

Kikkoman Corporation

# Fact Book

Business information

2023

Published in July, 2023

### **1. Changes in the fiscal year end, etc.**

In 2001, Kikkoman changed its fiscal year from January–December to April–March.

Example: FY2000 = January–December 2000

FY2023 = April 2022–March 2023

### **2. Changes in revenue recognition standard**

Certain domestic consolidated subsidiaries have changed their revenue recognition standard for fiscal 2014 onwards.

### **3. Adoption of the International Financial Reporting Standards (IFRS)**

Starting with the consolidated financial statements in the securities report for the fiscal year ended March 31, 2021, the Group adopted IFRS. Notes are attached to figures calculated using the Japanese generally accepted accounting principles (JGAAP) in this Fact Book.

# Overview of the Kikkoman Group

# Corporate Profile

Company name Kikkoman Corporation

Establishment 1917

Revenue ¥618.9 billion <sup>1</sup>

Business profit ¥58.8 billion <sup>1</sup>

Group companies 60 companies <sup>2</sup>

Number of Employees 7,775 <sup>3</sup>

—Japan 3,197

—Overseas 4,014

—Group 564



**kikkoman**  
seasoning your life



<sup>1</sup> Consolidated results for FY2023.3. Based on IFRS. Business profit = revenue – cost of sales – SG&A

<sup>2</sup> As of March 31, 2023. Consolidated subsidiaries and equity-method unconsolidated subsidiaries and affiliates.

<sup>3</sup> As of March 31, 2023. Consolidated.

# Major Businesses

## Japan

### Foods—Manufacturing and Sales



Soy sauce



Food products



Beverages



Liquor & wine

### Others



Biochemical business, chemicals, logistics and other businesses

## Overseas

### Foods—Manufacturing and Sales



(North America)



(Europe)



(Asia & Oceania)

Soy sauce



(Asia & Oceania)

Del Monte

### Foods—Wholesale

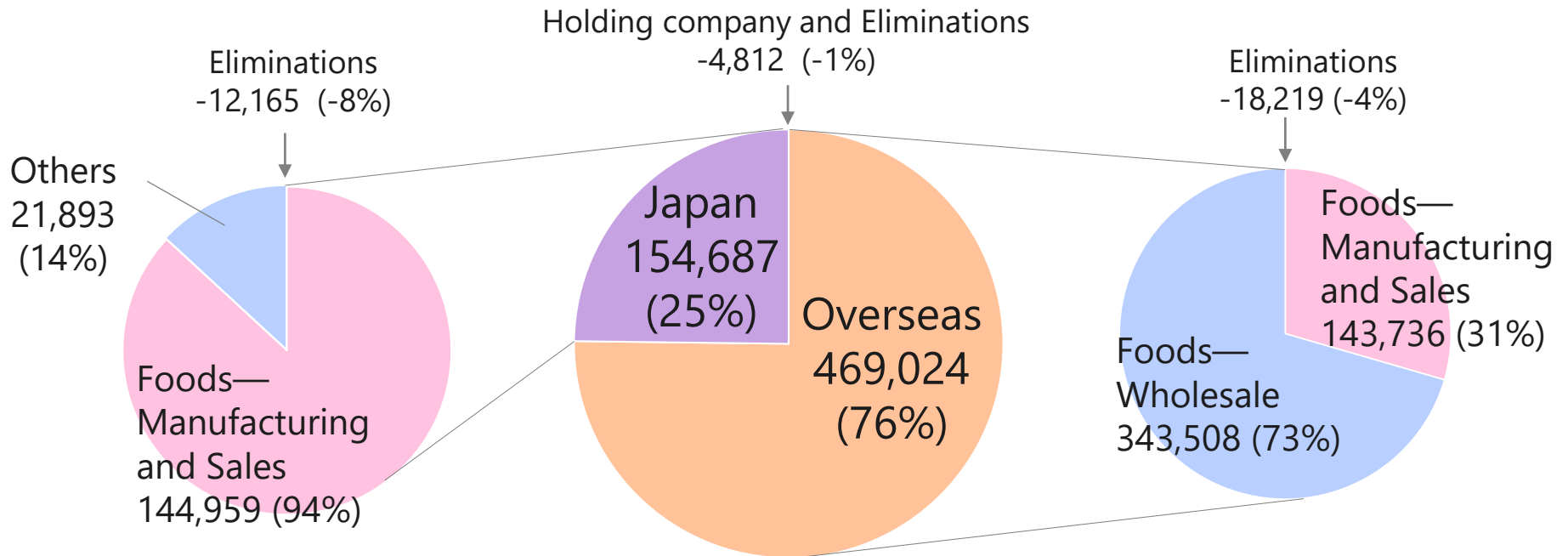


Sales of Asian food products in Japan and overseas

# Consolidated Results for FY2023.3

Revenue: 618,899

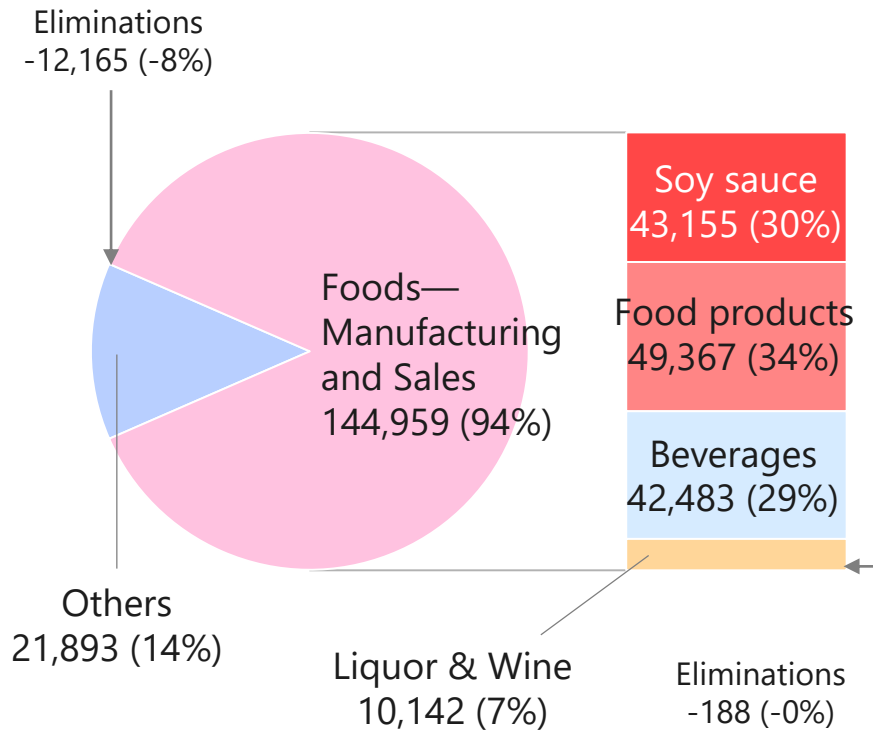
Unit: millions of yen



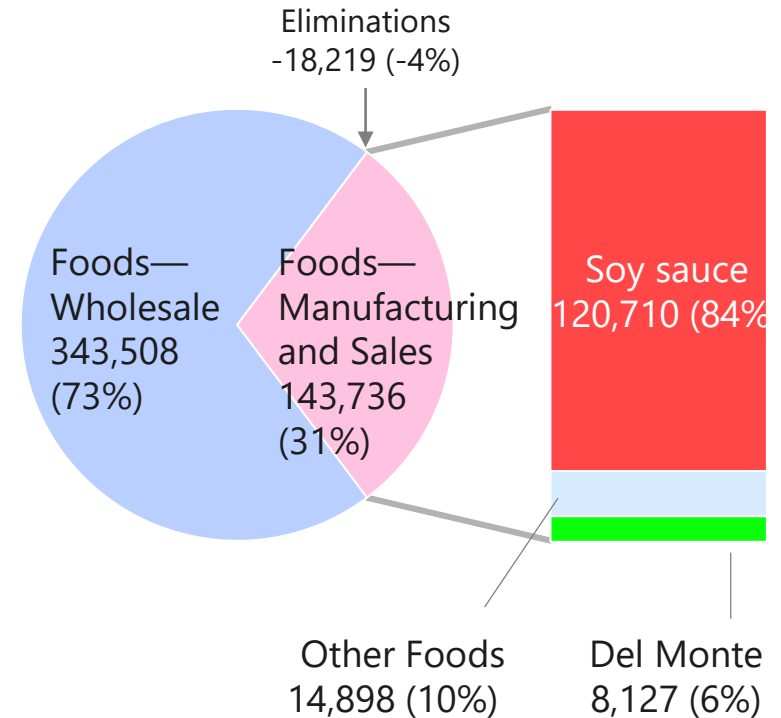
# Consolidated Results for FY2023.3 | Revenue by Division

Unit: millions of yen

Revenue in Japan: 154,687



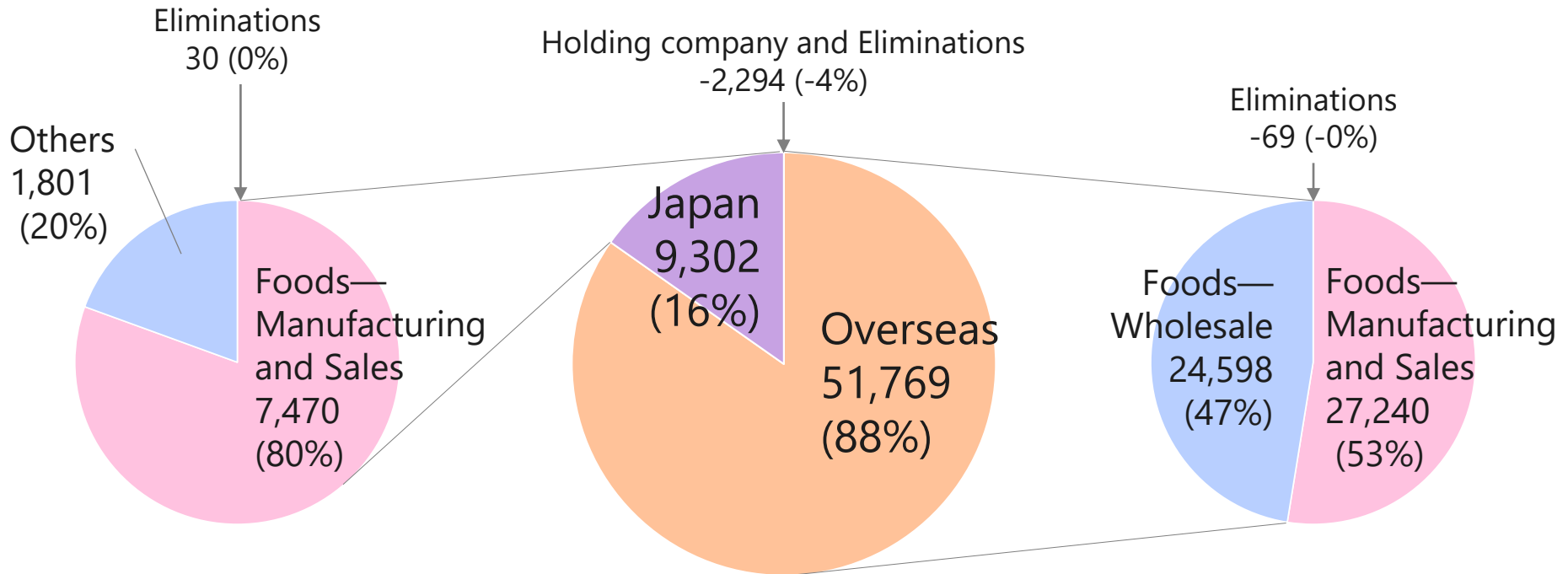
Revenue overseas: 469,024



# Consolidated Results for FY2023.3 | Business Profit by Business

**Business Profit: 58,777**

Unit: millions of yen



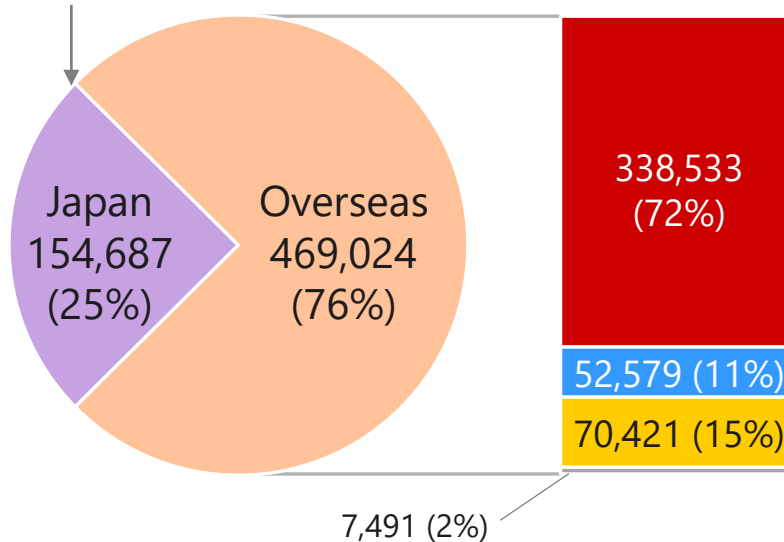


# Consolidated Results for FY2023.3 | Revenue and Business Profit by Region

Unit: millions of yen

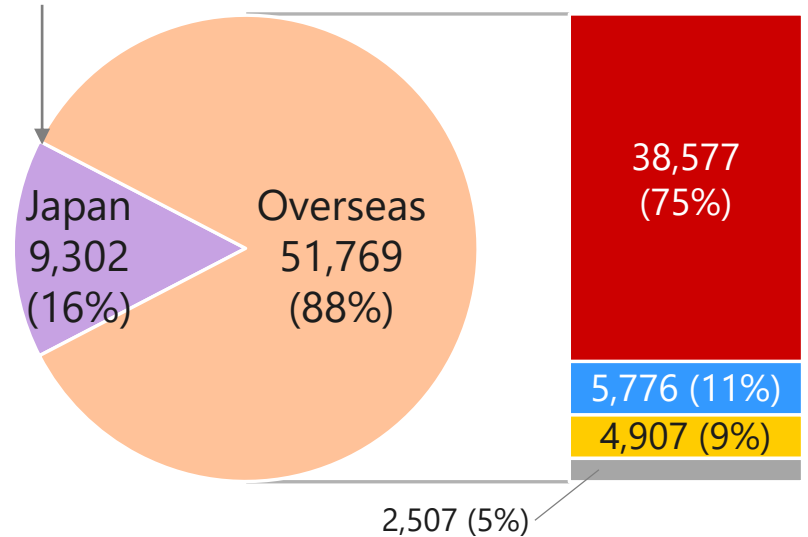
## Revenue: 618,899

Holding company and Eliminations  
-4,812 (-1%)



## Business Profit: 58,777

Holding company and Eliminations  
-2,294 (-4%)



- North America
- Europe
- Asia & Oceania
- The total of Others and eliminations within the overseas segment.

