

Translation

Notice: This document is a translation of the original Japanese document and is for reference purposes only. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

April 23, 2025
Alfresa Holdings Corporation
Aeronext Inc.
NEXT DELIVERY Inc.
Kawanehoncho Town, Shizuoka Prefecture

Realization of Regular Drone-Based Deliveries of Pharmaceuticals in Accordance with Guidelines

The commencement of drone-based deliveries of pharmaceuticals in Kawanehoncho Town, Shizuoka Prefecture, will serve as part of a new phase-free logistics infrastructure that will help preserve the region.

On April 22, 2025, Alfresa Corporation (head office: Chiyoda-ku, Tokyo; Representative Director & President: Yusuke Fukujin; hereinafter “Alfresa”), a subsidiary of Alfresa Holdings Corporation, together with Aeronext Inc., (head office: Shibuya-ku, Tokyo; CEO: Keisuke Toji; hereinafter “Aeronext”) and NEXT DELIVERY Inc. (head office: Kosuge, Yamanashi Prefecture; Representative Director: Keisuke Toji; hereinafter “NEXT DELIVERY”), a subsidiary of Aeronext, began regular deliveries of pharmaceuticals to medical institutions using drones based on a phase-free^{*1} approach, in accordance with the Guidelines on the Delivery of Pharmaceuticals By Drone,^{*2} with a view to delivering pharmaceuticals in the event of a disaster. The collaboration is taking place in Kawanehoncho Town, Shizuoka Prefecture, which is implementing a three-year plan from fiscal 2024 to fiscal 2026 to introduce a new smart logistics^{*3} system using drones.

^{*1} Phase-free

This refers to being able to use the same products and services in both normal times and times of emergency.

^{*2} Guidelines on the Delivery of Pharmaceuticals By Drone

These guidelines establish standards for pharmaceutical distributors and pharmacies when delivering pharmaceuticals using drones, with the aim of ensuring the quality and safety of pharmaceuticals and protecting patient privacy.

^{*3} New smart logistics

An initiative that aims to make logistics, which is an essential part of people's lives, sustainable in the future by exploring solutions to issues common to the logistics industry, such as the shortage of labor, environmental and energy issues, and the need to respond to digital transformation, while making use of digital technology and other innovations. The initiative explores the efficiency of regional logistics and addresses regional issues and aims to consider and realize a best mix of shared delivery for the last mile, the balance between land transport by vehicle, and air transport by drone, phase-free logistics including disaster response, mixed cargo and passenger transport, and automation technology, and more. The initiative acts in accordance with regional conditions and needs, through co-creation on an open public platform (O.P.P.) that transcends the boundaries between the public and private sectors, and between industries.



From the left in the photo: Kazuya Koide, General Manager of Shizuoka Sales Department, Tokai Regional Office, Medical Sales Division, Alfresa; Satoshi Hattori, Digital Promotion Section Manager, Kawanehoncho Town, Shizuoka Prefecture; Takashi Yamamoto, General Manager of Solution Architect Department, Solution & Innovation Division, Alfresa; Nobuaki Yamada, General Manager, Local Dept. NEXT DELIVERY



Aeronext's dedicated logistics drone, AirTruck, is loaded with a special box containing medicines.

1. Background and Purpose of Collaboration

In recent years, Japan has been struck by disasters such as torrential rain, typhoons, and earthquakes, causing immense damage to local communities. Accordingly, there is concern that lives may be at risk particularly in areas that are likely to become isolated in the event of a disaster.

Kawanehoncho Town has a total population of 5,789 (as of July 2024), and it is located in the center of Shizuoka Prefecture. The town is long and narrow, stretching 23 km from east to west and 40 km from north to south along the Oigawa River. It has a land area of 496.72 km² (accounting for 6.4% of Shizuoka Prefecture), and around 90% of it is covered in forest. The area in which Kawanehoncho Town is located has a rich natural environment, but many parts of it are disconnected from the town center, and there are residents whose advancing years make it difficult to shop for everyday items. In addition, there are many parts of the area that could become isolated in the event of an emergency. Moreover, there are issues in transporting goods when roads are blocked due to disasters and there are no other means of transportation.

Based on its corporate philosophy, “we create and deliver a fresh life for all,” the Alfresa Group is working to resolve social and environmental issues through its business activities and is striving to improve its corporate value in a sustainable manner. Furthermore, the Group has set forth contributing to local communities as an important sustainability issue and is working to ensure a stable supply of pharmaceuticals and other products as an essential part of social infrastructure, delivering them safely, reliably, and with integrity.

