



News Release

Takara Holdings Inc.
Public Relations & Investor Relations Dept.
20 Naginataboko-cho, Shijo-dori
Karasuma Higashi-iru, Shimogyo-ku,
Kyoto 600-8688, Japan
TEL.075-241-5122 (Public Relations Sect.)
TEL.075-241-5124 (Investor Relations Sect.)

Public Relations Sect.
(Tokyo)
2-15-10 Nihonbashi, Chuo-ku,
Tokyo 103-8232, Japan
TEL.03-3278-8460

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Takara Holdings Prepares TaKaRa Group Medium-Term Management Plan for 2025(the fiscal year ending March 31, 2026)

TAKARA HOLDINGS INC. (President: Mutsumi Kimura) (hereinafter, the Company) announces that it has established a three-year medium-term management plan, Takara Group Medium-Term Management Plan for 2025 (hereinafter, the Medium-Term Plan), which will end in the fiscal year ending March 31, 2026.

The Company began the six-year long-term management plan, TaKaRa Group Challenge for the 100th (hereinafter, TGC100) in 2020 and has worked progressively on the Medium-Term Management Plan for 2022 (the fiscal year ending March 31, 2021 through the fiscal year ending March 31, 2023) for three years. As a conclusion to TGC100, the Medium-Term Plan adopts a management policy to increase enterprise value over a three-year period by accelerating investments in growth and high-priority fields^{※1}, focusing on utilizing products and services to solve social issues and creating long-term and sustainable growth capital to raise our earning capacity, all while enhancing our value chain for solving social issues.

Investments of 88.0 billion yen will be made across the Group toward in growth and high-priority fields, with the goal of establishing global and sustainable business models and increasing our enterprise value.

In the fiscal year ending March 31, 2026, the Group aims to post no less than 420.0 billion yen in consolidated net sales, 38.0 billion yen in consolidated operating income, an overseas sales ratio of 60% or more (60% or more, excluding Takara Bio Group), an ROE of 9.0% or more, and an ROIC of 7.5% or more.

Since the financial targets for TGC100 set in 2020 have been met, they will be replaced with the financial targets for the Medium-Term Plan.

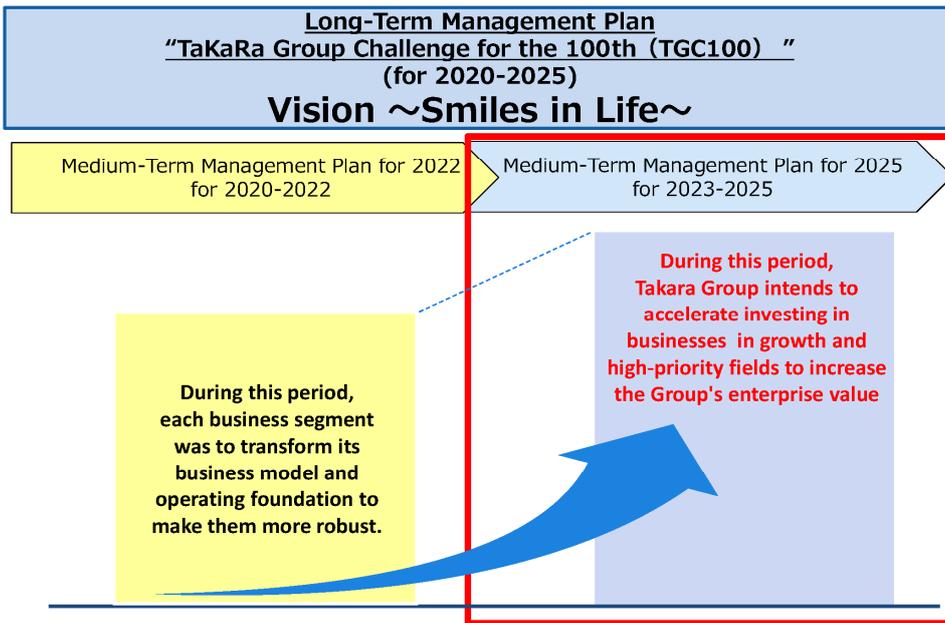
※1 growth and high-priority fields

Takara Shuzo : Enhance the safety and security of production systems; develop and nurture "hit" products; focused brand development

Takara Shuzo Int'l Group : Expand food wholesale sites in North America and Europe; expand Washu (A general term for Japanese traditional alcoholic beverages under the Liquor Tax Act such as refined sake, shochu, and mirin, including innovative Japanese alcoholic beverages that incorporate Japanese elements)

