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## Summary of Consolidated Financial Results for the Year Ended March 31, 2026 [IFRS]

May 13, 2026

**Company Name:** SUMITOMO PHARMA CO., LTD.  
**Stock Exchange Listings:** Tokyo  
**Security Code Number:** 4506 (URL <https://www.sumitomo-pharma.com>)  
**Representative:** Toru Kimura, Representative Director, President and Chief Executive Officer  
**Contact:** Megumi Maruyama, Vice President, Head of Corporate Communications  
**Telephone:** 06-6203-5321  
**Date of Annual Shareholder’s Meeting:** June 25, 2026  
**Starting Date of Dividend Payments:** —  
**Filing Date of Financial Report:** June 23, 2026  
**Preparation of Supplementary Financial Data for Financial Results:** Yes  
**Information Meeting for Financial Results to be held:** Yes (for institutional investors, analysts and the press)

(Note: All amounts are rounded to the nearest million JPY)

### 1. Consolidated Financial Results for the Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

#### (1) Results of Operations

(% represents changes from the previous year)

	Revenue		Core operating profit		Operating profit		Net profit		Net profit attributable to owners of the parent		Total comprehensive income	
	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%
Year ended March 31, 2026	453,294	13.7	105,908	145.4	107,338	272.6	106,865	352.1	106,865	352.2	122,990	816.7
Year ended March 31, 2025	398,832	26.8	43,153	—	28,804	—	23,635	—	23,634	—	13,417	—

Reference: Profit before taxes Year ended March 31, 2026: 100,344 million JPY  
Year ended March 31, 2025: 17,611 million JPY

“Core operating profit” is calculated by deducting certain items from operating profit.

	Basic earnings per share	Earnings per share (diluted)	Net profit / Equity attributable to owners of the parent	Profit before taxes / Total assets	Core operating profit / Revenue
	JPY	JPY	%	%	%
Year ended March 31, 2026	268.99	—	46.3	13.0	23.4
Year ended March 31, 2025	59.49	—	14.5	2.1	10.8

Reference: Share of profit (loss) of associates accounted for using the equity method.  
Year ended March 31, 2026: 2,285 million JPY  
Year ended March 31, 2025: (905) million JPY

## (2) Financial Position

	Total assets	Net assets	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets	Equity attributable to owners of the parent per share
	Millions of JPY	Millions of JPY	Millions of JPY	%	JPY
As of March 31, 2026	804,571	292,467	292,467	36.4	736.16
As of March 31, 2025	742,604	169,479	169,479	22.8	426.59

## (3) Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Millions of JPY	Millions of JPY	Millions of JPY	Millions of JPY
Year ended March 31, 2026	71,715	22,549	(91,266)	44,310
Year ended March 31, 2025	16,500	99,754	(108,836)	23,116

## 2. Dividends

	Dividends per share					Dividends paid for the year	Payout ratio	Dividends to net assets ratio
	1st quarter	2nd quarter	3rd quarter	Year-End	Annual			
	JPY	JPY	JPY	JPY	JPY	Millions of JPY	%	%
Year ended March 31, 2025	—	0.00	—	0.00	0.00	—	—	—
Year ended March 31, 2026	—	0.00	—	0.00	0.00	—	—	—
Year ending March 31, 2027 (Forecasts)	—	—	—	—	—		—	

Note: While the Company's Articles of Incorporation specify the end of the second quarter and the year-end as dividend record dates, a forecast for dividend amounts for the fiscal year ending March 31, 2027 has not been established as of the date of this release.

## 3. Consolidated Financial Forecasts for the Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(% represents changes from the corresponding period of the previous year)

	Revenue		Core operating profit		Operating profit		Net profit attributable to owners of the parent		Earnings per share
	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	JPY
Year ended March 31, 2026	540,000	19.1	91,000	(14.1)	90,000	(16.2)	77,000	(27.9)	172.89

### Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

(New: None)

(Excluded: 4 companies)

Sumitomo Pharma (China) Co., Ltd.  
Sumitomo Pharma (Suzhou) Co., Ltd.  
Sumitomo Pharma UK Holdings, Ltd.  
Onspira Therapeutics, Inc.

(2) Changes in accounting policies, accounting estimates

① Changes in accounting policy required by IFRS: Yes

② Changes in accounting policy other than (2), ①: None

③ Changes in accounting estimates: None

Note: For details, please refer to "3. Consolidated Financial Statements and Major Notes (5) Notes on Consolidated Financial Statements (Material Accounting Policies)" on page 18 of the attached documents.

(3) Number of shares issued (Common stock)

① Number of shares issued (Including treasury stock) at end of period

March 31, 2026: 397,900,154 shares

March 31, 2025: 397,900,154 shares

② Number of treasury stock at the end of period

March 31, 2026: 611,105 shares

March 31, 2025: 610,242 shares

③ Average number of shares outstanding during the period

Year ended March 31, 2026: 397,289,491 shares

Year ended March 31, 2025: 397,290,259 shares

**(Reference) Outline of Non-Consolidated Financial Results (Japanese GAAP)**

**1. Non-consolidated Financial Results for the year ended March 31, 2026**

**(April 1, 2025 to March 31, 2026)**

**(1) Results of Operations**

(% represents changes from the previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%
Year ended March 31, 2026	249,530	82.9	19,359	66.8	62,940	423.3	114,981	8.3
Year ended March 31, 2025	136,412	38.9	11,603	—	12,028	—	106,187	—

	Earnings per share	Earnings per share (diluted)
	JPY	JPY
Year ended March 31, 2026	289.41	—
Year ended March 31, 2025	267.28	—

**(2) Financial Position**

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	Millions of JPY	Millions of JPY	%	JPY
As of March 31, 2026	599,614	273,824	45.7	689.23
As of March 31, 2025	523,417	158,908	30.4	399.98

Reference: Shareholders' Equity As of March 31, 2026: 273,824 million JPY

As of March 31, 2025: 158,908 million JPY

*This summary of financial results is exempt from audit procedures.*

*Explanation for Appropriate Use of Forecasts and Other Notes:*

*This material contains forecasts, projections, goals, plans, and other forward-looking statements regarding the Group's financial results and other data. Such forward-looking statements are based on the Company's assumptions, estimates, outlook, and other judgments made in light of information available at the time of disclosure of such statements and involve both known and unknown risks and uncertainties. Accordingly, forecasts, plans, goals, and other statements may not be realized as described, and actual financial results, success/failure or progress of development, and other projections may differ materially from those presented herein. Please refer to page 8, "1. Summary of Financial Results for the Year Ended March 31, 2026 (4) Financial Forecasts for the Year Ending March 31, 2027".*

