

## [Paper-based Document Delivered to Shareholders]

Stock Code: 3563

December 5, 2024

(Start date of measures for electronic provision: December 3, 2024)

To the Shareholders of FOOD & LIFE COMPANIES LTD.

1-22-2 Esaka, Suita, Osaka Prefecture, Japan  
**FOOD & LIFE COMPANIES LTD.**  
Representative Director Koichi Mizutome

## Notice of the 10th Ordinary General Meeting of Shareholders

We would like to express our gratitude for your continued support.

FOOD & LIFE COMPANIES LTD. (“Company”) hereby announces that the 10th Ordinary General Meeting of Shareholders of the Company will be held as described below.

In convening the General Meeting of Shareholders, we have taken measures to electronically provide information and accordingly posted items subject to measures for electronic provision as the Notice of the 10th Ordinary General Meeting of Shareholders online on the website shown below.

The Company’s website

<https://www.food-and-life.co.jp/>

Please access the Company’s website and select “IR News (View more)” and then “Notice of the 10th Ordinary General Meeting of Shareholders.”

From December 27, 2024, please access the Company’s website and select “News,” followed by “IR News” and then “Notice of the 10th Ordinary General Meeting of Shareholders.”

In addition to the above website, the information has been posted on the website shown below.



TSE website

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

\*On the TSE website, enter the issue name (company name) or code (3563) for information search. Then please select “Basic information” and then “Documents for public inspection/PR information” to view the information.



If you do not attend the meeting, you may exercise your voting rights in writing or by electronic means (such as the Internet). Please review the Reference Materials of Ordinary General Meeting of Shareholders posted in items subject to measures for electronic provision and exercise your voting rights by 5:00 p.m. on Wednesday, December 25, 2024.

On the day of the General Meeting of Shareholders, we will broadcast the meeting live on the Internet so that you can watch the meeting at home. We will accept questions from shareholders in advance as described below, and respond to the most frequently asked questions on the day of the General Meeting of Shareholders, which will be posted on the Company’s website at a later date.

We no longer give out gifts to shareholders attending the General Meeting of Shareholders. Thank you for your understanding.

<b>1. Date and time</b>	10:00 a.m., Thursday, December 26, 2024 (Reception opens at 9:00 a.m.)
<b>2. Place</b>	5-3-51, Nakanoshima, Kita-ku, Osaka 10th Floor, Osaka International Convention Center (Grand Cube Osaka) * Please note that the venue is different from last year.
<b>3. Objectives of Meeting</b>	<p>Matters to be reported</p> <ol style="list-style-type: none"> <li>1. Business Report and Consolidated Financial Statements for the 10th fiscal year (from October 1, 2023 to September 30, 2024), and audit results on the Consolidated Financial Statements by the Independent Financial Auditors and the Audit and Supervisory Committee</li> <li>2. Non-consolidated Financial Statements for the 10th fiscal year (from October 1, 2023 to September 30, 2024)</li> </ol> <p>Matters to be resolved</p> <p><b>Agenda Item No. 1:</b> Dividends of Surplus</p> <p><b>Agenda Item No. 2:</b> Election of Five (5) Directors (Excluding Directors Serving on the Audit and Supervisory Committee)</p> <p><b>Agenda Item No. 3:</b> Election of Three (3) Directors Serving on the Audit and Supervisory Committee</p>
<b>4. Information on Exercise of Voting Rights, etc.</b>	Please refer to “Information on Exercise of Voting Rights, etc.” on pages 3 and 4 of Japanese version.

Shareholders who requested delivery of a paper-based document have been sent a paper document that excludes some of the items required to be provided electronically, in accordance with laws and regulations and Article 15 of the Company’s Articles of Incorporation. Accordingly, the paper document is part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor when preparing the audit report. If revisions are made to the items subject to measures for electronic provision, the revised content will be posted on the websites given above.

## Information on Exercise of Voting Rights, etc.

You may exercise your voting rights by any of the following methods.

### Exercising Your Voting Rights by Post

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Please indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and return it without affixing any stamps.

Deadline for  
exercise of  
voting rights:

**Must arrive by Wednesday, December 25, 2024 No later than 5:00 p.m.**

\* If there is no indication of “approval” or “disapproval” for any of the proposals, it will be treated as an indication of “approval.”

Agenda Item No. 1:

- Approval → Circle “贊” (Approve)
- Disapproval → Circle “否” (Disapprove)

Agenda Items No. 2 and No. 3

- If you approve of all the candidates → Circle “贊” (Approve)
- If you disapprove of all the candidates → Circle “否” (Disapprove)
- If you disapprove of some of the candidates → Circle “贊” (Approve) and indicate the number of each candidate you are voting against in the column provided

### Exercising Your Voting Rights via the Internet

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(1) Using a computer

Please access the website for the exercise of voting rights (<https://www.web54.net>), login with your Voting Rights Exercise Code and Password indicated on the enclosed Voting Rights Exercise Form, and follow the instructions on the screen to enter your approval or disapproval of the proposals.

(2) Using a smartphone

By scanning the Smartphone Voting Website Login QR Code on the enclosed Voting Rights Exercise Form, you can exercise your voting rights through the Smartphone Voting Rights Exercise Website without entering your Voting Rights Exercise Code and Password. If you wish to change your vote after exercising your voting rights once, you will need to scan the QR code again and enter the Voting Rights Exercise Code and Password indicated on the enclosed Voting Rights Exercise Form.

Deadline for  
exercise of  
voting rights:

**Wednesday, December 25, 2024 No later than 5:00 p.m.**

- (1) Please note that shareholders who use the Exercise of Voting Rights Website will be asked to change their Password on the Exercise of Voting Rights Website in order to prevent unauthorized access (spoofing) and falsification of votes by persons other than shareholders.
- (2) The Password (including a password changed by the shareholder) will only be valid for this General Meeting of Shareholders. A new Password will be issued for the next General Meeting of Shareholders.
- (3) The shareholder will bear the Internet connection costs.

**Points to note when exercising your voting rights via the Internet, etc.**

- (1) If you exercise your voting rights both via the Internet and in writing, the vote exercised via the Internet will be treated as the valid exercise of your voting rights.
  - (2) If you exercise your voting rights more than once via the Internet, the vote exercised last will be treated as the valid exercise of your voting rights.
  - (3) Voting rights exercised via the Internet will be accepted no later than 5:00 p.m. on Wednesday, December 25, 2024, and we kindly request that you exercise your voting rights as soon as possible.
- If you have any questions, please call the toll-free number below.

**About the Voting Rights Exercise Website**

- (1) The exercise of voting rights via the Internet can only be performed by accessing the Company's designated Voting Rights Exercise Website (<https://www.web54.net>) with a computer or smartphones.
- (2) Although the operation of the Voting Rights Exercise Website has been verified on Internet-capable devices in general, it may not be possible to use the website depending on the device you are using.

**About the Platform for Electronic Exercise of Voting Rights**

Nominee shareholders (including standing proxies) of managed trust banks, etc. who have applied in advance for the use of the platform for electronic exercise of voting rights operated by ICJ, Inc. may use the platform in addition to the exercise of voting rights via the Internet as a method of exercising voting rights at the Company's General Meeting of Shareholders by electromagnetic method.

For inquiries on how to use a computer or other device:

- (1) Please contact the following if you have any questions on how to use a computer or other device to exercise voting rights on the website. Dedicated toll-free number for transfer agent website support, Sumitomo Mitsui Trust Bank, Limited  
[Telephone] 0120 (652) 031 (from 9:00 a.m. to 9:00 p.m.)
- (2) For any other inquiries, please contact your securities company.

## Information on the Live Stream of the General Meeting of Shareholders and Acceptance of Questions in Advance

We will provide a live stream of the General Meeting of Shareholders via the Internet to allow shareholders to view the meeting from the comfort of their homes, etc. Please exercise your voting rights in advance as you will not be able to participate in resolutions on the live stream. For more details, please refer to “Information on Exercise of Voting Rights, etc.” on pages 3 and 4.

We will also accept questions and comments from shareholders in advance regarding the matters to be reported and resolved at the Company’s 10th Ordinary General Meeting of Shareholders. Please note that each shareholder may submit up to two questions or comments. We will post the most frequently asked questions and comments on the Company’s website at a later date.

### Live stream and question website

<https://3563.ksoukai.jp>



**How to log in:** Please enter your ID (shareholder number) and password (zip code) to participate in the live stream. (Please have ready the information listed or recorded in the final shareholders’ register as of September 30, 2024.)

**Date and time of the live stream:** From 9:30 a.m. on Thursday, December 26, 2024 until the end of the General Meeting of Shareholders

Period for acceptance of questions in advance: From 9:00 a.m. on Friday, December 6, 2024 until 6:00 p.m. on Friday, December 13, 2024

### <For inquiries regarding the live stream, please contact>

0120 (146) 789 (toll free)

Hours: From 9:00 a.m. until the end of the General Meeting of Shareholders (only on the day of the General Meeting of Shareholders)

- (1) You may not be able to view the live stream due to your computer environment, Internet connection environment, or for other reasons.
- (2) The shareholder will bear the communication and other charges for viewing the live stream.
- (3) In consideration of the privacy and portrait rights of the attending shareholders, the live broadcast will be filmed from the rear of the venue, and we will avoid filming of the attending shareholders as much as possible. However, please be aware that there may be unavoidable cases in which shareholders in attendance appear in the footage, and we ask for your understanding.

## Summary of Matters to be Resolved at the General Meeting of Shareholders

A summary of the matters to be resolved at the General Meeting of Shareholders is as follows.

### Agenda Item No. 1: Dividends of Surplus

Type of asset distributed as dividend	Cash
Matters regarding the assignment of assets distributed as dividend and the total amount thereof	Dividend per ordinary share of the Company: 30.0 yen (includes a commemorative dividend of 2.5 yen) Total amount of dividend: 3,393,702,600 yen
Effective date of dividend of surplus	Friday, December 27, 2024

**Agenda Item No. 2:** Election of Five (5) Directors (Excluding Directors Serving on the Audit and Supervisory Committee)

Candidate No.	Name	Positions and areas of responsibility in the Company	Attribute
1	Koichi Mizutome	Representative Director	Re-election
2	Masahiro Yamamoto	President & CEO, Corporate Officer	New Election
3	Akira Kondo	Director	Re-election    Outside
4	Minesaburo Miyake	Director	Re-election    Outside    Independent
5	Reiko Kanise	Director	Re-election    Outside    Independent

**Agenda Item No. 3:** Election of Three (3) Directors Serving on the Audit and Supervisory Committee

Candidate No.	Name	Positions and areas of responsibility in the Company	Attribute
1	Teiichi Takatsuki		New Election    Outside    Independent
2	Mami Taira	Director (serving on the Audit and Supervisory Committee)	Re-election    Outside    Independent
3	Emi Omura	Director (serving on the Audit and Supervisory Committee)	Re-election    Outside    Independent

## Reference Materials of Ordinary General Meeting of Shareholders

### Agenda Item No. 1: Dividends of Surplus

Taking into account business results in the year ended September 30, 2024 and our future business development, we propose to pay a year-end dividend of 30 yen per share, consisting of an ordinary dividend of 27.5 yen, an increase of 5 yen, and a commemorative dividend of 2.5 yen to mark the 40th anniversary of our subsidiary Akindo Sushiro Co., Ltd.

Type of asset distributed as dividend	Cash
Matters regarding the assignment of assets distributed as dividend and the total amount thereof	Dividend per ordinary share of the Company: 30.0 yen Total amount of dividend: 3,393,702,600 yen
Effective date of dividend of surplus	Friday, December 27, 2024



**Agenda Item No. 2:** Election of Five (5) Directors (Excluding Directors Serving on the Audit and Supervisory Committee)

The terms of office of all five (5) Directors (excluding Directors serving on the Audit and Supervisory Committee; the same shall apply hereinafter in this Agenda Item) will expire at the conclusion of this General Meeting of Shareholders. Therefore, we propose the election of five (5) Directors.

The Audit and Supervisory Committee evaluated the status of the execution of business and performance of each candidate in the fiscal year ended September 30, 2024 and their careers, and has determined that they are eligible for being the Company's Directors.

Candidates for Directors are as follows:

Candidate No.	Name	Positions and areas of responsibility in the Company	Attribute
1	Koichi Mizutome	Representative Director	Re-election
2	Masahiro Yamamoto	President & CEO, Corporate Officer	New Election
3	Akira Kondo	Director	Re-election   Outside
4	Minesaburo Miyake	Director	Re-election   Outside   Independent
5	Reiko Kanise	Director	Re-election   Outside   Independent

Candidate No.	Name (Date of Birth)	Career summary, positions and areas of responsibility (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Koichi Mizutome (January 26, 1968) <u>Re-election</u>	Apr. 1991 Joined Dentsu Inc. Feb. 1996 Joined Andersen Consulting (currently, Accenture PLC) Apr. 2000 Joined Roland Berger Strategy Consultants (Japan Office) ("Roland Berger") Jan. 2005 Representative Director, Roland Berger Oct. 2009 Managing Director, Enterprise Turnaround Initiative Corporation of Japan (currently, Regional Economy Vitalization Corporation of Japan) Dec. 2010 Director and Executive Vice President, Japan Airlines Co., Ltd. ("JAL") Jun. 2013 Senior Managing Executive Officer, World, Co., Ltd. ("World") Feb. 2015 President and Representative Director, Akindo Sushiro Co., Ltd. ("Akindo Sushiro") Mar. 2015 President and Representative Director, the Company Oct. 2019 Chairman and Director, Akindo Sushiro May 2022 Outside Director, Adastria Co., Ltd. (to present) Oct. 2024 Representative Director, the Company (to present) (Significant concurrent positions outside the Company) FOOD & LIFE COMPANIES USA, Corp. Director Director, Sushiro Korea, Inc. Director, Sushiro Taiwan Co., Ltd. Sushiro GH Singapore Pte. Ltd. Director Director, FOOD & LIFE COMPANIES HONG KONG LIMITED Sushiro GH (Thailand) Ltd. Director PT INDONESIA SUSHIRO RESTAURANTS Director Sushiro Malaysia Sdn. Bhd, Director Director, Sushiro (China) Investment Co., Ltd. Director, Guangzhou Sushiro Restaurants Co., Ltd. Director, Shenzhen Sushiro Restaurants Co., Ltd. Director, Chengdu Sushiro Restaurants Co., Ltd. Director, Beijing Sushiro Restaurants Co., Ltd. Outside Director, Adastria Co., Ltd.	121,644 shares
	Reasons for selecting as candidate for Director	Since the assumption of office as Director of the Company in 2015, Mr. Koichi Mizutome has made every effort to utilize his abundant knowledge, experience and good insight, which he obtained through a wide variety of investment businesses in a global consulting firm, for developing the Group's domestic and overseas businesses as the Company's CEO. Accordingly, we are recommending his re-election as Director.	

