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[Translation]

Security Code No. 4506

(Date of Sending) June 1, 2026

(Commencement Date of the Measures for Electronic Provision) May 29, 2026

Dear Shareholders:

**Notice of Convocation of the 206<sup>th</sup> Annual Shareholders' Meeting**

We hereby notify you of the 206<sup>th</sup> Annual Shareholders' Meeting (hereinafter referred to as the "Meeting") of Sumitomo Pharma Co., Ltd. (hereinafter referred to as the "Company"), which will be held as stated below.

In convening the Meeting, the Company takes measures for the electronic provision of information contained in the reference documents and other related documents for the Shareholders' Meeting (matters subject to the measures for electronic provision). Please access the Company's website to review the information.

Company's website

<https://www.sumitomo-pharma.com/ir/shareholder/shareholder.html>

The Company also posts the matters subject to the measures for electronic provision on the website of Tokyo Stock Exchange, Inc.

Tokyo Stock Exchange website (Listed Company Search)

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

In order to review the above matters, please access the website above, enter "Sumitomo Pharma" as the issue name (company name) or "4506" as the security code, and click "Search," and then click "Basic Information"

and select “Documents for public inspection/PR information.”

**If you are not attending the Meeting in person on its scheduled date, you can exercise your voting rights in writing or by electronic or magnetic means (the Internet, etc.). In that case, please review the attached Reference Documents for the Shareholders’ Meeting and exercise your voting rights no later than 5:00 p.m., Wednesday, June 24, 2026 (JST) according to the description on pages 4 and 5.**

- 1. Date and Time:** 10:00 a.m. on Thursday, June 25, 2026 (JST)  
\* Reception will open at 9:00 a.m.
  
- 2. Place:** Hall on the 7<sup>th</sup> floor of the Company’s  
Corporate Headquarters Building  
6-8, Doshomachi 2-chome,  
Chuo-ku, Osaka, Japan  
\* Please note that as the number of seats in the hall on the 7<sup>th</sup>  
floor is limited, you may be guided to other venues in the  
Company’s Corporate Headquarters Building.
  
- 3. Purpose of the Meeting:**  
**Matters to be Reported:**
  1. Business Report, Consolidated Financial Statements, and  
Non-Consolidated Financial Statements for the 206<sup>th</sup> Fiscal  
Year (from April 1, 2025 to March 31, 2026)
  2. Audit Report of the Accounting Auditor and Audit Report  
of the Audit and Supervisory Committee on the  
Consolidated Financial Statements**Matter to be Resolved:**  
**Proposal:** Election of Six (6) Directors (Excluding Directors who are  
Audit and Supervisory Committee Members)

Yours faithfully,

Toru Kimura  
Representative Director, President and CEO  
Sumitomo Pharma Co., Ltd.  
6-8, Doshomachi 2-chome,  
Chuo-ku, Osaka, Japan

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- If you will be attending the Meeting in person, please submit the voting form enclosed herewith to the receptionist at the place of the Meeting.
  - Among the matters subject to the measures for electronic provision, “System to Ensure the Appropriateness of Business Operations and its Implementation,” “Overview of the Agreement Limiting the Liability of the Directors” and “Overview of the Agreement of Directors and Officers Liability Insurance” in the Business Report, “Consolidated Statement of Changes in Equity” and “Notes to Consolidated Financial Statements” of the Consolidated Financial Statements, and “Non-Consolidated Statement of Changes in Equity” and “Notes to Non-Consolidated Financial Statements” of the Non-Consolidated Financial Statements are posted on the websites above in accordance with laws and regulations, as well as with Article 16 of the Company’s Articles of Incorporation; accordingly, they are no longer included in the documents delivered to shareholders who have requested the delivery of a paper copy of documents (the “Delivered Documents”).
  - The Delivered Documents are part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor in preparing their audit reports.
  - Any modification to the matters subject to the measures for electronic provision will be posted on the websites above.

## **Guidance for Exercising Voting Rights**

You can exercise your voting rights by any of the three methods described below:

### **If you exercise your voting rights by electronic or magnetic means (the Internet, etc.)**

#### **Exercise by “Smart Voting”**

Please scan the “online voting website log-in QR code for smartphone” on the bottom right of the voting form enclosed herewith with your smartphone or tablet device.

\* “QR code” is the registered trademark of DENSO WAVE INCORPORATED.

**Deadline: 5:00 p.m. on Wednesday, June 24, 2026 (JST)**

#### **Exercise by Entering a Voting Code and a Password**

Please access the online voting website designated by the Company, and indicate your approval or disapproval of the proposal by the deadline.

Online voting website

**<https://www.web54.net>**

**Deadline: 5:00 p.m. on Wednesday, June 24, 2026 (JST)**

1. Please be advised that shareholders who use the online voting website will be required to change their “passwords” on the said website for the purpose of preventing unauthorized access (“impersonation”) or tampering of the shareholders’ votes by any other person.
2. The Company will provide a new “voting code” and “password” each time the Annual Shareholders’ Meeting is convened.

### **If you exercise your voting rights in writing**

Please indicate your approval or disapproval of the proposal on the voting form enclosed herewith, and return the form to the Company so that it will arrive by the deadline (you need not affix a stamp). If you return the voting form without indicating your approval or disapproval with respect to any proposal, you will be deemed to have indicated your approval for the proposal.

**Deadline: To be received by 5:00 p.m. on Wednesday, June 24, 2026 (JST)**

### **If you attend the Meeting in person**

Please submit the voting form enclosed herewith to **the receptionist at the place of the**

**Meeting.**

**Date and Time:** 10:00 a.m. on Thursday, June 25, 2026 (JST)

**Place:** Hall on the 7<sup>th</sup> floor of the Company's Corporate Headquarters  
Building  
6-8, Doshomachi 2-chome, Chuo-ku, Osaka, Japan

**For Institutional Investors**

Institutional investors can use the electronic voting platform for institutional investors operated by ICJ, Inc. to exercise their voting rights.

## Reference Documents for the Shareholders' Meeting

### Proposal and Matters for Reference:

#### **Proposal: Election of Six (6) Directors (Excluding Directors who are Audit and Supervisory Committee Members)**

The term of office of all the current Directors (excluding Directors who are Audit and Supervisory Committee Members) (6 persons) of the Company will expire upon the conclusion of this Shareholders' Meeting. Therefore, the Company would like you to elect six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members).


The candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) are as follows:



Candidate No.	Name	Current Position(s) at the Company	No. of Years in Office	Attendance at the Meetings of the Board of Directors
1	Toru Kimura <u>Reelection</u>	Representative Director, President and CEO	10 years	100% (21/21)
2	Motoyuki Sakai <u>Reelection</u>	Representative Director Executive Vice President	2 years	100% (21/21)
3	Tsutomu Nakagawa <u>Reelection</u>	Member, Board of Directors Managing Executive Officer	2 years	100% (21/21)
4	Hiroshi Niinuma <u>Reelection</u>	Member, Board of Directors	2 years	90% (19/21)
5	Minoru Usui <u>Reelection</u> <u>Outside</u> <u>Independent</u>	Member, Board of Directors (Outside Director)	5 years	100% (21/21)
6	Koji Fujimoto <u>Reelection</u> <u>Outside</u> <u>Independent</u>	Member, Board of Directors (Outside Director)	4 years	100% (21/21)


(Note) At one of the two meetings from which Mr. Hiroshi Niinuma, who concurrently serves as a director of Sumitomo Chemical Co., Ltd., the parent company of the Company, was absent, the agenda which affects the ratio of contribution to the Company by the said company was deliberated, and he was absent from such meeting from the viewpoint of avoiding conflicts of interest. If the meeting of the Board of Directors from

which he was absent for such reason is excluded from the total number of meetings of the Board of Directors held, his status of attendance at the meetings of the Board of Directors of the Company is 19/20 with an attendance rate of 95%.


Note: The Company’s group companies, consisting of the Company and its subsidiaries, are hereinafter referred to collectively as the “Group.”

Candidate No.	Name and Other Information	Summary of the Profile, Position(s), Responsibilities and Significant Concurrent Position(s)
1	 <p>Toru Kimura (Aug. 5, 1960) 65 years old</p> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reelection</div> <p>No. of shares of the Company owned: 105,200 shares</p> <p>No. of years in office as a Director: 10 years</p> <p>Attendance at the Meetings of the Board of Directors: 100% (21/21)</p> <p>Attendance at the Meetings of the Nomination and Compensation Committee: 100% (8/8)</p>	<p>April 1989: Joined Sumitomo Chemical Co., Ltd. October 1992: Joined the former Sumitomo Pharmaceuticals Co., Ltd. April 2015: Executive Officer of the Company June 2016: Member of the Board of Directors and Executive Officer of the Company April 2019: Member of the Board of Directors and Managing Executive Officer of the Company April 2021: Representative Director and Senior Managing Executive Officer of the Company June 2024: Representative Director, President and CEO of the Company (currently in office)</p> <p>[Significant Concurrent Positions] Director of Sumitomo Pharma America, Inc. Chairperson of the Board of RACTHERA Co., Ltd. Chairperson of the Board of S-RACMO Co., Ltd. Chairperson of the Board of the Japan Epilepsy Research Foundation</p> <p>[Reason for Nomination as a Candidate for Director] Mr. Toru Kimura has served as a responsible person for the departments of global strategy, global finance, regenerative and cellular medicine and research of the Company. Since June 2024, he has served as the Representative Director, President and CEO of the Company. The Company has continued to nominate him as a candidate, finding that he will be able to contribute to the sustainable growth of the Group and increase of its corporate value using his extensive knowledge, experience and skills.</p>

