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Financial Highlights Material for the First-Half Period Ending May 2025

**January 21, 2025
Sakata Seed Corporation**

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1. Overview of First half results for the period Ending May 2025

Performance overview for the First-Half of period ending May 2025 (Consolidated)



Unit: million yen

Compared to the previous year, revenue increased and net profit increased significantly

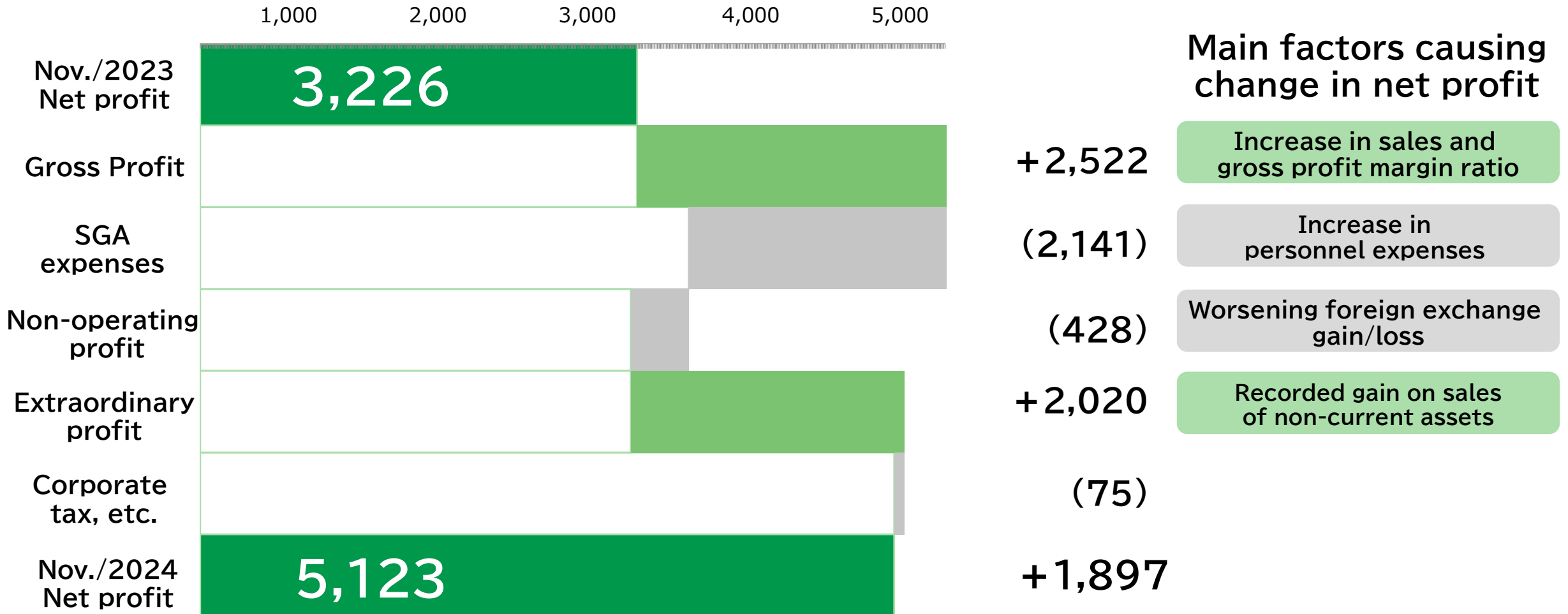
	Nov./2023	Nov./2024	Difference	Difference(%)	Forecast of 2025 Announced July 2024
Sales	40,872	42,325	1,452	3.6%	45,000((2,674))
Gross profit	24,895	27,417	2,522	10.1%	-
Gross profit margin(%)	60.9%	64.8%	-	-	-
R&D expenses	5,011	5,135	123	2.5%	-
Ratio against sales (%)	12.6%	12.3%	-	-	-
Other SGA expenses	14,591	16,609	2,017	13.8%	-
Operating profit	5,292	5,672	380	7.2%	5,200(+472)
Ordinary profit	5,698	5,650	(48)	(0.8)%	5,000(+650)
Net profit	3,226	5,123	1,897	58.8%	3,500(+1,623)
Exchange rates for overseas subsidiaries					
Yen / USD (¥)	150	143	(7)	Impact of FX (619)	150((7))
Yen / EUR (¥)	158	160	+2		160((0))

Results for the First-Half of period ending May 2025 (Net profit)



Significant increase in net profit due to sales of US properties

Unit: million yen



Results for the First-Half of period ending May 2025 (By business segment)



Domestic wholesales: increase in sales but decrease in profit
Overseas wholesales: increase in sales and profit

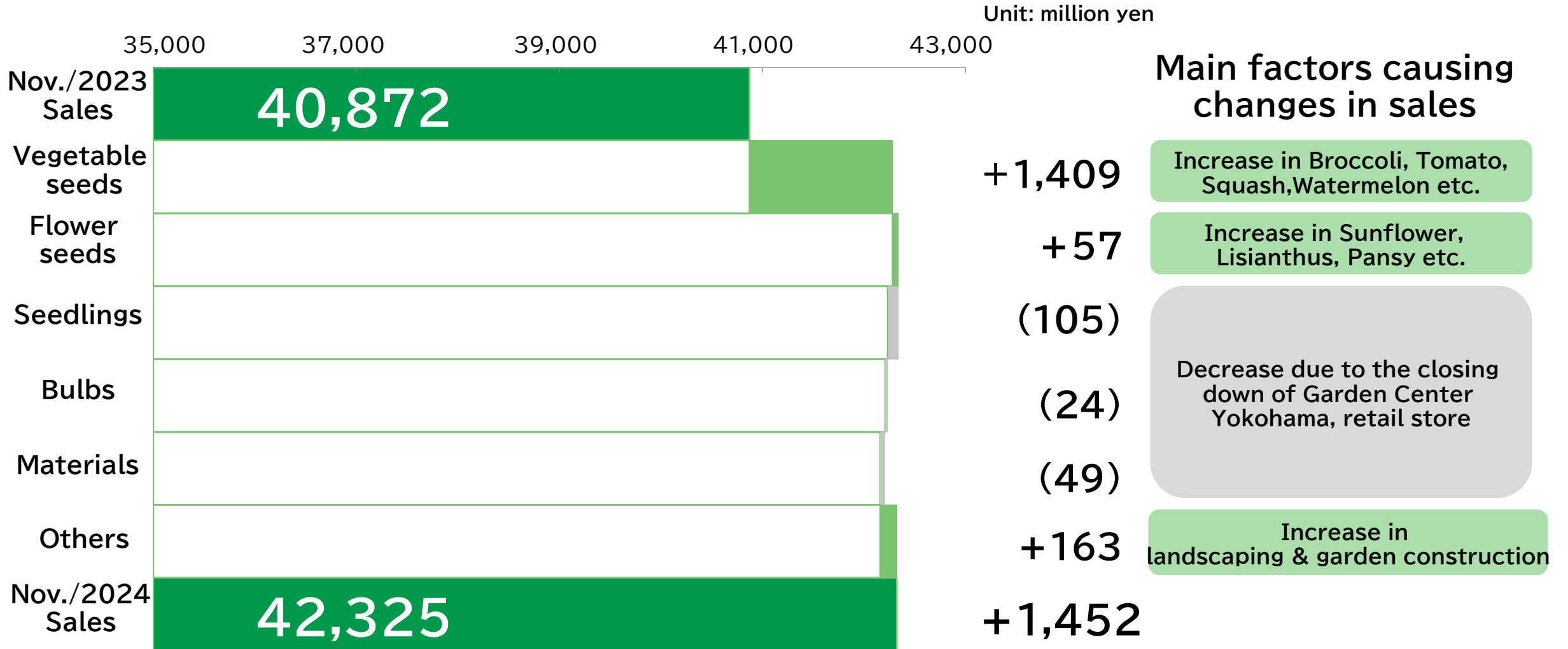
Unit: million yen

	Sales				Operating profit			
	Nov./23	Nov./24	Difference	Difference(%)	Nov./23	Nov./24	Difference	Difference(%)
Domestic wholesale	5,981	6,138	157	2.6%	2,487	2,388	(99)	(4.0)%
Overseas wholesale	31,018	32,364	1,346	4.3%	8,274	8,562	287	3.5%
Retail sales	2,064	1,872	(192)	(9.3)%	(240)	(247)	(7)	—
Other (Landscaping & Garden Construction etc.)	1,808	1,949	141	7.8%	80	117	36	45.4%
Subtotal	40,872	42,325	1,452	3.6%	10,602	10,820	217	2.1%
Elimination	—	—	—	—	(5,310)	(5,147)	162	—
Total	40,872	42,325	1,452	3.6%	5,292	5,672	380	7.2%

Results for the First-Half of period ending May 2025 (Sales by product)



Significant increase in vegetable seeds, increase in flower seeds

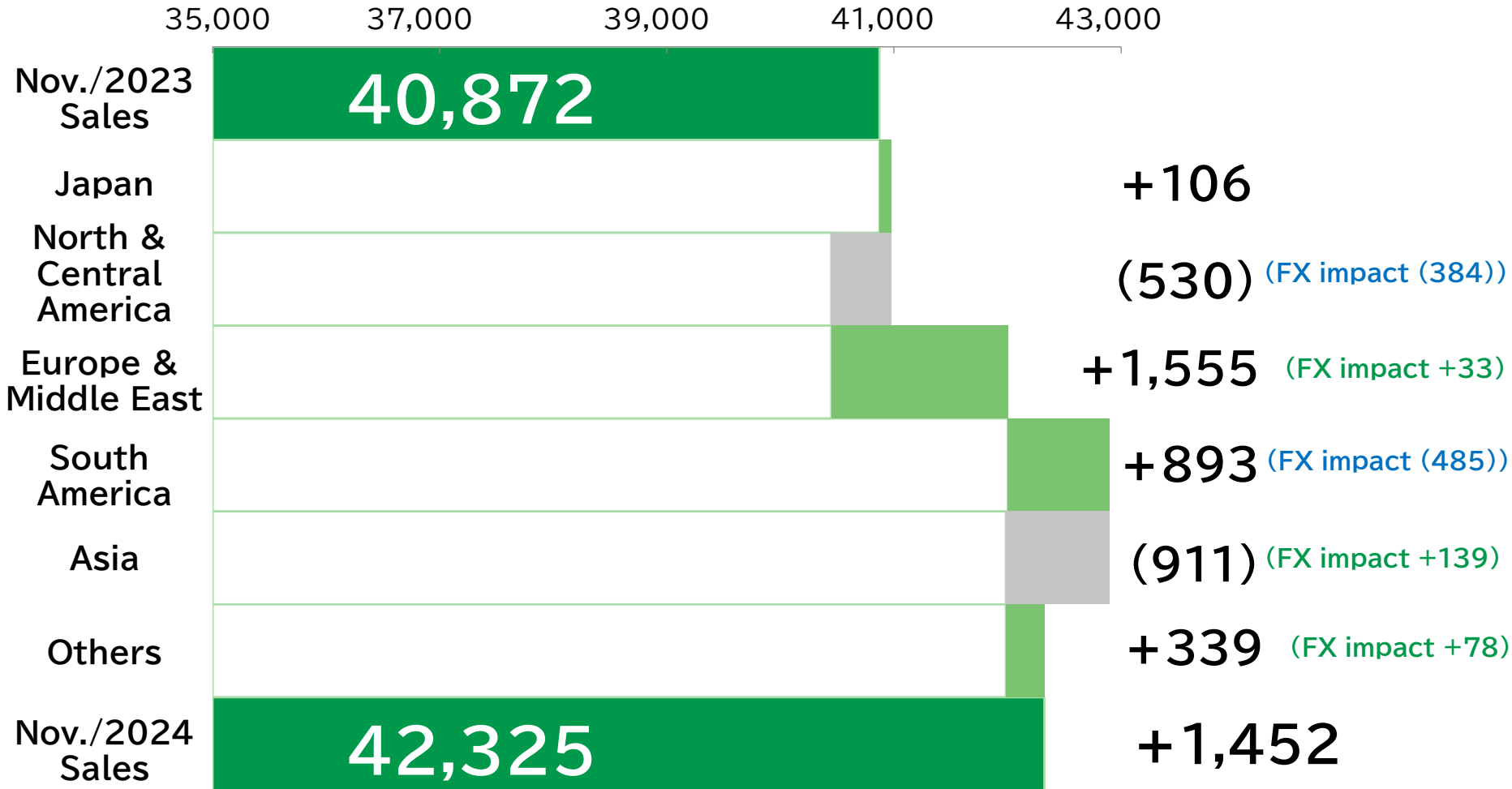


Results for the First-Half of period ending May 2025 (Sales by customers' region)