*The Company has implemented a public offering of 51,304,400 shares of common stock with a payment date of April 24, 2026. Earnings per share in the full-year consolidated financial forecast for the year ending March 31, 2027 has been calculated assuming an increase in the number of common shares resulting from the above public offering.*

*Information concerning pharmaceuticals and other products (including those under development) contained herein is not intended as advertising or as medical advice.*

*Supplementary financial data and the presentation materials for the earnings presentation are disclosed together with this summary.*

*The Company holds an earnings presentation for institutional investors, analysts and the press on Wednesday May 13, 2026. The video of the presentation will be posted on its website promptly after the presentation.*

**【Attachment Documents】**

1. Summary of Financial Results for the Year Ended March 31, 2026.....	2
(1) Operating Results.....	2
(2) Financial Condition.....	7
(3) Cash Flows.....	7
(4) Financial Forecasts for the Year Ending March 31, 2027.....	8
(5) Fundamental Policy of Profit Allocation and Dividend Distribution and the Dividends for the Year Ended March 31, 2026 and the Year Ending March 31, 2027.....	9
2. Basic Policy for Selection of Accounting Standard.....	9
3. Consolidated Financial Statements and Major Notes.....	10
(1) Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income.....	10
(2) Consolidated Statement of Financial Position.....	12
(3) Consolidated Statement of Changes in Equity.....	14
(4) Consolidated Statement of Cash Flows.....	16
(5) Notes to Consolidated Financial Statements.....	18

## 1. Summary of Financial Results for the Year Ended March 31, 2026

### (1) Operating Results

#### Adoption of the International Financial Reporting Standards (IFRS)

The Group discloses its consolidated financial statements that are prepared in accordance with International Financial Reporting Standards (IFRS).

Forward-looking statements contained herein are based on the Group's judgments in light of information available as of 31 March, 2026.

#### ① Overview of overall operating results

During the fiscal year ended March 31, 2026, the pharmaceutical sector saw a continued global trend toward curbing medical expenses, while the importance of creating innovative pharmaceuticals and ensuring a stable supply of pharmaceutical products increased further. In response, progress was made across countries and regions in initiatives to enhance drug discovery capabilities through the development of research and development environments, as well as to strengthen manufacturing systems, including efforts to build more resilient supply chains.

Against this backdrop, in May 2025, the Group formulated "Reboot 2027 – Reboot for a Strong Sumitomo Pharma" ("Reboot 2027") as the activity plan through FY2027, in a bid to establish its position as a Global Specialized Player (GSP) through the unified efforts across the Group. In its initial year of FY2025, the Group sought to achieve renewed growth by expanding sales of our major products while maintaining disciplined cost management, while also restructuring our Asia business with the aim of concentrating management resources on priority areas.

In Japan, with regard to XEPLION® and XEPLION TRI® (both long-acting antipsychotic medications), for which co-promotion with Janssen Pharmaceutical K.K. had begun in February 2025, the Company has gradually assumed responsibility for their distribution since January 2026. The Company commenced co-promotion of Ozempic® Subcutaneous Injection (therapeutic agent for type 2 diabetes) and Wegovy® Subcutaneous Injection (therapeutic agent for obesity disease) with Novo Nordisk Pharma Ltd. in July and November 2025, respectively. The Company continued to place the focus on maximizing the value of LATUDA® (atypical antipsychotic) and TWYMEEG® (therapeutic agent for type 2 diabetes). In the regenerative medicine/cell therapy area, the Company obtained conditional and time-limited approval in Japan in March 2026 for the manufacturing and marketing authorization of the allogeneic iPS cell-derived dopaminergic neural progenitor cell product AMCHEPRY®, which is the world's first iPS cell-derived regenerative medicine and cell therapy product.

In North America, the Group continued working to expand sales of ORGOVYX® (therapeutic agent for advanced prostate cancer), MYFEMBREE® (therapeutic agent for uterine fibroids and endometriosis), and GEMTESA® (therapeutic agent for overactive bladder) (collectively, the "three key products") by enhancing awareness among healthcare professionals and patients through the communication of product characteristics that differentiate them from competing products, as well as by optimizing the sales structure. With regard to RETHYMIC® (cultured thymus tissue for pediatric congenital athymia), the Group advanced preparations to establish its own cell therapy manufacturing facility in the U.S. Given that revenue in the U.S. from the three key products is supporting the Group's revenue, the Company, in August 2025, acquired substantially all assets, including patent rights for the three key products from its wholly-owned subsidiaries, Sumitomo Pharma Switzerland GmbH and Urovant Sciences GmbH. Consequently, the Company has established a structure under which it is directly involved in the business operations of the three key products.

As a result of these initiatives, the Group now expects to achieve the financial targets set out in Reboot 2027 ahead of schedule. In response, the Group has formulated "Boost 2028 – Accelerating 'Strong Sumitomo Pharma'" (hereinafter referred to as "Boost 2028"), its growth strategy up to FY2028.

With respect to the issuance of new shares resolved at the Board of Directors meeting held on April 8, 2026, payment of 97.8 billion JPY was received on April 24, 2026, for the public offering portion of the issuance. In addition, the Company had borrowings from financial institutions guaranteed by Sumitomo Chemical Co., Ltd., its parent company. In conjunction with the public offering, the Company refinanced these borrowings that carry no such guarantee.

**About “core operating profit” set as a performance indicator**

With the adoption of IFRS, the Group has set “core operating profit” which shows the Group’s profitability as its original performance indicator.

“Core operating profit” is calculated by deducting certain items from operating profit. The deduction items mainly include impairment losses, business structure improvement expenses, and changes in fair value of contingent consideration.

Highlights of the Group’s consolidated financial results (IFRS) for the fiscal year ended March 31, 2026 are as follows:

(Billions of JPY)

	FY2024	FY2025	Change	Change %
Revenue	398.8	453.3	54.5	13.7
Core operating profit	43.2	105.9	62.8	145.4
Operating profit	28.8	107.3	78.5	272.6
Profit before taxes	17.6	100.3	82.7	469.8
Net profit attributable to owners of the parent	23.6	106.9	83.2	352.2

■ **Revenue increased by 13.7% year-on-year to 453.3 billion JPY.**

Revenue showed an increase primarily owing to sales expansion of ORGOVYX® and GEMTESA® in North America, as well as the recording of sales milestone revenue from ORGOVYX®, despite lower revenue for the Japan and Asia segments.

