

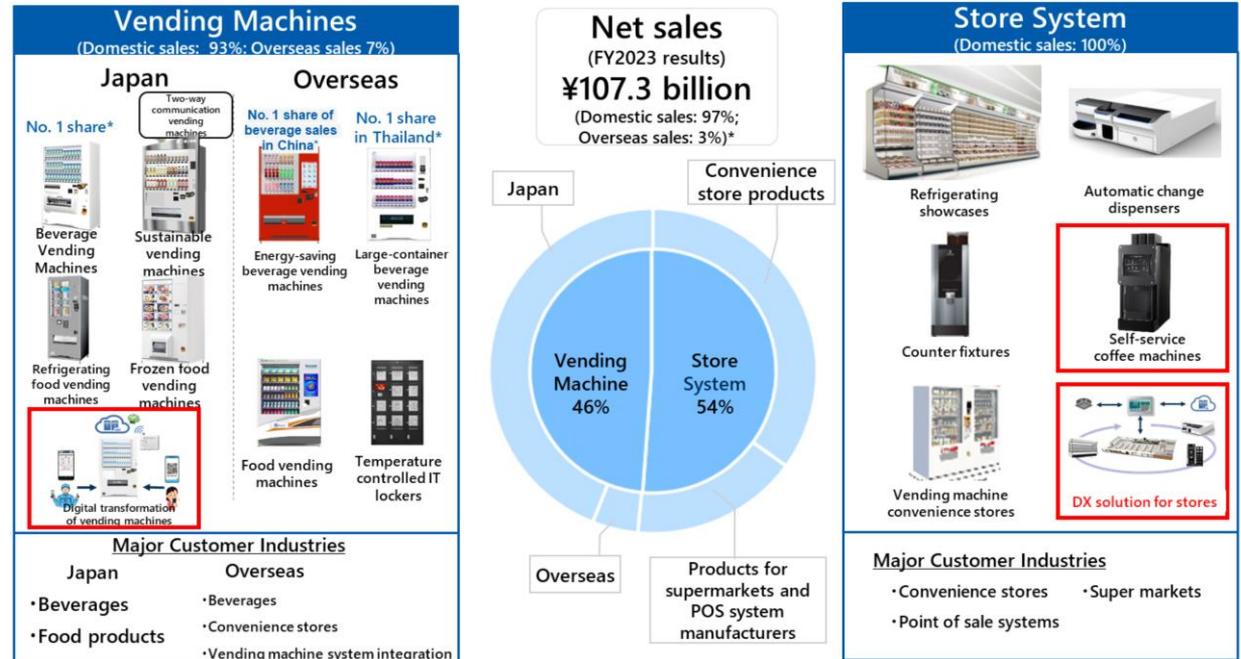
Food & Beverage Distribution Business Group Research and Development looking toward FY2026

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I am Masanobu Ishibashi from the Food & Beverage Distribution Business Group.
I will now introduce our R&D activities towards FY2026.

Provide automation and energy saving solutions along with food safety and security



* Shares represent estimates by Fuji Electric based on FY2023 performance.
Note: Percentages of total net sales figures represent FY2023 results and are calculated before deduction and adjustment for inter-segment sales.

This slide is a business overview for the Food & Beverage Distribution Business Group. The business comprises two subsegments: Vending Machines and Store Systems.

Domestic vending machine business holds the leading market share, and mainly supports beverage manufacturers.

Looking ahead to FY2026, we plan to launch new products that will contribute to digital transformation of operation of the vending machines, and thereby drive sales expansion. Our overseas business mainly operates in China and Southeast Asia.

The store system business supplies a wide array of products, mainly to major domestic convenience store chains, including display cases, counter fixtures, and change dispensers. Looking ahead to FY2026, we aim to expand sales through the launch of new products, including globally compatible coffee machines and digital transformation solutions for stores.

The pie chart in the middle of the slide shows the sales breakdown for FY2023.