<p>2</p>  <p>Motoyuki Sakai (Aug. 14, 1961) 64 years old</p> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 0 auto;">Reelection</div> <p>No. of shares of the Company owned: 14,400 shares</p> <p>No. of years in office as a Director: 2 years</p> <p>Attendance at the Meetings of the Board of Directors: 100% (21/21)</p>	<p>April 1985: Joined Sumitomo Chemical Co., Ltd.  April 2014: Executive Officer of Sumitomo Chemical Co., Ltd.  April 2018: Managing Executive Officer of Sumitomo Chemical Co., Ltd.  President and Representative Director of Sumitomo Chemical Asia Pte Ltd  April 2023: Senior Managing Executive Officer of Sumitomo Chemical Co., Ltd.  June 2023: Representative Director and Senior Managing Executive Officer of Sumitomo Chemical Co., Ltd.  June 2024: Representative Director and Executive Vice President of the Company (currently in office)</p> <p>[Currently in Charge of the Following]  Global Corporate Strategy; Global Finance Administration  External Affairs; Corporate Governance; Corporate Communications; IT Management &amp; Data Analytics</p> <p>[Significant Concurrent Position]  Director of Sumitomo Pharma America, Inc.</p> <p>[Reason for Nomination as a Candidate for Director]  Mr. Motoyuki Sakai has a wide range of knowledge and extensive experience which he has acquired in the course of his career as a corporate executive at Sumitomo Chemical Co., Ltd. Since June 2024, he has served as the Representative Director and Executive Vice President of the Company. The Company has continued to nominate him as a candidate, finding that he will be able to contribute to the management for the sustainable growth of the Group and increase of its corporate value using his knowledge and experience.</p>
<p>3</p>  <p>Tsutomu Nakagawa (Apr. 27, 1968) 58 years old</p>	<p>April 1993: Joined the former Sumitomo Pharmaceuticals Co., Ltd.  April 2016: Senior Officer of Global Oncology of the Company  April 2017: Senior Officer of Global Oncology (Development Strategy) of the Company  April 2019: Vice President, Head of the Global Oncology Office of the Company  April 2020: Vice President, Head of Global Corporate Strategy of the Company  April 2022: Executive Officer of the Company  July 2023: Chief Strategy Officer of Sumitomo Pharma America, Inc.  April 2024: Chair, President and CEO of Sumitomo Pharma</p>

	<div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 10px;">Reelection</div> <p>No. of shares of the Company owned: 8,300 shares</p> <p>No. of years in office as a Director: 2 years</p> <p>Attendance at the Meetings of the Board of Directors: 100% (21/21)</p>	<p>America, Inc. (currently in office)</p> <p>June 2024: Member of the Board of Directors and Executive Officer of the Company</p> <p>April 2025: Member of the Board of Directors and Managing Executive Officer of the Company (currently in office)</p> <p>[Currently in Charge of the Following] North America Business</p> <p>[Significant Concurrent Position] Chair, President and CEO of Sumitomo Pharma America, Inc.</p> <p>[Reason for Nomination as a Candidate for Director] Mr. Tsutomu Nakagawa has served in responsible positions of the departments of research and global corporate strategy of the Company, and at its overseas subsidiaries. The Company has continued to nominate him as a candidate, finding that he will be able to contribute to the sustainable growth of the Group and increase of its corporate value using his extensive knowledge, experience and skills.</p>
4	 <p>Hiroshi Niinuma (Mar. 5, 1958) 68 years old</p> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 10px;">Reelection</div> <p>No. of shares of the Company owned: 0 shares</p> <p>No. of years in office as a Director: 2 years</p> <p>Attendance at the</p>	<p>April 1981: Joined Sumitomo Chemical Co., Ltd.</p> <p>April 2010: Executive Officer of Sumitomo Chemical Co., Ltd.</p> <p>April 2013: Managing Executive Officer of Sumitomo Chemical Co., Ltd.</p> <p>April 2018: Senior Managing Executive Officer of Sumitomo Chemical Co., Ltd.</p> <p>June 2018: Director and Senior Managing Executive Officer of Sumitomo Chemical Co., Ltd.</p> <p>April 2022: Director and Executive Vice President of Sumitomo Chemical Co., Ltd.</p> <p>June 2024: Member of the Board of Directors of the Company (currently in office)</p> <p>June 2025: Director and Executive Vice President of Sumitomo Chemical Co., Ltd. (In charge of General Affairs, External Relations, Legal, Sustainability, Human Resources, Osaka Office Administration, Procurement, Logistics)</p> <p>April 2026: Director of Sumitomo Chemical Co., Ltd. (currently in office)</p> <p>[Significant Concurrent Position] Director of Sumitomo Chemical Co., Ltd. (scheduled to retire in</p>

	<p>Meetings of the Board of Directors: 90% (19/21)</p> <p>Attendance at the Meetings of the Nomination and Compensation Committee: 87% (7/8)</p> <p>*Please refer to the note in P6-P7 as for Attendance at the Meetings of the Board of Directors.</p>	<p>June 2026)</p> <p>[Reason for Nomination as a Candidate for Director]</p> <p>Mr. Hiroshi Niinuma has a wide range of knowledge and extensive experience which he has acquired in the course of his career as a corporate executive at Sumitomo Chemical Co., Ltd. The Company has continued to nominate him as a candidate, finding that he will be able to contribute to the management for the sustainable growth of the Group and increase of its corporate value using his knowledge and experience, while taking a role in supervising the execution of business operations, among other matters.</p>
<p>5</p>	 <p>Minoru Usui (Apr. 22, 1955) 71 years old</p> <p>Reelection</p> <p>Outside</p> <p>Independent</p> <p>No. of shares of the Company owned: 0 shares</p> <p>No. of years in office as a Director: 5 years</p>	<p>November 1979: Joined Shinshu Seiki Co., Ltd. (currently, Seiko Epson Corporation)</p> <p>June 2002: Director of Seiko Epson Corporation</p> <p>November 2005: General Administrative Manager of the Production Engineering &amp; Development Division of Seiko Epson Corporation</p> <p>July 2007: General Administrative Manager of the Corporate Research &amp; Development Division of Seiko Epson Corporation</p> <p>October 2007: Managing Director of Seiko Epson Corporation</p> <p>June 2008: President and Representative Director of Seiko Epson Corporation Chief Executive Officer of Seiko Epson Corporation</p> <p>April 2020: Chairman and Director of Seiko Epson Corporation</p> <p>June 2021: Member of the Board of Directors (Outside Director) of the Company (currently in office)</p> <p>June 2021: Outside Director of IHI Corporation (currently in office)</p> <p>June 2024: Advisor of Seiko Epson Corporation</p> <p>[Significant Concurrent Position]</p> <p>Outside Director of IHI Corporation</p> <p>[Reason for Nomination as a Candidate for Outside Director and Summary of Expected Roles]</p>

	<p>Attendance at the Meetings of the Board of Directors: 100% (21/21)</p> <p>Attendance at the Meetings of the Nomination and Compensation Committee: 100% (8/8)</p> <p>Attendance at the Meeting of the Supervisory Committee for Conflict of Interests in Transactions between Group Companies: 100% (2/2)</p>	<p>Mr. Minoru Usui has a wide range of knowledge and extensive experience which he has acquired in the course of his long career as a corporate executive at a company providing products including information-related equipment and related services at a global level. The Company has continued to nominate him as a candidate in the expectation that he will be able to contribute to the management for the sustainable growth of the Group and increase of its corporate value using his knowledge and experience, while supervising the management from an independent and objective standpoint as an Outside Director.</p>
6	 <p>Koji Fujimoto (May 1, 1963) 63 years old</p> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">Reelection</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">Outside</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">Independent</div> <p>No. of shares of</p>	<p>April 1987: Joined the Ministry of International Trade and Industry (MITI) (currently, the Ministry of Economy, Trade and Industry (METI))</p> <p>July 2003: Director of the Medical and Assistive Device Industries Office of METI</p> <p>July 2008: Director of the Service Industries Division of METI (Director of the Healthcare Industries Division after organizational revision in July 2011)</p> <p>July 2012: Counsellor of the Cabinet Secretariat (Office of Healthcare Policy, etc.)</p> <p>July 2015: Councillor of the Cabinet Secretariat (Assistant Director of the Office of Healthcare Policy)</p> <p>August 2019: Specially Appointed Professor at Tokyo Medical and Dental University (currently, Institute of Science Tokyo) (currently in office)</p> <p>August 2019: Senior URA of the Research University Promotion Organization of Tokyo Medical and Dental University (currently, Institute of Science Tokyo)</p>

the Company owned: 0 shares	August 2019: Deputy Director of the Research Center for Industry Alliances (the Open Innovation Center of the Institute of Research Innovation, after reorganization in March 2023) of Tokyo Medical and Dental University (currently, Institute of Science Tokyo)
No. of years in office as a Director: 4 years	June 2022: Member of the Board of Directors (Outside Director) of the Company (currently in office)
Attendance at the Meetings of the Board of Directors: 100% (21/21)	March 2023: Deputy Director/Senior URA of the Open Innovation Center of the Institute of Research Innovation of Tokyo Medical and Dental University (currently, the Center for Medical Innovation of Institute of Science Tokyo)
Attendance at the Meetings of the Nomination and Compensation Committee: 100% (8/8)	March 2023: Director of Emergency Assistance Japan Co., Ltd. October 2024: Senior URA of the Center for Medical Innovation of Institute of Science Tokyo (currently in office) March 2025: Advisor of Emergency Assistance Japan Co., Ltd.
Attendance at the Meeting of the Supervisory Committee for Conflict of Interests in Transactions between Group Companies: 100% (2/2)	[Significant Concurrent Positions] Specially Appointed Professor at Institute of Science Tokyo Senior URA of the Center for Medical Innovation of Institute of Science Tokyo
	[Reason for Nomination as a Candidate for Outside Director and Summary of Expected Roles] Mr. Koji Fujimoto has served in various responsible positions at the Ministry of Economy, Trade and Industry and the Cabinet Secretariat, and has a wide range of knowledge and extensive experience which he has acquired in the course of the development and promotion of healthcare industry policies. The Company has continued to nominate him as a candidate in the expectation that he will be able to contribute to the management for the sustainable growth of the Group and increase of its corporate value using his knowledge and experience, while supervising the management from an independent and objective standpoint as an Outside Director.

- (Note)
1. None of the candidates have any special interests in the Company.
  2. Mr. Minoru Usui and Mr. Koji Fujimoto are candidates for Outside Directors as defined in Item 7, Paragraph 3, Article 2 of the Regulations for Enforcement of the Companies Act.
  3. The Company designated Mr. Minoru Usui and Mr. Koji Fujimoto as Independent Directors as defined by Tokyo Stock Exchange, Inc., and reported the same to the said exchange.
  4. Mr. Minoru Usui and Mr. Koji Fujimoto currently serve as Outside Directors of the Company, and Mr. Minoru Usui will have served as an Outside Director for five (5) years

- at the conclusion of this Shareholders' Meeting, and Mr. Koji Fujimoto will have served as an Outside Director for four (4) years at the conclusion of this Shareholders' Meeting.
5. The Company entered into an agreement with each of Mr. Hiroshi Niinuma who currently serves as a Non-Executive Director of the Company and Mr. Minoru Usui and Mr. Koji Fujimoto who currently serve as Outside Directors of the Company, which limits their liability for damages under Paragraph 1, Article 423 of the Companies Act. Under the terms of the agreement, their liability is limited to either ten (10) million JPY or the amount stipulated under applicable laws and regulations, whichever is higher. Upon the approval of the reelection of Mr. Hiroshi Niinuma, Mr. Minoru Usui and Mr. Koji Fujimoto, the Company intends to continue the said agreement with each of them.
  6. Mr. Hiroshi Niinuma has been an executive of Sumitomo Chemical Co., Ltd., the parent company of the Company, in the past ten (10) years. His positions and responsibilities at Sumitomo Chemical Co., Ltd. in the past ten (10) years are as described in "Summary of the Profile, Position(s), Responsibilities and Significant Concurrent Position(s)"
  7. The Company entered into an agreement of directors and officers liability insurance with an insurance company which is provided in Paragraph 1, Article 430-3 of the Companies Act. All the officers and major employees such as executive officers (hereinafter, "Officers, etc.") of the Company and its domestic subsidiaries (hereinafter, the "Company and its Domestic Subsidiaries") are insured by the insurance. When these candidates assume the position of Director, they will also be insured by the insurance. The Company pays the premium of the insurance in full, and the insurance covers any loss or damage of compensation for damage and litigation costs for which the insured may be liable because of any claim for compensation for damage made against the insured during the term of the insurance arising from any act (including omission of an act) performed by the insured with respect to any duties as Officers, etc. of the Company and its Domestic Subsidiaries. However, the insurance includes certain exceptions to liability such as damage arising from an act conducted by the insured knowing such act is in violation of laws and regulations. The term of the insurance is one (1) year and it is scheduled to be renewed on the same terms upon expiration.

