

Passion for Innovation.
Compassion for Patients.™



Growing as a Leader in ADCs

DAIICHI SANKYO CO., LTD.

Sunao Manabe
Executive Chairperson and CEO

January 8, 2024

Forward-Looking Statements

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Agenda

1 Overview of Daiichi Sankyo

2 Our ADCs

3 R&D Strategy

4 Shareholder Returns

5 Closing

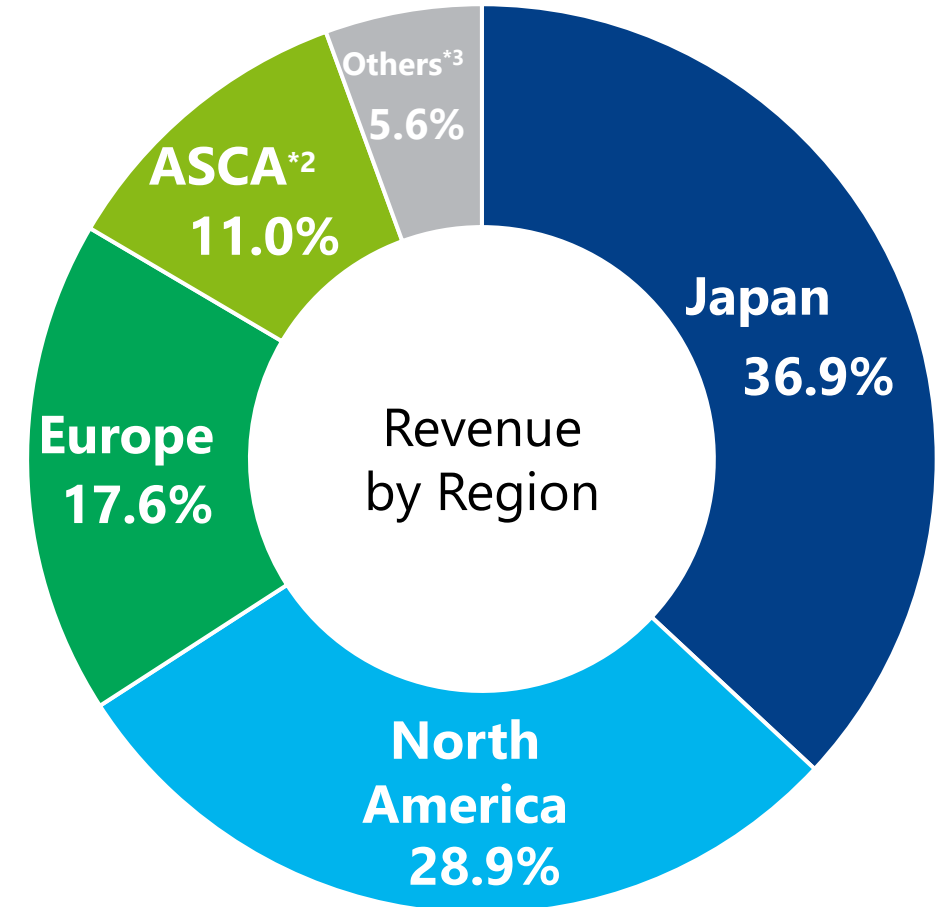


Overview of Daiichi Sankyo

Overview of FY2023 consolidated P&L

(Bn JPY)

	FY2023 Forecast		
		to revenue	vs FY2022
Revenue	1,550.0	100.0%	+21.2% +271.5
Cost of sales ^{*1}	410.0	26.5%	+60.9
SG&A expenses ^{*1}	610.0	39.4%	+139.9
R&D expenses ^{*1}	375.0	24.2%	+38.3
Core operating profit ^{*1}	155.0	10.0%	+26.4% +32.4
Operating profit	150.0	9.7%	+24.4% +29.4
Profit attributable to owners of the Company	135.0	8.7%	+23.6% +25.8



*1 As an indicator of ordinary profitability, "core operating profit" which excludes temporary income and expenses from operating income is disclosed. Income and expenses related to sale of fixed assets, restructuring (excluding the sales of pipeline and launched products), impairment, loss compensation, reconciliation, and other non-temporary and material gains and losses are included in the "temporary income and expenses".

Temporary income and expenses are excluded from results and forecast for cost of sales, SG&A expenses and R&D expenses shown in the list above.

*2 Asia, South & Central America

*3 Revenue related to upfront payments, regulatory & sales milestones payment based on ENHERTU® and Dato-DXd strategic alliance agreements with AstraZeneca

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Our Proprietary Antibody Drug Conjugates (ADC)

DXd ADCs are composed of 3 parts^{1,2}:

- A monoclonal antibody for a tumor-selective antigen
- A topoisomerase I inhibitor payload (an exatecan derivative, DXd)
- A tetrapeptide-based cleavable linker that covalently bonds the other 2 components

