Translation

Notice: This document is a translation of the original Japanese document and is for reference purposes only. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Alfresa Holdings Corporation
May 15, 2025

Notice Regarding Formulation of 25–27 Mid-term Management Plan Vision 2032 Stage 2 Pioneering the Future with Our Collective Strength

Alfresa Holdings Corporation has formulated a new three-year medium-term management plan, 25–27 Mid-term Management Plan Vision 2032 Stage 2 Pioneering the Future with Our Collective Strength (hereinafter referred to as the "25–27 Mid-term Management Plan"), which began on April 1, 2025. The details are as follows.

For more information on the 25–27 Mid-term Management Plan, please refer to the attached materials.

Outline of the 25–27 Mid-term Management Plan

In accordance with the Alfresa Group's Medium- to Long-Term Vision*1 (hereinafter referred to as the "Medium- to Long-Term Vision"), which was formulated in 2023 and comprises the Group's medium- to long-term business strategy and financial and capital strategies up to the fiscal year ending March 31, 2033, and in accordance with the Group Management Policy, the Group aims to create social value by extending healthy life expectancies, contributing to community healthcare, and fostering healthcare innovation through the implementation of business strategies that strengthen core businesses, cultivate growth businesses, and develop new businesses and through the strengthening and expansion of total supply chain services*2 (hereinafter referred to as the "TSCSs"). Based on the newly formulated 25–27 Mid-term Management Plan, which is the second stage of initiatives aimed at achieving the goals of the Medium- to Long-Term Vision, the Group will evolve existing initiatives and steadily increase profits by executing targeted investments and optimizing costs.

*1 Reference: "Notice regarding the Formulation of the Alfresa Group's Medium- to Long-Term Vision," announced on May 15, 2023
https://www.alfresa.com/eng/ir/pdf/mediumtolong_termvision.pdf

*2 TSCSs refer to the organic, integrated utilization of the various functions possessed by the Alfresa Group to enable the establishment of a seamless supply chain and the Group's unified provision of services in areas extending from the introduction, development, and

manufacture of pharmaceuticals and other products through to their distribution, sales, and post-marketing surveillance.

1. Group Management Policies

(1) Exercise the Group's Collective Strength for the Evolution and Expansion of Total Supply Chain Services

The Group aims to acquire limited distribution products, expand the contract development and manufacturing organization*3 (CDMO) Business, and operate a stable supply chain by using the Group's collective strength and establishing a total supply chain service model that can handle everything from manufacturing to distribution.

*3 This refers to the provision of contract services in areas ranging from the development of drug manufacturing processes through to investigational drugs and commercial manufacturing.

(2) Strategic Investment in Growth Businesses and New Businesses

In addition to investment in growth businesses and new businesses in each business segment, the Group will conduct strategic investments in TSCSs, the regenerative medicine-related business, treatment-adjacent business, and overseas businesses.

(3) Further Strengthening of the Competitiveness of Core Businesses

To enhance its corporate value, the Group will heighten the profitability of core businesses.

(4) Rigorous Cost Control

In an environment of rising logistics, labor and other costs, and annual National Health Insurance (NHI) drug price revisions, the Group will rigorously control costs.

(5) Implementation of Sustainability Management

By putting its Group Management Policy, "we create and deliver a fresh life for all" into practice, the Group aims to address social and environmental issues in the medical and healthcare fields, contribute to the realization of a sustainable society, and continuously enhance corporate value.

2. 25–27 Mid-term Management Plan: Group Management Metrics (Consolidated)

Net sales (fiscal 2027)	¥3.33 trillion
Operating income (fiscal 2027)	¥43.5 billion
ROE*4 (three-year average):	7.0% level
Investment performance (three-year cumulative total)	¥120 billion scale
Shareholder returns*5	DOE*6 of 2.5% or higher and progressive dividend

*4 Return on equity
*5 Timely and flexible share buybacks
*6 Dividend on equity

3. Business Strategies (Measures by Segment)

(1) Ethical Pharmaceuticals Wholesaling Business

With a view to realizing TSCSs and increasing its business opportunities, the Group will maximize marketing specialist*7 (MS) capabilities, build a nationwide network, establish a profit base by promoting solutions businesses, build the logistics system that stakeholders need, and bolster the Group's unified strategy for human capital.

*7 A sales representative with expertise in the pharmaceutical wholesale business

(2) Self-Medication Products Wholesaling Business

With "Health"×Connectivity×Happiness as a theme, the Group will reflect the reorganization of the drugstore industry, deploy sales strategies that are resilient to changes in the external environment, and facilitate independent deployment of new solutions.

(3) Manufacturing Business

The Group aims to establish stable management foundations by enhancing the profitability and efficiency of core businesses, expanding contract manufacturing and product pipeline, developing new businesses in the active pharmaceutical ingredient*8 (API) manufacturing area, and rebuilding its business portfolio.

*8 With respect to pharmaceuticals, this refers to the active ingredients that actually have therapeutic effects.

(4) Dispensing Pharmacy and Related Businesses*9

The Group aims to remain the "family pharmacy" that local communities need by strengthening patient services and acquiring prescriptions, stepping up efforts to acquire prescriptions from medical institutions other than those near pharmacies, expanding and enhancing new pharmacy functions, and moving forward with initiatives to enter the nursing care business.

*9 The name of the "Medical-Related Business" segment has been changed to "Dispensing Pharmacy and Related Businesses" as of the fiscal year ending March 31, 2026.

(5) Other Businesses*10

Positioning the regenerative medicine business in Other Businesses, the Group will focus on the development of Cell Resources Corporation's core businesses, which are the master cell manufacture and storage business, the contract manufacturing organization*11 (CMO) business, and the CDMO business. With the aim of establishing TSCSs in

regenerative medicine, the Group will establish services independently and strengthen relationships with alliance partners to develop capabilities and expedite the receipt of orders and sales growth.

*10 Newly established in the fiscal year ending March 31, 2026
*11 Contracts and conducts pharmaceutical manufacturing on behalf of pharmaceutical companies.

4. Financial and Capital Strategies

(1) 25–27 Mid-term Management Plan Policy

The Group will lay the foundations for accomplishing its Medium- to Long-Term Vision by remaining mindful of capital efficiency improvement and financial soundness while actively implementing growth investment aimed at the sustained enhancement of corporate value and by providing stable shareholder returns.

(2) 25–27 Key Financial Indicators

Operating profit	Fiscal 2027: ¥43.5 billion; Cumulative three-year total approximately ¥119.0 billion
ROE	Three-year average 7.0% level
Investment	Three-year total value ¥120 billion scale
Consolidated net asset ratio of cross-shareholdings	Below 10.0%*12
DOE	2.5% or higher and progressive dividend

*12 Based on securities filings

5. Sustainability (ESG) Strategy

(1) Key Sustainability Issues

The 25–27 Mid-term Management Plan establishes two categories: "The impact of the Company on society" and "The impact of social issues on the Company." Under the categories, the plan newly identifies eight important sustainability issues, namely, global environmental conservation, stable supply of pharmaceuticals, services, etc., contributing to community healthcare, contributing to healthcare industry development, active participation of human resources, compliance, risk management, and corporate governance. Accordingly, the Group will advance initiatives that address said sustainability issues.

(2) ESG Initiatives

1) E: Global Environmental Conservation

The Group will contribute to society through environmentally friendly business activities that promote the reduction of greenhouse gas, the preservation of natural ecosystems, and the reduction of waste.

2) S: Active Participation of Human Resources

Viewing human resources as the driver of growth, the Alfresa Group will advance human capital management. The Group will also focus on human resources development, promoting diversity, equity, and inclusion (DE&I*13) and women's empowerment, attracting personnel who can actively contribute to the Group's businesses, and heightening employee engagement.

3) G: Compliance and Risk Management

The Group will take steps to continue and strengthen a plan–do–check–act (PDCA) cycle that ensures rigorous compliance with antitrust laws, strengthen anti-harassment measures, introduce new risk management methods, strengthen information security, BCP response, and IT Governance and DX.

4) G: Corporate Governance Reform

With a view to facilitating growth strategies, the Group will strengthen the functions of the Board of Directors. The Group will transition to a company with audit and supervisory committee structure*14 and shift the basis of corporate governance to a monitoring model. In conjunction with these measures, the Group will increase the percentage of outside directors and female directors and revise the officer compensation system.

