

Eat Well, Live Well.



FY2023 Ajinomoto Co., Inc. Business Briefing

Food & Wellness Growth Strategy

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Today's Message

- **To date, we have achieved organic growth in existing food & wellness areas by evolving our functions and businesses individually. Going forward, we will realize further evolution through an orchestrated* approach.**
- **We will take on greater challenges while respecting the food culture of each country under the new organizational management.**
- **We will accelerate new measures to return our Japan business to growth.**
- **By backcasting from 2030, we will realize cross-organizational platforms to support food and health and contribute to wellness by working with external partners.**
- **We will aim to achieve the 2030 Roadmap by growing the business profit of our combined food businesses by a CAGR of 6% or more (FY21-30)**

*Creating new value by strengthening the connections between individual functions and businesses in the same way an orchestra harmonizes and brings together individual players and parts into a greater whole to realize completely new harmonies.

The world in 2030 from a food & wellness perspective

Cherished heritage foods (= family tastes, local tastes, familiar flavors that people want to continue experiencing unchanged) and changes in food culture due to environmental and health issues and transforming lifestyles

Two-pronged response

Respect for each country's food culture

Adaptation to change

Forecasting approach

- Plan to tackle food issues on a widespread scale
- Focus on organic growth

Backcasting approach

- Wellness-related themes
- Possibilities of inorganic growth

Further Growth through Orchestration

Food business issue: Businesses and functions are segmented within a huge organization

Broad range of segmentations within the food domain

Each supply chain function is segmented

Segmented into B2C and B2B

B2C business in each country striving to adapt to local food culture

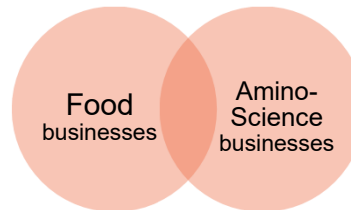
To date

Segmented businesses and functions evolved individually and played a specific role

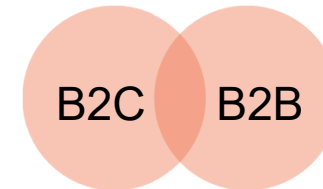


Going forward

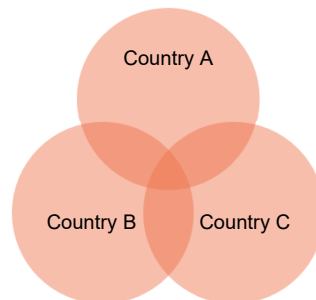
Further evolve through orchestration



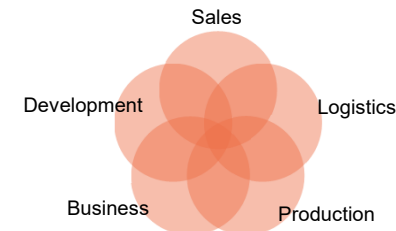
Integrate food businesses and AminoScience businesses



Use B2B business as a starting point to evolve food & wellness



Expand business and strengthen exports between countries and regions



Strengthen coordination between production, sales, and product development departments

Organizational and Regional Strategy

We are considering the implementation of **organizational reforms to integrate the B2C business and integrate the B2B business** from April 2024 and the establishment of a new D2C business. In the B2C business, we will strive to further adapt to the food culture of each country, including Japan.

Food Product Business organizational reform

Up to March 2020
Japan and overseas businesses
operated separately

From April 2020
Reform business core

From April 2024 (planned)
Consumer-oriented reforms

A globalized vertical management approach that does not separate the Japan and overseas businesses

Successes

Implementation of a global strategy

Issues

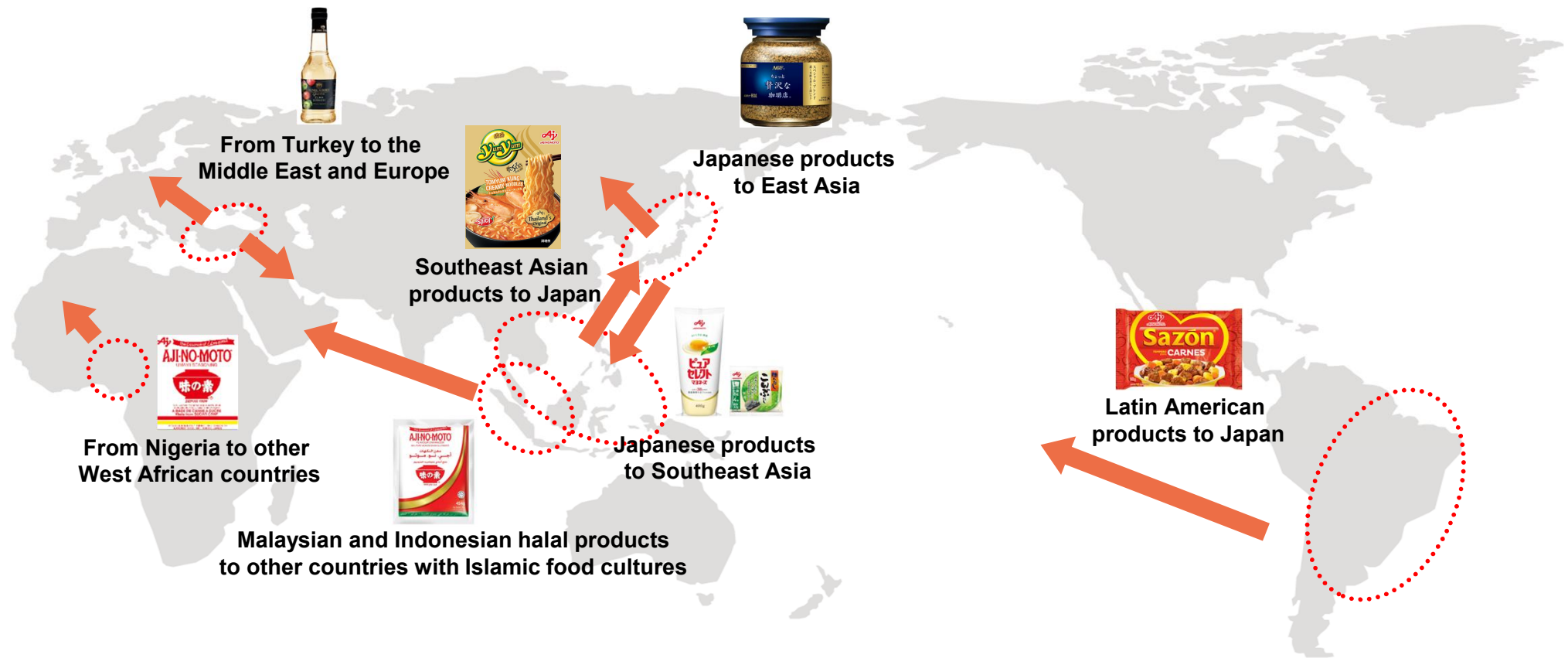
Operational inefficiencies (differences in characteristics and functions between operations in the Japan business and control operations in the global business)

Return to growth in the Japan B2C market through business operation with a centralized perspective