Candidate No.	Name (Date of Birth)	Career summary, positions and areas of responsibility (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	<p data-bbox="336 779 549 846">Masahiro Yamamoto (September 28, 1977)</p> <p data-bbox="373 846 512 875" style="border: 1px solid black; display: inline-block; padding: 2px;">New Election</p>	<p data-bbox="549 300 1225 1357"> Apr. 2000 Joined ASATSU DK, Inc. (currently, ADK Holdings, Inc.)  Jan. 2009 Joined Dentsu Inc.  Sep. 2014 Executive Vice President, Dentsu media (currently, Dentsu X) Taiwan  Sep. 2014 Director, Dentsu Taiwan  Sep. 2014 Director, Dentsu One, Inc.  Sep. 2014 Director, Dentsu X-Line Co., Ltd.  Apr. 2016 Vice Chairman &amp; Co-President, Dentsu media (currently, Dentsu X) Taiwan  Sep. 2020 Chief Director, Global Business Center, Dentsu Inc.  Mar. 2021 Assistant to Executive General Manager, Innovation Center, Information Services International-Dentsu (ISID) (currently, DENTSU SOKEN INC.)  Jan. 2023 Director, Integrated Office, Dentsu Group Inc.  Jun. 2023 Senior Executive Corporate Officer, Assistant to the President, the Company  Oct. 2023 Vice President, Corporate Officer, COO, Japan Business Development, the Company  Oct. 2024 President, Corporate Officer &amp; CEO of the Company  (Significant concurrent positions outside the Company)  Chairman and Representative Director, Akindo Sushiro  Representative Director and Chairman, Kyotaru Co., Ltd.  Chairman and Representative Director, FOOD &amp; LIFE INNOVATIONS LTD.  FOOD &amp; LIFE COMPANIES USA, Corp. Director  Director, Sushiro Korea, Inc.  Director, Sushiro Taiwan Co., Ltd.  Sushiro GH Singapore Pte. Ltd. Director  Director, FOOD &amp; LIFE COMPANIES HONG KONG LIMITED  Sushiro GH (Thailand) Ltd. Director  PT INDONESIA SUSHIRO RESTAURANTS Director  Sushiro Malaysia Sdn. Bhd, Director  Director, Sushiro (China) Investment Co., Ltd.  Director, Guangzhou Sushiro Restaurants Co., Ltd.  Director, Shenzhen Sushiro Restaurants Co., Ltd.  Director, Chengdu Sushiro Restaurants Co., Ltd.  Director, Beijing Sushiro Restaurants Co., Ltd. </p>	0 shares
	<p data-bbox="336 1496 549 1603">Reasons for selecting as candidate for Director</p>	<p data-bbox="549 1370 1225 1729"> Following the recommendation of the Company's Nomination and Remuneration Committee, Mr. Masahiro Yamamoto was appointed as a Corporate Officer on June 1, 2023, and currently serves as CEO. Since joining the Company, Mr. Masahiro Yamamoto has utilized his abundant knowledge, experience and good insight, which he obtained through a wide variety of work in the advertising industry, to contribute to the Company's management by serving as Executive Vice President, Corporate Officer and COO of Japan Business, as well as leading departments including PR/Marketing, Site Development, Store Designing, and Customer Voice Support. Accordingly, we are recommending his election as Director in order to utilize his record of achievement in the management of the Group. </p>	

Candidate No.	Name (Date of Birth)	Career summary, positions and areas of responsibility (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Akira Kondo (February 2, 1945) <input type="checkbox"/> Re-election <input type="checkbox"/> Outside	<p>Apr. 1967 Joined The Sumitomo Bank, Limited (currently, Sumitomo Mitsui Banking Corporation) (“Sumitomo Bank”)</p> <p>Jun. 1997 Executive Managing Director, Sumitomo Bank</p> <p>Apr. 1999 Representative Director and Vice President, Daiwa Securities SB Capital Markets Co., Ltd.</p> <p>May 2000 Executive Officer and Senior Managing Director, Sony Corporation</p> <p>Jul. 2004 Vice Chairman, AIG East Asia Holdings Management KK</p> <p>Jun. 2009 Director, Representative Executive Officer, President and CEO, The Fuji Fire and Marine Insurance Co., Ltd.(currently, AIG General Insurance Company, Ltd.) (“Fuji Fire”)</p> <p>Jun. 2010 Director, Representative Executive Officer, Chairman and CEO, Fuji Fire</p> <p>Oct. 2011 Vice Chairman, Chartis Far East Holdings KK (now AIG Japan Holdings KK)</p> <p>Apr. 2012 Outside Director, Japan Bank for International Cooperation (“JBIC”)</p> <p>Jun. 2014 Outside Auditor, Calbee, Inc.</p> <p>Jun. 2016 Representative Director and Governor, JBIC</p> <p>Nov. 2018 Outside Director, Argo Holdings Co., Ltd.</p> <p>Nov. 2018 Outside Director, DeCurret Inc.</p> <p>Dec. 2018 Outside Director, the Company (to present)</p> <p>Jul. 2019 Director, Right Now Co., Ltd.</p> <p>Jun. 2020 Auditor, Power One Co., Ltd.</p> <p>Jun. 2020 Outside Director, Glocalist Co., Ltd.</p> <p>Sep. 2020 Executive Advisor, Bonac Corporation</p> <p>Oct. 2021 Executive Advisor, IA Partners Inc. (to present)</p> <p>Oct. 2021 Advisor, Argo Holdings Co., Ltd.</p> <p>Feb. 2023 Director, Japan Investment Corporation (to present)</p> <p>Feb. 2023 Executive Advisor, Global IR, Inc. (to present)</p> <p>(Significant concurrent positions outside the Company)            Director, Japan Investment Corporation            Executive Advisor, IA Partners Inc.            Executive Advisor, Global IR, Inc.</p>	2,500 shares
	Reasons for selecting as candidate for Outside Director	Mr. Akira Kondo has long-term, abundant experience and a track record as a manager in multiple financial institutions and business corporations. We are recommending his re-election as Outside Director to utilize his experience and track record for management supervision for sustainable improvement of the Group's corporate value.	

Candidate No.	Name (Date of Birth)	Career summary, positions and areas of responsibility (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Minesaburo Miyake (July 22, 1952) <input type="checkbox"/> Re-election <input type="checkbox"/> Outside <input type="checkbox"/> Independent Officer	Apr. 1976 Joined Kewpie Corporation Feb. 2003 Director, Kewpie Corporation Feb. 2010 Executive Managing Director, Kewpie Corporation Feb. 2011 Representative Director and President, Kewpie Corporation Feb. 2011 Director, Nakashimato Co., Ltd. Feb. 2017 Corporate Advisor, Kewpie Corporation Feb. 2017 Chairman and Director, Nakashimato Co., Ltd. Apr. 2017 Chairman, Public Interest Incorporated Foundation Kewpie Mirai Tamago Foundation Dec. 2017 Outside Director, Fuji Pharma Co., Ltd. (to present) Jun. 2018 Outside Director, Kameda Seika Co., Ltd. (to present) Jun. 2018 Outside Director, Autobacs Seven Co., Ltd. Jun. 2019 Outside Director (Audit and Supervisory Committee Member), Autobacs Seven Co., Ltd. Jun. 2019 Chief Associated Member, Council for Utilization of Dormant Deposits, Cabinet Office Dec. 2020 Outside Director, the Company (to present) Oct. 2021 Associated Member, Council for Utilization of Dormant Deposits, Cabinet Office Jun. 2023 Outside Director, Autobacs Seven Co., Ltd. (Significant concurrent positions outside the Company) Outside Director, Fuji Pharma Co., Ltd. Outside Director, Kameda Seika Co., Ltd.	0 shares
	Reasons for selecting as candidate for Outside Director	Mr. Minesaburo Miyake has long-term management experience and good insight as a manager. We are recommending his re-election as Outside Director to benefit from his management supervision based on his experience and insight as an expert in management, which he would be able to provide in enhancing the sustainable corporate value of the Group.	

Candidate No.	Name (Date of Birth)	Career summary, positions and areas of responsibility (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	<p>Reiko Kanise (July 14, 1951)</p> <p>Re-election Outside Independent Officer</p>	<p>Apr. 1975 Joined Hakuholdo Incorporated Feb. 1993 Representative Director, Kei Associates Inc. (to present) Jun. 1999 President and Representative Director, Aeon Forest Co., Ltd.(The Body Shop) Jan. 2001 Member, Consumer Committee of Japan Retailers Association (to present) May 2001 Board member, Japan Council of Shopping Centers May 2004 Chairperson, Information Committee, Japan Council of Shopping Centers Feb. 2007 Representative Director, LenaJapon Institute Co., Ltd. (to present) Oct. 2010 Visiting professor, Showa Women's University Jun. 2015 Outside Director, Tokyu Corporation (to present) Sep. 2015 Member, Consumer Commission, Cabinet Office Dec. 2020 Outside Director, the Company (to present) Jun. 2021 Outside Director, Kitamura Holdings K.K. (to present) Sep. 2022 Outside Director, &amp;Do Holdings Co., Ltd. (to present) May 2023 Advisor, Japan Council of Shopping Centers (to present)</p> <p>(Significant concurrent positions outside the Company) Representative Director, Kei Associates Inc. Representative Director, LenaJapon Institute Co., Ltd. Outside Director, Tokyu Corporation Outside Director, Kitamura Holdings K.K. Outside Director, &amp;Do Holdings Co., Ltd.</p>	0 shares
	Reasons for selecting as candidate for Outside Director	<p>Ms. Reiko Kanise has a long-term track record of corporate management as a manager and abundant experience in and broad insight on retail business and marketing. We are recommending her re-election as Outside Director, to benefit from her management supervision based on her experience and insight, which she would be able to provide in enhancing the sustainable corporate value of the Group.</p>	

- Notes
1. There is no conflict of interest between the Company and each of the candidates.
  2. Messrs. Akira Kondo and Minesaburo Miyake, and Ms. Reiko Kanise are candidates for Outside Directors.
  3. Mr. Akira Kondo is currently our Outside Director and will have served for six (6) years as Outside Director at the conclusion of this Meeting of Shareholders.
  4. Mr. Minesaburo Miyake is currently our Outside Director and will have served for four (4) years as Outside Director at the conclusion of this Meeting of Shareholders.
  5. Ms. Reiko Kanise is currently our Outside Director and will have served for four (4) years as Outside Director at the conclusion of this Meeting of Shareholders.
  6. The Company has submitted a notification to the Tokyo Stock Exchange to state that Messrs. Akira Kondo and Minesaburo Miyake, and Ms. Reiko Kanise are Independent Directors. If this Proposal is approved as originally proposed, the Company plans to re-submit the notification to state that Mr. Minesaburo Miyake and Ms. Reiko Kanise are qualified Independent Directors.
  7. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company entered into agreements with Messrs. Akira Kondo and Minesaburo Miyake, and Ms. Reiko Kanise to limit their liability for damages outlined under Article 423, Paragraph 1 of the Companies Act. The limit on liability for damages under these agreements is set at the minimum liability amount stipulated by Article 425, Paragraph 1 of the Companies Act. If the appointments are approved, the Company will renew these agreements with them.
  8. The Company has entered into a directors liability insurance contract with an insurance company as provided in Article 430-3, Paragraph 1 of the Companies Act, with all the Directors as insured persons. The contract is designed to cover damages that would be incurred by the insured Directors as a result of their assuming responsibility for the execution of their duties or receiving claims related to the pursuit of such responsibility. If the appointment of each candidate is approved, the candidate will continue to be an insured person under the relevant insurance contract. The contract is scheduled to be renewed with the same content at the next renewal.

**Agenda Item No. 3:** Election of Three (3) Directors Serving on the Audit and Supervisory Committee  
 The terms of office of all three (3) Directors serving on the Audit and Supervisory Committee will expire at the conclusion of this General Meeting of Shareholders. Therefore, we propose the election of three (3) Directors serving on the Audit and Supervisory Committee. The Company has obtained the prior consent of the Audit and Supervisory Committee for this proposal. This proposal was also reviewed by each of the Directors serving on the Audit and Supervisory Committee and no opinion was expressed.

Candidates for Directors serving on the Audit and Supervisory Committee are as follows:

Candidate No.	Name	Positions and areas of responsibility in the Company	Attribute
1	Teiichi Takatsuki		<input type="checkbox"/> New-election <input type="checkbox"/> Outside <input type="checkbox"/> Independent
2	Mami Taira	Director (serving on the Audit and Supervisory Committee)	<input type="checkbox"/> Re-election <input type="checkbox"/> Outside <input type="checkbox"/> Independent
3	Emi Omura	Director (serving on the Audit and Supervisory Committee)	<input type="checkbox"/> Re-election <input type="checkbox"/> Outside <input type="checkbox"/> Independent



Candidate No.	Name (Date of Birth)	Career summary, positions and areas of responsibility (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Teiichi Takatsuki (August 2, 1960) <input type="checkbox"/> New-election <input checked="" type="checkbox"/> Outside <input type="checkbox"/> Independent Officer	Apr. 1983 Joined World, Co., Ltd. ("World") Mar. 1991 President and Representative Director, WORLD ITALY S.P.A Jun. 2007 Senior Managing Executive Officer, World Apr. 2008 Executive Officer, General Manager, Accounting Supervising Department, World Oct. 2012 Executive Officer, General Manager, Business Support Department, World Jun. 2015 Director, Member of Audit & Supervisory Committee, World May 2024 Outside Auditor, SHIMAMURA Co., Ltd. (to present) (Significant concurrent positions outside the Company) Outside Auditor, SHIMAMURA Co., Ltd.	600 shares
	Reasons for selecting as candidate for Outside Director serving on the Audit and Supervisory Committee and expected role	Mr. Teiichi Takatsuki has extensive knowledge of B2C businesses and the management of companies that operate multiple stores, as well as abundant experience in finance and accounting. He has also served as an audit and supervisory committee member for many years and is familiar with audit practices. Accordingly, we are recommending his election as Outside Director serving on the Audit and Supervisory Committee.	

