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DyDo

FY2021 (Year Ending January 20, 2022)
1st Quarter Financial Highlights

DyDo Group Holdings, Inc.

(1st Section of the Tokyo Stock Exchange: 2590)

May 26, 2021

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In this document, figures less than one million yen have been rounded down therefore the total amount may differ from the breakdown, and the figures including component ratio have been rounded to the first decimal point.
The plans, future projections and strategies for the DyDo Group stated in this document, with the exception of past or current facts, are projections of our future performance, and are based on the judgment and postulations of our management team based on the information available at the time. Accordingly, the actual performance may differ greatly from these due to unforeseen factors, the economic situation and other risks. This document is not intended to solicit any investment. Please use your own judgment when making investment decisions.

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1. The DyDo Group's Growth Strategy Dealing with Environmental Changes Caused by the COVID-19 Pandemic

The DyDo Group's purpose for existing

- Offering delicious products for sound mind and body

DyDo Group Corporate Philosophy

Creating happiness and prosperity, together with people and with society. To achieve this goal, the DyDo Group will continue to embrace new challenges in a dynamic way.

DyDo Group Corporate Vision

Together with our customers.

With our high-quality products, we will offer our customers excitement and enhanced wellness, with distinctive delicious flavors that only DyDo can.

Together with society.

Bringing together all DyDo's resources in the entire Group's product development and corporate activities, we will help build a rich and vibrant society.

Together with the next generation.

We will create a "DyDo Standard" for the next generation that transcends national borders and conventional frameworks.

Together with our people.

We will tirelessly embrace the "DyDo Challenge" of bringing happiness to all whose lives are touched by the DyDo Group.

DyDo Group Slogan

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Offering delicious products
for sound mind and body

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Group Mission 2030

For DyDo Group to create enjoyable, healthy lifestyles for people around the world

Together with our customers.



Nurturing our customers' health

We will deliver products and services that help improve health and quality of life for our customers around the world, in a tireless quest for delicious taste.

Together with society.



Taking the lead in social reform

We will take the lead in social reform, going beyond conventional wisdom to adopt new perspectives for achieving a sustainable society.

Together with the next generation.



Creating new value for future generations

We will take advantage of innovative technologies, bringing surprise and delight to all of our stakeholders.

Together with our people.



Connecting people to people

We will seek out new ways to form mutually beneficial relationships with stakeholders, both old and new, within and outside the company, working flexibly with them and respecting the diversity of their values and abilities.

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Environmental Changes Caused by the COVID-19 Pandemic and the Group's Status

- We continue to treat major changes in society as opportunities for growth and to embrace associated challenges
  - Changes in the social environment caused by the pandemic as they relate to the four areas set forth in the Group Mission 2030



Nurturing our customers' health

→ **Changes in awareness surrounding health, prevention, and hygiene**



Taking the lead in social reform

→ **Increased awareness of the need to protect the environment**



Creating new value for future generations

→ **Rapid progression of the digital transformation (DX)**



Connecting people to people

→ **Diversification of values with regard to workstyles**

Treating change as an opportunity and acting rapidly based on flexible thinking

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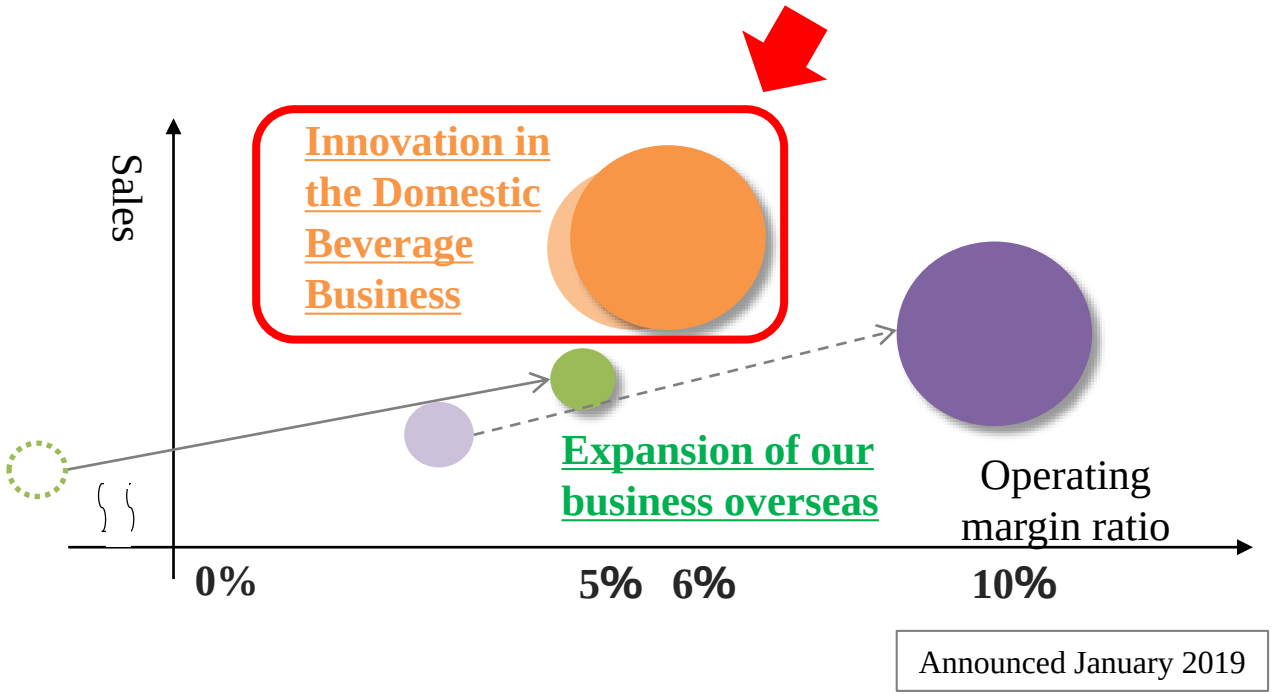
FY2021 priority issues

- The basic policies outlined in the Group Mission 2030 remain unchanged
- FY2021 is a year of execution as we draw on past preparations and the clarity provided by initiatives conducted to date
- We restore our ability to generate cash flows in the vending machine business as our core business.



FY2021 priority issues

1. **Strengthening and expanding our vending machine network**
2. **Rolling out smart operations companywide**

Increasing corporate value by pursing DX

- Improving profitability
- Improving employee experience (EX)

*Figure intended as a general illustration.
The size of each circle represents operating income, with FY2018 and FY2030 indicated by light and dark colors, respectively.

