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August 12, 2025

Consolidated Financial Results for the three months Ended June 30, 2025 (Under IFRS)

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 Scheduled date to commence dividend payments: N/A
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Scheduled (for institutional investors and analysts)

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

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	49,511	11.7	6,979	14.6	6,802	14.5	4,891	(68.4)
June 30, 2024	44,328	2.7	6,092	31.6	5,941	29.6	15,486	340.6

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Three months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
June 30, 2025	4,891	(68.4)	4,938	21.1	42.36	42.22
June 30, 2024	15,486	340.2	4,079	(57.3)	117.85	117.51

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

2. The Company conducted a 3-for-1 stock split for shares of its common stock, with an effective date of October 1, 2024. The basic and diluted earnings per share are calculated assuming that the share split was implemented at the beginning of the fiscal year ended March 31, 2025.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
June 30, 2025	349,346	175,674	175,674	50.3
March 31, 2025	354,623	173,854	173,854	49.0

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	78.00	—	27.00	—
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		27.00	—	28.00	55.00

Note: 1. Revisions to the forecast of cash dividends most recently announced: None

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

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

(Percentages indicate year-on-year changes.)

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

Note: 1. Revisions to the forecast most recently announced: None

*** Notes**

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

Newly included: FrontAct Co., Ltd.

Excluded: None

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

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

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

(iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

As of June 30, 2025	115,452,817 shares
As of March 31, 2025	131,469,417 shares

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

As of June 30, 2025	1,503 shares
As of March 31, 2025	16,018,103 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	115,451,314 shares
Three months ended June 30, 2024	131,408,859 shares

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

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The First Quarter earnings conference for institutional investors and analysts is scheduled for August 12, 2025. Presentation and related materials of the conference will be promptly posted on our website.

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1. Financial Highlights for the three months ended June 30, 2025

(1) Operating Results

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

During the three months ended June 30, 2025, revenue increased to JPY 49,511 million (by 11.7%), operating profit increased to JPY 6,979 million (by 14.6%), profit before tax increased to JPY 6,802 million (by 14.5%), and profit attributable to owners of parent decreased to JPY 4,891 million (by 68.4%) compared to the three months ended June 30, 2024.

(Millions of yen, except percentages)				
	Three months ended June 30, 2024	Three months ended June 30, 2025	Change	Change (%)
Revenue	44,328	49,511	5,184	11.7
Operating profit	6,092	6,979	887	14.6
Profit before tax	5,941	6,802	861	14.5
Profit attributable to owners of parent	15,486	4,891	(10,595)	(68.4)

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

The “Basic Policy on Economic and Fiscal Management and Reform 2021,” approved by the Japanese Cabinet in June 2021, states, “With the aim of ensuring the reliability of the quality and stable supply of generic drugs as the main pillar, the Government and the private sector will work together to strengthen the manufacturing control system, strengthen the supervision of manufacturing sites, and implement quality inspections of commercial products. The goal is to increase the volume share of generic drugs to 80% or more in all prefectures by the end of FY2023.” On the occasion of the April 2022 medical fee revision, the evaluation standards were revised in favor of pharmacies dispensing a high percentage of generic drugs and medical institutions using a high percentage of generic drugs in order to further encourage the use of generic pharmaceuticals. As a result, according to a flash report on the Japanese government’s National Health Insurance (NHI) drug price survey in September 2024, the latest volume-based share of generic drugs was 85.0%. Furthermore, in September 2024, the Medical Insurance Subcommittee of the Social Security Council of the Japanese Ministry of Health, Labour and Welfare (MHLW) revised the Roadmap for Promoting Further Use of Generic Drugs and set the following numerical targets to be met by the end of fiscal 2029: main target – achieving an 80% or more share of generic pharmaceuticals on a volume basis in all Japanese prefectures while basically maintaining a stable supply of pharmaceuticals (continuing from the former Roadmap); the secondary target (1) – increasing the percentage of ingredients (on

