

December 23, 2025

To All:

Company Name: FOOD & LIFE COMPANIES LTD.
Representative: Masahiro Yamamoto, President and CEO
Securities Code: 3563, Prime Market of the Tokyo Stock Exchange
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Granting of Stock Options for Employees

FOOD & LIFE COMPANIES LTD. (the “Company”) hereby announces that at a Board of Directors meeting held on December 23, 2025, the Company resolved to grant share acquisition rights as stock options to employees of the Company and its subsidiaries, the details of which are as follows.

1. Purpose of granting stock options (share acquisition rights)

By further linking the business performance and stock price of the Company with the benefits received by the employees of the Company and its subsidiaries, the Company aims to further promote the sustainable enhancement of corporate value and further value sharing between employees of a certain rank or higher within the company and shareholders. As such, new stock options will be granted as a medium- to long-term incentive to promote business activities with an awareness of improving shareholder value.

2. Outline of the issuance of stock options (share acquisition rights)

(1) Name of the share acquisition rights

29th Issue of FOOD & LIFE COMPANIES LTD. Share Acquisition Rights

(2) Total number of share acquisition rights

1,237

However, the number above is the expected total number of share acquisition rights to be allotted. If the total number of share acquisition rights to be allotted decreases for reasons such as a lack of applications to be allotted such rights, the number of share acquisition rights to be allotted will be deemed the total number of share acquisition rights to be issued.

(3) Number of persons to whom share acquisition rights will be allotted, as well as the number of rights to be allotted

Company employees	219 (378 units total)
Employees of company subsidiaries	798 (859 units total)

(4) Class and number of shares to be issued upon exercise of the share acquisition rights

The class of shares to be issued upon exercise of the share acquisition rights shall be common stock of the Company, and the total number of shares to be issued upon exercise of share acquisition rights shall be calculated in accordance with the following calculation method.

$$\begin{array}{ccccc} \text{Total number of shares to be} & & \text{Total number of} & & \text{Number of shares of} \\ \text{issued upon exercise of the} & = & \text{share acquisition} & \times & \text{common stock to be issued} \\ \text{share acquisition rights} & & \text{rights} & & \text{per share acquisition right} \end{array}$$

The number of shares of common stock of the Company to be issued upon exercise of one (1) share acquisition right (hereinafter, “Applicable Number of Shares”) shall be 100 shares. However, if the Company carries out a stock split (including free allotment of shares, the same shall apply hereafter) or a share consolidation of its common stock after the allotment date, the Applicable Number of Shares will be adjusted in accordance with the following formula.

$$\begin{array}{c} \text{Applicable Number of Shares after adjustment} \\ = \\ \text{Applicable Number of Shares before adjustment} \times \text{Ratio of split or consolidation} \end{array}$$

If the Company undergoes a merger, company split, or reduction in the amount of capital after the allotment date, or in any other case where it is appropriate to change the Applicable Number of Shares, the Company will make any adjustments deemed necessary by a resolution of the Board of Directors.

(5) Amount of assets to be contributed upon exercise of share acquisition rights

- a) The assets to be contributed upon exercise of share acquisition rights shall be in cash, and the value of which shall be the exercise price (defined below) multiplied by the Applicable Number of Shares.
- b) The price per share of common stock of the Company to be issued upon exercise of the share acquisition rights (hereinafter, “Exercise Price”) shall be 7,637 yen.
- c) Any fraction of less than one (1) yen that arises in the total amount of the Exercise Price of the share acquisition rights shall be rounded up to the nearest yen.

(6) Exercise period for share acquisition rights

The period shall be from December 24, 2027 to December 23, 2035.

(7) Conditions for exercise of share acquisition rights

- a) Holders of share acquisition rights (or their heirs in the case of (ii)) may not exercise their share acquisition rights in any of the following cases.
 - (i) If a share acquisition rights holder loses their position as a Director, Auditor, Corporate Officer, or employee of the Company, AKINDO SUSHIRO CO., LTD., FOOD & LIFE INNOVATIONS LTD., Kyotaru, or any other affiliated company of the Company (collectively, the “Group”) (However, this does not apply in cases where the Company recognizes that there is a justifiable reason, such as mandatory retirement)

- (ii) In the event of the death of a share acquisition rights holder
 - (iii) If a share acquisition rights holder is subject to a petition for the commencement of bankruptcy or civil rehabilitation proceedings, or if they themselves file such a petition
 - (iv) If the applicable company's Board of Directors (or in the case of an overseas company, the organization equivalent to a Board of Directors in accordance with the laws of the applicable country) determines that a share acquisition rights holder has engaged in misconduct, violated or failed to perform their professional obligations or duties, or has engaged in other conduct that violates the Group's internal regulations that apply to that individual, and that they may be subject to a reduction in salary, suspension from work, demotion, dismissal on notice, disciplinary dismissal, etc.
- b) No single share acquisition right may be exercised in part.

