

This document has been translated from the Japanese original for reference purpose 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.

Stock Code: 2267

June 4, 2026

(Start Date of Electronic Provision Measures June 1, 2026)

To our shareholders:

Hiroshi Narita, Representative President
10-30, Kaigan 1-chome, Minato-ku, Tokyo
Yakult Honsha Co., Ltd.

Notice of 74th Ordinary General Meeting of Shareholders

Dear Shareholders,

We are pleased to inform you that the 74th Ordinary General Meeting of Shareholders is scheduled as set forth below.

For the convening of this Ordinary General Meeting of Shareholders, information contained in the Reference Documents for the Ordinary General Meeting of Shareholders, etc. (the Electronically Provided Information) is provided electronically, and is posted on the Company's website as "Notice of 74th Ordinary General Meeting of Shareholders." Please access the Company's website by using the Internet address shown below to review the information.

Details

- Date/time** June 24, 2026 (Wednesday) at 10:00 am (JST)
(reception to start at 9:00 am)
- Venue** "Hiten Main Banquet Hall" at Grand Prince Hotel Shin Takanawa
13-1, Takanawa 3-chome, Minato-ku, Tokyo
- Purposes of the shareholders' meeting**

Matters to be reported:

- Presentation of the business report, the consolidated financial statements and the audit results of the consolidated financial statements by an accounting auditor and the Board of Auditors for the 74th fiscal year (from April 1, 2025 to March 31, 2026)
- Presentation of the financial statements for the 74th fiscal year (from April 1, 2025 to March 31, 2026)

Matters to be resolved:

<Company Proposal>

Proposal 1 Appointment of thirteen directors

Proposal 2 Revisions to the Stock Remuneration System for Directors (Excluding Outside and Part-Time Directors)

<Shareholder Proposal>

Proposal 3 Appointment of two directors

Proposal 4 Approval of the compensation amount regarding the restricted stock unit plan

Proposal 5 Amendment of the Articles of Incorporation regarding the record date for the Shareholders' Meeting