Operating Environment and Market Trends in Food and Beverage Distribution Segment

	Operating environment Changes in needs	Business opportunities Response to needs (provision of value)	Market Outlook (FY2024–FY2026)
Vending Machines	Japan	<ul style="list-style-type: none"> • Proposal of energy-efficient vending machines → High-value-added vending machines • High-value-added vending machines → Improvement of distribution route efficiency and prediction of demand → Dynamic pricing, QR-code payment 	<ul style="list-style-type: none"> Vending Machines → Unchanged Digital Transformation Application Services → Growth
	Overseas	<ul style="list-style-type: none"> • Solicitation of energy-efficient vending machines • Proposal of global coffee machines → Espresso machines, large-volume item vending machines • Entry into vending machine business in India 	<ul style="list-style-type: none"> China → Slight increase Asia → Slight increase
Store Distribution	Convenience Stores	<ul style="list-style-type: none"> • Reduction of GWP of showcases • Store energy management proposals • More compact fixtures 	Convenience Stores → Unchanged
	New Distribution Restaurants Food products Logistics	<div style="border: 1px solid black; display: inline-block; padding: 2px;">New products</div> <ul style="list-style-type: none"> • Proposal of self-service coffee machines • Proposals for the food product and agriculture markets (locker vending machines) • Proposal of automated product picking systems 	New Distribution → Growth

We will next look at the operating environment and market trends.

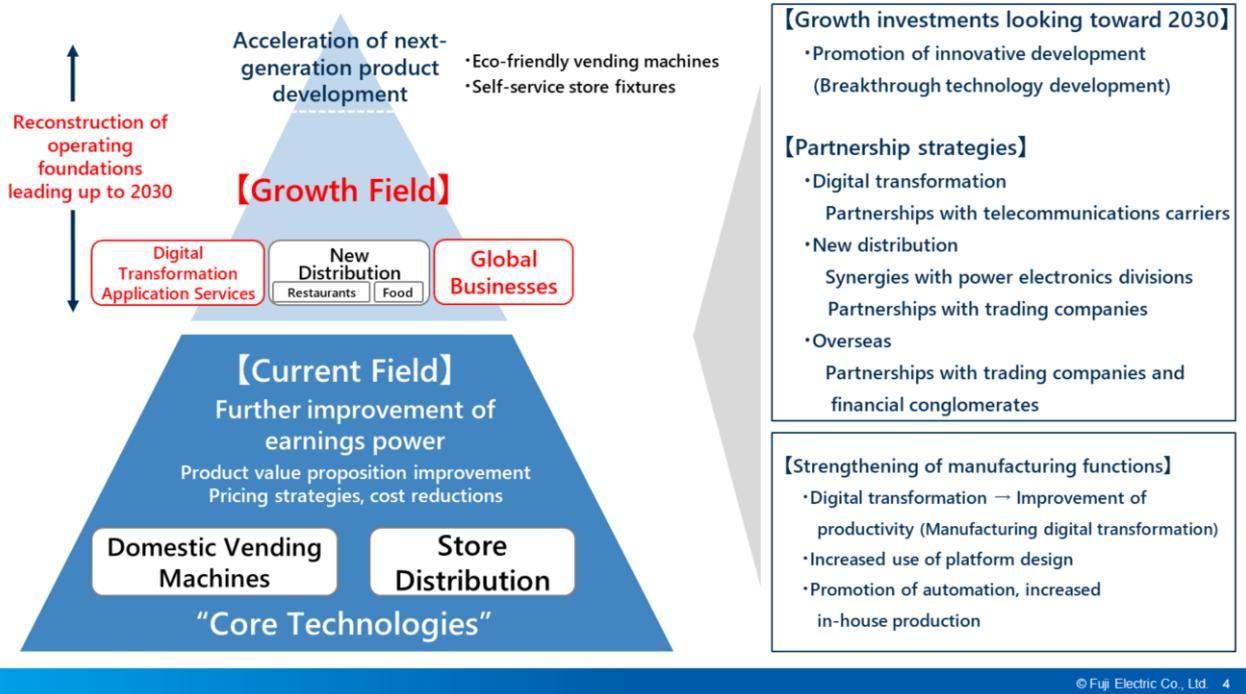
In the domestic vending machines business, there is a growing need to raise operational efficiency for vending machines, as well as environmental needs such as energy conservation and green power. We expect growth in the services business driven by digital transformation, and are focusing resources on this area.

In the overseas vending machines business, we plan to launch new globally compatible coffee machines in addition to existing vending machine products, in response to rising demand for coffee in China and other global markets.

