



**FY2024 Presentation material / Medium-term Corporate Strategy 2030**

February 7, 2025

**Kanro Inc.**  
**(TSE:2216)**

- 1 Review of FY2024**
- 2 Forecast of FY2025**
- 3 Medium-term Corporate Strategy 2030**
- 4 Business strategy FY2025**
- 5 Key points of the presentation**
- 6 Appendix**

**Kazuhiro Abe**

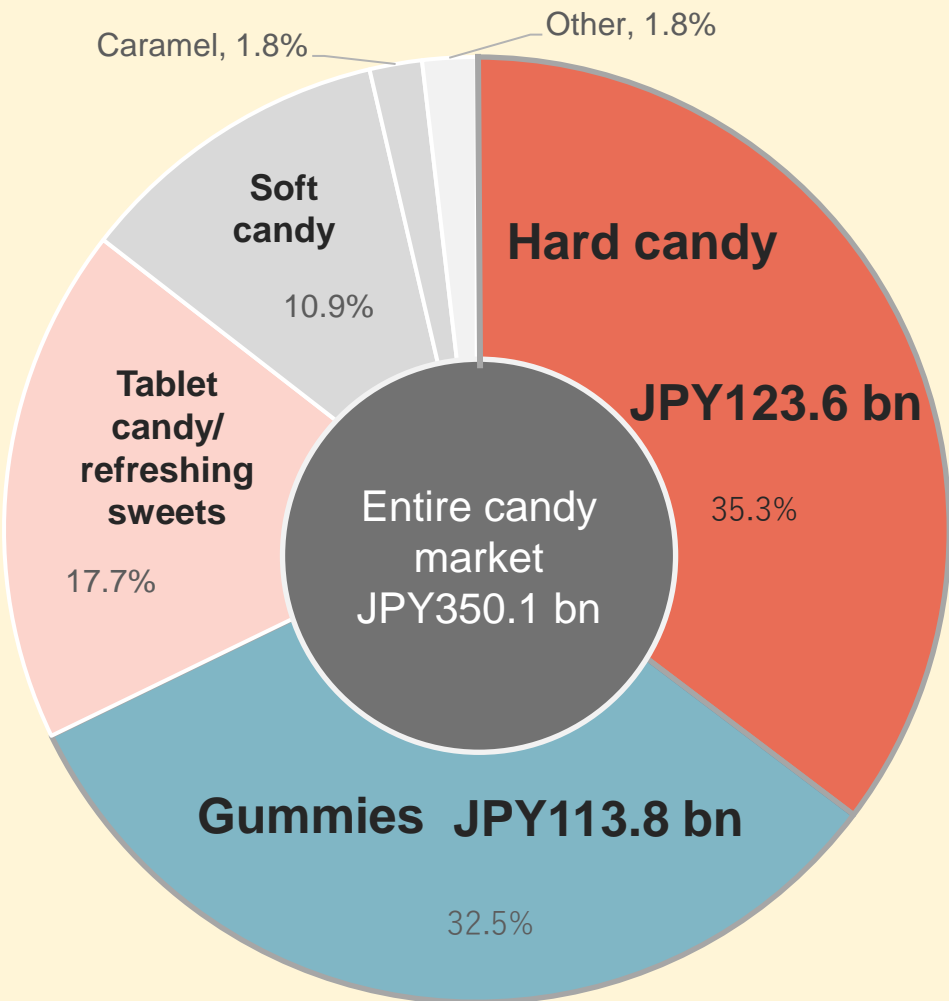
**Director,  
Managing Executive Officer,  
CFO**

# 1. Review of FY2024

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Sales increased in all categories; gummy market exceeded 100 billion yen in scale

Composition by type



Unit: JPY bn

	2023	2024	YoY	
Total candy market	308.2	350.1	13.6%	
Hard candy	111.3	123.6	11.1%	Kanro's domain
Gummies	97.2	113.8	17.1%	
Tablet candy, refreshing sweets	52.7	61.9	17.5%	
Soft candy	34.6	38.0	9.7%	
Caramel	6.1	6.3	2.3%	
Others	6.2	6.5	3.5%	

\* INTAGE Inc. SRI+ Candy market Jan.–Dec. total for 2023–2024, sales amount and YoY change by type (composition)



## Highest share of the domestic candy market for five consecutive years



**Overall share of  
candy market (1st)**  
**12.1%** (Previous year 12.5%)\*1



**Hard candy market share (1st)**  
**19.4%\*2** (Previous year 20.8%)

**Gummy market share (2nd)**  
**15.9%\*3** (Previous year 15.7%)

\*1 Intage Inc. SRI+ Candy market: Jan.–Dec. total for 2023 and 2024, share of sales amount

\*2 Intage Inc. SRI+ Hard candy market: Jan.–Dec. total for 2023 and 2024, share of sales amount by type

\*3 Intage Inc. SRI+ Gummy market: Jan.–Dec. total for 2023 and 2024, share of sales amount by type

# Status of company business (Topics)

○ Revised prices and changed package contents size

*Kinno Milk* candy (Feb.), *Puré Gummy* and *Candemina Gummy* (Mar.), HITOTUBU KANRO (Apr.), *Kenko Nodoame* series (stick-type) (Sep.), etc.

○ Ran TV advertisement for *Kinno Milk* candy (Mar./Dec.), *Puré Gummy* (Apr.), *Kenko Nodoame* series (Oct./Dec.), and company commercial (Dec.)

Jan.: Changed organizational and management structures (strengthened sustainability promotion structure, newly established the DX Promotion Committee, appointed brand leaders, etc.)

Apr.: Opened HITOTUBU KANRO Harajuku Store and Kanro POCKeT laboratory, a new center for information dissemination

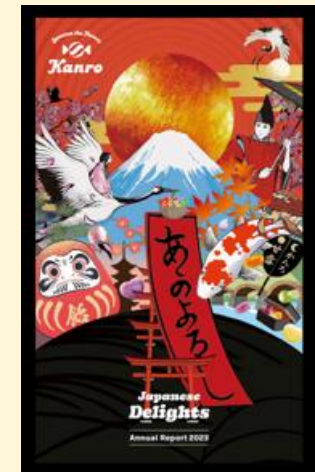
Jun.: Made upward revisions to financial results forecasts and dividend forecasts

Sep.: Implemented emergency suspension of sales of *Jururu Shine Muscat*

Began operations at the expanded gummy production building at the Matsumoto Plant

Oct.: Took top global spot in the ARC Awards 2024 for our Annual Report 2023

Dec.: Updated key visuals for Purpose





## Kinno Milk candy (No. 1 milk candy brand by sales\*)

- Despite sluggish gourmet category market, positive effects from price revisions (Feb.) and TV commercials (Mar./Dec.) ensured sales increased YoY

\*Intage Inc. SRI+ Milk-flavor candy market Jan.–Dec. 2024, brand ranking for cumulative sales amount  
Kinno Milk candy brand

## Non-Sugar brand / Kenko Nodame series brand

- Sales increased YoY thanks to an improved production system through personnel increases, etc., to respond to growing demand for throat drops in line with rising consumer health consciousness

## Other

- Sales of stick-type products and zip-type small bags products decreased YoY
- Sales of products exclusive for Chinese market fell short of the target due partly to the treated water issue
- Sales of fancy products targeting Generation Z and others decreased YoY partly as a result of SKU reduction





## Puré Gummy

(No. 1 brand in annual sales in the gummies category\*)

\*Intage Inc. SRI+ Gummy market Oct. 2023–Sep. 2024, brand ranking for cumulative sales amount *Puré Gummy* brand

- Sales increased by more than 20% YoY due to price revisions (Mar.), TV advertisement (Apr.), and an increase in sales of *Puré Gummy Premium*



## Candemina Gummy

- Sales increased by more than 10% YoY due to the rising popularity of hard gummies and price revisions (Mar.) also contributed to sales growth



## Marosh (marshmallow product)

- Although sales decreased YoY due to focus on top two brands, we began promoting the product for the future.

## Gummi-tzel (HITOTUBU KANRO directly operated stores/Kanro POCKeT)

- Continued strong performance. Called consumers' attention to imitation products.

Achieved record-high sales and profits

Unit: JPY mn

	FY2024						FY2023
	Actual (1)	Revised forecast (2) *1	Change from forecast (1)-(2)	Compared to revised forecast	YoY change (1)-(3)	YoY %	Actual (3)
Net sales	31,778	30,800	978	3.2%	2,762	9.5%	29,015
Operating profit	4,284	3,810	474	12.4%	895	26.4%	3,388
Ordinary profit	4,315	3,830	485	12.7%	882	25.7%	3,432
Profit	3,260	2,800	460	16.4%	797	32.4%	2,462

10 \*The values displayed in these materials are truncated at the JPY mn level, so the breakdowns and totals may not always match completely.  
\*1: Released on June 24, 2024

# Main factors behind changes (vs. Revised forecast/YoY)

**Vs. revised forecast\*:** Increase in net sales, increase in profits \*released on June 24, 2024

- Net sales: Growth in both gummies (*Puré Gummy Premium*, etc.) and hard candy (*Nodoame/Jururu*, etc.)
- Operating profit/ordinary profit: Increase in marginal profit from higher sales > Increase in advertising expenses and expenses related to initiatives
- Profit: Drop in effective tax rate due to fulfilment of additional requirements for Tax Measure to Promote Wage Increases

**YoY:** Increase in net sales, increase in profits

- Net sales:
  - ✓ Hard candy: Responded to growth in demand for throat drops through narrowing down of products and production system improvement including personnel increase.  
*Kinno Milk* candy and other price revisions also contributed. Stick-type and small bags with zip-type products struggled
  - ✓ Gummies: Completed expansion of gummies production building at the Matsumoto Plant at the end of September
    - *Puré Gummy* and *Candemina Gummy* performed strongly and price revisions also contributed
    - *Gummi-tzel* continued to perform strongly (volume increase and price revisions)
- Operating profit/ordinary profit: Increase factors > Decrease factors
  - ✓ Increase factors: Increase in marginal profit from higher sales, decrease in freight and storage costs due to price revisions and increased delivery efficiency
  - ✓ Decrease factors: Soaring raw material prices, manufacturing expenses, advertising expenses, and other expenses aimed at expansion of business

**Profit**

- ✓ Posted extraordinary income arising from reduction of strategic shareholdings
- ✓ Effective tax rate decreased (additional application of Tax Measure to Promote Wage Increases, etc.)

