Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

June 3, 2025

To Whom It May Concern

Company Name: Sawai Group Holdings Co., Ltd.
Representative: Mitsuo Sawai
President and Representative Director
(Securities Code: 4887, Prime Market of Tokyo Stock Exchange)
Contact: Yasushi Kora
Deputy General Manager
Group Finance Department
(Telephone Number: +81-6-6105-5823)

(Correction / Correction of Numerical Data) Revision of "Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under IFRS)" caused by a certain event after reporting period

Sawai Group Holdings Co., Ltd. (hereinafter referred to as the "Company"), hereby discloses the correction of the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under IFRS)" released on May 14, 2025. The numerical data has also been revised and is jointly announced.

1. Reason for correction

As announced in "Regarding Court Ruling Lawsuit Filed Against the Company's Consolidated Subsidiary" released on May 27, 2025, the company accounted expenses related to the provision for loss on litigation regarding our product of JPY 16,757 million in other expenses reflecting the event after reporting period in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under IFRS)". Accordingly, the condensed consolidated statements of income, the condensed consolidated statements of comprehensive income, the condensed consolidated statements of financial position, the condensed consolidated statements of changes in equity, the condensed consolidated statements of cash flows, and related information are to be corrected.

2. Details of correction

Corrected figures are shown with underline.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

(Revised)

May 14, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under IFRS)

Company name: Sawai Group Holdings Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 4887
URL: https://www.sawaigroup.holdings
Representative: Mitsuo Sawai, President and Representative Director
Inquiries: Taku Nakaoka, Group Chief Financial Officer
Telephone: +81-6-6105-5818

Scheduled date of annual general meeting of shareholders: June 25, 2025
Scheduled date to commence dividend payments: June 26, 2025
Scheduled date to file annual securities report: June 24, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Scheduled (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	189,024	6.9	4,050	(78.3)	3,161	(82.7)	11,969	30.7
March 31, 2024	176,862	8.0	18,620	16.0	18,262	15.2	9,156	(28,7)

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Fiscal year ended	Millions of yen	%	Millions of yen	%	Yen	Yen
March 31, 2025	11,969	(12.6)	407	(96.9)	96.54	96.25
March 31, 2024	13,695	8.1	13,286	(27.0)	104.22	103.93

	Return on equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
Fiscal year ended	%	%	%
March 31, 2025	6.2	0.9	2.1
March 31, 2024	6.6	4.9	10.5

Note: 1. The Company has classified its U.S. Business as a discontinued operation since the third quarter of FY2023. Therefore, in this summary, revenue, operating profit and profit before tax include the amount only from the Company's continued operation while profit for the period and profit attributable to owners of parent include the amount from the Company's continued and discontinued operation.

2. The Company conducted a 3-for-1 stock split for shares of its common stock, with an effective date of October 1, 2024. The basic and diluted earnings per share are calculated assuming that the share split was implemented at the beginning of the fiscal year ended March 31, 2024.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2025	354,623	173,854	173,854	49.0	1,505.86
March 31, 2024	382,024	218,030	212,662	55.7	1,618.32

Note: The Company conducted a 3-for-1 stock split for shares of its common stock, with an effective date of October 1, 2024. Equity attributable to owners of parent per share are calculated assuming that the share split was implemented at the beginning of the fiscal year ended March 31, 2024.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	27,851	6,480	(32,704)	38,785
March 31, 2024	23,149	(23,112)	2,363	26,368

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024		65.00		65.00	130.00	5,694	41.6	2.7
Fiscal year ended March 31, 2025		78.00		27.00	—	6,340	54.9	3.4
Fiscal year ending March 31, 2026 (Forecast)		27.00	—	28.00	55.00		36.5	

Note: The Company conducted a 3-for-1 stock split for shares of its common stock, with an effective date of October 1, 2024. The indicated dividend per share for the fiscal year ended March 31, 2024 and interim dividend per share for the fiscal year ended March 31, 2025 are based on the number of shares before the share split. Total Annual dividends per share for the fiscal year ended March 31, 2025 are not presented as the amounts cannot be simply combined due to the stock split. When the stock split is not factored in, the year-end dividend will be 53 yen while the annual dividend will be 159 yen.

3. Forecast of consolidated financial results for fiscal year endeing March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Equity attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First six month ending September 30, 2025	96,500	9.8	13,200	12.3	12,900	13.1	9,000	(52.4)	77.95
Fiscal year ending March 31, 2026	200,200	5.9	25,600	532.2	24,800	684.5	17,400	45.4	150.71

Notes

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

Newly included: None

Excluded: 3 companies (Sawai America Holdings Inc., Sawai America LLC, Upsher-Smith Laboratories, LLC)

Note: Details regarding the transfer of the shares of the U.S. Business are described in "Assets Held for Sale and Liabilities Directly Associated with Assets Held for Sale" at "(5) Selected Notes to Condensed Consolidated Financial Statements" in Section 2 "Condensed Consolidated Financial Statements and Selected Notes" on page 13 of the attachment.

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	131,469,417 shares
As of March 31, 2024	131,410,017 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	16,018,103 shares
As of March 31, 2024	1,098 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	123,982,163 shares
Fiscal year ended March 31, 2024	131,398,467 shares

Note: The Company conducted a 3-for-1 stock split for shares of its common stock, with an effective date of October 1, 2024. Number of issued and outstanding (including treasury stock) at the end of period, number of treasury stock at the end of the period, and average number of shares outstanding in the period have been calculated assuming that the stock split took place at the beginning of the previous fiscal year.

