

December 17, 2020

To whom it may concern:

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Announcement of an exclusive distribution agreement to supply COVID-19 detection kits

TOHO HOLDINGS CO., LTD. (Head Office: Tokyo; President and Representative Director: Atsushi Udoh; hereinafter "TOHO HOLDINGS") is pleased to announce that its wholly-owned subsidiary, TOHO PHARMACEUTICAL CO., LTD. (Head Office: Tokyo; President: Akira Umada), has been entrusted with the exclusive distribution of a COVID-19 (SARS-CoV-2) detection kit that will be launched by KUBIX Inc. (Head Office: Ishikawa, CEO: Hiroshi Tanno; hereinafter "KUBIX") on December 21, 2020.

1. Contract background

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.

KUBIX was established in August 2004 as a medical venture company originating at Kanazawa University. In addition to providing contract testing services to determine the presence or absence of gastrointestinal cancer by analyzing RNA expression from blood in cooperation with more than 1,300 medical institutions across Japan, KUBIX also develops, manufactures and sells research kits such as PCR reagents for the detection of COVID-19 and quantification of HBV.

In recognition of our track record in the reagent market, our high-performance logistics system, including a logistics center specializing in reagents, rigorous temperature control and excellent traceability, we have been exclusively entrusted to sell the COVID-19 (SARS-CoV-2) detection kits developed by KUBIX.

We will contribute to preventing the spread of COVID-19 and maintaining health care systems through the sale of this product.

2. Product features

- PCR measurement can be easily performed by mixing the nasopharyngeal swab sample with the reagent of this kit. The whole process of COVID-19 testing can be completed in about one hour.
- This kit contains all the ready-to-use reagents required for PCR testing, including PCR enzymes, primers, and probes. In addition, because it doesn't require any complicated preparation or heating pretreatment, it can help ease the burden on testing sites. It is also expected to give stable test results. Furthermore, we have confirmed that this kit is compatible with PCR machines from different companies.
- The accuracy of data obtained with this kit has been confirmed by the National Institute of Infectious Diseases in Japan. The kit is published on the Institute's website as "a quick test method (reverse transcription and gene amplification in less than 60 minutes)." It can be used for administrative testing and is also covered by public medical insurance in Japan.

3. Performance outlook

Impact to consolidated performance is minor.