Financial results
for the fiscal Year Ended March 31, 2024

May 14, 2024

Takara Holdings Inc.

Contents

Ⅰ. Financial results for the fiscal year ended March 31, 2024

Overview of Medium-Term Management Plan for 2025

Long-Term Management Plan
"TaKaRa Group Challenge for the 100th (TGC100) "
(for 2020-2025)

Vision ～Smiles in Life～

Medium-Term Management Plan for 2022
for 2020-2022

Medium-Term Management Plan for 2025
for 2023-2025

During this period,
each business segment
was to transform its
business model and
operating foundation to
make them more robust.

**During this period,
Takara Group intends to
accelerate investing in
businesses in growth and
high-priority fields to increase
the Group's enterprise value**

Takara Holdings (Consolidated) Financial results for the fiscal year ended March 31, 2024

(Millions of Yen)

	'24/3 Actual	YOY (%)	Change from the plan for the 1st year of the MMP2025 (%)
Net Sales	**339,372**	(3.2)	(4.4)
Gross Profit	**113,933**	(5.0)	(5.8)
Operating income	**22,242**	(41.4)	(15.4)
Ordinary income	**23,336**	(39.7)	(12.9)
Net Income attributable to owners of the parent	**16,176**	(23.7)	+7.8

	'24/3 Actual	'23/3 Actual	Plan for the 1st year of the MMP2025
Percentage of net sales from overseas operations (except for Takara Bio Group)	**55.3% (54.0%)**	48.3% (50.2%)	56.3% (54.7%)

Financial results by Business for the fiscal year ended March 31, 2024

(Millions of Yen)

		'24/3 Actual	YOY (%)	Change from the plan for the 1st year of the MMP2025 (%)
Takara Shuzo	Net Sales	**123,786**	+0.7	+0.2
	Gross profit	**31,728**	+8.4	+1.8
	Operating income	**5,503**	+12.5	+21.2
Takara Shuzo Int'l Group	Net Sales	**160,427**	+16.7	(3.1)
	Gross profit	**51,715**	+22.0	(0.9)
	Operating income	**12,291**	+13.6	(1.7)
Takara Bio Group	Net Sales	**43,505**	(44.3)	(18.4)
	Gross profit	**26,908**	(39.9)	(20.8)
	Operating income	**3,003**	(85.4)	(62.5)

Takara Holdings (Consolidated) Statements of Cash Flows for the fiscal year ended March 31, 2024

◇Consolidated Statements of Cash Flows

(Millions of Yen)

	'23/3 Actual	**'24/3 Actual**	Change
cash flows from operating activities	45,478	**29,178**	(16,299)
cash flows from investing activities	(10,474)	**(19,993)**	(9,518)
free cash flow	35,003	**9,185**	(25,818)
cash flows from financing activities	(22,215)	**(13,448)**	8,766
Effect of exchange rate change on cash and cash equivalents	3,267	**2,661**	(605)
Cash and cash equivalents at end of period	91,785	**90,184**	(1,601)

◇Depreciation and Amortization, Amortization of goodwill

(Millions of Yen)

	'24/3 Actual	Change from '23/3	
		Change	YOY (%)
Depreciation and Amortization	**9,999**	+880	+9.7
Amortization of goodwill	**1,179**	+181	+18.1

Investment Performance, Dividends (planned) , Acquisition and cancellation of treasury stock for the fiscal year ended March 31, 2024

The Takara Group as a whole invested 27.0 billion yen.
The expected dividend is 29 yen, and we acquired 3.0 billion yen of treasury stock between November and February

◇Investment Performance

(Billions of Yen)

	'24/3 Actual	Plan for the 1st year of the MMP2025	Overview
Takara Shuzo	4.1	4.9	・Fushimi Plant: Facility upgrades for canned chu-hi line ・Matsudo Plant: Purchase of land for facility expansion
Takara Shuzo Int'l Group	11.9	10.5	・M&As in North America (acquired Ontario Limited for alcoholic beverages and Minamoto Wholesale Limited, LLC for food wholesale) ・Expansion and relocation of warehouse functions in North America and Spain
Takara Bio Group	10.9	16.0	・Expenses related to Building 3 of the Center for Gene and Cell Processing ・Expansion of the vector manufacturing area and aseptic filling area in Building 2
Takara Group Consolidated	27.0	31.8	

◇Dividends (planned) , Acquisition and cancellation of treasury stock

Dividends	29yen（Dividend payout ratio35.3%)
Acquisition and cancellation of treasury stock	3.0 Billions of Yen

Takara Holdings (Consolidated) Financial Performance for the fiscal year ended March 31, 2024

◇Consolidated Balance Sheets

(Millions of Yen)

	'23/3	**'24/3**	Change
Current assets	241,513	**245,213**	+3,700
Cash and deposits	96,820	**95,085**	(1,734)
Notes and accounts receivable-trade	69,717	**70,123**	+406
Inventories	66,904	**71,052**	+4,148
Others	8,070	**8,951**	+880
Noncurrent assets	157,661	**192,254**	+34,593
Property, plant and equipment	88,890	**104,882**	+15,991
Intangible assets	15,931	**18,336**	+2,404
Investments and other assets	52,838	**69,036**	+16,197
Total assets	399,174	**437,468**	+38,293

	'23/3	**'24/3**	Change
Current liabilities	67,454	**80,657**	+13,202
Notes and accounts payable-trade	21,775	**22,315**	+539
Loans and bonds	4,919	**15,008**	+10,089
Others	40,760	**43,333**	+2,573
Noncurrent liabilities	76,401	**76,345**	(55)
Loans and bonds	35,186	**25,422**	(9,763)
Others	41,214	**50,922**	+9,708
Total liabilities	143,856	**157,003**	+13,146
Total shareholders' equity	177,363	**183,749**	+6,386
Capital stock and Capital surplus	15,220	**15,943**	+722
Retained earnings	163,825	**169,909**	+6,084
Treasury stock	(1,682)	**(2,103)**	(420)
Accumulated other comprehensive income	26,588	**44,915**	+18,327
Noncontrolling interests	51,366	**51,799**	+432
Total net assets	255,318	**280,465**	+25,146
Total liabilities and net assets	399,174	**437,468**	+38,293

◇ROE・ROIC

	'24/3 Actual	Plan for the 1st year of the MMP2025
ROE	7.5%	7.2%
ROIC	4.8%	5.8%

Ⅱ. Financial forecasts for the fiscal year ending March 31, 2025

Takara Holdings (Consolidated) Financial Forecasts for the fiscal year ending March 31, 2025

(Millions of Yen)

	'25/3 Forecast	Change(%)	Target of the MMP2025 ('26/3)
Net Sales	362,000	+6.7	420.0 billion yen or more
Gross Profit	123,500	+8.4	—
Operating income	25,700	+15.5	38.0 billion yen or more
Ordinary income	26,300	+12.7	—
Net Income attributable to owners of the parent	17,200	+6.3	—

	'25/3 Forecast	'24/3 Actual	
Percentage of net sales from overseas operations (except for Takara Bio Group)	57.9% (56.9%)	55.3% (54.0%)	60% or more (60% or more)

Financial results by Business for the fiscal year ending March 31, 2025

(Millions of Yen)

		'25/3 Forecast	Change (%)	Target of the MMP2025 ('26/3)
Takara Shuzo	Net Sales	**122,373**	(1.1)	123.2 billion yen
	Gross profit	**32,160**	+1.4	—
	Operating income	**5,731**	+4.1	5.0 billion yen
Takara Shuzo Int'l Group	Net Sales	**179,000**	+11.6	218.0 billion yen
	Gross profit	**57,933**	+12.0	—
	Operating income	**13,750**	+11.9	16.7 billion yen
Takara Bio Group	Net Sales	**48,900**	+12.4	68.1 billion yen
	Gross profit	**29,598**	+10.0	—
	Operating income	**5,000**	+66.5	15.0 billion yen

Financial results by Business for the fiscal year ending March 31, 2025 (1H,2H)

(Millions of Yen)

		'25/3 1H Forecast	Change (%)	'25/3 2H Forecast	Change (%)
Takara Holdings (Consolidated)	Net Sales	171,000	+4.8	191,000	+8.4
	Gross profit	57,500	+3.7	66,000	+12.9
	Operating income	10,400	(16.6)	15,300	+56.5
Takara Shuzo	Net Sales	60,173	(1.7)	62,200	(0.6)
	Gross profit	15,751	(1.4)	16,409	+4.2
	Operating income	2,797	(29.2)	2,934	+89.2
Takara Shuzo Int'l Group	Net Sales	85,000	+10.2	94,000	+12.9
	Gross profit	27,616	+13.3	30,317	+10.9
	Operating income	6,750	+7.9	6,999	+16.0
Takara Bio Group	Net Sales	20,200	+5.7	28,700	+17.7
	Gross profit	12,299	(7.8)	17,299	+27.5
	Operating income	150	(89.4)	4,850	+204.5

Impact of Exchange Rate Fluctuations for the fiscal year ending March 31, 2025

The impact of exchange rate fluctuations on Takara Shuzo and Takara Shuzo International Group combined is minor

◇Status of main exchange rates (compared to the previous fiscal year)

	'24/3 Actual	**'25/3 Forecast**	Change
USD/Yen	140.66	**140.00**	(0.66)
GBP/Yen	175.03	**177.00**	+1.97
EUR/Yen	152.10	**153.00**	+0.90

◇Exchange rate sensitivity of Takara Shuzo and Takara Shuzo Int'l Group

(Millions of Yen)

