



Joy brings us together



21th Series of Unsecured Corporate Bond (Social Bonds) funding allocation and impact reporting (as of December 2024)

| Amount raised | Unallocated amount |
|------------------|---------------------------------|
| 20.0 billion yen | 0 billion yen (fully allocated) |

21th Series of Unsecured Corporate Bond (Social Bonds) funding allocation and impact reporting (as of December 2024)

| | |
|-------------------------|--|
| Project Name: | Capital investment, operation, and procurement of raw materials contributing to the production of raw material powder of Lc-PLASMA, and the research and development of Lc-PLASMA |
| Project Summary: | <p>Lc-PLASMA is a lactic acid bacteria that supports the maintenance of immunity in healthy people. It has been reported in research papers that it is the first in the world(Note 1) to work on pDC (plasmacytoid dendritic cells), a leader of the immune system. Kirin Holdings, KOIWA DAIRY PRODUCTS CO., LTD., and KYOWA HAKKO BIO CO., LTD. have jointly conducted research on this product, and with the cooperation of universities and research institutions in Japan and overseas, 33 papers have been published and numerous presentations made at academic conferences. In May 2023, Kirin received the Imperial Invention Award at the 2023 National Commendation for Invention sponsored by the Japan Institute of Invention and Innovation. This award was given in recognition of the invention and efforts related to the discovery and commercialization of LC-PLASMA. It was the first time that this award was given for a health food substance and the first time in 59 years that a food company received it. Receipt of the prestigious awards has led to further enhancement of the reputation of Lc-PLASMA as a reliable substance.</p> <p>To meet the increasing demand for Lc-PLASMA, the production facilities of the "iMUSE Health Science Factory" (located in Sayama City, Saitama Prefecture), which manufactures raw materials of Lc-PLASMA, have been expanded and completed. With this expansion, the annual production capacity of bacterial bodies has doubled compared to the fiscal year 2022. Going forward, Kirin Group will continue to develop products using " Lc-PLASMA," which originated from over 35 years of research, across the group, supporting the health of each individual while promoting "immune care," and aiming to create a society where people can live brightly and healthily.</p> <p>(Note 1) Lc-PLASMA was the first lactic acid bacteria reported to work on pDC in humans (based on information published in PubMed and the homepage of the Central Medical Journal).</p> |



Amount Allocated (Cumulative): 8.7 billion yen (96.3% Refinanced)

Impact reporting

| Categories | Projects | Output | Outcome | FY 2024 commitment result |
|--|---|--|---|---|
| Businesses that contribute to the achievement of a society of health and longevity, through the maintenance of immune function | Capital investment,operation, and procurement of raw materials contributing to the production of raw material powder of LcPLASMA, and the research and development of Lc-PLASMA | <input type="checkbox"/> Increase in Lc-PLASMA manufacturing capacity <input type="checkbox"/> Number of published papers <input type="checkbox"/> Number of conference presentations <input type="checkbox"/> Partnerships with Academia | Increase in the number of people who continue consuming Lc-PLASMA in Japan and overseas. Lc-PLASMA contribute to the maintenance of immune function of our customers. | 0.78 million people (Due to factors such as the composition ratio of our own BtoC business and licensed-out products, the quantity for this year has remained flat.) |

21th Series of Unsecured Corporate Bond (Social Bonds) funding allocation and impact reporting (as of December 2024)

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|------------------|--|
| Project Name: | Capital investment, operation, and procurement of raw materials contributing to the production of Citicoline |
| Project Summary: | Citicoline is a substance that has long been used around the world to treat brain diseases. It is also used in health foods to support improved cognitive function. As the world's population continues to age, demand for this high-performance raw material is rapidly increasing. Kyowa Hakko Bio offers citicoline around the world as a health food additive or active pharmaceutical ingredient in accordance with the regulations in each country. Through this expansion of production capability, Kyowa Hakko Bio will establish a stable global supply network of citicoline to pharmaceutical and health food manufacturers. Despite intensifying competition, the overall market continues to expand, and Kyowa Hakko Bio has maintained a high market share in the United States. By broadening its business scope, the company achieved record-breaking sales again in fiscal year 2024. Kirin will continue to focus on the growth of Citicoline to solve the health challenges of customers worldwide and create both social and economic value. |