Operating profit margin increased 1.8pt due to productivity improvements

Unit: JPY mn

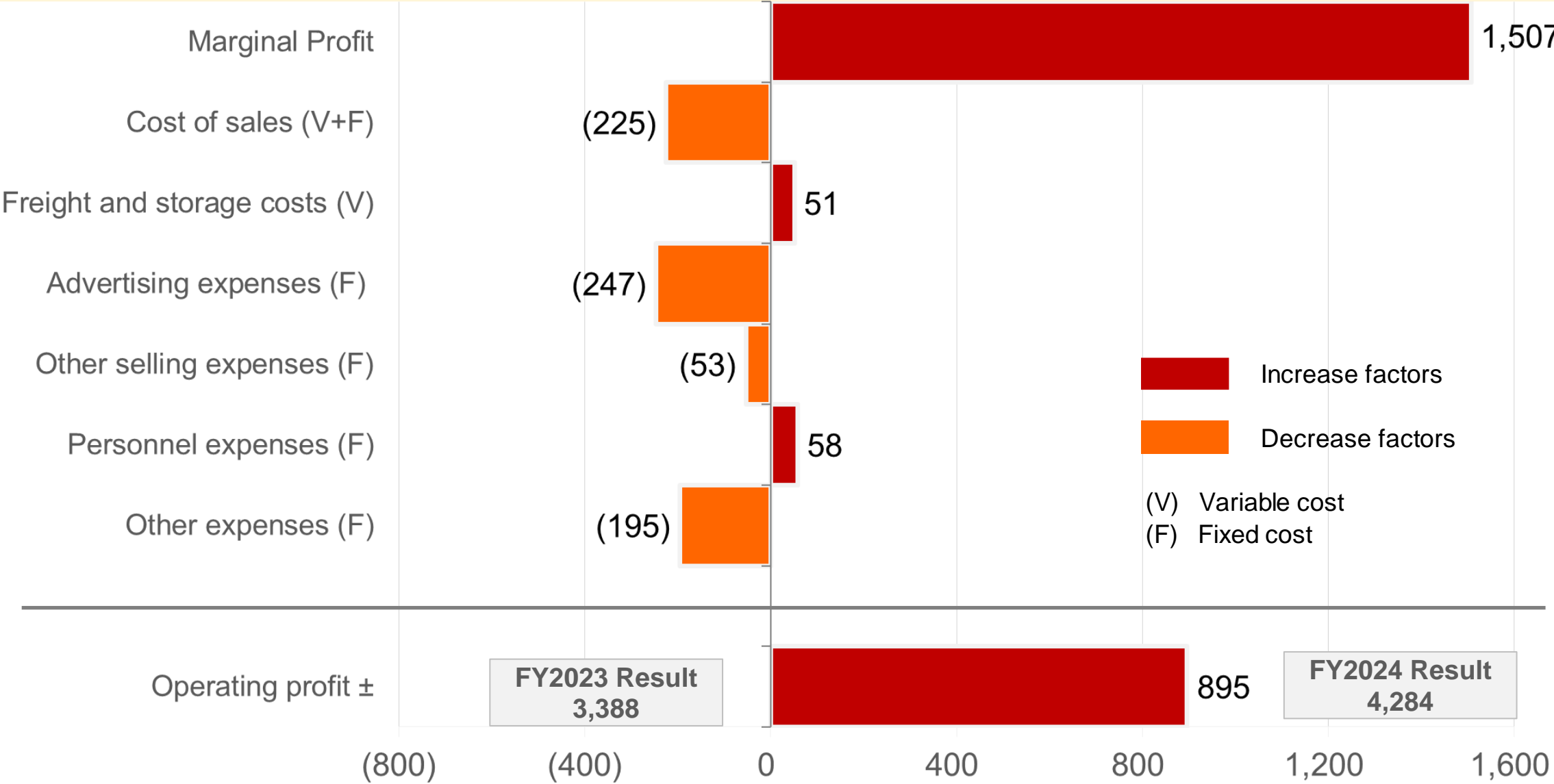
	FY2024					FY2023	
	Actual	% of total	YoY	YoY %		Actual	% of total
Net sales	31,778	100.0%	2,762	9.5%		29,015	100.0%
Cost of sales	18,592	58.5%	1,315	7.6%		17,277	59.5%
Freight and storage costs	1,860	5.9%	114	6.6%		1,746	6.0%
Advertising expenses	857	2.7%	247	40.6%		609	2.1%
Other selling expenses	303	1.0%	53	21.2%		250	0.9%
Personnel expenses	3,829	12.1%	(58)	(1.5%)		3,888	13.4%
Other expenses	2,050	6.5%	195	10.5%		1,854	6.4%
Operating profit	4,284	13.5%	895	26.4%		3,388	11.7%

\*The values displayed in these materials are truncated at the JPY mn level, so the breakdowns and totals may not always match completely.



# Factors of changes in OP (FY2023 Result vs FY2024 Result)

Unit : JPY mn



## 2. Forecast of FY2025

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**Record-high net sales;  
profits to increase marginally or remain on par with previous year**

Unit: JPY mn

	FY2025			FY2024
	Forecast	YoY	YoY %	Actual
Net sales	33,600	1,821	5.7%	31,778
Operating profit	4,320	35	0.8%	4,284
Ordinary profit	4,340	24	0.6%	4,315
Profit	3,260	0	0.0%	3,260

The values displayed in these materials are truncated at the JPY mn level, so the totals and percentages may not always match completely.

## Net sales (up 5.7%)

- ✓ Production system improvement (year-round operation at expanded gummies production building at the Matsumoto Plant, personnel increase, etc.)
- ✓ Growth in main hard candy and gummy brands (SKU management)

## Operating profit (up 0.8%)/Ordinary profit (up 0.6%)

A rise in marginal profit from higher sales and a drop in advertising expenses to offset the decrease factors below

- ✓ Rising prices of packaging materials, wage/personnel increases, etc. to lead to increase in cost of sales ratio
- ✓ Rising logistics costs (emergence of the so-called 2024 problem in logistics/reinforcement of storage space)
- ✓ Rising personnel expenses (including wage increases) and expenses related to initiatives ahead of business domain expansion and management foundation development

## Profit (0.0%)

- ✓ Further reduction of strategic shareholdings (extraordinary income on par with previous year)
- ✓ Deterioration in effective tax rate (reflection of special factors from previous year)



# Forecast for FY2025 (Operating profit details)

Expected to achieve record-high operating profit; profit ratio to decrease by 0.6pt

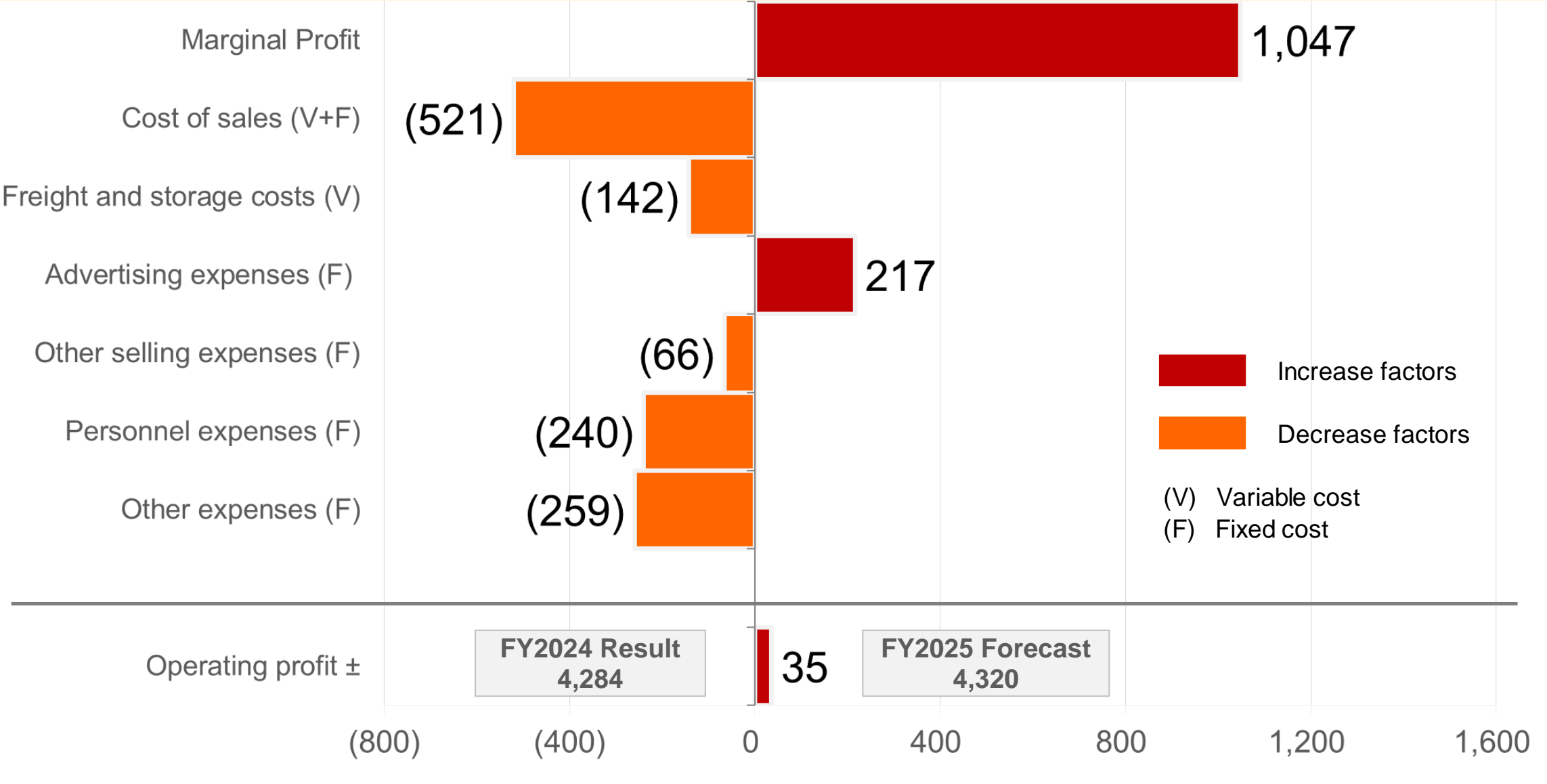
Unit: JPY mn

	FY2025				FY2024	
	Forecast	% of total	YoY	YoY %	Actual	% of total
Net sales	33,600	100.0%	1,821	5.7%	31,778	100.0%
Cost of sales	19,780	58.9%	1,187	6.4%	18,592	58.5%
Freight and storage costs	2,110	6.3%	249	13.4%	1,860	5.9%
Advertising expenses	640	1.9%	(217)	(25.4%)	857	2.7%
Other selling expenses	370	1.1%	66	22.0%	303	1.0%
Personnel expenses	4,070	12.1%	240	6.3%	3,829	12.1%
Other expenses	2,310	6.9%	259	12.7%	2,050	6.5%
Operating profit	4,320	12.9%	35	0.8%	4,284	13.5%

17 \*The values displayed in these materials are truncated at the JPY mn level, so the breakdowns and totals may not always match completely.

# Factors of changes in OP (FY2024 Result vs FY2025 Forecast)

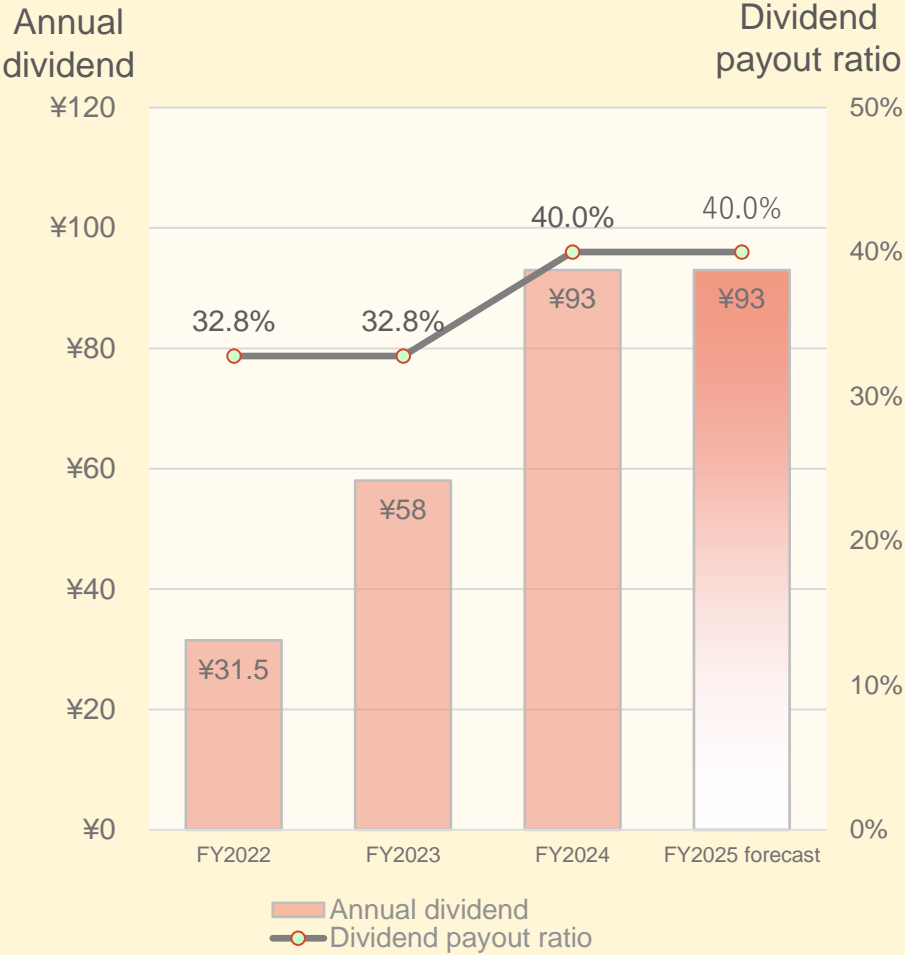
Unit : JPY mn



Enhanced shareholder returns through 40% dividend payout ratio set out in the Medium-term Corporate Strategy 2024  
In the next medium-term strategy, continue with 40% dividend payout ratio with a lower limit of 93 yen per share, and aim to ensure a good balance with growth investments

