

Presentation Material for the 2025–2027 Medium-term Management Plan

(April 1, 2025 to March 31, 2028)

May 8, 2025

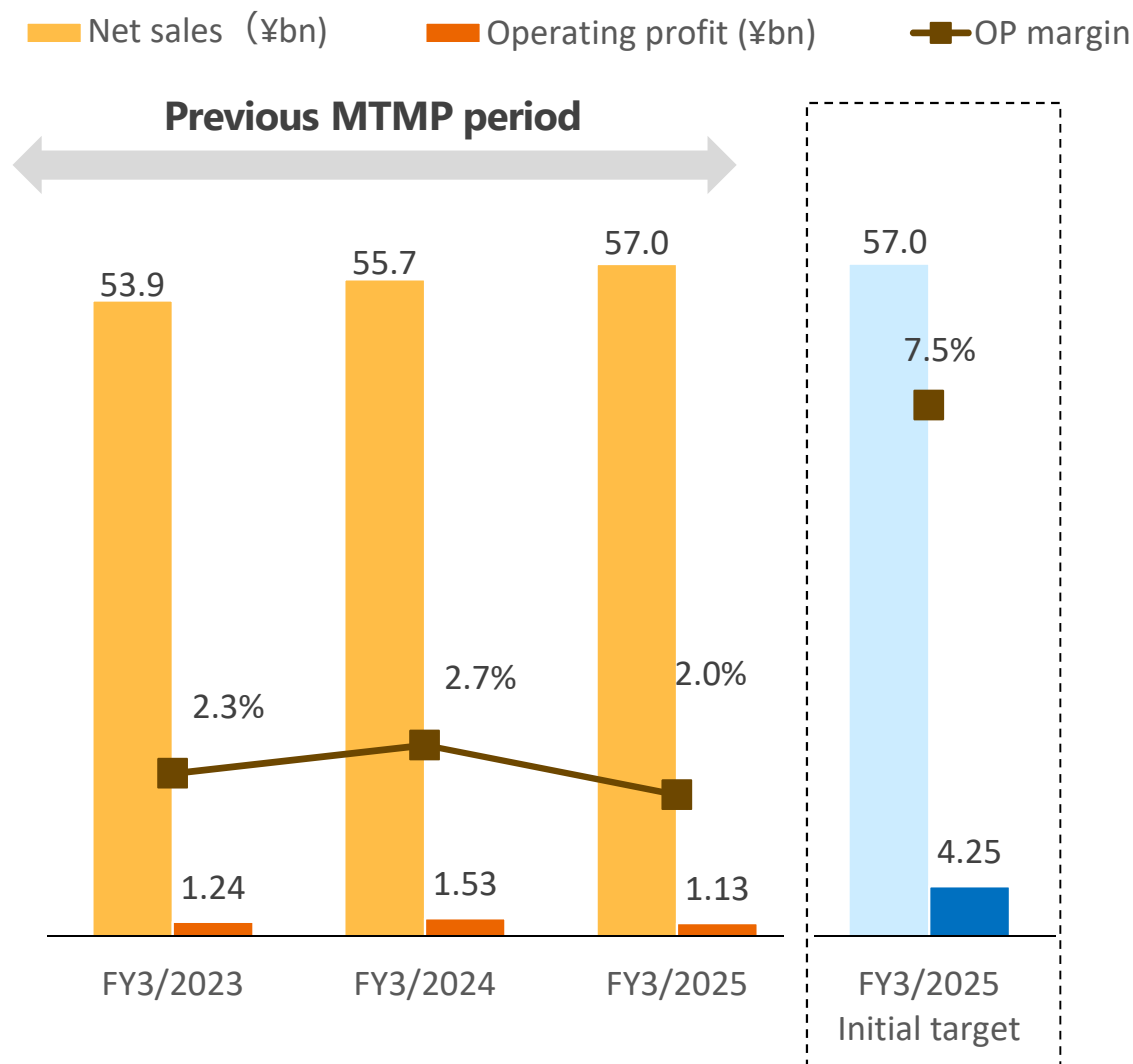
FUJICCO Co., Ltd.

