

May 13, 2024

To Whom It May Concern:

Company: SUGI Holdings Co., Ltd.
Representative: Katsunori Sugiura,
Representative Director & President
(Code number: 7649, TSE Prime / NSE Premier)
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**Notice Regarding a Business Partnership
between
SUGI Holdings Co., Ltd.
and
Asayake.co.,ltd of Mongolia**

SUGI Holdings Co., Ltd. (hereinafter, the “Company”) hereby announces that it has agreed to enter into a business partnership with Asayake.co.,ltd of Mongolia (hereinafter, “ASAYAKE”).

■ Background and purpose of the business partnership

Operating more than 1,700 stores in the Kanto, Chubu, Kansai and Hokuriku · Shinshu areas, the SUGI Pharmacy Group (hereinafter, the “Group”) boasts approximately 4,000 pharmacists and approximately 500 nationally certified dieticians and approximately 1,200 beauty experts. Taking advantage of its position as an operator of prescription-dispensing drugstores featuring such staff, the Group is proceeding with its Total Healthcare Strategy, which is designed to support local residents’ lifetime efforts in disease prevention and health management and to contribute to their good health. In recent years, the Group has been promoting business development not only in Japan but also in the Asian region by leveraging its management and operational know-how cultivated in Japan and its ability to supply products, especially those developed in-house by the Group. The Group has established business partnerships with leading local companies in Taiwan, Vietnam, Malaysia, Hong Kong, Thailand, and Indonesia, building strong trusting relationships and generating a high degree of synergies through many joint projects, such as the provision of management and operational know-how and the supply of products centered on those developed in-house by the Group. In the future, the Group will also work with like-minded leading local companies in other Asian countries, aiming to further expand its network so that it can contribute to the promotion of good health throughout the whole world.

Asayake is developing a mail order business in Mongolia through TV media and the Internet, a wholesale business to over 200 retail chains, and a digital marketing business utilizing influencers on TV media and SNS. Since its establishment, the company has been importing high-quality Japanese health and beauty products with the aim of supporting the health and beauty of the Mongolian people by spreading high-quality Japanese products at affordable prices. The company is with deep ties to Japan that has been involved in brand development and boasts a number of achievements that have led to sales.

Through this alliance, our group and Asayake will deliver to the Mongolian people many high-

quality Japanese products and services, centering on our group's self-developed products, and take on the challenge of further promoting health and beauty. Specifically, in November 2024, we aim to open a flagship store in Ulaanbaatar that will be easily accessible to Mongolian customers and will serve as a center for health and beauty services, offering a wide range of products from Japanese health foods and beauty products to daily necessities. In the future, we intend to expand the scale of transactions by expanding the aforementioned stores and supplying products through Asayake to other like-minded local companies in Mongolia.

Through this alliance with Asayake, our group will take on the challenge of creating not only economic value, but also new value that will contribute to the creation of social value in Mongolia.

■ Outline of the companies concerned

[Outline of Asayake.co.,ltd]

Company name: Asayake.co.,ltd
Established: 2013
Location: Mongolia Ulaanbaatar Bayangol duureg 6-r khoroo 47-2-9
Representative: President Batbuyan Badam
U R L : <https://asayake.mn/>
Business description: Planning and sales of Japanese health and beauty products
Wholesale business in Mongolia
TV shopping and other mail order business
Influencer and SNS marketing support

[Outline of SUGI Holdings Co., Ltd.]

Company name: SUGI Holdings Co., Ltd.
Established: 1982
Location: 62-1 Shin'e, Yokone-machi, Obu-shi, Aichi
(Registered head office location: 1-8-4 Mikawa Anjo-cho, Anjo-shi, Aichi)
Representative: Katsunori Sugiura, Representative Director & President
U R L : <https://www.sugi-hd.co.jp/>
Business description: Business management and operation of the entire SUGI Pharmacy Group