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To Whom It May Concern:

MEMBERSHIP

August 21, 2026

Company Name:	BULL-DOG SAUCE CO., LTD.
Representative:	Hisatoshi Ishigaki Representative Director, President and Executive Officer (Securities code: 2804; TSE Prime)
Inquiries:	Mai Saeki Representative Director, Senior Managing Executive Officer and General Manager of Corporate Planning Office (TEL: +81-3-3668-6821)

Notice Concerning Action to Implement Management that is Conscious of Cost of Capital and Stock Price (Update)

BULL-DOG SAUCE CO., LTD. (the “Company”) hereby announces that, at the meeting of its Board of Directors held on August 21, 2026, it approved an update to the Company's Action to Implement Management that is Conscious of Cost of Capital and Stock Price, including specific initiatives and other measures.

For further details, please refer to the attached document entitled “Action to Implement Management that is Conscious of Cost of Capital and Stock Price (Update).”

Bull-Dog

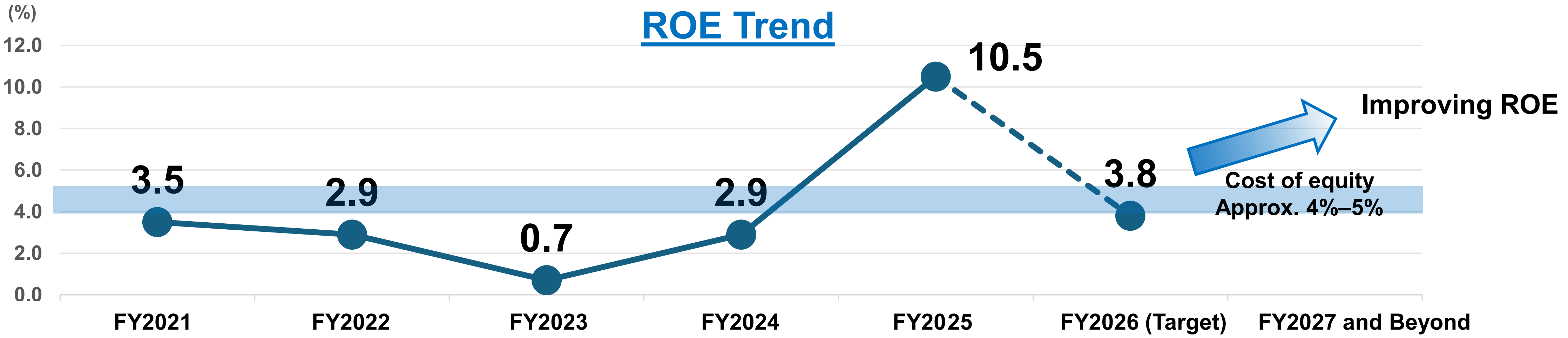
Action to Implement Management that is Conscious of Cost of Capital and Stock Price
(Update)

August 21, 2026

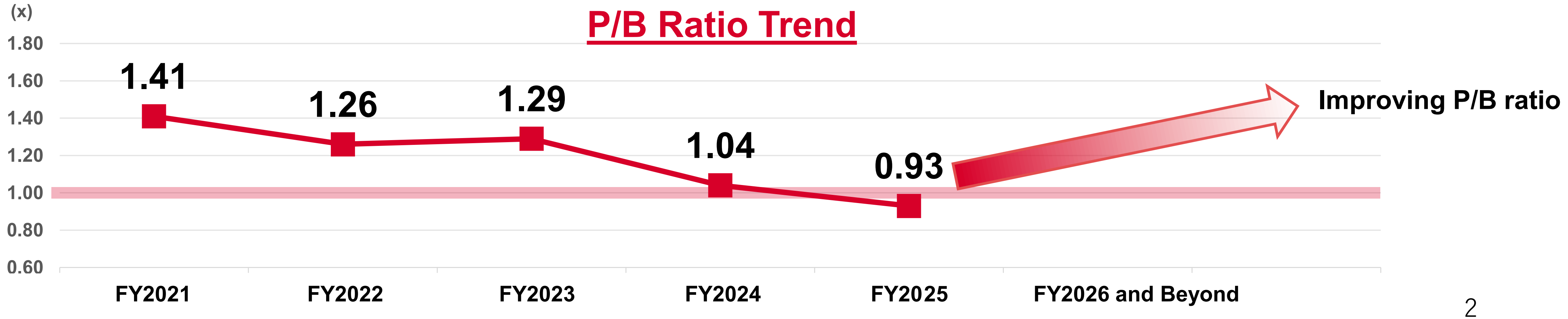
BULL-DOG SAUCE CO., LTD.
Securities Code: 2804

