

May 29, 2026

To Whom It May Concern:

Company: SUGI Holdings Co., Ltd.
Representative: Katsunori Sugiura,
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**Notice Regarding the Establishment of the Joint Venture
"AJS Pharma, Inc." in the Philippines and the Grand Opening of
its First Concept Store**

SUGI Holdings Co., Ltd. (Representative Director and President: Katsunori Sugiura; hereinafter the "Company") hereby announces that it invested in a joint venture, "AJS Pharma, Inc.," established in the Philippines, in January 2026, and held the grand opening of its first concept store in the National Capital Region (NCR) of the Philippines on May 29, 2026. The details are as follows

■ Background and Purpose of Establishing the Joint Venture

The Company group boasts a network of approximately 2,300 stores in Japan, and its strength lies in drugstores with in-store dispensaries staffed by numerous specialized professionals, such as pharmacists, beauty advisors, and registered dietitians. The Company promotes a "Total Healthcare Strategy" that engages in the lifelong prevention of illness and health management of local residents, aiming to contribute to local communities. In recent years, utilizing its management know-how cultivated in Japan and its product supply capabilities centered on the Company group's private brand products, the Company has been accelerating its business expansion in the Asian region. While building strong relationships of trust and creating high synergies in partnered countries to expand its network, the Company is currently placing particular focus on further deepening the businesses it has built with partner companies in each country.

On the other hand, the major Philippine conglomerate Ayala Corporation (hereinafter the "Ayala") is one of the largest and most enduring conglomerates in the Philippines. "Ayala Healthcare Holdings, Inc. (hereinafter "AC Health") is positioned as the group's holding company for its healthcare investments. AC Health operates across two core pillars—provider and pharma—creating a seamless healthcare ecosystem that addresses the full continuum of care. Its portfolio includes Healthway Medical Network, a network of 18 multi-specialty clinics and ambulatory centres, and 7 full-service hospitals; Generika Drugstore, the pioneer in generic retail pharmacies and St. Joseph Drug, a leading retail pharmacy in North Luzon, combining for more than 900 retail drugstores across the country; and IE Medica and MedEthix, a major pharmaceutical importer and distributor;

The Company established the joint venture with AC Health's subsidiaries, "AC HEALTH PHARMA VENTURES, INC. (hereinafter "APV")" and "JOLECO RESOURCES, INC. (hereinafter "JRI")".

APV is a wholly-owned subsidiary of AC Health. APV has a robust integrated pharma network that spans across the pharmaceutical value chain, including pharmaceutical importer-distributors and retail pharmacies in the Philippines. In this joint venture business, APV utilizes this strong business foundation to play a role in powerfully driving the vertical start-up of the business, such as by supporting the importation and acquisition of Certificates of Product Registration (CPR) for the Company's products, providing access to suppliers, and providing insights on marketing and store expansion in the local market.

Furthermore, JRI is an affiliate of APV and the operator of "St. Joseph Drug," a retail pharmacy chain centered in North Luzon, Philippines. Through diversified channels ranging from physical stores to mobile pharmacies and an online store, it widely develops pharmaceutical wholesale and retail businesses, building a system that supports local healthcare demands.

Driven by a shared ambition to deliver high-quality and affordable Japanese healthcare products to more households in the Philippine market, the Company established this joint venture and invested in it in January 2026 to fuse the strengths of each company. Through the following store expansion and strategies, the joint venture aims to provide new value.

New Store Concept and Expansion

The newly established joint venture, "AJS Pharma, Inc.," held the grand opening of its first concept store known as "St. Joseph Drug Powered by SUGI" in Makati City on May 29, 2026. This store is conceptualized as a "Japanese-inspired wellness pharmacy," which fuses the drug provision know-how that forms the core of St. Joseph Drug, with the health and wellness-related Japanese products that the Company group excels in providing. Furthermore, in order to materialize this unique concept in the Philippine market and realize its speedy expansion, the store will be operated by maximizing APV's robust integrated pharmaceutical network and deep insights regarding marketing.

Initially, the joint venture will use the pilot store rollout in the National Capital Region (NCR) as a foothold to serve as the proof of concept for the commercial viability and scalability of the business, aiming for a full-scale rollout beyond the NCR in the future.

■ Overview of the Joint Venture Company

【Overview of AJS Pharma, Inc.】

Company Name: AJS Pharma, Inc.

Location: 3rd Floor Makati Stock Exchange Building, 6767 Ayala Avenue, Makati City, Philippines Shareholding

Ratio: The Company 40%, APV 40%, JRI 20%

Business Activities: Establishment and operation of concept stores; sales of pharmaceuticals, health foods, cosmetics, etc.

■ Overview of the Parties

【Overview of AC HEALTH PHARMA VENTURES, INC.】

Company Name : AC HEALTH PHARMA VENTURES, INC.

Established: 2015

Location: 3rd Floor Makati Stock Exchange Building, 6767 Ayala Avenue, Makati City, Philippines

Representative: Josette Adrienne A. Abarca, President and CEO

URL: <https://www.achealth.com.ph/>

Business Activities: Operation of an integrated pharma network with a portfolio spanning the entire pharmaceutical value chain, including pharmaceutical importation, wholesale, and retail

【Overview of JOLECO RESOURCES, INC.】

Company Name: JOLECO RESOURCES, INC.

Established: 1987

Location: St. Joseph Drug Corporate Center, 287 Tapuac District, Dagupan City, Pangasinan, Philippines

Representative: Ma. Socorro Dorotea L. Cruz, President and CEO

URL: <https://stjosephdrug.com/>

Business Activities: Operation of a retail pharmacy chain (St. Joseph Drug) in Northern and Central Luzon, Philippines, and retail and wholesale of pharmaceuticals, quasi-drugs, cosmetics, etc.

【Overview of SUGI Holdings Co., Ltd.】

Company Name: SUGI Holdings Co., Ltd.

Established: 1982

Location: 62-1 Shin'e, Yokone-machi, Obu City, Aichi (Registered Head Office: 1-8-4 Mikawa Anjo-cho, Anjo City, Aichi)

Representative: Katsunori Sugiura, Representative Director and President

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

Business Activities: Business management and operation of all SUGI Pharmacy Group companies