

FINANCIAL STRATEGY

Achieving both growth and efficiency to support growth strategies.

In fiscal 2023, in order to achieve both “growth” and “efficiency,” we made capital investments to improve the efficiency and differentiation of our current business, as well as investments in the gene therapy CDMO field, which is expected to see future growth in medical modalities and contribute to society. In addition to these investments, we made investments and shareholder returns of approximately 1.5 times our record operating cash flow, including an “efficiency”-oriented share buyback of 90 billion yen and dividends of approximately 38 billion yen. In order to further pursue “growth” through active investment to differentiate in the four growth areas and “efficiency” of capital, etc. from fiscal 2024 onwards, we will raise the range of the net D/E ratio to 0.4 to 0.6 times. At the same time, we will continue to strengthen our working capital improvement program to generate further cash flow, take measures on a group-wide basis to improve EBITDA margins, and sell strategically-held shares.

Implementing three capital strategies to shift to a unique, robust and high-profit structure



Executive Officer & Vice President Eiichi Mizutani (in charge of Finance and Investor Relations)

- 1 | Implementing a system that supports the performance of each business division as a corporation
- 2 | Realizing changes in the business portfolio from the perspective of competitive advantage
- 3 | Strengthening engagement to gain investor support

Shift to a unique, strong and high-profit structure

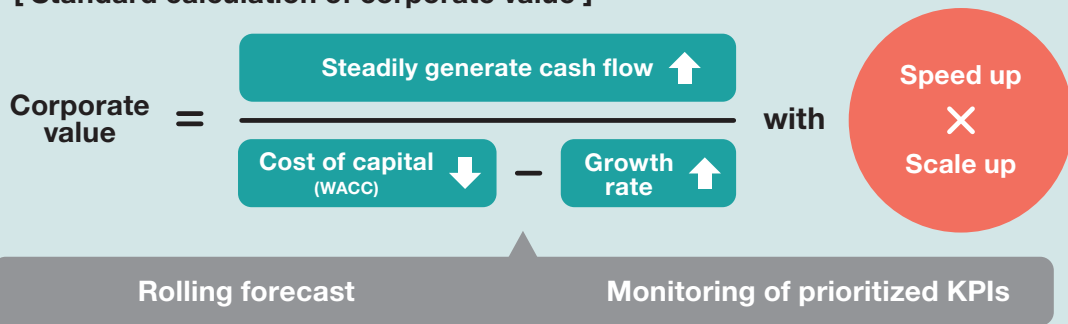
(FY30 Business profit Food business: Bio & Fine Chemicals business = 1:1)
 (FY30 EPS to approximately triple FY22)

To support the realization of this strategy, the corporate finance function will prioritize the following measures:

Three policies to realize our vision for 2030

- 1 Cash allocation policy to maximize corporate value by linking business and capital strategies
- 2 Management policy to continuously improve shareholder value
- 3 Policy to continuously strengthen shareholder returns

[Standard calculation of corporate value]



1. Implementing a system that supports the performance of each business division as a corporation

By pooling together the knowledge of domestic and overseas group companies, we are creating a forum for mutual learning on improvement methods and other “Norm/Patterns” based on the company’s development stage (new establishment or acquisition, growth or maturity) and business form, with an eye toward future business growth.

For example, the following are examples of “patterns”:

- (1)Activities to improve management quality by implementing monthly rolling forecasts
- (2)Improvement of cash flow from a new perspective of cross-functional purchasing activities

