

# Consolidated Summary Report <under IFRS>

For the fiscal year ended December 31, 2024

February 3, 2025

Company name : KAGOME CO., LTD Stock exchange listings: Tokyo and Nagoya  
 Code number : 2811 URL <https://www.kagome.co.jp/>  
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Annual general meeting date: March 27, 2025

Dividend payment date: March 6, 2025

Securities report issuing date: March 7, 2025

Supplemental information for financial statements: Available

Schedule for "investor meeting presentation": Scheduled

(Amounts of less than one million yen are rounded down.)

## 1. Consolidated Financial Data for the Fiscal Year ended December 31, 2024

(1) Operation Results (% represents the change from the same period in the previous fiscal year.)

Fiscal Year ended	Revenue		Core Operating Income		Operating Income		Net Income Attributable to Shareholders of Parent		Comprehensive Income	
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%
December 31, 2024	306,869	36.5	27,094	39.1	36,221	107.3	25,015	139.8	41,978	105.4
December 31, 2023	224,730	9.3	19,476	52.1	17,472	37.0	10,432	14.4	20,442	36.9

Fiscal year ended	Earnings Per Share	Diluted Earnings per Share	Net Income to Net Assets Attributable to Shareholders of Parent	Profit Before Tax to Total Assets	Operating Income to Revenue
	yen	yen	%	%	%
December 31, 2024	278.52	278.19	15.7	10.7	11.8
December 31, 2023	121.17	120.98	8.3	6.7	7.8

(Reference) Equity gains of affiliated companies December 31, 2024: 270 million yen; December 31, 2023: 2,217 million yen

(Reference) Core Operating Income is the profit index which measures constant business performance by deducting cost of sales and selling, general and administrative expenses from revenue plus equity gains (losses) of affiliated companies

## (2) Financial Conditions

As of	Total Assets	Total Net Assets	Net Assets Attributable to Shareholders of Parent	Net Assets Attributable to Shareholders of Parent to Total Assets	Net Assets Attributable to Shareholders per Share
	million yen	million yen	million yen	%	yen
December 31, 2024	362,415	211,640	185,740	51.3	1,983.20
December 31, 2023	265,648	136,435	132,265	49.8	1,535.90

## (3) Conditions of Cash flows

Fiscal year ended	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the end of the period
	million yen	million yen	million yen	million yen
December 31, 2024	31,692	(46,325)	(571)	21,273
December 31, 2023	4,617	(6,056)	15,626	36,010

## 2. Dividends on Common Stock

Fiscal year ended	Dividends per Share					Total dividends	Dividend payout ratio	Dividend on Net Assets ratio
	1Q-end	2Q-end	3Q-end	Year-end	Total			
December 31, 2023	—	—	—	41.00	41.00	3,536	33.8	2.8
December 31, 2024	—	—	—	57.00	57.00	5,344	20.5	3.2
Fiscal year ending December 31, 2025(Forecast)	—	—	—	48.00	48.00		32.1	

(Reference) Fiscal year ended December 31, 2024: Ordinary dividend: 47.00yen; Anniversary dividend: 10.00yen

### 3. Consolidated Forecasts for the Fiscal Year Ending December 31, 2025

(% represents the change from the same period in the previous fiscal year)

	Revenue		Core Operating Income		Operating Income		Net Income Attributable to Shareholders of Parent		Earnings Per Share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
For the year ending December 31, 2025	300,000	(2.2)	24,000	(11.4)	24,000	(33.7)	14,000	(44.0)	149.48

### 4. Other

(1) Changes in significant subsidiaries during the year: Yes

New companies: 1 (Ingomar Packing Company, LLC) Excluded companies: None

Note: This section shows whether or not there is a change in Specified Subsidiaries (“*tokutei kogaisha*” in Japanese) that led to the change of the consolidation scope during the year.

(2) Changes in accounting policies, procedures, estimates, retrospective restatements, etc.

(A) Changes due to applying IFRS: None

(B) Changes due to reasons other than (A): None

(C) Changes in accounting estimates: None

(3) Number of shares outstanding (common shares):

(A) Total stocks outstanding including treasury stocks:	Dec. 31, 2024	93,886,944 shares	Dec. 31, 2023	94,366,944 shares
(B) Treasury stocks:	Dec. 31, 2024	229,976 shares	Dec. 31, 2023	8,251,145 shares
(C) Total stocks outstanding excluding treasury stocks:	Dec. 31, 2024	93,656,968 shares	Dec. 31, 2023	86,115,799 shares
(D) Average outstanding stocks:	Fiscal year ended Dec. 31, 2024	89,816,672 shares	Fiscal year ended Dec. 31, 2023	86,093,175 shares

### 5. Non-Consolidated Financial Data for the Fiscal Year ended December 31, 2024 <under J-GAAP>

(1) Operation Results

	Net Sales		Operating Income		Ordinary Income		Net Income	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal Year ended December 31, 2024	157,724	9.6	10,237	47.8	13,873	27.7	10,368	37.4
December 31, 2023	143,948	3.2	6,925	(7.4)	10,859	33.8	7,544	28.2

