

Briefing Materials for FY2025/1H

Financial Results



Kagome Co., Ltd.
Securities Code: 2811

Figures in these materials

- Amounts are rounded down to the nearest 0.1 billion yen.
- Percentages are rounded to one decimal place.

- 1. Summary of Financial Results for FY2025/1H**
- 2. FY2025 Earnings Forecast and FY2025/2H Strategies**
- 3. Reference**

1. Summary of Financial Results for FY2025/1H

FY2025/1H Consolidated Results



- Revenue: Revenue of the International Business declined due to the downturn in tomato paste prices
- Core operating income: Core operating income fell due to rising raw materials prices and lower sales internationally

Unit: billion yen	FY2025/1H Result		YoY		FY2024/1H Result
		Margin		Change	
Revenue	138.6	-	-9.5	-6.4%	148.2
Core operating income	10.4	7.5%	-5.0	-32.7%	15.4
Operating income	10.5	7.6%	-14.1	-57.2%	24.6
Net income*	6.1	4.5%	-10.9	-64.0%	17.1

* Net income attributable to shareholders of parent

• Operating income declined due to the recoil from the recognition of a gain in the previous fiscal year of 9.3 billion yen following the remeasurement of the 20% equity stake in Ingomar prior to its consolidation.

FY2025/1H Results by Segment

- Domestic Processed Food Business: Total revenue increased, but core operating income declined due to rising raw materials prices and advertising expenses
- International Business: The downturn in tomato paste market conditions and other factors led to a decline in revenue and core operating income of both tomato and other primary processing and tomato and other secondary processing

Revenue

Core operating income

(1)

(2)

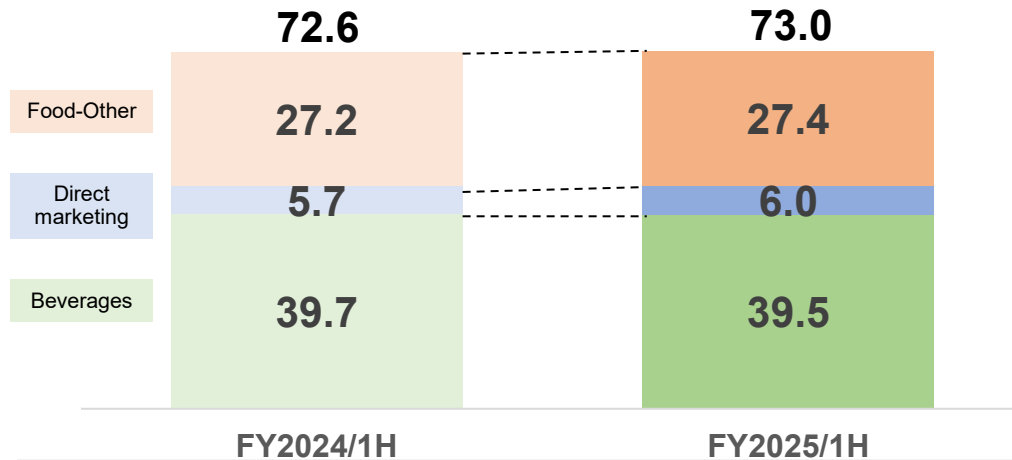
Unit: billion yen	FY2025/1H Result				FY2024/1H Result	FY2024/1H Result				FY2024/1H Result
		YoY	Change	Forex effects			YoY	Change	Forex effects	
Beverages	39.5	-0.1	-0.5%	-	39.7	3.1	-1.8	-37.1%	-	4.9
Direct marketing	6.0	+0.3	+6.1%	-	5.7	0.2	-0.0	-3.8%	-	0.2
Food-Other	27.4	+0.2	+0.8%	-	27.2	2.3	-0.3	-13.7%	-	2.6
Domestic Processed Food Business total	73.0	+0.3	+0.5%	-	72.6	5.6	-2.2	-28.0%	-	7.8
Tomato and other primary processing	29.9	-9.8	-24.8%	-0.7	39.8	2.9	-0.6	-17.7%	-0.0	3.6
Tomato and other secondary processing	32.3	-4.4	-12.0%	-0.7	36.7	2.5	-1.9	-43.2%	-0.0	4.4
Adjustments	-0.1	+0.2	-	+0.0	-0.3	0.1	+0.2	-	-	-0.0
International Business total	62.1	-14.0	-18.4%	-1.4	76.1	5.6	-2.3	-29.1%	-0.1	7.9
Others/Adjustments	3.4	+4.0	-	+0.0	-0.6	-0.8	-0.5	-	+0.0	-0.3
Total	138.6	-9.5	-6.4%	-1.4	148.2	10.4	-5.0	-32.6%	-0.1	15.4

FY2025/1H Domestic Processed Food Business

- Tomato juice sales remain strong, and tomato ketchup demand grew, leading to higher revenue
- Core operating income declined due to rising raw materials prices and strategic investments in advertising

Revenue

Unit: billion yen

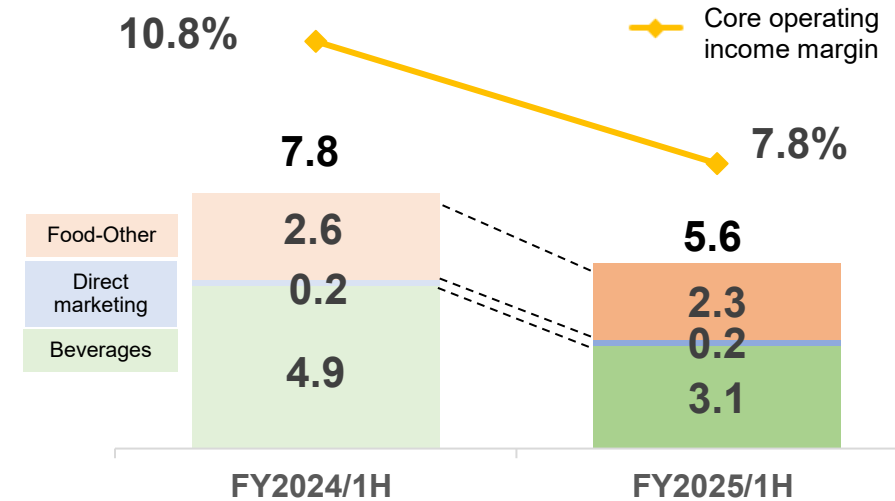


Beverages saw slighter weaker revenue, but overall segment revenue was up

- Beverages: Kagome Tomato Juice continued to sell well, Yasai Seikatsu 100 is being promoted as a "healthy drink for the family" for families raising children ahead of the 30th anniversary of its release, and Almond Breeze was fully launched in March.
- Direct marketing: Vegetable drinks and soups recorded solid sales.
- Food-Other: Disseminated menu ideas, such as through Napolitan Stadium and for baked ketchup, etc., and strengthened sales promotion activities.

