 26 companies from approximately 3,900 listed companies.
- Recognized for our initiatives in human capital management.

Nadeshiko Brand 2026 Selection Announcement Ceremony

Front row, 4th from the right: Ryoichi Nagata, Representative Chairman and President

SNBL President Dr. Nagata delivering a speech on behalf of the selected companies

Further Strengthening of the Management Structure

New Management Structure

Representative Chairman

Ryoichi Nagata (67)

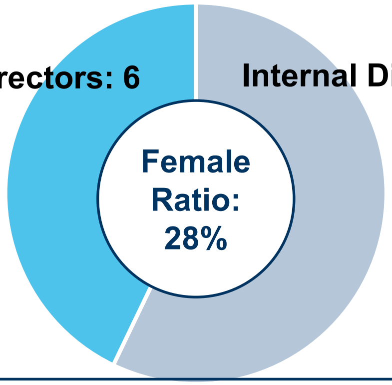
Representative Director and President

Hideyuki Hirama (49)

Senior Executive Vice President

Ichiro Nagata (41)

Board Composition After the Annual General Meeting of Shareholders (June 26, 2026): 14 Directors



Average age of directors:
60 → 58

Resume of Hideyuki Hirama

Education

- **March 2000:** Graduated from the University of Tokyo Faculty of Law
- **June 2009:** MBA, Harvard Business School

Career

- **April 2000:** Joined Industrial Bank of Japan (currently Mizuho Financial Group)
- **February 2004:** Joined SNBL Co., Ltd
- **December 2009:** CFO, SNBL USA Inc.
- **January 2011:** Appointed Executive Officer of SNBL Co., Ltd
- **July 2013:** Appointed Director
- **July 2017:** Appointed Executive Managing Director
- **July 2019:** Founder, President & CEO, Gemseki Inc.
- **March 2021:** Joined Rakuten, Inc. (currently Rakuten Group, Inc.)
- **August 2023**: Director, Executive Vice President, COO & CSO, Rakuten Symphony
- **May 2026**: Rejoined SNBL Co., Ltd., appointed Executive Managing Officer

2. Outline of FY3/26 Consolidated Financial Results

Takashi Iriyama, MBA

Executive Managing Director and CFO

FY3/26 Consolidated Financial Results Highlights

- **Results exceeded the revised forecasts announced on February 6 for both sales and profit**
- **Although revenue reached a record high for the fourth consecutive fiscal year, consolidated revenue growth was limited to 110 million yen due to a temporary decline caused by the deferral of several large-scale nonclinical studies to the next fiscal year**
- **Operating profit decreased by 330 million yen due to continued strategic large-scale investments in the nonclinical business and preparations for the commercialization of Atzumi**

(¥100 million)	FY3/25 Results	FY3/26				
		Initial Forecast (Disclosed May 8, 2025)	Revised Forecast (Disclosed Feb 6, 2026)	**Results**	YoY Changes	
Revenue	324.1	332.7	306.9	325.2	+1.1	+0.3%
Operating Profit	29.8	35.5	26.0	26.5	-3.3	-11.1%
Ordinary Profit	64.5	59.2	53.5	58.3	-6.2	-9.6%
Profit Attributable to Owners of Parent	49.2	35.5	35.6	45.6	-3.6	-7.3%

FY3/26 Earnings Structure

(¥ million)	FY3/24 Full Year	FY3/25 Full Year	FY3/26 Full Year	Increase
Revenue	26,450	32,414	32,524	+110
Cost of Revenue	12,168	15,453	16,286	+833
Labor Cost	7,275	8,199	8,725	+526
Depreciation expenses	1,575	2,106	2,905	+799
Gross Profit	14,282	16,961	16,238	-723
GP Ratio	**54.0%**	**52.3%**	**49.9%**	**-2.4%**
SG&A Expenses	10,120	13,976	13,584	-392
Personnel Expenses	3,259	4,281	4,617	+336
R&D	1,741	2,218	2,400	+182
Breeding & Maintenance	1,333	2,360	2,001	-359
SG&A/Revenue Ratio	**38.3%**	**43.1%**	**41.8%**	**-1.4%**
Operating Profit	4,162	2,985	2,653	-332
OP Ratio	**15.7%**	**9.2%**	**8.2%**	**-1.0%**
Non-Operating Income	2,854	3,466	3,179	-287
Share of Profit of Entities Accounted for Using Equity Method	2,751	3,513	2,780	-733
Of Which, PPD-SNBL	2,632	3,272	2,769	-503
FX Gain/Loss	60	-162	152	+314
Ordinary Profit	7,016	6,451	5,833	-618
Ordinary Profit Ratio	**26.5%**	**19.9%**	**17.9%**	**-2.0%**

Consolidated revenue growth was limited to 110 million yen due to a decline in revenue caused by the deferral of several large-scale studies in the nonclinical business to the following fiscal year

- **Increase in labor costs due to workforce expansion**
- **Increase in depreciation expenses due to strategic investments in laboratory equipment and facilities, and the establishment of a domestic NHP breeding system**

Decreases in commissions to Asian sales agents, provisions for doubtful accounts, and animal husbandry and management expenses

- **Appreciation of the yen**
- **Weak sales from the start of new studies due to a decline in orders in the previous interim period**
- **Impact of changes in order patterns from major customers**

FY3/26 Earnings Structure by Segment

(¥ million)		FY3/24 Full Year	FY3/25 Full Year	FY3/26 Full Year	YoY Change
CRO Business	Revenue	25,884	31,595	31,277	-1.0%
	OP	7,023	7,258	6,908	-4.8%
	OP Ratio	**27.1%**	**23.0%**	**22.1%**	--
	Share of profit of entities accounted for using equity method	2,751	3,513	2,889	-17.8%
	of which, PPD-SNBL	2,631	3,272	2,769	-15.4%
	Business Profit*	**9,774**	**10,770**	**9,797**	-9.0%
Translational Research Business	Revenue	39	54	108	100.0%
	OP	-2,470	-3,681	-4,028	-
	Of which, Satsuma	-1,325	-2,284	-2,545	-
	Excluding Satsuma	-1,145	-1,397	-1,483	-
Medipolis Business	Revenue	569	565	804	42.3%
	OP	-254	-422	-65	-
U.S. Property Management Business	Revenue	0	46	184	300.0%
	OP	0	-61	-1	-
Other / Adjustments	Revenue	-42	154	151	-1.9%
	OP	-137	-109	-160	-
Total	Revenue	26,450	32,414	32,524	0.3%
	OP	4,162	2,985	2,653	-
	OP Ratio	15.7%	9.2%	8.2%	--

- **Decrease in revenue due to the deferral of multiple large-scale studies to the following fiscal year**
- **Increase in labor costs due to strengthening of personnel**
- **Increase in depreciation expenses due to increased investment in laboratory equipment and facilities, the establishment of a domestic NHP breeding system, and digital transformation (DX) initiatives**

- **Increase in expenses related to obtaining FDA approval and formulation manufacturing management costs**

- **Full-scale operation of hot spring power generation**

Order Intake and Order Backlog in Nonclinical Business

Quarterly Order Intake in Nonclinical Business

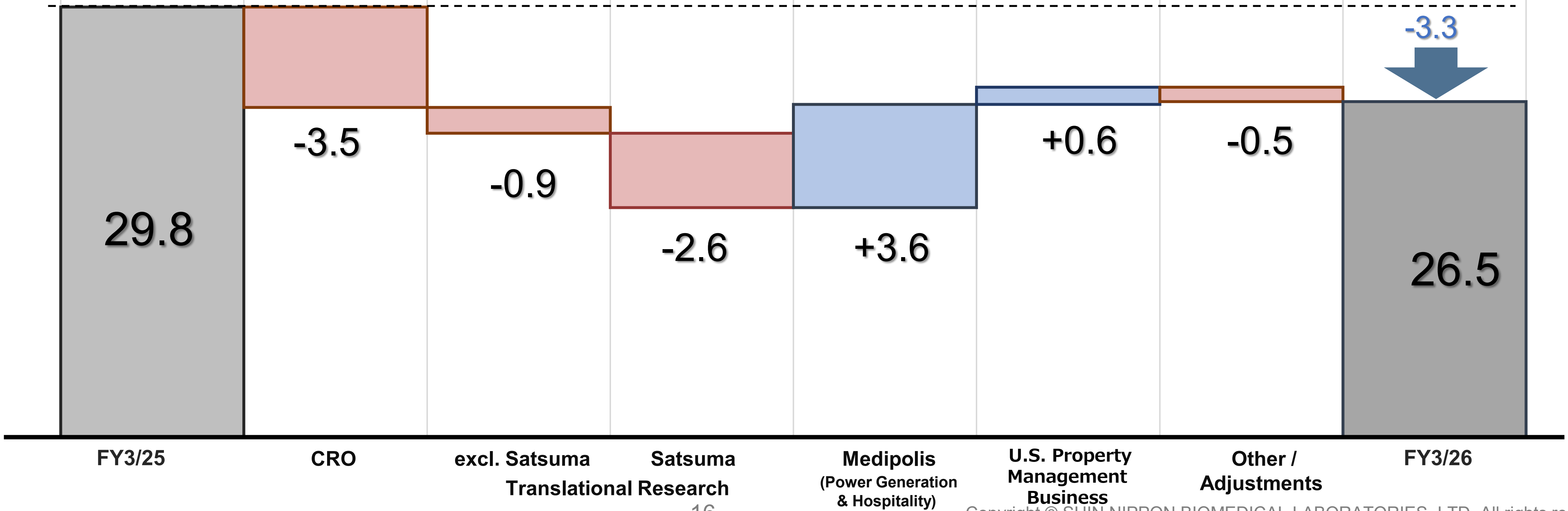
(¥ million)

	FY 3/25					FY 3/26					FY 3/27
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year	Full year (E)
Orders Intake	7,170	8,141	7,364	9,434	**32,109**	8,095	7,691	10,000	9,941	**35,728**	**37,800**
Japan	4,001	5,755	4,243	5,769	**19,769**	4,955	4,372	4,716	6,179	**20,223**	**19,200**
Overseas	3,170	2,385	3,120	3,665	**12,340**	3,140	3,319	5,284	3,762	**15,505**	**18,600**
US & Europe	1,659	1,994	2,825	3,303	**9,781**	3,060	2,862	4,215	3,087	**13,225**	**16,200**
Asia	1,510	391	295	362	**2,559**	80	457	1,069	674	**2,280**	**2,400**
Overseas Ratio	44.2%	29.3%	42.4%	38.8%	**38.4%**	38.8%	43.2%	52.8%	37.8%	**43.4%**	**49.2%**
Cancellations	-2,217	-1,043	-733	-714	**-4,707**	-733	-375	-77	-434	**-1,619**	-
Gross Orders	9,388	9,184	8,097	10,148	**36,816**	8,868	8,066	10,077	10,375	**37,347**	-
Backlog	36,053	35,877	35,568	34,394	**34,394**	36,120	36,486	41,559	40,920	**40,920**	-

Note) 1. Cancellations are recorded as negative by date of occurrence.
2. For calculation of overseas orders received, an average USD/JPY exchange rate of each fiscal year is applied.
3. For calculation of overseas order backlog, a year-end exchange rate of each fiscal year is applied.

