

(Translation)

This document has been translated from the Annual Securities Report for the twelve-month period ended March 31, 2025, pursuant to the Financial Instruments and Exchange Act of Japan. In the event of any discrepancy between this document and the Japanese original, the original shall prevail.

# Annual Securities Report

(Report pursuant to Article 24, Paragraph 1 of the  
Financial Instruments and Exchange Act)

(The 16th Fiscal Year)

from April 1, 2024 to March 31, 2025

Meiji Holdings Co., Ltd.

(E21902)

# Contents

	Page
Cover page	
Part I Company Information	1
1. Overview of the Company	1
1. Key financial data	1
2. History	3
3. Description of business	4
4. Subsidiaries and other affiliated entities	7
5. Employees	11
2. Overview of Business	14
1. Management policy, business environment, issues to address	14
2. Views and initiatives on sustainability	21
3. Business risks	57
4. Management analysis of financial position, operating results, and cash flows	61
5. Material contracts, etc.	72
6. Research and development activities	74
3. Information about Facilities	80
1. Overview of capital expenditures	80
2. Major facilities	81
3. Planned addition, retirement, and other changes of facilities	85
4. Information about reporting company	86
1. Company's shares, etc.	86
(1) Total number of shares	86
(2) Share acquisition rights	86
(3) Exercises of moving strike convertible bonds, etc.	86
(4) Changes in total number of issued shares, capital share and capital reserve	87
(5) Shareholding by shareholder category	87
(6) Major shareholders	88
(7) Voting rights	90
2. Acquisition and disposal of treasury shares	91
3. Dividend policy	93
4. Corporate governance	94
(1) Overview of corporate governance	94
(2) Directors and other officers	102
(3) Audit	113
(4) Remuneration for directors (and other officers)	118
(5) Shareholdings	128
5. Financial Information	134
1. Consolidated financial statements, etc.	135
(1) Consolidated financial statements	135
(2) Other	183
2. Financial statements, etc.	184
(1) Financial statements	184
(2) Components of major assets and liabilities	193
(3) Others	193
6. Outline of Share-related Administration of Reporting Company	194
7. Reference Information of Reporting Company	195
1. Information about parent of reporting company	195
2. Other reference information	195
Part II Information about Reporting Company's Guarantor, etc.	196

## Cover page

Document title	Annual Securities Report (“Yukashoken Houkokusho”)
Clause of stipulation	Article 24, Paragraph 1 of the Financial Instruments and Exchange Act of Japan
Place of filing	Director, Kanto Local Finance Bureau
Filing date	June 26, 2025
Fiscal year	The 16th Fiscal Year (from April 1, 2024 to March 31, 2025)
Company name	Meiji Holdings Kabushiki Kaisha
Company name in English	Meiji Holdings Co., Ltd.
Title and name of representative	Kazuo Kawamura, CEO, President and Representative Director
Address of registered headquarters	4-16, Kyobashi 2-chome, Chuo-ku, Tokyo
Telephone number	+81-3-3273-4001 (switchboard)
Name of contact person	Hayato Shimada, General Manager of Corporate Administration Dept.
Nearest place of contact	4-16, Kyobashi 2-chome, Chuo-ku, Tokyo
Telephone number	+81-3-3273-4001 (switchboard)
Name of contact person	Hayato Shimada, General Manager of Corporate Administration Dept.
Place for public inspection	Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo, Japan)

## Part I Company Information

### 1. Overview of the Company

#### 1. Key financial data

##### (1) Key financial data of group

Fiscal year		12th fiscal year	13th fiscal year	14th fiscal year	15th fiscal year	16th fiscal year
Fiscal year end		March 2021	March 2022	March 2023	March 2024	March 2025
Net sales	(Millions of yen)	1,191,765	1,013,092	1,062,157	1,105,494	1,154,074
Ordinary profit	(Millions of yen)	110,176	93,985	74,160	76,020	82,013
Profit attributable to owners of parent	(Millions of yen)	65,655	87,497	69,424	50,675	50,800
Comprehensive income	(Millions of yen)	85,304	109,008	77,669	63,401	56,695
Net assets	(Millions of yen)	659,358	713,021	751,311	787,793	791,783
Total assets	(Millions of yen)	1,067,000	1,117,459	1,136,217	1,205,288	1,184,472
Net assets per share	(Yen)	2,141.40	2,390.76	2,553.69	2,674.72	2,762.33
Earnings per share	(Yen)	226.26	303.62	247.39	181.64	186.08
Diluted earnings per share	(Yen)	-	-	-	-	-
Equity-to-asset ratio	(%)	58.2	60.3	62.7	61.9	63.2
Rate of return on equity	(%)	11.1	13.5	10.0	6.9	6.8
Price-earnings ratio	(Times)	15.7	10.9	12.8	18.6	17.5
Cash flows from operating activities	(Millions of yen)	123,683	127,526	85,013	107,983	68,979
Cash flows from investing activities	(Millions of yen)	-93,110	-27,614	-36,788	-24,604	-40,636
Cash flows from financing activities	(Millions of yen)	-28,293	-76,997	-54,734	-43,772	-61,671
Cash and cash equivalents at end of period	(Millions of yen)	39,011	64,872	60,939	102,832	66,398
Number of employees	(Number of persons)	17,832	17,336	17,290	17,270	17,231
[Average number of temporary employees not included in above]		[8,369]	[7,864]	[7,242]	[6,835]	[6,779]

- (Notes)
1. Diluted earnings per share is not given because there are no dilutive shares.
  2. The number of employees in [ ] is the number of temporary employees, and does not include dispatched employees.
  3. The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) and related implementation guidance are applied from the beginning of the 13th fiscal year, and the key financial data to the 13th fiscal year reflect the application of that accounting standard and related implementation guidance.
  4. A two-for-one ordinary share split was conducted on April 1, 2023. Net assets per share and earnings per share are calculated on the assumption that the share split was conducted at the beginning of the 12th fiscal year.



## (2) Key financial data of reporting company

Fiscal year		12th fiscal year	13th fiscal year	14th fiscal year	15th fiscal year	16th fiscal year
Fiscal year end		March 2021	March 2022	March 2023	March 2024	March 2025
Operating revenue	(Millions of yen)	25,537	34,547	28,063	30,636	48,717
Ordinary profit	(Millions of yen)	22,924	31,055	23,924	24,894	38,965
Profit	(Millions of yen)	22,354	31,735	28,336	32,862	42,571
Share capital	(Millions of yen)	30,000	30,000	30,000	30,000	30,000
Total number of issued shares	(Thousand shares)	152,683	148,369	148,369	293,459	282,200
Net assets	(Millions of yen)	266,121	246,042	238,387	244,216	225,630
Total assets	(Millions of yen)	386,119	391,413	369,173	364,758	349,787
Net assets per share	(Yen)	917.04	873.60	855.11	874.99	832.92
Dividend paid per share	(Yen)	160.00	170.00	180.00	95.00	100.00
(Interim dividend paid per share)	(Yen)	(75.00)	(80.00)	(85.00)	(47.50)	(50.00)
Earnings per share	(Yen)	77.03	110.12	100.97	117.79	155.94
Diluted earnings per share	(Yen)	-	-	-	-	-
Equity-to-asset ratio	(%)	68.9	62.9	64.6	67.0	64.5
Rate of return on equity	(%)	8.5	12.4	11.7	13.6	18.1
Price-earnings ratio	(Times)	46.2	30.0	31.2	28.7	20.8
Payout ratio	(%)	103.8	77.2	89.1	80.6	64.1
Number of employees	(Number of persons)	66	85	99	116	295
[Average number of temporary employees not included in above]		[8]	[13]	[17]	[21]	[28]
Total shareholder return	(%)	94.8	90.4	88.8	97.3	96.4
(Comparison index: TOPIX (including dividends))	(%)	(142.1)	(145.0)	(153.4)	(216.8)	(213.4)
Highest share price	(Yen)	8,990	7,470	3,200 (7,130)	3,823	3,837
Lowest share price	(Yen)	6,760	6,540	3,145 (6,040)	3,100	2,871

- (Notes)
1. Diluted earnings per share is not given because there are no dilutive shares.
  2. The number of employees in [ ] is the number of temporary employees, and does not include dispatched employees.
  3. The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) and related implementation guidance are applied from the beginning of the 13th fiscal year, and the key financial data to the 13th fiscal year reflect the application of that accounting standard and related implementation guidance.
  4. Highest share price and lowest share price refer to those of the Prime Market of the Tokyo Stock Exchange from April 4, 2022 and those of the First Section of the Tokyo Stock Exchange before that date.
  5. A two-for-one ordinary share split was conducted on April 1, 2023. Share prices for the 14th fiscal year are the highest and lowest share prices after ex-rights due to the share split, and the highest and lowest share prices before the share split are shown in parentheses.
  6. A two-for-one ordinary share split was conducted on April 1, 2023. Net assets per share and earnings per share are calculated on the assumption that the share split was conducted at the beginning of the 12th fiscal year. As for dividend paid per share, the actual dividend amounts before the share split are shown.

## 2. History

### Establishment of Meiji Holdings

Meiji Seika Kaisha, Ltd. and Meiji Dairies Corporation share the same origin in the former Meiji Sugar Co., Ltd, which was established in 1906. In April 2009, responding to changing food and health needs and to capture even greater growth opportunities, the two companies established a joint holding company, Meiji Holdings Co., Ltd., by means of a share transfer.

Then, in April 2011, in a move to realize the Meiji Group Philosophy, the Group formulated long-term management guidelines, and shifted to a new group management structure, creating a food company and a pharmaceutical company under Meiji Holdings.

Following are the major events relating to the Group.

Date	Outline
September 2008	Meiji Seika Kaisha, Ltd. and Meiji Dairies Corporation reach agreement to establish a joint holding company by means of a joint share transfer, subject to approval at a general meeting of shareholders. They prepare a Share Transfer Plan for the transfer of shares, and execute an Integration Agreement for management integration at respective meetings of their Boards of Directors.
April 2009	Meiji Holdings is established. Ordinary share of Meiji Holdings is listed on the 1st Section of the Tokyo Stock Exchange (TSE).
February 2011	Meiji Holdings concludes absorption-type company split agreements with its subsidiaries, Meiji Seika Kaisha, Ltd. and Meiji Dairies Corporation, for Meiji Holdings to succeed, by way of company splits, a portion of the asset management businesses of the two subsidiaries. Meiji Holdings subsidiaries, Meiji Seika Kaisha, Ltd. and Meiji Dairies Corporation, conclude an absorption-type company split agreement for Meiji Dairies Corporation to succeed, by way of a company split, the food and healthcare business of Meiji Seika Kaisha, Ltd.
March 2011	Meiji Dairies (Suzhou) Co., Ltd. is established.
April 2011	Meiji Seika Kaisha, Ltd., a Meiji Holdings subsidiary, changes trade name to Meiji Seika Pharma Co., Ltd. Meiji Dairies Corporation, a Meiji Holdings subsidiary, changes trade name to Meiji Co., Ltd. Meiji Holdings succeeds, by way of absorption-type company splits, a portion of the asset management businesses of its two subsidiaries, Meiji Seika Pharma Co., Ltd. and Meiji Co., Ltd. Meiji Co., Ltd., a Meiji Holdings subsidiary, succeeds, by way of an absorption-type company split, the food and healthcare business of Meiji Seika Pharma Co., Ltd., a Meiji Holdings subsidiary.
November 2011	Meiji America Inc. is established.
August 2012	Meiji Ice Cream (Guang Zhou) Co., Ltd. is established.
February 2015	Medreich Limited becomes a subsidiary following acquisition of shares.
October 2015	A two-for-one ordinary share split is conducted.
July 2018	KM Biologics Co., Ltd. becomes a subsidiary following acquisition of shares.
January 2019	Meiji (China) Investment Co., Ltd. is established.
September 2019	Meiji Dairies (Tianjin) Co., Ltd. is established.
July 2020	Meiji Food (Guangzhou) Co., Ltd. is established.
April 2022	Listing on TSE transitions from 1st Section to Prime Market due to revision of TSE market segments.
April 2023	A two-for-one ordinary share split is conducted.

### 3. Description of business

The Meiji Group consists of Meiji Holdings (a pure holding company), 67 subsidiaries, and 8 affiliates.

Since Meiji Holdings falls under the category of a specified listed company, etc. as prescribed in Article 49, Paragraph 2 of the Cabinet Office Order on Restrictions on Securities Transactions, the criteria for regarding material facts as minor under the insider trading regulations are determined on the basis of consolidated figures.

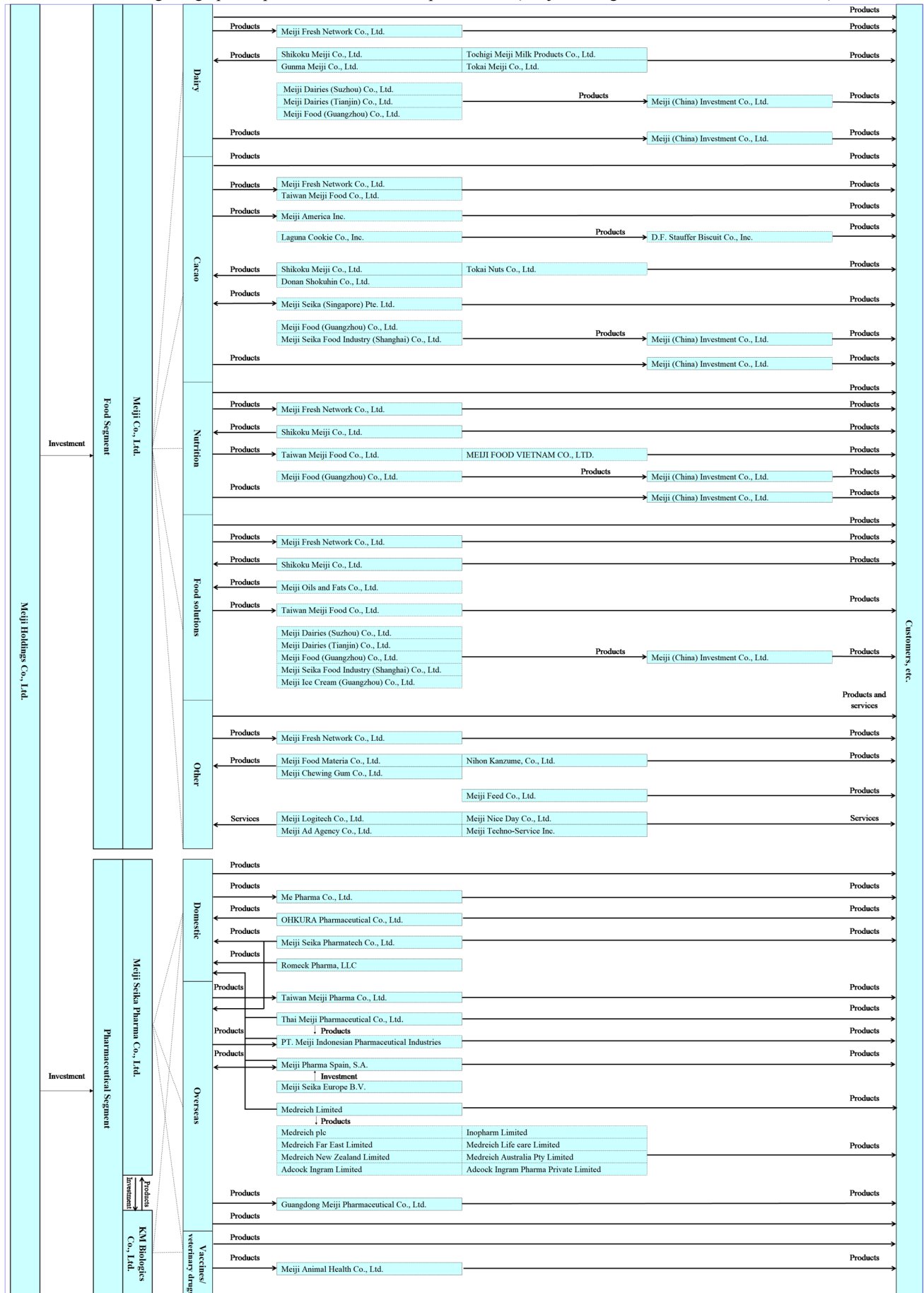
The positioning of related companies and their relationship with the segments are as follows.

Segment	Main Products	Major Companies	
Food	Yogurt, drinking milk, beverages, cheese, butter and margarine, cream, ice cream, ready meal, chocolate, gummies, sports nutrition, infant formula, enteral formula, beauty supplement, feedstuffs, sugar and corn sweeteners, etc.	Meiji Co., Ltd.	<p>(Consolidated subsidiaries)</p> <p>Meiji Fresh Network Co., Ltd., Donan Shokuhin Co., Ltd., Meiji Chewing Gum Co., Ltd., Tokai Nuts Co., Ltd., Shikoku Meiji Co., Ltd., Tokai Meiji Co., Ltd., Gunma Meiji Co., Ltd., Tochigi Meiji Milk Products Co., Ltd., Meiji Oils and Fats Co., Ltd., Meiji Seika (Singapore) Pte. Ltd., Meiji America Inc., D.F. Stauffer Biscuit Co., Inc., Laguna Cookie Co., Inc., Meiji China Investment Co., Ltd., Meiji Dairies (Tianjin) Co., Ltd., Meiji Seika Food Industry (Shanghai) Co., Ltd., Meiji Dairies (Suzhou) Co., Ltd., Meiji Ice Cream (Guang Zhou) Co., Ltd., Meiji Food (Guangzhou) Co., Ltd., Taiwan Meiji Food Co., Ltd., MEIJI FOOD VIETNAM CO., LTD., Meiji Food Materia Co., Ltd., Meiji Logitech Co., Ltd., Nihon Kanzume, Co., Ltd., Meiji Feed Co., Ltd., Meiji Techno-Service Inc., Meiji Nice Day Co., Ltd., Meiji Ad Agency Co., Ltd.</p> <p>(Unconsolidated subsidiaries accounted for using the equity method)</p> <p>Thai Meiji Food Co., Ltd.</p> <p>(Unconsolidated subsidiaries)</p> <p>Meihan Ryutsu Co., Ltd., Meiji Food Asia Pacific Pte. Ltd., Meiji Hong Kong, Ltd., MEIJI DAIRY AUSTRALASIA PTY. LTD., MEIJI NEW ZEALAND LIMITED, PT MEIJI FOOD INDONESIA, Meiji Food Europe B.V., Meiji Food Materials (Qing Dao), Ltd., Toko Transport Inc., Kantora Logi Co., Ltd., New Hokkaido Feed Co., Ltd., Makiba Feed Co., Ltd.</p> <p>(Affiliates accounted for using the equity method)</p> <p>CP-MEIJ I Co., Ltd., AustAsia Group Ltd., Okinawa Meiji Milk Products Co., Ltd.</p> <p>(Affiliates)</p> <p>Beghin Meiji, Meito Warehouse Co., Ltd., Kushiroshiryo, Co., Ltd., Japan Dairy Trading Co., Ltd., Wellnize, Inc.</p>
		(50 companies in total)	

Segment	Main Products	Major Companies	
Pharmaceuticals	Ethical pharmaceuticals, veterinary drugs	Meiji Seika Pharma Co., Ltd.	(Consolidated subsidiaries) Ohkura Pharmaceutical Co., Ltd., Me Pharma Co., Ltd., Meiji Pharma Spain, S.A., PT. Meiji Indonesian Pharmaceutical Industries, Thai Meiji Pharmaceutical Co., Ltd., Meiji Seika Europe B.V., Medreich Limited, Adcock Ingram Limited, Medreich Life care Limited, Medreich plc, Medreich Australia Pty Ltd., Medreich Far East Limited, Inopharm Limited, Medreich New Zealand Limited, Adcock Ingram Pharma Private Limited, Guangdong Meiji Pharmaceutical Co., Ltd., Romeck Pharma, LLC, Meiji Seika Pharmatech Co., Ltd., Taiwan Meiji Pharma Co., Ltd.
			(Unconsolidated subsidiaries) Meiji Pharma USA Inc., MIYAKO YUSO TRANSPORTATION CO., LTD.
		KM Biologics Co., Ltd.	(Consolidated subsidiaries) Meiji Animal Health Co., Ltd.
		(24 companies in total)	

(Note) Effective April 1, 2014, Meiji Business Support Co., Ltd. was changed from the Food Segment to the Company-wide (Common) Segment.

Following is a graphic representation of the Group's business (Meiji Holdings and consolidated subsidiaries).



#### 4. Subsidiaries and other affiliated entities

Name	Location	Investments in capital (Millions of yen)	Principal business	Percentage of voting rights held (%)	Relationship
(Consolidated subsidiaries)					
Meiji Co., Ltd. *2, 4	Chuo-ku, Tokyo	33,646	Food	100.00	Has a business management agreement with Meiji Holdings. Meiji Holdings leases offices, etc. Meiji Holdings lends funds or holds funds in trust. Number of concurrently serving officers: 3
Meiji Fresh Network Co., Ltd. *4	Koto-ku, Tokyo	100	Food	100.00 (100.00)	
Donan Shokuhin Co., Ltd.	Hakodate City, Hokkaido	40	Food	100.00 (100.00)	
Meiji Chewing Gum Co., Ltd.	Kiyosu City, Aichi	75	Food	100.00 (100.00)	
Tokai Nuts Co., Ltd.	Chiyoda-ku, Tokyo	20	Food	100.00 (100.00)	
Shikoku Meiji Co., Ltd.	Mitoyo City, Kagawa	480	Food	100.00 (100.00)	
Tokai Meiji Co., Ltd.	Fukuroi City, Shizuoka	74	Food	100.00 (100.00)	
Gunma Meiji Co., Ltd.	Maebashi City, Gunma	60	Food	100.00 (100.00)	
Tochigi Meiji Milk Products Co., Ltd.	Utsunomiya City, Tochigi	100	Food	95.00 (95.00)	
Meiji Oils and Fats Co., Ltd.	Hirakata City, Osaka	38	Food	100.00 (100.00)	
Meiji Seika (Singapore) Pte. Ltd.	Singapore	(Thousand SGD) 15,000	Food	100.00 (100.00)	
Meiji America Inc. *2	York, Pennsylvania, US	(Thousand USD) 30,558	Food	100.00 (100.00)	
D.F. Stauffer Biscuit Co., Inc. *2	York, Pennsylvania, US	(Thousand USD) 38,005	Food	100.00 (100.00)	
Laguna Cookie Co., Inc.	Santa Ana, California, US	(Thousand USD) 20,729	Food	100.00 (100.00)	
Meiji (China) Investment Co., Ltd. *2	Shanghai, China	(Thousand USD) 701,574	Food	100.00 (100.00)	
Meiji Dairies (Tianjin) Co., Ltd. *2	Tianjin, China	(Thousand CNY) 705,000	Food	100.00 (100.00)	

Name	Location	Investments in capital (Millions of yen)	Principal business	Percentage of voting rights held (%)	Relationship
Meiji Seika Food Industry (Shanghai) Co., Ltd. *2	Shanghai, China	(Thousand USD) 154,419	Food	100.00 (100.00)	
Meiji Dairies (Suzhou) Co., Ltd. *2	Jiangsu, China	(Thousand USD) 83,964	Food	100.00 (100.00)	
Meiji Ice Cream (Guang Zhou) Co., Ltd. *2	Guangzhou, Guangdong, China	(Thousand CNY) 263,000	Food	100.00 (100.00)	
Meiji Food (Guangzhou) Co., Ltd. *2	Guangzhou, Guangdong, China	(Thousand CNY) 1,500,000	Food	100.00 (100.00)	
Taiwan Meiji Food Co., Ltd.	Taipei, Taiwan	(Thousand TWD) 27,624	Food	100.00 (100.00)	
MEIJI FOOD VIETNAM CO., LTD.	Hanoi, Vietnam	(Million VND) 41,504	Food	100.00 (100.00)	
Meiji Food Materia Co., Ltd.	Chuo-ku, Tokyo	300	Food	95.04 (95.04)	
Meiji Logitech Co., Ltd.	Koto-ku, Tokyo	98	Food	100.00 (100.00)	
Nihon Kanzume, Co., Ltd.	Memuro, Kasai, Hokkaido	314	Food	100.00 (100.00)	
Meiji Feed Co., Ltd.	Koto-ku, Tokyo	480	Food	100.00 (100.00)	
Meiji Techno-Service Inc.	Koto-ku, Tokyo	30	Food	100.00 (100.00)	
Meiji Nice Day Co., Ltd.	Koto-ku, Tokyo	25	Food	100.00 (100.00)	
Meiji Ad Agency Co., Ltd.	Shibuya-ku, Tokyo	226	Food	100.00 (100.00)	

Name	Location	Investments in capital (Millions of yen)	Principal business	Percentage of voting rights held (%)	Relationship
Meiji Seika Pharma Co., Ltd. *2, 4	Chuo-ku, Tokyo	28,363	Pharmaceuticals	100.00	Has a business management agreement with Meiji Holdings. Meiji Holdings leases offices, etc. Meiji Holdings lends funds or holds funds in trust. Number of concurrently serving officers: 3
Ohkura Pharmaceutical Co., Ltd.	Minami-ku, Kyoto City, Kyoto	72	Pharmaceuticals	100.00 (100.00)	
Me Pharma Co., Ltd.	Chuo-ku, Tokyo	10	Pharmaceuticals	100.00 (100.00)	
Meiji Pharma Spain, S.A.	Madrid, Spain	(Thousand EUR) 2,028	Pharmaceuticals	100.00 (100.00)	
PT. Meiji Indonesian Pharmaceutical Industries	Jakarta, Indonesia	(Million IDR) 38,073	Pharmaceuticals	93.34 (93.34)	
Thai Meiji Pharmaceutical Co., Ltd.	Bangkok, Thailand	(Million THB) 297	Pharmaceuticals	94.61 (94.61)	
Meiji Seika Europe B.V.	Amsterdam, Netherlands	(Thousand EUR) 25	Pharmaceuticals	100.00 (100.00)	
Medreich Limited	Bengaluru, India	(Thousand INR) 1,407,183	Pharmaceuticals	100.00 (100.00)	
Adcock Ingram Limited	Bengaluru, India	(Thousand INR) 380,500	Pharmaceuticals	50.07 (50.07)	
Medreich Life care Limited	Bengaluru, India	(Thousand INR) 1,020	Pharmaceuticals	100.00 (100.00)	
Medreich plc	Surrey, UK	(Thousand GBP) 100	Pharmaceuticals	100.00 (100.00)	
Medreich Australia Pty Ltd.	New South Wales, Australia	(AUD) 100	Pharmaceuticals	100.00 (100.00)	
Medreich Far East Limited	Hong Kong Special Administrative Region, China	(HKD) 10,000	Pharmaceuticals	100.00 (100.00)	
Inopharm Limited	Nicosia, Cyprus	(Thousand EUR) 100	Pharmaceuticals	50.00 (50.00)	
Medreich New Zealand Limited	Auckland, New Zealand	(NZD) 1,000	Pharmaceuticals	100.00 (100.00)	



Name	Location	Investments in capital (Millions of yen)	Principal business	Percentage of voting rights held (%)	Relationship
Adcock Ingram Pharma Private Limited	Gauteng, India	(Thousand INR) 1,435,000	Pharmaceuticals	99.99 (99.99)	
Guangdong Meiji Pharmaceutical Co., Ltd.	Guangzhou, Guangdong, China	(Thousand CNY) 3,000	Pharmaceuticals	100.00 (100.00)	
Romeck Pharma, LLC	Chuo-ku, Tokyo	0	Pharmaceuticals	50.00 (50.00)	
Meiji Seika Pharmatech Co., Ltd.	Odawara City, Kanagawa	90	Pharmaceuticals	100.00 (100.00)	
Taiwan Meiji Pharma Co., Ltd.	Taipei, Taiwan	(Thousand TWD) 30,000	Pharmaceuticals	100.00 (100.00)	
KM Biologics Co., Ltd. *2	Kumamoto City, Kumamoto	10,000	Pharmaceuticals	49.00 (20.00)	Meiji Holdings lends funds or holds funds in trust. Number of concurrently serving officers: 3
Meiji Animal Health Co., Ltd.	Kumamoto City, Kumamoto	100	Pharmaceuticals	74.35 (74.35)	
Meiji Business Support Co., Ltd.	Chuo-ku, Tokyo	20	Company-wide (Common)	100.00	Meiji Holdings lends funds or holds funds in trust. Number of concurrently serving officers: 1
(Unconsolidated subsidiaries accounted for using the equity method)					
Thai Meiji Food Co., Ltd.	Bangkok, Thailand	(Million THB) 222	Food	100.00 (100.00)	
(Affiliates accounted for using the equity method)					
CP-MEJI Co., Ltd.	Bangkok, Thailand	(Million THB) 500	Food	40.00 (40.00)	
AustAsia Group Ltd.	Singapore	(Thousand CNY) 2,435,712	Food	22.19 (22.19)	
Okinawa Meiji Milk Products Co., Ltd.	Urasoe, Okinawa	91	Food	50.00 (50.00)	

- (Notes) 1. The name of the segment is stated in the “Principal business” column.
- \*2. Classified as a specified subsidiary company.
3. Figures in parentheses in the “Percentage of voting rights held” column include the percentage of voting rights held indirectly.
- \*4. For Meiji Co., Ltd., Meiji Fresh Network Co., Ltd., and Meiji Seika Pharma Co., Ltd., the ratio of net sales (excluding inter-company sales between consolidated companies) to consolidated net sales exceeds 10%.

Main profit/loss information for the fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

	Meiji Co., Ltd.	Meiji Fresh Network Co., Ltd.	Meiji Seika Pharma Co., Ltd.
(1) Net sales (Millions of yen)	662,287	100,965	144,392
(2) Ordinary profit (Millions of yen)	63,796	2,079	6,416
(3) Profit (Millions of yen)	46,997	1,480	6,114
(4) Net assets (Millions of yen)	531,808	14,125	98,933
(5) Total assets (Millions of yen)	738,995	30,350	232,751

## 5. Employees

### (1) Information about group

(As of March 31, 2025)

Segment	Number of employees	
Food	10,061	[3,967]
Pharmaceuticals	6,871	[2,771]
Company-wide (Common)	299	[41]
Total	17,231	[6,779]

(Note) The number of employees is the number of full-time employees (excluding employees transferred from the Group to outside and including employees transferred from outside to the Group). Parenthesized figures are the average number of temporary employees for the year, excluding dispatched employees.

### (2) Information about reporting company

(As of March 31, 2025)

Number of employees	Average age (Years)	Average length of service (Years)	Average annual salary (Thousand yen)
295 [28]	42.7	18.5	9,098

Segment	Number of employees	
Company-wide (Common)	295	[28]
Total	295	[28]

- (Notes) 1. The number of employees is the number of full-time employees (excluding employees transferred from the Group to outside and including employees transferred from outside to the Group). Parenthesized figures are the average number of temporary employees for the year, excluding dispatched employees.
2. Average annual salary includes bonuses and non-standard wages.
3. When calculating the average length of service, for employees transferred from Meiji Co., Ltd., Meiji Seika Pharma Co., Ltd., KM Biologics Co., Ltd., and Meiji Nice Day Co., Ltd. to the Company, their years of service at those companies are included in the total number of years of service.
4. The number of employees increased by 179 from the end of the previous fiscal year. The main reason was the integration of some corporate functions from Meiji Co., Ltd. to improve efficiency and strengthen functions as a Group.

### (3) Labor union status

The main labor unions in the Group are the Meiji Labor Union (5,407 members as of March 31, 2025) and the Meiji Seika Pharma Labor Union (1,153 members as of March 31, 2025).

The Meiji Labor Union is a member of the Federation of All Japan Foods and Tobacco Workers' Unions, and Meiji Seika Pharma Labor Union is a member of the Japanese Federation of Pharmaceutical and Cosmetic Industry Workers' Unions.

(4) Percentage of female employees in management positions, rate of male employees taking childcare leave, and gender wage gap

Indicators of diversity for the current fiscal year are as follows.

