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わたしたちは、香りにとどまらず、
幅広い技術をもって
新たな価値と感動を生み出し、
より豊かな生活に
貢献する会社を目指します。

 **長谷川香料株式会社**

Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2026

May 21, 2026

T. HASEGAWA CO., LTD.

I . Business Environment

II . Overview of Financial Statements

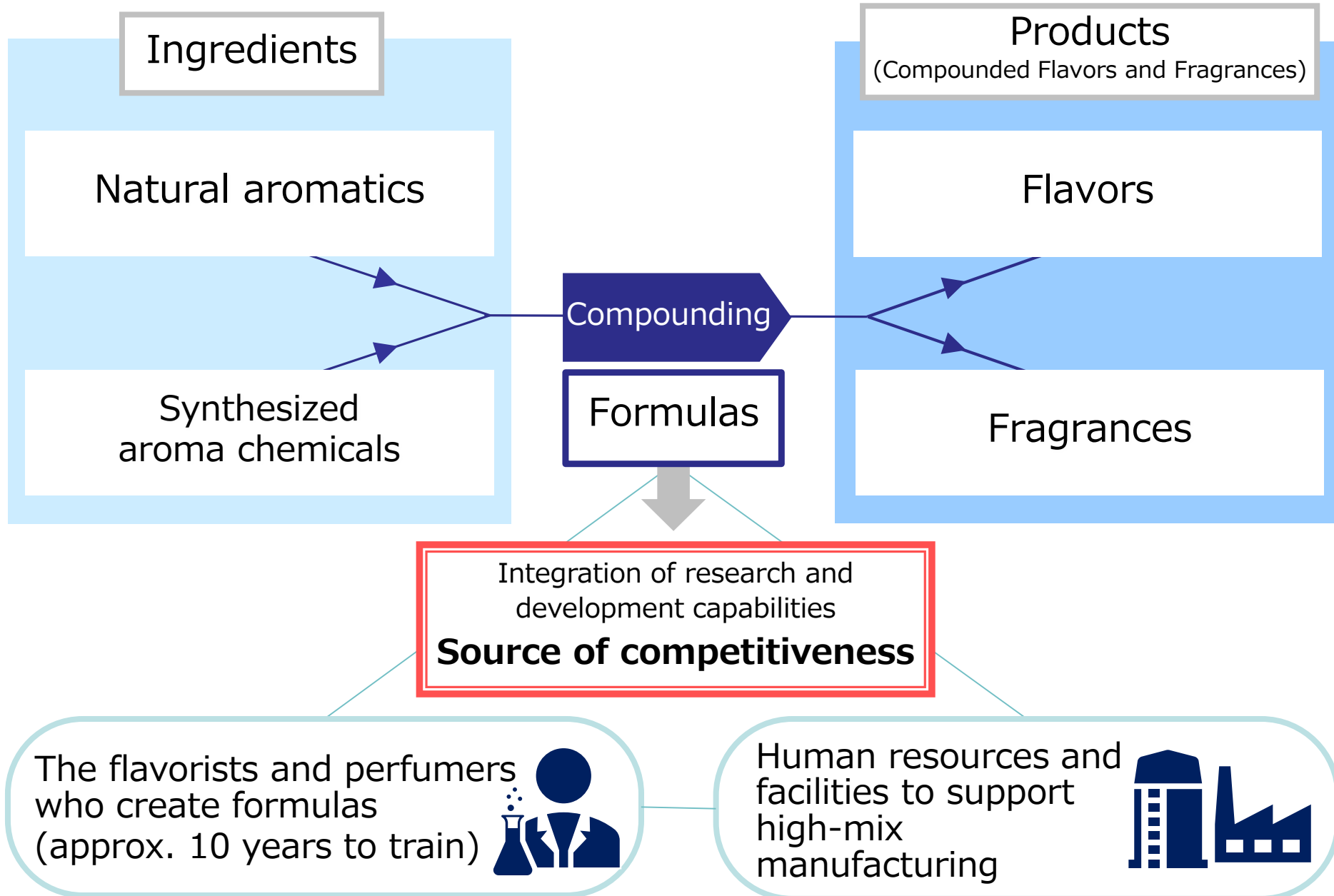
III . Global Strategy

IV . Business Outlook

V . Capital Policy

VI . Accompanying Materials

I . Business Environment



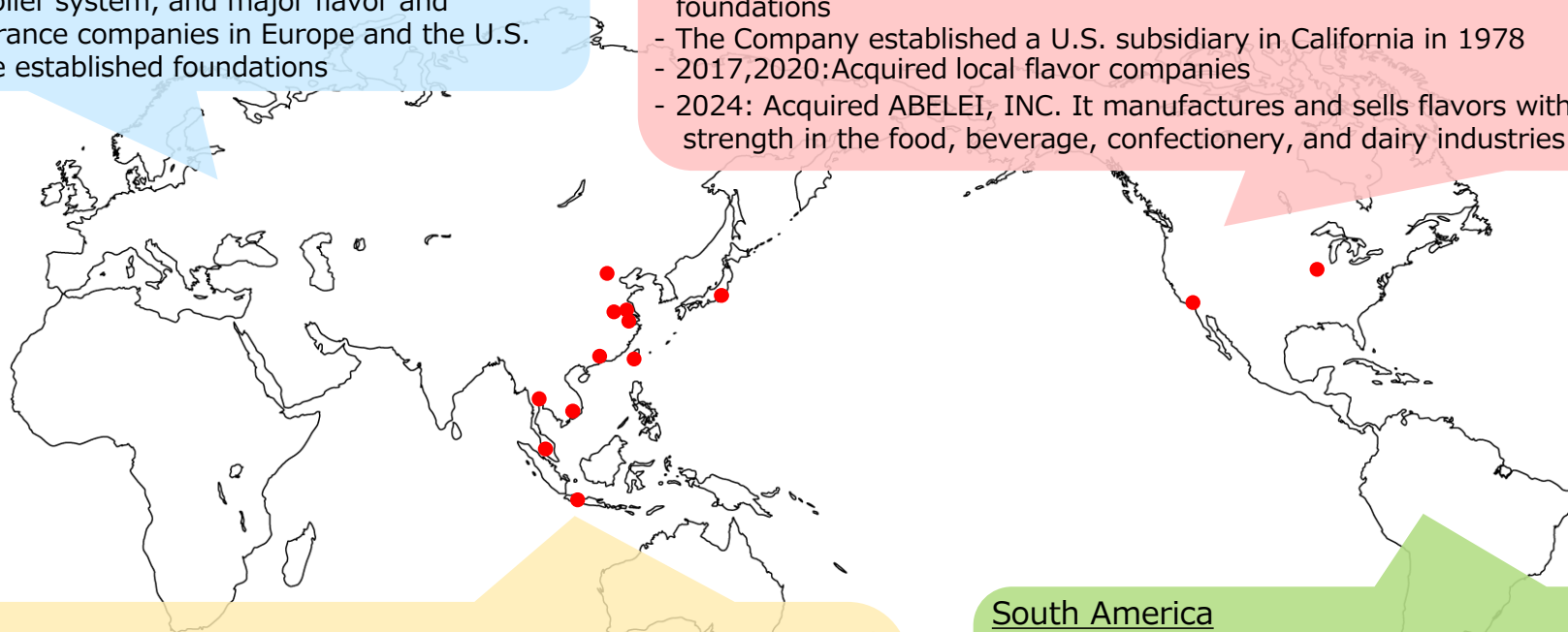
- Worldwide flavor and fragrance sales: Approx. 34.3 billion U.S. dollars (approx. 5.1 trillion yen)

Europe, Africa, Middle East

- Market size : Approx. 12.0 billion US dollars (approx. 1,800 billion yen)*
- Many users have introduced a preferred supplier system, and major flavor and fragrance companies in Europe and the U.S. have established foundations

North America

- Market size : Approx. 8.6 billion US dollars (approx. 1,290 billion yen)*
- Many users have introduced a preferred supplier system, and major flavor and fragrance companies in Europe and the U.S. have established foundations
- The Company established a U.S. subsidiary in California in 1978
- 2017,2020:Acquired local flavor companies
- 2024: Acquired ABELEI, INC. It manufactures and sells flavors with strength in the food, beverage, confectionery, and dairy industries.



Asia

- Market size : Approx. 10.5 billion US dollars (approx. 1,560 billion yen) *
- Market expansion due to economic growth in China and other emerging markets
- Major global flavor and fragrance companies are entering China
- The Company established subsidiaries in Shanghai (2000), Suzhou (2006), Thailand (2003), Indonesia (2014), Taiwan (2017), and Pinghu (2024)
- Secured a manufacturing base in Malaysia (2014) and Vietnam (2025) through M&A

South America

- Market size : Approx. 3.2 billion US dollars (approx. 480 billion yen)*
- Mainly imports from North America, Mexico, etc.
- Competition intensifying in the Brazilian market owing to economic growth

*The Company's estimates for market size by region

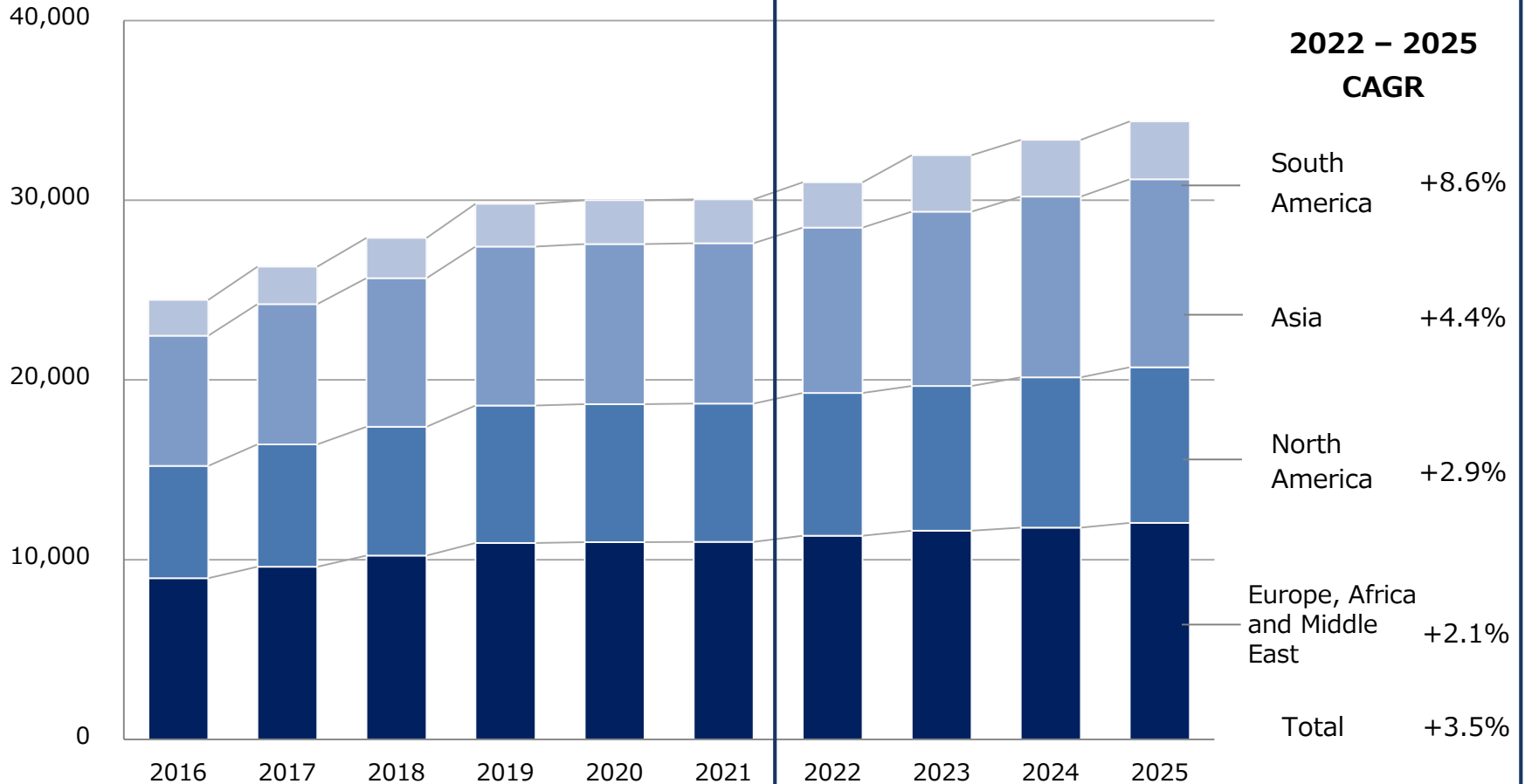
*Exchange rate : 1US\$=149.7yen (2025)

