Full version

New Mid-term Business Plan
【Revised for FY2024-FY2026】

“Make investments in for further growth”

February 2024

OAT Agrio Co., Ltd.

◆ Corporate Profile

Company Name	OAT Agrio Co., Ltd.
Business Domain	Research and development, manufacture and sale of Agrochemicals, fertilizers and biostimulants
Head Office	8th Floor, NBF Ogawa-machi Bldg.1-3-1 Kanda Ogawa-machi, Chiyoda-ku, Tokyo 101-0052, Japan
Establishment	September 28, 2010
Capital	461.9 Million Yen
Fiscal year end	December
Representative	Hisashi Oka, President & CEO
Number of Employees on consolidated basis	697 as of the end of December 2023 Same below
(Female)	214 (30.7%)
(Foreigner)	443 (63.6%)
(Researcher)	129 (18.5%)
Rate of R&D expenses	Approximately 10% of sales (2023 results: 2,040 million yen 7.0%)

◆OAT group company

LIDA Plant Research S. L.

OAT&IIL India Laboratories

PT.OAT MITOKU AGRIO

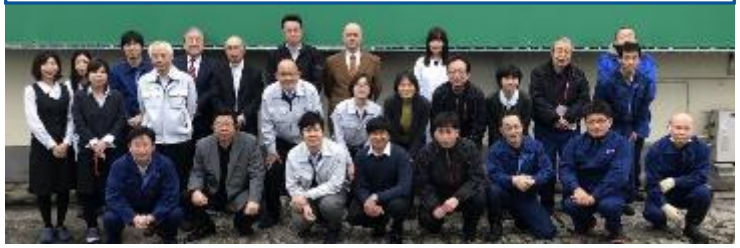
Chrysal (Blue Wave Holding B.V.)

OAT Agrio Co., Ltd.

Runhe (Zhoushan) Plant Science Co., Ltd.

Asahi Chemical Europe s. r. o.

Asahi Chemical Manufacturing Co., Ltd.

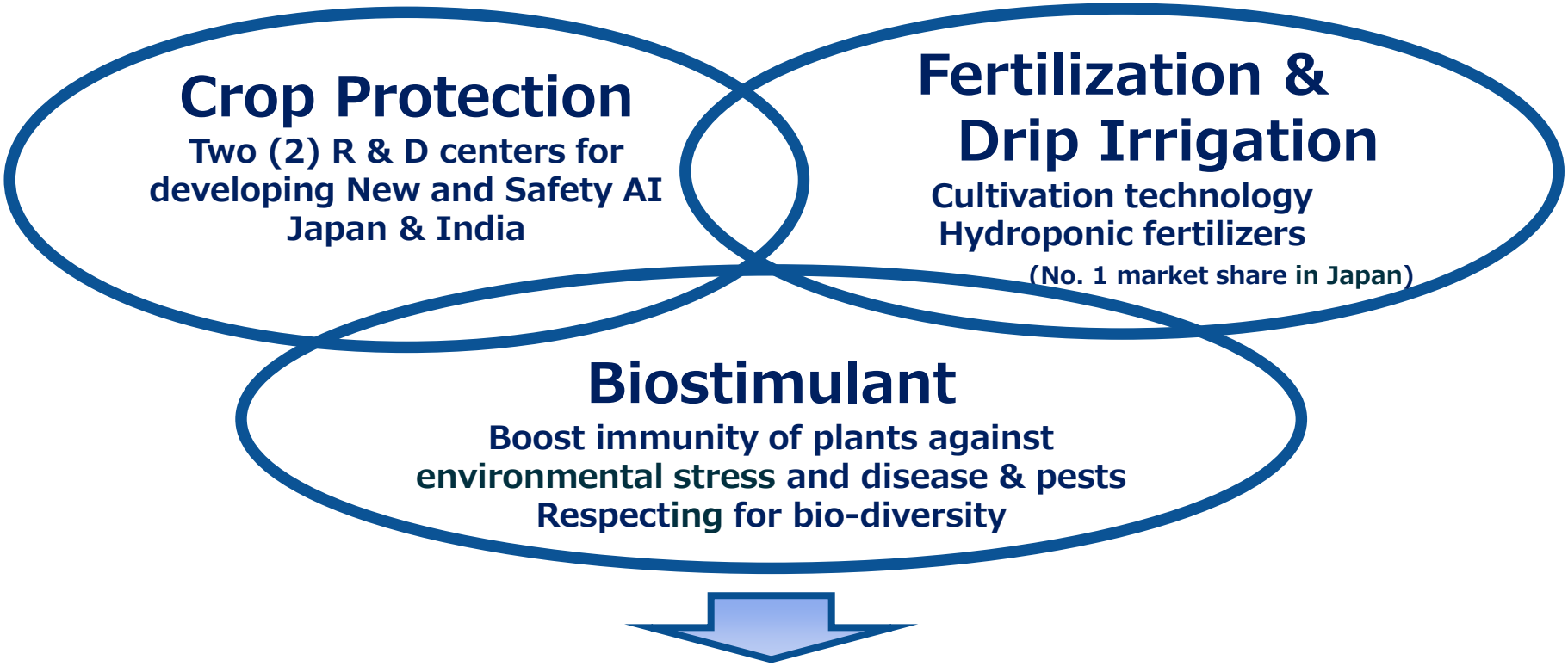


Inplanta Innovations Inc.

Corporate Philosophy

◆Our philosophy and 3 business domains of agritechnologies

Pursuing ESG (Environment, Society, Governance) management and proactive involvement in SDGs (Sustainable Development Goals)



“Corporate Philosophy”
We contribute to the people in the world with our agritechnology and sincerity

◆Summary of 3 years

Business expansion through “growth drivers”

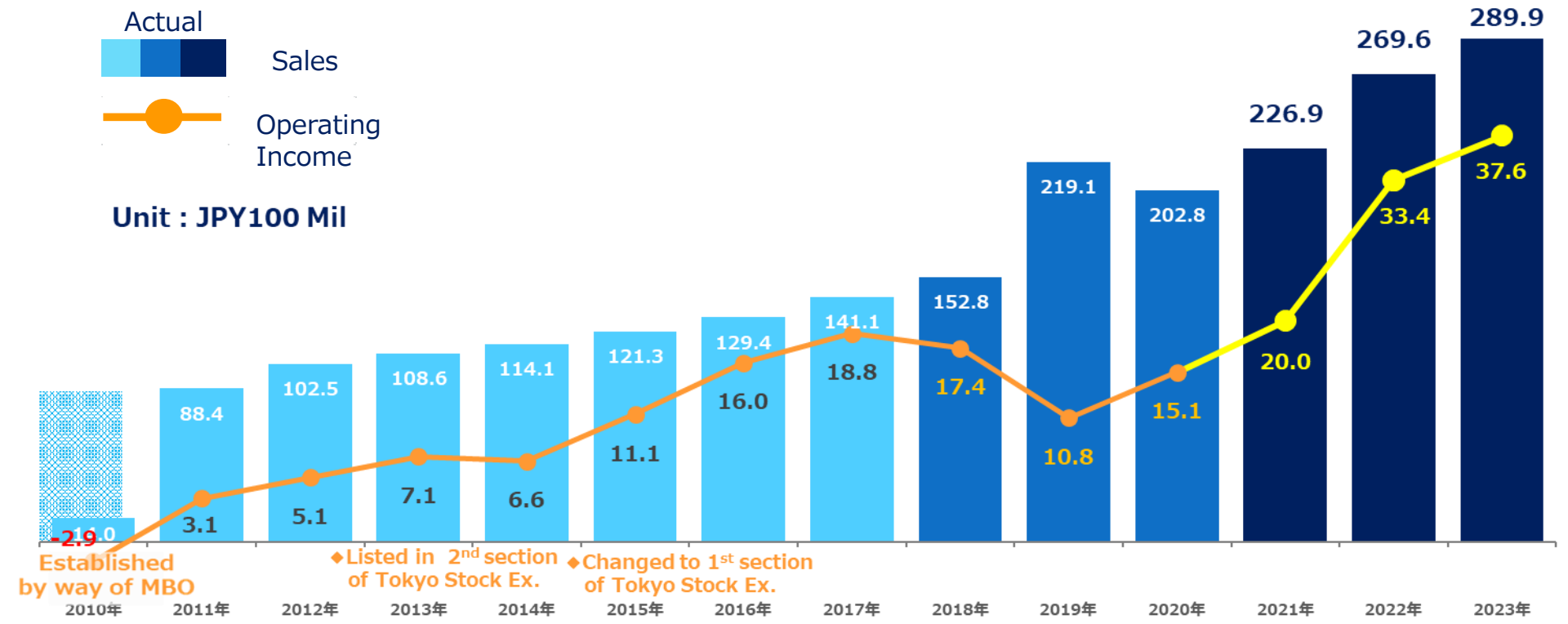
- Expand sales of “Green PPP” to fruit tree etc.
- Increase in “Biostimulant products” used in 89 countries to 96 countries
- Development of smart agriculture with Growth diagnosis using AI in the “greenhouse horticulture field”
- “Global business expansion” with an overseas sales ratio of over 70%

