

Updated Numerical Targets of “VISION2030”

- Based on the updated sales forecasts for existing products and JTE-061, and in light of our favorable progress in obtaining new in-licensed drugs and developing new drugs, as well as our forecast that we will be able to achieve the all-time high net sales ahead of schedule, we have upwardly revised net sales in “VISION2030,” and for operating income, clearly indicated the fiscal year in which we expect to break the all-time high operating income

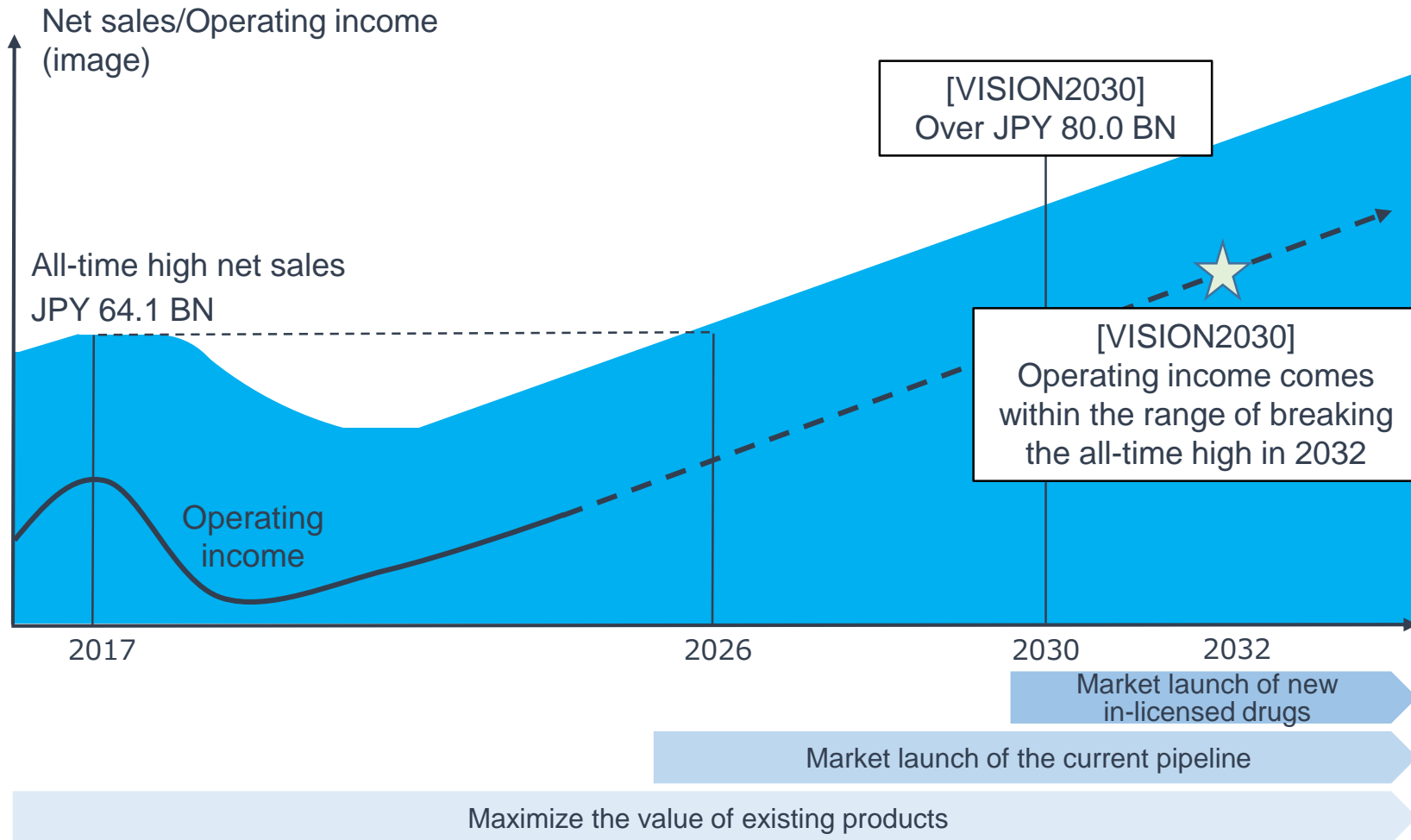
Before update	After update
<p>What Torii aims for in 2030</p> <p>To be a pharmaceutical company with presence: A company that has a deep understanding of the medical needs, leverages our expertise and impetus to co-create optimal solutions with all stakeholders, and delivers new, valuable pharmaceutical products to meet those needs.</p>	<p>What Torii aims for in 2030</p> <p>(Remain unchanged)</p>
<p>Net sales</p> <p>Net sales break the all-time high (JPY 64.1 BN)^{*1}</p> <p>Operating income</p> <p>Operating income comes within the range of breaking the all-time high (JPY 13.3 BN)^{*2}</p>	<p>Net sales</p> <p><u>Over JPY 80.0 BN</u></p> <p>Operating income</p> <p>Operating income comes within the range of breaking the all-time high (JPY 13.3 BN)^{*2} <u>in 2032</u></p>