DXd ADC Technology^c

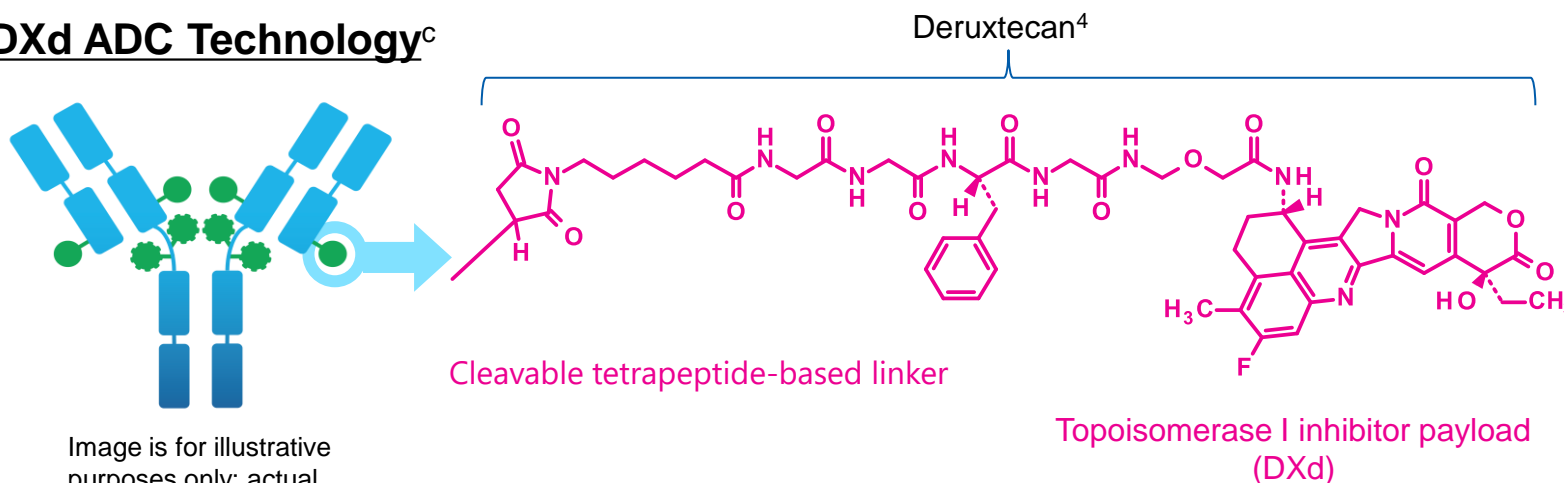


Image is for illustrative purposes only; actual drug positions may vary*.

Payload mechanism of action: topoisomerase I inhibitor^{1-5,a}

High potency of payload^{2-5,a}

Optimized drug to antibody ratio^{1-4,a,b}

Payload with short systemic half-life^{2,3,a,c}

Stable linker-payload^{2,3,5,a}

Tumor-selective cleavable linker^{2-6,a}

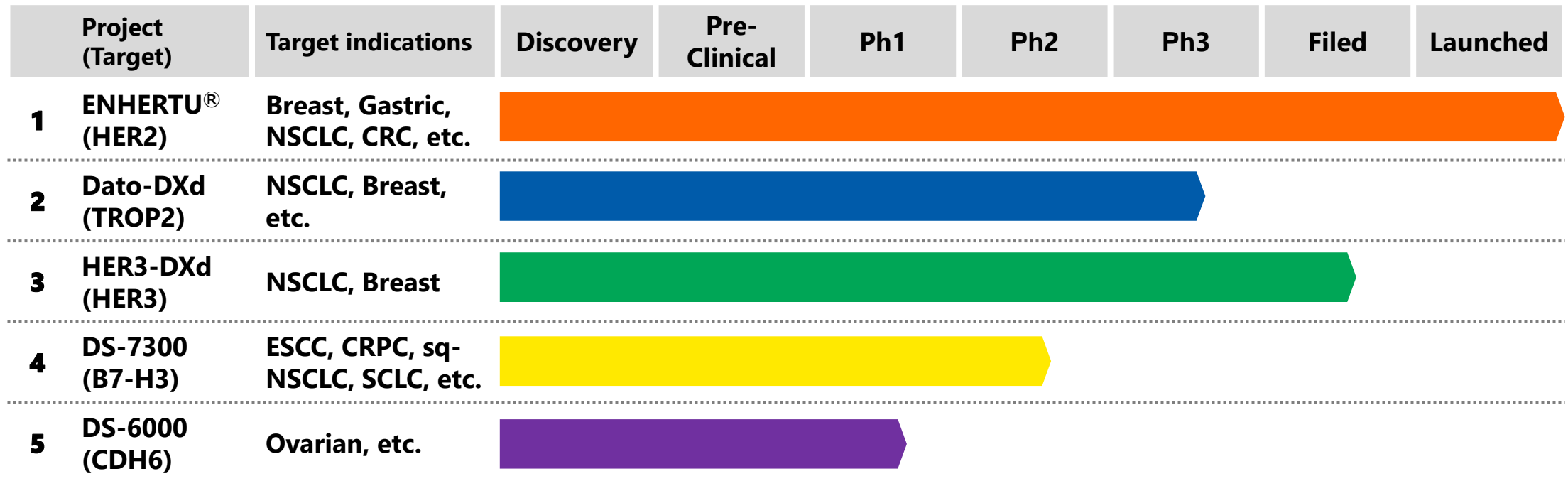
Bystander antitumor effect^{2,7,a}


^a The clinical relevance of these features is under investigation. ^b Please refer to slide notes for a summary of the 7 attributes of DXd ADCs and additional information on DAR. ^c Approximately 1.4 hours based on animal data. **1.** Okajima D, et al. *Mol Cancer Ther.* 2021;20(12):2329-2340. **2.** Nakada T, et al. *Chem Pharm Bull (Tokyo).* 2019;67(3):173-185. **3.** Ogitan Y, et al. *Clin Cancer Res.* 2016;22(20):5097-5108. **4.** Hashimoto Y, et al. *Clin Cancer Res.* 2019;25:7151-7161. **5.** Koganemaru S, et al. *Mol Cancer Ther.* 2019;18:2043-2050. **6.** Haratani K, et al. *J Clin Invest.* 2020;130(1):374-388. **7.** Ogitan Y, et al. *Cancer Sci.* 2016;107(7):1039-1046.