Unit : JPY Mil

科目	Consolidated Result FY2020	Consolidated Result FY2021	Consolidated Result FY2022	Consolidated Result FY2023	cf. 2020 Amount Growth rate
Sales	20,288	22,678	26,960	28,988	+ 8,700 142.9%
Operating Income	1,512	2,001	3,346	3,766	+ 2,254 249.1%
Ordinary Income	1,346	1,989	3,385	3,800	+ 2,454 282.3%
Net income	837	1,456	2,261	2,488	+1,651 297.2%

◆ Net Sales and Operating Income from 2010 to 2024

Average annual growth rate	Founding Period FY2010～2017	Expanding Period FY2018～2023	Increase amount 2023 performance compared to 2018
Sales	8.1% (2011-17)	13.6%	137.1
Operating Income	35.0% (2011-17)	16.4%	20.2



Founding Period FY2010～2017

Expanding Period FY2018～2023

◆ Summary of 3 years Green PPP

Our Definition of Green PPP

Safe and environmentally friendly plant protection products without restrictions on application times such as natural / food additive-derived or organic JAS-compliant plant protection products.

Why Green PPP is needed?

Natural / food-derived

No limit to the number of times it can be used

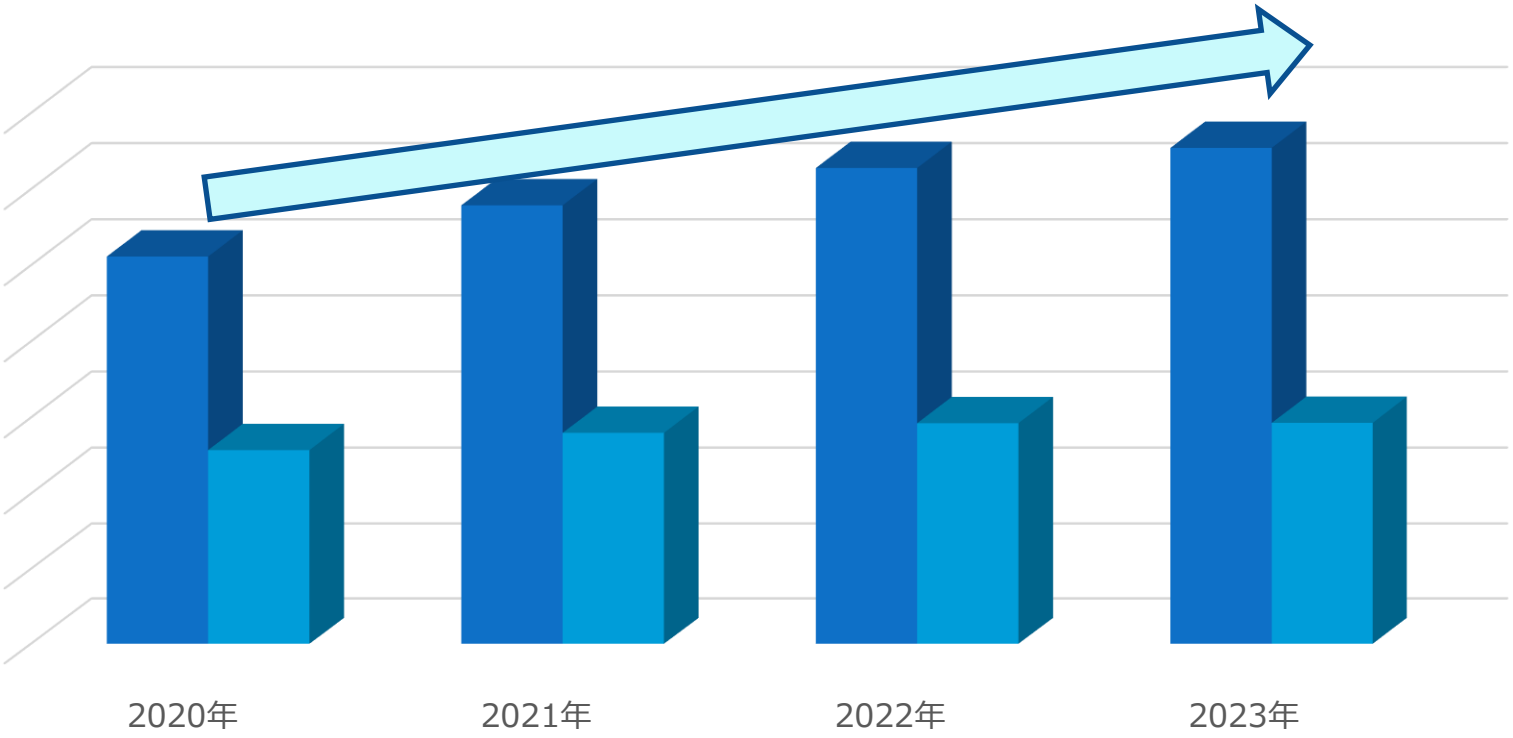
Difficult for pests to acquire drug resistance

Friendly to natural enemies and fits IPM

Expanding the sales of Green PPP in 3 years

2023 Results compared to 2020

		Sales increase rate	Gross profit increase rate
Suffoil	:	201%	190%
Kaligreen	:	111%	105%
Acaritouch	:	123%	123%
Green PPP	:	127%	114%



Our Definition of Biostimulants

Biostimulant is a substance and technology that enhances the natural immunity of plants and promotes resistances against cold, heat and diseases & pest, and also for the potential crop growth.

Why biostimulants are needed?

Increasing the yield and improving the quality by enhanced immunity

Enhancing the plant resistance to stresses

Improving the quality of the seed set,
sugar content and color of the fruit

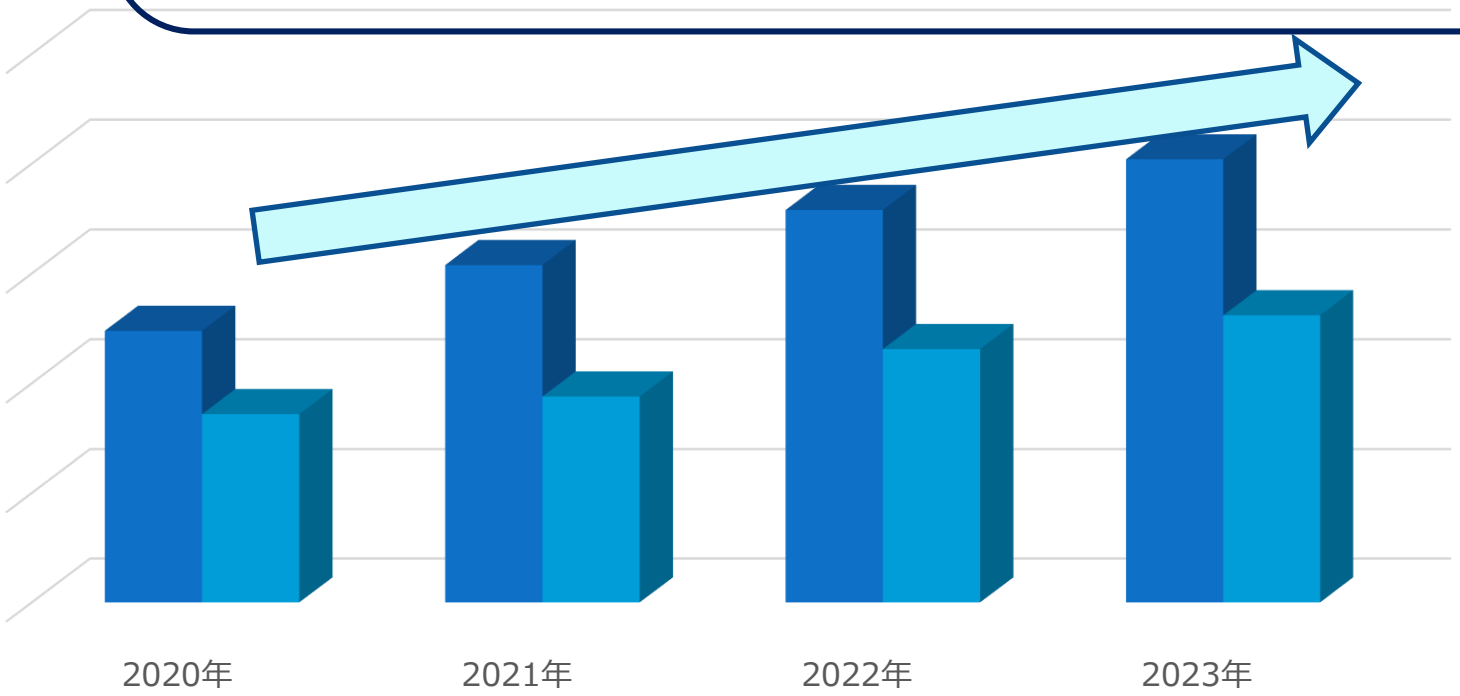
Adjusting and improving the water balance in plants

