

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.  
The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Securities code: 8079

January 14, 2026

(Commencement of measures for electronic provision: January 6, 2026)

To Shareholders with Voting Rights,

Hidemitsu Honda

President and Representative Director

5-7 Akihabara, Taito-ku, Tokyo, Japan

**SHOEI FOODS CORPORATION**

## Notice of the 78th Annual General Meeting of Shareholders

You are cordially invited to attend the 78th Annual General Meeting of Shareholders (the “Meeting”) of SHOEI FOODS CORPORATION (the “Company”). The Meeting will be held as described below.

In convening the Meeting, the Company has taken measures for electronic provision and matters subject to measures for electronic provision are posted as the “Notice of the 78th Annual General Meeting of Shareholders” on the following website.

The Company’s website:

<https://www.shoeifoods.co.jp/english/ir/news>

In addition to the above website, the matters subject to measures for electronic provision are also posted on the website of the Tokyo Stock Exchange (TSE), where you can review the information. Please access the following TSE website (Listed Company Search), enter and search the issue name (company name) or the securities code, then click “Basic information” and select “Documents for public inspection/PR information” and review the information.

Tokyo Stock Exchange website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

If you are unable to attend the Meeting in person, you may exercise your voting rights by postal voting or via the Internet, etc. Please review the Reference Documents for the General Meeting of Shareholders included in the matters subject to measures for electronic provision and exercise your voting rights by no later than 5:20 p.m. Japan time, Wednesday, January 28, 2026, following the instructions on the “Guidance on Exercise of Voting Rights” on page 3 (in Japanese).

1. **Date and time:** Thursday, January 29, 2026, at 10 a.m. Japan time
2. **Place:** Banquet room “Hisho,” 4th Floor, Asakusa View Hotel  
3-17-1 Nishiasakusa, Taito-ku, Tokyo, Japan  
(Please see the map of the venue at the end of this document) (in Japanese)
3. **Objectives of the Meeting**  
**Matters to be reported:**
  1. The Business Report and the Consolidated Financial Statements for Term 78 (from November 1, 2024 to October 31, 2025) and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
  2. The Non-consolidated Financial Statements for Term 78 (from November 1, 2024 to October 31, 2025)

**Matters to be resolved:**

**Proposal 1:** Appropriation of Surplus

**Proposal 2:** Partial Amendments to the Articles of Incorporation

**Proposal 3:** Election of Eleven (11) Directors

- 
- \* If attending the Meeting in person, please present the enclosed Voting Card at the reception desk.
  - \* Any amendments to the matters subject to measures for electronic provision will be posted on the websites on which the matters are posted in Japanese.
  - \* Among the matters subject to measures for electronic provision, “Systems to ensure the proper execution of business” and “Overview of the operation status of such systems” in the Business Report, Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements in the Consolidated Financial Statements, and Non-consolidated Statement of Changes in Equity and Notes to the Non-consolidated Financial Statements in the Non-consolidated Financial Statements are not included in the documents delivered to shareholders pursuant to the provisions of laws and regulations and the Company’s Articles of Incorporation. Thus, the documents constitute a part of the scope of audit by the Accounting Auditor and the Audit & Supervisory Board Members in preparing their respective audit reports.

## Reference Documents for the General Meeting of Shareholders

### Proposals and References

#### Proposal 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows.

Matters regarding year-end dividends

The Company proposes year-end dividends for Term 78 as below. The Company recognizes the return of profit to shareholders as an important management priority, and its basic policy on dividends is to maintain stable dividends in consideration of such factors as business investments to realize medium- to long-term growth and the level of internal reserves.

(1)	Type of dividend assets	Cash
(2)	Allocation of dividend assets and their total dividend amount	30.00 yen per share of common stock Total 497,201,130 yen
(3)	Effective date of appropriation of surplus	January 30, 2026

## Proposal 2: Partial Amendments to the Articles of Incorporation

### 1. Reasons for amendments

- (1) Given the need for the Board of Directors to make quicker decisions and hold more effective discussions, the number of Directors is being reduced from no more than 20 to no more than 12.
- (2) In order to clarify the management responsibilities of Directors and establish a management structure that can respond swiftly to changes in the business environment, the term of office for Directors is being shortened from two years to one year, and the necessary amendments are being made to Article 22 (Term of Office) of the current Articles of Incorporation.
- (3) In order to enable flexible capital and dividend policies, Article 48 (Body Authorized to Determine Dividends of Surplus, etc.) and Article 49 (Record Dates for Dividends of Surplus) of the proposed amendments are being newly established based on the provisions of Article 459, Paragraph 1 of the Companies Act. These articles allow dividends of surplus to be determined by resolution of the Board of Directors. Accordingly, Article 6 (Acquisition of Treasury Shares), Article 49 (Dividends of Surplus), and Article 50 (Interim Dividend) of the current Articles of Incorporation, which overlap in content, are being deleted.
- (4) In addition, the article numbers are being changed to align with the establishment of the new articles and deletion of others.

### 2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>Chapter 2: Shares (Acquisition of Treasury Shares) Article 6: The Company may acquire its own shares through market transactions, etc., as stipulated in Article 165, Paragraph 1 of the Companies Act, by resolution of the Board of Directors pursuant to Paragraph 2 of the same Article.</p> <p>Articles 7 to 19 (Text omitted)</p> <p>Chapter 4: Directors and Board of Directors (Number of Directors) Article 20: The Company shall have no more than 20 Directors.</p> <p>Article 21: (Text omitted)</p> <p>(Term of Office) Article 22: The term of office of Directors shall be until the conclusion of the Annual General Meeting of Shareholders relating to the last fiscal year ending within two years after their election.</p> <p>(2) (Text omitted)</p> <p>Articles 23 to 48: (Text omitted)</p>	<p>Chapter 2: Shares (Deleted)</p> <p>Articles 6 to 18: (As currently in force)</p> <p>Chapter 4: Directors and Board of Directors (Number of Directors) Article 19: The Company shall have no more than 12 Directors.</p> <p>Article 20: (As currently in force)</p> <p>(Term of Office) Article 21: The term of office of Directors shall be until the conclusion of the Annual General Meeting of Shareholders relating to the last fiscal year ending within one year after their election.</p> <p>(2) (As currently in force)</p> <p>Articles 22 to 47: (As currently in force)</p>

Current Articles of Incorporation	Proposed Amendments
<p>Chapter 7: Accounts (Newly established)</p> <p><u>(Dividends of Surplus)</u> Article 49: Dividends of surplus shall be paid to shareholders or registered pledgees of shares listed or recorded in the final shareholders' register as of October 31 each year.</p> <p>(Newly established)</p> <p><u>(Interim Dividend)</u> Article 50: The Company may, by resolution of the Board of Directors, pay interim dividends to shareholders or registered pledgees of shares listed or recorded in the final shareholders' register as of April 30 each year.</p> <p>Article <u>51</u>: (Text omitted)</p>	<p>Chapter 7: Accounts <u>(Body Authorized to Determine Dividends of Surplus, etc.)</u> <u>Article 48: Unless otherwise provided by laws and regulations, the Company may determine matters set forth in each item of Article 459, Paragraph 1 of the Companies Act, including dividends of surplus, by resolution of the Board of Directors.</u></p> <p>(Deleted)</p> <p><u>(Record Dates for Dividends of Surplus)</u> Article 49: The record date for the Company's year-end dividend shall be October 31 each year. (2) The record date for the Company's interim dividend shall be April 30 each year. (3) In addition to the preceding two paragraphs, dividends of surplus may be paid by setting a record date.</p> <p>(Deleted)</p> <p>Article <u>50</u>: (As currently in force)</p>

**Proposal 3: Election of Eleven (11) Directors**

The terms of office of all eleven (11) Directors currently in office will expire at the conclusion of this Meeting. Accordingly, the Company proposes the election of eleven (11) Directors.

