

October 30, 2023

To whom it may concern,

Name of company: Nippon Kayaku Co., Ltd.  
 Name of representative: Atsuhiko Wakumoto, President  
 Code No.: 4272  
 Tokyo Stock Exchange, Prime Market  
 Contact: Tsutomu Kawamura, Director  
 General Manager of Finance &  
 Accounting Division  
 (Tel: +81-3-6731-5842)

Notice of Revision to the Business Results Forecasts

In light of recent trends in business performance, Nippon Kayaku Co., Ltd. has revised the business results forecasts which were announced on May 15, 2023.

1. Consolidated business results forecasts for the second quarter of the fiscal year ending March 31, 2024 (April 1, 2023 to September 30, 2023)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit attributable to owners of parent per share
Previous forecast (A)	Million yen 97,100	Million yen 5,300	Million yen 6,200	Million yen 4,400	Yen 26.54
Current revised forecast (B)	97,900	4,800	8,300	6,100	36.79
Change (B-A)	800	(500)	2,100	1,700	
Percentage change (%)	0.8	(9.4)	33.9	38.6	
(Reference) Previous results (the second quarter of the fiscal year ended March 31, 2023)	102,728	13,559	16,628	11,281	67.04

2. Consolidated business results forecasts for the fiscal year ending March 31, 2024 (April 1, 2023 to March 31, 2024)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit attributable to owners of parent per share
Previous forecast (A)	Million yen 202,300	Million yen 13,000	Million yen 14,000	Million yen 10,500	Yen 63.34
Current revised forecast (B)	202,300	6,000	9,700	5,800	34.98
Change (B-A)	0	(7,000)	(4,300)	(4,700)	
Percentage change (%)	0.0	(53.8)	(30.7)	(44.8)	
(Reference) Previous results (the fiscal year ended March 31, 2023)	198,380	21,505	23,025	14,984	89.36

### 3. Reasons for the Revision

#### (1) The second quarter business forecast

With respect to the forecast of consolidated business results for the 2Q (cumulative), operating income is expected to be lower than previously forecast due to factors such as a higher cost of sales ratio caused by a steep rise in a raw material prices. Ordinary income and net income attributable to owners of the parent are expected to exceed previously announced forecasts due to exchange rates movements and other factors.

#### (2) The full-year business forecast

With respect to the full-year consolidated business results forecast, operating income, ordinary income, and net income attributable to owners of the parent are expected to be lower than previously announced due to a higher cost of sales ratio brought about by a steep rise in raw material prices, and the payment of an upfront fee upon the conclusion of a new licensing agreement.

Details of the above licensing agreement can be found in the “Execution of Licensing Agreement for a New Drug Candidate” document separately disclosed today.

Note: The business results forecasts were calculated based on information currently available on the date they were announced. Actual performance may differ from numerical forecasts due to various factors that may affect results in the future.