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

Under such circumstances, the entire Japanese drug market has faced the uncertainty of product supply due to health problems caused by pharmaceutical products of a second-tier generic drug company at the end of 2020 and violations committed by a number of generic drug companies, including major ones, against the Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices. In response to this situation, the Expert Panel on Comprehensive Measures to Achieve Rapid and Stable Supply of Pharmaceuticals, which MHLW convened in August 2022, discussed a wide range of subjects, including the distribution of pharmaceuticals, the National Health Insurance (NHI) drug pricing system, and structural problems faced by the Japanese generic pharmaceutical industry. In May 2024, the Study Group on Ideal Industrial Structure for a Stable Supply of Generic Drugs compiled a report. In June, the Japanese Cabinet approved the government’s Basic Policies for Economic and Fiscal Management and Reform 2024, which clearly states: “We will work to allay the current concern about the supply of pharmaceuticals, and with a stable supply of pharmaceuticals as a fundamental requirement, we will also promote the generic pharmaceutical industry’s structural reforms, which may involve its reorganization, with an eye to achieving the ideal state of the industry, while developing a legal framework for a stable supply.” To achieve this, in FY2025, NHI drug price revisions and upward revisions to the minimum drug prices have made within the scope defined according to the characteristics of each type of drug, from the perspectives of both reducing the burden on the public and thoroughly meeting demand for promoting innovation in drug discovery and for ensuring a stable supply of pharmaceuticals. Furthermore, Basic Policy on Economic and Fiscal Management and Reform 2025 also includes specific measures to ensure a stable supply of generic drugs, including promoting the reorganization of the generic drug industry to eliminate its inefficient small-volume mixed-lot production structure. In this context, the government is implementing support programs for businesses that strive to improve productivity and break away from inefficient production systems. It is also working to establish a legal framework for securing a stable generic-drug supply.

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

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

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

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

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

In terms of marketing, as a countermeasure against the steep rise in costs, we have passed on the cost increases to the prices of some of the products we sell to wholesale distributors, mainly low-priced ones, while working to further improve production efficiency. In addition, in March 2025, Sawai Pharmaceutical concluded an agreement with Eisai Co., Ltd. to take over Eisai's rights to approval for manufacturing and marketing Warfarin, an oral anticoagulant, in the Japanese market. We expect that this agreement will help expand our lineup of products in the cardiovascular field and produce synergetic effects between those products and our generic pharmaceuticals.

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

As a new initiative for the personal health record (PHR) business, since 2022, we have been collaborating with a variety of organizations, including universities, local governments, companies, and medical institutions, to promote the utilization of PHRs. We will leverage the specialist human resources and know-how of FrontAct Co., Ltd., a wholly owned subsidiary of ours acquired from Sumitomo Pharma Co., Ltd. in June 2025, to expand our product lineup and strengthen and grow our business foundation in

the digital healthcare business, thereby changing people's lifestyles and health in a better direction through the utilization of digital technology. We will therefore continue to utilize digital technology to further enhance people's lifestyles and well-being. Furthermore, we concluded a licensing agreement with CureApp, Inc. to gain the right to develop and sell digital therapeutics (DTx) in the field of non-alcoholic steatohepatitis (NASH) in August 2022 and a licensing agreement with CureApp to sell DTx for the treatment of alcoholism in August 2024, with the aim of utilizing apps in this field to not only enhance digital-healthcare technology and expertise but also deliver IT-based solutions directly to patients and healthcare professionals. In the medical device business, we focus on Relivion[®], a non-invasive neuromodulation device, for which we obtained manufacturing and marketing approval for use in the acute-stage treatment of migraine from the MHLW in December 2023.

As a result, the Sawai Group achieved net sales of JPY 49,511 million (an increase of 11.7% year on year) and an operating profit of JPY 6,979 million (an increase of 14.6% year on year).

(2) Financial Position

Assets

As of June 30, 2025, current assets amounted to JPY 195,961 million, a decrease of JPY 4,862 million from March 31, 2025. The decrease was mainly due to a decrease of JPY 11,505 million in cash and cash equivalents as described in the cash flow, while an increase of JPY 3,660 million in inventories caused mainly by production expanded to increase our capacity for a stable supply, and an increase of JPY 2,561 million in trade and other receivables due to increased revenue. Non-current assets as of June 30, 2025 amounted to JPY 153,386 million, a decrease of JPY 414 million from March 31, 2025. The decrease was mainly due to an increase of JPY 1,206 million in intangible assets mainly due to the acquisition and amortization of the rights to Warfarin, an oral anticoagulant, while a decrease of JPY 1,729 million in property, plant and equipment mainly by depreciation.

