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the original shall prevail.

# Annual Securities Report

(Report pursuant to Article 24, Paragraph 1 of the Financial Instruments and Exchange Act)

## **The 77th Fiscal Year**

(From April 1, 2024 to March 31, 2025)

**Marudai Food Co., Ltd.**

E00458

1. This is an English translation of the Annual Securities Report (“Yukashoken Hokokusho”) pursuant to Article 24, Paragraph 1 of the Financial Instruments and Exchange Act filed via the Electronic Disclosure for Investors’ Network (“EDINET”) system as set forth in Article 27-30-2 of the same Act. The translation includes a table of contents and pagination that are not included in the electronic filing.
2. Appended to the back of this document are the independent auditors’ report that was attached to the Annual Securities Report when it was filed in the aforementioned manner, and the confirmation letter and the internal control report that were filed at the same time as the Annual Securities Report.

# Contents

|                                                                                      | Page |
|--------------------------------------------------------------------------------------|------|
| Annual Securities Report for the 77th Fiscal Year                                    |      |
| Cover Page .....                                                                     | 4    |
| Part I Company Information .....                                                     | 5    |
| I. Overview of Company .....                                                         | 5    |
| 1. Key financial data .....                                                          | 5    |
| 2. History.....                                                                      | 7    |
| 3. Description of business .....                                                     | 8    |
| 4. Subsidiaries and other affiliated entities.....                                   | 10   |
| 5. Employees.....                                                                    | 12   |
| II. Overview of Business.....                                                        | 14   |
| 1. Management policy, business environment, issues to address .....                  | 14   |
| 2. Policy and initiatives regarding sustainability.....                              | 18   |
| 3. Business risks .....                                                              | 23   |
| 4. Management analysis of financial position, operating results and cash flows ..... | 26   |
| 5. Material contracts, etc. ....                                                     | 32   |
| 6. Research and development activities .....                                         | 33   |
| III. Information about Facilities .....                                              | 34   |
| 1. Overview of capital expenditures.....                                             | 34   |
| 2. Major facilities .....                                                            | 34   |
| 3. Planned addition, retirement, and other changes of facilities.....                | 35   |
| IV. Information about Reporting Company.....                                         | 36   |
| 1. Company's shares, etc. ....                                                       | 36   |
| 2. Acquisition and disposal of treasury shares .....                                 | 39   |
| 3. Dividend policy.....                                                              | 40   |
| 4. Corporate governance .....                                                        | 41   |
| V. Financial Information .....                                                       | 76   |
| 1. Consolidated Financial Statements, etc.....                                       | 77   |
| 2. Non-consolidated Financial Statements, etc.....                                   | 117  |
| VI. Outline of Share-Related Administration of Reporting Company .....               | 133  |
| VII. Reference Information of Reporting Company .....                                | 134  |
| Part II Information about Reporting Company's Guarantor, etc. ....                   | 135  |

Independent Auditors' Report

Confirmation Letter

Internal Control Report

## [Cover Page]

|                                     |                                                                                                                                                       |
|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| [Document Title]                    | Annual Securities Report                                                                                                                              |
| [Clause of Stipulation]             | Article 24, Paragraph 1 of the Financial Instruments and Exchange Act                                                                                 |
| [Place of Filing]                   | Director-General, Kanto Local Finance Bureau                                                                                                          |
| [Filing Date]                       | June 25, 2025                                                                                                                                         |
| [Fiscal Year]                       | The 77th fiscal year (from April 1, 2024 to March 31, 2025)                                                                                           |
| [Company Name]                      | Marudai Shokuhin Kabushiki Kaisha                                                                                                                     |
| [Company Name in English]           | Marudai Food Co., Ltd.                                                                                                                                |
| [Title and Name of Representative]  | Yuji Sato, President and Representative Director                                                                                                      |
| [Address of Registered Head Office] | 21-3 Midori-cho, Takatsuki-shi, Osaka                                                                                                                 |
| [Telephone Number]                  | 072-661-2518                                                                                                                                          |
| [Name of Contact Person]            | Yoshifumi Morimoto, Senior Executive Officer, General Manager of Accounting Dept.                                                                     |
| [Nearest Place of Contact]          | 21-3 Midori-cho, Takatsuki-shi, Osaka                                                                                                                 |
| [Telephone Number]                  | 072-661-2518                                                                                                                                          |
| [Name of Contact Person]            | Yoshifumi Morimoto, Senior Executive Officer, General Manager of Accounting Dept.                                                                     |
| [Place for Public Inspection]       | Tokyo Branch of Marudai Food Co., Ltd.<br>(4-7-5 Tsukiji, Chuo-ku, Tokyo)<br>Tokyo Stock Exchange, Inc.<br>(2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo) |

## Part I Company Information

### I. Overview of Company

#### 1. Key financial data

##### (1) Key financial data of group

| Fiscal period                                                             |                   | 73rd fiscal year | 74th fiscal year | 75th fiscal year | 76th fiscal year | 77th fiscal year |
|---------------------------------------------------------------------------|-------------------|------------------|------------------|------------------|------------------|------------------|
| Period of account                                                         |                   | March 2021       | March 2022       | March 2023       | March 2024       | March 2025       |
| Net sales                                                                 | (Millions of yen) | 223,000          | 218,610          | 221,979          | 228,808          | 234,970          |
| Ordinary profit (loss)                                                    | (Millions of yen) | 180              | (380)            | (897)            | 3,639            | 6,056            |
| Profit (loss) attributable to owners of parent                            | (Millions of yen) | 412              | (376)            | (4,987)          | (9,414)          | 5,488            |
| Comprehensive income                                                      | (Millions of yen) | 3,555            | (1,126)          | (5,438)          | (5,480)          | 5,398            |
| Net assets                                                                | (Millions of yen) | 77,750           | 75,489           | 69,014           | 62,751           | 67,007           |
| Total assets                                                              | (Millions of yen) | 131,342          | 128,903          | 126,261          | 121,819          | 120,920          |
| Net assets per share                                                      | (Yen)             | 3,036.59         | 2,969.87         | 2,731.03         | 2,494.90         | 2,704.30         |
| Profit (loss) per share                                                   | (Yen)             | 16.23            | (14.88)          | (198.77)         | (377.73)         | 222.06           |
| Diluted profit per share                                                  | (Yen)             | —                | —                | —                | —                | —                |
| Equity ratio                                                              | (%)               | 58.7             | 58.1             | 54.1             | 50.9             | 54.7             |
| Return on equity                                                          | (%)               | 0.5              | (0.5)            | (7.0)            | (14.4)           | 8.6              |
| Price earnings ratio                                                      | (Times)           | 105.2            | —                | —                | —                | 7.7              |
| Net cash provided by (used in) operating activities                       | (Millions of yen) | 7,673            | 7,030            | 2,906            | 10,014           | 5,396            |
| Net cash provided by (used in) investing activities                       | (Millions of yen) | (5,388)          | (5,688)          | (4,516)          | (4,882)          | (2,884)          |
| Net cash provided by (used in) financing activities                       | (Millions of yen) | (2,053)          | (1,826)          | 534              | (2,380)          | (3,196)          |
| Cash and cash equivalents at end of period                                | (Millions of yen) | 8,476            | 7,990            | 6,916            | 9,668            | 8,983            |
| Number of employees                                                       |                   | 2,107            | 2,066            | 1,967            | 1,931            | 1,902            |
| [Average number of part-time employees not included in the above numbers] |                   | [3,177]          | [3,138]          | [3,027]          | [2,959]          | [2,917]          |

- (Notes) 1. The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) from the beginning of the 74th fiscal year. Accordingly, key financial data for the 73rd fiscal year are stated as figures to which the above accounting standard has been retrospectively applied.
2. We have changed the method of recording distribution expenses since the 74th fiscal year. Accordingly, key financial data for the 73rd fiscal year are stated as figures to which the new method has been retrospectively applied.
3. The Company has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022 / hereinafter referred to as the “2022 Revised Accounting Standard”) from the beginning of the 77th fiscal year. Accordingly, key financial data for the 76th fiscal year are stated as figures to which the above accounting standard has been retrospectively applied. The Company has applied the transitional treatment stipulated in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard, and the transitional treatment stipulated in the proviso to Paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022). As a result, key financial data for the 77th fiscal year are stated as figures to which the above accounting standard has been applied. This application has no impact on key financial data of group.
4. Diluted profit per share is not stated because there is no dilutive security.
5. Price earnings ratios for the 74th, 75th, and 76th fiscal years are not stated because we recorded losses attributable to owners of parent.

## (2) Key financial data of reporting company

| Fiscal period                                                             | 73rd fiscal year | 74th fiscal year | 75th fiscal year | 76th fiscal year | 77th fiscal year |
|---------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Period of account                                                         | March 2021       | March 2022       | March 2023       | March 2024       | March 2025       |
| Net sales (Millions of yen)                                               | 151,801          | 139,319          | 135,000          | 135,632          | 138,212          |
| Ordinary profit (loss) (Millions of yen)                                  | 864              | 26               | (2,042)          | (247)            | 3,015            |
| Profit (loss) (Millions of yen)                                           | 579              | 204              | (4,119)          | (12,217)         | 4,192            |
| Share capital (Millions of yen)                                           | 6,716            | 6,716            | 6,716            | 6,716            | 6,716            |
| Total number of issued shares (Shares)                                    | 26,505,581       | 26,505,581       | 26,505,581       | 26,505,581       | 26,505,581       |
| Net assets (Millions of yen)                                              | 67,461           | 65,619           | 60,360           | 50,497           | 53,756           |
| Total assets (Millions of yen)                                            | 105,149          | 103,108          | 101,023          | 90,601           | 90,633           |
| Net assets per share (Yen)                                                | 2,655.69         | 2,604.31         | 2,412.42         | 2,031.67         | 2,195.94         |
| Dividends per share (Yen)                                                 | 30.00            | 30.00            | 20.00            | 20.00            | 50.00            |
| (Of the above, interim dividends per share)                               | (-)              | (-)              | (-)              | (-)              | (-)              |
| Profit (loss) per share (Yen)                                             | 22.79            | 8.11             | (164.15)         | (490.22)         | 169.61           |
| Diluted profit per share (Yen)                                            | -                | -                | -                | -                | -                |
| Equity ratio (%)                                                          | 64.2             | 63.6             | 59.7             | 55.7             | 59.3             |
| Return on equity (%)                                                      | 0.9              | 0.3              | (6.5)            | (22.0)           | 8.0              |
| Price earnings ratio (Times)                                              | 75.1             | 182.6            | -                | -                | 10.0             |
| Dividend payout ratio (%)                                                 | 131.2            | 369.9            | -                | -                | 29.5             |
| Number of employees                                                       | 875              | 784              | 689              | 670              | 647              |
| [Average number of part-time employees not included in the above numbers] | [767]            | [778]            | [718]            | [647]            | [614]            |
| Total shareholder return (%)                                              | 89.3             | 78.8             | 78.5             | 88.6             | 94.6             |
| [Comparison index: TOPIX total return index] (%)                          | [142.1]          | [145.0]          | [153.4]          | [216.8]          | [213.4]          |
| Highest share price (Yen)                                                 | 2,130            | 1,836            | 1,608            | 1,751            | 1,948            |
| Lowest share price (Yen)                                                  | 1,625            | 1,409            | 1,376            | 1,446            | 1,522            |

- (Notes) 1. The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) from the beginning of the 74th fiscal year. Accordingly, key financial data for the 73rd fiscal year are stated as figures to which the above accounting standard has been retrospectively applied.
2. We have changed the method of recording distribution expenses since the 74th fiscal year. Accordingly, key financial data for the 73rd fiscal year are stated as figures to which the new method has been retrospectively applied.
3. The Company has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022 / hereinafter referred to as the “2022 Revised Accounting Standard”) from the beginning of the 77th fiscal year. Accordingly, key financial data for the 76th fiscal year are stated as figures to which the above accounting standard has been retrospectively applied. The Company has applied the transitional treatment stipulated in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard. As a result, key financial data for the 77th fiscal year are stated as figures to which the above accounting standard has been applied. This application has no impact on key financial data of the reporting company.
4. Diluted profit per share is not stated because there is no dilutive security.
5. Price earnings ratios and dividend payout ratios for the 75th and 76th fiscal years are not stated because we recorded loss.
6. The highest and lowest share prices on and before April 3, 2022 refer to those at the First Section of the Tokyo Stock Exchange, and the highest and lowest on and after April 4, 2022 refer to those at the Prime Market of the same Exchange.
7. The resolution to pay a dividend of 50 yen per share for the 77th fiscal year is scheduled to be resolved at the Ordinary General Meeting of Shareholders held on June 26, 2025.

## 2. History

Since the Company conducted a merger to change its par value, its founding date has been officially registered as February 8, 1950, which is the founding date of former Marudai Food Shoji K.K. Meanwhile, the founding date of the de facto existing company, former Marudai Food Co., Ltd., is June 10, 1958.

| Month/Year     | Overview                                                                                                                                                                                                                                               |
|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| October 1954   | The late Mr. Toshiyuki Komori founded a company engaging in manufacturing and sale of fish ham and sausages in Fukushima-ku, Osaka-shi, and named it the Marudai Food Factory.                                                                         |
| June 1958      | Moved the factory to Oyodo-ku, Osaka-shi and incorporated it under the trade name of Marudai Food Co., Ltd.                                                                                                                                            |
| September 1961 | Began manufacturing and selling meat ham and sausages.                                                                                                                                                                                                 |
| January 1963   | Merged by Marudai Food Shoji K.K. to change the par value from 500 yen to 50 yen.                                                                                                                                                                      |
| February 1963  | Renamed Marudai Food Co., Ltd. after the merger.                                                                                                                                                                                                       |
| April 1963     | Established the Tokyo Branch Office in Chuo-ku, Tokyo.                                                                                                                                                                                                 |
| June 1963      | Listed in the Second Section of the Osaka Securities Exchange.                                                                                                                                                                                         |
| June 1964      | Established the Takatsuki Plant in Takatsuki-shi, Osaka.                                                                                                                                                                                               |
| May 1965       | Moved the head office from Oyodo-ku, Osaka-shi to Takatsuki-shi, Osaka.                                                                                                                                                                                |
| September 1968 | Listed in the Second Section of the Tokyo Stock Exchange.                                                                                                                                                                                              |
| October 1969   | Established the Kanto Plant in Ishibashi-machi (present Shimotsuke-shi), Tochigi Prefecture.                                                                                                                                                           |
| October 1970   | Established the Karatsu Plant in Karatsu-shi, Saga Prefecture.                                                                                                                                                                                         |
| November 1971  | Established the Niigata Plant in Ogata-machi (present Joetsu-shi), Niigata Prefecture.                                                                                                                                                                 |
| September 1972 | Designated to be listed in the First Section of the Tokyo Stock Exchange and the Osaka Securities Exchange.                                                                                                                                            |
| November 1976  | Established the Hiroshima Plant in Miyoshi-shi, Hiroshima Prefecture.                                                                                                                                                                                  |
| March 1978     | Moved the Tokyo Branch Office to Minato-ku, Tokyo.                                                                                                                                                                                                     |
| September 1978 | Established the Second Matsusaka Plant (present Matsusaka Plant) in Matsusaka-shi, Mie Prefecture.                                                                                                                                                     |
| November 1978  | Listed on the Frankfurt Stock Exchange (delisted in March 2024).                                                                                                                                                                                       |
| October 1981   | Established the Iwate Plant in Ishidoriya-cho (present Hanamaki-shi), Iwate Prefecture.                                                                                                                                                                |
| June 1989      | Established the Shizuoka Plant in Kakegawa-shi, Shizuoka Prefecture.                                                                                                                                                                                   |
| April 1994     | Established the Yokosuka Plant in Yokosuka-shi, Kanagawa Prefecture.                                                                                                                                                                                   |
| March 2004     | Moved the Tokyo Branch Office to Chuo-ku, Tokyo.                                                                                                                                                                                                       |
| April 2009     | Marudai Meat Kanto Co., Ltd., one of the Company's subsidiaries, merged Marudai Meat Kansai Co., Ltd. and four other companies to be incorporated as Marudai Meat Co., Ltd., which is now one of the Company's consolidated subsidiaries.              |
| October 2009   | Marudaifood West Japan Co., Ltd., one of the Company's subsidiaries, merged Marudaifood East Japan Co., Ltd. and Marudaifood Tokai Co., Ltd. to be incorporated as Marudaifood Co., Ltd., which is now one of the Company's consolidated subsidiaries. |
| October 2011   | Acquired Marushin Foods Co., Ltd., headquartered in Chuo-ku, Tokyo, which is now one of the Company's consolidated subsidiaries.                                                                                                                       |
| July 2020      | Acquired Toraku Foods Co., Ltd., headquartered in Kobe-shi, Hyogo Prefecture, which is now one of the Company's consolidated subsidiaries.                                                                                                             |
| April 2022     | Transitioned from the First Section of the Tokyo Stock Exchange to the Prime Market of the same Exchange.                                                                                                                                              |

### 3. Description of business

The Group, comprising Marudai Food Co., Ltd. (the Company) and its 24 consolidated subsidiaries and one associated company, mainly engages in the Processed Food Products operations and the Meat Products operations. In connection with these operations, it also offers insurance agency services and other services.

The below explains how the Company is linked with its consolidated subsidiaries and associated company. The following categories are consistent with the business segments.

#### Processed Food Products operations

Manufacture and sell ham, sausages, and precooked and processed food products at the Company as well as at Toda Foods Co., Ltd., Azumino Food Co., Ltd., and Toraku Foods Co., Ltd., among others.

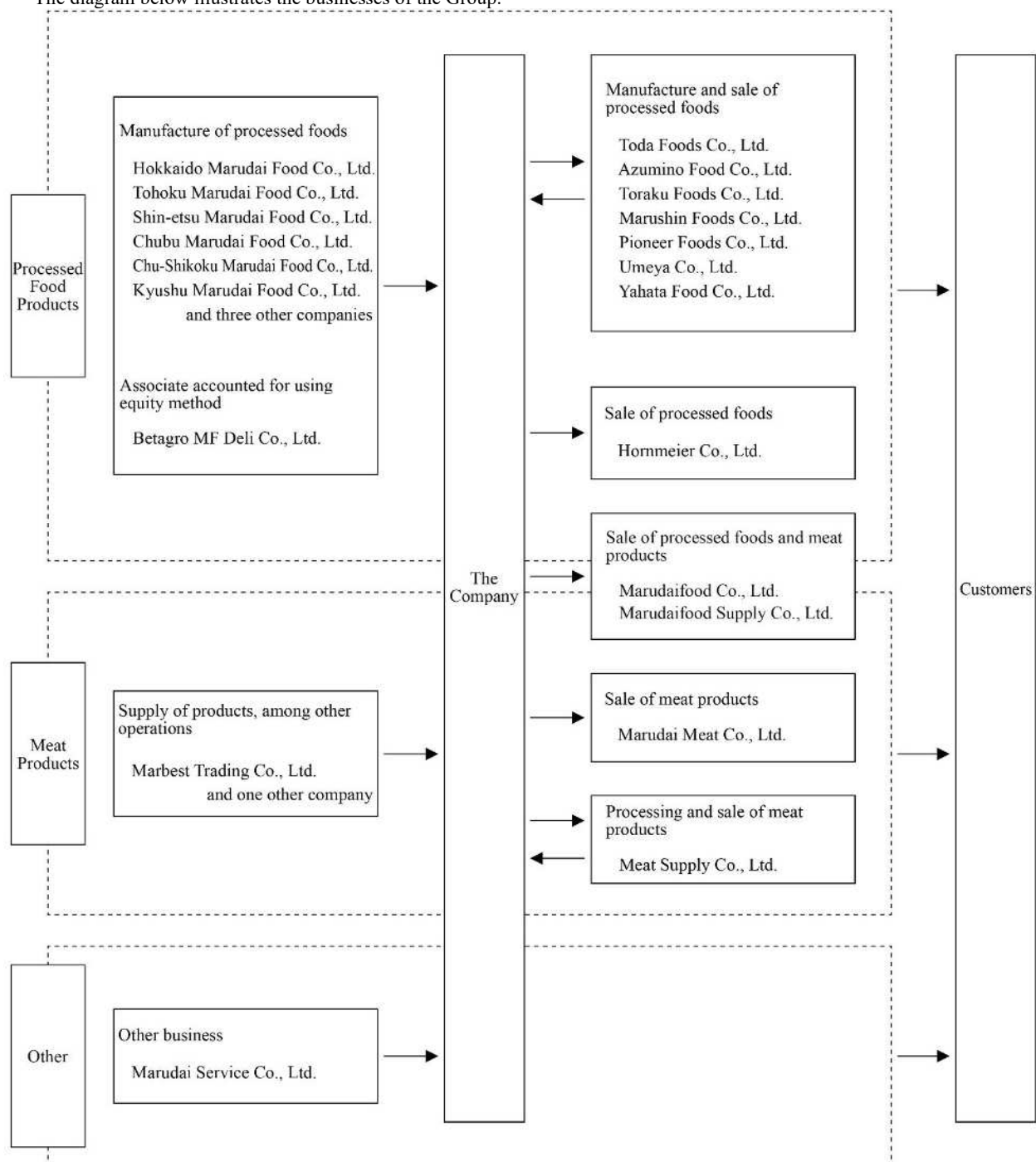
#### Meat Products operations

Process and sell meat (beef, pork, chicken, etc.) at the Company as well as at Marudai Meat Co., Ltd., Marudaifood Co., Ltd., and Meat Supply Co., Ltd., among others.

#### Other

Marudai Service Co., Ltd. offers insurance agency services and other services.

The diagram below illustrates the businesses of the Group.



#### 4. Subsidiaries and other affiliated entities

As of March 31, 2025

| Company name                                  | Address                                    | Share capital or investments in capital (Millions of yen) | Description of principal business                              | Ratio of voting rights holding (%) | Relationship                                       |                         |                                                                   |                     |
|-----------------------------------------------|--------------------------------------------|-----------------------------------------------------------|----------------------------------------------------------------|------------------------------------|----------------------------------------------------|-------------------------|-------------------------------------------------------------------|---------------------|
|                                               |                                            |                                                           |                                                                |                                    | Number of concurrent Directors/ Statutory Auditors | Loans (Millions of yen) | Operational transactions                                          | Lease of facilities |
| (Consolidated subsidiaries)                   |                                            |                                                           |                                                                |                                    |                                                    |                         |                                                                   |                     |
| Hokkaido Marudai Food Co., Ltd.               | Iwamizawa-shi, Hokkaido                    | 10                                                        | Processed Food Products operations                             | 100.0                              | –                                                  | –                       | Contract manufacturing                                            | No                  |
| Tohoku Marudai Food Co., Ltd.                 | Hanamaki-shi, Iwate Prefecture             | 10                                                        | Processed Food Products operations                             | 100.0                              | –                                                  | –                       | Contract manufacturing                                            | No                  |
| Shin-etsu Marudai Food Co., Ltd.              | Joetsu-shi, Niigata Prefecture             | 10                                                        | Processed Food Products operations                             | 100.0                              | –                                                  | –                       | Contract manufacturing                                            | No                  |
| Chubu Marudai Food Co., Ltd.                  | Matsusaka-shi, Mie Prefecture              | 10                                                        | Processed Food Products operations                             | 100.0                              | –                                                  | –                       | Contract manufacturing                                            | No                  |
| Chu-Shikoku Marudai Food Co., Ltd.            | Miyoshi-shi, Hiroshima Prefecture          | 10                                                        | Processed Food Products operations                             | 100.0                              | –                                                  | –                       | Contract manufacturing                                            | No                  |
| Kyushu Marudai Food Co., Ltd.                 | Karatsu-shi, Saga Prefecture               | 10                                                        | Processed Food Products operations                             | 100.0                              | –                                                  | –                       | Contract manufacturing                                            | No                  |
| Toda Foods Co., Ltd. (Note 5)                 | Toda-shi, Saitama Prefecture               | 349                                                       | Processed Food Products operations                             | 100.0                              | –                                                  | 851                     | Purchasing processed foods, among other operations                | Yes                 |
| Azumino Food Co., Ltd.                        | Matsumoto-shi, Nagano Prefecture           | 495                                                       | Processed Food Products operations                             | 100.0                              | –                                                  | 400                     | Purchasing processed foods, among other operations                | Yes                 |
| Toraku Foods Co., Ltd.                        | Higashinada-ku, Kobe-shi, Hyogo Prefecture | 90                                                        | Processed Food Products operations                             | 100.0                              | –                                                  | –                       | Purchasing processed foods, among other operations                | Yes                 |
| Marushin Foods Co., Ltd.                      | Moka-shi, Tochigi Prefecture               | 100                                                       | Processed Food Products operations                             | 100.0                              | –                                                  | –                       | Purchasing processed foods, among other operations                | Yes                 |
| Pioneer Foods Co., Ltd. (Note 4)              | Kyogoku-cho, Abuta-gun, Hokkaido           | 360                                                       | Processed Food Products operations                             | 63.1                               | 1                                                  | –                       | Purchasing processed foods, among other operations                | Yes                 |
| Umeya Co., Ltd.                               | Tanabe-shi, Wakayama Prefecture            | 37                                                        | Processed Food Products operations                             | 92.7                               | –                                                  | –                       | Purchasing processed foods, among other operations                | Yes                 |
| Yahata Food Co., Ltd. (Note 4)                | Kan-onji-shi, Kagawa Prefecture            | 50                                                        | Processed Food Products operations                             | 100.0                              | –                                                  | 340                     | Purchasing processed foods, among other operations                | Yes                 |
| Hornmeier Co., Ltd.                           | Takatsuki-Shi, Osaka                       | 340                                                       | Processed Food Products operations                             | 100.0                              | –                                                  | 771                     | Contracting sale of processed foods                               | Yes                 |
| Marudaifood Co., Ltd.                         | Nishinari-ku, Osaka-shi                    | 80                                                        | Processed Food Products operations<br>Meat Products operations | 100.0                              | –                                                  | –                       | Selling processed foods and meat products, among other operations | Yes                 |
| Marudaifood Supply Co., Ltd.                  | Koto-ku, Tokyo                             | 90                                                        | Processed Food Products operations<br>Meat Products operations | 100.0                              | –                                                  | –                       | Selling processed foods and meat products, among other operations | Yes                 |
| Marudai Meat Co., Ltd. (Notes 2 and 5)        | Ota-ku, Tokyo                              | 30                                                        | Meat Products operations                                       | 100.0                              | 1                                                  | –                       | Selling meat products, among other operations                     | Yes                 |
| Meat Supply Co., Ltd.                         | Takatsuki-Shi, Osaka                       | 30                                                        | Meat Products operations                                       | 100.0                              | –                                                  | 1,492                   | Supplying raw materials, among other operations                   | Yes                 |
| Marbest Trading Co., Ltd. (Note 2)            | Takatsuki-Shi, Osaka                       | 20                                                        | Meat Products operations                                       | 100.0                              | 1                                                  | –                       | Purchasing meat, among other operations                           | Yes                 |
| Marudai Service Co., Ltd.                     | Takatsuki-Shi, Osaka                       | 95                                                        | Other                                                          | 100.0                              | 1                                                  | –                       | Offering insurance agency services, among other services          | Yes                 |
| And four other companies                      |                                            |                                                           |                                                                |                                    |                                                    |                         |                                                                   |                     |
| (Associate accounted for using equity method) |                                            |                                                           |                                                                |                                    |                                                    |                         |                                                                   |                     |
| Betagro MF Deli Co., Ltd.                     | Lop Buri, the Kingdom of Thailand          | thousand baht 330,000                                     | Processed Food Products operations                             | 20.0                               | –                                                  | –                       | Purchasing processed foods                                        | No                  |

- (Notes) 1. Names of the operations in “Description of principal business” are the same as those stated in the segment information.  
2. These companies with (Note 2) fall under the category of specified subsidiaries.  
3. None of the above companies have filed Securities Registration Statements or Annual Securities Reports.  
4. The Company guarantees the loans to these companies with (Note 4).

5. Net sales of Marudai Meat Co., Ltd. and Toda Foods Co., Ltd. (excluding inter-segment net sales among consolidated subsidiaries) accounted for more than 10% of consolidated net sales.

|                              |                     | Marudai Meat Co.,<br>Ltd. | Toda Foods Co., Ltd. |
|------------------------------|---------------------|---------------------------|----------------------|
| Key profit/loss information: | (1) Net sales       | 40,039 million yen        | 23,769 million yen   |
|                              | (2) Ordinary profit | 366 million yen           | 383 million yen      |
|                              | (3) Profit          | 240 million yen           | 258 million yen      |
|                              | (4) Net assets      | 1,357 million yen         | 3,295 million yen    |
|                              | (5) Total assets    | 4,924 million yen         | 8,212 million yen    |

## 5. Employees

### (1) Information about group

As of March 31, 2025

| Name of business segment           | Number of employees |
|------------------------------------|---------------------|
| Processed Food Products operations | 1,381<br>(2,540)    |
| Meat Products operations           | 409<br>(339)        |
| Other                              | 21<br>(17)          |
| Company-wide (shared)              | 91<br>(21)          |
| Total                              | 1,902<br>(2,917)    |

(Notes) 1. The number of employees refers to that of full-time employees, excluding those transferred to companies outside the Group.

2. The average number of temporary employees during the current fiscal year is shown in parentheses “( )” in “Number of employees.”

### (2) Information about Reporting Company

As of March 31, 2025

| Number of employees | Average age (Years old) | Average length of service (Years) | Average annual salary (Thousands of yen) |
|---------------------|-------------------------|-----------------------------------|------------------------------------------|
| 647<br>(614)        | 42.6                    | 19.0                              | 5,996                                    |

| Name of business segment           | Number of employees |
|------------------------------------|---------------------|
| Processed Food Products operations | 548<br>(584)        |
| Meat Products operations           | 8<br>(9)            |
| Other                              | —<br>(—)            |
| Company-wide (shared)              | 91<br>(21)          |
| Total                              | 647<br>(614)        |

(Notes) 1. The number of employees refers to that of full-time employees, excluding those transferred from the Company to other companies, but including those transferred to the Company from other companies.

2. Average annual salary includes bonuses and non-standard wages.

3. The average number of temporary employees during the current fiscal year is shown in parentheses “( )” in “Number of employees.”

### (3) Status of labor union

At the Company, a labor union called the Federation of Marudai Food Group Labor Unions has been organized and belongs to UA Zensen. At some of the Company’s consolidated subsidiaries, other labor unions have also been organized individually. The relationship between management and labor unions is stable, without any special issues to mention.

### (4) Percentages of female managers among all managers and male workers taking childcare leave, and salary difference between men and women

#### 1) Reporting company

| Current fiscal year                                              |                                                                   |                                                                |                     |                                   |
|------------------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------|---------------------|-----------------------------------|
| Percentage of female managers among all managers (%)<br>(Note 1) | Percentage of male workers taking childcare leave (%)<br>(Note 2) | Salary difference between men and women (%)<br>(Notes 1 and 4) |                     |                                   |
|                                                                  |                                                                   | All workers                                                    | Full-time employees | Part-timers and temporary workers |
| 5.6                                                              | 71.4                                                              | 51.6                                                           | 72.5                | 92.8                              |

(Notes) 1. The figure above is calculated based on the provisions of “Act on the Promotion of Women’s Active Engagement in Professional Life” (Act No. 64 of 2015).

2. In accordance with “Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members” (Act No. 76 of 1991), we calculated the percentage of male workers taking the childcare leave, etc. stipulated in Article 71-6, Item 1 of “Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members” (Ordinance of the Ministry of Labor No. 25 of 1991).

3. All the figures above include employees transferred to consolidated subsidiaries.

4. Regarding “Salary difference between men and women,” we have no personnel or salary systems that differentiate between men and women. The salary difference above is mainly attributable to the fact that most of our female workers are part-timers, whose work time is shorter.

2) Consolidated subsidiaries

| Current fiscal year   |                                                                  |                                                                   |                                                                |                     |                                   |
|-----------------------|------------------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------|---------------------|-----------------------------------|
| Company name          | Percentage of female managers among all managers (%)<br>(Note 1) | Percentage of male workers taking childcare leave (%)<br>(Note 2) | Salary difference between men and women (%)<br>(Notes 1 and 4) |                     |                                   |
|                       |                                                                  |                                                                   | All workers                                                    | Full-time employees | Part-timers and temporary workers |
| Toda Foods Co., Ltd.  | 6.5                                                              | 33.3                                                              | 78.2                                                           | 74.1                | 96.7                              |
| Meat Supply Co., Ltd. | 0.0                                                              | 0.0                                                               | 78.5                                                           | 84.6                | 92.7                              |
| Marudaifood Co., Ltd. | 0.0                                                              | —                                                                 | 44.5                                                           | 80.9                | 96.9                              |

(Notes) 1. The figure above is calculated based on the provisions of “Act on the Promotion of Women's Active Engagement in Professional Life” (Act No. 64 of 2015).

2. In accordance with “Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members” (Act No. 76 of 1991), we calculated the percentage of male workers taking the childcare leave, etc. stipulated in Article 71-6, Item 1 of “Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members” (Ordinance of the Ministry of Labor No. 25 of 1991).

3. As we have already included employees transferred from the Company to consolidated subsidiaries in the figures for 1) Reporting company, the figures above exclude them.

4. Regarding “Salary difference between men and women,” we have no personnel or salary systems that differentiate between men and women. The salary difference above is mainly attributable to the fact that most of our female workers are part-timers, whose work time is shorter.

## II. Overview of Business

### 1. Management policy, business environment, issues to address

The forward-looking statements included in the following description are based on our judgment as of March 31, 2025.

#### (1) Basic management policy

##### 1) Business Creed:

### Dedication delivers

“Dedication delivers (至誠通天)” -What does this mean?

In the course of life, bad things can happen suddenly, without warning, but good outcomes don't just suddenly appear. If we keep moving forward with determination, even if we run headlong into obstacles every day, our dedicated efforts are sure to pay off and we will achieve positive outcomes.

(Written by Toshiyuki Komori, founding president of Marudai Food, in “Preface to Dedication”)

##### 2) Management Philosophy:

By putting utmost dedication into our daily activities and always trying to do our best, we will contribute to society.

##### 3) Management Policy / Our Ideal Future:

Dedicated to the pursuit of delicious flavor and health, the Marudai Food Group contributes to its customers' positive eating habits by providing safe, secure foods.

##### 4) Slogan:

**“Transformation”**

##### 5) Values:

- We will create delicious flavor to delight our customers
- We will create rewarding work environments, with scope for dreams
- We will create new value in response to the changing times

##### 6) Guidelines for Conduct:

|                      |                                                                                                                                                         |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| Toward customers:    | We pursue the creation of better products, safely and securely<br>We contribute to a healthy, happy diet for our customers                              |
| Toward shareholders: | We work to increase our corporate value, strengthen our management base, and expand our business                                                        |
| Toward employees:    | We create workplaces where employees can achieve personal growth through daily activities<br>We seek the well-being of our employees and their families |
| Toward society:      | We meet our social responsibilities by contributing to local communities and protecting the environment                                                 |

#### (2) Operational and financial issues we must address as soon as possible

Regarding the future business environment surrounding the Marudai Food Group, there are concerns that uncertainty may be heightened over the future outlook, in light of factors such as rising raw material prices and energy costs due to unstable international situations, sharp fluctuations in foreign exchange rates, and the risk of economic downturn resulting from changes in the global trade structure. In addition, the business environment is expected to remain uncertain on the back of labor shortages caused by decreasing and aging population and other structural changes in Japan's society; shortages of transportation capacity; and transformation in the market structure brought about by consumer behavioral changes.

Furthermore, companies are required to play increasingly important roles and bear heavier responsibilities than before in taking measures for environmental and social issues including food waste, improving working conditions, and advocating sustainable procurement, among others, as well as responding to the growing social interest in the food safety and health.

To flexibly respond to these changes in the management environment, the Marudai Food Group announced a 3-year medium-term rolling plan starting in April 2025, a numerical plan which we review every year in principle. By implementing this plan, we aim to be a company that contributes to people and society through our food products. The plan has five basic policies: creation of new customer value, reform in earnings structure, expansion of business domains, development of human resources, and contribution to a sustainable society. Based on these, we will strive to grow sustainably and enhance our corporate value.

(3) Medium-term management strategy (the revised 3-Year Medium-Term Management Plan)

The revised 3-Year Medium-Term Management Plan starting on April 1, 2025 through March 31, 2028 stipulates its basic policy as follows:

- 1) Creation of new customer value
  - Develop product and new technology with an emphasis on growing markets and customer value
- 2) Reform in earnings structure
  - Review portfolio, improve asset efficiency, and improve supply chain efficiency
- 3) Expansion of business domains
  - Expand business areas, strengthen marketing by business type, and develop new markets
- 4) Development of human resources
  - Strengthen human capital, improve skills of human resource, and increase employees' engagement
- 5) Contribution to a sustainable society
  - Address environmental issues, fulfill social responsibilities, and enhance risk management and governance

(4) Strategy by operation

1) Processed Food Products operations

A. The Ham & Sausage Products department

(Theme) Improve profitability

| Business policy  | Initiatives                                                                                   |
|------------------|-----------------------------------------------------------------------------------------------|
| Restructuring    | - Increase sales of mainstay products                                                         |
|                  | - Make an improvement in profitability by revising prices and reviewing unprofitable products |
|                  | - Streamline production to reduce manufacturing costs                                         |
|                  | - Promote joint delivery and improve the efficiency of logistics operations                   |
| Pursue new value | - Develop products with an emphasis on consumer opinions                                      |
|                  | - Develop products to respond to rising prices and soaring raw material prices                |
|                  | - Propose convenient products using new packaging materials                                   |
|                  | - Develop and sell low-additive products                                                      |

B. The Precooked & Processed Foods department

(Theme) Expand sales

| Business policy                          | Initiatives                                                     |
|------------------------------------------|-----------------------------------------------------------------|
| Expansion of scale of core businesses    | - Develop products that respond to changes in customer needs    |
|                                          | - Increase production capacity and sales of retort products     |
|                                          | - Increase sales of the dessert product line                    |
|                                          | - Increase sales of ready-to-eat foods                          |
| Making a foray into new business domains | - Develop new sales channels                                    |
|                                          | - Increase sales of frozen foods                                |
|                                          | - Increase sales in the commercial-use market                   |
|                                          | - Develop and expand sales of the products made from vegetables |

## 2) Meat Products operations

### (Theme) Expand business domains

| Business policy                 | Initiatives                                                                      |
|---------------------------------|----------------------------------------------------------------------------------|
| Expansion of core businesses    | - Strengthen initiatives with area-focused companies                             |
|                                 | - Strengthen the sale of our existing brands                                     |
|                                 | - Provide value tailored to customer needs                                       |
|                                 | - Expand sales routes                                                            |
| Developing new business domains | - Develop and cultivate new brands and places of production                      |
|                                 | - Open new bases and make a foray into unexplored areas                          |
|                                 | - Develop sales channels and business types through the Group-wide collaboration |
|                                 | - Develop commercial-use products for the restaurant industry                    |

## (5) Promotion of digital transformation (DX)

- Improve productivity: Gradually raise the level of digital technology utilization to improve productivity and strengthen competitiveness
  - ▶ Promotion of AI utilization: Trial use of generative AI → Transition to practical use stage
  - ▶ Use RPA and expand areas of use: Automate routine operations
  - ▶ Reform sales style: Adopt smart devices for sales support terminals, gradually expand our support functions, and improve the efficiency of sales activities
  - ▶ Strengthen production process management: Introduce digital technology such as AI diagnostic imaging
  - ▶ Promote DX literacy

## (6) Initiatives for sustainability

### 1) Contribution to a sustainable society

#### A. Response to climate change

Established the Sustainability Promotion Office as of April 1, 2023 to manage and promote the Sustainability Committee

- Initiatives to reduce greenhouse gas emissions

- ▶ Set the greenhouse gas emissions target for the fiscal year ending March 31, 2031

Target for the fiscal year ending March 31, 2031: Greenhouse gas emissions (Scope 1 and 2) 77,760t-CO<sub>2</sub>

\* Result for the fiscal year ended March 31, 2024: Greenhouse gas emissions 113,217t-CO<sub>2</sub>

- ▶ Reduce the environmental impact by using non-fossil energy and introducing the facility using less energy, among other measures

Install solar power generation facilities at five production sites of the Marudai Food Group (from the fiscal year ended March 31, 2025 to the fiscal year ending March 31, 2026)

Introduce the facility using less energy (change from the equipment using heavy oil to that using gas)

- ▶ Strengthen our initiatives to reduce the greenhouse gasses generated by logistics or transportation by encouraging the transport modal shift, etc.

- Contribution to realizing a recycling society

- ▶ Promote the reduction of waste by using lightweight wrapping and packaging materials
- ▶ Promote a 3R strategy—Reduce, Reuse, and Recycle—for wrapping and packaging materials
- ▶ Promote the recycling of food waste into livestock feed or manure
- ▶ Promote the adoption of environment-friendly wrapping and packaging materials

## B. Contribution through our food products

- Propose sustainable foods
  - ▶ Develop alternative meat products: Pursuit of deliciousness of plant-based cooking ingredients
- Develop sweets using plant-based ingredients
  - ▶ NATUEATS: a new style of sweets from Toraku Foods Co., Ltd.
- Address an issue of an aging population
  - ▶ Plasmalogen, a material that can support the brain function: We participated in the Sleep Subcommittee, a demonstration project hosted by Kanagawa Prefecture
- Show the environmental communication mark on products made of environmentally-friendly packaging materials
  - ▶ Change sizes of packaging materials and bundle tapes to reduce the volume of plastic used
  - ▶ Reduce the thickness of packages to reduce the volume of plastic used
  - ▶ Use packaging materials with paper materials on the surface to reduce the volume of plastic used
  - ▶ Use packaging materials made of recycled polyethylene terephthalate (PET)
  - ▶ Partially use environmentally-friendly biomass ink (plant-based).
  - ▶ Reduce the size of gift boxes to reduce waste

## 2) Human capital strategy

### A. Development of human resources

- Enhance education system for the entire Group companies
  - ▶ Train young employees (implement grade-specific training courses tailored to new employees, young employees, and mid-level employees).
  - ▶ Develop the personnel who could be candidates for leading positions in the next generation (through training courses for those selected as potential candidates for management and executive positions)
  - ▶ Promote self-development (enhance the correspondence education system and expand assistance).
- Develop a system for diverse work styles and a work environment where employees can thrive
- Design a specialist system assuming dual line carriers
- ▶ Promote diversity and launch an initiative to enhance opportunities for women

### B. Creation of a work environment where employees can demonstrate their abilities

- Promote health management (Certified as one of the 2025 Certified KENKO Investment for Health Outstanding Organizations in the large-enterprise category)
- Provide support for employees with children so that they can continue to work while raising children (implemented the Action Plan to Support Next-Generation Child-Rearing, and certified as a Child-Rearing Support Company for the seventh consecutive fiscal year)
- Establish committees to enhance objectivity and transparency concerning corporate management
  - ▶ The Compliance Committee (chaired by an Independent Outside Director), the Nomination and Remuneration Committee (with a majority of Independent Outside Directors)
  - ▶ Make all the employees of the Marudai Food Group thoroughly understand the Marudai Food Group's Code of Conduct, and carry out a compliance training program every month for all the employees

## (7) Objective financial data to determine achievement status of management targets

To flexibly respond to changes in the management environment, the Marudai Food Group announces a 3-year medium-term rolling plan, a numerical plan which we review every year in principle. This time, we formulated a revised 3-Year Medium-Term Management Plan for a period from April 1, 2025 through March 31, 2028 after recalculating and reviewing numerical targets.

We have set the target of achieving consolidated net sales of 250,000 million yen, consolidated operating profit of 7,000 million yen, consolidated operating profit margin of 2.8%, and consolidated ROE of 6.9% as our key financial data for the fiscal year ending March 31, 2028, the final year of the said Management Plan.

For the fiscal year ending March 31, 2026, the Company expects consolidated net sales of 240,000 million yen, consolidated operating profit of 6,000 million yen, consolidated operating profit margin of 2.5%, and ROE of 7.1%. Meanwhile, there are concerns that uncertainty for future forecasts may increase due to factors such as increases in raw materials prices and energy costs, sharp fluctuations in foreign exchange rates, and the risk of economic downturn due to changes in the global trade structure. Since earnings outlook is based on our estimation of the impacts deemed possible when we made this estimation, we may need to announce revisions depending on the development of the situation.

## 2. Policy and initiatives regarding sustainability

The following is the Group's policy and initiatives regarding sustainability.

The forward-looking statements included in the following description are based on our judgment as of March 31, 2025.

|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Corporate governance   | <ul style="list-style-type: none"> <li>- Conduct our activities in accordance with the Sustainability Basic Policy and the Sustainability Action Guidelines.</li> <li>- Regularly report details and progress of our activities to the Board of Directors through the Sustainability Committee, chaired by President and Representative Director, in efforts to realize our sustainable growth and enhance corporate value.</li> <li>- Have established the Sustainability Promotion Office and will promote sustainability activities by assessing the status of each operating department and Group company.</li> <li>- For an overview of the corporate governance system, please refer to "IV. Information about Reporting Company, 4. Corporate governance, 2) Overview of the Company's corporate governance system and the reason for adopting this system."</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Strategy               | <ul style="list-style-type: none"> <li>- Based on our recognition that the issues related to sustainability are important management issues, promote initiatives of Development of human resources and Contribution to a sustainable society as items placed under the basic policies of the Medium-Term Management Plan.</li> <li>(1) Climate change <ul style="list-style-type: none"> <li>- Have evaluated financial impact on our products produced at our own plants. To do so, defined scenarios for the scenario analysis and identified the risks and opportunities that may result from climate change, in accordance with TCFD recommendations.</li> <li>- Based on the evaluation, examine which measures we need to prioritize for the risks and opportunities that may affect us and the environment in the future, with their financial impact considered, and make a necessary budget to promote the measures.</li> </ul> </li> <li>(2) Human capital and diversity <ul style="list-style-type: none"> <li>- To ensure diversity, create an environment where women can thrive further, strengthen a support system, hold educational programs that encourage reskilling, and employ personnel with diverse values and specialties in line with our business strategies, as needed.</li> <li>- For the Group's continued and permanent business operations, provide training courses for those selected as potential candidates for management in the next generation to ensure the securing of successors in a stable manner.</li> <li>- To enhance our employees' wellbeing so that they are sound in mind and body, introduce highly flexible working patterns; and, to promote enhanced health management, strengthen a system to monitor their health and facilitate the creation of a working environment where they feel comfortable.</li> <li>- The Marudai Food Group respects each other's human rights, and will not tolerate discrimination, harassment, or unfair coercion based on nationality, race, gender, religion, or disability, among others.</li> </ul> </li> </ul> |
| Risk management        | <ul style="list-style-type: none"> <li>- The Sustainability Promotion Office ensures the implementation of a PDCA cycle as follows: monitors the sustainability information; reports gathered information to the Board of Directors through the Sustainability Committee; and takes stricter measures for any risks or concerns.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Indicators and targets | <ul style="list-style-type: none"> <li>(1) Climate change <ul style="list-style-type: none"> <li>- Target for the fiscal year ending March 31, 2031: Greenhouse gas emissions (Scope 1 and 2) 77,760t-CO<sub>2</sub></li> <li>- Result for the fiscal year ended March 31, 2024: Greenhouse gas emissions (Scope 1 and 2) 113,217t-CO<sub>2</sub></li> <li>- Calculated results for the fiscal year ended March 31, 2024 (Scope 3) on a non-consolidated basis. For more information, please visit our website: <a href="https://www.marudai.jp/corporate/sustainability/data/esg.html">https://www.marudai.jp/corporate/sustainability/data/esg.html</a> (in Japanese)</li> <li>- Target for the fiscal year ending March 31, 2031: Reuse 95.0% of our food waste</li> <li>- Result for the fiscal year ended March 31, 2024: Reused 90.5% of our food waste</li> </ul> </li> <li>(2) Human capital and diversity <ul style="list-style-type: none"> <li>- Target for the fiscal year ending March 31, 2033: Increase the percentage of female managers among all managers to 10.0% or more</li> <li>- Result for the fiscal year ended March 31, 2025: the percentage of female managers among all managers 6.3%</li> <li>- Target engagement score for the fiscal year ending March 31, 2031: 70.0%</li> <li>- Result of engagement score for the fiscal year ended March 31, 2025: 62.1% <ul style="list-style-type: none"> <li>* Engagement score refers to the percentage of positive responses in the engagement items of the employee survey.</li> </ul> </li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

(1) Initiatives against climate change

We make an analysis and disclosure in accordance with the framework recommended by TCFD, which was established by the Financial Stability Board (FSB) upon request from the Group of 20 economies (G20).