	Earnings Per Share	Diluted Earnings per Share
Fiscal year ended December 31, 2024	yen 115.44	yen 115.30
December 31, 2023	87.64	87.50

(2) Financial Conditions

	Total Assets	Total Net Assets	Equity to Total Assets	Total Net Assets per Common Stock
As of	million yen	million yen	%	yen
December 31, 2024	208,198	139,112	66.6	1,481.19
December 31, 2023	175,615	106,428	60.4	1,231.31

(Reference) Total Equity December 31, 2024: 138,724 million yen; December 31, 2023: 106,035 million yen

\* This “Consolidated Summary Report” (“Tanshin”) is outside the scope of the external audit.

\* Notes for using forecasted information etc.

(Caution regarding forward-looking statements)

This financial summary report contains forward-looking statements regarding estimations, forecasts, targets and plans in relation to the results of operations, financial conditions and other overall management of the company and/or the group as a whole (the “forward-looking statements”). The forward-looking statements are made based upon, among other things, the

company's current estimations, perceptions and evaluations. Accordingly, due to various risks and uncertainties, the statements and assumptions are inherently not guarantees of future performance, may be considered differently from alternative perspectives and may result in material differences from the actual result.

(Method for obtaining supplemental information for financial statements)

Supplementary information will be published on TD-net for viewing in Japan, and on Kagome's Website.

## 1. Overview of Operating Results

### (1) Explanation of operating results for the fiscal year under review

The Company aims to become a “strong company capable of sustainable growth, using food as a means of resolving social issues” under the four-year Mid-Term Management Plan starting from the fiscal year ended December 2022. The Company will work on the basic strategy that is to achieve sustainable growth by taking four actions (“1. Promote behavioral change in terms of vegetable intake,” “2. Change to fan-based marketing,” “3. Pursue both organic and inorganic growth,” and “4. Strengthen the Group’s management foundation and foster a culture for tackling challenges”) that are organically connected, in an effort to further enhance corporate value.

In the fiscal year under review (January 1 to December 31, 2024), the Company continued to face surging raw materials prices worldwide centered on processed tomato products. Japan continued to face an uncertain situation regarding the future outlook because of consumers’ heightened awareness toward cutting costs caused by inflation.

Amid this environment, in the Domestic Processed Food Business, prices of certain products in vegetable beverages and tomato condiments were revised in response to surging prices of mainstay raw materials. In return, measures to spur on demand were actively implemented to minimize weakness in demand. As a result, we were able to rein in the decline in sales volume more than expected, leading to higher revenue and profit.

In the International Business, in addition to rising selling prices of tomato paste, there were strong sales to food service companies. The Company acquired an additional equity stake in equity-method affiliate Ingomar Packing Company, LLC (“Ingomar”) in January 2024, making the company a consolidated subsidiary, in order to drive inorganic growth. This resulted in a net increase in revenue. As a result, the International Business posted higher profit on higher revenue. Furthermore, as the Company acquired additional membership interests in Ingomar, it recorded 9,323 million yen in “other income” as a market valuation gain on its existing equity stake in Ingomar.

Year-on-year changes in consolidated performance for the fiscal year under review and the impacts from the consolidation of Ingomar are presented below.

(Millions of yen)

	Consolidated			
	Previous fiscal year	Fiscal year under review	Change	Impact of Ingomar’s consolidation*
Revenue	224,730	306,869	82,138	54,695
Core operating income	19,476	27,273	7,796	1,772
Operating income	17,472	36,400	18,927	10,999
Net income attributable to shareholders of parent	10,432	25,132	14,699	9,338

\*Impact of Ingomar’s consolidation is calculated as follows: Adjustments necessary for the preparation of consolidated financial statements are added to the current period’s performance of the company, and equity gains (losses) of affiliated companies recognized in the previous fiscal year is deducted.

Based on the above, revenue in the fiscal year under review increased to 306,869 million yen, up 36.5% year on year, and core operating income increased to 27,273 million yen, up 40.0% compared to the previous fiscal year. Operating income increased to 36,400 million yen, up 108.3% year on year, and net income attributable to shareholders of parent increased to 25,132 million yen, up 140.9% compared to the previous fiscal year.

\*Core operating income is the profit index which measures recurring business performance by deducting cost of sales and selling, general and administrative expenses from revenue plus equity gains (losses) of affiliated companies.

The overview of business results by segment are outlined below.

In the first three months, the Company revised the management classification of its segments following the acquisition and consolidation of Ingomar. As a result, the Company newly discloses the categories of “tomato and other primary processing” and “tomato and other secondary processing” within the International Business. Additionally, the “Domestic Agri-Business” and the “seedling production and sales business,” which had been included in the International Business, have been consolidated into “Others.”

Furthermore, segment information for the previous fiscal year has been prepared and presented based on the classification after this change.