Note: Business Profit = revenue – cost of sales – SG&A.

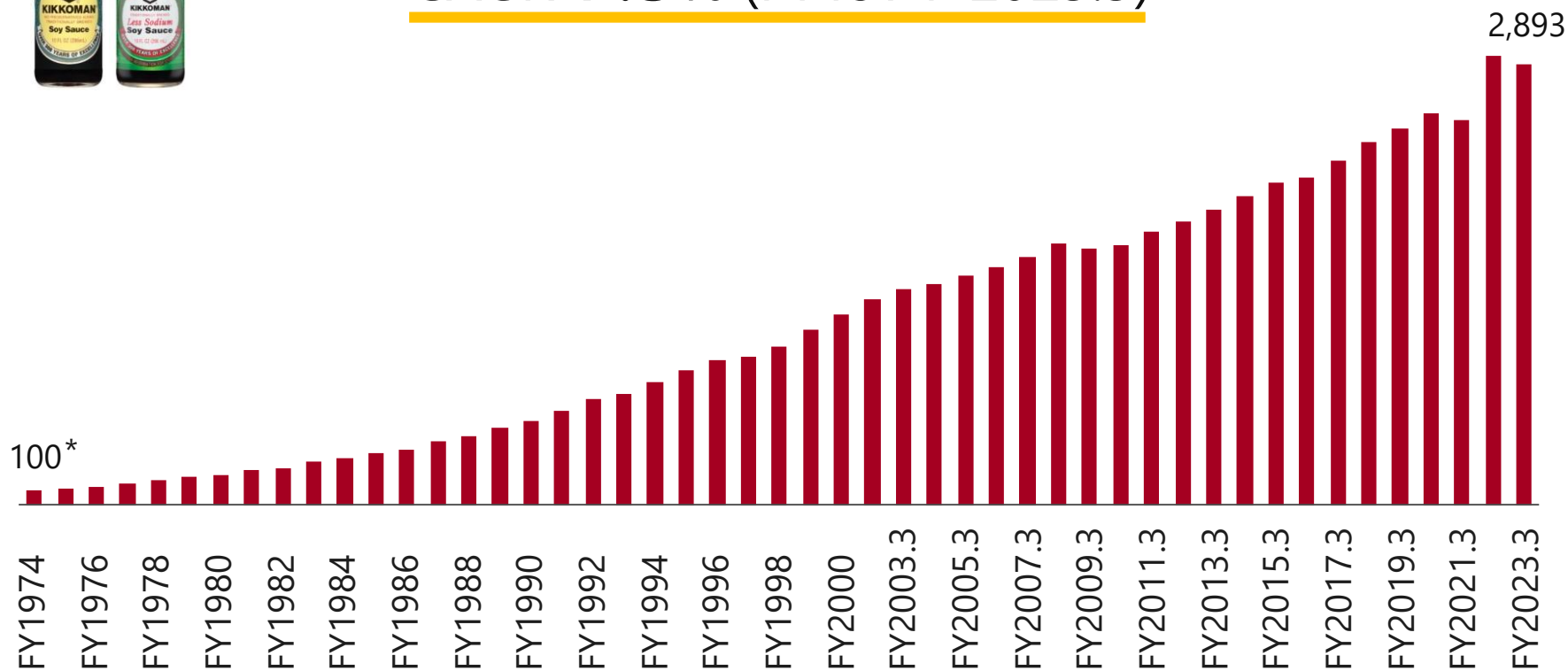
# Overview of the Kikkoman Group

## — Overseas —

# Kikkoman Soy Sauce Sales Volume Overseas (1974–2023.3)



CAGR 7.3% (FY1974–2023.3)

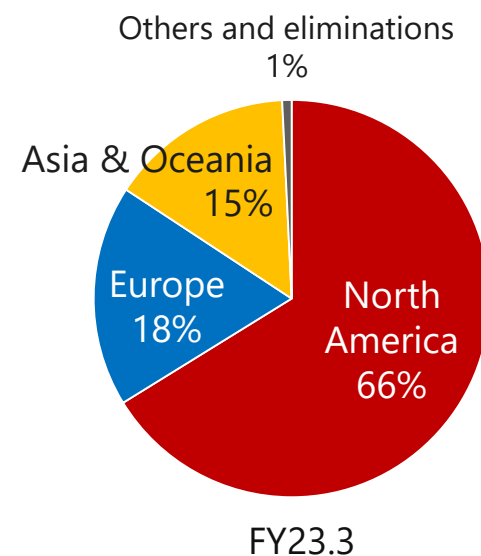
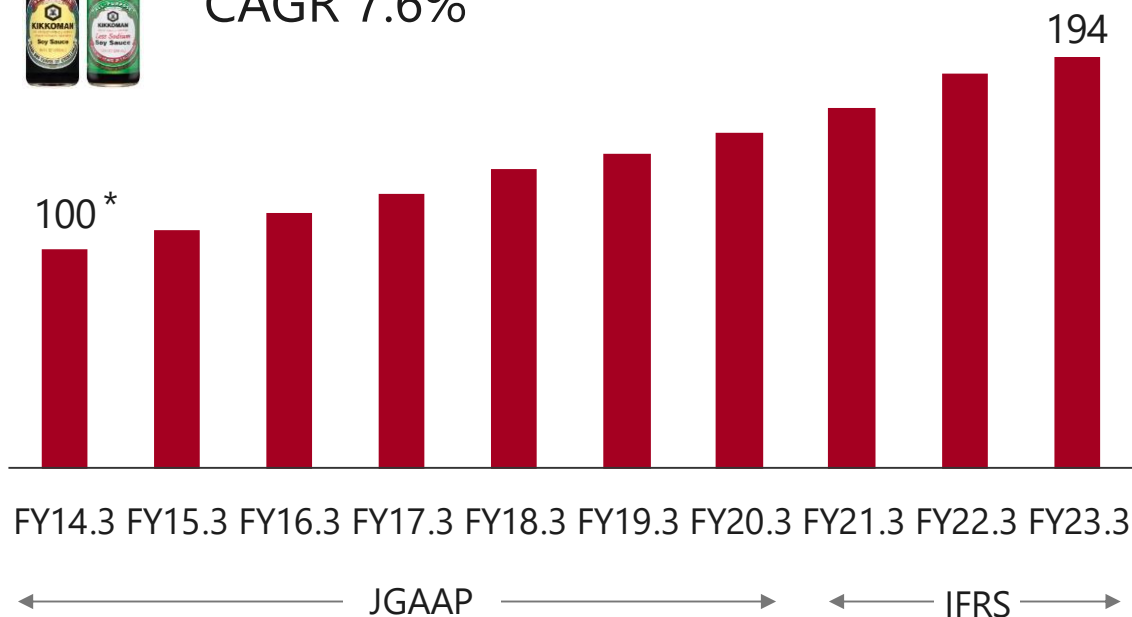


\* Indexed to sales volume in 1974 as 100.

## Sales (Amount) of Soy Sauce Business Overseas (FY14.3–23.3) &amp; Breakdown by Region (FY23.3)

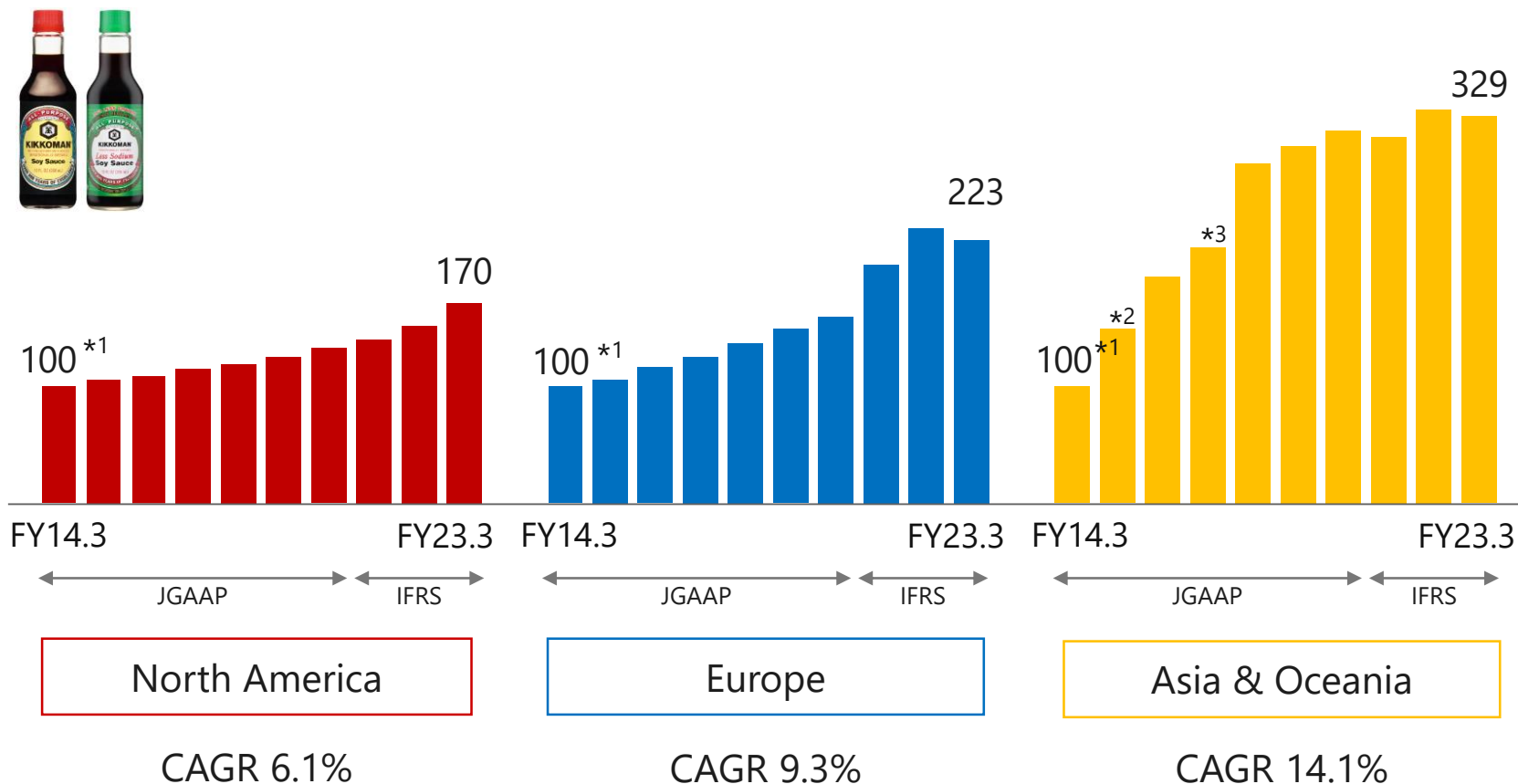


CAGR 7.6%



\* Figures in the table above represent the actual change on a local currency basis, excluding the translation difference, indexed to sales in FY14.3 as 100. The compound average growth rates were calculated by simply comparing net sales for FY14.3 (JGAAP) and revenue for FY23.3 (IFRS).

## Sales (Amount) of Soy Sauce Business Overseas by Region (FY14.3–23.3)



\*1 Figures in the table above represent actual change on a local currency basis, excluding the translation difference, indexed to consolidated sales in FY14.3 as 100. The compound average growth rates were calculated based on a difference between net sales for FY14.3 (JGAAP) and revenue for FY23.3 (IFRS).

