

Eat Well, Live Well.



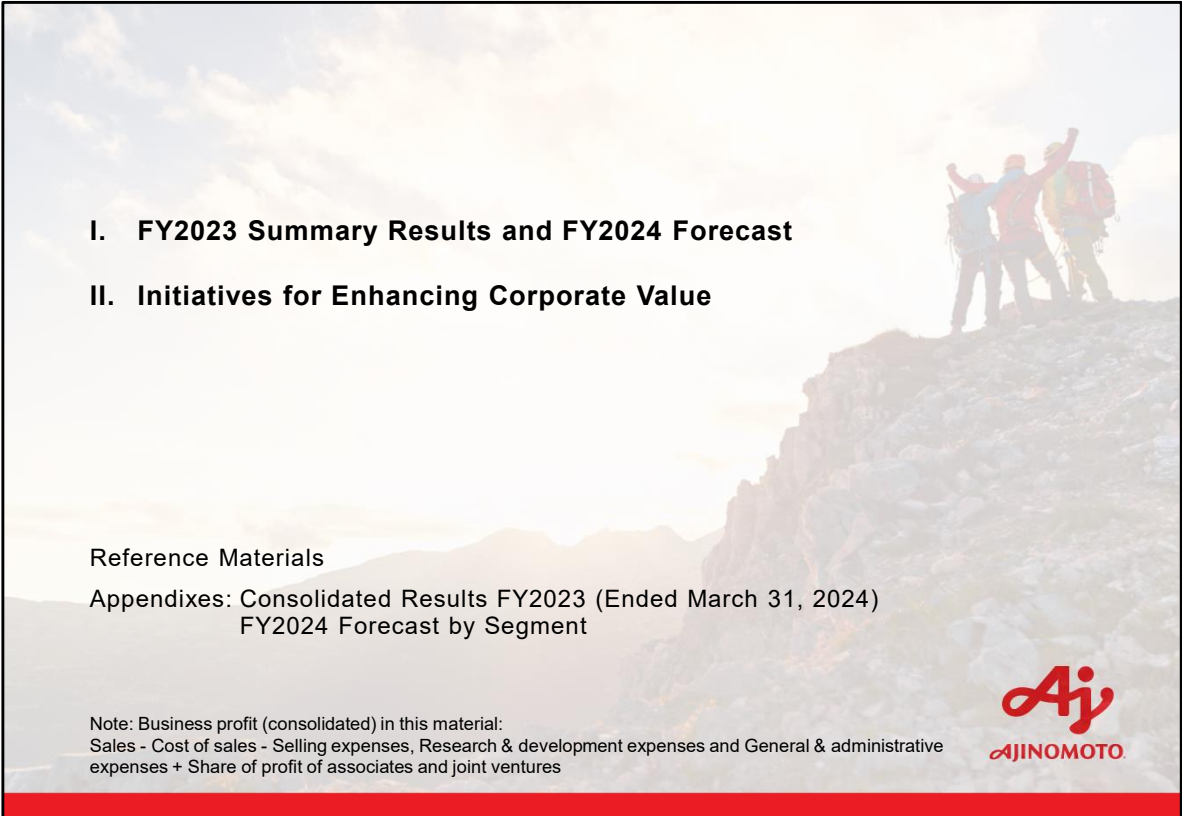
Ajinomoto Co., Inc. (2802)

**Forecast for FY2024 (Ending March 31, 2025)
and Initiatives for Enhancing Corporate Value**

Taro Fujie

**Director, Representative Executive Officer,
President & Chief Executive Officer**

May 9, 2024



I. FY2023 Summary Results and FY2024 Forecast

II. Initiatives for Enhancing Corporate Value

Reference Materials

Appendixes: Consolidated Results FY2023 (Ended March 31, 2024)
FY2024 Forecast by Segment

Note: Business profit (consolidated) in this material:

Sales - Cost of sales - Selling expenses, Research & development expenses and General & administrative expenses + Share of profit of associates and joint ventures



Today's Message



- In FY2023 we recorded our highest levels of sales and business profit since we introduced IFRS in FY2016. Excluding the impact of the acquisition of Forge Biologics Holdings, LLC, business profit exceeded the FY2023 forecast and grew 12.7%.
- The FY2024 forecast also anticipates increased revenue and profit. We will continue to aim at achieving our ASV indicators by steadily growing the Food Products business, which led performance in FY2023, and by returning Healthcare and Others to a growth trajectory.
- We will also increase shareholder returns by increasing dividends and buying back shares, following the policy to which we have committed ourselves in our Roadmap.
- We will aim to evolve our Purpose-Driven Management by Medium-Term ASV Initiatives 2030 Roadmap and achieve further heights. We will also strengthen the following initiatives to enhance our corporate value: Speed Up X Scale Up, An Organizational Culture of Endeavor, Agile Response to Change, and Lean Business Structure.



I. FY2023 Summary Results and FY2024 Forecast

II. Initiatives for Enhancing Corporate Value

I-1. Digest of FY2023 Results

Sales: Increased
(New record)

¥1,439.2 billion

105.9% of FY2022

Excluding currency translation: 101.7%

Excluding the impact of the Forge acquisition: 105.8%

up ¥80.1 billion

Overall revenue increased, driven by increased revenue in Seasonings and Foods and in Frozen Foods and the effect of currency translation.

Business profit: Increased
(New record)

¥147.6 billion

109.1% of FY2022

Excluding currency translation: 104.1%

Excluding the impact of the Forge acquisition: 112.7%

up ¥12.3 billion

Increased profit in Seasonings and Foods and in Frozen Foods offset decreased profit in Healthcare and Others. With the impact of the Forge acquisition excluded, growth was double-digit.

Profit attributable to owners of the parent company

¥87.1 billion

92.6% of FY2022

Due to factors below, profit attributable to owners of the parent company decreased.

- Repercussion of the sale of non-current assets in the previous fiscal year (¥17.0 billion)
- Currency translation loss in Nigeria (¥5.6 billion),

YoY Business Profit Details – Summary

(¥ Billion)	vs Q1-FY22	vs Q2-FY22	vs Q3-FY22	vs Q4-FY22	vs FY22	Details of impacts in FY2023
Change in GP due to change in sales	6.5	3.5	4.5	12.6	27.7	Increase in revenue in Seasonings and Foods, and Frozen Foods (both overseas) exceeded the decrease in revenue in Healthcare and Others
Change in GP due to change in GP margin	0.0	0.7	5.7	7.3	13.3	Improvement of the GP margin in Seasonings and Foods, and Frozen Foods (both overseas) offset the GP margin decline in Healthcare and Others
Change in SGA expenses	-2.7	-4.2	-7.4	-14.6	-29.1	Impact of the Forge acquisition in addition to advertising and R&D investments in line with our strategy
Share of profit of associates and joint ventures	-1.4	0.0	0.2	1.6	0.4	
Total	2.3	-0.0	3.0	7.0	12.3	

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5

Looking at financial results for the fiscal year ended March 31, 2024, we achieved new highs for both sales and business profit.

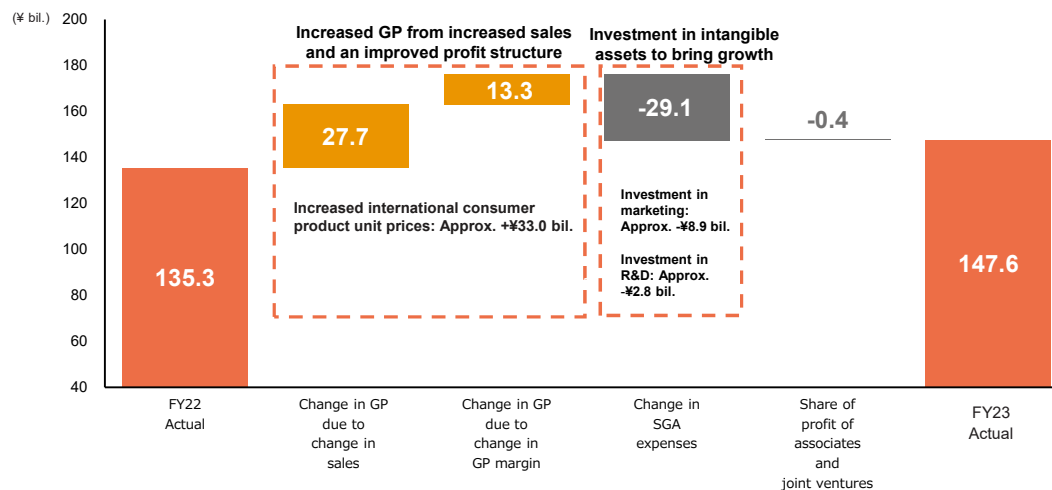
Sales were 1,439.2 billion yen, which was 105.9% sales in the previous year or 101.7% with the impact of currency translation excluded. Increased revenue in Seasonings and Foods and in Frozen Foods, segments in which we have implemented price increases and other initiatives since the previous year, made up for decreased revenue in Healthcare and Others and led to increased revenue overall.

Business profit was 147.6 billion yen, which was 109.1% profit in the previous year or 104.1% with the impact of currency translation excluded.

With the impact of the Forge acquisition excluded, we achieved the 150 billion yen of the FY2023 forecast and a double-digit growth rate. The Food Products business drove business profit in FY2023. Excluding the impact of the Forge acquisition, in the fourth quarter business profit in Healthcare and Others recovered to approximately 150% the level of the previous year.

Profit attributable to owners of the parent company was hit by a currency translation loss due to the sharp decline of the Nigerian naira, in addition to the sale of non-current assets in the previous year. In Nigeria, we will establish a scheme for naira-based importing to avoid currency translation losses.

I-2. Changes in Business Profit (FY2023 Results by P&L Factor)



Ref.: Impact of currency translation: approximately +¥6.7 billion

This is an analysis of the difference in business profit between FY2023 and FY2022.

Change in GP due to change in sales was 27.7 billion yen compared to the same period in the previous year, with contributions from price increases in Seasonings and Foods and in Frozen Foods overseas as well as in Japan.

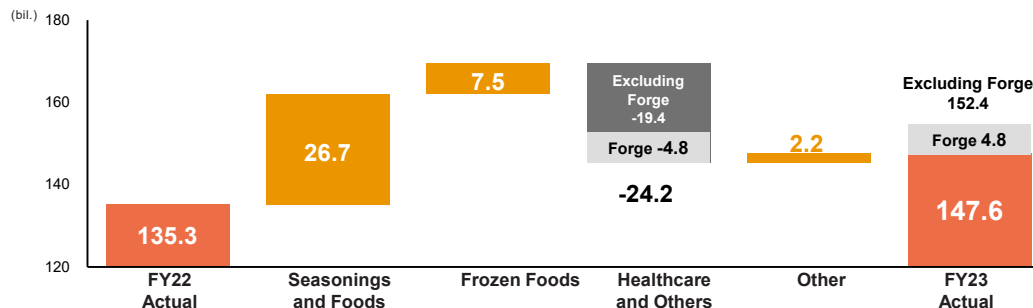
Although the change in GP due to change in GP margin was significantly positive in food-related businesses, it was negative in Healthcare and Others. Overall, it increased by 13.3 billion yen.

The increase in profit due to growth in unit prices in the Seasonings and Foods and in the Frozen Foods segments was large, counteracting the gross raw materials and fuels cost impact of about 2 billion yen and making up for negatives in the Healthcare and Others segment.

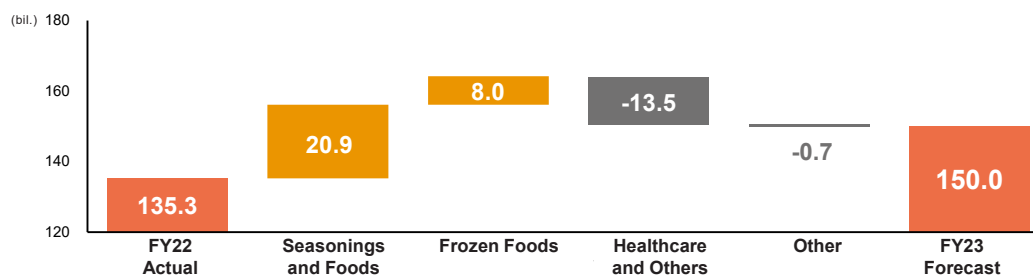
In sales and general administrative (SGA) expenses, we are expanding intangible asset investments necessary for future sustainable growth, in line with our strategy under the 2030 Roadmap.

As I will discuss later, some investments in brands are already demonstrating effectiveness.

I-2. Changes in Business Profit (FY2023 Results by Disclosed Segment)



(Ref.) FY2023 Forecast vs. FY2022 Actual



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7

This is an analysis of the difference in business profit by segment in FY2023 compared to the previous year. An analysis of the difference between the full-year forecast and results in the previous year is included at the bottom of the slide for reference.

It can be seen that, in comparison with the full-year forecast, the Seasonings and Foods segment achieved very strong profit growth, greatly in excess of expectations.

Contrary to expectations, the degree of profit decrease in Healthcare and Others grew further. From the fourth quarter, signs of recovery have been visible in Functional Materials and other segments. During the current fiscal year, we will aim for further profit creation.