1) Disclosure in accordance with the Act on the Promotion of Women's Active Engagement in Professional Life and the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members

Name	Percentage of female employees in management positions (%)	Rate of male employees taking childcare leave (%)	Gender wage gap (%)		
			All employees	Employees	Temporary employees
Meiji Co., Ltd.	5.3	103.0	49.3	68.4	54.2
Meiji Seika Pharma Co., Ltd.	12.2	100.0	68.9	72.4	61.2
KM Biologics Co., Ltd.	8.3	106.3	47.6	56.2	70.9
Meiji Fresh Network Co., Ltd.	0.9	100.0	39.5	65.2	26.9
Shikoku Meiji Co., Ltd.	—	100.0	49.8	78.1	71.3
Meiji Logitech Co., Ltd.	—	116.7	54.1	60.3	53.6
Meiji Seika Pharmatech Co., Ltd.	9.1	166.7	59.9	72.7	88.2
Meiji Ad Agency Co., Ltd.	—	100.0	61.1	62.5	36.6
Meiji Chewing Gum Co., Ltd.	29.4	—	69.9	90.7	48.5
Tokai Nuts Co., Ltd.	12.5	—	66.5	68.6	71.4
Nihon Kanzume, Co., Ltd.	6.7	*	49.2	84.8	72.7
Tochigi Meiji Milk Products Co., Ltd.	12.5	—	79.0	88.4	89.7
Ohkura Pharmaceutical Co., Ltd.	13.3	—	—	—	—

2) Information about group

	Percentage of female employees in management positions (%)	Rate of male employees taking childcare leave (%)	Gender wage gap (%)			
			All employees	Employees		Temporary employees
					Managers	
Meiji Holdings and domestic consolidated subsidiaries	7.25	102.4	51.7	67.5	96.6	55.6

(Notes) 1. Employees include full-time employees and exclude non-regular employees.

2. Temporary employees include part-time employees and non-regular contract employees and exclude dispatched employees.

3. All employees include employees and temporary employees.

4. Seconded employees are counted as employees of the company from which they were seconded.

5. The percentage of female employees in management positions and the gender wage gap are calculated and disclosed in accordance with the provisions of the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015). "—" indicates non-disclosure.
6. The rate of male employees taking childcare leave is disclosed in accordance with the provisions of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Act No. 76 of 1991). "—" indicates non-disclosure. "\*" indicates that there were no eligible employees.
7. The rate of male employees taking childcare leave is calculated as the percentage of employees taking childcare leave, etc. and leave for childcare purposes as stipulated in Article 71-6, item 2 of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labour No. 25 of 1991).

As for the gender wage gap, which is one of the indicators of women's active participation, the Group's rate is 51.7%. Since the Group does not differentiate wages between men and women in the same employment category, this difference is due to the difference in the composition of the number of employees in each grade. Specifically, this is due to the high ratio of women among temporary employees who work short hours and the high ratio of men in management positions, which are higher-paying job groups.

Therefore, we believe that increasing the percentage of women in management positions to an appropriate level through initiatives such as the promotion of women's active participation, which we are currently promoting, will lead to resolving the gender wage gap. Details are described in "2. Overview of Business, 2. Views and initiatives on sustainability, ● The Meiji Group's Human Capital Initiatives."

## 2. Overview of Business

### 1. Management policy, business environment, issues to address

The Group's management policy, business environment, issues to address, etc. are as follows.

Forward-looking statements in this report are based on the Group's judgments as of the end of the current fiscal year.

#### (1) Basic Management Policy

In accordance with the mission and responsibility outlined in our Group Philosophy, we strive to be a group of food and health professionals that brightens the daily lives of our customers. We work tirelessly towards sustainable growth and development, and to earn the trust we receive from all our stakeholders by increasing our corporate value.

#### [Group Philosophy]

Our mission is to widen the world of "Tastiness and Enjoyment" and meet all expectations regarding "Health and Reassurance."

Our wish is to be closely in tune with our customers' feelings and to always be there to brighten their daily lives.

Our responsibility as "Food and Health" professionals is to continue finding innovative ways to meet our customers' needs, today and tomorrow.

#### [Management Attitude]

The following five fundamentals represent the basic management stance required to realize our Group Philosophy.

1. Commit ourselves to customer-based ideas and behaviors.
2. Provide safe and reassuring high-quality products.
3. Strive to always produce new value.
4. Foster the development of the synergies and capabilities of the organization and each individual.
5. Be a transparent, wholesome company trusted by society.

#### (2) Medium- to long-term management strategies, business environment, and priority issues

In order to be a corporate group that embodies the Group Philosophy and continues to grow even in a changing environment, the Meiji Group has established a long-term vision that extends through fiscal year 2026 (ending March 31, 2027) and is working to achieve it.

To achieve this vision, a Medium-Term Business Plan has been formulated every three years to reflect the vision in a more specific action plan, which we are currently carrying out.

In addition, the Group slogan was changed to "Now Ideas for Wellness" on June 1, 2021. For more than 100 years, the Group has been striving to expand the world of "Tastiness, Enjoyment, Health, and Reassurance." Going forward, we will create new value by integrating knowledge of food and pharmaceuticals from inside and outside the Group. In the field of "health" in particular, we aim to provide "Meiji unique value for wellness" in order to play a greater role than ever before. "Meiji unique value for wellness" means linking individual health to the smiles of people by moving through the cycle of Cure, Care, and Share, spreading the happiness of being healthy to people around us, and contributing to a "better future" in which society and the Earth are healthy.

#### 1) "Meiji Group 2026 Vision" long-term vision (announced in May 2018)

##### **Long-term Vision**

We will combine the strengths the Meiji Group has cultivated over the past 100 years with the latest technology and scientific findings. In doing so, we will create innovative ways to meet our customers' needs through "food and healthcare," ensuring sustainable growth for the Group in Japan and worldwide

##### **Targets**

Operating profit growth rate:	Mid single-digits or higher (CAGR)
Overseas sales ratio:	Aim to achieve 20%
ROE:	Maintain 10% or more

## **Key Strategies**

1. Secure an overwhelming advantage in core businesses
2. Establish growth foundations in overseas markets
3. New challenges in the health value domain
4. Social contribution

To achieve this Vision, we are implementing initiatives based on the “Business Vision,” “Sustainability Vision,” and “Financial Platform Vision,” which were formulated in accordance with the Key Strategies.

## **Business Vision**

### Food Segment

In Japan, we will focus on our core businesses, including yogurt, chocolate, and nutritional products, while seeking to further strengthen our business portfolio. Overseas, we will expand our differentiated products representative of Meiji in each region and establish a unique position. We will then gain brand awareness and accelerate growth.

### Pharmaceutical Segment

We will expand infectious disease medicines, generic medicines, and biopharmaceuticals not only in Japan but also overseas on an overall basis. In the infectious disease domain in particular, we will strengthen production capacity, research and development, and awareness activities to become a leading company in Asia.

### Overall Group

In addition to making use of the know-how and strengths that we have developed in the food and pharmaceutical segments, we will seek to create unique value in the health and prevention fields by proactively introducing external knowledge through open innovation.

## **Sustainability Vision**

With the objective of creating a sustainable society in which people can live in good health and with peace of mind, we will take action with “Healthier Lives,” “Caring for the Earth,” and “Thriving Communities” as our core themes to contribute to solving social issues through our business.

## **Financial Platform Vision**

We will promote the establishment of functional and strategic management systems and the creation of an environment, a structure, and a culture in which each person can demonstrate their strengths as well as the initiatives to evolve the Meiji brand.

### 2) Operating environment and issues to be preferentially addressed

The business environment surrounding the Group remains uncertain due to factors such as raw material market conditions, exchange rate trends, domestic consumer trends, and the state of the global economy. Moreover, the roles and responsibilities of corporations are increasing, such as responding to climate change and environmental issues, respecting human rights and diversity, and conducting sustainable sourcing. The approach to corporate valuation is also changing significantly, with emphasis on corporate sustainability, risk resilience, and social contribution.

Under this environment, the Meiji Group will appropriately address the following issues in order to pursue sustainable growth as a business that can globally contribute to resolving social issues in health and nutrition.

- We will seek to establish business models guided by the principle of trade-on, aiming to realize economic value and social value at the same time.
- We will take on the challenges of creating new value by positioning efforts to address social issues as seeds for business growth and innovation.
- We will enhance ROIC-based business management and build an optimum business portfolio for further capital productivity.
- We will refine our strength as a unique corporate group that contributes to “Healthier Lives” of all generations from babies to the elder, creating group synergies.

At present, the direct impact of U.S. tariff measures on the Group's individual businesses is expected to be minimal. However, we will continue to closely monitor fluctuations in raw material prices and exchange rates triggered by the tariff measures, as well as procurement risks arising from changes in the supply-demand balance, and will take appropriate action as necessary in response to changing conditions.

### 3) The 2026 Medium-Term Business Plan (FYE March 2025-2027)

During the 2026 Medium-Term Business Plan, we will aim to return to a growth trajectory by transforming focus markets, business structure, and our behavior as we see to further evolve the Meiji ROESG® management we outlined in the 2023 Medium-Term Business Plan. We will incorporate resolving social issues into business strategy and work to create social value through sustainability innovation, and achieve sustainable growth through “trade-on” with economic value.

\*ROESG is a registered trademark for a management indicator developed by Kunio Ito, a professor at Hitotsubashi University.

The key strategies, targets, and metrics for these goals are as outlined below.

#### Key strategies

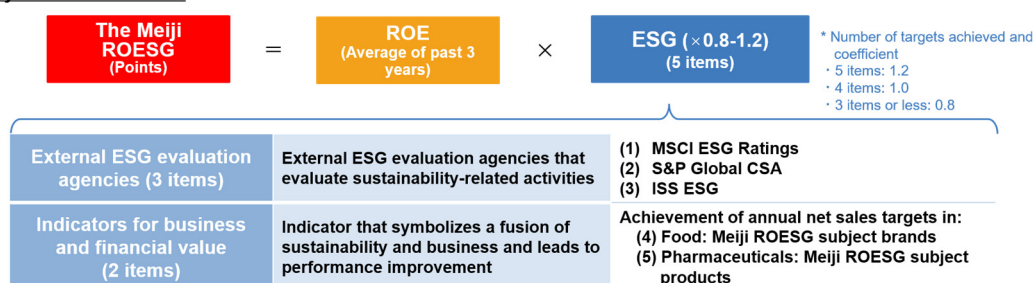
1. Invest management resources into growth businesses
2. Keep and improve stable cash flow
3. Promote human capital strategy linked to management strategy

#### KPIs

	Indicators	Targets for the fiscal year ending March 31, 2027
Integrated goal	Meiji ROESG	9.8 point
Growth and Profitability	Consolidated operating profit	JPY 116.5 billion
	Food Segment	JPY 83.0 billion
	Pharmaceutical Segment	JPY 40.0 billion
	Consolidated profit attributable to owners of parent	JPY 76.5 billion
	Overseas net sales	JPY 252.5 billion
Efficiency and Safety	ROIC	8.5% or more
Return to shareholders	ROE	9.5% or more
	Total return ratio	50% or more

The calculation formula of Meiji ROESG in the 2026 Medium-Term Business Plan is provided below.

#### Meiji ROESG formula



The achievements made on the 2026 Medium-Term Business Plan for the fiscal year ended March 31, 2025 are as stated in “4. Management analysis of financial position, operating results and cash flows, (1) Business results.”

Below are details of key strategies.

## **1. Invest management resources into growth businesses**

### Food Segment

We will aim for dynamic growth for overseas business. We will aggressively expand our business through two types of products; 1) products for which our technology or intellectual property provides us a competitive advantage, such as cube-type infant formula, and 2) products through which we can differentiate ourselves through flavor or texture design and manufacturing technology, such as chocolate snacks. We will develop products that are aligned with the needs of local customers, establish a global production and supply structure, and strengthen marketing activities. We will also pursue M&A and alliances. In Japan, we will use newly developed products and in-house product brands to expand B to B business sales.

### Pharmaceutical Segment

We will maximize the value of newly launched products and accelerate the development of revolutionary new drug pipelines.

## **2. Keep and improve stable cash flow**

### Food Segment

For existing businesses, we will develop market-creating products that link sustainability to added value and economic value. We will promote sustainability activities for every process along the value chain as we incorporate sustainability into product concepts with monitoring by our sustainable products certification system. We will use the Meiji NPS (Nutrition Profiling System) to develop and improve products with high nutritional value. We will launch a new solutions business that utilizes digital technology in marketing to maximize the value of existing products.

### Pharmaceutical Segment

We will strive to stably supply pharmaceuticals linked to national strategy. We will work to solidify domestic generic drugs value chain through collaboration with other companies.

### Overall group

We will use ROIC to strengthen our business management structure and improve capital productivity. We will establish separate hurdle rates for the food and pharmaceutical segments to strengthen the business-specific ROIC management structure. We will continuously improve our operating profit margin and control invested capital.

Main business and sustainability initiatives based on key strategies 1 & 2 are as follows.

### Food Segment

#### • Dairy business

We will work to build stable revenue platform in the domestic business and expand the overseas business.

- Launch high-value-added products
- Reorganize the production system to improve the profitability
- Implement structural reforms in China business

#### • Chocolate business

We aim to transform into a business with high-value-added products, which can penetrate globally.

- Promote our sustainable sourcing of cocoa as new value on products
- Launch products with highly unique value in both domestic and overseas markets and enhance its marketing activities
- Enhance the system of development, production, and sales to strengthen our competitiveness

#### • Nutrition business

In the domestic market, we aim to create and expand new markets. Therefore, we will launch products with unique value. We will also accelerate to expand overseas business.

#### • Food solutions business

We will expand total sales and improve profitability by leveraging B to B business growth.

- Strengthening the ability to make new proposals by utilizing Meiji Application Center, the center for developing recipes and menus for B to B business
- Launch new business with high profitability
- Expand high-value-added dairy ingredients to global markets
- Restructure businesses with low profitability in the B to C business
- Expand sales of mainstay brands on ice cream and cheese

### Pharmaceutical Segment

#### • Domestic pharmaceuticals business

- Stably supply infectious disease drugs and vaccines
- Establish a sustainable revenue platform as a company group dedicated to resolving social issues including threats of emerging and re-emerging infectious diseases - Accelerate development and sales of revolutionary new drugs for unmet medical needs

#### • Overseas pharmaceuticals business

We will concentrate our management resources on the overseas pharmaceuticals business.



- Expand the production capacity of CMO/CDMO business in order to contribute to improving access to medicines in Asia and Africa, in which population is increasing
- Develop new global products
- Research business opportunities to expand vaccines into overseas markets
- Vaccines/veterinary drugs business

For vaccines, we will promote the dissemination of *Kostaive*<sup>®</sup>, our next-generation mRNA vaccine. We will also maximize revenues from our influenza vaccine, expand share for our 5-in-1 combination vaccine “Quintovac Aqueous Suspension Injection,” and engage in new domains. For veterinary drugs, we will strengthen profitability on the domestic market as well as work to expand business in overseas markets.

## Sustainability

### *Healthier lives*

- Health and Nutrition
  - Use the Meiji NPS (Nutrition Profiling System) to evaluate the nutritional value of our products
  - Strengthen product development to address the dual impact of poor nutrition (overnutrition and malnutrition)
- Action against emerging/re-emerging infectious diseases of common concern
  - Develop and supply COVID-19 vaccine
  - Develop vaccines for dengue fever, etc. and develop pharmaceuticals to address antibiotic-resistant bacteria
- Stable supply of ethical pharmaceuticals
 

Build a strong supply chain to establish a stable supply structure for Basic drugs, Stable Supply Medicines, vaccines, and blood plasma products
- Product quality safety and reliability
  - Food: Strengthen product safety structure - Pharmaceutical: Build a reliability assurance system that supports new domains and global expansion

### *Caring for the Earth*

- Climate change
  - Strengthen energy conservation and energy creation activities and shift to renewable energy to reduce Scope 1 and Scope 2 emissions
  - Reduce GHG emissions in the dairy farming sector to reduce Scope 3 emissions
- Circular economy
  - Reduce plastic containers and packaging
  - Expand usage rates for biomass plastics and renewed plastics
  - Reduce food loss
- Secure water resources
  - Reduce water use
  - Conduct forest conservation at plant water sources to expand water source recharging activities
  - Respond to water risks
- Biodiversity
  - Strengthen to response for TNFD (Taskforce on Nature-related Financial Disclosures)

### *Thriving Communities*

- Promoting the performance and growth of diverse human resources
  - Foster development of human capital for global business
  - Provide career support and foster awareness among female employees
  - Strengthen management skills of managers to promote the active participation of diverse human capital
- Respect for human rights along the value chain
  - Strengthen human rights due diligence
- Marketing based on high ethical standards
  - Strengthen responsible advertising
  - Policy formulation

### *Sustainable Sourcing*

- Build a responsible supply chain that accounts for human rights and the environment
- Promote activities related to cocoa sourcing: expand procurement of Meiji sustainable cocoa beans, achieve 100% traceability, and promote procurement activities aimed at zero deforestation and zero child labor

## **3. Promote human capital strategy linked to management strategy**

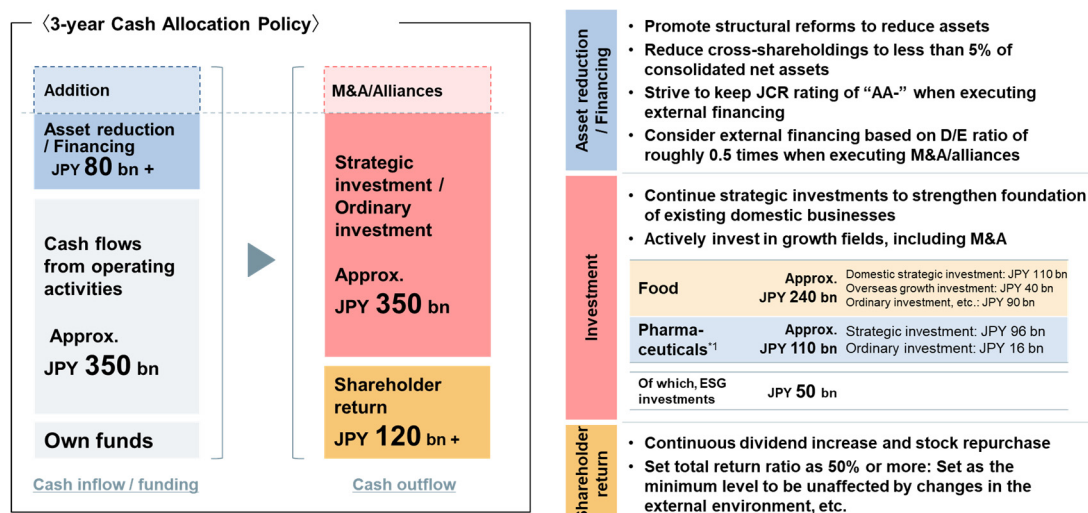
We adopt the approach that “to encourage diverse human capital to be autonomous, take on challenges, grow, co-create, it leads to generate innovation.” We define our ideal human capital and organizational culture based on our management strategy, and promote human capital strategy to realize that ideal.

Ideal human capital and organizational culture

- Human capital who continues to take on challenges and grow, and possess the necessary expertise to lead the world in food and wellness (“Professional” human capital)
- An organizational culture that supports the well-being of diverse human capital and that maximizes the potential of individuals and teams

## Financial Strategy

- Appropriate distribution of operating cash flow towards strategic investments and ordinary investments in accordance with key strategies.
- When executing M&A/alliances, conduct debt procurement as necessary based on a D/E ratio of roughly 0.5 times or less with the assumption of maintaining our current credit rating.
- For shareholder returns, aim for a total return ratio of 50% or more and aim to continuously increase dividends. Consider stock repurchase from the perspective of achieving an optimal capital structure.
- Reduce strategic shareholdings to less than 5% of consolidated net assets at the end of the fiscal year ending March 2027.



## Sustainability Strategy

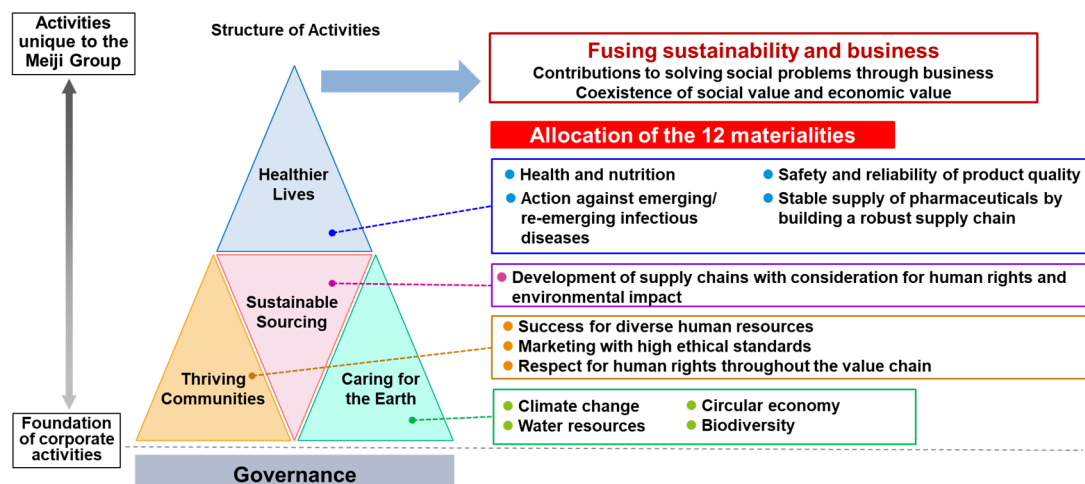
### Strategies

The Meiji Group has identified “fusing sustainability and business” as a key concept in the 2026 Medium-Term Business Plan. We will incorporate resolving social issues which change with the times into business strategy, and aim to achieve sustainable growth by “trade-on” of social value, which can be attained through sustainability innovation, and economic value.

### Strategy area

The 12 materialities identified in the 2026 Medium-Term Business Plan are divided into four themes. These four themes can be characterized by two elements: initiatives that demonstrate the uniqueness of the Meiji Group, and initiatives that serve as the foundation of our corporate activities. They are then positioned as materiality in a systematic manner. By actively evolving our materiality initiatives carried out through our business, we aim for a “fusion of sustainability and business.”

### Structure of Sustainability Activities



### ESG investment

To promote measures to take actions mainly in the environmental area, we have allocated budget for ESG investment up to JPY 50 billion.

Major items	Investment plan of the 2026 Medium-Term Business Plan
Reduce CO <sub>2</sub> emissions	- Introduce energy-saving equipment - Introduce solar power generators, etc.
Abolish totally the use of specific CFCs	- Introduce CFC-free refrigerators and freezers
Reduce plastic usage	- Make an investment in manufacturing equipment for lighter and thinner plastic container packaging, etc.
Reduce water consumption volume	- Introduce equipment for improving efficiency of water use
Stable supply of ethical pharmaceuticals	- Make an investment in equipment to help promote domestic production of bulk penicillin drugs, etc.
Working environment improvement	- Environmental improvement to promote occupational safety measures, diversity, etc.

## 2. Views and initiatives on sustainability

The Group positions key issues, including sustainability-related risks and opportunities, as our core management themes, and has established and operates collaborative systems that address these issues across business and functional segments. We aim to integrate our sustainability strategy into management while building a management system that clearly defines the roles and responsibilities of each organization and ensures their accountability. Forward-looking statements under this section are based on the Group's rational judgments as of the end of the current fiscal year.

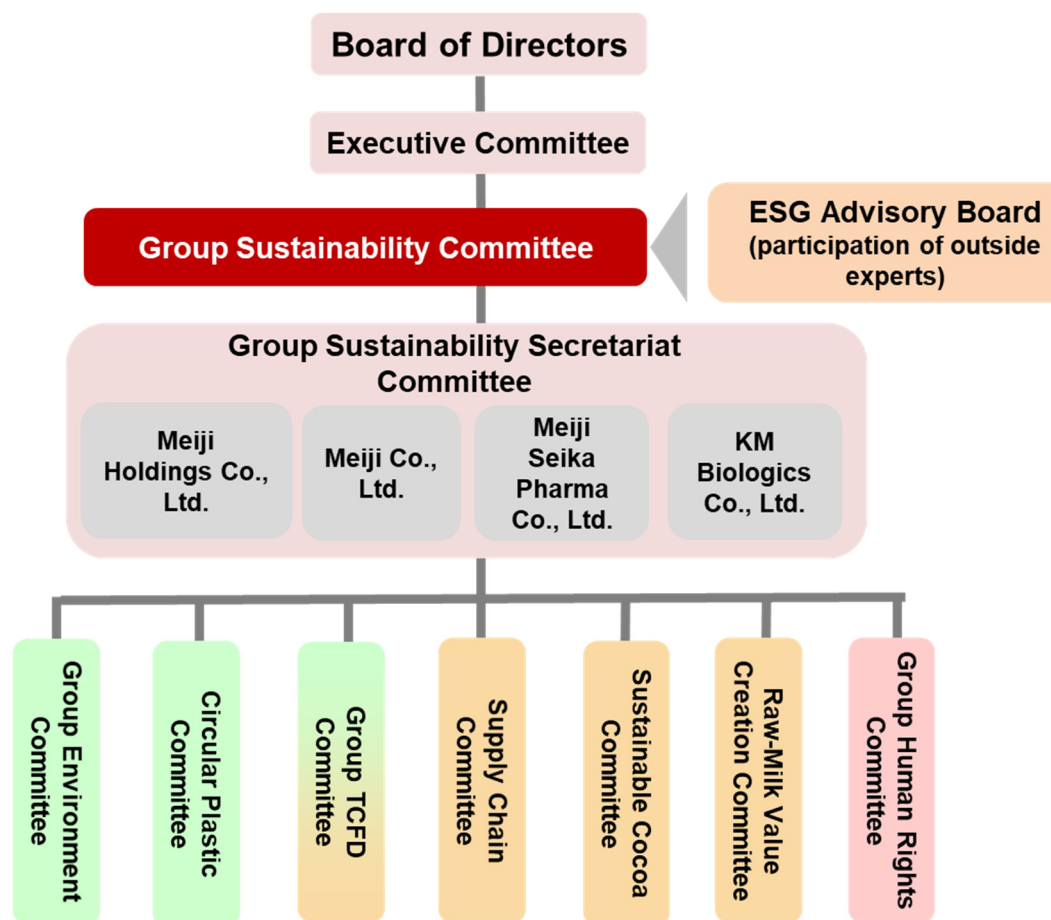
### (1) Corporate governance

To improve the execution capacity of the sustainability strategy, the Group holds monthly meetings of the Group Sustainability Secretariat Committee chaired by the CSO (Chief Sustainability Officer). The Committee periodically plans, executes, and checks the progress of the initiatives aimed at resolving social issues. The Committee mainly reports the deliberation results of seven subcommittees to the CSO. This aims to ensure integrity between the strategy and actual operations and strengthen the coordination between planning, execution, and evaluation, thereby improving the effectiveness of sustainability management.

The Group Sustainability Committee, chaired by the Company's CEO, Representative Director and President, holds a meeting twice a year to monitor the progress of the sustainability activities of the entire Group. The key issues are deliberated at management meetings, which are ultimately supervised by the Board of Directors. This reliably executes and promotes the integrity between sustainability and management.

For information on the skills and expertise of Directors, please refer to the Corporate Governance Report scheduled to be updated in June 2025.

To increase the top management's commitment to sustainable growth, the amount and payment of share remuneration out of the remuneration for directors (and other officers) are determined based on non-financial indicators such as scores given by external ESG evaluation organizations in addition to financial indicators such as ROE (for details, please see "4. Corporate governance, (4) Remuneration for directors (and outside officers), c. Matters related to non-monetary remuneration, etc.")).



The Group positions sustainability at the core of management in terms of its risk management system and carries out risk management efforts throughout the Group. Officers responsible for the Risk Management Department also participate in the Group Sustainability Committee, to integrate risk management related to sustainability with risk management at a Group-wide level.

In addition, the ESG Advisory Board has been organized semi-annually as a framework to obtain diverse insights from outside the Group. In FY2024, we received practical and constructive opinions from four outside experts on the topics of “sustainable promotion in the cocoa business” and “reduction of environmental impact in dairy business,” and reviewed the validity of and possible improvements that can be made to the strategy and measures. We will continue to actively take in such insights with the aim to improve the transparency and effectiveness of the efforts.

## (2) Risk management

In formulating the 2026 Medium-Term Business Plan, the Group comprehensively identified and assessed the risks and opportunities related to sustainability. This process was implemented based on structured and transparent methodology, while referring to international disclosure standards. Based on these efforts, we built a framework that pursues both the Group’s sustainable growth and creation of social value.

### STEP (1) Making a comprehensive list of issues related to risks and opportunities

Referring to reliable international standards such as SASB, GRI, and UN Global Compact, we extracted a number of issues from environmental, social, and economic aspects. The extracted issues were analyzed from the perspectives of risk and opportunity, with consideration given to the respective business characteristics of the Food segment and the Pharmaceutical segment.

## STEP (2) Identification of risks and opportunities, evaluation of materiality

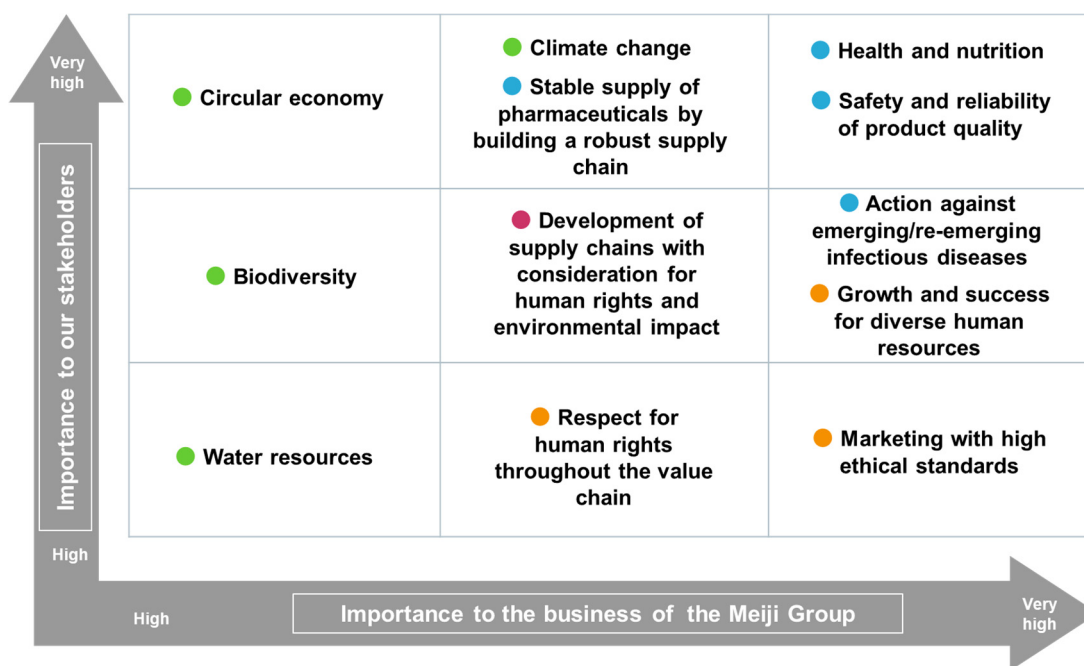
For each issue, we created a matrix based on the quantitative scoring method (four-point scale scoring for stakeholders and five-point scale scoring for business impact). Issues with high scores in both aspects were selected as our materialities.

- The “Importance to our stakeholders” axis evaluates importance on a four-point scale for each of the six major stakeholders that were newly defined in the 2026 Medium-Term Business Plan (customers, shareholders/investors, employees, business partners, local communities, and government agencies/industry associations).
- The “Importance to the business of Meiji Group” axis uses the International Integrated Reporting Council (IIRC)’s framework and evaluates importance on a five-point scale for each of the six types of capital that are conducive to corporate value creation (financial capital, manufacturing capital, intellectual capital, human capital, social capital, and natural capital).

## STEP (3) Verification by outside experts and final decision-making

Based on advice and recommendations by the ESG Advisory Board, we reviewed the validity of the materiality analysis method and results, and reflected our conclusion in the Group’s materiality evaluation and strategy building. After the Group Sustainability Committee’s review, the results were reported to the Board of Directors for their final decision on the 12 materialities. The materialities are reflected in the design/management process of the 2026 Medium-Term Business Plan indicators and targets.

