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# Committed to Growth & Shareholder Returns

## FY2025 Q1 Earnings Announcement

July 30th, 2025

Better Health, Brighter Future

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**Financial Information and Non-IFRS Measures**

Takeda's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

This presentation and materials distributed in connection with this presentation include certain financial measures not presented in accordance with IFRS, such as Core Revenue, Core Operating Profit, Core Net Profit for the year attributable to owners of the Company, Core EPS, Constant Exchange Rate ("CER") change, Net Debt, Adjusted Net Debt, EBITDA, Adjusted EBITDA, Free Cash Flow and Adjusted Free Cash Flow. Takeda's management evaluates results and makes operating and investment decisions using both IFRS and non-IFRS measures included in this presentation. These non-IFRS measures exclude certain income, cost and cash flow items which are included in, or are calculated differently from, the most closely comparable measures presented in accordance with IFRS. Takeda's non-IFRS measures are not prepared in accordance with IFRS and such non-IFRS measures should be considered a supplement to, and not a substitute for, measures prepared in accordance with IFRS (which we sometimes refer to as "reported" measures). Investors are encouraged to review the definitions and reconciliations of non-IFRS measures to their most directly comparable IFRS measures, which are in the Financial Appendix appearing at the end of this presentation.

**Peak Revenue Potential and PTRS Estimates**

References in this presentation to peak revenue ranges are estimates that have not been adjusted for probability of technical and regulatory success (PTRS) and should not be considered a forecast or target. These peak revenue ranges represent Takeda's assessments of various possible future commercial scenarios that may or may not occur. References in this presentation to PTRS are to internal estimates of Takeda regarding the likelihood of obtaining regulatory approval for a particular product in a particular indication. These estimates reflect the subjective judgment of responsible Takeda personnel and have been approved by Takeda's Portfolio Review Committee for use in internal planning.

**U.S. Dollar Convenience Translations**

In this presentation, certain amounts presented in Japanese yen have been translated to U.S. dollars solely for the convenience of the reader. Except where otherwise noted, these convenience translations have been made at an exchange rate of 1USD = 144.17 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on June 30, 2025. The rate and methodologies used for these convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of Takeda's consolidated financial statements. These translations should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at this or any other rate.

**Medical information**

This presentation contains information about products that may not be available in all countries, or may be available under different trademarks, for different indications, in different dosages, or in different strengths. Nothing contained herein should be considered a solicitation, promotion or advertisement for any prescription drugs including the ones under development.

# AGENDA

## Opening Remarks

Christophe Weber, President & CEO

## Financial Highlights

Milano Furuta, Chief Financial Officer

## Pipeline Update

Andy Plump, President, R&D

*Q&A*

## Question & Answer Session

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***Q&A***

## Question & Answer Session

# FY2025 Q1: Expected to be the Quarter Most Impacted by LOE due to Strong VYVANSE Performance in FY24 Q1; No Change to Full-Year Guidance

## FY2025 Q1 (APR-JUN) FINANCIAL RESULTS (SUMMARY)

| (BN YEN, except EPS) | REPORTED | | | CORE[1] | | | |
|---|---|---|---|---|---|---|---|
| | FY2025 Q1 | FY2024 Q1 | ACTUAL % CHANGE | FY2025 Q1 | FY2024 Q1 | ACTUAL % CHANGE | CER[2] % CHANGE |
| **REVENUE** | **1,106.7** | 1,208.0 | **-8.4%** | **1,106.7** | 1,208.0 | **-8.4%** | **-3.7%** |
| **OPERATING PROFIT** | **184.6** | 166.3 | **+11.0%** | **321.8** | 382.3 | **-15.8%** | **-11.9%** |
| *Margin* | ***16.7%*** | *13.8%* | ***+2.9pp*** | ***29.1%*** | *31.6%* | ***-2.6pp*** | |
| **NET PROFIT** | **124.2** | 95.2 | **+30.4%** | **237.0** | 276.8 | **-14.4%** | **-10.3%** |
| **EPS** | **79 yen** | 61 yen | **+30.8%** | **151 yen** | 176 yen | **-14.1%** | **-10.0%** |
| **OPERATING CASH FLOW** | **215.4** | 170.3 | **+26.5%** | | | | |
| **ADJUSTED FREE CASH FLOW[3]** | **190.1** | 23.7 | **+703.6%** | | | | |

1. Please refer to appendix slide A-1 for definition of Core financial measures, and slides A-6 and A-7 for reconciliation.
2. Constant Exchange Rate. Please refer to appendix slide A-1 for definition
3. Please refer to appendix slide A-2 for definition and slide A-8 for reconciliation

# Growth & Launch Products +5.0% at CER in Q1 with Higher Growth Rate Anticipated in Subsequent Quarters

## Balanced Portfolio Across 6 Key Business Areas

| GI | RARE DISEASES | PLASMA-DERIVED THERAPIES (PDT) | ONCOLOGY | VACCINES | NEUROSCIENCE |
|---|---|---|---|---|---|
| % of Sales: 31%<br>Growth at CER: +2.6% | % of Sales: 18%<br>Growth at CER: +3.0% | % of Sales: 24%<br>Growth at CER: +1.7% | % of Sales: 13%<br>Growth at CER: +1.8% | % of Sales: 1%<br>Growth at CER: -6.2% | % of Sales: 10%<br>Change at CER: -32.6% |

| | | | | |
|---|---|---|---|---|
| Entyvio® vedolizumab<br>JPY 232.5B +4.9% | TAKHZYRO (lanadelumab-flyo) injection<br>JPY 55.1B +3.7% | GAMMAGARD LIQUID, HyQvia, Cuvitru<br>IMMUNOGLOBULIN<br>JPY 194.0B +2.0% | Fruzaqla® (fruquintinib) capsules<br>JPY 12.3B +8.9% | Qdenga™ Dengue Tetravalent Vaccine (Live, Attenuated)<br>JPY 8.8B -4.8% |
| Eohilia™ (budesonide oral suspension) 2mg<br>JPY 2.0B +141.6% | LIVTENCITY™ (maribavir) tablets 200mg<br>JPY 10.5B +45.1% | Flexbumin (Human Albumin), HUMANALBUMIN<br>ALBUMIN<br>JPY 32.2B +16.2% | ALUNBRIG® BRIGATINIB<br>JPY 8.2B -8.5% | |
| | ADZYNMA ADAMTS13, recombinant-krhn<br>JPY 2.4B +139.6% | | | |

**Growth & Launch Products**

FY2025 Q1 revenue
JPY 558.1B
(USD 3.9B)[1]

**50% of Total Revenue**

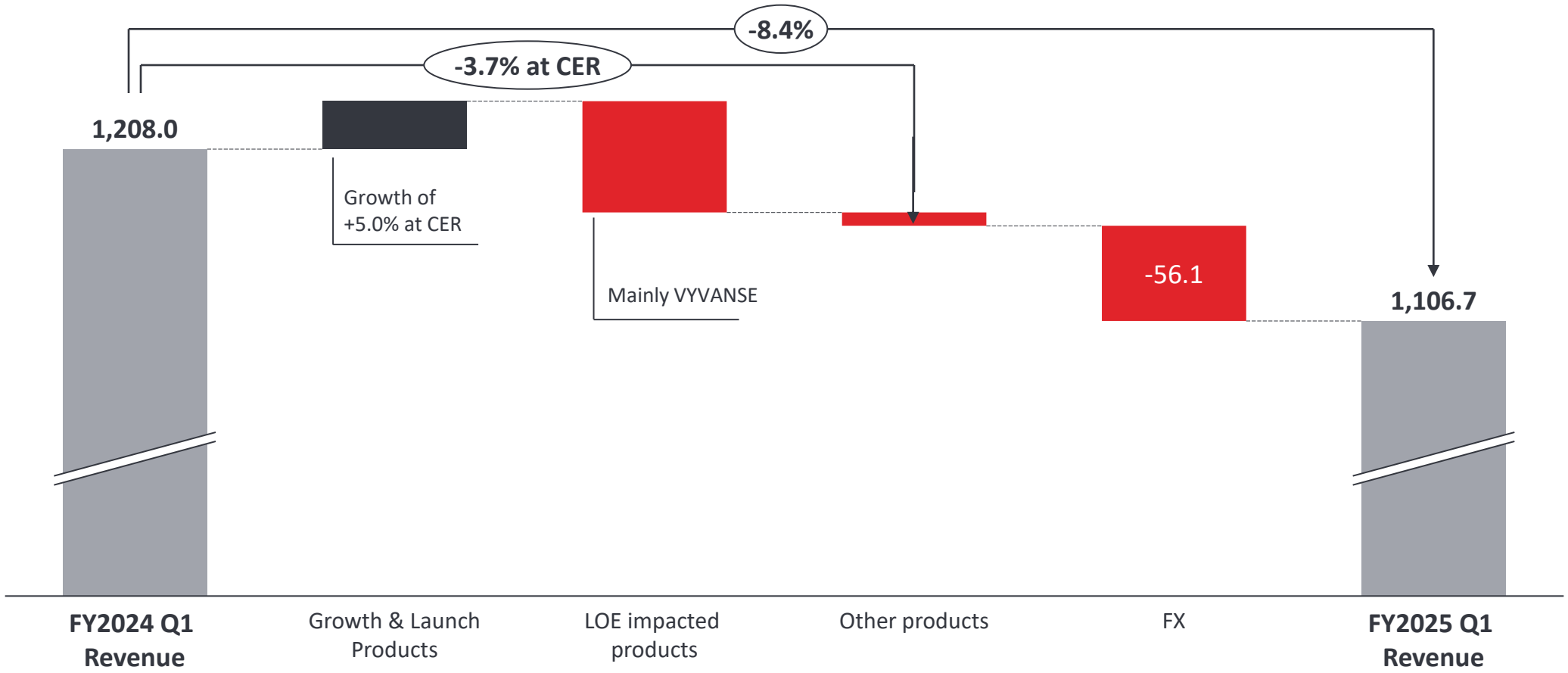
**+5.0% at CER**

Absolute values are FY2025 Q1 results presented on an IFRS (reported) basis; growth rates are year-on-year change at Constant Exchange Rate (CER) (please refer to appendix slide A-1 for definition).
"% of Sales" reflects percentage of FY2025 Q1 Revenue
1. Please refer to disclaimer on Exchange Rates on slide 2

# FY2025 Q1 Revenue: Growth Rate Reflects VYVANSE Rebound in FY24 Q1 and FX Headwind

## FY2025 Q1 REVENUE VS PRIOR YEAR

(BN JPY)



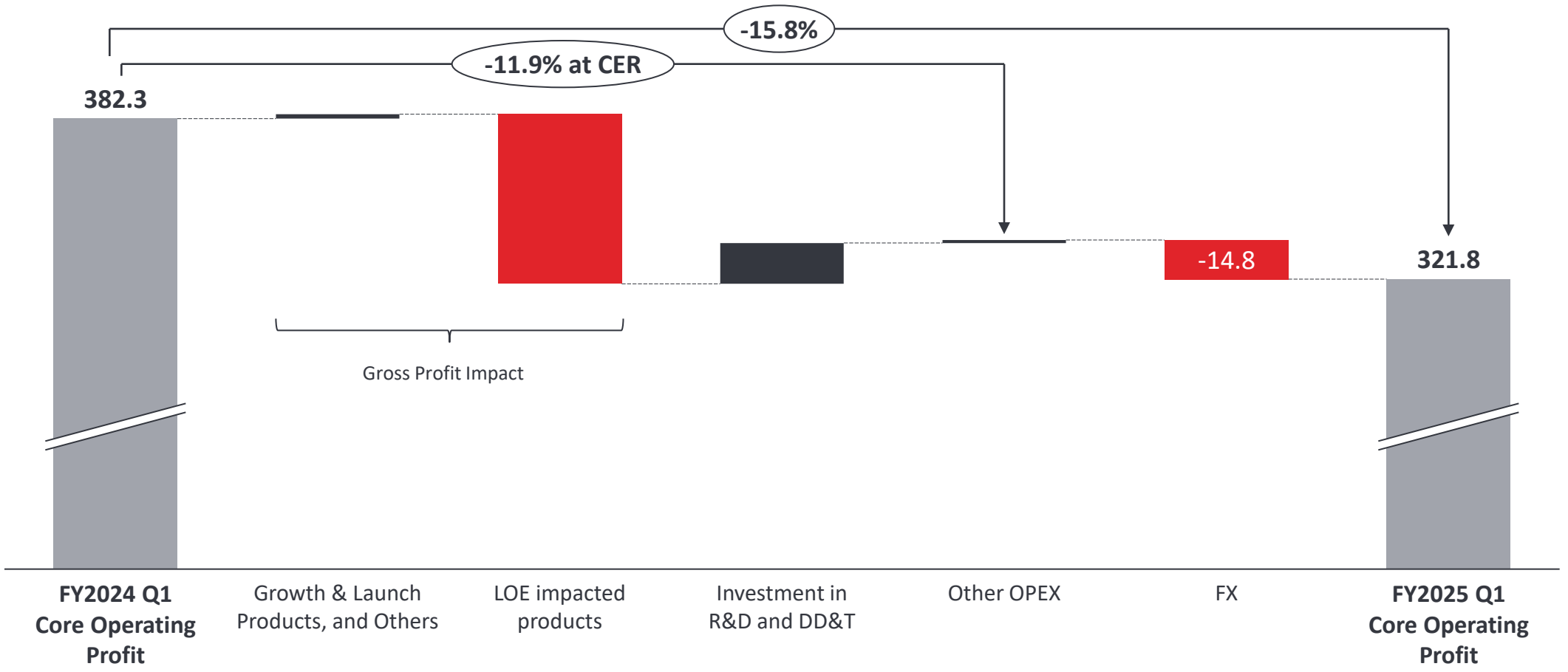

Graphs are illustrative LOE: Loss of Exclusivity

For FY2025 Q1 versus FY2024 Q1 comparison, Reported Revenue and Core Revenue are equivalent, as no Core adjustment was made to revenue in either year.