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The year-end earnings conference for institutional investors and analysts is scheduled for May 16, 2025. Presentation and related materials of the conference will be promptly posted on our website.

Attachment Index

1. Financial Highlights for the Year ended March 31,2025 2
(1) Operating Results 2
(2) Financial Position 5
(3) Cash Flow 6
(4) Forecast of Consolidated Financial Results and Other Forward-looking Statements 6
2. Basic Rationale for Selecting the Accounting Standards 6
3. Condensed Consolidated Financial Statements and Selected Notes 7
(1) Condensed Consolidated Statements of Income and Condensed Consolidated Statements of Comprehensive Income 7
(2) Condensed Consolidated Statements of Financial Position 9
(3) Condensed Consolidated Statements of Changes in Equity 11
(4) Condensed Consolidated Statements of Cash Flows 12
(5) Selected Notes to Condensed Consolidated Financial Statements 13
(Significant Uncertainty Regarding Going Concern Assumption) 13
(Significant Accounting Policies) 13
(Assets Held for Sale and Liabilities Directly Related to Assets Held for Sale) 13
(Discontinued Operation) 14
(Segment Information) 15
(Earnings Per Share) 16
(Events after Reporting Period) 17

1. Financial Highlights for the Year ended March 31,2025

(1) Operating Results

Sawai Group Holdings Co., Ltd. (the "Company") and subsidiaries (collectively, "Sawai") have adopted International Financial Reporting Standards (IFRS) in order to increase the international comparability of its financial information within the capital market. The Company has classified its U.S. Business as a discontinued operation since the third quarter of FY2023, and the Company lost control of Sawai America Holdings Inc. (SAH), a holding company of Sawai's U.S. Business, after transferring all shares it had held in that U.S.-based subsidiary, as well as its interests in Sawai America LLC (SAL) and interests in Upsher-Smith Laboratories, LLC (USL) on April 2, 2024. Therefore, in this summary, revenue, operating profit and profit before tax include the amount only from the Company's continued operation, while the amounts of profit for the period and profit attributable to owners of parent total those of both the continued and discontinued operations. The financial figures for FY2023 given here for year-on-year comparison have also been adjusted to reflect this change.

During the Year ended March 31, 2025, revenue increased to JPY 189,024 million (by 6.9%), operating profit decreased to JPY 4,050 million (by 78.3%), profit before tax decreased to JPY 3,161 million (by 82.7%), and profit attributable to owners of parent decreased to JPY 11,969 million (by 12.6%) compared to the Year ended March 31, 2024.

(Millions of yen, except percentages)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	Change (%)
Revenue	176,862	189,024	12,162	6.9
Operating profit	18,620	4,050	(14,570)	(78.3)
Profit before tax	18,262	3,161	(15,101)	(82.7)
Profit attributable to owners of parent	13,695	11,969	(1,725)	(12.6)

Under a holding company structure, in May 2021, Sawai Group drew up a vision for the future that we would like to aim for by fiscal year 2030, "Sawai Group Vision 2030," and we have formulated and announced the three-year medium-term management plan, "Beyond 2027," (hereinafter, the "Medium-term Plan"). Sawai Group Vison 2030 defines the world Sawai wants to build by 2030 as "A world where more people receive healthcare services and live a full life with peace of mind among society" and the ideal state it hopes to reach by 2030 as "A company with a strong presence that continues to contribute to people's health by providing a multifaceted mix of products and services based on scientific evidence that meets individual needs." Envisioning that Sawai will further grow, building on "Establishing a trusted corporate foundation," the Medium-term Plan indicates the key business strategy themes of (1) Achieving steady growth in the generics market, (2) Establishing sustainability of the generics business, and (3) Continuing investment in growth areas and key management base themes of (1) Creating talent that underpins sustainable growth, (2) Working on sustainability initiatives, and (3) Improving capital efficiency.

The "Basic Policy on Economic and Fiscal Management and Reform 2021," approved by the Japanese Cabinet in June 2021, states, "With the aim of ensuring the reliability of the quality and stable supply of generic drugs as the main pillar, the Government and the private sector will work together to strengthen the manufacturing control system, strengthen the supervision of manufacturing sites, and implement quality inspections of commercial products. The goal is to increase the volume share of generic drugs to 80% or more in all prefectures by the end of FY2023." On the occasion of the April 2022 medical fee revision, the evaluation standards were revised in favor of pharmacies dispensing a high percentage of generic drugs and medical institutions using a high percentage of generic drugs in order to further encourage the use of generic pharmaceuticals. As a result, according to a flash report on the Japanese government's National Health Insurance (NHI) drug price survey in September 2024, the latest volume-based share of generic drugs was 85.0%. Furthermore, in September 2024, the Medical Insurance Subcommittee of the Social Security Council of the Japanese Ministry of Health, Labour and Welfare (MHLW) revised the Roadmap for Promoting Further Use of Generic Drugs and set the following numerical targets to be met by the end of fiscal 2029: main target – achieving an 80% or more share of generic pharmaceuticals on a volume basis in all Japanese prefectures while basically maintaining a stable supply of

pharmaceuticals (continuing from the former Roadmap); the secondary target (1) – increasing the percentage of ingredients (on the basis of the number of their kinds) in which biosimilars account for 80% or more of the total number of ingredients to 60% or more; and secondary target (2) – increasing the share of generic pharmaceuticals among all pharmaceuticals on a monetary basis to 65% or more. (The Japanese government's September 2024 NHI drug price survey showed that the share of generic pharmaceuticals among all pharmaceuticals was 62.1% on a monetary basis.) Also, since October 2024, a system for patient-selected additional medical services has been adopted so that additional financial burdens are imposed on patients who use long-listed drugs to which generic alternatives are available, leading to the likelihood of a further accelerating shift to generic drugs.