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2. FY2021(Year Ending January 20, 2022) 1st Quarter Financial Highlights

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Principal Impacts and Future Measures

- Although we expect an economic activity to be normalized due to vaccinations in each country, it remains unclear when it is realized and the covid-19 may continue to have an impact on our future performance

	Anticipated Future Impacts	Future Measures
Domestic Beverage Business	• Sales in the beverage industry in the first quarter fell due mainly to a state of emergency in January 2021. Although the sales from the second quarter onwards may increase after the steep sales decline in previous year, the effects of repeated state of emergency on the sales are expected • The advent of telework and a transformation in consumer behavior are likely to bring significant changes to the vending machine market	• In addition to working to strengthen development of our vending machine fleet, we will strive to establish a sustainable vending machine business model that can accommodate market changes in a flexible manner by building a smart operation structure
International Beverage Business	• The COVID-19 pandemic surged again from the end of previous year (the second wave), prompting a change in purchasing behavior due to the restrictions on activities in the first quarter in Turkish Beverage Business. The lira weakness had an impact on the cost price, and domestic distribution costs soared • Economic depression is expected to be prolonged due to a strong lockdown from the end of April against the third wave of COVID-19	• We aim to secure profits through sales promotion of “Saka” which shows an increase in demand for goods to be consumed at home as well as cost reduction in Turkish Beverage Business • We will work to rebuild our overseas business strategy with the goal of transitioning the entire International Beverage Business segment to a profitable footing in the short term
Pharmaceutical -related Business	• Customer companies’ sales of a pharmaceutical and healthy drink are trending down. We expect the lower order volume will continue until the second half of the year	• We will work to put in place internal structures to facilitate efficient production with two sites and four plants, in addition to focusing efforts on receiving new orders including pouch package
Food Business	• Sales in the desert market including jelly fell because “how to enjoy fruits” became diversified. Sales to convenience stores may continue to decline due to a change in consumers' purchasing behavior	• We will work to further strengthen profitability by continuing to develop products that accommodate lifestyle changes and to pursue initiatives to improve productivity

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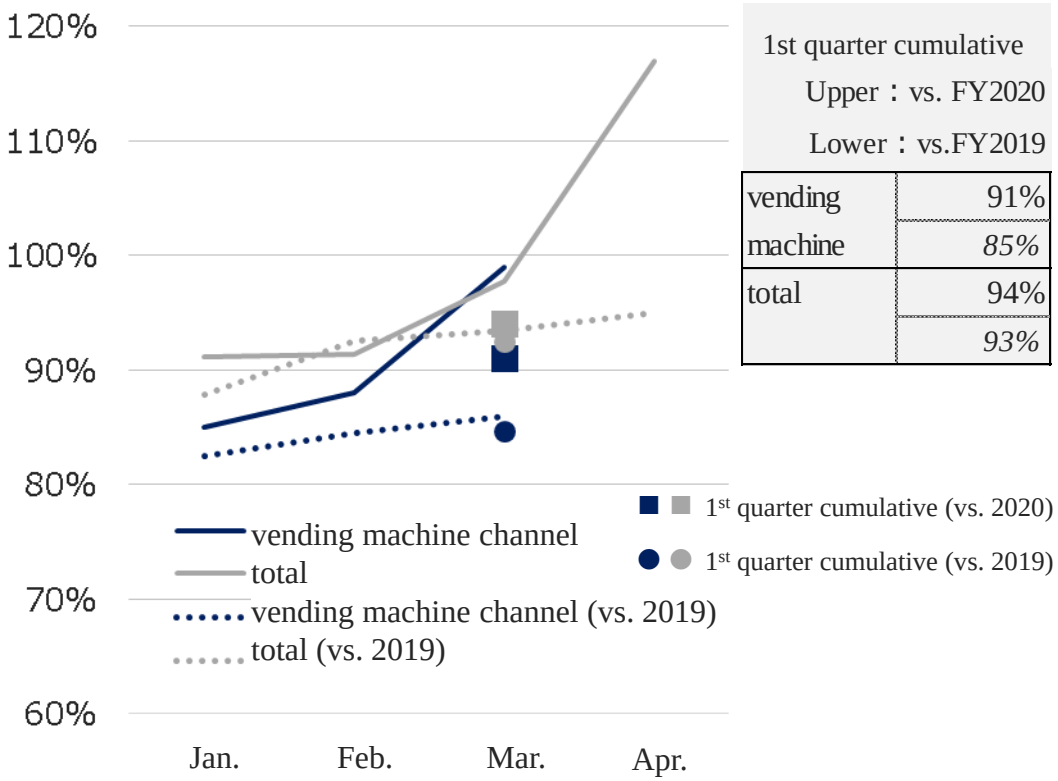
Trends in Domestic Beverage Market

- The market has not recovered enough due to the Japanese government's declaration of a state of emergency in January and April 2021

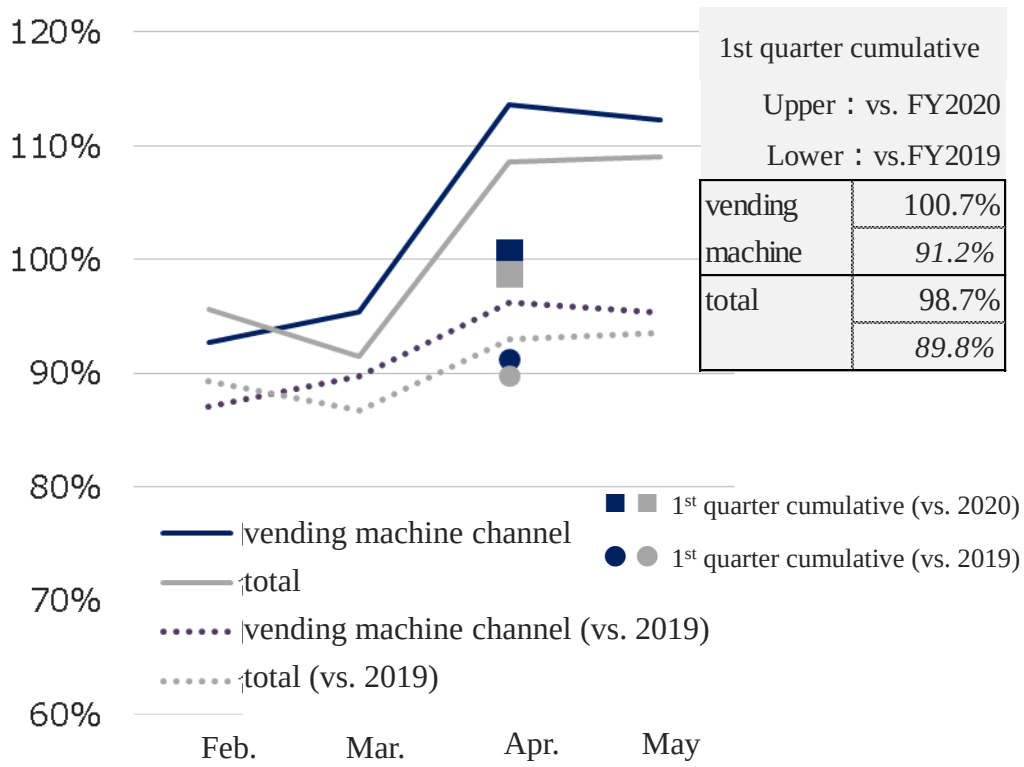
- Monthly sales in the beverage industry (vs.2020/vs.2019)



1st quarter cumulative	
Upper：vs. FY2020	
Lower：vs.FY2019	
vending machine	91%
	85%
total	94%
	93%

Source: Food Marketing Research Center

- Our monthly sales (vs.2020/vs.2019)



1st quarter cumulative	
Upper：vs. FY2020	
Lower：vs.FY2019	
vending machine	100.7%
	91.2%
total	98.7%
	89.8%

Monthly accounting period: 21st of previous month to 20th of current month
(For example, the April accounting period runs from March 21 to April 20.)