(Securities Code: 2908)

<https://www.fujicco.co.jp/>

Review of the Previous Medium-term Management Plan

Net sales achieved the target, but profits fell short of initial forecast



(Billions of yen)	FY3/2025 Actual	FY3/2025 Initial target
Net sales	57.0	57.0
Operating profit	1.13	4.25
OP margin	2.0%	7.5%
Profit	0.95	3.15
ROE	1.4%	5.0%

Review of the Previous Medium-term Management Plan

Results of initiatives for the Four Strategic Points

Strengthening Brand Value

- Topline recovered but profits decreased.
 - Efforts to strengthen “star products” did not fully offset the reduction in SKUs.
 - Repeated price increases did not fully absorb the cost increases due to the decrease in sales volume.
- Developed Namakombu ingredient and launched a new brand to address depleting stocks of raw seaweed.
- Saw signs of demand recovery as a results of projects for revitalizing boiled bean products.
- Sales of Marugoto SOY Caspian Yogurt grew sharply.
- Sales stagnated in the delicatessen products, e-commerce, overseas and functional materials business.

Reform of Factory Operations (Productivity Improvement)

- Decided to shelve the plan to divide production into multi-product group and single-product group plants, and instead prioritized improving productivity by establishing innovative technologies for labor-saving line design.
- Promoted securing safety at production sites.

Promotion of Digital Transformation (DX) (Working-Style Reforms)

- Established the DX Promotion Committee chaired by the President.
- Completed selection and implementation of eight systems necessary for promoting DX.
- Started identifying and training internal DX human resources aiming to increasing digital literacy across the Company.
- Certified under DX Certification program by the Ministry of Economy, Trade and Industry.

Strengthening Corporate Governance

- Completed share buyback of 1,500,000 own shares.
- Utilized the evaluation results on the effectiveness of the Board of Directors (clarified the term of office for independent outside directors).
- Held more in-depth discussions on sustainability topics at the Board of Directors meetings (e.g. respect for human rights).
- Expanded support system for the Board of Directors (e.g. digitized and integrated management of information).

Recognition of challenges in the 2025–2027 Medium-term Management Plan

- 1. Create future markets for kombu and bean products (broaden ideas)**
- 2. Accelerate growth with yogurt as the third pillar**
- 3. Further increase productivity and efficiency**
- 4. Enhance collaborative creation with raw material producers**
- 5. Reform corporate culture**
 - Agile management
 - Support for employees' initiatives and active participation

Positioning of the 2025–2027 Medium-term Management Plan

The three years under the Plan are positioned as an important period to build the foundation for sustainable growth toward realizing “Fujicco 2030” Vision

“Fujicco 2030” Vision

Contribute to “the valuable time” of customers
—Our business is a business that can also contribute to global environmental protection—

Reshaping the future of kombu and beans together with customers by gathering full force of employees

(Shared value indicator in new MTMP)
FY3/2028

[Operating results]

Net sales: **¥60.0 bn to ¥63.0 bn**
Operating profit margin: **5.0% or more**
Net profit margin: **3% level**
Overseas sales: **¥0.5 bn**
PBR: **1.0x** ROE: **3.0%**

[Employees]

Employee engagement score: **7.0**

[Environment]

CO2 emission: **20% reduction**

(Shared value indicators for 2030)
FY3/2031

[Operating results]

Net sales: **¥70.0 bn level**
Operating profit margin: **7.5%**
当Net profit margin: **5% level**
Overseas sales: **¥3.5 bn or more**
PBR: **1.0x or more** ROE: **5.0%**

[Employees]

Employee engagement score: **7.5**

[Environment]

CO2 emissions: **30% reduction**

(As is) FY3/2025

[Operating results]

Net sales: **¥57.0 bn**
Operating profit margin: **2.0%**
Net profit margin: **1.7%**
Overseas sales: **¥0.07 bn**
PBR: **0.66x** ROE: **1.4%**

[Employees]

