PRESSRELEASE

SHIONOGI

Notice of Disposal of Treasury Shares as Restricted Stock Compensation Plan

OSAKA, Japan, June 18, 2025 - Shionogi & Co., Ltd. (Head Office: Osaka, Japan; Chief Executive Officer: Isao Teshirogi, Ph.D.; hereafter "Shionogi") announced that, at the meeting of its Board of Directors held on June 18, 2025, the Directors decided to dispose of treasury shares (the "Disposal of Treasury Shares" or the "Disposal") as follows.

1. Outline of the Disposal

(1) Disposal date	July 17, 2025
(2) Class and number of shares to be disposed	200,400 shares of Common stock of Shionogi
(3) Disposal price	¥2,496.5 per share
(4) Total value of shares to be disposed	¥500,298,600
(5) Allottees and number thereof, number of shares to be disposed	Directors (excluding Directors who are Audit and Supervisory Committee members and Outside Directors): 2 persons 58,500 shares Corporate Officers (excluding those who concurrently serve as Directors): 15 persons 101,700 shares Vice Presidents: 55 persons 40,200 shares
(6) Others	The Disposal of Treasury Shares is the subject of an interim report with the Financial Instruments and Exchange Act.

2. Purposes and Reasons of the Disposal

Shionogi resolved, at a meeting of its Board of Directors held on May 9, 2018, to introduce a restricted share-based remuneration plan (the "Remuneration Plan") in order to provide an incentive for its Members of the Board excluding outside directors to sustainably increase Shionogi's corporate value and in order to further promote shared values with shareholders, as a new remuneration plan for Shionogi's Eligible Board Members and its Corporate Officers. Moreover at the 153rd Annual General Meeting of Shareholders held on June 20, 2018, it was approved that the total amount of Shionogi's Directors compensation shall be revised from within 450 million yen to within 750 million yen, and that the transfer restriction period for restricted shares shall be the period specified by the Board of Directors of Shionogi, which is a period between three to thirty years from the day on which such shares are allotted. Furthermore, at the Board of Directors meeting held on March 25, 2024, it was decided to expand the scope of "the Mid- to Long-term Performance Based Restricted Stock" to include Corporate Officers who do not concurrently serve as Directors and to introduce it for Vice Presidents. At the 160th Annual General Meeting of Shareholders held on June 18, 2025, it was resolved that the Company would transition to a company with an Audit and Supervisory Committee as its corporate

governance structure. In conjunction with this transition, it was also approved that the amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee members) be revised to an annual limit of 2 billion yen. Furthermore, with respect to the restricted shares granted to Directors (excluding Directors who are Audit and Supervisory Committee members and Outside Directors), it was approved that, taking into account the stock split of the Company's common shares (three shares for each share) conducted with a record date of September 30, 2024, the maximum number of common shares to be granted annually shall be 250,000 shares.

An overview of the Remuneration Plan and other relevant details are shown below.

[Outline of the Plan]
The Compensation Plan is composed of two stock-based compensation systems; one is the compensation based on the long-term share price which requires continuous service for a certain period as a Director excluding Directors who are Audit and Supervisory Committee members and Outside Directors of Shionogi (the "Eligible Board Members") or as an Executive Officer not concurrently serving as a Director (hereafter "the Long-term Share Price Based Restricted Stock"), and the other is, for Eligible Board Members, Corporate Officers who do not concurrently serve as Directors and Vice Presidents (the "Recipients"), a performance-based one which requires the attainment of Shionogi's mid- to long-term business performance target in addition to the aforementioned continuous service (hereafter "the Mid- to Long-term Performance Based Restricted Stock").
Under the Remuneration Plan, the Recipients shall pay in, every year in principle, all monetary compensation receivables or monetary receivables provided by Shionogi in the form of property contributed in kind, in accordance with the resolution by Shionogi's Board of Directors, and shall, in return, receive Shionogi's ordinary shares to be issued or shares subject to the Disposal.
In addition, under the Remuneration Plan, the total number of ordinary shares that the Eligible Board Members receive by issuance or Disposal by Shionogi shall be no more than 250,000 shares per year and the paid-in amount per share shall be determined by the Board of Directors based on the closing price of Shionogi's ordinary shares on the Prime Section of the Tokyo Stock Exchange on the business day immediately preceding the date of each resolution by the Board of Directors (or the closing price on the transaction day immediately prior thereto if no transaction is made on such business day) or any other amount to the extent that the amount will not be particularly advantageous to Eligible Board Members who will subscribe to Shionogi's ordinary shares under the Remuneration Plan.
Furthermore, the issuance or Disposal of Shionogi's ordinary shares under the Remuneration Plan shall be subject to a restricted share allotment agreement (the "Allotment Agreement") to be entered into by and between Shionogi and each Recipient etc. as outlined 1) - 4) shown below.