Increase in Japan, Europe & Middle East and South America

Unit: million yen



Main factors causing changes in sales

Increase in vegetable seeds

Decrease in Mexico due to weather conditions

Significant increase in both vegetable and flower seeds in local currencies

Significant increase in both vegetable and flower seeds in local currencies
Increase due to acquisition of Isla

Decrease carrot sales due to the worsening market conditions in China

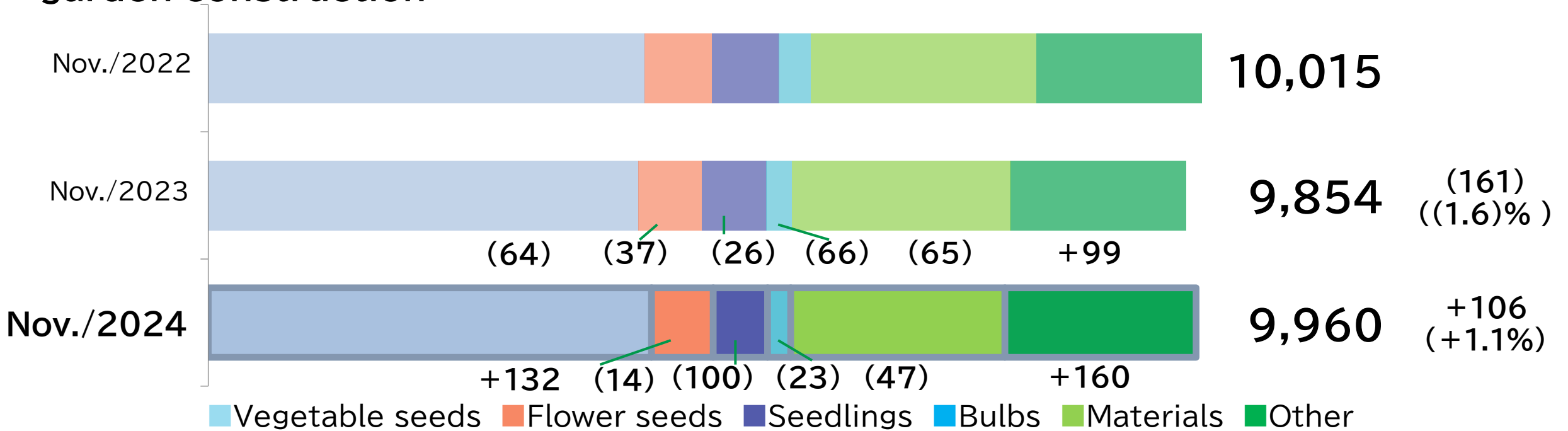
Impact of FX (619)

Sales by region for the First-Half of period ending May 2025 (1)



[Japan] Increase in vegetable seed sales and landscaping & garden construction

Unit: million yen



■ Vegetable seeds
 ■ Flower seeds
 ■ Seedlings
 ■ Bulbs
 ■ Materials
 ■ Other

Top product by Y o Y change in vegetable seeds	
Broccoli	+109
Cabbage	+37
Tomato	+29
Bunching Onion	(28)

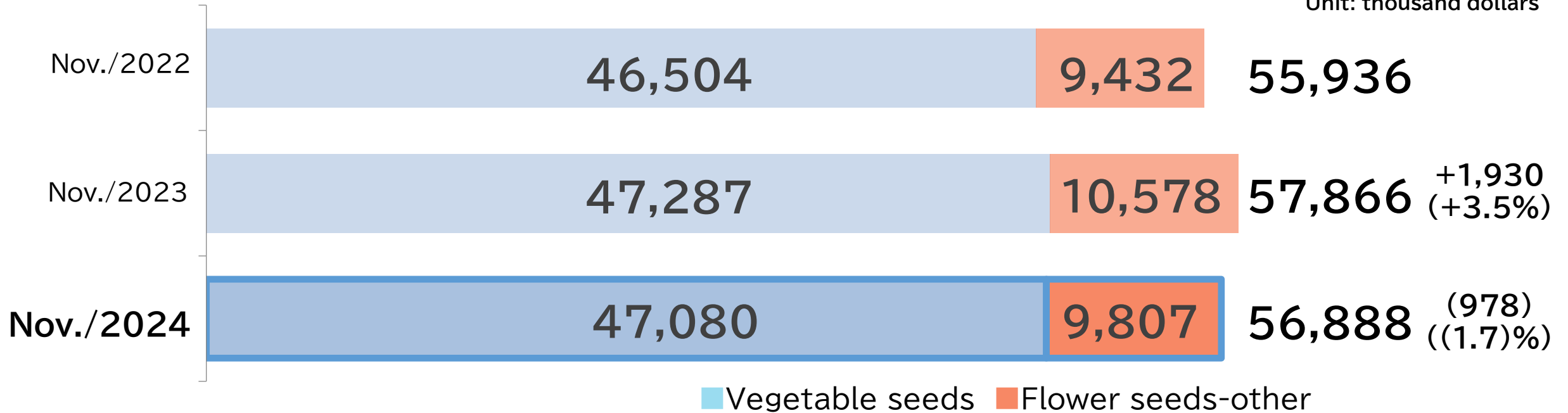
Top product by Y o Y change in flowers seeds	
Sunflower	(4)
Marigold	(3)
Pansy	+2
Stock	(2)

Sales by region for the First-Half of period ending May 2025 (2)



[North and Central America] Decrease in both vegetable and flower seeds

Unit: thousand dollars



Top product by Y o Y change in vegetable seeds	
Watermelon	+1,532
Pepper	(1,351)
Melon	(537)
Tomato	+499

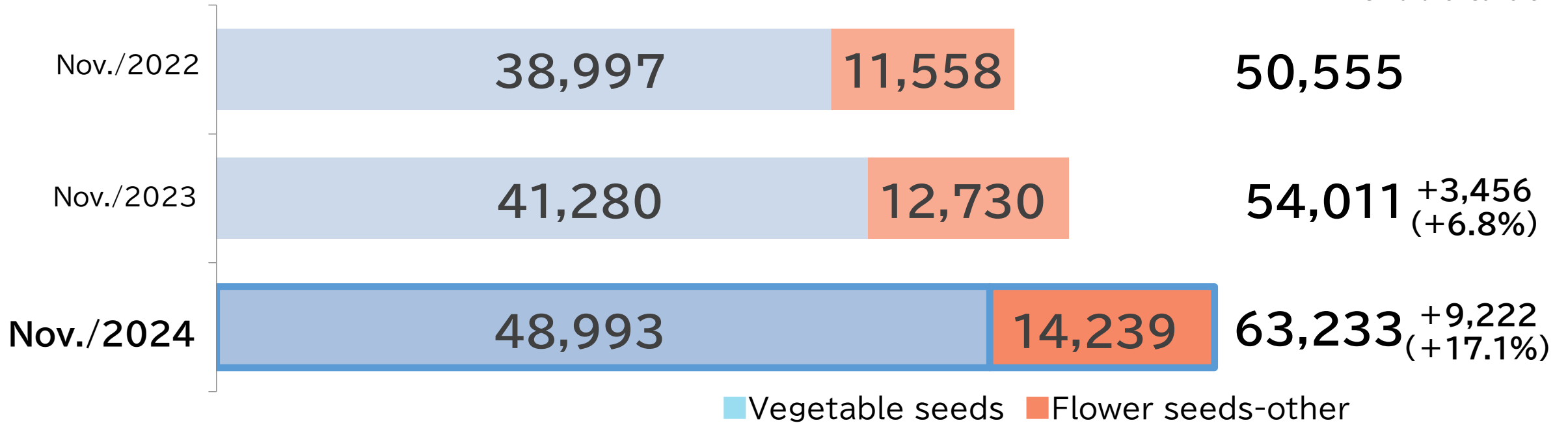
Top product by Y o Y change in flowers seeds	
Campanula	(385)
Snapdragon	+195
Pansy	+185
Zinnia	+175

Sales by region for the First-Half of period ending May 2025 (3)



[Europe and Middle East] Increase in both vegetable and flower seeds

Unit: thousand euros



Top product by Y o Y change in vegetable seeds	
Broccoli	+2,211
Tomato	+1,881
Squash	+981
Cauliflower	+780

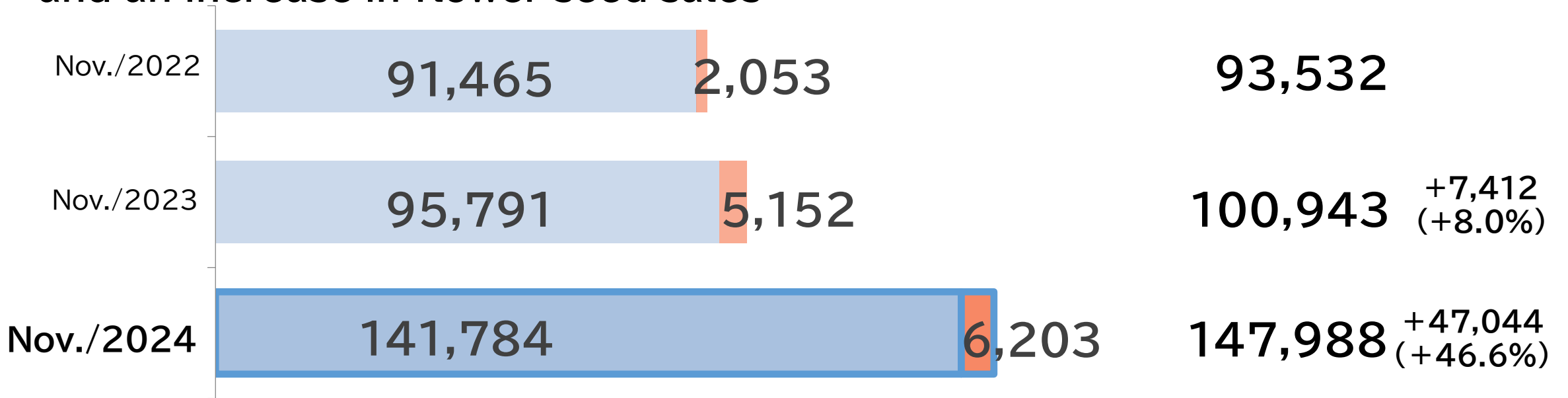
Top product by Y o Y change in flowers seeds	
Sunflower	+553
Campanula	(311)
Primula	+128
Lisianthus	+99

Sales by region for the First-Half of period ending May 2025 (4)



[South America] Significant increase in vegetable seeds and an increase in flower seed sales

Unit: thousand reais



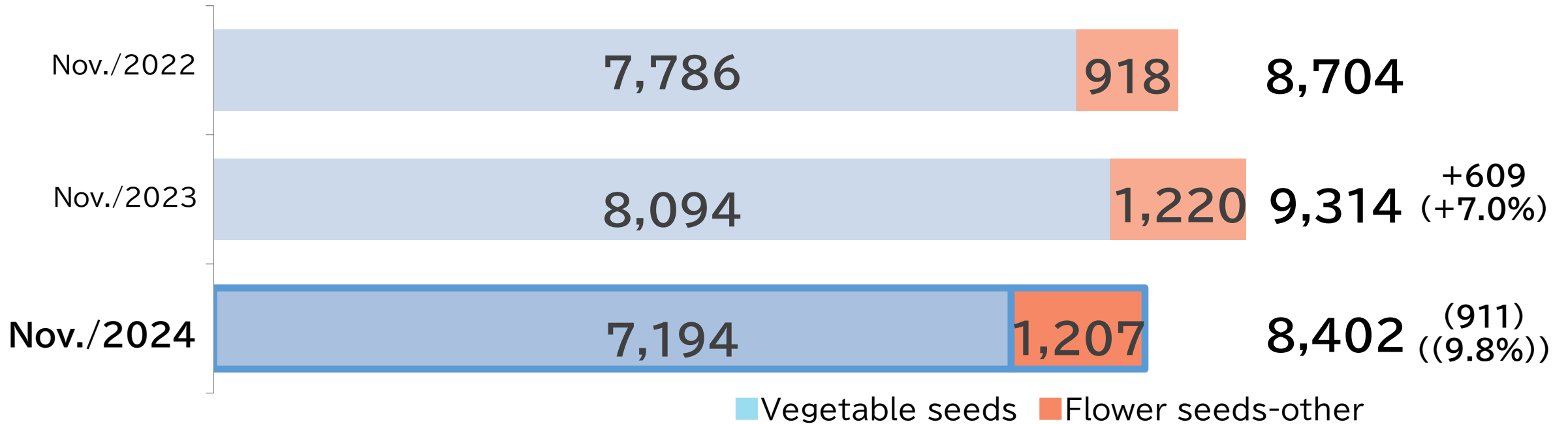
■ Vegetable seeds ■ Flower seeds-other

Top product by Y o Y change in vegetable seeds	
Melon	+8,350
Tomato	+5,298
Pepper	+5,197
Squash	+5,127