	FY2022	FY2023	FY2024	FY2025	
Dividend (per share)	Actual	Actual	Actual	Forecast	YoY %
Interim dividend	12.5	20	35	45	10
Year-end dividend	19	38	58	48	(10)
Annual dividend	31.5	58	93	93	0
Dividend payout ratio	32.8%	32.8%	40.0%	40.0%	0pt

Converted to post-split basis following the share split conducted on July 1, 2022







# **Tetsuya Murata**

## **President and CEO.**

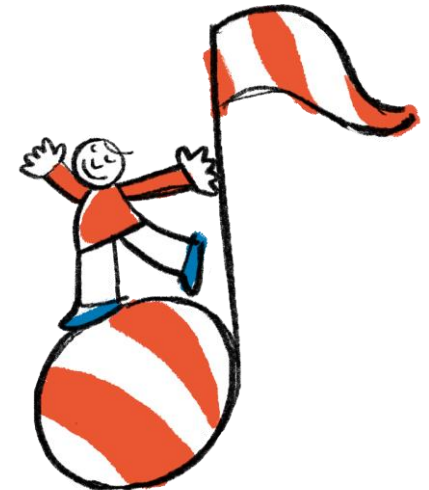




# Medium-term Corporate Strategy 2030

February 6, 2025 Kanro Inc.

Excerpted version



# Medium-term Corporate Strategy 2030

## 1 Review of Medium-term Corporate Strategy 2024

## 2 Awareness of business environment

Market trends

Our current situation and challenges

## 3 Kanro Vision 2.0

## 4 Medium-term Corporate Strategy 2030

Outline of business strategy


Business strategy

Sustainability and management foundation

Financial and capital strategies





A young man with dark hair, wearing a dark suit, light blue shirt, and patterned tie, is shown in profile, looking towards the right. He is standing outdoors, with a blurred cityscape and trees in the background. The lighting is soft, suggesting a bright day.

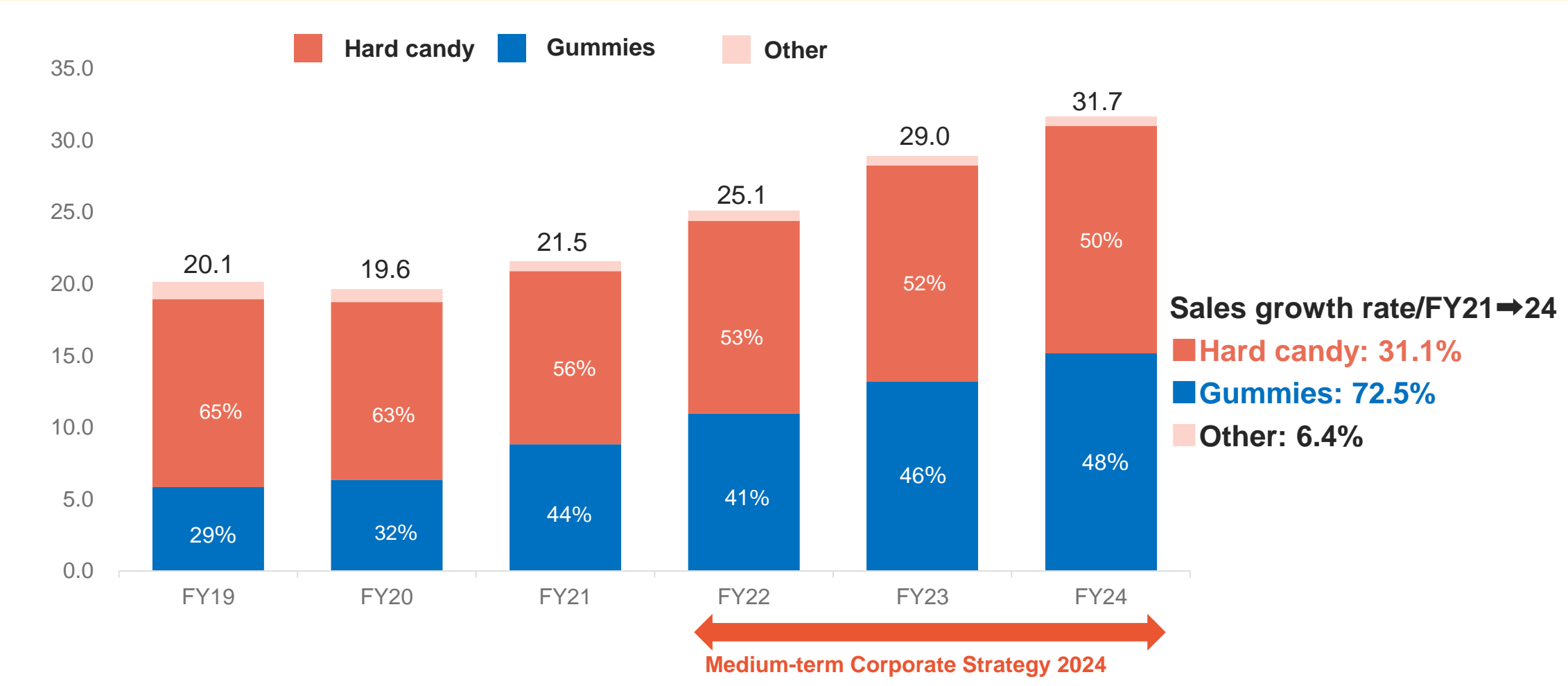
## 1. Review of Medium-term Corporate Strategy 2024

Financial indicators achieved well above targets; some non-financial indicators missed targets

Category	Indicator	Medium-term Corporate Strategy 2024 Target	Actual Results for 2024
Financial indicators	Net sales growth rate (compound annual growth rate)	5% or higher Core 3% or higher Other 30% or higher	13.8% Core: 12.7% Other: 40.9%
	Operating profit margin	7%	13.5%
	ROIC	7.5% or higher	20.5%
Non-financial indicators	CO <sub>2</sub> emissions (*) (Total for Scope 1, 2 and 3)	26.24 t-CO <sub>2</sub> /JPY bn	30.93 t-CO <sub>2</sub> /JPY bn
	Activities to provide education on the value of sugar	8 million people	9.39 million people
	Employee Engagement Score	55%	51.9%

Gummies as a growth engine driving record-high sales

Trends in sales and breakdown (JPY bn)



