May 23, 2025

To Whom It May Concern

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Notice Regarding Revision of Corporate Officer Remuneration

Sawai Group Holdings Co., Ltd. (hereinafter referred to as the "Company") revised its remuneration plan for officers and resolved to introduce a Restricted Stock Compensation Plan and a Performance-linked Restricted Stock Compensation Plan (collectively the "Plan") at the Board of Directors meeting held today. Accordingly, the Company has decided to submit the proposal regarding the Plan (the "Proposal") to the 4th Annual General Meeting of Shareholders of the Company (the "General Meeting of Shareholders"), scheduled to be held on June 25, 2025. We hereby announce the details as follows.

1. Objectives and Other Details on the Introduction of the Plan

(1) Objectives of the Plan

The Restricted Stock Compensation Plan is introduced to encourage our Directors (excluding Directors on Audit and Supervisory Committee and External Directors; the "Eligible Directors") to contribute even more to the enhancement of the Company's medium- to long-term performance and corporate value by sharing both the benefits and risks associated with stock price fluctuations with shareholders. Additionally, the Performance-linked Restricted Stock Compensation Plan aims to further strengthen the link between remuneration and the Company's medium- to long-term performance and stock value.

(2) Conditions for the implementation

Under the Plan, monetary compensation claims will be granted to the Eligible Directors as remuneration, to be used for the allotment of shares of the Company's common stock: (i) that are subject to a certain transfer restriction period and conditions for gratis acquisition and other related conditions prescribed by the Company (the "Restricted Shares"); and (ii) in a number determined based on the degree of achievement of performance targets, such as financial and stock price indices, as set by the Board of Directors of the Company for each fiscal year as the performance evaluation period (the "Performance-linked Shares"). Accordingly, implementing the Plan is conditional upon obtaining shareholder approval at the General Meeting of Shareholders for granting such compensation.

In connection with the transition to a company with an Audit and Supervisory Committee, we plan to request shareholder approval at the General Meeting of Shareholders to set the annual maximum amount of monetary compensation claims to be granted to the Eligible Directors as remuneration—¥50 million for

the Restricted Shares and ¥100 million for the Performance-linked Shares. These amounts will be set within the scope of the amount of remuneration for Directors (excluding Directors on the Audit and Supervisory Committee), which is scheduled to be separately submitted for approval at the same meeting.

With the introduction of the Plan, the provisions regarding the amount and specific details of compensation in the form of stock acquisition rights as stock options for the Company's Directors (excluding External Directors), approved at the Company's first Annual General Meeting of Shareholders held on June 24, 2022, will be abolished. As a result, the Company will no longer issue stock acquisition rights as the Share Remuneration-Type Stock Options to such directors under the said provisions.

2. Overview of the Restricted Stock Compensation Plan

(1) Allotment and payment of the Restricted Shares

The Company will grant monetary compensation claims up to the above-mentioned annual amount as remuneration for the Restricted Shares, based on the resolution of the Board of Directors of the Company. Each Eligible Director shall contribute the entire amount of such monetary compensation claims as in-kind contributions and receive an allotment of the Restricted Shares.

The paid-in amount for the Restricted Shares shall be determined by its Board of Directors at a price that is not particularly advantageous to the Eligible Directors receiving the allotment. The amount shall be based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution of its Board of Directors regarding the issuance or disposal of the shares (or the closing price on the most recent trading day before that date if no trades occur on that day).

The monetary compensation claims above will be granted on the condition that the Eligible Directors agree to make the in-kind contributions and enter into a restricted stock allotment agreement containing the terms described in (3) below.

(2) Total number of Restricted Shares

The total number of Restricted Shares to be allotted to the Eligible Directors shall not exceed 100,000 shares per fiscal year. However, the total number may be reasonably adjusted in the event of a stock split (including a gratis allotment of the Company's common shares) or a reverse stock split of the Company's common shares, or under other similar circumstances occurring on or after the date of the resolution of the Proposal.

(3) Restricted stock allotment agreement

Based on a resolution of the Board of Directors of the Company, the restricted stock allotment agreement to be entered into between the Company and the Eligible Directors in connection with the allotment of the Restricted Shares shall include the following terms.

(a) Details of the restrictions on transfer

The Eligible Directors who have received an allotment of the Restricted Shares shall not transfer, pledge, grant security interests, gift during their lifetime, bequeath, to any third party, or otherwise dispose of the shares allotted to them (the "Allotted Shares 1") (such restrictions, the "Transfer Restrictions") during the period (the "Transfer Restricted Period 1") from the date of allotment to the date on which they resign from their position as either a Director or Officer of the Company or its subsidiaries (the "Eligible Positions").

(b) Gratis acquisition of the Restricted Shares

If an Eligible Director who has received an allotment of the Restricted Shares resigns from all of the

Eligible Positions before the day prior to the date of the first Annual General Meeting of Shareholders of the Company held after the commencement of Transfer Restricted Period 1, the Company shall automatically acquire the Allotted Shares 1 without compensation, unless there are justifiable reasons as determined by the Board of Directors of the Company.