Advance global strategy in overseas B2C businesses

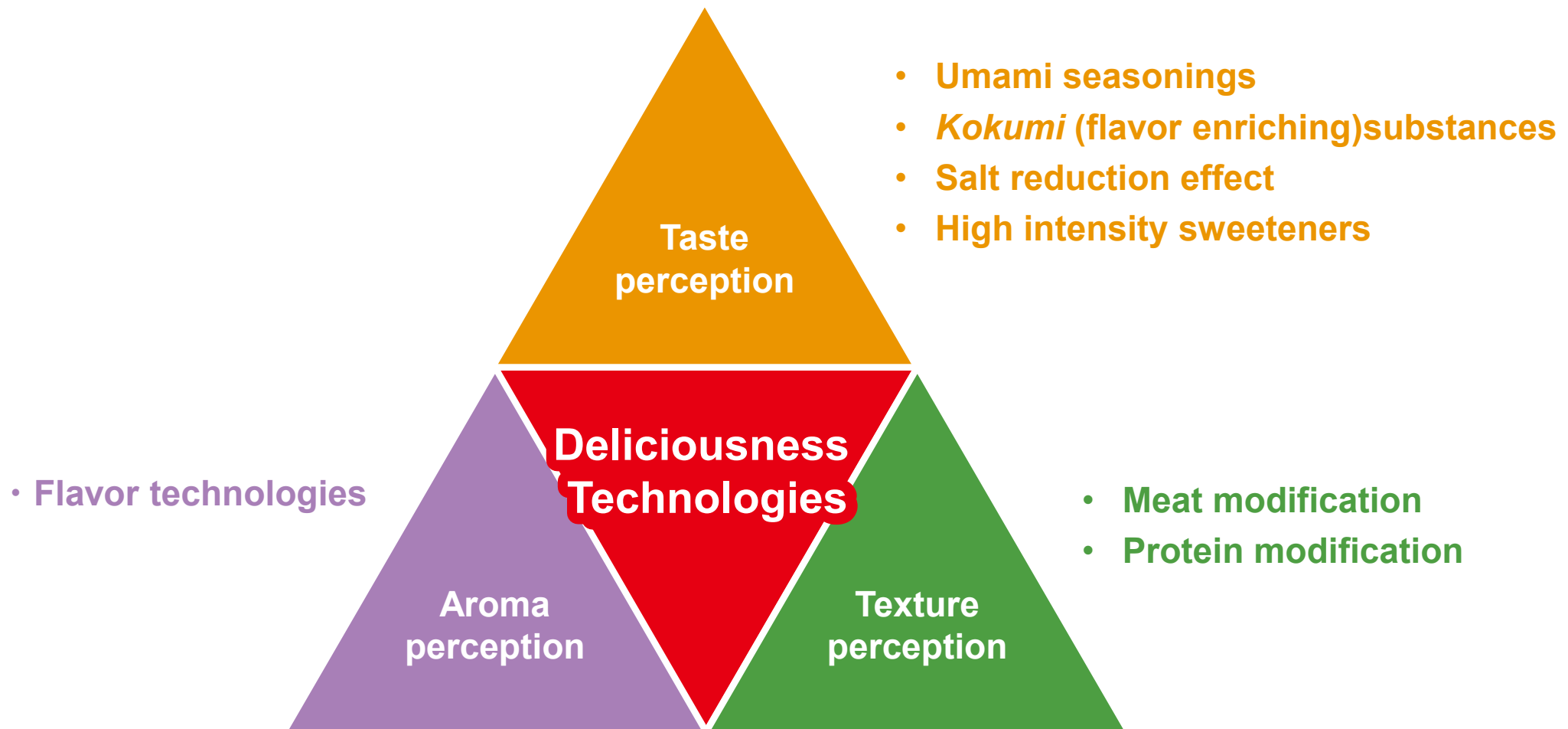
Organizational and Regional Strategy

We will strengthen our business in each country, while accelerating **business expansion and exports** from specific countries **into other regions**.



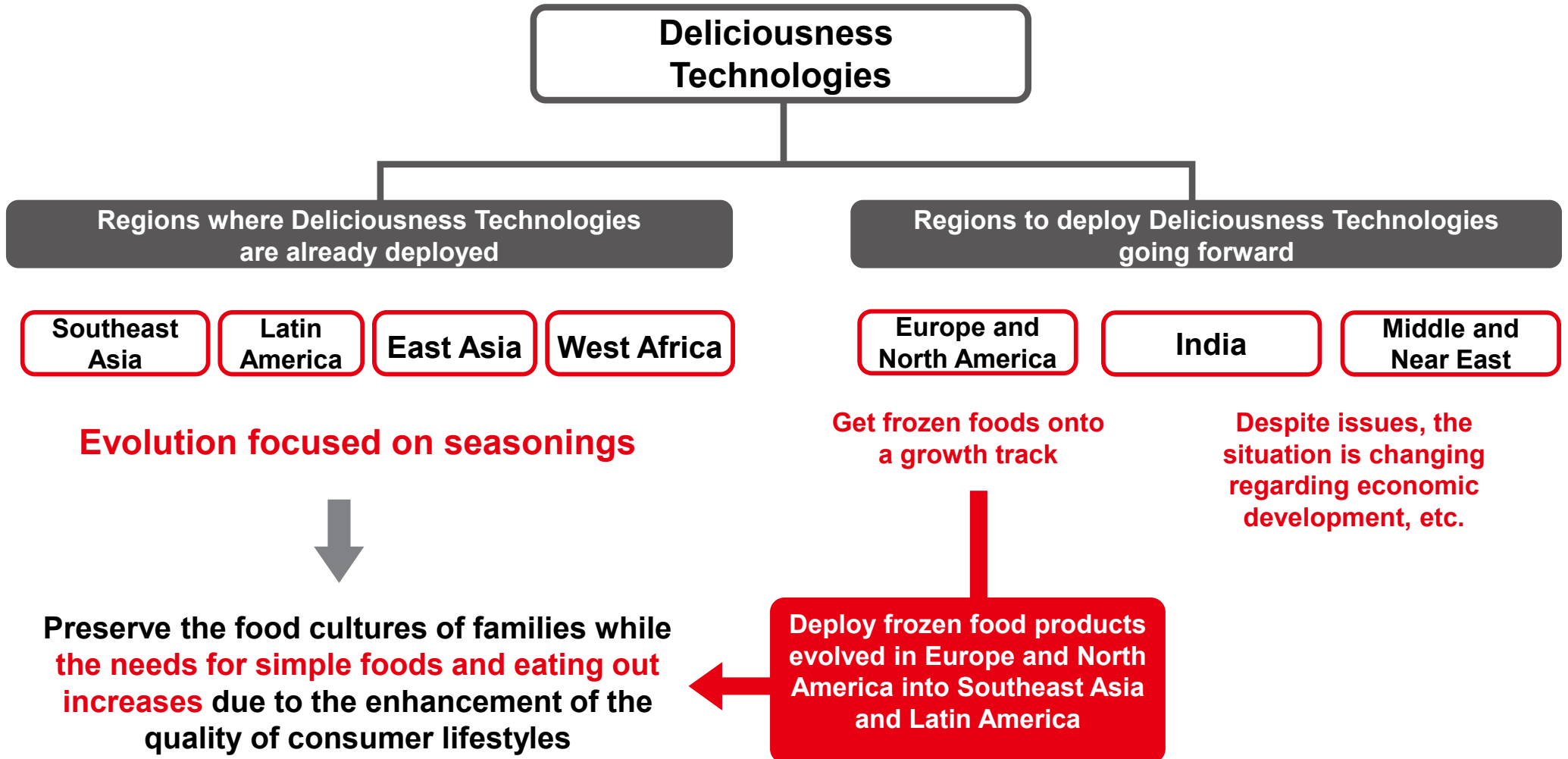
Organizational and Regional Strategy

Realizing irresistible deliciousness by controlling the aroma, taste, and texture of food products using Deliciousness Technologies that incorporate “AminoScience*.”