# FY2025 Q1 Core Operating Profit: Operational Efficiencies Partially Offset VYVANSE LOE Impact

## FY2025 Q1 CORE OPERATING PROFIT VS PRIOR YEAR

(BN JPY)

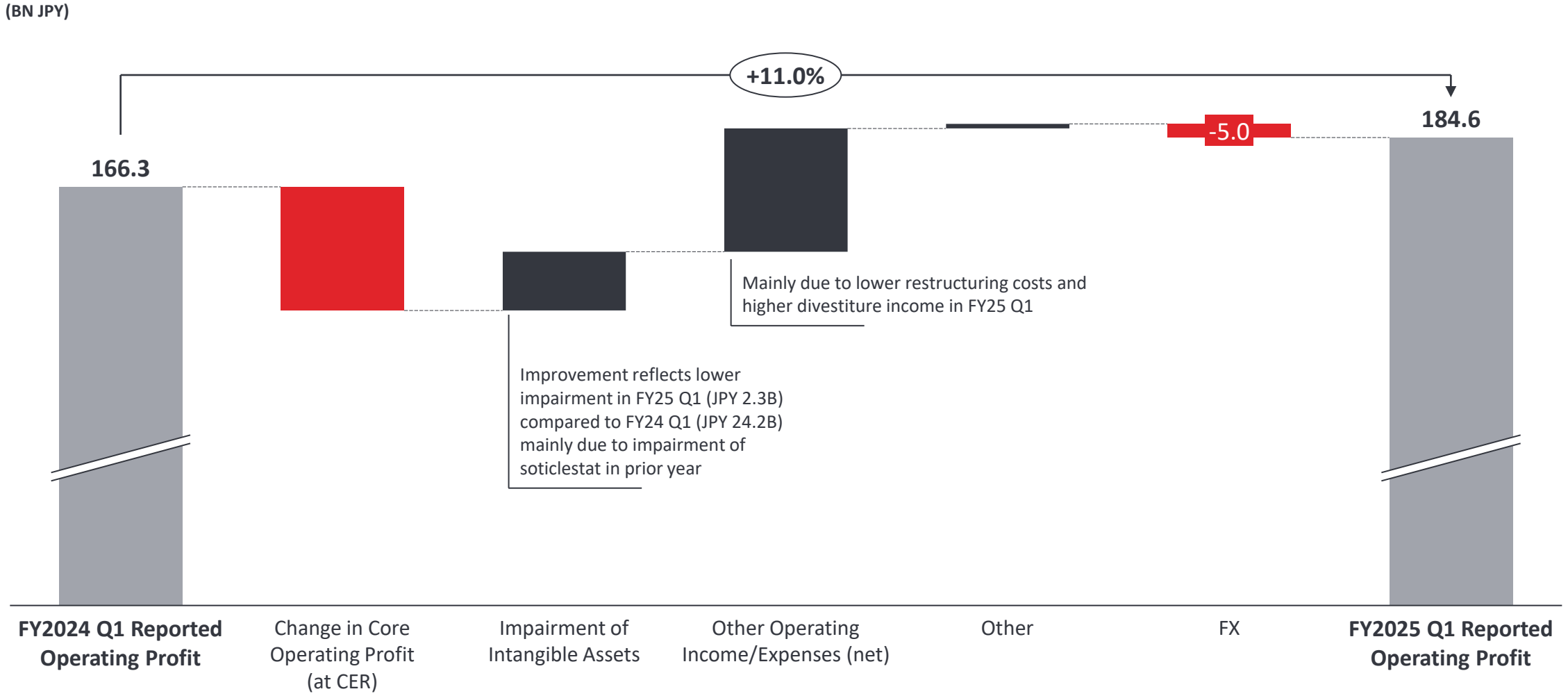



Graphs are illustrative LOE: Loss of Exclusivity

Note: Core Operating Profit is a non-IFRS metric. Please refer to appendix for definitions and reconciliations.

# FY2025 Q1 Reported Operating Profit: Increase Reflects Lower Impairment & Restructuring Expenses Compared to Prior Year

## FY2025 Q1 REPORTED OPERATING PROFIT VS PRIOR YEAR

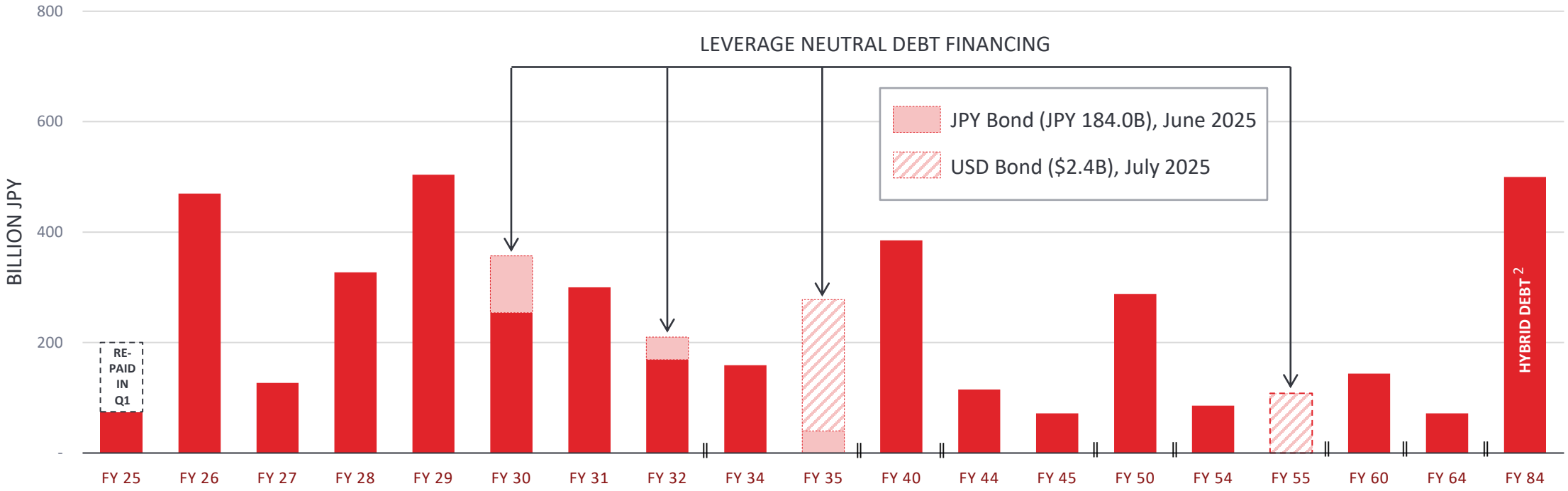



Graphs are illustrative

Note: Core Operating Profit is a non-IFRS metric. Please refer to appendix for definitions and reconciliations.

# Repaid Maturing Debt in Q1; Executed JPY & USD Bond Issuances in June/July to Re-finance Syndicated Loans Pre-Paid in FY2024

## MATURITY LADDER AS OF 30 JUNE 2025 (AS ADJUSTED)[1]




Bond issuances were leverage-neutral as proceeds were used primarily to payoff the short-term funding raised to pre-pay Syndicated Loans in March 2025

Repaid maturing debt: $0.8B USD Bond and JPY 10.0B Bilateral Loan in FY25 Q1 utilizing free cash flow

100% of Debt at Fixed rate (2.3% Weighted Average); Average Debt Maturity ~9 years

1. Debt Maturity Profile of outstanding principal values as of June 30, 2025, as adjusted for debt transactions executed in July 2025.
2. FY84 Hybrid Debt (JPY 500B) comprises JPY 460B Hybrid Bonds (Issued in June 2024, maturity date of June 2084) and Hybrid Loans (JPY 40B Issued in October 2024, maturity date of October 2084).
Non-JPY debt principal calculated as at end of June 2025 FX Rates (144.12 JPY/USD and 169.01 JPY/EUR). This reflects the actual conversion rate used for reporting purposes.

# No Change to Full-Year FY2025 Outlook Announced in May

| (BN YEN, except EPS) | REPORTED | | CORE | | CORE CHANGE AT CER |
|---|---|---|---|---|---|
| | FY2025 FORECAST | VS. PRIOR YEAR | FY2025 FORECAST | VS. PRIOR YEAR | FY2025 MANAGEMENT GUIDANCE |
| **REVENUE** | 4,530.0 | -1.1% | 4,530.0 | -1.1% | **Broadly Flat** |
| **OPERATING PROFIT** | 475.0 | +38.7% | 1,140.0 | -1.9% | **Broadly Flat** |
| **EPS** | 145 yen | +111.8% | 485 yen | -1.2% | **Broadly Flat** |

| | |
|---|---|
| **ADJUSTED FREE CASH FLOW** | 750.0 – 850.0 |
| **ANNUAL DIVIDEND PER SHARE** | 200 yen |

Key assumptions in FY2025 forecast:

- Takeda's forecast for FY2025 does not reflect the potential impact of tariffs being introduced on pharmaceutical products by the U.S. administration, nor the potential impact of tariffs introduced by other countries in response to U.S. tariffs. We continue to monitor the situation, including potential mitigation strategies, and will update our forecasts if and when a probable impact can be estimated.
- Forecast assumes global VYVANSE revenue of JPY 241.0B, a year-on-year decline of JPY 109.6B (-30% at CER).
- Forecast assumes 150 JPY/USD and 160 JPY/EUR. Please refer to appendix slide A-16 for more details on FX assumptions and sensitivity.



Note: Slide includes non-IFRS metrics. Please refer to appendix for definitions and reconciliations.
Please refer to appendix slide A-14 for more details of the FY2025 forecast

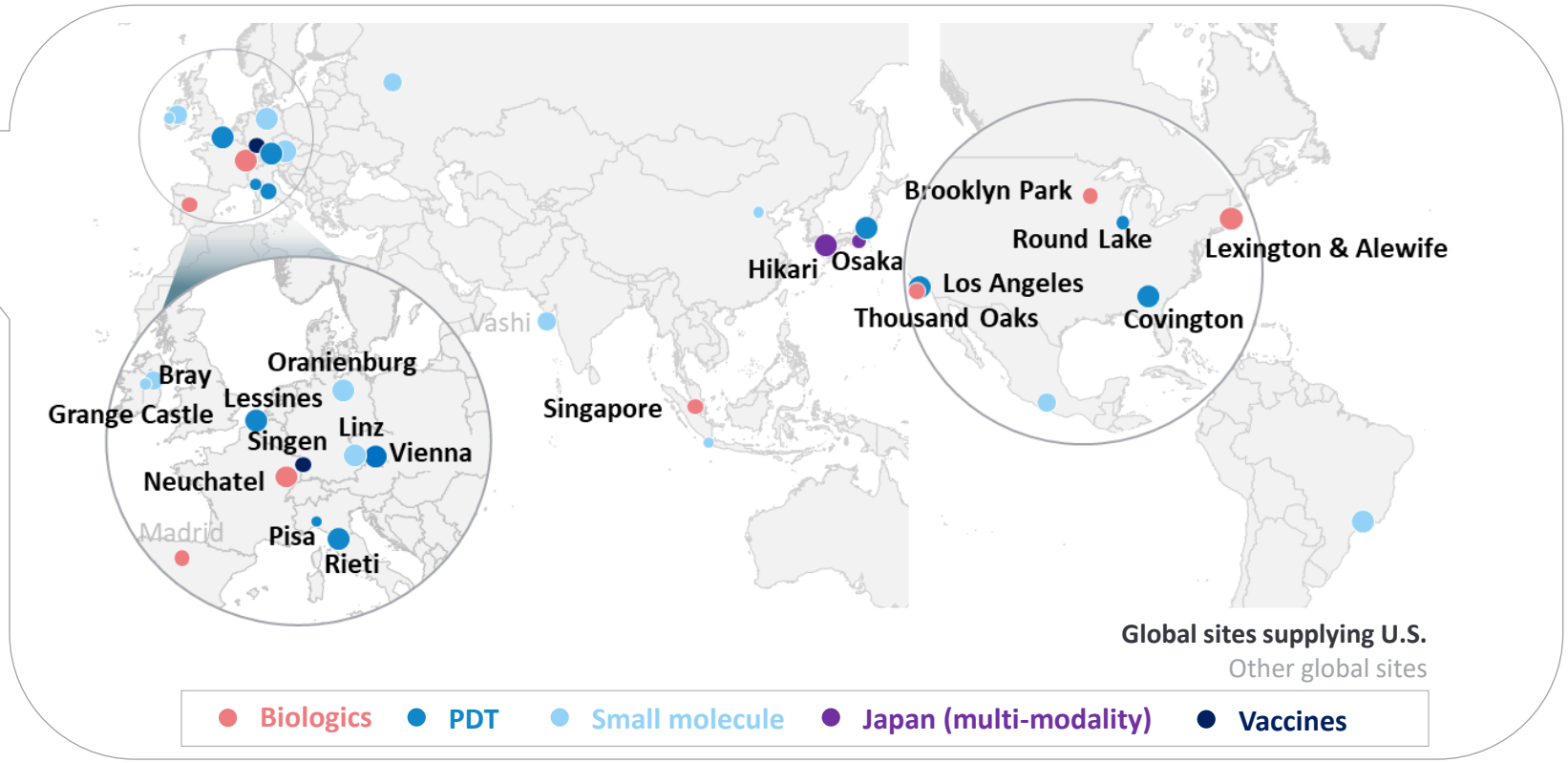
# Takeda's Global Manufacturing is Centered in U.S., Europe, Japan & Singapore

- Tariff exposure is determined by revenue contribution of imports, manufacturing location / country of origin, and transfer pricing policy.
- Based on current assumptions, Takeda believes our likely potential exposure to U.S. and China tariffs is limited.
  - ~50% of total Takeda revenue is from the U.S.; value of imports (primarily from Europe/Japan/Singapore) is ~8 to 10% of total U.S. revenue
  - ~4% of total Takeda revenue is from China; value of imports (from U.S.) is ~12 to 15% of total China revenue
- For imports that may be subject to potential tariff impacts, we are taking mitigation measures (e.g. inventory & supply chain management).

## Global Manufacturing Network

**22** internal global manufacturing sites, with **20** supplying the U.S., including **7** located in the U.S.

Strategic contract manufacturers also distributed across the U.S., Europe and Japan; ~70% of CMO spend is with U.S.-based CMOs






Manufacturing footprint as of July 2025

# AGENDA

## Opening Remarks
Christophe Weber, President & CEO

## Financial Highlights
Milano Furuta, Chief Financial Officer

## Pipeline Update
Andy Plump, President, R&D

***Q&A***

## Question & Answer Session

# Oveporexton (TAK-861): Phase 3 Met All Primary and Secondary Endpoints; Transformative Potential to Establish New Standard of Care in NT1

TheFirstLight STUDY[1]
A RESEARCH STUDY FOR NARCOLEPSY TYPE 1

***12-week treatment period***

**Ph3 TAK-861 3001 N=168**

- Placebo
- **Oveporexton: Low Dose BID**
- **Oveporexton: High Dose BID**

TheRadiantLight STUDY[2]
A RESEARCH STUDY FOR NARCOLEPSY TYPE 1

***12-week treatment period***

**Ph3 TAK-861 3002 N=105**

- Placebo
- **Oveporexton: High Dose BID**

## Majority of NT1 Patients Achieved Normative Ranges Across a Broad Spectrum of Symptoms

**Primary Endpoint:**

✓ Maintenance of Wakefulness Test (MWT)

**Secondary Endpoints:**

✓ Epworth Sleepiness Scale (ESS)
✓ Weekly Cataplexy Rate (WCR)
✓ Psychomotor Vigilance Test (PVT)
✓ Patient Global Impression of Change (PGI-C)
✓ Narcolepsy Severity Scale for Clinical Trials (NSS-CT)
✓ Functional Impacts of Narcolepsy Instrument (FINI)
✓ Short Form-36 Survey (SF-36)
✓ Safety/Tolerability
✓ Other clinically relevant endpoints


✓ $p < 0.001$

**Ph3 readout Jul 2025**

**Ph3 Data World Sleep 2025 IR Call Sept 8th Morning EST/Evening JST**

**US Target Filing FY25**

**Other Target Filings FY25+**



1. Clinicaltrial.gov-TAK-861-3001
2. Clinicaltrial.gov-TAK-861-3002

# Oveporexton Phase 3 Results Reinforce Conviction in Orexin Biology Moving Full Speed Ahead With Multi-Asset Orexin Pipeline

**Oveporexton:**
***First & Fast in NT1***

- Potential significant first mover advantage with orexin agonist launch – addressing the underlying pathophysiology of orexin deficiency in NT1[1]
- Ph3 and Long-term Extension (LTE) data support a potential best-in-class transformative profile addressing a broad spectrum of NT1 symptoms

**TAK-360:**
***Fast following in NT2 & IH***

- Novel chemistry and profile for orexin normal indications
- Fast track designation received; NT2 and IH Ph2 enrolling
- Accelerated development in indications with normal orexin levels

**Additional assets/ indications**

- Tailored profiles to deliver optimal exposure for additional indications pertinent to orexin biology: sleep-wake, respiration, and metabolism
- Next-gen orexin agonist expected to begin Phase 1 in FY2025
- Additional differentiated assets in preclinical stage