The Company's website

<https://www.yakult.co.jp/company/ir/meeting/shareholder/>

4. Decisions regarding the convocation

- (1) When a shareholder exercises voting rights using the voting form, if the approval or disapproval for the proposal is not specified, it will be handled as an indication of approval to the company proposal and an opposition to the shareholder proposal.
- (2) If a shareholder who has exercised his or her vote over the Internet also returns the voting form by post mail, the vote performed over the Internet will be considered as the shareholder's voting intention.
- (3) In case a shareholder's vote is casted multiple times over the Internet, the final vote will be considered as the shareholder's intention.
- (4) Please make sure that the voting form by post mail arrives by 5 p.m., June 23, 2026 (JST).
- (5) Voting over the Internet should be completed by 5 p.m., June 23, 2026 (JST).
- (6) If a shareholder is unable to attend the shareholders' meeting, he or she may send a person with voting rights as a proxy. Such person, however, should submit a written statement proving the aforesaid proxy.

~~~~~

The Electronically Provided Information is available on the Company's website as well as on the website of the Tokyo Stock Exchange (TSE). To access it on the TSE's website, please go to the website provided below (Listed Company Search), input or search for an issue name (company name) or securities code, and then select "Basic information" and "Documents for public inspection/PR information."

Any revision to the Electronically Provided Information will be reflected in the information provided on each website.

TSE website

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

Dear Shareholders,

I would like to express my sincere gratitude for your continued support.

Since we first established our business in 1935, we have engaged in our business activities in accordance with our corporate philosophy, “We contribute to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular.”

Going forward, under our long-term vision "Yakult Group Global Vision 2030," we will promote various initiatives while responding to changes in society and the environment by setting "Expand business domains and evolve business model", "Pursue co-creation with local societies and evolution of our global expansion" and "Evolve management foundation that supports growth" as key themes in our "Medium-term Management Plan (2025-2030)"

I ask for your continued support as we move forward.

Yours sincerely,

Hiroshi Narita  
President and Representative Director  
Yakult Honsha Co., Ltd.

## Reference for General Meeting of Shareholders

### Proposal 1: Appointment of thirteen directors

The office term of all the directors will expire at the close of this Ordinary General Meeting of Shareholders and therefore we would like to propose the appointment of thirteen new directors.

The details of the candidate for directors are as stated below.

| No. | Name               |          |               |         |             | The title of directors and their responsibilities within the Company at present | Attendance at Board of Directors meetings |
|-----|--------------------|----------|---------------|---------|-------------|---------------------------------------------------------------------------------|-------------------------------------------|
| 1   | Hiroshi Narita     | (Male)   | Reappointment |         |             | President & Representative Director, President & Executive Officer              | 10/10 (100%)                              |
| 2   | Hideaki Hoshiko    | (Male)   | Reappointment |         |             | Director, Senior Managing Executive Officer                                     | 10/10 (100%)                              |
| 3   | Junichi Shimada    | (Male)   | Reappointment |         |             | Director, Senior Managing Executive Officer                                     | 10/10 (100%)                              |
| 4   | Hiroyuki Kawabata  | (Male)   | Reappointment |         |             | Director, Senior Managing Executive Officer                                     | 10/10 (100%)                              |
| 5   | Shuichi Watanabe   | (Male)   | Reappointment |         |             | Director, Managing Executive Officer                                            | 10/10 (100%)                              |
| 6   | Akira Kishimoto    | (Male)   | Reappointment |         |             | Director, Managing Executive Officer                                            | 8/8 (100%)                                |
| 7   | Naoko Tobe         | (Female) | Reappointment | Outside | Independent | Director                                                                        | 10/10 (100%)                              |
| 8   | Yumiko Nagasawa    | (Female) | Reappointment | Outside | Independent | Director                                                                        | 10/10 (100%)                              |
| 9   | Satoshi Akutsu     | (Male)   | Reappointment | Outside | Independent | Director                                                                        | 10/10 (100%)                              |
| 10  | Matthew Digby      | (Male)   | Reappointment | Outside | Independent | Director                                                                        | 10/10 (100%)                              |
| 11  | Toshihiko Fukuzawa | (Male)   | Reappointment | Outside | Independent | Director                                                                        | 10/10 (100%)                              |
| 12  | Takeshi Osumi      | (Male)   | Reappointment | Outside | Independent | Director                                                                        | 7/8 (88%)                                 |
| 13  | Manabu Naito       | (Male)   | Reappointment |         |             | Director                                                                        | 10/10 (100%)                              |

Notes: The number of Board of Directors meetings attended by Akira Kishimoto and Takeshi Osumi differs from other Directors as they were newly elected and assumed their positions at the 73rd Ordinary General Meeting of Shareholders held on June 25, 2025.

[Yakult Honsha's policy on selecting director candidates]

- Upon selecting director candidates, the criteria set by the Company are that the person possesses a wealth of knowledge and experience as well as deep insights of management and has appropriate capacity, personality and ideas worthy of a director.
- Yakult Honsha chooses the members of the Board of Directors not only through internal promotion within the Company but also from management of sales companies, which are part of Yakult Group, and experts of various industries based on the viewpoint of placing the right person the company aims to ensure a balance and diversity of skills among board candidates, in the right position to enable diversity and open-hearted discussions.

The matters related to the nomination and compensation of directors will be resolved by the Board of Directors based on the report from "Nomination and Remuneration Advisory Committee" which is an advisory body of Board of Directors with majority of the members, including the chairman, are consisting of independent outside directors.

The skill matrix of the candidates for directors, such as knowledge and experience, are as follows.

|                    | Knowledge and experience of candidate directors |                      |                                                           |                         |                   |                   |                         |                                              |
|--------------------|-------------------------------------------------|----------------------|-----------------------------------------------------------|-------------------------|-------------------|-------------------|-------------------------|----------------------------------------------|
|                    | Corporate management /Business operations       | ESG / Sustainability | Finance and accounting / Shareholders and capital markets | Legal / Risk management | Sales / Marketing | Overseas business | R&D / Quality assurance | Human Resources/ Human resources development |
| Hiroshi Narita     | •                                               | •                    |                                                           |                         | •                 | •                 | •                       | •                                            |
| Hideaki Hoshiko    | •                                               | •                    | •                                                         | •                       |                   |                   |                         | •                                            |
| Junichi Shimada    | •                                               |                      |                                                           |                         | •                 | •                 | •                       |                                              |
| Hiroyuki Kawabata  | •                                               | •                    | •                                                         | •                       | •                 |                   |                         |                                              |
| Shuichi Watanabe   | •                                               |                      | •                                                         |                         |                   |                   |                         |                                              |
| Akira Kishimoto    | •                                               |                      |                                                           |                         | •                 |                   |                         |                                              |
| Naoko Tobe         |                                                 | •                    |                                                           | •                       |                   |                   |                         | •                                            |
| Yumiko Nagasawa    | •                                               | •                    | •                                                         |                         |                   |                   |                         |                                              |
| Satoshi Akutsu     |                                                 |                      |                                                           |                         | •                 | •                 | •                       |                                              |
| Matthew Digby      |                                                 | •                    |                                                           | •                       |                   | •                 |                         |                                              |
| Toshihiko Fukuzawa | •                                               |                      | •                                                         |                         |                   |                   |                         | •                                            |
| Takeshi Osumi      | •                                               |                      |                                                           |                         | •                 | •                 |                         |                                              |
| Manabu Naito       | •                                               |                      |                                                           |                         | •                 |                   |                         |                                              |

| No | Name<br>(Date of Birth)                                                                                                                                  | Personal History, title of the director and his/her responsibilities within the Company, and important concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | No. of Company Shares Owned |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| 1  | Hiroshi Narita<br>(Oct. 8, 1951)<br>(Male)  <div>Reappointment</div>    | Apr. 1974    Joined Yakult Honsha<br>Jun. 2007    Director<br>Jun. 2010    Managing Director<br>Jun. 2011    Managing Executive Officer<br>Jun. 2012    Director, Managing Executive Officer<br>Jun. 2015    Director, Senior Managing Executive Officer<br>Jun. 2021    President & Representative Director,<br>President & Executive Officer (to date)<br><br>Important Concurrent Positions<br>Owner of Yakult Kyudan Co., Ltd.<br>Chairman, Japanese Association of Fermented Milks<br>and Fermented Milk Drinks                                                                                                                         | 53,990                      |
|    |                                                                                                                                                          | [Grounds for selection as a director candidate]<br>Ever since appointed as the President and Representative Director in June 2021, the candidate has led the management of the Yakult Group, worked on the improvement of corporate value and ensured business results. We judge that the candidate is capable of appropriately performing the duties of the director for the Company's sustainable growth through the realization of its corporate philosophy and request his continued appointment as a director.                                                                                                                          |                             |
| 2  | Hideaki Hoshiko<br>(Nov. 23, 1958)<br>(Male)  <div>Reappointment</div> | Apr. 1981    Joined Yakult Honsha<br>Jun. 2014    Executive Officer<br>Jun. 2019    Managing Executive Officer<br>Jun. 2023    Director, Managing Executive Officer<br>Apr. 2024    Director, Senior Managing Executive Officer<br>(to date)                                                                                                                                                                                                                                                                                                                                                                                                 | 19,569                      |
|    |                                                                                                                                                          | [Grounds for selection as a director candidate]<br>The candidate possesses a wealth of knowledge and experience regarding legal, human resources, and general affairs and deep insights of the Yakult Group management and has served the Divisional General Manager of the Administrative Division and has been significantly contributing to the improvement of the Company's corporate value. We judge that the candidate is capable of appropriately performing the duties of the director for the Company's sustainable growth through the realization of its corporate philosophy and request his continued appointment as a director. |                             |
| 3  | Junichi Shimada<br>(Apr. 9, 1960)<br>(Male)  <div>Reappointment</div> | Apr. 1984    Joined Yakult Honsha<br>Jun. 2016    Executive Officer<br>Jun. 2022    Managing Executive Officer<br>Jun. 2023    Director, Managing Executive Officer<br>Apr. 2026    Director, Senior Managing Executive Officer<br>(to date)<br><br>Important Concurrent Positions<br>President of Hong Kong Yakult Co., Ltd.<br>Chairman of Yakult U.S.A Inc.<br>Chairman of Yakult Europe B.V.                                                                                                                                                                                                                                             | 17,055                      |
|    |                                                                                                                                                          | [Grounds for selection as a director candidate]<br>The candidate possesses a wealth of knowledge and experience regarding international business and deep insights of the Yakult Group management and has served the Divisional General Manager of the International Business Division and has been significantly contributing to the improvement of the Company's corporate value. We judge that the candidate is capable of appropriately performing the duties of the director for the Company's sustainable growth through the realization of its corporate philosophy and request his continued appointment as a director.              |                             |

| No | Name<br>(Date of Birth)                                                                                                                                   | Personal History, title of the director and his/her responsibilities within the Company, and important concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | No. of Company Shares Owned |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| 4  | Hiroyuki Kawabata<br>(Nov. 23, 1958)<br>(Male)  <div>Reappointment</div> | Apr. 1981    Joined Yakult Honsha<br>Jun. 2016    Executive Officer<br>Jun. 2022    Managing Executive Officer<br>Jun. 2024    Director, Managing Executive Officer<br>Apr. 2026    Director, Senior Managing Executive Officer (to date)                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 15,999                      |
|    |                                                                                                                                                           | [Grounds for selection as a director candidate]<br>The candidate possesses a wealth of knowledge and experience regarding the general affairs and legal affairs, and deep insights of the Yakult Group management and has served the Divisional General Manager of the Management Support Division (public relations, legal affairs, corporate planning, etc.) and has been significantly contributing to the improvement of the Company's corporate value. We judge that the candidate is capable of appropriately performing the duties of the director for the Company's sustainable growth through the realization of its corporate philosophy and request his continued appointment as a director. |                             |
| 5  | Shuichi Watanabe<br>(Sep. 25, 1957)<br>(Male)  <div>Reappointment</div> | Apr. 1980    Joined Yakult Honsha<br>Jun. 2015    Executive Officer<br>Jun. 2021    Managing Executive Officer<br>Jun. 2024    Director, Managing Executive Officer (to date)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 29,099                      |
|    |                                                                                                                                                           | Important Concurrent Positions<br>President of Yakult Corporation Co., Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                             |
|    |                                                                                                                                                           | [Grounds for selection as a director candidate]<br>The candidate possesses a wealth of knowledge and experience regarding accounting and deep insights of the Yakult Group management and has served as the Divisional General Manager of the Pharmaceutical Business Division in the past and has been significantly contributing to the improvement of the Company's corporate value. We judge that the candidate is capable of appropriately performing the duties of the director for the Company's sustainable growth through the realization of its corporate philosophy and request his continued appointment as a director.                                                                     |                             |
| 6  | Akira Kishimoto<br>(Jul. 6, 1957)<br>(Male)  <div>Reappointment</div>  | Apr. 1982    Joined Yakult Honsha<br>Jun. 2015    Executive Officer<br>Apr. 2023    Managing Executive Officer<br>Jun. 2025    Director, Managing Executive Officer (to date)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 16,531                      |
|    |                                                                                                                                                           | [Grounds for selection as a director candidate]<br>The candidate possesses a wealth of knowledge and experience regarding the Domestic food and beverages business and deep insights of the Yakult Group management and has served as the Divisional General Manager of the Food and Beverages Business Division. We judge that the candidate is capable of appropriately performing the duties of the director for the Company's sustainable growth through the realization of its corporate philosophy and request his continued appointment as a director.                                                                                                                                           |                             |

|   | Name<br>(Date of Birth)                                                                                                                                                                                              | Personal History, title of the director and his/her responsibilities within the Company, and important concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | No. of Company Shares Owned |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| 7 | <p>Naoko Tobe<br/>(Dec. 15, 1957)<br/>(Female)</p>  <div> <div>Reappointment</div> <div>Outside</div> <div>Independent</div> </div> | <p>Apr. 1985 Registered as attorney with Daiichi Tokyo Bar Association</p> <p>Apr. 1989 Joined Fukasawa Law Offices (present Fukasawa Sogo Law Offices)</p> <p>Apr. 2002 Domestic relations conciliation commissioner, Tokyo court of domestic relations (to date)</p> <p>Sep. 2005 Legal counselor, gender-equality society center of Kiyose city, Tokyo</p> <p>Apr. 2012 Partner, Fukasawa Sogo Law Offices</p> <p>Jun. 2019 Director (to date)</p> <p>Apr. 2024 Representative of Fukasawa Sogo Law Offices (to date)</p> <p>Important Concurrent Positions<br/>Lawyer</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 1,300                       |
|   |                                                                                                                                                                                                                      | <p>[Grounds for selection as an outside director candidate and expected roles]</p> <p>Since her appointment as an outside director of the Company in June 2019, in addition to her long years of experience as a lawyer and her advanced knowledge and insight, she has also served as a domestic relations conciliation commissioner at the Tokyo Court of domestics relations and as a legal counselor at the Gender Equality Center in Kiyose City, Tokyo, taking into account local society and consumer perspectives, and has used her wide range of insight to make proposals to the Company's management team from an objective perspective and to appropriately supervise the execution of business.</p> <p>In addition, as a member of the Nomination and Remuneration Advisory Committee, an advisory body to the Board of Directors, she has made numerous opinions and recommendations regarding diversity and other issues with the aim of strengthening the governance structure that contributes to enhancing the Company's corporate value. In light of the above, we have determined that she can be expected to further strengthen and enhance the Company's management structure, and we therefore request her continued appointment as an outside director.</p> |                             |

| No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Name<br>(Date of Birth)                                                                                                                                                                                     | Personal History, title of the director and his/her responsibilities within the Company, and important concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | No. of Company Shares Owned |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| 8                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <p>Yumiko Nagasawa<br/>(Nov. 6, 1959)<br/>(Female)</p>  <div>Reappointment</div> <div>Outside</div> <div>Independent</div> | <p>Apr. 1984 Joined Nikko Securities Inc. (present SMBC Nikko Securities Inc.)</p> <p>Jul. 1998 Joined Citibank, N.A.</p> <p>Dec. 2004 Established Foster forum (Organization to nurture high-quality financial products)</p> <p>Jun. 2017 Director, a general incorporated association Japan Industrial Association</p> <p>Jun. 2018 Manager, Foster forum (Organization to nurture high-quality financial products) (to date)</p> <p>Jun. 2018 Representative Director and Vice Chairman, Public interest incorporated association Nippon Association of Consumer Specialists</p> <p>Jun. 2018 Outside Director, Yamaguchi Bank, Ltd.</p> <p>Apr. 2020 Part-time lecturer of Ochanomizu University Graduate School (to date)</p> <p>Jun. 2020 Outside Director, Yamaguchi Financial Group, Inc.</p> <p>Jun. 2021 Director (to date)</p> <p>Jun. 2023 Outside Director (Audit &amp; Supervisory Committee Member), Yamaguchi Financial Group, Inc. (to date)</p> <p>Jun. 2024 Director, Public interest incorporated association Nippon Association of Consumer Specialists (to date)</p> <p>Oct. 2024 Outside director (Audit &amp; Supervisory Committee Member), GLTechno Holdings, Inc. (to date)</p> <p><b>Important Concurrent Positions</b><br/> Manager, Foster forum (Organization to nurture high-quality financial products)<br/> Outside Director (Audit and Supervisory Committee Member), Yamaguchi Financial Group, Inc.<br/> Outside Director (Audit and Supervisory Committee Member), GLTechno Holdings, Inc.</p> | 700                         |
| <p><b>[Grounds for selection as an outside director candidate and expected roles]</b><br/> In addition to her professional knowledge of finance as a founder of Foster forum (Organization to nurture high-quality financial products), she has a wide range of insight in the field of consumer affairs from her positions as Vice President of the Nippon Association of Consumer Specialists and other positions. She also provides objective advice to the Company's management and appropriate supervision and oversight of the Company's business execution since her appointment as an outside director of the Company in June 2021.<br/> In addition, as a member of the Sustainability Advisory Committee, an advisory body to the Board of Directors, she has provided numerous opinions and recommendations from a strategic perspective.<br/> In light of the above, we have determined that she can be expected to further strengthen and enhance the management system, and therefore, we request her continued appointment as an outside director.</p> |                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                             |

| No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Name<br>(Date of Birth)                                                                                                                                                                                       | Personal History, title of the director and his/her responsibilities within the Company, and important concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | No. of Company Shares Owned |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| 9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Satoshi Akutsu<br>(Jul. 11, 1966)<br>(Male)  <div> <div>Reappointment</div> <div>Outside</div> <div>Independent</div> </div> | May.1998 Ph.D. in Business Administration of University of California, Berkeley<br>Dec. 1998 Assistant Professor of Faculty of Commerce and Management of Hitotsubashi University<br>Jun. 2002 Associate Professor of the Graduate School of International Corporate Strategy of Hitotsubashi University<br>Apr. 2010 Visiting Professor of Collaborative Research Sector of National Institute of Informatics, Research Organization of Information and System<br>Apr. 2010 Professor of the Graduate School of International Corporate Strategy(present Business Administration)of Hitotsubashi University(to date)<br>Sep. 2013 Outside Director, Adastria Holdings Co., Ltd. (present and ST HD Co., Ltd.)<br>Jun. 2017 Outside Director, Nojima Corporation<br>Jul. 2021 Outside Director, Thinca Co., Ltd. (to date)<br>Jun. 2022 Director (to date)<br><b>Important Concurrent Positions</b><br>Professor of the Graduate School of Business Administration of Hitotsubashi University<br>Outside Director, Thinca Co., Ltd. | 1,900                       |
| <b>[Grounds for selection as an outside director candidate and expected roles]</b><br>Since his appointment as an outside director of the Company in June 2022, he has provided useful advice on the Company's business in general, including how management should be managed to continuously improve performance through corporate branding, based on his many achievements as a marketing specialist and his professional knowledge and insight gained through his career as a university professor. In addition, he provides objective suggestions to the Company's management and appropriate supervision of business execution. In addition, as a member of the Sustainability Advisory Committee, an advisory body to the Board of Directors, he has provided numerous opinions and recommendations for improving the value of the Company's business.<br>In light of the above, we have determined that he can be expected to further strengthen and enhance the Company's management structure, and we therefore request his continued election as an outside director. |                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                             |

| No | Name<br>(Date of Birth)                                                                                                                                                                                  | Personal History, title of the director and his/her responsibilities within the Company, and important concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | No. of Company Shares Owned |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| 10 | <p>Matthew Digby<br/>(Nov. 10, 1951)<br/>(Male)</p>  <div>Reappointment</div> <div>Outside</div> <div>Independent</div> | <p>May.1973 University of Notre Dame, B.A. (Bachelor of Arts)</p> <p>Jun.1975 Sophia University M.A. (Master of Arts)</p> <p>May.1978 Columbia University Law School J.D. (Juris Doctor)</p> <p>Aug.1979 Registered as a New York Attorney</p> <p>Jun.1984 Registered as an Attorney in California</p> <p>Sep.2009 Registered as Foreign Lawyer (Gaikokuho Jimu Bengoshi)</p> <p>Dec.2009 Registered as attorney with the Tokyo Daiichi Bar Association</p> <p>Jan.2019 Senior Partner, Squire Patton Boggs (US) LLP (to date)</p> <p>Jun. 2023 Director (to date)</p> <p>Important Concurrent Positions<br/>Lawyer</p> <p>[Grounds for selection as an outside director candidate and expected roles]<br/>Since his appointment as an outside director of our company in June 2023, he has been providing objective recommendations and appropriate supervision over our operations based on his extensive experience abroad as a lawyer specializing in litigation in the United States, interjurisdictional transactions between Japan and the United States, and international transactions in general.<br/>Additionally, as a member of the Sustainability Advisory Committee, which is an advisory body to the Board of Directors, he has made numerous suggestions and recommendations from a global perspective. Based on these contributions, we believe that his continued appointment as an outside director will further strengthen and enrich our management structure as we expand our business globally, and we therefore request his continued appointment as an outside director.</p> | —                           |

| No | Name<br>(Date of Birth)                                                                                                                                                                                                    | Personal History, title of the director and his/her responsibilities within the Company, and important concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | No. of Company Shares Owned |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| 11 | <p>Toshihiko Fukazawa<br/>(Dec. 30, 1956)<br/>(Male)</p>  <div> <div>Reappointment</div> <div>Outside</div> <div>Independent</div> </div> | <p>Apr. 1979 Joined Dai-Ichi Kangyo Bank Ltd. (current Mizuho Bank, Ltd.)</p> <p>Mar. 2006 Operating officer and general manager, Corporate Planning Department, Mizuho Bank, Ltd.</p> <p>Apr. 2008 Managing executive officer, Mizuho Bank, Ltd.</p> <p>Apr. 2013 Deputy president and representative director, Mizuho Trust &amp; Banking Co., Ltd.</p> <p>Jun. 2015 President and representative director, Yushu Tatemono KK (current Yushu corporation, Ltd.)</p> <p>May. 2016 Director, Aflac Incorporated</p> <p>Jun. 2018 President and representative director, Chuo Real Estate Co., Ltd (current Chuo-Nittochi Group Co., Ltd.).</p> <p>Apr. 2020 Vice president and representative director, Chuo-Nittochi Group Co., Ltd.</p> <p>Jun. 2022 Special advisor, Chuo-Nittochi Group Co., Ltd. (to date)</p> <p>Jun. 2024 Director (to date)</p> <p>Important Concurrent Positions<br/>Special advisor, Chuo-Nittochi Group Co., Ltd.</p> <p>[Grounds for selection as an outside director candidate and expected roles]<br/>Since his appointment as an outside director of the Company in June 2024, he has provided objective advice on the Company's overall management and appropriate supervision of business execution based on his expert knowledge and insight on corporate strategy cultivated through his extensive experience in corporate management and long tenure at financial institutions.<br/>In addition, as a chairman of the Nomination and Remuneration Advisory Committee, an advisory body to the Board of Directors, he has made numerous opinions and recommendations based on his wide range of skills cultivated over the years toward strengthening the governance system that will contribute to enhancing the Company's corporate value.<br/>Based on the above, we believe that he can be expected to further strengthen and enhance the Company's management structure, and we therefore request his continued appointment as an outside director.</p> | 1,300                       |

| No | Name<br>(Date of Birth)                                                                                                                                                                                               | Personal History, title of the director and his/her responsibilities within the Company, and important concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                           | No. of Company Shares Owned |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| 12 | <p>Takeshi Osumi<br/>(Aug. 22, 1964)<br/>(Male)</p>  <div> <div>Reappointment</div> <div>Outside</div> <div>Independent</div> </div> | <p>Apr. 1987    Joined Shibusawa Warehouse Co., Ltd.<br/>(present Shibusawa Logistics Corporation)</p> <p>Apr. 2012    Executive Officer, Head of General Planning<br/>Department, Administration Division,<br/>Shibusawa Warehouse Co., Ltd.</p> <p>Jun. 2015    Director, Managing Executive Officer,<br/>responsible for Logistics Sales Division,<br/>Shibusawa Warehouse Co., Ltd.</p> <p>Jun. 2017    President &amp; Representative Director,<br/>President &amp; Executive Officer, responsible for<br/>Logistics Sales Division, Shibusawa Warehouse<br/>Co., Ltd.</p> <p>Apr. 2023    President &amp; Representative Director,<br/>President &amp; Executive Officer, responsible<br/>for Logistics Division, Shibusawa Warehouse<br/>Co., Ltd. (to date)</p> <p>Jun. 2025    Director (to date)</p>                                                                                                                                                                                                                                                                 | <p>Important Concurrent Positions<br/>President &amp; Representative Director, President &amp;<br/>Executive Officer, Shibusawa Logistics Corporation</p> | 300                         |
|    |                                                                                                                                                                                                                       | <p>[Grounds for selection as an outside director candidate and expected roles]</p> <p>Since his appointment as an outside director of the Company in June 2025, he has provided objective advice on the Company's overall management and appropriate supervision of business execution based on his extensive knowledge and insight on corporate strategy cultivated through his experience in corporate management as a representative of a company listed on the Tokyo Stock Exchange. In addition, as a member of the Nomination and Remuneration Advisory Committee, an advisory body to the Board of Directors, he has made numerous opinions and recommendations based on his extensive experience in corporate management over the years toward strengthening the governance system that will contribute to enhancing the Company's corporate value.</p> <p>Based on the above, we believe that he can be expected to further strengthen and enhance the Company's management structure, and we therefore request his continued appointment as an outside director.</p> |                                                                                                                                                           |                             |

| No | Name<br>(Date of Birth)                                                                                                                                                                                                  | Personal History, title of the director and his/her responsibilities within the Company, and important concurrent positions                                                                                                                                                                                                                                                                                                                             |  | No. of Company Shares Owned |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------|
| 13 | Manabu Naito<br>(Jan. 9, 1960)<br>(Male) <div data-bbox="210 351 448 629">  </div> <div data-bbox="245 678 410 707">Reappointment</div> | Apr. 1983    Joined Dentsu Inc.<br>Apr. 1987    Joined Yakult Honsha<br>Jul. 1989    Director of Yakult Mito Sales Co., Ltd.<br>Aug. 1995    Joined Dentsu Kyushu Inc.<br>Jul. 2004    First Sales Bureau Manager of Dentsu Kyushu Inc.<br>May. 2008    Senior Managing Director of Yakult Mito Sales Co., Ltd.<br>May. 2010    President of Yakult Mito Sales Co., Ltd. (to date)<br>Jun. 2022    Director (to date)                                   |  | 5,900                       |
|    |                                                                                                                                                                                                                          | Important Concurrent Positions<br>President of Yakult Mito Sales Co., Ltd.                                                                                                                                                                                                                                                                                                                                                                              |  |                             |
|    |                                                                                                                                                                                                                          | [Grounds for selection as a director candidate]<br>The candidate being based on the expectation that his long record of managing a Yakult sales company will be a various advice based on market actual conditions when he can offer pertinent advice, thus we judge he is capable of contributing significantly to the development of the entire Yakult Group continuously, and we therefore request his continued appointment as an outside director. |  |                             |

- (Notes)
1. Six Candidates, No.7 Ms. Naoko Tobe, No.8 Ms. Yumiko Nagasawa, No.9 Mr. Satoshi Akutsu, No.10 Mr. Matthew Digby, No.11 Mr. Toshihiko Fukuzawa, and No. 12 Mr. Takeshi Osumi are candidates for outside directors.