■ **Core operating profit increased by 145.4% year-on-year to 105.9 billion JPY.**

Core operating profit increased significantly year-on-year, due to the increase in revenue, reductions in selling, general and administrative expenses and in research and development expenses – primarily reflecting the positive impact of business structure improvement and the restructuring of the regenerative medicine and cell therapy business – and the recognition of gains on sales of shares of subsidiaries of 49.0 billion JPY in other income following the partial transfer of the Asian business.

■ **Operating profit increased by 272.6% year-on-year to 107.3 billion JPY.**

Operating profit recorded a significant increase year-on-year, due to an increase in core operating profit and a decline in business structure improvement expenses.

■ **Profit before taxes increased by 469.8% year-on-year to 100.3 billion JPY.**

Profit before taxes increased significantly year-on-year, mainly due to the increase in operating profit.

■ **Net profit attributable to owners of the parent increased by 352.2% year-on-year to 106.9 billion JPY.**

Net profit attributable to owners of the parent increased significantly year-on-year, mainly due to the increase in profit before taxes.

② Status of each reportable segment

**About “core segment profit” set as a segment performance indicator**

For segment performance, the Group has set “core segment profit” as an original performance indicator to show each segment’s recurring profitability.

“Core segment profit” indicates each segment profit calculated by deducting items such as research and development expenses and gains and losses on business transfers, which are managed globally and thus cannot be allocated to individual segments, from “core operating profit.”

The status of each reportable segment is as follows:

**[Japan segment]**

■ **Revenue decreased by 7.5% year-on-year to 92.4 billion JPY.**

Despite growing sales of TWYMEEG® and the commencement of sales of XEPLION® and XEPLION TRI®, revenue declined mainly due to decreases in sales of Equa® and EquMet® (both therapeutic agents for type 2 diabetes) owing to the loss of exclusivity.

■ **Core segment profit increased by 8.2% year-on-year to 12.4 billion JPY.**

Core segment profit increased mainly due to lower selling, general and administrative expenses resulting from business structure improvement initiatives, including the early retirement program implemented in the previous fiscal year, despite a decrease in gross profit caused by lower revenue.

**[North America segment]**

■ **Revenue increased by 34.2% year-on-year to 337.9 billion JPY.**

Revenue showed an increase as a decline in sales of APTIOM® (antiepileptic treatment) due to the loss of exclusivity was more than offset by sales expansion of ORGOVYX® and GEMTESA®, as well as the recording of sales milestone revenue from ORGOVYX®.

■ **Core segment profit increased by 77.8% year-on-year to 75.7 billion JPY.**

Core segment profit showed a substantial increase, driven by higher gross profit from revenue growth.

**[Asia segment]**

■ **Revenue decreased by 51.2% year-on-year to 23.0 billion JPY.**

Revenue showed a decrease as Sumitomo Pharma (China) Co., Ltd. and Sumitomo Pharma Asia Pacific Pte. Ltd. were no longer consolidated subsidiaries, following the partial transfer of the Asian business previously operated by these former consolidated subsidiaries and their respective subsidiaries.

■ **Core segment profit decreased by 60.5% year-on-year to 9.5 billion JPY.**

Core segment profit declined due to the partial transfer of the Asian business.

③ Status of research and development activities

In defining its path toward renewed growth, the Group positioned FY2025 as a year to demonstrate its true value as an R&D-driven pharmaceutical company and engaged in research and development toward rebuilding a "value creation cycle" set out in Reboot 2027.

While concentrating resources on enzomenib and nuvisertib, two oncology compounds expected to become future growth engines, as top-priority programs, the Group has accelerated decision-making and enhanced execution capabilities by seamlessly integrating operations from discovery research through clinical development under the R&D Organization established in December 2024, in order to ensure the continuous circulation of the value creation cycle.

**[Psychiatry and Neurology]**

In collaboration with RACTHERA Co., Ltd., the Group obtained conditional and time-limited approval on March 6, 2026, for the manufacturing and marketing of the allogeneic iPS cell-derived dopaminergic neural progenitor cell product AMCHEPRY® – the world's first iPS cell-derived product to receive such approval – (indication, efficacy, or performance: improvement of motor symptoms in patients with Parkinson's disease who have an inadequate response to existing pharmacological therapies, including levodopa-containing agents). With the hope that this product will offer game-changing therapies for Parkinson's disease and reach more patients, the Group will conduct a post-marketing clinical study and post-marketing surveillance with the aim of obtaining this approval while steadily pursuing a Phase 1/2 clinical study in the U.S. For allogeneic iPS cell-derived retinal pigment epithelial cells, the Group will continue to advance a Phase 1/2 clinical study in Japan for the indication of retinal pigment epithelium (RPE) tear and, for allogeneic iPS cell-derived retinal sheets, a Phase 1/2 clinical study in the U.S. for the treatment of retinitis pigmentosa. For differentiated small molecules, the Group will select priority products from its early-stage development pipeline to sustain revenue into the 2030s, accelerating initiatives to facilitate a smooth transition to the next phase.

The progress statuses of key development projects during the fiscal year are as follows:

- i . Allogeneic iPS cell-derived dopaminergic neural progenitor cells (product code: CT1-DAP001/DSP-1083)  
Based on data from an investigator-initiated clinical study conducted by Kyoto University Hospital, using non-cryopreserved cells (INN: raguneprocel; product code: CT1-DAP001), the Group submitted its application for manufacturing and marketing authorization in Japan in August 2025 and obtained conditional and time-limited approval in March 2026.  
In the U.S., Phase 1/2 clinical studies for the treatment of Parkinson's disease were pursued, including an investigator-initiated study using non-cryopreserved cells (CT1-DAP001) at the University of California San Diego School of Medicine and a company-sponsored clinical study using cryopreserved cells (DSP-1083).
- ii . Allogeneic iPS cell-derived retinal pigment epithelial cells (product code: HLCR011)  
In Japan, a Phase 1/2 clinical study for retinal pigment epithelium tear was pursued.
- iii . Allogeneic iPS cell-derived retinal sheet (3-dimensional retina) (product code: DSP-3077)  
In the U.S., a Phase 1/2 clinical study for the treatment of retinitis pigmentosa was pursued.
- iv. DSP-0378  
A Phase 1b clinical study for the treatment of progressive myoclonic epilepsy and developmental epileptic encephalopathy was initiated.

