



January 6, 2025

To: All Concerned Parties

Company Name: Solasia Pharma K.K.  
Representative: Yoshihiro Arai, President & CEO  
(Code number: 4597, TSE Growth Section)  
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### Solasia Provides Notice of Revision to Its Fiscal 2024 Earnings Forecast

Solasia Pharma K.K. (the “Company”) announces a resolution reached by its Board of Directors to revise its earnings forecast for the fiscal year ending December 31, 2024 (January 1, 2024 to December 31, 2024), released on December 27, 2024, as outlined below.

1. Revision to consolidated earnings forecasts for the fiscal year ending December 31, 2024 (January 1–December 31, 2024)

(Unit: Millions of yen)

	Revenue	Operating profit (loss)	Profit (loss) before tax	Profit (loss) attributable to owners of parent	Basic earnings per share (Yen)
Previous forecast (A)	160	(1,150)	(1,150)	(1,150)	(5.79)
Revised forecast (B)	300	(1,050)	(1,050)	(1,050)	(5.28)
Difference (B – A)	140	100	100	100	–
Difference (%)	87.5%	–	–	–	–
Reference: Fiscal year ended December 31, 2023	617	(1,139)	(1,135)	(1,112)	(6.62)

2. Reasons for revising the earnings forecast

(1) Revenue

- We expect revenue to outpace our previous forecast by 140 million yen, to 300 million yen, owing to the factors outlined below.
- As described in a separate notice dated today, we have decided on a “change of episil® sales partner in China.” We have entered a new agreement with Changchun GeneScience Pharmaceutical Co., Ltd. (headquartered in the People’s Republic of China; hereinafter “GenSci,” the contract partner being GenSci Singapore Pte. Ltd., a wholly owned subsidiary

of GenSci) surrounding the exclusive selling rights in China for episil®. We plan to transfer sales of episil® in China to GenSci in the first quarter of FY2025. Following the transfer, the Company expects to supply products to GenSci. Based on the agreement with GenSci, the Company will receive a lump-sum contract payment and sales royalties from GenSci. We plan to recognize a portion of the lump-sum contract payment as consolidated revenue in FY2024. The total amount of the lump-sum contract payment will be several times the amount we will recognize as revenue in FY2024. We expect to receive the payment in the first quarter of FY2025. Given the contract terms, we will defer beyond FY2024 the recognition of revenue for the remainder of the lump-sum contract payment.

(2) R&D expenses, SG&A expenses

- We expect the sum of R&D expenses and SG&A expenses to be 1,225 million yen, or 40 million yen more than previously forecast.

(3) Profit/loss

- For the reasons stated above, we now expect the operating loss, loss before tax, and loss attributable to owners of parent to each be 100 million yen below our previous forecast, resulting in losses of 1,050 million yen.

Disclaimer:

The forward-looking statements, including earnings forecasts, contained in this press release are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Such statements should not be construed as representing commitments on the part of the Company. Please be aware that actual performance may differ for a variety of reasons. Major factors affecting the Company's actual performance include the economic conditions in which it operates, exchange rate fluctuations, the competitive situation and other factors. Information contained in this press release is for informational purposes only and should not be considered as investment solicitation. Information with regard to pharmaceuticals and medical devices (including products under development) is not provided for the purposes of advertising or medical advice. We do not have any obligation to update or revise any information in this press release, and any update or revision may occur anytime without notice.