Top product by Y o Y change in flowers seeds	
Sunflower	+630
Lisianthus	+86
Begonia	(81)
Snapdragon	+80

[Asia] Decrease in vegetable seeds

Unit: million yen



Top product by Y o Y change in vegetable seeds	
Carrot	(1,035)
Bunching Onion	+207
Beet	(76)
Cauliflower	+66

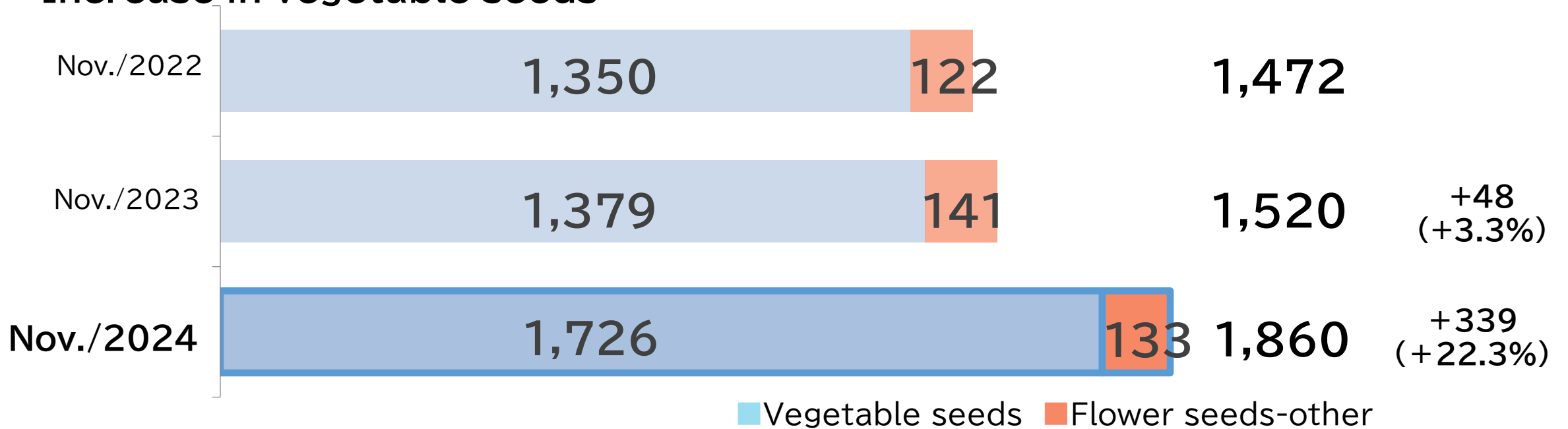
Top product by Y o Y change in flowers seeds	
Lisianthus	+41
Marigold	(31)
Sunflower	(16)
Pansy	+14

Sales by region for the First-Half of period ending May 2025 (6)



[Other regions (Africa and Oceania)]
Increase in vegetable seeds

Unit: million yen



Top product by Y o Y change in vegetable seeds	
Broccoli	+190
Squash	+89
Cabbage	+36
Melon	(17)

Main selling, general and administrative (SGA) expenses for the First-Half of period ending May 2025



Increase in personnel expenses, outsourcing expenses and R&D expenses

Unit: million yen(Breakdowns given on the basis of locations of head office and major subsidiaries)

	SGA expenses	Personnel expenses	Travel expenses	Repair expenses	Outsourcing fees	Depreciation	Experiment and research expense (R&D expenses)*	
Nov./2024	21,744	11,592	855	827	1,233	1,690	695(5,135)	
Nov./2023	19,603	10,412	830	774	1,051	1,603	651(5,011)	
Difference YoY	2,141	1,179	24	53	181	86	43(123)	
FX Impact	(506)	(228)	(13)	(16)	(25)	(25)	(33)((110))	
Breakdown	Japan	272	136	3	(49)	131	10(72)	
	North & Central America	432	396	(1)	13	22	(12)(12)	
	Europe & Middle East	1,153	481	18	19	46	47(16)	
	South America	597	140	17	70	54	38(34)	
	Asia	(39)	22	(8)	1	4	(31)((23))	
	Others + Consolidation adjustment	(273)	2	(4)	(1)	1	10	(9)(11)

* R&D expenses are the total expenses related to research activities, part of which include personnel expenses and depreciation

2. Forecast and Dividend Policy for Period Ending May 2025

Net profit forecast revised upwards

Unit: million yen

	Period 2023	Period 2024	Period 2025 forecast	Difference	Difference(%)
Sales	77,263	88,677	93,500	4,823	5.4%
Gross profit	47,519	53,972	58,000	4,028	7.5%
Gross profit margin (%)	61.5%	60.9%	62.0%	-	-
R&D expenses	9,069	10,396	11,000	604	5.8%
Ratio against sales (%)	11.7%	11.7%	11.8%	-	-
Other SGA expenses	27,532	33,081	36,000	2,919	8.8%
Operating profit	10,918	10,495	11,000	505	4.8%
Ordinary profit	12,304	11,124	11,000	(124)	(1.1%)
Net profit	9,489	16,162	9,000	(7,162)	(44.3%)

Exchange rates for overseas subsidiaries ※1

Yen / USD (¥)	134	151	150
Yen / EUR (¥)	146	163	160

Estimate of exchange sensitivity*(Million yen)

USD	65
EUR	16

*1 Exchange rates for overseas subsidiaries (Period ended March)

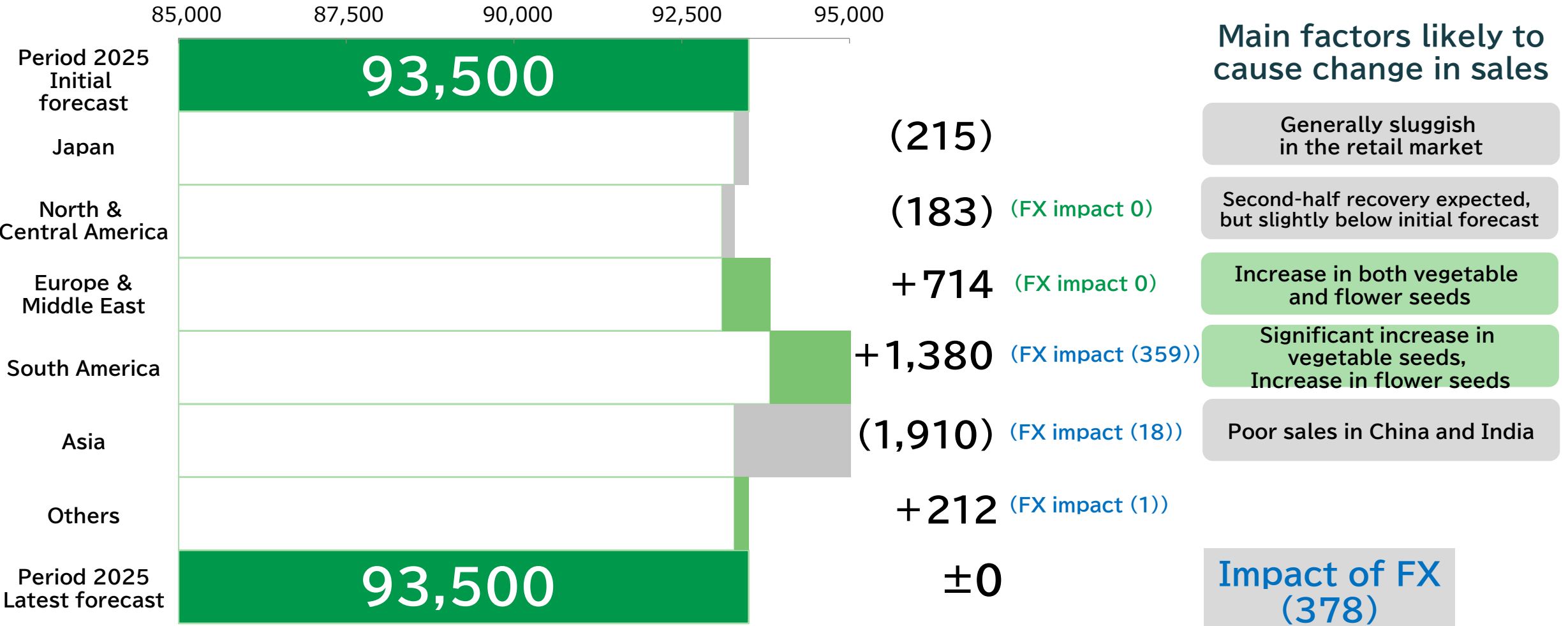
*2 Estimated impact of a 1 yen currency fluctuation on the revised expected operating profit

Forecast for period ending May 2025: Sales by customers' region (compared to initial forecast)



Total sales remain unchanged despite the changes in sales between regions

Unit: million yen

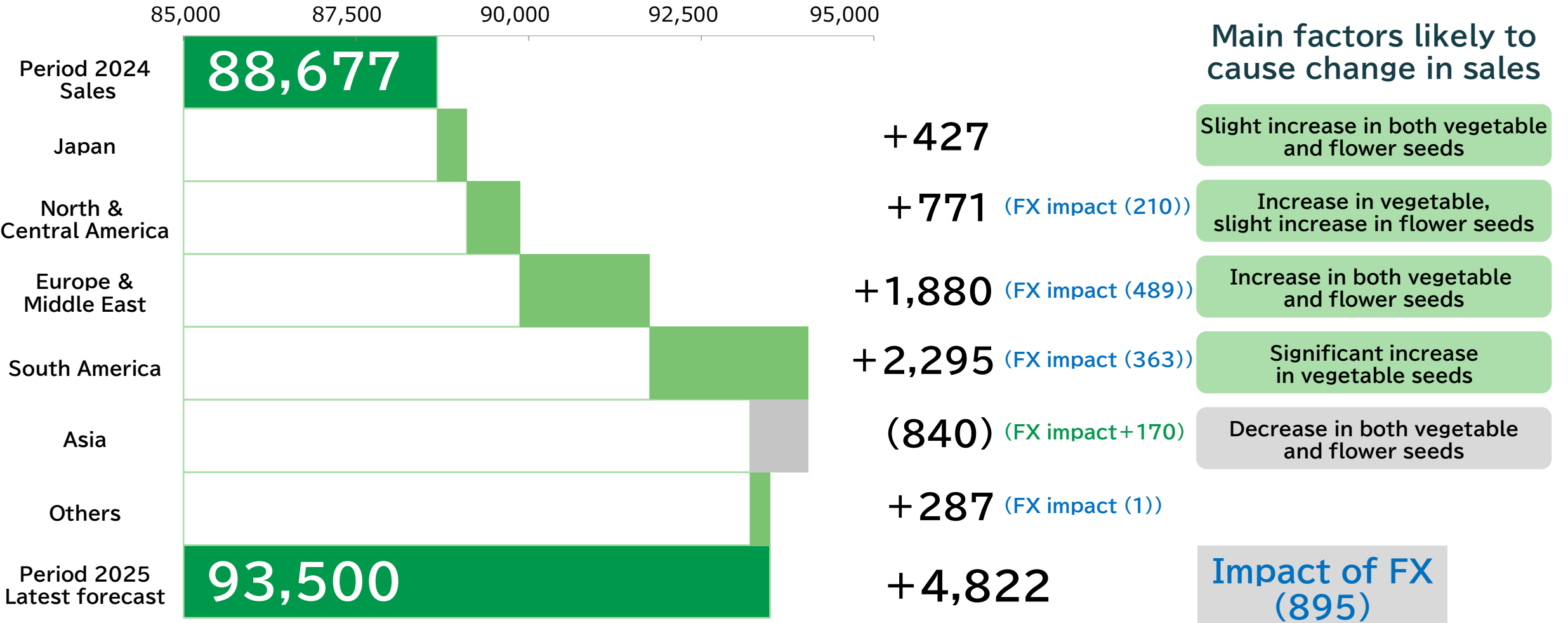


Forecast for period ending May 2025:
Sales by customers' region (compared to the previous year)



Sales expected to grow compared to the previous year in all regions except Asia

Unit: million yen



Forecast for period ending May 2025 (Main selling, general and administrative (SGA) expenses)



Increase from initial forecast

Unit: million yen
(Breakdowns given on the basis of locations of head office and major subsidiaries)

	Compared to initial forecast		Compared to previous year		
Latest forecast for the year ending May 2025	47,000		47,000		
Initial forecast for period 2025 / Result for period 2024	46,800		43,477		
Difference Y o Y	200	((189))	3,522	((615))	
Breakdown	Japan	(157)	(0)	826	(0)
	North & Central America	(55)	(0)	1,197	((113))
	Europe & Middle East	289	(0)	1,355	((312))
	South America	250	((182))	774	((182))
	Asia	(145)	((6))	160	((6))
	Others + consolidation adjustment	17	((0))	(792)	((2))