Employee engagement score: **6.7**

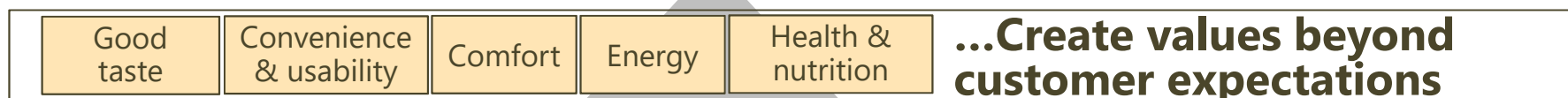
[Environment]

CO2 emission: **4.3% reduction**

Vision

Contribute to “the valuable time” of customers

—Our business is a business that can also contribute to global environmental protection—



Basic policy

Reshaping the future of kombu and beans together with customers by gathering full force of employees

Basic strategy

1

Strengthen core businesses and expand business areas

2

Secure unrivalled competitive edge

3

Pursue efficient management

4

Strengthen business foundation

Promoting of DX / Human capital management / Sustainability / Capital policy (capital allocation)

Expand and Deep Dive into the Kombu and Beans Businesses

Kombu: Retain high revenue toward sustainable growth

Beans: Concentrate resources to achieve V-shaped expansion and revenue recovery

Kombu

Vision

Aim for sustainable growth by balancing social and economic values

Initiatives

Conserve kombu resources in collaboration with producers

Improve quality through innovative storage technology of raw materials

Secure appropriate profit through value-based sale

Beans

Vision

Expand sales volume and increase profitability by expanding market share and creating demand

Initiatives

Develop products by customer segmentation

Improve profitability with higher plant utilization rate

Disseminate the prevention of frailty with soybeans

Yogurt

Contribute to health and longevity around the world with Caspian Sea lactobacillus

Increase market share by increasing the number of fans with highly unique products

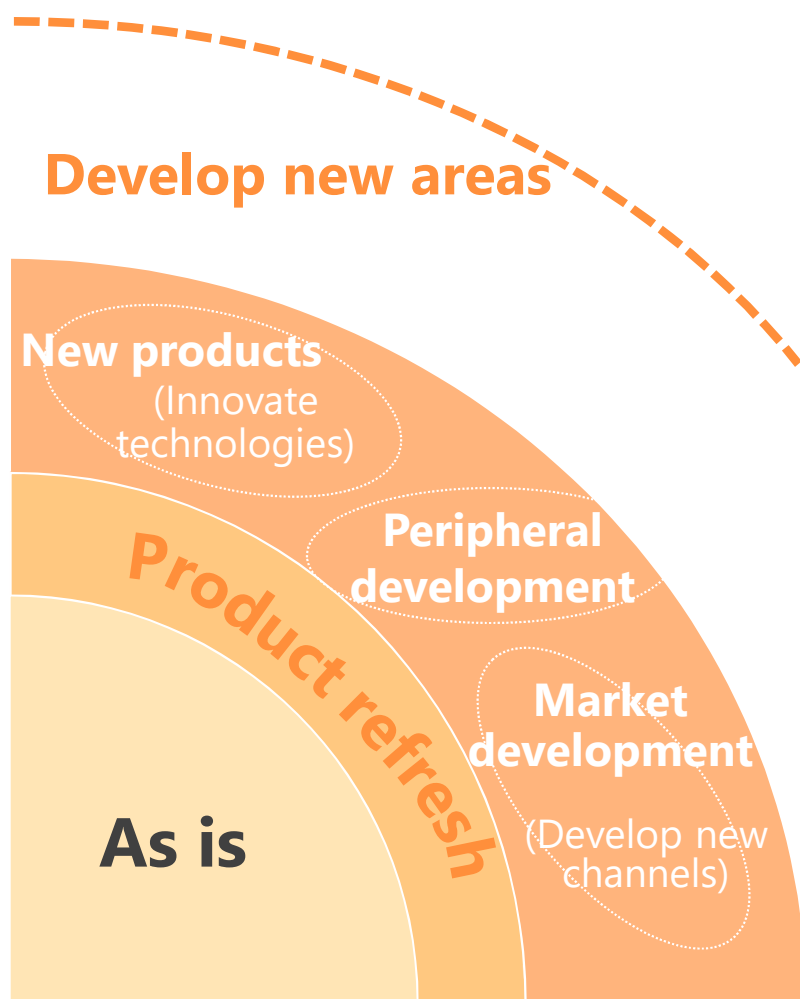
Expand business with global expansion



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Enhance Development in the Three Areas of Existing, Peripheral and New Businesses

