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 **RIKEN VITAMIN CO.,LTD.**

Stock code: 4526

# FY2021 Financial Results Briefing

(Fiscal Year Ended March 31, 2022)

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Director, In charge of Corporate Strategy  
Takahiro Tomitori

May 18, 2022

- Sales increased by JPY1.5bn, and operating profit by JPY5.8bn, exceeding forecast as price revisions progressed more than expected.  
〔 Sales increased by JPY6.6bn, and operating profit by JPY1.3bn, after adjusting for the removal of Qingdao Fusheng Foodstuffs from consolidation and changes in accounting standards. 〕
- Overseas Improving Agents drove the increase in sales and profit. Main factors were price revisions in response to rising costs and the exchange rate (the yen's weakness).
- Profit attributable to owners of parent was JPY21.5bn, the first profit in three years; JPY12bn of the profit was non-cash income from deconsolidation.
- Year-end dividend increased by JPY4 to JPY25 per share.

**Tomitori:** Good morning, everyone. My name is Tomitori from RIKEN VITAMIN. Thank you very much for joining us today.

I will begin by reviewing the financial results for FY2021.

Please see page two. Four key points for FY2021 are summarized.

The first point is that net sales increased by JPY1.5 billion, and operating income increased by JPY5.8 billion. Price revisions went quicker than expected, resulting in an upward revision to the earnings forecast. Excluding Qingdao Fusheng Foodstuffs, as well as adjustments for changes in accounting standards, net sales increased by JPY6.6 billion, and operating income increased by JPY1.3 billion.

Second point, the improving agents for overseas markets were the major driver of sales and profit growth. The main factors are price revisions due to cost increases and the impact of foreign exchange, the appreciation of the US dollar, and the depreciation of the Japanese yen.

Third point, net income attributable to shareholders of the parent company amounted to JPY21.5 billion, returning to profitability for the first time in three fiscal years. Out of which, JPY12 billion is a non-cash gain due to deconsolidation.

Fourth point, the year-end dividend will be JPY25, an increase of JPY4 from the previous fiscal year. For the full year, we will increase the amount from JPY4 to JPY46.

## Removal of Qingdao Fusheng Foodstuffs from consolidation benefitted each profit category; First net profit in three years

(Millions of yen)

	FY2020	FY2021		YoY change (previous accounting standards)		Versus Forecast (new accounting standards)	
	Previous accounting standards	New accounting standards	Previous accounting standards	Amount	%	Forecast (Feb. 10)	Difference
Net sales	77,722	79,231	80,877	+3,155	+4.1%	78,500	+731
Operating profit	1,367	5,840	5,838	+4,471	+327.0%	4,800	+1,040
Operating profit margin	1.8%	7.4%	7.2%	+5.4pt		6.1%	+1.3pt
Ordinary profit	1,852	6,182	6,180	+4,527	+273.9%	5,000	+1,182
Profit attributable to owners of parent	(1,618)	21,582	21,580	+23,198	-	21,200	+382

(Excluding business removed from scope of consolidation)	FY2020	FY2021		YoY change (previous accounting standards)		Qingdao Fusheng Foodstuffs (Business excluded from scope of consolidation)	
	Previous accounting standards	New accounting standards	Previous accounting standards	Amount	%	FY2020	FY2021
Net sales	73,802	78,832	80,478	+6,675	+9.0%	3,919	399
Operating profit	5,166	6,495	6,493	+1,326	+25.7%	(3,799)	(654)
Operating profit margin	7.0%	8.2%	8.1%	+1.1pt		-	-

Note: Effective from the beginning of FY2021, the Company has adopted the Accounting Standard for Revenue Recognition.  
 Figures that are unaffected by this change have been marked with the phrase, "previous accounting standards" (applies to all slides included in this presentation).

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Next page, please. I would like to explain our overall performance in FY2021.

As stated in the title, the deconsolidation of Qingdao Fusheng Foodstuffs had a positive impact on each stage of income, and the Company was able to record a positive net income for the first time in three fiscal years.

The table at the top shows overall performance, and the table at the bottom shows performance, excluding Qingdao Fusheng Foodstuffs.

In addition, the Company adopted the accounting standard for revenue recognition in the fiscal year ended March 2022. For the purpose of comparison with the previous year, the table is prepared by showing the previous accounting standards as the old standards.

See the column for year-on-year comparison. All the results are positive. The same goes for the analysis using the current businesses, excluding the impact of Qingdao Fusheng Foodstuffs.

## Overseas Improving Agents posted a significant increase in sales and profit as it passed on rising costs

(Millions of yen)

	Net sales					Operating profit				
	FY2020		FY2021		YoY change (previous accounting standards)	FY2020		FY2021		YoY change (previous accounting standards)
	Previous accounting standards	New accounting standards	Previous accounting standards	Amount		%	Previous accounting standards	New accounting standards	Previous accounting standards	
Domestic Food business	54,514	54,130	55,481	+967	+1.8%	4,677	4,938	4,938	+260	+5.8%
Household Food	14,009	12,928	13,808	-201	-1.4%	/	/	/	/	/
Commercial Food	18,587	18,196	18,597	+9	+0.1%					
Processed Food Ingredients	21,916	23,005	23,075	+1,159	+5.3%					
Domestic Chemical business	6,204	6,617	6,893	+689	+11.1%	541	602	608	+67	+12.4%
Overseas business	18,550	19,926	19,945	+1,394	+7.5%	(3,303)	705	696	+4,000	-
Overseas Improving Agents	14,631	19,527	19,545	+4,914	+33.8%	495	1,360	1,351	+855	+172.5%
Qingdao Fusheng Foodstuffs*	3,919	399	399	-3,520	-89.8%	(3,799)	(654)	(654)	+3,144	-

\* The Company transferred its share of ownership in Qingdao Fusheng Foodstuffs in June 2021 and removed the latter from its scope of consolidation in Q1.

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Next page, please. Business performance by segment.

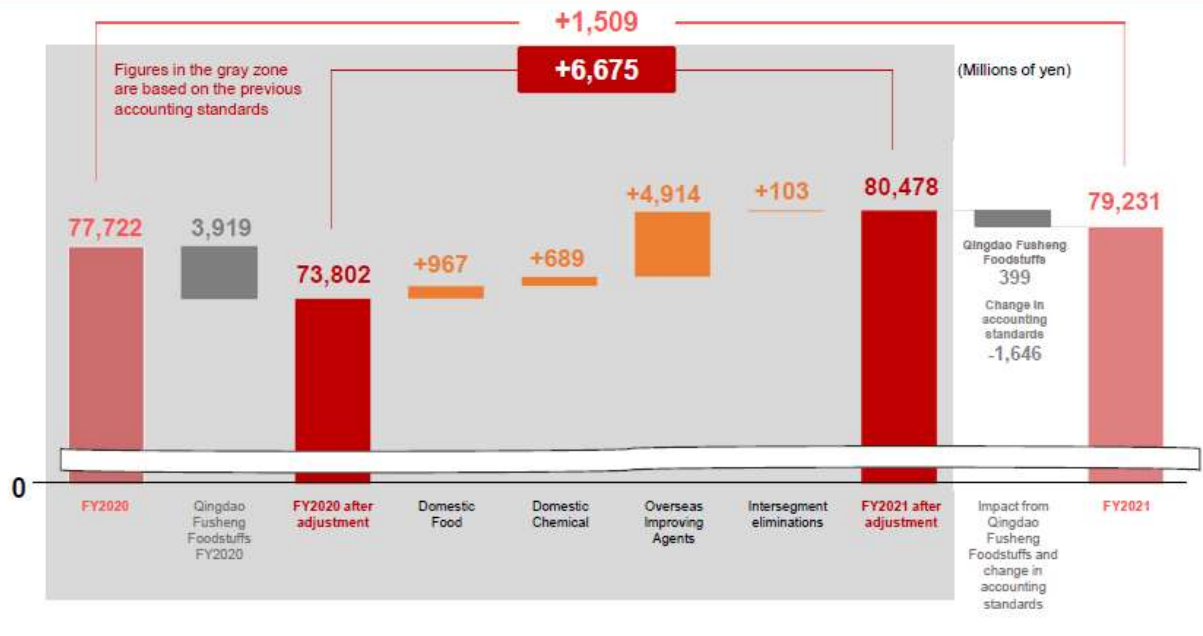
First of all, regarding net sales, please look at the middle of the table where it says previous period and old standard.

For the sales by segment, the table shows that net sales of food products for household use decreased by JPY200 million. Other than that, sales of all other segments increased. In particular, improving agents for overseas markets made a strong and significant contribution. As for the overseas business, as shown in the table, revenue increased by JPY1.394 billion, showing a significant improvement. Sales for improving agents for overseas markets increased by approximately JPY5 billion.

Regarding the total net profit, please refer to the column on the right side of the table.

We were able to increase profits both in domestic and overseas operations. While the negative impact of the removal of unprofitable subsidiaries was JPY3.14 billion, the sales of improving agents for the overseas markets improved from JPY0.495 billion in FY2020 to JPY1.351 billion in FY2021, accounting for 2.7 times of increase. We expect this sector to be the core of our company's future growth.