*13 DE&I: Diversity, Equity and Inclusion
*14 Subject to approval at the General Meeting of Shareholders

About the Alfresa Group

The Alfresa Group is a leader in the Japanese healthcare industry and is dedicated to making its corporate philosophy, "we create and deliver a fresh life for all," come true through a wide range of business lines, including ethical pharmaceuticals wholesaling, OTC pharmaceuticals wholesaling, pharmaceutical manufacturing, and operating dispensing pharmacies. Alfresa Holdings Corporation (TSE:2784) reported consolidated revenue of ¥2.9 trillion for the fiscal year ended March 31, 2025. For more information, please see: https://www.alfresa.com/eng/

Alfresa Group

25–27 Mid-term Management Plan

Vision2032 Stage2

Pioneering the Future with Our Collective Strength

Alfresa Holdings Corporation

Released May 15, 2025

Fresh life for all.

alfresa group

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

25–27 Mid-term Management Plan

Vision 2032 Stage 2 Pioneering the Future with Our Collective Strength

(1) Group Management Policy

(2) Group Management Metrics

(3) Business Strategy: Segment-Specific Policies and Business Portfolio Expansion and Transformation

(4) Financial and Capital Strategies

(5) Sustainability (ESG) Strategy

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

（1） Group Management Policy

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Group Principles and Medium- to Long-Term Vision for Fiscal 2032*1

Based on its Group Principles, the Alfresa Group aims to create three types of social value—extending healthy life expectancies, contributing to community healthcare, and fostering healthcare innovation—by implementing business strategies for core businesses, growth businesses, and new businesses under its Medium- to Long-Term Vision and to strengthen and expand its total supply chain services.

Group Principles

Our Philosophy

We create and deliver a fresh life for all

Our Vision

We aim to become a Healthcare Consortium that provides products and services in every health-related field.

Our Promises

Reliability　Safety　Sincerity

Business strategy
(strengthening and expanding total supply chain services)

Develop new businesses

Cultivate growth businesses

Strengthen core businesses

Carry out digital transformation
(business reform, information utilization, and business creation)

Creating social value

Extending healthy life expectancies

- Improving patient access to medicines
- Customer health and prevention
- Contributing to improving people's quality of life

Contributing to community healthcare

- Workstyle reform for medical professionals
- Improvement of management efficiency at medical institutions
- Contribution to comprehensive community care systems, etc.

Fostering healthcare innovation

- Contributing to domestic and international companies (manufacturers, ventures) through manufacturing, distribution, and new services

*1: Fiscal 2032 target announced on May 15, 2023 https://ssl4.eir-parts.net/doc/2784/ir_material17/206790/00.pdf

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Business environment surrounding the Alfresa Group

The business environment surrounding the Group is expected to undergo substantial change, but there are also abundant business opportunities.

Low birth rate and aging population Shrinking labor force

- Human resource development
- Securing of talented human resources
- Prevention of the drain of human resources

Rising logistics costs, labor costs and energy prices

- Cost control
- Logistics network optimization

Annual National Health Insurance (NHI) drug price revisions NHI drug price system review

- Pursuing appropriate prices
- Adapting to policy changes

Concerns about supply of pharmaceuticals

- Further sophistication, efficiency, and standardization of logistics
- Visualization of pharmaceutical inventory

Technological evolution Expansion of remote medical care

- Implementation of solutions
- Support for medical digital transformation (health technologies)

Workstyle reform

- Achievement of flexible workstyles
- Support for medical professionals
- Heightening of productivity through time performance improvements

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Vision2032 Stage2　Pioneering the Future with Our Collective Strength

Stage 2 towards achieving our Medium- to Long-Term Vision
Three years of priority investments
and cost optimization to achieve steady profit growth

01 Exercising of the Group's collective strength for the evolution and expansion of total supply chain services

02 Strategic investment in growth businesses and new businesses

03 Further strengthening of the competitiveness of core businesses

04 Rigorous cost control

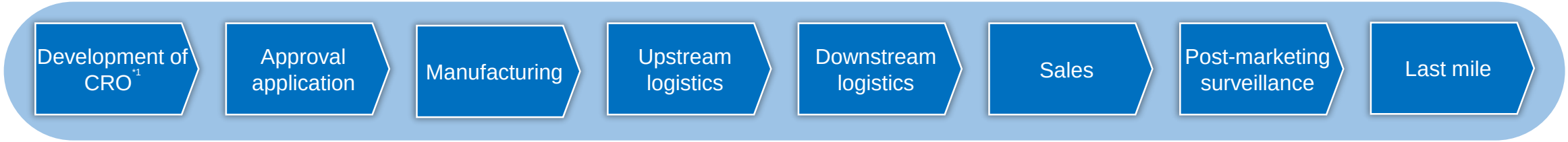
05 Implementation of sustainability management

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Evolving the total supply chain service model

What are total supply chain services?

Establish a seamless supply chain through the organic integrated utilization of the various functions possessed by the entire Alfresa Group and provide, as a united entity, services ranging from pharmaceutical licensing and development, manufacturing, distribution, and sales to post-marketing surveillance/last mile.



Initiatives under the 25–27 Mid-term Management Plan

- Specialization of pharmaceuticals
- Functional differentiation of megapharma
- Rise of emerging bio ventures
- Reduction in number of MRs*2
- Narrowing down of wholesalers, etc.

Total supply chain service model that can handle everything from manufacturing to distribution

- Acquisition of limited distribution products
- Expansion of CDMO*3 business
- Stable supply chain management

*1 CRO (Contract research organization): Organizations that support clinical development
*2 MR (Medical Representative): Salespeople at pharmaceutical manufacturers
*3 CDMO (Contract Development and Manufacturing Organization): Contract services ranging from development of manufacturing processes for pharmaceuticals to investigational and commercial manufacturing

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Groupwide service at all stages of the supply chain

Enhancing functionality to enable the Group to centrally handle modalities with strong growth prospects

Clinical trials and approval applications	Manufacturing	Marketing and logistics Transportation/delivery and inventory management (to medical institutions and patients)	PMS*1, case management, and follow-up
【CRO (Contract research organization)】 （R&D Organization） alfresa Alfresa Pharma Corporation 【Storage and transportation】 alfresa group Ethical Pharmaceuticals Wholesaling Business Mitsubishi Logistics 【ePRO】Integrity Healthcare	ArkMS 【CMO】 alfresa Alfresa Pharma Corporation Alfresa Fine Chemical Corporation	【Marketing and transportation/delivery】 alfresa group Ethical Pharmaceuticals Wholesaling Business 【Inventory management at hospitals】 NOVUMN PHC FUJITSU 【Deliveries to patients' homes】 YAMATO TRANSPORT	【PMS】 ArkMS 【post-marketing surveillance】 alfresa group Ethical Pharmaceuticals Wholesaling Business 【ePRO】Integrity Healthcare

The alliance Group and alliance partners

*1 Surveys conducted after drugs and medical devices are sold to ensure their quality, efficacy, and safety

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Building of a new revenue model for sustained growth

Ethical Pharmaceuticals Wholesaling Business

Solutions

Building a revenue base through provision of solutions

- Distribution business solutions
- Innovative solutions

Medical

Becoming the No.1 medical business group in the industry

- Establishment and strengthening of a nationwide network

Self-Medication Products Wholesaling Business

- Channel expansion
- Data business
- Manufacturer logistics contracting
- Growth in SP products,*1 etc.

Manufacturing Business

- Expansion of contract manufacturing (high- pharmacological-activity preparations, sterile preparations)
- New product development (product pipeline expansion)
- API*2 new business development in the (pharmaceutical ingredients) manufacturing division(Testing and analysis of biopharmaceuticals)

Dispensing Pharmacy and Related Businesses

- Obtainment of prescriptions from non-proximity clinics or hospitals
- Expansion of new pharmacy functions
- Expansion into nursing care business

TSCS

- Ark Medical Solutions Inc. (PMS/CRO contracting)
- Manufacturer logistics, warehousing, etc.