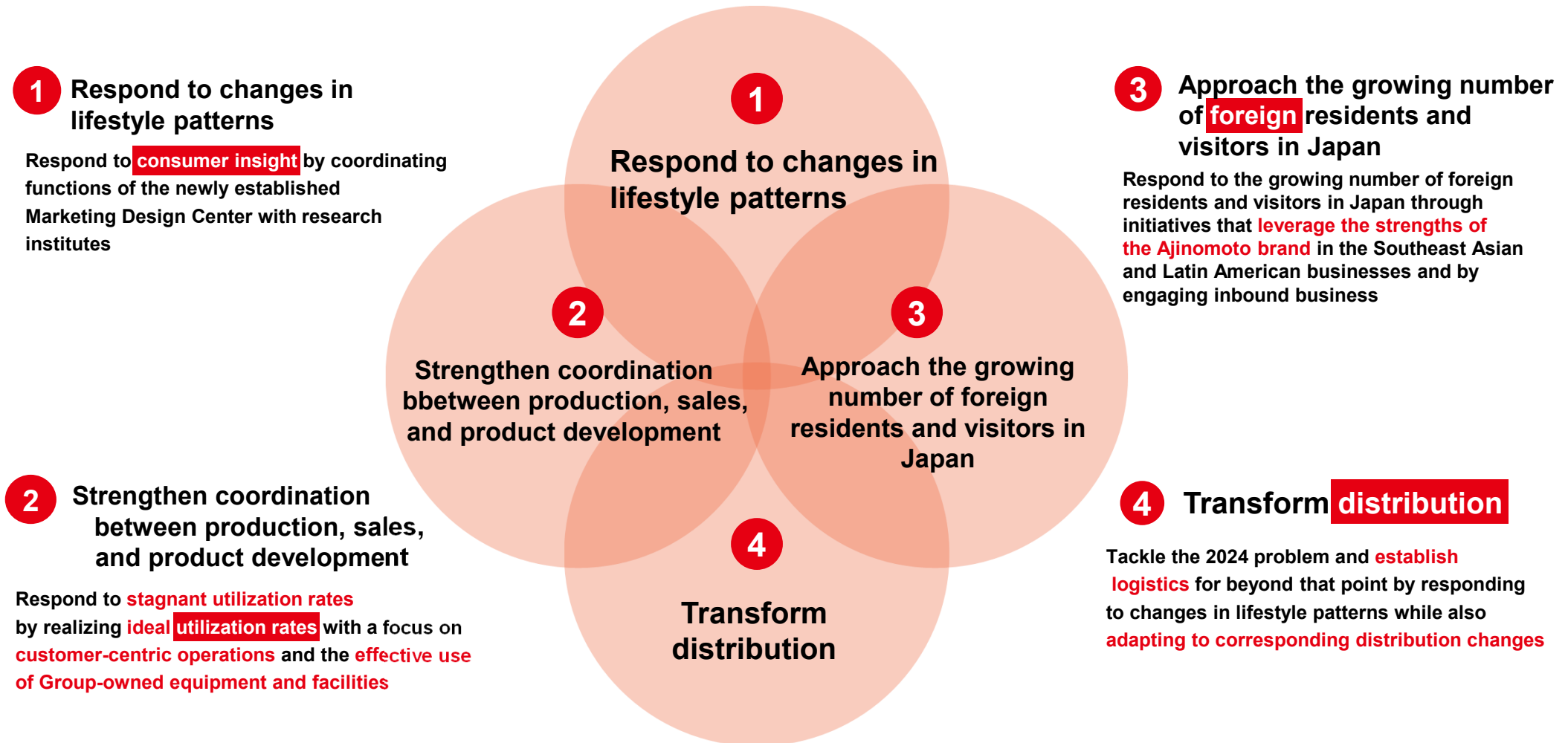


*"AminoScience": A collective term for the various materials, functions, technologies, and services derived from research and implementation processes with a rigorous focus on unlocking the power of amino acids.

Organizational and Regional Strategy



We will aim to **return our Japan business to growth** through four measures.



Evolution Starting from the B2B Business

We will aim to use **the B2B business as the starting point for further evolving in the food & wellness area** through two scenarios.

Evolution scenario 1

Strength (1) : B2B customer assets

Further strengthen established customer partnerships and **explore the potential of linking relationships cultivated in B2B to our B2C businesses**

Evolution scenario 2

Strength (2) : Inhouse materials production (worldwide MSG production and fermentation facilities)

