

Financial Summary for First Quarter of FY2021 (IFRS)

August 5, 2021

Company Name: **Sawai Group Holdings Co., Ltd.**

Stock Code Number (Japan): 4887

Listed Stock Exchange: Tokyo Stock Exchange

URL: <https://www.sawaigroup.holdings>

Representative: Kazuhiko Sueyoshi, President and Representative Director

Contact Person: Yoshiaki Sakurai, Executive officer and Group Chief Financial Officer Tel: +81-6-6105-5818

Filing Date of Quarterly Report: August 5, 2021

Scheduled Date of Dividends Payment commencement: N/A

Supplemental Materials for the financial results: Yes

IR Conference on the financial Results: Scheduled (for institutional investors and analysts)

(Amount are rounded to the nearest million yen)

1. Financial Highlights for the First Quarter of FY2021(for the three-month period ended June 30, 2021)

(1) Consolidated Operating Results

(% of changes over the same period of the previous year)

	Revenue		Operating profit		Profit before tax		Profit for the year		Profit attributable to owners of the Company	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three-month Period Ended June 30, 2021	50,486	—	8,483	—	8,433	—	6,380	—	6,307	—
Three-month Period Ended June 30, 2020	—	—	—	—	—	—	—	—	—	—

Note: Comprehensive Income: Three-month Period Ended June 30, 2021: 6,174 million <(- %)> Three-month Period Ended June 30, 2020:- million <(- %)>

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three-month Period Ended June 30, 2021	144.03	143.93
Three-month Period Ended June 30, 2020	—	—

Note: Comparative information is not disclosed since the company was established on April 1, 2021 through a sole-share transfer.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the Company	Ratio of equity attributable to owners of the Company to total assets
	Million yen	Million yen	Million yen	%
As of June 30, 2021	392,471	244,077	221,558	56.5
As of March 31, 2021	—	—	—	—

Note: Comparative information is not disclosed since the company was established on April 1, 2021 through a sole-share transfer.

2. Cash Dividends

	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
For the Fiscal Year Ended June 30, 2021	—	—	—	—	—
For the Fiscal Year Ended June 30, 2020	—	—	—	—	—

Notes: Revision to the cash dividend estimates since the latest announcement : No

Note: Comparative information is not disclosed since the company was established on April 1, 2021 through a sole-share transfer.

Additional Information

- (1) Material changes in subsidiaries during this period: N/A
- (2) Changes in accounting policies and accounting estimates
 - (i) Changes in accounting policies required by IFRS: N/A
 - (ii) Changes in accounting policies other than (i): N/A
 - (iii) Changes in accounting estimates: N/A
- (3) Number of shares issued and outstanding (common stock)
 - (i) Number of shares issued and outstanding (including treasury stock) at the end of each period:
 - June 30, 2021: 43,791,339 shares
 - March 31, 2021: N/A
 - (ii) Number of treasury stock at the end of each period:
 - March 31, 2021: 237 shares
 - March 31, 2021: N/A
 - (iii) Average number of shares issued and outstanding in each period:
 - Three-month period ended June 30, 2021: 43,791,142 shares,
 - Three-month period ended June 30, 2020: N/A

Note: Comparative information is not disclosed since the company was established on April 1, 2021 through a sole-share transfer.

This financial summary is not subject to audit by certified public accountants or audit firms.

Cautionary Statement with Respect to Forward-Looking Statements, and Other Information

The year-end earnings conference for institutional investors and analysts is scheduled on August 5, 2021. Presentation and related materials of the conference will be promptly posted on our website.

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)

	Yen in millions (except per share data)
	Three-month period ended June 30, 2021
Revenue	50,486
Cost of sales	(31,777)
Gross profit	<u>18,709</u>
Selling, general and administrative expenses	(8,106)
Research and development expenses	(4,185)
Other income	2,067
Other expenses	(2)
Operating profit	<u>8,483</u>
Finance income	68
Finance expenses	(118)
Profit before tax	<u>8,433</u>
Income tax expenses	(2,053)
Profit for the period	<u>6,380</u>
Profit attributable to:	
Owners of the Company	6,307
Non-controlling interests	73
Total	<u>6,380</u>
Earnings per share (Yen)	
Basic earnings per share	144.03
Diluted earnings per share	143.93

(Condensed Quarterly Consolidated Statements of Comprehensive Income)