Situation Analysis (ROE and P/B Ratio Trends)

- Although ROE is trending upward, FY2025 ROE excluding extraordinary income was approximately in line with the cost of equity
- Price-to-book (P/B) ratio is below 1.0x, making it important to further enhance corporate value
- The Company estimates its cost of equity at approximately 4%–5% (calculated based on CAPM)



* FY2025 includes a gain on sale of non-current assets associated with the sale of the former Hatogaya Plant site



Initiatives to Improve P/B Ratio

■ To improve the P/B ratio, we will implement the initiatives below, aiming to increase ROE and our price-to-earnings (P/E) ratio

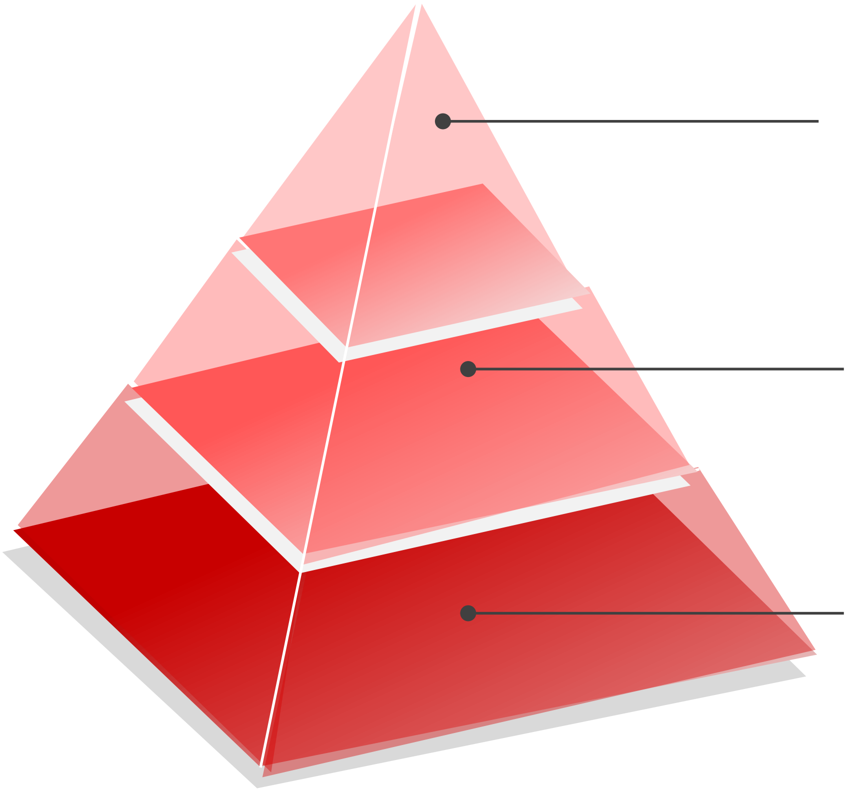
Corporate Value Enhancement			Initiative Details
P/B Ratio	Capital Profitability Improvement: ROE	1. Improving Profitability	• ROE: 5% in FY2028; 8% in FY2032 • Steady execution of the three strategies to achieve the Long-Term Vision • Make growth strategy investments
		2. Improving the Balance Sheet	• Reduce cross-shareholdings • Utilize owned assets • Shareholder returns
	Market Valuation Improvement: P/E Ratio	3. IR Activities	• Expand information disclosure • Strengthen dialogue with investors • Consider a shareholder benefit program for long-term shareholders
		3. Strengthening Governance	• Analyze and assess the effectiveness of the Board of Directors • Optimize cross-shareholdings • Increase the ratios of outside directors and female directors • Increase the number of directors who are Audit and Supervisory Committee members

