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(Securities Code: 2060)

June 5, 2024

(Electronic provision measures commencement date: May 29, 2024)

To Our Shareholders with Voting Rights:

Hidehiro Shoji
Director and President
FEED ONE CO., LTD.
2-23-2 Tsuruyacho, Kanagawa-ku,
Yokohama-shi, Kanagawa

**NOTICE OF CONVOCATION OF
THE 10TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We would like to express our appreciation for your continued support and patronage.

The 10th Ordinary General Meeting of Shareholders of FEED ONE CO., LTD. (the “Company”) will be held as described below.

In convening this meeting, the Company has taken electronic provision measures, and matters to be provided electronically (matters subject to electronic provision measures) are posted on the following website as “NOTICE OF CONVOCATION OF THE 10TH ORDINARY GENERAL MEETING OF SHAREHOLDERS.”

The Company’s website: <https://www.feed-one.co.jp/ir/library/shareholder/> (in Japanese)

In addition to the above, the information is posted on the following website.

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

Please access the website shown above, enter the Company’s name or securities code (2060) to search, and select “Basic information” and “Documents for public inspection/PR information” in this order to confirm the information.

If you are unable to attend the meeting, you may exercise your voting rights in writing or through the Internet. Please review the Reference Documents for the General Meeting for Shareholders provided below and exercise your voting rights by one of the following methods by no later than 5:20 p.m. on Thursday, June 20, 2024, Japan time.

[Exercising voting rights in writing (by mailing)]

Please indicate your vote of approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and return the form to us by the aforementioned deadline.

[Exercising voting rights through the Internet, etc.]

Please cast your vote of approval or disapproval of the proposals by the aforementioned deadline.

- 1. Date and Time:** Friday, June 21, 2024, at 10:00 a.m. Japan time
- 2. Place:** Nichirin banquet room (5F),
Yokohama Bay Sheraton Hotel & Towers
1-3-23 Kitasaiwai, Nishi-ku, Yokohama-shi, Kanagawa
- 3. Meeting Agenda:**
- Matters to be reported**
1. The Business Report, Consolidated Financial Statements for the Company's 10th Fiscal Year (April 1, 2023 - March 31, 2024), and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 10th Fiscal Year (April 1, 2023 - March 31, 2024)
- Matters to be resolved**
- Proposal 1:** Partial Amendments to the Articles of Incorporation
- Proposal 2:** Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 3:** Election of Three (3) Directors Who Are Audit and Supervisory Committee Members
- Proposal 4:** Election of One (1) Substitute Director Who Is an Audit and Supervisory Committee Member
- Proposal 5:** Decision on the Amount of Remuneration, Etc. of Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 6:** Decision on the Amount of Remuneration, Etc. of Directors Who Are Audit and Supervisory Committee Members
- Proposal 7:** Decision on the Amount of Stock Remuneration, Etc. to Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) and Partial Amendments to the Plan

Reference Documents for the General Meeting for Shareholders

Proposals and References

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reasons for Amendments

(1) While maintaining Audit and Supervisory Committee Members, who are responsible for the auditing, etc. of the execution of duties of the Directors, as constituent members of the Board of Directors, with the goal of strengthening oversight functions and accelerating decision-making by allowing the Board of Directors to delegate decisions on the execution of duties broadly to Directors, the Company wishes to transition from a Company with an Audit & Supervisory Board to a Company with an Audit & Supervisory Committee. This amendment establishes new provisions related to Directors who serve as Audit & Supervisory Board Members and the Audit & Supervisory Committee itself that are necessary for the transition to a Company with an Audit & Supervisory Committee, deletes provisions related to Corporate Auditors and the Audit & Supervisory Board and places transitional measures. Furthermore, with the transition to a Company with an Audit & Supervisory Committee, in order to enable the conclusion of liability limitation agreements with Directors other than Executive Directors, Article 31 of the current Articles of Incorporation will be changed as per the Proposed Amendment to Article 31. The consent of each Corporate Auditor has been obtained for the amendments.

(2) Other necessary changes, including lexical corrections, are made in accordance with the above amendments.

2. Details of amendments

The details of the amendments are as follows.

The amendments to the Articles of Incorporation pertaining to this Proposal will become effective at the conclusion of this General Meeting of Shareholders.

(Amended parts are underlined)

Current Articles of Incorporation	Proposed Amendments
<p>Chapter I General Provisions Articles 1 to 3 <Omitted></p> <p>(Organs) Article 4 The Company shall have, in addition to the general meeting of shareholders and Directors, the following organs: 1. Board of Directors 2. <u>Corporate Auditor</u> 3. <u>Board of Corporate Auditors</u> 4. <u>Accounting Auditor</u></p> <p>Article 5 <Omitted></p> <p>Chapter II Shares Articles 6 to 12 <Omitted></p> <p>Chapter III General Meeting of Shareholders Articles 13 to 18 <Omitted></p> <p>Chapter IV Directors and Board of Directors (Number of Directors) Article 19 The Company shall have not more than <u>twelve (12)</u> Directors. <Newly established></p>	<p>Chapter I General Provisions Articles 1 to 3 <Unchanged></p> <p>(Organs) Article 4 The Company shall have, in addition to the general meeting of shareholders and Directors, the following organs: 1. Board of Directors 2. <u>Audit and Supervisory Committee</u> <Deleted> 3. <u>Accounting Auditor</u></p> <p>Article 5 <Unchanged></p> <p>Chapter II Shares Articles 6 to 12 <Unchanged></p> <p>Chapter III General Meeting of Shareholders Articles 13 to 18 <Unchanged></p> <p>Chapter IV Directors and Board of Directors (Number of Directors) Article 19 The Company shall have not more than <u>nine (9)</u> Directors (<u>excluding Directors who are Audit and Supervisory Committee Members</u>). <u>The Company shall have not more than four (4) Directors who are Audit and Supervisory Committee Members.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p data-bbox="379 203 588 230" style="text-align: center;"><Newly established></p> <p data-bbox="181 398 387 425">(Method of Election)</p> <p data-bbox="181 427 783 645">Article 20 Directors shall be elected at a general meeting of shareholders. Resolutions on the election of a Director shall be made by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their votes at such meetings are present. Resolutions for the election of Directors shall not be conducted by cumulative voting.</p> <p data-bbox="181 728 344 754">(Term of Office)</p> <p data-bbox="181 757 777 891">Article 21 The term of office of a Director shall expire at the conclusion of the ordinary general meeting of shareholders for the last business year out of the business years terminating within one year after the election of the Director.</p> <p data-bbox="379 920 588 947" style="text-align: center;"><Newly established></p> <p data-bbox="204 1086 780 1167"><u>The term of office of a Director who is elected to increase the number of Directors or to fill a vacancy shall expire when the terms of office of the incumbent Directors expire.</u></p> <p data-bbox="379 1169 588 1196" style="text-align: center;"><Newly established></p> <p data-bbox="379 1305 588 1332" style="text-align: center;"><Newly established></p> <p data-bbox="181 1554 478 1581">(Directors With Special Titles)</p> <p data-bbox="181 1583 758 1688">Article 22 The Board of Directors may appoint, by its resolution, the Director and President, the Director and Chairman, one or a small number of other Directors with special titles.</p> <p data-bbox="181 1749 438 1776">(Representative Directors)</p> <p data-bbox="181 1778 743 1912">Article 23 The Director and President will be the Representative Director. In addition to the preceding paragraph, the Board of Directors may appoint Representative Director(s) by its resolution.</p>	<p data-bbox="995 174 1222 201" style="text-align: center;">Proposed Amendments</p> <p data-bbox="826 203 1409 369"><u>The Company may elect substitute Directors who are Audit and Supervisory Committee Members at a general meeting of shareholders to be ready to fill a vacant position should the number of Directors who are Audit and Supervisory Committee Members fall below the number required by laws and regulations.</u></p> <p data-bbox="804 398 1010 425">(Method of Election)</p> <p data-bbox="804 427 1406 701">Article 20 Directors shall be elected at a general meeting of shareholders, <u>distinguishing between those Directors who are Audit and Supervisory Committee Members and those who are not.</u> Resolutions on the election of a Director shall be made by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their votes at such meetings are present. Resolutions for the election of Directors shall not be conducted by cumulative voting.</p> <p data-bbox="804 728 967 754">(Term of Office)</p> <p data-bbox="804 757 1394 920">Article 21 The term of office of a Director (<u>excluding Directors who are Audit and Supervisory Committee Members</u>) shall expire at the conclusion of the ordinary general meeting of shareholders for the last business year out of the business years terminating within one year after the election of the Director.</p> <p data-bbox="826 922 1406 1086"><u>The term of office of a Director shall expire at the conclusion of the ordinary general meeting of shareholders for the last business year out of the business years terminating within two years after the election of the Director who is an Audit and Supervisory Committee Member.</u></p> <p data-bbox="1054 1086 1160 1113" style="text-align: center;"><Deleted></p> <p data-bbox="826 1169 1414 1525"><u>The term of office of a Director who is elected as the substitute for a Director who is an Audit and Supervisory Committee Member and retired from office before the expiration of the term of office shall continue until the time the term of office of the retired Director is to expire. The effective period of the resolution to appoint the Director who is a substitute Audit and Supervisory Committee Member appointed pursuant to the provisions of Article 329, paragraph (3) of the Companies Act shall continue until the start of the ordinary general meeting of shareholders for the last business year out of the business years terminating within two years after the election of the Director.</u></p> <p data-bbox="804 1554 1101 1581">(Directors With Special Titles)</p> <p data-bbox="804 1583 1382 1718">Article 22 The Board of Directors may appoint, by its resolution, the Director and President, the Director and Chairman, one or a small number of other Directors with special titles <u>from among Directors (excluding Directors who are Audit and Supervisory Committee Members).</u></p> <p data-bbox="804 1749 1062 1776">(Representative Directors)</p> <p data-bbox="804 1778 1386 1942">Article 23 The Director and President will be the Representative Director. In addition to the preceding paragraph, the Board of Directors may appoint Representative Director(s) <u>from among Directors (excluding Directors who are Audit and Supervisory Committee Members)</u> by its resolution.</p>

