

December 1, 2020

Company name: Freund Corporation
Representative: Iwao Fusejima, President & CEO
Listing: Tokyo Stock Exchange (JASDAQ)
Stock code: 6312
Contact: Masao Wakai,
Director, Board Member
Corporate Planning Division
Tel: +81-3-6890-0750

Notice of Establishment of Joint Venture

Freund Corporation signed an agreement with Shanghai Chineway Pharmaceutical Technology Co., Ltd. to establish a joint venture in China. Details are as follows.

1. Reason for the establishment of a joint venture

Recently, we have been seeing the significant growth in the pharmaceutical market in China. Based on this observation, we have decided to establish a formulation development laboratory in Shanghai on a joint venture basis with Shanghai Chineway Pharmaceutical Technology Co., Ltd.

By establishing a formulation research facility that handles both our pharmaceutical manufacturing equipment and excipient in China, we are able to strengthen product development support for Chinese pharmaceutical companies, and by collectively testing both of our equipment and excipient products, product recognition can be further increased.

We also anticipate that we will provide technical support services to Chinese pharmaceutical companies using our formulation process technology through this laboratory.

2. Profile of the joint venture

(1) Name	Freund-Chineway Pharmaceutical Technology Center Co., Ltd.
(2) Location	Shanghai, China
(3) Business	Technical support services to Chinese pharmaceutical companies
(4) Representative	Iwao Fusejima (Chairman), Sherry Fang (Managing Director)
(5) Capital stock	RMB 50 million
(6) Shareholdings	Shanghai Chineway Pharmaceutical Technology Co., Ltd. 51% Freund 49%
(7) Establishment	December 2020

3. Profile of the joint venture partner

(1) Name	Shanghai Chineway Pharmaceutical Technology Co., Ltd.
(2) Location	Shanghai, China
(3) Representative	Sherry Fang, President
(4) Business	Sales agency business of pharmaceutical manufacturing equipment and excipient

4. Outlook

The effect of the establishment of a joint venture on the results of operations in the current consolidated financial year ending February 28, 2021 is estimated to be insignificant.

End