<Materiality Matrix>



### (3) Strategy

In line with the materiality analysis, the Group has formulated a sustainability strategy for the 2026 Medium-Term Business Plan. The 12 materialities that we have identified are organized into four themes: Healthier Lives, Caring for the Earth, Thriving Communities, and Sustainable Sourcing.

For each materiality, we defined medium- to long-term goals with an eye to 2030 and 2050. During the 2026 Medium-Term Business Plan period, we will strategically promote specific measures to achieve these goals. FY2024 was the first year in the 2026 Medium-Term Business Plan, during which we set KPIs corresponding to the individual materiality and conducted progress reviews. By revising measures according to progress and improving measures across departments, we steadily executed the strategy. During and after FY2025, the Group will continue to work on improving effectiveness through flexible action in line with the progress of KPI achievement.

Themes	Materiality	Medium- to long-term vision
Healthier Lives	Health and nutrition	As a prominent food company, we are tackling health and nutritional challenges that differ by region and life stage. We assess nutritional value using scientific methods and promote healthy eating habits among individuals.
	The threat of emerging and re-emerging infectious diseases	As Asia's leading company in the field of infectious diseases, we protect people from the growing threat of infectious diseases by providing pharmaceutical solutions ranging from prevention to treatment.
	Stable supply of pharmaceuticals by building a robust supply chain	Establish a robust supply chain structure, both domestically and globally, to ensure the stable supply of high-quality, economical pharmaceutical products.
	Safety and reliability of product quality	We have expanded our business globally in the food and drug domains, and we are appropriately implementing quality assurance and safety management operations to continuously achieve zero product recalls.
Caring for the Earth	Climate change	Aim to achieve carbon neutrality by 2050 by reducing CO <sub>2</sub> emissions throughout the supply chain by strengthening energy saving and energy creation activities, utilizing renewable energy, and reducing GHG emissions in the dairy business.
	Circular economy	Aim to move toward a circular economy by promoting activities that create added value while reducing resource input and consumption to maximize product value, minimize resource consumption, and constrain the generation of waste in addition to 3R (Reduce, Reuse, Recycle) + Renewable initiatives.
	Water	Achieve water neutrality by proactively engaging in water resource conservation activities such as water resource cultivation in addition to continuously reducing water usage.
	Biodiversity	Aim to coexist with nature by understanding the dependence and impact on biodiversity and nature associated with business activities, halting the loss of biodiversity, and proactively implementing initiatives that have a positive impact on the natural environment.

Themes	Materiality	Medium- to long-term vision
Thriving Communities	Respect for human rights throughout the value chain	Recognize human rights issues along the company's value chain, with all employees taking ownership of these issues and working to address them.
	Marketing with high ethical standards	Have an understanding of how marketing impacts the supply chain downstream and engaging in appropriate communication that takes human rights and the environment into consideration.
	Growth and success for diverse human resources	Employees and the company achieve growth together. “Diverse human resources work with a sense of fulfillment and create new value”
Cross-sectional theme	Building a supply chain that takes into account human rights and the environment	Establish a responsible supply chain by collaborating and cooperating with suppliers to engage in procurement activities that take into account social responsibilities, such as human rights and the environment, throughout the supply chain.
		Establish traceability for each raw material, identify social issues related to human rights and the environment in the raw material production areas, and address these issues to achieve sustainable raw material procurement.



(4) Indicators and targets of the 2026 Medium-Term Business Plan

In the 2026 Medium-Term Business Plan, we have established relevant major initiatives, and indicators and targets for measuring and managing progress and results in order to realize the mid- to long-term vision for each materiality indicated in the strategy (see (3) Strategy in the previous section).

Below is a list of actual KPI results corresponding to each materiality for FY2024.

Materiality	Major initiatives	Metrics (KPI)	Results/ progress (FY2024)	Targets (FY2026)
<b>Health and nutrition</b>	Evaluate the nutritional value of our products using the Meiji Nutritional Profiling System (Meiji NPS) and organize fundamental data to enhance nutritional value in the future	Ratio of own products evaluated using Meiji NPS The target products include all products produced and marketed by Meiji Co., Ltd. in Japan, excluding those intended for business use, products with specialized nutritional formulas, and contract-manufactured products.	31.8%	90% or more of sales of applicable products
	Expand the scope of life stage evaluations on Meiji NPS	Target year of completion	Under development	FY2026
	Enhance nutrition education activities to promote information on healthy food lifestyles and food culture	Number of participants in nutrition education activities over 3 years	293,000 participants	Total of 800,000 participants
		Number of experiential events held	10 events	Total of 30 experiential events
	Expand brands that focus on health-conscious foods and other sustainable initiatives	For KPI, use the same metrics (achievement of annual sales plan) as “brands focused on sustainable initiatives” in the food segment of the Meiji ROESG		
	Visualize the motion of swallowing during the process of chewing through swallowing, develop new simulation devices, and establish experimental methods	Number of case studies for medical images visualized and analyzed using Swallow Vision	Under development	Number of swallowing behavior cases: 10 cases
		Establish a method for simulated experiments that reflect age-related changes in chewing characteristics	Under development	Publish paper on an experimental method for simulating the chewing of elderly people
		Establish a method to evaluate the blockage factor of bolus using a simulated feeding device	Under development	Publication of paper on an evaluation method for food bolus occlusion factor

Materiality	Major initiatives	Metrics (KPI)	Results/ progress (FY2024)	Targets (FY2026)
<b>The threat of emerging and re-emerging infectious diseases</b>	Launch the replicon vaccine “Kostaibe for intramuscular injections” and develop a domestic supply (chain) system	Domestic manufacturing supply ratio	19.0%	30% or more
	Launch safe and effective inactivated vaccine “KD-414” for children and develop domestic supply system	Vaccine supply volume (based on production capacity) Actual supply volume changes depending on the spread of infections, thus this figure is a metric based on production capacity	Progressing as planned	1.5 million doses
	Develop dengue vaccine “KD-382” through participation in the public recruitment project of the Strategic Center for Advanced Research and Development (SCARDA)	Development phase progress	Progressing as planned	Start of clinical trial Phase 2 (dose confirmation test in humans) * Aiming for market launch in FY2032
	Develop $\beta$ -lactamase inhibitor “OP0595” against carbapenem-resistant enterobacteriaceae	Number of countries where we have obtained (manufacturing and) marketing approval	Phase 3 in progress	Marketing approval in 1 or more countries
<b>Stable supply of pharmaceuticals by building a robust supply chain</b>	Establish a stable supply system by controlling the number of months in stock for “stable supply medicine Category A” products (vancomycin, meropenem, sulvacillin, tazopipe)	Number of months’ worth of inventory needed to ensure stable supply	Average 3 months	6 months for each product
	Establish a domestic production system for a penicillin bulk drug, which is highly dependent on foreign countries (install manufacturing equipment at Gifu Plant)	Gifu Plant production start target year	Progressing as planned	Latter half of FY2025
	Establish a stable supply system for vaccines and blood plasma products	Number of product shortages Define out-of-stock items: Limited to product shortages attributable to the company	0	0

Materiality	Major initiatives	Metrics (KPI)	Results/ progress (FY2024)	Targets (FY2026)
<b>Safety and reliability of product quality</b>	Strengthen quality initiatives by promoting Meiji Quality Comm activities based on Meiji's Global Quality Policy	Number of serious quality accidents Definition of serious accident: Cases in which a recall was conducted due to a legal violation or a voluntary recall was conducted due to a labeling error or poor quality (including overseas)	1 case	0 cases
		Acquisition rate of GFSI recognized standards at all locations of partner companies (product outsourcing/suppliers)	94.2%	100%
		Plant audit rate for suppliers of important managed raw material	80.9%	100%
	<ul style="list-style-type: none"> <li>- Strengthen our reliability assurance system to respond to new domains and global business development</li> <li>- Transform the reliability assurance system throughout the product lifecycle</li> <li>- Prevention through the steady implementation of quality management reviews and reliability assurance activities (manufacturing site audits, safety management operations, etc.)</li> </ul>	Number of serious nonconformities such as recalls in manufactured and sold items	0 cases	0 cases
		Number of serious indications in responses to regulatory authorities	0 cases	0 cases

Materiality	Major initiatives	Metrics (KPI)	Results/ progress (FY2024)	Targets (FY2026)
<b>Climate change</b>	Reduce Scope 1 and 2 CO <sub>2</sub> emissions by strengthening energy saving and energy creation activities, utilizing carbon credits, etc.	Scope 1, 2 emissions reduction rate (compared to FY2019 as year of reference)	25.0%	32% or more
	Reduce CO <sub>2</sub> emissions in Scope 3 by reducing GHG emissions in dairy farming, reducing the amount of packaging materials used, and strengthening collaborations with suppliers, etc.	Scope 3 emissions reduction rate (compared to FY2019 as year of reference) Categories 1, 4, 9, 12 (procurement/logistics/disposal)	11.1%	15% or more
	Promote the transition to renewable energy by expanding the adoption of solar power generation equipment and strengthening the use of electricity derived from renewable energy	Renewable energy ratio (Ratio: Percentage of total power consumption)	24.2%	30% or more
<b>Circular economy</b>	Promote the reduction of plastic containers and packaging while promoting R&D for environmentally friendly materials	Rate of reduction for plastic use (total volume) (compared to FY2017 as reference year)	22.1%* <sup>1</sup>	25% or more
	Reduce the amount of virgin plastic used by increasing the use of recycled plastics and biomass plastics	Rate of reduction for virgin plastic use (compared to FY2017 as reference year)	TBC	40% or more
	Increase the ratio of recycled plastic used in PET bottles	Percentage of recycled PET used	TBC	(FY2025 target) 70% or more
	Reduce food loss by improving supply and demand accuracy to reduce defective inventory, extending best-before dates, and indicating best-before dates in months and years	Rate of reduction for product waste in the food segment (compared to FY2016 as reference year)	26.8%* <sup>1</sup>	(FY2025 target) 50% or more
	Promoting food waste reduction along the supply chain from production (disposal of raw materials, etc.) to sales (disposal of returned products)	Reduction rate of food loss (compared to FY2023 as reference year) Per unit of sales	TBC	(FY2030 target) 50% or more
	Reduce final disposal volume by decreasing waste generation at factories, etc.	Recycling rate	85.3%	90% or more
	Reduce food waste by recycling residual animal and plant waste (conversion into feed, fertilizer, methane fermentation, etc.)	Food recycling rate for the food segment	96.0%* <sup>1</sup>	95% or more

Materiality	Major initiatives	Metrics (KPI)	Results/ progress (FY2024)	Targets (FY2026)
<b>Water</b>	Reduce water consumption through the efficient use of water and active adoption of water-saving equipment, etc.	Water usage reduction rate (compared to FY2020 as reference year) Per unit of net sales	27.1%	20% or more
	Expand water resource cultivation activities such as forest conservation at factory water sources	Water source recharge rate	190.3%	80% or more
<b>Biodiversity</b>	Promote certification registration as a Site in Harmony with Nature (Registration in the OECM international database)	Number of newly certified areas	0	1 new registration (total of 2)
	Conclude maintenance management agreements to engage in forest conservation activities	Forest area under maintenance management agreements	15 ha	40 ha or more
	- Analysis and formulation of countermeasures aligned with the TNFD framework for raw milk and cocoa - Promote initiatives to reduce deforestation of major raw materials such as cocoa and palm oil	For KPI, use the same metrics as “<Cocoa> Rate of ascertaining status using GPS mapping, etc.” and “<Palm oil> Procurement rate for palm oil that is not involved in deforestation” of “Human rights and the environmentally friendly raw material procurement” below.		

Materiality	Major initiatives	Metrics (KPI)	Results/ progress (FY2024)	Targets (FY2026)
<b>Respect for human rights throughout the value chain</b>	Conduct employee education on business and human rights	Implementation rate for human rights education for all domestic group employees	Participation rate 94.7%	Participation rate or 90% or more Participation once per year
		Implementation rate for human rights education for overseas Group companies (23 companies)	34.8% (8 companies)	100%
	Strengthen human rights due diligence overseas	Number of overseas high-risk countries for which human rights impact assessments have been conducted	0 FY2025: Planned for implementation in 1 country	3 countries
<b>Marketing with high ethical standards</b>	Establish a responsible marketing communications policy and conduct employee education	Target year for policy establishment	Not yet established	During FY2024
		Number of education sessions conducted to disseminate policy details	Once (Meiji Group Marketing Communication to Children Policy)	Once per year or more
<b>Growth and success for diverse human resources</b>	This item is described in “● The Meiji Group’s Human Capital Initiatives, 4) Indicators and targets.”			

Materiality	Major initiatives	Metrics (KPI)	Results/ progress (FY2024)	Targets (FY2026)
<b>Building a supply chain that takes into account human rights and the environment</b>	Conduct engagement that includes risk assessments and audits based on the analysis of sustainable procurement survey results	Number of audits conducted on important suppliers	2 companies	Total of 30 companies or more
		Implementation of risk assessments for overseas group company suppliers	Selected suppliers for risk assessment	15 companies or more
	Through Meiji Dairy Advisory (MDA)* <sup>2</sup> , support the resolution of social issues such as human growth, human rights, animal welfare, and GHG emission reduction through human resource management at dairy farms	Number of farms participating in Meiji Dairy Advisory (MDA)	56 (total)	Total of 100 or more
	Promote initiatives aimed at reducing GHG emissions from dairy farming	<Milk> Number of dairy farms working to reduce GHG emissions	4 (2,100 head)	Total of 30 or more
	Expand the procurement of Meiji Sustainable Cocoa Beans produced in areas where farmers are supported through Meiji Cocoa Support (MCS)* <sup>3</sup>	<Cocoa> Meiji Sustainable Cocoa Bean procurement ratio	100%	100%
	Establish traceability through to the farm for all procurement vendors	<Cocoa> Rate of traceability through to cocoa farms	97.7%	100%
	Promote efforts toward zero child labor by introducing the Child Labor Monitoring and Remediation Systems (CLMRS), or an equivalent system	<Cocoa> Rate of adoption of the Child Labor Monitoring and Remediation Systems	Suppliers in Ghana: 98.7%	100%
			All suppliers 59.4%	(FY2030 target) 100%
	Identify the conditions on farms through methods such as GPS mapping and promote initiatives aimed at protecting/restoring forests	<Cocoa> Rate of ascertaining status using GPS mapping, etc.	Suppliers in Ghana: 91.2%	100%
			All suppliers 88.6%	(FY2030 target) 100%
	Promote the procurement of palm oil that is not involved in deforestation by incorporating forest monitoring to identify and verify deforestation risks along the supply chain	<Palm oil> Procurement rate for palm oil that is not involved in deforestation	N/D	Targets to be set in FY2025 (1H)

Materiality	Major initiatives	Metrics (KPI)	Results/ progress (FY2024)	Targets (FY2026)
<b>Building a supply chain that takes into account human rights and the environment</b>	Establish traceability through to the primary collection point* <sup>4</sup> for any soy protein isolate among soybeans and soybean products	<Soybeans> Rate of traceability through to the primary collection point for soy protein isolate	90.8%	100%
	Maintain 100% use of environmentally friendly paper for product containers and packaging, and switch to environmentally friendly paper for office supplies and standard publications	<Paper> Ratio of environmentally friendly paper	Product packaging: 100% Non-product (office supplies, standard publications): 99.4%	100%

\*1 Actual results for FY2023 are shown.

\*2 An initiative focused on human resource management at dairy farms to support a sustainable dairy farming management

\*3 A cacao farmer support initiative that started in 2006

\*4 First place of delivery from several farmers in the production area

\*5 Excluding KM Biologics Co., Ltd and Meiji Animal Health Co., Ltd.

Please refer to the Company's website for the latest results.

<https://www.meiji.com/pdf/sustainability/stance/materiality-kpi.pdf>

The indicators listed in this table and the progress towards achieving the targets are reviewed, once a year in principle, by the department responsible for each materiality. When necessary, the Group Sustainability Committee reviews and makes revisions according to the situation. During and after FY2025, we will continue to flexibly and effectively drive measures to achieve KPIs in response to external environment and stakeholders' requests.



## ● Stance on and Measures Concerning Climate Change (Disclosures pursuant to the TCFD Recommendations)

The Group's business is based on the abundant gifts of nature. We therefore believe that it is our responsibility to live in harmony with the global environment and nature. In recent years, however, the sustainability of the global environment has been in jeopardy. We recognize that climate change will have a significant medium- to long-term impact on our business activities and is an important management issue for the Group. International frameworks such as the Paris Agreement and the Sustainable Development Goals (SDGs) are also calling for increased efforts to address climate change. To contribute to these international efforts, we are implementing climate change initiatives to help achieve a decarbonized society.

Information on climate change is presented based on the framework of the Task Force on Climate-Related Financial Disclosures (TCFD).

### (1) Governance and Risk Management

The Group Sustainability Secretariat Committee, which is chaired by the Chief Sustainability Officer (CSO), meets monthly, and the Group is reinforcing its initiatives to address social issues, including climate change, so that we can carry out our sustainability strategies. In addition, the Group Sustainability Committee, which is chaired by the President and Representative Director of Meiji Holdings, meets twice each year to report on the overall progress of sustainability initiatives and deliberate on new measures. Climate change in particular is positioned as a key issue.

Regarding governance, the Group TCFD Committee (which was held twice in FY2024) analyzes risks and opportunities arising from climate change and deliberates on countermeasures. The results are discussed by the Executive Committee and reflected in management.

Risk management is carried out Group-wide so that we can properly address risks that will have a significant impact on corporate activities. Within risk management, we position climate change as a key management risk. Recognizing that climate change-related risks and opportunities change with the times, the Group TCFD Committee also conducts quantitative analysis and evaluations using scenario analysis in line with the TCFD recommendations and identifies high-priority major impacts. Based on this, the Committee investigates countermeasures aligned with risk management flows. The Meiji Holdings Risk Management Department also participates in the Group TCFD Committee, and based on an understanding the effects of climate change pose major risks to the Group as a whole, we have established systems that can respond to those risks.



### (2) Strategy

The Meiji Group recognizes that climate change-related risks and opportunities constitute a significant management issue, and we have established materiality and key performance indicators including climate change and circular economy based on the Meiji Group Sustainability 2026 Vision for the short to medium-term and the Meiji Green Engagement for 2050, the Group's long-term environmental vision, for the long term. We are undertaking initiatives to ensure that we can remain in harmony with nature into the future.

#### <Takeaways from FY2024 Achievements and Disclosures>

- Reinforced countermeasures based on transition plans, such as introducing solar power generating facilities, to achieve the Meiji Green Engagement for 2050
- Implemented specific measures for the countermeasures formulated in 2021
- Disclose examples of specific initiatives to address climate change-related business opportunities identified the previous time

1) Assessment of the Financial Impacts of Risks

To assess the financial impacts of climate change-related risks and opportunities that the Group is facing, we conducted scenario analysis. From the results of our analyses under two scenarios (1.5°C and 4°C scenarios), those with major and significant impacts are described below.

[Target scope of analysis] Meiji Group as whole

Target business segment	Food, pharmaceutical
Target raw material	Major raw materials [Dairy, cocoa, palm oil, sugar, timber (paper)]
Analysis base years	Current, 2030 (medium term) and 2050 (long term)

[Summary of Analysis Results]

Impacts on the Group Under the 1.5°C Scenario (Transition Risks)

Change related to climate change	Major and specific impacts	Impact on the Group		
		Relevant supplier chain	Amount of impact (Unit: Billion yen)	
			2030	2050
Reinforcement of the government's environmental regulations	Increase in amount of carbon pricing burden	Manufacturing	4.4	10.0
		Sourcing Logistics	46.5* <sup>1</sup>	47.5* <sup>1</sup>
Expansion of investment in facilities for widespread renewable energy use	Increase in amount of electricity purchased	Manufacturing	10.5	-4.8

\*1. We believe that these impact amounts will be borne not by the Group alone, but by the entire supply chain.

Impacts on the Group Under the 4°C Scenario (Physical Risks)

Change related to climate change	Major and specific impacts	Impact on the Group		
		Relevant supplier chain	Amount of impact	
			2050	
Increase in severity and frequency of typhoons, torrential rains, etc.	Opportunity losses from flood damage	Manufacturing Logistics	Flooding risks at 15 domestic and overseas sites The annual increase in risk is 830 million yen* <sup>2</sup>	
Change in growth environment of raw materials resulting from temperature rise and water risks	Increase in raw material sourcing costs	Sourcing	-	-

\*2 We calculated the financial impacts of flood damage based on the Guidance on Physical Risk Assessment under the TCFD Recommendations issued by the Ministry of Land, Infrastructure, Transport and Tourism. The annual increase in risk is the expected amount of future risk increases through 2050 converted to an annual amount. For details, see "<4°C scenario> Opportunity losses, such as site shutdowns, resulting from flood damage."

[Analysis Method and Detailed Results]

□ Major Impacts and Specific Effects

<1.5°C scenario>

• Effect of introducing carbon pricing (the company)

We project a 4.4 billion yen cost increase in 2030, while reducing costs by 1.6 billion yen by implementing energy-saving and generation measures and purchasing renewable energy-derived electricity. We also project that in 2050, costs will decrease by 2.4 billion yen, based on our transition plan, which includes active introduction of new technologies and next-generation energy, among other measures. With current technology, however, it will be difficult to reduce CO<sub>2</sub> emissions to zero by 2050, and accordingly, we will need to purchase 5 billion yen in carbon credits, which is expected to increase costs by 10 billion yen.

Unit: billion yen		
Detail of effect	2030	2050
Amount of carbon pricing borne when no countermeasures are taken	6.0	7.4
Amount of carbon pricing reduced through countermeasure	-1.6	-2.4
Amount of carbon credit purchases	-	5.0
Total	4.4	10.0

• Effect of introducing carbon pricing (major raw material)

We project that the amounts of impact based on carbon prices in major raw material source countries will ultimately be an increase of 46.5 billion yen in 2030 and 47.5 billion yen in 2050 as a result of increases in prices for each raw material and the implementation of various responsive measures.

\* The amount of the impact from the introduction of the carbon pricing under the 1.5-degree scenario was calculated based on the NZE scenario carbon prices (for 2030 and 2050) announced in the World Energy Outlook (WEO) 2023 of the International Energy Agency (IEA).

• Effect on amounts for purchased electricity (the company)

We project a cost reduction of 4.4 billion yen in 2030 through energy-saving and energy-generation measures, but costs will increase as a result of rising electric power rates and premium prices for renewable energy-derived electricity, and we expect costs to increase by 10.5 billion yen. In the other hand, in 2050, we project a cost reduction of 4.8 billion yen due to electricity rates falling to current levels as a result of technological innovation and reduction in the amount of electricity consumed achieved through energy-saving and other measures.

Unit: billion yen		
Detail of effect	2030	2050
Amount of increase due to increase in electricity unit prices	14.0	0.1
Amount of reduction from energy-saving and energy-generation measures, etc.	-4.4	-6.4
Amount of increase from purchase of renewable energy-derived electricity	1.0	1.4
Total	10.5	-4.8

\* The amounts of impacts from purchased electricity are calculated based on information from the Net Zero 2050 Scenario of the Network of Central Banks and Supervisors for Greening the Financial System.

<4°C scenario>

• Opportunity losses, such as site shutdowns, resulting from flood damage

We estimated the financial impacts of flood damage based on the Guidance on Physical Risk Assessment under the TCFD Recommendations issued by the Ministry of Land, Infrastructure, Transport and Tourism. From the results of risk assessments of 51 production sites in Japan and overseas, we anticipate flood risks at 13 domestic and two overseas sites. We determined the financial impact by calculating the annual increase in risk in terms of the amount of loss due to asset damage and opportunity loss due to site shutdowns based on the estimated flood depth at each site and other factors. We estimate that in 2050, the aggregate annual increase in risk for 15 sites based on 100-year floods will be 830 million yen per year.

	Annual Increase in Risk (million yen)				
	Property Damage Amount	Site Shut Down Loss Amount	Depreciable Asset Damage Amount	Inventory Asset Damage Amount	Total
Japan	80	260	370	110	820
Overseas	10>	10>	10	10>	10
Total	80	260	380	110	830

• Impacts on sourcing of major raw materials

We expect that in raw material production regions too, unit prices for raw materials will increase in conjunction with reduced crop yields due to climate change-induced temperature rise and water risks. Below, we provide an overview of the results of our analysis of changes in yields and water risks in major raw material production regions.

Expected change in yields

- We expect reduced yields in cocoa bean and sugar source countries in the future.
- We expect the impact on dairy to remain within a few percentage decrease both in 2030 and 2050.

Expected water risks

- We expect flood risks to rise in most areas, and thus believe that we need to examine improvement measures upon confirming the flood risk of each production area.

\* The impacts on procurement of major raw materials under the 4°C scenario were calculated based on future yield predictions in the GAEZv4 database (RCP8.5) released by the FAO and a literature survey.

Agricultural products procured as raw materials closely related not only to climate change, but also to the conservation of natural capital and biodiversity. We used the LEAP approach of the Taskforce on Nature-related Financial Disclosures (TNFD) to analyze the degree of reliance and impact on nature for dairy products and cacao beans, important raw materials for the Group.

Analysis of Nature-Related Risks in Cocoa Bean and Dairy Product Production Regions

- Since cocoa bean and dairy product production relies heavily on nature, we investigated to ascertain the degree of reliance and status of impacts in key production sites.

<Cocoa>

We found that six items—land use conversion, atmospheric pollution, water pollution, soil pollution, curtailing soil erosion, and reduction of the impact of natural disasters—are particularly important. Of these, there were numerous sites with particularly high risks relating to land use conversion and atmospheric pollution.

- Number of sites with extremely high risks relating to land use conversion: 12
- Number of sites with extremely high risks relating to air pollution (slash-and-burn agriculture, etc.): 11

<Dairy products>

We found that five items—water stress threats, water pollution, maintenance of soil fertility, and use of ground and surface water—are particularly important. Of these, there were numerous sites with particularly high risks relating to water pollution.

- Number of sites with extremely high risks relating to water pollution: 26

In the future, we will take action to avoid reductions in yield of cocoa beans and dairy products while performing Gap analysis and so on in production regions.

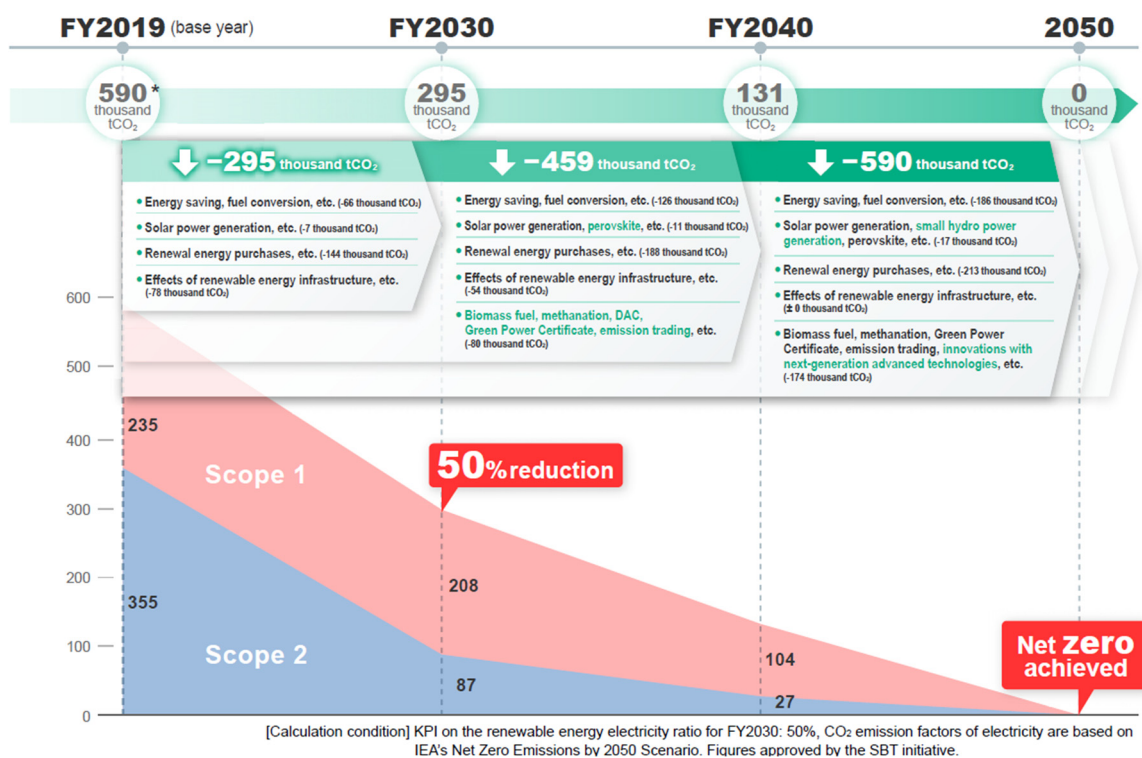
## 2) Risk Reduction Measures

As a response to the transition risks and physical risks of climate change, the Group is promoting mitigation measures to reduce GHG emissions and adaptation measures to prepare for physical risks. The Group is taking mitigation action to reduce GHG emissions based on the GHG management hierarchy of Institute of Environmental Management and Assessment.

- i. Eliminate: Transition to business structures that do not emit greenhouse gases throughout the lifecycle across business models and the business portfolio
- ii. Reduce: Reduce energy use and GHG emissions by increasing the efficiency of manufacturing processes and transportation and taking other measures
- iii. Substitute: Switch to energy and procured materials with lower GHG emissions by using renewable energy, procuring low-carbon materials, and other means
- iv. Compensate: Compensate for GHG emissions that cannot be reduced using offsets such as purchases of carbon credits

### • Mitigation Measures (GHG Emissions Reduction) at Company Sites

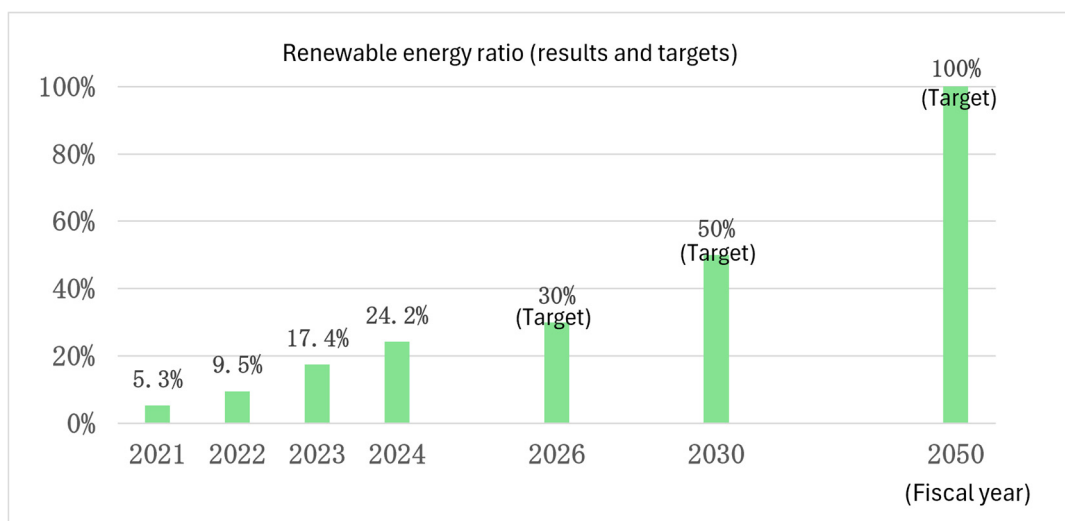
To reduce the Company's GHG emissions, in addition to our current initiatives including energy-saving and generation measures and purchase of renewable energy-derived electricity, we formulated a transition plan that incorporates the active introduction of new technology and next-generation energy. A summary is set forth below.



\* Scope 1: Direct GHG emissions by the reporting company itself (from fuel consumption and industrial processes)

Scope 2: Indirect GHG emissions from the use of electricity, heat, or steam supplied by others

The Group has implemented various mitigation measures, including the adoption of solar power generation equipment and energy-efficient equipment at our factories and other facilities, as well as the purchase of renewable energy- derived electricity supported by RE100. As a result of promoting these measures in line with the transition plan, in FY2024, renewable energy accounted for 24.2% of total electricity used. The Group is taking further action with a target of reaching 100% by 2050.