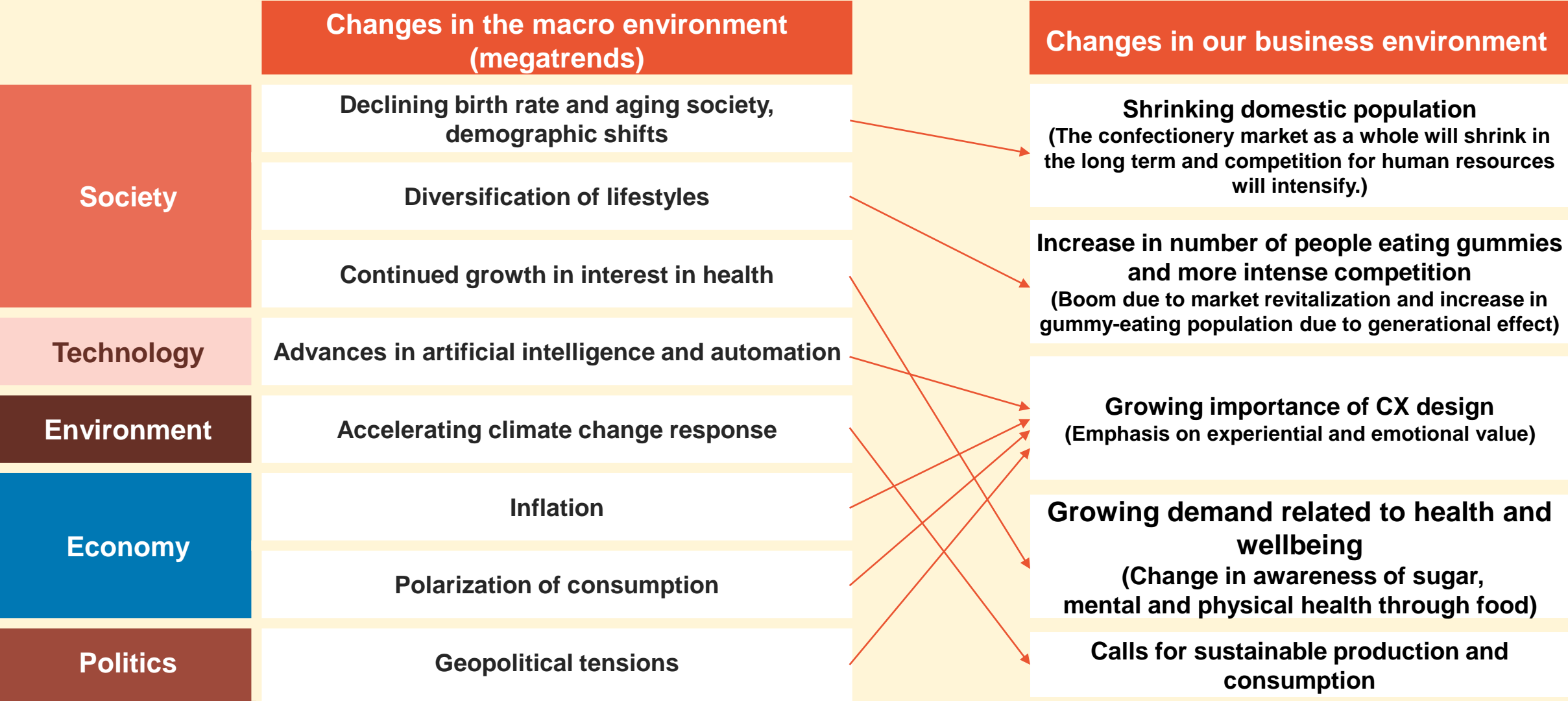




## 2. Awareness of business environment

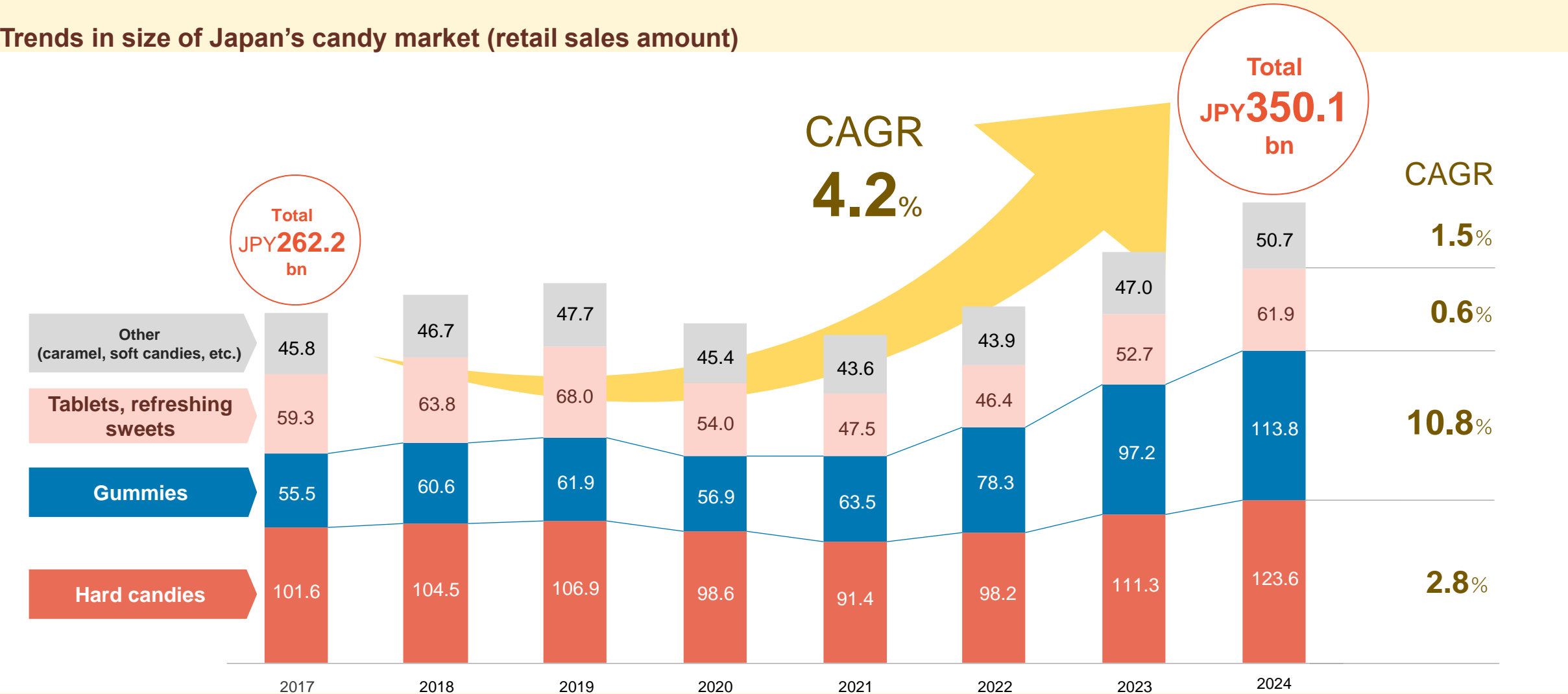
### 2-1. Market trends

The environment surrounding Kanro continues to change at a dizzying pace.



Candy market expanded significantly, driven by gummies

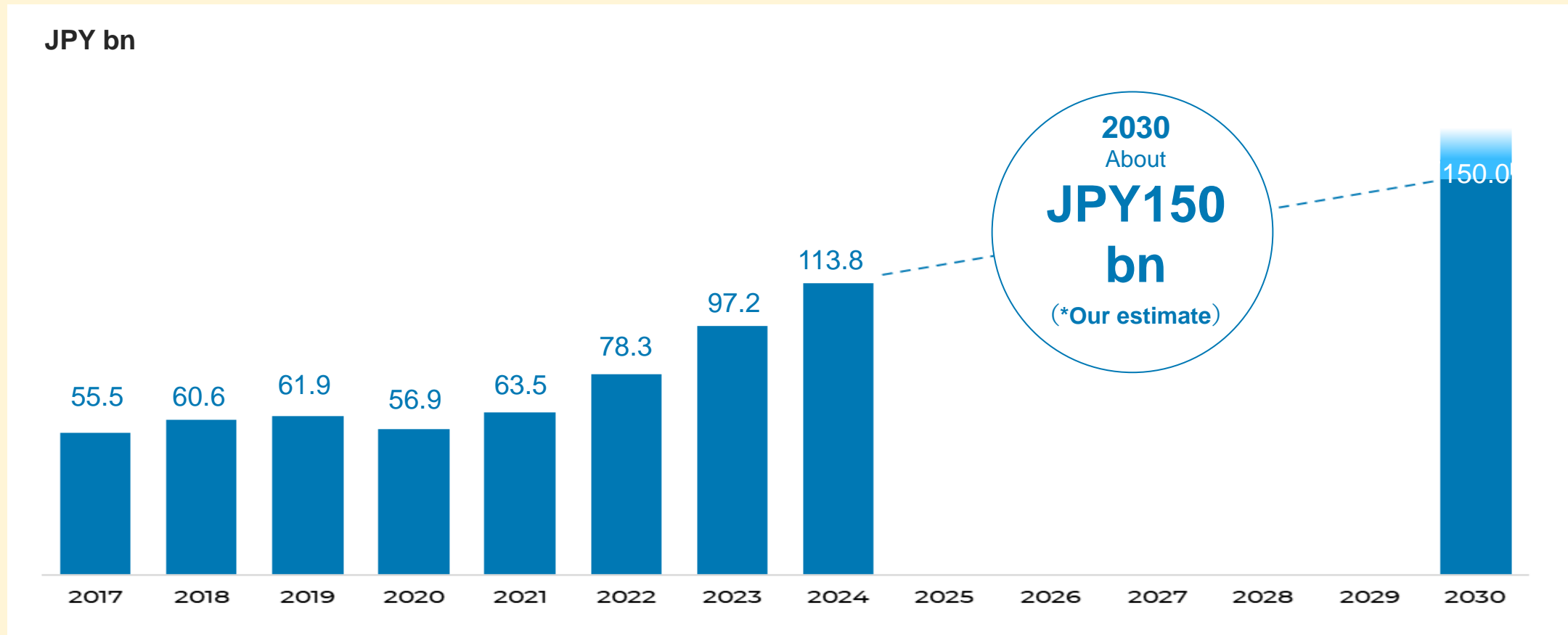
Trends in size of Japan's candy market (retail sales amount)





## Gummy market is expected to grow to about 150 billion yen by 2030.

Trends in gummy market size and forecasts for future (based on market sales amount)

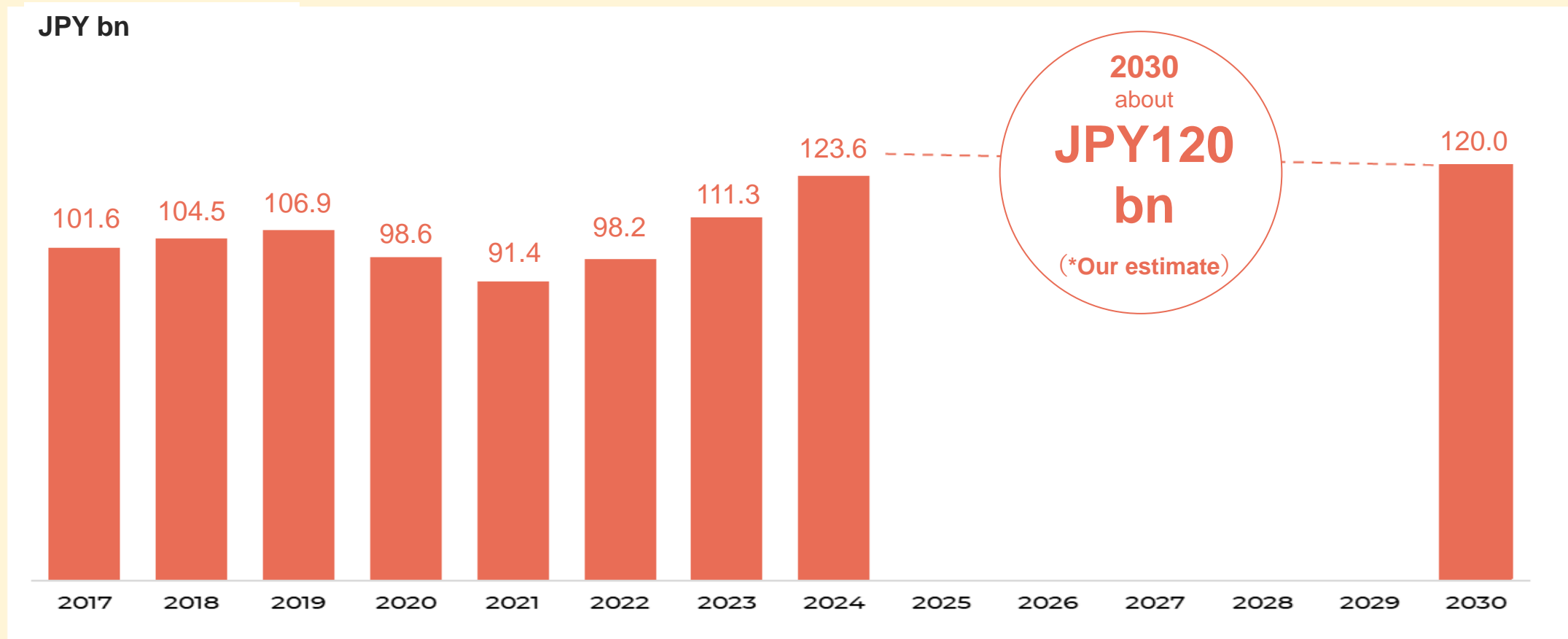


Source: INTAGE Inc. SRI for actual results + our calculations for future forecasts



The hard candy market is expected to grow to about JPY120 bn in 2030 due to solid demand for throat drops.

Trends in hard candy market size and forecasts for future (based on market sales amount)



A man and a woman are sitting outdoors in front of a corrugated metal wall. The man, on the left, is wearing glasses and a dark jacket over a collared shirt. The woman, on the right, is wearing a light-colored sweatshirt. Both are looking upwards and to the right with pleasant expressions. The woman is holding a small, crumpled piece of paper or a snack wrapper. The scene is lit with soft, warm light, suggesting late afternoon or early morning.

## **2. Awareness of business environment**

### **2-2. Our current situation and challenges**

<b>Value creation</b>	<ul style="list-style-type: none"><li>• Increase in gummy production capacity through expansion of the Matsumoto Plant, etc.</li><li>• Expansion of sales of mainstay brands by strengthening store-focused sales activities</li><li>• Promotion of the original experience co-creation project with Generation Z to provide formative experience in candy</li></ul>
<b>ESG management</b>	<ul style="list-style-type: none"><li>• Establishment of the Sustainability Committee</li><li>• Switch to renewable energy sources for electricity at three of our plants</li><li>• Establishment of Human Rights Policy</li></ul>
<b>Expansion of business domains</b>	<ul style="list-style-type: none"><li>• Development and start of sales of exclusive products for the Chinese market</li><li>• Expansion of HITOTUBU KANRO business (Harajuku store opened in 2024)</li><li>• Construction of new digital platform with Kanro POCKeT at its core</li></ul>
<b>Human resources and organization</b>	<ul style="list-style-type: none"><li>• Execution of measures aimed at promoting wide spread understanding of purpose</li><li>• Strengthen investment in human resources (augment training)</li></ul>

**Our challenges lie in expanding gummy production capacity to increase domestic market share and promoting business strategy and implementing HR strategies for further growth**

<b>Value creation</b>	<ul style="list-style-type: none"><li>• Capturing the expanding gummy market in Japan</li><li>• Providing products and services that meet new customer needs</li><li>• Expanding digital and person-to-person contact points</li></ul>
<b>ESG management</b>	<ul style="list-style-type: none"><li>• Fleshing out and implementing measures to mitigate environmental load</li><li>• Conducting human rights due diligence</li></ul>
<b>Expansion of business domains</b>	<ul style="list-style-type: none"><li>• Expanding the global business</li><li>• Attracting customers to EC (implementing measures to increase the number of members on the Company's website)</li><li>• Pursuing further growth, including discontinuous growth</li></ul>
<b>Human resources and organization</b>	<ul style="list-style-type: none"><li>• Further improving penetration of purpose-driven actions</li><li>• Developing and securing human resources to support business strategies</li></ul>





### 3. Kanro Vision 2.0



**Flexibility in adapting to changes and consistency based on vision is essential to sustain long-term growth.**

## **Bringing smiles to people and society by continuing to create sweet moments**

Both in the present, which is uncertain and occasionally challenging, and into the future, all of us at Kanro aim to create a company that makes sweet moments and smiles with a commitment to remain close to consumers, be flexible enough to meet needs, and stick to our unwavering vision.