● = the Company's base

- Global flavor and fragrance market in 2025: Grew approx. 3% Yr/Yr

Global Flavor and Fragrance Market (Estimated by the Company)

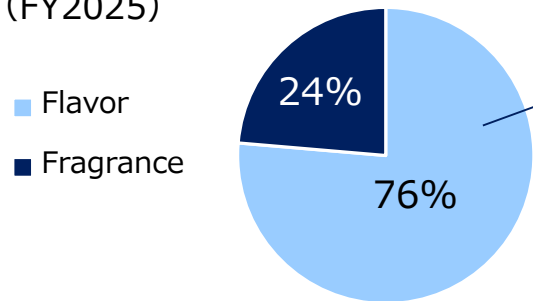
(Million US\$)



Japanese Flavor and Fragrance Market Size

- Flavor and fragrance sales in Japan: Approx. 270 billion yen
- 1.6% growth in flavor sales

Breakdown of flavor and fragrance (FY2025)



Trends by Category (Japanese Food and Beverage Market)

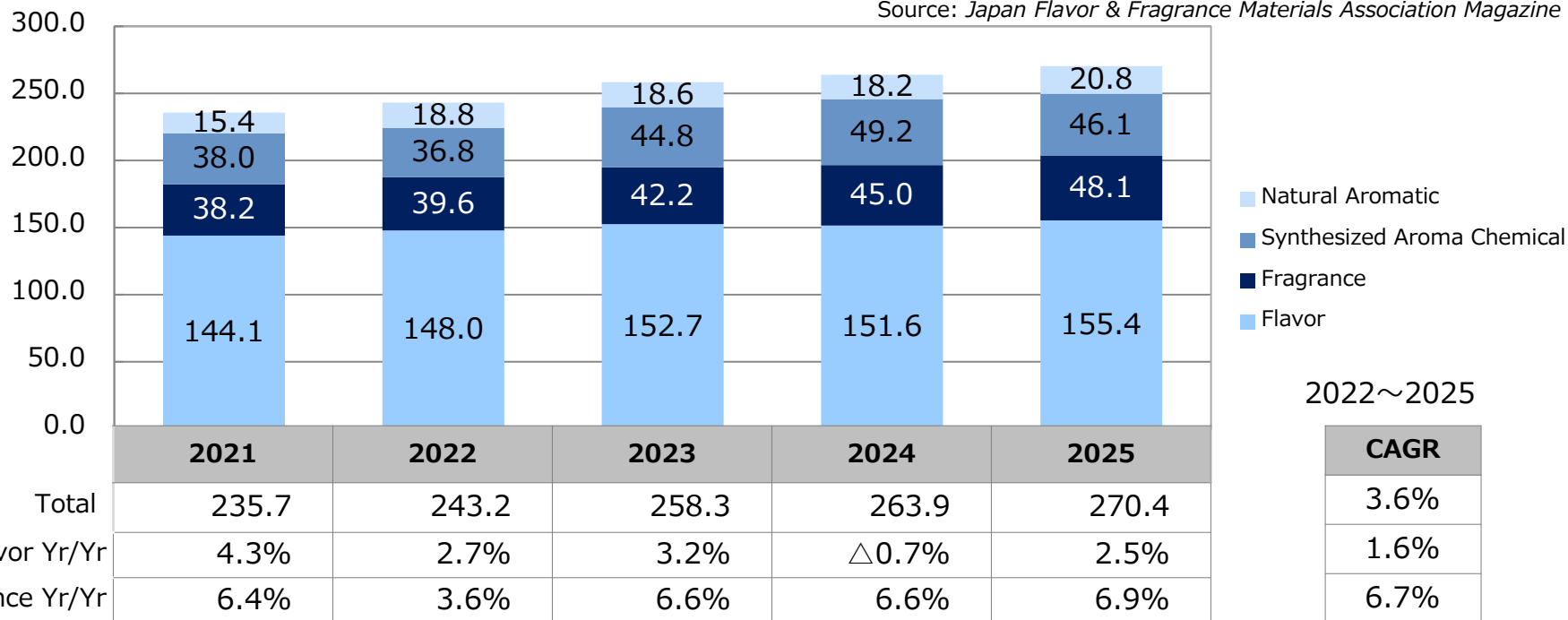
• 2nd Quarter, FYE September 2026 (October 2025 to March 2026)

	Beverages	Sweet and Savory Snacks	Frozen Desserts	Instant Noodles
Trend	Decrease (Volume)	Slight increase	Increase	Increase
Impact on performance	↓	↑	↑	↑

Source: Nikkan Keizai Tsushin

Japanese flavor and fragrance market sales (Billion yen)

Source: Japan Flavor & Fragrance Materials Association Magazine



II . Overview of Financial Statements

Summary of Consolidated Performance

- Sales and Profit increased year on year
- Net Sales : increased 1,761 million yen (4.9%) year on year
Operating Profit : increased 9 million yen (0.2%) year on year

(Million Yen)

	FY2025 Q2 (Actual)	FY2026 Q2 (Actual)	Change Yr/Yr	
			Amount	%
Net Sales	35,823	37,585	1,761	4.9%
Operating Profit	4,518	4,528	9	0.2%
Ordinary Profit	4,924	4,936	11	0.2%
Net Profit	3,359	3,749	390	11.6%
EBITDA	7,235	7,347	111	1.5%

* Net profit refers to profit attributable to owners of parent.

* EBITDA=Operating Profit + Depreciation (including amortization of customer-related assets) + Amortization of goodwill

Currency	FY2025 Q2	FY2026 Q2	Yr/Yr
1US\$	¥152.52	¥155.51	Yen down 2.0%
1RMB	¥21.05	¥22.20	Yen down 5.5%
1MYR	¥34.52	¥38.38	Yen down 11.2%

- 671 million yen (38%) of the increase in sales was due to the favorable foreign exchange impact
- Operating profit decreased by 158 million yen, due to one-off factors such as acquisition-related costs of the Vietnamese subsidiary etc.. However, impact from foreign exchange offset the decrease resulting in an operating profit.

Impact of foreign exchange
on net sales (Million Yen)

	FX impact	Excluding FX	Change Amount
Japan	43	421	464
U.S.	161	305	466
China	328	△258	70
Other consolidated subsidiaries	223	353	576
Adjustment	△84	267	183
Consolidated	671	1,090	1,761

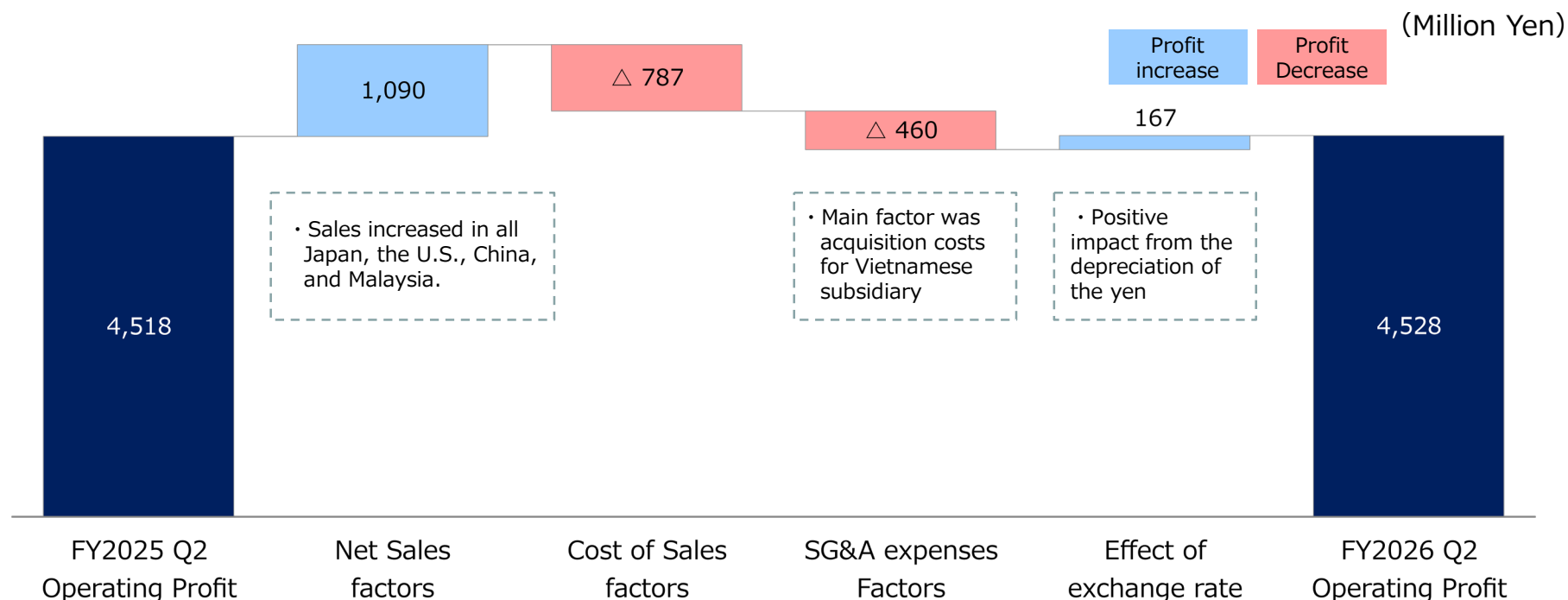
Impact of foreign exchange
on operating profit (Million Yen)

	FX impact	Excluding FX	Change Amount
Japan	11	91	102
U.S.	△4	97	93
China	95	△243	△148
Other consolidated subsidiaries	45	125	170
Adjustment	20	△229	△209
Consolidated	167	△158	9

*Factors excluding foreign exchange impact at “Other consolidated subsidiaries” include the net increase in the Vietnamese subsidiary consolidated in the second quarter of the current fiscal year (sales: 350 million yen, operating profit: 94 million yen)

- Operating profit returned to growth following a decline in Q1

Factor	Impact	Details
Net sales	1,090	Sales increased in all major regions; the consolidation of Hoang Anh contributed
Cost of sales	△787	Cost of sales increased due to sales growth. Cost of sales ratio increased slightly on non-consolidated basis and in China
SG&A expenses	△460	SG&A expenses increased mainly due to expenses related to acquisition of Hoang Anh (223 million yen), a newly consolidated subsidiary in Vietnam
Exchange rate	167	Positive impact from the depreciation of the yen. (Foreign exchange impact on operating profit: 114 million yen in second quarter of FY2025)