Current Articles of Incorporation	Proposed Amendments
<p>(Convocation of the Board of Directors and Chairman) Article 24 The Director and Chairman shall convene meetings of the Board of Directors and chair the meetings. In cases where the post of the Director and Chairman is vacant, or the Director and Chairman is prevented from so acting, the Director and President shall take his/her place. <u>In cases where the Director and President is also prevented from so acting, another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall take his/her place.</u> <Newly established></p>	<p>(Convocation of the Board of Directors and Chairman) Article 24 <u>Unless otherwise provided for by laws and regulations,</u> the Director and Chairman shall convene meetings of the Board of Directors and chair the meetings. In cases where the post of the Director and Chairman is vacant, or the Director and Chairman is prevented from so acting, the Director and President <u>or another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall take his/her place.</u> <u>Notwithstanding the preceding paragraph, Audit and Supervisory Committee Members appointed by the Audit and Supervisory Committee may convene meetings of the Board of Directors.</u></p>
<p>(Notice of Meeting of the Board of Directors) Article 25 When convening a meeting of the Board of Directors, a notice shall be dispatched to each Director <u>and each Corporate Auditor</u> at least three days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs. With the consent of all Directors <u>and Corporate Auditors</u>, a meeting of the Board of Directors may be held without following the convening procedures.</p>	<p>(Notice of Meeting of the Board of Directors) Article 25 When convening a meeting of the Board of Directors, a notice shall be dispatched to each Director at least three days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs. With the consent of all Directors, a meeting of the Board of Directors may be held without following the convening procedures.</p>
<p>(Authority of the Board of Directors) <u>Article 26 The Board of Directors shall handle decisions on important matters of business execution as well as matters provided for in laws and regulations and these Articles of Incorporation.</u> <Newly established></p>	<p><Deleted></p>
<p>Article 27 <Omitted></p>	<p>(Delegation of Decisions on Important Matters of Business Execution) <u>Article 26 Pursuant to the provisions of Article 399-13, paragraph (6) of the Companies Act, the Company may, by resolution of the Board of Directors, delegate all or part of decisions on important matters of business execution (excluding the matters listed in paragraph (5) of the same article) to the Directors.</u></p>
<p>(Regulations of the Board of Directors) Article 28 Matters concerning the Board of Directors shall be governed by the Regulations <u>for</u> Directors established by the Board of Directors, in addition to applicable laws and regulations and these Articles of Incorporation.</p>	<p>Article 27 <Unchanged></p>
<p>(Remuneration, Etc.) Article 29 Remuneration, bonuses and other economic benefits given to Directors in consideration for the execution of duties (hereinafter referred to as the “Remuneration, Etc.”) shall be determined by resolution of a general meeting of shareholders.</p>	<p>(Regulations of the Board of Directors) Article 28 Matters concerning the Board of Directors shall be governed by the Regulations <u>of the Board of Directors</u> established by the Board of Directors, in addition to applicable laws and regulations and these Articles of Incorporation.</p>
<p>Article 30 <Omitted></p>	<p>(Remuneration, Etc.) Article 29 Remuneration, bonuses and other economic benefits given to Directors in consideration for the execution of duties (hereinafter referred to as the “Remuneration, Etc.”) shall be determined by resolution of a general meeting of shareholders, <u>distinguishing between those Directors who are Audit and Supervisory Committee Members and those who are not.</u></p>
<p>Article 30 <Omitted></p>	<p>Article 30 <Unchanged></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Liability Limitation Agreement for <u>External Directors</u>) Article 31 Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into an agreement with <u>an External Director</u> limiting his/her liability for damages arising from neglecting his/her duties; provided, however, that the maximum liability for damages under such agreement shall be an amount as prescribed by laws and regulations.</p>	<p>(Liability Limitation Agreement for <u>Non-executive Directors</u>) Article 31 Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into an agreement with <u>a Director (excluding executive Directors, etc.)</u> limiting his/her liability for damages arising from neglecting his/her duties; provided, however, that the maximum liability for damages under such agreement shall be an amount as prescribed by laws and regulations.</p>
<p style="text-align: center;"><u>Chapter V</u> <u>Corporate Auditors and Board of Corporate Auditors</u> <u>(Number of Corporate Auditors)</u> Article 32 <u>The Company shall have not more than six (6) Corporate Auditors.</u></p>	<p style="text-align: center;"><Deleted></p> <p style="text-align: center;"><Deleted></p>
<p><u>(Efficacy of Election for Substitute Corporate Auditors)</u> Article 33 <u>The efficacy of the election of substitute Corporate Auditors shall last until the start of the General Meeting of Shareholders in the business year concluding within two years following the General Meeting of Shareholders at which the election in question was held.</u></p>	<p style="text-align: center;"><Deleted></p>
<p><u>(Method of Election)</u> Article 34 <u>Corporate Auditors shall be elected at a general meeting of shareholders. Resolutions on the election of a Corporate Auditor shall be made by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their votes at such meetings are present.</u></p>	<p style="text-align: center;"><Deleted></p>
<p><u>(Term of Office)</u> Article 35 <u>The term of office of a Corporate Auditor shall expire at the conclusion of the ordinary general meeting of shareholders for the last business year out of the business years terminating within four years after the election of the Corporate Auditor.</u> <u>The term of office of a Corporate Auditor who is elected as the substitute for a Corporate Auditor who retired from office before the expiration of the term of office shall continue until the time the term of office of the Corporate Auditor who retired from office is to expire.</u></p>	<p style="text-align: center;"><Deleted></p>
<p><u>(Full-Time Corporate Auditors)</u> Article 36 <u>The Board of Corporate Auditors shall appoint full-time Corporate Auditor(s) by its resolution.</u></p>	<p style="text-align: center;"><Deleted></p>
<p><u>(Notice of Meeting of the Board of Corporate Auditors)</u> Article 37 <u>When convening a meeting of the Board of Corporate Auditors, a notice shall be dispatched to each Corporate Auditor at least three days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs.</u> <u>With the consent of all Corporate Auditors, a meeting of the Board of Corporate Auditors may be held without following the convening procedures.</u></p>	<p style="text-align: center;"><Deleted></p>
<p><u>(Resolutions of the Board of Corporate Auditors)</u> Article 38 <u>Unless otherwise provided for by laws and regulations, resolutions of the Board of Corporate Auditors shall be made by a majority of the votes of the Corporate Auditors.</u></p>	<p style="text-align: center;"><Deleted></p>

Current Articles of Incorporation	Proposed Amendments
<p><u>(Regulations of the Board of Corporate Auditors)</u> <u>Article 39 Matters concerning the Board of Corporate Auditors shall be governed by the Regulations of the Board of Corporate Auditors established by the Board of Corporate Auditors, in addition to applicable laws and regulations and these Articles of Incorporation.</u></p>	<p><Deleted></p>
<p><u>(Remuneration, Etc.)</u> <u>Article 40 The Remuneration, Etc. to Corporate Auditors shall be determined by resolution of a general meeting of shareholders.</u></p>	<p><Deleted></p>
<p><u>(Exemption of Corporate Auditors From Liability)</u> <u>Article 41 Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt a Corporate Auditor (including a person who was formerly a Corporate Auditor) from his/her liability for damages arising from neglecting his/her duties to the extent permitted by laws and regulations.</u></p>	<p><Deleted></p>
<p><u>(Liability Limitation Agreement for Corporate Auditors)</u> <u>Article 42 Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into an agreement with a Corporate Auditor limiting his/her liability for damages arising from neglecting his/her duties; provided, however, that the maximum liability for damages under such agreement shall be an amount as prescribed by laws and regulations.</u></p>	<p><Deleted></p>
<p><Newly established></p>	<p><u>Chapter V</u> <u>Audit and Supervisory Committee</u></p>
<p><Newly established></p>	<p><u>(Full-Time Audit and Supervisory Committee Members)</u> <u>Article 32 The Audit and Supervisory Committee shall appoint full-time Audit and Supervisory Committee Member(s) by its resolution.</u></p>
<p><Newly established></p>	<p><u>(Notice of Meeting of the Audit and Supervisory Committee)</u> <u>Article 33 When convening a meeting of the Audit and Supervisory Committee, a notice shall be dispatched to each Audit and Supervisory Committee Member at least three days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs.</u> <u>With the consent of all Audit and Supervisory Committee Members, a meeting of the Audit and Supervisory Committee may be held without following the convening procedures.</u></p>
<p><Newly established></p>	<p><u>(Resolutions of the Audit and Supervisory Committee)</u> <u>Article 34 Resolutions at the Audit & Supervisory Committee are held with a majority of Audit and Supervisory Committee Members who are able to vote on resolutions in attendance and with a majority of Audit and Supervisory Committee Members in attendance voting.</u></p>
<p><Newly established></p>	<p><u>(Regulations of the Audit and Supervisory Committee)</u> <u>Article 35 Matters concerning the Audit and Supervisory Committee shall be governed by the Regulations of the Audit and Supervisory Committee established by the Audit and Supervisory Committee, in addition to applicable laws and regulations and these Articles of Incorporation.</u></p>
<p style="text-align: center;">Chapter VI Accounting Auditor Articles <u>43</u> to <u>44</u> <Omitted></p>	<p style="text-align: center;">Chapter VI Accounting Auditor Articles <u>36</u> to <u>37</u> <Unchanged></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Remuneration, Etc.) Article <u>45</u> The Remuneration, Etc. to the Accounting Auditor shall be determined by the Representative Director(s) with the consent of the <u>Board of Corporate Auditors</u>.</p> <p style="text-align: center;">Chapter VII Accounts</p> <p>Articles <u>46</u> to <u>50</u> <Omitted></p> <p style="text-align: center;"><Newly established> <Newly established></p>	<p>(Remuneration, Etc.) Article <u>38</u> The Remuneration, Etc. to the Accounting Auditor shall be determined by the Representative Director(s) with the consent of the <u>Audit and Supervisory Committee</u>.</p> <p style="text-align: center;">Chapter VII Accounts</p> <p>Articles <u>39</u> to <u>43</u> <Unchanged></p> <p><u>(Supplementary Provisions)</u> <u>(Transitional Measures for Exemption of Corporate Auditors From Liability)</u> <u>Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt a Corporate Auditor (including a person who was formerly a Corporate Auditor) designated by Article 423 paragraph (1) of the Companies Act from his/her liability for damages arising from neglecting his/her duties prior to the conclusion of the 10th Ordinary General Meeting of Shareholders to the extent permitted by laws and regulations.</u></p>



Proposal 2: Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)



The terms of office of all nine (9) Directors will expire at the closing of this General Meeting of Shareholders. If Proposal 1, “Partial Amendments to the Articles of Incorporation,” is approved as originally proposed, the Company will become a company with an Audit and Supervisory Committee. Therefore, the Company proposes the election of seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members; hereafter, the same shall apply in this Proposal) after the transition to a Company with an Audit and Supervisory Committee.

This Proposal shall become effective on the condition that the amendments to the Articles of Incorporation in Proposal 1, “Partial Amendments to the Articles of Incorporation,” take effect.

The candidates for the position of Director are as follows. (* indicates new candidates.)

No.	Name			Current positions and responsibilities at the Company
1	Hidehiro Shoji			Representative Director and President
2	Kazuo Kubota			Director, Managing Executive Officer General Manager, Administrative Unit and in charge of Aquatic Feed Division and Corporate Planning & Strategy Division
3	Yoshinao Tashiro			Director, Managing Executive Officer General Manager, Animal Feed Business Unit and in charge of Research & Development Center
4	Kikue Kubota	External Director	Independent officer	External Director
5	Takao Tsuji	External Director	Independent officer	External Director
6	Yasushi Handa	External Director	Independent officer	External Director
*7	Kaku Yoshisato	External Director		—

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	 Yoshinao Tashiro (Born on November 25, 1964)	<p>April 1988 Joined Kyodo Shiryo Co., Ltd.</p> <p>April 2012 General Manager, Minamikyushu Branch</p> <p>April 2017 Executive Officer, the Company</p> <p>April 2022 Senior Executive Officer</p> <p>April 2023 Managing Executive Officer</p> <p>June 2023 Director, Managing Executive Officer; General Manager, Animal Feed Business Unit and in charge of Research & Development Center</p> <p style="text-align: right;">To present</p> <p>[Reason for nomination as candidate for Director] Mr. Yoshinao Tashiro was mainly involved in the sales division and has successively held positions such as General Manager of Minamikyushu Branch and General Manager of Hokkaido Business Division at the Company, and has also served as General Manager of Animal Feed Business Unit. Because of his abundant experience in frontline sales operation and work experience at Business Unit, the Company believes that he is qualified to strengthen the feed business of the Company, and thus nominates him again as a candidate for Director.</p>	5,851 shares
4	 Kikue Kubota (Born on March 6, 1948) External Director Independent officer	<p>June 1972 Research Associate, Faculty of Education, Saitama University</p> <p>October 1982 Lecturer, Faculty of Home Economics, Ochanomizu University</p> <p>April 1999 Professor, Faculty of Human Life and Environmental Sciences</p> <p>April 2005 Trustee, Vice President</p> <p>April 2013 Professor Emeritus, Ochanomizu University Professor, Nodai Research Institute, Tokyo University of Agriculture</p> <p>April 2016 Visiting Professor, Kanagawa Institute of Technology Auditor (part-time), Tokyo University of Marine Science and Technology</p> <p>June 2019 External Director, the Company</p> <p>July 2019 Auditor (part-time), Tokyo University of Agriculture</p> <p style="text-align: right;">To present</p> <p>[Significant concurrent positions] Professor Emeritus, Ochanomizu University Auditor (part-time), Tokyo University of Marine Science and Technology Auditor (part-time), Tokyo University of Agriculture</p> <p>[Reason for nomination as candidate for External Director and expected roles] Ms. Kikue Kubota has long been engaged in studies in food science and other fields at Ochanomizu University, where she serves as Professor Emeritus, and has expertise mainly in the food business of the Company. She also serves as an auditor of a national university corporation. She is nominated again as a candidate for External Director because the Company believes that she can provide helpful advice and suggestions concerning the Company's overall management from an objective perspective. The Company expects that she will play roles in supervising corporate management from a viewpoint of an expert in the field of food business as well as from an objective position independent of business executors. Although she has no direct experience in corporate management other than having served as an External Director, for the reasons stated above, she is deemed capable of appropriately carrying out the duties of an External Director.</p>	1,129 shares