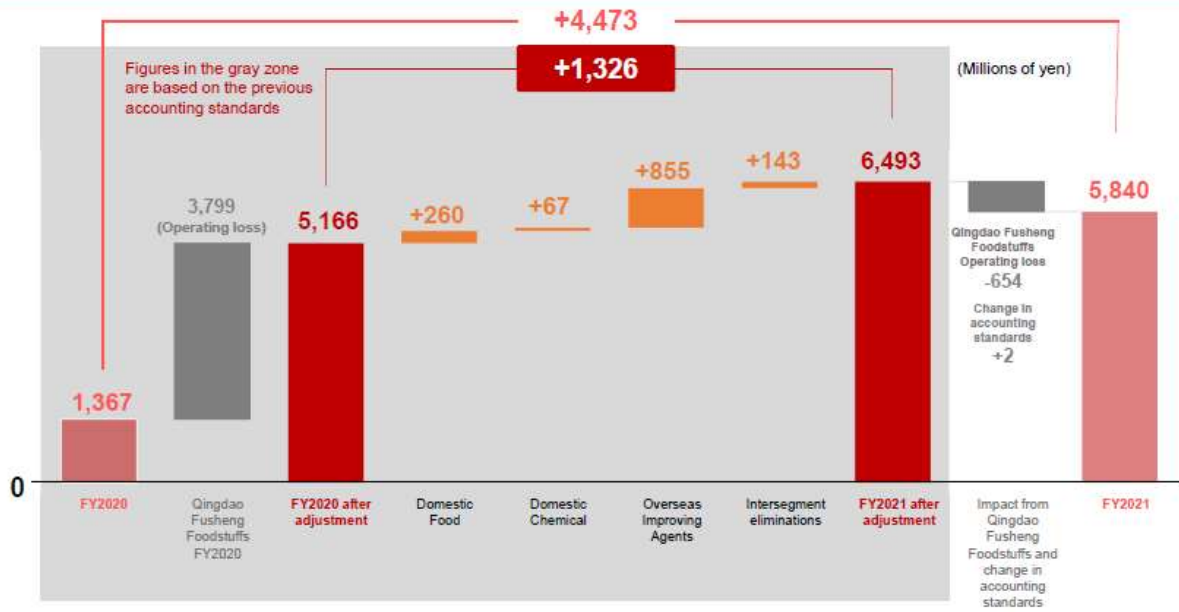
# Net Sales by Segment



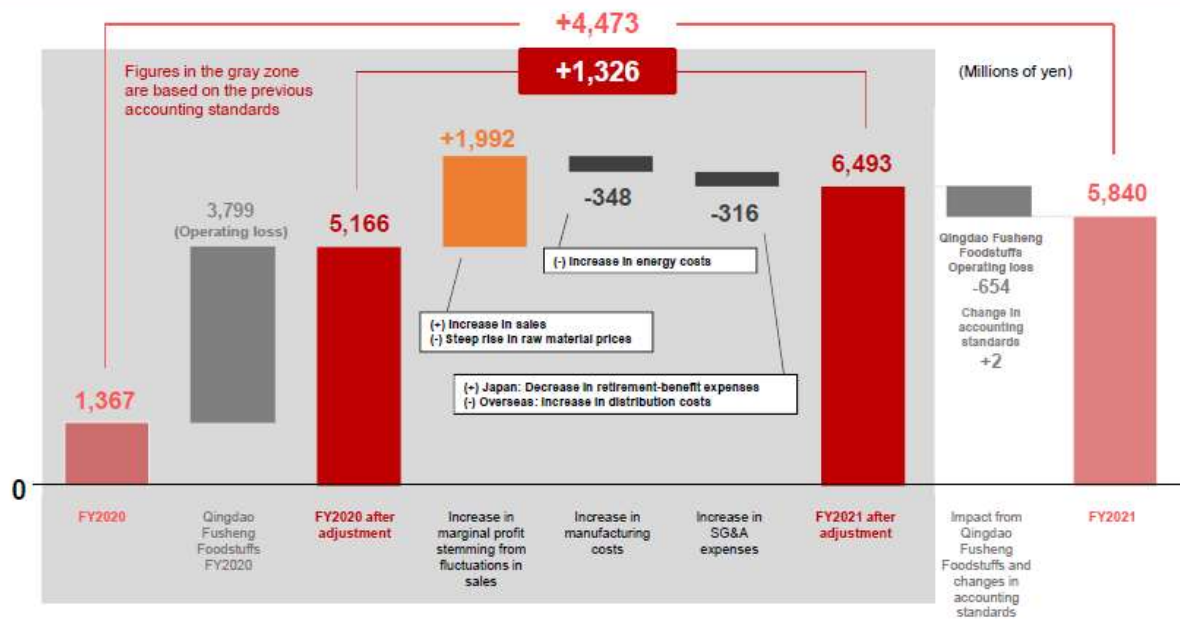
Next page, please. These pages illustrate the increase and decrease by segment. As I have already described the details, I am skipping these pages.

This presentation deck has just been uploaded to our corporate website. Please feel free to download it for your reference.

# Operating Profit by Segment



# Factors Affecting Operating Profit



Next page, please. The next page shows changes in operating income by factor.

The increase in income from increased sales is JPY1.992 billion but is negatively impacted by various cost increases.

First, manufacturing expenses have increased, mainly due to higher energy costs.

As for SG&A expenses, general expenses remained at a low level, as in the previous fiscal year, but distribution costs increased.

The result was an overall increase of JPY1.326 billion.



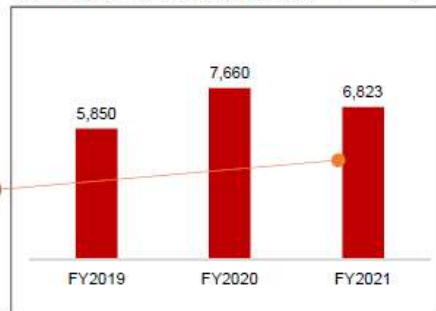
## Non-operating Income and Extraordinary Income Highlights

RIKEN VITAMIN CO.,LTD.

(Millions of yen)

	FY2020	FY2021
Operating profit	1,367	5,840
Non-operating income (expenses)	285	342
Ordinary profit	1,652	6,182
Extraordinary income	426	14,343
(Gain on sales of investments in capital of subsidiaries and associates)	-	12,076
(Gain on sale of investment securities)	304	2,201
(Other)	121	65
Extraordinary losses	2,086	213
Total extraordinary income (losses)	(1,660)	14,130
Profit before income taxes	(7)	20,313
Income taxes	1,603	(1,285)
Profit attributable to non-controlling interests	8	16
Profit attributable to owners of parent	(1,618)	21,582

Cash Provided by Operating Activities (Millions of yen)



Non-cash income

Income Statement of Riken Vitamin (parent)

Tax adjustments related to the booking of deferred tax assets : -1,833

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Next page, please. I would like to evaluate the key points of non-operating income and loss and extraordinary income and loss.

Non-operating income and loss is as stated. The major factor is extraordinary income and loss.

Gains on sales of investments in affiliates resulting from the sale of Qingdao Fusheng Foodstuffs amounted to JPY12.076 billion. In addition, there was a JPY2.201 billion gain on the sale of investment securities, resulting in a positive extraordinary income of JPY14.13 billion. As I mentioned earlier, gains on sales of investments in affiliates are not accompanied by cash.

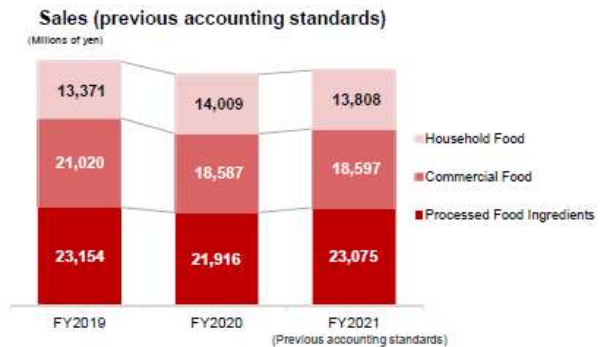
Income taxes were negative due to the recognition of deferred tax assets, resulting in a final net income attributable to parent company shareholders of JPY21.582 billion.



## Segment Highlights (1/2)

**Domestic Food business: B2C saw a pullback from the previous year's performance; B2B began to recover but did not reach pre-pandemic levels**

Domestic Food business			
(Millions of yen)	FY2020	FY2021	(Previous accounting standards)
Sales	54,514	54,130	55,481
Operating profit	4,677	4,938	4,938



### Sales

- In Commercial Food, product sales for use in school lunches reached the FY2019 level for the entire year, but the situation remained harsh for product sales to the restaurant industry
- Processed Food Ingredients benefited from a recovery in demand for confectionary and bakery products and price revisions

### Operating profit

- Operational expenses were low primarily because COVID-19-related impact has lingered longer than initially expected
- In health care, strong performance of pharmaceutical microcapsules, crocetin, seaweed polyphenol, etc. contributed to profit

Next page, please. This page lists the key points by segment.

The first is the domestic food business. Both sales and income increased.

As for net sales from the processed food products for professional use, school lunch sales recovered to the same level as two years ago, but sales to the restaurant industry remained in a difficult situation.

In processed food ingredients, demand from the confectionery and baking industries recovered. In addition, price revisions contributed to a large increase in revenue.

As for operating income, the impact of COVID-19 was unexpectedly prolonged, and activity expenses remained at a low level. Pharmaceutical microcapsules, crocetin, seaweed polyphenols, and other products in the healthcare division have contributed significantly to profits.

## Domestic Chemical business: Sales reached a record high Overseas business: Benefitted from price revisions

### Domestic Chemical business

(Millions of yen)	FY2020	FY2021	Previous accounting standards
Sales	6,204	6,617	6,893
Operating profit	541	602	608



#### Sales

- Strong demand from the automotive and food packaging industries
- Record high under the previous accounting standards because of price revisions

#### Operating profit

- Affected by rising prices of raw materials (mainly in Q4), but operating profit beat forecast on increased sales due to the effects of price revisions

### Overseas business (Improving Agents)

(Millions of yen)	FY2020	FY2021	Previous accounting standards
Sales	14,631	19,527	19,545
Operating profit	495	1,360	1,351



#### Sales

- Sales rose significantly because of price revisions and the yen's weakness
- Logistics disruptions made shipments to Europe and the US unstable

#### Operating profit

- Profitability was secured for the latest period because of early price revisions
- The extract business grew as demand recovered in the US restaurant industry

Next page, please. This page lists our domestic chemical business and our overseas business.

In the domestic chemical business, both sales and income increased.

As for net sales, industrial demand from the automobile industry and demand for food packaging materials were very strong, both driving sales growth. In addition, the effect of the price revision enabled us to post record-high net sales under the old standard.