Regenerative Medicine-Related Business

- Cell Resources Corporation (establishment of total supply chain services in regenerative medicine)

Treatment-Adjacent Business

- Veterinary business (Morikubo CA Medical Inc.)
- online medical care (MY MEDICA Inc.)
- Beauty business, others

Overseas Business

- Evolution of Vietnam business (pharmaceuticals business)
- Building of full agency business (business collaboration with overseas companies)
- Expanding overseas licensing of Japanese products

*1 SP products: Self-prevention products
*2 API: Active pharmaceutical ingredient

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

03 Further strengthening of the competitiveness of core businesses

Improve core business profitability to enhance the corporate value of the Group

Ethical Pharmaceuticals Wholesaling Business

To become the wholesaler of choice among customers and manufacturers

- Improvement of distribution
- Establishment of centralized distribution
- Market expansion through neo-primary strategies
- Strengthening our nationwide network
- Improvement of distribution quality
  (GDP*1 compliance, Groupwide ISO 9001 certification)
- Acquisition of narcotics primary wholesalers

Self-Medication Products Wholesaling Business

Raising profitability amid industry reorganization

- Enhancement of productivity at logistics warehouses
- Data-driven sales using sales support tools
- Raising customer satisfaction by offering solutions

Dispensing Pharmacy and Related Businesses

Strengthening patient services and securing prescriptions

- Introduction of medication instruction first
- New store openings and M&A
- Covering outpatient and home care with a dominant regional strategy
- Participation in platform pharmacies

Manufacturing Business

To improve profitability and efficiency

- Review of business portfolio
- Narrowing down of products
- Review of personnel allocation

*1 GDP: Good Distribution Practice. Basic guidelines aimed at quality assurance in the pharmaceutical distribution process.

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

04 Rigorous Cost Control

Thorough cost control under the circumstances of annual NHI drug price revisions

Technology utilization and DX



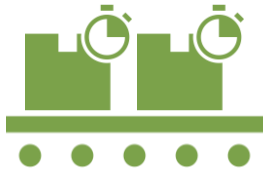
- Focus on digital optimization through the utilization of generative AI and the introduction of AI agents

Selection of the right person for the right job



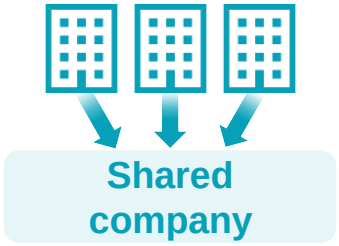
- Improved productivity
- Appropriate staffing through visualization of human resources
- Appropriate staffing through visualization of human resources

Creation of efficient logistics system



- Automated logistics centers
- Optimal vehicle placement
- Demand forecasting, etc.

Shared management operations



- Labor reduction and efficiency through consolidation of management operations
- Separation of profit departments and service departments across the Group

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

05 Implementing Sustainability Management

In addition to "Our Philosophy", which is part of its Group Principles, the Basic Sustainability Policy more specifically expresses the Group's commitment to solving social and environmental issues and to striving for a sustainable society and increased corporate value, while also newly identifying key sustainability issues.

Alfresa Group Basic Sustainability Policy

By putting into practice our Philosophy —"we create and deliver a fresh life for all"—we aim to resolve social and environmental issues in the medical and healthcare fields, contribute to the realization of a sustainable society, and continuously enhance our corporate value.

Alfresa Group
Basic Sustainability Policy

1	Global environmental conservation
2	Stable supply of pharmaceuticals, services, etc.
3	Contributing to community healthcare
4	Contributing to healthcare industry development
5	Active participation of human resources
6	Compliance
7	Risk management
8	Corporate governance

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

（2） Group Management Metrics

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Group Management Metrics: 25–27 Mid-term Management Plan and the Medium- to Long-Term Vision for fiscal 2032

Second stage toward achieving our Medium- to Long-Term Vision

Three years to evolve our existing initiatives through focused investments and cost optimization for solid profit growth

Fiscal 2024 Results
(22–24 Mid-term Management Plan)

- Net sales: ¥2,961 billion
- Operating profit: ¥38 billion
- ROE: 5.7%
- Investment performance (three-year cumulative total): ¥96 billion
- Shareholder returns: DOE of 2.4% or higher

25–27 Mid-term Management Plan Metrics

- **Net sales (fiscal 2027)**: **¥3.33 trillion; CAGR of 4%** *
- **Operating profit (fiscal 2027)**: **¥43.5 billion**
- **ROE (three-year average)**: **7% level** (exceeding our estimated capital cost)
- **Investment performance (three-year cumulative total)**: **¥120 billion scale**
- **Shareholder returns**: **DOE of 2.5% or higher; adoption of progressive dividend policy** (flexible and appropriately timed share buybacks)

Fiscal 2032
(Medium- to Long-Term Vision)

- Net sales: ¥4 trillion
- Operating profit: Over ¥70 billion (rate to increase incrementally)
- ROE: 8% or higher
- Investment plan (25–32 cumulative total): ¥320 billion
- Shareholder returns: Incremental DOE improvement; Flexible share buybacks

* Compound annual growth rate

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

（3） Business Strategy

Measures by Segment and Business Portfolio Expansion and Transformation

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Business Strategy: Performance Targets by Segment

	Unit : Millions of yen	Fiscal Year Ended March 31, 2025		Fiscal Year Ending March 31, 2028	
		Actual results	YoY / sales ratio*	Plan	Vs. March 31, 2025* /sales ratio*
Ethical Pharmaceuticals Wholesaling Business	Net sales	2,640,048	103.9%	3,008,900	114.0%
	Operating profit	33,055	1.25%	38,900	1.29%
Self-Medication Products Wholesaling Business	Net sales	265,748	101.1%	266,000	100.1%
	Operating profit	2,950	1.11%	3,300	1.24%
Manufacturing Business	Net sales	54,065	102.5%	58,300	107.8%
	Operating profit	1,294	2.39%	1,100	1.89%
Dispensing Pharmacy and Related businesses	Net sales	37,023	101.0%	38,000	102.6%
	Operating profit	596	1.61%	1,100	2.89%
Other businesses (regenerative medicine-related business)	Net sales	—	—	3,000	—
	Operating profit	—	—	△1,300	△43.3%

* Sales are compared with the previous fiscal year or the fiscal year ended March 31, 2025. Operating profit is compared with net sales.

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Business Strategy: Investment Plan

Three-year investment plan of ¥120 billion

New businesses	● TSCS (Total supply chain services) ● Regenerative medicine supply chain (cell processing center (CPC) manufacturing equipment) ● Treatment-adjacent business (beauty, veterinary) ● Manufacturing Business (bioanalysis business, etc.) ● Self-Medication Products Wholesaling Business: (D2C,* manufacturer logistics, etc.) ● Overseas business, etc.	**¥40 billion**
Growth businesses	● Ethical Pharmaceuticals Wholesaling Business (medical business, solutions business, etc.) ● Manufacturing Business (pharmaceutical manufacturing wing (high-pharmacological-activity preparations, sterile preparations), product pipeline expansion, etc.)	**¥30 billion**
Core businesses	● Renovation of existing distribution centers and construction of new ones ● Renovation of existing sales offices and construction of new ones , etc. ● Investment in systems, etc.	**¥50 billion**

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

* Direct to consumer: A business model that entails transactions directly with general consumers.

Business Strategy: Ethical Pharmaceuticals Wholesaling Business

Goal of expanding business opportunities to realize total supply chain services

Core businesses / New businesses

Maximization of marketing specialists (MS) strengths
The undisputed industry leader in terms of number of MS

Deployment of neo-primary strategies

Core Businesses / Growth Businesses

Building of a nationwide network

Ethical pharmaceuticals, medical products

Growth Businesses / New Businesses

Building of a revenue base by operating a solutions business

Core businesses

Creation of a logistics system that meets stakeholder needs

Human capital strategy

Strategic strengthening of human capital across the Group

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Maximization of MS strengths
The undisputed industry leader in terms of number of MS

Clinics

Sales promotions to create new markets

- Deployment of neo-primary strategies
- Strengthening of sales activities through utilization of products and services

Mydodes

Focus on the vaccine market

- Contributing to the widespread use of vaccines through utilization of products and services

ワクチンぷらっと
ワクチン接種予約サイト

Hospitals

Process support before and after commencement of treatment

<Before commencement of treatment>

MS overseeing pharmaceuticals

MS overseeing diagnostic drugs



Focus on oncology field

＋

＜After commencement of treatment＞

NOVUMN



NOVUMN

Visualization of drug usage

Total hospital solutions

Forming a consortium with various medical service providers to propose total hospital solutions

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

alfresa

Building a nationwide network

Strengthening our nationwide network by bolstering our own initiatives and forming alliances with specialized wholesalers

Ethical pharmaceuticals

- Strengthening operations in areas where Alfresa's coverage and market share are low

Diagnostic drugs

- Strengthening the allocation of dedicated MS
- Focus on genetic testing
- Logistics network configuration

Medical devices

- Full packaging of sales, maintenance management, etc.