1) The Eligible Board Members etc. may neither transfer, create a security interest on, nor otherwise dispose of the Shares during a certain restriction period.
2) Shionogi may make a gratis acquisition of the Shares under certain circumstances.
3) The Eligible Board Members etc. holds the position of Recipients throughout the restriction period.
4) As for the Mid- to Long-term Performance Based Restricted Stock, adding to the condition of 3) shown above, Shionogi shall lift the transfer restriction at the end of the restriction period according to the achievement of performance targets set in advance by the Board of Directors of Shionogi.

Considering the purpose of the Plan, our current business results, responsibility of Recipients, and levels of compensation for Directors and executive officers, Shionogi has decided to implement the Long-term Share Price Based Restricted Stock and the Mid- to Long-term Performance Based Restricted Stock as follows.

1) the Long-term Share Price Based Restricted Stock: monetary compensation claims of ¥52,426,500 (common stock 21,000 shares), monetary claims of ¥131,815,200 (common stock 52,800 shares)
2) the Mid- to Long-term Performance Based Restricted Stock: monetary compensation claims of ¥93,618,750 (common stock 37,500 shares), monetary claims of ¥222,438,150 (common stock 89,100 shares)

(hereafter, the total sum of 1) and 2) as the "Monetary Compensation Claims" and the "Common Stocks Allotted")

In addition, considering that the purpose of introduction of the Remuneration Plan is to provide an incentive to sustainably increase Shionogi's corporate value and further promote shared values with shareholders, Shionogi has decided the transfer restriction period for the Long-term Share Price Based Restricted Stock to be thirty years, and for the Mid- to Long-term Performance Based Restricted Stock to be three years (three years and four months for Vice Presidents)in common with stock-based compensations allotted after the meeting of the Board of Directors held on June 20, 2018.

With the Disposal of Treasury Shares, 72 Recipients, the planned allottees of shares, shall pay in all of the Monetary Compensation Claims, which are claims against Shionogi, in the form of property contributed in kind for acquisition of the restricted shares, and shall receive the Common Stocks Allotted pursuant to the Remuneration Plan.

3. Overview of the Allotment Agreement

(1) Transfer restriction period:
   1) the Long-term Share Price Based Restricted Stock: July 17, 2025 - July 16, 2055
   2) the Mid- to Long-term Performance Based Restricted Stock:
      Directors and Corporate Officers: July 17, 2025 - August 1, 2028
      Vice Presidents: July 17, 2025 - December 1, 2028

(2) Conditions for releasing transfer restriction:
   1) the Long-term Share Price Based Restricted Stock
      On the condition that the Eligible Board Members etc. maintain the positions of Shionogi's Member of the Board or its Corporate Officer not concurrently serving as Member of the Board continuously during the transfer restriction period, the Company shall release transfer restriction for all of the allotted shares at the expiration of the transfer restriction period.
   2) the Mid- to Long-term Performance Based Restricted Stock
      On the condition that the Eligible Board Members etc. maintain their positions of Shionogi's Member of the Board or its Corporate Officer not concurrently serving as Member of the Board continuously during the transfer restriction period, Shionogi shall release transfer restriction for the number of allotted shares, which are calculated by multiplying the number of shares that the Eligible Board Members etc. obtain at the expiration of the transfer restriction period by the release rate that is determined by the achievement degree in the period of the Mid- to Long-term Performance Based Restricted Stock is targeted (the "Evaluation Period"). In addition, 50% of the stock price conversion when the transfer restriction is lifted will be paid as monetary compensation when the transfer restriction is lifted. The release rate is applied against the number of shares by

multiplying, ranging from 0% to 100%. The degree of achievement shall be based on revenue, overseas sales CAGR, EBITDA, ROE and the growth rate of Total Shareholders Return (TSR) in the peer group and others (Regarding TSR, Vice Presidents are not included in targets).
In addition, for Vice Presidents, the transfer restrictions will be lifted under the same conditions as for the Eligible Directors, etc., provided that they continue to hold the position of Recipients during the transfer restriction period and monetary compensation and performance evaluations (excluding relative TSR) at the time of lifting the transfer restrictions will be paid and determined in the same manner as for the Eligible Directors, etc.

(3) Treatment in cases where Recipients retire from their position due to expiration of the term of office, reaching retirement age, or other due cause

1) Time of release

1. the Long-term Share Price Based Restricted Stock
In the event that an Eligible Board Members etc. resigns or retires from the position of Shionogi's Member of the Board or its Corporate Officer not concurrently serving as Member of the Board during the transfer restriction period due to the expiry of term of office, attainment of retirement age, or other justifiable reason (including resignation or retirement by death), the transfer restrictions shall be lifted at the time immediately after the resignation or retirement.

