



March 24, 2026

Company name: Taiko Pharmaceutical Co., Ltd.
Representative: Takashi Shibata
President and CEO
Securities code: 4574 (TSE Prime Market)
Contact: Toru Nakajo
VP, Accounting Department
(TEL: +81-6-4391-1123)

Notice Concerning Plan to Comply with the Continued Listing Criteria
(Entering Improvement Period)

Taiko Pharmaceutical Co., Ltd. (the “Company”) hereby announces that the Company was non-compliant with the continued listing criteria for the Prime Market as of December 31, 2025 (reference date). Accordingly, the Company has formulated a plan to achieve compliance with the continued listing criteria as described below.

1. Changes in status of compliance with the continued listing criteria, plan period, and improvement period

As of December 31, 2023, the Company did not meet the criterion for tradable share market capitalization required to maintain listing on the Prime Market. However, as a result of initiatives implemented in accordance with the plan, the Company confirmed that it met this criterion as of December 31, 2024, and accordingly complied with all items in the continued listing criteria.

However, as of the end of December 2025, the Company’s tradable share market capitalization was 9.0 billion yen, which did not meet the criterion for tradable share market capitalization required to maintain listing on the Prime Market, set at 10.0 billion yen. The Company will continue to implement various initiatives to achieve compliance with the continued listing criteria for the Prime Market by the end of December 2026.

		Number of Shareholders (persons)	Number of Tradable Shares (unit)	Tradable Share Market Capitalization (100 million yen)	Tradable Share Ratio (%)	Daily Average Trading Value (100 million yen)
Status of and trends in our compliance	As of December 31, 2023	16,452	307,546	96	60.9	0.8
	As of December 31, 2024	14,889	312,380	113	61.6	1.0
	As of December 31, 2025	14,853	312,286	90	61.6	0.9
Continued listing criteria		800	20,000	100	35.0	0.2
Compliance status		Compliant	Compliant	Non-compliant	Compliant	Compliant
Plan period (improvement period)				Until the end of December 2026		

Note: The Company’s compliance status is calculated based on the distribution of its shares, etc., as determined by the Tokyo Stock Exchange as of the reference date.

Regarding the tradable share market capitalization criterion, the Company will continue to implement the various

initiatives described below to achieve compliance with the continued listing criteria for the Prime Market. However, if compliance is not confirmed by the next reference date at the end of December 2026, the Company's shares may be designated by the TSE as "Securities Under Supervision (Confirmation)." Following subsequent examination, the shares could be designated as "Securities to Be Delisted," and delisted from the Prime Market on July 1, 2027.

As a company listed on the Prime Market, the Company will continue to pursue long-term enhancement of corporate value. Nevertheless, if changes in the business environment or market conditions make it increasingly difficult to achieve compliance within the plan period, a transfer to the Standard Market will also be considered as one of the possible options.

2. Basic policy for initiatives to achieve compliance with the continued listing criteria

The Company recognizes that achieving appropriate valuation from the capital market through sustainable business growth and enhancement of corporate value is the most important initiative for both complying with the continued listing criteria and enhancing long-term shareholder value.

By promoting the growth strategy outlined in the Medium-Term Management Plan announced on November 11, 2025, the Company aims to strengthen its revenue base and achieve sustainable growth. In addition, the Company regards management focused on capital costs and stock price as a key management priority for enhancing corporate value. Through these initiatives, the Company seeks to improve tradable share market capitalization and achieve the relevant criteria.

For details of the Medium-Term Management Plan, please refer to the following.

["Notice regarding the formulation of the Medium-Term Management Plan \(FY2026-2028\)" announced on November 11, 2025](#)

3. Challenges and initiatives to achieve compliance with the continued listing criteria

As the Company works to achieve compliance with the continued listing criteria for tradable share market capitalization, the Company believes that enhancing the market valuation of its shares and thereby increasing its market capitalization is essential.

Accordingly, the Company will implement the following specific initiatives.