Next is operating income. Although we have been affected by the sharp rise in raw material prices, mainly in the fourth quarter, we were able to exceed our plan due to the effect of price revisions.

I would like to review our overseas business. As for improving agents for overseas markets, sales and profits increased substantially.

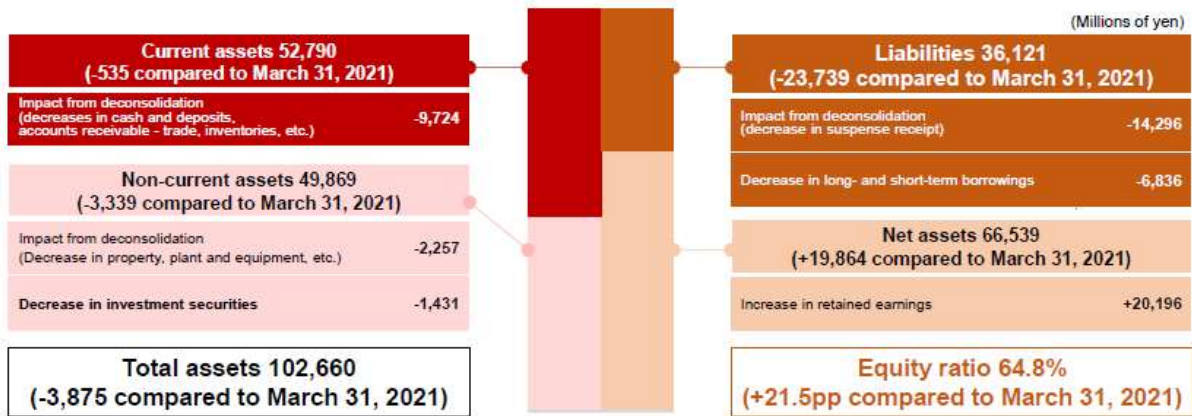
Net sales increased significantly due to price revisions and the ongoing effect of the weak yen and strong US dollar. On the other hand, due to distribution disruptions, shipments to Europe and the United States have not been stable.

Operating income benefited greatly from early price revisions. In addition, the extract business grew due to a recovery in demand for food service in the US.

# Consolidated Balance Sheet

Financial balance improved due to the removal of Qingdao Fusheng Foodstuffs from scope of consolidation

- Total assets decreased by JPY3.8bn, while net assets rose by JPY19.8bn
- Equity ratio recovered to 64.8% (up 21.5pp from March 31, 2021)



Next page, please. I would like to review the consolidated balance sheet.

At the end of March 2022, total assets decreased by JPY3.875 billion compared to the end of the previous year. Specifically, the removal of Qingdao Fusheng Foodstuffs has reduced current assets and fixed assets, and the sale of investment securities has had an impact on the Company's results.

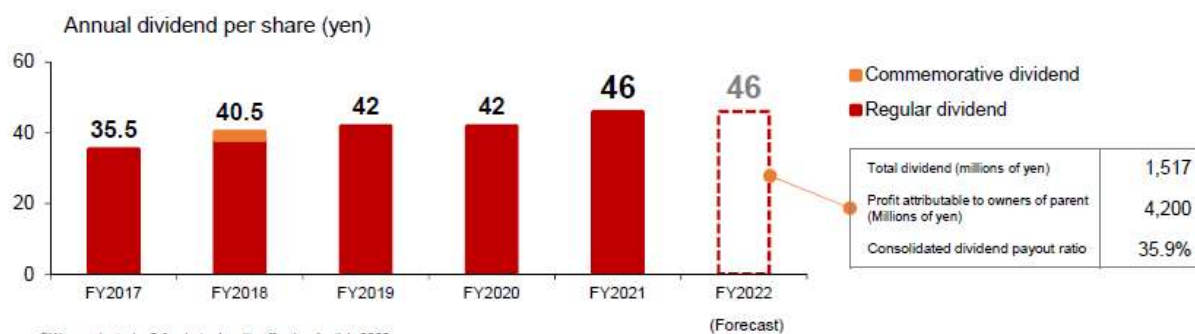
Concerning liabilities, likewise, liabilities related to Qingdao Fusheng Foodstuffs specifically, borrowings and suspense receipt have decreased as well. As a result, net assets increased by JPY19.864 billion, largely due to net income for the current period.

As a result, the equity ratio increased by 21.5 percentage points to 64.8%, and we believe we have restored our financial health.

## Dividend policy was changed in FY2022

### <Dividend policy>

We regard the return of profit to shareholders as one of the most important management issues. Our basic policy is to continue to pay stable dividends with a **consolidated dividend payout ratio of at least 30%** as we comprehensively consider our business environment, earnings, financial condition, shareholder return ratio, and internal reserves for strengthening the management base.



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Next page, please. I would like to go over our forecast for dividends.

We have followed a policy of stable dividend payments. In particular, in the last two fiscal years, FY2019 and FY2020, we continued to pay a dividend of JPY42, despite the fact that we ended those years in deficit.

For FY2021, we will increase the dividend by JPY4, considering the level of business profit for the full year. The Company will set the full-year dividend at JPY46 per share. In our case, the final decision is made upon approval by the General Meeting of Shareholders.

For the current fiscal year and beyond, as stated above, in order to further clarify our management policy that returning profits to shareholders is one of our most important tasks, we will continue our policy of stable dividends while aiming for a dividend payout ratio of 30% or more.

In FY2022, as shown in the table, we plan to implement the dividends of JPY46, although the final profit is expected to decrease. The timely disclosure of the dividend and the cancellation of treasury stock was made on April 25. Of the Company's shares previously held, the majority, or 7 million shares, were canceled. As a result, the Company's shareholding ratio dropped from 18.9% to 2.1%.

## Forecast is based on the following assumptions:

- COVID-19 has a long-term impact; Must respond to the changing environment
- Cost increase has a larger impact than it did the previous year; Must revise prices and review unprofitable items
- Exchange rate assumption: JPY116/\$
- Decline in net profit and ROE was due to one-time factors, such as the removal of a business from consolidation in FY2021

(Millions of yen)	FY2021	FY2022 (forecast)	YoY Change	
			Amount	%
Net sales	79,231	<b>86,000</b>	+6,768	+8.5%
Operating profit	5,840	<b>5,400</b>	-440	-7.5%
Ordinary profit	6,182	<b>5,600</b>	-582	-9.4%
Profit attributable to owners of parent	21,582	<b>4,200</b>	-17,382	-80.5%
ROE	38.3%	<b>6.2%</b>		

Next page, please. Finally, I would like to discuss our consolidated earnings forecast for FY2022.

Our company, like many others, is facing a challenging external environment. It was in this context that we prepared our earnings forecast. Therefore, the calculation is based on the assumptions as stated. Impact of COVID-19, increase in raw materials, and other indirect costs. The exchange rate assumption is JPY116.

Based on these assumptions, we project full-year results for FY2022 of JPY86 billion in net sales, JPY5.4 billion in operating income, JPY5.6 billion in ordinary income, and a final net income of JPY4.2 billion.

This wraps up my presentation. Thank you.

 **RIKEN VITAMIN CO.,LTD.**

Stock code: 4526

Medium- to Long-Term Vision and  
Medium-Term Management Plan for FY2022–FY2024

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President & Representative Director  
Kazuhiko Yamaki

May 18, 2022



## Medium- to Long-Term Vision

**Yamaki:** This is Yamaki, the President Director of RIKEN VITAMIN. Good morning.

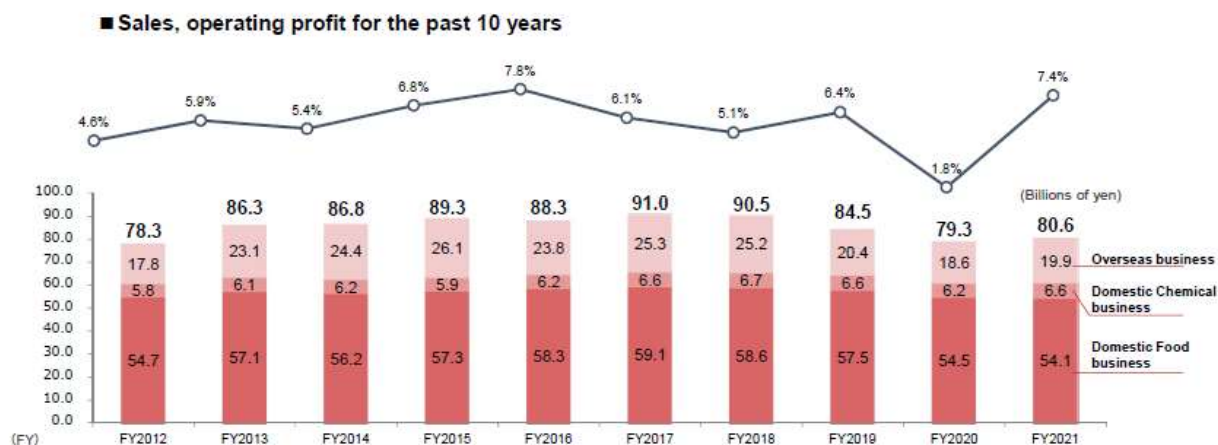
I would like to share our medium- to long-term vision for the next 10 years and our medium-term management plan for FY2022 through FY2024.

This medium-term management plan is the first stage of our medium-term management plan for FY2022 through FY2024, in which we have established a medium- to long-term vision of where we want to be in 10 years.



## Review of the Past 10 Years

- Business grew moderately in the first half, but became sluggish in the latter half
- Overseas business was positioned as a growth driver, but it remains little changed from 10 years ago



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Before I do so, I would like to review the performance of the past three mid-term plans.

Our overseas business grew at an average annual growth rate of 13% from FY2012 to FY2015, but growth has since ceased, and the business has been in the red since FY2016. During this period, Qingdao Fusheng Foodstuffs, the company we had already sold, was included in the consolidated results, which means that company sales were significantly affected by the good or bad performance of the now-removed subsidiary.