Under such circumstances, the entire Japanese drug market has faced the uncertainty of product supply due to health problems caused by pharmaceutical products of a second-tier generic drug company at the end of 2020 and violations committed by a number of generic drug companies, including major ones, against the Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices. In response to this situation, the Expert Panel on Comprehensive Measures to Achieve Rapid and Stable Supply of Pharmaceuticals, which MHLW convened in August 2022, discussed a wide range of subjects, including the distribution of pharmaceuticals, the National Health Insurance (NHI) drug pricing system, and structural problems faced by the Japanese generic pharmaceutical industry. In May 2024, the Study Group on Ideal Industrial Structure for a Stable Supply of Generic Drugs compiled a report. In June, the Japanese Cabinet approved the government's Basic Policies for Economic and Fiscal Management and Reform 2024, which clearly states: "We will work to allay the current concern about the supply of pharmaceuticals, and with a stable supply of pharmaceuticals as a fundamental requirement, we will also promote the generic pharmaceutical industry's structural reforms, which may involve its reorganization, with an eye to achieving the ideal state of the industry, while developing a legal framework for a stable supply." To achieve this, in FY2025, NHI drug price revisions and upward revisions to the minimum drug prices will be made within the scope defined according to the characteristics of each type of drug, from the perspectives of both reducing the burden on the public and thoroughly meeting demand for promoting innovation in drug discovery and for ensuring a stable supply of pharmaceuticals. In addition, to ensure a stable supply of generic drugs, the Japanese government is planning to implement support measures (programs) for companies that systematically work to improve productivity with a view to abolishing the inefficient small-volume mixed-lot production system. The government also aims to establish a legal framework for securing a stable generic-drug supply.

In this business environment, Sawai, as a leading generic drug manufacturer in Japan, works according to its Medium-term Plan to achieve steady growth and establish the sustainability of the generics business while establishing a trusted corporate foundation with the aim of making a valuable contribution to society in a sustainable manner as social infrastructure.

Given that the Japanese generic drug industry has seen serious quality control violations committed by certain companies, Sawai Pharmaceutical Co., Ltd. ("Sawai Pharmaceutical"), the core company in the Sawai Group, has focused on several issues such as ensuring the good quality of active pharmaceutical ingredients (APIs) in compliance with Good Manufacturing Practice (GMP) standards, maintaining the effectiveness of the quality control system through constant checks on GMP compliance at manufacturing facilities, and exerting manufacturing and quality control based on the internationally accepted Pharmaceutical Inspection Convention and Pharmaceutical Inspection Co-operation Scheme (PIC/S) GMP Guide. (The PIC/S is a non-binding, informal cooperative arrangement between Regulatory Authorities in the field of GMP of medicinal products for human or veterinary use.) Furthermore, Sawai has implemented various initiatives to ensure that medical professionals are able to use its products without concern, including disclosing the names of all its manufacturing subcontractors and API suppliers and the dates of audits performed over their operations since FY2021. Sawai also released a video introducing its efforts to improve quality control.

However, Sawai Pharmaceutical revealed that Teprenone Capsules 50 mg "Sawai" manufactured at its Kyushu Plant was inappropriately tested in the dissolution test for stability monitoring for a long time. In addition, in December 2023, Sawai received an administrative penalty from MHLW, Osaka Prefecture and Fukuoka Prefecture, for a violation against the Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices. The continued inappropriate testing is primarily attributed to human and structural factors. The human factors include (1) a prevalent disregard for stability monitoring; (2) an inclination to unquestioningly follow superiors' instructions; (3) a lack of understanding of GMP among those conducting the tests. The structural factors include (1) an inadequate supervisory system for quality control and assurance; (2) insufficient management of test records; and (3) overwork and understaffing in the quality control department responsible for overseeing these

processes. We have developed the following measures aimed at preventing any recurrence and are dedicated to rebuilding trust; (1) commence a corporate culture reform project under the direct leadership of the president, (2) re-evaluate existing market products in terms of manufacturing and quality and implement corrective measures and (3) implement recurrence prevention measures in the production division including reintroduction of GMP education for all employees, clarification of the roles and responsibilities of managers and supervisors and recruitment both internally and externally for the quality control and quality assurance divisions within the plant. We are devoting Group-wide efforts to implementing these measures. In December 2024, we established the Kobe Analytical Research Center, which specializes in analytical research on carcinogenic nitrosamine drug substance-related impurities (NDSRIs). From among NDSRIs that can be contained in a minute amount in drugs, the center will focus on those for which testing methods are difficult to develop and those that are high priorities in terms of the need for analysis, and it will develop testing methods for them and use the methods to test them. The center also plans to transfer those testing methods to outside analysis contractors and internal analysis departments.