  2. Four Candidates, No.7 Ms. Naoko Tobe, No.8 Ms. Yumiko Nagasawa, No.9 Mr. Satoshi Akutsu and No.10 Mr. Matthew Digby have no experience of direct involvement in company management except to be an outside officer, but the Company believes that they would be able to perform their duties appropriately as outside directors for the above reasons.
  3. Six Candidates No.7 Ms. Naoko Tobe, No.8 Ms. Yumiko Nagasawa, No.9 Mr. Satoshi Akutsu, No.10 Mr. Matthew Digby, No.11 Mr. Toshihiko Fukuzawa, and No. 12 Mr. Takeshi Osumi are currently serving as the Company' s outside directors and their respective terms of office as of the end of this Shareholders' Meeting are 7 years for Candidate No.7 Ms. Naoko Tobe, 5 years for Candidate No.8 Ms. Yumiko Nagasawa, 4 years for Candidate No.9 Mr. Satoshi Akutsu, 3 years for Candidate No. 10 Mr. Matthew Digby, 2 years for Candidate No.11 Mr. Toshihiko Fukuzawa, and 1 year for Candidate No. 12 Mr. Takeshi Osumi.
  4. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has concluded agreements with each director (excluding executive directors, etc.) to limit the liability for damages stipulated under Article 423, Paragraph 1 of the Companies Act. In the event that this proposal of Candidates No.7 Ms. Naoko Tobe, No.8 Ms. Yumiko Nagasawa, No.9 Mr. Satoshi Akutsu, No.10 Mr. Matthew Digby, No.11 Mr. Toshihiko Fukuzawa, No. 12 Mr. Takeshi Osumi, and No.13 Mr. Manabu Naito are approved, the Company intends to continue concluding these agreements with these seven candidates to limit the liability for damages.  
The overview of the contents of the agreement for Limitation of Liability is as follows:
    - If a director (excluding executive director, etc.), by neglecting his / her duty, causes damage to the company, each director (excluding executive directors, etc.) shall be liable to pay damages up to the minimum liability amount in accordance with Article 425, Paragraph 1 of the Companies Act, as long as such director has carried out his / her duty in good faith and there is no gross negligence on the part of such director.
  5. The company will conclude a liability insurance contract for officers with the insurance company. This insurance contract will compensate the litigation costs and damages incurred by the insured Audit & Supervisory Board member, when he / she receives a claim for damages due to his / her business execution. If the candidates for director through No. 1 to No. 13 becomes a director, he / she will become an insured person of the insurance contract and the insurance contract will be renewed with the same contents during the term of office.
  6. Companies that have relationships with the Company (excluding 100% subsidiaries) and at which candidates for the position of director serve in representative positions are as follows:
    - Candidate No.1 Mr. Hiroshi Narita is a Owner of Yakult Kyudan Co., Ltd. which

engages in transaction for real estate (land and building) leasing and advertisement in baseball stadium, etc. with the Company.

- Candidate No.3 Mr. Junichi Shimada is a representative of Hong Kong Yakult Co., Ltd, which engages in transactions for production materials with the Company on an equal basis with other overseas business offices.
  - Candidate No.5 Mr. Shuichi Watanabe is President of Yakult Corporation Co., Ltd., which companies that conduct business with our company on an equal footing regarding promotional materials, etc.
  - Candidate No.13 Mr. Manabu Naito is President of Yakult Mito Sales Co., Ltd., which engage in merchandise sales transactions with the Company on an equal basis with other sales companies.
7. The respective responsibilities of the candidates for Director candidates Nos. 1 to 13 are listed in “3. Officers of the Company (1) Directors and Audit & Supervisory Board Members of the Company” in the Business Report.
  8. Six Candidates No.7 Ms. Naoko Tobe, No.8 Ms. Yumiko Nagasawa, No.9 Mr. Satoshi Akutsu, No.10 Mr. Matthew Digby, No.11 Toshihiko Fukuzawa, and No.12 Mr. Takeshi Osumi are candidates of independent director in accordance with the provisions set by Tokyo Stock Exchange.
  9. The Number of Company Shares Owned by the candidates for directors include the shares they hold under shareholding plans.

## **Proposal 2. Revisions to the Stock Remuneration System for Directors (Excluding Outside and Part-Time Directors)**

### **1. Reason for the proposal and justification of its appropriateness**

The proposal seeks your approval to revise the Company's current stock remuneration system for its directors (excluding outside and part-time directors) and executive officers (hereinafter collectively referred to as "Executives") and to implement a new performance-based stock remuneration system, the Board Benefit Trust-Restricted Stock system (hereinafter referred to as the "System").

The purpose of this proposal is to provide incentives aimed at the sustainable enhancement of corporate value by further clarifying the link between the compensation of Executives and increases to the Company's medium- to long-term corporate value and shareholder value, while also further promoting the sharing of value between Executives and shareholders.

If this proposal is approved as presented, we believe its content is appropriate, as it is consistent with the policy regarding the determination of individual remuneration for directors (set forth below), which is scheduled to be resolved by the Company's Board of Directors following the conclusion of this Ordinary General Meeting of Shareholders. In addition, we have received a recommendation from our Nomination and Remuneration Committee stating that the introduction of the System is appropriate, based on its objectives and the effectiveness of the incentives in driving medium- to long-term performance improvements.

This proposal seeks your approval of the specific calculation methods and details regarding the amounts of remuneration to be paid to the Company's Executives under the System, separate from the directors' remuneration amounts (up to 1 billion yen annually; excluding employee-portion salaries and bonuses for employee-directors) approved at the 56th Ordinary General Meeting of Shareholders held on June 25, 2008. We would like to request that the Board of Directors be granted the authority to determine the details of the System within the framework outlined in Section 2 below.

The following terms and specific details were approved at the 71st Ordinary General Meeting of Shareholders held on June 21, 2023, and have remained in effect to this day: the total amount of monetary remuneration claims to be paid to our directors as remuneration related to restricted stock shall not exceed 300 million yen annually, and the total number of shares to be issued or disposed of shall not exceed 150,000 shares per year. This is separate from the amount of remuneration for the Company's directors approved at the 56th Ordinary General Meeting of Shareholders held on June 25, 2008.

(The Company conducted a two-for-one stock split of its common stock effective October 1, 2023. The maximum number of shares stated above reflects the adjusted number after such stock split.) However, subject to approval at this Ordinary General Meeting of Shareholders, we will abolish the remuneration framework for directors related to the above resolution and will not allocate any new restricted stock under the existing restricted stock remuneration system in the future. Nevertheless, restricted stock that has already been allocated to directors will remain in effect.

If Proposal 1 is approved as written, there will be six directors eligible for the System.

## **2. Calculation methods and details regarding the amounts of remuneration under the System**

### **(1) Overview of the System**

The System is a stock-based remuneration system under which the Company's shares are acquired through a trust (hereinafter, the trust established under the System shall be referred to as the "Trust") using funds contributed by the Company, and in which the Company's shares and cash equivalent to the market value of such shares (hereinafter referred to as "Company Shares and Cash") are granted to Executives through the Trust in accordance with the Company's Rules on Stock Remuneration for Executives. Under the System, shares will be granted through two types of programs: non-performance-based stock remuneration and performance-based stock remuneration. The timing of share grants to Executives will, in principle, be at a fixed time each year for non-performance-based stock remuneration, and for performance-based stock remuneration, at a specific time following the conclusion of the performance evaluation period. (The initial performance evaluation period will be the five fiscal years from the fiscal year ending March 31, 2027 to the fiscal year ending March 31, 2031; thereafter, each performance evaluation period shall correspond to the period covered by the Company's medium-term management plan or other similar plans. The same shall apply hereinafter.)

In addition, for both non-performance-based stock remuneration and performance-based stock remuneration, the timing of payment to Executives of an amount equivalent to the market value of the Company's shares shall, in principle, be upon their retirement. If Executives receive a grant of Company stock during their tenure, Executives shall, prior to receiving the grant, enter into a restricted transfer agreement with the Company as described in Section 3 below. Consequently, the disposal, through transfer and other means, of the Company's shares received by Executives during their tenure will be restricted until they step down from their positions.

### **(2) Persons eligible under the System**

Directors (outside and part-time directors are not eligible under the System) and executive officers

### **(3) Trust period**

From August 2026 (scheduled) until the Trust ends (there is no specific termination date for the period of the Trust; it will continue for as long as the System remains in effect. The System will terminate upon the delisting of the Company's shares, the repeal of the Rules on Stock Remuneration for Executives, or other similar events).

### **(4) Trust amount**

Subject to approval of this proposal, the Company will implement the System for the initial performance evaluation period (hereinafter referred to as the "Initial Target Period"; the Initial Target Period and any performance evaluation periods commencing after the expiration of the Initial Target Period shall each be referred to as a "Target Period") and each subsequent Target Period. To provide Company Shares and Cash to Executives, the Company will contribute the following funds to the Trust as the source of funds for the Trust's acquisition of the Company's stock.

First, upon establishing the Trust (scheduled for August 2026), the Company will contribute to the

Trust a portion of the funds estimated to be necessary for the Initial Target Period (five fiscal years). The maximum number of points to be granted to Executives under the System (each point being equivalent to one share of the Company's common stock) is 350,000 points per fiscal year, as described in (6) below. Therefore, at the time of establishing the Trust, the Company will contribute to the Trust a portion of the funds reasonably expected to be necessary to acquire up to 1.75 million shares, taking into account the closing price of the Company's common stock in regular trading on the Tokyo Stock Exchange immediately prior to that time. For reference, if a closing price of 2,906 yen as of May 11, 2026 is applied (the actual closing price as of that date will be used), the total amount of funds required for the Initial Target Period would be approximately 5,085 million yen (approximately 1,017 million yen per year).

Furthermore, even after the Initial Target Period has expired, until the System ends, the Company will, in principle, reasonably estimate the number of shares required to make payments to Executives under the System for each Target Period, and will make additional contributions to the Trust in an amount deemed necessary for the Trust to acquire such shares in advance. However, if such additional contributions are made, and there are any remaining shares of the Company (excluding shares of the Company corresponding to the number of points granted to Executives for each Target Period up to the immediately preceding period, for which benefits to such Executives have not yet been paid) and cash (hereinafter referred to as "Remaining Shares and Cash") within the Trust property, the Remaining Shares and Cash shall be allocated as the source of funds for benefits under the System during subsequent Target Periods, and the amount of the additional contribution shall be calculated after taking the Remaining Shares and Cash into account. The Company may make contributions to the Trust in multiple installments during the Target Period. Should the Company decide to make additional contributions, it will disclose such information in a timely and appropriate manner.

Note: The amount of funds that the Company will actually contribute to the Trust consists of the funds for the acquisition of the shares mentioned above, plus the estimated amount of necessary expenses such as trust fees.

#### (5) Method and number of Company shares to be acquired by the Trust

The acquisition of the Company's shares by the Trust shall be carried out using the funds contributed pursuant to (4) above, either through the stock exchange or by subscribing to the Company's disposal of treasury shares.

As the maximum number of points that may be granted to Executives is 350,000 points per fiscal year, as set forth in (6) below, the maximum number of shares of the Company's stock that the Trust may acquire for each Target Period shall be the number of fiscal years comprising the Target Period multiplied by 350,000 shares (provided, however, that following the approval of this proposal, in the event of a stock split, a bonus allotment, or a reverse stock split, etc., the conversion ratio shall be reasonably adjusted in accordance with such ratios.) Details regarding the acquisition of the Company's shares by the Trust will be disclosed in a timely and appropriate manner.

#### (6) Maximum number of Company Shares and Cash granted to Executives

With regard to non-performance-based stock remuneration, Executives are awarded a number of points for each fiscal year, determined according to their position in accordance with the Rules on Stock Remuneration for Executives. In addition, regarding performance-based stock remuneration, Executives are awarded a certain number of points for the performance evaluation period, determined in accordance with the Rules on Stock Remuneration for Executives based on factors such as their position and the degree to which performance targets were met. The total number of points awarded to directors per fiscal year shall not exceed 250,000 points for directors (excluding outside and part-time directors), and 350,000 points for all Executives. This decision was made after comprehensively considering the current level of executive remuneration, trends in the number of directors, and future projections, and we believe it is appropriate.

Points granted to Executives will be converted at a rate of one point per one share of the Company's common stock upon the grant of Company Shares and Cash, as described in (7) below (provided, however, that if, after the approval of this proposal, a stock split, a bonus allotment, or a reverse stock split, etc., is conducted with respect to the Company's stock, reasonable adjustments shall be made to the maximum number of points, the number of points already granted, or the conversion ratio in accordance with the applicable ratios, etc.).

In addition, the number of voting rights associated with the shares corresponding to the maximum number of points granted per fiscal year to directors (excluding outside and part-time directors)—2,500 voting rights—represents approximately 0.086% of the total number of voting rights associated with the total number of issued shares, which is 2,902,012 voting rights (as of March 31, 2026).

The number of points for Executives that serves as the basis for the grant of Company Shares and Cash, described in (7) below shall, in principle, be the number of points granted to such Executives by the time the benefit rights described in (7) below are vested (hereinafter, the points calculated in this manner shall be referred to as "vested points").

#### (7) Specific methods for calculating the amounts of Company Shares and Cash granted and remuneration

Executives who meet the beneficiary requirements will, upon completing the prescribed beneficiary determination procedures, receive a grant of Company stock from the Trust at specific times each year and at a specific time following the end of the performance evaluation period, in an amount corresponding to the vested points established in accordance with the provisions set forth in (6) above. However, if the conditions set forth in the Rules on Stock Remuneration for Executives are met, a certain percentage of the award will, in principle, be paid in cash equivalent to the market value of the Company's stock at the time of retirement, rather than in the form of stock. In order to make cash payments, the Trust may sell Company stock.

Furthermore, if Executives receive a grant of Company stock during their tenure, they shall enter into a restricted transfer agreement with the Company prior to the grant of such shares, as described in Section 3 below. Consequently, the disposal of the Company's shares received by Executives during their tenure will be restricted until they step down from their positions.

Even if Executives have been awarded points, if they are removed from office by a resolution of a general meeting of shareholders or the Board of Directors, or if they resign due to misconduct during their tenure, or engage in inappropriate conduct or other actions that cause damage to the Company, they shall not be entitled to receive all or part of the benefits.

Furthermore, even if Executives have received such benefits, if they are removed from office by a resolution of a general meeting of shareholders or the Board of Directors, or if they engage in misconduct or other inappropriate conduct during their tenure that causes damage to the Company, they may be required to return all or part of the economic value equivalent to the shares and cash received.

The amount of remuneration received by Executives shall be based on the total number of points granted to such individuals at the time of point issuance, multiplied by the book value per share of the Company's stock held by the Trust (provided, however, that in the event of a stock split, a bonus allotment, or a reverse stock split, etc., regarding the Company's stock, a reasonable adjustment shall be made in accordance with the applicable ratio or other relevant factors). In addition, where cash is paid on an exceptional basis in accordance with the provisions of the Rules on Stock Remuneration for Executives and such payment is deemed appropriate, the amount shall be the sum of the said amount and the original amount.

#### (8) Exercise of voting rights

Voting rights attached to the Company's shares held in the Trust account shall not be exercised, in accordance with the instructions of the trust administrator. By adopting this approach, the aim is to ensure neutrality with respect to the Company's management regarding the exercise of voting rights attached to the Company's shares held in the Trust account.

#### (9) Handling of dividends

Dividends on the Company's shares held in the Trust account will be received by the Trust and used to cover the purchase price of the Company's shares and the trustee's trust fees related to the Trust. In the event that the Trust is terminated, any remaining dividends and other distributions within the Trust will be distributed pro rata to Executives in office at that time, in accordance with the provisions of the Rules on Stock Remuneration for Executives, based on the number of points held by each individual.

#### (10) Handling upon termination of the Trust

The Trust will terminate upon the occurrence of events such as the delisting of the Company's shares or the repeal of the Rules on Stock Remuneration for Executives. Upon the termination of the Trust, the Company plans to acquire all of the Trust's residual assets consisting of the Company's shares (excluding shares to be distributed to Executives as described in [7] above) without consideration and to cancel them pursuant to a resolution of the Board of Directors. Of the residual assets of the Trust at the time of its termination, any monetary amounts, excluding those paid to Executives pursuant to (9) above, shall be paid to the Company.

### **3. Summary of the restricted transfer agreement regarding Company shares granted to Executives**

If Executives receive an allocation of the Company's shares during their term of office, the Executives shall, prior to receiving such allocation, enter into a restricted transfer agreement (hereinafter referred to as the "Restricted Transfer Agreement") with the Company that includes, in summary, the following provisions (Executives shall receive the allocation of the Company's shares on the condition that they enter into the Restricted Transfer Agreement). However, in cases where Executives have already resigned at the time of the stock grant, the Company may grant its shares without entering into the Restricted Transfer Agreement.

#### **i. Details of the transfer restriction**

Executives may not transfer, create security interests, or otherwise dispose of Company shares received from the date of receipt until the date of their resignation from the Company.

#### **ii. Acquisition by the Company at no cost**

In the event of certain violations or if the requirements for lifting the transfer restrictions described in iii below are not met, the Company shall acquire such shares without compensation.

#### **iii. Lifting of transfer restrictions**

If Executives resign from all of their positions as an officer of the Company for just cause or cease to hold such positions due to death, the transfer restrictions shall be lifted as of that date.

#### **iv. Handling in organizational restructuring**

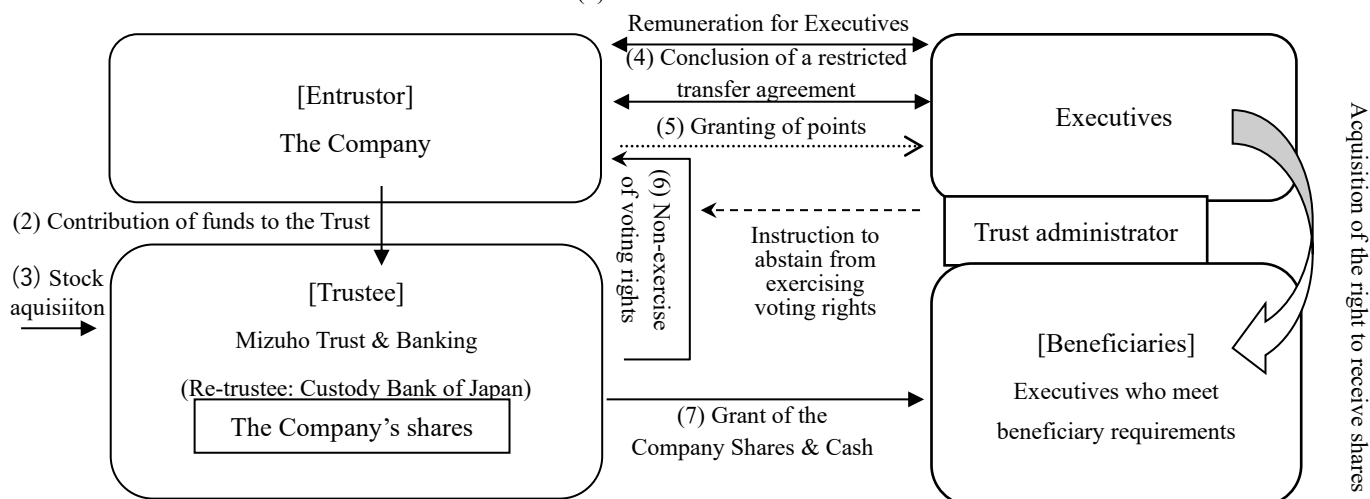
If a merger agreement in which the Company becomes the dissolving company, or any other matters relating to a reorganization, is approved at a general meeting of shareholders of the Company or similar meeting during the transfer restriction period, the transfer restriction shall be lifted as of the time immediately prior to the business day preceding the effective date of such reorganization, by resolution of the Company's Board of Directors.

The Company's shares subject to the transfer restrictions under the Restricted Transfer Agreement are scheduled to be held in a dedicated account opened by the relevant Executives at a securities firm designated by the Company during the transfer restriction period, so as to prevent their transfer, the creation of security interests, or any other disposition during that period.

In addition to the foregoing, the methods for expressing intent and providing notice under the Restricted Transfer Agreement, the procedures for amending the Restricted Transfer Agreement, and any other matters determined by the Board of Directors shall constitute the terms of the Restricted Transfer Agreement.

## For Reference: Structure of the System

(1) Establishment of the Rules on Stock



- (1) The Company will establish the Rules on Stock Remuneration for Executives within the scope of the framework approved in connection with this Proposal.
- (2) The Company will contribute funds to the Trust within the scope approved in connection with this Proposal.
- (3) The Trust will acquire the Company's shares using the funds entrusted in (2), either through transactions on the stock exchange or by accepting the disposal of the Company's treasury shares.
- (4) Executives will enter into a restricted transfer agreement with the Company, which provides that the Company's shares granted to them during their term of office shall be subject to restrictions on transfer and other dispositions until their resignation or retirement, and that the agreement shall include provisions such as clauses allowing the Company to acquire such shares without compensation under certain conditions.
- (5) The Company will grant points to Executives in accordance with the Rules on Stock Remuneration for Executives.
- (6) In accordance with the instructions of an independent trust administrator, the Trust shall not exercise voting rights attached to the Company's shares held in the Trust account.
- (7) The Trust shall grant shares of the Company to Executives who meet the beneficiary requirements set forth in the Rules on Stock Remuneration for Executives at a specified time each year and at a specified time following the end of the performance evaluation period (hereinafter referred to as "Beneficiaries"), in an amount corresponding to the number of points granted to such Beneficiaries. However, if Executives meet the requirements set forth in the Rules on Stock Remuneration for Executives, a certain percentage of their points will be paid out in cash equivalent to the market value of the Company's stock upon their retirement.

If this proposal is approved as presented, the policy regarding the determination of individual remuneration for directors shall be as follows.

The Company's remuneration system is structured as follows to realize Shirota-ism—the foundation of the Company's business—and to ensure that management takes greater responsibility for performance while further promoting the sharing of value with shareholders:

Fixed remuneration, performance-based remuneration (short-term cash incentives),  
and stock remuneration (long-term stock incentives)

## **1. Eligible persons**

### **(1) Fixed remuneration**

All directors

### **(2) Performance-based remuneration**

Directors in office at the end of the relevant fiscal year (excluding outside and part-time directors)

### **(3) Stock remuneration**

Directors in office at the time of granting (excluding outside and part-time directors)

## **2. Policy determining calculation methods for each kind of remuneration**

### **(1) Fixed remuneration**

Within applicable monetary limits, the Company's standard policy is to make decisions based on comprehensive consideration of internal and external environmental factors such as responsibilities of individual directors, business performance during the relevant fiscal year, standard worker salary, and social conditions.

### **(2) Performance-based remuneration**

Alongside consolidated net sales, which is the source of business activities and an indicator of business scale and its growth potential, and consolidated operating profit, which measures profitability and efficiency of business activities, performance-based remuneration calculations use the number of dairy product bottles sold on a consolidated basis as a barometer for the degree of Shirota-ism realized, this being the foundation of the Company's business. The Company sets the performance component to fluctuate between 0% and 150%. Performance-based compensation is not paid if consolidated operating profit falls below 70% of the previous year's level.

### **(3) Stock remuneration**

With the aim of providing an incentive to sustainably increase corporate value and promoting greater shared value with the Company's shareholders, eligible directors will be granted restricted stock according to their job responsibilities, performance, and other factors.

Stock remuneration is designed to combine non-performance-based and performance-based components, with stock being granted using a Board Benefit Trust-Restricted Stock system.

#### **i. Non-performance-based stock remuneration**

The Company shall grant to eligible directors a number of the Company's common shares determined in accordance with the Rules of Stock Remuneration for Executives based on their duties; such shares shall be subject to a restriction on transfer, with the restriction period

extending from the grant date until the date of their resignation as directors of the Company.

ii. Performance-based stock remuneration

To the eligible directors, in accordance with the Rules of Stock Remuneration for Executives, a number of shares of the Company's common stock—determined based on their duties and the degree to which performance metrics are achieved during the performance evaluation period—shall be granted after the end of the performance evaluation period (the period initially defined as the five fiscal years from the year ending March 31, 2027 through the year ending March 31, 2031, and thereafter corresponding to the fiscal years covered by the medium-term management plan or other similar plans established by the Company). The shares granted shall be subject to a transfer restriction, with the restriction period extending from the grant date until the date of their resignation as directors of the Company.

The performance metrics for performance-based stock remuneration are return on equity, relative total shareholder return, and work engagement score, selected from the perspectives of capital efficiency, value sharing with the shareholder, and human capital management. The number of shares to be granted is calculated using a performance evaluation coefficient—determined based on the achievement of each metric during the performance evaluation period—and a base share count determined according to each director's responsibilities.

With respect to shares granted as non-performance-based stock remuneration and performance-based stock remuneration, the Company reserves the right to automatically acquire, without compensation, all or part of such shares during the transfer restriction period if the director who received the restricted shares violates applicable laws or falls under any other grounds specified by the Company's Board of Directors.

In addition, if a director who has stepped down after the expiration of the transfer restriction period engaged in any inappropriate conduct during their tenure that caused damage to the Company, the Company may demand the return of all or part of the economic value equivalent to the shares and cash received.

### 3. Percentage of remuneration by type

To ensure that remuneration functions as an appropriate incentive, the proportion of each type of remuneration is as follows:

(1) Fixed remuneration : (2) Performance-based remuneration : (3) Stock remuneration  
= 60 : 15 : 25 (of which, non-performance based remuneration is 15 and performance-based remuneration is 10) (unit: %)

Notes: 1. Prior to revision, the proportions were 70 : 15 : 15.

2. Outside directors and part-time directors entitled only to (1) fixed remuneration.

### 4. Policy regarding determination of timing or conditions for remuneration

(1) Fixed remuneration

Paid monthly

(2) Performance-based remuneration

As a remuneration incentive for the preceding fiscal year's business performance, performance-based remuneration is calculated and paid in lump sum after the end of the fiscal year.

(3) Stock remuneration

i. Non-performance based

As a remuneration incentive for the future improvement of corporate value, an amount corresponding to the director's term is paid after the director's appointment at the general meeting of shareholders.

ii. Performance-based

As a remuneration incentive for evaluation during the performance evaluation period, payment is made after the end of the performance evaluation period for the portion of the period during which the individual was in office.

Notes: 1. Monetary limits of (1) fixed remuneration and (2) performance-based remuneration were set at 1 billion yen per year at the 56th Ordinary General Meeting of Shareholders held on June 25, 2008.

2. The maximum number of shares for (3) stock remuneration is expected to be 250,000 shares, subject to approval at the 74th Ordinary General Meeting of Shareholders to be held on June 24, 2026. (The number of shares shall be reasonably adjusted in the event of a stock split, a bonus allotment, or a reverse stock split of the Company's common stock.)

These policies, remuneration calculation methods, remuneration amounts for each individual, and other matters are discussed by the Nomination and Remuneration Committee, a majority composed of independent outside directors, after which the final decision is made by the Board of Directors. The Nomination and Remuneration Committee is delegated by the Board of Directors for determining the amounts of (1) fixed remuneration and (2) performance-based remuneration to be received by each individual.

## Shareholder proposal

Proposal 3 to 5 are shareholder proposals from a shareholder (the “Proposing Shareholder”).

Except for formality modifications, all summary and reasons for the proposals is written in the original text of the shareholder proposal document submitted by the Proposing Shareholder.

### Proposal 3. Appointment of two directors

#### (1) Summary of the Proposal

Appointment of the following two persons as directors:

- a. James B. Rosenwald III
- b. Kota Isogai

#### (2) Reasons for proposal

The following is an abridged version. Please visit the following webpages for further information.

Japanese page:

<https://www.daltoninvestments.co.jp/news/20260421>

English page:

<https://www.daltoninvestments.com/proposal-to-yakult-publication-of-explanatory-materials>

As a pioneer in the field of lactic-acid-bacteria beverage products, Yakult Honsha Co., Ltd. has carved out a firm market position and was one of the earliest organizations in the field to expand overseas. As a result, it has grown into a global corporation with overseas business accounting for roughly half of all operating profits at present.

Furthermore, the Company has a wide-reaching network of door-to-door sales channels which account for about half of consolidated sales. These and other advantages have created stable business foundations with high competitive strength. The Company is widely praised for its extremely high competitive strength made possible by brand strength rooted in technologies and knowledge cultivated over the years, and in its ultra-proprietary home-delivery channels as a leading beverage products maker.

However, despite these seemingly unshakable business foundations, the Company is not as highly valued as it should be on the capital market. As of the end of February 2026, Yakult Honsha’s share price dropped three percent compared with the price 10 years prior, while the TOPIX index grew roughly threefold and the TOPIX Foods index rose by 59 percent over that same period. In this regard, the Company has exhibited relatively poor performance. The Company’s price-to-book ratio (PBR) and price-to-earnings ratio (PER) are also low compared with standard values among overseas competitors,

and there are indications that market valuation of the Company's capital efficiency and capital allocation soundness is suboptimal.

The issues we identify at the root of these problems are the insufficient supervisory function of the Board of Directors, and capital allocation which does not give clear and full consideration to cost of capital. As a shareholder, we fully support the Company's growth-oriented investment projects, such as their construction of a second plant in the United States. However, we are unable to overlook investments which are made without clear and rational explanations on alignment with cost of capital.

One example of this is the new domestic plant construction project necessitating an excessive capital investment totaling approximately 52 billion yen. (According to the recent dialogue with the Company's upper management, the payback period is approximately 20 years—in short, an estimated return is about 3.5 percent annually on a compound interest basis and about 5.0 percent on a simple interest basis). Other examples include the Company's real-estate acquisition in Shinbashi, Tokyo, and its cross-shareholdings of approximately 80 billion yen. The Company has not sufficiently shown the profitability of these investments to exceed the cost of capital.

In order to ensure sustained corporate value improvements, it is imperative that the Company establish clear hurdle rates in regard to growth investments, strategic investments, and shareholder returns, and establish a structure for the Board of Directors to monitor compliance. In addition, verification processes prior to and following major investments should be made clearer, and the results should be disclosed to shareholders in a highly transparent manner.

This proposal is more than a demand for short-term shareholder returns; its goal is to strengthen the independence and supervisory function of the Board of Directors, and improve the Company's management structure to realize one that is more explicit in regard to cost of capital. Yakult Honsha has firm business foundations and impressive brand strength, as well as the potential for valuation equal to or exceeding that of its overseas competitors, should it adopt suitable capital discipline.

Both James B. Rosenwald III and Kota Isogai have a rich array of professional experience in the areas of investment and financing, global business management, the capital market, and corporate governance. We believe they are capable of making meaningful and significant improvements to the Board of Directors' supervisory function with consideration for minority shareholder perspectives while contributing to medium- to long-term corporate value growth.

For the reasons described above, we propose the appointment of both persons as directors.

### (3) Candidate Names and Brief Histories

|                                                                                        |                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. James B. Rosenwald III, born January 19, 1958                                       |                                                                                                                                                                                           |
| Brief History, Titles, Positions, and Important Concurrent Positions                   |                                                                                                                                                                                           |
| 1981                                                                                   | Senior Investment Advisor, Portfolio Manager, Oliver R. Grace & Family                                                                                                                    |
| 1984                                                                                   | Founder, Chairman and CEO (current), Rosenwald Capital Management, Inc.                                                                                                                   |
| 1996                                                                                   | Co-Founder, Managing Partner (current), Beach Front Properties LLC                                                                                                                        |
| 1998                                                                                   | Co-Founder, Chief Investment Officer (current), Dalton Investments                                                                                                                        |
| 2012                                                                                   | Adjunct Professor (current), New York University Leonard N. Stern School of Business                                                                                                      |
| 2019                                                                                   | Chief Investment Officer (current), Rising Sun Management Ltd.                                                                                                                            |
| 2025                                                                                   | Outside Director (current), Hogy Medical Co., Ltd.                                                                                                                                        |
|                                                                                        | Important Concurrent Positions:<br>Chief Investment Officer, Dalton Investments, Inc.<br>Chief Investment Officer, Rising Sun Management Ltd.<br>Outside Director, Hogy Medical Co., Ltd. |
| Yakult Honsha shares held: 0                                                           |                                                                                                                                                                                           |
| Reasons for director nomination and expected roles:<br>As described in above proposal. |                                                                                                                                                                                           |