1. Dauvilliers, Y., N Engl J Med, 2023

# Beyond Oveporexton: Significant Pipeline Achievements Since Q4

## Major NME Milestones

**rusfertide**
Polycythemia Vera
ASCO Plenary Presentation

**zasocitinib**
Psoriasis
Phase 3 Head-to-Head Start vs deucravacitinib

**elritercept**
2L Anemia-associated MDS Phase 3 Start

## Regional Approvals

ADCETRIS® brentuximab vedotin | injection 50 mg

**FL HL** (BrECADD)
**EU Approval**

HyQvia
Human Normal Immunoglobulin (10%)
Recombinant Human Hyaluronidase

**CIDP + MMN**
**Japan Approval**

GAMMAGARD LIQUID ERC

**GammaGard Liquid ERC/Deqsiga**
(IgG - Low IgA)
**US/EU Approval**

MDS: Myelodysplastic syndrome
FL HL: Frontline Hodgkin lymphoma
BrECADD: Brentuximab, Etoposide, Cyclophosphamide, Adriamycin, Dacarbazine, Dexamethasone
CIDP: Chronic inflammatory demyelinating polyradiculoneuropathy
MMN: Multifocal motor neuropathy
ERC: Enhanced Removal Capabilities
IgG: immunoglobulin G
IgA: immunoglobulin A

# FY25 is a Pivotal Year for the Late-Stage Pipeline

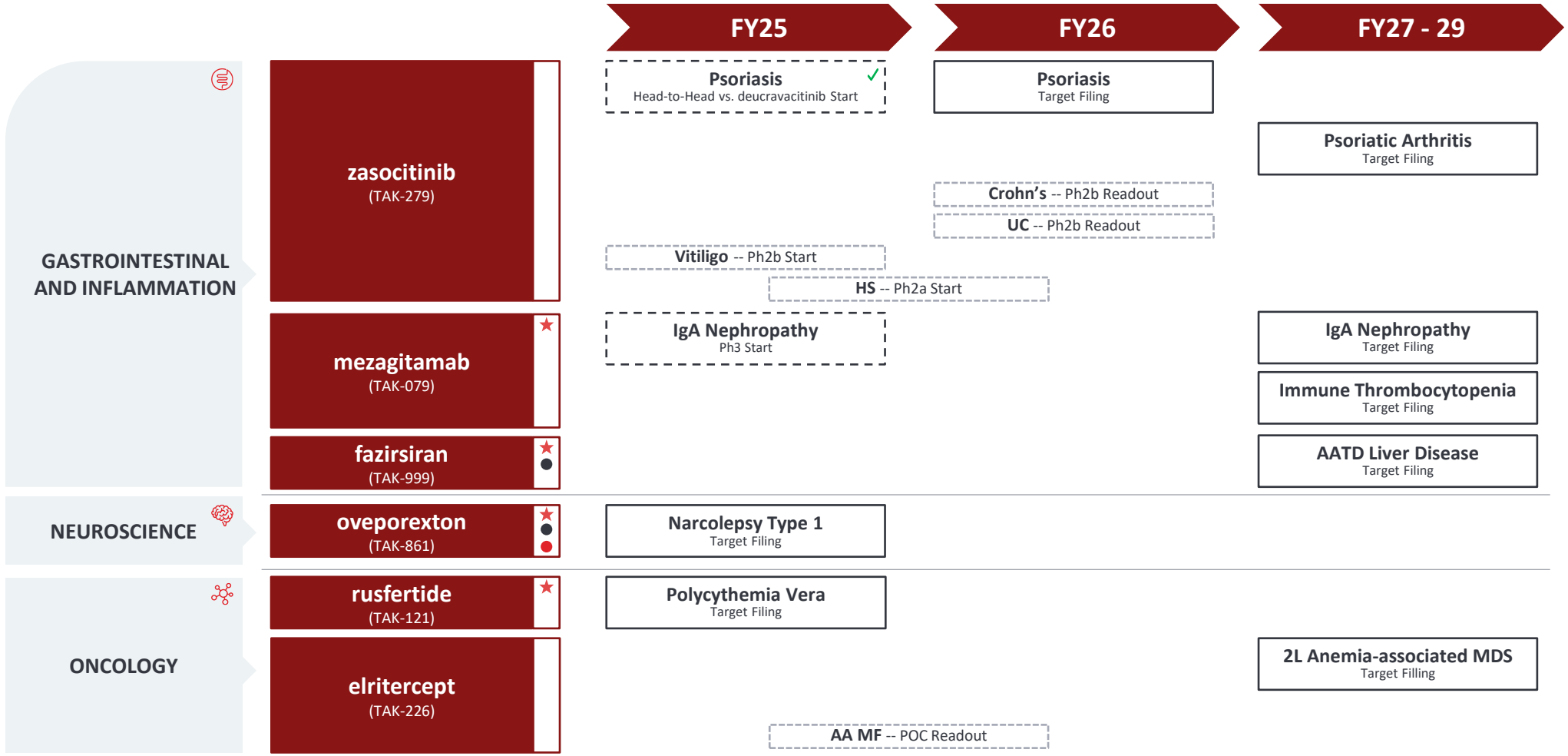
| | Rusfertide | Oveporexton | Zasocitinib |
|---|---|---|---|
| H1 FY25 | **VERIFY Study**<br>**Polycythemia Vera**<br>ASCO Plenary Session 2025 ✓<br>Positive Phase 3 Data ✓ | **The First Light Study**<br>**The Radiant Light Study**<br>**Narcolepsy Type 1**<br>Positive Phase 3 Data ✓ | |
| | | **The First Light Study**<br>**The Radiant Light Study**<br>**Narcolepsy Type 1**<br>World Sleep Conference 2025<br>Phase 3 Data Presentation | **LATITUDE-PsO-3004**<br>**Head-to-head vs. deucravacitinib**<br>**Psoriasis**<br>Phase 3 Start ✓ |
| H2 FY25 | **VERIFY Study**<br>**Polycythemia Vera**<br>52-Week Response Durability, Safety<br>Target Medical Conference | | |
| | **Polycythemia Vera**<br>Target Filing US | **Narcolepsy Type 1**<br>Target Filing US<br>Initiate Global Filings | **LATITUDE-PsO-3001**<br>**LATITUDE-PsO-3002**<br>**Psoriasis**<br>Phase 3 Readout |
| | | | **Psoriasis**<br>Target Medical Conference<br>Phase 3 Data |



All timelines are approximate estimates as of July 30th, 2025, are subject to change and are subject to clinical and regulatory success. Table only shows selected R&D milestones and is not comprehensive. For full glossary of abbreviations please refer to appendix.

✓ Milestone achieved

# Accelerating the Development of Life Transforming Medicines which have the Potential to Generate Significant Value




★ Orphan drug designations in at least one indication

● US Breakthrough and/or EU PRIME designations in at least one indication

● Japan SAKIGAKE and/or China Breakthrough designations in at least one indication

Late-stage program: Program in or expected to be in potential pivotal trial or having achieved proof-of-concept.

Approved

Target Filing, anticipated year of filing for regulatory approval

Targeted pivotal study / Phase 3 start

Proof-of-concept/Dose ranging Phase 2 study

✓ Milestone achieved



All timelines are approximate estimates as of July 30th, 2025, are subject to change and are subject to clinical and regulatory success. Table only shows selected R&D milestones and is not comprehensive. For full glossary of abbreviations please refer to appendix.

# Q&A SESSION

**CHRISTOPHE WEBER**
Representative Director;
President & CEO

**ANDY PLUMP**
Director; President,
Research & Development

**MILANO FURUTA**
Director;
Chief Financial Officer

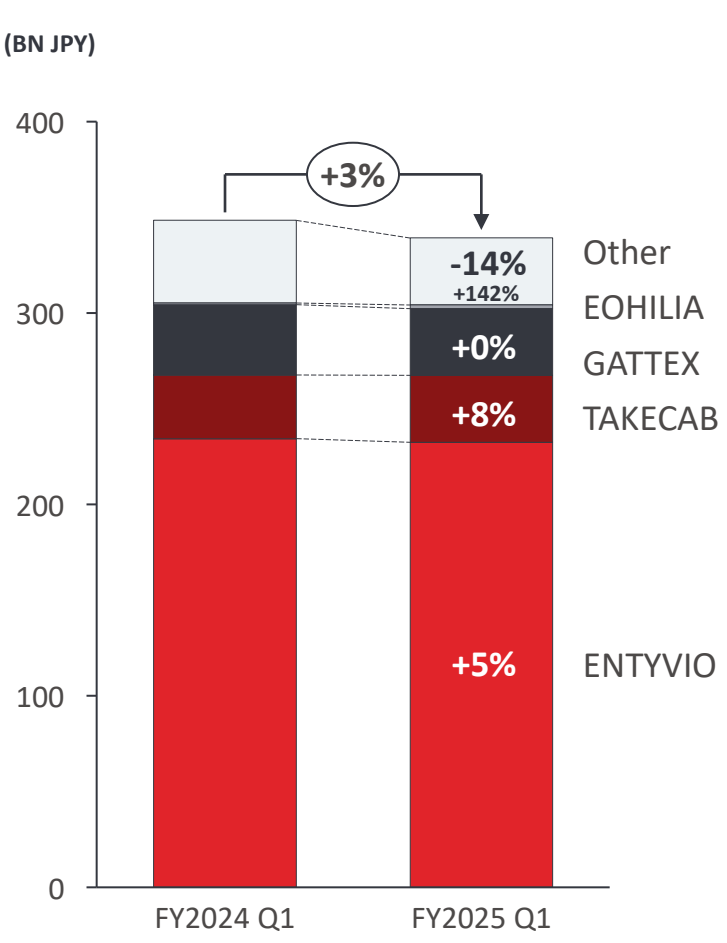
**JULIE KIM**
President,
US Business Unit

# APPENDIX

# ENTYVIO Momentum Continues with Expansion of ENTYVIO PEN

## GI PORTFOLIO

FY2025 Q1 REVENUE




## Entyvio vedolizumab — FY2025 Q1 Revenue JPY 232.5B (+4.9% growth at CER)

- In the U.S., ENTYVIO remains the #1 prescribed brand in IBD (UC and Crohn's combined)[1] and is the only gut-focused treatment for UC and Crohn's
- ENTYVIO maintains strong U.S. share position as the leading first-line (1L) biologic in UC bio-naïve new starts, despite new entrants
- With both IV and subcutaneous options available, ENTYVIO is unlocking the full IBD market potential with growing Pen adoption, enhanced access pathways, and positive experiences among patients
- In Europe, Entyvio maintains a strong, single digit patient growth despite competitive pressure, fueled by SC penetration
- Investment in studies to support targets of disease clearance and endoscopic healing, plus studies investigating the potential role of combination therapies to break efficacy ceiling in IBD with vedolizumab as backbone
- No change to assumption of biosimilar entry timing. Any biosimilar that seeks to launch prior to 2032 would need to address potential infringement and / or the validity of all relevant patents

## Eohilia™ (budesonide oral suspension) 2mg — FY2025 Q1 Revenue JPY 2.0B (+141.6% growth at CER)

- Patient demand for EOHILIA continues to grow month over month since launch in February 2024
- Growth supported by over 80% unaided HCP awareness and initial positive patient experience; U.S. team remains focused on HCP and patient engagement and education
- EOHILIA is the only FDA-approved treatment with a strong recommendation as a first-line treatment option for Eosinophilic Esophagitis, based on the American College of Gastroenterology guidelines



Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

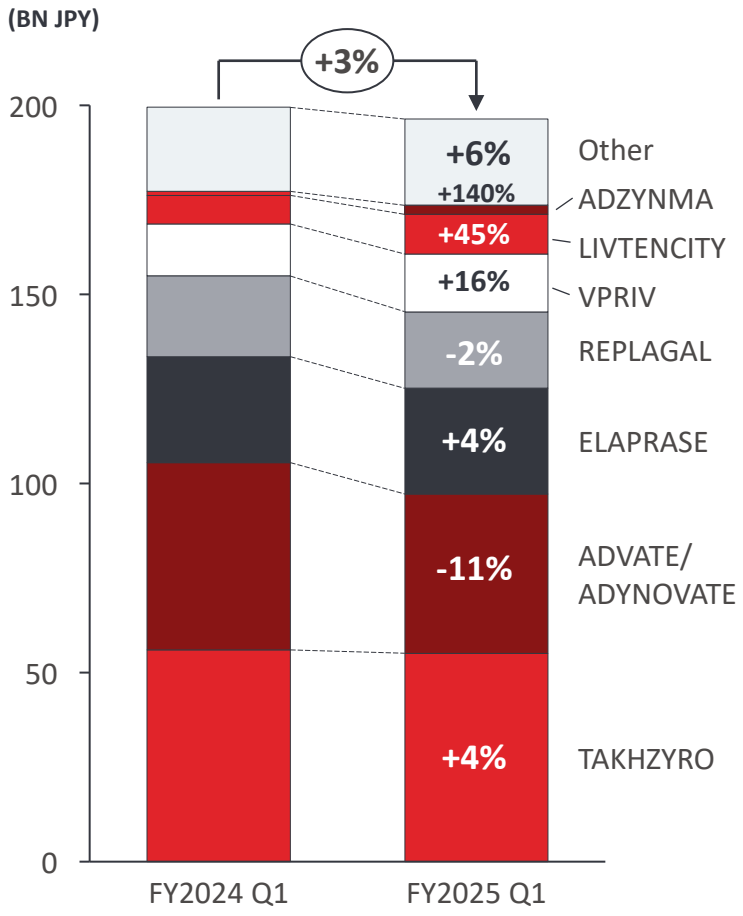
1. Source: US Patient Share – IQVIA

RARE DISEASES

# Sustained TAKHZYRO Growth with ~6,500 Patients Treated Globally; LIVTENCITY Strong Market Penetration in the U.S. & Rapid Geo Expansion

## RARE DISEASES PORTFOLIO

FY2025 Q1 REVENUE




TAKHZYRO (lanadelumab-flyo) injection

### FY2025 Q1 Revenue JPY 55.1B (+3.7% growth at CER)

- 7 years in the market, TAKHZYRO continues to be the #1 prescribed modern long-term prophylaxis with strong performance and ~6,500 patients on treatment driven by:
  - Strong global demand (commercial presence now in >55 countries with strong patient growth) supported by compelling real-world evidence for >3.5 years on therapy with demonstrated improved Quality of Life (potential for zero attacks)
  - Strong patient persistency and rising prophylactic market growth
- TAKHZYRO is the first and only Long-Term Prophylactic HAE treatment available for patients 2 years of age and up. Worldwide pediatric launches continue with positive progress in the U.S., European and emerging markets

LIVTENCITY™ (maribavir) tablets 200mg

### FY2025 Q1 Revenue JPY 10.5B (+45.1% growth at CER)

- LIVTENCITY continues to show strong U.S performance driven by increased breadth and depth of activated centers, new and repeat prescribers, and positive market access trends leading to growth in new patient starts
- Real world utilization has demonstrated highly individualized treatment with partially longer treatment duration and a potential broader patient base
- Rapid geo expansion: Available in >30 countries worldwide; recent launch in Japan and NRDL coverage in China
- Favorably positioned across updated international clinical practice guidelines for both Solid Organ and Stem Cell Transplantation

ADZYNMA ADAMTS13, recombinant-krhn

### FY2025 Q1 Revenue JPY 2.4B (+139.6% growth at CER)

- Strong launch trajectory: Launched for cTTP in the U.S., Japan, Germany and Austria, and approval granted in Brazil in December 2024, UK in May 25. Further launches ongoing for EU and emerging markets
- Momentum driven by high HCP interest for an ultra-rare patient population with a tremendous unmet need
- Commercial launch and uptake in cTTP is exceeding our initial ambition, with patients continuing to transition quickly from historical treatments to ADZYNMA