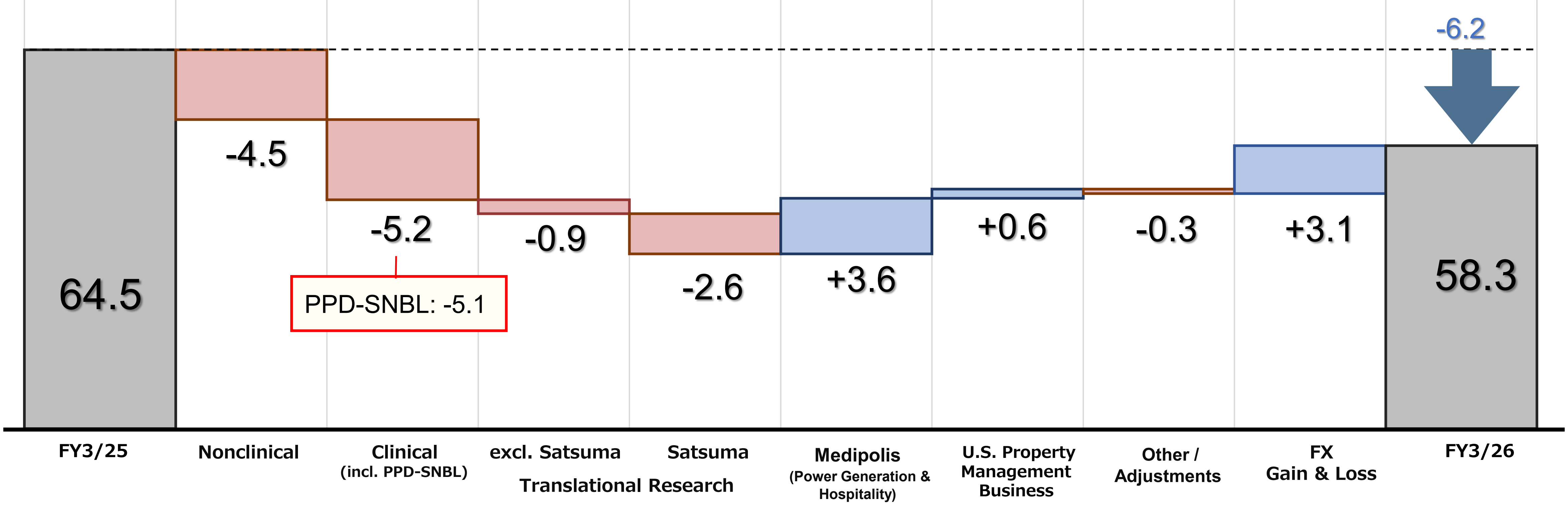
YoY Comparison of Consolidated Operating Profit FY3/26

(¥100 million)	CRO Business	Translational Research Business		Medipolis Business (Power Generation & Hospitality)	U.S. Property Management Business	Other / Adjustments	Operating Profit Total
	Nonclinical	excl. Satsuma	Satsuma				
FY 3/26 Results	**69.0**	**-14.8**	**-25.4**	**-0.6**	**0.0**	**-1.5**	**26.5**
FY 3/25 Results	**72.5**	**-13.9**	**-22.8**	**-4.2**	**-0.6**	**-1.0**	**29.8**
YoY Changes	-3.5	-0.9	-2.6	+3.6	+0.6	-0.5	-3.3



YoY Comparison of Consolidated Ordinary Profit FY3/26

(¥100 million)	CRO Business		Translational Research Business		Medipolis Business (Power Generation & Hospitality)	U.S. Property Management Business	Other / Adjustments	Foreign Exchange Gain & Loss	Ordinary profit Total
	Nonclinical	Clinical (incl. PPD-SNBL)	excl. Satsuma	Satsuma					
FY 3/26 Results	**70.8**	**27.0**	**-14.8**	**-25.4**	**-0.6**	**0.0**	**-0.2**	**1.5**	**58.3**
FY 3/25 Results	**75.3**	**32.2**	**-13.9**	**-22.8**	**-4.2**	**-0.6**	**0.1**	**-1.6**	**64.5**
YoY Changes	-4.5	-5.2	-0.9	-2.6	+3.6	+0.6	-0.3	+3.1	-6.2



FY3/27 Financial Forecast

- **Revenue, operating profit, and ordinary profit are all expected to exceed the previous year's figures**
- **The CRO business is expected to see steady growth in both revenue and profit, driven by an increase in the nonclinical business's order backlog at the start of the fiscal year**
- **Satsuma's operating loss increased by 980 million yen from the previous fiscal year due to higher expenses associated with the full-scale launch of the Atzumi business**

(¥100 million)	FY3/26	FY3/27		
		Full Year Forecast	YoY Change	
Revenue	325.2	380.0	+54.8	+16.9%
Operating Profit	26.5	30.0	+3.5	+13.2%
Ordinary Profit	58.3	60.0	+1.7	+2.9%
Profit Attributable to Owners of Parent	45.6	35.0	-10.6	-23.4%

(¥)	FY3/26	FY3/27 (E)	**Estimated Impact of FX Rates***	
			Revenue	Operating Profit
USD Exchange Rate	151.06	150.00	+¥100 million	+¥70 million

*Impact of ¥1 depreciation (against USD)

FY3/27 Earnings Forecast Structure

(¥ million)	FY3/25 Full Year	FY3/26 Full Year	FY3/27 Full Year Forecast	Increase
Revenue	32,414	32,524	38,000	+5,476
Cost of Revenue	15,453	16,285	18,893	+2,608
Labor Cost	8,199	8,725	9,690	+965
Depreciation expenses	2,106	2,905	3,441	+536
Gross Profit	16,961	16,239	19,107	+2,868
GP Ratio	**52.3%**	**49.9%**	**50.3%**	**0.4%**
SG&A Expenses	13,976	13,585	16,107	+2,522
Personnel Expenses	4,281	4,617	5,344	+727
R&D	2,218	2,400	2,435	+35
Breeding & Maintenance	2,360	2,001	2,028	+27
SG&A/Revenue Ratio	**43.1%**	**41.8%**	**42.4%**	**0.6%**
Operating Profit	2,985	2,653	3,000	+347
OP Ratio	**9.2%**	**8.2%**	**7.9%**	**-0.3%**
Non-Operating Income	3,466	3,179	3,000	-179
Share of Profit of Entities Accounted for Using Equity Method	3,513	2,780	2,895	+115
Of Which, PPD-SNBL	3,272	2,769	2,792	+23
FX Gain/Loss	-162	152	0	-152
Ordinary Profit	6,451	5,833	6,000	+167
Ordinary Profit Ratio	**19.9%**	**17.9%**	**15.8%**	**-2.1%**

Steady revenue growth driven by an increase in the nonclinical business's order backlog at the start of the period

- **Improvement in gross margin due to increased sales**
- **Temporary decline in gross margin due to major overhauls in the power generation business every four years**

- **Personnel expenses, strengthening of IT infrastructure, and promotion of digital transformation**
- **Increased expenses related to the full-scale launch of the Atzumi business**
- **Advancement of intranasal platform technology development**
- **Promotion of SGG commercialization**

FY3/27 Earnings Forecast Structure by Segment

(¥ million)		FY3/25 Full Year	FY3/26 Full Year	FY3/27 Full Year Forecast	YoY Change
CRO Business	Revenue	31,595	31,277	36,682	17.3%
	OP	7,258	6,908	8,927	29.2%
	OP Ratio	**23.0%**	**22.1%**	**24.3%**	**--**
	Share of profit of entities accounted for using equity method	3,513	2,889	2,930	1.4%
	of which, PPD-SNBL	3,272	2,769	2,792	0.8%
	Business Profit*	**10,770**	**9,797**	**11,857**	21.0%
Translational Research Business	Revenue	54	108	92	-14.8%
	OP	-3,681	-4,028	-5,643	-
	Of which, Satsuma	-2,284	-2,545	-3,528	-
	Excluding Satsuma	-1,397	-1,483	-2,115	-
Medipolis Business	Revenue	565	804	822	2.2%
	OP	-422	-65	-176	-
U.S. Property Management Business	Revenue	46	184	255	38.6%
	OP	-61	-1	3	-
Other / Adjustments	Revenue	154	151	149	-1.3%
	OP	-109	-160	-111	-
Total	Revenue	32,414	32,524	38,000	16.8%
	OP	2,985	2,653	3,000	13.1%
	OP Ratio	9.2%	8.2%	7.9%	--

Improvement in profit margins (gross margin and SG&A ratio) due to increased sales resulting from higher order backlog at the start of the period in the nonclinical business

Increased promotion expenses associated with the full-scale launch of the Atzumi business

Increased expenses due to the development of intranasal platform technologies and the promotion of the SGG business

Power generation business: Temporary decline in profits due to major overhauls conducted every four years

*Business Profit is a sum of operating profit and the share of profit of entities accounted for using the equity method.

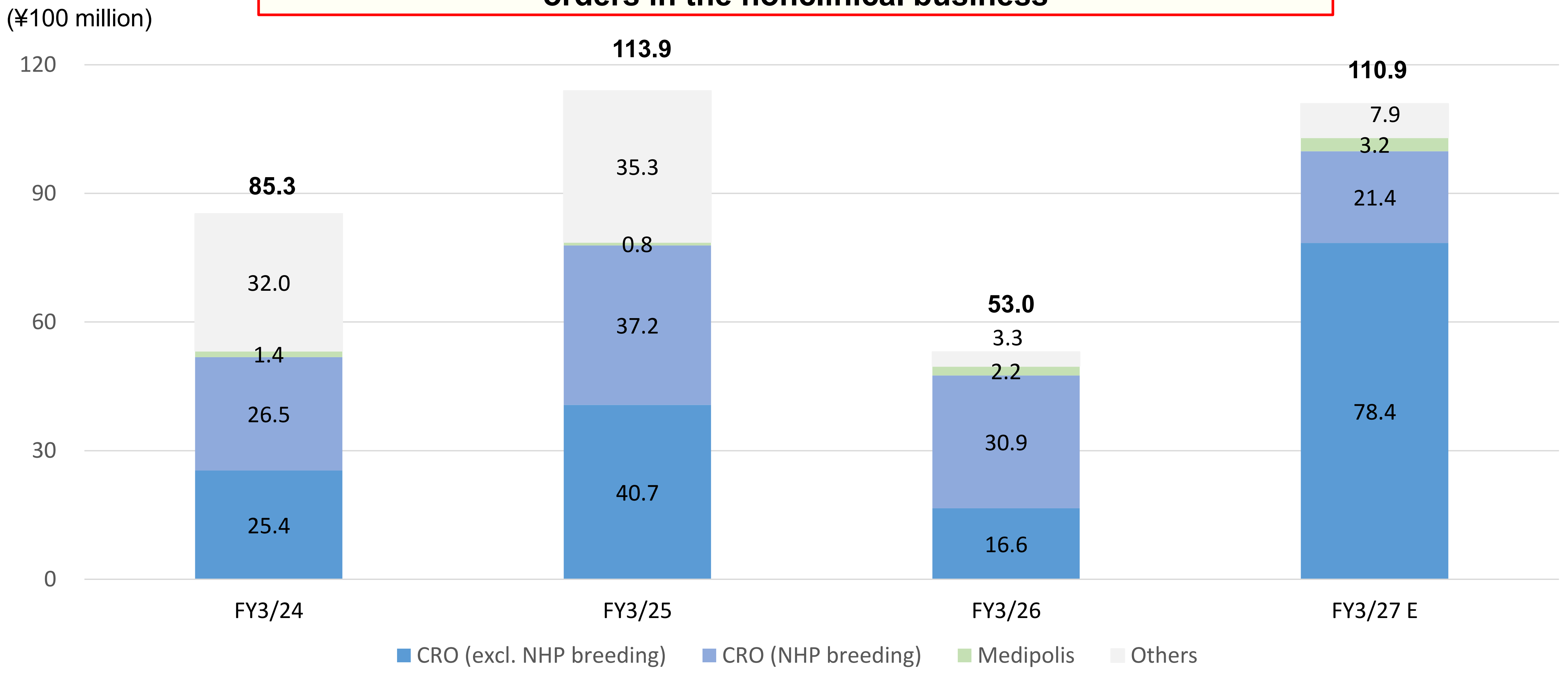
FY3/27 1H Financial Forecast

- **Forecast for Higher Revenue and Profit**
- **Revenue**
  - **Q1 revenue is expected to grow 25% year-over-year due to a timing shift in revenue recognition for large-scale nonclinical studies from the previous fiscal year to the current one**
  - **With Q2 sales expected to be roughly on par with the previous period, 1H sales are projected to increase by 12.4% year-over-year**
- **Operating Profit**
  - **Satsuma's operating loss increased by 400 million yen compared to the previous period due to higher expenses associated with the full-scale launch of the Atzumi business**