- Sales growth factors

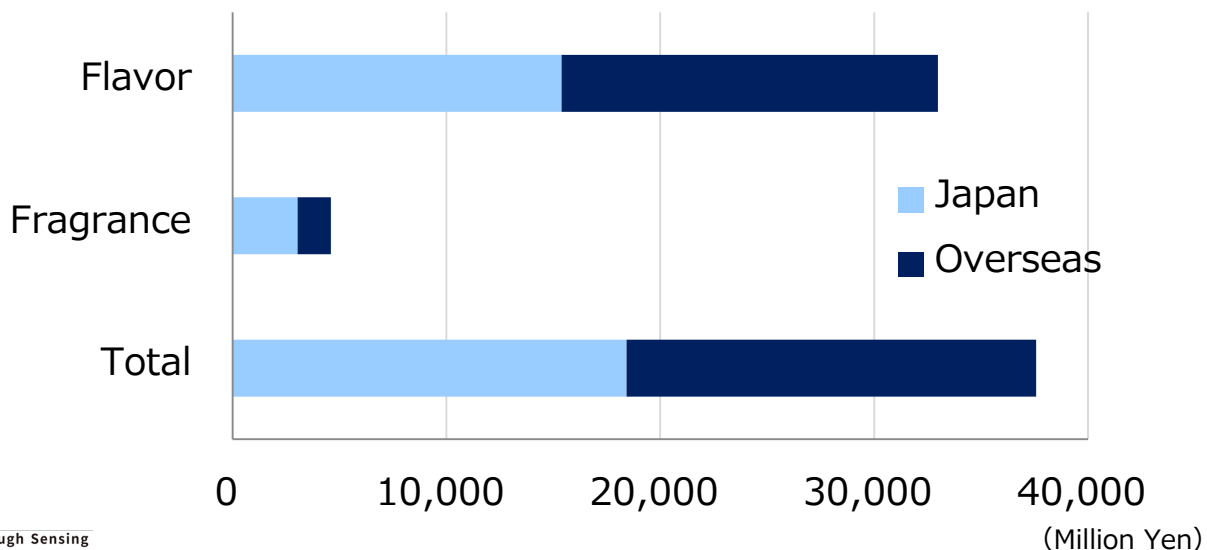
Flavor : Sales increased at U.S. and Malaysian subsidiaries, and Hoang Anh was consolidated

Fragrance : Non-consolidated net sales of the Company increased, returning to double-digit growth

(Million Yen)

Segment	FY2025 Q2 Actual	FY2026 Q2 Actual	Change		FY2026 Q2 Sales ratio
			Amount	%	
Flavor	31,711	32,990	1,278	4.0%	87.8%
Fragrance	4,112	4,595	483	11.8%	12.2%
Total	35,823	37,585	1,761	4.9%	100.0%

FY2026 Q2 Actual





Overseas net sales as a percentage of consolidated net sales



FY2026 Q2 : 51.0%



(FY2025 : 49.6%)



- Net sales increased in all major regions.
- On the non-consolidated basis, sales and profit increased after the decrease in sales and profit in the first quarter
- U.S. loss narrowed, China profit decreased, and Malaysia posted double-digit growth

(Billion Yen)

Japan				
	Sales increase 		Profit increase 	
	FY2025 Q2	FY2026 Q2	Change Amount	%
Net Sales	20.5	21.0	0.4	2.3%
Operating Profit	2.3	2.4	0.1	4.4%

U.S.				
	Sales increase 		Narrower loss 	
	FY2025 Q2	FY2026 Q2	Change Amount	%
Net Sales	7.8	8.3	0.4	5.9%
Operating Profit	△0.29	△0.20	0.09	-

China				
	Sales increase 		Profit decrease 	
	FY2025 Q2	FY2026 Q2	Change Amount	%
Net Sales	6.2	6.3	0.07	1.1%
Operating Profit	1.9	1.8	△0.1	△7.5%

Malaysia				
	Sales increase 		Profit increase 	
	FY2025 Q2	FY2026 Q2	Change Amount	%
Net Sales	1.0	1.2	0.1	12.9%
Operating Profit	0.21	0.25	0.03	18.6%

 : Yr/Yr Increase  : Yr/Yr Decrease

In China, sales increased and profit decreased in the first-half

- Net sales decreased in the first quarter, and while sales and profit increased in the three months of the second quarter, operating profit decreased in the first half, falling short of the plan. Aim to achieve the target for the full year

(Million Yen)

	Q1 (Oct. - Dec.)		Q2 (Jan. - Mar.)		Cumulative (Oct. - Mar.)	
	FY2025	FY2026	FY2025	FY2026	FY2025	FY2026
Net Sales	3,341	2,870	2,911	3,451	6,252	6,322
Operating Profit	1,064	715	916	1,117	1,981	1,833
Operating Profit to Net Sales	31.9%	24.9%	31.5%	32.4%	31.7%	29.0%

In the first quarter, sales declined due to the shift in the timing of the Chinese New Year period (previous fiscal year: January 28 – February 4; current fiscal year : February 15 – February 23), in addition to the impact of the discontinuation of major products due to customer circumstances and the promotion of multi sourcing by customers

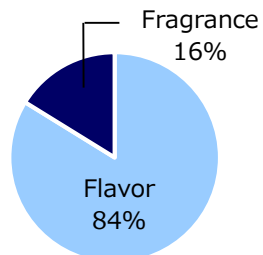
In the second quarter, there was a significant recovery due to the build-up of new product pipelines and the positive impact of foreign exchange

III. Global Strategy

Progress compared to targets: Net sales are in line with the target while operating profit and EBITDA are exceeding the targets

Japan

- **Promote the Fukaya Plant project and reinforcement of production system through DX of production division**
- **Promote human capital management**
- **Strengthen collaboration between sales, research, and marketing departments** under the Business Solution Division
 - ⇒ Approach untapped fields and aim for new wins with new customers
 - ⇒ **Speed up R&D and create new value**
 - ⇒ **Focus on the development of flavors and ingredients to replace raw materials for food products**



Share of Sales

(Billion yen)

	FY2026 Q2				Target (Billion Yen)
	Amount (Billion yen)	Yr/Yr (Billion yen)	Yr/Yr (%)	Progress	
Net Sales	21.0	0.4	2.3%	47.9%	43.9
Operating Profit	2.4	0.1	4.4%	53.9%	4.5
EBITDA	3.3	0.1	3.7%	51.3%	6.4

	2024	2025	2026 (Plan)	2027 (Plan)	2028 (Plan)
Net Sales	42.3	42.5	43.9	45.0	46.1
Operating Profit	4.9	3.9	4.5	4.7	4.9
EBITDA	6.7	5.7	6.4	6.7	6.8
Sales Yr/Yr	6.7%	0.4%	3.2%	2.5%	2.5%
Operating Profit to Net Sales	11.6%	9.3%	10.3%	10.6%	10.7%
EBITDA to Net Sales	15.9%	13.6%	14.8%	14.9%	14.9%

Progress compared to targets: Operating profit is on track to turn positive from the third quarter onward as planned, and we aim to exceed the target for the full year

U.S.

- **Restructured and reinforced operations for higher production efficiency at multiple plants**
- Increase manufacturing capacity through new capital investment
- **Currently promoting a cost reduction project for inspection, transportation, and packaging materials**
⇒Effects are expected to materialize from 2nd half of FY26 onwards
- Promoted the utilization and deployment of Japanese technologies, which have been positively received by clients (Bridge to Tokyo Phase 3)



Share of Sales

(Million US\$)

	2024	2025	2026 (Plan)	2027 (Plan)	2028 (Plan)
Net Sales	100.6	106.4	110.0	114.9	120.1
Operating Profit	2.1	△1.9	0.1	2.3	3.3
EBITDA	16.8	16.2	19.5	22.0	22.9
Sales Yr/Yr	10.0%	5.8%	3.3%	4.5%	4.5%
Operating Profit to Net Sales	2.2%	–	0.2%	2.0%	2.8%
EBITDA to Net Sales	16.7%	15.3%	17.8%	19.1%	19.1%

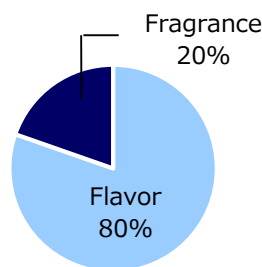
	Yen basis (Billion yen)			US\$ basis (Million US\$)			
	FY2026 Q2			FY2026 Q2			Target
	Amount	Yr/Yr	Excluding FX	Amount	Yr/Yr(%)	Progress	
Net Sales	8.3	0.4	0.3	53.7	3.9%	48.8%	110.0
Operating Profit	△ 0.2	0.09	0.09	△ 1.2	-	-	0.1
EBITDA	1.2	0.1		7.8	10.0%	40.0%	19.5

*The three companies acquired in the U.S. are wholly owned subsidiaries of the U.S. subsidiary (T. HASEGAWA U.S.A., INC.), and the U.S. performance includes the performance and amortization of goodwill, etc. of the three companies (US\$13.1 million/year)

Progress compared to targets: Both sales and profit fell short of the target. We aim to achieve the target for the full year by building up product pipelines

China

- **Build new plant that will become our third production base in China and begin installation of new flavor powder facility in Suzhou**
⇒ **operations scheduled to start in FY2027**
- Aim to acquire new projects through increasing proposal frequency, and promote systems to strengthen capacity to handle increase in requests.
- Despite delays due to the market environment in the first half, **we aim to achieve the target for the full year by building up new product pipelines**



Share of Sales

(Million RMB)

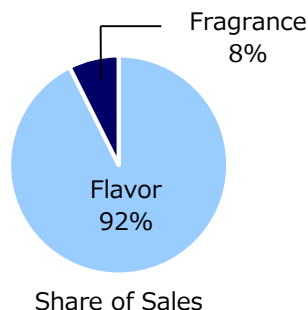
	2024	2025	2026 (Plan)	2027 (Plan)	2028 (Plan)
Net Sales	576.2	608.6	637.5	665.3	695.0
Operating Profit	163.0	190.7	192.5	193.6	177.0
EBITDA	197.1	224.6	223.4	228.7	233.6
Sales Yr/Yr	6.3%	5.6%	4.8%	4.3%	4.5%
Operating Profit to Net Sales	28.3%	31.3%	30.2%	29.1%	25.5%
EBITDA to Net Sales	34.2%	36.9%	35.0%	34.4%	33.6%

	Yen basis (Billion yen)			RMB basis (Million RMB)			
	FY2026 Q2			FY2026 Q2			Target
	Amount	Yr/Yr	Excluding FX	Amount	Yr/Yr(%)	Progress	
Net Sales	6.3	0.07	△0.2	284.7	△4.1%	44.7%	637.5
Operating Profit	1.8	△0.1	△0.2	82.5	△12.3%	42.9%	192.5
EBITDA	2.2	△0.1		99.0	△10.9%	44.3%	223.4

Progress compared to targets: Net sales were in line with the target while operating profit and EBITDA are exceeding the target

Southeast Asia

- **Advance Hoang Anh's PMI and strengthen collaboration between manufacturing and sales networks in Southeast Asia**
- **Promote the construction of a new plant at Enstek Industrial Park in Malaysia (operations scheduled to start in FY2027)**
⇒Meet growing demand in the Asian and Halal markets
- **Improve efficiency by promoting the utilization of application laboratories, expanding library and utilizing flavor kits** ⇒ Speed up responses to customers
- Work to improve R&D efficiency by strengthening research management functions and systemizing and upgrading operations



(Billion yen)

	FY2025 Q2				Target (Billion Yen)
	Amount (Billion yen)	Yr/Yr (Billion yen)	Yr/Yr (%)	Progress	
Net Sales	2.9	0.4	17.4%	46.7%	6.2
Operating Profit	0.5	0.1	30.4%	52.0%	0.9
EBITDA	0.6	0.1	28.7%	52.1%	1.1

	2024	2025	2026 (Plan)	2027 (Plan)	2028 (Plan)
Net Sales	4.6	4.9	6.2	6.8	7.4
Operating Profit	0.7	0.8	0.9	0.6	0.7
EBITDA	0.9	0.9	1.1	1.3	1.4
Sales Yr/Yr	14.4%	6.8%	24.8%	11.0%	7.5%
Operating Profit to Net Sales	16.8%	16.1%	15.8%	9.4%	10.1%
EBITDA to Net Sales	20.7%	19.8%	19.3%	19.0%	19.0%