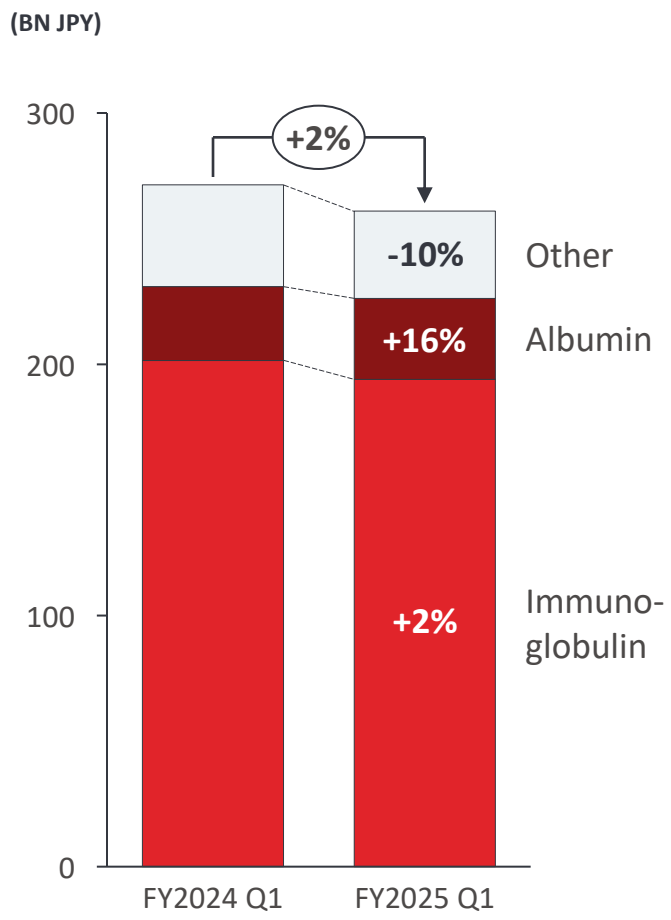
Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

HCP: Healthcare professional

# PDT Portfolio: Continues to Deliver Solid Growth Driven by Sales of Immunoglobulin and Albumin Products

## PDT PORTFOLIO

FY2025 Q1 REVENUE




## Immunoglobulin

### FY25 Q1 Revenue JPY 194.0B (+2.0% growth at CER)

- IVIG growth impacted by inter quarter fluctuations, SCIG portfolio expands with double-digit % revenue growth
- Full-year guidance of "high single-digit growth" at CER vs. FY2024 driven by strong global demand and consistent supply
- Continued investment in innovation and differentiation of IG portfolio, including recent approval of GAMMAGARD LIQUID ERC and HyHub/HyHub Duo devices

GAMMAGARD LIQUID [Immune Globulin Intravenous (Human)] 10% · Kiovig Human Normal Immunoglobulin (IVIg) · HyQvia Human Normal Immunoglobulin (10%) Recombinant Human Hyaluronidase · Cuvitru [Immune Globulin Subcutaneous (Human)] 20%

## Albumin

### FY25 Q1 Revenue JPY 32.2B (+16.2% growth at CER)

- Strong growth supported by global demand and supply rebound post manufacturing upgrades in FY2024
- Full-year guidance of "high single-digit growth" at CER vs. FY2024

Flexbumin (Human Albumin) · HUMANALBUMIN SOLUTION FOR INFUSION

## CONTINUING TO INVEST IN PLASMA DONATION AND CAPACITY EXPANSION

- Plasma donation volume continues to grow supported by our network of 276 centers as of June 2025. FY2025 growth will focus on ramping up new centers, network optimization and digital transformation
- Personalized nomogram deployment to safely increase plasma donation volumes continues; expect full U.S. rollout by end of FY2025
- Significant investment in data and digital helps attract and retain donors through the delivery of an exceptional, personalized and differentiated donor experience
- Targeted investments across manufacturing network continue to increase yield, expand capacity and create efficiencies, leveraging data, digital & technology capabilities

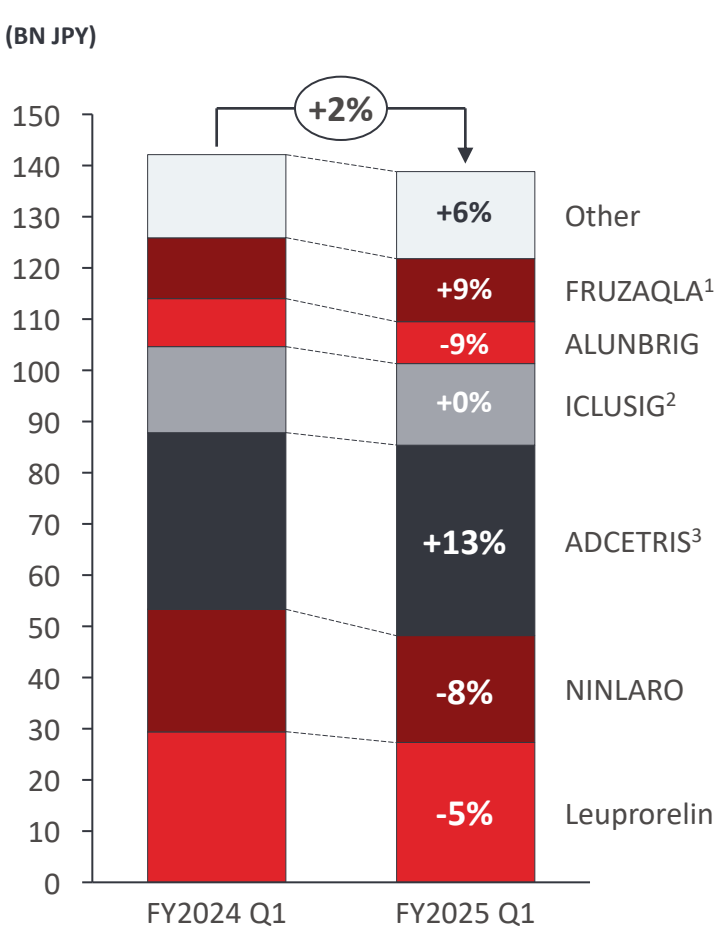


Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

# Growth of Oncology Portfolio Driven by ADCETRIS and FRUZAQLA

## ONCOLOGY PORTFOLIO

FY2025 Q1 REVENUE




Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

ADCETRIS (brentuximab vedotin)

### FY2025 Q1 Revenue JPY 37.2B (+13.2% growth at CER)

- Increased use in 1L Hodgkin lymphoma is primary driver of growth
- In June, the European Commission approved ADCETRIS in combination with ECADD for the treatment of adult patients with newly diagnosed Stage IIb with risk factors/III/IV CD30+ Hodgkin lymphoma

Fruzaqla® (fruquintinib) capsules

### FY2025 Q1 Revenue JPY 12.3B (+8.9% growth at CER)

- Approved or launched in more than 30 countries to date; Q1 launches include Italy, Korea and Argentina
- NICE issued positive recommendation for NHS reimbursement in England and Wales; advancement in reimbursement and pricing negotiations in additional markets continuing
- Key drivers include the need for new treatment options in mCRC and ongoing positive feedback from oncologists

ECADD: etoposide, cyclophosphamide, doxorubicin, dacarbazine and dexamethasone . NICE: National Institute for Health and Care Excellence. NHS: National Health Service.
For full glossary of abbreviations please refer to appendix.

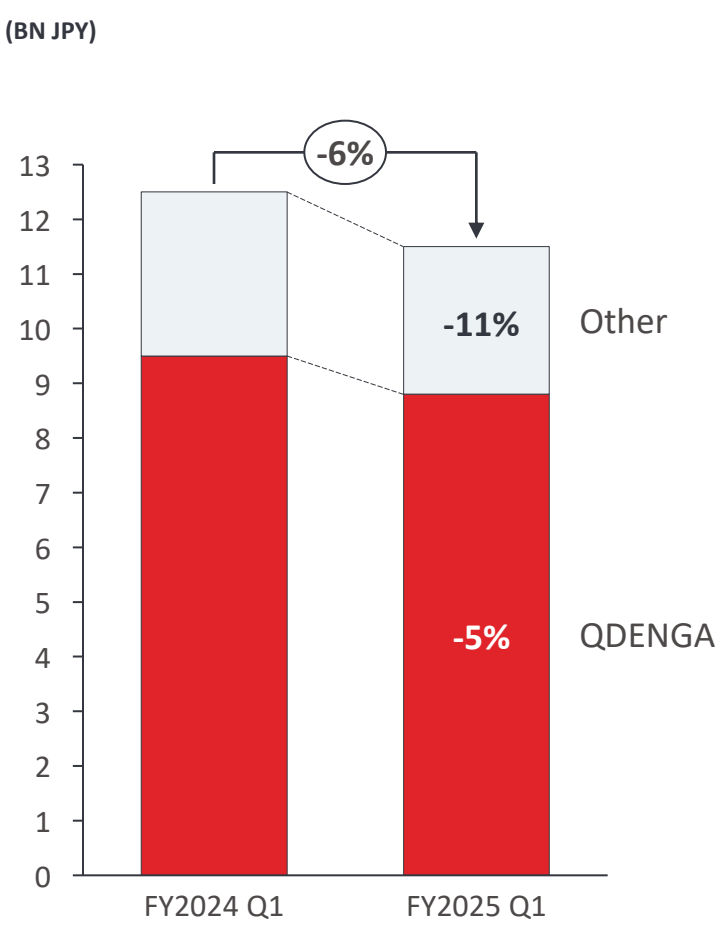
1. FRUZAQLA is in-licensed from HUTCHMED Limited; Takeda has the exclusive worldwide license to further develop, commercialize, and manufacture fruquintinib outside of mainland China, Hong Kong and Macau.
2. Takeda has commercialization rights for ICLUSIG in the U.S. , Australia and Canada. Outside of the U.S., Australia and Canda, ICLUSIG is marketed in over 60 markets by four authorized partners.
3. ADCETRIS is in-licensed from Pfizer Inc. (Seagen acquired by Pfizer in December 2023); Takeda has global co-development and marketing rights outside of the U.S. and Canada.

VACCINES

# QDENGA Demand Continues to Exceed Expectations, with Q1 Growth Impacted by Shipment Timing

## VACCINES PORTFOLIO

FY2025 Q1 REVENUE




Qdenga™ Dengue Tetravalent Vaccine (Live, Attenuated)

## FY2025 Q1 Revenue JPY 8.8B (-4.8% change at CER)

- Q1 year-on-year growth impacted by shipment timing; Full-year guidance of 65% growth at CER
- Strong global demand; available in 29 countries
- Increasing breadth and depth in these markets and further geo expansion drive additional growth
- Productive discussions ongoing with governments in endemic markets towards inclusion in National Immunization Programs (NIP)
  - Available through NIP/regional programs in 2 countries: Brazil (approved Mar 2023, available Dec 2023) and Argentina (approved Apr 2023, available Aug 2024)
- Acknowledgement by important global organizations drives awareness and access for QDENGA
  - World Health Organization (WHO) has added QDENGA to its List of Prequalified Vaccines
  - Available through PAHO's Revolving Fund in 2 countries: Honduras (Oct 2024) and Peru (Oct 2024)
  - The Gavi Board has approved support for a dengue vaccine program which is a major milestone towards broadening access
- Pursuing private and public partnerships with governments, institutional businesses, NGOs and manufacturers to expand access
- Plan to manufacture 15.5 million doses in FY2025; on track towards reaching 100 million doses per year by FY2030



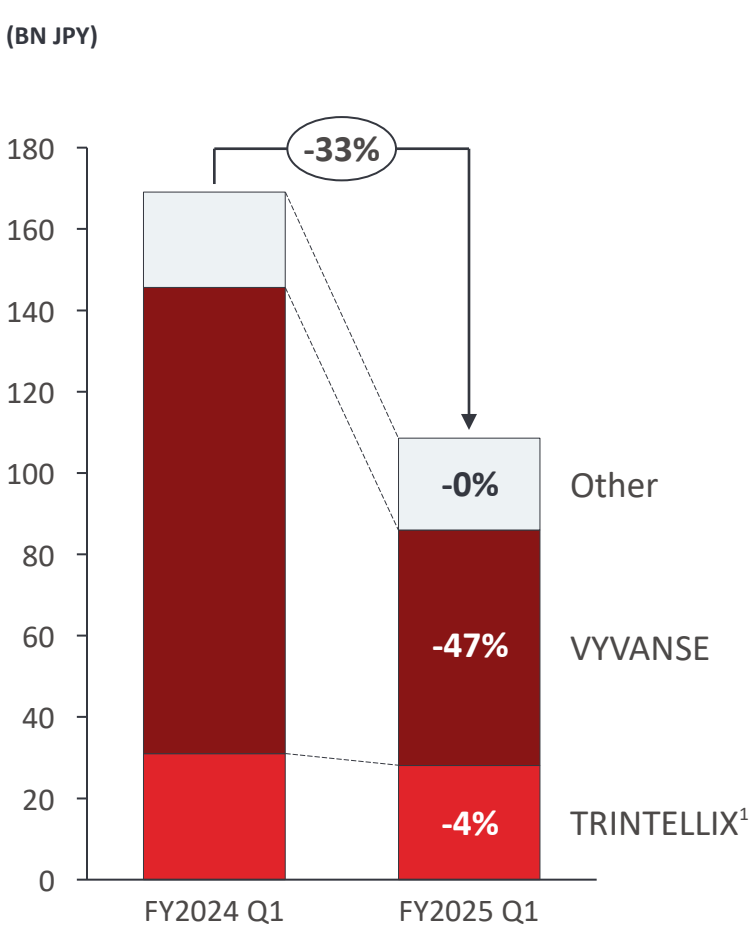
Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

PAHO: Pan American Health Organization
Gavi: Global Alliance for Vaccines and Immunization

# VYVANSE U.S. Loss of Exclusivity Impact from August 2023

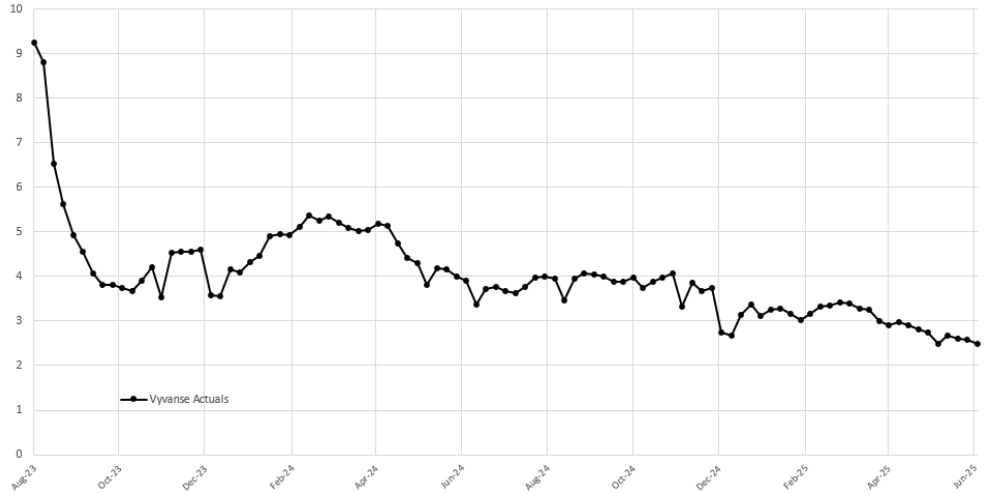
## NEUROSCIENCE PORTFOLIO

FY2025 Q1 REVENUE




## FY2025 Q1 Revenue JPY 57.9B (-46.9% change at CER)

### VYVANSE U.S. Weekly Volume (million units)[2]




- U.S. revenue declined -53.8% at CER in FY2025 Q1, reflecting broader availability of generic supply
- Outside the U.S., major markets where VYVANSE/ELVANSE has experienced Loss of Exclusivity to date include Canada (Jun 2024), Brazil (Jul 2024), and Germany (Aug 2024)