The candidates for Director are as follows:

No.	Name			Current position in the Company	Attendance at Board of Directors meetings
1	Reappointment	Ichiro Honda		Chairman and Representative Director	13/13 (100%)
2	Reappointment	Hidemitsu Honda		President and Representative Director	13/13 (100%)
3	Reappointment	Hirokane Fujio		Senior Managing Director	13/13 (100%)
4	Reappointment	Kazunori Kano		Managing Director	13/13 (100%)
5	Reappointment	Takeshi Sakaguchi		Managing Director	13/13 (100%)
6	Reappointment	Yasutaka Honda		Managing Director	13/13 (100%)
7	New appointment	Ichiro Yamaguchi		—	—
8	Reappointment	Takashi Kai	Outside Director Independent Officer	Director	13/13 (100%)
9	Reappointment	Takeshi Hashizume	Outside Director Independent Officer	Director	13/13 (100%)
10	Reappointment	Naoko Tanouchi	Outside Director Independent Officer	Director	13/13 (100%)
11	Reappointment	Yumiko Toyoda	Outside Director Independent Officer	Director	13/13 (100%)

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	
1	<p>Ichiro Honda (May 15, 1950)</p> <p><u>Reappointment</u></p> <p>Number of the Company's shares held 410,676 shares</p>	February 1975	Joined the Company
		January 1988	Director and General Manager, Kansai Branch Office of the Company
		January 1990	Managing Director of the Company
		January 1994	Senior Managing Director and Division Head, Business Management Division of the Company
		January 1998	President and Representative Director of the Company
		January 2024	Chairman and Representative Director of the Company (current position)
	<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Ichiro Honda was appointed as Director of the Company in 1988, and has served as Representative Director since January 1998, demonstrating strong leadership in improving the corporate value of the Group. He has a wealth of experience in the food industry and extensive knowledge of corporate management. Therefore, the Company renominates him as a candidate for Director.</p>		
2	<p>Hidemitsu Honda (September 6, 1959)</p> <p><u>Reappointment</u></p> <p>Number of the Company's shares held 625,522 shares</p>	March 1983	Joined the Company
		November 1999	General Manager, Products & Merchandise Div. of the Company
		January 2000	Director and General Manager, Products & Merchandise Div. of the Company
		November 2002	Director and Deputy Head, Sales & Marketing Group of the Company
		January 2004	Managing Director and Deputy Head, Sales & Marketing Group of the Company
		January 2010	Senior Managing Director of the Company
		January 2016	Vice President and Representative Director of the Company
		January 2024	President and Representative Director of the Company (current position)
	<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Hidemitsu Honda gained extensive experience mainly in the Company's product divisions and overseas divisions before being appointed as Director of the Company in 2000. He has served as Vice President and Representative Director since January 2016, assisting the President and contributing to the growth and development of the Group. Since January 2024, he has served as President and Representative Director, leading the management of the Company. He has extensive knowledge of the Company's business and its overall management. Therefore, the Company renominates him as a candidate for Director.</p>		

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	
3	Hirokane Fujio (July 26, 1954)  <div>Reappointment</div>  Number of the Company’s shares held 8,634 shares	March 1978	Joined the Company
		January 2004	Corporate Officer and General Manager, Finance & Accounting Div. of the Company
		January 2006	Director and General Manager, Finance & Accounting Div. of the Company
		November 2008	Director and General Manager, Finance & Accounting Div. and Affiliated Business Div. of the Company
		January 2010	Managing Director and Head of Administration Group, General Manager of Human Resources & General Affairs Div. and Finance & Accounting Div. of the Company
		August 2010	Managing Director and Head of Administration Group and General Manager of Human Resources & General Affairs Div. of the Company
		January 2016	Senior Managing Director and Head of Administration Group and General Manager of Human Resources & General Affairs Div. of the Company
		November 2022	Senior Managing Director and Head of Administration Group of the Company (current position)
Reasons for nomination as a candidate for Director Since joining the Company, Mr. Hirokane Fujio has been mainly in charge of finance & accounting and management planning divisions. He was appointed Director in January 2006 and currently serves as Senior Managing Director in charge of the Administration Group which consists of the Corporate Planning Div., the Human Resources & General Affairs Div., and the Finance & Accounting Div. He has a wealth of experience in the Company’s business and extensive knowledge of corporate management. Therefore, the Company renominates him as a candidate for Director.			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	
4	Kazunori Kano (July 29, 1961)  <div>Reappointment</div>  Number of the Company's shares held 2,486 shares	April 1984	Joined The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.)
		July 2004	Deputy General Manager, Los Angeles Branch in the U.S. of The Bank of Tokyo-Mitsubishi, Ltd. (currently MUFG Bank, Ltd.)
		November 2009	Chief Representative, Istanbul Representative Office in Turkey of The Bank, Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)
		July 2014	General Manager, Overseas Accounting Dept., Finance & Accounting Div. of the Company
		January 2017	Director and General Manager, Corporate Planning Office of the Company
		November 2022	Director and General Manager, Corporate Planning Div. and Human Resources & General Affairs Div. of the Company
		November 2023	Director and General Manager, Corporate Planning Div. of the Company
		January 2024	Managing Director and General Manager, Corporate Planning Div. of the Company
		November 2025	Managing Director and General Manager, Corporate Planning Div. and Information Systems Div. of the Company (current position)
Reasons for nomination as a candidate for Director Mr. Kazunori Kano has many years of extensive experience at a financial institution. After joining the Company, he was in charge of the overseas accounting and planning divisions before being appointed Director in January 2017. Currently, as Managing Director, he is responsible for overall corporate planning operations, including the formulation of corporate management plans and institutional investor relations, and also serves concurrently as General Manager of the Information Systems Div. The Company expects that he will continue to contribute to the enhancement of the Company's management, and therefore renominates him as a candidate for Director.			
5	Takeshi Sakaguchi (November 8, 1961)  <div>Reappointment</div>  Number of the Company's shares held 3,769 shares	March 1986	Joined the Company
		November 2011	Assistant General Manager, Kyushu Branch Office of the Company
		January 2014	General Manager, Confectionery Materials Div. of the Company
		January 2017	Corporate Officer and General Manager, Confectionery Materials Div. of the Company
		January 2018	Director and General Manager, Confectionery Materials Div. of the Company
		April 2018	Director and Deputy Head of Sales & Marketing Group, and General Manager, Confectionery Materials Div. of the Company
		January 2022	Director and Head of Sales & Marketing Group of the Company
		November 2023	Director and General Manager, Human Resources & General Affairs Div. of the Company
		January 2024	Managing Director and General Manager, Human Resources & General Affairs Div. of the Company (current position)
Reasons for nomination as a candidate for Director Since joining the Company, Mr. Takeshi Sakaguchi has experienced a wide range of management and sales divisions. After serving as the head of a sales division responsible for major food manufacturers, he was appointed Director of the Company in January 2018. He currently serves as Managing Director and General Manager of the Human Resources & General Affairs Div. Since he has a wealth of experience in the Company's business, the Company expects that he will continue to contribute to the enhancement of the Company's management, and renominates him as a candidate for Director.			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	
6	Yasutaka Honda (July 26, 1982)  <div>Reappointment</div>  Number of the Company's shares held 18,138 shares	April 2008	Joined the Company
		April 2018	General Manager, Kyushu Branch Office of the Company
		April 2021	General Manager, Confectionery Materials Div. of the Company
		January 2022	Director in charge of Sales Management Division and General Manager, Confectionery Materials Div. of the Company
		November 2022	Director and Deputy Head of Sales & Marketing Group of the Company
		November 2023	Director and Head of Sales & Marketing Group of the Company
		January 2024	Managing Director and Head of Sales & Marketing Group of the Company (current position)
Reasons for nomination as a candidate for Director Since joining the Company, Mr. Yasutaka Honda has experienced a wide range of sales divisions and product divisions, and also worked for a U.S. subsidiary of the Company. After serving as a general manager of a large branch office, he currently serves as Managing Director and Head of the Sales & Marketing Group at the head office, responsible for overall sales and marketing of the Company. Since he has extensive knowledge of the Company's business as a whole, the Company expects that he will continue to contribute to the enhancement of the Company's management, and therefore renominates him as a candidate for Director.			
7	Ichiro Yamaguchi (June 7, 1960)  <div>New appointment</div>  Number of the Company's shares held 535 shares	April 1983	Joined Nichimen Corporation (currently Sojitz Corporation)
		May 2002	General Manager, Rotterdam Branch Office of Nichimen Europe
		June 2012	Executive Officer and Senior General Manager, Foodstuffs Div. of Sojitz Foods Corporation
		October 2021	Advisor of the Company
		January 2022	Deputy Head of Products & Merchandise Group of the Company
		January 2023	Corporate Officer and Head of Products & Merchandise Business Group II of the Company
		January 2024	Managing Corporate Officer and Head of Products & Merchandise Business Group II of the Company (current position)
Reasons for nomination as a candidate for Director Mr. Ichiro Yamaguchi has a wealth of experience working in Japan and overseas at the foodstuffs and food divisions of major general trading companies. After joining the Company, he has served as Head of the product divisions, responsible for domestic and overseas procurement, product planning, inventory management, and sales of the Company's products. Since January 2024, he has also been involved in overall management as Managing Corporate Officer. Based on these qualifications, the Company expects that he will contribute to the enhancement of the Company's management, and therefore nominates him as a new candidate for Director.			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	
8	Takashi Kai (March 5, 1952)  <u>Reappointment</u>  Number of the Company's shares held - shares	April 1974 March 2004 March 2007 June 2012 January 2017	Joined Mitsui & Co., Ltd. General Manager, Kyushu Food Department, Food Business Unit of the above Internal Auditor, Internal Auditing Div. of the above Corporate Auditor of Mitsui & Co. Steel Ltd. Director of the Company (current position)
	Reasons for nomination as a candidate for Outside Director and expected roles Mr. Takashi Kai has a wealth of experience working in Japan and overseas at the foodstuffs and food divisions of a major general trading company. He has been involved in corporate management by serving as an inspector of an internal auditing div. and as Corporate Auditor of a group company, and has deep insight in a wide range of areas. The Company expects that his advice from the perspective of corporate ethics and supervision of the Company's management from an independent standpoint will contribute to the sustainable enhancement of the Company's corporate value. Therefore, the Company renominates him as a candidate for Outside Director. His term of office as Outside Director will be nine (9) years at the conclusion of this General Meeting of Shareholders.		
9	Takeshi Hashizume (August 11, 1959)  <u>Reappointment</u>  Number of the Company's shares held - shares	April 1983 October 2000 April 2010 April 2011 July 2012 March 2016 October 2021 January 2022 October 2022 July 2025	Joined the Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.) General Manager, Business Development Department of Mizuho Securities Co., Ltd. Group Manager, Investment Banking Products Group ("IBPG") of the above Executive Officer and Group Manager, IBPG of the above Assistant to President and General Manager, Corporate Strategy Office of YOKOHAMA TOHO Hospital Deputy Manager of Operations Bureau, The Tokyo Organising Committee of the Olympic and Paralympic Games Director and General Manager, Corporate Strategy Dept. (CFO) of Lincstech Co., Ltd. Director of the Company (current position) Managing Director and General Manager, Corporate Planning Headquarters of Lincstech Co., Ltd. Standing Audit & Supervisory Board Member of B Food Science Co., Ltd. (current position)
	Reasons for nomination as a candidate for Outside Director and expected roles Mr. Takeshi Hashizume has a wide range of experience in the financial industry, including involvement in corporate management, having served as Executive Officer of a major securities company. He also has deep knowledge regarding the management and coordination of large-scale organizations through his experience as Deputy Manager of Operations Bureau of the Tokyo Organising Committee of the Olympic and Paralympic Games. The Company expects that he will provide advice on overall management and supervise the Company's management from an independent standpoint based on his experience. Therefore, the Company renominates him as a candidate for Outside Director. His term of office as Outside Director will be four (4) years at the conclusion of this General Meeting of Shareholders.		