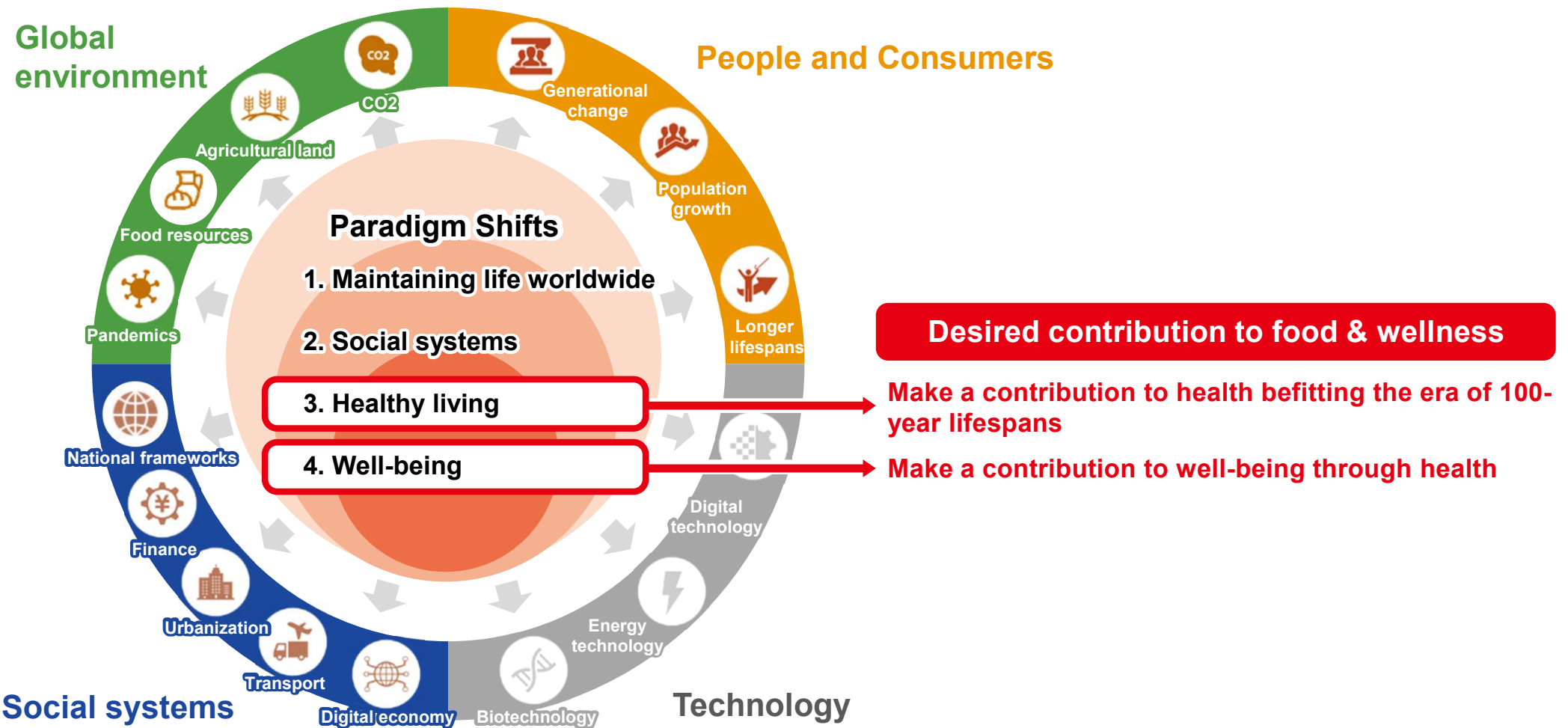
Further refine our B2C strength of being able to produce inhouse and **evolve plans for coordinating our B2B and B2C businesses** (2030 proportion of inhouse MSG sales: 85%)

Further evolution by leveraging strengths

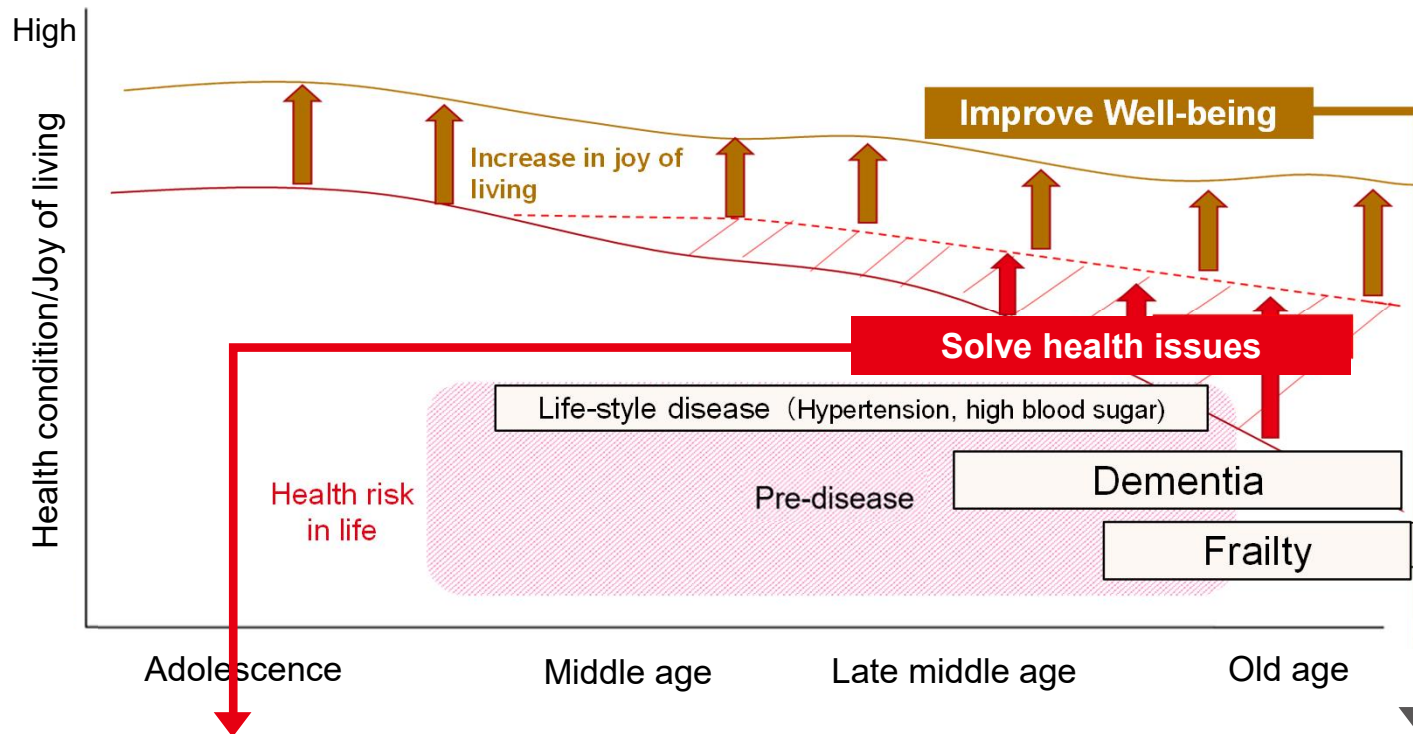
Ajinomoto B2B businesses (account for more than 30% of Group sales)

Vision for 2030

Based on megatrends affecting the business environment, in the food & wellness area we are aiming to realize a contribution to health befitting the era of 100-year lifespans and a contribution to lifelong well-being.