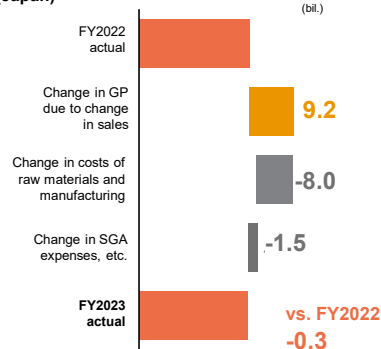
I-3. Sauce and Seasonings, and Quick Nourishment: Breakdown of Sales, and Factors behind Changes in Business Profit



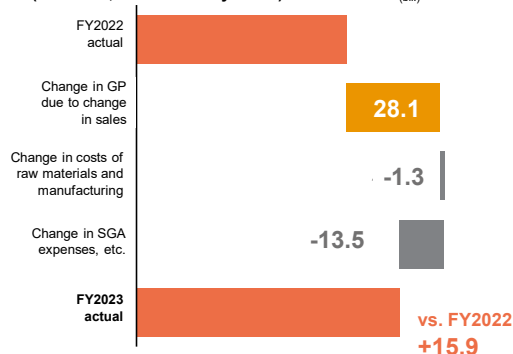
Breakdown of the FY2023 sales and factors behind changes in business profit, in Japan and overseas (vs. the previous year)



Factors behind changes in business profit (Japan) (bil.)



Factors behind changes in business profit (overseas, local currency basis) (bil.)



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8

This slide shows an analysis of sales volume and unit prices, as well as an analysis of change in business profit, for Sauces and Seasonings and Quick Nourishment combined in Japan and overseas.

Sales in Japan in FY2023 were 105% those of the previous year, breaking down to 99% by volume and 105% by unit price. The forecast for FY2023 called for 100% by volume and 108% by unit price, but we fell slightly short of those targets. However, by selling volume on par with the previous fiscal year while solidly raising prices, in the fourth quarter alone we achieved growth to 102% of the previous year's level in volume and 106% in unit prices. The waterfall chart at bottom left shows that the effect of unit price increases was unable to cover the increase in higher raw material costs and in SGA expenses, resulting in a decrease in profit.

By contrast, overseas we achieved sales growth to 109% the previous year's level on a local currency basis by increasing unit prices to 106% those of the previous year primarily through price revisions while steadily increasing volume to 103%. While price increases have run their course in the fourth quarter, we extended growth in volume to 105% and in unit price to 104%.

We increased business profit, too, by counteracting the increase in SGA intangible asset investment and cost increases due to soaring raw materials and fuels prices.

I-4. 2030 Roadmap and ASV indicators

Although many ASV indicators were lower than the previous year due to the results of Healthcare and Others and the impact of the acquisition of Forge, we will aim to catch up quickly and achieve our targets.

		FY22	FY23 Actual	FY25 (plan)	FY30 (plan)	
ASV Indicators	Economic value indicators	ROE <small>(Excluding the impact of the Forge acquisition)</small>	12.9%	11.0% <small>(-11.4%)</small>	18% Approx. 20%	
		ROIC (>Capital Cost) <small>(Excluding the impact of the Forge acquisition)</small>	9.9%	8.7% <small>(-9.4%)</small>	13% Approx. 17%	
		Organic sales growth	9.5%	1.7%	5% <small>(FY22-25)</small>	5% or more <small>(FY25-30)</small>
		EBITDA margin	15.2%	15.7%	17%	19%
			Challenging targets from management			
	Social value indicators	Initiatives to Reduce Environmental Impact	-	-	Reduce our environmental impact by 50% (outcome)	
		Nutrition commitment <small>We plan to consider KPIs for other contributions than nutrition as well.</small>	880 mil. people	-	-	Help extend the healthy life expectancy of 1 bl people (outcome)
	Strengthening intangible assets	Employee engagement score	75%	76%	80%	85% or more
		Brand Value (mUSD) <small>(Interbrand published value)</small>	1,391 <small>(result, +15% vs. prev. year)</small>	1,625 <small>(result, +17% vs. prev. year)</small>	Compared with FY22, CAGR 7% or more	

Ref.: Aim for approx. **3X EPS**
(vs. FY2022)

ASV will grow dramatically and continually, and we will continue to be an attractive group for stakeholders and society

This slide depicts the progress of our ASV indicators under the 2030 Roadmap.

The decline in profit in the Healthcare and Others segment was large and Forge assets acquired were recorded, while profit has yet to be generated. These pushed down ROIC and other indicators.

I-4. Reference: Growth Paths by Segment

Segment	Organic growth			Business profit			ROIC			EBITDA margin			
	FY22 actual (sales)	FY23 actual	FY25 plan (FY22-25)	FY22 actual (BP)	FY23 actual	FY25 plan (FY22-25)	FY22 actual	FY23 actual	FY25 plan	FY22 actual	FY23 actual	FY23 plan	
Seasonings and Foods	Sauce & Seasonings												
	Quick Nourishment												
	Solution & Ingredients	¥775.0 billion	5.5%	5%	¥84.8 billion	31.5%	12%	14.9%	16.7%		14.9%	17.3%	16%
							*11.8%	*15.0%	16%	WACC 7%			
Frozen Foods	Frozen Foods	¥267.2 billion	0.6%	3%	¥2.0 billion	(BP) ¥9.5 billion	¥10.0 billion or more	-3.3%	4.4%		5.5%	8.3%	8%
								*0.6%	*3.4%	5%	WACC 5%		
Healthcare and Others	Bio-Pharma Services & Ingredients												
	Functional Materials (electronic materials and others)	¥299.6 billion	-6.8%	8%	¥48.6 billion	-49.9%	13%	12.6%	4.2%		21.8%	15.0%	27%
	Others								*6.5%	18%	WACC 7%		
							WACC 6%						
Total	¥1,359.1 billion	1.7%	5%	¥135.3 billion	9.1% ** 12.7%	15% or more	9.9%	8.7%	13%	15.2%	15.7%	17%	
							*8.0%	**9.4%		WACC 6%			

*excluding the profit from sales of non-current assets and impairment losses
 **excluding the impact of the Forge acquisition

Starting in FY2023, the method for allocating shared expenses such as R&D expenses, was changed to better evaluate the business performance of each reportable segment. The above figures, including results for FY2022, reflect this change.

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10

These are our ASV indicators in each segment.

I-4. Reference: Regarding the Revision of ROIC Numbers by Segment



In our efforts to improve management accounting, the formula for calculating ROIC by segment was changed. The figures after the change, and for the past couple of years, are below.

We will unify ROIC for both disclosure and business management by calculating strictly according to our management accounting guidelines.

ROIC Segment	ROIC (old calculation method)			ROIC (new calculation method)		
	FY21 actual	FY22 actual	FY23 actual	FY21 actual	FY22 actual	FY23 actual
Seasonings and Foods	10.9%	15.9%	—	9.9%	14.9%	16.7%
Frozen Foods	-1.5%	-3.3%	—	-1.6%	-3.3%	4.4%
Healthcare and Others	10.7%	12.2%	—	11.3%	12.6%	4.2%

ROIC (Excluding the impact of restructuring, sales of non-current assets, and impairment losses)

Segment	ROIC (old calculation method)			ROIC (new calculation method)		
	FY21 actual	FY22 actual	FY23 actual	FY21 actual	FY22 actual	FY23 actual
Seasonings and Foods	11.7%	11.8%	—	10.5%	11.0%	15.0%
Frozen Foods	-0.5%	0.6%	—	-0.5%	0.7%	3.4%
Healthcare and Others	10.7%	12.2%	—	11.3%	12.6%	4.6%

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11

For several years, we have worked to raise the level of our management accounting. As an outcome of this, we will provide more precise figures by calculating disclosed ROIC in accordance with our management accounting guidelines established several years ago.

I-5. Forecast for FY2024

The FY2024 full-year forecast anticipates increased revenue and profit (new record highs). We will aim to achieve our ASV indicators with steady organic growth in the Food Products business and returning to growth in Healthcare and Others.

Assumed exchange rate:
¥140/USD

Sales	Business profit	Profit attributable to owners of the parent company
¥1,527.0 billion	¥158.0 billion	¥95.0 billion
106.1% of FY2023	107.0% of FY2023	109.0% of FY2023
Excluding currency translation: 108.2%	Excluding currency translation: 109.0%	
Excluding the impact of the Forge acquisition on consolidated results: approx. 105%	Excluding the impact of the Forge acquisition on consolidated results: approx. 110%	

(¥ Billion)	FY24 Forecast	FY23 Actual	vs. Prev. year
Sales	1,527.0	1,439.2	106.1%
Seasonings and Foods	889.9	846.9	105.1%
Frozen Foods	292.7	281.8	103.9%
Healthcare and Others	325.8	294.5	110.6%
Other	18.4	15.8	116.6%
Business Profit	158.0	147.6	107.0%
Seasonings and Foods	111.7	111.5	100.2%
Frozen Foods	11.5	9.5	120.3%
Healthcare and Others	30.2	24.3	124.0%
Other	4.4	2.1	207.5%

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12

In our performance forecast for FY2024, we continue to expect increased revenue and profit.

We expect steady growth in the Seasonings and Foods and Frozen Foods that led results in FY2023, along with recovery in Healthcare and Others.

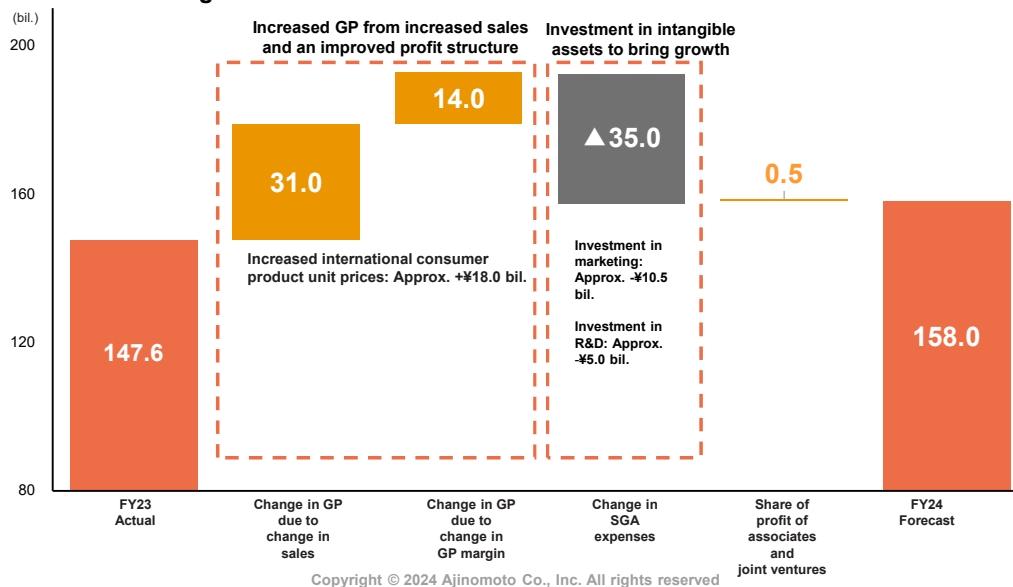
Sales are expected to be 158 billion yen, or 107% of the previous year's level, and 110% excluding Forge. We consider 158 billion yen to be a commitment, and we will work hard to achieve the high. We are committed to achieving the high goals outlined in our 2030 Roadmap.

We also expect profit attributable to owners of the parent company to be 95 billion yen, 109% of the previous year's level, after a decrease in FY23. By improving management capabilities, including raising the top line and promoting further efforts to reduce the effective tax rate.

I-6. Changes in Business Profit (FY2024 Forecast by P&L Factor)



Aim for sustainable business profit growth by increasing gross profit (GP) through sales growth and improving the GP margin, and by aiming to increase investment in intangible assets by up to the amount of GP growth.



This slide presents a waterfall chart of business profit in our performance forecast.

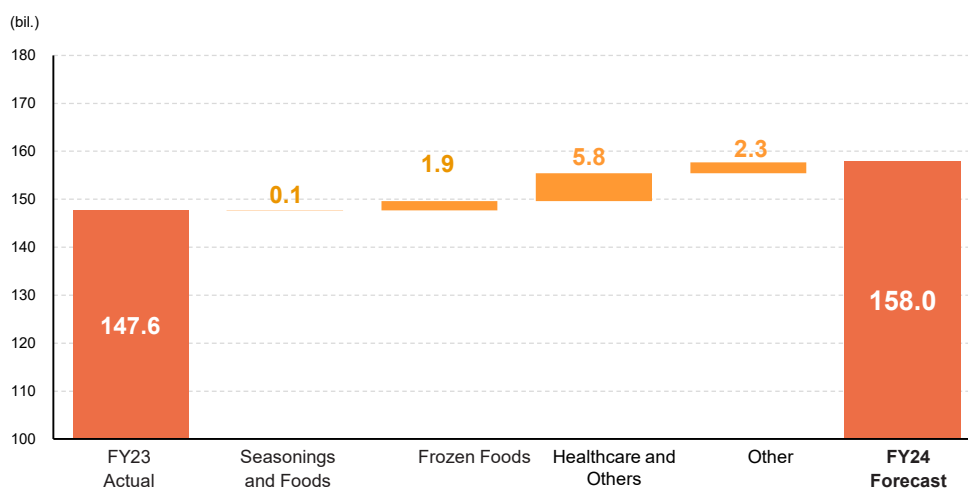
By growing both volume and unit prices, we will grow both GP margin and GP amount. By making solid intangible asset investments within the scope of GP growth, we will grow business profit.

With regard to prices of raw materials and fuels, we expect slight declines in prices of fermentation raw materials and fuel but also slight increases from the previous year in other prices, primarily in food ingredients. On the whole, we assume that prices of raw materials and fuels will be in line with the previous year.

I-6. Factors behind Changes in Business Profit (FY2024 Forecast by Segment)



FY2024 Forecast vs FY2023 Actual



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14

This is an analysis of the difference between business profit by segment in the performance forecast and results in the previous year.

Regarding Seasonings and Foods, which led results in the previous fiscal year, we aim for steady growth in the consumer business. Taking into account factors including the risk of decline in unit price of seasonings for processed foods in BtoB, we have set a total profit growth forecast of 100 million yen for Seasonings and Foods. In the Frozen Foods business, in which we achieved recovery in business performance in the previous year, we plan to solidly expand profit.