1. Improving Profitability

Bull-Dog

(1) MVV in the Long-Term Vision

- To achieve sustainable growth amid significant changes in the operating environment, we formulated “Bull-Dog Global Innovation 2032,” our Long-Term Vision
- In formulating the Long-Term Vision, we defined our Mission, Vision, and Value (MVV)



Mission

Social Value the Bull-Dog Group Aims to Achieve

The Bull-Dog Group “manufactures sauces for the world”

Vision

Where the Bull-Dog Group Aims to Be in 2032

Deliver deliciousness that makes people relax through the attractiveness of sauce

Value

Standards for Value Judgments (Standards of Conduct) for Bull-Dog Group Employees

Bring the “joy of food” to people around the world:

1. Delivering deliciousness
2. Delivering safety and reliability
3. Delivering high quality

Definition of “Sauce”: “Sauce” is used in a broad sense, including white sauce and beurre blanc, rather than just medium-thickness and other brown sauces.

1. Improving Profitability

(2) Basic Strategies under the Long-Term Vision

- Aiming to become the top brand in both name and substance in Japan and overseas by FY2032
- Steadily execute domestic, overseas, and value chain strategies

Strategic Direction

Grow into a Global Brand that Masters “Sauce”

By maximizing our value added as a sauce manufacturer, we will
become the top sauce brand in both name and substance, in Japan and overseas.

Vision

Deliver deliciousness that makes people relax through the attractiveness of sauce

Growth Posture in Japan and Overseas

Domestic Strategy	Overseas Strategy
Establish a Leading Position in the Domestic Sauce Market Targeting market share gains from competitors through new product launches and geographic expansion to become Japan’s leading sauce manufacturer	**Overseas Localization of the Bull-Dog Group** Through overseas localization, expand sales of sauce tailored to local needs and capture global market share