In 2023, Aeronext and NEXT DELIVERY conducted a demonstration experiment assuming drone deliveries to isolated areas during disasters. Aeronext and Kawanehoncho signed a partnership agreement aimed at building a new logistics business model utilizing next-generation advanced technologies, including drone delivery demonstration projects, to address regional challenges such as depopulation. To develop and implement a new smart logistics infrastructure—SkyHub[®]*4—which integrates ground transportation and drone delivery, a Drone Depot[®] serving as the SkyHub[®] base was established in May 2024 at the former Nakakawane South Elementary School, which is also designated as an evacuation center in the event of an earthquake. Services such as shopping proxy, food delivery, and joint delivery have already been launched.

To address the issues facing Kawanehoncho Town, Alfresa has collaborated with Aeronext and NEXT DELIVERY to combine Alfresa's pharmaceutical transport and delivery know-how, Aeronext's next-generation drone technology with 4D GRAVITY[®]*5 as its core technology, and NEXT DELIVERY's extensive track record and expertise in drone deliveries to create a system for pharmaceutical delivery that integrates land

transportation and drone deliveries. In order to realize a society where medical supplies are delivered by drone even in normal times and to be able to deliver items by drone in times of emergency, such as disasters, we started regular deliveries to medical institutions using drones based on the phase-free concept as a means of last-mile transportation on April 22, 2025. This will support medical provision activities in the event of a disaster, with the aim of helping solve issues including the isolation of communities from urban centers.

***4 New smart logistics SkyHub®**

A new smart logistics platform jointly developed and deployed by Aeronext and Seino Holdings Co., Ltd. that connects existing land transportation and drone logistics, as well as connecting ground and air infrastructure to deliver goods anytime, anywhere. An open and standardized platform with built-in drone delivery, operating from Drone Depots® and using cars and drones as delivery vehicles, and SkyHub® TMS as the base for SkyHub® Delivery (shopping service), SkyHub® Eats (food delivery), SkyHub® Medical (pharmaceutical delivery), as well as joint delivery of packages from different logistics companies in bulk, to develop and provide services tailored to local issues and needs.

***5 4D GRAVITY®**

Airframe structural design technology developed by Aeronext that improves the basic performance of industrial drones, such as stability, efficiency, and mobility, and the transportation performance of drones dedicated to logistics by optimizing the drone's center of gravity.

2. Delivery of Pharmaceuticals by Drone

1) Standards for delivering pharmaceuticals

Drone flights are carried out in accordance with the Level 3.5 flight*6 classification in the Civil Aeronautics Act, and regular deliveries are made in accordance with the Guidelines on the Delivery of Pharmaceuticals By Drone, which stipulates regulations such as temperature control and lock management.

2) Benefits

We believe that this initiative will help shape the future of Japan, which is facing the aged society with a low birthrate, 10 to 20 years from now by providing a method for resolving logistics issues and implementing phase-free logistics that can respond to disasters.

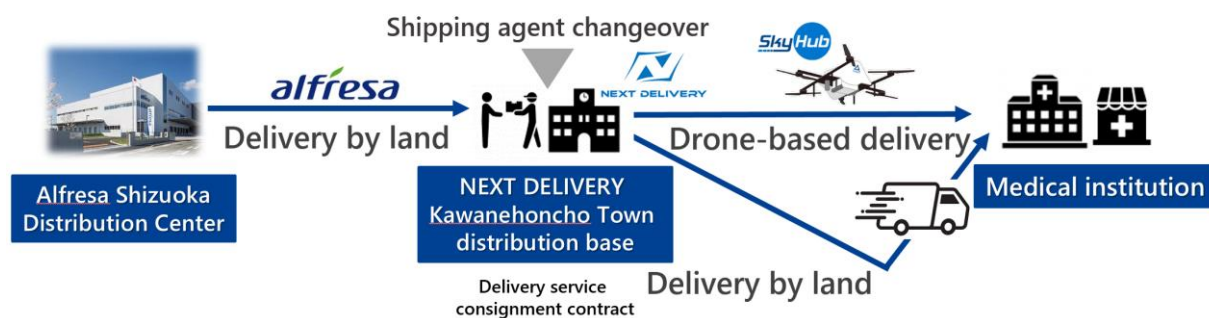
3) Operation

The necessary medical supplies will be transported by land from the Alfresa Shizuoka Distribution Center to the NEXT DELIVERY distribution base (SkyHub® Drone Depot in Kawanehoncho Town; formerly Nakakawane South Elementary School), with deliveries to areas further away from said distribution base being carried out by drone or vehicle. We will start with one medical institution and plan to expand to other medical institutions in Kawanehoncho Town in the future.

***6 Level 3.5 flight**

This refers to a method of flight that facilitates the crossing of roads, railroads, and other structures by eliminating the entry control measures required for Level 3 flights, on the condition that digital technologies such as onboard cameras are used, the pilot has an unmanned aircraft remote pilot certificate, and insurance is purchased.