END

(Reference)

### Independence Criteria for Outside Directors

The Company considers persons who do not fall under any of the following to be independent; provided, however, that this does not preclude the Company from making judgment that such persons who meet these independence criteria are virtually not independent given specific circumstances:

- (1) Persons who have the Company as their major business partner (meaning persons who received payments from the Company for products or services in an amount that exceeds, in any of their last three (3) fiscal years, two percent (2%) of their consolidated annual revenue or consolidated annual net sales), or persons executing the business operations thereof (meaning an “executive” as defined in Article 2, paragraph 3, item (vi) of the Regulations for Enforcement of the Companies Act; the same shall apply hereinafter in these independence criteria);
- (2) Persons who are the Company’s major business partners (meaning persons who made payments to the Company for products or services in an amount that exceeds, in any of the Company’s last three (3) fiscal years, two percent (2%) of the Company’s consolidated annual revenue), or persons executing the business operations thereof;
- (3) Consultants, accounting or legal professionals who received from the Company monetary consideration or other properties of ten (10) million JPY or more, except for the remuneration of the Directors, etc., in any of their last three (3) fiscal years (or those persons who belong to corporations, associations or any other entity, which received from the Company monetary consideration or other properties of one hundred (100) million JPY or more in any of their last three (3) fiscal years);
- (4) Persons who received from the Company any donation or grant of ten (10) million JPY or more in any of their last three (3) fiscal years (or those persons who belong to corporations, associations or any other entity, which received from the Company any donation or grant of one hundred (100) million JPY or more in any of their last three (3) fiscal years);
- (5) Persons who fall under either of ① and ② below in any of the past ten (10) years;
  - ① Persons executing the business operations of the parent company of the Company (including directors who are not persons executing the business operations); or
  - ② Persons executing the business operations of any subsidiary of the parent company of the Company (excluding the Company and its subsidiaries; the same shall apply hereinafter); or
- (6) Close relatives (Note 1) of persons who fall under any of ① to ③ below (excluding persons other than persons with important positions (Note 2));
  - ① Persons who fall under any of (1) to (5) above;
  - ② Persons executing the business operations of any subsidiary of the Company, persons executing the business operations of the parent company of the Company (including directors who are not persons executing the business operations), or persons executing the business operations of any subsidiary of the parent company; or
  - ③ Persons who were persons executing the business operations of the Company or any subsidiary of the Company in any of the past three (3) years.

(Note 1) Close relatives mean the spouse and relatives within the second degree of kinship.

(Note 2) Persons with important positions mean the directors (excluding outside directors), executive officers, department heads, certified public accountants who belong to audit corporations or accounting firms, lawyers who belong to law firms and any other person who is objectively and reasonably found to have a similar importance.

(Reference)

If the Proposal is approved as originally proposed, the Skills Matrix of the Directors will be as described in the table below.\*1

Name/Position		Corporate management or organizational operations in Japan or abroad*2	Different industries <sup>*3</sup>	Creation and cultivation of new business/ business development*4	Digital technologies and data utilization*5	Healthcare industry			Finance, accounting and tax	Legal, compliance and risk management	Major career, expertise, etc.
						Medical science, pharmaceutical science, public administration	R&D	Planning, marketing, etc.			
Toru Kimura	Representative Director, President and CEO	○					○				Served as a responsible person for the departments of global strategy, global finance, regenerative and cellular medicine and research of the Company.
Motoyuki Sakai	Representative Director	○	○					○			Corporate executive
Tsutomu Nakagawa	Member, Board of Directors	○					○	○			Served in responsible positions of the departments of research and global corporate strategy of the Company, and at its overseas subsidiaries.
Hiroshi Niinuma	Member, Board of Directors	○	○						○		Corporate executive
Minoru Usui	Member, Board of Directors (Outside Director)	○	○	○	○						Corporate executive
Koji Fujimoto	Member, Board of Directors (Outside Director)					○					Served in responsible positions at the Ministry of Economy, Trade and Industry and the Cabinet Secretariat.
Hisayoshi Kashima	Member, Board of Directors Audit and Supervisory Committee Member	○						○	○		Served in responsible positions of the department of global finance of the Company, and at its overseas subsidiaries.
Yoshio Iteya	Member, Board of Directors (Outside Director) Audit and Supervisory Committee Member								○		Attorney at law
Mayumi Mochizuki	Member, Board of Directors (Outside Director) Audit and Supervisory Committee Member					○					Pharmacologist
Daishiro Michimori	Member, Board of Directors (Outside Director) Audit and Supervisory Committee Member							○	○		Served in responsible positions at the Ministry of Finance and the Cabinet Secretariat. Attorney at law

\*1 Circles (○) for Internal Directors indicate knowledge, experience and skills cultivated through the relevant person's career, etc. Circles for Outside Directors indicate knowledge, experience and skills expected of them based on the relevant person's expertise, career, etc. The number of circles indicated for each Director is limited so that it does not exceed four, and therefore the matrix does not necessarily show all the knowledge, experience and skills held by the relevant person.

\*2 The Board of Directors considers that it is necessary that the Directors have comprehensive knowledge, experience and skills concerning various matters, including governance, sustainability, business strategy, and global business operations as the extensive knowledge, experience and skills of a person who is in charge of corporate management or organizational operations in Japan or abroad.

\*3 The Board of Directors considers that it is necessary that the Directors have extensive knowledge, experience and skills in different industries to offer a perspective which is different from those of the healthcare industry.

\*4 The Board of Directors considers that it is necessary that the Directors have extensive knowledge, experience and skills concerning the creation and cultivation of new business or business development to contribute to the development of new business.

\*5 The Board of Directors considers that it is necessary that the Directors have extensive knowledge, experience and skills concerning digital technologies and data utilization to contribute to the creation of new value through digital technology or data utilization.

## [Attached Documents]

### Business Report

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

## 1. Matters Regarding the Current Circumstances of the Group

### (1) Group Business Progress and 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 improvement 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 action plan leading up to 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 pursued its business to achieve renewed growth through expanding sales of its major products by maintaining disciplined cost management, while also restructuring the Asian business with the aim of concentrating management resources on priority areas.

In Japan, with regard to XEPLION<sup>®</sup> and XEPLION TRI<sup>®</sup> (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<sup>®</sup> Subcutaneous Injection (therapeutic agent for type 2 diabetes) and Wegovy<sup>®</sup> 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<sup>®</sup> (atypical antipsychotic) and TWYMEEG<sup>®</sup> (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<sup>®</sup>, 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<sup>®</sup> (therapeutic agent for advanced prostate cancer), MYFEMBREE<sup>®</sup> (therapeutic agent for uterine fibroids and endometriosis), and GEMTESA<sup>®</sup> (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 and other aspects, as well as by optimizing the sales structure, among other efforts. With regard to RETHYMIC<sup>®</sup> (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’” (“Boost 2028”), its growth strategy up to FY2028.

With respect to the issuance of new shares resolved at the meeting of the Board of Directors 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.

Highlights of the Group’s consolidated financial results (IFRS) for the fiscal year under review are as follows:

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

(Notes) 1. The Group has adopted the International Financial Reporting Standards (IFRS) for preparing its consolidated financial statements.

2. Core operating profit is calculated by excluding certain items from operating profit, the main items of which include impairment losses, business structure improvement expenses, and changes in fair value of contingent consideration.

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

Revenue showed an increase primarily owing to sales expansion of ORGOVYX<sup>®</sup> (therapeutic agent for advanced prostate cancer) and GEMTESA<sup>®</sup> (therapeutic agent for overactive bladder) in North America, as well as the recording of sales milestone revenue from ORGOVYX<sup>®</sup>, 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.

Business performance by reportable segment is as follows.

“Core segment profit” is each segment profit calculated by deducting from “core operating profit” 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.

1. Japan

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

Despite growing sales of TWYMEEG<sup>®</sup> (therapeutic agent for type 2 diabetes) and the commencement of sales of XEPLION<sup>®</sup> and XEPLION TRI<sup>®</sup> (both long-acting antipsychotic medications), revenue declined mainly due to decreases in sales of Equa<sup>®</sup> and EquMet<sup>®</sup> (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.

2. North America

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

Revenue showed an increase as a decline in sales of APTIOM<sup>®</sup> (antiepileptic treatment) due to the loss of exclusivity was more than offset by sales expansion of ORGOVYX<sup>®</sup> (therapeutic agent for advanced prostate cancer) and GEMTESA<sup>®</sup> (therapeutic agent for overactive bladder) as well as the recording of sales milestone revenue from ORGOVYX<sup>®</sup>.

■ **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.

3. Asia

■ **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.

The status of research and development activities is as follows:

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 the “Value Creation Cycle” set out in Reboot 2027.

While concentrating management 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 Research and Development Division established in December 2024, in order to ensure the continuous circulation of the value creation cycle.

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

## 1. Psychiatry and Neurology

### 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. This product (brand name: AMCHEPRY®) is the world’s first iPS cell-derived regenerative medicine and cell therapy product to receive approval and indicated for the improvement of motor symptoms in patients with Parkinson’s disease who have an inadequate response to existing pharmacological therapies, including levodopa-containing agents.

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.

## 2. Oncology

### 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 confirmatory 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 pursued. In December 2025, the Group presented new clinical data at the ASH Annual Meeting and Exposition.

iii. SMP-3124

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

3. Others

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 under review 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) Capital Investments by the Group**

The total amount of capital investments made by the Group during the fiscal year under review was 6.6 billion JPY, which was mainly for investments in facilities for production and research and development.