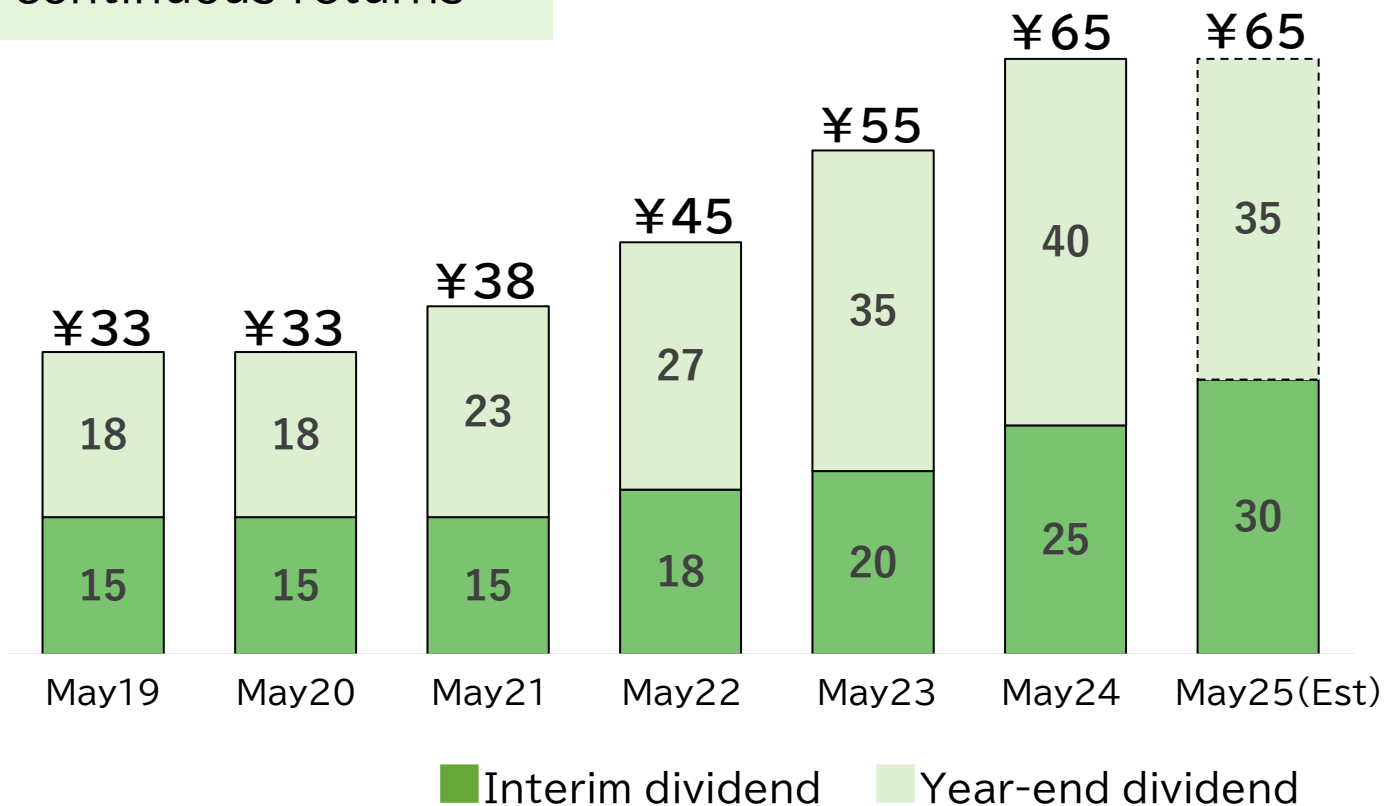
Number in parentheses are the impact of foreign exchange

Interim dividends decided at ¥30, year-end dividends forecast at ¥35

Returning profits to shareholders is one of our important management issues. Under the policy of long-term stability, we have a policy to strengthen stable and continuous returns

- 1) Interim dividend: ¥30/share
(Increase of ¥5 compared to last year)
- 2) Year-end dividend forecast: ¥35/share
(Decrease of ¥5 compared to last year)

The annual dividend is expected to be 65 yen, the same as the previous year



In order to enhance shareholder returns, improve capital efficiency, and execute flexible capital policies in response to the management environment, we acquired treasury stock

[Details of Acquisition]

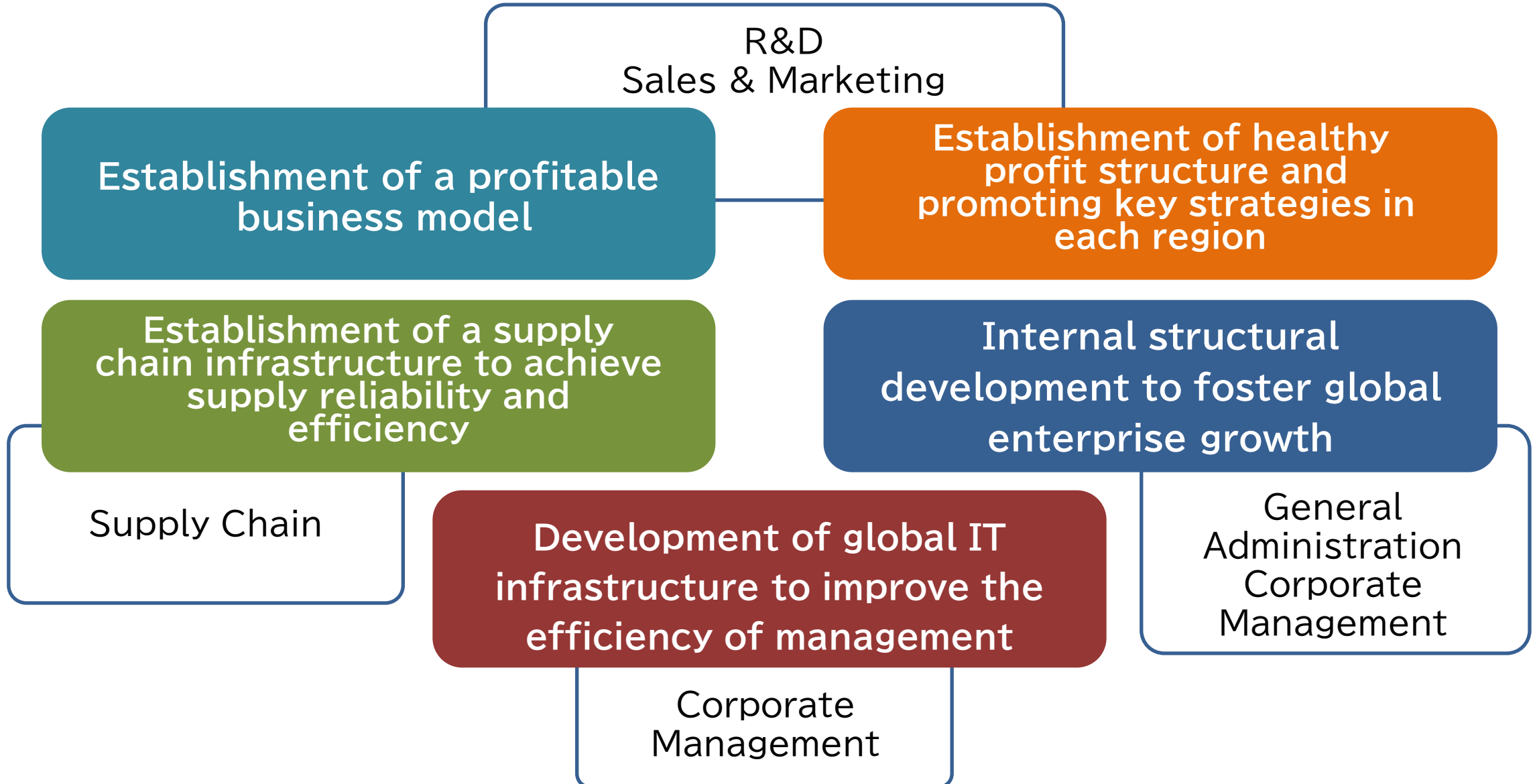
1. Number of shares acquired: 600,200 shares of our common stock
2. Total acquisition price: 2,151,717,000 yen
3. Acquisition date: January 20, 2025

Note: The total acquisition price is equivalent to 24% of the projected 9 billion yen net profit attributable to owners of the parent company for the fiscal year ending May 2025

3. Action for Global Growth

North and Central America Strategy

1. Growth strategy of SAKATA group



Establishment of healthy profit structure and promoting key strategies in each region

**Expansion of business in growing market,
Establish new model in mature market**

1. Growth strategy of SAKATA group



**Sakata America Holding Company, Inc.,
our regional headquarters for North and Central America**

2. Characteristics and markets of North and Central America

Our facilities in North and Central America



[Subsidiaries]

Sakata Seed America, Inc.

Full-line functions combined with research, production, and sales & marketing

Grupo Sakata Seed de Mexico, S.A. de C.V.

Sales of vegetable seeds and product development of vegetables

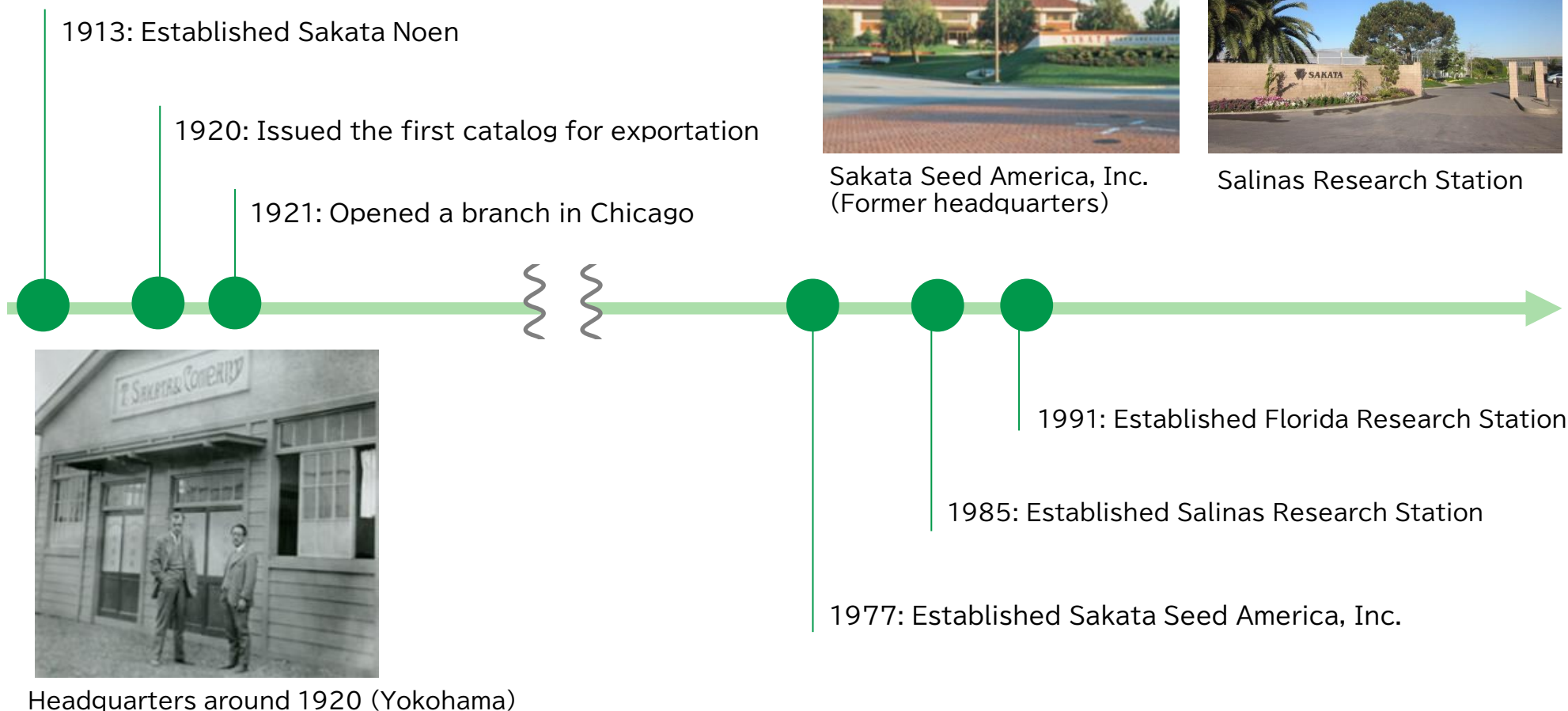
Sakata Seed de Guatemala, S.A.

