
Press Release

April 28, 2023

Sumitomo Pharma Co., Ltd.

Announcement of Dividend Forecast for the Year Ending March 31, 2024, and Reduction in Executive Remuneration

Sumitomo Pharma Co., Ltd. (Head Office: Osaka, Japan; Representative Director, President and CEO: Hiroshi Nomura; Securities Code: 4506, Prime Market of TSE) announced today its Mid-term Business Plan 2027 (FY2023-FY2027) and disclosed its dividend policy. Accordingly, the Company announced its dividend forecast for the year ending March 31, 2024, as below. The Company also announced a reduction in executive remuneration.

1. Forecast of Dividend for the Year Ending March 31, 2024

(1) Forecast

	Annual dividend (yen)		
	End of second quarter	End of term	Total
Forecast for the Year Ending March 31, 2024	0.00 yen	0.00 yen	0.00 yen
Forecast for the Year Ended March 31, 2023		7.00 yen	21.00 yen
Results for the Year Ended March 31, 2023	14.00 yen		
Results for the Year Ended March 31, 2022	14.00 yen	14.00 yen	28.00 yen

(2) Dividend Policy

The Company believes it important to distribute surpluses in an appropriate manner reflecting any improvement in its performance. Accordingly, a performance-linked dividend hike will be considered in addition to consistent dividend payout.

Pursuant to this fundamental policy, during the Mid-term Business Plan 2027 period, the Company will suspend dividends as negative core operating profit is forecasted for the year ending March 31, 2024 but will resume dividends for the year ending March 31, 2025 as core operating profit is expected to return to positive. A consistent dividend payout will be the aim thereafter.

The Company would like to extend its deepest apologies to its shareholders. The Company will make every effort to promptly recover its performance and would appreciate your kind understanding and continued support.

2. Reduction in Executive Remuneration

The Company expects to post negative core operating profit for the year ending March 31, 2024, as it anticipates posting negative net profit attributable to owners of the parent for the the year ended March 31, 2023. The Company takes the above-mentioned dividend forecast and it will reduce remuneration for its Directors as follows:

- (1) Scope of reduction:
 - Representative Director, President and CEO 30% of base remuneration
 - Other Directors (excluding Outside Directors) 10% of base remuneration
- (2) Period of reduction:
 - From April 2023 to March 2024 (12 months)

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