**[Oncology]**

In FY2026, while maintaining disciplined cost management, the Group will concentrate its resources on the two oncology compounds (enzomenib and nuvisertib) and expand clinical study sites to Europe and Asia in addition to Japan and the U.S., advancing clinical studies in the highly competitive field of oncology to achieve the fastest possible market launch. To maximize their value through indication expansions and other means, the Group will map out its development policy at a suitable time, with partnering as a primary option. For enzomenib, the Group will continue to pursue a Phase 2 clinical study for acute leukemia to apply for approval of its monotherapy, along with a Phase 1/2 clinical study for its combination therapy for acute leukemia. For nuvisertib, the Group will continue Phase 1/2 clinical studies for myelofibrosis (monotherapy/combination therapy).

The progress statuses of key development projects during the fiscal year are as follows:

i . enzomenib (product code: DSP-5336)

In the U.S. and Japan, Phase 1/2 clinical studies of monotherapy and combination therapy for acute leukemia were continued. In December 2025, the Group presented the most recent clinical data at the American Society of Hematology (ASH) Annual Meeting and Exposition. Additionally, in the U.S. and Japan, a Phase 2 clinical study of its monotherapy also began as a pivotal study.

ii . nuvisertib (product code: TP-3654)

In the U.S. and Japan, Phase 1/2 clinical studies of monotherapy and combination therapy for myelofibrosis were continued. In December 2025, the Group presented new clinical data at ASH.

iii . SMP-3124

In the U.S. and Japan, Phase 1/2 clinical studies for solid tumors were pursued.

**[Others]**

Having observed favorable data from the interim analysis of a Phase 1 clinical study in Belgium, the Group will continue the study of the universal influenza vaccine. Research and development of the universal influenza vaccine is funded by research and development grants from the Japan Agency for Medical Research and Development (AMED).

The progress statuses of key development projects during the fiscal year are as follows:

i . Universal influenza vaccine (product code: fH1/DSP-0546LP)

The Group pursued a Phase 1 clinical study for a novel universal influenza vaccine adjuvanted with a TLR7 agonist (immune-enhancing agent) it developed and conducted interim analysis.

As a result of the research and development activities mentioned above, research and development expenses for the fiscal year amounted to 44.0 billion JPY (down by 11.8% year-on-year). Please note that, excluding North American business structure improvement expenses, research and development expenses were 43.9 billion JPY (down by 9.4% year-on-year) on a core basis. The Group manages its research and development expenses globally and so does not allocate such expenses to individual segments.

## **(2) Financial Condition**

Total assets increased by 62.0 billion JPY from the previous fiscal year-end to 804.6 billion JPY.

Non-current assets increased by 35.9 billion JPY from the previous fiscal year-end, due to an increase in investments accounted for using the equity method following the partial transfer of the Asian business.

Current assets increased by 26.1 billion JPY from the previous fiscal year-end as a result of increases in trade and other receivables and cash and cash equivalents, despite decreases in assets held for sale and inventories.

Liabilities decreased by 61.0 billion JPY from the previous fiscal year-end to 512.1 billion JPY, primarily owing to decreases in borrowings and deferred tax liabilities.

Total equity increased by 123.0 billion JPY from the previous fiscal year-end to 292.5 billion JPY as a result of an increase in retained earnings following the recording of net profit.

The ratio of equity attributable to owners of the parent to total assets as of March 31, 2026 was 36.4%.

## **(3) Cash Flows**

Cash flows provided by operating activities amounted to 71.7 billion JPY, an increase of 55.2 billion JPY year-on-year. This was primarily due to a significant increase in net profit.

Cash flows provided by investing activities amounted to 22.5 billion JPY, reflecting a year-on-year decrease in cash inflow of 77.2 billion JPY. This decline was due to the absence of significant proceeds from the sale of shares of Roivant Sciences Ltd. and other investment securities recorded in the previous year, despite receiving proceeds from loss of control of subsidiaries following the partial transfer of the Asian business.

Cash flows used in financing activities amounted to 91.3 billion JPY, reflecting a year-on-year decrease in net cash outflow of 17.6 billion JPY. This decrease was attributable to net cash outflows, primarily reflecting debt repayments during the fiscal year, being lower than repayments in the previous fiscal year.

After adding the translation adjustments for cash and cash equivalents and the transfer of assets held for sale to the above cash flows, the balance of cash and cash equivalents at the end of the fiscal year was 44.3 billion JPY, which represents an increase of 21.2 billion JPY from the previous fiscal year-end.

**(4) Financial Forecasts for the Year Ending March 31, 2027**

(Billions of JPY)

	FY 2025 Results	FY 2026 Forecasts	Change	Change %
Revenue	453.3	540.0	86.7	19.1
Core operating profit	105.9	91.0	(14.9)	(14.1)
Operating profit	107.3	90.0	(17.3)	(16.2)
Net profit	106.9	77.0	(29.9)	(27.9)
Net profit attributable to owners of the parent	106.9	77.0	(29.9)	(27.9)

< Revenue >

In the U.S., revenue is expected to increase due to the continued focus on expanding sales of ORGOVYX®, GEMTESA®, and other products, as well as the anticipated recording of sales milestone revenue from ORGOVYX® upon reaching annual revenue of 1.0 billion USD.

In Japan, despite the absence of sales of Equa® and EquMet® following the expiration of the sales partnership in December 2025, revenue is expected to increase as the Group focuses on promoting the new collaboration products XEPLION®, Ozempic®, and Wegovy®, while continuing to maximize sales of TWEMEEG® and LATUDA®.

With these initiatives, overall consolidated revenue is expected to increase by 86.7 billion JPY to 540.0 billion JPY compared to the current fiscal year's results, despite the revenue impact of the partial transfer of the Asian business in July 2025.

< Profit >

Core operating profit is expected to decrease by 14.9 billion JPY from the current fiscal year to 91.0 billion JPY. This reflects a projected increase in research and development expenses from accelerated clinical development, along with profit recorded in the fiscal year ended March 31, 2026 from the partial transfer of the Asian business, despite an anticipated increase in gross profit from revenue growth.