## Four values to achieve our vision

Three promises we make to our stakeholders, starting with our customers

Corporate culture

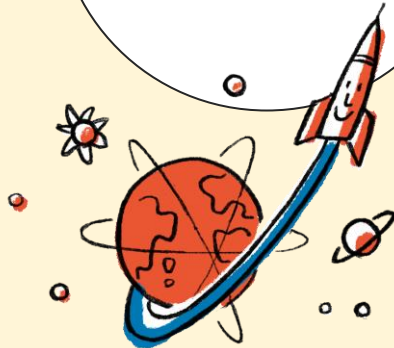
**Creating sweet moments**



WHY

Identify four areas in which we provide value from the customer's point of view and strengthen competitiveness and promote innovation

**Transforming the business foundation**



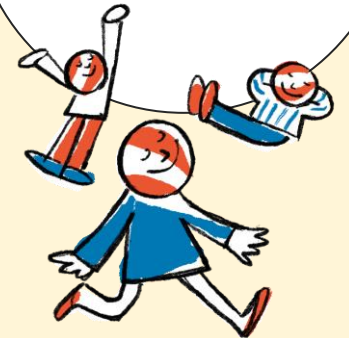
Create new market opportunities and build a business model

**Weaving a path to the future**



Build a model for creating sustainable economic value, contribute to a sustainable future

**Further evolving the emergent organization**



Continue to grow rapidly even in an environment characterized by dramatic change by remaining flexible and adaptable, promoting innovation and co-creation



**Purpose**

**Vision**

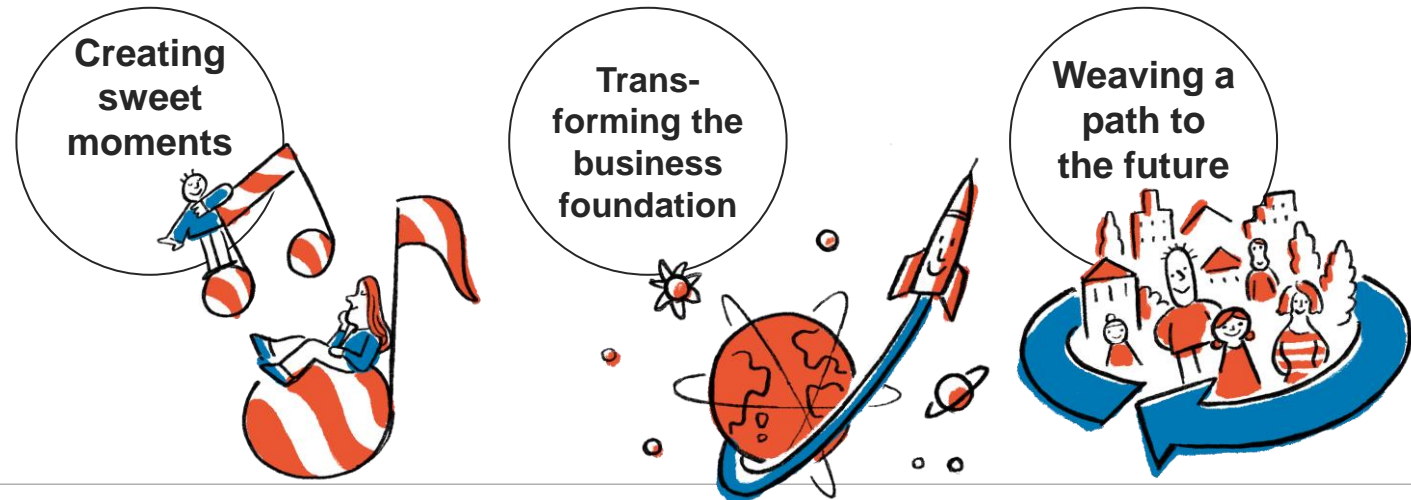
**Value**

**Corporate culture**

“ *Sweeten the Future* ”

Bringing smiles to people and society by continuing to create sweet moments

Three promises we make to our stakeholders, starting with our customers



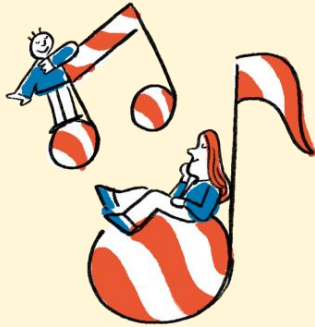
Further evolving the emergent organization

A hand is shown from the bottom, holding a small, glowing orange sphere between the thumb and index finger. The sphere has a bright highlight on its left side, giving it a three-dimensional appearance. The background is a soft, out-of-focus gradient of light blue and white, suggesting a bright, airy environment.

## 4. Medium-term Corporate Strategy 2030

### 4-1. Outline of business strategy

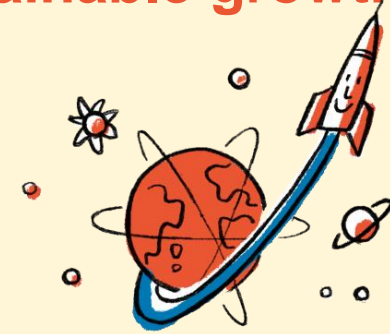
## Achieve further growth, primarily in the domestic gummy business, and expand business domains and business models for sustainable growth



### Creating sweet moments

— Sales and profit growth driven by the domestic gummy market —

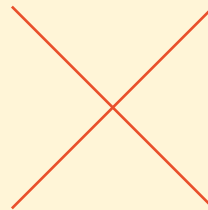
- 1 Achieve further growth in the domestic gummy business**  
Aiming to further revitalize the market and expand market share by continuously introducing new products and expanding capacity
- 2 Strengthening product development and adding functionality to increase value, expanding the domestic hard candy and gummy business**



### Transforming the business foundation

— Expansion of business domain and business model —

- 3 Global business expansion**  
Expansion of exports, primarily to the US  
Build a business foundation for full-scale expansion
- 4 Promotion of multi-channel and shift to DtoC**  
Further expansion of HITOTUBU Digital business  
Increase points of contact with customers and promote CX to create core fans





Strategic investment to support growth: Construction of new gummy line  
(from two lines to three lines: production capacity will increase by about 50%)

Image of Asahi Plant after completion



Location	2216-1 Yanagikubo, Komi, Asahi-mura, Higashichikuma-gun, Nagano (on premises of Asahi Plant)
Plant area	Total area is 6,916.75 m <sup>2</sup>
Capital expenditure	About JPY13.0 bn
Investment details	Expansion of building, construction of new gummy line, new automated warehouses, etc.
Production start date	July 2027 (scheduled)



## Continue to create sweet moments for customers based on the brand in four areas of value provision

### Rewards

Providing time for tiny luxuries

Reward yourself

Delicious snacks



Rewards

Relaxation

### Relaxation

Provide mental release

Unwind and heal the mind

Relief from tension



Healthcare

### Healthcare

Provide support for self-care

Take care of oneself

Align the mind and body



### Switch

Change one's mindset  
Provide motivation

Find excitement

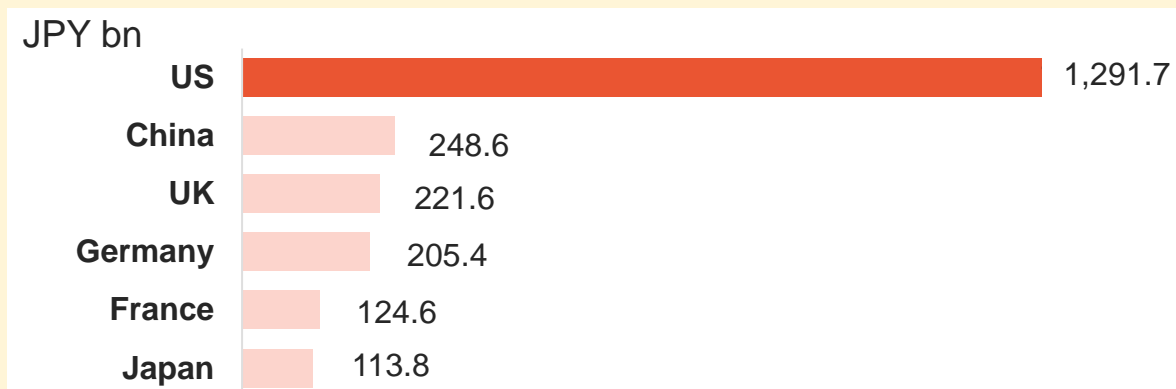
Refresh



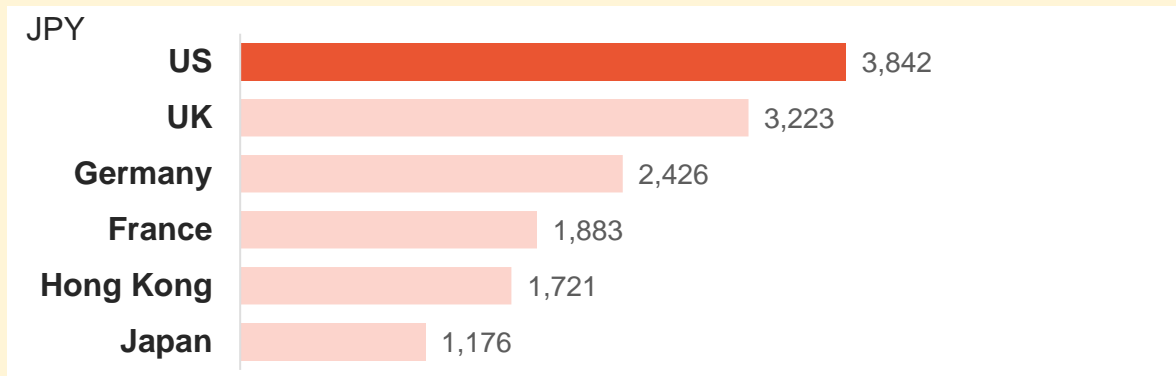
Areas of value provision

## Full-scale entry into the US market, which has a large gummy market, and work to expand sales with *Puré Gummy*

Gummy (\*) market size by country (2024)