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	 <p>Takao Tsuji (Born on September 28, 1949)</p> <p>External Director Independent officer</p>	<p>April 1973 Joined Nissho Iwai Corporation (current Sojitz Corporation)</p> <p>June 1999 Director, NISSHO ELECTRONICS CORPORATION</p> <p>March 2001 Managing Director</p> <p>June 2002 President and Representative Director</p> <p>June 2009 Chairman of the Board of Directors</p> <p>June 2013 Outside Director, JVCKENWOOD Corporation</p> <p>May 2014 President, Representative Director of the Board, COO, CIO, CRO</p> <p>April 2016 President, Representative Director of the Board, CEO</p> <p>April 2018 Representative Director of the Board, Chairman & CEO</p> <p>April 2019 Representative Director of the Board, Chairman</p> <p>June 2019 Outside Director, Dexerials Corporation</p> <p>July 2021 Special Advisor, JVCKENWOOD Corporation</p> <p>June 2022 External Director, the Company</p> <p> Outside Director (Audit & Supervisory Committee Member), SNT Corporation</p> <p> Outside Director, TACHIBANA ELETECH CO., LTD.</p> <p>December 2022 Outside Director, FUJI SOFT INCORPORATED To present</p> <p>[Significant concurrent positions]</p> <p>Outside Director (Audit & Supervisory Committee Member), SNT Corporation</p> <p>Outside Director, TACHIBANA ELETECH CO., LTD.</p> <p>Outside Director, FUJI SOFT INCORPORATED</p> <p>[Reason for nomination as candidate for External Director and expected roles]</p> <p>In addition to work experience at trading companies, Mr. Takao Tsuji has wealth of experience and broad insight which he gained through managing two listed companies. He is qualified to oversee and supervise management from an objective and independent perspective as an experienced corporate manager. He is nominated again as a candidate for External Director because the Company believes that he can help improve the transparency and reinforce the supervisory functions of the Company's Board of Directors.</p> <p>The Company expects that he will play roles in helping reinforce the management structure of the Company by leveraging his corporate management experience and providing advice on the Company's business activities from a broad perspective.</p>	3,000 shares
6	 <p>Yasushi Handa (Born on October 29, 1956)</p> <p>External Director Independent officer</p>	<p>April 1982 Assistant Judge, Tokyo District Court</p> <p>April 1992 Judge, Nagoya District Court</p> <p>April 1996 Judge, Nagano District Court; General Manager, Iida Branch</p> <p>April 2000 Judge, Tokyo High Court</p> <p>April 2004 Presiding Judge, Sapporo District Court</p> <p>April 2007 Presiding Judge, Tokyo District Court</p> <p>August 2018 Chief Judge, Kochi District Court and Family Court</p> <p>January 2020 Presiding Judge, Fukuoka High Court</p> <p>January 2022 Registered as an attorney-at-law</p> <p>February 2023 Senior Counsel, Waseda Legal Commons, LPC</p> <p>June 2023 External Director, the Company</p> <p>April 2024 Professor, Gakushuin University Law School To present</p> <p>[Significant concurrent positions]</p> <p>Senior Counsel, Waseda Legal Commons, LPC</p> <p>Professor, Gakushuin University Law School</p> <p>[Reason for nomination as candidate for External Director and expected roles]</p> <p>Mr. Yasushi Handa has a wealth of legal expertise based on his experience as a judge that he gained through serving as Presiding Judge in many district courts as well as his service as an attorney-at-law, and is qualified to oversee management from an objective and independent perspective. He is nominated again as a candidate for External Director because the Company believes that he can help improve the transparency and reinforce the supervisory functions of the Company's Board of Directors.</p> <p>The Company expects that he will play roles in supervising corporate management from a viewpoint of a legal expert as well as from an objective position independent of business executors. Although he has no direct experience in corporate management other than having served as an External Director, for the reasons stated above, he is deemed capable of appropriately carrying out the duties of an External Director.</p>	– shares

- (ii) The abovementioned liability limit shall be applicable only when the Non-executive Director acted in good faith and without gross negligence in the performance of his/her duties giving rise to such responsibilities.
8. The Company has entered into a directors and officers liability insurance contract with an insurance company, which shall compensate for damages to be borne by the insureds. The candidates will be insured under this insurance contract. Additionally, the Company plans to renew the insurance contract with the same contents at the time of next renewal.
 9. Ms. Kikue Kubota assumed office as an External Director of the Company on June 21, 2019, and will have held this position for 5 years at the closing of this General Meeting of Shareholders. Mr. Takao Tsuji assumed office as an External Director of the Company on June 24, 2022, and will have held this position for 2 years at the closing of this General Meeting of Shareholders. Mr. Yasushi Handa assumed office as an External Director of the Company on June 23, 2023, and will have held this position for 1 year at the closing of this General Meeting of Shareholders.

The Company expects candidates for the position of Director to play active roles particularly in the following fields, based on their expertise and experience.

Name	Position	List of skills							
		Management experience	Industry knowledge (livestock, raw materials, etc.)	Sales / Marketing	Finance / Accounting / Economy / Financing	Legal affairs	International business	Academic research	DX
Hidehiro Shoji	Director	●	●	●			●		
Kazuo Kubota	Director		●	●	●		●		
Yoshinao Tashiro	Director		●	●					
Kikue Kubota	External Director							●	
Takao Tsuji	External Director	●					●	●	●
Yasushi Handa	External Director					●		●	
Kaku Yoshisato	External Director		●		●		●		
Toru Aoyama	Director (Audit and Supervisory Committee Member)		●		●				
Keizo Goto	External Director (Audit and Supervisory Committee Member)				●		●	●	
Naohiro Chikada	External Director (Audit and Supervisory Committee Member)				●				

Proposal 5: Decision on the Amount of Remuneration, Etc. of Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The amount of remuneration, etc. for Directors of the Company was approved at the 8th Ordinary General Meeting of Shareholders held on June 24, 2022 as an annual amount not exceeding 300 million yen (of which no more than 40 million yen per year shall be paid to External Directors). If Proposal 1, “Partial Amendments to the Articles of Incorporation,” is approved as originally proposed, the Company will transition to a Company with an Audit and Supervisory Committee. The Company requests the approval that the amount of remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members; hereafter, the same shall apply in this Proposal) shall be no more than 300 million yen per year (of which no more than 40 million yen per year shall be paid to External Directors), after the transition to a Company with an Audit and Supervisory Committee.

The determination of individual remuneration amounts is delegated to the Nomination and Remuneration Committee, which is composed mainly of independent External Directors, to ensure objective and transparent procedures.

Taking into consideration the transition to a Company with an Audit and Supervisory Committee, the Company resolved at the Board of Directors meeting held on March 22, 2024 to change, from fiscal 2024, the outline of the policy for determining the content of remuneration, etc. for each individual Director to the content described on pages 26-27. The Company believes that the amount of remuneration, etc. for this Proposal is appropriate, as it is to be paid in cash (fixed remuneration and short-term performance-linked remuneration) in accordance with the policy after such change. The Board of Directors also resolves the content of this Proposal based on the report from the Nomination and Remuneration Committee.

The current number of Directors is 9 (including 5 External Directors), but if Proposal 1 “Partial Amendments to the Articles of Incorporation” and Proposal 2 “Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” are approved as originally proposed, the number of Directors will be 7 (including 4 External Directors).

This Proposal shall become effective on the condition that the amendments to the Articles of Incorporation in Proposal 1, “Partial Amendments to the Articles of Incorporation,” take effect.

Proposal 6: Decision on the Amount of Remuneration, Etc. of Directors Who Are Audit and Supervisory Committee Members

If Proposal 1, “Partial Amendments to the Articles of Incorporation,” is approved as originally proposed, the Company will transition to a Company with an Audit and Supervisory Committee. The Company requests the approval that the amount of remuneration, etc. for Directors who are Audit and Supervisory Committee Members after the transition to a Company with an Audit and Supervisory Committee shall be no more than 60 million yen per year, and that the specific amount and timing of payment to each Director who is an Audit and Supervisory Committee Member shall be determined through consultation among the Directors who are Audit and Supervisory Committee Members. In light of the fact that the maximum number of Directors who are Audit and Supervisory Committee Members is not more than four (4) in Proposal 1, “Partial Amendments to the Articles of Incorporation,” the Company believes that the amount of remuneration, etc. for this Proposal is appropriate in light of the responsibilities of a Director who is an Audit and Supervisory Committee Member.

If Proposal 1, “Partial Amendments to the Articles of Incorporation,” and Proposal 3, “Election of Three (3) Directors Who Are Audit and Supervisory Committee Members,” are approved as originally proposed, the number of Directors as Audit and Supervisory Committee Members will be three (3).

This Proposal shall become effective on the condition that the amendments to the Articles of Incorporation in Proposal 1, “Partial Amendments to the Articles of Incorporation,” take effect.

Proposal 7: Decision on the Amount of Stock Remuneration, Etc. to Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) and Partial Amendments to the Plan

1. Reason for the Proposal and Reason Why Such Remuneration is Appropriate

Remuneration for the Company's Directors consists of "monetary remuneration" and "non-monetary remuneration (stock remuneration)," of which "non-monetary remuneration (stock remuneration)" refers to the stock remuneration plan using a trust (hereinafter, the "Plan"), which was approved by the shareholders at the 4th Ordinary General Meeting of Shareholders held on June 28, 2018 (hereinafter, the resolution of such approval is referred to as the "Resolution of the Previous General Meeting of Shareholders"). If Proposal 1, "Partial Amendments to the Articles of Incorporation," is approved as originally proposed, the Company will transition to a Company with an Audit and Supervisory Committee System. In accordance with this transition, the Company requests the approval to partially amend the remuneration framework for the Plan to reestablish it as the remuneration framework for Directors who are not Audit and Supervisory Committee Members (excluding External Directors; hereinafter in this Proposal, the "Directors").

The details of the Plan are to be left to the discretion of the Board of Directors within the framework of 2. below.

The Plan was introduced with the aim of raising awareness among Directors of the need to contribute to improving the Company's medium- to long-term performance and increasing its corporate value by sharing with shareholders the benefits and risks associated with the Company's share price in the future. The purpose of this change to the Plan under this Proposal is (i) to link the number of shares to be delivered to Directors under the Plan to the Company's business performance, thereby clarifying the link between Directors' remuneration and the Company's business performance and share value, and increasing their incentives to achieve performance targets, and (ii) to provide incentives for Directors to continuously improve corporate value after the delivery of shares by imposing transfer restrictions on the shares they receive until they retire from office.

This Proposal is separate from the limit on the amount of remuneration for Directors who are not Audit and Supervisory Committee Members, as proposed in Proposal 5, "Decision on the Amount of Remuneration, Etc. of Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)," requested for approval (annual amount of up to 300 million yen [of which annual amount of up to 40 million yen for External Directors]). This Proposal is to pay stock remuneration under the amended Plan to Directors who serve during the three fiscal years from the fiscal year ending on March 31, 2025 to the fiscal year ending on March 31, 2027 (hereinafter, the "Eligible Period").

The purpose of introducing this plan is as stated above, and the Company has resolved at the Board of Directors meeting held on March 22, 2024 to change its policy for determining the content of each individual Director's remuneration, etc., as stated on pages 35-36 of the Business Report, to the content stated on pages 26-27.

The Company believes that the contents of the Proposal are appropriate because they are necessary and reasonable in order to grant remuneration and other benefits that are in line with such policy.

If Proposal 2, "Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)," is approved as originally proposed, the number of Directors eligible for the Plan will be three (3).

This Proposal shall become effective on the condition that the amendments to the Articles of Incorporation in Proposal 1, "Partial Amendments to the Articles of Incorporation," take effect.

* If the Proposal is approved as originally proposed, the Company plans to make the same changes to the Stock Remuneration Plan already introduced for executive officers who have entered into a delegation agreement with the Company.

2. Amount and Details of Remuneration under the Plan, etc.

The following changes are made to some of the previous details of the plan.

(1) Outline of the Plan

As described in the Reference Document for the 4th Ordinary General Meeting of Shareholders, the Plan is a stock remuneration plan under which the trust established by the Company (already established in August 2018, hereinafter the "Trust") purchases the Company's common shares (hereinafter the "Company's Shares"), and the Company's Shares equivalent to the number of points granted by the Company to each Director will be delivered to each Director through the Trust. There are no changes to such structure of the Plan.

Previously, the timing for Directors to receive delivery of the Company's Shares was at the time of their retirement. However, if this Proposal is approved as originally proposed, the Company's Shares, corresponding to the points to be granted to Directors as remuneration for the performance of their duties, will not be delivered at the time of their retirement, but will be delivered within a prescribed

period of time (in principle, within the same fiscal year of the point grant date) after the grant date of each point (in principle, every fiscal year) and will be subject to transfer restrictions for the period until their retirement.

(i)	Eligibility for the Plan	Directors who are not members of the Audit and Supervisory Committee of the Company (excluding External Directors)
(ii)	Eligible Period	From the fiscal year ending March 31, 2025 through the fiscal year ending March 31, 2027
(iii)	Maximum amount of money to be contributed by the Company to fund the purchase of the Company's Shares necessary to deliver the shares to the eligible parties in (i), during the extended trust period (three years)	Total: 90 million yen
(iv)	Purchase method of the Company's Shares	By way of disposal of treasury shares or purchase from the stock exchange market (including off-floor trading)
(v)	Maximum total number of points to be granted to eligible personnel in (i)	80,000 points per fiscal year
(vi)	Criteria for granting points	Points are granted based on position and achievement of performance targets, etc.
(vii)	Delivery of the Company's Shares to eligible personnel in (i)	Within a specified period (in principle, within the same fiscal year of each point grant date) after the date of each point grant (in principle, every fiscal year). This is subject to transfer restriction up to retirement.