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	
10	Naoko Tanouchi (May 19, 1965)  <div>Reappointment</div>  Number of the Company’s shares held - shares	April 1989	Joined Ajinomoto Co., Inc.
		September 1999	Joined McKinsey & Company
		January 2002	Joined Ajinomoto Co., Inc.
		July 2009	Associate General Manager, AminoScience Business Development Dept. of the above
		July 2011	Associate General Manager, Corporate Planning Dept. of the above
		July 2016	Associate General Manager, Internal Auditing Dept. of the above
		June 2019	Corporate Auditor of Ajinomoto Animal Nutrition Group, Inc.
		April 2021	Visiting Professor of Kobe University Graduate School
		January 2022	Director of the Company (current position)
		March 2024	Outside Director (Audit & Supervisory Committee Member) of Sapporo Holdings Limited (current position)
	March 2025	External Director of Tokyo Tatemono Co., Ltd. (current position)	
Reasons for nomination as a candidate for Outside Director and expected roles Ms. Naoko Tanouchi has experienced a wide range of areas, including sales and business strategy planning at a major food manufacturer, as well as M&A and mid-term management planning at the corporate planning divisions. She also has deep insight into internal control and corporate management, having overseen internal audit operations and served as Corporate Auditor at a group company. The Company expects that she will provide advice and supervise the Company from an independent standpoint based on her experience in the areas of group management and business strategy. Therefore, the Company renominates her as a candidate for Outside Director. Her term of office as Outside Director will be four (4) years at the conclusion of this General Meeting of Shareholders.			
11	Yumiko Toyoda (November 27, 1964)  <div>Reappointment</div>  Number of the Company’s shares held - shares	April 1988	Joined Yamaichi Securities Co., Ltd.
		March 1998	Joined Dentsu Inc. (currently Dentsu Group Inc.)
		July 2008	Associate General Manager, Corporate Communication Division of the above
		July 2015	General Manager, Investor Relations Department, Corporate Strategy Division of the above
		October 2018	Chief Communication Officer, Josuikai Inc., General Incorporated Association
	January 2024	Director of the Company (current position)	
Reasons for nomination as a candidate for Outside Director and expected roles Ms. Yumiko Toyoda has experience of having engaged in a wide range of businesses such as capital markets business, preparation for listing shares, investor relations, corporate planning, public relations, and human resource development and cultivation at a major securities company and a major advertising company. Based on her experience, the Company expects that she will provide advice in various fields such as the Company’s corporate governance, investor relations activities, and human resource cultivation and supervise its management from an independent standpoint. Therefore, the Company renominates her as a candidate for Outside Director. Her term of office as Outside Director will be two (2) years at the conclusion of this General Meeting of Shareholders.			

- Notes: 1. There are no special relationships of interest between each candidate and the Company.
2. Mr. Takashi Kai, Mr. Takeshi Hashizume, Ms. Naoko Tanouchi, and Ms. Yumiko Toyoda are candidates for Outside Director.
3. Matters that should be reported regarding the candidates for Outside Director are as follows:
- (1) Independence of the candidates for Outside Director
- a. If the election of Mr. Takashi Kai is approved, the Company intends to designate him as an independent officer, as prescribed in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.
  - b. If the election of Mr. Takeshi Hashizume is approved, the Company intends to designate him as an independent officer, as prescribed in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.
  - c. If the election of Ms. Naoko Tanouchi is approved, the Company intends to designate her as an independent officer, as prescribed in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.
  - d. If the election of Ms. Yumiko Toyoda is approved, the Company intends to designate her as an independent officer, as prescribed in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.
- (2) Liability limitation agreement with Outside Directors
- The Company has entered into agreements with Mr. Takashi Kai, Mr. Takeshi Hashizume, Ms. Naoko Tanouchi, and Ms. Yumiko Toyoda, candidates for Outside Director, pursuant to Article 427, Paragraph 1 of the Companies Act to limit their liability for damages. The liability for damages based on this agreement is limited to the amount stipulated in laws and regulations.
- If the elections of Mr. Takashi Kai, Mr. Takeshi Hashizume, Ms. Naoko Tanouchi, and Ms. Yumiko Toyoda are approved, the Company intends to continue the agreements with them.
4. The Company has entered into a directors and officers liability insurance contract with an insurance company, pursuant to Article 430-3, Paragraph 1 of the Companies Act. The contract is designed to compensate for damages incurred by the insured in the event that a claim for damages is made against the insured during the insurance period due to an act committed by the insured in their capacity as an officer of the Company. Each candidate for Director will be included as an insured under the insurance contract.

**(Reference) Skills Matrix of the Board of Directors**

The Board of Directors of the Company strives to create an environment that supports appropriate risk-taking by management, based on the Company's mission statement and corporate vision and from the perspective of enhancing the Group's sustainable corporate value. In order to enable effective management oversight, the areas of experience and expertise of Directors and Audit & Supervisory Board Members, if Proposal 3 is approved and adopted, are defined as below, and efforts are made to ensure a well-balanced composition of the Board of Directors as a whole.

