FY2024 (Year Ending January 20, 2025)
3rd Quarter Financial Highlights

DyDo Group Holdings, Inc.

(Prime Market of the Tokyo Stock Exchange: 2590)

November 26, 2024

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Executive Summary

Consolidated Results of the Third Quarter of Fiscal 2024

Net Sales Grew 9.0% to 180.1 Billion Yen
Operating Profit Increased 10.8% to 6.4 Billion Yen

Our performance improved due to notable progress in the Turkish Beverage Business and the addition of a Polish subsidiary
Although our main Domestic Beverage Business didn't perform well, we made good progress on our long-term plans

- **Domestic Beverage Business:** Net sales decreased due to lower volume caused by price revisions we made ahead of competitors last November. Operating profit also decreased due to a drop in gross profit from lower sales and increased strategic advertising investments in the Home Shopping Sales of Supplements during the first half of the year. Meanwhile, efforts for long-term growth, like expanding smart operations, are steadily moving forward.
- **International Beverage Business:** Both net sales and operating profit increased significantly due to notable progress in the Turkish Beverage Business and the addition of a Polish subsidiary. Additionally, the Polish subsidiary also performed better than expected.
- **Pharmaceutical-Related Business:** Orders for pouch products remained strong, resulting in record net sales for the third quarter. However, operating profit fell due to higher raw material prices and increased labor costs.
- **Food Business:** Net sales fell because exports to China slowed down, even though domestic sales stayed steady. However, operating profit went up due to price revisions implemented in March 2024 and cost-cutting measures.
- **Orphan Drug Business:** Obtained our first approval of the new drug application of Firdapse® Tablets 10mg. We are in the process of preparing for the upcoming sales activities.

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01 FY2024 (Year Ending January 20, 2025) 3rd Quarter Financial Highlights

FY2024 3rd Quarter Consolidated Results

Net sales increased significantly due to notable progress in the Turkish Beverage Business and the addition of a Polish subsidiary

Operating profit increased as the growth in the International Beverage Business offset the decline in the Domestic Beverage Business

Profit attributable to owners of parent improved significantly due to the sale of a portion of investment securities in the first quarter

Millions of yen

	3rd quarter（1/21～10/20）							
	FY2023		FY2024				（Ref）Before application of hyperinflation accounting	
		Composition ratio		Composition ratio	% (YoY)	Amount (YoY)		Impact on performance
Net sales	165,278	100.0%	**180,172**	100.0%	9.0%	14,894	180,389	(216)
Operating profit	5,792	3.5%	**6,416**	3.6%	10.8%	623	7,486	(1,070)
Ordinary profit	5,246	3.2%	**5,112**	2.8%	(2.6%)	(134)	6,736	(1,624)
Profit attributable to owners of parent	4,178	2.5%	**7,257**	4.0%	73.7%	3,078	8,605	(1,347)
EPS*	133.04yen		**230.26yen**			97.22yen		

*The Company carried out a two-for-one share split of its ordinary shares on 21 January 2024. Earnings per share has been calculated as if the stock split had taken place at the beginning of the previous fiscal year.

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FY2024 3rd Quarter Consolidated Results by Segments

Domestic Beverage Business performed poorly due to a drop in beverage sales and increased advertising costs for supplement sales during the first half of the year. International Beverage Business was very strong. This was due to notable progress in the Turkish Beverage Business and the positive impact of adding a Polish subsidiary

Millions of yen

	3rd quarter（1/21～10/20）							
	Hyperinflation accounting				Before application of hyperinflation accounting			
	FY2023	FY2024			FY2023	FY2024		
			% (YoY)	Amount			% (YoY)	Amount
Domestic Beverage Business	117,957	**113,188**	(4.0%)	(4,768)	117,957	**113,188**	(4.0%)	(4,768)
International Beverage Business	20,628	**39,964**	93.7%	19,335	19,816	**40,181**	102.8%	20,364
Pharmaceutical-Related Business	9,944	**10,305**	3.6%	360	9,944	**10,305**	3.6%	360
Food Business	17,060	**16,993**	(0.4%)	(66)	17,060	**16,993**	(0.4%)	(66)
Orphan Drug Business	—	**—**	—	—	—	**—**	—	—
Adjustment	(313)	**(280)**	—	33	(313)	**(280)**	—	33
Total net sales	165,278	**180,172**	9.0%	14,894	164,465	**180,389**	9.7%	15,923
Domestic Beverage Business	4,788	**1,800**	(62.4%)	(2,987)	4,788	**1,800**	(62.4%)	(2,987)
International Beverage Business	694	**4,296**	518.4%	3,602	1,680	**5,367**	219.5%	3,687
Pharmaceutical-Related Business	397	**390**	(1.7%)	(6)	397	**390**	(1.7%)	(6)
Food Business	1,371	**1,526**	11.3%	154	1,371	**1,526**	11.3%	154
Orphan Drug Business	(406)	**(456)**	—	(49)	(406)	**(456)**	—	(49)
Adjustment	(1,053)	**(1,142)**	—	(89)	(1,053)	**(1,142)**	—	(89)
Total operating profit	5,792	**6,416**	10.8%	623	6,777	**7,486**	10.5%	709

