

Briefing Materials for FY2024 Financial Results



Kagome Co., Ltd.

Securities Code: 2811

Figures in these materials

- Amounts are rounded down to the nearest 0.1 billion yen. Part of amounts for core operating income are rounded down to the nearest 10 million yen.
- Percentages are rounded to one decimal place.

- 1. Summary of Financial Results for FY2024**
- 2. Progress of the Third Mid-Term Management Plan and FY2025 Earnings Forecast**
- 3. Looking Ahead to the Next Decade**

1. Summary of Financial Results for FY2024

FY2024 Consolidated Results

- Revenue and each profit indicator reached record highs.
- Revenue: Revenue increased on the addition of Ingomar as a consolidated subsidiary.
- Core operating income: Core operating income rose thanks to price revisions and demand stimulation measures, etc., which covered the impact of continued rises in raw materials prices.

Unit: billion yen	FY2024 Result		YoY		FY2023 Result
		Margin		Change	
Revenue	306.8	-	+82.1	+36.5%	224.7
Core operating income	27.0	8.8%	+7.6	+39.1%	19.4
Operating income	36.2	11.8%	+18.7	+107.3%	17.4
Net income*	25.0	8.2%	+14.5	+139.8%	10.4
ROE	15.7%		+7.4pt		8.3%
ROA	8.6%		+0.7pt		7.9%
EPS (yen)	278.52		+157.35	+129.9%	121.17

* Net income attributable to shareholders of parent

FY2024 Results by Segment

- Domestic Processed Food: Beverages and Food – Other categories posted increased revenue and higher core operating income, while Direct Marketing recorded increased revenue, but lower core operating income.
- International: The effects of Ingomar’s consolidation and inclusion resulted in larger revenue and core operating income of tomato and other primary processing, and strong sales resulted in higher revenue and core operating income of tomato and other secondary primary processing.

Unit: billion yen	Revenue				FY2023 Result	Core operating income				FY2023 Result
	FY2024 Result	YoY	Change	Forex effects		FY2024 Result	YoY	Change	Forex effects	
Beverages	82.7	+7.2	+9.6%	-	75.4	9.10	+1.59	+21.2%	-	7.50
Direct marketing	13.3	+0.2	+1.8%	-	13.1	0.23	-0.51	-68.1%	-	0.75
Food - Other	59.6	+6.0	+11.3%	-	53.5	6.23	+3.01	+93.9%	-	3.21
(1) Domestic Processed Food Business total	155.7	+13.5	+9.5%	-	142.1	15.57	+4.10	+35.7%	-	11.47
Tomato and other primary processing	82.2	+61.8	+302.1%	+5.8	20.4	8.39	+3.39	+67.7%	+0.55	5.00
Tomato and other secondary processing	70.5	+12.7	+22.0%	+5.0	57.8	7.00	+0.48	+7.4%	+0.54	6.51
Adjustments	-3.5	-3.3	-	-0.1	-0.1	-1.46	-0.77	-	-	-0.69
(2) International Business total	149.3	+71.1	+91.0%	+10.7	78.1	13.93	+3.09	+28.6%	+1.10	10.83
Others/Adjustments	1.8	-2.5	-	-0.8	4.3	-2.41	+0.42	-	+0.15	-2.83
Total	306.8	+82.1	+36.5%	+9.8	224.7	27.09	+7.61	+39.1%	+1.25	19.47

International Business: Effects of Ingomar inclusion in tomato and other primary processing

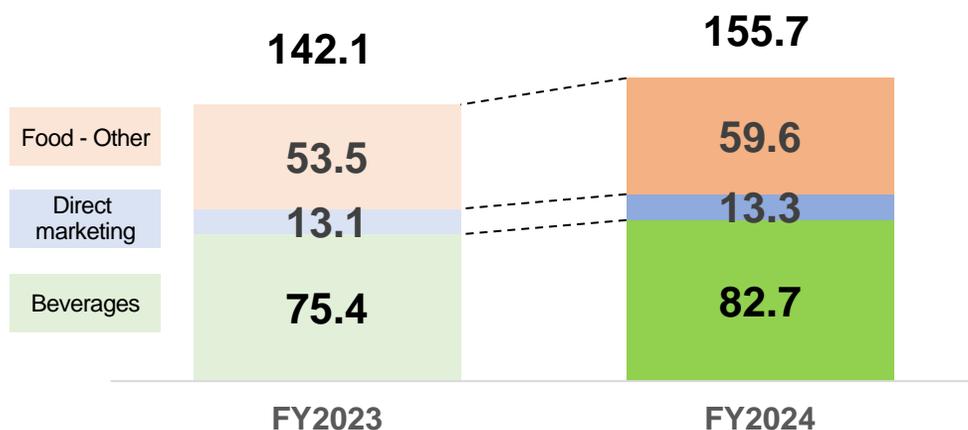
- Revenue: 57.7 billion yen / Core operating income: 4.6 billion yen (fully consolidated: 100%)
 - Core operating income will temporarily remain at low levels because of higher costs from marking to market inventories following the application of business combination accounting.
- Ref.) FY2023 revenue: – billion yen / Core operating income: 2.2 billion yen (gain on equity in earnings: 20%)

FY2024 Domestic Processed Food Business

- Revenue rose across all categories thanks to demand stimulation measures implemented after price revisions in February.
- Core operating income was also up with the exception of Direct Marketing where we implemented strategic investments in the 4Q.

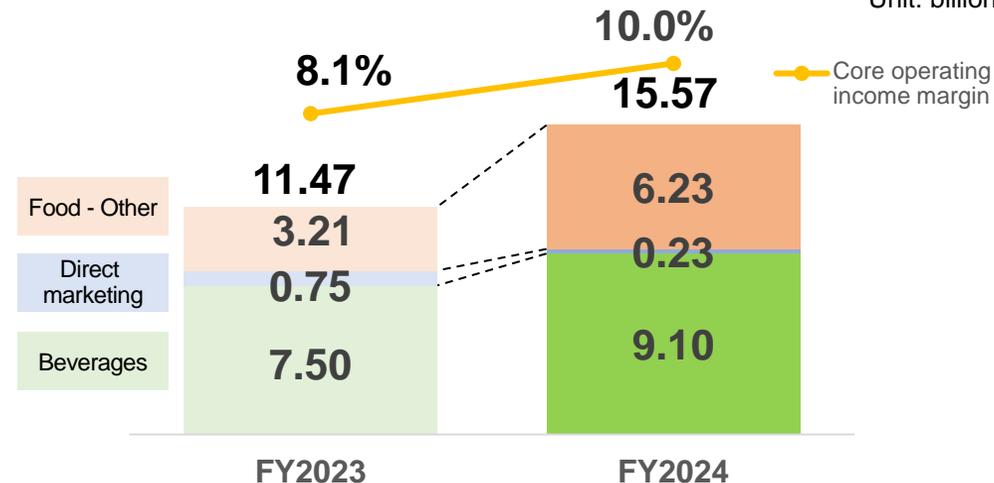
Revenue

Unit: billion yen



Core operating income

Unit: billion yen



Revenue up across all categories

- Beverages: Maintained sales volume after February price revisions thanks to demand stimulation measures
Tomato juice maintained favorable performance owing to the new growth of new customers among beauty-minded consumers and the creation of repeat customers
- Direct Marketing: Strong sales of Tsubuyori Yasai and soups
- Food – Other:
Consumer use: Tomato ketchup maintained favorable sales following increased promotions
Institutional and industrial use: Food service demand remained strong

Beverages and Food – Other posted higher core operating income driven by price revisions and measures to spur demand

- Beverages: Core operating income was up on price revisions and demand stimulation measures implemented thereafter, despite continued increases in raw materials prices
- Direct Marketing: Core operating income declined due to strategic investments in advertising expenses implemented in the 4Q
- Food – Other
Consumer use/Institutional and industrial use: Core operating income increased despite continued rises in raw materials prices thanks to the effects of price revisions and demand stimulation measures implemented thereafter

FY2024 Domestic Processed Food Business

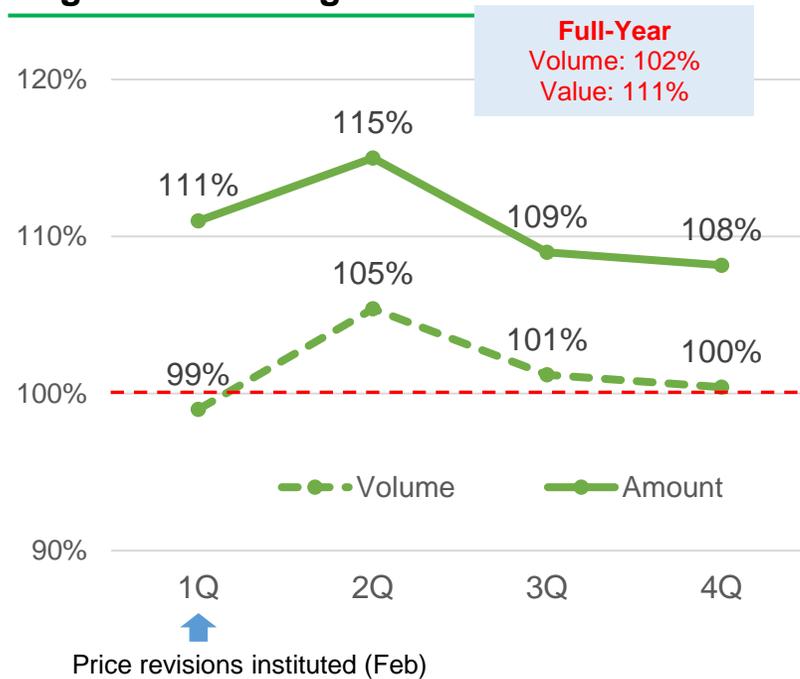
—Trend After Price Revisions



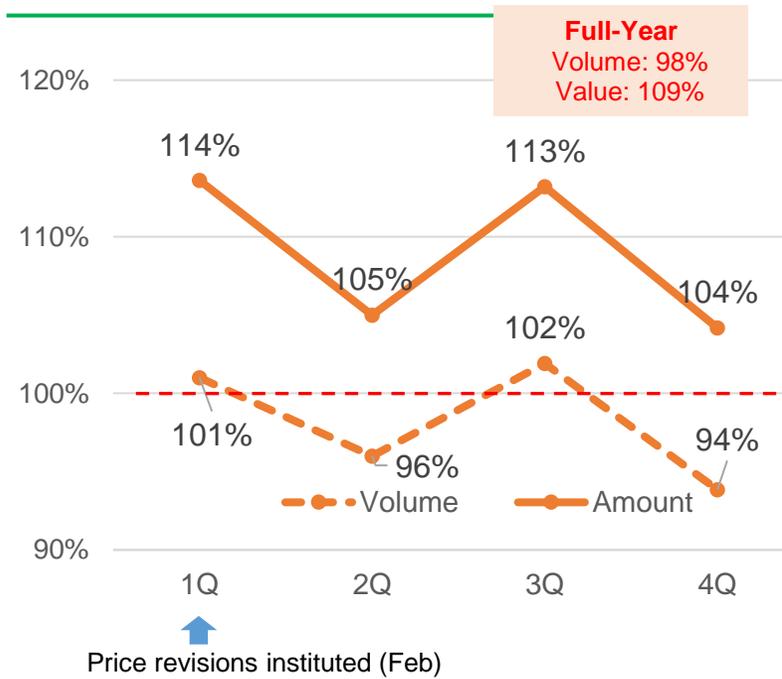
- Vegetable beverages and institutional and industrial use: Maintained performance after price revisions as sales volume and value exceeded the previous fiscal year.
- Foods for consumer use: Despite quarterly ups and downs, on a full-year basis volume was 98% of the previous year and on a value basis 109%.