(¥100 million)	FY3/26 1H Results	FY3/27		
		1H Forecast	YoY Change	
Revenue	147.6	165.9	+18.3	+12.4%
Operating Profit	0.4	4.6	+4.1	+838.9%
Ordinary Profit	16.2	19.5	+3.2	+19.7%
Profit Attributable to Owners of Parent	10.6	11.6	+1.0	+10.0%

Capex

Continued investment to build capacity to handle increased overseas orders in the nonclinical business



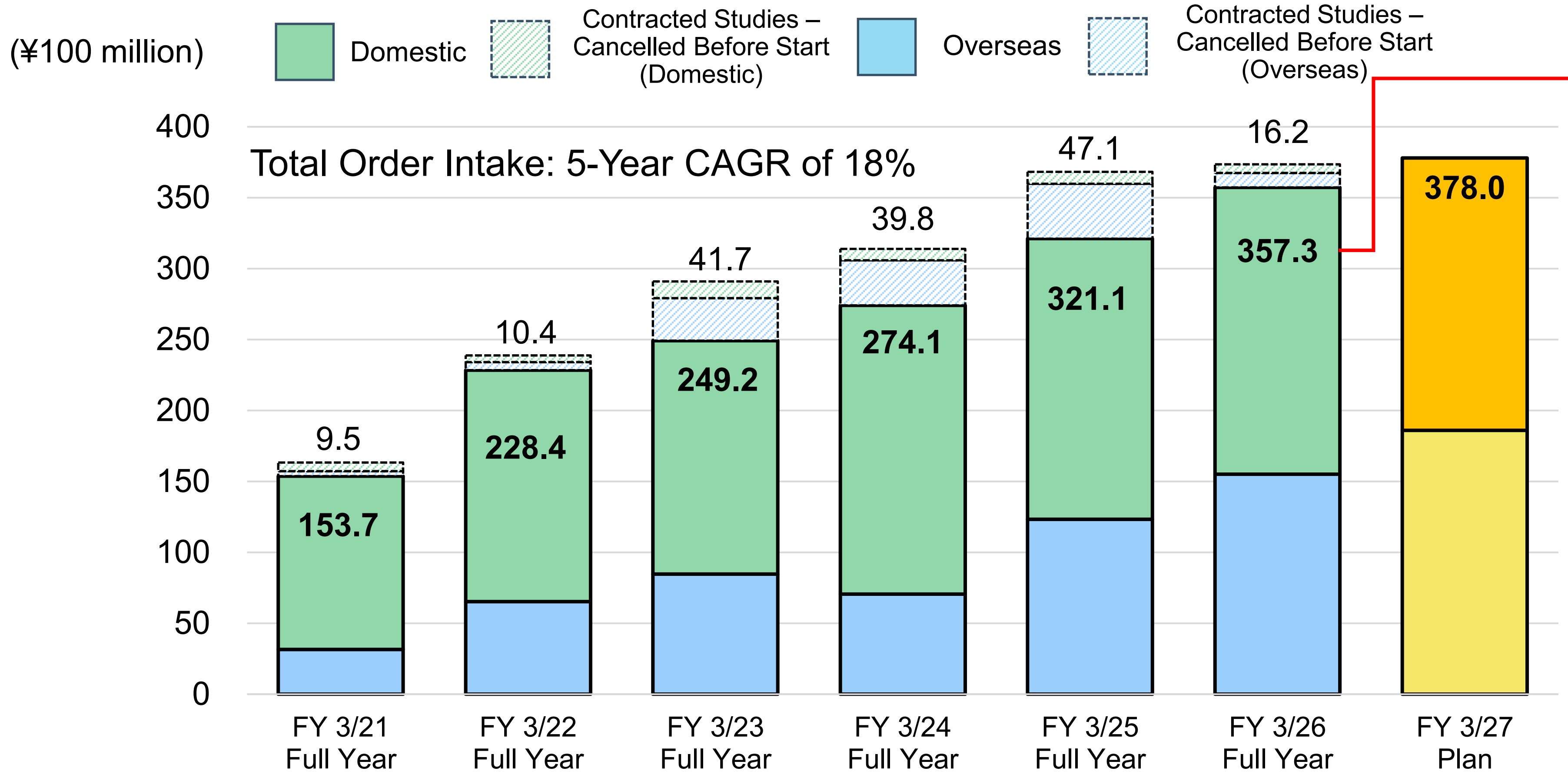
3． Business Topics:
I. CRO (Nonclinical)

Hideshi Tsusaki, DVM, PhD

Executive Managing Director

Head, Global Business Development

CRO Business: The Full Year FY 3/26 Nonclinical Orders (in JPY)



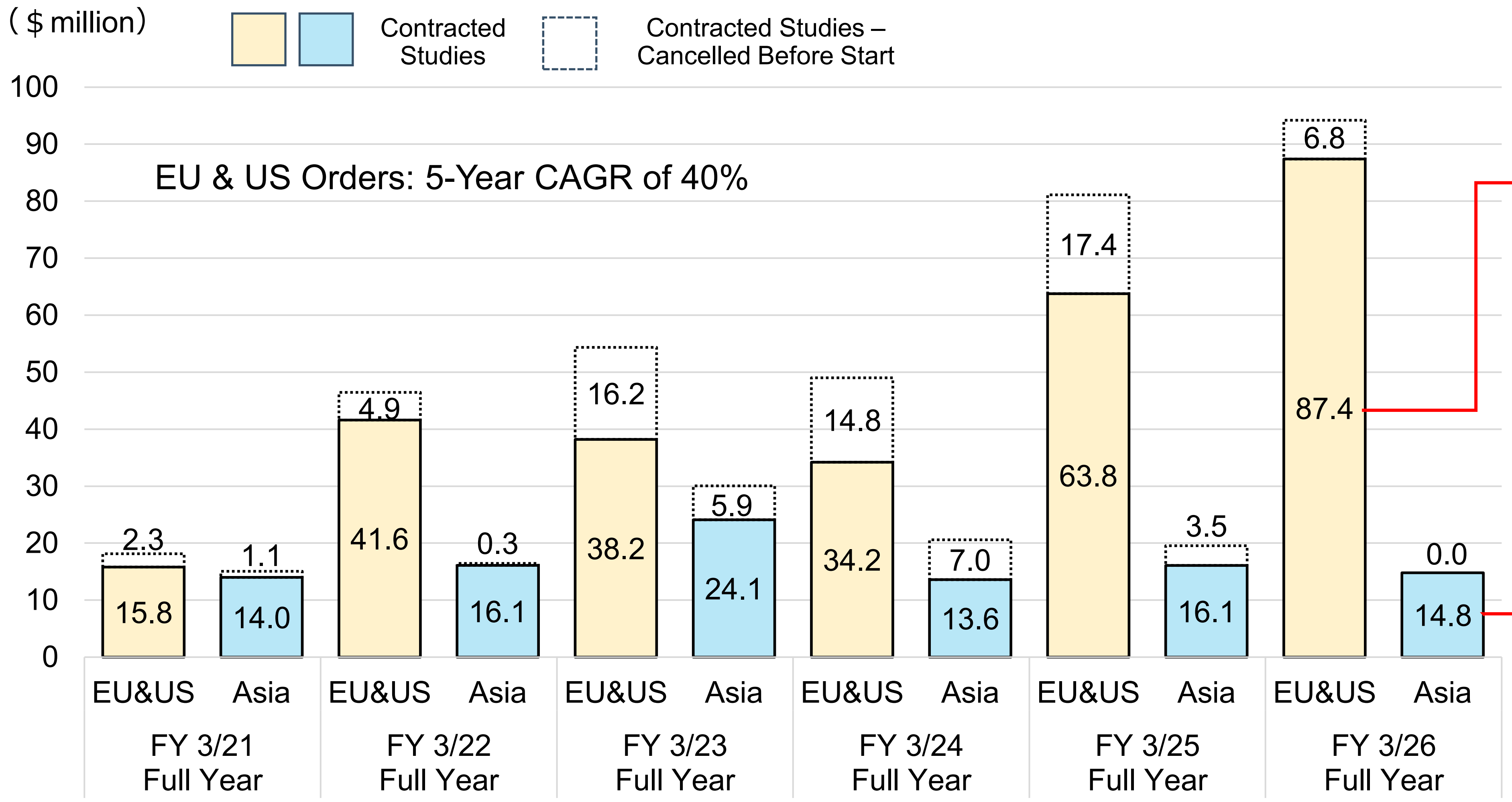
YoY +¥3.62B
Exchange rate
(average for the period)
Q1: ¥143.72/$
Q2: ¥148.35/$
Q3: ¥155.75/$
Q4: ¥156.07/$

- Includes SNBL INA Ltd. from Q2 FY 3/23
- Overseas order backlog is translated at each period-end exchange rate.

	FY 3/21	FY 3/22	FY 3/23	FY 3/24	FY 3/25	FY 3/26
Order Backlog	¥13.66B	¥20.97B	¥29.25B	¥33.21B	¥34.39B	¥40.92B
Overseas Order Backlog (%)	29.2%	38.3%	46.4%	41.7%	45.4%	50.8%
Overseas Order Ratio (%)	20.6%	28.6%	34.4%	25.7%	38.4%	43.4%

YoY +¥6.53B

CRO Business: The Full Year FY 3/26 Nonclinical Orders from Overseas (in USD)



YoY ＋$23.6M

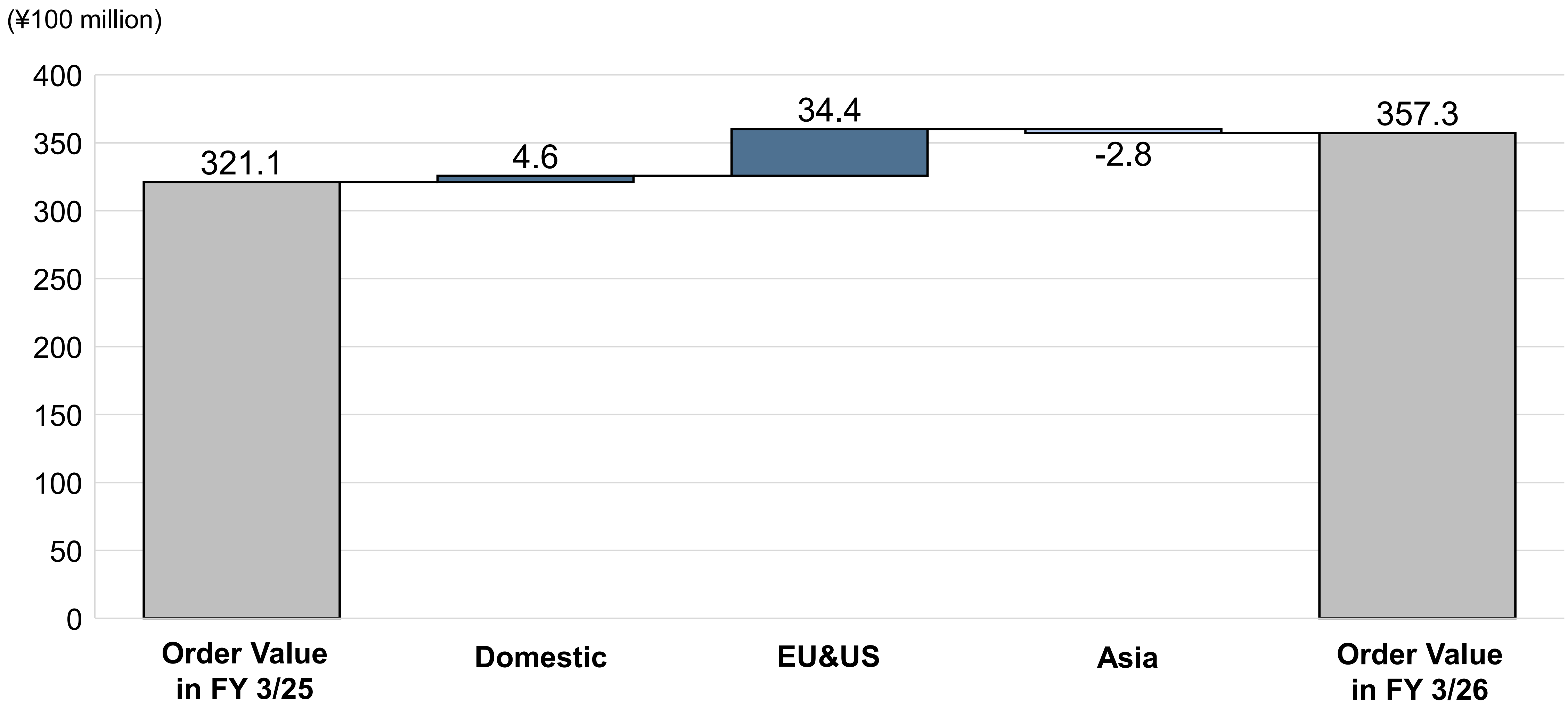
YoY －$1.3M

- Includes SNBL INA Ltd. from Q2 FY 3/23
- Cancelled contracted studies are recorded as a negative figure at the time of cancellation