Improving the physical properties of farmed soil

Expanding the sales of Biostimulants in 3 years

2023 Results compared to 2020

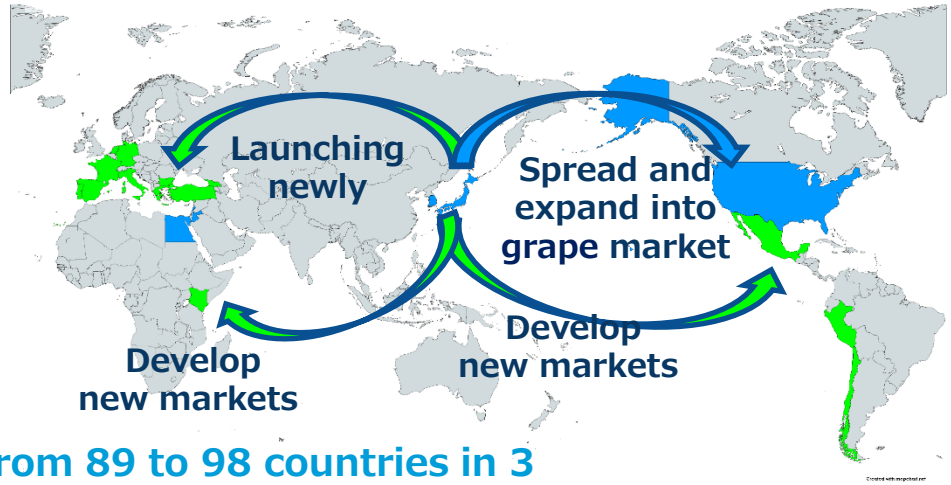
		Sales increase rate	Gross profit increase rate
LIDA's products	:	163%	155%
Potatol	:	Launched in 2021	
Biostimulants	:	**163%**	**152%**



Expanding the sales area with global development in 3 years

◆Mitecide: Danisaraba

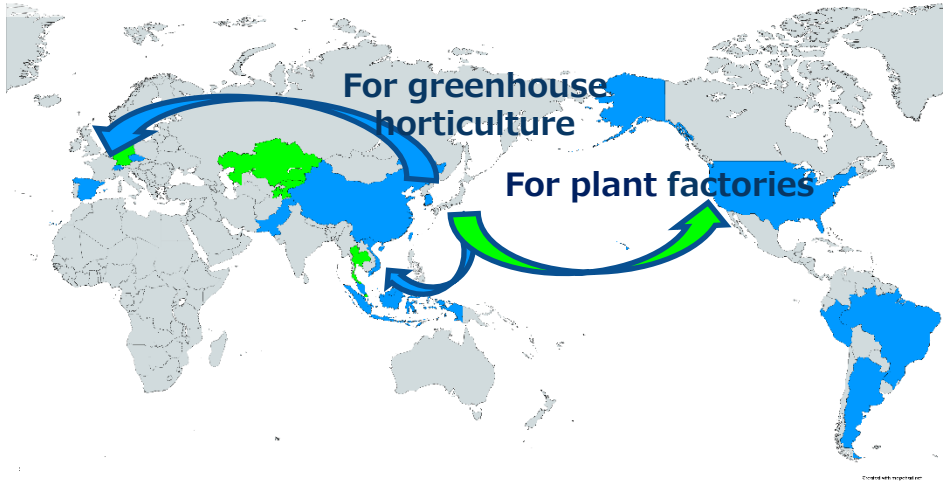
◆Fungicide: Gatten



Expanded the sales areas from 89 to 98 countries in 3 years, utilizing the channels of Chrysal and LIDA

◆Fungicide: Kaligreen (Green Product)

◆Fertilizers



Expanding the sales area with global development in 3 years

India Tea Estate

Cambodia Farmer meeting

Brazil Orange

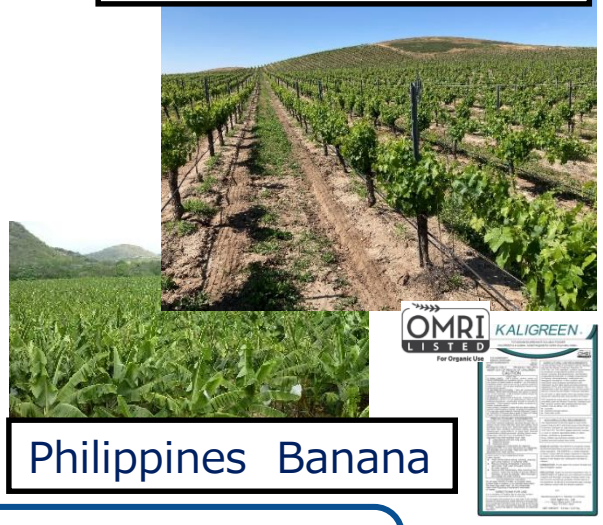
India Farmer meeting

Thailand Demo plot

Dorian

Cassava

USA California Grape



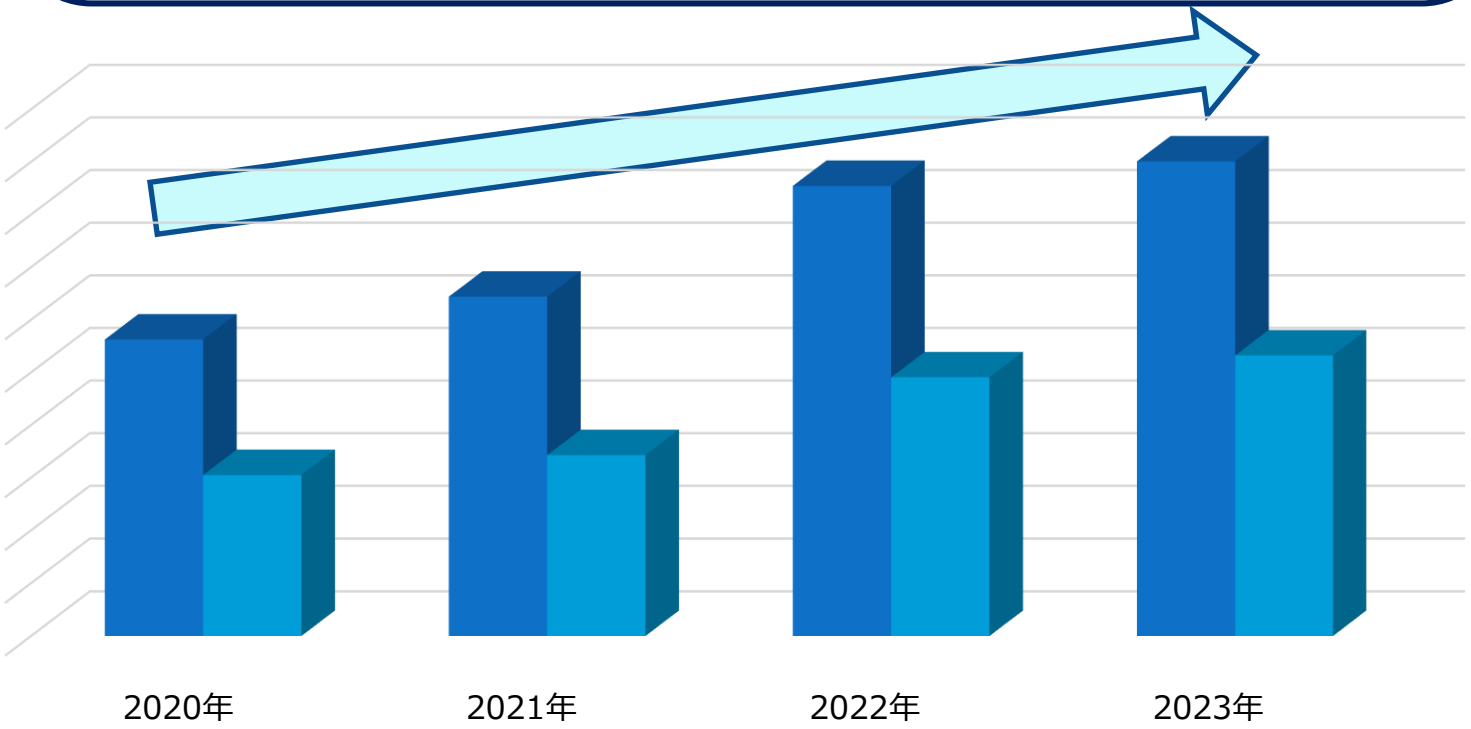
Philippines Banana

Actively carried out direct promotion activities in local fields around the world for major products