	Impact on operating income in the current fiscal year when JPY depreciates by 1 yen against USD
Takara Shuzo	(103)
Takara Shuzo Int'l Group	+101
Total	(1)

Takara Holdings (Consolidated) Statements of Cash Flows for the fiscal year ending March 31, 2025 , Financial Targets

◇Consolidated Statements of Cash Flows

(Millions of Yen)

	'24/3 Actual	**'25/3 Forecast**	Change
cash flows from operating activities	29,178	**33,431**	4,253
cash flows from investing activities	(19,993)	**(25,557)**	(5,564)
free cash flow	9,185	**7,874**	(1,311)
cash flows from financing activities	(13,448)	**(16,495)**	(3,047)

◇Depreciation and Amortization, Amortization of goodwill

(Millions of Yen)

	'25/3 Forecast	Change from '24/3	
		Change	Change (%)
Depreciation and Amortization	**9,800**	(199)	(2.0)
Amortization of goodwill	**1,500**	+ 320	+ 27.2

◇ROE・ROIC

	'24/3 Actual	**'25/3 Forecast**	**'26/3 Target**
ROE	7.5%	7.3%	9.0% or more
ROIC	4.8%	5.2%	7.5% or more

Investment Plan, Dividends (planned) for the fiscal year ended March 31, 2025

The Takara Group as a whole plans to invest 25.5 billion yen.
The dividend forecast is 31 yen, with a payout ratio of 35.2%

◇Investment Plan

(Billions of Yen)

	'25/3 Forecast	Overview
Takara Shuzo	4.2	・Matsudo Plant: Integration of large PET line ・Kusu Plant: Update to Cubi line
Takara Shuzo Int'l Group	9.4	・Investment in M&As ・Expansion and relocation of warehouse functions in North America, Spain, etc.
Takara Bio Group	10.4	・Construction of Building 3 of the Center for Gene and Cell Processing
Takara Group Consolidated	25.5	

◇配当予想

Dividends	31yen（Dividend payout ratio35.2%）

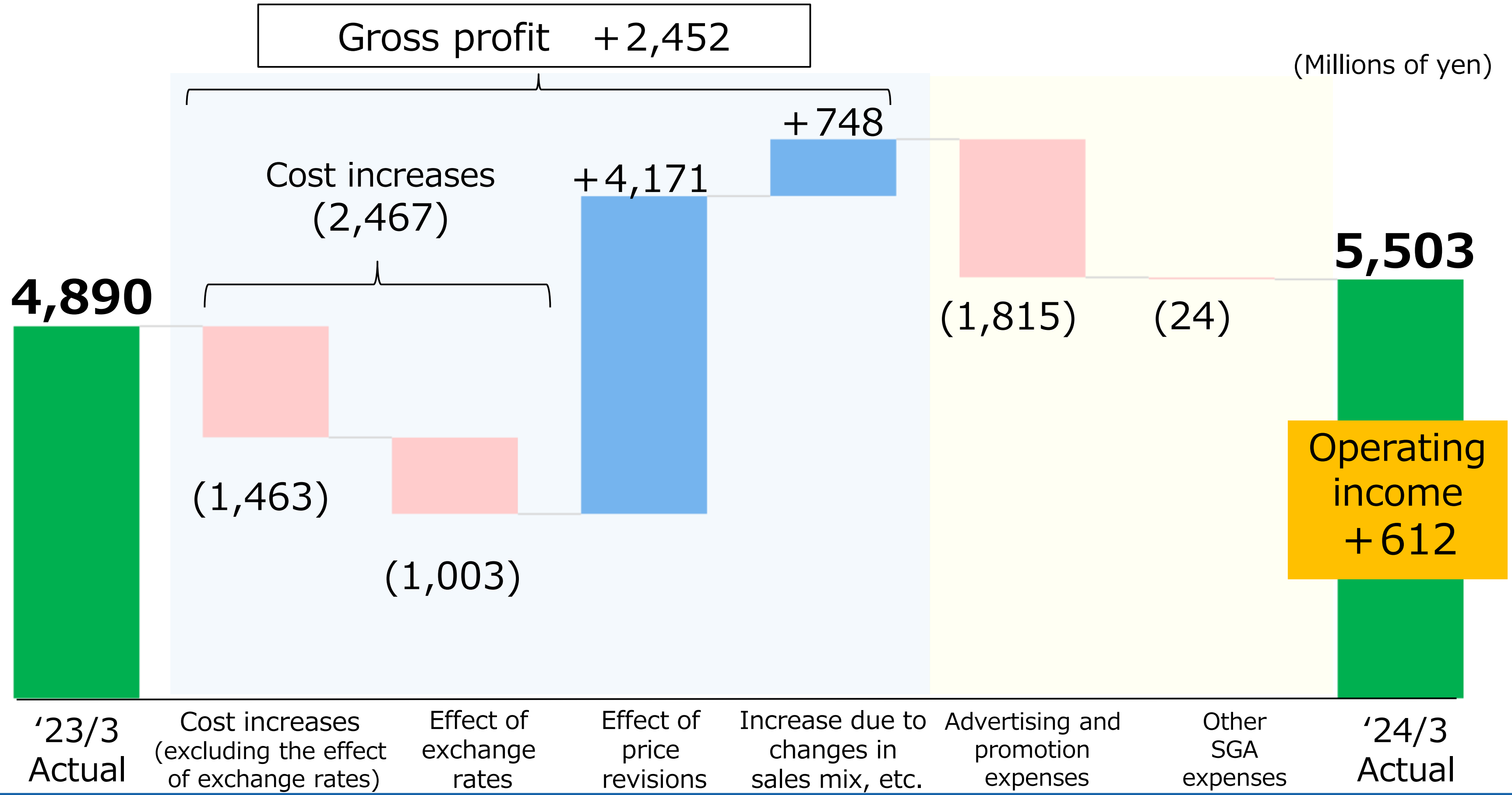
Ⅲ. Business strategy for the fiscal year ending March 31, 2025

1. Takara Shuzo

Analysis of the Change in Operating Income for the year ended March 31, 2024 (Takara Shuzo) <Year-on-year>

Gross profit increased due to the effect of price revisions and changes in sales composition, absorbing increased costs and advertising and promotion expenses and resulting in increased income

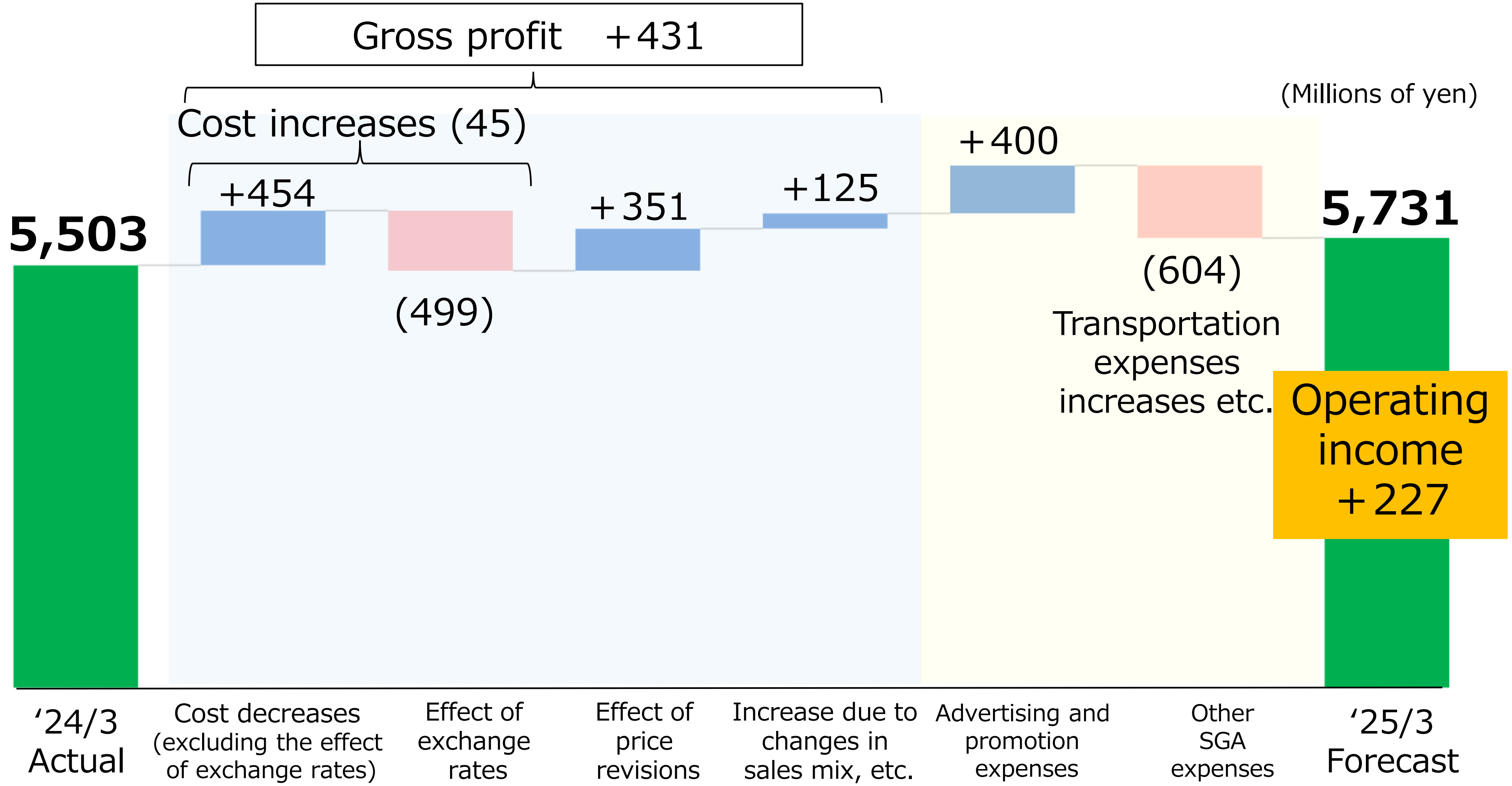
◇Year-on-year change in operating income
(positive factors are shown with a plus sign, and negative factors are shown in parentheses)