**(3) Financing of the Group**

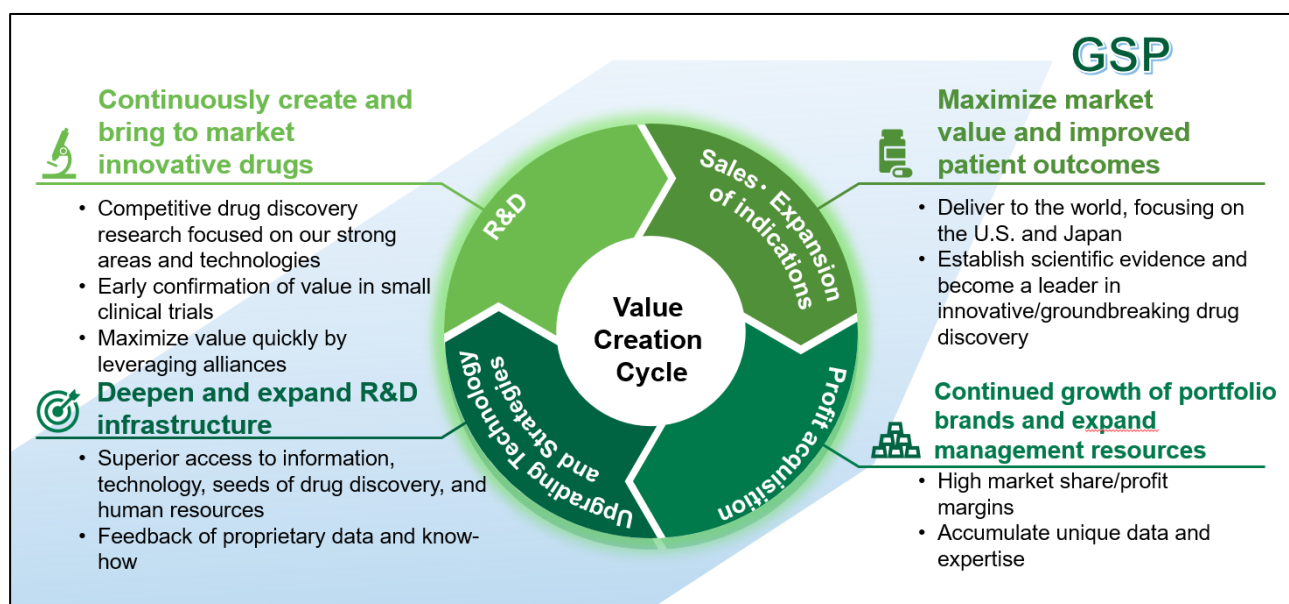
There was no applicable matter.

**(4) Issues to Be Addressed by the Group**

The Company posted significant losses for FY2023, resulting in a serious management environment. In response, the Group implemented fundamental structural reform across the entire Group, including a major workforce downsizing. On the business front, the regenerative medicine and cell therapy business, the Asian business, and the frontier business were realigned. As a result of these initiatives, along with growing sales of major products, the Group successfully turned core operating profit and bottom-line profits positive in FY2024. Against this backdrop, the Group announced in May 2025 “Reboot 2027—Reboot for a Strong Sumitomo Pharma,” its action plan through FY2027, in a renewed effort to establish its position as a GSP through the unified efforts across the Group.

In FY2025, the Group sought to expand sales of its major products and advance research and development activities while maintaining disciplined cost management, making progress toward the financial targets set out in Reboot 2027 ahead of schedule. Building on this progress, the Group upgraded the plans outlined in Reboot 2027 and announced “Boost 2028—Accelerating ‘Strong Sumitomo Pharma,’” its roadmap for business growth through FY2028, in March 2026. Under Boost 2028, the Group will continue to manage costs in a disciplined manner while accelerating business growth by further expanding sales of its major products, thereby strengthening its financial base, and by developing its earnings base for the next generation through the promotion of research and development.

## Value Creation Cycle



Note: The Company forms a powerful “value creation cycle” in selected business and technology areas to continuously create innovations and implement them in society. By contributing to the betterment of healthcare and fuller lives of people worldwide in this way to establish the Sumitomo Pharma brand globally, the Company aims to position itself as a GSP.

### [FY2026 Activity Policy]

While maintaining financial discipline, the Group will focus on expanding its business foundation for renewed growth to lay the groundwork for the upcoming Mid-term Business Plan, which will be formulated after the development policy has been determined for the two oncology compounds (enzomenib and nuvisertib), and on advancing research and development activities in line with the fundamental R&D strategy newly announced in 2026. Accordingly, the Group will steer its business under the following policy.

#### 1. Expanding revenue

In North America, the Group will continue to place the greatest focus on maximizing the value of ORGOVYX<sup>®</sup> (therapeutic agent for advanced prostate cancer) and GEMTESA<sup>®</sup> (therapeutic agent for overactive bladder). For ORGOVYX<sup>®</sup>, the Group aims to maintain its strong growth trend with the goal of establishing it as a standard medication for androgen deprivation therapy for patients with advanced prostate cancer. The Group will also work to gain a larger market share through promotional campaigns primarily targeting urology clinics, university hospitals, and hospital systems, including efforts to publicize the change in the pharmaceutical benefit design that reduced the upper limit of out-of-pocket costs for patients in January 2025, the growing support for its combination use with other anticancer agents in the National Comprehensive Cancer Network (NCCN) Guidelines, and its distinctive feature as the sole oral agent for hormonal therapy. For GEMTESA<sup>®</sup>, amid the expansion of the  $\beta 3$  agonist market for overactive bladder (OAB) with the arrival of generics of competing products, the Group will stress its clinical utility and its advantage as the only  $\beta 3$  agonist indicated for OAB in men with benign prostatic hyperplasia (BPH), aiming to increase disease awareness and product recognition through direct-to-consumer (DTC) advertising. At the same time, the Group will seek to further expand sales by optimizing its sales

organization.

In Japan, the Group worked to provide information on XEPLION<sup>®</sup> and XEPLION TRI<sup>®</sup> (both long-acting antipsychotic medications), co-promoted with Janssen Pharmaceutical K.K., as well as Ozempic<sup>®</sup> Subcutaneous Injection (therapeutic agent for type 2 diabetes) and Wegovy<sup>®</sup> Subcutaneous Injection (therapeutic agent for obesity disease), both co-promoted with Novo Nordisk Pharma Ltd. By making these collaboration products, along with LATUDA<sup>®</sup> (atypical antipsychotic) and TWYMEEG<sup>®</sup> (therapeutic agent for type 2 diabetes), major priorities, the Group aims to maximize the value of these priority products.

## 2. Securing seeds for future business growth

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., vigorously 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 of its combination therapy for acute leukemia. For nuvisertib, the Group will continue Phase 1/2 clinical studies for myelofibrosis (monotherapy and combination therapy).

In the psychiatry and neurology area, 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<sup>®</sup>—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 full 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.

In the Others area, 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).

To enable the continuous development of new drugs based on internal innovation, the Group will press ahead with exploratory research in the focus areas of oncology and psychiatry & neurology, while working to increase the probability of success by leveraging non-clinical and clinical expertise accumulated internally, biomarkers, and other tools.

Going forward, the Group will forge ahead with business activities as one, remaining committed to doing its utmost to deliver new value to patients, their families, and caregivers as quickly as

possible.

## (5) Assets and Income

### Assets and Income of the Group

Category	IFRS			
	FY2022 (Fiscal year ended March 2023)	FY2023 (Fiscal year ended March 2024)	FY2024 (Fiscal year ended March 2025)	FY2025 (Fiscal year ended March 2026) (the fiscal year under review)
Revenue (Millions of JPY)	555,544	314,558	398,832	453,294
Operating profit (Millions of JPY)	(76,979)	(354,859)	28,804	107,338
Net profit attributable to owners of the parent (Millions of JPY)	(74,512)	(314,969)	23,634	106,865
Basic earnings per share	(187.55) JPY	(792.79) JPY	59.49 JPY	268.99 JPY
Total assets (Millions of JPY)	1,134,742	907,506	742,604	804,571
Total equity (Millions of JPY)	406,782	156,136	169,479	292,467

(Note) Amounts are rounded to the nearest million JPY.

#### (Reference)

The Company established its policy for strategic shareholding in its Basic Policy on Corporate Governance, as described below:

- The Company shall not hold any shares of other companies except when such shareholding supports the sustainable enhancement of its corporate value, such as establishment or maintenance of corporate alliances and other types of relationships with important business partners and customers.
- The Company shall have the Board of Directors evaluate the reasonableness and the economic rationale of respective strategic shareholdings on an annual basis, and when the Board of Directors finds any such shareholdings not reasonable, the Company shall proceed to reduce the relevant shareholdings or sell the relevant shares.
- With respect to exercising voting rights for such strategic shareholdings, the Company shall examine the proposal from the viewpoint of whether it will lead to enhancing not only the corporate value of the relevant issuing company, but also that of the Company.

Based on this Policy, the Company has the Board of Directors evaluate the reasonableness of continuation of its respective strategic shareholdings on an annual basis, and is proceeding in stages

with the sale of shares for which it has determined that it is not reasonable to continue such shareholding. The ratio of strategic shareholdings (including deemed holdings of equity securities) to the total equity in the Consolidated Statement of Financial Position of the Group, as of the end of the fiscal year under review, was 13.75%.

While the Company held seven kinds of listed shares as of the end of the previous fiscal year, the Company held four kinds of listed shares as of the end of the fiscal year under review.

#### (6) Details of the Principal Businesses of the Group

Manufacturing, processing, purchase, sale, and import and export of pharmaceuticals and the like.

#### (7) Major Sales Branches, Plants, etc., of the Group

Category	Name	Place	Name	Place	Name	Place
	Osaka Head Office	Osaka	Tokyo Head Office	Chuo-ku, Tokyo		
Branches	CNS Sales Department I	Chuo-ku, Tokyo	CNS Sales Department II	Hiroshima	East Region Sales Department	Sendai
	Capital Region Sales Department	Chuo-ku, Tokyo	Central Region Sales Department	Nagoya	Kansai Region Sales Department	Osaka
	West Region Sales Department	Fukuoka				
Plants	Suzuka Plant	Suzuka, Mie	Oita Plant	Oita, Oita		
Research Laboratories	Central Research Laboratories	Suita, Osaka	Osaka Research Center	Osaka		

- (Note)
1. Major subsidiaries, etc. are as described in the section of “Significant Subsidiaries, etc.” below.
  2. Seven Branches were restructured to seven Sales Departments by areas and regions as of October 1, 2025.