■ Quarterly YoY trends by category

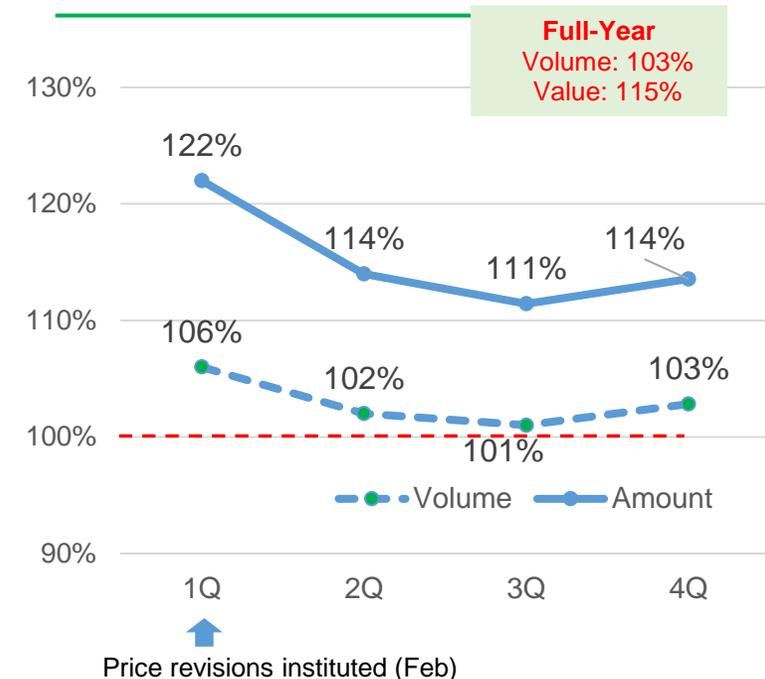
Vegetable beverages



Foods for consumer use



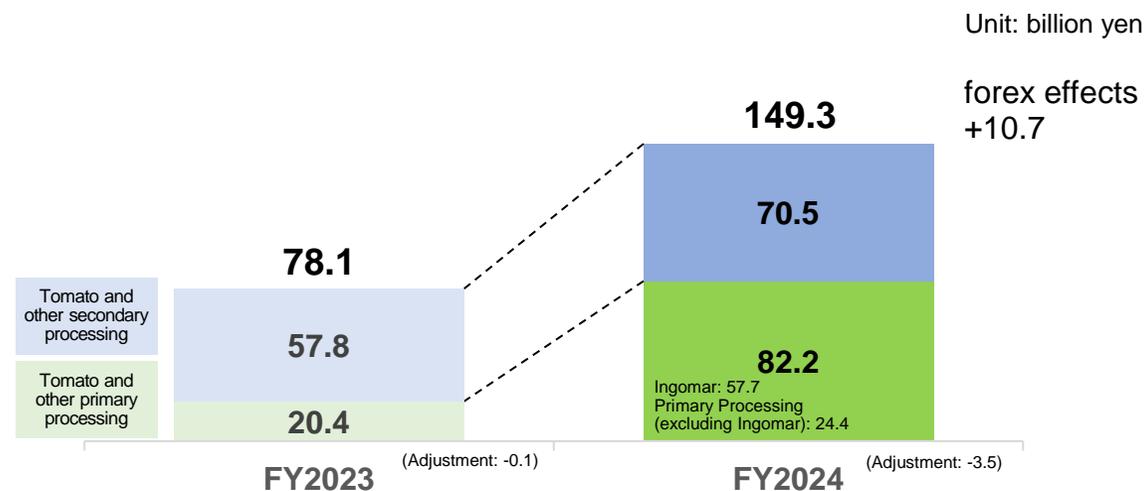
Institutional and industrial use



FY2024 International Business

- Revenue increased significantly on the addition of Ingomar as a consolidated subsidiary.
- Core operating income increased amid rising selling prices linked to positive market conditions.

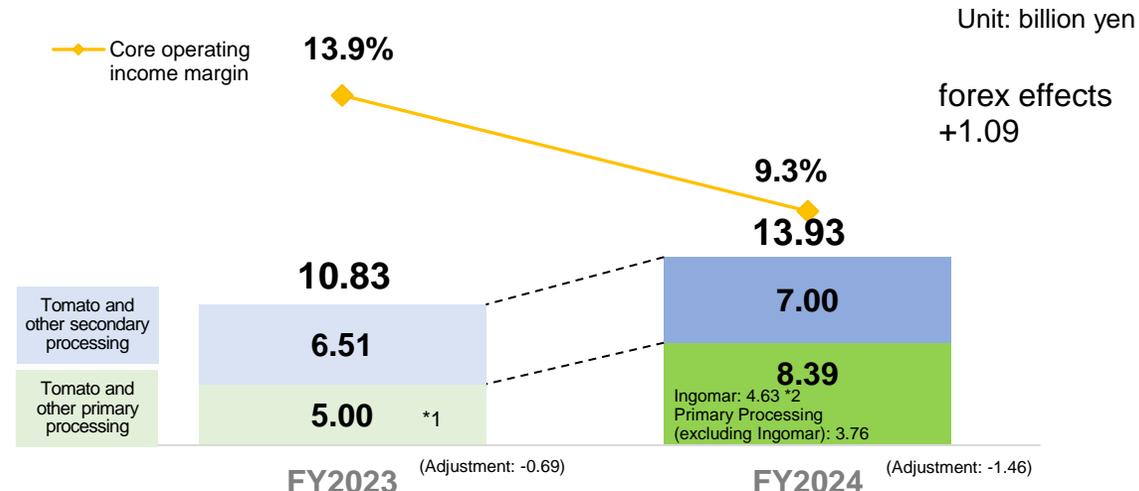
Revenue



Revenue up for both tomato and other primary and secondary processing

- Primary processing: Revenue increased significantly on the addition of Ingomar as a consolidated subsidiary
Revenue increased on rising selling prices linked to positive market conditions for tomato paste, even when excluding the effects off Ingomar
- Secondary processing: Revenue rose owing to price revisions and on continued favorable sales of pizza sauce, etc. from greater demand food service demand

Core operating income

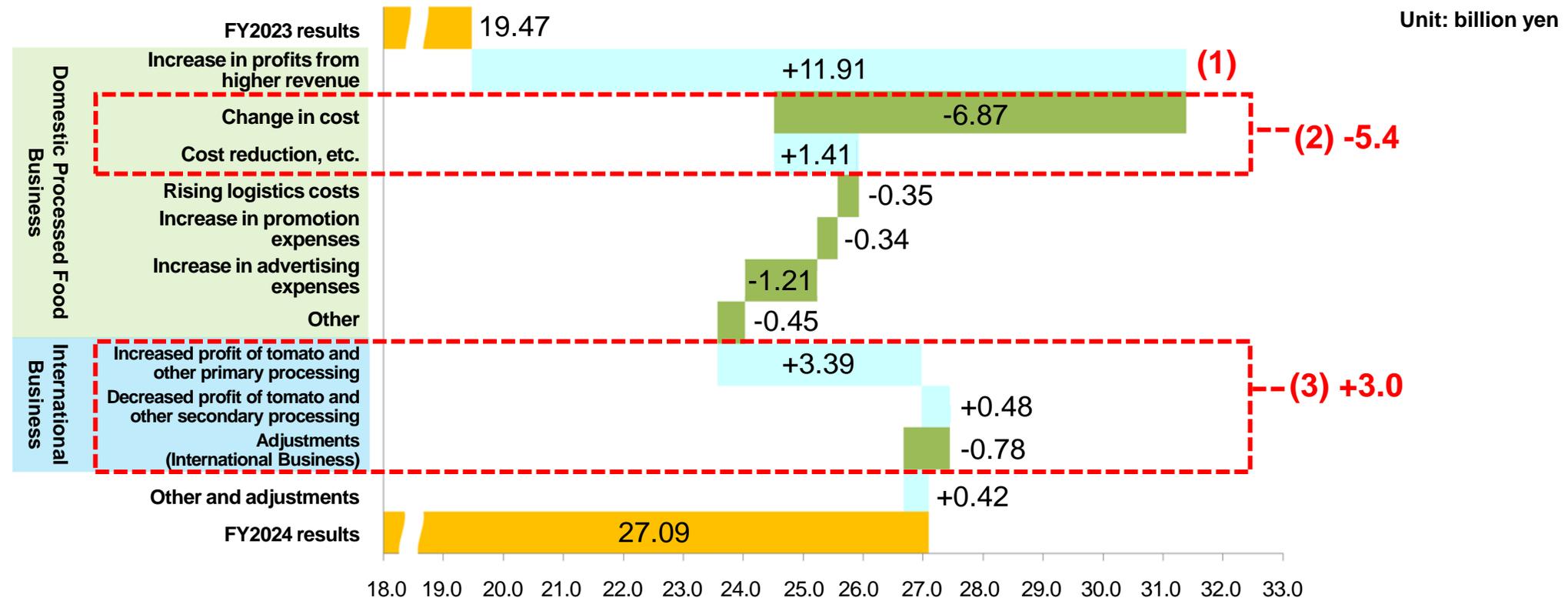


Core operating income pushed higher on rising selling prices driven by price revisions

- Primary processing: Core operating income rose on higher selling prices linked to positive market conditions of tomato paste
^{*1}: Includes gain on equity of affiliate in FY2023 (Ingomar) of 2.21 billion yen.
^{*2}: The application of business combination accounting had an impact on costs, etc., due to marking to market of inventory.
- Secondary processing: Core operating income rose on price revisions and growing food service demand

FY2024 Factors Contributing to Core Operating Income Changes

Changes in core operating income were as follows:



- (1) Price revisions, increase in sales volume, etc. +11.9
- (2) Change in cost and cost reduction, etc. -5.4: Cost changes -6.8... raw materials -5.6 (tomatoes -2.2, other including carrots and apples, etc. -2.1), packaging materials -0.9, etc. Cost reduction +1.4... review of contracts, reduced loss, review of outsourcing ratio, etc.
- (3) Increase in income of International Business +3.0: primary processing +3.3 (consolidation of Ingomar +2.4, rising selling prices +0.4), secondary processing +0.4, etc.

FY2024 Factors Contributing to Operating Income and Net Income Changes

- Net income rose from the previous year on higher core operating income and other revenues.

Unit: billion yen	FY2024 Result			FY2023 Result
		YoY	Change	
Core operating income	27.09	+7.61	39.1%	19.47
Other income	10.07	(1) +9.43	—	0.63
Other expenses	0.94	-1.69	-64.3%	2.63
Operating income	36.22	+18.74	107.3%	17.47
Income before income taxes	33.66	+17.17	104.2%	16.48
Income taxes	6.48	+1.81	38.8%	4.67
Effective tax rate	19.3%	(2) -9.1pt	—	28.4%
Profit attributable to non-controlling interests	2.15	+0.77	55.8%	1.38
Net income*	25.01	+14.58	139.8%	10.43

* Net income attributable to shareholders of parent

Main Factors Contributing to Changes

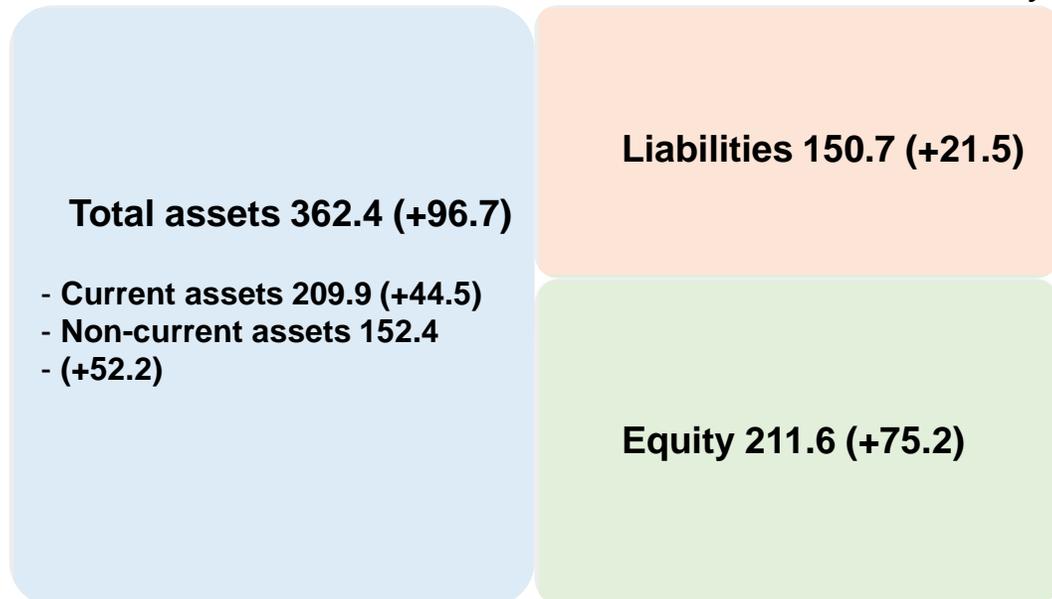
- (1) Other income +9.4: Gain on the results of remeasuring the 20% equity stake of Ingomar prior to its consolidation +9.3
- (2) Effective tax rate: -9.1pt: Non-taxable impacts on gains with regard to (1) above

FY2024 Changes to Statement of Financial Condition

- Assets and Liabilities both increased on the addition of Ingomar as a consolidated subsidiary.