Name	Officer	Major areas of professional experience						
		Corporate management Management strategy	Legal affairs Internal control Risk management	Finance Accounting	Global	Human resources development HR	Technology IT	Sustainability Environment CSR
Ichiro Honda	Director	○			○			
Hidemitsu Honda		○			○			
Hirokane Fujio		○	○	○		○	○	○
Kazunori Kano		○	○	○	○	○	○	○
Takeshi Sakaguchi		○	○			○		
Yasutaka Honda		○			○			
Ichiro Yamaguchi		○	○		○			
Takashi Kai		○	○		○	○		
Takeshi Hashizume		○		○	○			
Naoko Tanouchi		○	○	○	○			
Yumiko Toyoda		○		○		○		
Keizo Yoshida	Audit & Supervisory Board Member	○	○	○	○			
Kiyoshi Endo			○	○				
Takashi Aikawa			○	○			○	
Nobuyuki Iijima			○	○		○		

## Reason for selecting each item in the skills matrix

(1) Corporate management/Management strategy

The important role of the Board of Directors is to supervise and advise on corporate strategies to achieve sustainable growth of the Company and to make important decisions based on its fiduciary responsibility to shareholders; therefore, we believe that experience and ability in corporate management and management strategies are important.

(2) Legal affairs/Internal control/Risk management

Since these areas are important elements of corporate management and important responsibilities of the Board of Directors, we believe it is necessary to have a certain number of Directors with such expertise.

(3) Finance/Accounting

Since these areas are essential for corporate management, we believe it is necessary to have a certain number of Directors with such expertise.

(4) Global

We aim to create a new food culture by providing domestic and overseas food ingredients, and we also engage in business overseas. Therefore, we believe that global knowledge and experience are necessary.

(5) Human resources development/HR

We believe that human resources are the foundation of corporate activities and an important factor for sustainable corporate growth.

(6) Technology/IT

We place importance on digital transformation (DX), and aim to improve the efficiency and sophistication of our operations using IT.

(7) Sustainability/Environment/CSR

We believe that respect for the environment and human rights is the most important mission of a company.

(End)

# Business Report

(From November 1, 2024 to October 31, 2025)

## 1. Current Status of the Corporate Group

### (1) Business activities and results

During the fiscal year under review, the Japanese economy saw solid corporate performance and stock prices performed well, but the yen remained weak due to the Bank of Japan's cautious stance on interest rate hikes, and prices remained high, particularly for imported goods. In the food industry, price hikes continued, and amid budget-minded spending patterns of consumers, efforts to strengthen product competitiveness continued. Under these circumstances, the ShoEi Foods Corporation Group leveraged its strengths as both a trading company and a company with a manufacturing division, and sought to supply value-added products through initiatives such as strengthening cooperation with overseas suppliers and developing products tailored to customer needs.

As a result of these efforts, consolidated net sales for the fiscal year under review increased by 8.4% year on year to 124,897 million yen, thanks to increases in sales across all segments—Japan, the United States, and China.

On the profit front, operating profit increased by 2.0% year on year to 4,942 million yen, and ordinary profit increased by 0.8% to 4,992 million yen. This was owing to an increase in gross profit resulting from price optimization by reflecting increases in raw ingredients costs despite an increase in selling, general and administrative expenses resulting from costs for digital transformation and increases in personnel expenses. Profit attributable to owners of parent decreased 4.2% year on year to 3,035 million yen due to 144 million yen of advisory fees for core system renewal recorded in software in progress in the previous fiscal year being recorded as extraordinary losses based on a review of development requirements, in addition to 290 million yen for the compensation for damage as a result of labor litigation at affiliates in the United States and at others.

Business performance by division was as follows:

#### <Dairy products, oils and fats>

In part due to price increases, sales of imported dairy products such as milk powder and butter increased, and sales of domestically procured products also increased. In addition, sales of dairy products at domestic production subsidiaries increased due to price hikes and other factors, and as a result, sales of dairy products, oils and fats increased to 38,595 million yen (up 7.3% year on year).

#### <Confectionery ingredients>

Although sales of chestnut products, such as chestnut paste, decreased, sales of in-house-processed products, such as chocolate processed products, baked confectionery, and fruits soaked in liquor, as well as domestically procured products, such as chocolate, increased. As a result, sales of confectionery ingredients were 20,648 million yen (up 6.7% year on year).

#### <Dried fruits and canned foods>

Reflecting higher unit prices, sales of almonds, walnuts, coconuts, raisins, and other products in Japan increased, and domestic sales in China also rose. In addition, sales of walnuts and prunes in the United States increased, and as a result, sales of dried fruits and canned foods were 44,763 million yen (up 11.4% year on year).

#### <Confectionery and retail products>

In part due to higher sales prices resulting from soaring cacao ingredient prices, sales of NB and PB chocolate confectioneries increased, and sales of retail products, such as small bags of prunes, also increased. As a result, sales of confectionery and retail products were 20,878 million yen (up 6.9% year on year).

## Sales by division

(Million yen)

Business division		Term 77 From November 1, 2023 to October 31, 2024		Term 78 From November 1, 2024 to October 31, 2025	
		Net sales	% of total net sales	Net sales	% of total net sales
			%		%
Food business	Dairy products, oils and fats	35,937	31.2	38,595	30.9
	Confectionery ingredients	19,339	16.8	20,648	16.5
	Dried fruits and canned foods	40,174	34.9	44,763	35.9
	Confectionery and retail products	19,524	16.9	20,878	16.7
	Other	227	0.2	3	0.0
	Subtotal	115,204	100.0	124,888	100.0
Other		4	0.0	9	0.0
Total		115,208	100.0	124,897	100.0

**(2) Status of financing**

The Group raises its funds from borrowings from financial institutions and its own funds.

**(3) Status of capital investment**

During the fiscal year under review, the Group spent 1,763 million yen on capital investments (on a cash flow basis), which mainly consisted of capital investments related to confectionery production lines at ShoEi Delicy Corporation and the purchase of machinery and equipment to improve production line efficiency and enhance product quality at other production subsidiaries.

**(4) Business segment transfers, absorption-type splits, and incorporation-type splits**

Not applicable.

**(5) Business segments transferred from other companies**

Not applicable.

**(6) Succession of rights and responsibilities related to the businesses of other corporations through absorption-type mergers and splits**

Not applicable.

**(7) Acquisitions and disposals of equity including shares, or stock acquisition rights, etc., in other companies**

Not applicable.

## **(8) Issues to be addressed**

The Group aims to contribute to society by providing customers with safe and reliable foods carefully selected from Japan and from around the world and creating a new food culture. To this end, it holds the basic management policy of discovering new values from ingredients by merging the three functions of stable procurement of high-quality raw ingredients, improving added values through processing, and strengthening the ability to meet the needs of its customers, and further pursuing each function. Based on this policy, the Group is committed to proactively addressing the following issues:

### **(i) Price fluctuations in food ingredients**

Concerns over the supply of agricultural products are increasing due to concerns over international affairs, geopolitical risks, and climate change, and the prices of imported raw ingredients continue to be unstable, in part due to global inflation and foreign exchange rate fluctuations. Rising logistics and personnel expenses are also contributing to higher prices. We are committed to ensuring a stable product supply by further strengthening our supply chain through diversifying the sources of our products and other measures.

### **(ii) Changing market environment and diversifying consumer needs**

In an environment where income growth fails to keep pace with rising prices, consumers are spending less and shifting toward products with lower unit prices, while demand for products that offer health benefits and high added value is increasing. We will strengthen our product development and planning functions, further enhance collaboration with Group factories, and strive to supply safe, reliable, high-quality, and delicious food ingredients to contribute to a healthy and rich diet.

### **(iii) Worsening labor shortages due to declining birthrate and aging population**

Labor shortages and increase in personnel expenses due to declining birthrate and aging population continue to persist, and competition for human resource acquisition is intensifying. We will work to become an “organization of choice” by strengthening our recruitment capabilities and reforming our personnel systems, and we will focus on developing and reskilling internal human resources and on ensuring flexible work styles to improve employee engagement, thereby strengthening human capital management.

