

Company: Yakult Honsha Co., Ltd.

Representative: Hiroshi Narita, President and  
Representative Director

Company: Pokka Sapporo Food & Beverage Ltd.

Representative: Shinichi Soya, President and CEO

## **Yakult Honsha and Pokka Sapporo Food & Beverage Form Alliance for Japanese Business**

Yakult Honsha Co., Ltd. (hereinafter referred to as “Yakult Honsha”) and Pokka Sapporo Food & Beverage Ltd. (hereinafter referred to as “Pokka Sapporo”) announced that the companies signed a business alliance agreement for the Japanese market effective today.

### 1. Background of the business alliance

The Japanese market for food and beverages, in which the two companies are engaged, is expected to see slowing growth in coming years affected by the long-term population decline. Meanwhile, consumers’ health needs are rising every passing year given the aging population and the food and beverage market, which offers health values, is continuing to expand.

Yakult Honsha and Pokka Sapporo have reached an agreement to conduct research and development for products that offer new values to customers in the Japanese market, by leveraging the ingredients and technologies that contribute to health that the two companies own, and signed a business alliance agreement.

With this, the companies, by generating synergy effects from their respective management resources, will develop high-value added products under the theme of “offering daily health and great taste derived from the power of plant-based ingredients and lactic acid bacteria” and create a new market in Japan.

The companies aim to achieve lasting growth for their businesses by gaining further support from customers and other stakeholders.

### 2. Details of the business alliance

The details of the business alliance are as follows.

- (1) Joint research and product development of food and beverage ingredients using lactic acid bacteria and fermentation technology owned by Yakult Honsha and lemon-based ingredients and processing technology owned by Pokka Sapporo
- (2) Joint research and product development of food and beverage ingredients using lactic acid

bacteria and fermentation technology owned by Yakult Honsha and plant-derived ingredients (plant milk) owned by Pokka Sapporo

### 3. Future discussions

In addition to the details of the alliance in 2., the companies will continue with discussions regarding “streamlining of operations by using the assets (production facilities, etc.) owned by each company” and “expansion of sales by leveraging the sales channels (mass retailers, etc.) in which each company has strengths,” announced on May 14.

Pokka Sapporo owns a leading production plant in Japan that specializes in the production of plant-based products in Isesaki, Gunma Prefecture, and the two companies will discuss the use of the plant for the products jointly developed by them including the feasibility.

The companies are not considering a capital alliance.

The impact of the alliance on the business performance of the companies is negligible at this point, but the companies will swiftly make an announcement when it becomes necessary for timely disclosure.

### 4. Comments from the two companies

[Hiroshi Narita, President and Representative Director, Yakult Honsha Co., Ltd.]

I am delighted to have the opportunity for a business alliance agreement like this. We believe that the lemon-based ingredients and plant-derived ingredients owned by Pokka Sapporo are their strengths and the market for these materials can be expected to grow much larger as consumers’ health needs grow.

The companies will work closely to drive forward discussions in the aim to offer new values to customers by combining these ingredients with our lactic acid bacteria and fermentation technology under the business alliance.

[Shinichi Soya, President and CEO, Pokka Sapporo Food & Beverage Ltd.]

I am excited about this business alliance. I am very much looking forward to working on the creation of a new market with Yakult Honsha, which has been supporting and contributing to the health and happiness of people around the world by utilizing its one and only *Lactobacillus casei* strain Shirota.

The two companies, one is a pioneer of probiotics and the other a pioneer of lemon juice, will work together to create future food staples by leveraging each other’s strengths.



The signing ceremony (November 9)

(Left) Hiroshi Narita, President and Representative Director, Yakult Honsha Co., Ltd.

(Right) Shinichi Soya, President and CEO, Pokka Sapporo Food & Beverage Ltd.

## 5. Profile of the companies

### (1) Yakult Honsha Co., Ltd. (fiscal year ended March 2021)

(i) Location: 1-10-30, Kaigan, Minato-ku, Tokyo

(ii) Name and title of representative: Hiroshi Narita, President and Representative Director  
(assumed office in June 2021)

(iii) Main business: Foods and beverages, cosmetics, pharmaceuticals, international businesses

(iv) Capital: 31,117 million yen

(v) Established: April 1955

(vi) Net sales: 385,706 million yen (consolidated)

(vii) Employees: 2,874

### (2) Pokka Sapporo Food & Beverage Ltd. (fiscal year ended December 2020)

(i) Location: 3-27-1 Sakae, Naka-ku, Nagoya City, Aichi Prefecture

(ii) Name and title of representative: Shinichi Soya, President and CEO

(iii) Main business: Soft drink and food businesses, restaurant business, others

(iv) Capital: 5,432 million yen

(v) Established: March 2012

(vi) Net sales: 76,186 million yen

(vii) Employees: 1,080