



October 18, 2022

Kirin Holdings Company, Limited

Kirin Brewery Company, Limited

OMRON Corporation

OMRON Invests In Kirin Techno-System, a Comprehensive Manufacturer Of Inspection Machines

- Investment to combine OMRON's advanced control technology with Kirin Techno-System's inspection technology
- Technology to provide advanced quality control and quality inspection to ensure the safety and security of food and beverages at the manufacturing site
- Reduction of defective plastic products in the process to contribute to environmental conservation

TOKYO, October 18, 2022 - Kirin Brewery Company, Limited (Kirin Brewery), a group company of Kirin Holdings Company, Limited (Kirin), and OMRON Corporation (OMRON) announced that they have signed a Stock Purchase Agreement regarding OMRON's investment in Kirin Techno-System Company, Limited (KTS), to supply safe and secure beverages. OMRON's equity stake will be 60%, and Kirin Brewery's 40%.

Lately, as consumers' interest in the safety and security of food and beverages has increased, there is a growing need for advanced quality control and quality inspection to ensure the safety and security of food and beverages at the manufacturing site. On the other hand, as the labor shortage in the manufacturing industry accelerates, automation of manual processes has become a management issue. In addition, reducing waste due to quality defects is also critical from the perspective of global environmental conservation to reduce plastic use. In addition to further improving productivity, which has been an issue for some time, there is an urgent need to achieve higher inspection accuracy, automation, and reduction of defective products in order to both ensure the safety and security of food and beverages and protect the global environment by reducing the use of plastics and use of production energy..

Through OMRON joining the investment in KTS, the two companies will jointly develop "Manufacturing DX (Digital Transformation)" solutions utilizing inspection data and contribute to the development of the food and beverage industry. Both companies will co-create new value (solutions) by combining OMRON's advanced control technology with KTS' inspection technology.

Specifically, by identifying the causes of defects from inspection data and taking countermeasures, both companies aim to achieve manufacturing sites that do not produce in-process defects. By extending the solutions created through co-creation to customers in the beverage industry around the world, both companies will

promote quality improvement and production innovation in the entire food and beverage industry and contribute to global environmental conservation by reducing the number of defective products.

Through the investment in KTS, OMRON aims to further enhance corporate value by leveraging the strengths of both companies to jointly develop value, providing safe and secure beverages, and contributing to the protection of the global environment.

● **Comments from both companies**

Junta Tsujinaga, Managing Executive Officer, Company President of Industrial Automation Company, OMRON Corporation

“OMRON's Automation Business is committed to "Enriching the future for people, industries and the globe by innovative-Automation" under our long-term vision SF2030, launched this fiscal year. We are conducting our business to create a future society in which the sustainable development of industries that support the upper "Medical," "Food," and "Living Environment" and enrich the future for people and the globe concurrently. This capital alliance is positioned to contribute to the sustainable development of the food and beverage industry, which supports the "Food." Through this investment, OMRON will retain KTS' "inspection machine," which is becoming increasingly critical at production sites in the food and beverage industry. By integrating it with our value creation concept, "innovative-Automation," we will continue contributing to the safe, secure, and fulfilling "Food."

Masao Maehara, Senior Executive Officer in charge of Supply Chain Management, Production Technology Strategy at Kirin Holdings

“Kirin Techno-System is a pioneering ‘in-house venture company’ that was incorporated based on optical technology developed by Kirin Brewery’s Engineering Department; directed at maintaining the health and safety of consumers and has gained the trust of numerous domestic and international food, beverage, and pharmaceutical manufacturers. Under the Kirin Group Vision 2027, a long-term management vision launched in 2019, the Kirin Group aims to become ‘A global leader in CSV*,’ creating value across our world of Food & Beverages to Pharmaceuticals - and Kirin Techno-System plays an important role in putting this vision into practice. Through this investment, we will evolve and expand the value provided by Kirin Techno-System and contribute to the health and safety of consumers worldwide.”

* Creating Shared Value. Combined added value for consumers as well as for society at large.

● **About Kirin Holdings Company, Limited**

Kirin Holdings Company, Limited is an international company that operates in the Food & Beverages domain (Food & Beverages businesses), Pharmaceuticals domain (Pharmaceuticals businesses), and Health Science domain (Health Science business), both in Japan and across the globe.

Kirin Holdings can trace its roots to Japan Brewery which was established in 1885. Japan Brewery became

Kirin Brewery in 1907. Since then, the company expanded its business with fermentation and biotechnology as its core technologies, and entered the pharmaceutical business in the 1980s, all of which continue to be global growth centers. In 2007, Kirin Holdings was established as a pure holding company and is currently focusing on boosting its Health Science domain.

Company Name: Kirin Holdings Company, Limited (Includes subsidiary Kirin Brewery Company, Limited)

Established: February 23, 1907

Number of Employees: 29,515 employees on a consolidated basis (as of December 31, 2021)

Revenue: ¥1,821.6bn (As of December 31, 2021)

Head Office: NAKANO CENTRAL PARK SOUTH 10-2, Nakano 4-chome, Nakano-ku, Tokyo 164-0001, Japan

● About Kirin Techno-System

Kirin Techno-System Company, Limited is a manufacturer of inspection machines that was spun off from the engineering division of Kirin Brewery Company, Limited.

Starting in the 1970s, the company developed a high-performance bottle inspection machine using a CCD (Charge Coupled Device) camera – which was not widely used at the time – and since then the company has grown to boast a large share of the Japanese domestic inspection machine market through its high quality and extensive track record. We are expanding our business in a wide range of industries, including beverage, food, pharmaceutical, and container manufacturing mainly in Asia by taking advantage of our product and technological strengths and services cultivated over the years.

Company Name: Kirin Techno-System Company, Limited

Established: January 11, 1990

Number of Employees: 160 employees (As of April 1, 2022)

Head Office: 10-10, Ohkawa, Kawasaki-ku, Kawasaki-shi, Kanagawa, 210-0858, Japan

● About OMRON Corporation

OMRON Corporation is a leading automation company with its core competencies in Sensing & Control + Think technology, and is engaged in a wide range of businesses including industrial automation, healthcare, social systems, and electronic components. Established in 1933, OMRON has about 30,000 employees worldwide, working to provide products and services in around 120 countries and regions. For more information, please visit

<https://www.omron.com/global/en/>

Company Name: OMRON Corporation
Established: May 19, 1948
Number of employees: 29,020 (Global) (As of March 31, 2022)
Net sales: ¥762.9 bn (As of March 31, 2022)
Head office: Shiokoji Horikawa, Shimogyo-ku, Kyoto, Japan

● **About innovative-Automation**

OMRON is advancing a unique "innovative-Automation" concept, creating new types of automation that drive the manufacturing revolution forward at the same time as realizing coexistence with the global environment and a sense of purpose for all workers, as well as contributing to the growth of sustainable industries. As we look to the future of manufacturing, OMRON will pursue novel approaches to productivity in the form of "Autonomation beyond human abilities" and "Advanced collaboration between people and machines," underpinned by "Digital engineering transformation" in order to enrich the future for people, industries and the globe by innovative-Automation.

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