Expanded Production Framework

Value Chain Strategy

Management Transformation to Achieve Sustainable Growth

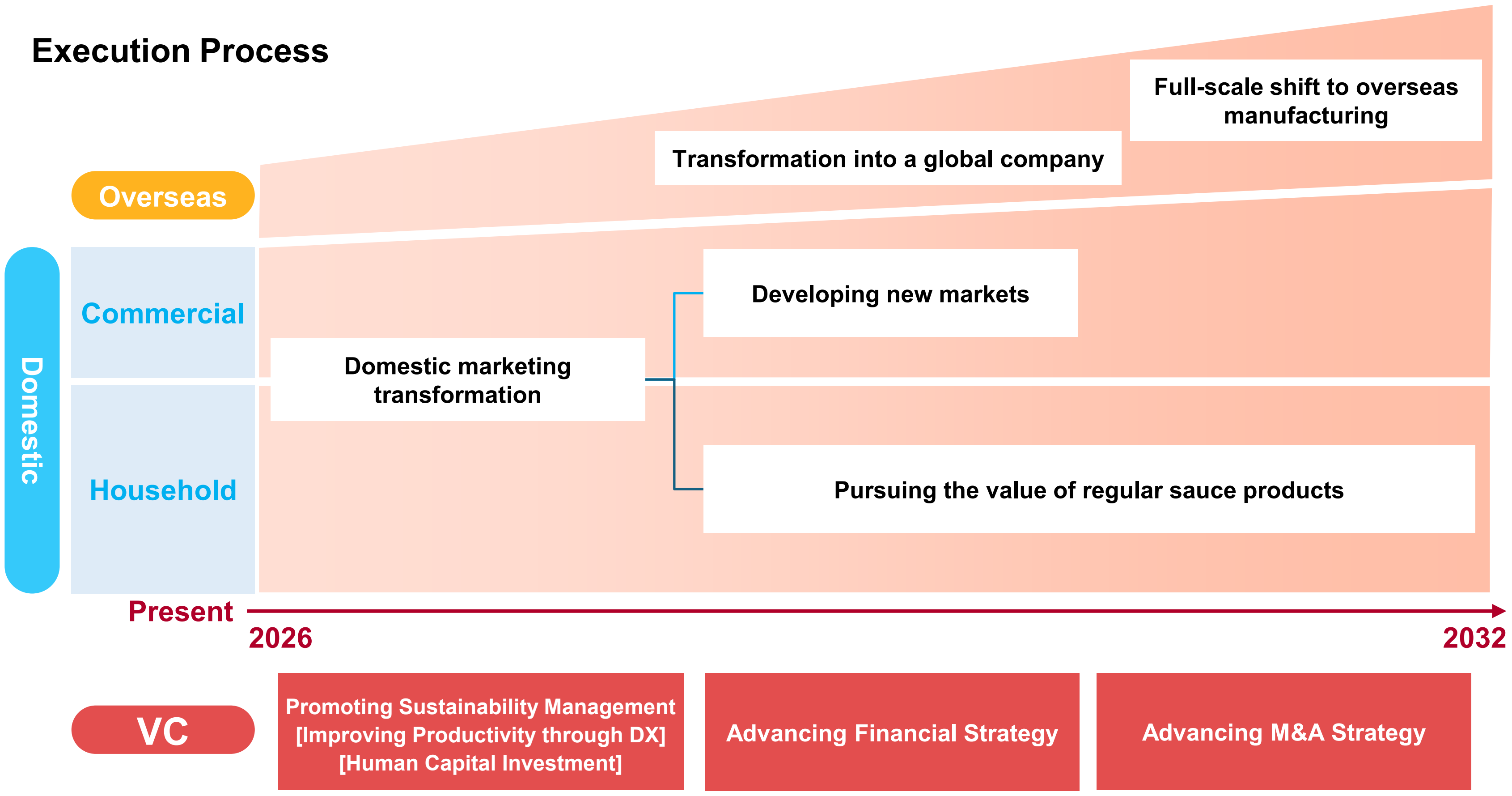
Pursue substantial growth while prioritizing responses to environmental issues, including the SDGs and ESG, and make upfront investments in people and plants to improve both production capacity and quality control

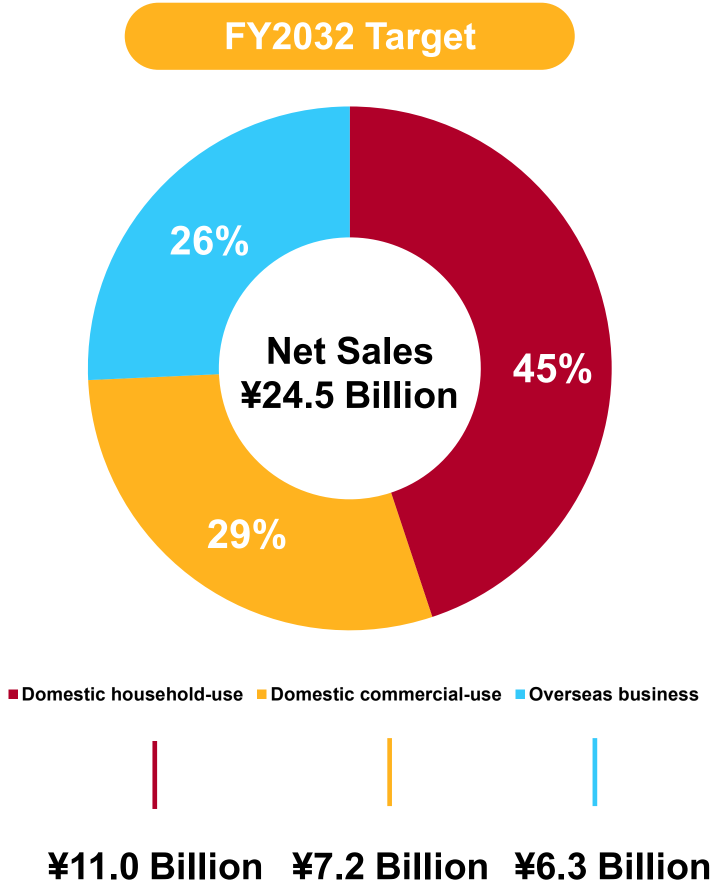
Bull-Dog

(3) Execution Process under the Long-Term Vision

- Target Group-wide net sales of ¥24.5 billion in FY2032
- Build on domestic household-use business while expanding domestic commercial-use and overseas businesses