Analysis of the Change in Operating Income for the year ended March 31, 2025 (Takara Shuzo) <Year-on-year>

The effect of exchange rates was offset by cost reductions and the effect of price revisions, resulting in an increase in gross profit. Despite an increase in transportation cost, etc., income is expected to increase due to a decrease in advertising and promotion expenses

◇Year-on-year change in operating income
(positive factors are shown with a plus sign, and negative factors are shown in parentheses)



Takara Shuzo: Business Strategy for the fiscal year ended March 31, 2025

Basic policy	We will engage in thorough brand development, raise profit margins, and expand Washu into global markets

- Strengthen product and brand development capabilities to substantially boost profit and profit margins
- Expand key brands and exports
- Strengthen and continue initiatives with a primary focus on safety and security
- Continue and advance companywide cost reductions

Initiatives of Developing key brands

In the fiscal year ending March 31, 2024, total net sales of key brands were 5.6% higher, Gross profit were 11.9% higher than the year-earlier result.
In the fiscal year ending March 31, 2025, total net sales of key brands will be 6.4% higher, Gross profit will be 7.8% higher than the year-earlier result.

●Sales targets of key brands for ‘25/3

(Millions of yen)

	‘23/3 Actual	‘24/3 Actual	YOY (%)	‘25/3 Target	YOY (%)
Net sales	43,051	45,447	+5.6	48,368	+6.4
Gross profit	11,931	13,357	+11.9	14,396	+7.8

Initiatives of Developing key brands

The sales composition ratio of key brands increased in the fiscal year ended March 31, 2024. Price revisions led to improved profit margins, and overall gross profit margins also improved. We will continue to expand key brands and improve profit margins in the fiscal year ending March 31, 2025

●Key brands Development Plan

	'23/3 Actual		'24/3 Actual		'25/3 Forecast	
	Sales composition (%)	Gross profit margin (%)	Sales composition (%)	Gross profit margin (%)	Sales composition (%)	Gross profit margin (%)
Takara Shuzo total	100.0	23.8	100.0	25.6	100.0	26.3
Key brands	35.0	27.7	36.7	29.4	39.5	29.8
Other	65.0	21.7	63.3	23.5	60.5	24.0

Initiatives of Brand Development <Takara Karakuchi Zero Ball>

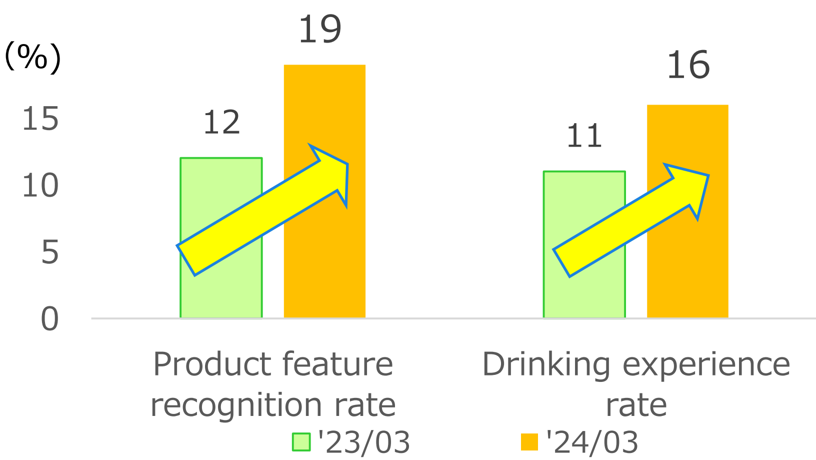
In the fiscal year ended March 31, 2024, sales volume increased and we gained greater recognition due to TV commercials that promoted the product’s compatibility with meals. We continued to promote TV commercials featuring Shuzo Matsuoka to develop the brand

・<Takara Karakuchi Zero Ball> Sales volume YOY

	YOY (%)
From April 2023 to March 2024	224

※<Takara Karakuchi Zero Ball> Released in October 2022

・<Takara Karakuchi Zero Ball> Development Indicators



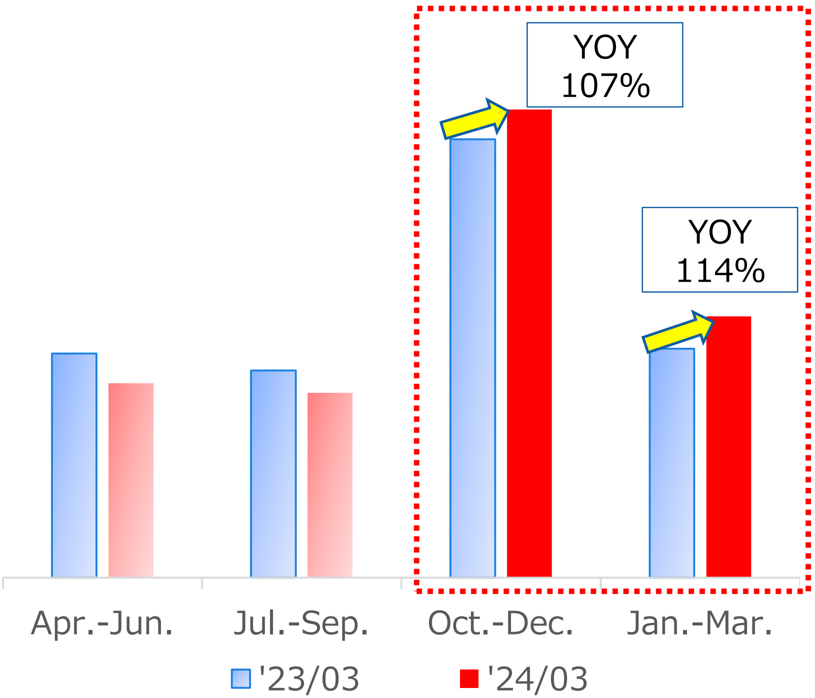
●Continuing from the previous fiscal year, we ran TV commercials in the first half of the current fiscal year

TVCM image

Initiatives of Brand Development <Sho Chiku Bai Shirakabegura "MIO" Sparkling Sake>

In the fiscal year ended March 31, 2024, the brand was revitalized through TV commercials around the Christmas and New Year period. We will continue to strengthen information dissemination through TV commercials and social media video content

・「MIO」Sales volume trends



● Launch of TV commercials and digital advertisement

・TV commercials continued in the first half of the current fiscal year

Commercial featuring Mao Asada

● Strengthening social media video content

'24/03 Number of followers Actual	'25/03 Number of followers Targets
180,000	225,000

Initiatives of Brand Development
<Takara Shochu Highball>

By continuing to run a BS program and using fan websites, we will secure loyal users, as well as acquire new users by launching a wide range of limited-edition products

●Acquiring loyal users

・Promote the product's "cheap saloons concept" by running a BS program

"Yuyake Sakaba" celebrates its 10th anniversary since its broadcast in 2004

・Sale of limited-edition cans with a "Yuyake Sakaba" design

<Back of the package>

Includes limited illustrations that let you experience the atmosphere of cheap saloons

Available flavors:
Dry, lemon,
Okinawa shikuwasa

Gradually switched over from July onwards

・Use the Takara Shochu Highball fan website

About 30,000 people registered

●Acquiring new users

・Launch a wide range of limited-edition products

Alcohol content 5%

<Specialty cola>

Alcohol content 7%

<Iwashita's Ginger>
Released on June 4

Initiatives of Brand Development <Sho Chiku Bai “Subaru”>

To revitalize the market of “Fragrant Washu,” we will acquire users through the use of sampling and digital advertisement

● Obtaining a hands-on experience of “Fragrant Washu” through sampling

● Introducing digital advertisement

・Distribution period: April to June

・Distribution platforms:
YouTube, Amazon Prime, TVer, Netflix, Yahoo!, etc.