\*2 (Asia & Oceania) Sales at Kikkoman Shanghai Trading Co., LTD. and President Kikkoman Inc. have been included since FY15.3.

\*3 (Asia & Oceania) Sales at President Kikkoman Zhenji Foods Co., LTD. have been included since FY17.3.

# Overseas Kikkoman Soy Sauce Production Bases

Shijiazhuang, Hebei



Kunshan, Jiangsu



California



Wisconsin



Brazil



Tainan, Taiwan



Singapore



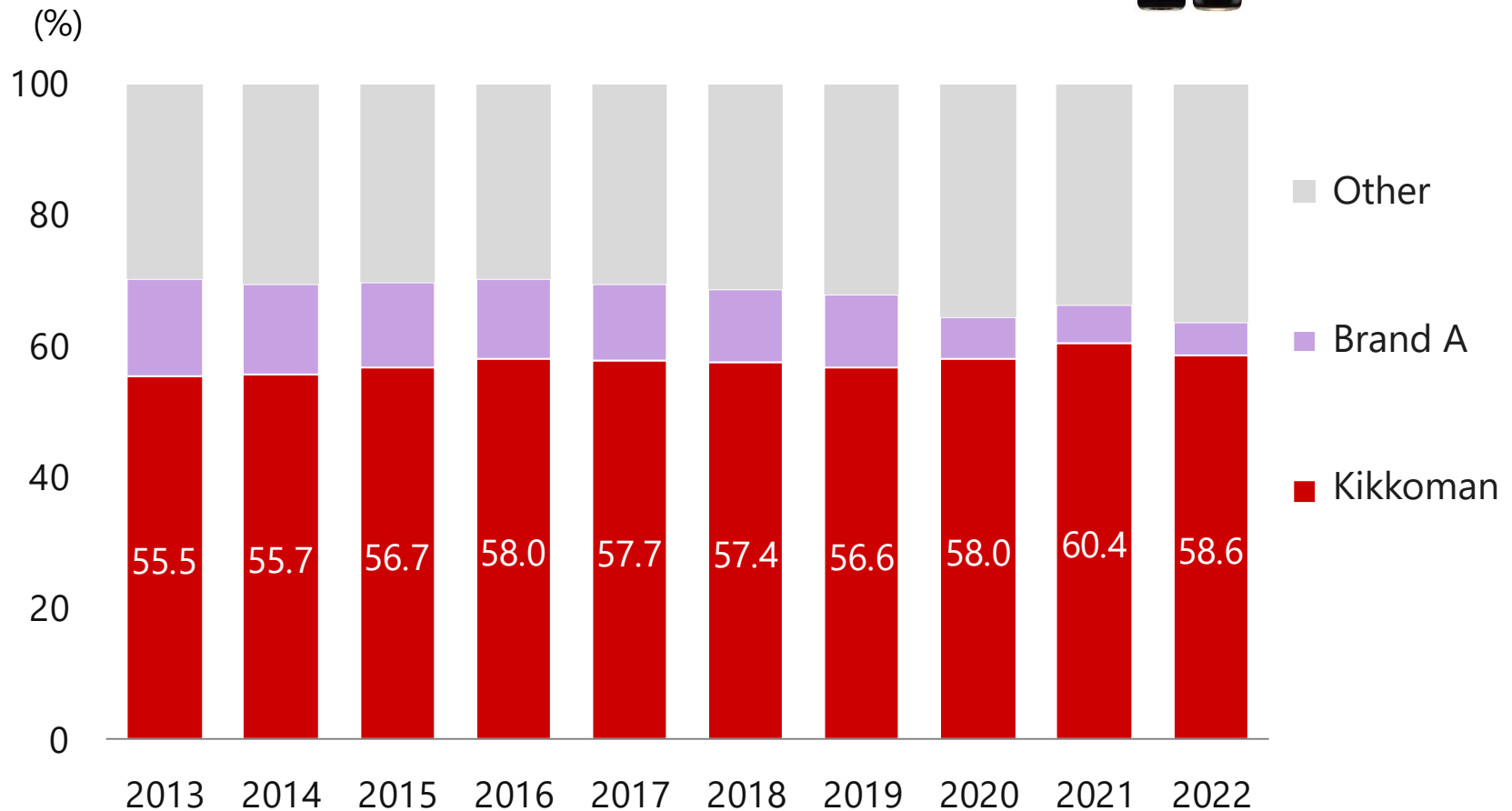
The Netherlands



Note: As of March 2023

# Kikkoman's Share of the U.S. Home-use Soy Sauce Market (Volume) (CY2013–2022)

U.S.

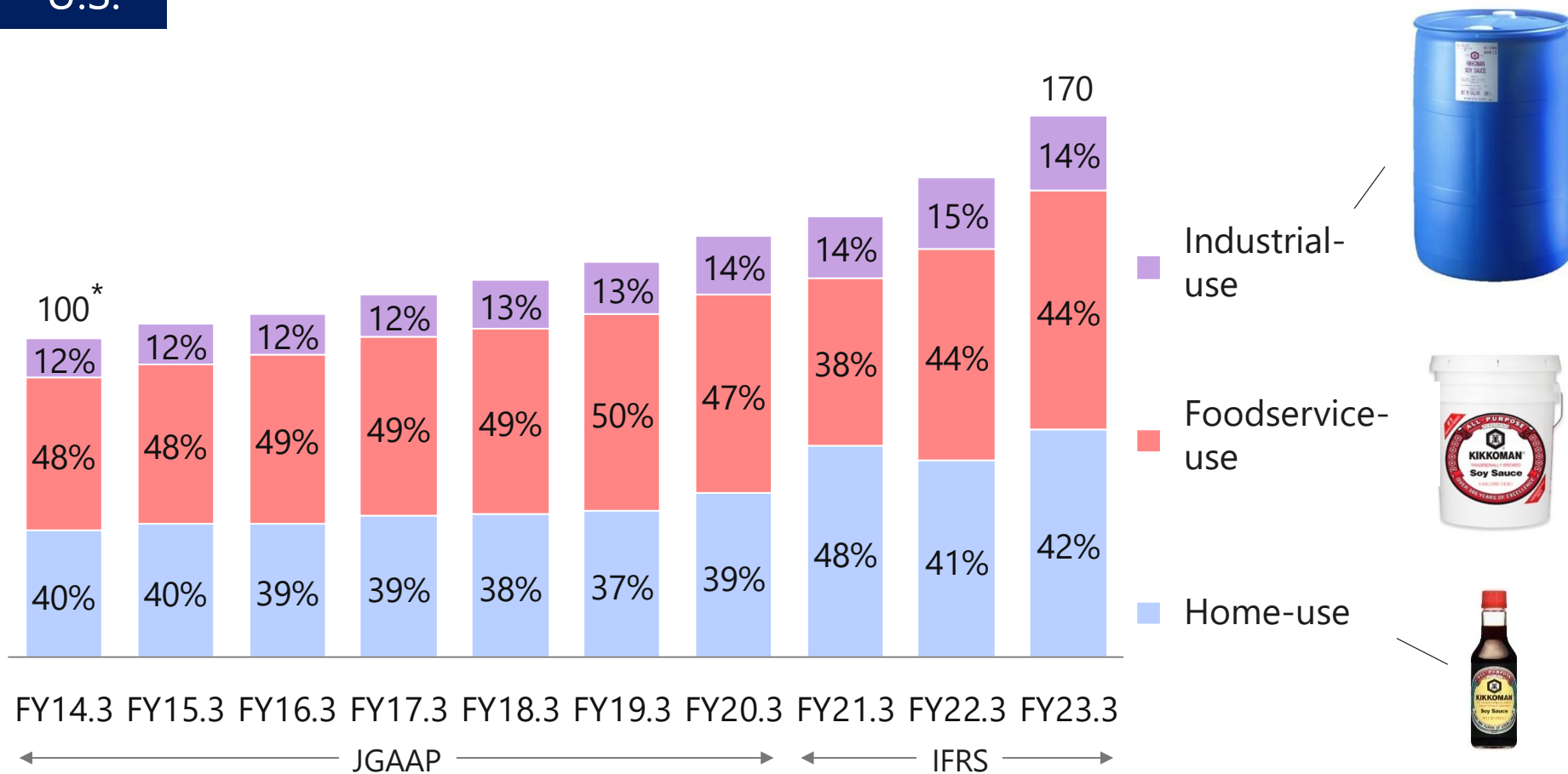


Note: Years in chart are calendar years.

Source: Kikkoman estimate.

# Kikkoman Soy Sauce Sales (Amount) in the U.S. by Channel (FY2014.3–2023.3)

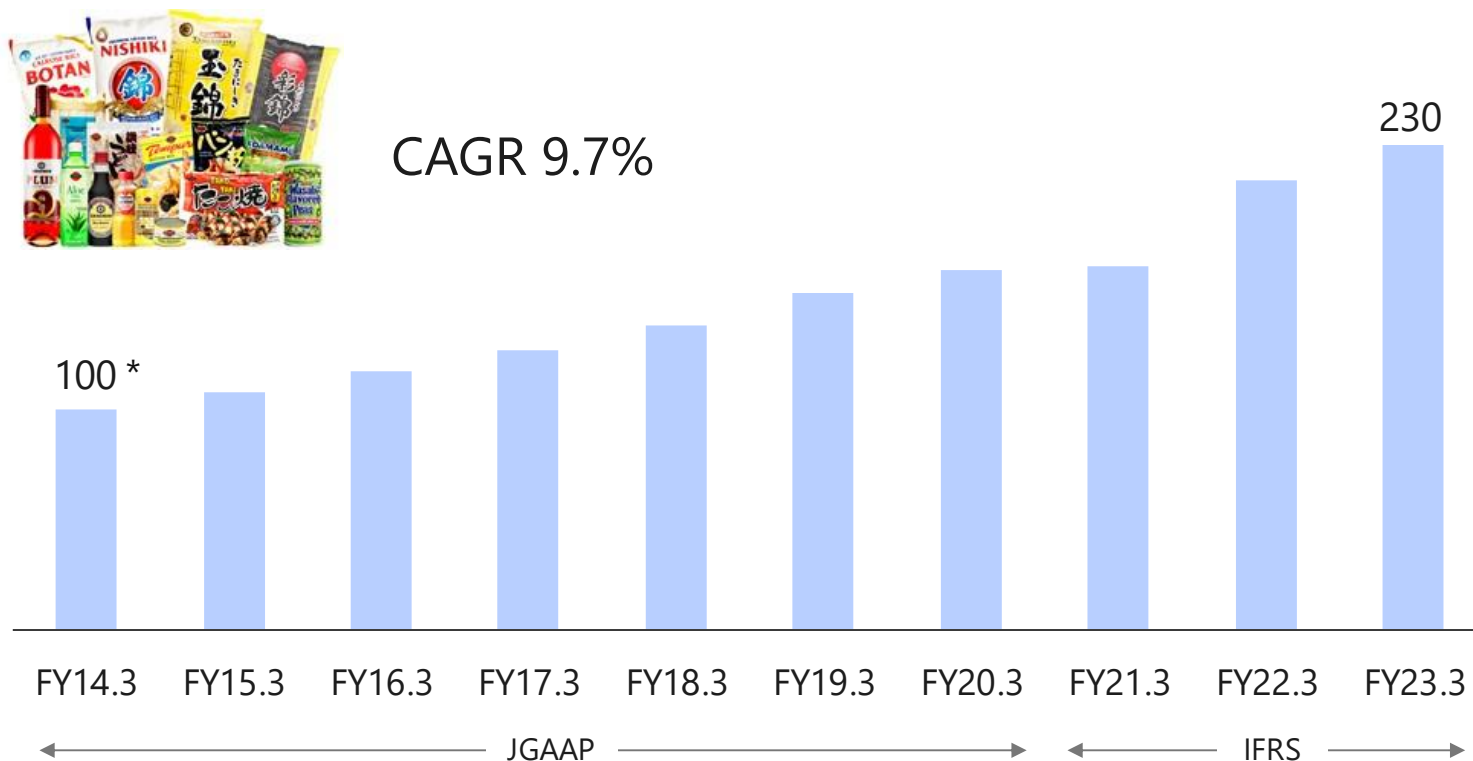
U.S.



\* Figures in the table above represent actual change on a local currency basis, excluding the translation difference, indexed to consolidated sales in FY14.3 as 100. Sales for the period of FY14.3–FY20.3 are JGAAP-based net sales while those for the period of FY21.3–FY23.3 are IFRS-based revenues.