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Overview of Consolidated Financial Results for FY2021 1st Quarter

- Consolidated sales during the first quarter totaled 36,150 million yen (down 3.4% year on year)
- We secured the sales increase in Domestic Beverage Business despite a state of emergency (up 1.0% year on year)
- Sale in the vending machine channel exceeded last year's performance (up 1.9% year on year)

page.17

millions of yen

	1st quarter（Jan.21-Apr.20）						Full year					
	FY2020		FY2021				FY2020		FY2021 (outlook)			
		Component ratio		Component ratio	% (YoY)	Amount (YoY)		Component ratio		Component ratio	% (YoY)	Amount (YoY)
Net sales	37,413	100.0%	36,150	100.0%	(3.4%)	(1,263)	158,227	100.0%	164,500	100.0%	4.0%	6,272
Operating profit	741	2.0%	426	1.2%	(42.5%)	(315)	5,602	3.5%	4,200	2.6%	(25.0%)	(1,402)
Ordinary profit	559	1.5%	400	1.1%	(28.4%)	(158)	5,727	3.6%	4,300	2.6%	(24.9%)	(1,427)
Profit attributable to owners of parent	(38)	(0.1%)	229	0.6%	—	268	3,204	2.0%	2,600	1.6%	(18.9%)	(604)
EPS	(2.36yen)		14.72yen			17.08yen	201.31yen		166.46yen			(34.86yen)

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FY2020 1st Quarter Consolidated Earnings (by Segment)

- Operating profit in International Beverage Business, Pharmaceutical-Related Business and Food Business decreased year on year

millions of yen

	1st quarter（Jan.21-Apr.20）				Full year			
	FY2020	FY2021	% (YoY)	Amount (YoY)	FY2020 results	FY2021(outlook)	% (YoY)	Amount (YoY)
Domestic Beverage Business	26,662	26,923	1.0%	261	115,536	122,400	5.9%	6,863
International Beverage Business	3,551	2,366	(33.4%)	(1,184)	12,191	10,400	(14.7%)	(1,791)
Pharmaceutical-Related Business	2,900	2,693	(7.1%)	(206)	10,324	11,400	10.4%	1,075
Food Business	4,497	4,293	(4.5%)	(204)	20,900	20,900	(0.0%)	(0)
Other	—	—	—	—	—	—	—	—
Adjustment	(197)	(126)	—	70	(725)	(600)	—	125
Total net sales	37,413	36,150	(3.4%)	(1,263)	158,227	164,500	4.0%	6,272
Domestic Beverage Business	870	707	(18.8%)	(163)	7,110	7,150	0.6%	39
International Beverage Business	62	(30)	—	(92)	(175)	350	—	525
Pharmaceutical-Related Business	(8)	17	—	26	(425)	(450)	—	(24)
Food Business	199	143	(28.1%)	(55)	946	550	(41.9%)	(396)
Other	(39)	(44)	—	(5)	(317)	(1,050)	—	(732)
Adjustment	(343)	(367)	—	(23)	(1,536)	(2,350)	—	(813)
Total operating profit	741	426	(42.5%)	(315)	5,602	4,200	(25.0%)	(1,402)

*"Other" represents the orphan drug business, which is not included in the reported segments

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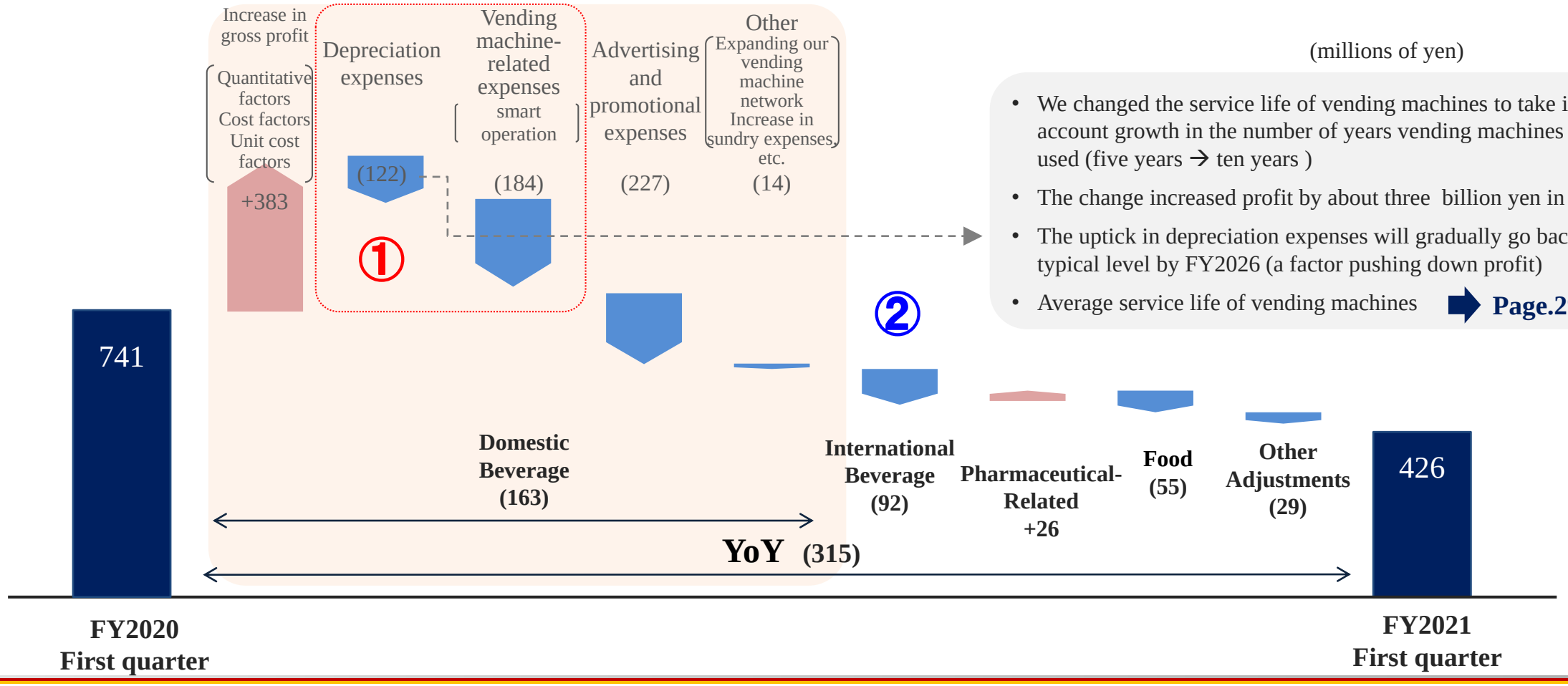
Factors Contributing to Changes in Operating Profit in FY2020 1st Quarter

- An increase in vending machine-related expenses for rolling out smart operations companywide and in depreciation expenses due to a change in the useful life span of vending machines were principal reasons for the profit decrease in the Domestic Beverage Business ①
- A decrease in the sales of Turkish Beverage Business and soaring distribution costs impacted on the first quarter performance in the International Beverage Business ②



