



May 11, 2023

To Whom It May Concern

Company: KYORIN Pharmaceutical Co., Ltd.  
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## Notice of Extraordinary Income as Result of Absorption-Type Merger

KYORIN Pharmaceutical Co., Ltd. (“Company”) has merged its wholly owned subsidiary, formally known as KYORIN Pharmaceutical Co., Ltd. (“Subsidiary Kyorin”), the main business company of KYORIN Group, and has changed its trade name to “KYORIN Pharmaceutical Co., Ltd.” on April 1, 2023. As a result of this merger, the Company is scheduled to record an extraordinary income in its non-consolidated result for the first quarter of the fiscal year 2023.

### 1. Detail of Extraordinary Income

As of the effective date of the merger (April 1, 2023), the Company is scheduled to record the difference between (i) the shareholder’s equity on the difference between the assets and liabilities received from Subsidiary Kyorin and (ii) the book value of its shares (tie-in shares) held by the Company, which will be 46,843 million yen, as extraordinary income in the form of a gain on extinguishment of tie-in shares.

### 2. Impact on the business performance

#### (1) Consolidated results

In regard to the extraordinary income, there is no impact on consolidated financial result ending March 2024 because it is eliminated on consolidation.

#### (2) Non-consolidated results

The extraordinary income (a gain on extinguishment of tie-in shares) is scheduled to be recorded 46,843 million yen in the first quarter of the fiscal year 2023.