We are also pursuing even higher efficiency and lower cost for our production and supply systems by utilizing the unique characteristics of each of our six factories throughout Japan with the aim of eliminating the uncertainty of generic drug supply by accommodating growing demand, as well as addressing soaring energy and raw material prices. As part of such efforts, in September 2022, we completed the construction of an injection production facility at the Kyushu Factory site. In July 2024, we also completed the construction of a new solid formulation building, with a maximum production capacity of 3.5 billion tablets, on the premises of the Daini Kyushu Factory site. Additionally, Trust Pharmatech Co., Ltd., a Sawai Group company established by taking over assets related to production activities from Kobayashi Kako Co., Ltd., including the staff of the relevant departments, has begun contract manufacturing products of Sawai Pharmaceutical. This new company will continue its efforts to build a solid production system with a view to becoming capable of manufacturing 25 billion or more tablets a year as soon as possible. Furthermore, Sawai opened and began to operate the East Japan Daini Distribution Center and the West Japan Daini Distribution Center in FY2021 with the aim of further strengthening its product supply system from the aspect of distribution. In addition, in June 2024, the Company disclosed information on its initiatives to maintain a stable product supply in accordance with MHLW's Guidelines for Disclosures Related to the Stable Supply of Generic Drugs. We are therefore committed to establishing a system for a stable product supply for the industry.

In terms of marketing, as a countermeasure against the steep rise in costs, we have passed on the cost increases to the prices of some of our products, mainly low-priced ones, while working to further improve production efficiency. Sawai Pharmaceutical had its three products deriving from two APIs, including Zonisamide OD Tablets, added to the NHI drug price list in June 2024, and its ten products deriving from five APIs, including Rivaroxaban Tablets and Rivaroxaban OD Tablets, in December 2024. In addition, in March 2025, Sawai Pharmaceutical concluded an agreement with Eisai Co., Ltd. to take over Eisai's rights to approval for manufacturing and marketing Warfarin, an oral anticoagulant, in the Japanese market. We expect that this agreement will help expand our lineup of products in the cardiovascular field and produce synergetic effects between those products and our generic pharmaceuticals.

In the field of product development, Sawai Pharmaceutical has selected six (6) technologies in three (3) categories from technologies that can add value to medicines and create harmony in their formulation, such as technologies for making medicines more comfortable to take and for increasing the efficiency of pharmaceutical production. These original formulation technologies are collectively named "SAWAI HARMOTECH®" and have been publicly disclosed. Of these, MALCORE® technology won the Asahi Kasei Young Scientist Award in June 2024. Sawai Pharmaceutical also devotes efforts in the field of packaging materials, including developing the thinnest moisture-proof PTP sheet and replacing aluminum foil pillow bags used for some products to achieve environmentally friendly production. One of the results of those efforts is Zonisamide OD tablets TRE [Sawai] winning the Accessible Design Packaging Award of Japan Packaging Contest 2024 in August 2024. Moreover, in July 2024, Sawai released QualityHug®, which received the Good Design Award in October 2024, as a new technology that helps foster safety awareness among patients and provides them with peace of mind. Also, in January 2025, our ultra-thin moisture-proof blister packaging received the AsiaStar Award in AsiaStar Contest 2024. We will continue these kinds of R&D efforts to provide patient-friendly products.

As a new initiative for the personal health record (PHR) business, since 2022, we have been collaborating with a variety of organizations, including universities, local governments, companies, and medical institutions, to promote their use of our PHR

products and services. In March 2025, we reached an agreement with Sumitomo Pharma Co., Ltd. to acquire all the shares Sumitomo Pharma held in FrontAct Co., Ltd. and make FrontAct our wholly owned subsidiary. Through this agreement, we aim to acquire specialist human resources and know-how, in addition to expanding our product lineup in the digital healthcare business, thereby strengthening and developing our business foundation. We will therefore continue to utilize digital technology to further enhance people's lifestyles and well-being. Furthermore, we concluded a licensing agreement with CureApp, Inc. to gain the right to develop and sell digital therapeutics (DTx) in the field of non-alcoholic steatohepatitis (NASH) in August 2022 and a licensing agreement with CureApp to sell DTx for the treatment of alcoholism in August 2024, with the aim of utilizing apps in this field to not only enhance digital-healthcare technology and expertise but also deliver IT-based solutions directly to patients and healthcare professionals. In the medical device business, we focus on Relivion®, a non-invasive neuromodulation device, for which we obtained manufacturing and marketing approval for use in the acute-stage treatment of migraine from the MHLW in December 2023.

In addition, expenses related to the provision for loss on litigation regarding our product of JPY 16,757 million was recorded as other expenses as announced in "Regarding Court Ruling Lawsuit Filed Against the Company's Consolidated Subsidiary" released on May 27, 2025.

As a result, the Sawai Group achieved net sales of JPY 189,024 million (an increase of 6.9% year on year) and an operating profit of JPY 4,050 million (a decrease of 78.3% year on year).

(2) Financial Position

Assets

As of March 31, 2025, current assets amounted to JPY 200,823 million, a decrease of JPY 39,162 million from March 31, 2024. The decrease was mainly due to an increase of JPY 12,417 million in cash and cash equivalents, an increase of JPY 9,865 million in inventories caused mainly by production expanded to increase our capacity for a stable supply, while a decrease of JPY 8,326 million in trade and other receivables, and a decrease of JPY 55,293 million in assets held for sale caused by the shift of our U.S. Business. Non-current assets as of March 31, 2025 amounted to JPY 153,800 million, an increase of JPY 11,761 million from March 31, 2024. The increase was mainly due to an increase of JPY 8,476 million in property, plant and equipment resulting from the construction of a new solid formulation building at Sawai Pharmaceutical's Daini Kyushu Factory, and an increase of JPY 6,897 million in intangible assets mainly due to the takeover of the rights to Warfarin, an oral anticoagulant.