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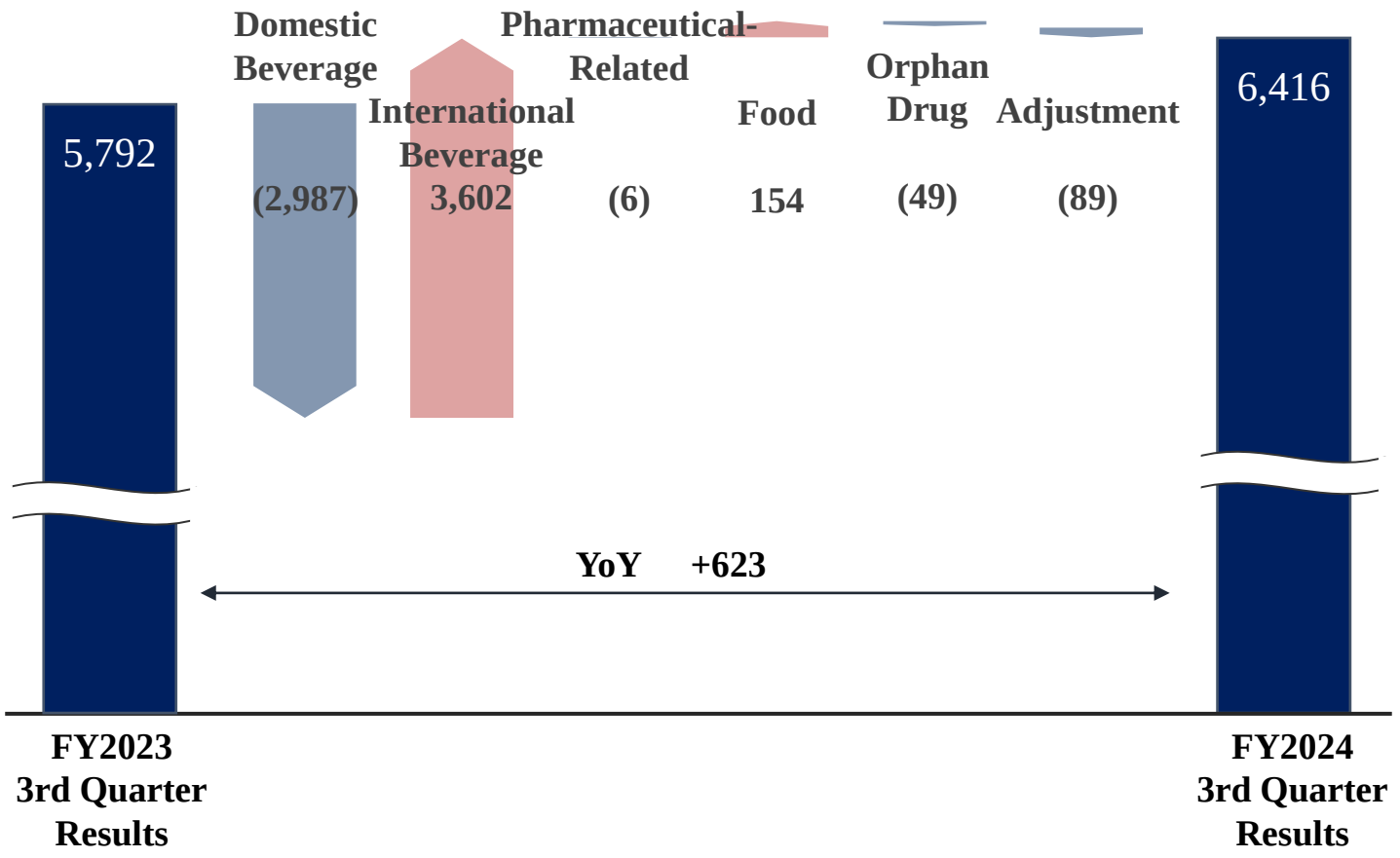
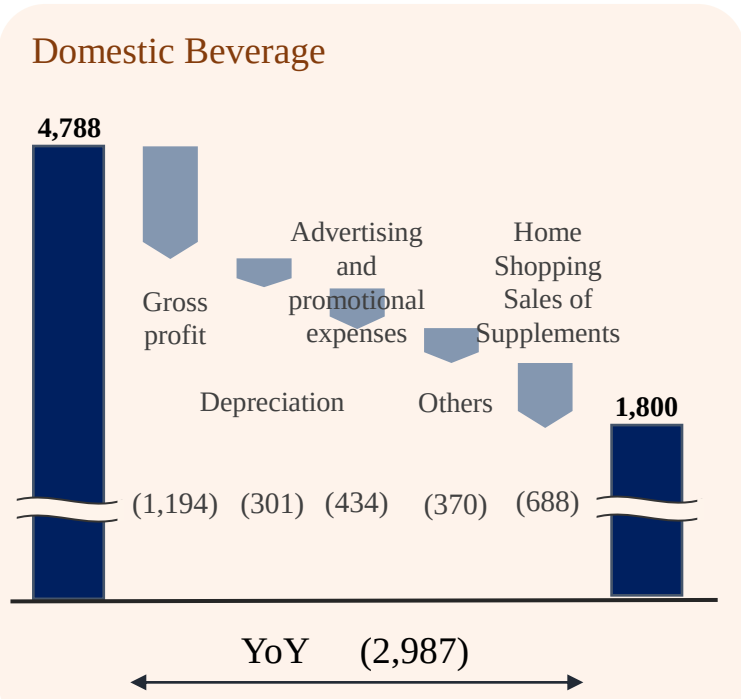
Factors Affecting FY2024 3rd Quarter Operating Profit Compared to the Previous Year

Lower Domestic Beverage profit was offset by strong performance in International Beverage Business

Millions of yen





**Gross profit*, *Depreciation*, and *Advertising and promotion expenses* do not include the results of the three former subsidiaries of Asahi Soft Drinks. They are included in *Others* along with other cost increases.

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02 FY2024 Consolidated Full-year Performance Forecasts

FY2024 Full-year Performance Forecasts

Published on August 27, 2024

Sales and operating profit are expected to increase due to strong performance in International Beverage Business
Ordinary profit is expected to decrease due to foreign exchange losses from the weak lira. However, net profit attributable to parent is expected to increase due to a gain on sale of investment securities in the first quarter

Millions of yen

	Full year							
	FY2023		FY2024（Forecasts）				（Ref）Before application of hyperinflation accounting	
		Composition ratio		Composition ratio	% (YoY)	Amount (YoY)		Impact on performance
Net sales	213,370	100.0%	**240,000**	100.0%	12.5%	26,629	236,500	3,500
Operating profit	3,732	1.7%	**4,400**	1.8%	17.9%	667	6,100	(1,700)
Ordinary profit	3,115	1.5%	**2,600**	1.1%	(16.5%)	(515)	4,700	(2,100)
Profit attributable to owners of parent	4,423	2.1%	**4,900**	2.0%	10.8%	476	6,700	(1,800)
EPS	140.77yen		**155.48yen**			14.71yen		

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FY2024 Full-year Performance Forecasts by Segments

Published on August 27, 2024

Domestic Beverage Business is likely to do poorly because of lower beverage sales and higher advertising costs for supplements

Consolidated operating profit is expected to rise due to better performance in the International Beverage and Food Businesses

Millions of yen

	Full year									
	Hyperinflation accounting				Before application of hyperinflation accounting					
	FY2023 Results	FY2024			FY2023 Results	FY2024				
		Forecasts	% (YoY)	Amount (YoY)		Forecasts	% (YoY)	Amount (YoY)	Year-beginning announcements	Difference
Domestic Beverage Business	153,623	**152,400**	(0.8%)	(1,223)	153,623	**152,400**	(0.8%)	(1,223)	157,300	(4,900)
International Beverage Business	26,444	**53,500**	102.3%	27,055	26,527	**50,000**	88.5%	23,472	44,600	5,400
Pharmaceutical-Related Business	12,963	**13,250**	2.2%	286	12,963	**13,250**	2.2%	286	13,600	(350)
Food Business	20,705	**21,200**	2.4%	494	20,705	**21,200**	2.4%	494	21,200	0
Orphan Drug Business	—	**—**	—	—	—	**—**	—	—	—	—
Adjustment	(366)	**(350)**	—	16	(366)	**(350)**	—	16	(500)	150
Total net sales	213,370	**240,000**	12.5%	26,629	213,453	**236,500**	10.8%	23,046	236,200	300
Domestic Beverage Business	4,255	**3,100**	(27.1%)	(1,155)	4,255	**3,100**	(27.1%)	(1,155)	4,600	(1,500)
International Beverage Business	1,110	**3,000**	170.1%	1,889	2,442	**4,700**	92.4%	2,257	2,800	1,900
Pharmaceutical-Related Business	367	**300**	(18.4%)	(67)	367	**300**	(18.4%)	(67)	300	0
Food Business	993	**1,150**	15.7%	156	993	**1,150**	15.7%	156	900	250
Orphan Drug Business	(796)	**(1,000)**	—	(203)	(796)	**(1,000)**	—	(203)	(1,000)	0
Adjustment	(2,197)	**(2,150)**	—	47	(2,197)	**(2,150)**	—	47	(2,400)	250
Total operating profit	3,732	**4,400**	17.9%	667	5,065	**6,100**	20.4%	1,034	5,200	900

