

Company: RaQualia Pharma Inc.

(Stock code: 4579)

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## Notice Regarding Revision to Consolidated Earnings Forecast for the Fiscal Year Ending December 31, 2023

December 8, 2023 - RaQualia Pharma Inc. (headquartered in Nagoya, Japan; President & CEO: Hirobumi Takeuchi, “Company”) announced that the Company revised its consolidated earnings forecast for the fiscal year ending December 31, 2023 (January 1, 2023 to December 31, 2023), which was previously published on February 14, 2023, as shown below.

### 1. Revisions to consolidated earnings forecast for the fiscal year ending December 31, 2023 (January 1, 2023 to December 31, 2023)

	Consolidated net sales	Consolidated operating profit	Consolidated ordinary profit	Net profit attributable to owners of parent	Earnings per share
	million yen	million yen	million yen	million yen	yen
Previous forecasts (A)	2,799	260	242	183	8.74
Current forecasts (B)	1,938	△409	△340	△426	△19.73
Change (B-A)	△861	△669	△582	△609	△28.47
Change (%)	△30.8	—	—	—	—
Ref.: Results for the fiscal year ending December 31, 2022	2,918	866	904	723	34.50

### 2. Reasons for revision

The main reason for the revision is that the conclusion of the license agreement under negotiation and the achievement of milestones for the out-licensed pipeline will be postponed to the next fiscal year. The license agreement under negotiation above refers to the licensing of the rights to develop, manufacture, and market tegoprazan, a gastric acid suppressant, for the Japanese market, and the out-licensed pipeline milestones refer to the approval and launch of ELURA<sup>®</sup> (generic name: capromorelin) for weight loss management in cats. The impact of these postponements on the current fiscal year’s results will be a decrease of 900 million yen. Foreign exchange rate fluctuations are expected to cause an increase of 84 million yen for the entire year because the average exchange rate during the period will be about 138 yen per U.S. dollar, compared to the forecasted exchange rate of 125 yen per U.S. dollar.

Operating costs are expected to decrease by 191 million yen (7.5% y-o-y) from the previous forecast.

In consequence, the Company revised its forecasts for the fiscal year ending December 31, 2023, to its consolidated net sales of 1,938 million yen (previously announced forecast of 2,799 million yen), its consolidated operating loss of 409 million yen (previously announced forecast of 260 million yen profit), its consolidated ordinary loss of 340 million yen (previously announced forecast of 242 million yen profit), and its net loss attributable to owners of the parent of 426 million yen (previously announced forecast of 183 million yen profit).

The net sales resulting from the postponement of the period are expected to be recorded in the fiscal year ending December 31, 2024. For details, please refer to the “Notice Regarding Revisions to Business Plan and Matters Concerning Growth Potential” disclosed today.

\*Note concerning forward-looking statements: the above forecasts are based on information available at the time of announcement. Actual results may differ from these forecasts due to various factors that may arise going forward.