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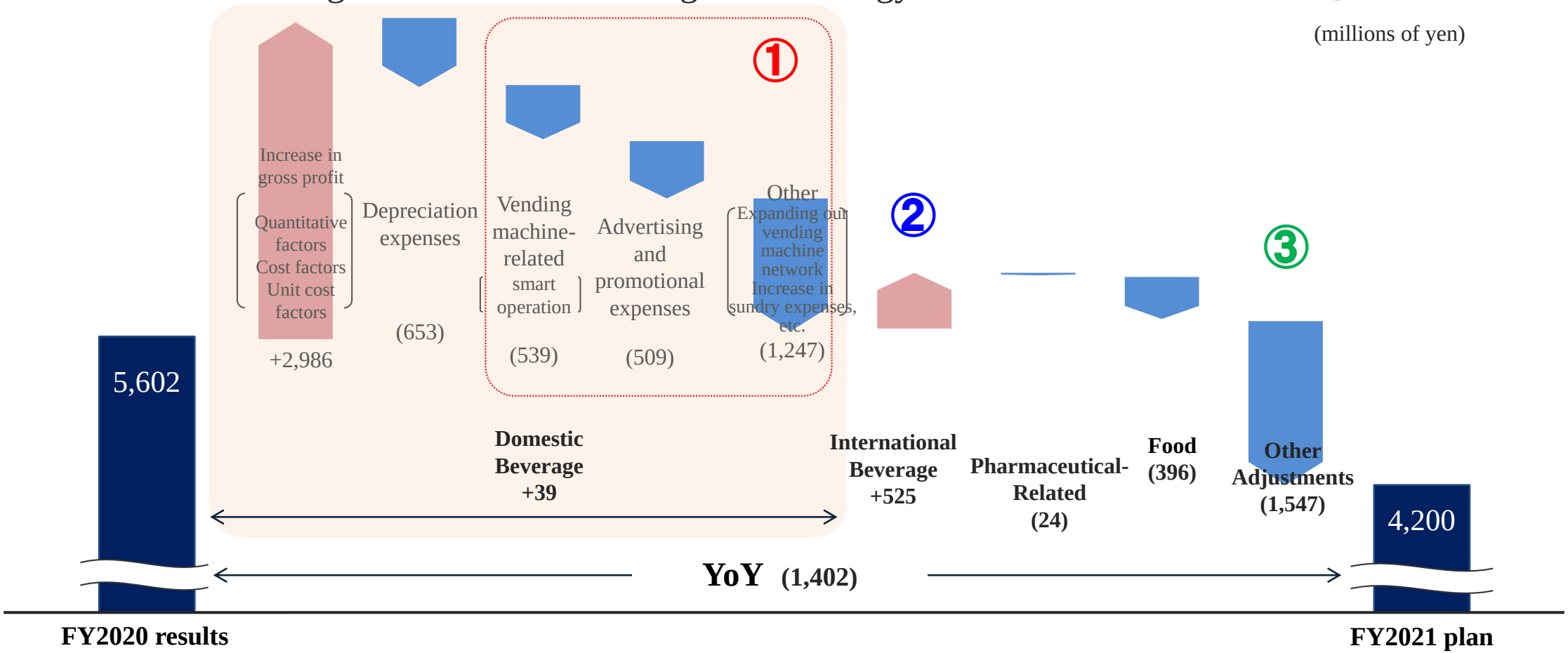
【Reference】FY2020 Factors Contributing to Changes in Operating Profit (versus Previous Year)

- The expenses for expanding our vending machine network and establishing smart operation increased in the Domestic Beverage Business ①
- We achieved profitability in the International Beverage Business through the withdrawal from the Malaysian business and improved profits in the Chinese business ②
- We earmarked a budget associated with our growth strategy in the Healthcare domain ③

(millions of yen)



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Financial Position: Principal Changes in the Consolidated Balance Sheet

- An increase in Interest-bearing debt is due to the financing from bank borrowing for the vending machine investments
- An increase in Accounts receivable, Inventories and Accounts payable are seasonal factors

(Millions of yen)

Financial assets*1	70,415	Interest-bearing debt*2	36,949
		Accounts payable	16,174
		Other	21,860
Accounts receivable	16,010	Net assets	82,609
Inventories	8,103		
Property, plant and equipment Intangible assets	51,093		
Other	11,970		
Total assets	157,594	**Total liabilities and net assets**	157,594

January 20, 2021

(Millions of yen)
Change from previous year shown underneath each figure

Financial assets*1	71,689 *1,274*	Interest-bearing debt*2	39,311 *2,361*
		Accounts payable	18,186 *2,011*
		Other	22,198 *338*
Accounts receivable	18,399 *2,389*	Net assets	83,828 *1,218*
Inventories	9,537 *1,433*		
Property, plant and equipment Intangible assets	51,699 *605*		
Other	12,198 *227*		
Total assets	**163,525** *5,930*	**Total liabilities and net assets**	**163,525** *5,930*

April 20, 2021

*1: Cash and deposits, securities, investment securities (excluding shares of subsidiaries), and long-term deposits
*2: Short- and long-term loans payable, short- and long-term lease liabilities and obligations, bonds payable, and long-term guaranty deposits

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3. Overview by Segment for FY2021 (Year Ending January 2022) 1st Quarter

Domestic Beverage Business
Overview by Segment

Sales volume increased in the vending machine channel and profits grew in the Domestic Beverage Business

(millions of yen)

	1st quarter						Full year					
	FY2020		FY2021				FY2020		FY2021 (outlook)			
		Component ratio		Component ratio	% (YoY)	Amount (YoY)		Component ratio		Component ratio	% (YoY)	Amount (YoY)
Net sales	26,662	—	**26,923**	—	1.0%	261	115,536	—	**122,400**	—	5.9%	6,863
Operating profit	870	3.3%	**707**	2.6%	(18.8%)	(163)	7,110	6.2%	**7,150**	5.8%	0.6%	39
Depreciation expenses	830		**952**		14.7%	122	3,548		**4,200**		18.4%	651

(Accounting period under review: January 21 to April 20)

- ✓ Sales volume in the vending machine channel exceeded the previous year against the backdrop of the increased number of vending machine
- ✓ Supplement mail-order sales continued to grow at a high rate ➡ **page.19**
- ✓ Gross profit improved due to a rising average sales price and cost reduction in addition to sales increase effects
- ✓ An increase of depreciation and advertising expenses, and expenses for rolling out smart operations companywide resulted in decreased profits
- ✓ The number of our vending machines is on the rise continuously ➡ **page.18**
- ✓ Rolling out smart operations is going according to plan

● Sales by channel

millions of yen / 1,000 cases

		FY2020	FY2021		
				% (YoY)	Amount (YoY)
Net Sales	Vending machine channel	21,358	**21,770**	1.9%	411
	Other	5,303	**5,152**	(2.8%)	(150)
	Total	26,662	**26,923**	1.0%	261
Sales Quantity	Vending machine channel	9,592	**9,666**	0.8%	73
	Other	2,134	**1,875**	(12.1%)	(259)
	Total	11,727	**11,542**	(1.6%)	(185)

* Other：Distribution channel, Mail-order channel, and International channel (an export of Japanese products to Asia etc.)