*1: All-time high net sales: JPY 64.1 BN (fiscal year ended December 31, 2017)

*2: All-time high operating income: JPY 13.3 BN (fiscal year ended March 31, 2001)

Medium-/Long-Term Business Vision “VISION2030”

- Towards greater heights than the past by overcoming fluctuations



Outline of the Medium-Term Management Plan 2024-2026 –Numerical Targets and Guidance–

- Torii sets net sales and operating income before deduction of R&D expenses as numerical indicators for the Medium-Term Management Plan 2024-2026

Forecast for FY2024		Guidance for FY2026 ^{*2, *3}		What VISION2030 aims for ^{*3}
Net sales		Net sales		Net sales
¥58.6 billion	➔	¥63.0 – 66.0 billion	➔	Over ¥80.0 billion
Operating income (before deduction of R&D expenses) ^{*1}		Operating income (before deduction of R&D expenses) ^{*1}		Operating income ^{*4}
¥9.2 billion		¥9.0 – 10.0 billion		Operating income comes within the range of breaking the all-time high ^{*4} in 2032

*1: We actively invest in R&D for the time being, in order to obtain in-licensed drugs in the future. For this reason, Torii sets operating income before deduction of R&D expenses as a numerical income indicator for the Medium-Term Management Plan.

*2: A reference value that represents a rough estimate for Torii at this point in time and is not positioned as a target to be achieved.

*3: As a risk affecting medium- to long-term financial results, if CEDARCURE and MITICURE continue their recent net sales growth, they may be subject to market expansion repricing (drug price reduction) within the next few years. This risk has been estimated to a certain extent and reflected in the guidance for FY2026 and VISION2030.

*4: Although we will continue to invest in R&D beyond 2030, we expect to have completed our intensive investment to a certain extent. For this reason, Torii sets operating income as an indicator for numerical targets of VISION2030. All-time high operating income: ¥13.3 billion (fiscal year ended March 31, 2001)

Outline of the Medium-Term Management Plan 2024-2026

–Major Initiatives–

- Continue two pillars of “growth strategy” and “maintaining the credibility of stakeholders” due to no change of business environment as well as making good progress in major initiatives and financial results in FY2023

Growth strategy

- ✓ Spread, cultivate, and maximize the value of new drugs in the growth phase
 - Renal diseases and hemodialysis: ENAROY, Riona
 - Skin diseases: CORECTIM, JTE-061
 - Allergens: CEDARCURE, MITICURE
 - ORLADEYO
- ✓ Promote new drug development
 - TO-208
 - NAC-GED-0507
 - GRAZAX
- ✓ Obtain new in-licensed drugs
- ✓ Maintenance of human resource systems in line with management strategies and work-style reforms
- ✓ Corporate culture reform

Maintaining the credibility of stakeholders

- ✓ Improve and strengthen stable supply systems
- ✓ Compliance with pharmaceutical regulations and quality assurance
- ✓ Reinforce compliance
- ✓ Enhance corporate governance
- ✓ Initiatives on sustainability

Outline of the Medium-Term Management Plan 2024-2026 –Major Initiatives–

- Spread, Cultivate, and Maximize the Value of New Drugs in the Growth Phase, and Promote New Drug Development

- Focusing on three areas; the renal disease and hemodialysis, the skin disease and the allergens
- Growth drivers for realizing VISION2030 are the skin disease area and the allergens area