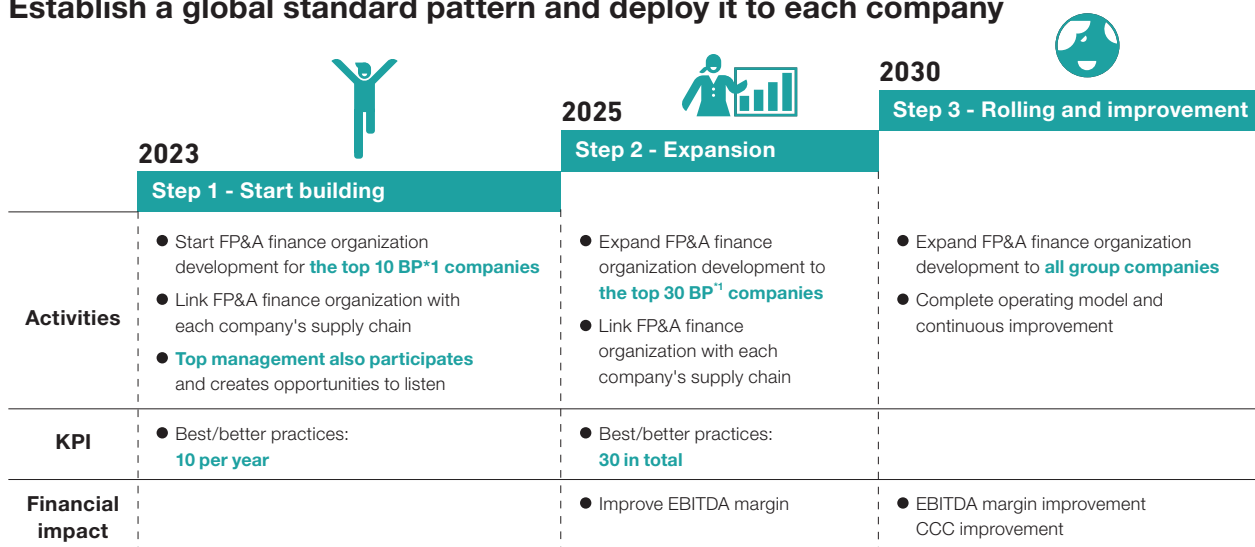
(3)Automated program for periodic review of credit limits

(4)Multifaceted and thorough profitability management, including logistics costs, for each SKU

This is an initiative that emphasizes the basic “form” of managerial accounting, and we believe it is an important initiative for FP&A personnel to thoroughly learn the basics through mutual interaction with not only those with backgrounds in finance, accounting, and tax departments, but also those from business divisions, regional headquarters, other corporate departments, manufacturing departments, and research and development departments.

[Global standardization and deployment]

Establish a global standard pattern and deploy it to each company



*1 BP: Business Profit

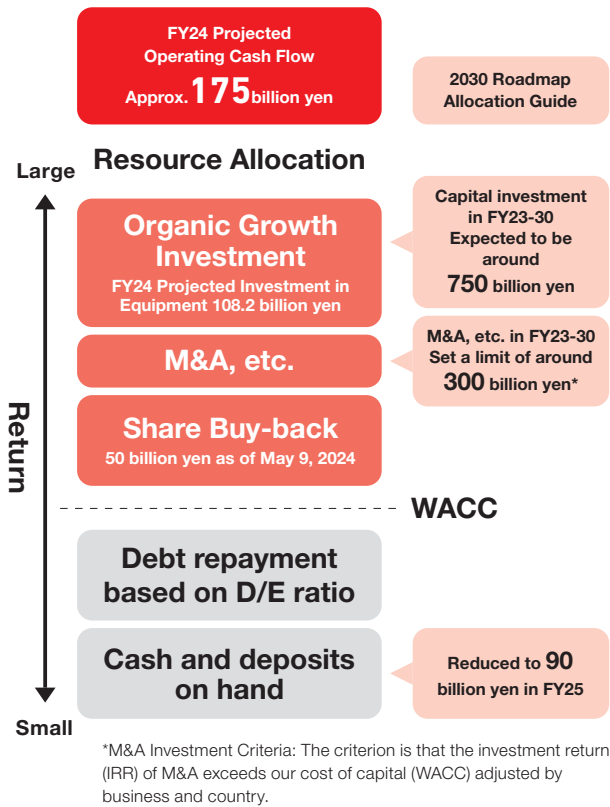
2. Realizing changes in business portfolio from the perspective of competitive advantage

We will create a business portfolio that is unique to our Group and will bring about sustainable growth and continue to pursue our Purpose. Through business model transformation (BMX), by combining existing businesses with four growth areas (new areas), we will evolve into a business portfolio that is driven by the value we provide.