#### (8) Employees

##### ① Employees of the Group

Number of Employees	Increase (Decrease) from the End of the Previous Fiscal Year
3,123	(709)

- (Note)
1. The number of employees of the Group indicated above is the total number of all persons currently working in the Group, including the seconded employees accepted by the Group, but excluding the employees seconded to other companies.
  2. The number of employees decreased mainly due to exclusion of Sumitomo Pharma

(China) Co., Ltd., Sumitomo Pharma Asia Pacific Pte. Ltd. and their respective subsidiaries from the scope of consolidation.

② Employees of the Company

Number of Employees	Increase (Decrease) from the End of the Previous Fiscal Year	Average Age	Average Length of Continuous Employment
1,747	(52)	44.5	18.9 years

- (Note)
1. The number of the Company's employees indicated above is the total number of all persons currently working in the Company, including the 106 seconded employees accepted by the Company, but excluding the 218 employees seconded to other companies.
  2. The average age and average length of continuous employment were calculated based on the number that excludes the seconded employees accepted by the Company.

**(9) Parent Company and Significant Subsidiaries, etc.** (as of March 31, 2026)

① Parent Company

The parent company of the Company is Sumitomo Chemical Co., Ltd. holding 205,634,000 shares of common stock of the Company (investment ratio: 51.68%). The business transactions between the Company and Sumitomo Chemical Co., Ltd. are: the lease and rental of certain manufacturing/research facilities for pharmaceuticals, the consignment and undertaking of services in relation thereto, the purchase of raw materials, the joint operation of a joint venture for the regenerative medicine and cell therapy business and financial guarantee by Sumitomo Chemical Co., Ltd.

② Matters concerning Business Transactions with the Parent Company

Among the business transactions between the Company and Sumitomo Chemical Co., Ltd., the financial guarantee by Sumitomo Chemical Co., Ltd. need to be noted in the Notes to Non-Consolidated Financial Statements for the fiscal year under review.

- i. Considerations made so as not to harm the interests of the Company in conducting the business transactions

With respect to the transactions, the Company has paid attention not to harm the interests of the Company by, for example, determining reasonable conditions based on the market interest rate and generally employed terms and conditions.

- ii. Decision of the Board of Directors of the Company on whether or not the business transaction might harm the interests of the Company, and the reason therefor

The terms and conditions of the business transaction are reasonable and accordingly the Board of Directors decided that the business transaction would not harm the interests of the Company.

- iii. Opinion of the Outside Director(s) when the opinion is different from the decision of the Board of Directors (if applicable)

There was no applicable matter.

③ Significant Subsidiaries, etc.

		Name	Place	Investment Ratio (%)	Principal Businesses
Japan	Subsidiary	Sumitomo Pharma Promo Co., Ltd.	Suita, Osaka	100	Manufacture and sale of medical drugs
	Associates	Marubeni Pharmaceuticals Corporation	Chuo-ku, Tokyo	40.0	Manufacture, sale, etc. of medical drugs and the like
		RACTHERA Co., Ltd.	Chuo-ku, Tokyo	33.4	Research and development of regenerative medicine and cell therapy products and the like
		S-RACMO Co., Ltd.	Suita, Osaka	33.4	Contracted development of manufacturing methods, manufacturing, etc. in the field of regenerative and cellular medicine
Overseas	Subsidiary	Sumitomo Pharma America, Inc.	U.S.A.	100	Manufacture and sale of medical drugs

- (Note)
1. Marubeni Pharmaceuticals Corporation is listed as a significant associate from the fiscal year under review as a result of the transfer of the Company's Asian business through an absorption-type company split (a simplified company split) as of July 31, 2025.
  2. Sumitomo Pharma Switzerland GmbH is excluded from the Company's significant subsidiaries from the fiscal year under review as a result of the transfer of business-related assets to the Company as of August 1, 2025.
  3. Sumitomo Pharma (China) Co., Ltd. and Sumitomo Pharma (Suzhou) Co., Ltd. are excluded from the Company's significant subsidiaries from the fiscal year under review as a result of the transfer of the Company's Asian business through an absorption-type company split (a simplified company split) as of July 31, 2025.

**(10) Principal Lenders and the Amounts of Loans**

Lender	Outstanding Amount of the Loan
Sumitomo Mitsui Banking Corporation	37,696 million JPY
Sumitomo Mitsui Trust Bank, Limited	18,530 million JPY
The Norinchukin Bank	8,423 million JPY
Mizuho Bank, Ltd.	6,317 million JPY
MUFG Bank, Ltd.	6,317 million JPY
The Hyakujushi Bank, Ltd.	6,317 million JPY

**2. Matters Regarding the Shares** (as of March 31, 2026)

**(1) Total Number of Issuable Shares:** 1,500,000,000 shares

**(2) Total Number of Issued Shares:** 397,900,154 shares  
(including 611,105 treasury stocks)

**(3) Number of Shareholders**

**As of the end of the Fiscal Year Under Review:** 109,190

**(4) Top Ten Shareholders**

Name of Shareholder	Number of Shares Held (Thousand Shares)	Shareholding Ratio (%)
Sumitomo Chemical Co., Ltd.	205,634	51.76
The Master Trust Bank of Japan, Ltd. (Trust account)	25,038	6.30
SMBC Trust Bank Ltd. (Trust account for Sumitomo Mitsui Banking Corporation's retirement benefits)	7,000	1.76
Custody Bank of Japan, Ltd. (Trust account)	6,219	1.57
Sumitomo Life Insurance Company	5,776	1.45
BNYM AS AGT/CLTS 10 PERCENT	4,573	1.15
Inabata & Co., Ltd.	4,400	1.11
THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT	3,977	1.00
Nippon Life Insurance Company	3,790	0.95
J.P. MORGAN BANK LUXEMBOURG S.A. 381593	3,030	0.76

- (Note)
- The numbers of shares held are rounded down to the nearest thousand shares.
  - The shareholding ratios were calculated after deducting the treasury stocks

(611,105 shares).

3. The 7,000,000 shares of the Company which are held by SMBC Trust Bank Ltd. (Trust account for Sumitomo Mitsui Banking Corporation's retirement benefits) and which were contributed by Sumitomo Mitsui Banking Corporation, were placed in a retirement benefit trust account.

### 3. Matters Regarding the Directors, etc. of the Company

#### (1) Directors (as of March 31, 2026)

Position	Name	Responsibilities, Principal Duties, and Significant Concurrent Positions
Representative Director, President and CEO	Toru Kimura	Director of Sumitomo Pharma America, Inc. Chairperson of the Board of RACTHERA Co., Ltd. Chairperson of the Board of S-RACMO Co., Ltd. Chairperson of the Board of the Japan Epilepsy Research Foundation
Representative Director	Motoyuki Sakai	Executive Vice President Global Corporate Strategy; Global Finance Administration; External Affairs; Corporate Governance; IT Management & Data Analytics Director of Sumitomo Pharma America, Inc.
Member, Board of Directors	Tsutomu Nakagawa	Managing Executive Officer North America Business Chair, President and CEO of Sumitomo Pharma America, Inc.
Member, Board of Directors	Hiroshi Niinuma	Director and Executive Vice President of Sumitomo Chemical Co., Ltd.
Member, Board of Directors (Outside Director)	Minoru Usui	Outside Director of IHI Corporation
Member, Board of Directors (Outside Director)	Koji Fujimoto	Specially Appointed Professor at Institute of Science Tokyo Senior URA of the Center for Medical Innovation, Institute of Science Tokyo
Member, Board of Directors Full-time Audit and Supervisory Committee Member	Hisayoshi Kashima	

Member, Board of Directors (Outside Director) Audit and Supervisory Committee Member	Yoshio Iteya	Partner at Anderson Mori & Tomotsune Specially Appointed Professor at Hitotsubashi University School of Law Outside Audit & Supervisory Board Member of FUJIFILM Holdings Corporation
Member, Board of Directors (Outside Director) Audit and Supervisory Committee Member	Mayumi Mochizuki	Professor Emeritus at Keio University
Member, Board of Directors (Outside Director) Audit and Supervisory Committee Member	Daishiro Michimori	Visiting Attorney of Shimada Hamba & Osajima

- (Note)
1. The Company has transitioned to a company with an Audit and Supervisory Committee by resolution at the 205<sup>th</sup> Annual Shareholders' Meeting held on June 26, 2025. Accordingly, the terms of office of Full-time Audit & Supervisory Board Member Hisayoshi Kashima and Audit & Supervisory Board Members Yoshio Iteya, Mayumi Mochizuki and Daishiro Michimori have expired, and they were elected as Members of the Board of Directors (Audit and Supervisory Committee Members) at the said Annual Shareholders' Meeting and assumed the offices, respectively.
  2. Outside Directors Saeko Arai and Nobuhiro Endo, as well as Full-time Audit & Supervisory Board Member Takashi Kutsunai, retired due to the expiration of the terms of office upon the conclusion of the 205<sup>th</sup> Annual Shareholders' Meeting held on June 26, 2025.
  3. Directors Minoru Usui, Koji Fujimoto, Yoshio Iteya, Mayumi Mochizuki and Daishiro Michimori are Outside Directors as defined in Item 15, Article 2 of the Companies Act.
  4. Audit and Supervisory Committee Member Hisayoshi Kashima was appointed as a full-time Audit and Supervisory Committee Member in light of the view that it will facilitate activities that contribute to effective audits, such as daily efforts of information collection within and from the Company, exchange of opinions with the executive side and implementation of agile field audits.
  5. Audit and Supervisory Committee Member Hisayoshi Kashima has a considerable amount of knowledge in finance and accounting affairs, having served in responsible positions of the department of global finance of the Company. Audit and Supervisory Committee Member Daishiro Michimori has a considerable amount of knowledge in finance and accounting affairs, having served in various responsible positions at the Ministry of Finance and as the Regional Commissioner of the Tokyo Regional Taxation Bureau.
  6. The Company designated Directors Minoru Usui, Koji Fujimoto, Yoshio Iteya, Mayumi Mochizuki and Daishiro Michimori as Independent Directors as defined by Tokyo Stock Exchange, Inc., and reported the same to the said exchange.

7. As of April 1, 2026, there were changes in the Position, Responsibilities, Principal Duties, and Significant Concurrent Positions of the Directors as follows:

Position	Name	Responsibilities, Principal Duties, and Significant Concurrent Positions
Representative Director	Motoyuki Sakai	Executive Vice President Global Corporate Strategy; Global Finance Administration; External Affairs; Corporate Governance; Corporate Communications; IT Management & Data Analytics Director of Sumitomo Pharma America, Inc.
Member, Board of Directors	Hiroshi Niinuma	Director of Sumitomo Chemical Co., Ltd.
Member, Board of Directors (Outside Director) Audit and Supervisory Committee Member	Yoshio Iteya	Partner at Anderson Mori & Tomotsune Outside Audit & Supervisory Board Member of FUJIFILM Holdings Corporation

**(2) Matters Regarding the Outside Directors**

① The Relationships between the Company and the Companies or Organizations Where the Outside Directors Concurrently Hold Significant Positions

There is no significant trading relationship between the Company and the companies or organizations where the Outside Directors concurrently hold significant positions.