1) Future world views in accordance with 1.5°C and 4°C scenarios

For scenario analysis, we defined the following two scenarios:

| 2030: 1.5°C scenario (SSP1-1.9)                                                                                                                                                                                                                                                                                                                                                                                                                                        | 2030: 4°C scenario (SSP5-8.5)                                                                                                                                                                                                                                                          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| As a result of earnest initiatives to reduce greenhouse gasses, the costs incurred by us will rise as we need to take measures in line with strengthened restrictions, including the introduction of a carbon tax, as well as with a drive to reduce greenhouse gasses. Meanwhile, we will enjoy a business opportunity as we make progress in development of the products made from vegetables, among others, which will then receive a high evaluation from markets. | The policy aimed at reducing greenhouse gasses will have been launched but stalled, and the cost for addressing the climate change will be lowered, but raw material prices will surge and the risk for natural disaster-induced flood damage will rise amid worsening climate change. |

2) Evaluation of risks and opportunities resulting from climate change, and of financial impact

Regarding each of the 1.5°C and 4°C scenarios explained in “1) Future world views in accordance with 1.5°C and 4°C scenarios,” we evaluated the significance of risks and opportunities as part of a cross-departmental project in accordance with a scale of three grades: Large, Medium, and Small, in terms of how likely it is for such risks and opportunities to happen and how much impact they could have. As a result, we identified following items:

| Item             | Details                                                                                                                                     | Impact |        | Measures                                                                                                                                                                                                                                                                                  |
|------------------|---------------------------------------------------------------------------------------------------------------------------------------------|--------|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  |                                                                                                                                             | 1.5°C  | 4°C    |                                                                                                                                                                                                                                                                                           |
| Transition risks | Increased costs for taking measures to comply with environmental restrictions                                                               | Large  | Large  | - Engage in a long-term initiative aimed at carbon neutrality throughout a product life cycle                                                                                                                                                                                             |
|                  | Increased costs for procuring raw materials due to the introduction of a carbon tax                                                         | Large  | Small  | - Diversify raw material procurement channels and take other measures to procure raw materials stably<br>- Work to develop highly value-added products                                                                                                                                    |
|                  | Increased costs for energy due to the introduction of a carbon tax                                                                          | Large  | Small  | - Reduce environmental footprint by promoting energy saving<br>- Strengthen our initiatives to reduce the amount of energy used for production by introducing the facility using less energy or an equivalent                                                                             |
|                  | Decreased net sales due to delay in catching up with changes in consumers' preference                                                       | Large  | Small  | - Strengthen our capabilities to respond to the market needs through our food products, with the strategy to swiftly launch new products<br>- Implement appropriate methods, from the consumer perspective, for supplying products, providing services, and making appropriate disclosure |
|                  | A negative impact on fundraising and suppliers' choice of products due to delay in taking measures against climate change                   | Medium | Small  | - Promote the operations aimed at mutually sustainable business development with suppliers                                                                                                                                                                                                |
| Physical risks   | Increased costs for raw material prices, among others, due to higher temperatures                                                           | Large  | Large  | - Strengthen the cooperation with suppliers for more stable raw material procurement                                                                                                                                                                                                      |
|                  | A negative impact on our operations due to the flood damage or delay in logistics caused by natural disaster                                | Medium | Medium | - Work to establish a more robust system for disaster prevention and mitigation, and risk management, aiming to minimize the damage and casualties caused by natural disasters                                                                                                            |
| Opportunities    | Reduced costs by improving the logistics efficiency as part of our carbon reduction efforts                                                 | Large  | Small  | - Strengthen our initiatives to reduce the greenhouse gasses generated by logistics or transportation by encouraging the transport modal shift, etc.                                                                                                                                      |
|                  | More stable fundraising thanks to enhanced social reputation achieved by our measures against climate change                                | Large  | Small  | - Work on the information disclosure according to the TCFD framework                                                                                                                                                                                                                      |
|                  | New markets created through our development of meat substitutes made from vegetables, long-life products, and low-carbon footprint products | Medium | Small  | - Develop food products that can help form a sustainable society                                                                                                                                                                                                                          |

### 3) Adaptation to climate change and mitigation of its impact

We are working on the following items.

| Item                                         | Details                                                                                                                                            |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Reduction of CO2 emissions from fossil fuels | - Introduce solar power generation facilities and consider procurement of renewable energy                                                         |
|                                              | - Introduce the facility using less energy                                                                                                         |
|                                              | - Introduce a cogeneration system                                                                                                                  |
|                                              | - Introduce hybrid vehicles                                                                                                                        |
| Reduction of environmental footprint         | - Reduce the amount of the plastic packaging materials used. Promote a 3R strategy—Reduce, Reuse, and Recycle—for wrapping and packaging materials |
|                                              | - Promote the reuse of our food waste                                                                                                              |
| Initiatives for logistics                    | - Work on initiatives for logistics (reduce burden on delivery drivers, improve logistics efficiency, and promote joint delivery)                  |
|                                              | - Work on the transport modal shift                                                                                                                |
| Creation of new opportunities                | - Develop plant-based foods                                                                                                                        |
|                                              | - Develop long-life products                                                                                                                       |
|                                              | - Use of plasmalogen, a material that can support the cognitive function                                                                           |

### (2) Initiatives for human capital and diversity

We will improve corporate value by creating an environment where talent with diverse backgrounds can thrive

#### 1) Development of human resources

We are working on the following items.

| Item                                                                                       | Details                                                                                   |
|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| Development of young employees                                                             | - Implement grade-specific training courses Conduct follow-up interviews after assignment |
| Development of candidates for managers                                                     | - Conduct selective training for mid-level employees                                      |
| Development of succession candidates for executive personnel                               | - Train selected management candidates                                                    |
| Provision of opportunities for self-development                                            | - Enhance the correspondence education system and expand assistance.                      |
| Creation of career                                                                         | - Realize career plans through a self-assessment system                                   |
| Develop a system for diverse work styles and a work environment where employees can thrive | - Design a specialist system assuming dual line carriers                                  |
|                                                                                            | - Promote diversity and launch an initiative to enhance opportunities for women           |

#### 2) Improvement of the working environment

The Marudai Food Group has issued its Health Management Declaration based on the recognition that maintaining and promoting the health of employees is an important management task. (formulated in September 2020)

Marudai Food Co., Ltd. and Toraku Foods Co., Ltd., one of the Group companies, were recognized as one of the 2025 Certified KENKO Investment for Health Outstanding Organizations (in the large-enterprise category) in recognition of their excellent health management initiatives, which consider the health management of employees from a management perspective and strategically implement such health management.

#### 3) Initiatives for human rights

We have formulated the Marudai Food Group Human Rights Rules as the policy for human rights with which the Group's Directors/Statutory Auditors and employees must comply.

We recognize human rights due diligence as material matters and will respond to various issues.

(3) Contribution to a sustainable society  
We are working on the following items.

| Item                                    | Details                                                                                                                                                                              |
|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ensuring safety                         | - Obtain more certifications for FSSC 22000, one of the international food safety standards which is based on the HACCP system                                                       |
|                                         | - Establish a quality management system                                                                                                                                              |
| Communication through our food products | - Actively conduct activities to promote dietary education (participate in a dietary education event or hold a lecture, a cooking program, etc.)                                     |
|                                         | - Engage in social contribution activities with the theme of Better Diet                                                                                                             |
|                                         | - Disseminate information (on our websites; and also disseminate information in corporation with administrative authorities)                                                         |
|                                         | - Provide support for children's cafeterias by supplying food ingredients                                                                                                            |
|                                         | - In coordination with some educational institutions, including junior high and high schools, colleges, and universities, hold classes or deliver lectures for them                  |
| Communication through sports            | - Hold various sports programs as part of the training program of Future Active Athletes                                                                                             |
|                                         | - Develop health support products Watashi Ni Tampaku series (literally meaning the protein for me)                                                                                   |
| Environmental conservation activities   | - Engage in an environmental conservation activity in Hokkaido                                                                                                                       |
|                                         | - The Marudai Satoyama activity to forest hills or mountains (We entered into a contract with Osaka Prefecture and Takatsuki-shi, among others, under their Adopt-a-Forest programs) |
|                                         | - The Marudai Nasu Forest Satoyama activity to grow woodland at our private land in Nasu-machi, Tochigi Prefecture                                                                   |
|                                         | - The Marudai Miyoshi Forest tree planting activity at our private land in Miyoshi-shi, Hiroshima Prefecture                                                                         |
|                                         | - Engage in an activity making the environment more beautiful (participate in cleaning activities around our offices)                                                                |

(4) The Marudai Food Group Sustainability Basic Policy and Sustainability Action Guidelines

The Marudai Food Group has the management philosophy: "We will contribute to society by devoting ourselves to daily operations and acting with complete sincerity," which has been inherited over generations.

To continue to be "a company contributing to society through our food products" in accordance with this management philosophy, we pursue more delicious food and healthier life, offer safe food products, and make consumers' diet more enjoyable.

[The Marudai Food Group Sustainability Basic Policy]

Resolving the issues regarding the global environment and society—we view this as the challenge common to all humankind. Based on our wish for the future of our children: "Just want you to be healthy and strong as you grow up, even if you are naughty," we will engage in socially and environmentally friendly operations to contribute to the development of a sustainable society.

[The Marudai Food Group Sustainability Action Guidelines]

1. We comply with laws and regulations, as well as our internal rules, in our all operations, striving for sincere and highly transparent compliance management.
2. We strive to reduce environmental footprint in our all operations, including raw material procurement, manufacturing, logistics, and selling; we work to reduce the amount of energy used and CO2 emissions; and we offer environmentally and socially friendly products.
3. We offer safe and healthy products, striving to achieve a society where anyone can live a healthy life in affluent circumstances.
4. We create a work environment where every employee can work comfortably, and respect the personality of each of them, striving to strike a work-and-life balance.
5. We work on the development of human resources and educate every employee on human rights and compliance, striving to raise the entire Company's awareness thereof.
6. We conduct operations from a broader perspective by communicating with each of our stakeholders through social contribution activities.
7. We actively disclose the ESG information of the Marudai Food Group.

### 3. Business risks

Of the matters stated in the sections of Overview of Business, Financial Information, etc. in this Annual Securities Report, management recognizes that the following matters may have a material impact on the financial condition, results of operations, and cash flows of the Group companies on a consolidated basis.

The forward-looking statements included in the following description are based on our judgment as of March 31, 2025.

#### (1) Financial risks

|                                                   | Risk details                                                                                                                                                                                                                                                                                                                                                                                                                 | Major initiatives                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Impairment risk                                   | <ul style="list-style-type: none"> <li>- Incurring of impairment losses on the non-current assets held due to a decline in profitability, among others, caused by a significant deterioration in the management environment, etc.</li> <li>- A subsidiary or an equivalent unable to achieve operational targets</li> <li>- Risk of fluctuations in the market value of assets, such as real estate or securities</li> </ul> | <ul style="list-style-type: none"> <li>- Formulate and implement sufficient measures to increase future cash flows</li> <li>- Monitor their progress in achieving operational plans, as their parent company</li> <li>- Make use of or sell idle assets</li> </ul>                                                                                                          |
| Customers' bankruptcy risk                        | <ul style="list-style-type: none"> <li>- Unexpected bankruptcy of customers</li> </ul>                                                                                                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>- Gather information, manage credit, preserve account receivables, etc.</li> </ul>                                                                                                                                                                                                                                                   |
| Market fluctuation risk                           | <ul style="list-style-type: none"> <li>- Development of livestock epidemics</li> <li>- Concerns over a limit on imports and a rise in purchasing prices when the government takes a safeguard measure</li> <li>- Global changes in the supply-demand balance</li> <li>- Impact of the fluctuations in crude oil prices</li> </ul>                                                                                            | <ul style="list-style-type: none"> <li>- Diversify raw material procurement channels and take other measures to procure raw materials stably</li> <li>- Work to develop highly value-added products</li> </ul>                                                                                                                                                              |
| Currency fluctuation risk                         | <ul style="list-style-type: none"> <li>- Fluctuations in foreign exchange rates on local currencies</li> </ul>                                                                                                                                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>- Reduce risk by importing part of products on a yen basis and, for foreign-currency trade, using foreign exchange futures contracts</li> </ul>                                                                                                                                                                                      |
| Risk of infectious diseases and natural disasters | <ul style="list-style-type: none"> <li>- The pandemic of a new virus or an equivalent</li> <li>- Suspension of operations caused by the effects of a natural disaster, such as an earthquake or a typhoon</li> </ul>                                                                                                                                                                                                         | <ul style="list-style-type: none"> <li>- Establish an appropriate management system to prevent infection or its expansion</li> <li>- Work to establish a more robust system for disaster prevention and mitigation, and risk management, aiming to minimize the damage and casualties caused by natural disasters</li> </ul>                                                |
| Risk of retirement benefit obligations            | <ul style="list-style-type: none"> <li>- A case where there is a fluctuation in the market value of plan assets or when there is a change in the assumptions, such as an investment return or discount rates, that are used to calculate retirement benefit obligations</li> </ul>                                                                                                                                           | <ul style="list-style-type: none"> <li>- As an asset owner of a corporate pension, we monitor how assets are managed, as needed, by deploying appropriate personnel to a corporate pension fund</li> <li>- Reduced risk by transferring part of the defined-benefit pension plans to a defined-contribution pension plan in the fiscal year ended March 31, 2017</li> </ul> |

## (2) Materiality items

|                                                           | Risk details                                                                                                                                                                                                                                                                                                         | Major sustainability initiatives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ensuring safety                                           | <ul style="list-style-type: none"> <li>- Occurrence of social disorder or an unpredictable accident such as a quality issue affecting the entire society</li> <li>- Effect of the damage caused by rumors</li> <li>- Jeopardized social credibility due to complaints about product quality, among others</li> </ul> | <ul style="list-style-type: none"> <li>- Obtain more certifications for FSSC 22000, one of the international food safety standards which is based on the HACCP system</li> <li>- Establish a strict quality management system by the quality assurance department</li> <li>- Strengthen our initiatives to secure safety and improve product quality as well as to prevent the occurrence of products of poor quality or defects</li> </ul>                                                                                                                                                                             |
| Response to laws and regulations                          | <ul style="list-style-type: none"> <li>- Restriction on operations when laws and regulations are changed</li> </ul>                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>- Comply with all applicable laws and regulations, including the Food Sanitation Act, the Act on Japanese Agricultural Standards (the JAS Act), and the Food Labeling Act, among others, all of which are related to food safety and health, in addition to the laws and regulations related to the environmental protection and recycling</li> <li>- Strengthen a system to comply with relevant laws and regulations in close cooperation between the legal department and relevant departments</li> </ul>                                                                     |
| Changes in consumer lifestyles                            | <ul style="list-style-type: none"> <li>- Possible loss of our growth opportunity due to delay in catching up with diverse values and changes in the consumer lifestyles</li> </ul>                                                                                                                                   | <ul style="list-style-type: none"> <li>- Strengthen our capabilities to respond to the market needs through our food products, with the strategy to swiftly launch new products</li> <li>- Implement appropriate methods, from the consumer perspective, for supplying products, providing services, and making appropriate disclosure</li> </ul>                                                                                                                                                                                                                                                                       |
| Sustainable raw material procurement                      | <ul style="list-style-type: none"> <li>- Delay in responding to social and environmental issues at each stage of our supply chain</li> <li>- Risk of climate change and geopolitical risk</li> </ul>                                                                                                                 | <ul style="list-style-type: none"> <li>- Strengthen the cooperation with suppliers for more stable raw material procurement</li> <li>- Establish a system to procure essential raw materials in a responsible manner by conducting human rights due diligence</li> <li>- Comply with relevant laws and regulations and promote fair trading and business practices</li> <li>- Promote the operations aimed at mutually sustainable business development with suppliers</li> </ul>                                                                                                                                       |
| Reduction of food waste                                   | <ul style="list-style-type: none"> <li>- Depletion of food resources</li> <li>- Jeopardized social credibility due to delay in taking measures to reduce food waste</li> </ul>                                                                                                                                       | <ul style="list-style-type: none"> <li>- Improve manufacturing methods so that they will contribute to reducing food waste in the manufacturing process</li> <li>- Make the shelf life of products longer to reduce the food loss resulting from discarding food products before they reach consumers, decrease defective products returned from retailers or consumers</li> </ul>                                                                                                                                                                                                                                      |
| Adaptation to climate change and mitigation of its impact | <ul style="list-style-type: none"> <li>- Increased production costs resulting from delay in taking measures to reduce greenhouse gas emissions</li> <li>- Jeopardized social credibility due to delay in taking measures against global warming</li> </ul>                                                           | <ul style="list-style-type: none"> <li>- Engage in a long-term initiative aimed at carbon neutrality throughout a product life cycle</li> <li>- Work on the information disclosure according to the TCFD framework</li> <li>- Reduce environmental footprint by promoting energy saving</li> <li>- Strengthen our initiatives to reduce the amount of energy used for production by introducing the facility using less energy or an equivalent</li> <li>- Strengthen our initiatives to reduce the greenhouse gases generated by logistics or transportation by encouraging the transport modal shift, etc.</li> </ul> |
| Contribution to realizing a recycling society             | <ul style="list-style-type: none"> <li>- Increased production costs resulting from delay in taking measures to reduce waste</li> <li>- Jeopardized social credibility due to delay in shifting to using environment-friendly packaging materials</li> </ul>                                                          | <ul style="list-style-type: none"> <li>- Promote an initiative to reduce waste by using lightweight wrapping and packaging materials</li> <li>- Promote a 3R strategy—Reduce, Reuse, and Recycle—for wrapping and packaging materials</li> <li>- Promote the recycling of food waste into livestock feed or manure</li> <li>- Promote the adoption of environment-friendly wrapping and packaging materials</li> </ul>                                                                                                                                                                                                  |
| Water conservation                                        | <ul style="list-style-type: none"> <li>- Suspension of production caused by droughts, floods, and deteriorating water quality</li> </ul>                                                                                                                                                                             | <ul style="list-style-type: none"> <li>- Conserve and maintain wastewater treatment facilities at production facilities</li> <li>- Promote environmental conservation through an activity to forest hills or mountains</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                       |

|                                             | Risk details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Major sustainability initiatives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Thriving of talent with diverse backgrounds | <ul style="list-style-type: none"> <li>- Needs to acquire organizational capabilities that give us a competitive advantage</li> <li>- A labor shortage and a rise in costs caused by diversified recruiting channels and intensified recruiting competition</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <ul style="list-style-type: none"> <li>- Strengthen the management of personnel training programs with a focus on diverse values and specialties</li> <li>- Promote the work style reform</li> <li>- Promote diversity and launch an initiative to enhance opportunities for women</li> <li>- Expanded the provision of support for employees with children so that they can continue to work while raising children, and obtained the certification under the Regulation for Enforcement of the Act to Advance Measures to Support Next-Generation Child-Rearing, or the Kurumin certification program</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Strengthened corporate governance           | <ul style="list-style-type: none"> <li>- An increase in risks that threaten the corporate management due to a fragile governance system</li> <li>- Impacts on our business continuity brought by delay in establishing a risk management system</li> <li>- Confusion that affects organizational management or a reduction in operational profitability, caused by unstable political, economic, or social situations, such as a financial crisis or trade war</li> <li>- Reduced competitiveness resulting from the incapability of catching up with digital transformation</li> <li>- Reduced competitiveness resulting from a fragile IT management system</li> <li>- Impacts on operations caused by intellectual property risk</li> </ul> | <ul style="list-style-type: none"> <li>- Educate all the employees of the Group about the Marudai Food Group's Code of Conduct to make them thoroughly understand it</li> <li>- Strengthen our corporate governance system by establishing the Risk Management Committee, the Corporate Ethics Committee, the Compliance Committee, and the Nomination and Remuneration Committee.</li> <li>- Establish the Marudai counseling line (a whistleblowing system)</li> <li>- Promote swift management decision-making and more efficient operations by making the maximum use of the enterprise system</li> <li>- Strengthen the information security by formulating IT management and operation rules</li> <li>- Manage intellectual property risk</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Strengthened health management              | <ul style="list-style-type: none"> <li>- Jeopardized social credibility due to delay in taking measures for a health management system</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>- Promoted initiatives for health management based on the Marudai Food Group Health Management Declaration, and was awarded as one of the 2025 Certified KENKO Investment for Health Outstanding Organizations</li> <li>- Conducted surveys to identify issues to be resolved for improved engagement and worked to resolve them</li> <li>- Promoted disease prevention by subsidizing the costs of optional tests such as cancer screenings and of vaccinations (regardless of types)</li> <li>- Improve the work environment through the use of mass analysis results of stress check</li> <li>- Improved health status through secondary health examinations and implementation of specific health guidance for those with findings</li> <li>- Provided employees on leave with support for return to work</li> <li>- Develop a business that contributes to consumer health improvement (the research and development of plasmalogen, a material that can support the cognitive function; and the supply of health-conscious products, including the Oishii Gen-en series, literally meaning: the series featuring a reduction in the amount of the salt used in products without compromising their original tastiness)</li> </ul> |

#### 4. Management analysis of financial position, operating results and cash flows

##### (1) Overview of operating results, etc.

##### 1) Financial position and operating results

During the fiscal year ended March 31, 2025, the Japanese economy showed a gradual recovery although stagnation was seen in some areas. However, the outlook remained uncertain, because a continuous rise in prices was decreasing consumer confidence, among others, having an impact on private consumption; the trend in U.S. policy, including trade policy, was showing the risk of downward pressure on the economy; and there were concerns over the impact of financial and capital market fluctuations.

The conditions of the industry in which the Marudai Food Group operates still remained challenging, as consumers' budget-consciousness was increasingly heightened due to rising prices resulting from price revisions, against the backdrop of factors such as: imported meat's higher local prices in the country of origin owing to rising global demand for fresh meat; the impact of foreign exchange fluctuations; soaring raw material prices; and a continuous rise in labor, logistics and other costs.

In this situation, the Group, a comprehensive food manufacturer that supplies consumers with safer and healthier food products, has pushed ahead with its corporate operations, aiming to be a company whose own value is thoroughly recognized in society.

As a result, our consolidated financial position and operating results for the fiscal year ended March 31, 2025 were as follows:

##### A. Financial position

Consolidated total assets as of March 31, 2025 were 120,920 million yen, a decrease of 899 million yen from the end of the previous fiscal year. Consolidated liabilities were 53,912 million yen, a decrease of 5,155 million yen from the end of the previous fiscal year. Consolidated net assets were 67,007 million yen, an increase of 4,255 million yen from the end of the previous fiscal year.

##### B. Operating results

Consolidated net sales during the fiscal year ended March 31, 2025 were 234,970 million yen, an increase of 2.7% year on year; consolidated operating profit was 5,469 million yen, an increase of 75.4% year on year; consolidated ordinary profit was 6,056 million yen, an increase of 66.4% year on year; and consolidated profit attributable to owners of parent was 5,488 million yen, compared to consolidated loss attributable to owners of parent of 9,414 million yen for the previous fiscal year.

Operating results for each segment are as follows:

(Millions of yen)

|           |                                       | Fiscal year<br>ended March<br>31, 2024 | Fiscal year<br>ended March<br>31, 2025 | Year-on-year<br>change<br>(amount) | Year-on-year<br>change (%) |
|-----------|---------------------------------------|----------------------------------------|----------------------------------------|------------------------------------|----------------------------|
|           | Processed Food<br>Products operations | 152,404                                | 157,660                                | 5,256                              | 3.4%                       |
|           | Ham & Sausage<br>Products             | 65,517                                 | 69,581                                 | 4,064                              | 6.2%                       |
|           | Precooked &<br>Processed Foods        | 86,886                                 | 88,078                                 | 1,192                              | 1.4%                       |
|           | Meat Products<br>operations           | 76,276                                 | 77,183                                 | 907                                | 1.2%                       |
|           | Other                                 | 128                                    | 126                                    | (1)                                | (1.1)%                     |
| Net sales |                                       | 228,808                                | 234,970                                | 6,162                              | 2.7%                       |

|                    |                                       |       |       |        |         |
|--------------------|---------------------------------------|-------|-------|--------|---------|
|                    | Processed Food<br>Products operations | 2,125 | 4,943 | 2,818  | 132.6%  |
|                    | Ratio to net sales                    | 1.4%  | 3.1%  | 1.7%   | —       |
|                    | Meat Products<br>operations           | 943   | 495   | (447)  | (47.5)% |
|                    | Ratio to net sales                    | 1.2%  | 0.6%  | (0.6)% | —       |
|                    | Other                                 | 48    | 30    | (18)   | (37.3)% |
| Segment income     |                                       | 3,117 | 5,469 | 2,352  | 75.4%   |
| Ratio to net sales |                                       | 1.4%  | 2.3%  | 0.9%   | —       |

(Processed Food Products operations)

In the Ham & Sausage Products department, we implemented sales promotion activities and other measures to continuously secure sales, mainly for mainstay products such as the Kunseiya series, and the Itsumo shinsen - Always Fresh series including loin ham and half-sized bacon. In addition, we actively expanded sales of the following: our new product Kunseiya Sausage - Lemon & Parsley; the Tappuri Tsukaeru (in a larger volume) series using environmentally friendly packaging materials, including loin ham and other products; sausages for an economical line; and a sausage product featuring popular character CHIIKAWA. Supported by those initiatives, net sales of the Precooked & Processed Foods department increased by 6.2% year on year.

In the Precooked & Processed Foods department, we worked to make store shelves more appealing and strengthen sales of retort curry products such as Bistro Club Beef Curry. Our efforts also included increasing sales of beverages sold to mass retailers, and of the yogurt and chilled desserts made with carefully selected seasonal ingredients. In addition, we strived to expand sales of commercial-use products for the restaurant industry by increasing sales channels, for example, proposing products to potential users in various business types. Supported by those initiatives, net sales of the Precooked & Processed Foods department increased by 1.4% year on year.

As a result, net sales in the Processed Food Products operations segment amounted to 157,660 million yen, an increase of 3.4% year on year. Despite cost-rising factors such as surging raw material costs, the said segment posted segment income of 4,943 million yen, an increase of 132.6% year on year, owing to a growth in sales volume, price revisions and the positive effect of continued efforts to reduce costs, among others.

(Meat Products operations)

Net sales of beef were lower than the previous year's level due to a decrease in sales volume and net sales of U.S. beef, despite efforts to increase the handling volume of Japanese beef and Australian beef mainly in sales to mass retailers and the restaurant industry. Regarding pork, although sales volume of both domestic and imported pork were lower than the previous year's level, sales to mass retailers and the restaurant industry remained firm due to a rise in the unit selling price of domestic pork, resulting in a year-on-year increase in net sales.

As a result, net sales in the Meat Products operations segment increased by 1.2% year on year to 77,183 million yen. Segment income decreased by 47.5% year on year to 495 million yen, as price pass-through has not yet caught up with increasing costs and soaring market prices.

(Other)

Net sales in Other segment decreased by 1.1% year on year to 126 million yen, and segment income decreased by 37.3% year on year to 30 million yen.

## 2) Cash flows

(Millions of yen)

|                                                      | Fiscal year ended<br>March 31, 2024 | Fiscal year ended<br>March 31, 2025 | Changes |
|------------------------------------------------------|-------------------------------------|-------------------------------------|---------|
| Net cash provided by (used in) operating activities  | 10,014                              | 5,396                               | (4,618) |
| Net cash provided by (used in) investing activities  | (4,882)                             | (2,884)                             | 1,998   |
| Net cash provided by (used in) financing activities  | (2,380)                             | (3,196)                             | (816)   |
| Net increase (decrease) in cash and cash equivalents | 2,752                               | (684)                               | –       |
| Cash and cash equivalents at end of period           | 9,668                               | 8,983                               | (684)   |

Net cash provided by operating activities was 5,396 million yen due mainly to the recording of profit before income taxes and of depreciation, despite negative factors of an increase in working capital.

Net cash used in investing activities was 2,884 million yen due mainly to the purchase of non-current assets to expand and streamline production facilities and to improve product quality, despite proceeds from sale of non-current assets.

Net cash used in financing activities was 3,196 million yen due mainly to reduced interest-bearing liabilities, payment of dividends, and purchase of treasury shares.

As a result, consolidated cash and cash equivalents at end of period as of March 31, 2025 decreased by 684 million yen from the end of the previous fiscal year to 8,983 million yen.

## 3) Production, orders received, and sales

## A. Production results

Production results by segment for the fiscal year ended March 31, 2025 on a consolidated basis are as follows:

| Name of business segment           | Production (Ton) | Year-on-year change (%) |
|------------------------------------|------------------|-------------------------|
| Processed Food Products operations | 187,668          | 0.2                     |
| Meat Products operations           | 11,353           | (2.0)                   |
| Other                              | –                | –                       |
| Total                              | 199,021          | 0.1                     |

## B. Orders received

The Group produces based on our projection made from the consumer trend forecast.

## C. Sales results

Sales results by segment for the fiscal year ended March 31, 2025 on a consolidated basis are as follows:

| Name of business segment           | Sales (Millions of yen) | Year-on-year change (%) |
|------------------------------------|-------------------------|-------------------------|
| Processed Food Products operations | 157,660                 | 3.4                     |
| Meat Products operations           | 77,183                  | 1.2                     |
| Other                              | 126                     | (1.1)                   |
| Total                              | 234,970                 | 2.7                     |

(Notes) 1. Transactions between segments are offset and eliminated.

2. Actual sales by major customer and percentage to total actual sales

| Customer             | Fiscal year ended March 31, 2024 |                | Fiscal year ended March 31, 2025 |                |
|----------------------|----------------------------------|----------------|----------------------------------|----------------|
|                      | Amount<br>(Millions of yen)      | Percentage (%) | Amount<br>(Millions of yen)      | Percentage (%) |
| FamilyMart Co., Ltd. | 23,328                           | 10.2           | 23,505                           | 10.0           |

(2) Details of analysis and examination of the status of operating results, etc. from management's perspective

Details of the recognition, analysis, and examination of the status of operating results, etc. of the Group from management's perspective are as follows. The forward-looking statements included in the following description are based on our judgment as of March 31, 2025.

1) Details of the recognition, analysis, and examination of the status of operating results, etc. for the fiscal year ended March 31, 2025

A. Operating results

(Net sales)

Net sales increased 2.7% year on year to 234,970 million yen. This was mainly due to the securing of sales through sales promotions of mainstay products in the Ham & Sausage Products department, an increase in sales of desserts and yogurts, and firm sales to mass retailers in the Meat Products operations. By segment, net sales of the Processed Food Products operations were 157,660 million yen, an increase of 3.4% year on year, net sales of the Meat Products operations were 77,183 million yen, an increase of 1.2% year on year, and net sales of Other were 126 million yen, a decrease of 1.1% year on year.

(Cost of sales, gross profit)

Consolidated cost of sales rose by 1.9% year on year to 197,870 million yen due mainly to the impact of soaring raw material prices. However, gross profit increased by 7.0% year on year to 37,100 million yen, as the ratio of cost of sales to net sales fell by 0.6% year on year due to improved profitability pushed up by price revisions and better efficiency, among others.

(Selling, general and administrative expenses; operating profit)

Consolidated selling, general and administrative expenses increased by 0.2% year on year to 31,630 million yen, which constitutes 13.5% of net sales, down 0.3 percentage points year on year owing mainly to our continued efforts to reduce costs.

Consolidated operating profit increased by 75.4% year on year to 5,469 million yen owing mainly to a growth in sales volume of processed food products, price revisions and the positive effect of continued efforts to reduce costs, among others.

By segment, segment income of the Processed Food Products operations was 4,943 million yen, an increase of 132.6% year on year, segment income of the Meat Products operations was 495 million yen, a decrease of 47.5% year on year, and segment income of Other was 30 million yen, a decrease of 37.3% year on year. Operating results for each segment are stated in "(1) Overview of operating results, etc., 1) Financial position and operating results, B. Operating results."

(Ordinary profit; profit attributable to owners of parent)

Consolidated ordinary profit was 6,056 million yen, an increase of 66.4% year on year, thanks mainly to a rise in consolidated operating profit.

We posted consolidated profit attributable to owners of parent of 5,488million yen (compared to consolidated loss attributable to owners of parent of 9,414 million yen for the previous fiscal year) as a result of recording loss (gain) on disposal of non-current assets of 2,251 million yen and impairment losses of 1,135 million yen.

(Millions of yen)

|                                                   | Fiscal year<br>ended March<br>31, 2024 | Fiscal year<br>ended March<br>31, 2025 | Year-on-year<br>change<br>(amount) | Year-on-year<br>change (%) |
|---------------------------------------------------|----------------------------------------|----------------------------------------|------------------------------------|----------------------------|
| Net sales                                         | 228,808                                | 234,970                                | 6,162                              | 2.7%                       |
| Cost of sales                                     | 194,132                                | 197,870                                | 3,738                              | 1.9%                       |
| Ratio to net sales                                | 84.8%                                  | 84.2%                                  | (0.6)%                             | —                          |
| Gross profit                                      | 34,676                                 | 37,100                                 | 2,423                              | 7.0%                       |
| Ratio to net sales                                | 15.2%                                  | 15.8%                                  | 0.6%                               | —                          |
| Selling, general and administrative<br>expenses   | 31,558                                 | 31,630                                 | 71                                 | 0.2%                       |
| Ratio to net sales                                | 13.8%                                  | 13.5%                                  | (0.3)%                             | —                          |
| Operating profit                                  | 3,117                                  | 5,469                                  | 2,352                              | 75.4%                      |
| Ratio to net sales                                | 1.4%                                   | 2.3%                                   | 0.9%                               | —                          |
| Ordinary profit                                   | 3,639                                  | 6,056                                  | 2,417                              | 66.4%                      |
| Ratio to net sales                                | 1.6%                                   | 2.6%                                   | 1.0%                               | —                          |
| Profit (loss) attributable to owners of<br>parent | (9,414)                                | 5,488                                  | 14,902                             | —                          |
| Ratio to net sales                                | (4.1)%                                 | 2.3%                                   | 6.4%                               | —                          |

## (Progress in the Medium-Term Management Plan)

To flexibly respond to changes in the management environment, the Marudai Food Group announced a 3-year medium-term rolling plan, a numerical plan which we review every year in principle. This time, we formulated a revised 3-Year Medium-Term Management Plan for a period from April 1, 2025 through March 31, 2028 after recalculating and reviewing numerical targets.

Details of the revised 3-Year Medium-Term Management Plan are stated in “II. Overview of Business, 1. Management policy, business environment, issues to address.”

## B. Financial position

(Millions of yen)

|                      | As of March 31, 2024 | As of March 31, 2025 | Changes    |
|----------------------|----------------------|----------------------|------------|
| Total assets         | 121,819              | 120,920              | (899)      |
| Liabilities          | 59,068               | 53,912               | (5,155)    |
| Net assets           | 62,751               | 67,007               | 4,255      |
| Equity ratio         | 50.9%                | 54.7%                | 3.8%       |
| Net assets per share | 2,494.90 yen         | 2,704.30 yen         | 209.40 yen |

Consolidated total assets as of March 31, 2025 were 120,920 million yen, a decrease of 899 million yen from the end of the previous fiscal year, due mainly to a decrease in notes and accounts receivable - trade of 2,968 million yen, despite increases in raw materials and supplies of 1,213 million yen and in merchandise and finished goods of 846 million yen.

Consolidated liabilities decreased by 5,155 million yen from the end of the previous fiscal year to 53,912 million yen, due mainly to decreases in notes and accounts payable - trade of 3,444 million yen and interest-bearing liabilities of 2,055 million yen.

Consolidated net assets increased by 4,255 million yen from the end of the previous fiscal year to 67,007 million yen, due to the recording of profit attributable to owners of parent of 5,488 million yen, despite purchase of treasury shares of 641 million yen and payment of dividends of surplus of 497 million yen.

As a result, equity ratio as of March 31, 2025 stood at 54.7%, an increase of 3.8 percentage points from the end of the previous fiscal year.

By segment, assets of the Processed Food Products operations were 68,895 million yen, compared to 71,909 million yen for the previous fiscal year; assets of the Meat Products operations were 21,857 million yen, compared to 20,414 million yen for the previous fiscal year; and assets of Other and corporate assets not allocated to the reportable segments were 30,166 million yen, compared to 29,496 million yen for the previous fiscal year. The primary factor for a fall in consolidated assets of the Processed Food Products operations was decreases in accounts receivable - trade and leased assets.

### C. Cash flows, capital resources, and cash liquidity

|                                                     | Fiscal year<br>ended March<br>31, 2021 | Fiscal year<br>ended March<br>31, 2022 | Fiscal year<br>ended March<br>31, 2023 | Fiscal year<br>ended March<br>31, 2024 | Fiscal year<br>ended March<br>31, 2025 |
|-----------------------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|
| Equity ratio                                        | 58.7%                                  | 58.1%                                  | 54.1%                                  | 50.9%                                  | 54.7%                                  |
| Equity ratio on a market value basis                | 33.2%                                  | 28.9%                                  | 28.8%                                  | 33.3%                                  | 34.4%                                  |
| Ratio of cash flows to interest-bearing liabilities | 2.7 years                              | 2.9 years                              | 7.8 years                              | 2.2 years                              | 3.6 years                              |
| Interest coverage ratio                             | 32.9 times                             | 31.9 times                             | 13.0 times                             | 44.2 times                             | 22.8 times                             |
| Capital expenditure (Millions of yen)               | 6,133                                  | 7,374                                  | 6,859                                  | 4,122                                  | 6,677                                  |
| Depreciation (Millions of yen)                      | 7,798                                  | 7,945                                  | 7,693                                  | 7,117                                  | 4,703                                  |

(Note) Equity ratio = Owners' equity / Total assets

Equity ratio on a market value basis = Aggregate market value / Total assets

Ratio of cash flows to interest-bearing liabilities = Interest-bearing liabilities / Operating cash flows

Interest coverage ratio = Operating cash flows / Interest payment

\* Each indicator is calculated based on the consolidated financial data.

\* Aggregate market value is calculated by multiplying the closing price of shares at end of period by the number of issued shares (after deducting the number of treasury shares).

\* For operating cash flows, we use cash flows from operating activities in the consolidated statement of cash flows.

\* Of the liabilities in the consolidated balance sheet, interest-bearing liabilities refer to all of those for which we pay interest. Interest payment refers to the interest paid in the consolidated statement of cash flows.

\* We have applied changes in accounting policies since the beginning of the fiscal year ended March 31, 2022. The financial data for the fiscal year ended March 31, 2021 are stated as figures to which the said changes in accounting policies have been retrospectively applied.

With regard to capital resources, the Group views as one of the top priorities to secure appropriate funds for our operations, to maintain liquidity of funds, and to create stable operating cash flows aimed for a sound financial position.

To increase shareholders' value, we must prepare an environment in which we can raise funds based on our continuously growing operations while maintaining a steadfast financial standing.

Whereas capital expenditure for a period from the fiscal year ended March 31, 2021 through the fiscal year ended March 31, 2024 was lower than depreciation, that for the fiscal year ended March 31, 2025 was higher than depreciation. In this situation, judging from equity ratio, the ratio of cash flows to interest-bearing liabilities, and the interest coverage ratio, among other indicators, we have determined that the Group remains financially sound at a certain level and has maintained a financial foundation that enables us to raise funds for implementing our growth strategy.

As consolidated cash flows for the fiscal year ended March 31, 2025 are stated in "(1) Overview of operating results, etc., 2) Cash flows," net cash provided by operating activities was 5,396 million yen, and net cash used in investing activities was 2,884 million yen, which led to an increase in free cash flows of 2,511 million yen. While interest-bearing liabilities dropped by 2,053 million yen, we paid dividends of 497 million yen and purchased treasury shares of 641 million yen. As a result, cash and cash equivalents decreased by 684 million yen.

As dividend policy is stated in "IV. Information about Reporting Company, 3. Dividend policy," the Group views the return of profits to shareholders as a key management issue. Taking into consideration consolidated earnings performance and financial conditions, and based on our basic policy to maintain stable dividends, we will resolve at the Ordinary General Meeting of Shareholders held on June 26, 2025 to pay an ordinary dividend of 50 yen per share for the current fiscal year.

The Group made a provisional calculation of capital cost as a reference when formulating the Medium-Term Management Plan and to verify the reasonableness of strategic shareholdings. We recognize that the cost of capital of the Group is approximately 5.0% to 5.5% (\*), and we aim to increase ROE to 6.9% in the fiscal year ending March 31, 2028, the final fiscal year of the 3-Year Medium-Term Management Plan that started in April 2025. Capital cost is the returns investors should expect, so we would like to understand what an appropriate capital cost is through dialogue with institutional investors and other investors, aiming to leverage it to achieve operational targets and maximize shareholder returns, toward our goal of improving corporate value.

(\*) Based on capital asset pricing model ("CAPM").

The Group's working capital is most needed by operating expenses for manufacturing products, including raw material costs, labor costs, expenses, and selling, general and administrative expenses. Meanwhile, the capital intended for investment is most needed by the capital expenditure to expand, streamline, and improve production facilities and to improve product quality. We raise these necessary funds through our own capital, which are mainly from operating cash flows. We did not conduct material fundraising, including an increase in capital or issuance of corporate bonds, during the fiscal year ended March 31, 2025. Capital expenditure on an asset basis for the fiscal year ending March 31, 2026 is estimated at 7,000 million yen in total, a majority of which we are planning to raise through our own capital and leases.

The Group has entered into overdraft contracts with our banks for effective fundraising, and the unexercised portion of facilities based on these contracts is 24,595 million yen as of March 31, 2025. Adding this amount to cash and deposits of 8,983 million yen as of March 31, 2025 will bring the total to 33,578 million yen, which surpasses average net sales per month for the fiscal year ended March 31, 2025. For this reason, we have determined that we are at a certain level in terms of fund capabilities for any emergent demand. As of March 31, 2025, we completed a shelf registration of corporate bonds with the planned issuance amount of 20,000 million yen, although details about their new issuance are yet to be worked out. This new issuance would prepare us for the demand for funds, including those for facilities, investment and financing, repayments of borrowings, and working capital.

2) Significant accounting policies and estimates

The consolidated financial statements of the Group are prepared on the basis of accounting principles generally accepted in Japan. We calculated the estimates needed to prepare these consolidated financial statements based on reasonable standards.

We have judged these estimates based on the various factors we deemed appropriate in light of past results or according to the information available when making the estimates. However, the estimates might differ from actual results in the future if there is any change in the conditions used as assumptions for the estimates or in the business environment.

Of the accounting estimates and assumptions used to prepare the consolidated financial statements, those of importance are stated in “V. Financial Information, 1. Consolidated financial statements, etc., (1) Consolidated financial statements, [Notes], (Significant accounting estimates).”

5. Material contracts, etc.

Not applicable.

## 6. Research and development activities

The Group encourages the product development underpinned by basic research to create products that are safe and sensitive to the latest trends, and also promotes the planning supported by strategic marketing. Our planning and development are based on the latest marketing data and market analysis. We strive to be a manufacturer needed by more and more consumers, through our product development to meet consumer needs, based on sweeping marketing research including consumer surveys. What we cherish the most is to produce a product that deeply impresses our customers with its deliciousness.

The research and development expenses paid by the Group during the fiscal year ended March 31, 2025 were 680 million yen in total, mainly for the research and development activities of the Processed Food Products operations.

(Processed Food Products operations)

In the Ham & Sausage Products department, as Kunseiya sausages were marking the 30th anniversary of their launch, we once again communicated to customers the “deliciousness of aging” of the products, and worked to increase customer life time value (LTV). We renewed the packaging with a focus on two points: to convey the deliciousness of Kunseiya and to improve visibility at store shelves.” In addition, we are implementing a sales promotion plan, mainly through social media, which is aimed at product recognition and consumers’ understanding of Kunseiya products. The limited-time offer of Kunseiya Sausage - Lemon & Parsley was well-received by consumers, and we have therefore made it a regular item that can be enjoyed throughout a year. We launched a further-advanced microwave-precooked product, “Raku-chin Microwave Cook,” which contains meatballs and sweetened vinegar in its package and does not require the use of a frying pan, with the aim of supporting consumers who are busy with work, school and housekeeping, on the back of heightened consumer awareness for convenience. Our new launch also included “Tappuri Tsukaeru (in a larger volume) Mini-Mini Sausages” in a convenient, zippered package that can be easily opened without the need for scissors. Under the series of Gu Nokke Tei (literally meaning: let’s put topping on ramen), we launched “Roast Chicken” in addition to Thickly-Sliced Roast Pork and Chopped Ham, based on the suggestion from the staff in charge of noodle shelves. Under the Tappuri Tsukaeru series (in a larger volume) using environmentally friendly packaging materials, “Beer Sausages” started hitting store shelves along with loin ham and bacon.

In the Precooked & Processed Foods department, we made a significant renewal for the Sundubu series, enhancing the flavor first tasted when put into the mouth and bringing out the umami and richness of the flavor. In the Korean Retsuden (literally meaning a series of biographies) series, we launched “Seolleongtang-No-Moto”, a milky white soup with the umami of beef bones dissolved in it, and “Samgyetang-No-Moto”, a ginger-rich samgyetang. In the snack line, we launched “Oishii Hitoyasumi (literally meaning a tasty break) Cafelf Earl Grey Scones,” aromatic Earl Grey scones under the Cafelf series. In the dessert and beverage line, we launched long-awaited new products Nomu (literally meaning drinkable) Coffee Jelly and Pudding with Coffee Jelly from the SWEET CAFÉ series to pursue new value. Nomu Coffee Jelly has been developed so that it can be enjoyed using a straw because of the smooth texture of the coffee jelly that mixes with the sauce containing fresh cream. Pudding with Coffee Jelly is a product that contains cut coffee jelly inside a pudding. It realizes an innovative taste created by the interweaving of smooth and creamy pudding made with fresh cream from Hokkaido Prefecture and plump and bittersweet coffee jelly.

The Central Research Institute jointly conducts the research and development of plant-based foods with the development department of the operating division. We participated in the project of Food Tech One, which aims to develop and promote plant-based foods, and provided menus at restaurant spaces of department stores, using the plant-based food we developed. In addition, we have started studying other promising protein materials in view of the expected shortage of protein in the future. In 2024, the health food industry as a whole stagnated due to the impact of the Beni-koji (red yeast rice) problem, and sales of chicken-derived plasmalogen were also affected to some extent. However, we steadily received repeated orders from existing customers. In addition, we participated in the Sleep Subcommittee of the Presymptomatic Industry Study Group in Kanagawa Prefecture and strived to raise awareness of plasmalogen. Furthermore, we will consider participating in health promotion projects in other municipalities in the fiscal year ending March 31, 2026.

(Meat Products operations and Other)

No applicable matters to report.

### III. Information about Facilities

#### 1. Overview of capital expenditures

The Group spent capital expenditure of 6,677 million yen in total for the fiscal year ended March 31, 2025, mainly for the investment in expansion, streamlining and quality improvement of production facilities. The total amount of capital expenditure also includes the investment in property, plant and equipment and in intangible assets.

#### 2. Major facilities

##### (1) Reporting company

As of March 31, 2025

| Business place<br>(Location)                                                              | Name of business<br>segment                                          | Details of<br>facilities  | Book value (Millions of yen)   |                                         |                                   |               |       |       | Number of<br>employees |
|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------|---------------------------|--------------------------------|-----------------------------------------|-----------------------------------|---------------|-------|-------|------------------------|
|                                                                                           |                                                                      |                           | Buildings<br>and<br>structures | Machinery,<br>equipment<br>and vehicles | Land<br>(Area in m <sup>2</sup> ) | Leased assets | Other | Total |                        |
| Hokkaido Plant<br>(Iwamizawa-shi,<br>Hokkaido)                                            | Processed Food<br>Products operations                                | Manufacturing<br>facility | 153                            | 94                                      | 116<br>(43,460)                   | 0             | 2     | 368   | 2                      |
| Iwate Plant<br>(Hanamaki-shi, Iwate<br>Prefecture)                                        | Processed Food<br>Products operations                                | Manufacturing<br>facility | 349                            | 242                                     | 254<br>(42,335)                   | 0             | 9     | 856   | 3                      |
| Niigata Plant<br>(Joetsu-shi, Niigata<br>Prefecture)                                      | Processed Food<br>Products operations                                | Manufacturing<br>facility | 234                            | 213                                     | 227<br>(51,483)                   | 1             | 10    | 687   | 6                      |
| Kanto Plant<br>(Shimotsuke-shi,<br>Tochigi Prefecture)                                    | Processed Food<br>Products operations                                | Manufacturing<br>facility | 619                            | 1,292                                   | 101<br>(66,193)                   | 0             | 24    | 2,038 | 57                     |
| Ibaraki Plant<br>(Inashiki-shi, Ibaraki<br>Prefecture)                                    | Processed Food<br>Products operations                                | Manufacturing<br>facility | 51                             | 122                                     | 140<br>(14,932)                   | 0             | 3     | 318   | 9                      |
| Yokosuka Plant<br>(Yokosuka-shi,<br>Kanagawa Prefecture)                                  | Processed Food<br>Products operations                                | Manufacturing<br>facility | 143                            | 282                                     | 682<br>(6,412)                    | 0             | 18    | 1,127 | 4                      |
| Shizuoka Plant<br>(Kakegawa-shi,<br>Shizuoka Prefecture)                                  | Processed Food<br>Products operations                                | Manufacturing<br>facility | 67                             | 75                                      | 356<br>(34,530)                   | 0             | 2     | 502   | 16                     |
| Matsusaka Plant<br>(Matsusaka-shi, Mie<br>Prefecture)                                     | Processed Food<br>Products operations                                | Manufacturing<br>facility | 64                             | 45                                      | 146<br>(12,010)                   | 0             | 1     | 257   | 7                      |
| Takatsuki Plant<br>(Takatsuki-shi, Osaka)                                                 | Processed Food<br>Products operations                                | Manufacturing<br>facility | 595                            | 1,015                                   | 425<br>(56,213)                   | 16            | 19    | 2,072 | 50                     |
| Hiroshima Plant<br>(Miyoshi-shi,<br>Hiroshima Prefecture)                                 | Processed Food<br>Products operations                                | Manufacturing<br>facility | 224                            | 206                                     | 335<br>(48,753)                   | 1             | 8     | 776   | 9                      |
| Karatsu Plant<br>(Karatsu-shi, Saga<br>Prefecture)                                        | Processed Food<br>Products operations                                | Manufacturing<br>facility | 628                            | 597                                     | 501<br>(39,228)                   | 10            | 14    | 1,752 | 11                     |
| Tohoku Hokkaido<br>Sales Dept.(Natori-shi,<br>Miyagi Prefecture, and<br>other locations)  | Processed Food<br>Products operations<br>Meat Products<br>operations | Sales facility            | 43                             | 3                                       | 130<br>(9,464)                    | —             | 3     | 180   | 21                     |
| East Japan Sales Dept.<br>(Chuo-ku, Tokyo, and<br>other locations)                        | Processed Food<br>Products operations<br>Meat Products<br>operations | Sales facility            | 94                             | 0                                       | 622<br>(5,492)                    | 0             | 7     | 725   | 96                     |
| Hokushinetsu Sales<br>Dept.(Nonoichi-shi,<br>Ishikawa Prefecture,<br>and other locations) | Processed Food<br>Products operations<br>Meat Products<br>operations | Sales facility            | 26                             | 1                                       | 250<br>(5,524)                    | 0             | 2     | 280   | 11                     |
| Chubu Sales<br>Dept.(Komaki-shi,<br>Aichi Prefecture, and<br>other locations)             | Processed Food<br>Products operations<br>Meat Products<br>operations | Sales facility            | 20                             | 0                                       | 138<br>(6,564)                    | 0             | 2     | 161   | 18                     |
| Kansai Sales Dept.<br>(Nishinari-ku, Osaka-<br>shi, and other<br>locations)               | Processed Food<br>Products operations<br>Meat Products<br>operations | Sales facility            | 67                             | 1                                       | 725<br>(12,182)                   | 0             | 9     | 803   | 64                     |
| Chu-Shikoku Sales<br>Dept.(Nishi-ku,<br>Hiroshima-shi, and<br>other locations)            | Processed Food<br>Products operations<br>Meat Products<br>operations | Sales facility            | 50                             | 0                                       | 392<br>(7,427)                    | 0             | 4     | 447   | 22                     |
| Kyushu Sales<br>Dept.(Kasuya-gun,<br>Fukuoka Prefecture,<br>and other locations)          | Processed Food<br>Products operations<br>Meat Products<br>operations | Sales facility            | 62                             | 3                                       | 241<br>(8,389)                    | 0             | 4     | 312   | 21                     |

## (2) Subsidiaries in Japan

As of March 31, 2025

| Company name           | Business place<br>(Location)                                                               | Name of business<br>segment        | Details of<br>facilities | Book value (Millions of yen)   |                                            |                                      |                  |       |       | Number of<br>employees |
|------------------------|--------------------------------------------------------------------------------------------|------------------------------------|--------------------------|--------------------------------|--------------------------------------------|--------------------------------------|------------------|-------|-------|------------------------|
|                        |                                                                                            |                                    |                          | Buildings<br>and<br>structures | Machinery,<br>equipment<br>and<br>vehicles | Land<br>(Area in<br>m <sup>2</sup> ) | Leased<br>assets | Other | Total |                        |
| Toda Foods Co., Ltd.   | Head office and plant<br>(Toda-shi, Saitama Prefecture, and other locations)               | Processed Food Products operations | Manufacturing facility   | 2,473                          | 938                                        | 1,152<br>(21,270)                    | 378              | 91    | 5,034 | 152                    |
| Azumino Food Co., Ltd. | Head office and plant<br>(Matsumoto-shi, Nagano Prefecture, and other locations)           | Processed Food Products operations | Manufacturing facility   | 1,332                          | 475                                        | 905<br>(55,711)                      | 282              | 37    | 3,033 | 91                     |
| Toraku Foods Co., Ltd. | Head office and plant<br>(Higashinada-ku, Kobe-shi, Hyogo Prefecture, and other locations) | Processed Food Products operations | Manufacturing facility   | 1,143                          | 1,135                                      | 772<br>(9,094)                       | 932              | 94    | 4,079 | 189                    |
| Meat Supply Co., Ltd.  | Head office and plant<br>(Hirakata-shi, Osaka, and other locations)                        | Meat Products operations           | Manufacturing facility   | 252                            | 411                                        | 124<br>(8,002)                       | 219              | 44    | 1,052 | 123                    |

(Notes) 1. There are no major facilities out of operation.