In the Healthcare and Others segment, which was affected by markets in FY2023, our plans for FY2024 include:

- In Functional Materials, gradual recovery in the general-purpose servers that are the main application in the segment
- In amino acids for pharmaceuticals, profit growth based on sales growth amid the completion of customers' inventory adjustments
- In CDMO, we will solidify the recovery in the fourth quarter of FY2023, and plan to increase profit and make up for the initial investment in the Forge acquisition

We will continue to move forward with business operation under a goal of achieving FY2025 ASV indicators, by growing to approximately 109% of the previous year, excluding the Forge acquisition.

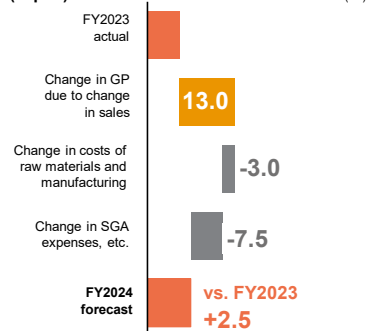
I-7. Sauce and Seasonings, and Quick Nourishment: Breakdown of Sales, and Factors behind Changes in Business Profit



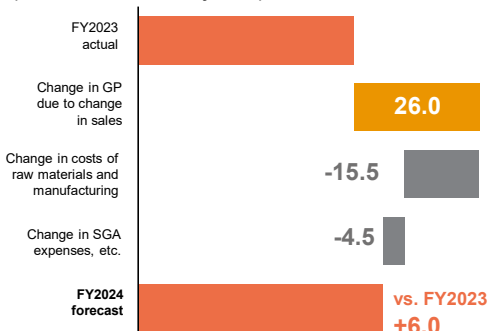
Breakdown of the FY2024 sales forecast and factors behind changes in the business profit forecast, in Japan and overseas (vs. the previous year)



Factors behind changes in business profit (Japan) (bil.)



Factors behind changes in business profit (overseas, local currency basis) (bil.)



Japan: We will work to grow volume in categories in which price increases have run their course, and will carry out new increases for some categories.

Overseas: While aiming for steady volume growth, we will agilely carry out necessary price increases.

This slide breaks down the sales forecast by volume and unit prices, and presents an analysis of change in business profit, for Sauces and Seasonings and Quick Nourishment combined in Japan and overseas.

The plan expects sales in Japan to be 108% those of the previous year, breaking down to 103% by volume and 105% by unit price. We will carry out price increases to address increases in import costs due to the weak yen and soaring prices of raw materials and fuels. At the same time, we will also work to increase volume, particularly in categories in which price increases have run their course.

Overseas, we expect volume to reach 105% and unit prices 104%, and expect to steadily increase volume while continuing to create unit price increase effects.



I-8. Seasonings and Foods: Expanded Market Share in Overseas Flavor Seasonings

By evolving marketing in overseas markets and stably investing in the brands, which are our intangible assets, we achieved large increases in unit prices as well as growth in volume. We are expanding our market share in major countries.

Market share of flavor seasonings in major countries, difference from previous year

Country	Brand	Difference in share from previous year
Thailand	<i>RosDee</i> [®] (share: about 80%)	+1.4%
Indonesia	<i>Masako</i> [®] (share: about 50%)	+0.3%
Vietnam	<i>Aji-ngon</i> [®] (share: about 30%)	+1.7%
Brazil	<i>Sazon</i> [®] (share: about 70%)	+1.1%

Indonesian flavor seasoning *Masako*[®] comeback

Brand power (top-of-mind awareness, etc.) decreased due to pursuit of short-term profit

Reduction in marketing investment

Securing of profit

Decrease in brand power and competitiveness

We recovered brand power and market share by specifying that advertising expenses as an investment in brands, and putting out TV commercials in conjunction with quality improvements.

(Unremitting quality improvement × effective brand investment)

Masako[®] top-of-mind awareness: FY2023 +5 pt



The new *Masako*[®] Mushroom released in February 2024 has made a smooth start, contributing to increased quantity

Reference: Overseas flavor seasoning results, compared to previous year

Sales 120% (Quantity 105%)	Advertising expenses 165%	Business profit 130%
5% increments, compared to previous year		

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16

On the question of how we can increase volume, the performance of overseas flavor seasonings in major countries in FY2023 provides useful ideas.

The example of *Masako*[®] in Indonesia is shown here, but outside of Indonesia as well, we can see a tendency to reduce advertising expenses to secure profit for the affiliate overall, resulting in a body blow-like loss of brand power.

We specified that advertising expenses be invested in brands. Making solid investments in advertising leads to strengthened brand power and increased market share. The same effect has been seen in major countries such as Thailand, Vietnam, and Brazil.

I-8. Seasonings and Foods: Initiatives for New Value Creation in Overseas Sauce and Seasonings



In Vietnam, where business performance improved in FY2023, we opened up new areas in liquid seasonings. We have also begun exporting to neighboring countries along with expanding our frontier through exporting.

New Vietnam product *Aji-Xot*



Aji-Xot roasted sesame dressing was released in November.

We leveraged overwhelming on-site reach in traditional trade and modern trade to achieve sales in excess of plans. We will cultivate this as a new pillar in Vietnam.



(Left)
Related sales in modern trade vegetable section



(Right)
Display using fixtures in traditional trade

Start exporting *Aji-Mayo*® from Vietnam to Cambodia



AJINOMOTO (CAMBODIA) CO., LTD. is importing *Aji-Mayo*® from Vietnam and has started selling it.

The company is trying to develop the market by introducing *Aji-Mayo*®, the number 1 brand in Vietnam.

Business negotiation and product placement in traditional trade in Cambodia



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17

We are also moving ahead with new initiatives.

In Vietnam, we released *Aji-Xot* roasted sesame dressing in November.

By combining this extremely delicious dressing with our ability to reach markets, which is our specialty, we are growing sales despite the newness of the product.

Our *Aji-Mayo*® mayonnaise, which boasts the highest market share in Vietnam, has been developed in the market aided by the School Lunch Project, an initiative that introduces mayonnaise to school lunches and contributes to eating habits in Vietnam. We have also started a similar initiative for *Aji-Xot*.

We have begun importing *Aji-Mayo*® into neighboring Cambodia to launch sales in that country. In Cambodia, too, we will leverage our market reach to develop the market. The product has just been launched, but initial sales have exceeded expectations.

I-9. Initiatives by the Marketing Design Center (MDC) (1)

The MDC, which was established in April 2023, is undertaking new types of communication.

(1) Communication aimed at solving social issues, rather than advertisements for individual products

Initiative to combat food loss and waste

Foodlosslla



Addressing the social issue of food loss and waste, MDC expressed the amount of loss and waste in a unique way: as a monster. The communication uses varied media to tell a story of humans facing off against the monster by using our products wisely and connecting them to solutions.

(1) Video production by director Takashi Yamazaki, a visual effects (VFX) leader in Japan

<https://www.youtube.com/watch?v=MYfDWiuAD6s>



(2) Complex deployment linked to numerous media

Following the launch of the Marketing Design Center in April 2023, we have engaged in a variety of plans aimed at "swinging the bat" ever more.

One initiative is Foodlosslla, which communicates solutions to the social issue of food loss and waste through a video produced by director Takashi Yamazaki, a recipient of international awards for a globally renowned monster film. Shooting took place before Director Yamazaki was presented with the awards.

I consider the Foodlosslla video a very high-quality work, and invite you to give it a look.

I-9. Initiatives by the Marketing Design Center (MDC) (2)

The MDC, which was established in April 2023, is undertaking new types of communication.

(2) Planning of events to connect in real life with consumers and influencers and co-create communication about the value of new products.

New product briefings for consumers and influencers



Taste-testing of eight kinds of mapo tofu



Pasta Cube™ cooking demonstration

MDC held new product briefings for consumers and influencers.

Outcomes

Over 200 influencers (with over 50 million followers in total) visited.

Satisfaction with the event was rated at 4.9 (out of 5).

Comment by a visitor

"The quiz format, the participation in cooking, the thoughts of developers, the product briefings at the buffet... over that short time, it was a perfect event that will stay with me!"

The event received over 300 influencer posts, including videos.

Next, I'd like to talk about new product briefings aimed at consumers and influencers.

We are undertaking initiatives with influencers, particularly young ones, with the new product briefing shown here as one outcome.

Many of the influencers made social media posts about the event, making it an initiative with an extremely high advertising value.

We will continue to undertake such new, high-value initiatives.

I-10. Seasonings and Foods: Initiatives in Japan

As with *Cook Do*® "For Kiwami (Premium) Mala Mapo Tofu," shipments of *Pasta Cube*™ exceeded expectations after launch. We will launch *White Rice Dozo*®, which appeals to health values, and will contribute to well-being through food.

Pasta Cube™



- **Cooking takes just one frying pan**
Just stir-fry the ingredients and then boil them with pasta and cubes!
- **Utilization of our unique technology**
We remedied the problems of (1) poor pasta texture, (2) pasta clumping, and (3) bland taste!

The launch went well, with subsequent shipment quantity, handling rate, and over-the-counter turnover exceeding plans

White Rice Dozo®



- Just toss it in when cooking usual white rice, **for white rice with the glycemic index (GI) of brown rice!**
- Through the action of unique enzymes, changes the structure of white rice starch to make it more difficult to break down!

Online customer acquisition is also proceeding well, and over-the-counter sales are planned for FY2024

With the establishment of the Marketing Design Center, an organizational culture of endeavor is finally beginning to grow at the Kyobashi Head Office.

As with our *Cook Do*® For Kiwami (Premium) Mala Mapo Tofu released in August of last year, our *Pasta Cube*™ product released in February of this year has been a hit. Its simplicity and convenience as a pasta dish prepared with a single frying pan has earned it popularity. The concept can be difficult to convey in words, so I invite you to watch the television commercial.

In March, we launched *White Rice Dozo*®, a health product that gives white rice a glycemic index (GI) comparable to that of brown rice. Initially it was sold only online, but we plan to carry out test sales at some stores. Please keep an eye on this.

I-10. Seasonings and Foods: Initiatives in Japan

We will invest in new products that meet specific needs of consumers, not only mass-market targets, to create new value in Japan.



High Value-added and Premium

Test launch of *Porridge Cafeteria* hearty porridge

- In container. Easy preparation in microwave.
- Low in calories (130 to 135 kcal), yet hearty and satisfying.



Easy and Time-saving

Launch of *Cook Do*® "For Microwaved Sichuan Mapo Tofu"

- For those who want to eat well but with preparation as easy as possible.
- Through our proprietary technology, the sauce coats the tofu even when prepared by microwave.



Thrift-oriented and Growth channels

Launch of *Knorr*® *Mainichi Soup*®

- Large-volume packages of main soup varieties for price-conscious consumers.
- Also deployed in the growing everyday low pricing (EDLP), discount store (DS) business categories, and the drugstore channel.

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21

We are also launching products that meet specific needs of consumers.

- High value-added, premium Porridge Cafeteria
- Easy and time-saving Cook Do® For Microwaved Sichuan Mapo Tofu
- Mainichi Soup for thrift-oriented core soup users

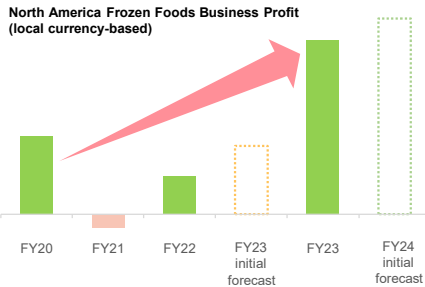
We hope to continue agilely launching products that capture the needs of consumers.

I-11. Frozen Foods: Recovery of Performance and Further Growth in North America



In addition to continual structural reform, we also respond to higher costs of raw materials and fuel by increasing prices and TDC* margin. In FY2023, we achieved a significant increase in profit. From FY2024 onward, we will continue to focus on core categories and on creating sustainable profit.

*TDC: total delivered cost



Create high value-added businesses

Investment in intangible assets: Launch and cultivation of "AJINOMOTO" brand gyoza

Launch of Japanese-style gyoza with wings, using knowledge from Japan

- (1) Pre-launch in Costco in some locations. Sales are robust. We will work to expand sales locations.
- (2) Investment in brands that are intangible assets. Penetration of the "AJINOMOTO" brand through tasting events, etc. in addition to TV and digital advertisements. Tasting event at Rose Bowl Stadium (video)



Also see Ajinomoto Co., Inc. IR website, April IR Topics "We deliver a happy life that brings smiles to everyone's faces: Innovatively delicious Gyoza with wings from Ajinomoto Foods North America"

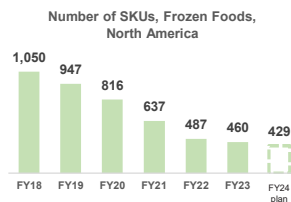


Achieve Operational Excellence (OE) Construct a business foundation

Initiatives to reduce TDC

- Simplification of operations through reduction of SKUs
- Acceleration of SKU reduction through portfolio reform (selling off Italian business)

Sales per SKU
FY2018 \$0.9m ⇒ FY2023 \$2.6m



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22

Next is Frozen Foods.

In FY2023, profits for the North American Frozen Foods business improved significantly as the effects of price increases meshed with the effects of structural reform.

In FY2024, too, we will steadily grow sales and profit. We plan to further invest in the intangible asset that is the "AJINOMOTO" brand, and to further expand our core product gyoza in the Asian foods market, in which we are strong in North America.