Expanding the sales of Overseas Business in 3 years

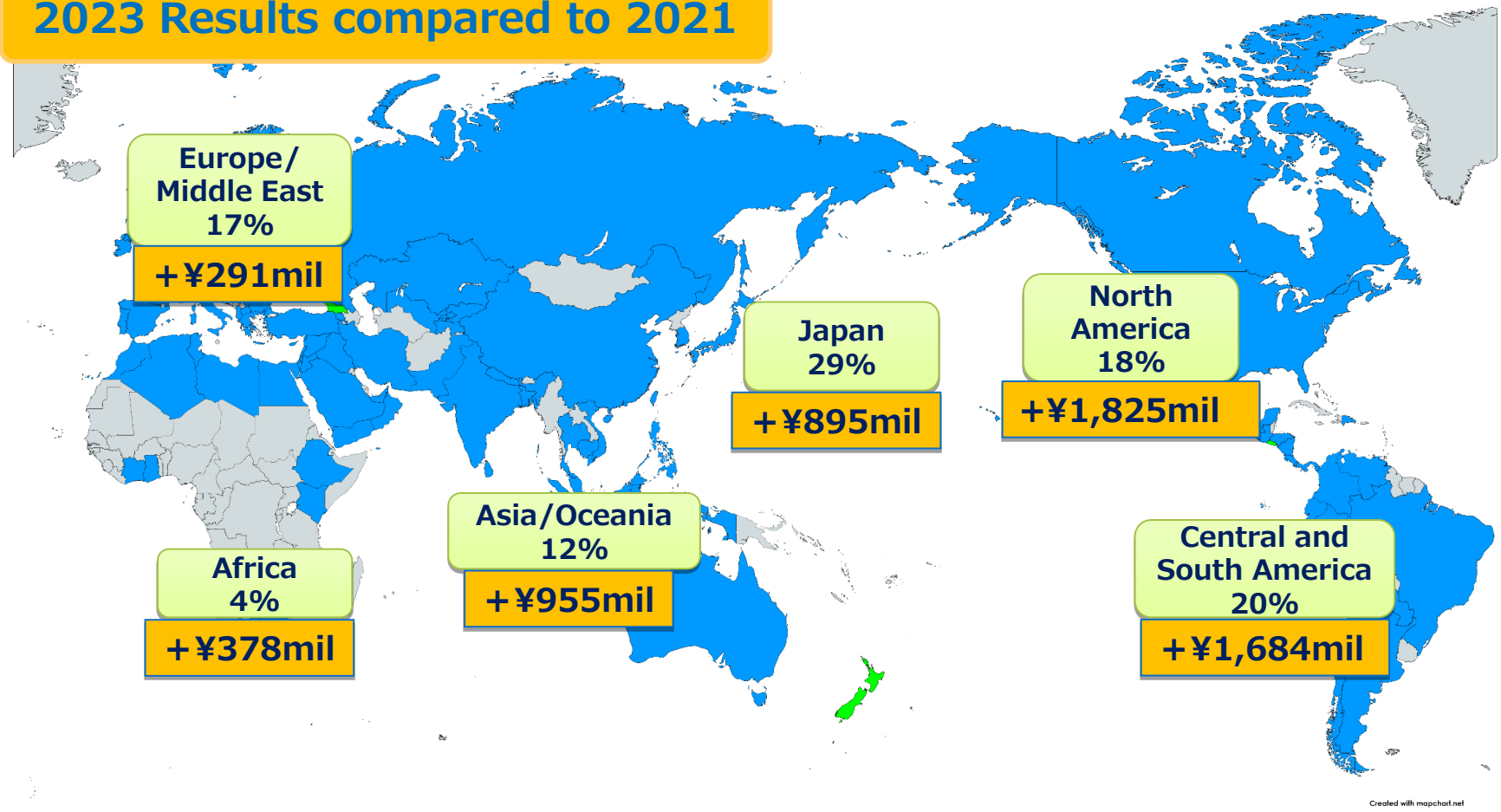
2023 Results compared to 2020

	Sales increase rate	Gross profit increase rate
DANISARABA :	188%	193%
GATTEN :	132%	136%
Fertilizers :	185%	207%
Overseas Business :	160%	174%



◆Sales proportion by area to area in the world

2023 Results compared to 2021



2021 Domestic: Overseas = 7.4 billion yen: 15.3 billion yen (33:67)
2023 = 8.4 billion yen: 20.5 billion yen (29:71)

◆ Building the “Corporate Culture”

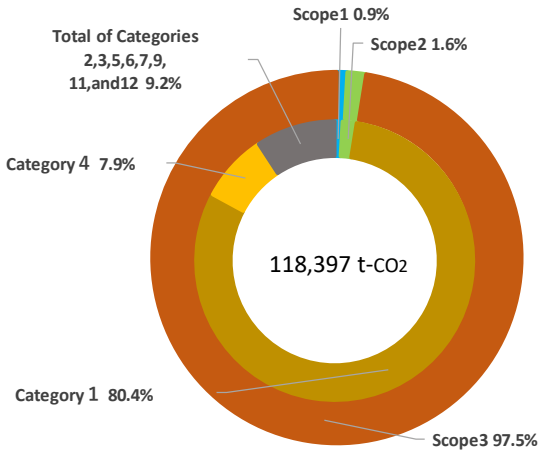
- OAT Agrio hopes to provide all people everywhere with “Joy of cultivating”, “Emotion of watching”, and “Contentment of eating”.
- We launched the OAT Agrio cultivation media site and Instagram to deliver the fun of cultivation to many people. Our Instagram account reached 50,000 followers.

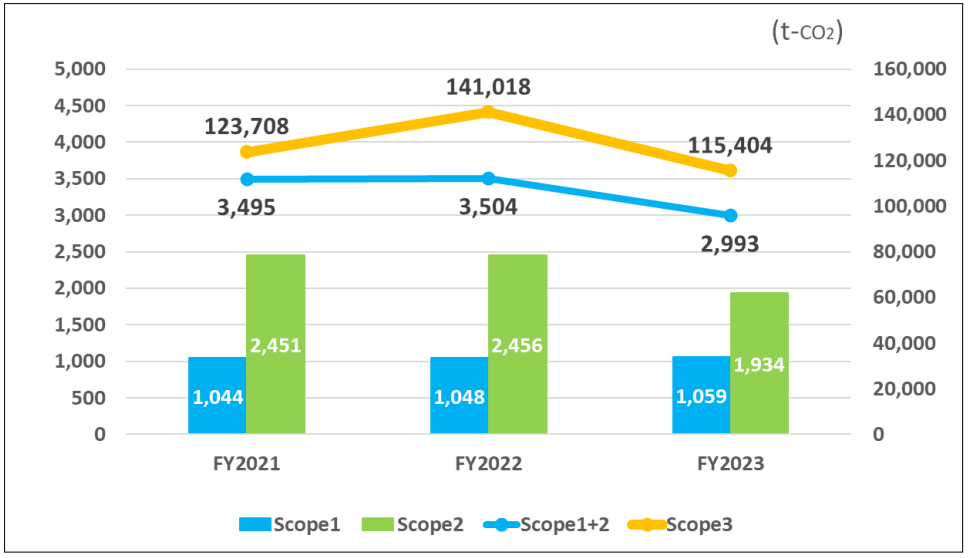
◆ Practice of sustainable management in 3 years

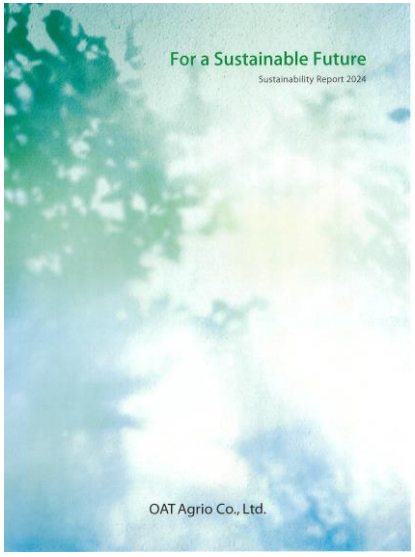
Results of Scope1, 2, and 3 Emissions (t-CO2)