The domestic food business also peaked in FY2017 and has gradually lowered sales, which we believe is probably due to the impact of the optimization of sales promotion expenses for household products. From FY2020, we saw a decline in sales for processed food for professional use and processed food ingredients due to COVID-19, but the loss was compensated by the increase in sales for household food supported by the stay-home demand.

In addition, due to the accounting fraud committed by Qingdao Fusheng Foodstuffs that caused great inconvenience to everyone, we had recorded a net loss for two consecutive years in FY2019 and FY2020.

To recap, the decrease in FY2020 sales was due to the poor performance of Qingdao Fusheng Foodstuffs. The decrease in FY2021 sales was due to the removal and sales of the business entity.

In the previous fiscal year, as Mr. Tomitori explained earlier, we returned to profitability for the first time in three fiscal years. Qingdao Fusheng Foodstuffs had been a negative variable factor for the Company profits. Now that it has been removed from the consolidated business performance, we are finally back in the game and can concentrate on our core business and work on our medium-term management plan.

**None of the quantitative targets was achieved, but the entry into new areas had some success**

Theme of the previous medium-term plan	Review
Numerical targets for FY2020: Sales, operating profit, OPM, net profit, ROE	<ul style="list-style-type: none"> <li>None has been achieved</li> </ul>
Japan: Strengthen the structural foundation further	<ul style="list-style-type: none"> <li>Domestic Food: Sales and profit fell                             <ul style="list-style-type: none"> <li>Commercial Food, greatly impacted by COVID-19, responded to new demand</li> <li>Withdrew from the low-profitable Chinese wakame business</li> <li>Health-care business grew steadily</li> </ul> </li> <li>Domestic Chemical: Sales rose, profit fell</li> </ul> 
Overseas: Accelerate growth drivers	<ul style="list-style-type: none"> <li>Overseas Improving Agents: Sales and profit rose in FY2021                             <ul style="list-style-type: none"> <li>Greatly impacted by COVID-19, rising raw-material prices, and soaring marine-transportation costs</li> </ul> </li> <li>Qingdao Fusheng Foodstuffs was removed from consolidation</li> </ul> 
Enter new fields	<ul style="list-style-type: none"> <li>Sales of frozen seaweed grew to JPY900mn (x1.5 in 4 years)</li> <li>Inspection was launched to identify wakame production areas</li> <li>A&amp;I Center was established</li> <li>Business expanded to cosmetics</li> <li>Microcapsule sales grew to JPY1.1bn</li> <li>Pharmaceutical MC building was constructed</li> </ul>  
Promote CSR management	<ul style="list-style-type: none"> <li>We improved the productivity of the wakame cultivation industry by providing elite cultivars</li> </ul>

Here we would like to look back over the immediate previous four years.

In the previous medium-term plan, our goals were to strengthen our domestic foundation, expand overseas business, take on the challenge of entering a new domain, and promote CSR management. Although we did not achieve our quantitative targets, we reviewed our business and withdrew from the low-profit Chinese wakame seaweed business and sold Qingdao Fusheng Foodstuffs.

In our effort to find a new entry to a new arena for the sake of medium- and long-term growth, we expanded a frozen seaweed business and took on the challenge of delivering improving agents for cosmetics use, which started to flourish. We executed a major capital expenditure to open the Application & Innovation Center in 2019 for enhancing the solutions business for improving agents. In 2021, we built manufacturing facilities for pharmaceutical microcapsules, for which demand is growing. Then, we established a land-based seaweed aquaculture facility, among other things.

# Our Philosophy and Accomplishments

## Corporate philosophy since 1949 (establishment):

Contribute to people's health and nutrition with technologies and products that make effective use of natural compounds, thereby contributing to society

## Management philosophy since 1997:

Provide health and a rich dietary life to society through foods \*Plus, five others

**Founding business: Production of natural vitamin A using fish liver\***. \*Currently not produced

**Technology to extract, refine, and compress natural compounds**

- Extracts
- Distilled monoglycerides
- Natural colorants
- Vitamin E
- Functional foods

**Technology to stabilize unstable vitamin A**

- Microcapsule

**Fisheries-resource procurement and research led to:**

- Wakame

**Contribute to a rich dietary life by developing product applications and cultivating new markets**

### Household Food

- Dried Wakame Furu Wakame-chan®, Wakame Soup
- Oil-free dressings
- Sozairyoku Dashi®

### Commercial Food

- Frozen seaweed (Marudori Wakame, Wakame Karaage, Mozuku)

### Processed Food Ingredients

- Solving customers' problems with technology and ideas

### Domestic Chemical

- Applying food-improving agents to chemical products

### Overseas Improving Agents

- Using problem-solving skills cultivated in Japan to expand overseas

Next, in order to convey our medium- to long-term vision, I would like to talk about our philosophy and what we have created.

Since our establishment in 1949, we have continued our corporate activities with the philosophy of contributing to society and supporting people's health and nutrition through technology and products utilizing effective natural products. The results of these efforts have led to the products shown on this slide – in the food business, the improving agents business, and the healthcare business.

- **Population change**  
Growing global population, shrinking Japanese population
- **Climate change**  
Increased risk of natural disasters, a transition to decarbonization
- **Lifestyle changes**  
Increased challenges in serving customers as eating habits become more diverse
- **Increased uncertainty**  
Difficulties predicting the future



**Solution to environmental (E) and social (S) challenges leads to growth**

Next, I will discuss changes in the business environment, which are external factors.

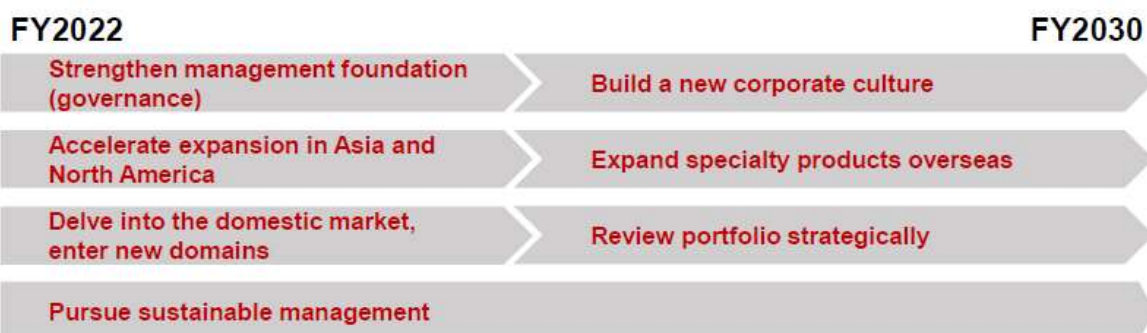
First, population changes. The worldwide population is expected to rise. On the contrary, the Japanese population will diminish.

Second, climate. Climate change is a very big risk for our company as we handle natural products, but we also see it as an opportunity.

Third, lifestyle. The evolution of digitalization that began with the pandemic has changed where we work, how we spend our leisure time, and even what we eat. We must keep up with these changes. We recognize that these changes, along with Russia's invasion of Ukraine, will make the future more uncertain than ever before and make it more difficult to predict the future.

In this business environment, we believe it is important to address sustainability issues, i.e., E&S, and to link solutions to environmental and social issues to growth. In other words, by contributing to the solution of sustainability issues through our mainstay businesses, we hope to achieve sustainable growth ourselves.

**Achieving growth by supporting a sustainable society with specialty products and services**



Based on these principles and changes in the business environment, we have established our medium- to long-term vision: Achieving growth by supporting a sustainable society with specialty products and services.

In other words, we aim to be a company that grows by solving sustainability issues for everyone involved with our company and society as a whole through specialty products and services that leverage our unique strengths.

The four basic policies are listed here.

First, we will strengthen our management foundation to realize our vision. In particular, we would like to strengthen corporate governance, which is a major issue for our company, and to build a new corporate culture in the medium to long term.

Second, we would like to accelerate our expansion overseas, especially in Asia and North America.

Third, in our domestic business, we would like to take advantage of internal synergies to dig deeper and take on the challenge of entering new areas of business.

Finally, we will promote sustainable management, which integrates management strategies with sustainability initiatives.

Through these efforts, we hope to increase our corporate value over the medium to long term.

FY2022–FY2024  
Medium-Term Management Plan

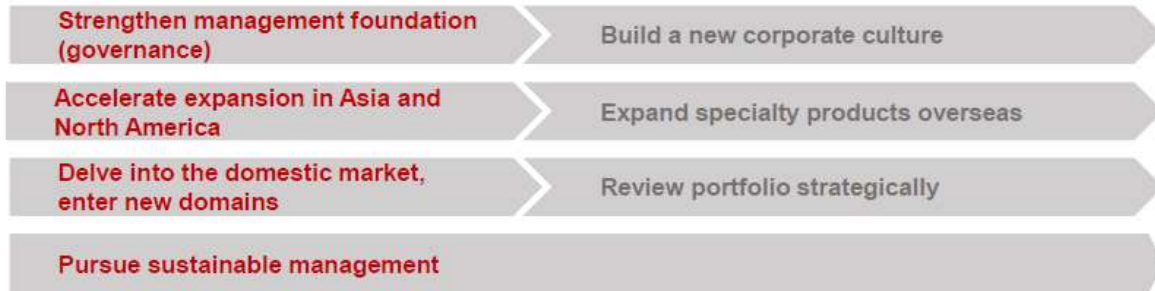


## Strengthen foundation, make investment for future growth

**FY2022–FY2024 medium-term management plan**

(FY2025–FY2027)

(FY2028–FY2030)



I would now like to review our medium-term management plan for FY2022 through FY2024.

In line with the medium- to long-term management policy just presented, the first stage of this policy is to strengthen the foundation for future growth and to make investments.

Let me break them down one by one.