Sales of vegetable seeds

Sakata America covers the countries of North and Central America, from Panama northwards, for vegetable seeds, and additionally covers South America for flower seeds

2. Characteristics and markets of North and Central America

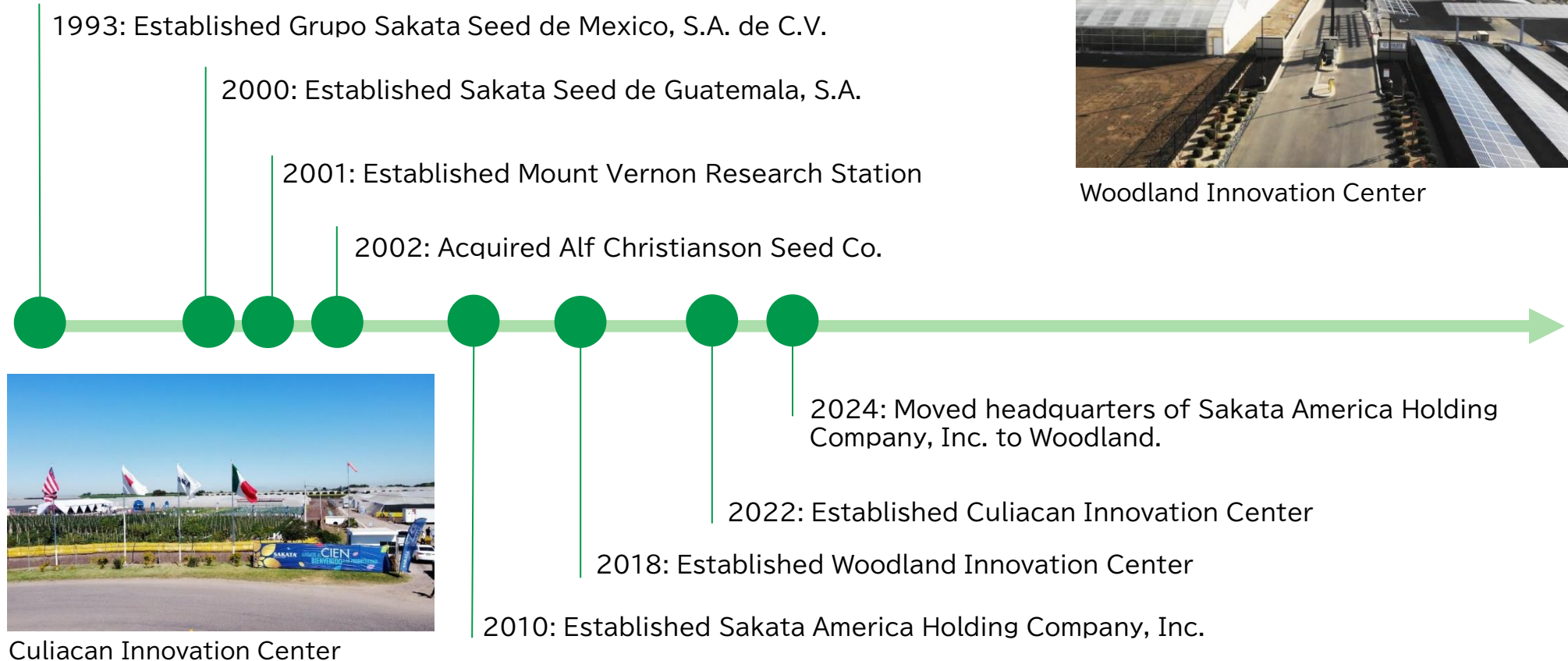
Our history in North and Central America (1)



In North and Central America, we started selling flower seeds, then moved into seed production and research & development

2. Characteristics and markets of North and Central America

Our history in North and Central America(2)

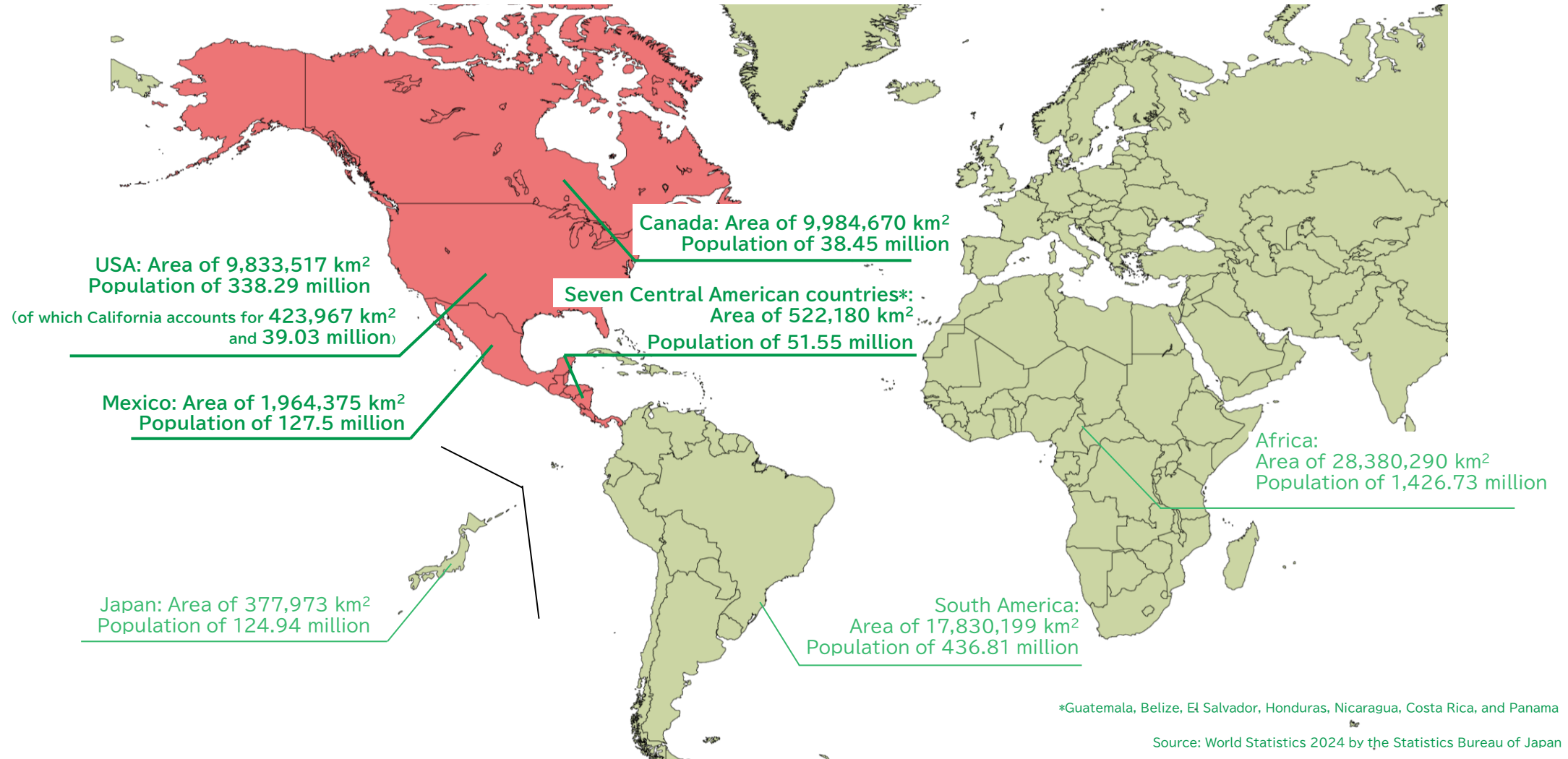


We established subsidiaries and research stations in Central America to enhance our research & development and sales & marketing

2. Characteristics and markets of North and Central America

Area and population of North and Central America

Total area of 22,728,405 km² and population of 601.6 million



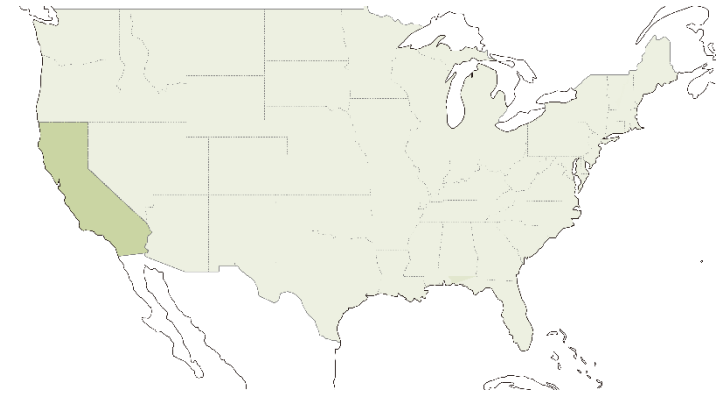
2. Characteristics and markets of North and Central America



Overview of California where the Headquarters of Sakata Group in North and Central America located

Nominal GDP (2023)

California: 3.89 trillion USD (No.1 in the USA)
Japan: 4.29 trillion USD (No.4 in the world)
India: 3.55 trillion USD (No.5 in the world)



- Warmer climate similar to the Mediterranean climate
- Large agricultural region around a vast, fertile basin
- Agriculture supported by large-scale irrigation technology
- Agricultural sales of 51.1 billion USD, No.1 in the USA for the past 50 years
(Source: Consulate-General of Japan in San Francisco website)

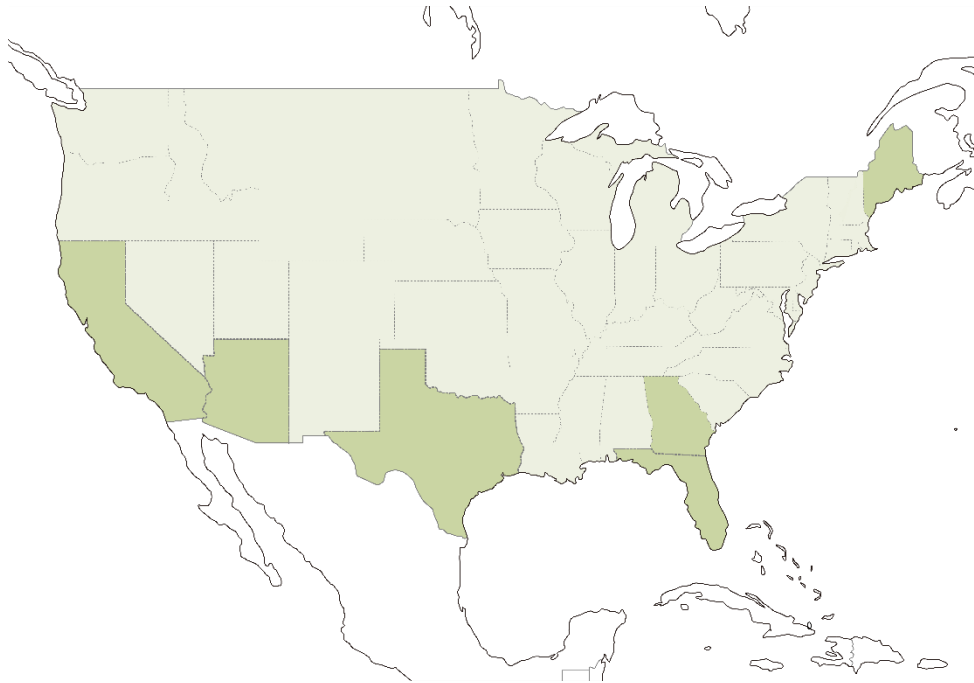
**The leading agricultural region in the USA.
Produces a vast amount of vegetables and is well suited to seed production**

2. Characteristics and markets of North and Central America

Main vegetable producing regions in North and Central America

[USA]

Broccoli, Tomato, Sweet Pepper,
Watermelon, Melon, **Lettuce**



[Mexico]

