

## **Notice of Commencement of Preparation for Transition to a Holding Company Structure through Sole-Share Transfer and Change in Fiscal Year**

February 4, 2021, Osaka, Japan -- Santen Pharmaceutical Co., Ltd. (Head office in Osaka; hereinafter “Santen”) announced its board of directors approved a resolution today to commence the preparation for the transition to a holding company structure through sole-share transfer, with effect from April 1, 2022 (tentative) as follows. This transition will require approval from shareholders at an extraordinary annual general meeting of shareholders to be held on December 21, 2021. Santen will announce the relevant details once determined.

The board of directors also resolved to change Santen’s fiscal year period. This change will require approval of partial amendments to the articles of incorporation at the 109th annual general meeting of shareholders to be held on June 25, 2021.

### **1. Background**

Santen has been promoting the global expansion of its business with the aim of becoming a “Specialized Pharmaceutical Company with a Global Presence” in “Vision 2020”, the long-term vision formulated in 2010. Santen has exceeded its initial expectations for growth, currently boasting 31 consolidated subsidiaries across the globe; its products are sold in more than 60 countries and regions. Annual sales now stand at 241.6 billion yen, a two-fold increase in scale over the last 10 years.\*<sup>1</sup> The overseas business in particular now represents 32% of total sales. \*<sup>1</sup> Regional business expansion has become a key driver of Santen’s growth. Furthermore, Santen has been diversifying its business portfolio, expanding beyond prescription pharmaceuticals, Santen’s core business to date. Santen has entered a number of new business domains, including the establishment of a joint venture for the development and commercialization of ophthalmological devices, and initiatives to capitalize on leading-edge technologies in the area of gene therapy and cell therapy.

In the long-term vision formulated in 2020, “Santen 2030”, which looks toward 2030 and beyond, Santen aspires to deliver innovative value to the world as a “Social Innovator” that goes beyond the conventional framework of a pharmaceutical business, to offer a variety of products and services to address the needs of patients with ophthalmic diseases and problems. To realize this vision, Santen has made the decision to transition to a holding company structure and change its fiscal year period. The aim is to establish and enhance a management and organizational system to enable swift and efficient execution, while also dynamically managing businesses in transition as a result of ongoing geographic and business domain expansion.

### **2. Transition to a holding company structure**

#### **(1) Purpose**

- Reinforce corporate headquarter functions with a global perspective
- Facilitate swift decision-making and foster organic collaboration among regions and units
- Further reinforce the governance system and facilitate full understanding of the overall corporate strategy throughout the Group

## **(2) Method for transitioning to a holding company structure and schedule**

Santen plans to transition to a holding company structure by establishing a holding company through a sole-share transfer scheme, whereby Santen will be a wholly owned subsidiary company. While Santen's ordinary shares will be delisted as a result, with respect to the ordinary shares of the holding company which will be issued to Santen's shareholders, Santen is planning to apply for a technical listing of such shares to the first section of the Tokyo Stock Exchange, Inc., thereby having the shares continue to be listed on the first section.\*<sup>2</sup>

### **< Schedule >**

September 1, 2021 (tentative)	Board of Directors' meeting concerning the Transition
September 30, 2021 (tentative)	Record date for the extraordinary general meeting of shareholders concerning the Transition
December 21, 2021 (tentative)	Extraordinary general meeting of shareholders concerning the Transition
April 1, 2022 (tentative)	Transition to Holding Company structure

## **3. Change in Fiscal Year**

### **(1) Objective of the change**

- The change to a fiscal year ending December will further facilitate global business expansion

### **(2) Fiscal year change**

Current fiscal year end: March 31

New fiscal year end: December 31

With the change in the fiscal year end, the 110th fiscal year will be a transitional nine-month fiscal period from April 1, 2021 to December 31, 2021. The same changes will apply to consolidated subsidiaries whose fiscal year ends on a date other than December 31.

### **(3) Partial amendments to the articles of incorporation**

Santen plans to make partial amendments to the articles of incorporation in conjunction with the change in fiscal year. An announcement will be made immediately after a resolution is approved by the board of directors at a meeting scheduled for May 2021. The amendments are subject to approval at the 109th annual general meeting of shareholders to be held on June 25, 2021.

## **4. Future prospects**

Details regarding the transition have yet to be determined as of this date; Santen will consider and review the specifics going forward. Santen will announce relevant details once they have been determined.

Santen plans to announce its consolidated forecasts for the 110th fiscal year in the summary of financial results for the fiscal year ended March 31, 2021, which will be disclosed in May 2021.

\*1 Actual FY19 results

\*2 Based on the current market classifications

**About Santen**

As a specialized company dedicated to ophthalmology, Santen carries out research, development, marketing, and sales of pharmaceuticals, over-the-counter products, and medical devices. Santen is the market leader for prescription ophthalmic pharmaceuticals in Japan and its products now reach patients in over 60 countries. With scientific knowledge and organizational capabilities nurtured over 130-year history, Santen provides products and services to contribute to the well-being of patients, their loved ones and consequently to society. For more information, please visit Santen's website ([www.santen.com](http://www.santen.com)).

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