* Net sales are calculated by summing net export sales to Southeast Asia, which are included in the Company's non-consolidated net sales

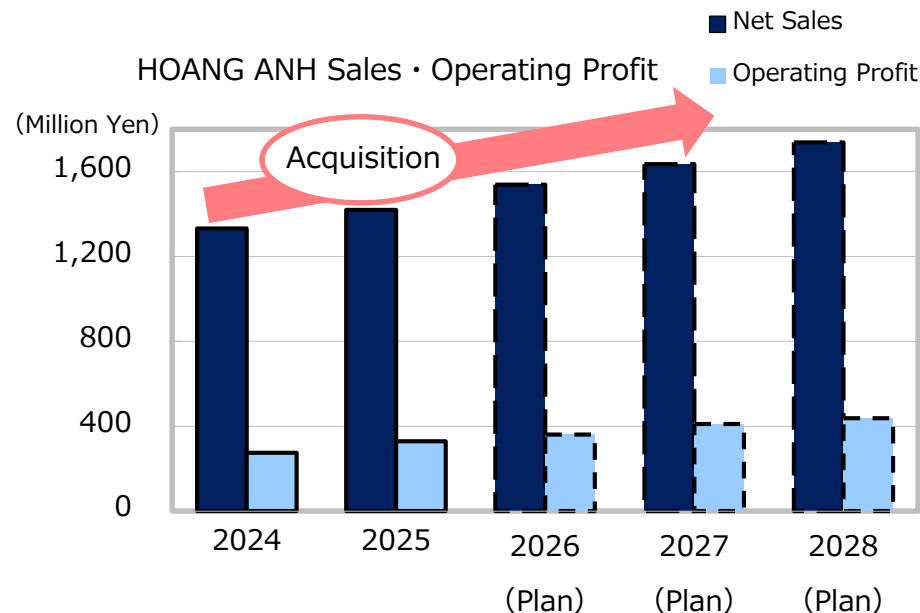
Hoang Anh was consolidated in January 2026

- PMI expected to be completed in December 2026 as originally planned
- Contributed 33 million yen in operating profit to earnings, even after deducting amortization of goodwill of 61 million yen

	FY2026 Q2 (Jan.- Mar.)	
	Amount (Million Yen)	Share (%)
Net Sales	350	100.0%
Operating Profit	94	26.9%
EBITDA	106	30.2%

Net sales increased year on year, remaining strong

	Amount (Million Yen)	
Expenses related to acquisition	223	Recorded in the first quarter
Total goodwill	3,682	Provisional value
Amortization of goodwill	245	/ Year (Provisional value)



*Acquisition-related expenses and amortization of goodwill are both recorded as consolidation adjustments

IV. Business Outlook

- No change in business performance from forecast disclosed on November 7, 2025
- Progress is exceeding the second quarter standard progress rate, and we aim to finish above the performance forecast on a consolidated basis

(Million yen)

	FY2025 (Actual)	FY2026 (Plan)	Change		FY2026 Q2 (Actual)	Progress	
			Amount	%		O2 vs. Target	Standard progress rate (Q2)
Net Sales	73,495	76,500	3,004	4.1%	37,585	49.1%	47.8%
Operating Profit	8,515	9,430	914	10.7%	4,528	48.0%	46.9%
Ordinary Profit	9,288	10,050	761	8.2%	4,936	49.1%	46.6%
Net Profit	6,921	7,320	398	5.8%	3,749	51.2%	43.7%
(reference) EBITDA	13,938	15,157	1,219	8.7%	7,347	48.5%	

* Net profit refers to profit attributable to owners of parent.

* EBITDA=Operating Profit + Depreciation (including amortization of customer-related assets) + Amortization of goodwill

* Standard progress rate is the average progress rate for the past 10 periods (excluding the maximum and minimum values)

Currency	FY2025	FY2026	Yr/Yr
1US\$	¥149.28	¥145.00	Yen up 2.9%
1RMB	¥20.68	¥20.50	Yen up 0.8%
1MYR	¥34.38	¥34.00	Yen up 1.1%

- Direct impact

No direct transactions with the region

- Assumed risks to the supply chain (procurement/logistics)

Soaring procurement costs:

Concerns over rising procurement costs due to disruptions in logistics networks and rising market price of crude oil

Response to procurement risks:

Currently examining the risk of difficulty in securing raw materials, including solvents, packaging materials, and other items

Promote measures aimed at stable supply, including confirmation of alternative suppliers

- Expected impact on performance

We anticipate the risk that cost of sales will increase by several hundred million yen due to sharply rising raw material purchase prices

Although there are no direct transactions, we assume risks in procurement
We will continue to closely monitor developments and work to minimize the impact

V. Capital Policy

Basic Policy

- Maintain a level of shareholders' equity that will enable the company to execute growth investments and appropriately respond to risks, in order to achieve sustainable growth in corporate value and maximize it going forward

Policy on Use of Funds

- Appropriately use funds, taking into consideration factors such as the maintenance of a sound financial position and enhancement of capital efficiency

– Dividends

Implement the stable return of profits to shareholders, while also securing the necessary internal reserves to further strengthen the Group's management foundations and engage in future business development

Pay dividends from surplus twice a year as interim and year-end dividends

– Capital investment

Investment to increase production capacity for growth, as well as renewal and maintenance of existing facilities

– M&A

Give active consideration and judge comprehensively from the perspectives of market size, business risk, and acquisition price, etc.

Achieve M&A with expected synergies in terms of customer networks, technology, human resources, etc.

– Share buybacks

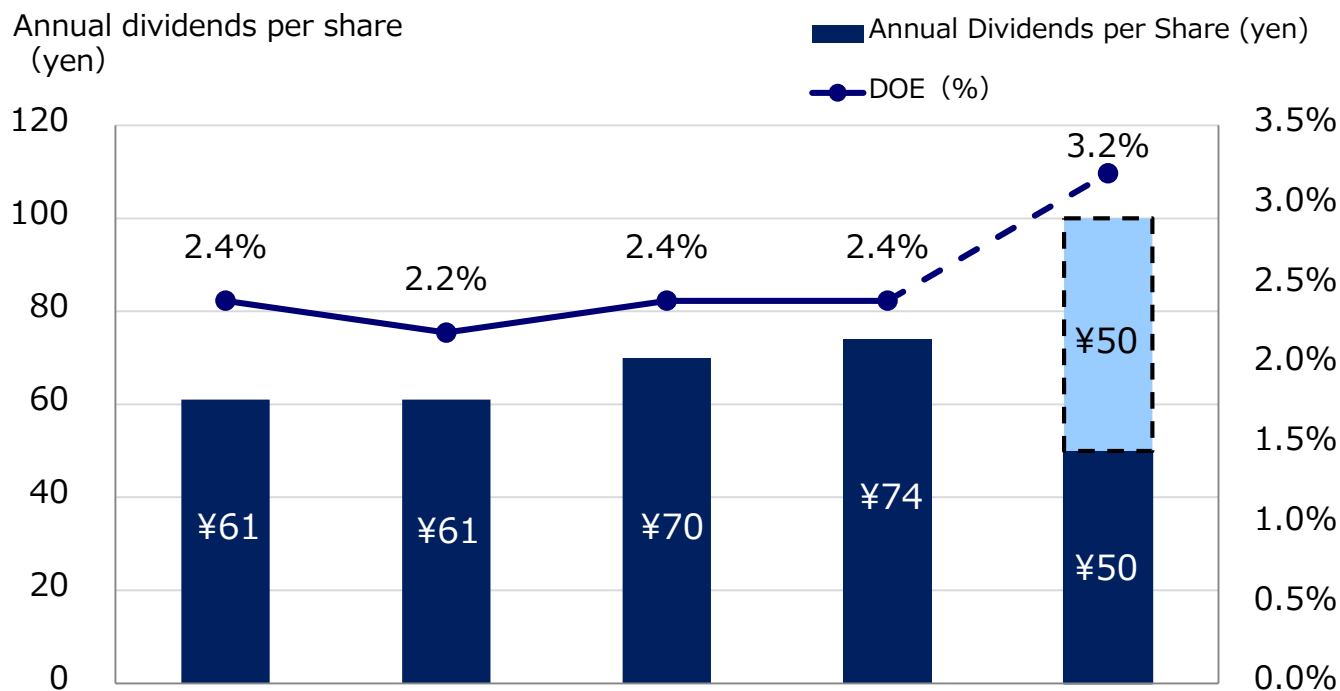
Consider if conditions (PBR etc.) set by the Company are met

Investment Securities

- Reduce the total number of shares held from the perspective of improving capital efficiency, etc. (Already sold approximately 600 million yen in the current fiscal year; consideration will continue going forward)
- Each year, the Board of Directors verifies the appropriateness of holding shares from a medium- to long-term perspective, based on the holding purpose, economic rationality, and other factors

Shareholder Returns

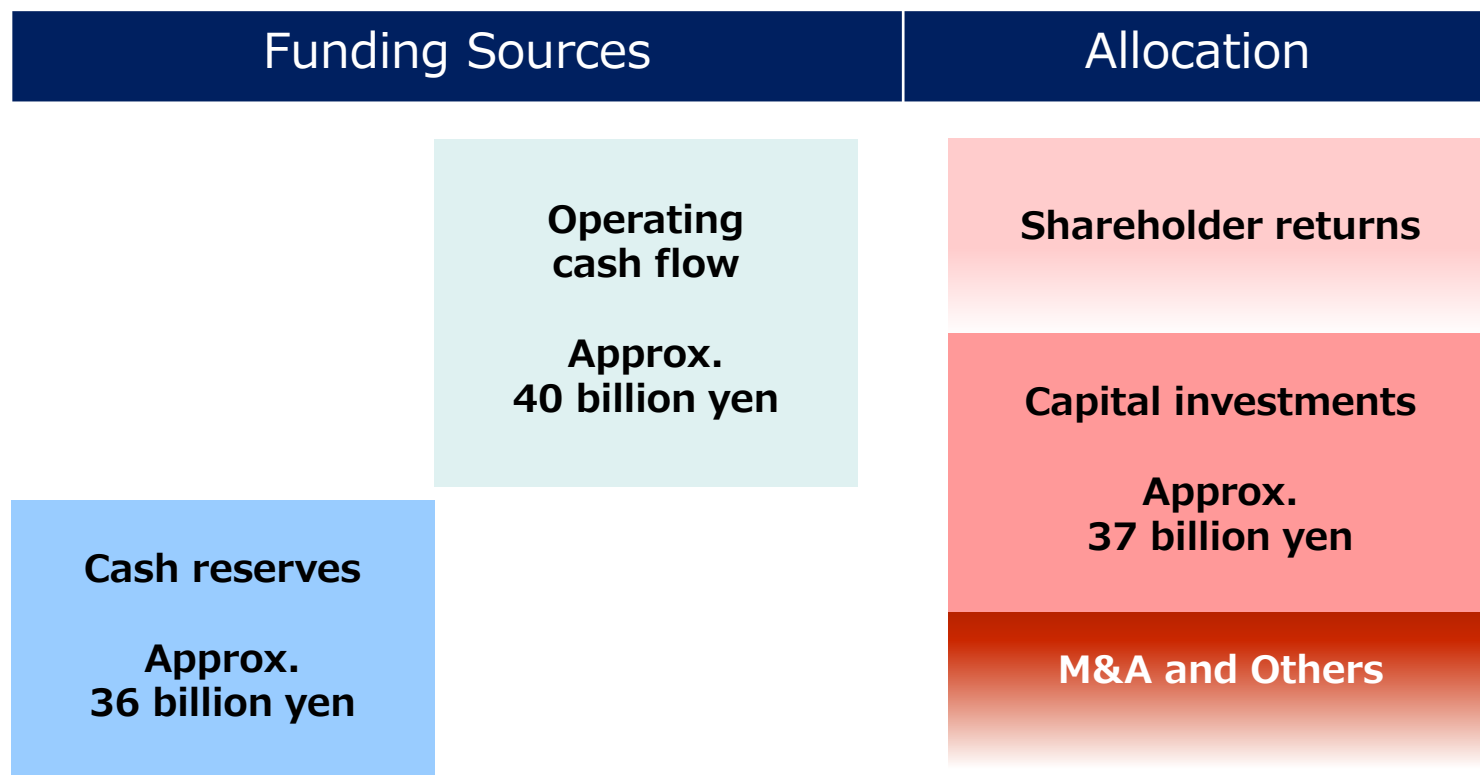
- Revised the dividend policy from the existing consolidated dividend payout ratio of around 40% to provide high level and stable dividends based on a consolidated dividend on equity (DOE) of 3% or more (to apply from the interim dividend for FY2026)
- For FY2026, a dividend increase is expected, with earnings per share projected at 100 yen. The interim dividend for FY2026 is 50 yen.