Assets/Liabilities and Equity
362.4 billion yen (+96.7 billion yen YoY)
Equity attributable to owners of the parent to total assets:
51.3% (+1.5pt YoY)

Consolidated Statement of Financial Condition
(As of December 31, 2024) Unit: billion yen



Details of Changes from the Previous Fiscal Year End (Unit: billion yen)

■ Current assets 209.9 (+44.5)

Inventories +43.8 (including forex effects),
 Trade and other receivables +11.0,
 Cash and cash equivalents -14.7 (acquisition of additional equity stake in Ingomar, etc.)

■ Non-current assets 152.4 (+52.2)

Intangible assets +34.7, property, plant and equipment +21.8, etc.

■ Liabilities 150.7 (+21.5)

Borrowings (including long-term) +8.9, Trade and other payables +7.6,
 Deferred tax liabilities +4.9, etc.

■ Equity 211.6 (+75.2)

Non-controlling interests +21.7, Retained earnings +21.7 (net income: +25.0 and dividends paid: -3.5, etc.), Treasury shares +21.7, etc.

*Parentheses indicate year-on-year change.

FY2024 Changes in Cash Flow

Free cash flows: Declined YoY following an increase in expenditures in cash flows from investing activities.
Cash flows from financing activities: Declined YoY due to repayment of borrowings, despite disposal of treasury shares.

Unit: billion yen	FY2024 Result			FY2023 Result
		YoY	Change	
Cash flows from operating activities (A)	31.6	+27.1	+588.6%	4.6
Cash flows from investing activities (B)	-46.3	-40.2	—	-6.0
Free cash flow (A+B)	-14.6	-13.1	—	-1.4
Cash flows from financing activities	-0.5	-16.1	—	15.6

■ Key components of FY2024 cash flows

Cash flows from operating activities

Profit before income taxes 33.6 billion yen, depreciation and amortization 12.0 billion yen, income taxes -8.6 billion yen, interest paid -3.0 billion yen, etc.

Cash flows from investing activities

Payments to acquire additional equity in Ingomar -36.0 billion yen, acquisition of property, plant and equipment, and intangible assets -10.9 billion yen, etc.

Cash flows from financing activities

Income from disposal of treasury shares 23.1 billion yen, decrease of short-term borrowings -15.6 billion yen, increase of long-term borrowings +3.0 billion yen, and dividends paid to Kagome shareholders -3.5 billion yen, dividends paid to non-controlling interests -4.9 billion yen, etc.

2. Progress of the Third Mid-Term Management Plan and FY2025 Earnings Forecast

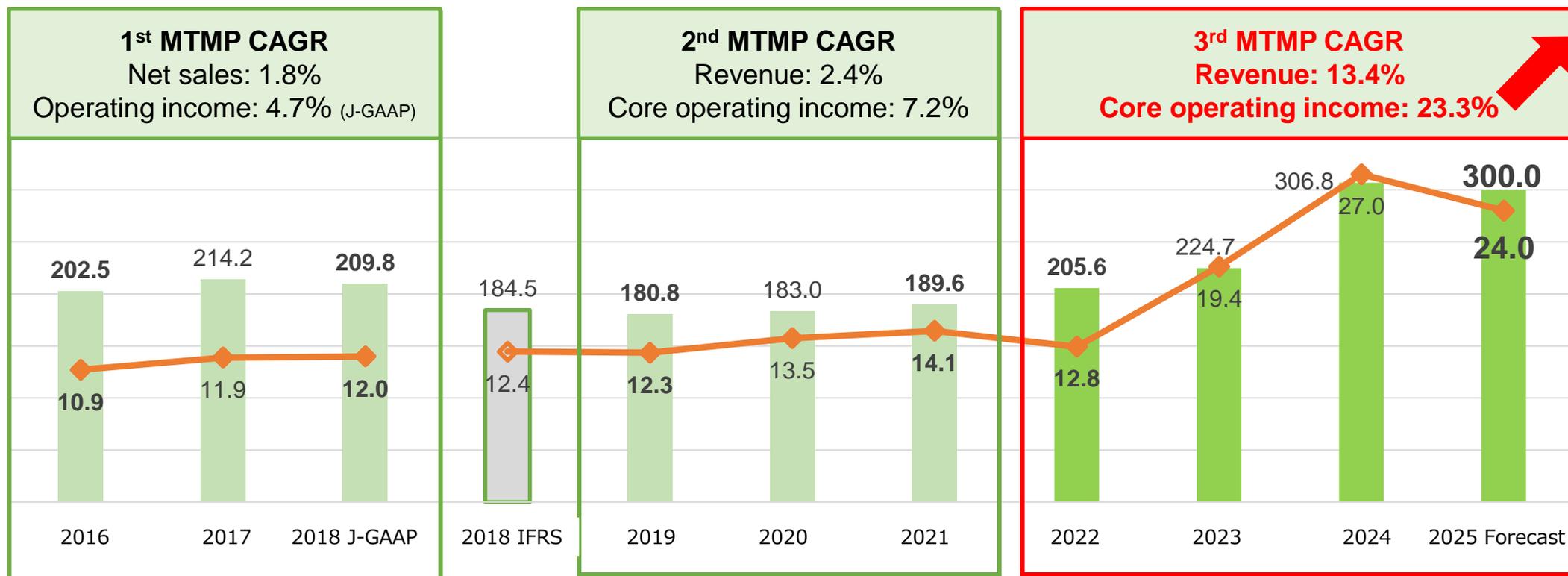
Progress of the Third Mid-Term Management Plan

- The earnings forecast for 2025, the final year of the plan, calls for revenue of 300 billion yen and core operating income of 24 billion yen.
- CAGR for the third Mid-Term Management Plan, which emphasizes growth, grew significantly for both revenue and core operating income driven by organic and inorganic growth.

Revenue and Core Operating Income for Trailing 10 Years (*)

(Unit: billion yen)

■ Revenue/Net sales* ◆ Core operating income /Operating income*



*Figures for 2018 and prior represent J-GAAP, while figures after 2018 represent IFRS.

Third MTMP: Investment Results vs. Plan

- Set to accelerate investments for sustainable growth in the second half, both organically and inorganically.
- Proactively spending on capital investment in the International Business including Ingomar to achieve medium- to long-term growth.
- Continuing to explore opportunities including for inorganic growth.

Fixed investment

- Increase allocation to International Business including the US
- Increase investment for the medium to long term

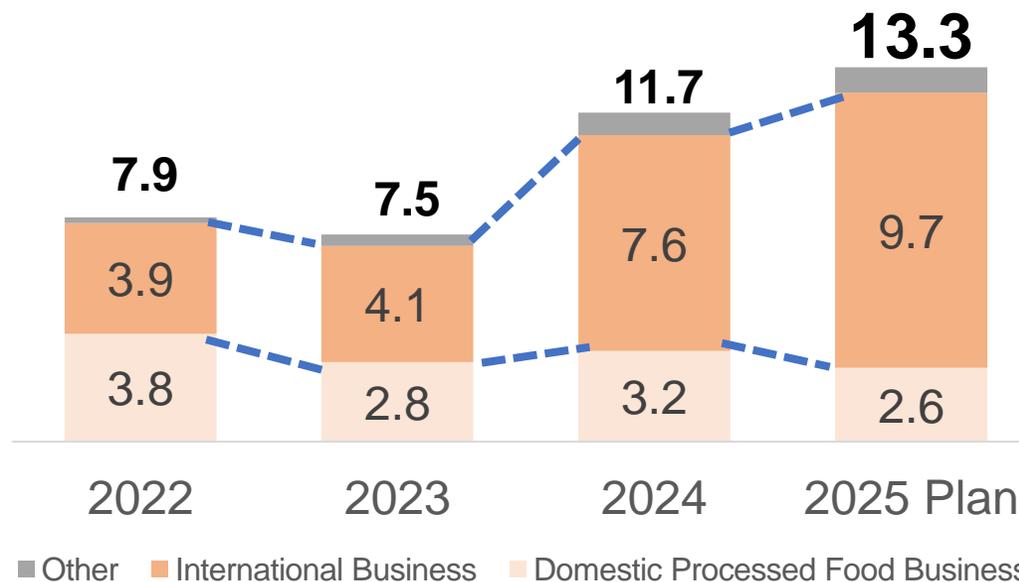
Approx. **40.0** billion yen

Business investment

36.7 billion yen +

Trend in fixed investment

Unit: billion yen

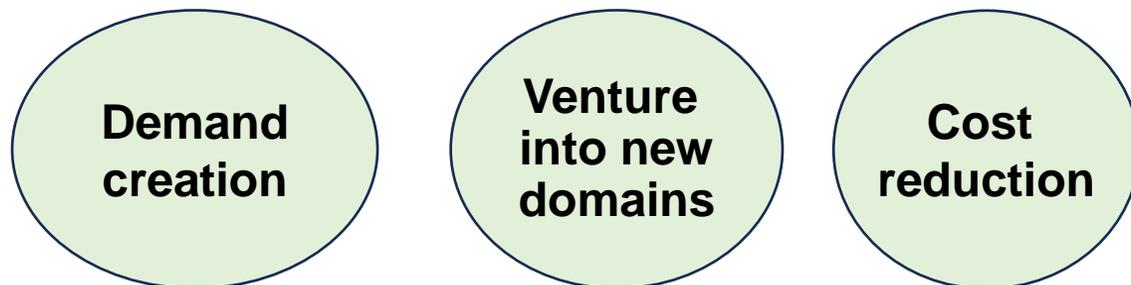


Third MTMP: Domestic Processed Food Business

- Domestic Processed Food Business: Continues to face rising costs and profit generation is now the segment's most important issue.
- Efforts are now underway to restore core operating income to the level seen in 2021 (before major cost increases).