Operating profit is expected to decrease by 17.3 billion JPY to 90.0 billion JPY, due to the decrease in core operating profit.

Net profit attributable to owners of the parent is expected to decrease by 29.9 billion JPY to 77.0 billion JPY, partly due to the decrease in operating profit and the absence of the one-time decrease in tax expenses that occurred in the fiscal year ended March 31, 2026.

< Currency exchange rate assumptions >

Foreign currency exchange rates used for the forecasts are: 1 USD = 155.00 JPY (150.67 JPY actual for the current fiscal year).

**(5) Fundamental Policy of Profit Allocation and Dividend Distribution and the Dividends for the Year Ended March 31, 2026 and the Year Ending March 31, 2027**

The allocation of the Company's profits to its shareholders in a customarily appropriate manner is one of the Company's fundamental management policies.

The Company's basic policy is to make dividend payments from retained earnings twice each year, which includes an interim dividend determined by the Company's Board of Directors and a year-end dividend determined by the general meeting of shareholders.

The Company believes it important to distribute surpluses in an appropriate manner, reflecting improvements in its performance. Accordingly, a performance-linked dividend hike will be considered, in addition to consistent dividend payments. In its constant effort to further increase its corporate value, the Company remains committed to establishing a solid management foundation and maintaining a strong financial position, while making proactive investments for sustained business growth.

Driven by revenue growth in North America and profit recorded from the partial transfer of the Asian business, the Company's performance for the fiscal year improved significantly, with core operating profit and net profit attributable to owners of the parent reaching 105.9 billion JPY and 106.9 billion JPY, respectively. Meanwhile, in pursuit of the growth strategy outlined in "Boost 2028" announced in March 2026, the Company raised funds through a public offering and other means this April. The proceeds will be applied preferentially to accelerating investments centered on research and development and to restoring fiscal health. Accordingly, the Company will suspend year-end dividends for the fiscal year ended March 31, 2026, as initially expected for the term.

The Company now expects to record a core operating profit of 91.0 billion JPY for the fiscal year ending March 31, 2027, assuming receipt of sales milestone payment from ORGOVYX®. Given the uncertain operating environment, including U.S. pricing policies, tariff measures, and rising costs associated with geopolitical conflicts, the Company has not established a forecast for interim and year-end dividends for the fiscal year ending March 31, 2027, and it will be determined based on future performance trends and other relevant factors.

The Company sincerely appreciate the kind understanding and continued support of our shareholders.

**2. Basic Policy for Selection of Accounting Standard**

Starting from the fiscal year ended March 31, 2018 (FY2017), the Group has adopted IFRS for preparing its consolidated financial statements with a view toward improving the international comparability of its financial statements in the capital markets and improving business management within the Group by standardizing accounting treatment.

### 3. Consolidated Financial Statements and Major Notes

#### (1) Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income

##### Consolidated Statement of Profit or Loss

(Millions of JPY)

	Year ended March 31, 2025	Year ended March 31, 2026
Revenue	398,832	453,294
Cost of sales	153,437	196,401
Gross profit	245,395	256,893
Selling, general and administrative expenses	180,605	162,557
Research and development expenses	49,865	43,996
Other income	18,356	55,775
Other expenses	3,572	1,062
Share of profit (loss) of investments accounted for using the equity method	(905)	2,285
Operating profit	28,804	107,338
Finance income	2,307	3,198
Finance costs	13,500	10,192
Profit before taxes	17,611	100,344
Income tax expenses	(6,024)	(6,521)
Net profit	23,635	106,865
Net profit attributable to:		
Owners of the parent	23,634	106,865
Non-controlling interests	1	—
Net profit total	23,635	106,865
Earnings per share (JPY)		
Basic earnings per share	59.49	268.99

**Consolidated Statement of Comprehensive Income**

(Millions of JPY)

	Year ended March 31, 2025	Year ended March 31, 2026
Net profit	23,635	106,865
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Changes in financial assets measured at fair value through other comprehensive income	(12,813)	1,225
Remeasurements of defined benefit liability / asset	3,466	3,511
Items that may be reclassified subsequently to profit or loss:		
Changes in financial assets measured at fair value through other comprehensive income	(58)	58
Exchange differences on translation of foreign operations	(813)	11,331
Total other comprehensive income	(10,218)	16,125
Total comprehensive income	13,417	122,990
Total comprehensive income attributable to:		
Owners of the parent	13,416	122,990
Non-controlling interests	1	—
Total comprehensive income	13,417	122,990

**(2) Consolidated Statement of Financial Position**

(Millions of JPY)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
Non-current assets		
Property, plant and equipment	46,648	44,231
Goodwill	197,406	211,098
Intangible assets	172,509	160,474
Other financial assets	44,148	44,703
Income taxes receivable	6,765	7,234
Retirement benefit assets	14,727	19,463
Investments accounted for using the equity method	5,588	36,400
Other non-current assets	1,111	1,295
Deferred tax assets	534	421
<b>Total non-current assets</b>	<b>489,436</b>	<b>525,319</b>
Current assets		
Inventories	94,222	85,414
Trade and other receivables	74,840	131,414
Other financial assets	16,840	5,327
Income taxes receivable	2,886	3,273
Other current assets	10,902	9,514
Cash and cash equivalents	23,116	44,310
<b>Subtotal</b>	<b>222,806</b>	<b>279,252</b>
Assets held for sale	30,362	—
<b>Total current assets</b>	<b>253,168</b>	<b>279,252</b>
<b>Total assets</b>	<b>742,604</b>	<b>804,571</b>

(Millions of JPY)

	As of March 31, 2025	As of March 31, 2026
Liabilities and equity		
Liabilities		
Non-current liabilities		
Bonds and borrowings	258,982	179,056
Other financial liabilities	15,818	16,563
Retirement benefit liabilities	6,534	5,663
Other non-current liabilities	24,638	23,486
Deferred tax liabilities	26,550	15,836
Total non-current liabilities	332,522	240,604
Current liabilities		
Borrowings	46,440	38,130
Trade and other payables	38,544	56,698
Other financial liabilities	32,916	35,217
Income taxes payable	1,577	1,120
Provisions	71,999	89,566
Other current liabilities	45,663	50,769
Subtotal	237,139	271,500
Liabilities directly associated with assets held for sale	3,464	—
Total current liabilities	240,603	271,500
Total liabilities	573,125	512,104
Equity		
Share capital	22,400	22,400
Treasury shares	(682)	(684)
Retained earnings	46,784	158,981
Other components of equity	97,525	111,770
Other comprehensive income associated with assets held for sale	3,452	—
Equity attributable to owners of the parent	169,479	292,467
Total equity	169,479	292,467
Total liabilities and equity	742,604	804,571

