



## News Release

### Notice Concerning Issuance of New Shares and Disposal of Treasury Shares under the Long-Term Incentive Plan for Company Group Employees Outside of Japan

**Osaka, JAPAN, June 11, 2024** – Takeda Pharmaceutical Company Limited (“Company”) today announced that it decided on the issuance of new shares and disposal of treasury shares under the Long Term Incentive Plan (“LTIP”) for the Company Group employees outside of Japan, as outlined below (“Issuance of Shares”).

#### 1. Outline of Issuance of Shares

(1) Payment date	July 8, 2024
(2) Type and number of shares to be issued and disposed of	15,905,936 ordinary shares of the Company, which is the total of the following: (i) 8,578,474 new shares; and (ii) 7,327,462 treasury shares.
(3) Issuance and disposal price	4,241 yen per share
(4) Total value of shares to be issued and disposed of	67,457,074,576 yen
(5) Planned allottee	Employees of the Company and the Company’s subsidiaries; numbering 10,954 persons: 15,905,936 shares
(6) Other	The Company will dispose of treasury shares and issue new shares on the condition that the shelf registration becomes effective and the shelf registration supplements are filed.

Note: If the total number of shares to be subscribed by the allottees does not reach the total number of shares in item (2) above, the Company will allot the treasury shares in advance of the new shares, and if there are any shares which are not subscribed by the allottees, the allotment of the said shares will be forfeited.

#### 2. Purposes and reason for Issuance of Shares

At the meeting of the Board of Directors held on June 24, 2020, the Company resolved to introduce the LTIP, under which eligible Company Group employees outside of Japan may be granted incentive compensation that is based on American depositary shares of the Company (“Company ADS” (\*1)). The purposes of the LTIP are to align the employees’ interests with those of Company’s shareholders, to attract and retain officers and other employees at the Company’s Group Companies outside of Japan and to further the Company’s risk mitigation strategy by enabling the Company and its Group Companies to provide incentive compensation that appropriately balances risk and reward.

(\*1) A Company ADS represents ½ of one (1) ordinary share of the Company.

In the LTIP, Restricted Stock Unit awards (“RSU awards”) and Performance Stock Unit awards (“PSU awards”) will be granted to eligible Company Group employees outside of Japan in the form of Restricted Stock Units (“RSUs”) and Performance Stock Units (“PSUs”). Awards granted pursuant to the LTIP may be settled by (i) Company ADSs to be converted from newly issued ordinary shares of the Company, disposed treasury shares, or Company ADSs purchased in the open market, or (ii) cash in an amount equivalent to the vested Company ADSs. With respect to RSU awards, a number of Company ADSs corresponding to one-

third of the RSUs granted will vest annually over a three-year period upon the fulfillment of applicable conditions, including being continuously employed by the Company or its Group Companies. If a grantee resigns due to reasons attributable to the grantee during the target period, the grantee will forfeit all rights regarding the RSUs. RSUs will also be granted on the first day of each quarter to those grantees who joined the Company after an annual grant date (i.e., July 1) or who have other reasons that qualify for interim grants, and the period of continuous service as a vesting condition for such grantees is from the grant date of each unit to the vesting date. The same vesting date will apply to all RSUs that are granted during the same fiscal year. With respect to PSU awards, in addition to the fulfillment of applicable conditions, including the relevant persons being continuously employed by the Company or its Group Companies, the number of vested Company ADSs will be determined after a three-fiscal-year evaluation period, corresponding to the degree or level of achievement of performance goals for the relevant three-fiscal-year period. The PSUs are to be granted every year and, for this year, are scheduled to be granted on July 1, 2024. Additionally, the PSUs may be granted as necessary to those grantees who join the Company, or who for other reasons qualify for interim grants, after the annual grant date. For both RSU awards and PSU awards, upon the occurrence of certain events, including the employee's death, instead of Company ADSs, cash in an amount equivalent to the vested Company ADSs will be paid on a certain designated date.

The Issuance of Shares will be implemented for the RSUs to be vested in 2024 as well as the PSUs to be vested in 2024 based on the achievement of performance goals for the three-fiscal-year period ending in fiscal year 2023, and will be conducted by a contribution in kind of claims for salary to be granted to the planned allottees.

### 3. Basis of calculation of the amount to be paid and details thereof

In order to avoid arbitrariness impacting the issuance and disposal price, the said price is set at 4,241 yen, the closing price of ordinary shares of the Company on the Tokyo Stock Exchange ("TSE") on June 10, 2024, the business day immediately preceding the day on which the Company decided on the Issuance of Shares, in compliance with the "Guidelines Concerning Treatment of Capital Increase by Third Party Allotment" of the Japan Securities Dealers Association.

The reason for adopting, as the issuance and disposal price, the closing price of ordinary shares of the Company on the TSE on the business day immediately preceding the day on which the Company decided on the Issuance of Shares is that this price represents the Company's fair corporate value in the stock market and is thus determined to be reasonable as the issuance and disposal price.

The said price is i) the value obtained by multiplying 4,159 yen (less than 1 yen is rounded down), the average of the closing prices of ordinary shares of the Company in the TSE in the month (from May 11, 2024 to June 10, 2024) immediately preceding the decision, by 101.97% (rate of deviation: 1.97%; rounding off to two decimal places; the same shall apply hereinafter), and ii) the value obtained by multiplying 4,177 yen (less than 1 yen is rounded down), the average of the closing prices of ordinary shares of the Company for the latest three months (from March 11, 2024 to June 10, 2024) immediately preceding the decision, by 101.53% (rate of deviation: 1.53%), and iii) the value obtained by multiplying 4,220 yen (less than 1 yen is rounded down), the average of the closing prices of ordinary shares of the Company for the latest six months (from December 11, 2023 to June 10, 2024) immediately preceding the decision, by 100.50% (rate of deviation: 0.50%).

Accordingly, the Company determines that the said price does not fall under the category of especially advantageous terms.

## **Disclaimer**

This announcement has been prepared to publicly disclose the issuance of new shares and disposal of treasury shares under the Long Term Incentive Plan for Company Group employees outside of Japan and is not intended to, and does not, constitute, represent or form part of any offer, invitation or solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities whether pursuant to this announcement or otherwise.

## **About Takeda**

Takeda is focused on creating better health for people and a brighter future for the world. We aim to discover and deliver life-transforming treatments in our core therapeutic and business areas, including gastrointestinal and inflammation, rare diseases, plasma-derived therapies, oncology, neuroscience and vaccines. Together with our partners, we aim to improve the patient experience and advance a new frontier of treatment options through our dynamic and diverse pipeline. As a leading values-based, R&D-driven biopharmaceutical company headquartered in Japan, we are guided by our commitment to patients, our people and the planet. Our employees in approximately 80 countries and regions are driven by our purpose and are grounded in the values that have defined us for more than two centuries.

For more information, visit [www.takeda.com](http://www.takeda.com).

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