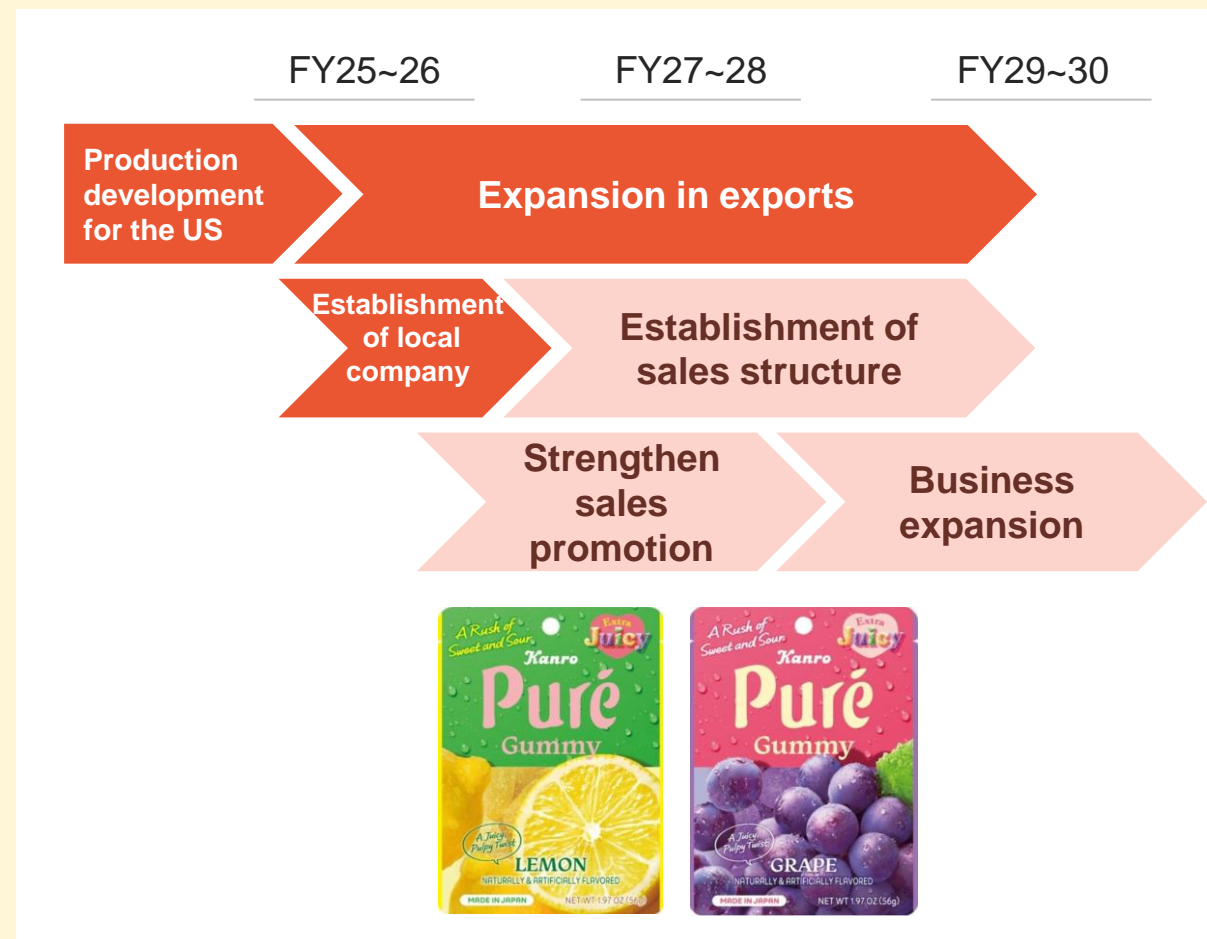
Per capita consumption of gummies (\*) by country (2024)



(\*) Pastilles, Gummies, Jellies, and Chews in the Sugar Confectionery category.

Source: Euromonitor International (average exchange rate in yen in 2024)

Gummy Market Size by Countries (2024) Japan only INTAGE Inc. SRI+.

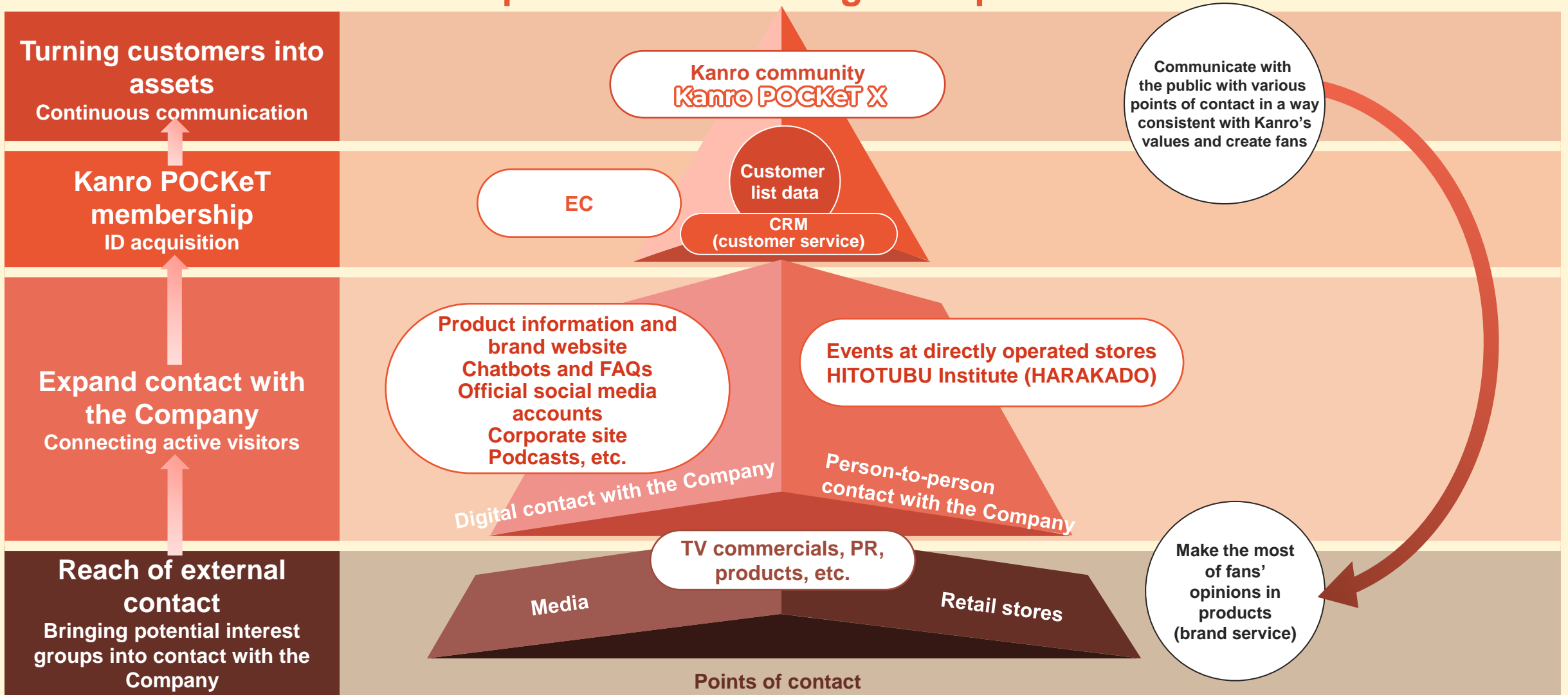






## Strengthening customer engagement

Promote CX to build up Kanro fans through comprehensive communication



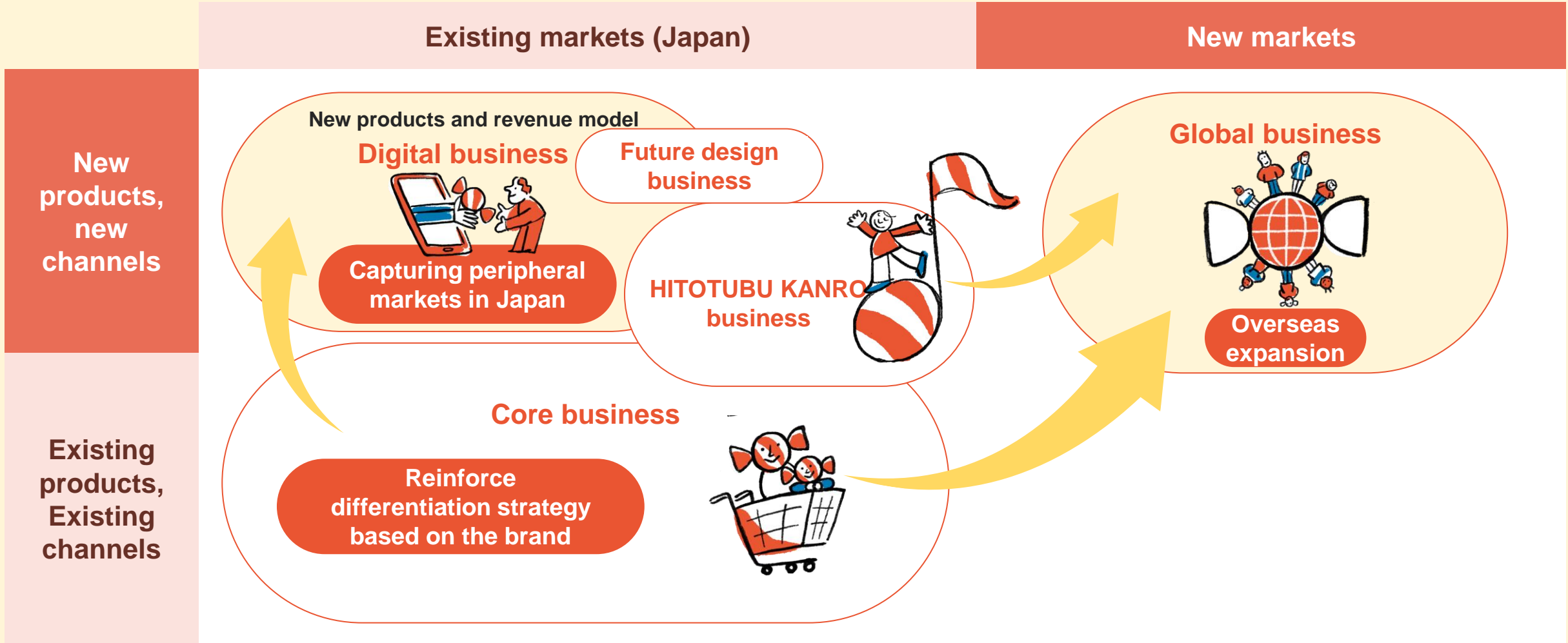


A close-up photograph of a hand holding a small, heart-shaped, yellow, crystalline object. The hand has red-painted fingernails. The background is a blurred, warm-toned bokeh.

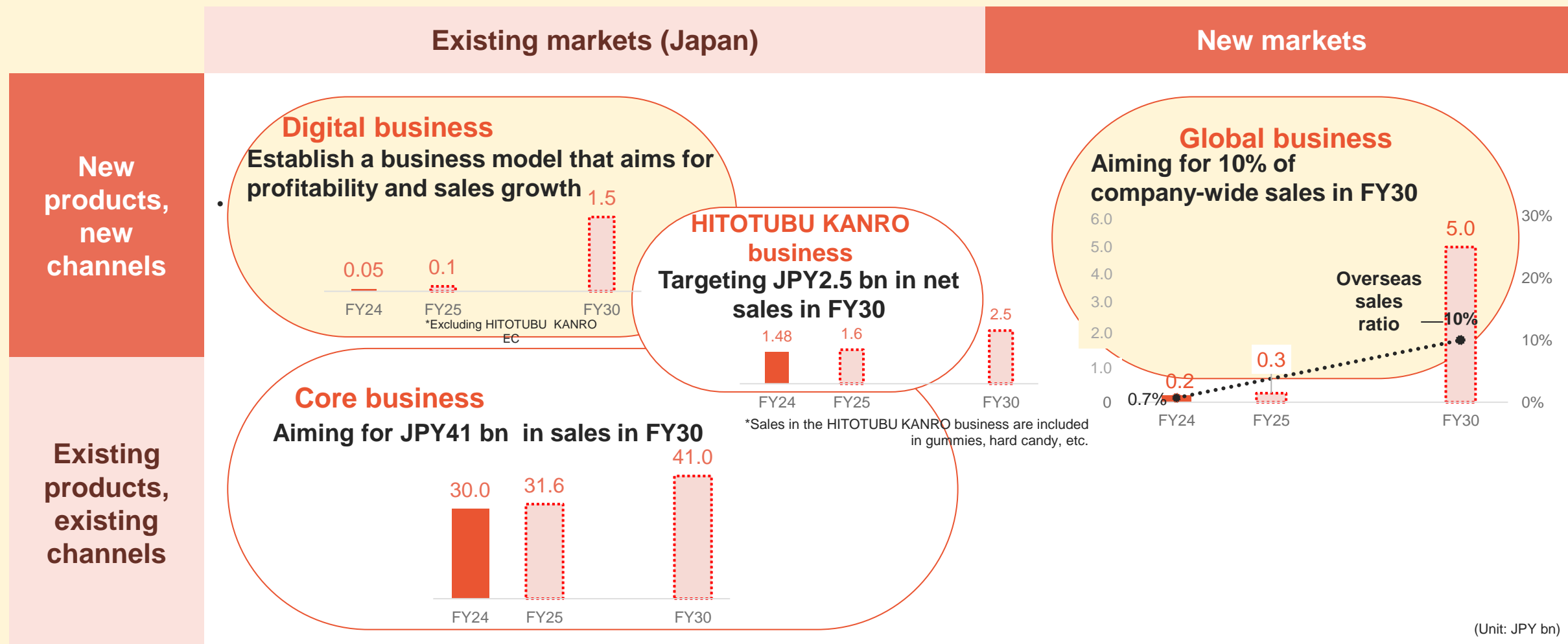
## 4. Medium-term Corporate Strategy 2030

### 4-2. Business strategy

## Transform the business foundation by expanding and deepening customer base to achieve Kanro Vision 2.0



## Transform the business foundation by expanding and deepening customer base to achieve Kanro Vision 2.0



A close-up photograph of a hand holding a small, red, heart-shaped ring. The ring is made of a textured material, possibly a fruit slice or a piece of candy, and has a hole in the center. The hand is positioned in the lower right quadrant of the frame, with the thumb and index finger holding the ring. The background is a soft, out-of-focus gradient of light blue and white, suggesting a bright, airy environment.