KPI: Contribution from new products
Results of FY3/2025: **4.7%** →
Target for FY3/2028: **7.7%**



1. Develop peripheral products leveraging our proprietary technologies

- 1) Strengthen test marketing of new products that propose new eating experiences
- 2) Constantly launch products in time for the shelf replacement in spring and autumn

2. Enhance product value by refreshing existing products

- 1) Push the boundaries of tastiness with our unique technological innovations
- 2) Conduct rebranding or major renewal of products tied to anniversary events

3. Develop new peripheral business areas with kombu and bean products

- 1) Develop new products made from sea vegetables other than kombu
- 2) Develop new products by utilizing soybeans

Enhance three aspects of competitiveness to strengthen brand value

Enhance customer satisfaction (product appeal)

- ✓ Define the brand value indicators of purchase loyalty, subscription rate and repeat rate, and achieve their optimal balance and improve these three indicators
- ✓ Understand customer needs using digital transformation (DX)
- ✓ Put in place a new collaboration system to enable agile development

Innovation

- ✓ Strengthen business through basic research of new health evidence
- ✓ Pursue effective R&D investment

Strengthen procurement capability of raw materials

- ✓ Realize good-quality, inexpensive and stable procurement of materials by addressing BCP in material procurement
- ✓ Seek global procurement while deepening relationship with local producers
- ✓ Support business by uncovering and developing new materials

Consolidate Production Functions to Pursue Effective Management

Make effective use of management resources, and pursue improved operational efficiency and labor saving

(Outline of the Hamasaka Plant)

Name	Fujicco Co, Ltd. Hamasaka Plant
Location	178 Aza-jori, Fukutomi, Shinonsen-cho, Mikata-gun, Hyogo Prefecture
Established	1968
Business	Manufacturing of kombu and bean products
No. of employees	124 (as of March 2025)
Site area	12,135m ²

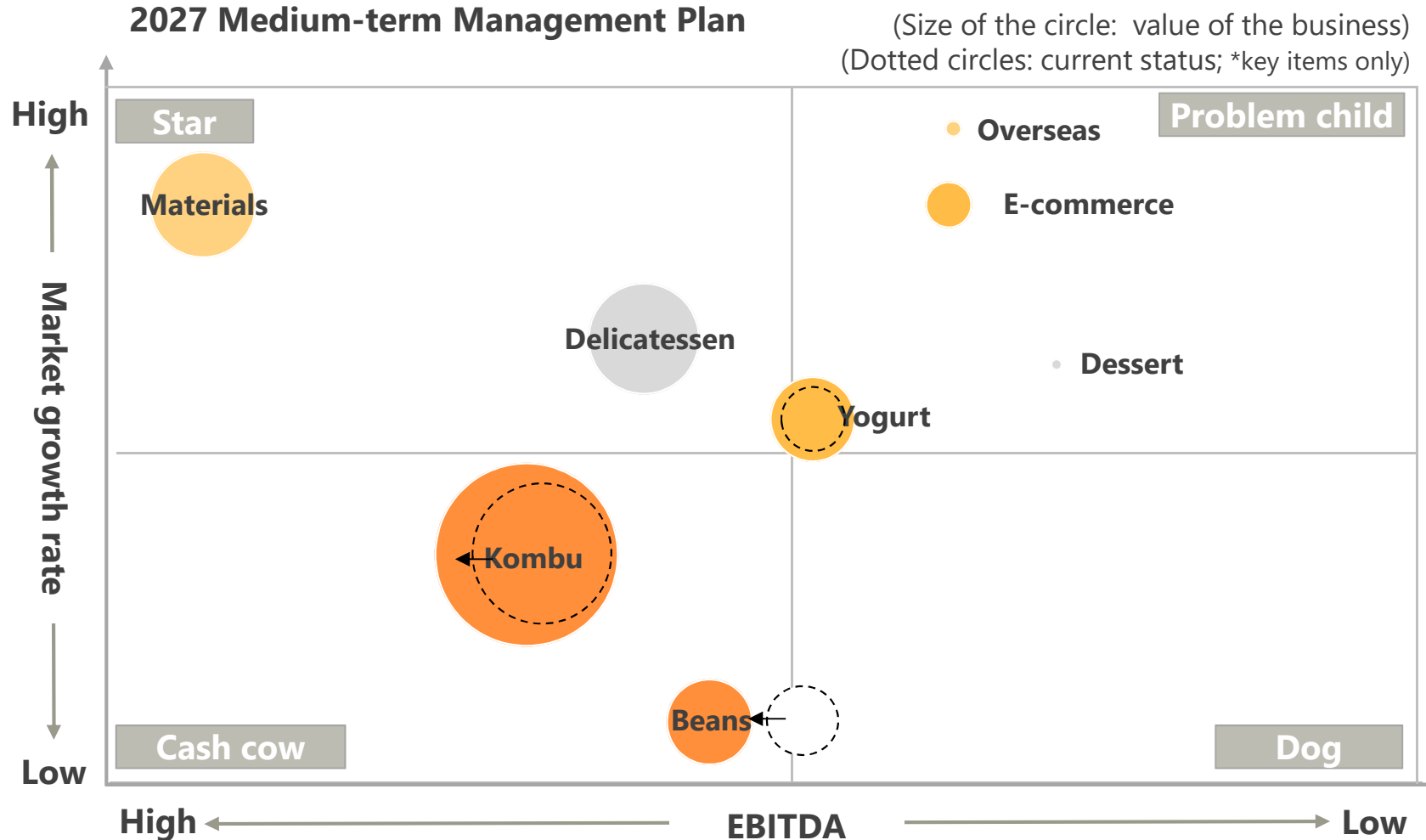
(Reasons for the plant closure and response)