	FY 3/21	FY 3/22	FY 3/23	FY 3/24	FY 3/25	FY 3/26
Order Backlog	**$36.0M**	**$65.6M**	**$101.6M**	**$90.5M**	**$103.3M**	**$130.0M**

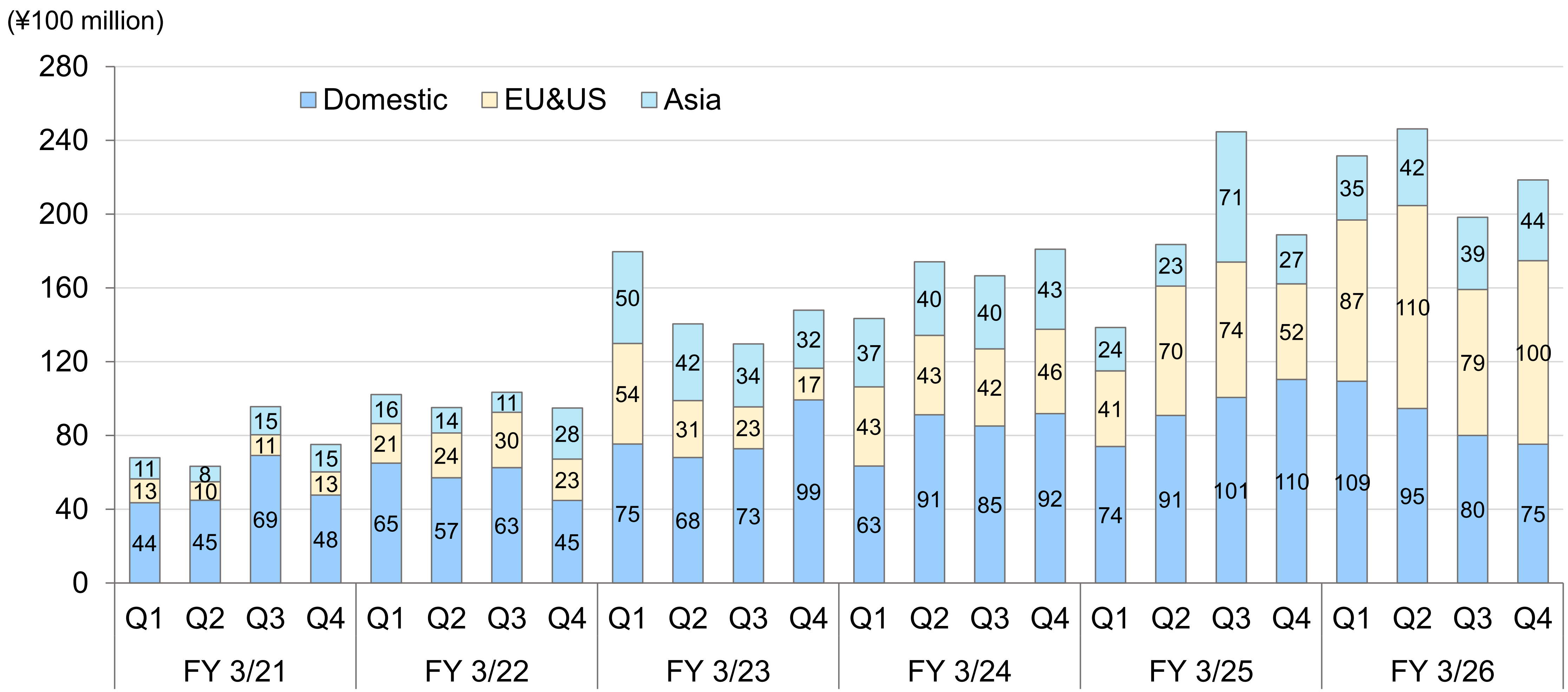
YoY ＋$26.7M

CRO Business: The Full Year FY 3/26 Analysis of Factors Affecting Orders



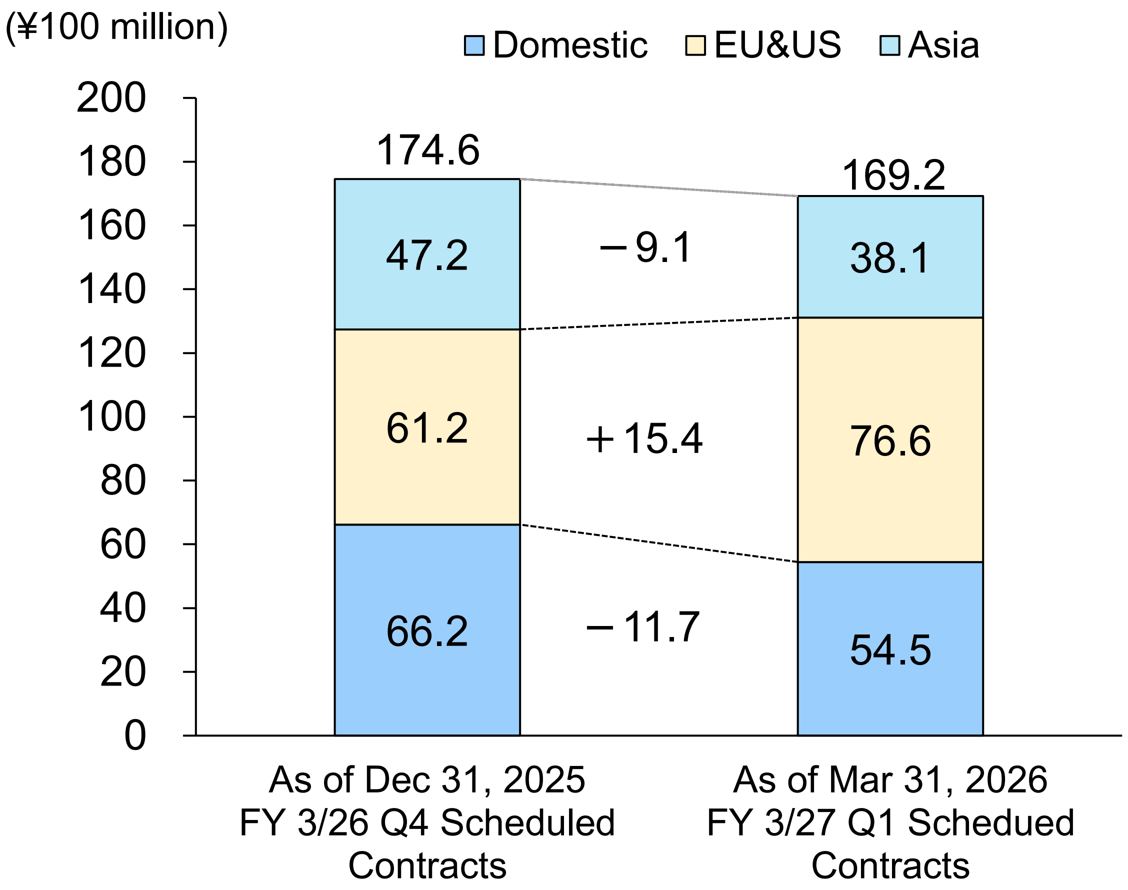
Order Value: ¥32.11B in FY 3/25 -> ¥35.73B in FY 3/26

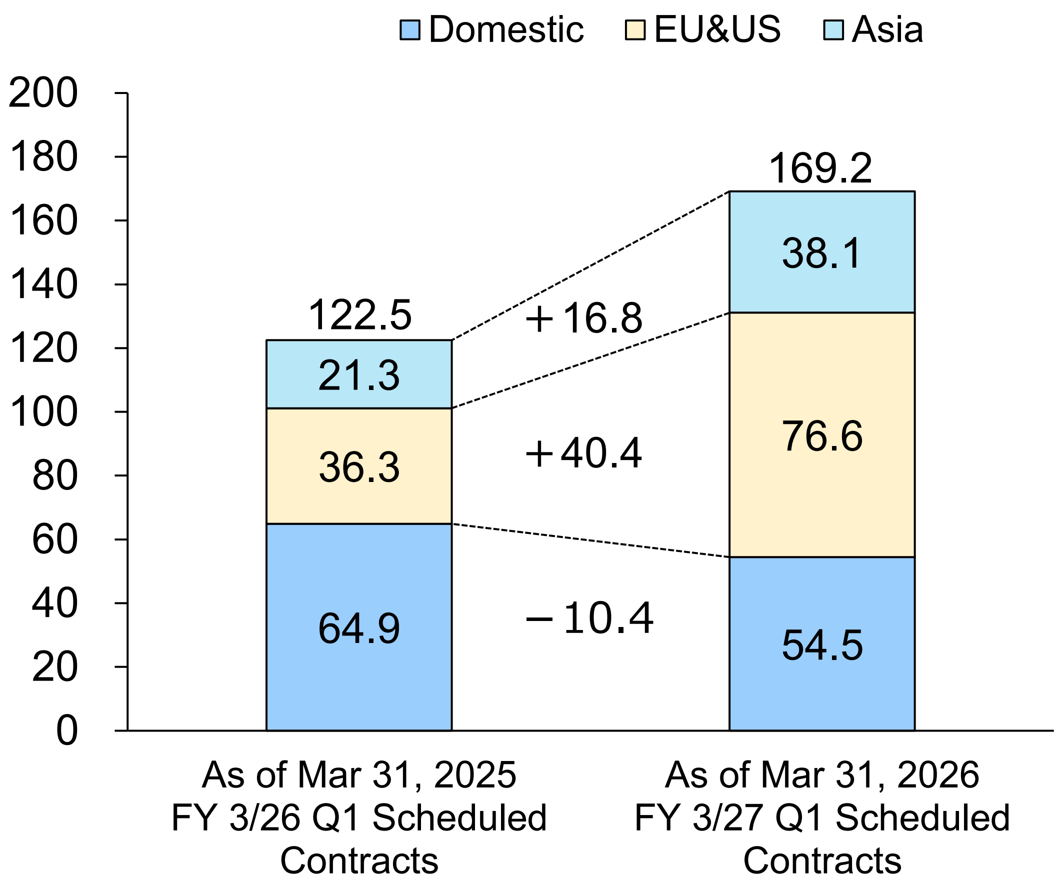
CRO Business: Changes in Amounts of Submitted Estimates



*Overseas inquiries are converted into yen using the average exchange rate for each period.