Overview of the Food & Wellness Area through Backcasting



Today's Topics

Contribution to health befitting the era of 100-year lifespans

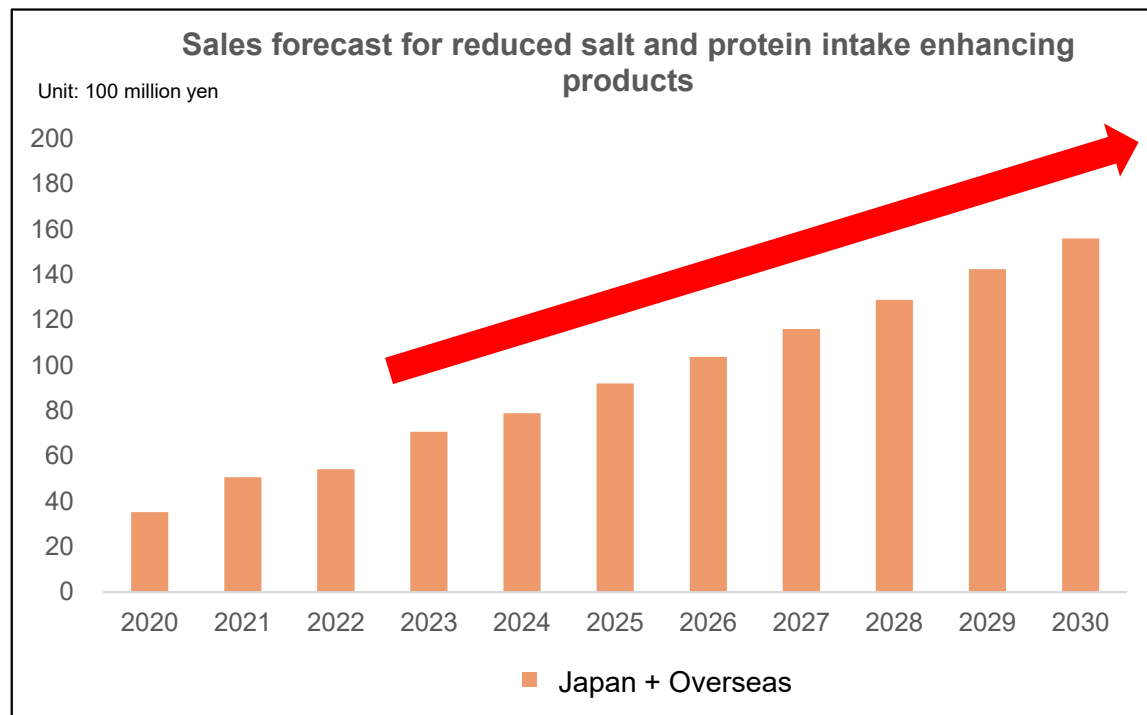
- Contribute to **salt reduction and protein intake** in existing business areas
- Develop a **food and health solutions business** that combines services and product sales through D2C channels

Contribution to lifelong well-being

- Create fans through communities and provide corresponding services and products
- Try to personalize food using cooking robots and AI

Initiatives to Enhance Wellness through Existing Businesses

(1) Expand the lineup of reduced salt products and deploy overseas
 ⇒ Prevent and mitigate high blood pressure



(2) Expand the lineup of protein intake enhancing products
 ⇒ Maintain muscle strength and prevent locomotive syndrome



Initiatives to Enhance Wellness through Existing Businesses

(3) Enhance the supplement lineup in accordance with health needs



Exercise support



Ambulatory function support



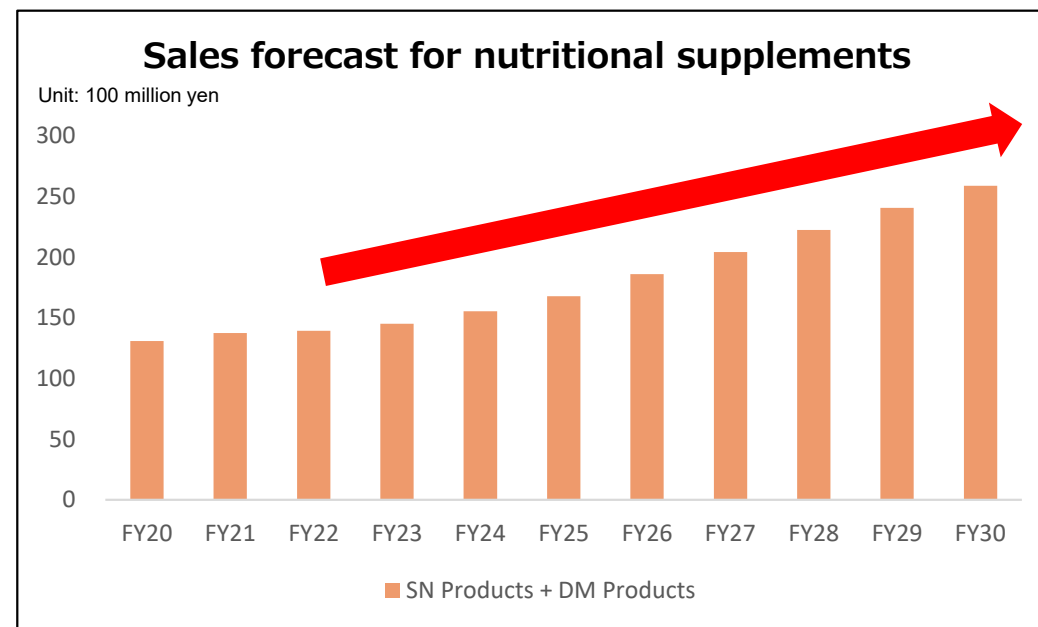
Sleep support



Cognitive function support



Health condition support



*SN: Sports Nutrition; DM: Direct Marketing

(4) Contribute to commercial use through reduced-salt, low-sugar, and low-fat products

Reduced-salt	Low-sugar	Low-fat	Enhanced protein intake
<p>Salt Answer (launched 2019)</p> 	<p>Sweet Answer (launched 2022)</p> 	<p>ACTIVA SYG (launched 2013)</p> 	<p>Yawaraka Shittori (soft and moist) Seasoning (launched 2023)</p> 

Food and Health Solution Service

Know (visualization of physical and mental condition and eating habits)



Understand the gap (assessment of eating habits)

New business model concept

Current Food Products Business model

Provide **physical goods** that represent value for the largest common denominator to **large numbers of people**.

Provide products worth 1,000 yen to 10 million people each year =
Business worth 10 billion yen per year in sales