If there are any Allotted Shares 1 for which the Transfer Restrictions have not been lifted pursuant to the grounds for lifting such restrictions as set forth in item (c) below, as of the expiration of the Transfer Restricted Period 1 described in item (a) above, the Company shall automatically acquire such shares without compensation.

(c) Lifting of the Transfer Restrictions

The Company will lift the Transfer Restrictions on all of the Allotted Shares 1 upon the expiration of Transfer Restricted Period 1, provided that the Eligible Director who has received an allotment of the shares has continuously held any of the Eligible Positions from the commencement date of Transfer Restricted Period 1 until the date of the first Ordinary General Meeting of Shareholders of the Company held thereafter.

However, if, for reasons deemed justifiable by the Board of Directors of the Company, an Eligible Director resigns from all of the Eligible Positions at any time from the commencement of the Transfer Restricted Period 1 until the day prior to the date of the first Annual General Meeting of Shareholders of the Company held thereafter, the Company may make reasonable adjustments, as necessary, to the number of the Allotted Shares 1 for which the Transfer Restrictions will be lifted and the timing of such lifting.

(d) Treatment in organizational restructuring etc.

If, during Transfer Restricted Period 1, a proposal concerning a merger agreement under which the Company will become the disappearing company, a share exchange agreement or a share transfer plan under which the Company will become a wholly owned subsidiary, or any other matter relating to organizational restructuring etc. is approved at a General Meeting of Shareholders (or by the Board of Directors of the Company in cases where such approval is not required at a General Meeting of Shareholders), the Company may, by resolution of its Board of Directors, lift the Transfer Restrictions on a number of the Allotted Shares 1, reasonably determined in consideration of the period from the commencement of the Transfer Restricted Period 1 to the date of such approval, prior to the effective date of the relevant organizational restructuring etc.

In such cases, the Company shall automatically acquire, without compensation, the Allotted Shares 1 to which the Transfer Restrictions remain applicable immediately after the lifting of the Transfer Restrictions 1 pursuant to the above-mentioned provisions.

3. Overview of the Performance-linked Restricted Stock Compensation Plan

(1) Allotment and payment of the Performance-linked Shares

The Company shall designate each fiscal year as a performance evaluation period (the "Target Period") and grant monetary compensation claims for the allotment of the Performance-linked Shares to the Eligible Directors, within the above-mentioned annual limit, based on the degree of achievement of numerical targets, such as performance and stock price indices (the "Performance Evaluation Indices"), set by the Board of Directors of the Company. Each Eligible Director shall contribute the entire amount of such monetary compensation claims as in-kind contributions and receive an allotment of the Performance-linked Shares.

Therefore, at the start of the Target Period, it has not yet been determined whether monetary compensation claims for the allotment of the Performance-linked Shares will be granted to each Eligible Director and, if so, the amount of such monetary compensation claims and the number of such shares to be granted (the "Number of Shares to be Granted").

The monetary compensation claims will be granted on the condition that the Eligible Directors agree to make the in-kind contributions and the Eligible Directors (excluding those who, before the monetary compensation claims are granted, resign from all of the Eligible Positions due to the expiration of their term of office or other reasons deemed justifiable by its Board of Directors) enter into a performance-linked restricted stock allotment agreement containing the terms described in (6) below.

The initial Target Period shall be the Company's 5th fiscal year (April 1, 2025 to March 31, 2026), and subsequently, for each fiscal year, the Company may allot the Performance-linked Shares within the scope approved at the General Meeting of Shareholders, with the corresponding period as a new Target Period.

(2) Total number of Performance-linked Shares

The total number of Performance-linked Shares to be allotted to the Eligible Directors shall not exceed 200,000 shares per Target Period. However, the total number may be reasonably adjusted in the event of a stock split (including a gratis allotment of the Company's common shares) or a reverse stock split of the Company's common shares, or under other similar circumstances occurring on or after the date of the resolution of the Proposal.

(3) Method of calculating the Number of Shares to be Granted

The Performance Evaluation Indices required to calculate the Number of Shares to be Granted, including numerical targets used for allotting the Performance-linked Shares, shall be determined by the Board of Directors of the Company.

The specific Number of Shares to be Granted to each Eligible Director shall be calculated based on the formula described below (however, any fraction less than one share shall be rounded up).

If, as a result of allotting the Number of Shares to be Granted calculated for each Eligible Director based on the formula below, the above-mentioned total number of shares or the annual limit on the monetary compensation claims, in each case to be granted to the Eligible Directors, would be exceeded, then the number of shares and the amount of monetary compensation claims to be granted to each Eligible Director shall be adjusted, within the limits of the total number and amount, using a reasonable method, such as proportional allocation, determined by resolution of its Board of Directors.

The Number of Shares to be Granted to each Eligible Director

Basic remuneration amount (*1) / Price per share of the Company's common stock (*2)

*1: The amount calculated by multiplying a reference amount—determined by the Board of Directors of the Company, mainly based on each Eligible Director's position and responsibilities—by a percentage ranging from 0% to 200%, which is also determined by its Board of Directors, primarily based on the level of achievement of the Performance Evaluation Indices for the Target Period.