	FY2021	FY2022	FY2023	Composition Ratio
Scope1	1,044	1,048	1,059	0.9%
Scope2	2,451	2,456	1,934	1.6%
Scope1+2	**3,495**	**3,504**	**2,993**	**2.5%**
Scope3	**123,708**	**141,018**	**115,404**	**97.5%**
Category 1	102,106	116,008	95,135	80.4%
Category 4	10,755	12,219	9,335	7.9%
Total of Categories 2,3,5,6,7,9, 11,and12	10,847	12,791	10,934	9.2%
Scope1+2+3	**127,203**	**144,522**	**118,397**	100.0%

FY2023 Ratio of Scope1, 2, and 3 Emissions







◆ Doing our best to solve agricultural issues

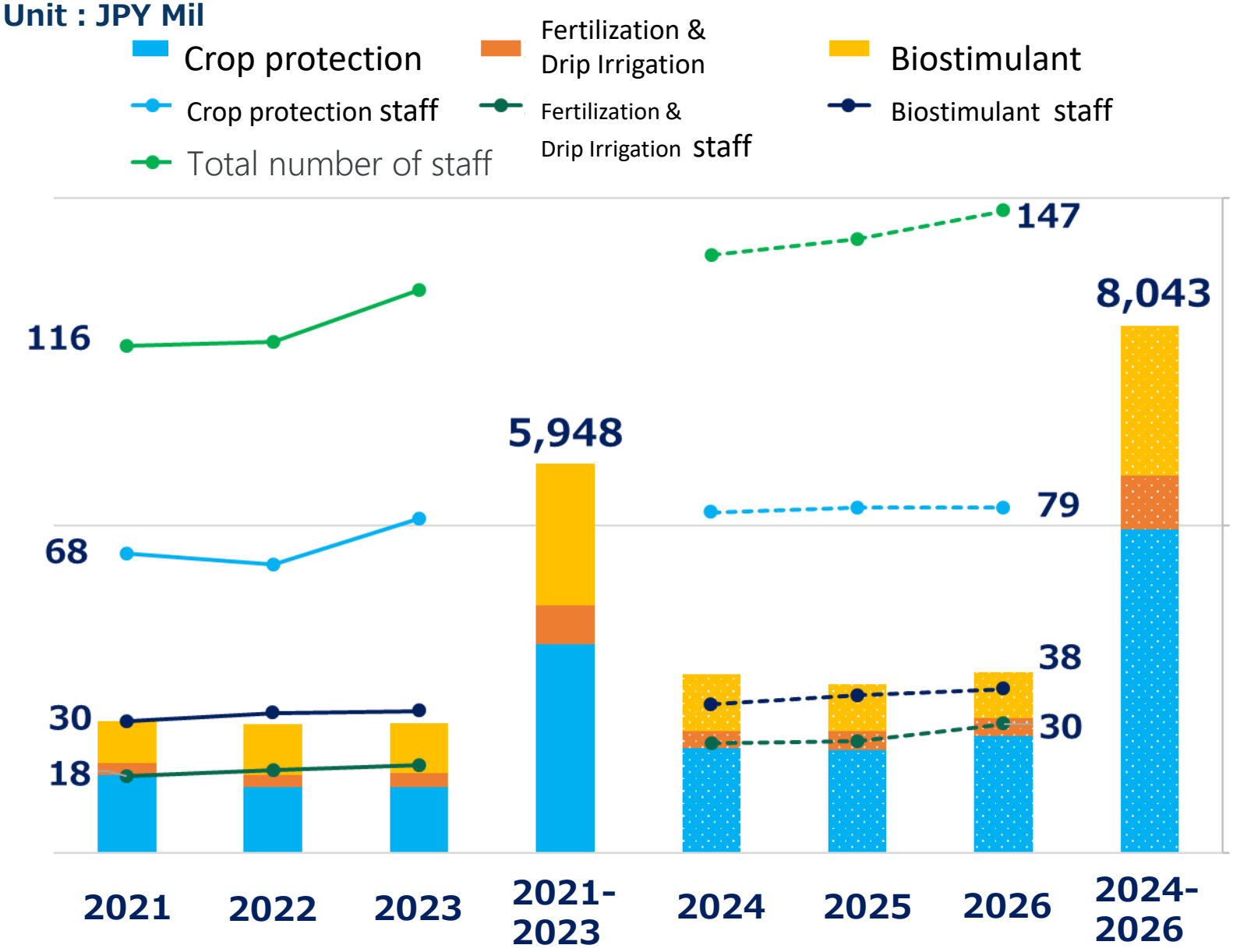
<Over the next 3 years>

- Allocating approx. 8 bill. Yen for R&D investment
  (last 3 years: Invested approx. 6 bill. Yen)
  Increased researcher by 31 to 147 people
- We continue to invest more than 10% of sales amounts for R&D
- We will also allocate 10% of our R&D expenses in cutting-edge agricultural technologies.

We will concentrate our investment in R&D toward innovation

◆ R&D investment and research staff by 3 domains

Unit : JPY Mil



◆ Issues of Agriculture

■ Global Issues: Eradicating hunger and malnutrition from the world

- ✓ Rural poverty and poor living conditions for rural people
- ✓ Food waste in developed countries and food shortages in developing countries on the other hand
- ✓ Environmental burden from agriculture and forestry
- ✓ (23% of GHG emissions come from agriculture and forestry)
- ✓ Food loss (40% of all food produced, 2.5 billion tons, is wasted)
- ✓ Deterioration of growing conditions due to extreme weather events
- ✓ Securing water resources necessary for agricultural production
- ✓ Lack of arable land
- ✓ Crop damage from pests and diseases, and persistent crop failures

■ Japan-specific issues: Achieving profitable agriculture

- ✓ Many farms are small and family-owned
- ✓ Poor working conditions due to low farm incomes and frequent holiday work
- ✓ Threat of foreign agricultural products due to TPP, etc.
- ✓ Increase in abandoned farmland due to scattered farmland, lack of successors
- ✓ Labor shortage

Addressing agricultural issues head-on and solving them through innovation

◆ The next 3 years will be an Innovation Period

“Vision for 2030”

❶Crop Protection Products

Aiming sales target ratio of Green PPP to 20%
Search for highly active compounds derived from natural products and food additives
Development of Bio-Pesticide using useful microorganisms
Development of high-performance biochar using useful microorganisms

❷Biostimulant

Acceleration of R & D for realizing stable yield even in intensely hot circumstances

Chrysal Group is dedicated to the sales expansion of BS products
LIDA works on the development of BS using useful microorganisms i.e. BIOFORCE

❸Fertilizers and drip irrigation

Achieving high-yield cultivation by developing a unique cultivation system

Reducing 30% of fertilizer use compared to the conventional agriculture by expanding a hydroponic soil cultivation system

❹Hydroponics using organic fertilizers

Prevailing & Expanding the “Probioponics” cultivation
Utilization of unused resources
Expansion of JAS organic pest control materials

◆ The next three years will be a period of Innovation

❺Smart Agriculture

Labor saving	Evolution of Fertilization & drip irrigation technology
	Prevention and prediction of pests and diseases
	Utilizing robots for automated harvesting
Efficiency	Scientifically visualization of the picture inside the plant and in the rhizosphere
	Real-time sensing of the environment, inside plants, and underground
Big data	Developing services that provide information and solutions

❻Zero CO_2 emissions, looking toward 2050

Fully transition to horticultural facilities that do not use fossil fuels
Introduction of biomass power generation and effective use of waste heat, i.e. year-round cultivation in greenhouse horticulture
Supporting carbon credits by applying biochar to farmland
Accelerating of Chrysal Group's Seafreight

❼Genome editing/Genetic modification technology

Achieving highly efficient genome editing
Supporting a healthy and long-lived society through taste modification using miraculin gene tomatoes

❽Establishment of new cultivation method

Aiming for high yields and high quality by optimizing fertilization time, frequency, and dosage
Establishment of cultivation methods for health-maintaining plants such as Panax ginseng and medicinal herbs
Aiming for a stable supply using our unique cultivation method

◆ The next 3 years will be a Innovation Period

“Vision for 2030”

Through item ❶ to ❽

“We aim for a company contributing not only in increasing food production and eco-friendly agriculture but also pertain to the health, which delivers the joy of cultivating, the emotion of watching, and the contentment of eating.”

To realize this “vision for 2030”, OAT Agrio will allocate its investment in R&D toward innovation over the next three years.

