

Meiji Holdings Co., Ltd.

CEO Small Meeting Q&A for Institutional Investors

June 23, 2025, 15:30 – 16:30

Presenters:

Katsunari Matsuda	Member of the Board, COO (Food Segment), Executive Officer *Appointed CEO, President and Representative Director on June 27, 2025
Jun Hishinuma	CFO, Member of the Board and Managing Executive Officer *Appointed CFO, Member of the Board and Senior Managing Executive Officer on June 27, 2025

*This material has been edited to make it easier to understand some of the questions and answers.

Q-1

Please discuss initiatives you want to pursue under the new management structure, your view on current issues, and areas you want to strengthen.

A-1

I feel that the Meiji Group lacks the friction necessary to create new value. We tend to look inwards and do not engage in much external interaction, which leads to a lack of self-improvement. To address these issues, we increased our hiring of external talent, created HR systems that enabled young employees to take on new challenges, and established the Accelerator Program and the In-house Value Creation Program. I feel that these measures have led to gradual change in our corporate culture. Respecting mutual differences while engaging with each other to generate new value; Not having regret about decisions made; Moving forward based on collective understanding. I want to create an organization that applies these rules to discussions to enable us to reach conclusions quickly and convert those decisions into action.

Q-2

You are implementing profitability improvement plan for the China business in the Food segment. Please discuss what you consider to be the reasons for the unfavorable business performance and what response measures you will implement. Also, what approach will you take to making a decision on continuation or withdrawal should the business not produce results?

A-2

The reason for struggling can be attributed to the mistaken assumption that, similar to Japan, the brand recognition and high quality of Meiji products would lead to sales.

Currently, we have personnel with expertise in marketing on the Chinese market. We also are shifting product development to local thinking. As part of the profitability improvement plan, we

reevaluated transactions and products with local marginal profit rates. While sales dropped significantly, the business is now able to maintain the marginal profit rate. Moving forward, we will increase sales. We expect that the launch of our Chinese version of *Oishii Gyunyu* in July will contribute to sales growth. As for the decision on continuation or withdrawal, we have no plans to prolong that decision. We will analyze the results of our initiatives and respond accordingly.

Q-3

TSR continues to underperform the TOPIX Foods Index. Why did your company lose against the market and what will you do to change these outcomes moving forward? Also, despite such conditions, you have maintained a stance of increasing base compensation. What is your view on the state of the Compensation System and Committee?

A-3

I think TSR underperformed against the market due to a lack of excitement on the future perspectives. While both stable and reliable, there also was little change and we were unable to exceed market expectations. As a result, we were unable to generate a sense of excitement on the stock market. When our performance and stock price were favorable, our using functional yogurt to create a new market generated excitement. However, we have not been able to generate a similar sentiment since then. As for compensation, the Compensation Committee will continue to hold in-depth discussions.

Q-4

In the Pharmaceutical segment, how do you view the medium- to long-term outlook on drug development? You personally do not have a background in the pharmaceutical business so, as CEO, how do you intend to monitor the value of your pharmaceutical products?

A-4

We must take into account both the importance of the pharmaceutical business for the Meiji Group and the value we provide society. In terms of the value we provide society, our maintaining a major role in the development of infectious disease drugs and vaccines is a matter of national security. While it can be difficult to evaluate drug development, from the perspective of business management, there are certain overlapping aspects of food and drug products. I will work to further strengthen cooperation with Meiji Seika Pharma Chairperson Kobayashi, Pharmaceutical segment COO Nagasato, and all other chief officers of the Meiji Group.

Q-5

Regarding your plan to take on challenges in China, including the launch of *Oishii Gyunyu*, what monitoring methods and structure will you adopt?

A-5

In the past, we had a sense of overconfidence that if we launched a product, it would sell, and both our marketers and marketability analysis functions were lacking. Today, we have established a monitoring structure led by the Global Dairy Business Division, and we have experienced marketers analyzing market and consumer response.

Q-6

You indicated that you would use the Meiji NPS as a tool for making your product portfolio for Japan more dynamic but what level of internal adoption have you achieved as you move towards commercialization?

A-6

We are using Meiji NPS standards in our certification of sustainable products. To further expand the use of the NPS moving forward, we are reaching out to industry competitors to gather partners. We plan to reach out to the government and industry as we work to build a strong foundation for this initiative.

Q-7

What is your approach to partnering with other companies towards resolving issues facing the dairy farming industry?

A-7

Dairy farming and the dairy business are like two sides of the same coin. I believe adding producer groups to that relationship creates a three-way structure that provides even greater stability. The loss of any partner in this relationship would have a severely negative impact on society, so it will be necessary to foster understanding within society. As a dairy manufacturer, we want to contribute to the stability of the dairy farming industry by creating products with high added value.

Q-8

Please discuss the results achieved thus far and your impressions of your efforts to transform your organizational culture.

A-8

We are seeing gradual results in terms of the number of participants in the voluntary In-house Value Creation Program and the ratio of female managers. Through the In-house Value Creation Program, we opened the FRESH CHEESE STUDIO, a store that conveys the appeal of Japanese dairy

products, and launched Inner Garden, a business that uses intestinal flora analysis to provide personal care proposals. We also have launched a business that uses a lactobacilli fermentation solution made from a special lactobacillus to improve the value of meat.

While we are gradually increasing the number of personnel who are capable of thinking and acting autonomously, one issue is that such initiatives are mainly limited to employees from the head office and certain parts of the Group. We will use various methods to spread this mentality throughout the entire Group as we work to increase the number of participants.

Q-9

Regarding overseas human resource, a common pattern among successful companies is the placement of local human resources. How are you creating top talent overseas?

A-9

For the U.S. business in the Food segment, the CEO and the production division supervisor were sent from Japan but local personnel are serving as supervisors for the business and finance divisions, and such localized management is functioning effectively. This is the same for CP-Meiji, our equity method affiliate in Thailand. We must continue to implement these positive examples at other businesses.

Q-10

Are there any products for which you have high expectations moving forward?

A-10

In the Dairy business, we plan to launch a functional yogurt product that will enable new value proposals. In the Chocolate business, we already launched *Nama no Toki* for consumer markets, but we also have high expectations for B2B sales from this product. In the Pharmaceutical segment,

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we have a robust pipeline and strong expectations for new products.

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