*The All DXd ADC molecule (2D and 3D) is updated to use the Daiichi Sankyo light blue (monoclonal antibody) and green (linker and payload) to have an association with Daiichi Sankyo and distinguish it from the other individual DXd ADCs. Individual DXd ADC molecules (T-DXd, HER3-DXd, Dato-DXd, I-DXd, R-DXd) will maintain current colors. Colorized linker-payload (All: green and Individual: magenta) represent the same chemical structure

5 Lead DXd ADCs

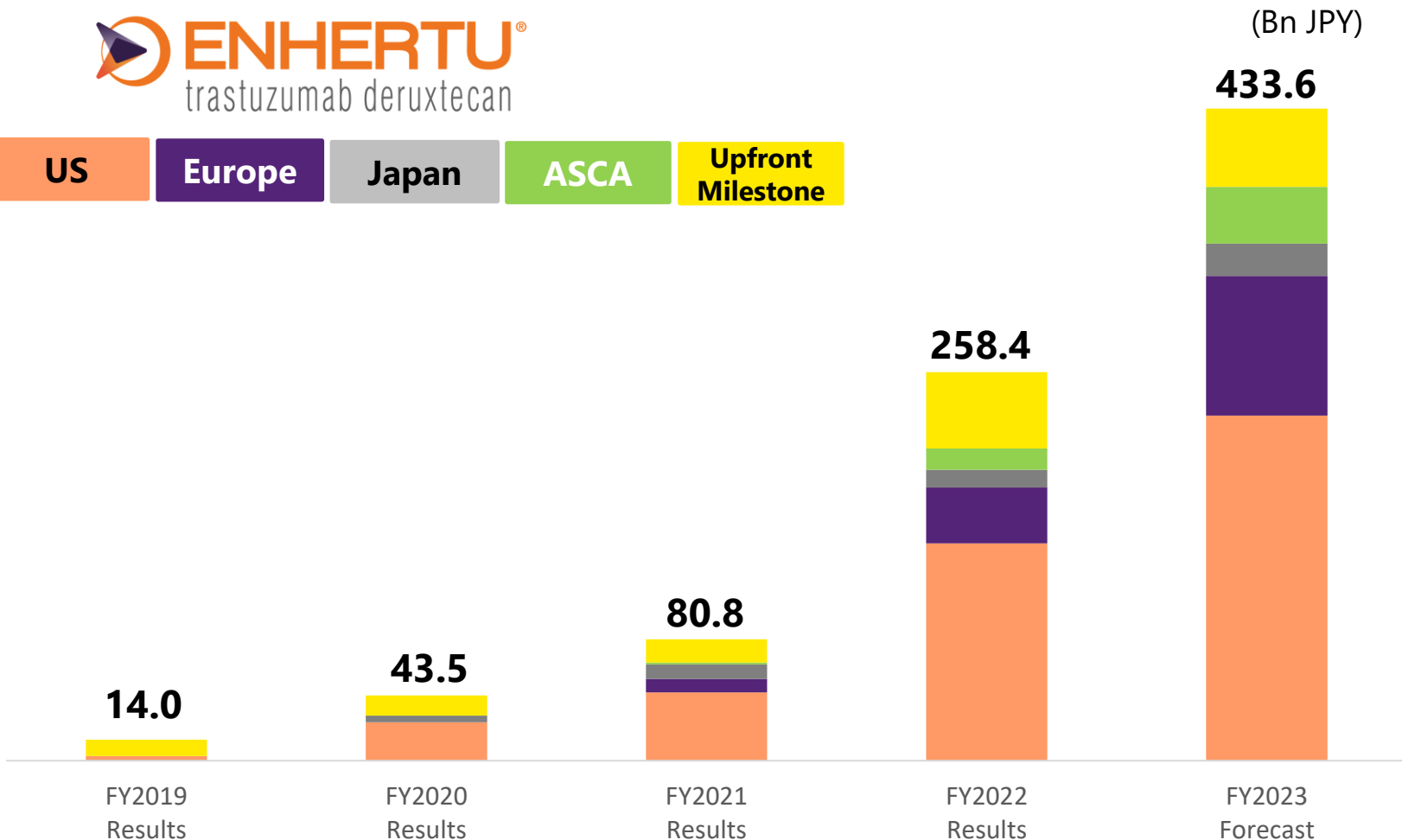
Product value maximization for 5 lead DXd ADCs progressing steadily through competitive clinical study data accumulation



 Timeline indicates the most advanced stage of each project

CRC: colorectal cancer, CRPC: castration-resistant prostate cancer, ESCC: esophageal squamous cell carcinoma, GIST: gastrointestinal stromal tumor, NSCLC: non small cell lung cancer, SCLC: small cell lung cancer

Steady revenue growth through strong market penetration and indication expansions



Approved indications in US

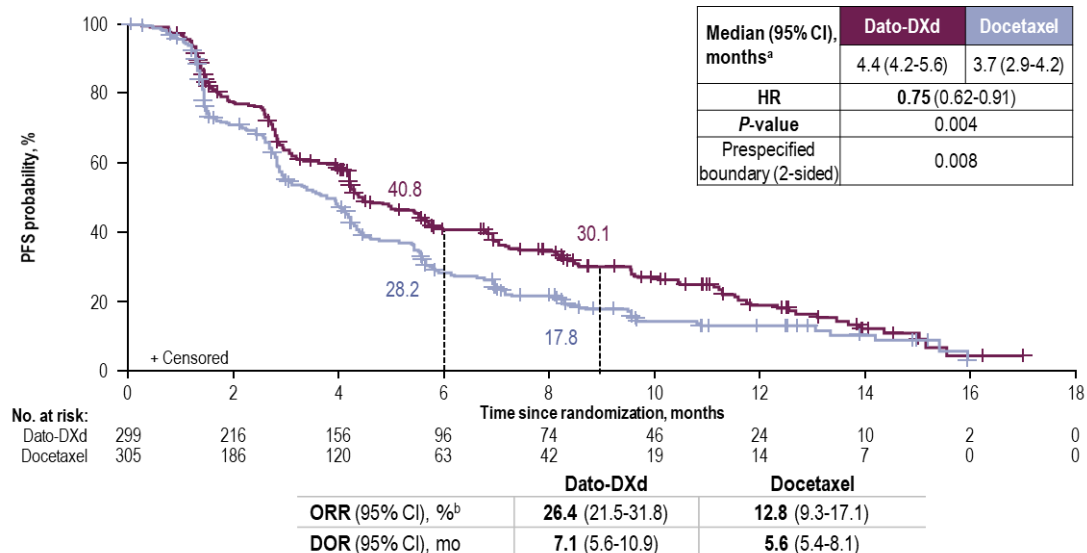
- HER2+ mBC 2L+
- HER2 low mBC (post chemo)
- HER2+ mGC 2L+
- HER2-mutant mNSCLC 2L+

