

December 9, 2016
SBI Holdings, Inc.

**Notice on the Joint Establishment with Neopharma, U.A.E. of
an Enterprise to Distribute 5-ALA-Related Products**

SBI ALA Hong Kong Co., Limited (hereinafter “SBI ALA Hong Kong”), a subsidiary of SBI Holdings, Inc. (Head office: Minato-ku, Tokyo; Representative Director, President and CEO: Yoshitaka Kitao) and an intermediate holding company for the ALA-related business in R&D, manufacture and sales of pharmaceuticals, health foods and cosmetics using 5-aminolevulinic acid (“5-ALA”)*¹ in the biotechnology-related business, one of the major business fields of SBI Group, hereby announces that SBI ALA Hong Kong has reached an agreement with Neopharma LLC. (Head office: Abu Dhabi, U.A.E.; Executive Vice Chairman & Managing Director: B. R. Shetty, Ph.D.; “Neopharma” *²) on the establishment of a joint venture to strengthen the overseas sales activities on the 5-ALA related products.

To date, the research and development of the pharmaceuticals, health food and cosmetics using 5-ALA in and outside Japan have been conducted by SBI Pharmaceuticals Co., Ltd., (Head office: Minato-ku, Tokyo; Representative Director & President: Yoshitaka Kitao), and the domestic marketing and distribution of the health foods and cosmetics containing 5-ALA have been conducted by several sales agents starting with SBI ALApromo Co., Ltd. (Head office: Minato-ku, Tokyo; Representative Director: Yasushi Takezaki).

This time, aiming at the worldwide distribution of the pharmaceuticals*³ using 5-ALA to be developed by Neopharma and the expansion in the overseas sales of all the 5-ALA related products including the health foods, cosmetics, feeds and fertilizers containing 5-ALA, a joint venture by mutual investment will be established.

Profile of the joint venture

Corporate Name:	SBI Neopharma FZ LLC
Business Line:	Worldwide distribution of the pharmaceuticals using 5-ALA and overseas sales of all the 5-ALA related products including the health foods, cosmetics, feeds and fertilizers containing 5-ALA
Head Office:	United Arab Emirates
Incorporation:	December 2016
Equity Ratio:	Neopharma 51%, SBI ALA Hong Kong 49%



Board of Directors: 7 Directors (4 appointed by Neopharma, 3 by SBI Group)
1 CEO, to be appointed by Neopharma among the above Directors

(*1) 5-aminolevulinic acid (5-ALA)

An amino acid created in mitochondria. It is an important substance that serves as a functional molecule related to energy production in the form of heme and cytochromes, and its productivity is known to decrease with age. 5-ALA is contained in food such as shochu lees, red wine and Asian ginseng. It is also known as a material forming chloroplasts in plants.

(*2): Neopharma

A corporation established in U.A.E. in 2003 to manufacture and market pharmaceuticals: such as, Neopharma brand generics of anti-infectives, analgesics, antipyretics and anti-inflammatory drugs, drugs for diabetes, cardiovascular drugs, respiratory medicines, gastrointestinal drugs and vitamins. The corporate group holds such a promising enterprise as NMC Health PLC (Listed in London Stock Exchange), currently running in U.A.E. the largest private hospital, where over 4 million patients visit per year.

(*3): pharmaceuticals

As announced on October 26, 2016, SBI Pharmaceuticals concluded with Neopharma the exclusive license agreement, under which Neopharma will conduct clinical trials (Phase II/III) with National Institute of Malaria Research in India on malaria infection and other foreign medical institutions on diabetes.

For further information, please contact:

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