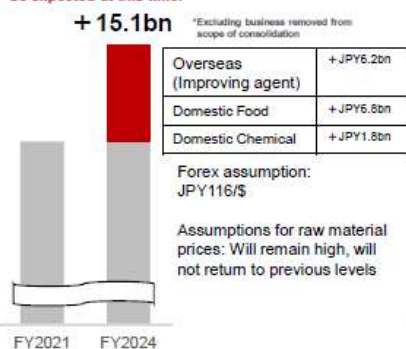


## FY2024

### Net sales

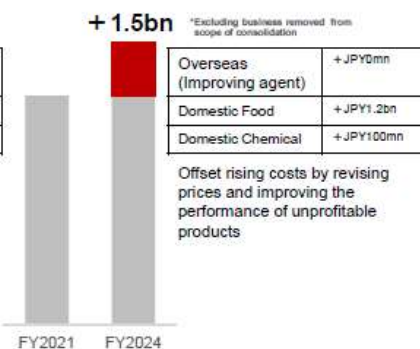
**JPY94bn**

The operating environment is becoming uncertain. The figures are based on what can be expected at this time.



### Operating profit

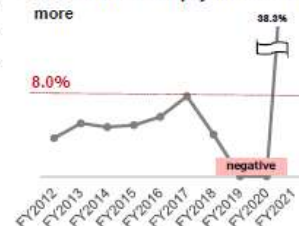
**JPY8bn (8.5%)**



### ROE

**8.0% or higher**

- Generate operating profit
- Sell cross-held shares
- Aim for a dividend payout ratio of 30% or more



ROE for FY2019-FY2021 was greatly affected by the removal of a business from consolidation

This section describes the performance targets of the medium-term management plan.

We target sales of JPY94 billion in FY2024, an increase of JPY15.1 billion from FY2021. Although the future of the business environment is very difficult to predict, we have set our targets within the range that can be assumed under the current circumstances. The exchange rate assumption is JPY116. The assumption is that raw material prices have not returned to previous levels and have remained somewhat high.

Operating income is JPY8 billion. We aim to achieve an operating margin of 8.5%.

Although all costs are rising, we would like to achieve a higher profit level than ever before by promoting price revisions, reviewing unprofitable items, and offering new value-added products. Our target ROE is 8% or higher. Excluding special factors such as Qingdao Fusheng Foodstuffs, our ROE has been 6% to 7%. We hope to raise it to 8% or higher in FY2024, not only by generating operating income, but also by reviewing assets and returning profits to shareholders.

## Establish a governance structure to realize our vision



### ■ Strengthen the effectiveness of corporate governance

Cooperate with external directors, build an equitable relationship and maintain a healthy tension

- Have an outside body evaluate the effectiveness of the board of directors and implement a PDCA cycle based on this evaluation
- Strengthen and promote a succession plan
- Reduce cross-held shares to less than 20% of consolidated net assets at end-FY2024

### ■ Strengthen group governance structure

Establish an organizational structure to strengthen cooperation between the head office and domestic and overseas subsidiaries

- Centralize management at the head office to increase efficiency and strengthen control
- Increase auditing staff and strengthen cooperation with audit & supervisory committee members

### ■ Enhance information disclosure, strengthen dialogue

- Enhance accurate and easy-to-understand disclosure of business and non-financial information; expand disclosure in English
- Strengthen dialogue with institutional and individual investors
- Create an integrated report (from FY2023)

Here is a description of the basic policy.

First, governance must be strengthened.

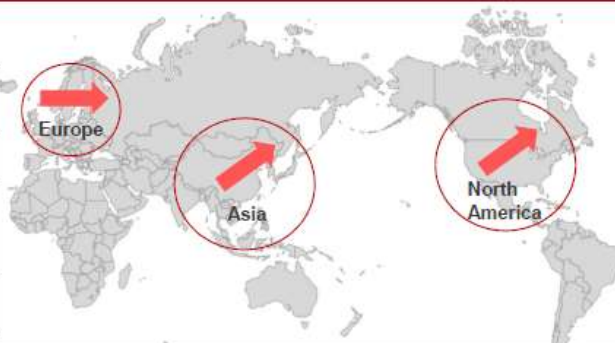
In 2020, we corrected our financial reports twice due to improper accounting practices found in our Chinese subsidiary, Qingdao Fusheng Foodstuffs, which caused significant inconvenience to our stakeholders. Over the past year and a half, we have pushed ourselves to enhancement, supported by a great deal of feedback from our shareholders, investors, and business partners.

We recognize that it is very important to establish a governance structure to realize our vision to regain trust and to have expectations that we can put the Company back on a growth trajectory. To this end, we will strengthen the effectiveness of our corporate governance and the Group's governance structure.

In this connection, we will also reduce our cross-shareholdings, which have been a major governance issue for the Company. We will also enhance information disclosure to elevate the visibility of our company. As an example, we began using sponsored research beginning May. We plan to publish an integrated report in the next fiscal year.

## Make it a sustainable growth driver

(Millions of yen)	FY2021 Results	FY2022 Forecast	FY2024 Target
Sales	19,527	23,000	25,800
Sales growth rate (single year)	33.6% <small>*Based on the previous accounting standards</small>	17.8%	8.4%
Operating profit margin	7.0%	4.3%	5.4%



<b>Food-improving agent/extracts</b>	<ul style="list-style-type: none"> <li>Focus development and sales resources on bakery products, prepared foods, frozen foods, and frozen desserts for the Asian market</li> <li>Increase sales in inland China</li> <li>Strengthening sales to North American bakeries and expand sales of pork extracts in North America</li> </ul>	Maximize the use of domestic management resources
<b>Chemical-improving agents</b>	<ul style="list-style-type: none"> <li>Reach out to the world with "ESG" as the keyword</li> </ul>	
<b>Capital investments</b>	<ul style="list-style-type: none"> <li>Raise production capacity at Tianjin Rikevita Food (in China) (FY2024)</li> <li>Consider expanding production capacity in Asia and North America</li> </ul>	

I would like to review actionable plans by projects.

First, I would like to talk about our overseas business strategy, which we have positioned as a growth driver.

In overseas markets, we have been focusing on BtoB improving agents. We will further grow our overseas business with a focus on Asia and North America. The key is to increase the ratio of specialty products. To this end, we will enhance and strengthen our application capabilities in both Asia and North America.

On the other hand, we are planning to make a capital investment in a food plant in Tianjin, China, to increase production capacity. In addition, our pork extract business for ramen restaurants in North America has taken off in recent years, and we believe the business has much margin to grow by expanding throughout the United States.

Delve into the existing domains and enter new fields

(Millions of yen)	FY2021 Results	FY2022 Forecast	FY2024 Target
Sales	54,130	56,800	61,000
Sales growth rate (single year)	1.8% <small>*Based on the previous accounting standards</small>	4.9%	2.9%
Operating profit margin	9.1%	7.7%	10.2%



<b>Household Food</b> + JPY1.3bn	<ul style="list-style-type: none"> <li>Drive market expansion as the top wakame maker through active awareness-raising and advertising</li> <li>Appealing the value of dressings by communicating recipes on social media</li> <li>Acquire new customers, launch new products, and expand usage scenarios for the third stage of growth for Sozaiyoku Dashi</li> </ul>	Actively pursue price revisions and a review of unprofitable products in response to changes in the business environment, such as soaring prices of raw materials
<b>Commercial Food</b> + JPY2.5bn	<ul style="list-style-type: none"> <li>Strengthen appeal to growth markets (elderly care and prepared meal) under the "new normal"</li> <li>Promote solution sales of foods and improving agents</li> <li>Further expand sales of frozen seaweed and land-cultivated seaweed</li> </ul>	
<b>Processed Food Ingredients</b> + JPY2.9bn	<ul style="list-style-type: none"> <li>Offer multifaceted proposals for food-loss reduction, such as extending the sales period and reducing production losses</li> <li>Expand sales in the growing nutritional enhancement market and pet-food market amid the COVID-19 pandemic</li> <li>Develop products that help extend healthy life expectancy and improve the quality of life</li> </ul>	

In the domestic food business, we will dig deeper into existing areas and take on the challenge of entering new areas. In Japan, where population decline will accelerate in the future, chasing volume expansion will result in low profitability. We will further enhance our strength in problem-solving and pursue added value.

Our strength lies in ties with our wide range of business partners, and we plan to offer more of our products to them. We don't think we have done it all yet. We would like to expand the range of our proposals and establish ourselves as a one-stop supplier through personnel exchanges between divisions.

For the household food products, we will leverage our experience in establishing a new genre of non-oil dressing in the existing category of dressings. We will take on the challenge of discovering potential new areas hidden in existing areas and bringing out new products.

For the processed food products for professional use, we will strengthen the healthcare meals for the aged population as well as ready-to-cook meals, both of which we position as growth markets.

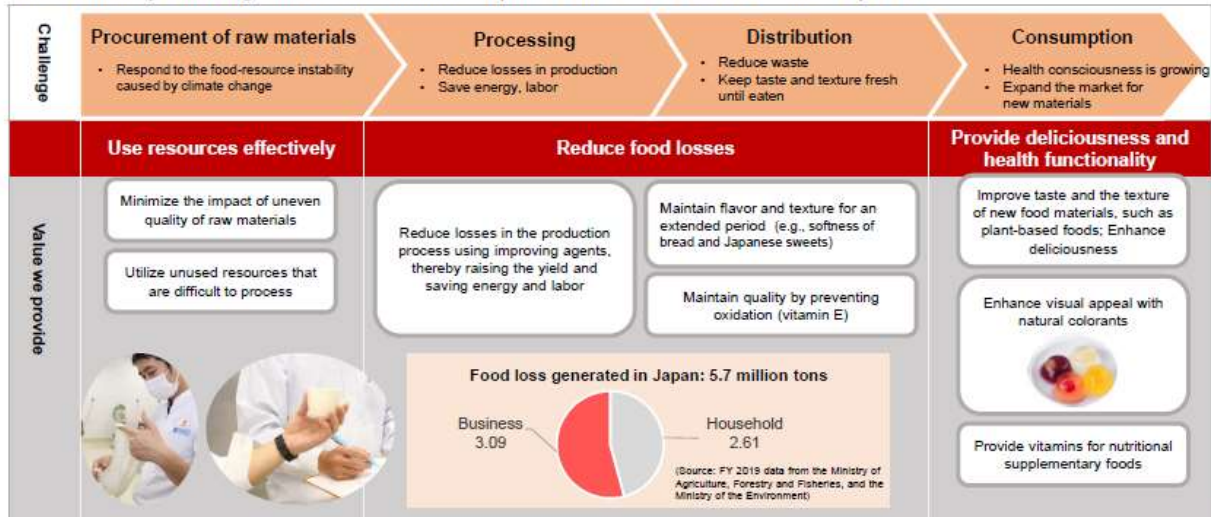
For the processed food ingredients segment, vitamin mix is showing strong performance.