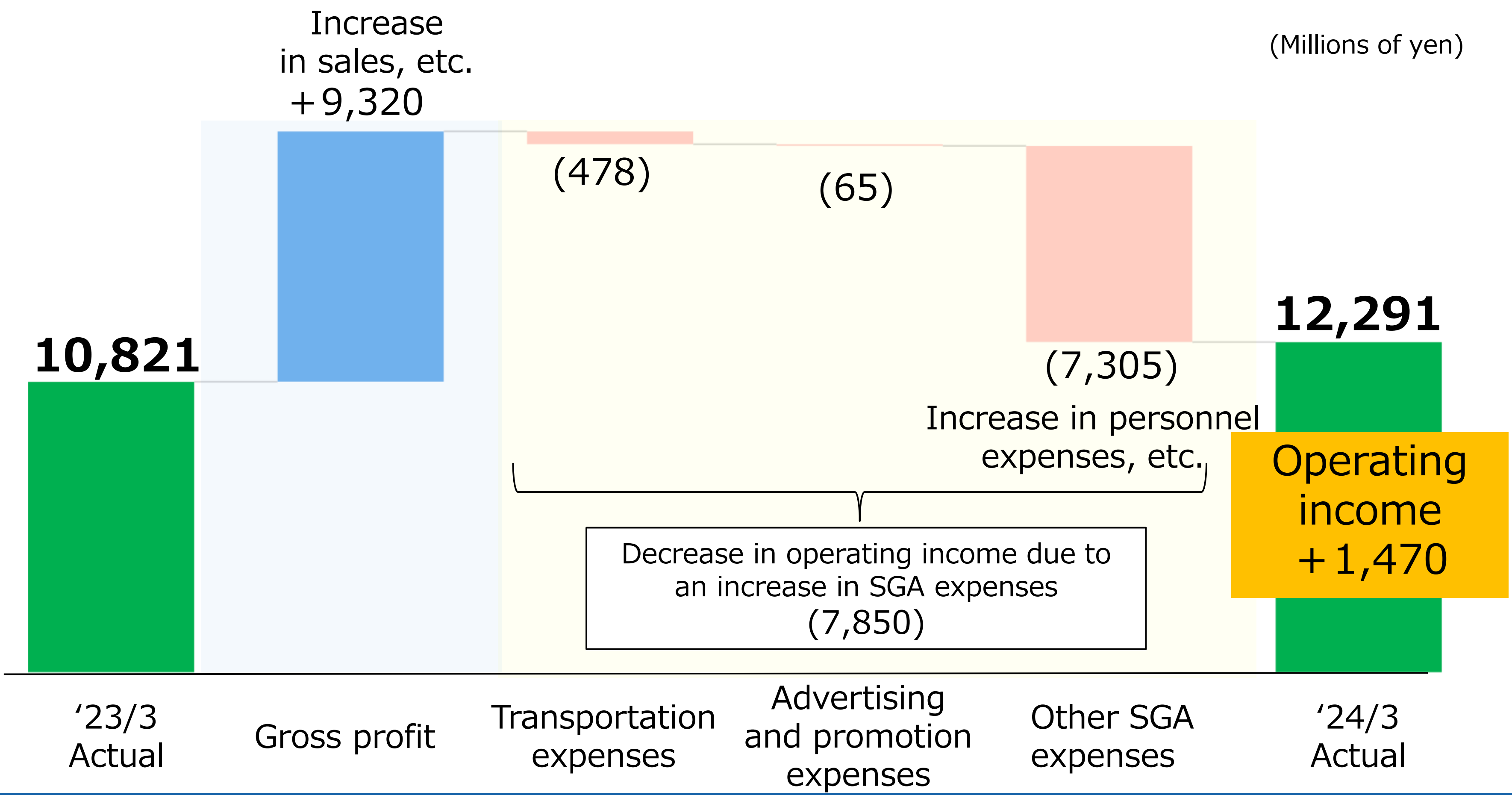
Ⅲ. Business Strategy for the fiscal year ending March 31, 2025

2. Takara Shuzo Int’l Group

Analysis of the Change in Operating Income for the year ended March 31, 2024 (Takara Shuzo Int'l Group) <Year-on-year>

Gross profit increased due to an increase in net sales and the effect of M&As, which offset a rise in personnel expenses, etc., resulting in increased income

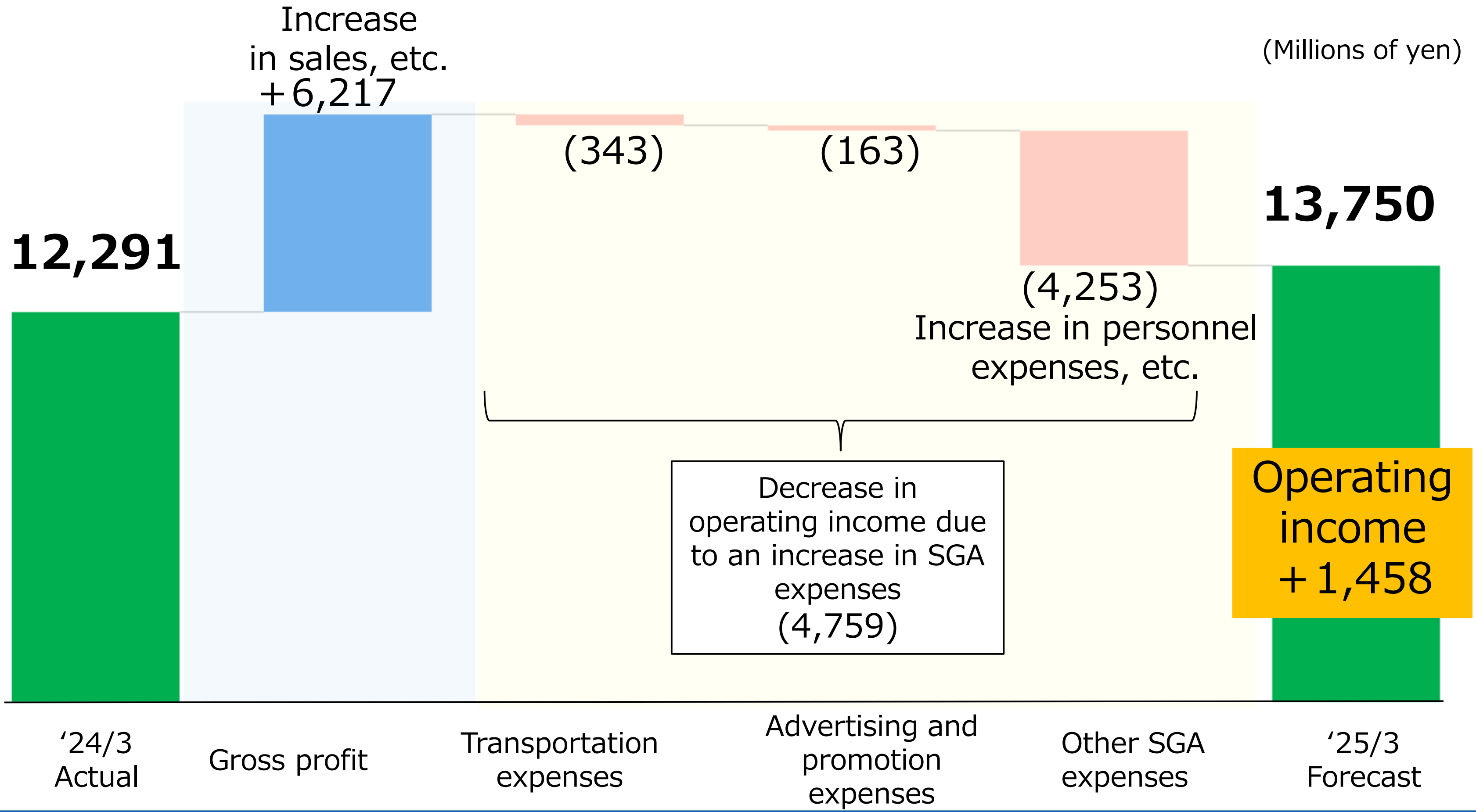
◇Year-on-year change in operating income
(positive factors are shown with a plus sign, and negative factors are shown in parentheses)



Analysis of the Change in Operating Income for the year ended March 31, 2025 (Takara Shuzo Int'l Group) <Year-on-year>

We plan to continue expanding net sales, which will increase gross profit and offset a rise in personnel expenses, etc., resulting in increased income

◇Year-on-year change in operating income
(positive factors are shown with a plus sign, and negative factors are shown in parentheses)



Takara Shuzo Int’l Group: Business Strategy for the fiscal year ended March 31, 2025

Basic policy	We will achieve revenue growth for the whole Group through the rapid growth of the Washu and Japanese food wholesale business and the stable growth of Western-style liquor business

- By making maximum use of the Group network, we will collect and analyze information on consumers and other companies, and use it in product development, brand development, proposal sales, and strengthening SCM functions, thereby improving the speed and accuracy of implementing individual measures.

- We will respond to changes in the business environment, work to expand our business, and continue and strengthen our profit-oriented policy.

- In order to achieve sustainable growth in the future, we will make well-balanced investments while also striving to further strengthen our management foundation.

Overseas Alcoholic Beverages Business (Washu) : Business Policy for the fiscal year ended March 31, 2025

Overseas Alcoholic Beverages Business (Washu)

Business Policy	We will aim for the rapid growth of the Washu business, maximizing synergies between Takara Shuzo and overseas Group companies.

● ”Product Development”

・Traditional Japanese sake will revitalize the "Shirakabegura" brand and develop it into a strong brand that can be used overseas.
・Innovative Japanese sake will accelerate its development speed, centering on the Global Japanese Sake Collaboration Project.
・We will respond to changes in the environment and laws and regulations of each country and strengthen compliance of export products with standards.