Expect to obtain a filing acceptance letter for additional indication in US within FY2023

A potential tumor agnostic therapy for HER2+ solid tumors 2L+

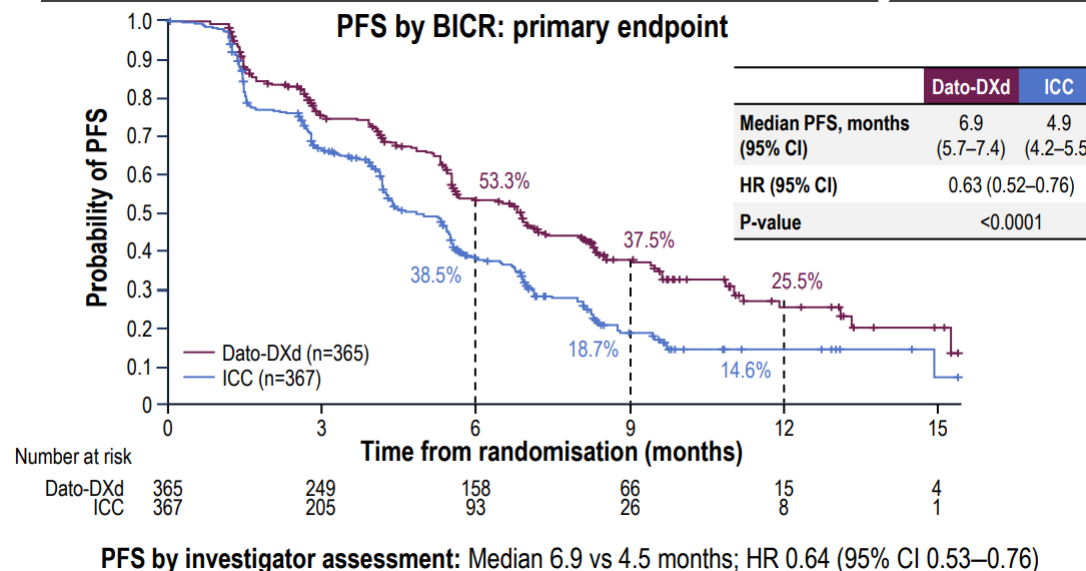
Expect to obtain a filing acceptance letter in US for NSCLC (2L+) within FY2023
Plan to file for HR+/HER2 low or negative BC (2L+) within FY2023

TROPION-Lung01: PFS for ITT



Dato-DXd is the first ADC to demonstrate a statistically significant improvement in PFS over docetaxel in NSCLC

TROPION-Breast01: Efficacy

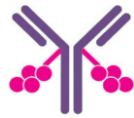
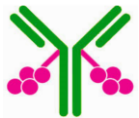


Dato-DXd aims to set a new standard for TROP2 ADCs in HR+/HER2 low or negative BC with TROPION-Breast01

- Maximize product value by accelerating development and expanding possibilities
- Rapidly allocate resources to new growth drivers following 5 lead DXd ADCs

Development

- ◆ **Co-development** as monotherapy and combination therapy for **HER3-DXd, DS-7300 (I-DXd), DS-6000 (R-DXd)**



Commercial

- ◆ **Global (excluding Japan):**
The companies will **co-promote** and **share gross profit, promotional expenses, etc.**
- ◆ **Japan:**
Daiichi Sankyo will **solely commercialize** and **pay royalty** to MRK

Financial Terms: Up to 22.0 Bn USD (3,300.0 Bn JPY) in total (1USD=150JPY)

- ◆ **Upfront payments: 4.5 Bn USD (675.0 Bn JPY)**
- ◆ **R&D expenses related refundable upfront payments: 1.0 Bn USD (150.0 Bn JPY)**
- ◆ **Sales milestones: Up to 16.5 Bn USD (2,475.0 Bn JPY)**