In the convenience store business, we forecast a further rise in demand for environmentally friendly products and lower energy consumption. We aim to launch energy management products for stores, as well as improving environmental credentials and reducing energy consumption for our equipment.

In the new distribution business, which we position as a new market, there is an emerging need for labor-saving solutions, owing in part to labor shortages. In the restaurant industry, we aim to meet demand with self-serve coffee machines and other new products and solutions.

Further improvement of earnings power (transition to high-profit businesses)
Reconstruction of operating foundations leading up to 2030

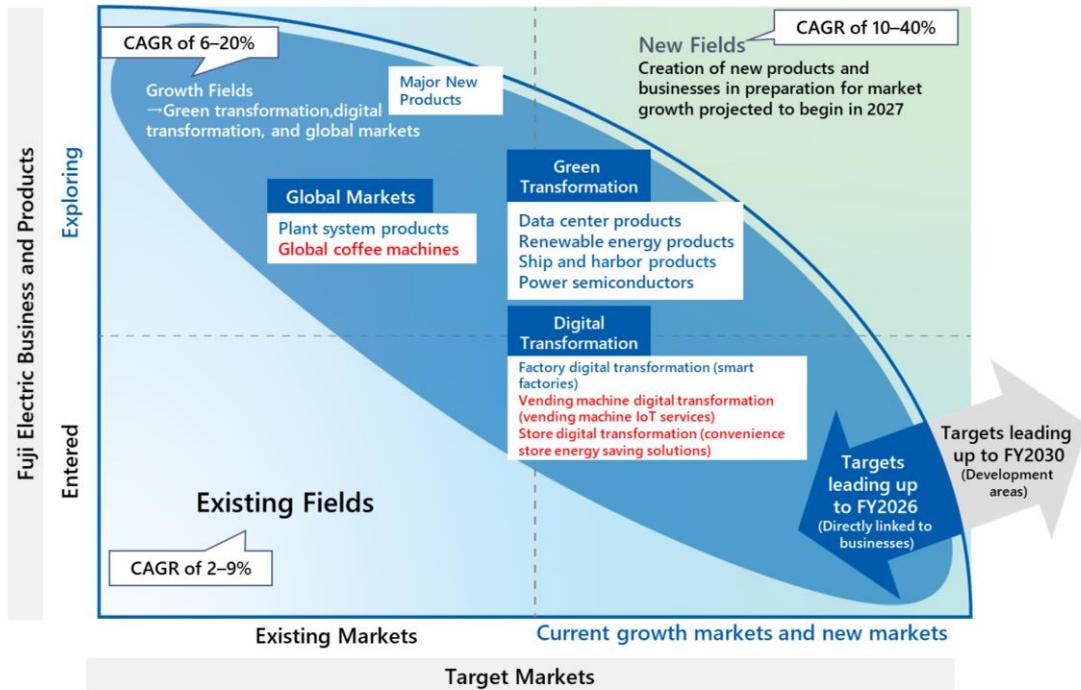


We now turn to an overview of the medium-term management plan for the Food & Beverage Distribution Segment.

Under the new plan we aim to further raise earnings capacity, and re-establish our operating foundation through 2030. In the lower portion of the triangular diagram on the left, we position domestic vending machines and the existing store system businesses as “existing fields”, where we aim to further enhance earnings capacity.

Meanwhile, the upper portion of the triangle shows how we intend to rebuild our operating foundations through 2030. We position digital transformation service solutions, global businesses, and new distribution as growth fields, on which we will focus our resources.

In addition to enhancing product development, we will also strengthen our partnership strategies and manufacturing operations.



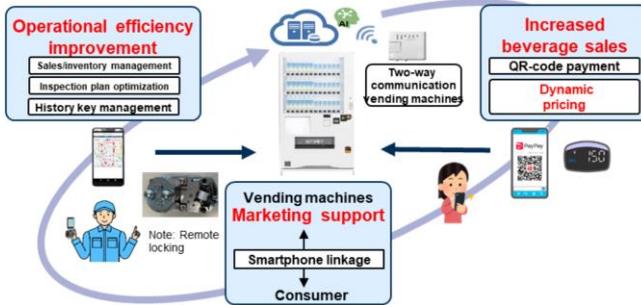
On this slide, we will look at our key development themes.