2. the Mid- to Long-term Performance Based Restricted Stock
In the events that Recipients resign or retire from the position of Shionogi's Member of the Board or its Corporate Officer not concurrently serving as Member of the Board during the transfer restriction period due to the expiry of term of office, attainment of retirement age, or other justifiable reason (including resignation or retirement by death), the transfer restrictions shall be lifted at the time immediately after the resignation or retirement.
In the events that Vice Presidents retire from the position as Recipients due to the expiration of the term of office, reaching the mandatory retirement age, or other valid reason (including the case of resignation or retirement due to death), the transfer restrictions shall be lifted immediately after such resignation or retirement. However, in the events that Vice Presidents resign during the fiscal year for a valid reason other than retirement, the lifting date shall be January 1st or July 1st, depending on the month in which the resignation date falls.

2) Number of shares subject to release

1. the Long-term Share Price Based Restricted Stock
The number of shares of the Eligible Board Members etc. whose transfer restrictions are lifted shall be calculated by multiplying the number resulting when the period of office of the Eligible Board Members in the transfer restriction period (expressed in months) is divided by 12 (calculated for each year, if that number exceeds 1, then make it 1) by the number of the Allotted Shares held at the time of resignation or retirement (provided, however, fractional shares less than one share will be dropped from the number of shares obtained by the calculation).

2. the Mid- to Long-term Performance Based Restricted Stock
The number of shares of the Eligible Board Members whose transfer restrictions are lifted shall be calculated by multiplying the cacellation rate according to the achievement of performance goals, by the number of the Allotted Shares held at the time of resignation or retirement (provided, however, fractional shares less than one share will be dropped from the number of shares

obtained by the calculation).

For Vice Presidents, the number of shares granted in the fiscal year in which the person resigned or retired shall be calculated by dividing the number of shares granted by 12 and multiplying the result by the number of months from April to the month in which the person resigned or retired. The Allotted Shares in FY2018 - FY2024 shall be calculated in the same manner.

(4) Take-back without cost by the Company

The Company shall automatically take back all the allotted shares without cost immediately after expiration of the transfer restriction period, if transfer restriction on the allotted shares in question is still to be released.

(5) Control of stocks

To ensure compliance with the transfer restriction during the transfer restriction period, the allotted shares shall be managed in a dedicated account at Nomura Securities Co., Ltd., opened by Recipients. The Company will execute a memorandum regarding the control of the dedicated accounts of Recipients, with Nomura Securities Co., Ltd., in order to secure the effectiveness of the transfer restriction pertaining to the allotted stocks. In addition, the Company shall separately obtain consent from Recipients, on the contents of the transfer restriction etc.

(6) Treatment during reorganization, etc.

If, during the transfer restriction period, matters relating to a merger agreement in which Shionogi is the dissolving company, a share exchange agreement or share transfer plan in which Shionogi becomes a wholly owned subsidiary, or other reorganization are approved at Shionogi's General Meeting of Shareholders (or in the case where the approval at Shionogi's General Meeting of Shareholders is not required, in relation to the reorganization in question, a meeting of its Board of Directors), based on the resolution of the Board of Directors, the number of shares that is reasonably calculated considering the number of months from the beginning of the transfer restriction period to the month including the approval day of the reorganization shall be released prior to the date the reorganization becomes effective.

1. the Long-term Share Price Based Restricted Stock
   The number of shares of the Eligible Board Members etc. whose transfer restrictions are lifted shall be calculated by multiplying the number resulting when the period of office of the Eligible Board Members in the transfer restriction period (expressed in months) is divided by 12 (calculated for each year, if that number exceeds 1, then make it 1) by the number of the Allotted Shares held at the time of resignation or retirement (provided, however, fractional shares less than one share will be dropped from the number of shares obtained by the calculation).
2. the Mid- to Long-term Performance Based Restricted Stock
   The number of shares of the Eligible Board Members whose transfer restrictions are lifted shall be calculated by multiplying the cancellation rate according to the achievement of performance goals, by the number of the Allotted Shares held at the time of resignation or retirement (provided, however, fractional shares less than one share will be dropped from the number of shares obtained by the calculation).

4. Basis of Calculation and Specific Details for the Payment Amount

The Disposal of Treasury Shares to the Eligible Board Members etc., shall be funded by monetary

compensation claims or monetary claims which the Company provided as the Restricted Stock Compensations for fiscal year FY2025 and for from FY2025 to FY2027, respectively in accordance with the Compensation Plan. To eliminate arbitrariness in the disposal price, the closing price for the common shares of the Company on the Prime Section of the Tokyo Stock Exchange on June 17, 2025 (the business day prior to the day of resolution at the meeting of the Board of Directors) of ¥2,496.5 is used as the disposal price. As this is the market price the day prior to the day of resolution of the Board of Directors, we believe it is valid and does not represent a particularly favorable price.

Forward-Looking Statements

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

For Further Information, Contact:

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