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5DXd ADCs and Next Wave

5DXd ADCs

&

Next Wave

ENHERTU®

Dato-DXd

HER3-DXd

**DS-7300
(I-DXd)**

**DS-6000
(R-DXd)**

Oncology

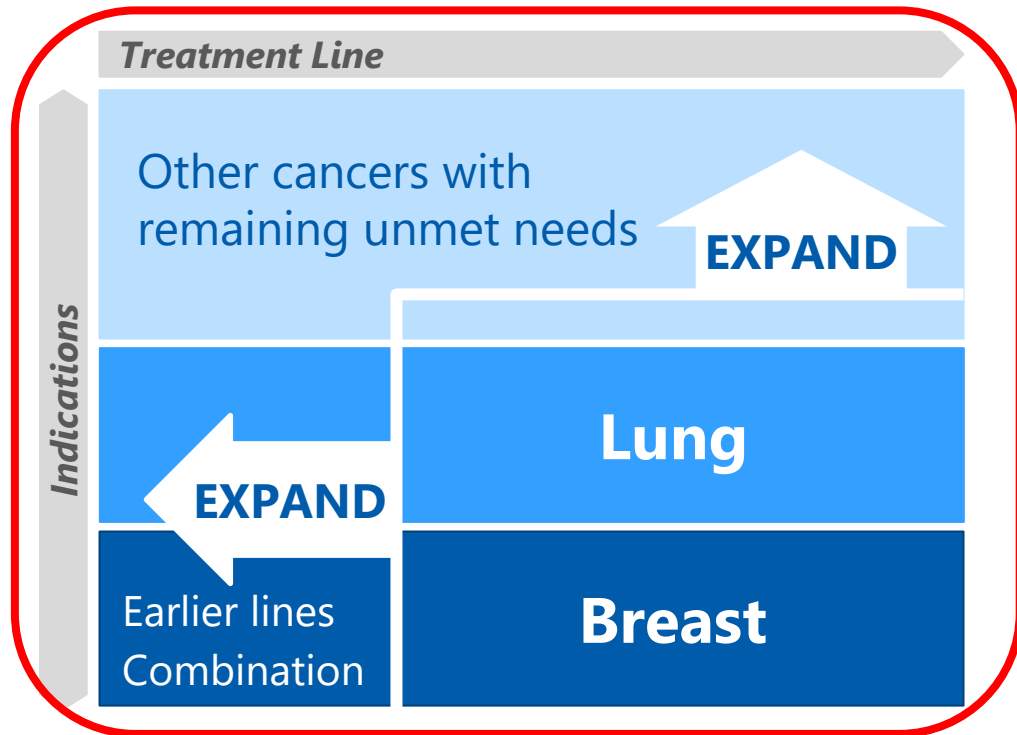
**Specialty Medicine
& Vaccine**

Accelerate development and expand possibilities with AstraZeneca

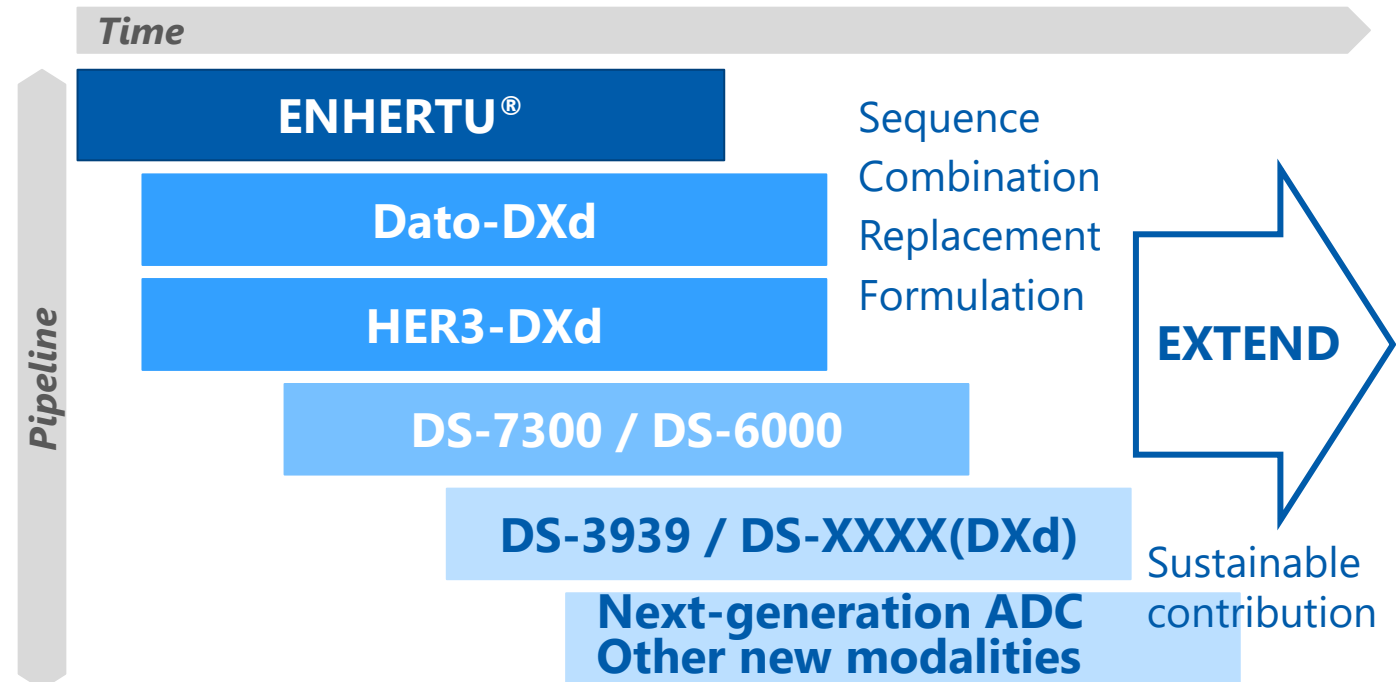
Accelerate development and expand possibilities with Merck & Co., Inc., Rahway, NJ, USA