Total assets as of June 30, 2025 were JPY 349,346 million, a decrease of JPY 5,276 million compared to the balance as of March 31, 2025.

Liabilities

As of June 30, 2025, current liabilities amounted to JPY 96,065 million, a decrease of JPY 6,750 million from March 31, 2025. The decrease was mainly due to a decrease JPY 6,237 million in trade and other payables, a decrease JPY 16,823 million in provisions, while an increase of JPY 15,199 million in short-term borrowings in accordance with funding plans. Non-current liabilities as of June 30, 2025 was JPY 77,607 million, a decrease of JPY 347 million from March 31, 2025, primarily due to a decrease of JPY 1,080 million in bonds and borrowings resulting from repayments of long-term borrowings.

Total liabilities as of June 30, 2025 were JPY 173,672 million, a decrease of JPY 7,097 million compared to the balance as of March 31, 2025.

Equity

Total equity as of June 30, 2025 was JPY 175,674 million, an increase of JPY 1,820 million compared to the balance as of March 31, 2025, primarily due to the net profit for the period ended June 30, 2025, the payment of dividends of surplus. As a result, the ratio of equity attributable to owners of parent to total assets as of June 30, 2025 became 50.3% (up from 49.0% as of March 31, 2025).

(3) Cash Flow

Cash and cash equivalents as of June 30, 2025 decreased by JPY 11,505 million to JPY 27,280 million, compared to the balance as of March 31, 2025.

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

Cash flows used in operating activities was JPY 13,405 million for the current period (increase by JPY 11,517 million from the same period of the previous year) which mainly consists of profit before tax (JPY 6,802 million), depreciation and amortization (JPY 3,859 million), increase in inventories (JPY 3,480 million), increase in trade and other receivables (JPY 2,441 million), and decrease in provisions (JPY 16,823 million).

Cash flows used in investing activities was JPY 8,598 million for the current period (generation of JPY 17,794 million in the same period of the previous year) which mainly consists of the acquisition of intangible assets (JPY 5,983 million) and the acquisition of property, plant and equipment (JPY 2,399 million).

Cash flows generated from financing activities was JPY 10,545 million for the current period (increase by JPY 8,204 million from the same period of the previous year) which mainly consists of an increase of short-term borrowings (JPY 15,199 million), repayments of long-term borrowings (JPY 1,086 million), and payments of dividend (JPY 3,117 million)

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

Regarding the forecasts of consolidated financial results for the fiscal year ending March 31, 2026, as announced on May 14, 2025, we expect revenue of JPY 200,200 million, operating profit of JPY 25,600 million, profit before tax of JPY 24,800 million, and profit attributable to owners of parent of JPY 17,400 million.

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

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

2. Condensed Quarterly Consolidated Financial Statements and Selected Notes

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

(Condensed Quarterly Consolidated Statements of Income)

	Millions of yen (except per share data)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Continued Operations		
Revenue	44,328	49,511
Cost of sales	(30,321)	(34,074)
Gross profit	14,007	15,438
Selling, general and administrative expenses	(5,546)	(6,032)
Research and development expenses	(2,352)	(2,420)
Other income	11	20
Other expenses	(27)	(26)
Operating profit	6,092	6,979
Finance income	107	131
Finance expenses	(258)	(308)
Profit before tax	5,941	6,802
Income tax expenses	(1,885)	(1,947)
Profit for the period from continued operations	4,056	4,856
Discontinued Operation		
Profit for the period from the discontinued operation	11,430	35
Profit for the period	15,486	4,891
Profit attributable to:		
Owners of parent	15,486	4,891
Total	15,486	4,891
Earnings per share (Yen)		
Basic earnings per share		
Continued operations	30.87	42.06
Discontinued operation	86.98	0.30
Basic earnings per share	117.85	42.36
Diluted earnings per share		
Continued operations	30.78	41.92
Discontinued operation	86.73	0.30
Diluted earnings per share	117.51	42.22

(Condensed Quarterly Consolidated Statements of Comprehensive Income)

Millions of yen

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit for the period	15,486	4,891
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Changes in fair value of financial assets measured at fair value through other comprehensive income	258	48
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	(11,665)	(1)
Other comprehensive income for the period, net of tax	(11,407)	47
Total comprehensive income for the period	4,079	4,938
Total comprehensive income attributable to:		
Owners of parent	4,079	4,938