● 「MIO」Brand Development

The company will focus on expanding sales of its global flagship brand, Mio, and will once again attempt dramatic expansion.
~Clarifying strategic targets and implementing effective training measures~

Overseas Alcoholic Beverages Business(Washu) : Initiatives of Product Development

We will further enhance product portfolios by introducing high-added-value, high-profit products produced both in Japan and locally

- In the United States, we will strengthen the development of Shirakabegura high-added-value products and promote the development of new brands

- In China, we will promote the development of products such as Chinese-made pure rice sake

・ Development plan for products exclusive to overseas (Sake, RTD including)

’24/03 Actual	14 items	‘25/03 Plan	9 items

◆Strategic Indicators

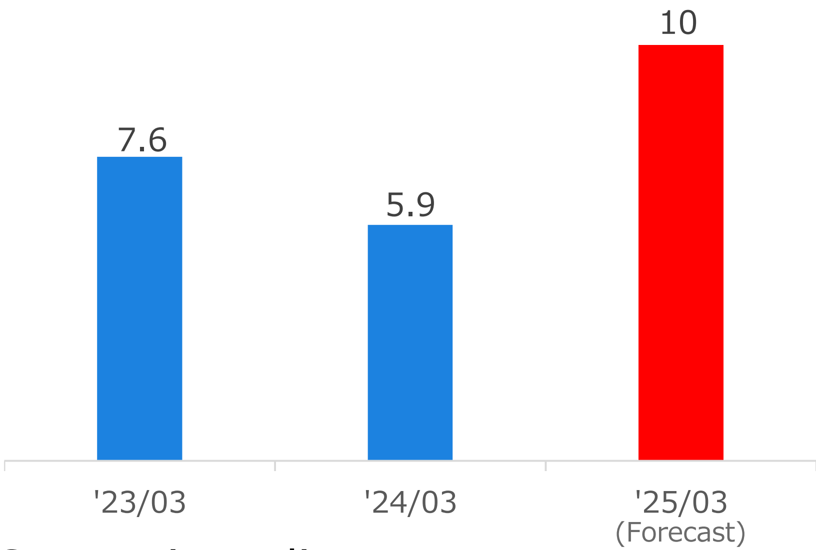
Export Sales	1.5 Billion yen（YOY 117%)
Number of countries exporting Japanese alcoholic beverages	60 Countries（+3 Countries)

Overseas Alcoholic Beverages Business(Washu) : Initiatives of "MIO"Brand Development

Due to an increase in market inventory in the fiscal year ended March 31, 2023 caused by logistics disruptions, sales in the fiscal year ended March 31, 2024 were lower year-on-year. However, sales are expected to grow again due to the introduction of exclusive overseas products

・"MIO"Export Sales Volume trends

(10,000 C/S)
1 C/S is calculated as 300ml x 12 bottles



◆Strategic Indicators

"MIO"Export Sales Volume	100,000C/S（YOY 169%)

・"MIO"Export Sales in '24/03 (thousands of yen)

Apr.–Nov.	YOY (%)	Dec.–Mar.	YOY (%)
176,953	81	68,480	126

・"MIO" exclusive overseas products

"MIO"<CRISP> "MIO"<NIGORI>

Examples of being sold at Japanese supermarkets

Overseas Alcoholic Beverages Business(Washu) : Initiatives of “MIO”Brand Development

We will revitalize the “MIO” brand by disseminating information on social media, etc.

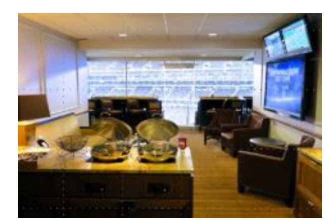
● Revitalize the MIO brand by utilizing exclusive overseas products such as “MIO” ＜CRISP＞ and ＜NIGORI＞

● Strengthen information dissemination to new stores and target users in four key countries (United States, Hong Kong, UK, Taiwan)

・Information dissemination from official “MIO” social media accounts in each country

・Concluded an official sponsorship contract with MLB’s New York Mets in 2024

*“MIO” 750ml was included on the menu in the VIP room at Dodger Stadium



Overseas Alcoholic Beverages Business(Washu) : Initiatives to expand exports (SAKE)

We will strengthen the “MIO” lineup and introduce exclusive overseas products in the United States, Asia, and Europe. We will also expand in various countries with high-added-value products under the Sho Chiku Bai brand

Takara Shuzo × **Takara Shuzo Int’l Group**

Europe

“MIO” <NIGORI>
Exported from December, 2023

Asia

“MIO” <NIGORI>
Exported from December, 2023

Sho Chiku Bai Gold Titled Sake Daiginjo
Exported from November, 2023

U.S.

“MIO” <CRISP>
Exported from November, 2023

Sho Chiku Bai Shirakabegura Yamahai Tokubetsu Junmai, stored in jars in an ice room for 10 years
Exported from November, 2023

Overseas Alcoholic Beverages Business(Washu) : Initiatives to expand exports (RTD)

We export TaKaRa CHU-HI, a canned product that meets local needs, to the U.S., which is the largest ready-to-drink products market.
We export Takara NIPPON CHU-HI “Selected from Japanese Farm” to Asia, Oceania and Europe, and export Takara Shochu Highball exclusively to Asia and Oceania

Takara Shuzo × Takara Shuzo Int’l Group

Europe

Takara NIPPON CHU-HI
“Nihon no Nouen Kara”
To be exported from June, 2024

Asia, Oceania

Takara Shochu Highball
Exported from
February, 2024

Takara NIPPON CHU-HI
“Nihon no Nouen Kara”
To be exported from June, 2024

U.S.

TaKaRa CHU-HI
Exported from
December, 2023

Overseas Alcoholic Beverages Business(Washu) : Initiatives to expand "Innovative SAKE"

Develop innovative washu such as sake cocktails, and expand sales in collaboration with Mutual Trading Co., Ltd.

<Ontario>

- Increasing sales of sake cocktails by introducing new flavors and small-volume development
- Collaborating with Mutual Trading Co. to start exporting sake cocktails to the U.S.
- In addition to strengthening sales to retailers, strengthening sales to restaurants and directly managed stores in the city

exterior of Ontario

Overseas Alcoholic Beverages Business(Washu) : Initiatives to expand "Innovative SAKE"

We will continue our collaboration with WAKAZE, a Japanese sake startup company in which we invested in January 2023, and begin contract manufacturing of canned sparkling sake for the U.S. market

＜cooperation with WAKAZE＞

TaKaRa × WAKAZE

和酒・日本食文化を世界に

日本酒を世界酒に

・Product name: "SummerFall" 〈CLASSIC BUBBLES〉
・Capacity/container: 236ml/can
・Manufacturer: Takara Sake USA Inc. (Berkeley, California)
・ Local retail price: $6
・ Sales channels: High-end grocery stores and other retailers in the U.S.
・Sales start date: April 18, 2024

Sparkling sake with 11% alcohol content, made with Californian rice, white koji and French wine yeast

Japanese Food Wholesale Business : Business Strategy for the fiscal year ended March 31, 2025

Japanese Food Wholesale Business

Business policy	We will promote the diversification of sales channels, pioneer new areas, and develop and cultivate differentiated products to achieve rapid growth significantly exceeding market growth.

- Promote sales growth by expanding area and bases.
- Expand sales by expanding the range of high-value, differentiated products and developing new products that meet market needs.
- Promote diversification of sales channels and build a business structure that is resilient to changes in the environment.
- Strengthen sales of washu such as Mio, and make them a "strength" and "point of differentiation" against competitors.
- Thoroughly focus on profits and strengthen the management foundation.

Japanese Food Wholesale Business :
Plans to expand operations in the rapidly growing state of Texas

Following the M&A of Minamoto Wholesale Limited, LLC, we plan to open a new base in Houston in the fall of 2024. This will further strengthen sales in the surrounding areas, including major metropolitan areas in southern Texas

・ Locations of urban areas in Texas

・ Characteristics of Texas

・Second most populous state after California
・More companies are moving into the area, and high economic growth is expected
・4th in the U.S. for number of Japanese restaurants
・ High growth rate of Japanese restaurants

2022 Rankings	State Name	Number of Japanese restaurants 2022	Growth rate '22/'18
1	California	4,995	111.8%
2	New York	1,936	102.3%
3	Florida	1,501	118.6%
4	**Texas**	**1,197**	**149.3%**
5	Washington	1,016	113.1%
6	New Jersey	893	121.3%
7	Pennsylvania	729	150.3%
8	North Carolina	717	122.8%
9	Georgia	667	112.3%
10	Illinois	644	112.4%

According to a survey by JETRO

Japanese Food Wholesale Business :
New base development plans

In 2025, we plan to open a new base in Seattle, the largest city in the western U.S. state of Washington

Expanding to 15 bases in 12 states in North America

Mutual Trading Seattle Branch (Opening in 2025)

