

Translation

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Alfresa Holdings Corporation

March 4, 2025

Notice Regarding Capital and Business Alliance Between Alfresa Corporation and Ascent Robotics Corporation

Alfresa Corporation (head office: Chiyoda-ku, Tokyo; Representative Director & President: Yusuke Fukujin; hereinafter “Alfresa”), a subsidiary of Alfresa Holdings Corporation, has concluded a capital and business alliance agreement with Ascent Robotics Corporation (head office: Shibuya-ku, Tokyo; Representative Director and CEO: Ken Kutaragi; hereinafter “Ascent Robotics”), details of which are provided below.

1. Background and Purpose of the Alliance

In addition to adopting “enhancement of business models and creation of new value” among the management policies in the 22–24 Mid-term Management Plan: Leap into the Future “An Evolving Healthcare Consortium”^{*1} and the Medium- to Long-Term Vision (Major Targets up to Fiscal 2032),^{*2} the Alfresa Group aims to create social value, including fostering healthcare innovation. Alfresa, which is active in the Ethical Pharmaceuticals Wholesaling Business, promotes initiatives aimed at addressing social issues in the medical field by working together with various start-ups that are taking on the challenge of developing new medical services.

Ascent Robotics is an AI start-up engaged in the creation of digital twins and the development and sale of both solutions using digital twins and software for industrial robotics. Using intelligent robotics^{*3} that incorporates cutting-edge digital twin technology,^{*4} Ascent Robotics develops next-generation robotics solutions and AI-recognition systems that identify various object features instantaneously, including shape, color, design, and text, while performing optimal operations autonomously.

With the conclusion of this agreement, the parties involved will aim to introduce the latest AI technology-based solutions and services for pharmaceutical distribution and the healthcare front lines by leveraging Alfresa’s distribution and network in the medical and pharmaceutical fields and Ascent Logistics’ cutting-edge digital twin creation technology and intelligent robotics. By deploying Ascent Logistics’ cutting-edge digital twin creation technology to establish a pharmaceutical information database, the parties will develop

solutions for the proper distribution of pharmaceuticals. These include developing applications to identify and inspect pharmaceuticals on the front lines of healthcare—such as at hospitals and dispensing pharmacies—and in pharmaceutical logistics, increasing the automation of operations at logistics facilities using intelligent robotics and simplifying the identification of counterfeit drugs through the provision of integrated medical information.

Alfresa and Ascent Robotics will work together with the aim of achieving a variety of goals, including increasing operational efficiency in the medical field and improving the quality of medical care, under a new approach deploying digital twin technology.

*1 Reference: Announcement of the Formulation of the 22–24 Mid-term Management Plan: Leap into the Future “An Evolving Healthcare Consortium” (published on May 16, 2022, on the Alfresa Holdings Corporation corporate website)

https://ssl4.eir-parts.net/doc/2784/ir_material17/183216/00.pdf

*2 Reference: Notice regarding the Formulation of the Alfresa Group’s Medium- to Long-Term Vision (published on May 15, 2023, on the Alfresa Holdings Corporation corporate website)

https://www.alfresa.com/eng/ir/pdf/mediumtolog_termvision.pdf

*3 Involves cutting-edge robotics solutions with the intelligence to further develop traditional robot systems that perform repetitive tasks, thereby enabling flexible robot operations.

*4 A cutting-edge field of technology that enables the integration of a variety of real-world information, such as text, color, design, application, material, physical properties, and internal structure, as well as external features.

2. Outline of the Capital and Business Alliance

1. Establishment of a database using pharmaceutical information and digital twin creation technology, which is an essential prerequisite for the provision of solutions and services
2. Development of automated solutions for the distribution of pharmaceuticals using the database
3. Development of solutions and services for the medical and pharmaceutical industries using the database

3. Overview of Alliance Partner (Ascent Robotics)

(1) Corporate name	Ascent Robotics Corporation
(2) Head office	Tech Hiroo 3F, 1-10-5, Hiroo, Shibuya-ku, Tokyo
(3) Title and name of representative	Ken Kutaragi, Representative Director and CEO

(4) Description of business	The creation of digital twins, the development and sale of solutions using digital twin technology, and the development and sale of AI software for industrial robotics	
(5) Paid-in capital	¥100 million (as of December 31, 2024)	
(6) Date of establishment	September 9, 2016	
(7) Relationship between Alfresa Holdings Corporation (and Alfresa Corporation) and Ascent Robotics Corporation	Capital relationship	None
	Human relationship	None
	Transactional relationship	None
	Related parties	None
(8) URL	https://ascent.ai	

4. Timeline

Conclusion of capital and business alliance

January 28, 2025

5. Comments from Both Companies

Yusuke Fukujin, Representative Director & President, Alfresa Corporation

In the handling of pharmaceuticals, quality must always come first. However, that does not mean disregarding efficiency. As a company engaged in the distribution of pharmaceuticals, we believe that we must continuously seek to achieve both quality and efficiency as a goal. Recently, we have embarked on the development of solutions aimed at significant digitalization and automation in the distribution of pharmaceuticals using the advanced AI technologies of Ascent Robotics. We are committed to working quickly to increase efficiency at each stage of the distribution process, particularly on the healthcare front lines.

Meanwhile, falsified medicines (counterfeit drugs, fake brands, and low-quality products) have become a major issue for the global pharmaceutical industry. Since they deprive patients of precious treatment opportunities, counterfeit drugs create social losses that go beyond simple economic cost. Packaging for pharmaceuticals represent the accumulation of know-how on matters including materials that safeguard quality and labeling that prevents mistaken usage. I have high hopes that efforts under the alliance to use such pharmaceutical packaging as identifiers have the potential to significantly transform the distribution of pharmaceuticals and further contribute to medicine.

Ken Kutaragi, Representative Director and CEO, Ascent Robotics Corporation

While detailed information for doctors and pharmacists on ingredients and directions regarding various prescription drugs is well-developed, pharmaceutical distribution processes and pharmaceutical handling operations conducted by doctors and pharmacists remain dependent on manual operations, which places a significant burden on those on the front lines of healthcare and nursing care. In addition, digitalization and automation at major logistics facilities in Japan, which are responsible for the distribution of

pharmaceuticals, has not progressed satisfactorily.

In Japan, I expect that AI technology using digital twins that enable the accurate identification of several tens of thousands of pharmaceuticals will contribute to not only increasing automation on the front lines of logistics but also improving operational efficiency on the front lines of healthcare and ensuring further safety regarding pharmaceuticals. Through this capital and business alliance, Ascent Robotics will work proactively to address the aforementioned issues by extensively applying its cutting-edge AI technologies and structured digital twin solutions to the pharmaceutical industry, including Alfresa.

6. Outlook

While the impact of this alliance on business performance is expected to be minimal at the current time, we believe it will contribute to the enhancement of the Group's corporate value over the medium to long term. We will promptly announce any matters that need to be disclosed regarding this alliance going forward.

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 ¥2.8 trillion for the fiscal year ended March 31, 2024. For more information, please see: <https://www.alfresa.com/eng/>