The key development themes for the Food & Beverage Distribution business include vending machine IoT services and convenience store energy-saving solutions in digital transformation field, and global coffee machines in the global market field.

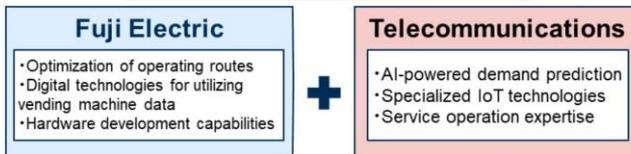
We will cover these three themes into more detail in the next slide.

Vending Machine IoT Services

New services for streamlining operations and increasing beverage sales

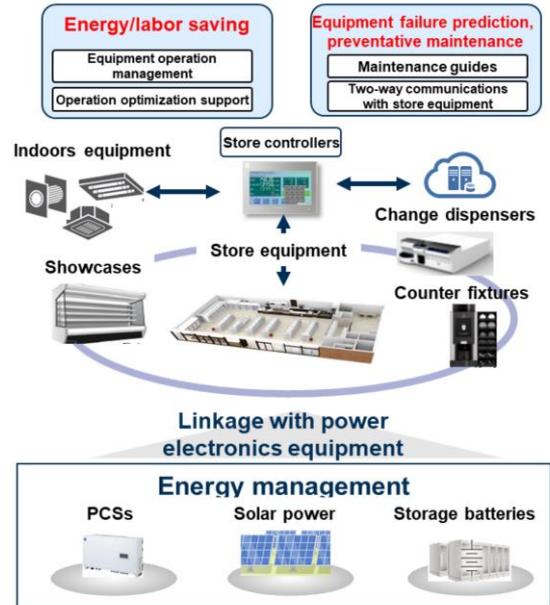


Collaboration



Comprehensive Convenience Store Energy Saving Solutions

Solutions for managing energy inside and outside of stores



At first, I will present an overview of the key development themes in the digital transformation field within the Food & Beverage Distribution business.

Our value provision for vending machine IoT services, on the left-hand side, can be split into three major categories.

The first one is operational efficiency, including sales management, visiting planning optimization, and remote key management. The second one is increased beverage sales, including QR code payment, and dynamic pricing.

The third one is to assist marketing activities. By installing two-way communication unit in existing vending machines, we can offer online services to our customers as a vending machine manufacturer.

On the right-hand side, we present the two means of offering value in the area of comprehensive energy saving solutions for convenience stores.

The first one involves energy and labor-saving solutions, specifically optimized operational support and operation management for store equipment.

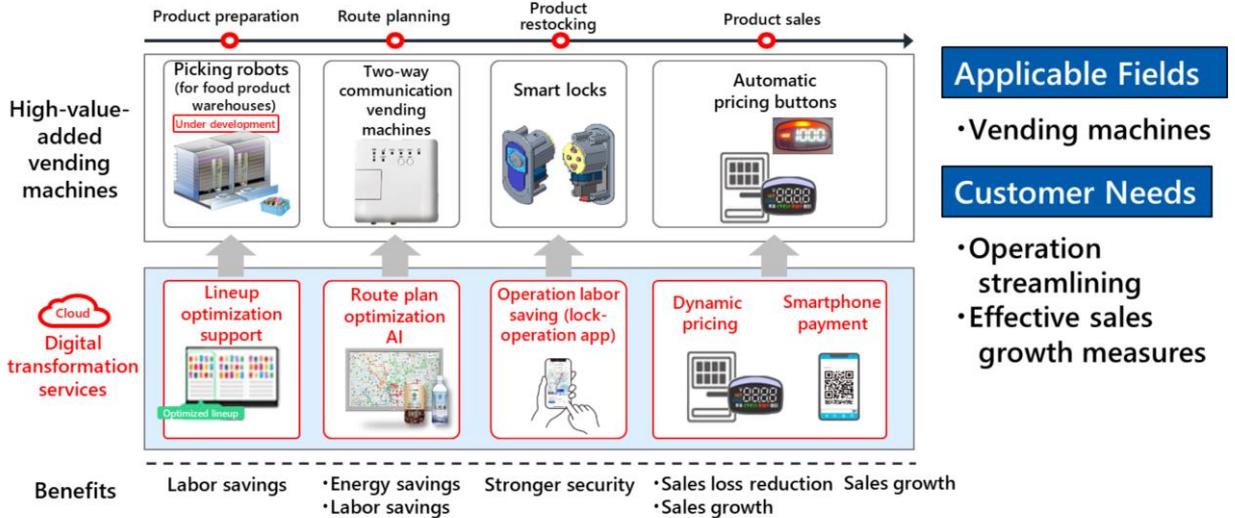
The second one is equipment failure prediction and prevention, specifically the provision of maintenance guidelines and data management through communication with in-store equipment.

