



Tokyo, November 8, 2023

Note: This document is a direct translation of the document released in Japanese. If there are any discrepancies between this document and the original Japanese version, the original Japanese version prevails.

FOR IMMEDIATE RELEASE

**Announcement regarding Transition to
Company with Audit and Supervisory Committee,
and Changes of Representative Director and Officers**

Torii Pharmaceutical Co., Ltd. (“Torii”) (TSE: 4551) hereby announces that at the meeting of its Board of Directors held today, Torii resolved to transition to a company with an Audit and Supervisory Committee, subject to approval at the 132nd Annual General Meeting of Shareholders to be held on March 27, 2024. At the same time, Torii informally decided on the appointment of officers, etc. after the transition to a company with an Audit and Supervisory Committee as stated below.

1. Transition to Company with Audit and Supervisory Committee

(1) Purpose of the transition

Torii has positioned the reinforcement of its corporate governance as a major initiative in its medium-term management plan and has thus far endeavored to enhance and reinforce its corporate governance by organizing a system under which Independent Outside Directors constitute a majority of the Board of Directors and implementing other necessary measures.

The business environment surrounding the pharmaceutical industry is rapidly changing. In order to achieve sustainable, medium-to long-term improvement of corporate value, Torii aims to enhance and reinforce its corporate governance by strengthening the supervisory function of the Board of Directors, which is to be coupled with the provision of consideration to the realization of further prompt decision-making in relation to management issues. With the intention of achieving these aims, Torii intends to make the transition to a company with an Audit and Supervisory Committee, which will enable Directors who are members of the Audit and Supervisory Committee to hold voting rights at meetings of the Board of Directors and enable the Board of Directors to delegate a substantial portion of its decision-making authority regarding business execution to the executive Directors.

From the viewpoint of ensuring independence from controlling shareholders and protecting minority shareholders, Torii plans to maintain the system under which Independent Outside Directors constitute a majority of the Board of Directors. In addition, from the viewpoint of further improving the transparency, objectivity and fairness of the nomination and compensation procedures for Directors and further enhancing deliberations, Torii plans to establish the Nomination and Compensation Advisory Committee, which will be comprised only of Independent Outside Directors, as a voluntary advisory body to the Board of Directors.

(2) Timing of the transition

At the 132nd Annual General Meeting of Shareholders to be held on March 27, 2024, Torii plans to request approval for amendments to the Articles of Incorporation necessary for the transition. After the approval at the 132nd Annual General Meeting of Shareholders, Torii will transition to a company with an Audit and Supervisory Committee.

(3) Others

Details of the amendments to the Articles of Incorporation, etc. associated with the transition will be announced as soon as they are determined.

2. Director Candidates after the Transition to a Company with an Audit and Supervisory Committee

(1) Candidates for Directors (excluding Directors as Audit and Supervisory Committee Members) (scheduled to be appointed as of March 27, 2024)

Name	New Position	Current Position
Goichi Matsuda	Representative Director, President and Chief Executive Officer	Same
Nobumasa Kondo	Representative Director, Executive Deputy President	Senior Executive Officer, Head of Planning and Administration Group

(2) Candidates for Directors as Audit and Supervisory Committee Members
(scheduled to be appointed as of March 27, 2024)

Name	New Position	Current Position
Takaharu Matsumura	Outside Director, Audit and Supervisory Committee Member	Outside Audit and Supervisory Board Member
Mihoko Manabe	Outside Director, Audit and Supervisory Committee Member	—
Kenichi Fujita	Outside Director, Audit and Supervisory Committee Member	—

(Note) Mr. Takaharu Matsumura, Ms. Mihoko Manabe and Mr. Kenichi Fujita are candidates for Outside Director as defined in Article 2, Item 15 of the Companies Act. In addition, Mr. Takaharu Matsumura, Ms. Mihoko Manabe and Mr. Kenichi Fujita are planned to be designated as Independent Officers as defined in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.

