
News Release

December 26, 2022

Sumitomo Pharma Co., Ltd.

Sumitomo Pharma Announces Transfer of Shares of a Consolidated Subsidiary, Sumitomo Pharma Animal Health

Sumitomo Pharma Co., Ltd. (Head Office: Osaka, Japan; Representative Director, President and CEO: Hiroshi Nomura) announced that it has concluded a share transfer agreement on December 26 for the transfer of all shares (hereinafter, the “Share Transfer”) of its wholly owned subsidiary, Sumitomo Pharma Animal Health Co., Ltd. (Head Office: Osaka, Japan; Representative Director, President and CEO: Kazuhiro Takada; hereinafter, “Sumitomo Pharma Animal Health”), to Mitsui & Co., Ltd. (Head Office: Chiyoda-ku, Tokyo, Japan; Representative Director, President and CEO: Kenichi Hori; hereinafter, “Mitsui”). The details of the Share Transfer are described below.

The execution of the Share Transfer is subject to regulatory approval under the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of April 14, 1947) and the satisfaction of closing conditions.

1. Reasons and Purposes of the Share Transfer

Sumitomo Pharma has been considering various measures ahead of formulating a new Mid-term Business Plan, based on its policy to pursue the selection and concentration of its businesses to strengthen its business foundations. As a part of this policy, Sumitomo Pharma has decided to transfer all shares of Sumitomo Pharma Animal Health, its non-ethical pharmaceutical business subsidiary, to Mitsui.

Sumitomo Pharma Animal Health has evolved into a comprehensive solutions company supporting animal health through developing a wide range of businesses since the start of business in 1950, including the companion animal business and livestock and aquatic animal business. While Mitsui considers the animal health business as a key area of focus and is contributing to the development of the animal health industry globally. Drawing on the broad range of business assets, networks, and other resources possessed by Mitsui inside and outside Japan, synergies can be expected between Mitsui and Sumitomo Pharma Animal Health, Sumitomo Pharma therefore determined that the Share Transfer would lead to the further growth of Sumitomo Pharma Animal Health.

Sumitomo Pharma intends to make full use of the consideration received from the Share Transfer to implement measures to strengthen its business foundation and to establish growth engines. It will also strive to secure sustained growth by concentrating its management resources on the ethical pharmaceutical business.

2. Transfer Method and Transfer Value

All shares in Sumitomo Pharma Animal Health owned by Sumitomo Pharma will be transferred to Mitsui during the first quarter of the fiscal year ending March 31, 2024 as the target.* When the

Share Transfer is completed, Sumitomo Pharma Animal Health will be no longer a consolidated subsidiary of Sumitomo Pharma, and MARUPI LIFETECH Co., Ltd., wholly-owned subsidiary of Sumitomo Pharma Animal Health, will be no longer a subsidiary of Sumitomo Pharma.

The transfer value is not disclosed at the request of Mitsui.

*Subject to change due to filings with applicable regulatory authorities and other required approvals

3. Overview of Subsidiary Subject to Transfer

Name	Sumitomo Pharma Animal Health Co., Ltd.
Location of headquarters	5-7, Hommachi 2-chome, Chuo-ku, Osaka, Japan
Job title and name of representative	Kazuhiro Takada, Representative Director, President and CEO
Share capital	200 million yen (as of September 30, 2022)
Description of main businesses	Manufacture, processing, sales, purchasing, import, and export of pharmaceuticals for animals, regenerative medicine products for animals, reagents for animals, veterinary medical equipment, pet food/animal feed, and additives for pet food/animal feed
Date of establishment	July 1, 2010
Net assets	6,687 million yen (as of March 31, 2022)
Total assets	8,812 million yen (as of March 31, 2022)

4. Financial Impact on Business Performance

As the execution date of the Share Transfer is scheduled for the first quarter of the fiscal year ending March 31, 2024, it will have no impact on consolidated financial results for the fiscal year ending March 31, 2023.

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