Strengthening partnerships with manufacturers

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Building of a revenue base by operating a solutions business

Distribution business solutions

- Penetration and packaging of products and services nationwide
- Strengthening of response to manufacturers' needs
- Building of a revenue model through collaboration with local governments
- Creation of new products and services*1

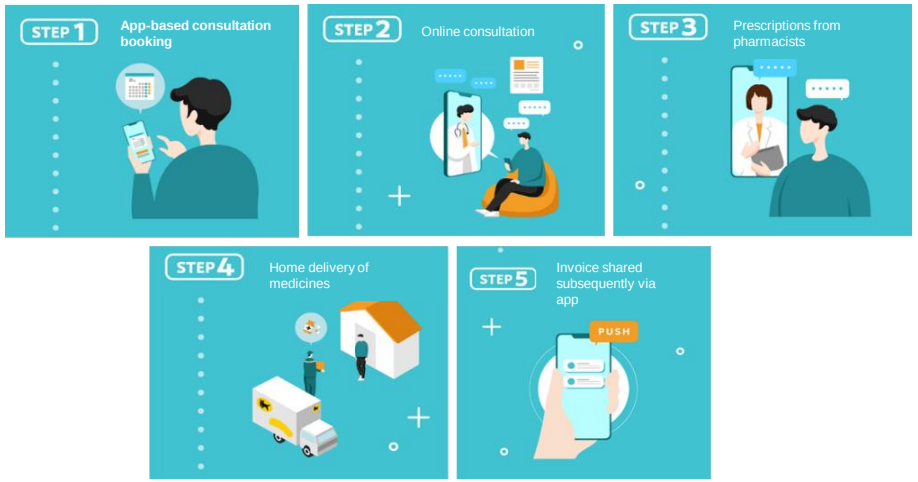
Mydodes
NOVUMN
Next Ordinary Value for Universal Medicine Network
ドクシル
やくばと
今日の問診票
alfweb
ワクチンぷらっと
ワクチン接種予約サイト
医薬品情報サイト
SAFE-DI

*1 Products and services: System tools that are independently planned, developed, and provided by the Company to help solve issues for stakeholders.

Innovative solutions

- Establishment of pharmacy management support business
- Treatment-adjacent business (veterinary, beauty)
- Corporate health management services, etc.

＜MY MEDICA＞
Provision of services focused on online medical care to manage the health of employees of trucking companies and prevent serious illness



Maximize the strengths of wholesalers who are able to contribute to both health tech for patients and customers as well as solutions for manufacturers

Building of a logistics system that meets the needs of stakeholders

Automation/mechanization of Distribution centers, and further quality enhancement

Pursue automation/mechanization, obtain ISO 9001 certification, and comply with GDP to improve productivity, shipping accuracy, and other quality aspects



Streamlining operations using digital twin technology

Aiming to streamline operations and raise quality of medical care through new approaches using digital twin technology

- Development of pharmaceutical recognition and inspection applications
- Automation of warehouse operations using intelligent robotics
- Simple determination of counterfeit medicines through provision of comprehensive medical information

Last-mile initiatives

Deliveries to individual homes of patients under the Alfresa Group's distribution network and quality control standards

Response to environmental and social issues

- Optimization of delivery routes/optimized vehicle allocation through digital transformation
- Adaptation to diverse work styles
- Pursuit of delivery by drone; feasibility studies for automated delivery
- Pursuit of AI demand forecasting

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Strategic strengthening of human capital Groupwide

Strengthening of sales system by RS (Retail supporter)

Strengthening of sales of ethical pharmaceuticals and medical products by strengthening the RS system

Medical equipment repair technicians



Strengthening full-package sales and maintenance

Cancer genome



Strengthening activities in the oncology field

Women's health (clinics)



Strengthening of activities in the expanding femtech field

Ultrasound diagnostic equipment specialists



Strengthening support for a wide range of medical fields

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Business Strategy:
Self-Medication Products Wholesaling Business

"Health"[*1] × Connectivity × Happiness

Core Businesses

Response to drugstore industry restructuring

- Improvement in productivity at logistics warehouses by introducing robots, etc.
- Data-driven sales using sales support tools
- Raising customer satisfaction by offering solutions

Growth Businesses

Earning of stable profits that are resilient to fluctuations in the external environment

- Optimal sales strategies based on customer needs and strengthening of SP product sales
- Development of new channels and overseas business not limited to existing businesses
- Data businesses

New Businesses

Independent deployment of new solutions

- Manufacturer logistics contracts
- Establishment of our own e-commerce branch

*1 The use of the word "health" denotes not necessarily simply the concept of "health," but the notion that each person has their own "health."

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Self-Medication Products Wholesaling Business

Improvement in productivity at logistics warehouses by introducing robots, etc

Response to rising labor and other costs

New Kyushu Distribution Center Relocation (introduction of the latest material-handling system, Skypod®)
Enhancement of efficiency of work at the distribution center warehouses (introduction of multi-picking carts)

New Kyushu Distribution Center



Skypod®



Multi-picking cart



Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Deployment of sales strategies that are resilient to changes in the external environment

Strengthening of sales of self-prevention (SP) merchandise

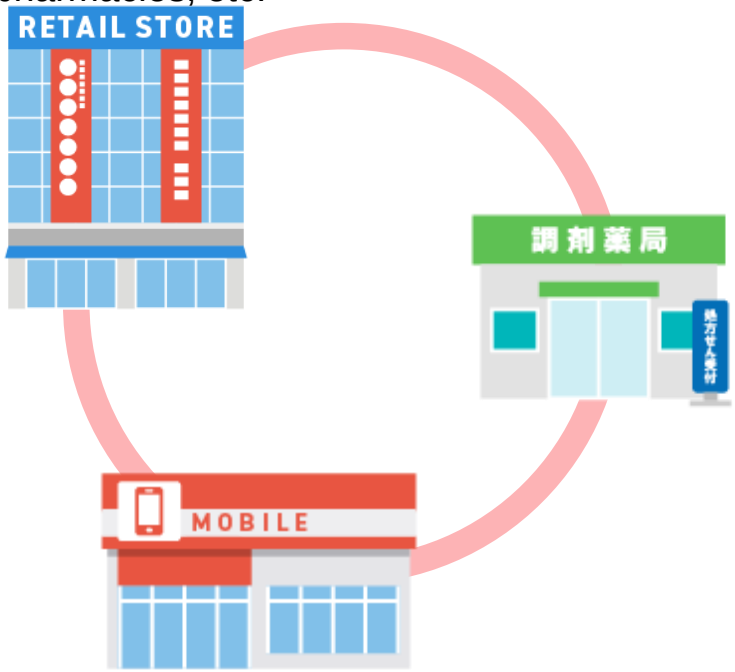
Channel-specific strategies in response to diversifying customers



Development of new channels

New sales channels that are not limited to existing businesses

Systematization of sales at dispensing pharmacies, etc.



Data business

Establishment of a B-to-B platform that connects manufacturers, wholesalers, and retailers

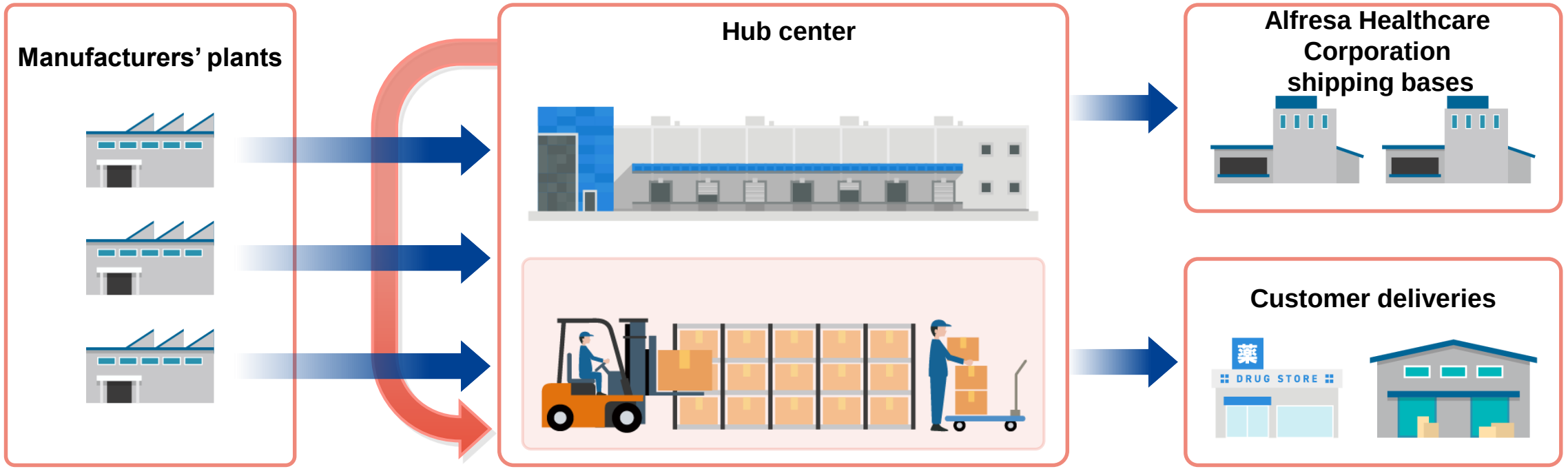
AHC-SFA
営業支援システム

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Independent deployment of new solutions

