

To Whom it may concern

May 16, 2019

Ohara Pharmaceutical Co., Ltd.

**Announcement of a Strategic Capital and Business Alliance
Agreement with Fidson Healthcare Plc.**

— Strategic partnership with the largest local pharmaceutical company
in Nigeria—

We are pleased to announce that Ohara Pharmaceutical Co., Ltd. (Head office: Koka City, Shiga, President and CEO: Seiji Ohara, hereinafter referred to as the “Company”) and Fidson Healthcare Plc. (Head office: Federal Republic of Nigeria, CEO: Dr. Fidelis Ayebae, hereinafter referred to as “Fidson”) executed a strategic capital and business alliance agreement effective as of April 4, 2019.

1. Strategic capital and business alliance

The Company is expected to acquire a total of 450 million common shares of Fidson through a participation in an equity financing recently implemented by Fidson (approx. 20% shareholding), which will make Fidson an equity method affiliate of the Company.

As strategic partners, the Company and Fidson, a major pharmaceutical manufacturer in Nigeria, have concluded a capital and business alliance agreement that aims to provide the respective markets to which each company serves with the latest healthcare products and services. More specifically, the Company will aim to provide new pharmaceuticals and medical devices which primarily target childhood cancers that the Company has been developing, as well as generic pharmaceuticals, medical devices, etc. from other Asian pharmaceutical manufacturers with which the Company is currently establishing alliances. These products will be supplied by the Company through a

distribution network to be established through partners, such as trading companies, who have the capability to support this alliance.

2. Background

As of 2017, the world population stands at 7.55 billion, of which Africa makes up 1.26 billion. It is predicted that the population of Africa will rapidly increase and double by 2050, reaching 2.53 billion among a world population of 9.77 billion. This means that approximately one in four of the world population will live in Africa in 2050. Of these African nations, Nigeria is the most populous nation with approximately 190 million people. It is predicted Nigeria's population will grow to 400 million in 2050, overtaking the U.S. as the world's third most populous country. (*1)

Provided this background, the role of domestic pharmaceutical manufacturers in Africa will become critical to support its citizen's health and well-being. We believe that sharing the technology, know-how and the various network that the Company possesses, together with its future partnerships with other Asian and African manufacturers, will enable this partnership to deliver strong growth for both companies in the future.

[Ohara Pharmaceutical Co., Ltd.]

Ohara Pharmaceutical Co., Ltd. is a pharmaceutical company focusing on the businesses of orphan drugs and generic drugs. Its mid-term 3-year business plan started in FY2018 under the catchphrase "Challenge 2020," with the key objective of "addressing unmet medical needs," to advance management innovations and make the next leap forward. The company focuses on the development and marketing of orphan drugs mainly in the field of pediatric oncology and on the development, manufacture and marketing of generic drugs that give extra consideration to the prevention of medical accidents. Ohara plans to further expand these businesses into emerging countries, primarily in the Asian and African regions.

[Fidson Healthcare Plc.]

Fidson Healthcare Plc. is a major pharmaceutical company based in Nigeria, and was established in 1995. Fidson went public in 2008.

Fidson handles over 100 types of medicine, and conducts the development, production and sales of OTC drugs and prescription drugs, with strong distribution infrastructures spread widely throughout Nigeria. Moreover, having cGMP-compliant manufacturing facilities, Fidson is one of a few Nigerian pharmaceutical companies that are candidates for a WHO-GMP certification.

Reference data:

*1: UN DESA (United Nations Department of Economic and Social Affairs)

“The World Population Prospects: The 2017 Revision”

Contact information

Ohara Pharmaceutical Co., Ltd.

Representatives: Iyo, Sawai

TEL: 03-6740-7701 FAX: 03-6740-7702