We will also expand our health materials such as crocetin and our microcapsule business, as I explained earlier.



## Food-improving agent: Contributing to a sustainable dietary lifestyle

### Sustainability challenges in the distribution of processed foods and the value we provide



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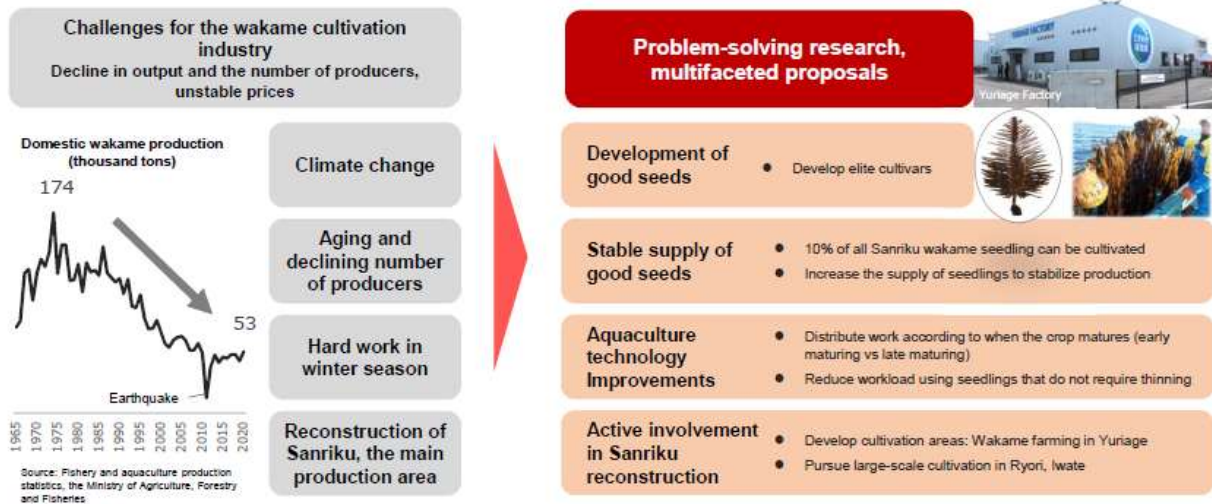
I would like to talk about the domestic food business that I just described and the contribution of this domestic food business to sustainability. We sell products that contribute to a healthy diet. The FUERU WAKAME-CHAN and the non-oil dressings are two of those products.

I would like to explain our food improving agents.

We believe that food improving agents can not only meet the challenges of diversifying tastes, but also contribute to solving social issues. Food loss reduction, for example. As shown in this pie chart, the amount of food loss generated in Japan is an enormous 5.7 million tons. Reducing losses in the production process of processed foods not only reduces the input of raw materials, but also saves energy and labor.

We received multiple reports on cases in which our improving agents have successfully reduced food losses and improved yields in factories. We would like to contribute to the reduction of commercial food loss. In addition, we have a strong track record in texture improvement. Our oxidation prevention technique using vitamin E had contributed to the extension of shelf life.

## Seaweed: Revitalizing the aquaculture industry with wakame seedling research



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I would also like to say a few words about seaweed. Wakame seaweed is our main product, and it is facing a decline in production volume and producers, as well as unstable prices, like many other types of seaweeds.

To solve those issues, in 2017, we opened the Yuriage Factory, a research facility for seaweed seeds, and have been making multifaceted proposals to local fishing cooperatives, municipalities, and producers in various regions.

An example is the development and supply of quality seeds. We provide elite cultivars selected at the Yuriage Factory to growers, and there is an example of a grower who increased his production by 30% by using our cultivars. Currently, we are able to supply 10% of sanriku wakame seedlings, and we are considering ways to further increase the supply in the future.

We are also actively involved in community revitalization. The Group works with some fishery cooperatives to supply wakame seaweed seedlings and provide aquaculture technology.

We hope to further promote these efforts to stabilize production and contribute to the revitalization of the wakame seaweed aquaculture industry.

## From wakame to seaweed in general

Issues are the same across the seaweed-farming industry; the experience of the wakame business can be applied to the cultivation of other kinds of seaweed

Research on mozuku seedlings  
Okinawa



Mozuku cultivation net

Land-based cultivation of suji aonori  
Rikuzentakata Base in Iwate



Land-cultivated suji aonori

Global challenges

Blue-carbon effects  
Joint research with  
Nagasaki University



We are not only working on wakame seaweed. To ensure that the seaweed aquaculture industry can continue to grow sustainably in the future, we are applying the results of our wakame research to a variety of seaweeds.

For example, in Okinawa, we are conducting mozuku, a type of edible seaweed, seedling research. And last year, we became the first company to begin producing suji-aonori, a type of edible seaweed, at a land aquaculture site in the Rikuzentakata City of Iwate Prefecture. We have had our first winter, and it is growing well.

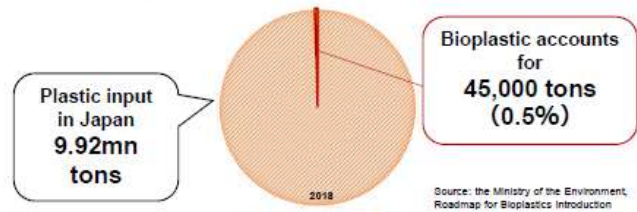
In addition, seaweed has the potential to solve global problems. We are one of the most researching seaweed companies among Japanese food manufacturers, and we would like to spread our research field to environmental issues.

Through these efforts, we hope to change the brand image from RIKEN of wakame seaweed to RIKEN of all seaweeds.



**Strength is in environmental products that will grow in demand in the future**

(Millions of yen)	FY2021 Results	FY2022 Forecast	FY2024 Target
Sales	6,617	7,500	8,500
Sales growth rate (single year)	11.1% <small>*Based on the previous accounting standards</small>	13.3%	6.3%
Operating profit margin	9.1%	6.0%	9.4%



Applying food-improving agents to chemical products

▼

Specialty is biomass products

<b>Environmental products</b>	<ul style="list-style-type: none"> <li>• Products for biomass plastics and biodegradable plastics (plasticizers, compatibilizers, etc.)</li> <li>• Highly functional products for the automotive and the light electrical appliance fields (compatibilizers, etc.)</li> </ul>
<b>Expansion into cosmetics</b>	<ul style="list-style-type: none"> <li>• Biomass surfactants</li> <li>• Development of functional materials for cosmetics</li> </ul>
<b>Expansion into agriculture</b>	<ul style="list-style-type: none"> <li>• Agricultural-pest repellent</li> <li>• Cedar-pollen dispersal suppressant: Continue demonstration experiments; aim for practical application</li> </ul>

Next, I would like to review domestic chemical business.

As the graph shows, as of 2018, shipments of bioplastics in Japan were only 0.5% of the total, or about 45,000 tons. The national target is 2 million tons by 2030, so there is a large gap, and it is expected to expand in the future.

We specialize in this field. We would like to steadily seize business opportunities in the domestic market.

## Chemical-improving agent: biomass products

### Research into sustainable materials

- **Compatibilizer MB**

This improving agent mixes biomass (e.g., cellulose nanofibers) with resins. (They do not usually mix.)

- **Improving agents for biodegradable plastics and marine degradable plastics**

The use of plasticizers and anti-static agents is increasing along with regulatory developments in each nation. We will conduct necessary tests and strengthen our proposals.

### Research into cosmetics

- **Joint research with external organizations**

We will research new functional materials taken from plants and algae to explore business opportunities.

### Expansion into agriculture

- **Cedar-pollen dispersal suppressant**

In the future, it may be used to suppress the dispersal of cedar pollen.

Unmanned helicopter spraying tests are scheduled for FY2022.



Cedar male flower

- **Pest repellent**

It protects crops by repelling pests, instead of killing them.



Research on new repellent for spider mites

Source: Yutaka Arimoto, senior scientist (2021), RIKEN

I would also like to talk about the contribution of chemical improving agents to sustainability.