- The Hamasaka Plant has manufactured various kinds of products, but its buildings and equipment have been aging in recent years.
- The decision was made after comprehensively reviewing our assets for making effective use of management resources and pursuing improved operational efficiency and labor saving.
- The employees of the Plant will be transferred to our other plants or Group companies for prioritizing job retention.

Restructure the Business Portfolio to Pursue Efficient Management

Maintain high profitability for kombu, regain earning power from renewed growth for beans, accelerate growth for yogurt, restore profitability for delicatessen, and break away from the stagnation in e-commerce, materials, and overseas businesses.

■ What we aim to achieve under the 2025–2027 Medium-term Management Plan



Basic Policy: Business foundation necessary for realizing the basic policy of
“reshaping the future of kombu and bean together with customers by gathering full force of employees”

Non-financial factors

Financial factors

Promotion of DX

- Support to accelerate product development
- Enhanced management accounting based on the revenue by product category
- Develop the platform for digital business transformation (corporate culture development, environment setup, human capital development)

Human capital management

- Organization and personnel
 - Foster unity within the company
 - Executive succession planning
 - Optimal allocation based on HR portfolio
- DE&I (diversity, equity and inclusion)
 - Embrace diversity and encourage demonstration of individuality
 - Ensure psychological safety
- Job satisfaction reform
 - Fair system
 - Improve our development and support skills
 - Provide job satisfaction