② The Principal Activities of the Outside Directors

Category	Name	Principal Activities
Outside Directors	Minoru Usui	He attended all twenty-one (21) meetings held by the Board of Directors during the fiscal year under review, and made statements at those meetings, primarily based on his extensive experience and broad perspective as a corporate executive. He attended all eight (8) meetings held by the Nomination and Compensation Committee during the fiscal year under review, and made statements at those meetings from an independent and objective standpoint. He also attended all two (2) meetings held by the Supervisory Committee for Conflict of Interests in Transactions between Group Companies during the fiscal year under review, and made statements at those meetings from the standpoint of protecting the interests of

		minority shareholders.
	Koji Fujimoto	He attended all twenty-one (21) meetings held by the Board of Directors during the fiscal year under review, and made statements at those meetings, primarily based on his extensive experience and broad perspective in the healthcare field at administrative organizations. He attended all eight (8) meetings held by the Nomination and Compensation Committee during the fiscal year under review, and made statements at those meetings from an independent and objective standpoint. He also attended all two (2) meetings held by the Supervisory Committee for Conflict of Interests in Transactions between Group Companies during the fiscal year under review, and made statements at those meetings from the standpoint of protecting the interests of minority shareholders.
Outside Directors Audit and Supervisory Committee Members	Yoshio Iteya	He attended nineteen (19) meetings out of the twenty-one (21) meetings held by the Board of Directors, all three (3) meetings held by the Audit & Supervisory Board and all ten (10) meetings held by the Audit and Supervisory Committee during the fiscal year under review. He made statements at those meetings, primarily from the professional standpoint of an attorney. He attended three (3) meetings out of the six (6) meetings held by the Nomination and Compensation Committee, which were held after he assumed the office of Audit and Supervisory Committee Member, and made statements at those meetings from an independent and objective standpoint. He also attended all two (2) meetings held by the Supervisory Committee for Conflict of Interests in Transactions between Group Companies during the fiscal year under review, and made statements at those meetings from the standpoint of protecting the interests of minority shareholders.
	Mayumi Mochizuki	She attended twenty (20) meetings out of the twenty-one (21) meetings held by the Board of Directors, all three (3) meetings held by the Audit & Supervisory Board and all ten (10) meetings held by the Audit and Supervisory Committee during the fiscal year under review. She made statements at those meetings, primarily from the professional standpoint of a

		<p>pharmacologist. She attended all six (6) meetings held by the Nomination and Compensation Committee, which were held after she assumed the office of Audit and Supervisory Committee Member, and made statements at those meetings from an independent and objective standpoint. She also attended all two (2) meetings held by the Supervisory Committee for Conflict of Interests in Transactions between Group Companies during the fiscal year under review, and made statements at those meetings from the standpoint of protecting the interests of minority shareholders.</p>
	Daishiro Michimori	<p>He attended all twenty-one (21) meetings held by the Board of Directors, all three (3) meetings held by the Audit &amp; Supervisory Board, and all ten (10) meetings held by the Audit and Supervisory Committee during the fiscal year under review. He made statements at those meetings, primarily from the professional standpoints of an expert in financial and accounting affairs and of an attorney. He attended all six (6) meetings held by the Nomination and Compensation Committee, which were held after he assumed the office of Audit and Supervisory Committee Member, and made statements at those meetings from an independent and objective standpoint. He also attended all two (2) meetings held by the Supervisory Committee for Conflict of Interests in Transactions between Group Companies during the fiscal year under review, and made statements at those meetings from the standpoint of protecting the interests of minority shareholders.</p>

### (3) Remuneration and the like for Directors and Audit & Supervisory Board Members

#### ① The Total Amount of Remuneration and the like by Type and the Number of Officers Concerned

Category of Officer	Total Amount of Remuneration and the like (Millions of JPY)	Amount of Remuneration and the like (Millions of JPY)		Number of Officers Concerned
		Base remuneration	Performance-linked remuneration (bonuses)	
Directors (excluding Directors who are Audit and Supervisory Committee Members)	171	171	—	8

(Outside Directors out of the above)	(33)	(33)		(4)
Directors who are Audit and Supervisory Committee Members (Outside Directors out of the above)	53	53		4
	(34)	(34)		(3)
Audit & Supervisory Board Members (Outside Audit & Supervisory Board Members out of the above)	21	21		5
	(9)	(9)		(3)

- (Note)
1. The amount paid for Audit & Supervisory Board Members is for the period before the Company's transition to a company with the Audit and Supervisory Committee, and the amount paid for Directors who are Audit and Supervisory Committee Members is for the period after the transition.
  2. The amount of remuneration and the like for Directors (excluding Directors who are Audit and Supervisory Committee Members) that was determined by resolution at the 205<sup>th</sup> Annual Shareholders' Meeting held on June 26, 2025, does not exceed 500 million JPY annually, and the number of Directors concerned under this resolution was six (6).
  3. The amount of remuneration and the like for Audit & Supervisory Board Members that was determined by resolution at the 185<sup>th</sup> Annual Shareholders' Meeting held on June 29, 2005, does not exceed 100 million JPY annually, and the number of Audit & Supervisory Board Members concerned under this resolution was four (4).
  4. The amount of remuneration and the like for Directors who are Audit and Supervisory Committee Members that was determined by resolution at the 205<sup>th</sup> Annual Shareholders' Meeting held on June 26, 2025, does not exceed 100 million JPY annually, and the number of Directors concerned under this resolution was four (4).
  5. The Directors (excluding Directors who are Audit and Supervisory Committee Members) include two (2) Outside Directors who retired upon the conclusion of the 205<sup>th</sup> Annual Shareholders' Meeting held on June 26, 2025.
  6. As for base remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors), in light of a challenging business situation, reduction was made from April 2025 to June 2025, by 30% for the Representative Director, President and CEO, and by 20% for other Directors. From July 2025 to March 2026, reduction was made by 10% for the Representative Director, President and CEO. From April 2026 to June 2026, reduction will be made by 10% for the Representative Director, President and CEO.

② The Policy for Determining Remuneration and the like for Directors, etc.

The Company has the Nomination and Compensation Committee as the consultative body to the Board of Directors for enhancing the objectivity and independence of the functions of the Board

of Directors relating to matters such as the nomination of candidates for Directors and decisions regarding remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members). As a system of remuneration for Directors, the Company has provided as described below the policy for determining remuneration and the like for individual Directors (excluding Directors who are Audit and Supervisory Committee Members), and the policy was determined by the Board of Directors based on the recommendation from the Nomination and Compensation Committee after the Board of Directors sought such recommendation and the Nomination and Compensation Committee deliberated the relevant matters.

i. System of remuneration and the like

Remuneration for the Directors (excluding Outside Directors) consists of base remuneration and performance-linked remuneration (bonuses), and this system is established to serve as an incentive for achieving sustainable growth and enhancing the corporate value of the Group. Part of the base remuneration is the remuneration to be contributed to the Sumitomo Pharma Officers Shareholders' Association for the purpose of acquiring shares of the Company. The Directors continue to hold the shares they acquire through the said Association during their term of office and for one year after their retirement. Through such measures, the Directors' willingness to contribute to the increase of corporate value in the medium- to long-term is enhanced and value sharing with shareholders is promoted.

Remuneration for the Outside Directors consists of base remuneration only, and the Company adopts a remuneration system where the business performance of the Company is not linked thereto, for the purpose of securing the supervisory function and independence of the Outside Directors.

The base amounts are set with respect to the base remuneration and performance-linked remuneration (bonuses) according to each position, such as Representative Director. The ratios of the base amount of the base remuneration and the performance-linked remuneration (bonuses) of the Directors (excluding Outside Directors) are set to be 70% for the base remuneration and 30% for the performance-linked remuneration (bonuses), with respect to the total amount of the remuneration (when the performance-linked elements described in ii below and individual performance are all considered standard). The total amount of the remuneration and the like shall be not more than 700 million JPY annually as approved at the Shareholders' Meeting.

ii. Method of calculating the amount of performance-linked remuneration (bonuses)

The amount of the performance-linked remuneration (bonuses) for the Directors (excluding Outside Directors) is calculated based on the performance-linked elements and individual performance, and is calculated to be within the scope of zero to 200% of the base amount.

The performance-linked elements are evaluated by the Nomination and Compensation Committee based on the degree of achievement of targets, using as indicators the "core operating profit," which was set as a profit indicator showing recurring profitability of a company within the Group and serves as an original performance management indicator; "R&D results" which are the base of the business activities of the Group and important to

its continuous growth; and “operating cash flow” which serves as the investment fund for R&D and related activities. The individual performance is evaluated by the Nomination and Compensation Committee based on the degree of achievement of performance targets of each Director (excluding Outside Directors).

iii. Method of determining remuneration and the like

Remuneration and the like for individual Directors are determined by the Board of Directors based on the recommendation from the Nomination and Compensation Committee after the Board of Directors seeks such recommendation and the Nomination and Compensation Committee deliberates the relevant matters. When the Board of Directors determines to delegate the decision-making thereof to the Representative Director, President and CEO, the Representative Director, President and CEO shall determine the same, respecting and in accordance with the recommendation made by the Nomination and Compensation Committee to the Board of Directors.

Since July 1, 2025, the Company has revised the system of remuneration for Directors, and amended the policy for determining remuneration and the like for individual Directors. This amendment was determined at the meeting of the Board of Directors held on June 26, 2025, based on the recommendation from the Nomination and Compensation Committee. This system applies to Directors excluding Directors who are Audit and Supervisory Committee Members, and the partial amendment was made to “ii. Method of calculating the amount of performance-linked remuneration (bonuses)” described above. The amendment is as described below.

(The amended part is underlined)

Before Amendment	After Amendment
<p>The amount of the performance-linked remuneration (bonuses) for the Directors (excluding Outside Directors) is calculated based on the performance-linked elements and individual performance, and is calculated to be within the scope of zero to 200% of the base amount.</p>	<p>The amount of the performance-linked remuneration (bonuses) for the Directors (excluding Outside Directors) is calculated based on the performance-linked elements and individual performance, and is calculated to be within the scope of zero to 200% of the base amount. <u>Regardless of the result of the calculation, the performance-linked remuneration (bonuses) will not be paid if no dividend is paid throughout the relevant business year.</u></p>

Upon the confirmation of the Audit and Supervisory Committee, based on the delegation by the Board of Directors, Representative Director, President and CEO Toru Kimura, who oversees business operations as a whole and has a good understanding of the state of the execution of duties by all Directors (excluding Outside Directors and Non-Executive Directors), determined the said remuneration and the like for the fiscal year under review, and the Nomination and Compensation Committee confirmed that the said remuneration and the like was in accordance with the system of remuneration for Directors. Accordingly, the Board of Directors has determined that the decision

of the said remuneration and the like was in accordance with the above policy.