(8) The amount of increase in capital and capital reserves when shares are issued upon the exercise of share acquisition rights

The amount of increase in capital when shares are issued upon the exercise of share acquisition rights shall be half of the maximum increase in capital, etc., as calculated in accordance with Article 17, Paragraph 1 of the Regulation on Corporate Accounting, with any fraction less than one (1) yen resulting from the calculation being rounded up to the nearest yen. In this case, the amount of increase in capital reserves shall be the amount obtained by subtracting the amount of increase in capital from the maximum increase in capital, etc., stated above.

(9) Matters concerning acquisition of share acquisition rights

- a) If a share acquisition rights holder loses their position as a Director, Auditor, Corporate Officer, or employee of the Group, the Company may acquire all or part of the share acquisition rights held by said individual without compensation. In the event of a partial acquisition of share acquisition rights, the number of share acquisition rights to be acquired shall be determined by a resolution of the Company's Board of Directors.
- b) If any of the following proposals are approved by a General Meeting of Shareholders (or if approval at the General Meeting of Shareholders is not required, a resolution passed by the Board of Directors), the Company may acquire all of the share acquisition rights without compensation on a date separately determined by the Board of Directors; a merger agreement in which the Company disappears, a division agreement or plan in which the Company is being split, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, an amendment to the Articles of Incorporation that requires the Company's approval for the acquisition of all shares issued by the Company through transfer, an amendment to the Articles of Incorporation stating that the acquisition of the class of shares that are subject to share acquisition rights through transfer shall either require approval by the Company, or that the Company may acquire all of such class of shares by resolution of the General Meeting of Shareholders, a consolidation of shares for the class of shares that are subject to share acquisition rights (limited to cases where the number obtained by multiplying the number of shares constituting one unit of shares for the relevant stock by the stock consolidation ratio results in a fraction less than 1), or a request for the sale of share by a special controlling shareholder.

(10) Restrictions on transfer of share acquisition rights

Acquisition of share acquisition rights by transfer shall require approval by a resolution of the Company's Board of Directors.

(11) Handling of share acquisition rights at the time of reorganization

In the event of a merger in which the Company disappears, an absorption-type or incorporation-type company split in which the Company is being divided, or a share exchange or share transfer in which the Company becomes a wholly owned subsidiary (collectively, "Organizational Restructuring"), share acquisition rights for the companies listed in Article 236, Paragraph 1, Item 8 (a) through (e) of the Companies Act (hereinafter, "Restructured Company") may be issued to the holders of share acquisition rights that have not been exercised nor acquired by the Company as of the effective date of the Organizational Restructuring (hereinafter, "Remaining Share Acquisition Rights") based on the following conditions. In such cases, the Company shall acquire the Remaining Share Acquisition Rights without compensation and the Restructured Company shall issue new acquisition rights. However, this shall be limited to cases where it is stipulated in the absorption-type merger agreement, incorporation-type merger agreement, absorption-type company split agreement, incorporation-type company split plan, share exchange agreement or share transfer plan that share acquisition rights of the Restructured Company shall be delivered in accordance with conditions a) through i) below.

a) Number of share acquisition rights of the Restructured Company to be issued

The number of share acquisition rights to be issued will be equal to the number of Remaining Share Acquisition Rights held by the Remaining Share Acquisition Rights holder.

b) Class of shares of the Restructured Company to be issued upon exercise of share acquisition rights

The shares will be common stock of the Restructured Company.

c) Number of shares of the Restructured Company to be issued upon exercise of share acquisition rights

Taking into consideration the terms and conditions, etc., of the Organizational Restructuring, the number will be a reasonable adjustment to the target number of shares (hereinafter, "Number of Shares after Succession"). However, any fractional shares resulting from the adjustment will be rounded down.

d) Period during which share acquisition rights may be exercised

The period from the effective date of the Organizational Restructuring to the expiration date of the period during which share acquisition rights may be exercised as set forth in 2.(6) above.

e) Matters concerning capital and capital reserves to be increased when shares are issued upon the exercise of share acquisition rights

These will be determined in accordance with 2.(8) above.

f) Amount of assets to be contributed upon exercise of each share acquisition right
The Exercise Price will be obtained by reasonably adjusting the Exercise Price determined in 2.(5) b) above, taking into consideration the terms and conditions, etc., of the Organizational Restructuring.

g) Other conditions for exercising share acquisition rights and provisions for acquiring share acquisition rights
These will be determined in accordance with 2.(7) and (9) above.

h) Restriction on the acquisition of share acquisition rights by transfer
Acquisition of share acquisition rights by transfer shall require approval by the Restructured Company.

i) If the number of shares to be allotted to a share acquisition rights holder contains a fraction of less than one (1) share, this will be rounded down to the nearest whole share.

(12) Amount to be paid in for share acquisition rights

No payment of money shall be required in exchange for share acquisition rights. Since share acquisition rights are issued as stock options in compensation for the execution of duties, this does not constitute a favorable issuance.

(13) Allotment date for share acquisition rights

January 14, 2026

(14) Handling of share acquisition rights certificates when they are issued

No share acquisition rights certificates will be issued.