Sustainability

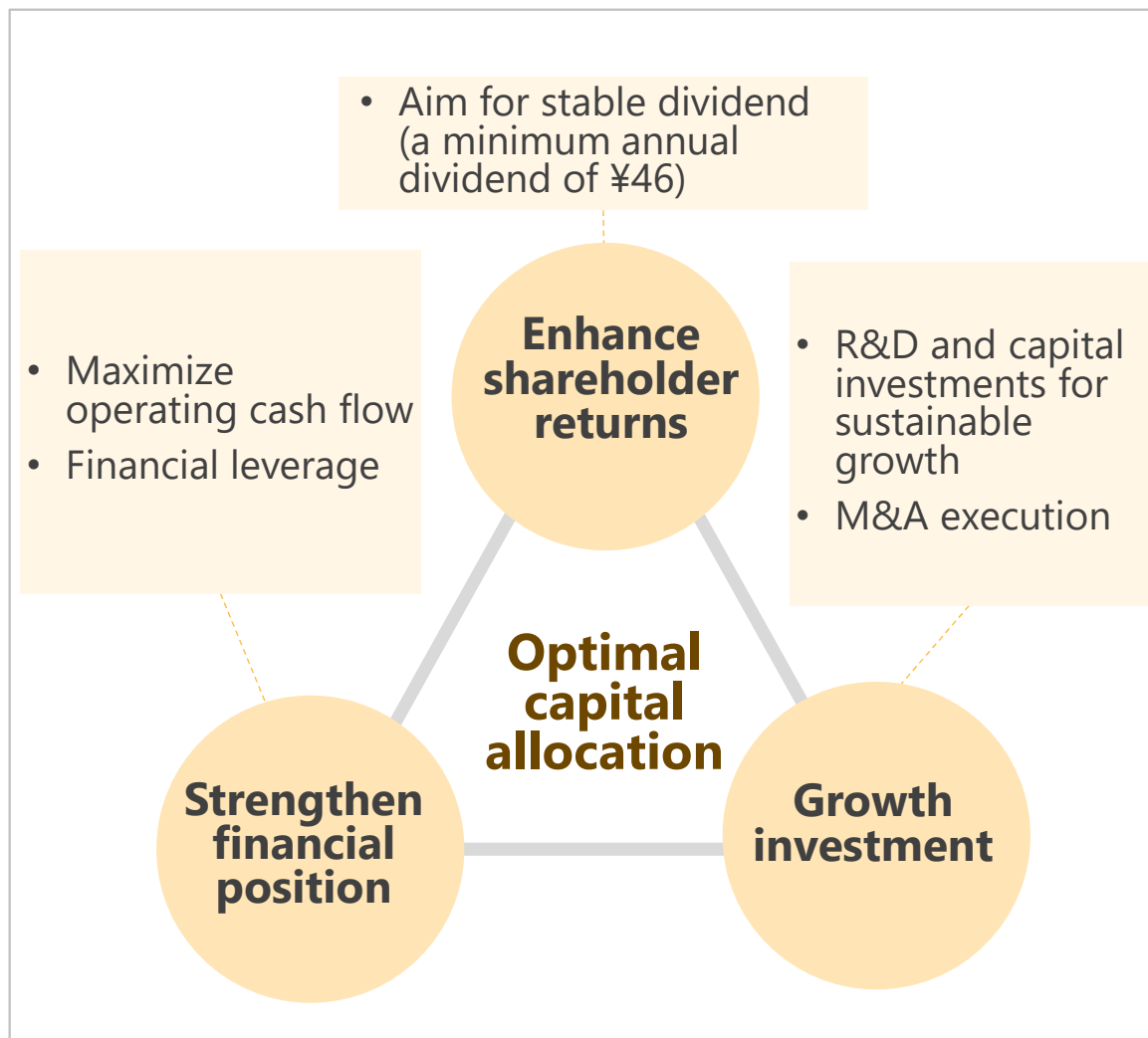
- Simultaneously achieve both social and corporate sustainability
- Three non-financial capital engagement
 - (1) Customers
Provide health and great taste
Carry on Japanese food culture
 - (2) Partnership
Supplier management
 - (3) Natural environment
Environmental conservation activities