### (3) Consolidated Statement of Changes in Equity

(Millions of JPY)

	Equity attributable to owners of the parent				
	Share capital	Treasury shares	Retained earnings	Other components of equity	
				Changes in financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit liability/asset
Balance as of April 1, 2024	22,400	(682)	(22,665)	64,526	—
Net profit	—	—	23,634	—	—
Other comprehensive income	—	—	—	(12,871)	3,466
Total comprehensive income	—	—	23,634	(12,871)	3,466
Purchase of treasury shares	—	(0)	—	—	—
Changes associated with losing control of subsidiaries	—	—	—	—	—
Reclassification from other components of equity to retained earnings	—	—	45,815	(42,349)	(3,466)
Transfer to other comprehensive income associated with assets held for sale	—	—	—	—	—
Total transactions with owners	—	(0)	45,815	(42,349)	(3,466)
Balance as of March 31, 2025	22,400	(682)	46,784	9,306	—
Net profit	—	—	106,865	—	—
Other comprehensive income	—	—	—	1,283	3,511
Total comprehensive income	—	—	106,865	1,283	3,511
Purchase of treasury shares	—	(2)	—	—	—
Changes associated with losing control of subsidiaries	—	—	—	—	—
Reclassification from other components of equity to retained earnings	—	—	5,332	(1,821)	(3,511)
Transfer to other comprehensive income associated with assets held for sale	—	—	—	—	—
Total transactions with owners	—	(2)	5,332	(1,821)	(3,511)
Balance as of March 31, 2026	22,400	(684)	158,981	8,768	—

(Millions of JPY)

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity		Other comprehensive income associated with assets held for sale	Total		
	Exchange differences on translation of foreign operations	Total				
Balance as of April 1, 2024	92,484	157,010	—	156,063	73	156,136
Net profit	—	—	—	23,634	1	23,635
Other comprehensive income	(813)	(10,218)	—	(10,218)	—	(10,218)
Total comprehensive income	(813)	(10,218)	—	13,416	1	13,417
Purchase of treasury shares	—	—	—	(0)	—	(0)
Changes associated with losing control of subsidiaries	—	—	—	—	(74)	(74)
Reclassification from other components of equity to retained earnings	—	(45,815)	—	—	—	—
Transfer to other comprehensive income associated with assets held for sale	(3,452)	(3,452)	3,452	—	—	—
Total transactions with owners	(3,452)	(49,267)	3,452	(0)	(74)	(74)
Balance as of March 31, 2025	88,219	97,525	3,452	169,479	—	169,479
Net profit	—	—	—	106,865	—	106,865
Other comprehensive income	14,783	19,577	(3,452)	16,125	—	16,125
Total comprehensive income	14,783	19,577	(3,452)	122,990	—	122,990
Purchase of treasury shares	—	—	—	(2)	—	(2)
Changes associated with losing control of subsidiaries	—	—	—	—	—	—
Reclassification from other components of equity to retained earnings	—	(5,332)	—	—	—	—
Transfer to other comprehensive income associated with assets held for sale	—	—	—	—	—	—
Total transactions with owners	—	(5,332)	—	(2)	—	(2)
Balance as of March 31, 2026	103,002	111,770	—	292,467	—	292,467

#### (4) Consolidated Statement of Cash Flows

(Millions of JPY)

	Year ended March 31, 2025	Year ended March 31, 2026
Cash flows from operating activities		
Net profit	23,635	106,865
Depreciation and amortization	25,562	20,786
Impairment losses	5,189	2,073
Changes in fair value of financial assets and liabilities related to contingent consideration arrangements	(2,568)	(3,193)
Gain on sales of shares of subsidiaries	(13,537)	(49,043)
Interest and dividend income	(1,421)	(1,772)
Interest expenses	6,221	7,817
Income tax expenses	(6,024)	(6,521)
(Increase) decrease in trade and other receivables	(909)	(50,774)
(Increase) decrease in inventories	18,837	9,005
Increase (decrease) in trade and other payables	(25,868)	24,431
Increase (decrease) in unearned revenue	(25,822)	(13,153)
Increase (decrease) in other financial liabilities	17,784	2,375
Increase or decrease in retirement benefit assets and liabilities	3,649	(775)
Increase (decrease) in provisions	(6,441)	11,919
Others, net	(11,074)	18,875
<b>Subtotal</b>	<b>7,213</b>	<b>78,915</b>
Interest received	890	1,123
Dividends received	576	732
Interest paid	(4,361)	(4,491)
Income taxes paid	(1,892)	(4,564)
Income taxes refunded	14,074	—
<b>Net cash provided by (used in) operating activities</b>	<b>16,500</b>	<b>71,715</b>
Cash flows from investing activities		
Purchase of property, plant and equipment	(8,498)	(4,609)
Proceeds from sales of property, plant and equipment	2,208	449
Purchase of intangible assets	(4,532)	(2,703)
Purchase of shares of subsidiaries and associates	(267)	(4,008)
Purchase of investments	(1,645)	(1,469)
Proceeds from sales and redemption of investments	108,491	4,210
Proceeds from loss of control of subsidiaries	1,458	30,477
Others, net	2,539	202
<b>Net cash provided by (used in) investing activities</b>	<b>99,754</b>	<b>22,549</b>

(Millions of JPY)

	Year ended March 31, 2025	Year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(181,972)	(4,400)
Proceeds from long-term borrowings	139,487	—
Repayments of long-term borrowings	(70,000)	(84,000)
Repayments of lease liabilities	(3,614)	(2,540)
Proceeds from sale and lease back	6,700	—
Dividends paid	(3)	(2)
Others, net	566	(324)
Net cash provided by (used in) financing activities	(108,836)	(91,266)
Net increase in cash and cash equivalents	7,418	2,998
Cash and cash equivalents at beginning of year (Consolidated Statement of Financial Position)	29,047	23,116
Reversal of cash and cash equivalents included in assets held for sale	—	13,172
Cash and cash equivalents at beginning of year	29,047	36,288
Effect of exchange rate changes on cash and cash equivalents	(177)	5,024
Cash and cash equivalents at end of year	36,288	44,310
Increase (decrease) in cash and cash equivalents resulting from transfer to assets held for sale	(13,172)	—
Cash and cash equivalents at end of year (Consolidated Statement of Financial Position)	23,116	44,310

## (5) Notes to Consolidated Financial Statements

(Notes regarding Going Concern Assumption)

Not applicable.