Takara Bio Group : Expand the reagents and equipment business; expand the CDMO (contract development and manufacturing organization) business; maximize the value of drug discovery platform technologies

< The Positioning of the Medium-Term Plan in TGC100 >



Overview of TaKaRa Group Medium-Term Management Plan for 2025

1. Corporate Management Objectives

During this period, Takara Group intends to accelerate investing in businesses in growth and high-priority fields to increase the Group's enterprise value

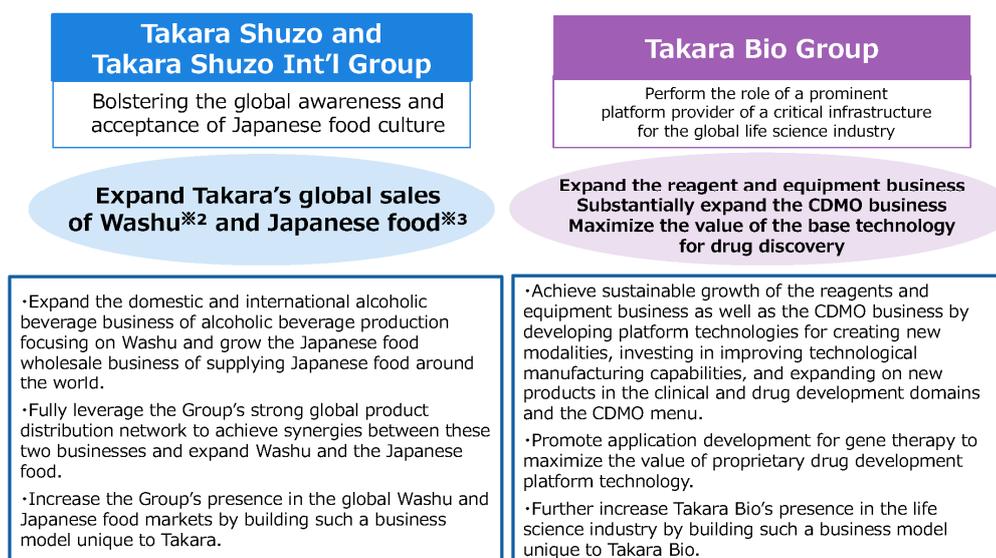
The Takara Group intends to accelerate investing in businesses in growth and high-priority fields and motivate employees to achieve greater productivity and drive innovation at work.

In addition, we will establish and enhance the Group's two unique business models with global and sustainable implications. All these efforts will enable us to remain on the growth path and achieve the Group's Vision. Furthermore, we will upgrade our corporate communications programs as part of our efforts to increase the Group's enterprise value.

2. Five Key Strategic Initiatives

- ① Ensure ROIC-driven corporate management is practiced across the Group and invest in businesses in growth and high-priority fields
 - 3-year investment plan 88 billion yen, ROIC target of 7.5% or more
- ② Establish and strengthen Takara's unique business models that facilitate the operational enhancement and the medium- and long-term provision of value while enhancing social sustainability

Takara Group's two unique business models



※2 A general term for Japanese traditional alcoholic beverages under the Liquor Tax Act such as refined sake, shochu, and mirin, including innovative Japanese alcoholic beverages that incorporate Japanese elements

※3 A general term for traditional Japanese food originating in Japan and food originating overseas and adapted in Japan into innovative Japanese food

- ③ More aggressively invest in the Group's intangible assets, including human capital and IT (Motivate employees to have a greater sense of pride and purpose at work to achieve greater productivity and drive innovation)

- We will renew our corporate culture and foster a sense of satisfaction by diversifying the Group's human resources and increasing employee engagement, while taking steps to enhance our human resources portfolio required for growth and high-priority fields.
- We will renew our operations and make it easier to work by updating our business operation with paperless systems and digitalization, and rebuild the domestic Group companies' core systems.

④ Step up group-wide efforts to drive corporate sustainability

- We will comply with disclosure standards including the TCFD framework as appropriate, and enhance our initiatives for solving social issues through our business.

