

Company name: Sugi Holdings Co., Ltd.

Representative: Eiichi Sakakibara, Representative Director & President

Stock code: 7649, 1st section, Tokyo Stock Exchange and Nagoya Stock Exchange

Contact: Makoto Kasai, General Manager, Business Planning Division

Phone: +81-562-45-2744

## **Notice regarding Business Alliance between Sugi Holdings Co., Ltd. and Great Tree Pharmacy Co., Ltd.**

Sugi Holdings Co., Ltd. (Location: 1-8-4 Mikawa-Anjo-cho, Anjo City, Aichi Prefecture, Japan; Representative Director & President: Eiichi Sakakibara; “the Company”) is pleased to announce that the Company has agreed to form a business alliance with Great Tree Pharmacy Co., Ltd. (Location: No. 143, Chengzhang 4th St., Zhongli District, Taoyuan City; Legal Representative: Amos Zheng; “Great Tree Pharmacy”), which runs healthcare-focused drugstores and pharmacies in Taiwan. Details about the alliance are as follows:

### Details

#### **■ Background and purpose of the business alliance**

The Sugi Holdings Group operates over 1,300 stores in the Kanto, Chubu, Kansai and Hokuriku areas, with the main format being drugstores with their own prescription department, where approximately 3,000 pharmacists and 500 nationally registered dietitians work. Taking advantage of these drugstores, it has developed a total healthcare strategy aimed at contributing to health promotion through its commitment to disease prevention and health management among local people throughout their lives. In recent years, in addition to prescription dispensing services, through which it handles approximately 10 million prescriptions for lifestyle-related and other diseases from various medical institutions annually, it has worked to enhance the field of preventive and pre-symptomatic care, making combined use of real and digital services. Specifically, the Group provides healthcare services for health insurance associations and self-care support services for general consumers. The former includes Specific Health Guidance, which facilitates the prevention and alleviation of metabolic syndrome, and the Lifestyle-related Disease Risk Report, an information service aimed at preventing lifestyle-related diseases, using the health examination data of 1.5 million people. The latter includes services provided via the “Sugisapo walk” and “Sugisapo eats” mobile apps, as well as the “Sugisapo deli” service.

Great Tree Pharmacy operates the Great Tree Pharmacy chain, which comprises over 160 drugstores in Taiwan. Under the management philosophy “Support the healthy daily lives of local customers throughout their lifetime to earn their trust,” it provides not only prescription and OTC drugs but also daily necessities, including health foods, baby goods, and cosmetics. Since its

founding in 1990, Great Tree Pharmacy has thus achieved its own strong position in the Taiwanese drugstore market.

Moreover, as declared in its next five-year medium-term plan, Great Tree Pharmacy aims to accelerate its efforts to open many more drugstores in Taiwan and expand into overseas markets. The medium-term plan also contains the establishment of a system for providing better support for the health of local customers by focusing as well on enhancing e-commerce, service digitization, and an online-to-offline (O2O) model.

This alliance is aimed at further evolving these initiatives of both companies. Through this alliance, the two companies will further promote their business expansion by taking advantage of the Sugi Holdings Group's long-developed total-healthcare business model, products and trademark, as well as sharing management know-how with each other. In addition, both companies are planning to exchange human resources with each other through close consultation to facilitate the promotion of the alliance.

Through the alliance with Great Tree Pharmacy, the Company will take on the challenge of creating new value that contributes to producing not only economic value but also social value in Asia.

## ■Details of the business alliance

1. Sharing business and management know-how (including display, sales and operational approaches, through human resource exchange and other means)
2. Providing healthcare-focused products (including supplements, health foods, hygiene products, and medical cosmetics)
3. Giving Great Tree Pharmacy a trademark license, including the use of the Sugi Pharmacy logo, in Taiwan

## ■Summary of companies involved

[Summary of Great Tree Pharmacy Co., Ltd.]

Company name: Great Tree Pharmacy Co., Ltd.

Establishment date: May 1990

Location: No. 143, Chengzhang 4th St., Zhongli District, Taoyuan City, Taiwan

Representative: Amos Zheng, Legal Representative

Website: <https://www.greattree.com.tw/>

Summary of business: Operation of drugstores with a prescription department

[Summary of Sugi Holdings Co., Ltd.]

Company name: Sugi Holdings Co., Ltd.

Establishment date: March 1982

Location: 1-8-4 Mikawa-Anjo-cho, Anjo City, Aichi Prefecture, Japan

Representative: Eiichi Sakakibara, Representative Director & President

Website: <https://www.sugi-hd.co.jp/>

Summary of business: Management and operation of all Sugi Pharmacy Group companies