I-12. Functional Materials (electronic materials and others)



FY2024 Semiconductor Market Forecast by Application

References: Fuji Chimera Research Institute, Inc., 2024 Current Status and Future Prospects of the Advanced/High-Profile Semiconductor-Related Markets (Market Edition), and others

PCs

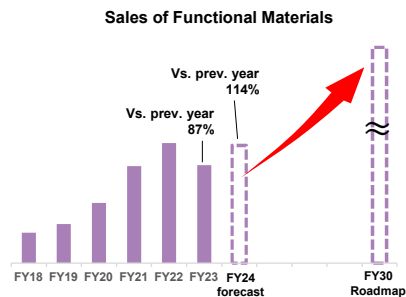
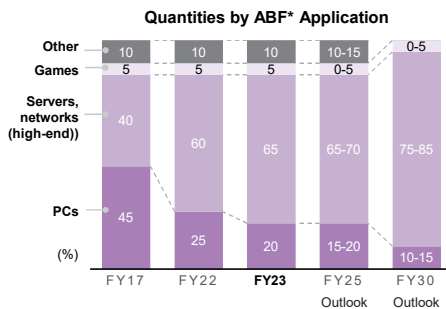
Inventory adjustments in the market have been coming to an end since October-December 2023. Demand for replacement of PCs purchased during the COVID-19 pandemic is also expected.

Servers and Networks

Investment in general-purpose servers has been restrained due to the expansion of the cloud services market and concentrated investment in AI servers, but it is expected to recover. However growth is expected to remain in the mid-single digit range.

Generative AI

Growth is expected to be well above double-digit due to increased demand for generative AI applications. This could be the driver in the next few years.



Premises of the FY2024 forecast: Despite the expected recovery of PCs and continued growth of generative AI, recovery of general-purpose servers, which account for a high percentage of total sales volume, is expected to be moderate so total sales are expected to be 114% of the previous year's level.

For FY2030: The market is expected to grow steadily as demand for higher performance general-purpose and AI servers continues over the long term. There is potential for further market growth due to the growing popularity of generative AI and the emergence of new applications.

*Ajinomoto Build-Up Film™, an interlayer insulating material

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23

Next is the Healthcare and Others segment.
First, I would like to look at Functional Materials.

The segment was affected by inventory adjustments in the market in FY2023, but entered a recovery phase in the fourth quarter.

In our market outlook for FY2024, we expect a recovery in materials for PCs, continued growth of demand for materials for generative AI, and a gradual improvement in materials for general-purpose servers. Based on this, we also foresee gradual improvement in materials for general-purpose servers, for which the composition ratio of ABF is high, and a sales growth rate of 14%.

Functional Materials, which had demonstrated rising growth potential, entered a short-term adjustment phase in FY2023. However, there is no change to the medium- to long-term growth story. We will return to the growth trajectory of our Roadmap at as early a stage as possible and aim for further heights.

I-13. Bio-Pharma Services & Ingredients (amino acids for pharmaceuticals and foods)



Amino acids for pharmaceuticals

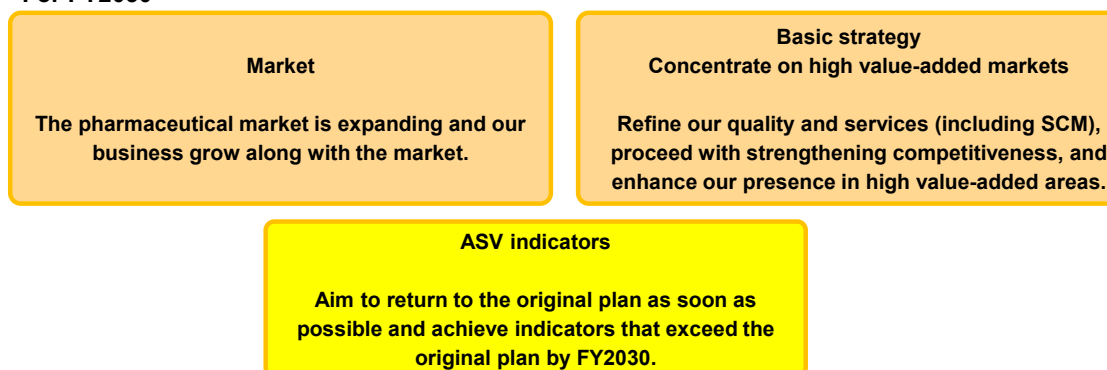
FY2023

GP margin decreased due to lower sales and production volume mainly caused by customers' inventory adjustments. But the high value-added area, where our product and service quality is required, is expected to continue to grow, and our market share is firm.

FY2024

While production volume will be controlled due to inventory optimization, we aim to achieve double-digit percentage growth in revenue and profit by recovering sales volume through the completion of inventory adjustment.

For FY2030



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24

Next is amino acids for pharmaceuticals and foods.

In FY2023, both sales and production fell due to customers' inventory adjustments, causing you concern over performance. It is now FY2024 and inventory adjustments have ended, and we expect sales to recover.

Our insufficient assessment of customers' inventories is a point calling for review. Through specialization in high-value-added areas as well as advancement of an optimal production system and supply and demand management, we will speed up our assessment of customers' inventory status and our actions to address fluctuations.

At the same time, although sales volume has declined, the share of high value-added amino acids is increasing, and our quality and service enjoy a positive reputation.

Changing the raw materials of pharmaceuticals that have received approval is difficult, and we are building considerable barriers to entry for approved pharmaceuticals that we have brought to the market.

Together with the pharmaceutical market, which is expected to grow, we will work to grow our business heading toward FY2030, with the value-added area as our core area.

I-14. Bio-Pharma Services & Ingredients
Bio-Pharma Services (CDMO services) Overall



The market environment surrounding our Bio-Pharma Services is gradually recovering, and we are aiming for steady growth, through our differentiation strategy and global collaboration.

FY2023	From FY2023-end to FY2024-beginning	Outlook
<p>Market environment</p> <ul style="list-style-type: none"> ◆ Inventory adjustments by pharmaceutical companies. ◆ Decreased liquidity of funds for bio-ventures. 	<p>Market environment</p> <ul style="list-style-type: none"> ◆ Inventory adjustments progressed and there were signs of improvement in the liquidity of funds. ◆ Changes in the market environment due to the BIOSECURE Act in the US, market expansion of anti-obesity drugs (GLP-1). 	<p>Market environment</p> <ul style="list-style-type: none"> ◆ Full-scale recovery in FY2025. ◆ Significant expansion mainly in bio-CDMO businesses, such as anti-obesity drugs, ADC, and gene therapy.
<p>Effect on our business</p> <ul style="list-style-type: none"> ◆ Small molecule: temporary decrease in sales due to line conversion to high value-added products. ◆ Medium molecule: AJIPHASE® business continued to grow strongly. ◆ Bio: licensing business (AJICAP®) grew, but CDMO business (liquid formulation) orders declined due to deterioration of fund liquidity. 	<p>Effect on our business</p> <ul style="list-style-type: none"> ◆ Small molecule and gene therapy: signs of increased orders. ◆ Medium molecule: strong inquiries continued. ◆ Bio: licensing business steady, CDMO business continue to struggle. 	<p>Effect on our business</p> <ul style="list-style-type: none"> ◆ Small molecule: continued steady growth through differentiation and moving to high value-added. ◆ Medium molecule: continued growth of AJIPHASE® business. ◆ Bio: steady growth of licensing business, full-scale recovery of CDMO business. ◆ Gene therapy: Aim to quickly make Forge profitable, expand CDMO further.

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25

Next is Bio-Pharma Services.

Profit decreased in FY2023 due to the impacts of customers' inventory adjustments, primarily in biopharmaceuticals in North America, and due to dealing with the conversion of some equipment in Europe to nucleic acid drug production.

However, orders have recently increased in areas in which our proprietary technologies have a strong advantage.

As an example, orders have grown in areas in which we enjoy strong technological advantages, such as **AJIPHASE®**, **AJICAP®**, and Forge's gene therapy.

We will continue to enhance our technological superiority and tackle the construction of resilient businesses.

I-14. Bio-Pharma Services & Ingredients Bio-Pharma Services (CDMO services) (excluding Forge)



Bio-Pharma Services' (CDMO services) existing business increased revenue and profit in Q4-FY2023.

Europe

Revenue and profit increased significantly in both yen and local currencies.
(Revenue increased by several billion yen. Significant increase in Business profit.)

Japan

Business profit grew by 20% YoY in Q4-FY2023, and by nearly 50% for all of FY2023.
Continued good sales of *AJIPHASE*[®], driving results in Japan

North America (Althea)

Reduced the decline in profits in Q4-FY2023. We will aim for a full-fledged recovery in FY2024.

In FY2023 we proceeded to plant the seeds for FY2030 by converting facilities for our unique technology in Europe, steadily expanding *Aji-Phase*[®] in Japan, acquiring new licenses for *AJICAP*[®], and acquiring Forge. In North America, we are aiming to both increase sales by getting more customers and improve costs to get a recovery in results.

In the fourth quarter of FY2023, Bio-Pharma Services' existing business demonstrated a significant recovery.

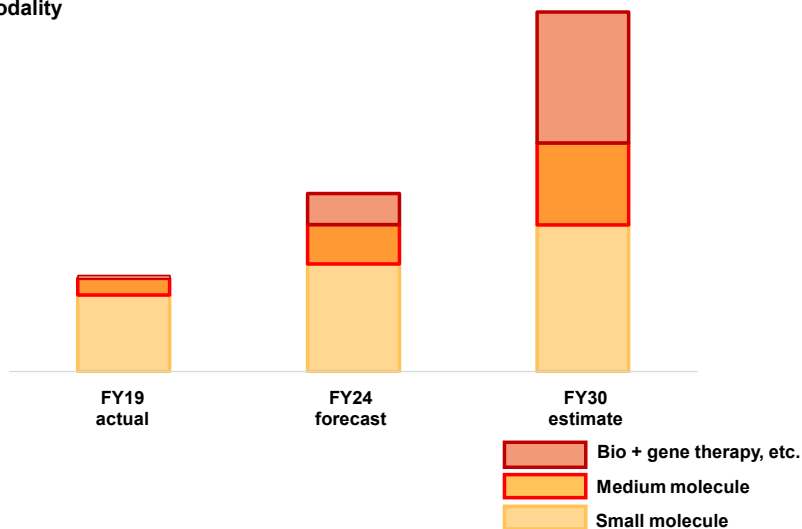
We are growing business profit, led by Europe and Japan, excluding the impact of the Forge acquisition. Also, in North America, Althea is reducing its profit decline and aims to achieve full-scale recovery in FY2024. We believe that we were able to solidly sow seeds for future growth in FY2023, including acquiring Forge.

I-14. Bio-Pharma Services & Ingredients Bio-Pharma Services (CDMO services) Overall



From a business structure centered on small molecules, We are aiming for sustainable and significant growth toward 2030 through the growth of medium molecule drugs centered on nucleic acid drugs from *AJIPHASE*®, and the expansion of *AJICAP*® and the advanced modalities of large molecules and gene therapy.

Sales by modality



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27

This slide indicates sales prospects by modality.

Five years ago, small molecules were the overwhelming domain. This fiscal year, however, they are expected to fall below 60%, while medium molecules have rapidly expanded to where they are forecast to account for 1/4 of the total.

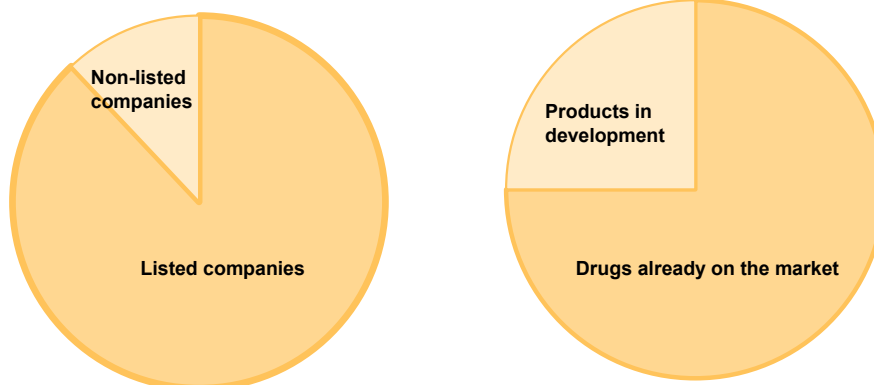
Looking ahead to FY2030, we aim to grow medium molecules and the bio and gene therapy areas significantly, and to achieve a business portfolio in which our proprietary technologies hold strong advantages.

I-14. Bio-Pharma Services & Ingredients Bio-Pharma Services (CDMO services) Overall



The Bio-Pharma Services business has a stable business foundation, with about 90% of its customers being listed companies, including large pharmaceutical companies, and about 75% of its products being drugs already on the market.

FY2023 results
Sales composition



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28

These two pie charts show the composition of customers and of stages for Bio-Pharma Services in FY2023. Looking at customers, large pharmaceutical companies and other listed companies make up the majority of sales; looking at stages, market-approved pharmaceuticals make up the majority of sales. This makes clear that the business has built a stable foundation.

I-15. Follow-up on the Acquisition of Forge



FY2023 results
(Q4 only)

Sales: ¥1 billion, business profit: -¥3.5 billion (including amortization of intangible assets: -¥0.5 billion)

Also, acquisition-related expenses recorded: ¥1.3 billion in the second half of FY2023

FY2024 forecast

Sales: over ¥10 billion, business profit: about -¥7.5 billion (including amortization of intangible assets: about -¥2 billion)

Forge goodwill: ¥45.99 billion (provisional: rate on the last day of March)

After integration

1 Steady expansion of the customer base and the pipeline

More than 40 customers, and closing in on a triple-digit number of projects

⇒ Steady increase after acquisition

Number of customers: now have 45 companies, and have added 3 projects since acquisition that have had their IND* approved

2 Inquiries are not only stronger for adeno-associated viruses (AAV), but also for plasmids

3 Confirmed that affinity between AminoScience and Forge technology was as expected

Launched a Synergy Team (particular areas of focus: development of gene therapy media and improvement of AAV)

➡ **Medium- to long-term growth potential is in line with initial forecasts.**

*Investigational New Drug Application, an abbreviation used in the USA.