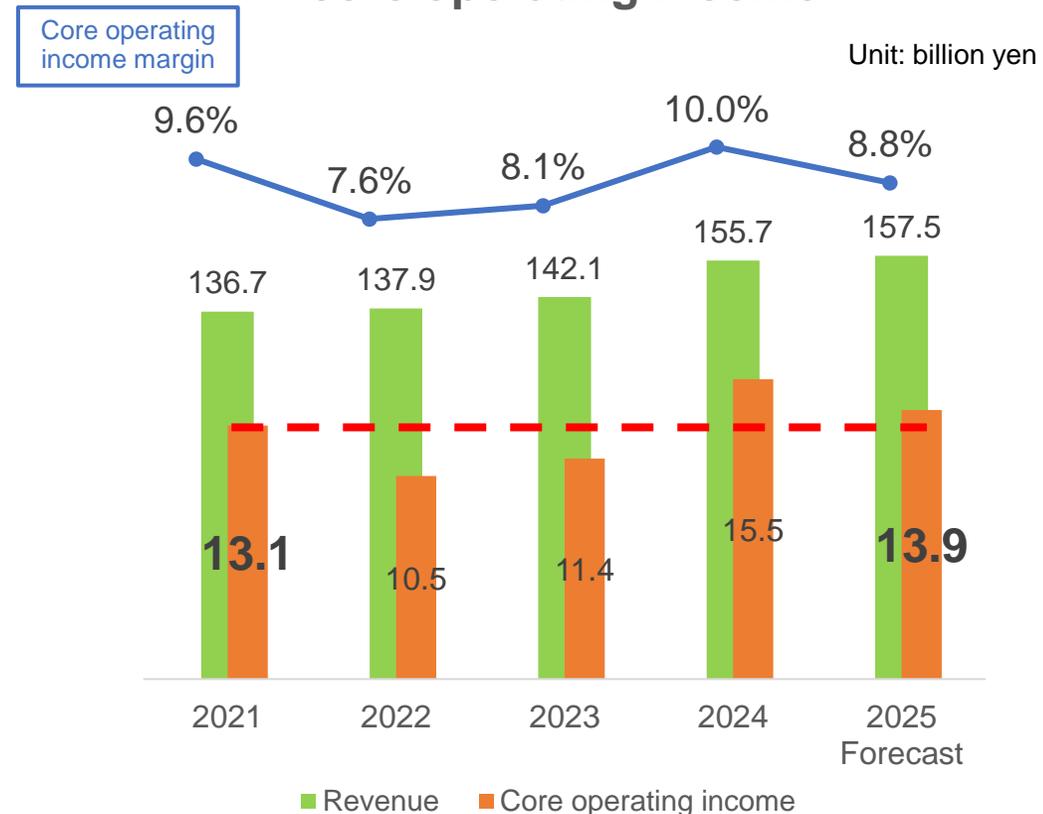
Basic policy

Restore profits, continue tackling challenges



- Although costs are expected to rise further in 2025, we intend to restore core operating income to the level seen in 2021 by **creating demand, tackling challenges in new domains** such as soups and plant-based milk, and **lowering costs**.

Trend in revenue and core operating income



Third MTMP: International Business

- International Business: Both revenue and core operating income increased following the addition of Ingomar as a consolidated subsidiary.
- Tomato paste prices are now falling, but through collaboration within the Group, we will minimize the impacts of market conditions and strengthen the International Business to unlock greater growth.

Basic policy

Accelerate growth

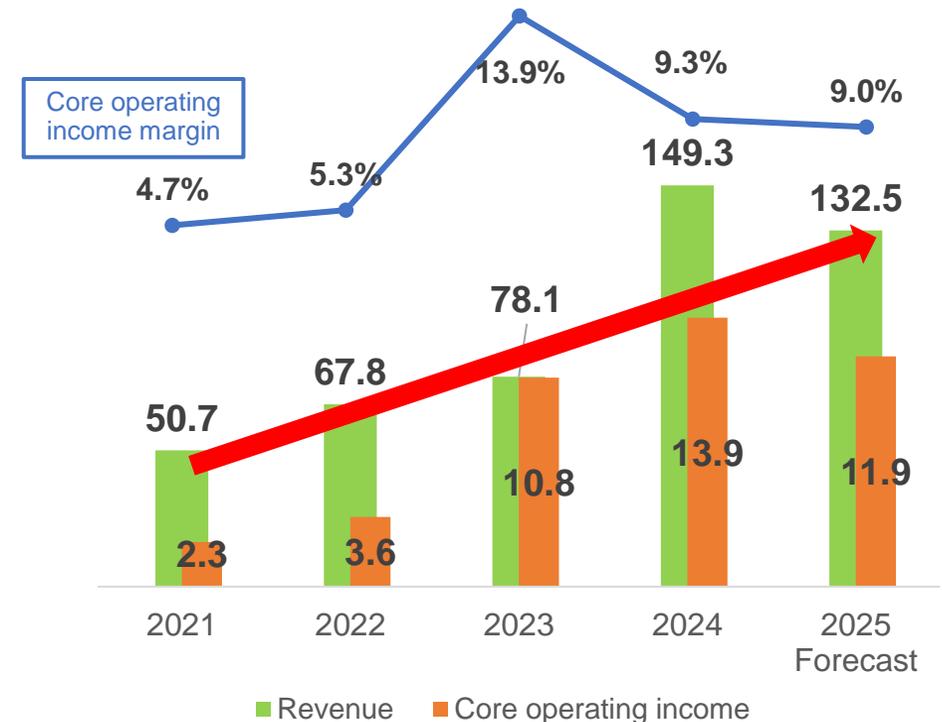
Primary Processing
Strengthen
competitiveness

Secondary Processing
Improve proposal
capabilities

- Following Ingomar's consolidation in 2024, **revenue has jumped 2.6 times and core operating income 5.0 times** compared to 2021 performance. In primary processing, we will bolster competitiveness by **streamlining production, improving quality, and strengthening customer relationships**, and in secondary processing, we will strengthen the International Business by **improving our ability to propose solutions to food service companies**.

Trend in revenue and core operating income

Unit: billion yen



FY2025 Earnings Forecast

Domestic Processed Food Business: Revenue is expected to increase, but core operating income will decline because of rising raw materials prices and logistics costs, etc.

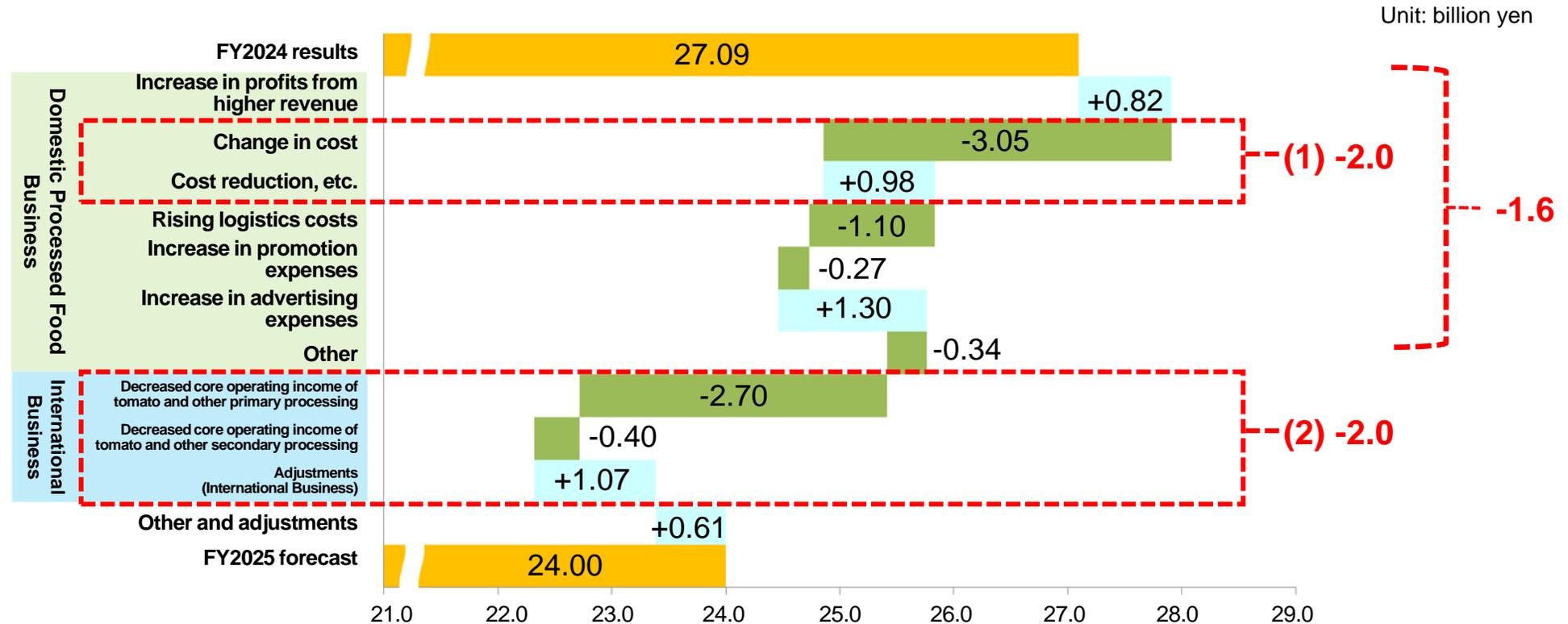
International Business: Revenue is forecast to decline due to the effects of declining tomato paste prices and core operating income will also decline because of lower revenue.

Unit: billion yen	Revenue			FY2024 Result	Core operating income			FY2024 Result
	FY2025 Forecast	YoY	Change		FY2025 Forecast	YoY	Change	
Beverages	85.4	+2.6	+3.2%	82.7	9.00	-0.10	-1.1%	9.10
Direct marketing	14.2	+0.8	+6.3%	13.3	0.60	+0.36	+150.4%	0.23
Food - Other	57.9	-1.7	-2.9%	59.6	4.30	-1.93	-31.0%	6.23
Domestic Processed Food Business total	157.5	+1.7	+1.1%	155.7	13.90	-1.67	-10.8%	15.57
Tomato and other primary processing	69.0	-13.2	-16.1%	82.2	5.70	-2.69	-32.1%	8.39
Tomato and other secondary processing	66.8	-3.7	-5.3%	70.5	6.60	-0.40	-5.7%	7.00
Adjustments	-3.3	+0.2	—	-3.5	-0.40	+1.06	—	-1.46
International Business total	132.5	-16.8	-11.3%	149.3	11.90	-2.03	-14.6%	13.93
Others/Adjustments	10.0	+8.1	+439.4%	1.8	-1.80	+0.07	—	-2.41
Total	300.0	-6.8	-2.2%	306.8	24.00	-3.09	-11.4%	27.09

Forex rate: 150 yen to 1 USD

FY2025 Factors Contributing to Core Operating Income Changes

- Domestic Processed Food Business: Revenues are forecast to increase, but core operating income will decline due to continued increases in raw materials prices, etc.
- International Business: Core operating income is expected to decline significantly as a result of impacts of falling tomato paste prices on tomato and other primary processing.



- (1) Change in cost and cost reduction, etc. -2.0: Cost changes -2.9... packaging materials -1.2, raw materials -1.0 (tomatoes +1.1, other including carrots and apples, etc. -2.1)
 Cost reduction +0.9... review of contracts, reduced loss, etc.
- (2) Decrease in core operating income of International Business -2.0: primary processing -2.7, secondary processing 0.4, etc.

FY2025 Domestic Processed Food Business: Beverages

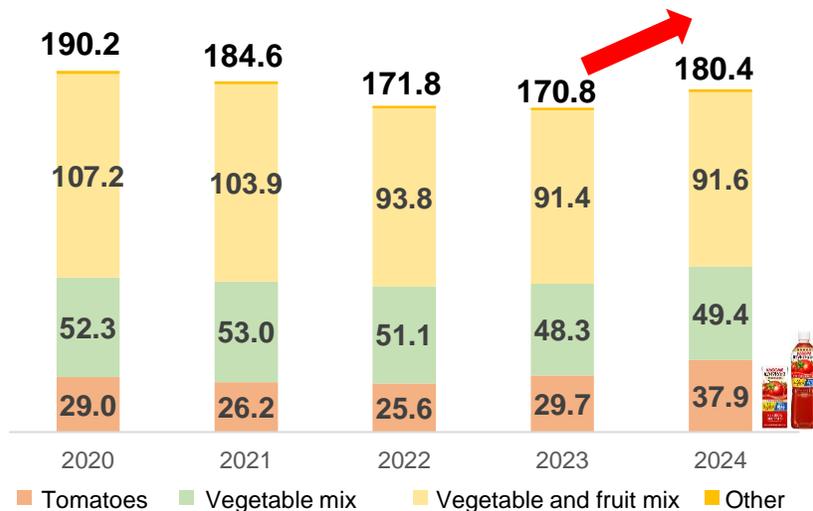
- The vegetable beverages market is expected to reverse course toward growth driven by tomato juice.
- Despite the impacts of surging vegetable prices, vegetable juice has become the chosen means of easing vegetable intake shortages.

Vegetable beverages market size

■ Market reversal driven by tomato juice

- Market size is expected to reverse course toward growth after continued stagnation.
- Kagome drives the market with price revisions and demand creation activities.