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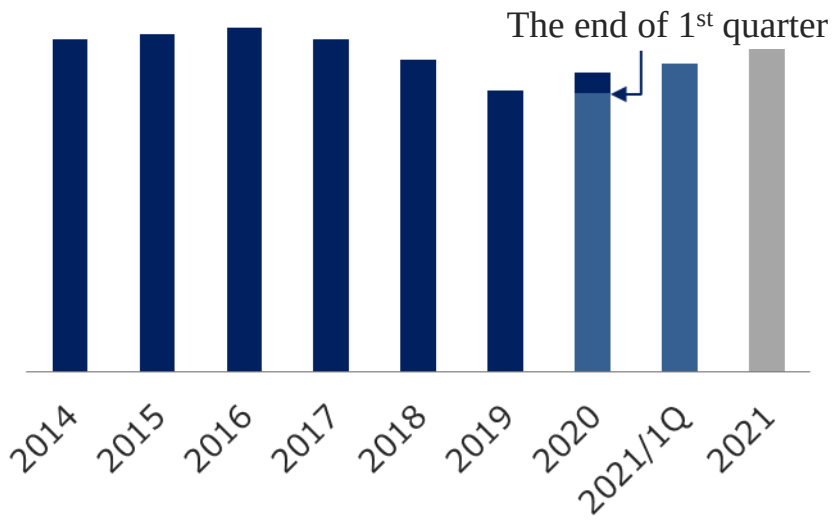
Domestic Beverage Business

Strengthening the Foundation of the Vending Machine Business to Facilitate a Recovery in Profitability

Strengthening and expanding our vending machine network

- ✓ Our vending machine fleet continued to increase thanks to the success of measure designed to keep vending machines from being removed from existing locations as part of an effort
- ✓ The number of vending machines fleet newly located also far exceeded the result of pervious year
- ✓ The inside sales team was gradually yielding results

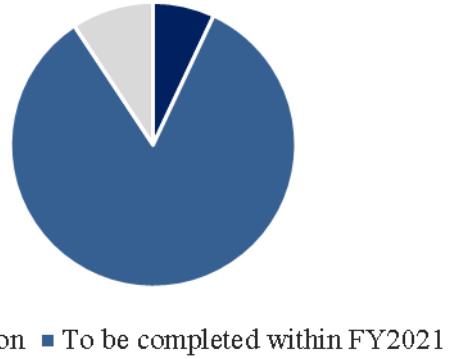
● The number of the DyDo Group's vending machines (illustration)



Rolling out smart operations companywide

- ✓ We assigned the promotion personnel who are in charge of each sales department and conducted training in preparation for rolling out companywide in June
- ✓ We aim to complete rolling out smart operations companywide in the area of direct sales (operated by DyDo Beverage Service) by April 2022
- ✓ We will improve EX (employee experience) and provide the value with our customers and location owners of vending machines

● Status of transition to smart operations (the ratio of sales offices the smart operation system has been introduced)



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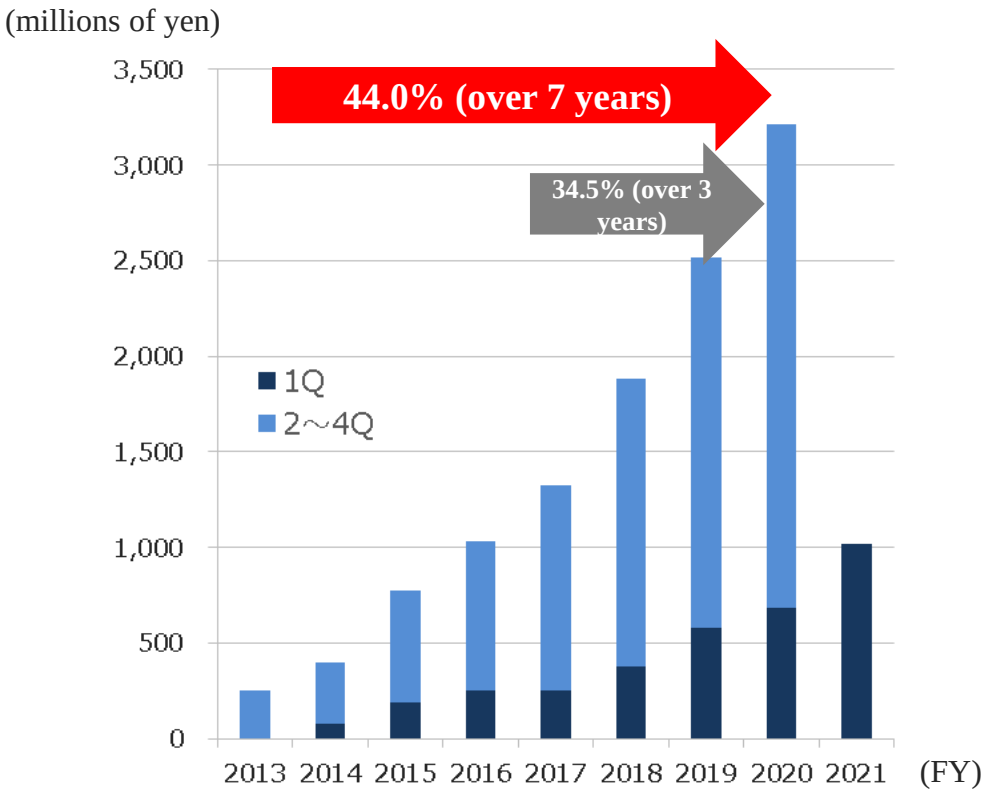
Domestic Beverage Business

Progress in the Mail-order Business

- There has been steady growth in the supplement home shopping sales channel
  - ✓ The number of regular customers has steadily increased, and growth continues in both sales and profit
  - ✓ We have enhanced measures that target new customers and ensure that they become regulars

● Mail-order sales channel sales and CAGR (full-year)



● The flagship channel product, “Locomo Pro,” is driving the growth of the customer base



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Overview by Segment

- The COVID-19 pandemic had an effect on our performance during the first quarter and there is a concern about the impact of lockdown in Turkey from the end of April 2021

millions of yen

	1st quarter						Full year					
	FY2020		FY2021				FY2020		FY2021 (outlook)			
		Component ratio		Component ratio	% (YoY)	Amount (YoY)		Component ratio		Component ratio	% (YoY)	Amount (YoY)
Net sales	3,551	–	**2,366**	–	(33.4%)	(1,184)	12,191	–	**10,400**	–	(14.7%)	(1,791)
Operating profit	110	3.1%	**7**	0.3%	(92.8%)	(102)	(9)	(0.1%)	**470**	4.5%	–	479
Amortization of goodwill, etc.	47	1.3%	**38**	1.6%	(20.0%)	(9)	165	1.4%	**120**	1.2%	(27.5%)	(45)
Operating profit after subtracting amortization of goodwill, etc.	62	1.8%	**(30)**	(1.3%)	–	(92)	(175)	(1.4%)	**350**	3.4%	–	525
JPY per TRY	17.48yen		**13.98yen**		(3.50yen)		15.18yen		**11.00yen**		(4.18yen)	
JPY per CNY	15.61yen		**16.45yen**		0.84yen		15.45yen		**15.38yen**		(0.07yen)	

(Accounting period under review: January 1 to March 31)

- Turkish Beverage Business
  - ✓ The restrictions on activities against the backdrop of growing COVID-19 pandemic and write-downs in Japanese yen accounts due to exchange rate fluctuations caused a decrease in sales and profits
  - ✓ Soaring distribution costs impacted on the profits
- Chinese Beverage Business
  - ✓ The sales increased. We started local manufacturing on track and worked to establish a new business model

- (Reference) Performance in Malaysian business in FY2020
  - ✓ We sold out the stock in previous year (October 2020)

millions of yen

	FY2020	
	First quarter	Full year*
Net sales	**374**	720
Operating profit	**(113)**	(448)
Malaysian ringgit	**25.98**	25.33

※consolidated until the 3rd quarter

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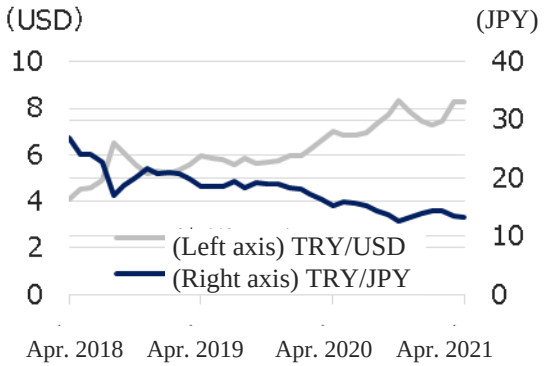
Overview of Performance in each country