	2022	2023	2024	2025	2026
(reference) Payout Ratio	31.3%	37.6%	40.0%	43.7%	55.3%

Cash Allocation

Using operating cash flow and cash reserves as funding sources, approximately 37 billion yen in capital investments is planned over the three-year period from FY2026 to FY2028. Additionally, funds will be utilized for proactive shareholder returns and M&A activities



* Operating cash flow : Sum of net profit, depreciation, and amortization of goodwill

* Cash reserves : Sum of cash and deposits, and marketable securities as of March 31, 2026

VI. Accompanying Materials

Focus Areas

Become an Organization that takes on challenges

● Strengthen Sustainability Initiatives

● Accelerate Expansion in Overseas Market
(Capital Investment, M&A)

● Enhance Human Resources
(Develop Human Resources, Hire Experienced Personnel)

● Concentration and Selection

● Promote Reform

● Strengthen Proposal Capabilities

Basic Strategies

Expand
Compounded
Flavors and
Fragrances
Business

Secure Profits
in Japanese
Market

Growth in
Overseas
Market

Continue to examine and take improvement measures, considering **human resources as capital**
⇒ Maximize **the value of human resources to increase the mid- to long-term corporate value**

Alignment of management strategies and HR strategies

- Implement HR system reform
⇒ Operate HR development and evaluation under the new HR system introduced in FY2023
- Conduct engagement survey
⇒ Assess the current situation and consider countermeasures

Promotion of human resource education programs

- Implementation of education programs for overseas human resources
⇒ Promote the selection and development of talents
- Systematically conduct layer-specific training
- Launch in-house business school
- Conduct OJT and job rotation

Promote human capital management

Improving the workplace environment

- Conduct a company-wide risk survey
⇒ Identify human rights-related risks and take a countermeasures
- Consider and introduce various systems to develop a more comfortable work environment (Introduced telecommuting system)
- Promote labor safety and health measures

Enhancement of disclosure

- Set KPIs for “Human Rights and Labor” in the CSR policy
⇒ To be disclosed in the Sustainability Report

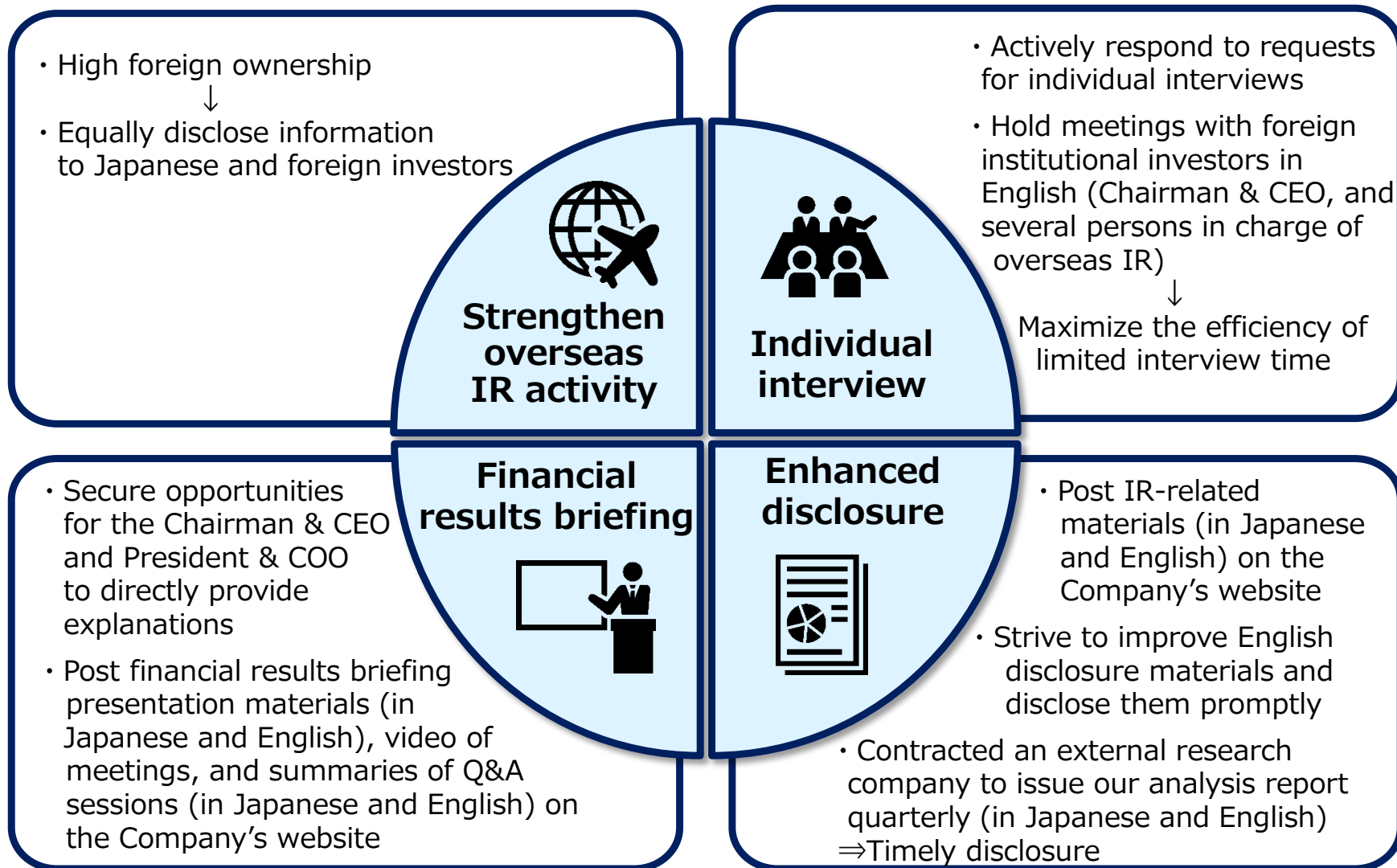
*KPI

Percentage of women, mid-careers, and foreign employees in managerial positions, and evaluation interviews performed for setting job targets

Basic Policy






Established IR department in Corporate Planning Division to strengthen IR activities and secured opportunities for proactive dialogues

The Company's Initiatives



Trends by Category (Japanese Market)

• 2nd Quarter, FYE September 2026 (October 2025 to March 2026)

Category		Trend		Impact on performance
Beverages		Decrease	<ul style="list-style-type: none"> • Approximately 2% decrease on a volume basis, mainly owing to weakening consumer sentiment due to price increases • As an overall trend, bottled tea and water brands, which are dominant in large plastic bottles, are facing headwinds from price increases • Market grew steadily from January through March 	
Sweet and savory snacks	Savory snacks	Slight Increase	<ul style="list-style-type: none"> • Slight increase on a volume basis in last year's production (January through December). In line with the previous year on a value basis • Potato chips, which account for just under 60% saw a decrease in sales promotions due to the impact of a poor harvest for Hokkaido potatoes • Sales of fabricated potato chips and wheat-based snacks grew 	
	Chocolate	Slight Increase	<ul style="list-style-type: none"> • Although cacao bean prices have dropped year on year, costs remain high, and the impact of rising retail prices is beginning to show. Overall chocolate saw a double-digit decrease on a volume basis, but increased slightly in value • Solid chocolate performed steadily, centered on chocolate bars • Chocolate snacks responded to rising costs by changing raw materials, however assorted center-filled chocolates and nut chocolates saw a nearly double-digit decline 	
Frozen Desserts		Increase	<ul style="list-style-type: none"> • Sales increased year on year, reflecting popularity of "winter ice cream" • Due to few substitutes and efforts by manufacturers, a market with few defections was established. 	
Instant Noodles		Increase	<ul style="list-style-type: none"> • Sales of cup noodle products increased on a volume basis due to enhanced development of long-selling products • Sales of low-priced products and Japanese-style cup noodle products also increased • In the bag-type noodle category, a series of new products were launched under major brands for both 5-serve and 3-serve packs, performing well centered on soy sauce flavor and "Ie-kei" style products 	

Source: Nikkan Keizai Tsushin

 : Positive direction  : Negative direction

(Million US\$)

	Company name	Country	Sales(FY2025)	Market Share
1	Givaudan	Switzerland	9,041	22.1%
2	IFF	U.S.	8,238	20.2%
3	dsm-firmenich	Switzerland, Netherlands	7,820	19.1%
4	Symrise	Germany	5,582	13.7%
5	ADM	U.S.	4,187	10.2%
6	Mane SA	France	2,278	5.6%
7	Takasago	Japan	1,494	3.7%
8	Robertet SA	France	934	2.3%
9	Sensient Technologies	U.S.	787	1.9%
10	T.Hasegawa	Japan	491	1.2%
Total			40,852	100.0%