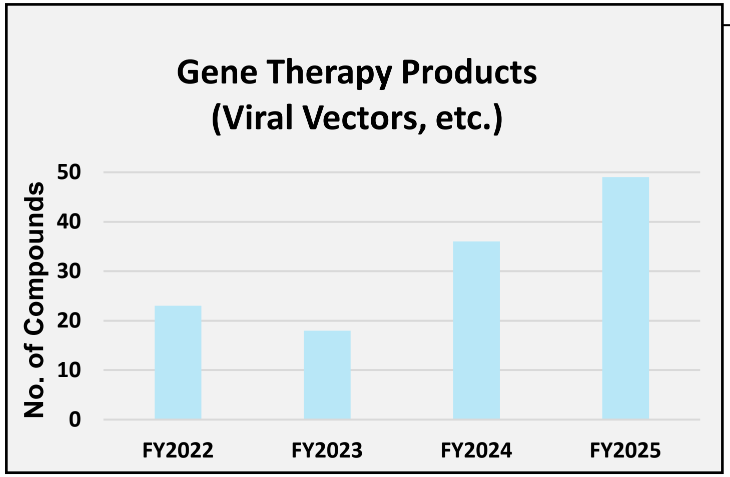
CRO Business: Inquiries in the Full Year FY 3/26

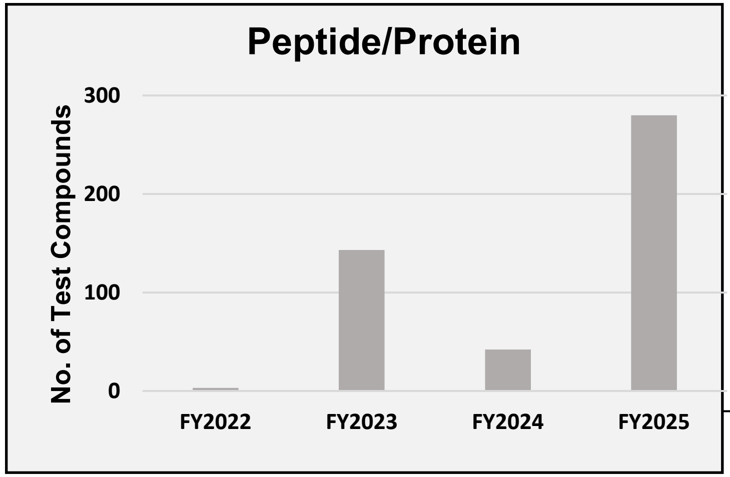




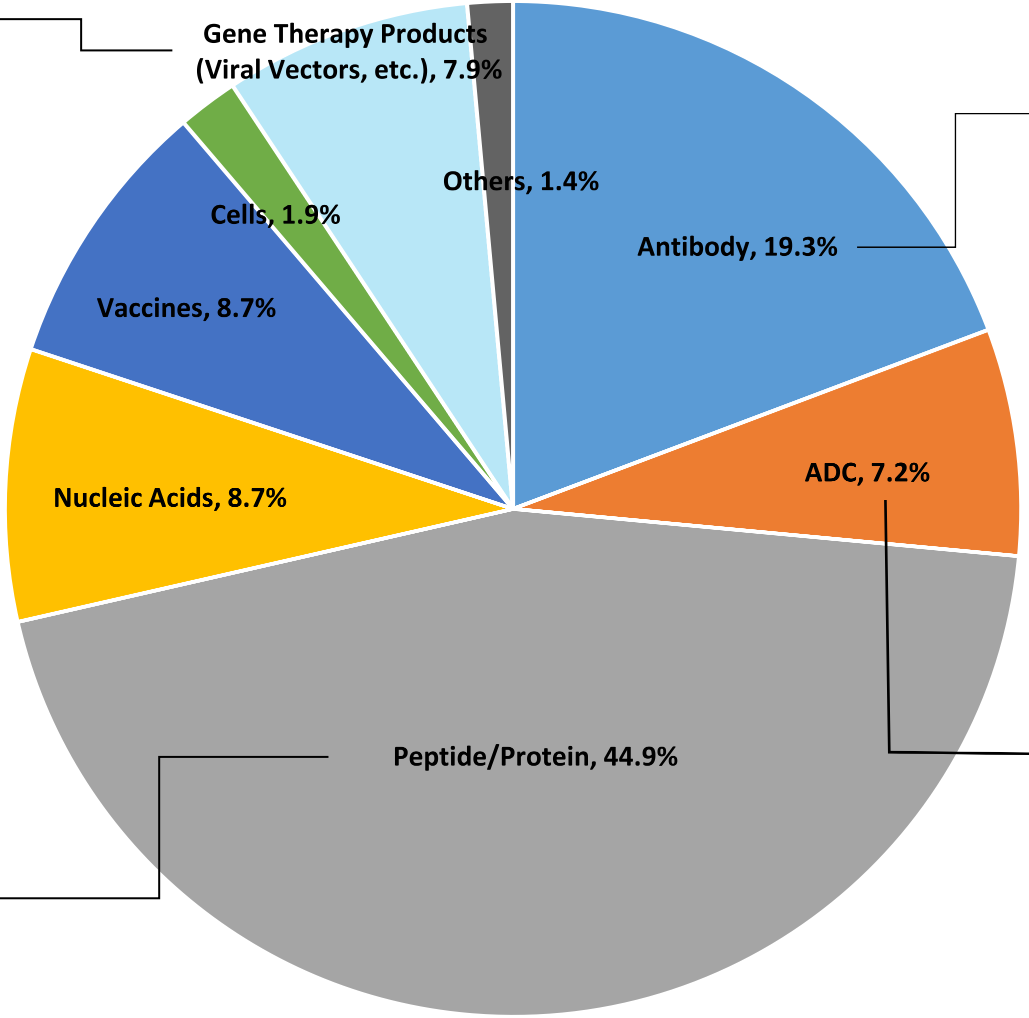
*Overseas inquiries are converted into yen using the average exchange rate for each period.

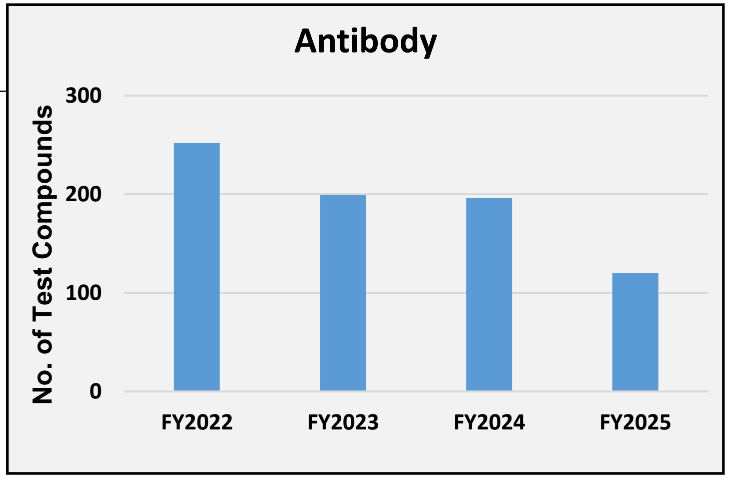
CRO Business: Order Trends by Drug Discovery Modality

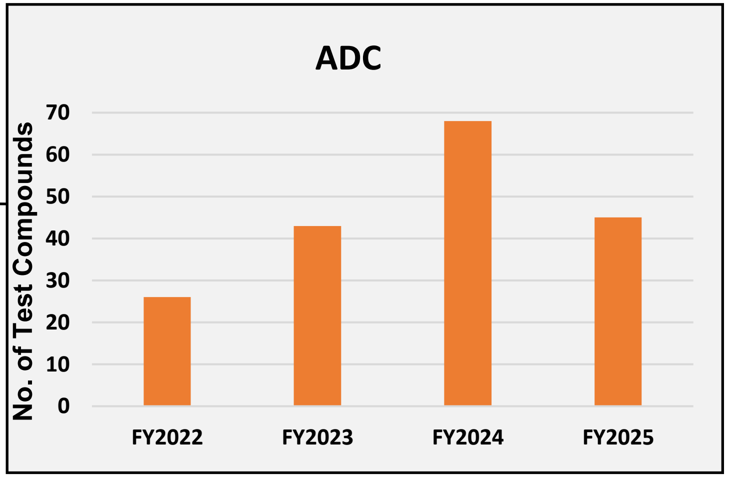




Note: The number of peptide compounds temporarily increased due to multiple early peptide screening studies conducted for a specific client.







Number of Non–Small Molecule Compounds Contracted in FY 3/26: 623

CRO Business: Topics on Nonclinical Orders for the Full Year FY 3/26

Domestic

- Increased by 455 million yen year-on-year (+2%)
  →Orders from domestic pharmaceutical companies and biotech ventures remained flat compared with the previous fiscal year.
- New preferred agreements signed with a major domestic pharmaceutical company
  → Preferred agreements have now been established with 4 major domestic pharmaceutical companies.
- Delivered 30 oral and poster presentations at domestic academic conferences.

Overseas

Asia

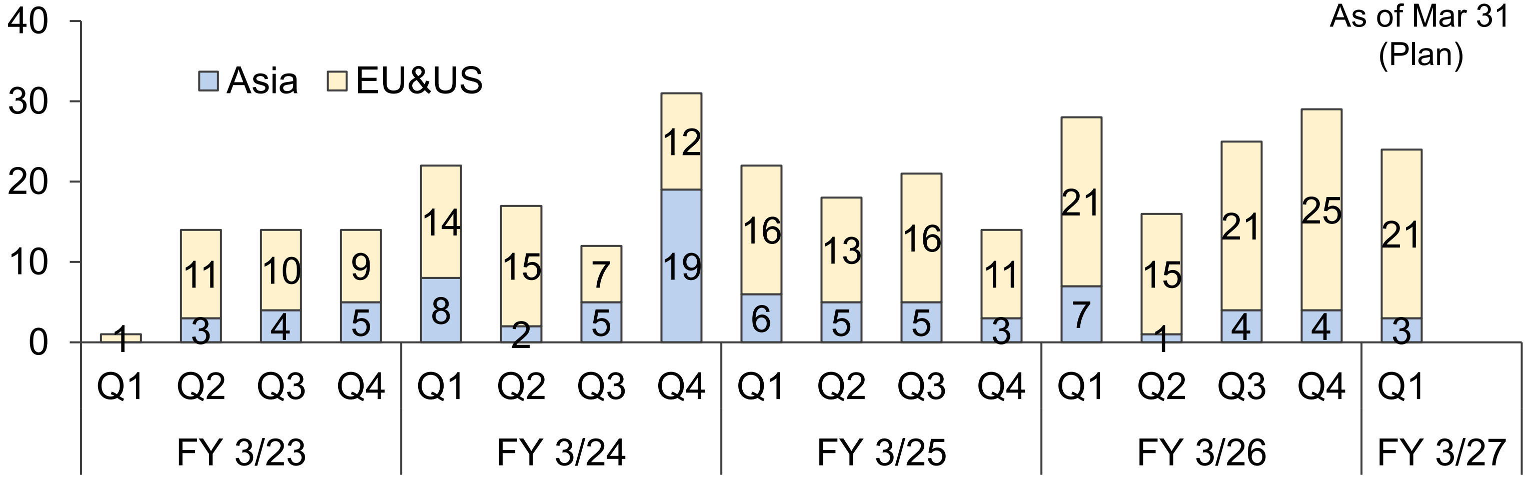
- Decreased by 279 million yen year-on-year (–11%)
- Compared with the previous fiscal year, H1 order from several major Korean pharmaceutical companies—our repeat customers—declined.
  Although large orders from these repeat customers were secured in H2, full year orders remained below the previous fiscal year.