### **(iv) Progress of digital technology and information security risks**

Generative artificial intelligence (AI) and other digital technologies have been rapidly developing in society as a whole, creating an environment where a response to the promotion of digital transformation of management is strongly required. We will raise our employees’ IT literacy and promote data utilization and improve operational efficiency by promoting digital transformation. In addition, as complex and diverse risks such as ransomware and information leakage are increasing, we will strengthen our response through collaboration with external experts.

### **(v) Increasing demands for sustainability**

Demands for sustainability-conscious management are increasing, and greater attention is also being paid to human capital management, such as female advancement and the diversification of human resources, in addition to environmental measures. Based on the ShoEi Foods Group Basic Policy on Sustainability, we aim to contribute to a sustainable society through steadily working with various stakeholders to address sustainability issues such as human rights, working environment, and environmental burdens, on the premise of fair and proper trading.

## (9) Status of assets and operating results

Category	Term 75 (Fiscal year ended October 31, 2022)	Term 76 (Fiscal year ended October 31, 2023)	Term 77 (Fiscal year ended October 31, 2024)	Term 78 (Fiscal year ended October 31, 2025)
Net sales (Thousand yen)	103,188,411	109,594,493	115,208,856	124,897,835
Ordinary profit (Thousand yen)	4,095,103	4,137,412	4,950,871	4,992,029
Profit attributable to owners of parent (Thousand yen)	2,788,355	2,809,236	3,170,156	3,035,838
Basic earnings per share (Yen)	165.63	166.81	188.18	181.31
Net assets (Thousand yen)	49,158,674	52,035,789	54,169,389	55,931,216
Total assets (Thousand yen)	82,851,870	87,452,478	89,905,926	96,586,778
Net assets per share (Yen)	2,867.08	3,034.45	3,155.95	3,308.20

Note: Basic earnings per share are calculated based on the average number of shares issued (excluding treasury shares) during the fiscal year.

## (10) Status of principal parent and subsidiaries

- (i) Relationship with the parent  
Not applicable.
- (ii) Status of principal subsidiaries

Company name	Capital	Equity ownership	Main business activities
Tsukuba Dairy Products Co., Ltd.	(Thousand yen) 247,500	% 83.6	Manufacture and sales of dairy products Processing and sales of nuts
Kyo Marron Co., Ltd.	35,000	100.0	Manufacture and sales of bottled and canned foods Processing and sales of nuts
Robinia Corporation	10,000	100.0	Manufacture and sales of confectionery
ShoEi Delicy Corporation	100,000	100.0	Purchasing, manufacture, and sales of confectionery
ShoEi Foods (U.S.A.), Inc.	(Thousand US dollars) 23,050	100.0	Import/export and sales of agricultural produce and orchard operation Processing and sales of fruits
ShoEi Foods Qingdao Co., Ltd.	(Thousand US dollars) 14,600	100.0	Processing and sales of agricultural produce
Yanji ShoEi Foods Co., Ltd.	(Thousand US dollars) 8,062	100.0	Same as the above
ShoEi International Trading Shanghai Co., Ltd.	(Thousand US dollars) 6,000	100.0	Purchasing and sales of processed foods
ShoEi International Trading Hong Kong Co., Ltd.	(Thousand HK dollars) 2,000	100.0	Same as the above

As of October 31, 2025, the Group had above nine consolidated subsidiaries and three equity method affiliates.

### (11) Main business activities

The Group is engaged in the import, production, and wholesale of dairy products, oils and fats; confectionery ingredients; dried fruits and canned foods; and confectionery and retail products. Additionally, it is also engaged in the real estate rental business.

The major products of the Group by division are as follows:

Division	Category	Major products
Food business	Dairy products, oils and fats	Powdered milk, condensed milk, butter, cheese, mixes for soft-serve ice cream, lactose, casein, various fats used in baking confectionery/ice cream/baking bread, margarine, shortening, etc.
	Confectionery ingredients	Various baking chocolates, processed fruits, processed egg products, chestnut products, other raw materials for Japanese confectionery, foaming agents, liquors for baking, sugar-covered products, emulsifiers, essences, sugars, flours, etc.
	Dried fruits and canned foods	Various dried fruits and nuts (raisins, prunes, almonds, walnuts, coconuts, etc.), various canned fruits and vegetables (pineapples, mandarin oranges, yellow peaches, corn, bamboo shoots, tomatoes, etc.), food for commercial use, etc.
	Confectionery and retail products	Chocolate confectionery, biscuits, cookies, and dried fruits and nuts in retail bags (prunes, almonds, walnuts, etc.)
	Other	Packaging materials and others
Other	Real estate rental	Buildings for rent, etc.

### (12) Main offices and plants

Head Office of the Company	5-7 Akihabara, Taito-ku, Tokyo, Japan
Domestic business offices	Head Office (Taito-ku, Tokyo), Kansai Branch Office (Yodogawa-ku, Osaka-shi), Kyushu Branch Office (Higashi-ku, Fukuoka-shi), Sapporo Branch Office (Atsubetsu-ku, Sapporo-shi), Sendai Branch Office (Wakabayashi-ku, Sendai-shi), Niigata Branch Office (Chuo-ku, Niigata-shi), Nagoya Branch Office (Naka-ku, Nagoya-shi), Hiroshima Branch Office (Asaminami-ku, Hiroshima-shi), Tsukuba Dairy Products Co., Ltd. (Ishioka-shi, Ibaraki), Tsukuba Dairy Products Co., Ltd. Sales Head Office (Chiyoda-ku, Tokyo), and ShoEi Delicy Corporation (Taito-ku, Tokyo)
Domestic production bases	Tsukuba Dairy Products Co., Ltd. Ishioka Plant (Ishioka-shi, Ibaraki), Tsukuba Dairy Products Co., Ltd. Tamari Plant (Omitama-shi, Ibaraki), ShoEi Delicy Corporation Chikusei Plant (Chikusei-shi, Ibaraki), Kyo Marron Co., Ltd. Mitsukaido Plant (Joso-shi, Ibaraki), Kyo Marron Co., Ltd. Amakusa Plant (Amakusa-shi, Kumamoto), Kyo Marron Co., Ltd. Bando Plant (Bando-shi, Ibaraki), and Robinia Corporation Sakaki Plant (Hanishina-gun, Nagano)
Overseas bases	ShoEi Foods (U.S.A.), Inc. (California, US) ShoEi International Trading Shanghai Co., Ltd. (China) ShoEi International Trading Hong Kong Co., Ltd. (China) ShoEi Foods Qingdao Co., Ltd. (China) Yanji ShoEi Foods Co., Ltd. (China)

**(13) Status of employees**

Number of employees	Increase (decrease) from previous fiscal year-end
1,483 [583]	Decrease of 52

Note: The number of employees represents the number of employees working in the Group and the average number of contract-based and temporary workers for the year is stated separately in brackets.

**(14) Major lenders**

Lender	Balance of borrowings
	Thousand yen
Mizuho Bank, Ltd.	8,468,104
MUFG Bank, Ltd.	6,065,738
The Norinchukin Bank	4,709,579

**(15) Other significant matters regarding the current conditions of the Group**

No important matters to be stated.

**2. Status of the Company's Shares**

- |  |                   |                                     |
|--|-------------------|-------------------------------------|
| <b>(1) Total number of authorized shares</b>             | 48,585,000 shares |                                     |
| <b>(2) Total number of shares issued and outstanding</b> | 17,100,000 shares | (including 526,629 treasury shares) |
| <b>(3) Number of shareholders</b>                        | 32,663            |                                     |

**(4) Major shareholders**

Name of shareholder	Number of shares held	Equity ownership
	Thousand shares	%
ShoEi Plaza Co., Ltd.	1,613	9.7
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,177	7.1
Honda Kosan Co., Ltd.	830	5.0
ShoEi Foods Partners Shareholders Association	742	4.4
Hidemitsu Honda	625	3.7
Mizuho Bank, Ltd.	545	3.2
MUFG Bank, Ltd.	456	2.7
Meiji Co., Ltd.	428	2.5
Ichiro Honda	410	2.4
The Dai-ichi Life Insurance Company, Limited	293	1.7

Note: Equity ownership is calculated after deducting treasury shares (526,629 shares).