*2: The closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution of the Board of Directors of the company that determines the reference amount, the Performance Evaluation Indices, and other related items.

The composition and calculation methods of the Performance Evaluation Indices for the initial Target

Period are currently planned as follows.

[Composition of the Performance Evaluation Indices]

Indices	Weighting
(i) Core operating profit	50%
(ii) ROE	30%
(iii) Relative TSR	20%

[Method for calculating the Performance Evaluation Indices]

Indices (i) and (ii) are calculated based on the rate of change between the figures for the performance evaluation fiscal year and the average figures for the past three fiscal years. Index (iii) is calculated based on a comparison with TOPIX over the same period.

However, with respect to Index (ii), if there are any one-time extraordinary factors, such as significant asset sales or structural reform expenses, that have an impact of ±1% or more on the ROE figure, such factors shall be excluded from the calculation.

(4) Conditions for the grant and other details

Upon the expiration of the Target Period, if the following conditions are met, monetary compensation claims shall be granted to each Eligible Director. All such claims shall be contributed in full as contributions in kind, and the Performance-linked Shares shall be delivered to each Eligible Director in exchange. The Performance-linked Shares shall be delivered through either the issuance of new shares or the disposal of treasury stock by the Company. The paid-in amount for the shares shall be determined by the Board of Directors of the Company at a price that is not particularly advantageous to the Eligible Directors receiving the allotment. The amount shall be based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution of its Board of Directors approving the allotment (or the closing price on the most recent trading day before that date if no trades occur on that day).

To be eligible for delivery, each Eligible Director must:

(a) Have continuously held any of the Eligible Positions until the conclusion of the first Annual General Meeting of Shareholders held after the end of the Target Period;
(b) Not have committed any act of misconduct, as determined by the Board of Directors of the Company; and
(c) Satisfy any other requirements deemed necessary by the Board of Directors of the Company.

If an Eligible Director resigns from all of the Eligible Positions before the delivery of the Performance-linked Shares due to the expiration of their term of office, other reasons deemed valid by the Board of Directors of the Company, or death, the Company may, in lieu of delivering the Performance-linked Shares, grant to the Eligible Director (or, in the case of death, to the heir of the Eligible Director) a cash amount equivalent to the value of the shares that would have been granted, as reasonably determined by its Board of Directors based on the length of the Eligible Director's service.

(5) Treatment in organizational restructuring etc.

If, before the delivery of the Performance-linked Shares, a proposal concerning a merger agreement under which the Company will become the disappearing company, a share exchange agreement or a share transfer plan under which the Company will become a wholly owned subsidiary, or any other matter relating to organizational restructuring etc. is approved at a General Meeting of Shareholders (or by the Board of Directors of the Company in cases where such approval is not required at a General Meeting of Shareholders), the Company may, in lieu of delivering the Performance-linked Shares, grant cash compensation to the Eligible Directors. The amount of such cash compensation shall be equivalent to the value of the shares that would have been granted, as reasonably determined by its Board of Directors based on the length of their service, and shall be paid prior to the effective date of the relevant organizational restructuring etc.

(6) Performance-linked stock allotment agreement

Based on a resolution of the Board of Directors of the Company, the performance-linked stock allotment agreement to be entered into between the Company and the Eligible Directors in connection with the allotment of the Performance-linked Shares shall include the following terms.

(a) Details of the restrictions on transfer

The Eligible Directors who have received an allotment of the Performance-linked Shares shall not transfer, pledge, grant security interests, gift during their lifetime, bequeath, to any third party, or otherwise dispose of the shares allotted to them (the "Allotted Shares 2") (such restrictions, the "Transfer Restrictions") during the period (the "Transfer Restricted Period 2") from the date of allotment to the date on which they resign from all of the Eligible Positions.

(b) Gratis acquisition of the Performance-linked Shares

If an Eligible Director who has received an allotment of the Performance-linked Shares resigns from all of the Eligible Positions, the Company shall automatically acquire the Allotted Shares 2 without compensation, unless there are justifiable reasons as determined by the Board of Directors of the Company.

(c) Lifting of the transfer restrictions

The Company will lift the Transfer Restrictions on all of the Allotted Shares 2 upon the expiration of the Transfer Restricted Period 2.

(d) Treatment in organizational restructuring etc.

If, during Transfer Restricted Period 2, a proposal concerning a merger agreement under which the Company will become the disappearing company, a share exchange agreement or a share transfer plan under which the Company will become a wholly owned subsidiary, or any other matter relating to organizational restructuring etc. is approved at a General Meeting of Shareholders (or by the Board of Directors of the Company in cases where such approval is not required at a General Meeting of Shareholders), the Company may, by resolution of its Board of Directors, lift the Transfer Restrictions on all of the Allotted Shares 2 prior to the effective date of the relevant organizational restructuring etc.

(Reference)

After the conclusion of the General Meeting of Shareholders, the Company intends to also allot the Restricted Shares and the Performance-linked Shares, on terms similar to those described above, to Officers of the Company and Directors and Officers of its subsidiaries.