Execution Process





(1) Financial Strategy: Specific Initiatives (FY2026–FY2028)

■ Improving profitability through growth strategy investments and strengthening the balance sheet, targeting an ROE of 5% in FY2028 and 8% in FY2032

1. Execute Strategic Investments
Growth strategy investments (¥5.0 billion)
* Promote domestic and overseas investments, productivity improvements, and systems investments

2. Reduce Cross-Shareholdings
Sale of cross-shareholdings (¥2.0 billion)

3. Utilize Owned Assets
Effective use of property, plant and equipment at headquarters and production sites

4. Shareholder Returns
Total return ratio of 60% (dividends + share repurchases)

FY2028
ROE 5%

FY2032
ROE 8%

2. Improving the Balance Sheet

Bull-Dog

(2) Financial Strategy: Cash Allocation (FY2026–FY2028)

■ **Allocating operating cash flow and proceeds from sales of cross-shareholdings and other sources to growth strategy investments and shareholder returns, achieving both sustainable growth and enhanced shareholder returns**

Cash In

- Operating Cash Flow ¥6.0 billion
- Sale of Cross-Shareholdings ¥2.0 billion
- Financing ¥1.0 billion or more

Cash Out

- Growth Strategy Investments ¥5.0 billion
- Shareholder Returns ¥3.0 billion or more
- Existing Investments ¥1.0 billion

Domestic Investments ¥3.0 billion	• Execution of M&A to expand domestic market share and sales channels • Investments to strengthen the domestic production structure
Overseas Investments ¥1.2 billion	• Investments to establish local operations and local production
Productivity Improvements and Systems Investments ¥0.8 billion	• Workplace improvements to increase productivity • Human capital investments, including base pay increases • Investments in DX and AI
Shareholder Returns ¥3.0 billion or more	• Total return ratio of 60% • Share repurchases: ¥1.5 billion

3. IR Activities and Strengthening Governance

- **Strengthening trust with capital markets through IR activities and enhanced governance, aiming to lower the cost of capital and raise the P/E ratio**

Initiatives to Date

IR Activities

- Expand information disclosure
  Held semiannual financial results briefings in May and November
- Dialogue with investors
  Held regular meetings between investors and executive officers
- Expanded the shareholder benefit program to offer a choice of benefits (January 2026)

Strengthening Governance

- Transitioned to a Company with an Audit and Supervisory Committee (effective June 2016)
- Established a Nomination and Compensation Committee chaired by an outside director (since December 2021)
- Analyze and assess the effectiveness of the Board of Directors (conducted annually)
  Enhance the Board's functions based on the assessment results
- Optimize cross-shareholdings (conducted annually)
  At Board of Directors meetings, the Company verifies whether the benefits of holding such shares are commensurate with the cost of capital and whether the holdings are economically rational and necessary from the standpoint of management strategy and sales policy

New Initiatives from FY2026 Onward

IR Activities

- Strengthen dialogue with investors
  Increase opportunities to meet with investors and encourage an appropriate valuation of the Company
- Consider a shareholder benefit program for long-term shareholders

Strengthening Governance

- Increase the ratios of outside directors and female directors (from June 2026)
  Strengthen the Board of Directors structure in light of the future business environment and direction of the business
  (Ratio of outside directors: 43% → 50%, ratio of female directors: 29% → 38%)
- Increase the number of directors who are Audit and Supervisory Committee members (from June 2026)
  Added one outside director with specialized expertise to further enhance corporate governance functions

Forward-looking statements in this document, including earnings forecasts, are based on information available to the Company as of the publication date of this document and on certain assumptions deemed reasonable by the Company and do not constitute a promise by the Company that they will be achieved.

Actual results and other outcomes may differ significantly due to various factors.

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