## Sales (Amount) of Foods—Wholesale Business (FY2014.3–2023.3)



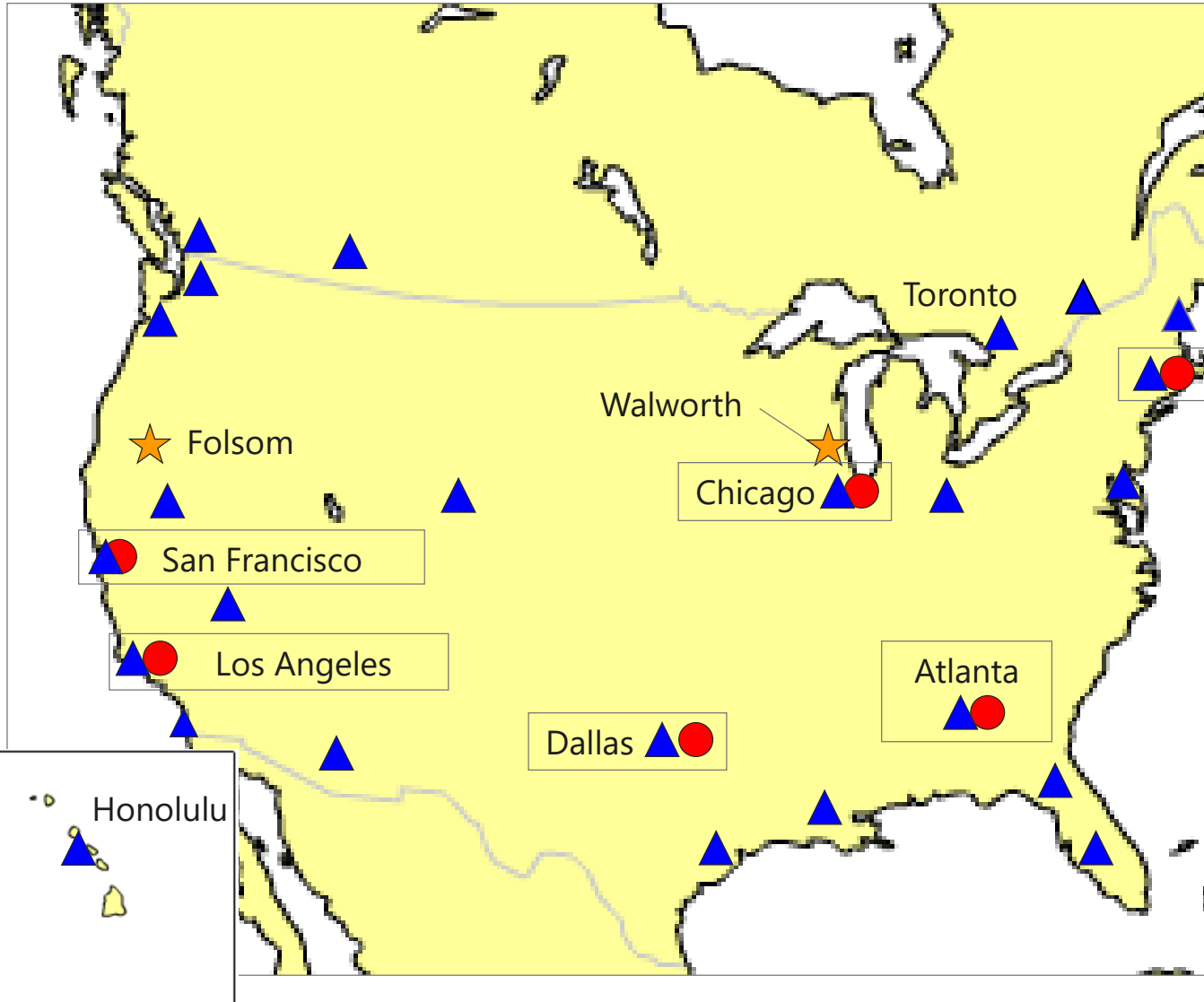
\* Figures in the table above represent actual change on a local currency basis, excluding the translation difference, indexed to consolidated sales in FY14.3 as 100. Sales for the period of FY14.3–FY20.3 are JGAAP-based net sales while those for the period of FY21.3–FY23.3 are IFRS-based revenues. The compound average growth rates were calculated based on a difference between net sales for FY14.3 (JGAAP) and revenue for FY23.3 (IFRS).

# Major Group Companies in the Wholesale Business

## JFC Group Companies



# Major Bases of Soy Sauce and the Wholesale Business | North America






New York

-  Soy sauce production bases
-  Soy sauce sales bases
-  Wholesale bases

Note: As of March 2023.

# Major Bases of Soy Sauce and the Wholesale Business | Europe



-  Soy sauce production base
-  Soy sauce sales bases
-  Wholesale bases

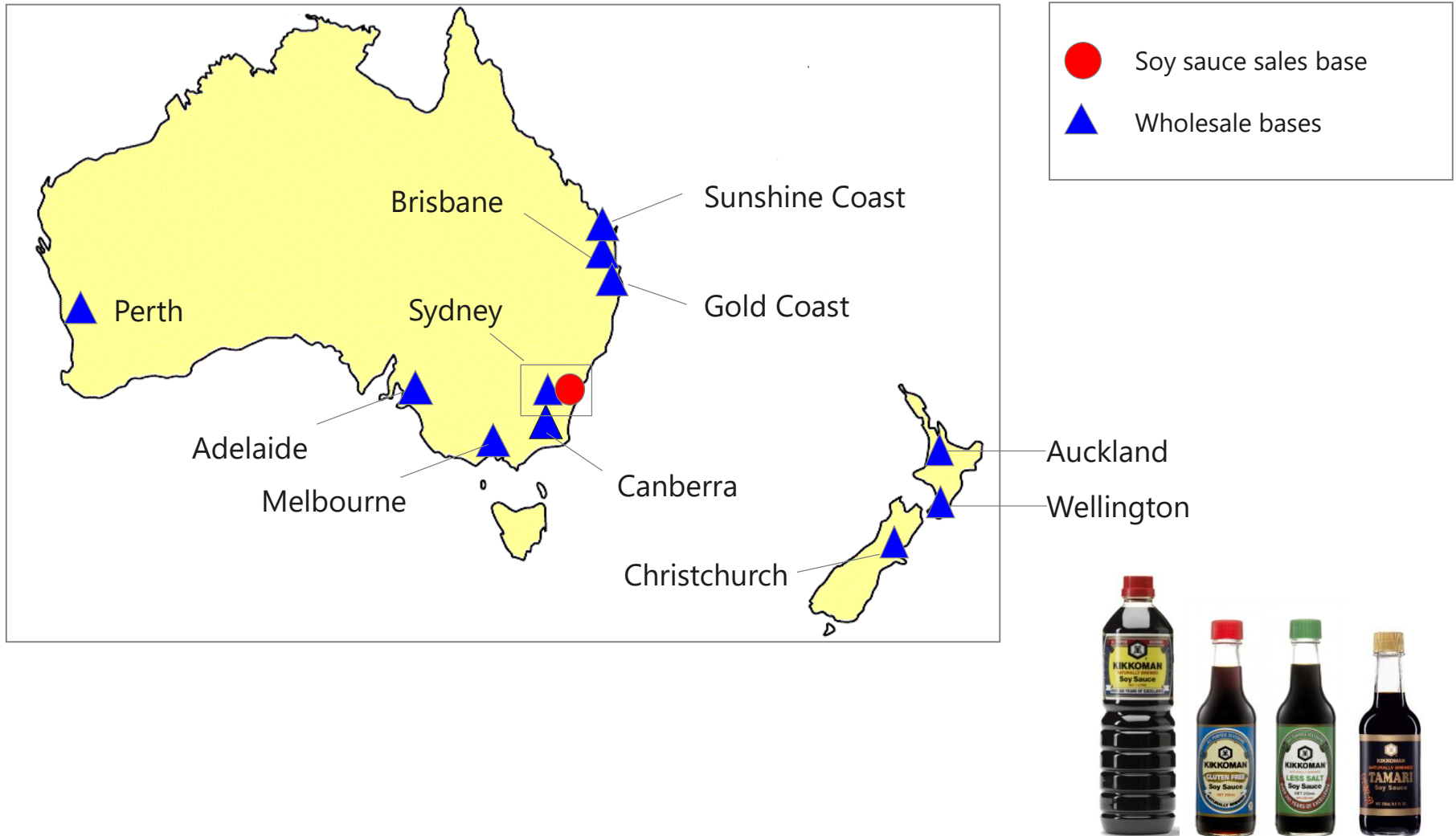
# Major Bases of Soy Sauce and the Wholesale Business | Asia

- ★ Soy sauce production bases
- Soy sauce sales bases
- ▲ Wholesale bases



Note: As of March 2023.

# Major Bases of Soy Sauce and the Wholesale Business | Oceania

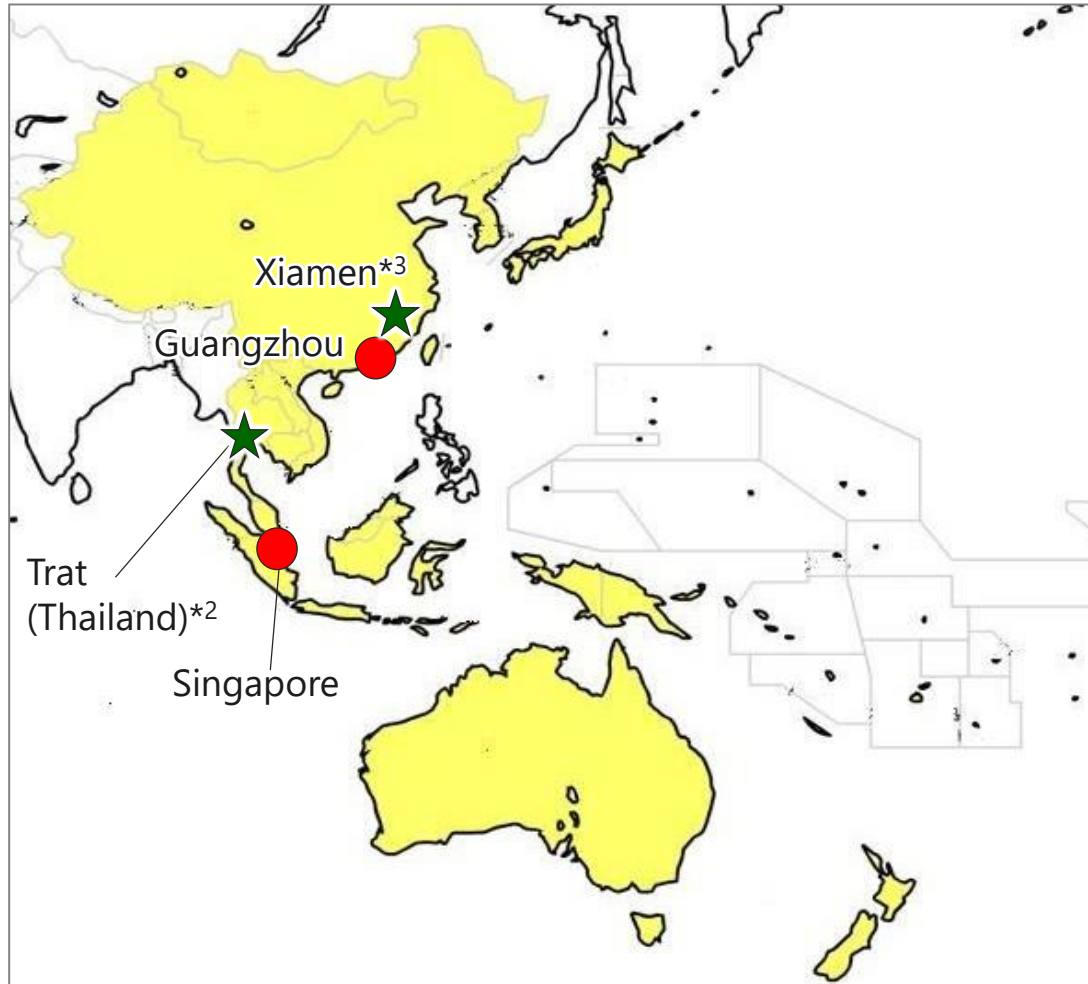



# Major Bases of Soy Sauce and the Wholesale Business | Latin America




- ★ Soy sauce production base
- Soy sauce sales base
- ▲ Wholesale bases

## Major Bases of the Del Monte Business | Asia & Oceania



 Area subject to trademark licensing\*<sup>1</sup>

 Del Monte product production bases

 Del Monte product sales bases

Notes: As of march 2023.

\*1 Kikkoman has acquired perpetual marketing rights of Del Monte's processed foods in the Asia-Pacific region (excluding the Philippines)

\*2 Manufacturing products in Tetra Recart packages.

\*3 Manufacturing tomato ketchup, chili sauce and other products.



## History of Overseas Operations (1957–1998)

- 1957 Kikkoman International Inc. (currently Kikkoman Sales USA, Inc.) was established.  
(A soy sauce sales company; California, U.S.)
- 1969 Capital participation in Japan Food Corporation (currently JFC International Inc.)  
(A wholesale company; California, U.S.)
- 1973 Shipments began at Kikkoman Foods, Inc.  
(A soy sauce plant; Wisconsin, U.S.)
- 1979 Kikkoman Trading Europe GmbH was established.  
(A soy sauce sales company; Düsseldorf, Germany)
- 1984 Shipments began at Kikkoman (S) Pte Ltd.  
(A soy sauce production plant; Singapore)
- 1990 Shipments began at the joint venture, President Kikkoman Inc.  
(A soy sauce plant; Tainan, Taiwan)
- 1997 Shipments began at Kikkoman Foods Europe B.V.  
(A soy sauce plant; Groningen, the Netherlands)
- 1998 Shipments began at Kikkoman Foods, Inc.  
(A soy sauce plant; California, U.S.)