Renal diseases and hemodialysis

- ✓ Achieve further market penetration for Riona with additional indications for iron deficiency anemia
- ✓ Achieve further market penetration for ENAROY, a growth-stage product launched in December 2020
- ✓ Provide a wide product lineup including REMITCH, by appropriately utilizing our accumulated knowledge and information in the renal disease and hemodialysis area

Skin diseases

- ✓ Focus on further market penetration of CORECTIM
- ✓ Work toward early market launch and market penetration of developed products* (JTE-061, TO-208, NAC-GED-0507)
- ✓ By adding developed products to our lineup alongside existing products, such as CORECTIM and ANTEBATE, address a wide range of diseases
- ✓ The role of growth drivers in achieving VISION2030

* Planned indications for developed products: JTE-061: atopic dermatitis, psoriasis vulgaris; TO-208: molluscum contagiosum; NAC-GED-0507: skin disease

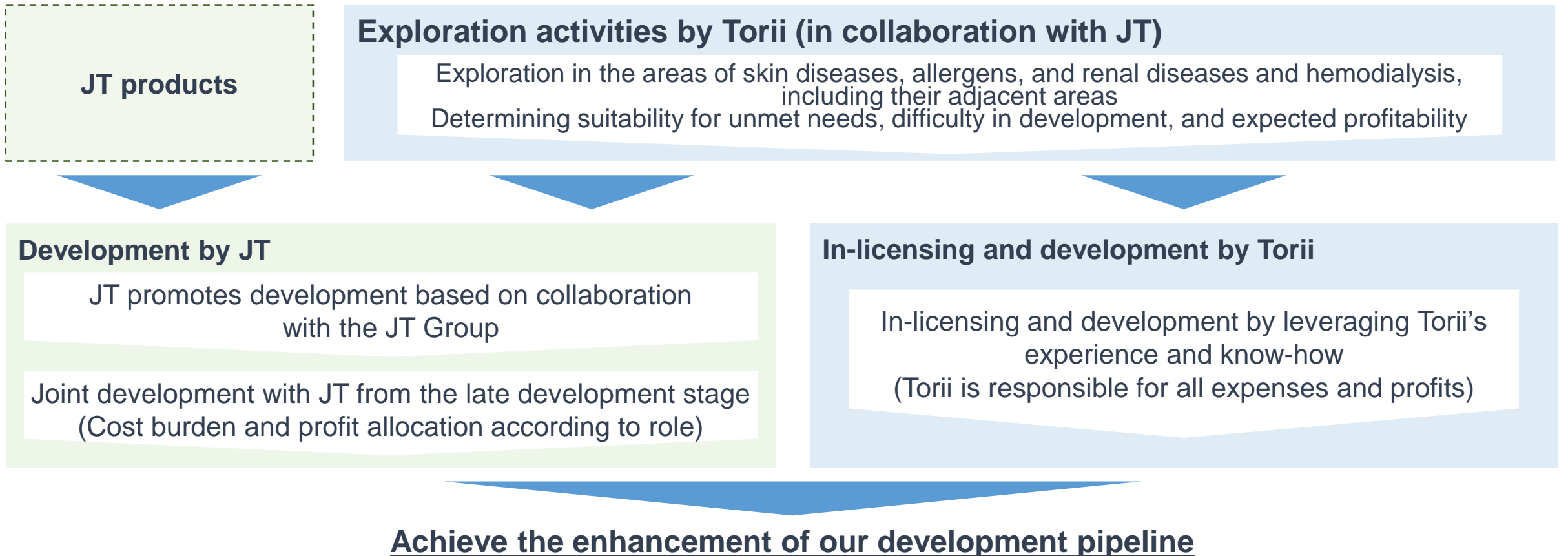
Allergens

- ✓ Aim for further growth of CEDARCURE and MITICURE
- ✓ For CEDARCURE, steadily work on efforts to ensure a stable supply in the future
- ✓ Implement the development of allergen immunotherapy drug for grass pollinosis (GRAZAX), which was in-licensed in December, for early market launch and market penetration
- ✓ The role of growth drivers in achieving VISION2030