(Material Accounting Policies)

The material accounting policies applied to the Consolidated Financial Statements are the same as those for the previous fiscal year's consolidated financial statements except for the accounting standard provided below.

New or amended Standards and Interpretations		Overview of introduction or amendment
IAS 21	The effects of Changes in Foreign Exchange Rates	• Clarifying the determination of the spot exchange rate in cases where a currency lacks exchangeability.

The Group has adopted the amendment to IAS 21 “The effects of Changes in Foreign Exchange Rates” (Lack of Exchangeability) from the beginning of this fiscal year. The adoption of the amendments to IAS 21 does not have a material impact on the Group's consolidated financial statements

(Operating Segments)

With the adoption of IFRS, the Group has set “core operating profit” which shows the Group's profitability as its original performance indicator.

“Core operating profit” is calculated by deducting certain items from operating profit. The deduction items mainly include impairment losses, business structure improvement expenses and changes in fair value of contingent consideration.

(1) Reportable segments

The Group is mainly engaged in manufacture, purchase and sales of pharmaceuticals for medical treatment and manages the performance of pharmaceutical business by market in Japan, North America, and Asia. Therefore, the Group has three reportable segments: Japan, North America, and Asia.

The Group's reportable segments are the components of the Group for which discrete financial information is available and whose operating results are regularly reviewed by the board of directors to make decisions about resources to be allocated to the segments and assess their performances.

(2) Revenues and operating results of the reportable segments

Revenues, profit or loss and other items by each of the Group's reportable segments are shown below.

For segment performance, the Group has set “core segment profit” as an original performance indicator to show each segment's recurring profitability.

“Core segment profit” indicates each segment profit calculated by deducting any items such as research and development expenses and gains and losses on business transfers, which are managed globally and thus cannot be allocated to individual segments, from “core operating profit.”

① Year ended March 31, 2025

(Millions of JPY)

	Reportable segments			
	Japan	North America	Asia	Total
Revenues from external customers, etc	99,838	251,814	47,180	398,832
Segment profit (Core segment profit)	11,416	42,595	23,921	77,932
Other items				
Depreciation and amortization	6,097	15,303	1,213	22,613
Impairment losses	5,463	(274)	—	5,189

② Year ended March 31, 2026

(Millions of JPY)

	Reportable segments			
	Japan	North America	Asia	Total
Revenues from external customers, etc	92,365	337,923	23,006	453,294
Segment profit (Core segment profit)	12,352	75,742	9,452	97,546
Other items				
Depreciation and amortization	4,654	13,627	539	18,820
Impairment losses	5	2,068	—	2,073

(3) Reconciliations between the total amounts of reportable segments and the amounts in the consolidated financial statements (reconciliation items)

The details of reconciliation are as follows:

(Millions of JPY)

Profit	Year ended March 31, 2025	Year ended March 31, 2026
Total of reportable segments	77,932	97,546
Research and development expenses (Note 1)	(48,485)	(43,947)
Gains on sales of shares of subsidiaries, etc.	14,293	50,024
Others	(587)	2,285
Core operating profit	43,153	105,908
Changes in fair value of contingent consideration (Note 2)	2,569	3,193
Impairment losses	(4,625)	(2,068)
Business structure improvement expenses (Note 3)	(8,786)	(213)
Other income	3,921	2,633
Other expenses	(3,572)	(1,062)
Others	(3,856)	(1,053)
Operating profit in the consolidated financial statements	28,804	107,338

(Notes) 1. The Group does not allocate research and development expenses to the reportable segments because such expenses are managed on a global basis. Differences from research and development expenses on the Consolidated Statement of Profit or Loss consist of expenses related to research and development excluded from calculation of core operating profit.

2. Changes in fair value of contingent consideration are recorded in selling, general and administrative expenses and other income in the Consolidated Statement of Profit or Loss.

3. Business structure improvement expenses for the year ended March 31, 2025 mainly comprise retirement expenses, etc. associated with the rationalization of the Company and group companies in Japan and North America.

(Millions of JPY)

Other items	Total of reportable segments		Adjustments		Amount in the consolidated financial statements	
	FY2025	FY2026	FY2025	FY2026	FY2025	FY2026
Depreciation and amortization	22,613	18,820	2,949	1,966	25,562	20,786

(4) Revenues

The details of revenues from external customers are as follows:

(Millions of JPY)

	Year ended March 31, 2025	Year ended March 31, 2026
Sale of goods	368,284	414,910
Revenue arising from intellectual property rights	2,372	20,160
Others	28,176	18,224
<b>Total</b>	<b>398,832</b>	<b>453,294</b>

(5) Information by product and service

The details of sales from external customer by product and service are as follows:

(Millions of JPY)

	Year ended March 31, 2025	Year ended March 31, 2026
Pharmaceuticals	398,708	453,283
Others	124	11
<b>Total</b>	<b>398,832</b>	<b>453,294</b>

(6) Geographic information

The Group's geographic revenues are classified by country and region, based on the location of customers.