(Millions of yen)

Segment	Revenue			Core operating income (loss)		
	Previous fiscal year	Fiscal year under review	Change	Previous fiscal year	Fiscal year under review	Change
Beverages	75,446	82,721	7,275	7,508	9,102	1,593
Direct marketing	13,130	13,361	230	751	239	(511)
Food - Other	53,596	59,628	6,032	3,215	6,233	3,018
Domestic Processed Food Business total	142,173	155,711	13,538	11,475	15,575	4,100
Tomato and other primary processing*1	20,460	82,267	61,806	5,007	8,598	3,591
Tomato and other secondary processing*2	57,833	70,543	12,710	6,518	7,000	482
Adjustments	(118)	(3,507)	(3,388)	(690)	(1,467)	(776)
International Business total	78,175	149,303	71,128	10,835	14,131	3,296
Other	19,564	21,861	2,296	(133)	585	718
Adjustments	(15,182)	(20,007)	(4,824)	(2,701)	(3,019)	(318)
Total	224,730	306,869	82,138	19,476	27,273	7,796

\*1 Tomato and other primary processing: manufacture and sale of paste and other products made with agricultural produce

\*2 Tomato and other secondary processing: manufacture and sale of pizza sauce and other products made by mainly adding seasonings to primary processed products of agricultural produce

<Domestic Processed Food Business>

In the Domestic Processed Food Business, the Company manufactures and sells beverages, condiments, and other products.

Revenue of this business increased to 155,711 million yen, up 9.5% year on year and core operating income jumped to 15,575 million yen, up 35.7%.

[Beverages: Yasai Seikatsu 100 series, tomato juice, Yasai Ichinichi Kore Ippon, and others]

In the beverages category, tomato juice recorded strong sales amid the acquisition of new users from beauty-conscious consumers, in addition to the health-conscious users concerned about blood pressure and cholesterol.

As for the Yasai Seikatsu 100 series, new products were released including Yasai Seikatsu Lemon Salad, and promotional measures to increase demand using the theme “make morning an ally,” had a certain effect.

Accordingly, revenue of this category increased to 82,721 million yen, up 9.6% year on year, and core operating income rose to 9,102 million yen, up 21.2% compared to the previous fiscal year.

[Direct marketing: vegetable beverages, supplements, soups, etc., sold via direct marketing]

In the direct marketing category, the Company engages in Kenko Chokusobin, a direct marketing service involving the manufacture and sale mainly of vegetable beverages, supplements, soups and other products.

In the direct marketing category, the number of regular customers grew thanks to Tsubuyori Yasai and sales of soups were strong.

As a result of the above, revenue of this category increased to 13,361 million yen, up 1.8% year on year, and core operating income declined to 239 million yen, down 68.1% year on year because of strategic investments in advertising expenses and other factors.

[Food - Other: tomato ketchup, tomato condiments, sauces, gifts and others]

In the food category, sales were strong, as the Company stepped up menu information dissemination and sales promotion activities for products such as “baked ketchup” in response to weaker demand for tomato ketchup after price revisions.

In the institutional and industrial-use category, sales were strong thanks to the sustained increase in food service demand and other factors, even after price revisions.

In the gifts and specialty items category, sales of products with long shelf lives for stockpiling were strong.

As a result, revenue of the food and others category increased to 59,628 million yen, up 11.3% year on year, and core operating income jumped to 6,233 million yen, up 93.9%, because of higher revenue.

#### <International Business>

Our International Business encompasses agricultural production, product development, processing and sales.

Revenue of this business increased to 149,303 million yen, up 91.0% year on year, and core operating income increased to 14,131 million yen, up 30.4%.

[Tomato and other primary processing: tomato paste, diced tomatoes, carrot juice, frozen Mediterranean vegetables, etc.]

The tomato and other primary processing category involves the manufacture and sale of tomato paste and diced tomatoes, among other products, in the United States, Europe and Australia.

Tomato primary processed products saw surging market prices driven by tight supply-demand worldwide.

In the United States, the business grew following the consolidation of Ingomar, the objective of which is to achieve further growth of our United States business, expand the global network of our tomato processing business, and build a sustainable tomato processing business. Holding da Industria Transformadora do Tomate, SGPS S.A. in Europe and Kagome Australia Pty Ltd. each posted an increase in revenue on higher selling prices.

As a result, revenue of tomato and other primary processing increased to 82,267 million yen, up 4.0 times year on year, and core operating income totaled 8,598 million yen, up 71.7% from the previous fiscal year.

[Tomato and other secondary processing: pizza sauce, barbeque sauce, tomato ketchup, etc.]

The tomato and other secondary processing category involves the manufacture and sale of pizza sauce, barbeque sauce, tomato ketchup and other products primarily for food service companies in the United States, Europe, Australia, Taiwan and India.

The Company revised the prices of some secondary processed tomato products following higher costs worldwide including raw materials and energy.

In each region, including Kagome Inc. (United States), the Company recorded strong sales to food service companies.

