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FOR IMMEDIATE RELEASE

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**Notice regarding Cooperation between the Sugi Pharmacy Group and the Medpeer Group**

**~Toward the Creation of a New Eco System Using Health, Medical and Nursing Care Data  
based on the “IT and Community-based Healthcare” ~**

Sugi Holdings Co., Ltd. (“the Company” or “Sugi Holdings”) hereby announces that it has passed a resolution at its Board of Directors’ meeting held on March 5, 2018 to form a business and capital alliance and concluded a business and capital alliance agreement (“Alliance Agreement”) with Medpeer (6095.TSE), as described below. Furthermore, Sugi Pharmacy Co., Ltd. , its wholly owned subsidiary of Sugi Holdings, and Mediplat, a wholly owned subsidiary of Medpeer , form a business and capital alliance and concluded a business and capital alliance agreement (“Alliance Agreement”) , as described below.

Details

**1. Purpose of the business and capital alliance**

The Sugi Pharmacy Group operates more than 1,000 stores in Tokyo, Nagoya and Osaka, with the main format being drugstores with their own prescription department, and has more than 6.8 million members of its point card program as well as 4 million members of its app (Sugi pharmacy original & LINE). In the prescription field, the Group addresses demand of over 7.8 million prescriptions per year and offers home-visit prescription services at more than 400 stores. In addition, in the preventive and near illness phases, the Group utilizes more than 300 dieticians who belong to stores to offer preventive medicine services in food and exercise based on measurements of health data and their results. Furthermore, Sugi Medical Co., Ltd., a wholly owned subsidiary of the Company, operates home-visit nursing and home nursing care support businesses with the aim of establishing an optimal comprehensive community care system for patients of the community.

Through philosophy of “Supporting Doctors, Helping Patients.”, the Medpeer Group mainly carries out a doctor platform business based on “Medpeer” which is a doctor-only community-site at a scale of more than 1.0 billion member doctors, which accounts for one third of doctors nationwide. In addition, as a preventive medicine services (healthcare solutions business) based on the network of specialists of medicine and food, Mediplat offers telemedicine service business based on the online health consultation services (first call). Furthermore, Fits-Plus Inc., a wholly owned subsidiary of Medpeer, offers diet support business based on “Diet Plus” which is a diet coordinate services by dieticians.

Japanese governments push the change of the healthcare from the self-contained model inside hospitals to local communities based on the problems of ageing society as well as rising medical expenses.

As a result, Japanese governments promote a preventive medicine services to prevent patients to be severe disease. In addition, the creation of “a community care system” which requests cooperation between medical, care and prevention in each community is requested for the needs of patients that they want to live a familiar community and home at the end of one’s life and the correspondence of moderation in healthcare cost.

Amid these rapid changes in the industry environment, we have decided to enter into the Alliance Agreement using our resource to develop and provide original prevention and medical services which use “IT and Community-based healthcare” as the core value by the creation of the integrated platforms which are a fusion of the internet and real world in the field of medical, care and prevention. Additionally, we will start a new marketing support services for pharmaceutical companies by using health and medical data from patients and healthcare professionals of both companies, such as prescription data in stores and appraisal of medicine by doctors in “Medpeer” platforms.

## **2. Details of the business and capital alliance**

### **(1) Details of the business alliance**

The companies plan to carry out the following joint businesses by utilizing the resources of both companies.

#### 1. Self-care support platform business

The companies plan to provide self-care services for customer visiting to Sugi Pharmacy stores, such as medical and nutrition counseling using application and stores as well as the improvement of one’s diet.

#### 2. Marketing support business for pharmaceutical companies

The companies plan to provide marketing support business for pharmaceutical companies by using both companies resource.

#### 3. Support of commencement of practice of doctors platform business

The companies plan to provide an online platform for doctors who plan to go into practice by using Medpeer’s 1.0 billion member doctors and Sugi pharmacies’ sites.

#### 4. Home healthcare support platform business

The companies plan to provide communities for home health care workers, support for commencement of practice of home medical care doctors and job offering services for medical specialist, such pharmacists, by using Medpeer’s 1.0 billion member doctors and home-visit pharmacies and nursing of Sugi pharmacy.

#### 5. Other

Other medical related services are under consideration.

## **(2) Details of the capital alliance**

Based on the resolution of the shareholders' general meeting to be held on March 5, 2018, Medpeer will issue common stock by third party allotment to Sugi Holdings, as described below. In addition, Mediplat, a wholly owned subsidiary of Medpeer, will issue common stock by third party allotment to Sugi Pharmacy, a wholly owned subsidiary of Sugi Holdings, as described below.

### Details

#### (1) Third party allotment by Medpeer

Type and number of shares for subscription: 275,600 shares in common stock

Allotment method: All shares for subscription will be allotted to Sugi Holdings by third party allotment.

Subscription amount: 1,277 yen per share

Total payment: 351million of yen

Payment date: April 2, 2018

#### (2) Third party allotment by Mediplat

Type and number of shares for subscription: 1,441 shares in common stock

Allotment method: All shares for subscription will be allotted to Sugi Pharmacy by third party allotment.

Subscription amount: 242,887 yen per share

Total payment: 350 million of yen

Payment date: April 2, 2018