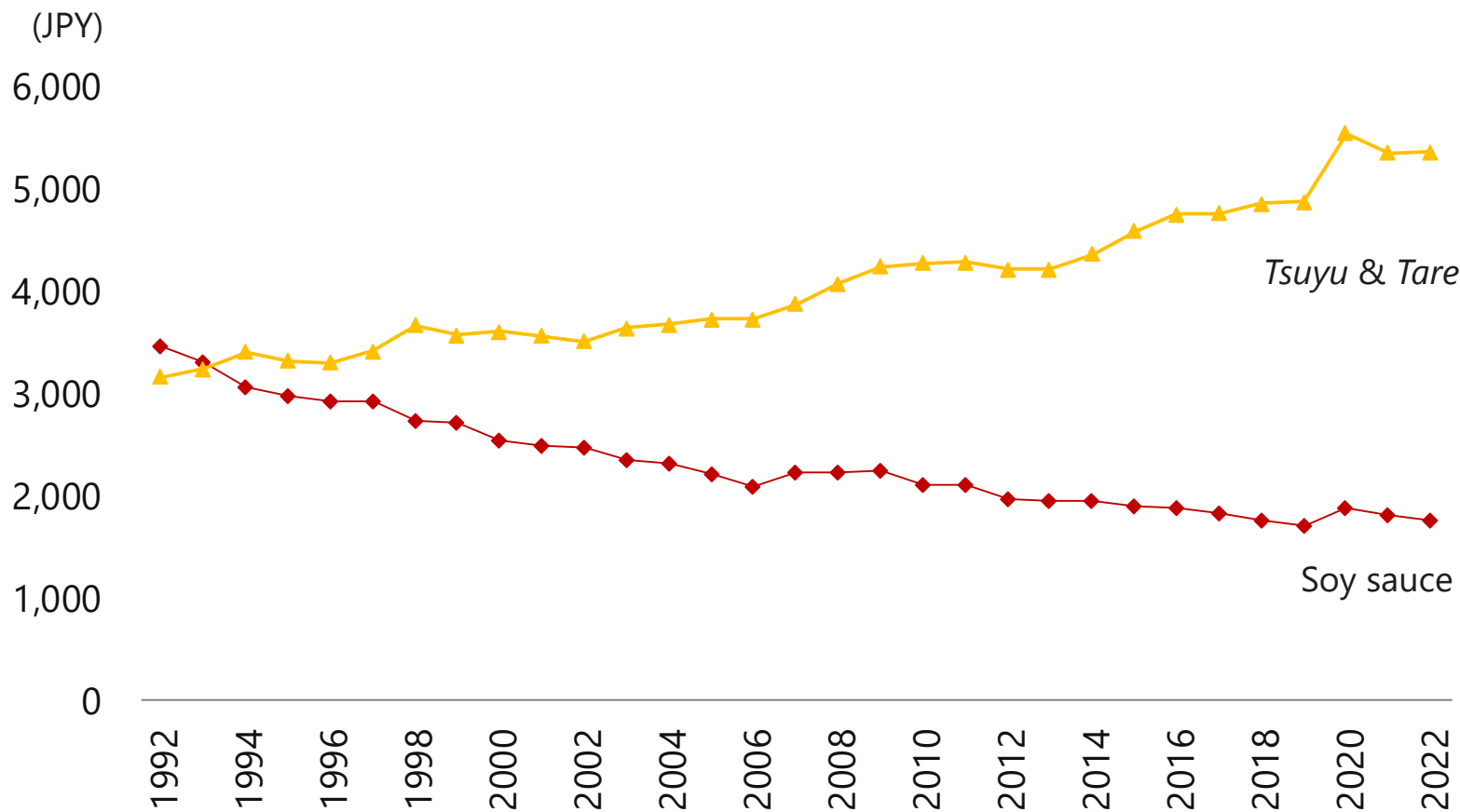
## History of Overseas Operations (2002–2023)

- 2002 Shipments began at the joint venture, Kunshan President Kikkoman Biotechnology Co., LTD.  
(A soy sauce production plant; Kunshan, Jiangsu)
- 2005 Established Country Life, LLC through a joint venture with a local partner.  
(A health foods manufacturing and sales company; New York, U.S.)
- 2006 Shipments began at the joint venture, Siam Del Monte Company Limited.  
(A Del Monte plant; Trat, Thailand)
- 2006 Country Life, LLC became a wholly owned subsidiary of Kikkoman.
- 2008 Shipments began at the joint venture, Del Monte Foods (Xiamen) Co., Ltd.  
(A Del Monte plant; Xiamen, Fujian)
- 2008 Allergy Research Group LLC became a wholly owned subsidiary of Kikkoman.  
(A health foods manufacturing and sales company; Utah, U.S.)
- 2009 Shipments began at the joint venture, President Kikkoman Zhenji Foods Co., LTD.  
(A soy sauce production plant; Shi Jia Zhuang, Hebei)
- 2014 Kikkoman Shanghai Trading Co., LTD. was established.  
(A soy sauce sales company; Shanghai)
- 2021 Shipments began at Kikkoman do Brasil Indústria e Comércio de Alimentos e Bebidas Ltda.  
(A soy sauce plant; Sao Paulo, Brazil)
- 2023 Sale of Country Life, LLC and Allergy Research Group LLC.

# Overview of the Kikkoman Group

## — Japan —

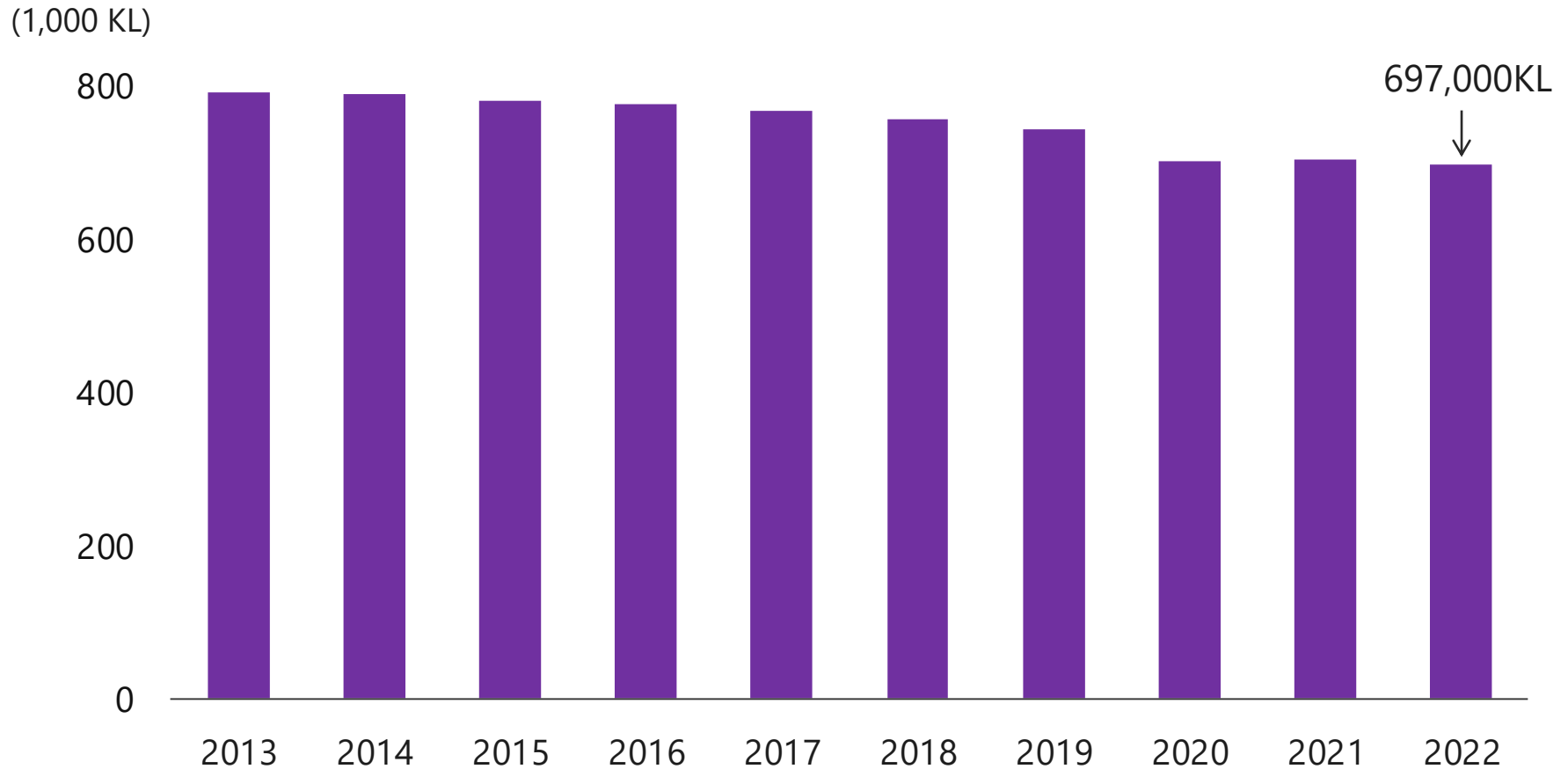
## Soy Sauce and *Tsuyu & Tare* expenditures per household in Japan (CY1992–2022)



Note: Years in chart are calendar years.

Source: Statistics Bureau of Japan (Income and Expenditure survey, households of two or more people, yearly)

## Soy Sauce Market in Japan (Shipment Volume) (CY2013–2022)

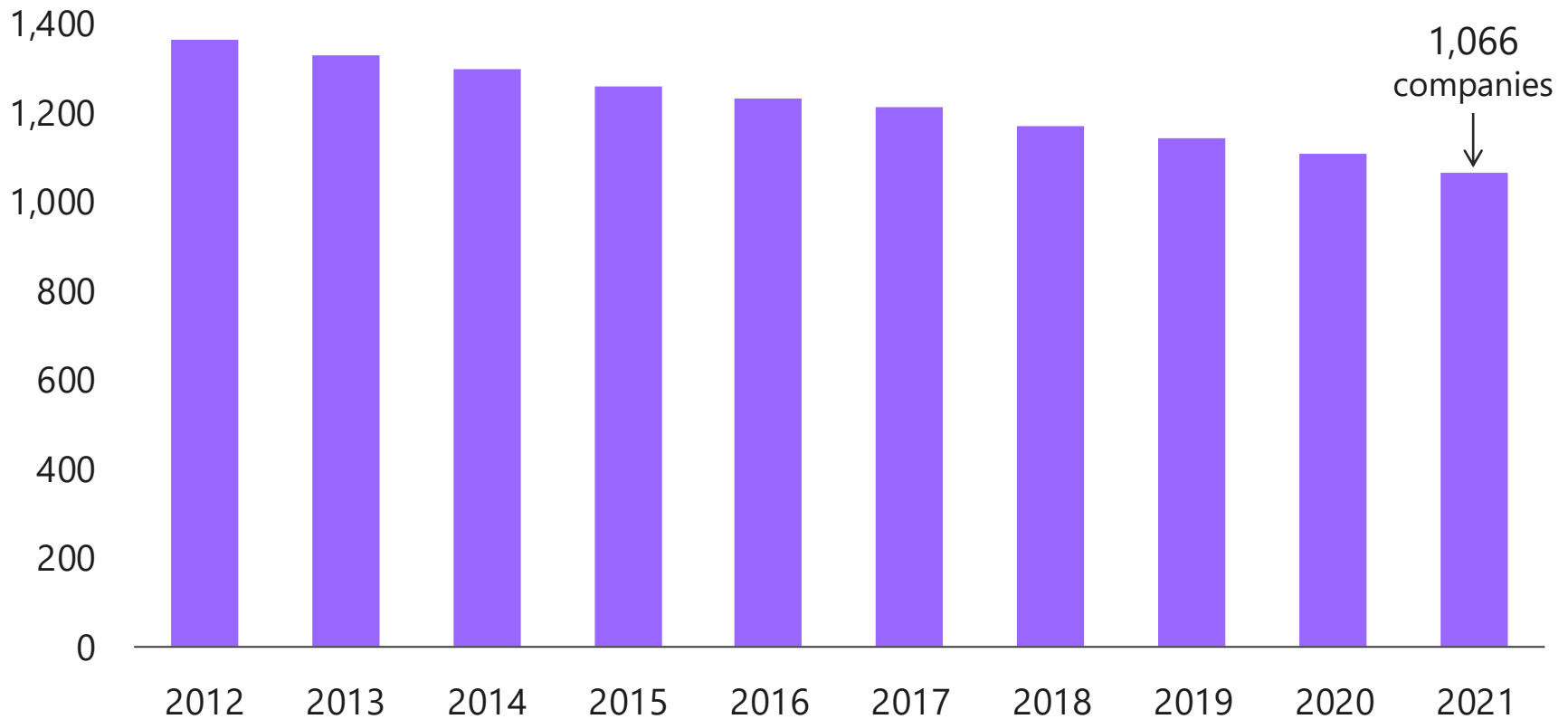


Note: Years in chart are calendar years.