Broccoli, Tomato, Sweet Pepper,
Watermelon, Melon, **Hot Pepper**

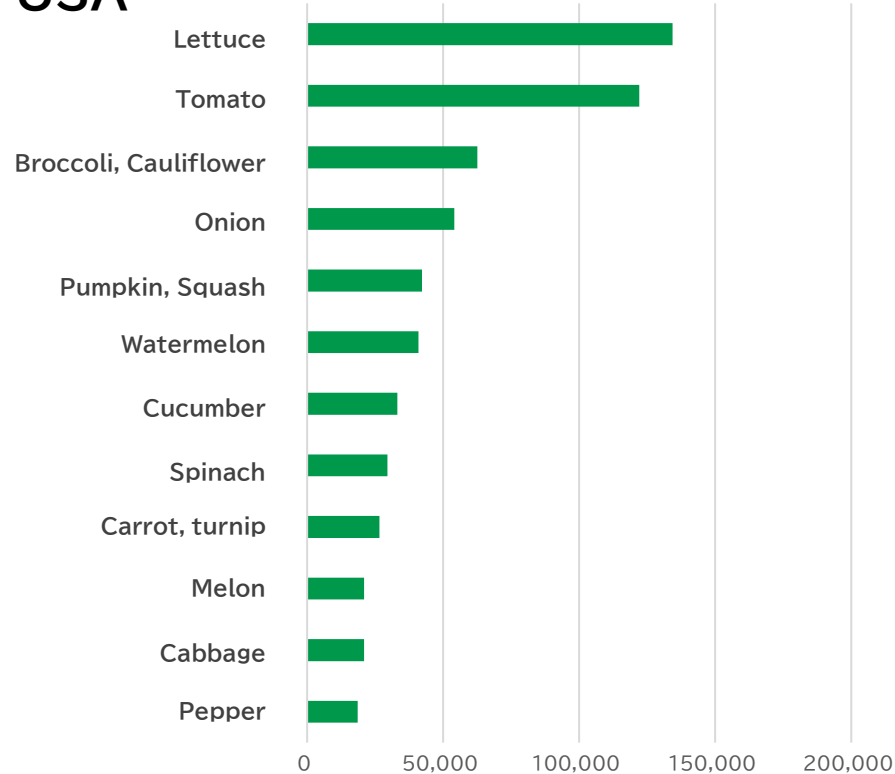


2. Characteristics and markets of North and Central America

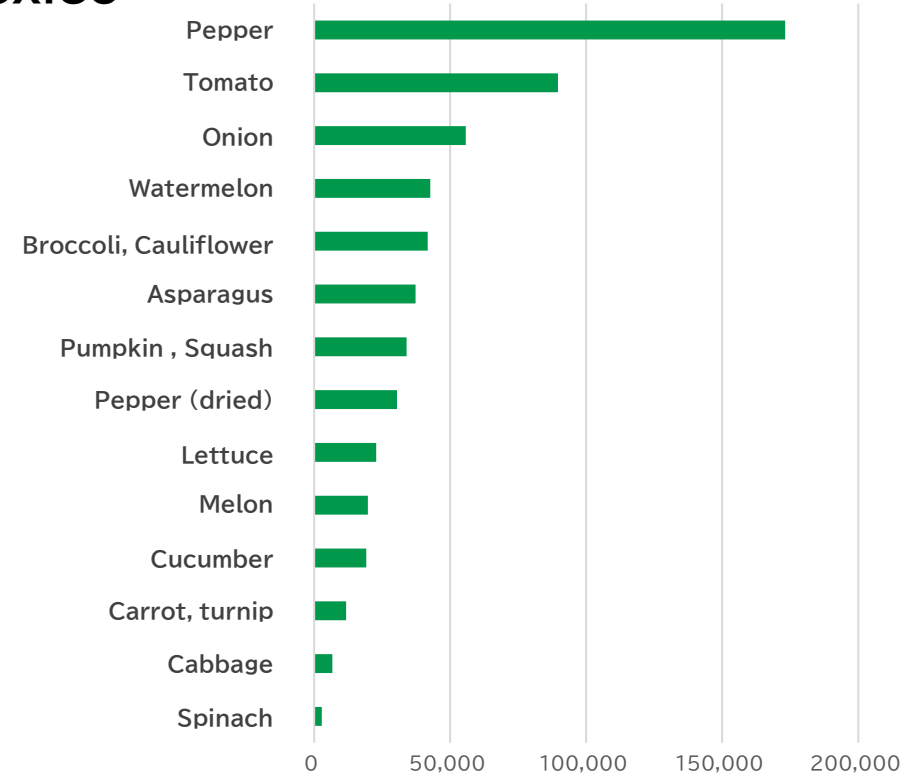
Vegetable production area by crop in North and Central America

Vegetables ranked by production area (Excluding potato, grains, peas, and sweet corn)

USA



Mexico



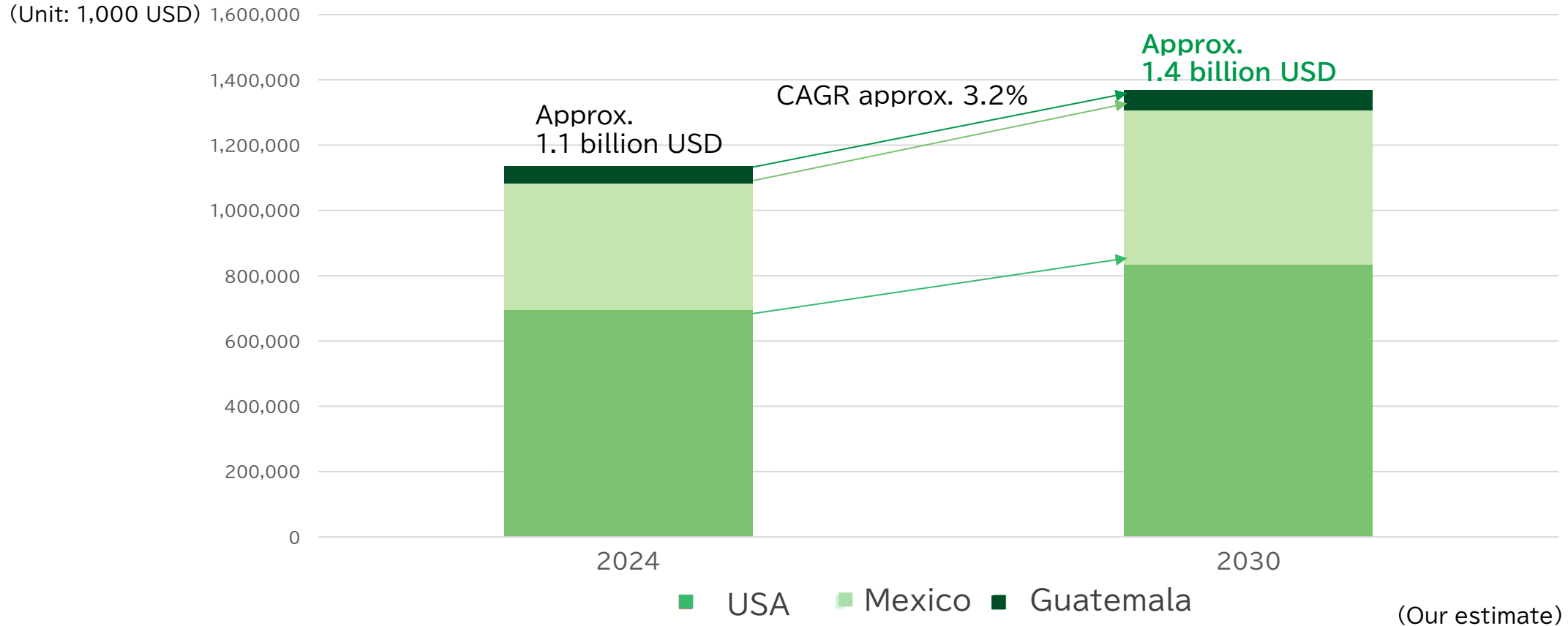
Food and Agriculture Organization of the United Nations (FAO) in 2023 (Unit: ha)

Lettuce is the leading crop in the USA, while pepper holds the top position in Mexico

2. Characteristics and markets of North and Central America

North and Central America vegetable seed market and growth forecast

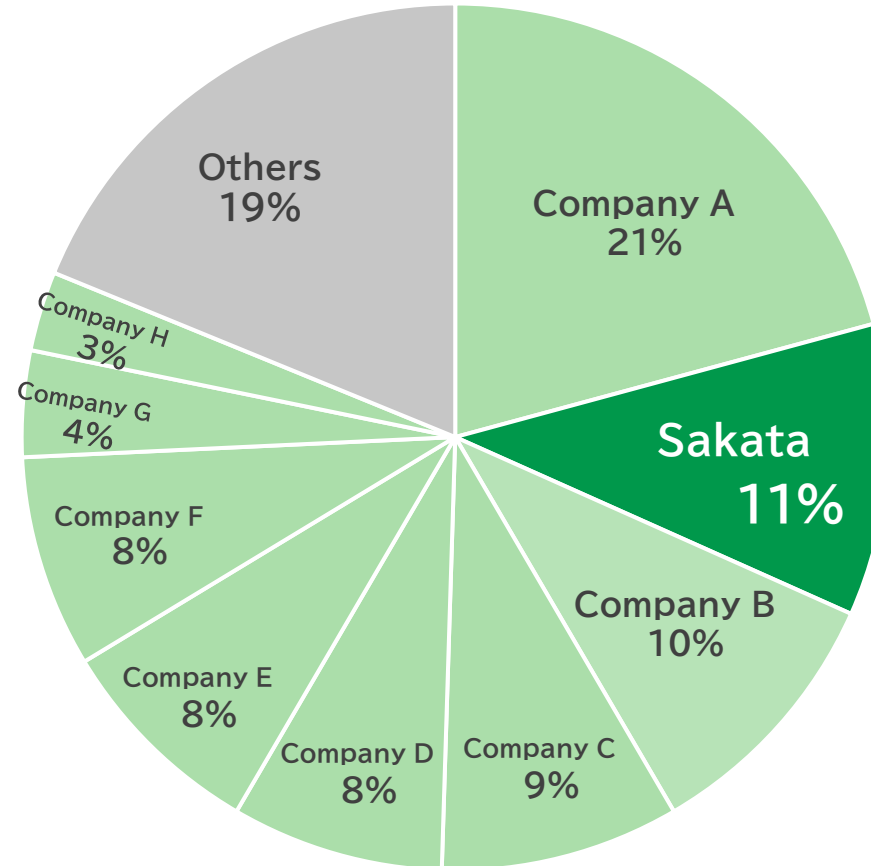
Scale of wholesale market in North and Central America vegetable seed market
(Excluding potatoes, grains, peas and sweet corn)



The market is expected to continue to grow steadily

2. Characteristics and markets of North and Central America

North and Central America vegetable seed market and our position



North and Central America vegetable seed market
Scale of wholesale market and our share
(Excluding potatoes, grains, peas and sweet corn)

Market scale (2024)
Approx. 1.1 billion USD

(Our estimate)

Our current share is No. 2, and we have a good position in the markets expected to grow

2. Characteristics and markets of North and Central America

History of our flower business and market characteristics of North and Central America (1)

- Our North and Central America business started with flower seeds
- “F₁ Petunia Victorious Mix,” the world’s first all double petunia won the AAS silver medal and gained popularity by being reported as having “seeds more expensive than gold”



Received numerous awards from the AAS (All-America Selections), an authoritative organization in the horticultural industry



“Profusion” (Zinnia)



2022: “Viking Explorer Rose on Green” (Begonia)

2018: “Gypsy White Improved” (Gypsophila)

2019: “Viking Red on Chocolate” (Begonia)

2021: “Profusion Red Yellow Bicolor” (Zinnia)

2022: “Viking Explorer Rose on Green” (Begonia)

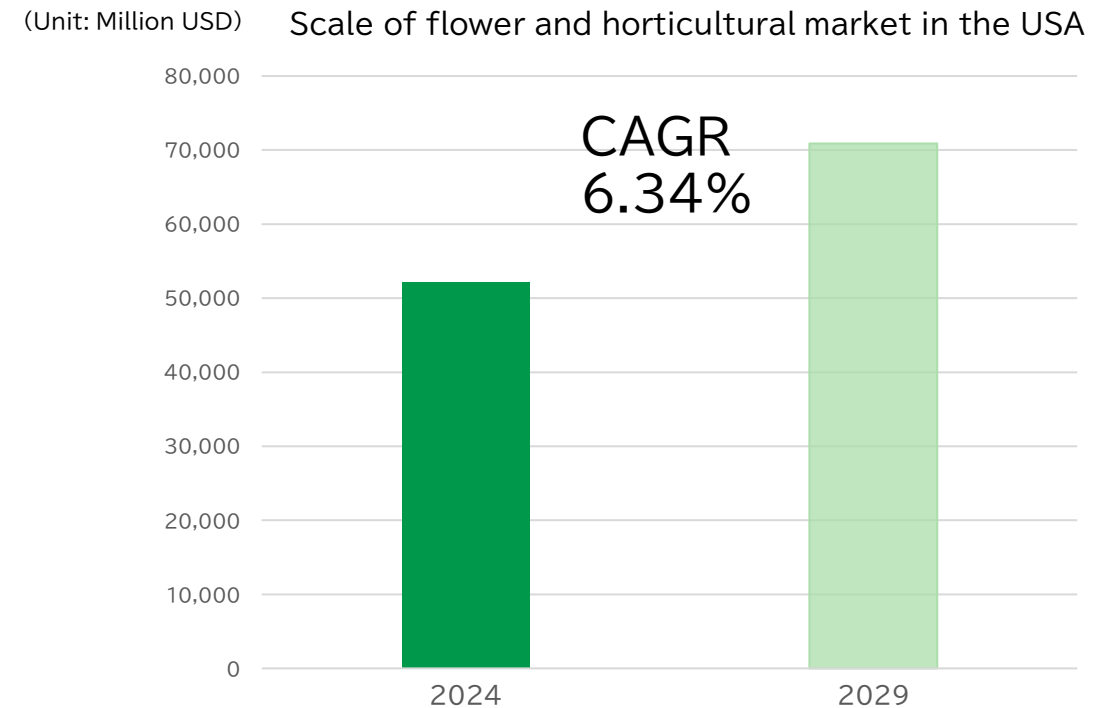


We established our presence in the market with longstanding traditions and various innovative varieties