New business model Food & Wellness

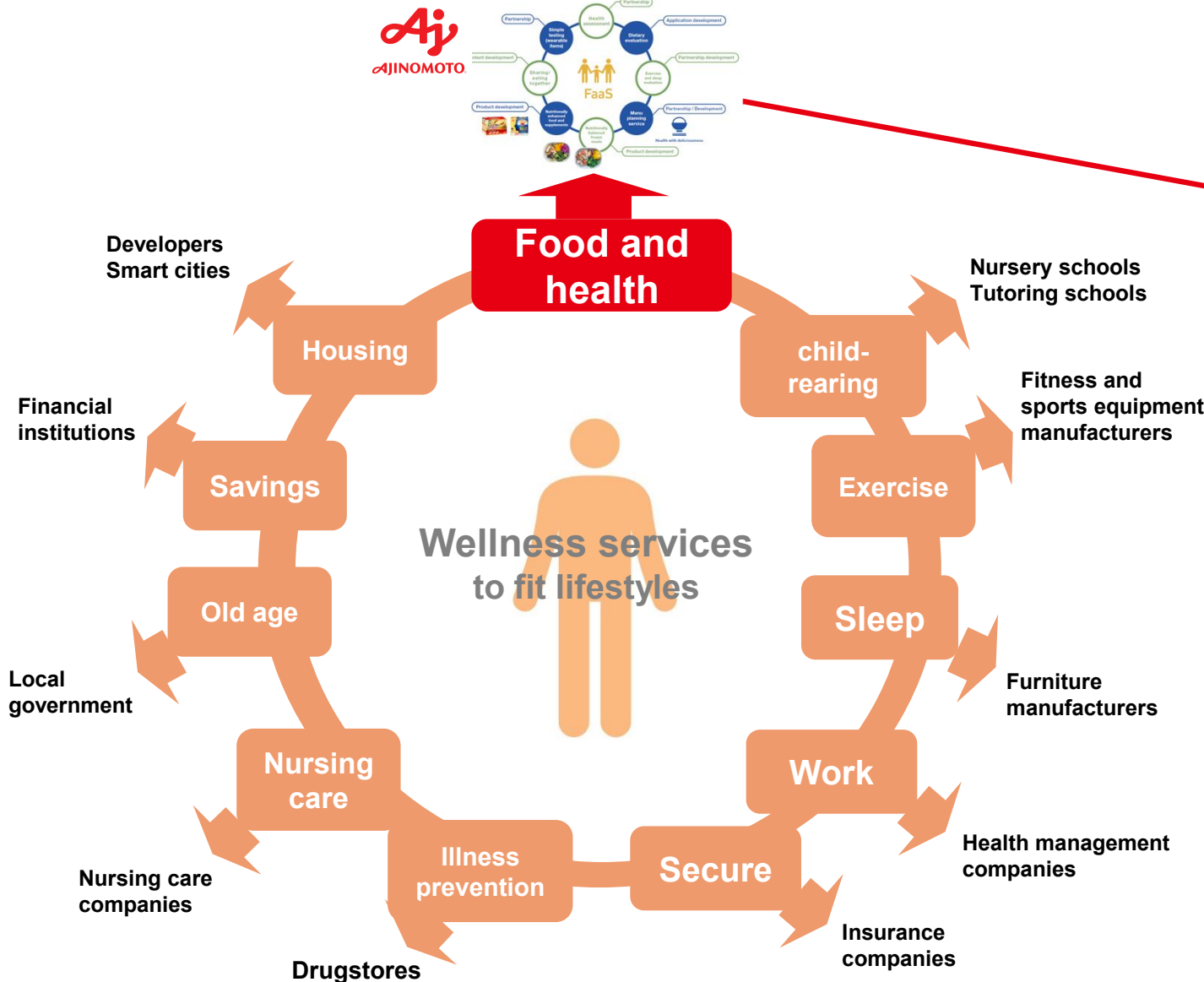
Provide **personal value** to **small and medium-sized groups** through **experiences that combine physical and digital aspects**.

Provide products and services worth 100,000 yen to 100,000 people each year =
Business worth 10 billion yen per year in sales

Give shape to our business model to create multiple businesses worth 10 billion yen per year in sales

Initiatives to Enhance Wellness through New Businesses

Within an ecosystem providing various types of wellness, we will realize cross-organizational platforms to support food and health and contribute to wellness by working with external partners.



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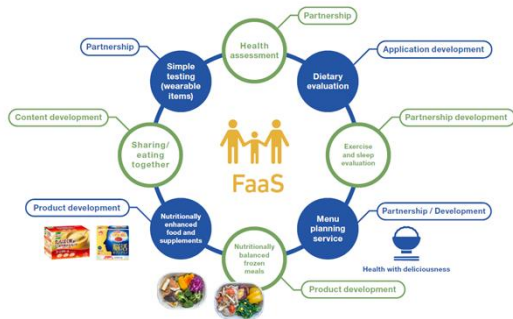


Provide services in the food and health area

—Our strengths—

- Able to provide a comprehensive range of food products
- Able to provide solutions for eating at both home and outside
- Vast knowledge of health and nutrition based on “AminoScience”

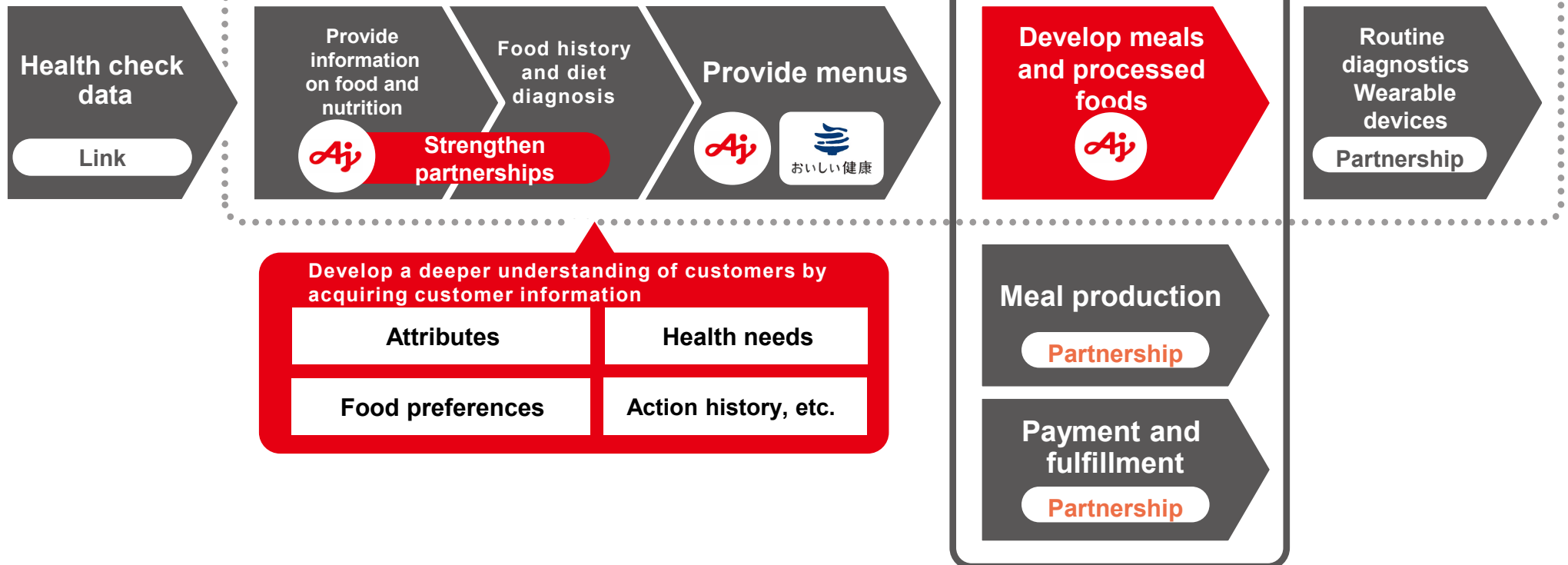
Initiatives to Enhance Wellness through New Businesses



Food and Health Solution Service Platform example

D2C product sales

Food and health customer contact points



Condition the body and mind every day.

We all have different food styles and health conditions.

It is important to have choices to fit everyone.

Practice manageable self care at a comfortable pace.