Outline of the Medium-Term Management Plan 2024-2026 –Major Initiatives–

- Obtain New In-licensed Drugs

- Aggressively engage in exploration activities and business investments to enhance our development of pipeline through in-licensing
- Without limiting ourselves to the current franchise areas, aggressively take on the challenge of pursuing Torii Pharmaceutical's own in-licensing and development, including adjacent areas



Outline of the Medium-Term Management Plan 2024-2026 –Major Initiatives–

- Strengthen Supply Chain to Ensure a Stable Supply of CEDARCURE

Status of limited shipments of CEDARCURE (introduction dose)

- ✓ Continuing to receive introduction dose orders far above our expectations
- ✓ Limited shipments of introduction doses to ensure a stable supply of maintenance doses
 - *Maintenance doses are not subject to limited shipments, and there is no problem with stable supply to a certain number of new patients and patients who have already started taking or who continue taking the drug.
- ✓ We expect that it will take until 2025 before we can significantly increase both the cedar pollen collection volume, which is a raw material, and the drug substance production volume. Limited shipments are therefore expected to continue in 2024

Summary of government request concerning cedar pollinosis

- ✓ Overall picture of the government’s pollinosis countermeasures (ministerial meeting concerning pollinosis)
 - Regarding the treatment of pollinosis, it was determined that the government shall “start to request cooperation from forest associations, etc. and companies, with the aim of increasing production of therapeutic drugs for sublingual immunotherapy from drugs for 250,000 people per year to 1 million people per year within five years”
- ✓ The Ministry of Health, Labour and Welfare requested the Company to “respond to meet market demand through increased production, etc.” and “implement measures necessary to ensure a stable supply of products in the future”

Outline of the Medium-Term Management Plan 2024-2026 –Major Initiatives–

- Strengthen Supply Chain to Ensure a Stable Supply of CEDARCURE

Status of efforts to ensure a stable supply

- ✓ With the establishment of the Source Materials Procurement Dept. in August 2023, we have started planning and execution of a new collection scheme aimed at dramatically increasing our cedar pollen collection volume
 - Through negotiations and coordination with relevant ministries and local governments, collection entities, etc., we have achieved a roughly threefold increase from 2023 in the number of contracts with cedar pollen collection entities in 2024
- ✓ Capital investment in drug substance manufacturing (approximately ¥3.0 billion, scheduled to be in operation in 2025)

Impact on financial performance

- ✓ Even amid continuing limited shipments of introduction doses, shipments of introduction and maintenance doses continue in line with our expectations, and we expect continued sales growth
 - Financial forecasts for FY2024 assume continued limited shipments of introduction doses
 - The guidance for FY2026 and VISION2030 targets are set under certain assumptions regarding the timeframe for limited shipments of introduction doses

Outline of the Medium-Term Management Plan 2024-2026 –Major Initiatives–

- Enhance Corporate Governance

- Transition to a company with an Audit and Supervisory Committee to enhance and reinforce corporate governance
- Our new Board of Directors structure will enable diverse values to be reflected into management, thereby enhancement of corporate value
- Continue our efforts to ensure independence from controlling shareholders and protect minority shareholders

Transition to a company with an Audit and Supervisory Committee

- ✓ Strengthen the supervisory function of the Board of Directors by enabling Directors who are members of the Audit and Supervisory Committee to hold voting rights at meetings of the Board of Directors, and enabling the Audit and Supervisory Committee to appropriately exercise its right to state opinions on nomination and compensation
- ✓ The transition will enable the Board of Directors to delegate important decision-making regarding business execution to the executive Directors, which is to be coupled with the provision of consideration to the realization of further prompt decision-making in relation to management issues

New Board of Directors structure

- ✓ Total of five members of the Board (including one female), including two Representative Directors (President and Vice President) and three Independent Outside Directors (Audit and Supervisory Committee Members)
- ✓ Balanced composition of diverse members with extensive experience and expertise in corporate management/management strategy, legal affairs/compliance/risk management, finance/accounting, and capital markets

Ensure independence from controlling shareholders and protect minority shareholders

- ✓ Maintaining a system under which Independent Outside Directors constitute a majority of the Board of Directors
- ✓ Torii plans to establish the Nomination and Compensation Advisory Committee, which will be comprised only of Independent Outside Directors

Outline of the Medium-Term Management Plan 2024-2026 –Major Initiatives–

- Initiatives on Sustainability

- Establishment and launch of the Sustainability Committee (FY2024)
- Upgrade the materiality implementation plan (setting goals, roadmap, KPIs, etc.)