(2) Maximum Amount Contributed by the Company

The Company will extend the trust period of the pre-established Trust for three years, and will additionally place up to 90 million yen in total in trust during the extended trust period (three years) as funds for the purchase of the Company's Shares necessary to deliver the Company's Shares to Directors under the amended Plan. The Trust shall be funded by money entrusted by the Company (including money remaining in the Trust from before the additional trust, besides the money to be additionally entrusted by the Company as described above), and the Company's Shares shall be acquired either by way of the Company's disposal of treasury shares or by purchase through the stock exchange market (including off-floor trading).

Note: The actual amount of money to be additionally entrusted by the Company will be the sum of the above-mentioned funds for purchase of the Company's Shares and the estimated amount of necessary expenses such as trust fees and trust administrator's fees. In the event that the Stock Remuneration Plan is continued with some modifications for executive officers as described above, the trust will also provide funds to purchase the Company's Shares necessary for delivery to executive officers.

Upon resolution of the Board of Directors of the Company, the Eligible Period may be extended for a period of not more than three (3) fiscal years, as determined on a case-by-case basis, and the trust period of the Trust may be further extended accordingly (including the extension of the trust period in effect by transferring the trust assets of the Trust to a trust with the same purpose as the Trust established by the Company; the same shall apply hereinafter), and the Plan may be continued. In this case, during the trust period of such extension, the Company shall additionally entrust the Trust with an amount of up to 30 million yen multiplied by the number of years of the trust period of such extension as funds for additional purchase of the Company's Shares necessary for delivery to Directors under the Plan, and shall continue to grant points and deliver the Company's Shares as described in (3) below (the same shall apply thereafter).

Moreover, even in the case where the grant of points is not continued due to the extension of the Eligible Period as described above, if, at the expiration of the trust period, there are Directors who have already been granted points under the Plan before the amendment by this Proposal but have not yet retired, the trust period may be extended until such Directors retire and the delivery of the Company's Shares is completed.

In accordance with the Resolution of the Previous General Meeting of Shareholders, the Company has already contributed to the Trust the funds for purchase of shares necessary to deliver shares to the Directors (excluding External Directors) prior to the transition to a Company with an Audit and Supervisory Committee for the operation of the Plan before the change by this Proposal, and the Trust has purchased the Company's Shares from such funds. However, the Company's Shares may be

delivered from the Trust to the Directors as a delivery under the Plan after the proposed amendment.

(3) Calculation Method and Maximum Number of Company Shares Delivered to Directors

(i) Method, etc. of Granting Points to Directors

In accordance with the Share Issuance Regulations established by the Board of Directors of the Company, the Company grants to each Director, on the point grant date stipulated in the Share Issuance Regulations during the trust period, points corresponding to their position and performance targets, etc. (for the period covered in (1), Table 2 above, the Company will adopt the performance targets of “EBITDA,” “ROE,” “CO2 Reduction Target,” and “Employee Engagement Factor” as set forth in the Medium-Term Management Plan.)

However, the total number of points to be granted to Directors by the Company shall not exceed 80,000 points per fiscal year.

Even if the Proposal is approved as originally proposed, points may be granted to Directors as remuneration for the performance of their duties during the period prior to this Ordinary General Meeting of Shareholders, within the scope of the Resolution of the Previous General Meeting of Shareholders, based on the Plan prior to the changes made by the Proposal.

(ii) Delivery of the Company’s Shares in Proportion to the Number of Points Granted

Directors will receive the Company’s Shares in proportion to the number of points granted in (i) above, as described in (iii) below. However, in the event that a Director retires for personal reasons, etc., all or part of the points granted up to that point shall be forfeited, and the Company’s Shares corresponding to the forfeited points shall not be delivered to the Director.

One point is equal to one share of the Company’s Share. However, in the event of a share split, share consolidation, or other event that makes it reasonable to adjust the number of shares to be delivered, the number of shares per point shall be adjusted in accordance with such split ratio, consolidation ratio, etc.

(iii) Delivery of the Company’s Shares to Directors

Each Director shall, in principle, acquire the beneficiary right of the Trust every fiscal year during the trust period, subject to the condition that they enter into the Transfer Restriction Agreement with the Company as described in 3. below and follow other prescribed procedures, and shall receive the Company’s Shares described in (ii) above from the Trust in principle, within the same fiscal year of each point grant date.

However, with respect to the Company’s Shares corresponding to the points granted as remuneration for the period of performance of duties during the period prior to the conclusion of this Ordinary General Meeting of Shareholders in accordance with the Plan before the amendment by this Proposal, each Director shall, in principle, acquire the beneficial rights of the Trust and receive them from the Trust by performing the prescribed procedures upon retirement, according to Resolution of the Previous General Meeting of Shareholders.

In addition, in the event of realization of shares of the Company held in the Trust due to the settlement following the circumstances such as subscription to a tender offer for shares of the Company held in the Trust, the Trust may also effect the delivery in the form of money in lieu of shares of the Company.

(4) Exercise of Voting Right

Voting rights pertaining to the Company’s Shares in the Trust will not be exercised uniformly based on the instructions of the trust administrator, who is independent of the Company and its officers. By using this method, the Company intends to ensure neutrality toward the Company’s management with respect to the exercise of voting rights pertaining to the Company’s Shares in the Trust.

(5) Treatment of Dividends

Dividends on the Company’s Shares in the Trust will be received by the Trust and will be used to pay for the purchase of the Company’s Shares and the trustee’s trustee fees related to the Trust.

3. Transfer Restriction Agreement for Shares of the Company Delivered to Directors

With respect to the Company’s Shares to be delivered in proportion to the points granted under the Plan after the changes made by this Proposal, a transfer restriction agreement (hereinafter the “Transfer Restriction Agreement”) including the following details shall be concluded between the Company and the Directors (each Director shall receive delivery of the Company’s Shares subject to the conclusion of the Transfer Restriction Agreement).

However, if the Company’s Shares are delivered under the Plan as amended by the Proposal after the retirement, the Company’s Shares shall be delivered without restrictions on transfer.

(1) Restriction Period

Directors may not transfer, create security interest, or otherwise dispose of shares of the Company delivered under the Plan (the “Delivered Shares”) during the period from the date of delivery (in the case of multiple delivery, the date of each delivery) to the date of retirement (the “Restriction Period”) (hereinafter the “Transfer Restriction”).

During the Restriction Period, Directors shall manage the Delivered Shares in an account at a brokerage firm designated by the Company for the purpose of separating them from the shares already held by the Directors.

(2) Acquisition of Delivered Shares without contribution

(i) If a Director attempts to dispose of all or part of the Delivered Shares by transfer, offering as security, or otherwise, in violation of (1) above, the Company shall naturally acquire all of the Delivered Shares without contribution.

(ii) If a Director falls under any of the following items during the Restriction Period, the Company shall naturally acquire all of the Delivered Shares without contribution as of the time the Director falls under each such item.

a. Where a Director receives a sentence of imprisonment or greater

b. Where a petition for commencement of bankruptcy proceedings, civil rehabilitation proceedings or other similar proceedings is filed against a Director

c. Where a Director retires due to expiration of term of office, mandatory retirement age, death or reasons other than justifiable reasons

(iii) If a Director falls under any of the following items during the Restriction Period, the Company may, by notifying the Director in writing that the Company will acquire the Delivered Shares without contribution, naturally acquire all of the Delivered Shares (however, only a portion of the Delivered Shares may be acquired if it is determined to be appropriate in the case of item b.) at the time such notice is received.

a. Where the Board of Directors of the Company recognizes that a Director has been engaged in a business that competes with the business of the Group or has been appointed as an officer or employee of a corporation or other organization that competes with the business of the Group (except where the prior written consent of the Company has been obtained).

b. Where the Board of Directors of the Company recognizes that a Director has violated any law or regulation, the internal rules of the Group, or this Agreement in any material respect, or the Board of Directors of the Company otherwise determines that it is appropriate for the Company to acquire the Delivered Shares without contribution.

c. Where a Director’s conduct is deemed by the Company’s Board of Directors to have defamed the Group or caused significant damage to the Group.

(3) Treatment during reorganization, etc.

If the matters set forth in each of the following items are approved at a General Meeting of Shareholders of the Company (or by the Company’s Board of Directors, in the case where approval by a General Meeting of Shareholders of the Company is not required and Item f. applies) during the Restriction Period (provided, however, that the date set forth in each of the following items (hereinafter the “Effective Date of the Reorganization, etc.”) falls prior to the expiration of the Restriction Period), then the Transfer Restriction shall be cancelled with respect to the Delivered Shares as of the time immediately preceding the last business day prior to the Effective Date of the Reorganization, etc., notwithstanding (1) above.

a. Merger agreement in which the Company becomes the dissolving company
Effective date of the merger

b. Absorption-type company split agreement or incorporation-type company split plan in which the Company will be the splitting company (limited to cases in which the Company will deliver all or part of the split consideration to be delivered as a result of the company split to the shareholders of the Company on the effective date of the company split)
Effective date of the company split

c. Share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary
Effective date of share exchange or share transfer

d. Consolidation of shares (limited to the case where, as a result of such consolidation of shares, the number of shares held by Directors will be reduced to only fractions of less than one (1) share)

- Effective date of the consolidation of shares
 - e. Acquisition of all of the Company's common shares subject to the class-wide acquisition provision set forth in Article 108, Paragraph 1, Item 7 of the Companies Act of Japan
 - Date of acquisition as set forth in Article 171, Paragraph 1, Item 3 of the Companies Act of Japan
 - f. Request for sale of common shares of the Company (i.e., a request for sale of shares as stipulated in Article 179, Paragraph 2 of the Companies Act)
 - Acquisition date stipulated in Article 179-2, Paragraph 1, Item 5 of the Companies Act
- (4) Other matters to be determined by the Board of Directors

In addition to the above, the method for expressing intentions and giving notifications in the Transfer Restriction Agreement, the method for amending the Transfer Restriction Agreement, and other matters to be determined by the Board of Directors shall be laid out in the Transfer Restriction Agreement.

<Reference> Policy for Determining the Company's Director Remuneration, Etc. in the 11th Fiscal Year (FY2024) and Beyond

The policy for determining the Company's remuneration, etc. for each individual Director in the 11th fiscal year (FY2024) and beyond is as follows.

1. Basic Policies

We regard officer remuneration as an important means of achieving our sustainable growth, enhancing our medium- and long-term corporate value, and pursuing sustainability. We determine remuneration based on a transparent and fair process, in accordance with the following policy.

- In principle, the Company shall delegate decisions to the Nomination and Remuneration Committee, which is mainly composed of External Directors, regarding the remuneration, etc. for each individual Director. The remuneration, etc. shall follow a process that ensures the transparency and objectivity of the procedures for determining officer remuneration.
- The remuneration shall be designed to be an incentive linked to short-term performance, based on the business plan, and for the medium- to long-term enhancement of corporate value based on the Medium-Term Management Plan.
- Using similar companies as a reference, the amount of remuneration for each position should be set at a level that will enable the Company to secure and maintain excellent human resources.

2. Remuneration Composition

The Company's Director remuneration consists of monetary remuneration (fixed remuneration and short-term performance-linked remuneration) and non-monetary remuneration (medium-term performance-linked remuneration and long-term incentive remuneration). The remuneration for External Directors is fixed remuneration only.

Based on the above policies, monetary remuneration and non-monetary remuneration are each calculated by comprehensively considering factors such as position, the achievement rate against performance targets, division evaluations, the market environment, and social situations.

The payment ratio for each type of remuneration is determined by the Nomination and Remuneration Committee, taking into consideration the balance between the monetary remuneration and non-monetary remuneration, as well as a comparison with the remuneration of other companies in the same industry or companies of similar size.

3. Remuneration Level

Remuneration is set for each position based on a median of officer remuneration survey data from an external research institution, which takes into account the size of listed and unlisted companies (sales, number of employees, market capitalization, etc.).

4. Fixed Remuneration

Fixed remuneration for Directors corresponds to monetary remuneration (fixed amount paid monthly). Revisions to fixed remuneration are determined based on changes in the position or role of the Director, taking into consideration changes in business conditions and the state of remuneration levels.