CRO Business: Topics on Nonclinical Orders for the Full Year FY 3/26

EU&US

- Increased by 3,444 million yen year-on-year (+35%)
- Growth continued mainly in NHP studies, one of our core strengths.
- Over 240 in-person meetings were conducted throughout the year via client site visits, client visits to Japan, and interaction at scientific conferences.
- Delivered 13 oral and poster presentations at academic conferences in Europe and the United States.
- Received the Best Poster Award in the Ophthalmology Specialty Section at the Society of Toxicology (SOT) Annual Meeting held in March 2026.

Number of Visits by Overseas Customers

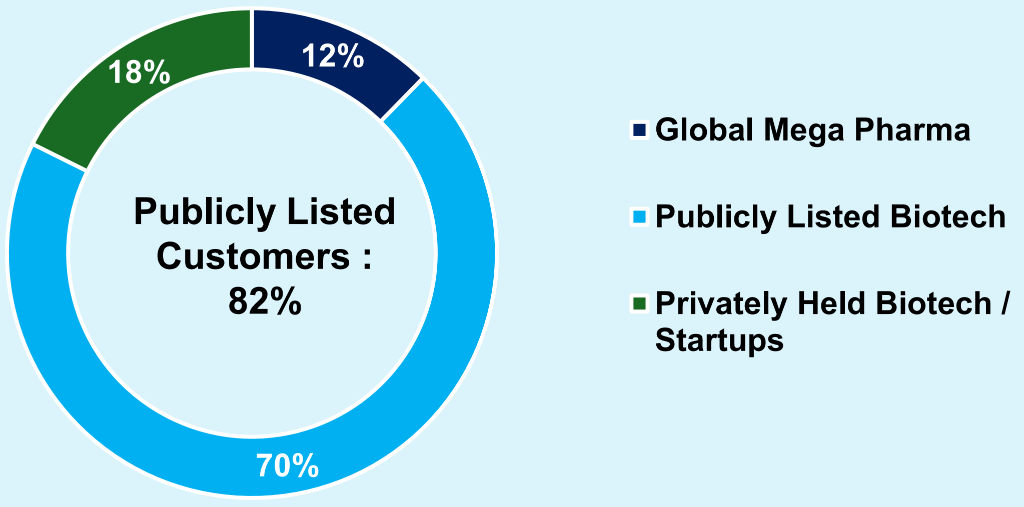


CRO Business: Topics on Nonclinical Orders for the Full Year FY 3/26

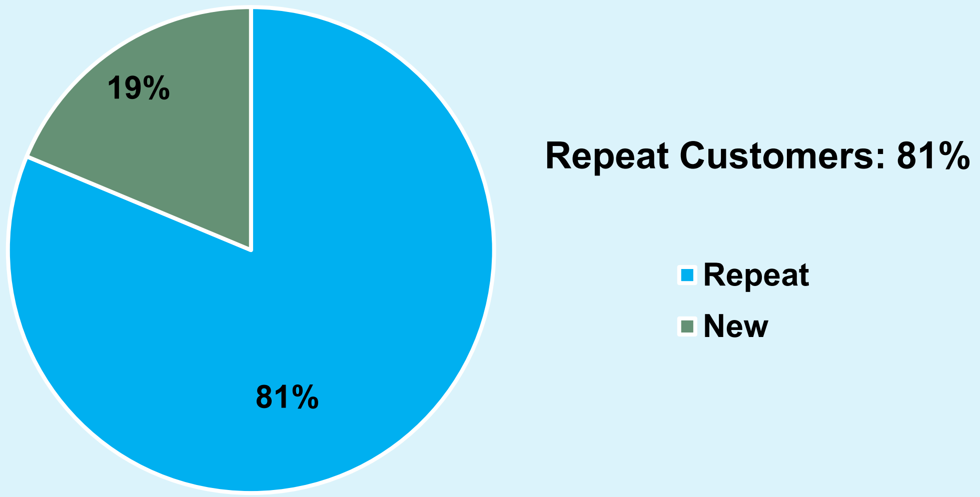
EU & US Customer Base

- The core of our client base consists of publicly listed biotech companies with multiple development pipelines, from which we can expect stable and recurring orders. We have contracts or concrete inquiries from 15 companies that rank within the global top 25 in sales.
- Approximately 81% of our clients are repeat customers, indicating a high level of satisfaction with the quality of our services.
- With the increase in both repeat and new customers, the number of inquiries and the total value of quotation requests—leading indicators of future orders—are trending at record-high levels.

EU & US Customer Segment Information (Order Value)



Proportion of Repeat Customers (Order Value)



CRO Business: Review of Key Initiatives in FY 3/26

Vision: Building a Nonclinical R&D Ecosystem to Deliver New Drugs to Patients as Early as Possible

1. Domestic Breeding and Supply System for Research NHPs
   Construction of new breeding and rearing facilities began in FY 3/24, with phased start-up and further expansion carried out through FY 3/26.

2. Expansion of Research Facilities
   Renovated idle facilities to expand NHP study capacity.

3. Expansion and Enhancement of Research Staff
   Hired 114 new graduates in April 2025 and recruited an additional 22 mid-career professionals.

4. Strengthening of Overseas Order Execution Capabilities
   Expanded the dedicated overseas study execution team (Global Study Team) by 11 members and provided specialized training.

5. Promotion of DX and Automation
   Since FY 3/24, DX initiatives have been underway to automate and robotize business processes, aiming to shorten study lead times.
   In FY 3/26, introduced automated cage-washing systems and conducted a PoC for an AI-based automated final report generation system, with development initiated for full-scale implementation in FY 3/27.

CRO Business: Key Initiatives in FY 3/27

Vision: Building a Nonclinical R&D Ecosystem to Deliver New Drugs to Patients as Early as Possible

1. Domestic Breeding and Supply System for Research NHPs
   Complete the new breeding and rearing facilities initiated in FY 3/24 to further strengthen a stable domestic NHP supply network.

2. Expansion of Research Facilities
   Commence construction of the EU Laboratory Building, an NHP research facility compliant with European standards (scheduled for completion in autumn 2027).

3. Expansion and Enhancement of Research Staff
   Hired 150 new graduates in April 2026 and will continue to actively recruit mid-career professionals.

4. Strengthening of Overseas Order Execution Capabilities
   Further expand the dedicated overseas study execution team (Global Study Team) and provide specialized training.

5. Promotion of DX and Automation
   Continue DX initiatives launched in FY 3/24 by further automating and robotizing business processes to shorten study lead times. In FY 3/27, promote development of an AI-based automated final report generation system and digitization of bioanalysis data through the introduction of electronic laboratory notebooks (scheduled for implementation in April 2027).

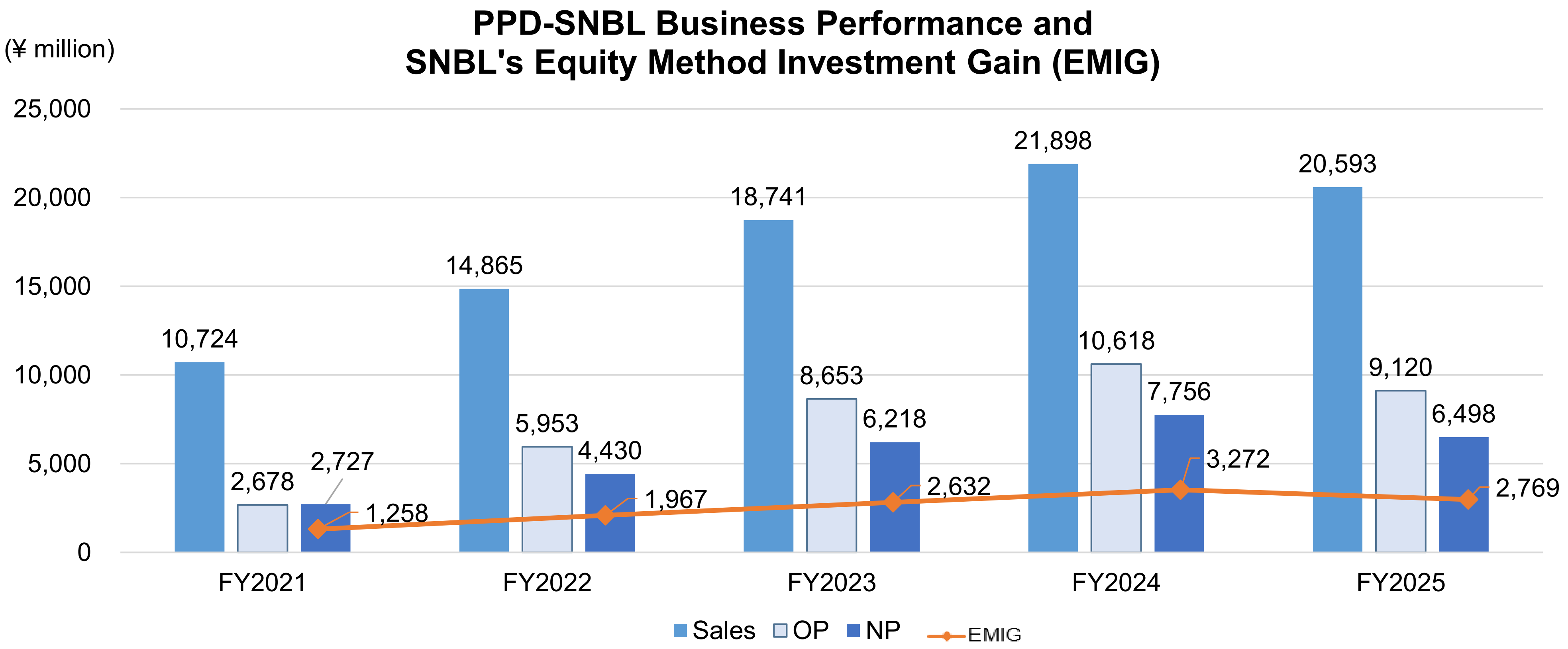
Business Topics:
II. CRO (Clinical)

Ichiro Nagata, MD, PhD, MMH, MBA

Senior Executive Vice President and COO

Clinical Business

- Although FY2025 saw decreases in revenue and profit, orders received remained strong, exceeding the previous year.
- SNBL's Equity Method Investment Gain is expected to increase in FY2026.