Source: Ministry of Agriculture, Forestry and Fisheries, Japan

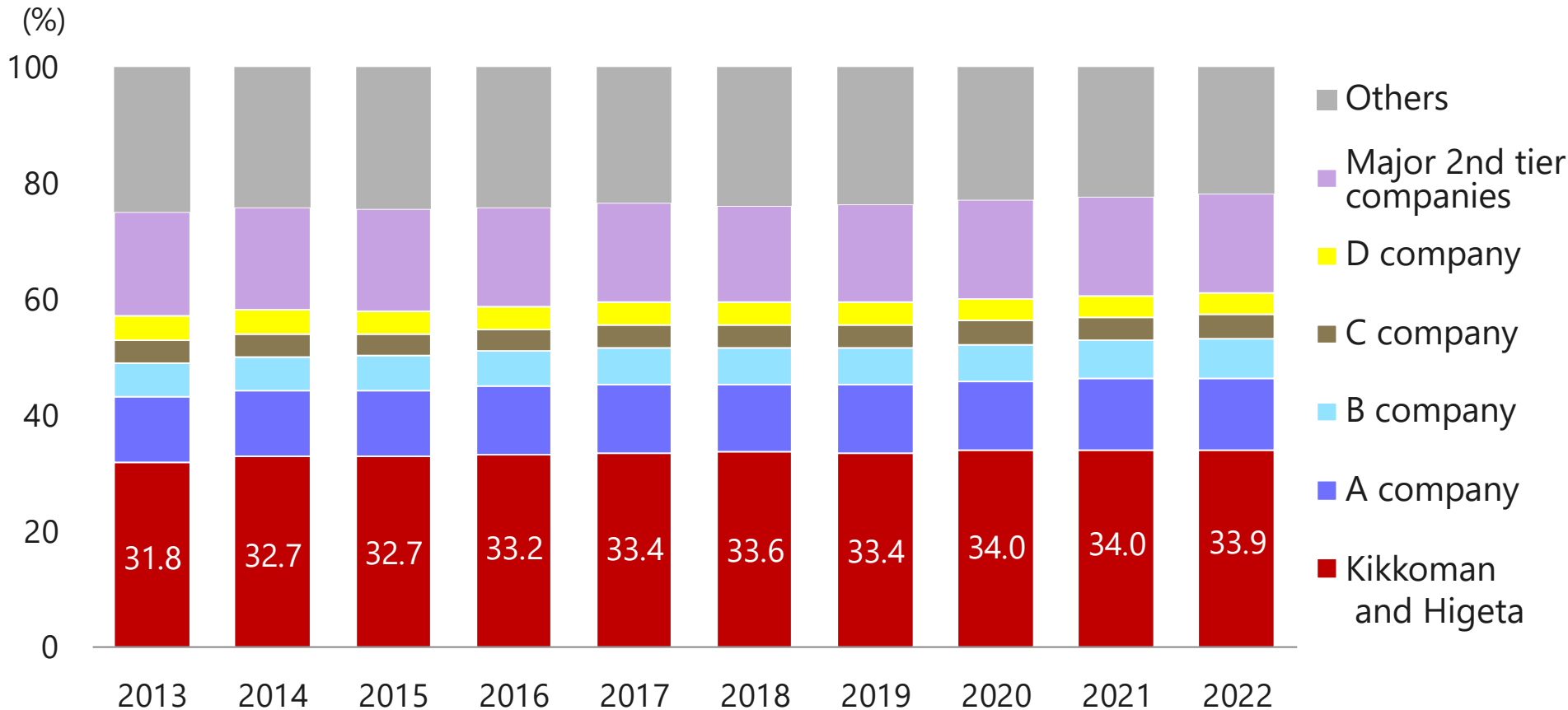
## Number of Soy Sauce Breweries in Japan (CY2012–2021)

(Companies)



Note: Years in chart are calendar years.  
Source: Japan Soy Sauce Brewers Association

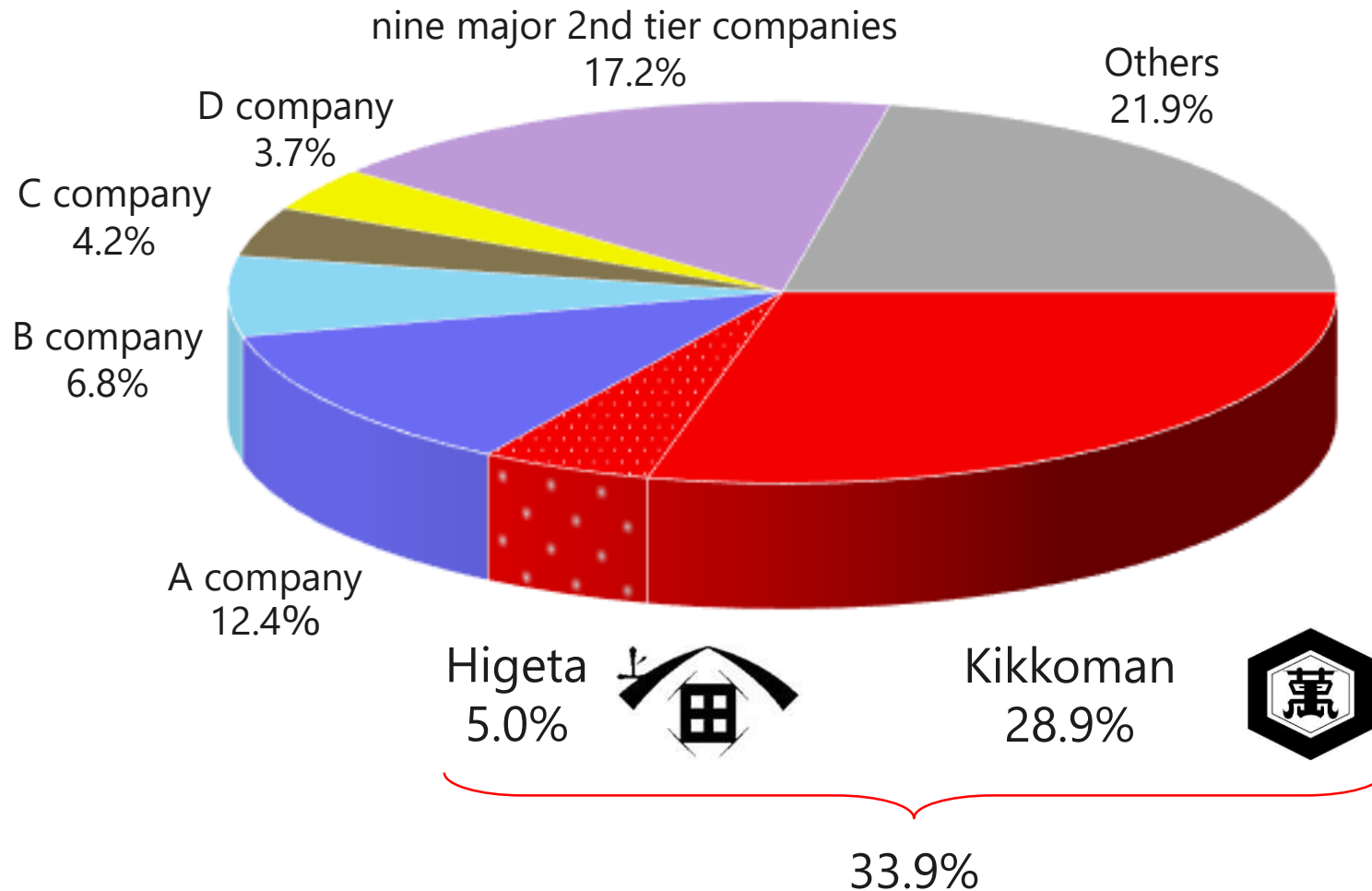
## Market Share of Soy Sauce in Japan (Shipment Volume) (CY2013–2022)



Note: Years in chart are calendar years.

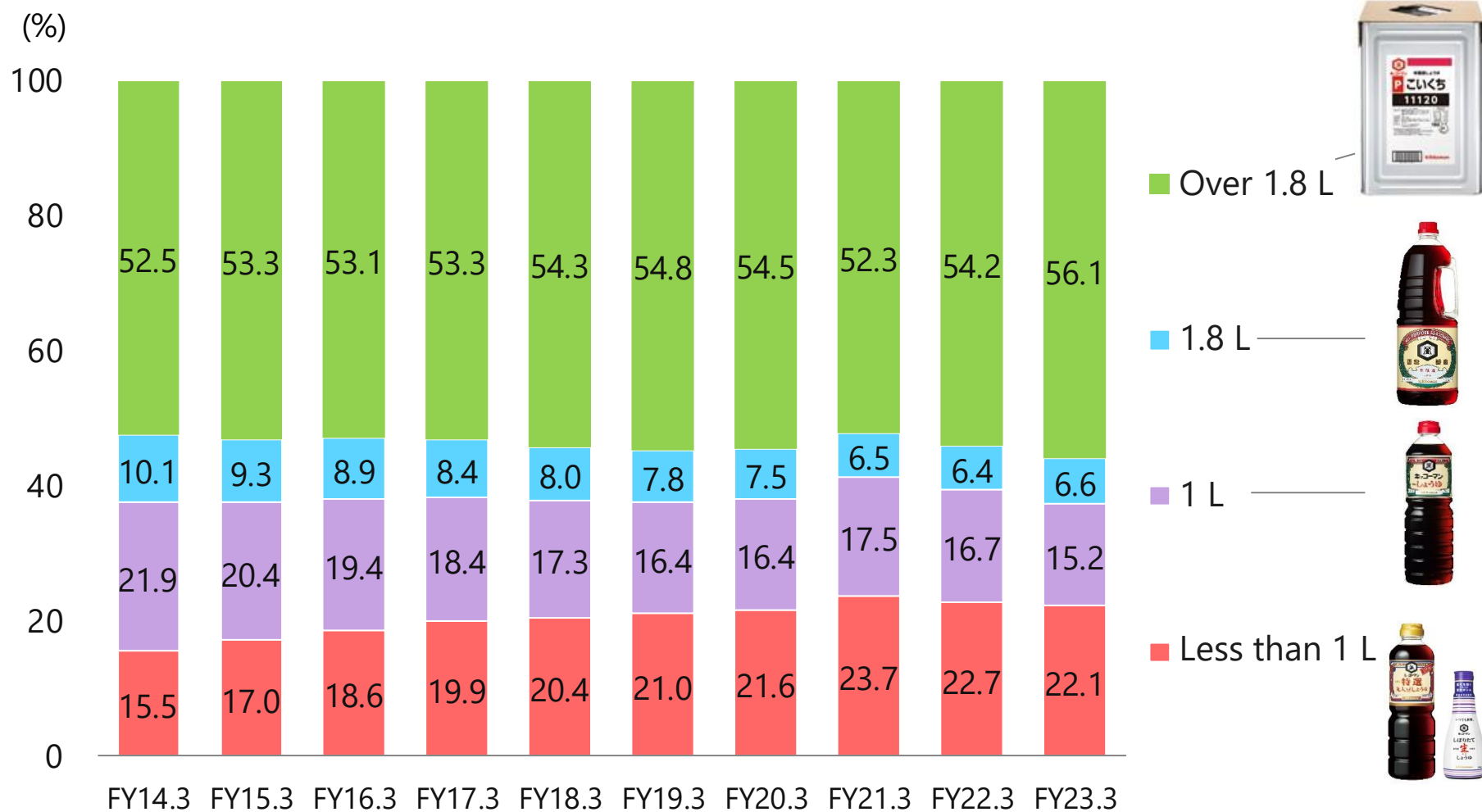
Source: Nikkan Keizai Tsushin Co. Ltd.