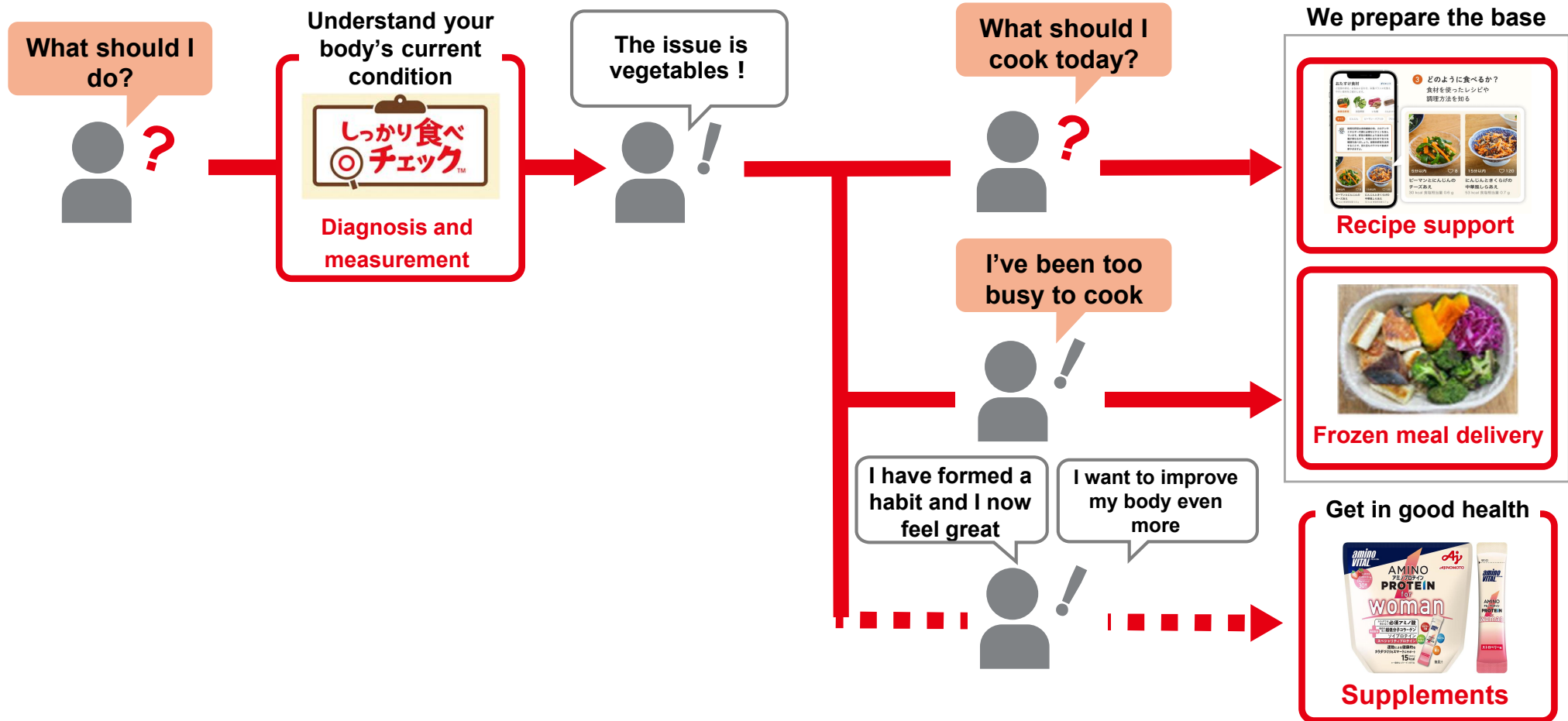
Enjoy food while being kind to your body.

We offer new choices that will benefit your health.

Brand Concept of the Food and Health Solution Service

User experience

Offer close support when you feel “I want to be a little more aware of my body...”



Refine the business in Japan and then develop overseas in accordance with the food cultures of each country.

Nutritionally Balanced Meals

Solve the three big issues preventing healthier meals!

1. I don't have time to cook. It's too much work

2. It's not tasty or filling enough.

3. I don't want to refrain from the ingredients I like.

Point 1

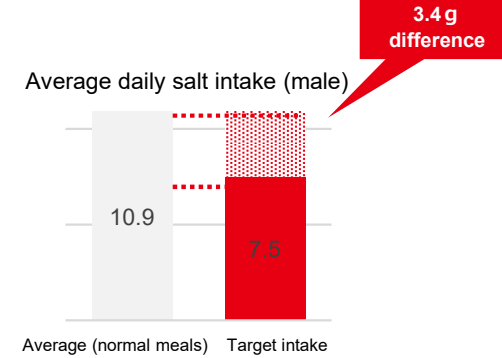
A complete nutritionally well-balanced meal that is sufficiently filling.

Point 2

Issues solved using proprietary technologies to realize convenient frozen meals with groundbreaking deliciousness

Point 3

A diverse menu that is sustainable and makes choosing fun



Source: Dietary Reference Intakes for Japanese (2020), The National Health and Nutrition Survey in Japan, 2019, Ministry of Health, Labour and Welfare

Reduced salt through Deliciousness Technologies



Generally offers 1/3 of daily nutritional intake targets



**Home delivery⇒Home freezing
Size reduction of about 20% to facilitate storage**

*Compared to regular frozen meal set

Our Food & Wellness Philosophy

We, the Ajinomoto Group,

want to realize well-being for each individual through food.
This includes using food to help people chasing ideals
and people battling illnesses to move forward.

We have a firm conviction
that food which is delicious and enjoyable to eat with others has the power to push people forward,
and that at anytime, it can provide that person, at that moment, with the joy of living and anticipation
of the next moment.

When you want to raise your performance to fulfill a goal, when you are working to achieve an ideal,
and even when you want to ensure you can live a full life in future old age,
deliciousness will power your next step, in both everyday life and times that are out of the ordinary.
As the Group that discovered deliciousness (*umami*) within the amino acids that are the source of
life,
we believe that food which can be enjoyed together is food that will provide energy for the future.