Candidate No.	Name (Date of Birth)	Career summary, positions and areas of responsibility (Significant concurrent positions outside the Company)	Number of the Company's shares owned				
2	<p style="text-align: center;">Mami Taira (February 20, 1962)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center; width: 50%;">Re-election</td> <td style="text-align: center; width: 50%;">Outside</td> </tr> <tr> <td colspan="2" style="text-align: center;">Independent Officer</td> </tr> </table>	Re-election	Outside	Independent Officer		<p>Oct. 1987 Joined Tohmatsu Awoki &amp; Sanwa (currently, Deloitte Touche Tohmatsu LLC)</p> <p>Oct. 1990 Joined Yoshio Hayakawa Tax Accountant Office</p> <p>Sep. 1991 Registered as a Certified Public Accountant</p> <p>Apr. 1992 Registered as a Certified Tax Accountant</p> <p>Oct. 2002 Partner, Taira Tax &amp; Accounting Consulting Group (to present)</p> <p>May 2011 Outside Audit &amp; Supervisory Board Member, AEON MALL Co., Ltd.</p> <p>May 2014 Outside Director, AEON MALL Co., Ltd.</p> <p>Jun. 2014 Outside Audit and Supervisory Board Member, Suzuden Corporation</p> <p>Mar. 2016 Outside Corporate Auditor, Iseki &amp; Co., Ltd. (to present)</p> <p>Jun. 2016 Outside Director &amp; Audit and Supervisory Committee Member, Suzuden Corporation (to present)</p> <p>Dec. 2020 Director (serving on the Audit and Supervisory Committee), the Company (to present)</p> <p>Jun. 2024 Outside Director, Showa Sangyo Co., Ltd. (to present)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Partner, Taira Tax &amp; Accounting Consulting Group</p> <p>Outside Corporate Auditor, Iseki &amp; Co., Ltd.</p> <p>Outside Director &amp; Audit and Supervisory Committee Member, Suzuden Corporation</p> <p>Outside Director, Showa Sangyo Co., Ltd.</p>	0 shares
Re-election	Outside						
Independent Officer							
	<p>Reasons for selecting as candidate for Outside Director serving on the Audit and Supervisory Committee and expected role</p>	<p>Ms. Mami Taira is a certified public accountant and tax accountant and is well versed in finance and accounting. Accordingly, we are recommending her re-election as Outside Director serving on the Audit and Supervisory Committee, to benefit from her deep insight for the Company's audits, etc. Although Ms. Mami Taira has no experience being involved in corporate management other than as an outside officer, for the reasons stated above, we have determined that she will be able to appropriately perform the duties of an Outside Director serving as an Audit and Supervisory Committee Member.</p>					

Candidate No.	Name (Date of Birth)	Career summary, positions and areas of responsibility (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	<p style="text-align: center;">Emi Omura (September 2, 1976)</p> <p style="text-align: center;"> <input checked="" type="checkbox"/> Re-election   <input type="checkbox"/> Outside  <input checked="" type="checkbox"/> Independent Officer </p>	<p>Oct. 2002 Registered as an attorney (Tokyo Bar Association)  Mar. 2007 Registered as an attorney in New York State  Jul. 2008 Partner, Athena Law Office  Sep. 2010 Associate Expert, International Labour Standards Office in Geneva, International Labour Organization (ILO)  Jan. 2014 Director, Office of International Affairs, Japan Federation of Bar Associations  Sep. 2014 Outside Director, Digital Garage, Inc.  Jun. 2019 Counsel, Kamiyacho International Law Office  Apr. 2021 Council, CLS Hibiya Tokyo Law Office  Nov. 2021 Outside Director (Audit and Supervisory Committee Member), Valence Holdings Inc. (to present)  Jan. 2022 Partner, CLS Hibiya Tokyo Law Office (to present)  Dec. 2022 Director (serving on the Audit and Supervisory Committee), the Company (to present)  May 2024 Outside Director, J.FRONT RETAILING Co., Ltd. (to present)</p> <p>(Significant concurrent positions outside the Company)  Outside Director (Audit and Supervisory Committee Member), Valence Holdings Inc.  Outside Director, J.FRONT RETAILING Co., Ltd.  Partner, CLS Hibiya Tokyo Law Office</p>	0 shares
	Reasons for selecting as candidate for Outside Director serving on the Audit and Supervisory Committee and expected role	Ms. Emi Omura has abundant experience and wide-ranging knowledge as an attorney, and is also well versed in corporate legal affairs. Accordingly, we are recommending her re-election as Outside Director serving on the Audit and Supervisory Committee, to benefit from her deep insight for the Company's audits, etc. Although Ms. Emi Omura has no experience being involved in corporate management other than as an outside officer, for the reasons stated above, we have determined that she will be able to appropriately perform the duties of an Outside Director serving as an Audit and Supervisory Committee Member.	

- Notes
1. There is no conflict of interest between the Company and each of the candidates.
  2. Mr. Teiichi Takatsuki, Ms. Mami Taira, and Ms. Emi Omura are candidates for Outside Director.
  3. Ms. Mami Taira is currently our Outside Director serving on the Audit and Supervisory Committee and will have served for four (4) years as Outside Director serving on the Audit and Supervisory Committee at the conclusion of this Meeting of Shareholders.
  4. Ms. Emi Omura is currently our Outside Director serving on the Audit and Supervisory Committee and will have served for two (2) years as Outside Director serving on the Audit and Supervisory Committee at the conclusion of this Meeting of Shareholders.
  5. The Company has submitted a notification to the Tokyo Stock Exchange to state that Ms. Mami Taira and Ms. Emi Omura are designated as Independent Directors as stipulated by the Tokyo Stock Exchange. If the re-appointments are approved, the Company plans for each of them to continue to be Independent Directors. If the appointment of Mr. Teiichi Takatsuki is approved, the Company plans to submit a notification to state that he is an Independent Director.
  6. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company entered into agreements with Ms. Mami Taira and Ms. Emi Omura to limit their liability for damages outlined under Article 423, Paragraph 1 of the Companies Act. The limit on liability for damages under these agreements is set at the minimum liability amount stipulated by Article 425, Paragraph 1 of the Companies Act. If the appointments are approved, the Company will renew these agreements with them.
  7. If the appointment of Mr. Teiichi Takatsuki is approved, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company plans to enter into an agreement with him to limit his liability for damages outlined under Article 423, Paragraph 1 of the Companies Act. The limit on liability for damages under these agreements is set at the minimum liability amount stipulated by Article 425, Paragraph 1 of the Companies Act.
  8. The Company has entered into a directors liability insurance contract with an insurance company as provided in Article 430-3, Paragraph 1 of the Companies Act, with all the Directors as insured persons. The contract is designed to cover damages that would be incurred by the insured Directors as a result of their assuming responsibility for the execution of their duties or receiving claims related to the pursuit of such responsibility. If the appointment of each candidate is approved, the candidate will be an insured person under the relevant insurance contract. The contract is scheduled to be renewed with the same content at the next renewal.

(Reference Materials of Directors)

Expertise and experience of candidates for directors (excluding directors serving on the Audit and Supervisory Committee) and candidates for directors serving on the Audit and Supervisory Committee.

(Skill matrix)

Our policy for the composition of the Board of Directors is that each director has a wealth and profound knowledge with a high level of expertise of which we ask in various fields.

If this Agenda Item is approved as proposed, our Board of Directors will be composed of the members who have skills as follows.

Title	Name	Outside	Corporate Management	Finance/Accounting	Marketing/Sales	Global Management	Risk Management/Legal	Sustainability/ESG
Director	Koichi Mizutome		○		○	○	○	
	Masahiro Yamamoto		○		○	○	○	
	Akira Kondo	○	○	○		○		
	Minesaburo Miyake*	○	○		○		○	○
	Reiko Kanise*	○	○		○	○		○
Director (serving on the Audit and Supervisory Committee)	Teiichi Takatsuki*	○		○		○	○	
	Mami Taira*	○		○			○	○
	Emi Omura*	○				○	○	○

We put “○” marks on each directors’ maximum 3 skills in addition to his/her corporate management experience.

We put asterisks next to independent directors’ names.

## **Business Report**

( From October 1, 2023 to  
September 30, 2024 )

### **1. Current Status of the Group**

#### **(1) Status of Business in the Consolidated Fiscal Year Under Review**

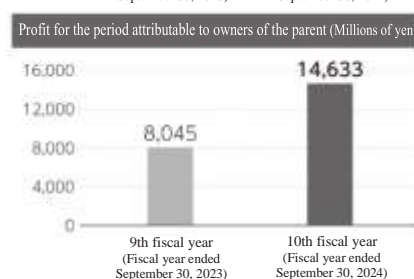
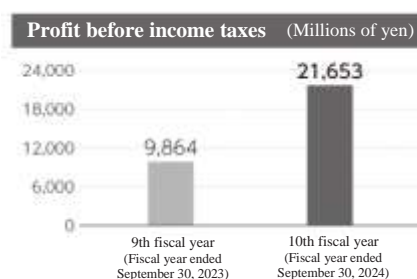
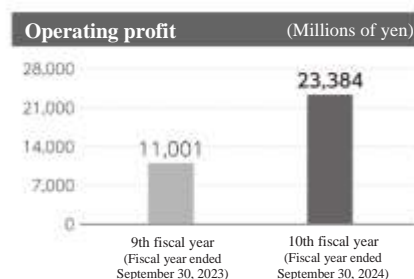
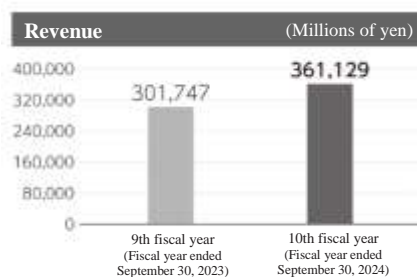
##### (i) Business Progress and Results

During the consolidated fiscal year ended September 30, 2024, the Japanese economy saw a gradual recovery in economic activity due to factors such as an increase in inbound demand resulting from the depreciation in the yen. Meanwhile, the outlook remained uncertain due to global political instability and price increases resulting from the longer-than-expected depreciation in the yen.

The restaurant sector also continued to face challenging conditions due to soaring prices for raw materials and energy, as well as chronic labor shortages

Under such circumstances, the Group worked to enhance product development, in-store food preparation, health and safety initiatives and services with “Discovering new tastiness, Sharing moments of joy” as our Vision, and the desire to enrich our customers lives by making their every-day meals delicious.

As a result, revenue for the consolidated fiscal year ended September 30, 2024 totaled 361,129 million yen (up 19.7% year on year), operating profit was 23,384 million yen (up 112.6% year on year), profit before income taxes was 21,653 million yen (up 119.5% year on year), and profit for the period attributable to owners of the parent was 14,633 million yen (up 81.9% year on year) recording the highest results for both revenue and profit for the consolidated fiscal year.



In addition, store count by business format is as follows.  
 [Group store count by business format.]

Name of brand	As of September 30, 2023	Store openings	Store closings	As of September 30, 2024
Japan: Sushiro (Take out only stores)	653 (12)	13	11 (3)	655 (9)
Japan: Sugidama (franchise)	79 (17)	14 (5)	6 (5)	87 (17)
Japan: Kyotaru	137 (-)	3	23	117 (-)
Japan: Kaiten Sushi Misaki/Misakimaru	95 (-)	3	3	95 (-)
Japan: Others	22 (-)	1	5	18 (-)
Japan total	986 (29)	34 (5)	48 (8)	972 (26)
Overseas: Sushiro (Take out only stores)	132 (-)	45	3	174 (-)
Overseas: Others	5 (-)	5	1	9 (-)
Overseas total	137 (-)	50	4	183 (-)
<b>Total</b>	<b>1,123 (29)</b>	<b>84 (5)</b>	<b>52 (8)</b>	<b>1,155 (26)</b>

Figures in parentheses show the number of take out only and franchise stores.

Operating results by segment are as follows.

(Japan Sushiro Business)

In the Japan Sushiro business, based on the theme of GO! Sushiro 40th Anniversary “Going one step ahead of Kaiten-sushi together,” we actively held fairs to express our appreciation for our customers and IP collaborations to acquire new customers.

As a new initiative, last September, we introduced Digital Sushiro Vision (commonly known as Digi-ro), which combines digital vision with the conveyor belt lanes, and conducted trial operations in three stores. The trial operations confirmed improvements in customer numbers, the unit price per customer, customer satisfaction, and other areas. Therefore, we introduced Digi-ro in 16 more stores, and by the end of the fiscal year ended September 30, 2024, we had installed Digi-ro in a total of 19 stores. We are providing customers with a new in-store experience with the aim of realizing a more enjoyable and convenient dining experience.



As a result of the above, revenue of the Japan Sushiro business was 238,173 million yen (up 15.7% year on year) and segment profit was 14,217 million yen (up 191.3% year on year).

(Overseas Sushiro Business)

In July, we opened the first overseas store with Digital Sushiro Vision, commonly known as Digiro, in Tianjin in mainland China. In August, we opened the first store with Digiro and private rooms in Beijing, which was so successful that there was a 12-hour queue at one point. We opened 13 new stores and closed three unprofitable stores in mainland China during the full year. We continued to open new stores in other regions with eight stores in Taiwan, seven stores in Hong Kong, three stores in Singapore, nine stores in Thailand, four stores in Indonesia, and one store in South Korea with the opening of a Digiro store in the urban area of Myeongdong. Furthermore, to maintain and increase the number of customers visiting stores, we continued to implement attractive sales promotion and marketing measures in each region, including the Red Plate Unatoro campaign in Thailand, which focused on medium fatty tuna and eel, and the Sushiro 5th Anniversary Festival in Hong Kong where customers enjoyed dishes such as large cuts of sesame-salted bigeye tuna and extra large scallops.

As a result of the above, revenue of the Overseas Sushiro Business was 92,138 million yen (up 39.3% year on year) and segment profit was 7,194 million yen (up 35.9% year on year).

(Kyotaru Business)

In the Kyotaru business, we integrated head office functions with FOOD & LIFE INNOVATIONS LTD., a Group company, on October 1, 2023 to improve operational efficiency of the Group and to promote mutual use of the various functions, strengths, and assets possessed by the two companies.

In the Kyotaru brand, we worked to improve profitability by strategically closing unprofitable stores and switching to carefully selected store openings. We also continued to implement sales promotions to make every shopping experience more enjoyable and sold frozen and room temperature sushi on our e-commerce site.