## Soy Sauce Market Shares in Japan (Shipment Volume) (Jan.–Dec. 2022)

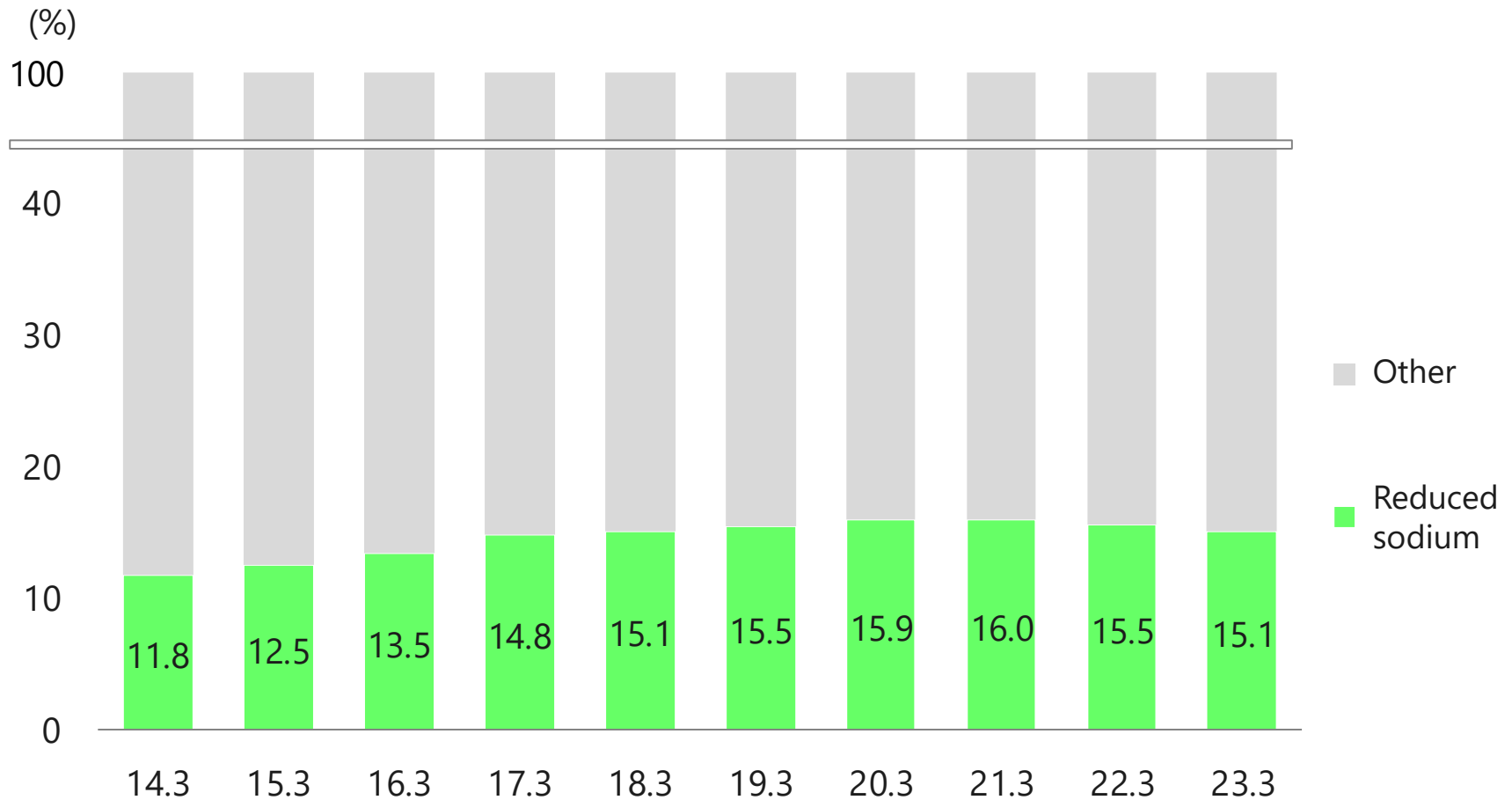




# Kikkoman Soy Sauce sales (Volume) in Japan by Packages (FY2014.3–2023.3)



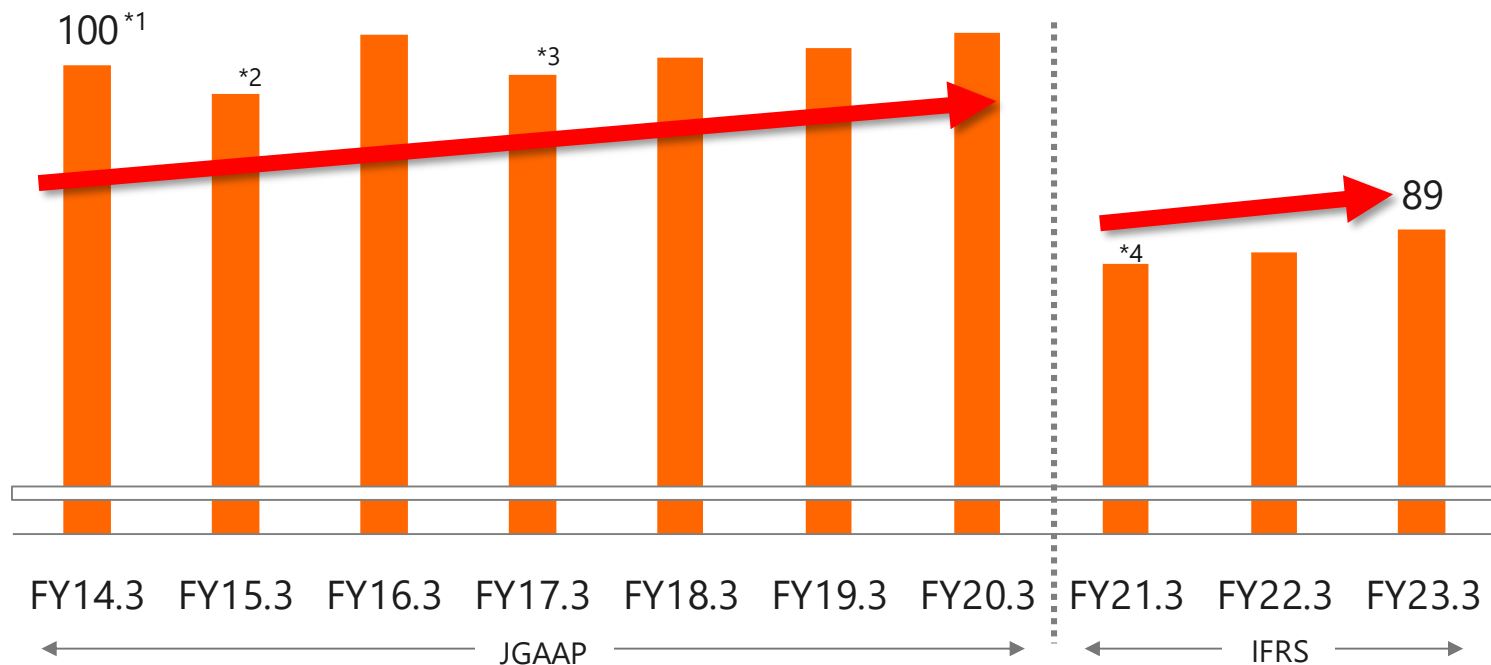
## % of Reduced Sodium Products in the Home-Use Soy Sauce Market (Amount) (13.3–22.3)



Note: Years in chart are one-year period April to March.

Source: INTAGE SCI, soy sauce, nationwide, April 2013–March 2023, Size of market, Amount

## Sales (Amount) of Soy Sauce &amp; Soy Sauce Derivative Products in Japan (FY14.3–23.3)



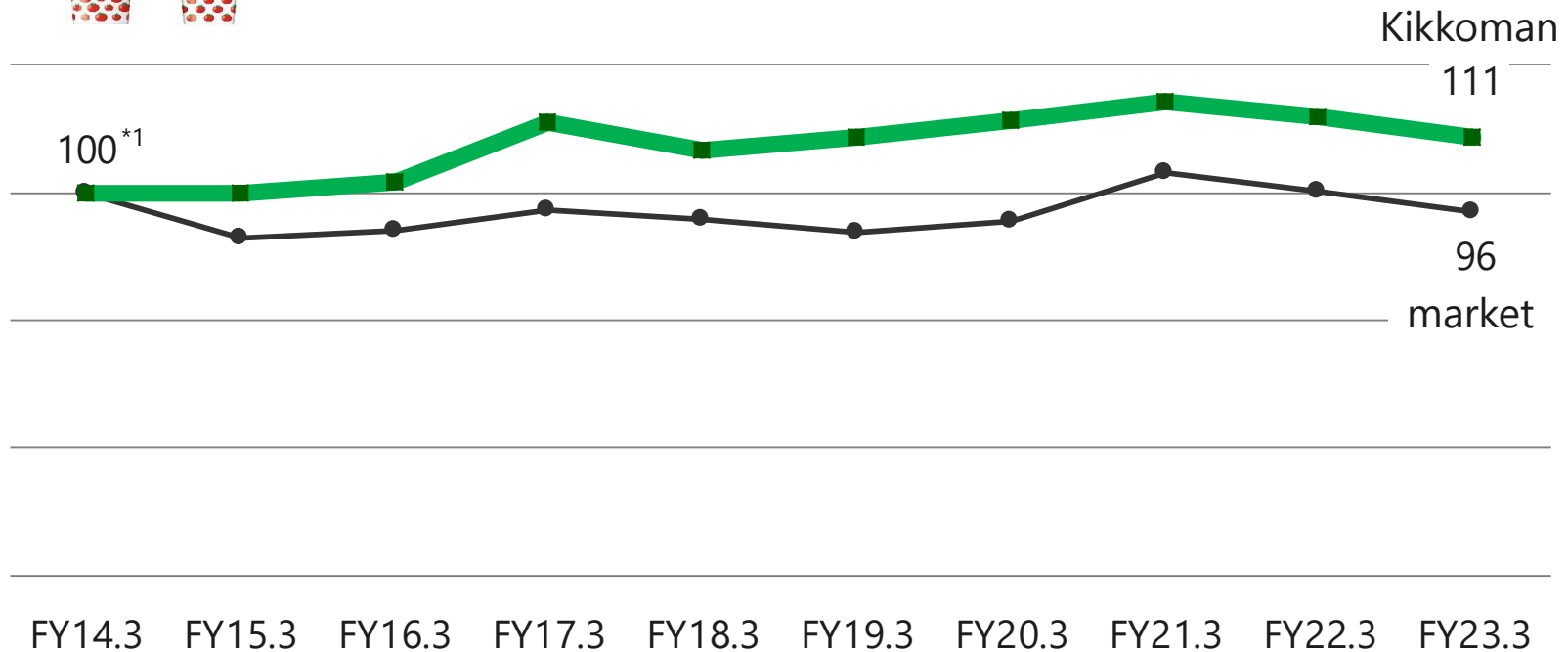
\*1 Indexed to consolidated net sales in FY14.3 as 100. Sales reflect JGAAP-based net sales for the period of FY14.3–FY20.3 and IFRS-based revenues for the period of FY21.3–FY23.3.

\*2 Consumption tax was raised from 5% to 8% in April 2014.

\*3 Sales declined in FY17.3 due to a revision of the price system for *Hon Tsuyu*.

\*4 Sales commissions are deducted as Kikkoman adopted IFRS.

# Home-Use Tomato Ketchup Market/Kikkoman Sales (Amount) in Japan (FY14.3–23.3)



\*1 Market size and Kikkoman's consolidated sales are indexed to FY14.3 as 100. Kikkoman's sales reflect JGAAP-based net sales for the period of FY14.3–FY20.3 and IFRS-based revenues for the period of FY21.3–FY23.3

\*2 Kikkoman launched Lycopene-Rich Tomato Ketchup in August 2013.

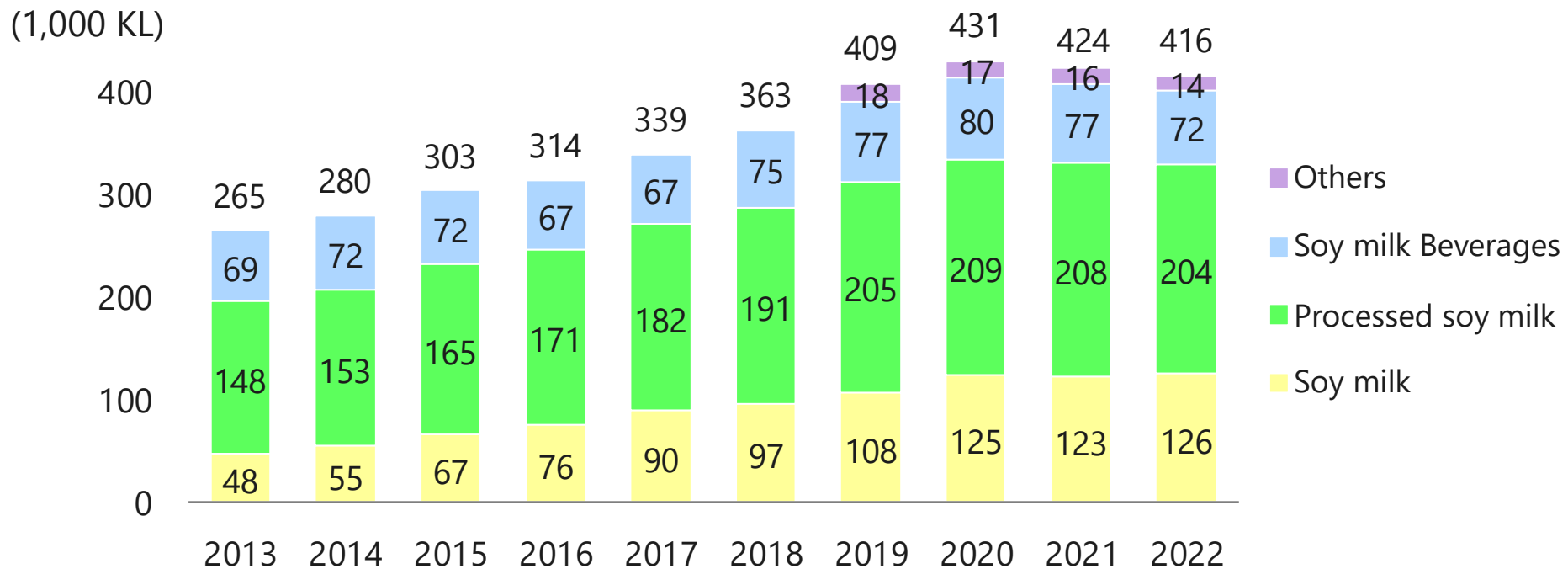
Kikkoman revised tomato ketchup prices (an increase of about 4 to 10% in suggested retail prices) in April 2015.