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29

This slide shows FY2023 fourth quarter results and the FY2024 forecast for Forge, which we acquired in December 2023.

PMI is making steady progress.

After the acquisition, customers have increased to 45 companies and three projects have entered clinical trials.

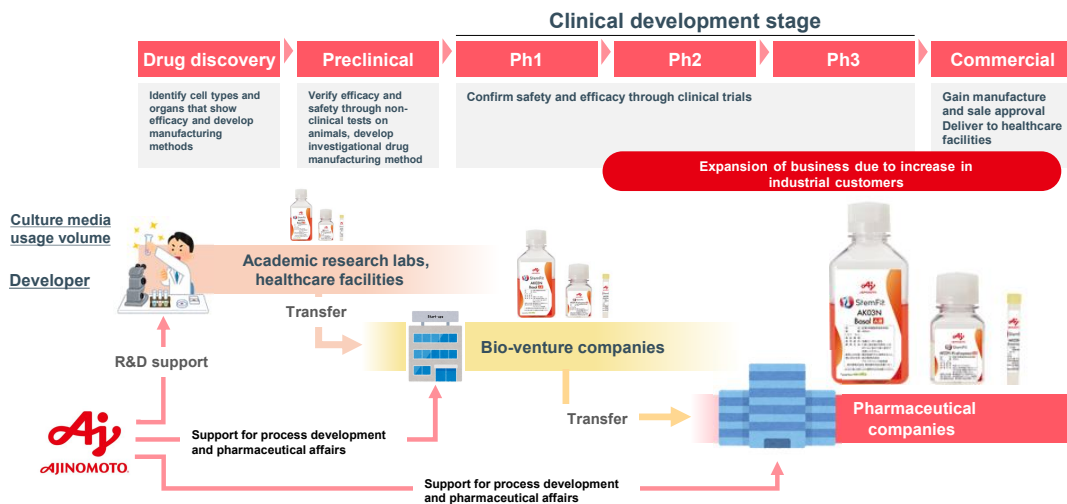
We also plan to launch a synergy team bringing together our company and Forge, and will integrate "AminoScience" with Forge's technologies to further establish an advantageous position through proprietary technologies.

I-16. Bio-Pharma Services & Ingredients Cell Culture Media for Regenerative Medicine



Developed *StemFit*® in 2014 in collaboration with Kyoto University's Center for iPS Cell Research and Application (CIRA). With the progress of iPS cell research and development, we expanded our customer base to include academia as well as industry (including large overseas pharmaceutical companies), and became profitable in FY2023. We expect the top-line to grow further and to contribute to profit in the future.

We are also planning to expand into gene therapy media by collaborating with Forge.



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30

The cell culture media for regenerative medicine business became profitable in FY2023.

StemFit®, jointly developed with Kyoto University, has expanded its customer base from academia to industry as well, with increased quantity making a contribution.

We aim to further expand our top line, and will collaborate with Forge in developing media for gene therapy.

I-17. 2030 ASV Indicators

Aim to steadily reach our FY2024 forecast to reach our 2030 ASV indicators.

	FY22	FY23	FY24 forecast	FY25 (plan)	FY30 (plan)		
Economic value indicators	ROE <small>(Excluding the impact of the Forge acquisition)</small>	12.9%	11.0% <small>(11.4%)</small>	Approx. 12% <small>(Approx. 13%)</small>	18%	Approx. 20%	Ref.: Aim for approx. 3X EPS <small>(vs. FY2022)</small>
	ROIC (>Capital Cost) <small>(Excluding the impact of the Forge acquisition)</small>	9.9%	8.7% <small>(8.4%)</small>	Approx. 9% <small>(Approx. 10%)</small>	13%	Approx. 17%	
	Organic sales growth	9.5%	1.7%	Approx. 7%	5% <small>(FY22-25)</small>	5% or more <small>(FY25-30)</small>	
	EBITDA margin	15.2%	15.7%	Approx. 16%	17%	19%	
Social value indicators	Initiatives to Reduce Environmental Impact	-	-	-	-	Reduce our environmental impact by 50% <small>(outcome)</small>	ASV will grow dramatically and continually, and we will continue to be an attractive group for stakeholders and society
	Nutrition commitment <small>We plan to consider KPIs for other contributions than nutrition as well.</small>	880 mil. people	-	-	-	Help extend the healthy life expectancy of 1 bl people <small>(outcome)</small>	
Strengthening intangible assets	Employee engagement score	75%	76%	-	80%	85% or more	
	Brand Value (mUSD) <small>(Interbrand published value)</small>	1,391 <small>(result, +15% vs. prev. year)</small>	1,625 <small>(result, +17% vs. prev. year)</small>	-	Compared with FY22, CAGR 7% or more		

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31

This slide depicts the progress of our ASV indicators under the 2030 Roadmap.

The increase in total assets due to the acquisition of Forge impacted ROE and ROIC in FY2023. We will try to improve these figures in FY2024.

Gaps exist between the figures and our targets for FY2025, but we will steadily grow business profit with close attention to bottom-line profit, will make efforts to reduce denominators such as by reducing inventories, and will work to achieve our targets.

We forecast an organic growth rate in excess of 5% through recovery of growth in Healthcare and Others, as well as solid top-line expansion in Seasonings and Foods and in Frozen Foods. We will seek to achieve our ASV indicators in FY2025.

We are steadily expanding EBITDA margin.

I-17. Reference: Growth Paths by Segment

Segment	Organic growth				Business profit				ROIC				EBITDA margin			
	Vs. prev. year		CAGR		Vs. prev. year		CAGR		Vs. prev. year		CAGR		Vs. prev. year		CAGR	
	FY22 actual	FY23 actual	FY24 forecast	FY25 plan (FY22-25)	FY22 actual (BP)	FY23 actual	FY24 forecast	FY25 plan (FY22-25)	FY22 actual	FY23 actual	FY24 forecast	FY25 plan	FY22 actual	FY23 actual	FY24 forecast	FY25 plan
Seasonings and Foods	Sauce & Seasonings	¥775.0 billion	5.5%	7.3%	5%	¥84.8 billion	31.5%	0.2%	12%	14.9% *11.0%	16.7% *15.0%	Approx. 15% WACC 7%	16%	14.9%	17.3%	Approx. 17% 16%
	Quick Nourishment															
	Solution & Ingredients															
Frozen Foods	Frozen Foods	¥267.2 billion	0.6%	6.1%	3%	¥2.0 billion	¥9.5 billion	¥11.5 billion	¥10.0 billion or more	-3.3% *0.7%	4.4% *3.4%	Approx. 5% WACC 5%	5%	5.5%	8.3%	Approx. 8% 8%
Healthcare and Others	Bio-Pharma Services & Ingredients															
	Functional Materials (electronic materials and others)	¥299.6 billion	-6.8%	8.8%	8%	¥48.6 billion	-49.9%	24%	13%	12.6%	4.2% *4.6% **6.0%	Approx. 4% Approx. **7%	18%	21.8%	15.0%	Approx. 17% 27%
	Others															
Total	¥1,359.1 billion	1.7%	7.4%	5%	¥135.3 billion	9.1%	7.0% Approx. **10%	15% or more	8.7% *8.0% 9.9%	Approx. 9% Approx. **10%	Approx. 10% WACC 6%	13%	15.2%	15.7%	Approx. 16% 17%	

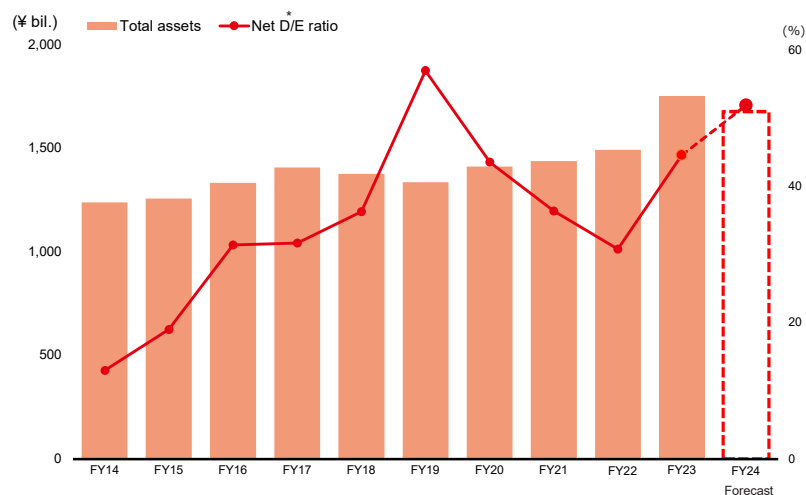
* excluding the profit from sales of non-current assets and impairment losses
 **excluding the impact of the Forge acquisition

ASV indicators for each segment are as shown here.

I-18. Assets and Liabilities

Total assets increased due to an increase in current assets from the effect of currency translation and a net increase in Forge's assets.

The net D/E ratio for FY2024 range will be raised to 40%-60% and controlled.



*Net D: Interest-bearing debt - Cash on hand and in banks x 75%

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33

In FY2023, inventories were affected by currency translation while the assets of Forge were added, resulting in an increase in total assets.

In FY2024, we plan to reduce days inventory outstanding, as I will discuss later, and have set an exchange rate assuming a stronger yen than in FY2023. Doing so, we plan to reduce total assets.

Net D/E ratio was at the lower limit of our range of 30% to 50%. With the acquisition of Forge, we will apply leverage in excess of that range.

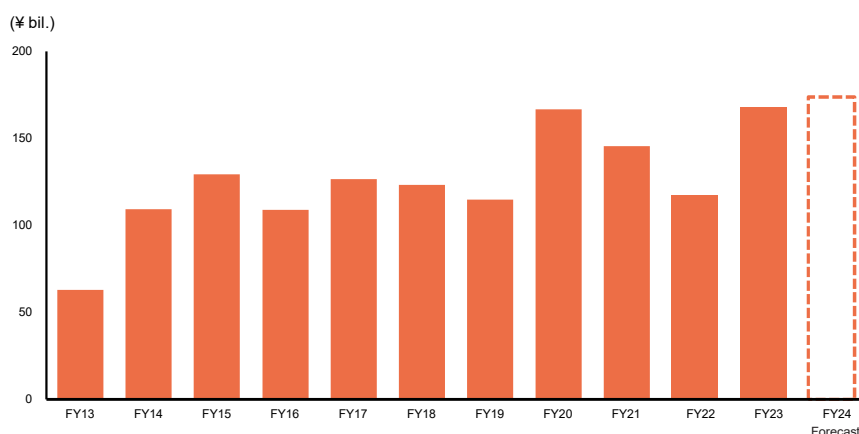
I-19. Cash Generation



In FY2023, close to ¥170 billion in cash was generated due to improvements in working capital (especially a decrease in cash outflow due to an increase in inventories), setting a new record for operating cash flow, surpassing FY2020.

In FY2024, we will further improve our working capital and increase our capability to generate cash. (We expect to generate over ¥170 billion in cash.)

Operating Cash Flow



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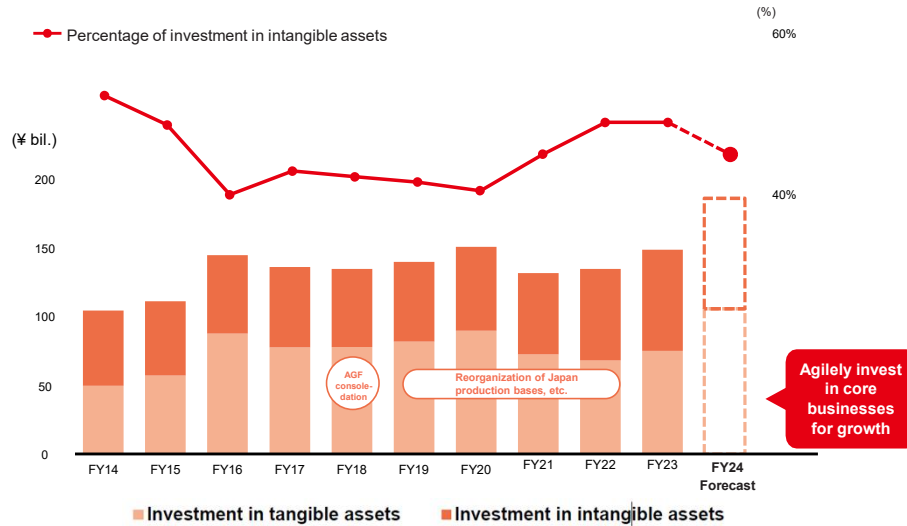
34

Looking at operating cash flow in FY2023, we had planned for the recovery in our capability to generate cash to the level of FY2020. Operating cash flow exceeded plans, however, reaching a new high of approximately 170 billion yen. We reduced inventory cash-out and improved working capital, which led to cash generation.

In FY2024, we expect to improve ability to generate cash by further improving working capital, and expect operating cash flow in excess of 170 billion yen.

I-20. Strategic Investment

In FY2024, we will make the capital investments necessary to shift from structural reform to growth. We will also aggressively invest in intangible assets, but we expect investment in intangible assets to be about 45% of total capital investments.



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35

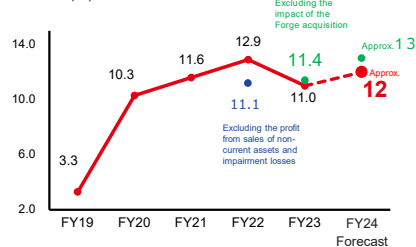
In FY2023, we enhanced our investment in intangible assets including human resources, marketing, and R&D, achieving a 50:50 ratio of tangible and intangible investment.

In FY2024, required capital investments for growth will exceed 100 billion yen. Accordingly, we also plan to enhance intangible assets investment, and expect a 45% ratio of investment in intangible assets.