| Special interests: None.                                                               |                                                                                                                                                                                           |

|                                                                                        |                                                                              |
|----------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| 2. Kota Isogai, born April 1, 1982                                                     |                                                                              |
| Brief History, Titles, Positions, and Important Concurrent Positions                   |                                                                              |
| 2005                                                                                   | Joined Deloitte & Touche LLP (USA)                                           |
| 2009                                                                                   | Joined PricewaterhouseCoopers Co., Ltd. (now PwC Advisory LLC)               |
| 2015                                                                                   | Joined Dalton Investments Group                                              |
| 2019                                                                                   | Outside Director, T&K Toka Co., Ltd.                                         |
| 2026                                                                                   | Senior Vice President (current), Dalton Advisory KK                          |
|                                                                                        | Important Concurrent Positions:<br>Senior Vice President, Dalton Advisory KK |
| Yakult Honsha shares held: 0                                                           |                                                                              |
| Reasons for director nomination and expected roles:<br>As described in above proposal. |                                                                              |
| Special interests:None.                                                                |                                                                              |

(Note)

- (1) James B. Rosenwald III and Kota Isogai are outside-director candidates.
- (2) If James B. Rosenwald III and Kota Isogai are appointed as outside directors, we plan to sign a limited liability contract with them. The liability limit under said contract will be the minimum liability limit stipulated by law.

## Opinion of the Company's Board of Directors

The Company's Board of Directors **reject** to this proposal 3.

### **(i) Process of determination of candidates for the Company's directors**

The Company has established the Nomination & Remuneration Committee, an advisory body to the Board of Directors, headed by an independent outside director and with the majority consisting of independent outside directors, in order to strengthen the independence and objectivity of the Board's function regarding director nomination and compensation. The nomination of candidates for directors is determined by the Board of Directors in consultation with the Nomination & Remuneration Committee.

From the perspective of sustainable growth and enhancement of the medium- to long-term corporate value of the Company, our baseline requirements for a potential director include position-appropriate abilities, personality, and insight, along with extensive knowledge and experience, as well as a thorough understanding of group management. We also seek diversity of the Board members, which should foster open-minded discussion. To this end, the Board structure is determined from a perspective of placing the right people in the right positions; director candidates are selected not only from among the Company employees via promotions, but also from among top-level managers of Yakult Group marketing companies and experts in various fields. In the process, consideration is given to a good balance of skills and diversity among these potential directors.

The same process is also employed when considering shareholders' proposals on the appointment of directors. Regardless of whether the director candidate in question is based on a shareholder proposal, deliberations are made based on whether the appointment of the candidate as a director contributes to the Company's sustainable growth and medium- to long-term corporate value enhancement.

### **(ii) Reasons that the Company-proposed Board structure to be implemented following approval at the 74th Shareholders' Meeting is optimal**

With the goal of realizing the corporate philosophy, "We contribute to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular," the Yakult Board of Directors has maintained a medium- to long-term outlook for sustained business continuity and growth into the future. Based on this outlook, we have worked to maintain stable financial foundations, while continuing proactive growth-oriented investments aimed at expanding the Company's business. At the same time, the Board has pursued constructive discussions toward implementing policies that take into consideration society's expectations in regard to cost of capital, share prices, and other such concerns.

Based on the Company's Medium-term Management Plan, the Company has, as part of the

abovementioned endeavors, implemented capital policies which includes share repurchases in the amount of 100 billion yen or more during the Plan period, embarked on revisions to the director compensation framework, and pursued various other measures. In regard to issues pointed out by the Proposing Shareholder, current members of the Board are moving forward with necessary actions and measures.

If the proposal on the appointment of directors to be submitted by the Company at the 74th Shareholders' Meeting is approved, the number of Board members will be reduced from 14 to 13, which includes six independent outside directors. This structure will ensure the effectiveness of the Board's supervisory function while also enabling flexible and swift decision-making. Furthermore, the Board includes two women and one foreign national, as well as experts in their respective fields, such as a lawyer, a corporate management professional, an academic expert, and an experienced analyst. In that regard, we believe that full consideration is given to the Board structure in terms of diversity.

The Board structure also enables the director candidates to provide proactive and constructive opinions and proposals, as well as effective supervision, leveraging their wide-ranging specializations and experience in order to bolster corporate value over the medium and long terms, based on a good understanding of the Company's business operations and management environment. Therefore, we believe that the effectiveness of governance will be sufficiently secured by the Company-proposed Board of Directors following approval at the 74th Shareholders' Meeting.

**(iii) Reasons that the Company considers the appointment of outside-director candidates proposed by the Proposing Shareholder to be unnecessary**

Following careful examination of the skills, including knowledge and experience, of the outside-director candidates proposed by the Proposing Shareholder, the Company concluded that our proposed outside-director candidates can already sufficiently provide the same capabilities as a Board. More specifically, as for skills in investment and finance, the Company-proposed Board members include a specialist with experience in corporate finance within a global financial institution and in corporate research as an investment advisor. As for skills in global business operations, the Board has a manager at a global business firm, an academic expert who is active on the international stage, and a lawyer specializing in international transactions with many years of experience working overseas. Therefore, in terms of skills encompassing but not limited to the investment market and corporate governance fields, we believe that our proposed Board structure can ensure expertise and experience required for the Company's medium- to long-term growth strategies and specific corporate characteristics.

Furthermore, the Proposing Shareholder's proposed candidates are both executive staff members from the Proposing Shareholder's organization, which may lead them to make decisions and take actions that prioritize the interests of the Proposing Shareholder. This creates significant risk of failure to sufficiently ensure independence required of Board directors. Additionally, the Proposing Shareholder

has been requiring of the Company measures and policies which emphasize short-term shareholder returns. Based on these circumstances, the Yakult Board of Directors believes that the Proposing Shareholder's proposed candidates do not necessarily share the same time frames and interests as the medium- to long-term shareholders that account for a certain proportion of the Company's shareholder composition, which may disrupt the joint interests of shareholders due to factors such as conflicts of interest.

Due to the reasons stated above, the Yakult Board of Directors **rejects this Shareholder Proposal**.

The Board of Directors resolved on this opinion based on the deliberations and report by the Nomination & Remuneration Committee.

To further strengthen the governance system and supervisory function of the Board, the Company will continue to work on improvements in the number and ratio of independent outside directors and pursue an ideal structure and capability of the Board including suitable skills. This will be carried out through deliberations at the Nomination & Remuneration Committee and the Board of Directors meetings.

## **Proposal 4: Approval of the compensation amount regarding the restricted stock unit plan**

### **(1) Summary of the Proposal**

The maximum remuneration for the Company's directors is 1,000 million yen per annum (excluding the employee salary and bonuses of employees serving as directors), which was approved at the Shareholders' Meeting held on June 25, 2008. Additionally, separately from and in addition to the remuneration framework above, up to 300 million yen per annum and up to 150,000 shares per annum were approved for stock remuneration (excluding the employee salary and bonuses of employees serving as directors, and excluding outside directors and part-time directors) at the Shareholders' Meeting held on June 21, 2023. We propose that directors of the Company who are eligible for the restricted stock unit plan shall be granted a monetary remuneration claim for granting restricted stock units of up to 800 million yen per annum and up to 300,000 shares.

The specific timing of payment and allocation shall be determined by the Board of Directors, which shall be designed as a performance-based incentive system. Relevant performance metrics will likely include various KPIs, such as ROE and total shareholder return (TSR); actual metrics should be decided by the Board with consideration for the Company's management strategy and business environment factors. Moreover, the total restricted stock units equivalent to three times the fixed remuneration will be granted over a three-year period if the relevant performance criteria are met.

### **(2) Reasons for proposal**

We believe that the most significant weakness of the Board of Directors in Japan is the small number of shares held by each director, which leads to a lack of shareholders' perspectives. The Company's directors also hold a small number of shares, and the majority of the economic interest of the directors is in the form of basic remuneration, which is fixed amount. While some remuneration is tied to achieving performance targets, value sharing with shareholders—the purpose of the restricted stock unit plan—is insufficient. The directors must be given economic incentives to seek sustainable enhancement of corporate value for the Company and to enjoy the benefits of improved corporate value alongside the shareholders by aligning their interests with those of the shareholders.

An effective level of stock remuneration for value sharing between directors and shareholders is regarded as being equivalent to three times the fixed remuneration. Although the Company has introduced a restricted stock unit plan, the stock remuneration for the Company's directors for the 73rd fiscal year (from April 1, 2024, to March 31, 2025) totaled 93 million yen, representing only 20% of the annual fixed remuneration of 467 million yen which was paid for the Company's directors (excluding outside directors) in the same fiscal year. At this rate, the restricted stock unit plan will take approximately 15 years to achieve the level of directors' shareholding considered effective for the value sharing between directors and shareholders, which is equivalent to three times the fixed remuneration.

On February 10, 2026, the Company released their "Announcement of the Revision of the Stock

Remuneration System,” publicly communicating their submission to the Shareholders’ Meeting of a proposal to change the proportions of fixed remuneration, short-term incentive remuneration (monetary), and long-term incentive remuneration (stocks) for relevant directors from its current ratio of 70:15:15 to 60:15:25. However, even under this revised ratio, it will take approximately seven years to achieve the level of directors’ shareholding considered effective for the value sharing between directors and shareholders, which is equivalent to three times the fixed remuneration. Restricted stock units hold little value unless they are granted during the directors’ term of office, so a substantial amount must be granted within a shorter timeframe.

Furthermore, almost all major listed companies in the US and Europe have adopted shareholding guidelines that require continuous holding of a certain number of shares for a certain period, deemed necessary to share value with the shareholders. In the majority of cases, the top management receives three to five times the basic remuneration, and outside directors receive an amount equivalent to their remuneration after several years of a grace period. For example, at Danone S.A. (France) and Nestlé S.A. (Switzerland), which are commonly cited overseas competitors to Yakult, in-house directors receive stock remunerations equivalent to about three times their fixed remunerations within three years in office.

We propose that the Company’s directors and other management should think beyond past conventions, aim for an ownership level that matches the global standard, and demonstrate their commitment with appropriate disclosure, and we think that they should establish a shareholding guideline.

## Opinion of the Company's Board of Directors

The Company's Board of Directors **rejects** to proposal 4.

### **(i) Process of determination of remuneration for the Company's directors**

At the Company, the Board of Directors resolves on matters pertaining to the remuneration for directors based on deliberations and report by the Nomination & Remuneration Committee. However, the Board of Directors delegates the determination of individual remuneration amounts, such as fixed monetary remunerations and performance-based compensations, to the Nomination & Remuneration Committee.

### **(ii) Revision of officer remuneration system**

At the February 10, 2026 Board meeting, the Company decided to revise the stock remuneration system for directors excluding outside directors and part-time directors ("relevant directors") (hereafter, the revised officer remuneration system is referred to as the "Stock Remuneration System"). The aim is to provide incentives for continual enhancement of corporate value and to promote shareholder value between the relevant directors and shareholders, by further clarifying the linkage between the remuneration for relevant directors and the Company's medium- to long-term corporate value and share prices.

While the current system consists only of non-performance-based stock remuneration, the Stock Remuneration System consists of both non-performance-based and performance-based stock remuneration (board benefit trust system). In terms of capital efficiency, value sharing with shareholders, and human capital management (HCM), the performance-based stock compensation calculation metrics include return on equity (ROE), relative total shareholder return (TSR), and employee engagement scores. The Stock Remuneration System is scheduled for implementation following approval of its proposal at the 74th Shareholders' Meeting.

The Company places importance on raising awareness about not only improving short-term performance, but also enhancing medium- to long-term corporate value and shareholder value. Consequently, regarding the remuneration component ratio for relevant directors following implementation of the Stock Remuneration System, the Company intends to change the proportions of fixed remuneration, short-term incentive remuneration (monetary), and long-term incentive remuneration (stocks) from its current ratio of 70:15:15 to 60:15:25, thus realizing an increase in stock remuneration. The Board decided on this ratio based on deliberations by the Nomination & Remuneration Committee, referring to director remuneration components and standards at other publicly traded companies in the same industry in Japan.

The Stock Remuneration System is a well-balanced officer remuneration system with a focus on the linkage between the remuneration and the improvement of short-term performance and medium- to

long-term corporate value of the Company, which can facilitate value-sharing with shareholders. We believe that the system will contribute to continual enhancement in the Company's corporate value.

For further information on the Stock Remuneration System, please refer to the Company notification released on February 10, 2026, "Announcement of the Remuneration of the Stock Remuneration System" (Note 1) as well as the Company notification released today, "Notice Regarding Introduction of New Stock Remuneration System Following Revision of Existing System" (Note 2).

(Note1): <https://www.yakult.co.jp/english/news/article.php?num=235>

(Note2): <https://www.yakult.co.jp/english/news/article.php?num=240>

**(iii) Reasons that the introduction of the stock remuneration in the Shareholder Proposal is unnecessary**

Concerning the stock remuneration for relevant directors, the Proposal requests the introduction of a performance-based remuneration that includes return on equity (ROE) and total shareholder return (TSR). It seeks the introduction of a restricted stock unit plan designed to grant an aggregated total of restricted stocks equivalent to three times the fixed remuneration over a three-year period if the relevant performance criteria are met (up to 800 million yen per annum, with the number of common stocks to be issued or disposed of capped at 300,000 shares per annum).

If the restricted stock unit plan under this Proposal is implemented, it will result in the granting of restricted stock units equivalent to three times the fixed remuneration for directors within a short period of three years. This could motivate directors to pursue short-term profits disregarding stable medium- and long-term growth, or run an excessive risk, which may interfere with growth in corporate value over the medium and long terms.

In addition, regarding the remuneration component ratio for relevant directors, the Stock Remuneration System proposed by the Company sets the proportions of fixed remuneration, short-term incentive remuneration (monetary), and long-term incentive remuneration (stocks) at 60:15:25, while also using ROE and relative TSR as calculation metrics. The system, which is designed with consideration given to the balance between remunerations, will also provide suitable incentives to drive medium- to long-term corporate value improvements and enable relevant directors to effectively share the same perspectives with shareholders. And because continued holding of shares by the relevant directors up until retirement is possible under the Stock Remuneration System, we believe that sharing of shareholder value from a medium- to long-term perspective will be promoted.

Due to the reasons stated above, the Yakult Board of Directors **rejects this Proposal**.

The opinions of the Board are resolved by the Board of Directors based on deliberations and report by the Nomination & Remuneration Committee.

The Company will continue to work on a remuneration system that contributes to corporate value improvements through deliberations at the Nomination & Remuneration Committee and the Board of Directors meetings.

## Proposal 5: Amendment of the Articles of Incorporation regarding the record date for the Shareholders' Meeting

### (1) Summary of the Proposal

Article 12 (Record date of Shareholders' Meeting) of the Company's Articles of Incorporation shall be amended as follows.

(Underlined portions denote change)

| Before change                                                                                                                                                               | After change                                                                                                                                                                                                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (Record Date of Shareholders' Meeting)<br>Article 12: The record date for voting rights for the Shareholders' Meeting of the Company shall be <u>March 31</u> of each year. | (Record Date of Shareholders' Meeting)<br>Article 12: The record date for voting rights for the Shareholders' Meeting of the Company shall be <u>May 15</u> of each year.                                         |
| <u>2. New Establishment</u>                                                                                                                                                 | <u>2. Irrespective of the previous item, if the Board of Directors deems it necessary, they may establish a different record date after reaching a resolution to do so and releasing an advance notification.</u> |

### (2) Reasons for proposal

Currently, the record date for voting rights for the Shareholders' Meeting is March 31. However, the Companies Act stipulates that shareholder meetings should be held at the end of June. On the other hand, the annual securities report, which includes important information for shareholders to exercise their voting rights, can, in practical terms, only be released just in time for the Shareholders' Meeting (the day before or immediately following the meeting). As a result, investors inevitably find it difficult to secure enough time for sufficient analysis and reflection of results in voting-related decisions. Realistically speaking, they do not have enough time for substantive deliberation.

The annual securities report is a legally required disclosure document covering business risk, management strategy, governance frameworks, remuneration amounts and policies for determining said amounts, capital policy, and a wide range of other information vital for making decisions regarding important proposals at the Shareholders' Meeting. The release of this information sufficiently in advance of the Shareholders' Meeting, rather than immediately before the meeting, is considered a basic requirement to enable responsible exercising of voting rights.

Changing the voting rights record date to mid-May will enable the Company to schedule the time of disclosure of information contained in and related to the annual securities report well in advance to the Shareholders' Meeting. This will create conditions facilitating careful examination of information by investors, voting advisory institutions, and analysts to enable suitable voting decisions based on

thorough analysis of each proposal. This Proposal is not for the purpose of moving up the schedule for disclosure as a mere formality, but instead for the purpose of laying the institutional foundations necessary to effectively improve information provision.

As a secondary effect, the proposed change will also shift the date away from late June, when a disproportionately high number of companies hold their shareholder meetings. When shareholder meetings are held intensively around the same time, it is not realistically possible for shareholders to attend multiple meetings. Shifting the meeting date away from this period enables shareholders to attend more companies' shareholder meetings, thus increasing opportunities for direct dialogue with company management and participation in discussions. We believe that this will encourage more proactive participation by shareholders and contribute toward the realization of the "shareholder democracy" which our company supports.

Please take note that this Proposal does not include any change to the settlement term, nor does it have any impact on business operations or accounting operations. Its purpose is to realize a more rational disclosure schedule in order to improve information disclosure quality and bolster the efficacy of dialogue with the market, and thus contributing to greater corporate value and capital market trust.

For the reasons described above, we propose the above amendments to the Articles of Incorporation.

## Opinion of the Company's Board of Directors

The Company's Board of Directors **rejects** to proposal 5.

This Proposal entails changing the voting rights record date for the Shareholders' Meeting from March 31 to May 15 each year in order to ensure a sufficient period of time between the release of the annual securities report ("ASR") and the Meeting.

The Company considers full information disclosure to shareholders and investors to be a high-priority matter and is striving to improve information disclosure on a continuing basis, which includes releasing of ASRs at the earliest possible dates. Currently, the Ministry of Justice Legislative Council's Corporate Law Subcommittee (on shares, shareholder meetings, etc.) is pursuing deliberations aimed at corporate law revisions to streamline business report and ASR disclosure operations.

Furthermore, separating the record dates for dividends and voting rights will lead to discrepancies between shareholders who receive dividends and those who exercise voting rights, the required responses to which will likely increase clerical workloads and financial burdens.

In light of the above, the Company pays careful attention to shareholders' opinions, and to revisions and trends in regard to the Companies Act and other relevant legislation. In addition, while carefully assessing the impact on our operations, we intend to continue deliberations on appropriate ASR-based disclosure. Therefore, at this time we believe that the current record date is appropriate and best left unchanged.

Due to the reasons stated above, the Yakult Board of Directors **rejects this Proposal**.

Since the Company views the Shareholders' Meeting as an important opportunity to engage in constructive dialogue and discussions with all shareholders, we have been holding the Meeting avoiding the busy late-June period. We will continue striving to realize further-improved information disclosure frameworks through constructive dialogue.

As stated above, the Yakult Board of Directors opposes all Proposals in the Shareholder Proposal.

We ask the shareholders to carefully consider the exercise of voting rights concerning this Shareholder Proposal.

The Company will continue to engage in constructive dialogue with our shareholders and investors while striving to achieve sustainable growth and enhance medium- to long-term corporate value.

# Business Report

( From April 1, 2025  
to March 31, 2026 )

## 1. Current Status of Yakult Group

### (1) Business performance and results

During the fiscal year ended March 31, 2026, the Japanese economy remained susceptible to downward risks due to concerns about the directions of overseas economies and to the impacts of price increases and other factors, despite a gradual recovery seen in economic conditions, partly as the result of the improved employment and income environment and the effects of various policies.

Under such circumstances, the Yakult Group has been carrying out awareness-raising and dissemination activities for probiotics, the backbone of the Group's business, to highlight the superiority of our products. In addition, while aiming to become a healthcare company that continues to contribute to the health of people around the world based on our long-term vision of "Yakult Group Global Vision 2030," the Group also strived to improve the business performance by promoting corporate activities adhering to the Medium-term Management Plan 2025-2030.

Following these efforts, consolidated net sales for the fiscal year under review declined 2.7% from the same period of the previous year to 486,425 million yen. Operating profit decreased 18.4% to 45,185 million yen, while ordinary profit decreased 19.5% to 61,084 million yen. Profit attributable to owners of parent fell 2.9% to 44,228 million yen.

|                                         |                     |                             |                    |
|-----------------------------------------|---------------------|-----------------------------|--------------------|
| Net sales                               | 486,425 million yen | Compared to previous period | decreased by 2.7%  |
| Operating income                        | 45,185 million yen  | Compared to previous period | decreased by 18.4% |
| Ordinary income                         | 61,084 million yen  | Compared to previous period | decreased by 19.5% |
| Profit attributable to owners of parent | 44,228 million yen  | Compared to previous period | decreased by 2.9%  |

## Overview by Segment

### < Food and Beverages (Japan) >

Regarding dairy products, the Group carried out evidence-based value promotion activities rooted in local communities to widely disseminate the science of Yakult's proprietary *Lactobacillus casei* strain Shirota and *Bifidobacterium breve* strain.

In the home delivery channel, the Group strived to acquire new customers primarily for the Yakult 1000 fermented milk drink products along with promoting their continuous use among existing customers. Meanwhile, we strove to improve our home delivery organization by pressing ahead with efforts to conduct recruitment activities and create convenient working conditions for Yakult Ladies.

In the store sales channel, the Group carried out various campaigns centered on the New Yakult and Y1000 fermented milk drink products, and focused on value promotion activities at stores.

In addition, in both the home delivery and store sales channels, we implemented a 90th anniversary campaign starting in October 2025, aiming to increase sales.

In product-specific initiatives, the Group launched the fermented milk drink Y1000 Toshitsu Off as a Food with Function Claims in April 2025. In addition, the plant-based products, Tonyu no Chikara Plain and Tonyu no Chikara Blueberry, which had been sold through the store sales channel, were also launched in the home delivery channel from July 2025. Furthermore, commemorating the "Yakult" brand being recognized in October by Guinness World Records™ as the largest lactic acid drink/lactic acid bacteria drink brand (current annual sales in 2024), the Group launched New Yakult Peach Flavor as a limited-time product starting in November 2025.

In other beverages, meanwhile, the Group revised the prices of some products in response to the sudden rise in costs of raw material, logistics, and fuel in April 2025 and March 2026. The Group also strengthened sales mainly of health beverages such as the energy drink Toughman series, and launched three products, including "Gyutto Crocetin," in April 2025 as Foods with Function Claims tailored to specific health needs, targeting consumers with health issues related to eyes,

knee joints, and skin.

While the Group worked on enhancing sales primarily through such activities, sales of dairy products and other beverages fell below the figures of the previous year, affected by a tough market environment, including the emergence of competing products and rising prices.

Consequently, consolidated net sales for the Food and Beverages (Japan) segment decreased 5.5% from the previous fiscal year, totaling 229,604 million yen.

### < Food and Beverages (Overseas) >

Overseas operations began with the start of business by Yakult Taiwan Co., Ltd. in March 1964. Currently, mainly with 26 operating companies, one research institute, and one R&D center, the Group engages in the manufacturing, sales, and related activities of the fermented milk drink Yakult in 39 countries and regions. In March 2026, the average daily bottle sales amounted to approximately 29.6 million bottles.

The R&D Center is Yakult European R&D Center B.V. established in September 2025 in the Netherlands for the establishment of a global R&D framework to attend to diverse consumer needs and regulatory requirements in each country.

In the Asia and Oceania region, in China, performance remained strong following the implementation of sales promotion initiatives mainly on Yakult Muscat Flavor, which was launched in April last year. In addition, as part of a business reorganization, the Guangzhou Plant No. 1 of Guangzhou Yakult Co., Ltd. was closed in November, and part of its manufacturing functions were transferred to the Guangzhou Plant No. 2 and the Foshan Plant, thereby improving the efficiency of management resources. In Indonesia, the Group launched Yakult Mango Flavor last June in order to recover business performance.

In the Americas, in the U.S., performance remained strong as a result of efforts to increase the number of retail stores stocking our products. In Brazil, the Group launched Yakult Peach Flavor in September of the previous year, and in Mexico, Yakult Muscat Flavor, and worked to increase sales.

In Europe, the Group launched Yakult Vitals, a functional beverage made from soy milk, a plant-based ingredient, in February of this year in the Netherlands under a proprietary brand in the European region.

As a result, consolidated net sales in the food and beverages segment (overseas) increased 0.5% from the same period of the previous year to 240,024 million yen.

### <Others>

Other businesses include production and distribution of cosmetics and the operation of professional baseball team.

In cosmetics operations, the Group strived to help our customers realize inner and outer beauty as well as to expand our sales and loyal cosmetics customer base by carrying out activities to communicate the value of our proprietary moisturizing agent Shirota Essence (S.E.), derived from our long history of research on lactic acid bacteria since the Company's foundation.

Specifically, from the Lactdew series of basic skin care products, we launched the Lactdew S.E. Mask in October 2025. In addition, from the Parabio series of high-performance basic skin care products, we relaunched three base makeup products with renewed formulations in December 2025 and February 2026.

Following such initiatives, the results of the cosmetics operation as a whole were broadly unchanged year-on-year.

In our professional baseball team operations, attendance increased as a result of proactive fan service engagements that included a variety of events as well as dissemination of a range of information.

As a result of the above factors, consolidated net sales in the others segment fell 3.4% from the previous year to 28,412 million yen.

## Sales by business segment

| Category                                          |          | 73rd Business Year<br>(4/1/24–3/31/25) | 74th Business Year<br>(The fiscal year<br>under review)<br>(4/1/25–3/31/26) | Year on Year Change  |                   |
|---------------------------------------------------|----------|----------------------------------------|-----------------------------------------------------------------------------|----------------------|-------------------|
|                                                   |          |                                        |                                                                             | Amount               | Percentage        |
|                                                   | Japan    | 242,984 million yen                    | 229,604 million yen                                                         | (13,379 million yen) | decreased by 5.5% |
|                                                   | Overseas | 238,757 million yen                    | 240,024 million yen                                                         | 1,276 million yen    | increased by 0.5% |
| Production and Distribution of Food and beverages |          | 481,741 million yen                    | 469,629 million yen                                                         | (12,111 million yen) | decreased by 2.5% |
| Other Businesses                                  |          | 29,423 million yen                     | 28,412 million yen                                                          | (1,010 million yen)  | decreased by 3.4% |
| Adjustments                                       |          | (11,481 million yen)                   | (11,617 million yen)                                                        | (135 million yen)    | —                 |
| Total                                             |          | 499,683 million yen                    | 486,425 million yen                                                         | (13,257 million yen) | decreased by 2.7% |

Note: Adjustments denote intersegmental sales being eliminated.

## (2) Capital Expenditures

Capital investment for the fiscal year totaled 80.809 billion yen, mainly consisting of the construction and expansion of production facilities.

The main production capital investments for this consolidated fiscal year were the construction of the second factory for Yakult U.S.A INC., and the construction of a new factory for Yakult Chiba Plant Co., Ltd.

## (3) Financing Activities

During the fiscal year under review, the Company did not raise funds, such as by increasing its capital or issuing bonds.

## (4) Acquisition or Disposal of Shares, Other Equity, or Stock Acquisition Rights, etc. in Other Companies

There were no significant matters to be reported during the fiscal year under review.

## (5) Issues to be addressed

The environment surrounding the Group continues to change moment by moment, such as sluggish market growth due to the declining population in Japan and rising prices, customers' diversifying needs, and their growing awareness of quality and environmental issues.

In this environment, the Group will continue to provide products and services that help customers improve their health and contribute to solving social health issues, based on the concepts of "preventive medicine" and "a healthy intestinal tract leads to a long life" that it has advocated since its founding. Based on our long-term vision, Yakult Group Global Vision 2030, we will pursue our business activities with the aim of evolving into a healthcare company that continues to contribute to the health of people around the world, and in accordance with the Medium-term Management Plan (2025–2030). In the pursuit of this goal, we will take advantage of the Group's strengths in R&D and its developing capabilities, as well as the Group's unique home delivery system, while also leveraging the strengths cultivated through global business development, and will work with other companies to expand our business areas.

In light of recent changes in the international situation, there are concerns about the impact on the procurement of various raw materials. However, our group will continue to take appropriate measures to ensure that we can stably provide safe and reliable products in the future.

The challenges facing the various business divisions are as follows:

#### < Food and Beverages (Japan)>

In recent years, probiotic products are becoming a part of daily health habits. However, the market environment has harshened due to the emergence of competing products and the rising cost of living. To win the support of customers, we will promote various initiatives centered on the Yakult series.

In our home delivery channel, we aim to increase revenue by working to attract new customers and promoting continuous use of our products by existing customers. In addition, the Group will strengthen the home delivery organization by promoting recruitment activities and creating convenient working conditions for Yakult Ladies.

In the retail store channel, the Group aims to increase revenue by promoting measures based on market characteristics and customer needs, with a focus on value promotion activities at stores.