Core operating income

Unit: billion yen



Higher raw materials prices and strategic investments in advertising led to a decline in core operating income

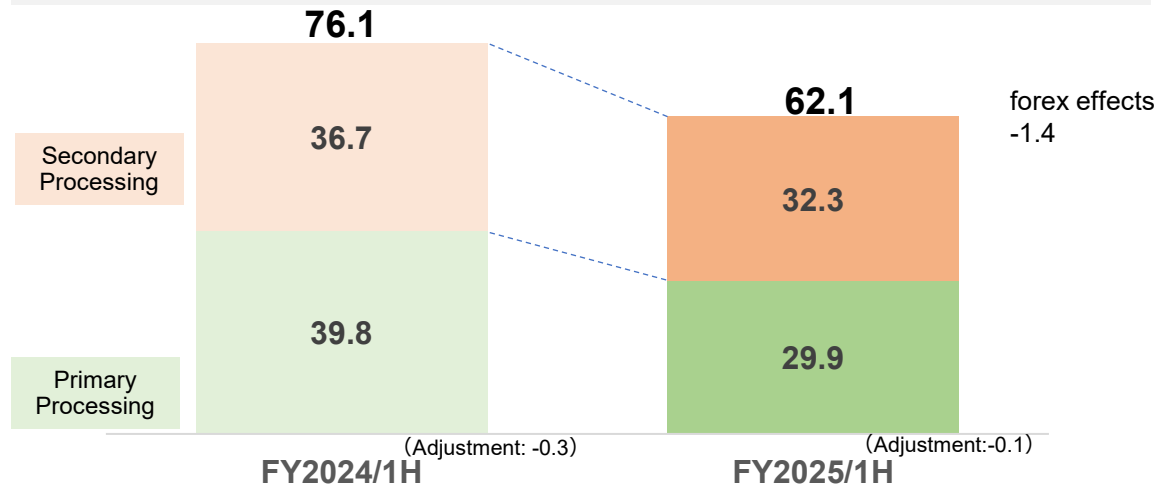
- Beverages: Increased advertising and raw materials prices continued to rise.
- Direct marketing: Expanded online ads and raw materials prices continued to rise
- Food-Other: Raw materials prices continued to rise

FY2025/1H International Business

- Lowered selling prices due to the downturn in the tomato paste market, resulting in lower revenues and core operating income
- In addition to weaker revenues, one-off expenses due to inventory write-downs, etc., resulted in lower core operating income

Revenue

Unit: billion yen

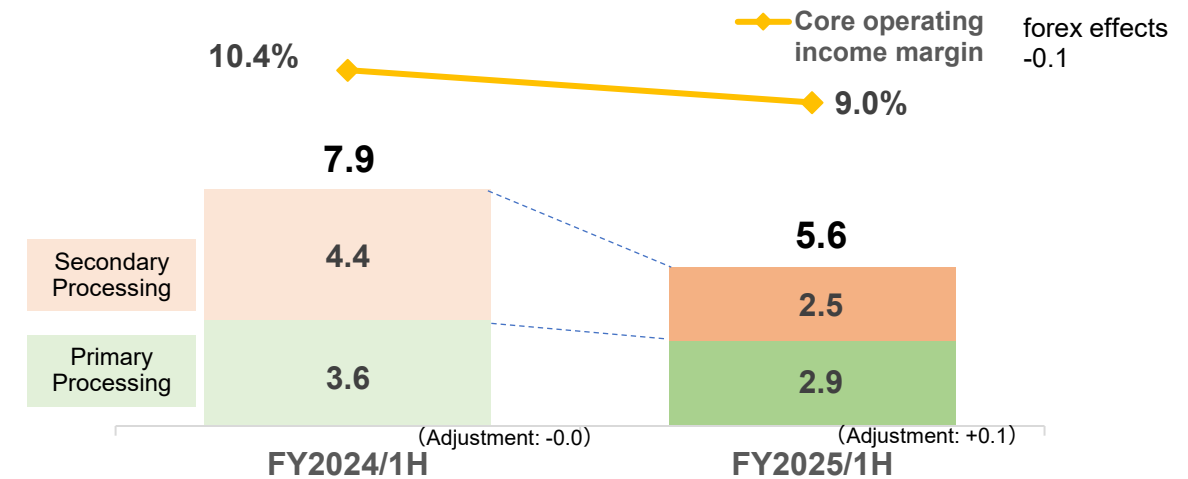


Revenue declined for both primary processing and secondary processing

- Primary Processing: Lowered selling prices due to the downturn in tomato paste market conditions, resulting in lower revenue.
- Secondary Processing: Sales to food service companies were robust, but as with primary processing, lowered selling prices due to the downturn in market condition, resulting in lower revenue.