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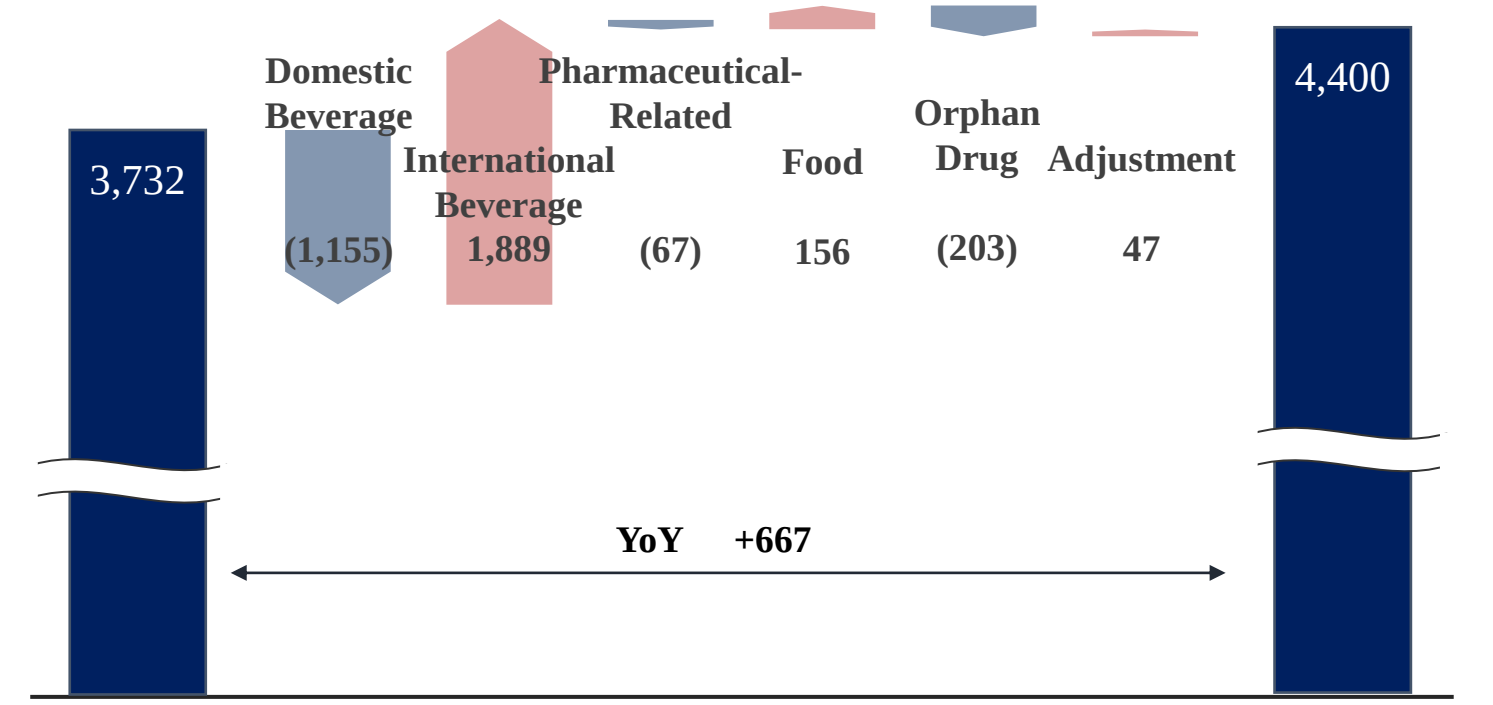
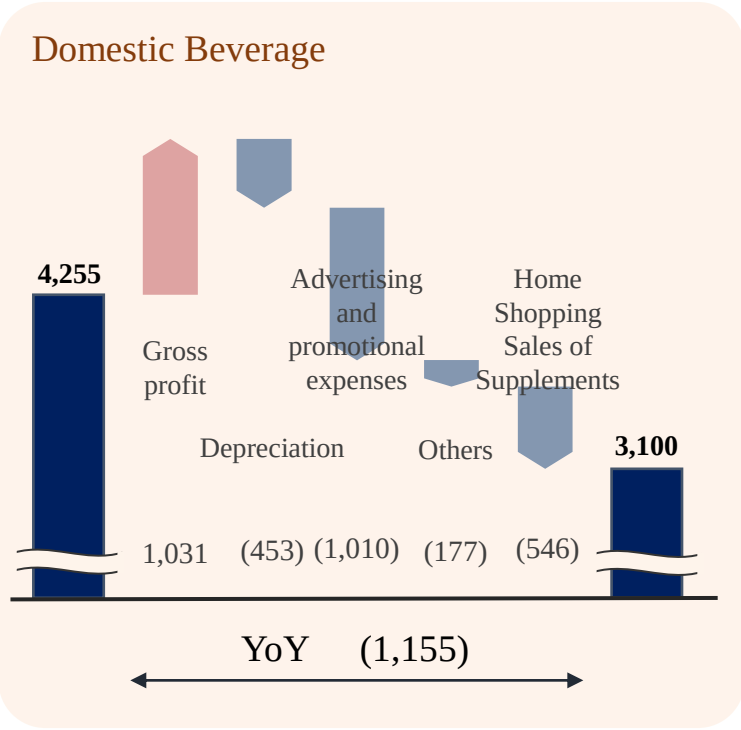
Factors Affecting FY2024 Operating Profit Forecasts Compared to the Previous Year

Published on August 27, 2024

Lower domestic beverage profit is expected to be offset by strong performance in other businesses

Millions of yen





**Gross profit*, *Depreciation*, and *Advertising and promotion expenses* do not include the results of the three former subsidiaries of Asahi Soft Drinks. They are included in *Others* along with other cost increases.

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03 Segment Overview

Domestic Beverage Business

Net sales decreased due to lower volume caused by price revisions we made ahead of competitors last November
Operating profit decreased due to lower sales, and increased advertising investments in Home Shopping Sales of Supplements

Millions of yen

	3rd quarter						Full year					
	FY2023		FY2024				FY2023		FY2024			
	Results	Composition ratio	Results	Composition ratio	% (YoY)	Amount (YoY)	Results	Composition ratio	Forecasts	Composition ratio	% (YoY)	Amount (YoY)
Net sales	117,957	—	**113,188**	—	(4.0%)	(4,768)	153,623	—	**152,400**	—	(0.8%)	(1,223)
Operating profit	4,788	4.1%	**1,800**	1.6%	(62.4%)	(2,987)	4,255	2.8%	**3,100**	2.0%	(27.1%)	(1,155)
Depreciation	3,818		**4,119**		7.9%	300	5,147		**5,600**		8.8%	452
Amortization of goodwill	77		**77**		0.0%	0	103		**100**		(3.8%)	(3)

(From January 21st to October 20th)

Vending Machine Channel: Net sales and gross profit declined, despite an improvement in unit prices as a result of the price revisions, because the sales volume dropped. Sales efforts for new vending machines are progressing smoothly, and the number of vending machines is increasing at a pace exceeding the plan.

