Takasago International Corporation

Briefing on Results for the Term Ended March 2026

2026.5.25

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I. Business Overview (Highlights)

Business Overview for FY2025

【FY2025】Business Environment

- Overseas, major raw material prices have remained in line with initial forecasts. In Japan, import costs for raw materials have increased due to the weakening JPY.
- Stable sales of flavor in Japan. For overseas, the shipments of beverage flavor and fabric-care fragrance remained solid in China.
- In the Fine Chemicals segment, the Company is enhancing its quality management system in collaboration with key customers, resulting in a postponement of shipments of pharmaceutical intermediates overseas (to resume from the fourth quarter).
- Overall shipments in our US subsidiary decreased due to a reactionary decline following increased shipments in the previous fiscal year after the ERP system implementation.
- Fragrance shipments decreased in our French subsidiary due to delivery adjustments upon new ERP system implementation.

【FY2025】Business performance

[In JPY billion]	FY24	FY25	Year-on-year change %	Increase/Decrease factors
Net Sales	229.2	225.1	(1.8%)	• Flavor, fragrance and fine chemical shipments decreased in our US subsidiary • Fragrance shipments decreased in our French subsidiary
Operating Profit	15.3	8.1	(47.0%)	• Operating profit of Japan HQ dropped due to the decrease of pharmaceutical intermediate shipments to our US subsidiary • The decrease in sales at our US subsidiary contributed to the decline in operating profit
Ordinary Profit	15.3	9.5	(37.9%)	• Profit decreased due to lower operating profit • Exchange gains and losses on receivables and payables improved from FY2024
Net Income attributable to owners of parent	13.3	9.5	(28.5%)	• Profit decreased in line with the decline in ordinary profit • Increase in Gain on sale of investment securities
Average exchange rates USD	152	150	(1.2%)	
Average exchange rates EUR	164	169	+3.1%	

Full-year forecast of PL and Dividend

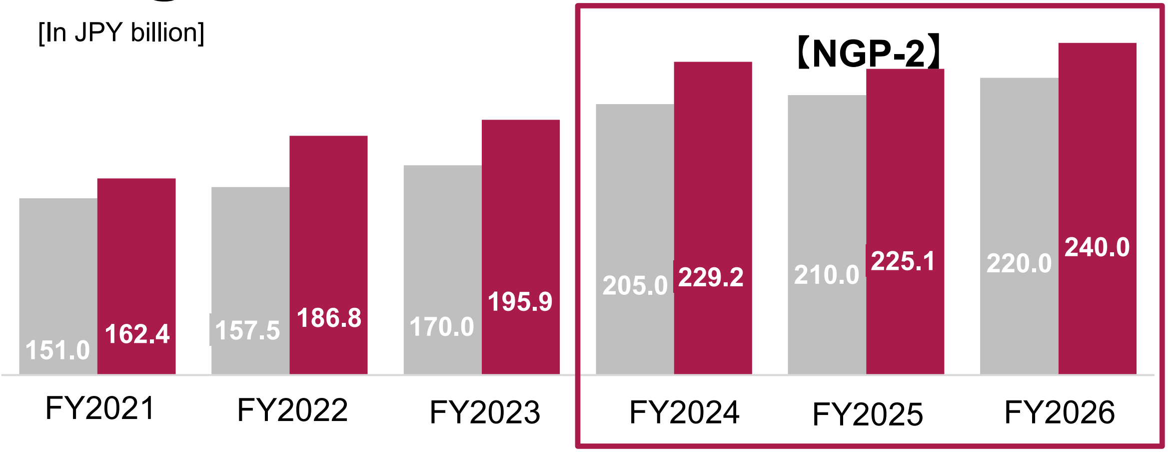
【FY2026】Full-year Forecast

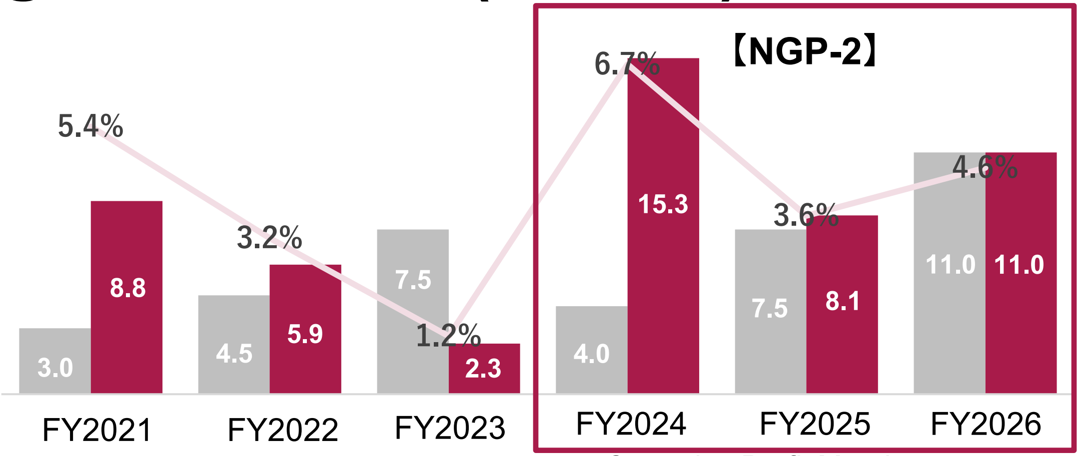
[In JPY billion]	FY25	FY26	Year-on-year change %	Increase/Decrease factors
Sales	225.1	240.0	+6.6%	•Sales of flavor to emerging markets increased •Sales of fragrance increased, driven primarily by air care and home care products •Shipments of pharmaceutical intermediates increased at the U.S. subsidiary
Operating Profit	8.1	11.0	+35.3%	•Gross profit increased in line with higher sales •Operating profit increased at the head office in Japan due to higher exports of pharmaceutical intermediates to Europe and the U.S.
Ordinary Profit	9.5	11.5	+20.9%	•Profit increased in line with higher operating profit •Foreign exchange gains related to the revaluation of foreign currency-denominated receivables decreased compared to the previous period
Net Income attributable to owners of parent	9.5	9.4	(1.3%)	•Gains on the sale of investment securities decreased compared to the previous period

【FY2026】 Full-year Forecast of Dividend

[In JPY]	FY25	FY26	Supplement information
Interim	120	26	• The interim figures for March 2026 are shown before the stock split
Year-end	28	26	• A 5-for-1 stock split took effect on October 1, 2025. Figures from the end of the fiscal year in March 2026 are shown after the split
Annual	-	52	• The annual dividend for March 2026 is not shown because it cannot be simply totaled • For March 2027, the DOE is 3.3% and the payout ratio is 53.9%
Note: After dividing into five parts	52	52	• The full-year dividend for March 2026 is 260 yen on a pre-split basis and 52 yen on a post-split basis

Progress of the Medium-Term Management Plan (NGP-2)





Net Sales	• Net sales for FY 2025 were ¥225.1 billion. Although sales declined year on year, they exceeded the NGP-2 plan of ¥210.0 billion • For FY2026, net sales are projected to reach ¥240.0 billion. The compound annual growth rate (CAGR) during the NGP-2 period is expected to be 7.0% (5.5% on a constant currency basis).
Operating Income	• Operating income for FY2025 was ¥8.1 billion. Although it declined year on year, it exceeded the NGP-2 target of ¥7.5 billion. • Cumulative operating income for the first two years of the medium-term management plan totaled ¥23.4 billion, exceeding the plan by ¥11.9 billion • Operating income for FY2026 is projected to reach ¥11.0 billion. Cumulative operating income for the medium-term management plan period is expected to total ¥34.4 billion.

Overseas Growth	• Flavors: Expanded business with multinational customers. Savory flavors in Southeast Asia and Africa showed strong growth. Strengthened supply capabilities. • Fragrances: Decided to establish a base in Dubai and focus on high value-added product categories. Expanded the customer base among local customers in China and Latin America
Domestic Profitability Improvement	• Flavors & Fragrances: Sales expanded in high value-added segments; however, profitability remains a challenge. Focus on improving the product portfolio. • Fine Chemicals: Shipment delays in pharmaceutical intermediates due to enhancements in quality control systems. Working to achieve stable operations at the new plant
Sustainable Management	• Promotion of sustainability across the supply chain • Development of environmentally friendly fragrance ingredients through industry–academia–government collaboration projects

II. Financial Results for the Fiscal Year 2025

Financial Results for FY2025

[In JPY billion]	FY24	FY25	Year-on-year change %
Net Sales	229.2	225.1	(1.8%)
Gross Profit	77.4	72.9	(5.8%)
Gross Margin	33.8%	32.4%	(1.4P)
SG&A	62.1	64.8	+4.4%
SG&A ratio	27.1%	28.8%	+1.7P
Operating Profit	15.3	8.1	(47.0%)
Operating Profit Margin	6.7%	3.6%	(3.1P)
Ordinary Profit	15.3	9.5	(37.9%)
Ordinary Profit Margin	6.7%	4.2%	(2.5P)
Net Income attributable to owners of parent	13.3	9.5	(28.5%)
Net Profit Margin	5.8%	4.2%	(1.6P)
Average exchange rates USD	152	150	(1.2%)
Average exchange rates EUR	164	169	+3.1%

Increase/Decrease factors

Net Sales

- **JPY225.1 billion(-1.8%)**
  - Decline in shipments of flavors, fragrances, and fine chemicals at the U.S. subsidiary
  - Decline in fragrance shipments at the French subsidiary

Operating Profit

- **JPY8.1 billion (-47.0%)**
  - Gross profit decreased due to lower revenue
  - Gross profit in Japan decreased due to higher procurement costs resulting from exchange rate fluctuations and rising raw material prices

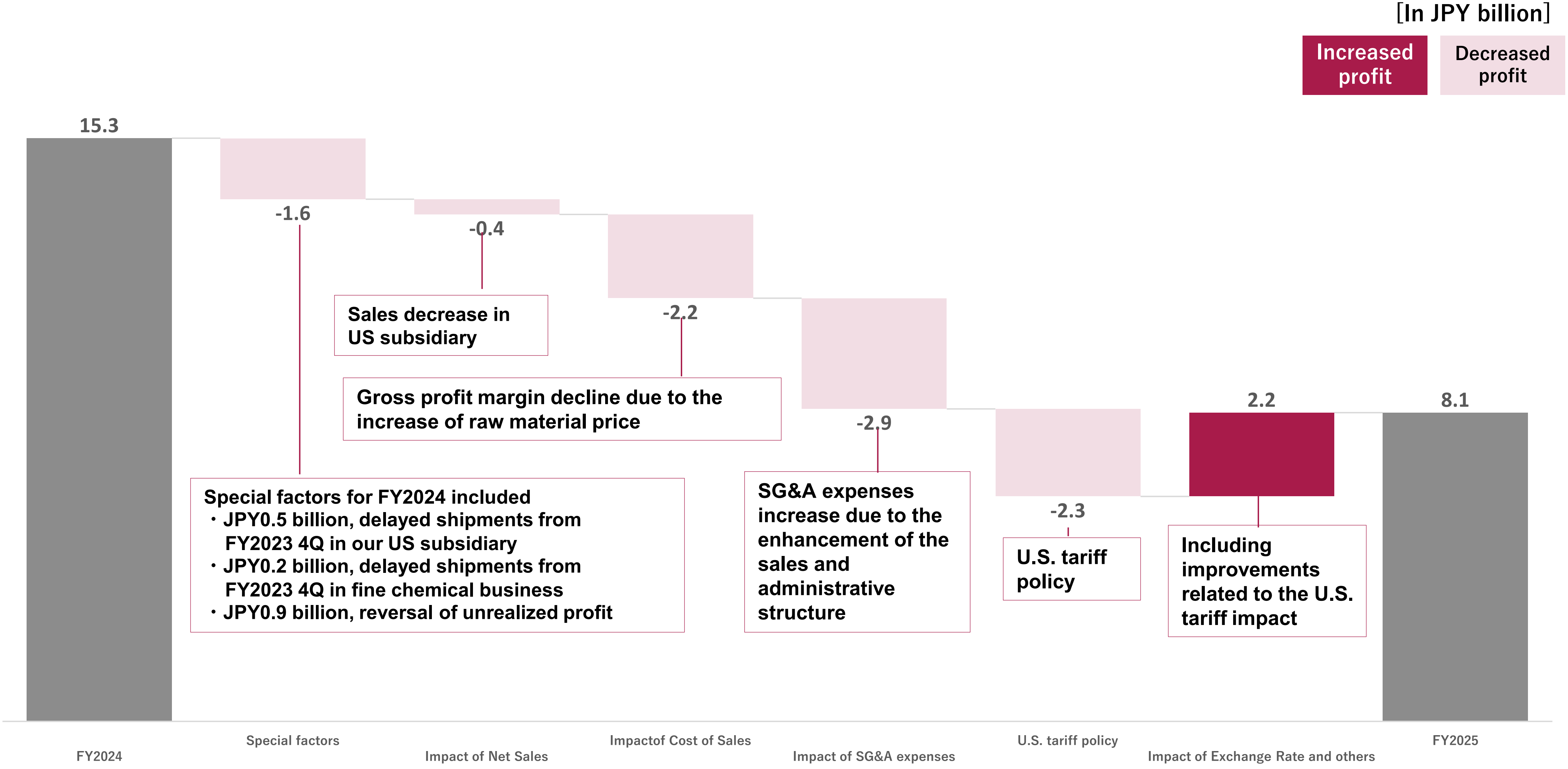
Ordinary Profit

- **JPY9.5 billion (-37.9%)**
  - Profit declined due to a decrease in operating income
  - Revaluation of foreign currency-denominated receivables improved compared to the previous period

Net Income

- **JPY9.5 billion (-28.5%)**
  - Profit declined due to a decrease in ordinary income
  - Gains on the sale of investment securities increased compared to the previous fiscal year due to the reduction of policy-held shares

Attribution analysis for operating profit



*Sales, cost of sales, and SG&A expenses are calculated using the prior-year exchange rates to show the impact on a comparable basis.