Total assets as of March 31, 2025 were JPY 354,623 million, a decrease of JPY 27,401 million compared to the balance as of March 31, 2024.

Liabilities

As of March 31, 2025, current liabilities amounted to JPY 102,815 million, an increase of JPY 9,197 million from March 31, 2024. The decrease was mainly due to a decrease JPY 16,268 million in liabilities directly related to assets held for sale, while an increase of JPY 5,155 million in trade and other payables, an increase of JPY 5,453 million in borrowings in accordance with funding plans, and an increase of JPY 16,741 million in provisions including the patent infringement lawsuit related to Nalfurafine Hydrochloride OD Tablets 2.5μg "SAWAI". Non-current liabilities as of March 31, 2025 was JPY 77,954 million, an increase of JPY 7,579 million from March 31, 2024, primarily due to an increase of JPY 2,995 million in bonds and borrowings resulting from the issuance of bonds and the execution of borrowings.

Total liabilities as of March 31, 2025 were JPY 180,769 million, an increase of JPY 16,776 million compared to the balance as of March 31, 2024.

Equity

Total equity as of March 31, 2025 was JPY 173,854 million, a decrease of JPY 44,177 million compared to the balance as of March 31, 2024, primarily due to the net profit for the period ended March 31, 2025, the acquisition of treasury shares, the payment of dividends of surplus, and the sales of shares of subsidiaries and affiliates. As a result, the ratio of equity attributable to owners of parent to total assets as of March 31, 2025 became 49.0% (down from 55.7% as of March 31, 2024).

(3) Cash Flow

Cash and cash equivalents as of March 31, 2025 increased by JPY 12,417 million to JPY 38,785 million, compared to the balance as of March 31, 2024.

The results of cash flow for each activity, including the cash flow of the discontinued operation, are as follows:

Cash flows generated from operating activities was JPY 27,851 million for the current period (increase by JPY 4,702 million from the same period of the previous year) which mainly consists of profit before tax (JPY 3,161 million), depreciation and amortization (JPY 15,241 million), increase in inventories (JPY 9,961 million), and increase in provisions (JPY 16,741 million).

Cash flows generated from investing activities was JPY 6,480 million for the current period (usage of JPY 23,112 million in the same period of the previous year) which mainly consists of proceeds from the sales of shares of subsidiaries and affiliates involving a change in the scope of consolidation (JPY 28,233 million) and acquisition of property, plant and equipment (JPY 20,567 million).

Cash flows used in financing activities was JPY 32,704 million for the current period (generation of JPY 2,363 million in the same period of the previous year) which mainly consists of repayments of borrowings (JPY 30,858 million), purchase of treasury shares (JPY 33,320million), and proceeds from borrowings (JPY 35,036 million).

(4) Explanation of Forecast of Consolidated Financial Results and Other Forward-looking Statements

It is expected that, in the fiscal year ending March 2026, although the profit-related environment of the Japanese market will improve due to patient-selected services, the impact of the Japanese government's drug price support measure and revised drug price policies, the cost of products will increase due to a surge in energy prices, inflation, and the depreciation of the yen, following the previous fiscal year.

Against this backdrop, under the Medium-Term Business Plan announced in June 2024, we will concentrate the strengths of the divisions of each of our Group companies, such as Product Development, Production, Reliability Assurance, and Sales, with the aim of achieving steady growth in the Japanese market.

In terms of the forecasts of consolidated financial results for the fiscal year ending March 31, 2026, as follows.

	Revenue	Operating profit	Profit before tax	Equity attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Fiscal year ending March 31, 2026	200,200	25,600	24,800	17,400	150.71

2. Basic Rationale for Selecting the Accounting Standards

Sawai has used International Financial Reporting Standards (IFRS) since FY2021 in order to increase the international comparability of its financial information within the capital market.

3. Condensed Consolidated Financial Statements and Selected Notes

(1) Condensed Consolidated Statements of Income and Condensed Consolidated Statements of Comprehensive Income

（Condensed Consolidated Statements of Income）

	Millions of yen (except per share data)	
	Fiscal year ended March 31, 2024	**Fiscal year ended March 31, 2025**
Continued Operations		
Revenue	**176,862**	**189,024**
Cost of sales	(122,543)	(132,673)
Gross profit	**54,319**	**56,352**
Selling, general and administrative expenses	(23,244)	(23,518)
Research and development expenses	(12,189)	(12,593)
Other income	189	845
Other expenses	(456)	(17,035)
Operating profit	**18,620**	**4,050**
Finance income	201	151
Finance expenses	(558)	(1,039)
Profit before tax	**18,262**	**3,161**
Income tax expenses	(5,583)	(988)
Profit for the period from continued operations	**12,679**	**2,173**
Discontinued Operation		
Profit (Loss) for the period from the discontinued operation	**(3,523)**	**9,796**
Profit for the period	**9,156**	**11,969**
Profit attributable to:		
Owners of parent	13,695	11,969
Non-controlling interests	(4,539)	—
Total	9,156	11,969
Earnings per share (Yen)		
Basic earnings per share		
Continued operations	96.49	17.53
Discontinued operation	7.73	79.01
Basic earnings per share	104.22	96.54
Diluted earnings per share		
Continued operations	96.22	17.47
Discontinued operation	7.71	78.77
Diluted earnings per share	103.93	96.25