Highly versatile distribution center operations in anticipation of environmental changes

Establishment of a new supply chain management model



Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Business Strategy: Manufacturing Business

Establishment of a stable management foundation through business portfolio reconfiguration

Core businesses

Further improvements in profitability and efficiency

- Review of business portfolio
- Review of product portfolio
- Review of personnel allocation

Growth businesses

Expansion of contract manufacturing and new product development

- Increase in small-molecule drug manufacturing capacity
- Entry into market for formulations with high pharmacological activity
- Establishment of a system for accepting sterile drug products
- Product pipeline expansion

New businesses

Development of new businesses in the API (pharmaceutical ingredients) manufacturing business

- Biopharmaceutical analysis business

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Business Strategy: Manufacturing Business

Core businesses

Goal of further improving profitability and efficiency

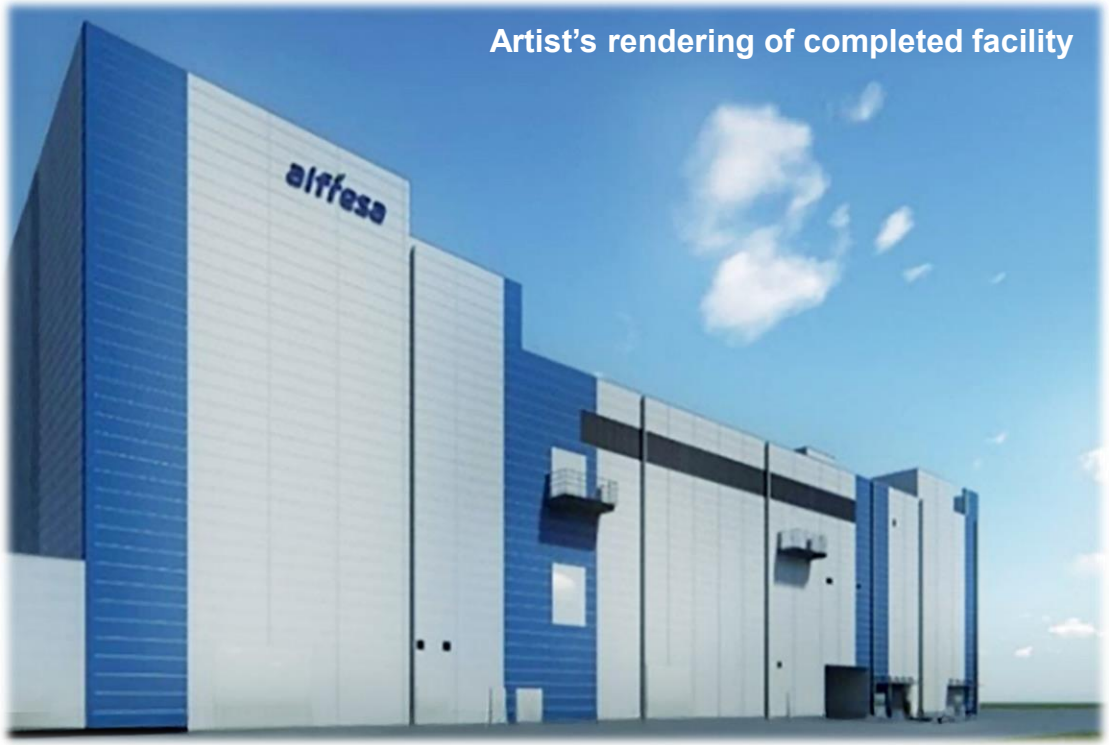
Action plan overview	Specific measures
Review of business portfolio	• Focusing of management resources on growth businesses (pharmaceuticals/contract manufacturing) • Consideration of reconfiguration of the diagnostics business • Collaboration with Group resources for overseas/API (pharmaceutical ingredients) business
Review of product portfolio	• Action on unprofitable products • Acquisition of high-value-added contract products
Review of personnel allocation (selection of the right person for the right job)	• Consideration of appropriate allocation to businesses in need of strengthening • Human resource exchanges among Group companies

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Expansion of contract manufacturing and product pipeline expansion

Construction of new pharmaceutical manufacturing building at Gunma Factory

Scheduled commencement of operations: April 2026



- **Entry into the market for contract manufacturing of formulations with high pharmacological activity**
- **Increase in small-molecule pharmaceutical manufacturing capacity**
- **Establishment of a system for contracting of sterile formulations**

Product pipeline expansion

iPS drug discovery, central nervous system field, allergy field, etc.

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

New Business Concept for API Division

Alfresa Fine Chemical Corporation will conduct biopharmaceutical analysis contracting and meet the needs of outsourcing companies, with the company's main strengths being its superiority in price, quality, and track record in business collaborations.

Purchase of testing equipment in fiscal 2024

Start of operation in fiscal 2025

1 Analysis outsourcing

Preparation of analysis and manufacturing site in fiscal 2026

Start of operation in fiscal 2027

2 Sample manufacturing outsourcing

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Business Strategy: Dispensing Pharmacy and Related Businesses

Goal of being a "family pharmacy" necessary for the community

Core businesses

Strengthening of patient services and securing of prescriptions

- Introduction and standardization of medication instruction first
- Opening of new branches in dominant regions, etc.
- Participation in platform pharmacies

Growth businesses

Obtainment of prescriptions from medical institutions other than proximal hospitals

- Symbiosis of brick-and-mortar and online pharmacies through the development of our own family pharmacy app
- Community medical support through dominant strategy enhancement

New businesses

Expansion of new pharmacy functions

- Feasibility studies for the establishment of dispensing centers

Entry into the nursing care business

- Management of a large-scale residential nursing home (enhancing dominance)

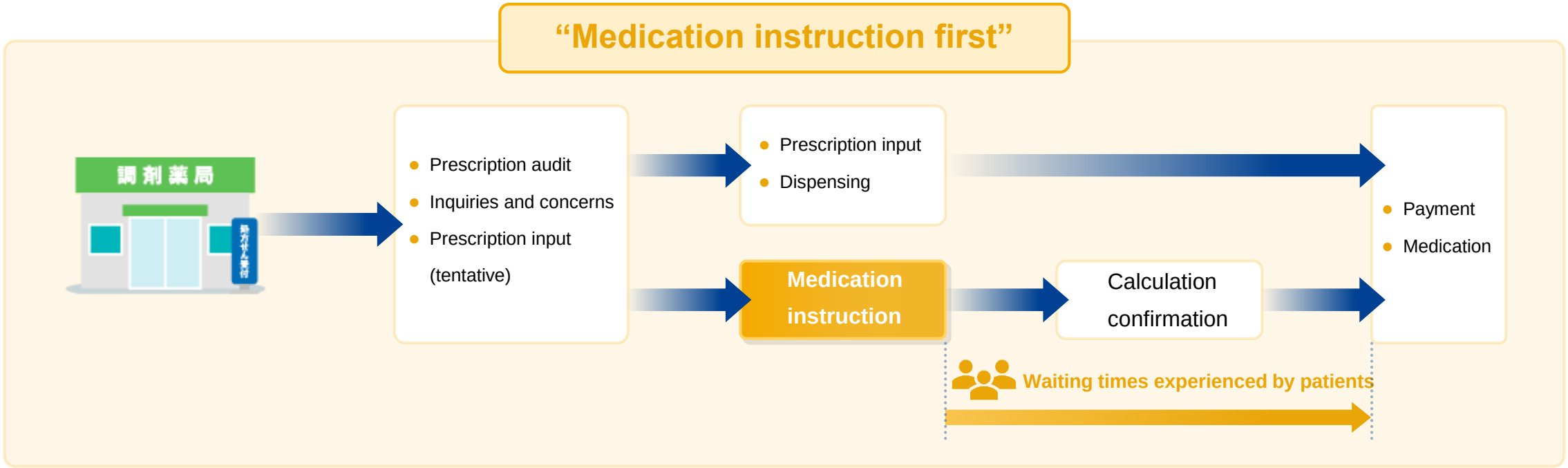
Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Core businesses

Strengthening of “medication instruction first”

Strengthening of patient services

By changing the conventional procedure for post-dispensing medication instructions, strengthening patient services by simultaneously conducting pre-inspections, pre-dispensing medication guidance, and dispensing



Copyright © Alfresa Holdings Corporation. All Rights Reserved.

