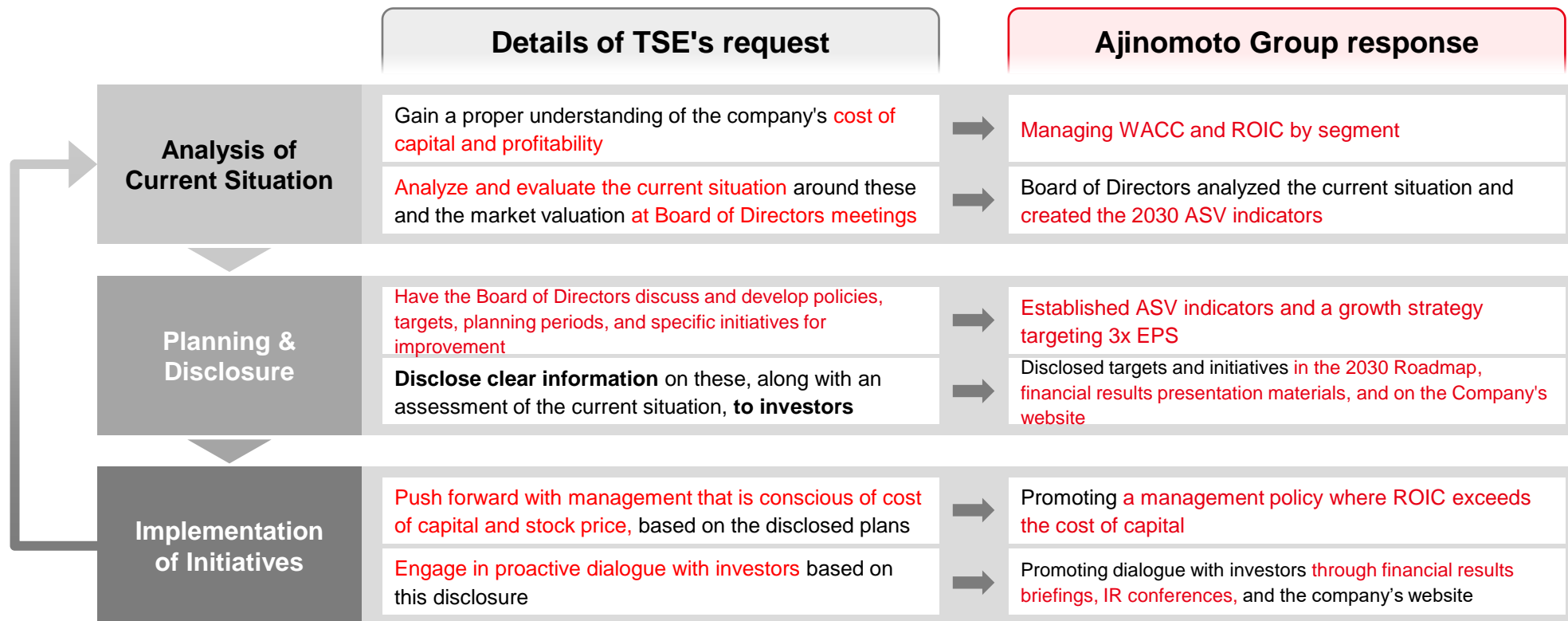


Action to Implement Management that is Conscious of the Cost of Capital and the Stock Price

The Ajinomoto Group is implementing a diligent response to Tokyo Stock Exchange's (TSE's) request to achieve management that is conscious of the cost of capital and the stock price.