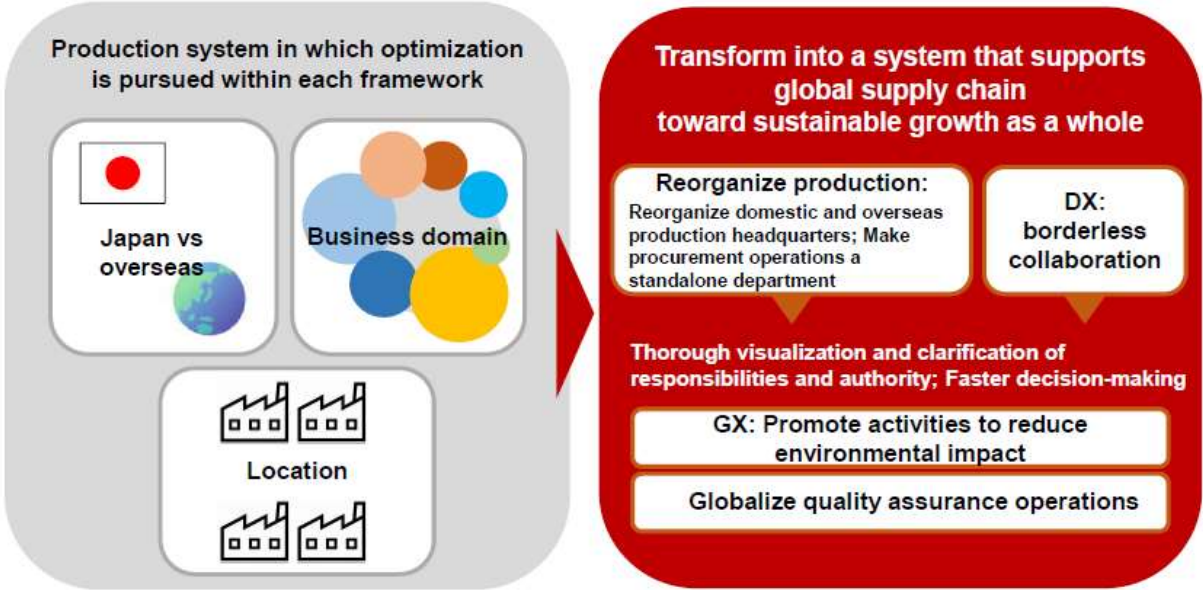
We will work to expand sales of environmentally friendly products, such as improving agents, to increase the biomass content of plastics and products for biodegradable plastics.

Another major theme is the development of food additives for the agricultural sector. We are currently testing a cedar pollen dispersal inhibitor that will help reduce future cedar pollen allergy and are in the process of applying for an agrochemical.

# Emphasis areas in each segment

Segment	Domestic Food: Leverage diverse products to delve into the customer base			Domestic Chemical business	Overseas business
	Household Food	Commercial Food	Processed Food Ingredients		
Emphasis areas and products in each segment	<p>Develop new products, cultivate existing products</p> <p>Dressings Wakame Wakame Soup Sozaiyoku Dashi New category</p> <p>Retailer Consumer</p>	<p>Focus on the elderly care and prepared meal markets; Expand sales channels for improving agents and vitamins; Recapture processed-food makers</p> <p>Seasonings Extracts Seaweed Improving agents Vitamins</p> <p>School lunch Restaurant CVS Foodmaker</p> <p>Elderly care market Prepared meal market</p>	<p>Solve diverse challenges Expand health-care products</p> <p>Improving agents Vitamins Microcapsules</p> <p>Colorants Functional food ingredients</p> <p>Foodmaker Health food maker Drugmaker</p> <p>Contribute to sustainable food Improve QOL</p>	<p>Expand into bioplastics, cosmetics, and agriculture</p> <p>Cooperation between Japan and overseas</p> <p>Chemical-improving agent, anti-static agent, anti-fogging agent, plasticizing agent, etc. Biomass products</p> <p>Food packaging Automobile</p> <p>Agricultural film New agricultural field Building materials Cosmetics</p>	<p>Accelerate expansion in Asia, North America; Expand production capacity at Tianjin Rikenvita Food</p> <p>Improving agent for food</p> <p>Bakery/Prepared food/Frozen food/Frozen dessert</p> <p>Improving agent for chemical products</p> <p>Keyword is "ESG"</p> <p>Expand the sale of pork extract in North America</p>

Here is a total summary of the key points of each of the projects we have described.



Next, I would like to review production.

In April of this year, we made major changes to the organization of our production division to achieve sustainable growth. The previously separate domestic and overseas production headquarters have been reorganized into a structure that supports the entire global supply chain. In addition, the procurement department, which has become increasingly important due to soaring raw material prices, has been made independent from the production division.

Parallel with this, the Company will focus on DX, which will utilize digital technology to coordinate production-related operations, and GX, which will promote activities to reduce environmental impact at each production site.

In addition, to support overseas growth, we will make further efforts to globalize our quality assurance department.



### GHG emissions

FY2030

**-40%** (vs FY2018 Scope1+2)

FY2050

### Aim for carbon neutrality

#### TCFD

We endorsed the TCFD recommendations in April 2022 (Disclosure based on the TCFD recommendations is included in the supplementary material)

#### Environmental-load reduction targets

Use biomass ink for all products  
Indicate the year and month of product expirations (for products with a shelf life of one year or more)  
Use recycled PET bottles for dressings



### Promote diversity and inclusion

Hire and foster diverse talents  
Target for female managers: 6% or more at end-FY2023

### Foster autonomous talents capable of responding to changes

Promote reskilling, review personnel system  
Target for global talents: 10% or more by end-FY2030

### Promote employee-health management

#### Enhance nutrition education



### Have an external body evaluate the board of directors

### Keep cross-share holding under 20% of consolidated net assets

Next, allow me to brief our ESG initiatives.

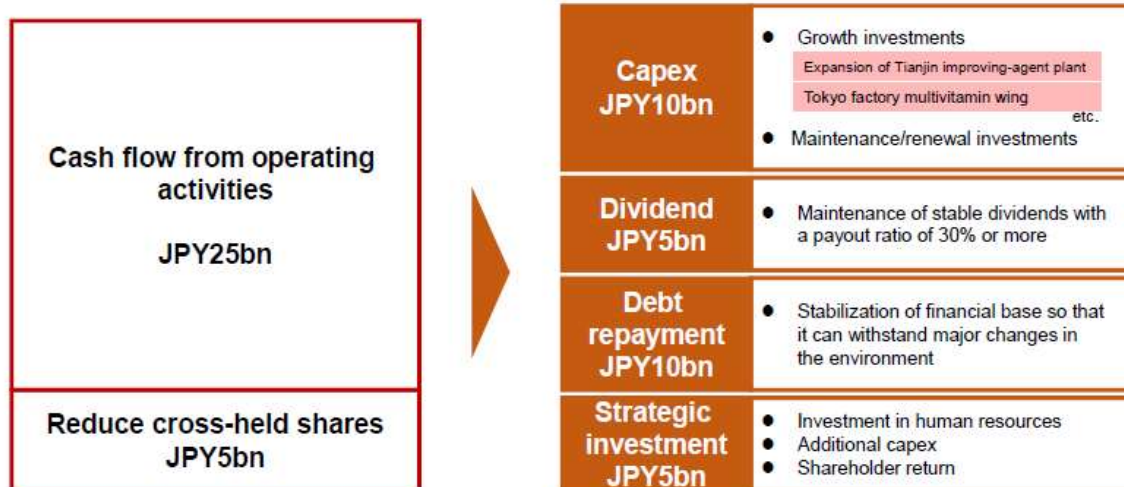
Regarding GHG emissions, we have set goals to reduce emissions by 40% in FY2030 and to achieve carbon neutrality by FY2050. We will also proceed with TCFD scenario analysis to incorporate climate change impacts into our business strategy. Although it is not yet sufficient, we will soon disclose this information on our website and in our CSR report, and through dialogue with you, we hope to make the most of this information in our strategies.

Regarding social issues, there is an urgent need to promote diversity and human resource development to achieve sustainable growth. We intend to strategically invest in human resources and transform our corporate culture.

We intend to have an external evaluation of our governance once during this medium-term management plan.



**Make investments to support growth while achieving a stable financial base**



Finally, I would like to review our financial strategy for the three years of the medium-term management plan.

Over the next three years, we will secure cash inflows of JPY30 billion, including JPY25 billion from operating cash flow and a JPY5 billion gain on the sale of cross-shareholdings, and will allocate JPY10 billion to capital investment.

We aim to maintain a stable dividend payout ratio of 30% or higher. We will also work to repay an interest-bearing debt to build a financial base that can withstand major changes in the environment.

In addition, we have established a strategic investment limit of JPY5 billion. Strategic investments include investments in human resources, new and additional capital investments necessary for growth, and shareholder return measures, each of which I would like to review as they become more concrete.

Achieving growth by supporting a sustainable society with specialty products and services



This concludes my remarks. Thank you for your attention.

Thank you very much.

This presentation contains the Company's current plans and earnings forecasts. These plans and projected figures are based on the Company's plans and projections using currently available information. Actual results may differ from these plans due to various future conditions and factors, and this presentation does not guarantee or warrant their achievement.

Contact

Yoshiya Inoue  
Chief of PR & IR Office  
Corporate Planning Department  
TEL: 03-5362-1315



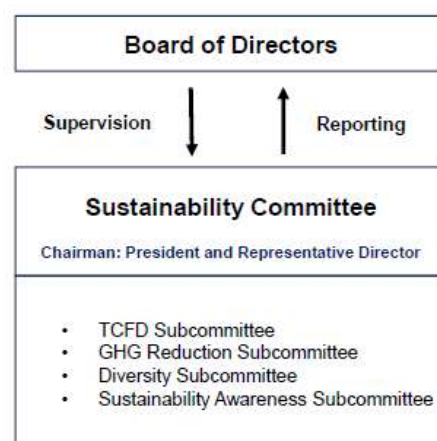
## Supplementary Material

## Basic Policies for Sustainable Management

### FY2022–FY2024 Medium-Term Management Plan Basic policies for sustainable management

- Promote socially and environmentally responsible business practices under a sound governance structure
- Make social and environmental contributions through our business with specialty products and services to achieve sustainable growth
- Gain the trust of society and make employees proud of working for us

### Sustainability promotion system



## FY2022 Forecasts by Segment

RIKEN VITAMIN CO.,LTD.