2. Characteristics and markets of North and Central America

History of our flower business and market characteristics of North and Central America (2)

- The USA is the world's largest region for flower consumption, which is still increasing
- The USA is geographically close to Ecuador and Colombia, which are huge global producers of cut flowers
- In Mexico, there is a rich cultural tradition of using flowers both in the home and for religious purposes



Source: Mordor Intelligence

3. Sakata's growth strategy for North and Central America



i. Focus on developing new varieties, particularly fruit vegetables

In addition to leaf vegetables, our share of fruit vegetables has expanded



STM2255

Very good flavor and good shelf-life. It has high yield potential and is widely adapted across multiple regions and seasonal slots



PATHFINDER

Suitable for a wide range of regions with high resistance to disease and excellent growth properties. Well suited to exportation due to thick walls and a great shelf-life properties



NITRO S10

Highly resistant to disease, uniform size, and firm, glossy dark green fruit that turns red when ripe



EL CAPITAN

Small pip size with excellent yield potential and an attractive rind pattern. Deep red suitable for the fresh-cut market, and firm, extended shipping holding ability with an excellent flavor

Sales is driven by locally developed varieties and strengthened development capability by Sakata Seed America

3. Sakata's growth strategy for North and Central America



ii. Proactive expansion in the flower market

The USA is the largest consumer of flowers, and is geographically close to global producers of cut flowers, such as Colombia



“Vincent” (Sunflower)

Able to produce all year round, as growth is less sensitive to day length. Blooms facing upward and round shaped petals. Can be enjoyed for a long period as it does not produce pollen



“Champion II” (Campanula)

Superb uniformity and large flower size. Early bloomer with high production efficiency. Upward-facing flowers make for better transportation



“SunPatiens”

Grows vigorously, quickly, and large. Features brilliant coloring. Utilize in pots or containers, and large-scale landscape



“SuperCal”

An intergeneric hybrid of petunia and calibrachoa, which is resilient to both hot and cold weather, more rain-tolerant than petunias, and recovers quickly after it rains

Utilizing our competitive varieties to develop both cut flower and bedding plant businesses

3. Sakata's growth strategy for North and Central America



iii. Enhancing human capital

1. Corporate culture that enables long-term employees to flourish and accumulates expertise

We have a large number of employees that have been working for us for more than 20 years. Our workplace provides work satisfaction and this encourages the development of experienced human resources



2. "Sakata Gives"

This initiative supports our employees in contributing to their local communities. Involved in a wide range of activities, such as donating flowers to local NPOs, in addition to providing "flower growing" and "seed growing" activities where they give seeds and gardening tools to elementary schools



3. Sakata's growth strategy for North and Central America



iv. Investing in research & development in growth markets (Mexico)



Culiacan Innovation Center

Established in 2022. Approx. 14 hectares. Close to the Gulf of California, and features large production area for fruit vegetables including solanaceae



Yurécuaro Research Station

Established in 2022. Approx. 5.3 hectares. Located about 1,500 m altitude, this area is able to produce leaf vegetables and root vegetables that prefer cooler climates, in addition to fruit vegetables

3. Sakata's growth strategy for North and Central America



v. Contribution to the global supply chain



Vegetables: The most important area in the northern hemisphere for seed production of brassica plants such as broccoli

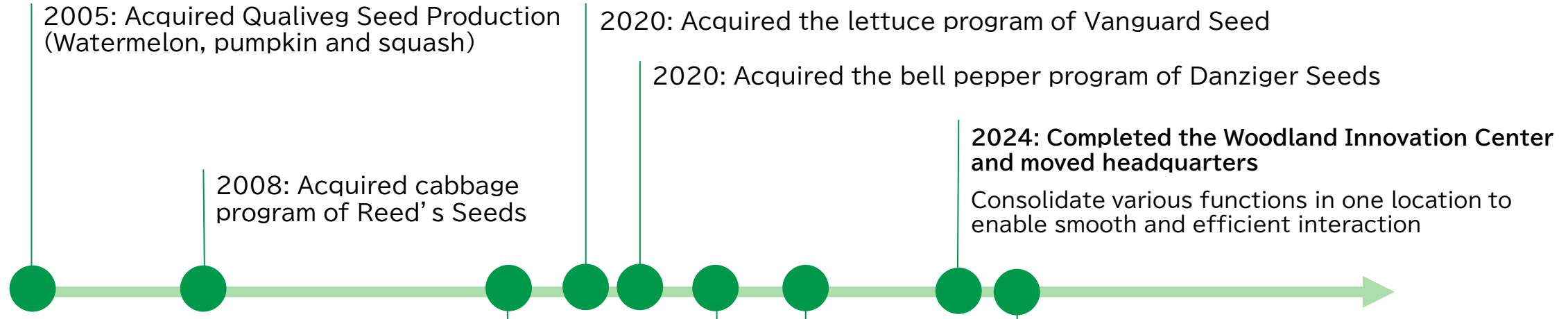
Flowers: An important area for seed production, particularly for sunflower

Climate suitable for seed production, and an important site for our entire group

3. Sakata's growth strategy for North and Central America



vi. Redistribution and optimization of resources



Woodland Innovation Center

We reassessed our business portfolio and reorganized assets

3. Sakata's growth strategy for North and Central America



vii. Moving our headquarters and responding to the new age



Woodland Innovation Center

- Moved from Morgan Hill, California
- Integrates research, supply chain, sales & marketing, and headquarters functions. Aims to make the sharing of information faster and improve work efficiency
- Excellent location for research & development in the heart of the major production area for fruit vegetables
- Strengthen ties with the University of California at Davis, enhancing collaborative opportunities with the world-renowned agricultural science institution
- All energy supplied by renewable sources. Next-generation site considering sustainability

Grand opening ceremony for our new headquarters (September, 2024)



**A next-generation site with cutting-edge equipment
and the most important measure for promoting our North and Central America strategy**

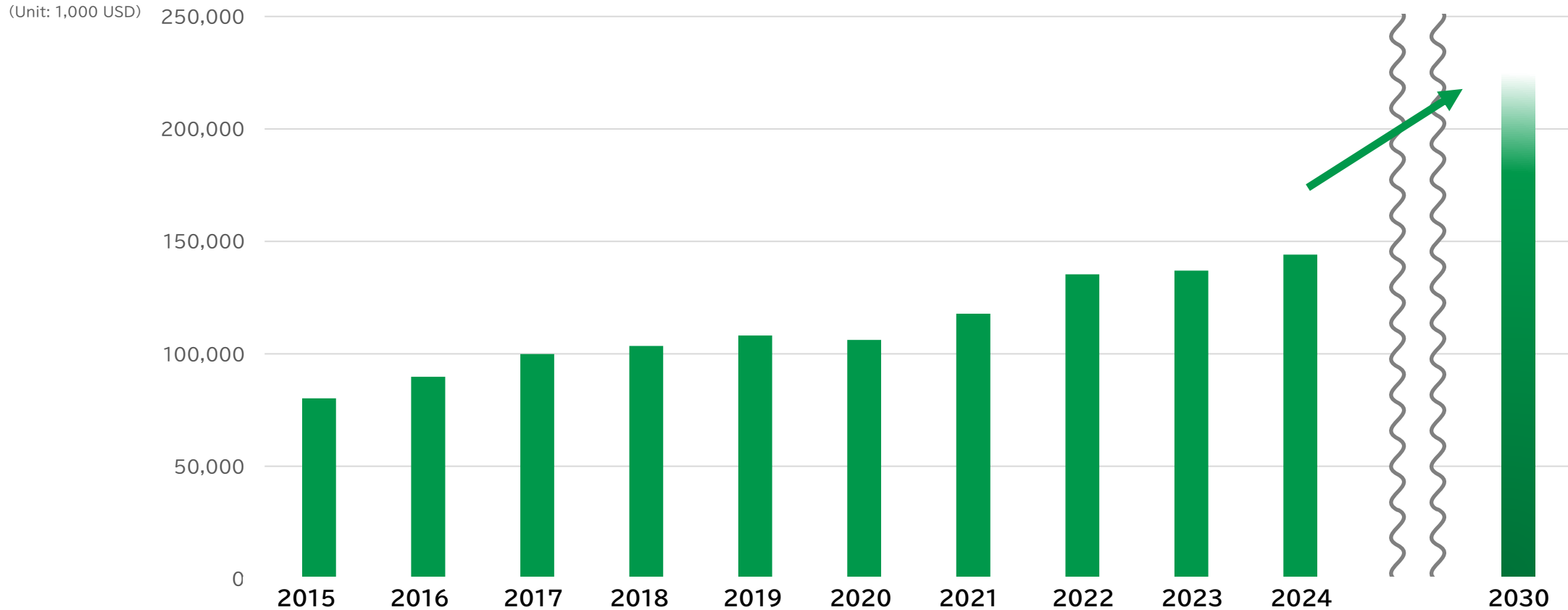


3. Sakata's growth strategy for North and Central America



Future growth forecast

Sales in North and Central America



Aiming for 50% increase in sales in 2030, and a market share of 15% for both vegetables and flowers

4. International Horticultural Expo 2027 to be held in Yokohama

The first time the A1 Class International Horticultural Expo will be held in Japan for 37 years, since being held in Osaka in 1990

Sakata will exhibit at this International Horticultural Expo

Name: EXPO 2027 YOKOHAMA JAPAN

(International Horticultural Expo 2027, Yokohama, Japan)

Theme: Scenery of the Future for Happiness

Location: Yokohama, Kanagawa

Duration: 19 March 2027 (Friday) –26 September 2027 (Sunday)

Expo Area: Approx. 100 hectares (80 hectares for the main event area)

Classification: A1 (highest) class (Approved by AIPH and recognised by BIE)

Expected visitors: 15 million

◆Sakata Seed Corporation and Sakata Green Service Co., Ltd. will exhibit

◆We have started preparations for exhibiting and participating in competitions



©Expo
2027

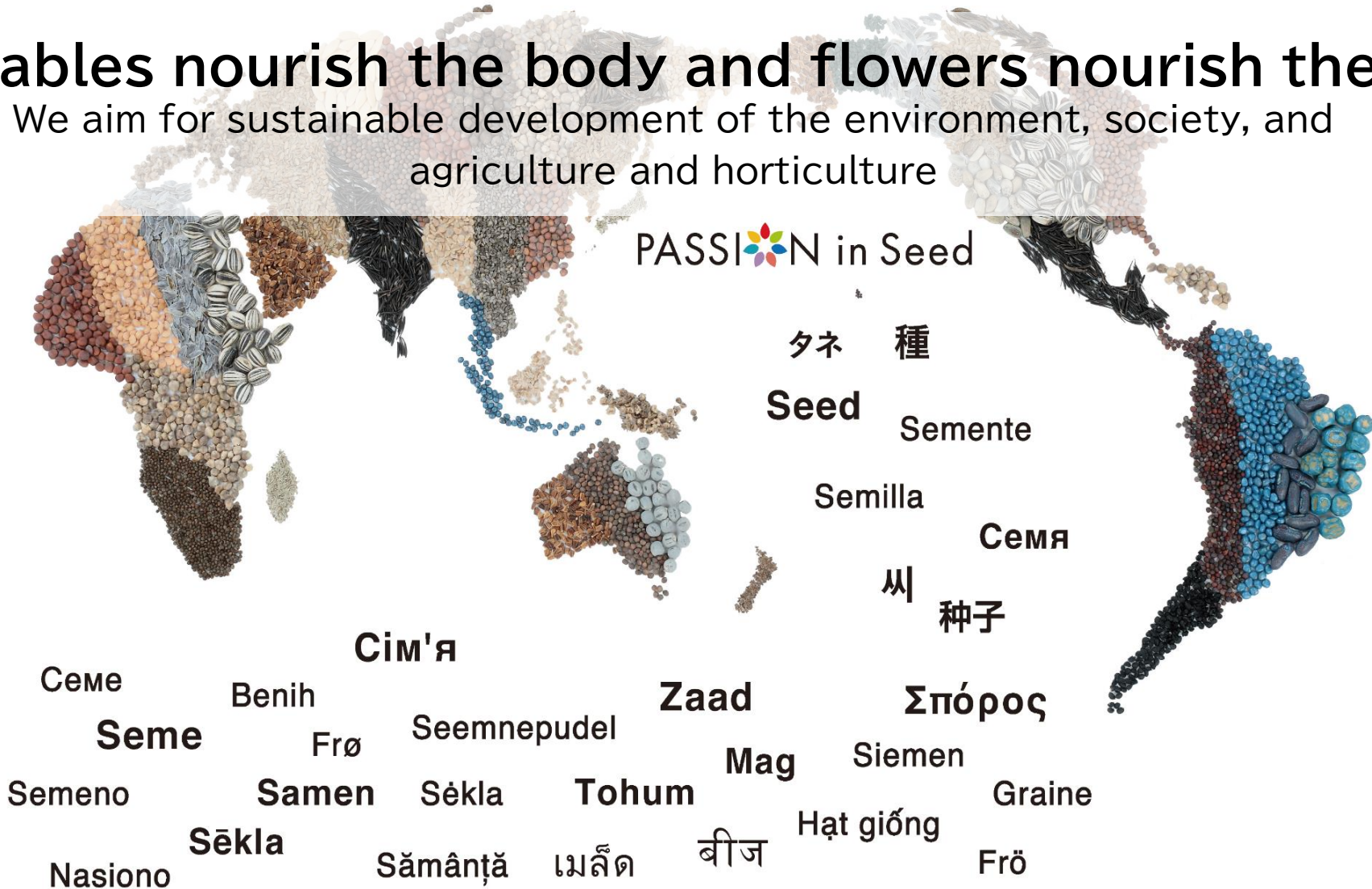
International Horticultural Expo 2027
Official mascot character
Tunku Tunku