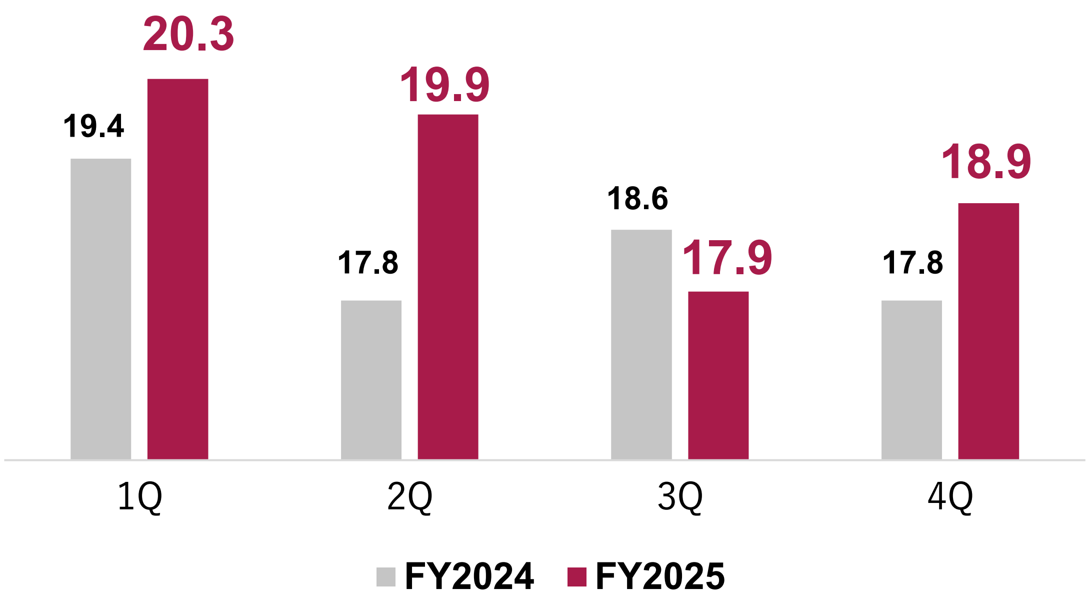
Regional segment

[In JPY billion]		FY24	FY25	Year-on-year change	Increase/Decrease factors
Japan	Net sales	73.6	77.0	+3.4	● The sales for beverage remained strong ● Gross profit declined due to a decrease in exports of pharmaceutical intermediates to our U.S. subsidiary
	Operating Profit	4.5	0.6	(3.9)	
Americas	Net sales	66.5	55.6	(11.0)	● Shipments of flavors, fragrances, and fine chemicals declined at U.S. subsidiary
	Operating Profit	2.6	0.9	(1.7)	
EMEA	Net sales	39.3	42.4	+3.1	● Flavor and aroma ingredients remain strong ● Fragrance shipments declined due to shipping adjustments at our French subsidiary following the implementation of a new ERP system
	Operating Profit	2.5	0.8	(1.7)	
Asia-Pacific	Net sales	49.8	50.2	+0.4	● Shipments of beverage-related and fabric care products increase in China In Southeast Asia, gross profit improved due to raw material optimization
	Operating Profit	4.9	5.7	+0.7	
Adjustment	Net sales	-	-	-	
	Operating Profit	0.9	0.2	(0.7)	
Total	Net sales	229.2	225.1	(4.1)	
	Operating Profit	15.3	8.1	(7.2)	

Regional segment: Japan

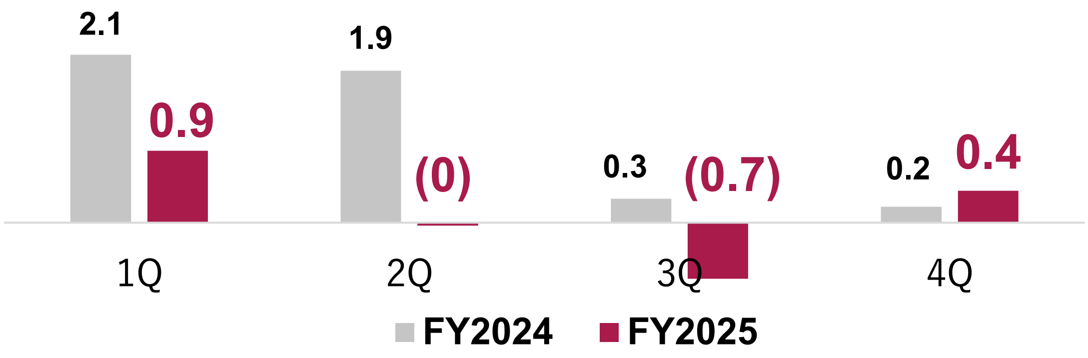
Net Sales

[In JPY billion]



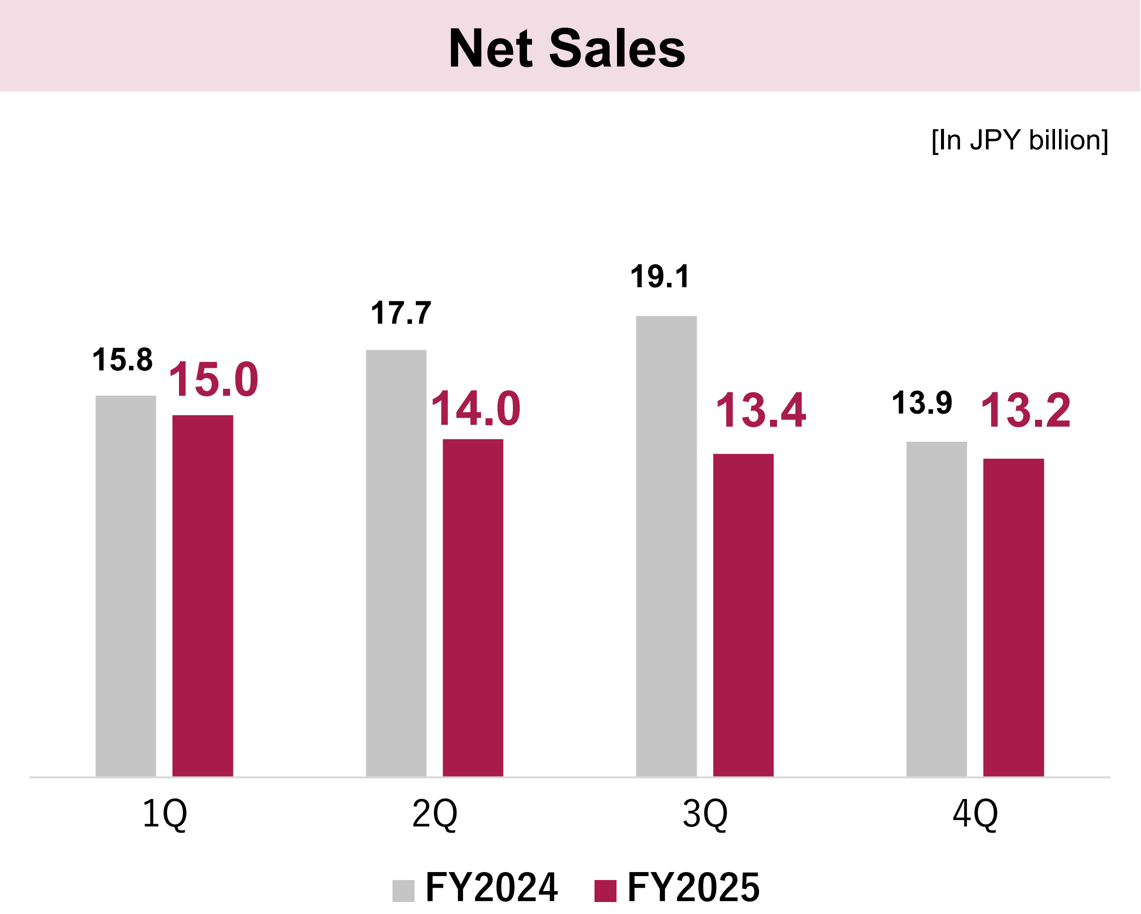
Operating Profit

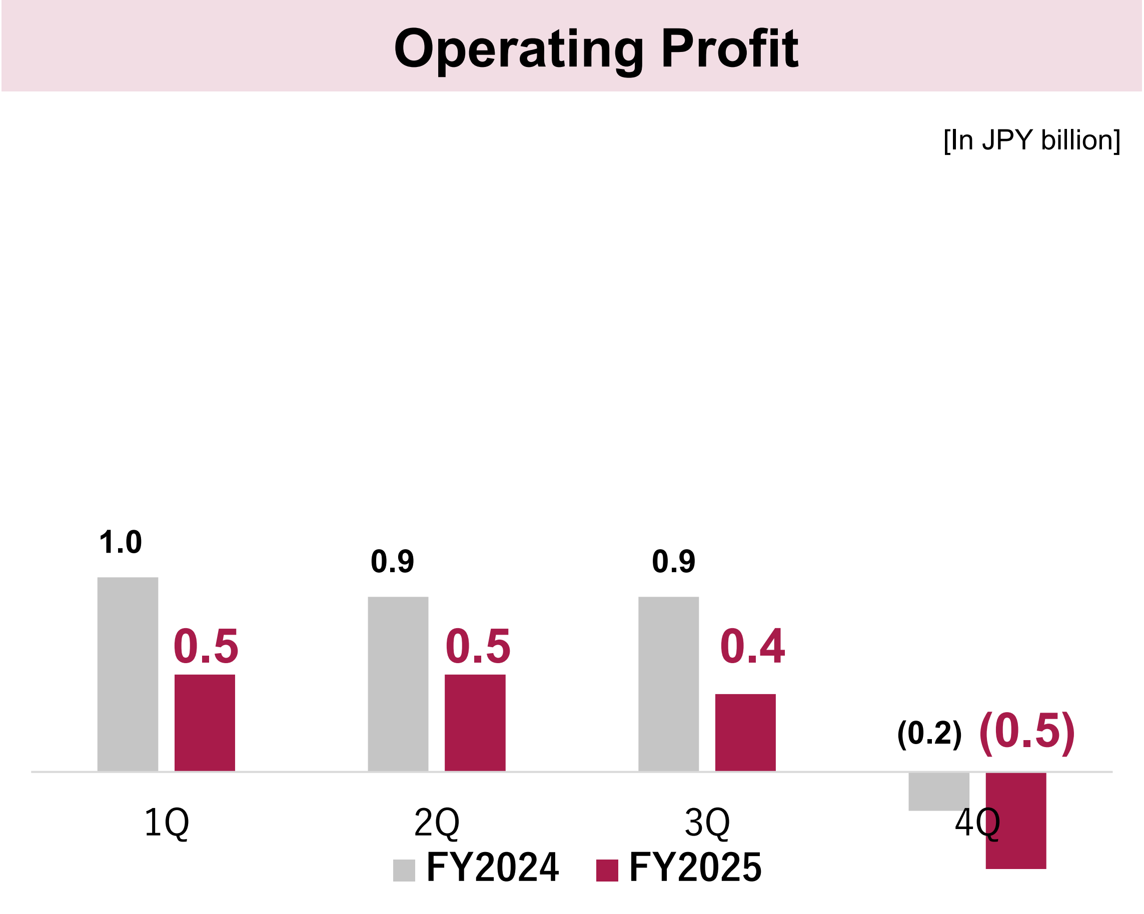
[In JPY billion]



Quarterly Review	**1Q–2Q: Sales remained on an upward trend, supported by strong demand for beverage flavors during the summer season. However, profits were constrained due to shipment delays in Fine Chemicals.** **3Q: Fine Chemicals continued to face shipment delays, and both sales and profits remained weak due to the absence of seasonal demand for flavors.** **4Q: Performance recovered, driven by the resumption of shipments in Fine Chemicals and increased sales in Flavors and Fragrances.**