## 4. Medium-term Corporate Strategy 2030

### 4-3. Sustainability and management foundation



**Contribute to a sustainable future for people and society by raising corporate value while also helping to solve social issues through business**

**Creating value through sweetness and contribute to society**

**Promote health and welfare**  
**Consider food diversity**

**Mitigating environmental load through business**

**Reduce global warming gas emissions**

**Food safety and reliability**

**Product health and safety**  
**Responsible marketing and labeling**

**Promotion of human rights and diversity**

**Respect human rights**  
**Utilize diverse human resources**





## Implement measures to strengthen the management foundation and Improve employee engagement to achieve Kanro Vision 2.0

### Strengthen management foundation to implement the Medium-term Corporate Strategy 2030

- Execute **Human resource strategy** linked to management strategies and business strategies (develop and secure human resources to expand global and digital businesses)
- Execute **DX strategy** to promote S&OP and improve productivity and competitiveness

### Improve employee engagement

- Implement measures for purpose-driven practices
- Develop a personnel system that encourages challenges and growth
- Promote autonomous work styles that are adapted to more diverse work styles and values
- Further promote diversity and inclusion





## 4. Medium-term Corporate Strategy 2030

### 4-4. Financial and capital strategies

Update 2030 financial targets (upward revisions)

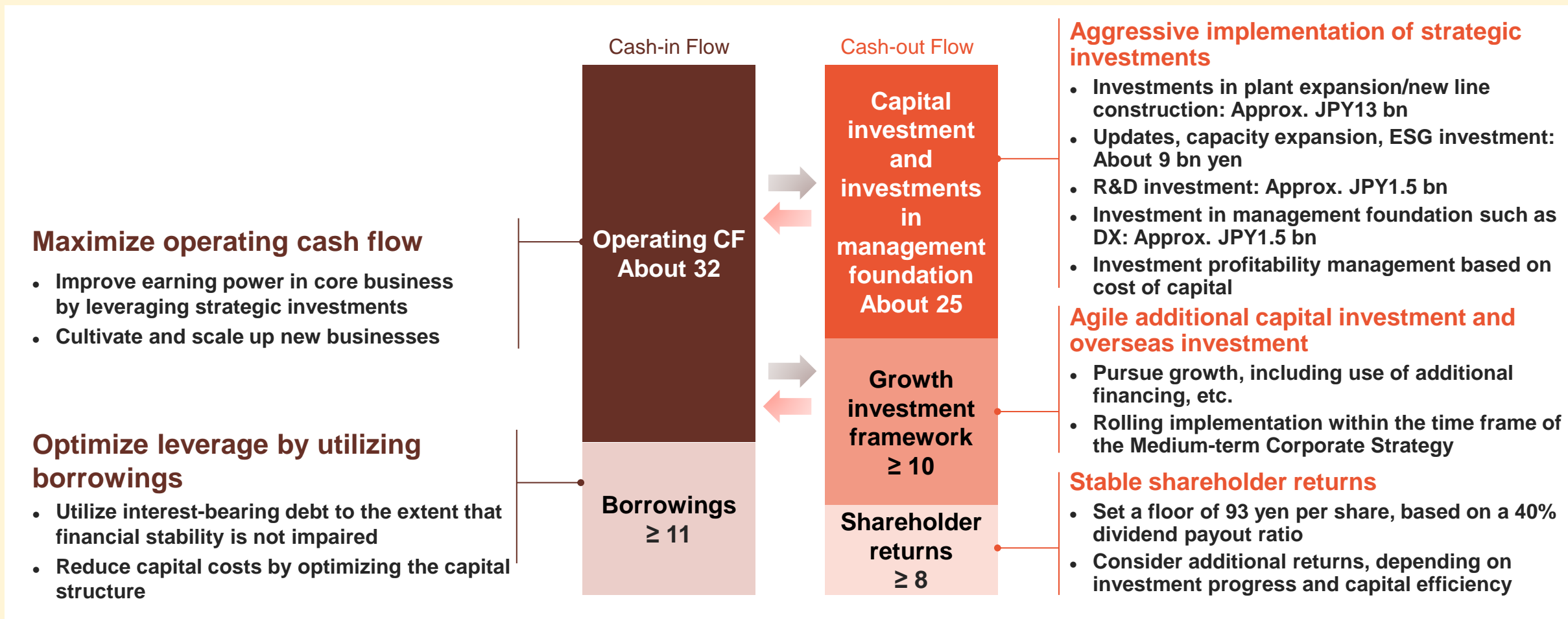


Indicators	2024 Actual	2025 Forecasts	2030 Target
Net sales	JPY31.7 bn	JPY33.6 bn	JPY50.0 bn or more (CAGR : 7.8% or higher)
Operating profit margin	13.5 %	12.9 %	13 % or higher
EBITDA <sup>(*)</sup>	JPY5.78 bn	—	JPY10.0 bn
ROIC	20.5 %	16.9 %	11 % or higher
ROE	20.8 %	18.2 %	15 % or higher

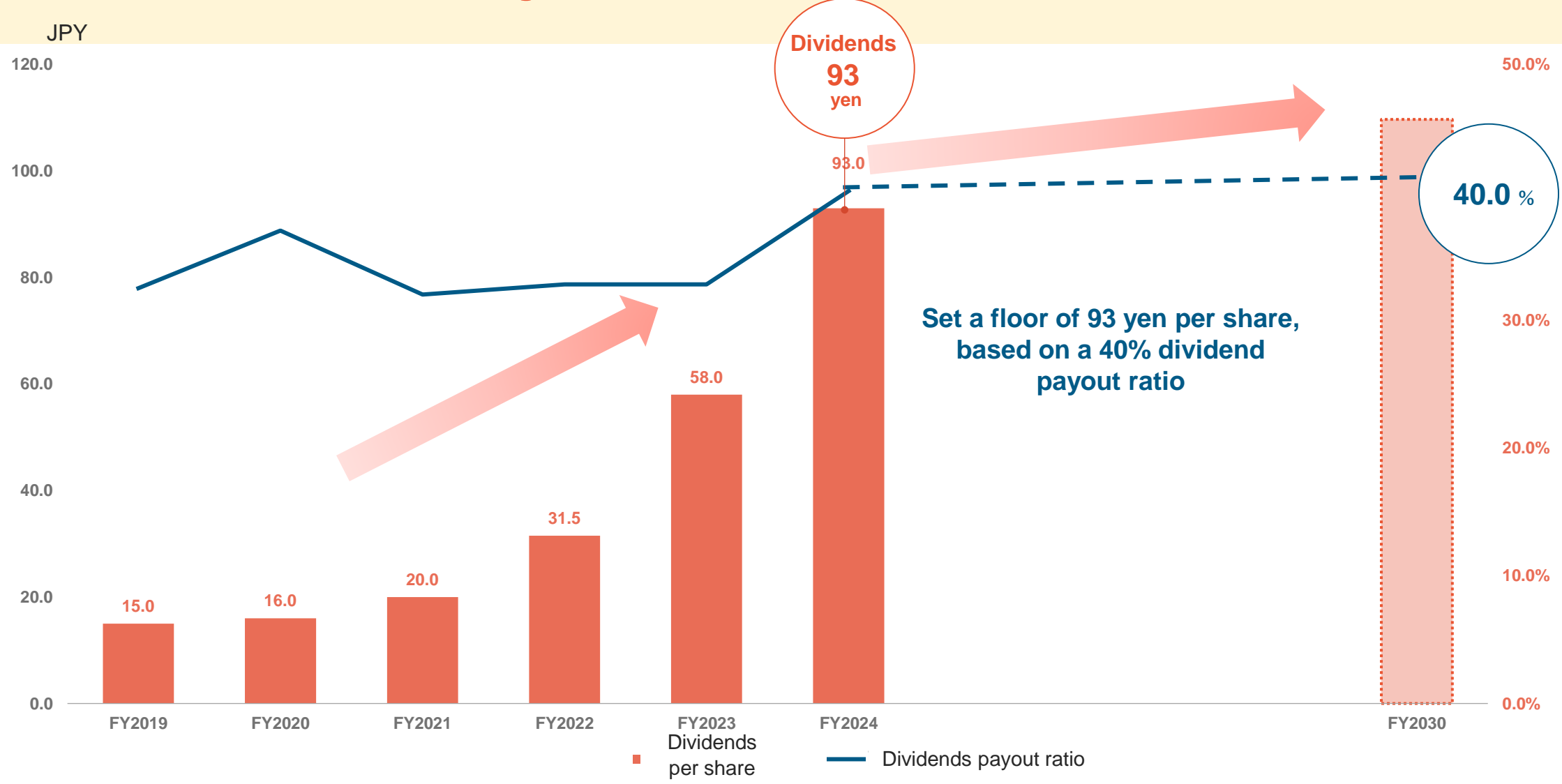
53 (\*) Our EBITDA is defined as operating profit plus depreciation and amortization.