**(5) Status of shares issued to officers of the Company as compensation for the execution of their duties during the fiscal year**

Position	Number of shares	Number of grantees
Directors (excluding Outside Directors)	5,413	7

Note: The above is stock-based compensation with transfer restriction.

**3. Stock Acquisition Rights**

**(1) Status of stock acquisition rights as of the fiscal year-end**

Not applicable.

**(2) Status of stock acquisition rights issued during the fiscal year**

Not applicable.

**(3) Other significant matters regarding stock acquisition rights**

No important matters to be stated.

**4. Officers of the Company (as of October 31, 2025)**

**(1) Status of Directors and Audit & Supervisory Board Members**

Position	Name	Responsibilities	Significant concurrent positions
Chairman and Representative Director	Ichiro Honda		
President and Representative Director	Hidemitsu Honda		
Senior Managing Director	Toyomi Nakajima	Head of Production Group	President and Representative Director, ShoEi Delicy Corporation
Senior Managing Director	Hirokane Fujio	Head of Administration Group	
Managing Director	Kazunori Kano	General Manager, Corporate Planning Div.	
Managing Director	Takeshi Sakaguchi	General Manager, Human Resources & General Affairs Div.	
Managing Director	Yasutaka Honda	Head of Sales & Marketing Group	
Director	Takashi Kai		
Director	Takeshi Hashizume		Standing Audit & Supervisory Board Member, B Food Science Co., Ltd.
Director	Naoko Tanouchi		Outside Director (Audit & Supervisory Committee Member), Sapporo Holdings Limited External Director, Tokyo Tatemono Co., Ltd.
Director	Yumiko Toyoda		
Standing Audit & Supervisory Board Member	Keizo Yoshida		

Position	Name	Responsibilities	Significant concurrent positions
Audit & Supervisory Board Member	Kiyoshi Endo		Visiting Professor, Graduate School of Commerce, Chiba University of Commerce Professor Emeritus, Toyo University
Audit & Supervisory Board Member	Takashi Aikawa		Executive Partner, Shinsoh Audit Corporation Supervisory Director, TOKYU REIT, Inc.
Audit & Supervisory Board Member	Nobuyuki Iijima		Professor, School of Management, SANNO University Corporate Auditor, HASEKO Corporation

Notes: 1. Directors Takashi Kai, Takeshi Hashizume, Naoko Tanouchi, and Yumiko Toyoda are Outside Directors.  
2. Audit & Supervisory Board Members Kiyoshi Endo, Takashi Aikawa, and Nobuyuki Iijima are Outside Audit & Supervisory Board Members.  
3. Standing Audit & Supervisory Board Member Keizo Yoshida has experience in organizational management, having served as the general manager of international and corporate divisions, etc. of the head office of a major life insurance company, and has considerable insight into the sound and adequate corporate management.  
Audit & Supervisory Board Member Kiyoshi Endo has considerable insight into corporate legal affairs and corporate accounting as a university professor.  
Audit & Supervisory Board Member Takashi Aikawa is a certified public accountant and has considerable insight into finance and accounting.  
Audit & Supervisory Board Member Nobuyuki Iijima is a certified tax accountant and has considerable insight into finance and accounting, with an extensive experience as a tax specialist with the National Tax Agency.  
Directors Takashi Kai, Takeshi Hashizume, Naoko Tanouchi, and Yumiko Toyoda, and Audit & Supervisory Board Members Kiyoshi Endo, Takashi Aikawa, and Nobuyuki Iijima have been designated as independent officers and registered as such with the Tokyo Stock Exchange.

## (2) Overview of the directors and officers liability insurance contract

Pursuant to Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance contract with an insurance company that insures all Directors, Audit & Supervisory Board Members, and Corporate Officers of the Company and its consolidated subsidiaries. The contract is designed to compensate for damages incurred by the insured in the event that a claim for damages is made against the insured during the insurance period due to an act committed by the insured in their capacity as an officer of the Company.

## (3) Compensation, etc. to Directors and Audit & Supervisory Board Members

(i) Matters concerning the policy for determining the amount of compensation, etc. to each individual Director and the method of calculation thereof

With respect to the policy for determining the amount of compensation, etc. to each individual Director, the Company has established the Officer Compensation Rules with the following details, based on the approval of the Board of Directors.

The compensation for Directors consists of monthly compensation, officers' bonuses, and stock-based compensation. For Outside Directors, only the monthly compensation is paid.

The compensation for Directors is determined within the limit of compensation resolved at the General Meeting of Shareholders, after deliberation by the Governance Committee, which is a voluntary advisory committee.

The total amount of individual monthly compensation and officers' bonuses to be paid to Directors (excluding Outside Directors) is determined by the Board of Directors. The monthly compensation is determined based on the degree of contribution to the enhancement of the Group's corporate value over the medium- to long-term, taking into consideration the Company's business performance, management status, economic conditions and other factors. In order to clarify management responsibility and further increase incentives for improving business performance, officers' bonuses are determined by the President and Representative Director (Hidemitsu Honda) based on a

comprehensive assessment of their responsibilities and achievements, reflecting the Company's performance including the status of profit plan achievement and the contribution of each individual. We have also introduced the monetary claim compensation plan for granting restricted stock in order to provide Directors (excluding Outside Directors) with incentives to sustainably increase the Company's corporate value and promote further value sharing with shareholders. The eligible Directors will pay all of such monetary compensation claims as properties contributed in kind for the purpose of granting restricted stock under the plan. The amount to be paid-in per share is determined by the Board of Directors based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution of each Board of Directors meeting to the extent that the amount is not particularly favorable to the eligible Directors who subscribe for such common stock. The specific timing and distribution of the payment to each eligible Director shall be determined by the Board of Directors, and the transfer restriction period for the restricted stock shall be a period predetermined by the Board of Directors of the Company, within the range of 20 to 30 years. In addition, the transfer restriction shall be cancelled in the event that the eligible Director resigns from the position predetermined by the Board of Directors of the Company before the expiration of the transfer restriction period due to expiration of his or her term of office, death, or other justifiable reasons. On the other hand, if the eligible Director resigns from the position predetermined by the Board of Directors of the Company before the expiration of the transfer with no justifiable reasons, such as expiration of his or her term of office, death, or other reasons, the Company will acquire such shares without compensation.

The total amount of compensation to Outside Directors is determined by the Board of Directors, taking into consideration their social status and contribution to the Company. The allocation of compensation to each individual is determined by the President and Representative Director (Hidemitsu Honda).

(ii) Matters concerning the delegation of responsibility for determining the details of individual compensation, etc. to Directors

For the purpose of efficient operation of the Board of Directors, the discretionary power to determine the amount of individual monthly compensation and bonuses for directors is given to the President and Representative Director (Hidemitsu Honda) pursuant to the resolution by the Board of Directors meeting. The authority is re-delegated to the President and Representative Director (Hidemitsu Honda) because he has a comprehensive understanding of the Group's management status and the status of execution of responsibilities and contribution of each Director.

(iii) Reasons why the Board of Directors determined that details of compensation, etc. to each individual Director are in line with the decision policy

The Directors' compensation system/policy and the amount of compensation are matters to be deliberated by the Governance Committee, which is a voluntary advisory committee consisting of a majority of Outside Directors. By reporting the results of deliberations to the Board of Directors, the objectivity and transparency of the decisions made by the President and Representative Director (Hidemitsu Honda), who has been re-delegated, are ensured. The Board of Directors believes that the officer compensation system has been operated properly.

(iv) Matters concerning the policy for determining the amount of compensation, etc. to Audit & Supervisory Board Members and the method for calculation thereof

Regarding the compensation for both full-time and part-time Audit & Supervisory Board Members, only monthly compensation is paid. No officers' bonuses or stock-based compensation is paid because of their role in monitoring and supervising management from an independent standpoint. The total amount of monthly compensation to Audit & Supervisory Board Members is resolved at the General Meeting of Shareholders, and the allocation method is determined through discussions among Audit & Supervisory Board Members in accordance with laws and regulations.