Develop various modalities to establish the next pillar

EXPAND & EXTEND to Deliver our Technology to More Patients

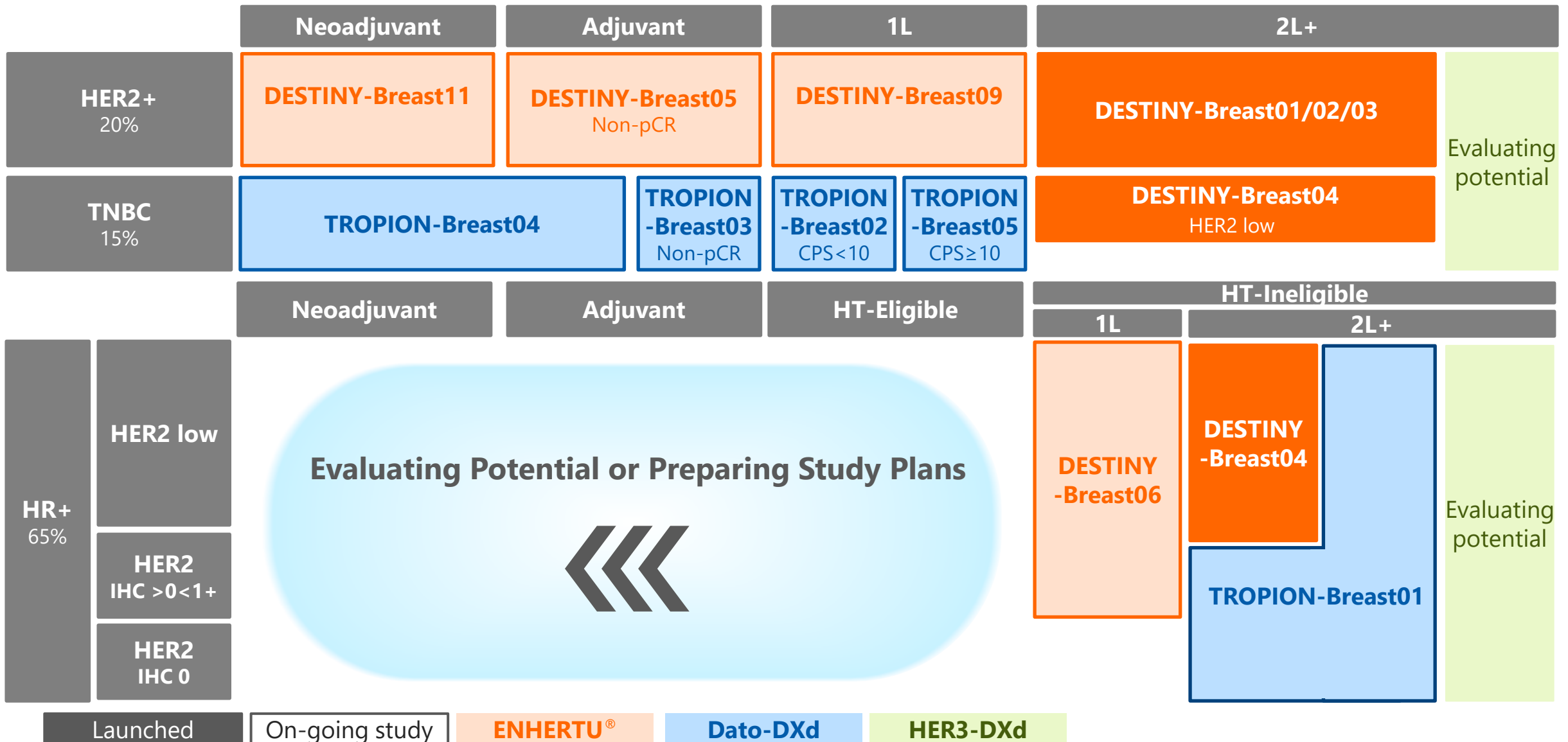


- Establish and expand DXd ADC therapies in **Breast** and **Lung** cancers
- **Go Earlier:** explore early lines of therapy/ stage of diseases; replace chemotherapy
- **Go Wider:** into new diseases beyond currently focusing areas to serve more patients in needs



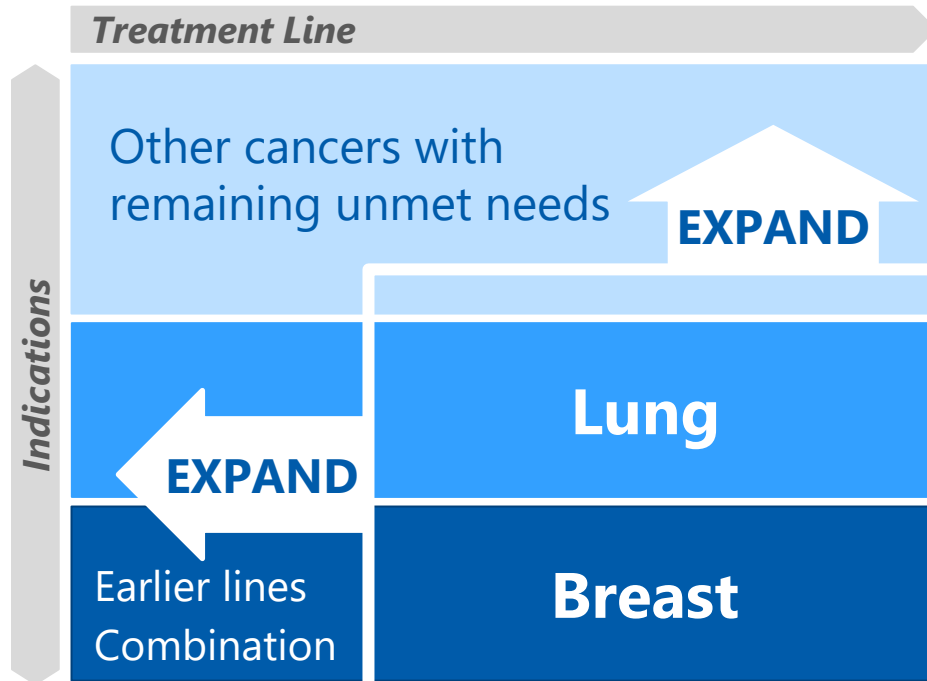
- Address unmet needs **after ENHERTU®** treatment
- Seek effective **treatment sequencing, novel combination, or formulation** to enhance efficacy and improve treatment
- **Grow early pipeline** following 5 lead DXd ADCs to contribute to more patients in the future