Sales may rise because of price revisions following a cost increase, but profit may fall

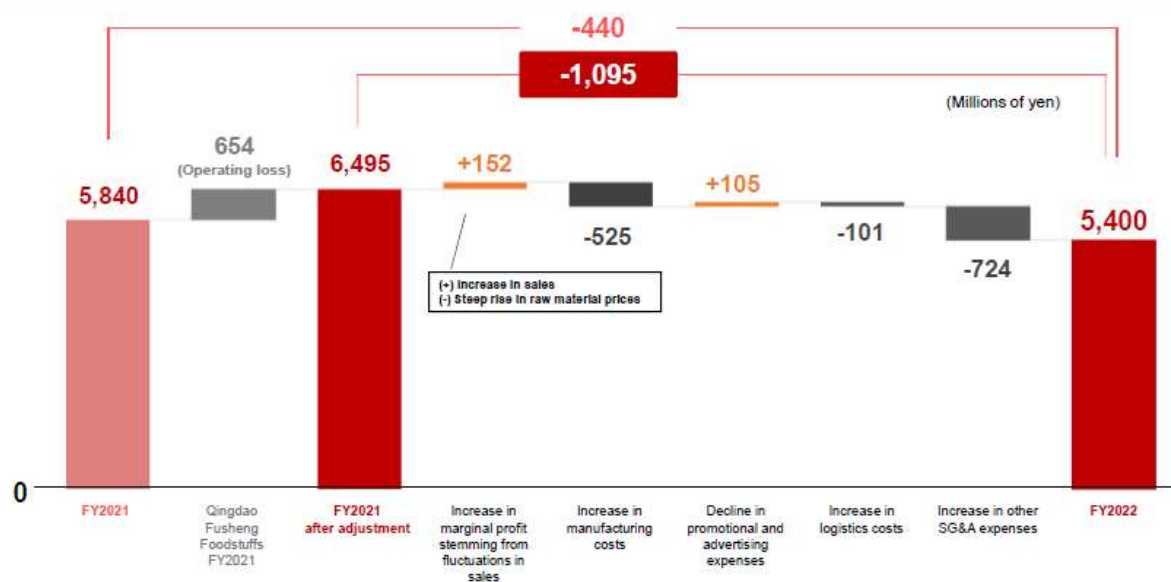
(Millions of yen)

	Net sales				Operating profit			
	FY2021 Full-year	FY2022 Forecast	YoY change		FY2021 Full-year	FY2022 Forecast	YoY change	
			Amount	%			Amount	%
Domestic Food business	54,130	56,800	+2,669	+4.9%	4,938	4,350	-588	-11.9%
Household Food	12,928	13,000	+71	+0.6%	/	/	/	/
Commercial Food	18,196	19,200	+1,003	+5.5%	/	/	/	/
Processed Food Ingredients	23,005	24,600	+1,594	+6.9%	/	/	/	/
Domestic Chemical business	6,617	7,500	+883	+13.3%	602	450	-152	-25.2%
Overseas business	19,926	23,000	+3,073	+15.4%	705	1,000	+295	+41.8%
Overseas Improving Agents	19,527	23,000	+3,472	+17.8%	1,360	1,000	-360	-26.5%
(Business excluded from scope of consolidation)	399	-	-	-	(654)	-	-	-

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## FY2022 Factors Affecting Operating Profit

RIKEN VITAMIN CO.,LTD.



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## Medium-Term Management Plan Target

RIKEN VITAMIN CO.,LTD.

(Millions of yen)		FY21			FY22 Forecast			FY23 Target	FY24 Target
		1H	2H	FY	1H	2H	FY		
Net sales	Domestic Food total	26,968	27,161	54,130	28,000	28,800	56,800	59,300	61,000
	Household Food	6,658	6,270	12,928	6,600	6,400	13,000	13,700	14,300
	Commercial Food	9,087	9,108	18,196	9,400	9,800	19,200	20,000	20,700
	Processed Food Ingredients	11,223	11,782	23,005	12,000	12,600	24,600	25,600	26,000
	Domestic Chemical	3,277	3,340	6,617	3,700	3,800	7,500	8,000	8,500
	Overseas total	8,962	10,964	19,926	11,000	12,000	23,000	23,800	25,800
	Overseas Improving Agents	8,562	10,964	19,527					
	Quindao Fusheng Foodstuffs**	399	-	399					
	Adjustments(intersegment eliminations)	(605)	(837)	(1,443)	(700)	(600)	(1,300)	(1,100)	(1,300)
	Consolidated total	38,603	40,628	79,231	42,000	44,000	86,000	90,000	94,000
Operating profit	Domestic Food total	2,500	2,437	4,938	2,100	2,250	4,350	5,400	6,200
	Domestic Chemical	335	266	602	200	250	450	700	800
	Overseas total	(263)	968	705	400	600	1,000	1,000	1,400
	Overseas Improving Agents	391	968	1,360					
	Quindao Fusheng Foodstuffs**	(654)	-	(654)					
	Adjustments(intersegment eliminations)	(176)	(228)	(404)	(200)	(200)	(400)	(400)	(400)
	Consolidated total	2,396	3,444	5,840	2,500	2,900	5,400	6,700	8,000
Ordinary profit		2,518	3,664	6,182	2,700	2,900	5,600	6,900	8,200
Profit attributable to owners of parent		17,162	4,419	21,582	2,000	2,200	4,200	5,300	6,500
ROE				38.3%			6.2%	7.5%	8%~

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## Consolidated Results

RIKEN VITAMIN CO.,LTD.

(Unit: million yen)	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022 Forecast
Net sales	77,568	85,419	85,603	88,072	87,181	89,515	89,024	82,974	77,722	79,231	86,000
YoY change(%)	2.9%	10.1%	0.2%	2.9%	(1.0%)	2.7%	(0.5%)	(6.8%)	(6.3%)	1.9%	8.5%
Operating profit	3,600	5,027	4,610	6,007	6,820	5,424	4,580	5,307	1,367	5,840	5,400
YoY change(%)	40.3%	39.6%	(8.3%)	30.3%	13.5%	(20.5%)	(15.6%)	15.9%	(74.2%)	327.2%	(7.5%)
Operating profit margin	4.6%	5.9%	5.4%	6.8%	7.8%	6.1%	5.1%	6.4%	1.8%	7.4%	6.3%
Ordinary profit	3,741	5,294	4,645	5,321	6,248	4,587	4,388	5,045	1,652	6,182	5,600
Ordinary profit margin	4.8%	6.2%	5.4%	6.0%	7.2%	5.1%	4.9%	6.1%	2.1%	7.8%	6.5%
Profit attributable to owners of parent	2,406	3,590	3,755	4,107	4,089	4,800	2,623	(8,933)	(1,618)	21,582	4,200
Net profit margin	3.1%	4.2%	4.4%	4.7%	4.7%	5.4%	2.9%	-	-	27.2%	4.9%
Total assets	94,257	102,345	114,049	109,030	109,342	110,994	109,706	101,853	106,535	102,660	
Net assets	60,728	67,253	76,036	74,341	53,611	58,919	59,229	46,789	46,674	66,539	
Shareholder equity ratio	63.9%	65.1%	66.1%	67.7%	48.5%	52.7%	53.5%	45.5%	43.3%	64.8%	
Cashflow from operating activities	3,064	6,908	5,941	8,377	8,126	5,753	6,689	5,850	7,625	6,823	
Cashflow from investing activities	(5,697)	(3,578)	(5,690)	(6,389)	(3,080)	(1,617)	(3,388)	(4,282)	(2,288)	(3,661)	
Cashflow from financing activities	(1,334)	(861)	(1,222)	(3,140)	(1,881)	(5,869)	(2,490)	(3,051)	(180)	(7,565)	
ROE	4.1%	5.7%	5.3%	5.5%	6.4%	8.6%	4.5%	(17.0%)	(3.5%)	33.8%	6.2%

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# Quarterly Results by Segment

(Millions of yen)		FY2019				FY2020				FY2021*			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	Domestic Food total	14,560	14,356	15,164	13,464	13,498	13,592	14,480	12,942	13,503	13,465	14,255	12,905
	Household Food	3,514	3,204	3,379	3,273	3,992	3,361	3,422	3,233	3,419	3,239	3,145	3,124
	Commercial Food	5,393	5,332	5,455	4,839	4,299	4,708	5,091	4,488	4,559	4,528	4,822	4,285
	Processed Food Ingredients	5,653	5,819	6,329	5,351	5,206	5,522	5,966	5,221	5,524	5,698	6,287	5,495
	Domestic Chemical	1,576	1,702	1,844	1,507	1,460	1,495	1,700	1,547	1,616	1,661	1,750	1,589
	Overseas total	4,717	5,363	5,014	5,278	3,914	4,709	5,384	4,541	4,659	4,302	5,485	5,479
	Overseas Improving Agents	3,616	4,050	4,044	3,810	3,049	3,698	3,907	3,975	4,260	4,302	5,485	5,479
	Quindao Fusheng Foodstuffs**	1,101	1,312	970	1,467	864	1,011	1,477	565	399	-	-	-
	Adjustments(intersegment eliminations)	(361)	(384)	(452)	(379)	(416)	(294)	(421)	(415)	(278)	(327)	(507)	(329)
	Consolidated total	20,493	21,038	21,570	19,871	18,457	19,502	21,145	18,617	19,500	19,102	20,983	19,644
Operating profit	Domestic Food total	1,315	1,149	1,784	1,138	1,286	890	1,424	1,076	1,291	1,209	1,627	810
	Domestic Chemical	188	155	195	131	167	61	164	147	211	124	176	89
	Overseas total	(7)	437	311	(1,034)	(1,881)	(525)	(324)	(572)	(421)	158	468	500
	Overseas Improving Agents	149	327	300	72	76	178	175	65	232	158	468	500
	Quindao Fusheng Foodstuffs**	(156)	109	10	(1,107)	(1,957)	(703)	(500)	(637)	(654)	-	-	-
	Adjustments(intersegment eliminations)	(40)	(164)	(74)	(178)	(295)	(199)	(19)	(34)	(71)	(105)	(119)	(109)
	Consolidated total	1,455	1,576	2,217	57	(722)	227	1,245	617	1,009	1,386	2,153	1,290

\*Effective from the beginning of FY2021, the Company has adopted the Accounting Standard for Revenue Recognition.

\*\*The Company transferred its share of ownership in Qingdao Fusheng Foodstuffs in June 2021 and removed the latter from its scope of consolidation in Q1.