Capital policy

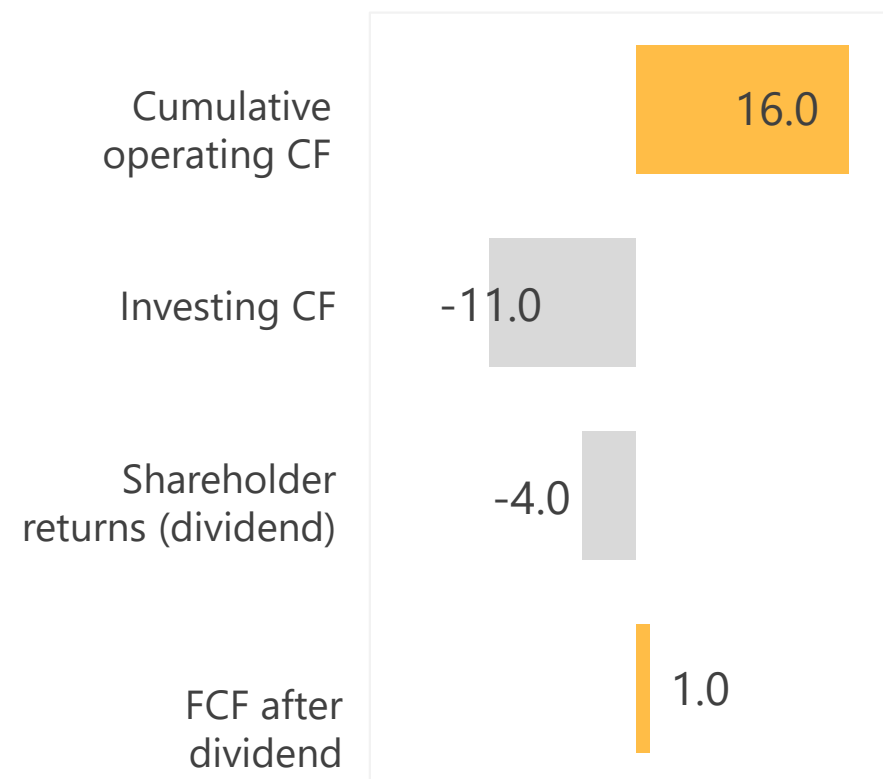
- Pursue the optimal capital allocation
 - Enhance shareholder returns
 - Strengthen financial position
 - Growth investment

Our Approach to the Capital Policy (Capital Allocation)

Strive to achieve sound management and increase retained earnings, and enhance shareholder returns while keeping the optimal capital allocation



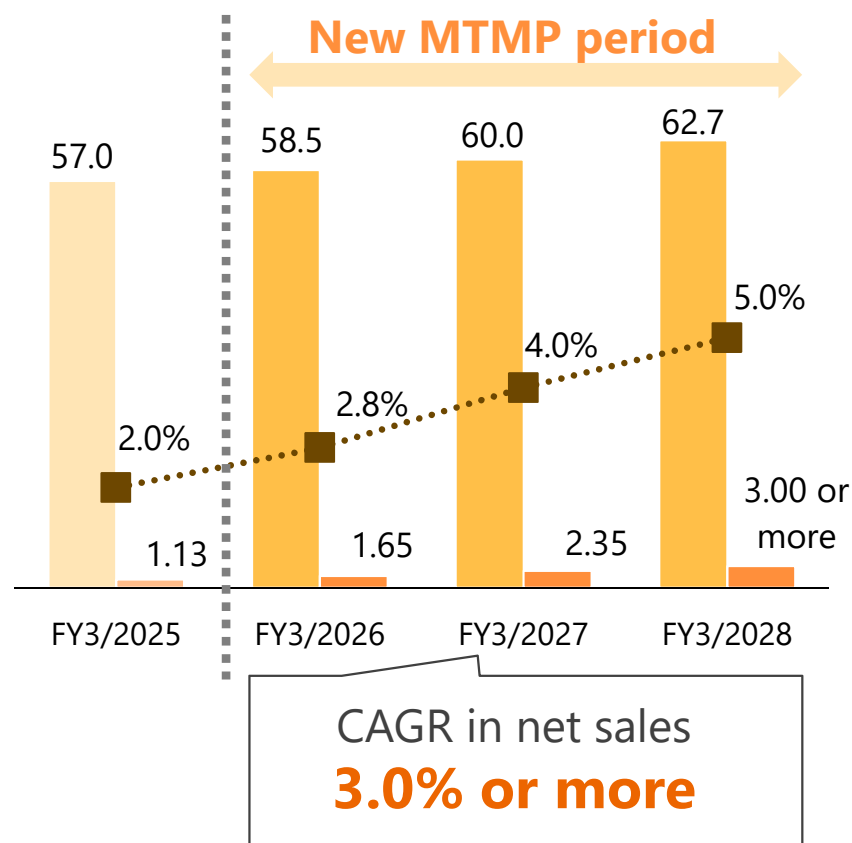
■ Cumulative cash flow during the MTMP period (¥bn)



Net Sales and Operating Profit Targets for the MTMP Period

Grow steadily and restore earning power, aiming at net sales of ¥60.0 bn level (CAGR of 3% or more) & operating profit margin of 5% or more