Kikkoman Implemented a price system change for Tomato Ketchup 500g (decreases in sales prices and sales expenses) in April 2017.

## Soy Milk Market in Japan (Shipment Volume) (CY2013–2022)

Soy milk is defined by the Japanese Agricultural Standards (JAS) and is categorized into three classifications:

Classification	Standard	Kikkoman's main products
Soy milk	Solid soybean content is 8% or greater.	<i>Oishi Muchosei Tonyu</i> (tasty unprocessed soy milk)
Processed soy milk	Solid soybean content is 6% or greater.	<i>Chosei Tonyu</i> (processed soy milk)
Soy milk beverages	(A) Fruit juice beverages : Solid soybean content is 2% or greater. (B) Other beverages : Solid soybean content is 4% or greater.	(A) <i>Tonyu Inryo</i> (soy milk beverage) <i>Fruit Mix</i> (B) <i>Tonyu Inryo</i> (soy milk beverage) <i>Malt Coffee</i>

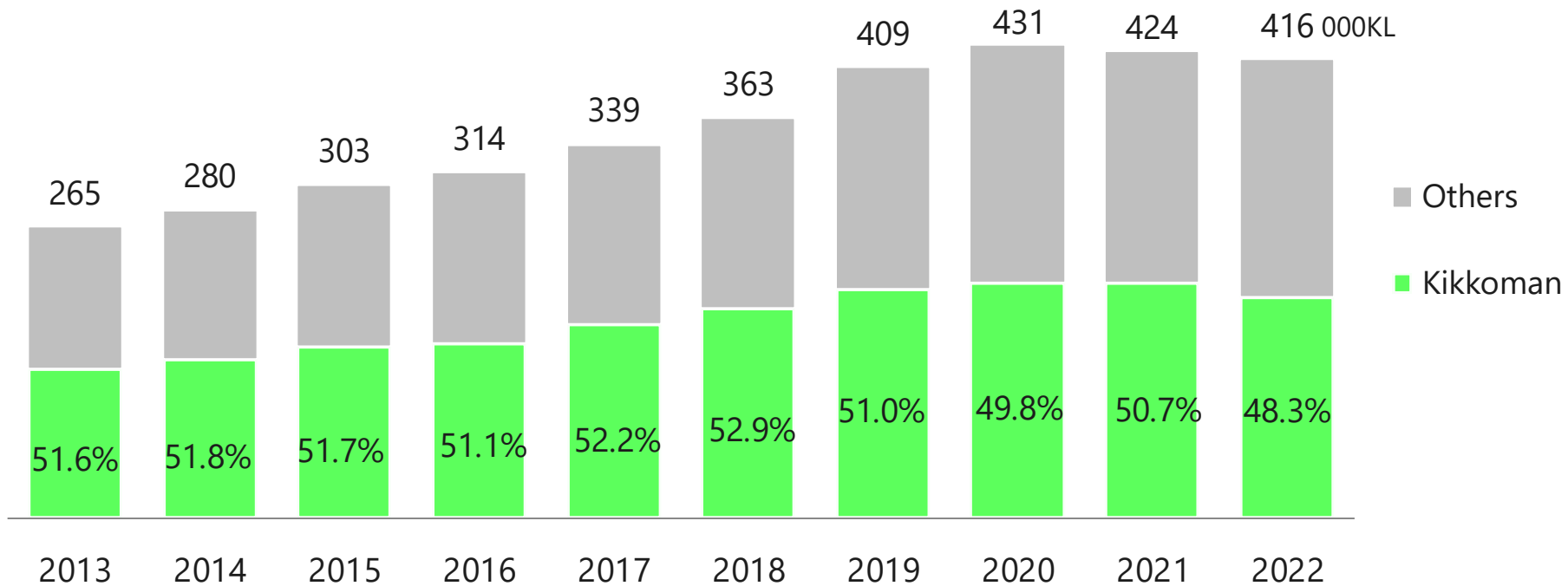


Notes: Years in chart are calendar years.

Starting in 2019, soy milk for industrial-use was added to data, included in "Others."

Sources: Ministry of Agriculture, Forestry and Fisheries, Japan (2013–2014) and the Japan Soymilk Association (2015–)

# Kikkoman's Share of the Soy Milk Market in Japan (Volume) (CY2013–2022)



Note: Years in chart are calendar years.

Sources: Ministry of Agriculture, Forestry and Fisheries, Japan (2013–2014) and Japan Soymilk Association (2015–)

## Business Reorganizations and Equity-Based Business Alliances in Japan (2004–2010)

- Mar. 2004 Capital and business alliance with Kibun Foods Group\*
- Apr. 2006 Transferred *shochu* business to Sapporo Breweries Ltd.
- Jun. 2006 Kibun Food Chemifa Co., Ltd. becomes a consolidated subsidiary of Kikkoman\*
- Jun. 2008 Equity-based business alliances with Riken Vitamin Co., Ltd. (equity method)
- Aug. 2008 Kibun Food Chemifa Co., Ltd. becomes a wholly owned subsidiary of Kikkoman\*
- Mar. 2009 Sold over half of interest in consolidated subsidiary Tone Coca-Cola Bottling Co., Ltd. (Coca-Cola business) to Coca-Cola (Japan) Company, Limited
- Apr. 2009 Kibun Food Chemifa Co., Ltd. company name changed to Foodchemifa Co., Ltd.\*
- Apr. 2010 Kikkoman Beverage Company takes on the beverage sales business of Foodchemifa Co., Ltd.'s Beverage Division through absorption-type company split.\*

## Business Reorganizations and Equity-Based Business Alliances in Japan (2011–2022)

- Apr. 2011 Integration of the biochemical business and functional material business of the Health Food Sales Department, both in Kikkoman Food Products Company and the chemicals business of Foodchemifa Co., Ltd.
- Apr. 2011 Foodchemifa Co., Ltd. company name changed to Kikkoman Soyfoods Company.\*
- Jun. 2016 Sale of 6,600,000 shares of Riken Vitamin Co., Ltd. (with the ratio of voting rights held changing from 34.5% to 6.5%) (The equity-based business alliance continues.)
- Apr. 2021 Kikkoman Soyfoods Co., Ltd. takes over the soy milk products sales business of Kikkoman Beverage Company (absorption-type company split).\*
- Apr. 2021 The wines as beverages sales function of Kikkoman Food Products Company is transferred to Manns Wines Co., Ltd.
- Jan. 2022 Sale of Food material business of Kikkoman Soyfoods Co., Ltd.
- Apr. 2022 Kikkoman Beverage Company was integrated into Kikkoman Foods Products Company (through an absorption-type merger).

Note: \* indicates business restructuring related to the soy milk business.



# Global Vision 2030

# Global Vision 2030

## Kikkoman Group Long-Term Vision

# Global Vision 2030

- Striving with passion to create new values -

Kikkoman Corporation launched Global Vision 2030, our new vision of the future for the Kikkoman Group, in April 2018. This vision states our goals and strategies for achieving these goals by 2030. The Kikkoman Group will work toward our ambitious goals with our theme, "Striving with passion to create new values," for the year 2030.

For details on the Global Vision 2030, please see the following materials.

- Japanese

<https://www.kikkoman.com/jp/corporate/management/vision2030.html>

- English

<https://www.kikkoman.com/en/corporate/about/vision2030/>

# Outline of Global Vision 2030

## Striving with passion to Create New Values

### Goals

- 1 Make Kikkoman Soy Sauce a truly global seasoning
- 2 Create new delicious experiences around the world, and contribute to richer, healthier lifestyles
- 3 Become a company whose presence in global society is ever more meaningful, through activities unique to Kikkoman

### Challenges toward 2030

#### Offering No. 1 values

- 1 Global No.1 strategy
- 2 Area No.1 strategy
- 3 Creating new businesses

#### Utilizing management resources

- 1 Fermentation and brewing technologies
- 2 Human resources/information/cash flow

# Corporate Governance

# Overview of Corporate Governance (As of June 27, 2023)

## Organization

Structure	Company with Audit & Supervisory Board
Corporate Officer System	Yes

## Directors and Audit & Supervisory Board Members

	Directors	Audit & Supervisory Board Members
Number (incl. outside appointments)	11 (4)	4 (2)
Term of office	1 year	4 years

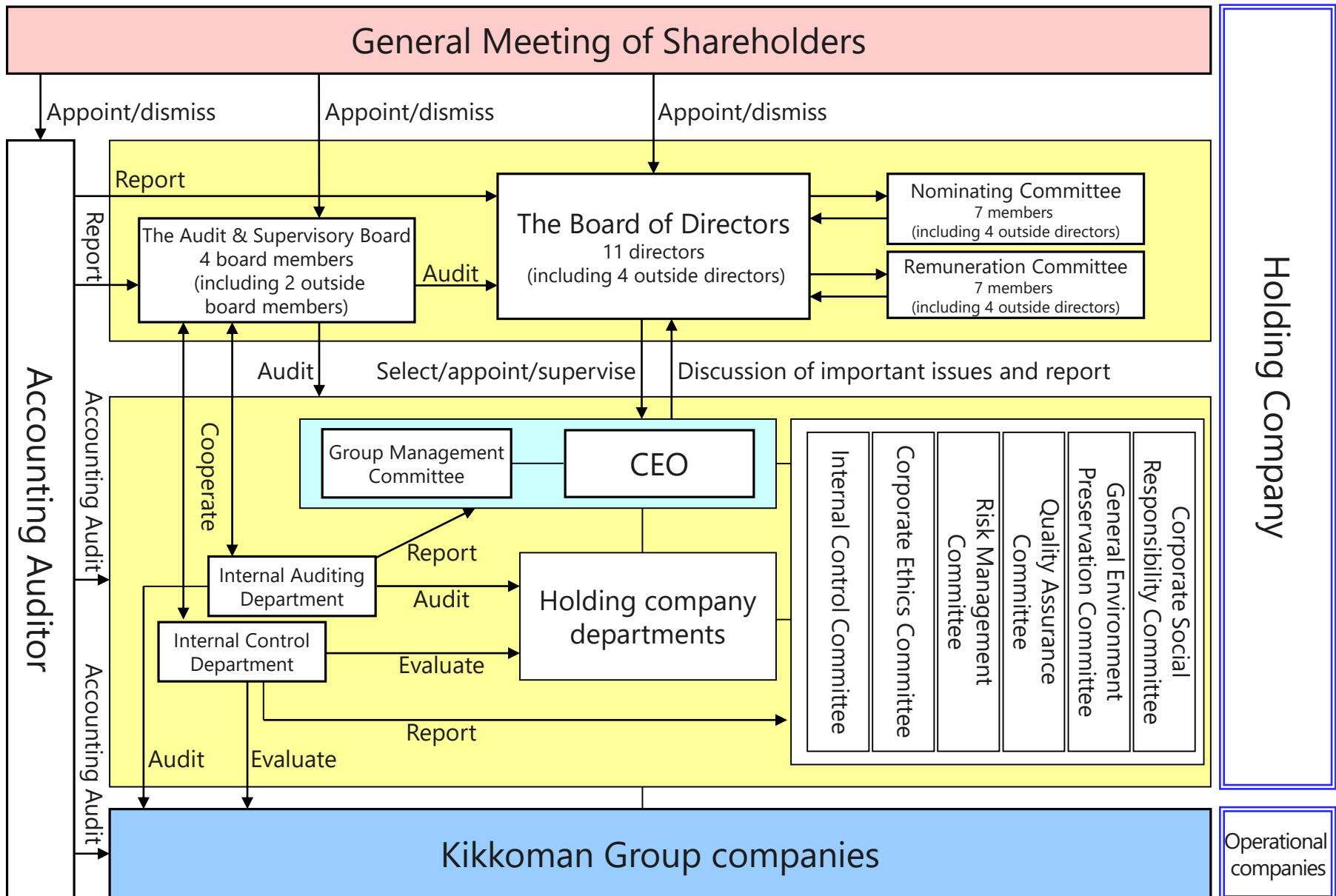
## Key steps taken to reinforce corporate governance

Time	Initiatives	Purpose
Mar. 2001	Introduced corporate officer system	Delegated business execution authority to corporate officers to clarify management responsibilities and accelerate decision-making and business execution
Jun. 2002	Appointed outside directors Established Nominating Committee and Remuneration Committee	Increased management transparency and strengthened management oversight
Oct. 2009	Adopted a holding company structure	Clarified the roles and responsibilities of the holding company and operating companies and created a structure to maximize Group synergy

## Nominating Committee and Remuneration Committee

	Composition	Role
Nominating Committee	7 members (4 outside directors, 3 directors) Committee chaired by an outside director	Proposes the selection and dismissal of directors and corporate officers, the entrustment and removal of managerial positions and the appointment of audit & supervisory board members to the Board of Directors (The Audit & Supervisory Board consents for the appointment of audit & supervisory board member candidates)
Remuneration Committee	7 members (4 outside directors, 3 directors) Committee chaired by an outside director	Decides on remuneration for directors and corporate officers.

# Corporate Governance System (As of June 27, 2023)





**kikkoman**  
seasoning your life