As a result, revenue of the tomato and other secondary processing category increased to 70,543 million yen, up 22.0% year on year, and core operating income totaled 7,000 million yen, up 7.4% from the previous fiscal year.

#### <Other Businesses>

The other businesses segment includes the Domestic Agri-Business, seedling production and sales, development of new plant varieties and cultivation technologies, the real estate business, contracted service businesses, and new businesses, etc.

Revenue of other businesses totaled 21,861 million yen, up 11.7% year on year, and core operating income totaled 585 million yen (compared to a core operating loss of 133 million yen in the previous year).

Furthermore, revenue of the Domestic Agri-Business, included in other businesses from the first quarter of the fiscal year under review, decreased by 2.2% year on year to 9,891 million yen, and core operating income jumped to 860 million yen, up 7.4 times.

(2) Explanation of the financial condition for the fiscal year under review

As of the end of the fiscal year under review, consolidated total assets increased by 97,159 million yen compared to the end of the previous fiscal year.

Current assets increased by 45,402 million yen from the end of the previous fiscal year.

This is mainly due to increases in inventories of 44,745 million yen from the consolidation of Ingomar and in trade and other receivables of 11,006 million yen. Furthermore, cash and cash equivalents declined by 14,736 million yen due to expenditure for the acquisition of membership interests in Ingomar.

Non-current assets increased by 51,756 million yen from the end of the previous fiscal year.

This is mainly attributable to increases in intangible assets of 34,311 million yen and in property, plant and equipment of 21,832 million yen following the consolidation of Ingomar. Furthermore, investments accounted for using the equity method declined by 5,685 million yen because Ingomar is no longer an equity-method affiliate after its consolidation.

Liabilities increased by 21,597 million yen from the end of the previous fiscal year.

This is mainly due to increases in trade and other payables of 7,661 million yen, in long-term borrowings of 7,632 million yen, and in deferred tax liabilities of 5,019 million yen, respectively, owing to the consolidation of Ingomar and other factors.

Net assets increased by 75,561 million yen from the end of the previous fiscal year. This includes the following. There were increases of 25,132 million yen in net income attributable to shareholders of parent, 21,745 million yen in the disposal of treasury shares, etc., and 21,999 million yen in non-controlling interests. However, dividends decreased retained earnings by 3,536 million yen.

As a result, the ratio of equity attributable to shareholders of the parent was 51.2%, and equity attributable to shareholders of the parent per share was 1,984.13 yen.

(3) Explanation of cash flows for the fiscal year under review

(Qualitative information regarding the state of consolidated cash flow)

Cash and cash equivalents for the fiscal year under review on a consolidated basis were 21,273 million yen, a decrease of 14,736 million yen compared to the end of the previous fiscal year. The state of each cash flow is explained below.

Net cash provided by operating activities totaled 31,692 million yen (net cash of 4,617 million yen provided by operating activities a year earlier). The main factors were profit before income taxes of 33,876 million yen, depreciation and amortization of 12,000 million yen, a decrease in inventories of 7,000 million yen (net cash provided by operating activities), and gain on the step acquisition of Ingomar of 9,323 million yen, as well as expenditures for income taxes paid of 8,686 million yen and interest paid of 3,080 million yen (net cash used in operating activities).

Net cash used in investing activities totaled 46,325 million yen (net cash of 6,056 million yen used in investing activities a year earlier). This was mainly due to expenditures of 36,046 million yen associated with the acquisition of additional membership interests in Ingomar and 10,943 million yen for the purchase of property, plant and equipment and intangible assets, among other factors.

Net cash used in financing activities totaled 571 million yen (net cash of 15,626 million yen gained in financing activities a year earlier). This was because of expenditures of 15,632 million yen for the repayment of short-term borrowings, 5,574 million yen for the repayment of long-term borrowings, 3,533 million yen for the payment of dividends, and 4,916 million yen for the payment of dividends to non-controlling interests, among other factors, while there was income of 23,129 million yen due to the disposal of treasury shares.

Furthermore, indicators related to the Group's cash flow are as follows.

Item	December 2023	December 2024
Ratio of equity attributable to shareholders of the parent (%)	49.8	51.2
Ratio of equity attributable to shareholders of the parent on a market value basis (%)	101.8	81.0
Interest-bearing debt to cash flow (years)	14.4	2.3
Interest coverage ratio (times)	3.3	10.6

Notes: Ratio of equity attributable to shareholders of the parent : Ratio of equity attributable to shareholders of the parent divided by total assets

Ratio of equity attributable to shareholders of the parent : Market capitalization divided by total assets on a market value basis

Interest-bearing debt to cash flow : Interest-bearing debt divided by operating cash flow

Interest coverage ratio : Operating cash flow divided by interest payments

1. Each indicator is calculated based on consolidated financial data.
2. Market capitalization is calculated by multiplying the closing year-end share price by the number of shares outstanding at year end (excluding treasury shares).
3. "Operating cash flow" uses "cash flows from operating activities" appearing on the consolidated statements of cash flows. "Interest-bearing debt" includes all debt on which interest is paid among liabilities booked on the consolidated financial statements. In addition, "interest" uses "Interest paid" on the consolidated statements of cash flows.