## FY2025 Q1 Revenue JPY 28.1B (-4.0% change at CER)

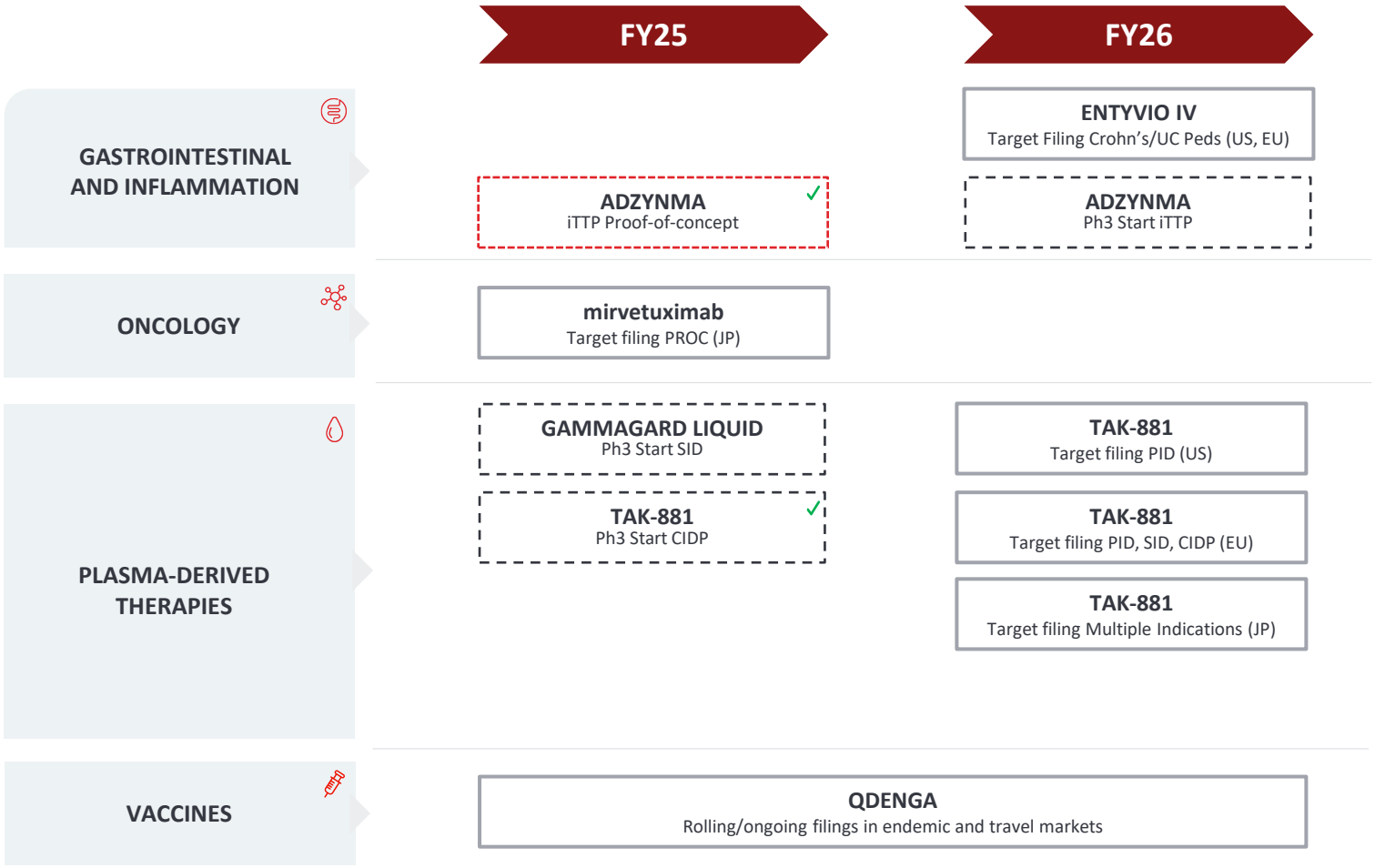
- In the U.S., decline of -6.0% at CER in FY2025 Q1 is primarily due to a change in the distribution network of one major customer, leading to channel destocking
- In Japan, demonstrating continued strong momentum with +13.0% growth in FY2025 Q1



Absolute values are presented on an IFRS (reported) basis;
Year-on-year changes are at CER (please refer to appendix slide A-1 for definition).

1. TRINTELLIX is in-licensed from Lundbeck; Takeda has commercialization rights in the U.S. and co-marketing rights in Japan.
2. Source: IQVIA

# Maximizing Potential of Marketed Portfolio Through LCM Expansions




Approved
Phase 3 study start
Milestone achieved
Target Filing
Proof-of-concept study readout


All timelines are approximate estimates as of July 30th, 2025, are subject to change and are subject to clinical and regulatory success. Table only shows selected R&D milestones and is not comprehensive. For full glossary of abbreviations please refer to appendix.

# Potential Key Phase 3 NME Readouts and Indication Expansions

| | | | | |
|---|---|---|---|---|
| **KEY PIVOTAL READOUTS** | oveporexton | Narcolepsy type 1 | Phase 3 readout | ✓ |
| | zasocitinib | Psoriasis | Phase 3 readout | |
| | mirvetuximab | Platinum resistant ovarian cancer | Pivotal readout[1] | ✓ |
| **KEY POTENTIAL REGULATORY APPROVALS** | ADCETRIS | Frontline Hodgkin lymphoma (BrECADD regimen) | EU approval | ✓ |
| | VONVENDI | Pediatric von Willebrand disease (on-demand/surgery) | U.S. approval | |
| | TAK-880[2] | Low IgA IgG primary immunodeficiency | U.S. approval<br>EU approval | ✓<br>✓ |

✓ Milestone achieved

✗ Milestone not achieved

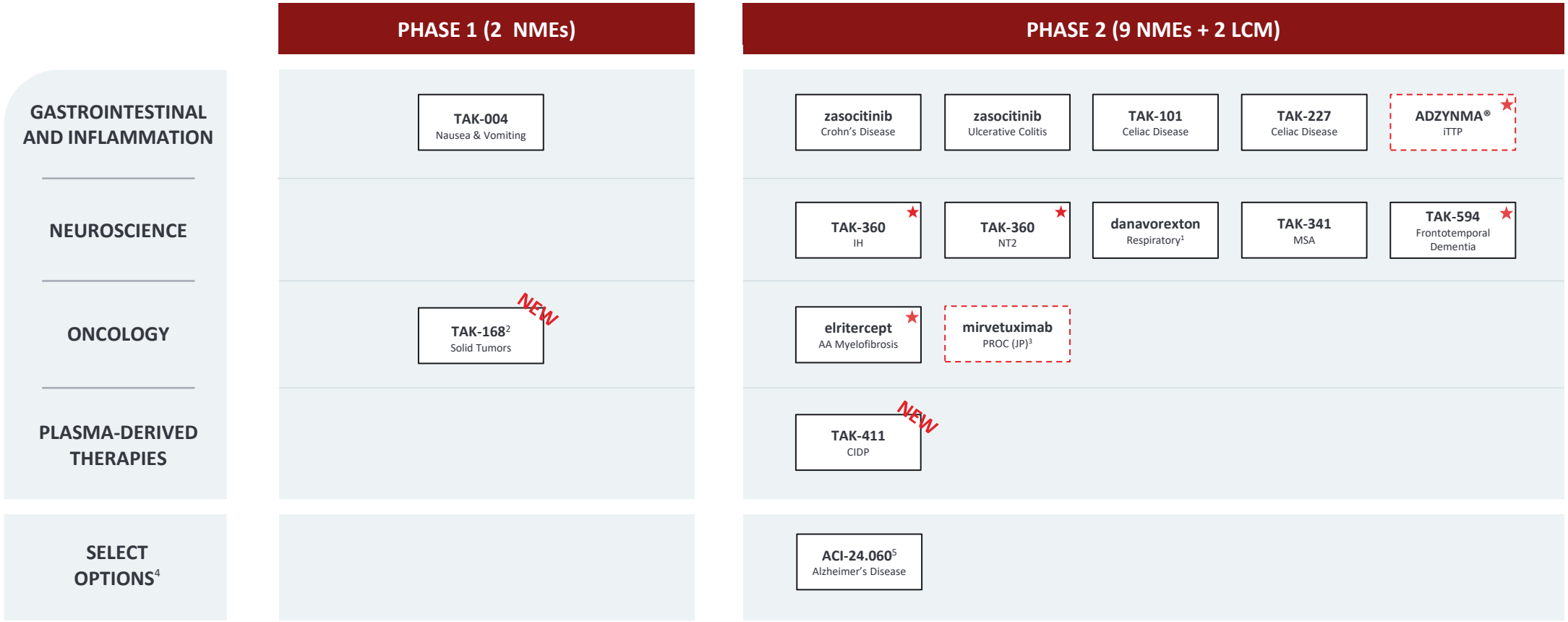
A "readout(s)" for a clinical trial occurs when Takeda has (1) received the relevant clinical data, (2) completed any necessary analysis and review of such clinical data, and (3) in instances where it is required or otherwise common convention or practice, consulted with applicable regulatory authorities regarding such clinical data.

1. Phase 1/2 Pivotal trial which may allow for filing in Japan.
2. TAK-880 has been approved in the U.S. as GAMMAGARD LIQUID ERC and in the EU as DEQSIGA



All timelines are approximate estimates as of July 30th, 2025, are subject to change and are subject to clinical and regulatory success. Table only shows selected R&D milestones and is not comprehensive. For full glossary of abbreviations please refer to appendix.

# Consolidated Development Pipeline by Phase




1. Danavorexton trials in respiratory conditions under development
2. TAK-168 / KQB168 partnership with Kumquat Biosciences Inc. Kumquat leads phase 1 development.
3. Currently in phase 2 of a phase 1/2 trial
4. Select options: Other selected assets that Takeda holds contractual rights to potentially clinically develop and/or commercialize in the future.
5. ACI-24.060 is included for reference only. AC Immune retains ownership of this asset and is solely responsible for its clinical development prior to Takeda's potential exercise of its option to exclusively license certain rights, which is subject to customary conditions including regulatory approval.

NME | LCM

★ Orphan Drug Designation potential (in any region / indication for a given asset)

NEW Added to clinical development since last quarter



All timelines are approximate estimates as of July 30th, 2025, are subject to change and are subject to clinical and regulatory success. Table is not comprehensive. For full glossary of abbreviations please refer to appendix.

# Consolidated Development Pipeline by Phase

| | PHASE 3 (6 NMEs + 12 LCMs) | FILED (10 LCMs) |
|---|---|---|
| GASTROINTESTINAL AND INFLAMMATION | zasocitinib – Psoriasis<br>zasocitinib – Psoriatic Arthritis<br>mezagitamab – ITP ★<br>mezagitamab – IgAN[1] ★<br>fazirsiran – AATD Liver Disease ★<br>ENTYVIO® IV – Pediatric UC/Crohn's<br>ENTYVIO® SC – Pediatric UC/Crohn's | ADZYNMA® – cTTP (CN) ★ |
| NEUROSCIENCE | oveporexton – NT1 ★ | |
| ONCOLOGY | rusfertide – Polycythemia Vera ★<br>elritercept – 2L AA MDS<br>mirvetuximab – PSOC (JP) | ADCETRIS® – FL HL BrECADD (EU) |
| Other Rare Diseases | LIVTENCITY® – Pediatric Post-transplant CMV infection ★<br>VONVENDI® – vWD Pediatric Surgery (EU), Prophylaxis ★<br>ADYNOVATE® – recombinant Factor VIII Pediatric HemA (EU)<br>ADYNOVATE® – recombinant Factor VIII HemA (CN) | VONVENDI® – vWD Pediatric On-demand & Surgery (US)<br>VONVENDI® – vWD Pediatric On-demand & Surgery (JP)<br>VONVENDI® – vWD Pediatric On-demand (EU) |
| PLASMA-DERIVED THERAPIES | TAK-881 – PID<br>TAK-881 – CIDP<br>Prothromplex – DOAC Reversal (US)<br>Glovenin-I 5% – Autoimmune Encephalitis (JP) ★ | HYQVIA® – CIDP, MMN (JP)<br>DEQSIGA TAK-880 – IgG – Low IgA (EU)<br>GAMMAGARD ERC TAK-880 – IgG – Low IgA (US)<br>HyHub™ – AVA Device (US)<br>Glovenin-I 10% – Multiple Indications (JP) |
| VACCINES | QDENGA® – Dengue Vaccine Booster | |
| SELECT OPTIONS[2] | olverembatinib[3] HQP1351 – CP-CML ★ | |

1. Phase 3 Mezagitamab IgAN trial actively recruiting.
2. Select options: Other selected assets that Takeda holds contractual rights to potentially clinically develop and/or commercialize in the future.
3. Olverembatinib/HQP1351 is included for reference only. Ascentage Pharma retains ownership of this asset and is solely responsible for its clinical development prior to Takeda's potential exercise of its option to exclusively license certain rights, which is subject to customary conditions including regulatory approval.

APPROVED | NME | LCM

★ Orphan Drug Designation potential (in any region / indication for a given asset)

All timelines are approximate estimates as of July 30th, 2025, are subject to change and are subject to clinical and regulatory success. Table is not comprehensive. For full glossary of abbreviations please refer to appendix.

# Zasocitinib (TAK-279):
# Best-in-class potential due to high selectivity, once daily oral administration

Latitude

| | PHASE 2 START | PHASE 2b READOUT | PHASE 3 | FILING |
|---|---|---|---|---|
| Psoriasis | | ✓ Ph2b March 2023 | ✓ Ph3 Start FY2023 | Target FY2026 |
| | | | ✓ H2H vs. deucra Start FY2025 | |
| Psoriatic Arthritis | | ✓ Ph2b September 2023 | ✓ Ph3 Start FY2024 | Target FY28/29 |
| Crohn's Disease | ✓ Ph2b March 2024 | Target FY2026 | | |
| Ulcerative Colitis | ✓ Ph2b June 2024 | Target FY2026 | | |
| Vitiligo | Ph2b FY2025 | | | |
| Hidradenitis Suppurativa | Ph2a FY25/26 | | | |

**Zasocitinib is a highly selective (TYK2 over JAKs ~1.3 M times) once daily pill**

- TYK2, IL-23, IL-12 therapies active in many autoimmune diseases
- Genetic data: Loss of TYK2 function reduces risk in PsO, PsA, Crohn's, UC, others
- Preclinical models support use

Strong clinical validation for mechanism across multiple autoimmune conditions:
Promising for immunological disorders including IBD

✓ Milestone achieved



All timelines are approximate estimates as of July 30th, 2025, are subject to change and are subject to clinical and regulatory success. Table is not comprehensive. For full glossary of abbreviations please refer to appendix.

# Continuing Evidence Generation and Indication Expansion

| | PHASE 3 | PHASE 3b / 4 | PUBLISHED | APPROVED |
|---|---|---|---|---|
| **Ulcerative colitis** | ENTYVIO® IV Pediatric (Global) | ENTYVIO® IV (VERDICT) (Global)[3,4] | ENTYVIO® IV (VARSITY) ENT vs. ada[1] | ENTYVIO® IV (Global) |
| | ENTYVIO® SC Pediatric (Global) | ENTYVIO® IV (EXIGEM) ENT + tof (US/Can)[3] | | ENTYVIO® SC (US, EU, JP) |
| | | ENTYVIO® IV/SC (PANORAMA) (US)[3] | | |
| **Crohn's disease** | ENTYVIO® IV Pediatric (Global) | ENTYVIO® IV (EXPLORER 2) ENT + ada or ENT + ust (US/Can)[3] | | ENTYVIO® IV (Global) |
| | ENTYVIO® SC Pediatric (Global) | ENTYVIO® IV (VICTRIVA) ENT + upa (Global)[3] | | ENTYVIO® SC (US, EU, JP) |
| | | ENTYVIO® (VOICE) ENT or ust (US/Can)[3,4] | | |
| | | ENTYVIO® IV (VECTORS) (Global)[3,4] | | |
| | | ENTYVIO® IV/SC (PANORAMA) (US)[3] | | |
| **Pouchitis** | | | | ENTYVIO® IV (EU) |
| **Graft-versus-host disease** | | | ENTYVIO® IV (Global)[2] ★ | |

1. Sands BE et al. N Engl J Med 2019;381:1215-26.
2. Chen YB et al., presented at the Transplantation & Cellular Therapy Meetings of ASTCT and CIBMTR, February 18th, 2023
3. Not designed as label-enabling studies
4. Collaborative study led by Alimentiv in collaboration with Takeda

ENT: ENTYVIO
Tof: tofacitinib
Ada: adalimumab
Ust: ustekinumab
Upa: upadacitinib

Approved | Published | Ongoing study or filing

★ Orphan Drug Designation potential

All timelines are approximate estimates as of July 30th, 2025, are subject to change and are subject to clinical and regulatory success. Table is not comprehensive. For full glossary of abbreviations please refer to appendix.