#### Example of mitigation measures: Installation of a Solar Panel in Moriya Plant

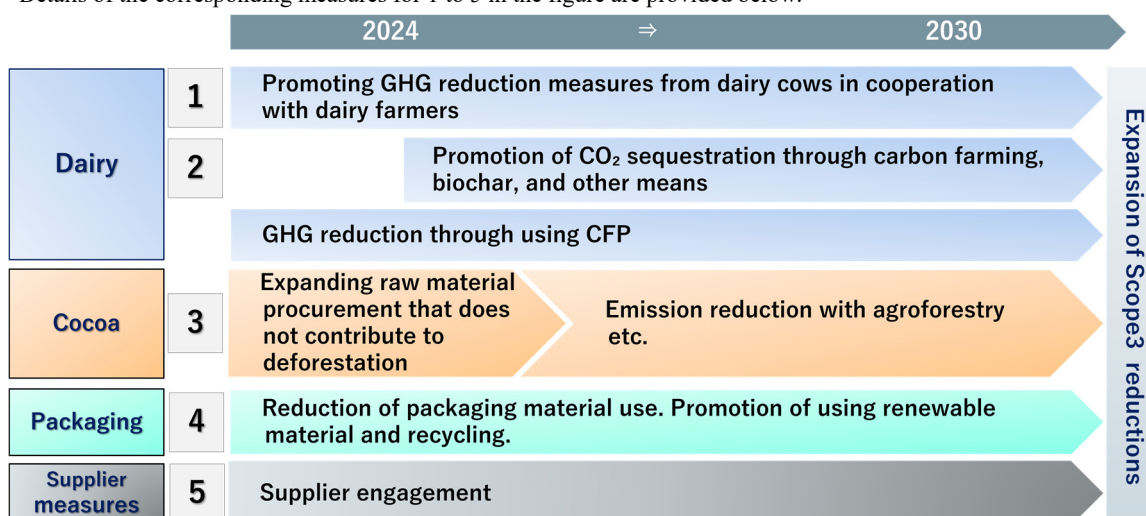
We introduced a solar panel equipment at the Moriya Plant. Operation began in January 2025, and this equipment is expected to reduce approximately 1,200 tons of CO<sub>2</sub> emissions every year.

#### • Mitigation Measures (GHG Emissions Reduction) in Supply Chains

In addition, we consider the reduction of not only CO<sub>2</sub> emissions but also GHG emissions in general, such as methane from the dairy industry, to be an important issue with respect to major raw materials. In order to reduce GHG emissions, we have established a transition plan for Scope 3, focusing on dairy. In order to effectively reduce GHG emissions, we began by calculating the carbon footprint (CFP) of milk to identify the processes with the highest GHG emissions throughout the supply chain, and then developed and initiated measures to reduce emissions in those processes. In addition, we will consider measures for other raw materials and engage with suppliers to reduce their GHG emissions, thereby facilitating emissions reductions at suppliers and, ultimately, throughout the supply chain.

Below is an outline of the transition plan for Scope 3 Reduction.

Details of the corresponding measures for 1 to 5 in the figure are provided below.



\*Scope 3: Indirect GHG emissions from the supply chain other than Scope 1 and Scope 2, generated in the supply chain in business activities from the procurement of raw materials including goods and services to manufacture, sale, use, and disposal.

Countermeasure 1: Measures to reduce GHGs from dairy cows (demonstration experiment to reduce methane in the breath of dairy cows)

In May 2024, with the cooperation of dsm-firmenich, a major feed and food additive manufacturer based in Switzerland and the Netherlands, we launched a project to reduce the methane contained in cow burps, which is the biggest issue among GHGs associated with dairy farming. By administering the company's developed drug "Bovaer®" to cows, we expect to be able to reduce methane emissions from the cow's digestive tract by an average of about 30%. We tested the quality of raw milk collected from dairy cows administered "Bovaer®" and confirmed that there were no significant adverse effects.

Countermeasure 2: Measures Relating to Carbon Farming

Carbon farming is an agricultural method that aims to reduce GHG emissions and improve the quality of farm soil by capturing atmospheric CO<sub>2</sub> in farm soil. In August 2023, we established the East Hokkaido Carbon Farming Research Group with dairy farmers and Betsukai town and measured the amount of CO<sub>2</sub> stored in the soil in Betsukai. Based on the results, we conducted testing in FY2024 with the aim of establishing agricultural methods that can increase CO<sub>2</sub> storage, such as no-till cultivation, cover crops, and the effective use of compost.

Countermeasure 3: Measures Relating to Cocoa

To respond to climate change, we are providing guidance on cultivation methods adapted to climate change and replanting deforested areas using a variety of crops through agroforestry to restore forests in Ghana. Also, product yields are expected to decline in conjunction with climate change, and to address this, we have invested in California Cultured Inc., a cocoa cell culturing startup, to promote sustainable cocoa procurement.

Countermeasure 4: Plastic Resource Recycling Measures

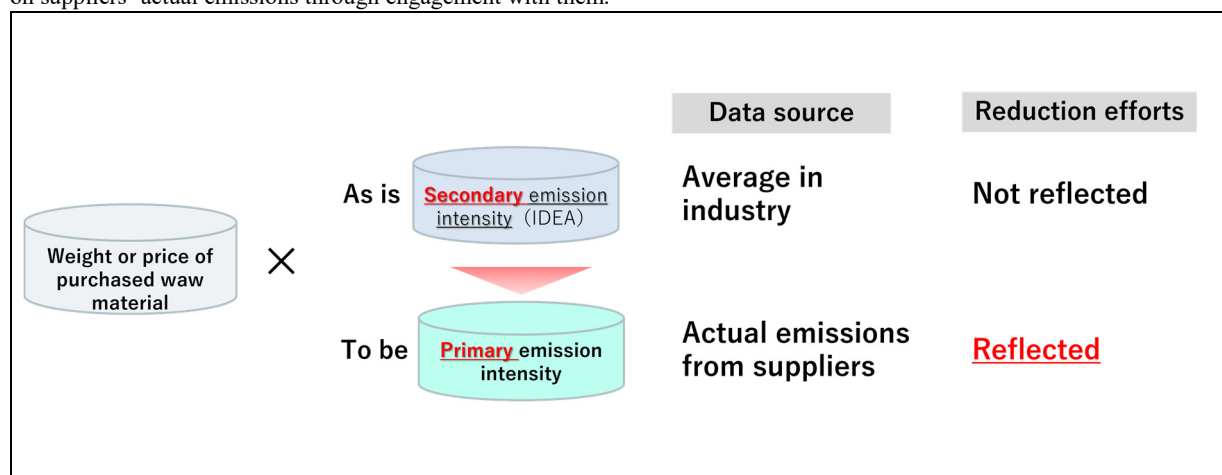
Reducing the use of plastic made from oil, which is the main raw material in packaging material, leads to reductions in GHG emissions. In an effort to reduce petroleum-derived plastic, we are using biomass plastic for the caps and spouts of Meiji Oishii Gyunyu packaging. Also, we are reducing the use of plastics by reducing the weight of caps for Meiji Bulgaria Yogurt, and implementing other measures. Furthermore, we are adopting recycled plastics for our "R-1 Drink Type." In fiscal 2024, we signed agreements with the Suntory Group and various local governments regarding "bottle-to-bottle" horizontal recycling. Through this tripartite scheme involving industry, government and the private sector, we will recycle and reuse used PET bottles as PET bottle containers. Through this initiative, we aim to reduce the amount of new petroleum-derived plastics used.

Plastic Usage Targets and Trends

Year	FY2017 (Base Year)	FY2023 (Result)	FY2030 (Target)
Result (t)	30,807	24,003	21,567
(Of which, recycled plastics and biomass plastics used (t))	—	1,601	—
Reduction (t)	—	6,804	9,240
Reduction rate (%)	—	22.1	30.0

### Countermeasure 5: Supplier Engagement

In order to reflect efforts to reduce CO<sub>2</sub> emissions in the supply chain in Scope 3, we are working to obtain primary data based on suppliers' actual emissions through engagement with them.



Target Suppliers	Details of Engagement
[FY2024 Result] • Suppliers with high GHG emissions  [FY2025 Plan] • In addition to the above we plan to expand target suppliers with a collaboration with Consumer Goods Forum.	[Requests] • Calculate emissions for each raw material produced by the Meiji Group • Calculate GHG emissions results and set reduction targets  [Issues] • Reflect emissions data received from suppliers in Scope 3

#### • Adaptation measures (initiatives to reduce flood risks)

We undertake the following initiatives as flood risk countermeasures.

- Conduct Gap analysis of risk assessment results in collaboration with local authorities at high-risk sites to understand the actual situation.
- Conduct detailed surveys of business sites with particularly high priority and investigate and implement physical countermeasures in anticipation of the flood area and flood depth. Example countermeasures are the installation of box walls (temporary water barriers) and waterproof walls.

### (3) Creation of Business Opportunities

We believe that the direct impact of climate change will alter society and daily lives, thereby creating new needs and opportunities. Also, we consider that promoting the mitigation of climate change leads opportunities for cost reduction. The Meiji Group expects to obtain opportunities including those mentioned below by leveraging our current operating bases and adopting new resources.

#### [Summary of Business opportunities]

Opportunity factor		Effects to the group
Low energy and resource efficiency	Business cost reduction by promoting mitigation of climate change including electricity bill and carbon price	6 billion yen in FY2030 8.8 billion yen in FY2050 (Cost reduction compared to cost in business without the measures is shown)
Technology and market	Needs growth of our product and market by society and daily lives change induced from direct impact of climate change	Needs for products and market may increase • Responses to changes in lifestyles (e.g., staying at home) • Responses to growing environmental awareness • Responses to emerging and re-emerging infectious diseases



[Business cost reduction by mitigation measures (e.g. electricity bill and carbon pricing etc.)]

As shown in the analysis of the 1.5°C scenario, while business costs depending on future CO<sub>2</sub> emissions are expected, undertaking mitigation measures will help reduce those costs.

Unit: billion yen

Effects	2030	2050
Carbon price reduction by promoting mitigation measures	1.6	2.4
Reduction of electricity bill by energy saving and generation	4.4	6.4
Total	6.0	8.8

[Increase in product demand and market needs arising from the impact of climate change]

We considered the impacts on the business through the process below.

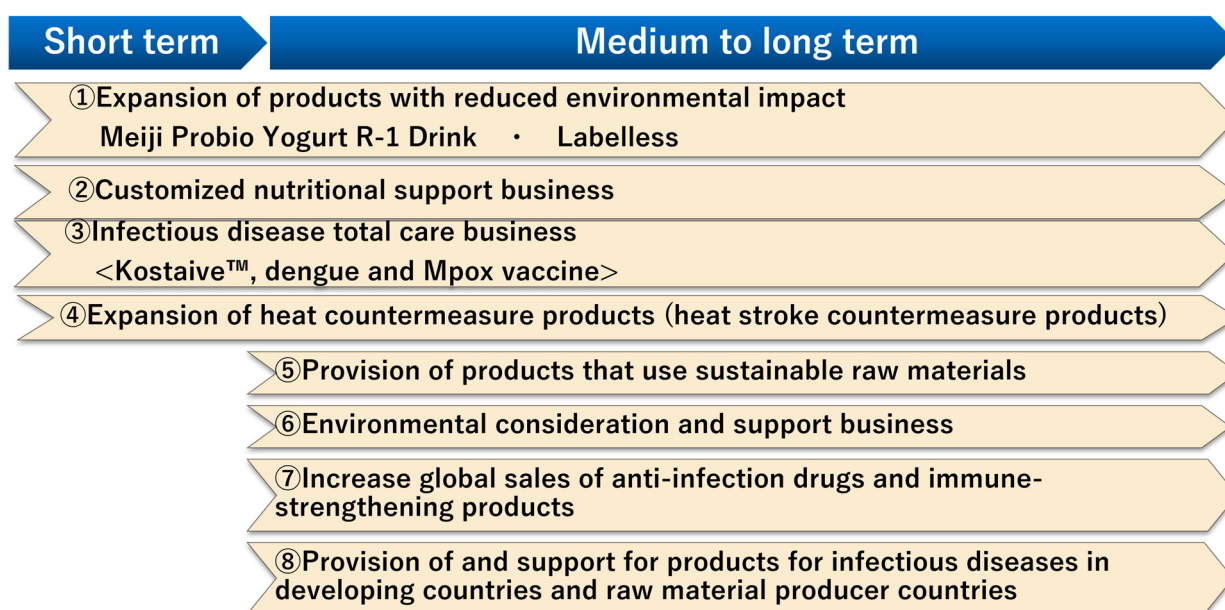
- Members of the Group TCFD Committee secretariat conduct individual hearings of organizations relating to investigation of opportunities.
- The Group TCFD Committee deliberates on the direction of opportunities.
- Opportunities are quantitatively organized from perspectives including the relationship with existing business, the possibility of responding using existing company assets, and feasibility.
- Business opportunities are identified by narrowing keys to gaining opportunities down to highly feasible ones.

Direct impact of climate change	Impact of climate change on society and daily life
<ul style="list-style-type: none"> <li>• Rise in average temperature</li> <li>• Intensification of disasters</li> <li>Changes in precipitation patterns</li> <li>• Harm to biodiversity</li> <li>• Reduction of crop yields</li> <li>• Rise in sea level</li> <li>• Permafrost thawing</li> <li>etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Changes in lifestyles resulting from temperature rise (e.g., self-restraint on going out and moving between locations, staying at home, thirst- quenching, heat stroke)</li> <li>• Rise in food and energy prices, changes in producer expenditures</li> <li>• Stricter GHG emission restrictions, manifestation of water risks (water shortages, deterioration of water quality)</li> <li>• Promotion of environmental load-reducing lifestyles (e.g., reduction of waste and discarded unsaleable products, energy-saving, and ethical consumption)</li> <li>• Permanent overwhelming on medical institutions and increased awareness of infectious disease prevention</li> <li>• Increased awareness of disaster countermeasures</li> <li>• Intensified malnutrition in developing countries</li> </ul>

Keys to gaining opportunities	Needs expected to grow	Opportunities for the Meiji Group
Responses to changes in lifestyles (e.g., staying at home)	<ul style="list-style-type: none"> <li>• Thirst-quenching and heat stroke countermeasures as a result of temperature rise</li> <li>• Products and systems to complete daily activities inside one's home</li> <li>• Maintenance of health through improved nutritional balance</li> </ul>	<ul style="list-style-type: none"> <li>• Expand heat countermeasure products</li> <li>• Customized nutrition- supporting businesses</li> </ul>
Responses to growing environmental awareness	<ul style="list-style-type: none"> <li>• Products with low environmental impact (e.g., vegetable-derived products, cell culture, circular agriculture)</li> <li>• Products and lifestyles that involve fewer discarded products and reduced energy use</li> <li>• Sustainable sourcing of raw materials</li> </ul>	<ul style="list-style-type: none"> <li>• Expand environmental impact-reducing products</li> <li>• Eco-friendly and environment-supporting businesses</li> <li>• Expand products that use sustainable raw materials</li> </ul>

Keys to gaining opportunities	Needs expected to grow	Opportunities for the Meiji Group
Responses to emerging and re-emerging infectious diseases	<ul style="list-style-type: none"> <li>• Habituation of infectious disease prevention behaviors (e.g., gargling, hand-washing, mask-wearing, and boosting the immune system)</li> <li>• Self-medication for infectious diseases</li> <li>• Countermeasures against infectious diseases in developing countries</li> </ul>	<ul style="list-style-type: none"> <li>• Globally expand infectious disease drugs and products to boost the immune system</li> <li>• Business for comprehensive infectious disease treatment (e.g., natural immunity, acquired immunity, and pharmaceuticals)</li> <li>• Supply infectious disease products to developing countries and raw material-producing countries and provide support</li> </ul>

In addition, we prioritized these eight business opportunities along a time axis, from those that are currently being worked on to those we will work on in the medium to long term.



Business Opportunities ① and ⑤ “Expansion of Products with Reduced Environmental Impact” and “Provision of Products That Use Sustainable Raw Materials”

Creation of business opportunities by strengthening initiatives related to the Meiji Sustainable Products in-house certification system

We aim to create new value by actively working on sustainability in each process of the value chain (development, procurement, production, distribution, and consumption), and promoting Meiji Sustainable Products to customers as products that address social issues.

Business Opportunity	Certification Criteria	Primary Requirement
Opportunity ① Expansion of products with reduced environmental impact	Human rights and environmentally conscious containers and packaging	Reduction of plastic consumption volume, use of recycled plastic and biomass materials Recycling-friendly design, etc.
Opportunity ⑤ Provision of products that use sustainable raw materials	Human rights and environmentally conscious procurement of raw materials	Use of raw materials produced with certified raw materials and with eco-friendly agricultural methods

### Business Opportunity ③ “Infectious Disease Total Care Business”

#### <Acquisition of New Modality>

The Meiji Group obtained approval to domestically manufacture and market Kostaive™, a COVID-19 vaccine, marking the world's first authorization of a next-generation mRNA vaccine. Kostaive™ is expected to offer a strong immune response with lower mRNA doses, using novel sa-mRNA technologies. The Group will acquire advanced modality technologies and set up a technical foundation for developing new vaccines in the future.

#### i. Development of a Novel Vaccine for Dengue

Global warming and changes in precipitation brought about by climate change are altering the habitats and living environments of vectors. This is resulting in dengue outbreaks in increasingly wider areas.

The dengue virus is a type of mosquito-transmitted virus that triggers dengue fever, dengue hemorrhagic fever, and dengue shock syndrome in humans. The WHO reports dengue is prevalent in at least 100 tropical- and subtropical-region countries, and 3.9 billion people—roughly half of the world's population—are at risk of infection, while 100–400 million people get infected every year. Some reports estimate that 390 million people become infected and 96 million develop the disease each year. According to World Economic Forum, in the end of this century, there is possibility that 8.4 billion people may become infected by mosquito-transmitted virus including dengue.

A single-dose administration of KD-382 has shown good immunogenicity and preventive effects against all four dengue virus serotypes in non-clinical studies and phase I clinical studies in healthy adults in the country where outbreak has not happened. Given that children are at high risk of developing severe dengue cases, we are preparing to conduct Phase II clinical studies with the support of the Strategic of Biomedical Advanced Vaccine Research and Development for Preparedness and Response (SCARDA) to investigate KD-382's safety and immunogenicity in children. In addition, KD-382 is selected through “Large-scale Vaccine Clinical Study Project” by the Ministry of Health, Labour and Welfare. We plan to utilize the subsidy from this project to conduct a phase III clinical study of the vaccine. The vaccine is a promising new option for preventing dengue.

#### ii. International contribution to the control of the epidemic of Mpox (acute exanthematous disease) with approved vaccines

As a result of global climate change causing droughts and other sudden changes in weather conditions in various regions, viruses such as Mpox, which were previously only transmitted between animals, are increasingly spreading to humans, and the WHO has indicated that the spread of infectious diseases is becoming more persistent and frequent.

The Mpox epidemic has been ongoing in African countries, particularly the Democratic Republic of the Congo with large numbers of infected patients and deaths being still reported. Our group's LC16 KMB (LC16m8 vaccine) was approved for the additional efficacy of “prevention of Mpox” in August 2022, and was added to the WHO emergency use list in November 2024. It is a live attenuated vaccine that can be used for all ages, including infants, and can be used to prevent infection with a single vaccination. On January 25, 2025, the Japanese government provided 50,000 doses of the vaccine to the Democratic Republic of the Congo free of charge. Going forward, the Group will aim to obtain WHO prequalification. In addition, while continuing to cooperate with the WHO, the Ministry of Health, Labor and Welfare, and other relevant organizations, the Group will contribute to responding to international public health emergencies by expanding vaccinations in endemic areas, with the aim of helping to eliminate the serious Mpox epidemic in African countries, particularly the Democratic Republic of the Congo.

### (3) Metrics and Targets (Including Progress)

The Meiji Group established materiality and KPIs by formulating—and based on—the Meiji Group Sustainability 2026 Vision as well as our long-term environmental vision, the Meiji Green Engagement for 2050. The climate change KPI in a long-term environmental vision that aims to limit the increase of the world's average temperature to within the 1.5°C Paris Agreement target.

Responses for climate change-related risks and opportunities (e.g., activities to reduce environmental impacts and raw material sourcing) entail diverse action. We have established the following KPIs and regularly check their progress and work systematically to achieve them. We also evaluate these initiatives as part of the Meiji ROESG® \*1 indicators and reflect them in the remuneration of directors and corporate auditors.

\*1 We consider it difficult to separately present the climate-related evaluation items of the Meiji ROESG®.

#### <Expansion of ESG (Environmental, Social and Governance) Investing>

The Meiji Group has arranged for a 50 billion yen ESG investment in the 2026 Medium-Term Business Plan to promote the Scope 1, 2, and 3 transition plans and to steadily advance sustainability measures. The primary measures are described below.

- Initiatives to reduce GHG emissions in the dairy industry
- Introduction of solar power generation facilities
- Measures to achieve zero CFC (e.g., introduction of CFC-free turbo refrigerators)
- Measures to achieve zero plastic (e.g., introduction of facilities to reduce the weight of small plastic bottles)

<Review of the Internal Carbon Pricing System>

We changed the carbon price of the internal carbon pricing system from 5,000 yen to 15,000 yen per 1 t-CO<sub>2</sub> starting in FY2024, preparing to ensure a smooth transition after the full-scale introduction of carbon pricing.

<Issuance of Sustainability Bonds>

We issued sustainability bonds in 2021 to finance the capital required to achieve our Sustainability Vision.

\* See our “Sustainable Finance” website for sustainability-related financing.

(<https://www.meiji.com/global/sustainability/sustainable-finance.html>)

<KPIs associated with climate change-related risks and opportunities in the 2026 Medium-Term Business Plan>

Medium- to long-term vision	Major initiatives	Metrics (KPI)	Results/ progress (FY2024)	Targets (FY2026)
Establish a responsible supply chain by collaborating and cooperating with suppliers to engage in procurement activities that take into account social responsibilities, such as human rights and the environment, throughout the supply chain.	Through Meiji Dairy Advisory (MDA), support the resolution of social issues such as human growth, human rights, animal welfare, and GHG emission reduction through human resource management at dairy farms	Number of farms participating in Meiji Dairy Advisory (MDA)	56 (total)	Total of 100 or more
Establish traceability for each raw material, identify social issues related to human rights and the environment in the raw material production areas, and address these issues to achieve sustainable raw material procurement.	Promote initiatives aimed at reducing GHG emissions from dairy farming	<Milk> Number of dairy farms working to reduce GHG emissions	4 (2,100 head)	Total of 30 or more
	Expand the procurement of Meiji Sustainable Cocoa Beans produced in areas where farmers are supported through Meiji Cocoa Support (MCS)	<Cocoa> Meiji Sustainable Cocoa Bean procurement ratio	100%	100%
	Promote the procurement of palm oil that is not involved in deforestation by incorporating forest monitoring to identify and verify deforestation risks along the supply chain	<Palm oil> Procurement rate for palm oil that is not involved in deforestation	—	Targets to be set in FY2025 (1H)
	Maintain 100% use of environmentally friendly paper for product containers and packaging, and switch to environmentally friendly paper for office supplies and standard publications	<Paper> Ratio of environmentally friendly paper used in the extended scope of applicability Scope of applicability: Office supplies, standard publications	100%	100%

Medium- to long-term vision	Major initiatives	Metrics (KPI)	Results/ progress (FY2024)	Targets (FY2026)
Aim to achieve carbon neutrality by 2050 by reducing CO <sub>2</sub> emissions throughout the supply chain by strengthening energy saving and energy creation activities, utilizing renewable energy, and reducing GHG emissions in the dairy business.	Reduce Scope 1 and 2 CO <sub>2</sub> emissions by strengthening energy saving and energy creation activities, utilizing carbon credits, etc.	Scope 1, 2 emissions reduction rate (compared to FY2019 as year of reference)	25.0%	32% or more
	Reduce CO <sub>2</sub> emissions in Scope 3 by reducing GHG emissions in dairy farming, reducing the amount of packaging materials used, and strengthening collaborations with suppliers, etc.	Scope 3 emissions reduction rate (compared to FY2019 as year of reference) Categories 1, 4, 9, 12 (procurement/logistics/disposal)	11.1%	15% or more
	Promote the transition to renewable energy by expanding the adoption of solar power generation equipment and strengthening the use of electricity derived from renewable energy	Renewable energy ratio Ratio: Percentage of total power consumption	24.2%	30% or more
Aim to move toward a circular economy by promoting activities that create added value while reducing resource input and consumption to maximize product value, minimize resource consumption, and constrain the generation of waste in addition to 3R (Reduce, Reuse, Recycle) + Renewable initiatives.	Promote the reduction of plastic containers and packaging while promoting R&D for environmentally friendly materials	Rate of reduction for plastic use (total volume) (compared to FY2017 as reference year)	22.1%*	25% or more (Excluding overseas subsidiaries)
Achieve water neutrality by proactively engaging in water resource conservation activities such as water resource cultivation in addition to continuously reducing water usage.	Reduce water consumption through the efficient use of water and active adoption of water-saving equipment, etc.	Water usage reduction rate (compared to FY2020 as reference year) Per unit of net sales	27.1%	20% or more

\* Plastic usage reduction results for FY2023.

The results of Meiji Group's FY2024 GHG emissions (Scope 1, 2, and 3) are disclosed on our website:  
(<https://www.meiji.com/global/sustainability/caring-for-the-earth/climate-change.html>)

## ● The Meiji Group's Human Capital Initiatives

### (1) Corporate governance

In promoting the Group-wide human capital strategy, we hold meetings of the Group Human Capital Committee twice a year, chaired by the CEO, President and Representative Director of the Company, as an advisory body to the Executive Committee and report on them to the Board of Directors. With the system started in FY2022, for FY2023, we established a Chief Human Resource Officer (CHRO) position as the senior manager responsible for the Group-wide promotion of the human capital strategy. At present, we promote initiatives across the Group companies under subcommittees established for each of the five topics, “DE&I (diversity, equity, and inclusion),” “human capital development,” “health and productivity management,” “occupational safety,” and “smart work.”



### (2) Risk management

In promoting human capital strategies in line with management strategies, we recognize that issues related to human capital and organizational culture are one of management risks that have a significant impact on corporate activities. We have been discussing issues concerning human capital and organizational culture in light of changes in the external environment at the Group Human Capital Committee, and identifying and managing the following three risks in cooperation with the Risk Management Department, which is in charge of management risks for the entire Group.

- i Recruit and develop human capital required for corporate growth
  - Risk of not being able to acquire and develop management human capital, business management human capital, advanced human capital, etc.
  - Risk of a decline in the ability to recruit due to a lack of DE&I, and a decline in the ability to drive business from the customer's perspective
- ii Effects of business environment on productivity
  - Risk of decreased productivity and increased turnover due to inadequate response to the working environment and health and safety
  - Risk of an increase in the number of employees taking leave of absence due to a lack of approach to identify and remedy appropriate health issues of employees
  - Risk of stagnation of creativity due to delays in the development of a working environment (workplace, IT, etc.) that meets the needs of the times
- iii Employee engagement
  - Risk of a decline in organizational strength due to a lack of understanding and penetration of business plans and organizational goals, as well as a lack of communication across hierarchical and departmental boundaries
  - Risk of increased turnover due to decreased sympathy for the company

With regard to the above risks, we examine cases where they have materialized and consider countermeasures, as well as strive to reduce the risks in cooperation with related departments, mainly the human resources department.

### (3) Strategy

Human capital is extremely important capital that supports value creation by the Meiji Group. We believe that respecting employees' diversity and enabling individuals to fully exercise their abilities lead to sustainable growth of the Meiji Group, and accordingly, we will make strategic investments in accordance with management strategies.

The concept of the human-resource strategy based on the management strategy of the 2026 Medium-Term Business Plan

In the 2026 Medium-Term Business Plan, we will advance the Meiji ROESG, aiming to recover the growth potential through changing our markets, businesses, and activities. We will aim to achieve sustainable growth by expanding the business globally, strengthening the competitiveness by integrating sustainability and the business through addressing social issues, and maximizing the corporate value of the Meiji Group. For the human resource strategy based on this management strategy, what is essential is the acquisition and the development of diverse human resources who are autonomous, take on challenges, grow, co-create, and generate innovation, and the creation of an organizational culture which can maximize the potential of diverse human resources, the promotion of further DE&I, and the management of employees' health. To achieve this "ideal human resources and organizational culture," we will aim to create human resources and working environment to compete globally, promote the sustainability of human capital, and improve the effectiveness of the Group HR functions, and put them into practice.



#### i) Personnel Development Policy

We strive to invest in talented human capital who can formulate and execute our strategies to ensure the Group's sustainable growth.

We strengthen the knowledge, skills, and abilities of each individual so that they can do their best in their work.

#### <Introduction of new personnel system>

At Meiji Group, we introduced a new personnel system in April 2025 with a focus on creating an environment where employees can continue to grow and take on challenges with motivation, as well as sustainably use their skills. The new system revolves around duties/roles as class and aims to encourage motivated employees to play active roles through assignments that match talents with suitable positions and promotions/recruitments regardless of age. By including criteria such as "dialogue and co-creation with society" and "promotion of a challenging spirit and self-actualization" in the action evaluation applied to employees in a leader or higher position, we aim to facilitate voluntary action toward co-creation with stakeholders and society.

The evaluation system under the new personnel system encourages each and every employee to set challenging operational goals that are in line with the organizational goals and recognizes such goal setting to promote their achievement of higher performance. Supervisors will step up their support for employees to help attain the goals. Achievements and action will be reviewed and evaluated on an absolute basis; we will operate a system that is approved by everyone and drives a cycle toward further growth.

#### <The Meiji Group Human Resources Development Policy>

In order to realize the Meiji Group 2026 Vision and the “Ideal human capital and organizational culture” as described in the Corporate Value Creation Story, we have established the Meiji Group Human Resources Development Policy to foster human capital with the qualities and capabilities required by the Meiji Group.

#### Meiji Group Human Resources Development Policy

1. Promotion of challenges and autonomy; acquisition of next-level expertise
2. Support for personal growth, career development, and self-actualization
3. Promotion of cultivation of broader and higher-level perspectives and building open relationships inside and outside the company
4. Sympathy to the Company’s visions and Group Philosophy

#### <Skills Development Structure>

Based on the Meiji Group Human Resources Development Policy, we have established a skill development system that facilitates the growth and career development of each employee.