• Actions to be taken in the Medium-Term Plan

Resolve social issues through the business of providing products and services	<p>【Well-balanced diet】 Promote the appeal and new value of Washu and Japanese food, etc.</p> <p>【Environment】 Develop environmentally friendly products and support environmentally friendly packaging methods</p> <p>【Community】 Promotion of local economies</p> <p>【Wellness】 Support global life sciences research and development; provide health conscious products, etc.</p>
Enhance the value chain that supports resolving social issues	<p>【Safety and Reliability】 Maintain safety and security in product quality assurance in each company</p> <p>【Responsible Alcohol Producer】 Raise awareness around proper consumption of alcoholic beverages (prohibition of drinking by persons under the age of 20; prohibition of driving under the influence of alcohol, etc.) and market responsibly</p> <p>【Environment】 Implement CO₂ emissions reduction plans (by investing in facilities, among others)</p> <p>【Human Resources】 Nurture human resources to lead the next generation and global human resources; implement human resources diversification initiatives; etc.</p> <p>【Procurement】 Require suppliers to comply with guidelines</p> <p>【Human Rights】 Implement human rights due diligence processes</p> <p>【Governance】 Bolster corporate governance</p>

⑤ Upgrade corporate communications programs

- We aim to increase enterprise value by building understanding, sympathy, and appreciation with internal and external stakeholders.

3. Financial Targets

- ◆ the fiscal year ending March 31, 2026
 - Consolidated net sales: 420 billion yen or more
 - Consolidated operating income: 38 billion yen or more
 - Percentage of net sales from overseas operations: 60% or more (60% or more for Takara Group except for Takara Bio Group)
 - ROE 9.0% or more
 - ROIC 7.5% or more

<reference>

Financial targets for TGC100 (before change)

- Consolidated net sales:340 billion yen or above
- Consolidated operating income:23 billion yen or above
- Percentage of net sales from overseas operations:44% or above
- ROE:8% or above

4. Business Objectives

◆ Takara Shuzo

To maintain the global leadership position in the Washu market, Takara Shuzo leverages its engineering excellence and “Made-in-Japan quality”^{※4} to develop and market products that create new demand in growth areas, and also to enhance its brand equity. The company works more closely with the Takara Shuzo Int’l Group to resolve social issues and bolster its profit and profit margin.

※4 Takara’s promise of high-quality, world-class global products produced in Japan, as a company regarded as high quality and trustworthy in safety and security within Japan and able to deliver the same value to people around the world.

◆ Takara Shuzo Int’l Group

The Takara Shuzo Int’l Group works more closely with Takara Shuzo and other Takara Group companies around the globe to expand its portfolio of export and locally manufactured products, as well as to enhance its global presence as a wholesaler of Japanese food with a strength in Washu. All these efforts will enable the group to take full advantage of having both Washu and Japanese foodstuffs in its offerings in order to bolster the global awareness and acceptance of Japanese food culture. The group intends to play its part in resolving social issues and become a global leader in the Washu and Japanese food markets.

◇ Collaboration between Takara Shuzo and the Takara Shuzo Int’l Group

Takara Shuzo and the Takara Shuzo Int’l Group work together to develop traditional^{※5} and innovative^{※6} Washu products that meet the needs and trends of the global markets, as well as to enhance brand marketing, with a focus on building MIO into a global brand. All these efforts will enable us to market Washu more widely in the world and bolster Takara’s presence as a global leader in the Washu market.

※5 Sake that meets the standards set forth in the Liquor Tax Act of Japan

※6 Innovative Japanese alcoholic beverage that expands the sphere of conventional Washu

◆ Takara Bio Group

The Takara Bio Group boosts R&D spending to develop new reagents and equipment, expand CDMO service offerings, and develop base technology for creating additional modalities. All these efforts will enable the group to expand its business into clinical and drug-discovery areas faster and to enhance its presence as a prominent platform provider of a critical infrastructure for the global life science industry.

◆ Domestic Group Companies

Domestic Group companies allocate more of their corporate resources to businesses in growth and high-priority fields. This will enable us to enhance our business models to sustain growth, while helping the Takara Group improve its ROE and resolve social issues.