# Glossary of Abbreviations

**Regional Abbreviations:**
CN: China; EU: Europe; JP: Japan; U.S.: United States of America

| | |
|---|---|
| **AA** | anemia-associated |
| **AATD** | α1-antitrypsin deficiency |
| **AATD LD** | α1-antitrypsin deficiency associated liver disease |
| **ADAMTS13** | a disintegrin-like and metalloproteinase with a thrombospondin type 1 motifs 13 |
| **ADC** | antibody–drug conjugate |
| **ASCO** | American Society of Clinical Oncology |
| **ASH** | American Society of Hematology |
| **ASN** | American Society of Nephrology |
| **AVA** | Advanced Vial Access |
| **BID** | bis in die, twice a day |
| **BTD** | breakthrough therapy designation |
| **CAR NK** | chimeric antigen receptor natural killer cell |
| **CHMP** | Committee for Medicinal Products for Human Use |
| **CIDP** | chronic inflammatory demyelinating polyradiculoneuropathy |
| **CML** | chronic myeloid leukemia |
| **CMV** | cytomegalovirus |
| **CP-CML** | chronic-phase chronic myeloid leukemia |
| **cTTP** | congenital thrombotic thrombocytopenic purpura |
| **DOAC** | direct oral anti-coagulation |
| **EDS** | excessive daytime sleepiness |
| **EMA** | European Medicines Agency |
| **ERC** | Enhanced Removal Capabilities |
| **ESS** | Epworth Sleepiness Scale |
| **FDA** | U.S. Food & Drug Administration |
| **FINI** | Functional Impacts of Narcolepsy Instrument |
| **FL** | front line |
| **fSCIG** | facilitated Subcutaneous Immunoglobulin |
| **FY** | fiscal year |
| **GI** | gastrointestinal |
| **H2H** | head-to-head |
| **HAE** | hereditary angioedema |
| **HemA** | hemophilia A |
| **HL** | Hodgkin lymphoma |
| **HS** | hidradenitis suppurativa |
| **IBD** | inflammatory bowel disease |
| **IgA** | immunoglobulin A |
| **IgAN** | immunoglobulin A nephropathy |
| **IgG** | immunoglobulin G |
| **IH** | idiopathic hypersomnia |
| **IND** | investigational new drug |
| **INN** | international non-proprietary name |
| **ISTH** | International Society on Thrombosis and Haemostasis |
| **ITP** | immune thrombocytopenia |
| **iTTP** | immune thrombotic thrombocytopenic purpura |
| **IV** | intravenous |
| **JAK** | Janus kinase |
| **LCM** | lifecycle management |
| **LTE** | long-term extension |
| **MDS** | myelodysplastic syndrome |
| **MF** | myelofibrosis |
| **MMN** | multifocal motor neuropathy |
| **MSA** | multiple system atrophy |
| **MWT** | maintenance of wakefulness test |
| **NDA** | new drug application |
| **NK** | natural killer |
| **NME** | new molecular entity |
| **NMPA** | (China's) National Medical Products Administration |
| **NSS-CT** | Narcolepsy Severity Scale |
| **NT1 or 2** | narcolepsy type 1 or 2 |
| **OX2R** | orexin 2 receptor |
| **PDT** | plasma derived therapies |
| **PGI-C** | Patient Clinical Global Impression of Change |
| **PID** | primary immunodeficiency |
| **PK** | pharmacokinetics |
| **PMDA** | Japan's Pharmaceuticals and Medical Devices Agency |
| **POC** | proof of concept |
| **PRIME** | Priority medicines scheme by EMA |
| **PROC** | platinum-resistant ovarian cancer |
| **PsO** | psoriasis |
| **PSOC** | platinum-sensitive ovarian cancer |
| **PTRS** | probability of technical and regulatory success |
| **PV** | polycythemia vera |
| **PVT** | Psychomotor Vigilance Task |
| **QD** | quaque die, every day |
| **QOL** | quality of life |
| **SC** | subcutaneous formulation |
| **SF-36** | Short Form-36 Survey |
| **SID** | secondary immunodeficiency |
| **SOC** | standard of care |
| **TKI** | tyrosine kinase inhibitor |
| **TYK2** | tyrosine kinase 2 |
| **UC** | ulcerative colitis |
| **vWD** | von Willebrand disease |
| **WCR** | weekly cataplexy rate |
| **wk(s)** | week(s) |
| **WW** | worldwide |

# FINANCIAL APPENDIX

# Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations

**Core Financial Measures**

Takeda's Core Financial Measures, particularly **Core Revenue**, **Core Operating Profit**, **Core Net Profit for the Year attributable to owners of the Company** and **Core EPS**, exclude revenue from divestments, amortization and impairment losses on intangible assets associated with products (including in-process R&D) and other impacts unrelated to the underlying trends and business performance of Takeda's core operations, such as non-recurring items, purchase accounting effects and transaction related costs. **Core Revenue** represents revenue adjusted to exclude revenue items unrelated to the underlying trends and business performance of Takeda's core operations (primarily revenue or related adjustments associated with divestments and liquidations). **Core Operating Profit** represents operating profit adjusted to exclude other operating expenses and income, amortization and impairment losses on intangible assets associated with products (including in-process R&D) and non-cash items or items unrelated to the underlying trends and business performance of Takeda's core operations. **Core Net Profit for the Year attributable to owners of the Company** represents net profit for the year attributable to owners of the Company, adjusted to eliminate the impact of items excluded in the calculation of Core Operating Profit and other non-operating items (e.g. amongst other items, fair value adjustments and the imputed financial charge related to contingent consideration) that are unusual, non-recurring in nature or unrelated to the underlying trends and business performance of Takeda's ongoing operations and the tax effect of each of the adjustments. **Core EPS** is calculated by dividing Core Net Profit for the Year attributable to owners of the Company by the average outstanding shares (excluding treasury shares) of the reporting periods presented.

Takeda presents its Core Financial Measures because Takeda believes that these measures are useful to understanding its business without the effect of items that Takeda considers to be unrelated to the underlying trends and business performance of its core operations, including items (i) which may vary significantly from year-to-year or may not occur in each year or (ii) whose recognition Takeda believes is largely uncorrelated to trends in the underlying performance of our core business. Takeda believes that similar measures are frequently used by other companies in its industry and that providing these measures helps investors evaluate Takeda's performance against not only its performance in prior years but on a similar basis as its competitors. Takeda also presents Core Financial Measures because these measures are used by Takeda for budgetary planning and compensation purposes (i.e., certain targets for the purposes of Takeda's Short-Term Incentive and Long-Term Incentive compensation programs, including incentive compensation of the CEO and CFO, are set in relation to the results of Takeda's Core Financial Measures).

**Constant Exchange Rate ("CER") Change**

**CER Change** eliminates the effect of foreign exchange rates from year-over-year comparisons by translating financial results in accordance with IFRS or Core (non-IFRS) financial measures for the current period using corresponding exchange rates in the same period of the previous fiscal year, except for the results of operations of subsidiaries in countries experiencing hyperinflation and for which IAS29, Financial Reporting in Hyperinflation Economies, is applied.

Takeda presents CER change because we believe that this measure is useful to investors to better understand the effect of exchange rates on our business and to understand how our results of operations might have changed from year to year without the effect of fluctuations in exchange rates. These are the primary ways in which our management uses these measures to evaluate our results of operations. We also believe that this is a useful measure for investors as similar performance measures are frequently used by securities analysts, investors and other interested parties in the evaluation of the results of operations of other companies in our industry (many of whom similarly present measures that adjust for the effect of exchange rates).

The usefulness of this presentation has significant limitations including but not limited to, that while CER change is calculated using the same exchange rates used to calculate financial results as presented under IFRS for the previous fiscal year, this does not necessarily mean that the transactions entered into during the relevant fiscal year could have been entered into or would have been recorded at the same exchange rates. Moreover, other companies in our industry using similarly titled measures may define and calculate those measures differently than we do and therefore such measures may not be directly comparable. Accordingly, CER change should not be considered in isolation and is not, and should not be viewed as, a substitute for change in financial results as prepared and presented in accordance with IFRS.

**Free Cash Flow and Adjusted Free Cash Flow**

Takeda defines **Free Cash Flow** as cash flows from operating activities less acquisition of property, plant and equipment ("PP&E"). Takeda defines **Adjusted Free Cash Flow** as cash flows from operating activities, subtracting payments for acquisition of PP&E, intangible assets, investments (excluding debt investments classified as Level 1 in the fair value hierarchy), shares in associates and businesses, net of cash and cash equivalents acquired and other transactional payments deemed related or similar in substance thereto as well as adding proceeds from sales of PP&E, sales and redemption of investments (excluding debt investments classified as Level 1 in the fair value hierarchy), sales of shares in associates and sales of businesses, net of cash and cash equivalents divested and further adjusting for the movement of any other cash that is not available to Takeda's immediate or general business use.

Takeda presents Free Cash Flow and Adjusted Free Cash Flow because Takeda believes that these measures are useful to investors as similar measures of liquidity are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. Adjusted Free Cash Flow is also used by our management to evaluate our liquidity and our cash flows, particularly as they relate to our ability to meet our liquidity requirements and to support our capital allocation policies. Takeda also believes that Free Cash Flow and Adjusted Free Cash Flow are helpful to investors in understanding how our strategic acquisitions and divestitures of businesses contribute to our cash flows and liquidity.

The usefulness of Free Cash Flow and Adjusted Free Cash Flow to investors has significant limitations including, but not limited to, (i) they may not be comparable to similarly titled measures used by other companies, including those in our industry, (ii) they do not reflect the effect of our current and future contractual and other commitments requiring the use or allocation of capital and (iii) the addition of proceeds from sales and redemption of investments and the proceeds from sales of business, net of cash and cash equivalents divested do not represent cash received from our core ongoing operations. Free Cash Flow and Adjusted Free Cash Flow should not be considered in isolation and are not, and should not be viewed as, substitutes for cash flows from operating activities or any other measure of liquidity presented in accordance with IFRS. The most directly comparable measure under IFRS for Free Cash Flow and Adjusted Free Cash Flow is net cash from operating activities.

**EBITDA and Adjusted EBITDA**

Takeda defines **EBITDA** as consolidated net profit before income tax expenses, depreciation and amortization and net interest expense. Takeda defines **Adjusted EBITDA** as EBITDA further adjusted to exclude impairment losses, other operating income and expenses (excluding depreciation and amortization, as well as impairment losses), finance income and expenses (excluding net interest expense), our share of profit or loss of investments accounted for using the equity method, other non-cash items such as non-cash equity-based compensation expense, and other items that management believes are unrelated to our core operations, including EBITDA from divested products, purchase accounting effects and transaction related costs.

Takeda presents EBITDA and Adjusted EBITDA because Takeda believes that these measures are useful to investors as they are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. Primarily, Adjusted EBITDA is used by Takeda for the purposes of monitoring its financial leverage. Takeda further believes that Adjusted EBITDA is helpful to investors in identifying trends in its business that could otherwise be obscured by certain items unrelated to ongoing operations because they are highly variable, difficult to predict, may substantially impact our results of operations and may limit the ability to evaluate our performance from one period to another on a consistent basis.

The usefulness of EBITDA and Adjusted EBITDA to investors has significant limitations including, but not limited to, (i) they may not be comparable to similarly titled measures used by other companies, including those in the pharmaceutical industry, (ii) they exclude financial information and events, such as the effects of an acquisition, or amortization of intangible assets, that some may consider important in evaluating Takeda's performance, value or prospects for the future, (iii) they exclude items or types of items that may continue to occur from period to period in the future and (iv) they may not include all items which investors may consider important to an understanding of our results of operations, or may not exclude all items which investors may not consider important for such understanding. EBITDA and Adjusted EBITDA should not be considered in isolation and are not, and should not be viewed as, substitutes for operating income, net profit for the year or any other measure of performance presented in accordance with IFRS. The most closely comparable measure presented in accordance with IFRS is net profit for the year.

**Net Debt and Adjusted Net Debt**

Takeda defines **Net Debt** as the book value of bonds and loans on consolidated statements of financial position adjusted only for cash and cash equivalents and **Adjusted Net Debt** first by calculating the sum of the current and non-current portions of bonds and loans as shown on our consolidated statement of financial position, which is then adjusted to reflect (i) the use of prior 12-month average exchange rates for non-JPY debt outstanding at the beginning of the period and the use of relevant spot rates for new non-JPY debt incurred and existing non-JPY debt redeemed during the reporting period, which reflects the methodology our management uses to monitor our leverage, and (ii) the "equity credit" applied to Takeda's "hybrid" subordinated indebtedness by S&P Global Rating Japan in recognition of the equity-like features of those instruments pursuant to such agency's ratings methodology. To calculate Adjusted Net Debt, Takeda deducts from this figure cash and cash equivalents, excluding cash temporarily held by Takeda on behalf of third parties related to vaccine operations and to the trade receivables sales program, and debt investments classified as Level 1 in the fair value hierarchy being recorded as Other Financial Assets.

Takeda presents Net Debt and Adjusted Net Debt because Takeda believes that these measures are useful to investors in that our management uses it to monitor and evaluate our indebtedness, net of cash and cash equivalents and, in conjunction with Adjusted EBITDA, to monitor our financial leverage (for the avoidance of doubt, Adjusted Net Debt and the ratio of Adjusted Net Debt to Adjusted EBITDA are not intended to be indicators of Takeda's liquidity). Takeda also believes that similar measures of indebtedness are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. Particularly following the acquisition of Shire, investors, analysts and, in particular, ratings agencies, have closely monitored Takeda's leverage, as represented by the ratio of its Adjusted Net Debt to Adjusted EBITDA. In light of the weight given by ratings agencies in particular to this ratio, Takeda believes that such information is useful to investors to help understand not only Takeda's financial leverage, but also how ratings agencies evaluate the level of financial leverage in evaluating Takeda's quality of credit. Accordingly, as described below, Takeda includes an adjustment to its Adjusted Net Debt to reflect the "equity credit" afforded to certain of its subordinated indebtedness by ratings agencies (such indebtedness does not qualify for treatment as equity under IFRS).

The usefulness of Adjusted Net Debt to investors has significant limitations including, but not limited to, (i) it may not be comparable to similarly titled measures used by other companies, including those in the pharmaceutical industry, (ii) it does not reflect the amounts of interest payments to be paid on Takeda's indebtedness, (iii) it does not reflect any restrictions on Takeda's ability to prepay or redeem any of our indebtedness, (iv) it does not reflect any fees, costs or other expenses that Takeda may incur in converting cash equivalents to cash, in converting cash from one currency into another or in moving cash within our consolidated group, (v) it applies to gross debt an adjustment for average foreign exchange rates which, although consistent with Takeda's financing agreements, does not reflect the actual rates at which Takeda would be able to convert one currency into another and (vi) it reflects an equity credit despite the fact that Takeda's subordinated bonds are not eligible for equity treatment under IFRS, although Takeda believes this adjustment to be reasonable and useful to investors. Adjusted Net Debt should not be considered in isolation and is not, and should not be viewed as, a substitute for bonds and loans or any other measure of indebtedness presented in accordance with IFRS. The most directly comparable measures under IFRS for Net Debt is bonds and loans.