(4) Future outlook

	Revenue (Millions of yen)	Core operating income (Note) (Millions of yen)	Operating income (Millions of yen)	Net income attributable to shareholders of parent (Millions of yen)	Basic earnings per share (Yen)
Fiscal year ending December 31, 2025 (Forecast)	300,000	24,000	24,000	14,000	149.48
Fiscal year ended December 31, 2024	306,869	27,273	36,400	25,132	279.82
Rate of change (%)	(2.2%)	(12.0%)	(34.1%)	(44.3%)	—

Note: Core Operating Income is the profit index which measures constant business performance by deducting cost of sales and selling, general and administrative expenses from revenue plus equity gains (losses) of affiliated companies accounted for using equity method.

The Company is working to achieve its Mid-Term Management Plan by fiscal 2025, aiming to become a “strong company capable of sustainable growth, using food as a means of resolving social issues” under its vision of transitioning from a tomato company to a vegetable company.

For the fiscal year ending December 31, 2025, our key issues will be to achieve a recovery in profits and continue to tackle challenges in the domestic business as well as accelerate the growth in the international business.

In the domestic business, market prices for tomato paste, a mainstay raw material, are expected to decline, while various costs, including those for other raw materials and logistics, are expected to increase. Therefore, we will continue to focus on promoting behavioral change in terms of vegetable intake and creating demand primarily through fan-based marketing and work to generate profits. Additionally, we will focus on three areas—soup, plant-based food, and plant-based milk—and take on the challenge of expanding our business domains and cultivating new pillars of sales growth.

In the International Business, amid a sharp drop in tomato paste prices, by strengthening collaboration globally, we will strive to strengthen the foundation for tomato primary processed products and accelerate the sales growth of our tomato secondary processed products for food service companies.

In addition, we will continue to strengthen the foundations that support medium- to long-term business growth, such as by expanding agricultural research centered on the Global Agri Research & Business Center and by improving the efficiency of our supply network to deal with rising logistics costs.

For details about the Company’s consolidated earnings forecast for the fiscal year ending December 31, 2025, please see “Briefing Materials for FY2024 Results.”

(5) Basic policy on distribution of profits and dividend for the fiscal year under review and subsequent fiscal year

1. Basic policy on distribution of profits

The Company recognizes that returning profits to shareholders is a critical task of management.

The Company's shareholder return policy calls for a total return ratio of 40% based on consolidated performance metrics during the four-year Mid-Term Management Plan which spanned from 2022 to 2025. It also stated that the Company was to provide a stable annual cash dividend of at least 38 yen per share.

2. Dividend for the fiscal year under review

Dividends forecast in "Consolidated Summary Report <under IFRS> for the Fiscal Year Ended December 31, 2023" released on February 1, 2024 will be revised as follows.

	Dividends per Share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	yen	yen	yen	yen	yen
Previously announced forecast	—	—	—	52.00	52.00
Revised forecast	—	—	—	57.00	57.00
Results for fiscal year under review	—	—	—		
Results for previous year	—	—	—	41.00	41.00

(Main reason for revisions)

Regarding dividends for the fiscal year under review, given that our business performance greatly exceeded the initial forecast, we have decided to increase the dividend by 5 yen per share from our previous forecast for an ordinary dividend of 47 yen per share. On top of this, we will add a commemorative dividend of 10 yen per share to commemorate our 125th anniversary of founding, bringing the total dividend to 57 yen per share.

3. Dividend for subsequent fiscal year

Regarding dividends for the subsequent fiscal year, we plan to increase the ordinary dividend by 1 yen from the 47 yen for the fiscal year ended December 31, 2024 to 48 yen per share.

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# Consolidated Financial Statements