2. The “Other” item under book value refers to a total of tools, furniture and fixtures, and intangible assets.

3. The figures for the reporting company’s Takatsuki Plant include the land of the Head Office.

## 3. Planned addition, retirement, and other changes of facilities

## (1) Planned addition of material facilities

The Group plans to add or repair material facilities as of March 31, 2025 as follows. For your information: Capital expenditure on an asset basis for the fiscal year ending March 31, 2026 is estimated at 7,000 million yen in total.

| Company name           | Business place<br>(Location)                                 | Name of business<br>segment                                    | Details of facilities                           | (Planned amounts of investment)   |                                          | Fundraising<br>method         | Starting date | Estimated completion<br>date |
|------------------------|--------------------------------------------------------------|----------------------------------------------------------------|-------------------------------------------------|-----------------------------------|------------------------------------------|-------------------------------|---------------|------------------------------|
|                        |                                                              |                                                                |                                                 | Total amount<br>(Millions of yen) | Amount already paid<br>(Millions of yen) |                               |               |                              |
| Reporting company      | Matsusaka Plant<br>(Matsusaka-shi, Mie Prefecture)           | Processed Food Products operations                             | Manufacturing facilities, etc. for retort foods | 1,155                             | 43                                       | By our own capital and leases | December 2024 | September 2025               |
| Reporting company      | Hiroshima Sales Office<br>(Nishi-ku, Hiroshima-shi)          | Processed Food Products operations<br>Meat Products operations | Establishment of a new sales office             | 477                               | 3                                        | By our own capital            | August 2024   | April 2026                   |
| Marudai Food Co., Ltd. | Kawasaki Sales Office<br>(Kawasaki-shi, Kanagawa Prefecture) | Processed Food Products operations<br>Meat Products operations | Establishment of a new sales office             | 632                               | 5                                        | By our own capital            | December 2024 | April 2026                   |
| Meat Supply Co., Ltd.  | Sendai Plant<br>(Natori-shi, Miyagi Prefecture)              | Meat Products operations                                       | New establishment of a plant                    | 2,361                             | 824                                      | By our own capital and leases | March 2023    | May 2025                     |

## (2) Planned retirement of material facilities

Not applicable, except for the removal of operating facilities for regular renovation.

## IV. Information about Reporting Company

### 1. Company's shares, etc.

#### (1) Total number of shares, etc.

##### 1) Authorized shares

As of March 31, 2025

| Class        | Total number of shares authorized to be issued (Shares) |
|--------------|---------------------------------------------------------|
| Common stock | 40,000,000                                              |
| Total        | 40,000,000                                              |

##### 2) Issued shares

| Class        | As of the end of the current fiscal year (Shares)<br>(March 31, 2025) | As of the filing date<br>(Shares)<br>(June 25, 2025) | Stock exchange on which the Company is listed | Details                            |
|--------------|-----------------------------------------------------------------------|------------------------------------------------------|-----------------------------------------------|------------------------------------|
| Common stock | 26,505,581                                                            | 26,505,581                                           | Tokyo Stock Exchange Prime Market             | A minimum trading unit: 100 shares |
| Total        | 26,505,581                                                            | 26,505,581                                           | —                                             | —                                  |

#### (2) Share acquisition rights

##### 1) Employee share option plans

Not applicable.

##### 2) Rights plans

Not applicable.

##### 3) Share acquisition rights for other uses

Not applicable.

#### (3) Exercises of moving strike convertible bonds, etc.

Not applicable.

#### (4) Changes in total number of issued shares, share capital and legal capital surplus

| Date                   | Changes in the total number of issued shares<br>(Thousands of shares) | Balance of the total number of issued shares<br>(Thousands of shares) | Changes in share capital<br>(Millions of yen) | Balance of share capital<br>(Millions of yen) | Changes in legal capital surplus<br>(Millions of yen) | Balance of legal capital surplus<br>(Millions of yen) |
|------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| October 1, 2018 (Note) | (106,022)                                                             | 26,505                                                                | —                                             | 6,716                                         | —                                                     | 21,685                                                |

(Note) This is attributable to the Company's one-for-five share consolidation of its common stock.

## (5) Shareholding by shareholder category

As of March 31, 2025

As of March 31, 2023

| Category                      | Status of shares (the minimum unit consists of 100 shares) |                                                         |                                          |                             |                            |             |                     |         | Status of shares below unit (Shares) |
|-------------------------------|------------------------------------------------------------|---------------------------------------------------------|------------------------------------------|-----------------------------|----------------------------|-------------|---------------------|---------|--------------------------------------|
|                               | Government and local municipalities                        | Japanese financial institutions and insurance companies | Financial instruments business operators | Other Japanese corporations | Foreign corporations, etc. |             | Individuals, others | Total   |                                      |
|                               |                                                            |                                                         |                                          |                             | Others                     | Individuals |                     |         |                                      |
| Number of shareholders        | —                                                          | 29                                                      | 27                                       | 179                         | 82                         | 40          | 27,262              | 27,619  | —                                    |
| Number of shares held (Units) | —                                                          | 73,389                                                  | 6,332                                    | 45,855                      | 20,633                     | 81          | 118,421             | 264,711 | 34,481                               |
| Percentage of shares held (%) | —                                                          | 27.72                                                   | 2.39                                     | 17.32                       | 7.79                       | 0.03        | 44.74               | 100.00  | —                                    |

(Note) 2,025,463 shares of treasury shares consist of 20,254 units listed under “Individuals, others,” and 63 shares under “Status of shares below unit.” The actual number of treasury shares is 2,025,463 as of March 31, 2025.

## (6) Major shareholders

As of March 31, 2025

| Name                                                 | Address                                                                                   | Number of shares held (Thousands of shares) | Percentage of shares held to the total number of issued shares (excluding shares of treasury shares) (%) |
|------------------------------------------------------|-------------------------------------------------------------------------------------------|---------------------------------------------|----------------------------------------------------------------------------------------------------------|
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 1-8-1 Akasaka, Minato-ku, Tokyo                                                           | 2,431                                       | 9.93                                                                                                     |
| Marudai Kyoei Kai                                    | 21-3 Midori-cho, Takatsuki-shi, Osaka                                                     | 2,017                                       | 8.23                                                                                                     |
| Kanematsu Corporation                                | 119 Ito-machi, Chuo-ku, Kobe-shi, Hyogo Prefecture                                        | 1,192                                       | 4.87                                                                                                     |
| Komori Memorial Foundation                           | Inside the Head Office of Marudai Food Co., Ltd. at 21-3 Midori-cho, Takatsuki-shi, Osaka | 1,050                                       | 4.28                                                                                                     |
| Sumitomo Life Insurance Company                      | 2-2-1 Yaesu, Chuo-ku, Tokyo                                                               | 860                                         | 3.51                                                                                                     |
| Sumitomo Mitsui Banking Corporation                  | 1-1-2 Marunouchi, Chiyoda-ku, Tokyo                                                       | 789                                         | 3.22                                                                                                     |
| Sumitomo Mitsui Trust Bank, Limited                  | 1-4-1 Marunouchi, Chiyoda-ku, Tokyo                                                       | 768                                         | 3.14                                                                                                     |
| The Norinchukin Bank                                 | 1-2-1 Otemachi, Chiyoda-ku, Tokyo                                                         | 642                                         | 2.62                                                                                                     |
| Custody Bank of Japan, Ltd. (Trust Account)          | 1-8-12 Harumi, Chuo-ku, Tokyo                                                             | 390                                         | 1.59                                                                                                     |
| SMBC Nikko Securities Inc.                           | 3-3-1 Marunouchi, Chiyoda-ku, Tokyo                                                       | 337                                         | 1.37                                                                                                     |
| Total                                                | –                                                                                         | 10,479                                      | 42.80                                                                                                    |

(Notes) 1. Number of shares held is rounded down to the nearest thousand.

2. Percentage of shares held is rounded down to the second decimal place.

3. The Company owns 2,025,463 shares of treasury shares but excludes itself from the major shareholders above.

4. Komori Memorial Foundation is a public interest incorporated foundation established in accordance with the last will of the Company's founding president, the late Mr. Toshiyuki Komori. This Foundation is aimed to provide monetary support for scholarship programs and academic research, among others, using the dividends, etc. gained by managing its base assets, which mainly consist of the Company's shares.

5. The following shares fall into the shares related to trust business:

The Master Trust Bank of Japan, Ltd. (Trust Account) 2,431 thousand shares

Custody Bank of Japan, Ltd. (Trust Account) 390 thousand shares

6. The change report on large shareholdings that was made available to the public on December 19, 2024 states that Sumitomo Mitsui Trust Bank, Limited and its joint holders, Sumitomo Mitsui Trust Asset Management Co., Ltd. and Nikko Asset Management Co., Ltd., owned the following shares as of December 13, 2024. However, since the Company has not been able to confirm the actual number of shares alleged to be held by them excluding Sumitomo Mitsui Trust Bank, Limited as of March 31, 2025, the Company does not include the information of those two companies in the major shareholders above. The details of the change report on large shareholdings are as follows:

| Name                                             | Address                             | Number of share certificates, etc. held (Thousands of shares) | Percentage of share certificates, etc. held (%) |
|--------------------------------------------------|-------------------------------------|---------------------------------------------------------------|-------------------------------------------------|
| Sumitomo Mitsui Trust Bank, Limited              | 1-4-1 Marunouchi, Chiyoda-ku, Tokyo | 768                                                           | 2.90                                            |
| Sumitomo Mitsui Trust Asset Management Co., Ltd. | 1-1-1 Shibakoen, Minato-ku, Tokyo   | 454                                                           | 1.71                                            |
| Nikko Asset Management Co., Ltd.                 | 9-7-1 Akasaka, Minato-ku, Tokyo     | 322                                                           | 1.22                                            |
| Total                                            | —                                   | 1,545                                                         | 5.83                                            |

(7) Voting rights

1) Issued shares

As of March 31, 2025

| Category                                                  | Number of shares (Shares)                   | Number of voting rights (Units) | Details |
|-----------------------------------------------------------|---------------------------------------------|---------------------------------|---------|
| Shares without voting rights                              | —                                           | —                               | —       |
| Shares with limited voting rights (treasury shares, etc.) | —                                           | —                               | —       |
| Shares with limited voting rights (others)                | —                                           | —                               | —       |
| Shares with full voting rights (treasury shares, etc.)    | (Treasury shares)<br>Common stock 2,025,400 | —                               | —       |
| Shares with full voting rights (others)                   | Common stock 24,445,700                     | 244,457                         | —       |
| Shares below one unit                                     | Common stock 34,481                         | —                               | —       |
| Total number of issued shares                             | 26,505,581                                  | —                               | —       |
| Total voting rights held by all shareholders              | —                                           | 244,457                         | —       |

(Note) The number of shares of common stock in “Shares below one unit” includes 63 treasury shares held by the Company.

2) Treasury shares, etc.

As of March 31, 2025

| Shareholder                                            | Address of shareholder                | Number of shares held under own name (Shares) | Number of shares held under the names of others (Shares) | Total number of shares held (Shares) | Percentage of shares held to the total number of issued shares (%) |
|--------------------------------------------------------|---------------------------------------|-----------------------------------------------|----------------------------------------------------------|--------------------------------------|--------------------------------------------------------------------|
| (Treasury shares)<br>Marudai Shokuhin Kabushiki Kaisha | 21-3 Midori-cho, Takatsuki-shi, Osaka | 2,025,400                                     | —                                                        | 2,025,400                            | 7.64                                                               |
| Total                                                  | —                                     | 2,025,400                                     | —                                                        | 2,025,400                            | 7.64                                                               |

## 2. Acquisition and disposal of treasury shares

Class of shares, etc.: Acquisition of common stock in accordance with Article 155, Items 3 and 7 of the Companies Act

### (1) Acquisition by resolution of shareholders meeting

Not applicable.

### (2) Acquisition by resolution of board of directors meeting

Acquisition in accordance with Article 155, Item 3 of the Companies Act

| Category                                                                                                                           | Number of shares (Shares) | Total amount (Millions of yen) |
|------------------------------------------------------------------------------------------------------------------------------------|---------------------------|--------------------------------|
| Resolution at the meeting of the Board of Directors as of November 15, 2024 (Acquired from November 18, 2024 to November 18, 2024) | 412,200                   | 705                            |
| Treasury shares acquired before the current fiscal year                                                                            | —                         | —                              |
| Treasury shares acquired during the current fiscal year                                                                            | 374,700                   | 641                            |
| Total number and amount of remaining shares to be acquired by resolution                                                           | 37,500                    | 64                             |
| Percentage of unexercised portion as of the end of the current fiscal year (%)                                                     | 9.10                      | 9.10                           |
| Treasury shares acquired during the period reported                                                                                | —                         | —                              |
| Percentage of unexercised portion as of the filing date (%)                                                                        | 9.10                      | 9.10                           |

(Note) These shares were acquired through ToSTNeT-3, the off-auction treasury shares repurchase system of the Tokyo Stock Exchange.

### (3) Acquisition not based on resolution of shareholders meeting or board of directors meeting

Acquisition in accordance with Article 155, Item 7 of the Companies Act

| Category                                                | Number of shares (Shares) | Total amount (Millions of yen) |
|---------------------------------------------------------|---------------------------|--------------------------------|
| Treasury shares acquired during the current fiscal year | 78                        | 0                              |
| Treasury shares acquired during the period reported     | —                         | —                              |

(Note) “Treasury shares acquired during the period reported” does not include the number of shares below one unit acquired during the period from June 1, 2025 to the filing date of this Annual Securities Report.

### (4) Disposal of acquired treasury shares and number of treasury shares held

| Category                                                                                           | Current fiscal year       |                                         | The period reported       |                                         |
|----------------------------------------------------------------------------------------------------|---------------------------|-----------------------------------------|---------------------------|-----------------------------------------|
|                                                                                                    | Number of shares (Shares) | Total amount disposed (Millions of yen) | Number of shares (Shares) | Total amount disposed (Millions of yen) |
| Acquired treasury shares for which subscribers were solicited                                      | —                         | —                                       | —                         | —                                       |
| Acquired treasury shares that were disposed of                                                     | —                         | —                                       | —                         | —                                       |
| Treasury shares transferred due to merger, stock exchange, stock delivery, or corporate separation | —                         | —                                       | —                         | —                                       |
| Number of shares of treasury shares held                                                           | 2,025,463                 | —                                       | 2,025,463                 | —                                       |

(Note) “Number of shares of treasury shares held” during the period reported does not include the number of shares below one unit acquired during the period from June 1, 2025 to the filing date of this Annual Securities Report.

### 3. Dividend policy

The Company views the return of profits to shareholders as a key management issue. While making it a basic policy to maintain stable dividends, the Company aims to increase dividends as revenues grow.

In order to put this policy into practice, the Company aims to pay a dividend of at least 30 yen per share and maintain a total return ratio of at least 30%. The Company will implement shareholder returns while comprehensively taking into account factors such as consolidated earnings performance and financial conditions. We intend to make effective use of internal reserves to strengthen our management foundation and competitiveness, aiming to increase our corporate value further by establishing a profitable earnings basis.

Our dividends of surplus are paid basically once a year as a year-end dividend, the amount of which is decided by the General Meeting of Shareholders.

Based on the abovementioned policy, we will resolve at the Ordinary General Meeting of Shareholders held on June 26, 2025 to pay an ordinary dividend of 50 yen per share for the current fiscal year.

(Note) Dividends of surplus whose record date falls on the current fiscal year are as follows:

| Date of resolution                                                                      | Total amount of dividends<br>(Millions of yen) | Dividends per share (Yen) |
|-----------------------------------------------------------------------------------------|------------------------------------------------|---------------------------|
| Resolution at the Ordinary General Meeting of Shareholders held on June 26, 2025 (plan) | 1,224                                          | 50                        |

#### 4. Corporate governance

##### (1) Overview of corporate governance

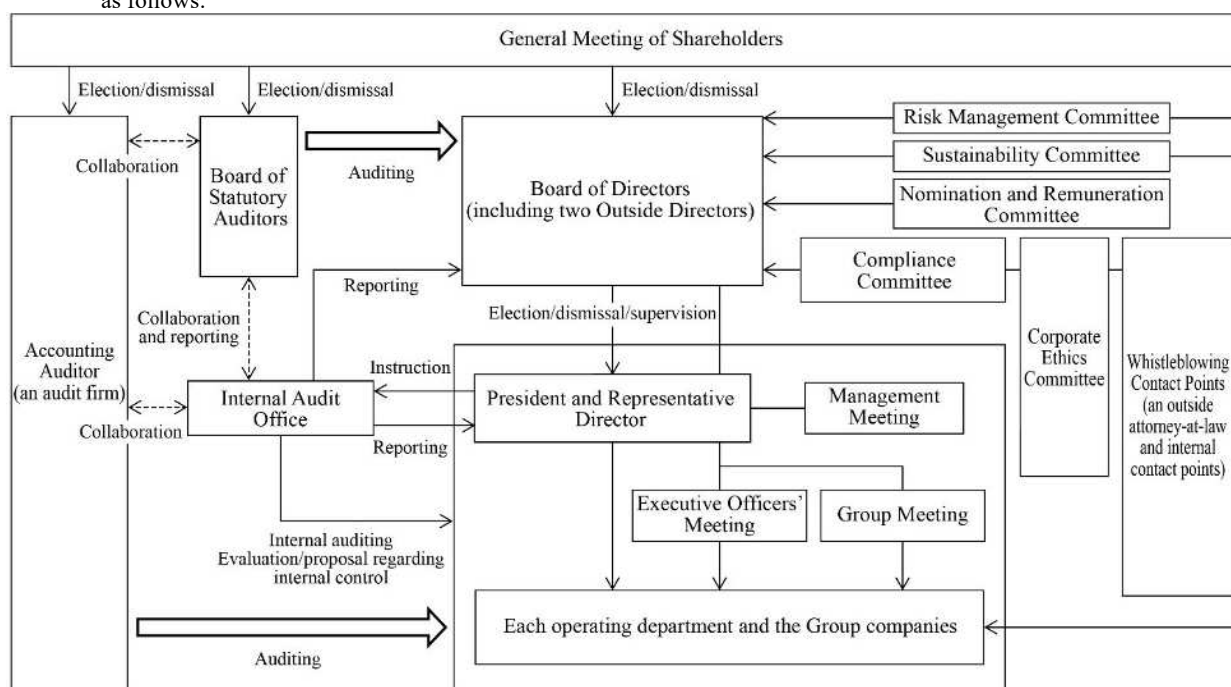
###### 1) Basic policy on corporate governance

The Company's basic policy on corporate governance is to commit ourselves to the corporate management to gain credibility from consumers. Given the growing consumer interest in the food safety, we will strive to strengthen our quality assurance system further to provide consumers with safer and healthier food products. To do so, we will establish a hygiene management system based on the HACCP system, and ensure that we appropriately label products in accordance with safety requirements as well as with laws and regulations.

The Company formulated the Marudai Food Group's Code of Conduct in January 2004 to comply with the laws and regulations relevant to overall corporate operations as well as corporate ethics, and to further raise the awareness of the Group's Directors/Statutory Auditors and employees, aiming to be a company broadly supported in society by consumers, shareholders, business partners, etc.

###### 2) Overview of the Company's corporate governance system and the reason for adopting this system

The Company's systems for business execution and internal control, as well as the implementation status of measures, are as follows:



\* The above table shows the status as of the filing date.

The Company has proposed Election of Six (6) Directors and Election of One (1) Statutory Auditor as agenda items (proposals to be resolved) at the Ordinary General Meeting of Shareholders held on June 26, 2025. The same shall apply if these proposals are approved.

##### (The Company's administrative bodies)

The Company has the General Meeting of Shareholders, the Board of Directors, the Sustainability Committee, the Nomination and Remuneration Committee, the Management Meeting, the Executive Officers' Meeting, and the Group Meeting as management bodies to maintain a system for swift decision-making and business execution. Meanwhile, the Company also has the Risk Management Committee, the Compliance Committee and the Corporate Ethics Committee in place to maintain a system of continuously monitoring and supervising the status of the Company's compliance with laws and regulations. Since we have judged that each Statutory Auditor as well as the Board of Statutory Auditors has been functioning as a supervisor to management, we have chosen to be a Company with a Board of Statutory Auditors.

The members of the Board of Directors, the Board of Statutory Auditors, and the Nomination and Remuneration Committee as of the filing date of this Annual Securities Report (June 25, 2025) are as follows: (The mark of ◎ stands for Chair, and ○ for members.)

| Title and position                    | Name               | Board of Directors | Board of Statutory Auditors | Nomination and Remuneration Committee |
|---------------------------------------|--------------------|--------------------|-----------------------------|---------------------------------------|
| Director and Chairman                 | Tokuo Kudara       | ◎                  |                             |                                       |
| President and Representative Director | Yuji Sato          | ○                  |                             | ◎                                     |
| Senior Managing Director              | Shigeki Fukushima  | ○                  |                             |                                       |
| Director                              | Toshio Tanaka      | ○                  |                             |                                       |
| Director (Outside)                    | Masahiro Fuchizaki | ○                  |                             | ○                                     |
| Director (Outside)                    | Keiko Kaneko       | ○                  |                             | ○                                     |
| Full-time Statutory Auditor           | Toru Miyachi       | ○                  | ◎                           |                                       |
| Full-time Statutory Auditor (Outside) | Toshiaki Azuma     | ○                  | ○                           |                                       |
| Part-time Statutory Auditor (Outside) | Motoaki Nishimura  | ○                  | ○                           |                                       |

The Company has proposed Election of Six (6) Directors and Election of One (1) Statutory Auditor as agenda items (proposals to be resolved) at the Ordinary General Meeting of Shareholders held on June 26, 2025. If these proposals are approved, the members of the Board of Directors, the Board of Statutory Auditors, and the Nomination and Remuneration Committee will be as follows. (The mark of ◎ stands for Chair, and ○ for members.)

| Title and position                    | Name               | Board of Directors | Board of Statutory Auditors | Nomination and Remuneration Committee |
|---------------------------------------|--------------------|--------------------|-----------------------------|---------------------------------------|
| President and Representative Director | Yuji Sato          | ◎                  |                             | ◎                                     |
| Senior Managing Director              | Shigeki Fukushima  | ○                  |                             |                                       |
| Director                              | Yoshifumi Morimoto | ○                  |                             |                                       |
| Director                              | Tomokatsu Ikeda    | ○                  |                             |                                       |
| Director (Outside)                    | Masahiro Fuchizaki | ○                  |                             | ○                                     |
| Director (Outside)                    | Yuri Nakano        | ○                  |                             | ○                                     |
| Full-time Statutory Auditor           | Masato Nakane      | ○                  | ○                           |                                       |
| Full-time Statutory Auditor (Outside) | Toshiaki Azuma     | ○                  | ◎                           |                                       |
| Part-time Statutory Auditor (Outside) | Motoaki Nishimura  | ○                  | ○                           |                                       |

#### A. Board of Directors

In addition to a monthly regular meeting, the Board of Directors holds an extraordinary meeting in a timely manner, if necessary, to make decisions on material matters related to management and to oversee each Director's execution of their duties. The Board of Directors mainly discusses the following matters:

- Matters related to management policy and Medium-Term Management Plan
- Matters related to strengthening of corporate governance
- Matters related to the internal control system including compliance and risk management

As of the filing date of this Annual Securities Report (June 25, 2025), we have six Directors, two of whom are Outside Directors including one woman. By appointing talent with abundant experience and advanced expertise and techniques as Directors, we are striving to make our operations more transparent and fairer.

The Company has proposed Election of Six (6) Directors as an agenda item (a proposal to be resolved) at the Ordinary General Meeting of Shareholders held on June 26, 2025, and even if this proposal is approved, the Board of Directors will continue to consist of six Directors, two of whom will be Outside Directors, including one female Director.

During the current fiscal year, a total of 14 meetings of the Board of Directors were held, and the following shows the attendance of each member.

| Title and position                                     | Name               | Attendance                   |
|--------------------------------------------------------|--------------------|------------------------------|
| Director and Chairman; Chair of the Board of Directors | Tokuo Kudara       | 14 out of 14 meetings (100%) |
| President and Representative Director                  | Yuji Sato          | 14 out of 14 meetings (100%) |
| Senior Managing Director                               | Shigeki Fukushima  | 14 out of 14 meetings (100%) |
| Director                                               | Toshio Tanaka      | 14 out of 14 meetings (100%) |
| Director (Outside)                                     | Masahiro Fuchizaki | 14 out of 14 meetings (100%) |
| Director (Outside)                                     | Keiko Kaneko       | 13 out of 14 meetings (92%)  |
| Full-time Statutory Auditor                            | Toru Miyachi       | 14 out of 14 meetings (100%) |
| Full-time Statutory Auditor (Outside)                  | Toshiaki Azuma     | 10 out of 10 meetings (100%) |
| Part-time Statutory Auditor (Outside)                  | Motoaki Nishimura  | 14 out of 14 meetings (100%) |

(Note) As full-time Statutory Auditor Mr. Toshiaki Azuma was appointed as Statutory Auditor on June 27, 2024, the attendance at the meetings of the Board of Directors stated here is that at those held after his appointment.

#### B. Risk Management Committee

We have the Risk Management Committee in place, chaired by President and Representative Director, which engages in risk management to respond to any potential risks. This Committee estimates potential corporate risks in advance to prevent them from occurring, and should any of such risks occur and emerge, the Committee resolves it as soon as possible and takes measures to prevent recurrence of it.

#### C. Sustainability Committee

We have the Sustainability Committee in place, chaired by President and Representative Director, which engages in socially and environmentally friendly operations. By so doing, we promote the Group Sustainability Basic Policy and Sustainability Action Guidelines as part of our responsibility for contributing to the development of a sustainable society. The Sustainability Committee regularly reports to the Board of Directors about sustainability-related matters of the Group, striving to realize our sustainable growth and enhanced corporate value.

#### D. Nomination and Remuneration Committee

We have the Nomination and Remuneration Committee in place to ensure the transparency and objectivity of the process to decide the candidates for Directors and Statutory Auditors and to decide Directors' remuneration. As of the filing date of this Annual Securities Report (June 25, 2025), the Nomination and Remuneration Committee comprises three members, two of whom are Independent Outside Directors, and deliberates nomination and remuneration, etc. and advises the Board of Directors.

- Matters related to the election of candidates for Directors and Statutory Auditors
- Matters related to the dismissal of Directors and Statutory Auditors
- Matters related to the selection and dismissal of Representative Director
- Matters related to the plan for successors
- Matters related to the policy for deciding Directors' remuneration, etc.
- Matters related to the decision of each Director's remuneration, etc.

The Company has proposed Election of Six (6) Directors as an agenda item (a proposal to be resolved) at the Ordinary General Meeting of Shareholders held on June 26, 2025, and even if this proposal is approved, the Nomination and Remuneration Committee will continue to consist of three Committee members (including two Independent Outside Directors).

During the current fiscal year, a total of eight meetings of the Nomination and Remuneration Committee were held, and the following shows the attendance of each member.

| Title and position                                     | Name               | Attendance                     |
|--------------------------------------------------------|--------------------|--------------------------------|
| Director and Chairman; Chair of the Board of Directors | Tokuo Kudara       | Two out of two meetings (100%) |
| President and Representative Director                  | Yuji Sato          | 6 out of 6 meetings (100%)     |
| Director (Outside)                                     | Masahiro Fuchizaki | 8 out of 8 meetings (100%)     |
| Director (Outside)                                     | Keiko Kaneko       | 8 out of 8 meetings (100%)     |

(Notes) 1. As Chair of the Board of Directors Mr. Tokuo Kudara retired from the Nomination and Remuneration Committee on June 27, 2024, the attendance at the meetings of the Nomination and Remuneration Committee stated here is that at those held before his retirement.

2. As President and Representative Director Mr. Yuji Sato assumed office as a member of the Nomination and Remuneration Committee on June 27, 2024, the attendance at the meetings of the Nomination and Remuneration Committee stated here is that at those held after his assumption of office.

E. Management Meeting

The Management Meeting comprises full-time Directors and is attended by those other than full-time Directors, if necessary. It is held twice a month, in principle, to deliberate in advance matters subject to resolution by the Board of Directors and to deliberate and examine other material matters related to management.

F. Executive Officers' Meeting

We have introduced an executive officer system, in which Executive Officers execute their duties under the direction of President and Representative Director in accordance with the decisions by the Board of Directors. The Executive Officers' Meeting comprises Directors including Outside Directors, Statutory Auditors, and Executive Officers. It is held once every six months, in principle, to report, deliberate, and examine Executive Officers' execution of their duties.

G. Group Meeting

The Group Meeting comprises Directors including Outside Directors, Statutory Auditors, and presidents of major subsidiaries. It is held once every six months, in principle, to report, deliberate, and examine subsidiaries' operating results, financial conditions, and other material matters.

H. Compliance Committee

We have the Compliance Committee in place, chaired by an Independent Outside Director, to oversee the Group's compliance situation and promote observance of laws. With regard to the Compliance Awareness Survey that covers all the employees of the Group, the Compliance Committee reports to the Board of Directors on the survey results in addition to the cases, etc. deliberated at the Corporate Ethics Committee. By so doing, it strives to raise the awareness about compliance based on corporate ethics and to make the importance of such compliance thoroughly understood, in addition to the importance of observance of laws.

I. Corporate Ethics Committee

We have the Corporate Ethics Committee in place, chaired by a Director. It conducts fact-finding surveys concerning violations of corporate ethics, the cases reported by an insider, etc., and examines and formulates prevention measures.

J. Statutory Auditors and the Board of Statutory Auditors

As of the filing date of this Annual Securities Report (June 25, 2025), we have three Statutory Auditors, two of whom are Outside Statutory Auditors, one of whom is a full-time Statutory Auditor. Statutory Auditors attend the meeting of the Board of Directors and other material meetings and hold a regular meeting to exchange views with Directors, Executive Officers, and employees, to oversee Directors' business execution. The meeting of the Board of Statutory Auditors is held once a month, in principle, to resolve, discuss, and deliberate material matters related to the audit policy and plan as well as audits. The Board of Statutory Auditors has a system in place to grasp the Group's condition in a timely and appropriate manner by closely working with the Accounting Auditor and the internal auditing departments.

The Company has proposed Election of One (1) Statutory Auditor as an agenda item (a proposal to be resolved) at the Ordinary General Meeting of Shareholders held on June 26, 2025, and if this proposal is approved, the Board of Statutory Auditors will continue to consist of three Statutory Auditors, two of whom will be Outside Statutory Auditors, including one full-time Statutory Auditor.

K. Internal Audit Office

We have the Internal Audit Office under the direct authority of President and Representative Director as one of the internal auditing departments that conducts the Group's internal business audits and evaluates the status of its internal control. It comprises eight members and works closely with Statutory Auditors concerning the results of audits and evaluation.

3) Other matters related to corporate governance

Basic policy on internal control system and the establishment of such system

A. Basic policy

The Company strives to appropriately establish and operate its internal control system so that all the companies and departments of the Group can fulfill their own roles, with the aim of achieving its corporate philosophy and operational targets and of improving its corporate value and sustainably growing.

With regard to the internal control system, the Internal Audit Office, under the direct authority of President and Representative Director, plays a core role in evaluating how the internal control system is implemented at the Company's individual departments and the Group's companies overall and in making proposals accordingly.

The Company resolved a proposal for the "Systems for Ensuring Proper Business Activities (internal control system)" stipulated by the Companies Act and the Regulations for Enforcement of the Companies Act at the meeting of the Board of Directors held in May 2006, and resolved a proposal for partially amending the said resolution at the meeting of the Board of Directors held in May 2023. We will continue to enhance transparency of our overall management through active disclosure of information.

B. Business execution and internal control system

(A) A system to ensure that Directors and employees execute their duties in compliance with laws and regulations as well as with the Articles of Incorporation of the Company

- The Directors and employees of the Company and its subsidiaries shall execute their duties in accordance with the Marudai Food Group's Code of Conduct, which stipulates the observance of laws and regulations, the Articles of Incorporation, the internal rules and social ethics.
- The Compliance Committee, chaired by an Independent Outside Director, shall oversee the Group's overall compliance situation and promote observance of laws and regulations, etc.
- The Company shall formulate the Marudai Food Group's Whistleblowing Rules as part of our internal whistleblowing system, establish internal/external consultation desks as whistleblowing contact points and make Directors and employees fully understand them to prevent any violation of laws and regulations or the Articles of Incorporation. In addition, the Company shall ensure the anonymity of whistleblowers and will never treat them unfavorably.

(B) A system to store and manage the information related to Directors' execution of duties

- We shall appropriately store and manage the minutes of the meeting of the Board of Directors and relevant documents, as well as the material information, etc. related to Directors' execution of duties, in accordance with the Document Rules.
- (C) Rules and other systems to manage the risk of loss
- The Company and its subsidiaries shall formulate the Marudai Food Group's Risk Management Rules to establish and implement a system that ensures food safety and health as a group of food companies and that prepares us to respond swiftly in the event of a material accident or natural disaster.
  - The Company and its subsidiaries shall, in the event that a crisis occurs or possibly occurs, establish the Risk Management Committee to swiftly gather and communicates information; and makes decisions and gives directions without delay.
- (D) A system to ensure Directors' efficient execution of duties
- The Company shall make a swift and appropriate decision on management matters at a regular meeting of the Board of Directors after deliberating such matters in advance at the Management Meeting, in accordance with the Rules for the Board of Directors and the Guidelines for Operation of the Board of Directors.
  - We shall formulate the Rules for Division of Duties and Authority for Organization to ensure that the Directors and employees of the Company and its subsidiaries efficiently execute duties. By so doing, we shall set standards for duties and authority, our chain of command, and other organizational matters to clarify the division of roles, etc. among the Directors and employees of the Company and its subsidiaries.
- (E) A system to ensure the appropriateness of the business activities by the group consisting of the Company and its subsidiaries
- In the Company, the Internal Audit Office, independent of the business execution departments, is striving to strengthen the audit function and internal control, and shall audit the operating status of the Group's business and regularly report to the Board of Directors and the Board of Statutory Auditors about how our compliance system is established and operated.
  - The Company has established a system where, when any subsidiary of the Company makes a decision on managerially material matters, such subsidiary shall seek prior approval for, and report on, such material matters, etc. from/to the Company, based on the Rules for Division of Duties and Authority for Organization.
- (F) Matters related to the report to the Company about execution of duties by Directors, etc. of its subsidiaries
- The Company regularly holds the Group meetings attended by Directors of the Company and directors of its major subsidiaries, where the subsidiaries are obliged to regularly report about their operating results, financial conditions, and other material information.
  - The Company shall have a system in place for its subsidiaries to report without delay to the Company about material matters that could affect the Company's operations, including an event that might cause the Company material damage or an event that is in violation of laws and regulations or the Articles of Incorporation.
- (G) Matters related to any employee hired as an assistant for Statutory Auditors if requested by them as well as matters related to the said employee's independence from Directors and the enforceability of directions
- If Statutory Auditors request that we hire an employee as an assistant to effectively conduct the audits by Statutory Auditors, Directors shall properly deploy personnel after discussion with Statutory Auditors.
  - Any decision on personnel matters concerning the employee as an assistant for Statutory Auditors, including the nomination, transfer, and evaluation of the said employee, shall necessitate the prior consent of the Board of Statutory Auditors. Any directions to such employee shall be given by Statutory Auditors.
- (H) A system for Directors and employees of the Company and its subsidiaries to report to Statutory Auditors, systems related to other reports to Statutory Auditors and a system to prevent anyone who has reported to Statutory Auditors from being treated unfavorably on grounds of making such report
- We shall have a system in place in which the Directors and employees of the Company and its subsidiaries shall report to Statutory Auditors without delay about any event that might cause the Company or its subsidiaries material damage, any case, etc. that is in violation of laws and regulations or the Articles of Incorporation, any case in which such Directors or employees have received a report about the abovementioned event or case, or any report to the whistleblowing contact points.
  - The Company's Internal Audit Office and the Quality Assurance Dept. shall report to Statutory Auditors about audit results regularly and if necessary.
  - The Company and its subsidiaries shall formulate an internal rule that bans treating unfavorably anyone who has reported to Statutory Auditors of the Company on grounds of making such report and make the Directors and employees of the Company and its subsidiaries fully understand the rule.
- (I) Other systems to ensure that Statutory Auditors' audit is effectively conducted
- The Board of Statutory Auditors shall hold a regular meeting to exchange views with Representative Director and Directors including Outside Directors and work closely with the Accounting Auditor and the internal auditing departments, including the Internal Audit Office and the Quality Assurance Dept.
  - If Statutory Auditors request prepayment or reimbursement of the expenses incurred when Statutory Auditors execute duties, the Company shall promptly deal with such expenses or obligations.

#### C. Initiatives to eliminate antisocial forces

##### (A) Basic policy for eliminating antisocial forces

The Company shall act in accordance with the Guidelines for Enterprises to Prevent Damage Caused by Antisocial Forces (Agreement at a Meeting of Cabinet Ministers Responsible for Anti-Crime Measures as of June 19, 2007) and also in conformity with the Basic Principle resolved at the meeting of the Board of Directors held on January 28, 2008.

(B) Status of establishment of measures to eliminate antisocial forces

- a. We work on an initiative to eliminate antisocial forces as a corporate body, with the General Affairs Section of the General Affairs and Human Resources Dept. serving as the secretariat for such an initiative.
- b. We work together with outside specialist bodies: police stations throughout Japan, Osaka Center for Removal of Criminal Organizations, and Osaka Corporate Defense Countermeasures Federation.
- c. We have no relationship with any antisocial forces, including any business relationship.
- d. Should we face any civil or criminal case against antisocial forces, we shall act in accordance with instructions from our corporate lawyer.
- e. Not only to ban doing any behind-the-scenes deal with antisocial forces and supplying funds to them, have we been putting all our energies into our corporate-wide efforts to make the Three No Campaign to Eliminate Antisocial Forces, “No fears, no money, and no use,” fully understood throughout our corporate operations.

4) Overview of limited liability agreement

Pursuant to Article 427, Paragraph 1 of the Companies Act and the Articles of Incorporation, the Company has entered into agreement with all of its Outside Directors and Statutory Auditors to limit their liability for damages pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of the liability for damages pursuant to the agreement shall be the amount stipulated by laws and regulations. This limited liability is applicable only if such Outside Directors and Statutory Auditors conducted the duty that has caused liability in good faith and without gross negligence.

5) Overview of a directors and officers (D&O) liability insurance agreement

The Company has entered into a directors and officers (D&O) liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, with its Directors and Statutory Auditors as the insured. The insurance covers the damages that may arise when the insured assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. Insurance premiums are fully paid by the Company. Such insurance agreement is scheduled to be renewed during their term of office as Directors and Statutory Auditors.

6) Requisite number of Directors

The Company stipulates in its Articles of Incorporation that the Board of Directors shall comprise ten or less Directors. With Directors having diverse specialties and experiences, the Board of Directors shall oversee business execution and make a material decision while ensuring swiftness.

7) Requirement for resolution of the election of Directors

The Company stipulates in its Articles of Incorporation that a resolution for the election of Directors shall be passed with the presence of shareholders who represent one-third or more of the total voting rights, and by a majority of the voting rights held by those shareholders present entitled to exercise their voting rights, but not by cumulative votes.

8) Purchase of treasury shares

The Company stipulates in its Articles of Incorporation that it may purchase its own shares via the market, etc., subject to a resolution of the Board of Directors in accordance with Article 165, Paragraph 2 of the Companies Act. This is aimed to flexibly carry out management measures such as financial policy in response to any changes in economic conditions.

9) Requirement for special resolution at the General Meeting of Shareholders

The Company stipulates in its Articles of Incorporation that special resolutions as stipulated in Article 309, Paragraph 2 of the Companies Act shall be passed with the presence of shareholders who represent one-third or more of the total voting rights, and by two-thirds or more of the voting rights held by those shareholders present entitled to exercise their voting rights. This is aimed to maintain smooth operation of the General Meeting of Shareholders.

10) Transactions with related parties

In the case of conducting transactions with related parties, such as Directors or major shareholders, the Company requires the approval at the meeting of the Board of Directors in accordance with its internal rules.

(2) Directors (and other officers)

1) List of Directors/Statutory Auditors

A. The status of the Company's Directors/Statutory Auditors as of the filing date of this Annual Securities Report (June 25, 2025) is as follows:

Male: 8, Female: 1 (Ratio of female to Directors/Statutory Auditors: 11.1%)

| Title and position                                                                                    | Name              | Date of birth     | Career summary                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Term     | Number of shares of the Company held (Shares) |
|-------------------------------------------------------------------------------------------------------|-------------------|-------------------|--------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-----------------------------------------------|
| President and Representative Director                                                                 | Yuji Sato         | December 25, 1964 | March 1983<br>April 2013<br>April 2018<br>April 2021<br>June 2021                                                        | Joined the Company<br>Executive Officer<br>President and Representative Director, Azumino Food Co., Ltd.<br>Managing Executive Officer of the Company<br>President and Representative Director (to present)                                                                                                                                                                                                                                                                                                                                                                | (Note 3) | 7,600                                         |
| Director and Chairman                                                                                 | Tokuo Kudara      | February 2, 1939  | February 1960<br>March 1970<br>April 1973<br>October 1981<br>April 2001<br>June 2019<br>June 2021                        | Joined the Company<br>General Manager, Purchasing Dept.<br>Director<br>Managing Director<br>President and Representative Director<br>Chairman and Representative Director<br>Director and Chairman (to present)                                                                                                                                                                                                                                                                                                                                                            | (Note 3) | 42,400                                        |
| Senior Managing Director, General Manager of Meat Business Dept. in charge of Quality Assurance Dept. | Shigeki Fukushima | October 9, 1963   | April 1987<br>April 2011<br>April 2017<br>June 2017<br>April 2021<br>April 2022<br>April 2023<br>June 2023<br>April 2025 | Joined the Company<br>Executive Officer<br>Senior Executive Officer<br>Director<br>Managing Director<br>President and Representative Director, Marudai Meat Co., Ltd.<br>Managing Executive Officer of the Company<br>Managing Director<br>Senior Managing Director, General Manager of Meat Business Dept. in charge of Quality Assurance Dept. (to present)                                                                                                                                                                                                              | (Note 3) | 4,200                                         |
| Director                                                                                              | Toshio Tanaka     | January 9, 1963   | April 1985<br>April 2019<br><br>June 2021<br><br>April 2023<br><br>April 2023<br><br>April 2025                          | Joined the Company<br>Executive Officer, General Manager of General Affairs and Human Resources Dept. and General Manager of Environmental Protection Office<br><br>Director in charge of Quality Assurance Dept., General Manager of General Affairs and Human Resources Dept. and General Manager of Environmental Protection Office<br><br>Director in charge of General Affairs and Human Resources Dept. and Quality Assurance Dept.<br><br>President and Representative Director, Marudai Service Co., Ltd. (to present)<br><br>Director of the Company (to present) | (Note 3) | 1,900                                         |

|                             |                    |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |          |     |
|-----------------------------|--------------------|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-----|
| Director                    | Masahiro Fuchizaki | April 8, 1956     | <p>April 1979<br/>Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>April 2007<br/>Executive Officer, General Manager of Operations Planning Dept., Sumitomo Mitsui Banking Corporation</p> <p>April 2008<br/>Executive Officer, Deputy Officer in charge of Operations Planning Dept. and Operations Promotion Dept.</p> <p>May 2009<br/>Advisor, JSOL Corporation</p> <p>June 2009<br/>Director, Senior Managing Director</p> <p>April 2010<br/>Managing Executive Officer, Sumitomo Mitsui Banking Corporation</p> <p>April 2011<br/>Managing Executive Officer, Sumitomo Mitsui Financial Group, Inc.<br/>Director, The Japan Research Institute, Limited</p> <p>June 2011<br/>Director, Sumitomo Mitsui Financial Group, Inc.</p> <p>April 2012<br/>Director and Senior Managing Executive Officer Sumitomo Mitsui Banking Corporation</p> <p>May 2015<br/>Representative Director, President and CEO, The Japan Research Institute, Limited</p> <p>June 2019<br/>Director and Chairman</p> <p>June 2020<br/>Special Advisor (to present)</p> <p>June 2021<br/>Outside Director of the Company (to present)</p> <p>June 2025<br/>Outside Auditor of BIPROGY Inc. (to present)</p> | (Note 3) | —   |
| Director                    | Keiko Kaneko       | November 27, 1958 | <p>April 1981<br/>Joined Matsushita Electric Industrial Co., Ltd. (currently Panasonic Corporation)</p> <p>April 2007<br/>General Manager, Information Security Division</p> <p>April 2014<br/>Assistant to Director, Senior Counsel for Personal Information Protection, Legal Division</p> <p>October 2014<br/>General Manager, Security Compliance Division, Benesse Holdings, Inc.</p> <p>June 2016<br/>General Manager, Information Security Division</p> <p>April 2018<br/>Associate Professor, Department of Business Law, Faculty of Business Administration, Osaka University of Economics</p> <p>June 2019<br/>Outside Director of the Company (to present)</p> <p>April 2022<br/>Senior researcher, Center for International Economic Collaboration</p> <p>June 2022<br/>Outside Director, KYOKUTO KAIHATSU KOGYO CO., LTD. (to present)</p> <p>June 2024<br/>Outside Director, Senshu Ikeda Holdings, Inc. (to present)<br/>Outside Director, The Senshu Ikeda Bank, Ltd. (to present)</p>                                                                                                                                                                                                                        | (Note 3) | —   |
| Full-time Statutory Auditor | Toru Miyachi       | September 1, 1959 | <p>April 1983<br/>Joined the Company</p> <p>June 2008<br/>Statutory Auditor, Marudai Service Co., Ltd.</p> <p>June 2018<br/>Retired from the position of Statutory Auditor of Marudai Service Co., Ltd.</p> <p>April 2020<br/>General Manager of General Affairs and Accounting Dept., Pioneer Foods Co., Ltd.</p> <p>June 2020<br/>Director</p> <p>June 2021<br/>Full-time Statutory Auditor of the Company (to present)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | (Note 4) | 300 |

|                             |                   |              |                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |          |        |
|-----------------------------|-------------------|--------------|-----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------|
| Full-time Statutory Auditor | Toshiaki Azuma    | May 22, 1964 | April 1987<br>July 2008<br>July 2009<br>July 2010<br>July 2012<br>July 2015<br>April 2017<br>June 2017<br>April 2022<br>June 2024 | Joined The Norinchukin Bank<br>Deputy General Manager, JA Bank System Guidance & Consultation Division<br>Deputy General Manager, Investment & Lending Planning Division<br>Seconded to National Federation of Fisheries Co-operative Associations<br>Sapporo Branch Manager<br>General Manager, JF Marine Bank Management Division<br>Joined SEIBU HOLDINGS INC.<br>Seconded to SEIBU PROPERTIES INC.<br>Director, Senior Executive Officer, General Manager, Accounting Department<br>Seconded to SEIBU REALTY SOLUTIONS INC. Director, Senior Executive Officer, General Manager, Accounting Department, SEIBU REALTY SOLUTIONS INC.<br>Outside Statutory Auditor of the Company (to present) | (Note 5) | —      |
| Statutory Auditor           | Motoaki Nishimura | July 9, 1943 | April 1972<br>June 2012<br>June 2013<br>June 2015                                                                                 | Registered as attorney-at-law (Osaka Bar Association)<br>Outside Auditor, Nikkato Co., Ltd.<br>Outside Statutory Auditor of the Company (to present)<br>Outside Director (Audit & Supervisory Committee Member), Nikkato Co., Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                               | (Note 6) | —      |
| Total                       |                   |              |                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |          | 56,400 |

- (Notes) 1. Directors Mr. Masahiro Fuchizaki and Ms. Keiko Kaneko are Outside Directors.  
 2. Statutory Auditors Mr. Toshiaki Azuma and Mr. Motoaki Nishimura are Outside Statutory Auditors.  
 3. The term of office for Directors is from the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2023, to the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2025.  
 4. The term of office for Statutory Auditor Mr. Toru Miyachi is from the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2021, to the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2025.  
 5. The term of office for Statutory Auditor Mr. Toshiaki Azuma is from the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2024, to the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ending March 31, 2028.  
 6. The term of office for Statutory Auditor Mr. Motoaki Nishimura is from the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2023, to the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ending March 31, 2027.  
 7. In order to ensure that the number of incumbent Statutory Auditors does not fall short of that required by laws and regulations, the Company has nominated one substitute Statutory Auditor as stipulated in Article 329, Paragraph 3 of the Companies Act.

