



April 16, 2021

To whom it may concern:

Company Name:  **TAIYO HOLDINGS CO., LTD.**  
Representative: Eiji Sato, President and CEO  
(Code: 4626, Listed on First Section of  
Tokyo Stock Exchange)  
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## Notice regarding acquisition of a distribution center by our Consolidated Subsidiary

TAIYO HOLDINGS CO., LTD. (hereinafter, "Taiyo Holdings") hereby announces that its consolidated subsidiary TAIYO Pharma Tech Co., Ltd. (hereinafter, "Taiyo Pharmatech") has concluded an agreement with DAIICHI SANKYO COMPANY, LIMITED (hereinafter, "Daiichi Sankyo") and its subsidiary Daiichi Sankyo Propharma Co., Ltd. (hereinafter, "Daiichi Sankyo Propharma") to acquire their Osaka distribution center.

### 1. Purpose of acquiring the Osaka distribution center

In addition to our electronic materials business centered on solder resists, we are making various efforts to grow the medical and pharmaceutical businesses into our second pillar business. In August 2017, we established our subsidiary TAIYO Pharma Co., Ltd. that engages in pharmaceuticals manufacturing and sales and entered the medical and pharmaceuticals business. In October 2019, after acquiring the Takatsuki Plant from Daiichi Sankyo Propharma through a company split, we entered the contracted manufacturing business. The Taiyo Pharmatech's Takatsuki Plant began operations in 1933 and has been manufacturing solid and injectable pharmaceuticals under an advanced, GMP-compliant manufacturing and quality control structure.

Currently, Taiyo Pharmatech is not only providing a stable supply of pharmaceuticals to existing customers as before, but is also promoting the acquisition of contracts from new customers in Japan and overseas by effectively utilizing the Takatsuki Plant's advanced technology and production capacity. In anticipation of expanding contract manufacturing in the future, we have decided to acquire the Osaka distribution center from Daiichi Sankyo Propharma, which is located adjacent to our plant site, in order to further strengthen our logistics infrastructure and secure more manufacturing sites. By effectively utilizing the distribution center, we will meet the needs of a stable supply to domestic and overseas pharmaceutical companies.

### 2. Overview of the Osaka distribution center

(1) Location	4-38, Aketa-cho, Takatsuki-shi, Osaka
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(2) Site Area	13,281 m <sup>2</sup>
(3) Asset Overview ※1	Land, multi-level automated warehouse, flat warehouse and other assets

※1 Land will be acquired from Daiichi Sankyo, and other assets will be acquired from Daiichi Sankyo Propharma.

### 3. Overview of Daiichi Sankyo

(1) Name	DAIICHI SANKYO COMPANY, LIMITED	
(2) Location	3-5-1, Nihonbashi-honcho, Chuo-ku, Tokyo	
(3) Title and Representative name	Sunao Manabe, President and CEO	
(4) Business Overview	Research & development, manufacturing and sales of pharmaceuticals	
(5) Capital	50,000 million yen	
(6) Date founded	September 28, 2005	
(7) Equity attributable to owners of parent (FY 2020)	1,305,809 million yen	
(8) Total consolidated assets (FY 2020)	2,105,619 million yen	
(9) Major shareholders and equity ratios (As of March 31, 2020)	<p>The Master Trust Bank of Japan, Ltd. (trust account) 10.42%</p> <p>JP MORGAN CHASE BANK 385632 10.00%</p> <p>Japan Trustee Services Bank, Ltd. (trust account) 8.52%</p> <p>Nippon Life Insurance Company 5.52%</p> <p>SSBTC CLIENT OMNIBUS ACCOUNT 3.68%</p> <p>Retirement Benefit Trust Account re-entrusted by Mizuho Trust and Banking Co., Ltd. 2.22%</p> <p>Japan Trustee Services Bank, Ltd (trust account 7) 2.09%</p> <p>STATE STREET BANK AND TRUST COMPANY 505001 1.86%</p> <p>Japan Trustee Services Bank, Ltd (trust account 5) 1.80%</p> <p>The Shizuoka Bank, Ltd. 1.76%</p>	
(10) Relationship between the listed company and the company in question	Capital relationship	No items to report.
	Personnel relationship	No items to report.
	Business relationship	No items to report.
	Transactional relationship	No items to report.

#### 4. Overview of Daiichi Sankyo Propharma

(1) Name	Daiichi Sankyo Propharma Co., Ltd.	
(2) Location	Nihonbashi Honcho 3-5-1, Chuo-ku, Tokyo	
(3) Title and Representative name	Hirosumi Izawa, President and CEO	
(4) Business overview	Manufacturing of pharmaceuticals and investigational drugs	
(5) Capital	100 million yen	
(6) Date founded	October 3, 2006	
(7) Major shareholders and equity ratio	DAIICHI SANKYO COMPANY, LIMITED 100%	
(8) Relationship between the listed company and the company in question	Capital relationship	No items to report.
	Personnel relationship	No items to report.
	Business relationship	No items to report.
	Transactional relationship	No items to report.

#### 5. Overview of Taiyo Pharmatech

(1) Name	TAIYO Pharma Tech Co., Ltd.
(2) Location	4-38, Aketa-cho, Takatsuki-shi, Osaka
(3) Representative Title/Name	Eiji Sato, President and CEO
(4) Business description	Contracted manufacturing of pharmaceuticals
(5) Capital	300 million yen
(6) Established date	April 25, 2019
(7) Major shareholders and equity ratio	Taiyo holdings 100%

#### 6. Agreement

(1) Contract date	April 16, 2021
(2) Scheduled Transfer date	June 1, 2021 (planned)
(3) Contract Amount	This information is not disclosed per the agreement

#### 7. Future forecast

The impact of this acquisition on consolidated Business Results for the fiscal year ending March 2022 will be minor. However, we will provide prompt notice if any events that should be disclosed arise.