Net sales (¥bn) Operating profit (¥bn) OP margin



1. Improve profitability

- 1) Operating profit margin of 5% or more and operating profit of ¥3.0 bn or more
- 2) Contribution margin of 50% or more

2. Achieve sustainable growth

- 1) CAGR in net sales of 3.0% or more
- 2) Boost net sales to ¥60.0 bn level

3. Strengthen expense control

- 1) Implement disciplined control under delegated authority
- 2) Re-launch the FCR activities*

* Two improvement activities including FCR-1 Fujicco Cost Reduction (cost reduction activities) and FCR-2 Fujicco Creative Revolution (creative business innovation activities).

Financial KPI Targets for the Medium-term Management Plan Period

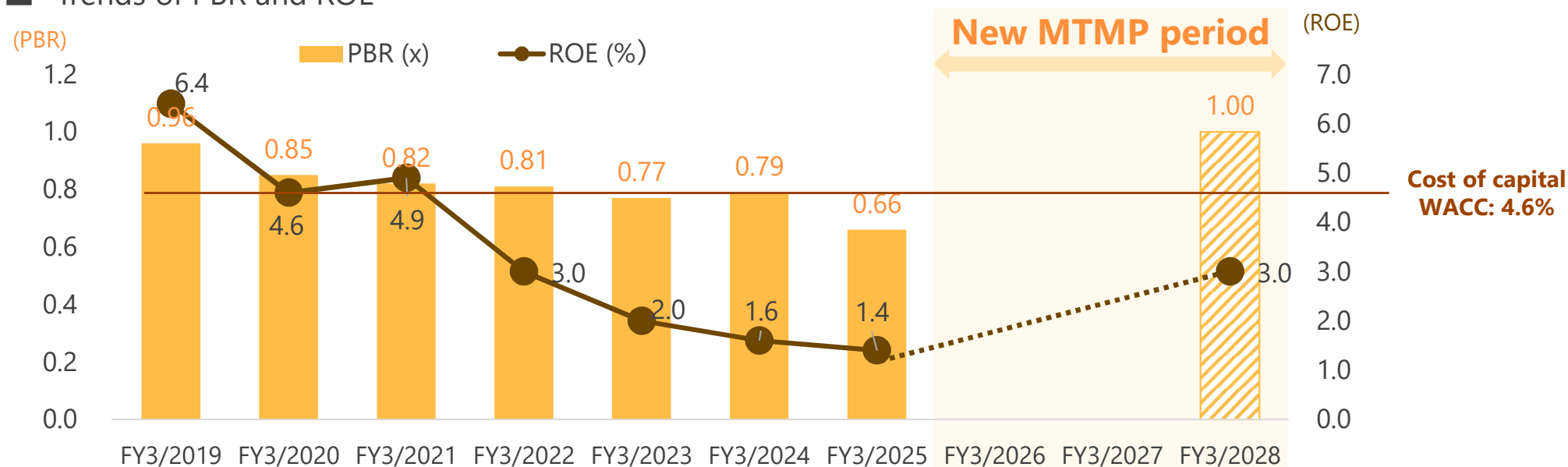
Promote financial & non-financial initiatives, aiming to achieve PBR of 1.0x or higher by increased profit

Current status and challenges	Actions to take
<ul style="list-style-type: none"> PBR below 1.0x Low ROE Equity spread remaining negative (ROE-Cost of equity) 	<ul style="list-style-type: none"> Earning power: Increase net profit margin <u>1.7%</u> → <u>3% level</u> Growth: Boost net sales by generating new revenue Keep total asset turnover ratio of <u>0.72</u> (no change). Financial leverage: <u>1.16x</u> (no change) Shareholder returns: Stable dividend Strengthen information disclosure and communication with stakeholders Reducing business risks: Take sustainability initiatives

PBR
1.0x
or more

ROE
3.0%

■ Trends of PBR and ROE





This document contains forward-looking statements about the Company's current performance and other forward-looking information currently available to the Company. Actual results may differ from these forecasts due to various conditions and factors in the future, and this document does not guarantee the achievement of such forecasts.

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