

June 16, 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)
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Notice Regarding Agreement for Business Alliance with Morimoto-Pharma Co., Ltd.

~ Investment in MII Ltd., a group company of Morimoto-Pharma Co., Ltd., to support the practical application of their pharmaceutical formulation technology for freeze-dried COVID-19 vaccines, etc. ~

TOHO HOLDINGS CO., LTD. (Headquarters: Tokyo; President and Representative Director: Atsushi Udoh; hereinafter “TOHO HOLDINGS”) is pleased to announce that the company has formed a business alliance with Morimoto-Pharma Co., Ltd. (Headquarters: Osaka; President: Shuji Morimoto; hereinafter “Morimoto-Pharma”) and invested in MII Ltd. (Headquarters: Osaka; President: Shuji Morimoto; hereinafter “MII”), a group company of Morimoto-Pharma as described below.

1. Purpose of 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.

Morimoto-Pharma and MII developed a “continuous spray freeze-drying equipment” that enables more efficient and cost-effective production of freeze-dried formulations (prepared by freeze-drying and powderizing liquid medicines) than the conventional method, and they have since sought to put the technology into practical use through a joint business with a pharmaceutical company. Right now, most COVID-19 vaccines are in a liquid form requiring cryogenic conditions. The use of a continuous spray freeze-drying equipment, however, will make those vaccines available in freeze-dried formulations and allow them to be kept at room temperature, solving the storage and transportation problems involved in the current COVID-19 vaccines, including the cost and space issues. The technology has tremendous potential as a new pharmaceutical production technology, as it can be applied to fields other than COVID-19 vaccines, such as antibody drugs and regenerative cell medicines.

Through the investment in MII, which owns the intellectual property for the technology, TOHO HOLDINGS has committed itself to extending full support to Morimoto-Pharma and MII so that they can make the technology practical, and also to distributing freeze-dried COVID-vaccines, etc., to the market.

2. Overview of Morimoto-Pharma

- (1) Company name: Morimoto-Pharma Co., Ltd.
- (2) Location: 5-8-28 Mitejima, Nishiyodogawa-ku, Osaka
- (3) Representative: President Shuji Morimoto
- (4) Established: May 2005
- (5) Business content: Development, production and sale of medical jellies and swallowing aid jellies; production and sale of pharmaceutical equipment, powder filling machines and medical devices; development and licensing of new dosage form drugs; and comprehensive medical consulting services
- (6) Capital: 60 million yen
- (7) Fiscal year end: December 31
- (8) Number of employees: 25

3. Overview of MII

- (1) Company name: MII Ltd.
- (2) Location: 5-8-28 Mitejima, Nishiyodogawa-ku, Osaka
- (3) Representative: President Shuji Morimoto
- (4) Established: May 2010
- (5) Business content: Research and development of medicines, quasi-drugs, pharmaceutical production and other related equipment; licensing services; consulting services; and outsourcing, marketing, import and export services
- (6) Capital: 114 million yen
- (7) Fiscal year end: April 30
- (8) Number of employees: 5

4. Status of total number of shares acquired, method of acquisition, acquisition price, total numbers of holding shares before and after the acquisition, and date of acquisition

- (1) Total number of shares acquired: 1,250 common shares
- (2) Method of acquisition: Subscription to third-party allotment of shares issued by MII
- (3) Acquisition price: 250 million yen (200,000 yen per share)
- (4) Total number of holding shares before the acquisition: 0 (Ownership percentage: 0%)
- (5) Total number of holding shares after the acquisition: 1,250 shares (Fully diluted ownership percentage: 3.8%)
- (6) Date of acquisition: June 4, 2021

5. Performance outlook

There will be little influence on its consolidated financial results of FY ending March 2022.