News Release

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April 22, 2026

Revision of Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2026 Following a Milestone Achievement and Receipt of Milestone Revenue under the License Agreement with Johnson & Johnson

Kaken Pharmaceutical Co., Ltd. (“Kaken”, Head Office: Bunkyo-ku, Tokyo; President and Representative Director, Hiroyuki Horiuchi) announced today that, under its license agreement with Johnson & Johnson, a milestone was achieved on April 1, 2026 (EST).

Kaken is to receive a milestone payment of USD 70 million (converted at JPY 158 per USD, approximately JPY 11,100 million, hereinafter “Milestone Payment”) from Johnson & Johnson upon achievement of this milestone. Kaken had initially expected to receive this in the fiscal year ending March 31, 2026 and was incorporated in the consolidated earnings forecast. However, as the milestone was achieved in April 2026, the Milestone Payment is now expected to be recognized in the fiscal year ending March 31, 2027.

In addition, Kaken expects differences from the previously announced earnings forecast for the fiscal year ending March 31, 2026, also taking into account a reduction in R&D expenses aimed at improving investment efficiency, as well as partial disposal of cross-shareholdings in line with the reduction policy announced in May 2024.

Accordingly, Kaken has revised its consolidated earnings forecast for the full fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026), which was announced on September 26, 2025, as set forth below.

1. Revision to consolidated earnings forecast

(Unit: millions of JPY)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of the parent	Basic earnings per share (Yen)
Forecast announced previously (A)	86,300	2,100	2,800	2,300	60.74
Revised forecast (B)	76,900	△900	△200	2,100	55.39
Changes (B-A)	△9,400	△3,000	△3,000	△200	—
Percentage of changes (%)	△10.9	—	—	△8.7	—
(reference) Consolidated financial results for the previous period	94,035	21,034	21,279	13,945	365.42

2. Reason for revision to consolidated earnings forecast

Initially, the Milestone Payment was expected to be received in the fiscal year ending March 31,2026 and was incorporated in the consolidated earnings forecast. However, following a milestone achievement has moved back in April 2026, the timing of Milestone Payment has been deferred to the fiscal year ending March 31, 2027.

In addition, taking into account the impact of a reduction in R&D expenses aimed at improving investment efficiency, as well as the partial disposal of cross-shareholdings in line with the reduction policy announced in May 2024, differences from the earnings forecast for the fiscal year ending March 31, 2026 are expected. Accordingly, Kaken has revised its earnings forecasts.

Cautionary notes regarding forward-looking statement
This release contains forward-looking statements on the Kaken group's business. They are projections based on information available at the time this release was prepared, and may differ from actual results due to a variety of factors.