5. Variable Remuneration

In order to clarify the performance evaluation of each Director, taking into account a wide range of factors including changes in the business environment and risks associated with the operation of equity method affiliated companies, the following indexes are used for performance-linked remuneration: EBITDA and ROIC (return on invested capital) in the business plan (consolidated) for short-term performance-linked remuneration (monetary remuneration); and EBITDA, ROE (return on equity), CO2 reduction target and employee engagement factors in the Medium-Term Management Plan for medium-term performance-linked remuneration (non-monetary remuneration). In addition, share-based remuneration, which is a long-term incentive based on position in the company, is paid annually.

Performance-linked remuneration is set in a variable range of 0% to 150% depending on the achievement of target figures for each index.

6. Policy on Determining the Time and Conditions of Granting Remuneration, Etc. to Directors

The terms and conditions of remuneration, etc. of the Company's Directors are determined in June of each year. Short-term performance-linked remuneration and long-term incentive remuneration (non-

monetary) will be delivered after the close of the General Meeting of Shareholders in June. The medium-term performance-linked remuneration (non-monetary remuneration) will be delivered after the close of the General Meeting of Shareholders in June of the fiscal year following the final year of the Medium-Term Management Plan. Non-monetary remuneration is subject to transfer restriction up to retirement.

(Appendix)

Business Report

(April 1, 2023 - March 31, 2024)

1. Overview of the Corporate Group

(1) Business Progress and Results

During the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024), the outlook for the Japanese economy remained uncertain due to factors including high energy prices caused by tensions around the world, fluctuations in financial and capital markets, and rising domestic prices. On the other hand, various economic indicators have begun to show positive signs as social activities normalized against the backdrop of the lifting of activity restrictions related to COVID-19, consumer spending and inbound demand showed a recovery trend, and the employment and income environment remained strong.

In the feed industry, Chicago futures prices of corn, which is the major raw material, continued to trend downward, supported by an outlook for stable harvests. Consequently, the Group lowered the price of formula feed for livestock subsequently in April, July and October, spanning three consecutive quarters. However, raw material prices denominated in yen remained high due to the persistently high ocean freight rates and the ongoing depreciation of the yen in the foreign exchange market, and we raised prices in January. The business environment remains unpredictable partly due to the ongoing depreciation of the yen and heightened geopolitical risks.

With regard to livestock products, the market price of pork was higher than in the same period of the previous fiscal year on the back of a decline in the number of animals shipped as a result of worsening development due to record-breaking heat and diseases. However, the market price since October was lower than in the same period of the previous fiscal year, due to a recovery in the number of swine shipped in response to decreasing temperatures since the autumn. The market price of chicken eggs was higher than in the same period of the previous fiscal year due to a decrease in supply caused by an outbreak of avian influenza across Japan that began in October 2022 and a record-breaking heat wave. However, the market price since November was lower than in the same period of the previous fiscal year, reflecting steady recovery of production and an upward trend in supply due to factors such as the resumption of operations in farms affected by avian influenza outbreaks. The market price of beef was lower than in the same period of the previous fiscal year, due to a decrease in demand for beef resulting from consumers' heightened cost-consciousness due to soaring prices.

In this environment, the Group took initiatives to diversify its raw material procurement, rationalize its production systems, improve the quality of finished goods provided to livestock and fishery producers, and provide services leading to improved production results in order to accomplish its three-year Medium-Term Management Plan, which concludes in the current fiscal year.

As for the Group's operating results for the fiscal year ended March 31, 2024, net sales were ¥313,875 million (up 1.9% year-on-year), operating profit was ¥7,748 million (up 444.6% year-on-year), ordinary profit was ¥7,737 million (up 352.2% year-on-year), and profit attributable to owners of parent was ¥5,084 million (up 393.2% year-on-year). Operating profit, ordinary profit, and profit attributable to owners of the parent all reached the highest profits since the Company's establishment.

Performance by business segment is as follows.

Feed Business

In the feed business, animal feed sales volume increased despite the lower average sales price than the previous year, while both the average sales price and sales volume of aquatic feed were significantly higher than the previous fiscal year, with net sales reaching ¥267,340 million (up 1.2% year-on-year). Operating profit amounted to ¥9,380 million (up 139.0% year-on-year) mainly due to significant progress in improving profitability of both animal feed and aquatic feed, despite a year-on-year increase in selling expenses caused by factors such as increased contributions to the Feed Price Stabilization Fund.

Food Business

In the food business, net sales reached ¥44,105 million (up 6.7% year-on-year), mainly due to significantly higher market prices of pork and chicken eggs in the first half compared to the same period of the previous fiscal year, despite their lower market prices in the second half and thereafter compared to the same period of the previous fiscal year. Operating profit was ¥860 million (operating loss of ¥369 million in the previous fiscal year), mainly due to the progress made in revising sales price conditions in food-related subsidiaries and lower purchase costs resulting from declining market prices of pork and chicken eggs in the second half and thereafter.

Other Businesses

This segment includes sales of livestock and fishery equipment and real estate leasing businesses, etc. Net sales were ¥2,429 million (down 3.0% year-on-year), and operating profit was ¥269 million (up 1.0% year-on-year).

(2) Capital Expenditures

During the consolidated fiscal year under review, the total amount of capital expenditures was 2,755 million yen, mainly due to streamlining of production facilities in the Feed Business segment.

(3) Financing

The Company has entered into a syndicated loan agreement with nine financial institutions for a total of 6,500 million yen, with the aim of consolidating borrowing conditions and contact points, and securing flexibility and stability in fund procurement. As of the end of the fiscal year under review, the outstanding balance under this agreement was 4,336 million yen.

The Company has entered into a sustainability-linked syndicated loan agreement with four financial institutions for a total of 10,000 million yen. As of the end of the fiscal year under review, the outstanding balance under this agreement was 10,000 million yen.

In addition to the above, the Company has entered into a syndicated commitment credit line agreement with two financial institutions for a total of 10,000 million yen. As of the end of the fiscal year under review, there was no outstanding balance under this agreement.

As of the end of the fiscal year under review, the total outstanding balance under these agreements was 14,336 million yen.

(4) Issues to Be Addressed

The Japanese economy is expected to recover at a gentle pace, despite an expected improvement in the employment situation, as rebound demand from the suppressed conditions caused by COVID-19 pandemic has run its course, and high prices will also have an impact. In the environment surrounding the Group, raw material prices declined slightly, but remained high, partly due to the depreciation of the yen. Repeated increases in contributions to the Feed Price Stabilization Fund and an increase in logistics expenses due to the 2024 logistics problem are expected, which will result in an ongoing and uncertain situation in terms of revenue.

In this environment, the Group has started its Medium-Term Management Plan 2026 from fiscal 2024, and has newly set the Purpose of “Feed the world for the future, lives and smiles,” and has renewed its Mission of “Sowing a grain of sincerity will produce benefits many times over” and its Vision of “To be a company of choice by focusing on the ‘1’.” Our Mission incorporates the following wish: “The unseen efforts and thoughts of various people are involved in order to produce a single grain of feed. Moreover, such efforts and thoughts are directed toward the safety and security of customers using the feed and of the end consumers. In the rapidly changing environment of the livestock and fisheries industries, as a leading company it is our mission to hold on to this belief and to continue our sincere efforts to provide a stable supply of feedstuffs.” Our Vision explains the following: “We aim to be consistent with the ‘ONE (1)’ in our name by truly being a leading company that puts ‘safety and security first’ and is ‘No. 1 in the industry’ so that all stakeholders, including producers, business partners, shareholders, and employees of our group companies, feel that choosing FEED ONE is always the right choice.” In preparation for the realization of the Purpose and Vision, as well as for large-scale investments to be made over the next ten years, we will strive to improve our basic earning capacity during the period of this Medium-Term Management Plan.

(5) Trends in Assets and Income

(In millions of yen, unless otherwise specified.)

Item	7th fiscal year (FY2020)	8th fiscal year (FY2021)	9th fiscal year (FY2022)	10th fiscal year (FY2023)
Net sales	214,120	243,202	307,911	313,875
Ordinary profit	6,081	5,067	1,711	7,737
Profit attributable to owners of parent	4,438	3,659	1,030	5,084
Basic earnings per share (yen)	112.78	94.65	27.01	132.97
Total assets	99,251	108,504	127,913	131,038
Net assets	42,794	44,840	45,314	50,856

Notes: 1. The status of the tenth fiscal year is as presented above, in “(1) Business Progress and Results.”

2. Effective October 1, 2020, the Company carried out a consolidation of shares at a ratio of one share for every five common shares. Basic earnings per share is calculated on the assumption that the share consolidation was conducted at the beginning of the seventh consolidated fiscal year.

(6) Material Subsidiaries (As of March 31, 2024)

Company name	Major business description
FEED ONE FOODS Co., Ltd.	Processing and sales of meat
GOLD EGG CORPORATION	Processing and sales of eggs
Kitakyushu Feed One Hanbai Co., Ltd.	Purchase and sales of feed
Kashima Feed One Hanbai Co., Ltd.	Purchase and sales of feed
Minamikyushu Feed One Hanbai Co., Ltd.	Purchase and sales of feed
Hokkaido Feed One Hanbai Co., Ltd.	Purchase and sales of feed

(7) Principal Business (As of March 31, 2024)

Business segment	Business description
Feed Business	Production, processing, and sales of feed
Food Business	Purchase, production, processing, and sales of livestock and aquatic products
Other Businesses	Sales of livestock and fishery equipment

(8) Major Sales Offices and Factories (As of March 31, 2024)

1) The Company

Name	Location	Name	Location
Head Office	Kanagawa-ku, Yokohama-shi, Kanagawa	Kitakyushu Branch Office	Hakata-ku, Fukuoka- shi, Fukuoka
Research & Development Center	Ono-machi, Tamuragun, Fukushima	Minamikyushu Branch Office	Miyakonojo-shi, Miyazaki
East Hokkaido Branch Office	Kushiro-shi, Hokkaido	Ishinomaki Factory	Ishinomaki-shi, Miyagi
Central Hokkaido Branch Office	Chuo-ku, Sapporo-shi, Hokkaido	Kashima Factory	Kamisu-shi, Ibaraki
Tohoku Branch Office	Miyagino-ku, Sendaishi, Miyagi	Nagoya Factory	Minato-ku, Nagoya- shi, Aichi
Kanto Branch Office	Kamisu-shi, Ibaraki	Chita Factory	Chita-shi, Aichi
Chubu Branch Office	Minato-ku, Nagoya- shi, Aichi	Kitakyushu Aquatic Feed Factory	Wakamatsu-ku, Kitakyushu-shi, Fukuoka
Kansai Branch Office	Kurashiki-shi, Okayama	Kitakyushu Animal Feed Factory	Wakamatsu-ku, Kitakyushu-shi, Fukuoka
Shikoku Branch Office	Uwajima-shi, Ehime		

2) Locations of major subsidiaries

Company name	Location
FEED ONE FOODS Co., Ltd.	Kanagawa-ku, Yokohama-shi, Kanagawa
GOLD EGG CORPORATION	Yao-shi, Osaka
Kitakyushu Feed One Hanbai Co., Ltd.	Kita-ku, Kumamoto-shi, Kumamoto
Kashima Feed One Hanbai Co., Ltd.	Ishioka-shi, Ibaraki
Minamikyushu Feed One Hanbai Co., Ltd.	Miyakonojo-shi, Miyazaki
Hokkaido Feed One Hanbai Co., Ltd.	Iwamizawa-shi, Hokkaido

(9) Employees (As of March 31, 2024)

1) Corporate group (consolidated)

Number of employees	Changes from the end of the previous consolidated fiscal year
902 (401)	-8 (19)

Note: The number of employees is the number of full-time employees, and the average number of temporary employees for the year is shown in parentheses.

2) The Company (non-consolidated)

Number of employees	Changes from the end of the previous fiscal year
514 (61)	1 (8)

Note: The number of employees is the number of full-time employees, and the average number of temporary employees for the year is shown in parentheses.

