

October 26, 2023

To the press and whom it may concern,

CMIC HOLDINGS Co., Ltd.

Notice Concerning the Acquisition of Hamamatsu Pharma Research, Inc. as a Subsidiary

At a meeting of the Board of Directors held on October 26, 2023, our Company has resolved to acquire all shares of Hamamatsu Pharma Research, Inc. and make it a subsidiary. We hereby announce the details as follows.

Since this matter does not fall under the timely disclosure standards of the Tokyo Stock Exchange, some disclosure items and details have been omitted.

Notes

1. Reason for acquisition of shares

CMIC Group aims at transitioning to PHVC (Personal Health Value Creator) business model that “maximizes the individual health value”, while using our unique PVC (Pharmaceutical Value Creator) model that fully supports the value chain of pharmaceutical companies as the foundation for sustainable growth.

In the CRO (Contract Research Organization) business, we provide a broad range of support from efficacy and safety evaluation and analysis to clinical trials, regulatory filings, and post-marketing activities in cutting-edge areas where modalities are diversifying, such as next-generation antibody drugs, nucleic acid drugs, gene therapeutic drugs, regenerative medicine, and biomarkers. In the drug discovery support business, among others, CMIC Pharma Science Co., Ltd. conducts studies in compliance with Good Laboratory Practice (GLP) for pharmaceuticals, GLP for medical devices, and GLP for regenerative medicine and other products, evaluates safety and efficacy, and provides development consulting and medical writing services from new drug development plans to applications.

Hamamatsu Pharma Research conducts non-clinical pharmacology studies to evaluate the efficacy of drug candidate substances, and supports the early stages of drug discovery using their original monkey pathology models. In pharmacological testing of biopharmaceuticals (antibody drugs), monkeys with antibodies similar to those of humans are used because of their high specificity to the target. As demand increases, securing technical personnel has become an issue. At Hamamatsu Pharma Research, their skilled technicians conduct pharmacological studies and diagnostic imaging such as MRI in various disease areas such as the central nervous system, pain, and the cardiovascular system to develop original pathological models.

Through the collaboration between CMIC Pharma Science and Hamamatsu Pharma Research, the CMIC Group will grow its non-clinical contract research business, which serves as a foundation for drug discovery, by strengthening and expanding drug discovery support services to evaluate the efficacy (pharmacology) and safety of drugs and medical devices using monkeys, for which needs are increasing in Japan and overseas, and to strengthen the CMIC Group's drug discovery platform.

2. Overview of the subsidiary to be transferred

(1)	Name	Hamamatsu Pharma Research, Inc.	
(2)	Address	1-3-7 Shinmiyakoda, Kita-ku, Hamamatsu City, Shizuoka Prefecture	
(3)	Job Title/Name of Representative	Representative Director and President Takahiro Natsume	
(4)	Description of Businesses	Non-clinical pharmacology study	
(5)	Paid-in Capital	30 million yen	
(6)	Date of Incorporation	November 1, 2005	
(7)	Major shareholders and Shareholding Ratio	Hiroyuki Takamatsu (100%)	
(8)	Relationship between the listed company and the relevant company	Capital relationship	Not applicable.
		Personnel relationship	Not applicable.
		Business relationship	Not applicable.
		Applicable status to the relevant party	Not applicable.

3. Outline of the Transaction Party

(1)	Name	Hiroyuki Takamatsu
(2)	Relationship between the listed company and the relevant person	No applicable items to be noted in capital, personnel, business and related party relationship.

4. Schedule

(1)	Date of resolution by the Board of Directors	October 26, 2023
(2)	Date of Contract	October 26, 2023
(3)	Date of execution of stock transfer	October 31, 2023 (Planned)

5. Future Outlook

The impact on our business performance for the fiscal year ending September 30, 2024 is expected to be minimal. However, as explained in “1. Reason for acquisition of shares”, we believe that synergies will be realized in the future and will contribute to our group's business performance.