	New employees	Mid-career employees	Managers	Objectives
Developing next-generation leaders		<ul style="list-style-type: none"> <li>● Training for next-generation leaders</li> <li>● Training at business school and external venues (Management school / Interaction with and exposure to other industries / Developing managers)</li> </ul>	<ul style="list-style-type: none"> <li>● Training for top management</li> </ul>	<ul style="list-style-type: none"> <li>● Fostering innovation</li> <li>● Developing next-generation leaders</li> <li>● Developing next-generation Managers</li> </ul>
Global training Diversity Management Development of DX human resources		<ul style="list-style-type: none"> <li>● Global training (Language training / e-learning / Training through overseas assignments)</li> <li>● Training for employees in their childcare years</li> <li>● Training for the development of DX human resources</li> </ul>	<ul style="list-style-type: none"> <li>● DE&amp;I training for new managers</li> </ul>	<ul style="list-style-type: none"> <li>● Develop personnel to work overseas</li> <li>● Strengthen diversity management</li> <li>● Improvement of the digital technology use</li> </ul>
Rank-based training	<ul style="list-style-type: none"> <li>● Training for new employees</li> <li>● Onboard training for mid-career hires</li> </ul>	<ul style="list-style-type: none"> <li>● Training for promoted employees</li> <li>● Training for career track employees</li> <li>● Training for clerical workers</li> </ul>	<ul style="list-style-type: none"> <li>● Training for new managers</li> </ul>	<ul style="list-style-type: none"> <li>● Train young employees</li> <li>● Onboarding to each stage</li> <li>● Enhancement of management skills</li> </ul>
Voluntary training Career development	<ul style="list-style-type: none"> <li>● Voluntary training</li> <li>● Career design training</li> </ul>			<ul style="list-style-type: none"> <li>● Self-development support</li> <li>● Promotion of career development</li> </ul>
Division-specific training and group company training	<ul style="list-style-type: none"> <li>● Division-specific training (Corporate / R&amp;D / Quality, Manufacturing technologies / Logistics, Sales, MR / Marketing / Global / Sustainability / Information systems)</li> <li>● Training for Group company employees training (New employees, Business management)</li> </ul>			<ul style="list-style-type: none"> <li>● Raise the level of expertise specific to a division</li> <li>● Strengthen group companies</li> </ul>



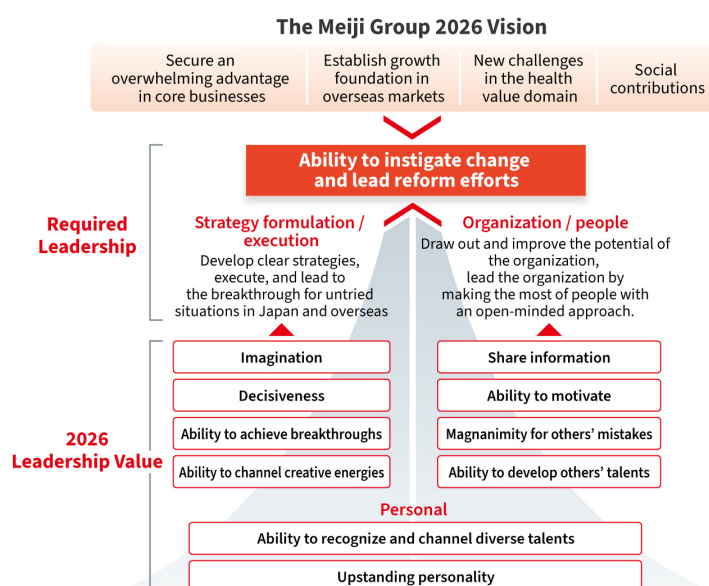
Number of participants of the course in FY2024 (managers and general employees, average total length, average course cost)

\* Meiji Co., Ltd., Meiji Seika Pharma Co., Ltd., KM Biologics Co., Ltd.

	Program's goals	Number of attendees (Total)	Average total length (Hours)	Average course cost (Thousand yen)
Developing next-generation leaders	<ul style="list-style-type: none"> <li>Develop personnel with a wider range of skills and perspectives</li> <li>Develop strategic thinking, reasoning, decision-making, and communication skills</li> </ul>	146	75.6	774.0
Global training Diversity management DX personnel development	<ul style="list-style-type: none"> <li>Develop personnel competent in global business</li> <li>Foster work environment that can encourage and promote human capital with diverse backgrounds</li> </ul>	1,756	12.0	8.6
Rank-based training	Skills training at each career stage <ul style="list-style-type: none"> <li>Strengthen their ability to foster their subordinates/younger personnel</li> <li>Enhance management skills to make the team/organization more dynamic</li> <li>Cultivate an awareness of self-reform as participants seek to become next-generation/management leaders</li> </ul>	1,184	22.2	59.8
Voluntary participation training, self-development, etc.	<ul style="list-style-type: none"> <li>Promote employee's learning autonomy and develop autonomous human capital</li> </ul>	3,468	21.6	25.4
Division-specific and Group company training	<ul style="list-style-type: none"> <li>Develop the business skills they need for work</li> </ul>	111,372	0.7	2.0

#### <Development of Group management human capital>

With a view to achieving the Meiji Group 2026 Vision and growth going forward, we focus on fostering human capital across the entire Group. We launched the Group management human capital development program in FY2021 to systematically discover and foster human capital, with a focus on human capital for transformation and strategy, who have not only knowledge, skills, and capability to implement strategy in each business, but also perspectives, horizons, and views that are necessary for developing and promoting the Group management strategy. Through a development program chaired by the CEO for a selected group of executive officers and senior managers, we are developing competencies and capabilities appropriate for the image required for the Meiji Group managers (leadership value) who can strongly lead the realization of the Vision.



#### <Development of global business human capital>

For the Meiji Group to achieve further success in the global market, it is essential to have talents with the skills and capabilities that contribute to global business expansion. We are defining the necessary skills and capabilities, strengthening and restructuring our fostering systems and training programs, and implementing open recruitment for transfers to overseas business divisions, in order to foster and develop talents capable of striving towards achieving goals while demonstrating leadership and communication skills globally.

#### ii) In-house Environmental Improvement Policy

##### i DE&I (diversity, equity and inclusion)

We have established the Meiji Group Diversity, Equity & Inclusion Policy as a concept to accelerate the promotion of DE&I toward the realization of the Meiji Group 2026 Vision. We will achieve sustainable corporate growth by establishing an environment that allows diverse employees to work with a sense of fulfillment and create innovation and new value.

#### Meiji Group Policy on Diversity, Equity & Inclusion

We, Meiji Group, owe our growth to being attentive to the feelings and daily lifestyles of all customers who experience diverse values at each stage of life, from babies to the elderly. We will continue to leverage this approach as a group strength and pursue diversity, equity and inclusion in order to ensure our ability to deliver “food and health” value that is one step ahead to our customers in Japan and around the world.

#### <Meiji Group Approach to Diversity>

All differences, including diverse backgrounds such as gender, sexual orientation, gender identity, gender expression, age, nationality, religion, health, physical disability or mental disorder, employment status, career, engaged in childcare or nursing care, or differences such as individual values, knowledge or capabilities.

##### 1. Diversity

Promote the hiring, development and utilization of diverse human resources, and create environments that provide diverse human resources with opportunities for advancement in various fields.

##### 2. Equity

Remove all barriers to enable diverse human resources the opportunity to maximize their capabilities and provide not uniform but equitable opportunities for growth and challenges based on the diverse backgrounds and orientations of each individual.

##### 3. Inclusion

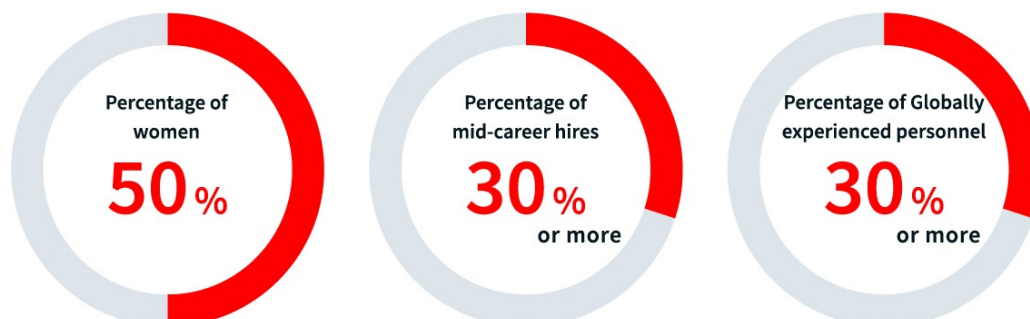
Foster an organizational culture in which diverse human resources can express their individuality, respect and acknowledge each other, and make the most of mutual diversity.

At Meiji Group, we will create environments in which diverse human resources are energized and motivated towards work, and achieve sustainable corporate growth by creating innovation and new value.

The Group Human Capital Committee set forth the image of DE&I as the Meiji Group should become, and is strengthening efforts to address the priority attributes (women, career hires, and overseas human capital).

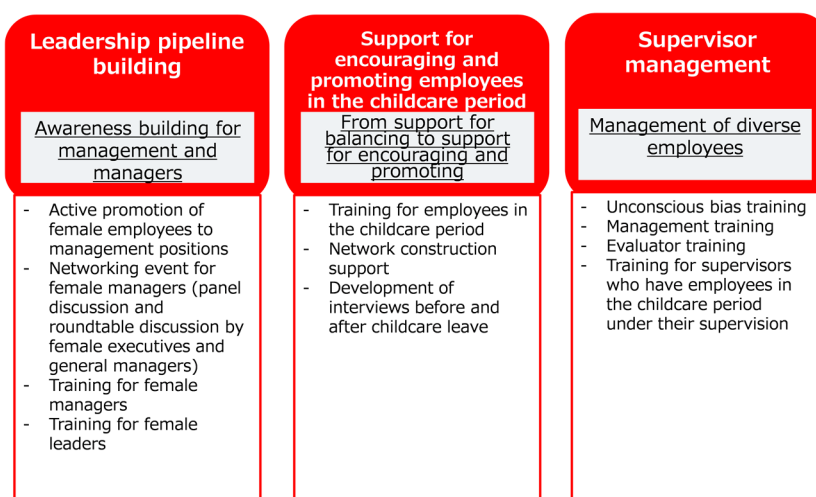
### The Meiji Group Vision for 2050 - Directors, Managers, and Career-Track Employees -

\*Meiji Co., Ltd., Meiji Seika Pharma Co., Ltd., KM Biologics Co., Ltd.



#### <Active female roles>

With regard to the promotion of women's active participation as a first step for DE&I, the following three pillars of efforts are being made under the commitment of top management. In building a leadership pipeline, the Group Joint Networking Meeting for Female Managers was held in March in conjunction with International Women's Day, where lectures and roundtable discussions, etc. were held by female directors and managers. This has led to fostering senior managers' viewpoints and developing pipeline. In addition, as for the support for encouraging and promoting employees in the childcare period and the supervisor management, training was provided to employees in the childcare period and their supervisors, and after learning about communication in a way that engages others in the case of employees in the childcare period as well as the importance of individual management and support for encouraging and promoting in the case of their supervisors, we conducted joint work to understand others by employees in the childcare period and their supervisors. Going forward, we will continue to create an environment where each and every employee, regardless of gender or restrictions, can demonstrate their abilities and play an active role in all jobs and positions.



<Career hires>

In order to incorporate a wide range of knowledge and new perspectives and create innovative ways to meet our customers' needs, in addition to hiring new graduates, we are also actively recruiting career human capital who have built their careers at other companies. In addition, we have introduced a comeback system that allows employees who have retired once to reapply for employment. Through the rehiring of retirees who have know-how and knowledge gained in the Meiji Group and who have developed diverse experience and knowledge after retirement, we aim to further revitalize the Group and create new value.

<Overseas human capital>

We are strengthening the recruitment of overseas human capital (those with more than half-year of global experience (studying abroad, living abroad, etc.), including foreign nationals), in order to reflect a global perspective in our decision-making and to become the Meiji Group that continues to grow worldwide. In addition, we strengthen the development of overseas human capital by introducing and continuing with multiple overseas trainee programs, etc.

<Male employees' childcare leave>

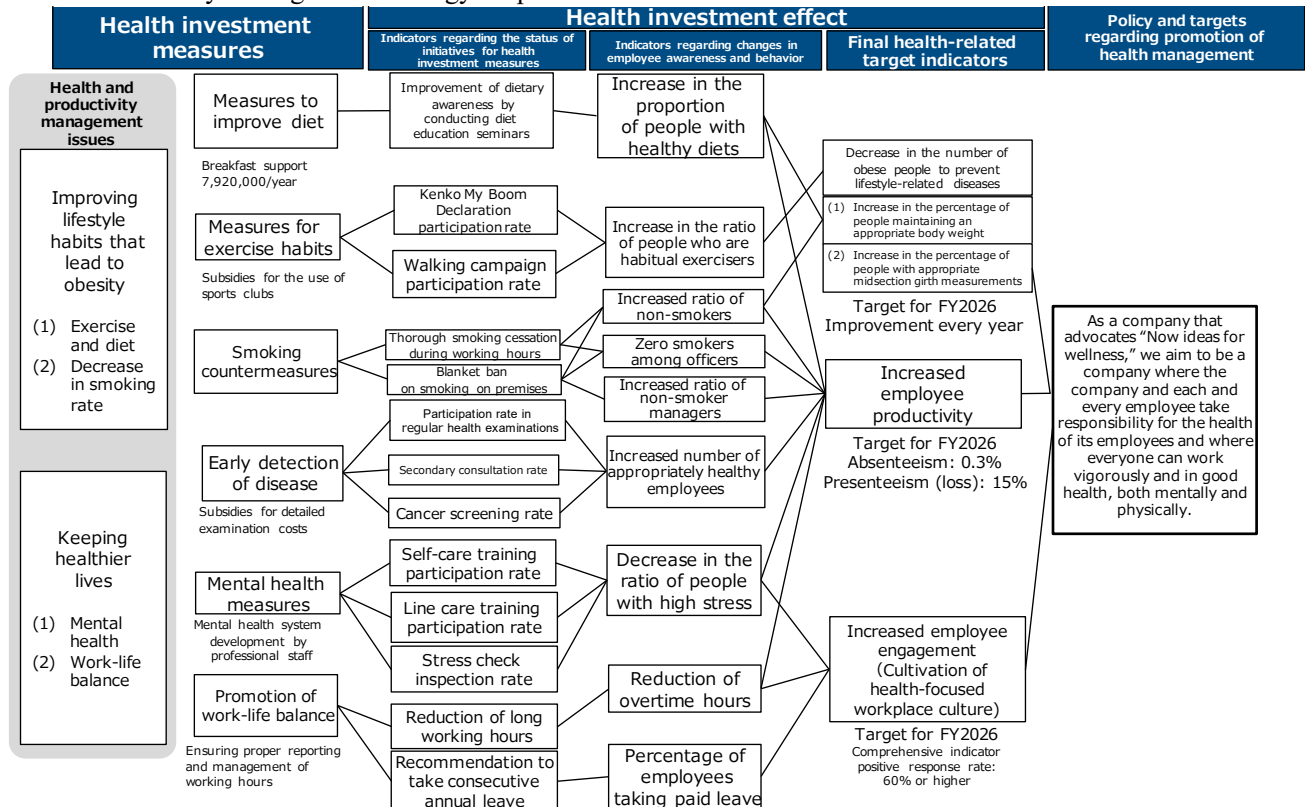
We are encouraging male employees to take childcare leaves as part of our efforts to create a worker-friendly workplace for all employees regardless of gender. Currently, we have increased the maximum number of childcare leave days that male employees can take to 28 days, to further promote male participation in child rearing. With the awareness as being a company that deals in infant formula and vaccines, we will drive these efforts to improving our corporate value.

## ii Health and productivity management

We believe the driving force for continued growth as a corporate Group that represents the Group slogan “Now Ideas for wellness” is the Healthier Lives of employees, and we are making strategic investments in the maintenance and improvement of employees’ health to maximize productivity and invigorate organizations. Under the Meiji Group Health and Productivity Management Declaration, we established the Health and Productivity Management Strategy Map and put it into practice. This map describes flows from investment in health and productivity management to the effects of measures.

In recognition of its ongoing efforts, the Company was selected for three consecutive years from 2023 as a Health and Productivity Management Stock, which is jointly selected by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange. The Company has been recognized as a Certified Health & Productivity Management Outstanding Organization for the ninth consecutive year.

### <Health and Productivity Management Strategy Map>



#### Specific initiatives implemented in FY2024

- Kenko My Boom Declaration, where individuals and teams declare their health goals and commit to ongoing activities
- Placement of Breakfast Support Box to develop a habit of having breakfast (at certain offices)
- Morning exercises at all Group companies
- Walking campaign with inter-office competition
- Seminars for and interviews with all manager-level smokers; declaration of zero smoking officers and support program to quit smoking
- e-learning (self-care and line care, health issues of the Meiji Group, etc.)
- Stress check

### iii Occupational safety

Based on the Meiji Group Occupational Health and Safety Policy, we are continuously working to ensure safety in the workplace in cooperation with partner companies based on the recognition that safety takes precedence over everything else. To achieve zero occupational accident, the Meiji Group has set forth in the 2026 Medium-Term Business Plan occupational safety-related KPIs, including “No serious accidents,” “No accidents involving getting caught physically,” and “No serious traffic accidents.” Specifically, the Group companies implement measures to foster employees’ safety awareness, risk assessment of new equipment before the start of operation, and safety audit and inspection of existing equipment, to strengthen the efforts to prevent occupational accidents and violations of laws and regulations by familiarizing employees with and observing safety measures and rules.

#### **Meiji Group Policy on Occupational Health and Safety**

The Meiji Group's first priority is safety. With this in mind, we ensure workplace safety. We commit to help maintain and improve employees' health.

##### **1. Legal and Regulatory Compliance**

We comply with all laws and corporate rules related to occupational health and safety in the workplace.

##### **2. Prevention of Work-Related Accidents**

We identify and assess sources of danger in the workplace and reduce or eliminate risks to prevent work-related accidents.

##### **3. Physical and Mental Health Maintenance**

We provide safe, comfortable workplace environments and support employees' sound physical and mental health.

##### **4. Health and Safety Education for Employees**

We regularly offer in-house training on occupational health and safety as well as traffic accident prevention. We encourage employees to be aware of the importance of occupational health and safety.

### iv Smart work

The Meiji Group has been promoting work style reform and successfully and steadily improved the working environment throughout the Group. At the same time, we recognize that there are still issues in work style in our efforts for both promotion of DE&I and health and productivity management. As a corporate Group that embodies the slogan, “Now ideas for wellness,” to enable each of our diverse employees to work with good mental and physical health and maximize their potential, we find it essential to build an even more worker-friendly environment.

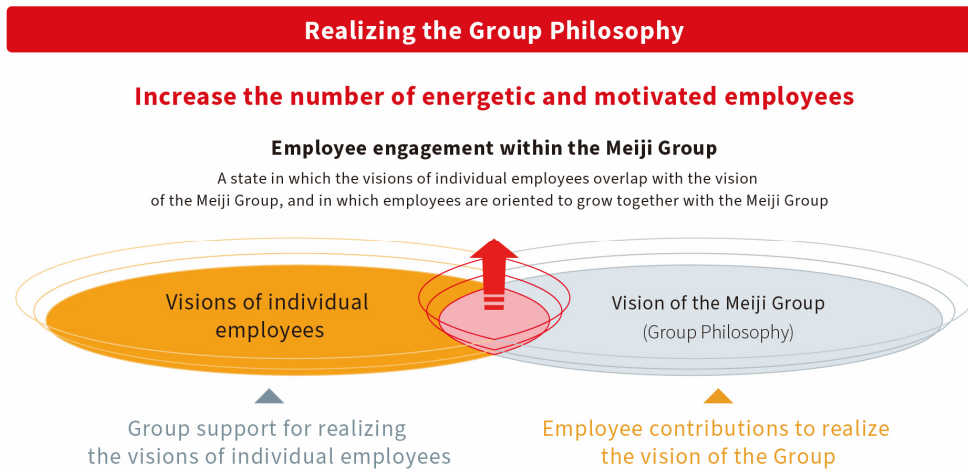
In addition, to further improve Meiji Group’s corporate value, we aim to shift towards creative work, allowing for each employee to pursue autonomy, challenges, growth, and co-creation—which we call “smart work.” We will promote smart work to create a “condition where each and every employee works productively and where individual and team potentials are maximized.”

#### Specific initiatives implemented in FY2024

- 1) Development of corporate systems and frameworks
  - Promotion of taking paid holidays, enhancement in tracking work hours
  - Building a smart work style through company-wide operational improvements
- 2) Improvement of workplace processes
  - Challenge to improve time management training and meetings
  - Pursuit of efficiency through departmental accompaniment measures and process improvement
- 3) Making changes in employees’ awareness and action
  - Promoting awareness by distributing time management tips

## v Employee engagement

The Meiji Group defines employee engagement as one of the indicators to measure medium- to long-term improvement of corporate value and monitors this indicator every year by means of a survey. To aggressively promote human capital management through coordinated management and human capital strategies, we will promote developing an organizational culture where the companies and their employees work together toward Meiji Group's growth.



Specific initiatives implemented in FY2024

- Reinforcement of sharing top management vision (town hall meeting, “Let’s talk with top management!”)
- Periodic holding of “workplace meetings” and presenting Meiji Brand Award (488 applications during FY2024)

## 4) Indicators and targets

In promoting the Meiji Group Human Capital Strategy, we set targets that can be measured quantitatively by theme, monitor those targets, and measure the effects of efforts and improve them.

## 2026 Medium-Term Business Plan

	KPI	FY2024 Result	FY2026 Target	
Foster development of autonomous human capital who embrace challenges	✓ Sufficient global business human capital	29.1%	35% or higher	<p><b>Employees and company growing together</b> Diverse and energetic human capital working to create new value</p> <p><b>Employee and corporate visions overlap</b> Employee engagement Positive response rate: 60% or higher (FY2024 result: 56.6%)</p> <p>The overlap between employee and corporate visions creates value</p> <p>Through value creation, the overlap between employees and corporate visions increases</p> <p><b>Value creation rate based on the performance of each employee</b> Operating profit per work hour</p>
	✓ Number of people in Group management candidate pool	20 people	30 or more	
	✓ Voluntary training participation rate	23.3%	25% or higher	
Diverse human capital	✓ Ratio of female executive officers	2.2%	5% or higher	
	✓ Ratio of female managers	7.7%	12% or higher	
	✓ Ratio of mid-career hiring human capital in managerial positions	10.9%	20% or higher (2040 target)	
	✓ Ratio of global human capital in managerial positions	—	20% or higher (2040 target)	
	✓ Percentage of male workers taking childcare leave	100%	100%	
	✓ Installation ratio of universal toilets and private changing rooms at offices	Toilets: 64.5% Changing rooms: 12.9%	100%	
An energetic and comfortable work environment	✓ Absenteeism	0.6%	0.3% or less	
	✓ Presenteeism (loss)	24.2%	15% or less	
	✓ Rate of employees maintaining appropriate weight	64.6%	Yearly improvements	
	✓ Annual paid leave usage rate	77.1%	80% or higher	
	✓ Number of serious occupational accidents	0 case	0 case	

(Note) Targets: Meiji Holdings Co., Ltd., Meiji Co., Ltd., Meiji Seika Pharma Co., Ltd., and KM Biologics Co., Ltd. (Non-consolidated basis)

Note that the number of serious occupational accidents is the count within the Meiji Group on a consolidated basis (domestic only).

### 3. Business risks

The Group recognizes that risk management is not just for responding when emergencies or disasters occur and severely impact business activities. It is also important to take preventive measures to control and avert/mitigate management risks.

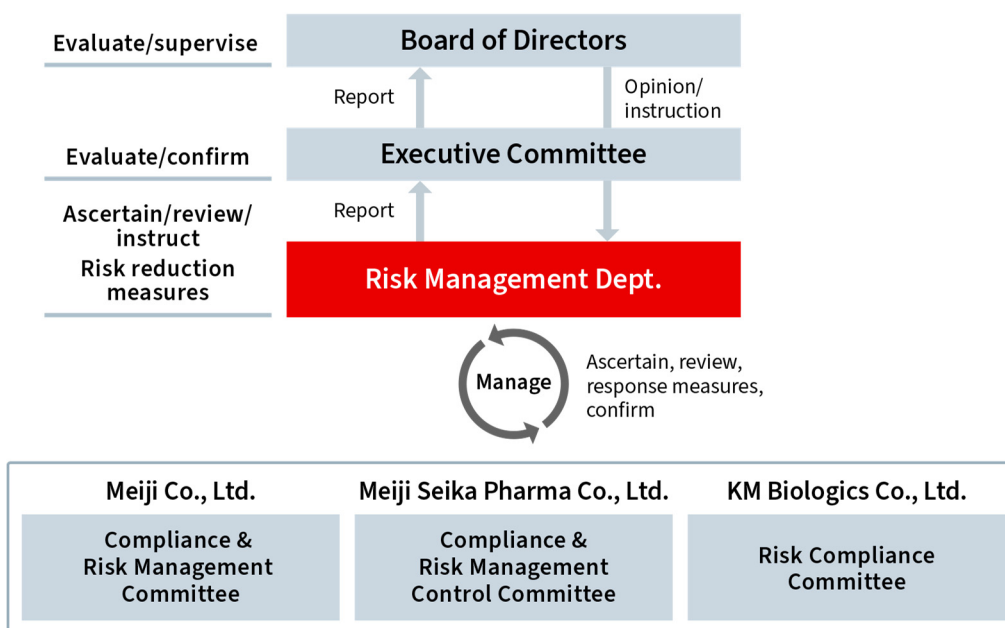
#### (1) Risk management system

The Group established a risk management structure that supports further growth to achieve the Meiji Group 2026 Vision. Under this risk management structure, we identify overall Group management risks, reduce risks, and manage decisive risk-taking.

We established the Risk Management Department, which is separated from the Audit & Supervisory Board, to strengthen Group-wide risk management, and appointed an executive officer in charge of the department. The Executive Committee evaluates and confirms Group-wide management risks in line with the Group Vision and the risk control status and reports them to the Board of Directors, which evaluates and supervises the system. Thus, we can manage risks by adapting to changes in our operating environment.

Furthermore, to establish risk management systems that are suited to the Food Segment and Pharmaceutical Segment, respectively, we periodically share information, identify issues, and address them appropriately. We regularly share risk information across the Group, which includes risks common to all of our segments and risks that have impacts on the whole Group. Accordingly, we identify, evaluate, address, and solve risks promptly. The executive officer in charge of the Risk Management Department reports, as needed, information to the CEO, President and Representative Director.

<Risk management system>



#### (2) The Group business management risks

We appropriately identify risks and develop countermeasures considering the risk impact from a company-wide business management perspective. In this way, we not only minimize risks, but we also achieve sustainable growth and gain new growth opportunities. We outlined the three visions — the Business Vision, Sustainability Vision, and Financial Platform Vision — in the Meiji Group 2026 Vision. We have identified the Meiji Group Business Management Risks based on those three Visions. We assigned risk owners to each management risk as part of our risk aversion/mitigation measures.

Among the matters related to the status of business, accounting, etc. as described in this annual securities report, the main risks that management recognizes as having a significant impact on the financial position, operating results, and cash flows of the consolidated company are as follows.

The future risks outlined in the table below are categorized based on the Group's medium- and long-term management strategies. We have assessed their importance to the Group, taking into account the likelihood of occurrence and the level of impact on the Group.

The information represents risks recognized by the Group as of the date of submission of this annual securities report. These risks are not a comprehensive representation of all the risks related to our businesses.



	Risks	Countermeasures	Change in risk recognition from previous year	Importance to the Group
1. Business risks				
1.1 Sale and supply of products and services	<ul style="list-style-type: none"> <li>Abandon launch of planned product</li> <li>Changes in customer lifestyles and values</li> <li>Negative rumors about the Group's core materials (milk, cocoa, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Establish solid proofs of concept (POC)</li> <li>Gather information on market trends</li> <li>Develop products that are friendly to the environment and society</li> <li>Create products and services unique to Meiji that address social issues</li> <li>Appropriately disseminate relevant information about products and materials</li> </ul>	→	\$\$
1.2 The majority of profits comes from specific products	<ul style="list-style-type: none"> <li>Sluggish sales of products that account for a considerable portion of sales and profits</li> </ul>	<ul style="list-style-type: none"> <li>Implement promotions that maximize unique value</li> <li>Improve product portfolio management</li> <li>Explore new markets and new business domains</li> </ul>	→	\$\$
1.3 Supply chains	<ul style="list-style-type: none"> <li>Insufficient or excess procurement or price increases of raw materials</li> <li>Cessation of production due to production problems, etc.</li> <li>Difficulties in procuring raw milk</li> <li>Unstable product supplies due to distribution problems</li> </ul>	<ul style="list-style-type: none"> <li>Gather information on raw materials markets and promote procurement strategies</li> <li>Strengthen coordination between production and sales divisions</li> <li>Diversify suppliers and consider alternative materials</li> <li>Improve distribution efficiency through labor-saving/automation</li> </ul>	→	\$\$
1.4 Technological advances	<ul style="list-style-type: none"> <li>Insufficient adaptation to rapid advances in digital technologies</li> <li>Discovery of innovative treatment methods, manufacturing methods, and formulation methods</li> </ul>	<ul style="list-style-type: none"> <li>Consider introducing new technologies as early as possible</li> <li>Research new manufacturing and formulation methods, and search for alliances</li> </ul>	↗	\$\$
1.5 Laws and regulations	<ul style="list-style-type: none"> <li>Revisions that significantly impact corporate activities</li> <li>NHI drug price revisions</li> </ul>	<ul style="list-style-type: none"> <li>Obtain information about system revisions early and implement countermeasures</li> <li>Make appropriate approaches to relevant government authorities</li> <li>Expand portfolio of products that are not affected by NHI drug price revisions</li> </ul>	→	\$
1.6 Overseas expansion and overseas Group companies	<ul style="list-style-type: none"> <li>Rapid changes in society, or outbreaks of war or terrorism</li> <li>Revisions of the systems that greatly exceed expectations in various countries</li> </ul>	<ul style="list-style-type: none"> <li>Gather information, and investigate and implement countermeasures early</li> <li>Create product supply systems from multiple locations</li> </ul>	→	\$
1.7 Business plans, etc.	<ul style="list-style-type: none"> <li>Failure to achieve the Visions or Medium-Term Business Plans due to change in business conditions, etc.</li> <li>Growth slowdowns in core business, or failure to achieve targets for overseas markets or new business domains</li> <li>Impairment losses on non-current assets or goodwill</li> <li>Fluctuations in foreign exchange or interest</li> </ul>	<ul style="list-style-type: none"> <li>Enhance unique value and search for new value</li> <li>Manage business portfolio from the perspectives of profitability, growth, and productivity</li> <li>Make decisions and monitor investment, M&amp;A, and R&amp;D plans appropriately</li> <li>Use foreign exchange contracts and borrow at fixed interest rates</li> </ul>	↗	\$

\$\$: Risks of greater importance \$: Risks of great importance

	Risks	Countermeasures	Change in risk recognition from previous year	Importance to the Group
2. Sustainability-related risks				
2.1 Caring for the Earth	<ul style="list-style-type: none"> <li>Environment friendliness in corporate activities</li> </ul>	<ul style="list-style-type: none"> <li>Reduce CO<sub>2</sub> emissions and prevent fluorocarbon leaks, promote energy-saving activities, expand installation of solar power generation facilities, use renewable energy-driven power, properly treat wastewater and industrial waste, and promote environmental management in compliance with ISO14001</li> <li>Circular economy</li> <li>Comply with policies related to the environment</li> </ul>	→	\$
2.2 Climate change	<ul style="list-style-type: none"> <li>Address climate change</li> </ul>	<ul style="list-style-type: none"> <li>Analyze climate change scenarios according to the TCFD framework, formulate strategies, and release information</li> </ul>	→	\$
2.3 Thriving Communities	<ul style="list-style-type: none"> <li>Sustainable raw material procurement</li> <li>Understand diversity, and use a diverse workforce effectively</li> <li>Consider human rights, and human rights issues</li> </ul>	<ul style="list-style-type: none"> <li>Increase the ratio of sustainably procured raw materials, such as cocoa beans and palm oil</li> <li>Strengthen cooperation and collaboration with industry groups and other companies for the resolution of social issues in dairy farming</li> <li>Create organizations and cultures that value diverse perspectives and abilities</li> <li>Address challenges of human rights based on due diligence</li> <li>Strictly comply with policies, guidelines, etc. related to procurement, human rights, society, and so on.</li> </ul>	↗	\$
3. Financial platform-related risks				
3.1 Corporate governance	<ul style="list-style-type: none"> <li>Make decisions in a timely and appropriately manner</li> <li>Internal or external non-compliance</li> </ul>	<ul style="list-style-type: none"> <li>Improve effectiveness of the Board of Directors</li> <li>Enhance corporate governance systems</li> <li>Provide education on compliance and social media usage based on Meiji Group Behavior Charter, and comply with internal and external policies</li> </ul>	↗	\$\$
3.2 Damage to the Meiji brand	<ul style="list-style-type: none"> <li>Product recalls or withdrawals from the market due to quality defects or unexpected side effects of pharmaceuticals, etc.</li> <li>Unexpected harmful rumors about the Group or products</li> </ul>	<ul style="list-style-type: none"> <li>Pursue quality and safety</li> <li>Communicate appropriately with each stakeholder</li> </ul>	↗	\$\$
3.3 Human capital and culture	<ul style="list-style-type: none"> <li>Recruit and develop human capital required for corporate growth</li> <li>Employee engagement</li> <li>Effects of business environment on productivity</li> </ul>	<ul style="list-style-type: none"> <li>Application of management personnel pool for succession planning</li> <li>Improve employee training</li> <li>Implement measures in consideration of the results of the employee engagement survey</li> <li>Promote smart work; strengthen the structure to enhance health and productivity management; develop a Group-wide structure for occupational health and safety</li> </ul>	→	\$
3.4 Information asset leaks	<ul style="list-style-type: none"> <li>Information leaks and system shutdowns due to unauthorized access, etc.</li> <li>Data breaches due to inappropriate system management</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen information management systems and information security</li> <li>Strengthen education on information management and comply with regulations and policies</li> </ul>	→	\$\$
3.5 Disaster, emergency, or other unforeseen circumstances	<ul style="list-style-type: none"> <li>Temporary or full suspension of business operations due to disasters, pandemics, or other unexpected emergency</li> <li>Increases or decreases in product demand due to changes in business conditions in an emergency</li> </ul>	<ul style="list-style-type: none"> <li>Develop business continuity plans and risk management plans for swift recovery</li> <li>Maintain a broad product portfolio across the Group</li> </ul>	↗	\$\$

The Board of Directors selected the priority initiative topics for FY2024 relating to Group business management risks and confirmed the initiatives of each operating company.