Core operating income

Unit: billion yen

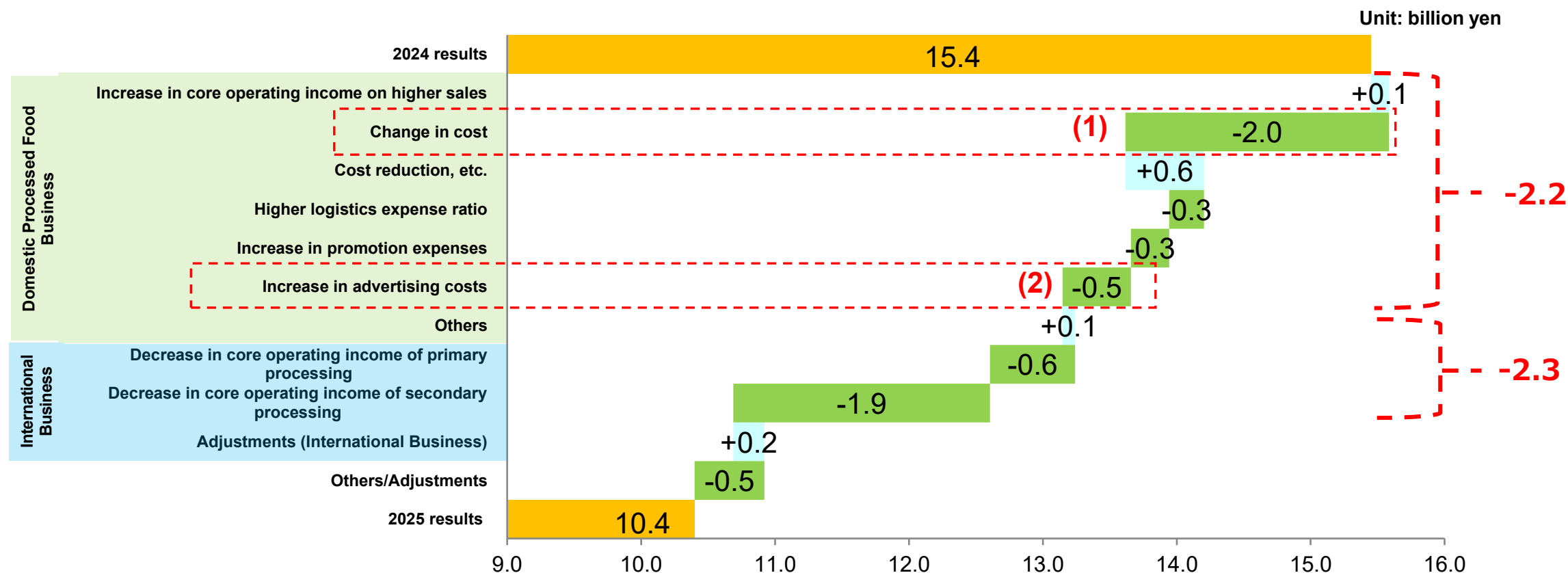


Core operating income declined for both primary processing and secondary processing

- Primary Processing: Core operating income declined due to weaker revenue.
 - Secondary Processing: Core operating income declined due to weaker revenue.
- *One-off expenses including inventory write-downs, etc. totaled 600 million yen

FY2025/1H Factors Contributing to Core Operating Income Changes

- Changes in core operating income are detailed in the figure below:



Domestic Processed Food -2.2

(1) Change in cost -2.0: Tomato +0.02, Carrots, apples, etc. -0.8, Packaging materials, etc. -0.5, incl. forex effects -0.4, etc.

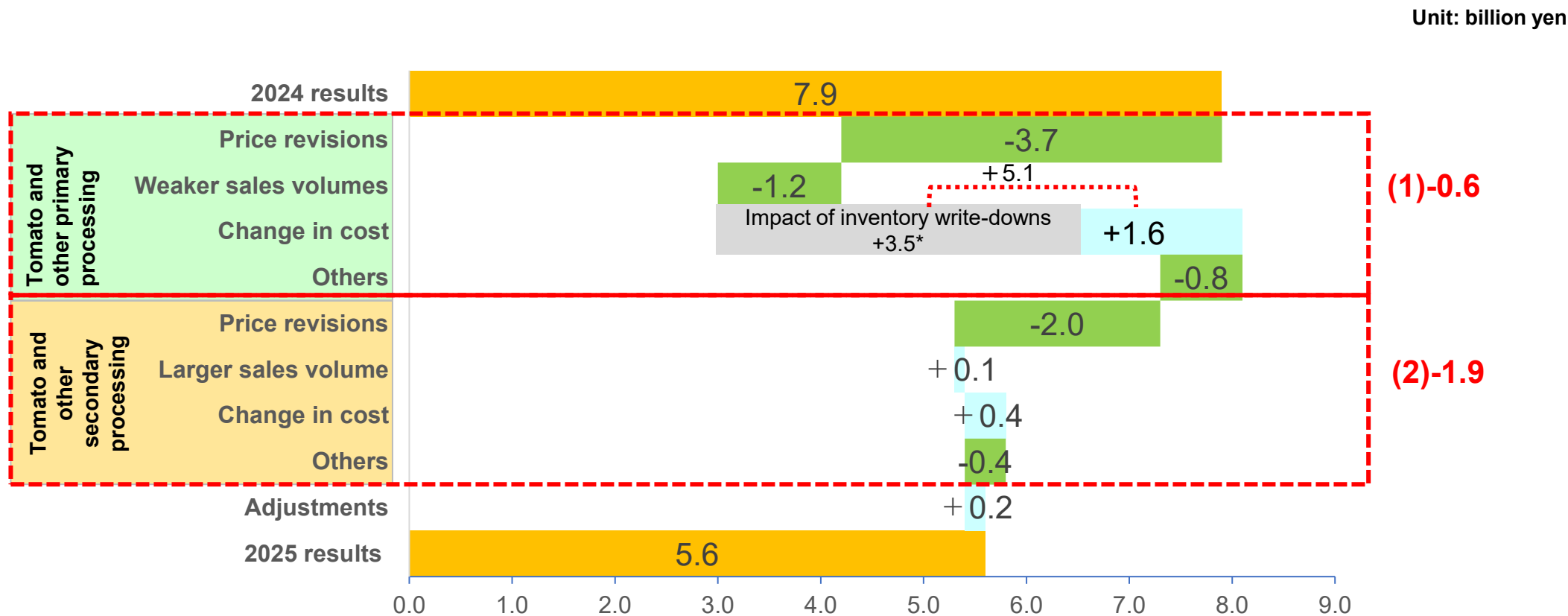
(2) Strategically increased advertising expenses in 1H: -0.5

International Business -2.3

FY2025/1H Factors Contributing to Core Operating Income Changes in the International Business



- Changes in core operating income are detailed in the figure below:



(1) Primary Processing -0.6: Price revisions -3.7, Smaller sales volume -1.2, Change in cost +5.1 (Ingomar +4.5; includes impact of inventory write-downs* of 3.5), etc.
*Effect on profits from marking-to-market inventories and fixed assets (tangible and intangible) following the application of the accounting standard on business combinations: 2024/1H -5.2, 2025/1H -1.7, Increase/decrease: +3.5
(2) Secondary Processing: -1.9: Price revisions: - 2.0 (impacts of selling price reductions and product mix, etc.), Higher sales volume +0.1, Change in cost +0.4, etc.