## Maximize cash flow by establishing a new gummy line and taking other measures, and accelerate further growth investment

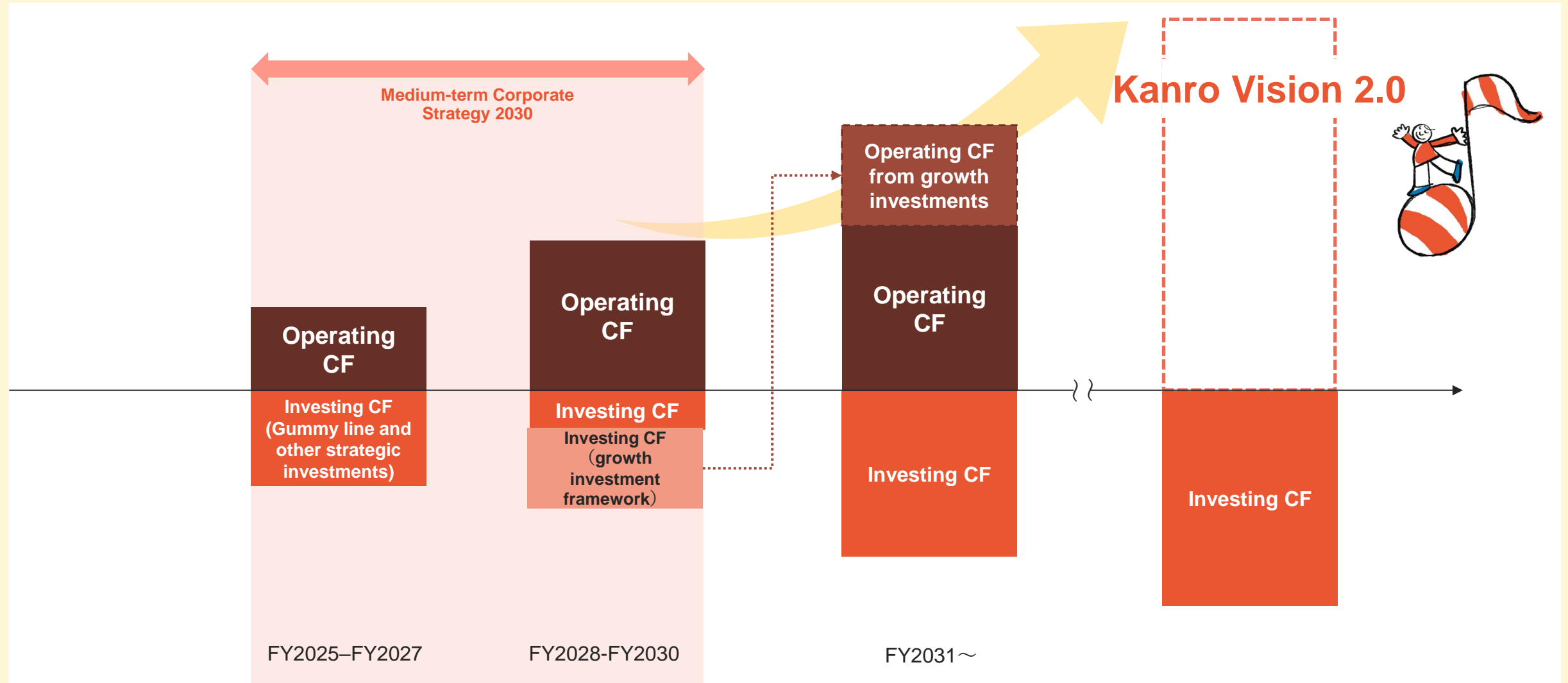
Cumulative cash flows for FY25–30 (Unit: JPY bn)



Grow operating cash flow to enable balance between growth and strategic investments and stable dividends



Pursue further growth, including discontinuous growth, to realize Kanro Vision 2.0 through the use of the growth investment framework



## 4. Business strategy FY2025

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## Start of approach to US markets to expand global business

### Implemented

Opening of website  
for US markets in  
January 2025



Exhibit in Winter  
Fancy Food Show  
2025 on January  
19–21, 2025



### To be implemented

- Ensure materials meet global standards for US exports
- Establishment of local corporation
- Exhibit in US trade shows



## Launch of HITOTUBU KANRO Institute Project

**Kanro**

*presents*

**Institute for  
Sweeten the Future**

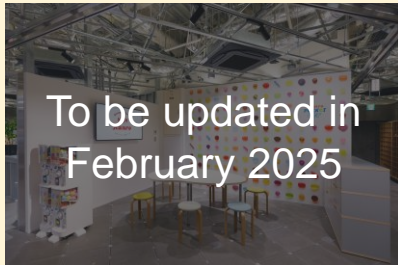
At Kanro, our purpose is to  
'Sweeten the Future' - to grow hearts,  
**ONE PIECE** at a time.

Each 'piece' we create has brought comfort,  
sparkled smiles, and touched hearts through taste.  
To continue crafting moments where hearts grow,  
we are launching project to reimagine  
the 'value of candy' together with all of you.



## Aiming to improve CX by increasing contact with customers

- ① Expressing the scenes and emotions associated with candy  
Updated visuals showing our purpose



- ② Where fans and Kanro connect  
Grand opening of community site



- ③ Spots for real-life experiences  
Updates to Kanro POCkET Lab

- ④ Voice interaction in various everyday situations  
Start of podcast

and more

# **Kanro** *presents* **Institute for Sweeten the Future**

## 5. Key points of the presentation

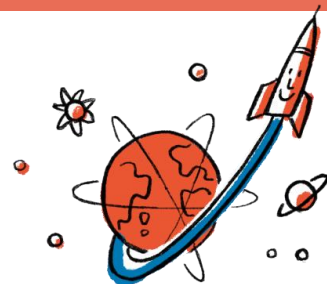
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## Summary of Key initiatives



### Creating sweet moments

- Investments to promote innovation  
Investment in plant expansion and new line construction, R&D investment
- Providing four customer-driven values:  
Rewards, Switch, Healthcare, Relaxation
- Promotion of brand-based management  
(Higher Value x Higher Profitability Merchandise Ratio)



### Transforming the business foundation

- Global business expansion
- Expansion of HITOTUBU KANRO business
- Establishment of highly profitable business scheme through EC
- Cultivation of Kanro fans and increase LTV through the fusion of real and digital



### Weaving a path to the future

- Promotion of activities to disseminate correct knowledge of sugar
- Promotion of measures to mitigate environmental load
- Food safety and security
- Respect for human rights and promotion of diversity
- Build a sustainable model for creating economic value, contribute to a sustainable future



### Further evolving the emergent organization

- Purpose-driven practice
- Development of a personnel system that encourages challenge and growth
- Creation of a rewarding work environment and promote operational efficiency



## Financial indicators

### 2030 targets

Net sales	<b>JPY50 bn or more</b> (CAGR: 7.8% or higher)
Operating profit margin	<b>13% or higher</b>
EBITDA	<b>JPY10 bn</b>
ROIC	<b>11% or higher</b>
ROE	<b>15% or higher</b>

## Non-financial indicators

### 2030 targets

Activities to provide education on the value of sugar	<b>Cumulative 15 million people</b>
Greenhouse gas emissions (Scope1-3)	Scope1-2 <b>10,000 t-CO<sub>2</sub></b> Scope3 <b>110,000 t-CO<sub>2</sub></b>
Employee engagement score	<b>70% or higher</b>

**1** Achieve record-high sales and profits in FY2024

**2** A new gummy line and US business will function as growth drivers during the duration of the new Medium-term Corporate Strategy.

**3** Targets for 2030 are net sales of at least JPY50 bn and an operating profit margin of at least 13%.










# 6. Appendix

# Year-on-year change for mainstay brands (retail sales amount)

\*INTAGE Inc. SRI+ Hard candy+Gummy market Jan.–Dec. total for 2023–2024, estimated sales amount

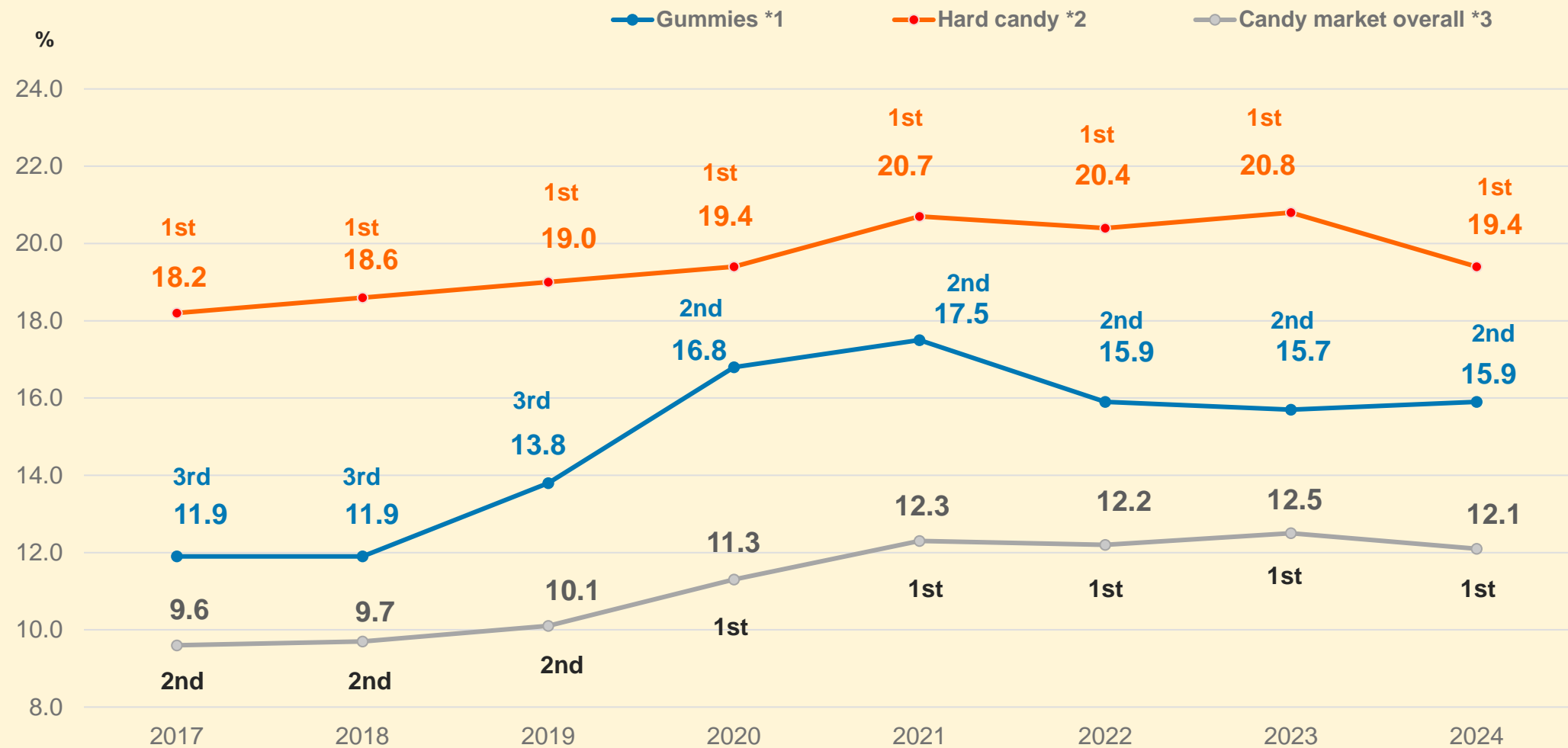
Brand	Full-year Results (YoY)
<i>Kinno Milk candy</i> 	107.3%
<i>Kenko Nodoame series</i> 	108.2%
<i>Non-Sugar brand throat drop</i> 	109.8%
<i>Puré Gummy</i> 	126.2%
<i>Candemina Gummy</i> 	106.3%

# Price revisions and content changes for major products

\*The actual retail price is the open price.

Revision month	Main target brands (hard candy)	Main target brands (gummies)	Notes
Sep–Oct 2022	<i>Kenko Nodoame series, Kinno Milk candy, healthy throat drops, Non-Sugar brand throat drops, etc.</i>	<i>Puré Gummy, Candemina Gummy, Marosh</i>	MSRP increased by about 3–10%
Mar 2023	<i>Kenko Ume Nodoame, Morimoriyama Fruit Candy, etc.</i>	<i>Puré Gummy, Candemina Gummy, Marosh</i>	MSRP increased by about 3–13%
Feb 2024	<i>Kinno Milk candy</i>	<i>Puré Gummy, Candemina Gummy</i>	MSRP increased by about 3–16%
Apr 2024	—	HITOTUBU KANRO products <i>Gummi-tzel, etc.</i>	<i>Gummi-tzel</i> box set (containing six pieces) JPY900 → JPY1,000 yen, other
Sep–Oct 2024	Stick form • <i>Kenko Ume Nodoame</i> • <i>Honey Lemon C throat drops</i> <i>Kinno Milk candy matcha latte</i>	—	Changes made to some healthy snacks as well

# Trends in Kanro's share among manufacturers (retail sales amount)



\*1: INTAGE Inc. SRI+ Gummy market Jan.–Dec. total for 2017–2024, share of sales amount by type (Composition)  
\*2: INTAGE Inc. SRI+ Hard candy market Jan.–Dec. total for 2017–2024, share of sales amount by type (Composition)  
\*3: INTAGE Inc. SRI+ Candy market Jan.–Dec. total for 2017–2024, share of sales amount



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