#Employees (As of end of Dec)	760	835	945	1,065	1,048

Business Topics:
III. Translational Research (TR) / SNBL Global Gateway (SGG)

Ken Takanashi, MBA, CPA

Vice Chairman of the Board

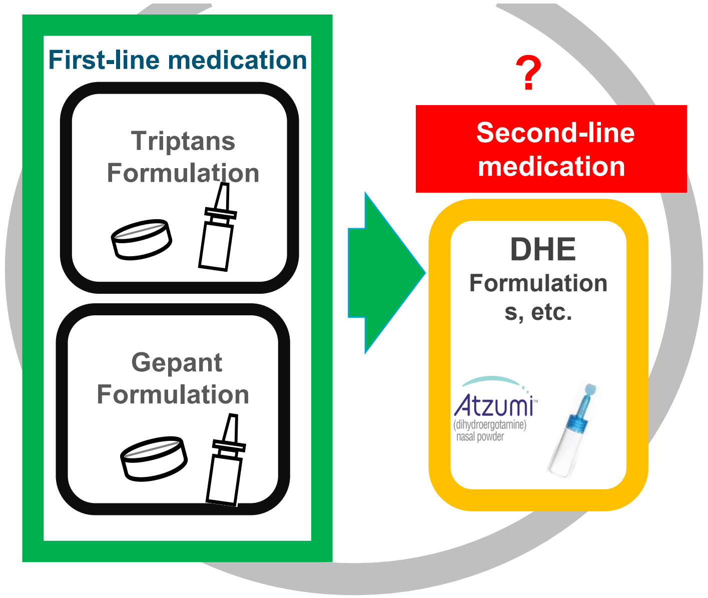
TR: The Business Environment Surrounding Atzumi™

Given the environment of the U.S. biotech market and the characteristics of the product Atzumi, a traditional licensing approach involving the transfer of manufacturing and marketing rights would fail to adequately convey Atzumi's value and lead to an inappropriate valuation

1 Polarization of the Biotech Market

2 Position of Second-Line Drugs

Acute migraine treatment



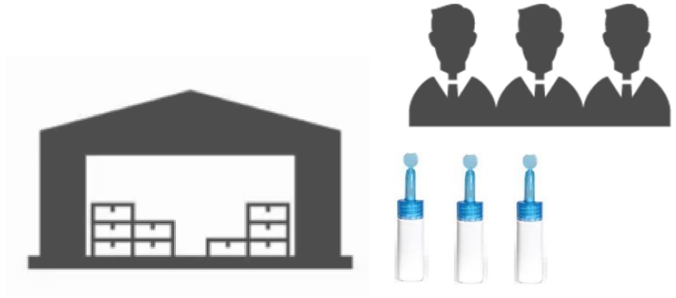
3 Manufacturing Challenge of Combining Formulations and Devices

TR: Strategic Shift Toward Bringing Atzumi to Market

Satsuma proactively drives market introduction to maximize Atzumi’s value, shifting to a strategy of selecting the optimal business partnership after demonstrating Atzumi’s value

Before

Complete Transfer of Manufacturing and Sales Rights
Business operations led by the partner



After

Retain manufacturing and sales rights
Business operations led by Satsuma

Pursue Flexible Business Partnership Initiatives

TR: Background of the Strategic Shift

- With the involvement of former Satsuma executives, Satsuma is now positioned to lead the commercialization effort itself.
- Re-assessing Atzumi's market potential and optimizing a GTM Strategy in collaboration with external consultants with a track record in U.S. pharmaceutical commercialization.

Satsuma U.S. Team (incl. former executives)

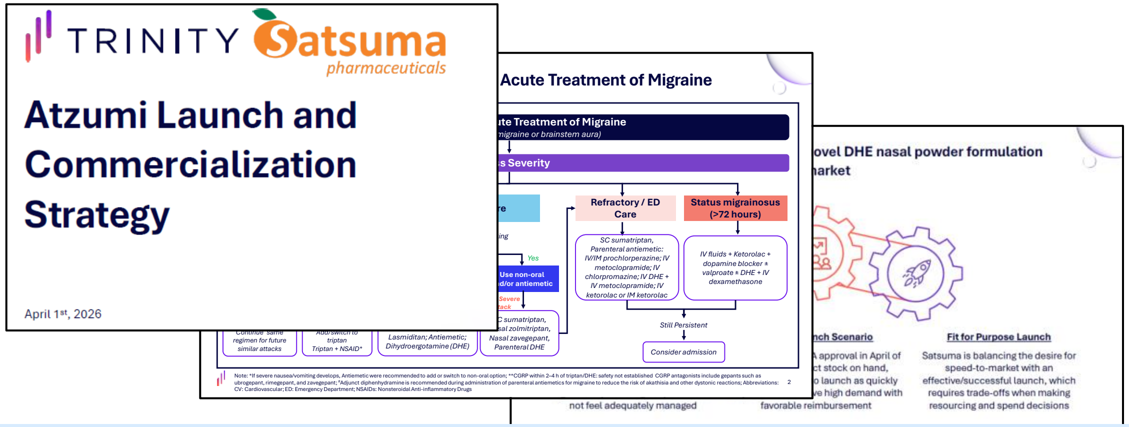
Thomas King
Former Independent Director at Satsuma

Tom O'Neil
Former CFO (Chief Financial Officer) at Satsuma

Rob Janosky
Former CCO (Chief Commercial Officer) at Satsuma

David Prichard
Vice President and Head of Manufacturing at Satsuma

Re-assessing of Atzumi by Trinity life Sciences



1. **Development of new drug launch and commercialization strategies**
   - Involved in "75% of all new drug launches" in the U.S. (2023)
2. **Integration of AI, Digital, and Consulting**
   - Promoting a **"next-generation commercialization model" centered on AI**
3. **Building market analysis and forecasting models**
   - **Trinity's GTM modeling adopted** by numerous U.S. biotech companies

TR: Latest Research Findings on the U.S. Migraine Market

Atzumi addresses patient needs that existing drugs cannot fully meet in the second-line treatment category, a product with a sufficiently large market size and a clear role to play

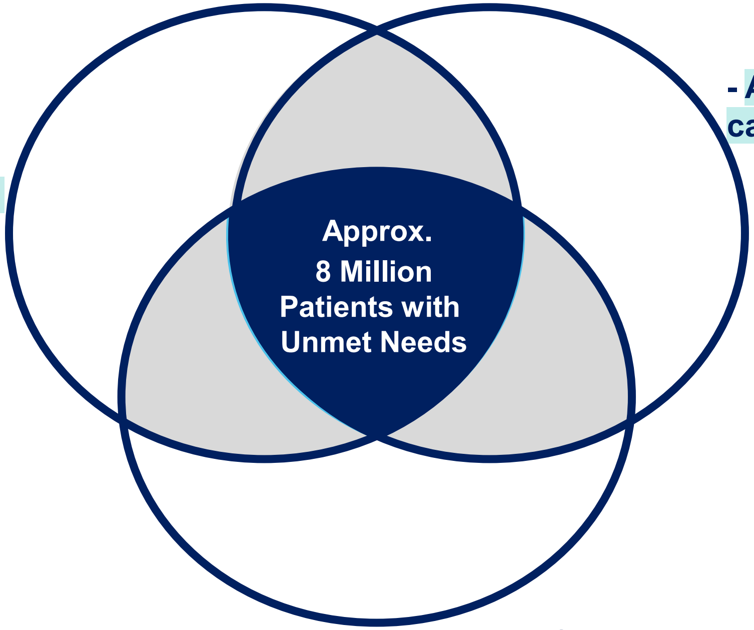
Structure of the Acute Migraine Market

Triptan-resistant : 30–40%

- A certain proportion of patients who do not respond
- Cardiovascular risks

Gepant ineffectiveness : 20–35%

- A certain percentage of cases are unresponsive



Problems with other DHE formulations:

- Cumbersome injection process, poor patient usability

Atzumi™
(dihydroergotamine)
nasal powder

The first and only DHE intranasal powder formulation

- ✓ Easy-to-use and easy-to-carry, proprietary DHE nasal powder formulation and device
- ✓ Proven to relieve migraine pain for up to 48 hours
- ✓ Well tolerated and safe

TR: Latest Research Findings on the U.S. Migraine Market

- The U.S. migraine market has a distinctive structure in which just 2,600 physicians (0.6% of all prescribers) account for 20% of all prescriptions
- By targeting key demographics through specialty pharmacies and leveraging digital marketing, efficient market penetration is possible with a reduced investment

U.S. Physicians Prescribing Migraine Medications: 448,000 in total		Number of physicians	Prescriptions per physician and prescription share	
	Tier 1	Approx. 2,600 0.6% of all prescribing physicians	1,420 prescriptions per person per year 20% of total prescriptions	Sales force-led sales through specialty pharmacies
	Tier 2	Approx. 147,000 33% of all prescribing physicians	88 prescriptions per person per year 70% of total prescriptions	Effective use of digital marketing
	Tier 3	Approx. 298,000 66% of all prescribing physicians	6 prescriptions per person per year 10% of total prescriptions	

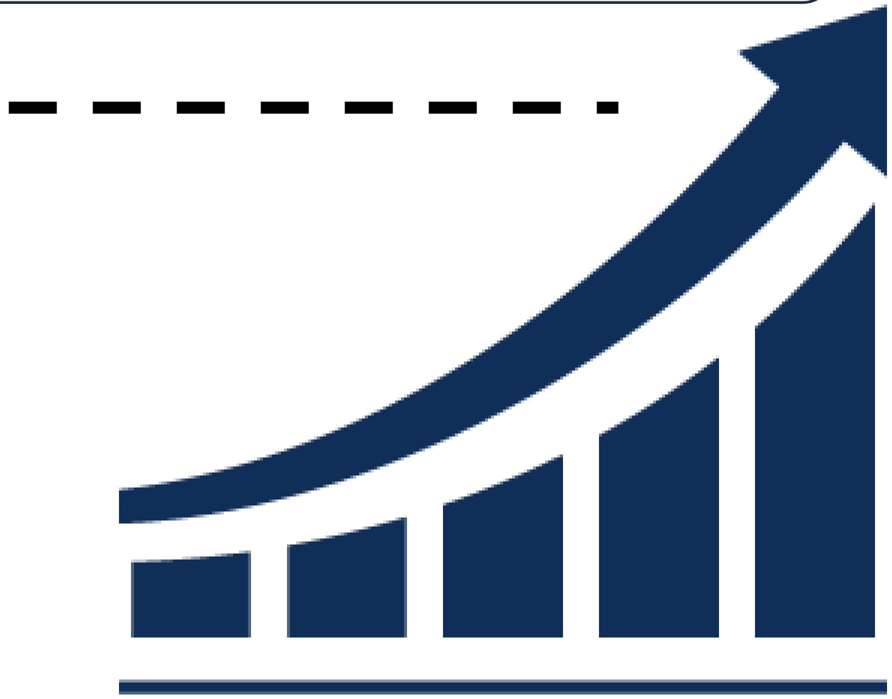
TR : Atzumi's Business Opportunities & Initiatives to Maximize Value

- **Atzumi represents a significant business opportunity with projected peak sales exceeding $200 million in the U.S. alone**
- **In FY26, we will build operations and commercial infrastructure for early market launch, aiming to enhance business value while pursuing flexible business partnerships, including in the global market**

Atzumi's Peak Sales(in US)

Projected at over $200M

Satsuma



X

Maximizing Business Value

Future Initiatives

FY26

- Building an organization centered on former Satsuma executives and other key personnel
- Establishing an operations and commercial sales infrastructure (including logistics and insurance reimbursement) for Atzumi's early market launch

FY27 & beyond

- While pursuing business partnerships in the U.S., we will also advance licensing activities in global markets

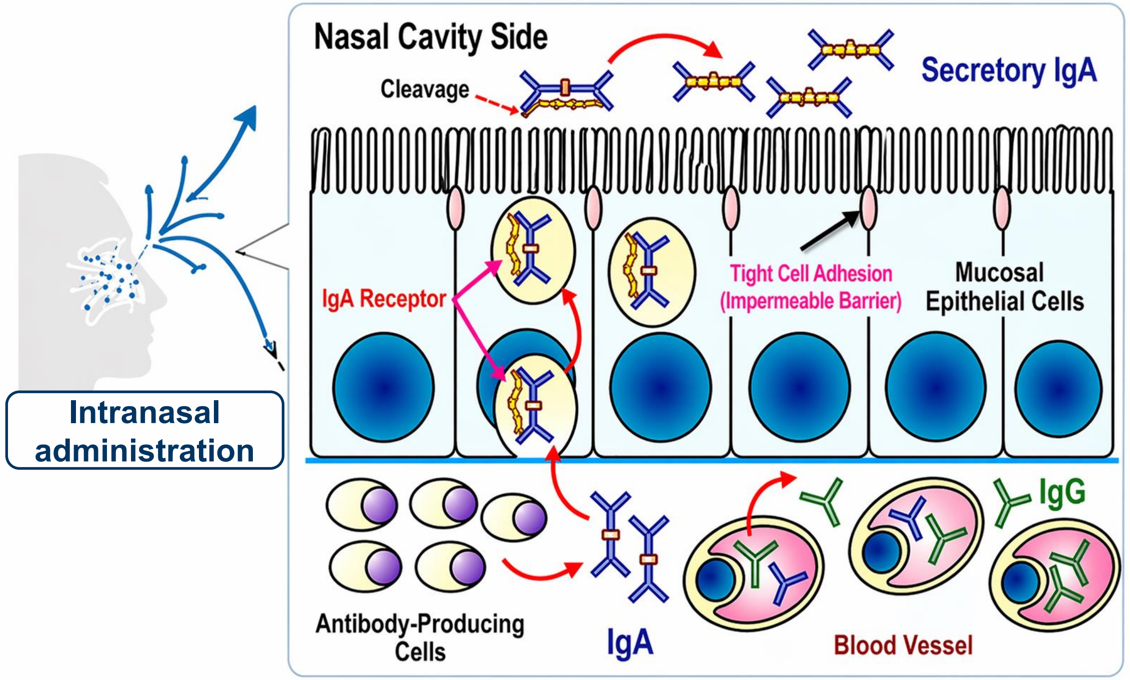
Exploring Various Options

Progress in the Development of Nasal Vaccine Systems

- Received the highest “A” rating in the AMED interim evaluation, and the project has been extended with additional commissioned R&D funding.
- Aim to complete the Phase I clinical trial within the next three years.