(Millions of JPY)

	Year ended March 31, 2025	Year ended March 31, 2026
Japan	92,592	84,769
North America	246,006	322,540
U.S.A in North America	243,545	320,659
Others	60,234	45,985
China in Others	41,754	19,341
<b>Total</b>	<b>398,832</b>	<b>453,294</b>

The breakdown of carrying amounts of the Group's non-current assets (except for financial assets, deferred tax assets and retirement benefit assets) by location are as follows:

(Millions of JPY)

	As of March 31, 2025	As of March 31, 2026
Japan	42,786	69,850
North America	387,241	390,882
U.S.A in North America	387,171	390,828
<b>Total</b>	<b>430,027</b>	<b>460,732</b>

(7) Information of major customers

Revenue from major customer which individually accounts for greater than 10% of the total Group's revenue are as follows:

(Millions of JPY)

	Reportable segment	Year ended March 31, 2025	Year ended March 31, 2026
Cencora, Inc.	North America	73,304	102,438
McKesson Corporation	North America	71,287	93,500
Cardinal Health, Inc.	North America	53,697	69,152

(Other Income)

The details of other income are as follows:

	(Millions of JPY)	
	Year ended March 31, 2025	Year ended March 31, 2026
Other income		
Gains on sales of shares of subsidiaries (Note 1)	13,537	49,043
Changes in fair value of contingent consideration (Note 2)	142	3,118
Others	4,677	3,614
Total	18,356	55,775

- (Notes) 1. Gains on sales of shares of subsidiaries were recorded due to the transfer of a part of the shares of S-RACMO Co., Ltd. and RACTHERA Co., Ltd., to Sumitomo Chemical Co., Ltd., the parent company, during the year ended March 31, 2025. Gains on sales of shares of subsidiaries were recorded due to the transfer of a part of the shares of SMP Jumbi Kabushikigaisya (currently Marubeni Pharmaceuticals Co., Ltd.) to Marubeni Global Pharma Corporation during the year ended March 31, 2026.
2. Changes in fair value of contingent consideration related to contingent consideration agreements arising from sales of business are recognized in the Consolidated Statement of Profit or Loss as other income or other expenses.

(Earnings per-share)

The basis for calculating basic earnings per share and earnings per share are as follows:

	Year ended March 31, 2025	Year ended March 31, 2026
Basis for calculating basic earnings per share		
Net profit attributable to owners of parent (Millions of JPY)	23,634	106,865
Amounts not attributable to ordinary shareholders of the parent (Millions of JPY)	—	—
Net profit used to calculate basic earnings per share (Millions of JPY)	23,634	106,865
Weighted average number of ordinary shares (1,000 shares)	397,290	397,289
Earnings per share		
Basic earnings per share (JPY)	59.49	268.99

(Note) Diluted earnings per share are not disclosed as there are no potential shares.

(Assets held for sale)

Non-current assets or disposal groups that are expected to be recovered primarily through sale rather than through continuing use, are classified as assets held for sale if they are available for immediate sale in its current condition and the sale is highly probable. Non-current assets or disposal groups classified as assets held for sale are measured at the lower of their carrying amount or fair value less cost to sell.

The details of assets held for sale and liabilities directly associated with the assets held for sale are as follows:

	(Millions of JPY)	
	Year ended March 31, 2025	Year ended March 31, 2026
Property, plant and equipment	1,740	—
Intangible assets	3,521	—
Deferred tax assets	1,999	—
Inventories	2,695	—
Trade and other receivables	6,556	—
Cash and cash equivalents	13,172	—
Others	679	—
Total assets	30,362	—
Trade and other payables	1,430	—
Others	2,034	—
Total liabilities	3,464	—

On April 1, 2025, the Company's Board of Directors resolved to transfer the Asian business of the Company's wholly owned subsidiaries, Sumitomo Pharma (China) Co., Ltd. (hereinafter "Sumitomo Pharma (China)") and Sumitomo Pharma Asia Pacific Pte. Ltd. (hereinafter "SMPAP"), along with their subsidiaries, to Marubeni Global Pharma Corporation.

As a result, the Company classified the relevant assets and liabilities directly associated with the assets held for sale as assets held for sales group as of March 31, 2025.

The share transfer procedures were completed on July 31, 2025, and accordingly, Sumitomo Pharma (China) and SMPAP were excluded from the Company's consolidated subsidiaries as of that date.

(Material Subsequent Event)

(Issuance of new shares and secondary offering of shares)

The Company resolved at the meeting of its Board of Directors held on April 8, 2026, to issue new shares and the secondary offering of shares. It also determined on April 20, 2026, the issue price, the selling price, and other matters as set forth below. The payment for the public offering of new shares was completed on April 24, 2026, resulting in an increase in share capital and legal capital surplus (capital surplus).

1. Issuance of new shares through public offering (Domestic public offering and international offering)
  - (1) Class and number of shares issued 51,304,400 shares of common stock
  - (2) Issue price 1,990 JPY per share
  - (3) Total amount of the issue price 102,096 million JPY
  - (4) Amount paid in 1,907.08 JPY per share
  - (5) Total amount paid in 97,842 million JPY
  - (6) Amount of increase in share capital and legal capital surplus (capital surplus) Amount of increase in share capital: 48,921 million JPY  
Amount of increase in legal capital surplus (capital surplus): 48,921 million JPY
  - (7) Payment date April 24, 2026
  
2. Secondary offering of the Company's shares (offering by way of over-allotment)
  - (1) Class and number of shares offered 7,695,600 shares of common stock
  - (2) Selling price 1,990 JPY per share
  - (3) Total amount of the selling price 15,314 million JPY
  - (4) Delivery date April 27, 2026

3. Issuance of new shares by way of third-party allotment (capital increase by way of third-party allotment in connection with the offering by way of over-allotment)

- |                                                                                                   |                                                                                                                                                    |
|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| (1) Class and number of shares to be issued (Maximum)                                             | 7,695,600 shares of common stock                                                                                                                   |
| (2) Amount to be paid in                                                                          | 1,907.08 JPY per share                                                                                                                             |
| (3) Total amount to be paid in (Maximum)                                                          | 14,676 million JPY                                                                                                                                 |
| (4) Amount of share capital and legal capital surplus (capital surplus) to be increased (Maximum) | Amount of share capital to be increased: 7,338 million JPY<br>Amount of legal capital surplus (capital surplus) to be increased: 7,338 million JPY |
| (5) Payment date (Scheduled)                                                                      | May 26, 2026                                                                                                                                       |
| (6) Allottee                                                                                      | SMBC Nikko Securities Inc.                                                                                                                         |

4. Use of proceeds

The estimated total net proceeds of up to 111,566 million JPY from the Domestic public offering, international offering, and capital increase by way of third-party allotment are expected to be applied by the end of March 2029 for the following: 30 billion JPY for R&D expenses in oncology area; 10 billion JPY for R&D expenses in neurodegenerative diseases and infectious diseases; 10 billion JPY for R&D expenses and capital expenditures to develop the regenerative medicine/cell therapy business; 10 billion JPY for the capital expenditures in production and research and development, IT system investments, and strategic investments for alliances and licensing agreements; and the remaining funds for the repayment of interest-bearing debt.