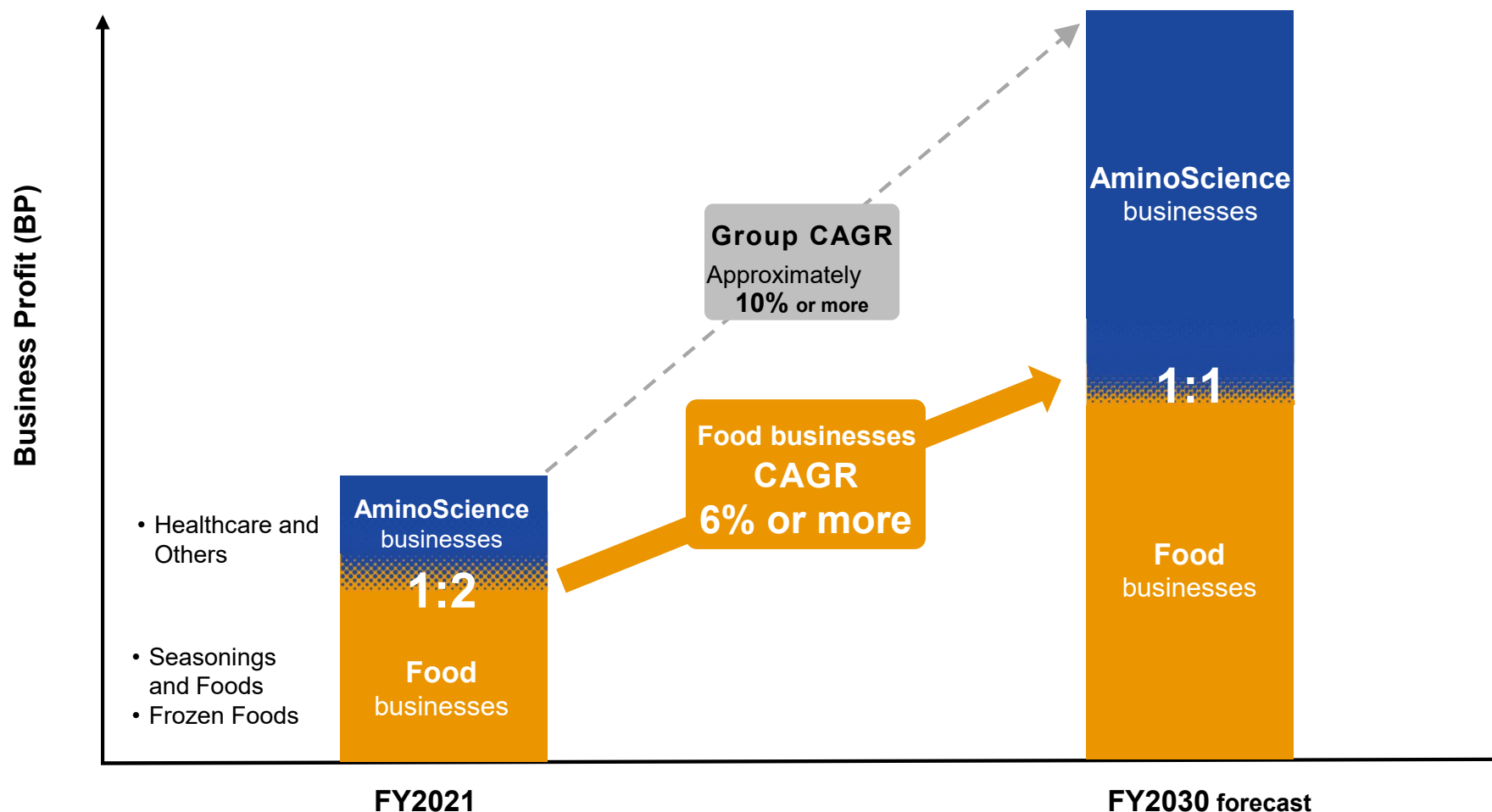
To be able to enjoy food at anytime.
To enjoy this food and gain the power to move forward.

We create joyful lives through food.



Growth in Food & Wellness

We will aim to achieve the 2030 Roadmap by growing the business profit of our combined food businesses by a CAGR of 6% or more (FY21-30)



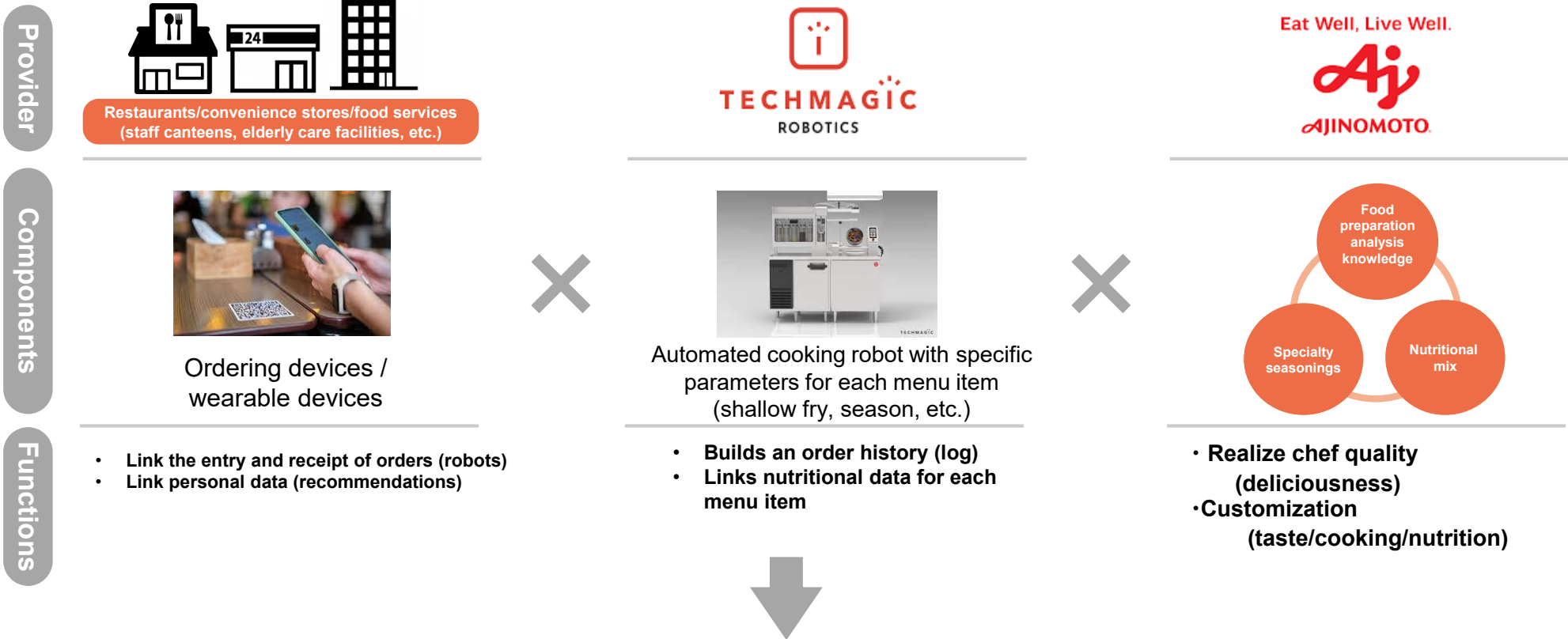
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- Forward-looking statements, such as business performance forecasts, made in these materials are based on management's estimates, assumptions and projections at the time of publication. A number of factors could cause actual results to differ materially 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.

Appendix: Personalizing Food Through Cooking Automation

B2B



- ① Enable the provision of a wide range of solutions to labor shortages, from reducing the labor required for cooking to preserving the taste of individual restaurants and making operations more efficient
- ② Enable the cultivation of markets that cannot be covered by human operations alone by automating the storage, replenishment, and cooking of ingredients
- ③ Use attribute data and purchase histories to provide personalization in terms of preference and nutrition

Appendix: Personalizing Food Through Cooking Automation

B2C

Provider

Appliance manufacturers

Components



Smart refrigerators



Smart cooking appliances



Functions

- Develop refrigerators that provide cooking instructions to match ingredients inside
- Develop appliances that automate various cooking processes

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- Realize chef quality (deliciousness)
- Customization (taste/cooking/nutrition)



- 1 Automate home cooking through the realization of smart kitchens
- 2 Realize meals that are personalized in accordance with individual preferences and health conditions
- 3 Reduce household food loss and waste through linkage with refrigerators