**We have also started preparations for exhibiting at the Expo
to contribute to the local community and the industry**



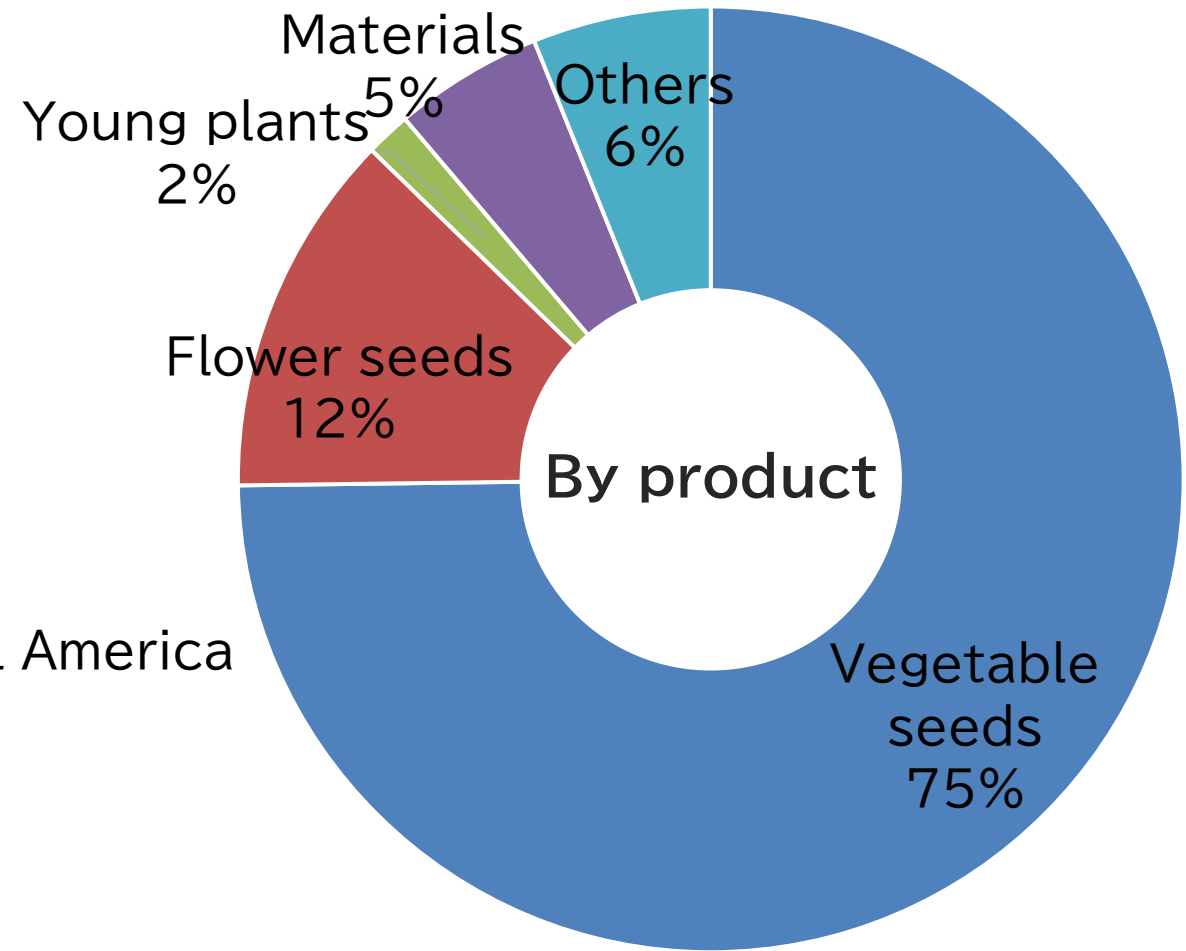
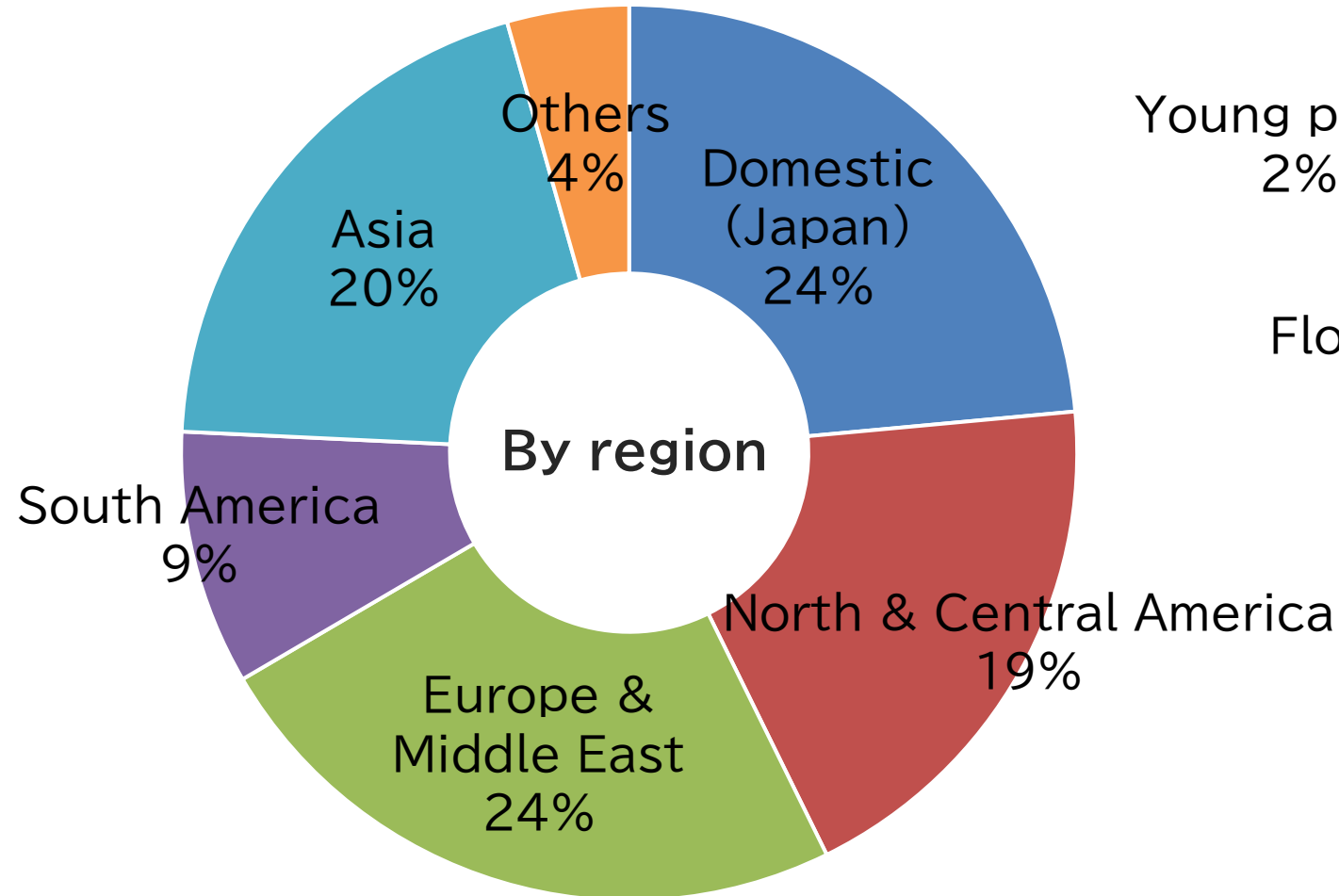
Vegetables nourish the body and flowers nourish the soul

We aim for sustainable development of the environment, society, and agriculture and horticulture



4. Appendix

Results for the First-Half of period ending May 2025: Breakdown of external sales (1)



Results for the First-Half of period ending May 2025: Breakdown of external sales (2)



Difference of sales YoY by product and region
(after eliminating internal transactions)

Unit: million yen

	Vegetables	Flowers	Young plants	Materials	Others	Total
North & Central America	(349)	(141)	(1)	0	(40)	(531)
Europe & Middle East	1,295	194	—	—	66	1,555
South America	883	7	—	—	3	893
Asia	(899)	6	(3)	(1)	(13)	(911)
Other regions	347	6	—	—	(13)	340
Overseas subtotal	1277	72	(4)	(1)	3	1346
Domestic(Japan) subtotal	132	(15)	(101)	(48)	160	106
Total	1,409	58	(105)	(49)	164	1,452

Results for period ending May 2025: External sales by customers' region (Quarterly change)



	1 st Qtr	YoY	YoY (%)	2 nd Qtr	YoY	YoY (%)	3 rd Qtr	YoY	YoY (%)	4 th Qtr	YoY	YoY (%)	Total	YoY	YoY (%)
North & Central America (1,000US\$)	20,978	(923)	(4.2%)	35,910	(55)	(0.2%)							56,888	(978)	(1.7%)
Europe & Middle East (1,000EUR)	31,177	4,861	18.5%	32,056	4,361	15.7%							63,233	9,222	17.1%
South America (1,000BRL)	66,359	21,734	48.7%	81,629	25,310	44.9%							147,988	47,044	46.6%
Asia (Million Yen)	3,343	(333)	(9.1%)	5,060	(578)	(10.3%)							8,403	(911)	(9.8%)
Korea included in Asia (Million WON)	5,459	(1,065)	(16.3%)	7,280	333	4.8%							12,740	(732)	(5.4%)
India included in Asia (Million INR)	343	(38)	(10.0%)	451	8	1.7%							793	(30)	(3.7%)
Others (Million Yen) (Africa, Oceania)	909	147	19.3%	952	193	25.4%							1,861	340	22.3%

Results for period ended May 2024: External sales by customers' region (Quarterly change)



	1 st Qtr	YoY	YoY (%)	2 nd Qtr	YoY	YoY (%)	3 rd Qtr	YoY	YoY (%)	4 th Qtr	YoY	YoY (%)	Total	YoY	YoY (%)
North & Central America (1,000US\$)	21,901	(589)	(2.6%)	35,965	2,520	7.5%	35,865	2,078	6.1%	50,413	3,127	6.6%	144,145	7,134	5.2%
Europe & Middle East (1,000EUR)	26,316	284	1.1%	27,695	3,173	12.9%	24,355	471	2.0%	38,059	4,677	14.0%	116,425	8,605	8.0%
South America (1,000BRL)	44,625	469	1.1%	56,319	6,943	14.1%	48,321	8,858	22.4%	85,889	28,295	49.1%	235,153	44,564	23.4%
Asia (Million Yen)	3,676	670	22.3%	5,638	(61)	(1.1%)	2,510	89	3.7%	4,739	1,632	52.5%	16,563	2,330	16.4%
Korea included in Asia (Million WON)	6,524	(173)	(2.6%)	6,947	390	5.9%	4,347	89	2.1%	10,848	1,021	10.4%	28,667	1,327	4.9%
India included in Asia (Million INR)	381	41	11.9%	443	(36)	(7.5%)	214	34	18.9%	338	175	106.8%	1,376	214	18.4%
Others (Million Yen) (Africa, Oceania)	762	127	20.1%	759	(79)	(9.4%)	1,044	268	34.5%	984	197	25.1%	3,549	513	16.9%

This presentation document includes descriptions and materials on forecasts regarding performance, strategies and business plans of Sakata Seed Corporation. Those descriptions and materials are the Company's estimates based on information available at the time of announcement, not facts in the past. Also, they include potential risks and uncertain elements such as economic circumstances, conditions of competition with other companies, and foreign exchange rates. Therefore, please acknowledge that the Company's actual performance, business development or financial conditions may turn out very different to the forecasts given herein due to various economic, social and political factors, including economic circumstances, competition in the industry, market demand and foreign exchange rates in the future. Please refer to the annual securities report, the summary of consolidated earnings report and the like for details on general uncertainty and fluctuating elements

