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For Immediate Release

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**Notice Concerning Impairment Losses in India Yeast Business, Difference between Consolidated Results and Forecasts in First Half of FY2026, and Revision of Full-Year Consolidated Forecasts**

Nisshin Seifun Group Inc. (Representative Director and President: Kenji Takihara; hereinafter the “Company”) announces that the Company is recording impairment losses on non-current assets associated with the India yeast business for the first half of the fiscal year ending March 31, 2026. The impairment losses have resulted in a difference between the consolidated results for the first half of the fiscal year ending March 31, 2026, which the Company announced on October 30, 2025, and the consolidated results forecasts for the same period, which were announced on May 15, 2025. Accordingly, the Company has revised its consolidated results forecasts for the fiscal year ending March 31, 2026. Details are as follows.

1. Recording of impairment losses for the India yeast business

The Company carefully evaluated the current state of the India yeast business and reassessed our business plan. The Company then decided to revise its business plan downward and to record impairment losses on non-current assets amounting to 8.7 billion yen (5.1 billion Indian rupees with a conversion rate of 1.7 yen to the Indian rupee) in the first half of the fiscal year ending March 31, 2026.

In 2022, a new yeast plant was completed, and Oriental Yeast India Pvt. Ltd. (hereinafter “OY India”), an India-based subsidiary of Oriental Yeast Co., Ltd. (Director and President: Hideo Arai) of the Nisshin Seifun Group, entered the yeast market in India in August of the same year. In recent years, India’s bread market has grown significantly due to economic growth, and the demand for baker’s yeast has increased. OY India aims to achieve sustainable growth by providing high-quality products in India, drawing on its expertise in

manufacturing and quality control, which has been developed in Japan over many years. Since entering the market a few years ago, the company's sales have increased steadily.

However, the prices of various yeast ingredients and fuel-related products remained high due to the ongoing situation in Ukraine and other factors, and profits continued to fall short of our expectations, primarily due to delays in adjusting product prices amidst intensifying competition. We thoroughly assessed the viability of our current business plan, considering the low profit levels, and have developed a new business plan. The new plan deviates significantly from the original plan. Consequently, we have decided to record impairment losses.

The Company believes that the Indian market, which has the largest population of any market on the planet, is promising. This perspective remains unchanged. We aim to continue improving the performance of the India yeast business and increasing its contribution to profits by steadily expanding sales of bakers' yeast, revising product prices, and reducing manufacturing costs. Additionally, we will focus on launching high-value-added products that leverage technology developed in Japan and other initiatives.

## 2. Revision of results forecasts

### (1) Difference between consolidated forecasts and results for the first half of the fiscal year ending March 31, 2026

(April 1, 2025 to September 30, 2025)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecasts (A)	435,000	24,000	26,000	19,000	65.58
Actual results (B)	431,310	22,633	24,788	10,325	35.65
Difference (B-A)	(3,689)	(1,366)	(1,211)	(8,674)	—
Change (%)	(0.8)	(5.7)	(4.7)	(45.7)	—
(Reference) Results for previous year (First six months of fiscal 2025)	429,513	26,010	27,076	20,363	68.48

### (2) Revision of consolidated forecasts for the fiscal year ending March 31, 2026

(April 1, 2025 to March 31, 2026)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share (Note)
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecasts (A)	870,000	50,000	53,000	39,000	134.61
Revised forecasts (B)	870,000	47,000	50,000	30,000	104.46
Difference (B-A)	—	(3,000)	(3,000)	(9,000)	—
Change (%)	—	(6.0)	(5.7)	(23.1)	—
(Reference) Results for previous year (Fiscal 2025)	851,486	46,380	49,210	34,684	117.33

(Note) The Company has resolved at the meeting of its Board of Directors held on October 30, 2025 to acquire shares of the Company's stock. The earnings per share in the consolidated forecasts for the fiscal year ending March 31, 2026 reflect the effects of the acquisition of treasury shares. For details, please refer to the Notice Concerning Determination of Matters Related to Acquisition of Own Shares published on the same date.

### (3) Reasons for differences and revisions

Regarding the difference between the consolidated forecasts and results for the first half of the fiscal year ending March 31, 2026, net sales and profits have declined from the previous forecasts due to lower-than-expected performance in the overseas flour milling business, processed food business, and mesh cloth business, in addition to the impairment losses in the India yeast business mentioned above.

In the forecasts for the fiscal year ending March 31, 2026, the profit forecasts have been revised downward, chiefly due to the slow recovery of performance in the overseas flour milling business, processed food business, and mesh cloth business, as well as impairment losses in the India yeast business mentioned above. In these businesses, the Group has been pursuing initiatives to increase sales, revise prices, and reduce costs since the first half of the fiscal year, considering the business environment. The Company anticipates that these efforts will generate positive results in the second half, leading to an increase in operating profit and ordinary profit for the full year.

(Note) Statements contained in this document, including the forecasts above, are based on information available on October 30, 2025, and actual results may differ from the forecasts. The Company shall make prompt disclosure if the need to revise the results forecasts arises in the future.