Trend in vegetable beverage market size

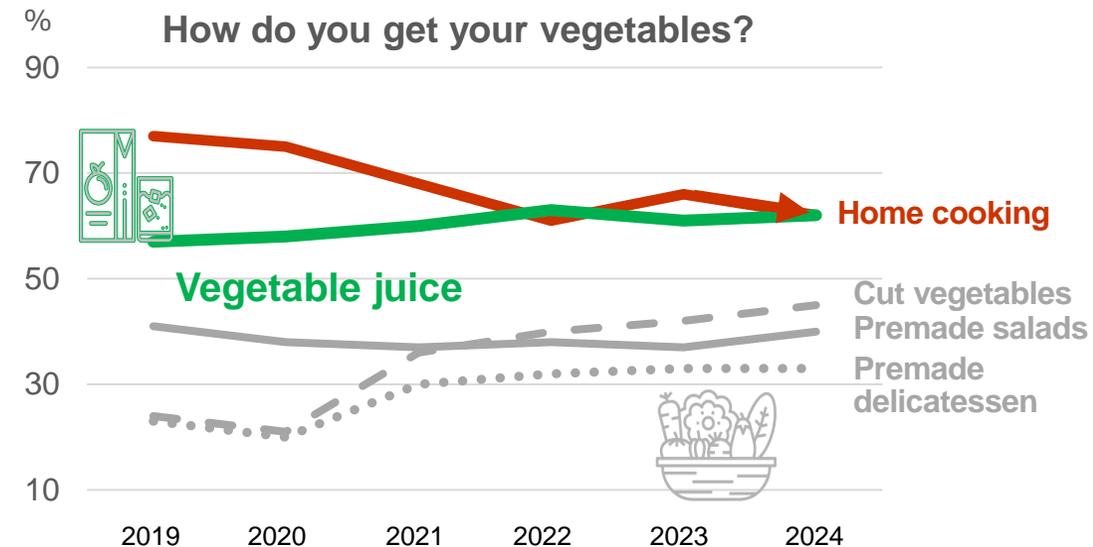


*Source for market size: Kagome research; unit in 100 million yen

Consumer awareness

■ Vegetable juice is a chosen as an easy way to consume vegetables

- Vegetable juice maintains a high position as a means of consuming vegetables easily, quickly and affordably.



Ipsos online survey n=600

FY2025 Domestic Processed Food Business: Beverages

- Focus on growing demand for tomato juice and Yasai Seikatsu 100.
- Look to make full-fledged foray into almond milk market as a new domain.

Kagome Tomato Juice

KAGOME
かごめトマトジュース



Blood pressure and
beauty

Yasai Seikatsu 100

ありがとう
30
YEARS
野菜生活100



30th anniversary of
Yasai Seikatsu 100

Almond Breeze

Full-fledged
market entry

Almond
Breeze



Health and
habitualization

FY2025 Domestic Processed Food Business: Vegetable Beverages

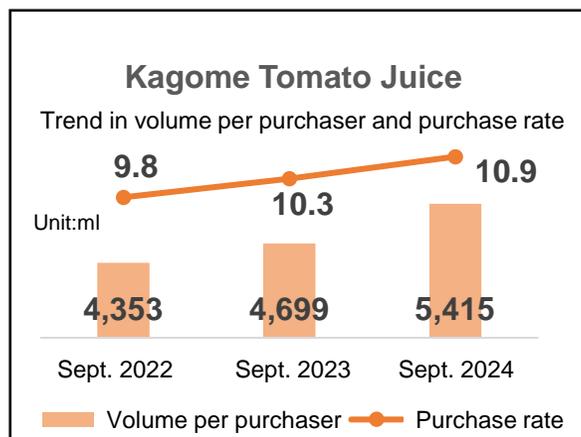


- Identify consumer needs for vegetable intake as a healthy habit and accelerate the growth of demand in the vegetable beverage market (volume basis).

Kagome Tomato Juice: marketing strategy

- Aim to attract new users with its greatest strength, "blood pressure control," and to increase consumption through habitualization**

- The market is expanding buoyed by beauty and health products, but the purchase rate of Kagome Tomato Juice is still around 11%*, so there is plenty of room for growth.
- Plan to strengthen blood pressure promotion efforts through sampling during health checkup periods, TV commercials, social media, train advertisements, etc., to further increase the user base and encourage habitualization.



*Sample image

Yasai Seikatsu 100: marketing strategy

- Capitalize on the brand's 30th anniversary to encourage mainly consumer with children to give the brand another try**

- One issue facing Yasai Seikatsu 100 is the loss of its core users, parents.
- Capitalizing on the brand's 30th anniversary, encourage parents to try the drink again and make it a habit by communicating its basic value as a "healthy drink for the family" and the health benefits of carrots, its main ingredient.



Convey basic value:

- Contains one daily portion of vegetables*
- Show nutrients
- No sugar added

ありがとう



野菜生活100

*120g of vegetables, which is about 1/3 of the target value (350g per day) of Health Japan 21, promoted by the Ministry of Health, Labor and Welfare. This does not include all the ingredients of vegetables.

*Source: Macromill QPR/Nationwide/All formats/Period: October 2021 to September 2024

*12-month moving total

Volume per purchaser

FY2025 Domestic Processed Food Business: Plant-Based Milk

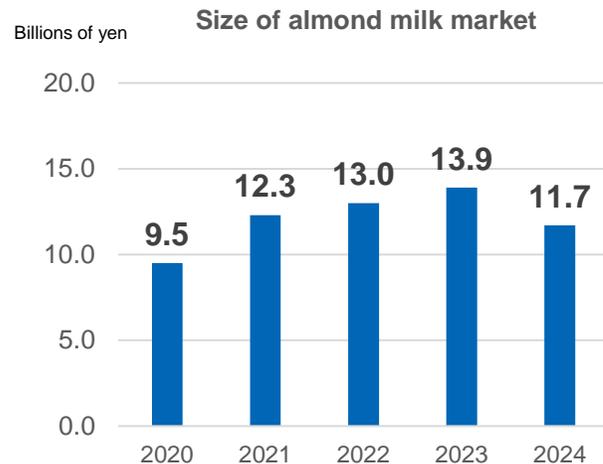


- Launch full-scale efforts for Almond Breeze, which Kagome began manufacturing and selling in September 2024.
- Tackle the challenge of creating new demand in Japan's almond milk market.

Almond milk market trends

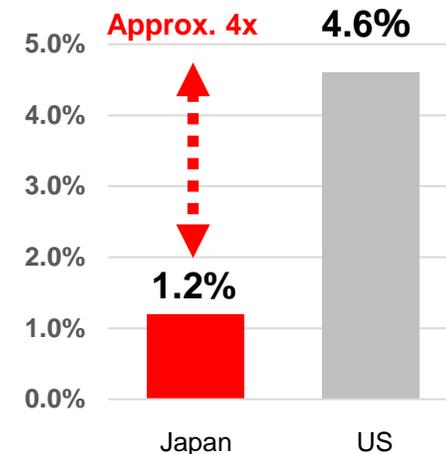
■ Room for growth in Japan's almond milk market

- Japan's almond milk market is growing.
(contracted in 2024 due to products being out of stock, etc.).
- Ample room for growth in Japan because of the difference in consumption volume compared to the US.



*Market size source: Kagome research; unit is billions of yen.

Comparison of consumption volume when milk is set to 100



Source: Tetra Global Trend Report 2022

Marketing strategy

■ Revamped packaging and product quality by focusing on ingredients and quality control

- Made with high quality California almonds.
- Added more almonds to achieve more creamy texture and great after taste where consumers will want to finish the entire bottle.
(uses 1.5 times the almond paste of the previous version).
*Comparison by Kagome



*Plan to release soon

■ Expand brand recognition and capture trials

- Disseminate info on health value through experts.
- Hire almond milk drinkers from California as brand ambassadors.
- Propose ways to use almond milk on TV commercials and social media, and capture trials of samplings reaching 1 million consumers.



FY2025 Domestic Processed Food Business: Food - Other



- Kagome Napolitan Stadium 2025 will be held to increase demand for tomato ketchup.
- For institutional and industrial use products, we will promote earnings structure reforms in conjunction with labor shortages and strengthening plant-based foods.

Kagome Napolitan Stadium 2025

■ Aim to further increase demand for tomato ketchup

- Set to host Kagome Napolitan Stadium 2025 to determine the best Napolitan dishes in Japan.
- Appointed Atarashii Gakko! as tournament supports to energize the atmosphere.
- Aim to also expand institutional and industrial use products by encouraging competition entries from restaurants.
- Expand possibilities of tomato ketchup cooking by appealing menu ideas using baked ketchup* including Napolitan.



* Baked ketchup: Baking tomato ketchup with oil, which neutralizes acidity, resulting in a rich, full-bodied flavor.

Venturing into soups

■ Symbolic products that can contribute to vegetable intake

- Create demand by appealing “eating soup over rice” as a new value proposition.
- Further expand already strong demand for vegetable soup through Direct Marketing sales.



Institutional and industrial use: address labor shortages and strengthen plant-based ingredients

■ Sales to remain favorable amid in-bound tourism demand

- Expand products that address labor shortages at restaurants and plant-based ingredients.
- Continue to pursue earnings structure reforms, including reviewing unprofitable products, etc.

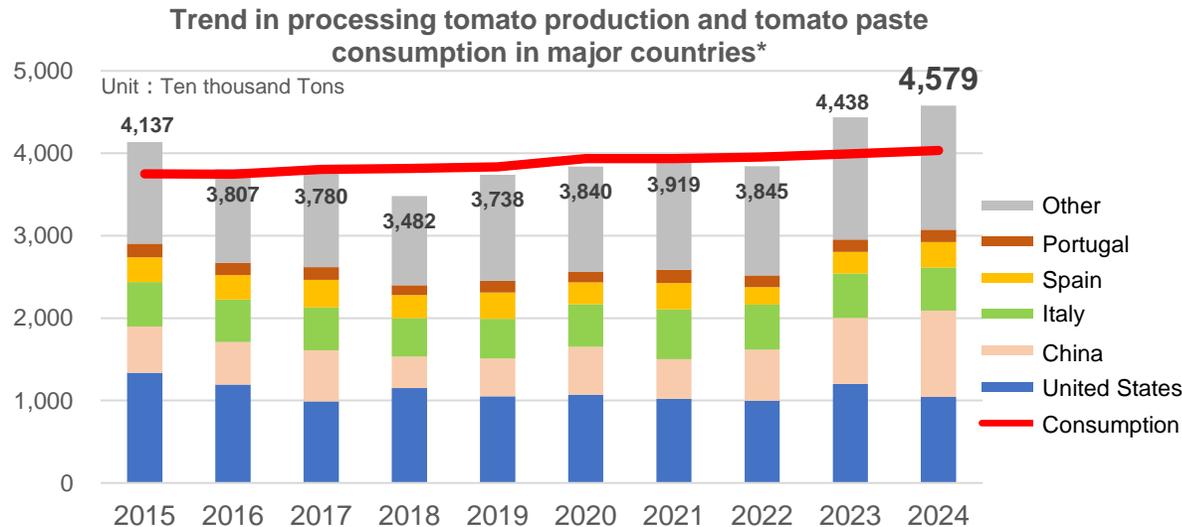


FY2025 International Business: Changes in Market Conditions

- Larger production yields of processing tomatoes in 2023 and 2024 have cancelled out worldwide inventory shortages of tomato paste.
- Prices of processing tomatoes and tomato paste have declined since peaking with the 2023 crop.
- Kagome still faces the issue of controlling volatility of performance caused by changing market conditions.

Production volume of processing tomatoes

- Up to 2022, tomato paste consumption had outpaced production, leading to tight supply-demand conditions.
- Total worldwide production volume was at a record high following the huge increase in crop yields in 2024.
- Increased crop yields in 2023 and 2024 have rapidly cancelled out inventory shortages.