Links between materiality and business strategies, major initiatives of the Medium-Term Management Plan, etc., and the overview of major promotion measures 1)

Materiality related to our business	Business strategies, major initiatives of the Medium-Term Management Plan, etc.	Overview of major promotion measures
1) Contribute to patients by providing high-quality and valuable medical information to medical professionals	Business strategy: Create a framework for maximizing product value Spread, cultivate, and maximize the value of new drugs in the growth phase	<ul style="list-style-type: none"> • Strengthen our system and capability for providing and collecting information on our pharmaceutical products • Utilization of digital technology
2) Contribute to patients by exploring and developing new and valuable drugs that meet unmet medical needs	Business strategy: Enhance in-licensed activities	<ul style="list-style-type: none"> • Initiatives to reinforce in-licensing activities (expansion of exploration areas, geographical expansion, expansion of exploration methods, increasing and enhancing personnel/reinforcing organizational capabilities, etc.) • Promote new drug development (JTE-061, TO-208, NAC-GED-0507, GRAZAX, etc.)
3) Co-create with diverse partners with specialized functions in order to maximize the value we deliver to the medical field	VISION2030 (our business model): Focus on core functions × collaboration with companies specializing in each function	<ul style="list-style-type: none"> • Continue and upgrade the initiatives described on the left in each division
4) Supply our products stably through our entire supply chain initiatives	Foundation for business operation: Stable supply	<ul style="list-style-type: none"> • Strengthen the CEDARCURE production system (establishment of the Source Materials Procurement Dept., construction of new drug substance manufacturing building, etc.) • Address development theme items (JTE-061, TO-208) • Appropriate supply and demand management
5) Assure the quality and ensure the safety of our products	Foundation for business operation: Quality assurance	<ul style="list-style-type: none"> • Respond to various revisions in pharmaceutical regulations • Implementation based on schedule for developed drugs and in-licensed drugs

Outline of the Medium-Term Management Plan 2024-2026 –Major Initiatives–

- Initiatives on Sustainability

Links between materiality and business strategies, major initiatives of the Medium-Term Management Plan, etc., and the overview of major promotion measures 2)

Materiality related to our management foundation	Business strategies, major initiatives of the Medium-Term Management Plan, etc.	Overview of major promotion measures
6) Corporate activities with environmental protection in mind	Environmental response	<ul style="list-style-type: none"> Formulate and promote the environmental action plan (reduce greenhouse gas emissions and maintain waste recycling rate)
7) Develop employees with high levels of expertise and provide them with growth opportunities	Education and training/human resource development	<ul style="list-style-type: none"> Company-wide training, job-specific training Career development support Self-improvement support
8) Cultivate a corporate culture of implementing TORII's POLICY (Our Important Values)	Corporate culture reform	<ul style="list-style-type: none"> Understanding and dissemination of the corporate philosophy system (workshops for all employees, President dialogue sessions, public hearing from executives for employees) Conduct corporate culture reform questionnaires Conduct corporate culture reform working groups
9) Realize an environment in which each and every employee works enthusiastically	Maintenance of human resource systems in line with management strategies and work-style reforms	<ul style="list-style-type: none"> Improve human resource systems Initiatives to promote the active participation of women and support the development of the next generation Promote of health and productivity management
10) Compliance	Foundation for business operation: Compliance	<ul style="list-style-type: none"> Compliance with various laws and regulations (review of Code of Conduct, etc.) Compliance with industry rules (Code of Practice, fair competition code, guidelines on sales information provision activities, etc.) Provide education and awareness raising training to employees Conduct compliance questionnaires Establish a point of contact for reporting and consultation
11) Corporate governance	Enhance corporate governance	<ul style="list-style-type: none"> Decision to transition to a company with an Audit and Supervisory Committee Enhancement of information disclosure (financial results briefings, implementation of SR activities) Action to implement management that is conscious of cost of capital and stock price