## (1) Consolidated Statements of Financial Position

	Millions of Yen		Thousands of U.S. dollars
	As of Dec. 31, 2023	As of Dec. 31, 2024	As of Dec. 31, 2024
<b>Assets</b>			
<b>Current assets:</b>			
Cash and cash equivalents	¥ 36,010	¥ 21,273	\$ 134,645
Trade and other receivables	48,426	59,432	376,157
Inventories	75,198	119,047	753,464
Income taxes receivable	206	2,506	15,866
Other financial assets	3,074	4,555	28,831
Other current assets	2,534	3,142	19,889
<b>Total current assets</b>	<b>165,451</b>	<b>209,958</b>	<b>1,328,852</b>
<b>Non-current assets:</b>			
Property, plant and equipment	60,756	82,589	522,717
Intangible assets	3,023	37,817	239,351
Other financial assets	20,323	22,320	141,270
Investments accounted for using the equity method	11,300	5,635	35,666
Other non-current assets	3,671	4,057	25,682
Deferred tax assets	1,121	36	232
<b>Total non-current assets</b>	<b>100,197</b>	<b>152,456</b>	<b>964,918</b>
<b>Total assets</b>	<b>¥ 265,648</b>	<b>¥ 362,415</b>	<b>\$ 2,293,770</b>
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Trade and other payables	¥ 36,750	¥ 44,412	\$ 281,089
Borrowings	49,876	51,176	323,903
Current portion of bonds	997	-	-
Income taxes payable	2,783	3,003	19,011
Other financial liabilities	903	1,015	6,427
Other current liabilities	9,118	9,605	60,797
<b>Total current liabilities</b>	<b>100,430</b>	<b>109,213</b>	<b>691,227</b>
<b>Non-current liabilities:</b>			
Long-term debt	13,911	21,543	136,354
Other financial liabilities	2,739	2,837	17,958
Retirement benefit liability	5,662	5,432	34,382
Provisions	1,496	1,495	9,462
Other non-current liabilities	1,261	1,557	9,861
Deferred tax liabilities	3,711	8,694	55,026
<b>Total non-current liabilities</b>	<b>28,783</b>	<b>41,560</b>	<b>263,044</b>
<b>Net Assets:</b>			
Share capital	19,985	19,985	126,490
Capital surplus	22,756	23,287	147,388
Treasury shares	(22,398)	(653)	(4,135)
Other components of equity	13,904	23,395	148,075
Retained earnings	98,017	119,725	757,754
Interests attributable to shareholders of parent	132,265	185,740	1,175,572
Non-controlling interests	4,170	25,900	163,928
<b>Total net assets</b>	<b>136,435</b>	<b>211,640</b>	<b>1,339,499</b>
<b>Total liabilities and net assets</b>	<b>¥ 265,648</b>	<b>¥ 362,415</b>	<b>\$ 2,293,770</b>

Note: U.S. dollar amounts have been translated from Japanese yen, for convenience only, at the rate of 158 yen = 1 U.S. dollar, the approximate Tokyo foreign exchange market rate as of December 31, 2024.

## (2) Consolidated Statements of Income

	Millions of Yen		Thousands of U.S. dollars
	Fiscal Year ended Dec. 31, 2023	Fiscal Year ended Dec. 31, 2024	Fiscal Year ended Dec. 31, 2024
Revenue	¥ 224,730	¥ 306,869	\$ 1,942,213
Cost of sales	144,935	207,137	1,310,997
<b>Gross profit</b>	<b>79,794</b>	<b>99,732</b>	<b>631,216</b>
Selling, general and administrative expenses	62,536	72,907	461,442
Equity gains (losses) of affiliated companies	2,217	270	1,713
<b>Core Operating income</b>	<b>19,476</b>	<b>27,094</b>	<b>171,487</b>
Other income	634	10,073	63,753
Other expenses	2,637	946	5,988
<b>Operating income</b>	<b>17,472</b>	<b>36,221</b>	<b>229,252</b>
Finance income	959	1,095	6,933
Finance costs	1,942	3,652	23,114
<b>Income before income taxes</b>	<b>16,489</b>	<b>33,665</b>	<b>213,071</b>
Income taxes	4,676	6,489	41,073
<b>Net income</b>	<b>11,812</b>	<b>27,175</b>	<b>171,998</b>
Net income attributable to:			
<b>Shareholders of parent</b>	10,432	25,015	158,327
<b>Non-controlling interests</b>	1,380	2,159	13,671
<b>Total</b>	<b>¥ 11,812</b>	<b>¥ 27,175</b>	<b>\$ 171,998</b>
Amounts per share of common stock:			
<b>Net income attributable to shareholders of parent</b>	¥ 121.17	¥ 278.52	\$ 1.76
<b>Diluted net income attributable shareholders of parent</b>	¥ 120.98	¥ 278.19	\$ 1.76

Note: U.S. dollar amounts have been translated from Japanese yen, for convenience only, at the rate of 158 yen = 1 U.S. dollar, the approximate Tokyo foreign exchange market rate as of December 31, 2024.

### (3) Consolidated Statements of Comprehensive Income

	Millions of Yen		Thousands of U.S. dollars
	Fiscal Year ended Dec. 31, 2023	Fiscal Year ended Dec. 31, 2024	Fiscal Year ended Dec. 31, 2024
<b>Net income</b>	¥ 11,812	¥ 27,175	\$ 171,998
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of defined benefit plans	49	200	1,270
Net gains and losses from financial assets measured at fair value through other comprehensive income	813	643	4,071
Share of other comprehensive income of investments accounted for using equity method, net of tax	5	5	33
<b>Total</b>	<u>868</u>	<u>849</u>	<u>5,374</u>
<b>Items that may be reclassified subsequently to profit or loss</b>			
Effective portion of cash flow hedges	4,557	1,016	6,434
Cash flow hedges costs	1,216	4,936	31,246
Exchange differences on translation of foreign operations	1,977	7,956	50,356
Share of other comprehensive income of investments accounted for using equity method, net of tax	9	43	278
<b>Total</b>	<u>7,761</u>	<u>13,953</u>	<u>88,314</u>
<b>Other comprehensive income</b>	<u>8,629</u>	<u>14,802</u>	<u>93,688</u>
<b>Comprehensive income</b>	<u>20,442</u>	<u>41,978</u>	<u>265,686</u>
<b>Comprehensive income attributable to:</b>			
<b>Shareholders of parent</b>	18,919	38,246	242,067
<b>Non-controlling interests</b>	1,522	3,731	23,618
<b>Total</b>	<u>¥ 20,442</u>	<u>¥ 41,978</u>	<u>\$ 265,686</u>