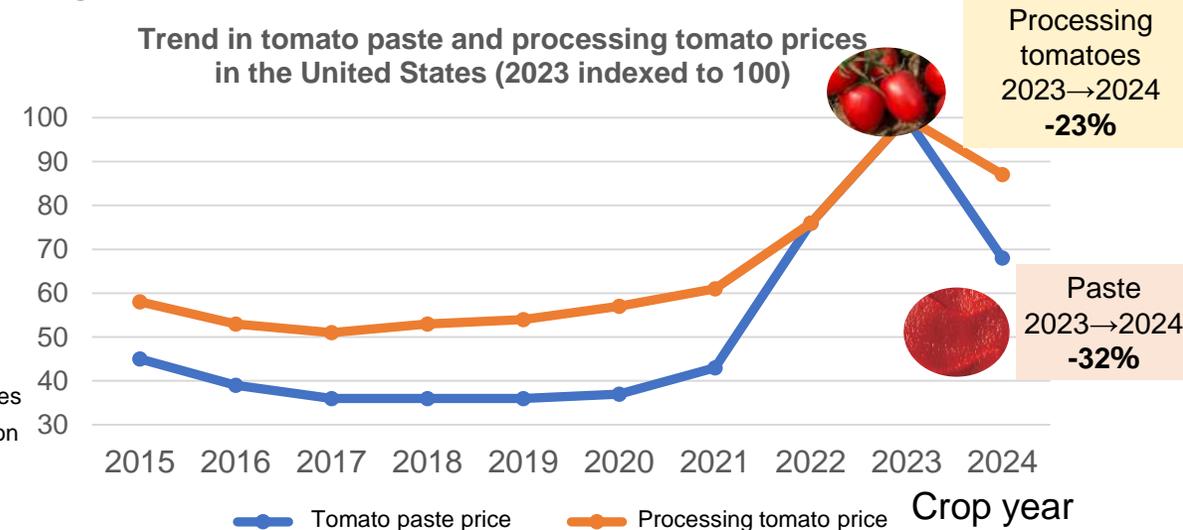


Source: Tomato News

*Some consumption represents estimate by Kagome and converted to processing tomato volume

Market conditions of processing tomatoes and tomato paste

- Due to tight supply-demand conditions, prices of processing tomatoes and tomato paste have risen sharply since 2021, but as inventory shortages have been resolved, prices have been declining since the peak with the 2023 crop.
- Tomato paste is easily affected by supply and demand, so prices fluctuate more than processing tomatoes, which has a large impact on gross profit margins.



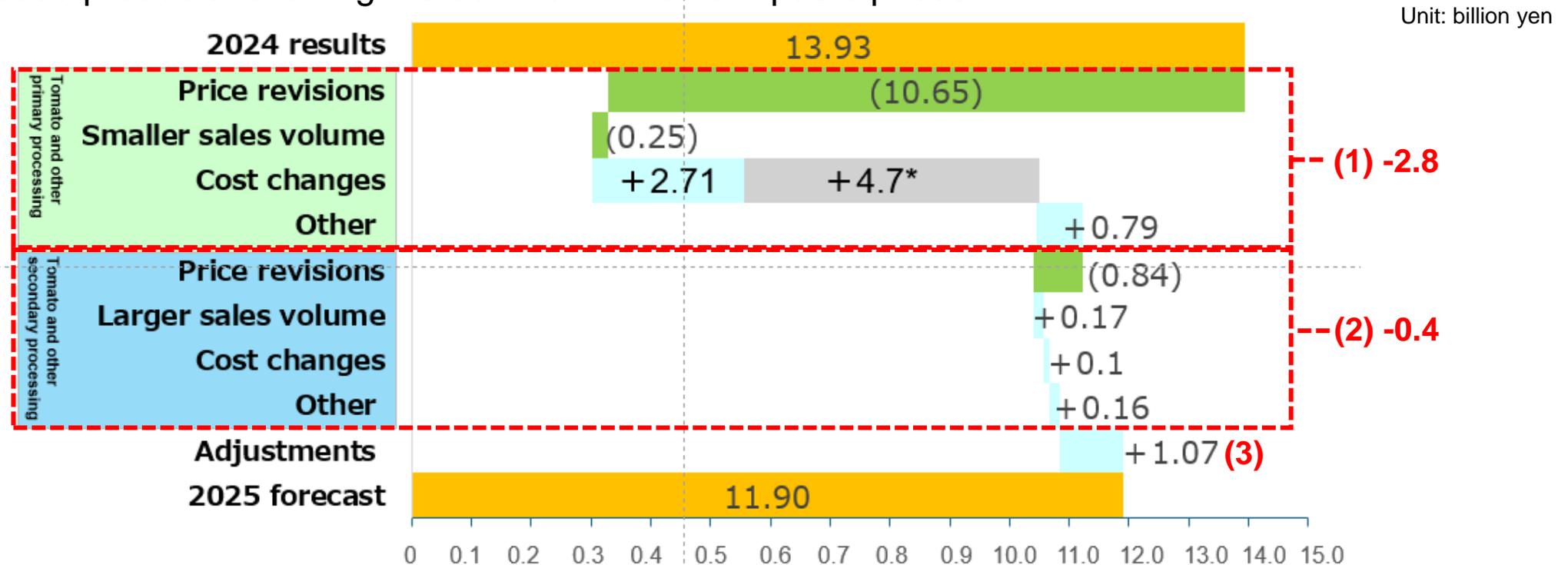
Source: Tomato News

Part represents estimates by Kagome

FY2025 International Business: Factors Contributing to Core Operating Income Changes



- International Business: Forecast calls for downturn in both revenue and core operating income to 132.5 billion yen and 11.9 billion, respectively.
- Core operating income set to decrease due mainly to weaker selling prices of tomato and other primary processed products following the downturn in tomato paste prices.



(1) Primary processing -2.8: price revisions -10.6 (Ingomar -8.0), cost changes +7.4 (Ingomar +6.1, of which, effect of marking-to-market inventories* +4.7), etc.

* Effect on profits from marking-to-market inventories and fixed assets (tangible and intangible) following the application of the accounting standard on business combinations: FY2024 -7.9, FY2025 -3.2, Increase/decrease: +4.7

(2) Secondary processing -0.4: price revisions -0.8, higher volume +0.1, cost changes +0.1, etc.

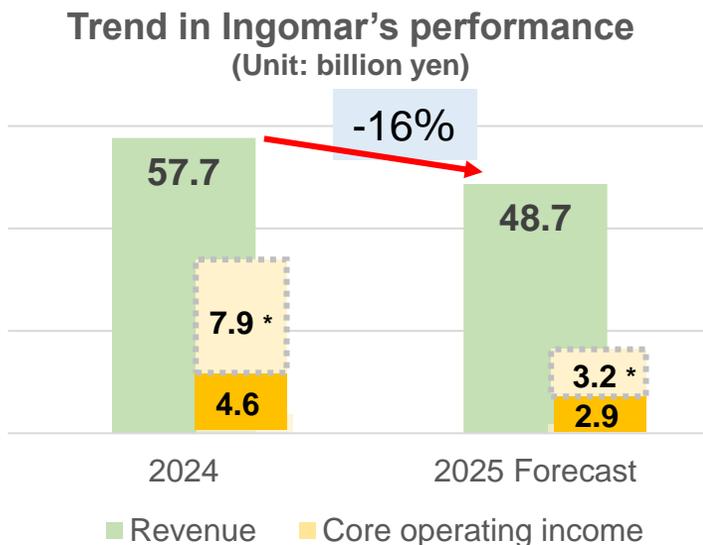
(3) Adjustments +1.0: decrease in unrealized profit within the International Business

FY2025 International Business: Ingomar

- Ingomar forecasts a decline in revenue and core operating income due to the downturn in the tomato paste market, but the decline should be smaller than the market due to its long-term customer contracts, etc.
- In the short term, core operating income will decrease due to lower selling prices, but will recover in the medium term as Ingomar acquires new customers and reduces costs.

Ingomar's performance

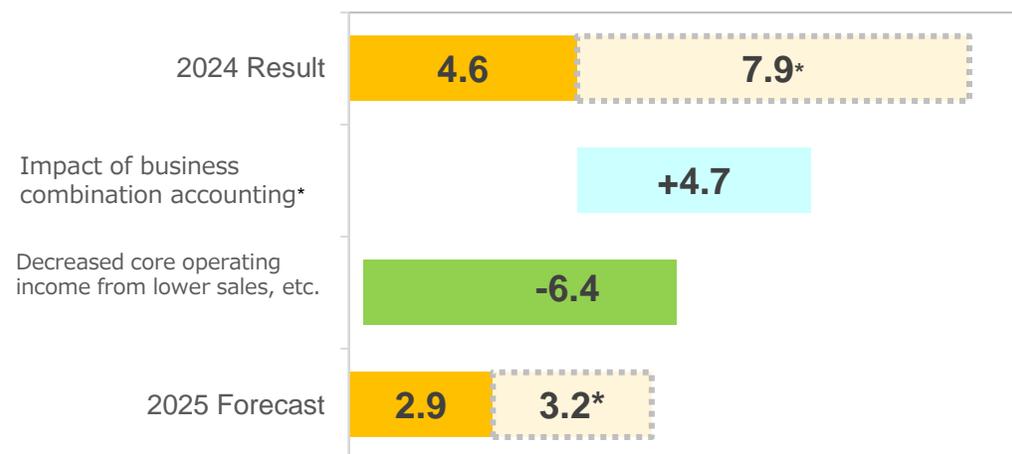
- Revenue in 2025 is expected to drop 16% YoY, but this should be less than the downturn in market prices.



Changes in Ingomar's core operating income

- Core operating income is forecast to drop 37% YoY because of decreased sales with the application business combination accounting*.

Changes in Ingomar's core operating income

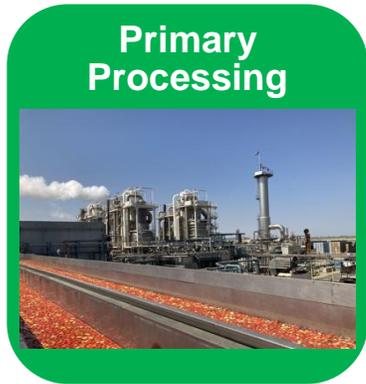


* The impact on profits from the mark-to-market of inventories and fixed assets (tangible and intangible) arising from the application of business combination accounting

FY2025 International Business: Strategy

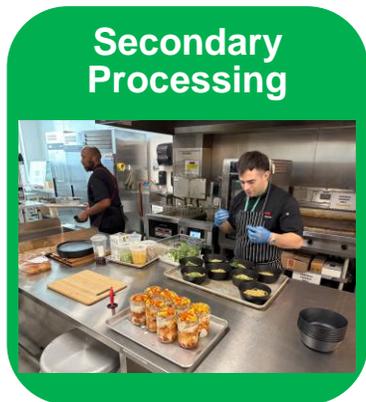
- We will make maximum use of Ingomar and strengthen the management foundation of the International Business through Group collaboration.
- Ingomar's synergistic effects are expected to generate core operating income of approximately 2 billion yen (cumulative) by 2030.

Medium- to long-term actions to minimize impacts of market conditions and unlock growth



- Improve quality by introducing KBMP* at Ingomar
- Increase productivity by analyzing tomato cultivation and manufacturing process data of Ingomar's contracted farmers and then role this out at KAU and HIT
- Launch Groupwide project to reduce costs
- Share know-how of technicians/engineers from each Kagome Group company

Strengthen competitiveness



- Bolster proposal capabilities that can streamline customer operations (KIUS, Ingomar, development collaboration)
- In addition to global food services, increase sales volume to local food services
- Expand product lineup using flavors and container variations

Improve proposal capabilities

*KBMP: Shared quality control standards used by overseas Group companies.

FY2025 Operating Income/Net Income

- Operating income/net income: In addition to a decrease in core operating income, net income will also decrease due to the recognition of a mark-to-market gain on the 20% existing equity stake in Ingomar in FY2024.

Unit: billion yen	FY2025 Forecast		YoY		FY2024 Result	Comparison with final year of 2 nd MTMP		FY2021 Result
		Margin		Change		Change vs. FY2021	Change	
Revenue	300.0	-	-6.8	-2.2%	306.8	+110.4	+58.2%	189.6
Core operating income	24.0	8.0%	-3.0	-12.0%	27.0	+9.9	+69.8%	14.1
Operating income	24.0	8.0%	-12.2	-33.7%	36.2	+10.0	+71.3%	14.0
Net income*	14.0	4.7%	-11.0	-44.3%	25.0	+4.3	+43.4%	9.7
EPS (yen)	149.48	-	-129.04	-46.3%	278.52	+40.11	+36.7%	109.37

* Net income attributable to shareholders of parent

Third MTMP: Shareholder Returns

- FY2024: Increased ordinary dividend by 5 yen because initial forecast was exceeded and added a commemorative dividend of 10 yen, for a total dividend of 57 yen per share.
- FY2025: Plan to increase ordinary dividend from FY2024 by 1 yen to 48 yen per share
- Also, plan to acquire and cancel 8.0 billion yen worth of treasury shares.

