

Translation

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December 8, 2023
Alfresa Holdings Corporation

Notice regarding the Determination of Terms and Conditions for the Issuance of Social Bonds

The Company, hereby announces that it has determined the following terms and conditions for the issuance of social bonds reported in “Notice regarding the Issuance of Social Bonds” on November 7, 2023.

1. Overview of the Bonds

Name of bonds	1st series of unsecured bonds of Alfresa Holdings Corporation (with limited inter-bond pari passu clause) (social bonds)
Total issue amount	¥20 billion
Amount of each bond	¥100 million
Interest rate	0.827%
Redemption price	¥100 per ¥100 of each bond
Payment date	December 14, 2023
Maturity date	December 14, 2028
Interest payment dates	June 14 and December 14 of each year
Collateral	These bonds are unsecured and carry no guarantees.
Financial covenants	Negative pledge clause attached
Method of offering	Public offering
Fiscal agent	MUFG Bank, Ltd.
Book-entry transfer institution	Japan Securities Depository Center, Inc.
Lead underwriters	Daiwa Securities Co., Ltd. Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Use of proceeds	The proceeds will be used for new investments toward the eligible projects determined under the social bond framework. ① Construction and operation of a new distribution center in Tsukuba City, Ibaraki Prefecture ② Construction and operation of buildings for the production of pharmaceuticals in Ota City, Gunma Prefecture
Rating	A+ (Rating and Investment Information, Inc.)
Structuring agent*1	Daiwa Securities Co., Ltd.

*1 An entity that supports the issuance of SDGs-related bonds by providing advice on developing frameworks and on obtaining second opinions and other external evaluations

2. Development of the Social Bond Framework and External Evaluation

The Alfresa Holdings Corporation Social Bond Framework^{*2} was developed for the issuance of these social bonds in accordance with the 2023 Social Bond Principles of the International Capital Market Association and the 2021 Social Bond Guidelines of the Financial Services Agency. We have obtained a second-party opinion^{*3} from Rating and Investment Information, Inc. (R&I), an independent outside reviewer, regarding aligning this framework with the above principles.

^{*2} Alfresa Holdings Corporation Social Bond Framework
<https://www.alfresa.com/eng/csr/esg/social/framework.pdf>

^{*3} R&I's evaluation of the social bond framework
<https://www.r-i.co.jp/rating/esg/index.html> (Japanese only)

3. Companies Declaring Investment in Social Bonds

The following is a list of companies that have committed to investing in social bonds as of the date of this release.

Companies declaring investment in social bonds (in alphabetical order):

IBARAKI Prefectural Credit Federations of Agricultural Cooperatives

The Bank of Iwate, Ltd.

Kyoei Shinkumi Bank

SAGA SHINKIN BANK

SHIGAKEN SHINYOUNOUGYOUKYODOUKUMIAIRENNGOUKAI

The Shizuoka Bank, Ltd.

Shizuoka Labour Bank.

THE TAIKO BANK, LTD.

The Takinogawa Shinkin Bank

TAJIMA SHINKIN BANK

Tokio Marine Asset Management Co., Ltd.

NAGANO SHINKIN BANK

Niigata credit union

Nissay Asset Management Corporation

Norinchukin Zenkyoren Asset Management Co., Ltd.

The Hachijuni Bank, Ltd.

THE MISHIMA SHINKIN BANK

Mitsui Sumitomo Insurance Company, Limited

Sumitomo Mitsui Trust Asset Management Co., Ltd.

Meiji Yasuda Asset Management Company Ltd.

Momiji Bank, Ltd.

Yuki Shinkin Bank

LIFENET INSURANCE COMPANY

Reference: For further details, please refer to the news release “Notice regarding the Issuance of Social Bonds,” issued on November 7, 2023.

https://ssl4.eir-parts.net/doc/2784/ir_material17/216956/00.pdf

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 ¥2.6 trillion for the fiscal year ended March 31, 2023. For more information, please see: <https://www.alfresa.com/eng/>