Overview of R&D and Mechanism of Nasal Vaccine

Aiming for the practical use of a powder-based nasal vaccine designed to prevent infection itself (Immune Barricade).



Source: SNBL, Ltd

Key Points from Interim Evaluation (Rating: A)

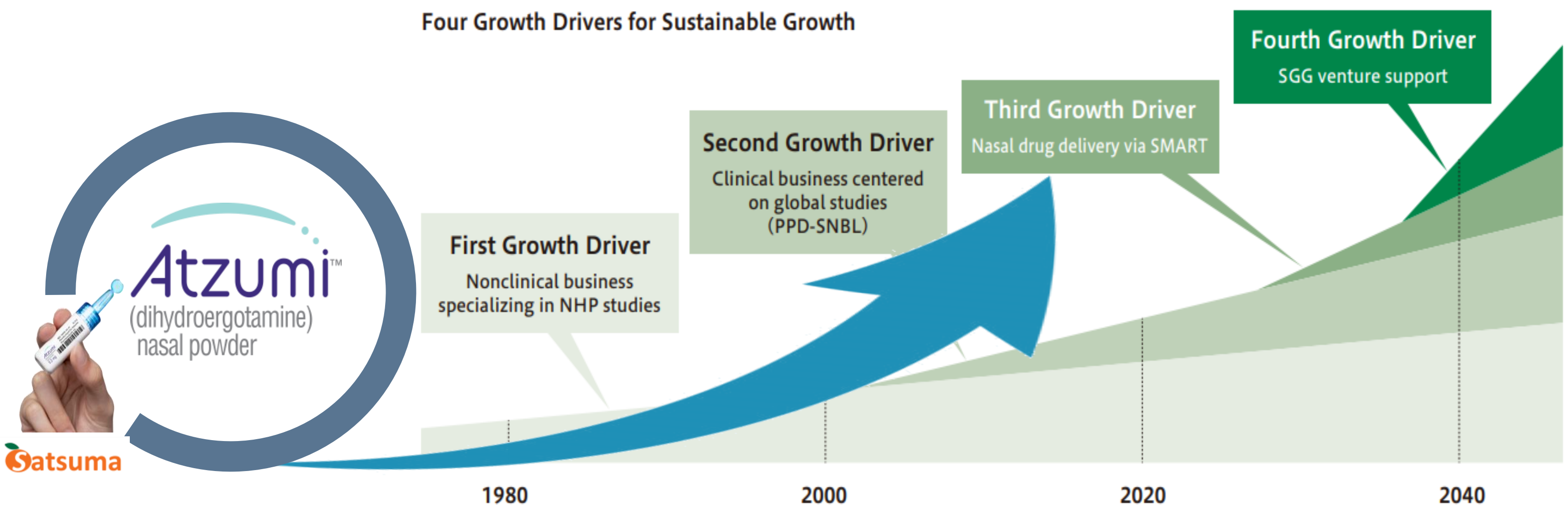
Project Title
“Development of a TR’s nasal vaccine powder delivery system which generates IgA”

1. Validated the sterilizing immunity mechanism of a nasal influenza vaccine in animal studies and achieved POC.
2. High evaluation of the effectiveness of our nasal drug delivery platform and R&D capabilities.
3. Adoption of commercially available antigens supports high feasibility of the product strategy and validity of the clinical development plan.

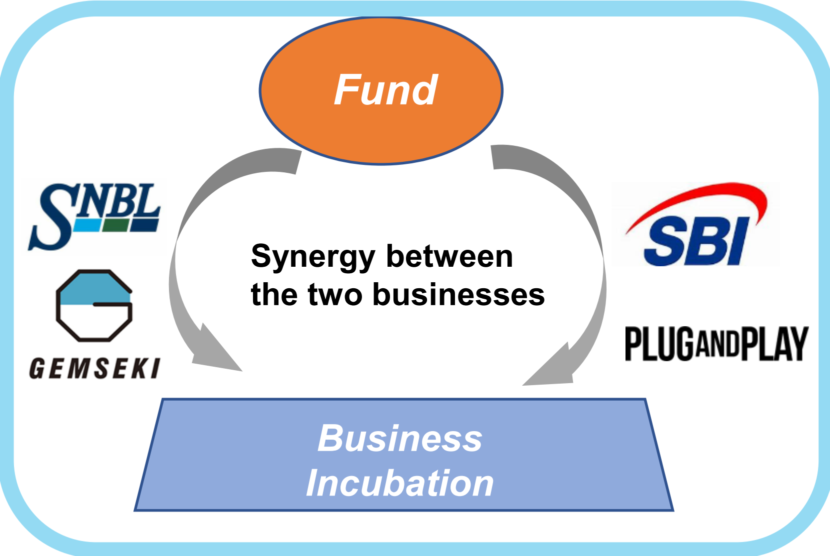
TR/SGG: Growth Strategy Driven by the Commercialization of Atzumi™ and Advancement of the SGG Business

We aim to enhance mid- to long-term business value by launching a third growth engine through the commercialization of Atzumi™ and by promoting the SGG business through the integration of investment and business incubation services

Commercialization of Atzumi™



Promotion of the SGG Business



Note: SMART: Our proprietary intranasal drug delivery platform technology (Simple MucoAdhesive Release Technology)

Business Topics:
IV. Medipolis

Kyomi Nagatoshi

Executive Managing Director and CHRO

Medipolis Business (Social Value Creation)

- **Leveraging Kagoshima's regional resources, these businesses embody our corporate philosophy of "Committed to the environment, life and people."**
- **By contributing to local communities while enhancing our brand value, these initiatives support sustainable medium- to long-term growth in corporate value.**
- **Recovery in the power generation business reduced the operating loss to ¥65 million, an improvement of ¥357 million YoY.**

Power Generation Business

- **Achieved strong operating profitability through high utilization rates.**
- **Also contributes to energy security.**

- Approximately 14 million kWh of electricity is generated annually through geothermal and hot spring power generation (equivalent to roughly 50% of the Group's annual electricity consumption).
- As a baseload power source unaffected by weather conditions, the business contributes to a stable energy supply.

Hospitality Business

- **Also serves as an accommodation base for domestic and overseas partners.**
- **Creating synergies with nonclinical businesses.**

- Ranked 8th in Japan in the HOTEL SPA category at the Luxury Awards Asia Pacific 2025.
- Service value will be enhanced through initiatives including the opening of a new restaurant in December 2025.
- Maintained an average online review rating of 4.8 or higher, ranking 4th in Kyushu across major OTAs.

Seedling Production of Glass Eels

- **Steady progress in scaling up artificial seedling production.**
- **Also contributing to biodiversity conservation.**

- Three-month average (most recent period): egg collection success rate of over 70%, fertilization rate of 78.3%, and hatching rate of 66.2%.
- Survival rates of leptocephalus larvae: approximately 90% one week after hatching, approximately 50% two months after hatching, and approximately 40% four months after hatching.
- Planned to be offered as a special menu item at the Company's hotel facilities.

4. Q&A

Financial Data

(In millions of yen)	FY 3/2022	FY 3/2023	FY 3/2024	FY 3/2025	FY 3/2026	FY 3/2027 Forecast
Revenue	17,748	25,090	26,450	32,413	32,524	38,000
YoY(%)	17.5%	41.4%	5.4%	22.5%	0.3%	16.8%
Gross profit	9,687	13,046	14,282	16,960	16,238	19,107
Ratio of gross profit to revenue (%)	54.6%	52.0%	54.0%	52.3%	49.9%	50.3%
Operating profit	4,195	5,245	4,162	2,985	2,653	3,000
YoY(%)	65.9%	25.0%	-20.6%	-28.3%	-11.1%	13.1%
Share of profit of entities accounted for using equity method	1,439	2,489	2,751	3,513	2,780	2,895
Ordinary profit	7,078	9,194	7,015	6,450	5,833	6,000
Profit before income taxes	8,183	7,759	6,974	6,013	6,247	5,830
Income taxes	1,016	1,708	1,456	1,148	1,713	2,330
Profit attributable to owners of parent	7,127	6,060	5,531	4,924	4,566	3,500
Profit per share (yen)	171.20	145.56	132.86	118.29	109.69	84.07
Overseas sales	3,091	6,575	8,637	10,889	11,448	--
Overseas sales ratio	17.4%	26.2%	32.7%	33.6%	35.2%	--
Cash and deposits	6,629	25,751	10,275	12,032	18,536	--
Revenue from international sponsors	22,181	25,751	29,252	32,124	34,649	--
Net assets	19,723	26,359	34,160	40,085	43,489	--
Total assets	39,312	57,242	76,302	92,416	105,055	--
Interest-bearing debt	9,281	18,931	26,331	34,606	41,259	--
Equity ratio (%)	49.8%	45.8%	44.7%	43.3%	41.0%	--
Capital expenditures	1,703	5,614	8,525	11,390	5,304	11,086
Depreciation	1,177	1,544	1,774	2,496	3,318	3,948
R&D expenses	425	683	1,741	2,217	2,400	2,323
Ratio of R&D expenses to revenue (%)	2.4%	2.7%	6.6%	6.8%	7.4%	6.1%
Number of employees at the end of the fiscal year	994	1,208	1,341	1,436	1,522	1,676
ROE (%)	40.4%	26.5%	18.3%	13.3%	11.0%	--
ROA (%)	18.6%	19.0%	10.5%	7.6%	5.9%	--
ROIC (%)	18.4%	17.9%	10.3%	10.4%	8.4%	--
Ratio of operating profit to revenue (%)	23.6%	20.9%	15.7%	9.2%	8.2%	7.9%
Ratio of ordinary profit to revenue (%)	39.9%	36.6%	26.5%	19.9%	17.9%	15.8%
Cash dividends per share (yen)	40.0	50.0	50.0	50.0	50.0	50.0
Dividend payout ratio (%)	23.4%	34.3%	37.6%	42.3%	45.6%	59.5%

Cautionary Notes

1. Projected results are based on information available to the Company at the time of writing, as well as certain assumptions judged by the Company to be reasonable. Various risks and uncertain factors could cause actual results to differ materially from these projections. This material does not constitute a solicitation of application to acquire or an offer to sell any security in Japan or elsewhere. This material is presented to inform stakeholders of the views of SNBL's management but should not be relied on solely in making investment and other decisions. You should rely on your own independent examination of us before investing in any securities issued by our company. SNBL shall accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding or changes of target figures or any other use of this material.
2. Information about pharmaceutical products (including products currently in development) included in this material is not intended to constitute an advertisement nor medical advice.
3. The presentation slides are based on "Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Japanese GAAP).“ Figures rounded to the nearest 100 million Japanese yen and percentage to one decimal place.
4. This English presentation was translated from the original Japanese version. In the event of any inconsistency between the statements in the two versions, the statements in the Japanese version shall prevail.

＜IR Inquiries＞

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