FY2025/1H Factors Behind Changes in Net Income



- Operating income: Decreased due to the recoil from recording of a 9.3 billion yen gain as a result of remeasurement of the 20% equity stake held in Ingomar before it became a consolidated subsidiary in the previous fiscal year.

Unit: billion yen	FY2025/1H Result			FY2024/1H Result
		YoY	Change	
Core operating income	10.4	-5.0	-32.7%	15.4
(1) Other income	0.3	-9.1	-96.5%	9.5
Other expenses	0.1	-0.1	-40.7%	0.2
Operating income	10.5	-14.1	-57.2%	24.6
Profit before income taxes	9.9	-13.1	-56.8%	23.1
Income taxes	2.8	-1.8	-39.8%	4.7
Effective tax rate	28.4%	(2)+8.0pt	-	20.4%
Profit attributable to non-controlling interests	0.9	-0.3	-24.0%	1.2
Net income*	6.1	-10.9	-64.0%	17.1

*Net income attributable to shareholders of parent

Main Factors Contributing to Changes

- (1) Other income -9.1: Decreased due to the recoil from recording a gain of 9.3 billion yen after remeasurement of the 20% equity stake held in Ingomar before it became a consolidated subsidiary in the previous fiscal year
- (2) Effective tax rate +8.0pt: Impact of last year's tax exemption on gains related to (1), etc.

FY2025/1H Changes to Statement of Financial Position

- Details of the Statement of Financial Position are presented below:

Consolidated Statement of Financial Position

(As of June 30, 2025)

Unit: billion yen

(1) Total assets 329.5(-32.9)	(2) Liabilities 134.6 (-16.1)
- Current assets 183.6 (-26.2)	
- Non-current assets 145.8 (-6.6)	
	(3) Net assets 194.9 (-16.7)

Assets/Liabilities and Net assets
329.5 billion yen (-32.9 billion yen vs. previous fiscal year end)
(4) Net assets attributable to shareholders of the parent
to total assets: 52.0% (+ 0.7pt)

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

■ Current assets 183.6 (-26.2)

Inventories -18.8

Trade and other receivables -3.6

Cash and cash equivalents -2.3, etc.

■ Non-current assets 145.8 (-6.6)

Intangible assets -3.4, property, plant and equipment -1.7 , etc.

■ Liabilities 134.6 (-16.1)

Borrowings (including long-term) -7.0,

Trade and other payables -6.8, etc.

■ Net assets 194.9 (-16.7)

Treasury shares -6.8, Other components of equity -8.3

FY2025/1H Changes in Cash Flows

- Free cash flows: Increased due to the recoil of investment cash flow from the acquisition of Ingomar in the previous fiscal year
- Cash flows from financing activities: Decreased due to repayments of long-term borrowings and purchase of treasury shares, etc.

Unit: billion yen	FY2025/1H Result			FY2024/ 1H Result
		YoY	Change	
Cash flows from operating activities (A)	23.5	- 3.2	-12.0%	26.8
Cash flows from investing activities (B)	- 5.9	+34.7	-	- 40.7
Free cash flows (A+B)	17.5	+31.5	-	- 13.9
Cash flows from financing activities	- 19.5	- 21.4	-	1.8

■ Key components of FY2025/1H cash flows

Cash flows from operating activities

Profit before income taxes 9.9 billion yen, depreciation and amortization 5.7 billion yen, decrease in inventories 1.5 billion yen, decrease in trade and other payables -5.1 billion yen, income taxes paid -2.5 billion yen, etc.

Cash flows from investing activities

Acquisition of property, plant and equipment, and intangible assets -6.0 billion yen, etc.

Cash flows from financing activities

Purchase of treasury shares -6.9 billion yen, change in borrowings -5.3 billion yen, and dividends paid -5.2 billion yen, etc.

2. FY2025 Earnings Forecast and FY2025/2H Strategies

FY2025 Earnings Forecast

- Full-year forecasts for revenue and core operating income remain unchanged from the initial forecast