Distribution Channel: We are focusing on profitability by optimizing promotional expenses and making our investments more effective, with competitors increasing their promotional investments. We are also promoting unique, high-value products that are less affected by market price fluctuations, through high-value problem-solving proposals.

Home Shopping Sales of Supplements: Net sales increased due to strategic advertising investments during the first half of the year, resulting in more shipments to regular customers. However, a scandal at another company is affecting the whole industry, impacting our advertising efficiency. We are responding flexibly by adjusting our advertising investments.

Sales by channel

Millions of yen / Thousands of bottles

		FY2023 3Q	FY2024 3Q		
				% (YoY)	Amount (YoY)
Net sales	Vending machine	104,797	**99,622**	(4.9%)	(5,174)
	(conventional comparable base*1)	73,768	**70,780**	(4.1%)	(2,988)
	Distribution・Export*2	9,901	**10,128**	2.3%	226
	Home Shopping Sales of Supplements	3,258	**3,438**	5.5%	180
	Total	117,957	**113,188**	(4.0%)	(4,768)
	(conventional comparable base*1)	86,928	**84,346**	(3.0%)	(2,581)
Bottles	Vending machine	1,049,029	**963,633**	(8.1%)	(85,395)
	(conventional comparable base*1)	788,313	**714,657**	(9.3%)	(73,655)
	Distribution	165,261	**154,613**	(6.4%)	(10,647)
	Total	1,214,290	**1,118,247**	(7.9%)	(96,043)
	(conventional comparable base*1)	953,574	**869,271**	(8.8%)	(84,303)

*1 Excluding three former subsidiaries of Asahi Soft Drinks Co., Ltd.

*2 Export has been recorded under the International Beverage since September 24 due to organizational changes

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Coffee Drinks

In our main coffee category, we offer value to all customers with great taste, suitable for different occasions, and various price points

Recommended Prices for Coffee Drinks in Vending Machines

- In the '*ZEPPIN*' series, we lowered the vending machine price of two canned coffees by 20 yen to 120 yen in August. We also launched a new small PET bottle coffee on September 30
- In the premium '*DEMITASSE*' series, we renewed the main lines and launched a new high-end latte
- We offer a variety of high-quality, tasty products at affordable prices to provide value to our customers

'*ZEPPIN*' Series in the Low Price Range



'*DEMITASSE*' Series in the High Price Range



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Other Drinks

We attract new customers with unique canned soup and dessert drinks that express our brand message: ‘Offering delicious products for sound mind and body.’

Soup drinks with rice

New



Tasty rice soup drinks from vending machines that satisfies light hunger pangs. Along with last year’s popular ‘*Crab Hot Pot Soup with Rice*,’ we are introducing a new ‘*Sea Bream Chazuke-style Soup*’ this year

Dessert drinks

New



We updated last year’s popular similar product and released it as ‘*Honey Sweet Potato Brûlée*.’

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Smart Operation to Dynamic Vending Network, Inc.

Generate profit by continuously improving and deploying Smart Operation

Smart Operation to Dynamic Vending Network, Inc.

Smart Operation (SM・O) Deployment Plan

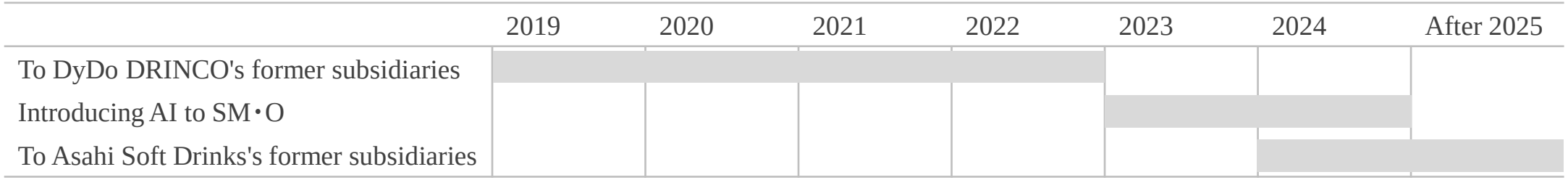
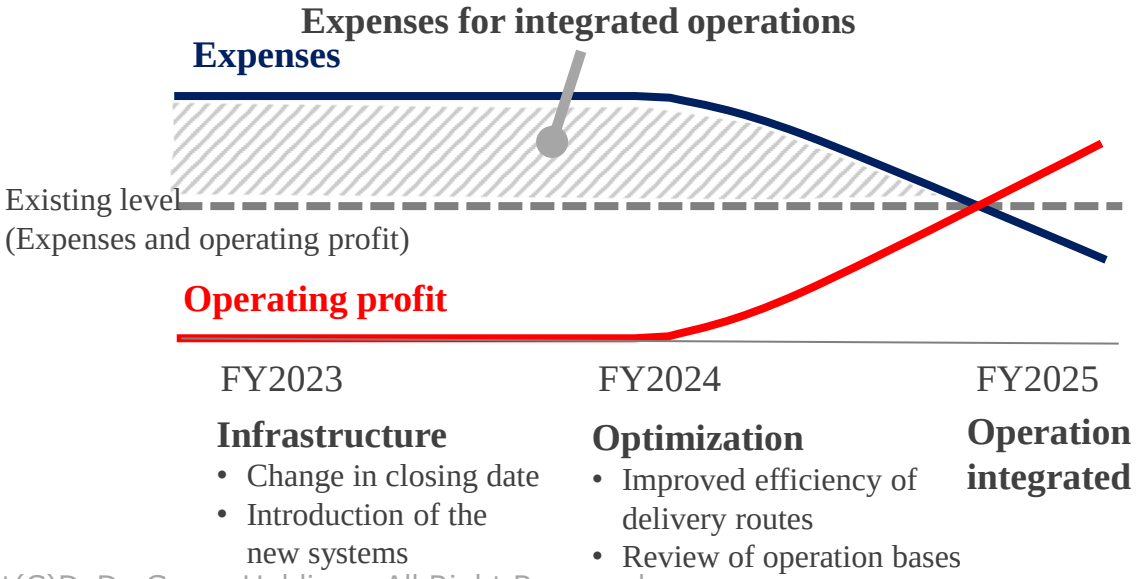


Image of expenses and operating profit in DVN



FY2024 3rd Quarter

- Added IoT to Asahi Soft Drinks vending machines
- Started testing joint operations of DyDo and Asahi vending machines at some sales offices

FY2024 4th Quarter

- Sequentially starting SM・O with AI functions at Asahi Soft Drinks Sales

FY2025 1st Quarter

- DyDo Beverage Service plans to merge with Asahi Soft Drinks Sales as of January 21, 2025（P28）

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Sales Activities for Vending Machine Installations