Regional segment: Americas

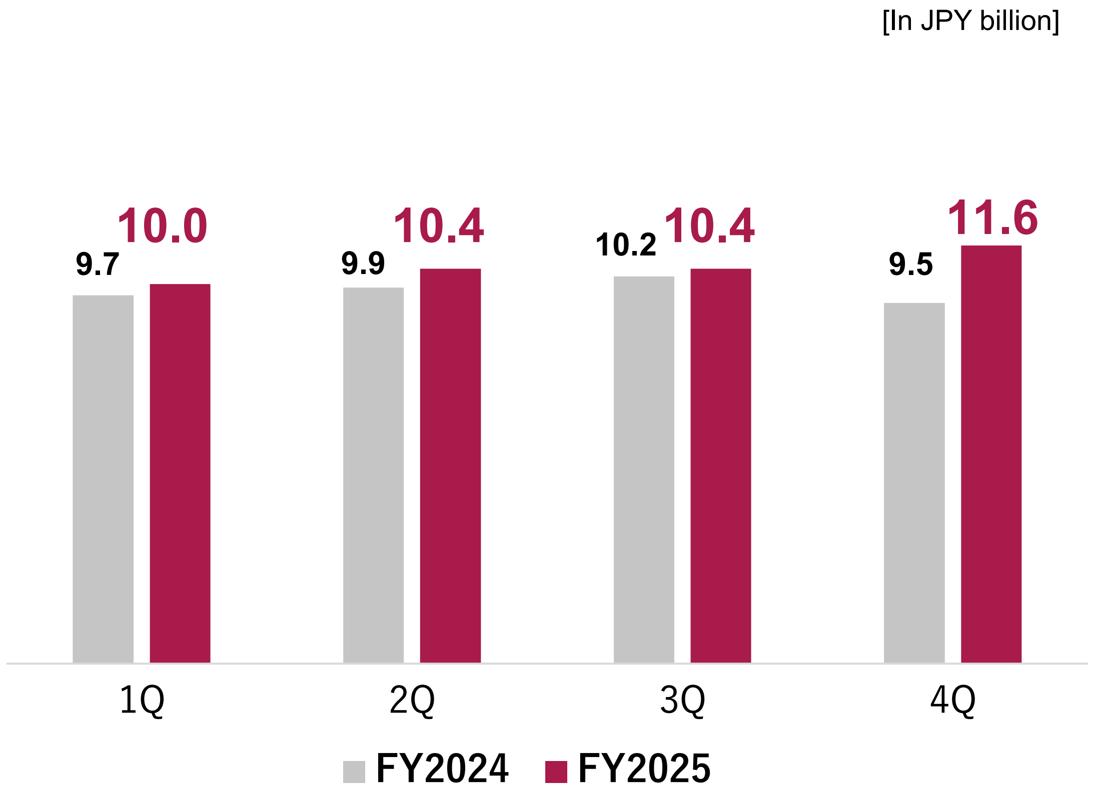




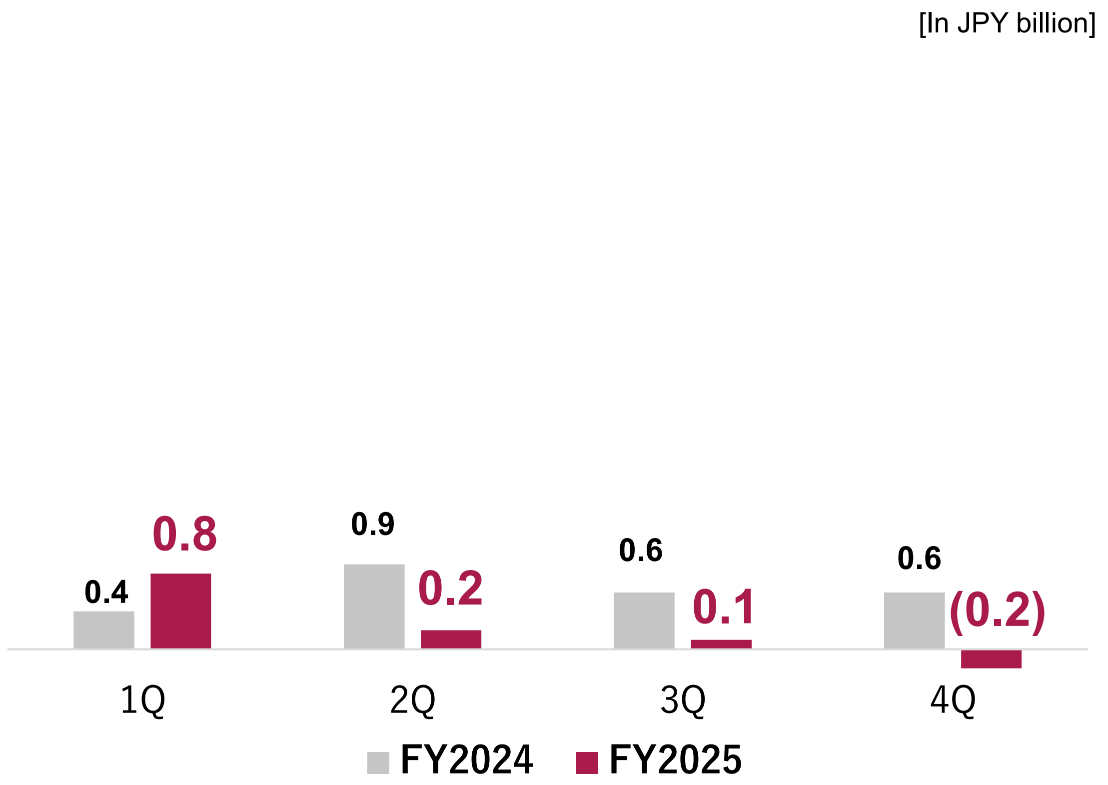
Quarterly Review	**1Q–2Q: Sales and profits remained on a declining trend due to shipment delays in Fine Chemicals and a decrease in Flavors.** **3Q: The same factors persisted, and both sales and profits remained weak.** **4Q: Although a recovery in Fine Chemicals was observed, the continued decline in Flavors led to operating losses.**

Regional segment: EMEA

Net Sales



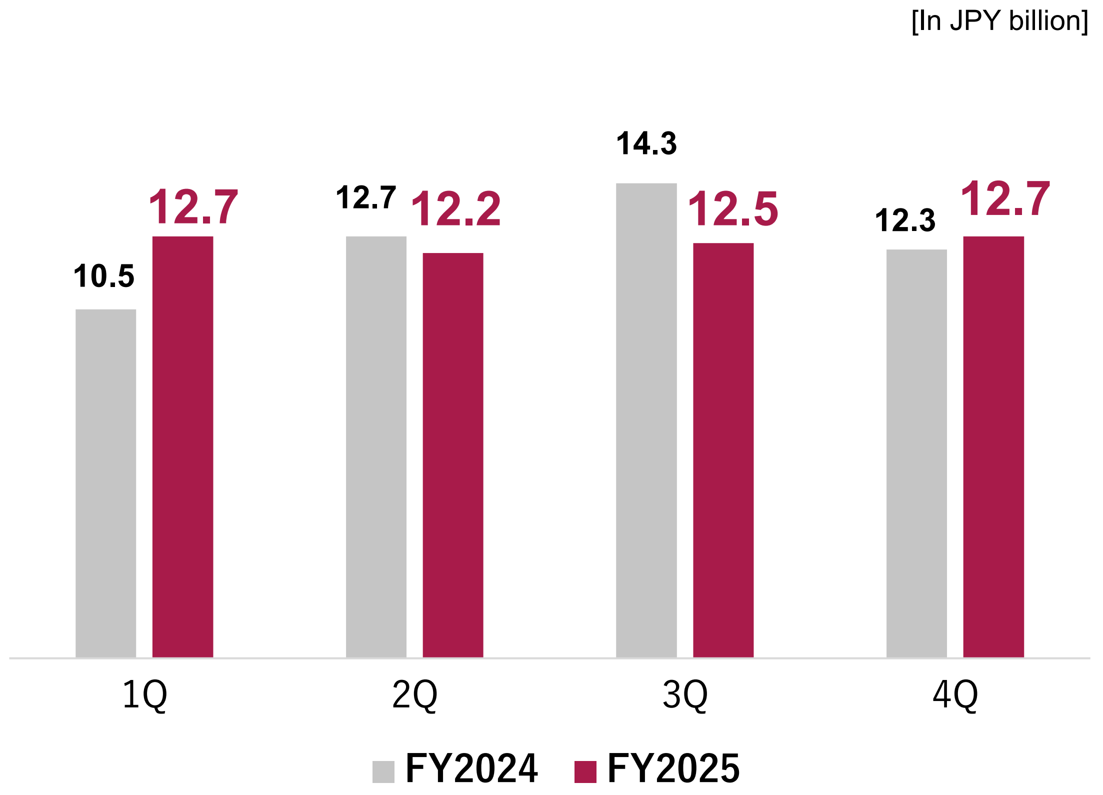
Operating Profit



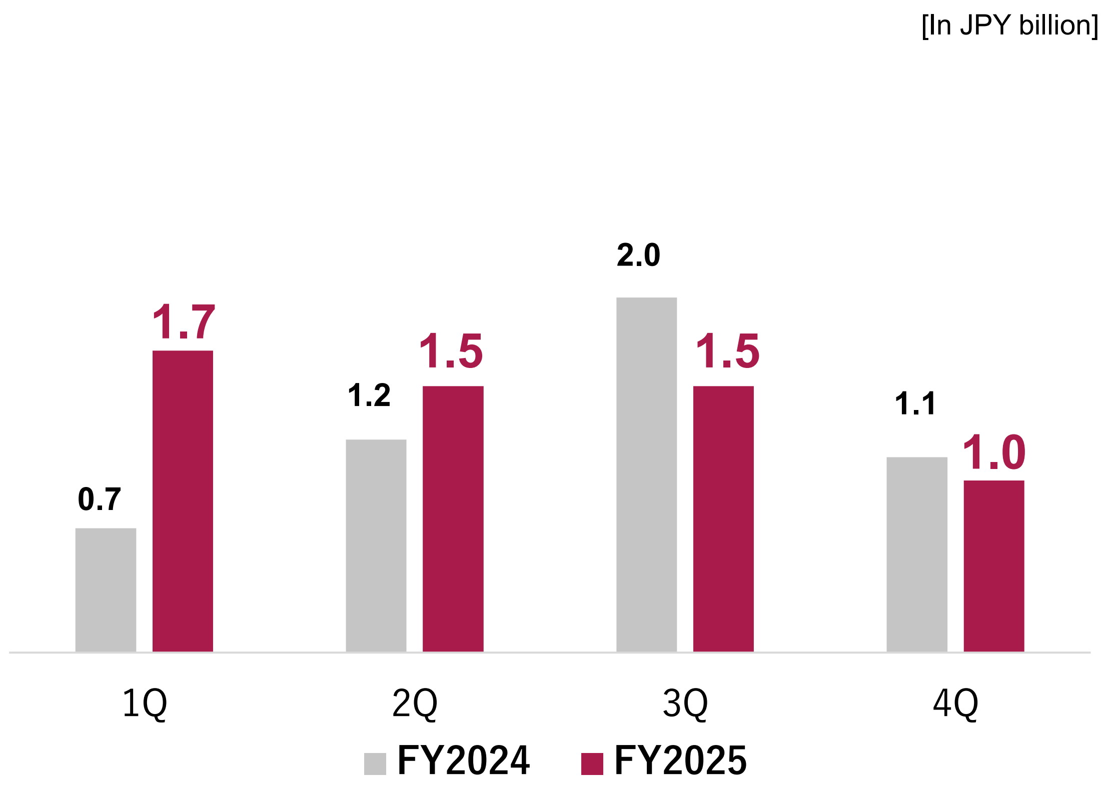
Quarterly Review	1Q–2Q: Sales remained firm across all segments; however, profits declined in 2Q due to increased costs associated with the introduction of a new core system. 3Q: The same impact persisted, resulting in a downward trend in profitability. 4Q: Despite solid sales, continued cost burdens led to an operating loss.