（Condensed Consolidated Statements of Comprehensive Income）

	Millions of yen	
	Fiscal year ended March 31, 2024	**Fiscal year ended March 31, 2025**
Profit for the period	**9,156**	**11,969**
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Changes in fair value of financial assets measured at fair value through other comprehensive income	923	106
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	3,207	(11,668)
Other comprehensive income for the period, net of tax	4,130	(11,562)
Total comprehensive income for the period	**13,286**	**407**
Total comprehensive income attributable to:		
Owners of parent	16,663	407
Non-controlling interests	(3,377)	—
Total	13,286	407

(2) Condensed Consolidated Statements of Financial Position

	Millions of yen	
	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and cash equivalents	26,368	38,785
Trade and other receivables	57,205	48,879
Inventories	100,002	109,867
Other financial assets	167	2,480
Other current assets	950	812
Subtotal	184,692	200,823
Assets held for sale	55,293	—
Total current assets	**239,985**	**200,823**
Non-current assets		
Property, plant and equipment	103,400	111,876
Intangible assets	20,299	27,196
Other financial assets	8,779	4,134
Other non-current assets	541	463
Deferred tax assets	9,020	10,132
Total non-current assets	**142,039**	**153,800**
Total assets	**382,024**	**354,623**

	Millions of yen	
	As of March 31, 2024	As of March 31, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	45,622	50,777
Borrowings	16,049	21,503
Income taxes payable	1,330	1,858
Refund liabilities	2,455	1,109
Provisions	250	16,992
Other financial liabilities	4,610	5,237
Other current liabilities	7,034	5,339
Subtotal	77,350	102,815
Liabilities directly related to assets held for sale	16,268	—
Total current liabilities	**93,618**	**102,815**
Non-current liabilities		
Bonds and borrowings	66,841	69,836
Provisions	93	92
Other financial liabilities	2,858	7,456
Other non-current liabilities	247	432
Deferred tax liabilities	337	137
Total non-current liabilities	**70,375**	**77,954**
Total liabilities	163,993	180,769
Equity		
Share capital	10,020	10,053
Capital surplus	37,734	37,767
Retained earnings	149,645	157,257
Treasury shares	(2)	(33,243)
Other component of equity	15,264	2,020
Equity attributable to owners of parent	**212,662**	**173,854**
Non-controlling interests	**5,369**	**—**
Total equity	**218,030**	**173,854**
Total liabilities and equity	**382,024**	**354,623**

(3) Condensed Consolidated statements of Changes in Equity

Year ended March 31, 2024

	Millions of yen							
	Equity attributable to owners of parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other component of equity	Total		
Balance at April 1, 2023	10,000	37,714	141,642	(2)	12,289	201,643	11,095	212,738
Profit (loss) for the period			13,695			13,695	(4,539)	9,156
Other comprehensive income					2,968	2,968	1,162	4,130
Total comprehensive income	**—**	**—**	**13,695**	**—**	**2,968**	**16,663**	**(3,377)**	**13,286**
Issuance of new shares	20	20			(41)	0		0
Acquisition of treasury shares				(0)		(0)		(0)
Dividends			(5,694)			(5,694)	(2,350)	(8,043)
Share based payment					48	48		48
Other			1			1		1
Total transactions with owners	**20**	**20**	**(5,692)**	**(0)**	**7**	**(5,645)**	**(2,350)**	**(7,994)**
Balance at March 31, 2024	**10,020**	**37,734**	**149,645**	**(2)**	**15,264**	**212,662**	**5,369**	**218,030**

Year ended March 31, 2025

	Millions of yen							
	Equity attributable to owners of parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other component of equity	Total		
Balance at April 1, 2024	10,020	37,734	149,645	(2)	15,264	212,662	5,369	218,030
Profit for the period			11,969			11,969		11,969
Other comprehensive income					(11,562)	(11,562)		(11,562)
Total comprehensive income	**—**	**—**	**11,969**	**—**	**(11,562)**	**407**	**—**	**407**
Issuance of new shares	33	33			(66)	0		0
Acquisition of treasury shares				(33,241)		(33,241)		(33,241)
Dividends			(6,070)			(6,070)		(6,070)
Changes due to loss of control over consolidated subsidiaries						—	(5,369)	(5,369)
Transfer to retained earnings from capital surplus			1,713		(1,713)	—		—
Share based payment					96	96		96
Total transactions with owners	**33**	**33**	**(4,357)**	**(33,241)**	**(1,683)**	**(39,215)**	**(5,369)**	**(44,584)**
Balance at March 31, 2025	**10,053**	**37,767**	**157,257**	**(33,243)**	**2,020**	**173,854**	**—**	**173,854**