Priority initiative topics for FY2024:

1) Insufficient or excess procurement or price increases of raw materials

In a business environment where rapid changes in social circumstances, including war and terrorism, and geopolitical risks are emerging abroad, we reviewed risks concerning major imported raw materials (particularly those highly dependent on supply from abroad) and countermeasures, with a focus on the procurement of cocoa beans whose price continues to surge. To improve the sustainability of cocoa bean production, the Group visits the production sites and collaborates with various partners, working on technical support for the improvement of the quality of cocoa beans, improvement of farmers' lives, regional environmental conservation and recovery, and other societal issues through Meiji's original cacao farmer support initiative called Meiji Cacao Support. Additionally, the Group mitigates procurement risks by acquiring the necessary amount of cocoa beans by procuring cocoa beans produced in regions where farmer support is provided (called "Meiji Sustainable Cocoa Beans").

2) Responding to the discovery of innovative treatment methods, manufacturing methods, and formulation methods

Influenza vaccination is declining; for the relevant vaccines, we reviewed the impact of new drug modalities and the entry of foreign-made vaccines on our Group's modalities and drugs, countermeasures, and policies.

The Group responds to the diversified needs of the vaccine market by monitoring the progress of development of each modality while working on maximizing the value of currently used vaccines.

#### 4. Management analysis of financial position, operating results, and cash flows

Matters regarding the future in the following text are based on judgments made as of the end of the current fiscal year.

##### (1) Business results

###### 1) Status of business as a whole

(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share (Yen)
Current fiscal year	1,154,074	84,702	82,013	50,800	186.08
Previous fiscal year	1,105,494	84,322	76,020	50,675	181.64
YoY change (%)	104.4%	100.5%	107.9%	100.2%	-

In the fiscal year ended March 2025, while domestic employment and income conditions showed signs of improvement, a clear polarization in consumer spending emerged, driven by a heightened sense of household budget protection amid rising prices. Raw materials markets, including cocoa, remained unstable, and sluggish personal consumption in China continued. Under these circumstances, the Meiji Group launched the 2026 Medium-Term Business Plan in April 2024. In the 2026 Medium-Term Business Plan, we will advance Meiji ROESG management and seek to achieve sustainable growth through the principle of trade-on, realizing economic value and social value at the same time.

In the Food Segment, while efforts were made to offset the impact of rising raw material costs by implementing price adjustments, we focused on strengthening value-added offering and promoted the growth and expansion of B to B business. In addition, toward solving social issues, we adopted the concept of sustainability in product development and sales strategy. Overseas, we strengthened the deployment of Meiji brand products in the U.S., and worked to improve profitability through implementation of the revival plan in China.

In the Pharmaceutical Segment, we worked to ensure stable supply of antibacterial drugs and vaccines while also advancing the establishment of a drug substance production system for antibacterial drugs in Japan, which presents economic and security challenges. Steady progress was made in the development of global products, including the novel  $\beta$ -lactamase inhibitor OP0595 (nacubactam). Furthermore, we undertook efforts to address structural issues related to the supply instability of generic drugs in the industry, such as the consortium concept.

These factors resulted in net sales of JPY 1,154.074 billion (up 4.4%, year on year), operating profit of JPY 84.702 billion (up 0.5%, year on year), and ordinary profit of JPY 82.013 billion (up 7.9%, year on year) during FYE March 2025. Profit attributable to owners of parent was JPY 50.8 billion (up 0.2%, year on year). ROE was 6.8%, and earnings per share was JPY 186.08.

###### 2) Status of segments

(Millions of yen)

	Reportable segments						Total		
	Food			Pharmaceuticals					
	Previous fiscal year	Current fiscal year	Change	Previous fiscal year	Current fiscal year	Change	Previous fiscal year	Current fiscal year	Change
Net sales	900,127	925,554	25,426	206,109	229,650	23,541	1,106,237	1,155,205	48,968
Profit by segment	64,315	64,629	313	22,717	24,749	2,032	87,032	89,378	2,345

(Note) Amounts of net sales and profit by segment are those before inter-segment elimination.

Details of business results by segment are as follows:

## I. Food

This segment includes manufacturing, sale, transportation, etc. in the dairy business (functional (probiotics) yogurt, yogurt, raw milk, overseas), cocoa business (chocolate, gummy, overseas), nutrition business (infant formula, sports nutrition, high nutrient foods, overseas), food solutions business (B to B, cheese, frozen dessert, overseas), and other business (dairy ingredients, domestic subsidiaries).

Net sales increased year on year. Net sales in the cocoa business significantly increased year on year while net sales in the nutrition business and food solutions business saw a moderate increase from the previous fiscal year. Net sales of dairy business decreased year on year.

Segment profit was largely unchanged from the previous fiscal year. The profit from the dairy business significantly increased year on year while the profit from the cocoa business saw a moderate increase from the previous fiscal year. At the same time, profits from the nutrition business and food solutions business dropped significantly year on year.

Below is an overview of each of the Food Segment's businesses.

### ■ Dairy business (Functional yogurt, yogurt, drinking milk, overseas)

Net sales decreased year on year. In Japan, sales was largely unchanged year on year. Although sales of functional yogurt and yogurt performed well from the third quarter onward, sales were impacted by the discontinuation of certain products. Overseas, sales from the drinking milk and yogurt business for the consumer market in China decreased as we restructured our client base in accordance with the profitability improvement plan.

Operating profit increased significantly year on year. Profits increased in Japan. In addition to price increases that offset an increase in raw material costs, we reevaluated our production structure to reduce indirect manufacturing costs. Overseas, the scope of losses decreased thanks to the execution of our profitability improvement plan for the drinking milk and yogurt business for the consumer market in China.

### ■ Chocolate business (Chocolate, gummy, overseas)

Net sales increased significantly year on year. In Japan, sales of chocolate increased thanks to price increases and favorable sales of mainstay brands such as *Chocolate Kouka*. Sales of gummy products decreased. Although sales of our mainstay *Kaju Gummy* were favorable, sales were impacted by the discontinuation of certain products. Overseas, the China business recorded favorable sales for *Almond Chocolate* and the U.S. business performed well due to sales growth of chocolate snacks.

Operating profit increased year on year. Profit increased in Japan thanks to price increases and product amount changes covering increases in raw material costs. Overseas, profit decreased on increased costs due to product capacity expansion for the China and the U.S. businesses.

### ■ Nutrition business (Infant formula, sports nutrition, rich in nutrition foods, overseas)

Net sales increased year on year. In Japan, sales was largely unchanged year on year. Sales of the sports protein *SAVAS* increased, but sales of infant formula declined due to a decrease in inbound demand. Overseas, sales of infant formula in Vietnam increased significantly.

Operating profit decreased significantly year on year. In Japan, profit decreased significantly due to increased advertising and indirect manufacturing costs. Overseas, upfront investment expenses for business expansion increased.

### ■ Food solutions business (B2B, cheese, frozen dessert, overseas)

Net sales increased year on year. In Japan, sales of B2B products were favorable thanks to increased transactions driven by efforts to strengthen proposals. Among frozen desserts, our mainstay *Meiji Essel Super Cup* trended favorably. Overseas, sales decreased year on year. In China, sales of the B2B business was strong, but the frozen dessert business decreased significantly due to the impact of unseasonable weather during the peak demand season.

Operating profit significantly decreased year on year. Performance was impacted by increased costs related to the operations at new plants for B2B drinking milk and cream business, and frozen dessert business in China, as well as decreased net sales from the frozen dessert business in China. On the other hand, in Japan, profit increased significantly due to price increases covering increases in raw material costs, and the effect of increased sales volume.

■ Other business (dairy ingredients, domestic subsidiaries)

Net sales decreased year on year. Sales of butter and other dairy ingredients decreased and sales of contract manufacturing products declined. Among subsidiaries, while sales mainly from our sugar trading company were favorable, sales decreased in the feed business.

Operating profit significantly decreased year on year due to lower sales of contract manufacturing products

II. Pharmaceuticals

This segment includes: domestic pharmaceuticals business (infectious disease, immune system, central nervous system, generic drugs); overseas pharmaceuticals business (direct sales, CMO/CDMO, global products); and vaccines and veterinary drugs business (vaccines, veterinary drugs, newborn mass screening).

Net sales increased year on year. Sales were well above the results in the previous year in all of the domestic pharmaceuticals business, overseas pharmaceuticals business, and vaccines and veterinary drugs business.

Segment profit increased year on year. Operating profit of the domestic pharmaceuticals business significantly increased year on year. Operating profit of the overseas pharmaceuticals business significantly decreased year on year, whereas the vaccines and veterinary drugs business posted an operating loss.

Below is an overview of each of the Pharmaceutical Segment's businesses.

■ Domestic pharmaceuticals business (Infectious disease, immune system, central nervous system, generic drugs)

Net sales increased significantly year on year. Sales of the antibacterial drugs *SULBACILLIN* and *MEIACT* and sales of the blood plasma products increased. The selective ROCK2 inhibitor *REZUROCK Tablets* released in May 2024 also contributed to increased sales.

Operating profit increased significantly year on year. In addition to increased sales of mainstay products, a generic drug sales subsidiary and other subsidiaries contributed to the increase in profit.

■ Overseas pharmaceuticals business (Direct sales, CMO/CDMO, global products)

Net sales increased significantly year on year. The positive effects of foreign exchange contributed, and sales of our subsidiaries in India and Thailand were favorable.

Operating profit decreased significantly year on year. Although profits increased for subsidiaries in India and Thailand, performance was impacted by increased R&D expenses for the development of global products.

■ Vaccines and veterinary drugs business (Vaccines, veterinary drugs, newborn screening)

Net sales significantly increased year on year. Influenza vaccine shipment volume increased significantly year on year.

Operating profit turned into operating loss mainly due to the impact of valuation losses on *KOSTAIVE*, a next-generation mRNA vaccine (self-amplifying) for COVID-19.

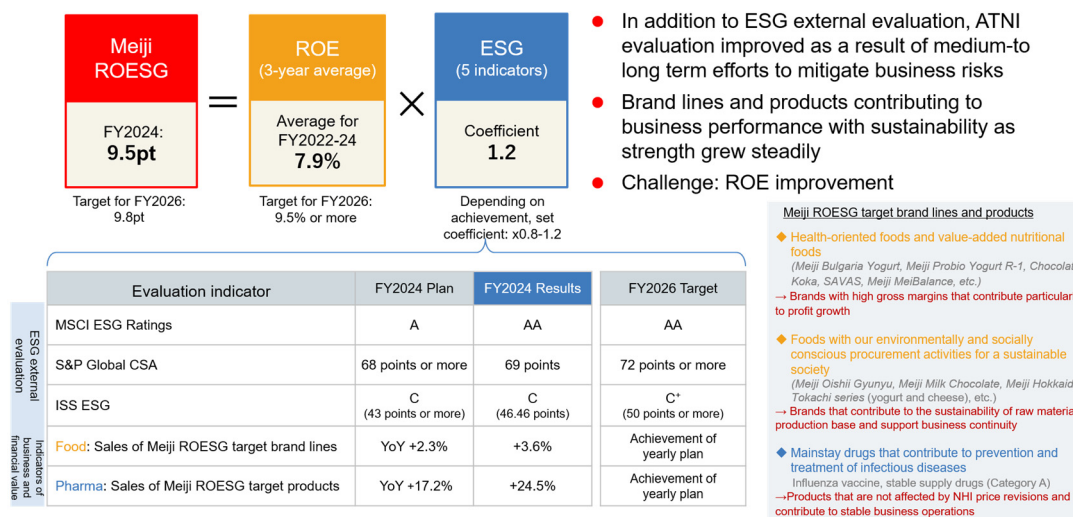
3) Progress of the 2026 Medium-Term Business Plan (the fiscal year ended March 31, 2025 to the fiscal year ending March 31, 2027)

The 2026 Medium-Term Business Plan continues to set Meiji ROESG as the top management goal, as in the previous medium-term business plan. Meiji ROESG consists of two elements: ROE, which indicates earning power, and the degree of achievement of ESG targets. To improve ROE, we are working to improve capital efficiency by utilizing ROIC. In addition to external evaluation agencies' indicators, we have established an indicator that symbolizes the integration of sustainability and business, "sales of Meiji ROESG target brands (products)," as a measure of ESG progress.

The results for the current fiscal year in relation to the target indicators of the 2026 Medium-Term Business Plan are as follows.

	Indicators	Results for FY2024 (Year ended March 31, 2025)	FY2026 Target (Year ending March 31, 2027)
Integrated goal	Meiji ROESG	9.5 points	9.8 points
Growth and Profitability	Consolidated operating profit	JPY 84.7 billion	JPY 116.5 billion
	• Food Segment	JPY 64.6 billion	JPY 83.0 billion
	• Pharmaceutical Segment	JPY 24.7 billion	JPY 40.0 billion
	Consolidated profit attributable to owners of parent	JPY 50.8 billion	JPY 76.5 billion
	Overseas net sales	JPY 152.0 billion	JPY 252.5 billion
Efficiency and Safety	ROIC	6.8%	8.5% or more
Return to shareholders	ROE	6.8%	9.5% or more
	Total return ratio	112.8%	50% or more

Details of the achievement status of Meiji ROESG are as follows.



Summary of the fiscal year ended March 31, 2025 is as follows:

- Net sales increased in both the Food and Pharmaceutical Segments. Overall, results were in line with projections.
- Operating profit remained at the same level as the previous year. Results of the Food Segment were below projections due to poor performance of the nutrition business. Those of the Pharmaceutical Segment were more or less in line with projections.
- Profit was on par with the preceding year. The main factor behind the deviation from projections is the difference between the estimated tax expenses and the actual amount.

#### 4) FY2025 forecast

In the fiscal year ending March 31, 2026, there are concerns about the impact of soaring raw material prices and energy costs as well as exchange rate fluctuations on the global economy and domestic consumption trends. However, the Group will steadily implement each strategy to achieve the targets of the 2026 Medium-Term Business Plan.

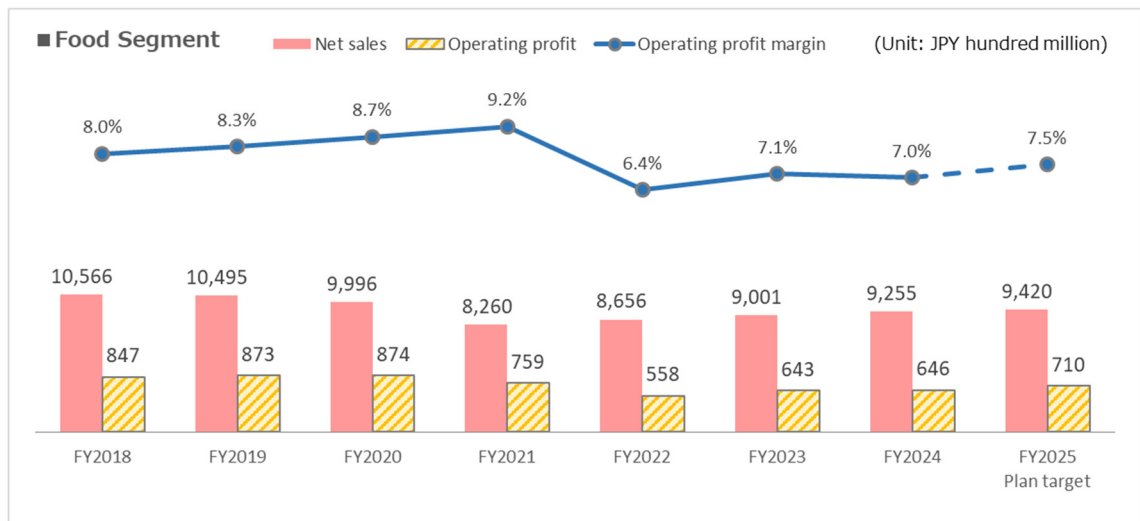
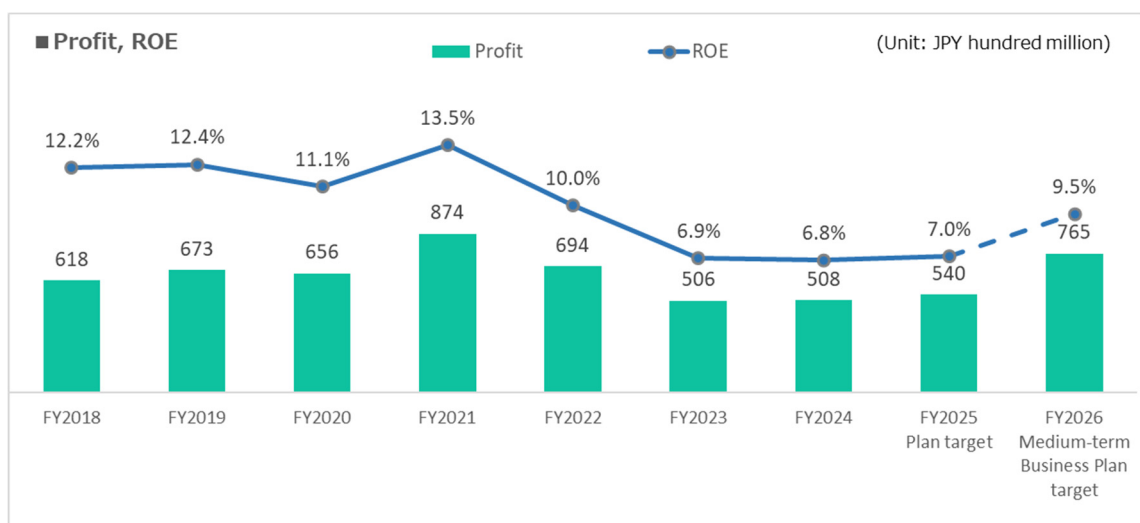
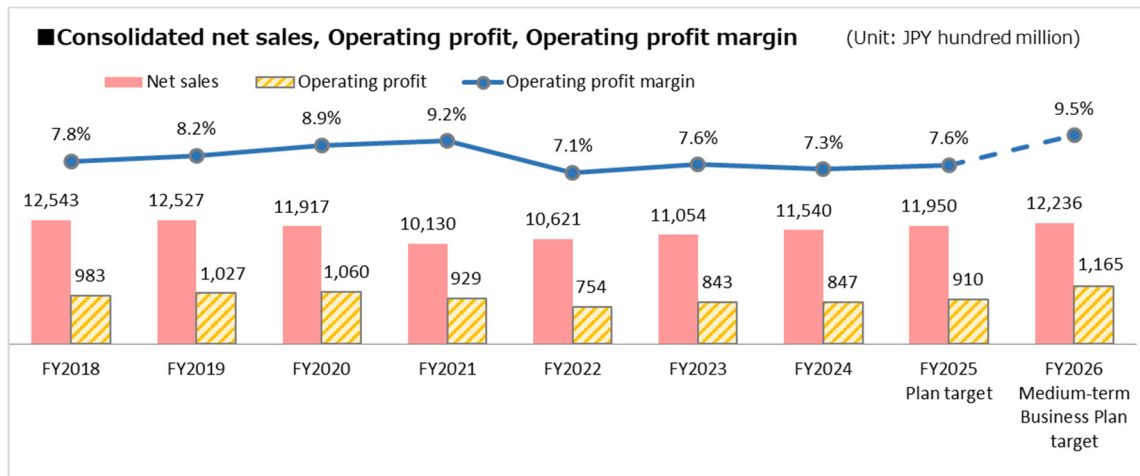
At present, the direct impact of U.S. tariff measures on the Group's individual businesses is expected to be minimal. However, we will continue to closely monitor fluctuations in raw material prices and exchange rates triggered by the tariff measures, as well as procurement risks arising from changes in the supply-demand balance, and will take appropriate action as necessary in response to changing conditions.

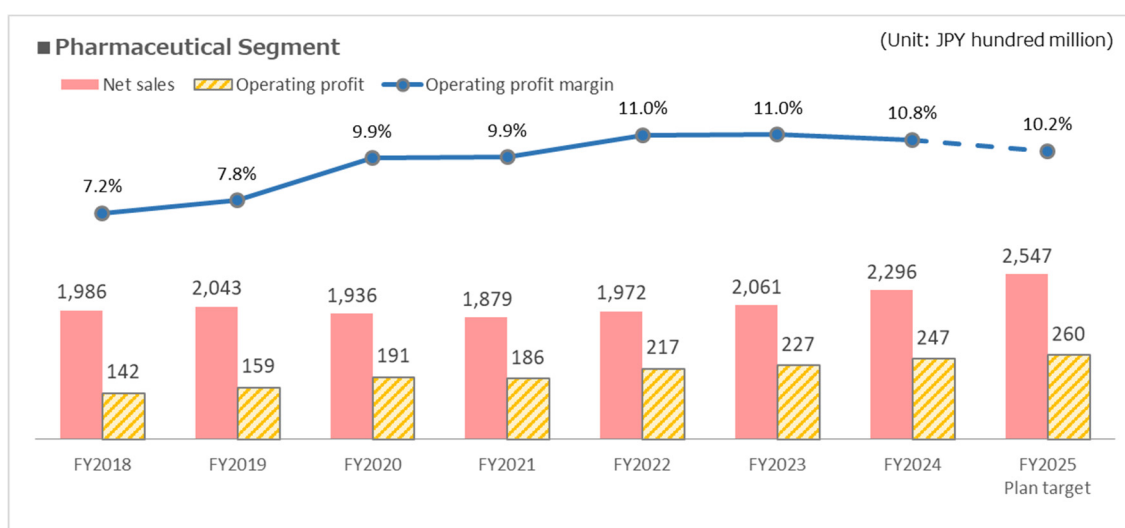
In the Food Segment, in Japan, we will continue with speedy measures to address cost increases attributable to the soaring cost of raw materials. In addition to continuing efforts to solidify the position of existing high-added-value products on the market, we will aim to create a new market by launching new products such as functional yogurt and chocolate. For the nutrition business, we will work to restore competitiveness by strengthening our product lineup. For the food solutions business, we will accelerate growth by strengthening proposals for B2B products incorporating proprietary technology to meet the needs of our business partners. Overseas, we will continue to focus on structural reforms in line with the profitability improvement plan of the China business. In the U.S., we will increase production capacity and expand sales channels, especially for chocolate snacks. In Asia, we will accelerate the expansion of chocolate and infant formula businesses.

In the Pharmaceutical Segment, in Japan, we will work to ensure the stable provision of injectable antibacterial drugs, for which there continues to be high demand. We will focus on maximizing the value of the selective ROCK2 inhibitor *REZUROCK Tablets* released in May 2024. We will also work to promote a drug for insomnia. In the vaccine business, as a top manufacturer of influenza vaccines, we will focus on enlightenment activities aimed at increasing vaccination rates. Overseas, we will work to further growth of the CMO/CDMO business.



5) Key financial data





(Note) Starting from the beginning of FYE March 2022 (FY2021), the Accounting Standard for Revenue Recognition and related implementation guidance have been applied, and accordingly, the above indicators for FY2021 and later are after application of the accounting standard and related implementation guidance.

## (2) Production, Orders, and Sales Results

### 1) Production Results

The below shows the production results for the current fiscal year by segment.

Segment	Amount (Millions of yen)	Year-on-Year (%)
Food	1,275,312	-
Pharmaceuticals	178,327	-
Reportable Segments - Total	1,453,640	-
Total	1,453,640	-

- (Notes)
1. Transactions between segments are not included.
  2. Year-on-year comparisons are not shown, because during the current fiscal year some consolidated subsidiaries had a 15-month irregular accounting period due to a change in their fiscal year-end.

### 2) Orders Results

The Group performs production after planning based primarily on sales plans.

Some of products are manufactured upon receipt of orders; however, the order amounts and balances are not significant.

### 3) Sales Results

The sales results by segment for the current fiscal year are as follows.

Segment	Amount (Millions of yen)	Year-on-Year (%)
Food	924,444	102.8
Pharmaceuticals	229,630	111.4
Reportable Segments - Total	1,154,074	104.4
Total	1,154,074	104.4

- (Notes)
1. There are no counterparties whose percentage of sales to total sales is 10% or more.
  2. Transactions between segments are not included.

### (3) Analysis of Financial Status

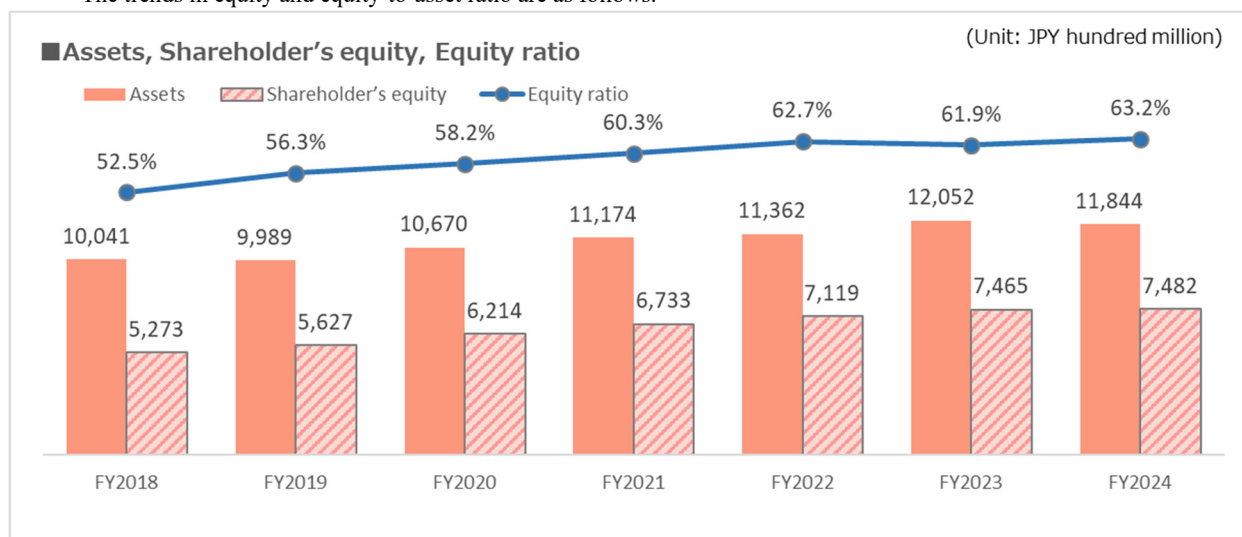
In assets, cash and deposits decreased by JPY 28,666 million from the end of the previous fiscal year to JPY 78,191 million. We maintained liquidity reserves of JPY 98,191 million together with a commitment line amount of JPY 20,000 million and secured the target level of on-hand liquidity (about one month of consolidated net sales) for the 2026 Medium-Term Business Plan. Notes and accounts receivable-trade decreased by JPY 12,706 million from the end of the previous fiscal year to JPY 189,533 million. This was primarily due to the fact that the end of the previous fiscal year fell on a holiday for financial institutions. Merchandise and finished goods increased by JPY 8,685 million from the end of the previous fiscal year to JPY 127,621 million. This was largely due to soaring raw material prices and an increase in inventories of new products. Property, plant, and equipment increased by JPY 3,394 million from the end of the previous fiscal year to JPY 483,901 million. This was mainly due to capital expenditures in pharmaceutical plants. Investment securities decreased by JPY 9,581 million from the end of the previous fiscal year to JPY 78,354 million. This was primarily due to a decrease resulting from the sale of strategic shareholdings and the recognition of share of loss of entities accounted for using equity method in AustAsia Group Ltd. As a result, total assets as of the end of the current fiscal year were JPY 1,184,472 million, a decrease of JPY 20,816 million from the end of the previous fiscal year.

In liabilities, notes and accounts payable-trade decreased by JPY 24,502 million from the end of the previous fiscal year to JPY 102,846 million. This was primarily due to the fact that the end of the previous fiscal year fell on a holiday for financial institutions. Accrued expenses increased by JPY 11,407 million from the end of the previous fiscal year to JPY 48,785 million. Interest-bearing debt (bonds payable and borrowings) decreased by JPY 2,126 million from the end of the previous fiscal year to JPY 47,800 million, mainly due to a scheduled payment for long-term borrowings. As a result, total liabilities as of the current fiscal year were JPY 392,688 million, a decrease of JPY 24,805 million from the end of the previous fiscal year.

In net assets, shareholders' equity decreased by JPY 6,321 million from the end of the previous fiscal year due to a decrease of JPY 33,702 million in capital surplus resulting from the cancellation of treasury shares, despite an increase of JPY 23,100 million in retained earnings. Total net assets increased by JPY 3,989 million from the end of the previous fiscal year to JPY 791,783 million, mainly due to a JPY 5,461 million decrease in valuation difference on available-for-sale securities resulting from the sale of strategic shareholdings, a JPY 5,234 million increase in foreign currency translation adjustments, and a JPY 8,401 million increase in remeasurements of defined benefit plans.

As a result, the current ratio increased by 1.4 points to 176.1%, the D/E ratio decreased by 0.003 points to 0.06 times, and the equity ratio increased by 1.2 points to 63.2% from the end of the previous fiscal year. Capital liquidity and financial stability are being maintained. Note that net assets per share increased by JPY 87.60 from the end of the previous fiscal year to JPY 2,762.33.

The trends in equity and equity-to-asset ratio are as follows.



#### (4) Capital Resources and Liquidity of Funds

##### 1) Capital Management Policy

We will pursue sustainable growth by aggressively applying capital gained through business activities towards future growth investments and research and development. In addition, to promote overall Group capital efficiency, our approach to growth investments is to maintain financial discipline and reduce other non-business-related assets such as strategic shareholdings.

We recognize that shareholder returns are important issues in management. We aim to continuously increase the dividend per share each fiscal year, targeting a total payout ratio of 50% or higher.

##### 2) Financing Policy

Our basic policy on capital procurement is to use debt to procure capital, taking into consideration capital demand and the interest environment, while giving first priority to reducing the cost of capital, among a diverse range of procurement methods. To address credit risks associated with increased debt, we set a maximum D/E ratio of 0.5 times in principle and strive to maintain a high credit rating that is not impacted by conditions in financing markets. Note that we had a credit rating of AA- (Stable) from Japan Credit Rating Agency, Ltd. as of the date of this report.

We maintain good relationships with major financial institutions. In addition, we recognize that we have no issues in procuring investment capital and working capital necessary from financial institutions for the Group's business expansion and operation due to our strong financial position. We have commitment lines for a total of JPY 20,000 million with financial institutions in Japan, and we secure liquidity in case of emergencies by setting a target level for on-hand liquidity, which is the sum of the cash and deposits balance during the period and the amount of commitment lines, at about one month of consolidated net sales.

In addition, we have introduced a group financing system for Group companies in order to stabilize capital procurement and reduce financing costs.

As means of financing necessary for activities to achieve The Meiji Group Sustainability 2026 Vision, we created a Sustainability Finance Framework based on the Green Bond Principles and the Social Bond Principles established by the International Capital Market Association, and we procured funds by issuing 10th Unsecured Straight Bond (Sustainability Bond, five years, JPY 10,000 million) in April 2021. We will continue to aggressively use sustainability financing based on this framework and make further contributions to addressing social issues.