Turkish Beverage Business

- ✓ We acquired the stock share of our joint venture partner and made the sales company into a wholly-owned subsidiary in March 2021
- ✓ The sales of mineral water, our main product, increased thanks to increasing consumption from staying at home and rising health consciousness
- ✓ Domestic distribution costs soared. The shipping business experienced sales opportunity losses due to a container shortage. This trend will continue until around fall
- ✓ The COVID-19 pandemic is surging and the stronger lockdown from the end of April onwards may have a negative impact on our 2nd quarter performance

● Value of Turkish lira in yen



● Local-currency-basis results (year-on-year change in sales)

		1st quarter	2nd quarter	3rd quarter	4th quarter	cumulative
FY2021	vs.2020	**(8%)**				(8%)
	vs.2019	**+10%**				+10%
	exchange rate	**13.98yen**				13.98yen
FY2020	vs.2019	+19%	(15%)	+2%	(12%)	(3%)
	exchange rate	17.48yen	16.55yen	15.81yen	15.18yen	15.18yen

Figures in lower rows cumulative exchange rate (yen value of 1 Turkish lira).

Chinese Beverage Business

- ✓ We started local manufacturing of roasted barley tea products in February 2021
- ✓ Shipment to shops including convenience stores went well and we continued to manufacture the products regularly
- ✓ We aim to achieve profitability by establishing the new business model of local manufacturing products





We began producing our products in a local Japanese plant

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Pharmaceutical-related Business

Overview by Segment

- The lower order volume of the current products under the pandemic continued to have a negative impact on our performance despite an increase of the new order of pouch products

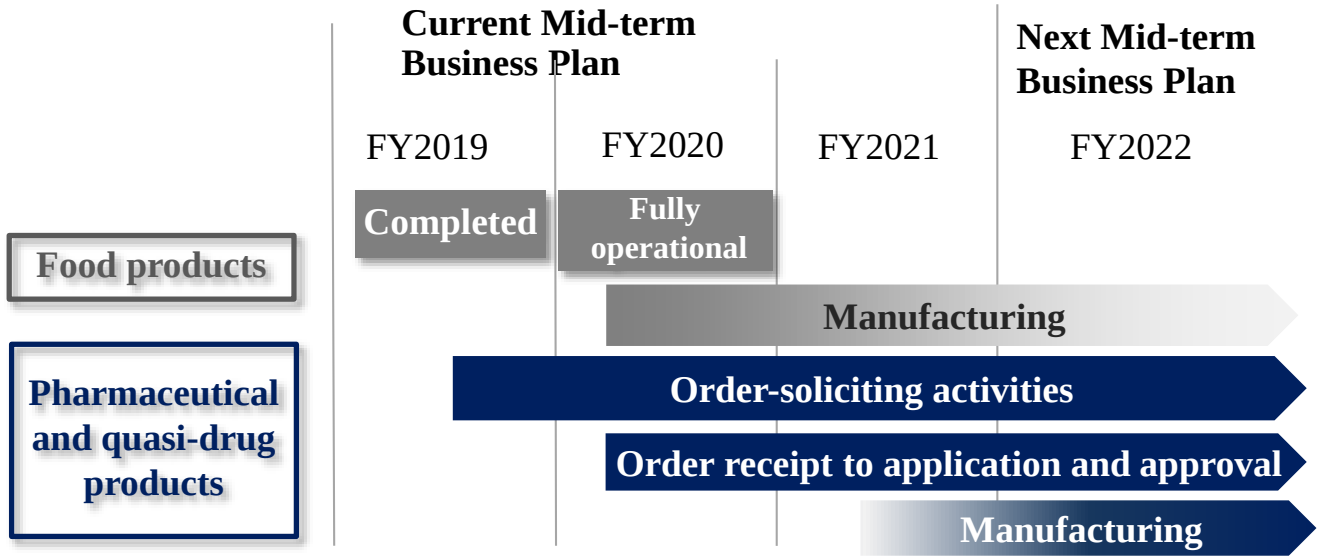
millions of yen

	1st quarter						Full year					
	FY2020		FY2021				FY2020		FY2021（outlook）			
		Component ratio		Component ratio	% (YoY)	Amount (YoY)		Component ratio		Component ratio	% (YoY)	Amount (YoY)
Net sales	2,900	–	**2,693**	–	(7.1%)	(206)	10,324	–	**11,400**	–	10.4%	1,075
Operating profit	(8)	(0.3%)	**17**	0.7%	–	26	(425)	(4.1%)	**(450)**	(3.9%)	–	(24)
Depreciation expenses	299		**296**		△1.1%	△3	1,122		**1,200**		6.9%	77

(Accounting period under review: January 21 to April 20)

- ✓ The order volume of export products continued to decline due to the COVID-19 Pandemic
- ✓ The office demand decrease and the third time state of emergency will continue to have a negative impact on our order volume of the current products until the second half of this year
- ✓ We started manufacture quasi-drug products in the pouch packaging line to expand the order volume continuously

● pouch packaging line manufacturing (illustration)



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Food Business
Overview by Segment

The sales volume decreased after a consumption hike in previous year. Our market share continued to increase

millions of yen

	1st quarter						Full year					
	FY2020		FY2021				FY2020	FY2021 (outlook)				
		Component ratio		Component ratio	% (YoY)	Amount (YoY)		Component ratio		Component ratio	% (YoY)	Amount (YoY)
Net sales	4,497	—	**4,293**	—	(4.5%)	(204)	20,900	—	**20,900**	—	(0.0%)	0
Operating profit	287	6.4%	**231**	5.4%	(19.5%)	(55)	1,298	6.2%	**902**	4.3%	(30.5%)	(396)
Amortization of goodwill, etc.	88	2.0%	**87**	2.0%	(0.1%)	0	352	1.7%	**352**	1.7%	0.1%	0
Operating profit after subtracting amortization of goodwill, etc.	199	4.4%	**143**	3.3%	(28.1%)	(55)	946	4.5%	**550**	2.6%	(41.9%)	(396)

(Accounting period under review: January 1 to March 31)

- ✓ Sales to convenience stores and volume retailers declined after a stay-at-home consumption hike in March 2020
- ✓ Consumptions of home-made sweets and online-order gourmet increased due to the expansion of “stay home”. The competition outside of the market occurred such as selling areas for home-made sweets in convenience stores and volume retailers
  - → This trend will remain unchanged. We will develop healthy dessert products for the new lifestyles
- ✓ Although the decreased number of commuters (to work/ school) continued to have a negative impact on the pouch market, sales of dessert type pouch products showed a trend of recovery due to rising health consciousness, compared with energy type products







We focus on the development of the dessert type products and the products which copes with health consciousness

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Seasonal Fluctuations by Segment

