

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)
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Notice Regarding Business Succession by a Subsidiary

TOHO HOLDINGS CO., LTD. (hereinafter "TOHO HOLDINGS") is pleased to announce that TOHO PHARMACEUTICAL CO., LTD. (Headquarters: Tokyo; President and Representative Director: Akira Umada; hereinafter "TOHO PHARMACEUTICAL"), our wholly-owned subsidiary, has decided to succeed the constant-temperature transportation device business operated by FUJIFILM Toyama Chemical Co., Ltd. (Headquarters: Tokyo; President and Chief Operating Officer: Junji Okada; hereinafter "FUJIFILM Toyama Chemical") through a simplified absorption-type company split, as described below.

Although this business succession does not fall under the timely disclosure standards category, TOHO HOLDINGS makes voluntary disclosure based on the judgment that this is useful information.

1. Purpose of business succession

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.

We have positioned the establishment of an optimal distribution temperature management system suited to each temperature range as a priority issue, and as a result of repeated discussions with FUJIFILM Toyama Chemical regarding the succession of the constant-temperature transportation device business, TOHO PHARMACEUTICAL has decided to carry out a business succession through an absorption-type company split. We believe that this business succession will lead to the expansion of its specialty pharmaceutical business, including biopharmaceuticals and regenerative medicine products, which are expected to grow in the future.

2. Overview of constant-temperature transportation device business

FUJIFILM Toyama Chemical is developing the constant-temperature transportation device business, including systems for safely transporting blood products, regenerative medicine products, and pharmaceuticals, based on its unique advanced temperature control technology and heating and cooling design know-how. The constant-temperature transportation device developed in the business is a compact, lightweight, and durable thermoelectrically cooled delivery box, whose internal temperature can be set freely within the range of 4°C to 37°C. We have already used this device as "SALM" for the delivery of specialty pharmaceutical products, etc. In the future, by promoting the construction of data management systems, etc., we can expect strengthening of temperature management and data management from manufacturers to wholesalers and from wholesalers to medical institutions.

3.Schedule

Date of implementation (the effective date) June 30, 2021 (plan)

4. Performance outlook

Impact to consolidated performance is minor.