

November 6, 2023

To whom it may concern:

TOWA PHARMACEUTICAL CO., LTD.

## Notice of Revisions of Financial Forecasts

In view of its recent financial performance, Towa Pharmaceutical Co., Ltd. (Head office: Kadoma, Osaka; President and Representative Director: Itsuro Yoshida; hereinafter, the “Company”) has revised its consolidated financial forecasts for the first half of the fiscal year ending March 31, 2024 (from April 1, 2023 to September 30, 2023), which were previously announced on May 15, 2023 at the time of the announcement of financial results for the fiscal year ended March 31, 2023, as follows:

### ● Revision of financial forecasts

Revision of the consolidated financial forecasts for the first half of the fiscal year ending March 31, 2024 (from April 1, 2023 to September 30, 2023)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	104,600	5,800	5,600	3,400	69.08
Revised forecast (B)	107,300	7,000	10,200	6,900	140.18
Changes (B-A)	2,700	1,200	4,600	3,500	
Percentage changes	2.6	20.7	82.1	102.9	
(Reference) Results for the previous fiscal year (1H of the fiscal year ended March 31, 2023)	90,500	3,220	4,609	2,692	54.70

### ● Reason for revision

With regard to the consolidated financial forecasts for the first half of the fiscal year, net sales are expected to slightly exceed the previous forecast due to the efforts to establish a stable product supply as Towa Group.

Operating profit is expected to exceed the previous forecast due to higher sales and a delay in the SGA spending, despite a deteriorated sales mix and other factors.

Ordinary profit and profit attributable to owners of parent are expected to exceed the previous forecast, mainly due to an increase in operating profit and a gain of 3.1 billion yen on valuation of derivatives resulting from the weaker yen and other factors, which was not expected in the plan.

Due to uncertainties in the market environment and foreign exchange rate trends, the full-year consolidated financial forecast for the fiscal year ending March 31, 2024 has not been

revised from the forecast announced on May 15, 2023.

Note: The above forecasts were prepared on the basis of available information at the time of the release of this notice. Actual performance may differ from the forecasts due to various factors in the future.

End of Notice