Note: U.S. dollar amounts have been translated from Japanese yen, for convenience only, at the rate of 158 yen = 1 U.S. dollar, the approximate Tokyo foreign exchange market rate as of December 31, 2024.

(4) Consolidated Statements of Changes in Net Assets

Millions of Yen

	Interests attributable to shareholders of parent										Non-controlling interests	Total Net Assets	
	Share Capital	Capital surplus	Treasury shares	Other components of equity						Retained earnings			Total
				Remeasurements of defined benefit plans	Net gains and losses from financial assets measured at FVTOCI	Effective portion of cash flow hedges	Cash flow hedges costs	Exchange differences on translation of foreign operations	Total				
<b>Balance, January 1, 2023</b>	¥ 19,985	¥ 22,836	¥ (22,543)		¥ 4,855	¥ 1,721	¥ (413)	¥ 1,921	¥ 8,084	¥ 90,708	¥ 119,071	¥ 2,720	¥ 121,792
Net income										10,432	10,432	1,380	11,812
Other comprehensive income				55	813	4,581	1,216	1,821	8,487		8,487	142	8,629
<b>Comprehensive income</b>				55	813	4,581	1,216	1,821	8,487	10,432	18,919	1,522	20,442
<b>Transfer to non-financial assets</b>									(2,514)		(2,514)		(2,514)
Repurchase of treasury shares			(2)								(2)		(2)
Disposal of treasury shares		(0)	147								146		146
Cash dividends										(3,276)	(3,276)	(72)	(3,349)
Share-based compensation		(78)									(78)		(78)
Transfer to retained earnings				(55)	(98)				(153)	153			
<b>Total transactions with shareholders</b>		(79)	144	(55)	(98)				(153)	(3,122)	(3,211)	(72)	(3,284)
<b>Balance, December 31, 2023</b>	¥ 19,985	¥ 22,756	¥ (22,398)		¥ 5,570	¥ 3,787	¥ 803	¥ 3,742	¥ 13,904	¥ 98,017	¥ 132,265	¥ 4,170	¥ 136,435

<b>Balance, January 1, 2024</b>	¥ 19,985	¥ 22,756	¥ (22,398)		¥ 5,570	¥ 3,787	¥ 803	¥ 3,742	¥ 13,904	¥ 98,017	¥ 132,265	¥ 4,170	¥ 136,435
Net income										25,015	25,015	2,159	27,175
Other comprehensive income				205	643	1,018	4,936	6,426	13,230		13,230	1,571	14,802
<b>Comprehensive income</b>				205	643	1,018	4,936	6,426	13,230	25,015	38,246	3,731	41,978
<b>Transfer to non-financial assets</b>									(3,511)		(3,511)		(3,511)
Repurchase of treasury shares			(2)								(2)		(2)
Disposal of treasury shares		2,803	20,447								23,250		23,250
Cancellation of treasury shares		(1,300)	1,300										
Cash dividends										(3,536)	(3,536)	(1,892)	(5,428)
Share-based compensation		(5)									(5)		(5)
Changes in ownership interest in subsidiaries		(967)									(967)	(745)	(1,713)
Transfer to retained earnings				(205)	(21)				(227)	227			
Changes in scope of consolidation												20,636	20,636
<b>Total transactions with shareholders</b>		530	21,745	(205)	(21)				(227)	(3,308)	18,739	17,998	36,738
<b>Balance, December 31, 2024</b>	¥ 19,985	¥ 23,287	¥ (653)		¥ 6,191	¥ 1,294	¥ 5,740	¥ 10,169	¥ 23,395	¥ 119,725	¥ 185,740	¥ 25,900	¥ 211,640