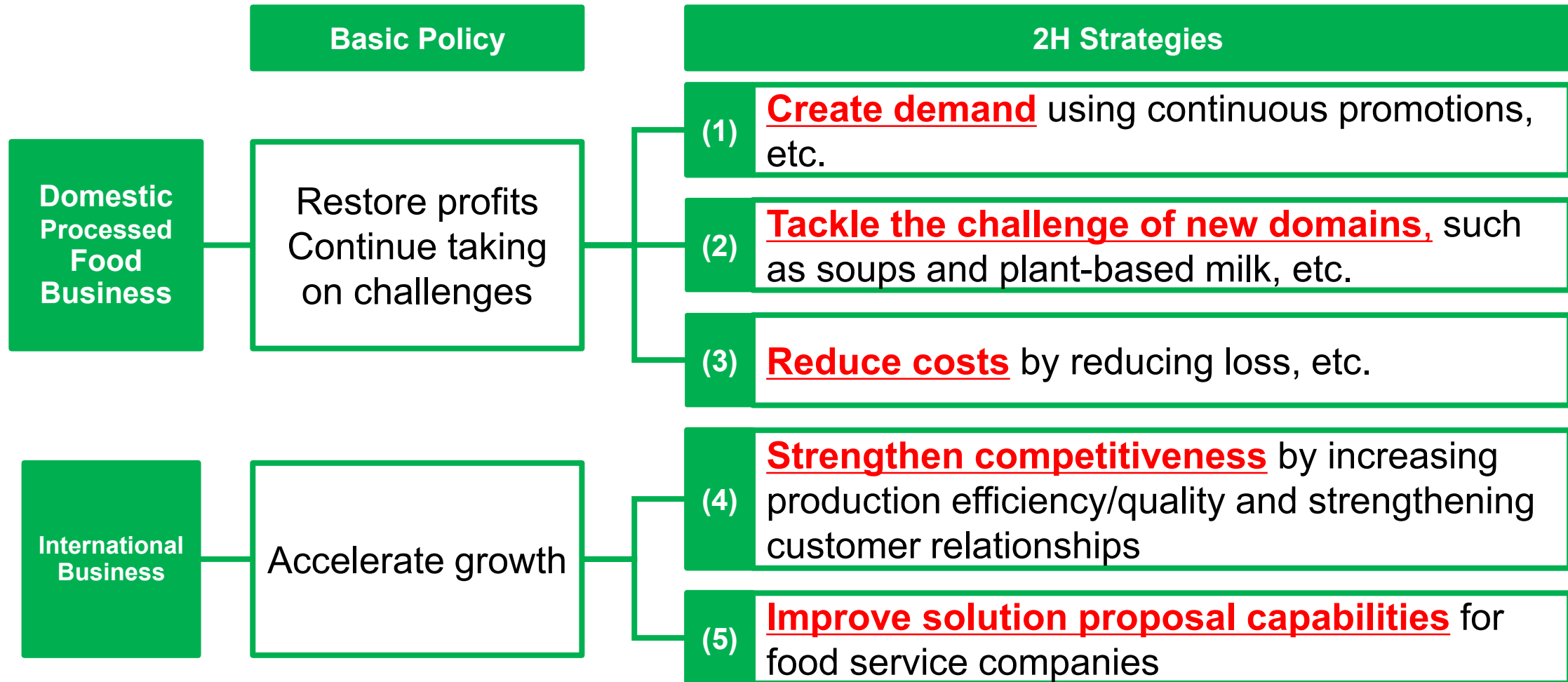
Unit: billion yen		2025 earnings forecast (A)		1H results (B)			2H deduction (A) - (B)		
			YoY		Progress vs. forecast	YoY		Remaining progress	YoY
Domestic Processed Food Business total	Revenue	157.5	+1.7	73.0	46.3%	+0.3	84.4	53.7%	+1.4
	Core operating income	13.9	-1.6	5.6	40.3%	-2.2	8.2	59.7%	(1)+0.5
International Business total	Revenue	132.5	-16.8	62.1	46.9%	-14.0	70.3	53.1%	-2.7
	Core operating income	11.9	-2.0	5.6	47.1%	-2.3	6.2	52.9%	(2)+0.2
Others/ Adjustments	Revenue	10.0	+8.1	3.4	34.0%	+4.0	6.5	66.0%	+4.0
	Core operating income	-1.8	+0.6	-0.8	44.4%	-0.5	-0.9	55.6%	+1.1
Total	Revenue	300.0	-6.8	138.6	46.2%	-9.5	161.3	53.8%	+2.6
	Core operating income	24.0	-3.0	10.4	43.3%	-5.0	13.5	56.7%	+1.9

(1) Domestic Processed Food: Core operating income declined due to changes in costs and higher logistics costs, but we aim to increase core operating income in 2H through increased sales and more efficient spending on advertising.

(2) International Business: In response to falling selling prices, we will focus on improving production efficiency and acquiring new projects to limit the extent of the decline.

2H Strategies

- There are no changes to the basic policy or strategies to be taken since the beginning of 2025



FY2025/2H Domestic Processed Food Business (Beverages)

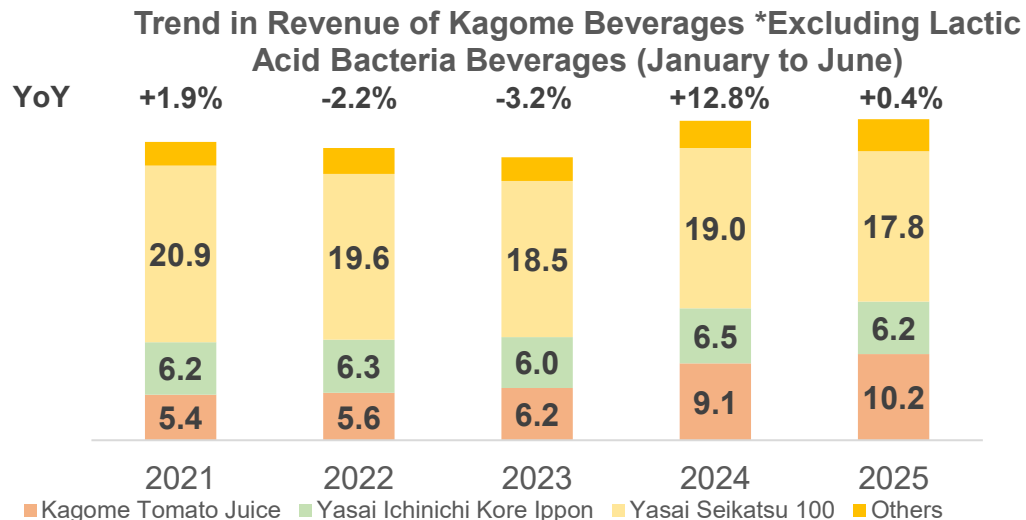


- Work to create demand through ongoing promotions, etc.
- Step up efforts to appeal value of vegetable drink ahead of the peak of beverage demand in 2H

Beverages (excluding lactic acid drinks): Revenue surpassed previous year's level

■ Some brands did better than others, but overall performance surpassed the previous year's level