### 3) Cash flows

Categories	Previous Fiscal Year (Millions of yen)	Current Fiscal Year (Millions of yen)	Amount of Change (Millions of yen)
Cash flows from operating activities	107,983	68,979	-39,004
Cash flows from investing activities	-24,604	-40,636	-16,032
Free cash flows	83,378	28,342	-55,036
Cash flows from financing activities	-43,772	-61,671	-17,899
Effect of exchange rate change on cash and cash equivalents	2,286	-496	-2,783
Net increase (decrease) in cash and cash equivalents	41,893	-33,825	-75,718
Cash and cash equivalents at beginning of period	60,939	102,832	41,893
Cash and cash equivalents at end of period	102,832	66,398	-36,434

The trends in the cash flow-related indicators are as follows.

Categories	12th fiscal year	13th fiscal year	14th fiscal year	15th fiscal year	16th fiscal year
Equity-to-asset ratio (%)	58.2	60.3	62.7	61.9	63.2
Equity-to-asset ratio based on market price (%)	96.8	83.3	77.4	78.4	74.3
Debt-to-cash-flow ratio (years)	0.8	0.6	0.8	0.5	0.7
Interest coverage ratio (times)	197.2	246.3	193.6	266.3	179.9

(Note) Calculation method of each indicator

Equity-to-asset ratio: (Net assets – Non-controlling interests)/Assets

Equity-to-asset ratio based on market price: Market capitalization (Year-end share price x Total number of issued shares)/Assets

Debt-to-cash-flow ratio: Interest-bearing debt/Cash flows from operating activities

Interest coverage ratio: Cash flows from operating activities/Interest payment (Interest paid)

\* Market capitalization is calculated based on the total number of issued shares excluding treasury shares.

\* Interest-bearing debt refers to the liabilities recorded on the consolidated balance sheet that are subject to interest payments, excluding lease liabilities.

Net cash provided by operating activities was JPY 68,979 million, a decreased inflow of JPY 39,004 million from the previous fiscal year. This was due to factors such as an increase in inventories, a decrease in trade payables, and an increase in income taxes paid, while trade receivables decreased.

Net cash used in investing activities was JPY 40,636 million, an increase in outflows of JPY 16,032 million from the previous fiscal year. This was due to an increase in expenditures for the purchase of property, plant, and equipment and intangible fixed assets, purchase of investment securities, and payments into time deposits compared to the previous fiscal year.

This led to a decrease in free cash flows (the sum of cash flows from operating activities and cash flows from investing activities) by JPY 55,036 million from the previous fiscal year to JPY 28,342 million.

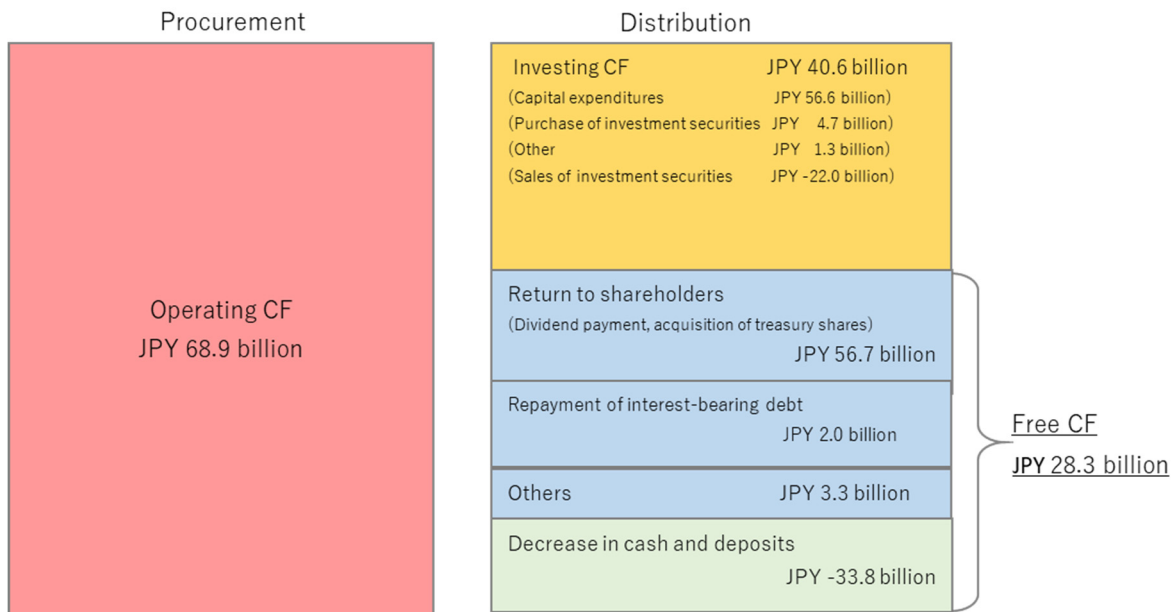
The free cash flows generated are used to pay dividends to return profits to shareholders as well as to repay interest-bearing debt. Dividend payments increased, and we have made efforts to enhance shareholder returns. We will continue to maintain stable and continuous profit returns. Note that dividend payments resulted in JPY 26,754 million in expenditures, an increase of JPY 309 million compared to the end of the previous fiscal year, and the payout ratio was 53.7%.

Net cash used in financing activities was JPY 61,671 million, an increase in outflows of JPY 17,899 million from the previous fiscal year. This is because the purchase of treasury shares exceeded the proceeds from the increase in interest-bearing debt in the current fiscal year.

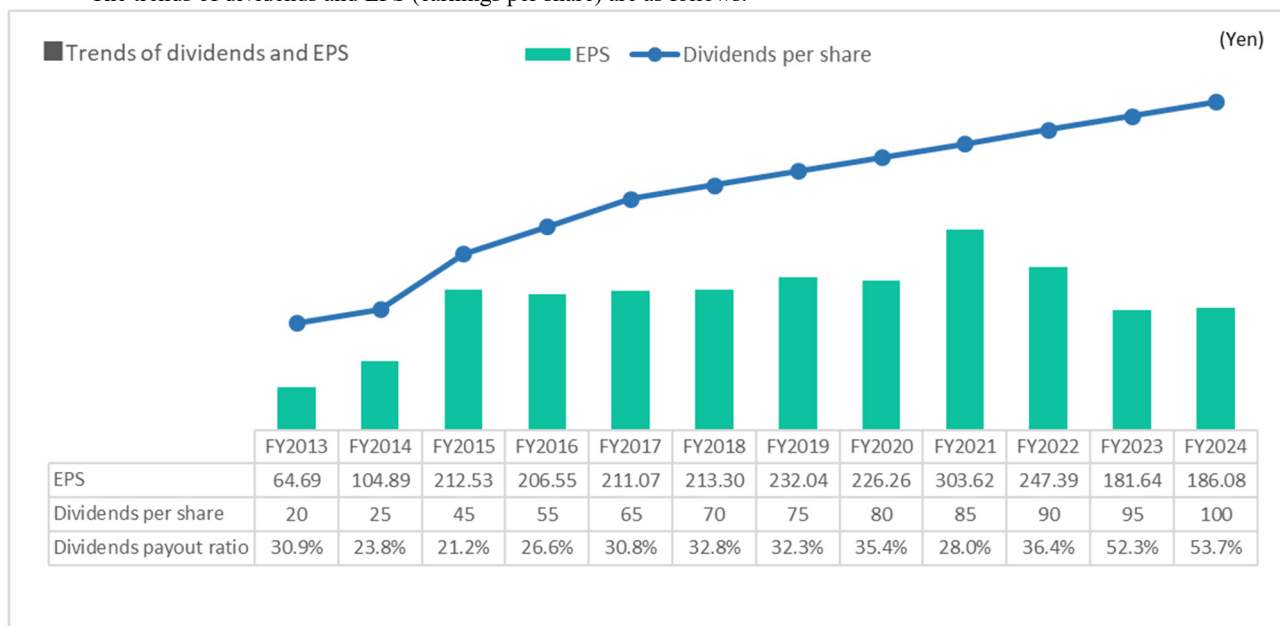
As a result of the foregoing, cash and cash equivalents at the end of the current fiscal year were JPY 66,398 million.

In this current fiscal year, we procured working capital for business activities through borrowings from financial institutions and issuance of commercial paper.

The cash allocation for the current fiscal year is as follows.



The trends of dividends and EPS (earnings per share) are as follows.



(Note) A two-for-one ordinary share split was conducted on October 1, 2015 and on April 1, 2023. Cash dividends per share and earnings per share are calculated by assuming that relevant share split was implemented at the beginning of fiscal year 2013.

#### (5) Significant Accounting Estimates and Assumptions Used for Such Estimates

Among the accounting estimates used for the preparation of consolidated financial statements and assumptions used for such estimates, significant items are described in Part 5 Financial Information 1. Consolidated Financial Statements, etc. (1) Consolidated Financial Statements Notes (Significant accounting estimates).

## 5. Material contracts, etc.

### (1) Technical Assistance Contracts

#### Technology Introduction

Name of Contracting Company	Counterparty	Effective Date of Contract	Expiration Date	Purpose	Implementation Fee
Meiji Co., Ltd.	LB Bulgaricum Republic of Bulgaria	May 2000	Valid until April 2020. Thereafter, automatically extended every five years until April 2040.	Introduce manufacturing technologies for yogurt	Payment of fixed percentage of production
Meiji Seika Pharma Co., Ltd.	Organon & Co.	March 2013	The longer of 10 years after the start of sales or the duration of the license	License contract concerning manufacturing and sales of Asenapine	Payment of a fixed amount in a lump sum

### (2) Business Partnership Contracts

Name of Contracting Company	Counterparty	Effective Date of Contract	Expiration Date	Purpose	Implementation Fee
Meiji Seika Pharma Co., Ltd.	Taiho Pharmaceutical Co., Ltd.	December 2015	From December 17, 2015 until the release date of the Bilastine generic	Co-marketing contract for Bilastine pharmaceutical	Payment of a fixed amount in a lump sum
Meiji Seika Pharma Co., Ltd.	Seqirus Inc. U.S.	January 2024 *	The initial term will be until April 11, 2033 and then automatically extended for five years. Subsequent extension will be decided based on an agreement at least 12 months before the expiration of the contract.	Licensable material is not limited to ARCT-154; it also encompasses future variant specific products, and other multi-strain products, such as bivalent vaccines. Rights for development within Japan have been acquired.	Payment of a fixed amount in a lump sum

\*Some terms of the agreement concluded in April 2023 were amended, and the parties re-entered into an agreement in January 2024.

### (3) Joint Venture Contracts

Name of Contracting Company	Counterparty	Effective Date of Contract	Expiration Date	Joint Venture Description	Contracting Company Investment Amount
Meiji Seika Pharma Co., Ltd.	Tjipto Pusposuharto and others Republic of Indonesia	March 1974	Duration of the Joint Venture	Company Name: P.T. Meiji Indonesian Pharmaceutical Industries Purpose: Manufacturing and sales of antibiotics and various other pharmaceuticals Share Capital: IDR 38,073 million Foundation: May 1974	IDR 35,538 million (93.34% of Share Capital)
Meiji Seika Pharma Co., Ltd.	Nana Chart Traders Consolidation Ltd. and others Kingdom of Thailand	September 1979	Duration of the Joint Venture	Company Name: Thai Meiji Pharmaceutical Co., Ltd. Purpose: Manufacturing and sales of antibiotics and various other pharmaceuticals Share Capital: THB 297 million Foundation: November 1979	THB 281 million (including indirect ownership) (94.61% of Share Capital)

Name of Contracting Company	Counterparty	Effective Date of Contract	Expiration Date	Joint Venture Description	Contracting Company Investment Amount
Meiji Co., Ltd.	Bangkok IN-EX Co., Ltd. Charoen Pokphand Group Co., Ltd. Kingdom of Thailand	January 1989	No provision	Company Name: CP-MEIJ I Co., Ltd. Purpose: Manufacture and sale of drinking milk, yogurt, and others in Thailand Share Capital: THB 500 million Foundation: February 1989	THB 200 million (40% of Share Capital)

(4) Others

Counterparty	Period	Description
Meiji Co., Ltd.	From April 1, 2009	Business management agreement to manage, supervise, and guide management
Meiji Seika Pharma Co., Ltd.	From April 1, 2009	Business management agreement to manage, supervise, and guide management
KM Biologics Co., Ltd.	From April 1, 2019	Business management agreement to manage, supervise, and guide management



## 6. Research and development activities

Total research and development expenses for the current fiscal year were JPY 38,889 million.

New and changed research and development activities during the current fiscal year were as follows.

### (1) Food

The amount of research and development activities in this category for the current fiscal year was JPY 12,913 million.

#### 1) Dairy

##### Functional (probiotics) yogurt

In October 2024, we launched “Meiji Probio Yogurt R-1 Drink The GOLD” under the Meiji Probio Yogurt R-1 brand. It is a high-priced product containing twice as much EPS (exopolysaccharide) produced by R-1 lactobacillus as conventional products, and is a new eating-type product following the two similar drink-type products. In September 2024, we launched “Multivitamin (eating type and drink type)” in the Mitasu Karada series, and in the second half of FY2024, we extended the best-by date of the R-1 series. In March 2025, we launched “Meiji W no Skincare Yogurt,” a food with functional claims, which contains *L. bulgaricus* OLL1247 strain, *S. thermophilus* 3078 strain (SC-2 lactic acid bacteria), collagen peptide, and Sphingomyelin and has two functions: “to help protect skin from ultraviolet rays” and “to help maintain moisture in the skin and alleviate skin dryness.” “Meiji Probio Yogurt PA-3” and “Meiji Anti-Fat Yogurt” were renewed for flavor improvement in October 2024.

##### Yogurt

Under the Meiji Bulgaria brand, we launched in October 2024 “Meiji Bulgaria Yogurt LB81 Plain (Drink Type),” a food for specified health use, which is a smooth liquid version of the brand’s core product “Meiji Bulgaria Yogurt Plain (Eating Type).” Sugar-free and additive-free, the new product can be drunk as is or arranged in a wide variety of ways. In the Deep Blend (70g x 4) fruit yogurt series that aim to explore a new customer base by offering a rich fruit flavor experience, we launched “Meiji Bulgaria Yogurt Deep Blend Mildly Bitter Lemon Mix” and “Meiji Bulgaria Yogurt Deep Blend Mellow Red Grape Mix” in October 2024. In April 2025, the series was improved as the Adult Deep Blend series, with “Meiji Bulgaria Yogurt Adult Deep Blend Lemon Mix” and “Meiji Bulgaria Yogurt Adult Deep Blend White Peach Mix” being offered at a higher price than the standard series. As for the zero-fat personal type of the Plenty & Rich series, which contains twice as much fruit pulp as the conventional products, we launched highly innovative flavors including “Meiji Bulgaria Yogurt Plenty & Rich White Peach & White Peach,” “Meiji Bulgaria Yogurt Plenty & Rich Melon Mix,” “Meiji Bulgaria Yogurt Plenty & Rich Cherry & White Peach,” and “Meiji Bulgaria Yogurt Plenty & Rich Shine Muscat & Apple” with highly innovative flavors. In January 2025, we launched “Meiji Bulgaria Yogurt Rich Mellow Acacia Honey” and “Meiji Bulgaria Yogurt Rich Mellow Strawberry Confiture” as new personal-type products that allow customers to enjoy rich and creamy milk taste. In the drink-type line, we put on the market “Meiji Bulgaria Yogurt Peach & Rose,” “Meiji Bulgaria Yogurt Citrus Fruit Mix,” “Meiji Bulgaria Yogurt Calcium & Iron,” and “Meiji Bulgaria Yogurt Salty Lemon,” each of which is 400 g, during the period from September 2024 to May 2025.

Under the SAVAS MILK PROTEIN Yogurt brand, we introduced eating types of “SAVAS MILK PROTEIN Yogurt Cocoa” and “SAVAS MILK PROTEIN Yogurt Banana” in October 2024, and “SAVAS MILK PROTEIN Yogurt Mango” in April 2025. In the drink-type line, we launched “SAVAS MILK PROTEIN Drink Yogurt Pink Grape Fruit,” “SAVAS MILK PROTEIN Drink Yogurt White Grape,” “SAVAS MILK PROTEIN Drink Yogurt Mixed Berry,” and “SAVAS MILK PROTEIN Drink Yogurt White Grape Fruit” during the period from October 2024 to April 2025. We are promoting product trials and flavor improvements to improve customer retention. As the second product under the Meiji Hokkaido Tokachi brand, we released “Meiji Hokkaido Tokachi Rich Milk Yogurt Melon” in March 2025. In April 2025, we also launched “Lactobacillus Beverage White Lacto” along with two lactic acid beverages as part of the Meiji Milk Healthy Bottle series, which comes in a new 700 ml container and aims to effectively utilize SNF raw materials (nonfat milk powder). In November 2024, we launched two products in collaboration with a Korean fruit vinegar brand, “Bisu Nomu Yogurt Pomegranate” and “Bisu Nomu Yogurt Mango.”

##### Drinking milk

In the Meiji Oishii series, which has the top share in the drinking milk market, we launched “Meiji Oishii Milk Coffee” in October 2024, a dairy beverage developed to make drinking milk tasty and enjoyable by blending more than 50% of the finest raw milk used in “Meiji Oishii Gyunyu.” The gentle taste of fragrant coffee, which enhances the deliciousness of “Meiji Oishii Gyunyu,” combined with the special milk, is perfect for times when you want to unwind or take a breather. The package design was created by the same graphic designer, Taku Satoh, as for “Meiji Oishii Gyunyu,” with an arch-shaped illustration that conveys the Meiji Oishii brand and the sizzling sensation of milk.

Meanwhile, “Meiji Marugoto Oats Oat Milk” was launched in the Kanto area in April 2024 and nationwide in October 2024 to meet customer needs for plant-based foods, which have been attracting attention in recent years from social perspectives such as growing health consciousness, environmental protection, and food crisis issues. In April 2025, we added “Meiji Marugoto Oats Oat Milk Coffee” with a coffee flavor that goes well with oat milk. This series uses whole oats, including the epidermis and

germ, to create a creamy, mild taste, and also contains  $\beta$ -glucan, a soluble fiber contained in whole grain fiber, a dietary fiber derived from whole oats.

For home delivery specialized products, we launched in April 2025 “Meiji Home Delivery Milk” and “Meiji Home Delivery Coffee” in paper containers with caps, which are environmentally friendly. The change from conventional bottle containers to paper containers with caps is expected to reduce CO<sub>2</sub> emissions and water consumption during bottle washing. In addition, the Ajiwai Luxury Manufacturing Method, which focuses on the size of the fat globules, has improved the richness of the flavor while maintaining the same amount of fat content. In addition, we are working to reduce food waste by extending the best-by date by four days compared to products in bottles.

#### Beverages and others

For the Meiji Soreike! Anpanman beverage series, we launched in March 2025 three new products containing nutrients that children tend to lack to support healthy development of children, “Meiji Soreike! Anpanman’s Morning Yoguru-joy Lactobacillus & Oligosaccharide,” “Meiji Soreike! Anpanman’s Morning Fruit & Milk Calcium/Vitamin D,” and “Meiji Soreike! Anpanman’s Morning Mandarin Oranges and Apples Iron/Vitamin C.”

For home delivery specialized products, we launched in March 2025 “Meiji Cholestesari,” a 100 ml bottle of food with functional claims containing 23 mg of a functional ingredient, 3-(4-hydroxy-3-methoxyphenyl) propionic acid (HMPA). HMPA is a component of fermented rice bran, which is fermented with special lactic acid bacteria, purified, and dried. HMPA has been reported to reduce: 1) LDL cholesterol and total cholesterol; 2) elevated blood glucose levels after eating; and 3) abdominal fat (visceral fat) and waist circumference. Through the release of this beverage, we will contribute to the healthy lives of our customers. Under the MICHITAS brand, we released in March 2024 “Meiji MICHITAS Nomu Yogurt,” a protein-enriched yogurt drink (100 ml bottle) for home delivery. We also extended the best-by dates of nine home-delivery products during the period from September to October 2024.

## 2) Cocoa

### Chocolate

Under the brand of Chocolate Kouka, the No. 1 selling brand in the high cacao chocolate market, we launched in October 2024 “Chocolate Kouka Cacao Crunch,” which can be enjoyed by a wide range of customers by reducing bitterness by mixing whole grain cookies, in the eastern Japan area only. In October 2024, we launched as a beauty conscious product, “Cacao Drip,” which is the world’s first product containing ceramide derived from cacao, at cosmetics brand Albion directly-managed specialty stores. In January 2025, we put “Cacao Beauté” chocolates, which also contain cacao derived ceramides, on the general market. In October 2024, we relaunched THE Chocolate brand, which had been designed to appeal to consumers’ tastes, into THE Cacao brand to deliver new cacao attractions other than tablets. In January 2025, we launched “Meiji THE Cacao Kohaku Ganache” as a Valentine’s Day product, taking advantage of our proprietary “ganache” that lasts longer at room temperature, and it was well received. In addition, we launched “Meiji THE Cacao Fruity Cacao & Yuzu” and “Meiji THE Cacao Floral Cacao & Maccha” in October 2024, and “Meiji THE Cacao Floral Cacao & Sakura” in March 2025. These are chocolates with a sense of the four seasons by combining our original high flavor quality cacao and Japanese ingredients.

In global expansion, “Hello Panda Pretzel,” a pretzel version of the Hello Panda brand cookies manufactured and sold overseas, has been manufactured in Japan and was launched in the U.S. in October 2024. We aim to expand new demand in the U.S. market.

### Gummies

Based on the results of sensory evaluation and scientific analysis, the best-by date for all Gummy products has been extended from 10 months to 12 months, effective May 2024.

In addition to the standard Kaju Gummy brand products, we launched “Kaju Gummy Tropical Fruit Mix” in June 2024 and “Kaju Gummy Wakayama Nanko Ume” in December 2024. We will continue to enhance our lineup with seasonal flavors, limited-edition fruit juices, and other special features. In the same brand’s hard texture type Kaju Gummy Elastic Plus, “Kaju Gummy Elastic Plus Muscat” was relaunched in October 2024 with 1.5 times the volume, and “Kaju Gummy Elastic Plus Strawberry” was launched in March 2025. We plan to continue expanding our product lineup so that customers can choose according to their preferences. Meanwhile, the lineup of Kaju Gummy Smart Packs, which are compactly packaged in small portions, was expanded to include muscat flavor from March 2025, in addition to grape flavor. The lineup of hard texture type energy drink gummies Boost Bites was strengthened with the launch of “Boost Bites MEGA Spark” in February 2025. It combines a stimulating spiciness not found in conventional gummies with the hardest elastic texture in the brand. Under the Xylish Gummy brand, we launched in March 2025 “Xylish Gummy Hypercool” with a strong menthol stimulation and pungent taste, aiming for the use for refreshment purposes. In the future, we will continue to study specifications with a view to overseas expansion, as well as expand our product lineup and strengthen our product power to appeal to growing number of gummy users, from the young to the elderly.

#### Cocoa and others

Utilizing the KARL brand, which is sold only in western Japan, we launched in September 2024 “Cheese Aji Kakarl Almond” and “Usujai Kakarl Almond,” products with KARL flavor added to nuts, in western Japan. These were well received as a travel gift.

In cacao bean research, we have been working with Japan International Cooperation Agency (JICA) since 2019 on the Promotion, Demonstration, and Business Development Project for Establishing a Value Chain for High-Quality Cacao Beans in Madagascar, and have achieved results that lead to improved quality of cacao beans and securing of sales channels. We will consider utilizing Madagascar cacao beans in the future.

### 3) Nutrition business

#### Infant and women nutrition

“Meiji Hohoemi/Meiji Step 800g” and “Meiji Hohoemi/Meiji Step 2-Can Pack” have been renewed in environmentally friendly shapes and packaging materials, including a change in can size and a thinner cap, while maintaining the same volume. Similar container changes were made for products sold in Vietnam and Taiwan. As part of our efforts to reduce food waste, we extended the best-by date of “Meiji Hohoemi Raku Raku Milk” (120 ml) by 3 months and that of 10 infant formula products, including “Meiji Hohoemi,” by 6 months.

In the large-scale breastfeeding study (cohort study) that has been underway since January 2023, more than 1,100 pairs of mothers and children were included in the study as planned by December 2024. We will continue to conduct breast milk analysis and the study until the child reaches the age of five to identify factors related to the growth and development of the child. In a joint research with Juntendo University, the University of Tokyo, and Toho University, we discovered the possibility of avoiding increased fecal excretion of fat by making the structure of triglycerides, the main lipid in infant formula, similar to that of breast milk. The findings were published in the international academic journal, *Nutrients*. In a joint research with Osaka University and Tohoku University, we developed a method to measure eight types of human milk oligosaccharide concentrations in breast milk and evaluated the relationship between these concentrations and head circumference growth and neuropsychiatric development index of the child for the first time in Japan, which was published in the international academic journal, *Journal of Food Science*.

#### Sports nutrition

As for the SAVAS powdered protein, the SAVAS Advanced Whey Protein 100 series, which contains acid whey protein, was renewed as the Muscle Elite series to increase sales by clarifying the differentiation of the products. In addition, in March 2025, we launched “SAVAS Pro Muscle Elite Chocolate Flavor,” a premium product containing the protein ingredient “β-Lactoglobulin + Acid Whey Protein” with an even higher leucine content, which is effective in promoting muscle synthesis. We have strengthened the Muscle Elite product line and sought to enhance the power of the SAVAS brand by increasing its differentiation from competing products. We have promoted the acquisition of heavy users with high exercise intensity, with the new addition of HMB-calcium, which promotes muscle synthesis and weight loss, to “SAVAS Pro Weight Down” in September 2024. More and more women are taking protein in recent years. In October 2024, we launched “SAVAS Whey Protein 100 Blueberry Yogurt Flavor,” which contains 10 vitamins, calcium, iron, magnesium, and dietary fiber, mainly targeting women, to attract new female users. In the SAVAS beverage type, we launched in September 2024 “(SAVAS) MILK PROTEIN Fat 0 Cocoa Flavor,” which contains 30 g of milk protein per bottle, in response to customer demand for both increased protein content and good taste. We have utilized our many years of protein research and knowledge of dairy beverage production to achieve both high protein and a refreshing good taste that is easy to drink after workout. In recent years, the number of people training for body building has been increasing, and we have expanded our soy protein products for those who aim to have a shapely figure. First, in April 2024, we launched “(SAVAS) SOY PROTEIN Soy Latte Flavor,” which contains 15 g of soy protein in one bottle and has a flavor that is delicious and easy to continue drinking. Furthermore, we launched in March 2025 “SAVAS Shape&Beauty Milk Tea Flavor” as a convenient beverage version of SAVAS Shape&Beauty, which has been well-received as a powdered protein product. In addition to soy protein, this product contains collagen, which is also good for beauty, and supports the development of a healthy and beautiful body.

#### High nutrition food

In March 2025, “Meiji Mei Balance Mini Cup Corn Soup Flavor” and “Meiji Mei Balance Mini Cup Onion Soup Flavor” were launched nationwide from Meiji Mei Balance, a nutritional food brand that provides all the important nutrients for your body, celebrating its 30th anniversary. The new “Soup Taste Series” is designed to provide high energy in small amount (200 kcal per 125 ml bottle) and to provide the body with six important nutrients (protein, fat, carbohydrates, dietary fiber, vitamins, and minerals) in a single serving, and is available in two enriching soup-type flavors. By proposing the use of the product as a “meal item,” we will expand the range of its use. We have also received approval from the Consumer Affairs Agency to label the product as a “food for special dietary uses (comprehensive nutrition food product).” Through this product, we will contribute to the healthy lives of our customers by expanding nutritional supplement options for the many people who are concerned about

their diet and nutritional status. The Meiji Mei Balance Gyutto Mini series of nutritional supplements for hospitals launched in 2021 is the industry's smallest 100 ml version of the "Meiji Mei Balance Mini." Providing nutrition and 200 kcal of energy in a convenient and easy way, it has been well-received as supplementary nutrition for those who cannot consume regular meals sufficiently or have a reduced appetite for various reasons, steadily increasing in sales. In the current fiscal year, we launched "Meiji Mei Balance Gyutto Mini Plus," Meiji's original nutritional food produced by adding fermented milk to "Meiji Mei Balance Gyutto Mini." It is a dairy lactic acid bacteria beverage (pasteurized) containing lactic acid bacteria bodies (dead bacteria), utilizing the fermented milk (yogurt) development technology cultivated by Meiji. Fermentation by lactic acid bacteria provides a delicious and rich flavor. Renewed in September 2023, "Mei Balance Soft Jelly" is a smooth textured high nutrition jelly in a pouch container with a spout that is easy to push and suck. Coming in a 125 ml pouch, the product easily supplies six major nutrients and 200 kcal of energy and is selling well. Under such circumstances, we launched the Mei Balance Gyutto Soft Jelly series in March 2025, which is designed to provide 200 kcal of energy in 100 ml, as a lineup that meets the needs for proper nutrition in small amounts. The Meiji Inslow series of high-functional liquid diets, designed based on basic research and clinical research to achieve nutritional management for people with special needs, has maintained a unique "LoGIC (Low Glycemic Index Concept)" sugar composition that takes into consideration blood glucose levels after administration of liquid diets, but has been renewed with a prebiotic blend of highly functional dietary fiber guar gum degradation products and isomaltodextrin to help control bowel movements and elevated blood glucose levels.

Sales of the Sokko Genki series, which offers instant energy as its value, have been growing since 2021 supported by the increasing need for fatigue-relieving products. Among others, the sales composition ratio of premium products has been rising year by year. Accordingly, with the aim of strengthening our lineup of premium products, we began marketing "Sokko Genki Jelly Citric Acid +" in March 2025, which contains 3,000 mg of citric acid and 1,000 mg of vitamin C, both of which are considered to facilitate recovery from fatigue. In April 2024, we also launched "Sokko Genki Jelly Amino Acid & Royal Jelly" in Taiwan, challenging to penetrate the brand in the local market.

#### 4) Food solutions

##### B to B: cream, dairy product, cocoa, etc.

"Lumiege," a vegetable oil and fat cream that can be whipped despite its ultra-low fat content, was launched in April 2024 for business use. We also launched "Meiji Hokkaido Whip" for export to Taiwan in October 2024. Targeting the Chinese market, "35% Cream" made by Meiji Dairies (Tianjin) Co., Ltd. was launched in September 2024, and "Meiji Fresh Cream" made by Meiji Dairies (Suzhou) Co., Ltd. was launched in November 2024. In the area of sauce for commercial use, as sauces for cafes, we launched "Caramel Sauce" in May 2025, "Canoule Flavor Caramel Sauce" in September 2024, and "Sakura Strawberry Sauce" in February 2025. In the area of cheese for commercial use, phosphate-free "Meiji Torokeru Yawaraka Stick Cheese" was launched in December 2024 in response to growing health consciousness. In February 2025, we launched "Meiji Hokkaido Tokachi Camembert for Business Use (Frozen)," which is easy to cut and process for use in sandwiches and other applications.

##### Cheese

In collaboration with Savancia Fromage & Dairy, "Meiji Saint-Moret Cream Cheese Dessert Strawberry Flavor," "Meiji Saint-Moret Cream Cheese Dessert Vanilla Flavor," and "Meiji Saint-Moret Cream Cheese Dessert Caramel Flavor" made from authentic French cream cheese were launched nationwide in October 2024. In addition, "Meiji Vegeful Sliced Pumpkin Blend" and "Meiji Vegeful Sliced Tomato Blend" were launched in March 2024 to address issues such as vegetable deficiency and nutritional balance concerns. Furthermore, under the Meiji Hokkaido Tokachi brand, "Meiji Hokkaido Tokachi Nama Mozzarella Basil Jitate," a raw mozzarella cheese with the fresh aroma and rich taste of basil from the Meiji Hokkaido Tokachi Nama Mozzarella series, was launched nationwide in March 2025. This product is a mozzarella cheese with a basil flavor. Caprese with the aroma and color of basil can be easily made without the need to prepare basil or basil sauce. Since it can be cut into desired sizes, it can be enjoyed in salads, meat dishes, sandwiches, etc. The best-by date of "Meiji Hokkaido Tokachi Nama Mozzarella" has been extended to 42 days, effective from February 2025.