#### < Food and Beverages (Overseas)>

Amid growing global interest in probiotics in recent years, as competing products continue to enter markets in each country, competition has intensified further. In response to the challenges of expanding overseas business performance and improving profitability, we will further cultivate markets and strengthen our business foundation in countries and regions where we already have operations. At the same time, we will promote, in a planned manner, initiatives aimed at short-term expansion of business performance as well as initiatives to sustainably realize medium- to long-term growth.

Specifically, by promoting the development and introduction of products that reflect consumer needs and preferences in each country and region, we will work to further disseminate the value of *Lactobacillus casei* strain Shirota to a broad range of consumers. In addition, we will strengthen our sales organization by securing and developing human resources. Furthermore, by taking into account the market characteristics of each country and region and promoting the development of new sales channels, including e-commerce, we will expand sales opportunities for customers.

#### <Others>

In our cosmetics operations, the market environment has harshened due to the emergence of competing products and rising prices. In response to the challenges of increasing the number of regular users and promoting continued use, we will continue to promote the development of cosmetics centered on lactic acid bacteria fermentation extract.

In Japan, in door-to-door sales, we will strive to increase the number of regular users of our cosmetics by introducing our products through Yakult's unique organizational structure. For customers whom we are unable to engage through door-to-door sales, we will approach them through our mail order and retail store channels.

Overseas, we will strive to further raise awareness of our cosmetics and expand points of contact, as well as to increase revenue by expanding sales channels and other means.

In our professional baseball team operations, we will work on strengthening team performance to meet the expectations of fans and enhance our various fan service engagements.

### <Sustainability Initiatives>

The Group has identified 12 material issues (priority issues) to be addressed with priority in order to realize its long-term vision, Yakult Group Global Vision 2030, and is promoting initiatives to resolve social and environmental issues in addition to issues in its business domains. Among these, in the environmental area, we have formulated Environmental Targets 2030 as a milestone toward achieving our long-term goal, Environmental Vision 2050, and are promoting various initiatives based on four material issues: “climate change mitigation and adaptation,” “transition to sustainable plastic containers and packaging,” “sustainable water source management,” and “biodiversity conservation.”

In addition, the Group continues to pursue compliance-oriented management as well as actively promoting strategic health-focused management by considering employee health and wellness from a corporate management perspective. We have established an organization dedicated to promoting health-focused management, and have pursued a range of health and wellness initiatives. These efforts have led to the Company receiving the “White 500” certification (Large Enterprise Category) from Japan’s Ministry of Economy, Trade and Industry (METI) as an organization of outstanding KENKO Investment for Health for the ninth year in a row. We are also investing in our human capital through a variety of human resource development programs, as well as promoting diversity by actively appointing talented women to management positions and encouraging male employees to take childcare leave.

#### (Reference)

- 「Yakult Group Global Vision 2030」

[https://www.yakult.co.jp/english/ir/management/pdf/Yakult\\_Group\\_Global\\_Vision\\_2030\\_en.pdf](https://www.yakult.co.jp/english/ir/management/pdf/Yakult_Group_Global_Vision_2030_en.pdf)

- Medium-term Management Plan (2025-2030)

[https://www.yakult.co.jp/english/ir/library/pdf/Medium-term\\_Management\\_Plan\\_2025\\_2030\\_en.pdf](https://www.yakult.co.jp/english/ir/library/pdf/Medium-term_Management_Plan_2025_2030_en.pdf)

- Yakult Group Materiality

<https://www.yakult.co.jp/english/sustainability/materiality/>

Going forward, we will continue to fulfill our corporate social responsibilities and accountability to our shareholders, while also keeping in mind the health of the entire global environment and acting as a good corporate citizen through all of our corporate activities, in accordance with our corporate belief “In order for people to be healthy, everything around them must also be healthy” and our corporate philosophy of “We contribute to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular.”

We ask for your continued support and encouragement as we work toward this goal.

## (6) Financial Highlights

| Category                                                 | 71st fiscal year<br>(April 1, 2022 to<br>March 31, 2023) | 72nd fiscal year<br>(April 1, 2023 to<br>March 31, 2024) | 73rd fiscal year<br>(April 1, 2024 to<br>March 31, 2025) | 74th fiscal year<br>(April 1, 2025 to<br>March 31, 2026) |
|----------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------|
| Net sales (million yen)                                  | 483,071                                                  | 503,079                                                  | 499,683                                                  | 486,425                                                  |
| Operating profit (million yen)                           | 66,068                                                   | 63,399                                                   | 55,391                                                   | 45,185                                                   |
| Ordinary profit (million yen)                            | 77,970                                                   | 79,300                                                   | 75,860                                                   | 61,084                                                   |
| Profit attributable to owners of parent<br>(million yen) | 50,641                                                   | 51,006                                                   | 45,533                                                   | 44,228                                                   |
| Basic earnings per share (yen)                           | 162.09                                                   | 164.52                                                   | 150.48                                                   | 150.72                                                   |
| Total Assets (million yen)                               | 749,419                                                  | 833,286                                                  | 864,317                                                  | 912,578                                                  |
| Net Assets (million yen)                                 | 545,496                                                  | 605,946                                                  | 629,515                                                  | 654,321                                                  |

- Notes:
1. Basic earnings per share are calculated based on the average number of outstanding shares during the fiscal year under review, excluding treasury stock.
  2. Basic earnings per share are calculated based on the Accounting Standard for Earnings Per Share (ASBJ Statement No. 2) and the Guidance on Accounting Standard for Earnings Per Share (ASBJ Guidance No. 4).
  3. The Company carried out a 2-for-1 stock split of shares of common stock on October 1, 2023. Basic earnings per share have been calculated on the presumption that the stock split was carried out at the beginning of the 71st fiscal year (FY2021).

## (7) Major Subsidiaries (as of March 31, 2026)

| Company Name                           | Paid-in-Capital    | Investment<br>Ratio | Main Business                                                                     |
|----------------------------------------|--------------------|---------------------|-----------------------------------------------------------------------------------|
| Yakult Tokyo Sales Co., Ltd.           | 300 million yen    | 100.0%              | Sale of Yakult products, etc.                                                     |
| Yakult Okayama Wake Plant Co.,<br>Ltd. | 98 million yen     | 100.0%              | Bottling of Yakult products                                                       |
| Yakult Corporation Co., Ltd.           | 30 million yen     | 72.5%               | Sale of equipment and materials<br>for the sale of Yakult products,<br>etc.       |
| Yakult Materials Co., Ltd.             | 50 million yen     | 100.0%              | Manufacture and sale of<br>flavorings, etc.                                       |
| Yakult Health Foods Co., Ltd.          | 99 million yen     | 100.0%              | Manufacture and sale of foods<br>with health claims, dietary<br>supplements, etc. |
| Yakult Logistics Co., Ltd.             | 10 million yen     | 100.0%              | Transportation of Yakult<br>products, etc.                                        |
| Yakult Kyudan Co., Ltd.                | 495 million yen    | 80.0%               | Operation of professional<br>baseball team                                        |
| Yakult (China) Corporation             | 1,491 million yuan | 100.0%              | Manufacture and sale of<br>Yakult products                                        |

Note: The Company's shareholding ratio in Yakult Corporation Co., Ltd. includes 15.9% held indirectly through the Company's subsidiaries.

## (8) Overview of Main Businesses (as of March 31, 2026)

The Yakult Group operates the following main business segments:

|                    |                                                                                            |
|--------------------|--------------------------------------------------------------------------------------------|
| Food and Beverages | Fermented milk drinks, fermented milk products, other beverages, noodles, and health foods |
| Others             | Cosmetics manufacturing and sales, and professional baseball team operations               |

## (9) Main Sales and Manufacturing Sites (as of March 31, 2026)

### a) Yakult Honsha

|                                   |                                                                                                                                                                                                                                                                |
|-----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Head Office                       | 10-30, Kaigan 1-chome, Minato-ku, Tokyo                                                                                                                                                                                                                        |
| Sales Sites                       | Hokkaido Branch (Sapporo-shi, Hokkaido),<br>East Japan Branch (Minato-ku, Tokyo),<br>Metropolitan Branch (Minato-ku, Tokyo),<br>Central Japan Branch (Osaka-shi, Osaka-fu),<br>West Japan Branch (Fukuoka-shi, Fukuoka)                                        |
| Manufacturing Sites               | Fukushima Plant (Fukushima-shi, Fukushima),<br>Ibaraki Plant (Sashima-gun, Ibaraki),<br>Shonan Cosmetics Plant (Fujisawa-shi, Kanagawa),<br>Fuji Susono Plant (Susono-shi, Shizuoka),<br>Hyogo Miki Plant (Miki-shi, Hyogo),<br>Saga Plant (Kanzaki-shi, Saga) |
| Research and Development Facility | Yakult Central Institute (Kunitachi-shi, Tokyo)                                                                                                                                                                                                                |

### b) Subsidiaries

| Category |              | Subsidiary Name                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Overseas | Japan        | Yakult Tokyo Sales Co., Ltd. (Taito-ku, Tokyo),<br>Yakult Okayama Wake Plant Co., Ltd. (Wake-gun, Okayama),<br>Yakult Corporation Co., Ltd. (Minato-ku, Tokyo),<br>Yakult Materials Co., Ltd. (Minato-ku, Tokyo),<br>Yakult Health Foods Co., Ltd. (Bungotakada-shi, Oita),<br>Yakult Logistics Co., Ltd. (Hachioji-shi, Tokyo),<br>Yakult Kyudan Co., Ltd. (Minato-ku, Tokyo)                                    |
|          | Asia/Oceania | Hong Kong Yakult Co., Ltd., Yakult (Singapore) Pte. Ltd.,<br>P.T. Yakult Indonesia Persada, Yakult Australia Pty. Ltd.,<br>Yakult (Malaysia) Sdn. Bhd., Yakult (China) Corporation,<br>Guangzhou Yakult Co., Ltd., Tianjin Yakult Co., Ltd.,<br>Wuxi Yakult Co., Ltd., Yakult Danone India Pvt. Ltd.,<br>Yakult Vietnam Co., Ltd.,<br>Yakult Middle East FZCO (United Arab Emirates),<br>Yakult Myanmar Co., Ltd. |
|          | The Americas | Yakult S/A Ind. E.Com. (Brazil)., Yakult S.A. De C.V. (Mexico).,<br>Yakult U.S.A. Inc.                                                                                                                                                                                                                                                                                                                            |
|          | Europe       | Yakult Europe B.V. (The Netherlands), Yakult Nederland B.V.,<br>Yakult Belgium S.A./NV., Yakult UK Ltd. (Ireland Branch).,<br>Yakult Deutschland GmbH, Yakult Italia S.r.l.                                                                                                                                                                                                                                       |

In addition to companies listed in the above table, Yakult Honsha has 35 domestic subsidiaries (42 companies in total) and 6 overseas subsidiaries (28 companies in total), including Yakult Honsha European Research Center for Microbiology VOF (Belgium).

## (10) Employees (as of March 31, 2026)

### a) Employees of the Corporate Group

| Category                                                        | Number of Employees | Year-on-Year Change |
|-----------------------------------------------------------------|---------------------|---------------------|
| Food and Beverages (Japan)                                      | 7,209               | increased by 122    |
| Food and Beverages (Overseas)                                   | 21,464              | increased by 269    |
| Others                                                          | 682                 | decreased by 64     |
| Administrative Divisions<br>(General Affairs, Accounting, etc.) | 263                 | increased by 37     |
| Total                                                           | 29,618              | increased by 364    |

Note: The main reason(s) for the increased of 364 employees compared to the end of the previous fiscal year are the decline in the number of employees at overseas subsidiaries.

### b) Employees

| Category      | Number of Employees | Year-on-Year Change | Average Age       | Average Years of Service |
|---------------|---------------------|---------------------|-------------------|--------------------------|
| Male          | 2,090               | increased by 10     | 42 years 7 months | 18 years 7 months        |
| Female        | 822                 | increased by 43     | 39 years 5 months | 15 years 4 months        |
| Total/Average | 2,912               | increased by 53     | 41 years 8 months | 17 years 8 months        |

Note: Employee numbers in the table above include 413 seconded employees and 145 contract employees.

## (11) Major Lenders (as of March 31, 2026)

| Lender            | Outstanding Loan Balance |
|-------------------|--------------------------|
| Mizuho Bank, Ltd. | 63,198 million yen       |

## 2. Stock Information (as of March 31, 2026)

- (1) Total number of authorized shares: 1,300,000,000 shares  
 (2) Total Number of issued shares: 308,285,236 shares  
 (including 16,180,948 shares of treasury stock)  
 (3) Number of Shareholders: 175,348  
 (4) Major Shareholders:

| Name                                                                                 | Number of shares held<br>(thousand shares) | Percentage of shares held |
|--------------------------------------------------------------------------------------|--------------------------------------------|---------------------------|
| The Master Trust Bank of Japan, Ltd. (Trust account)                                 | 31,942                                     | 10.9%                     |
| Fuji Media Holdings, Inc.                                                            | 12,984                                     | 4.4%                      |
| Mizuho Trust & Banking Co., Ltd.<br>(Retirement benefit trust [Mizuho Bank Account]) | 9,914                                      | 3.4%                      |
| Kyoshinkai                                                                           | 8,003                                      | 2.7%                      |
| Matsusho Co., Ltd.                                                                   | 6,835                                      | 2.3%                      |
| Custody Bank of Japan, Ltd. (Trust account)                                          | 5,467                                      | 1.9%                      |
| STATE STREET BANK AND TRUST COMPANY 505019                                           | 5,100                                      | 1.7%                      |
| City Index Eleventh Co., Ltd.                                                        | 4,711                                      | 1.6%                      |
| STATE STREET BANK AND TRUST COMPANY 505103                                           | 3,889                                      | 1.3%                      |
| STATE STREET BANK AND TRUST COMPANY 505301                                           | 3,498                                      | 1.2%                      |

- Notes: 1. The above table is based on the Company's shareholder registry.  
 2. The Company holds 16,180,948 shares of treasury stock, which are excluded from the above table.  
 3. Shareholding ratio is calculated excluding 16,180,948 shares of treasury stock.  
 4. The 9,914 thousand shares held by Mizuho Trust & Banking Co., Ltd. (Retirement benefit trust [Mizuho Bank Account]) represent the Company's shares held by Mizuho Bank, Ltd. which were contributed to the Company's retirement benefit trust.  
 5. Kyoshinkai is a shareholding association whose members are Yakult sales companies, which are our business partners.

## (5) Shares issued to corporate officers as remuneration for the execution of their duties during the fiscal year under review

Shares issued to corporate officers as remuneration during the fiscal year under review are as follows:

| Category                                              | No. of Shares | No. of persons issued to |
|-------------------------------------------------------|---------------|--------------------------|
| Directors (excluding outside and part-time directors) | 28,825 shares | 7                        |

Note: Details of the Company's stock-based remuneration are outlined in 3. Officers of the Company (4) Directors and Audit & Supervisory Board Members' Remuneration During the Fiscal Year Under Review

## (6) Other Important Matters Concerning The Company's Stock

- 1) Based on resolutions by the Board of Directors and in accordance with the provisions of Article 459, Paragraph 1 of the Companies Act and Article 36 of the Company's Articles of Incorporation, and based on the shareholder return policy, the Company acquired treasury shares via open market purchase on the Tokyo Stock Exchange, with the aim of implementing a flexible capital policy to improve capital efficiency and strengthen shareholder returns.
  - (I) Share repurchase based on a resolution of the Board of Directors held on February 14, 2025
    - (A) Total number of shares repurchased: 10,105,000 shares (of which, 5,080,000 shares were repurchased during the current fiscal year)
    - (B) Aggregate repurchase price: approximately 30.0 billion yen (of which, approximately 15.0 billion yen was repurchased during the current fiscal year)
    - (C) Period of share repurchase: From February 17, 2025 to June 13, 2025
  - (II) Share repurchase based on a resolution of the Board of Directors held on February 10, 2026

- (A) Total number of shares repurchased: 1,144,000 shares
- (B) Aggregate repurchase price: approximately 3.0 billion yen
- (C) Period of share repurchase: From February 12, 2026 to March 6, 2026

(Reference)

Details of the share repurchase resolved at a meeting of the Board of Directors held on February 10, 2026

- Total number of shares to be repurchased: 7,500,000 shares (upper limit)  
(2.56% of total number of shares outstanding (excluding shares held as treasury stock))
- Aggregate repurchase price: 15.0 billion yen (upper limit)
- Period of share repurchase: From February 12, 2026 to June 18, 2026

\* At the Board of Directors meeting held on the same day, it was also resolved that all shares acquired during the aforementioned period are scheduled to be fully cancelled on June 30, 2026.

- 2) Based on a resolution of the Board of Directors and in accordance with the provisions of Article 178 of the Companies Act, the Company cancelled treasury shares in order to enhance capital efficiency and further increase shareholder value.

(I) Share cancellation based on a resolution of the Board of Directors held on February 14, 2025

(A) Total number of shares cancelled: 10,105,600 shares

(B) Cancellation date: June 30, 2025

(II) Share cancellation based on a resolution of the Board of Directors held on February 10, 2026

(A) Total number of shares cancelled: 23,700,000 shares

(B) Cancellation date: February 27, 2026

### 3. Officers of the Company

#### (1) Directors and Audit & Supervisory Board Members of the Company (as of March 31, 2026)

| Position                                                             | Name               | Responsibilities and important concurrent duties                                                                                                                                                                                                                 |
|----------------------------------------------------------------------|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| President & Representative Director<br>President & Executive Officer | Hiroshi Narita     | Owner of Yakult Kyudan Co., Ltd.<br>Chairman, Japanese Association of Fermented Milks and Fermented Milk Drinks                                                                                                                                                  |
| Director<br>Senior Managing Executive Officer                        | Hideaki Hoshiko    | Divisional General Manager of Administrative Division                                                                                                                                                                                                            |
| Director<br>Senior Managing Executive Officer                        | Yasuyuki Suzuki    | Divisional General Manager of Production Division<br>International Operations Dept. (Manager of Overseas Plants)                                                                                                                                                 |
| Director<br>Managing Executive Officer                               | Junichi Shimada    | Divisional General Manager of International Business Division<br>President of Hong Kong Yakult Co., Ltd.<br>Chairman of Yakult U.S.A Inc.<br>Chairman of Yakult Europe B.V.                                                                                      |
| Director<br>Managing Executive Officer                               | Shuichi Watanabe   | Finance & Accounting Dept.<br>Healthcare Business Promotion Dept.<br>Pharmaceutical Dept.                                                                                                                                                                        |
| Director<br>Managing Executive Officer                               | Hiroyuki Kawabata  | Divisional General Manager of Management Support Division                                                                                                                                                                                                        |
| Director<br>Managing Executive Officer                               | Akira Kishimoto    | Divisional General Manager of Food and Beverages Business Division                                                                                                                                                                                               |
| Director                                                             | Naoko Tobe         | Lawyer                                                                                                                                                                                                                                                           |
| Director                                                             | Yumiko Nagasawa    | Manager, Foster forum (Organization to nurture high- quality financial products)<br>Outside Director (Audit & Supervisory Committee Member), Yamaguchi Financial Group, Inc.<br>Outside Director (Audit & Supervisory Committee Member), GL Techno Holdings Inc. |
| Director                                                             | Satoshi Akutsu     | Professor of the Graduate School of Business Administration of Hitotsubashi University<br>Outside Director, Thinca Co., Ltd.                                                                                                                                     |
| Director                                                             | Matthew Digby      | Lawyer                                                                                                                                                                                                                                                           |
| Director                                                             | Toshihiko Fukuzawa | Special advisor, Chuo-Nittochi Group Co., Ltd.                                                                                                                                                                                                                   |
| Director                                                             | Takeshi Osumi      | President & Representative Director, President & Executive Officer, Shibusawa Logistics Corporation                                                                                                                                                              |
| Director                                                             | Manabu Naito       | President of Yakult Mito Sales Co., Ltd.                                                                                                                                                                                                                         |

| Position                                   | Name             | Responsibilities and important concurrent duties                                                                                                                                                                                                        |
|--------------------------------------------|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Full-time Audit & Supervisory Board member | Hideyuki Kawana  | Certified public accountant                                                                                                                                                                                                                             |
| Audit & Supervisory Board member           | Emi Machida      |                                                                                                                                                                                                                                                         |
| Audit & Supervisory Board member           | Kimikazu Okochi  |                                                                                                                                                                                                                                                         |
| Audit & Supervisory Board member           | Satoko Kitamura  |                                                                                                                                                                                                                                                         |
| Audit & Supervisory Board member           | Yoshiaki Onozuka | Lawyer<br>Outside Director, Sakurasaku Plus Co., Ltd.<br>Outside Director, Careerlink Co., Ltd.<br>Auditor, National Mutual Insurance Federation of Agricultural Cooperatives<br>President & Representative Director, Yakult Osaka Tobu Sales Co., Ltd. |

- Notes:
1. Naoko Tobe, Yumiko Nagasawa, Satoshi Akutsu, Matthew Digby, Toshihiko Fukuzawa, and Takeshi Osumi are Outside Directors as defined in the Companies Act of Japan.
  2. Emi Machida, Kimikazu Okochi, and Satoko Kitamura are Outside Audit & Supervisory Board members as defined in the Companies Act of Japan.
  3. Audit & Supervisory Board member Emi Machida is a Certified Public Accountant and possesses considerable insight in the fields of finance and accounting.
  4. Audit & Supervisory Board Member Koichi Okochi has many years of experience in the accounting department and has considerable knowledge in the fields of finance and accounting.

5. The Company has designated Naoko Tobe, Yumiko Nagasawa, Satoshi Akutsu, Matthew Digby, Toshihiko Fukuzawa, Takeshi Osumi, Emi Machida, Kimikazu Okochi, and Satoko Kitamura as Independent Officers based on the provisions of the Tokyo Stock Exchange, and has reported them to the exchange.
6. Akira Kishimoto and Takeshi Osumi were newly elected as Directors at the 73rd Ordinary General Meeting of Shareholders held on June 25, 2025, and assumed their positions accordingly.
7. Kouichi Hirano and Masatoshi Nagira, stepped down as directors at the conclusion of the 73rd Ordinary General Meeting of Shareholders held on June 25, 2025, due to expiration of their terms of office.
8. Changes in the title and responsibilities of Directors and Audit & Supervisory Board Members during the fiscal year under review are outlined below.

| Name             | Details | After                                                                                                                                                                | Before                                                                                                                                                        | Effective date |
|------------------|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Yasuyuki Suzuki  |         | Director<br>Senior Managing Executive Officer<br>Divisional General Manager of Production Division<br>International Business Department (Manager of Overseas Plants) | Director<br>Managing Executive Officer<br>Divisional General Manager of Production Division<br>International Business Department (Manager of Overseas Plants) | April 1, 2025  |
| Shuichi Watanabe |         | Director<br>Managing Executive Officer<br>Finance & Accounting Dept.<br>Healthcare Business Promotion Dept.<br>Pharmaceutical Dept.                                  | Director<br>Managing Executive Officer<br>Divisional General Manager of Pharmaceutical Business Division<br>Finance & Accounting Dept.                        | April 1, 2024  |

9. Changes in the titles and responsibilities of Directors and Audit & Supervisory Board Members as of April 1, 2026 are outlined below.

| Name              | Details | After                                                                                                          | Before                                                                                                                                                               | Effective date |
|-------------------|---------|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Yasuyuki Suzuki   |         | Director                                                                                                       | Director<br>Senior Managing Executive Officer<br>Divisional General Manager of Production Division<br>International Business Department (Manager of Overseas Plants) | April 1, 2026  |
| Junichi Shimada   |         | Director<br>Senior Managing Executive Officer<br>Divisional General Manager of International Business Division | Director<br>Managing Executive Officer<br>Divisional General Manager of International Business Division                                                              | April 1, 2026  |
| Hiroyuki Kawabata |         | Director<br>Senior Managing Executive Officer<br>Divisional General Manager of Management Support Division     | Director<br>Managing Executive Officer<br>Divisional General Manager of Management Support Division                                                                  | April 1, 2026  |

10. The following is the change to the director who holds an important concurrent position as of April 1, 2026.

| Name             | Details | After                                     | Before | Effective date |
|------------------|---------|-------------------------------------------|--------|----------------|
| Shuichi Watanabe |         | President of Yakult Corporation Co., Ltd. |        | April 1, 2026  |

11. Yakult Honsha has introduced an Executive Officer system.  
Executive Officers not concurrently serving as Directors as of April 1, 2026 are listed below.

| Position                   | Name                | Responsibilities                                                                                                                                                          |
|----------------------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Managing Executive Officer | Masato Nagaoka      | Director of Central Research Institute, Yakult Honsha European Research Center for Microbiology VOF (YHER), and Healthcare Business Promotion Department                  |
| Managing Executive Officer | Hiroaki Nagaoka     | Deputy General Manager of Administrative Division, Human Resources Department, Finance & Accounting Department, and Food & Beverage Sales Management Department           |
| Managing Executive Officer | Hiroshi Natsume     | Sustainability Department, Food Quality Assurance Department, Public Relations Department, Advertising Department, and Retail Sales Department                            |
| Managing Executive Officer | Masakazu Seino      | Divisional General Manager of Production Division, and International Business Department (Manager of Overseas Plants)                                                     |
| Executive Officer          | Noriyuki Umehara    | Guangzhou Yakult Co., Ltd., and Yakult (China) Corporation                                                                                                                |
| Executive Officer          | Osamu Chonan        | Yakult Central Institute, Sustainability Department, Public Relations Department (in charge of Academic), and International Operations Department (in charge of Academic) |
| Executive Officer          | Kan Shida           | Yakult Central Institute, Development & Research Department, Development Department, Cosmetics Department, and Shonan Cosmetics Plant                                     |
| Executive Officer          | Shunichi Uekusa     | International Operations Department, and International Business Department                                                                                                |
| Executive Officer          | Masaki Kaiya        | General Affairs Department, Information Systems Department, and Legal Department                                                                                          |
| Executive Officer          | Ken Nishikawa       | Divisional General Manager of Research & Development Division                                                                                                             |
| Executive Officer          | Motoki Yamamoto     | Corporate Planning Department, Healthcare Business Promotion Department, Sales Company Management Solutions Department, and Retail Sales Department                       |
| Executive Officer          | Naoki Komachi       | Divisional General Manager of Cosmetics Business Division, Food & Beverage Sales Management Department, and Home Delivery Sales Department                                |
| Executive Officer          | Mitsuhsia Kawai     | Yakult Central Institute, Development & Research Department, Development Department, and Global R&D Framework Operation Team                                              |
| Executive Officer          | Tadashi Oogo        | Finance & Accounting Department, and Corporate Planning Department                                                                                                        |
| Executive Officer          | Ken Nakano          | East Japan Branch Manager, Sales Company Business Creation Project Team, and Advertising Department                                                                       |
| Executive Officer          | Tomoyuki Masuda     | Development Department, and Development & Research Department                                                                                                             |
| Executive Officer          | Jyun Tsukakoshi     | Human Resources Department, and Human Resources Development Center                                                                                                        |
| Executive Officer          | Masaya Watanabe     | Yakult (China) Corporation                                                                                                                                                |
| Executive Officer          | Masatoshi Matsumoto | West Japan Branch Manager                                                                                                                                                 |
| Executive Officer          | Akihiro Kubo        | Production Control Department, Purchasing Department, and Logistics Control Department                                                                                    |

## (2) Overview of Liability Limitation Agreement

Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has concluded agreements with each director (excluding executive directors, etc.) and Audit & Supervisory Board member to limit the liability for damages stipulated under Article 423, Paragraph 1 of the Companies Act. The limits of liability for damage under the agreement are equal to the minimum amount of liability as set forth in the relevant laws and regulations.

### (3) Summary of Contents of Directors' and Officers' Liability Insurance Policy

The company will conclude a liability insurance contract for officers with insurance companies as stipulated in Article 430-3, Paragraph 1 of the Companies Act. This insurance contract will compensate the litigation costs and damages incurred by the insured Director, Audit & Supervisory Board member, or Executive Officer (including those who have already resigned from their positions), when he / she receives a claim for damages due to his / her business execution. The premiums for these insurance policies will be fully borne by the Company.

### (4) Directors and Audit & Supervisory Board Members' Remuneration During the Fiscal Year Under Review

#### a) Policy for Determining Individual Directors' Remuneration, etc.

Regarding matters pertaining to remuneration, etc., the Board of Directors makes the decisions in consultations with the Nomination & Remuneration Committee, which is an advisory body of Board of Directors with majority of the members, including the chairman, are consisting of independent outside directors.. (The Nomination & Remuneration Committee held 5 meetings in the fiscal year ended March 31, 2025.) The outline of the policy for determining the details of compensation for individual directors, which was resolved at the Board of Directors meeting held on February 14, 2025, is as follows.

<Fixed remuneration, performance-based remuneration (short-term cash incentives), stock remuneration (long-term stock incentives) >

#### 1. Eligible persons

##### (1) Fixed remuneration

All directors

##### (2) Performance-based remuneration

Directors at the end of the relevant fiscal year (excluding outside and part-time directors)

##### (3) Stock remuneration

Directors at the time of payment (excluding outside and part-time directors)