◆ Accelerating research and development of Green PPP

■ Green PPP

□ Natural/food additive-derived or organic JAS-compliant PPP with the PPP registration

✓ A safe, environmentally friendly pest control material without limit of application times

□ Japanese market is estimated to be approximately 20 billion yen, overseas market is approximately 175 billion yen

□ We have No. 1 market share for the greenhouse horticulture field, expanding product portfolio

✓ From 12

■ Innovation using useful microorganisms

□ Search for useful microorganisms that contribute to food production

✓ Selection of useful microorganisms (Bacillus genus, Trichoderma genus, etc.) using 16S rRNA gene analysis regarding microbial communities in specific conditions and regions

✓ Development of Bio-Pesticide using selected useful microorganisms

✓ Development of high-performance biochar using biochar and useful microorganisms

Powdered Biochar

◆ Initiatives to expand the sales of Biostimulant

■ Chrysal group

- ✓ Collaboration with LIDA Plant Research Co., LTD in Spain for the development of BS products that contribute to improving flower growing and post-harvest quality
- ✓ Scheduled to be launched in Ecuador in 2024, development is also underway in Colombia and

Chrysal & Sustainable Crop Care

◆ Research and development for Biostimulant products

■ LIDA Plant Research, S.L.

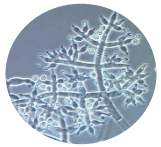
□ Development of products with reduced environmental impact using biological control technology

- ✓ Contributing to a new plant protection system through synergistic effects
- ✓ Products that comply with European regulations
- ✓ Reduce chemical ppps
- ✓ Sustainable plant protection

BIOFORCE


Biostimulants
Bio vaccine

+

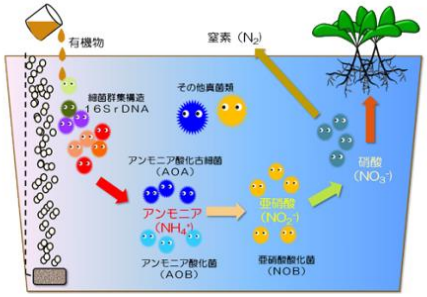



Microorganisms

◆ Probioponics: Utilizing unused resources

■ What is Probioponics?

- ✓ A hydroponic technology utilizing organic fertilizers
- ✓ Limiting the nitrogen source to biomass “organic substances derived from living things”



Probioponics Overview Japanese Agricultural Standards（JAS0021）

■ Efficiently mineralize unused resources that can become N, P, and K and use them as fertilizers

- ✓ A byproduct produced in the process of producing starch from corn
- ✓ The broth discharged during the manufacturing process of processed seafood products
- ✓ Utilization of livestock waste
- ✓ Solids (powders) such as oil cake and fish powder that decompose slowly

Probioponics dedicated Fertilization equipment

■ To realize the social implementation of Probioponics

- ✓ A lineup of liquid fertilizers that meet Probioponics Standards and can grow the plant with one component solution
- ✓ Development of irrigation equipment for organic liquid fertilizer

■ Sustainable cultivation technology that achieves carbon neutrality and other environmental impact reductions

- ✓ Realizing sustainable agriculture that is friendly to people and the environment
- ✓ Reduce chemical fertilizers relied on import and utilize unused domestic resources.

◆Smart Agriculture Initiatives

big data

Environ ment | Soil | Climate | Plant Physiology | Pests and diseases | Growth | Fertilization management

【AI-powered analysis and response】
①Preventive spraying using Green PPPs, BS, and functional fertilizers
②Thorough initial control based on Green PPPs
③Localized treatment using safe, cutting-edge chemicals

Drone spraying
BS/Green PPPs
functional fertilizers

Fixed device spraying
Water
Functional fertilizers
Fine Mist Cooling
Green PPPs/BS

Instructions

Automatically acquire and record data

Spore analysis sensor

Image analysis camera

Fertilization & Irrigation

Sunshine/temperature humidity sensor

Based fertilizer

Soil/fertilizer/moisture sensor

- ✓ Collect and analyze big data using AI
- ✓ Fertilization and irrigation based on the growth stage
- ✓ Localized pest control using image analysis
- ✓ Controlling the greenhouse environment using various sensors, etc
- ✓ Realization of eco-friendly agriculture

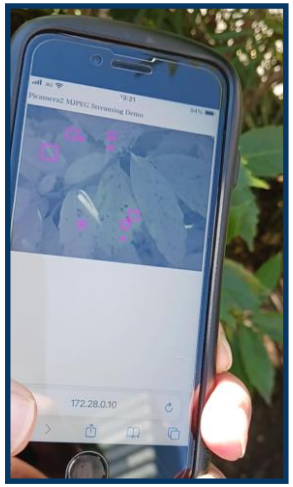
Deliver accumulated big data to crop growers
Develop services that provide information and solutions

◆Smart Agriculture Labor saving

■ Prediction and prevention of pests and diseases

□ Development of pest and disease outbreak prediction system using mobile devices

- ✓ Pests are difficult to control in a heavy incidence situation
- ✓ Pest control becomes easier by detecting early symptoms of pest outbreaks



Prediction of pests and diseases using smartphones

□detects pests and diseases

□ Labor saving/Realizing sustainable agriculture

- ✓ Reducing work time for pest control
- ✓ Reducing material costs for pest control
- ✓ Enabling the production of the high value-added agricultural products

◆Zero CO_2 emissions

Complete transition to horticultural facilities without using fossil fuels

- レIntroduction of biomass power generation and effective use of waste heat, i.e. year-round cultivation in greenhouse horticulture
- レSupporting carbon credits by applying biochar to farmland
- レDevelopment of high-performance biochar adding useful microorganisms

Biomass power generation

Utilizing of waste heat

Facilities horticulture

Zero CO_2 emissions

high-performance biochar

Biochar

Soil improvement application

high-performance biochar

Farmland

Supporting carbon credits

Agricultural production with added environmental value

◆ Zero CO_2 emissions

■ Seafreight/Long Storage Service - Chrysal

✓ Comprehensive quality control solution business for transportation of flowers from the producing area to the consuming area

□ Why Seafreight ?

✓ Environmental Impact: Reduction of CO_2 emissions

Switching from air transport to sea transport can significantly reduce CO2 emissions

✓ Reliability of quality control

✓ Total costs advantage

□ What is Seafreight service ?

✓ **Post-harvest treatments ⇒ Quality report ⇒ Data logger management ⇒ Follow-up work at arrival point during transportation**

✓ Prevention of deterioration caused by Botrytis ethylene and discoloration

✓ Suppression of leaf dehydration during transportation + investigation of causes when quality problems occur

Serving many clients in Kenya

CO_2 emissions comparison

Seafreight : Airfreight

2.168kg 27.667kg

25,500 kg difference

about 12times

【 Case 】 1 container of 369,000 stems to be transported from Kenya to the Netherlands

◆ Genome editing technology

Inplanta Innovations Inc.

Developing new genome editing technology for plants

■ Possessed technologies

□ Genome editing technology using CRISPR-Cas9 technology

Target plants: rice, soybean, tomato, potato, lettuce, etc.

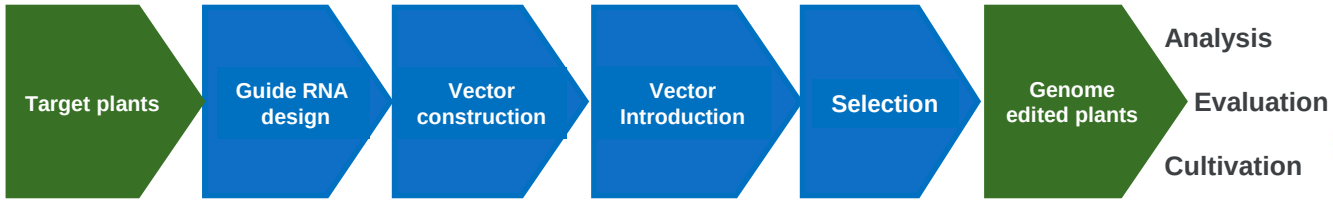
Purpose: Next-generation seed collection/clonal seedling propagation

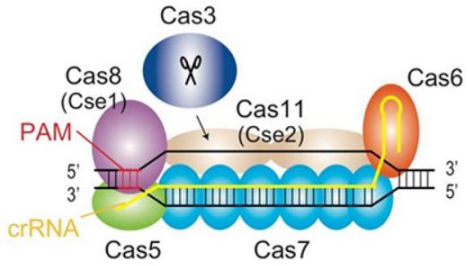
□ Creation of genetically modified plants using domestic genome editing technology CRISPR-Cas3

※CRISPR-Cas3 is a CRISPR system that belongs to Class 1 among the CRISPR systems of bacteria and archaea (Cas9 is Class 2). It was developed in 2019 as a domestic genome editing tool consisting of Cas3 protein and Cascade ribonucleoprotein.

□ The sonication-assisted whisker method

※Technology that enables more efficient production of genome-edited crops with new molecular introduction technology using needle-like crystals "whiskers"





III's Contract research services with CRISPR-Cas3

◆ Genetic modification technology

■ What's Genetic modification technology?