Overview of Drone-Based Regular Pharmaceutical Deliveries in Kawanehoncho Town



Land delivery from Alfresa Shizuoka Distribution Center to the NEXT DELIVERY Kawanehoncho Town distribution base



Masaomi Matsuoka, CEO of Matsuoka Pharmacy, unlocks a special box containing medicines that is locked with a fingerprint authentication key.



AeroneX's dedicated logistics drone, AirTruck, returns to the NEXT DELIVERY Kawanehoncho Town distribution base after delivering medicines.

About Alfresa

For more than two decades since its establishment in 2004, Alfresa has offered various services that support individuals' health, focusing on the wholesale distribution of ethical pharmaceuticals to hospitals and pharmacies. In addition to ethical pharmaceuticals, Alfresa sources medical equipment, testing reagents, and nutritional foods from around 1,000 manufacturers in Japan and overseas, delivering them reliably and safely to hospitals, clinics, and pharmacies. In recent years, Alfresa has supported the development of community-based comprehensive care systems tailored to individual needs through its national network of approximately 170 locations. Furthermore, through various information services and solution tools, we strive to enhance operational efficiency and improve the quality of medical care in the healthcare sector.

For more information: <https://www.alfresa.com/eng/>

About Aeronext

Aeronext is an IP driven research and development technology startup that has a vision of "new economization of airspace," Aeronext develops and patents industrial drone technologies and conducts licensing in order to create a world where the sky becomes societal infrastructure and economized, and social issues are resolved with drones. Our core technology is 4D GRAVITY®, a unique structural design technology that improves basic drone performance such as stability, efficiency, and mobility of industrial drones by optimizing the center of gravity of the aircraft. In addition to technologies related to 4D GRAVITY®, we are building a diverse patent portfolio covering a wide range of areas, including peripheral technologies such as drone ports and logistics systems. Through the provision of 4D GRAVITY® licenses and collaboration with local companies, we are globally expanding a partnership-based platform business. To realize the new smart logistics system SkyHub® utilizing drones, we established our strategic subsidiary, NEXT DELIVERY, and are proactively engaged in the social implementation and commercialization of drone delivery services.

For more information: <https://aeronext.com/about/company/>

About NEXT DELIVERY

A strategic subsidiary of Aeronext, whose main business is drone delivery, established in Kosuge Village, Yamanashi Prefecture in 2021 based on the Aeronext Group's mission, "A new societal infrastructure for the 100-year life era, a world where enrichment is spread to every corner of the world." Aeronext and Seino Holdings Co., Ltd. jointly develop and deploy SkyHub®, a new smart logistics system that connects existing logistics and drone logistics to create a new societal infrastructure. We are also developing related businesses such as development, sales, operation, and maintenance of both hardware and software related to integrated delivery and drone delivery. Starting with Kosuge Village, Yamanashi Prefecture, we are working to improve the efficiency of regional logistics and address regional issues throughout Japan, including Kamishihoro Town, Hokkaido, and Tsuruga City, Fukui Prefecture.

For more information: <https://aeronext.com/about/company/>

About Kawanehoncho Town, Shizuoka Prefecture

Situated at the foot of the Southern Alps and located in a rich natural environment, Kawanehoncho Town has been designated as a Southern Alps UNESCO Eco-Park and is on the list of the most beautiful villages in Japan. The town's attractions include beautiful valleys such as Sumata Gorge and Sessokyo Gorge, star-gazing spots,

and Kawane Tea, one of the three most famous teas in Japan. The town is also steeped in traditional culture, including the Bon Odori dance of Tokuyama, which has been registered as a UNESCO Intangible Cultural Heritage site. Popular sightseeing activities include visiting suspension bridges, such as Yume-no Suspension Bridge and Shiogo Suspension Bridge, and riding the trolley train on the Ikawa Line of the Oigawa Railway. With its harmonious blend of nature and culture, Kawanehoncho Town is also attracting the attention of rural migrants seeking a place to raise their children where they can grow up surrounded by nature.

With the aim of solving regional logistics issues, the town is implementing a three-year plan from fiscal 2024 to fiscal 2026 to introduce a new smart logistics system using drones.

For more information: <https://www.town.kawanehon.shizuoka.jp/index.html>

Inquiries

Alfresa Holdings Corporation

Orihara

Corporate Communication Department

Email: ir@alfresa.com

Aeronext Inc. / NEXT DELIVERY Inc.

Ito

Public Relations Department

Tel: 03-6455-0626

Email: info@aeronext.com

Kawanehoncho Town, Shizuoka Prefecture

Nagashima

Digital Promotion Department

Tel: 0547-56-2232

Email: digital@town.kawanehon.lg.jp