(v) Total amount of compensation, etc. to Directors and Audit & Supervisory Board Members

Position	Total amount of compensation, etc. (Thousand yen)	Total amount of compensations, etc. by type (Thousand yen)		Number of officers subject to the compensation
		Basic compensation	Non-monetary compensation	
		Fixed compensation	Restricted stock	
Directors [of which, Outside Directors]	267,968 [25,800]	246,600 [25,800]	21,368 [–]	11 [4]
Audit & Supervisory Board Members [of which, Outside Audit & Supervisory Board Members]	34,800 [18,000]	34,800 [18,000]	– [–]	4 [3]
Total	302,768	281,400	21,368	15

Notes: 1. At the 76th Annual General Meeting of Shareholders held on January 30, 2024, the maximum amount of compensation to Directors was approved to be 260,000 thousand yen p.a. (including 36,000 thousand yen for Outside Directors). The number of Directors as of the close of this Annual General Meeting of Shareholders was 11 (including four Outside Directors).

Additionally, at the 72nd Annual General Meeting of Shareholders held on January 30, 2020, compensation of up to 80,000 thousand yen p.a. was approved for granting restricted stock to Directors (excluding Outside Directors), separately from the amount of compensation, etc., described above. The number of Directors as of the close of this Annual General Meeting of Shareholders was 14 (including three Outside Directors).

2. At the 46th Annual General Meeting of Shareholders held on January 28, 1994, the maximum amount of compensation to Audit & Supervisory Board Members was approved to be 40,000 thousand yen p.a. The number of Audit & Supervisory Board Members as of the close of this Annual General Meeting of Shareholders was three (including three Outside Audit & Supervisory Board Members).

**(4) Matters regarding Outside Officers**

(i) Significant concurrent positions held at other organizations and their relationships with the Company

Position	Name	Concurrent position held
Director	Takeshi Hashizume	Standing Audit & Supervisory Board Member, B Food Science Co., Ltd.
Director	Naoko Tanouchi	Outside Director (Audit & Supervisory Committee Member), Sapporo Holdings Limited External Director, Tokyo Tatemono Co., Ltd.
Audit & Supervisory Board Member	Kiyoshi Endo	Visiting Professor, Graduate School of Commerce, Chiba University of Commerce Professor Emeritus, Toyo University
Audit & Supervisory Board Member	Takashi Aikawa	Executive Partner, Shinsoh Audit Corporation Supervisory Director, TOKYU REIT, Inc.
Audit & Supervisory Board Member	Nobuyuki Iijima	Professor, School of Management, SANNO University Corporate Auditor, HASEKO Corporation

There are no special relationships between the Company and the above organizations at which the significant concurrent positions are held.

## (ii) Major activities during the fiscal year under review

Position	Name	Major activities
Director	Takashi Kai	Having attended all 13 Board of Directors meetings held during the fiscal year under review, Takashi Kai has been giving advice and recommendations on and supervising management in general based on his extensive experience and insight acquired at the foodstuffs and food divisions of a major trading company, as well as his experience from having served as an inspector at the internal auditing division and an audit & supervisory board member of a group company of the trading company. As a member of the Governance Committee, he has also provided advice on the Company's overall governance.
Director	Takeshi Hashizume	Having attended all 13 Board of Directors meetings held during the fiscal year under review, Takeshi Hashizume has been giving advice on the Group's management in general and supervising management from an independent standpoint based on his experience of involvement in corporate management and organizational operations, having served as Executive Officer of a major securities company. As a member of the Governance Committee, he has also provided advice on the Company's overall governance.
Director	Naoko Tanouchi	Having attended all 13 Board of Directors meetings held during the fiscal year under review, Naoko Tanouchi has been giving advice on human resources utilization and female advancement and supervising management from an independent standpoint based on her experience in business strategy and audit divisions at a major food manufacturer. As a member of the Governance Committee, she has also provided advice on the Company's overall governance.
Director	Yumiko Toyoda	Having attended all 13 Board of Directors meetings held during the fiscal year under review, Yumiko Toyoda has been giving advice on human resources utilization and female advancement and supervising management from an independent standpoint based on her experience in public relations, human resource development, investor relations divisions, etc. at a major securities company and a major advertising company. As a member of the Governance Committee, she has also provided advice on the Company's overall governance.
Audit & Supervisory Board Member	Kiyoshi Endo	Having attended all 13 Board of Directors meetings and all 14 Audit & Supervisory Board meetings held during the fiscal year under review, Kiyoshi Endo has been giving adequate advice as necessary, based on his extensive experience and knowledge acquired as a university professor.
Audit & Supervisory Board Member	Takashi Aikawa	Having attended 12 out of 13 Board of Directors meetings and 13 out of 14 Audit & Supervisory Board meetings held during the fiscal year under review, Takashi Aikawa has been giving adequate advice as necessary, based on his extensive experience and knowledge acquired as a certified public accountant.
Audit & Supervisory Board Member	Nobuyuki Iijima	Having attended 12 out of 13 Board of Directors meetings and 13 out of 14 Audit & Supervisory Board meetings held during the fiscal year under review, Nobuyuki Iijima has been giving adequate advice as necessary, based on his extensive experience and knowledge acquired as a tax specialist with the National Tax Agency.

**(5) Overview of agreements to limit liability**

The Company has entered into agreements with each of the Outside Directors and Audit & Supervisory Board Members to limit their liability set forth in Article 423, Paragraph 1 of the Companies Act, in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act and the provisions of Articles 32 and 43 of the Company’s Articles of Incorporation.

The maximum amount of liability based on these agreements is the amount set forth by laws and regulations.

**5. Accounting Auditor**

**(1) Name of Accounting Auditor**

Deloitte Touche Tohmatsu LLC

**(2) Amount of compensation, etc. to Accounting Auditor for the fiscal year under review**

The amount of compensation, etc. paid to the Accounting Auditor during the fiscal year under review and the reason why the Audit & Supervisory Board consented to this amount

	Thousand yen
a. The amount of compensation for audit services in accordance with Article 2, Paragraph 1 of the Certified Public Accountants Act	52,000
b. Total amount of monies and other assets payable by the Company and its subsidiaries to the Accounting Auditor	52,000

Notes: 1. The audit agreement between the Company and the Accounting Auditor does not distinguish between compensation paid for audit work performed under the Companies Act and that under the Financial Instruments and Exchange Act. Accordingly, the above amount includes the amount of compensation, etc. for audit work performed under the Financial Instruments and Exchange Act.

2. In accordance with the “Practical Guidelines for Cooperation with Accounting Auditors” released by the Japan Audit & Supervisory Board Members Association, the Audit & Supervisory Board has confirmed and deliberated the audit plans of the Accounting Auditor, the status of its audit performance, and the grounds for calculation of compensation estimates. As a result, the Audit & Supervisory Board found them to be appropriate, and gave consent to the amount of compensation paid to the Accounting Auditor in accordance with Article 399, Paragraph 1 of the Companies Act.

**(3) Non-audit work**

Not applicable.

**(4) Policy regarding decisions to dismiss or not reappoint an Accounting Auditor**

The Audit & Supervisory Board shall determine a proposal to be presented to the general meeting of shareholders to dismiss or not reappoint the Accounting Auditor as necessary, including cases where there is difficulty for the Accounting Auditor to perform its duties.

Additionally, with its unanimous consent, the Audit & Supervisory Board shall dismiss the Accounting Auditor if deemed to fall under the items in Article 340, Paragraph 1 of the Companies Act. In such cases, the Audit & Supervisory Board shall designate an Audit & Supervisory Board Member to report that the Accounting Auditor was dismissed and the reasons for its dismissal at the first general meeting of shareholders following such dismissal.

---

Note: Figures stated in this Business Report are rounded down to the presented unit.