* Estimated by the Company based on information disclosed by each company

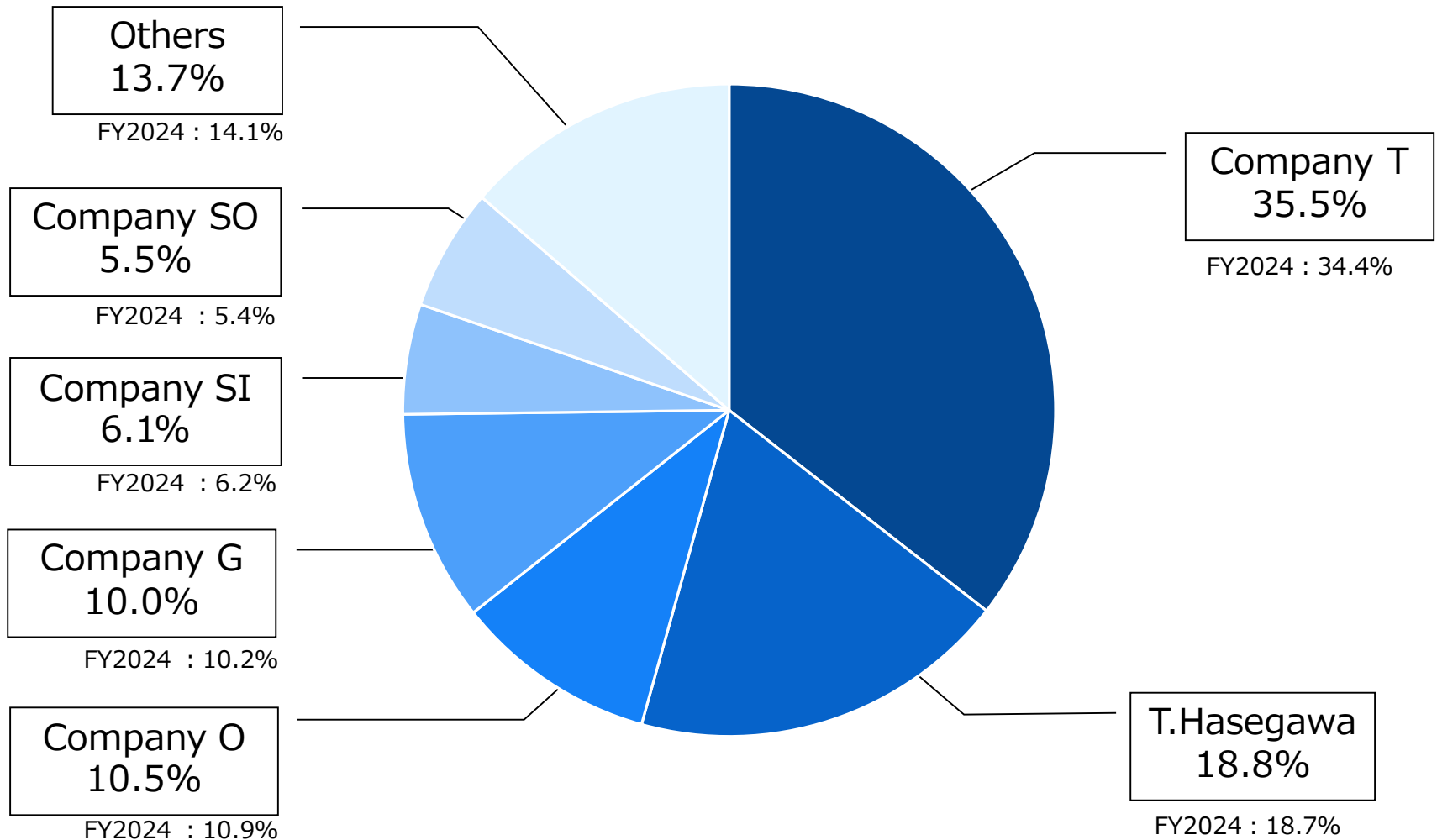
* Excluding the following segments

dsm-firmenich: Health Nutrition & Care and Corporate

Takasago: Real Estate Segment; Robertet: Les actifs; Sensient Technologies: ColorGroup, AsiaPacificGroup

* IFF is Nourish Segment and Scent Segment only, also ADM is Human Nutrition only

(As of Mar. 2025)



* Market shares calculated by taking the total non-consolidated net sales of the top 10 companies as 100, based on data from a private research organization

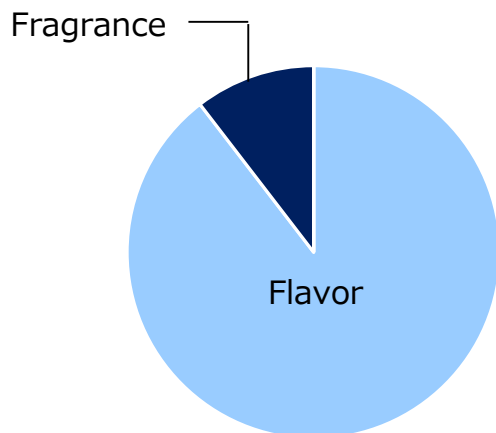
* The Company's FYE in September; T, SO, and SI in March; and G and O in December
 The Company's net sales in the above graph are calculated for the period from April 2024 to March 2025

- The Company specializes in high value-added compounded flavors and fragrances
- High-mix production: Sales of approximately 12,000 flavors and fragrances per year

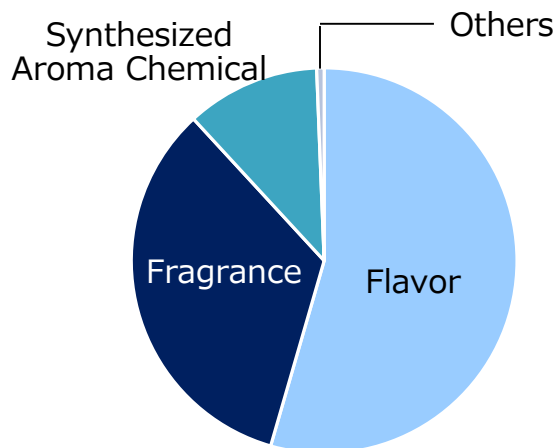
	T. Hasegawa (Consolidated)		Company T (Consolidated)	
	FYE in Sep. 2025		FYE in Mar. 2026	
	Sales	Share	Sales	Share
Flavor	65,828	89.6%	122,626	54.5%
Fragrance	7,666	10.4%	75,784	33.7%
Synthesized Aroma Chemical	—	—	25,274	11.2%
Others	—	—	1,406	0.6%
Total	73,495	100.0%	225,092	100.0%
Ratio of gross profit to sales	41.3%		32.4%	
Ratio of operating profit to sales	11.6%		3.6%	

(Million yen)

*Synthesized Aroma Chemicals for Company T shows the total amount from the aroma ingredients and fine chemicals segments

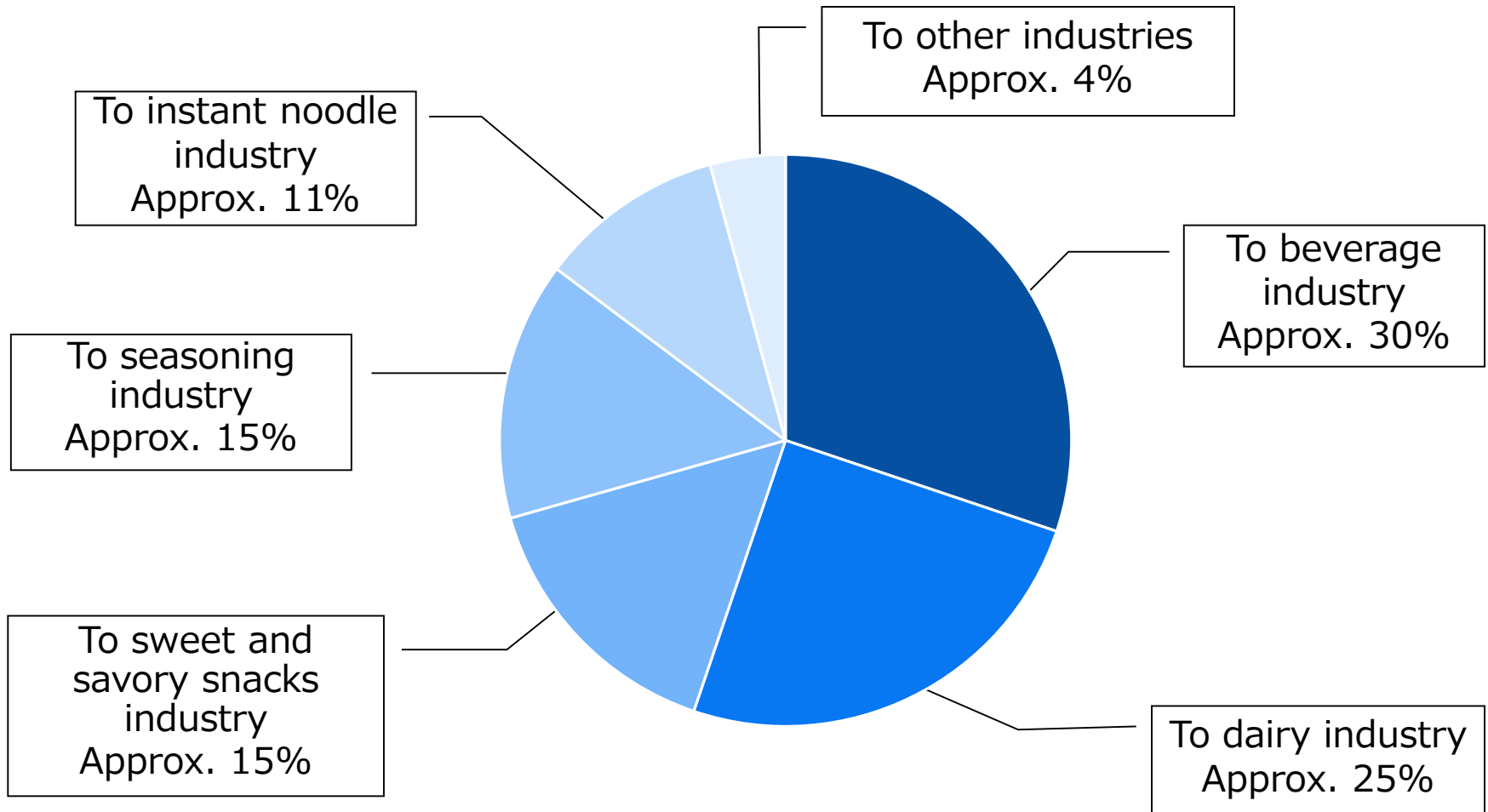


T. Hasegawa (Consolidated)



Company T (Consolidated)

- Many sales are to the beverage industry, and sales are seasonal



Note: Reference data is calculated by taking the cumulative total net sales (non-consolidated) of customers classifiable by industry for FYE September 2026 Q2 as 100

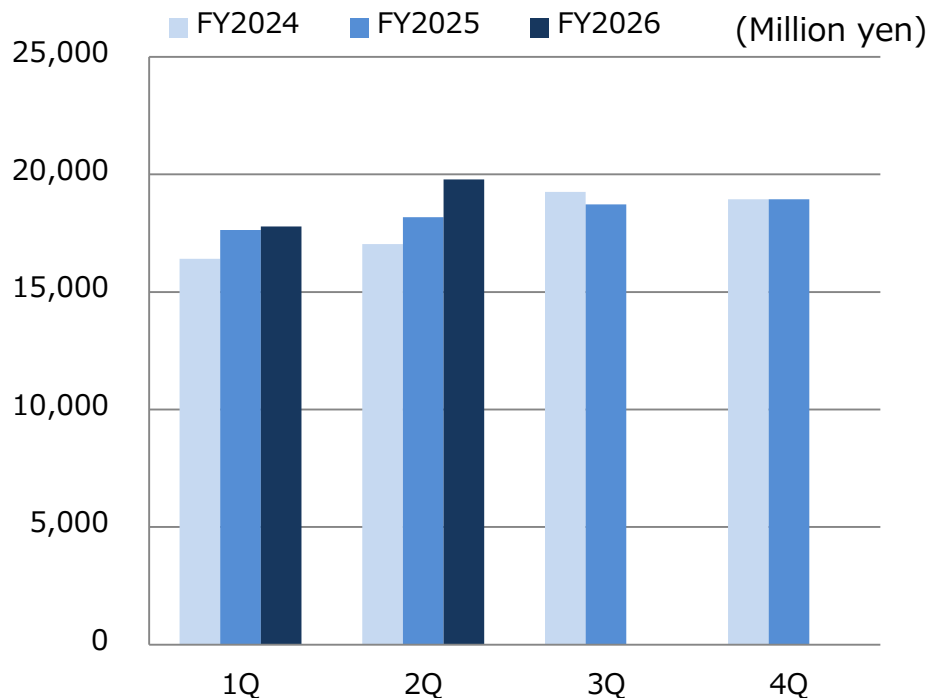
- Develop the businesses based on three basic strategies: **(1) Expand Compounded Flavors and Fragrances Business, (2) Secure Profits in Japanese Market, and (3) Growth in Overseas Market**
- Achieve abundant and healthy living through aromas and contribute to the creation of a sustainable society