(2) Condensed Quarterly Consolidated Statements of Financial Position**Millions of yen**

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and cash equivalents	38,785	27,280
Trade and other receivables	48,879	51,439
Inventories	109,867	113,527
Other financial assets	2,480	2,663
Other current assets	812	1,052
Total current assets	200,823	195,961
Non-current assets		
Property, plant and equipment	111,876	110,147
Intangible assets	27,196	28,401
Other financial assets	4,134	4,210
Other non-current assets	463	492
Deferred tax assets	10,132	10,134
Total non-current assets	153,800	153,386
Total assets	354,623	349,346

Millions of yen

	As of March 31, 2025	As of June 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	50,777	44,539
Borrowings	21,503	36,702
Income taxes payable	1,858	2,330
Refund liabilities	1,109	1,752
Provisions	16,992	168
Other financial liabilities	5,237	5,451
Other current liabilities	5,339	5,121
Total current liabilities	102,815	96,065
Non-current liabilities		
Bonds and borrowings	69,836	68,756
Provisions	92	92
Other financial liabilities	7,456	8,071
Other non-current liabilities	432	480
Deferred tax liabilities	137	208
Total non-current liabilities	77,954	77,607
Total liabilities	180,769	173,672
Equity		
Share capital	10,053	10,053
Capital surplus	37,767	4,527
Retained earnings	157,257	159,092
Treasury shares	(33,243)	(3)
Other component of equity	2,020	2,005
Equity attributable to owners of parent	173,854	175,674
Total equity	173,854	175,674
Total liabilities and equity	354,623	349,346

(3) Condensed Quarterly Consolidated statements of Changes in Equity

Three months ended June 30, 2024

	Millions of yen							
	Equity attributable to owners of parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other component of equity	Total		
Balance at April 1, 2024	10,020	37,734	149,645	(2)	15,264	212,662	5,369	218,030
Profit for the period			15,486			15,486	—	15,486
Other comprehensive income					(11,407)	(11,407)	—	(11,407)
Total comprehensive income	—	—	15,486	—	(11,407)	4,079	—	4,079
Acquisition of treasury shares				(0)		(0)		(0)
Dividends			(2,847)			(2,847)		(2,847)
Changes due to loss of control over consolidated subsidiaries						—	(5,369)	(5,369)
Transfer to retained earnings from capital surplus			1,607		(1,607)	—		—
Total transactions with owners	—	—	(1,241)	(0)	(1,607)	(2,847)	(5,369)	(8,216)
Balance at June 30, 2024	10,020	37,734	163,890	(2)	2,251	213,893	—	213,893

Three months ended June 30, 2025

	Millions of yen							
	Equity attributable to owners of parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other component of equity	Total		
Balance at April 1, 2025	10,053	37,767	157,257	(33,243)	2,020	173,854	—	173,854
Profit for the period			4,891			4,891		4,891
Other comprehensive income					47	47		47
Total comprehensive income	—	—	4,891	—	47	4,938	—	4,938
Retirement of treasury shares		(33,240)		33,240		—		—
Dividends			(3,117)			(3,117)		(3,117)
Transfer to retained earnings from capital surplus			62		(62)	—		—
Total transactions with owners	—	(33,240)	(3,056)	33,240	(62)	(3,117)	—	(3,117)
Balance at June 30, 2025	10,053	4,527	159,092	(3)	2,005	175,674	—	175,674