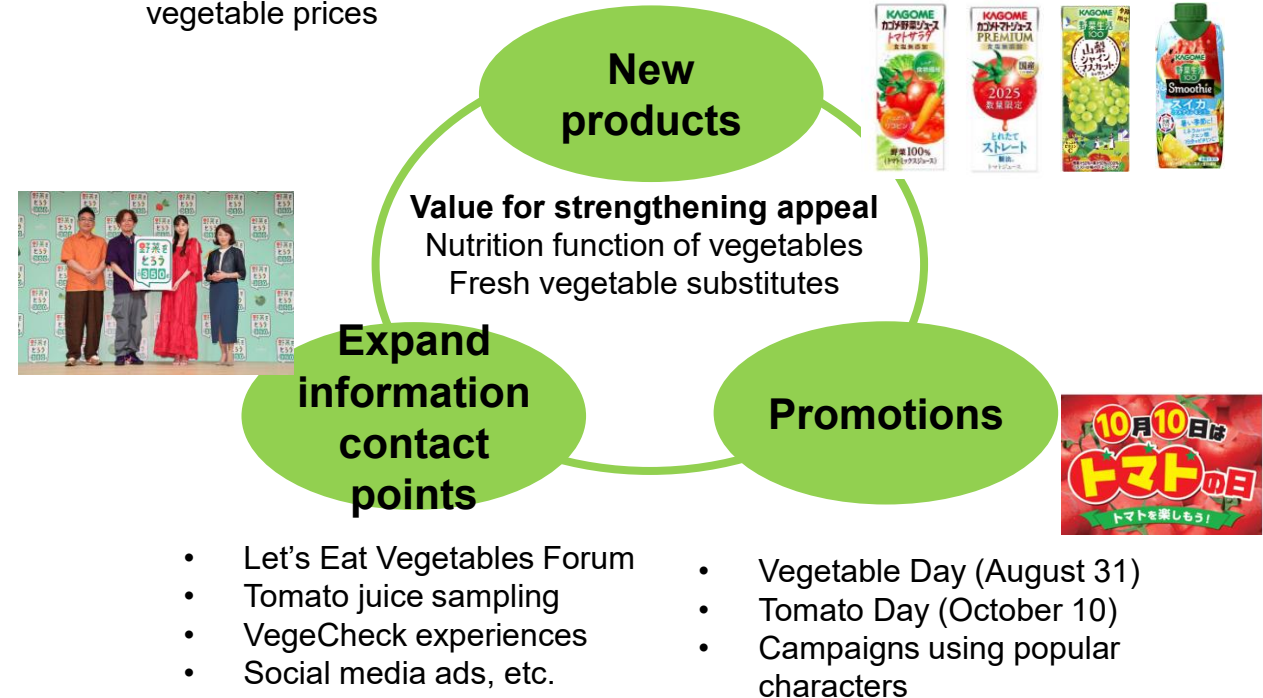
- Biggest contributor was Kagome Tomato Juice, which continued its growth trend
- Most urgent task is to reverse Yasai Seikatsu 100's decline
- Steadily moving ahead with initiatives to create demand



Accelerate demand recovery through new products, expanded information contacts, and promotions

■ Strengthen appeal of value of vegetable drinks and habituate their consumption

- Accelerate demand recovery by raising awareness of nutrition function of vegetables and strengthening substitute proposals amid surging fresh vegetable prices



FY2025/2H Domestic Processed Food Business (Beverages)

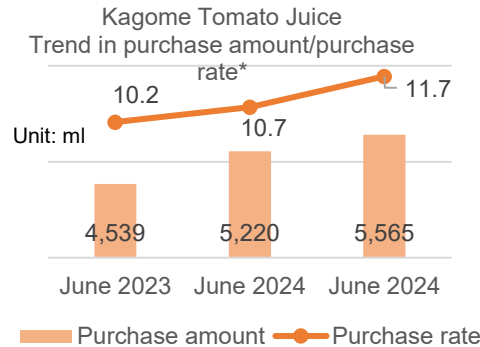


- Focus on sustained demand growth and recovery for Kagome Tomato Juice and Yasai Seikatsu 100
- Continue to gain trials for Almond Breeze aimed at market establishment

Kagome Tomato Juice: growing demand

■ Promoting habitualization through appeal of blood pressure lowering function

- Purchase amount (per consumer) and purchase rate both continue to increase
- Promoting habitualization by raising awareness of function through sampling, etc.



*Source: Macromill QPR/Nationwide/All industries/
Period: July 2022 to June 2025
*12-month moving total

Yasai Seikatsu 100: restoring demand

■ Expanding strategies to restore demand by habitualizing consumption

- The purchase rate has increased, mainly among those with children.
- Aiming to establish Yasai Seikatsu 100 through promotions with collaborative prizes of popular children's characters.



Almond Breeze: creating demand

■ Acquire trials through use of brand ambassadors

- Began full-fledged release in March 2025
- Engaging major leaguer Yu Darvish as a brand ambassador has helped acquire new male customers
- Still room to expand shipments to retailers
- Introduce new products and utilize brand ambassador to increase brand recognition and accelerate market establishment



FY2025/2H Domestic Processed Food Business (Food-Other)



- Increase demand for tomato ketchup by proposing tomato-inspired menu ideas
- For institutional and industrial use, expand sales of products that meet customer needs amid labor shortages

Tomato ketchup: expanding its use in cooking

■ Menu proposals using both ketchup and sauce

- Taking advantage of the reasonable price of tomato ketchup as a basic seasoning, we will promote menu proposals that satisfy the consumer desire to save money and time.
- In addition to "baked ketchup," we will develop a menu arrangement that combines "ketchup and sauce"



*Baked ketchup:
Baking with a combination of tomato ketchup and oil. The acidity is mild, resulting in a rich, full-bodied flavor.

- For institutional and industrial use, we will promote the planning and establishment of retro menu ideas such as Napolitan pasta, which were inspired by the 100th anniversary of the beginning of the Showa era, leading to increased demand.



Soups: creating demand in new domains

■ Product offerings tailored to needs in each category

- Adding "soup over rice" to the lineup of consumer products
- Aiming to create further demand in direct marketing and gift categories



*Release date: August 26

Institutional and industrial use: Expanding products with no special technique needed and reduced workload during food preparation

■ Outsourcing of cooking is progressing

- Not only is there a labor shortage, but the increase in gig work makes it difficult to pass on skills.
- Strengthening products for hotels and restaurants (natural thawing, reducing the time and effort required for preparation)



