



February 6, 2025

NEWS RELEASE

Name of Listed Company: TSUMURA & CO.
 Listing: TSE Prime Market
 Securities code: 4540
 URL: <https://www.tsumura.co.jp>
 Representative: Terukazu Kato, President, Representative Director and CEO
 Inquiries: Makoto Kitamura, Head of Corporate Communications Dept.
 Telephone: +81-3-6361-7100

Tsumura Announces Conclusion of Letter of Intent between Ping An Tsumura Inc. and Shanghai Hongqiao Pharmaceutical Co., Ltd.

Tsumura & Co. (Headquarters: Tokyo, Japan; President Representative Director and CEO: Terukazu Kato; hereinafter, “Tsumura”) hereby announces that at a meeting held on February 6, 2025, extraordinary meeting of the Board of Directors passed a resolution that Ping An Tsumura Inc. (hereinafter, “Ping An Tsumura”), a group company in China, will conclude a letter of intent regarding a technical and business alliance with Shanghai Hongqiao Chinese Herbal Medicine Co., Ltd. (hereinafter, “Hongqiao Chinese Herbal Medicine”), a subsidiary of Shanghai Hongqiao Pharmaceutical Co., Ltd., (“hereinafter, “Hongqiao Pharmaceutical”).

Ping An Tsumura and Hongqiao Pharmaceutical have recently decided to conclude a letter of intent as a result of negotiations with respect to a technical and business strategic alliance with the aim of promoting the Chinese herbal medicine in China.

This letter of intent indicates the common understanding between Ping An Tsumura and Hongqiao Pharmaceutical in order for both parties to proceed with further negotiations regarding more specific details of the technical and business alliance, as well as discussions on the transfer of equity.

Tsumura will disclose information once again when the parties decide to conclude an agreement.

1. Letter of intent signatories

- Ping An Tsumura
- Hongqiao Pharmaceutical

2. Outline of the Signatories to the Letter of Intent

【Ping An Tsumura】

(1) Name of company	Ping An Tsumura Inc.
(2) Location	Shanghai, China
(3) Representative	Tung Hoi, Chairman
(4) Business description	Business related to strengthening the crude drug procurement structure, business related to analysis and research focusing on traditional Chinese medicines, and business related to traditional Chinese medicines, health food and healthcare-related daily necessities and other operations and markets, etc.
(5) Capital	2,000 million RMB (approximately 42.3 billion yen) 1RMB = 21.16 yen
(6) Date of foundation	June 8, 2018
(7) Major shareholder and stockholding	- Tsumura China Inc.: 56% - China Ping An Life Insurance Co., Ltd.: 44%

【Hongqiao Pharmaceutical】

(1) Name of company	Shanghai Hongqiao Pharmaceutical Co., Ltd.
(2) Location	Shanghai, China
(3) Representative	Tang Dehui, Chairman
(4) Business description	Wholesale sales of pharmaceuticals, sales of medical equipment, sales of food, various types of goods and cosmetics, commercial business consulting, warehouse management, etc.
(5) Capital	122.07 million RMB (approximately 2.58 billion yen) 1RMB = 21.16 yen
(6) Date of foundation	March 30, 1982
(7) Major shareholder and stockholding	<ul style="list-style-type: none"> • Tang Dehui: 31.1% • 11 other individual shareholders: 25.2% • 10 limited partnerships (Employee stock ownership plan): 43.7%

3. Impact on business performance

The impact of this matter on the Group's consolidated business performance for the fiscal year ending March 31, 2025 will be negligible. Specific impacts will be disclosed in due course as soon as they become clear.