Shareholder return policy

**Total return ratio:
40%**

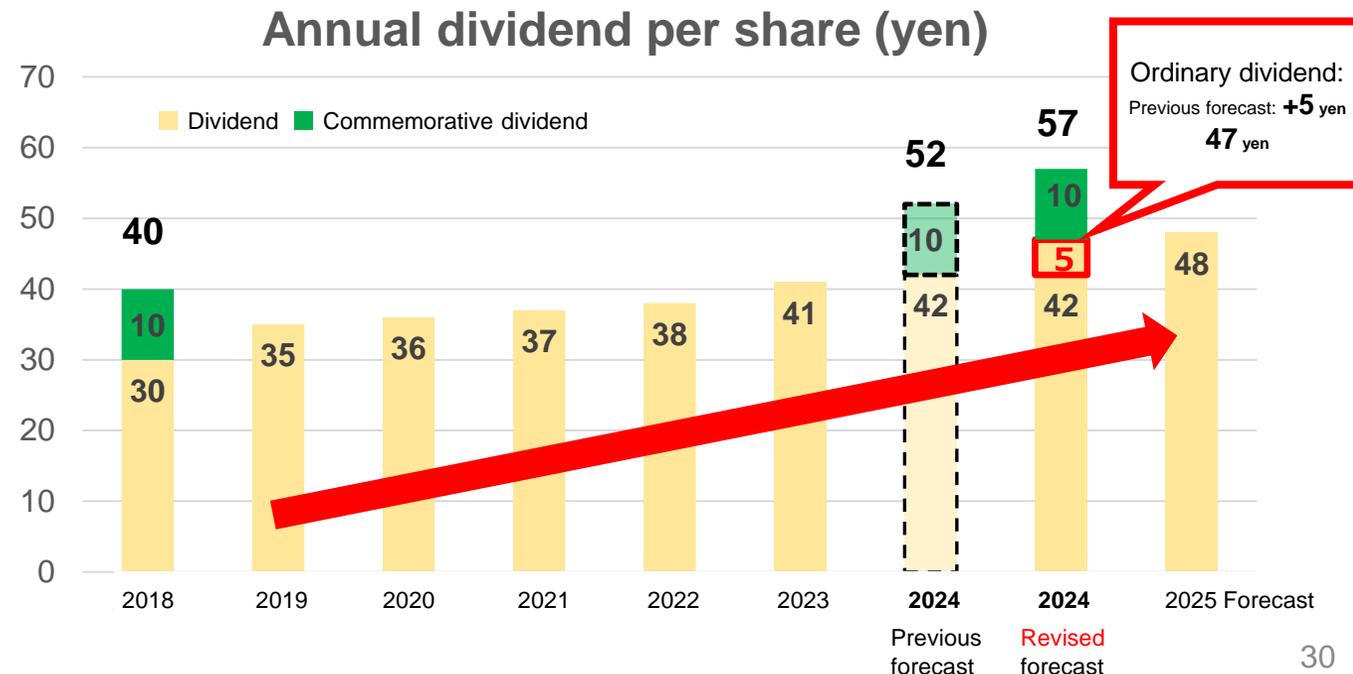
Purchase of treasury shares

8.0 billion yen

Period: Feb. – Aug. 2025

Dividend

**Increased 7 consecutive years
(plan to)**



3. Looking Ahead to the Next Decade

Core Thinking for the Next Decade

- We looked back on our efforts to date and came up with three core ideas for predicting future changes in the business environment and examining our vision.

(1) Achieve sustainable growth by solving social issues

(2) Create value from agriculture and deliver it to customers

(3) Grow in the global market (including Japan)

The Next Decade: Two Directions of Growth Strategies

- Social issues such as the worsening environment, food shortages caused by world population growth, and a decline in the population involved in agriculture are becoming more serious, while technology continues to evolve.
- Utilizing evolving technology, we intend to develop solutions to solve these social issues and enhance corporate value.

Predicted changes in environment

Worsening environment		<ul style="list-style-type: none"> • More disasters • Less land for agriculture • Lower crop yields
Demographics	World	<ul style="list-style-type: none"> • Worldwide food shortages • Declining population involved in agriculture
	Japan	<ul style="list-style-type: none"> • Acceleration of declining birthrate/aging society • Declining labor population
Evolution of technology		<ul style="list-style-type: none"> • Innovation in various domains, including agriculture, food, health, etc.
Changes in consumer attitudes		<ul style="list-style-type: none"> • Growing awareness of environment and health • Changes in selection criteria for products/services



Two directions of growth strategies

Development of solutions for the issues facing agriculture and the environment

- Develop varieties and cultivation technologies that lessen environmental impacts by boosting upstream investment.
- Contribute to the development of agriculture and processing industries by striking a balance between lower environmental impacts and cost competitiveness.



Contribution to mental and physical well-being

- Provide well-being services linked to vegetables and agriculture.
- Create new value in the food and agriculture domains.



Strengthening Foundation for Growth: Agricultural R&D

- We will strengthen agricultural research and development infrastructure through powerful collaboration between GARBiC*, Ingomar and contracted farmers.
- We aim to establish plant varieties and cultivation techniques with low environmental impact by developing, implementing, and commercializing plant varieties and cultivation techniques that address the issues faced by processing tomato producers.

* Global Agri Research & Business Center: An organization that brings together departments responsible for domestic and international plant variety development and cultivation technology development.

Agricultural R&D Infrastructure

Organization		Role	Technological development		Verification/Implementation	Business
			Plant variety development	Cultivation technology development		
GARBiC	GARBiC USA	Technological development (varieties, leading edge breeding, cultivation) Investment/Collaboration with start-ups with agricultural technology (CVC) *1 investment as of January 2025.	✓	✓	✓	
	Agri, Bio Resource and Technology Development Department	Technological development (varieties, leading edge breeding, cultivation)	✓	✓	✓	
	UG	Plant variety development and seedling sales	✓		✓	✓
	DXAS	Provision of AI farming advice			✓	✓
Ingomar and contracted farmers		Identification of issues and verification/implementation of technologies			✓	✓



Strengthening Foundation for Growth: Agricultural R&D

- In 2024, in collaboration with Ingomar's raw materials division and contracted farm technicians, we studied the technical needs of tomato cultivation in California.
- Key issues were set based on importance and feasibility, and efforts are now underway for development of solutions.

Identified technical needs of processing tomato farmers

- We identified the technical needs of California tomato growers based on issues they face, such as water costs, soil diseases, drought- and salt-tolerant varieties, labor costs, heat wave effects, and environmental considerations.



Discussion held with agricultural technicians



Planting



Exchanging opinions on data acquisition, including soil analysis and water management, etc.

Key issues

- Set priorities based on importance and feasibility.
- Will begin working on the following key issues from 2025 onward.

(1) Development of solutions for water resources

- Develop water-saving irrigation techniques and materials to address the problems of rising water prices and water restrictions caused by drought.

(2) Research for healthy soil

- Develop solutions to maintain healthy soil conditions less susceptible to the spread of soil-related diseases, in parallel with the development of disease-resistant varieties.



Strengthening Foundation for Growth: Health Research

- Our Diet & Well-being Research Institute will research the potential of vegetables and plant-based products from various angles.
- Our goal is to contribute to mental and physical well-being with vegetables and agriculture.

Diet & Well-being Research Institute (functional research)

Increase added value through functional research of vegetables and plant-based products

- Functional research of lycopene and GABA in tomatoes, sulforaphane and beta carotene in carrots, and plant-based lactic acid Labre, etc.
- Obtain evidence for commercializing Foods with Function Claims.

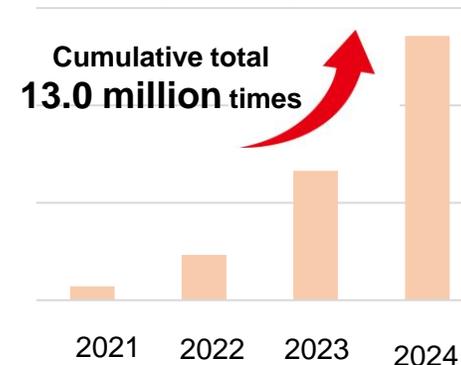


Diet & Well-being Research Institute (behavioral research)

Encourage behavioral change in vegetable intake

- Create a system that leads to behavioral change in vegetable intake.
- Spreading "Natkali" (sodium-to-potassium ratio) as a method of preventing high blood pressure.
- Developing and expanding VegeCheck (retailers, schools, local governments, companies, etc.).

Number of VegeCheck measurements (cumulative)



Examples of VegeCheck measurements in the workplace

Along with a talk on eating habits, hands-on health education is provided using the VegeCheck. VegeCheck measurement scores improved. Second time: Scores 2 to 3 months after the first time

	1st	2nd	Change
Average vegetable intake	207g	230g	+23g
Average vegetable intake level	4.7	5.2	+0.5

Thank you for your attention



Reference

Topics in Domestic Processed Food Business— Beverages (2024)



- Tomato juice achieved record high shipment volume for three consecutive years following the acquisition of beauty-minded consumers and repeat purchasers.
- Sales of the Yasai Seikatsu 100 series are performing well after the introduction of smoothies and new products.

Year on year comparison of revenue from beverages (excluding lactic acid drinks) by sales channel and container size

Sales channel	1H	2H	Total
Convenience store	117%	109%	113%
Mass retailer	111%	110%	110%
EC	124%	114%	119%
Total	113%	109%	111%

Container size	1H	2H	Total
Personal-size container	111%	108%	109%
Large container	118%	112%	114%
Total	112%	108%	110%



Sales by sales channel and by container size

- Convenience stores: Tomato juice and Yasai Seikatsu 100 Smoothie experienced growth
- Personal-sized containers and large-sized containers: Tomato juice drove sales

Revenue by core brand

Tomato juice 20.4 billion yen (+31% YoY)

- Favorable sales and record high revenue following acquisition of beauty-minded consumers and repeat purchasers.

Yasai Ichinichi Kore Ippon 13.3 billion yen (+5% YoY)

- Sales of Triple Care personal-sized containers were favorable

Yasai Seikatsu 100 Series 38.8 billion yen (+3% YoY)

- Revised prices and introduced new products including Yasai Seikatsu 100 Lemon Salad/Green Salad, etc.

Advertising expenses (YoY)

Advertising expenses increased following strategic investments, etc. +1.02 billion yen

Topics in Domestic Processed Food Business— Direct Marketing (2024)

- Rising number of subscription customers especially for mainstay Tsubuyori Yasai.
- Downturn in core operating income following strategic investments in advertising, etc.



Number of subscription customers up 3% YoY
Soups experienced growth boosted by the effects of advertisements



Revenue by core product
Vegetable beverages 8.3 billion yen (+2% YoY)
Supplements 1.8 billion yen (-13%)
Soups 1.7 billion yen (+20%)



Core operating income
 Core operating income was down 510 million yen due to strategic investments in advertising, etc.

Topics in Domestic Processed Food Business— Food - Others (2024)



- Sales remained strong, and volume did not experience a major drop even after price revisions to tomato ketchup.
- Core operating income was up on revenue growth, etc., despite rising raw materials prices.



Foods for consumer use

Revenue of 20.9 billion yen (+9% YoY)

- Sales remained strong, and volume did not experience a major drop even after price revisions

Revenue by core product

Tomato ketchup: 10.5 billion yen (+9% YoY)

- Tomato ketchup was used more at the dining table than the previous year

Products for institutional and industrial use

Revenue of 29.7 billion yen (+15% YoY)

- Favorable demand for eating out and from inbound tourism led to higher sales volume even after price revisions

Core operating income

Core operating income rose despite rising raw materials prices, thanks to price revisions and demand stimulation measures



Topics in International Business (2024)

- Ingomar became a consolidated subsidiary.
- Core operating income rose on price revisions linked to the market.