The career summary of the candidate for substitute Statutory Auditor is as follows.

| Name          | Date of birth | Career summary                                     |                                                                                                                                                                                                                                                                 | Term   | Number of shares of the Company held (Shares) |
|---------------|---------------|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-----------------------------------------------|
| Kenji Tabuchi | May 18, 1959  | April 1990<br>April 1995<br>June 2001<br>June 2025 | Registered as attorney-at-law (Osaka Bar Association)<br>Joined Tsukaguchi Law Office<br>Opened Tabuchi Law Office<br>Opened Tabuchi Nishino Law Office (to present)<br>Outside Director (Audit & Supervisory Committee Member), Nikkato Co., Ltd. (to present) | (Note) | —                                             |

(Note) The term of office for a substitute Statutory Auditor is from the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2024, to the beginning of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2025.

B. The Company has proposed Election of Six (6) Directors and Election of One (1) Statutory Auditor as agenda items (proposals to be resolved) at the Ordinary General Meeting of Shareholders held on June 26, 2025. If these proposals are approved, the status of the Company's Directors/Statutory Auditors will be as follows: The titles and positions, etc. of Directors/Statutory Auditors are stated together with the details (titles and positions, etc.) of the resolutions at the Board of Directors meeting to be held immediately after the Ordinary General Meeting of Shareholders.

Male: 8, Female: 1 (Ratio of female to Directors/Statutory Auditors: 11.1%)

| Title and position                                                                                    | Name               | Date of birth     | Career summary                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                            | Term     | Number of shares of the Company held (Shares) |
|-------------------------------------------------------------------------------------------------------|--------------------|-------------------|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-----------------------------------------------|
| President and Representative Director                                                                 | Yuji Sato          | December 25, 1964 | March 1983<br>April 2013<br>April 2018<br>April 2021<br>June 2021                                                        | Joined the Company<br>Executive Officer<br>President and Representative Director, Azumino Food Co., Ltd.<br>Managing Executive Officer of the Company<br>President and Representative Director (to present)                                                                                                                                                                                                                                | (Note 3) | 7,600                                         |
| Senior Managing Director, General Manager of Meat Business Dept. in charge of Quality Assurance Dept. | Shigeki Fukushima  | October 9, 1963   | April 1987<br>April 2011<br>April 2017<br>June 2017<br>April 2021<br>April 2022<br>April 2023<br>June 2023<br>April 2025 | Joined the Company<br>Executive Officer<br>Senior Executive Officer<br>Director<br>Managing Director<br>President and Representative Director, Marudai Meat Co., Ltd.<br>Managing Executive Officer of the Company<br>Managing Director<br>Senior Managing Director, General Manager of Meat Business Dept. in charge of Quality Assurance Dept. (to present)                                                                              | (Note 3) | 4,200                                         |
| Director, General Manager of Accounting Dept.                                                         | Yoshifumi Morimoto | December 24, 1968 | April 1991<br>April 2021<br>May 2023<br>April 2024<br>June 2025                                                          | Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)<br>General Manager of Credit Administration Dept.<br>Executive Officer, General Manager of Accounting Dept. of the Company<br>Senior Executive Officer, General Manager of Accounting Dept.<br>Director, General Manager of Accounting Dept. (to present)                                                                                                | (Note3)  | 200                                           |
| Director, General Manager of Ham and Sausage Products Business Dept.                                  | Tomokatsu Ikeda    | July 3, 1971      | April 1995<br>April 2017<br>June 2018<br>April 2019<br>April 2021<br>April 2023<br>June 2025                             | Joined the Company<br>General Manager of Ingredients Dept.<br>Executive Officer, General Manager of Ingredients Dept.<br>Executive Officer, General Manager of Meat Business Dept.<br>Executive Officer, General Manager of Corporate Strategy Office<br>Senior Executive Officer, General Manager of Ham and Sausage Products Business Dept.<br>Director, General Manager of Ham and Sausage Products Business Dept. (to present)         | (Note3)  | 2,100                                         |
| Director                                                                                              | Masahiro Fuchizaki | April 8, 1956     | April 1979<br>April 2007<br>April 2008<br>May 2009<br>June 2009<br>April 2010                                            | Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)<br>Executive Officer, General Manager of Operations Planning Dept., Sumitomo Mitsui Banking Corporation<br>Executive Officer, Deputy Officer in charge of Operations Planning Dept. and Operations Promotion Dept.<br>Advisor, JSOL Corporation<br>Director, Senior Managing Director<br>Managing Executive Officer, Sumitomo Mitsui Banking Corporation | (Note3)  | —                                             |

|                             |                   |                  |               |                                                                                                                                                 |          |        |
|-----------------------------|-------------------|------------------|---------------|-------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------|
|                             |                   |                  | April 2011    | Managing Executive Officer, Sumitomo Mitsui Financial Group, Inc.<br>Director, The Japan Research Institute, Limited                            |          |        |
|                             |                   |                  | June 2011     | Director, Sumitomo Mitsui Financial Group, Inc.                                                                                                 |          |        |
|                             |                   |                  | April 2012    | Director and Senior Managing Executive Officer Sumitomo Mitsui Banking Corporation                                                              |          |        |
|                             |                   |                  | May 2015      | Representative Director, President and CEO, The Japan Research Institute, Limited                                                               |          |        |
|                             |                   |                  | June 2019     | Director and Chairman                                                                                                                           |          |        |
|                             |                   |                  | June 2020     | Special Advisor (to present)                                                                                                                    |          |        |
|                             |                   |                  | June 2021     | Outside Director of the Company (to present)                                                                                                    |          |        |
|                             |                   |                  | June 2025     | Outside Auditor of BIPROGY Inc. (to present)                                                                                                    |          |        |
| Director                    | Yuri Nakano       | January 20, 1963 | February 1997 | Established Yuri Nakano Tax Accountant Office                                                                                                   | (Note3)  | —      |
|                             |                   |                  | May 2006      | Established Sprout Tax Accountant Firm as Representative Partner                                                                                |          |        |
|                             |                   |                  | March 2011    | Established Sprout Beans KK<br>Representative Director (to present)                                                                             |          |        |
|                             |                   |                  | June 2016     | Outside Director, Shinobu Foods Products Co., Ltd. (to present)                                                                                 |          |        |
|                             |                   |                  | January 2022  | Representative, Sprout Tax Accountant Office (to present)                                                                                       |          |        |
|                             |                   |                  | June 2025     | Outside Director of the Company (to present)                                                                                                    |          |        |
| Full-time Statutory Auditor | Masato Nakane     | December 1, 1964 | April 1988    | Joined the Company                                                                                                                              | (Note 4) | 600    |
|                             |                   |                  | April 2018    | Director of Central Research Institute                                                                                                          |          |        |
|                             |                   |                  | June 2018     | Executive Officer, Director of Central Research Institute                                                                                       |          |        |
|                             |                   |                  | April 2025    | Advisor of Central Research Institute                                                                                                           |          |        |
|                             |                   |                  | June 2025     | Full-time Statutory Auditor of the Company (to present)                                                                                         |          |        |
| Full-time Statutory Auditor | Toshiaki Azuma    | May 22, 1964     | April 1987    | Joined The Norinchukin Bank                                                                                                                     | (Note 5) | —      |
|                             |                   |                  | July 2008     | Deputy General Manager, JA Bank System Guidance & Consultation Division                                                                         |          |        |
|                             |                   |                  | July 2009     | Deputy General Manager, Investment & Lending Planning Division                                                                                  |          |        |
|                             |                   |                  | July 2010     | Seconded to National Federation of Fisheries Co-operative Associations                                                                          |          |        |
|                             |                   |                  | July 2012     | Sapporo Branch Manager                                                                                                                          |          |        |
|                             |                   |                  | July 2015     | General Manager, JF Marine Bank Management Division                                                                                             |          |        |
|                             |                   |                  | April 2017    | Joined SEIBU HOLDINGS INC.<br>Seconded to SEIBU PROPERTIES INC.                                                                                 |          |        |
|                             |                   |                  | June 2017     | Director, Senior Executive Officer, General Manager, Accounting Department                                                                      |          |        |
|                             |                   |                  | April 2022    | Seconded to SEIBU REALTY SOLUTIONS INC. Director, Senior Executive Officer, General Manager, Accounting Department, SEIBU REALTY SOLUTIONS INC. |          |        |
|                             |                   |                  | June 2024     | Outside Statutory Auditor of the Company (to present)                                                                                           |          |        |
| Statutory Auditor           | Motoaki Nishimura | July 9, 1943     | April 1972    | Registered as attorney-at-law (Osaka Bar Association)                                                                                           | (Note 6) | —      |
|                             |                   |                  | June 2012     | Outside Auditor, Nikkato Co., Ltd.                                                                                                              |          |        |
|                             |                   |                  | June 2013     | Outside Statutory Auditor of the Company (to present)                                                                                           |          |        |
|                             |                   |                  | June 2015     | Outside Director (Audit & Supervisory Committee Member), Nikkato Co., Ltd.                                                                      |          |        |
| Total                       |                   |                  |               |                                                                                                                                                 |          | 14,700 |

(Notes) 1. Directors Mr. Masahiro Fuchizaki and Ms. Yuri Nakano are Outside Directors.

2. Statutory Auditors Mr. Toshiaki Azuma and Mr. Motoaki Nishimura are Outside Statutory Auditors.

3. The term of office for Directors is from the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2025, to the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ending March 31, 2027.

4. The term of office for Statutory Auditor Mr. Masato Nakane is from the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2025, to the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ending March 31, 2029.
5. The term of office for Statutory Auditor Mr. Toshiaki Azuma is from the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2024, to the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ending March 31, 2028.
6. The term of office for Statutory Auditor Mr. Motoaki Nishimura is from the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2023, to the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ending March 31, 2027.
7. In order to ensure that the number of incumbent Statutory Auditors does not fall short of that required by laws and regulations, the Company has nominated one substitute Statutory Auditor as stipulated in Article 329, Paragraph 3 of the Companies Act.

The career summary of the candidate for substitute Statutory Auditor is as follows.

| Name          | Date of birth | Career summary |                                                                                                                                                                                                                                                                 | Term   | Number of shares of the Company held (Shares) |
|---------------|---------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-----------------------------------------------|
| Kenji Tabuchi | May 18, 1959  | April 1990     | Registered as attorney-at-law (Osaka Bar Association)<br>Joined Tsukaguchi Law Office<br>Opened Tabuchi Law Office<br>Opened Tabuchi Nishino Law Office (to present)<br>Outside Director (Audit & Supervisory Committee Member), Nikkato Co., Ltd. (to present) | (Note) | —                                             |

(Note) The term of office for a substitute Statutory Auditor is from the conclusion of the Ordinary General Meeting of Shareholders for the fiscal year ended March 31, 2025, to the beginning of the Ordinary General Meeting of Shareholders for the fiscal year ending March 31, 2026.

## 2) Outside Directors (and other officers)

We have two Outside Directors and two Outside Statutory Auditors.

Mr. Masahiro Fuchizaki has a wealth of experience and profound insight through his involvement in corporate management over the years. He is providing advice concerning overall management of the Company and is fulfilling his duties as an Outside Director of the Company. For these reasons, the Company judges that he is a suitable person to oversee business execution of the Company in its pursuit of sustainable growth and medium- to long-term enhancement of corporate value.

Ms. Keiko Kaneko has professional knowledge in the legal and information security operations as well as a wealth of experience and profound insight. She is providing advice concerning overall management of the Company and is fulfilling her duties as an Outside Director of the Company. For these reasons, the Company judges that she is a suitable person to oversee business execution of the Company in its pursuit of sustainable growth and medium- to long-term enhancement of corporate value.

Mr. Toshiaki Azuma has years of experience at a financial institution and profound insight into financial and accounting affairs and is contributing to enhancing the Company's audit systems. For these reasons, the Company judges that he is indispensable for the Company's audit systems.

Mr. Motoaki Nishimura has a high level of expertise and profound insight as an attorney-at-law. He performs his duties of monitoring and supervision of the management from a professional, neutral and objective point of view and contributes to the enhancement of corporate governance of the Company. For these reasons, the Company judges that he is indispensable for the Company's audit systems.

The Company has proposed Election of Six (6) Directors as an agenda item (a proposal to be resolved) at the Ordinary General Meeting of Shareholders held on June 26, 2025. If this proposal is approved, Mr. Masahiro Fuchizaki will be reappointed and Ms. Yuri Nakano will newly assume the position of Outside Director to replace Ms. Keiko Kaneko, who will retire at the end of her term of office. As a result, the Company will have two Outside Directors. The Company will continue to have two Outside Statutory Auditors.

Ms. Yuri Nakano has expertise as a tax accountant and a wealth of experience and profound insight through her career as a management consultant and as an Outside Director of a listed company. The Company judges that she will provide advice concerning overall management of the Company and fulfill her duties as an Outside Director of the Company. For these reasons, the Company believes that she is a suitable person to oversee business execution of the Company.

There are no human relationships, financial relationships, transaction relationships, or any other interests between Outside Directors/Statutory Auditors and the Company.

We have formulated and made public our Independence Standards for Outside Directors/Statutory Auditors as the specific criteria for us to make a judgment concerning their independence, based on the independence criteria set forth by a relevant financial instruments exchange.

The Independence Standards for Outside Directors/Statutory Auditors formulated by the Company are as follows:

[Independence Standards for Outside Directors/Statutory Auditors]

If any of the following attributes applies to an Outside Director/Statutory Auditor of the Company, the Company judges that such Outside Director/Statutory Auditor is not fully independent from the Company.

- (1) An executive person (Note 1) of the Company or consolidated subsidiaries of the Company (hereinafter referred to as the “Marudai Food Group”)
- (2) A party to whom any of 1) to 9) below applied in the past three years
  - 1) A party whose principal business partner is the Marudai Food Group (Note 2) or its executive person
  - 2) A principal business partner of the Marudai Food Group (Note 3) or its executive person
  - 3) A principal lender to the Marudai Food Group (Note 4) or its executive person
  - 4) A major shareholder (directly or indirectly holding 10% or more of the total voting rights) of the Company or its executive person
  - 5) A party of which the Marudai Food Group is a major shareholder (directly or indirectly holding 10% or more of the total voting rights) or its executive person
  - 6) A party affiliated with an audit firm that is the Accounting Auditor of the Marudai Food Group
  - 7) A party who received remuneration exceeding 10 million yen a year excluding the Directors’ or Auditors’ remuneration, from the Marudai Food Group
  - 8) A party who received donations exceeding a certain limit (Note 5) from the Marudai Food Group or its executive person
  - 9) An executive person of an entity for which an executive person of the Marudai Food Group serves as a Director/Statutory Auditor
- (3) The spouse or relative in the second degree of kinship of a party to whom (1) or (2) above applies and who holds an important position (Note 6)

(Notes)

1. An “executive person” means an executive director, an executive officer, a general manager, a party in a similar position, and an employee of an organization such as a corporation.
2. A “party whose principal business partner is the Marudai Food Group” means a party who received payment from the Group equal to 2% or more of the party’s consolidated annual sales in the most recent fiscal year.
3. A “principal business partner of the Marudai Food Group” means a party whose payment to the Company was equal to 2% or more of the Company’s consolidated annual sales in the most recent fiscal year.
4. A “principal lender to the Marudai Food Group” is a lender from which the Marudai Food Group borrows an amount equal to 2% or more of consolidated total assets.
5. “Donations exceeding a certain limit” means donations to an organization such as a corporation that amount to 10 million yen a year or more or that are equal to 2% or more of net sales or total revenues of such organization, whichever is larger.
6. A “party who holds an important position” means a director, an executive, an executive officer, or a party who executes important business and holds the position of general manager or higher.

In light of guaranteeing the objectivity and independence of the Board of Directors overall, the Company has notified the Tokyo Stock Exchange of Outside Directors Mr. Masahiro Fuchizaki and Ms. Keiko Kaneko and Outside Statutory Auditors Mr. Toshiaki Azuma and Mr. Motoaki Nishimura, as of the filing date of this Annual Securities Report (June 25, 2025), as Independent Directors/Statutory Auditors, in accordance with the standards above. The Company has also notified the exchange that it plans to designate Ms. Yuri Nakano, a candidate for Outside Director, as Independent Director if she is elected as originally proposed at the Ordinary General Meeting of Shareholders held on June 26, 2025.

If the Company’s Outside Directors/Statutory Auditors concurrently serve as director or auditor at publicly listed companies other than the Company, they will limit the liabilities they assume to a reasonable range, taking into consideration their own fiduciary duties.

Outside Directors contribute to strengthening our corporate governance by providing advice concerning overall management of the Company while overseeing its management. Outside Statutory Auditors’ efforts to conduct effective audits include overseeing business execution of the Company in light of the professional knowledge in financial and legal areas they have acquired through abundant operational experience; closely working with the Internal Audit Office, a supervising department in charge of internal audits and control; and exchanging information and views with the Accounting Auditor. With regard to our elected Outside Directors/Statutory Auditors, we consider that the current system to oversee and supervise business execution of the Company is adequate, given our business scale, operations, etc.

### (3) Audits

#### 1) Audits by Statutory Auditors

##### A. Organization and personnel of the Board of Statutory Auditors

As of the filing date of this Annual Securities Report (June 25, 2025), the Statutory Auditors of the Company comprises three members: two full-time Statutory Auditors (including one Outside Statutory Auditor) and one part-time Statutory Auditor (Outside Statutory Auditor). The two Outside Statutory Auditors satisfy the requirements for Independent Statutory Auditors set forth by the Company. Full-time Statutory Auditor Mr. Toru Miyachi has a wealth of operational experience in the Company's general affairs and human resources department and corporate strategy department, among others, and extensive knowledge derived from his past positions such as Director at the Group company. Full-time Statutory Auditor (Outside Statutory Auditor) Mr. Toshiaki Azuma has abundant knowledge about financial and accounting affairs through his experience and expertise in financial institutions over the years. Outside Statutory Auditor Mr. Motoaki Nishimura has abundant knowledge and experience and profound insight as an attorney-at-law and performs monitoring and provides suggestions from objective and neutral point of view.

The Company has proposed Election of One (1) Statutory Auditor as an agenda item (a proposal to be resolved) at the Ordinary General Meeting of Shareholders held on June 26, 2025. If this proposal is approved, Mr. Masato Nakane will newly assume the position of Statutory Auditor on a full-time basis, replacing Mr. Toru Miyachi, who will retire at the end of his term of office. The Statutory Auditors of the Company continues to comprise three members: two full-time Statutory Auditors (including one Outside Statutory Auditor) and one part-time Statutory Auditor (Outside Statutory Auditor).

We have no full-time staff members who provide support for the Board of Statutory Auditors. We instead have a system in which each department provides Statutory Auditors in a timely and accurate manner with the information, material, etc. necessary for them to execute duties.

##### B. Operation of the Board of Statutory Auditors

In principle, the meetings of the Board of Statutory Auditors are held once a month in accordance with the Rules for the Board of Statutory Auditors, but it is also held as required. During the current fiscal year, a total of 17 meetings of the Board of Statutory Auditors were held, and the following shows the attendance of each full-time Statutory Auditor and part-time Statutory Auditor at meetings of the Board of Statutory Auditors and meetings of the Board of Directors:

| Title and position                    | Name              | Rate of attendance at meetings of the Board of Statutory Auditors | Rate of attendance at meetings of the Board of Directors |
|---------------------------------------|-------------------|-------------------------------------------------------------------|----------------------------------------------------------|
| Full-time Statutory Auditor           | Toru Miyachi      | 100%<br>(17 out of 17 meetings)                                   | 100%<br>(14 out of 14 meetings)                          |
| Full-time Statutory Auditor (Outside) | Takashi Matsuzawa | 100%<br>(7 out of 7 meetings)                                     | 100%<br>(4 out of 4 meetings)                            |
| Full-time Statutory Auditor (Outside) | Toshiaki Azuma    | 100%<br>(10 out of 10 meetings)                                   | 100%<br>(10 out of 10 meetings)                          |
| Part-time Statutory Auditor (Outside) | Motoaki Nishimura | 100%<br>(17 out of 17 meetings)                                   | 100%<br>(14 out of 14 meetings)                          |

(Note) The attendance for Mr. Takashi Matsuzawa stated here is that of the meetings held before his retirement as Statutory Auditor on June 27, 2024.

(Note) The attendance for Mr. Toshiaki Azuma stated here is that of the meetings held after his retirement as Statutory Auditor on June 27, 2024.

The Company has proposed Election of One (1) Statutory Auditor as an agenda item (a proposal to be resolved) at the Ordinary General Meeting of Shareholders held on June 26, 2025. If this proposal is approved, Mr. Masato Nakane will newly assume the position of Statutory Auditor on a full-time basis, replacing Mr. Toru Miyachi, who will retire at the end of his term of office.

The Board of Statutory Auditors resolves, discusses, and reports on material matters related to audit in accordance with laws and regulations, and the Rules for the Board of Statutory Auditors.

Main agenda addressed at the meeting of the Board of Statutory Auditors is as follows:

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Matters to be resolved  | Audit policy, plans and division of duties; selection of Chair of the Board of Statutory Auditors, full-time Statutory Auditors, and specified Statutory Auditors; reappointment of the Accounting Auditor; consent to the audit remuneration received by the Accounting Auditor; and consent to the proposal of the election of Statutory Auditors and Substitute Statutory Auditor; resolution of Auditors' report prepared by the Board of Statutory Auditors; and prior approval for non-audit certification by the Accounting Auditor, among others |
| Matters to be discussed | Exchange of opinions regarding the Board of Directors; evaluation of the Accounting Auditor; audit policy; drafting of audit plans; details of regular interviews with Representative Director and Directors; and matters related to the General Meeting of Shareholders, among others                                                                                                                                                                                                                                                                   |
| Matters to be reported  | Status of execution of duties by Statutory Auditors; matters on the confirmation letter of execution of duties by Directors; details of the meeting of the Risk Management Committee; business report; and matters concerning the annual securities report, among others                                                                                                                                                                                                                                                                                 |

C. Activities of Statutory Auditors and the Board of Statutory Auditors

Three Statutory Auditors attend meetings of the Board of Directors to audit how proceedings are managed and what are resolved, and express opinions as necessary. In addition, the Board of Statutory Auditors holds regular meetings twice a year with President and Representative Director who also serve as Chair of the Nomination and Remuneration Committee and Director and Chairman who also serves as Chair of the Board of Directors. At these meetings, the Board of Statutory Auditors exchanges opinions with them on material audit issues, issues that the Company should address, and matters concerning how to respond to legislative amendments, and also provides explanations of audit plans and the status of audit implementation as appropriate.

Main activities and division of roles

| Activities                                                                               | Full-time Statutory Auditor | Part-time Statutory Auditor |
|------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| Attendance at meetings of the Board of Directors                                         | ○                           | ○                           |
| Attendance at the Executive Officers' Meeting                                            | ○                           | —                           |
| Attendance at the Group Meeting                                                          | ○                           | —                           |
| Individual interviews with Representative Director and Directors                         | ○                           | ○                           |
| Individual interviews with Executive Officers                                            | ○                           | ○                           |
| Attendance at the communication meetings for Outside Directors/Statutory Auditors (Note) | ○                           | ○                           |
| Attendance at meetings of the Compliance Committee (Note)                                | ○                           | —                           |
| Attendance at meetings of the Risk Management Committee                                  | ○                           | —                           |
| Visiting of major bases for audit                                                        | ○                           | —                           |
| Visiting of major subsidiaries for audit                                                 | ○                           | —                           |
| Information sharing and dialogue with the internal auditing departments                  | ○                           | ○                           |
| Communication with the Accounting Auditor                                                | ○                           | ○                           |

(Note) An Internal Statutory Auditor attends these meetings as observers in accordance with our internal rules and guidelines.

D. Details of cooperation with the Accounting Auditor

Details of cooperation between the Accounting Auditor, KPMG AZSA LLC, and the Board of Statutory Auditors are as follows:

| Details                                                                                                  | Month                    |
|----------------------------------------------------------------------------------------------------------|--------------------------|
| Provision of information on matters necessary for audit (including fraud risk), and exchange of opinions | March                    |
| Communication about key audit matters (KAM)                                                              | February, March, and May |
| Auditors' report based on the Companies Act                                                              | May                      |
| Auditors' report based on the Financial Instruments and Exchange Act                                     | June                     |
| Report on internal control (proceedings and audit results)                                               | May and June             |
| Summarized explanation on audit plans                                                                    | July                     |
| Report on the review results of semi-annual consolidated financial statements (for the first six months) | November                 |
| Explanation of the implementation status of annual audits                                                | August and February      |
| Communication about the next fiscal year's audit                                                         | March                    |

E. Details of cooperation with the internal auditing departments

Statutory Auditors closely work in mutual cooperation with the internal auditing departments (the Internal Audit Office and the Quality Assurance Dept.) and statutory auditors of the Group companies, by exchanging information and views with them and holding discussions about relevant issues to conduct effective audits.

Cooperation with the internal auditing departments

| Department              | Details                                                                              | Month/Year   |
|-------------------------|--------------------------------------------------------------------------------------|--------------|
| Internal Audit Office   | Audit results for the first half of the fiscal year and progress of internal control | October 2024 |
|                         | Audit results for the second half of the fiscal year and full-year audit results     | March 2025   |
|                         | Full-year audit results                                                              | March 2025   |
|                         | Report on audit plans and adjustment                                                 | March 2025   |
|                         | Report on internal control and evaluation                                            | June 2025    |
| Quality Assurance Dept. | Report on audit for the first half of the fiscal year                                | October 2024 |
|                         | Report on full-year audit                                                            | March 2025   |
| in common               | Interview about reappointment of an audit firm                                       | March 2025   |
|                         | Report on audit of bases and Group companies                                         | Monthly      |

2) Internal audits

We have the Internal Audit Office, which comprises eight members, under the direct authority of President and Representative Director as the internal auditing department, which conducts business audits and internal control evaluation based on the Financial Instruments and Exchange Act. It makes a fair and objective judgment about whether the Group's business has been executed properly in terms of compliance with laws and regulations, operational efficiency, credibility of financial statements, and preservation of assets, and provides advice or recommendations accordingly. It strives to enhance the internal auditing functions by conducting checkup of improvement status and follow-up.

The Internal Audit Office reports to personnel in charge of relevant departments about results of internal audits as necessary, and also to the Board of Directors and the Board of Statutory Auditors directly to ensure the effectiveness of internal audits. The Internal Audit Office also exchanges views with an audit firm as the Accounting Auditor about the information on the internal control status, risk evaluations, etc. obtained by the audit firm as well as about audit results, maintaining close cooperation with the audit firm.

3) Accounting audits

A. Name of the audit firm

KPMG AZSA LLC

B. Consecutive auditing period

34 years

C. Certified public accountants engaged in the accounting audit services

Designated Limited Liability Partner      Engagement Partner      Takahide Nakahata

Designated Limited Liability Partner      Engagement Partner      Satoru Komatsuno

Neither of them has engaged in the Company's audits for more than seven consecutive fiscal periods.

D. Assistants for the accounting audits

Certified Public Accountant      10 persons

Persons who have passed the CPA examination:      3 persons

Other      15 persons

E. Policy and reason for selecting audit firm

The Board of Statutory Auditors has set the following policy: it shall verify the appropriateness of the reason why the executive management departments have selected the Accounting Auditor as a candidate for the Company's Accounting Auditor and the appropriateness of the process in which the executive management departments have examined candidates for an Accounting Auditor; the Board of Statutory Auditors shall ask the candidates to provide material concerning the following items, etc. and have interviews with them. If the Board of Statutory Auditors judges a certain candidate appropriate, it shall decide to select the said candidate as an Accounting Auditor.

- Overview of a candidate for an Accounting Auditor
- Any factor for disqualification
- The candidate's internal control system
- Standards for audit remuneration
- Matters related to the execution of duties concerning the Accounting Auditor's independence stipulated in Article 131 of the Regulations on Corporate Accounting

In the case of reappointment of the Accounting Auditor, the Board of Statutory Auditors determines whether or not the said Accounting Auditor is appropriate for reappointment based on its audit activities, including how the said Accounting Auditor has executed duties, how its audit system is structured, how independent its audit is, how specialized it is, and through what process the executive management departments have examined and decided on the reappointment of it.

As for the policy for dismissal and non-reappointment of the Accounting Auditor, the Board of Statutory Auditors shall dismiss the Accounting Auditor with the consent of all the Statutory Auditors if the Accounting Auditor is deemed to fall under any one of the items in Article 340, Paragraph 1 of the Companies Act. In such a case, the Statutory Auditor selected by the Board of Statutory Auditors shall report the fact that it has dismissed the Accounting Auditor and the reason for the dismissal at the first General Meeting of Shareholders to be held after such dismissal.

Besides the above case, if the Board of Statutory Auditors determines that the said Accounting Auditor is unable to conduct proper audits because it is not appropriate as an Accounting Auditor or independent enough, or that a change of the Accounting Auditor is deemed reasonable to improve the appropriateness of audits, the Board of Statutory Auditors shall dismiss or shall not reappoint the Accounting Auditor and shall instead submit a proposal to the General Meeting of Shareholders to elect a new Accounting Auditor.

F. Assessment of the audit firm by Statutory Auditors and the Board of Statutory Auditors

The Board of Statutory Auditors has set evaluation guidelines and standards for the Accounting Auditor regarding the following items and evaluates their appropriateness every fiscal year.

- How the audit firm manages quality
- How independent and specialized the audit firm (team) is
- How adequate the audit firm's audit plan and activities are
- How reasonable the audit conducted by the audit firm is
- Whether the audit firm has made audit reports in accordance with laws and regulations, and how cooperative the audit firm has been with Statutory Auditors
- Whether or not the audit firm's estimation of the time required for an audit as well as audit remuneration are appropriate, etc.

In addition to these items, the Board of Statutory Auditors had a deliberation by referring to the evaluation of the Accounting Auditor by the executive management departments and internal auditing departments. As a result, the Board of Statutory Auditors has determined that KPMG AZSA LLC has conducted adequate audits and the evaluation results are appropriate, and judged that its reappointment is therefore reasonable.

#### 4) Details of audit remuneration

##### A. Details of remuneration for auditing certified public accountants, etc.

(Millions of yen)

| Category                  | Fiscal year ended March 31, 2024                    |                                                         | Fiscal year ended March 31, 2025                    |                                                         |
|---------------------------|-----------------------------------------------------|---------------------------------------------------------|-----------------------------------------------------|---------------------------------------------------------|
|                           | Remuneration in accordance with audit certification | Remuneration in accordance with non-audit certification | Remuneration in accordance with audit certification | Remuneration in accordance with non-audit certification |
| Reporting company         | 73                                                  | —                                                       | 72                                                  | —                                                       |
| Consolidated subsidiaries | —                                                   | —                                                       | —                                                   | —                                                       |
| Total                     | 73                                                  | —                                                       | 72                                                  | —                                                       |

##### B. Remuneration to the same network (KPMG) as auditing certified public accountants, etc. (excluding A)

(Millions of Thai baht)

| Category                  | Fiscal year ended March 31, 2024                    |                                                         | Fiscal year ended March 31, 2025                    |                                                         |
|---------------------------|-----------------------------------------------------|---------------------------------------------------------|-----------------------------------------------------|---------------------------------------------------------|
|                           | Remuneration in accordance with audit certification | Remuneration in accordance with non-audit certification | Remuneration in accordance with audit certification | Remuneration in accordance with non-audit certification |
| Reporting company         | —                                                   | 0                                                       | —                                                   | 0                                                       |
| Consolidated subsidiaries | —                                                   | —                                                       | —                                                   | —                                                       |
| Total                     | —                                                   | 0                                                       | —                                                   | 0                                                       |

As non-audit certification for the Company, we pay remuneration for the income tax return services for the representatives at our Thailand office.

##### C. Details of remuneration in accordance with other important audit certification services

Not applicable.

##### D. Policy for deciding audit remuneration

Not applicable.

##### E. Reasons for the Board of Statutory Auditors' consent to remuneration, etc. for the Accounting Auditor

The Board of Statutory Auditors conducted necessary verification on what the Accounting Auditor's audit plan was, how the Accounting Auditor had been conducting accounting audits for the previous fiscal years, and whether the base for calculating the estimated remuneration was appropriate, by obtaining necessary material or reports from Directors, relevant divisions in the Company, and the Accounting Auditor. As a result, the Board of Statutory Auditors has determined that the Accounting Auditor ensured audit quality and guaranteed its independence in a reasonable manner, and therefore given the consent specified in Article 399, Paragraph 1 of the Companies Act to the amount of the remuneration, etc. for the Accounting Auditor.

#### (4) Remuneration for Directors and Statutory Auditors

##### Remuneration for Directors and Statutory Auditors for the 77th fiscal year

##### 1) Matters relating to the policy for determining the amount of remuneration for Directors and Statutory Auditors or the method of calculating such amount

The Company has established a policy for determining the details of remuneration for individual Directors (hereinafter referred to as the "Determination Policy") that provides that remuneration for individual Directors shall be determined by considering both existing payment criteria based on the Company's performance, practices, etc. and the contribution of respective Directors to the Company performance etc., for the purpose of motivating Directors to contribute to the Company's sustained growth and medium- to long-term corporate value enhancement. The remuneration for Directors, in principle, consists of fixed remuneration and performance-linked bonuses. A policy on the determination of the payment ratio of performance-linked remuneration and compensation other than performance-linked remuneration provides that the ratio shall not be fixed. Rather, the Nomination and Remuneration Committee shall discuss it at the request of the Board of Directors and Representative Director, taking into account the existing payment criteria based on the Company's performance, practices, etc. as well as remuneration standards among companies with similar business scale, and the payment ratio shall be determined based on the Committee's findings.

The Determination Policy has been established pursuant to the resolution of the Board of Directors, which was based on the findings of the Nomination and Remuneration Committee that deliberated the validity and appropriate operation of remuneration system relating to individual Directors' fixed remuneration, performance-linked remuneration, etc., at the request of the Board of Directors and the Representative Director. The Board of Directors decided that respective Directors' remuneration, etc. are in line with the Determination Policy, because the proposed amounts of respective Directors' remuneration have been deliberated and discussed extensively, including its validity in light of the Determination Policy, and reported to the Board of Directors, by the Nomination and Remuneration Committee, and the Board of Directors respected the Committee's findings.

Pursuant to the resolution at the 63rd Ordinary General Meeting of Shareholders held on June 29, 2011, the Company set maximum monthly remuneration for Directors at 30 million yen (including 3 million yen for Outside Directors but excluding the employee portion of salaries of employees concurrently serving as Directors). The number of Directors as of the conclusion of the above Ordinary General Meeting of Shareholders was nine (including two Outside Directors). In addition, pursuant to the resolution at the 46th Ordinary General Meeting of Shareholders held on June 29, 1994, the Company set maximum monthly remuneration for Statutory Auditors at 5 million yen. The number of Statutory Auditors as of the conclusion of the Ordinary General Meeting of Shareholders concerned was four (including two Outside Statutory Auditors).

The Company has introduced a short-term performance-linked remuneration system for its Directors. The total amount of the performance-linked remuneration is determined with a ceiling of 1% of the consolidated operating profit. Proposed remuneration paid to each individual Director is calculated taking into consideration his/her title and responsibilities as well as existing payment criteria for each position based on performance, practices, etc. The Nomination and Remuneration Committee deliberates the proposal and reports the findings to the Board of Directors, and the final performance-linked remuneration for individual Directors is decided upon the resolution of the Board of Directors based on such findings.

The performance indicator chosen as the basis for calculating the amount of performance-linked remuneration, etc. is the consolidated operating profit. This is because the consolidated operating profit indicates the Group's overall business results and the Group considers it to be an important indicator. For the fiscal year ended March 31, 2025, the Company posted consolidated operating profit of 5,469 million yen.

2) Total amount of remuneration by categories and type, and the number of paid Directors and Statutory Auditors

| Category                                                       | Total amount<br>(Millions of<br>yen) | Total amount of remuneration by type<br>(Millions of yen) |                                        |                                       | Number of<br>persons |
|----------------------------------------------------------------|--------------------------------------|-----------------------------------------------------------|----------------------------------------|---------------------------------------|----------------------|
|                                                                |                                      | Fixed<br>remuneration                                     | Performance-<br>linked<br>remuneration | Bonuses and<br>retirement<br>benefits |                      |
| Directors (excluding<br>Outside Directors)                     | 141                                  | 114                                                       | 27                                     | —                                     | 4                    |
| Statutory Auditor<br>(excluding Outside<br>Statutory Auditors) | 11                                   | 11                                                        | —                                      | —                                     | 1                    |
| Outside<br>Directors/Statutory<br>Auditors                     | 28                                   | 28                                                        | —                                      | —                                     | 5                    |

3) The total amounts of remuneration paid to individual Directors and Statutory Auditors of the Company

This information is omitted as none of Directors and Statutory Auditors of the Company received aggregated consolidated remuneration of 100 million yen and above.

4) Significant amount of employee's salary paid to Directors who concurrently serve as employees

Not applicable.

Remuneration for Directors and Statutory Auditors for the 78th fiscal year and beyond

The Company is scheduled to propose Election of Six (6) Directors, Revision of Amount of Remuneration for Directors, and Determination of the Amount and Details of Performance-linked Share-based Remuneration, etc. for Directors as agenda items (proposals to be resolved) at the 77th Ordinary General Meeting of Shareholders held on June 26, 2025. On the condition that these proposals would be approved as originally proposed, the Board of Directors resolved the policy for determining the details of the remuneration, etc. for each new Director of the Company at its meeting held on May 14, 2025.

These proposals have been determined based on a comprehensive assessment of the Company's business scale, executive remuneration framework and payment criteria, the current number of Directors, future trends, etc. It has been discussed by the Nomination and Remuneration Committee, which is composed of a majority of Independent Outside Directors, and resolved by the Board of Directors, and therefore is deemed appropriate. The number of Directors as of the conclusion of the above Ordinary General Meeting of Shareholders will be six (including two Outside Directors).

The Company's remuneration for Directors consists of fixed remuneration and performance-linked remuneration. At the 77th Ordinary General Meeting of Shareholders to be held on June 26, 2025, the Company will introduce a new performance-linked share-based remuneration plan (hereinafter referred to as the "Plan") with the use of a trust structure, targeting the Company's Directors (excluding Outside Directors). The purpose of this introduction is to heighten Directors' awareness of contributing to the Company's medium- to long-term performance improvement and corporate value enhancement, by further clarifying the link between Directors' remuneration and the Company's performance and thus encouraging Directors to share both the benefits and risks of share price fluctuations with shareholders. The framework of the performance-linked share-based remuneration shall be separate from the maximum amount of Directors' remuneration (an annual amount of up to 360 million yen, including up to 36 million yen for Outside Directors; excluding the employee salary portion), subject to approval of the said proposals as originally proposed. In addition, the remuneration under the Plan shall be granted to Directors (excluding Outside Directors; the same applies hereinafter) who serve during the approximately four-year period beginning on the date following the conclusion of the 77th Ordinary General Meeting of Shareholders and ending on the date of the Ordinary General Meeting of Shareholders to be held in June 2029 (hereinafter referred to as the "Applicable Period"). However, the Applicable Period may be extended.

An overview of the policy for determining the details of remuneration for individual Directors at the Company is as follows:

### 1. Basic policy for remuneration

- (1) Remuneration for Directors shall be structured to serve as a motivation for promoting the Company's sustained growth and enhancement of corporate value.
- (2) Remuneration content and levels shall be sound and appropriate to secure talented personnel capable of implementing the Company's corporate philosophy and driving its management.
- (3) Remuneration shall be commensurate with each Director's role and contribution to performance.

### 2. Remuneration composition

The Company's remuneration for Directors (excluding Outside Directors) shall consist of fixed remuneration and performance-linked remuneration (bonuses and share-based remuneration). For Outside Directors, who function as supervisors independent from business execution, only the fixed remuneration shall be paid, given their roles and responsibilities. In order to fulfill the responsibilities of Directors, the Company sets the ratio of remuneration structure according to the roles and responsibilities of each title, which functions as a sound incentive for sustainable growth and improvement of corporate value, in addition to the achievement of performance targets for a single fiscal year.

<Remuneration composition ratios when the standard performance targets are achieved>

(Unit: %)

| Title                          | Fixed remuneration | Performance-linked remuneration (bonuses) | Performance-linked share-based remuneration |
|--------------------------------|--------------------|-------------------------------------------|---------------------------------------------|
| Director (Chairman, President) | 60                 | 25                                        | 15                                          |
| Director (others)              | 70                 | 20                                        | 10                                          |

The remuneration composition ratios are subject to change depending on performance and the degree of target achievement.

#### (1) Fixed remuneration (basic remuneration)

Fixed remuneration for each Director shall be determined comprehensively by taking into account the payment criteria for each title and the Company's performance scale, while also referring to remuneration levels in data such as objective remuneration survey data provided by external organizations. Fixed remuneration shall be paid in cash on a monthly basis.

#### (2) Performance-linked remuneration (bonuses)

The amount of bonus for each Director shall be determined by multiplying a title-based standard payment amount by a payout ratio. The payout ratio is based on consolidated operating profit, which serves as the performance-linked indicator. This structure is intended to enhance the Directors' awareness and commitment to improving performance each fiscal year. Using the publicly disclosed target figure for the consolidated operating profit as the performance-linked indicator, the payout ratio shall vary between 0% and 200%, depending on the achievement rate of the target (50% to 150%). Bonuses shall be paid in cash to Directors (excluding Outside Directors) who are in office both at the end of the previous fiscal year and at the conclusion of the Ordinary General Meeting of Shareholders for the relevant fiscal year. Payment shall be made in a lump sum at a designated time following the conclusion of the Ordinary General Meeting of Shareholders for the relevant fiscal year.

#### (3) Performance-linked share-based remuneration

The purpose of performance-linked share-based remuneration for Directors is to further clarify the link between Directors' remuneration and the Company's performance and share value, and to encourage Directors to share both the benefits and risks of share price fluctuations with shareholders. This is intended to heighten Directors' awareness of contributing to the Company's medium- to long-term performance improvement and enhancement of corporate value. As long-term performance-linked remuneration, a standard monetary amount is converted into points (with 1 point = 1 share), and a title-based standard point table is established. The performance-linked indicators are weighed as "ROE : ESG management indicators = 80% : 20%". In addition, taking into account the Company's performance scale, while also referring to remuneration levels in data such as objective remuneration survey data provided by external organizations, we set the title-based standard point. By multiplying the title-based standard point by a payout ratio, we calculate the performance-linked points. These points shall be granted to each Director on the date of the Ordinary General Meeting of Shareholders that marks the end of the Applicable Period. The performance-linked indicators (ROE and ESG management indicators) shall be the target figure determined by a resolution of the Board of Directors, based on deliberation by the Nomination and Remuneration Committee and its subsequent recommendations. The achievement rate of the target shall be between 70% to 130% for the target ROE, while for ESG management indicators the said rate shall be calculated by a target figure and an actual result for each of multiple items. The payout ratio shall vary between 0% and 150% of the target ROE and ESG management indicators.

With respect to the acquisition of share-based remuneration, Directors shall receive the Company's Shares upon retirement, in accordance with the number of points granted. In cases of resignation, dismissal, death, disqualification as a Director, or other similar circumstances during the term of office, as well as matters related to the procedure for share delivery, the Plan shall be administered in accordance with the provisions set forth in the Share Delivery Regulations.

### 3. Remuneration levels

Taking into account the Company's performance scale, while also referring to remuneration levels in data such as objective remuneration survey data provided by external organizations, remuneration levels shall be determined based on the roles and responsibilities of each title, in a manner that functions as a sound incentive for sustained growth and enhancement of corporate value.

#### 4. Remuneration determination process

The Nomination and Remuneration Committee, which is composed of a majority of Independent Outside Directors, shall deliberate on matters concerning each Director's remuneration, including the appropriateness of the remuneration system and its operation regarding fixed remuneration and performance-linked remuneration (bonuses and share-based remuneration), based on consultations from the Board of Directors and the Representative Director. Based on the Committee's recommendations, the Board of Directors shall make the final decisions.

#### 5. Policy for determining remuneration amounts

The amount of remuneration for each Director shall be determined within the total remuneration limit approved at the General Meeting of Shareholders. Fixed remuneration and performance-linked remuneration (bonuses and share-based remuneration) shall be determined comprehensively, taking into account the payment criteria for each title and the Company's performance scale, while also referring to remuneration levels in data such as objective remuneration survey data provided by external organizations. Based on a consultation by the Board of Directors, the Nomination and Remuneration Committee deliberates and provides a recommendation, upon which the final decision is made by resolution of the Board of Directors.

The target figures for consolidated operating profit and ROE announced in the Medium-Term Management Plan (for the fiscal year ending March 31, 2026) are 6,000 million yen and 7.1%, respectively.

[Overview of our performance-linked remuneration system]

The following shows details of performance-linked remuneration (bonuses) as variable remuneration, and performance-linked share-based remuneration (share delivery trust).

## 1. Performance-linked remuneration (bonuses)

The amount of bonus for each Director shall be determined by multiplying a title-based standard payment amount by a payout ratio. The payout ratio is based on consolidated operating profit, which serves as the performance-linked indicator. This structure is intended to enhance the Directors' awareness and commitment to improving performance each fiscal year. Using the publicly disclosed target figure for the consolidated operating profit as the performance-linked indicator, the payout ratio shall vary between 0% and 200%, depending on the achievement rate of the target (50% to 150%). Bonuses shall be paid in cash to Directors (excluding Outside Directors) who are in office both at the end of the previous fiscal year and at the conclusion of the Ordinary General Meeting of Shareholders for the relevant fiscal year. Payment shall be made in a lump sum at a designated time following the conclusion of the Ordinary General Meeting of Shareholders for the relevant fiscal year. If the achievement rate of the target is less than 50%, the payment rate will be 0%. If the achievement rate of the target is 150% or more, the payout ratio will be 200%.

Calculation method for the amount of a bonus paid to individual Director

|                                                                                                              |
|--------------------------------------------------------------------------------------------------------------|
| Amount of a bonus paid to individual Director = a title-based standard payment amount (1) × payout ratio (2) |
|--------------------------------------------------------------------------------------------------------------|

### (1) Title-based standard payment amount

The following shows the standard amounts to be paid when 100% of the performance-linked indicator is achieved:

| Title                                 | Standard amounts to be paid<br>(Thousands of yen) |
|---------------------------------------|---------------------------------------------------|
| Director and Chairman                 | 17,500                                            |
| President and Representative Director | 18,000                                            |
| Director (Senior Managing Director)   | 8,600                                             |
| Director (Managing Director)          | 6,800                                             |
| Director                              | 5,400                                             |

### (2) Payout ratio

Payout ratio =  $2.0 \times \text{achievement rate} (*) - 1.0$

\* Achievement rate = Consolidated operating profit for the relevant fiscal year ÷ Target amount of consolidated operating profit for the relevant fiscal year

The figures to be calculated are rounded up to the nearest whole number.

### (3) Target figures

In the Medium-Term Management Plan (for the fiscal year ending March 31, 2026), we have announced a consolidated operating profit target of 6,000 million yen as our target figure.

## 2. Performance-linked share-based remuneration (share delivery trust)

The purpose of performance-linked share-based remuneration for Directors is to further clarify the link between Directors' remuneration and the Company's performance and share value, and to encourage Directors to share both the benefits and risks of share price fluctuations with shareholders. This is intended to heighten Directors' awareness of contributing to the Company's medium- to long-term performance improvement and enhancement of corporate value. As long-term performance-linked remuneration, a standard monetary amount is converted into points (with 1 point = 1 share), and a title-based standard point table is established. The performance-linked indicators are weighed as "ROE : ESG management indicators = 80% : 20%". In addition, taking into account the Company's performance scale, while also referring to remuneration levels in data such as objective remuneration survey data provided by external organizations, we set the title-based standard point. By multiplying the title-based standard point by a payout ratio, we calculate the performance-linked points. These points shall be granted to each Director on the date of the Ordinary General Meeting of Shareholders that marks the end of the Applicable Period. The performance-linked indicators (ROE and ESG management indicators) shall be the target figure determined by a resolution of the Board of Directors, based on deliberation by the Nomination and Remuneration Committee and its subsequent recommendations. The achievement rate of the target shall be between 70% to 130% for the target ROE, while for ESG management indicators the said rate shall be calculated by a target figure and an actual result for each of multiple items. The payout ratio shall vary between 0% and 150% of the target ROE and ESG management indicators.

With respect to the acquisition of share-based remuneration, Directors shall receive the Company's Shares upon retirement, in accordance with the number of points granted. In cases of resignation, dismissal, death, disqualification as a Director, or other similar circumstances during the term of office, as well as matters related to the procedure for share delivery, the Plan shall be administered in accordance with the provisions set forth in the Share Delivery Regulations. If the achievement rate of the target ROE is less than 70%, the payout ratio (ROE) shall be 0%. If the achievement rate of the target is 130% or more, the payout ratio (ROE) shall be 150%. The upper limit of the performance-linked points (ROE) shall be 25,600 points.

#### Calculation method of performance-linked points

|                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Performance-linked points = performance-linked points (ROE) + performance-linked points (ESG management indicators)                                        |
| Performance-linked points (ROE) = title-based standard points (ROE) × payout ratio (ROE)                                                                   |
| Performance-linked points (ESG management indicators) = title-based standard points (ESG management indicators) × payout ratio (ESG management indicators) |

#### (1) Title-based standard point table

The performance-linked indicators are weighed as “ROE : ESG management indicators = 80% : 20%,” and the following shows the number of points to be awarded when we achieve 100% of the performance-linked indicators:

| Title                                 | Title-based standard point table<br>(total number of points: 100%) | Performance-linked standard point ROE (80%) | Performance-linked standard point ESG management indicators (20%) |
|---------------------------------------|--------------------------------------------------------------------|---------------------------------------------|-------------------------------------------------------------------|
| Director and Chairman                 | 6,200                                                              | 4,960                                       | 1,240                                                             |
| President and Representative Director | 6,400                                                              | 5,120                                       | 1,280                                                             |
| Director (Senior Managing Director)   | 2,500                                                              | 2,000                                       | 500                                                               |
| Director (Managing Director)          | 2,000                                                              | 1,600                                       | 400                                                               |
| Director                              | 1,600                                                              | 1,280                                       | 320                                                               |

\* Each point will be converted into one share of the Company.

