

May 26, 2021

To whom it may concern:

Company Name	TOHO HOLDINGS CO., LTD.
Corporate Representative	Atsushi Udoh, President and Representative Director (First Section of Tokyo Stock Exchange Securities Code:8129)
Contact:	Makoto Kawamura, Director and General Manager, Corporate Management Division and Corporate Planning and Investor Relations Department (TEL: 81-3-6838-2803)

Notice Regarding Underwriting of Capital Increase Through Third-Party Allotment  
Conducted by HAPINE Life Ikkou Corporation

TOHO HOLDINGS CO., LTD. (Headquarters: Tokyo; President and Representative Director: Atsushi Udoh; hereinafter "TOHO HOLDINGS") is pleased to announce that it will acquire common shares in response to a third-party allotment of new shares to be issued by HAPINE Life Ikkou Corporation (hereinafter "HAPINE Life Ikkou"), a consolidated subsidiary of Medical Ikkou Group Co., LTD. (Head Office: Mie; Representative Director and President: Toshihisa Minamino; hereinafter "Medical Ikkou Group"), as given below.

1. Purpose of underwriting

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.

Medical Ikkou Group is developing its business mainly in the dispensing pharmacy business, healthcare business, and medicine wholesale business, under the philosophy of "providing good medical treatment and nursing care services to more people." In the healthcare business, Medical Ikkou Group operates 42 residential nursing facilities (number of rooms: 1,417), such as paid-for nursing homes, in nine prefectures, mainly in western Japan, including Mie, and provides nursing care services such as day care services, in-home care support services, and rental of welfare equipment.

Some statistics show that the population of people aged 75 and over (the latter-stage elderly) in Japan will continue to grow until 2055, and accordingly the nursing care market is expected to grow over the long term. In order to respond to the increasing number of users of nursing care services and diversifying nursing care needs, HAPINE Life Ikkou plans to undertake M&As related to its healthcare business and construct paid-for nursing homes. Through the underwriting of new shares via a third-party allotment, we will provide financial support for these initiatives, and promote initiatives to increase user satisfaction by utilizing the know-how of both companies.

2. Number of shares acquired, acquisition price, and status of shares owned before and after acquisition

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|--|------------------------------------|
| (1) Number of shares acquired:         | 300 common shares                  |
| (2) Acquisition price:                 | 375 million yen                    |
| (3) Shares owned prior to acquisition: | 0 (share ownership ratio: 0%)      |
| (4) Shares owned after acquisition:    | 300 (share ownership ratio: 12.5%) |
| (5) Date of share acquisition:         | June 8, 2021 (Plan)                |

3. Overview of HAPINE Life Ikkou

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|-----------------------|---|
| (1) Company name:     | HAPINE Life Ikkou Corporation                             |
| (2) Location:         | 36-25 Nishimarunouchi, Tsu, Mie                           |
| (3) Representative:   | Toshihisa Minamino, Representative Director and President |
| (4) Business content: | Healthcare business                                       |
| (5) Capital:          | 90 million yen  |
| (6) Established:      | October 2005  |

4. Performance outlook

Impact to consolidated performance is minor.