## Consolidated Balance Sheet

(As of October 31, 2025)

(Thousand yen)

Item	Amount	Item	Amount
<b>Assets</b>		<b>Liabilities</b>	
<b>Current assets</b>	<b>65,764,154</b>	<b>Current liabilities</b>	<b>33,770,661</b>
Cash and deposits	11,505,001	Notes and accounts payable – trade	10,744,876
Notes and accounts receivable – trade	23,753,891	Short-term borrowings	14,032,984
Merchandise and finished goods	23,373,545	Current portion of long-term borrowings	2,837,616
Work in process	1,205,859	Accounts payable – other	2,381,583
Raw ingredients and supplies	4,073,590	Income taxes payable	1,130,527
Advance payments to suppliers	578,753	Provision for bonuses	1,106,108
Other	1,275,397	Provision for bonuses for directors (and other officers)	11,690
Allowance for doubtful accounts	(1,884)	Other	1,525,274
<b>Non-current assets</b>	<b>30,822,623</b>	<b>Non-current liabilities</b>	<b>6,884,899</b>
<b>Property, plant and equipment</b>	<b>22,792,963</b>	Long-term borrowings	5,449,115
Buildings and structures	11,787,133	Deferred tax liabilities	217,172
Machinery, equipment and vehicles	6,183,239	Retirement benefit liability	668,097
Tools, furniture and fixtures	389,555	Provision for retirement benefits for directors (and other officers)	92,410
Land	3,606,323	Other	458,103
Leased assets	204,962		
Construction in progress	322,443	<b>Total liabilities</b>	<b>40,655,561</b>
Other	299,305	<b>Net assets</b>	
<b>Intangible assets</b>	<b>491,072</b>	<b>Shareholders' equity</b>	<b>48,268,517</b>
Software	105,046	<b>Share capital</b>	<b>3,379,736</b>
Software in progress	236,443	<b>Capital surplus</b>	<b>3,068,975</b>
Other	149,582	<b>Retained earnings</b>	<b>43,795,860</b>
		<b>Treasury shares</b>	<b>(1,976,054)</b>
<b>Investments and other assets</b>	<b>7,538,588</b>	<b>Accumulated other comprehensive income</b>	<b>6,559,608</b>
Investment securities	4,507,415	<b>Valuation difference on available-for-sale securities</b>	<b>2,285,364</b>
Shares of subsidiaries and affiliates	185,795	<b>Deferred gains or losses on hedges</b>	<b>279,981</b>
Long-term advance account	2,326,339	<b>Foreign currency translation adjustment</b>	<b>3,951,322</b>
Deferred tax assets	217,399	<b>Remeasurements of defined benefit plans</b>	<b>42,940</b>
Other	399,577	<b>Non-controlling interests</b>	<b>1,103,090</b>
Allowance for doubtful accounts	(97,938)	<b>Total net assets</b>	<b>55,931,216</b>
<b>Total assets</b>	<b>96,586,778</b>	<b>Total liabilities and net assets</b>	<b>96,586,778</b>

# Consolidated Statement of Income

(From November 1, 2024 to October 31, 2025)

(Thousand yen)

Item	Amount	
<b>Net sales</b>		<b>124,897,835</b>
<b>Cost of sales</b>		<b>105,248,741</b>
<b>Gross profit</b>		<b>19,649,094</b>
<b>Selling, general and administrative expenses</b>		<b>14,706,186</b>
<b>Operating profit</b>		<b>4,942,908</b>
<b>Non-operating income</b>		
Interest income	11,589	
Dividend income	120,264	
Foreign exchange gains	10,505	
Share of profit of entities accounted for using equity method	26,579	
Factory attracting bounty	29,289	
Other	106,398	304,627
<b>Non-operating expenses</b>		
Interest expenses	238,870	
Compensation expenses	9,465	
Other	7,169	255,505
<b>Ordinary profit</b>		<b>4,992,029</b>
<b>Extraordinary income</b>		
Gain on sale of non-current assets	3,229	3,229
<b>Extraordinary losses</b>		
Impairment losses	144,830	
Loss on retirement of non-current assets	25,383	
Loss on sale of non-current assets	11,321	
Loss on valuation of investment securities	2,950	
Compensation for damage	290,056	474,542
<b>Profit before income taxes</b>		<b>4,520,716</b>
Income taxes – current	1,735,570	
Income taxes – deferred	(344,470)	1,391,099
<b>Profit</b>		<b>3,129,616</b>
Profit attributable to non-controlling interests		93,778
<b>Profit attributable to owners of parent</b>		<b>3,035,838</b>

## Non-consolidated Balance Sheet

(As of October 31, 2025)

(Thousand yen)

Item	Amount	Item	Amount
<b>Assets</b>		<b>Liabilities</b>	
<b>Current assets</b>	<b>45,569,103</b>	<b>Current liabilities</b>	<b>28,537,168</b>
Cash and deposits	5,847,354	Accounts payable – trade	9,363,486
Notes receivable – trade	682,039	Short-term borrowings	13,896,011
Accounts receivable – trade	18,627,712	Current portion of long-term borrowings	2,720,000
Merchandise	14,188,781	Lease obligations	117,910
Imports in transit	3,736,216	Accounts payable – other	1,041,949
Advance payments to suppliers	106,721	Accrued expenses	205,151
Short-term loans receivable from subsidiaries and affiliates	1,336,136	Income taxes payable	483,600
Accounts receivable – other	36,076	Deposits received	172,185
Other	1,010,082	Provision for bonuses	386,000
Allowance for doubtful accounts	(2,018)	Other	150,872
<b>Non-current assets</b>	<b>20,422,080</b>	<b>Non-current liabilities</b>	<b>6,383,023</b>
<b>Property, plant and equipment</b>	<b>10,284,648</b>	Long-term borrowings	5,330,000
Buildings	7,026,111	Leasehold and guarantee deposits received	111,087
Structures	244,655	Lease obligations	107,840
Machinery and equipment	1,442	Deferred tax liabilities	431,996
Tools, furniture and fixtures	78,398	Provision for retirement benefits	170,509
Land	2,729,078	Other	231,590
Leased assets	204,962	<b>Total liabilities</b>	<b>34,920,192</b>
<b>Intangible assets</b>	<b>302,048</b>	<b>Net assets</b>	
Software	58,929	<b>Shareholders' equity</b>	<b>28,784,804</b>
Telephone subscription right	6,675	<b>Share capital</b>	<b>3,379,736</b>
Software in progress	236,443	<b>Capital surplus</b>	<b>3,064,625</b>
<b>Investments and other assets</b>	<b>9,835,383</b>	Legal capital surplus	3,042,770
Investment securities	3,930,343	Other capital surplus	21,855
Shares of subsidiaries and affiliates	3,144,652	<b>Retained earnings</b>	<b>24,316,496</b>
Investments in capital	9,458	Legal retained earnings	523,872
Investments in capital of subsidiaries and affiliates	2,538,084	Other retained earnings	23,792,624
Other	265,338	Reserve for tax purpose reduction entry of non-current assets	40,385
Allowance for doubtful accounts	(52,494)	General reserve	11,710,000
		Retained earnings brought forward	12,042,238
		<b>Treasury shares</b>	<b>(1,976,054)</b>
		<b>Valuation and translation adjustments</b>	<b>2,286,188</b>
		<b>Valuation difference on available-for-sale securities</b>	<b>2,006,207</b>
		<b>Deferred gains or losses on hedges</b>	<b>279,981</b>
		<b>Total net assets</b>	<b>31,070,992</b>
<b>Total assets</b>	<b>65,991,184</b>	<b>Total liabilities and net assets</b>	<b>65,991,184</b>

## Non-consolidated Statement of Income

(From November 1, 2024 to October 31, 2025)

(Thousand yen)

Item	Amount	
<b>Net sales</b>		
Net sales of goods	96,407,476	
Real estate lease revenue	804,565	<b>97,212,042</b>
<b>Cost of sales</b>		
Cost of goods sold	85,335,452	
Cost of real estate lease revenue	647,580	<b>85,983,032</b>
<b>Gross profit</b>		<b>11,229,009</b>
<b>Selling, general and administrative expenses</b>		<b>8,947,918</b>
<b>Operating profit</b>		<b>2,281,091</b>
<b>Non-operating profit</b>		
Interest income	24,969	
Dividend income	759,746	
Commission income	15,513	
Other	38,030	838,260
<b>Non-operating expenses</b>		
Interest expenses	210,655	
Foreign exchange losses	8,352	
Other	13,221	232,229
<b>Ordinary profit</b>		<b>2,887,122</b>
<b>Extraordinary losses</b>		
Impairment losses	144,830	
Loss on retirement of non-current assets	0	
Loss on sale of non-current assets	0	
Loss on valuation of investment securities	2,950	
Compensation for damage	44,718	192,498
<b>Profit before income taxes</b>		<b>2,694,623</b>
Income taxes – current	905,243	
Income taxes – deferred	(201,301)	703,942
<b>Profit</b>		<b>1,990,681</b>