

Translation

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Tokyo, March 30, 2022
Alfresa Holdings Corporation

**Notice Regarding Cease and Desist Order and Surcharge Payment Order
from the Japan Fair Trade Commission**

A consolidated subsidiary, Alfresa Corporation (head office: Chiyoda-ku, Tokyo; hereafter “Alfresa”) received an on-site inspection by the Japan Fair Trade Commission for suspected violation of the Anti-Monopoly Act regarding its bidding to supply ethical pharmaceuticals to the Japan Community Health care Organization (JCHO) on November 27, 2019, and since then Alfresa has fully cooperated with the investigation by the Japan Fair Trade Commission.

Today, Alfresa received a cease and desist order and a surcharge payment order from the Japan Fair Trade Commission.

We sincerely apologize for the great inconvenience and concern to our shareholders, customers, business partners, and all other stakeholders.

The Company and Alfresa take it seriously that we have reached such a situation. As reported in the release on December 14, 2020, we will continue to work tirelessly to reinforce our compliance and push forward with Alfresa Group’s Recurrence Prevention Measures.

1. Overview of the Cease and Desist

The Japan Fair Trade Commission identified that Alfresa had violated Article 3 of the Antimonopoly Act (prohibition of unreasonable restraint of trade), such as cooperating with other companies to determine the prospective order recipients and allowing the prospective recipients to receive orders at the bidding regarding pharmaceuticals procured by JCHO in 2016 and 2018. Based on the finding, the commission ordered Alfresa to take the necessary actions to ensure that the violation must be eliminated.

2. Overview of the Surcharge Payment Order

- (1) Amount of the surcharge to be paid: JPY 175.62 million
- (2) Time limit for payment: October 31, 2022

As a result of applying the leniency program to the Japan Fair Trade Commission, Alfresa is subject to this program and is allowed to reduce the surcharge by 30%.

3. Impact on Financial Results

Such surcharge has already been accounted in provision for loss. The impact of this surcharge on the Company's consolidated performance will be minimal.

About Alfresa Group

The Alfresa Group is a leader in Japanese healthcare industry, which is dedicated to make 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 its consolidated revenue of ¥2.6 trillion (US\$24 billion) for the fiscal year ended March 31, 2021. For more information, please see: <https://www.alfresa.com/eng/>