Our newly developed store controllers facilitate the integrated management of in-store and external equipment, supporting energy management for entire store.

Combination of vending machines with high-value-added functions and digital transformation to make contributions across customer value chains

Features and Strengths

- Contributions to improved operational efficiency and sales through proprietary two-way communications and digital transformation of other functions
- Applicable to existing vending machines by utilizing standard communication technologies



I will now provide a more detailed explanation of vending machine IoT services.

This is a digitalization transformation solution service unique to Fuji Electric that uses our proprietary two-way communication device to provide broad-based support for operational efficiency and sales growth.

The image on the center of the page presents the supply chain for beverage vending machines. The upper portion shows high value-added functionality for vending machines. The lower portion shows the digital transformation solution services we offer to provide added value.

We offer a labor-saving service in the product preparation process, in which a smart lock is installed in the vending machine that interfaces with a locking/unlocking app.

In the product sales process, we offer dynamic pricing service that aims to boost sales, by replacing the push button with a specialized automated pricing button that allows remote price updating.

Our greatest strength is our ability to offer sophisticated digital transformation services across a wide variety of fields by combining high value-added functionality in vending machines with communication technology for remote control.

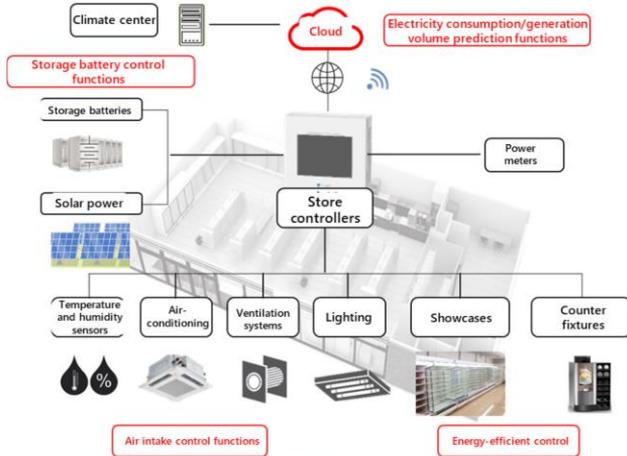
We also enhance labor saving in upstream product preparation process through the use of POS data. Rolling out our technology to vending machines already in the field is crucial for maximizing the benefit from Vending Machine IoT Services. We have the leading share in the industry, and have many vending machines active in the market.

Installing our two-way communication device into vending machines in the field will bring considerable benefits in a short time.

Comprehensive control of energy and store environments optimized for individual stores

Features and Strengths

- Energy-efficient control of cooling equipment and linked to air-conditioning and ventilation systems, which accounts for approx. 50% of store electricity consumption
- Energy management solutions utilizing solar power and storage batteries
- Functions to assist condition-based maintenance and labor saving



Applicable Fields

- Domestic convenience stores

Customer Needs

- Store electricity conservation
- Shifting and reduction of peak energy consumption
- Labor saving

We will next look at Comprehensive Energy Saving Solutions for Convenience Stores.

As shown here in the Features and Strengths section, around half of all energy consumed by convenience stores is used for refrigerating equipment such as food display cases. In addition, the power consumed by refrigerating equipment is heavily affected by the surrounding environment.

Our solutions can reduce store energy consumption to an unprecedented level through integrated control of display cases and other equipment.

As shown in the image in the center of the slide, we aim to reduce store energy consumption by using our newly developed store controller to provide integrated control of in-store display cases, air conditioning, ventilation, and other equipment. This facilitates the energy-efficient control of display cases and other equipment, and air-intake control for air-conditioning and ventilation systems. Moreover, the system also uses weather information to predict the output of solar generators and help manage the use of storage batteries.