Unit: billion yen

Revenue				Core operating income				
Unit: billion yen	FY2024 Result			FY2023 Result	FY2024 Result			FY2023 Result
	YoY	YoY (excludes forex effects)			YoY	YoY (excludes forex effects)		
Ingomar (United States)	57.7	+57.7	+53.7	-	4.63	+4.63	+4.35	-
Kagome Inc. (United States)	50.6	+10.2	+6.4	40.3	5.35	-1.74	-2.17	+7.09
Holding da Industria Transformadora do Tomate, SGPS S.A. (HIT)	22.6	+1.4	-0.2	21.2	3.76	+0.43	+0.13	+3.33
Kagome Australia Pty Ltd.	13.0	+3.6	+2.8	9.4	0.96	+0.54	+0.47	+0.41
Taiwan Kagome Co., Ltd.	6.0	+0.5	+0.3	5.4	0.43	-0.04	-0.06	+0.47
Others/Adjustments	-0.8	-2.6	-2.6	1.7	-1.20	-0.71	-0.71	-0.49
International Business total	149.3	+71.1	+60.3	78.1	13.93	+3.09	+2.00	+10.83

Summary by company (excludes forex effects)

Ingomar (United States): Became a consolidated subsidiary in January 2024. Ingomar was included in the results of Kagome Inc., as an equity method affiliate, in 2023, with revenue of 2.2 billion yen.

Kagome Inc. (United States): Core operating income increased amid increased selling prices after price revisions and even excluding the 2.2 billion yen gain on equity of earnings from Ingomar recognized in 2023.

HIT (Portugal): Although revenue decreased due to a decline in customer inventory levels as a result of the loosening of supply-demand conditions for tomato paste, core operating income increased thanks to the effect of price revisions, etc.

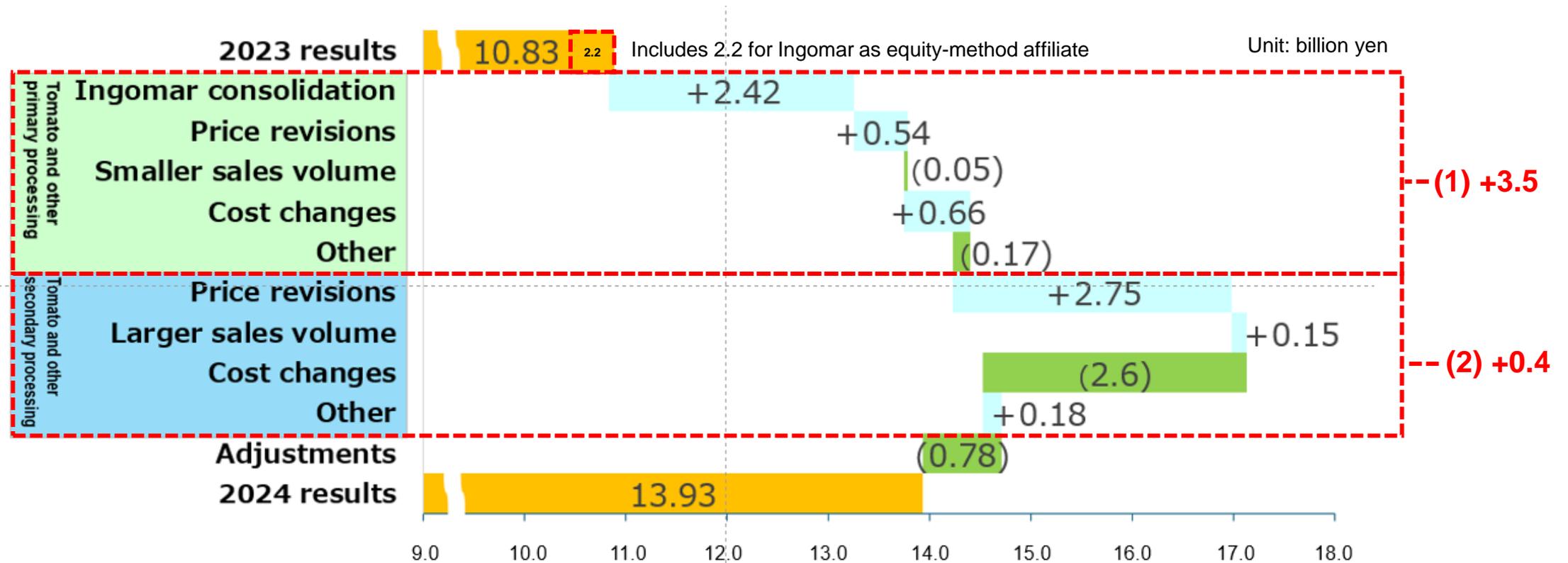
Kagome Australia Pty Ltd.: Both revenue and core operating income increased amid the rebound from flood damages that affected the 2023 crop of processing tomatoes and price revisions.

Taiwan Kagome: Revenue increased following price revisions, etc., but core operating income decreased due to surging raw materials prices, among other factors.

International Business— Factors Contributing to Core Operating Income Changes



• Changes in core operating income for the International Business in FY2024 were as follows:



- (1) Primary processing +3.3: consolidation of Ingomar +2.4, price revisions +0.5, cost changes +0.6 (KAU +0.9, HIT -0.3), etc.
 (2) Secondary processing +0.4: price revisions +2.7, increased sales volume +0.1, cost changes -2.6, etc.

International Business— Ingomar's PMI and Group Synergies

- Ingomar's post merger integration (PMI) is progressing as planned.
- We will continue working to maximize Group synergies.

Progress of Ingomar's PMI and main initiatives going forward

Agricultural research



- Identified technical needs of tomato growers through collaboration with raw materials division and technicians at contracted farmers
- Set key issues
- Conducting research and demonstration trials

Production efficiency and equality improvement



- Improving quality after introduction of KBMP*
- Reducing loss and reducing costs driven by data analysis and capital investment
- Developing new customers after quality improvements

Group collaboration



- Sharing technical know-how within the Group
- Improving capability to propose solutions through collaboration in development
- Participated in KFIC and CEO conference

Improving management foundation



- Unification of accounting period, accounting systems and accounting auditor
- Compliance with J-SOX
- Lowering interest costs by using Group credit strengths
- Converting back-office operations in United States to shared services

* KBMP: Kagome Best Manufacturing Practice

Topics in International Business (2024)

Yield decreased due to poor crop growth caused by the extreme heat, and although unit selling prices increased, the sales volume decreased significantly, and revenue fell.

Increases in unit selling prices outweighed the impact of the lower sales volume, resulting in an increase in core operating income.



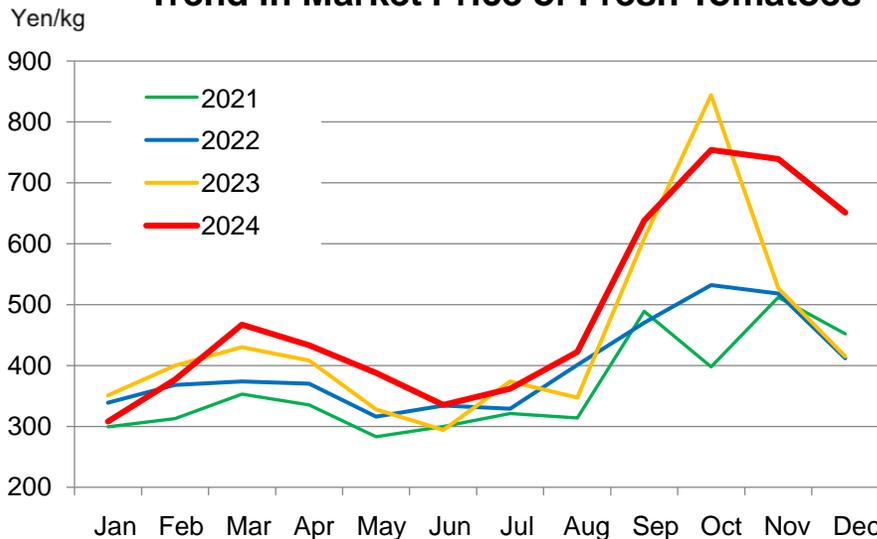
Revenue by core product

Fresh tomatoes: 8.2 billion yen (-3% YoY)

- High lycopene tomatoes 3.8 billion yen (-15% YoY)

Mesclun greens: 0.6 billion yen (+5% YoY)

Trend in Market Price of Fresh Tomatoes



Created from market statistics published on Tokyo Central Wholesale Market's website

Status of fresh tomato market

- Low temperatures and shortage of sunlight from March to May, and extreme heat and long periods of summer heat from August to September caused poor crop growth, resulting in diminished market distribution volume.
- This situation continued until December, with market prices remaining at a higher level than normal.

Strengthening Management Foundation— Sustainability Initiatives

- Began operations of a storage battery system at Fujimi Plant.
- Formed a consortium for joint development of AI-powered produce sorter that detects quality information of fresh tomatoes without damaging them.

Began operations of a storage battery system at Fujimi Plant

- We began operating a storage battery system in September 2024 to maximize the use of electricity (renewable energy) generated by the plant's in-house solar power generation system.
- The system is expected to reduce CO2 emissions by about 200 tons per year.



Storage battery system installed at the Fujimi Plant



Fujimi Plant's rooftop solar power generation system

Began joint development and data collection for a AI-powered produce sorter that detects quality information of fresh tomatoes without damaging them

- We formed a consortium with the goal of reducing loss of fresh tomatoes.
- Together we are developing an AI-powered produce sorter that detects quality information without damage and verifying the establishment of an optimal cultivation and distribution model using this data.
- As the first stage, we installed the AI-powered produce sorter at Iwaki Onahama Greenfarm Co., Ltd. to collect data on 20 parameters and over 4,000,000 data points (as of September 2024)



Cameras for checking exterior quality



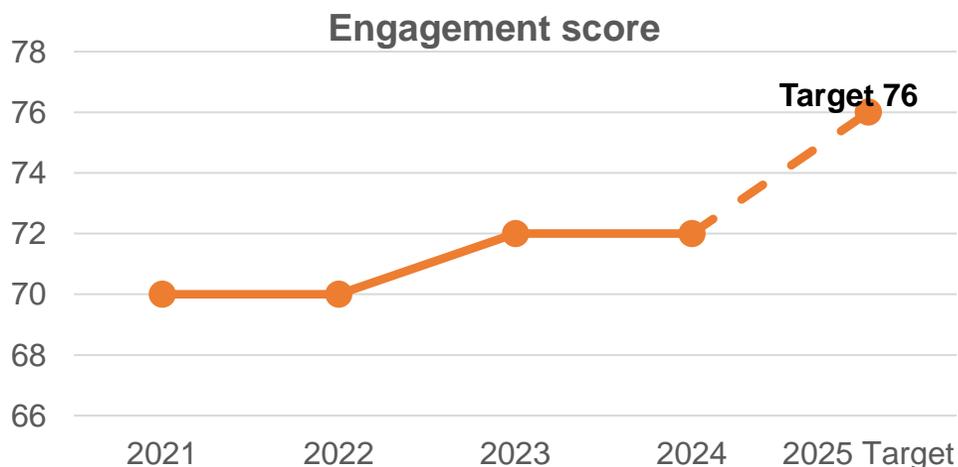
Sensors for internal quality

Strengthening Management Foundation— Improve Employee Engagement

- Our efforts to improve employee engagement have paid off, as engagement survey scores have risen steadily.
- We will further improve employee health and engagement by promoting health and productivity management measures.

Improve employee engagement

- We are working to become a company where employees feel motivated and engaged at work, focusing on implementing engagement surveys and instilling psychological safety
- We are analyzing scores by department and developing measures that match the characteristics and actual situation



Actualize health and productivity management

- March 2024: Certified as a **Health and Productivity Management Organization 2024** (large enterprise category) by METI and Nippon Kenko Kaigi.
- We are moving ahead with various initiatives to improve employee health, including installing VegeCheck machines at each of our business locations.



VegeCheck machine at our
Tokyo head office