In the Misaki brand, we worked to enhance the value of the store experience and strengthen profitability by improving the efficiency of store operations and customer service. We also continued to hold Misaki Day, as well as monthly fairs and the Weekly Bargain Festival, which offers different bargain products each week. By continually implementing monthly and weekly campaigns that create excitement among customers, the brand has continued to grow into one that can ensure more stable profitability.

As a result of the above, revenue of the Kyotaru Business was 23,986 million yen (down 1.9% year on year) and segment loss was 350 million yen (segment loss was 653 million yen in the previous fiscal year).

(ii) Status of Capital Investment

The total amount of capital investment made by the Group during the consolidated fiscal year under review was 22,368 million yen, mainly for the opening of new stores, renovation of existing stores, and investment in labor saving.

The above amount does not include consumption tax.

(iii) Status of Financing

During the fiscal year ended September 30, 2024, the Group raised funds totaling 19,600 million yen through the issuance of bonds as detailed below.

Issue date	Company name	Details	Issue amount
December 20, 2023	FOOD & LIFE COMPANIES LTD.	4th Unsecured Straight Bond	12,000 million yen
December 14, 2023	FOOD & LIFE COMPANIES LTD.	5th Unsecured Straight Bond	7,600 million yen

**(2) Status of Assets and Income**

Item	7th fiscal year (Fiscal year ended September 30, 2021)	8th fiscal year (Fiscal year ended September 30, 2022)	9th fiscal year (Fiscal year ended September 30, 2023)	10th fiscal year (Fiscal year under review) (Fiscal year ended September 30, 2024)
Revenue (Millions of yen)	240,804	281,301	301,747	361,129
Operating profit (Millions of yen)	22,901	10,123	11,001	23,384
Profit before income taxes (Millions of yen)	21,584	7,564	9,864	21,653
Profit for the period attributable to owners of the parent (Millions of yen)	13,185	3,607	8,045	14,633
Basic earnings per share (Yen)	113.61	31.16	69.54	127.46
Total assets (Millions of yen)	296,001	331,982	351,619	365,154
Equity attributable to owners of the parent (Millions of yen)	63,569	65,117	72,268	76,568
Equity attributable to owners of the parent per share (Yen)	552.48	554.51	612.24	661.48

**(3) Status of Principal Parent Company and Subsidiaries****(i) Status of Parent Company**

Not applicable

**(ii) Status of Principal Subsidiaries**

Name	Capital stock	Percentage of voting rights held by the Company (%)	Principal business
Akindo Sushiro Co., Ltd.	100 million yen	100.0	Japan Sushiro Business
FOOD & LIFE INNOVATIONS LTD.	10 million yen	100.0	Other businesses
Kyotaru Co., Ltd.	10 million yen	100.0	Kyotaru Business
Sushiro Korea, Inc.	28,460 million won	100.0	Overseas Sushiro Business
Sushiro Taiwan Co., Ltd.	1,244 million Taiwan dollars	100.0	Overseas Sushiro Business
Sushiro GH Singapore Pte.Ltd.	31 million Singapore dollars	100.0	Overseas Sushiro Business
FOOD & LIFE COMPANIES HONG KONG LIMITED	152 million Hong Kong dollars	100.0	Overseas Sushiro Business
Sushiro GH (Thailand) Ltd.Notes	16 million Thai baht	49.0	Overseas Sushiro Business
Sushiro (China) Investment Co., Ltd.	203 million Chinese yuan	100.0	Overseas Sushiro Business
Guangzhou Sushiro Restaurants Co., Ltd.	65 million Chinese yuan	100.0	Overseas Sushiro Business
Shenzhen Sushiro Restaurants Co., Ltd.	26 million Chinese yuan	100.0	Overseas Sushiro Business
Chengdu Sushiro Restaurants Co., Ltd.	39 million Chinese yuan	100.0	Overseas Sushiro Business
Beijing Sushiro Restaurants Co., Ltd.	33 million Chinese yuan	100.0	Overseas Sushiro Business
PT.Indonesia Sushiro Restaurants	161.5 billion rupiah	99.97	Overseas Sushiro Business
FOOD & LIFE COMPANIES USA, LLC	6 million U.S. dollars	100.0	Overseas Sushiro Business
Sushiro Malaysia Sdn.Bhd.Notes	1 million ringgit	49.0	Overseas Sushiro Business

Notes Although the Company's equity interest is less than 50%, they are considered to be subsidiaries because the Company has substantial control.

#### **(4) Issues to be Addressed**

Under the Vision “Discovering new tastiness, Sharing moments of joy,” the Group has created restaurants that delight local communities by sourcing high-quality ingredients, thoroughly managing freshness, paying particular attention to in-store food preparation, and providing meticulous cleaning and customer service. Going forward, in order to create stores that are even more appreciated and needed by customers both in Japan and overseas, we recognize the need to respond flexibly to customer needs, to develop a more robust organizational structure, and to improve our market competitiveness. We are committed to addressing the following priority measures.

##### **(1) Continue to expand the Japan Sushiro business format**

###### **a. New store openings**

The Group has been opening conveyor belt Sushiro restaurants mainly in suburban roadside locations. However, given the expected decline in the Japanese population and decrease in scope for store openings in the future, the Group will step up openings in urban areas, where there is significant scope for store openings.

###### **b. Boost profitability of existing stores**

The Group recognizes the importance of working to further differentiate its services from those of other companies and boosting the profitability of its existing stores.

###### **(i) Increase the number of customers visiting stores**

The Group’s superiority lies in its commitment to “deliciousness” since its establishment and the fact that it has maintained this commitment. While we have tried to standardize our services to provide a high level of satisfaction at each store as we have expanded the number of stores, going forward, we will strive to increase the number of customers visiting existing stores by providing services more tailored to regional characteristics, launching campaigns and original products, and promoting PR strategies.

In addition, we will encourage customers to return to stores by expanding usage scenarios, such as use as cafes, and further increase the number of customers visiting stores by improving utilization during quiet times and implementing measures to increase customer loyalty through the “Maido Point” and other programs using smartphone applications.

(ii) Initiatives aimed at standard products

Although the Group has sought to differentiate itself from its competitors and to increase efficiency, we believe it is important to reexamine our commitment to “deliciousness.” In particular, paying particular attention to in-store food preparation, which is one of our strengths, we will focus on refining our products by going out of our way to use the best cuts of fish leveraging our Group's procurement capabilities, and we will differentiate ourselves by providing the authentic sushi taste that our customers expect. In addition, to implement these measures, we will amass in-store food preparation know-how through a systematized training program and improved employee retention rate with a commitment to providing high-quality products by having well-trained employees in charge of in-store food preparation.

(iii) Respond to customer needs

We will promote provision of services tailored to customer characteristics, increase the unit price per customer, and enhance our original menus based on customer information, such information registered by app users and tickets issued at stores.

Moreover, we will further promote the response to takeout needs by improving the online ordering system, introducing dedicated takeout menus, delivery, and automated takeout lockers. We will also respond to customer needs with high-quality customer service by utilizing IT systems, including the introduction of Digital Sushiro Vision which delivers entertainment and convenience, in addition to improvements to the touch panel ordering system.

In addition, we will use questionnaires from customers and others as well as evaluation of store services by outside companies to identify and rectify issues at each store to improve our operations.

(iv) Optimize costs

Cost increases are expected over the medium to long term due market trends in raw materials, personnel, and other costs. The Group will strive to reduce procurement costs and stabilize prices by taking advantage of economies of scale in bulk procurement of food ingredients through group procurement by the head office and by building cooperative and long-term relationships with suppliers. In addition, we will work to optimize personnel costs by streamlining store operations, including automation using equipment, and improving productivity through training of employees and standardization. We will also work to improve the efficiency of head office and store operations and to reduce food loss by improving the accuracy of procurement volume and the volume of orders placed by stores for food ingredients using an AI-based demand forecasting system.

(2) Strengthen business expansion outside of the Japan Sushiro Business

The Group continues to grow in the sushi business centered on the Sushiro business format. However, the procurement and operational capabilities that the Group has developed can also create business creation opportunities in restaurant businesses outside of the Sushiro business format. In Japan, we will work to aggressively expand the “Kyotaru” business, which operates takeout and conveyor belt sushi restaurants, and “Sugidama,” a sushi izakaya restaurant.

(3) Accelerate development of overseas business

The Group operates stores in South Korea, Taiwan, Singapore, Hong Kong, Thailand, mainland China, Indonesia, and the United States. The expansion of the overseas business is an important factor in the growth of the Group in the future. To expand Sushiro’s “delicious sushi” even further overseas, we will accelerate development of overseas business and aggressively seek opportunities for business expansion in markets with size and growth potential, including East Asia, Southeast Asia, and North America. During the fiscal year under review, we established a local subsidiary in order to expand into Malaysia.

We also opened new Sugidama sushi izakaya restaurants in Hong Kong and the United States, and we will continue to expand the business in the future as a brand that not only promotes sushi but also the appeal of Japanese sake overseas.

**(5) Principal Business** (As of September 30, 2024)

As a holding company, the Company is responsible for formulating management policies and managing business operations for the Group. The Group consists of the Company and 20 consolidated subsidiaries, and its main business is the operation of a chain of directly-managed conveyor belt sushi restaurants.

The Group's reportable segments consist primarily of its business segments.

The major brands included in each reportable segment are as follows.

- Japan Sushiro Business : Sushiro and takeout only restaurants operating in Japan
- Overseas Sushiro Business : Sushiro and takeout only restaurants operating overseas
- Kyotaru Business : All brands operated by Kyotaru Co. Ltd. (Main brands: Kyotaru, Kaiten Sushi Misaki, Kaisen Misakiko)
- Other businesses : All brands operated by FOOD & LIFE INNOVATIONS LTD. (Main brand: Sugidama)



**(6) Major Offices and Plants** (As of September 30, 2024)**(i) FOOD & LIFE COMPANIES LTD.**

Head office	Suita, Osaka Prefecture
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**(ii) Subsidiaries**

Akindo Sushiro Co., Ltd.	Head office	Suita, Osaka Prefecture
	Stores	368 stores in East Japan area 278 stores in West Japan area
FOOD & LIFE INNOVATIONS LTD.	Head office	Chiyoda-ku, Tokyo
	Stores	89 stores
Kyotaru Co., Ltd.	Head office	Chuo-ku, Tokyo
	Stores	238 stores
Sushiro Korea, Inc.	Head office	Seoul, South Korea
	Stores	10 stores
Sushiro Taiwan Co., Ltd.	Head office	Taipei, Taiwan
	Stores	46 stores
Sushiro GH Singapore Pte.Ltd.	Head office	Singapore
	Stores	12 stores
FOOD & LIFE COMPANIES HONGKONG LIMITED	Head office	Hong Kong, China
	Stores	39 stores
Sushiro GH (Thailand) Ltd.	Head office	Bangkok, Thailand
	Stores	26 stores
Guangzhou Sushiro Restaurants Co., Ltd.	Head office	Guangzhou, Guangdong, China
	Stores	24 stores
Shenzhen Sushiro Restaurants Co., Ltd.	Head office	Shenzhen, Guangdong, China
	Stores	9 stores
Chengdu Sushiro Restaurants Co., Ltd.	Head office	Chengdu, Sichuan, China
	Stores	6 stores
Beijing Sushiro Restaurants Co., Ltd.	Head office	Beijing, China
	Stores	5 stores
PT.Indonesia Sushiro Restaurants	Head office	Jakarta, Indonesia
	Stores	4 stores
FOOD & LIFE COMPANIES USA, LLC	Head office	Delaware, United States
	Stores	1 store

**(7) Status of Employees** (As of September 30, 2024)

## (i) Status of employees of the corporate group

Number of employees	Increase (decrease) from the end of the previous fiscal year
8,978 (21,071)	Increase of 1,844 (Increase of 292)

- Notes 1. The number of employees is the number of full-time employees, and the number of temporary employees (part-time and casual employees) is the average number of employees for the past year, converted to an 8-hour day, and is shown in parentheses.
2. The number of employees increased by 1,844 compared to the end of the previous fiscal year, mainly due to aggressive business expansion in the Overseas Sushiro Business.

## (ii) Status of employees of the Company

Number of employees	Increase (decrease) from the end of the previous fiscal year	Average age	Average years of service
258 (11)	Increase of 11 (Decrease of 1)	41.7 years	2.9 years

- Notes 1. Since the Company is included in the single segment of Other Businesses, the number of employees by segment is not stated.
2. The number of employees is the number of full-time employees (excluding employees seconded from the Company to other companies and including employees seconded from other companies to the Company), and the number of temporary employees (part-time and casual employees) is the average number of employees for the past year, converted to an 8-hour day, and is shown in parentheses.

**(8) Status of Principal Lenders** (As of September 30, 2024)

Lender	Borrowings (Millions of yen)
Sumitomo Mitsui Banking Corporation	26,333
MUFG Bank, Ltd.	18,250
Mizuho Bank, Ltd.	9,809
Development Bank of Japan Inc.	576

## 2. Current Status of the Company

### (1) Matters Regarding Shares (As of September 30, 2024)

- (i) Total number of authorized shares 436,000,000 shares
- (ii) Total number of issued shares 116,069,184 shares  
(including 2,945,764 shares of treasury stock)
- (iii) Number of shareholders 109,851 shareholders
- (iv) Top 10 shareholders

Shareholder name	No. of shares held (shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	15,275,600	13.50
Custody Bank of Japan, Ltd. (Trust account)	4,672,400	4.13
National Federation of Agricultural Cooperative Associations	3,744,400	3.31
BNYM AS AGT/CLTS 10 PERCENT	2,810,256	2.48
JP JPMSE LUX RE BARCLAYS CAPITAL SEC LTD EQ CO	2,750,608	2.43
MSIP CLIENT SECURITIES	2,719,589	2.40
JPMorgan Securities Japan Co., Ltd.	1,751,520	1.55
Goldman Sachs Securities Co., Ltd. BNYM	1,693,700	1.50
Suntory Spirits Ltd.	1,666,400	1.47
BOFAS INC SEGREGATION ACCOUNT	1,538,771	1.36

Notes : Shareholding ratio is calculated excluding treasury stock (2,945,764 shares).