Establish and Expand DXd ADCs to Address the Broader Spectrum of Breast Cancer

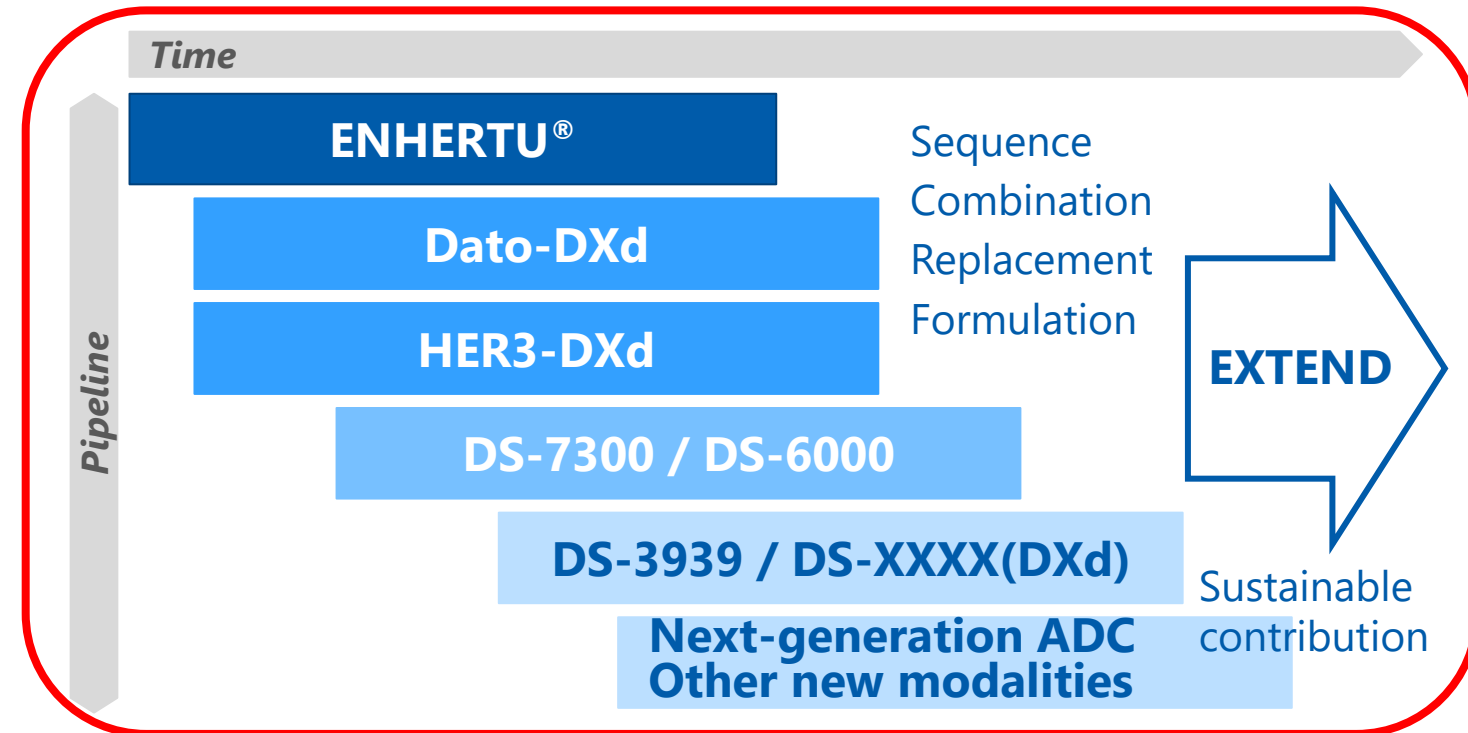


Pivotal studies only (not exhaustive). CPS, combined positive score; HT, Hormone therapy; HR, hormone receptor; IHC: immunohistochemistry, pCR: pathological complete response, TNBC, triple-negative breast cancer

EXPAND & EXTEND to Deliver our Technology to More Patients



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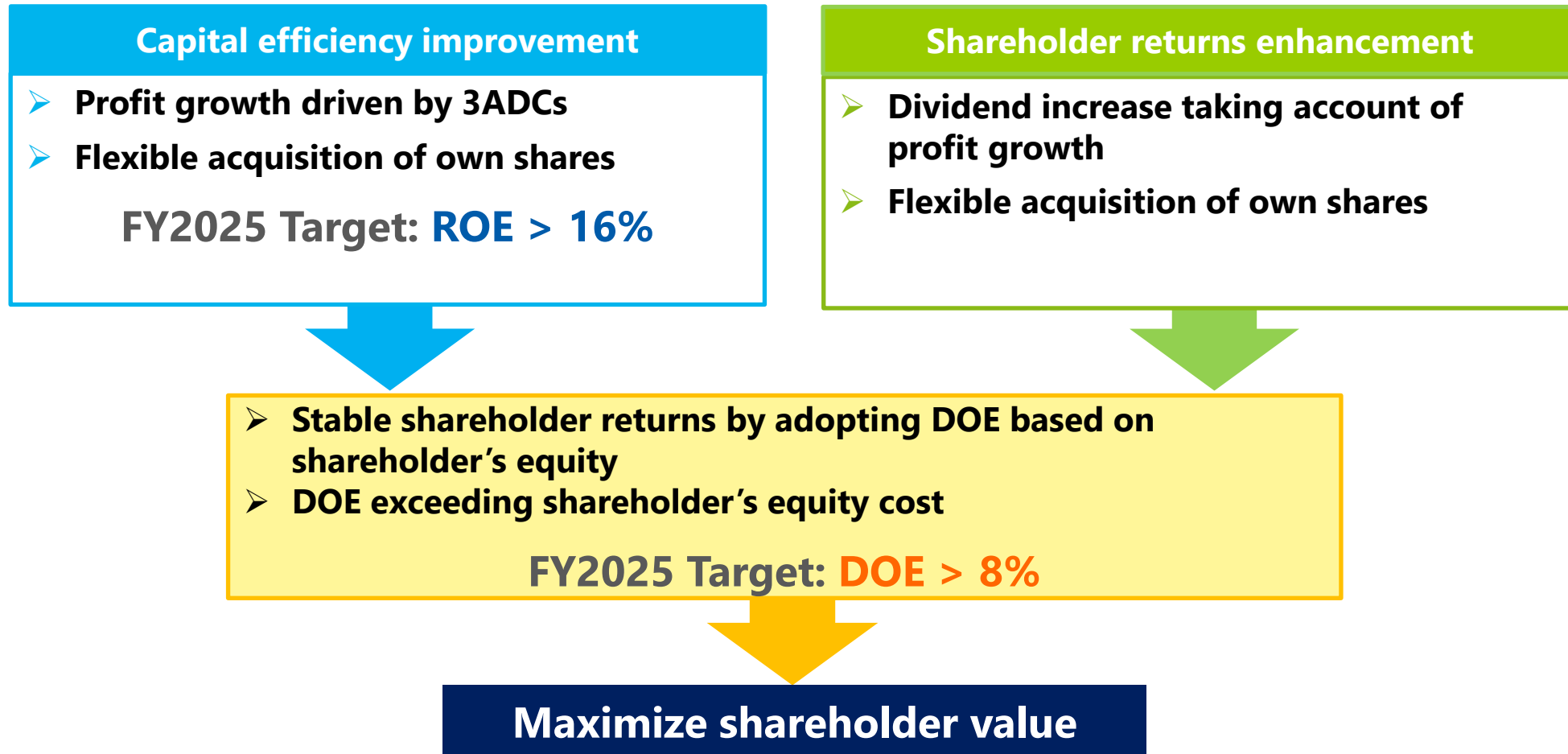
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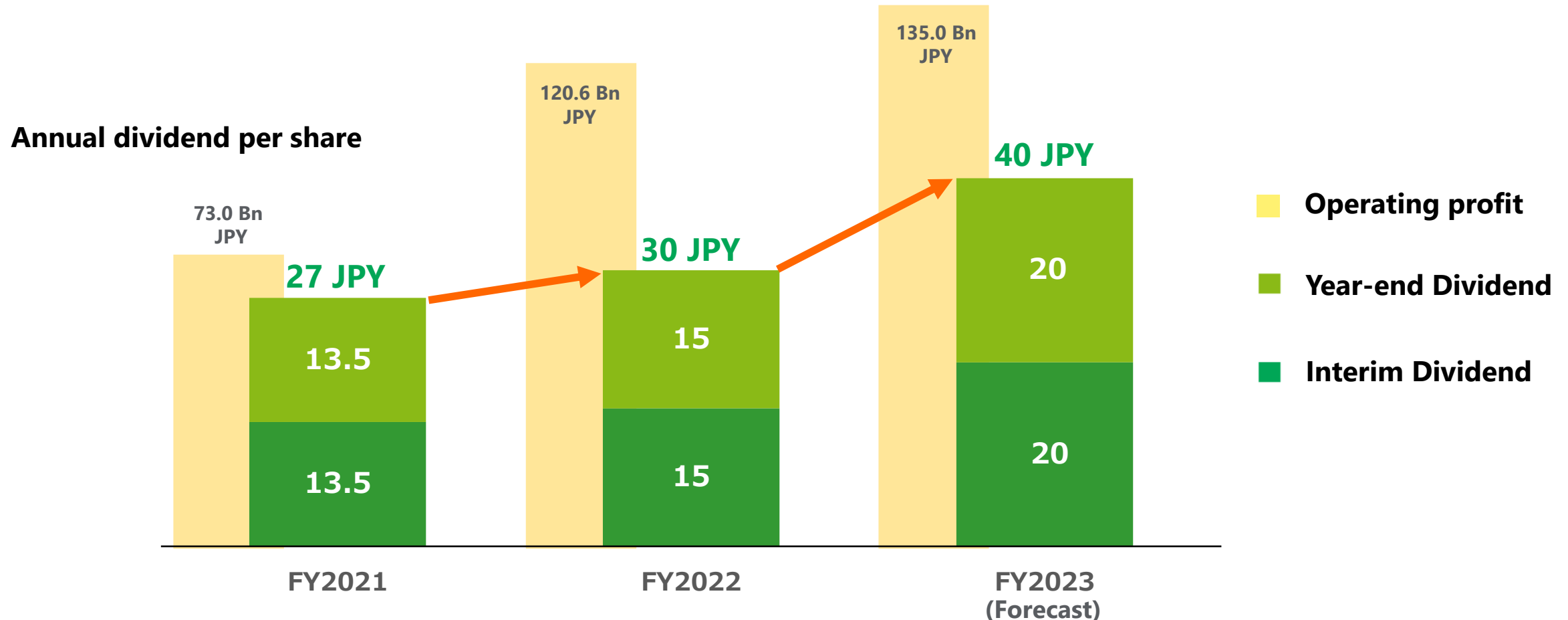
Shareholder Return Policy (FY2021-FY2025)