By taking data from in-store equipment and feeding it back to the store controller, the system can optimize energy management to each individual store. It also provides real-time monitoring of operational status, which can be used to support guidance functions and planned maintenance services.

Domestic and overseas deployment of self-service coffee machines featuring improvements in taste, better ease of use, and greater capacity for augmentation

**"Cafe Mania"
self-service
coffee machines**



Cafes



Hotel breakfast services



Applicable Fields

- Family restaurants, cafes, hotels

Customer Needs

- Labor saving
- Accommodation of diverse tastes (high-concentration coffee, drinks including milk)

1. Milk compatibility

Attachable milk unit allowing for increased menu variety



2. Payment functions

Smartphone payment
Cash payment



3. Global specifications

Compatibility with various voltages, standards, and languages



Next, we will look at the global coffee machines business.

The coffee market is expanding rapidly, especially in China, and we aim to aggressively roll out our coffee machine overseas, which we position as a new pillar in our overseas business.

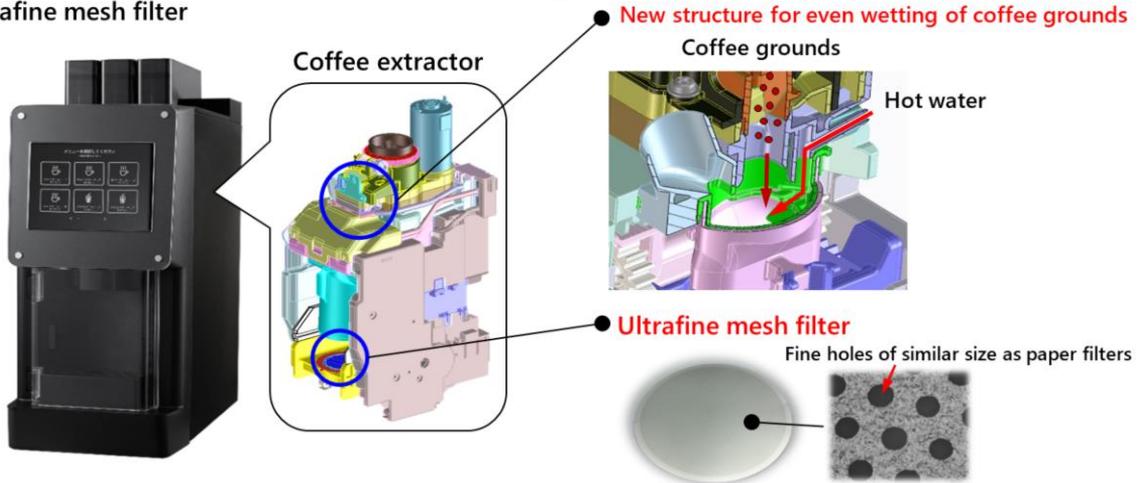
We present a specific example in the image on the top left of the slide. In December 2023, we launched "Cafe Mania", a self-serve coffee machine for use in domestic restaurants, cafes, and hotels. We aim to use this product to drive global expansion, leveraging the following three features.

The first feature is the milk unit, which allows for a wide range of drink options. The second is the flexible payment options, include smartphone payments and cash. The third is that the product is compatible with specifications in multiple global markets.

Next, I will talk about our coffee extraction technology, which is one of our coffee machines USPs.

Features and Strengths

- Ability to produce coffee drinks with espresso levels of concentration due to improvements to ingredient intake structures and precise extraction options
- Improved ease of use and uninhibited taste made possible using proprietary developed ultrafine mesh filter



I will now introduce two unique features of the coffee extractor, which is the core component of the coffee machine.

The first one is the ingredient loader, on the upper part of the coffee extractor. Milky coffees are popular overseas, which requires a strong coffee that is not overwhelmed by the milk. Our machine meets this need with a new structure that quickly and evenly mixes the coffee beans and hot water.

The second one is the mesh filter used for percolating the coffee. Using our proprietary processing technology, we have designed a fine mesh filter with characteristics similar to a paper filter. This produces a coffee with a clear taste and less residue.

Not using a paper filter takes away the need for filter disposal and replacement. In addition, the ability to choose from over 100 extraction settings means the machine can meet the diverse needs of overseas customers.

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