(10) Major Lenders and Amounts of Loans (As of March 31, 2024)

Lender	Outstanding amount of loan
The Bank of Yokohama, Ltd.	8,014 million yen
The Norinchukin Bank	5,620 million yen
Sumitomo Mitsui Banking Corporation	3,907 million yen
Sumitomo Mitsui Trust Bank, Limited	2,720 million yen
Mizuho Bank, Ltd.	1,760 million yen

2. Status of Shares (As of March 31, 2024)

- (1) Total number of shares authorized to be issued 100,000,000 shares
- (2) Total number of shares issued 38,477,128 shares
- (3) Number of shareholders 15,641 persons
(Changes from the end of the previous fiscal year: -1,853)
- (4) Major shareholders

Shareholder	Number of shares held	Ratio of shares held
	Thousand shares	%
MITSUI & CO., LTD.	9,838	25.60
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,517	9.15
Daiwa Kogyo LLC	1,207	3.14
Custody Bank of Japan, Ltd. (Trust Account)	1,199	3.12
THE KEIHIN CO., LTD.	1,047	2.72
STATE STREET BANK AND TRUST COMPANY 505223	879	2.29
Tokio Marine & Nichido Fire Insurance Co., Ltd.	857	2.23
Asahi Mutual Life Insurance Company	803	2.09
The Bank of Yokohama, Ltd.	781	2.03
Yonkyu Co., Ltd.	600	1.56

- Notes: 1. The major shareholders presented above are based on the shareholder registry as of March 31, 2024.
2. The ratio of shares held is calculated after deducting treasury shares (45,876 shares).
3. 166,960 shares of the Company, held by the Custody Bank of Japan, Ltd. (Trust Account) as trust assets for the “trust for share-based remuneration for directors (and other officers),” are not included in the number of treasury shares.

3. Company Officers

(1) Status of Directors and Corporate Auditors (As of March 31, 2024)

Name	Positions, responsibilities and significant concurrent positions	
Hidehiro Shoji	Representative Director and President	(Chairman of Japan Feed Manufacturers Association) (Director of Japan Feed Price Stabilization Fund, ZENNIKKI)
Yukihiro Arakida	Director	(Managing Executive Officer; General Manager, Food Service Unit)
Kazuo Kubota	Director	(Managing Executive Officer; General Manager, Administrative Unit and in charge of Aquatic Feed Division)
Yoshinao Tashiro	Director	(Managing Executive Officer; General Manager, Animal Feed Business Unit and in charge of Research & Development Center)
Kikue Kubota	Director	(Professor Emeritus, Ochanomizu University) (Auditor (part-time), Tokyo University of Marine Science and Technology) (Auditor (part-time), Tokyo University of Agriculture)
Keizo Goto	Director	
Takao Tsuji	Director	(Outside Director (Audit & Supervisory Committee Member), SNT Corporation) (Outside Director, TACHIBANA ELETECH CO., LTD.) (Outside Director, FUJI SOFT INCORPORATED)
Yasushi Handa	Director	(Senior Counsel, Waseda Legal Commons, LPC)
Shuichi Matsuzawa	Director	(Senior General Manager; Assistant to General Manager, Food Business Unit, MITSUI & CO., LTD.) (Outside Director, Mitsui DM Sugar Holdings Co., Ltd.)
Eiichi Yano	Full-time Corporate Auditor	
Toru Aoyama	Full-time Corporate Auditor	
Naohiro Chikada	Corporate Auditor	(Representative, Chikada Certified Public Accountant Office) (Representative Partner, Koa Audit Corporation) (Representative Director, Chiyoda Accounting Office) (Outside Director (Audit & Supervisory Committee Member), SKIYAKI Inc.) (Independent Audit & Supervisory Board Member, Tokyo Tatemono Co., Ltd.)

- Notes:
- At the 9th Ordinary General Meeting of Shareholders held on June 23, 2023, Mr. Kazuo Kubota, Mr. Yoshinao Tashiro, Mr. Yasushi Handa, and Mr. Shuichi Matsuzawa were elected and assumed office as Directors.
 - Directors, Ms. Kikue Kubota, Mr. Keizo Goto, Mr. Takao Tsuji, Mr. Yasushi Handa and Mr. Shuichi Matsuzawa are External Directors.
 - Corporate Auditors, Mr. Eiichi Yano, and Mr. Naohiro Chikada are External Auditors.
 - The Company has designated Directors, Ms. Kikue Kubota, Mr. Keizo Goto, Mr. Takao Tsuji, and Mr. Yasushi Handa, and Corporate Auditor, Mr. Naohiro Chikada, as independent officers in accordance with the provisions of the Tokyo Stock Exchange, and has registered them as such with the exchange.
 - Corporate Auditor, Mr. Naohiro Chikada is a certified public accountant, and possesses considerable knowledge in finance and accounting.

(2) Summary of the Liability Limitation Agreement

The Company and its External Directors and External Auditors have entered into a liability limitation agreement based on the provisions of Article 427, Paragraph 1 of the Companies Act. An outline of the contents of the agreement is as follows.

- If External Directors or External Auditors become liable for damages to the Company due to negligence of their duties, the liability shall be limited to the minimum liability amount stipulated in Article 427, Paragraph 1 of the Companies Act.
- The abovementioned liability limit shall be applicable only when the External Director or External Auditor acted in good faith and without gross negligence in the performance of his/her duties giving rise to such responsibilities.

(3) Summary of the Directors and Officers Liability Insurance Contract

The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The scope of the insured persons under the insurance contract covers Directors, Corporate Auditors, Executive Officers, managerial employees, externally dispatched officers, and retired officers, and the insured persons shall not bear any insurance premiums. This insurance contract covers litigation costs and compensation for damages to be borne by the insured person resulting from any claims made against them during the term of the policy.

However, so that the properness of the performance of duties by officers is not impaired, there are certain exemptions such as the insured person not being eligible for compensation for damages attributable to any actions taken by said insured person with the knowledge that such actions are in violation of laws and regulations.

(4) Remuneration, etc. for Directors and Corporate Auditors for the Fiscal Year Under Review

1) Matters concerning policies for determining the details of individual remuneration, etc. for each Director

i) Method for determining policies

The Company's policies for determining remuneration are decided by the Board of Directors, and the Company has established basic policies, as follows.

[Basic policies]

- In principle, the Company shall delegate decisions to the Nomination and Remuneration Committee, which is mainly composed of External Directors, regarding the individual remuneration, etc. for Directors. The remuneration shall follow a process that ensures the transparency and objectivity of the procedures for determining officer remuneration.
- The remuneration shall be designed to be an incentive linked to short-term performance, based on the Medium-Term Management Plan, and for the medium- to long-term enhancement of corporate value.
- The amount of remuneration for each position shall not deviate from that of other companies in the same industry or companies with similar size, while maintaining a level that can secure and maintain excellent human resources.

ii) Outline of details in policies

Remuneration for Directors consists of monetary remuneration (fixed remuneration and performance-linked remuneration) and non-monetary remuneration (stock remuneration). The remuneration for External Directors consists of fixed remuneration only. Based on the above policies, monetary remuneration and non-monetary remuneration are each calculated by comprehensively considering factors such as position, the achievement rate against performance targets, division evaluations, the market environment, and social situations. The payment ratio for each type of remuneration is determined by the Nomination and Remuneration Committee, taking into consideration the balance between the total amount of monetary remuneration and non-monetary remuneration, as well as a comparison with the remuneration of other companies in the same industry or companies of similar size.

The index for performance-linked remuneration is the ordinary profit in the Medium-Term Management Plan of the Company, in order to clarify the performance evaluation of each Director, taking into account a wide range of factors including changes in the business environment and risks associated with the operation of equity method affiliated companies. Of the monetary remuneration and non-monetary remuneration, performance-linked remuneration accounts for 0 to 25%, corresponding to the status of achievement of the Medium-Term Management Plan by position, while non-monetary

remuneration accounts for 9 to 15%, by position.

The remuneration for Corporate Auditors is determined based on consultation with Corporate Auditors.

The target for performance-linked remuneration for the fiscal year under review was an ordinary profit of 6.2 billion yen, and the achieved result was 7.7 billion yen.

- iii) Reason for the Board of Directors (Nomination and Remuneration Committee) to have judged that the details of individual remuneration, etc. for each Director for the fiscal year under review is in line with the policies

The Nomination and Remuneration Committee makes judgments by comparing the amount of remuneration for each position with remuneration of other companies in the same industry or companies of similar size.

(Reference) Formula for calculating individual remuneration for each Director and the composition ratio thereof

1. Fixed monetary remuneration and non-monetary remuneration

Remuneration is set for each position based on a median of officer remuneration survey data from an external research institution, which takes into account the size of listed and unlisted companies (sales, number of employees, market capitalization, etc.).

2. Performance-linked monetary remuneration

The following formula is used to calculate remuneration with the ordinary profit in the Medium-Term Management Plan of the Company as an indicator.

(Formula)

$$\text{Performance-linked monetary remuneration}^{*1} = \text{Base amount} + \text{allocation amount: (actual ordinary profit - (ordinary profit in the Medium-Term Management Plan + 100 million yen))}^{*2*3} \times \text{allocation ratio by position} \times \text{evaluation coefficient}$$

*1 The maximum of the performance-linked monetary remuneration is 150% of the base amount.

*2 The total allocation to Directors and Executive Officers is 3.5% of the difference between actual ordinary profit and ordinary profit in the Medium-Term Management Plan + 100 million yen. The allocation amount for Directors for the fiscal year ended March 31, 2024 is 1.8%.

*3 Performance-linked monetary remuneration is not paid if actual ordinary profit is less than 80% of ordinary profit in the Medium-Term Management Plan + 100 million yen.

3. Composition of remuneration

The composition of individual remuneration by position is as shown in the following table. (Rounded down to the nearest decimal place)

Position	Actual ordinary profit < (ordinary profit in the Medium-Term Management Plan + 100 million yen) x 80%			Actual ordinary profit = ordinary profit in the Medium-Term Management Plan + 100 million yen			Allocation amount ≤ base amount x 150%		
	Fixed remuneration	Performance-linked remuneration	Non-monetary remuneration	Fixed remuneration	Performance-linked remuneration	Non-monetary remuneration	Fixed remuneration	Performance-linked remuneration	Non-monetary remuneration
Representative Director and President	84%	0%	15%	69%	18%	12%	63%	25%	11%
Director, Managing Executive Officer	87%	0%	12%	73%	15%	10%	68%	21%	10%

- 2) Matters concerning provisions in the Articles of Incorporation or resolutions of General Meetings of Shareholders concerning remuneration, etc. for Company officers
- i) Date of resolution of General Meeting of Shareholders and the number of Company officers concerning the resolution
- Monetary remuneration:
Resolution of General Meeting of Shareholders on June 24, 2022; ten (10) Directors (including five (5) External Directors)
Resolution of General Meeting of Shareholders on June 26, 2015; four (4) Corporate Auditors
 - Non-monetary remuneration:
resolution of General Meeting of Shareholders on June 28, 2018; five (5) Directors (excluding External Directors)
- ii) Outline of details in provisions
The total amount of remuneration shall not exceed 300 million yen per year for Directors (not exceeding 40 million yen per year for External Directors), and shall not exceed 90 million yen per year for Corporate Auditors.
Non-monetary remuneration shall be separate from the above, and shall not exceed 90 million yen over three years.

- 3) Matters concerning delegating decisions on the details of individual remuneration, etc. for each Director

- i) Decision on the delegation
Decisions have been made by the Board of Directors to delegate the decision to the Nomination and Remuneration Committee.
- ii) Name of the delegated person, his/her position, and responsibilities on the date the details are decided

Delegated persons:

Position	Name	Nomination and Remuneration Committee
(Independent) External Director	Takao Tsuji	Chairman
(Independent) External Director	Kikue Kubota	Member
(Independent) External Director	Keizo Goto	Member
(Independent) External Director	Yasushi Handa	Member
External Director	Shuichi Matsuzawa	Member
Representative Director and President	Hidehiro Shoji	Member

- iii) Delegated authority
Authority to decide the amount of individual remuneration for Directors
- iv) Reason for delegating authority
The Company determined that the decision of individual remuneration for each Director shall follow a process that ensures the transparency and objectivity. The Company judged that it is reasonable that the Nomination and Remuneration Committee, which is composed mainly of independent External Directors, makes that decision within the scope of the basic policies for determining the details of individual remuneration, etc. for each Director.
- v) Measures to ensure that authority is properly exercised
Representative Directors notify individual Directors of the amount of remuneration, upon receiving decisions by the Nomination and Remuneration Committee.

4) Total amount of remuneration, etc. for Directors and Corporate Auditors

(In millions of yen, unless otherwise specified.)

Position	Number of persons provided	Total amount of remuneration, etc.	Total amount of remuneration, etc. by type		
			Fixed remuneration	Performance-linked remuneration	Non-monetary remuneration
Director	14	195	141	35	17
(of which External Director)	(7)	(33)	(33)	–	–
Corporate Auditor	3	44	44	–	–
(of which External Auditor)	(2)	(25)	(25)	–	–

- Notes:
- External officers of the Company have not received any officer remuneration from subsidiaries of the Company during the fiscal year under review, other than the above remuneration, etc.
 - The total amount of remuneration, etc. for Directors includes the provision for share-based remuneration for directors (and other officers), for the trust for share-based remuneration for directors (and other officers), of 17 million yen, recorded in the fiscal year under review.

