March 2, 2020

To whom it may concern:

Company Name: TOHO HOLDINGS CO., LTD.
Corporate Representative: Norio Hamada, Chairman of the Board and Chief Executive Officer (CEO), Representative Director (First Section of Tokyo Stock Exchange Securities Code:8129)
Contact: Makoto Kawamura, Director and General Manager, Public and Investor Relations Department (TEL: 81-3-6838-2803)

Announcement of Capital and Business Alliance with Kringle Pharma, Inc.

TOHO HOLDINGS CO., LTD. (Headquarters: Tokyo; Chairman of the Board and Chief Executive Officer (CEO), Representative Director: Norio Hamada; hereinafter, “TOHO HOLDINGS”) announces that it has entered into a capital and business alliance with Kringle Pharma, Inc. (Headquarters: Osaka; President & CEO: Kiichi Adachi; hereinafter, “KRINGLE”) through subscription of the third-party share issuance and cooperation in domestic sales and distribution. Specifics are outlined as below:

1. Reason for capital and business alliance

TOHO HOLDINGS is a corporate group active in medical, nursing and healthcare fields, engaged in pharmaceutical wholesaling, dispensing pharmacy, manufacturing and sales of pharmaceuticals, and development and provision of customer support systems under the corporate slogan "Total Commitment to Good Health". TOHO HOLDINGS also proactively promotes initiatives for regional medical collaboration, nursing and home care.

KRINGLE is a clinical-stage biopharmaceutical company established in December 2001 to develop intractable disease drugs. Corporate mission of KRINGLE is to contribute to society by providing innovative therapeutic approach for patients suffering from incurable diseases. KRINGLE’s goal is to introduce Japan-originated regenerative medicine for incurable neuronal diseases to the world through development of novel biologics based on recombinant human Hepatocyte Growth Factor (“HGF”).

Since TOHO HOLDINGS and KRINGLE share the same philosophy, TOHO HOLDINGS will support research and development of KRINGLE through this investment and take over the sole role of domestic sales and distribution of the HGF protein drug (KP-100IT, target indication: acute spinal cord injury) developed by KRINGLE after it is approved for pharmaceutical manufacturing and marketing in Japan.
2. Overview of KRINGLE

(1) Company name: Kringle Pharma, Inc.
(2) Location: 7-7-15 Saitoasagi, Ibaraki-shi, Osaka
(3) Representative: Kiichi Adachi, President & CEO
(4) Established: December 2001
(5) Business content: Development of novel biologics based on HGF
(6) Capital: 100 million yen
(7) Fiscal year end: September 30
(8) Number of employees: 16
(9) Contact: Etsuro Hashimura
   Director of Pharmaceutical Development, Member of the Board
   (TEL: 81-72-641-8739, Email: kpinfo@kringle-pharma.com)

3. Number of shares, method, price, shares owned before and after acquisition and share acquisition date

(1) Number of shares to be acquired: 3,333 Class C shares
(2) Acquisition method: Subscription to third-party allotment of shares issued by KRINGLE
(3) Acquisition price: Undisclosed
(4) Shares owned prior to acquisition: 0 (Ownership percentage: 0%)
(5) Shares owned after acquisition: 3,333 (Ownership percentage: 2.0%)
(6) Date of share acquisition: February 25, 2020

4. Forward looking outlook
   Impact to consolidated performance is minor.