
Press Release

August 28, 2026

Sumitomo Pharma Co., Ltd.

**Notice Concerning Gain on Return of Retirement Benefit Trust
(Extraordinary Income) Recorded in the Company's Non-Consolidated
Financial Statements (Japanese GAAP)**

Sumitomo Pharma Co., Ltd. (Head Office: Osaka, Japan; Representative Director, President and CEO: Toru Kimura; Securities Code: 4506, Prime Market of TSE; the "Company") announced today that the Company has decided to receive a full return of the retirement benefit trust assets. The plan assets, including the retirement benefit trust assets, are overfunded relative to defined benefit obligations, a situation that is expected to continue. As a result of the return, the Company will record the related gain in its non-consolidated financial statements for the fiscal year ending March 31, 2027 (April 1, 2026 to March 31, 2027) under Japanese GAAP as described below. Since the Company has adopted International Financial Reporting Standards (IFRS) for its consolidated financial statements, there will be no impact on the consolidated statement of profit or loss.

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| 1. Scheduled Date of Return | September 28, 2026 |
| 2. Expected Amount to Be Returned | Approximately 26.1 billion yen |

3. Impact on the Company's Financial Results

As a result of the return, the Company expects to recognize in full the previously unrecognized actuarial gains and losses arising from changes in the fair value of the shares held in the trust. The Company therefore expects to record a gain of approximately 17.3 billion yen from the return of retirement benefit trust assets as extraordinary income in its non-consolidated financial statements for the fiscal year ending March 31, 2027 under Japanese GAAP. The amount of the gain will be determined at the time of the return and may therefore change. Since the Company has adopted IFRS for its consolidated financial statements, there will be no impact on the consolidated statement of profit or loss.

Disclaimer Regarding Forward-looking Statements

The statements made in this press release contain forward-looking statements based on management's assumptions and beliefs in light of information available as of the day of this release, which involve both known and unknown risks and uncertainties. Actual results of those matters covered in the forward-looking statements including financial forecast may differ materially from those contained in this release, due to a number of factors.

Contact:

Corporate Communications, Sumitomo Pharma Co., Ltd.

E-mail: prir@sumitomo-pharma.co.jp