As no dividend was paid throughout the fiscal year under review, the performance-linked remuneration (bonuses) for the performance of the fiscal year under review will not be paid.

For your reference, since April 1, 2026, the Company has revised the system of remuneration for Directors, and amended the policy for determining remuneration and the like for individual Directors (excluding Directors who are Audit and Supervisory Committee Members) as follows. This amendment was determined at the meeting of the Board of Directors held on March 30, 2026, based on the recommendation from the Nomination and Compensation Committee.

i. System of remuneration and the like

Remuneration for the Directors (excluding Outside Directors) consists of base remuneration, performance-linked remuneration (bonuses) and long-term incentives (remuneration by acquisition of the Company's shares), and this system is established to serve as an incentive for achieving sustainable growth and enhancing the corporate value of the Group. The long-term incentives (remuneration by acquisition of the Company's shares) is the remuneration to be contributed to the Sumitomo Pharma Officers Shareholders' Association for the purpose of acquiring shares of the Company. The Directors continue to hold the shares they acquire through the said Association during their term of office and for one year after their retirement. Through such measures, the Directors' willingness to contribute to the increase of corporate value in the medium- to long-term is enhanced and value sharing with shareholders is promoted.

Remuneration for the Outside Directors consists of base remuneration only, and the Company adopts a remuneration system where the business performance of the Company is not linked thereto, for the purpose of securing the supervisory function and independence of the Outside Directors.

The base amounts are set with respect to the base remuneration, performance-linked remuneration (bonuses) and the long-term incentives (remuneration by acquisition of the Company's shares) according to each position, such as Representative Director. The ratios of the base amount of the base remuneration, the performance-linked remuneration (bonuses) and the long-term incentives (remuneration by acquisition of the Company's shares) of the Directors (excluding Outside Directors) are set to be approximately 60% for the base remuneration, 30% for the performance-linked remuneration (bonuses) and 10% for the long-term incentives (remuneration by acquisition of the Company's shares), with respect to the total amount of the remuneration (when the performance-linked elements described in ii below are all considered standard). The total amount of the remuneration and the like shall be not more than 500 million JPY annually as approved at the Shareholders' Meeting.

ii. Method of calculating the amount of performance-linked remuneration (bonuses)

The amount of the performance-linked remuneration (bonuses) for the Directors (excluding Outside Directors) is calculated based on the performance-linked elements, and is calculated to be within the scope of zero to 200% of the base amount. Regardless of the

result of the calculation, the performance-linked remuneration (bonuses) will not be paid if no dividend is paid throughout the relevant business year.

The performance-linked elements are evaluated by the Nomination and Compensation Committee based on the degree of achievement of targets, using as indicators the “core operating profit,” which was set as a profit indicator showing recurring profitability of a company within the Group and serves as an original performance management indicator; “R&D results” which are the base of the business activities of the Group and important to its continuous growth; and “operating cash flow” which serves as the investment fund for R&D and related activities.

iii. Method of determining remuneration and the like

Remuneration and the like for individual Directors are to be determined based on the system of remuneration for Directors by the Nomination and Compensation Committee, to which the Board of Directors delegates the decision-making thereof.

#### 4. Accounting Auditor

**(1) Name**

KPMG AZSA LLC

**(2) Amount of Remuneration and the like**

	Amount to be paid (Millions of JPY)
Consideration to be paid for the services (audit attestation services) described in Paragraph 1 of Article 2 of the Certified Public Accountants Act (Act No. 103 of 1948)	156
Total amount of fees to be paid in cash or otherwise by the Company or Subsidiaries of the Company	156

- (Note)
1. The Audit and Supervisory Committee of the Company has determined to consent to the amount of the remuneration and the like for the Accounting Auditor after performing necessary verifications on the details of the Accounting Auditor’s audit plan, status of performance of accounting audit duties, and the appropriateness of the basis for calculating the remuneration.
  2. Under the Audit Agreement between the Company and the Accounting Auditor, there is no distinction between the remuneration and the like for an audit under the Companies Act and the Financial Instruments and Exchange Act. Moreover, the two amounts cannot be substantially distinguished from each other. Thus, the amount of remuneration and the like related to the audit attestation services reflects the total sum of these two kinds of amounts.
  3. In addition to the above, 19 million JPY was paid during the fiscal year under review as additional remuneration pertaining to audits for the previous fiscal year.
  4. Significant subsidiaries located abroad were audited by auditing firms other than the Accounting Auditor of the Company.

**(3) Policy for the Determination of the Dismissal or Non-Reelection of the Accounting Auditor**

The Audit and Supervisory Committee of the Company is entitled to dismiss the Accounting Auditor pursuant to Article 340 of the Companies Act. In addition, in case the Audit and Supervisory Committee finds substantial concerns with respect to the continuation of the performance by the Accounting Auditor of its duties, the Audit and Supervisory Committee will determine the content of a proposal regarding the dismissal or non-reelection of such Accounting Auditor in accordance with the policy for the determination of the dismissal or non-reelection of the Accounting Auditor separately provided for. Based on the determination made by the Audit and Supervisory Committee of the Company, the Board of Directors of the Company will submit the proposal to the Shareholders' Meeting as a matter to be resolved.

# Consolidated Financial Statements

## Consolidated Statement of Financial Position

(As of March 31, 2026)

(millions of JPY)

Item	Amount As of March 31, 2026	(Reference) Amount As of March 31, 2025	Item	Amount As of March 31, 2026	(Reference) Amount As of March 31, 2025
<b>Assets</b>			<b>Liabilities</b>		
Non-current assets	525,319	489,436	Non-current liabilities	240,604	332,522
Property, plant and equipment	44,231	46,648	Bonds and borrowings	179,056	258,982
Goodwill	211,098	197,406	Other financial liabilities	16,563	15,818
Intangible assets	160,474	172,509	Retirement benefit liabilities	5,663	6,534
Other financial assets	44,703	44,148	Other non-current liabilities	23,486	24,638
Income taxes receivable	7,234	6,765	Deferred tax liabilities	15,836	26,550
Retirement benefit assets	19,463	14,727	Current liabilities	271,500	240,603
Investments accounted for using the equity method	36,400	5,588	Borrowings	38,130	46,440
Other non-current assets	1,295	1,111	Trade and other payables	56,698	38,544
Deferred tax assets	421	534	Other financial liabilities	35,217	32,916
Current assets	279,252	253,168	Income taxes payable	1,120	1,577
Inventories	85,414	94,222	Provisions	89,566	71,999
Trade and other receivables	131,414	74,840	Other current liabilities	50,769	45,663
Other financial assets	5,327	16,840	Subtotal	271,500	237,139
Income taxes receivable	3,273	2,886	Liabilities directly associated with assets held for sale	–	3,464
Other current assets	9,514	10,902	Total liabilities	512,104	573,125
Cash and cash equivalents	44,310	23,116			
Subtotal	279,252	222,806	<b>Equity</b>		
Assets held for sale	–	30,362	Equity attributable to owners of the parent	292,467	169,479
			Share capital	22,400	22,400
			Treasury shares	(684)	(682)
			Retained earnings	158,981	46,784
			Other components of equity	111,770	97,525



## Consolidated Statement of Profit or Loss

(April 1, 2025 to March 31, 2026)

(millions of JPY)

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

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

# Financial Statements

## Non-consolidated Statement of Financial Position (As of March 31, 2026)

(millions of JPY)

Item	Amount As of March 31, 2026	(Reference) Amount As of March 31, 2025	Item	Amount As of March 31, 2026	(Reference) Amount As of March 31, 2025
<b>Assets</b>			<b>Liabilities</b>		
Current assets	221,210	107,709	Current liabilities	129,091	85,774
Cash and time deposits	32,300	11,382	Accounts payable	14,144	8,861
Accounts receivable	81,904	34,543	Short-term borrowings	38,130	42,780
Merchandise and finished goods	48,413	37,706	Short-term loans from affiliates	16,135	9,072
Work-in-process	2,251	1,629	Current portion of long-term borrowings	—	4,000
Raw materials and supplies	25,636	10,188	Accounts payable-other	24,388	10,193
Advance payments	103	370	Accrued expenses	26,966	614
Prepaid expenses	5,220	204	Income taxes payable	84	91
Short-term loans to affiliates	1,971	2,653	Deposits received	5,033	6,111
Accounts receivables – other	23,084	9,809	Reserve for bonuses	3,839	3,185
Income taxes receivable	328	175	Others	372	867
Allowance for doubtful accounts of affiliates	—	(950)	Long-term liabilities	196,699	278,735
Fixed assets	378,404	415,708	Bonds	120,000	120,000
Property, plant and equipment	27,886	29,936	Long-term borrowings	60,000	140,000
Buildings	19,268	19,983	Long-term accounts payable-other	3,460	468
Structures	562	454	Long-term deposits payable	3,522	5,996
Machinery and equipment	4,252	5,276	Deferred tax liabilities	—	4,496
Vehicles	28	44	Provision for retirement benefit liabilities	7,419	7,748
Tools, furniture and fixtures	2,017	2,705	Others	2,298	27
Land	856	825	<b>Total Liabilities</b>	<b>325,790</b>	<b>364,509</b>
Construction in progress	903	649	<b>Net assets</b>		
Intangible assets	254,572	5,606	Shareholders' equity	266,184	151,205
Software	1,561	2,009	Share capital	22,400	22,400
Marketing rights	1,080	1,481	Capital surplus	15,861	15,861
Patent rights	251,656	1,772	Legal capital surplus	15,860	15,860
Others	275	344	Other capital surplus	1	1
Investments and other assets	95,946	380,166	Retained earnings	228,607	113,626
Investment securities	21,976	22,823	Legal retained earnings	5,288	5,288
Investment in affiliates	43,488	153,018	Other retained earnings	223,319	108,338
Amount invested in capital	—	7,492	General reserve	275,510	275,510

of affiliates				
Long-term loans to affiliates	14,400	192,327	Retained earnings carried forward	(52,191) (167,172)
Long-term prepaid expenses	727	352	Treasury shares	(684) (682)
Prepaid pension cost	5,386	2,902	Valuation, translation adjustments and others	7,640 7,703
Deferred tax assets	8,852	–	Unrealized gains on available-for-sale securities, net of tax	7,640 7,703
Others	1,132	1,267		
Allowance for doubtful receivables	(15)	(15)	Total net assets	273,824 158,908
<b>Total assets</b>	<b>599,614</b>	<b>523,417</b>	<b>Total liabilities and net assets</b>	<b>599,614 523,417</b>

