

March 28, 2025
Sawai Group Holdings Co., Ltd.

Sawai Agrees to Acquire Shares of FrontAct Co., Ltd. to Make It a Subsidiary

Sawai Group Holdings Co., Ltd. (the “Company”) is pleased to announce that it has reached an agreement with Sumitomo Pharma Co., Ltd. to acquire all shares of FrontAct Co., Ltd. (“FrontAct”) and make it a subsidiary.

1. Reasons for the acquisition of shares

Alongside our core generic drug business, the Company and its subsidiaries (the “Group”) are building new businesses, such as digital healthcare, to achieve sustainable growth over the medium to long term.

FrontAct offers innovative digital technology solutions to tackle various healthcare challenges and has strengths in business development using biosignal processing technology*1 and disease prediction algorithms*2.

By incorporating FrontAct into our digital healthcare business, the Group will enhance its product lineup and acquire specialized personnel and expertise, thereby reinforcing its business foundation and driving growth.

As a general healthcare corporate group that helps ensure healthy lives, we continue to take on the challenge of contributing to people’s health from the field of pre-symptomatic illness and prevention to the field of treatments to expand the range of new options beyond drug therapy.

*1. Biosignal processing technology: Technology that focuses on detecting, analyzing, and interpreting signals generated inside the human body. Examples of biosignals include brain waves, heart rate, and muscle potential.

*2. Disease prediction algorithm: A program that employs machine learning models to assess the risk of specific diseases based on vital data, symptoms, medical history, gender, age, time of onset, environmental factors, and other relevant information.

2. Overview of the subsidiary (FrontAct Co., Ltd.) subject to change

(1) Name	FrontAct Co., Ltd.	
(2) Address	NMF Kayabacho Bldg. 5F, 1-17-24, Shinkawa, Chuo-ku, Tokyo	
(3) Title and name of the representative	Takehiko Nomura, Representative Director, President and CEO	
(4) Business activities	Development, manufacturing, sales and marketing, leasing, export and import of products, software, and system including but not limited to medical care, nursing care, welfare, health, and daily living	
(5) Share capital	¥100 million	
(6) Date of establishment	April 1, 2024	
(7) Major shareholder and its ownership percentage	Sumitomo Pharma Co., Ltd. (100%)	
(8) Relationship between the Company and said company	Capital relationship	Not applicable.
	Personnel relationship	Not applicable.
	Business relationship	Not applicable.

3. Overview of the counterparty to the acquisition of shares

(1) Name	Sumitomo Pharma Co., Ltd.	
(2) Address	2-6-8, Doshomachi, Chuo-ku, Osaka, Osaka 541-0045, Japan	
(3) Title and name of the representative	Toru Kimura, Representative Director, President and CEO	
(4) Business activities	Manufacturing and sales of pharmaceuticals and others	
(5) Share capital	¥22.4 billion	
(6) Date of establishment	May 14, 1897	
(7) Net assets	¥156,136 million (as of March 31, 2024)	
(8) Total assets	¥907,506 million (as of March 31, 2024)	
(9) Major shareholder and its ownership percentage	SUMITOMO CHEMICAL COMPANY, LIMITED (51.76%)	
(10) Relationship between the Company and said company	Capital relationship	Not applicable.
	Personnel relationship	Not applicable.
	Business relationship	Not applicable.
	Related party relationship	Not applicable.

4. Number of shares to be acquired, acquisition price, and number of shares held before and after acquisition

(1) Number of shares held before acquisition	0
(2) Number of shares to be acquired	219,900 (Number of voting rights: 219,900)
(3) Acquisition price	Due to confidentiality obligations under our contract with the other party, we are unable to disclose this matter. However, the impact on our company's financial position is insignificant.
(4) Number of shares held after acquisition	219,900 (Number of voting rights: 219,900) (Percentage of voting rights held: 100%)

5. Schedule

(1) Date of contract	March 28, 2025
(2) Date of share transfer	June 30, 2025 (scheduled)

6 Outlook

Provided that the closing conditions agreed by both companies in this contract are met, the transfer of shares is scheduled for June 30 of this year.

This matter will not affect the consolidated earnings forecast for the fiscal year ending March 31, 2025. The impact on earnings for the fiscal year ending March 31, 2026 will be announced as soon as the details are finalized.

◆ Contact Information ◆

Media inquiries:

Public Relations, Corporate Communications

E-mail: koho@sawaiholding.com

Institutional investor inquiries:

Investor Relations, Corporate Communications

E-mail: ir@sawai.co.jp