(1) Expansion of supply and demand for the growth of the Pharmaceuticals Business

Under the Medium-Term Management Plan, we will pursue focused investment in the Pharmaceuticals Business and strongly advance both "expansion of supply" and "expansion of demand" as two key drivers. Specifically, we aim to complete the supply capacity expansion project that has been in progress since FY2024, while also strengthening the equity of the Seirogan brand in Japan and overseas. With the goal of achieving "No. 1 in Asia's gastrointestinal medicine market" as set for our long-term goal, we will particularly accelerate growth in Greater China and strive to expand sales.

(2) Strategic investment in new products and businesses

The Company has products with a strong brand, such as Seirogan, Seirogan Toi-A, and Cleverin, but is facing the challenge of having relatively few new products. Under the Medium-Term Management Plan, we aim to strengthen the new product development process and advance the development of new products that can expand product categories and offerings through the brand extension leveraging the Rappa brand. Through these initiatives, in the next Medium-Term Management Plan, we plan to increase the sales ratio of new products.

(3) Capital cost-conscious business portfolio management

The Company will continue to strengthen capital cost-conscious business portfolio management and aim to improve profitability. In particular, the Infection Control Business, which has experienced a sales decline due to market contraction following the COVID-19 pandemic, continues to record segment losses. Under the Medium-Term Management Plan, we will work toward steady profitability in the Infection Control Business by focusing on the B2B sector as the core revenue base and strengthening cost control in the B2C sector, where market forecasts remain uncertain, including through more effective marketing investments. In addition, in September 2025, our Cleverin Gel met the requirements of the new standard "JSA-S1021," which evaluates airborne virus reduction performance. We will continue to implement measures to enhance product reliability.

(4) Organizational culture transformation and advancement of human capital management

The Company places "quality management" at the core of its corporate activities and will pursue organizational culture transformation and the advancement of human capital management.

Our vision of human capital management is to develop an organization and talent capable of realizing our corporate

philosophy of Independence, Interdependence, and Creativity. We aim to strengthen organizational capabilities by cultivating a workforce that can act on change as a starting point and building a human resource foundation to support sustainable business growth.

(5) Shareholder returns and enhancement of IR activities

The Company places a high priority on shareholder returns as a key management priority. Under the Medium-Term Management Plan, we aim for stable and steady dividend growth and plan to implement dividends based on the dividend on equity ratio (DOE). We aim to implement dividends with a DOE of 2.0% or more starting with the fiscal year ending December 2026 and 3.0% or more starting with the fiscal year ending December 2028. In addition, under the Medium-Term Management Plan, our policy was to resume dividends starting with the next fiscal year ending December 2026. However, after comprehensively considering situations such as the steady progress of strengthening profitability and financial foundation, we are planning to resume dividends at the end of the fiscal year ended December 2025. Going forward, we will continue to strive to balance growth investments with shareholder returns.

In addition, to enable many of our shareholders to better assess the Company's corporate value and growth potential, we will continue to enhance our IR activities, including improving information disclosure on the progress of the Medium-Term Management Plan and enhancing information dissemination.

4. (Reference) Company's compliance status with the initial listing criteria for the Standard Market

Regarding the initial requirements for the market division change, as of the end of December 2025, the Company's estimates indicate that all initial listing criteria for the Standard Market (number of shareholders, the number of tradable shares, the tradable share market capitalization, tradable share ratio) are satisfied. In addition, the profit criterion required for the initial listing application (profit of 0.1 billion yen or more) is also satisfied.

		Number of Shareholders (persons)	Number of Tradable Shares (unit)	Tradable Share Market Capitalization (100 million yen)	Tradable Share Ratio (%)
Status of Company's compliance	As of December 31, 2025	14,853	312,286	90	61.6
Continued listing criteria		400	2,000	10	25.0
Compliance status		Compliant	Compliant	Compliant	Compliant

Note: The above calculations are based on the distribution of the Company's shares, etc., as determined by the Tokyo Stock Exchange as of the reference date.