2022 Rankings	State Name	Number of Japanese restaurants 2022	Growth rate '22/'18
1	California	4,995	111.8%
2	New York	1,936	102.3%
3	Florida	1,501	118.6%
4	Texas	1,197	149.3%
5	Washington	1,016	113.1%
6	New Jersey	893	121.3%
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8	North Carolina	717	122.8%
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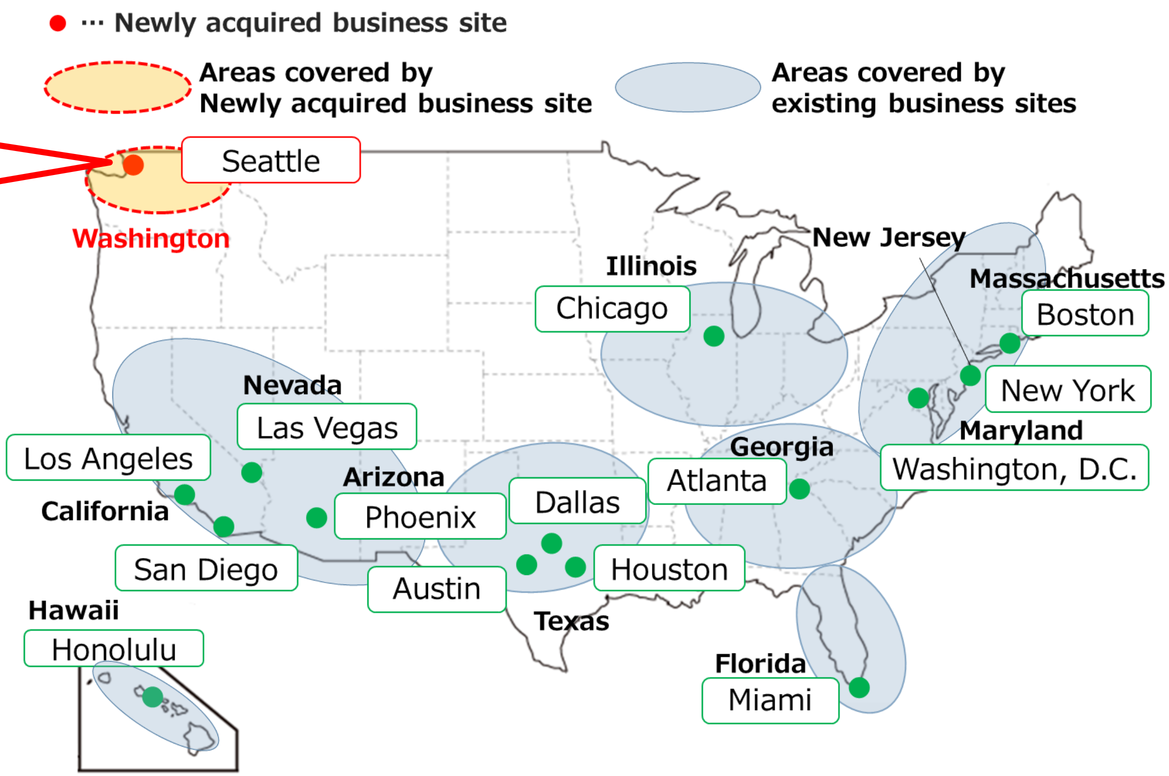
According to a survey by JETRO



Japanese Food Wholesale Business : Initiative plan of New product development

We will expand differentiated products such as plant-based products, organic and vegan foods, and high-quality Wagyu beef

● Expanding differentiated products

Plant-based products (konjac-based sashimi, soy- and pea-based pork, etc.)

Organic and vegan foods (for example Tazaki Foods Limited products)

High-quality Wagyu beef (brand beef such as Miyazaki beef and Kobe beef)

Number of organic and vegan foods available	Targets	1,469（YOY＋36)
Number of food allergy-friendly products available		1,657（YOY＋19)

Japanese Food Wholesale Business : Initiative plan of Diversification of sales channels

We will diversify sales channels by expanding sales routes to mass retailers and for processing, export, etc.

- Developing American and Asian mass retailers in North America
- Entering the catering industry, which is experiencing growing demand (Olympic Village for the Paris Olympics, services on cruise ships)
- Strengthening the development of new export countries, such as in Northern and Eastern Europe, where the spread of Japanese food is expected in the future

Images of catering food

Sushi Burrito

Poke bowl

Japanese Food Wholesale Business : Initiative plan of Strengthening sales of washu

We will promote measures to strengthen sales of Washu as well as initiatives jointly undertaken by the head office and the Group

- Promoting measures to strengthen sales of Washu
  - ・Accelerate the development of retail channels with low over-the-counter rates (wine shops, etc.)
  - ・Make use of promotion at Washu exhibitions
  - ・Develop alcoholic beverage specialists, strengthen the organization, and promote in-house education on Washu

- To strengthen sales of "MIO," targets will be set for each Group company, and the head office and Group companies will work together to promote initiatives

◆Strategic Indicators

"Mio" sales volume By Japanese food wholesaler (5 companies total)	29,000 c/s（YOY 144%)

Overseas Alcoholic Beverages Business (Western-style liquor)

Business policy	We aim to boost the value of our brands, such as Tomatin and Blanton’s, and achieve stable earnings growth.

- Strengthening sales of premium zone product “Blanton's Gold”
- Expanding the fan base with the construction of a new visitor center for Tomatin

Blanton’s Gold

Image of the new visitor center

Ⅳ. Sustainability

Enhance the value chain that supports resolving social issues <Human Resources>

● Strengthening human resources to expand overseas business

・Continue to strengthen the placement of young employees at Takara Shuzo Int’l Group and overseas locations

・Host a Global Cafe
(online social event with people working overseas)

・Continue to provide support for language skill acquisition, such as language training and TOEIC exam support

● Continuing efforts toward achieving the targets set forth in the Act on Promotion of Women’s Participation and Advancement in the Workplace, the action plans, and the sustainability vision

Enhance the value chain that supports resolving social issues <Responding to Climate Change>

● Continuing efforts to reduce CO_2 emissions

・Gasification of heavy oil boilers at Kurokabegura

・Promote modal shift to ferries and railways at Takara Shuzo

● Initiatives for the '24/3

・January 2024: Takara Holdings and Takara Shuzo obtained third-party certification for their greenhouse gas (GHG) emissions calculations

Japan Management Association
GHG emissions verification organization that performs third-party verification in accordance with the international standard ISO14064-3

・Calculated Scope 1, 2, and 3 for the Overseas Alcoholic Beverages Business

● Promoting compliance with disclosure standards

・Expand the scope of calculation of greenhouse gas emissions Scope 1, 2, and 3 and TCFD scenario analysis to Overseas Alcoholic Beverages Business and Japanese Food Wholesale Business

Resolve social issues through the business of providing Products and services

- Developing environmentally friendly products (Takara Bio Group)

・Shifted to packages using FSC-certified materials and vegetable oil Ink

・Switched from one side aluminum pouch to aluminum-free pouch

*For some products, double-sided aluminum pouches are used to maintain product quality

- Regional development in “Takara CRAFT”

Ⅴ. Financial and Shareholder Return Policies

Financial and Shareholder Return Policies

Financial policy
Create cashflow by increasing the efficiency of assets and through the sale of strategic shareholdings while enhancing global cash management, for the purpose of accelerating investments in growth and high-priority fields based on the maintenance of sound financial fundamentals

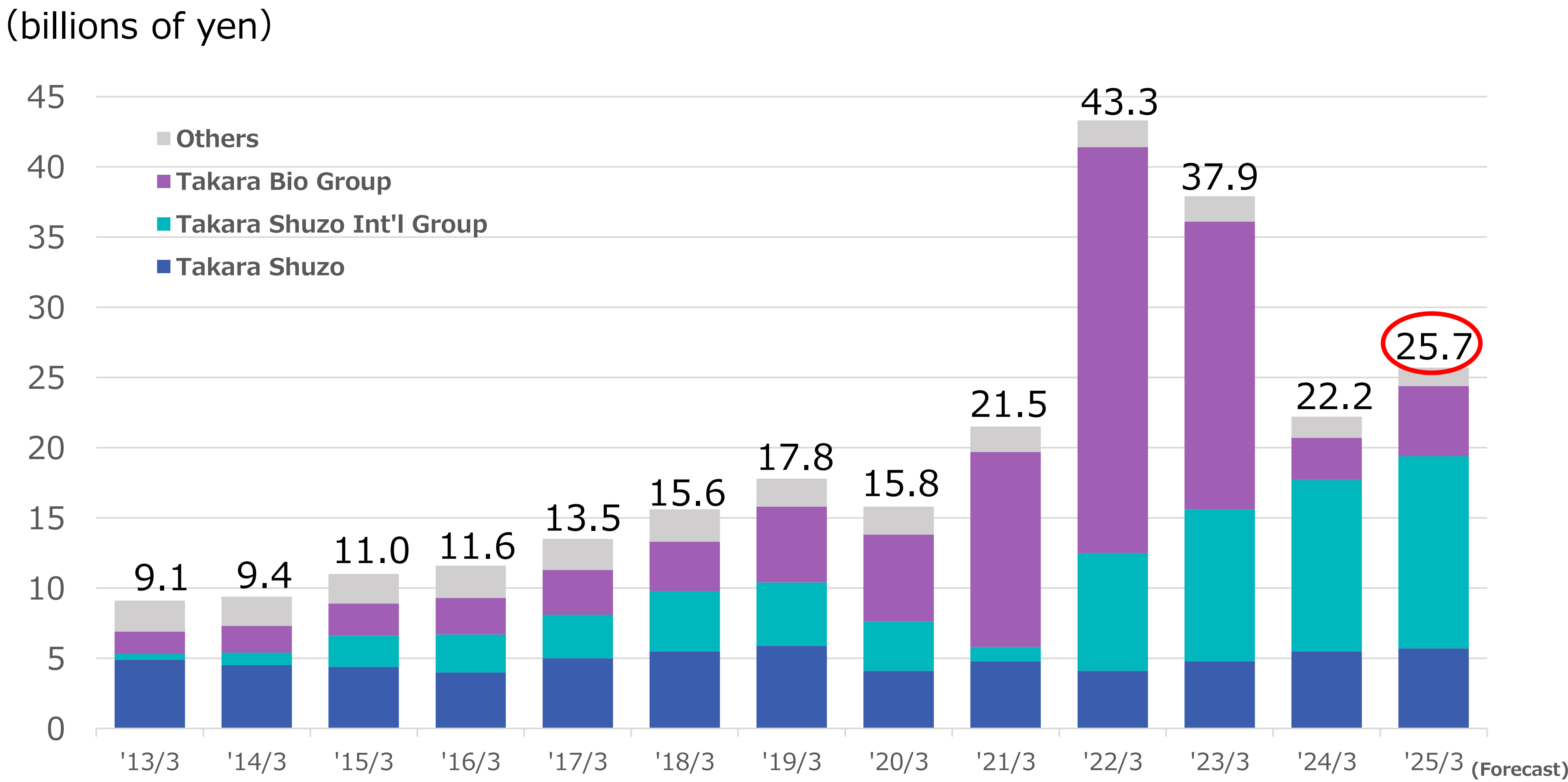
Shareholder return policy
Provide shareholder returns commensurate with profit levels (payout ratio of about 35%)

◆Initiatives to reduce cross-shareholdings

’24/3 Actual	
Number of stocks sold	8
Sale price	Approximately 4.8 billion yen

Takara Holdings (consolidated) Operating Income trends

In the fiscal year ending March 2025, we will break away
from two consecutive periods of declining profits and return to profit growth



*With the establishment of Takara Shuzo International in April 2017, business segments have been revised.
Figures before the fiscal year ended March 31, 2016 are therefore reference values.