#### (2) Payout ratio

##### 1) Payout ratio of performance-linked indicators (ROE)

Payout ratio (ROE) =  $5/3 \times \text{achievement rate of the target ROE} (*) - 2/3$

\* Achievement rate of the target ROE = actual ROE for the performance evaluation period ÷ the target ROE for the said performance evaluation period

##### 2) Payout ratio of performance-linked indicators (ESG management indicators)

The Company stipulates in the share delivery regulations that the payout ratio (ESG management indicators) shall be determined according to the achievement rate of the target ESG management indicators(\*).

\* Achievement rate of the target ESG management indicators = actual results of ESG management indicators for the performance evaluation period ÷ target ESG management indicators for the said performance evaluation period

The figures to be calculated are rounded up to the nearest whole number.

#### (3) Target figures

In the Medium-Term Management Plan (for the fiscal year ending March 31, 2026), we have announced a consolidated ROE target of 7.1%.

#### (4) Treatment of those who newly became persons eligible for the Plan during the Applicable Period

With respect to persons eligible to receive points, if there is a period when they do not fall under a category of the persons eligible for the Plan during the Applicable Period, the number of months for the said period shall be deducted (the “Deduction Period”) from the number of months of the Applicable Period. Then, the remained number of months after such deduction shall be deemed to be the “Number of Months in Office.” Using the Number of Months in Office, we shall calculate the number of points to be granted as follows (all shall be rounded up to the nearest whole number).

The said period shall be on a monthly basis, and if a person falls under the category of the persons eligible for the Plan on the first day of a relevant month, that month shall not be included in the Deduction Period.

##### 1) Performance-linked points (ROE):

Performance-linked base points (ROE) × payout ratio (ROE) × Number of Months in Office ÷ 12

##### 2) Performance-linked points (ESG management indicators):

Performance-linked base points (ESG management indicators) × payout ratio (ESG management indicators) × Number of Months in Office ÷ 12

(5) Treatment of those whose title was changed in the middle of the Applicable Period

With respect to persons eligible to receive points in Paragraph 1, if there is a change in their title during the Applicable Period, the number of points shall be calculated according to the number of months in the Applicable Period for each title, and a total of such number of points shall be granted (rounded up to the nearest whole number) as follows:

Performance-linked points:

A. Performance-linked base points according to the title before the change  $\times$  performance-linked payout ratio  $\times$  number of months in office according to the title before the change  $\div 12$

B. Performance-linked base points according to the title after the change  $\times$  performance-linked payout ratio  $\times$  number of months in office according to the title after the change  $\div 12$

A + B = Number of performance-linked points to be granted

(Note) The Company intends to pay a part of the performance-linked bonuses and performance-linked share-based remuneration (the ROE-linked portion equivalent to 80% of the performance-linked points to be granted) to Directors (excluding Outside Directors) as performance-linked salaries under the Corporation Tax Act.

[The amount and details of remuneration, etc. under the performance-linked share-based remuneration plan]

(A) Overview of the Plan

The performance-linked share-based remuneration plan is a plan under which a trust established through monetary contributions by the Company (hereinafter referred to as the “Trust”) acquires common shares of the Company (hereinafter referred to as the “Company’s Shares”), and the number of Company’s Shares equivalent to the number of points granted by the Company to each Director is delivered to them through the Trust.

In principle, the Company’s Shares will be delivered to Directors at the time of their retirement.

|                                                                                                                                                                                                         |                                                                                                                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1) Persons eligible for the Plan                                                                                                                                                                        | Directors of the Company (excluding Outside Directors)                                                                                                                                    |
| 2) Applicable Period                                                                                                                                                                                    | From the day following the conclusion of the 77th Ordinary General Meeting of Shareholders until the closing date of the Ordinary General Meeting of Shareholders to be held in June 2029 |
| 3) Maximum amount of funds to be contributed by the Company for acquiring the Company’s Shares to be delivered to the eligible persons in 1) during the approximately four-year Applicable Period in 2) | Total of 320 million yen                                                                                                                                                                  |
| 4) Method of acquiring the Company’s Shares                                                                                                                                                             | Through the disposal of treasury shares or from the stock market (including off-auction trading)                                                                                          |
| 5) Maximum total number of points to be granted to the eligible persons in 1)                                                                                                                           | 32,000 points per fiscal year                                                                                                                                                             |
| 6) Criteria for granting points                                                                                                                                                                         | Points will be granted based on the title of each eligible person and the degree of achievement of performance targets, etc.                                                              |
| 7) Timing of delivery of the Company’s Shares to the eligible persons in 1)                                                                                                                             | In principle, at the time of their retirement                                                                                                                                             |

(B) Maximum amount of funds to be contributed by the Company

The initial trust period of the Trust will be approximately four years. During the Applicable Period, the Company will contribute, as remuneration for Directors in office during that period, up to a total of 320 million yen as funds necessary to acquire the Company’s Shares to be delivered to Directors under the Plan. The Trust will be established with Directors who acquire beneficial interests in accordance with (C)-c below as its beneficiaries.

Using the monetary funds entrusted by the Company as its source, the Trust will acquire the Company’s Shares through the disposal of treasury shares or from the stock market (including off-auction trading).

(Note) In addition to the funds for acquiring the Company’s Shares mentioned above, the Company will also entrust funds to cover necessary expenses such as trust fees and trust administration fees.

Furthermore, by resolution of the Company’s Board of Directors, the Applicable Period may be extended on each occasion for a period of up to approximately five years. In conjunction with such extensions, the term of the Trust may also be extended (including cases where the trust assets of the Trust are transferred to another trust established by the Company for the same purpose as that of the Trust, thereby effectively extending the trust period; the same applies hereinafter), allowing for the continuation of the Plan. In such cases, the Company may make additional contributions to the Trust, within a maximum amount calculated by multiplying 80 million yen by the number of years in the extended Applicable Period, as funds required to acquire additional Company’s Shares to be delivered to Directors under the Plan. The granting of points and delivery of the Company’s Shares described in (C) described below will also continue accordingly (this also applies to any subsequent extensions).

Even if the Company does not extend the Applicable Period as described above and decides not to continue the Plan, the term of the Trust may still be extended in cases where, at the expiration of the trust period, there are Directors who have already been granted points but have not yet retired. In such cases, the trust period may be extended until the relevant Director retires and the delivery of the Company’s Shares is completed.

(C) Method of calculating the Company’s Shares delivered to Directors and maximum amount

a. Method for granting points to Directors

The Company will, pursuant to the share delivery regulations established by its Board of Directors, grant points to each Director according to their title and degree of achievement of performance targets, etc. on the point grant date during the trust period stipulated in the Share Delivery Regulations.

However, the total number of points granted to Directors by the Company shall not exceed 32,000 points per fiscal year.

b. Delivery of the Company's Shares based on the number of points granted

Directors will receive the Company's Shares according to the number of points granted as described in a. above and through the procedure described in c. below.

However, if a Director resigns for reasons other than those deemed unavoidable by the Company, such as illness or other circumstances recognized by the Company, the points granted up to that time shall be forfeited by resolution of the Board of Directors, and the Director shall not receive the Company's Shares corresponding to the forfeited points.

One point equates to one share of the Company's Shares. However, if a situation arises where it is deemed reasonable to make adjustments to the number of the Company's Shares to be delivered due to a share split, share consolidation, etc., the Company shall make adjustments to the number of the Company's Shares per point according to such split ratio, consolidation ratio, etc.

c. Delivery of the Company's Shares to Directors

Each Director, in principle, will acquire beneficial interests in the Trust by completing the prescribed procedure upon retirement and, as a beneficiary of the Trust, receive delivery of the Company's Shares described in b. above from the Trust.

However, the Trust may convert a certain percentage of such Company's Shares into cash to enable the Company to withhold funds for payment of tax such as withholding income tax, and money may then be delivered in place of the Company's Shares. In addition, if the Company's Shares held in the Trust are converted into cash, for example, through settlement following an application for a tender offer, then money may be delivered in place of the Company's Shares.

(D) Exercising voting rights

Voting rights associated with the Company's Shares held in the Trust shall, under the instruction of the trust administrator, independent of the Company or any Directors/Statutory Auditors of the Company, not be exercised at all. This approach is intended to ensure neutrality toward the management of the Company with respect to the exercise of voting rights associated with the Company's Shares held in the Trust.

(E) Treatment of dividends

Dividends of the Company's Shares held in the Trust will be received by the Trust, and used for acquiring the Company's Shares as well as for the trust fees to be paid to the trustee of the Trust, and others.

(5) Shareholdings

1) Criteria for and approach to the classification of investment securities

The Company classifies investment securities into two types: securities held to yield profit through changes in their value and receiving dividend are classified as investment securities held for pure investment purposes; and the other securities are classified as investment securities held for purposes other than pure investment (strategic shareholdings). The Company only holds investment securities held for purposes other than pure investment (strategic shareholdings), and does not hold any investment securities held for pure investment purposes.

2) About investment securities held for purposes other than pure investment (strategic shareholdings)

A. Policy on strategic shareholdings

The Company believes that it is critical to cooperate with a variety of companies at every phase of business operations such as research and development, manufacturing, logistics, sales, services and financing. Based on this belief, the Company makes it its policy to own shares in another company as strategic shareholding only when the Company decides that it will contribute to the Company's sustained growth and medium- to long-term corporate value enhancement, taking overall business relationship/strategy, etc. into consideration.

At the meeting of the Board of Directors held in November 2024, the Company further deepened the discussion on the significance of strategic shareholdings, and as a result, decided to go ahead with the reduction of strategic shareholdings. Specifically, by the end of March 2026, the Company plans to reduce the balance of strategic shareholdings by approximately 20% from the end of March 2024, and reduce the ratio of strategic shareholdings to consolidated net assets to 20% or less.

B. Means to verify the appropriateness of shareholding and the Board of Directors' verification of the appropriateness of individual holdings

Individual strategic shareholdings are subject to verification of their holding purpose and rationale, etc., taking into consideration factors such as the Company's sustained growth and medium- to long-term corporate value enhancement as well as the maintenance and enhancement of overall relationship with the relevant business partners, and reported each year to the Board of Directors for comprehensive deliberation regarding the justification of their holding.

The verification of shareholding rationale includes determining whether risks and benefits resulting from the shareholdings are proportionate to the cost of capital.

C. Criteria for exercising voting rights associated with strategic shareholdings

The Company exercises its voting rights appropriately through a comprehensive assessment of whether the shareholding concerned contributes to the sustained growth of and medium- to long-term corporate value enhancement for the Company and the companies in which it invests.

D. Number of stocks and their book value on the balance sheet

|                                   | Number of issues (Issue) | Total book value on the balance sheet (Millions of yen) |
|-----------------------------------|--------------------------|---------------------------------------------------------|
| Unlisted stocks                   | 9                        | 38                                                      |
| Stocks other than unlisted stocks | 54                       | 16,132                                                  |

(Stocks in which the Company increased its stake during the current fiscal year)

|                                   | Number of issues (Issue) | Total amount of purchase costs relating to the increase in number of shares (Millions of yen) | Reason for increase                                         |
|-----------------------------------|--------------------------|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| Unlisted stocks                   | —                        | —                                                                                             | —                                                           |
| Stocks other than unlisted stocks | 16                       | 44                                                                                            | Purchase through business partners shareholding association |

(Stocks in which the Company decreased its stake during the current fiscal year)

|                                   | Number of issues (Issue) | Total amount of sales value relating to the decrease in number of shares (Millions of yen) |
|-----------------------------------|--------------------------|--------------------------------------------------------------------------------------------|
| Unlisted stocks                   | —                        | —                                                                                          |
| Stocks other than unlisted stocks | 2                        | 410                                                                                        |

E. Information on the number of shares and book value on the balance sheet, etc. per specified investment stocks

Although it is difficult to describe the quantitative effect of shareholding, when considering its effect on business relationship or the stock market, the Company has verified the appropriateness of the purpose of each individual shareholding. In addition, the Company has verified shareholding rationale by evaluating whether loss or gain on valuation, dividend yields, transaction amounts, etc. are proportionate to the cost of capital, including the qualitative effect of the shareholding.

Specified investment stocks

| Issue                                          | Current fiscal year                               | Previous fiscal year                              | Purpose of shareholding, overview of business relationship, quantitative effect of shareholding and reason for increase in its stake                                                                                                                                                                                                                                                                                                                                 | Whether the issuer holds a stake in the Company |
|------------------------------------------------|---------------------------------------------------|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
|                                                | Number of shares (Shares)                         | Number of shares (Shares)                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
|                                                | Book value on the balance sheet (Millions of yen) | Book value on the balance sheet (Millions of yen) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
| Aeon Co., Ltd.                                 | 1,062,265                                         | 1,058,417                                         | The Company conducts transactions in processed food products etc. with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 3,848 shares through purchase by the business partners shareholding association. | No                                              |
|                                                | 3,983                                             | 3,805                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
| Sumitomo Mitsui Financial Group, Inc.          | 639,000                                           | 213,000                                           | The Company conducts financial transactions with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance stable financial relationship with it. The number of shares held by the Company increased by 426,000 due to a three-for-one share split conducted as of October 1, 2024.                                        | No<br>(Note) 2.                                 |
|                                                | 2,425                                             | 1,897                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
| Sumitomo Mitsui Trust Group, Inc.<br>(Note) 3. | 412,134                                           | 412,134                                           | The Company conducts financial transactions with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance stable financial relationship with it.                                                                                                                                                                          | No<br>(Note) 4.                                 |
|                                                | 1,533                                             | 1,363                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
| Sumitomo Corporation                           | 413,000                                           | 413,000                                           | The Company purchases raw materials etc. from the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                 | No                                              |
|                                                | 1,392                                             | 1,508                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
| Izumi Co., Ltd.                                | 381,260                                           | 381,260                                           | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                         | No                                              |
|                                                | 1,206                                             | 1,338                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
| Sapporo Holdings Limited                       | 109,200                                           | 109,200                                           | The Company purchases products from the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                           | No                                              |
|                                                | 832                                               | 658                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
| Rengo Co., Ltd.                                | 653,000                                           | 653,000                                           | The Company purchases materials etc. from the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                                                      | Yes                                             |
|                                                | 517                                               | 764                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |

| Issue                                | Current fiscal year                               | Previous fiscal year                              | Purpose of shareholding, overview of business relationship, quantitative effect of shareholding and reason for increase in its stake                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Whether the issuer holds a stake in the Company |
|--------------------------------------|---------------------------------------------------|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
|                                      | Number of shares (Shares)                         | Number of shares (Shares)                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                 |
|                                      | Book value on the balance sheet (Millions of yen) | Book value on the balance sheet (Millions of yen) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                 |
| H2O Retailing Corporation            | 190,744                                           | 47,250                                            | The Company conducts transactions in processed food products etc. with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 138,026 shares due to a share exchange that made Kansai Food Market Ltd. a wholly owned subsidiary resulting from a share exchange effective on July 31, 2024; and also increased by 5,468 shares through purchase by the business partners shareholding association. | No                                              |
|                                      | 431                                               | 91                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                 |
| OUG Holdings Inc.                    | 115,000                                           | 115,000                                           | The Company purchases raw materials etc. from the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                                                                                                                                                                                                      | Yes                                             |
|                                      | 370                                               | 291                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                 |
| Mitsubishi UFJ Financial Group, Inc. | 158,300                                           | 158,300                                           | The Company conducts financial transactions with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance stable financial relationship with it.                                                                                                                                                                                                                                                                                                                                                               | No<br>(Note) 5.                                 |
|                                      | 318                                               | 246                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                 |
| United Super Markets Holdings Inc.   | 290,233                                           | 180,733                                           | The Company conducts transactions in processed food products etc. with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 109,500 shares due to a share exchange (allotment of 1.46 shares per share) that made Inageya Co., Ltd. a wholly owned subsidiary resulting from a share exchange effective on November 30, 2024.                                                                     | No                                              |
|                                      | 239                                               | 181                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                 |
| Seven & i Holdings Co., Ltd.         | 109,560                                           | 109,560                                           | The Company conducts transactions in processed food products etc. with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                                                                                                                                                                             | No                                              |
|                                      | 236                                               | 241                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                 |
| Life Corporation                     | 114,651                                           | 56,925                                            | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 57,726 due to a two-for-one share split conducted on the record date of February 28, 2025, and also through purchase by the business partners shareholding association.                                                                                                                                | No                                              |
|                                      | 221                                               | 221                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                 |
| Kanematsu Corporation                | 82,000                                            | 82,000                                            | The Company purchases raw materials etc. from the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                                                                                                                                                                                                                                       | Yes                                             |
|                                      | 206                                               | 212                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                 |

| Issue                        | Current fiscal year                               | Previous fiscal year                              | Purpose of shareholding, overview of business relationship, quantitative effect of shareholding and reason for increase in its stake                                                                                                                                                                                                                                                                                                                                 | Whether the issuer holds a stake in the Company |
|------------------------------|---------------------------------------------------|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
|                              | Number of shares (Shares)                         | Number of shares (Shares)                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
|                              | Book value on the balance sheet (Millions of yen) | Book value on the balance sheet (Millions of yen) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
| Retail Partners Co., Ltd.    | 137,996                                           | 135,661                                           | The Company conducts transactions in processed food products etc. with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 2,335 shares through purchase by the business partners shareholding association. | No<br>(Note) 6.                                 |
|                              | 185                                               | 250                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
| Nippon Shinyaku Co., Ltd.    | 47,500                                            | 47,500                                            | The Company purchases raw materials etc. from the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                                                  | Yes                                             |
|                              | 180                                               | 212                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
| Kaneka Corporation           | 42,600                                            | 42,600                                            | The Company purchases raw materials etc. from the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                 | Yes                                             |
|                              | 162                                               | 162                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
| Fuji Co., Ltd.               | 65,633                                            | 64,844                                            | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 789 shares through purchase by the business partners shareholding association.                                    | No                                              |
|                              | 142                                               | 120                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
| The San-in Godo Bank, Ltd.   | 108,150                                           | 108,150                                           | The Company conducts financial transactions with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance stable financial relationship with it.                                                                                                                                                                                                           | Yes                                             |
|                              | 140                                               | 130                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
| The Chiba Bank, Ltd.         | 89,250                                            | 89,250                                            | The Company conducts financial transactions with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance stable financial relationship with it.                                                                                                                                                                                                           | Yes                                             |
|                              | 124                                               | 108                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
| Chugin Financial Group, Inc. | 67,200                                            | 67,200                                            | The Company conducts financial transactions with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance stable financial relationship with it.                                                                                                                                                                          | No<br>(Note) 7.                                 |
|                              | 112                                               | 88                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |
| Mebuki Financial Group, Inc. | 149,292                                           | 149,292                                           | The Company conducts financial transactions with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance stable financial relationship with it.                                                                                                                                                                          | No<br>(Note) 8.                                 |
|                              | 108                                               | 76                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                 |

| Issue                       | Current fiscal year                               | Previous fiscal year                              | Purpose of shareholding, overview of business relationship, quantitative effect of shareholding and reason for increase in its stake                                                                                                                                                                                                                                                                                                                                                                                                                     | Whether the issuer holds a stake in the Company |
|-----------------------------|---------------------------------------------------|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
|                             | Number of shares (Shares)                         | Number of shares (Shares)                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                 |
|                             | Book value on the balance sheet (Millions of yen) | Book value on the balance sheet (Millions of yen) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                 |
| Arcs Company, Limited       | 34,579                                            | 34,446                                            | The Company conducts transactions in processed food products etc. with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 133 shares through purchase by the business partners shareholding association.                                                                                       | No                                              |
|                             | 100                                               | 107                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                 |
| Axial Retailing Inc.        | 83,915                                            | 20,805                                            | The Company conducts transactions in processed food products etc. with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 63,110 due to a four-for-one share split conducted on the record date of April 1, 2024, and also through purchase by the business partners shareholding association. | No                                              |
|                             | 80                                                | 100                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                 |
| Hirogin Holdings, Inc.      | 60,500                                            | 60,500                                            | The Company conducts financial transactions with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance stable financial relationship with it.                                                                                                                                                                                                                                                              | No<br>(Note) 9.                                 |
|                             | 73                                                | 66                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                 |
| Kyoto Financial Group, Inc. | 32,000                                            | 32,000                                            | The Company conducts financial transactions with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance stable financial relationship with it.                                                                                                                                                                                                                                                                                               | No<br>(Note) 10.                                |
|                             | 72                                                | 88                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                 |
| OM2 Network Co., Ltd.       | 46,109                                            | 44,610                                            | The Company conducts transactions in processed food products etc. with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 1,499 shares through purchase by the business partners shareholding association.                                                                                     | No                                              |
|                             | 67                                                | 71                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                 |
| AEON Hokkaido Corporation   | 75,900                                            | 75,900                                            | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                                                                                                             | No                                              |
|                             | 64                                                | 71                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                 |
| MINISTOP Co., Ltd.          | 33,674                                            | 33,674                                            | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                                                                                                             | No                                              |
|                             | 61                                                | 51                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                 |

| Issue                           | Current fiscal year                               | Previous fiscal year                              | Purpose of shareholding, overview of business relationship, quantitative effect of shareholding and reason for increase in its stake                                                                                                                                                                                                                                                                                                | Whether the issuer holds a stake in the Company |
|---------------------------------|---------------------------------------------------|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
|                                 | Number of shares (Shares)                         | Number of shares (Shares)                         |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
|                                 | Book value on the balance sheet (Millions of yen) | Book value on the balance sheet (Millions of yen) |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
| Albis Co., Ltd.                 | 21,747                                            | 21,255                                            | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 492 shares through purchase by the business partners shareholding association.   | No                                              |
|                                 | 60                                                | 58                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
| Yamaguchi Financial Group, Inc. | 34,000                                            | 34,000                                            | The Company conducts financial transactions with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance stable financial relationship with it.                                                                                                                                         | No<br>(Note) 11.                                |
|                                 | 59                                                | 52                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
| Resona Holdings, Inc.           | 44,200                                            | 44,200                                            | The Company conducts financial transactions with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance stable financial relationship with it.                                                                                                                                         | No<br>(Note) 12.                                |
|                                 | 56                                                | 42                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
| Okuwa Co., Ltd.                 | 55,063                                            | 52,081                                            | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 2,982 shares through purchase by the business partners shareholding association. | No                                              |
|                                 | 47                                                | 51                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
| AEON Kyushu Co., Ltd.           | 16,127                                            | 15,781                                            | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 346 shares through purchase by the business partners shareholding association.   | No                                              |
|                                 | 39                                                | 48                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
| Valor Holdings Co., Ltd.        | 15,840                                            | 15,840                                            | The Company conducts transactions in processed food products etc. with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                       | No                                              |
|                                 | 37                                                | 39                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
| Belc Co., Ltd.                  | 4,400                                             | 4,400                                             | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                        | No                                              |
|                                 | 29                                                | 30                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |

| Issue                  | Current fiscal year                               | Previous fiscal year                              | Purpose of shareholding, overview of business relationship, quantitative effect of shareholding and reason for increase in its stake                                                                                                                                                                                                                                                                                                | Whether the issuer holds a stake in the Company |
|------------------------|---------------------------------------------------|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
|                        | Number of shares (Shares)                         | Number of shares (Shares)                         |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
|                        | Book value on the balance sheet (Millions of yen) | Book value on the balance sheet (Millions of yen) |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
| HEIWADO Co., Ltd.      | 11,000                                            | 11,000                                            | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                        | No                                              |
|                        | 27                                                | 22                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
| Halows Co., Ltd.       | 6,000                                             | 6,000                                             | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                        | No                                              |
|                        | 25                                                | 27                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
| Mammy Mart Corporation | 5,000                                             | 5,000                                             | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                        | No                                              |
|                        | 24                                                | 24                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
| Eco's Co., Ltd.        | 10,000                                            | 10,000                                            | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                        | No                                              |
|                        | 21                                                | 23                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
| Kanemi Co., Ltd.       | 5,350                                             | 5,120                                             | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 230 shares through purchase by the business partners shareholding association.   | No                                              |
|                        | 17                                                | 16                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
| Yamanaka Co., Ltd.     | 26,729                                            | 25,606                                            | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 1,123 shares through purchase by the business partners shareholding association. | No                                              |
|                        | 14                                                | 17                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |
| Poplar Co., Ltd.       | 65,954                                            | 65,954                                            | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                        | No                                              |
|                        | 13                                                | 17                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                 |

| Issue                           | Current fiscal year                               | Previous fiscal year                              | Purpose of shareholding, overview of business relationship, quantitative effect of shareholding and reason for increase in its stake                                                                                                                                                                                                                                                                                                                              | Whether the issuer holds a stake in the Company |
|---------------------------------|---------------------------------------------------|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
|                                 | Number of shares (Shares)                         | Number of shares (Shares)                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                 |
|                                 | Book value on the balance sheet (Millions of yen) | Book value on the balance sheet (Millions of yen) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                 |
| Oomitsu Co., Ltd.               | 20,904                                            | 19,551                                            | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 1,353 shares through purchase by the business partners shareholding association.                               | No                                              |
|                                 | 12                                                | 12                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                 |
| Ocean System Corporation        | 10,000                                            | 10,000                                            | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                      | No                                              |
|                                 | 11                                                | 10                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                 |
| Central Forest Group, Inc.      | 3,000                                             | 3,000                                             | The Company conducts transactions in processed food products etc. with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                     | No<br>(Note) 13.                                |
|                                 | 9                                                 | 6                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                 |
| Kakiyasu Honten Co., Ltd.       | 2,777                                             | 2,577                                             | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 200 shares through purchase by the business partners shareholding association.                                 | No                                              |
|                                 | 8                                                 | 8                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                 |
| Isetan Mitsukoshi Holdings Ltd. | 2,153                                             | 2,076                                             | The Company conducts transactions in processed food products etc. with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 77 shares through purchase by the business partners shareholding association. | No                                              |
|                                 | 4                                                 | 5                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                 |
| Maruyoshi Center Inc.           | 1,000                                             | 1,000                                             | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                      | No                                              |
|                                 | 3                                                 | 3                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                 |
| Gourmet Kineya Co., Ltd.        | 3,300                                             | 3,300                                             | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                      | No                                              |
|                                 | 3                                                 | 3                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                 |

| Issue                             | Current fiscal year                               | Previous fiscal year                              | Purpose of shareholding, overview of business relationship, quantitative effect of shareholding and reason for increase in its stake                                                                                                                                                                                                                                                                                                                                                                   | Whether the issuer holds a stake in the Company |
|-----------------------------------|---------------------------------------------------|---------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
|                                   | Number of shares (Shares)                         | Number of shares (Shares)                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                 |
|                                   | Book value on the balance sheet (Millions of yen) | Book value on the balance sheet (Millions of yen) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                 |
| COSMOS Pharmaceutical Corporation | 400                                               | 200                                               | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it. The number of shares held by the Company increased by 200 due to a two-for-one share split conducted effective on September 1, 2024.                                                                      | No                                              |
|                                   | 3                                                 | 2                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                 |
| Three F Co., Ltd.                 | 6,050                                             | 6,050                                             | The Company conducts transactions in processed food products etc. with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                          | No                                              |
|                                   | 2                                                 | 2                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                 |
| Olympic Group Corporation         | 5,500                                             | 5,500                                             | The Company conducts transactions in processed food products etc. with the consolidated subsidiaries of the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                          | No                                              |
|                                   | 2                                                 | 2                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                 |
| Maxvalu Tokai Co., Ltd.           | 708                                               | 708                                               | The Company conducts transactions in processed food products etc. with the company concerned. Taking this business relationship into consideration, the Company has been holding a stake in the company concerned to maintain and enhance the business relationship and cooperation with it.                                                                                                                                                                                                           | No                                              |
|                                   | 2                                                 | 2                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                 |
| Lawson, Inc.                      | —                                                 | 39,658                                            | The Company had conducted transactions in processed food products etc. with the consolidated subsidiaries of Lawson, Inc. Taking this business relationship into consideration, the Company had been holding a stake in Lawson, Inc. to maintain and enhance the business relationship and cooperation with it. However, the Company sold all the shares of Lawson, Inc. during the current fiscal year.                                                                                               | No                                              |
|                                   | —                                                 | 409                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                 |
| Kansai Food Market Ltd.           | —                                                 | 137,737                                           | The Company had conducted transactions in processed food products etc. with the consolidated subsidiaries of Kansai Food Market Ltd. Taking this business relationship into consideration, the Company had been holding a stake in the said company to maintain and enhance the business relationship and cooperation with it. However, effective on July 31, 2024, a share exchange was conducted that made H2O Retailing Corporation a wholly owning parent company resulting from a share exchange. | No                                              |
|                                   | —                                                 | 244                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                 |

| Issue             | Current fiscal year                               | Previous fiscal year                              | Purpose of shareholding, overview of business relationship, quantitative effect of shareholding and reason for increase in its stake                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Whether the issuer holds a stake in the Company |
|-------------------|---------------------------------------------------|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
|                   | Number of shares (Shares)                         | Number of shares (Shares)                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                 |
|                   | Book value on the balance sheet (Millions of yen) | Book value on the balance sheet (Millions of yen) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                 |
| Inageya Co., Ltd. | —                                                 | 74,807                                            | The Company had conducted transactions in processed food products etc. with the consolidated subsidiaries of Inageya Co., Ltd. Taking this business relationship into consideration, the Company had been holding a stake in Inageya Co., Ltd. to maintain and enhance the business relationship and cooperation with it. However, the Company sold 35 shares of Inageya Co., Ltd. during the current fiscal year. Effective on November 30, 2024, a share exchange was conducted that made United Super Markets Holdings Inc. a wholly owning parent company resulting from a share exchange. | No                                              |
|                   | —                                                 | 105                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                 |

- (Notes) 1. Although the book values of the shares of OM2 Network Co., Ltd. and the companies thereunder on the consolidated balance sheet are not larger than 1% of the Company's share capital, we covered all the issues in this section.
2. Sumitomo Mitsui Banking Corporation, a consolidated subsidiary of Sumitomo Mitsui Financial Group, Inc., holds the Company's shares.
3. On October 1, 2024, the company name of Sumitomo Mitsui Trust Holdings, Inc. was changed to Sumitomo Mitsui Trust Group, Inc.
4. Sumitomo Mitsui Trust Bank, Limited, a consolidated subsidiary of Sumitomo Mitsui Trust Group, Inc., holds the Company's shares.
5. MUFG Bank, Ltd., a consolidated subsidiary of Mitsubishi UFJ Financial Group, Inc., holds the Company's shares.
6. Marukyu Co., Ltd., a consolidated subsidiary of Retail Partners Co., Ltd., holds the Company's shares.
7. The Chugoku Bank, Limited, a consolidated subsidiary of Chugin Financial Group, Inc., holds the Company's shares.
8. Joyo Bank, Ltd. and The Ashikaga Bank, Ltd., consolidated subsidiaries of Mebuki Financial Group, Inc., hold the Company's shares.
9. The Hiroshima Bank, Ltd., a consolidated subsidiary of Hirogin Holdings, Inc., holds the Company's shares.
10. The Bank of Kyoto, Ltd., a consolidated subsidiary of Kyoto Financial Group, Inc., holds the Company's shares.
11. The Yamaguchi Bank, Ltd., a consolidated subsidiary of Yamaguchi Financial Group, Inc., holds the Company's shares.
12. Resona Bank, Limited., a consolidated subsidiary of Resona Holdings, Inc., holds the Company's shares.
13. Tokan Co., Ltd., a consolidated subsidiary of Central Forest Group, Inc., holds the Company's shares.

## V. Financial Information

### 1. Preparation of the consolidated/non-consolidated financial statements

(1) The Company's consolidated financial statements are prepared in accordance with the "Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements" (Ordinance of Ministry of Finance No. 28, 1976 / hereinafter referred to as the "Consolidated Financial Statements Regulations").

(2) The Company's non-consolidated financial statements are prepared in accordance with the "Regulation on Terminology, Forms, and Preparation Methods of Financial Statements" (Ordinance of Ministry of Finance No. 59, 1963 / hereinafter referred to as the "Non-Consolidated Financial Statements Regulations").

As a company designated for the submission of financial statements prepared in accordance with special provision, the Company prepares its non-consolidated financial statements pursuant to Article 127 of the Non-Consolidated Financial Statements Regulations.

### 2. Independent auditor's report

Pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, the Company's consolidated/non-consolidated financial statements for the current fiscal year (from April 1, 2024 through March 31, 2025) were audited by KPMG AZSA LLC.

### 3. Specific efforts to secure the appropriateness of the consolidated financial statements, etc.

The Company makes specific efforts to secure the appropriateness of the consolidated financial statements, etc. For example, in order to establish a mechanism to correctly understand the details of accounting standards, the Company has joined the Financial Accounting Standards Foundation. In addition, the Company attends the relevant seminars organized by external institutions and subscribes to accounting magazines to address any change in accounting standards etc. in a timely manner.

## 1. Consolidated Financial Statements, etc.

## (1) Consolidated Financial Statements

## 1) Consolidated balance sheets

(Millions of yen)

|                                        | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|----------------------------------------|------------------------------------------------|-----------------------------------------------|
| <b>Assets</b>                          |                                                |                                               |
| Current assets                         |                                                |                                               |
| Cash and deposits                      | 9,668                                          | 8,983                                         |
| Notes and accounts receivable - trade  | *1, *4 28,018                                  | *1 25,050                                     |
| Merchandise and finished goods         | 11,782                                         | 12,628                                        |
| Work in process                        | 486                                            | 524                                           |
| Raw materials and supplies             | 6,286                                          | 7,499                                         |
| Other                                  | 856                                            | 1,077                                         |
| Allowance for doubtful accounts        | (19)                                           | (17)                                          |
| Total current assets                   | 57,078                                         | 55,746                                        |
| Non-current assets                     |                                                |                                               |
| Property, plant and equipment          |                                                |                                               |
| Buildings and structures               | 59,707                                         | 59,248                                        |
| Accumulated depreciation               | (47,196)                                       | (47,396)                                      |
| Buildings and structures, net          | 12,511                                         | 11,852                                        |
| Machinery, equipment and vehicles      | 70,742                                         | 69,337                                        |
| Accumulated depreciation               | (62,380)                                       | (61,186)                                      |
| Machinery, equipment and vehicles, net | *3 8,361                                       | *3 8,151                                      |
| Tools, furniture and fixtures          | 4,419                                          | 4,467                                         |
| Accumulated depreciation               | (3,173)                                        | (3,089)                                       |
| Tools, furniture and fixtures, net     | 1,245                                          | 1,377                                         |
| Land                                   | 15,784                                         | 15,693                                        |
| Leased assets                          | 9,083                                          | 7,575                                         |
| Accumulated depreciation               | (5,058)                                        | (4,770)                                       |
| Leased assets, net                     | 4,024                                          | 2,804                                         |
| Construction in progress               | 502                                            | 1,566                                         |
| Total property, plant and equipment    | 42,430                                         | 41,446                                        |
| Intangible assets                      | 324                                            | 489                                           |
| Investments and other assets           |                                                |                                               |
| Investment securities                  | 15,915                                         | 16,222                                        |
| Shares of subsidiaries and associates  | *2 345                                         | *2 433                                        |
| Long-term loans receivable             | 19                                             | 18                                            |
| Retirement benefit asset               | 3,078                                          | 2,907                                         |
| Deferred tax assets                    | 339                                            | 363                                           |
| Other                                  | 2,415                                          | 3,405                                         |
| Allowance for doubtful accounts        | (128)                                          | (112)                                         |
| Total investments and other assets     | 21,985                                         | 23,238                                        |
| Total non-current assets               | 64,741                                         | 65,173                                        |
| Total assets                           | 121,819                                        | 120,920                                       |

(Millions of yen)

|                                                       | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|-------------------------------------------------------|------------------------------------------------|-----------------------------------------------|
| <b>Liabilities</b>                                    |                                                |                                               |
| Current liabilities                                   |                                                |                                               |
| Notes and accounts payable - trade                    | 22,491                                         | 19,047                                        |
| Short-term borrowings                                 | *5 9,248                                       | *5 8,275                                      |
| Current portion of long-term borrowings               | *3 2,984                                       | *3 2,646                                      |
| Lease liabilities                                     | 1,057                                          | 872                                           |
| Accounts payable - other                              | 5,725                                          | 6,387                                         |
| Income taxes payable                                  | 806                                            | 931                                           |
| Accrued consumption taxes                             | 520                                            | 274                                           |
| Provision for bonuses                                 | 801                                            | 822                                           |
| Provision for business restructuring                  | 278                                            | 71                                            |
| Other                                                 | 1,784                                          | 1,302                                         |
| Total current liabilities                             | 45,697                                         | 40,630                                        |
| Non-current liabilities                               |                                                |                                               |
| Long-term borrowings                                  | *3 5,177                                       | *3 5,361                                      |
| Lease liabilities                                     | 3,179                                          | 2,436                                         |
| Deferred tax liabilities                              | 2,939                                          | 3,387                                         |
| Retirement benefit liability                          | 1,527                                          | 1,583                                         |
| Other                                                 | 547                                            | 514                                           |
| Total non-current liabilities                         | 13,370                                         | 13,281                                        |
| Total liabilities                                     | 59,068                                         | 53,912                                        |
| <b>Net assets</b>                                     |                                                |                                               |
| Shareholders' equity                                  |                                                |                                               |
| Share capital                                         | 6,716                                          | 6,716                                         |
| Capital surplus                                       | 22,086                                         | 22,086                                        |
| Retained earnings                                     | 28,474                                         | 33,465                                        |
| Treasury shares                                       | (3,620)                                        | (4,261)                                       |
| Total shareholders' equity                            | 53,656                                         | 58,006                                        |
| Accumulated other comprehensive income                |                                                |                                               |
| Valuation difference on available-for-sale securities | 8,049                                          | 8,302                                         |
| Deferred gains or losses on hedges                    | 43                                             | (5)                                           |
| Foreign currency translation adjustment               | 80                                             | 120                                           |
| Remeasurements of defined benefit plans               | 181                                            | (222)                                         |
| Total accumulated other comprehensive income          | 8,354                                          | 8,195                                         |
| Non-controlling interests                             | 741                                            | 805                                           |
| Total net assets                                      | 62,751                                         | 67,007                                        |
| Total liabilities and net assets                      | 121,819                                        | 120,920                                       |

2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income  
Consolidated Statements of Income

(Millions of yen)

|                                                  | Previous fiscal year<br>(from April 1, 2023 to March 31,<br>2024) | Current fiscal year<br>(From April 1, 2024 to March 31,<br>2025) |
|--------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Net sales                                        | *1 228,808                                                        | *1 234,970                                                       |
| Cost of sales                                    | *2 194,132                                                        | *2 197,870                                                       |
| Gross profit                                     | 34,676                                                            | 37,100                                                           |
| Selling, general and administrative expenses     | *3 31,558                                                         | *3 31,630                                                        |
| Operating profit                                 | 3,117                                                             | 5,469                                                            |
| Non-operating income                             |                                                                   |                                                                  |
| Interest income                                  | 11                                                                | 13                                                               |
| Dividend income                                  | 354                                                               | 420                                                              |
| Rental income from real estate                   | 153                                                               | 156                                                              |
| Other                                            | 329                                                               | 311                                                              |
| Total non-operating income                       | 850                                                               | 902                                                              |
| Non-operating expenses                           |                                                                   |                                                                  |
| Interest expenses                                | 227                                                               | 235                                                              |
| Other                                            | 100                                                               | 80                                                               |
| Total non-operating expenses                     | 328                                                               | 316                                                              |
| Ordinary profit                                  | 3,639                                                             | 6,056                                                            |
| Extraordinary income                             |                                                                   |                                                                  |
| Gain on disposal of non-current assets           | *4 10                                                             | *4 2,476                                                         |
| Gain on sale of investment securities            | 1                                                                 | 276                                                              |
| Reversal of provision for business restructuring | —                                                                 | 103                                                              |
| Total extraordinary income                       | 11                                                                | 2,856                                                            |
| Extraordinary losses                             |                                                                   |                                                                  |
| Loss on disposal of non-current assets           | *5 141                                                            | *5 224                                                           |
| Impairment losses                                | *6 12,250                                                         | *6 1,135                                                         |
| Restructuring expenses                           | *7 530                                                            | *7 380                                                           |
| Extra retirement payments                        | 12                                                                | 39                                                               |
| Costs related to voluntary recovery of product   | —                                                                 | 27                                                               |
| Total extraordinary losses                       | 12,934                                                            | 1,807                                                            |
| Profit (loss) before income taxes                | (9,283)                                                           | 7,105                                                            |
| Income taxes - current                           | 721                                                               | 1,105                                                            |
| Income taxes - deferred                          | (652)                                                             | 442                                                              |
| Total income taxes                               | 68                                                                | 1,547                                                            |
| Profit (loss)                                    | (9,351)                                                           | 5,557                                                            |
| Profit attributable to non-controlling interests | 62                                                                | 68                                                               |
| Profit (loss) attributable to owners of parent   | (9,414)                                                           | 5,488                                                            |

## Consolidated Statements of Comprehensive Income

(Millions of yen)

|                                                                                      | Previous fiscal year<br>(from April 1, 2023 to March 31,<br>2024) | Current fiscal year<br>(From April 1, 2024 to March 31,<br>2025) |
|--------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Profit (loss)                                                                        | (9,351)                                                           | 5,557                                                            |
| Other comprehensive income                                                           |                                                                   |                                                                  |
| Valuation difference on available-for-sale securities                                | 3,096                                                             | 253                                                              |
| Deferred gains or losses on hedges                                                   | 43                                                                | (48)                                                             |
| Remeasurements of defined benefit plans, net of tax                                  | 707                                                               | (403)                                                            |
| Share of other comprehensive income of entities<br>accounted for using equity method | 23                                                                | 40                                                               |
| Total other comprehensive income                                                     | * 3,871                                                           | * (159)                                                          |
| Comprehensive income                                                                 | (5,480)                                                           | 5,398                                                            |
| Comprehensive income attributable to                                                 |                                                                   |                                                                  |
| Comprehensive income attributable to owners of parent                                | (5,543)                                                           | 5,329                                                            |
| Comprehensive income attributable to non-controlling<br>interests                    | 62                                                                | 68                                                               |

3) Consolidated Statements of Changes in Net Assets  
For the previous fiscal year (from April 1, 2023 to March 31, 2024)

(Millions of yen)

|                                                      | Shareholders' equity |                 |                   |                 |                            |
|------------------------------------------------------|----------------------|-----------------|-------------------|-----------------|----------------------------|
|                                                      | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period                       | 6,716                | 22,086          | 38,388            | (3,342)         | 63,848                     |
| Changes during period                                |                      |                 |                   |                 |                            |
| Dividends of surplus                                 |                      |                 | (500)             |                 | (500)                      |
| Loss attributable to owners of parent                |                      |                 | (9,414)           |                 | (9,414)                    |
| Purchase of treasury shares                          |                      |                 |                   | (277)           | (277)                      |
| Net changes in items other than shareholders' equity |                      |                 |                   |                 |                            |
| Total changes during period                          | –                    | –               | (9,914)           | (277)           | (10,192)                   |
| Balance at end of period                             | 6,716                | 22,086          | 28,474            | (3,620)         | 53,656                     |

|                                                      | Accumulated other comprehensive income                |                                    |                                         |                                         |                                              | Non-controlling interests | Total net assets |
|------------------------------------------------------|-------------------------------------------------------|------------------------------------|-----------------------------------------|-----------------------------------------|----------------------------------------------|---------------------------|------------------|
|                                                      | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                           |                  |
| Balance at beginning of period                       | 4,952                                                 | 0                                  | 56                                      | (526)                                   | 4,483                                        | 682                       | 69,014           |
| Changes during period                                |                                                       |                                    |                                         |                                         |                                              |                           |                  |
| Dividends of surplus                                 |                                                       |                                    |                                         |                                         |                                              |                           | (500)            |
| Loss attributable to owners of parent                |                                                       |                                    |                                         |                                         |                                              |                           | (9,414)          |
| Purchase of treasury shares                          |                                                       |                                    |                                         |                                         |                                              |                           | (277)            |
| Net changes in items other than shareholders' equity | 3,096                                                 | 43                                 | 23                                      | 707                                     | 3,871                                        | 58                        | 3,929            |
| Total changes during period                          | 3,096                                                 | 43                                 | 23                                      | 707                                     | 3,871                                        | 58                        | (6,262)          |
| Balance at end of period                             | 8,049                                                 | 43                                 | 80                                      | 181                                     | 8,354                                        | 741                       | 62,751           |

For the current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

|                                                      | Shareholders' equity |                 |                   |                 |                            |
|------------------------------------------------------|----------------------|-----------------|-------------------|-----------------|----------------------------|
|                                                      | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period                       | 6,716                | 22,086          | 28,474            | (3,620)         | 53,656                     |
| Changes during period                                |                      |                 |                   |                 |                            |
| Dividends of surplus                                 |                      |                 | (497)             |                 | (497)                      |
| Profit attributable to owners of parent              |                      |                 | 5,488             |                 | 5,488                      |
| Purchase of treasury shares                          |                      |                 |                   | (641)           | (641)                      |
| Net changes in items other than shareholders' equity |                      |                 |                   |                 |                            |
| Total changes during period                          | —                    | —               | 4,991             | (641)           | 4,350                      |
| Balance at end of period                             | 6,716                | 22,086          | 33,465            | (4,261)         | 58,006                     |

|                                                      | Accumulated other comprehensive income                |                                    |                                         |                                         |                                              | Non-controlling interests | Total net assets |
|------------------------------------------------------|-------------------------------------------------------|------------------------------------|-----------------------------------------|-----------------------------------------|----------------------------------------------|---------------------------|------------------|
|                                                      | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                           |                  |
| Balance at beginning of period                       | 8,049                                                 | 43                                 | 80                                      | 181                                     | 8,354                                        | 741                       | 62,751           |
| Changes during period                                |                                                       |                                    |                                         |                                         |                                              |                           |                  |
| Dividends of surplus                                 |                                                       |                                    |                                         |                                         |                                              |                           | (497)            |
| Profit attributable to owners of parent              |                                                       |                                    |                                         |                                         |                                              |                           | 5,488            |
| Purchase of treasury shares                          |                                                       |                                    |                                         |                                         |                                              |                           | (641)            |
| Net changes in items other than shareholders' equity | 253                                                   | (48)                               | 40                                      | (403)                                   | (159)                                        | 64                        | (94)             |
| Total changes during period                          | 253                                                   | (48)                               | 40                                      | (403)                                   | (159)                                        | 64                        | 4,255            |
| Balance at end of period                             | 8,302                                                 | (5)                                | 120                                     | (222)                                   | 8,195                                        | 805                       | 67,007           |

## 4) Consolidated Statements of Cash Flows

(Millions of yen)

|                                                        | Previous fiscal year<br>(from April 1, 2023 to March 31,<br>2024) | Current fiscal year<br>(From April 1, 2024 to March 31,<br>2025) |
|--------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Cash flows from operating activities                   |                                                                   |                                                                  |
| Profit (loss) before income taxes                      | (9,283)                                                           | 7,105                                                            |
| Depreciation                                           | 7,117                                                             | 4,703                                                            |
| Impairment losses                                      | 12,250                                                            | 1,135                                                            |
| Restructuring expenses                                 | 530                                                               | 380                                                              |
| Reversal of provision for business restructuring       | —                                                                 | (103)                                                            |
| Increase (decrease) in allowance for doubtful accounts | 12                                                                | (18)                                                             |
| Increase (decrease) in retirement benefit liability    | (206)                                                             | (317)                                                            |
| Extra retirement payments                              | 12                                                                | 39                                                               |
| Interest and dividend income                           | (366)                                                             | (434)                                                            |
| Interest expenses                                      | 227                                                               | 235                                                              |
| Loss (gain) on sale of investment securities           | (1)                                                               | (276)                                                            |
| Loss (gain) on disposal of non-current assets          | 130                                                               | (2,251)                                                          |
| Decrease (increase) in trade receivables               | (4,130)                                                           | 2,983                                                            |
| Decrease (increase) in inventories                     | 677                                                               | (2,091)                                                          |
| Increase (decrease) in trade payables                  | 1,737                                                             | (3,444)                                                          |
| Increase (decrease) in accrued consumption taxes       | 220                                                               | (246)                                                            |
| Other, net                                             | 1,015                                                             | (1,241)                                                          |
| Subtotal                                               | 9,945                                                             | 6,157                                                            |
| Interest and dividends received                        | 346                                                               | 430                                                              |
| Interest paid                                          | (226)                                                             | (236)                                                            |
| Income taxes paid                                      | (277)                                                             | (1,017)                                                          |
| Income taxes refund                                    | 261                                                               | 73                                                               |
| Extra retirement payments                              | (34)                                                              | (12)                                                             |
| Net cash provided by (used in) operating activities    | 10,014                                                            | 5,396                                                            |
| Cash flows from investing activities                   |                                                                   |                                                                  |
| Purchase of investment securities                      | (36)                                                              | (44)                                                             |
| Proceeds from sale of investment securities            | 4                                                                 | 410                                                              |
| Purchase of non-current assets                         | (4,872)                                                           | (5,663)                                                          |
| Proceeds from sale of non-current assets               | 135                                                               | 2,675                                                            |
| Other, net                                             | (113)                                                             | (263)                                                            |
| Net cash provided by (used in) investing activities    | (4,882)                                                           | (2,884)                                                          |
| Cash flows from financing activities                   |                                                                   |                                                                  |
| Net increase (decrease) in short-term borrowings       | (610)                                                             | (973)                                                            |
| Proceeds from long-term borrowings                     | 2,906                                                             | 2,830                                                            |
| Repayments of long-term borrowings                     | (2,917)                                                           | (2,984)                                                          |
| Repayments of lease liabilities                        | (975)                                                             | (926)                                                            |
| Dividends paid                                         | (501)                                                             | (497)                                                            |
| Purchase of treasury shares                            | (277)                                                             | (641)                                                            |
| Other, net                                             | (3)                                                               | (3)                                                              |
| Net cash provided by (used in) financing activities    | (2,380)                                                           | (3,196)                                                          |
| Net increase (decrease) in cash and cash equivalents   | 2,752                                                             | (684)                                                            |
| Cash and cash equivalents at beginning of period       | 6,916                                                             | 9,668                                                            |
| Cash and cash equivalents at end of period             | *1 9,668                                                          | *1 8,983                                                         |

[Notes]

(Uncertainties of entity's ability to continue as going concern)

Not applicable.