(5) Matters Regarding External Officers

1) Relationship between the Company and other companies where external officers concurrently serve as executives, etc.

- Director, Mr. Shuichi Matsuzawa is a business executor (employee) of MITSUI & CO., LTD., which is a specified associate company (major business partners). MITSUI & CO., LTD. is a major shareholder of the Company, and there are transactional relationships of raw materials, etc. between the Company and the said company.
- Corporate Auditor, Mr. Naohiro Chikada is Representative Director of Chiyoda Accounting Office. There are no special relationships, including transactions, between the Company and Chiyoda Accounting Office.

2) Relationship between the Company and other companies where external officers concurrently serve

- Director, Mr. Takao Tsuji is Outside Director (Audit & Supervisory Committee Member) of SNT Corporation, and Outside Director of TACHIBANA ELETECH CO., LTD. and FUJI SOFT INCORPORATED. There are no special relationships, including transactions, between the Company and the said companies.
- Mr. Shuichi Matsuzawa is the Outside Director of Mitsui DM Sugar Holdings Co., Ltd. There are no special relationships, including transactions, between the Company and the said company.
- Corporate Auditor, Mr. Naohiro Chikada is Outside Director (Audit & Supervisory Committee Member) of SKIYAKI Inc. and Independent Audit & Supervisory Board Member of Tokyo Tatemono Co., Ltd. There are no special relationships, including transactions, between the Company and the said companies.

3) Major activities during the fiscal year under review

Name	Position	Major activities
Kikue Kubota	External Director	Ms. Kubota attended all 18 meetings of the Board of Directors, and asked questions and expressed her opinions as necessary, based on her expert knowledge of the food business. She also serves as a member of the Nomination and Remuneration Committee, which was established for the purpose of improving the appropriateness and objectivity of decision-making regarding the selection of Director candidates and remuneration.
Keizo Goto	External Director	Mr. Goto attended all 18 meetings of the Board of Directors, and asked questions and expressed his opinions as necessary, based on his expert knowledge of finance and economics and the experience he has cultivated as a Full-time Auditor of the Japan Freight Railway Company. He also serves as a member of the Nomination and Remuneration Committee, which was established for the purpose of improving the appropriateness and objectivity of decision-making regarding the selection of Director candidates and remuneration.
Takao Tsuji	External Director	Mr. Tsuji attended all 18 meetings of the Board of Directors, and asked questions and expressed his opinions as necessary, based on his experience which he gained through managing two listed companies. He also serves as a chairman of the Nomination and Remuneration Committee, which was established for the purpose of improving the appropriateness and objectivity of decision-making regarding the selection of Director candidates and remuneration.
Yasushi Handa	External Director	Mr. Handa attended all 14 meetings of the Board of Directors after his appointment, and asked questions and expressed his opinions as necessary, based on his expert knowledge as an attorney. He also serves as a member of the Nomination and Remuneration Committee, which was established for the purpose of improving the appropriateness and objectivity of decision-making regarding the selection of Director candidates and remuneration.
Shuichi Matsuzawa	External Director	Mr. Matsuzawa attended 13 meetings out of 14 of the Board of Directors after his appointment, and asked questions and expressed his opinions as necessary, based on his experience working primarily in the food and overseas business. He also serves as a member of the Nomination and Remuneration Committee, which was established for the purpose of improving the appropriateness and objectivity of decision-making regarding the selection of Director candidates and remuneration.
Eiichi Yano	External Auditor	Mr. Yano attended all 18 meetings of the Board of Directors and all 28 meetings of the Board of Corporate Auditors, and asked questions and expressed his opinions as necessary, based on his wide knowledge on management and finance, cultivated at a financial institution.
Naohiro Chikada	External Auditor	Mr. Chikada attended all 18 meetings of the Board of Directors and all 28 meetings of the Board of Corporate Auditors, and asked questions and expressed his opinions as necessary, based on his expert knowledge cultivated as a certified public accountant.

4) Overview of duties performed by External Directors in relation to the roles they are expected to fulfill

Name	Position	Major activities
Kikue Kubota	External Director	Ms. Kikue Kubota, as a food sector expert, is expected to take on the role of supervising corporate management from an objective standpoint independent of business executors. She attends meetings of the Board of Directors and other important meetings, and expresses her opinions drawing on her knowledge.
Keizo Goto	External Director	Mr. Keizo Goto, as an expert in finance and economics, etc., is expected to take on the role of supervising corporate management from an objective standpoint independent of business executors, leveraging his experience as a Full-time Auditor of Japan Freight Railway Company. He attends meetings of the Board of Directors and other important meetings, and expresses his opinions drawing on his knowledge.
Takao Tsuji	External Director	Mr. Takao Tsuji is expected to take on the role of reinforcing the management structure of the Company by providing advice on the Company's business activities from a broad perspective, leveraging his corporate management experience. He attends meetings of Board of Directors and other important meetings, and expresses his opinions drawing on his knowledge from an objective standpoint independent of business executors.
Yasushi Handa	External Director	Mr. Yasushi Handa, as a legal expert, is expected to supervise corporate management from an objective standpoint independent of business executors. He attends meetings of the Board of Directors and other important meetings, and expresses his opinions from a legal standpoint.
Shuichi Matsuzawa	External Director	Mr. Shuichi Matsuzawa is expected to take on the role of reinforcing the management structure of the Company by providing advice on the Company's business activities from a broad perspective, leveraging his extensive business experience related to domestic and overseas business investment and management in the food and food products sector. He attends meetings of Board of Directors and other important meetings, and expresses his opinions drawing on his knowledge.

4. Accounting Auditor

- (1) Accounting Auditor's Name
Deloitte Touche Tohmatsu LLC
- (2) Accounting Auditor's Remuneration, etc., for the Fiscal Year Ended March 31, 2024
Remuneration, etc., for the fiscal year ended March 31, 2024 54 million yen
Total amount of monetary and other property benefits payable by the Company or its subsidiaries to Accounting Auditor 54 million yen
Note: Under the audit agreement between the Company and the Accounting Auditor, the amount of remuneration, etc. for audits based on the Companies Act and audits based on the Financial Instruments and Exchange Act are not distinguished; therefore, the above amount includes remuneration, etc. for audits based on the Financial Instruments and Exchange Act.
- (3) Reasons for the Board of Corporate Auditors to Have Agreed on Accounting Auditor's Remuneration, etc.
The Board of Corporate Auditors has given its consent based on Article 399, Paragraph 1 of the Companies Act regarding remuneration, etc. of the Accounting Auditor, upon making the necessary verification of the contents of the audit plan of the Accounting Auditor, previous records of audits and remuneration, the status of execution of duties by the Accounting Auditor, and the appropriateness of the basis for calculation of the estimates of audit remuneration.
- (4) Policy on Determination of Dismissal or Non-reappointment of Accounting Auditor
If it is deemed that the Accounting Auditor falls under any of the items stipulated in Article 340, Paragraph 1 of the Companies Act, the Board of Corporate Auditors shall dismiss the Accounting Auditor, based on the unanimous consent of the Corporate Auditors. In this case, the Corporate Auditor selected by the Board of Corporate Auditors shall report the dismissal of the Accounting Auditor, and the reasons for the dismissal at the first General Meeting of Shareholders held after the dismissal.
In addition, if it is deemed necessary, such as when it is deemed difficult for the Accounting Auditor to execute its duties appropriately, the Board of Corporate Auditors shall determine the contents of the proposal regarding dismissal or non-reappointment of the Accounting Auditor, for the General Meeting of Shareholders.

5. Systems to Ensure the Appropriateness of Operations

- (1) Systems to Ensure Compliance of the Execution of Duties by Directors, Executive Officers, and Employees with Laws and Regulations and the Articles of Incorporation
 - 1) In accordance with laws and regulations, the Articles of Incorporation, resolutions at the General Meeting of Shareholders, and internal regulations, the Board of Directors of the Group shall decide on important matters related to management, and supervise the execution of duties by Directors.
 - 2) To ensure that the Directors, Executive Officers, and employees of the Group comply with laws and regulations, and promote appropriate corporate activities, the Group shall make them aware of the “FEED ONE Group Employee Code of Conduct.”
 - 3) Corporate Auditors shall audit the execution of duties by Directors, in cooperation with the Accounting Auditor and the Internal Auditing Division.
 - 4) The Company shall ensure that the “Regulations for Internal Reporting” are recognized within the Group, and periodically report the status of reporting each year to the Board of Directors of the Company. The Board of Directors shall conduct follow-up activities on such reports, and take necessary measures to improve the effectiveness of the internal reporting system. In addition, the Board of Directors shall evaluate the internal reporting system and continuously improve the system.
 - 5) The Board of Directors of the Company shall educate, train, and familiarize the Group regarding compliance, including the internal reporting system, and shall assign and train personnel in charge of compliance who possess the necessary skills and aptitude.
 - 6) The Compliance Committee shall decide on matters including action policies, by investigating and deliberating on various issues related to the Group’s compliance, and inform and instruct the Group, accordingly.
 - 7) The Group will not engage in any relationship with anti-social forces that threaten civil society, and will never conduct anti-social transactions with such forces. In addition, the entire company shall take a resolute stance against such anti-social forces, by closely collaborating with police and other external specialized institutions.
- (2) Systems for the Storage and Management of Information Related to Execution of Duties by Directors and Executive Officers
 - 1) Important documents and records related to the duties of Directors, Executive Officers, and employees of the Group shall be appropriately stored and managed in accordance with applicable laws and regulations, “Regulations for Document Management,” “Regulations for Information Security,” and other regulations.
 - 2) The personal information of the Group shall be managed in accordance with “Regulations for Personal Information Protection” and other regulations.
 - 3) The confidential information of the Group shall be managed in accordance with “Regulations for Business Confidentiality Preservation.”
- (3) Regulations and Other Systems for Managing Risk of Loss
 - 1) In order to manage risks associated with the quality of the Group, the Group shall establish a “Quality Policy” and a management system under the leadership of the Quality Assurance Division, which prevents the occurrence of quality risks, including the safety of the Group’s products. In addition, the Quality Assurance Committee shall investigate and deliberate on various issues related to quality, establish action policies, etc., and inform and instruct the Group, accordingly.
 - 2) In order to manage risks that may arise from the business development of the Group, the Group shall operate the “Regulations for Company-wide Risk Management,” and the Corporate Planning & Strategy Division shall comprehensively manage risk information and conduct periodic reports to the Board of Directors, etc. In addition, each division shall manage the specific individual risks pertaining to the operations in their charge.
- (4) Systems to Ensure the Effective Execution of Duties by Directors and Executive Officers
 - 1) The Group shall establish an executive officer system in order to clarify functions and speed up management, by separating the decision-making and supervisory functions from the business execution functions.
 - 2) In order to ensure a common understanding between the decision-making and supervisory functions and the business execution functions, and to ensure the effectiveness and