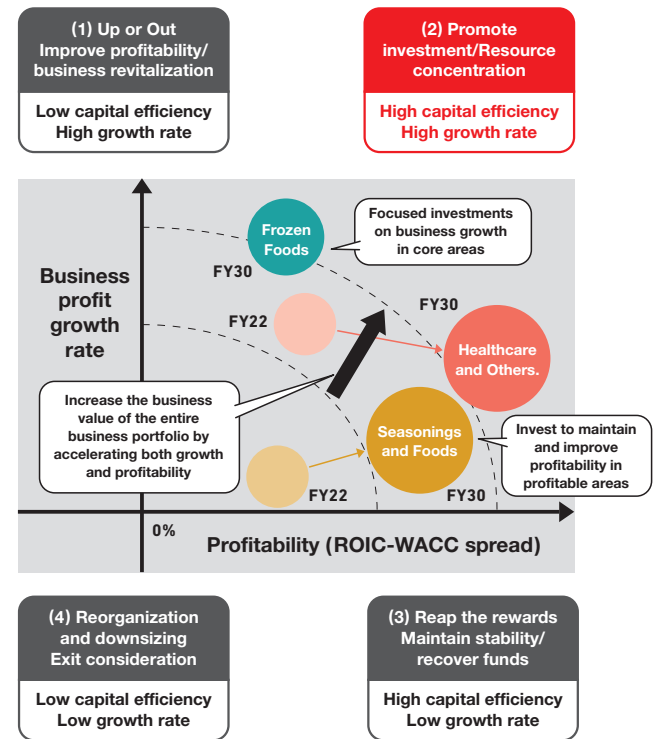
To evolve our business portfolio, we will grasp the growth potential and profitability of existing businesses, organize the key strategies in each organization's mid-term roadmap into

four actions ((1) collect, (2) change, (3) start, (4) stop), and determine the priorities for resource allocation for growth. On the long-term axis, we will build a system to extract hypotheses for future concepts in conjunction with our innovation strategy. We will then allocate resources to accelerate growth according to the growth mechanisms and business characteristics of each business stage and business area.

[Approach to Cash Allocation]



[Consider portfolio redesign]



3. Strengthening engagement to gain investor support

As we work to realize our 2030 Roadmap through the promotion of medium-term ASV initiatives, we have received high expectations from shareholders and investors, and have received many suggestions through engagement. In order to deepen shareholders' and investors' understanding, we are proactively holding general shareholders' meetings, various information sessions, and individual dialogues with over 700 companies per year, to promote value creation through "AminoScience" to achieve further evolution, and the strengths of intangible assets, including our human resources, which are the source of our strengths. In addition to steadily growing short-term business performance, we are working to earn the expectations of shareholders and investors for our growth over the medium to long term. Through our sustainability initiatives, we are proactively disclosing information on our efforts to not only reduce negative impacts, but also to create positive impacts through innovation, and are promoting sustainable growth and reduced capital costs in our corporate valuation model. As we strive to achieve sustainable growth in corporate value, we are also actively pursuing capital efficiency, aiming to approximately triple EPS by fiscal 2030 compared to fiscal

2022.

There are still many institutional and individual investors who are not familiar with the Ajinomoto Group. Toward realizing a shareholder capital structure that will support our medium-term ASV initiatives, we will establish a new IR Office in fiscal 2024 to expand contact points with shareholders and investors and lead to further improvement in corporate value.

[Continuous dialogue with various stakeholders]