FY2025/2H International Business

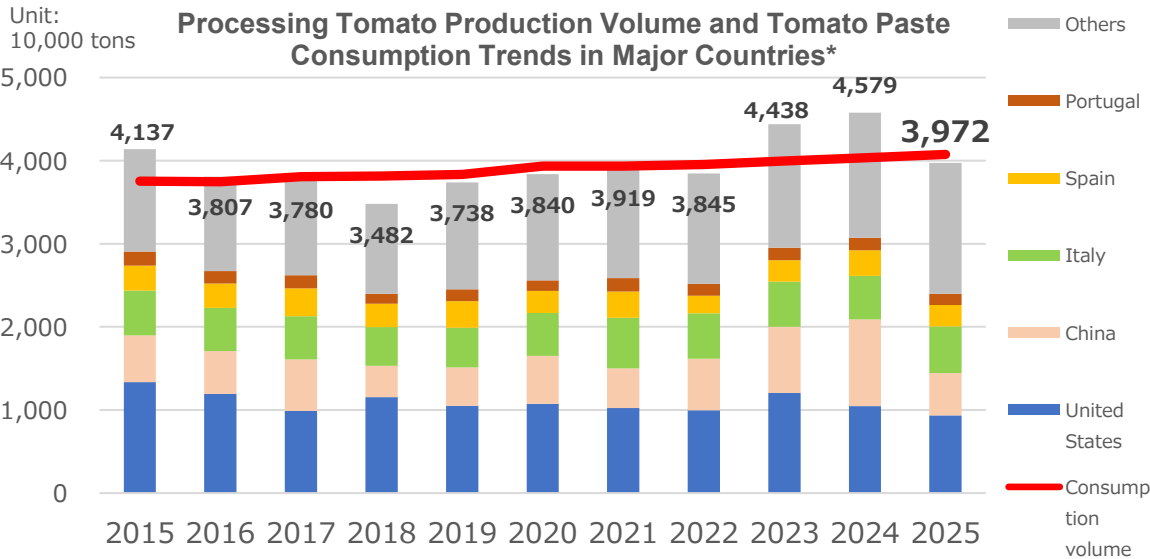
(Tomato and other Primary Processing)



- Production volume of processing tomatoes in the 2025 crop is expected to decrease significantly from 2024
- Steadily proceeding with efforts to strengthen competitiveness

Global processing tomato production volume

- Tomato paste supply-demand was tight until 2022.
- This tightness was quickly alleviated following increased production in the 2023 and 2024 crops.
- The forecast for the 2025 crop is around 40 million tons.



Ingomar: Began harvesting and processing in July

■ Initiatives with contract farmers

- Selecting the optimal tomato varieties for each farmer and farmland based on 2024 crop data
- Water-saving technology development is tested in the fields of contract farmers

■ Initiatives at plants

- Introducing an automated sorting machine for diced tomatoes to improve production efficiency.
- Processes previously performed by hand will now be automated to reduce costs.
- We will continue to work on quality improvement based on the Kagome Group's quality standards.



Survey prior to harvest



Automated sorting machine

FY2025/2H International Business (Tomato and Other Secondary Processing)



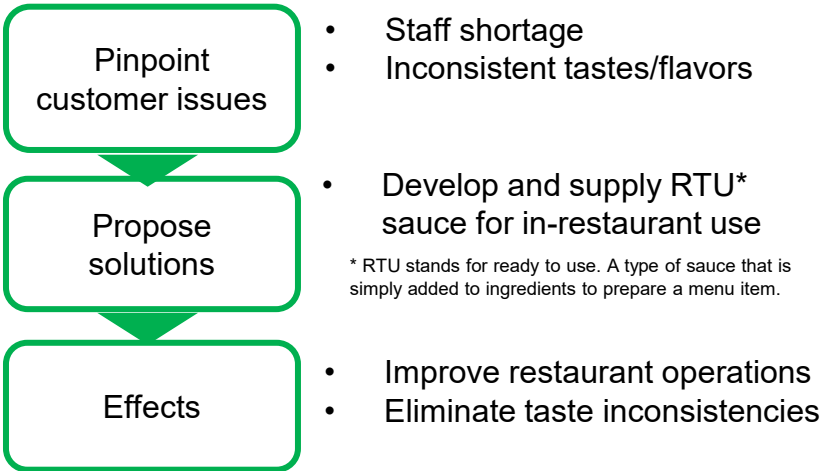
- Grow sales volume through global and local food services
- Leverage menu development capabilities to propose menu ideas other than tomato-based sauces

New solution-driven proposals

■ Strengthen customer relationships to identify issues and propose solutions

- Pursue improved customer satisfaction and increase sales volume by proposing solutions to customer issues, leveraging our strengths in product development
- In addition to tomato-based sauces, take advantage of our product development capabilities to focus on developing oil-based sauces and Asian menu sauces, which are expected to see market growth

Example of new customer gained from solution proposals

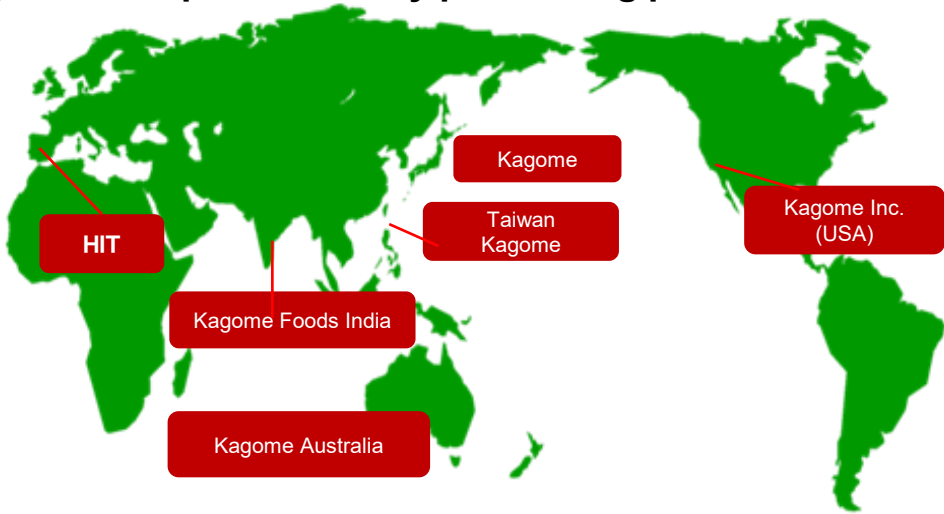


Kagome Group collaboration

■ Increase share of sales to major global food service companies

- Leveraging collaboration among Group companies, we will expand into Asian countries, which are seen as offering Kagome particularly high growth potential among the countries and regions where major global foodservice companies have operations.