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

## Non-consolidated Statement of Profit or Loss

(April 1, 2025 to March 31, 2026)

(millions of JPY)

Item	Amount Year ended March 31, 2026	(Reference) Amount Year ended March 31, 2025
Net sales	249,530	136,412
Cost of sales	148,506	60,097
Gross profit	101,024	76,315
Selling, general and administrative expenses	81,665	64,712
Operating profit	19,359	11,603
Non-operating income	57,371	10,446
Interest and dividend income	56,546	9,654
Others	825	792
Non-operating expenses	13,790	10,021
Interest expenses	5,285	4,348
Losses on disposal of fixed assets	354	331
Losses on investments in partnership	924	652
Foreign exchange losses	5,124	1,990
Others	2,103	2,700
Ordinary income	62,940	12,028
Extraordinary income	41,814	115,090
Gains on sales of property, plant and equipment	–	4,614
Gains on sales of investment securities	2,771	62,620
Gains on sales of shares of affiliates	38,377	572
Reversal of allowance for doubtful accounts of affiliates	–	46,556
Gains on sales of commercial rights	–	728
Gains on receipt of contingent consideration	666	–
Extraordinary loss	–	13,127
Losses on sales of property, plant and equipment	–	991
Loss on valuation of shares of affiliates	–	4,284
Provision of allowance for doubtful accounts of affiliates	–	950
Business structure improvement expenses	–	5,858
Impairment losses	–	1,044

Profit before taxes	104,754	113,991
Income tax expenses – current	3,059	203
Income tax expenses – deferred	(13,286)	7,601
Net profit total	114,981	106,187

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

## **Independent Auditor's Report**

May 11, 2026

To the Board of Directors of Sumitomo Pharma Co., Ltd.:

KPMG AZSA LLC  
Osaka Office, Japan

Hiroyuki Matano  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Takuya Hasegawa  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

### **Opinion**

We have audited the financial statements, which comprise the Non-consolidated Statement of Financial Position, the Non-consolidated Statement of Profit or Loss, the Non-consolidated Statement of Changes in Equity and the Notes to Non-Consolidated Financial Statements, and the accompanying supplementary schedules (“the financial statements and the accompanying supplementary schedules”) of Sumitomo Pharma Co., Ltd. (“the Company”) as at March 31, 2026 and for the year from April 1, 2025 to March 31, 2026 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the financial statements and the accompanying supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter**

We draw attention to Note “11. Significant subsequent events” to the non-consolidated financial statements. 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. The payment for the public offering of new shares was completed on April 24, 2026.

Our opinion is not modified in respect of this matter.

## **Other Information**

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The audit and supervisory committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements and the accompanying supplementary schedules does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements and the accompanying supplementary schedules, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the accompanying supplementary schedules or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Responsibilities of Management and the audit and supervisory committee for the Financial Statements and the Accompanying Supplementary Schedules**

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

The audit and supervisory committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements and the Accompanying Supplementary Schedules**

Our objectives are to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the accompanying supplementary schedules.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the accompanying supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The selection and application of audit procedures depends on the auditor's judgment.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the accompanying supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements and the accompanying supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and the accompanying supplementary schedules, including the disclosures, and whether the financial statements and the accompanying supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit and supervisory committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit and supervisory committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

#### **Interest required to be disclosed by the Certified Public Accountants Act of Japan**

We do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

#### **Notes to the Reader of Independent Auditor's Report:**

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader.

## **Independent Auditor's Report**

May 11, 2026

To the Board of Directors of Sumitomo Pharma Co., Ltd.:

KPMG AZSA LLC  
Osaka Office, Japan

Hiroyuki Matano  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Takuya Hasegawa  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

### **Opinion**

We have audited the consolidated financial statements, which comprise the Consolidated Statement of Financial Position, the Consolidated Statement of Profit or Loss, the Consolidated Statement of Changes in Equity and the Notes to Consolidated Financial Statements of Sumitomo Pharma Co., Ltd. (“the Company”) and its consolidated subsidiaries (collectively referred to as “the Group”), as at March 31, 2026 and for the year from April 1, 2025 to March 31, 2026 in accordance with Article 444-4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the consolidated financial statements were prepared, in accordance with the second sentences of Article 120-1 of the Regulations on Corporate Accounting that prescribes some omissions of disclosure items required under International Financial Reporting Standards (“IFRS”).

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements of public interest entities in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter**

We draw attention to Note “9. Significant subsequent events” to the consolidated financial statements. 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. The payment for the public offering of new shares was completed on April 24, 2026.

Our opinion is not modified in respect of this matter.

## **Other Information**

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. The audit and supervisory committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Responsibilities of Management and the audit and supervisory committee for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the second sentences of Article 120-1 of the Regulations on Corporate Accounting that prescribes some omissions of disclosure items required under IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with the second sentences of Article 120-1 of the Regulations on Corporate Accounting that prescribes some omissions of disclosure items required under IFRS.

The audit and supervisory committee is responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The selection and application of audit procedures depends on the auditor's judgment.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with the second sentences of Article 120-1 of the Regulations on Corporate Accounting that prescribes some omissions of disclosure items required under IFRS, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit and supervisory committee regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit and supervisory committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

#### **Interest required to be disclosed by the Certified Public Accountants Act of Japan**

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

#### **Notes to the Reader of Independent Auditor’s Report:**

The Independent Auditor’s Report herein is the English translation of the Independent Auditor’s Report as required by the Companies Act for the conveniences of the reader.

## **Audit Report by the Audit and Supervisory Committee**

### **Audit Report**

The Audit and Supervisory Committee has audited the performance of duties of Directors of the Company for the 206<sup>th</sup> fiscal year from April 1, 2025 to March 31, 2026. The methods and results thereof are as follows:

#### **1. Methods and Content of Audits**

With regard to the content of resolutions of the Board of Directors regarding the matters set forth in Article 399-13, paragraph (1), item (i), sub-items (b) and (c) of the Companies Act, as well as the systems developed pursuant to those resolutions (i.e., internal control systems), the Audit and Supervisory Committee, by having meetings in person and also utilizing online meeting systems via the Internet, etc., periodically received reports from Directors, employees and other related persons regarding the status of the establishment and operation of those systems and as necessary requested explanations and expressed opinions with regard thereto, and conducted audits through the methods described below:

- i. In conformity with the Code of Audit and Supervisory Committee Auditing and Supervising Standards established by the Audit and Supervisory Committee, and also in accordance with the audit policies, audit plans, assignment of duties and other matters and in cooperation with the internal control division of the Company, the Audit and Supervisory Committee attended important meetings, received reports from Directors, employees and other related persons on the matters regarding the performance of their duties, requested explanations as necessary, examined important approval documents, etc., and inspected the status of the business operations and assets of the head offices and other principal offices. With respect to subsidiaries, the Audit and Supervisory Committee endeavored to communicate and exchange information with Directors, Audit & Supervisory Board Members and other related persons of subsidiaries, and as necessary received reports on business from such subsidiaries.
- ii. With regard to the matters given due consideration set forth in Article 118, item (v), sub-item (a) of the Regulations for Enforcement of the Companies Act and the judgement and reasons provided for in item (v), sub-item (b) of the same article which are stated in the Business Report, the Audit and Supervisory Committee examined the content thereof taking into account matters such as the status of deliberations at meetings of the Board of Directors and other deliberations.
- iii. The Audit and Supervisory Committee monitored and verified whether the Accounting Auditor maintained its independence and properly conducted its audit, received reports from the Accounting Auditor on the status of its performance of duties and requested explanations as necessary. The Audit and Supervisory Committee was notified by the Accounting Auditor that “a system to ensure the proper performance of the duties” (matters set forth in each item of Article 131 of the Regulations on Corporate Accounting) had been established in accordance with “Quality Control Standards for Audits” (Business Accounting Council) and other relevant standards and requested explanations as necessary.

The Audit and Supervisory Committee examined the Business Report and its supporting schedules, the non-consolidated financial statements (Non-consolidated Statement of Financial Position, Non-consolidated Statement of Profit or Loss, Non-consolidated Statement of Changes in Equity, and Notes to Non-consolidated Financial Statements) and their supporting schedules, as well as the consolidated financial statements (Consolidated Statement of Financial Position, Consolidated Statement of Profit or Loss, Consolidated Statement of Changes in Equity, and Notes to Consolidated Financial Statements) for the fiscal year under review in accordance with the above methods.

#### **2. Results of Audit**

##### **(1) Results of audit of the Business Report and other documents**

- i. We confirm that the Business Report and supporting schedules accurately represent the position of the Company according to the laws, regulations and the Articles of Incorporation of the Company.
- ii. We have not found any improper conduct or any material evidence of violations of any laws, regulations or Articles of Incorporation of the Company in relation to the performance of duties by Directors.
- iii. We confirm that the resolutions adopted by the Board of Directors with respect to the internal control system are appropriate. In addition, we have not found any matters that should be noted regarding the contents of the Business Report and the performance of duties by Directors in relation

to the internal control system.

- iv. With respect to the business transactions with the parent company, etc., described in the Business Report, we have not found any matters that should be noted in relation to the considerations made not to harm the interests of the Company in conducting the business transaction and the decision of the Board of Directors of the Company on whether or not the business transaction might harm the interests of the Company, and the reason therefor.

(2) Results of audit of financial statements and supporting schedules

We confirm that the method and the results of the audit conducted by KPMG AZSA LLC, Accounting Auditor of the Company, are appropriate.

(3) Results of audit of consolidated financial statements

We confirm that the method and the results of the audit conducted by KPMG AZSA LLC, Accounting Auditor of the Company, are appropriate.

May 12, 2026

The Audit and Supervisory Committee, Sumitomo Pharma Co., Ltd.

Hisayoshi Kashima, Full-time Audit and Supervisory Committee Member (seal)

Yoshio Iteya, Audit and Supervisory Committee Member (seal)

Mayumi Mochizuki, Audit and Supervisory Committee Member (seal)

Daishiro Michimori, Audit and Supervisory Committee Member (seal)

(Note 1) Audit and Supervisory Committee Members Yoshio Iteya, Mayumi Mochizuki and Daishiro Michimori are Outside Directors set forth in Article 2, item (xv) and Article 331, paragraph (6) of the Companies Act.

(Note 2) The Company transitioned from a company with an Audit & Supervisory Board to a company with an Audit and Supervisory Committee as of June 26, 2025 by a resolution at the 205<sup>th</sup> Annual Shareholders' Meeting held on the same date. The status from April 1, 2025 to the transition date is based on the content taken over from the Audit & Supervisory Board of the Company.

END