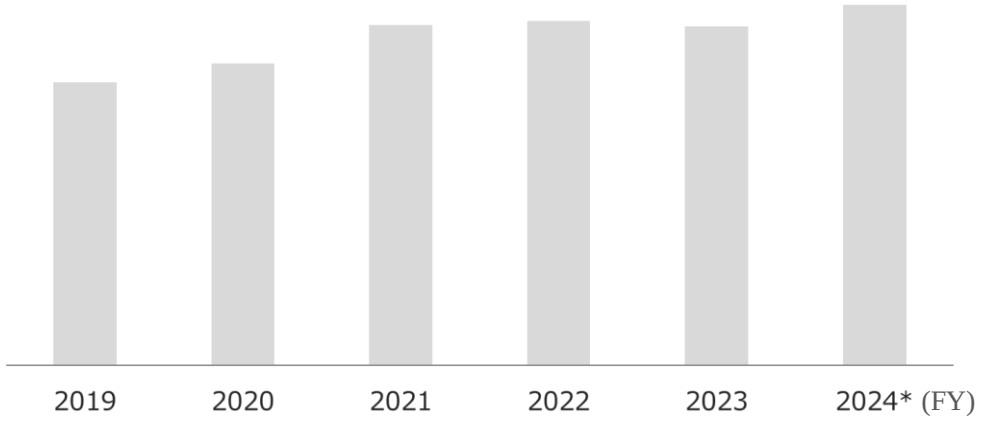
We are boosting our sales efforts to secure a strong position in the vending machine market and placing more profitable vending machines

Initiatives to strengthen vending machine sales activities

Recent efforts to strengthen our sales structure

FY2020	Starting the activities of the inside sales team
FY2023	Establishing a diversity promotion group within the Vending Machine Sales Planning Department to support female sales staff
FY2024	Actively hiring around 100 sales staff, focusing primarily on women

【The number of our vending machines】



*As of the end of the third quarter

Efforts to strengthen sales skills

- We promote a sales approach that solves customer problems through vending machines
- We have been conducting our own internal training for many years to achieve this
- In 2024, we also conducted this training for newly hired career employees to help them become immediately effective



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International Beverage Business

Both net sales and operating profit increased significantly due to notable progress in the Turkish Beverage Business and the positive impact of adding a Polish subsidiary

Millions of yen

	3rd quarter								Full year (Before application of hyperinflation accounting)					
	FY2023		FY2024				(Ref) Before application of hyperinflation accounting		FY2023		FY2024			
	Results	Composition ratio	Results	Composition ratio	% (YoY)	Amount (YoY)	Results	Impact on performance	Results	Composition ratio	Forecasts	Composition ratio	% (YoY)	Amount (YoY)
Net sales	20,628	—	**39,964**	—	93.7%	19,335	40,181	(216)	26,444	—	53,500	—	102.3%	27,055
Operating profit before subtracting amortization of goodwill	694	3.4%	**4,459**	11.2%	541.7%	3,764	5,547	(1,087)	1,110	4.2%	3,470	6.5%	212.4%	2,359
Amortization of goodwill*1	—	—	**162**	0.4%	—	162	179	(17)	—	—	470	0.9%	—	470
Operating profit	694	3.4%	**4,296**	10.8%	518.4%	3,602	5,367	(1,070)	1,110	4.2%	3,000	5.6%	170.1%	1,889
Depreciation	645		**1,292**		100.3%	647	885	407	859		1,800		109.5%	940
JPY per TRY*2	5.45yen		**4.18yen**		(1.27yen)		**4.67yen**	(0.49yen)	4.82yen		4.20yen		(0.62yen)	
JPY per PLN	—		**38.29yen**		—		—	—	—		37.00yen		—	
JPY per CNY	19.72yen		**21.06yen**		1.34yen		—	—	19.87yen		21.10yen		1.23yen	

(From January 1st to September 30th)

*1 It is calculated on a provisional basis for the amortization of goodwill related to the acquisition of the Polish subsidiary

*2 The Turkish lira's average rate is used before applying hyperinflation accounting, and the end-of-period rate is used after applying that.

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International Beverage Business

Both net sales and operating profit increased significantly due to notable progress in the Turkish Beverage Business and the positive impact of adding a Polish subsidiary

Net sales ratio by region



Poland

- The acquisition was completed in February. Profit was better than expected because sales expanded faster than initially anticipated. Additionally, an improved product mix and lower raw material costs due to higher zloty prices contributed to this improvement.

China

- Sales of locally produced items such as "Barley Tea" and "Black Tea" were strong, and the newly launched "Oolong Tea" and "Green Tea" were distributed well, establishing a certain position in the unsweetened tea category in the Chinese beverage market.

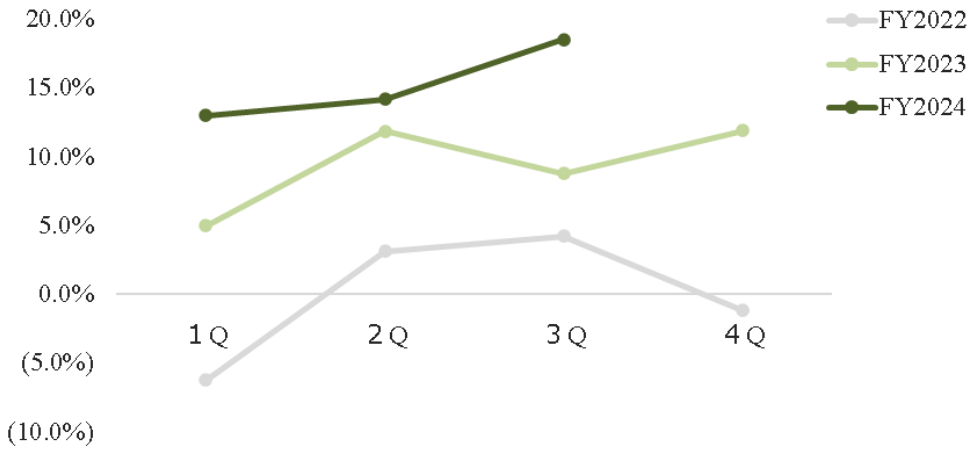
Turkey

- Net sales on a local currency basis increased approx. 2 times from the previous year. Besides strategic price revisions and sales promotion activities, there was a surge in orders for certain products in response to the Middle East crisis.
- Significant increase in profit due to higher sales and effects of cost reductions.

Turkish Beverage Business on a local accounting basis

Compared to the Previous Year	1Q	2Q	3Q	4Q	**Total**
Net sales	+137%	+107%	+83%		**+103%**
Sales volume	+16.5%	+18.7%	+10.9%		**+15.0%**

Trends in operating profit margin of Turkish Beverage Business (local accounting basis)



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Pharmaceutical-Related Business

Record net sales in the third quarter driven by strong orders for quasi-drug pouched products

Millions of yen

	3rd quarter						Full year					
	FY2023		FY2024				FY2023		FY2024			
	Results	Composition ratio	Results	Composition ratio	% (YoY)	Amount (YoY)	Results	Composition ratio	Forecasts	Composition ratio	% (YoY)	Amount (YoY)
Net sales	9,944	—	**10,305**	—	3.6%	360	12,963	—	**13,250**	—	2.2%	286
Operating profit	397	4.0%	**390**	3.8%	(1.7%)	(6)	367	2.8%	**300**	2.3%	(18.4%)	(67)
Depreciation	864		**870**		0.7%	6	1,160		**1,200**		3.4%	39

(From January 21st to October 20th)

- Although the drinkable preparation market is shrinking, the market for pouch products continues to expand due to strong demand.
- Achieved record net sales in the third quarter due to strong orders for pouch products of designated quasi-drugs.
- Operating profit decreased due to higher raw material prices and increased labor costs.
- We are strengthening our production capacity for pouch products by reallocating staff and taking other measures.