◆ **Takara Holdings' Corporate Departments**

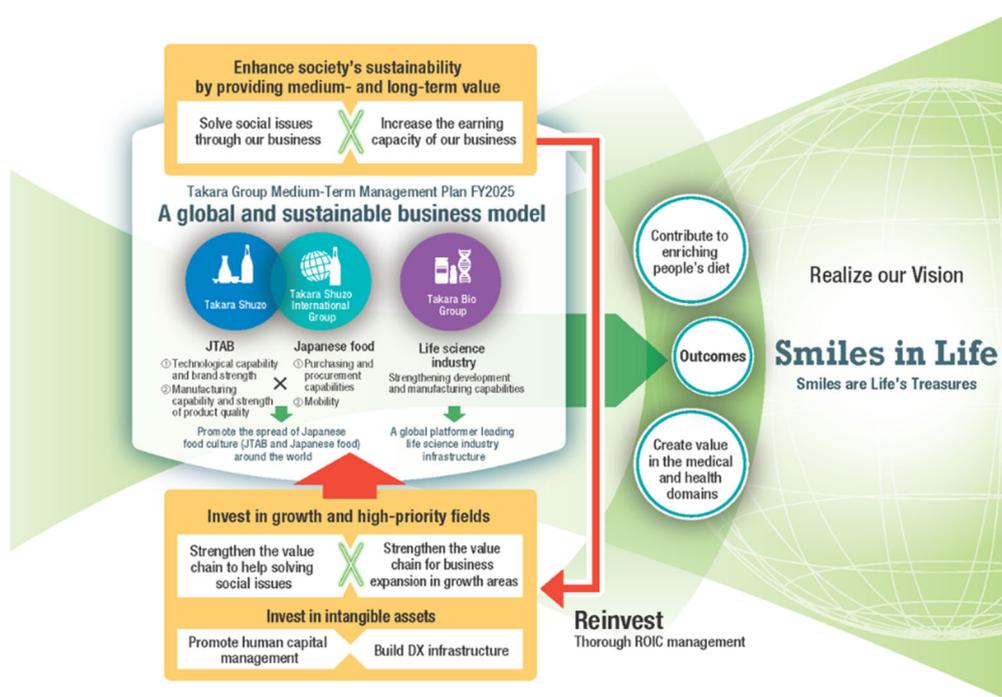
Takara Holdings' corporate departments work closely with the Group's business units to make group-wide corporate management more robust in order to better sustain the Group's global business models. At the same time, we build a workplace environment in which all Group employees have a sense of pride and purpose toward improving productivity and driving innovation. All these efforts will help enhance the effectiveness of the process for achieving the Group Vision and earn a higher level of trust from internal and external stakeholders.

5. Financial policy

- Create cashflow by increasing the efficiency of assets and through the sale of strategic shareholdings while enhancing global cash management, for the purpose of accelerating investments in growth and high-priority fields based on the maintenance of sound financial fundamentals.
- Expand monitoring from the perspective of investment efficiency.
- < **Shareholder return policy** >
Provide shareholder returns commensurate with profit levels (payout ratio of about 35%).

6. Takara Group Medium-Term Management Plan for 2025 Systematic Chart (Vision realization process), Vision Update for TGC100

【Vision Realization Process】



Systematize the process of realizing our Vision into a Vision Realization Process by solving social issues while increasing the earning capacity of the business, through the establishment of the Takara's unique business model as well as the promotion of our business



We have updated the description of our Vision, or what we aspire to be, in TGC100 to align with the content upheld in the Medium-Term Plan. With “Smiles in Life - Smiles are Life's Treasures” as our new Vision, we placed “Smiles in Life” at the top of the Vision as the most important keyword within the Takara Group. We have also defined smiles as being an important, irreplaceable part of human life, thus establishing a firm connection between “Smiles in Life” and the Takara Group. The word "Life" is intended to represent both the “lifestyle” provided by Takara Shuzo and the Takara Shuzo International Group and the “vitality” provided by the Takara Bio Group.

■Inquiries regarding this matter

Takara Holdings Inc. Public Relations Sect. : 075-241-5122 (Kyoto) / 03-3278-8460 (Tokyo)
Investor Relations Sect. : 075-241-5124 (Kyoto)

Forward-Looking Statements

Statements in this document, other than those based on historical fact, concerning the current plans, prospects, strategies and expectations of the Company and its Group represent forecasts of future results. While such statements are based on the conclusions of management according to information available at the time of writing, they reflect many assumptions and opinions derived from information that includes major risks and uncertainties. Actual results may vary significantly from these forecasts due to various factors. Factors that could influence actual results include, but are not limited to, economic conditions, especially trends in consumer spending, as well as exchange rate fluctuations, changes in laws and government systems, pressure from competitors' prices and product strategies, declines in selling power of the Company's existing and new products, disruptions to production, violations of the Company's intellectual property rights, rapid advances in technology and unfavorable verdicts in major litigation