Smiles in Life ～Smiles are Life's Treasures～

By contributing to enriching the well-balanced diet of people around the world through washu and Japanese food, and by contributing to healthy living through our bio business, we aim to realize our vision, "Smiles in Life."

TAKARA HOLDINGS INC.

TAKARA SHUZO CO., LTD. TAKARA SHUZO INTERNATIONAL CO., LTD.	TAKARA BIO INC.
Contribute to a well-balanced diet for everyone	Create value in the medical and healthcare domains

Smiles in Life
～Smiles are Life’s Treasures～

Appendix

<table>
<tr><td rowspan="4">'24/3 Actual</td><td>Takara Holdings (Consolidated)</td><td rowspan="3">Profit and loss statement</td></tr>
<tr><td>Takara Shuzo</td></tr>
<tr><td>Takara Shuzo Int'l Group</td></tr>
<tr><td>Takara Shuzo Int'l Group Major Subsidiaries</td><td>Sales and operating income</td></tr>
</table>

<table>
<tr><td rowspan="8">'25/3 Forecast</td><td>Takara Holdings (Consolidated)</td><td>Profit and loss statement</td></tr>
<tr><td>Takara Holdings (Consolidated)</td><td>Cash flow plan</td></tr>
<tr><td>Takara Shuzo</td><td rowspan="2">Profit and loss statement</td></tr>
<tr><td>Takara Shuzo Int'l Group</td></tr>
<tr><td>Takara Holdings (Consolidated)</td><td rowspan="3">Profit and loss statement (1H)</td></tr>
<tr><td>Takara Shuzo</td></tr>
<tr><td>Takara Shuzo Int'l Group</td></tr>
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</table>

Takara Holdings (Consolidated) Financial Performance for the fiscal year ending March 31, 2024

◇Consolidated Statements of Income

(Millions of Yen)

	'24/3 Actual	Change from '23/3		Change from forecasts announced on November, 2023		Effect of change in exchange rates on net sales
		Change	YOY(%)	Change	Change(%)	Change
Takara Shuzo	**123,786**	864	+0.7	1,319	+1.1	–
Takara Shuzo International Group	**160,427**	22,943	+16.7	(972)	(0.6)	11,123
Takara Bio Group	**43,505**	(34,636)	(44.3)	(1,994)	(4.4)	1,539
Other	**30,271**	(678)	(2.2)	(158)	(0.5)	–
Adjustment	**(18,619)**	213	–	177	–	–
Net sales	**339,372**	(11,293)	(3.2)	(1,627)	(0.5)	12,662
Gross profit	**113,933**	(6,008)	(5.0)	(466)	(0.4)	
SG&A expenses	**91,691**	9,695	+11.8	(1,008)	(1.1)	
Takara Shuzo	**5,503**	612	+12.5	176	+3.3	
Takara Shuzo International Group	**12,291**	1,470	+13.6	91	+0.8	
Takara Bio Group	**3,003**	(17,537)	(85.4)	3	+0.1	
Other	**2,363**	69	+3.0	(7)	(0.3)	
Adjustment	**(919)**	(318)	–	278	–	
Operating income (loss)	**22,242**	(15,703)	(41.4)	542	+2.5	
Ordinary income (loss)	**23,336**	(15,369)	(39.7)	836	+3.7	
Extraordinary income	**4,034**	2,353	+140.0	1,264	+45.6	
Extraordinary loss	**1,132**	437	+62.9	462	+69.0	
Net income attributable to owners of the parent (loss)	**16,176**	(5,030)	(23.7)	1,176	+7.8	

Takara Shuzo Financial Performance for the fiscal year ending March 31, 2024

◇Statements of Income (Net sales ~ Operating income)

(Millions of Yen)

	'24/3	Change from '23/3		Change from forecasts announced on November, 2023	
	Actual	Change	YOY(%)	Change	Change(%)
Shochu	**34,324**	(2,272)	(6.2)	669	+2.0
Sake	**11,548**	(596)	(4.9)	190	+1.7
Light-alcohol refreshers	**42,290**	2,221	+5.5	(110)	(0.3)
Other liquors	**5,434**	105	+2.0	24	+0.4
Hon Mirin	**9,562**	84	+0.9	452	+5.0
Other seasonings	**9,223**	442	+5.0	37	+0.4
Raw alcohol	**11,402**	880	+8.4	58	+0.5
Net sales	**123,786**	864	+0.7	1,319	+1.1
Gross profit	**31,728**	2,452	+8.4	462	+1.5
SG&A expenses	**26,225**	1,839	+7.5	286	+1.1
Operating income(loss)	**5,503**	612	+12.5	176	+3.3

Takara Shuzo Int'l Group Financial Performance for the fiscal year ending March 31, 2024

◇Statements of Income (Net sales ~ Operating income)

(Millions of Yen)

	'24/3	Change from '23/3		Change from forecasts announced on November, 2023		Effect of change in exchange rates on net sales
	Actual	Change	YOY(%)	Change	YOY(%)	Change
Overseas Alcoholic beverages business	**20,926**	2,673	+14.6	(234)	(1.1)	1,311
Japanese food wholesale business in overseas markets	**141,816**	20,461	+16.9	(913)	(0.6)	9,974
Other	**249**	(2,598)	(91.3)	2	+0.8	(162)
Elimination	**(2,564)**	2,407	–	175	–	
Net sales	**160,427**	22,943	+16.7	(972)	(0.6)	11,123
Gross profit	**51,715**	9,320	+22.0	255	+0.5	
SG&A expenses	**39,423**	7,850	+24.9	163	+0.4	
Overseas Alcoholic beverages business	**5,755**	859	+17.6	(105)	(1.8)	
Japanese food wholesale business in overseas markets	**8,883**	1,324	+17.5	119	+1.4	
Other	**(1,149)**	(2,849)	–	36	–	
Elimination	**(1,197)**	2,136	–	41	–	
Operating income(loss)	**12,291**	1,470	+13.6	91	+0.8	

Takara Shuzo Int’l Group Major Subsidiaries Financial Performance for the fiscal year ending March 31, 2024

		'23/3 Actual		**'24/3 Actual**	
		Net Sales	Operating income(loss)	Net Sales	Operating income(loss)
Takara Sake USA Inc.	Thousands of US dollar	46,041	5,007	**44,771**	**5,048**
	Millions of Yen	6,060	659	**6,297**	**710**
Takara Shuzo Foods Co.,Ltd. (China)	Thousands of Yuan	40,858	(4,194)	**44,002**	**(2,983)**
	Millions of Yen	796	(81)	**872**	**(59)**
The Tomatin Distillery Co.,Ltd (U.K.)	Thousands of Pound	31,190	11,191	**31,429**	**9,753**
	Millions of Yen	5,053	1,813	**5,501**	**1,707**
AGE INTERNATIONAL,INC. (U.S.)	Thousands of US dollar	43,445	20,330	**53,371**	**24,624**
	Millions of Yen	5,719	2,676	**7,507**	**3,463**
FOODEX Group (Europe)	Thousands of Euro	182,053	11,684	**177,735**	**7,978**
	Millions of Yen	25,150	1,614	**27,033**	**1,213**
Cominport Distribución S.L., Keta Foods, Lda (Europe)	Thousands of Euro	89,265	7,428	**98,747**	**10,995**
	Millions of Yen	12,332	1,026	**15,019**	**1,672**
TAZAKI FOODS LTD. (U.K.)	Thousands of Pound	69,068	1,602	**74,815**	**4,579**
	Millions of Yen	11,190	259	**13,094**	**801**
Mutual Trading Co., Inc. (U.S.)	Thousands of US dollar	499,304	27,344	**562,804**	**29,070**
	Millions of Yen	65,728	3,599	**79,164**	**4,089**
Nippon Food Supplies Company Pty Ltd (Australia)	Thousands of Australian dollar	62,910	4,601	**67,298**	**3,974**
	Millions of Yen	5,733	419	**6,282**	**371**
Tokyo Mutual Trading Co., Ltd.	Millions of Yen	13,634	791	**14,285**	**793**

◇Consolidated Statements of Income

(Millions of Yen)