Regional segment: Asia

Net Sales



Operating Profit

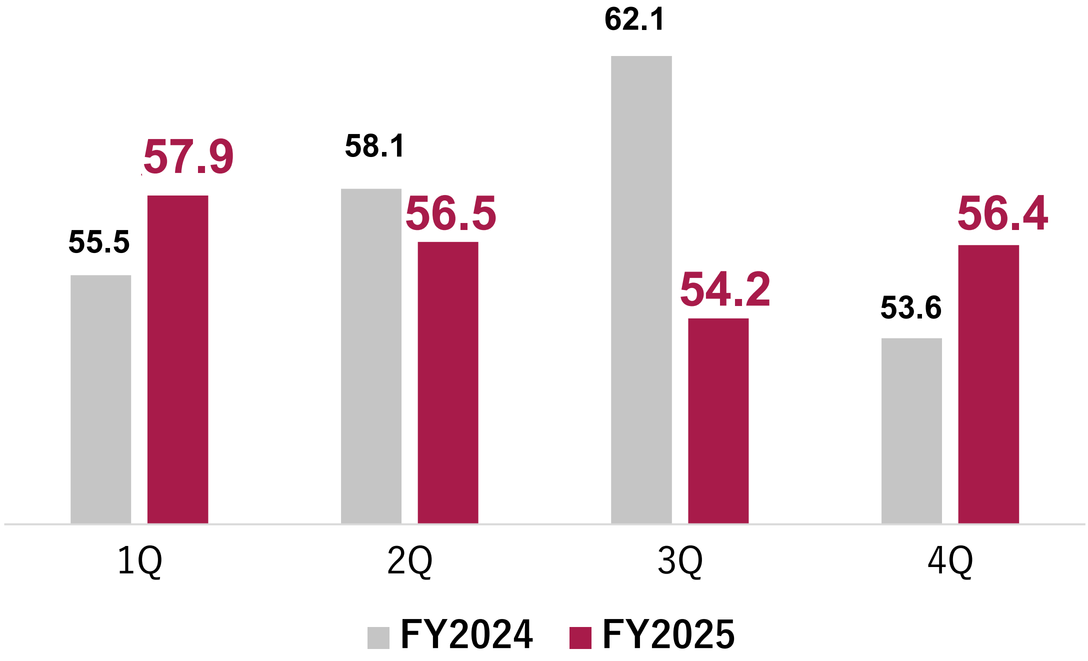


Quarterly Review	**1Q–2Q: Performance remained generally steady, particularly in China, ensuring a stable level of profitability.** **3Q: In addition to a reaction to strong performance following the completion of prior-year customer inventory adjustments, declines in Flavors led to decreases in both sales and profits.** **4Q: Performance remained in line with the previous year. For the full year, growth in China and improved profitability resulted in increased sales and profits.**

Quarterly Financial Results

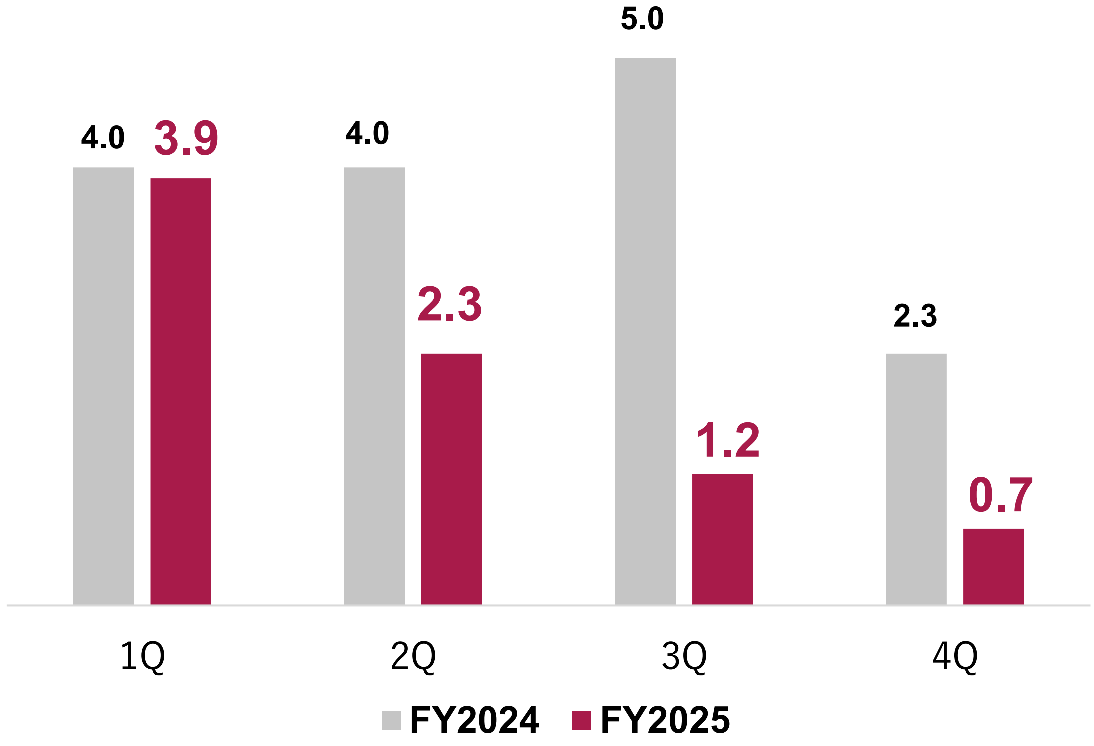
Net Sales

[In JPY billion]



Operating Profit

[In JPY billion]



Quarterly Review	**1Q: Flavors and Aroma Ingredients in Japan and Asia remained firm.** **2Q: Sales and profits declined due to shipment delays in Fine Chemicals in the Americas and increased costs in Europe.** **3Q: In addition to continued shipment delays in Fine Chemicals, higher cost burdens in Europe led to a decline in both sales and profits.** **4Q: Sales recovered; however, profit recovery was limited due to ongoing impacts in the Americas and Europe.**

Business segment

[In JPY billion]		FY24	FY25	Year-on-year change %	Increase/Decrease factors
Flavor	Net sales	119.8	122.6	+2.8	● Shipments of beverage products increase in Japan and China
	Operating Profit	5.2	5.2	(0)	
Fragrance	Net sales	74.5	75.8	+1.3	● Shipments of fabric care products in China increased
	Operating Profit	2.0	0.6	(1.5)	● SG&A expenses, including depreciation related to the new ERP system at the French subsidiary, increased
Aroma Ingredients	Net sales	15.7	16.2	+0.5	● Sales of specialty products remain steady
	Operating Profit	2.6	2.0	(0.5)	● Profit declined due to rising raw material prices and other factors
Fine Chemicals	Net sales	17.8	9.1	(8.7)	● The postponement of shipments of pharmaceutical intermediates overseas while enhancing the quality management system in collaboration with our major client.
	Operating Profit	4.4	(0.8)	(5.2)	
Others	Net sales	1.4	1.4	(0)	
	Operating Profit	1.2	1.2	(0)	
Total	Net sales	229.2	225.1	(4.1)	
	Operating Profit	15.3	8.1	(7.2)	

Business segment (Non-consolidated)

[In JPY billion]		FY24	FY25	Year-on-year change %	Increase/Decrease factors
Flavor	Net sales	43.3	45.7	+2.3	• Revenue growth driven primarily by the beverage sector • Increase in new high-value-added products
	Operating Profit	(1.1)	0.2	+1.4	
Fragrance	Net sales	8.8	8.7	(0.1)	• Profit declined due to rising costs of imported raw materials and increased SGA expenses
	Operating Profit	(0.8)	(1.3)	(0.6)	
Aroma Ingredients	Net sales	12.0	12.3	+0.2	• Sales remained steady • Gross profit margin declined due to rising prices of key raw materials
	Operating Profit	1.8	1.1	(0.7)	
Fine Chemicals	Net sales	15.7	9.3	(6.4)	• Delays in shipments of overseas pharmaceutical intermediates while enhancing the quality management system in collaboration with our major client
	Operating Profit	2.8	(1.0)	(3.9)	
Others	Net sales	1.8	1.8	+0.0	
	Operating Profit	1.2	1.2	(0.0)	
Total	Net sales	81.6	77.7	(3.9)	
	Operating Profit	3.9	0.1	(3.8)	

III. Earnings Forecasts for the Fiscal Year 2026

Foreign exchange forecasts

Exchange rate assumption

	FY2025 Full-year Results	FY2026 Full-year Forecast	Year on year Change
USD	¥150	¥150	±¥0
EUR	¥169	¥170	+¥1

Foreign exchange sensitivity

Annual impact of a ¥1 increase or decrease in the value of the JPY versus the USD & EUR

	Net Sales	Operating Profit
USD	±¥0.5billion	±¥16million
EUR	±¥0.3billion	±¥5million

Earnings Forecasts for FY 2026

[In JPY billion]	FY25	FY26 (forecast)	Year-on-year change %
Net Sales	225.1	240.0	+6.6%
Gross Profit	72.9	80.1	+9.9%
Gross Margin	32.4%	33.4%	+1.0P
SG&A	64.8	69.1	+6.7%
SG&A ratio	28.8%	28.8%	+0.0P
Operating Profit	8.1	11.0	+35.3%
Operating Profit Margin	3.6%	4.6%	+1.0P
Ordinary Profit	9.5	11.5	+20.9%
Ordinary Profit Margin	4.2%	4.8%	+0.6P
Net Income attributable to owners of parent	9.5	9.4	(1.3%)
Net Profit Margin	4.2%	3.9%	(0.3P)
Average exchange rates USD	150	150	+0.2%
Average exchange rates EUR	169	170	+0.6%

Increase/Decrease factors

Sales

- **JPY240.0billion(+6.6%)**
  - Shipments of pharmaceutical intermediates for Europe and the U.S. have increased
  - Revenue is expected to grow for fragrances for hair care and home care in the Americas, as well as for flavors for emerging markets

Operating Profit

- **JPY11.0billion(+35.3%)**
  - Gross profit increased due to higher sales in the Americas and Asia

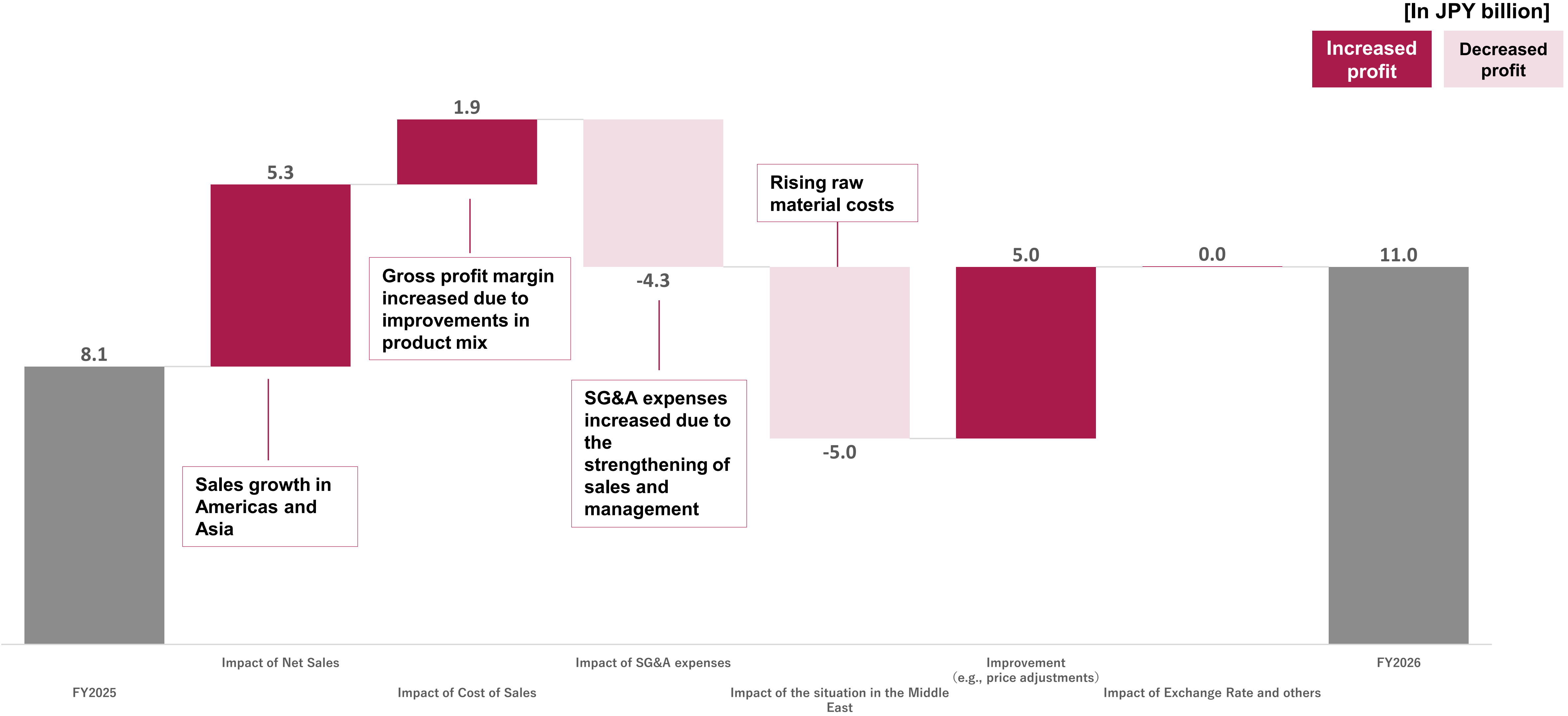
Ordinary Profit

- **JPY11.5billion(+20.9%)**
  - Increase due to higher operating income
  - Foreign exchange gains related to the revaluation of foreign currency-denominated receivables decreased compared to the previous period

Net Income

- **JPY9.4billion(-1.3%)**
  - Gains on the sale of investment securities decreased compared to the previous period

Attribution analysis for operating profit



*Sales, cost of sales, and SG&A expenses are calculated using the prior-year exchange rates to show the impact on a comparable basis.