Entered Not Entered

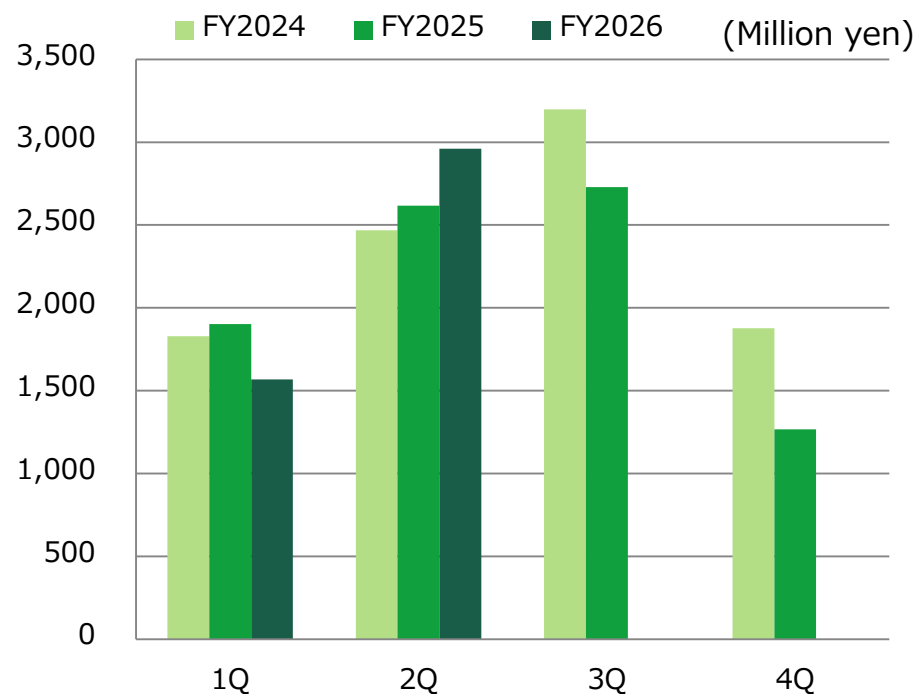
	Earnings foundation	Growth drivers						
	Japan	U.S.	China	Southeast Asia				
<p>Flavor Business</p> <p>Providing flavors that make food delicious</p>	<ul style="list-style-type: none"> ➢ Broad usage in the beverage and food industries ➢ Strengthen response to SDGs <ul style="list-style-type: none"> • Development of flavors and ingredients to replace raw materials for food products ➢ Strengthen measures in new sectors <ul style="list-style-type: none"> • Health foods, medical foods, etc. 	<ul style="list-style-type: none"> ➢ Usage mainly in savory foods, beverages, and health industries ➢ Trade mainly with local companies ➢ Expand business through M&A <ul style="list-style-type: none"> • Strengthen sweet flavors from M&A in 2020 • Strengthen the Midwest region through M&A in 2024 ➢ Strengthen collaboration with R&D in Japan 	<ul style="list-style-type: none"> ➢ Usage mainly in beverages and instant noodle industries ➢ Trade mainly with international and local companies ➢ Tap unentered areas and potential demand <ul style="list-style-type: none"> • Focus on large and midsize local companies • Expand area of sales by utilizing agents 	<ul style="list-style-type: none"> ➢ Usage mainly flavor powders and flavors for beverages <ul style="list-style-type: none"> • Target further expansion in beverage industries ➢ Strengthen collaboration between bases <ul style="list-style-type: none"> • Increase sales in Malaysia, Thailand, and Indonesia • Implement PMI in Vietnam ➢ Expand operations into countries around bases <ul style="list-style-type: none"> • Expand into the Philippines 				
<p>Fragrance Business</p> <p>Providing fragrances that add color to various aspects of life</p>	<ul style="list-style-type: none"> ➢ Broad usage in household items and cosmetic industries ➢ Strengthen measures in new sectors <ul style="list-style-type: none"> • Address need to mask odors in day-to-day life • Propose ways to resolve discomfort with fragrances ➢ Strengthen response to SDGs <ul style="list-style-type: none"> • Develop environmentally-friendly fragrances 	<p>T. Hasegawa Group has yet to enter</p>	<ul style="list-style-type: none"> ➢ Usage mainly in household item industries ➢ Trade mainly with local companies ➢ Focus on expansion among toiletry makers ➢ Strengthen collaboration with R&D in Japan 	<table border="1"> <tr> <td>Production</td> <td> <ul style="list-style-type: none"> ➢ Address with exports from Japan ⇒ Consider local production based on business development </td> </tr> <tr> <td>Sales</td> <td> <ul style="list-style-type: none"> ➢ Usage mainly among body care product makers ➢ Focus on acquiring new customers </td> </tr> </table>	Production	<ul style="list-style-type: none"> ➢ Address with exports from Japan ⇒ Consider local production based on business development 	Sales	<ul style="list-style-type: none"> ➢ Usage mainly among body care product makers ➢ Focus on acquiring new customers
Production	<ul style="list-style-type: none"> ➢ Address with exports from Japan ⇒ Consider local production based on business development 							
Sales	<ul style="list-style-type: none"> ➢ Usage mainly among body care product makers ➢ Focus on acquiring new customers 							

- The Company's performance tends to grow in the second half
- Both net sales and operating profit in the second quarter of the current fiscal year outperformed the previous two years

Consolidated Sales for a Quarter



Consolidated Profit for a Quarter



FY2024	16,414	17,039	19,252	18,939
Progress	22.9%	46.7%	73.6%	100%
FY2025	17,643	18,181	18,724	18,947
Progress	23.7%	48.2%	74.2%	100%
FY2026	17,793	19,793	-	-
Progress (vs Plan)	23.3%	49.1%	-	-

FY2024	1,828	2,467	3,198	1,878
Progress	19.5%	45.8%	80.0%	100%
FY2025	1,901	2,617	2,729	1,267
Progress	22.3%	53.1%	85.1%	100%
FY2026	1,568	2,960	-	-
Progress (vs Plan)	16.6%	48.0%	-	-

(Million yen)

	FY2025 Q2 (Cumulative results)		FY2026 Q2 (Cumulative results)		Change		Factor
					Amount	%	
Net sales	35,823	100.0%	37,585	100.0%	1,761	4.9%	Sales increased in all segments in Japan, North America, and Asia The net increase from Hoang Anh, which acquired in the Vietnam, was 350 million yen
Cost of sales	20,681	57.7%	21,795	58.0%	1,113	5.4%	Increase in the cost of sales ratio on non-consolidated basis and in China. Improved from 59.2% in the first quarter
Gross profit	15,142	42.3%	15,790	42.0%	648	4.3%	
SG&A expenses	10,623	29.7%	11,262	30.0%	639	6.0%	The net increase due to the acquisition of Hoang Anh together with the acquisition-related expenses and amortization of goodwill totaled 340 million yen. The increase in the yen equivalent amount due to the depreciation of the yen was 180 million yen
Operating profit	4,518	12.6%	4,528	12.0%	9	0.2%	
Ordinary profit	4,924	13.7%	4,936	13.1%	11	0.2%	
Profit before income taxes	4,807	13.4%	5,535	14.7%	727	15.1%	(Extraordinary losses) The 700 million yen net amount, consisting of the 608 million yen gain on sale of investment securities and the 100 million yen valuation loss on investment securities recorded in the same period of the previous year, was a contributing factor to the increase in profit before income taxes
Net profit	3,359	9.4%	3,749	10.0%	390	11.6%	

* Net profit refers to profit attributable to owners of parent

Analysis of Changes in Consolidated Balance Sheet

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(Million yen)

	Sep. 30, 2025	Mar. 31, 2026	Change	Factor
Current assets	74,997	76,735	1,738	<ul style="list-style-type: none"> • Increase in cash and deposits 1,416 million yen • Increase in inventories 1,533 million yen • Decrease in securities Δ2,000 million yen
Non-current assets	72,154	79,995	7,841	<ul style="list-style-type: none"> • Increase in construction in progress 1,571 million yen • New recording of goodwill (Hoang Anh) 3,681 million yen
Total assets	147,151	156,731	9,579	
Current liabilities	14,611	14,389	Δ 221	<ul style="list-style-type: none"> • Decrease in provision for bonuses Δ775 million yen
Non-current liabilities	9,215	10,065	850	<ul style="list-style-type: none"> • Increase in deferred tax liabilities 393 million yen • Increase in long-term accounts payable 355 million yen
Total liabilities	23,826	24,455	628	
Net assets	123,324	132,276	8,951	<ul style="list-style-type: none"> • Net profit 3,749 million yen • Increase in foreign currency translation adjustment 6,176 million yen • Increase in valuation difference on available-for-sale securities 381 million yen • Decrease in treasury shares (increase in net assets) 302 million yen • Dividends of surplus Δ1,496 million yen
Total liabilities and net assets	147,151	156,731	9,579	

Consolidated Statement of Cash Flows

40

(Million yen)

	FY2025 Q2 (Cumulative results)	FY2026 Q2 (Cumulative results)	Change	Major items in FY2026 Q2
Cash flows from operating activities	4,631	5,240	608	<ul style="list-style-type: none"> • Net profit before income taxes 5,535 million yen • Depreciation 2,158 million yen • Amortization of goodwill 660 million yen • Decrease in provision for bonuses △826 million yen • Increase in inventory △970 million yen • Income taxes paid △1,156 million yen
Cash flows from investing activities	△ 4,218	△ 5,972	△ 1,754	<ul style="list-style-type: none"> • Sale of investment securities 1,069 million yen • Purchase of property, plant and equipment △2,793 million yen • Acquisition of shares in Hoang Anh △4,370 million yen
Cash flows from financing activities	△ 2,676	△ 1,570	1,105	<ul style="list-style-type: none"> • Dividends paid △1,493 million yen
Effect of exchange rate change on cash and cash equivalents	215	1,789	1,573	
Net increase (decrease) in cash and cash equivalents	△ 2,047	△ 513	1,533	
Cash and cash equivalents at beginning of period	31,952	31,267	△ 684	
Cash and cash equivalents at end of period	29,905	30,753	848	

(Consolidated)

(Million yen)

	FY2026 Plan	FY2026 Q2 (Actual)	Progress (%)
Capital Investment	13,541	3,207	23.7%
Depreciation	4,360	2,159	49.5%
Amortization of Goodwill	1,909	661	34.6%
R&D Expenses	6,010	2,942	49.0%

* Depreciation includes amortization of customer-related assets

Approx. 36.8 billion yen of capital investment is planned over three years for organic business expansion

• Major Capital Investments

(Billion yen)

	Location	~FY2025 (Actual)	FY2026 (Plan)	FY2027 (Plan)	FY2028 (Plan)	Three-year Plan Total
DX promotion and IT reform	Japan	2.8	1.9	1.1	1.1	4.1
Fukaya plant	Japan	-	-	3.9	3.9	7.8
U.S. second plant	U.S.	3.5	0.7	0.5	1.2	2.4
China third plant (Pinghu)	China	0.6	2.0	4.5	-	6.5
Malaysia new plant	Southeast Asia	1.3	4.5	0.2	0.1	4.8
Others		-	4.4	3.9	2.9	11.2
Total		-	13.5	14.1	9.2	36.8

• R&D expenses will be maintained at a level of 8% of consolidated net sales

	FY2025 (Actual)	FY2026 (Plan)	FY2027 (Plan)	FY2028 (Plan)	Three-year Plan Total	(Million yen)
Capital Investment	5,164	13,541	14,146	9,169	36,856	
Depreciation & Amortization	4,226	4,360	4,952	5,360	14,672	
R&D Expenses	5,744	6,010	6,228	6,463	18,701	

(Million yen)

	FY2025 Q2 (Actual)		FY2026 Q2 (Actual)		Yr/Yr		Progress (vs FY2026 full-year Plan)
	Amount	Share	Amount	Share	Amount	%	
Net Sales	20,585	100.0%	21,049	100.0%	464	2.3%	47.9%
Cost of Sales	12,537	60.9%	12,886	61.2%	349	2.8%	47.7%
Gross Profit	8,048	39.1%	8,162	38.8%	114	1.4%	48.4%
SG&A Expenses	5,705	27.7%	5,717	27.2%	11	0.2%	46.3%
Operating Profit	2,342	11.4%	2,445	11.6%	102	4.4%	54.0%
Ordinary Profit	7,813	38.0%	2,772	13.2%	△5,040	△64.5%	57.1%
Profit Before Income Taxes	7,697	37.4%	3,372	16.0%	△4,324	△56.2%	65.1%
Net Profit	6,458	31.4%	2,428	11.5%	△4,030	△62.4%	63.1%

- Net sales increased in both flavor and fragrance businesses despite sales decline in the first quarter
- Ordinary profit decreased, mainly due to the receipt of dividends from two Chinese subsidiaries in the previous fiscal year