Thousands of U.S. Dollars

	Interests attributable to shareholders of parent										Non-controlling interests	Total Net Assets	
	Share Capital	Capital surplus	Treasury shares	Other components of equity						Retained earnings			Total
				Remeasurements of defined benefit plans	Net gains and losses from financial assets measured at FVTOCI	Effective portion of cash flow hedges	Cash flow hedges costs	Exchange differences on translation of foreign operations	Total				
<b>Balance, January 1, 2024</b>	\$ 126,490	\$ 144,031	\$ (141,764)		\$ 35,256	\$ 23,974	\$ 5,084	\$ 23,686	\$ 88,000	\$ 620,366	\$ 837,123	\$ 26,393	\$ 863,516
Net income										158,327	158,327	13,671	171,998
Other comprehensive income				1,303	4,071	6,445	31,246	40,675	83,740		83,740	9,948	93,688
<b>Comprehensive income</b>				1,303	4,071	6,445	31,246	40,675	83,740	158,327	242,067	23,618	265,686
<b>Transfer to non-financial assets</b>									(22,225)		(22,225)		(22,225)
Repurchase of treasury shares			(16)								(16)		(16)
Disposal of treasury shares		17,745	129,413								147,158		147,158
Cancellation of treasury shares		(8,233)	8,233										
Cash dividends										(22,380)	(22,380)	(11,975)	(34,355)
Share-based compensation		(32)									(32)		(32)
Changes in ownership interest in subsidiaries		(6,122)									(6,122)	(4,721)	(10,843)
Transfer to retained earnings				(1,303)	(138)				(1,440)	1,440			
Changes in scope of consolidation												130,611	130,611
<b>Total transactions with shareholders</b>		3,357	137,630	(1,303)	(138)				(1,440)	(20,939)	118,607	113,916	232,523
<b>Balance, December 31, 2024</b>	\$ 126,490	\$ 147,388	\$ (4,135)		\$ 39,190	\$ 8,194	\$ 36,330	\$ 64,361	\$ 148,075	\$ 757,754	\$ 1,175,572	\$ 163,928	\$ 1,339,499

Note: U.S. dollar amounts have been translated from Japanese yen, for convenience only, at the rate of 158 yen = 1 U.S. dollar, the approximate Tokyo foreign exchange market rate as of December 31, 2024.

## (5) Consolidated Statements of Cash Flows

	Millions of Yen		Thousands of U.S. dollars
	Fiscal Year ended Dec. 31, 2023	Fiscal Year ended Dec. 31, 2024	Fiscal Year ended Dec. 31, 2024
<b>Cash flows from operating activities:</b>			
Income before income taxes	¥ 16,489	¥ 33,665	\$ 213,071
Depreciation and amortization	8,249	12,000	75,955
Impairment Losses	2,236	-	-
Interest and dividend income	(623)	(772)	(4,891)
Interest expenses	1,673	2,984	18,887
Gain on step acquisitions	-	(9,323)	(59,010)
Equity (gains) losses of affiliated companies	(2,217)	(270)	(1,713)
(Gains) losses on sale and retirement of property, plant and equipment, and intangible assets	28	107	684
(Increase) decrease in trade and other receivables	(2,127)	(1,640)	(10,382)
(Increase) decrease in inventories	(14,780)	7,198	45,558
Increase (decrease) in trade and other payables	1,014	(973)	(6,162)
Other	(680)	(321)	(2,038)
Subtotal	9,261	42,653	269,958
Interest and dividends received	1,009	805	5,100
Interest paid	(1,381)	(3,080)	(19,495)
Income taxes paid	(4,271)	(8,686)	(54,981)
Cash flows from operating activities	4,617	31,692	200,583
<b>Cash flows from investing activities:</b>			
Purchase of property, plant and equipment, and intangible assets, including investment property	(6,426)	(10,943)	(69,264)
Proceeds from sales of property, plant and equipment, including investment property	297	413	2,619
Purchase of investments in subsidiaries with changes in consolidation scope	-	(36,046)	(228,139)
Purchase of other financial assets	(309)	(215)	(1,364)
Gain on available-for-sale financial assets	446	443	2,806
Other	(64)	22	140
Cash flows from investing activities	(6,056)	(46,325)	(293,202)
<b>Cash flows from financing activities:</b>			
Net increase (decrease) in short-term borrowings	9,209	(15,632)	(98,942)
Proceeds from long-term borrowings	10,387	8,587	54,352
Repayments of long-term borrowings	(865)	(5,574)	(35,282)
Proceeds from issuance of bonds	984	-	-
Redemption of bonds	-	(1,000)	(6,329)
Repayments of lease obligations	(736)	(904)	(5,727)
Dividends paid	(3,277)	(3,533)	(22,361)
Dividends paid to non-controlling interests	(72)	(4,916)	(31,115)
Purchase of investments in subsidiaries with no changes in consolidation scope	-	(1,713)	(10,843)
Net (increase) decrease in treasury shares	(2)	23,129	146,391
Income by settlement in derivatives	-	985	6,240
Cash flows from financing activities	15,626	(571)	(3,616)
Net increase (decrease) in cash and cash equivalents	14,187	(15,205)	(96,235)
Cash and cash equivalents at the beginning of period	21,390	36,010	227,915
Foreign translation adjustment on cash and cash equivalents	433	468	2,966
Cash and cash equivalents at the end of period	¥ 36,010	¥ 21,273	\$ 134,645

Note: U.S. dollar amounts have been translated from Japanese yen, for convenience only, at the rate of 158 yen = 1 U.S. dollar, the approximate Tokyo foreign exchange market rate as of December 31, 2024.