Regional segment

[In JPY billion]		FY25	FY26 (forecast)	Year-on-year change %	Increase/Decrease factors
Japan	Net sales	77.0	77.5	+0.5	● Increase in beverage-related shipments
	Operating Profit	0.6	2.0	+1.4	● Gross profit increased due to higher exports of pharmaceutical intermediates to our U.S. subsidiary
Americas	Net sales	55.6	65.2	+9.6	● Shipments of pharmaceutical intermediates for the European and North American markets have increased
	Operating Profit	0.9	2.6	+1.7	● Revenue from beverage-related flavors and fragrances for home care products has increased in the U.S.
EMEA	Net sales	42.4	42.9	+0.5	● Flavor and Aroma Ingredients segments are expected to perform steadily
	Operating Profit	0.8	0.1	(0.7)	● SG&A expenses increase due to implementation of a new ERP system at German subsidiary
Asia-Pacific	Net sales	50.2	54.4	+4.2	● Growth in flavors and fragrances in Southeast Asia and India
	Operating Profit	5.7	6.2	+0.5	● Increased shipments of beverage-related and fabric care products in China
Adjustment	Net sales	-	-	-	
	Operating Profit	0.2	-	(0.2)	
Total	Net sales	225.1	240.0	+14.9	
	Operating Profit	8.1	11.0	+2.9	

Business segment

[In JPY billion]		FY25	FY26 (forecast)	Year-on-year change %	Increase/Decrease factors
Flavor	Net sales	122.6	126.0	+3.3	• Sales to emerging markets increased, driven primarily by beverages, savory foods, and oral care products
	Operating Profit	5.2	5.1	(0.1)	• SGA expenses increased due to the implementation of a new ERP system at the German subsidiary
Fragrance	Net sales	75.8	79.1	+3.3	• Revenue growth in air care, home care, and fine fragrance products • Gross profit margin increased due to raw material optimization
	Operating Profit	0.6	2.6	+2.0	• Revenue growth in Southeast Asia for fabric care products and others
Aroma Ingredients	Net sales	16.2	16.5	+ 0.3	• Sales remained steady
	Operating Profit	2.0	1.5	(0.5)	• Cost of goods sold increased due to rising prices of key raw materials
Fine Chemicals	Net sales	9.1	17.0	+7.9	• Shipments of pharmaceutical intermediates for Europe and the U.S. have increased
	Operating Profit	(0.8)	0.6	+1.4	
Others	Net sales	1.4	1.4	+0.0	
	Operating Profit	1.2	1.2	+0.0	
Total	Net sales	225.1	240.0	+14.9	
	Operating Profit	8.1	11.0	+2.9	

Capital investment, Depreciation expenses, R&D expenses

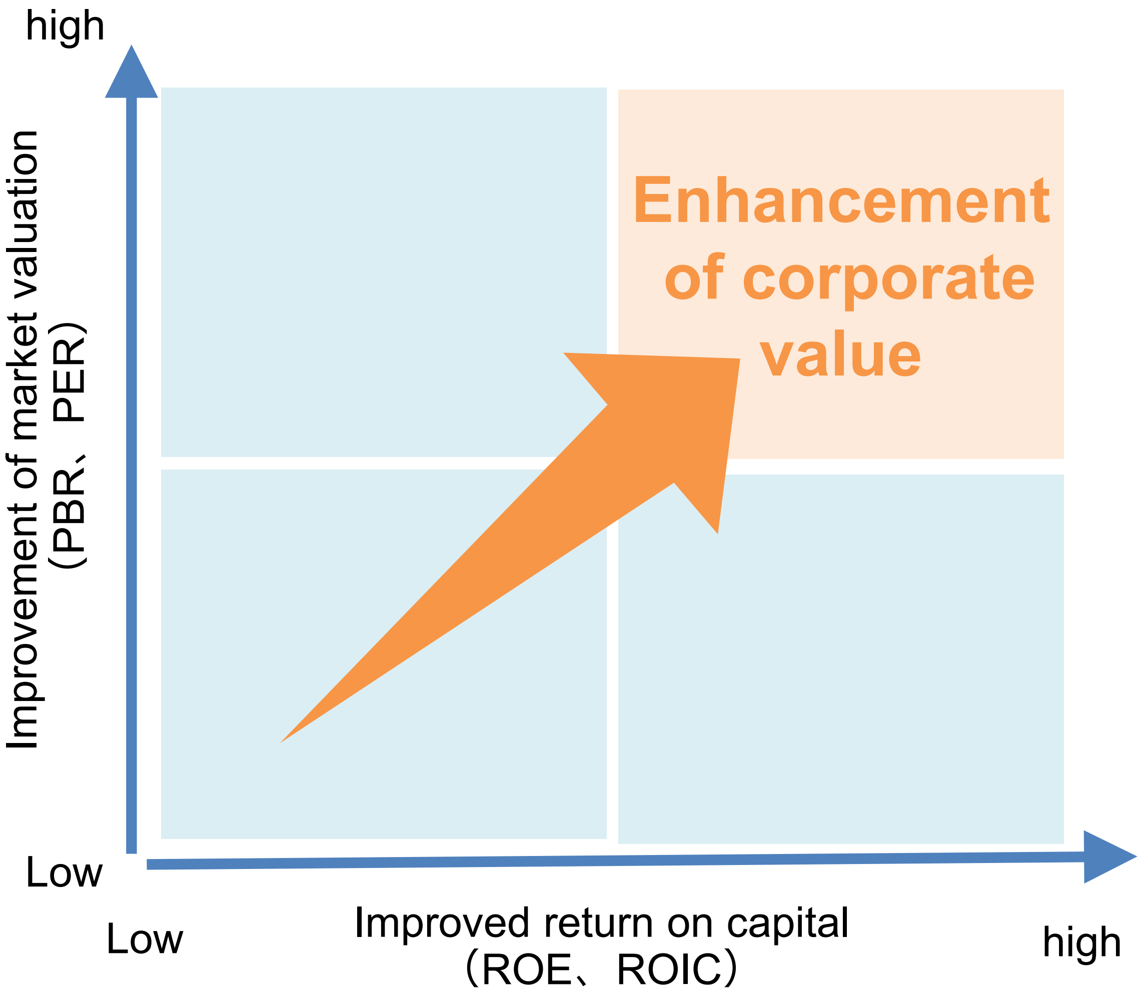
[In JPY billion]	FY2023 Results	FY2024 Results	FY2025 Results	FY2026 Forecasts (as of May 2026)
Capital Investment	10.5	11.8	21.7	14.0
Depreciation Expenses	7.9	8.1	8.8	9.0
Research and Development Expenses	15.7	17.7	17.5	19.0

Ratio of R&D Expenses to Net Sales	8.0%	7.7%	7.8%	7.9%

Key Factors Behind Changes	Capital Investment	For the fiscal year ending March 2027: Decreased due to the absence of factors in the previous fiscal year, such as the acquisition of land for the new Kamakura R&D center
	Depreciation Expenses	Increase mainly driven by new investments at overseas bases.
	R&D Expenses	Increase due to workforce expansion at headquarters and overseas operations.

IV. Initiatives to Achieve Management Conscious of Capital Costs and Share Price

Initiative Policy (As Announced at the IR Briefing on March 27, 2024)



Improve Returns on Capital

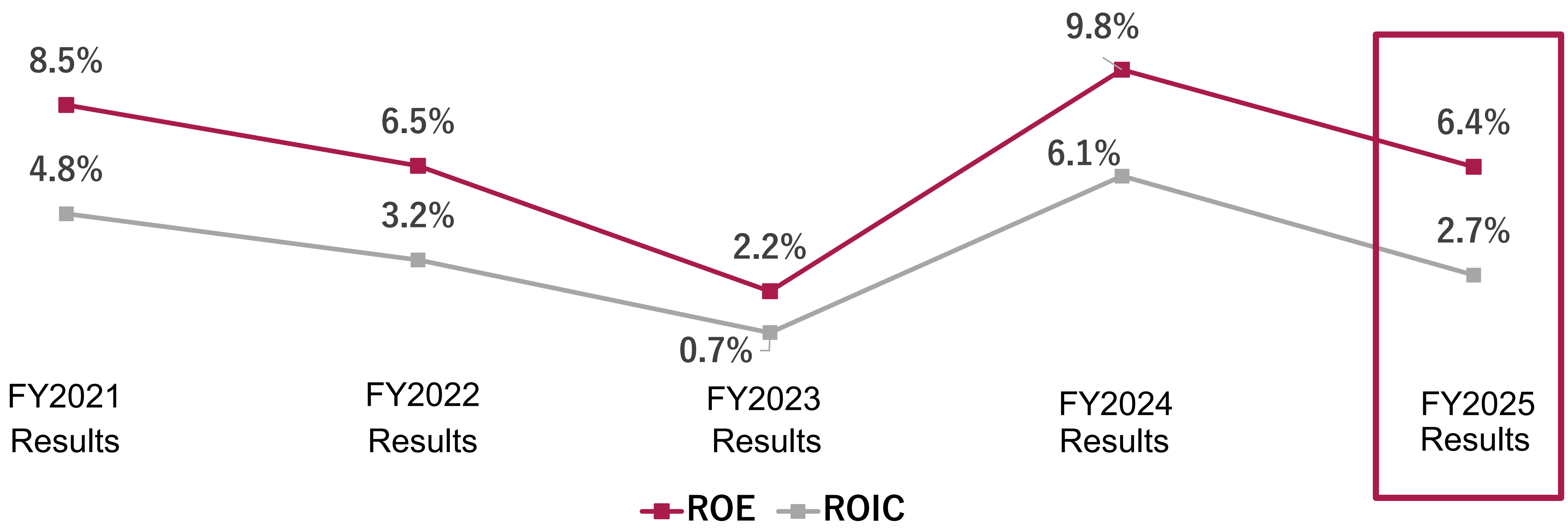
- Steady execution of NGP-2 policies and strategies
- Overseas: Expand profits by capturing market growth through business-driven growth strategies and R&D collaboration across the Takasago Group
- Japan: Improve profitability through optimization of the product portfolio, expansion into new business areas, and cost structure reforms
- Stabilize ROE
- Strengthen cash generation (EBITDA)

Enhance Market Valuation

- Enhance market growth expectations through improved profitability
- Enhanced disclosure on capital allocation
- Strengthening of dividend policy
- Enhanced dialogue with shareholders and investors

Analysis of Capital Efficiency

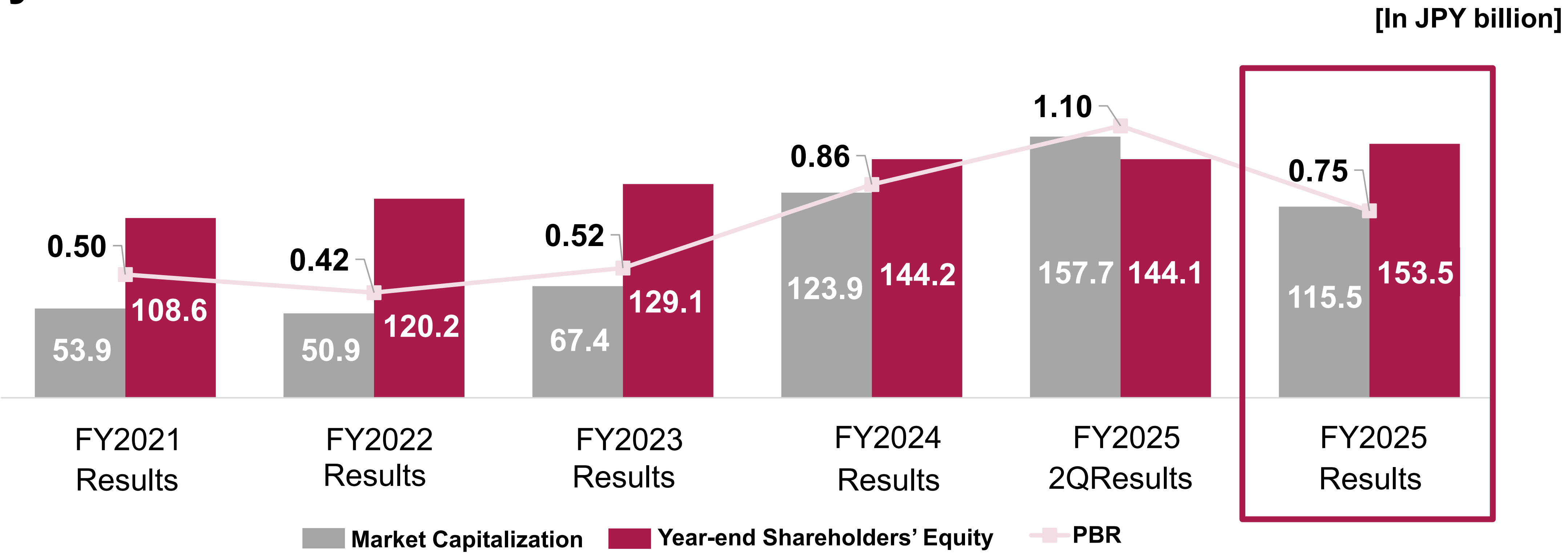
[In JPY billion]



Increase/Decrease factors

- For the fiscal year ended March 31, 2025, ROE reached 9.8% driven by an increase in operating income, achieving the medium-term management plan target of 8%
- For the fiscal year ending March 31, 2026, operating income declined due to lower sales. Although the Company sold part of its strategic shareholdings, net income decreased year on year, resulting in a decline in ROE to 6.4% and ROIC to 2.7%