- ✓ Gene Editing technology is a technology that introduces a portion of the genes (DNA) of one organism into the cells of another organism to express that gene.
- ✓ Genetically modified crops are crops that have been bred using genetic modification technology.

■ Features of the taste-modifying Miraculin

- ✓ Glycoproteins that accumulate in Miracle Fruit have a taste-modifying efficacy that makes sour taste perceived as sweetness
- ✓ In the raw fruit state, activity is lost over time.
- ✓ Activity is lost by heating or thawing from the frozen state.

■ Production of Miraculin-accumulating tomato using genetic modification technology

- ✓ Tomatoes introduced the Miraculin gene using genetic modification technology are easy to cultivate, stable yield, mass production possible, and stable Miraculin content

■ The potential of Miraculin

- ✓ Contributing to lifestyle-related disease prevention
- ✓ Relieving stress due to restricted diet
- ✓ Supporting a healthy and long-lived society

Miracle Fruit

Miraculin gene

Tomatoes introduced the Miraculin gene

◆ Establishment of new cultivation method

■ Reducing chemical fertilizer usage by 30%

✓ Developing the most efficient fertilization method for plants

- ☐ Capture and analyze phenomena within plants, within greenhouses, and in the rhizosphere
- ☐ Discover fertilization and drip irrigation technologies that match with plant physiology
- ☐ Optimize fertilization time, frequency, and the dosage.
- ☐ Demonstrate and prove that the average weight of crops is increased even when the amount of fertilizer applied is reduced

■ Goal

✓ Increasing the amount of crops available for sale

- ☐ Increase yield by 1.5 times with the same amount of fertilizer applied
- ☐ Expand to various fruits and vegetables

Isolated cultivation

Hydroponic soil cultivation system

◆ Efficient cultivation of high value-added agricultural products

■ Medicinal herb

- ✓ Medicinal herbs are used in Chinese medicine and health foods, and many of them require a long time to harvest.
- ✓ Cultivation becomes difficult if farmland is used for a long time
- ✓ Cultivation of medicinal herbs depends on foreign countries (80% imported)

■ Cultivation of medicinal herbs

- ✓ Panax ginseng is used as a raw material for Chinese herbal medicine
- ✓ Cultivation period: 2 years are required to produce seedlings from seeds
  Another 2 to 4 years to harvest

Seedlings (1st grade)
(Source: Chiba University Floriculture and Seedling Production Blog)

Cloned seedlings of Panax ginseng after primary acclimation after 6 months

Source from "Development of technology to Expand production of medicinal crops", Ministry of Agriculture, Forestry and Fisheries commissioned project research

■ Efficient cultivation methods

❶ Select superior cloned seedlings of Panax ginseng using tissue culture technology
※Clone seedlings have the excellent properties of ``many buds'' and ``easily thick roots.''
❷ Feed seedlings in one year with hydroponic technologies
❸ Utilize Panax ginseng, which can shorten the cultivation period and have excellent properties, as herbal medicine and health food.

◆ Schedule for launching new products

Country	Product	Crop	2024	2025	2026	2027	2028	2029	2030	2031
Japan	Product A water solvent	citrus	sales							
Japan	Product B liquid formulation	tomatoes			sales					
Japan	Product C granules	green onions		sales						
Mid.East	Product D liquid formulation	tomatoes				sales				
Africa	Product D liquid formulation	flowers			sales					
Asia	Product D liquid formulation	vegetables		sales						
Japan	Product E water solvent	tomatoes			sales					
Japan	Product F spreader	fruit trees, vegetables			sales					
Japan	Product G liquid formulation	vegetables			sales					
Japan	Product G liquid formulation	rice, onions						sales		
Japan	Product H Flowable	vegetables			sales					
Japan	Product I Straight	vegetables			sales					
EU	Suffoil	fruit trees, vegetables			sales					
EU	Kaligreen	grapes				sales				
Mid.East	Suffoil	tomatoes, flowers			sales					
Asia	Acari touch	fruit trees, vegetables				sales				
Africa	Kaligreen	flowers				sales				
USA	Suffoil	apples, strawberries						sales		
Cent.Americas	Kaligreen	bananas			sales					
Japan	Product M granules	green onions			sales					
Japan	Product M Flowable	green onions			sales					
Japan	Product N Flowable	citrus					sales			
Japan	Product O Flowable	fruit trees, vegetables							sales	
Japan	Product O Mixture	citrus							sales	
Japan	Product P Flowable	fruit tree, vegetables								Registration
Japan	Product P Mixture	rice								Registration
Japan	Product Q Mixture	rice						sales		
EU	GATTEN	grapes		sales						
Mid.East	Daniranger	fruits tree, vegetables			sales					
Mid.East	GATTEN	grapes, vegetables		sales						
Mid.East	OAT-1103	vegetables						sales		
Africa	Danisaraba Pro	flowers			sales					
Africa	GATTEN	flowers		sales						
Oceania	GATTEN	grapes						sales		
Asia	new compound	apples						sales		
Asia	GATTEN	flowers, vegetables, grapes			sales					
Asia	Oncol	rice				sales				
Asia	Danisaraba	flowers, vegetables	sales							
Cent.Americas	GATTEN	flowers					sales			
South America	GATTEN	grapes	sales							

Biostimulants : FY2024-2026 New Products 5　FY2027-2031 New Products 1

Green Products : FY2024-2026 New Products 8　FY2027-2031 New Products 5

Control Materials : FY2024-2026 New Products 10　FY2027-2031 New Products 10

◆ Taking on Challenges in a Period of Change (Innovation)

Investing 10% of R&D costs in cutting-edge agricultural technologies

- Acquiring the latest technologies and creating new businesses
- Proposing profitable agriculture

To possess cutting-edge agricultural technologies

- AI data analysis
- Automatic harvesting robot
- Sensing technology
- Genome editing technology
- Clone seedlings
- New cultivation methods
- Prediction technologies to prevent pest outbreaks
- Retail platform app development

R&D Investment

Contributing to human- and ecofriendly, Sustainable agriculture

Green Products that lead to zero CO_2 emissions
Biostimulant products
Creation of total solution services

OAT Agrio's Vision for 2030

Phenotyping
Real-time sensing
Image analysis
Disease prevention/prediction
Labor savings/Improving efficiency

Freshness-preservative technology
Big data analysis technology
Platform system development in value chain

Proposals for smart agriculture in greenhouse horticulture

Reduction of food loss

◆Corporate Philosophy and Innovation

『Corporate Philosophy』

We contribute to the people in the world
with our agritechnology and sincerity.

『Innovation』

Intensive investment in R&D to
innovate for sustainable agriculture.