		'25/3 Forecast	Change from '24/3		Effect of change in exchange rates on net sales
			Change	Change (%)	Change
	Takara Shuzo	**122,373**	(1,413)	(1.1)	–
	Takara Shuzo International Group	**179,000**	18,572	+11.6	57
	Takara Bio Group	**48,900**	5,394	+12.4	(180)
	Other	**31,357**	1,085	+3.6	–
	Adjustment	**(19,630)**	(1,010)	–	–
Net sales		**362,000**	22,627	+6.7	(122)
Gross profit		**123,500**	9,556	+8.4	
SG&A expenses		**97,800**	6,108	+6.7	
	Takara Shuzo	**5,731**	227	+4.1	
	Takara Shuzo International Group	**13,750**	1,458	+11.9	
	Takara Bio Group	**5,000**	1,996	+66.5	
	Other	**2,453**	179	+7.6	
	Adjustment	**(1,324)**	(404)	–	
Operating income (loss)		**25,700**	3,457	+15.5	
Ordinary income (loss)		**26,300**	2,963	+12.7	
Extraordinary income		**2,300**	(1,734)	(43.0)	
Extraordinary loss		**500**	(632)	(55.8)	
Net income attributable to owners of the parent (loss)		**17,200**	1,023	+6.3	

Takara Holdings (Consolidated) Cash flow plan for the fiscal year ending March 31, 2025

◇ Cash flow plan

(Billions of Yen)

	Takara Group Consolidated	Takara Shuzo	Takara Shuzo Int'l Group	Takara Bio Group
cash flows from operating activities	33.4	7.3	10.1	13.3
cash flows from investing activities	(25.5)	(4.2)	(9.4)	(10.4)
free cash flow	7.8	3.0	0.6	2.9
cash flows from financing activities	(16.4)	(3.5)	(0.1)	(2.0)
Total	(8.6)	(0.5)	(0.5)	0.9

◇Statements of Income (Net sales ~ Operating income)

(Millions of Yen)

	'25/3 Forecast	Change from '24/3	
		Change	Change (%)
Shochu	**31,278**	(3,046)	(8.9)
Sake	**11,676**	127	+1.1
Light-alcohol refreshers	**44,543**	2,252	+5.3
Other liquors	**5,225**	(209)	(3.8)
Hon Mirin	**9,403**	(159)	(1.7)
Other seasonings	**9,165**	(58)	(0.6)
Raw alcohol	**11,080**	(322)	(2.8)
Net sales	**122,373**	(1,413)	(1.1)
Gross profit	**32,160**	431	+1.4
SG&A expenses	**26,429**	203	+0.8
Operating income(loss)	**5,731**	227	+4.1

Takara Shuzo Int'l Group Financial forecasts for the fiscal year ending March 31, 2025

◇Statements of Income (Net sales ~ Operating income)

(Millions of Yen)

	'25/3 Forecast	Change from '24/3		Effect of change in exchange rates on net sales
		Change	Change (%)	Change
Overseas Alcoholic beverages business	**22,714**	1,787	+8.5	(23)
Japanese food wholesale business in overseas markets	**158,997**	17,181	+12.1	67
Other	**549**	300	+120.7	13
Elimination	**(3,261)**	(697)	-	
Net sales	**179,000**	18,572	+11.6	57
Gross profit	**57,933**	6,217	+12.0	
SG&A expenses	**44,183**	4,759	+12.1	
Overseas Alcoholic beverages business	**6,471**	715	+12.4	
Japanese food wholesale business in overseas markets	**9,758**	874	+9.8	
Other	**(866)**	283	-	
Elimination	**(1,613)**	(415)	-	
Operating income(loss)	**13,750**	1,458	+11.9	

Takara Holdings (Consolidated) Financial forecasts for the fiscal year ending March 31, 2025 (1H)

◇Consolidated Statements of Income

(Millions of Yen)

		'25/3 1H Forecast	Change from '24/3	
			Change	Change (%)
	Takara Shuzo	**60,173**	(1,017)	(1.7)
	Takara Shuzo International Group	**85,000**	7,835	+10.2
	Takara Bio Group	**20,200**	1,083	+5.7
	Other	**15,221**	354	+2.4
	Adjustment	**(9,594)**	(428)	–
Net sales		**171,000**	7,827	+4.8
Gross profit		**57,500**	2,040	+3.7
SG&A expenses		**47,100**	4,104	+9.5
	Takara Shuzo	**2,797**	(1,155)	(29.2)
	Takara Shuzo International Group	**6,750**	493	+7.9
	Takara Bio Group	**150**	(1,260)	(89.4)
	Other	**1,234**	40	+3.4
	Adjustment	**(531)**	(182)	–
Operating income (loss)		**10,400**	(2,064)	(16.6)
Ordinary income (loss)		**10,800**	(2,232)	(17.1)
Extraordinary income		**2,300**	2,263	–
Extraordinary loss		**100**	15	+18.7
Net income attributable to owners of the parent (loss)		**8,600**	556	+6.9

◇Consolidated Statements of Income (Net sales ~ Operating income)

(Millions of Yen)

	'25/3 1H Forecast	Change from '24/3	
		Change	Change (%)
Shochu	**16,141**	(1,328)	(7.6)
Sake	**4,311**	58	+1.4
Light-alcohol refreshers	**22,627**	844	+3.9
Other liquors	**2,605**	(145)	(5.3)
Hon Mirin	**4,556**	9	+0.2
Other seasonings	**4,515**	67	+1.5
Raw alcohol	**5,415**	(526)	(8.9)
Net sales	**60,173**	(1,017)	(1.7)
Gross profit	**15,751**	(223)	(1.4)
SG&A expenses	**12,954**	932	+7.8
Operating income(loss)	**2,797**	(1,155)	(29.2)

Takara Shuzo Int'l Group Financial forecasts for the fiscal year ending March 31, 2025 (1H)

◇Consolidated Statements of Income (Net sales ~ Operating income)

(Millions of Yen)

	'25/3 1H Forecast	Change from '24/3	
		Change	Change (%)
Overseas Alcoholic beverages business	**11,087**	825	+8.0
Japanese food wholesale business in overseas markets	**75,203**	7,119	+10.5
Other	**508**	293	+136.4
Elimination	**(1,800)**	(402)	-
Net sales	**85,000**	7,835	+10.2
Gross profit	**27,616**	3,238	+13.3
SG&A expenses	**20,866**	2,745	+15.1
Overseas Alcoholic beverages business	**3,183**	379	+13.5
Japanese food wholesale business in overseas markets	**4,770**	56	+1.2
Other	**(212)**	288	-
Elimination	**(990)**	(230)	-
Operating income(loss)	**6,750**	493	+7.9

Takara Shuzo Int'l Group Major Subsidiaries Financial forecasts for the fiscal year ending March 31, 2025

		'24/3 Actual		'25/3 Forecast	
		Net Sales	Operating income(loss)	Net Sales	Operating income(loss)
Takara Sake USA Inc.	Thousands of US dollar	44,771	5,048	**48,501**	**6,211**
	Millions of Yen	6,297	710	**6,790**	**869**
Takara Shuzo Foods Co.,Ltd. (China)	Thousands of Yuan	44,002	(2,983)	**58,344**	**108**
	Millions of Yen	872	(59)	**1,143**	**2**
The Tomatin Distillery Co.,Ltd (U.K.)	Thousands of Pound	31,429	9,753	**32,412**	**11,031**
	Millions of Yen	5,501	1,707	**5,736**	**1,952**
AGE INTERNATIONAL,INC. (U.S.)	Thousands of US dollar	53,371	24,624	**56,656**	**25,212**
	Millions of Yen	7,507	3,463	**7,931**	**3,529**
FOODEX Group (Europe)	Thousands of Euro	177,735	7,978	**194,589**	**9,812**
	Millions of Yen	27,033	1,213	**29,772**	**1,501**
Cominport Group (Europe)	Thousands of Euro	96,163	10,995	**102,812**	**10,513**
	Millions of Yen	14,626	1,672	**15,730**	**1,608**
TAZAKI FOODS LTD. (U.K.)	Thousands of Pound	74,815	4,579	**79,800**	**4,718**
	Millions of Yen	13,094	801	**14,124**	**835**
Mutual Trading Co., Inc. (U.S.)	Thousands of US dollar	562,804	29,070	**644,826**	**32,900**
	Millions of Yen	79,164	4,089	**90,275**	**4,606**
Nippon Food Supplies Company Pty Ltd (Australia)	Thousands of Australian dollar	67,298	3,974	**74,525**	**5,200**
	Millions of Yen	6,282	371	**7,027**	**490**
Tokyo Mutual Trading Co., Ltd.	Millions of Yen	14,285	793	**14,697**	**649**

(Note) Due to a change in the management system, the figures that were presented as a simple sum of "Cominport and Ketafoods" until the fiscal year ending March 31, 2024 will be presented as "Cominport Group" figures after consolidation adjustments from the fiscal year ending March 2025. The results for the fiscal year ending March 2024 in this table have been reclassified to reflect this change.

Forward-Looking Statements

Statements in this presentation, other than those based on historical fact, concerning the current plans, prospects, strategies and expectations of the Company and its Group represent forecasts of future results. While such statements are based on the conclusions of management according to information available at the time of writing, they reflect many assumptions and opinions derived from information that includes major risks and uncertainties. Actual results may vary significantly from these forecasts due to various factors.
Factors that could influence actual results include, but are not limited to, economic conditions, especially trends in consumer spending, as well as exchange rate fluctuations, changes in laws and government systems, pressure from competitors' prices and product strategies, declines in selling power of the Company's existing and new products, disruptions to production, violations of the Company's intellectual property rights, rapid advances in technology and unfavorable verdicts in major litigation.

<Inquiry>
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