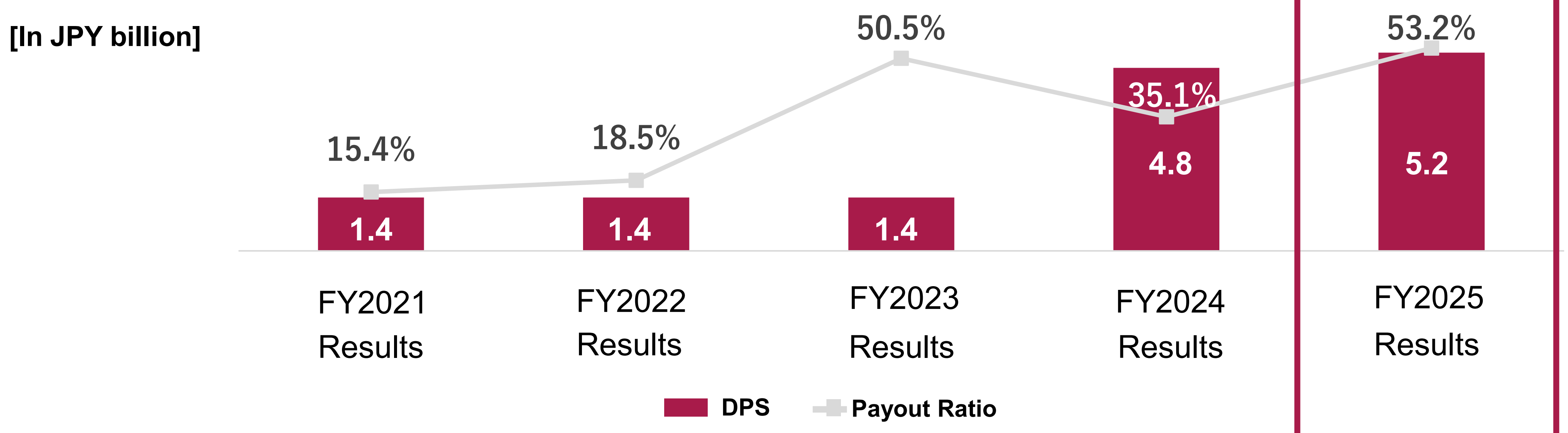
Analysis of Market Valuation



Increase/Decrease factors

- PBR: For the fiscal year ending March 31, 2026, PBR remained above 1.0x from August 2025 to February 2026, supported by a rise in the share price; however, it declined to 0.75x at the end of March. Enhancing profitability remains a key challenge
- Capital Policy: Implemented a DOE-based dividend policy, a stock split (5-for-1), and the sale of strategic shareholdings
- Disclosures: Initiated publication of the English version of the Integrated Report, issued sponsored research reports by Shared Research Inc., and released quarterly earnings supplementary materials

Shareholder Returns

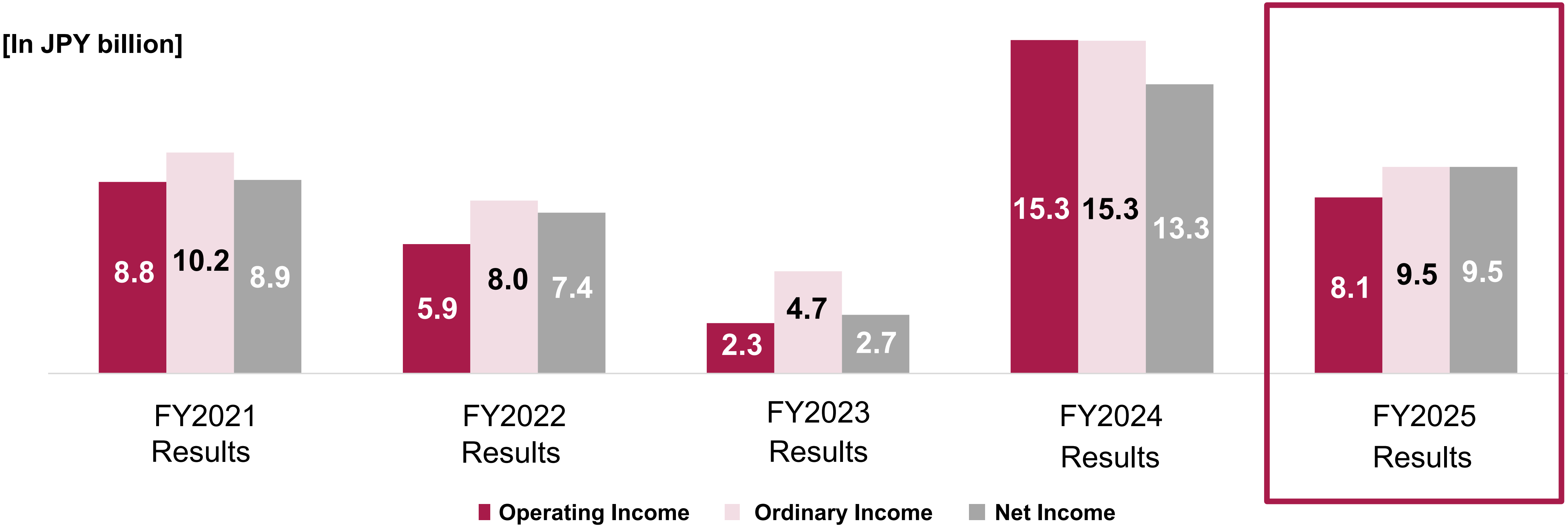


Total Dividends	1.4 billion JPY	1.4 billion JPY	1.4 billion JPY	4.7 billion JPY	5.1 billion JPY
DOE(%)	1.3	1.2	1.1	3.4	3.4

Increase/Decrease factors

- Capital policies were implemented with a primary target of achieving a DOE of over 3.0% during the medium-term management plan period.
- For the fiscal year ending March 31, 2026, DOE was 3.4%, exceeding the medium-term target of 3.0%.
- The dividend payout ratio was 53.2%, exceeding the medium-term target of 30%.
- Dividend per share was increased to ¥52 (after a 5-for-1 stock split).

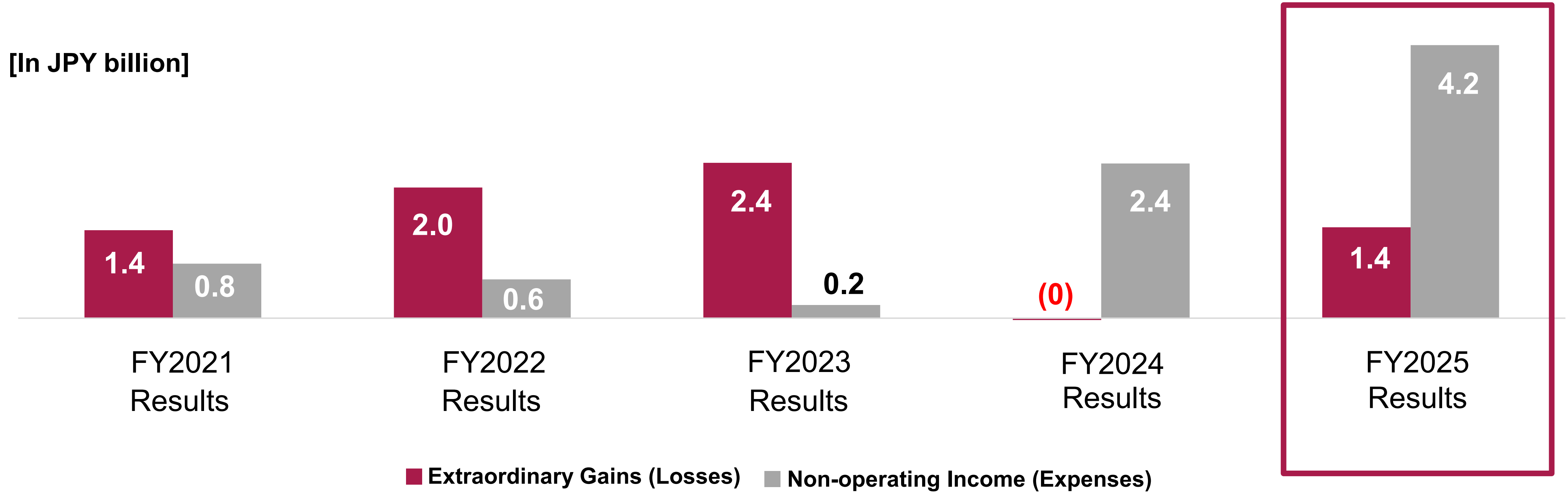
[Consolidated] Profit by Level



Increase/Decrease factors

- **All profit levels declined for the fiscal year ending March 31, 2026**
- **Major Factors Affecting Profit at Each Level**
  - **Ordinary Income: Dividends received from investment securities and foreign exchange revaluation effects on foreign-currency-denominated receivables and payables**
  - **Extraordinary Gains: Sale of strategic shareholdings**

[Consolidated] Non-operating Income and Extraordinary Items



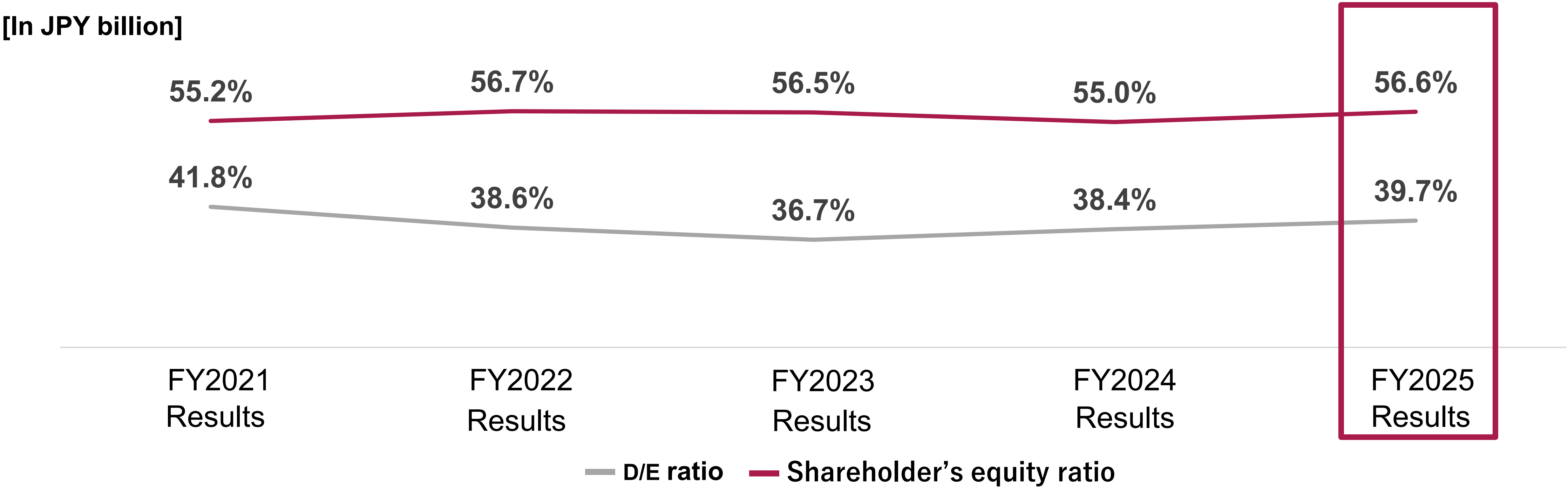
USD	122.4yen	133.5yen	151.4yen	149.5yen	159.9yen

* Year-end exchange rate used

Increase/Decrease factors

- Non-operating income (expenses) for the fiscal year ending March 31, 2026 mainly consisted of foreign exchange gains arising from the year-end revaluation of foreign-currency-denominated receivables and payables
- Extraordinary gains (losses) mainly comprised gains on the sale of strategic shareholdings

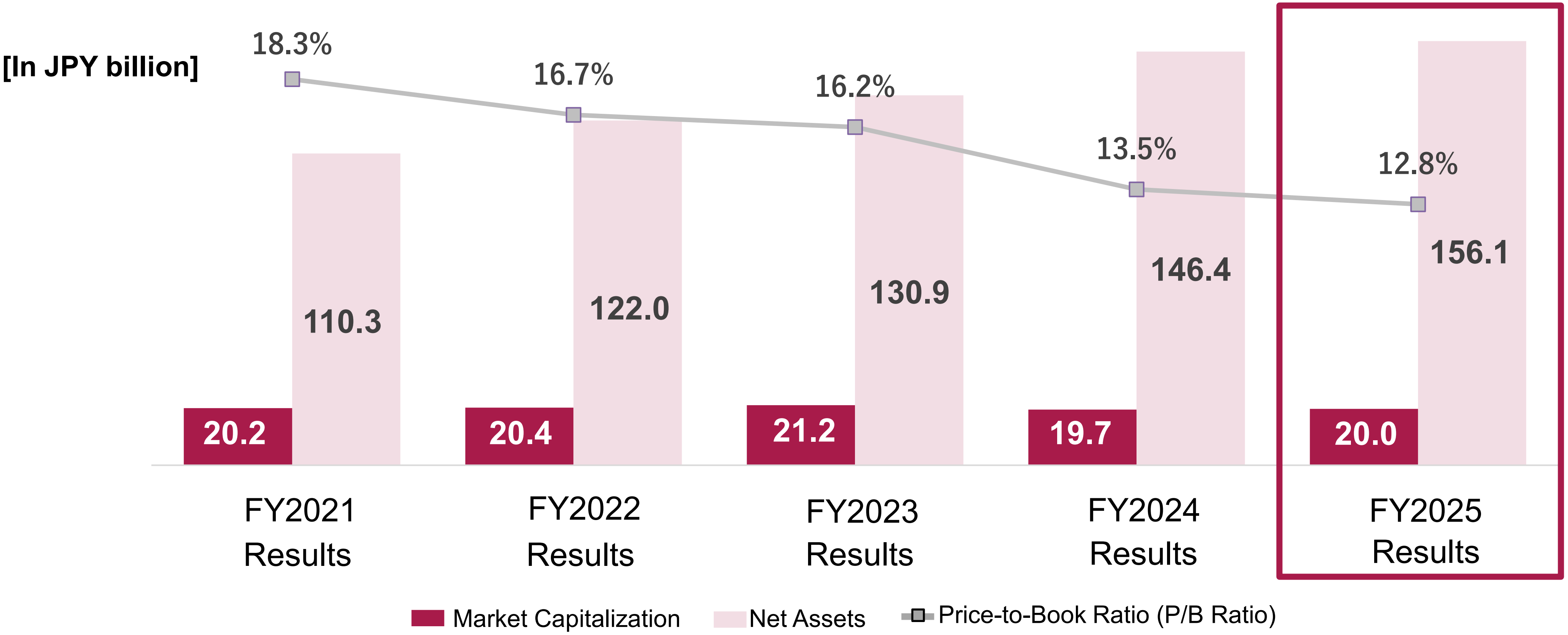
[Capital Structure / Capital Efficiency] D/E Ratio, Equity Ratio