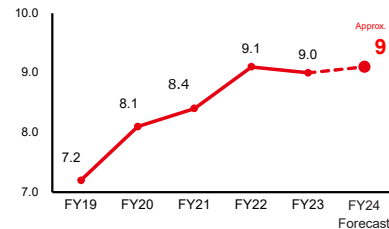
I-20. Important Management Indicators

Fiscal year 2023 was affected by the increase in total assets from the acquisition of Forge, but we expect to see an improvement in the numbers in FY2024.

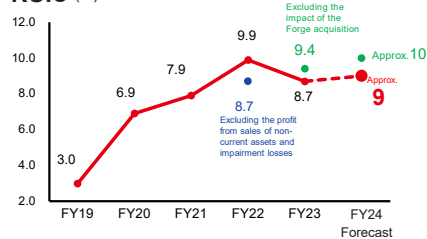
ROE (%)



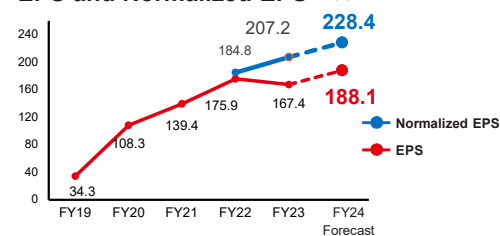
ROA (BP basis, %)



ROIC (%)



EPS and Normalized EPS* (¥)



* (Business profit x (1 - Ajinomoto Group standard tax rate: 27%)) / Outstanding shares

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36

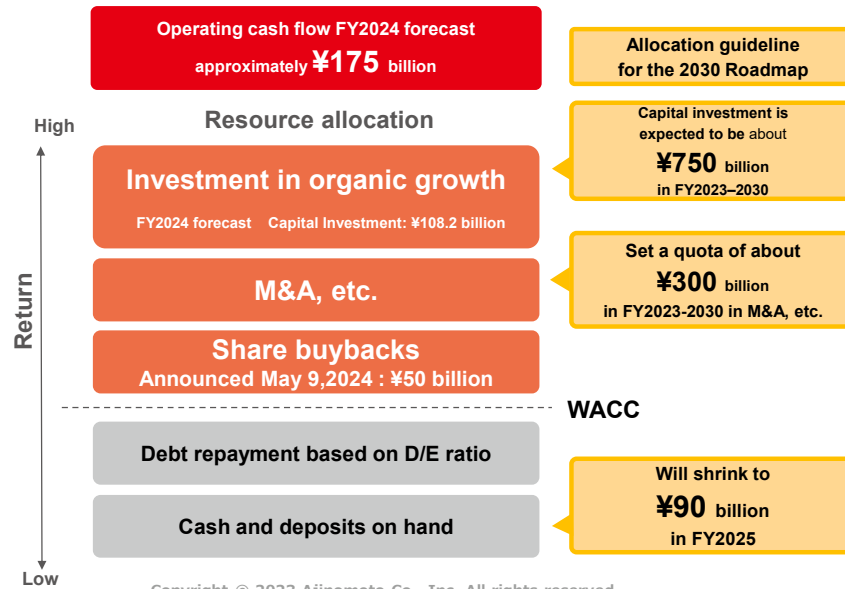
These are important management indicators in the Purpose-Driven Management by Medium-Term ASV Initiatives 2030 Roadmap. Excluding the FY2022 sale of land at the site of the past Kawasaki factory, ROE and ROIC in FY2023 were nearly at the level of the previous year. With the impact of the Forge acquisition excluded, the values were higher than in the previous year.

Normalized EPS on a business profit basis solidly rose in FY2023 as well. With non-routine profit not incorporated, the advantage over conventional EPS can be seen.

I-21. Shareholder Returns and Investment for Growth (Our Thinking under the Medium-Term ASV Initiative)



While generating record-high operating cash flow and making necessary investments for the future, we will aggressively buy back shares as a second tier of investments above WACC.



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37

In FY2024, we aim for cash generation of approximately 175 billion yen. In line with today's announcement of 50 billion yen in share buybacks, we will also actively engage in shareholder returns.

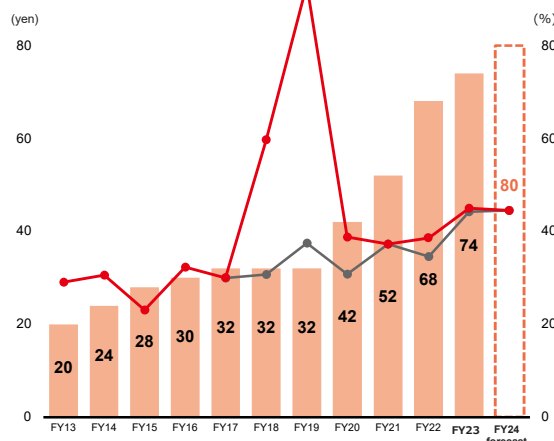
I-22. Shareholder Returns and Investment for Growth

A dividend increase based on a progressive dividend policy is scheduled for FY2024.

On May 9, we announced a ¥50 billion share buyback and will further enhance shareholder returns.

- Dividends (FY2013-2024 forecast)
- Shareholder Returns (our thinking under the medium-term ASV initiative)

— Dividends per share
— Payout ratio
— Payout ratio (excluding impairment loss)



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FY2023

¥74/year (plan to increase dividend)
Vs. FY2022: +¥6

Bought back approx. 16.6 million shares, ¥90 billion

Percentage of outstanding shares (excluding treasury shares) **3.15%**

FY2024

¥80/year (plan to increase dividend)
Vs. FY2023: +¥6

Decided to buy back up to 12.5 million shares, ¥50 billion

Percentage of outstanding shares (excluding treasury shares) **2.44%**

*(Business profit x (1 - Ajinomoto Group standard tax rate: 27%)) / Outstanding shares x Return coefficient: 35%

I would now like to discuss shareholder returns.

We plan to increase the annual dividend by 6 yen in FY2024 to 80 yen by paying dividends based on a progressive dividend policy of increasing or maintaining dividends with no decreases, and based on normalized EPS that is less susceptible to non-routine gains and losses.

We also conducted share buybacks of 90 billion yen in FY2023, and today announced share buybacks of 50 billion yen. We will continue to actively and agilely engage in shareholder returns.



I. FY2023 Summary Results and FY2024 Forecast

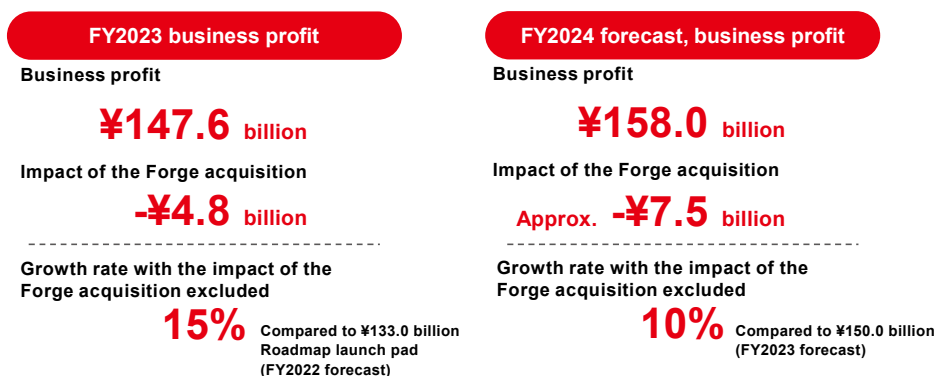
II. Initiatives for Enhancing Corporate Value



II-1. Medium-Term ASV Initiatives (Aiming for Heights)

With the impact of the Forge acquisition excluded, we had FY2023 business profit growth 15% higher than the FY2022 forecast.

We will also aim to have double-digit growth of FY2024 business profit over the FY2023 forecast.




We will return to our trajectory for ASV indicators, with Forge included, and will endeavor to reach further heights in FY2030.

FY2023 was the first year of our 2030 Roadmap. Excluding the impact of the Forge acquisition, business profit exceeded the forecast of 150 billion yen to achieve 15% growth over the 133 billion yen launch pad for our Roadmap that was forecast in FY2022.

In FY2024, we are aiming for growth of 10% over the FY2023 forecast of 150 billion yen, despite the negative effect from currency translation.

We will work to achieve have Forge contribute to profits as early as possible, and will endeavor to reach further heights in FY2030.



II-1. Medium-Term ASV Initiatives (Aiming for Heights)

Best practices for Speed Up x Scale Up are being created globally.

<div style="text-align: center; background-color: #ff0000; color: white; padding: 5px; margin-bottom: 10px;">Speed Up</div> <div style="text-align: center; border: 1px solid red; border-radius: 15px; padding: 5px; margin-bottom: 10px;">Thorough visualization & confirmation of progress</div> <p style="margin: 0;">Examples</p> <ul style="list-style-type: none"> ◆ North American Frozen Foods TDC margin ◆ Situation of global raw materials and fuel prices, and price increases ◆ Global days inventory outstanding (described later) ◆ Optimization of SKUs (reduce and increase intentionally) ◆ Acceleration of initial operation with a Bad News First approach <div style="text-align: center; border: 1px solid red; border-radius: 15px; padding: 5px; margin-bottom: 10px;">Collaboration with outside parties and other initiatives</div> <ul style="list-style-type: none"> ◆ Launch Aete frozen lunch box home delivery business ◆ Collaboration with the Meiji Group and the Kagoshima Economic Association on AjiPro®-L ◆ ASEAN EC business (collaboration with partner companies) ◆ Launch an Innovation Strategy Team and create new businesses by strengthening intelligence capabilities ◆ Improvement of the Board of Directors' effectiveness: in particular, support risk-taking by executives 	<div style="text-align: center; background-color: #ff0000; color: white; padding: 5px; margin-bottom: 10px;">Scale Up</div> <div style="text-align: center; border: 1px solid red; border-radius: 15px; padding: 5px; margin-bottom: 10px;">Horizontal deployment of model practices</div> <p style="margin: 0;">Examples</p> <ul style="list-style-type: none"> ◆ Application of the electronic materials high-speed development system to other businesses <ul style="list-style-type: none"> · Launch gyoza in Brazil · Collaboration with key accounts in the Food Products business · Use of our "Infinity Cycle" work improvement system ◆ Global deployment of ASEAN's rolling forecast ◆ "Asian wind": the model of import/export <div style="text-align: center; border: 1px solid red; border-radius: 15px; padding: 5px; margin-bottom: 10px;">Scale up results</div> <ul style="list-style-type: none"> ◆ Turned about companies and businesses that fell into difficulties: Frozen Foods in North America and flavor seasonings in Vietnam ◆ Created new products that can aim for sales in the billions of yen by swinging the bat ◆ Increased the value of corporate brands to \$1.625 million (vs. previous year: 117%) ◆ Intellectual property: increased number of patents and increased income from licenses ◆ M&A: gene therapy CDMO business with the acquisition of Forge
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Speed up x scale up the spreading of seeds to foster the next drivers and the drivers after those.

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Since assuming my position in April 2022, I've spoken about how I wanted to carry forward "Purpose x Passion x Operational Excellence" and evolve "Speed Up X Scale Up."

In the two years since, a succession of best practices for "Speed Up X Scale Up" has been created.

By deploying these best practices horizontally and accelerating the speed of doing so, we are aiming to achieve even further Scale Up.

In terms of Speed Up, we are promoting thorough visualization and progress checks of the North American Frozen Foods TDC margin, the global raw materials and fuels situation, and the price increase situation, along with a "Bad News First," approach to speed up initial responses.

In Scale Up, we are horizontally deploying models such as ASEAN's rolling forecasts and application of our electronic materials high-speed development system to other businesses worldwide. By doing so, we are achieving Scale Up that includes the business turnabout of affiliates in difficult situations, such as Frozen Foods in North America and flavor seasonings in Vietnam, and the creation of new products capable of aiming for sales in the billions of yen through swinging the bat.

We are also nurturing next-growth drivers such as agribusiness, which includes oligonucleotides, medical foods, and biostimulants, and are sowing seeds for even further growth drivers, such as the green area, gene therapy CDMO, and GYOZA-X expansion into Brazil, Southeast Asia, and other countries in addition to Japan, Europe, and the US. These actions will contribute to "Speed Up X Scale Up."

At the same time, we are promoting SxS (Speed Up x Scale Up) while organizing the "2Ss" of business (Sorting and Setting-in-Order), including determining what to quit or reduce and simplifying the approval process through Operational Excellence (OE).

II-1. Medium-Term ASV Initiatives (Aiming for Heights)

To achieve our 2030 Roadmap, we held events for sharing of and identifying with our Purpose and for working in friendly competition through active discussions. The content is also shared with employees via internal social media.



Roadmap presentations

- We discussed progress on the 2030 Roadmap and future actions at individual companies and businesses.
- We also shared best practices ("models").
- We were aware of incorporating external perspectives. (Participants included Outside Directors and Value Creation Advisory Board Members)



Director's Opinion Exchange Meeting

取締役意見交換会

April 4-5, 2024



Directors' Opinion Exchange Meeting

- Looking ahead to 2030, we conducted frank discussions on how to improve the corporate value of the Ajinomoto Group.
- Comments from Kimie Iwata, Chair of the Board of Directors: The meeting was conducted with no predetermined agreement, so it was strongly colored by the usual free and open remarks by members of the Board of Directors. I also spoke candidly and asked Internal Directors how they view the Outside Directors.

"Purpose x Passion x Operational Excellence" forms the foundation for "Speed Up x Scale Up." We hold events aimed at sharing and gaining understanding of our Purpose through candid exchanges of opinions, which we share with our employees through our internal social media.

II-1. Medium-Term ASV Initiatives (Toward an Organizational Culture of Endeavor)



We are fostering an initiative-based corporate and organizational culture through a variety of projects.