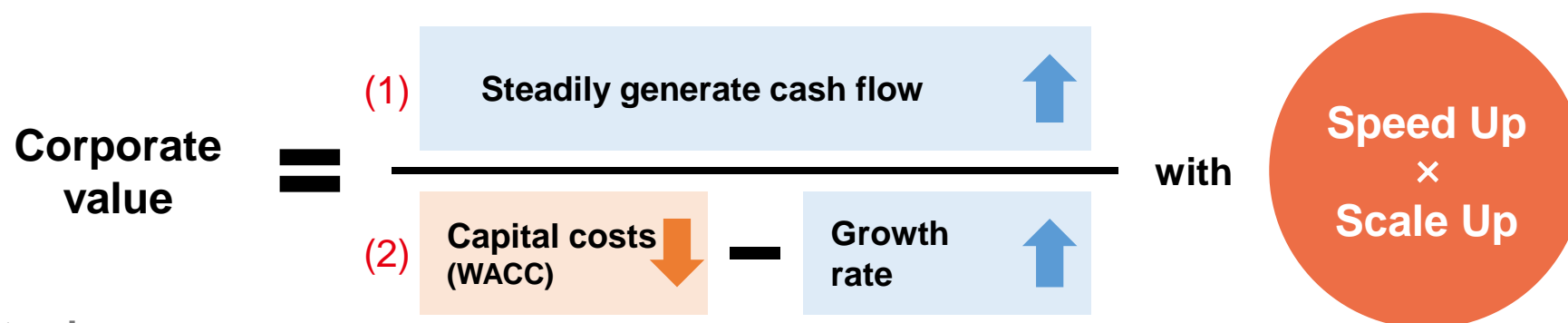


Continually implement the above series of actions and update annual disclosures at least once a year

Action to Implement Management that is Conscious of the Cost of Capital and the Stock Price

The 2030 Roadmap sets forth generating cash flow, reducing cost of capital, and improving the growth rate to enhance corporate value. In order to achieve more concrete enhancements in corporate value, target values for EBITDA margin and WACC have been set as KPIs.

Formula for enhancing corporate value



Target values

| Indicators | Targets | | | |
|-------------------|-------------------|--------------------|--------------------|-----------------------|
| | FY22 (Results) | FY23 (Forecast) | FY25 (Forecast) | FY30 (Forecast) |
| (1) EBITDA margin | 15.2% | 15.4% | 17.0% | 19.0% |
| (2) WACC<ROIC | 6.0%<9.9% | 6.0%<9.5% | 6.0%<13.0% | Approx. 6.0%<17.0% |
| ROE | 12.9% | 12.4% | 18.0% | Approx. 20.0% |

Aim for
3x EPS
by FY30
(compared to FY22)

Action to Implement Management that is Conscious of the Cost of Capital and the Stock Price

To generate cash flow, we are working on initiatives to grow our core business and improve EBITDA. We position ROIC as an important economic value indicator and at the same time will reduce WACC through reduction of the cost of capital.

(1) Steady cash flow generation

A: Increase in cash flow from businesses

| | FY22 (Results) | FY23 (Forecast) | FY25 | FY30 |
|----------------------|-------------------|--------------------|-------------------|------------------------------|
| Organic sales growth | 9.9% | 8.8% | 5.0% (FY22-25) | 5.0% or more (FY25-30) |
| EBITDA margin | 15.2% | 15.4% | 17.0% | 19.0% |

B: Initiatives to improve EBITDA

Examples of initiatives

| Improving cash flow | Initiative | Details |
|---------------------|---|--|
| Improving cash flow | April 2023: Established Procurement Strategy Department | <ul style="list-style-type: none"> Timely response to procurement risks Visualizing procurement costs Initiatives to unify raw materials used |
| | SCM projects and optimal management of inventories | <ul style="list-style-type: none"> Reducing SKUs Promoting DX |
| | Enhancing shared services and expanding globally | <ul style="list-style-type: none"> Zero manual operations in routine tasks |
| | Smart factories | <ul style="list-style-type: none"> Launching an expert committee Improving supply capacity, safety and security, productivity |



FY2030 EBITDA margin
Up +1% or more (vs. FY2022)

(2) ROIC improvement above the cost of capital (WACC)

ROIC positioned as a key economic value indicator among ASV indicators

| | FY22 (Result) | FY23 (Forecast) | FY25 | FY30 |
|-------------------------|------------------|--------------------|-------|-------|
| ROIC (>cost of capital) | 9.9% | 9.5% | 13.0% | 17.0% |

