

July 24, 2024

To whom it may concern:

Company Name:	TOHO HOLDINGS CO.,LTD.
Corporate Representative:	Hiromi Edahiro, Representative Director, CEO and CFO (Prime Market of Tokyo Stock Exchange Securities Code: 8129)
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Announcement of Investment in Hirosaki Lifescience Innovation, Inc.

TOHO HOLDINGS CO., LTD. (Headquarters: Tokyo; Representative Director, CEO and CFO: Hiromi Edahiro; hereinafter, “TOHO HOLDINGS”) announces that it has invested in Hirosaki Lifescience Innovation, Inc. (Headquarters: Tokyo; President and CEO: Hiroki Ishikawa; hereinafter, “Hirosaki LI”), as described below.

1. Reason for investment

TOHO HOLDINGS is a corporate group active in the 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.

Hirosaki LI is a bio-venture established in Hirosaki City, Aomori Prefecture, with the purpose of developing, manufacturing, and selling regenerative medical products. Hirosaki LI handles excellent regenerative medical products using collagen matrices such as amniotic membrane processed sheets. The company is currently engaged in the development of an autologous chondrocyte-processed product (Development code: IK-01) for the treatment of knee osteoarthritis using a three-dimensional collagen matrix. In addition, Hirosaki LI manufactures and sells SAKRACY® (launched in September 2022), a regenerative medical product designed to reduce adhesion on the ocular surface in patients with limbal stem cell deficiency (LSCD), and is currently working to further expand its manufacturing capabilities.

Through this investment, TOHO HOLDINGS will support Hirosaki LI’s business development and enhancement of production capacity, and will further promote its efforts in regenerative medical products, which are expected to grow in the future. In addition, the Group will fully cooperate with Hirosaki LI on distribution by utilizing its nationwide distribution network, sophisticated distribution system, and know-how in emergency response.

We have been entrusted with the distribution of SAKRACY®, a regenerative medical product, since April 2024. This product is the second regenerative medical product handled by TOHO HOLDINGS.

2. Overview of Hirosaki LI

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| (1) Company name: | Hirosaki Lifescience Innovation, Inc. |
| (2) Location: | 9-6 Nibancho, Chiyoda-Ku, TOKYO, JAPAN. |
| (3) Representative: | Hiroki Ishikawa, President and CEO |
| (4) Established: | September 16, 2015 |
| (5) Business content: | Development, Manufacture and Sale of Regenerative Medical products |
| (6) Capital: | 80 million yen |
| (7) Number of employees: | 20 |

3. Forward looking outlook

While we expect that this transaction will have only a negligible impact on consolidated earnings of TOHO HOLDINGS, we believe that it will contribute to increase the Group’s corporate value over the medium to long term. The Company will disclose any impact promptly if it becomes necessary to do so in the future.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.