Profit Growth and Dividend Increase

Expect FY2023 dividend increase given profit growth led by strong performance of ENHERTU[®] and from strategic collaboration with Merck & Co., Inc., Rahway, NJ, USA

- Annual dividend per share FY2023 Forecast: 40 JPY (YoY +10 JPY)



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5-Year Business Plan (FY2021-FY2025) for Sustainable Growth

We will achieve our 2025 Goal, **Global Pharma Innovator with Competitive Advantage in Oncology**, and will shift to further growth toward our 2030 Vision

2030 Vision

**Innovative Global
Healthcare Company
Contributing to the
Sustainable Development
of Society**

5-Year Business Plan (FY2021-FY2025)

Achieve FY2025 Goal
"Global Pharma Innovator
with Competitive
Advantage in Oncology"
and shift to further growth

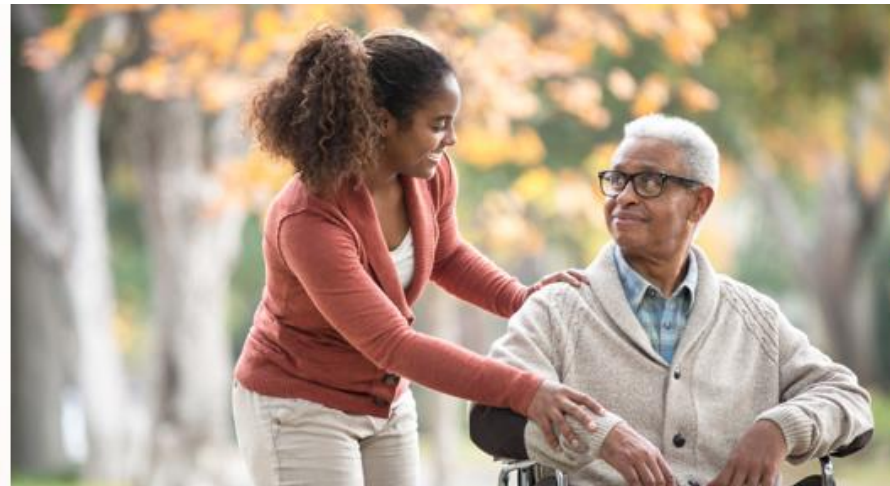
As of FY2020

- ◆ Oncology business launched
- ◆ Edoxaban growing
- ◆ Regional value being enhanced
- ◆ AZ strategic alliance
- ◆ Increased RD investment

- ◆ Global top 10 in Oncology
- ◆ Additional growth pillars being source of revenue and profit
- ◆ New products being source of profit in each business unit
- ◆ Contributing to sustainable development of society through our business



Daiichi Sankyo will contribute to the enrichment of quality of life around the world



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