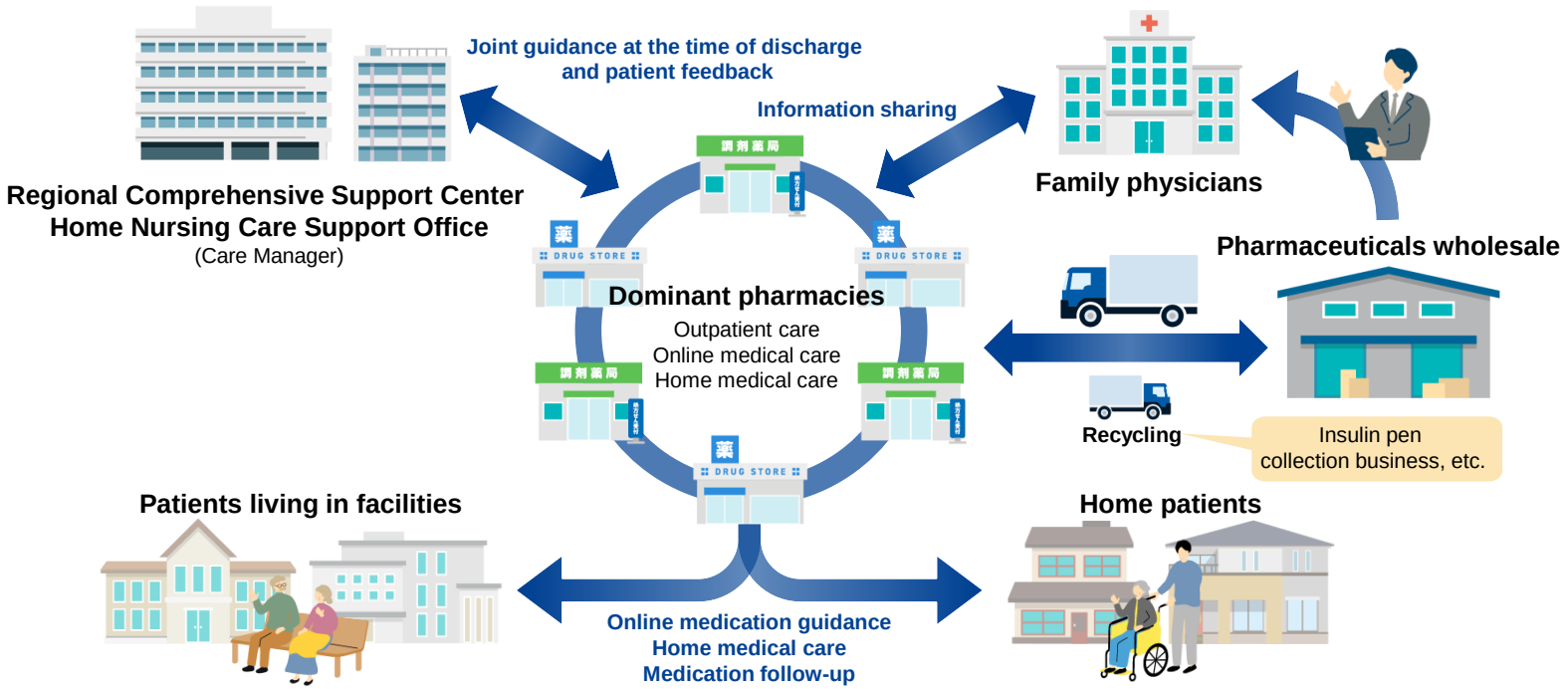
Business Strategy: Dispensing Pharmacy and Related Businesses

Growth businesses

Community medical support through dominant strategy enhancement

Establishment of dominance where pharmacies in the same area can provide mutual support

Goal of handling the outpatient care and home care for local residents within a framework of solid community cooperation



Effects of dominance

- Mutual support of business content
- Branding
- Personnel support
- Pharmaceutical flexibility
- Strengthening of contact with patients and various professions
- Sharing and use of sterile dispensing facilities

Support for community medical care

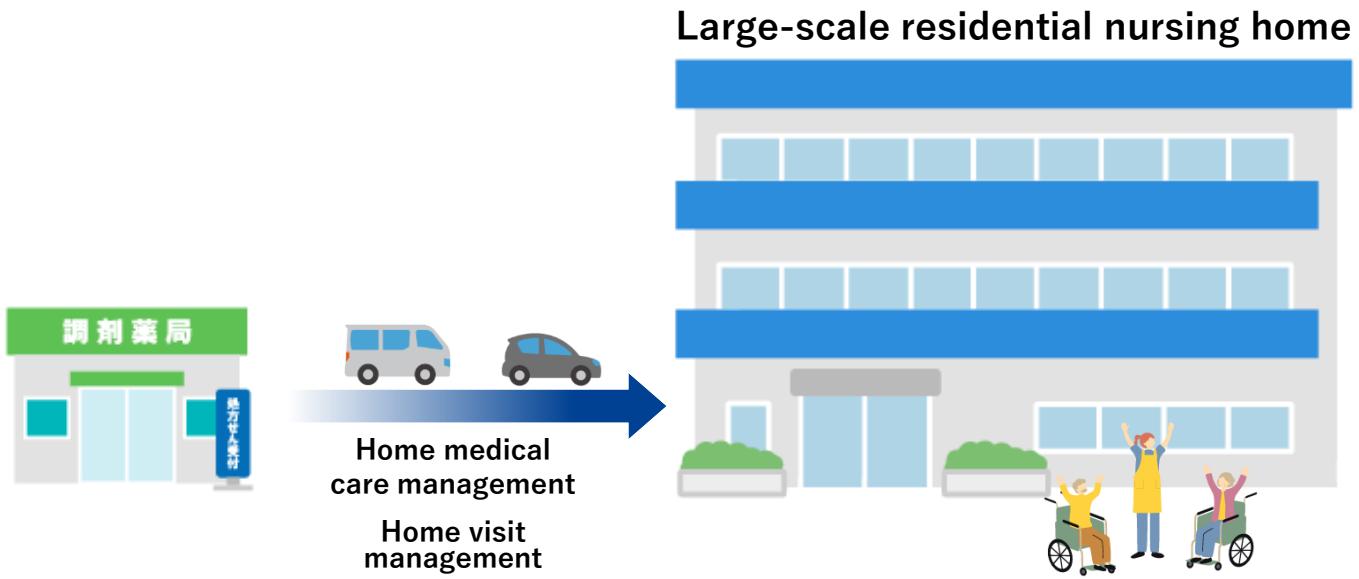
Copyright © Alfresa Holdings Corporation. All Rights Reserved.

New Businesses

Entry into the nursing care businesses

Operation of large-scale residential nursing home

Response to the increasing need for home medical care in a super-aged society and the increase in patients certified as requiring long-term care



As the cornerstone of a community-based comprehensive care system, we aim to establish a presence that transcends boundaries by promoting close information sharing between pharmacies, facilities, and helper stations.

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

New Businesses

Focus on the core business of master cell manufacturing and storage, CMO*1 and CDMO business development, and fast-tracked launch of individual projects.