#### 2. Policy determining calculation methods for each kind of remuneration

##### (1) Fixed remuneration

Within applicable monetary limits, the Company's standard policy is to make decisions based on comprehensive consideration of internal and external environmental factors such as director responsibilities, business performance during the relevant fiscal year, standard worker salary, and social conditions.

##### (2) Performance-based remuneration

Alongside consolidated net sales, which are the source of business activities and an indicator of the Company's scale and growth potential, and consolidated operating income, which measures the profitability and efficiency of business activities, performance-based remuneration calculations use the number of dairy product bottles sold on a consolidated basis , which serves as a barometer of the degree to which "Shirota-ism," the origin of our business, has been realized, is used to calculate performance-linked compensation. The Company sets the performance component to fluctuate between 0% and 150%.

Additionally, performance-based remuneration is not paid if consolidated operating income has fallen below 70% of the previous year's level.

##### (3) Stock remuneration

With the aim of providing an incentive to sustainably increase corporate value and promoting additional shared value with the Company's shareholders, eligible directors

will be granted remuneration for restricted stock according to their job responsibilities and other factors.

The transfer restriction period begins on the delivery date of the restricted stock and ends on the day the concerned director steps down from his or her position.

3. Percentage of remuneration by type

To ensure that remuneration functions as an appropriate incentive, the proportion of each type of remuneration is as follows:

- (1) Fixed remuneration
- (2) Performance-based remuneration
- (3) Stock remuneration

(1): (2): (3) = 70 : 15 : 15 (%)

Note: Outside directors and part-time directors only receive (1) fixed remuneration

4. Policy regarding determination of timing or conditions for remuneration

- (1) Fixed remuneration

Paid monthly

- (2) Performance-based remuneration

As a remuneration incentive for the preceding year's business performance, performance-based remuneration is calculated and paid in lump sum after the end of the fiscal year.

- (3) Stock remuneration

As a remuneration incentive for the future improvement of corporate value, an amount corresponding to the director's term is paid after the director's election at the general meeting of shareholders

Note: Monetary limits of (1) fixed remuneration and (2) performance-based remuneration was set at 1 billion yen per year at the 56th Ordinary General Meeting of Shareholders held on June 25, 2008.

Note: (3) Stock remuneration monetary limits and share limits were set at 300 million yen and 150,000 shares per year at the 71st Ordinary General Meeting of Shareholders held on June 21, 2023. (The Company carried out a 2-for-1 stock split of its common stock effective October 1, 2023. The share limit is the figure adjusted after the said stock split.)

These policies, remuneration calculation methods, remuneration amounts for each individual, and other matters are discussed by the Nomination & Remuneration Committee, a majority composed of independent outside directors, after which the final decision is made by the Board of Directors. The Nomination & Remuneration Committee is delegated by the Board of Directors of determining the amounts of (1) fixed remuneration and (2) performance-based remuneration to be received by each individual.

(Reference)

Regarding the policy for determining the details of individual directors' compensation, if at the Ordinary General Meeting of Shareholders scheduled to be held on June 24, 2026, Proposal 2, "Revisions to the Stock Remuneration System for Directors (Excluding Outside and Part-Time Directors)" is approved, the policy will be as stated in the notice of the proposal.

- b) Resolutions at the ordinary general meeting of shareholders regarding the remuneration of directors and auditors

The limit on monetary remuneration for Directors of 1,000 million yen per year (not including employee salaries and bonuses for Directors who concurrently serve as employees) was resolved at the 56th Ordinary General Meeting of Shareholders held on June 25, 2008. As of the conclusion of this Ordinary General Meeting of Shareholders, the number of directors of the Company was 26 (including 4 outside directors). In addition, separately from this limit on monetary remuneration, at the 71st Ordinary General Meeting of Shareholders held on June 21, 2023, it was resolved that a monetary remuneration credit be paid for the grant of restricted stock, with an annual amount not exceeding 300 million yen and a maximum of 150,000 shares per year (On October 1, 2023, the Company carried out a 2-for-1 stock split of shares of its common stock. The maximum number of shares listed is the number of shares after adjustment for the stock split). (Excludes outside directors and part-time directors, and does not include employee salaries and bonuses of directors who concurrently serve as employees). As of the conclusion of this Ordinary General Meeting of Shareholders, the number of directors of the Company was 8 (excluding outside directors and part-time directors).

The amount of monetary remuneration for Audit & Supervisory Board Members was resolved at the 71st Ordinary General Meeting of Shareholders held on June 21, 2023, to be no more than 200 million yen per year. As of the conclusion of this Ordinary General Meeting of Shareholders, the number of Audit & Supervisory Board Members of the Company was 5.

c) Delegation of Authority for Determining Individual Directors' Remuneration, etc

As outlined in the aforementioned policy for determining remuneration, the Nomination & Remuneration Committee determines the specific amount of remuneration for each individual director in accordance with a resolution by the Board of Directors to delegate decision-making authority with regards to (1) fixed remuneration and (2) performance-based remuneration. By delegating this authority to the Nomination & Remuneration Committee, an advisory body to the Board of Directors composed of a majority of independent outside directors, the Board of Directors ensures the transparency and objectivity of procedures for determining remuneration, etc.

As the amount of remuneration for directors is determined through these procedures, the Board of Directors has deemed that the remuneration, etc. for each individual director determined by the Nomination & Remuneration Committee are in line with the aforementioned determination policy.

At the time that decision-making authority was delegated to the Nomination & Remuneration Committee (June 25, 2025), the Committee consisted of five members: President & Representative Director/President & Executive Officer Hiroshi Narita, Director & Senior Managing Executive Officer Hideaki Hoshiko, and independent Outside Directors Toshihiko Fukuzawa (Committee Chairman), Naoko Tobe, and Takeshi Osumi.

d) Total Remuneration, etc. Paid to Directors and Audit & Supervisory Board Members

| Officer category                                                                 | Total remuneration, etc. (million yen) | Total remuneration, etc. by type (million yen) |                                      |                                  | No. of eligible officers |
|----------------------------------------------------------------------------------|----------------------------------------|------------------------------------------------|--------------------------------------|----------------------------------|--------------------------|
|                                                                                  |                                        | Fixed remuneration                             | Performance-based remuneration, etc. | Non-financial remuneration, etc. |                          |
| Director<br>(Outside Directors)                                                  | 659<br>(83)                            | 507<br>(83)                                    | 69<br>(-)                            | 83<br>(-)                        | 16<br>(6)                |
| Audit & Supervisory Board members<br>(Outside Audit & Supervisory Board members) | 104<br>(43)                            | 104<br>(43)                                    | -                                    | -                                | 5<br>(3)                 |

Notes: 1. The above number of officers receiving the remuneration includes two directors who stepped down at the conclusion of the 73rd Ordinary General Meeting of Shareholders.  
2. Performance-based remuneration, etc. listed above represents the amount recorded as expenses during the

fiscal year under review.

3. Non-financial remuneration, etc. listed above represents the amount of restricted stock remuneration recorded as expenses during the fiscal year under review.

4. Actual results for consolidated sales, consolidated operating income, and dairy product bottles sold on a consolidated basis, which are the indicators used to calculate performance-based remuneration for the fiscal year under review were, respectively, 486,425 million, 45,185 million yen and 28.97 million bottles per day.

#### (5) Matters Related to Outside Directors and Outside Audit & Supervisory Board Members

a) Relationships Between the Company and Important Companies at Which Outside Directors and Outside Audit & Supervisory Board Members have Concurrent Positions, and Main Activities During Fiscal Year Under Review

| Category         | Name               | Relationships between the Company and important companies at which Outside Directors and Outside Audit & Supervisory Board Members have concurrent positions                                                                                                                                                                                                                    | Main activities during the fiscal year under review                                                                  | Attendance at Board of Directors meetings |
|------------------|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| Outside Director | Naoko Tobe         | Not applicable                                                                                                                                                                                                                                                                                                                                                                  | Ms. Tobe provides timely commentary and insight, primarily from her professional perspective as a certified lawyer.  | 10/10 (100%)                              |
|                  | Yumiko Nagasawa    | The Company has no special relationship with Foster Forum (Organization to nurture high quality financial products), for which Ms. Nagasawa serves as a manager. In addition, the Company has no special relationship with Yamaguchi Financial Group, Inc. or GLTECHNO Holdings, INC., where Ms. Nagasawa serves as an outside director (Audit & Supervisory Committee member). | Ms. Nagasawa provides timely commentary and insight, primarily based on her expertise in finance.                    | 10/10 (100%)                              |
|                  | Satoshi Akutsu     | The Company has no special relationship with Hitotsubashi University, where Mr. Akutsu serves as a professor. In addition, the Company has no special relationship with Thinca Co., Ltd., where Mr. Akutsu serves as an outside director.                                                                                                                                       | Mr. Akutsu provides timely commentary and insight, primarily based on his expertise in marketing.                    | 10/10 (100%)                              |
|                  | Matthew Digby      | Not applicable                                                                                                                                                                                                                                                                                                                                                                  | Mr. Digby provides timely commentary and insight, primarily from his professional perspective as a certified lawyer. | 10/10 (100%)                              |
|                  | Toshihiko Fukuzawa | The Company has no special relationship with Chuo-Nittochi Group Co., Ltd., for which Mr. Fukuzawa serves as a special advisor.                                                                                                                                                                                                                                                 | Mr. Fukuzawa provides timely commentary and insight, primarily based on his expertise in corporate management.       | 10/10 (100%)                              |
|                  | Takeshi Osumi      | The Company has no special relationship with Shibusawa Logistics Corporation where Mr. Osumi serves as the President & Representative Director, President & Executive Officer.                                                                                                                                                                                                  | Mr. Osumi provides timely commentary and insight, primarily based on his expertise in corporate management.          | 7/8 (88%)                                 |

| Category                         | Name            | Relationships between the Company and important companies at which Outside Directors and Outside Audit & Supervisory Board Members have concurrent positions                                                                                                                                                                         | Main activities during the fiscal year under review                                                                               | Attendance at Board of Directors meetings        |
|----------------------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|
|                                  |                 |                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                   | Attendance at Audit & Supervisory Board meetings |
| Audit & Supervisory Board member | Emi Machida     | Not applicable                                                                                                                                                                                                                                                                                                                       | Ms. Machida provides timely commentary and insight, primarily from her professional perspective as a certified public accountant. | 10/10<br>(100%)                                  |
|                                  |                 |                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                   | 10/10<br>(100%)                                  |
|                                  | Kimikazu Okochi | Not applicable                                                                                                                                                                                                                                                                                                                       | Mr. Okochi provides timely commentary and insight, primarily based on his expertise in finance and accounting.                    | 10/10<br>(100%)                                  |
|                                  |                 |                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                   | 10/10<br>(100%)                                  |
|                                  | Satoko Kitamura | The Company has no special relationship with the National Mutual Insurance Federation of Agricultural Cooperatives, for which Ms. Kitamura serves as an auditor. In addition, the Company has no special relationship with Sakurasaku Plus Co., Ltd. and Careerlink Co., Ltd., for which Ms. Kitamura serves as an outside director. | Ms. Kitamura provides timely commentary and insight, primarily from his professional perspective as a certified lawyer.           | 10/10<br>(100%)                                  |
|                                  |                 |                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                   | 10/10<br>(100%)                                  |

- Notes:
1. The number of Board of Directors meetings attended by Takeshi Osumi differs from other Directors as he was newly elected and assumed his position at the 73rd Ordinary General Meeting of Shareholders held on June 25, 2025.
  2. As a summary of Outside Directors' duties during the fiscal year under review in relation to the roles they are expected to fulfill, the six Outside Directors listed above provided advice and recommendations on general management issues from their respective professional perspectives through their remarks at Board of Directors meetings, analysis and evaluation of the effectiveness of the Board of Directors, and exchange of opinions with the Company's management team.

b) Nomination & Remuneration Committee and Sustainability Advisory Committee (Advisory body of Board of Directors)

In 2021, the Company established the Nomination & Remuneration Committee, composed of a majority of independent Outside Directors. The Board of Directors passes resolutions on matters related to the nomination and remuneration of Directors after appropriate involvement and advice from this committee. Independent Outside Directors Toshihiko Fukuzawa (Committee Chairman), Naoko Tobe, and Takeshi Osumi are serving as members of the Nomination & Remuneration Committee (as of March 31, 2026).

Further, in April 2024 the Company established the Sustainability Advisory Committee. The Committee deliberates on sustainability-related basic strategy, related actions, etc. towards solving environmental and social issues. Independent Outside Directors Yumiko Nagasawa, Satoshi Akutsu, and Matthew Digby are serving as members of the Sustainability Advisory Committee (as of March 31, 2026).

#### 4. Status of Accounting Auditor

##### (1) Name of Accounting Auditor

Deloitte Touche Tohmatsu LLC

##### (2) Amount of Remuneration, etc., of Accounting Auditor for the Fiscal Year Under Review

|                                                                                                    |                 |
|----------------------------------------------------------------------------------------------------|-----------------|
| Remuneration, etc., paid to Accounting Auditor for the fiscal year under review                    | 138 million yen |
| Total amount of monetary or other property benefits to be paid by the Company and its subsidiaries | 159 million yen |

- Notes:
1. In the audit agreement between the Company and the Accounting Auditor, there is no demarcation of the remuneration for audits based on the Companies Act and the remuneration for audits based on the Financial Instruments and Exchange Act, meaning that they cannot be separated practically. Accordingly, the amount of remuneration above represents the combined sum of the two.
  2. The Company's Audit & Supervisory Board has given consent to the remuneration, etc., to be paid to the Accounting Auditor for the fiscal year under review as stipulated in Article 399, Paragraph 1 of the Companies Act, after receiving necessary materials and reports from the Directors, relevant internal departments and the Accounting Auditor, and having confirmed and discussed the status of the Accounting Auditor's performance of its duties in the previous fiscal year, the details of the audit plan for the current fiscal year, and the basis for calculating the remuneration estimate, and determining that these are reasonable.
  3. Of the Company's principal subsidiaries, 26 subsidiaries outside Japan are subject to audits by a certified public accountant or an auditing corporation other than the Company's Accounting Auditor (including those with equivalent foreign qualifications).
  4. For the 1 domestic subsidiary that is subject to an audit by an external auditor, Deloitte Touche Tohmatsu LLC is acting as the external auditor.

##### (3) Content of non-audit activities

Our company pays our accounting auditors fees for services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act (non-audit services), such as advisory services related to the introduction of "accounting standards for leases."

##### (4) Policy on Accounting Auditor Dismissal or Non-Reappointment Decision

If judged to be necessary, for example in the event that there are obstacles to the performance of the duties as an Accounting Auditor, the Company shall propose the dismissal or non-reappointment of the Accounting Auditor to the General Meeting of Shareholders through a resolution by the Audit & Supervisory Board.

In the event that it is deemed that any of the items prescribed in Article 340, Paragraph 1 of the Companies Act apply to the Accounting Auditor, the Audit & Supervisory Board shall dismiss the Accounting Auditor with the approval of all Audit & Supervisory Board members.

## 5. Corporate Governance and Related Policies

### (1) Structure to Ensure Appropriateness of Operations

The Company, at the Board of Directors held on May 19, 2006, passed resolutions regarding the establishment of Internal Control System mandated for large companies with a board of directors as stipulated in the Companies Act and Regulations for Enforcement of the Companies Act. The contents of the resolutions have been revised as necessary in response to changes in the environment both inside and outside the Company and other factors. The current resolution is as stated below.

The Company is promoting its business activities in accordance with its corporate philosophy: “We contribute to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular.” To this end, the Company believes that it is important to implement management that places emphasis on strengthening and enhancing internal control functions as a company widely trusted by society.

Based on this perspective, the Company has made the resolutions listed below on basic policies regarding building internal control systems after reconfirming the development status of its internal control system.

The contents of these resolutions will be revised as appropriate in line with revisions to laws and changes in environment inside and outside the Company, aiming to further strengthen and enhance internal control systems.

- 1) Systems to ensure that the performance of duties by directors and employees of the Company complies with laws and Articles of Incorporation
  - The Company established the Yakult Ethical Principles and Code of Conduct to serve as guidelines for its officers and employees to carry out proper corporate activities. This is distributed to all concerned employees to ensure awareness regarding its contents and the Company also holds internal training regarding compliance on a continuous basis.
  - The Compliance Committee composed of independent outside experts regularly meets and offers advice regarding the development of the compliance structure of the Company.
  - Further, the Company has established an internal reporting system to enable a self-cleansing function, wherein the Company itself identifies and corrects any violations of laws and regulations.
  - Also, the Company will resolutely refuse to engage with and block antisocial forces that pose a threat to its corporate activities. Along with maintaining close cooperation with the police and other concerned organizations, the Company also strives to monitor transactions through the Corporate Ethics Committee primarily composed of independent outside experts. The Company will stand up together as an organization against unreasonable demands from antisocial forces and take all possible legal countermeasures.
- 2) Systems regarding preservation and management of information related to the performance of duties by the Company's directors
  - The minutes of general shareholders meetings and Board of Directors meetings are appropriately stored in accordance with the laws.
  - The Company also records and stores information regarding execution of duties by directors in either document or electromagnet IC format (the “Documents, etc.”) in accordance with Document Management Rules.
  - These meeting minutes and Documents, etc. are maintained so that they can be viewed any time by the directors and Audit & Supervisory Board members.
  - Further, the Document Management Rules also stipulates maintaining confidentiality as a measure to prevent information leakage.
- 3) Rules and other systems regarding the Company's management of risks for losses
  - Cross-organizational risk monitoring and response throughout the Yakult Group is primarily carried out by the Administrative Division, with the concerned divisions managing the risks associated with the operations of their divisions.
  - Further, in order to respond to a sudden crisis, the Company has established Risk Management Rules that stipulate matters such as the appointment of the president or divisional general manager as the head of the task force set up according to the content of the crisis.
  - Moreover, the Company has established, and holds meetings of, the Quality Assurance Committee for provision of safe products and securing a quality assurance structure. It also has set up a Food Quality Assurance Division as an independent division specializing in group-wide oversight of quality assurance of food products.

- 4) Systems to ensure that the performance of duties by the Company's directors are efficient
  - With the introduction of the executive officer system, the Company has not only strengthened the Board of Directors' decision-making functions and supervisory functions but also clarified the responsibilities, thereby increasing the efficiency of both kinds of functions.
  - The Company also has stipulated the decision-making method in the Rules of Approval to ensure decision-making reflecting the importance, and has accelerated decision-making through the establishment of the Management Policy Council and the Executive Officers Committee, which meet once a week in principle.
  - Further, with the aim of ensuring efficient execution of business operations, the Company has stipulated the organizational structure and operation standards in the Organization Rules and Table of Division of Duties.
- 5) Systems to ensure that operations at the corporate group consisting of the Company and subsidiaries are appropriate
  - In principle, the Company dispatches its executives and employees to subsidiary companies to serve as officers and ensure that business operations are carried out in a proper, efficient manner.
  - The Affiliated Company Management Rules and Overseas Office Management Rules stipulate matters such as requests for prior approval through ringi system and reporting from subsidiary and affiliated companies. These companies are also audited by the Company's internal audit department (Auditing Department).
  - The Company's medium-term management plan secures appropriate operations across the entire group by setting out group-wide targets and management strategies, creating a support system through the establishment of a subsidiary management department within the Company, and implementing training courses for subsidiary companies. In addition to these measures, the Company's Risk Management Rules stipulate how the entire group should respond to a sudden crisis.
- 6) Matters regarding employees who support the duties of the Company's Audit & Supervisory Board members in cases in which Audit & Supervisory Board members make a request to assign such employees
  - The Company has allocated dedicated employees possessing thorough knowledge of company operations and ability to appropriately assist the work of the Audit & Supervisory Board members. Organizationally, they perform their duties directly under the Audit & Supervisory Board members independent from the Auditing Department, which is the Company's internal auditing department.
- 7) Matters regarding the independence of employees who support the duties of the Company's Audit & Supervisory Board members mentioned in the previous item from directors, and systems to ensure the effectiveness of instructions given to these employees by Audit & Supervisory Board members
  - In order to ensure the effectiveness and independence of the staff assigned to Audit & Supervisory Board members from directors, the said employees do not belong to any division and do not report directly to directors.
  - Moreover, to respect their independence, the personnel evaluation of the said employees is carried out by the Audit & Supervisory Board members.
- 8) Systems for the Company's directors and employees to provide reports to Audit & Supervisory Board members and other systems regarding reports provided to Audit & Supervisory Board members
  - The system enables Audit & Supervisory Board members to attend important meetings in addition to the Board of Directors, view the minutes of the proceedings as needed, and confirm important decisions through ringi system and grasp their contents.
  - The results of the internal audits of the Company and its subsidiaries are always reported to the Audit & Supervisory Board members.
  - Further, the Rules on Audit by Audit & Supervisory Board Members state that the Audit & Supervisory Board member in addition to seeking reports on business from directors, shall seek reports from relevant departments or subsidiaries as necessary.
- 9) Systems to ensure that reporting parties do not receive unfair treatment as a result of such reports
  - The Company prohibits any adverse treatment of officers or employees of the Company or subsidiaries who report to the Audit & Supervisory Board members on account of such reporting.
  - The Internal Reporting Regulations prohibit taking any actions or use words that are detrimental to the person who reported.

- 10) Other systems to ensure that audit operations of the Company's Audit & Supervisory Board members are carried out effectively
- The Rules on Audit by Audit & Supervisory Board Members stipulate the rights regarding attendance of Audit & Supervisory Board members in Board of Directors and other important meetings, seeking explanations in the event of absence and viewing of documents, seeking directors, executive officers, and employees to report on business activities when necessary for investigating the status of business and assets, and seeking reports from subsidiaries and affiliates and investigation of business and assets to ensure effective audit by the Audit & Supervisory Board members.
  - The Audit & Supervisory Board members can seek opinions from outside experts such as lawyers, certified public accountants, and consultants as necessary.
  - Further, the Company shall bear any expenses incurred to obtain the views of outside experts as well as other expenses related to the audit.

## **(2) Overview on the Internet Control Systems and status of operation**

The Company has established and operates an internal control system based on the Basic Policy on the Development of Internal Control Systems resolved by the Board of Directors.

During the fiscal year under review, the Company received feedback and recommendations on the status of its compliance promotion initiatives from the Compliance Committee, which is composed of outside experts and convenes twice annually. In addition, the Corporate Ethics Committee, which is composed mainly of outside experts and convenes once per year, reviewed the implementation status of the Company's corporate ethics initiatives.

With regard to the Company's auditing framework, in addition to Audit & Supervisory Board members' attending all Board of Directors meetings, full-time Audit & Supervisory Board members attended important meetings such as Management Policy Council and the Executive Officers Committee, and received reports on business activities from Directors, etc. at Audit & Supervisory Board meetings as necessary. In addition, the Audit Department, which is the internal audit division, conducted audits of the Company and its subsidiaries based on the above Basic Policy.

## 6. Distribution of Surplus as Cash Dividends, etc.

### (1) Policy on the Distribution of Surplus as Cash Dividends, etc.

The Company's shareholder return policy, which constitutes the policy on the distribution of surplus as cash dividends, etc., is as follows.

"The Company places utmost priority on continuously increasing dividends, based on the concept of progressive dividend payment, with the total dividend determined by comprehensively considering the funding needs for future business expansion and earnings growth, as well as the Company's financial standings and business performance for the fiscal year under review. Additionally, we will flexibly carry out share repurchase, with 70% in total payout ratio as a guideline, by taking into account the market environment, cash flow, etc."

### (2) Dividends of Surplus

Based on the above policy, the annual dividend for the current term will be 70 yen per share, an increase of 6 yen per share compared to the previous term (breakdown: 2 yen for ordinary dividend and 4 yen for the 90th anniversary of the company's founding). Subtracting the interim dividend of 33 yen that has already been paid, the year-end dividend for the current term will be 37 yen.

Cash dividends for the fiscal year under review are as follows:

| Date of Resolution by the Board of Directors | Total Dividends Paid | Dividend Per Share | Record Date        |
|----------------------------------------------|----------------------|--------------------|--------------------|
| November 14, 2025                            | 9,677 million yen    | 33 yen             | September 30, 2025 |
| May 12, 2026                                 | 10,807 million yen   | 37 yen             | March 31, 2026     |

# Consolidated Balance Sheet

(As of March 31, 2026)

(Unit: million yen)

| Assets                               |                | Liabilities                                           |                 |
|--------------------------------------|----------------|-------------------------------------------------------|-----------------|
| Account                              | Amount         | Account                                               | Amount          |
| <b>Current assets</b>                | <b>340,139</b> | <b>Current liabilities</b>                            | <b>148,223</b>  |
| Cash and deposits                    | 231,464        | Notes and accounts payable-trade                      | 19,509          |
| Notes and Accounts receivable-trade  | 55,049         | Short-term loans payable                              | 49,232          |
| Merchandises and finished goods      | 9,931          | Current portion of long-term loans payable            | 3,064           |
| Work in process                      | 2,673          | Lease obligation                                      | 3,505           |
| Raw materials and supplies           | 23,452         | Income taxes payable                                  | 6,527           |
| Others                               | 18,136         | Provision for bonuses                                 | 7,774           |
| Allowance for doubtful accounts      | (569)          | Others                                                | 58,610          |
| <b>Non-Current assets</b>            | <b>572,438</b> | <b>Non-current liabilities</b>                        | <b>110,032</b>  |
| <b>Property, plant and equipment</b> | <b>346,134</b> | Long-term loans payable                               | 51,104          |
| Buildings and structures             | 98,413         | Lease obligation                                      | 7,196           |
| Machinery and vehicles               | 66,693         | Deferred tax liabilities                              | 40,127          |
| Land                                 | 68,117         | Provision for retirement benefits for directors       | 231             |
| Lease assets                         | 12,101         | Net defined benefit liability                         | 5,401           |
| Construction in progress             | 96,429         | Asset retirement obligations                          | 1,725           |
| Others                               | 4,379          | Others                                                | 4,246           |
| <b>Intangible assets</b>             | <b>10,305</b>  | <b>Total liabilities</b>                              | <b>258,256</b>  |
| Software                             | 5,029          | Net assets                                            |                 |
| Others                               | 5,276          | Account                                               | Amount          |
| <b>Investments and other assets</b>  | <b>215,998</b> | <b>Shareholders' equity</b>                           | <b>502,754</b>  |
| Investment securities                | 80,392         | <b>Common stock</b>                                   | <b>31,117</b>   |
| Shares of affiliates                 | 92,909         | <b>Capital surplus</b>                                | <b>42,463</b>   |
| Deferred tax asset                   | 6,688          | <b>Retained earnings</b>                              | <b>475,592</b>  |
| Retirement benefit asset             | 26,736         | <b>Treasury stock</b>                                 | <b>(46,419)</b> |
| Others                               | 9,350          | <b>Accumulated other comprehensive income</b>         | <b>103,447</b>  |
| Allowance for doubtful accounts      | (78)           | Valuation difference on available-for-sale securities | 37,767          |
|                                      |                | Foreign currency translation adjustments              | 55,872          |
|                                      |                | Remeasurements of defined benefit plans               | 9,806           |
|                                      |                | <b>Non-controlling interests</b>                      | <b>48,120</b>   |
|                                      |                | <b>Total net assets</b>                               | <b>654,321</b>  |
| <b>Total assets</b>                  | <b>912,578</b> | <b>Total liabilities and net assets</b>               | <b>912,578</b>  |

# Consolidated Statement of Income

( From April 1, 2025  
To March 31, 2026 )

(Unit: million yen)

| Account                                                       | Amount  |                |
|---------------------------------------------------------------|---------|----------------|
| <b>Net sales</b>                                              |         | <b>486,425</b> |
| <b>Cost of sales</b>                                          |         | <b>200,189</b> |
| <b>Gross profit</b>                                           |         | <b>286,235</b> |
| <b>Selling, general and administrative expenses</b>           |         | <b>241,050</b> |
| <b>Operating profit</b>                                       |         | <b>45,185</b>  |
| <b>Non-operating income</b>                                   |         |                |
| Interest income                                               | 9,254   |                |
| Dividend income                                               | 2,119   |                |
| Foreign exchange gains                                        | 1,750   |                |
| Share of profit of entities accounted for using equity method | 4,057   |                |
| Others                                                        | 3,294   | <b>20,477</b>  |
| <b>Non-operating expenses</b>                                 |         |                |
| Interest expenses                                             | 1,301   |                |
| Compensation expenses                                         | 1,727   |                |
| Taxes and dues                                                | 236     |                |
| Others                                                        | 1,311   | <b>4,577</b>   |
| <b>Ordinary profit</b>                                        |         | <b>61,084</b>  |
| <b>Extraordinary income</b>                                   |         |                |
| Gain on sale of non-current assets                            | 339     |                |
| Gain on sales of investment securities                        | 8,979   |                |
| Others                                                        | 1,030   | <b>10,349</b>  |
| <b>Extraordinary losses</b>                                   |         |                |
| Loss on sale of non-current assets                            | 54      |                |
| Loss on retirement of non-current assets                      | 396     |                |