(Significant accounting policies for preparation of consolidated financial statements)

1. Disclosure of scope of consolidation

(1) Number of consolidated subsidiaries:

24

Names of major consolidated subsidiaries are referred to in "4. Subsidiaries and other affiliated entities" under "I. Overview of Company," therefore they are omitted here.

(2) Non-consolidated subsidiaries:

Not applicable.

2. Disclosure about application of equity method

(1) Non-consolidated subsidiaries to which the equity method is applied:

Not applicable.

(2) Number of subsidiaries and associate to which the equity method is applied:

1

Name of the company concerned:

Betagro MF Deli Co., Ltd.

(3) Non-consolidated subsidiaries and associated company to which the equity method is not applied:

Not applicable.

3. Book-closing date of consolidated subsidiaries

Consolidated subsidiaries whose book-closing date differs from that of the Company:

Not applicable.

4. Disclosure of accounting policies

(1) Basis and method concerning valuation of important assets

1) Securities

Available-for-sale securities

- Securities other than shares without market price, etc.

Stated at fair value.

(Any valuation difference is booked directly to net assets and the cost of securities sold is computed by the moving-average method.)

- Shares without market price, etc.

Stated at their cost determined by the moving-average method.

2) Derivatives

Stated at fair value.

3) Inventories

Merchandise and finished goods, work in process, and raw materials and supplies

Stated at their cost determined by the weighted average method.

(Balance sheet values reflect write-downs for decreased profitability.)

- (2) Depreciation and amortization methods of major depreciable assets
- 1) Property, plant and equipment (excluding leased assets)
 

Primarily applying the declining balance method. However, the straight-line method is applied for the buildings (excluding the facilities attached to buildings) acquired on and after April 1, 1998 and the facilities attached to buildings and structures acquired on and after April 1, 2016.

Useful lives of assets are principally as follows:

|                                   |             |
|-----------------------------------|-------------|
| Buildings and structures          | 12-50 years |
| Machinery, equipment and vehicles | 4-10 years  |
  - 2) Intangible assets (excluding leased assets)
 

Applying the straight-line method. For software for its own use, the straight-line method is applied based on the internally estimated useful life of 5 years.
  - 3) Leased assets
 

Leased assets under finance leases that do not transfer ownership

The straight-line method over the lease term with a residual value of zero (for a lease contract that guarantees a residual value, the guaranteed residual value).
- (3) Accounting policies for significant allowances and provisions
- 1) Allowance for doubtful accounts
 

An allowance for doubtful accounts is provided to cover bad-debt losses. With respect to normal trade accounts receivable, it is stated at an amount based on the actual rate of historical bad debts. For certain doubtful receivables, the uncollectible amounts are individually estimated.
  - 2) Provision for bonuses
 

To provide for payments of employees' bonuses, an amount accrued for the current fiscal year among the estimated future obligations is recorded as provisions.
  - 3) Provision for business restructuring
 

The amount projected to be incurred as expenses for business restructuring in the future is recognized to provide for such expenses.
- (4) Accounting for retirement benefits
- 1) Periodic attribution of projected retirement benefits
 

Projected benefit obligations are attributed to the periods of service until the end of the current fiscal year on a benefit formula basis in determining retirement benefit obligations.
  - 2) Amortization method for actuarial gains or losses
 

Actuarial gains and losses are amortized by the straight-line method over a fixed period of 10 years, which is within the average remaining service years of the eligible employees, beginning in the fiscal year following the year in which the gains and losses are recognized.
  - 3) Adoption of a simplified method to certain small-scale group companies
 

Several consolidated subsidiaries adopt, in calculating their retirement benefit liability and retirement benefit expenses, a simplified method in which the amount that would be required if all the employees retired voluntarily at the fiscal year end is treated as retirement benefit obligation.
- (5) Accounting policies for significant revenues and expenses
- 1) The Company's key performance obligation in its primary business operations
 

The Group's primary business operations are the Processed Food Products operations (manufacturing and sales of ham, sausage and precooked and processed foods) and the Meat Products operations (processing and sales of beef, pork, chicken, etc.) and we identify delivery of these merchandise and finished goods to our customers as our performance obligation.
  - 2) General timing when the Company satisfies its performance obligation
 

The Company applies an alternative treatment set forth in Paragraph 98 of the "Implementation Guidance on Accounting Standard for Revenue Recognition." Therefore, revenue is, in principle, recognized at the time of shipment of merchandise and finished goods, where control over them is transferred to a customer and thus we judge that our performance obligation is satisfied.

Transaction prices are calculated by deducting a portion of distribution expenses, promotion expenses, etc. from prices agreed in a contract with a customer.

(6) Significant hedge accounting method

1) Hedge accounting method

Exceptional accounting treatments are applied to interest rate swaps because they meet specific conditions. In addition, accounts receivable and accounts payable in a foreign currency hedged by fixed-rate contracts, etc. are treated with designated hedge accounting.

2) Hedging instrument and hedged items

- Hedging instrument: Derivative transactions (fixed-rate contracts and interest rate swap transactions)
- Hedged items: Items that have risks associated with foreign exchange fluctuations, etc. that are not reflected in their value; and items that avoid the risks associated with foreign exchange fluctuations with their cash flow being fixed.

3) Hedging policy

The Company adopts a hedging policy that stipulates only risks associated with foreign exchange/interest rate fluctuations in the future should be hedged. Therefore, the Company does not engage in any speculative transactions or derivative transactions that aim for short-term gains.

4) Assessment of the effectiveness of hedging

Important conditions for the hedging instrument and the hedged items are the same and the Company's hedging approach is expected to offset or limit to certain extent the effects of foreign exchange/interest rate fluctuations at the start of hedging and throughout subsequent periods. Hence, the assessment of the effectiveness of hedging is omitted.

5) Other risk management methods relating to hedge accounting

Derivative transactions are carried out based on our internal rules that define transaction-related authority, amount limits, procedures, etc.

(7) Method and period for goodwill amortization

Goodwill is amortized over a period of 5 years using the straight-line method.

(8) Cash and cash equivalents in the consolidated statement of cash flows

Cash and cash equivalents as stated in the consolidated statement of cash flows consist of cash in hand, readily available deposits, and any short-term liquid investments with a maturity not exceeding three months from the acquisition date whose value is not subject to significant fluctuation risk.

(9) Other important matters in preparing the consolidated financial statements

Accounting treatment of asset-related non-deductible consumption taxes, etc.

Asset-related non-deductible national/regional consumption taxes are recorded as expenses for the fiscal year ended March 31, 2025.

(Significant accounting estimates)

1. Impairment of non-current assets

(1) Amount recorded in the consolidated financial statements for the fiscal year ended March 31, 2025  
(Millions of yen)

|                               | Previous fiscal year | Current fiscal year |
|-------------------------------|----------------------|---------------------|
| Property, plant and equipment | 42,430               | 41,446              |
| Intangible assets             | 324                  | 489                 |
| Impairment losses (*)         | 12,747               | 1,157               |

(\*) Those booked as restructuring expenses were included.

For production facilities and real estate in the Company and its consolidated subsidiaries with expected future cash flows decreasing going forward based on the business site relocation plan, the book values were reduced to their recoverable values and the reduced amounts, totaling 709 million yen, were recorded as impairment losses (extraordinary losses).

For idle assets not expected to be utilized in the future in the consolidated subsidiaries, the book values were reduced to their recoverable values and the reduced amounts, totaling 415 million yen, were recorded as impairment losses (extraordinary losses).

In addition, as part of restructuring decided in the prior fiscal years including the reorganization of production sites in the Company, impairment losses of 21 million yen were recorded as restructuring expenses among extraordinary losses with regard to production facilities not expected to be utilized in the future.

For idle assets with recoverability below the book values due to declines in market prices, the book values were reduced to their recoverable values and the reduced amounts, totaling 10 million yen, were recorded as impairment losses (extraordinary losses).

(2) Significant accounting estimates for identified items

1) Calculation method

When an indication of impairment exists for an asset or asset group, the Company conducts an assessment of whether recording an impairment loss is required based on the future cash flows of the asset.

The Company groups its cash generating units, which are the units used to determine whether recognizing impairment is required, into business assets of the Processed Food Products operations and the Meat Products operations, rental assets, idle assets and artwork. The Company groups its business assets by business units that are continuously monitored in management accounting; and rental assets, idle assets and artwork by individual asset.

Future cash flows for the fiscal year ended March 31, 2025 are estimated based on the recoverable values for business assets and rental assets, and the appraisal values, etc. for idle assets.

2) Key assumptions

The net realizable value is calculated by deducting the estimated costs of disposal from the appraisal value or certain assessed value, or the amount reasonably calculated based on indicators that are considered to appropriately reflect market prices.

The appraisal value of real estate is based on the appraisal value calculated by external experts, and the appraisal takes into account the current status of the real estate concerned as a given.

3) Effect on the consolidated financial statements for the fiscal year ending March 31, 2026

There may be a significant impact on the consolidated financial statements for the fiscal year ending March 31, 2026 if actual amounts differ from the estimates due to uncertain future economic conditions or changes in the business environment.

## 2. Recoverability of deferred tax assets

### (1) Amount recorded in the consolidated financial statements for the fiscal year ended March 31, 2025

(Millions of yen)

|                                                                          | Previous fiscal year | Current fiscal year |
|--------------------------------------------------------------------------|----------------------|---------------------|
| Deferred tax assets (Before offsetting against deferred tax liabilities) | 1,883                | 1,558               |

### (2) Significant accounting estimates for identified items

#### 1) Calculation method

Deferred tax assets are only recognized to the extent that it is highly probable that taxable income will be available against which the unused portion of tax loss carryforwards and future deductible temporary differences can be utilized. In determining the taxable income to be generated, the Company calculates the timing and amount of taxable income that can be earned in the future based on the future profit plan formulated on the basis of the management plan approved by the Board of Directors.

#### 2) Key assumptions

For the Company as well as consolidated subsidiaries that have a significant impact on the amount of taxable income and whose management plans for the next fiscal year, as approved by the Board of Directors, are expected to increase significantly as compared to the actual results of the current fiscal year, taxable income is estimated based on the assumption that profits from the next fiscal year will remain at the same level as those in the current fiscal year, except for items that are expected to improve in the next fiscal year.

#### 3) Effect on the consolidated financial statements for the fiscal year ending March 31, 2026

There may be a significant impact on the consolidated financial statements for the fiscal year ending March 31, 2026 if the actual timing and amounts differ from the estimates due to uncertain future economic conditions or changes in the business environment. In addition, changes in the effective statutory tax rate due to tax reforms may also have a significant impact on those consolidated financial statements.

### (Changes in accounting policies)

The Company has applied the “Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022) / hereinafter referred to as the “2022 Revised Accounting Standard”) from the beginning of the current fiscal year.

Regarding the revision of the accounting classification of income taxes (taxes imposed on other comprehensive income), the Company has followed the transitional treatment stipulated in the proviso of Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment stipulated in the proviso of Paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022 / hereinafter referred to as the “2022 Revised Guidance”). This change in accounting policies has no impact on the consolidated financial statements.

In addition, with respect to revisions related to the review of treatment in the consolidated financial statements when deferring, for tax purposes, gains or losses on sales associated with the sale of shares of subsidiaries, etc. between consolidated companies, the Company has applied the 2022 Revised Guidance from the beginning of the current fiscal year. This change in accounting policies has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been restated accordingly. This change in accounting policies has no impact on the consolidated financial statements for the previous fiscal year.

### (Unapplied accounting standards, etc.)

- Accounting Standard for Leases, etc. (ASBJ Statement No. 34, September 13, 2024)

- Implementation Guidance on Accounting Standard for Leases (ASBJ Guidance No. 33, September 13, 2024)

Other relevant revisions to the ASBJ Statements, ASBJ Guidance, Practical Solutions, and Practical Guidelines

#### (1) Overview

These accounting standards stipulate the treatment, such as recognizing all leases of a lessee as assets and liabilities, as with the international accounting standards.

#### (2) Expected timing of application

The Company plans to apply these accounting standards from the beginning of the fiscal year ending March 31, 2028 onward.

#### (3) Impact of application of these accounting standards, etc.

The impact of the application of the accounting standards, such as the Accounting Standard for Leases, etc., on the consolidated financial statements is currently being assessed.

(Consolidated balance sheets)

\*1. Among notes and accounts receivable - trade, the amounts of receivables resulting from the contracts with customers are as follows:

|                             | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|-----------------------------|------------------------------------------------|-----------------------------------------------|
| Notes receivable - trade    | 42 million yen                                 | 26 million yen                                |
| Accounts receivable - trade | 27,975 million yen                             | 25,024 million yen                            |

\*2. The following are related to subsidiaries and associated company:

|                                       | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|---------------------------------------|------------------------------------------------|-----------------------------------------------|
| Shares of subsidiaries and associates | 345 million yen                                | 433 million yen                               |

\*3. Pledged assets and secured debts

Pledged assets and secured debts are as follows:

| Pledged assets                    | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|-----------------------------------|------------------------------------------------|-----------------------------------------------|
| Machinery, equipment and vehicles | 16 million yen                                 | 8 million yen                                 |

Secured debts

|                                         | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|-----------------------------------------|------------------------------------------------|-----------------------------------------------|
| Current portion of long-term borrowings | 10 million yen                                 | 10 million yen                                |
| Long-term borrowings                    | 35 million yen                                 | 25 million yen                                |
| Total                                   | 45 million yen                                 | 35 million yen                                |

\*4. Notes maturing at the end of the fiscal year are settled on their clearing days.

As the end of the previous fiscal year fell on a bank holiday, the following notes maturing at the end of the fiscal year were included in the balance at the end of the fiscal year.

|                          | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|--------------------------|------------------------------------------------|-----------------------------------------------|
| Notes receivable - trade | 11 million yen                                 | —                                             |

\*5. Overdraft agreements

The Company and its consolidated subsidiaries have signed overdraft agreements with their correspondent banks to efficiently procure working capital. The unrealized borrowings under these agreements at the end of the periods were as follows:

|                                           | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|-------------------------------------------|------------------------------------------------|-----------------------------------------------|
| Total amounts in the overdraft agreements | 32,750 million yen                             | 32,770 million yen                            |
| Borrowing balance                         | 9,148 million yen                              | 8,175 million yen                             |
| Difference                                | 23,602 million yen                             | 24,595 million yen                            |

(Consolidated statements of income)

\*1. Revenues generated from contracts with customers

Net sales are presented without distinguishing revenues generated from contracts with customers and other revenues. The amount of revenues generated from contracts with customers is shown in “[Notes] (Segment information, etc.)” in the consolidated financial statements.

\*2. Loss on valuation of inventories

The balance of inventories at the end of the fiscal year is the amount after a reduction of book value in line with a decline in profitability, and the following loss on valuation of inventories is included in cost of sales. The amount below has been offset against reversal amounts:

| Previous fiscal year<br>(from April 1, 2023 to March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to March 31, 2025) |
|----------------------------------------------------------------|---------------------------------------------------------------|
| (250) million yen                                              | (43) million yen                                              |

\*3. Selling, general and administrative expenses

(1) Major items and their amounts were as follows:

|                                              | Previous fiscal year<br>(from April 1, 2023 to March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to March 31, 2025) |
|----------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------|
| Distribution expenses                        | 12,014 million yen                                             | 12,570 million yen                                            |
| Salaries and allowances                      | 5,924 million yen                                              | 5,804 million yen                                             |
| Provision for bonuses                        | 444 million yen                                                | 441 million yen                                               |
| Retirement benefit expenses                  | 243 million yen                                                | 192 million yen                                               |
| Provision of allowance for doubtful accounts | 23 million yen                                                 | 4 million yen                                                 |

(2) Research and development expenses included in general and administrative expenses are as follows (they are not included in manufacturing cost for the current fiscal year):

|  | Previous fiscal year<br>(from April 1, 2023 to March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to March 31, 2025) |
|--|----------------------------------------------------------------|---------------------------------------------------------------|
|  | 649 million yen                                                | 680 million yen                                               |

\*4. The breakdown of gain on disposal of non-current assets is as follows:

|                                   | Previous fiscal year<br>(from April 1, 2023 to March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to March 31, 2025) |
|-----------------------------------|----------------------------------------------------------------|---------------------------------------------------------------|
| Land                              | 4 million yen                                                  | 2,447 million yen                                             |
| Buildings and structures          | 5 million yen                                                  | 14 million yen                                                |
| Machinery, equipment and vehicles | 0 million yen                                                  | 12 million yen                                                |
| Tools, furniture and fixtures     | 0 million yen                                                  | 1 million yen                                                 |
| Total                             | 10 million yen                                                 | 2,476 million yen                                             |

\*5. The breakdown of loss on disposal of non-current assets is as follows:

|                                   | Previous fiscal year<br>(from April 1, 2023 to March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to March 31, 2025) |
|-----------------------------------|----------------------------------------------------------------|---------------------------------------------------------------|
| Buildings and structures          | 107 million yen                                                | 144 million yen                                               |
| Machinery, equipment and vehicles | 32 million yen                                                 | 28 million yen                                                |
| Other                             | 1 million yen                                                  | 51 million yen                                                |
| Total                             | 141 million yen                                                | 224 million yen                                               |

\*6. Impairment losses

The Group recorded impairment losses on the following assets:

Previous fiscal year (from April 1, 2023 to March 31, 2024)

| Category                                                                | Type                                                   | Location                  | Amount             |
|-------------------------------------------------------------------------|--------------------------------------------------------|---------------------------|--------------------|
| Business assets of the Processed Food Products operations (the Company) | Land, buildings, machinery and equipment, etc.         | Osaka Prefecture, etc.    | 12,240 million yen |
| Assets to be disposed/abolished (*) (the Company)                       | Machinery and equipment, etc.                          | Kanagawa Prefecture, etc. | 497 million yen    |
| Idle assets, etc.                                                       | Real estate for rent and other (Buildings, land), etc. | Hokkaido Prefecture, etc. | 9 million yen      |
| Total                                                                   | —                                                      | —                         | 12,747 million yen |

(\*) Included in “Restructuring expenses” on the consolidated statement of income.

The Group classifies non-current assets into four categories: business assets of the Processed Food Products operations and the Meat Products operations, rental assets, idle assets and artwork. It groups its business assets by business units that are continuously monitored in management accounting; and rental assets, idle assets and artwork by individual asset.

In its Processed Food Products operations, the Group reviewed the recoverability of its assets in the future, taking into consideration a worsening business environment due to surging raw material prices and increased costs, such as distribution costs, as well as consumers’ heightened budget consciousness. As a result, the book values of the business assets of the Processed Food Products operations were reduced to their recoverable values and the reduced amounts were recorded as impairment losses (extraordinary losses). These impairment losses consist of those for machinery, equipment and vehicles of 5,170 million yen, for buildings and structures of 4,111 million yen, for land of 2,351 million yen, for intangible assets of 603 million yen, and for tools, furniture and fixtures of 3 million yen.

In addition to the above, due to the decision to implement restructuring including the reorganization of production sites, the Company reduced the book values of its production facilities and real estate that were not expected to be utilized in the future to their recoverable values and the reduced amounts were recorded as restructuring expenses (extraordinary losses). These restructuring expenses consist of those for machinery, equipment and vehicles of 488 million yen, for buildings and structures of 6 million yen, and for tools, furniture and fixtures of 2 million yen.

In addition, for idle assets with recoverability below book values due to declines in market prices, the book values were reduced to their recoverable values and the reduced amounts were recorded as impairment losses (extraordinary losses).

Their recoverable values were calculated by the net realizable values assessed based on the appraisal values, etc.

Current fiscal year (From April 1, 2024 to March 31, 2025)

| Category                                                              | Type                                              | Location                  | Amount            |
|-----------------------------------------------------------------------|---------------------------------------------------|---------------------------|-------------------|
| Business assets (the Company and its three consolidated subsidiaries) | Land, leased assets, etc.                         | Hyogo Prefecture, etc.    | 1,125 million yen |
| Assets to be disposed/abolished (*) (the Company)                     | Machinery and equipment                           | Kanagawa Prefecture       | 21 million yen    |
| Idle assets                                                           | Real estate for rent and other (Structures, land) | Wakayama Prefecture, etc. | 10 million yen    |
| Total                                                                 | —                                                 | —                         | 1,157 million yen |

(\*) Included in “Restructuring expenses” on the consolidated statement of income.

The Group classifies non-current assets into four categories: business assets of the Processed Food Products operations and the Meat Products operations, rental assets, idle assets and artwork. It groups its business assets by business units that are continuously monitored in management accounting; and rental assets, idle assets and artwork by individual asset.

For production facilities and real estate in the Company and its consolidated subsidiaries with expected future cash flows decreasing going forward based on the business site relocation plan, the book values were reduced to their recoverable values and the reduced amounts, totaling 709 million yen, were recorded as impairment losses (extraordinary losses). These impairment losses consist of those for land of 521 million yen, for buildings and structures of 124 million yen, for machinery, equipment and vehicles of 61 million yen, and for tools, furniture and fixtures of 1 million yen. In addition, for idle assets not expected to be utilized in the future in the consolidated subsidiaries, the book values were reduced to their recoverable values and the reduced amounts, totaling 415 million yen, were recorded as impairment losses (extraordinary losses). These impairment losses consist of those for leased assets of 360 million yen, for buildings and structures of 32 million yen, and for machinery, equipment and vehicles of 21 million yen.

In addition to the above, as part of restructuring decided in the prior fiscal years including the reorganization of production sites, the book values for production facilities of the Company that were not expected to be utilized in the future were reduced to their recoverable values and the reduced amounts, totaling 21 million yen, were recorded as restructuring expenses (extraordinary losses). These restructuring expenses consist only of those for machinery, equipment and vehicles.

In addition, for idle assets with recoverability below the book values due to declines in market prices, the book values were reduced to their recoverable values and the reduced amounts, totaling 10 million yen, were recorded as impairment losses (extraordinary losses). These impairment losses consist only of real estate for rent and other (“Other” under “Investments and other assets”).

Their recoverable values were calculated by the net realizable values assessed based on the appraisal values, etc.

\*7 Restructuring expenses

Previous fiscal year (from April 1, 2023 to March 31, 2024)

Restructuring expenses involve losses incurred by the decision to implement restructuring, including the reorganization of production sites, mainly consisting of impairment losses of 497 million yen for the production facilities, real estate, etc. of the Company.

Current fiscal year (From April 1, 2024 to March 31, 2025)

Restructuring expenses involve losses incurred by the decision to implement restructuring, including the reorganization of production sites, mainly consisting of expenses for relocating or removing production facilities, etc. of the Company and its consolidated subsidiaries.

(Consolidated statements of comprehensive income)

\*Reclassification adjustments, and income taxes and tax effects relating to other comprehensive income

|                                                                                   | (Millions of yen)                                                 |                                                                  |
|-----------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
|                                                                                   | Previous fiscal year<br>(From April 1, 2023 to March 31,<br>2024) | Current fiscal year<br>(From April 1, 2024 to March<br>31, 2025) |
| Valuation difference on available-for-sale securities                             |                                                                   |                                                                  |
| Increase (decrease) during the year                                               | 4,444                                                             | 673                                                              |
| Reclassification adjustments                                                      | (1)                                                               | (276)                                                            |
| Amount before income taxes and tax effect                                         | 4,443                                                             | 396                                                              |
| Income taxes and tax effect                                                       | (1,347)                                                           | (143)                                                            |
| Valuation difference on available-for-sale securities                             | 3,096                                                             | 253                                                              |
| Deferred gains or losses on hedges                                                |                                                                   |                                                                  |
| Increase (decrease) during the year                                               | 62                                                                | (70)                                                             |
| Amount before income taxes and tax effect                                         | 62                                                                | (70)                                                             |
| Income taxes and tax effect                                                       | (19)                                                              | 21                                                               |
| Deferred gains or losses on hedges                                                | 43                                                                | (48)                                                             |
| Remeasurements of defined benefit plans, net of tax                               |                                                                   |                                                                  |
| Increase (decrease) during the year                                               | 891                                                               | (560)                                                            |
| Reclassification adjustments                                                      | 58                                                                | 17                                                               |
| Amount before income taxes and tax effect                                         | 950                                                               | (543)                                                            |
| Income taxes and tax effect                                                       | (242)                                                             | 139                                                              |
| Remeasurements of defined benefit plans, net of tax                               | 707                                                               | (403)                                                            |
| Share of other comprehensive income of entities accounted for using equity method |                                                                   |                                                                  |
| Increase (decrease) during the year                                               | 23                                                                | 40                                                               |
| Total other comprehensive income                                                  | 3,871                                                             | (159)                                                            |

## (Consolidated statements of changes in net assets)

Previous fiscal year (from April 1, 2023 to March 31, 2024)

## 1. Class and total number of issued shares and treasury shares

|                 | Balance at beginning of the fiscal year (Shares) | Increase during the fiscal year (Shares) | Decrease during the fiscal year (Shares) | Balance at end of the fiscal year (Shares) |
|-----------------|--------------------------------------------------|------------------------------------------|------------------------------------------|--------------------------------------------|
| Issued shares   |                                                  |                                          |                                          |                                            |
| Common stock    | 26,505,581                                       | —                                        | —                                        | 26,505,581                                 |
| Total           | 26,505,581                                       | —                                        | —                                        | 26,505,581                                 |
| Treasury shares |                                                  |                                          |                                          |                                            |
| Common stock    | 1,485,025                                        | 165,660                                  | —                                        | 1,650,685                                  |
| Total           | 1,485,025                                        | 165,660                                  | —                                        | 1,650,685                                  |

(Note) Increase in treasury shares of 165,660 shares consists of an acquisition of 165,400 shares through the off-hours trading system (ToSTNeT-3) and purchase of odd lots of 260 shares.

## 2. Dividends

## (1) Dividends paid

| Resolution                                                | Class of shares | Source of dividends | Total amount of dividends (Millions of yen) | Dividends per share (Yen) | Record date    | Effective date |
|-----------------------------------------------------------|-----------------|---------------------|---------------------------------------------|---------------------------|----------------|----------------|
| June 28, 2023<br>Ordinary General Meeting of Shareholders | Common stock    | Retained earnings   | 500                                         | 20                        | March 31, 2023 | June 29, 2023  |

## (2) Dividends whose record date falls in the fiscal year ended March 31, 2024 but whose effective date comes after March 31, 2024

| Resolution                                                | Class of shares | Source of dividends | Total amount of dividends (Millions of yen) | Dividends per share (Yen) | Record date    | Effective date |
|-----------------------------------------------------------|-----------------|---------------------|---------------------------------------------|---------------------------|----------------|----------------|
| June 27, 2024<br>Ordinary General Meeting of Shareholders | Common stock    | Retained earnings   | 497                                         | 20                        | March 31, 2024 | June 28, 2024  |

Current fiscal year (From April 1, 2024 to March 31, 2025)

## 1. Class and total number of issued shares and treasury shares

|                 | Balance at beginning of the fiscal year (Shares) | Increase during the fiscal year (Shares) | Decrease during the fiscal year (Shares) | Balance at end of the fiscal year (Shares) |
|-----------------|--------------------------------------------------|------------------------------------------|------------------------------------------|--------------------------------------------|
| Issued shares   |                                                  |                                          |                                          |                                            |
| Common stock    | 26,505,581                                       | —                                        | —                                        | 26,505,581                                 |
| Total           | 26,505,581                                       | —                                        | —                                        | 26,505,581                                 |
| Treasury shares |                                                  |                                          |                                          |                                            |
| Common stock    | 1,650,685                                        | 374,778                                  | —                                        | 2,025,463                                  |
| Total           | 1,650,685                                        | 374,778                                  | —                                        | 2,025,463                                  |

(Note) Increase in treasury shares of 374,778 shares consists of an acquisition of 374,700 shares through the off-hours trading system (ToSTNeT-3) and purchase of odd lots of 78 shares.

## 2. Dividends

### (1) Dividends paid

| Resolution                                                | Class of shares | Source of dividends | Total amount of dividends<br>(Millions of yen) | Dividends per share (Yen) | Record date    | Effective date |
|-----------------------------------------------------------|-----------------|---------------------|------------------------------------------------|---------------------------|----------------|----------------|
| June 27, 2024<br>Ordinary General Meeting of Shareholders | Common stock    | Retained earnings   | 497                                            | 20                        | March 31, 2024 | June 28, 2024  |

### (2) Dividends whose record date falls in the fiscal year ended March 31, 2025 but whose effective date comes after March 31, 2025

| Scheduled resolution                                      | Class of shares | Source of dividends | Total amount of dividends<br>(Millions of yen) | Dividends per share (Yen) | Record date    | Effective date |
|-----------------------------------------------------------|-----------------|---------------------|------------------------------------------------|---------------------------|----------------|----------------|
| June 26, 2025<br>Ordinary General Meeting of Shareholders | Common stock    | Retained earnings   | 1,224                                          | 50                        | March 31, 2025 | June 27, 2025  |

(Consolidated statements of cash flows)

\*1. Relationship between the cash and cash equivalents at end of period and the amount of consolidated balance sheet items is as follows:

|                           | Previous fiscal year<br>(from April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|---------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Cash and deposits         | 9,668 million yen                                                 | 8,983 million yen                                                |
| Cash and cash equivalents | 9,668 million yen                                                 | 8,983 million yen                                                |

2. Significant non-cash transactions

Newly recorded assets and liabilities related to finance lease transactions were as follows:

|                                                              | Previous fiscal year<br>(from April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|--------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Assets and liabilities related to finance lease transactions | 515 million yen                                                   | 100 million yen                                                  |

(Leases)

1. Finance lease transactions

(Lessee side)

Finance leases that do not transfer their ownership

(1) Leased assets

Property, plant and equipment

Primarily concerning production facilities (machinery and equipment) of Processed Food Products operations.

(2) Depreciation and amortization method for leased assets

Leased assets under finance lease transactions that do not transfer ownership are amortized using the straight-line method over the lease term with a residual value of zero (a guaranteed residual value if a lease contract guarantees the residual value).

2. Operating lease transactions

(Lessee side)

Future lease payments related to non-cancellable operating leases

(Millions of yen)

|               | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|---------------|------------------------------------------------|-----------------------------------------------|
| Within 1 year | 15                                             | 36                                            |
| Over 1 year   | 43                                             | 100                                           |
| Total         | 59                                             | 137                                           |

(Financial instruments)

1. Current status of financial instruments

(1) Policy concerning financial instruments

The Group makes it a policy to limit fund investments to bank deposits and other investments in which the principal is free from risk and raise funds principally through borrowings from financial institutions such as banks and issuance of corporate bonds.

The Group uses derivatives to reduce foreign exchange and interest rate fluctuation risks but does not engage in any speculative transactions.

(2) Details of financial instruments and their risks and the Group's risk management system

The Group is exposed to credit risk arising from operating receivables such as trade notes and accounts receivable. To limit the risk, the Company conducts due date and outstanding receivable management on a customer-by-customer basis in accordance with its "Credit Exposure Management Guidelines" and has a grading system to evaluate the credit condition of its major customers every six months. The consolidated subsidiaries manage credit risks similarly, following the Company's "Credit Exposure Management Guidelines."

Investment securities held by the Company are comprised of exchange listed shares (strategic shareholdings) and unlisted stocks, with the bulk consisting of exchange listed shares (strategic shareholdings). As a policy, exchange listed shares (strategic shareholdings), in accordance with the "Guidelines for the Holding and Management of Exchange Listed Shares," are held only if judged to contribute to the Company's sustained growth and medium- to long-term corporate value enhancement. Individual investment securities, including unlisted stocks, are subject to verification of their holding purpose and rationale, etc. and reported each year to the Board of Directors for comprehensive deliberation regarding the justification of their holding. The verification of shareholding rationale includes determining whether risks and benefits resulting from the shareholdings are proportionate to the cost of capital.

Operating payables, such as trade notes and accounts payables, and other account payables, are generally due within one year. Some arise in connection with the import of raw materials and goods that are denominated in foreign currencies. The Company uses foreign currency forward contracts to reduce foreign currency fluctuation risk that arises from operating payables in foreign currencies.

The Group primarily uses loans to procure operating funds. Lease liabilities from finance leases are incurred to raise funds for capital expenditure. The amount of interest expenses has been fixed for the long-term portion of borrowings through the use of individual fixed-rate contracts as well as interest rate swap transactions as hedging instruments, in order to avoid the risk of interest rate fluctuations. No interest swap transactions were current as of March 31, 2025.

To minimize counterparty risk, the Company follows its "Derivative Transaction Rules" and enters such transactions only with highly rated financial institutions.

The Company is exposed to liquidity risk arising from its operating obligations and loan payables. To minimize this risk, the Accounting Department prepares cash flow plans based on other divisions' reports and regularly updates the statements. The consolidated subsidiaries also manage liquidity risk in accordance with the methods used by the Company.

(3) Supplementary explanation on fair values of financial instruments

As a variety of factors, some of which are variable, are taken into account when calculating the fair values of financial instruments, the adoption of different assumptions may result in different values.

The contract amounts of the derivative transactions stated in "2. Fair value of financial instruments" do not reflect the market risk involved in the derivative transactions themselves.

## 2. Fair value of financial instruments

The following table shows consolidated balance sheet amounts, fair value and any difference between book value and fair value. “Cash and deposits,” “notes and accounts receivable - trade,” “notes and accounts payable - trade,” “accounts payable -other” and “short-term borrowings” are omitted as they are cash or are settled in a short period of time and thus their fair values are similar to their book values.

Previous fiscal year (As of March 31, 2024)

(Millions of yen)

|                               | Book value on the consolidated balance sheet | Fair value | Difference |
|-------------------------------|----------------------------------------------|------------|------------|
| Investment securities (*1)    |                                              |            |            |
| Available-for-sale securities | 15,867                                       | 15,867     | —          |
| Total assets                  | 15,867                                       | 15,867     | —          |
| (1) Long-term borrowings      | 8,161                                        | 8,109      | (51)       |
| (2) Lease liabilities         | 4,236                                        | 4,235      | (0)        |
| Total Liabilities             | 12,398                                       | 12,345     | (52)       |
| Derivatives transactions (*2) | 63                                           | 63         | —          |

(\*1) Shares, etc. without market prices are not included in “Investment securities, Available-for-sale securities.” Book values on the consolidated balance sheet for these financial instruments were as follows:

(Millions of yen)

| Category                              | Previous fiscal year<br>(As of March 31, 2024) |
|---------------------------------------|------------------------------------------------|
| Unlisted stocks                       | 47                                             |
| Shares of subsidiaries and associates | 345                                            |

(\*2) Derivative receivables and payables are presented on a net basis.

Current fiscal year (As of March 31, 2025)

(Millions of yen)

|                               | Book value on the consolidated balance sheet | Fair value | Difference |
|-------------------------------|----------------------------------------------|------------|------------|
| Investment securities (*1)    |                                              |            |            |
| Available-for-sale securities | 16,174                                       | 16,174     | —          |
| Total assets                  | 16,174                                       | 16,174     | —          |
| (1) Long-term borrowings      | 8,007                                        | 7,909      | (98)       |
| (2) Lease liabilities         | 3,308                                        | 3,284      | (23)       |
| Total Liabilities             | 11,315                                       | 11,193     | (121)      |
| Derivatives transactions (*2) | (7)                                          | (7)        | —          |

(\*1) Shares, etc. without market prices are not included in “Investment securities, Available-for-sale securities.” Book values on the consolidated balance sheet for these financial instruments were as follows:

(Millions of yen)

| Category                              | Current fiscal year |
|---------------------------------------|---------------------|
| Unlisted stocks                       | 47                  |
| Shares of subsidiaries and associates | 433                 |

(\*2) Derivative receivables and payables are presented on a net basis. Net payables are presented in parentheses.

(Note 1) Estimated redemption amounts of monetary assets and available-for-sale securities with maturity dates after the consolidated balance sheet date  
Previous fiscal year (As of March 31, 2024)

(Millions of yen)

|                                       | Within 1 year | Over 1 year but within 5 years | Over 5 years |
|---------------------------------------|---------------|--------------------------------|--------------|
| Cash and deposits                     | 9,668         | —                              | —            |
| Notes and accounts receivable - trade | 28,018        | —                              | —            |
| Total                                 | 37,686        | —                              | —            |

Current fiscal year (As of March 31, 2025)

(Millions of yen)

|                                       | Within 1 year | Over 1 year but within 5 years | Over 5 years |
|---------------------------------------|---------------|--------------------------------|--------------|
| Cash and deposits                     | 8,983         | —                              | —            |
| Notes and accounts receivable - trade | 25,050        | —                              | —            |
| Total                                 | 34,033        | —                              | —            |

(Note 2) Estimated repayment amounts of long-term borrowings, lease liabilities and other interest-bearing debts after the closing date of each fiscal year  
Previous fiscal year (As of March 31, 2024)

(Millions of yen)

|                       | Within 1 year | Over 1 year but within 2 years | Over 2 years but within 3 years | Over 3 years but within 4 years | Over 4 years but within 5 years | Over 5 years |
|-----------------------|---------------|--------------------------------|---------------------------------|---------------------------------|---------------------------------|--------------|
| Short-term borrowings | 9,248         | —                              | —                               | —                               | —                               | —            |
| Long-term borrowings  | 2,984         | 2,080                          | 1,594                           | 1,032                           | 471                             | —            |
| Lease liabilities     | 1,057         | 829                            | 654                             | 560                             | 380                             | 755          |
| Total                 | 13,289        | 2,909                          | 2,248                           | 1,592                           | 851                             | 755          |

Current fiscal year (As of March 31, 2025)

(Millions of yen)

|                       | Within 1 year | Over 1 year but within 2 years | Over 2 years but within 3 years | Over 3 years but within 4 years | Over 4 years but within 5 years | Over 5 years |
|-----------------------|---------------|--------------------------------|---------------------------------|---------------------------------|---------------------------------|--------------|
| Short-term borrowings | 8,275         | —                              | —                               | —                               | —                               | —            |
| Long-term borrowings  | 2,646         | 2,160                          | 1,598                           | 1,237                           | 366                             | —            |
| Lease liabilities     | 872           | 667                            | 571                             | 392                             | 298                             | 506          |
| Total                 | 11,793        | 2,827                          | 2,169                           | 1,629                           | 664                             | 506          |

### 3. Breakdown of financial instruments by the level of their fair value

The Company classifies the fair values of financial instruments into the following three levels in accordance with the observability and importance of inputs used in the calculation of fair values.

Level 1 fair values: Fair values calculated using (non-adjusted) market prices of identical assets/liabilities in active markets

Level 2 fair values: Fair values calculated using directly or indirectly observable inputs other than Level 1 inputs

Level 3 fair values: Fair values calculated using important but unobservable inputs

When several types of inputs that have a significant impact on the calculation of fair values are used, those fair values are classified at the level that is the least prioritized in calculating them, among the respective levels of these inputs.

(1) Financial instruments recorded at fair value in consolidated balance sheet

Previous fiscal year (As of March 31, 2024)

| Category                      | Fair value (Millions of yen) |         |         |        |
|-------------------------------|------------------------------|---------|---------|--------|
|                               | Level 1                      | Level 2 | Level 3 | Total  |
| Investment securities         |                              |         |         |        |
| Available-for-sale securities |                              |         |         |        |
| Equity securities             | 15,867                       | —       | —       | 15,867 |
| Derivatives transactions      |                              |         |         |        |
| Currency-related derivatives  | —                            | 63      | —       | 63     |
| Total assets                  | 15,867                       | 63      | —       | 15,930 |

Current fiscal year (As of March 31, 2025)

| Category                      | Fair value (Millions of yen) |         |         |        |
|-------------------------------|------------------------------|---------|---------|--------|
|                               | Level 1                      | Level 2 | Level 3 | Total  |
| Investment securities         |                              |         |         |        |
| Available-for-sale securities |                              |         |         |        |
| Equity securities             | 16,174                       | —       | —       | 16,174 |
| Total assets                  | 16,174                       | —       | —       | 16,174 |
| Derivatives transactions      |                              |         |         |        |
| Currency-related derivatives  | —                            | 7       | —       | 7      |
| Total Liabilities             | —                            | 7       | —       | 7      |

(2) Financial instruments other than those recorded at fair value on consolidated balance sheet

Previous fiscal year (As of March 31, 2024)

| Category             | Fair value (Millions of yen) |         |         |        |
|----------------------|------------------------------|---------|---------|--------|
|                      | Level 1                      | Level 2 | Level 3 | Total  |
| Long-term borrowings | —                            | 8,109   | —       | 8,109  |
| Lease liabilities    | —                            | 4,235   | —       | 4,235  |
| Total Liabilities    | —                            | 12,345  | —       | 12,345 |

Current fiscal year (As of March 31, 2025)

| Category             | Fair value (Millions of yen) |         |         |        |
|----------------------|------------------------------|---------|---------|--------|
|                      | Level 1                      | Level 2 | Level 3 | Total  |
| Long-term borrowings | —                            | 7,909   | —       | 7,909  |
| Lease liabilities    | —                            | 3,284   | —       | 3,284  |
| Total Liabilities    | —                            | 11,193  | —       | 11,193 |

(Note) Explanation on evaluation technique and inputs used to calculate fair values

Investment securities

Available-for-sale securities

The fair values of these securities are based on prices on securities exchanges, and therefore are classified as Level 1.

Derivatives transactions

All of the derivative transactions are fixed-rate transactions with the discounted cash flow method being used to calculate the fair values of fixed-rate contracts based on the observable inputs such as exchange rates. Therefore, their fair values are classified as Level 2.

Long-term borrowings and lease liabilities

The fair values for these items have been calculated as the present value of the sum of principal and interest amounts, discounted using the estimated interest rates for new borrowings or lease transactions of the same kind. Therefore, their fair values are classified as Level 2.

## (Securities)

## 1. Available-for-sale securities

Previous fiscal year (As of March 31, 2024)

(Millions of yen)

| Category                                                   | Book value on the consolidated balance sheet | Historical cost | Difference |
|------------------------------------------------------------|----------------------------------------------|-----------------|------------|
| Securities with book values exceeding historical costs     |                                              |                 |            |
| Equity securities                                          | 15,813                                       | 4,328           | 11,484     |
| Bonds                                                      | —                                            | —               | —          |
| Other                                                      | —                                            | —               | —          |
| Subtotal                                                   | 15,813                                       | 4,328           | 11,484     |
| Securities with book values not exceeding historical costs |                                              |                 |            |
| Equity securities                                          | 54                                           | 58              | (3)        |
| Bonds                                                      | —                                            | —               | —          |
| Other                                                      | —                                            | —               | —          |
| Subtotal                                                   | 54                                           | 58              | (3)        |
| Total                                                      | 15,867                                       | 4,387           | 11,480     |

(Note) Unlisted stocks (carrying amount of 47 million yen) are not included in the table above as they do not have market prices.

Current fiscal year (As of March 31, 2025)

(Millions of yen)

| Category                                                   | Book value on the consolidated balance sheet | Historical cost | Difference |
|------------------------------------------------------------|----------------------------------------------|-----------------|------------|
| Securities with book values exceeding historical costs     |                                              |                 |            |
| Equity securities                                          | 16,110                                       | 4,218           | 11,891     |
| Bonds                                                      | —                                            | —               | —          |
| Other                                                      | —                                            | —               | —          |
| Subtotal                                                   | 16,110                                       | 4,218           | 11,891     |
| Securities with book values not exceeding historical costs |                                              |                 |            |
| Equity securities                                          | 64                                           | 79              | (14)       |
| Bonds                                                      | —                                            | —               | —          |
| Other                                                      | —                                            | —               | —          |
| Subtotal                                                   | 64                                           | 79              | (14)       |
| Total                                                      | 16,174                                       | 4,297           | 11,877     |

(Note) Unlisted stocks (carrying amount of 47 million yen) are not included in the table above as they do not have market prices.

2. Available-for-sale securities sold during the year

Previous fiscal year (from April 1, 2023 to March 31, 2024)

(Millions of yen)

| Category          | Proceeds | Gains on sales | Losses on sales |
|-------------------|----------|----------------|-----------------|
| Equity securities | 4        | 1              | —               |
| Bonds             | —        | —              | —               |
| Other             | —        | —              | —               |
| Total             | 4        | 1              | —               |

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

| Category          | Proceeds | Gains on sales | Losses on sales |
|-------------------|----------|----------------|-----------------|
| Equity securities | 410      | 276            | —               |
| Bonds             | —        | —              | —               |
| Other             | —        | —              | —               |
| Total             | 410      | 276            | —               |

3. Impairment of investment securities

There was no impairment of investment securities during the fiscal years ended March 31, 2024 and 2025.

(Derivatives transactions)

1. Derivative transactions not subject to the application of hedge accounting  
Not applicable.

2. Derivative transactions subject to the application of hedge accounting

The contract amount or the amount equivalent to the principal set forth in the contract, etc. by hedge accounting method on the consolidated closing date was as follows:

(1) Currency-related derivatives

Previous fiscal year (As of March 31, 2024)

(Millions of yen)

| Hedge accounting method                                  | Transaction types                                   | Major hedged items       | Contract amount |                 | Fair value |
|----------------------------------------------------------|-----------------------------------------------------|--------------------------|-----------------|-----------------|------------|
|                                                          |                                                     |                          |                 | Due over 1 year |            |
| Designated hedge accounting such as fixed-rate contracts | Fixed-rate transaction<br>On purchased U. S. dollar | Accounts payable - trade | 1,633           | —               | 63         |
| Total                                                    |                                                     |                          | 1,633           | —               | 63         |

Current fiscal year (As of March 31, 2025)

(Millions of yen)

| Hedge accounting method                                  | Transaction types                                   | Major hedged items       | Contract amount |                 | Fair value |
|----------------------------------------------------------|-----------------------------------------------------|--------------------------|-----------------|-----------------|------------|
|                                                          |                                                     |                          |                 | Due over 1 year |            |
| Designated hedge accounting such as fixed-rate contracts | Fixed-rate transaction<br>On purchased U. S. dollar | Accounts payable - trade | 889             | —               | (7)        |
| Total                                                    |                                                     |                          | 889             | —               | (7)        |

(2) Interest-related derivatives

Previous fiscal year (As of March 31, 2024)

Not applicable.

Current fiscal year (As of March 31, 2025)

Not applicable.

(Retirement benefits)

1. Outline of retirement benefit plans adopted

The Company and its consolidated subsidiaries have defined benefit corporate pension plans (fund type) and lump-sum retirement allowance plans as well as defined contribution plans. In the case of certain defined contribution plans, employees can select a defined contribution plan or advanced payment of retirement benefits. In some cases, additional severance benefits may be paid to the employees upon retirement.

2. Defined benefit obligation

(1) The changes in retirement benefit obligation for the fiscal years ended March 31, 2025 and 2024 (excluding those for which the simplified method was applied)

|                                                    | Previous fiscal year<br>(from April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|----------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Beginning balance of retirement benefit obligation | 11,909 million yen                                                | 11,450 million yen                                               |
| Service cost – benefits earned during the year     | 248 million yen                                                   | 224 million yen                                                  |
| Interest cost on projected benefit obligation      | 95 million yen                                                    | 91 million yen                                                   |
| Actuarial gains and losses                         | (41) million yen                                                  | (20) million yen                                                 |
| Retirement benefits paid                           | (761) million yen                                                 | (810) million yen                                                |
| Other                                              | –                                                                 | 2 million yen                                                    |
| Ending balance of retirement benefit obligation    | 11,450 million yen                                                | 10,938 million yen                                               |

(2) The changes in plan assets for the fiscal years ended March 31, 2025 and 2024 (excluding those for which the simplified method was applied)

|                                  | Previous fiscal year<br>(from April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|----------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Beginning balance of plan assets | 14,355 million yen                                                | 15,115 million yen                                               |
| Expected return on plan assets   | 358 million yen                                                   | 377 million yen                                                  |
| Actuarial gains and losses       | 850 million yen                                                   | (580) million yen                                                |
| Contribution from the employer   | 144 million yen                                                   | 138 million yen                                                  |
| Retirement benefits paid         | (594) million yen                                                 | (635) million yen                                                |
| Ending balance of plan assets    | 15,115 million yen                                                | 14,415 million yen                                               |

(3) The changes in retirement benefit liability of the plans for which the simplified method was applied for the fiscal years ended March 31, 2025 and 2024

|                                                   | Previous fiscal year<br>(from April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|---------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Beginning balance of retirement benefit liability | 2,051 million yen                                                 | 2,113 million yen                                                |
| Retirement benefit expenses                       | 193 million yen                                                   | 182 million yen                                                  |
| Retirement benefits paid                          | (131) million yen                                                 | (143) million yen                                                |
| Ending balance of retirement benefit liability    | 2,113 million yen                                                 | 2,152 million yen                                                |

- (4) Reconciliation between the ending balance of projected benefit obligation and plan assets and liability and asset for retirement benefits recorded in the consolidated balance sheet

|                                                                                          | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|------------------------------------------------------------------------------------------|------------------------------------------------|-----------------------------------------------|
| Funded retirement benefit obligation                                                     | 12,036 million yen                             | 11,507 million yen                            |
| Plan assets                                                                              | (15,115) million yen                           | (14,415) million yen                          |
|                                                                                          | (3,078) million yen                            | (2,907) million yen                           |
| Unfunded retirement benefit obligation                                                   | 1,527 million yen                              | 1,583 million yen                             |
| Net liability (asset) for retirement benefits recorded in the consolidated balance sheet | (1,550) million yen                            | (1,324) million yen                           |
| Retirement benefit asset                                                                 | (3,078) million yen                            | (2,907) million yen                           |
| Retirement benefit liability                                                             | 1,527 million yen                              | 1,583 million yen                             |
| Net liability (asset) for retirement benefits recorded in the consolidated balance sheet | (1,550) million yen                            | (1,324) million yen                           |

(Note) The plans to which the simplified method is applied are included.