**U.S. Dollar Convenience Translations**

In the Financial Appendix, certain amounts presented in Japanese yen have been translated to U.S. dollars solely for the convenience of the reader at an exchange rate of 1USD = 144.17 JPY, the Noon Buying Rate certified by the Federal Reserve Bank of New York on June 30, 2025. The rate and methodologies used for the convenience translations differ from the currency exchange rates and translation methodologies under IFRS used for the preparation of the condensed interim consolidated financial statements. The translation should not be construed as a representation that the Japanese yen amounts could be converted into U.S. dollars at this or any other rate.

# FY2025 Q1 Reported Results with CER % Change

| (Billion JPY, except EPS) | FY2024 Q1 | FY2025 Q1 | AER | | CER | (Million USD, except EPS) FY2025 Q1 Convenience USD Translation |
|---|---|---|---|---|---|---|
| | | | JPY Change | % Change | % Change | |
| Revenue | 1,208.0 | 1,106.7 | (101.3) | (8.4)% | (3.7)% | 7,676 |
| Cost of sales | (387.0) | (384.7) | 2.3 | 0.6% | (4.3)% | (2,668) |
| Gross profit | 821.0 | 722.0 | (99.0) | (12.1)% | (7.6)% | 5,008 |
| *Margin* | *68.0 %* | *65.2 %* | | *(2.7) pp* | *(2.7) pp* | *65.2 %* |
| SG&A expenses | (270.0) | (255.9) | 14.1 | 5.2% | 0.0% | (1,775) |
| R&D expenses | (168.5) | (143.9) | 24.6 | 14.6% | 9.7% | (998) |
| Amortization of intangible assets associated with products | (138.6) | (129.3) | 9.3 | 6.7% | 1.1% | (897) |
| Impairment losses on intangible assets associated with products *1 | (24.2) | (2.3) | 21.9 | 90.5% | 89.6% | (16) |
| Other operating income | 10.9 | 22.0 | 11.2 | 102.7% | 102.1% | 153 |
| Other operating expenses | (64.3) | (28.1) | 36.2 | 56.3% | 53.6% | (195) |
| Operating profit | 166.3 | 184.6 | 18.2 | 11.0% | 14.0% | 1,280 |
| *Margin* | *13.8 %* | *16.7 %* | | *2.9 pp* | *2.5 pp* | *16.7 %* |
| Finance income | 30.7 | 73.8 | 43.1 | 140.4% | 141.4% | 512 |
| Finance expenses | (59.7) | (107.2) | (47.5) | (79.5)% | (80.2)% | (743) |
| Share of profit (loss) of investments accounted for using the equity method | (0.7) | (0.5) | 0.2 | 24.7% | 69.6% | (4) |
| Profit before tax | 136.6 | 150.6 | 14.0 | 10.3% | 14.1% | 1,045 |
| Income tax (expenses) benefit | (41.3) | (26.4) | 15.0 | 36.2% | 32.9% | (183) |
| Net profit for the period | 95.3 | 124.3 | 29.0 | 30.4% | 34.5% | 862 |
| Non-controlling interests | (0.1) | (0.0) | 0.0 | 29.9% | 23.7% | (0) |
| Net profit attributable to owners of the Company | 95.2 | 124.2 | 29.0 | 30.4% | 34.5% | 862 |
| Basic EPS (JPY or USD) | 60.71 | 79.40 | 18.69 | 30.8% | 34.9% | 0.55 |

*1 Includes in-process R&D

The amount of change and percentage change based on Actual Exchange Rates are presented in “AER” (which is presented in accordance with IFRS) and percentage change based on Constant Exchange Rate (which is a non-IFRS measure) is presented in “CER”. Please refer to *Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations*, for the definition of the “Constant Exchange Rate change”.

% change is presented as positive when favorable to profits, and negative when unfavorable to profits.

# FY2025 Q1 Core Results with CER % Change

| (Billion JPY, except EPS) | FY2024 Q1 | FY2025 Q1 | AER | | CER | (Million USD, except EPS) FY2025 Q1 Convenience USD Translation |
|---|---|---|---|---|---|---|
| | | | JPY Change | % Change | % Change | |
| Revenue | 1,208.0 | 1,106.7 | (101.3) | (8.4)% | (3.7)% | 7,676 |
| Cost of sales | (387.1) | (384.9) | 2.2 | 0.6% | (4.4)% | (2,670) |
| Gross profit | 820.9 | 721.8 | (99.1) | (12.1)% | (7.6)% | 5,006 |
| *Margin* | *68.0 %* | *65.2 %* | | *(2.7) pp* | *(2.7) pp* | *65.2 %* |
| SG&A expenses | (270.2) | (256.0) | 14.1 | 5.2% | 0.0% | (1,776) |
| R&D expenses | (168.5) | (143.9) | 24.6 | 14.6% | 9.7% | (998) |
| Operating profit | 382.3 | 321.8 | (60.4) | (15.8)% | (11.9)% | 2,232 |
| *Margin* | *31.6 %* | *29.1 %* | | *(2.6) pp* | *(2.7) pp* | *29.1 %* |
| Finance income | 25.0 | 73.0 | 48.0 | 191.7% | 192.9% | 507 |
| Finance expenses | (55.1) | (104.3) | (49.2) | (89.4)% | (90.0)% | (724) |
| Share of profit (loss) of investments accounted for using the equity method | 0.4 | (0.1) | (0.5) | — | (44.8)% | (1) |
| Profit before tax | 352.6 | 290.4 | (62.2) | (17.6)% | (13.4)% | 2,014 |
| Income tax (expenses) benefit | (75.7) | (53.3) | 22.4 | 29.6% | 24.8% | (370) |
| Net profit for the period | 276.9 | 237.1 | (39.8) | (14.4)% | (10.3)% | 1,644 |
| Non-controlling interests | (0.1) | (0.0) | 0.0 | 29.9% | 23.7% | (0) |
| Net profit attributable to owners of the Company | 276.8 | 237.0 | (39.8) | (14.4)% | (10.3)% | 1,644 |
| Basic EPS (JPY or USD) | 176 | 151 | (25) | (14.1)% | (10.0)% | 1.05 |

The amount of change and percentage change based on Actual Exchange Rates are presented in "AER" (which is presented in accordance with IFRS) and percentage change based on Constant Exchange Rate (which is a non-IFRS measure) is presented in "CER". Please refer to *Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations*, for the definition of the "Constant Exchange Rate change".

% change is presented as positive when favorable to profits, and negative when unfavorable to profits.

# FY2025 Q1 Reconciliation from Reported to Core

| (Billion JPY, except EPS and number of shares) | Reported | Reported to Core adjustments | | | | Core |
|---|---|---|---|---|---|---|
| | | Amortization of intangible assets | Impairment of intangible assets | Other operating income/ expenses | Others | |
| Revenue | 1,106.7 | | | | | 1,106.7 |
| Cost of sales | (384.7) | | | | (0.2) | (384.9) |
| Gross profit | 722.0 | | | | (0.2) | 721.8 |
| SG&A expenses | (255.9) | | | | (0.1) | (256.0) |
| R&D expenses | (143.9) | | | | (0.0) | (143.9) |
| Amortization of intangible assets associated with products | (129.3) | 129.3 | | | | — |
| Impairment losses on intangible assets associated with products*1 | (2.3) | | 2.3 | | | — |
| Other operating income | 22.0 | | | (22.0) | | — |
| Other operating expenses | (28.1) | | | 28.1 | | — |
| Operating profit | 184.6 | 129.3 | 2.3 | 6.0 | (0.4) | 321.8 |
| *Margin* | 16.7 % | | | | | 29.1 % |
| Finance income and (expenses), net | (33.4) | | | | 2.1 | (31.3) |
| Share of profit (loss) of investments accounted for using the equity method | (0.5) | | | | 0.4 | (0.1) |
| Profit before tax | 150.6 | 129.3 | 2.3 | 6.0 | 2.1 | 290.4 |
| Income tax (expenses) benefit | (26.4) | (27.5) | (0.5) | 1.9 | (0.9) | (53.3) |
| Non-controlling interests | (0.0) | | | | | (0.0) |
| Net profit attributable to owners of the Company | 124.2 | 101.8 | 1.8 | 7.9 | 1.2 | 237.0 |
| Basic EPS (JPY) | 79 | | | | | 151 |
| Number of shares (millions) | 1,565 | | | | | 1,565 |

*1 Includes in-process R&D.

# FY2024 Q1 Reconciliation from Reported to Core

| (Billion JPY, except EPS and number of shares) | Reported | Reported to Core adjustments | | | | Core |
|---|---|---|---|---|---|---|
| | | Amortization of intangible assets | Impairment of intangible assets | Other operating income/ expenses | Others | |
| Revenue | 1,208.0 | | | | | 1,208.0 |
| Cost of sales | (387.0) | | | | (0.1) | (387.1) |
| Gross profit | 821.0 | | | | (0.1) | 820.9 |
| SG&A expenses | (270.0) | | | | (0.1) | (270.2) |
| R&D expenses | (168.5) | | | | (0.0) | (168.5) |
| Amortization of intangible assets associated with products | (138.6) | 138.6 | | | | — |
| Impairment losses on intangible assets associated with products[*1] | (24.2) | | 24.2 | | | — |
| Other operating income | 10.9 | | | (10.9) | | — |
| Other operating expenses | (64.3) | | | 64.3 | | — |
| Operating profit | 166.3 | 138.6 | 24.2 | 53.4 | (0.3) | 382.3 |
| *Margin* | 13.8 % | | | | | 31.6 % |
| Finance income and (expenses), net | (29.0) | | | | (1.0) | (30.1) |
| Share of profit (loss) of investments accounted for using the equity method | (0.7) | | | | 1.1 | 0.4 |
| Profit before tax | 136.6 | 138.6 | 24.2 | 53.4 | (0.2) | 352.6 |
| Income tax (expenses) benefit | (41.3) | (29.0) | (7.2) | (11.4) | 13.2 | (75.7) |
| Non-controlling interests | (0.1) | | | | | (0.1) |
| Net profit attributable to owners of the Company | 95.2 | 109.6 | 17.0 | 42.0 | 13.0 | 276.8 |
| Basic EPS (JPY) | 61 | | | | | 176 |
| Number of shares (millions) | 1,569 | | | | | 1,569 |

*1 Includes in-process R&D.

# FY2025 Q1 Adjusted Free Cash Flow

| (Billion JPY) | FY2024 Q1 | FY2025 Q1 | JPY Change | % Change | (Million USD) FY2025 Q1 Convenience USD Translation |
|---|---|---|---|---|---|
| Net profit | 95.3 | 124.3 | 29.0 | 30.4 % | 862 |
| Depreciation, amortization and impairment losses | 218.2 | 184.0 | (34.2) | | 1,276 |
| Decrease (increase) in trade working capital | (95.3) | 7.2 | 102.5 | | 50 |
| Income taxes paid | (37.8) | (36.7) | 1.2 | | (254) |
| Tax refunds and interest on tax refunds received | 2.3 | 3.7 | 1.3 | | 25 |
| Other | (12.4) | (67.1) | (54.7) | | (465) |
| Net cash from operating activities (Operating Cash Flow) | 170.3 | 215.4 | 45.1 | 26.5 % | 1,494 |
| Acquisition of PP&E | (57.4) | (47.9) | 9.5 | | (332) |
| Free Cash Flow*1 | 112.9 | 167.5 | 54.6 | 48.4 % | 1,162 |
| Adjustment for cash temporarily held by Takeda on behalf of third parties*2 | 11.6 | 13.2 | 1.6 | | 91 |
| Proceeds from sales of PP&E | 0.0 | 6.4 | 6.4 | | 44 |
| Acquisition of intangible assets*3 | (80.4) | (27.2) | 53.2 | | (188) |
| Acquisition of option to license | (15.7) | — | 15.7 | | — |
| Acquisition of investments | (13.0) | (0.2) | 12.8 | | (1) |
| Proceeds from sales and redemption of investments | 5.3 | 1.1 | (4.2) | | 8 |
| Proceeds from sales of business, net of cash and cash equivalents divested | 2.9 | 29.3 | 26.4 | | 203 |
| Adjusted Free Cash Flow*1 | 23.7 | 190.1 | 166.5 | 703.6 % | 1,319 |

*1 Please refer to Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations for the definitions of Free Cash Flow and Adjusted Free Cash Flow.

*2 Adjustment for cash temporarily held by Takeda on behalf of third parties refers to changes in cash balances that are temporarily held by Takeda on behalf of third parties related to vaccine operations and the trade receivables sales program, which are not available to Takeda's immediate or general business use.

*3 Proceeds from sales of intangible assets are included in cash flow from operating activities, except certain immaterial transactions.

# FY2025 Q1 Adjusted Net Debt to Adjusted EBITDA

**ADJUSTED NET DEBT/ADJUSTED EBITDA RATIO**

| (Billion JPY) | FY2025 Q1 |
|---|---|
| Book value of bonds and loans on consolidated statement of financial position | (4,505.9) |
| Cash & cash equivalents | 350.0 |
| Net Debt *1 | (4,155.9) |
| Application of equity credit *2 | 250.0 |
| FX adjustment *3 | (43.1) |
| Cash temporarily held by Takeda on behalf of third parties *4 | (92.6) |
| Level 1 debt investments *4 | 76.7 |
| Adjusted Net Debt *1 | (3,965.0) |
| | |
| Adjusted EBITDA (LTM) *5 | 1,372.4 |
| | |
| Adjusted Net Debt/Adjusted EBITDA ratio | 2.9x |

| | |
|---|---|
| Book value of bonds and loans on consolidated statement of financial position | (4,505.9) |
| Application of equity credit *2 | 250.0 |
| FX adjustment *3 | (43.1) |
| Adjusted Gross Debt | (4,299.1) |

**NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**

| (Billion JPY) | FY2024 Q1 | FY2025 Q1 | JPY Change | % Change |
|---|---|---|---|---|
| Net cash from operating activities (Operating Cash Flow) | 170.3 | 215.4 | 45.1 | 26.5 % |
| Acquisition of PP&E | (57.4) | (47.9) | | |
| Proceeds from sales of PP&E | 0.0 | 6.4 | | |
| Acquisition of intangible assets | (80.4) | (27.2) | | |
| Acquisition of option to license | (15.7) | — | | |
| Acquisition of investments | (13.0) | (0.2) | | |
| Proceeds from sales and redemption of investments | 5.3 | 1.1 | | |
| Proceeds from sales of business, net of cash and cash equivalents divested | 2.9 | 29.3 | | |
| Payments for the settlement of forward exchange contracts designated as net investment hedges | (3.0) | — | | |
| Net increase (decrease) in short-term loans and commercial papers | (17.0) | (46.0) | | |
| Proceeds from long-term loans | 50.0 | — | | |
| Repayment of long-term loans | (50.1) | (10.0) | | |
| Proceeds from issuance of bonds | 457.6 | 183.6 | | |
| Repayment of bonds | — | (115.3) | | |
| Proceeds from the settlement of cross currency interest rate swaps related to bonds and loans | 46.9 | — | | |
| Acquisition of treasury shares | (1.9) | (51.6) | | |
| Interest paid | (15.5) | (16.7) | | |
| Dividends paid | (138.1) | (145.3) | | |
| Others | (11.1) | (8.3) | | |
| Net increase (decrease) in cash and cash equivalents | 330.0 | (32.7) | (362.7) | — |

*1 Please refer to Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations for the definitions of Net Debt and Adjusted Net Debt.