DAIDO Yakuhin's Plants

	Product format	Yearly production capacity	
Nara plant	Bottles	4 lines	350 million units
	Pouches	1 line	40 million units
Kanto plant	Bottles	1line	150 million units



Types of container DAIDO Yakuhin is able to contract manufacture

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Food Business

Operating profit increased even though net sales decreased due to struggling with exports, thanks to price adjustments, cost reduction measures, and better factory productivity

Millions of yen

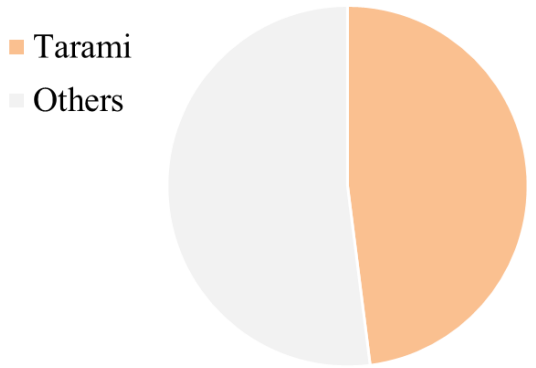
	3rd quarter						Full year					
	FY2023		FY2024				FY2023		FY2024			
	Results	Composition ratio	Results	Composition ratio	% (YoY)	Amount (YoY)	Results	Composition ratio	Forecasts	Composition ratio	% (YoY)	Amount (YoY)
Net sales	17,060	—	**16,993**	—	(0.4%)	(66)	20,705	—	**21,200**	—	2.4%	494
Operating profit before subtracting amortization of goodwill, etc.	1,635	9.6%	**1,787**	10.5%	9.3%	152	1,345	6.5%	**1,500**	7.1%	11.5%	154
Amortization of goodwill, etc.	263	1.5%	**260**	1.5%	(1.1%)	(2)	351	1.7%	**350**	1.7%	(0.5%)	(1)
Operatint profit	1,371	8.0%	**1,526**	9.0%	11.3%	154	993	4.8%	**1,150**	5.4%	15.7%	156
Depreciation*	663		**625**		(5.7%)	(37)	848		**600**		(29.3%)	(248)

*Depreciation includes a portion of Amortization of goodwill etc.

(From January 1st to September 30th)

- The dry jelly and pouch jelly markets grew due to higher unit sales prices and increased demand from good weather. The konnyaku jelly market remained weak.
- Net sales decreased due to struggling exports to China, our main export destination, which was affected by an economic slowdown. However, domestic sales remained steady thanks to price revisions in March 2024, continued warm weather throughout the year, and successful sales activities.
- Operating profit increased due to higher gross profit from price revisions and cost reduction measures, and improved factory productivity, despite upward pressure on various costs caused by the yen's depreciation and inflation.

Tarami's share of the dry jelly market



＊Including Private Brand/Based on our own research

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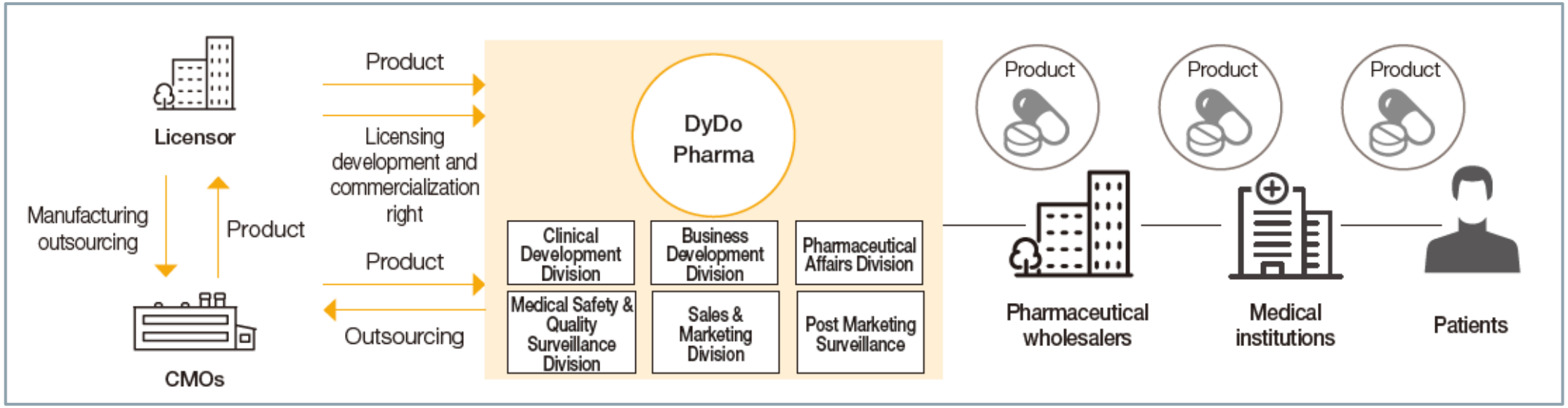
Orphan Drug Business

Cultivate the 'Orphan Drug Business,' as it delivers new drugs of great significance to society

Business Model



Orphan drug

- **Firdapse® Tablet 10mg (generic name: amifampridine phosphate)**

  An NDA approval of Firdapse® Tablet 10 mg was obtained from the Ministry of Health, Labour and Welfare in September 2024 for the improvement of muscle weakness as an indication for Lambert-Eaton myasthenic syndrome. We have initiated preparation for in-house sales and providing disease information to healthcare professionals and patients after NHI(National Health Insurance) drug price listing

For reference: Under development

DYD-701

Expected indication：Familial LCAT deficiency

A potential treatment for familial LCAT deficiency is now being conducted under investigator-initiated clinical trial in patients with familial LCAT deficiency at Chiba University

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04 Reference Materials

Application of revised restatements regulated in *Financial Reporting in Hyperinflationary Economies*

For financial statements for our subsidiary in Turkey, a major country for our International Beverage Business, since the second consolidated quarter of fiscal year 2022 we have been adding adjustments to our accounting in line with criteria set in IAS 29, *Financial Reporting in Hyperinflationary Economies*. In these materials, we refer to this as "hyperinflation accounting."

Overview of IAS 29 *Financial Reporting in Hyperinflationary Economies*

(1) An economy is deemed to be hyperinflationary if its cumulative inflation rate for a period of three years approaches to, or exceeds, 100% (in Turkey's case, the rate for March 2022 exceeded 100%)

(2) When converting Turkish lira amounts to Japanese yen, assets/liabilities and revenue/expenses must be converted using the rate on the day of settlement

	Conventional standards	After application of IAS 29 criteria
Balance sheet items	Rate on day of settlement	Rate on day of settlement
Profit/loss statement items	Average rate during period	

(3) Fluctuations in price indices must be reflected in financial statements

■ Impact on balance sheets

・Revised restatements for inventories; property, plant and equipment; intangible assets; and other non-monetary investment assets; take into account fluctuations in price indices from the day of acquisition to the end of the fiscal year. For capital, this period is from the time of investment to the end of the fiscal year

・Retained earnings reflect cumulative effects to the end of the period

■ Impact on profit/loss statements

・All items are, in principle, revised based on fluctuations in price indices from the time of the individual transaction to the end of the fiscal year

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Major impacts of the application of hyperinflation accounting

This page offers a simplified representation of parts of the hyperinflation accounting process.