(4) Condensed Consolidated Statements of Cash Flows

	Millions of yen	
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before tax	18,262	3,161
Profit (loss) before tax from the discontinued operation	(22,514)	12,955
Depreciation and amortization	18,055	15,241
Impairment loss	2,727	3,649
Loss recognized on the measurement to the fair value less cost to sell the disposal group constituting the discontinued operation	20,918	—
Financial income	(469)	(149)
Financial expenses	561	1,051
Gain on sales of shares of subsidiaries and affiliates	—	(12,955)
Profit (loss) on sale and disposal of property, plant and equipment and intangible assets	281	(551)
Increase (decrease) in trade and other receivables	(3,930)	100
Increase in inventories	(9,168)	(9,961)
Decrease in trade and other payables	(2,927)	(1,388)
Increase (decrease) in refund liabilities	120	(1,346)
Increase in provisions	61	16,741
Increase in other financial liabilities	235	594
Other	5,372	(1,644)
Subtotal	27,583	25,499
Interest received	255	2
Dividends received	199	142
Interest paid	(484)	(754)
Income taxes paid	(5,828)	(1,246)
Income taxes refund	1,423	4,207
Cash flows generated from operating activities	**23,149**	**27,851**
Cash flows from investing activities		
Acquisition of property, plant and equipment	(17,915)	(20,567)
Sale of property, plant and equipment	47	783
Acquisition of intangible assets	(6,734)	(6,947)
Expenditure for purchases of investment securities	(359)	(1,581)
Proceeds from the sale of investment securities	—	6,443
Proceeds from the sale of subsidiary shares involving a change in the scope of consolidation	—	28,233
Other	1,849	117
Cash flows (used in) generated from investing activities	**(23,112)**	**6,480**
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	2,848	(5,692)
Proceeds from long-term borrowings	—	35,036
Repayments of long-term borrowings	(3,034)	(30,858)
Proceeds from the issuance of bonds	9,943	9,941
Payments of lease liabilities	(1,631)	(1,716)
Purchase of treasury shares	(0)	(33,320)
Dividends paid	(5,694)	(6,070)
Others	(70)	(25)
Cash flows (used in) generated from financing activities	**2,363**	**(32,704)**
Effect of exchange rate change on cash and cash equivalents	1,954	(271)
Net increase in cash and cash equivalents	**4,353**	**1,356**
Cash and cash equivalents at beginning of the period	33,076	26,368
Increase (decrease) in cash and cash equivalents included in assets held for sale	(11,061)	11,061
Cash and cash equivalents at end of the period	**26,368**	**38,785**

(5) Selected Notes to Condensed Consolidated Financial Statements

(Significant Uncertainty Regarding Going Concern Assumption)

Not applicable

(Significant Accounting Policies)

The consolidated financial statements have been prepared based on the same policies adopted for the year ended March 31, 2024.

(Assets Held for Sale and Liabilities Directly Related to Assets Held for Sale)

(1) Assets Held for Sale and Liabilities Directly Associated with Assets Held for Sale

The components of "Assets held for sale" and "Liabilities directly associated with assets held for sale" are as follows:

Millions of yen

	As of March 31, 2024	As of March 31, 2025
Assets held for sale		
Cash and cash equivalents	11,061	—
Trade and other receivables	17,708	—
Inventories	12,311	—
Property, plant and equipment	26,375	—
Intangible assets	6,098	—
Other Assets	3,640	—
Cumulative loss recognized on the measurement to the fair value less cost to sell of the disposal group constituting the discontinued operation	(21,900)	—
Total assets held for sale	55,293	—
Liabilities directly related to assets held for sale		
Trade and other payables	5,406	—
Other liabilities	10,862	—
Total liabilities directly related to assets held for sale	16,268	—

Assets held for sale and liabilities directly associated with assets held for sale as of the end of FY2023 have been classified so in line with the agreement that the Company concluded on the transfer of all shares of SAH, a holding company of the Company's U.S. Business, as well as its interests in SAL and interests in USL, both of which are subsidiaries of SAH, to Bora, as resolved by the Board of Directors on January 16, 2024. On April 2, 2024, the procedure of transferring all corresponding shares was completed.

The disposal group, classified as an asset held for sale related to SAH, is evaluated based on its fair value less cost to sell, which is lower than its book value. The fair value is calculated based on the selling price of the asset and includes an estimated loss related to an antitrust lawsuit due to the U.S. Business classified as a discontinued operation. The fair value is positioned at Level 3 in the fair value hierarchy. In addition, "Other components of equity" in the Consolidated Statements of Financial Position as of the end of FY2023 include JPY 11,706 million as the cumulative amount of other comprehensive incomes (mainly exchange differences on translation of foreign operations) related to the U.S. Business classified as an asset held for sale.

(Discontinued Operation)

As noted in "Assets Held for Sale and Liabilities Directly Associated with Assets Held for Sale," the Company has recorded profit/loss related to the U.S. Business under the category of "discontinued operation."

(1) Discontinued Operation

Millions of yen

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Discontinued Operation		
Revenue *1	40,254	12,955
Expenses*2	(62,768)	—
Profit (loss) before tax on the discontinued operation	(22,514)	12,955
Income tax expenses*2	18,991	(3,159)
Profit (loss) for the period on the discontinued operation	(3,523)	9,796
Profit (loss) on the discontinued operation attributable to:		
Owners of parent	1,016	9,796
Non-controlling interests	(4,539)	—
Total	(3,523)	9,796

*1 A gain of JPY 12,955 million on the transfer of the Company's shares and interests in the U.S. subsidiary and affiliates was included in fiscal year ended March 31, 2025.

*2 The calculations include a loss of JPY 20,918 million recognized on the measurement to the fair value less cost to sell the disposal group constituting the discontinued operation due to the agreement with Bora in the third quarter of FY2023. The income tax expenses include a deferred tax asset of JPY 19,036 million recorded due to the high likelihood that a temporary difference caused mainly by gains and losses recognized in prior years on investments in SAH and the loss recognized on the measurement to the fair value less costs to sell the disposal group constituting the discontinued operation will be removed within a predictable period.