Ramp-up of a human resource recruitment system

A-STARTERS
Program for new business creation

ADF (AJINOMOTO GROUP Dialogue for the Future)
Dialogue-, experience-, and sensation-based human resource development program for young employees

Promotion of voluntary participation in projects
Executive training, new business creation
Promotion of a network-like style of working with our "TRY & A-CROSS" system



Flags: "Activities and symbols that commend support for, and voluntary participation in, endeavors"

Video: [Those in the Up and Coming Generation Taking on Challenges: "Generation Z Business Creation Group" The Endeavor of Shiori Kaizoji | Story | Ajinomoto Group \(ajinomoto.co.jp\)](#)

Initiatives that take advantage of cases of in-house "learning from endeavors"

Goal: Increase the chances of success in future endeavors and create true organizational knowledge rather than hunt for errors or prevent failure

In-house cases: Indonesian frozen bread business; M&A; improve North American Frozen Foods production; High-speed development system in Brazil; ASEAN EC through co-creation with external parties; etc.

We are also accelerating a transformation of our corporate culture toward an organizational culture of endeavor. As I noted in our announcement of first half results, in FY2023 we launched measures to encourage endeavors, including recruitment for over 100 positions and A-STARTERS, which has received nearly 250 applications. We also launched TRY & A-CROSS, a mechanism by which employees voluntarily undertake challenges on themes solicited from other parts of the Company and devote about 10% of their work on these and work on them quickly. We also launched a system of learning from in-house cases, which we call "learning from endeavors."

II-2. Responding to Changes in the Environment

We will assess the drastically changing environment, such as changes in the macroeconomic environment (impact of currency translation, etc.), the emergence of geopolitical risks, and the impact of climate change on business, and will agilely respond to these and promptly share cases globally to enhance resilient corporate value.

Main risks	Potential events	Responses, actions
Risk of a continuing inflationary environment	Increase in costs of labor and of raw materials and fuels	Monitor raw materials and fuels prices and TDC margin Increase prices as necessary
Currency translation impact risk	Local (including Japan) currency depreciation	Each country: Increase in purchase prices of imported raw materials (increase prices as necessary) ----- Build a business model resistant to currency translation Emerging countries: Plan to import in local currencies
Geopolitical risk	Rise in oil prices and collapse of SCM	Monitor oil prices (increase prices as necessary) Flexibly revise transport routes and schedules Raw material procurement from multiple countries
Climate change risk	El Niño, warm winter in Japan	Monitor raw material prices (increase prices as necessary) Develop product lineups resistant to temperature

As globalization advances, we will respond agilely to the varied impacts of changes in the environment.

These are our actions in response to a dramatically changing environment.

As globalization advances, a variety of risks will result if inflation and interest rate hikes in North America continue, such as depreciation of the yen and other currencies, and the financing of venture companies in North America.

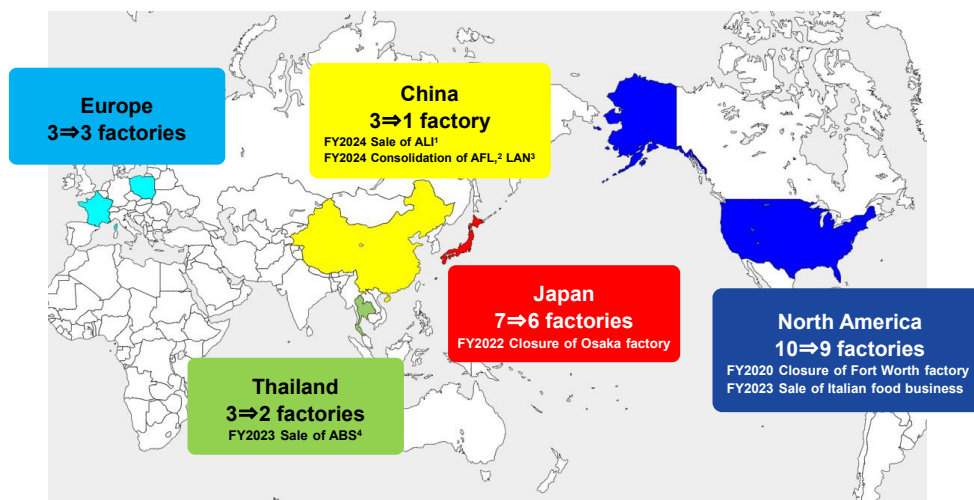
The situation in the Middle East might also cause major negative impacts, particularly on logistics, due to high fuel costs and other factors.

While the raw materials and fuels situation is seen by some as having settled down, price hikes are occurring in FY2024 in some categories and in some countries, particularly Japan. However, even if our competitors turn toward price competition, we will take a medium- to long-term view and aim for sustainable business operation with no price-related actions beyond what is necessary.

II-3. Initiatives for a Robust Earnings Structure (1) Frozen Foods

In Frozen Foods, we reduced assets: 19⇒15 factories overseas, 7⇒6 factories in Japan.

We aim to reduce non-current assets by approximately ¥3.5 billion and achieve an ROIC of 5% in 2025.



- 1 ALI: Xiamen Ajinomoto Life Ideal Foods Co., Ltd.
- 2 AFL: Lianyungang Ajinomoto Frozen Foods Co., Ltd.
- 3 LAN: Lianyungang Ajinomoto Ruyi Foods Co., Ltd.
- 4 ABS: Ajinomoto Betagro Specialty Foods Co., Ltd.

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45

These are our initiatives aimed at a robust earnings structure.

In 2019, we announced that we would reduce our number of overseas factories in Frozen Foods from 19 to 15 to create a business structure that generates profit more efficiently.

In addition to the promised four overseas factories, we also halted operation of one factory in Japan. We will continue promoting both growth acceleration and efficiency, with ROIC of 5% as our aim in the Frozen Foods business. Our asset reduction is a never-ending journey.

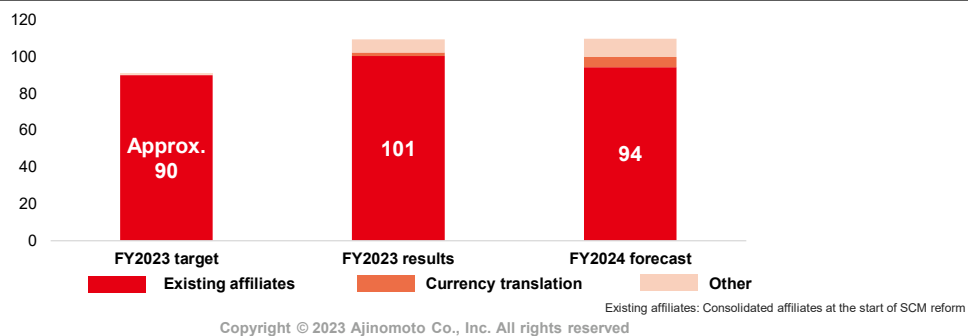
II-3. Initiatives for a Robust Earnings Structure (2)



Activities to Reform Supply Chain Management (Cash Creation Initiatives)

Demand recoiled after the pandemic and we took actions in response to supply chain instability so we did not reach our FY2023 target for days inventory outstanding. However, we are strengthening the foundation for SCM reform through digital transformation.

1. Construct a data management platform that makes the supply chain visual, and advance production, sales, inventory (PSI) management.
 - Japan: Make wholesale and in-store inventory visual, and commence PSI management using inventory throughout the supply chain.
 - Global: Set appropriate inventory levels at all production and sales sites, and commence global monthly PSI management.
2. Commence monthly management aimed at direct communication between members of top management and affiliates.
 - Construct mechanisms for making days inventory outstanding and improvement status visual at all affiliates on a monthly basis.
 - Drive activities at all affiliates by conveying messages directly from members of top management.
3. Construct mechanisms for sharing the best practices of all affiliates globally.



Now to discuss reduction of days inventory outstanding.

We have set high targets for reduction of days inventory outstanding, but have repeatedly fallen short.

While there are various reasons for this, I think a major one is that we did not set specific targets with numerical values properly made visible and track progress toward those targets.

As I mentioned with regard to "Speed Up x Scale Up," we will promote this visualization, share side-by-side country data on a monthly basis, and accumulate best practices as a form of organizational knowledge.

Our models for enhancement of management capabilities, such as ASEAN rolling forecasts and agile price increases, which have achieved results, will be applied to inventories as well.

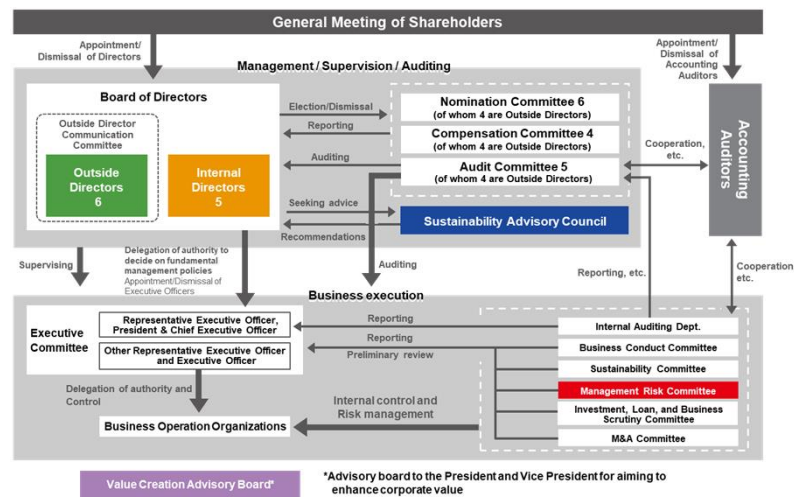
Management, including myself, will also persistently support and lead endeavors in countries and businesses to reduce days inventory outstanding.

II-4. Risk Management and Governance

The Management Risk Committee was established directly under the Executive Committee in the previous fiscal year.

It addresses risks where top management should take the initiative in responding.

It will review risks and opportunities in FY2024 in collaboration with the Sustainability Committee.



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47

Today, we will hear about quality assurance in the Ajinomoto Group from Smriga Miroslav, General Manager, Quality Assurance Department.

Before that, I would like to say a few words about governance and risk management, including quality.

In FY2023, we established the Management Risk Committee directly under the Executive Committee. It has begun efforts to address risks for which top management, as the executing party, should take the initiative in responding.

At the same time, to address events that could pose serious risks, we are building a system by which the executing party immediately shares information with Internal Directors who are full-time Audit Committee members, who in turn share it with the Audit Committee, which is composed of five Directors.

With regard to "offensive and defensive governance," we will also make effective "defensive governance" work and proceed with proper risk response.

II-4. Ajinomoto Group Quality Assurance System



(1) Customer-centric “value proposition



The Ajinomoto Group's quality assurance System is organized to provide safe, high-quality products and services, always putting the customer first.

The System is based on four fundamentals:

1. The original Ajinomoto Group's quality assurance system, ASQUA, which is based on the international standard ISO 9001
2. Improvement of operational quality by each employee under the leadership of management
3. Quality assessment according to the development stage
4. A product development system that reflects customer feedback

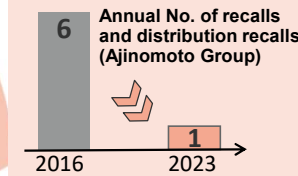
As an example of the automation of manufacturing processes, we are sharing a video of the robotized printing process introduced at our Kyushu Plant (video). In the past, human errors have often caused problems in this type of printing process, but this robotized system has prevented such problems.

II-4. Ajinomoto Group Quality Assurance System



(2) Unique Quality Assurance System: ASQUA

Key initiatives: Reduce risks through audits of both supply chain and quality risks management. Prevent recurrence of problems and minimize cases that have occurred in the Ajinomoto Group in the past



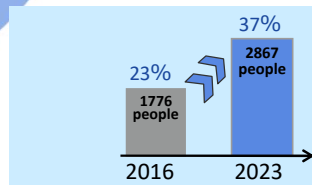
Risk-based audits of raw material suppliers

More than 120 supplier audits each year in Japan

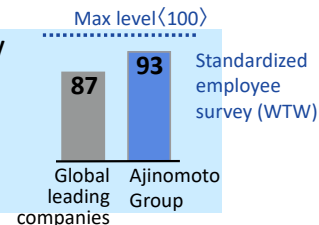
Collection from distributors conducted prior to market introduction

(3) Enhancement of "work quality" by each employee

No. of participants in Ajinomoto Quality Education program (JP)



"Responsibility for Product Quality" Ajinomoto Group Employee Score



49

We are continuing our efforts to eliminate quality problems in accordance with the Ajinomoto Group's quality assurance system ASQUA. As one example, we conduct risk-based audits of raw material suppliers. As a result of these activities, the number of product recalls and recalls from distribution has shown a decreasing trend (upper left, orange diagram). We are especially confident in our audit system for raw material suppliers (upper right, orange diagram)

The left lower diagram provides basic data on employee engagement related to quality education and quality culture. While the expansion of e-learning has had a positive effect, we have put more effort into quality education and have been able to raise the number of courses taken each year (bottom row, light blue).

As a result, the Ajinomoto Group has maintained a high level of scores in the Engagement Survey regarding the question on "Responsibility for Quality" compared to global high-performing companies (Ajinomoto G: 93 points; global high-performing companies: 87 points).

II-4. Ajinomoto Group Quality Assurance System



(4) Complete focus on the voice of customer

Ajinomoto quality assurance system is both a “defensive and offensive” tool

Attractive products that reflect customer feedback
72 products/year (2021-)



Collected 3,500 customer skillets and conducted cooking verification based on VOC that frozen dumplings did not cook well.