- (5) The components of retirement benefit expenses

|                                                                    | Previous fiscal year<br>(from April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|--------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Service cost – benefits earned during the year                     | 248 million yen                                                   | 224 million yen                                                  |
| Interest cost on projected benefit obligation                      | 95 million yen                                                    | 91 million yen                                                   |
| Expected return on plan assets                                     | (358) million yen                                                 | (377) million yen                                                |
| Amortization of actuarial differences                              | 58 million yen                                                    | 17 million yen                                                   |
| Retirement benefit expenses calculated using the simplified method | 193 million yen                                                   | 182 million yen                                                  |
| Other                                                              | –                                                                 | 2 million yen                                                    |
| Retirement benefit expenses on defined benefit plans               | 237 million yen                                                   | 140 million yen                                                  |
| Extra retirement payments (Note)                                   | 12 million yen                                                    | 39 million yen                                                   |

(Note) Recorded under extraordinary losses. In addition, extra retirement payments for the fiscal year ended March 31st, 2024 are additional severance benefits for those who were permanently transferred to consolidated subsidiaries, whereas those for fiscal year ended March 31st, 2025 are severance benefits associated with a business site relocation plan and additional severance benefits for those who were permanently transferred to consolidated subsidiaries.

- (6) Remeasurements of defined benefit plans

The components of remeasurements of defined benefit plans (before income taxes and tax effect) were as follows:

|                            | Previous fiscal year<br>(from April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|----------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Actuarial gains and losses | 950 million yen                                                   | (543) million yen                                                |
| Total                      | 950 million yen                                                   | (543) million yen                                                |

- (7) Remeasurements of defined benefit plans

The components of accumulated remeasurements of defined benefit plans (before income taxes and tax effect) were as follows:

|                                     | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|-------------------------------------|------------------------------------------------|-----------------------------------------------|
| Unrecognized actuarial gain or loss | (249) million yen                              | 293 million yen                               |
| Total                               | (249) million yen                              | 293 million yen                               |

(8) Plan assets

1) Major components of plan assets

The components of plan assets were as follows:

|                     | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|---------------------|------------------------------------------------|-----------------------------------------------|
| Bonds               | 42.3 %                                         | 41.7 %                                        |
| Alternatives (Note) | 23.6 %                                         | 24.5 %                                        |
| Equity securities   | 24.0 %                                         | 23.3 %                                        |
| General account     | 7.9 %                                          | 8.4 %                                         |
| Short-term assets   | 2.2 %                                          | 2.1 %                                         |
| Total               | 100 %                                          | 100 %                                         |

(Note) Regarding alternatives, hedge fund investments are made for the purpose of risk diversification.

2) Method of determining long-term expected rate of return

The long-term expected rate of return on plan assets is determined by taking into consideration the allocation of plan assets which are expected currently and in the future and the long-term rates of return which are expected currently and in the future from the various components of the plan assets.

(9) Assumptions used for actuarial calculations

Key basis for actuarial calculations

|                                         | Previous fiscal year<br>(from April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|-----------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Discount rate                           | 0.8 %                                                             | 0.8 %                                                            |
| Long-term expected rate of return       | 2.5 %                                                             | 2.5 %                                                            |
| Expected rate of salary increase (Note) |                                                                   |                                                                  |
| Lump-sum payment plans                  | 4.7 %                                                             | 4.7 %                                                            |

(Note) As the defined benefit corporate pension plan (fund type) is a fixed amount system (point system) based on the number of years of service, the expected rate of salary increase is not used.

3. Defined contribution plans

The amounts of required contribution to the defined contribution plans of the Company and its consolidated subsidiaries were 206 million yen for the fiscal year ended March 31, 2024 and 191 million yen for the fiscal year ended March 31, 2025.

(Tax effect accounting)

1. Significant components of deferred tax assets and liabilities

|                                                               | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|---------------------------------------------------------------|------------------------------------------------|-----------------------------------------------|
| Deferred tax assets                                           |                                                |                                               |
| Impairment losses                                             | 5,222 million yen                              | 4,895 million yen                             |
| Denied sales discounts, etc.                                  | 685 million yen                                | 714 million yen                               |
| Tax loss carryforwards (Note) 2                               | 1,224 million yen                              | 567 million yen                               |
| Retirement benefit liability                                  | 537 million yen                                | 523 million yen                               |
| Provision for bonuses                                         | 261 million yen                                | 267 million yen                               |
| Long-term trade receivables                                   | 215 million yen                                | 215 million yen                               |
| Provision for business restructuring                          | 85 million yen                                 | 29 million yen                                |
| Allowance for doubtful accounts                               | 49 million yen                                 | 24 million yen                                |
| Other                                                         | 632 million yen                                | 576 million yen                               |
| Deferred tax assets subtotal                                  | 8,914 million yen                              | 7,814 million yen                             |
| Valuation allowance for tax loss carryforwards (Note) 2       | (935) million yen                              | (536) million yen                             |
| Valuation allowance for deductible temporary differences      | (6,095) million yen                            | (5,718) million yen                           |
| Valuation allowances subtotal (Note) 1                        | (7,030) million yen                            | (6,255) million yen                           |
| Total deferred tax assets                                     | 1,883 million yen                              | 1,558 million yen                             |
| Deferred tax liabilities                                      |                                                |                                               |
| Valuation difference on available-for-sale securities         | (3,434) million yen                            | (3,577) million yen                           |
| Retirement benefit asset                                      | (942) million yen                              | (916) million yen                             |
| Reserve for tax purpose reduction entry of non-current assets | (28) million yen                               | (29) million yen                              |
| Other                                                         | (77) million yen                               | (59) million yen                              |
| Total deferred tax liabilities                                | (4,482) million yen                            | (4,582) million yen                           |
| Net deferred tax assets (liabilities)                         | (2,599) million yen                            | (3,024) million yen                           |

(Notes) 1. Valuation allowance decreased 775 million yen year on year. This is mainly due to decrease in impairment losses that are difficult to eliminate for the estimated duration.

2. Tax loss carryforwards and deferred tax assets by expiration periods

Previous fiscal year (As of March 31, 2024)

(Millions of yen)

|                             | Within 1 year | Over 1 year but within 2 years | Over 2 years but within 3 years | Over 3 years but within 4 years | Over 4 years but within 5 years | Over 5 years | Total    |
|-----------------------------|---------------|--------------------------------|---------------------------------|---------------------------------|---------------------------------|--------------|----------|
| Tax loss carryforwards (*1) | 13            | 8                              | 33                              | —                               | 85                              | 1,083        | 1,224    |
| Valuation allowances        | (13)          | (8)                            | (33)                            | —                               | (81)                            | (798)        | (935)    |
| Deferred tax assets         | —             | 0                              | —                               | —                               | 4                               | 285          | (*2) 289 |

(\*1) Tax loss carryforwards shown in the above table are after multiplying the statutory tax rate.

(\*2) With respect to 1,224 million yen in tax loss carryforwards (after application of the statutory tax rate), 289 million yen in deferred tax assets was recognized. This 289 million yen in deferred tax assets was recognized as loss carryforwards recoverable based on projected future taxable income out of the 1,224 million yen balance in tax loss carryforwards (after application of the statutory tax rate) at the Company and some consolidated subsidiaries.

Current fiscal year (As of March 31, 2025)

(Millions of yen)

|                             | Within 1 year | Over 1 year but within 2 years | Over 2 years but within 3 years | Over 3 years but within 4 years | Over 4 years but within 5 years | Over 5 years | Total   |
|-----------------------------|---------------|--------------------------------|---------------------------------|---------------------------------|---------------------------------|--------------|---------|
| Tax loss carryforwards (*1) | 8             | 0                              | —                               | 66                              | 41                              | 449          | 567     |
| Valuation allowances        | (8)           | (0)                            | —                               | (66)                            | (41)                            | (419)        | (536)   |
| Deferred tax assets         | 0             | —                              | —                               | —                               | —                               | 30           | (*2) 30 |

(\*1) Tax loss carryforwards shown in the above table are after multiplying the statutory tax rate.

(\*2) With respect to 567 million yen in tax loss carryforwards (after application of the statutory tax rate), 30 million yen in deferred tax assets was recognized. This 30 million yen in deferred tax assets was recognized as loss carryforwards recoverable based on projected future taxable income out of the 567 million yen balance in tax loss carryforwards (after application of the statutory tax rate) at the Company and some consolidated subsidiaries.

2. Breakdown of major items that caused the significant difference between the statutory tax rate and the effective tax rate after applying tax effect accounting

|                                                                       | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|-----------------------------------------------------------------------|------------------------------------------------|-----------------------------------------------|
| Statutory tax rate                                                    | —                                              | 30.6%                                         |
| Adjustment:                                                           |                                                |                                               |
| Nondeductible expenses, including entertainment expenses              | —                                              | 0.5%                                          |
| Nontaxable income, including dividend income                          | —                                              | (0.3)%                                        |
| Per capita inhabitants tax                                            | —                                              | 1.3%                                          |
| Changes in valuation allowance                                        | —                                              | (10.9)%                                       |
| Tax credit for research and development                               | —                                              | (0.5)%                                        |
| Tax credit under wage increase promotion tax system                   | —                                              | (0.6)%                                        |
| Tax rate difference between the Company and consolidated subsidiaries | —                                              | 1.2%                                          |
| Effect of tax rate changes                                            | —                                              | 0.5%                                          |
| Other                                                                 | —                                              | (0.0)%                                        |
| Effective tax rate after applying tax effect accounting               | —                                              | 21.8%                                         |

(Note) Notes for the current fiscal year are omitted as we recorded loss before income taxes.

3. Revisions in amounts of deferred tax assets and deferred tax liabilities due to changes in rates of income or other taxes

Following the revision of the Tax Act, the statutory tax rate was changed from 30.6% to 31.5% for calculating deferred tax assets and deferred tax liabilities that are associated with temporary differences, etc. expected to be eliminated in the fiscal year ending March 31, 2026 or later.

This change resulted in a decrease of 32 million yen in deferred tax assets (the amount after deducting deferred tax liabilities) and an increase of 35 million yen in income taxes - deferred.

4. Accounting treatment of national/regional income taxes and treatment of related tax effect accounting

As the Company and some of its domestic consolidated subsidiaries adopt the group tax sharing system, the Company implements the accounting treatment of national/regional income taxes and related accounting treatment of tax effect accounting and disclosure in accordance with the “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (the Practical Solution No.42, August 12, 2021).

(Asset retirement obligations)

This note has been omitted due to the insignificance of the total amount of asset retirement obligations.

(Real estate for rent, etc.)

This note has been omitted due to the insignificance of the total amount of real estate for lease, etc.

(Revenue recognition)

1. Breakdown of revenues generated from contracts with customers

The breakdown of revenues generated from contracts with customers is shown in “[Notes] (Segment information, etc.).”

2. Information that forms the basis to understand revenues generated from contracts with customers

Information that forms the basis to understand revenues generated from contracts with customers is shown in “(5) Accounting policies for significant revenues and expenses” under “4. Disclosure of accounting policies” in “[Notes] (Significant accounting policies for preparation of consolidated financial statements).”

(Segment information, etc.)

[Segment information]

1. Description of reportable segments

(1) Method for determining reportable segments

The Group's reportable segments are determined based on the availability of separate financial information for such segments that is examined periodically by the Board of Directors to make decisions regarding the allocation of management resources and to assess business performance.

Based on their respective product categories, the Group has divided its business operations into two reportable segments: the "Processed Food Products operations" segment and the "Meat Products operations" segment.

(2) Description of the businesses that constitute each reportable segment

In the Processed Food Products operations segment, the Company manufactures and sells ham, sausage and precooked and processed foods. In the Meat Products operations segment, the Company processes and sells meat (beef, pork, chicken, etc.) products.

2. Methods of measurement for sales, profit (loss), assets, liabilities and other items for each reportable segment

Accounting policies adopted by the reportable segments are identical to those described in "Significant accounting policies for preparation of consolidated financial statements."

Intersegment sales and transfers were calculated based on prevailing market prices.

3. Disclosure of sales, profit (loss), asset, liability, and other items and disaggregation of revenues for each reportable segment

Previous fiscal year (from April 1, 2023 to March 31, 2024)

(Millions of yen)

|                                                                                 | Reportable segment                          |                                |         | Other<br>(Note) 1 | Total   | Adjustments<br>(Note) 2 | Book value<br>on the<br>consolidated<br>financial<br>statements<br>(Note) 3 |
|---------------------------------------------------------------------------------|---------------------------------------------|--------------------------------|---------|-------------------|---------|-------------------------|-----------------------------------------------------------------------------|
|                                                                                 | Processed<br>Food<br>Products<br>operations | Meat<br>Products<br>operations | Total   |                   |         |                         |                                                                             |
| Net sales                                                                       |                                             |                                |         |                   |         |                         |                                                                             |
| Ham & Sausage Products                                                          | 65,517                                      | —                              | 65,517  | —                 | 65,517  | —                       | 65,517                                                                      |
| Precooked & Processed<br>Foods                                                  | 86,886                                      | —                              | 86,886  | —                 | 86,886  | —                       | 86,886                                                                      |
| Meat Products operations                                                        | —                                           | 76,276                         | 76,276  | —                 | 76,276  | —                       | 76,276                                                                      |
| Other                                                                           | —                                           | —                              | —       | 128               | 128     | —                       | 128                                                                         |
| Revenues generated from<br>contracts with customers                             | 152,404                                     | 76,276                         | 228,680 | 128               | 228,808 | —                       | 228,808                                                                     |
| Sales to external<br>customers                                                  | 152,404                                     | 76,276                         | 228,680 | 128               | 228,808 | —                       | 228,808                                                                     |
| Intersegment sales and<br>transfers                                             | —                                           | —                              | —       | 829               | 829     | (829)                   | —                                                                           |
| Total                                                                           | 152,404                                     | 76,276                         | 228,680 | 957               | 229,637 | (829)                   | 228,808                                                                     |
| Segment income                                                                  | 2,125                                       | 943                            | 3,068   | 48                | 3,117   | —                       | 3,117                                                                       |
| Segment assets                                                                  | 71,909                                      | 20,414                         | 92,323  | 209               | 92,533  | 29,286                  | 121,819                                                                     |
| Other items                                                                     |                                             |                                |         |                   |         |                         |                                                                             |
| Depreciation and<br>amortization (Note) 4                                       | 6,699                                       | 406                            | 7,106   | 11                | 7,117   | —                       | 7,117                                                                       |
| Increase in property, plant<br>and equipment, and<br>intangible assets (Note) 4 | 3,553                                       | 556                            | 4,109   | 17                | 4,127   | 6                       | 4,133                                                                       |

(Notes) 1. The "Other" segment is business other than that of the reportable segments and includes the insurance agency business.

2. Adjustments for segment assets of 29,286 million yen refer to corporate assets that are comprised mainly of investment securities, cash and deposits and real estate for rent and other.

3. Segment income is equal to the operating profit in the consolidated statements of income.

4. Depreciation and amortization and increase in property, plant and equipment and intangible assets include long-term prepaid expenses.

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

|                                                                                 | Reportable segment                          |                                |         | Other<br>(Note) 1 | Total   | Adjustments<br>(Note) 2 | Book value<br>on the<br>consolidated<br>financial<br>statements<br>(Note) 3 |
|---------------------------------------------------------------------------------|---------------------------------------------|--------------------------------|---------|-------------------|---------|-------------------------|-----------------------------------------------------------------------------|
|                                                                                 | Processed<br>Food<br>Products<br>operations | Meat<br>Products<br>operations | Total   |                   |         |                         |                                                                             |
| Net sales                                                                       |                                             |                                |         |                   |         |                         |                                                                             |
| Ham & Sausage Products                                                          | 69,581                                      | —                              | 69,581  | —                 | 69,581  | —                       | 69,581                                                                      |
| Precooked & Processed<br>Foods                                                  | 88,078                                      | —                              | 88,078  | —                 | 88,078  | —                       | 88,078                                                                      |
| Meat Products operations                                                        | —                                           | 77,183                         | 77,183  | —                 | 77,183  | —                       | 77,183                                                                      |
| Other                                                                           | —                                           | —                              | —       | 126               | 126     | —                       | 126                                                                         |
| Revenues generated from<br>contracts with customers                             | 157,660                                     | 77,183                         | 234,844 | 126               | 234,970 | —                       | 234,970                                                                     |
| Sales to external<br>customers                                                  | 157,660                                     | 77,183                         | 234,844 | 126               | 234,970 | —                       | 234,970                                                                     |
| Intersegment sales and<br>transfers                                             | —                                           | —                              | —       | 883               | 883     | (883)                   | —                                                                           |
| Total                                                                           | 157,660                                     | 77,183                         | 234,844 | 1,010             | 235,854 | (883)                   | 234,970                                                                     |
| Segment income                                                                  | 4,943                                       | 495                            | 5,439   | 30                | 5,469   | —                       | 5,469                                                                       |
| Segment assets                                                                  | 68,895                                      | 21,857                         | 90,753  | 191               | 90,944  | 29,975                  | 120,920                                                                     |
| Other items                                                                     |                                             |                                |         |                   |         |                         |                                                                             |
| Depreciation and<br>amortization (Note) 4                                       | 4,300                                       | 391                            | 4,692   | 11                | 4,703   | —                       | 4,703                                                                       |
| Increase in property,<br>plant and equipment, and<br>intangible assets (Note) 4 | 3,873                                       | 2,796                          | 6,670   | 11                | 6,681   | 1                       | 6,683                                                                       |

(Notes) 1. The “Other” segment is business other than that of the reportable segments and includes the insurance agency business.

2. Adjustments for segment assets of 29,975 million yen refer to corporate assets that are comprised mainly of investment securities, cash and deposits and real estate for rent and other.

3. Segment income is equal to the operating profit in the consolidated statements of income.

4. Depreciation and amortization and increase in property, plant and equipment and intangible assets include long-term prepaid expenses.

[Related information]

Previous fiscal year (from April 1, 2023 to March 31, 2024)

1. Information by product and services

(Millions of yen)

|                             | Ham & Sausage Products | Precooked & Processed Foods | Meat Products | Other | Total   |
|-----------------------------|------------------------|-----------------------------|---------------|-------|---------|
| Sales to external customers | 65,517                 | 86,886                      | 76,276        | 128   | 228,808 |

2. Information by geographic area

(1) Net sales

This statement is omitted because sales to external customers based in Japan account for more than 90% of net sales in the consolidated statement of income.

(2) Property, plant and equipment

Not applicable as the Company's property, plant and equipment were located solely in Japan.

3. Information by major customer

(Millions of yen)

| Name of customer     | Net sales | Related segment name               |
|----------------------|-----------|------------------------------------|
| FamilyMart Co., Ltd. | 23,328    | Processed Food Products operations |

Current fiscal year (From April 1, 2024 to March 31, 2025)

1. Information by product and services

(Millions of yen)

|                             | Ham & Sausage Products | Precooked & Processed Foods | Meat Products | Other | Total   |
|-----------------------------|------------------------|-----------------------------|---------------|-------|---------|
| Sales to external customers | 69,581                 | 88,078                      | 77,183        | 126   | 234,970 |

2. Information by geographic area

(1) Net sales

This statement is omitted because sales to external customers based in Japan account for more than 90% of net sales in the consolidated statement of income.

(2) Property, plant and equipment

Not applicable as the Company's property, plant and equipment were located solely in Japan.

3. Information by major customer

(Millions of yen)

| Name of customer     | Net sales | Related segment name               |
|----------------------|-----------|------------------------------------|
| FamilyMart Co., Ltd. | 23,505    | Processed Food Products operations |

[Information on impairment losses on non-current assets by reportable segment]

Previous fiscal year (from April 1, 2023 to March 31, 2024)

(Millions of yen)

|                            | Reportable segment                          |                                |        | Other | Total  | Adjustments<br>(Note) 2 | Amount<br>recorded in<br>the<br>consolidated<br>statement of<br>income |
|----------------------------|---------------------------------------------|--------------------------------|--------|-------|--------|-------------------------|------------------------------------------------------------------------|
|                            | Processed<br>Food<br>Products<br>operations | Meat<br>Products<br>operations | Total  |       |        |                         |                                                                        |
| Impairment losses (Note) 1 | 12,737                                      | —                              | 12,737 | —     | 12,737 | 9                       | 12,747                                                                 |

(Notes) 1. Among 12,737 million yen in the “Processed Food Products operations” segment, 497 million yen was recorded as “Restructuring expenses.”

2. “Adjustments” of 9 million yen relate to corporate assets not attributable to any reportable segment.

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

|                            | Reportable segment                          |                                |       | Other | Total | Adjustments<br>(Note) 2 | Amount<br>recorded in<br>the<br>consolidated<br>statement of<br>income |
|----------------------------|---------------------------------------------|--------------------------------|-------|-------|-------|-------------------------|------------------------------------------------------------------------|
|                            | Processed<br>Food<br>Products<br>operations | Meat<br>Products<br>operations | Total |       |       |                         |                                                                        |
| Impairment losses (Note) 1 | 568                                         | 578                            | 1,146 | —     | 1,146 | 10                      | 1,157                                                                  |

(Notes) 1. Among 568 million yen in the “Processed Food Products operations” segment, 21 million yen was recorded as “Restructuring expenses.”

2. “Adjustments” of 10 million yen relate to corporate assets not attributable to any reportable segment.

[Information about amortization and balance of goodwill by reportable segment]

Previous fiscal year (from April 1, 2023 to March 31, 2024)

Not applicable.

Current fiscal year (From April 1, 2024 to March 31, 2025)

Not applicable.

[Information on gain on bargain purchase by reportable segment]

Previous fiscal year (from April 1, 2023 to March 31, 2024)

Not applicable.

Current fiscal year (From April 1, 2024 to March 31, 2025)

Not applicable.

[Related parties]

Previous fiscal year (from April 1, 2023 to March 31, 2024)

Not applicable.

Current fiscal year (From April 1, 2024 to March 31, 2025)

Not applicable.

(Per share information)

|                         | Previous fiscal year<br>(from April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|-------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Net assets per share    | 2,494.90 yen                                                      | 2,704.30 yen                                                     |
| Profit (loss) per share | (377.73) yen                                                      | 222.06 yen                                                       |

(Notes) 1. Diluted profit per share is not stated because there is no dilutive security.

2. Basis of calculation

(1) The basis of calculation of profit or loss per share is as follows:

| Item                                                                                          | Previous fiscal year<br>(from April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Profit (loss) attributable to owners of parent (Millions of yen)                              | (9,414)                                                           | 5,488                                                            |
| Amount not attributable to common shareholders (Millions of yen)                              | —                                                                 | —                                                                |
| Profit (loss) attributable to owners of parent associated with common stock (Millions of yen) | (9,414)                                                           | 5,488                                                            |
| Weighted average number of common shares during the period (Thousand shares)                  | 24,922                                                            | 24,717                                                           |

(2) The basis of calculation of net assets per share is as follows:

| Item                                                                                                           | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|----------------------------------------------------------------------------------------------------------------|------------------------------------------------|-----------------------------------------------|
| Total net assets (Millions of yen)                                                                             | 62,751                                         | 67,007                                        |
| Amount deducted from total net assets (Millions of yen)                                                        | 741                                            | 805                                           |
| [Non-controlling interests included in the above (Millions of yen)]                                            | (741)                                          | (805)                                         |
| Amounts of net assets related to common stock at the end of the fiscal year (Millions of yen)                  | 62,010                                         | 66,201                                        |
| Number of common shares used to calculate net assets per share at the end of the fiscal year (Thousand shares) | 24,854                                         | 24,480                                        |

(Significant events after reporting period)

At a meeting of the Board of Directors held on May 14, 2025, the Company has resolved to introduce a performance-linked share-based remuneration plan (hereinafter referred to as the “Plan”) using a trust structure, targeting the Company’s Directors (excluding Outside Directors, as outlined below), and to submit a proposal regarding the introduction of the Plan to the 77th Ordinary General Meeting of Shareholders scheduled to be held on June 26, 2025 (hereinafter referred to as the “Shareholders Meeting”).

## 1. Introduction of the Plan

The Company’s remuneration for Directors has consisted of “fixed remuneration” and “performance-linked remuneration.” However, the Company has decided to newly introduce performance-linked share-based remuneration under the Plan.

The purpose of the Plan is to further clarify the link between Directors’ remuneration and the Company’s performance and share value, and to encourage Directors to share both the benefits and risks of stock price fluctuations with shareholders. In doing so, the Plan aims to heighten Directors’ awareness of contributing to the Company’s medium- to long-term performance improvement and enhancement of corporate value.

With the introduction of the Plan, the Company’s remuneration for Directors will consist of “fixed remuneration,” “performance-linked remuneration,” and “performance-linked share-based remuneration” under the Plan.

The introduction of the Plan is subject to approval at the Shareholders Meeting.

## 2. Overview of the Plan

### (1) Structure of the Plan

The Plan is a share-based remuneration plan under which a trust established through monetary contributions by the Company (hereinafter referred to as the “Trust”) acquires common shares of the Company (hereinafter referred to as the “Company’s Shares”), and the Company’s Shares equivalent to the number of points granted by the Company to each Director are delivered to them through the Trust.

The delivery of Company’s Shares under the Plan will be made to the Company’s Directors who serve during the approximately four-year period beginning on the date following the conclusion of the Shareholders Meeting and ending on the date of the Ordinary General Meeting of Shareholders to be held in June 2029 (hereinafter referred to as the “Applicable Period”). However, as stated in (4) below, the Applicable Period may be extended. In principle, the Company’s Shares will be delivered to Directors at the time of their retirement.

### (2) Establishment of a trust

Subject to the approval of the introduction of the Plan at the Shareholders Meeting, the Company will establish the Trust by contributing funds necessary for the Trust to acquire in advance a reasonably estimated number of Company’s Shares corresponding to a specific period that are required for the delivery described in (6) below. As outlined in (5) below, the Trust will use the funds contributed by the Company to acquire the Company’s Shares.

Sumitomo Mitsui Trust Bank, Limited, the trustee under the Plan, will consign (re-entrust) the management of the trust assets to Custody Bank of Japan, Ltd.

### (3) Trust period

The trust period will be approximately four years, from August 2025 (planned) to August 2029 (planned). However, the trust period may be extended as described in (4) below.

### (4) Maximum amount of trust funds to be contributed to the Trust as funds for shares acquisition

During the Applicable Period, the Company will contribute, as remuneration for Directors in office during that period, up to a total of 320 million yen as funds necessary to acquire the Company’s Shares to be delivered to Directors under the Plan. The Trust will be thereby established with Directors who acquire beneficial interests in accordance with (6) 3) below as its beneficiaries. Using the monetary funds entrusted by the Company as its source, the Trust will acquire the Company’s Shares through the disposal of treasury shares or from the stock market (including off-auction trading).

(Note: In addition to the funds for acquiring the Company’s Shares mentioned above, the Company will also entrust funds to cover necessary expenses such as trust fees and trust administration fees.)

Furthermore, by resolution of the Company’s Board of Directors, the Applicable Period may be extended on each occasion for a period of up to approximately five years. In conjunction with such extensions, the term of the Trust may also be extended (including cases where the trust assets of the Trust are transferred to another trust established by the Company for the same purpose as that of the Trust, thereby effectively extending the trust period; the same applies hereinafter), allowing for the continuation of the Plan. In such cases, the Company may make additional contributions to the Trust, within a maximum amount calculated by multiplying 80 million yen by the number of years in the extended Applicable Period, as funds required to acquire additional Company’s Shares to be delivered to Directors under the Plan. The granting of points and delivery of the Company’s Shares described in (6) below will also continue accordingly (this also applies to any subsequent extensions).

Even if the Company does not extend the Applicable Period as described above and decides not to continue the Plan, the term of the Trust may still be extended in cases where, at the expiration of the trust period, there are Directors who have already been granted points but have not yet retired. In such cases, the trust period may be extended until the relevant Director retires and the delivery of the Company’s Shares is completed.

(5) Method for acquiring Company shares by the Trust

The initial acquisition of the Company's Shares by the Trust is planned to be conducted through the disposal of treasury shares by the Company or from the stock market within the maximum amount of the funds for share acquisition outlined in (4) above. However, the specific details of the acquisition method will be decided and disclosed after the resolution at the Shareholders Meeting.

Furthermore, if, due to a reason such as an increase in the number of Directors, the number of Company's Shares held in the Trust is likely to be lower than the number of shares to be delivered according to points to be granted to Directors during the trust period, additional contributions may be made to the Trust in line with the maximum amount of trust funds outlined in (4) above and the Company's Shares may be additionally acquired.

(6) Method of calculating the Company's Shares delivered to Directors and maximum amount

1) Method for granting points to Directors

The Company will, pursuant to the Share Delivery Regulations established by its Board of Directors, grant points to each Director according to their title and degree of achievement of performance targets, etc. on the point grant date during the trust period stipulated in the Share Delivery Regulations.

However, the total number of points granted to Directors by the Company shall not exceed 32,000 points per fiscal year.

2) Delivery of the Company's Shares based on the number of points granted

Directors will receive the Company's Shares according to the number of points granted as described in 1) above and through the procedure described in 3) below. However, if a Director resigns for reasons other than those deemed unavoidable by the Company, such as illness or other circumstances recognized by the Company, the points granted up to that time shall be forfeited by resolution of the Board of Directors, and the Director shall not receive the Company's Shares corresponding to the forfeited points.

One point equates to one share of the Company's Shares. However, if a situation arises where it is deemed reasonable to make adjustments to the number of the Company's Shares to be delivered due to a share split, share consolidation, etc., the Company shall make adjustments to the number of the Company's Shares per point according to such split ratio, consolidation ratio, etc.

3) Delivery of the Company's Shares to Directors

Each Director, in principle, will acquire beneficial interests in the Trust by completing the prescribed procedure upon retirement and, as a beneficiary of the Trust, receive delivery of the Company's Shares described in 2) above from the Trust.

However, the Trust may convert a certain percentage of such Company's Shares into cash to enable the Company to withhold funds for payment of tax such as withholding income tax, and money may then be delivered in place of the Company's Shares. In addition, if the Company's Shares held in the Trust are converted into cash, for example, through settlement following an application for a tender offer, then money may be delivered in place of the Company's Shares.

(7) Exercise of voting rights

Voting rights associated with the Company's Shares held in the Trust shall, under the instruction of the trust administrator, independent of the Company or any Directors/Statutory Auditors of the Company, not be exercised at all. This approach is intended to ensure neutrality toward the management of the Company with respect to the exercise of voting rights associated with the Company's Shares held in the Trust.

(8) Treatment of dividends

Dividends of the Company's Shares held in the Trust will be received by the Trust, and used for acquiring the Company's Shares as well as for the trust fees to be paid to the trustee of the Trust, and others.

(9) Treatment of the Company's Shares and money at termination of trust

At the termination of the Trust, all the Company's Shares remaining as residual assets in the Trust are scheduled to be acquired by the Company without compensation and to be canceled by resolution of the Board of Directors.

As prescribed in the Share Delivery Regulations and the trust agreement, the Company plans to donate a certain amount of the residual assets held by the Trust at the time of the termination of the Trust to a designated public interest corporation that has no conflicts of interest with the Company's Directors.

(Reference) Overview of the trust agreement related to the Trust

|                           |                                                                                                                   |
|---------------------------|-------------------------------------------------------------------------------------------------------------------|
| Trustor                   | The Company                                                                                                       |
| Trustee                   | Sumitomo Mitsui Trust Bank, Limited (Re-trustee: Custody Bank of Japan, Ltd.)                                     |
| Beneficiaries             | Directors of the Company who meet the beneficiary requirements                                                    |
| Trust administrator       | To be selected from among third parties independent of the Company and the Company's Directors/Statutory Auditors |
| Exercise of voting rights | Voting rights related to shares held in the Trust will not be exercised during the trust period                   |
| Type of trust             | Trust of money other than monetary trusts (third-party beneficiary trust)                                         |
| Date of trust agreement   | August 2025 (planned)                                                                                             |
| Trust period              | August 2025 to August 2029 (planned)                                                                              |
| Purpose of trust          | To deliver the Company's Shares to beneficiaries based on the Share Delivery Regulations                          |

5) Annexed consolidated detailed schedules

[Annexed consolidated detailed schedule of corporate bonds]

Not applicable.

[Annexed consolidated detailed schedule of borrowings]

| Category                                           | Balance at beginning of period<br>(Millions of yen) | Balance at end of period<br>(Millions of yen) | Average interest rate (%) | Repayment deadline       |
|----------------------------------------------------|-----------------------------------------------------|-----------------------------------------------|---------------------------|--------------------------|
| Short-term borrowings                              | 9,248                                               | 8,275                                         | 1.17                      | —                        |
| Current portion of long-term borrowings            | 2,984                                               | 2,646                                         | 1.11                      | —                        |
| Current portion of lease liabilities               | 1,057                                               | 872                                           | 2.56                      | —                        |
| Long-term borrowings (excluding a current portion) | 5,177                                               | 5,361                                         | 1.25                      | April 2026 to March 2030 |
| Lease liabilities (excluding a current portion)    | 3,179                                               | 2,436                                         | 2.92                      | April 2026 to March 2034 |
| Total                                              | 21,646                                              | 19,590                                        | —                         | —                        |

(Notes) 1. Average interest rate represents weighted average interest rate for the balance of borrowings, etc. at the end of the current fiscal year.

2. Scheduled annual repayment of long-term borrowings and lease liabilities (excluding the current portion) for 5 years subsequent to March 31, 2025.

| Category             | Over 1 year but within 2 years<br>(Millions of yen) | Over 2 years but within 3 years<br>(Millions of yen) | Over 3 years but within 4 years<br>(Millions of yen) | Over 4 years but within 5 years<br>(Millions of yen) |
|----------------------|-----------------------------------------------------|------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| Long-term borrowings | 2,160                                               | 1,598                                                | 1,237                                                | 366                                                  |
| Lease liabilities    | 667                                                 | 571                                                  | 392                                                  | 298                                                  |

[Annexed consolidated detailed schedule of asset retirement obligations]

The amounts of asset retirement obligations at the beginning and the end of the current fiscal year are not larger than 1% of the total amount of liabilities and net assets at the beginning and the end of the current fiscal year. Consequently, this information is omitted.

(2) Other

Semi-annual information for the fiscal year ended March 31, 2025

|                                                           | 1st half period | Current fiscal year |
|-----------------------------------------------------------|-----------------|---------------------|
| Net sales (Millions of yen)                               | 118,582         | 234,970             |
| Profit before income taxes (Millions of yen)              | 5,275           | 7,105               |
| Profit attributable to owners of parent (Millions of yen) | 4,272           | 5,488               |
| Profit per share (Yen)                                    | 171.91          | 222.06              |

## 2. Non-consolidated Financial Statements, etc.

### (1) Non-consolidated Financial Statements

#### 1) Non-consolidated balance sheets

(Millions of yen)

|                                                             | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|-------------------------------------------------------------|------------------------------------------------|-----------------------------------------------|
| <b>Assets</b>                                               |                                                |                                               |
| Current assets                                              |                                                |                                               |
| Cash and deposits                                           | 2,113                                          | 3,087                                         |
| Notes receivable - trade                                    | *3 36                                          | 22                                            |
| Accounts receivable - trade                                 | *1 18,950                                      | *1 16,681                                     |
| Merchandise and finished goods                              | 7,127                                          | 7,688                                         |
| Work in process                                             | 268                                            | 266                                           |
| Raw materials and supplies                                  | 4,499                                          | 5,514                                         |
| Short-term loans receivable                                 | *1 3,689                                       | *1 1,848                                      |
| Consumption taxes refund receivable                         | —                                              | 194                                           |
| Other                                                       | *1 3,276                                       | *1 3,061                                      |
| Allowance for doubtful accounts                             | (8)                                            | (5)                                           |
| Total current assets                                        | 39,952                                         | 38,360                                        |
| Non-current assets                                          |                                                |                                               |
| Property, plant and equipment                               |                                                |                                               |
| Buildings                                                   | 3,891                                          | 3,420                                         |
| Structures                                                  | 354                                            | 515                                           |
| Machinery and equipment                                     | 4,533                                          | 4,236                                         |
| Vehicles                                                    | 6                                              | 6                                             |
| Tools, furniture and fixtures                               | 1,058                                          | 1,146                                         |
| Land                                                        | 7,495                                          | 6,473                                         |
| Leased assets                                               | 61                                             | 43                                            |
| Construction in progress                                    | 318                                            | 100                                           |
| Total property, plant and equipment                         | 17,720                                         | 15,943                                        |
| Intangible assets                                           | 187                                            | 313                                           |
| Investments and other assets                                |                                                |                                               |
| Investment securities                                       | 15,862                                         | 16,171                                        |
| Shares of subsidiaries and associates                       | 5,448                                          | 5,448                                         |
| Real estate for rent and other                              | 7,522                                          | 9,355                                         |
| Long-term loans receivable from subsidiaries and associates | 1,383                                          | 2,184                                         |
| Other                                                       | *1 3,364                                       | *1 3,700                                      |
| Allowance for doubtful accounts                             | (839)                                          | (845)                                         |
| Total investments and other assets                          | 32,741                                         | 36,014                                        |
| Total non-current assets                                    | 50,648                                         | 52,272                                        |
| Total assets                                                | 90,601                                         | 90,633                                        |

(Millions of yen)

|                                                               | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|---------------------------------------------------------------|------------------------------------------------|-----------------------------------------------|
| <b>Liabilities</b>                                            |                                                |                                               |
| Current liabilities                                           |                                                |                                               |
| Notes payable - trade                                         | 85                                             | —                                             |
| Accounts payable - trade                                      | *1 15,654                                      | *1 12,846                                     |
| Short-term borrowings                                         | *4 8,418                                       | *4 7,525                                      |
| Current portion of long-term borrowings                       | 2,974                                          | 2,636                                         |
| Lease liabilities                                             | 33                                             | 16                                            |
| Accounts payable - other                                      | *1 2,830                                       | *1 3,301                                      |
| Income taxes payable                                          | 122                                            | 449                                           |
| Provision for bonuses                                         | 270                                            | 289                                           |
| Provision for business restructuring                          | 278                                            | 71                                            |
| Other                                                         | 727                                            | 350                                           |
| Total current liabilities                                     | 31,394                                         | 27,485                                        |
| Non-current liabilities                                       |                                                |                                               |
| Long-term borrowings                                          | 5,142                                          | 5,336                                         |
| Lease liabilities                                             | 33                                             | 27                                            |
| Deferred tax liabilities                                      | 3,296                                          | 3,769                                         |
| Provision for loss on business of subsidiaries and associates | 12                                             | 16                                            |
| Other                                                         | 225                                            | 241                                           |
| Total non-current liabilities                                 | 8,709                                          | 9,390                                         |
| Total liabilities                                             | 40,104                                         | 36,876                                        |
| Net assets                                                    |                                                |                                               |
| Shareholders' equity                                          |                                                |                                               |
| Share capital                                                 | 6,716                                          | 6,716                                         |
| Capital surplus                                               |                                                |                                               |
| Legal capital surplus                                         | 21,685                                         | 21,685                                        |
| Other capital surplus                                         | 387                                            | 387                                           |
| Total capital surplus                                         | 22,073                                         | 22,073                                        |
| Retained earnings                                             |                                                |                                               |
| Legal retained earnings                                       | 1,676                                          | 1,676                                         |
| Other retained earnings                                       |                                                |                                               |
| General reserve                                               | 20,050                                         | 10,000                                        |
| Reserve for tax purpose reduction entry of non-current assets | 65                                             | 64                                            |
| Retained earnings brought forward                             | (4,541)                                        | 9,204                                         |
| Total retained earnings                                       | 17,250                                         | 20,945                                        |
| Treasury shares                                               | (3,620)                                        | (4,261)                                       |
| Total shareholders' equity                                    | 42,419                                         | 45,473                                        |
| Valuation and translation adjustments                         |                                                |                                               |
| Valuation difference on available-for-sale securities         | 8,033                                          | 8,288                                         |
| Deferred gains or losses on hedges                            | 43                                             | (5)                                           |
| Total valuation and translation adjustments                   | 8,077                                          | 8,283                                         |
| Total net assets                                              | 50,497                                         | 53,756                                        |
| Total liabilities and net assets                              | 90,601                                         | 90,633                                        |

## 2) Consolidated Statements of Income

(Millions of yen)

|                                                                           | Previous fiscal year<br>(From April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|---------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Net sales                                                                 | 135,632                                                           | 138,212                                                          |
| Cost of sales                                                             | 119,754                                                           | 120,155                                                          |
| Gross profit                                                              | 15,878                                                            | 18,056                                                           |
| Selling, general and administrative expenses                              | *1 16,973                                                         | *1 16,656                                                        |
| Operating profit (loss)                                                   | (1,095)                                                           | 1,400                                                            |
| Non-operating income                                                      |                                                                   |                                                                  |
| Interest and dividend income                                              | 561                                                               | 1,398                                                            |
| Rental income from real estate                                            | 491                                                               | 492                                                              |
| Other                                                                     | 236                                                               | 176                                                              |
| Total non-operating income                                                | 1,289                                                             | 2,066                                                            |
| Non-operating expenses                                                    |                                                                   |                                                                  |
| Interest expenses                                                         | 119                                                               | 140                                                              |
| Rental expenses on real estate                                            | 258                                                               | 268                                                              |
| Other                                                                     | 63                                                                | 43                                                               |
| Total non-operating expenses                                              | 441                                                               | 451                                                              |
| Ordinary profit (loss)                                                    | (247)                                                             | 3,015                                                            |
| Extraordinary income                                                      |                                                                   |                                                                  |
| Gain on disposal of non-current assets                                    | *3 8                                                              | *3 2,446                                                         |
| Gain on sale of investment securities                                     | 1                                                                 | 276                                                              |
| Reversal of provision for business restructuring                          | —                                                                 | 103                                                              |
| Reversal of allowance for doubtful accounts                               | 0                                                                 | 2                                                                |
| Reversal of provision for loss on business of subsidiaries and associates | 2                                                                 | 0                                                                |
| Total extraordinary income                                                | 12                                                                | 2,829                                                            |
| Extraordinary losses                                                      |                                                                   |                                                                  |
| Loss on disposal of non-current assets                                    | *4 128                                                            | *4 194                                                           |
| Impairment losses                                                         | *5 12,250                                                         | *5 604                                                           |
| Restructuring expenses                                                    | *6 530                                                            | *6 285                                                           |
| Extra retirement payments                                                 | 12                                                                | 16                                                               |
| Loss on business of and investment in subsidiaries and affiliates         | *7 6                                                              | *7 13                                                            |
| Total extraordinary losses                                                | 12,926                                                            | 1,113                                                            |
| Profit (loss) before income taxes                                         | (13,161)                                                          | 4,731                                                            |
| Income taxes - current                                                    | (513)                                                             | 188                                                              |
| Income taxes - deferred                                                   | (430)                                                             | 350                                                              |
| Total income taxes                                                        | (943)                                                             | 539                                                              |
| Profit (loss)                                                             | (12,217)                                                          | 4,192                                                            |

3) Non-consolidated Statements of Changes in Net Assets  
For the previous fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

|                                                                           | Shareholders' equity |                       |                       |                       |                         |                         |                                                               |                                   |
|---------------------------------------------------------------------------|----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------------|---------------------------------------------------------------|-----------------------------------|
|                                                                           | Share capital        | Capital surplus       |                       |                       | Retained earnings       |                         |                                                               |                                   |
|                                                                           |                      | Legal capital surplus | Other capital surplus | Total capital surplus | Legal retained earnings | Other retained earnings |                                                               |                                   |
|                                                                           |                      |                       |                       |                       |                         | General reserve         | Reserve for tax purpose reduction entry of non-current assets | Retained earnings brought forward |
| Balance at beginning of period                                            | 6,716                | 21,685                | 387                   | 22,073                | 1,676                   | 20,050                  | 66                                                            | 8,175                             |
| Changes during period                                                     |                      |                       |                       |                       |                         |                         |                                                               |                                   |
| Dividends of surplus                                                      |                      |                       |                       |                       |                         |                         |                                                               | (500)                             |
| Reversal of reserve for tax purpose reduction entry of non-current assets |                      |                       |                       |                       |                         |                         | (0)                                                           | 0                                 |
| Reversal of general reserve                                               |                      |                       |                       |                       |                         |                         |                                                               |                                   |
| Loss                                                                      |                      |                       |                       |                       |                         |                         |                                                               | (12,217)                          |
| Purchase of treasury shares                                               |                      |                       |                       |                       |                         |                         |                                                               |                                   |
| Net changes in items other than shareholders' equity                      |                      |                       |                       |                       |                         |                         |                                                               |                                   |
| Total changes during period                                               | —                    | —                     | —                     | —                     | —                       | —                       | (0)                                                           | (12,717)                          |
| Balance at end of period                                                  | 6,716                | 21,685                | 387                   | 22,073                | 1,676                   | 20,050                  | 65                                                            | (4,541)                           |

|                                                                           | Shareholders' equity    |                 |                            | Valuation and translation adjustments                 |                                    |                                             | Total net assets |
|---------------------------------------------------------------------------|-------------------------|-----------------|----------------------------|-------------------------------------------------------|------------------------------------|---------------------------------------------|------------------|
|                                                                           | Retained earnings       | Treasury shares | Total shareholders' equity | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Total valuation and translation adjustments |                  |
|                                                                           | Total retained earnings |                 |                            |                                                       |                                    |                                             |                  |
| Balance at beginning of period                                            | 29,968                  | (3,342)         | 55,415                     | 4,944                                                 | 0                                  | 4,944                                       | 60,360           |
| Changes during period                                                     |                         |                 |                            |                                                       |                                    |                                             |                  |
| Dividends of surplus                                                      | (500)                   |                 | (500)                      |                                                       |                                    |                                             | (500)            |
| Reversal of reserve for tax purpose reduction entry of non-current assets | —                       |                 | —                          |                                                       |                                    |                                             | —                |
| Reversal of general reserve                                               | —                       |                 | —                          |                                                       |                                    |                                             | —                |
| Loss                                                                      | (12,217)                |                 | (12,217)                   |                                                       |                                    |                                             | (12,217)         |
| Purchase of treasury shares                                               |                         | (277)           | (277)                      |                                                       |                                    |                                             | (277)            |
| Net changes in items other than shareholders' equity                      |                         |                 |                            | 3,089                                                 | 43                                 | 3,132                                       | 3,132            |
| Total changes during period                                               | (12,718)                | (277)           | (12,995)                   | 3,089                                                 | 43                                 | 3,132                                       | (9,863)          |
| Balance at end of period                                                  | 17,250                  | (3,620)         | 42,419                     | 8,033                                                 | 43                                 | 8,077                                       | 50,497           |

For the current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

|                                                                           | Shareholders' equity |                       |                       |                       |                         |                         |                                                               |                                   |
|---------------------------------------------------------------------------|----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------------|---------------------------------------------------------------|-----------------------------------|
|                                                                           | Share capital        | Capital surplus       |                       |                       | Retained earnings       |                         |                                                               |                                   |
|                                                                           |                      | Legal capital surplus | Other capital surplus | Total capital surplus | Legal retained earnings | Other retained earnings |                                                               |                                   |
|                                                                           |                      |                       |                       |                       |                         | General reserve         | Reserve for tax purpose reduction entry of non-current assets | Retained earnings brought forward |
| Balance at beginning of period                                            | 6,716                | 21,685                | 387                   | 22,073                | 1,676                   | 20,050                  | 65                                                            | (4,541)                           |
| Changes during period                                                     |                      |                       |                       |                       |                         |                         |                                                               |                                   |
| Dividends of surplus                                                      |                      |                       |                       |                       |                         |                         |                                                               | (497)                             |
| Reversal of reserve for tax purpose reduction entry of non-current assets |                      |                       |                       |                       |                         |                         | (1)                                                           | 1                                 |
| Reversal of general reserve                                               |                      |                       |                       |                       |                         | (10,050)                |                                                               | 10,050                            |
| Profit                                                                    |                      |                       |                       |                       |                         |                         |                                                               | 4,192                             |
| Purchase of treasury shares                                               |                      |                       |                       |                       |                         |                         |                                                               |                                   |
| Net changes in items other than shareholders' equity                      |                      |                       |                       |                       |                         |                         |                                                               |                                   |
| Total changes during period                                               | —                    | —                     | —                     | —                     | —                       | (10,050)                | (1)                                                           | 13,746                            |
| Balance at end of period                                                  | 6,716                | 21,685                | 387                   | 22,073                | 1,676                   | 10,000                  | 64                                                            | 9,204                             |

|                                                                           | Shareholders' equity    |                 |                            | Valuation and translation adjustments                 |                                    |                                             | Total net assets |
|---------------------------------------------------------------------------|-------------------------|-----------------|----------------------------|-------------------------------------------------------|------------------------------------|---------------------------------------------|------------------|
|                                                                           | Retained earnings       | Treasury shares | Total shareholders' equity | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Total valuation and translation adjustments |                  |
|                                                                           | Total retained earnings |                 |                            |                                                       |                                    |                                             |                  |
| Balance at beginning of period                                            | 17,250                  | (3,620)         | 42,419                     | 8,033                                                 | 43                                 | 8,077                                       | 50,497           |
| Changes during period                                                     |                         |                 |                            |                                                       |                                    |                                             |                  |
| Dividends of surplus                                                      | (497)                   |                 | (497)                      |                                                       |                                    |                                             | (497)            |
| Reversal of reserve for tax purpose reduction entry of non-current assets | —                       |                 | —                          |                                                       |                                    |                                             | —                |
| Reversal of general reserve                                               | —                       |                 | —                          |                                                       |                                    |                                             | —                |
| Profit                                                                    | 4,192                   |                 | 4,192                      |                                                       |                                    |                                             | 4,192            |
| Purchase of treasury shares                                               |                         | (641)           | (641)                      |                                                       |                                    |                                             | (641)            |
| Net changes in items other than shareholders' equity                      |                         |                 |                            | 255                                                   | (48)                               | 206                                         | 206              |
| Total changes during period                                               | 3,695                   | (641)           | 3,053                      | 255                                                   | (48)                               | 206                                         | 3,259            |
| Balance at end of period                                                  | 20,945                  | (4,261)         | 45,473                     | 8,288                                                 | (5)                                | 8,283                                       | 53,756           |

[Notes]

(Uncertainties of entity's ability to continue as going concern)

Not applicable.