Kagome Group's secondary processing production locations



Thank you for your attention.



3. Reference

Topics in Domestic Processed Food Business — Beverages

- Tomato juice sales continue to perform well thanks to new users and heavy users

**Beverage (excl. Lactic Acid Bacteria Beverages) Sales YoY
by Sales Channel/Container Size**

Sales channel	1Q	2Q	Total YTD
Convenience stores	98%	92%	94%
Mass retailers	105%	99%	102%
E-commerce	108%	110%	109%
Total	103%	99%	101%

Container Size	1Q	2Q	Total YTD
Personal-sized	99%	96%	97%
Large-sized	108%	104%	106%
Total	103%	99%	101%



Sales by sales channel and container size

- Convenience stores: Due to decline in Yasai Seikatsu 100 Series
- Large-sized containers: Due to strong sales of Kagome Tomato Juice

Revenue by core brand

Kagome Tomato Juice: 10.2 billion yen (+ 12% YoY)

- Continued inflow of new beauty-minded customers who became repeat users, etc.

Yasai Ichinichi Kore Ippon: 6.2 billion yen (-5% YoY)

- Demand for thirst-quenching drinks increased due to the extreme heat, while the demand for thick and rich drinks declined relatively.

Yasai Seikatsu 100 Series: 17.8 billion yen (-6% YoY)

- Decline in bulk sales, such as by the case, etc.

Sales promotion expenses and advertising expenses (YoY)

Actively implemented promotions for Yasai Seikatsu 100 and Almond Breeze

Sales promotion expenses: increased 100 million yen YoY

Advertising expenses: increased 300 million yen YoY

Topics in Domestic Processed Food Business — Food and Others



- Sales of tomato ketchup continue to perform well thanks to increased sales promotion and dissemination of information on menu ideas such as Napolitan Stadium and baked ketchup



Consumer use foods

Revenue: 10.1 billion yen (+2% YoY)

- Tomato ketchup and sauces recorded strong sales

Revenue by main products

Kagome Tomato Ketchup: 5.1 billion yen (+2% YoY)

- Menu proposals of Western dishes such as Napolitan and increased menu ideas for bread due to soaring rice prices

Institutional and industrial use

Revenue: 13.4 billion yen (-1% YoY)

- Shipments of frozen vegetables declined

Core operating income

Decreased due to rising raw materials prices and investments in advertising



Topics in International Business

- Our subsidiaries saw a downturn in revenue amid the drop in tomato paste market conditions
- Ingomar posted higher core operating income owing to the effects of marking-to-market inventories*, etc.

*Effects of marking-to-market inventories, etc.:
Effect on profits from marking-to-market inventories and fixed assets (tangible and intangible) following the application of the accounting standard on business combinations
Effect on profits in FY2024/1H: -5.2 billion yen / FY2025/1H: -1.7 billion yen
YoY +3.5 billion yen

Revenue					Core operating income				Unit: billion yen
Unit: billion yen	FY2025/1H Result			FY2024/1H Result	FY2025/1H Result			FY2024/1H Result	
		YoY	YoY (excludes forex effects)			YoY	YoY (excludes forex effects)		
Ingomar (United States)	20.3	-6.4	-5.9	26.7	2.4	+1.0	+1.0	1.3	
Kagome Inc. (United States)	23.2	-3.8	-3.3	27.1	2.1	-1.3	-1.3	3.4	
Holding da Industria Transformadora do Tomate, SGPS S.A. (HIT)	9.9	-2.0	-1.9	12.0	0.9	-1.5	-1.5	2.4	
Kagome Australia Pty Ltd.	4.6	-1.3	-1.0	5.9	0.0	-0.3	-0.3	0.4	
Taiwan Kagome Co., Ltd.	3.0	-0.0	+0.0	3.1	0.1	-0.1	-0.1	0.2	
Others	0.9	-0.2	-0.2	1.1	- 0.0	+0.0	+0.0	- 0.1	
International Business total	62.1	-14.0	-12.5	76.1	5.6	-2.3	-2.1	7.9	

Summary by Subsidiary (local currency basis)

Ingomar (primary processing)

: Revenues decreased due to the downturn in the tomato paste market, but core operating income increased due to the effects of marking to market inventories, etc.*, up +35% year-on-year.

Kagome Inc (secondary processing)

: In addition to lower sales to the parent company, revenues and core operating income decreased after selling prices of secondary processed items were lowered.

HIT (primary/secondary processing)

: Revenues and core operating income decreased after selling prices of primary and secondary processed items were lowered.

Kagome Australia (primary/secondary processing)

: Revenues and core operating income decreased after selling prices of primary and secondary processed items were lowered.

Taiwan Kagome (secondary processing)

: Sales remained flat, but core operating income decreased due to rising raw materials prices.

- First time to be selected as the highest-ranked A List Company in CDP's Climate Change Survey
- Kagome and Kewpie Corporation began joint research into biocharring unused vegetable resources

First time selected for the highest ranked A List in the CDP Climate Change Survey

■ Selected for the first time as the highest-ranked A List in the "2024 Climate Change" survey by CDP, an internationally influential environmental non-profit organization

- Regarding climate change, the Kagome Group aims to achieve net zero greenhouse gas emissions by 2050.
- We have established greenhouse gas emission reduction targets for 2030 and obtained certification from the Science Based Targets (SBT) initiative in 2022.



Kagome and Kewpie Corporation launched joint research into biocharring of unused vegetable resources.

■ Aiming to resolve sustainability issues related to vegetable cultivation and processing, and contribute to the realization of sustainable agriculture

• Background: Both companies share the common goal of effectively utilizing unused resources such as harvest residues from vegetable production and processing residues from vegetable processing. As companies that have developed their businesses while valuing the bounty of nature, Kagome and Kewpie will contribute to the realization of a sustainable society by working together on this issue.



Unused farm resources (tomato stems and leaves)



Unused resources from salad factories (cabbage cores and outer leaves)



Biochar (left: from tomato stems and leaves; rights: from cabbage stems and outer leaves)

*Biochar is plant biomass that has been heated and carbonized in low-oxygen conditions. It is effective for soil improvement and carbon storage.

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