Realization of corporate philosophy

◆ Aggressive R&D investment over the next 3 years

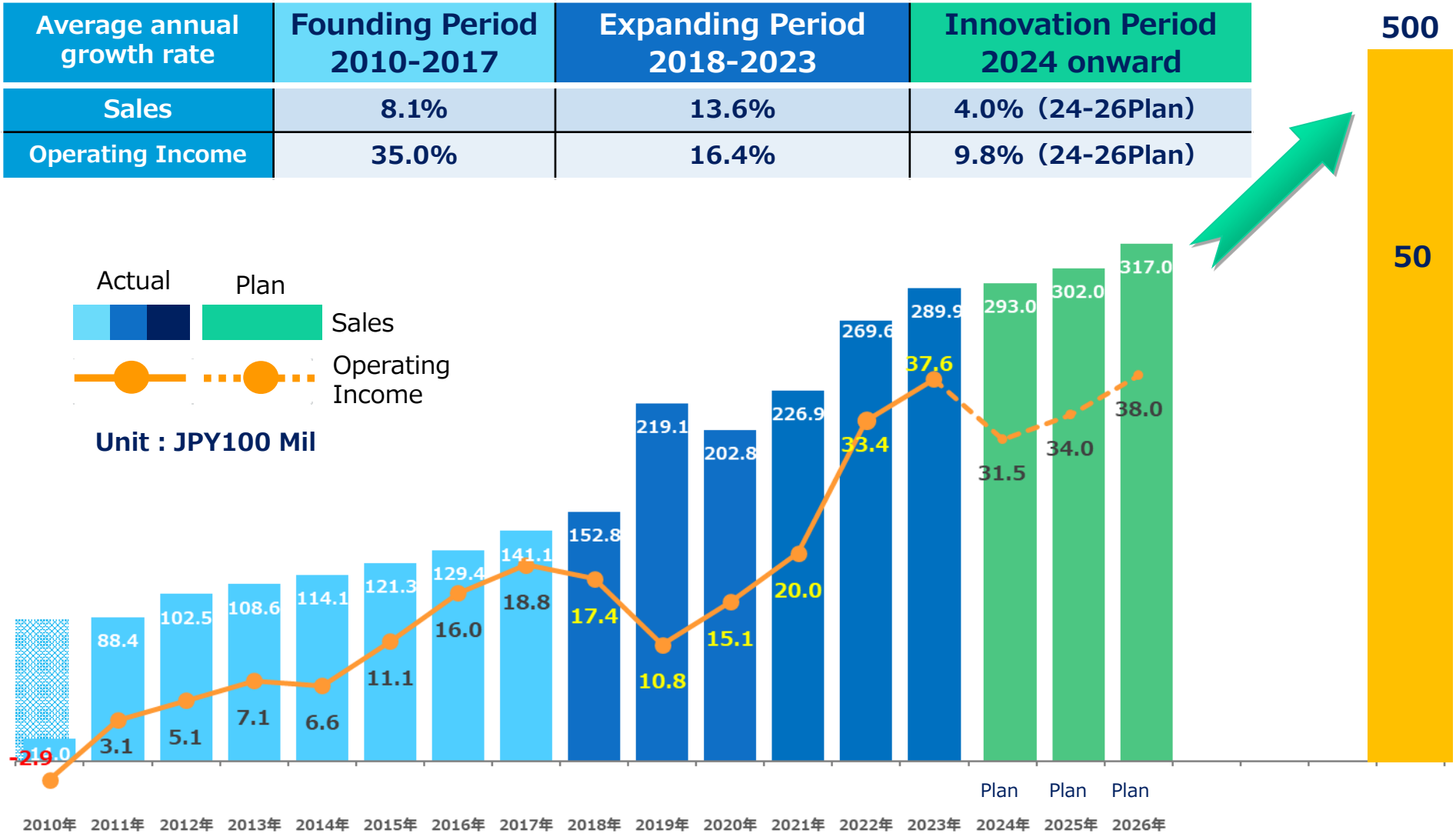
Proactive investment in R&D toward innovation
Take on challenges in world agriculture head-on and do our best to solve them
OAT Agrio moves to the next stage with the development of agriculture

Unit : JPY Mil

科目	Consolidated Result FY2021	Consolidated Result FY2022	Consolidated Result FY2023	Consolidated Plan FY2024	Consolidated Plan FY2025	Consolidated Plan FY2026
Sales	22,678	26,960	28,988	29,300	30,200	31,700
Operating Income	2,001	3,346	3,766	3,150	3,400	3,800
Ordinary Income	1,989	3,385	3,800	3,000	3,300	3,650
Net income attributable to owners of the parent company	1,456	2,261	2,488	1,920	2,150	2,410
R&D investment	2,010	1,958	2,040	2,717	2,566	2,760

◆ Net Sales and Operating Income 2024 onward

Average annual growth rate	Founding Period 2010-2017	Expanding Period 2018-2023	Innovation Period 2024 onward
Sales	8.1%	13.6%	4.0% (24-26Plan)
Operating Income	35.0%	16.4%	9.8% (24-26Plan)



Founding Period FY2010~2017 | **Expanding Period FY2018~2023** | **Innovation Period FY2024 onward**

◆ Management Index

■ New Mid-term Business Plan, consolidated

Unit : JPY Mil

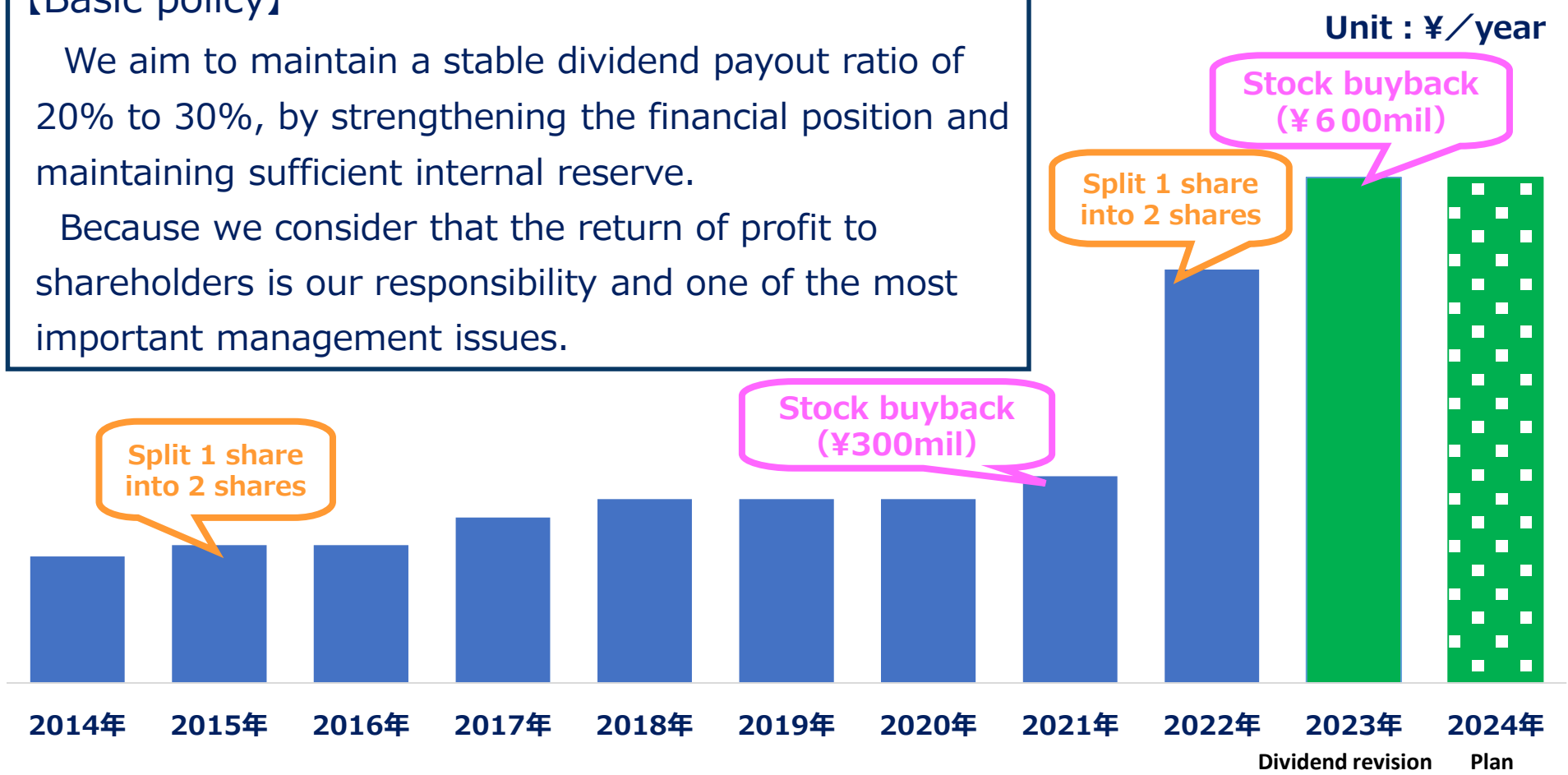
	Results FY2021	Results FY2022	Results FY2023	Plan FY2024	Plan FY2025	Plan FY2026
Net Sales	22,678	26,960	28,988	29,300	30,200	31,700
Operating Income	2,001	3,346	3,766	3,150	3,400	3,800
Ordinary Income	1,989	3,385	3,800	3,000	3,300	3,650
Net for the Period Attributed to Shareholders of the Parent	1,456	2,261	2,488	1,920	2,150	2,410
Operating Income Margin	8.8%	12.4%	13.0%	10.8%	11.3%	12.0%
Consolidated ROE	19.0%	23.4%	20.0%	13.2%	13.6%	13.8%
R&D Investment	2,010	1,958	2,040	2,717	2,566	2,760

◆Shareholder returns

【Basic policy】

We aim to maintain a stable dividend payout ratio of 20% to 30%, by strengthening the financial position and maintaining sufficient internal reserve.

Because we consider that the return of profit to shareholders is our responsibility and one of the most important management issues.



maintain a stable Dividend payout ratio of 20% to 30%

◆Note

- This document describes the outlook for the Company and the Group, plans for the future, etc. These forward-looking statements are based on current assumptions about future events and trends, and there is no guarantee that these assumptions are accurate. Due to various factors, actual results may differ materially from those described in this document.

- Information about companies other than our company relies on publicly known information.

- This document does not constitute a solicitation for an application for acquisition of any securities, an application for sale or a solicitation for an application for purchase (hereinafter referred to as "solicitation act"), nor is it intended for solicitation, and any contract, Nor can it be the basis for an obligation.