| Impairment loss                                               | 852     |                |
| Others                                                        | 186     | <b>1,490</b>   |
| <b>Profit before income taxes</b>                             |         | <b>69,943</b>  |
| Income taxes - current                                        | 21,899  |                |
| Income taxes - deferred                                       | (1,645) | <b>20,254</b>  |
| <b>Profit</b>                                                 |         | <b>49,689</b>  |
| <b>Profit attributable to non-controlling interests</b>       |         | <b>5,461</b>   |
| <b>Profit attributable to owners of parent</b>                |         | <b>44,228</b>  |

# Consolidated Statements of change in shareholders' equity

( From April 1, 2025  
To March 31, 2026 )

(Unit: million yen)

|                                                                                                               | Shareholders' equity |                 |                   |                |  | Total shareholders' equity |
|---------------------------------------------------------------------------------------------------------------|----------------------|-----------------|-------------------|----------------|--|----------------------------|
|                                                                                                               | Common stock         | Capital surplus | Retained earnings | Treasury stock |  |                            |
| Balance as of April 1, 2025                                                                                   | 31,117               | 42,516          | 546,984           | (126,040)      |  | 494,577                    |
| Cumulative effect of applying inflation accounting                                                            |                      |                 | 21                |                |  | 21                         |
| Opening balance of the current period after reflecting the cumulative effect of applying inflation accounting | 31,117               | 42,516          | 547,005           | (126,040)      |  | 494,599                    |
| Changes for current period                                                                                    |                      |                 |                   |                |  |                            |
| Dividends                                                                                                     |                      |                 | (19,219)          |                |  | (19,219)                   |
| Changes in interests in associates' capital surplus                                                           |                      | 202             |                   |                |  | 202                        |
| Change in ownership interest of parent due to transactions with non-controlling interests                     |                      | 129             |                   |                |  | 129                        |
| Profit attributable to owners of parent                                                                       |                      |                 | 44,228            |                |  | 44,228                     |
| Purchase of treasury shares                                                                                   |                      |                 |                   | (18,000)       |  | (18,000)                   |
| Disposal of treasury shares                                                                                   |                      | 2               |                   | 413            |  | 416                        |
| Cancellation of treasury shares                                                                               |                      | (388)           | (96,819)          | 97,207         |  | —                          |
| Increase in retained earnings arising from inflation accounting adjustments                                   |                      |                 | 398               |                |  | 398                        |
| Net changes of items other than shareholders' equity                                                          |                      |                 |                   |                |  |                            |
| Total change in shareholders' equity                                                                          | —                    | (53)            | (71,412)          | 79,621         |  | 8,155                      |
| Balance as of March 31, 2026                                                                                  | 31,117               | 42,463          | 475,592           | (46,419)       |  | 502,754                    |

|                                                                                                               | Other comprehensive income                       |                                          |                                         |                                  | Non-controlling interest | Total net assets |
|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------|------------------------------------------|-----------------------------------------|----------------------------------|--------------------------|------------------|
|                                                                                                               | Unrealized holding gain/loss on other securities | Foreign currency translation adjustments | Remeasurements of defined benefit plans | Total other comprehensive income |                          |                  |
| Balance as of April 1, 2025                                                                                   | 26,465                                           | 48,944                                   | 4,143                                   | 79,553                           | 55,383                   | 629,515          |
| Cumulative effect of applying inflation accounting                                                            |                                                  |                                          |                                         |                                  |                          | 21               |
| Opening balance of the current period after reflecting the cumulative effect of applying inflation accounting | 26,465                                           | 48,944                                   | 4,143                                   | 79,553                           | 55,383                   | 629,536          |
| Changes for current period                                                                                    |                                                  |                                          |                                         |                                  |                          |                  |
| Dividends                                                                                                     |                                                  |                                          |                                         |                                  |                          | (19,219)         |
| Changes in interests in associates' capital surplus                                                           |                                                  |                                          |                                         |                                  |                          | 202              |
| Change in ownership interest of parent due to transactions with non-controlling interests                     |                                                  |                                          |                                         |                                  |                          | 129              |
| Profit attributable to owners of parent                                                                       |                                                  |                                          |                                         |                                  |                          | 44,228           |
| Purchase of treasury shares                                                                                   |                                                  |                                          |                                         |                                  |                          | (18,000)         |
| Disposal of treasury shares                                                                                   |                                                  |                                          |                                         |                                  |                          | 416              |
| Cancellation of treasury shares                                                                               |                                                  |                                          |                                         |                                  |                          | —                |
| Increase in retained earnings arising from inflation accounting adjustments                                   |                                                  |                                          |                                         |                                  |                          | 398              |
| Net changes of items other than shareholders' equity                                                          | 11,302                                           | 6,928                                    | 5,662                                   | 23,894                           | (7,263)                  | 16,630           |
| Total change in shareholders' equity                                                                          | 11,302                                           | 6,928                                    | 5,662                                   | 23,894                           | (7,263)                  | 24,785           |
| Balance as of March 31, 2026                                                                                  | 37,767                                           | 55,872                                   | 9,806                                   | 103,447                          | 48,120                   | 654,321          |

## Consolidated Financial Statements

(Notes on Significant Accounting Policies for the Consolidated Financial Statements)

### 1. Scope of consolidation

Number of consolidated subsidiaries: 70

Names of main consolidated subsidiaries:

Yakult Tokyo Sales Co., Ltd.; Yakult Okayama Wake Plant Co., Ltd.; Yakult Corporation Co., Ltd.; Yakult Materials Co., Ltd.; Yakult Health Foods Co., Ltd.; Yakult Logistics Co., Ltd.; Yakult Kyudan Co., Ltd.; Yakult (China) Corporation

From the relevant consolidated fiscal year onward, Yakult Europe R&D Center B.V. (newly established) is included as a consolidated subsidiary.

Two subsidiaries that were previously included in the consolidated financial statements, Hotel Sun Okinawa Co., Ltd. (liquidated) and Austria Yakult Sales Co., Ltd. (merged with a consolidated subsidiary), have been excluded from the consolidated financial statements.

### 2. Application of the equity method

Number of affiliates to which the equity method is applied: 4

Name of main equity method affiliates:

Korea Yakult Co., Ltd.

Investments in Yakult Kagawa Sales Co., Ltd. and 13 other affiliates to which the equity method is not applied are valued at cost as they are small in scale and their respective profit/loss and retained earnings corresponding to the equity have no significant impact on these account items in the consolidated financial statements. The financial statements for each company's most recent fiscal year have been used when applying the equity method.

### 3. Matters related to accounting policies

#### Standards and methods for valuation of significant assets

##### Investment securities

##### Other investment securities

|                                                               |                                                                                                                                                                                                |
|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Securities other than shares, etc.<br>without a market price: | Reported at market value<br>(Net unrealized gains (losses) are recorded directly on net assets, and the costs of securities sold are primarily calculated based on the moving-average method.) |
|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                      |                                                             |
|--------------------------------------|-------------------------------------------------------------|
| Shares, etc. without a market price: | Primarily stated at cost based on the moving-average method |
|--------------------------------------|-------------------------------------------------------------|

|              |                                                                                                                                                                                                    |
|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Inventories: | Primarily stated at cost based on the moving-average method<br>(Amounts shown on the consolidated balance sheet are based on the method for reducing book value due to a decline in profitability) |
|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

#### Depreciation methods applied to significant depreciable assets

##### The Company and its domestic consolidated subsidiaries

##### Tangible fixed assets (excluding leased assets)

##### Buildings (excluding building fixtures)

|                                      |                          |
|--------------------------------------|--------------------------|
| Acquired on or before March 31, 1998 | Declining balance method |
|--------------------------------------|--------------------------|

|                                    |                      |
|------------------------------------|----------------------|
| Acquired on or after April 1, 1998 | Straight-line method |
|------------------------------------|----------------------|

##### Building fixtures and structures

|                                      |                          |
|--------------------------------------|--------------------------|
| Acquired on or before March 31, 2016 | Declining balance method |
|--------------------------------------|--------------------------|

|                                    |                      |
|------------------------------------|----------------------|
| Acquired on or after April 1, 2016 | Straight-line method |
|------------------------------------|----------------------|

|                             |                          |
|-----------------------------|--------------------------|
| Other tangible fixed assets | Declining balance method |
|-----------------------------|--------------------------|

|                        |                                    |                |
|------------------------|------------------------------------|----------------|
| Principal useful lives | Buildings and structures:          | 12 to 50 years |
|                        | Machinery, equipment and vehicles: | 4 to 17 years  |

##### Intangible fixed assets (excluding leased assets)

##### Software

|                           |                                                       |
|---------------------------|-------------------------------------------------------|
| Software for internal use | Straight-line method over a useful life of five years |
|---------------------------|-------------------------------------------------------|

|                               |                      |
|-------------------------------|----------------------|
| Other intangible fixed assets | Straight-line method |
|-------------------------------|----------------------|

##### Leased Assets

|                                                                                    |                                                                                             |
|------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| Leased assets relating to finance lease transactions without transfer of ownership | Depreciated over the lease period by the straight-line method with a residual value of zero |
|------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|

#### Foreign consolidated subsidiaries

|                                                    |                                                                                              |
|----------------------------------------------------|----------------------------------------------------------------------------------------------|
| Tangible fixed assets                              | Straight-line method                                                                         |
| Principal useful lives                             | Buildings and structures: 5 to 40 years<br>Machinery, equipment, and vehicles: 3 to 20 years |
| Intangible fixed assets                            | Straight-line method                                                                         |
| Right-of-use assets<br>(included in leased assets) | Straight-line method based on the lease period and the useful life                           |

#### Accounting standards for significant allowances

|                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Allowance for doubtful accounts                 | To provide for losses due to irrecoverable receivables, the Company and its consolidated subsidiaries in Japan record allowances for doubtful accounts at the estimated uncollectible amount. This amount is based mainly on past credit loss experience for general accounting receivables and in consideration of individual collectability for specific receivables including doubtful accounts receivable.<br>Consolidated subsidiaries outside Japan record allowances for doubtful accounts primarily at the required amounts based on deliberation regarding individual receivables. |
| Provision for bonuses                           | To provide for the future payment of bonuses to employees, the Company and its main consolidated subsidiaries book the estimated amounts to be paid during the fiscal year under review.                                                                                                                                                                                                                                                                                                                                                                                                    |
| Provision for retirement benefits for directors | To provide for future payments of retirement benefits to directors/officers, the Company's main consolidated subsidiaries book the entire amount needed at the end of the fiscal period based on their internal regulations.                                                                                                                                                                                                                                                                                                                                                                |

#### 4. Other significant accounting policies for the consolidated financial statements

##### Matters related to the fiscal year of consolidated subsidiaries

The account closing dates of the following consolidated subsidiaries differed from that of the parent.

|            |                                                |               |
|------------|------------------------------------------------|---------------|
| [Japan]    | Yakult Kyudan Co., Ltd.                        | (December 31) |
| [Overseas] | Yakult (China) Corporation, 24 other companies | (December 31) |

When preparing the consolidated financial statements, the above subsidiaries' financial statements as of December 31 were used and necessary adjustments were made on consolidation for material transactions that occurred between this date and the consolidated balance sheet date.

#### Accounting method for retirement benefits

##### Service period basis for projected retirement benefits

In calculating retirement benefit liabilities, the Company uses the benefit formula to attribute projected benefits to the period ending with the final day of the fiscal year under review.

##### Accounting method for actuarial gains and losses and past service costs

Past service costs are recognized as a lump sum when incurred.

Actuarial gains and losses are mainly amortized by the straight-line method over a period within the average remaining service years for employees (generally 10 years) at the time of recognition and allocated proportionately from the fiscal year following the respective fiscal year of recognition.

#### Standards for the translation of significant foreign-currency-denominated assets or liabilities into Japanese yen

Foreign currency-denominated receivables and payables are converted to yen at the spot exchange rate at the consolidated fiscal year-end, and the translation adjustment is treated as a profit or loss.

The assets and liabilities of overseas consolidated subsidiaries are converted to yen at the spot exchange rate on the closing dates of the subsidiaries, and revenue and expenses are converted to yen at the average annual exchange rate. Translation differences are then recorded as part of non-controlling interests and foreign currency translation adjustments in net assets.

However, revenue and expenses of the subsidiaries operating under hyperinflationary economic conditions are converted to yen at the spot exchange rate at the consolidated fiscal year-end because of application of “Financial Reporting in Hyperinflationary Economies”.

#### Accounting standards for revenue and expenses

The main business of the Company and its consolidated subsidiaries is the Food and Beverages business.

In the Food and Beverages business, revenue is recognized upon delivery of the product or goods, as control of the product or goods is transferred to the customer at that point, satisfying the performance obligation.

(Notes Related to Accounting Estimates)

Impairment loss for tangible fixed assets in overseas subsidiaries

Amounts for tangible fixed assets held by overseas subsidiaries are as follows:

• Amounts recognized in the fiscal year under review

|                                   |                            |                    |
|-----------------------------------|----------------------------|--------------------|
| Buildings and structures          | Out of 98,413 million yen, | 46,845 million yen |
| Machinery, equipment and vehicles | Out of 66,693 million yen, | 45,199 million yen |
| Land                              | Out of 68,117 million yen, | 7,984 million yen  |
| Lease assets                      | Out of 12,101 million yen, | 7,773 million yen  |
| Construction in progress          | Out of 96,429 million yen, | 54,283 million yen |
| Others                            | Out of 4,379 million yen,  | 2,028 million yen  |

• Information that assists in understanding the details of other estimates

Within our main business segment of Food and Beverages, our group sells dairy products and fermented milk drinks in 39 countries and regions, excluding Japan. As production bases, we have established and operated 28 plants (20 of which are subsidiary plants) in 17 countries and regions, and possess production facilities at these locations.

As a general rule, when evaluating recoverability related to the impairment of fixed assets, we identify cash-generating units or asset groups by sales region and assess indications of impairment.

The performance of each overseas subsidiary is influenced by various external environmental factors, such as the political, economic, and social background, regulations, natural disasters, and infectious diseases in the country or region where they operate. Additionally, for newly established overseas subsidiaries, especially those entering countries or regions where probiotics are not widely recognized, it may take time for the product to penetrate the market, and there is a possibility of not meeting business plan targets. If these factors indicate signs of impairment and the planned future cash flows cannot be realized, there may be a need to recognize impairment losses on fixed assets.

(Notes on Consolidated Balance Sheet)

1. Notes and Accounts Receivable-trade

|                           |                    |
|---------------------------|--------------------|
| Notes receivable          | 33 million yen     |
| Accounts receivable-trade | 55,016 million yen |

2. Assets Pledged as Collateral

|                          |                   |
|--------------------------|-------------------|
| Time deposits            | 135 million yen   |
| Buildings and structures | 1,270 million yen |
| Land                     | 3,536 million yen |

The above assets are pledged as collateral for current portion of long-term loans payable of 264 million yen and long-term loans payable of 664 million yen.

Among the above assets, a revolving mortgage related to bank transactions has been established on our assets; however, there are no corresponding secured liabilities.

3. Accumulated Depreciation of Property, plant and equipment 358,941 million yen

4. Loan commitments

In order to efficiently secure working capital, our company has entered into loan commitment agreements with six commercial banks. The outstanding balance of undrawn borrowings related to the loan commitments at the end of the current fiscal year is as follows:

|                        |                    |
|------------------------|--------------------|
| Total loan commitments | 80,000 million yen |
| Outstanding borrowings | 48,000 million yen |
| Net amount             | 32,000 million yen |

5. Balance of contract liabilities among current liabilities and other liabilities 1,712 million yen

(Consolidated Statement of Income)

Other extraordinary losses

These losses are primarily due to personnel restructuring resulting from the closure of Guangzhou Yakult Co., Ltd.'s Guangzhou No. 1 factory in China.

(Notes on Consolidated Statement of Changes in Equity)

1. Type and total number of shares issued, and type and number of treasury stock

(Unit: thousands of shares)

|                   | Beginning of the<br>current fiscal year | Increase | Decrease | End of the current<br>fiscal year |
|-------------------|-----------------------------------------|----------|----------|-----------------------------------|
| Shares Issued     |                                         |          |          |                                   |
| Common stock (*1) | 342,090                                 | –        | 33,805   | 308,285                           |
| Total             | 342,090                                 | –        | 33,805   | 308,285                           |
| Treasury stock    |                                         |          |          |                                   |
| Common stock (*2) | 43,905                                  | 6,224    | 33,949   | 16,180                            |
| Total             | 43,905                                  | 6,224    | 33,949   | 16,180                            |

(\*1) The decrease of 33,805 thousand shares is due to the cancellation of treasury stock based on resolutions of the Board of Directors held on February 14, 2025 and February 10, 2026.

(\*2) The increase of 6,224 thousand shares of treasury stock is due to the acquisition of treasury stock and the purchase of fractional shares based on resolutions of the Board of Directors held on February 14, 2025 and February 10, 2026. The decrease of 33,949 thousand shares of treasury stock is due to the cancellation of 33,805 thousand shares of treasury stock based on resolutions of the Board of Directors held on February 14, 2025 and February 10, 2026, and the disposal of 143 thousand shares of treasury stock to restricted stock compensation and employee stock ownership plans based on resolutions of the Board of Directors held on May 13, 2025 and June 25, 2025.

2. Matters related to dividends

Dividend payment amounts

| Resolution                                        | Type of stock   | Total dividend<br>amount<br>(million yen) | Dividend per<br>share (yen) | Record date           | Effective date      |
|---------------------------------------------------|-----------------|-------------------------------------------|-----------------------------|-----------------------|---------------------|
| Board of Directors meeting<br>- May 13, 2025      | Common<br>stock | 9,541                                     | 32.0                        | March 31, 2025        | June 6, 2025        |
| Board of Directors meeting<br>- November 14, 2025 | Common<br>stock | 9,677                                     | 33.0                        | September 30,<br>2025 | December<br>5, 2025 |

Dividends whose record date falls within the current fiscal year, but whose effective date of dividend payment is after the end of the current fiscal year

| Resolution                                   | Type of<br>stock | Total dividend<br>amount<br>(million yen) | Source of<br>dividends | Dividend per<br>share (yen) | Record date       | Effective<br>date |
|----------------------------------------------|------------------|-------------------------------------------|------------------------|-----------------------------|-------------------|-------------------|
| Board of Directors<br>meeting – May 12, 2026 | Common<br>stock  | 10,807                                    | Retained<br>earnings   | 37.0                        | March 31,<br>2026 | June 5, 2026      |

(Notes on Financial Instruments)

1. Matters related to the status of financial instruments

(1) Policy on financial instruments

The Company and its consolidated subsidiaries obtain the necessary funds through bank loans, in line with capital expenditure plans for the manufacturing and sales of beverages and food products. Temporary surplus funds are limited to investments in safe, short-term deposits, and the Company has a policy of not engaging in speculative transactions for the purpose of fund management.

(2) Contents of financial instruments, their risks, and the risk management framework

Trade receivables, including notes and accounts receivable-trade, which are operating claims, are managed by the Company and its consolidated subsidiaries in accordance with internal regulations and accounting rules. This includes managing due dates and balances for each customer, as well as maintaining a system to regularly assess the credit status of major customers.

Investment securities, such as stocks, are subject to market price fluctuations. However, these stocks primarily come from companies with which we have business relationships, and their current market value is regularly assessed and reported to the Board of Directors.

Accounts payable, such as notes and accounts payable-trade and notes payable-facilities, are due within one year.

Our borrowings are mainly used to finance capital investments. Most of these loans have variable interest rates, which exposes us to the risk of interest rate fluctuations. However, given the current borrowing levels and the state of the interest rate market, we have not implemented any risk hedging, such as interest rate swaps or other derivatives.

Additionally, both accounts payable and borrowings are exposed to liquidity risks related to funding. However, the Company and its consolidated subsidiaries manage these risks by creating and updating cash flow plans on a timely basis, based on reports from each department, with the finance department and relevant teams overseeing the process.

(3) Supplementary information regarding the market value of financial instruments, etc.

The market value of financial instruments consists of both prices derived from market quotations and values that are reasonably estimated when market prices are unavailable. As the valuation accounts for various fluctuating factors, the value may change depending on the assumptions or conditions used.

2. Matters related to the market value of financial instruments

As of March 31, 2026, the amounts recorded in the consolidated financial statements, the market values, and the differences between them are as follows:

(Unit: millions of yen)

|                             | Amounts recognized<br>in the consolidated<br>financial statements | Market value | Difference |
|-----------------------------|-------------------------------------------------------------------|--------------|------------|
| (1) Investment securities   |                                                                   |              |            |
| Other securities            | 76,576                                                            | 76,576       | —          |
| Total assets                | 76,576                                                            | 76,576       | —          |
| (2) Long-term loans payable |                                                                   |              |            |
| (*2)                        | 54,169                                                            | 53,268       | (900)      |
| Total liabilities           | 54,169                                                            | 53,268       | (900)      |

(\* 1) Since “cash and deposits,” “notes and accounts receivable-trade,” “notes payable and accounts payable-trade,” “short-term loans payable,” and “notes payable-facilities” are settled in cash and within a short period, and their market values are close to their book values, we have omitted them from the disclosure.

(\* 2) Includes current portion of long-term loans payable that are due for repayment within one year.

(\* 3) Amounts recorded in the consolidated financial statements for stocks, etc., without market prices.

(Unit: millions of yen)

| Category                  | Current fiscal year |
|---------------------------|---------------------|
| Unlisted stocks           | 3,815               |
| Affiliated company shares | 92,909              |

Not included in the above calculations.

3. Matters related to the breakdown of financial instrument market values by level

Financial instrument market values are categorized into three levels based on the observability and significance of the inputs used in their valuation.

Level 1 market value : Calculated based on quoted prices for assets or liabilities in an active market, using observable inputs to determine the value

Level 2 market value : Calculated using inputs other than Level 1 inputs for the calculation of observable market value

Level 3 market value : Calculated using unobservable inputs for valuation

When multiple inputs that significantly affect the determination of market value are used, the market value is classified according to the lowest level of input used in the valuation.

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

(Unit: millions of yen)

| Category              | Market value |         |         |        |
|-----------------------|--------------|---------|---------|--------|
|                       | Level 1      | Level 2 | Level 3 | Total  |
| Investment securities |              |         |         |        |
| Other securities      | 76,576       | —       | —       | 76,576 |
| Total assets          | 76,576       | —       | —       | 76,576 |

(2) Financial instruments other than those recorded at market value in the consolidated balance sheet

(Unit: millions of yen)

| Category                                                                             | Market value |         |         |        |
|--------------------------------------------------------------------------------------|--------------|---------|---------|--------|
|                                                                                      | Level 1      | Level 2 | Level 3 | Total  |
| Long-term loans payable<br>(including current portion of<br>long-term loans payable) |              |         |         |        |
|                                                                                      | —            | 53,268  | —       | 53,268 |
| Total liabilities                                                                    | —            | 53,268  | —       | 53,268 |

(Note) Information regarding the valuation techniques used to determine market value and the inputs involved in valuation

Investment securities

All investment securities consist of listed stocks, which are valued based on market prices. Since listed stocks are traded in active markets, their market value is classified as Level 1.

Long-term loans payable (including current portion of long-term loans payable)

The market value of long-term loans payable is determined by discounting the total principal and interest using an appropriate rate, which incorporates a credit spread over the yield on government bonds or other relevant benchmarks. Their market value is classified as Level 2.

(Notes on Revenue Recognition)

1. Information derived from the classification of revenue from contracts with customers

(Unit: millions of yen)

|                                       | Food and Beverages |                |                    |          |
|---------------------------------------|--------------------|----------------|--------------------|----------|
|                                       | (Japan)            | (The Americas) | (Asia and Oceania) | (Europe) |
| Net sales                             |                    |                |                    |          |
| Revenue from contracts with customers | 220,386            | 91,120         | 136,209            | 12,694   |
| Other revenue                         | —                  | —              | —                  | —        |
| Net sales from external customers     | 220,386            | 91,120         | 136,209            | 12,694   |

|                                       | Others | Amounts recorded in the consolidated financial statement |
|---------------------------------------|--------|----------------------------------------------------------|
| Net sales                             |        |                                                          |
| Revenue from contracts with customers | 26,014 | 486,425                                                  |
| Other revenue                         | —      | —                                                        |
| Net sales from external customers     | 26,014 | 486,425                                                  |

## 2. Fundamental information for understanding revenue

The Company and its consolidated subsidiaries primarily engage in the beverage and food manufacturing and sales business.

In the Food and Beverages business, revenue is recognized at the point when control of the product or goods is transferred to the customer, which occurs when the product or goods are delivered, and the performance obligation is fulfilled. In home delivery, we measure the revenue based on the sales price at the point when the products or goods are transferred to the customer. For sales to mass retailers and others, we measure the revenue based on the agreed sales price in the contract, after deducting amounts such as sales incentives and center fees that are paid to the customer.

For sales of equipment and materials in the Food and Beverages business, we have determined that our role in providing goods or services to customers qualifies as an agent transaction, and therefore, we recognize the net amount as revenue.

The agreed payment is typically received within about one month from the point at which the performance obligation is satisfied, and there are no significant financial elements included in the amount of consideration.

Additionally, there are no significant remaining performance obligations or material contract balances, and there have been no significant changes in the beginning and ending balances of receivables and contract liabilities arising from customer contracts.

### (Notes on Per Share Information)

|                                                 |              |
|-------------------------------------------------|--------------|
| Net assets per share                            | 2,075.29 yen |
| Earnings per share (EPS) for the current period | 150.72 yen   |

(Notes on regarding significant subsequent events)

Yakult Honsha Co., Ltd. ("Company") hereby announces that on May 12, 2026, the Board of Directors resolved matters relating to share buybacks pursuant to the provisions of Article 459, paragraph 1 of the Companies Act and Article 36 of the Company's Articles of Incorporation and resolved to cancel all of the repurchased shares pursuant to the provisions of Article 178 of the Companies Act