Major impacts on balance sheets

Financial assets	Interest-bearing debt
Accounts receivable	Accounts payable
Inventories (1)	Other
・Property, plant and equipment	Net assets
Intangible assets	Capital (2) (3)
Other	Retained earnings

(1) Revised restatements in line with fluctuations in price indices between the day of acquisition/transaction and the end of the fiscal year

(2) Revised restatements in line with fluctuations in price indices between the time of investment and the end of the fiscal year

(3) Reflects cumulative effects to the end of the period

Major impacts on profit/loss statements

(Millions of yen)	Impact amount on consolidated profit/loss statements (difference from conventional standards)
Net sales	(216)
Cost of sales	
Gross profit	
SG&A	
Depreciation	
Operating profit	(1,070)
Non-operating expenses	(553)
Ordinary profit	(1,624)
Corporation tax, etc.	(383)
Net profit	(1,347)

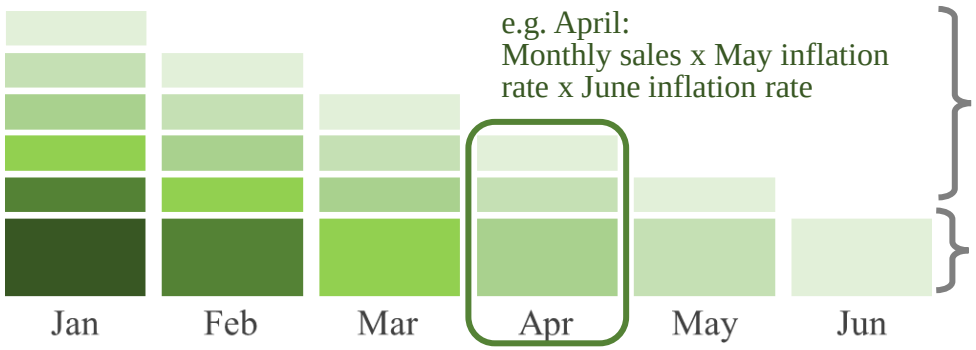
Multiplied by monthly inflation rates to create local financial statements

Based on post-revision assets, depreciation (manufacturing cost prices/SG&A), etc., are recalculated

The impact of inflation on net monetary position is recorded as a loss

Increase in adjustment amounts for corporation tax, etc.

Sales and cost accounting (prior to conversion into yen)



Multiplied by the month's inflation rate

Monthly sales

Amount recorded on profit/loss statements at time of settlement

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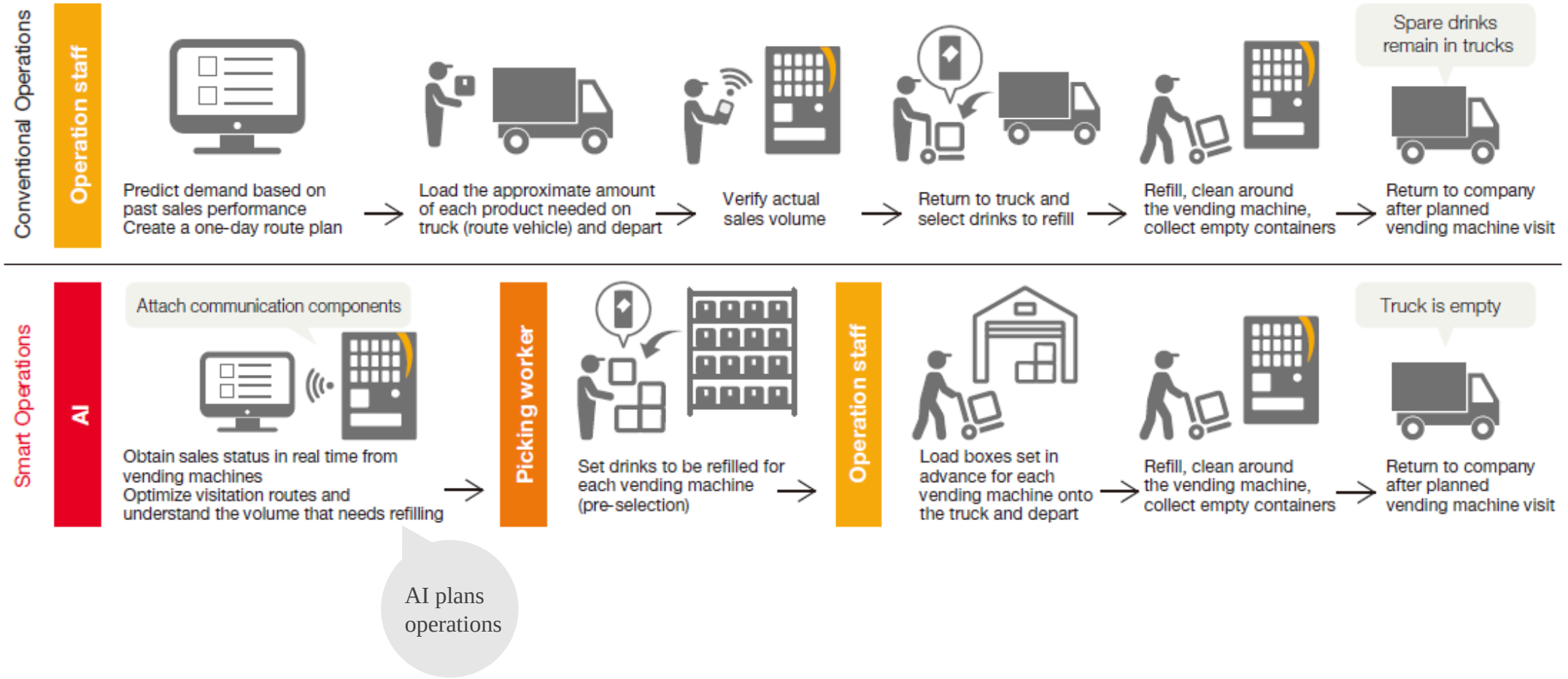
Smart Operation

Operational efficiency and labor savings in vending machine operations through the deployment of a system that utilizes digital technology

Smart Operation Workflow



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Further Evolution of Smart Operation

Using AI to plan vending machine operations to further improve efficiency

Value creation initiatives through Smart Operation

- New core system revamped for smart operation
- Introducing AI to plan visit lists and replenishment products, aiming to further streamline operations and improve sales

Operation Flow

AI

- Creating lists of visits
- Creating product displays based on online data.



Picking worker

- Picking products for replenishment
- Preparing vendor samples



Operation staff

- Replenishing goods on site
- Cleaning of vending machines and their surroundings



AI

Achievement targets
- Sales volume targets, etc.