Increase/Decrease factors

- **The equity ratio remained stable, maintaining financial soundness**
- **The D/E ratio is expected to rise in preparation for future growth investments**

[Capital Structure / Capital Efficiency] Strategic Shareholdings



Increase/Decrease factors

- The Company verifies the rationale for holding strategic shareholdings and has reduced the number of holdings from 79 as of the end of March 2022 to 68 as of the end of March 2025, and further to 16 as of the end of March 2026
- In the fiscal year ended March 31, 2026, the market value of strategic shareholdings increased slightly compared with the end of the previous fiscal year, mainly due to a rise in share prices of the holdings

NGP-2: Capital Allocation

Text in red indicates changes from the earnings presentation held on May 26, 2025

[In JPY billion]

- Increase in profit due to sales expansion overseas
- Profitability improvement through execution of measures in Japan
- Business expansion through investment for growth

→ Operating CF

- Financial strength
- Focus on WACC and maintaining an optimal capital structure
- Asset-light strategy

→ Financing CF / Investing CF

Cash-in 93	
Operating CF	58(-1) •Decline in net income in the FY2025 earnings forecast
Financing CF	27(-2)
Investing CF	8(+3) •Share disposals •Real estate disposals (e.g., parking lots; contracts signed in March 2026)

Cash-out 93	
Investment for growth (production)	20 • Iwata Factory • New factory in China • Others
Investment for growth （R&D）	18(-2) New research center in Japan
Investment (general)	22
Shareholder returns (dividend)	13(+1)
Others	20(+1)

- Reinforcement of manufacturing facilities based on capital cost
- Strengthen R&D from a long-term perspective
- Effective execution of renewal facilities

- Dividend policy (dividend per share, dividend payout ratio, DOE)

- M&A investment, etc.

- ➢ Allocating funds generated from operating and investing cash flows to growth investments and shareholder returns
- ➢ Ensuring financial soundness for sustainable management

Summary of Capital Policy Indicators

	FY24	FY25	FY26 (forecast)	NGP-2 2024-2026 (Announced in Mar. 2025)
ROE	9.8%	6.4%	6.0%	8.0% or higher
Equity Ratio	55.0%	56.6%	53.4%	55% (Final Year)
Ratio of Strategic Shareholdings to Net Assets	13.5%	12.8%	12.5%	10% (Final Year)
DOE	3.4%	3.4%	3.3%	3.0%-
Dividend Payout Ratio	35.1%	53.2%	53.9%	30%-
Dividend per Share	48 yen	52 yen	52 yen	48 yen- (after 5-for-1 stock split)

Increase/Decrease factors

ROE

- Although operating income is expected to increase for the fiscal year ending March 31, 2027, net income is expected to decline due to the absence of extraordinary gains, such as gains on the sale of cross-shareholdings, compared with the previous fiscal year.
- The three-year average for the NGP-2 period is 7.4%.

Equity ratio

- The equity ratio is expected to decline in the fiscal year ending March 31, 2027, due to an increase in borrowings to support growth investments.

DOE

- Exceeding the medium-term management plan target of 3.0% throughout the NGP-2 period

V. Topics

Introduction to an Independent Analyst Report

Shared Research Inc. Analyst Report

- An independent corporate evaluation report prepared by external analysts is available on our IR website.
- The report aims to provide an accurate view of the Company and market conditions to investors through detailed analysis of our financial data and market trends.
- This report is provided for reference to support a deeper understanding of our business and strategies.

Shared Research

URL
Takasago International Corporation | Shared Research

Together for Sustainability (TfS)

TfS Participation and Future Initiatives

- Participation in the international ESG initiative for the chemical industry, Together for Sustainability (TfS)
- Scope 3 emissions initiatives
- Enhancing responsiveness to ESG requirements from customers

TOGETHER FOR SUSTAINABILITY

URL
Home - TFS Initiative

The Ranjatai Fragrance Recreation Project

Ranjatai

- Challenge to recreate the fragrance of “Ranjatai,” one of Japan’s most iconic aromatic woods
- Conducted fragrance analysis of “Ranjatai” at our laboratories at the request of the Shosoin Office of the Imperial Household Agency
- Recreated the fragrance of “Ranjatai” based on the analytical results by our perfumers
- Exhibited at the Shosoin Exhibition “THE SHOW”

➡ An example of value creation leveraging our technological capabilities

Going forward, we will continue to advance our business under our corporate philosophy:
“**Our mission is to create new value through innovation rooted in *kaori*** ”
(*kaori*: aroma in Japanese)

URL
https://shosoin-the-show.jp

Move Forward

Thank you for your kind attention

※Disclaimer:

This presentation material is only to provide information regarding the business contents, strategies, and performance of our corporate group as of May 25th 2026 and not the solicitation of investment on securities issued by the company. The opinions and forecasts contained in this presentation are based on the judgment of our company as of the time of its preparation. We do not guarantee or assure the accuracy or completeness of the information. In addition, the information may be revised without notice.

VI. Appendix

Corporate Philosophy, Corporate Mission and Vision 2040

Corporate Philosophy

Contributing to Society through Technology

Corporate Mission

Our mission is to
create new value through innovation rooted in kaori

(*kaori:* aroma in Japanese)

Vision 2040

Care for People, Respect the Environment

Our vision is to be:

1. **proud of our culture of respect, diversity and inclusion**
2. **in harmony with nature, enriching and bringing well-being to daily life**
3. **full of hope and ambition, confidently taking on new challenges**
4. **eager to keep innovating, remaining an indispensable company**

NGP-2 Strategy

Vision 2040

NGP-2

basic policy	Overseas Growth	Improved profitability in Japan	Sustainable Management
Key Success Factors	• Business Axis Growth Strategies • Developing new customers • Expansion of Gross Profit • Overseas Supply Chain Optimization • Creation of competitive technology through advanced science	• Gross profit optimization • Cost structure reform • Exploring New Fields • Flavors and Fragrances Pursuit of product production efficiency • Restructuring of Synthetic Business Production System • Domestic Supply Chain Optimization • Creation of competitive technologies through advanced science	• Execution of Sustainability 2030 • Strengthening Corporate Foundation • Maximize the value of human capital • Improvement of business execution • Develop products with an awareness of their contribution to the SDGs

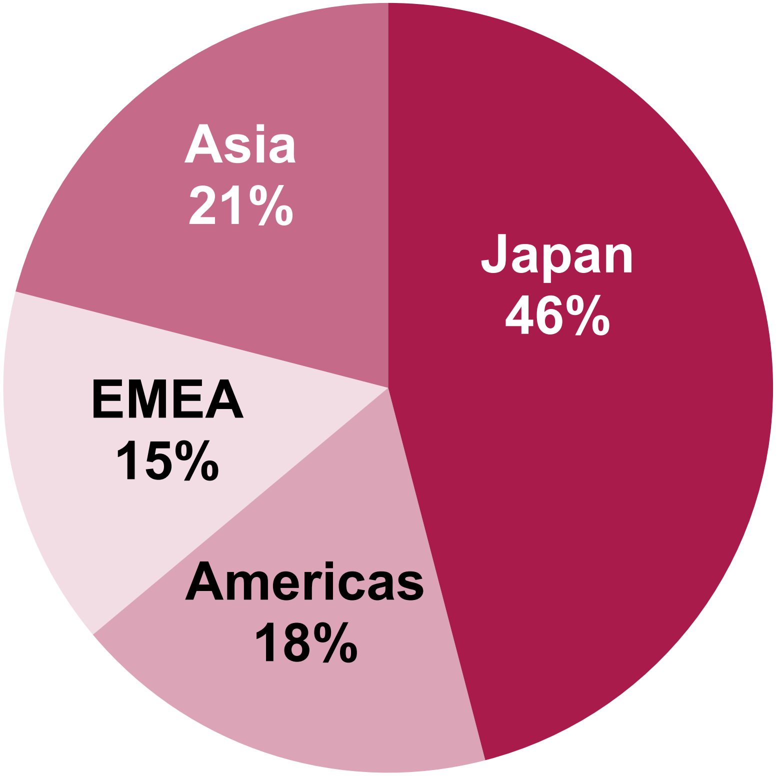
Characteristics of our businesses

	Flavor	Fragrance	Aroma Ingredients	Fine Chemicals
Product application	beverages, confections, soup, dessert, other foods overall	detergents/fabric softeners, cosmetics, air fresheners, etc.	aroma ingredients (flavors, fragrances)	pharmaceutical intermediates, functional materials, catalysts, agricultural chemical intermediates
Main customers	food product manufacturers	daily necessities manufacturers and cosmetics manufacturers	F&F companies and In-house use	pharmaceutical manufacturers electrical machinery and electronics manufacturers
Competitors	F&F companies (same industry), etc.	F&F companies (same industry), etc.	F&F/chemical manufacturers, natural product markets (menthol)	chemical manufacturers, etc.

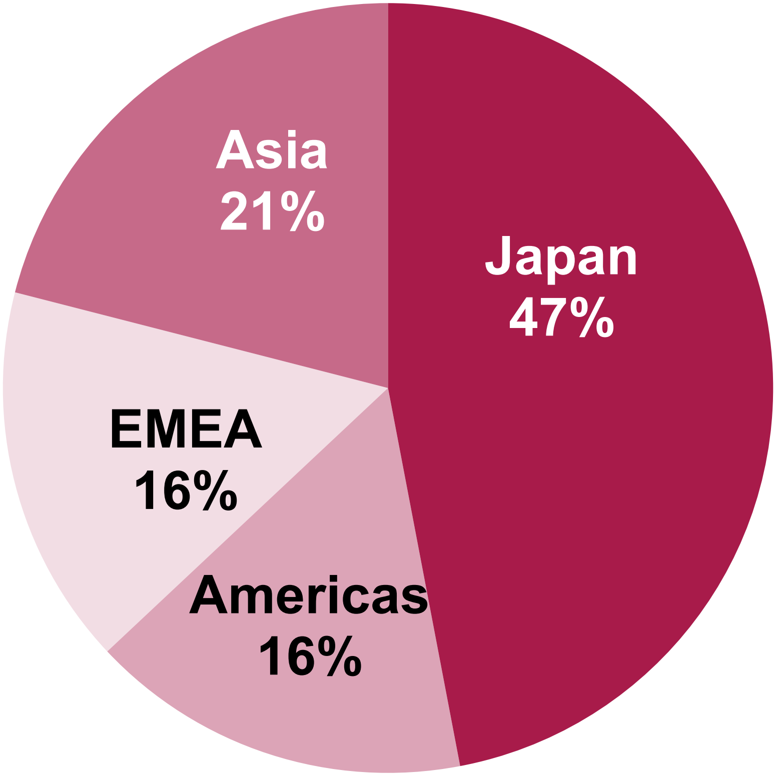
Growth of four businesses

Business	Plan and measures
Flavor 	• Acquire new customers and expand business in emerging countries through business strategies and capital and research investments. • Improve profitability through product portfolio optimization. • Strengthen competitiveness through development of materials/products that meet the needs of each region and global collaboration.
Fragrance 	• Focus on personal care through intra-group collaboration in human/technical resources and investment in facilities and research. Expand business in emerging countries such as Southeast Asia, Latin America, and India. • Strengthen management capabilities in raw material costs and manufacturing costs. • Strengthen business foundation (human resources, R&D, Consumer Insights & Market Research)
Aroma Ingredients 	• Expansion of existing business in new areas such as the agro-industrial sector and in emerging countries. • Improve profitability by expanding value-added specialty products. • Develop new environmentally friendly products with consideration for biodegradability and biobased values, etc.
Fine Chemicals 	• Expansion of the Pharmaceutical Intermediates Category. • Enhancement of product supply capacity through operation of new plant facilities. • Improve competitiveness by deepening catalyst technology and continuous flow technology.