Amount Allocated (Cumulative): 9.5 billion yen (58.7% Refinanced)

Impact reporting

| Categories | Projects | Output | Outcome | FY 2024 commitment result |
|--|--|--|--|---------------------------|
| Businesses that contribute to the achievement of a society of health and longevity, through brain function improvement and brain function decline prevention | Capital investment, operation, and procurement of raw materials contributing to the production of Citicoline | <input type="checkbox"/> Increase in Citicoline manufacturing capacity | Increase in the number of users of products containing Citicoline (pharmaceuticals, health foods, etc.) in Japan and overseas. The products containing Citicoline contribute to brain function improvement and brain function decline prevention of our customers. | 2.37 million people |

21th Series of Unsecured Corporate Bond (Social Bonds) funding allocation and impact reporting (as of December 2024)

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|-------------------------|---|
| Project Name: | Stock acquisition of Blackmores Limited. |
| Project Summary: | <p>Blackmores Limited (Hereafter, Blackmores), founded in 1932, is a company with over 90 years of history that operates Australia's largest health food business, including supplements and other health foods. It expands its presence in the Asia-Pacific region with the brands "Blackmores (supplements and milk powder)", "BioCeuticals (supplements for medical facilities)", and "PAW by Blackmores (supplements for pets)". Since 1976, Blackmores has also started expanding into Southeast Asia and have gained a strong presence and consumer trust in Malaysia, Thailand, Indonesia, Vietnam, and Singapore. In 2013, it entered the Chinese market and established a strong position as a foreign-owned nutritional supplement food company. Its long-standing history and commitment to quality have been highly acclaimed.</p> <p>Through this stock acquisition, our product lineup and capabilities in the health science business will be enhanced, and we will have opportunities for growth and expansion in the target regions. Leveraging Blackmores' sales network, our access to customers in the Asia-Pacific region will improve in terms of Kirin's specialty materials and other products. As a medium to long-term strategic priority, Kirin will prioritize the expansion of Blackmores' "Lc-PLASM"(Note 1) into the Asia-Pacific region, starting with a test launch in Taiwan in 2025, followed by product rollouts in multiple countries while addressing local regulatory requirements.</p> <p>Going forward, through joint product development utilizing the technologies of both companies, we aim to contribute to solving more global health-related social issues.</p> <p>In the future, through new product development leveraging the technologies of both companies, we will contribute to solving more social issues relating to health on a global scale</p> <p>(Note 1) Lc-PLASM supports the maintenance of a healthy person's immune system. It has been reported in a paper that the immune command center pDC (plasmacytoid dendritic cells) can be targeted for the first time in the world.</p> |



Amount Allocated (Cumulative): 1.8 billion yen (100% Refinanced)

Impact reporting

| Projects | Output | Outcome | Impact | FY 2024 commitment result |
|---|---|---|---|--|
| Stock acquisition of Blackmores Limited | <input type="checkbox"/> Subsidiarization of Blackmores | Improvement of access to products offered by Blackmores | Contributing to solving healthcare problems for people worldwide, while aiming for "increasing the number of healthy individuals, reducing the number of people affected by diseases, and making a positive impact on those involved in healthcare and treatment" | <p>The global customer awareness of the Blackmores brand has increased to 577 million people (an increase of 17 million people compared to the previous year, excepting the impact of market area adjustment).(Note 2)</p> <p>The collaboration between Blackmores and Kirin for the global expansion of specialty ingredients is progressing.</p> |

(Note 2) Source : Fiftyfive5 Pty Ltd, Blackmores, December 2024