Yen in millions

	Three-month period ended June 30, 2021
Profit for the period	6,380
Other comprehensive income (loss)	
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	(71)
Items that may be reclassified to profit or loss:	
Exchange differences on translation of foreign operations	(135)
Other comprehensive income (loss) for the period, net of tax	(206)
Total comprehensive income for the period	6,174
Total comprehensive income attributable to:	
Owners of the Company	6,127
Non-controlling interests	47
Total	6,174

(2) Condensed Quarterly Consolidated Statements of Financial Position

Yen in millions

As of June 30, 2021

Assets

Current assets

Cash and cash equivalents	57,773
Trade and other receivables	65,666
Inventories	78,999
Other financial assets	148
Other current assets	2,748

Total current assets 205,334

Non-current assets

Property, plant, and equipment	85,812
Goodwill	39,258
Intangible assets	53,005
Other financial assets	6,306
Other non-current assets	1,076
Deferred tax assets	1,680

Total non-current assets 187,137

Total assets 392,471

Yen in millions

As of June 30, 2021

Liabilities and equity

Liabilities

Current liabilities

Trade and other payables	47,654
Bonds and borrowings	15,248
Income taxes payable	2,182
Refund liabilities	8,729
Provisions	284
Other financial liabilities	6,747
Other current liabilities	6,451

Total current liabilities **87,295**

Non-current liabilities

Bonds and borrowings	55,971
Provisions	674
Other financial liabilities	2,938
Other non-current liabilities	1,458
Deferred tax liabilities	58

Total non-current liabilities **61,099**

Total liabilities **148,394**

Equity

Share capital	10,000
Capital surplus	73,672
Retained earnings	135,890
Treasury shares	(1)
Other component of equity	1,997

Equity attributable to owners of the Company **221,558**

Non-controlling interests **22,519**

Total equity **244,077**

Total liabilities and equity **392,471**

(3) Condensed Quarterly Consolidated statements of Changes in Equity

Three-month period ended June 30, 2021

Yen in millions

	Equity attributable to owners of the Company					Total	Non-controlling interests	Total equity
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other component of equity			
Balance at April 1, 2021	41,219	42,453	132,429	—	2,177	218,278	22,472	240,750
Profit for the period			6,307			6,307	73	6,380
Other comprehensive income					(180)	(180)	(26)	(206)
Total comprehensive income	—	—	6,307	—	(180)	6,127	47	6,174
Acquisition of treasury shares				(1)		(1)		(1)
Dividends			(2,846)			(2,846)		(2,846)
Transfer	(31,219)	31,219				—		—
Total transactions with owners	(31,219)	31,219	(2,846)	(1)	—	(2,847)	—	(2,847)
Balance at June 30, 2021	10,000	73,672	135,890	(1)	1,997	221,558	22,519	244,077

(4) Condensed Quarterly Consolidated Statements of Cash Flows

Yen in millions

	Three-month period ended June 30, 2021
Cash flows from operating activities	
Profit before tax	8,433
Depreciation and amortization	4,314
Impairment loss	826
Financial income	(66)
Financial expenses	119
Loss on sale and disposal of property, plant and equipment and intangible assets	(1,989)
Decrease in trade and other receivables	4,560
Decrease in inventories	104
Decrease in trade and other payables	(1,155)
Increase in refund liabilities	1,192
Decrease in provisions	(104)
Increase in other financial liabilities	78
Other	(2,671)
Subtotal	<u>13,641</u>
Interest received	1
Dividends received	65
Interest paid	(149)
Income taxes paid	(2,961)
Cash flows generated from operating activities	<u>10,597</u>
Cash flows from investing activities	
Acquisition of property, plant and equipment	(5,089)
Sale of property, plant and equipment	2,808
Acquisition of intangible assets	(1,986)
Other	(184)
Cash flows used in investing activities	<u>(4,451)</u>
Cash flows from financing activities	
Net proceeds from short-term borrowings	1,600
Repayments of long-term borrowings	(958)
Payments of lease liabilities	(423)
Dividends paid	(2,846)
Others	(1)
Cash flows used in financing activities	<u>(2,628)</u>
Effect of exchange rate change on cash and cash equivalents	(14)
Net decrease in cash and cash equivalents	<u>3,504</u>
Cash and cash equivalents at beginning of the period	54,269
Cash and cash equivalents at the end of the period	<u>57,773</u>