(Significant accounting policies)

1. Basis and method concerning valuation of assets

(1) Basis and method concerning valuation of securities

1) Shares of subsidiaries and associated company

Stated at their cost determined by the moving-average method.

2) Available-for-sale securities

- Securities other than shares without market price, etc.

Stated at fair value.

(Any valuation difference is booked directly to net assets and the cost of securities sold are computed by the moving-average method.)

- Shares without market price, etc.

Stated at their cost determined by the moving-average method.

(2) Basis and method concerning valuation of derivatives

Derivatives

Stated at fair value.

(3) Basis and method concerning valuation of inventories

Merchandise and finished goods, work in process, and raw materials and supplies

Stated at their cost determined by the weighted average method.

(Balance sheet values reflect write-downs for decreased profitability.)

2. Depreciation and amortization methods for non-current assets

(1) Property, plant and equipment (excluding leased assets)

Applying the declining balance method. However, the straight-line method is applied for the buildings (excluding the facilities attached to buildings) acquired on and after April 1, 1998 and the facilities attached to buildings and structures acquired on and after April 1, 2016.

(2) Intangible assets (excluding leased assets)

Applying the straight-line method. For software for its own use, the straight-line method is applied based on the internally estimated useful life of 5 years.

(3) Leased assets

Leased assets under finance leases that do not transfer ownership

The straight-line method over the lease term with a residual value of zero (for a lease contract that guarantees a residual value, the guaranteed residual value).

3. Accounting policies for allowances and provisions

(1) Allowance for doubtful accounts

An allowance for doubtful accounts is provided to cover bad-debt losses. With respect to normal trade accounts receivable, it is stated at an amount based on the actual rate of historical bad debts. For certain doubtful receivables, the uncollectible amounts are individually estimated.

(2) Provision for bonuses

To provide for payments of employees' bonuses, an amount accrued for the current fiscal year among the estimated future obligations is recorded as provisions.

(3) Provision for retirement benefits

Provision for retirement benefits is provided at an amount based on the projected retirement benefit obligation and plan assets at the end of the current fiscal year. When the estimated amount of plan assets is smaller than the projected amount of retirement benefit obligations adjusted by unrecognized actuarial gain or loss, the difference is recorded as provision for retirement benefits. When it exceeds the adjusted retirement benefit obligations, the difference is recorded as prepaid pension expenses. As the estimated plan assets exceeded the adjusted retirement benefit obligations at the end of the current fiscal year, prepaid pension expenses were recorded in "Other" under "Investments and other assets."

1) Periodic attribution of projected retirement benefits

Projected benefit obligations are attributed to the periods of service until the end of the current fiscal year on a benefit formula basis in determining retirement benefit obligations.

2) Amortization method for actuarial gains or losses

Actuarial gains and losses are amortized by the straight-line method over a fixed period of 10 years, which is within the average remaining service years of the eligible employees, beginning in the fiscal year following the year in which the gains and losses are recognized.

(4) Provision for loss on business of subsidiaries and associates

Provision for loss on business of subsidiaries and associates is provided for the estimated loss that the Company would need to bear above its investment, taking into consideration the financial position and operational performance, etc. of the subsidiaries and associates.

(5) Provision for business restructuring

The amount projected to be incurred as expenses for business restructuring in the future is recognized to provide for such expenses.

4. Accounting policies for revenues and expenses

(1) The Company's key performance obligation in its primary business operations

The Company's primary business operations are the Processed Food Products operations (manufacturing and sales of ham, sausage and precooked and processed foods) and the Meat Products operations (processing and sales of beef, pork, chicken, etc.) and we identify that delivery of these merchandise and finished goods to our customers as our performance obligation.

(2) General timing when the Company satisfies its performance obligation

The Company applies an alternative treatment set forth in Paragraph 98 of the "Implementation Guidance on Accounting Standard for Revenue Recognition." Therefore, revenue is, in principle, recognized at the time of shipment of merchandise and finished goods, where control over them is transferred to a customer and thus we judge that our performance obligation is satisfied.

Transaction prices are calculated by deducting a portion of distribution expenses, promotion expenses, etc. from prices agreed in a contract with a customer.

5. Other significant accounting policies for preparation of non-consolidated financial statements

(1) Hedge accounting

Exceptional accounting treatments are applied to interest rate swaps because they meet specific conditions. In addition, accounts receivable and accounts payable in a foreign currency hedged by fixed-rate contracts, etc. are treated with designated hedge accounting.

(2) Accounting treatment of retirement benefits

The accounting treatment of unrecognized actuarial gain or loss relating to retirement benefits is different from the accounting treatment of unrecognized actuarial gain or loss in the consolidated financial statements.

(3) Accounting treatment of asset-related non-deductible consumption taxes, etc.

Asset-related non-deductible national/regional consumption taxes are recorded as expenses for the fiscal year ended March 31, 2025.

(Significant accounting estimates)

1. Impairment of non-current assets

(1) Amount recorded in the financial statements for the fiscal year ended March 31, 2025

| (Millions of yen)              |                      |                     |
|--------------------------------|----------------------|---------------------|
|                                | Previous fiscal year | Current fiscal year |
| Property, plant and equipment  | 17,720               | 15,943              |
| Intangible assets              | 187                  | 313                 |
| Real estate for rent and other | 7,522                | 9,355               |
| Impairment losses (*)          | 12,747               | 625                 |

(\*) Those booked as restructuring expenses were included.

For real estate, etc. with expected future cash flows decreasing going forward based on the business site relocation plans in subsidiaries, the book values were reduced to their recoverable values and the reduced amounts, totaling 594 million yen, were recorded as impairment losses (extraordinary losses).

In addition, as part of restructuring decided in the prior fiscal years including the reorganization of production sites, impairment losses of 21 million yen were recorded as restructuring expenses among extraordinary losses with regard to production facilities not expected to be utilized in the future.

For idle assets with recoverability below the book values due to declines in market prices, the book values were reduced to their recoverable values and the reduced amounts, totaling 9 million yen, were recorded as impairment losses (extraordinary losses).

(2) Significant accounting estimates for identified items

A method to calculate the amount set out in section (1) is identical to that described in “1. Impairment of non-current assets” under “[Notes] (Significant accounting estimates)” in the consolidated financial statements.

2. Recoverability of deferred tax assets

(1) Amount recorded in the financial statements for the fiscal year ended March 31, 2025

| (Millions of yen)                                                              |                      |                     |
|--------------------------------------------------------------------------------|----------------------|---------------------|
|                                                                                | Previous fiscal year | Current fiscal year |
| Deferred tax assets<br>(Before offsetting against<br>deferred tax liabilities) | 1,127                | 914                 |

(2) Significant accounting estimates for identified items

A method to calculate the amount set out in section (1) is identical to that described in “2. Recoverability of deferred tax assets” under “[Notes] (Significant accounting estimates)” in the consolidated financial statements.

(Changes in accounting policies)

The Company has applied the “Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022) / hereinafter referred to as the “2022 Revised Accounting Standard”) from the beginning of the current fiscal year.

Regarding the revision of the accounting classification of income taxes (taxation on other comprehensive income), the Company has followed the transitional treatment stipulated in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard. This change in accounting policies has no impact on the non-consolidated financial statements.

(Non-consolidated balance sheets)

\*1. Monetary claims and obligations to subsidiaries and associates

Monetary claims and obligations to the subsidiaries and associates concerned, excluding those presented separately, are as follows:

|                                 | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|---------------------------------|------------------------------------------------|-----------------------------------------------|
| Short-term monetary claims      | 10,912 million yen                             | 8,399 million yen                             |
| Long-term monetary claims       | 1,394 million yen                              | 2,193 million yen                             |
| Short-term monetary obligations | 7,172 million yen                              | 5,704 million yen                             |

2. Guarantee obligation

Loans to the following companies have been guaranteed by the Company. Loan guarantees refer to guarantees on borrowings from financial institutions.

Previous fiscal year (As of March 31, 2024)

| Guarantee               | Guaranteed amount<br>(Millions of yen) | Details                |
|-------------------------|----------------------------------------|------------------------|
| Yahata Food Co., Ltd.   | 100                                    | Loan guarantees        |
| Pioneer Foods Co., Ltd. | 14                                     | Transaction guarantees |
| Total                   | 114                                    |                        |

Current fiscal year (As of March 31, 2025)

| Guarantee               | Guaranteed amount<br>(Millions of yen) | Details                |
|-------------------------|----------------------------------------|------------------------|
| Yahata Food Co., Ltd.   | 100                                    | Loan guarantees        |
| Pioneer Foods Co., Ltd. | 6                                      | Transaction guarantees |
| Total                   | 106                                    |                        |

\*3. Notes maturing at the end of the fiscal year are settled on their clearing days.

As the end of the previous fiscal year fell on a bank holiday, the following notes maturing at the end of the fiscal year were included in the balance at the end of the fiscal year.

|                          | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|--------------------------|------------------------------------------------|-----------------------------------------------|
| Notes receivable - trade | 10 million yen                                 | —                                             |

\*4. Overdraft agreements

The Company has signed overdraft agreements with its correspondent banks to efficiently procure working capital. The unrealized borrowings under these agreements at the end of the fiscal year were as follows:

|                                           | Previous fiscal year<br>(As of March 31, 2024) | Current fiscal year<br>(As of March 31, 2025) |
|-------------------------------------------|------------------------------------------------|-----------------------------------------------|
| Total amounts in the overdraft agreements | 30,800 million yen                             | 30,800 million yen                            |
| Borrowing balance                         | 8,418 million yen                              | 7,525 million yen                             |
| Difference                                | 22,382 million yen                             | 23,275 million yen                            |

(Non-consolidated statements of income)

\*1. The percentages of selling expenses among total expenses for the previous fiscal year and the current fiscal year were some 83% and 83%, respectively, while those of general and administrative expenses were some 17% and 17%, respectively.

Major items and their amounts included in selling, general and administrative expenses are as follows:

|                                              | Previous fiscal year<br>(From April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|----------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Distribution expenses                        | 7,113 million yen                                                 | 7,429 million yen                                                |
| Salaries and allowances                      | 2,453 million yen                                                 | 2,356 million yen                                                |
| Provision for bonuses                        | 186 million yen                                                   | 190 million yen                                                  |
| Depreciation                                 | 713 million yen                                                   | 90 million yen                                                   |
| Retirement benefit expenses                  | 93 million yen                                                    | 51 million yen                                                   |
| Provision of allowance for doubtful accounts | 14 million yen                                                    | (3) million yen                                                  |

2. Amount of business transactions with subsidiaries and associates and transactions with subsidiaries and associates other than business transactions are as follows:

|                                                         | Previous fiscal year<br>(From April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|---------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Operating revenue                                       | 42,538 million yen                                                | 43,392 million yen                                               |
| Operating expenses                                      | 20,803 million yen                                                | 19,070 million yen                                               |
| Amount of transactions other than business transactions | 529 million yen                                                   | 547 million yen                                                  |

\*3. The breakdown of gain on disposal of non-current assets is as follows:

|                               | Previous fiscal year<br>(From April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|-------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Land                          | 3 million yen                                                     | 2,425 million yen                                                |
| Machinery and equipment       | 0 million yen                                                     | 12 million yen                                                   |
| Buildings                     | 5 million yen                                                     | 8 million yen                                                    |
| Tools, furniture and fixtures | — million yen                                                     | 0 million yen                                                    |
| Total                         | 8 million yen                                                     | 2,446 million yen                                                |

\*4. The breakdown of loss on disposal of non-current assets is as follows:

|                          | Previous fiscal year<br>(From April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|--------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Buildings and structures | 98 million yen                                                    | 123 million yen                                                  |
| Machinery and equipment  | 28 million yen                                                    | 19 million yen                                                   |
| Other                    | 0 million yen                                                     | 50 million yen                                                   |
| Total                    | 128 million yen                                                   | 194 million yen                                                  |

\*5. Impairment losses

Previous fiscal year (From April 1, 2023 to March 31, 2024)

| Category                                             | Type                                                   | Location                  | Amount             |
|------------------------------------------------------|--------------------------------------------------------|---------------------------|--------------------|
| Business assets (Processed Food Products operations) | Land, buildings, machinery and equipment, etc.         | Osaka Prefecture, etc.    | 12,240 million yen |
| Business assets (Meat Products operations)           | Software, etc.                                         | Osaka Prefecture, etc.    | 1 million yen      |
| Assets to be disposed/abolished (*)                  | Machinery and equipment, etc.                          | Kanagawa Prefecture, etc. | 497 million yen    |
| Idle assets                                          | Real estate for rent and other (Buildings, land, etc.) | Hokkaido Prefecture, etc. | 7 million yen      |
| Total                                                | —                                                      | —                         | 12,747 million yen |

(\*) Included in “Restructuring expenses” on the non-consolidated statement of income.

The Company classifies non-current assets into four categories: business assets of the Processed Food Products operations and the Meat Products operations, rental assets, idle assets and artwork. The Company groups its business assets by business units that are continuously monitored in management accounting; and rental assets, idle assets and artwork by individual asset.

The Processed Food Products operations and the Meat Products operations of the Company has reviewed the recoverability of their assets in the future, taking into consideration a worsening business environment due to surging raw material prices and increased costs, such as distribution costs, as well as consumers’ heightened budget consciousness. As a result, the book value of the business assets of these operations has been reduced to their recoverable value and the reduced amounts were recorded as impairment losses (extraordinary losses). These impairment losses at the Processed Food Products operations consist of those for machinery and equipment of 5,167 million yen, for buildings of 3,809 million yen, for land of 2,351 million yen, for intangible assets of 603 million yen, for structures of 302 million yen, for tools, furniture and fixtures of 3 million yen, and for vehicles of 2 million yen. Impairment losses at the Meat Products operations consist of those for intangible assets of 1 million yen and for buildings of 0 million yen.

In addition to the above, due to the decision to implement restructuring including the reorganization of production sites, the Company reduced the book value of production facilities and real estate that were not expected to be utilized in the future to their recoverable values and the reduced amounts were recorded as restructuring expenses (extraordinary losses). These restructuring expenses consist of those for machinery and equipment of 487 million yen, for buildings of 6 million yen, for tools, furniture and fixtures of 2 million yen, for vehicles of 0 million yen, and for structures of 0 million yen.

In addition, for idle assets with recoverability below book values due to declines in market prices, the book values were reduced to their recoverable values and the reduced amounts were recorded as impairment losses (extraordinary losses).

Their recoverable values were calculated by the net realizable values assessed based on the appraisal values, etc.

Current fiscal year (From April 1, 2024 to March 31, 2025)

| Category                            | Type                                                   | Location                  | Amount          |
|-------------------------------------|--------------------------------------------------------|---------------------------|-----------------|
| Rental assets                       | Real estate for rent and other (Land, buildings, etc.) | Osaka Prefecture, etc.    | 463 million yen |
| Business assets                     | Land and buildings                                     | Miyagi Prefecture         | 131 million yen |
| Assets to be disposed/abolished (*) | Machinery and equipment                                | Kanagawa Prefecture       | 21 million yen  |
| Idle assets                         | Real estate for rent and other (Structures, land)      | Wakayama Prefecture, etc. | 9 million yen   |
| Total                               | —                                                      | —                         | 625 million yen |

(\*) Included in “Restructuring expenses” on the non-consolidated statement of income.

The Company classifies non-current assets into four categories: business assets of the Processed Food Products operations and the Meat Products operations, rental assets, idle assets and artwork. The Company groups its business assets by business units that are continuously monitored in management accounting; and rental assets, idle assets and artwork by individual asset.

For real estate, etc. with expected future cash flows decreasing going forward based on the business site relocation plans in subsidiaries, the book values were reduced to their recoverable values and the reduced amounts, totaling 594 million yen, were recorded as impairment losses (extraordinary losses). These impairment losses consist of those for real estate for rent and other of 463 million yen, for land of 127 million yen, and for buildings of 3 million yen.

In addition to the above, as part of restructuring decided in the prior fiscal years including the reorganization of production sites, the book values for production facilities that were not expected to be utilized in the future were reduced to their recoverable values and the reduced amounts, totaling 21 million yen, were recorded as restructuring expenses (extraordinary losses). These restructuring expenses consist only of those for machinery and equipment.

In addition, for idle assets the recoverability of which has fallen below the book values due to declines in market prices, the book values were reduced to their recoverable values and the reduced amounts, totaling 9 million yen, were recorded as impairment losses (extraordinary losses). These impairment losses consist only of real estate for rent and other.

Their recoverable values were calculated by the net realizable values assessed based on the appraisal values, etc.

\*6. Restructuring expenses

Previous fiscal year (From April 1, 2023 to March 31, 2024)

Restructuring expenses involve losses incurred by the decision to implement restructuring, including the reorganization of production sites, mainly consisting of impairment losses of 497 million yen for the production facilities, real estate, etc.

Current fiscal year (From April 1, 2024 to March 31, 2025)

Restructuring expenses involve losses incurred by the decision to implement restructuring, including the reorganization of production sites, mainly consisting of expenses for relocating or removing production facilities, etc.

\*7. The breakdown of loss on business of and investment in subsidiaries and associates is as follows:

|                                              | Previous fiscal year<br>(From April 1, 2023 to<br>March 31, 2024) | Current fiscal year<br>(From April 1, 2024 to<br>March 31, 2025) |
|----------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------|
| Provision of allowance for doubtful accounts | 6 million yen                                                     | 8 million yen                                                    |
| Provision for loss on business               | —                                                                 | 4 million yen                                                    |
| Total                                        | 6 million yen                                                     | 13 million yen                                                   |

(Securities)

Shares of subsidiaries and associated company do not have market prices. As a result, their fair values are not stated.

The book values of the shares of subsidiaries and associated company without market prices on the balance sheet were as follows:  
(Millions of yen)

| Category                     | Previous fiscal year | Current fiscal year |
|------------------------------|----------------------|---------------------|
| Shares of subsidiaries       | 5,392                | 5,392               |
| Shares of associated company | 55                   | 55                  |
| Total                        | 5,448                | 5,448               |

(Tax effect accounting)

1. Significant components of deferred tax assets and liabilities

|                                                               | Previous fiscal year<br>(As of March 31, 2024) |             | Current fiscal year<br>(As of March 31, 2025) |             |
|---------------------------------------------------------------|------------------------------------------------|-------------|-----------------------------------------------|-------------|
| Deferred tax assets                                           |                                                |             |                                               |             |
| Impairment losses                                             | 5,001                                          | million yen | 4,557                                         | million yen |
| Denied sales discounts, etc.                                  | 436                                            | million yen | 470                                           | million yen |
| Loss on valuation of shares of subsidiaries and associates    | 465                                            | million yen | 465                                           | million yen |
| Tax loss carryforwards                                        | 900                                            | million yen | 450                                           | million yen |
| Allowance for doubtful accounts                               | 259                                            | million yen | 259                                           | million yen |
| Long-term trade receivables                                   | 208                                            | million yen | 208                                           | million yen |
| Provision for bonuses                                         | 82                                             | million yen | 88                                            | million yen |
| Provision for business restructuring                          | 85                                             | million yen | 21                                            | million yen |
| Other                                                         | 276                                            | million yen | 276                                           | million yen |
| Deferred tax assets subtotal                                  | 7,716                                          | million yen | 6,799                                         | million yen |
| Valuation allowances                                          | (6,589)                                        | million yen | (5,885)                                       | million yen |
| Total deferred tax assets                                     | 1,127                                          | million yen | 914                                           | million yen |
| Deferred tax liabilities                                      |                                                |             |                                               |             |
| Valuation difference on available-for-sale securities         | (3,427)                                        | million yen | (3,571)                                       | million yen |
| Prepaid pension costs                                         | (947)                                          | million yen | (1,082)                                       | million yen |
| Reserve for tax purpose reduction entry of non-current assets | (28)                                           | million yen | (29)                                          | million yen |
| Deferred gains or losses on hedges                            | (19)                                           | million yen | —                                             |             |
| Total deferred tax liabilities                                | (4,423)                                        | million yen | (4,683)                                       | million yen |
| Net deferred tax assets (liabilities)                         | (3,296)                                        | million yen | (3,769)                                       | million yen |

2. Breakdown of major items that caused the significant difference between the statutory tax rate and the effective tax rate after applying tax effect accounting

|                                                          | Previous fiscal year<br>(As of March 31, 2024) |   | Current fiscal year<br>(As of March 31, 2025) |         |
|----------------------------------------------------------|------------------------------------------------|---|-----------------------------------------------|---------|
| Statutory tax rate                                       |                                                | — |                                               | 30.6%   |
| Adjustment:                                              |                                                |   |                                               |         |
| Nondeductible expenses, including entertainment expenses |                                                | — |                                               | 0.6%    |
| Nontaxable income, including dividend income             |                                                | — |                                               | (6.1)%  |
| Per capita inhabitants tax                               |                                                | — |                                               | 1.2%    |
| Changes in valuation allowance                           |                                                | — |                                               | (14.9)% |
| Tax credit for research and development                  |                                                | — |                                               | (0.3)%  |
| Effect of tax rate changes                               |                                                | — |                                               | 0.7%    |
| Other                                                    |                                                | — |                                               | (0.4)%  |
| Effective tax rate after applying tax effect accounting  |                                                | — |                                               | 11.4%   |

(Note) Notes for the previous fiscal year are omitted as we recorded loss before income taxes.

3. Revisions in amounts of deferred tax assets and deferred tax liabilities due to changes in rates of income or other taxes

Following the revision of the Tax Act, the statutory tax rate was changed from 30.6% to 31.5% for calculating deferred tax assets and deferred tax liabilities that are associated with temporary differences, etc. expected to be eliminated in the fiscal year ending March 31, 2026 or later.

This change resulted in a decrease of 31 million yen in deferred tax assets (the amount after deducting deferred tax liabilities) and an increase of 31 million yen in income taxes - deferred.

4. Accounting treatment of national/regional income taxes and treatment of related tax effect accounting

As the Company adopts the group tax sharing system, the Company implements the accounting treatment of national/regional income taxes and related accounting treatment of tax effect accounting and disclosure in accordance with the “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (the Practical Solution No.42, August 12, 2021).

(Revenue recognition)

With regard to information that forms the basis to understand revenues generated from contracts with customers, the same contents are presented in “[Notes] (Revenue recognition)” in the consolidated financial statements. Therefore, notes are omitted here.

(Significant events after reporting period)

The Company has resolved, at a meeting of the Board of Directors held on May 14, 2025, to introduce a performance-linked share-based remuneration plan (hereinafter referred to as the “Plan”) using a trust structure for the Company’s Directors, and to submit a proposal on the introduction of the Plan to the 77th Ordinary General Meeting of Shareholders scheduled to be held on June 26, 2025.

Details are provided in “Notes (Significant events after reporting period)” to “(1) Consolidated Financial Statements” under “1. Consolidated Financial Statements, etc.” in “V. Financial Information.”

## 4) Annexed detailed schedules

[Annexed detailed schedule of property, plant and equipment, etc.]

(Millions of yen)

| Category                      | Type of asset                 | Balance at beginning of period | Increase during the year | Decrease during the year | Depreciation and amortization during the period | Balance at end of period | Accumulated depreciation |
|-------------------------------|-------------------------------|--------------------------------|--------------------------|--------------------------|-------------------------------------------------|--------------------------|--------------------------|
| Property, plant and equipment | Buildings                     | 3,891                          | 262                      | 323 [3]                  | 409                                             | 3,420                    | 24,132                   |
|                               | Structures                    | 354                            | 206                      | 4                        | 40                                              | 515                      | 3,059                    |
|                               | Machinery and equipment       | 4,533                          | 1,102                    | 106 [21]                 | 1,292                                           | 4,236                    | 43,923                   |
|                               | Vehicles                      | 6                              | 5                        | 0                        | 5                                               | 6                        | 383                      |
|                               | Tools, furniture and fixtures | 1,058                          | 192                      | 2                        | 102                                             | 1,146                    | 1,637                    |
|                               | Land                          | 7,495                          | 359                      | 1,382 [127]              | —                                               | 6,473                    | —                        |
|                               | Leased assets                 | 61                             | 10                       | —                        | 29                                              | 43                       | 74                       |
|                               | Construction in progress      | 318                            | 354                      | 573                      | —                                               | 100                      | —                        |
|                               | Total                         | 17,720                         | 2,495                    | 2,393 [152]              | 1,878                                           | 15,943                   | 73,211                   |
| Intangible assets             | Total                         | 187                            | 237                      | 72                       | 38                                              | 313                      | —                        |

(Notes) 1. Major increases in “Increase during the year” are as follows:

|                          |                                                         |                               |                 |
|--------------------------|---------------------------------------------------------|-------------------------------|-----------------|
| Buildings                | Iwate Plant                                             | Renovation work, etc.         | 63 million yen  |
|                          | Kanto Plant                                             | Renovation work, etc.         | 59 million yen  |
|                          | Yokosuka Plant                                          | Renovation work, etc.         | 42 million yen  |
| Machinery and equipment  | Kanto Plant                                             | Manufacturing facility, etc.  | 566 million yen |
|                          | Karatsu Plant                                           | Manufacturing facility, etc.  | 127 million yen |
|                          | Iwate Plant                                             | Manufacturing facility, etc.  | 125 million yen |
| Land                     | Purchase of land in Hiroshima-shi, Hiroshima Prefecture |                               | 359 million yen |
| Construction in progress | Kanto Plant                                             | Manufacturing facility, etc.  | 141 million yen |
|                          | Head Office                                             | Server replacement cost, etc. | 109 million yen |
|                          | Takatsuki Plant                                         | Manufacturing facility, etc.  | 11 million yen  |

2. Major decreases in “Decrease during the year” are as follows:

Buildings                      Primarily due to the recording of impairment losses and reclassification to real estate for rent and other.

Primarily due to the recording of impairment losses on land and reclassification to real estate for rent and other.

Construction in progress    Mainly due to reclassification to buildings and machinery and equipment.

Figures in [ ] under “Decrease during the year” represent impairment losses and restructuring expenses included therein.

[Annexed detailed schedule of provisions]

(Millions of yen)

| Category                                                      | Balance at beginning of period | Increase during the year | Decrease during the year (Used for primary purposes) | Decrease during the year (Other) | Balance at end of period |
|---------------------------------------------------------------|--------------------------------|--------------------------|------------------------------------------------------|----------------------------------|--------------------------|
| Allowance for doubtful accounts                               | 848                            | 15                       | 0                                                    | 11                               | 851                      |
| Provision for bonuses                                         | 270                            | 289                      | 270                                                  | —                                | 289                      |
| Provision for loss on business of subsidiaries and associates | 12                             | 4                        | —                                                    | 0                                | 16                       |
| Provision for business restructuring                          | 278                            | —                        | 103                                                  | 103                              | 71                       |

- (Notes) 1. “Decrease during the year (Other)” in the allowance for doubtful accounts was due to the reversal of a portion thereof, etc. due to factors such as the collection of receivables and the improved performance of subsidiaries and associates.
2. “Decrease during the year (Other)” in the provision for loss on business of subsidiaries and associates was due to the reversal of a portion thereof in line with the improved performance of subsidiaries and associates.
3. “Decrease during the year (Other)” in the provision for business restructuring was due to the reversal of a portion thereof due to change in the plan.

(2) Components of major assets and liabilities

This information is omitted because the Company prepares consolidated financial statements.

(3) Other

Not applicable.

## VI. Outline of Share-Related Administration of Reporting Company

|                                               |                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Fiscal year                                   | From April 1 to March 31                                                                                                                                                                                                                                                                                                                                               |
| Ordinary General Meeting of Shareholders      | June                                                                                                                                                                                                                                                                                                                                                                   |
| Record date                                   | March 31                                                                                                                                                                                                                                                                                                                                                               |
| Record date for dividends of surplus          | March 31                                                                                                                                                                                                                                                                                                                                                               |
| Number of shares consisting of a minimum unit | 100                                                                                                                                                                                                                                                                                                                                                                    |
| Purchase of shares less than one unit         |                                                                                                                                                                                                                                                                                                                                                                        |
| Handling office                               | Stock Transfer Agency Business Planning Dept., Sumitomo Mitsui Trust Bank, Limited<br>4-5-33 Kitahama, Chuo-ku, Osaka-shi, Osaka                                                                                                                                                                                                                                       |
| Transfer agent                                | Sumitomo Mitsui Trust Bank, Limited<br>1-4-1 Marunouchi, Chiyoda-ku, Tokyo                                                                                                                                                                                                                                                                                             |
| Transfer office                               | —                                                                                                                                                                                                                                                                                                                                                                      |
| Purchasing fee                                | Free                                                                                                                                                                                                                                                                                                                                                                   |
| Method of public notice                       | The Company's method of public notice is by electronic public notice.<br>However, if the Company is unable to give an electronic public notice due to an accident or other unavoidable reason, the public notice shall be posted on the Nihon Keizai Shimbun.<br>The Company's URL for public notice:<br><a href="https://www.marudai.jp/">https://www.marudai.jp/</a> |
| Shareholders' privileges                      | Each shareholder listed on the shareholder list and holding 2 units (200 shares) or more as of September 30 each year will receive 3,000 yen worth of products of Marudai Food Co., Ltd.                                                                                                                                                                               |

## VII. Reference Information of Reporting Company

### 1. Information about parent of reporting company

The Company does not have a parent company or other entity that is provided for in Article 24-7, Paragraph 1 of the Financial Instruments and Exchange Act.

### 2. Other reference information

The Company filed the following documents during the period from the starting date of the current fiscal year to the filing date of the Annual Securities Report.

(1) Annual Securities Report and documents attached thereto, and Confirmation Letter thereof

For the 76th fiscal year (from April 1, 2023 to March 31, 2024)

Filed to the Director-General of Kanto Local Finance Bureau on June 28, 2024

(2) Internal Control Report

For the 76th fiscal year (from April 1, 2023 to March 31, 2024)

Filed to the Director-General of Kanto Local Finance Bureau on June 28, 2024

(3) Semi-Annual Securities Report and Confirmation Letters thereof

For the first half of the 77th fiscal year (from April 1, 2024 to September 30, 2024)

Filed to the Director-General of Kanto Local Finance Bureau on November 14, 2024

(4) Extraordinary Report

An Extraordinary Report pursuant to Article 19, Paragraph 2, Item 9-2 (Results of the Exercise of Voting Rights at General Meetings of Shareholders) of the Cabinet Office Order on Disclosure of Corporate Affairs

Filed to the Director-General of Kanto Local Finance Bureau on June 28, 2024

(5) Share Buyback Report

Filed to the Director-General of Kanto Local Finance Bureau on December 6, 2024

(6) Shelf Registration Statement (straight bond) and other attached documents

Filed to the Director-General of Kanto Local Finance Bureau on July 25, 2024

Part II Information about Reporting Company's Guarantor, etc.

Not applicable.

# Independent Auditors' Report on Consolidated Financial Statements and Internal Control

June 24, 2025

To the Board of Directors of Marudai Food Co., Ltd.

KPMG AZSA LLC

Osaka Office

Takahide Nakahata  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Satoru Komatsuno  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

## <Consolidated Financial Statements Audit>

### Audit Opinion

Pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act of Japan, we have audited the consolidated financial statements of Marudai Food Co., Ltd. included in "Financial Information" for the fiscal year from April 1, 2024 to March 31, 2025, which comprise the consolidated balance sheets, the consolidated statements of income, the consolidated statements of comprehensive income, the consolidated statements of changes in net assets, the consolidated statements of cash flows, significant accounting policies for preparation of consolidated financial statements, other notes and the annexed consolidated detailed schedules.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial positions of Marudai Food Co., Ltd. and its consolidated subsidiaries as of March 31, 2025, and their results of operations and their cash flows for the fiscal year then ended in conformity with accounting principles generally accepted in Japan.

### Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibility as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements for the current fiscal year. Key audit matters are the matters addressed in the process of conducting the audit of and forming the audit opinions on the consolidated financial statements as a whole, and we do not express separate opinions on such matters.

| Revenue recognition in the Processed Food Products operations and the Meat Products operations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Details of the key audit matters and the basis for our determination thereof                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | How the key audit matter was addressed in the audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p>The Company and its consolidated subsidiaries (hereinafter referred to as the “Marudai Food Group”) mainly engages in manufacturing and selling products of the Processed Food Products operations and the Meat Products operations. As described in the notes under “(Revenue Recognition) 1. Breakdown of revenues generated from contracts with customers” and “(Segment Information, etc.),” net sales of the Processed Food Products operations and the Meat Products operations for the current fiscal year were 157,660 million yen and 77,183 million yen, respectively, aggregately accounting for 99.9% of net sales in the consolidated statement of income.</p> <p>Net sales are one of the key management indicators for management and one of the important indicators affecting the decisions of users of financial statements. Since the earnings forecasts are announced to the outside, the management may be put under pressure to achieve such targets. In addition, having a large number of customers and a wide range of offerings because the Group companies engage in manufacturing and selling ham, sausage and precooked and processed foods and processing and selling (beef, pork, chicken, etc.) products, the Group conducts repetitive and continuous transactions and has implemented price revision several times in recent years. The internal controls over such transactions include manual controls. Therefore, due to increases in number of times of master data registration and number of transactions, there is the possibility of having incorrect net sales recorded as a result of failure to record or change a unit price or the number of units sold or as a result of registration of an inappropriate unit price or the number of units sold into a core system.</p> <p>Based on the above, we have determined that the appropriateness of the revenue recognition in sale of products of the Processed Food Products operations and the Meat Products operations is of particular importance in the audit of the consolidated financial statements for the current fiscal year and constitutes a key audit matter.</p> | <p>We conducted the following procedures to examine the appropriateness of revenue recognition in sale of products of the Processed Food Products operations and the Meat Products operations.</p> <p>(1) Assessment of internal controls</p> <p>We assessed the design and operating effectiveness of the Company’s internal controls over the processes for recording net sales of products of the Processed Food Products operations and the Meat Products operations. The assessment focused in particular on the following:</p> <ul style="list-style-type: none"> <li>● Control in which, after an applicant applies necessary information for master registration with respect to a sales price, a third person other than the applicant confirms and approves the information</li> <li>● Control in which a third person other than a person in charge of sales processing confirms that the sales record data matches the receipts or the statements of delivery from warehouse operators with respect to a sales volume</li> <li>● Controls in which a person in a higher position confirms and approves of the correctness of sales recording and sales subtraction processing</li> </ul> <p>(2) Examination of appropriateness of revenue recognition</p> <p>We conducted the following audit procedures to examine whether net sales of products of the Processed Food Products operations and the Meat Products operations were appropriately recorded.</p> <ul style="list-style-type: none"> <li>● We confirmed the existence of transactions by extracting sales data from the accounting system and comparing the data with payment notices or proofs of payment from customers.</li> <li>● We confirmed the outstanding balance of receivables of customers extracted on the basis of statistical sampling.</li> <li>● We conducted the following procedures on transaction data that correspond to net sales recorded on and around the end of the fiscal year. <ul style="list-style-type: none"> <li>• Referring to the aged debtors report for the last month of the fiscal year, we investigated why the aged debts occurred and when those debts were planned to be recovered.</li> <li>- We searched out the data that correspond to net sales that were recorded for the last month of the fiscal year and canceled in the following month, thus investigating cancellation processing on sales in amounts for which the cancellations would not be normally expected, and the details of the cancellations, as well as proofs for these sales and the cancellation processing.</li> </ul> </li> </ul> |

#### Other Contents

Other contents refer to information in Annual Securities Reports other than the consolidated/non-consolidated financial statements and the audit report thereof. The management is responsible for preparing and disclosing such other contents. Statutory Auditors and the Board of Statutory Auditors are responsible for monitoring the execution of Directors’ duties related to designing and operating the reporting process of other contents.

Other contents are not within the scope of our audit opinions on the consolidated financial statements, and we do not express opinions on other contents.

Our responsibility for the audit of the consolidated financial statements are as follows: While reading through other contents, examining whether there are material discrepancies between their contents and the consolidated financial statements or knowledge we obtained through our audits, and paying due attention to determine whether there is an indication of material errors in other contents, other than the aforementioned material discrepancies.

In the event that we judge that there are material errors in other contents based on our audit work, we are required to report such a fact.

There is nothing we should report with respect to the details of other contents.

#### Responsibilities of the Management, Statutory Auditors and the Board of Statutory Auditors for the Consolidated Financial Statements

The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as the management determines

is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

Statutory Auditors and the Board of Statutory Auditors are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

#### Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the consolidated financial statements from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

Auditors make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by the management and the method of their application, as well as the reasonableness of accounting estimates made by the management and the adequacy of related notes.
- Determine whether it is appropriate for the management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Plan and implement the audit of the consolidated financial statements in order to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries that serves as the basis for expressing an opinion on the consolidated financial statements. The auditor is responsible for directing, supervising, and examining the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

The auditor reports to Statutory Auditors and the Board of Statutory Auditors regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Statutory Auditors and the Board of Statutory Auditors regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any measures that are in place to eliminate obstacles or any safeguards that are in place to reduce obstacles to a permissible level.

From the matters communicated with the Statutory Auditors and the Board of Statutory Auditors, the auditor determines those matters that were of most significance in the audit of the consolidated financial statements of the current fiscal year and are therefore the key audit matters. The auditor describes these matters in its audit reports unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the auditor determines that a matter should not be communicated in its report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### <Internal Control Audit>

##### Audit Opinion

Pursuant to Article 193-2, Paragraph 2 of the Financial Instruments and Exchange Act of Japan, we also have audited the Internal Control Report of Marudai Food Co., Ltd. as of March 31, 2025.

In our opinion, the Internal Control Report referred to above, which represents that the internal control over financial reporting of Marudai Food Co., Ltd. as of March 31, 2025, is effectively maintained, presents fairly, in all material respects, the result of the assessment on internal control over financial reporting in conformity with assessment standards for internal control over financial reporting generally accepted in Japan.

##### Basis for the Opinion

We conducted our internal control audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Our responsibility under the auditing standards for internal control over financial reporting is described in "Auditor's Responsibility for the Internal Control Audit." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibility as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

#### Responsibilities of the Management, Statutory Auditors and the Board of Statutory Auditors for the Internal Control Reports

The management is responsible for designing and operating internal control over financial reporting, and for the preparation and fair presentation of Internal Control Report in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

Statutory Auditors and the Board of Statutory Auditors are responsible for monitoring and examining the design and operations of internal control over financial reporting.

There is the possibility that misstatements may not be completely prevented or detected by internal control over financial reporting.

#### Auditor's Responsibility for the Internal Control Audit

Our responsibility is to obtain reasonable assurance about whether the Internal Control Report is free from material misstatement and to express an opinion on the Internal Control Report from an independent standpoint in an Internal Control Audit Report, based on our internal control audit.

Auditors make professional judgment in the audit process in accordance with auditing standards for internal control over financial reporting generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Perform procedures to obtain audit evidence about the result of the assessment of internal control over financial reporting in the Internal Control Report. The procedures of internal control audit are selected at the auditor's judgment, based on the significance of effects on reliability of financial reporting.
- Examine presentations on the scope, procedures and results of the assessment of internal control over financial reporting made by the management, as well as evaluate the overall presentation of Internal Control Report on internal control.
- Plan and implement the audit of internal control in order to obtain sufficient and appropriate audit evidence about the result of the assessment of internal control over financial reporting in Internal Control Report. The auditor is responsible for directing, supervising, and examining the audit of Internal Control Report on internal control, and is solely responsible for the audit opinion.

The auditor reports to Statutory Auditors and the Board of Statutory Auditors regarding the scope and timing of implementation of the planned internal control audit, the result of internal control audit, identified material weaknesses in internal control subject to disclosure, a follow-up on fixing the weaknesses, and other matters required under the auditing standards for internal control.

The auditor reports to Statutory Auditors and the Board of Statutory Auditors regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any measures that are in place to eliminate obstacles or any safeguards that are in place to reduce obstacles to a permissible level.

#### <Remuneration-related Information>

The amounts of remuneration for the audit certification services and non-audit services to the Company and its subsidiaries that was paid to our audit firm and parties belonging to our network are stated in "Corporate Governance (3) Audits" included in "Information about Reporting Company."

#### Conflicts of Interest

There are no special interests between the engagement partners/audit firm and the Company or its consolidated subsidiaries that should be disclosed under the provisions of the Certified Public Accountants Act.

End

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(Notes) 1. The original copy of the Independent Auditors' Report above is maintained by the Company (a company that files annual securities reports).

2. XBRL data are not subject to the audit.

# Independent Auditors' Report

June 24, 2025

To the Board of Directors of Marudai Food Co., Ltd.

KPMG AZSA LLC

Osaka Office

Takahide Nakahata  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Satoru Komatsuno  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

## <Financial Statements Audit>

### Audit Opinion

Pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act of Japan, we have audited the non-consolidated financial statements of Marudai Food Co., Ltd. included in "Financial Information" for the 77th fiscal year from April 1, 2024 to March 31, 2025, which comprise the non-consolidated balance sheets, the non-consolidated statements of income, the non-consolidated statements of changes in net assets, significant accounting policies, other related notes and the annexed detailed schedules.

In our opinion, the non-consolidated financial statements referred to above present fairly, in all material respects, the financial position of Marudai Food Co., Ltd. as of March 31, 2025 and the results of operations for the fiscal year then ended in conformity with accounting principles generally accepted in Japan.

### Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Non-consolidated Financial Statements." We are independent of the Company in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the non-consolidated financial statements for the current fiscal year. Key audit matters are the matters addressed in the process of conducting the audit of and forming the audit opinions on the non-consolidated financial statements as a whole, and we do not express separate opinions on such matters.

| Revenue recognition in the Processed Food Products operations and the Meat Products operations                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The key audit matter, which should be disclosed in the Independent Auditors' Report for the non-consolidated financial statements, is substantially the same as the key audit matter "revenue recognition in the Processed Food Products operations and the Meat Products operations" disclosed in the Independent Auditors' Report for the consolidated financial statements. For this reason, the description for this key audit matter is omitted in the Independent Auditors' Report for the non-consolidated financial statements. |

### Other Contents

Other contents refer to information in Annual Securities Reports other than the consolidated/non-consolidated financial statements and the audit report thereof. The management is responsible for preparing and disclosing such other contents. Statutory Auditors and the Board of Statutory Auditors are responsible for monitoring the execution of Directors' duties related to designing and operating the reporting process of other contents.

Other contents are not within the scope of our audit opinions on the non-consolidated financial statements, and we do not express opinions on other contents.

Our responsibility for the audit of the non-consolidated financial statements are as follows: While reading through other contents, examining whether there are material discrepancies between their contents and the non-consolidated financial statements or knowledge we obtained through our audits, and paying due attention to determine whether there is an indication of material errors in other contents, other than the aforementioned material discrepancies.

In the event that we judge that there are material errors in other contents based on our audit work, we are required to report such a fact. There is nothing we should report with respect to the details of other contents.

## Responsibilities of the Management, Statutory Auditors and the Board of Statutory Auditors for the Non-consolidated Financial Statements

The management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as the management determines is necessary to enable the preparation and fair presentation of the non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, the management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

Statutory Auditors and the Board of Statutory Auditors are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

## Auditor's Responsibility for the Audit of the Non-consolidated Financial Statements

Our responsibility is to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the non-consolidated financial statements from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the non-consolidated financial statements.

Auditors make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the non-consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by the management and the method of their application, as well as the reasonableness of accounting estimates made by the management and the adequacy of related notes.
- Determine whether it is appropriate for the management to prepare the non-consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the non-consolidated financial statements in the audit report, or if the notes to the non-consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the non-consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the non-consolidated financial statements are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the non-consolidated financial statements including related notes, and whether the non-consolidated financial statements fairly present the transactions and accounting events on which they are based.

The auditor reports to Statutory Auditors and the Board of Statutory Auditors regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Statutory Auditors and the Board of Statutory Auditors regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any measures that are in place to eliminate obstacles or any safeguards that are in place to reduce obstacles to a permissible level.

From the matters communicated with the Statutory Auditors and the Board of Statutory Auditors, the auditor determines those matters that were of most significance in the audit of the non-consolidated financial statements of the current fiscal year and are therefore the key audit matters. The auditor describes these matters in its audit reports unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the auditor determines that a matter should not be communicated in its report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## <Remuneration-related Information>

Remuneration-related Information is included in the auditor's report on the consolidated financial statements.

## Conflicts of Interest

There are no special interests between the engagement partners/audit firm and the Company that should be disclosed under the provisions of the Certified Public Accountants Act.

End

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(Notes) 1. The original copy of the Independent Auditors' Report above is maintained by the Company (a company that files annual securities reports).

2. XBRL data are not subject to the audit.

## [Cover Page]

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|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| [Document Title]                            | Confirmation Letter                                                                                                                                               |
| [Clause of Stipulation]                     | Article 24-4-2, Paragraph 1 of the Financial Instruments and Exchange Act                                                                                         |
| [Place of Filing]                           | Director-General, Kanto Local Finance Bureau                                                                                                                      |
| [Filing Date]                               | June 25, 2025                                                                                                                                                     |
| [Company Name]                              | Marudai Shokuhin Kabushiki Kaisha                                                                                                                                 |
| [Company Name in English]                   | Marudai Food Co., Ltd.                                                                                                                                            |
| [Title and Name of Representative]          | Yuji Sato, President and Representative Director                                                                                                                  |
| [Title and Name of Chief Financial Officer] | Not applicable.                                                                                                                                                   |
| [Address of Registered Head Office]         | 21-3 Midori-cho, Takatsuki-shi, Osaka                                                                                                                             |
| [Place for Public Inspection]               | Tokyo Branch of Marudai Food Co., Ltd.<br><br>(4-7-5 Tsukiji, Chuo-ku, Tokyo)<br><br>Tokyo Stock Exchange, Inc.<br><br>(2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo) |

## 1. Appropriateness of the Content of Statements in this Annual Securities Report

Yuji Sato, President and Representative Director of Marudai Food Co., Ltd. (the Company) has confirmed that the Annual Securities Report for the 77th fiscal year (from April 1, 2024 to March 31, 2025) of the Company is reasonably and fairly stated in accordance with the Financial Instruments and Exchange Act and related regulations.

## 2. Special notes

There are no noteworthy matters that are pertinent to this Annual Securities Report.

[Cover Page]

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|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| [Document Title]                            | Internal Control Report                                                                                                                                           |
| [Clause of Stipulation]                     | Article 24-4-4, Paragraph 1 of the Financial Instruments and Exchange Act                                                                                         |
| [Place of Filing]                           | Director-General, Kanto Local Finance Bureau                                                                                                                      |
| [Filing Date]                               | June 25, 2025                                                                                                                                                     |
| [Company Name]                              | Marudai Shokuhin Kabushiki Kaisha                                                                                                                                 |
| [Company Name in English]                   | Marudai Food Co., Ltd.                                                                                                                                            |
| [Title and Name of Representative]          | Yuji Sato, President and Representative Director                                                                                                                  |
| [Title and Name of Chief Financial Officer] | Not applicable.                                                                                                                                                   |
| [Address of Registered Head Office]         | 21-3 Midori-cho, Takatsuki-shi, Osaka                                                                                                                             |
| [Place for Public Inspection]               | Tokyo Branch of Marudai Food Co., Ltd.<br><br>(4-7-5 Tsukiji, Chuo-ku, Tokyo)<br><br>Tokyo Stock Exchange, Inc.<br><br>(2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo) |

## 1. Basic Framework of the Internal Control over Financial Reporting

Yuji Sato, President and Representative Director, having the responsibility to design and operate internal control over financial reporting of Marudai Food Co., Ltd. (the Company), designs and operates such internal control of the Company in accordance with the basic framework set forth in “On the Revision of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting (Council Opinions)” published by the Business Accounting Council.

Note that internal control aims at achieving its objectives to a reasonable extent, given that all basic components of internal control are organically linked and function as a whole. Thus, internal control over financial reporting may not be able to completely prevent or detect misstatement in financial reporting.

## 2. Scope of Assessment, Assessment Date and Assessment Procedure

Assessment of internal control over financial reporting was performed as of March 31, 2025 (i.e., the last day of the current fiscal year) in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

In this assessment, the management first assessed company-level controls that would have a material impact on the reliability of overall financial reporting on a consolidated basis, and based on the results, then selected individual business processes to be assessed. In the selected individual process assessment, the management assessed the effectiveness of internal control by analyzing the business processes in scope, identifying key controls that would have a material impact on the reliability of the financial reporting, and assessing the design and operation of such key controls.

The management determined the scope for the internal control over financial reporting assessment by selecting the Company itself, consolidated subsidiaries, and companies accounted for by the equity method based on their materiality on the reliability of financial reporting. The materiality on the reliability of financial reporting was determined in consideration of both quantitative and qualitative aspects as well as the likelihoods of events impacting in those aspects. The management thus reasonably determined the process-level control assessment scope based on the results of the company-level control assessment, which covered the Company and 24 consolidated subsidiaries. Note that the impact of 1 equity method affiliate was determined to be insignificant in terms of both quantitative and qualitative aspects as well as the likelihoods of events impacting in those aspects and was therefore not included in the scope of assessment of company-level controls.

To specifically determine the process-level control assessment scope, net sales (after eliminating intercompany transactions) for the previous consolidated fiscal year, which are an indicator that allows for appropriate understanding of the sizes of individual business locations, were selected as an indicator in selection for significant business locations as the Group is a typical manufacturing and selling company engaging in multiple lines of businesses. On this basis, 3 business locations were selected as “Significant Business Locations” that were the top three in net sales (after eliminating intercompany transactions) for the previous consolidated fiscal year and aggregately accounted for approximately two-thirds of the total of such net sales of all the business locations. In such Significant Business Locations, all business processes related to the accounts that are closely associated with the Company’s business objectives, such as net sales, accounts receivable - trade, and inventories, were included in the scope of assessment. Additionally, business processes to which attention should be paid as those corresponding to accounts at high risks of significant misstatements, such as impairment losses of non-current assets and deferred tax assets, as well as business processes corresponding to significant accounts involving estimates and management’s financial forecasts, were added into the scope of assessment as material business processes, considering the impact on financial reporting. Such business processes include processes from businesses in any applicable business locations, whether or not they are Significant Business Locations.

## 3. Assessment Result

Based on the assessment results, the management concluded that the internal control over financial reporting at the end of the current fiscal year was effective.

## 4. Supplementary Information

Not applicable.

## 5. Special notes

Not applicable.