December 11, 2023



Dear our partners

Sunsho Pharmaceutical Co., Ltd. Kamata Co., Ltd.

Capsule CDMO Sunsho Pharmaceutical has acquired Kamata Co., Ltd., a contract manufacturer of health foods, making it a wholly owned subsidiary.

Sunsho Pharmaceutical Co., Ltd (Sunsho Pharmaceutical), headquartered in Fuji City, Shizuoka prefecture and led by CEO : Row Imamura, has a mission of being the best partner for all stakeholders involved. Sunsho Pharmaceutical is a leading company in the contract development and manufacturing of capsules. Sunsho Pharmaceutical contributes to global healthcare through its planning and development of health foods, pharmaceuticals, general foods, and miscellaneous goods.

Sunsho Pharmaceutical announced on December 11th its acquisition of Kamata Co., Ltd. (Kamata), a contract manufacturer of health foods specializing in soft capsules, headquartered in Shinagawa-ku, Tokyo, and led by Izumi Kamata. All shares of Kamata were acquired through a stock transfer agreement, making it a wholly owned subsidiary of Sunsho Pharmaceutical.





1. Background of the acquisition

Kamata, a wholly owned subsidiary of Sunsho Pharmaceutical, is a contract manufacturer of health foods, specializing in soft capsules. This stock transfer agreement is expected to create synergies by combining Kamata's advanced manufacturing technologies with Sunsho Pharmaceutical's strengths in technology, production, planning, and development. We are confident that this collaboration will enable us to provide even more value to our customers.

By acquiring Kamata, Sunsho Pharmaceutical will gain additional manufacturing capacity for seamless capsules and improve overall production efficiency, particularly for flavor capsules. These innovative capsules, which utilize proprietary seamless capsule technology to release flavor, have played a crucial role in the development of new applications and have achieved significant growth over the past five years. The high-level technical expertise required in this field creates a significant barrier to entry, and with the increasing demand from overseas markets, the market is poised for further expansion. Together, Sunsho Pharmaceutical and Kamata will build a robust structure for growth and expansion, developing new applications beyond the health food and pharmaceutical sectors.

This acquisition also allows Sunsho Pharmaceutical to respond to the needs of customers seeking to diversify their production from a Business Continuity Plan (BCP) perspective. Having a production location outside the Shizuoka area provides a valuable backup plan, enabling customers to continue operations safely in the face of potential disruptions, such as natural disasters or pandemics.

With this enhanced structure, Sunsho Pharmaceutical remains committed to delivering value-added solutions to our customers through our products, services, and innovative approach.

| Company name | Kamata Co., Ltd. | |
|-----------------------|---|--|
| Location | 2-6-1 Higashioi, Shinagawa-ku, Tokyo | |
| Representative | Izumi Kamata, CEO | |
| Business contents | Contract manufacturing of health foods, etc. | |
| Capital | 40 million yen | |
| Date of establishment | March 1970 | |
| Website | https://kamata-jp.com/ | |
| | Location Representative Business contents Capital Date of establishment | |

2. Overview of Kamata Co., Ltd.

3. Overview of Sunsho Pharmaceutical Co., Ltd.

| (1) | Company name | Sunsho Pharmaceutical Co., Ltd. |
|-----|-----------------------|--|
| (2) | Location | 1468 Atsuhara, Fuji City, Shizuoka Prefecture |
| (3) | Representative | Row Imamura, CEO |
| (4) | Business contents | Contract development and manufacturing of health foods, etc. |
| (5) | Capital | 123,389,000 yen |
| (6) | Date of establishment | November 1993 |
| (7) | Website | https://www.sunsho.co.jp/ |

4. Schedule

| (1) | Board of directors meeting date | December 11, 2023 |
|-----|---------------------------------|---------------------------|
| (2) | Contract date | December 11, 2023 |
| (3) | Stock transfer date | January 5, 2024 (planned) |

5. Message from the CEO

Due to the recent surge in demand, flavor capsule delivery lead times have increased. However, with the acquisition of Kamata, we are thrilled to be able to deliver high-quality products to our customers faster than before. Increased production of both flavor and soft capsules is anticipated to improve production efficiency and through collaborative technical expertise, we expect further quality improvements, leading to even greater customer satisfaction. We are confident that we now have the system in place to achieve these goals.

Row Imamura, CEO Sunsho Pharmaceutical Co., Ltd.

> Contact : Akihiro Miyashita E-mail: akihiro.miyashita@sunsho.co.jp International Sales Sunsho Pharmaceutical Co., Ltd.