1. Reasons for the share buybacks and share cancellation

In its Medium-Term Management Plan (2025–2030), the Company Group commits to a policy to complete share buybacks totaling at least 100 billion yen by FY2030.

With a view to steadily implementing the financial and capital strategies set forth in the Medium-Term Management Plan, the Company has reviewed its financial condition and cash flow, the market environment and other factors, and has decided to carry out the policy measures ahead of schedule and achieve the target figures within FY2026 in order to enhance capital efficiency and shareholder returns. This decision forms part of the Company's efforts to realize management that is mindful of the cost of capital.

All of the treasury shares acquired pursuant to the Board of Directors' resolution will be canceled in order to enhance medium- to long-term corporate value.

2. Details of the share buybacks

(1) Type of shares to be repurchased: Common shares of the Company

(2) Total number of shares authorized for repurchase: 26,500,000 shares (maximum)

(9.10% of the total number of shares outstanding before cancellation (excluding treasury shares))

(3) Aggregate repurchase price: 55 billion yen (maximum)

(4) Period of repurchase: From June 19, 2026 (Friday) to March 16, 2027 (Tuesday)

(5) Method of repurchase: Open market purchase on the Tokyo Stock Exchange, Inc.

3. Details of cancellation

(1) Type of shares to be canceled: Common shares of the Company

(2) Number of shares to be canceled: All of the treasury shares acquired under Section 2 above

(3) Scheduled date of cancellation: March 26, 2027 (Friday)

(Reference) Status of Treasury Shares as of April 30, 2026

Total number of shares outstanding (excluding treasury shares): 291,277,528 shares

Number of treasury shares: 17,007,708 shares

(Additional Information)

Hyperinflationary Accounting

Because cumulative inflation in Myanmar over a three-year period surpassed 100 percent in the fiscal year under review, we considered our subsidiary that uses the Myanmar kyat as its functional currency to be conducting business operations under hyperinflationary economic conditions. Thus, we adjusted our accounting according to the requirements stipulated in International Accounting Standard 29 (IAS 29), “Financial Reporting in Hyperinflationary Economies.”

IAS 29 requires companies to adjust the measurement units of the financial statements of subsidiaries operating under hyperinflationary economic conditions to the measurement units as of the last day of the reporting period before including the financial results in the consolidated financial statements. To make these adjustments, we used conversion factors based on the Myanmar Consumer Price Index (CPI) published by the International Monetary Fund (IMF).

For the subsidiary mentioned above, we restated the values of some non-monetary items measured at acquisition cost, such as tangible fixed assets, based on the acquisition date using the appropriate conversion factor. Other monetary items measured at acquisition cost are not redisplayed because they are assumed to be expressed in units of measurement as of the last day of the reporting period. The impacts of inflation on net monetary position are included in non-operating expenses on the consolidated statement of income. Note that results reflecting cumulative effects up until the previous fiscal year in accordance with IAS 29 have only a negligible effect on retained earnings at the beginning of the fiscal year under review. The figures in the financial statements of the subsidiary in question will be converted to yen using the exchange rate on the last day of the relevant fiscal year and reflected in the consolidated financial statements.

# Unconsolidated Balance Sheet

(As of March 31, 2026)

(Unit: million yen)

| Assets                                |                | Liabilities                                 |                 |
|---------------------------------------|----------------|---------------------------------------------|-----------------|
| Account                               | Amount         | Account                                     | Amount          |
| <b>Current assets</b>                 | <b>72,575</b>  | <b>Current liabilities</b>                  | <b>101,261</b>  |
| Cash and deposits                     | 6,114          | Electronically recorded obligations         | 5,004           |
| Accounts receivable                   | 42,382         | Accounts payable                            | 13,884          |
| Merchandise and Finished goods        | 4,138          | Short-term borrowings                       | 50,210          |
| Work in process                       | 1,267          | Current portion of long-term borrowings     | 2,500           |
| Raw materials and supplies            | 4,525          | Lease liabilities                           | 552             |
| Others                                | 14,147         | Other account payable                       | 2,776           |
| <b>Non-Current assets</b>             | <b>363,596</b> | Accrued expenses                            | 11,085          |
| <b>Property, plant and equipment</b>  | <b>103,396</b> | Income taxes payable                        | 4,244           |
| Buildings                             | 30,765         | Deposit received                            | 5,880           |
| Structures                            | 2,190          | Provision for bonuses                       | 3,923           |
| Machinery and equipment               | 13,369         | Others                                      | 1,199           |
| Vehicles                              | 32             | <b>Non-current liabilities</b>              | <b>69,735</b>   |
| Tools, furniture and fixtures         | 1,333          | Long-term borrowings                        | 50,000          |
| Land                                  | 43,321         | Lease liabilities                           | 965             |
| Leased assets                         | 1,464          | Deferred tax liabilities                    | 17,432          |
| Construction in progress              | 10,918         | Asset retirement obligations                | 944             |
| <b>Intangible assets</b>              | <b>5,538</b>   | Others                                      | 392             |
| Software                              | 3,976          | <b>Total liabilities</b>                    | <b>170,996</b>  |
| Others                                | 1,561          | <b>Net assets</b>                           |                 |
| <b>Investments and other assets</b>   | <b>254,661</b> | <b>Account</b>                              | <b>Amount</b>   |
| Investment securities                 | 79,915         | <b>Shareholders' equity</b>                 | <b>227,668</b>  |
| Shares of subsidiaries and associates | 124,233        | <b>Capital stocks</b>                       | <b>31,117</b>   |
| Long-term loans receivable            | 35,763         | <b>Capital surplus</b>                      | <b>40,659</b>   |
| Prepaid pension costs                 | 11,175         | Legal capital surplus                       | 40,659          |
| Others                                | 3,767          | <b>Retained earnings</b>                    | <b>202,311</b>  |
| Allowance for doubtful accounts       | (33)           | Legal retained earnings                     | 7,779           |
| Allowance for investment loss         | (160)          | Other retained earnings                     | 194,531         |
|                                       |                | Reserve for tax purpose reduction           |                 |
|                                       |                | entry of non-current assets                 | 1,267           |
|                                       |                | General reserve                             | 118,500         |
|                                       |                | Retained earnings brought forward           | 74,764          |
|                                       |                | <b>Treasury shares</b>                      | <b>(46,419)</b> |
|                                       |                | Valuation and translation adjustments, etc. | 37,507          |
|                                       |                | <b>Valuation difference on</b>              |                 |
|                                       |                | <b>available-for-sale securities</b>        | <b>37,507</b>   |
| <b>Total assets</b>                   | <b>436,172</b> | <b>Total net assets</b>                     | <b>265,175</b>  |
|                                       |                | <b>Total liabilities and net assets</b>     | <b>436,172</b>  |

# Unconsolidated Statement of Income

( From April 1, 2025  
To March 31, 2026 )

(Unit: million yen)

| Account                                             | Amount |                |
|-----------------------------------------------------|--------|----------------|
| <b>Net sales</b>                                    |        | <b>163,717</b> |
| <b>Cost of sales</b>                                |        | <b>88,931</b>  |
| <b>Gross profit</b>                                 |        | <b>74,785</b>  |
| <b>Selling, general and administrative expenses</b> |        | <b>63,128</b>  |
| <b>Operating profit</b>                             |        | <b>11,657</b>  |
| <b>Non-operating income</b>                         |        |                |
| Interest income, Dividend income                    | 51,435 |                |
| Others                                              | 5,683  | <b>57,119</b>  |
| <b>Non-operating expenses</b>                       |        |                |
| Interest expenses                                   | 1,016  |                |
| Commission expenses                                 | 211    |                |
| Taxes and dues                                      | 235    |                |
| Rent expenses                                       | 237    |                |
| Others                                              | 71     | <b>1,773</b>   |
| <b>Ordinary profit</b>                              |        | <b>67,003</b>  |
| <b>Extraordinary income</b>                         |        |                |
| Gain on sale of non-current assets                  | 27     |                |
| Gain on sale of investment securities               | 8,959  |                |
| Others                                              | 506    | <b>9,494</b>   |
| <b>Extraordinary losses</b>                         |        |                |
| Loss on retirement of non-current assets            | 185    |                |
| Impairment losses                                   | 29     |                |
| Others                                              | 2      | <b>216</b>     |
| <b>Profit before income taxes</b>                   |        | <b>76,281</b>  |
| Income taxes - current                              | 9,632  |                |
| Income taxes - deferred                             | 396    | <b>10,028</b>  |
| <b>Profit for the period</b>                        |        | <b>66,252</b>  |

# Unconsolidated Statements of change in shareholders' equity

( From April 1, 2025  
To March 31, 2026 )

(Unit: million yen)

|                                                                                 | Shareholders' equity          |                             |                                  |                                                                    |                                                      |                                                                           |                     |                                            |
|---------------------------------------------------------------------------------|-------------------------------|-----------------------------|----------------------------------|--------------------------------------------------------------------|------------------------------------------------------|---------------------------------------------------------------------------|---------------------|--------------------------------------------|
|                                                                                 | Capital surplus               |                             |                                  |                                                                    | Retained earnings                                    |                                                                           |                     |                                            |
|                                                                                 | Capital<br>stocks             | Legal<br>capital<br>surplus | Other<br>capital<br>surplus      | Total<br>Capital<br>surplus                                        | Legal<br>retained<br>earnings                        | Other retained earnings                                                   |                     |                                            |
|                                                                                 |                               |                             |                                  |                                                                    |                                                      | Reserve for tax<br>purpose<br>reduction entry<br>of non-current<br>assets | General<br>reserve  | Retained<br>earnings<br>brought<br>forward |
| Balance as of Apr. 1, 2025                                                      | 31,117                        | 40,659                      | 385                              | 41,044                                                             | 7,779                                                | 1,276                                                                     | 187,500             | 55,541                                     |
| Change in shareholders' equity                                                  |                               |                             |                                  |                                                                    |                                                      |                                                                           |                     |                                            |
| Reversal of reserve for tax<br>purpose reduction entry of<br>non-current assets |                               |                             |                                  |                                                                    |                                                      | (9)                                                                       |                     | 9                                          |
| Reversal of general reserve                                                     |                               |                             |                                  |                                                                    |                                                      |                                                                           | (69,000)            | 69,000                                     |
| Dividends                                                                       |                               |                             |                                  |                                                                    |                                                      |                                                                           |                     | (19,219)                                   |
| Profit for the period                                                           |                               |                             |                                  |                                                                    |                                                      |                                                                           |                     | 66,252                                     |
| Acquisition of treasury shares                                                  |                               |                             |                                  |                                                                    |                                                      |                                                                           |                     |                                            |
| Disposal of treasury shares                                                     |                               |                             | 2                                | 2                                                                  |                                                      |                                                                           |                     |                                            |
| Cancellation of treasury shares                                                 |                               |                             | (388)                            | (388)                                                              |                                                      |                                                                           |                     | (96,819)                                   |
| Change in the items except the<br>shareholders' equity (Net)                    |                               |                             |                                  |                                                                    |                                                      |                                                                           |                     |                                            |
| Total                                                                           | —                             | —                           | (385)                            | (385)                                                              | —                                                    | (9)                                                                       | (69,000)            | 19,223                                     |
| Balance as of Mar. 31, 2026                                                     | 31,117                        | 40,659                      | —                                | 40,659                                                             | 7,779                                                | 1,267                                                                     | 118,500             | 74,764                                     |
|                                                                                 | Shareholders' equity          |                             |                                  | Valuation and translation adjustments                              |                                                      |                                                                           |                     |                                            |
|                                                                                 | Total<br>Retained<br>earnings | Treasury shares             | Total<br>shareholders'<br>equity | Valuation<br>difference on<br>available-for-<br>sale<br>securities | Total Valuation<br>and<br>translation<br>adjustments |                                                                           | Total<br>net assets |                                            |
| Balance as of Apr. 1, 2025                                                      | 252,097                       | (126,040)                   | 198,219                          | 26,252                                                             | 26,252                                               |                                                                           | 224,471             |                                            |
| Change in shareholders' equity                                                  |                               |                             |                                  |                                                                    |                                                      |                                                                           |                     |                                            |
| Reversal of reserve for tax<br>purpose reduction entry of<br>non-current assets | —                             |                             | —                                |                                                                    |                                                      |                                                                           | —                   |                                            |
| Reversal of general reserve                                                     | —                             |                             | —                                |                                                                    |                                                      |                                                                           | —                   |                                            |
| Dividends                                                                       | (19,219)                      |                             | (19,219)                         |                                                                    |                                                      |                                                                           | (19,219)            |                                            |
| Profit for the period                                                           | 66,252                        |                             | 66,252                           |                                                                    |                                                      |                                                                           | 66,252              |                                            |
| Acquisition of treasury shares                                                  |                               | (18,000)                    | (18,000)                         |                                                                    |                                                      |                                                                           | (18,000)            |                                            |
| Disposal of treasury shares                                                     |                               | 413                         | 416                              |                                                                    |                                                      |                                                                           | 416                 |                                            |
| Cancellation of treasury shares                                                 | (96,819)                      | 97,207                      | —                                |                                                                    |                                                      |                                                                           | —                   |                                            |
| Change in the items except the<br>shareholders' equity (Net)                    |                               |                             |                                  | 11,254                                                             | 11,254                                               |                                                                           | 11,254              |                                            |
| Total                                                                           | (49,786)                      | 79,621                      | 29,449                           | 11,254                                                             | 11,254                                               |                                                                           | 40,704              |                                            |
| Balance as of Mar. 31, 2026                                                     | 202,311                       | (46,419)                    | 227,668                          | 37,507                                                             | 37,507                                               |                                                                           | 265,175             |                                            |

## Unconsolidated Financial Statements

(Matters Related to Important Accounting Policies)

### 1. Standards and methods for valuation of asset

#### Securities

|                                                               |                                                                                                                                                                                                  |
|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Subsidiaries and affiliates:                                  | Stated at cost based on the moving-average method                                                                                                                                                |
| Other securities                                              |                                                                                                                                                                                                  |
| Securities other than stocks, etc.<br>without a market price: | Reported at market value method<br>(Net unrealized gains (losses) are recorded directly in<br>net assets, and the costs of securities sold are<br>calculated based on the moving-average method) |
| Shares, etc. without a market price:                          | Stated at cost based on the moving-average method                                                                                                                                                |

#### Inventories

|                                                                                  |                                                                                                                                                                                       |
|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Merchandise, finished goods,<br>work-in-process, raw materials, and<br>supplies: | Stated at cost based on the moving-average method<br>(Amounts shown on the balance sheet are based on<br>the method for reducing the book value due to a<br>decline in profitability) |
|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### 2. Depreciation methods applied to non-current assets

#### Property, plant and equipment (excluding leased assets)

##### Buildings (excluding facilities attached to buildings)

|                                      |                          |
|--------------------------------------|--------------------------|
| Acquired on or before March 31, 1998 | Declining balance method |
| Acquired on or after April 1, 1998   | Straight-line method     |

##### Facilities attached to buildings and structures

|                                      |                          |
|--------------------------------------|--------------------------|
| Acquired on or before March 31, 2016 | Declining balance method |
| Acquired on or after April 1, 2016   | Straight-line method     |

##### Other property, plant and equipment

|                       |                          |                |
|-----------------------|--------------------------|----------------|
| Principal useful life | Declining balance method |                |
|                       | Building:                | 12 to 50 years |
|                       | Machinery and equipment: | 4 to 17 years  |

#### Intangible assets (excluding leased assets)

##### Software

|                            |                                                       |
|----------------------------|-------------------------------------------------------|
| Software for internal use: | Straight-line method over a useful life of five years |
| Other intangible assets:   | Straight-line method                                  |

#### Leased assets

|                                                                                       |                                                                                                 |
|---------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| Leased assets related to finance lease<br>transactions without transfer of ownership: | Depreciated over the lease period by the straight-<br>line method with a residual value of zero |
|---------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|

### 3. Accounting standards for allowances

|                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Allowance for doubtful accounts                              | To provide for losses due to irrecoverable receivables, the Company records allowances for doubtful accounts at the estimated uncollectible amount. This amount is based on past credit loss experience for general accounting receivables and in consideration of individual collectability for specific receivables including doubtful accounts receivable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Allowance for investment loss                                | To provide for losses arising from declines in the value of affiliated company shares, the necessary allowance is recorded based on individual assessments that take into account the financial condition of the respective companies.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Provision for bonuses                                        | To provide for the payment of summer bonuses to employees, the estimated portion attributable to the current fiscal year is recognized as an expense.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Provision for retirement benefits<br>(Prepaid pension costs) | <p>The Company recognizes liabilities for employee retirement benefits based on the estimated retirement benefit obligations and pension plan assets at the end of the fiscal year.</p> <p>We use the benefit formula standard to allocate the estimated retirement benefit amount over the period leading up to the end of the fiscal year when calculating retirement benefit obligations.</p> <p>Past service costs are expensed in full when incurred.</p> <p>Actuarial gains and losses are amortized on a straight-line basis over a fixed period of 10 years, which falls within the expected average remaining service period of employees, with amortization beginning in the fiscal year following their occurrence.</p> <p>As of the end of the current fiscal year, the total amount of plan assets exceeds the amount of retirement benefit obligations after deducting unrecognized actuarial differences. Accordingly, the excess amount is recorded as prepaid pension expenses under investments and other assets.</p> |

### 4. Accounting standards for revenue and expenses

The main business of the Company is the Food and Beverages business.

In the Food and Beverages business, revenue is recognized upon delivery of the product or goods, as control of the product or goods is transferred to the customer at that point, satisfying the performance obligation.

5. Significant accounting policies for the preparation of other financial statements

Accounting method for retirement benefits

The method used to account for unrecognized actuarial differences related to retirement benefits differs from that applied in the consolidated financial statements.

Standards for the translation of foreign-currency-denominated assets or liabilities into Japanese yen

Foreign currency-denominated receivables and payables are converted to yen at the spot exchange rate at the balance sheet date, and the translation adjustment is treated as a profit or loss.

(Notes on Accounting Estimates)

Valuation of shares in foreign subsidiaries

- The 67,319 million yen of the 124,233 million yen recorded for affiliated company shares in the current fiscal year

- Additional information useful for understanding other accounting estimates

The Group manufactures and sells fermented milk drinks in 39 countries and regions outside Japan through its core Food and Beverages segment, and operates 28 overseas subsidiaries.

The valuation of shares in foreign subsidiaries is assessed by comparing acquisition costs with their fair value. In the current fiscal year, evaluations were conducted for each foreign subsidiary, and a significant decline in fair value and no support by sufficient evidence of recoverability was identified at Yakult Myanmar Co., Ltd.; accordingly, the acquisition cost was written down by 2,927 million yen. However, since this was offset against the reversal of an allowance for investment loss previously recognized, there was no impact on profit or loss.

The performance of each foreign subsidiary is subject to various external factors, including political, economic, and social conditions, legal and regulatory frameworks, natural disasters, and infectious disease outbreaks in their respective countries or regions of operation. In the case of newly established subsidiaries, particularly in countries or regions where probiotics are not yet widely recognized, market penetration of products may take time, potentially resulting in underperformance relative to business plans. Should these factors materialize and lead to the recognition of impairment losses on fixed assets or a significant decline in fair value, there is a possibility that a valuation loss corresponding to the decline may be recognized.

(Notes on the Balance Sheet)

1. Assets pledged as collateral

|           |                   |
|-----------|-------------------|
| Buildings | 173 million yen   |
| Land      | 2,524 million yen |

Among the above assets, a revolving mortgage related to bank transactions has been established; however, there are no corresponding secured liabilities.

2. Accumulated depreciation of property, plant and equipment 129,658 million yen

3. Monetary receivables from and payables to subsidiaries and affiliates

|                                 |                    |
|---------------------------------|--------------------|
| Short-term monetary receivables | 33,067 million yen |
| Short-term monetary payables    | 10,005 million yen |
| Long-term monetary receivables  | 35,763 million yen |
| Long-term monetary payables     | 21 million yen     |

4. Loan Commitments

In order to efficiently secure working capital, the Company has entered into loan commitment agreements with six commercial banks. The outstanding balance of undrawn borrowings under these loan commitments as of the end of the current fiscal year is as follows:

|                        |                    |
|------------------------|--------------------|
| Total loan commitments | 80,000 million yen |
| Outstanding borrowings | 48,000 million yen |
| Net amount             | 32,000 million yen |

(Notes related to the Statement of Income)

1. Transaction volume with subsidiaries and affiliates

Transaction volume from business activities

Net sales 91,529 million yen

Purchases and related costs 33,201 million yen

Transaction volume from non-business activities

Amount of assets purchased 5 million yen

Others 49,820 million yen

2. Total R&D expenses 9,733 million yen

(Notes Related to Statement of Changes in Equity)

Types and number of treasury shares as of the end of the fiscal year

Common stock 16,180,948 shares

(Notes Related to Deferred Tax Accounting)

1. Details of the primary factors contributing to deferred tax assets and liabilities

|                                                               |                      |
|---------------------------------------------------------------|----------------------|
| Deferred tax assets                                           |                      |
| Provision for bonuses                                         | 1,236 million yen    |
| Commissioned research expenses                                | 879 million yen      |
| Non-current assets (impairment loss)                          | 692 million yen      |
| Others                                                        | 5,195 million yen    |
| Subtotal of deferred tax assets                               | 8,003 million yen    |
| Allowance for deferred tax assets                             | (3,862) million yen  |
| Total deferred tax assets                                     | 4,141 million yen    |
| Deferred tax liabilities                                      |                      |
| Valuation difference on available-for-sale securities         | (17,254) million yen |
| Prepaid pension costs                                         | (3,522) million yen  |
| Reserve for tax purpose reduction entry of non-current assets | (583) million yen    |
| Others                                                        | (213) million yen    |
| Total deferred tax liabilities                                | (21,573) million yen |
| Deferred tax assets, net<br>(Minus indicates liability)       | (17,432) million yen |

2. Reconciliation of the principal items responsible for significant differences between the normal effective statutory tax rates and the actual effective tax rates after applying deferred tax accounting

|                                                                 |          |
|-----------------------------------------------------------------|----------|
| Statutory effective tax rate                                    | 30.62%   |
| (Adjustments)                                                   |          |
| Entertainment expenses and other non-deductible permanent items | 0.55%    |
| Dividends received and other non-taxable permanent income items | (19.05)% |
| Valuation allowance                                             | (0.24)%  |
| Tax credits                                                     | (1.55)%  |
| Withholding tax on dividends from foreign subsidiaries          | 3.07%    |
| Others                                                          | (0.25)%  |
| Actual effective tax rate after deferred tax accounting         | 13.15%   |

(Notes on Transactions with Related Parties)

Subsidiaries and Affiliates

| Type       | Company name                 | Percentage of voting rights owned (or held) (%) | Relationship with related party                                    | Transaction details                   | Transaction amount (millions of yen) | Item                       | Balance at end of period (millions of yen) |
|------------|------------------------------|-------------------------------------------------|--------------------------------------------------------------------|---------------------------------------|--------------------------------------|----------------------------|--------------------------------------------|
| Subsidiary | Yakult U.S.A. Inc.           | Owned Direct 100%                               | Sales of manufacturing equipment and materials/                    | Underwriting of Capital Increase (*1) | 4,552                                | —                          | —                                          |
|            |                              |                                                 | Royalty income/ Shared Executive Officers                          | Lending funds (*2)                    | 34,463                               | Long-term loans receivable | 34,463                                     |
| Subsidiary | Yakult Chiba Plant Co., Ltd. | Owned Direct 100%                               | Contract manufacturing of our products / Shared Executive Officers | Underwriting of Capital Increase (*3) | 4,600                                | —                          | —                                          |

(\*1) Our company has conducted a capital increase for Yakult U.S.A. Inc.

(\*2) Our company has provided funds to Yakult U.S.A. Inc. through lending as part of the financing for capital expenditures.

(\*3) Our company has conducted a capital increase for Yakult Chiba Plant Co., Ltd.

(Notes on Revenue Recognition)

Basic information for understanding revenue

Same as presented in the consolidated notes.

(Notes on per Share Information)

Net assets per share 907.81 yen

Net income per share for the current fiscal year 225.77 yen

(Notes on Significant Subsequent Events)

Same as presented in the consolidated notes.