Koriyama Cell Processing Center

Within Tohoku Alfresa Corporation's Koriyama Distribution Center



Allogeneic

Manufacture and sale of semi-finished products

Supply of raw materials for domestic placenta-derived MSC*2
Obtainment of licensing for manufacturing specified cell products

Tonomachi Cell Processing Center

Within Tonomachi Life Innovation Center



Autologous

Contract manufacturing organization*1

Contract manufacturing of commercial products

Haneda Process Development Center

Within Haneda Innovation City



Autologous
Allogeneic

Contract development and manufacturing organization (CDMO)

Primarily contracting of process development and investigational manufacturing for CAR-T*3 products

Photo courtesy of Haneda Mirai

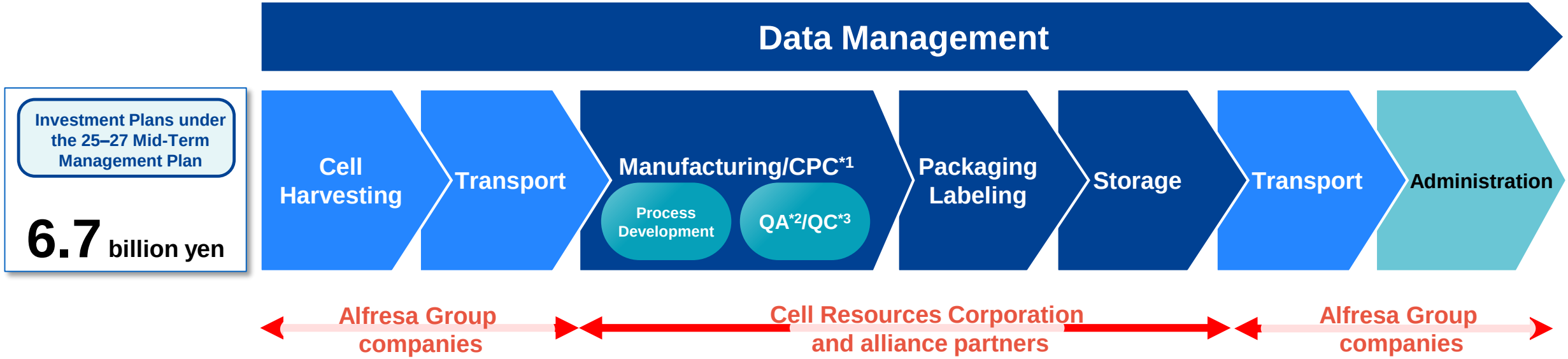
Copyright © Alfresa Holdings Corporation. All Rights Reserved.

*1 Contracts and conducts pharmaceutical manufacturing on behalf of pharmaceutical companies
*2 MSC (Mesenchymal stem cells): A type of stem cell with pluripotency
*3 CAR-T (Chimeric antigen receptor): A cancer gene therapy that genetically modifies the patient's own immune cells and T cells to enhance their ability to attack leukemia and lymphoma cells

Building of a domestic comprehensive supply chain service for regenerative medicine

Strengthening of in-house configuration and relationships with alliance partners to provide all necessary functions in a centralized manner

Our Vision



We will quickly establish a structure for the manufacturing business of Cell Resources Corporation and promptly utilize said structure to obtain more orders and increase sales.

*1 Cell processing center
* 2 Quality assurance
* 3 Quality control

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Business Strategy: Overseas Businesses

Strengthening of business activities in Asia

Strengthening of business activities in Vietnam	• Beginning of pharmaceutical business • Expansion of business through creation of new businesses
Establishment of full agency*1 business	• Establish full agency business in Vietnam and neighboring countries • Business collaborations with overseas companies
Expansion of overseas out-licensing of Japanese products	• Expansion of business at REMEJE PHARMACEUTICALS (CHINA) CO., LTD. • Development of overseas markets for consumer products



*1 Full agency: Sales function agency

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

(4) Financial and Capital Strategies

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

25–27 Mid-term Management Plan policy

Maintaining a focus on improving capital efficiency and financial soundness, we will lay the foundations for accomplishing our Medium- to Long-Term Vision through proactive growth investments for the sustained enhancement of corporate value and stable shareholder returns.

Capital efficiency (ROE) enhancement

ROE exceeding our estimated cost of capital

- Improvement of profitability and proactive growth investments
- Curbing of net asset accumulation (target capital adequacy ratio in the low- to mid-30% range)

Financial soundness

Maintenance of issuer rating

Stable shareholder returns

Long-term stable dividend returns and timely and appropriate decision-making regarding share buybacks

25–27 Key Financial Indicators

1 Operating profit
Fiscal 2027: ¥43.5 billion
Cumulative three-year total: Approximately ¥119 billion

2 ROE (Return on Equity)
Three-year average: 7% level

3 Investment
Three-year total value: ¥120 billion scale

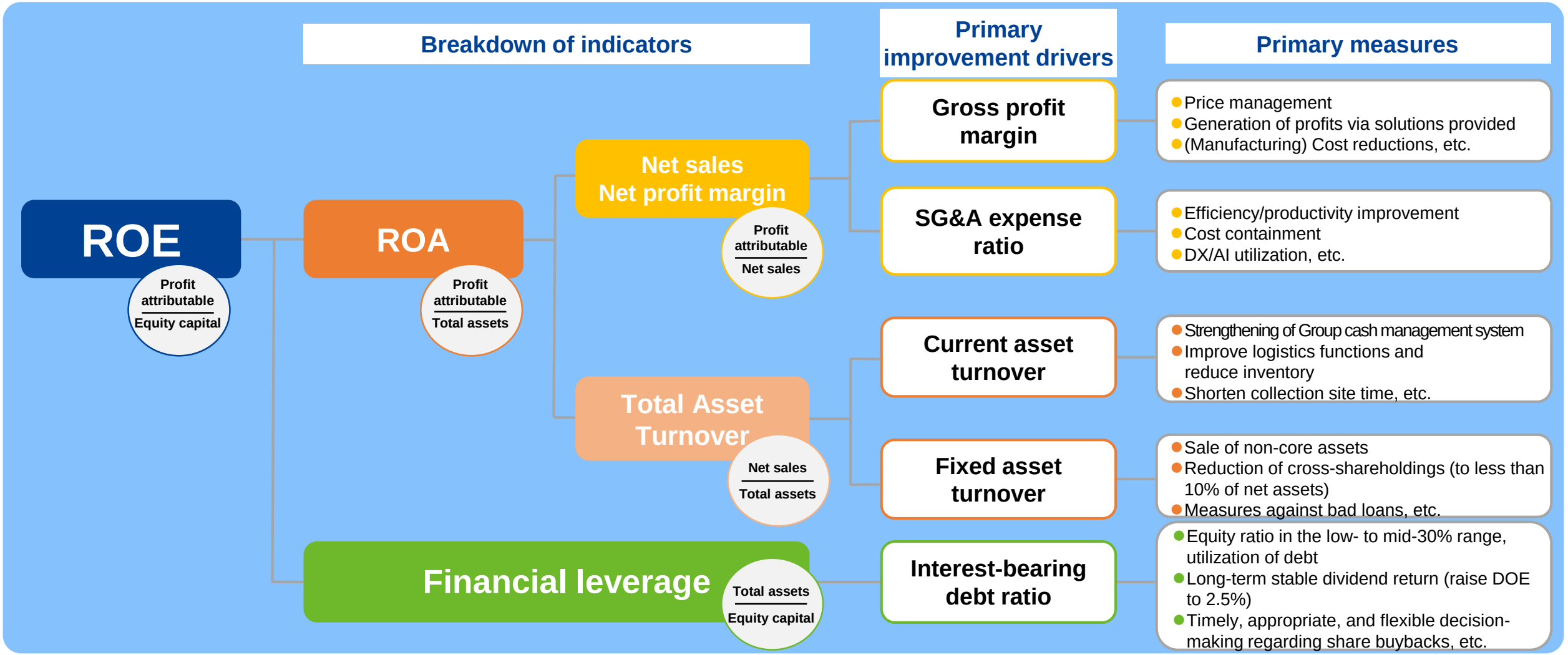
4 Consolidated net asset ratio of cross-shareholdings
Less than 10%