(4) Condensed Quarterly Consolidated Statements of Cash Flows

	Millions of yen	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities		
Profit before tax	5,941	6,802
Profit before tax from the discontinued operation	15,153	35
Depreciation and amortization	3,451	3,859
Impairment loss	301	—
Financial income	(107)	(44)
Financial expenses	196	356
Gain on sales of shares of subsidiaries and affiliates	(15,153)	(35)
Profit on sale and disposal of property, plant and equipment and intangible assets	39	37
Increase in trade and other receivables	(1,504)	(2,441)
Increase in inventories	(5,240)	(3,480)
Decrease in trade and other payables	(137)	(160)
Increase in refund liabilities	206	643
Increase (decrease) in provisions	23	(16,823)
Increase (decrease) in other financial liabilities	(454)	91
Other	(3,697)	(744)
Subtotal	(983)	(11,905)
Interest received	0	0
Dividends received	107	41
Interest paid	(154)	(276)
Income taxes paid	(858)	(1,265)
Cash flows used in operating activities	(1,888)	(13,405)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(11,290)	(2,399)
Sale of property, plant and equipment	4	6
Acquisition of intangible assets	(1,360)	(5,983)
Expenditure for purchases of investment securities	(1,581)	—
Proceeds from the sale of investment securities	3,604	107
Purchase of shares of subsidiaries resulting in change in the scope of consolidation	—	(301)
Proceeds from the sale of subsidiary shares involving a change in the scope of consolidation	28,429	—
Other	(11)	(28)
Cash flows generated from (used in) investing activities	17,794	(8,598)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(11,845)	15,199
Proceeds from long-term borrowings	32,204	—
Repayments of long-term borrowings	(24,683)	(1,086)
Proceeds from the issuance of bonds	9,941	—
Payments of lease liabilities	(428)	(438)
Purchase of treasury shares	(0)	—
Dividends paid	(2,847)	(3,117)
Others	(1)	(13)
Cash flows generated from financing activities	2,341	10,545
Effect of exchange rate change on cash and cash equivalents	(207)	(48)
Net increase (decrease) in cash and cash equivalents	18,040	(11,505)
Cash and cash equivalents at beginning of the period	26,368	38,785
Increase in cash and cash equivalents included in assets held for sale	11,061	—
Cash and cash equivalents at end of the period	55,470	27,280

(5) Selected Notes to Condensed Quarterly Consolidated Financial Statements

(Significant Uncertainty Regarding Going Concern Assumption)

Not applicable

(Discontinued Operation)

The Company has recorded profit/loss related to the U.S. Business under the category of “discontinued operation.”

(1) Discontinued Operation

	Millions of yen	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Discontinued Operation		
Revenue *1	15,153	35
Expenses	—	—
Profit before tax on the discontinued operation	15,153	35
Income tax expenses*2	(3,723)	(0)
Profit for the period on the discontinued operation	11,430	35

Profit on the discontinued operation attributable to:

Owners of parent	11,430	35
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*1 Revenue includes a gain on the transfer of the Company’s shares and interests in the U.S. subsidiary and affiliates of JPY 15,153 million in the first quarter of the fiscal year ended March 31, 2025 and JPY 35 million in the first quarter of the fiscal year ended March 31, 2026 respectively.

*2 Income tax expenses include tax expense related to gain on the transfer of the Company’s shares and interests in the U.S. subsidiary and affiliates of JPY 3,723 million in the first quarter of the fiscal year ended March 31, 2025 and JPY 0 million in the first quarter of the fiscal year ended March 31, 2026 respectively.

(2) Cash flows from discontinued operation

	Millions of yen	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities	—	—
Cash flows from investing activities *	28,429	—
Cash flows from financing activities	—	—
Total	28,429	—

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

	Millions of yen	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Consideration for the transfer *	39,490	—
Cash and cash equivalents of assets at the time of loss of control	(11,061)	—
Proceeds from the transfer of shares in the consolidated subsidiary involving changes in the scope of consolidation	28,429	—

* As for the consideration for the transfer, the final amount may change since the price adjustment clause and contingent consideration, are stipulated in the Share Transfer Agreement. As the consideration for the transfer, the Company received JPY 24,180 million from Bora for the trading value of the Company's interest and received JPY 15,310 million from the purchase of treasury shares of SAH.

(Segment Information)

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

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

The following table shows revenue for our key therapeutic category:

	Millions of yen	
Products	Three months ended June 30, 2024	Three months ended June 30, 2025
Cardiovascular drugs	10,525	11,547
Central nervous system drugs	6,116	6,993
Other metabolic drugs	4,825	5,791
Gastro-intestinal drugs	4,943	5,570
Blood/body fluid pharmaceutical products	4,079	5,088
Antibiotics drugs	2,925	2,535
Antiallergic drugs	1,657	2,155
Drugs for respiratory organs	1,576	1,925
Vitamin preparations	1,787	1,801
Antineoplastic agents	1,614	1,632
Drugs for urogenital organs and the anus	1,234	1,350
Other	3,050	3,125
Total	44,328	49,511