- Each segment showed strong seasonal fluctuations in normal times (2nd and 3rd quarter)

millions of yen

		Net sales/net sales by segment					Operating profit (loss)/segment profit (loss)*				
		1Q	2Q	3Q	4Q	total	1Q	2Q	3Q	4Q	total
Consolidated	FY2020	37,413	40,359	44,577	35,875	158,227	741	2,034	3,601	(775)	5,602
		23.6%	***25.5%***	***28.2%***	***22.7%***	***100.0%***	***13.2%***	***36.3%***	***64.3%***	—	***100.0%***
	FY2021	36,150	—	—	—	—	426	—	—	—	—
Domestic Beverage	FY2020	26,662	28,160	32,111	28,601	115,536	870	1,922	3,358	957	7,110
		23.1%	***24.4%***	***27.8%***	***24.8%***	***100.0%***	***12.2%***	***27.0%***	***47.2%***	***13.5%***	***100.0%***
	FY2021	26,923	—	—	—	—	707	—	—	—	—
International Beverage	FY2020	3,551	3,218	3,618	1,803	12,191	110	(61)	140	(198)	(9)
		29.1%	***26.4%***	***29.7%***	***14.8%***	***100.0%***	—	—	—	—	***100.0%***
	FY2021	2,366	—	—	—	—	7	—	—	—	—
Pharmaceutical -Related		2,900	2,509	2,763	2,151	10,324	(8)	(55)	(139)	(222)	(425)
	FY2021	***28.1%***	***24.3%***	***26.8%***	***20.8%***	***100.0%***	—	—	—	—	***100.0%***
	FY2020	2,693	—	—	—	—	17	—	—	—	—
Food	FY2021	4,497	6,687	6,249	3,465	20,900	287	746	695	(431)	1,298
	FY2020	***21.5%***	***32.0%***	***29.9%***	***16.6%***	***100.0%***	***22.1%***	***57.5%***	***53.6%***	—	***100.0%***
		4,293	—	—	—	—	231	—	—	—	—
Other	FY2020	–	–	–	–	–	(39)	(35)	(38)	(202)	(317)
		–	–	–	–	–	—	—	—	—	***100.0%***
	FY2021	–	–	–	–	–	(44)	—	—	—	—

*Figures for the International Beverage Business and Food Business indicate segment profit before goodwill and other amortization.

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4. Initiatives for Increasing Corporate Value

Strengthening the corporate governance structure

- We named new president of DyDo DRINCO, Inc (Domestic Beverage Business) (dated April 15, 2021)
  - ✓ Tomiya Takamatsu, the president of DyDo Group Holdings, has concurrently served as the president of DyDo DRINCO, Inc. He will focus on the management of DyDo Group Holdings to strive for increasing medium- to long-term corporate value
  - ✓ The strategies and each measure in domestic beverage business will remain unchanged. We aim for mid-term business plan starting from 2022 under the new structure



Takanori Nakashima
President
DyDo DRINCO, Inc.

● Profile

Joined DyDo DRINCO, Inc.in 1988, and worked as a general manager of the Tokyo sales department, executive officer and deputy division director of the vending machine sales division
Appointed a director, executive officer and division director of the vending machine sales division in 2017

- We newly appointed an outside director from pharmaceutical industry at the 46th Annual Shareholders' Meeting (dated April 16, 2021)
  - ✓ We decided to appoint the person to strengthen the oversight function because DyDo Pharma concluded the first licensing agreement in January 2021



Michiaki Kurihara
Outside Director
DyDo Group Holdings, Inc.

● Profile

Joined Fujisawa Pharmaceutical Co., Ltd., (currently Astellas Pharma Inc.) in 1982, and worked as a Deputy Division Director of Sales Division, and a General Manager, Asia Business Planning, Corporate Strategy Division.
Joined Santen Pharmaceutical Co., Ltd. in 2009 and worked as a Director and Vice President, Santen Pharmaceutical Korea Co., Ltd.
Joined IMS Japan Co, Ltd., (currently IQVIA Solutions Japan K.K.) in 2013
Appointed a General Manager of Planning External Affairs Department (current position)

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The DyDo Group SDGs Declaration

- In January 2021, we announced the DyDo Group SDGs Declaration and redoubled our sustainability initiatives

DyDo Group SDGs Declaration

We believe in “Creating happiness and prosperity, together with people and with society” as the company’s philosophy. This Philosophy expresses the spirit of “striving to achieve happiness and prosperity together” that has been with us since our founding. This spirit is an accurate representation of our culture and applicable to SDGs principle “Leave no one behind”.

We have established the Group Mission 2030 to clarify our objectives for the year 2030 in line with our business policy, “For DyDo Group to create enjoyable, healthy lifestyles for people around the world.” Our mission is to contribute to SDGs through our business activities.

We will contribute to SDGs and realize the sustainable society in which people all over the world have their enjoyable and healthy lives for 2030.

Our website features a video on this subject.

https://www.dydo-ghd.co.jp/en/sustainability/sdgs/movie/



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Strengthening human resources (programs that allow our employees to pursue second jobs and accept employees of other companies in second jobs)

* This program covers some of our domestic companies

- Program to allow our employees to pursue second jobs (started in FY2020)

In other company



Acquisition of a variety of knowledge, skills, and values through an engagement in other company's business

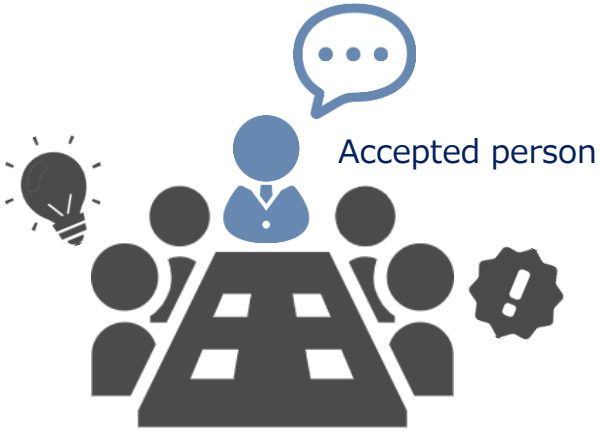
Within the company



Creation of a flexible idea and innovation

- Program to accept employees of other companies in second jobs (started in FY2021)

Within the company



Creation of an innovation connected to new businesses and services by cooperating with the person who we had no opportunity to work with in the past

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Environmental initiatives

- Priority goals about environment have been announced in November 2020

Priority goal

Empty-container collection rate

To achieve **100**% by 2030

Empty-container collection rate: collection implemented in collaboration with other companies is included
Calculation basis: weight of the relevant containers collected / weight of the relevant containers shipped
Relevant containers: plastic bottles, glass bottles, aluminum cans and steel cans

Priority goal

Our plastic containers sustainable*

We will make more than **60**% by 2030

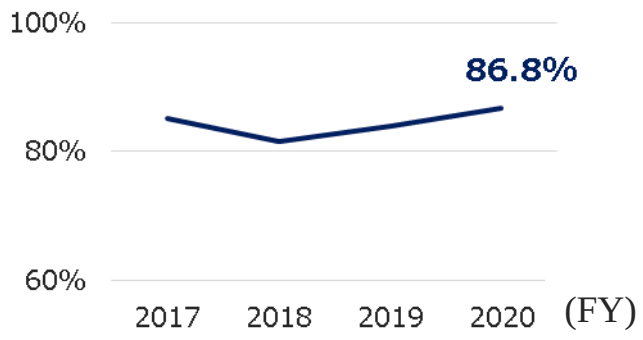
* plant-based or recycling based materials