5 DOE (Dividend on Equity)
More than 2.5% and progressive dividend

Note: Based on securities filings

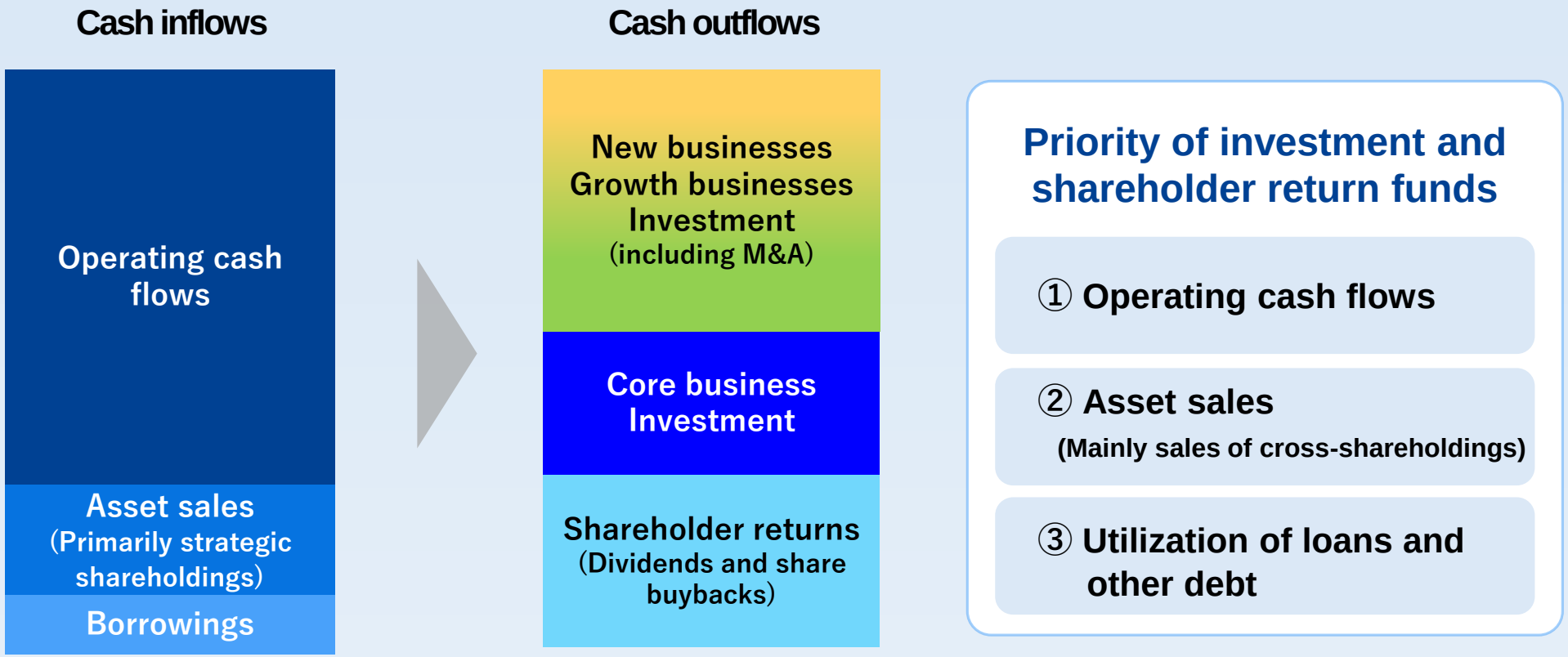
Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Drivers and measures for enhancing ROE



Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Capital Allocation (25–27 Mid-term Management Plan)



Copyright © Alfresa Holdings Corporation. All Rights Reserved.

(5) Sustainability (ESG) Strategy

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

25–27 Mid-term Management Plan: Key Sustainability Issues

Under the plan, we have identified eight key issues and are promoting corresponding initiatives based on two new themes: "the impact of the Company on society" and "the impact of social issues on the Company."

1	Global environmental conservation	● Greenhouse gas reduction ● Conservation of natural ecosystems ● Waste reduction ● Management of hazardous and regulated substances, etc.
2	Stable supply of pharmaceuticals, services, etc.	● Maintaining and improving a safe and secure pharmaceutical supply system ● Advanced inventory and delivery management ● Building cooperative frameworks with customers and suppliers ● New product and service development and manufacturing, etc.
3	Contributing to community healthcare	● Support for medical institutions in improving their medical services ● Support for heightening management efficiency at medical institutions ● Providing beneficial information for medical professionals ● Deployment of solutions to medical care, etc.
4	Contributing to healthcare industry development	● Strengthening sustainability initiatives in the supply chain ● Health technology, solution provision, etc.
5	Active participation of human resources	● Cultivating and promoting diverse human resources ● Pursuing employee health and job satisfaction ● Improving employee engagement, etc.
6	Compliance	● Compliance with laws and regulations ● Respect for human rights ● Employee Code of Conduct ● Fair and appropriate transactions with business partners, etc.
7	Risk management	● Business continuity planning (BCP) for managing disasters and other crises ● Personal privacy protection ● Information security, etc.
8	Corporate governance	● Strengthening the functions and effectiveness of the Board of Directors ● Timely and appropriate disclosure of information, etc.

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

E: Global Environmental Conservation

Contribute to society through environment-friendly business activities

alfresa group

CO_2 Emissions

Fiscal 2030: **30% reduction**[*1, *2]

Fiscal 2050: **Net zero**

*1 Compared with fiscal 2020
*2 The target of a 30% reduction in emissions by fiscal 2030 is roughly equivalent to the government's target of a 46% reduction compared with fiscal 2013.

1 Reducing greenhouse gas emissions

2 Conserving natural ecosystems

3 Reducing waste
Managing hazardous and restricted substances

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

S: Active participation of human resources

The Alfresa Group's Human Capital Management: Human resources are the driving force for growth

1. Human Resource Development

A system for developing human resources who meet human resource requirements and developing and evaluating their expertise
Developing future talent, developing management skills, and creating a corporate culture for the new era

2. DE&I*1 / Women's empowerment

Promoting DE&I through training, etc., aiming for 10% of management positions to be occupied by female employees by fiscal 2030
Promoting childcare leave and creating an environment where people can thrive regardless of age

3. Acquiring talented human resources who can thrive

Recruitment activities conducted jointly by Group companies, Group company awareness strategies
Area-specific response

4. Improving employee engagement

Employee awareness surveys, comfortable working environments (workstyle reform, schedule optimization)
Instilling principles　Providing growth opportunities　Further enhancing employee benefits

Five human resource requirements



*1 DE&I: Diversity, Equity and Inclusion

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

G: Compliance and Risk Management

Compliance

- Maintaining and strengthening the PDCA cycle to thoroughly comply with antitrust laws
- Strengthening anti-harassment measures

Risk management

- Introduction of new risk management methods
- Strengthening information security
- Strengthening BCP response

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

G: Strengthening IT Governance and DX

Strengthening IT governance

Groupwide IT governance and management system

- Management of IT data assets across the entire Group
- Establishment of management standards for the Group regarding the introduction and operation of new systems

Security measures

Establishment of a system for security measures and strengthening of operations

- Unification of management regulations, operational rules, etc., across the entire Group
- Establishment of a system for overall Group management and response procedures in the event of an incident

Utilization of AI and other new technologies and human resource cultivation

Business reform and human resource cultivation in the age of AI

- Promotion of the use of evolving new technologies such as generative AI and development of a common infrastructure that can integrate and utilize data within the Group
- Development of a training curriculum for each employee rank, from DX literacy to advanced expertise

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

G: Corporate Governance Reform

Strengthening of the functions of the Board of Directors to support growth strategies

Note: Subject to approval at the General Meeting of Shareholders

■**Adoption of the company with audit and supervisory committee organizational structure; focus on monitoring model**
Prompt decision-making through delegation of authority and the strengthening of monitoring functions by separating supervisory and execution functions

■**Increase in the ratio of outside directors*1 and female directors*1**
(Outside Directors) From 36.4% (4 directors) to 50% (6 directors)
(Female Directors) From 18.2% (2 directors) to 25% (3 directors)

■**Review of executive compensation system**
(System) Fixed compensation: Bonus: Stock compensation 70:20:10 → 68:20:12
(Evaluation Metrics)

Note: Performance-linked compensation is the sum of bonuses and performance-linked stock compensation per fiscal year.

Bonus	● Achievement of consolidated operating profit **margin** target ● Achievement of consolidated net income*2 **margin** target	● Achievement of consolidated operating profit **value** target ● Achievement of consolidated net income **value** target
Stock compensation	● Achievement of consolidated operating profit margin target ● Achievement of consolidated net income margin target	● Achievement of consolidated operating profit **value cumulative target** ● Achievement of **average ROE target** ● Achievement of a **TSR** to TOPIX ratio ● Achievement of **ESG rating target** ● **Employee engagement score** improvement rate

*1 Including directors who are Audit & Supervisory Committee members
*2 Net income is profit attributable to owners of the parent

Copyright © Alfresa Holdings Corporation. All Rights Reserved.

Disclaimer Concerning Forward-Looking Statements:

Please note that the information published here in this document are forward-looking statements based on forecasts available at the time the document was prepared. Certain premises are used for these descriptions. The descriptions or premises contain inherent known or unknown risks and uncertainties and may be proven inaccurate or fail to materialize in the future. Actual results may differ from these forecasts because of various changes in the business environment and other factors.

In the event that revisions or amendments to the information contained herein are desirable due to new information, future events, and other factors, it is neither a policy nor an obligation of the Company to update such information.

Copyright © Alfresa Holdings Corporation. All Rights Reserved.



Copyright © Alfresa Holdings Corporation. All Rights Reserved.