*2 Application of equity credit includes JPY 250.0 billion reduction in debt due to a 50% equity credit applied to JPY 500.0 billion principal amount of our hybrid (subordinated) bonds and loans by S&P Global Rating Japan, given that those instruments qualify for certain equity credit for leverage purposes.

*3 FX adjustment refers to change from month-end rate to average rate used for non-JPY debt calculation outstanding at the beginning of the period to match with adjusted EBITDA (which is calculated based on average rates). New non-JPY debt incurred and existing non-JPY debt redeemed during the reporting period are translated to JPY at relevant spot rates as of the relevant date.

*4 Adjustments related to cash temporarily held by Takeda on behalf of third parties related to vaccine operations and to the trade receivables sales program, which is not available to Takeda's immediate or general business use, and debt investments classified as Level 1 in the fair value hierarchy being recorded as Other Financial Assets.

*5 LTM represents Last Twelve Months (July 2024 - June 2025). Calculated by subtracting FY2024 Q1 from FY2024 Full Year and adding FY2025 Q1.

# FY2024 Adjusted Net Debt to Adjusted EBITDA

**ADJUSTED NET DEBT/ADJUSTED EBITDA RATIO**

| (Billion JPY) | FY2024 |
|---|---|
| Book value of bonds and loans on consolidated statement of financial position | (4,515.3) |
| Cash & cash equivalents | 385.1 |
| Net Debt[*1] | (4,130.2) |
| Application of equity credit[*2] | 250.0 |
| FX adjustment[*3] | (68.9) |
| Cash temporarily held by Takeda on behalf of third parties[*4] | (105.8) |
| Level 1 debt investments[*4] | 79.3 |
| Adjusted Net Debt[*1] | (3,975.5) |
| | |
| Adjusted EBITDA | 1,441.0 |
| | |
| Adjusted Net Debt/Adjusted EBITDA ratio | 2.8x |
| | |
| Book value of bonds and loans on consolidated statement of financial position | (4,515.3) |
| Application of equity credit[*2] | 250.0 |
| FX adjustment[*3] | (68.9) |
| Adjusted Gross Debt | (4,334.2) |

**NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**

| (Billion JPY) | FY2023 | FY2024 | JPY Change | % Change |
|---|---|---|---|---|
| Net cash from operating activities (Operating Cash Flow) | 716.3 | 1,057.2 | 340.8 | 47.6 % |
| Acquisition of PP&E | (175.4) | (200.8) | | |
| Proceeds from sales of PP&E | 8.6 | 0.1 | | |
| Acquisition of intangible assets | (305.3) | (147.0) | | |
| Acquisition of option to license | — | (31.8) | | |
| Acquisition of investments | (6.8) | (97.5) | | |
| Proceeds from sales and redemption of investments | 8.0 | 29.4 | | |
| Acquisition of shares in associates | — | (1.0) | | |
| Proceeds from sales of shares in associates | — | 57.7 | | |
| Proceeds from sales of business, net of cash and cash equivalents divested | 20.0 | 20.6 | | |
| Payments for the settlement of forward exchange contracts designated as net investment hedges | (33.3) | (13.8) | | |
| Net increase (decrease) in short-term loans and commercial papers | 277.0 | 27.5 | | |
| Proceeds from long-term loans | 100.0 | 90.0 | | |
| Repayment of long-term loans | (100.4) | (587.2) | | |
| Proceeds from issuance of bonds | — | 934.5 | | |
| Repayment of bonds | (220.5) | (733.8) | | |
| Proceeds from the settlement of cross currency interest rate swaps related to bonds and loans | 60.1 | 46.9 | | |
| Acquisition of treasury shares | (2.3) | (51.9) | | |
| Interest paid | (100.4) | (113.0) | | |
| Dividends paid | (287.2) | (302.5) | | |
| Others | (60.3) | (44.6) | | |
| Net increase (decrease) in cash and cash equivalents | (101.9) | (61.3) | 40.6 | 39.9 % |

*1 Please refer to Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations for the definitions of Net Debt and Adjusted Net Debt.

*2 Application of equity credit includes JPY 250.0 billion reduction in debt due to a 50% equity credit applied to JPY 500.0 billion principal amount of our hybrid (subordinated) bonds and loans by S&P Global Rating Japan, given that those instruments qualify for certain equity credit for leverage purposes.

*3 FX adjustment refers to change from month-end rate to average rate used for non-JPY debt calculation outstanding at the beginning of the period to match with adjusted EBITDA (which is calculated based on average rates). New non-JPY debt incurred and existing non-JPY debt redeemed during the reporting period are translated to JPY at relevant spot rates as of the relevant date.

*4 Adjustments related to cash temporarily held by Takeda on behalf of third parties related to vaccine operations and to the trade receivables sales program, which is not available to Takeda's immediate or general business use, and debt investments classified as Level 1 in the fair value hierarchy being recorded as Other Financial Assets.

# FY2025 Q1 Net Profit to Adjusted EBITDA Bridge

| (Billion JPY) | FY2024 Q1 | FY2025 Q1 | JPY Change | % Change |
|---|---|---|---|---|
| Net profit | 95.3 | 124.3 | 29.0 | 30.4 % |
| Income tax expenses (benefit) | 41.3 | 26.4 | | |
| Depreciation and amortization | 192.2 | 181.6 | | |
| Interest expense, net | 26.6 | 29.2 | | |
| EBITDA | 355.4 | 361.5 | 6.0 | 1.7 % |
| Impairment losses | 26.0 | 2.4 | | |
| Other operating expense (income), net, excluding depreciation and amortization and impairment losses | 50.7 | 4.3 | | |
| Finance expense (income), net, excluding interest expense, net | 2.4 | 4.2 | | |
| Share of loss (profit) of investments accounted for using the equity method | 0.7 | 0.5 | | |
| Other costs[*1] | 14.9 | 15.7 | | |
| Adjusted EBITDA | 450.1 | 388.6 | (61.5) | (13.7)% |

*1 Includes adjustments for non-cash equity-based compensation expense and other one time non-cash expense.

# FY2025 Q1 Net Profit to Adjusted EBITDA LTM Bridge

| (Billion JPY) | FY2024 Full Year (Apr - Mar) | FY2024 Q1 (Apr - Jun) | FY2025 Q1 (Apr - Jun) | FY2025 Q1 LTM*1 (Jul - Jun) |
|---|---|---|---|---|
| Net profit | 108.1 | 95.3 | 124.3 | 137.1 |
| Income tax expenses (benefit) | 66.9 | 41.3 | 26.4 | 52.0 |
| Depreciation and amortization | 761.4 | 192.2 | 181.6 | 750.8 |
| Interest expense, net | 117.7 | 26.6 | 29.2 | 120.3 |
| EBITDA | 1,054.2 | 355.4 | 361.5 | 1,060.2 |
| Impairment losses | 106.5 | 26.0 | 2.4 | 82.9 |
| Other operating expense (income), net, excluding depreciation and amortization and impairment losses | 163.2 | 50.7 | 4.3 | 116.8 |
| Finance expense (income), net, excluding interest expense, net | 45.8 | 2.4 | 4.2 | 47.6 |
| Share of loss (profit) of investments accounted for using the equity method | 4.0 | 0.7 | 0.5 | 3.8 |
| Other costs*2 | 67.4 | 14.9 | 15.7 | 68.3 |
| Adjusted EBITDA | 1,441.2 | 450.1 | 388.6 | 1,379.7 |
| EBITDA from divested products*3 | (0.2) | | | (7.2) |
| Adjusted EBITDA (LTM) | 1,441.0 | | | 1,372.4 |

*1 LTM represents Last Twelve Months (July 2024 - June 2025). Calculated by subtracting FY2024 Q1 from FY2024 Full Year and adding FY2025 Q1.

*2 Includes adjustments for non-cash equity-based compensation expense and other one time non-cash expense.

*3 Represents adjustments for EBITDA from divested products which are removed as part of LTM Adjusted EBITDA.

# FY2025 Q1 CAPEX, Depreciation and Amortization and Impairment Losses

| (Billion JPY) | FY2024 Q1 | FY2025 Q1 | JPY Change | % Change | FY2025 Forecast |
|---|---|---|---|---|---|
| Capital expenditures*1 | 137.8 | 75.1 | (62.7) | (45.5)% | 270.0 - 320.0 |
| Tangible assets | 57.4 | 47.9 | (9.5) | (16.6)% | |
| Intangible assets | 80.4 | 27.2 | (53.2) | (66.2)% | |
| Depreciation and amortization | 192.2 | 181.6 | (10.6) | (5.5)% | 716.0 |
| Depreciation of tangible assets*2 (A) | 43.9 | 42.6 | (1.4) | (3.1)% | |
| Amortization of intangible assets (B) | 148.3 | 139.1 | (9.2) | (6.2)% | |
| Of which Amortization on intangible assets associated with products (C) | 138.6 | 129.3 | (9.3) | (6.7)% | 500.0 |
| Of which Amortization excluding intangible assets associated with products (D) | 9.7 | 9.7 | 0.1 | 0.5 % | |
| Depreciation and amortization (excluding intangible assets associated with products) (A)+(D) | 53.6 | 52.3 | (1.3) | (2.4)% | 216.0 |
| Impairment losses | 26.0 | 2.4 | (23.6) | (90.9)% | |
| Impairment losses on intangible assets associated with products*3 | 24.2 | 2.3 | (21.9) | (90.5)% | 50.0 |
| Amortization and impairment losses on intangible assets associated with products | 162.8 | 131.6 | (31.2) | (19.2)% | 550.0 |

*1 Cash flow base

*2 Includes depreciation of investment properties

*3 Includes in-process R&D

# FY2025 Full Year Detailed Forecast

| | (BN JPY) | FY2024 Actual | FY2025 Forecast (May 8, 2025) | JPY Change | % Change | Variances |
|---|---|---|---|---|---|---|
| REPORTED | Revenue | 4,581.6 | 4,530.0 | (51.6) | (1.1)% | LOE impact (mainly VYVANSE), pricing and FX headwinds, partially offset by Growth & Launch Products |
| | Cost of sales | (1,580.2) | (1,540.0) | 40.2 | 2.5% | |
| | Gross Profit | 3,001.3 | 2,990.0 | (11.3) | (0.4)% | Less impact from implementation of accounting process to recognize accumulated FX impact of inventories |
| | SG&A expenses | (1,104.8) | (1,100.0) | 4.8 | 0.4% | Savings from the Efficiency Program and FX benefits partially offset by investments in DD&T and new launches |
| | R&D expenses | (730.2) | (750.0) | (19.8) | (2.7)% | Ramp-up of trial costs offset by the Efficiency Program and FX benefits |
| | Amortization of intangible assets associated with products | (548.2) | (500.0) | 48.2 | 8.8% | Conclusion of amortization of several products, including VYVANSE (in January FY25) |
| | Impairment losses on intangible assets associated with products *1 | (95.0) | (50.0) | 45.0 | 47.4% | |
| | Other operating income | 26.2 | 10.0 | (16.2) | (61.9)% | Reduction of divestiture gains (FY24 TACHOSIL manufacturing site) and others |
| | Other operating expenses | (206.7) | (125.0) | 81.7 | 39.5% | Primarily reflects lower restructuring expenses projected in FY25 (FY24 actual: 128.1 B vs. FY25 forecast: 48.0 B) |
| | Operating profit | 342.6 | 475.0 | 132.4 | 38.7% | |
| | Finance income (expenses), net | (163.5) | (167.0) | (3.5) | (2.1)% | |
| | Profit before tax | 175.1 | 307.0 | 131.9 | 75.3% | |
| | Net profit attributable to owners of the Company | 107.9 | 228.0 | 120.1 | 111.3% | Mainly driven by increase of profit before tax partially offset by lower derecognition of tax loss carry forward |
| | Basic EPS (yen) | 68 | 145 | 76 | 111.8% | |
| | Core Revenue *2 | 4,579.8 | 4,530.0 | (49.8) | (1.1)% | LOE impact (mainly VYVANSE), pricing and FX headwinds, partially offset by Growth & Launch Products |
| | Core Operating Profit *2 | 1,162.6 | 1,140.0 | (22.6) | (1.9)% | Maily due to FX headwinds |
| | Core EPS (yen) *2 | 491 | 485 | (6) | (1.2)% | |
| | Adjusted Free Cash Flow *2 | 769.0 | 750.0 to 850.0 | | | While Core OP is flat FY 24 vs. FY 25, we expect higher FCF in FY 25 mainly due to lower restructuring spend in FY 25 |
| | CAPEX (cash flow base) | (347.8) | (270.0) to (320.0) | | | |
| | Depreciation and amortization (excl. intangible assets associated with products) | (213.2) | (216.0) | (2.8) | (1.3)% | |
| | Cash tax rate on Adjusted EBITDA (excl. divestitures) *2 | Approx.10% | Mid teen% | | | |
| | USD/JPY | 152 | 150 | (2) | (1.6)% | |
| | EUR/JPY | 163 | 160 | (3) | (2.1)% | |

*1 Includes in-process R&D.
*2 Please refer to *Definition and Explanation of Non-IFRS Measures and U.S. Dollar Convenience Translations*, for the definition of Non-IFRS Measures and FY2025 Full Year Reconciliation from Reported Operating Profit to Core Operating Profit Forecast.

# FY2025 Full Year Reconciliation from Reported Operating Profit to Core Operating Profit Forecast

| (Billion JPY) | Reported | Reported to Core adjustments | | | Core |
|---|---|---|---|---|---|
| | | Amortization of intangible assets | Impairment of intangible assets | Other operating income (expenses) | |
| Revenue | 4,530.0 | | | | 4,530.0 |
| Cost of sales | (1,540.0) | | | | (3,390.0) |
| Gross Profit | 2,990.0 | | | | |
| SG&A expenses | (1,100.0) | | | | |
| R&D expenses | (750.0) | | | | |
| Amortization of intangible assets associated with products | (500.0) | 500.0 | | | — |
| Impairment losses on intangible assets associated with products*1 | (50.0) | | 50.0 | | — |
| Other operating income | 10.0 | | | (10.0) | — |
| Other operating expenses | (125.0) | | | 125.0 | — |
| Operating profit | 475.0 | 500.0 | 50.0 | 115.0 | 1,140.0 |

*1 Includes in-process R&D

# FY2025 Full Year FX Rates Assumptions and Currency Sensitivity vs. Forecast

| | Average Exchange Rates vs. JPY | | | Impact of depreciation of yen from April 2025 to March 2026 (100 million JPY) | | | | |
|---|---|---|---|---|---|---|---|---|
| | FY2024 Actual (Apr-Jun) | FY2025 Actual (Apr-Jun) | FY2025 Full Year Assumption (Apr-Mar) | | Revenue (IFRS) | Operating Profit (IFRS) | Net Profit (IFRS) | Core Operating Profit (non-IFRS) |
| **USD** | 155 | 145 | 150 | 1% depreciation | 234.3 | 8.3 | (1.1) | 52.5 |
| | | | | 1 yen depreciation | 156.2 | 5.5 | (0.7) | 35.0 |
| **EUR** | 167 | 162 | 160 | 1% depreciation | 65.6 | (28.2) | (25.0) | (17.1) |
| | | | | 1 yen depreciation | 41.0 | (17.6) | (15.7) | (10.7) |
| **RUB** | 1.7 | 1.8 | 1.7 | 1% depreciation | 5.6 | 3.3 | 2.5 | 3.8 |
| **CNY** | 21.4 | 20.1 | 20.5 | | 19.5 | 11.8 | 8.9 | 11.9 |
| **BRL** | 30.4 | 25.6 | 25.9 | | 12.9 | 9.7 | 6.4 | 9.8 |

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