(Reference) Career Summaries of the Candidates to be appointed as new Directors who will serve as Audit and Supervisory Committee Members (excluding one new director whose current position is Outside Audit and Supervisory Board Member)

Name	Mihoko Manabe	
Date of birth	November 3, 1958	
Career summary	May, 1988	Joined Moody's Investors Service, Inc.
	May, 2013	Senior Vice President of Moody's Investors Service, Inc.
	May, 2017	Associate Managing Director of Moody's Japan K.K.
	March, 2019	Member of the Board, Director of Moody's Japan K.K.

Name	Kenichi Fujita	
Date of birth	March 18, 1959	
Career summary	October, 2016	Representative Director and President and CEO of Siemens K.K.
	October, 2020	Representative Director and Chairman of Siemens K.K.
	January, 2021	Representative Director and President of K-BRIC, Ltd. (currently K-BRIC& Associates, Ltd.) (current position)

	March, 2021	Outside Director of ENECHANGE Ltd. (current position)
	March, 2023	Outside Director of OUTSOURCING Inc. (current position)

(3) Directors to be retired (as of March 27 , 2024)

Name	Current Position	Position after retirement
Masao Torikai	Outside Director	—
Toshio Fukuoka	Outside Director	—

(4) Audit and Supervisory Board Members to be retired (as of March 27 , 2024)

Name	Current Position	Position after retirement
Ken Yamamoto	Standing Audit & Supervisory Board Member	—
Eiichi Izumo	Outside Audit & Supervisory Board Member	—
Takaharu Matsumura	Outside Audit & Supervisory Board Member	Outside Director, Audit & Supervisory Committee Member

3. Change of Representative Director

(1) Reason for Change

To further strengthen the management structure

(2) Name and Position of the New Representative Director

Name: Nobumasa Kondo

Position : Representative Director, Executive Deputy President

(3) Career Summary of the Candidate to be appointed as Representative Director

Name	Nobumasa Kondo	
Date of birth	September 28 , 1968	
Career summary	April, 1992	Joined Japan Tobacco Inc.
	July, 2012	Vice President, CSR Division of Japan Tobacco Inc.
	October, 2015	Senior Manager of Business Planning Dept., Pharmaceutical Division of Japan Tobacco Inc.

	January, 2016	Senior Manager of Business Administrative Dept., Pharmaceutical Division of Japan Tobacco Inc.
	March, 2016	Vice President, Corporate Planning Dept. of Torii
	March, 2019	Executive Officer, Head of Planning & Administration Group and Vice President, Corporate Planning Dept. of Torii
	October, 2019	Executive Officer, Head of Planning & Administration Group of Torii
	March, 2020	Senior Executive Officer, Head of Planning & Administration Group of Torii (current position)
Number of Torii shares held	4,106	

(4) Effective Date

March 27, 2024

※ The appointment as Representative Director is subject to ratification at the 132nd Annual General meeting of Shareholders, scheduled for March 27, 2024, and approval at the Company's Board of Directors' meeting, scheduled subsequently.

End

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<Reference>

Executive Officers as of March 27, 2024

March 27, 2024 (scheduled)

New Position	Name	Current Position
Representative Director, President and Chief Executive Officer	Goichi Matsuda	Same
Representative Director, Executive Deputy President	Nobumasa Kondo	Senior Executive Officer, Head of Planning & Administration Group
Outside Director, Audit & Supervisory Committee Member	Takaharu Matsumura	Outside Audit & Supervisory Board Member
Outside Director, Audit & Supervisory Committee Member	Mihoko Manabe	—
Outside Director, Audit & Supervisory Committee Member	Kenichi Fujita	—

(Note) Mr. Takaharu Matsumura, Ms. Mihoko Manabe and Mr. Kenichi Fujita are candidates for Outside Director as defined in Article 2, Item 15 of the Companies Act. In addition, Mr. Takaharu Matsumura, Ms. Mihoko Manabe and Mr. Kenichi Fujita are planned to be designated as Independent Officers as defined in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.