Consolidated U.S. subsidiary (Actual)

*Consolidated statements of profit of the Company's consolidated subsidiary in U.S. (T. HASEGAWA U.S.A., INC. (included ABELEI))

(Million yen)

Yen Basis	FY2025 Q2		FY2026 Q2		Yr/Yr	
	Amount	Share	Amount	Share	Amount	%
Net Sales	7,885	100.0%	8,352	100.0%	466	5.9%
Cost of Sales	4,929	62.5%	5,145	61.6%	215	4.4%
Gross Profit	2,955	37.5%	3,206	38.4%	251	8.5%
SG&A Expenses	3,250	41.2%	3,407	40.8%	157	4.8%
Operating Profit	△294	-	△200	-	93	-
Ordinary Profit	△238	-	△105	-	132	-
Net Profit	△190	-	△93	-	96	-

1US\$=¥152.52

1US\$=¥155.51

(Yen down 2.0%)

(Thousand US\$)

US\$ Basis	FY2025 Q2		FY2026 Q2		Yr/Yr	
	Amount	Share	Amount	Share	Amount	%
Net Sales	51,699	100.0%	53,707	100.0%	2,007	3.9%
Cost of Sales	32,319	62.5%	33,086	61.6%	766	2.4%
Gross Profit	19,379	37.5%	20,621	38.4%	1,241	6.4%
SG&A Expenses	21,312	41.2%	21,913	40.8%	600	2.8%
Operating Profit	△1,932	-	△1,291	-	640	-
Ordinary Profit	△1,563	-	△681	-	881	-
Net Profit	△1,248	-	△601	-	647	-

- Sales increased both on a yen and local currency basis as sales to existing major customers remained strong
- Although the cost of sales improved 0.9 points year on year, the loss continued, due in part to the burden of goodwill amortization from ABELEI. The loss has narrowed, and we will aim to return to profitability from the third quarter onward as planned

Consolidated Chinese Subsidiaries (Actual)

45

*Consolidated statements of profit of the Company's three consolidated subsidiaries in China (T. HASEGAWA FLAVOURS AND FRAGRANCES (SHANGHAI) CO., LTD., T. HASEGAWA FLAVOURS (SUZHOU) CO., LTD., and T. HASEGAWA FLAVOURS (PINGHU) CO., LTD.)

(Million yen)

Yen Basis	FY2025 Q2		FY2026 Q2		Yr/Yr	
	Amount	Share	Amount	Share	Amount	%
Net Sales	6,252	100.0%	6,322	100.0%	70	1.1%
Cost of Sales	3,178	50.8%	3,271	51.7%	93	2.9%
Gross Profit	3,074	49.2%	3,050	48.3%	△23	△0.8%
SG&A Expenses	1,092	17.5%	1,217	19.3%	124	11.4%
Operating Profit	1,981	31.7%	1,833	29.0%	△148	△7.5%
Ordinary Profit	2,042	32.7%	1,903	30.1%	△139	△6.8%
Net Profit	1,532	24.5%	1,418	22.4%	△113	△7.4%

1RMB=¥21.05

1RMB=¥22.20

Yen down 5.5%

(Thousand RMB)

RMB Basis	FY2025 Q2		FY2026 Q2		Yr/Yr	
	Amount	Share	Amount	Share	Amount	%
Net Sales	297,023	100.0%	284,797	100.0%	△12,226	△4.1%
Cost of Sales	150,985	50.8%	147,380	51.7%	△3,604	△2.4%
Gross Profit	146,038	49.2%	137,416	48.3%	△8,621	△5.9%
SG&A Expenses	51,887	17.5%	54,826	19.3%	2,939	5.7%
Operating Profit	94,151	31.7%	82,590	29.0%	△11,561	△12.3%
Ordinary Profit	97,044	32.7%	85,722	30.1%	△11,322	△11.7%
Net Profit	72,788	24.5%	63,907	22.4%	△8,881	△12.2%

- Despite sales in both the flavor and fragrance businesses decreasing on a local currency basis, sales increased on a yen basis thanks to the positive impact of foreign exchange
- We built up new product pipelines and aim to achieve the target for the full year

Malaysian Subsidiary (Actual)

* Statement of profit of T. HASEGAWA FLAVOURS (KUALA LUMPUR) SDN. BHD.

(Million yen)

Yen Basis	FY2025 Q2		FY2026 Q2		Yr/Yr	
	Amount	Share	Amount	Share	Amount	%
Net Sales	1,088	100.0%	1,229	100.0%	140	12.9%
Cost of Sales	560	51.5%	605	49.2%	44	8.0%
Gross Profit	528	48.5%	624	50.8%	95	18.1%
SG&A Expenses	313	28.8%	369	30.0%	55	17.8%
Operating Profit	215	19.8%	254	20.7%	39	18.6%
Ordinary Profit	279	25.6%	277	22.6%	△1	△0.4%
Net Profit	203	18.7%	202	16.5%	△0	△0.4%

1MYR=¥34.52

1MYR=¥38.38

Yen down 11.2%

(Thousand MYR)

MYR Basis	FY2025 Q2		FY2026 Q2		Yr/Yr	
	Amount	Share	Amount	Share	Amount	%
Net Sales	31,537	100.0%	32,030	100.0%	493	1.6%
Cost of Sales	16,227	51.5%	15,768	49.2%	△459	△2.8%
Gross Profit	15,309	48.5%	16,262	50.8%	953	6.2%
SG&A Expenses	9,079	28.8%	9,619	30.0%	539	5.9%
Operating Profit	6,230	19.8%	6,643	20.7%	413	6.6%
Ordinary Profit	8,084	25.6%	7,240	22.6%	△843	△10.4%
Net Profit	5,903	18.7%	5,287	16.5%	△616	△10.4%

- Changes in the product mix due to the increase in sales of liquid flavors contributed to double-digit sales and profit growth year on year (on a yen basis)
- Ordinary profit and below decreased due to the negative impact of depreciation of the US dollar and appreciation of the Malaysian Ringgit

Medium-Term Three-Year Plan (Consolidated)

T.HASEGAWA non-consolidated	Expect to expand sales through the promotion of solution sales by strengthening collaboration among sales, research, and marketing. Promote the strengthening of production systems to meet increasing demand
U.S.	Expect to increase sales in the savory, health and beverage industries , while expanding sales channels in the Midwest of the U.S. through synergies with the acquired ABELEI. Strengthen production systems by promoting the second plant project
China	Promote the strengthening of research and production systems. Further, utilize marketing functions and deepen collaboration among sales, research, and marketing to strengthen sales systems, and tap unentered sectors and potential demand, in order to expand sales
Southeast Asia	Sales are expected to increase through collaboration between manufacturing and sales bases in Malaysia and Vietnam and sales bases in Thailand and Indonesia

(Million yen)

	FY25 (Actual)	FY26 (Plan)	FY27 (Plan)	FY28 (Plan)
Net Sales	73,495	76,500	79,500	82,400
Cost of Sales	43,147	44,190	46,400	48,440
Operating Profit	8,515	9,430	9,500	9,600
Ordinary Profit	9,288	10,050	9,860	9,910
Net Profit	6,921	7,320	7,100	7,150
EBITDA	13,938	15,157	15,869	16,377
Exchange Rate	¥149.28/\$ ¥20.68/RMB	¥145.00/\$ ¥20.50/RMB	¥145.00/\$ ¥20.50/RMB	¥145.00/\$ ¥20.50/RMB

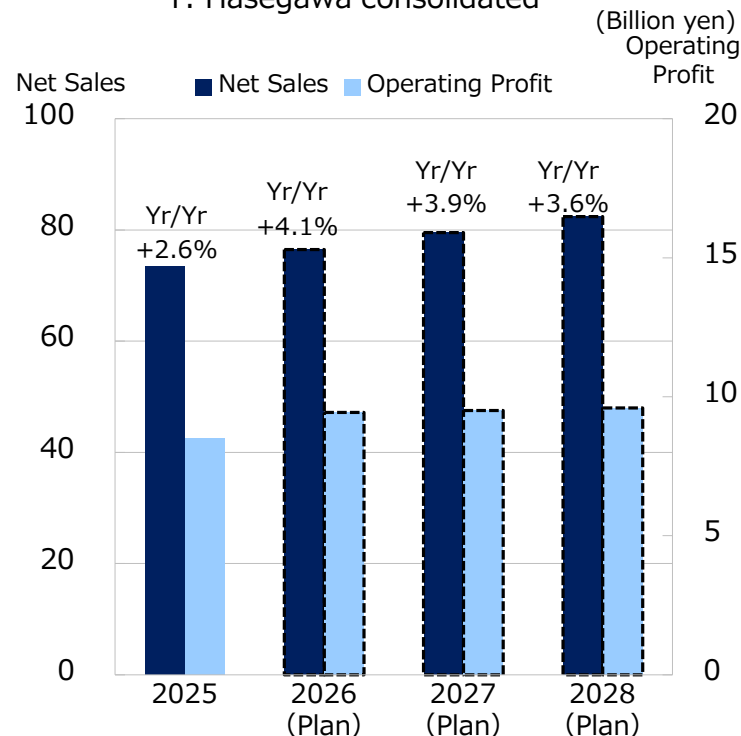
Sales Yr/Yr	2.6%	4.1%	3.9%	3.6%
Cost of Sales to Net Sales	58.7%	57.8%	58.4%	58.8%
Operating Profit to Net Sales	11.6%	12.3%	11.9%	11.7%
Ordinary Profit to Net Sales	12.6%	13.1%	12.4%	12.0%
Net Profit to Net Sales	9.4%	9.6%	8.9%	8.7%
EBITDA to Net Sales	19.0%	19.8%	20.0%	19.9%
Overseas net sales as a percentage of consolidated net sales	49.6%	50.3%	50.5%	51.2%

* The Group's medium-term three-year plan is revised each fiscal year. See page 48 for details

* Net profit in the table refers to profit attributable to owners of parent

* Savory: Snacks, dressings, seasonings, and other salty products

Net Sales and Operating Profit of T. Hasegawa consolidated



(Million yen)

	FY2025 (Actual)			FY2026 (Plan)			FY2027 (Plan)			FY2028 (Plan)		
	Amount	Share	Yr/Yr	Amount	Share	Yr/Yr	Amount	Share	Yr/Yr	Amount	Share	Yr/Yr
Net Sales	73,495	100.0%	2.6%	76,500	100.0%	4.1%	79,500	100.0%	3.9%	82,400	100.0%	3.6%
Cost of Sales	43,147	58.7%	2.7%	44,190	57.8%	2.4%	46,400	58.4%	5.0%	48,440	58.8%	4.4%
Gross Profit	30,347	41.3%	2.4%	32,310	42.2%	6.5%	33,100	41.6%	2.4%	33,960	41.2%	2.6%
SG&A Expenses	21,832	29.7%	7.7%	22,880	29.9%	4.8%	23,600	29.7%	3.1%	24,360	29.6%	3.2%
Operating Profit	8,515	11.6%	△9.1%	9,430	12.3%	10.7%	9,500	11.9%	0.7%	9,600	11.7%	1.1%
Ordinary Profit	9,288	12.6%	△4.5%	10,050	13.1%	8.2%	9,860	12.4%	△1.9%	9,910	12.0%	0.5%
Profit Before Income Taxes	9,794	13.3%	△3.7%	10,350	13.5%	5.7%	10,220	12.9%	△1.3%	10,270	12.5%	0.5%
Net Profit	6,921	9.4%	△3.9%	7,320	9.6%	5.8%	7,100	8.9%	△3.0%	7,150	8.7%	0.7%

* Net profit in the table refers to profit attributable to owners of parent

This presentation is based on data as of May 8, 2026, and was created with the intention of providing information on future management plans and results for the second quarter of the fiscal year ending September 30, 2026.

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