Flavor Business Net sales by region

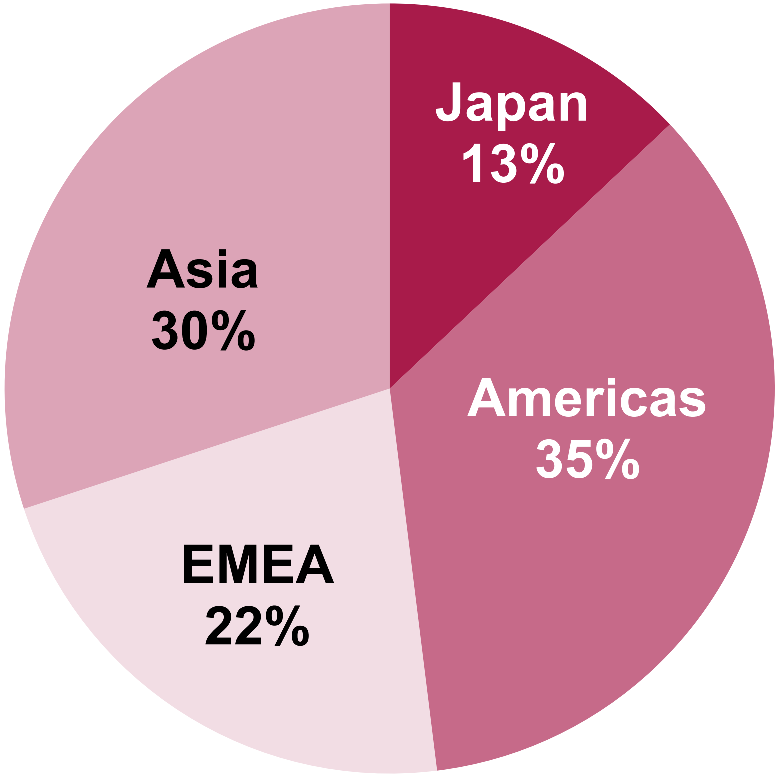


FY2024

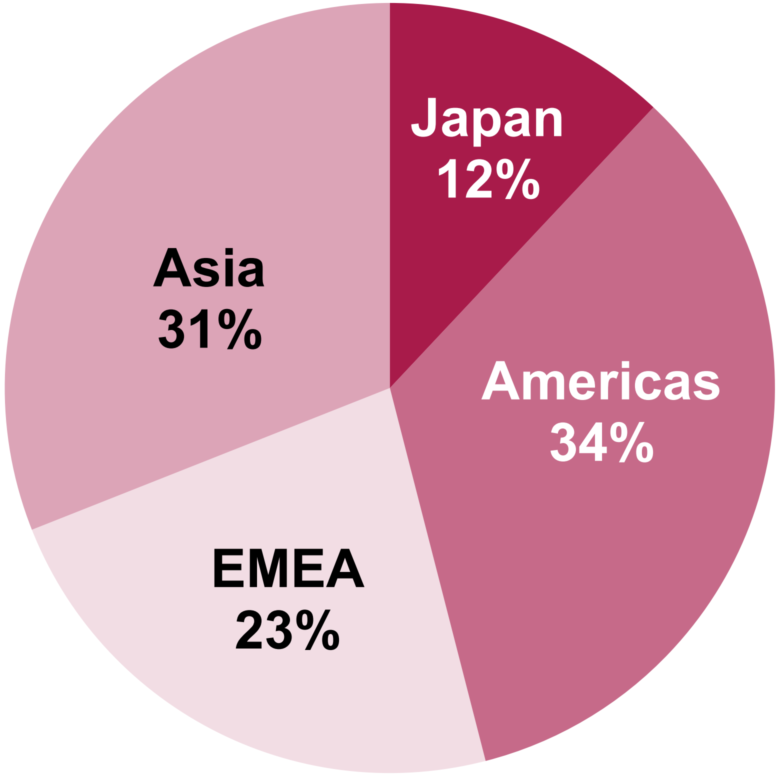


FY2025

Fragrance Business Net sales by region

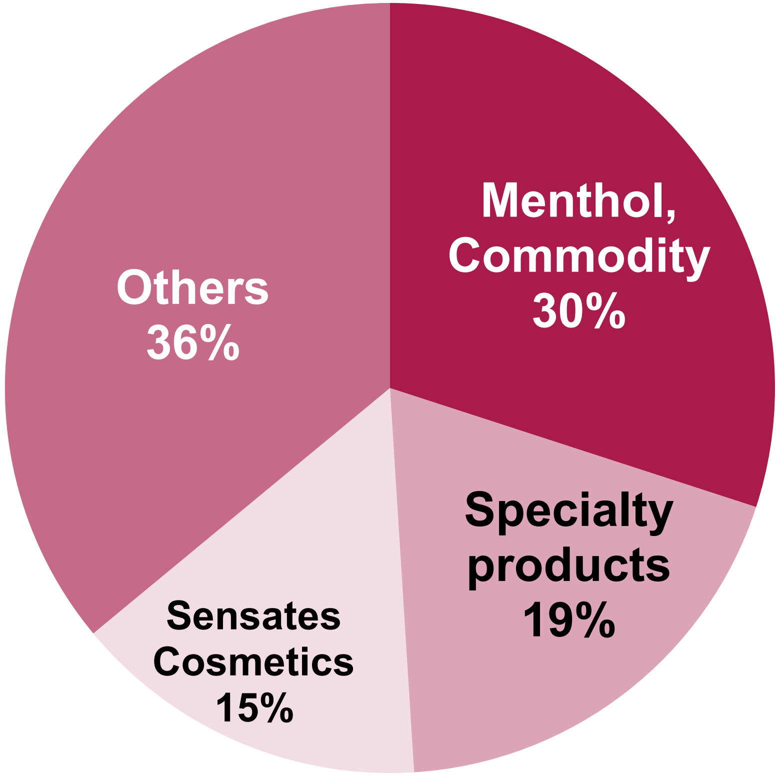


FY2024

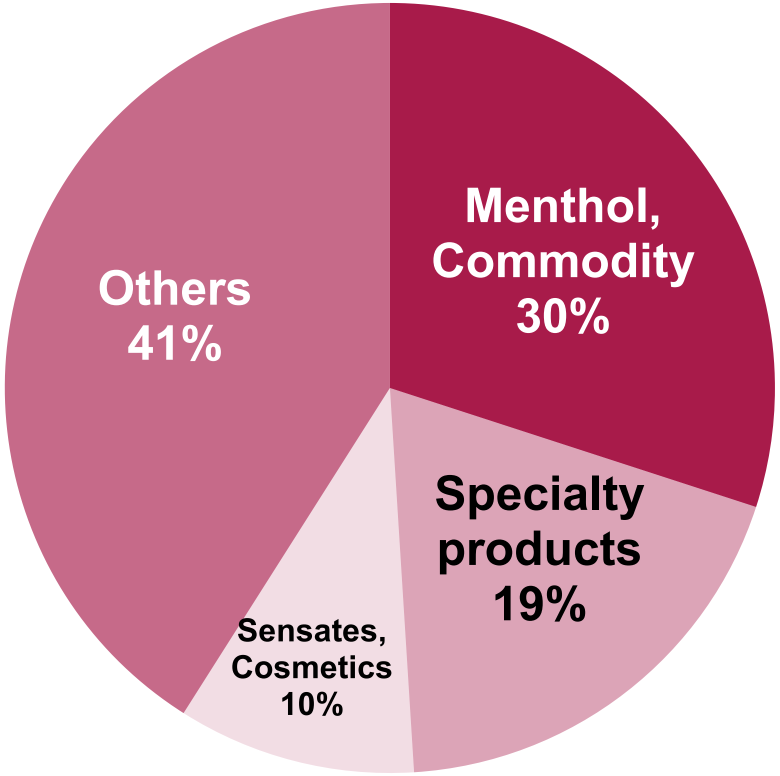


FY2025

Aroma Ingredients Business Net sales by category

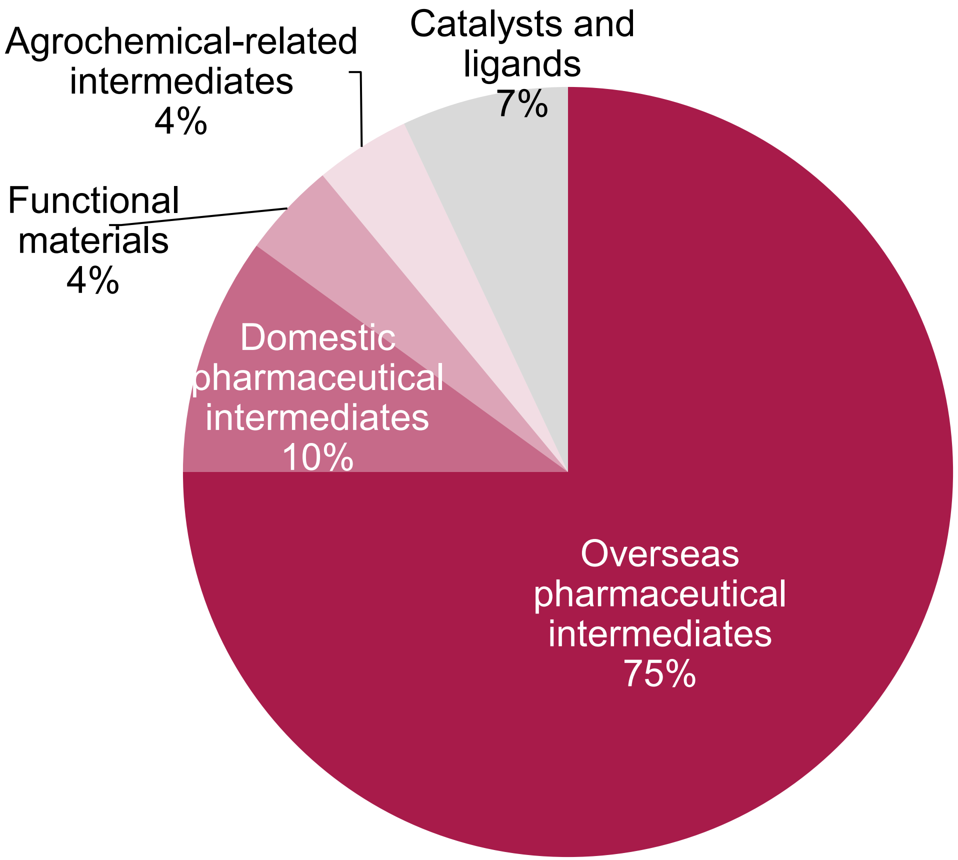


FY2024

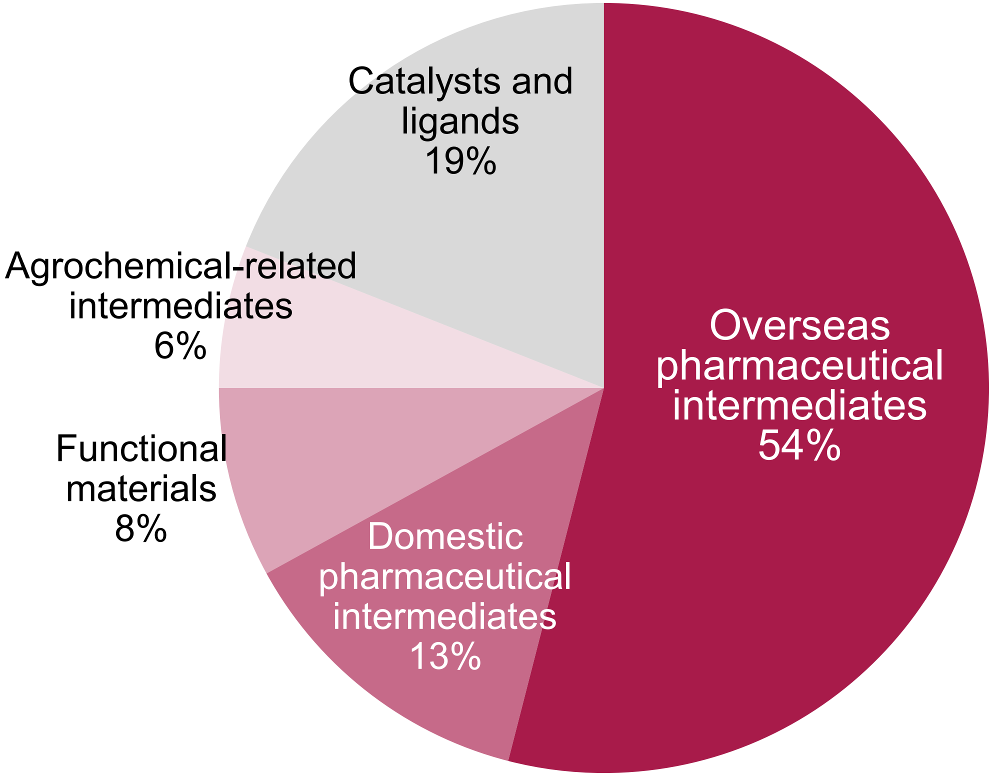


FY2025

Fine Chemicals Business Net sales by category



FY2024



FY2025