

October 21, 2021

Kidswell Bio Corporation

Code: 4584 (TSE Mothers)

Masaharu Tani, President & CEO

Announcement of extraordinary income (gain on sale of investment securities) and revisions of the consolidated financial forecast for the FY 2021

Tokyo, October 21, 2021 – Kidswell Bio Corporation (KWB) announced that extraordinary income (gain on sale of investment securities) generated by selling a part of the investment securities held by the Company. As a result, the consolidated financial forecast for the fiscal year ending March 2022 announced on May 13, 2021, has been revised as below.

1. Reasons for sale of investment securities

To strengthen our financial position and improve asset efficiency

2. Details

- | | |
|--|--------------------------------------|
| (1) Shares sold | One of listed securities held by KWB |
| (2) Date of occurrence | October 21, 2021 |
| (3) Gain on sales of investment securities | 417.736 million yen |

3. Revisions of the consolidated financial forecast for the fiscal year ending March 2022

Consolidated business forecast for the fiscal year ending March 31, 2022 (April 1, 2021 to March 31, 2022)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share
Previous forecast (A)	Million yen 1,900	Million yen -1,720	Million yen -1,740	Million yen -1,741	Yen Sen -57.50
Current forecast (B)	1,900	-1,720	-1,740	-1,323	-42.91
Increase/decrease (B-A)	-	-	-	417	
Rate of change (%)	-	-	-	-	
Note: Previous results (FY2020)	996	-969	-991	-1,001	-34.79

4. Reasons for revisions

As the Company recorded the above extraordinary income (gain on sales of investment securities), net income attributable to owners of the parent is expected to exceed the initial plan. As a result, the consolidated financial forecast announced on May 13, 2021 has been revised.

About Kidswell Bio Corporation (KWB)

Kidswell Bio Corporation will challenge a pediatric disease as a new field, in addition to intractable and rare diseases on which GTS has also been focusing for R&D. We would like to contribute to children who have hopes and dreams for their bright future. Furthermore, with our biotech expertise and children's potential vital force such as SHED and CSC, we envision creating new pharmaceuticals and therapeutics for all people under "Kids Well, All Well."

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