**(2) Status of Share Acquisition Rights, etc.**

(i) Status of share acquisition rights granted to Company officers as of the end of the fiscal year under review as consideration for performance of duties

Name	14th Issue of Share Acquisition Rights	15th Issue of Share Acquisition Rights	16th Issue of Share Acquisition Rights	18th Issue of Share Acquisition Rights
Date of resolution on issuance	January 18, 2018	December 20, 2018	December 19, 2019	December 24, 2020
Number of share acquisition rights (rights)	297	249	329	419
Class and number of shares to be issued upon exercise of the share acquisition rights	Common stock 118,800 shares (400 shares per share acquisition right)	Common stock 99,600 shares (400 shares per share acquisition right)	Common stock 131,600 shares (400 shares per share acquisition right)	Common stock 167,600 shares (400 shares per share acquisition right)
Amount to be paid in for share acquisition rights	Note 1			
Amount of assets to be contributed upon exercise of share acquisition rights	Per share of common stock 1 yen	Per share of common stock 1 yen	Per share of common stock 1 yen	Per share of common stock 1 yen
Exercise period	From February 3, 2018 to February 2, 2058	From January 5, 2019 to January 4, 2059	From January 7, 2020 to January 6, 2060	From January 9, 2021 to January 8, 2061
Conditions for exercise	Note 2			
Holdings of Directors (excluding Directors serving on the Audit and Supervisory Committee)	Number of share acquisition rights 171 rights Number of shares to be issued 68,400 shares Number of holders 2	Number of share acquisition rights 140 rights Number of shares to be issued 56,000 shares Number of holders 2	Number of share acquisition rights 158 rights Number of shares to be issued 63,200 shares Number of holders 2	Number of share acquisition rights 175 rights Number of shares to be issued 70,000 shares Number of holders 2

Name	20th Issue of Share Acquisition Rights	22nd Issue of Share Acquisition Rights	24th Issue of Share Acquisition Rights
Date of resolution on issuance	December 23, 2021	December 22, 2022	December 21, 2023
Number of share acquisition rights (rights)	573	545	757
Class and number of shares to be issued upon exercise of the share acquisition rights	Common stock 229,200 shares (400 shares per share acquisition right)	Common stock 218,000 shares (400 shares per share acquisition right)	Common stock 302,800 shares (400 shares per share acquisition right)
Amount to be paid in for share acquisition rights	Note 1		
Amount of assets to be contributed upon exercise of share acquisition rights	Per share of common stock 1 yen	Per share of common stock 1 yen	Per share of common stock 1 yen
Exercise period	From January 8, 2022 to January 7, 2062	From January 11, 2023 to January 10, 2063	From January 11, 2024 to January 10, 2064
Conditions for exercise	Note 2		
Holdings of Directors (excluding Directors serving on the Audit and Supervisory Committee)	Number of share acquisition rights 215 rights Number of shares to be issued 86,000 shares Number of holders 2	Number of share acquisition rights 215 rights Number of shares to be issued 86,000 shares Number of holders 2	Number of share acquisition rights 260 rights Number of shares to be issued 104,000 shares Number of holders 2

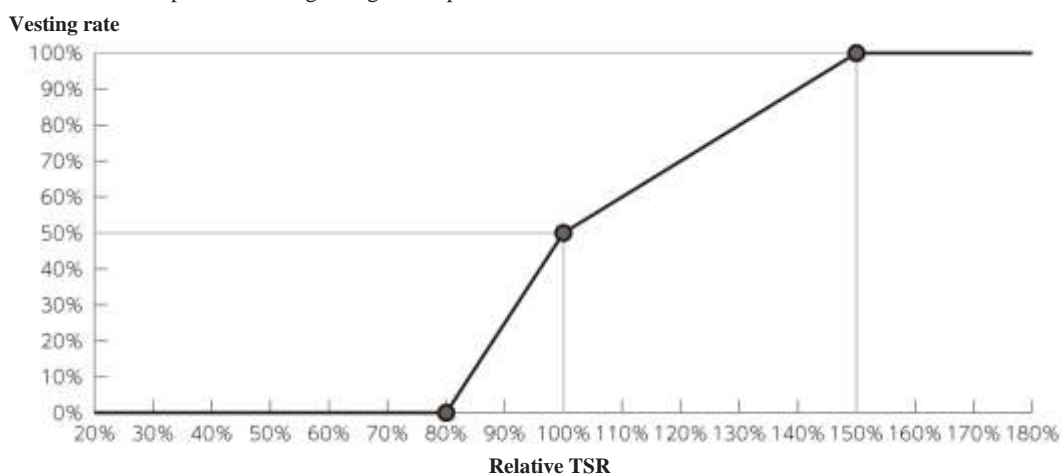
Notes 1. The amount to be paid in for the 14th Issue of Share Acquisition Rights, 15th Issue of Share Acquisition Rights, 16th Issue of Share Acquisition Rights, 18th Issue of Share Acquisition Rights, 20th Issue of Share Acquisition Rights, 22nd Issue of Share Acquisition Rights, and 24th Issue of Share Acquisition Rights (collectively, the "Share Acquisition Rights") shall be the same amount as the fair value of the Share Acquisition Rights calculated by a Monte Carlo simulation, a common option pricing calculation model, on the allotment date. In addition, the Company will pay monetary compensation equivalent to the total amount to be paid for the Share Acquisition Rights to those who are allocated the Share Acquisition Rights as directors and executive officers of the Company, and will offset the right to claim monetary compensation against the obligation to pay the payment amount for the Share Acquisition Rights. For those who receive the allotment of the Share Acquisition Rights as directors and executive officers of the Company's subsidiaries, the Company's subsidiaries will provide monetary compensation equivalent to the total amount to be paid for the Share Acquisition Rights, and the Company will assume the right to claim such monetary compensation and offset it against the obligation to pay the payment amount for the Share Acquisition Rights.

2. Conditions for exercise of the Share Acquisition Rights

- (1) A holder of the Share Acquisition Rights may exercise the Share Acquisition Rights in a lump sum only during the respective exercise periods, and only during the period up to 10 days from the day following the day on which he or she loses his or her position as a director or executive officer of the Company or one of its subsidiaries (if the 10th day falls on a holiday, then the immediately preceding business day).

(2) The number of share acquisition rights that a holder of the Share Acquisition Rights may exercise will be the number obtained by multiplying the number of Share Acquisition Rights allotted by the vesting rate calculated based on the graph below in accordance with the relative TSR (absolute TSR from the allotment date of the Share Acquisition Rights to the start date of the exercise period (calculated by adding the average closing price of the Company's common stock on Tokyo Stock Exchange, Inc. on each day of the month preceding the month in which three years have passed since the allotment date to the total amount of dividends per share of the Company's common stock during the period from the allotment date to the day in which three years have passed since the allotment date, and dividing the sum by the average closing price of the Company's common stock on Tokyo Stock Exchange, Inc. on each day of the month in which the allotment date of the share acquisition rights falls) by the TOPIX growth rate (the value calculated by dividing the average closing price of the Tokyo Stock Price Index ("TOPIX") on each day of the month preceding the month in which three years have passed since the allotment date by the average closing price of TOPIX on each day of the month in which the allotment date of the stock acquisition rights falls)). In this calculation, the average closing price is rounded to one decimal place.

However, the minimum vesting rate will be 16.60% to 27.66% (the "Minimum Vesting Rate") depending on the position of the person who receives the Share Acquisition Rights, and the Minimum Vesting Rate will be adjusted if the person resigns within one year of assuming the position. In addition, the Minimum Vesting Rate will apply if the absolute TSR falls below 1 (100%) or the share price at the end of the period is lower than the share price at the beginning of the period.



- (3) In the event of the death of the holder of the Share Acquisition Rights, his or her heirs may exercise the rights.
  - (4) If the exercise of the Share Acquisition Rights would cause the total number of issued shares of the Company to exceed the total number of authorized shares at that time, the Share Acquisition Rights may not be exercised.
  - (5) A single Share Acquisition Right may not be exercised in part.
3. There are no Share Acquisition Rights held by Outside Directors or Directors serving on the Audit and Supervisory Committee.
  4. Effective April 1, 2020, the Company executed a 4-for-1 stock split of its common stock. As a result, the "Number of shares to be issued" in "Number of shares to be issued upon exercise of the share acquisition rights" and "Holdings of Directors (excluding Audit and Supervisory Committee members)" have been adjusted for the 14th, 15th, and 16th issues of share acquisition rights.

(ii) Share acquisition rights granted to employees during the fiscal year as consideration for performance of duties

Name		24th Issue of Share Acquisition Rights	25th Issue of Share Acquisition Rights		
Date of resolution on issuance		December 21, 2023	December 21, 2023		
Number of share acquisition rights (rights)		758	1,145		
Class and number of shares to be issued upon exercise of the share acquisition rights		Common stock 303,200 shares (400 shares per share acquisition right)	Common stock 114,500 shares (100 shares per share acquisition right)		
Amount to be paid in for share acquisition rights (yen)		Same as Note 1 above	0 yen		
Amount of assets to be contributed upon exercise of share acquisition rights		Per share of common stock 1 yen	Per share of common stock 2,890 yen		
Exercise period		From January 11, 2024 to January 10, 2064	From December 22, 2025 to December 21, 2033		
Conditions for exercise		Notes	Notes		
Status of grant of share acquisition rights to employees	Employees of the Company	Number of share acquisition rights	498 rights	Number of share acquisition rights	270 rights
		Number of shares to be issued	199,200 shares	Number of shares to be issued	27,000 shares
		Number of persons granted share acquisition rights	14	Number of persons granted share acquisition rights	159
	Officers and employees of the Company's subsidiaries	Number of share acquisition rights	0 rights	Number of share acquisition rights	875 rights
		Number of shares to be issued	0 rights	Number of shares to be issued	87,500 shares
		Number of persons granted share acquisition rights	0 rights	Number of persons granted share acquisition rights	784

Notes Conditions for exercise of 25th Issue of Share Acquisition Rights

- (1) A holder of the Share Acquisition Rights (or his or her heirs in the case of (ii) above) may not exercise the Share Acquisition Rights if any of the following events arise.
  - (i) If the holder of the Share Acquisition Rights loses his or her position as a director, auditor, executive officer, or employee of the Company, Akindo Sushiro Co., Ltd., FOOD & LIFE INNOVATIONS LTD., Kyotaru Co., Ltd., or any other affiliated company of the Company (collectively, the "Company Group") (except in cases where the Company recognizes there is a justifiable reason such as mandatory retirement age)
  - (ii) In the event of the death of a holder of the Share Acquisition Rights
  - (iii) In other cases as set forth in the Agreement on Allotment of Share Acquisition Rights entered into with the person to whom Share Acquisition Rights are allotted in accordance with the resolution of the Board of Directors
  - (iv) If the holder of the Share Acquisition Rights is subject to a petition for the commencement of bankruptcy or civil rehabilitation proceedings or files such a petition himself or herself
  - (v) If the Board of Directors of the company in question (or, in the case of a company overseas, an organization equivalent to a board of directors under the laws of that country) determines that the holder of the Share Acquisition Rights has committed misconduct, violated professional obligations or been negligent in his or her duties, or has otherwise violated the internal regulations of the Group that apply to him or her, and may be subject to a pay cut, suspension, demotion, a request for resignation, or a disciplinary dismissal, etc.
- (2) A single Share Acquisition Right may not be exercised in part.

**(3) Status of Company Officers****(i) Status of Directors (As of September 30, 2024)**

Title	Name	Areas of responsibility and significant concurrent positions outside the Company
President & CEO	Koichi Mizutome	Director, Akindo Sushiro Director, Kyotaru Co., Ltd. Director, FOOD & LIFE INNOVATIONS LTD. FOOD & LIFE COMPANIES USA, Corp. Director Director, Sushiro Korea, Inc. Director, Sushiro Taiwan Co., Ltd. Sushiro GH Singapore Pte. Ltd. Director Director, FOOD & LIFE COMPANIES HONG KONG LIMITED Sushiro GH (Thailand) Ltd. Director PT INDONESIA SUSHIRO RESTAURANTS Director Sushiro Malaysia Sdn. Bhd, Director Director, Sushiro (China) Investment Co., Ltd. Director, Guangzhou Sushiro Restaurants Co., Ltd. Director, Shenzhen Sushiro Restaurants Co., Ltd. Director, Chengdu Sushiro Restaurants Co., Ltd. Director, Beijing Sushiro Restaurants Co., Ltd. Outside Director, Adastria Co., Ltd.
Director	Hiroshi Ogawa	Director, Akindo Sushiro
Director	Akira Kondo	Director, Japan Investment Corporation Outside Director, Glocalist Co., Ltd. Executive Advisor, IA Partners Inc. Executive Advisor, Global IR, Inc.
Director	Minesaburo Miyake	Outside Director, Fuji Pharma Co., Ltd. Outside Director, Kameda Seika Co., Ltd.
Director	Reiko Kanise	Representative Director, Kei Associates Inc. Representative Director, LenaJapon Institute Co., Ltd. Outside Director, Tokyu Corporation Outside Director, Kitamura Holdings K.K. Outside Director, &Do Holdings Co., Ltd.
Director (serving full-time on the Audit and Supervisory Committee)	Yoshihiro Noutsuka	Corporate Auditor, Akindo Sushiro Co., Ltd.
Director (serving on the Audit and Supervisory Committee)	Mami Taira	Partner, Taira Tax & Accounting Consulting Group Outside Corporate Auditor, Iseki & Co., Ltd. Outside Director & Audit and Supervisory Committee Member, Suzuden Corporation Outside Director, Showa Sangyo Co., Ltd.
Director (serving on the Audit and Supervisory Committee)	Emi Omura	Outside Director (Audit and Supervisory Committee Member), Valuence Holdings Inc. Outside Director, J.FRONT RETAILING Co., Ltd. Partner, CLS Hibiya Tokyo Law Office



- Notes
1. Effective March 28, 2024, Director Mr. Koki Sato has resigned.
  2. Directors Messrs. Akira Kondo and Minesaburo Miyake, and Ms. Reiko Kanise and Directors serving on the Audit and Supervisory Committee Mr. Yoshihiro Noutsuka, Ms. Mami Taira, and Ms. Emi Omura are Outside Directors.
  3. Director serving on the Audit and Supervisory Committee Mr. Yoshihiro Noutsuka has many years of professional experience in accounting and finance at a business company and has considerable knowledge of finance and accounting.
  4. Director serving on the Audit and Supervisory Committee Ms. Mami Taira is a certified public accountant and tax accountant and has considerable knowledge of finance and accounting.
  5. The Company has designated Directors Messrs. Akira Kondo and Minesaburo Miyake, and Ms. Reiko Kanise and Directors serving on the Audit and Supervisory Committee Mr. Yoshihiro Noutsuka, Ms. Mami Taira, and Ms. Emi Omura as Independent Directors as stipulated by Tokyo Stock Exchange, Inc. and has submitted a notification to the Exchange.
  6. To strengthen the effectiveness of the audit and supervisory functions of the Audit and Supervisory Committee, the Company has appointed Mr. Yoshihiro Noutsuka as the full-time Audit and Supervisory Committee member by resolution of the Audit and Supervisory Committee.
  7. The Company has introduced an executive officer system. The names and responsibilities of the executive officers, excluding those serving concurrently as Directors, are as follows as of September 30, 2024.