Demand-related data
- Historical sales data
- Temperature data, etc.

Operating conditions
- Rules on where vending machines are installed
- Information on employee attendance, etc.

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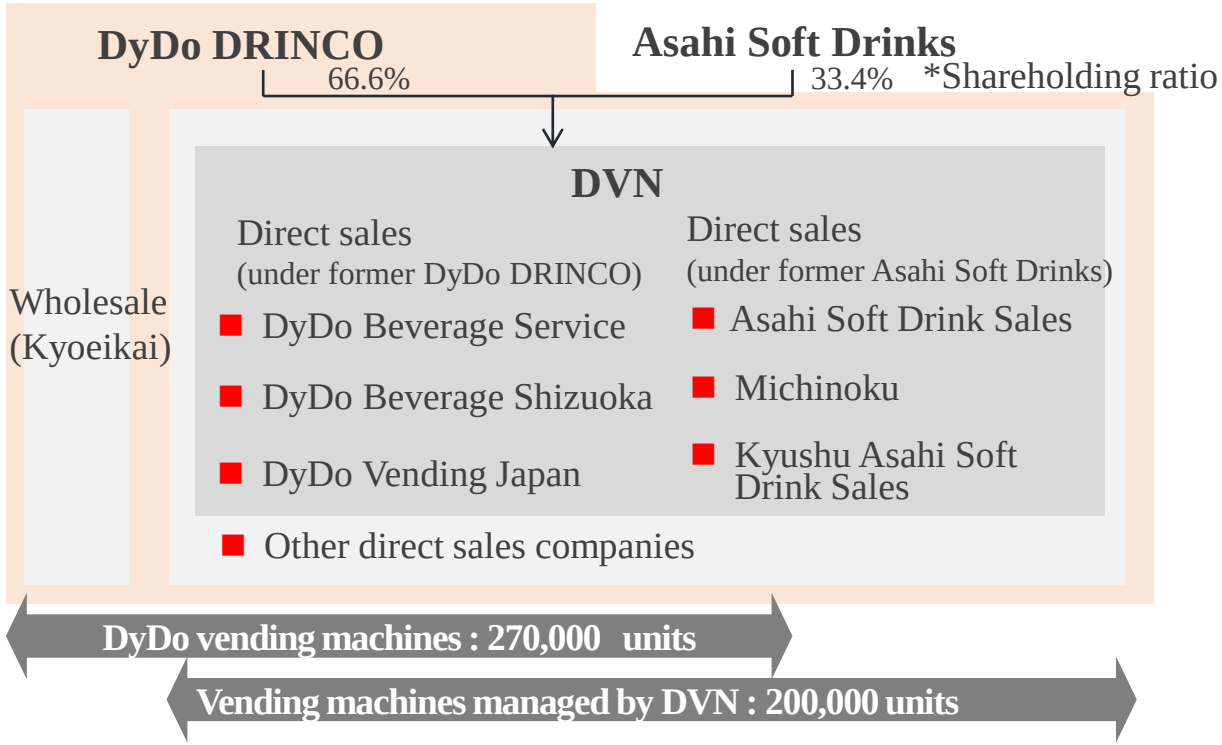
Dynamic Vending Network, Inc.

Pursue operational synergies through integrated management of direct sales channels

Dynamic Vending Network, Inc. (DVN)

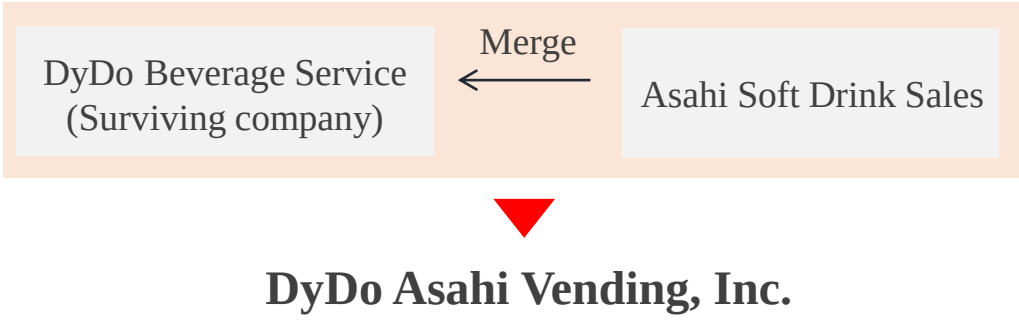
- Established on January 23, 2023 as a joint venture for integrated operation of direct sales channel
- Deploying DyDo's Smart Operation to DVN to improve operational speed, quality control capabilities, and productivity
- Through this initiative, the company aim to resolve the issues of labor shortages and job security in the future.

Chart of DVN



Integration of subsidiaries (DyDo Asahi Vending, Inc.)

- DyDo Beverage Service plans to merge with Asahi Soft Drinks Sales as of January 21, 2025
- At the same time, the name is changed to "DyDo Asahi Vending, Inc."
- Aiming to create operational synergies



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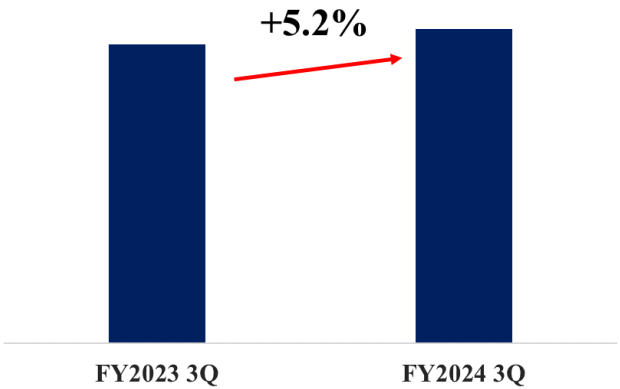
Setting Appropriate Sales Unit Prices in an Environment of Rising Costs

Responding to ongoing cost increases, we secure an appropriate level of profit, including implementing price revisions. In October 2024, we adjusted the prices of some products in our distribution channels

Implementing price revisions to ensure an appropriate level of profit

- Costs for ingredients, bottles, packaging, processing fees, and delivery costs are rising from FY 2022 onward.
- Aiming not only to reduce costs, but also to secure an appropriate level of profit through price revisions.

Change in average sales price per unit*



*Excluding former subsidiaries of Asahi Soft Drinks and Home Shopping Sales of Supplements channel.

The Status of Price Revisions Since Fiscal Year 2022

Start Date		1st October 2022	1st May 2023	1st November 2023	21st August 2024	1st October 2024
Items		Bottle-canned and PET coffees, along with soft drinks* were mainly	SOT(Stay-on Tab) coffees were mainly	Bottle-canned and PET coffees, along with soft drinks* were mainly	Two canned coffee products (details on P14)	Bottle-canned and PET coffees, along with soft drinks* were mainly
Channel	Vending Machines	●	●	●	●	—
	Distribute	●	●	—	—	●
Price of revisions		List prices increased by 9 to 25%	List prices increased by 7 to 22%	Vending machines prices increased by 10 to 30 yen	Vending machines prices decreased by 20 yen	List prices increased by 12 to 20%

*Some products were not eligible.

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