Complete focus on the voice of customer

Double-check mechanism to prevent any health risks

Ajinomoto affiliate Initial check
+
Ajinomoto Co QA Dept Cross-product check
Annually 400,000 cases (covering 99% retail products)

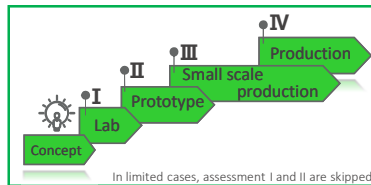


AI

Quality Culture

Quality Assessment starting from the development stage

(5) 4-stage product assessment



Ajinomoto Philippines, Inc. Product weight checker management



50

Ajinomoto Group quality assurance system is both a “defensive” and an “offensive” tool due to its use in product improvements.

Customer feedback on quality drives product improvements (in average, 72 varieties each year) (yellow in the middle above).

As one example, we found customer feedback that Ajinomoto Frozen Foods' frozen gyoza stuck to specific type of frying pans. To improve these issues, we collected frying pans directly from customers, which led to product improvements.

Next, we would like to introduce a customer feedback double-checking mechanism to prevent the spread of health hazard risks (middle yellow panel). In addition to customer feedback checks at Group companies, a cross-sectional double-check is conducted in Ajinomoto headquarters' Quality Assurance Department to prevent complaints that may pose a health hazard from being left unchecked. (400,000 cases per year! AI is widely utilized.)

Finally (bottom right panel, green), there is our rigorous 4-step quality assessment system. We conduct multifaceted checks to deliver safe, high-quality products to our customers.

I think we can say that Ajinomoto Group conducts a high-level quality control to achieve ASV targets. We contribute to food loss while increasing corporate value and preventing the spread of health risks.

Message from the CEO

- Refining the Roadmap

A year has passed since we announced the 2030 Roadmap. During that time, I have engaged in discussions with all departments and affiliates. While our overall capabilities are showing improvement, there are departments and affiliates for which our vision for 2030 is not yet a Mt. Everest. I feel that the Ajinomoto Group is capable of aiming for further heights.

- Enhancement of ability to execute

We have prepared mechanisms for sharing issues, promoting visualization, and sharing best practices. Examples include optimizing SKUs and shortening the cash conversion cycle. Looking ahead toward our vision, we will enhance our ability to execute.

- Purpose, passion, and empathy

The driving forces behind the promotion of our 2030 Roadmap are the passion of employees toward our purpose and the empathy of our diverse stakeholders. We will undertake initiatives aimed at evolving toward a corporate culture in which employees themselves take the lead in always endeavor to achieve our vision. We will grow together with employees and stakeholders as we aim to further enhance our corporate value.



Eat Well, Live Well.

Aji
AJINOMOTO®

- Forward-looking statements, such as business performance forecasts, made in these materials are based on management's estimates, assumptions and projections at the time of publication. A number of factors could cause actual results to differ materially from expectations.
- This material includes summary figures that have not been audited so the numbers may change.
- Amounts presented in these materials are rounded down.
- "AminoScience" is a registered trademark of Ajinomoto Co., Inc.

Summary of the Fourth Quarter (January-March)



Sales: Increased

¥371.5 billion

111.8% of Q4-FY2022

Excluding currency translation: 105.4%

Increased the top line with double-digit growth in Functional Materials, Bio-Pharma Services & Ingredients, and Seasonings and Foods.

Business profit: Increased

¥23.1 billion

143.7% of Q4-FY2022

Excluding currency translation: 132.2%

Seasonings and Foods grew by a large amount, driving business profit overall. Healthcare and Others also grew by a large amount, about 150% of the previous year, excluding the impact of the acquisition of Forge, and we recovered from the decrease in profit up to Q3.

Profit attributable to owners of the parent company

¥9.5 billion

54.0% of FY2022

YoY Business Profit Details – Summary

(¥ Billion)	vs Q4-FY22	Details of impacts in Q4-FY23
Change in GP due to change in sales	12.6	In addition to the effect of currency translation, increased sales in Healthcare and Others, and Seasonings and Foods contributed to increased gross profit.
Change in GP due to change in GP margin	7.3	Improvement of the GP margin in Seasonings and Foods drove overall improvement.
Change in SGA expenses	-14.6	In addition to the effect of currency translation, investment in advertising in line with our strategy increased SGA expenses.
Share of profit of associates and joint ventures	1.6	-

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53

Forecast (Consolidated Statements of Income)



(¥ Billion)	FY24 forecast (A)	FY23 actual (B)	Difference (A) – (B)	Vs. prev. year (A) / (B)	Excluding currency translation Vs. prev. year (A) / (B)
Sales	1,527.0	1,439.2	87.7	106%	108%
Business profit	158.0	147.6	10.3	107%	109%
Other operating income & expenses	-9.0	-0.9	-8.0	-	-
Operating profit	149.0	146.6	2.3	101%	-
Financial income & expenses	-5.1	-4.6	-0.4	-	-
Profit before income taxes	143.9	142.0	1.8	101%	-
Income taxes	-38.9	-40.0	1.1	-	-
Profit (includes discontinued operations)	105.0	102.0	2.9	102%	-
Profit attributable to owners of the parent company	95.0	87.1	7.8	109%	-
Profit attributable to noncontrolling interests	10.0	14.9	-4.9	67%	-

FY2024 Assumed Exchange Rates and Exchange Rate Sensitivity



Assumed exchange rates (vs. JPY)

	FY24 forecast	FY23 actual				FY23 forecast
		Q4	Q3	Q2	Q1	
USD	140.00	148.63	147.86	144.63	137.49	143.00
EUR	154.00	161.33	159.06	157.32	149.58	156.00
THB	4.00	4.16	4.15	4.11	3.99	4.07
BRL	28.00	29.98	29.84	29.59	27.81	28.85

Exchange Rate Sensitivity Foreign exchange rates (vs. JPY)

	FY24 forecast	Sensitivity of translation effects on full year business profit
USD	140.00	±¥1 → approx. ¥80 million
EUR	154.00	±¥1 → approx. ¥40 million
THB	4.00	±¥0.01 → approx. ¥110 million
BRL	28.00	±¥1 → approx. ¥390 million

II-2. Responding to Changes in the Economic Environment (Supplement)



Recent price increases, and increases to come

March 2024 Nigeria	AJI-NO-MOTO®	Increased import prices due to rapidly falling exchange rate. Price increases following those in December 2023 (amount of increase: 50%).
March 2024 Brazil	Sazon®	Continuing high inflation in the Brazilian economy. Price increases following those in March 2023.
April 2024 Japan	Instant coffee	Continuing yen depreciation in addition to soaring coffee bean prices. Price increases following those in March 2022 (amount of increase: 20%).
August 2024 (planned) Japan	Cook Do® Chuka dashi, others	Soaring prices of ingredients and packaging materials. Price increase for “Cook Do®” for the first time since 2019.

Price increases implemented in Myanmar, Peru, Bolivia, and Mexico, too.

Glossary ①

Term	Meaning and details	Page
"AminoScience"	A collective term for the materials, features, technologies, and services obtained from research processes and implementation processes dedicated to the functions of amino acids. "AminoScience" is also the Ajinomoto Group's unique scientific approach that connects those obtained qualities to solving social issues and contributing to well-being.	P30
Nucleic acid-based drugs	Drugs composed of a basic structure of nucleotides, the constituent components of the deoxyribonucleic acid (DNA) and ribonucleic acid (RNA) that are responsible for the genetic information in organisms. Nucleic acid-based drugs are considered a third type of drug after small-molecule drugs and therapeutic antibodies, and may hold cures for diseases that resist treatment with conventional drugs.	P25
management accounting guidelines	Guidelines established by Ajinomoto Co. in July 2022 that all Group companies should use to define terms and calculations in the Group's management accounting (consolidated basis), and for aiming to visualize and streamline the management process.	P11
top-of-mind awareness	When asked in surveys, "What comes to mind when you think of XX?" the things that come to mind are unaided recall. The first thing that comes to mind in unaided recall is the top-of-mind awareness.	P16
Number of days' sales in inventory (days inventory outstanding, DIO)	A value that expresses the number of days required for turnover of the inventory in question, i.e., the time taken to sell a product after stocking it. It is calculated as (value of inventory at the beginning of the period + value of inventory at the end of the period) ÷ 2 ÷ cost of sales (annual) × 365 (number of days). Shortening of DIO relates directly to shortening of CCC and increases ability to generate cash.	P46
Value Creation Advisory Board	Advisory Board to the President and Vice President with the aim of enhancing corporate value. As of May 2024, the three members are Akira Sato (Value Create), Masahito Namiki (Interbrand Japan), and Wataru Baba (former Panasonic executive officer).	P42
Plasmid	A plasmid is a small piece of DNA found in bacterial and yeast cells that can self-replicate. Technically modified for delivering the target gene to mammalian cells, plasmid DNA can be used to insert the target gene and make it work within the cell.	P29

Glossary ②

Term	Meaning and details	Page
Rolling forecast	A forecasting method by which future performance forecasts are continuously updated based on recent results, the external environment, and business plans. It is used to quickly and accurately draft and execute action plans for achieving short-term targets (performance forecasts) and medium- to long-term targets (ASV indicators).	P41
Progressive dividend policy	A policy of increasing or maintaining dividends without reduction.	P38
Adeno-associated virus (AAV)	A small virus that infects humans and primates, AAV is non-pathogenic and cannot replicate itself without the presence of another virus. It can efficiently deliver normal genes to cells with defective genes, allowing them to synthesize normal proteins. As it can safely and easily deliver genes to patients' cells, the possibility of treating many diseases is suggested.	P29
AI and Generative AI	AI stands for Artificial Intelligence. Technology that allows computers to perform intelligent actions, such as understanding human language, cognition, and reasoning. Generative AI is a technology that allows computers to output new data and information based on the data they have learned. AI does the thinking and planning previously done by humans to generate ideas and content.	P23
AJIPHASE®	Our company's original technology for oligonucleotide and peptide synthesis using liquid-phase synthesis. (Reference site) https://ajibio-pharma.ajinomoto.com/ajiphase/	P26
AJICAP®	A technology developed by the Ajinomoto Group that enables the creation of high-performance antibody-drug conjugates (ADCs). (reference) https://ajibio-pharma.ajinomoto.com/ajicap/	P26
ASQUA	Acronym for A jinomoto S ystem of Q uality A ssurance is the Ajinomoto Group's unique quality assurance system established in 1997.	P48-49
Bio Secure Act	A bill that names and excludes four Chinese companies from government procurement projects in the U.S., including genome analysis and contract development and manufacturing organizations (CDMOs), due to national security concerns.	P25
CAGR	An abbreviation for compound annual growth rate.	P9-10-31-32

Glossary ③

Term	Meaning and details	Page
CCC	An abbreviation for cash conversion cycle, a financial indicator that expresses the number of days required to recover trade receivables after payment of trade payables. It is calculated as the number of days for turnover of trade receivables + number of days' sales in inventories - number of days for turnover of trade payables. Shortening CCC enhances the ability to generate cash, which can be directed toward future investments and shareholder returns.	P51
CDMO	An abbreviation for contract development and manufacturing organization, a party that develops and manufactures drugs under contract. A CDMO provides comprehensive services for manufacturing and development, such as contract drug manufacturing for pharmaceutical companies and optimization of manufacturing conditions during the development stage. A CDMO's scope of business is broader than that of a drug contract manufacturing organization (CMO) in that it can also take part in the development of investigational new drugs, such as the formulation process.	P14,25-28
DMP	Abbreviation for D ata M anagement P latform. A platform that enables centralized management of various data stored on the Internet.	P46
DS	Abbreviation for D iscount S tore	P21
EC	Online sales (abbreviation for E -Commerce, also known as electronic commerce). A transactions of goods and services conducted over the Internet.	
EDLP	Abbreviation for E very D ay L ow P ricing, a pricing strategy.	P21
Forge	Forge Biologics Holdings, LLC, a US-based gene therapy drug CDMO. Ajinomoto Co., Inc. acquired the company in December 2023.	P41-43
GI	Abbreviation for Glycemic Index. A number that indicates the absorbability of sugars in foods.	P20

Glossary ④

Term	Meaning and details	Page
GLP-1	GLP-1 is a hormone that lowers blood glucose levels; GLP-1 receptor agonists are drugs for diabetes that supplement GLP-1, but their effects on weight loss are attracting attention.	P25
GP	Gross profit, calculated as sales - cost of sales.	P5・6・14・24・53
OE	An abbreviation for operational excellence, a state by which business operational advantages are maintained through efforts to enhance the efficiency of operations.	P22
PSI	Abbreviation for P roduction, S ales, and I nventory. Simultaneous planning of production, sales, and inventory.	P46
SKU	An abbreviation for stock keeping unit, the minimum unit of inventory management. As an example, under the same brand and same variety, "Cook Do® Twice-Cooked Pork" and "Cook Do® Twice-Cooked Pork, 2 Servings" make up two SKUs.	P22
TDC	An abbreviation for total delivered cost, the total cost of delivering products to their destination, calculated as the sum of costs of sales and logistics costs.	P22
TT and MT	TT stands for T raditional T rade; MT stands for M odern T rade.	P17
WACC	An abbreviation for weighted average cost of capital. Return on invested capital (ROIC), which expresses the earning power of a company, in excess of WACC leads to growth in corporate value.	P10・12・37
Well-being	The state of being healthy and happy.	P20

Reference Links

Ajinomoto Group IR Information

<https://www.ajinomoto.co.jp/company/en/ir/>

Ajinomoto Group ASV Report (Integrated Report) 2023

<https://www.ajinomoto.co.jp/company/en/ir/library/annual.html>

Ajinomoto Group Medium-Term ASV Initiatives

https://www.ajinomoto.co.jp/company/en/ir/event/medium_term.html

Ajinomoto Group IR Day / Business Briefing

https://www.ajinomoto.co.jp/company/en/ir/event/business_briefing.html

Ajinomoto Group Stories

<https://www.ajinomoto.com/stories>