Title	Name	Areas of responsibility
Executive Vice President, Corporate Officer	Hiromitsu Kato	International Business COO (International Business Development, Overseas Corporations)
Executive Vice President, Corporate Officer	Masahiro Yamamoto	Japan Business COO (and PR/Marketing, Site Development, Store Designing, Customer Voice Support)
Senior Executive Corporate Officer	Hiroshi Ogawa	Group CFO, Corporate Strategic Planning
Senior Executive Corporate Officer	Kohei Nii	Sushiro Brand (Japan Market) (President of Akindo Sushiro Co., Ltd.)
Senior Executive Corporate Officer	You Horie	Kyotaru Brand, Sugidama Brand, New Business Devel. (President of KYOTARU CO., LTD.) (President of FOOD & LIFE INNOVATIONS LTD.)
Executive Corporate Officer	Yoshihito Kinoshita	Product Development / Global Sourcing
Corporate Officer	Takeshi Yoshida	Finance & Accounting
Corporate Officer	Kazuo Aratani	International Business, Greater China Region (and President of Hong Kong subsidiary)
Corporate Officer	Yukihisa Nishimura	Internal Audit
Corporate Officer	Tomoko Fukuyama	Corporate Communications, Secretarial Office, Sustainability

Title	Name	Areas of responsibility
Corporate Officer	Takaharu Matsuo	Human Resources/General Affairs
Corporate Officer	Yosuke Tanaka	International Business, North America Region
Corporate Officer	Noriko Kuze	Quality Management
Corporate Officer	Tsukasa Yoshida	International Business, Southeast Asia Region (and President of Thai and Singapore subsidiaries)

(ii) Outline of the content of liability limitation agreement

Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company entered into agreements with each of the directors (excluding executive directors, etc.) to limit their liability for damages outlined under Article 423, Paragraph 1 of the Companies Act. The limit on damages under these agreements is set at the minimum liability amount stipulated by Article 425, Paragraph 1 of the Companies Act.

(iii) Outline of the content of directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy pursuant to the provisions of Article 430-3, Paragraph 1 of the Companies Act for all the employees of the Company (and its subsidiaries) who are officers (including outside directors), managerial employees, and employees who are co-defendants with officers or who have been sued for damages by other employees or temporary workers for harassment, etc. This insurance agreement covers damages to be borne by the insured persons in the event of assuming liability in connection with the performance of his or her duties or being subject to a claim in pursuit of such liability. The Company pays the full amount of the premiums for the insurance policy. Measures have also been taken to ensure that the performance of duties by the insured persons is not compromised by the setting of a limit on the amount of coverage. The Company plans to renew the policy with the same content at the next renewal.

## (iv) Remuneration of Directors pertaining to the fiscal year under review

Item	Number of eligible Directors	Total amount of remuneration, etc.	Total amount of remuneration, etc. by type		
			Basic remuneration	Performance-linked remuneration, etc.	Non-monetary remuneration, etc.
Director (excluding Directors serving on the Audit and Supervisory Committee) (of which Outside Directors)	6 (4)	406 million yen (33 million yen)	139 million yen (33 million yen)	107 million yen	160 million yen
Director (serving on the Audit and Supervisory Committee) (of which Outside Directors)	3 (3)	31 million yen (31 million yen)	31 million yen (31 million yen)	-	-
Total (of which Outside Directors)	9 (7)	437 million yen (64 million yen)	170 million yen (64 million yen)	107 million yen	160 million yen

- Notes
- The amount of remuneration, etc. for Directors is stated based on the amount expensed by the Company during the fiscal year under review (including amounts expensed based on accounting estimates) regardless of whether or not the remuneration was paid during the fiscal year under review, and therefore may differ from the actual amount paid during the fiscal year under review.
  - The performance indicators for performance-linked remuneration, etc. are the consolidated revenue growth rate and the degree of achievement of profit for the period attributable to owners of the parent in the performance forecast. The actual results for the fiscal year under review were consolidated revenue of 361,129 million yen and profit for the period attributable to owners of the parent of 14,633 million yen. The reason for selecting these indicators is that they are considered appropriate for raising awareness of the need for Directors (excluding Directors serving on the Audit and Supervisory Committee and excluding Outside Directors; the same applies below) to improve business performance each fiscal year. The Company's performance-linked remuneration, etc. is calculated based on the degree of achievement of targets for consolidated sales and consolidated operating profit for each fiscal year, taking into account comprehensive consideration of each Director's contribution and other factors.
  - Non-monetary remuneration, etc. consists of share acquisition rights of the Company and company housing rent. The conditions for allotment of share acquisition rights are as described in 8. (4) below, and the status of grant of share acquisition rights during the fiscal year under review is described in "2. Current Status of the Company (2) Status of share acquisition rights (i) Status of share acquisition rights granted to Company officers as of the end of the fiscal year under review as consideration for performance of duties." In addition, only in cases where a Director is forced to live away from home in order to commute to the office, etc., company housing is provided free of charge, and the amount of this rent is considered to be non-monetary remuneration.
  - The total amount of remuneration for the Company's Directors (excluding Directors serving on the Audit and Supervisory Committee was approved at the Company's 9th General Meeting of Shareholders held on December 21, 2023 to be no more than 600 million yen per year (including no more than 100 million yen per year for Outside Directors.) As of the conclusion of the said General Meeting of Shareholders, the number of Directors (excluding Directors serving on the Audit and Supervisory Committee) is six (of which four are Outside Directors).
  - The amount of remuneration for the Company's Directors serving on the Audit and Supervisory Committee was approved at the Company's 1st General Meeting of Shareholders held on December 16, 2015 to be no more than 100 million yen per year. As of the conclusion of the said General Meeting of Shareholders, the number of Directors serving on the Audit and Supervisory Committee is three.

6. At the Company's 2nd General Meeting of Shareholders held on December 15, 2016, the amount of no more than 1 million yen per month was approved as the equivalent of the rent for company housing to be provided free of charge to Directors (excluding Directors serving on the Audit and Supervisory Committee) in addition to the amount set out in 4. above. As of the conclusion of the said General Meeting of Shareholders, the number of Directors (excluding Directors serving on the Audit and Supervisory Committee) is five (of which zero are Outside Directors).
7. At the Company's 3rd General Meeting of Shareholders held on December 21, 2017, the issuance of share acquisition rights as stock options for share-linked remuneration for Directors (excluding Directors serving on the Audit and Supervisory Committee) was approved to be no more than 200 million yen per year in addition to the amount set out in 4. above. As of the conclusion of the said General Meeting of Shareholders, the number of Directors (excluding Directors serving on the Audit and Supervisory Committee) is eight (of which two are Outside Directors).
8. Policy for determining the details of remuneration, etc.  
The Company's Board of Directors has adopted a policy for determining the details of the remuneration, etc. for individual Directors. The policy for determining the details of remuneration, etc. for individual Directors consists of the following.
  - (1) Basic policy  
The Company's basic policy is to link the remuneration of directors to shareholders' profits so that it will function adequately as an incentive for sustainable enhancement of corporate value, and to set the remuneration of individual directors at an appropriate level based on their respective responsibilities. Specifically, the remuneration for the Executive Directors consists of basic remuneration as fixed remuneration and performance-linked remuneration, etc., while the Outside Directors, who are responsible for supervisory functions, are paid basic remuneration only in consideration of their duties.
  - (2) Policy for determining the amount of individual remuneration, etc. for basic remuneration (monetary remuneration) (including policy for determining the timing and conditions for granting remuneration, etc.)  
The basic remuneration for the Company's Directors is a fixed monthly remuneration and is determined in accordance with position and work responsibilities, comprehensively taking into account levels at other companies in the same industry, business performance, and levels of employee salaries.
  - (3) Policy for determining performance-linked remuneration, etc. (including policy for determining the timing and conditions for granting remuneration, etc.)  
The amount paid to Directors (excluding Outside Directors) when targets (consisting of the consolidated revenue growth rate and the achievement level of profit attributable to owners of the parent in the business performance forecast) are achieved is set at 50% of the basic remuneration to raise incentives to improve performance. There is a range calculated with the maximum amount to be paid in the event of the highest performance set at 200% and the amount to be paid in the event of performance falling short of the minimum performance set at 0%. The amount is generally paid in a lump sum at a certain time after the business performance has been determined, taking into consideration the external environment, market trends, and other factors.
  - (4) Policy for determining non-monetary remuneration, etc. (including policy for determining the timing and conditions for granting remuneration, etc.)
    - (i) With the aim of further sharing values with shareholders and increasing the incentives to enhance corporate value, the Company allocates share acquisition rights as stock options for share-linked remuneration to Directors (excluding Outside Directors) up to an amount of no more than 200 million yen per year, as approved at the 3rd General Meeting of Shareholders held on December 21, 2017. The Board of Directors determines the timing and allocation, etc. of payments as appropriate.
    - (ii) Company housing is provided free of charge to Directors (excluding Outside Directors) only in cases where they are forced to live away from home in order to commute to the office, etc.
  - (5) Policy for determining the ratio of each type of remuneration, etc.  
The approximate target ratio of each type of remuneration for Directors (excluding Outside Directors) when 100% of the performance indicators are achieved is 2:1:3 for basic remuneration : performance-linked remuneration : non-monetary remuneration.

(6) Method for determining the details of individual remuneration, etc.

Remuneration, etc. for the Directors is determined by the Board of Directors after the deliberation and report of the Nomination and Remuneration Committee, an optional advisory body, within the limits of the total amount of remuneration approved by the General Meeting of Shareholders. The Nomination and Remuneration Committee consists of members selected by resolution of the Board of Directors.

9. Reason why the Board of Directors judged that the details of the individual remuneration, etc. for each Director for the fiscal year under review are in accordance with the policy for determining remuneration, etc. The Board of Directors has judged that the details of the individual remuneration, etc. for Directors for the fiscal year under review are in accordance with the policy for determining remuneration, etc., since the details were decided through the prescribed procedures, with respect given to the content of the report received from the Nomination and Remuneration Committee, an optional advisory body.

(v) Matters regarding outside officers

- a. Status of significant concurrent positions at other companies, etc. and the Company's relationship with such other companies, etc.

Item	Name	Status of concurrent positions and relationship, etc. with other entities where concurrent positions are held
Director	Akira Kondo	Mr. Akira Kondo serves as Director at Japan Investment Corporation, Outside Director at Glocalist Co., Ltd., Executive Advisor at IA Partners Inc., and Executive Advisor at Global IR, Inc. There is no special relationship between the Company and each of the entities where concurrent positions are held.
Director	Minesaburo Miyake	Mr. Minesaburo Miyake serves as Outside Director at Fuji Pharma Co., Ltd. and Outside Director at Kameda Seika Co., Ltd. There is no special relationship between the Company and each of the entities where concurrent positions are held.
Director	Reiko Kanise	Ms. Reiko Kanise serves as Representative Director at Kei Associates Inc., Representative Director at LenaJapon Institute Co., Ltd., Outside Director at Tokyu Corporation, Outside Director at Kitamura Holdings K.K., and Outside Director at &Do Holdings Co., Ltd. Akindo Sushiro Co., Ltd. and Kyotaru Co., Ltd., subsidiaries of the Company, have transactions of store leasing with Tokyu Corporation. However, the transaction amount accounts for less than 0.1% of net sales of Tokyu Group or those of the Group for the previous fiscal year, which, we deem, does not affect Ms. Kanise's independence as Outside Director. There is no special relationship between the Company and the other entities where concurrent positions are held.
Director	Koki Sato	During his term as Director of the Company, Mr. Koki Sato served as Representative Director, Group President and Chief Executive Officer at Septeni Holdings Co.,Ltd. There is no special relationship between the Company and the entity where concurrent positions are held.

Item	Name	Status of concurrent positions and relationship, etc. with other entities where concurrent positions are held
Director (serving on the Audit and Supervisory Committee)	Yoshihiro Noutsuka	Mr. Yoshihiro Noutsuka serves as Corporate Auditor at Akindo Sushiro Co., Ltd. The Company has transactions with Akindo Sushiro based on outsourcing and secondment agreements.
Director (serving on the Audit and Supervisory Committee)	Mami Taira	Ms. Mami Taira serves as Partner at Taira Tax & Accounting Consulting Group, Outside Corporate Auditor at Iseki & Co., Ltd., Outside Director & Audit and Supervisory Committee Member at Suzuden Corporation, and Outside Director at Showa Sangyo Co., Ltd. There is no special relationship between the Company and each of the entities where concurrent positions are held.
Director (serving on the Audit and Supervisory Committee)	Emi Omura	Ms. Emi Omura serves as Partner at CLS Hibiya Tokyo Law Office, Outside Director (Audit and Supervisory Committee Member) at Valence Holdings, Inc., and Outside Director at J.FRONT RETAILING Co., Ltd. There is no special relationship between the Company and each of the entities where concurrent positions are held.

b. Status of the main activities of each Outside Director during the fiscal year under review

Item	Name	Status of attendance and statements made, and summary of duties performed in relation to the roles expected of an Outside Director
Director	Akira Kondo	Mr. Akira Kondo attended all 15 meetings of the Board of Directors held during the fiscal year under review. Utilizing his deep insight as a manager, he made appropriate statements that contribute to the interests of the Company's stakeholders from an objective and long-term perspective. In particular, he provided supervision and advice in relation to global management from an expert standpoint and played an appropriate role in ensuring sound decision-making.
Director	Minesaburo Miyake	Mr. Minesaburo Miyake attended all 15 meetings of the Board of Directors held during the fiscal year under review. Utilizing his deep insight as a manager, he made appropriate statements that contribute to the interests of the Company's stakeholders from an objective and long-term perspective. In particular, he provided auditing, supervision and advice in relation to risk management from an expert standpoint and played an appropriate role in ensuring sound decision-making. He also served as a member of the Nomination and Remuneration Committee, which was established as an advisory body to the Company's Board of Directors, and worked to oversee the management team from an independent and objective standpoint, including by submitting recommendations to the Board of Directors on the consideration and proposal of a CEO successor with an eye toward future development.