- efficiency of operations, reliability of financial reports, and compliance with relevant laws and regulations, important matters shall be decided at the meetings of the Board of Directors held every month, after deliberation by the Executive Committee.
- 3) The Group's business operations and authorities shall be classified based on internal rules, such as "Regulations for Division of Duties" and "Regulations of Administrative Authorities," and the person in charge of each division shall operate the division appropriately, based on his/her authority and responsibility.
- (5) Systems to Ensure the Appropriateness of Operations of the Corporate Group Comprising the Company and its Subsidiaries
 - 1) Each Group company's execution of business operations shall be managed by the Group Strategy Meeting attended by Representative Directors and related Directors, Executive Officers, and employees, "Regulations for the Management of Subsidiaries and Associates," "Regulations of Administrative Authorities," and others.
 - 2) The Internal Auditing Division, which is independent from lines of operation, shall periodically implement internal audits of the Company and each of the Group companies, investigate the status of operation and maintenance of the internal control system, and report the results of such investigations, matters for improvement, and other relevant matters to the Board of Directors of the Company.
 - (6) Matters Related to Employees Who are Requested by Corporate Auditors to Assist them in their Duties
In addition to making the General Affairs Division a secretariat of the Board of Corporate Auditors, if a Corporate Auditor requests the assignment of employees to assist with his/her duties, employees to assist the duties of the Corporate Auditor shall be assigned.
 - (7) Matters Related to the Independence of Employees Set Forth in the Previous Paragraph from Directors, and Matters Related to Ensuring the Effectiveness of Instructions to Such Employees
Directors, Executive Officers, and employees of the Group shall take care not to interfere with the independence of the duties of the employees who assist with the duties of Corporate Auditors, and the Director in charge of the General Affairs Division shall obtain prior consent from the Board of Corporate Auditors on personnel affairs regarding employees who assist with the duties of Corporate Auditors.
 - (8) System for Directors, Executive Officers, and Employees to Report to Corporate Auditors, and Other Systems for Reporting to Corporate Auditors
 - 1) Directors, Executive Officers, and employees shall establish a system for Corporate Auditors to attend important internal meetings such as Executive Committee and Group Strategy Meetings, in addition to the meetings of the Board of Directors, and to receive reports as appropriate. They shall also report the decision-making of management and status of execution of business operations to the Corporate Auditors, through periodic reports that are required by the Corporate Auditors, circulation of documents including important approval documents and minutes, and other means. In addition, if a Corporate Auditor requests an explanation regarding the status of execution of the business operations of the Group, Directors, Executive Officers, and employees of the Group shall promptly and appropriately respond to such requests.
 - 2) Directors, Executive Officers, and employees of the Group, or persons who have received reports from them shall promptly report to the Corporate Auditors if they become aware of the occurrence of an event that may significantly affect the management of the Group.
 - (9) System to Ensure that Persons Who Have Made Reports are Not Subjected to Disadvantageous Treatment on the Grounds that They Have Made Such Reports
The Group will not subject persons who have made reports to Corporate Auditors to any disadvantageous treatment, based on such grounds.
 - (10) Matters Related to Policies on Procedures for Prepayment or Reimbursement of Expenses Incurred in the Execution of Duties of Corporate Auditors, and Other Policies on Procedures for Expenses or Debts Incurred in the Execution of Such Duties
If a Corporate Auditor requests prepayment of expenses, etc. based on the Companies Act, to the Company in the execution of his/her duties, the Company shall promptly process such expenses or debts, unless the expenses or debts in such request are deemed unnecessary for the execution of duties by such Corporate Auditor.

- (11) Other Systems to Ensure Effective Audits by Corporate Auditors
Representative Directors and Directors shall periodically exchange opinions with Corporate Auditors, recognize the importance of audits by the Corporate Auditors, and establish a collaborative system for audit operations, in order for the Corporate Auditors to collaborate with the Accounting Auditor and the Internal Auditing Division, to audit the execution of duties by Directors.

6. Overview of the Status of Operation of Systems to Ensure the Appropriateness of Operations

Based on systems to ensure the appropriateness of operations, the Company strives to develop a system to ensure the appropriateness of the operations of the corporate group, and to operate it appropriately.

The status of operations during the consolidated fiscal year under review is as follows.

- Ensuring the appropriateness of operations in general
The Company holds a “Group Strategy Meeting,” in order to check the status of execution of the business operations of the Group. Important matters are deliberated at the “Executive Committee,” which is also held at least once per month in principle, and decisions are made at the meetings of the Board of Directors. During the fiscal year under review, the Group Strategy Meeting was held 7 times, the Executive Committee was held 18 times, and meetings of the Board of Directors were held 18 times.

The execution of the business operations of the Group companies is managed by establishing and operating “Regulations for the Management of Subsidiaries and Associates.” In addition, the Internal Auditing Division conducts internal audits of each Group company, and periodically reports the results to the Board of Directors. At the same time, this division collaborates with Corporate Auditors, the Accounting Auditor, and External Directors, and exchanges opinions.

- Compliance
During the fiscal year under review, the Company held four meetings of the “Compliance Committee,” which was established by the Representative Director and President, and investigated and deliberated on various issues related to the Group’s compliance. In addition, the Company conducted compliance training for Directors, Executive Officers, employees, and other staff to increase compliance awareness, and ensures that the Group is fully aware of the internal reporting system, which has an outside attorney, an External Auditor, and the Internal Auditing Division as contact points.
- Risk management system
The Company has established a company-wide risk management system based on “Regulations for Company-wide Risk Management.” In addition, individual risks that arise during the course of the Company’s business are managed by internal regulations and committee meetings held by each division, including the “Compliance Committee” and “Credit Committee.”
- Ensuring the effectiveness of audits by Corporate Auditors

The Board of Corporate Auditors of the Company is composed of one internal Corporate Auditor and two External Auditors.

During the fiscal year under review, the meetings of the Board of Corporate Auditors were held 28 times, and reports were received from Directors on their status regarding execution of business operations. Furthermore, Full-time Corporate Auditors shared concurrent positions of Corporate Auditors at important subsidiaries, and attended important meetings such as the meetings of the Board of Directors of each company. In addition, the Board of Corporate Auditors exchanges opinions with Representative Directors, External Directors, and the Internal Auditing Division, in addition to the Accounting Auditor, and requests important reports from Directors, Executive Officers, and employees, to deliberate and make decisions on various matters.

In addition, the internal Corporate Auditor and External Auditors attend important meetings such as the “Executive Committee,” “Group Strategy Meeting,” and “Compliance Committee,” depending on their roles.

The Corporate Auditors and Representative Directors have agreed upon a system for reporting to Corporate Auditors or the Board of Corporate Auditors, which includes attendance at important meetings by Corporate Auditors, inspection of important documents, and periodic and special reporting of matters to Corporate Auditors, in order to ensure the effectiveness of audits by Corporate Auditors.

7. Basic Policy Related to the Determination of Dividends of Surplus

In order to secure flexibility in its capital policy, the Company stipulates in its Articles of Incorporation that the matters stipulated in each item of Article 459, Paragraph 1 of the Companies Act may be conducted by the resolution of the Board of Directors.

The Company aims for a consolidated dividend payout ratio of 25% or more, with enhancement of internal reserves to strengthen its financial structure, which will serve as a foundation for long-term development, and stable dividends as its basis.

Internal reserves will be utilized effectively as investment funds to maintain and enhance the competitiveness of the Company, in the future.

In principle, the Company pays dividends twice a year in the form of an interim dividend and a year-end dividend. For the fiscal year under review, an interim dividend of 12.5 yen per share has been paid, and based on the above policy, as a result of comprehensively taking into account the performance and financial status of the fiscal year under review, the Company will pay a term-end ordinary dividend of 14.5 (27.0 yen annually) yen per share.

Consolidated Financial Statements

(April 1, 2023 - March 31, 2024)

Consolidated Balance Sheet

(As of March 31, 2024)

(In millions of yen)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	88,204	Current liabilities	55,121
Cash and deposits	10,876	Notes and accounts payable - trade	34,360
Notes and accounts receivable - trade	51,829	Short-term borrowings	10,580
Electronically recorded monetary claims - operating	5,149	Lease liabilities	133
Merchandise and finished goods	2,856	Income taxes payable	2,262
Raw materials and supplies	14,041	Provision for bonuses	772
Animals	408	Asset retirement obligations	77
Other	3,335	Other	6,933
Allowance for doubtful accounts	(292)	Non-current liabilities	25,060
Non-current assets	42,834	Long-term borrowings	21,178
Property, plant and equipment	30,181	Lease liabilities	602
Buildings and structures	12,401	Deferred tax liabilities	685
Machinery, equipment and vehicles	10,179	Provision for share awards for directors (and other officers)	111
Land	6,265	Retirement benefit liability	2,313
Leased assets	687	Asset retirement obligations	3
Construction in progress	167	Liabilities from application of equity	119
Other	480	Other	46
Intangible assets	1,542	Total liabilities	80,182
Other	1,542	(Net assets)	
Investments and other assets	11,109	Shareholders' equity	47,639
Investment securities	10,143	Share capital	10,000
Long-term loans receivable	1	Capital surplus	9,737
Distressed receivables	252	Retained earnings	28,075
Deferred tax assets	199	Treasury shares	(173)
Other	681	Accumulated other comprehensive income	2,640
Allowance for doubtful accounts	(169)	Valuation difference on available-for-sale securities	2,316
		Deferred gains or losses on hedges	139
		Foreign currency translation adjustment	213
		Remeasurements of defined benefit plans	(28)
		Non-controlling interests	576
		Total net assets	50,856
Total assets	131,038	Total liabilities and net assets	131,038

Consolidated Statement of Income

(April 1, 2023 - March 31, 2024)

(In millions of yen)

Description	Amount	
Net sales		313,875
Cost of sales		283,153
Gross profit		30,721
Selling, general and administrative expenses		22,972
Operating profit		7,748
Non-operating income		
Interest and dividend income	165	
Stockpile storage revenue	136	
Other	233	535
Non-operating expenses		
Interest expenses	183	
Share of loss of entities accounted for using equity method	312	
Other	49	545
Ordinary profit		7,737
Extraordinary income		
Gain on sale of non-current assets	15	
Gain on sale of investment securities	206	221
Extraordinary losses		
Loss on sale of non-current assets	20	
Loss on retirement of non-current assets	46	
Impairment losses	204	
Loss on cancellation of leases	0	
Loss on valuation of investment securities	2	
Loss on closing of factory	149	
Loss on sale of membership	11	434
Profit before income taxes		7,524
Income taxes - current	2,363	
Income taxes - deferred	46	2,410
Profit		5,113
Profit attributable to non-controlling interests		29
Profit attributable to owners of parent		5,084

Non-Consolidated Financial Statements

(April 1, 2023 - March 31, 2024)

Non-Consolidated Balance Sheet

(As of March 31, 2024)

(In millions of yen)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	80,452	Current liabilities	48,028
Cash and deposits	5,307	Accounts payable - trade	31,637
Notes receivable - trade	9,806	Short-term borrowings	7,765
Accounts receivable - trade	44,982	Lease liabilities	117
Merchandise and finished goods	2,355	Accounts payable - other	1,688
Raw materials and supplies	13,786	Accrued expenses	2,836
Advance payments to suppliers	685	Income taxes payable	1,921
Prepaid expenses	1,596	Deposits received	1,359
Accounts receivable - other	410	Provision for bonuses	625
Short-term loans receivable	1,185	Asset retirement obligations	77
Other	523	Non-current liabilities	19,984
Allowance for doubtful accounts	(186)	Long-term borrowings	16,671
Non-current assets	32,688	Lease liabilities	484
Property, plant and equipment	20,676	Deferred tax liabilities	651
Buildings	7,280	Provision for retirement benefits	1,943
Structures	1,189	Provision for share awards for directors (and other officers)	111
Machinery and equipment	6,700	Provision for loss on business of subsidiaries and associates	119
Vehicles	40	Asset retirement obligations	3
Tools, furniture and fixtures	232	Total liabilities	68,013
Land	4,531	(Net assets)	
Leased assets	546	Shareholders' equity	42,779
Construction in progress	150	Share capital	10,000
Other	2	Capital surplus	11,931
Intangible assets	1,496	Legal capital surplus	2,500
Leasehold interests in land	0	Other capital surplus	9,431
Software	232	Retained earnings	21,023
Software in progress	1,262	Other retained earnings	21,023
Other	1	Retained earnings brought forward	21,023
Investments and other assets	10,515	Treasury shares	(175)
Investment securities	5,319	Valuation and translation adjustments	2,348
Shares of subsidiaries and associates	4,312	Valuation difference on available-for-sale securities	2,208
Investments in capital	34	Deferred gains or losses on hedges	139
Long-term loans receivable from subsidiaries and associates	106	Total net assets	45,127
Distressed receivables	1,653		
Long-term prepaid expenses	35		
Other	482		
Allowance for doubtful accounts	(1,428)		
Total assets	113,141	Total liabilities and net assets	113,141

Non-Consolidated Statement of Income

(April 1, 2023 - March 31, 2024)

(In millions of yen)

Description	Amount	
Net sales		269,867
Cost of sales		245,446
Gross profit		24,420
Selling, general and administrative expenses		18,030
Operating profit		6,390
Non-operating income		
Interest and dividend income	176	
Stockpile storage revenue	136	
Other	174	487
Non-operating expenses		
Interest expenses	136	
Other	51	187
Ordinary profit		6,690
Extraordinary income		
Gain on sale of non-current assets	0	
Gain on sale of investment securities	206	207
Extraordinary losses		
Loss on sale of non-current assets	7	
Loss on retirement of non-current assets	28	
Impairment losses	6	
Loss on valuation of shares of subsidiaries and associates	282	
Provision of allowance for doubtful accounts for subsidiaries and associates	321	
Provision for loss on business of subsidiaries and associates	119	
Loss on valuation of investment securities	2	
Loss on closing of factory	149	
Loss on sale of membership	11	928
Profit before income taxes		5,968
Income taxes - current	1,959	
Income taxes - deferred	(49)	1,910
Profit		4,058