(2) Cash flows from discontinued operation

Millions of yen

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities	(84)	—
Cash flows from investing activities *	762	28,233
Cash flows from financing activities	(58)	—
Total	620	28,233

* On April 2, 2024, the procedure of transferring all corresponding shares was completed. The following table shows the relationship between income and expenditure from the share transfer.

Millions of yen

Consideration for the transfer *	39,294
Cash and cash equivalents of assets at the time of loss of control	(11,061)
Proceeds from the transfer of shares in the consolidated subsidiary involving changes in the scope of consolidation	28,233

* As for the consideration for the transfer, the final amount may change since the price adjustment clause and contingent consideration, are stipulated in the Share Transfer Agreement. As the consideration for the transfer, the Company received JPY 23,984 million from Bora for the trading value of the Company's interest and JPY 15,310 million from the purchase of treasury shares through a separate of SAH.

(Segment Information)

The operating segments of the Sawai Group are the components for which separate financial information is available, and the Board of Directors, as the chief operating decision maker, regularly examines the financial information in deciding how to allocate management resources, assessing the Group's past performance and forecasting its future performance.

Sawai used to manufacture and sell generic pharmaceutical products in Japan and the U.S., where different manufacturing and marketing strategies are required. Accordingly, Sawai had two operating and reporting segments: the Japan Business segment and U.S. Business segment. However, in response to the Board of Directors' decision made on January 16, 2024 to transfer all shares of SAH to Bora, the U.S. Business segment has been classified as a discontinued operation, leading to Sawai being a single-segment organization only with manufacturing and sale of pharmaceutical and other products from FY2023. On April 2, 2024, the procedure of transferring all corresponding shares was completed.

The manufacturing and sale of pharmaceutical and other products mainly consist of four consolidated subsidiaries: Sawai Pharmaceutical Co., Ltd., Kaken Shoyaku Co., Ltd. and Trust Pharmatech Co., Ltd., which manufacture and sell generic pharmaceutical products, and Medisa Shinyaku Inc., which sells generic pharmaceutical products.

The following table shows revenue for our key therapeutic category:

	Millions of yen	
Products	**Fiscal year ended March 31, 2024**	**Fiscal year ended March 31, 2025**
Cardiovascular drugs	42,136	42,565
Central nervous system drugs	24,570	25,711
Other metabolic drugs	18,145	20,562
Gastro-intestinal drugs	19,089	20,403
Blood/body fluid pharmaceutical products	16,010	17,823
Antibiotics drugs	9,269	10,668
Antiallergic drugs	6,951	8,898
Vitamin preparations	7,363	7,115
Chemotherapeutics	5,705	7,022
Drugs for respiratory organs	6,022	6,929
Antineoplastic agents	6,097	6,445
Drugs for urogenital organs and the anus	5,227	5,184
Other	10,279	9,699
Total	176,862	189,024

(Earnings Per Share)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Basic earnings per share		
Profit attributable to owners of parent (million Yen)	13,695	11,969
Profit not-attributable to owners of parent (million Yen)	—	—
Profit from continuing operations attributable to owners of parent (million Yen)	12,679	2,173
Profit from discontinued operations attributable to owners of parent (million Yen)	1,016	9,726
Weighted average number of ordinary shares outstanding during the year (thousand shares)	131,398	123,982
Diluted earnings per share		
Profit used in the calculation of basic earnings per share (million Yen)	13,695	11,969
Adjustments to profit(million Yen)	—	—
Profit from continuing operations used in the calculation of basic earnings per share (million Yen)	12,679	2,173
Profit from discontinued operations used in the calculation of basic earnings per share (million Yen)	1,016	9,796
Average number of ordinary shares during the year (thousand shares)	131,398	123,982
Increase in common stock due to acquisition of treasury shares (thousand shares)	369	378
Weighted average number of ordinary shares outstanding during the year after dilutive effect (thousand shares)	131,767	124,360
Profit per share (attributable to the owners of parent)		
Basic earnings per share (Yen)	104.22	96.54
Continued operations	96.49	17.53
Discontinued operation	7.73	79.01
Diluted earnings per share (Yen)	103.93	96.25
Continued operations	96.22	17.47
Discontinued operation	7.71	78.77

*1 The Company conducted a 3-for-1 stock split for shares of its common stock, with an effective date of October 1, 2024. The basic and diluted earnings per share are calculated assuming that the share split was implemented at the beginning of the fiscal year ended March 31, 2024.

*2 There were no potential common shares of stock options that were anti-dilutive, not included in the calculation of diluted earnings per share for the years ended March 31, 2024 and 2025, respectively.

(Events after Reporting Period)

(1) Retirement of Treasury Shares

Sawai Group Holdings Co., Ltd. (hereinafter referred to as the "Company") hereby announces that, based on the resolution of the Board of Directors meeting held today, its treasury shares are to be retired pursuant to the provisions of Article 178 of the Companies Act of Japan as described below.

1. Type of shares to be retired: The Company's common shares

2. Number of shares to be retired: 16,016,600 shares (12.2% of the total number of shares issued before retirement)

3. Scheduled date of retirement: April 30, 2025

(Reference)

Total number of issued shares after retirement: 115,452,817 shares