Item	Name	Status of attendance and statements made, and summary of duties performed in relation to the roles expected of an Outside Director
Director	Reiko Kanise	Ms. Reiko Kanise attended 14 out of 15 meetings of the Board of Directors held during the fiscal year under review. Utilizing her deep insight as a manager, she made appropriate statements that contribute to the interests of the Company's stakeholders from an objective and long-term perspective. In particular, she provided auditing, supervision and advice in relation to marketing from an expert standpoint and played an appropriate role in ensuring sound decision-making. She also served as a member of the Nomination and Remuneration Committee, which was established as an advisory body to the Company's Board of Directors, and worked to oversee the management team from an independent and objective standpoint, including by submitting recommendations to the Board of Directors on the consideration and proposal of a CEO successor with an eye toward future development.
Director	Koki Sato	Mr. Koki Sato left office effective March 28, 2024 due to resignation. He attended seven out of seven meetings of the Board of Directors held prior to his resignation. Utilizing his deep insight as a manager, he made appropriate statements that contribute to the interests of the Company's stakeholders from an objective and long-term perspective.
Director (serving on the Audit and Supervisory Committee)	Yoshihiro Noutsuka	Mr. Yoshihiro Noutsuka attended all 15 meetings of the Board of Directors and all 24 meetings of the Audit and Supervisory Committee held during the fiscal year under review. Utilizing his extensive knowledge and insight concerning accounting, finance, and compliance spanning many years at business companies, he made appropriate statements that contribute to the Company's corporate governance. In particular, he provided highly effective supervision of the Company's management in relation to finance and accounting from an expert standpoint and played an appropriate role.
Director (serving on the Audit and Supervisory Committee)	Mami Taira	Ms. Mami Taira attended all 15 meetings of the Board of Directors and all 24 meetings of the Audit and Supervisory Committee held during the fiscal year under review. She made appropriate statements from her professional perspective as a certified public accountant and tax accountant. In particular, she provided highly effective supervision of the Company's management in relation to finance and accounting from an expert standpoint and played an appropriate role.
Director (serving on the Audit and Supervisory Committee)	Emi Omura	Ms. Emi Omura attended all 15 meetings of the Board of Directors and all 24 meetings of the Audit and Supervisory Committee held during the fiscal year under review. She made appropriate statements from her professional perspective as an attorney. In particular, she provided highly effective supervision of the Company's management in relation to legal risk and compliance from an expert standpoint and played an appropriate role.

#### (4) Status of Accounting Auditors

(i) Name KPMG AZSA LLC

(ii) Amount of remuneration, etc.

	Amount paid
Amount of remuneration, etc. for the Accounting Auditor relating to the fiscal year under review	59 million yen
Total amount of monetary and other financial benefits payable by the Company and its subsidiaries to the Accounting Auditor	91 million yen

- Notes
1. In the audit agreement between the Company and the Accounting Auditor, there is no clear distinction between the amounts of remuneration, etc. for audits based on the Companies Act and audits based on the Financial Instruments and Exchange Act, and such a distinction is not practically possible. Therefore, the total amount of remuneration, etc. for the Accounting Auditor relating to the fiscal year under review is the sum of these amounts.
  2. Based on the “Practical Guidelines for Cooperation with Accounting Auditors” published by the Japan Audit & Supervisory Board Members Association (JASBA), the Audit and Supervisory Committee analyzed and evaluated the audit results for the previous fiscal year and confirmed the audit time and personnel allocation plans in the audit plan, the status of the Accounting Auditor's execution of duties, and the appropriateness of its remuneration estimates. As a result of its review, the Audit and Supervisory Committee provided its consent to the amount of remuneration, etc. for the Accounting Auditor as stipulated in Article 399, Paragraphs 1 and 3 of the Companies Act.
  3. Of the Company's significant subsidiaries, overseas subsidiaries are audited by auditing firms other than the Company's Accounting Auditor.

(iii) Non-audit services

The Company pays the Accounting Auditor compensation for the preparation of comfort letters for the issuance of corporate bonds, which is a service other than that provided for in Article 2, Paragraph 1 of the Certified Public Accountants Act.

(iv) Policy on determining the dismissal or non-reappointment of the Accounting Auditor

In addition to cases in which the Accounting Auditor is dismissed or not re-appointed due to circumstances related to the Company, the Audit and Supervisory Committee will request the Board of Directors to submit the dismissal or non-reappointment of the Accounting Auditor to the General Meeting of Shareholders, and the Board of Directors will deliberate on the matter and take appropriate action in the event that the reasons for dismissal stipulated in Article 340, Paragraph 1 of the Companies Act apply to the Accounting Auditor or in the event that the Company's auditing services are severely hindered, such as to the Accounting Auditor being subject to an order for suspension of audit business from the regulatory authorities.

(v) Outline of the content of liability limitation agreement

Not applicable



**(5) Policy on determination of dividends from surplus, etc.**

The Company regards the return of profits to shareholders as one of its most important management policies. Its basic policy consists of continually improving business performance and distributing profits appropriately in accordance with business performance. With regard to dividends, the Company's policy is to pay dividends of surplus once a year in line with business performance, comprehensively considering a range of factors, including business performance and the enhancement of internal reserves, with a focus on stable dividend payments.

Internal reserves will be used as a source of funds for aggressive investments, etc. to implement various measures to strengthen the management base.

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The amounts, numbers of shares and percentages stated in this business report have been rounded to the nearest whole number.

## Consolidated statement of financial position

(As of September 30, 2024)

(Millions of yen)

Account title	Amount	Account title	Amount
<b>Assets</b>		<b>Liabilities and equity</b>	
		<b>Liabilities</b>	
<b>Current assets</b>	<b>74,656</b>	<b>Current liabilities</b>	<b>80,843</b>
Cash and cash equivalents	48,695	Trade and other payables	35,569
Trade and other receivables	13,882	Bonds and borrowings	9,009
Inventories	6,512	Income taxes payable	4,710
Other financial assets	2,940	Lease liabilities	19,523
Other current assets	2,627	Other financial liabilities	1,006
		Provisions	5,275
<b>Non-current assets</b>	<b>290,499</b>	Other current liabilities	5,750
Property, plant and equipment	184,936	<b>Non-current liabilities</b>	<b>206,474</b>
Goodwill	30,371	Trade and other payables	22
Intangible assets	57,016	Bonds and borrowings	75,514
Equity method investment	52	Lease liabilities	112,838
Lease and guarantee deposits	14,766	Other financial liabilities	105
Other financial assets	1,232	Provisions	4,730
Deferred tax assets	1,552	Deferred tax liabilities	13,264
Other non-current assets	574		
		<b>Total liabilities</b>	<b>287,317</b>
		<b>Equity</b>	
		<b>Total equity attributable to owners of the parent</b>	<b>76,568</b>
		Capital stock	100
		Capital surplus	15,734
		Retained earnings	65,818
		Treasury stock	(9,156)
		Other components of equity	4,073
		<b>Non-controlling interests</b>	<b>1,269</b>
		<b>Total equity</b>	<b>77,837</b>
<b>Total assets</b>	<b>365,154</b>	<b>Total liabilities and equity</b>	<b>365,154</b>

## Consolidated statement of profit and loss

( From October 1, 2023 to  
September 30, 2024 )

(Millions of yen)

Account title	Amount
Revenue	361,129
Cost of sales	(155,796)
Gross profit	205,334
Selling, general and administrative expenses	(179,848)
Other income	1,084
Other expenses	(3,186)
Operating profit	23,384
Finance income	461
Finance expenses	(2,191)
Profit before income taxes	21,653
Income taxes	(6,209)
Profit for the year	15,445
Profit attributable to	
Owners of the parent	14,633
Non-controlling interests	811

## Consolidated statement of changes in equity

( From October 1, 2023 to  
September 30, 2024 )

(Millions of yen)

	Capital stock	Capital surplus	Retained earnings	Treasury stock
Balance as of October 1, 2023	100	15,676	52,875	(1,840)
Cumulative effects of changes in accounting policies			912	
Restated balance	100	15,692	53,787	(1,840)
Profit for the year			14,633	
Other comprehensive income				
Total comprehensive income	-	-	14,633	-
Disposal of treasury shares		(130)		184
Purchase of treasury shares		(2)		(7,500)
Forfeiture of share acquisition rights		190		
Share-based payment transactions				
Dividends			(2,603)	
Total transactions with the owners	-	58	(2,603)	(7,317)
Balance as of September 30, 2024	100	15,734	65,818	(9,156)

	Other components of equity	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance as of October 1, 2023	4,544	71,356	388	71,744
Cumulative effects of changes in accounting policies		912	3	914
Restated balance	4,544	72,268	391	72,659
Profit for the year		14,633	811	15,445
Other comprehensive income	(771)	(771)	67	(704)
Total comprehensive income	(771)	13,863	878	14,740
Disposal of treasury shares	(40)	14		14
Purchase of treasury shares		(7,503)		(7,503)
Forfeiture of share acquisition rights	(190)	-		-
Share-based payment transactions	529	529		529
Dividends		(2,603)		(2,603)
Total transactions with the owners	300	(9,562)	-	(9,562)
Balance as of September 30, 2024	4,073	76,568	1,269	77,837

## Non-consolidated balance sheet

(As of September 30, 2024)

(Millions of yen)

Account title (Assets)	Amount	Account title (Liabilities)	Amount
<b>Current assets</b>	<b>62,454</b>	<b>Current liabilities</b>	<b>37,454</b>
Cash and deposits	26,555	Accounts payable - trade	16,762
Accounts receivable - trade	6	Current portion of bonds	5,000
Food ingredients and supplies	3,164	Current portion of long-term borrowings	4,009
Short-term loans receivable from subsidiaries and associates	3,247	Lease obligations	2
Prepaid expenses	478	Accounts payable - other	2,999
Accounts receivable - other	27,537	Accrued expenses	134
Other	1,467	Income taxes payable	567
		Advances received	40
		Deposits received	7,019
		Provision for bonuses	787
		Provision for bonuses for directors and corporate auditors	105
		Other	29
<b>Non-current assets</b>	<b>75,340</b>	<b>Non-current liabilities</b>	<b>82,025</b>
<b>Property, plant and equipment</b>	<b>60</b>	Bonds payable	24,600
Buildings	22	Long-term borrowings	50,959
Machinery and equipment	7	Lease obligations	4
Tools, furniture and fixtures	29	Asset retirement obligations	24
Other	1	Deferred tax liabilities	6,423
		Other	15
<b>Intangible assets</b>	<b>24,481</b>	<b>Total liabilities</b>	<b>119,478</b>
Software	2,872	<b>(Net assets)</b>	
Trademarks	21,438	<b>Shareholders' equity</b>	<b>16,576</b>
Other	171	<b>Capital stock</b>	<b>100</b>
		<b>Capital surplus</b>	<b>11,664</b>
<b>Investments and other assets</b>	<b>50,799</b>	Legal capital surplus	1,747
Investment securities	962	Other capital surplus	9,918
Shares of subsidiaries and associates	37,318	<b>Retained earnings</b>	<b>13,968</b>
Long-term loans receivable from subsidiaries and associates	17,939	Other retained earnings	13,968
Other	55	General reserve	94
Allowance for doubtful accounts	(5,475)	Retained earnings brought forward	13,874
		<b>Treasury stock</b>	<b>(9,156)</b>
<b>Total assets</b>	<b>137,794</b>	<b>Share acquisition rights</b>	<b>1,739</b>
		<b>Total net assets</b>	<b>18,316</b>
		<b>Total liabilities and net assets</b>	<b>137,794</b>

## Non-consolidated statement of profit and loss

( From October 1, 2023 to  
September 30, 2024 )

(Millions of yen)

Account title	Amount	
<b>Operating revenue</b>		<b>19,061</b>
<b>Operating expenses</b>		<b>16,498</b>
Cost of sales		85
Selling, general and administrative expenses		16,414
<b>Operating profit</b>		<b>2,563</b>
<b>Non-operating income</b>		
Interest income	266	
Dividend income	1	
Gain on foreign exchange	250	
Other	42	559
<b>Non-operating expenses</b>		
Interest expense	392	
Provision of allowance for doubtful accounts	300	
Other	130	821
<b>Ordinary income</b>		<b>2,301</b>
<b>Extraordinary income</b>		
Gain on reversal of share acquisition rights	190	190
<b>Extraordinary loss</b>		
Loss on valuation of investment securities	187	187
<b>Profit before income taxes</b>		<b>2,304</b>
Income taxes - current	884	
Income taxes - deferred	(980)	(95)
<b>Profit</b>		<b>2,399</b>

## Non-consolidated statement of changes in shareholders' equity

( From October 1, 2023 to  
September 30, 2024 )

(Millions of yen)

	Shareholders' equity								
	Capital stock	Capital surplus			Retained earnings			Treasury stock	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		Retained earnings Total		
					General reserve	Retained earnings brought forward			
Balance at beginning of current period	100	1,747	10,048	11,794	94	14,078	14,172	(1,840)	24,226
Changes of items during period									
Profit						2,399	2,399		2,399
Disposal of treasury shares			(130)	(130)				184	54
Purchase of treasury shares								(7,500)	(7,500)
Dividends						(2,603)	(2,603)		(2,603)
Net changes of items other than shareholders' equity									
Total changes of items during period	-	-	(130)	(130)	-	(204)	(204)	(7,317)	(7,650)
Balance at end of current period	100	1,747	9,918	11,664	94	13,874	13,968	(9,156)	16,576

	Share acquisition rights	Total net assets
Balance at beginning of current period	1,440	25,666
Changes of items during period		
Profit		2,399
Disposal of treasury shares		54
Purchase of treasury shares		(7,500)
Dividends		(2,603)
Net changes of items other than shareholders' equity	300	300
Total changes of items during period	300	(7,351)
Balance at end of current period	1,739	18,316



## Accounting Auditor's Report on the Consolidated Financial Statements

### Independent Auditor's Report

November 15, 2024

FOOD & LIFE COMPANIES LTD.  
To the Board of Directors

#### KPMG AZSA LLC Osaka Office

Designated Engagement Partner	Certified Public Accountant	Takehiro Nakamura
Designated Engagement Partner	Certified Public Accountant	Satoshi Suzuki

#### Audit Opinion

Pursuant to the provisions of Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated financial statements of FOOD & LIFE COMPANIES LTD. for the consolidated fiscal year from October 1, 2023 to September 30, 2024, comprising the consolidated statement of financial position, the consolidated statement of profit and loss, the consolidated statement of changes in equity, and the notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the corporate group composed of FOOD & LIFE COMPANIES LTD. and its consolidated subsidiaries for the period covered by the consolidated financial statements, in accordance with accounting standards that omit some of the disclosure items required by Designated International Accounting Standards as stipulated by the provisions in the second sentence of Article 120, Paragraph 1 of the Regulation on Corporate Accounting.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the regulations on professional ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

The other information provided is the Business Report and its supplementary schedules. The preparation and disclosure of the other information is the responsibility of management. In addition, the Audit and Supervisory Committee is responsible for monitoring the performance of duties by the Directors in the development and operation of the reporting processes for other information.