Priority goal

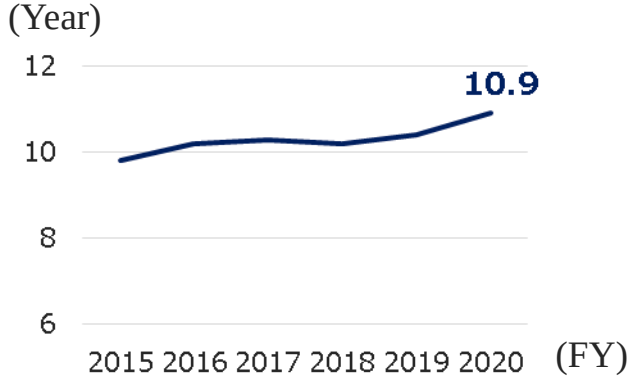
Service life extension of vending machines

To achieve an average service life of **15** years by 2030

- Empty-container collection rate



- Average service life of vending machines



- We're pursuing the "Everyone Love the Earth Project," an environmental initiative in the Domestic Beverage Business that serves as a framework for individual employee involvement



Voluntary activities by employees

Partnerships

Realization of a recycling-based society

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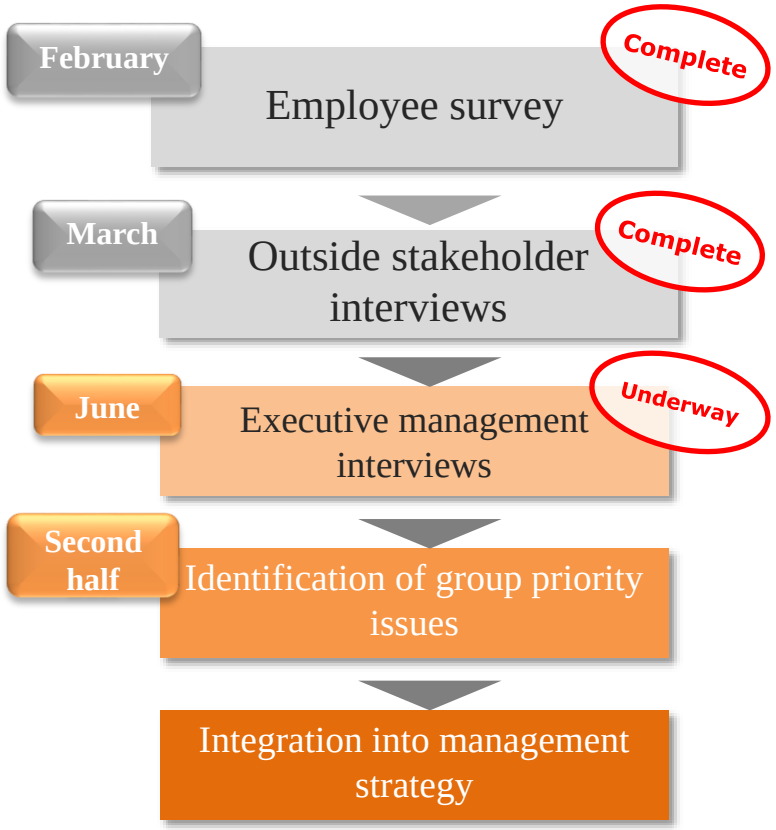
Incorporating Sustainability into Management

- We will identify sustainability as a priority issue (=materiality) for the DyDo Group during FY2021 and leverage it to address social issues through the Group Mission 2030

- Materiality identification process



- ✓ We will survey all employees concerning the SDGs toward which the Group should contribute and topics that should be addressed
- ✓ We will interview customers and experts individually about which SDGs and topics they expect to see the Group address
- ✓ Based on the results of the employee survey and outside stakeholder interviews, we will interview members of executive management individually about the SDGs and topics on which the Group should focus
- ✓ Based on the results of analyzing the findings, we will prioritize issues

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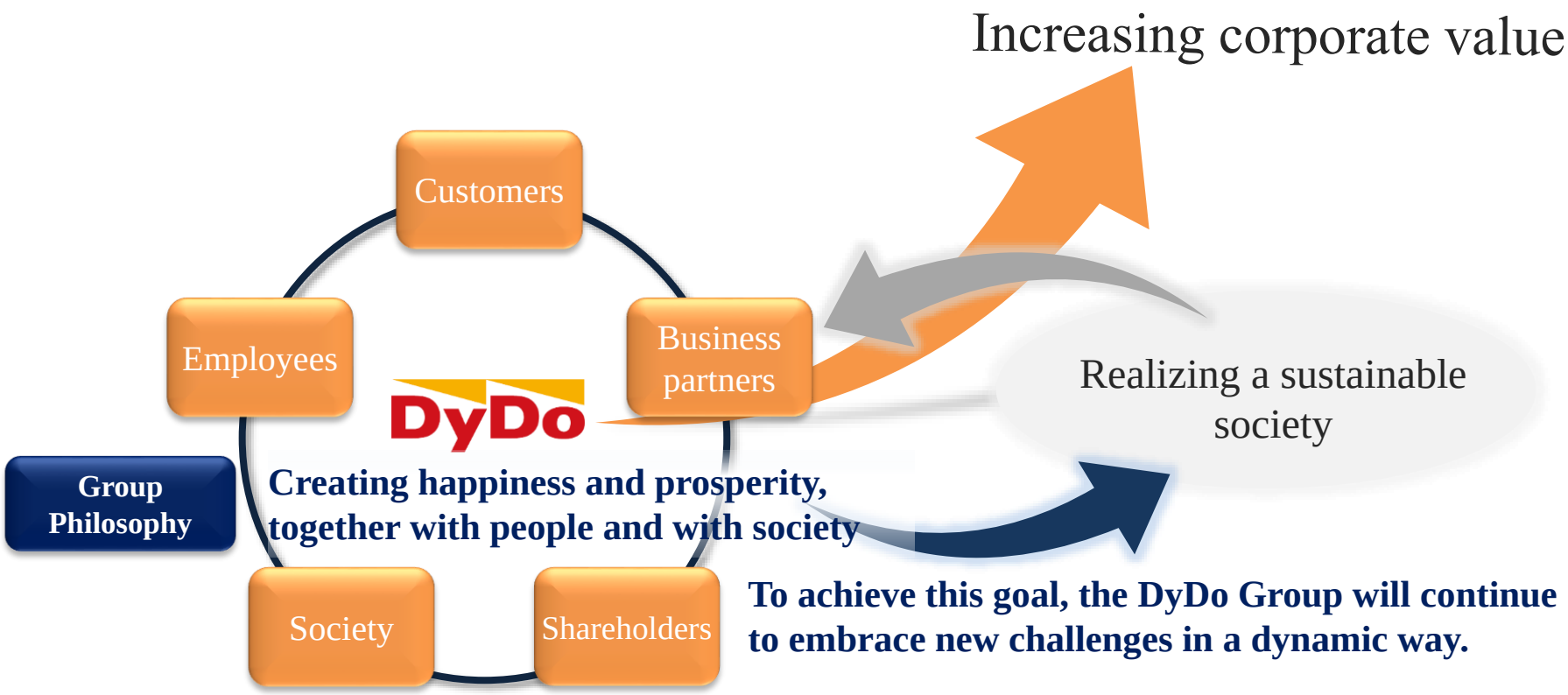
Increasing Corporate Value by Contributing to the Sustainability of Society

- The DyDo Group is striving to realize a sustainable society that allows offers people around the world enjoyable, healthy lifestyles as its vision for 2030
- To realize this vision, we will continue to embrace the challenge of accommodating environmental changes through mutually beneficial relationships with stakeholders in line with our Group Philosophy



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