



May 15, 2025

Company name: YOKOREI Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 2874
Representative: President and Representative Director Kenji Furuse
Inquiries: Corporate Officer, IR Department Mitsutaka Hoshi
Telephone: +81-45-210-0011

Notice Concerning Measures to Realize Management with an Awareness of Capital Cost and Stock Price

We hereby announce that the Board of Directors meeting held on May 15, 2025, once again analyzed and evaluated the current situation and resolved to formulate action policies to improve management, review our financial strategy, and take other measures, with a view to realizing management with an awareness of the cost of capital and stock price.

1. Analysis of the current situation

We are in the second year of our new medium-term management plan (Phase II), “The Power to Connect.” As a result of the analysis of the current situation once again, PBR continues to fall below 1.0, and we are required to further improve our management.

We recognize that our current cost of equity is 6% to 7% and WACC is approximately 3%.

We regard ROIC as a key indicator due to the nature of our business and believe it is important to achieve ROIC of 3% or more that exceeds WACC as soon as possible.

2. Action policies for management improvement

We work to enhance corporate value in accordance with the policy of our long-term vision “Yokorei Business Vision 2030.” In order to achieve these targets as soon as possible, we have set the following action policies in the Food Sales Business to strengthen profitability: “Reform inventories,” “tightening sales targets by introducing ROIC by business office,” and “tightening the process for business investments” (for details, please refer to “Formulation of Measures to Prevent Recurrence” disclosed today). In addition, across all divisions, we will steadily pursue the policy of “Maintaining financial soundness through the optimization of investments.” The details of the above policies will be announced after the meeting of the Board of Directors scheduled to be held on June 26, 2025.