Other information is not included in the scope of our audit opinion on the consolidated financial statements, and we do not express an opinion on the other information.

Our responsibility in the audit of the consolidated financial statements is to read through the other information and, in the process of reading through it, to consider whether there are any material differences between the other information and the consolidated financial statements or the knowledge obtained in our audit, and to pay attention to whether there are any indications of material misstatement in the other information other than such material differences.

If, based on the work we have performed, we determine that there are material misstatements in the other information, we are required to report those facts.

We have nothing to report in this regard.

Responsibility of Management and the Audit and Supervisory Committee for the Consolidated Financial Statements, etc.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting standards that omit some of the disclosure items required by Designated International Accounting Standards as stipulated in the second sentence of Article 120, Paragraph 1 of the Regulation on Corporate Accounting. This includes the development and operation of an internal control system management determines is necessary to enable the preparation and fair presentation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare consolidated financial statements on a going concern basis, and to disclose matters related to going concern if necessary in accordance with accounting standards that omit some of the disclosure items required by Designated International Accounting Standards as stipulated in the second sentence of Article 120, Paragraph 1 of the Regulation on Corporate Accounting.

The Audit and Supervisory Committee is responsible for monitoring the performance of duties by the Directors in the development and operation of financial reporting processes.

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, based on the audit we performed and to express an opinion on the consolidated financial statements from an independent standpoint in the audit report.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks. We select and apply audit procedures based on our discretion. We obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, although the audit of the consolidated financial statements is not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies adopted by management and the method of application thereof, the reasonableness of accounting estimates, and the adequacy of the related notes.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in the preparation of the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists in relation to the going concern basis, we are required to draw attention in our auditor's report to the related notes in the consolidated financial statements or, if such related notes in the consolidated financial statements are inadequate with respect to the material uncertainty, to express a qualified opinion on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the consolidated financial statements and the related notes are in accordance with accounting standards that omit some of the disclosure items required by Designated International Accounting Standards as stipulated in the second sentence of Article 120, Paragraph 1 of the Regulation on Corporate Accounting and the overall presentation, structure and content of the consolidated financial statements, including the related notes, fairly present the underlying transactions and events.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We are solely responsible for our audit opinion.

We report to the Audit and Supervisory Committee on the planned scope and timing of the audit, significant audit findings, including material deficiencies in internal control that we identify during the audit, and other matters required by the audit standards.

We also provide the Audit and Supervisory Committee with a report that we have complied with relevant rules of professional ethics in Japan regarding independence and communicate all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, on any measures taken to remove such impediments or safeguards applied to reduce such impediments to an acceptable level.

#### Conflict of Interest

Neither our firm nor the engagement partners have any interest in the Company or its subsidiaries which should be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

## Accounting Auditor's Report on the Non-consolidated Financial Statements

### Independent Auditor's Report

November 15, 2024

FOOD & LIFE COMPANIES LTD.  
To the Board of Directors

**KPMG AZSA LLC**  
**Osaka Office**

Designated Engagement Partner Certified Public Accountant Takehiro Nakamura

Designated Engagement Partner Certified Public Accountant Satoshi Suzuki

#### Audit Opinion

Pursuant to the provisions of Article 436, Paragraph 2, Item (i) of the Companies Act, we have audited the non-consolidated financial statements of FOOD & LIFE COMPANIES LTD. for the 10th fiscal year from October 1, 2023 to September 30, 2024, comprising the non-consolidated balance sheet, the non-consolidated statement of profit and loss, the non-consolidated statement of changes in shareholders' equity, the notes to the non-consolidated financial statements, and their supplementary schedules ("the non-consolidated financial statements, etc.").

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations of the Company for the period covered by the non-consolidated financial statements, etc., in accordance with accounting principles generally accepted in Japan.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements, etc. section of our report. We are independent of the Company in accordance with the regulations on professional ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

The other information provided is the Business Report and its supplementary schedules. The preparation and disclosure of the other information is the responsibility of management. In addition, the Audit and Supervisory Committee is responsible for monitoring the performance of duties by the Directors in the development and operation of the reporting processes for other information.

Other information is not included in the scope of our audit opinion on the non-consolidated financial statements, etc., and we do not express an opinion on the other information.

Our responsibility in the audit of the non-consolidated financial statements, etc. is to read through the other information and, in the process of reading through it, to consider whether there are any material differences between the other information and the non-consolidated financial statements, etc. or the knowledge obtained in our audit, and to pay attention to whether there are any indications of material misstatement in the other information other than such material differences.

If, based on the work we have performed, we determine that there are material misstatements in the other information, we are required to report those facts.

We have nothing to report in this regard.

#### Responsibility of Management and the Audit and Supervisory Committee for the Non-Consolidated Financial Statements, etc.

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements, etc. in accordance with accounting principles generally accepted in Japan. This includes the development and operation of an internal control system management determines is necessary to enable the preparation and fair presentation of non-consolidated financial statements, etc. that are free from material misstatements, whether due to fraud or error.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare non-consolidated financial statements, etc. on a going concern basis, and to disclose matters related to going concern if necessary in accordance with accounting principles generally accepted in Japan. The Audit and Supervisory Committee is responsible for monitoring the performance of duties by the Directors in the development and operation of financial reporting processes.

Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements, etc.

Our responsibility is to obtain reasonable assurance about whether the non-consolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, based on the audit we performed and to express an opinion on the non-consolidated financial statements, etc. from an independent standpoint in the audit report. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements, etc.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks. We select and apply audit procedures based on our discretion. We obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, although the audit of the non-consolidated financial statements, etc. is not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies adopted by management and the method of application thereof, the reasonableness of accounting estimates, and the adequacy of the related notes.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in the preparation of the non-consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists in relation to the going concern basis, we are required to draw attention in our auditor's report to the related notes in the non-consolidated financial statements, etc. or, if such related notes in the non-consolidated financial statements, etc. are inadequate with respect to the material uncertainty, to express a qualified opinion on the non-consolidated financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the non-consolidated financial statements, etc. are in accordance with accounting principles generally accepted in Japan and the overall presentation, structure and content of the non-consolidated financial statements, etc., including the related notes, fairly present the underlying transactions and events.

We report to the Audit and Supervisory Committee on the planned scope and timing of the audit, significant audit findings, including material deficiencies in internal control that we identify during the audit, and other matters required by the audit standards.

We also provide the Audit and Supervisory Committee with a report that we have complied with relevant rules of professional ethics in Japan regarding independence and communicate all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, on any measures taken to remove such impediments or safeguards applied to reduce such impediments to an acceptable level.

Conflict of Interest

Neither our firm nor the engagement partners have any interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

## Audit Report of the Audit and Supervisory Committee

### Audit Report

We, as the Company's Audit and Supervisory Committee, have audited the performance of duties by the Company's Directors during the Company's 10th fiscal year from October 1, 2023 to September 30, 2024. We hereby report on the method and results of the audit conducted by us as follows.

#### 1. Methods and Details of Audit

The Audit and Supervisory Committee received regular reports from Directors and employees on the details of resolutions of the Board of Directors concerning matters set forth in Article 399-13, Paragraph 1, Item (i) (b) and (c) of the Companies Act and the status of development and operation of the system (internal control system) established based on such resolutions, and requested explanations as necessary and expressed our opinions, in addition to conducting our audit in the following manner.

- (i) In accordance with the audit policy and division of duties established by the Audit and Supervisory Committee, using methods that included telephone and the Internet, we attended important meetings, received reports from Directors, Corporate Officers, employees, etc. on matters related to the performance of their duties, requested explanations when necessary, inspected important approval documents, etc., cooperated with the company's internal control departments to examine the status of operations and assets at the head office, etc. With respect to the Company's subsidiaries, we also attended important meetings, in addition to communicating and exchanging information with the Directors, corporate auditors, employees, etc. of subsidiaries and visited important subsidiaries to examine the status of business execution and management of assets.
- (ii) We monitored and verified whether the Accounting Auditor maintained an independent position and conducted appropriate audits, and received reports from the Accounting Auditor on the status of the performance of its duties and requested explanations as necessary. In addition, we received notification from the Accounting Auditor that "systems for ensuring that the performance of the duties of Financial Auditor(s) is being carried out correctly" (the matter set forth in each item of Article 131 of the Regulation on Corporate Accounting) are maintained in accordance with "Quality Control Standards for Audits" (Business Accounting Council), and requested explanations as necessary.

Based on the above methods, we have examined the Business Report and its supplementary schedules, non-consolidated financial statements (non-consolidated balance sheet, non-consolidated profit and loss statement, non-consolidated statement of changes in shareholders' equity, and the notes to the non-consolidated financial statements) and their supplementary schedules, as well as the consolidated financial statements (consolidated statement of financial position, consolidated profit and loss statement, consolidated statement of changes in equity, and notes to the consolidated financial statements) for the fiscal year under review.

2. Results of Audit

(1) Results of Audit of the Business Report, etc.

- (i) In our opinion, the Business Report and its supplementary schedules present fairly the conditions of the Company in conformity with the applicable laws and regulations of Japan as well as the Articles of Incorporation of the Company.
- (ii) We found no misconduct or material facts that violated the applicable laws and regulations or the Articles of Incorporation of the Company in the performance of their duties by the Directors.
- (iii) We found that the contents of resolutions by the Board of Directors concerning the internal control system are appropriate. In addition, we found no issues to be noted with regard to the contents of the internal control system or the performance of duties by the directors.

(2) Results of the Audit of the Non-consolidated Financial Statements and their Supplementary Schedules  
We found that the methods and results of the audit conducted by KPMG AZSA LLC, the Accounting Auditor, are appropriate.

(3) Results of the Audit of the Consolidated Financial Statements  
We found that the methods and results of the audit conducted by KPMG AZSA LLC, the Accounting Auditor, are appropriate.

November 18, 2024

Audit and Supervisory Committee, FOOD & LIFE COMPANIES LTD.

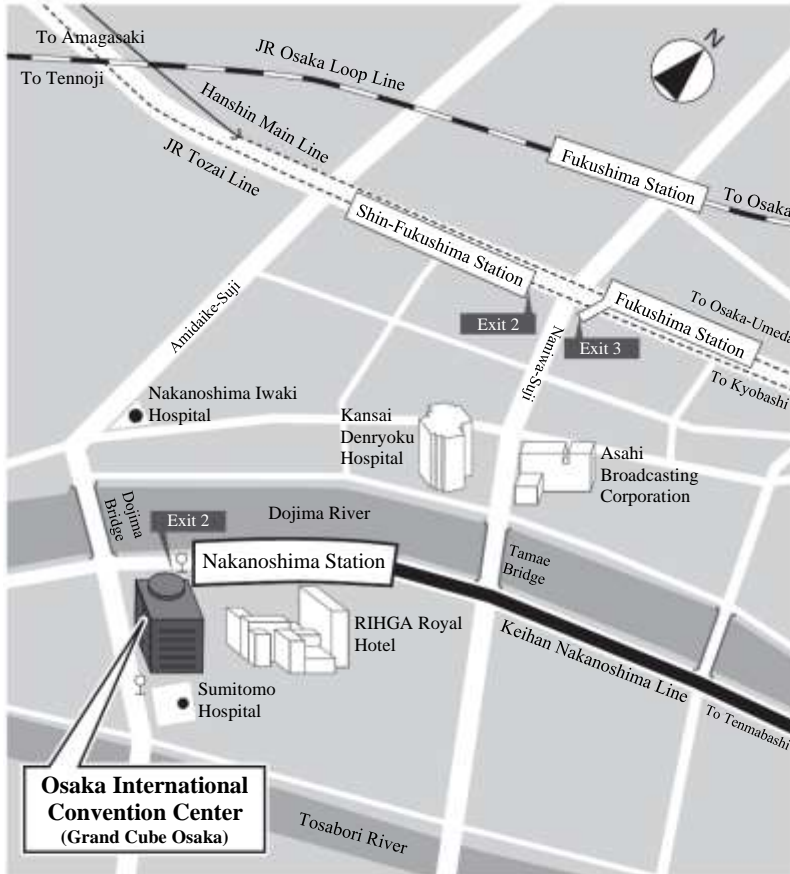
Full-time Audit and Supervisory Member	Yoshihiro Noutsuka
Audit and Supervisory Committee Member	Mami Taira
Audit and Supervisory Committee Member	Emi Omura

Notes Full-time Audit and Supervisory Committee Member Mr. Yoshihiro Noutsuka and Audit and Supervisory Committee Members Ms. Mami Taira and Ms. Emi Omura are Outside Directors as defined in Article 2, Item (xv) and Article 331, Paragraph 6 of the Companies Act.



## Map of the venue for the General Meeting of Shareholders

General Meeting of Shareholders venue : 10th Floor, Osaka International Convention Center (Grand Cube Osaka)  
 5-3-51, Nakanoshima, Kita-ku, Osaka  
<https://www.gco.co.jp/>



### Transport access

- **Keihan Nakanoshima Line**  
 A short walk from Nakanoshima (Osaka International Convention Center) Station (Exit 2)
- **JR Tozai Line**  
 Approx. 12 minute walk from Shin Fukushima Station (Exit 2)
- **JR Osaka Loop Line**  
 Approx. 15 minute walk from Fukushima Station
- **Hanshin Main Line**  
 Approx. 12 minute walk from Fukushima Station (Exit 3)

\* We ask you not to travel to the venue by car as there is no parking lot that is exclusively available for the Company's use.



This document uses a universal design font that is easy to read and difficult to misread.