##### Frozen dessert

As for frozen desserts, we renewed the core products of the MEIJI ESSEL SUPERCUP brand, "MEIJI ESSEL SUPERCUP Super Vanilla," "MEIJI ESSEL SUPERCUP Maccha," and "MEIJI ESSEL SUPERCUP Choco Cookie" to celebrate their 30th anniversary in 2024. In September 2024, we launched "MEIJI ESSEL SUPERCUP Zunda Flavor," the result of a new flavor development project with our customers. We will continue to be close to our customers and meet their expectations. In addition, under the Meiji Bulgaria Frozen Yogurt Dessert brand, we launched "Meiji Bulgaria Frozen Yogurt Dessert Strawberry" in March 2024 and "Meiji Bulgaria Frozen Yogurt Dessert Pulp-Covered White Peach" in December 2024. We will continue to aggressively develop new products to expand our lineup of health-promoting ice cream by taking advantage of the smooth and rich ice cream mixed with our original yogurt specially designed for ice cream. In September 2024, we also launched a new brand "Meiji Tokachi Cheese Ice Cream," which contains a generous amount of our Gouda cheese and has a rich cheesecake

flavor. We will continue to develop products utilizing our superior raw materials. In April 2024, we began nationwide sales of “Meiji Dear Milk,” which was launched in March 2023 and uses only dairy products as ingredients. We will nurture the product as a new premium ice cream. Overseas, a new ice cream production line started operation in March 2024 at Meiji Seika Food Industry (Shanghai) Co., Ltd. We will sequentially roll out products that meet local needs.

#### Dairy fat

In the area of dairy fat, we relaunched in September 2024 “Meiji Corn Soft” and “Meiji Corn Soft with Butter,” which contain dairy ingredients to offer a new taste. In March 2025, we also launched “Meiji Tube De Creamy Spread” to offer delicious taste of fresh cream in an easy manner.

#### Ready meal

In the ready meal business, to mark the 30th anniversary of the launch of “Ginza Curry,” we aggressively rolled out new and renewed products.

As new frozen food products, “Ginza Western-style Food Omelet Rice 2 Packs” and “Ginza Western-style Food Beef Stroganoff” were launched in late August 2024, proposing Western-style cuisine other than curry. In addition, in late September 2024, we renewed “Ginza Curry Rice Gratin 2 Packs,” “Ginza Curry Hayashi Rice Gratin,” and “Ginza Curry Butter Chicken Curry Rice Gratin” to strengthen the product lineup. Furthermore, “Meiji Tokachi Cheese Risotto 2 Packs” was released as a winter-only product. In late February 2025, the concept of the Ginza Western-style Food series was revamped with the introduction of “Ginza Western-style Food Fluffy Egg Demi Omelette Rice,” “Ginza Western-style Food Beef Stroganoff with Richness and Umami,” and “Ginza Western-style Food Keema Curry with Melted Cheese,” which are packaged in a single-serving pack with increased volume. The new products have expanded the range of proposals from the snack section to the individual meal section. In addition, the mainstay products “Meiji Shrimp Gratin 3 Packs,” “Meiji Shrimp Gratin 2 Packs,” “Meiji Shrimp Rice Gratin 3 Packs,” and “Meiji Shrimp Rice Gratin 2 Packs” were renewed with a new formula using frozen nonfat concentrated milk, a proprietary ingredient of Meiji, to improve their flavor. As for dry foods, in August 2024, we completely renewed our mainstay products, “Ginza Curry Medium Spicy,” “Ginza Curry Hot,” “Ginza Curry Hayashi,” “Ginza Curry Keema,” and “Ginza Curry Butter Chicken.” Ingredients have been increased 1.5 times compared to the previous version, and they support microwave cooking for the first time in the series to improve product appeal. In addition, we launched new products, “Ginza Western-style Food Beef Stew” and “Ginza Western-style Food Cream Stew,” as a high-value-added series that can also meet dinner demand, thereby expanding the range of our product offerings. We also released “Mainichi Oishii Ginza Curry Mild,” “Mainichi Oishii Ginza Curry Medium Spicy,” and “Mainichi Oishii Ginza Curry Hot,” which can be easily arranged and enjoyed, to create a lineup that appeals to consumers on price. In February 2025, we launched “Ginza Western-style Food Beef Black Curry” to strengthen the brand. We are also revising prices for all products to reflect current cost increases.

## (2) Pharmaceuticals

The amount of research and development activities in this category for the current fiscal year was JPY 23,381 million.

In the pharmaceutical business, we are aiming to become a leading company in the area of ethical pharmaceuticals for infectious diseases. At the same time, we are actively conducting research and development activities with a focus on blood cancer and other new fields, and generic drugs. We have invested JPY 17,045 million for research and development expenses related to this business.

Our progress of specific developments in ethical pharmaceuticals is as follows.

REZUROCK Tablets, a drug for treatment of chronic GVHD, was launched in Japan. In March, REZUROCK in Press-Through-Pack (PTP) became available for further convenience. Kostaive for intramuscular injection, a vaccine against COVID-19, is now available as a 16-dose vial formulation for the 2024/2025 season as a JN.1 strain-compatible vaccine. We achieved the launch of the product through a company-wide project structure by providing accurate information through presentations at academic conferences, publication of papers, press conferences, and press releases. In February, Arctus Therapeutics Inc., the company that discovered the drug, received marketing approval in Europe. For the 2025/2026 season, we are developing a two-dose formulation and have submitted an application for manufacturing and marketing approval. IMULDOSA® (DMB-3115), a ustekinumab biosimilar developed in collaboration with Dong-A ST Co., LTD., was approved in the U.S., Europe, and the U.K. Nacubactam (OP0595), a  $\beta$ -lactamase inhibitor, is in our first global Phase III clinical trials. KD-414, a vaccine against COVID-19 being developed in collaboration with KM Biologics, Co., Ltd. is undergoing pediatric Phase III clinical trials in Japan. An anti-malignant tumor agent Hiyasta Tablets is currently undergoing global Phase III clinical trials in patients with malignant melanoma. Phase II clinical trials for ME3183, an oral PDE4 inhibitor, have been completed. Having a new office in Boston, the U.S., as a base for strengthening drug discovery infrastructure, we will further promote global R&D.

KM Biologics, Co., Ltd. has a system for R&D, manufacturing, and marketing of vaccines for human use and blood plasma products, and also owns a newborn screening center that conducts mass screening of newborns.

The progress of specific development items in the area of vaccines for human use, on which KM Biologics is particularly focusing its efforts, is as follows.

The company has started to develop inactivated vaccine (KD-414) against COVID-19 in collaboration with the National Institute of Infectious Diseases, The Institute of Medical Science The University of Tokyo, and the National Institute of Biomedical Innovation, Health and Nutrition. The company is also promoting R&D and the establishment of a production system through joint development with Meiji Seika Pharma Co., Ltd. utilizing grants from the Ministry of Health, Labour and Welfare, the Japan Agency for Medical Research and Development (AMED), and other sources. Current development status is as follows: Phase III clinical trials in adults (Japan and the Philippines), Phase II/III clinical trials in pediatric patients (Japan) and Phase III clinical trials in pediatric patients (Japan) have been completed, and VE\* Phase III clinical trials in pediatric patients (Japan) are underway. Although the development to date has been based on the origin strain, the most recent VE Phase III clinical trials for pediatric patients are using a vaccine compatible with the mutant strain. It will continue development to supply a vaccine compatible with the mutant strain required in Japan.

Phase I clinical trials (Australia) for the dengue fever vaccine (KD-382) have been completed, and its safety and immunogenicity in healthy adults have been confirmed. Selected for the “Program on R&D of new generation vaccine including new modality application (open call)” by the Strategic Center of Biomedical Advanced Vaccine Research and Development for Preparedness and Response (SCARDA) of AMED, and also for the “Large-scale Vaccine Clinical Study Project” by the Ministry of Health, Labour and Welfare in June 2024, it is currently preparing for Phase II clinical trials.

The manufacturing and marketing approval for “5-in-1 combination vaccine (KD-370)” (Quintovac® Aqueous Suspension Injection) was obtained in September 2023, and the product was put on the market in March 2024. Starting from April 2024, the 5-in-1 vaccine (adsorbed diphtheria-purified pertussis-tetanus-inactivated polio-haemophilus type b conjugate combined vaccine) has been included in the regular immunization schedule. Phase II clinical trials (Japan) of KD2-396, a 6-in-1 vaccine for children, are currently underway.

As for blood plasma products, the company started Phase III clinical trials of immune globulin liquid (KD-380) in June 2024 and Phase I/III clinical trials of blood coagulation factor X agent (KD-416) in October 2024. KD-416 received orphan drug designation in June 2024.

\* VE: Vaccine Efficacy

The progress in specific development items at Meiji Animal Health Co., Ltd. is as follows.

Manufacturing and marketing approval was granted on May 18, 2024 for ME4137 (an antibacterial agent for swine), on May 29, 2024 for KD-412 (a vaccine for cattle), and on January 9, 2025 for MD-22-3002 (an antipyretic analgesic and anti-inflammatory drug for cattle, swine and horses). The application for post-approval change for MD-22-3001-1, a breeding drug for cattle, horses and swine, is currently under review. The trials required for application for manufacturing and marketing approval have been initiated for ME4305 (antimicrobial agent for cattle), MD-22-2001 (vaccine for swine), and MD-22-1001-1 (antimicrobial agent for cattle).

### (3) Others

The amount of research and development activities in this category for the current fiscal year was JPY 2,595 million.

Meiji Holdings Co., Ltd. Wellness Science Labs has achieved numerous results this fiscal year in the areas of research (microbiome, anti-aging, immunology, maternal and child nutrition, cacao functionality, etc.) in which it has been continuously working. These results are disseminated to society through academic conferences and paper presentations.

Research on “bio manufacturing using microorganisms,” which began in FY2023, and sustainability research in the dairy field are also making steady progress. High expectations are pinned on these new initiatives that will support the Meiji Group’s business foundation in the future. We are committed to creating a sustainable future and new market opportunities through these studies.

Furthermore, open innovation with foreign partners is progressing. In particular, in cooperation with California Cultured in the U.S., we are accelerating technological development for the production of cell-cultured cacao. In this way, we work closely with domestic and international research institutions to develop advanced technologies.

In FY2025, Wellness Science Labs will continue to bring together the knowledge and technologies of all Meiji Group operating companies to create innovative technologies that will support the next generation of the Meiji Group.

### 3. Information about Facilities

#### 1. Overview of capital expenditures

The Meiji Group's total capital expenditures during the current fiscal year were JPY 53,682 million, mainly in the Food and Pharmaceutical Segments. Following is a breakdown by segment.

##### (1) Food

Capital expenditures of JPY 36,407 million were made during the current fiscal year. The main capital expenditures were: by Meiji Co., Ltd. for construction of new production facilities at its new plant in the Konsen region, Sakado Plant, and Saitama Plant; by Meiji Seika Food Industry (Shanghai) Co., Ltd. for construction of production facilities; and by Meiji Food (Guangzhou) Co., Ltd. for construction of a new plant.

##### (2) Pharmaceuticals

Capital expenditures of JPY 16,704 million were made during the current fiscal year. The main capital expenditures were: by Meiji Seika Pharma Co., Ltd. for production facilities at its Gifu Plant; and by KM Biologics Co., Ltd. for construction of liquid globulin formulation plant facilities at its Kumamoto Production Center and for renovation of existing buildings at the relocation destination following the demolition of the main building.

## 2. Major facilities

The following are the major facilities in the Meiji Group.

### 1) Company submitting the Annual Securities Report

As of March 31, 2025

Company name	Operating site (Location)	Segment	Facilities	Book value						Number of employees (Number of persons)
				Buildings and structures (Millions of yen)	Machinery, equipment, and vehicles (Millions of yen)	Land (Millions of yen) (m <sup>2</sup> )	Leased assets (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	
Meiji Holdings Co., Ltd.	Head Office (Chuo-ku, Tokyo)	Company-wide	-	3,523	16	8,414 (2,211)	1	96	12,052	160 (22)

### 2) Domestic subsidiaries

As of March 31, 2025

Company name	Operating site (Location)	Segment	Facilities	Book value						Number of employees (Number of persons)
				Buildings and structures (Millions of yen)	Machinery, equipment, and vehicles (Millions of yen)	Land (Millions of yen) (m <sup>2</sup> )	Leased assets (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	
Meiji Co., Ltd.	Tokachi Plant (Memuro Town, Kasai, Hokkaido)	Food	Production facilities	7,796	8,672	1,270 (138,027)	-	243	17,983	171 (124)
	Eniwa Plant (Eniwa City, Hokkaido)	Food	Production facilities	5,193	5,085	306 (33,057)	-	291	10,876	71 (16)
	Gunma Plant (Isesaki City, Gunma)	Food	Production facilities	1,028	2,424	829 (114,434)	-	62	4,345	186 (72)
	Gunma Nutritionals Plant (Isesaki City, Gunma)	Food	Production facilities	1,215	1,139		-	46	2,401	
	Gunma Pharmaceuticals Plant (Isesaki City, Gunma)	Food	Production facilities	1,365	1,549		-	44	2,959	
	Saitama Plant (Kasukabe City, Saitama)	Food	Production facilities	8,457	9,118	40 (33,059)	-	203	17,819	111 (41)
	Sakado Plant (Sakado City, Saitama)	Food	Production facilities	12,385	12,263	467 (101,318)	6	323	25,447	182 (509)
	Toda Plant (Toda City, Saitama)	Food	Production facilities	4,321	6,820	602 (70,675)	-	118	11,863	169 (88)
	Moriya Plant (Moriya City, Ibaraki)	Food	Production facilities	4,261	8,374	3,709 (109,481)	9	150	16,505	127 (60)
	Tokai Plant (Fujieda City, Shizuoka)	Food	Production facilities	2,378	5,575	1,403 (63,518)	11	151	9,520	160 (182)
	Aichi Plant (Inazawa City, Aichi)	Food	Production facilities	3,070	3,083	3,014 (66,843)	-	130	9,299	154 (64)
	Kyoto Plant (Kyotanabe City, Kyoto)	Food	Production facilities	7,419	11,298	471 (85,003)	-	245	19,434	203 (116)
	Kyoto Lactobacillus Plant (Kyotanabe City, Kyoto)	Food	Production facilities	95	108		-	43	247	



Company name	Operating site (Location)	Segment	Facilities	Book value						Number of employees (Number of persons)
				Buildings and structures (Millions of yen)	Machinery, equipment, and vehicles (Millions of yen)	Land (Millions of yen) (m <sup>2</sup> )	Leased assets (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	
Meiji Co., Ltd.	Osaka Plant (Takatsuki City, Osaka)	Food	Production facilities	7,576	9,269	241 (135,525)	8	320	17,415	200 (473)
	Kansai Plant (Kaizuka City, Osaka, etc.)	Food	Production facilities	2,421	1,853	-	-	107	4,382	201 (123)
	Kansai Ice Cream Plant (Kaizuka City, Osaka)	Food	Production facilities	2,088	1,009		-	71	3,170	
	Kansai Nutritionals Plant (Kaizuka City, Osaka)	Food	Production facilities	2,053	2,113		-	85	4,252	
	Kurashiki Plant (Kurashiki City, Okayama)	Food	Production facilities	6,629	3,648	1,606 (104,881)	-	76	11,960	78 (47)
	Branches, offices (Sendai City, Miyagi, etc.)	Food	Sales facilities	530	0	17 (10,881)	656	250	1,455	1,289 (476)
	Research laboratory (Hachioji City, Tokyo)	Food	Research facilities	10,994	967	4,071 (40,452)	-	1,042	17,075	483 (43)
	Head Office Other (Chuo-ku, Tokyo, etc.)	Food	Offices of Head Office Other	6,063	296	17,689 (380,924)	2	958	25,010	1,095 (192)

As of March 31, 2025

Company name	Operating site (Location)	Segment	Facilities	Book value						Number of employees (Number of persons)
				Buildings and structures (Millions of yen)	Machinery, equipment, and vehicles (Millions of yen)	Land (Millions of yen) (m <sup>2</sup> )	Leased assets (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	
Meiji Seika Pharma Co., Ltd.	Gifu Plant (Kitagata Town, Motosu, Gifu)	Pharmace uticals	Production facilities	1,402	493	756 (150,688)	-	121	2,774	86 (28)

As of March 31, 2025

Company name	Operating site (Location)	Segment	Facilities	Book value						Number of employees (Number of persons)
				Buildings and structures (Millions of yen)	Machinery, equipment, and vehicles (Millions of yen)	Land (Millions of yen) (m <sup>2</sup> )	Leased assets (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	
KM Biologics Co., Ltd.	Head Office / Kumamoto Production Center (Kumamoto City, Kumamoto)	Pharma- ceutical	Head Office / production facilities	8,108	3,076	1,733 (134,042)	-	983	13,901	657 (582)
	Kikuchi Production Center (Kikuchi City, Kumamoto)	Pharma- ceutical	Production facilities	4,121	792	360 (226,951)	-	478	5,752	260 (133)
	Koshi Production Center (Koshi City, Kumamoto)	Pharma- ceutical	Production facilities	5,402	795	572 (102,283)	-	414	7,185	158 (90)

As of March 31, 2025

Company name	Operating site (Location)	Segment	Facilities	Book value						Number of employees (Number of persons)
				Buildings and structures (Millions of yen)	Machinery, equipment, and vehicles (Millions of yen)	Land (Millions of yen) (m <sup>2</sup> )	Leased assets (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	
Shikoku Meiji Co., Ltd.	Kagawa Plant (Mitoyo City, Kagawa)	Food	Production facilities	776	1,454	379 (53,554)	-	55	2,666	58 (8)
Gunma Meiji Co., Ltd.	Head Office / Plant (Maebashi City, Gunma)	Food	Production facilities	806	1,170	1,230 (44,308)	-	45	3,252	100 (10)
Tochigi Meiji Milk Products Co., Ltd.	Head Office / Plant (Utsunomiya City, Tochigi)	Food	Production facilities	3,138	1,755	26 (30,303)	2	166	5,089	88 (22)
Meiji Oils and Fats Co., Ltd.	Osaka Plant (Hirakata City, Osaka)	Food	Production facilities	889	540	1,568 (15,716)	2	51	3,053	69 (14)
Meiji Chewing Gum Co., Ltd.	Head Office / Plant (Kiyosu City, Aichi)	Food	Production facilities	970	1,351	725 (10,904)	-	47	3,095	139 (29)
Meiji Seika Pharmatech Co., Ltd.	Odawara Plant (Odawara City, Kanagawa)	Pharma- ceutical	Production facilities	3,531	2,594	161 (43,055)	-	154	6,441	164 (127)

## (3) Overseas subsidiaries

As of March 31, 2025

Company name	Operating site (Location)	Segment	Facilities	Book value						Number of employees (Number of persons)
				Buildings and structures (Millions of yen)	Machinery, equipment, and vehicles (Millions of yen)	Land (Millions of yen) (m2)	Leased assets (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	
Medreich Limited	Bengaluru, India	Pharma- ceutical	Production facilities	3,005	5,315	1,495 (111,614)	17	272	10,106	1,628 (940)
Meiji Ice Cream (Guang Zhou) Co., Ltd.	Guangzhou, Guangdong, China	Food	Production facilities	1,321	1,243	-	12	64	2,642	214 (17)
Meiji Dairies (Suzhou) Co., Ltd.	Jiangsu, China	Food	Production facilities	1,376	543	-	6	83	2,009	178 (-)
Meiji Dairies (Tianjin) Co., Ltd.	Tianjin, China	Food	Production facilities	4,750	557	-	1	92	5,402	131 (-)
Meiji Food (Guangzhou) Co., Ltd.	Guangzhou, Guangdong, China	Food	Production facilities	11,588	5,386	-	47	192	17,215	225 (-)
Meiji Seika Food Industry (Shanghai) Co., Ltd.	Shanghai, China	Food	Production facilities	7,635	8,094	-	35	347	16,112	370 (90)

(Notes) 1 “Other” under book value refers to tools, furniture, and fixtures, and does not include construction in progress.

2 Some land and buildings are leased from entities that are not consolidated companies, but none are material.

3 The figures in parentheses under “Number of employees” are the average numbers of temporary employees for the year, excluding dispatched employees.

### 3. Planned addition, retirement, and other changes of facilities

#### (1) Addition of material facilities, etc.

Planned additions of facilities confirmed as of the end of the current fiscal year are as follows.

Company name Operating site	Location	Segment	Facilities	Planned investment amount		Method of financing	Planned start and completion dates	
				Total amount (Millions of yen)	Amount already paid (Millions of yen)		Start	Completion
Meiji Co., Ltd.	Shibetsu, Hokkaido	Food	Dairy product production facility	46,870	14,437	Funds on hand and borrowings	April 2024	March 2027

#### (2) Retirement of material facilities, etc.

There are no planned sale, retirement, or other changes of material facilities confirmed as of the end of the current fiscal year.

#### 4. Information about reporting company

##### 1. Company's shares, etc.

###### (1) Total number of shares

###### 1) Authorized shares

Class	Number of shares authorized
Ordinary shares	1,120,000,000
Total	1,120,000,000

###### 2) Issued shares

Class	Number of issued shares as of fiscal year end (March 31, 2025)	Number of issued shares as of filing date (June 26, 2025)	Name of financial instruments exchange on which securities are listed or authorized financial instruments business association to which securities are registered	Description
Ordinary shares	282,200,000	282,200,000	Tokyo Stock Exchange Prime Market	Number of shares per unit: 100
Total	282,200,000	282,200,000	-	-

###### (2) Share acquisition rights

###### 1) Employee share option plans

Not applicable.

###### 2) Rights plans

Not applicable.

###### 3) Share acquisition rights for other uses

Not applicable.

###### (3) Exercises of moving strike convertible bonds, etc.

Not applicable.

(4) Changes in total number of issued shares, capital share and capital reserve

Date	Change in total number of issued shares	Balance of total number of issued shares	Change in capital share (Millions of yen)	Balance of capital share (Millions of yen)	Change in capital reserve (Millions of yen)	Balance of capital reserve (Millions of yen)
March 31, 2022 (Note 1)	-4,313,900	148,369,500	-	30,000	-	7,500
April 1, 2023 (Note 2)	148,369,500	296,739,000	-	30,000	-	7,500
April 3, 2023 (Note 1)	- 3,280,000	293,459,000	-	30,000	-	7,500
November 18, 2024 (Note 1)	-11,259,000	282,200,000	-	30,000	-	7,500

(Notes) 1 Decrease due to cancellation of treasury shares.

2 Increase due to share split (two-for-one).

(5) Shareholding by shareholder category

As of March 31, 2025

Categories	Status of shares (Number of shares constituting one unit = 100 shares)								Status of shares less than one unit
	National and local governments	Financial institutions	Financial service providers	Other corporations	Foreign corporations, etc.		Individuals and others	Total	
					Other than individuals	Individuals			
Number of shareholders	-	123	40	1,028	668	274	183,114	185,247	-
Number of shares held (number of units)	-	879,247	108,629	191,488	715,033	534	917,613	2,812,544	945,600
Percentage of shareholdings (%)	-	31.26	3.86	6.81	25.42	0.02	32.63	100	-

(Notes) 1 Treasury share as of March 31, 2025 totaled 11,309,372 shares, comprising 113,093 units included in “individuals and others” and 72 shares included in the “status of shares less than one unit.”

2 “Other corporations” above includes 48 units of shares held in the name of Japan Securities Depository Center, Inc. Similarly, “status of shares less than one unit” includes 76 shares.

## (6) Major shareholders

As of March 31, 2025

Name	Address	Number of shares held (Thousand shares)	Percentage of shares held to total number of issued shares (excluding treasury shares) (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	1-8-1 Akasaka, Minato-ku, Tokyo	44,195	16.31
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo	15,720	5.80
Nippon Life Insurance Company (Standing agent: The Master Trust Bank of Japan, Ltd.)	1-6-6 Marunouchi, Chiyoda-ku, Tokyo (1-8-1 Akasaka, Minato-ku, Tokyo)	6,696	2.47
Meiji Holdings Employee Shareholding Association	2-4-16 Kyobashi, Chuo-ku, Tokyo	6,004	2.22
STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing agent: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	1776 HERITAGE DRIVE, NORTH QUINCY, MA, 02171, US (2-15-1 Konan, Minato-ku, Tokyo)	5,672	2.09
Meiji Holdings Trading-Partner Shareholding Association	2-4-16 Kyobashi, Chuo-ku, Tokyo	5,200	1.92
JPMorgan Securities Japan Co., Ltd.	2-7-3 Marunouchi, Chiyoda-ku, Tokyo	5,038	1.86
STATE STREET BANK AND TRUST COMPANY 505001 (Standing agent: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (2-15-1 Konan, Minato-ku, Tokyo)	3,509	1.30
STATE STREET BANK AND TRUST COMPANY 505103 (Standing agent: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (2-15-1 Konan, Minato-ku, Tokyo)	3,040	1.12
Nippon Beet Sugar Manufacturing Co., Ltd.	3-12-14 Mita, Minato-ku, Tokyo	2,949	1.09
Total	-	98,027	36.19

(Notes) 1 In addition to the above, Meiji Holdings holds 11,309,000 shares of treasury share.

- 2 On November 18, 2022, a large-volume holdings report (revised report) of BlackRock Japan Co., Ltd. and the joint holders listed below was made available for public viewing. The report indicates the number of shares held by each holder as of November 15, 2022. However, we did not include the information in the status of major shareholders above, because we had not confirmed the actual number of shares held as of March 31, 2025.

The content of the large-volume holdings report (the revised report) is as shown below. A two-for-one ordinary share split was conducted on April 1, 2023, and the numbers of shares held shown below are based on the number of shares prior to the share split.

Name	Address	Number of shares held	Percentage of shares held to total number of issued shares (%)
BlackRock Japan Co., Ltd.	1-8-3 Marunouchi, Chiyoda-ku, Tokyo	2,466,900	1.66
Aperio Group, LLC	Three Harbor Drive, Suite 204 Sausalito, California, US	176,750	0.12
BlackRock (Netherlands) BV	Amstelplein 1, 1096 HA, Amsterdam, Netherlands	407,299	0.27
BlackRock Fund Managers Limited	12 Throgmorton Avenue, London, UK	261,857	0.18

Name	Address	Number of shares held	Percentage of shares held to total number of issued shares (%)
BlackRock Asset Management Ireland Limited	1st Floor, 2 Ballsbridge Park, Ballsbridge Dublin, Ireland	743,827	0.50
BlackRock Fund Advisors	400 Howard Street, San Francisco, California, US	2,786,950	1.88
BlackRock Institutional Trust Company, N.A.	400 Howard Street, San Francisco, California, US	1,887,784	1.27
BlackRock Investment Management (UK) Limited	12 Throgmorton Avenue, London, UK	239,437	0.16

- 3 On December 16, 2024, a large-volume holdings report (revised report) of Mitsubishi UFJ Financial Group, Inc. and the joint holders listed below was made available for public viewing. The report indicates the number of shares held by each holder as of December 9, 2024. However, we did not include the information in the status of major shareholders above, because we had not confirmed the actual number of shares held as of March 31, 2025.

The content of the large-volume holdings report (the revised report) is as shown below.

Name	Address	Number of shares held	Percentage of shares held to total number of issued shares (%)
Mitsubishi UFJ Trust and Banking Corporation	1-4-5 Marunouchi, Chiyoda-ku, Tokyo	7,063,600	2.50
Mitsubishi UFJ Asset Management Co., Ltd.	1-9-1 Higashishinbashi, Minato-ku, Tokyo	3,347,500	1.19
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	1-9-2 Otemachi, Chiyoda-ku, Tokyo	481,643	0.17

- 4 On January 9, 2025, a large-volume holdings report (revised report) of Sumitomo Mitsui Trust Bank, Limited and the joint holders listed below was made available for public viewing. The report indicates the number of shares held by each holder as of December 31, 2024. However, we did not include the information in the status of major shareholders above, because we had not confirmed the actual number of shares held as of March 31, 2025.

The content of the large-volume holdings report (the revised report) is as shown below.

Name	Address	Number of shares held	Percentage of shares held to total number of issued shares (%)
Sumitomo Mitsui Trust Asset Management Co., Ltd.	1-1-1 Shibakoen, Minato-ku, Tokyo	7,117,400	2.52
Nikko Asset Management Co., Ltd.	9-7-1 Akasaka, Minato-ku, Tokyo	5,801,300	2.06



## (7) Voting rights

## 1) Issued shares

As of March 31, 2025

Categories	Number of shares	Number of voting rights	Description
Shares with no voting rights	-	-	-
Shares with restricted voting rights (Treasury shares, etc.)	-	-	-
Shares with restricted voting rights (Other)	-	-	-
Shares with full voting rights (Treasury shares, etc.)	(Treasury shares) Ordinary shares 11,309,300	-	-
Shares with full voting rights (Other)	Ordinary shares 269,945,100	2,699,451	-
Shares less than one unit	Ordinary shares 945,600	-	-
Total number of issued shares	282,200,000	-	-
Number of voting rights held by all shareholders	-	2,699,451	-

(Notes) 1 Ordinary shares in the “Shares less than one unit” column include 72 shares of treasury shares held by the Company and 76 shares held in the name of Japan Securities Depository Center, Inc.

2 Ordinary shares in the “Shares with full voting rights (Other)” column include 4,800 shares (48 voting rights) held in the name of Japan Securities Depository Center, Inc.

## 2) Treasury shares, etc.

As of March 31, 2025

Name of shareholder	Address of shareholder	Number of shares held in own name	Number of shares held in others' names	Total number of shares held	Percentage of shares held (%)
(Treasury shares) Meiji Holdings Co., Ltd.	2-4-16 Kyobashi, Chuo-ku, Tokyo	11,309,300	-	11,309,300	4.01
Total	-	11,309,300	-	11,309,300	4.01

## 2. Acquisition and disposal of treasury shares

[Class of shares, etc.] Acquisition of ordinary shares that fall under Article 155, Items (3), (7), and (13) of the Companies Act

### (1) Acquisition by resolution of shareholders meeting

Not applicable.

### (2) Acquisition by resolution of board of directors meeting

Acquisition under Article 156 of the Companies Act, which is applied pursuant to Article 165, Paragraph 3 of that Act.

Categories	Number of shares	Total amount (Yen)
Board of Directors Resolution (May 10, 2024) (Acquisition period: May 14, 2024 - September 30, 2024)	11,000,000	30,000,000,000
Treasury shares acquired prior to the current fiscal year	-	-
Treasury shares acquired during the current fiscal year	8,373,300	29,989,659,000
Total number and value of remaining shares subject to the resolution	2,626,700	10,341,000
Ratio of unexercised shares as of the end of the current fiscal year (%)	23.88	0.03
Treasury shares acquired during the current period	-	-
Ratio of unexercised shares as of the filing date (%)	23.88	0.03

### (3) Acquisition not based on resolution of shareholders meeting or board of directors meeting

Acquisition pursuant to Article 155, Item (7) of the Companies Act (purchase of shares of less than one unit)

Categories	Number of shares	Total amount (Yen)
Treasury shares acquired during the current fiscal year	3,460	11,844,960
Treasury shares acquired during the current period	212	703,200

(Note) Treasury shares acquired during this period do not include the number of shares acquired through the purchase of shares of less than one unit from June 1, 2025 to the filing date of the Annual Securities Report.

Acquisition pursuant to Article 155, Item (13) of the Companies Act

Category	Number of shares	Total amount (Yen)
Treasury shares acquired during the current fiscal year	2,700	-
Treasury shares acquired during the current period	900	-

(Note) Treasury shares acquired during this period do not include the number of shares acquired through the free-of-charge acquisition of shares with transfer restrictions from employees over a period from June 1, 2025 to the filing date of the Annual Securities Report.

(4) Disposal of acquired treasury shares and number of treasury shares held

Categories	Current fiscal year		Current period	
	Number of shares	Total amount of disposal (Yen)	Number of shares	Total amount of disposal (Yen)
Acquired treasury shares which were offered to subscribers	163,530	578,896,200	-	-
Acquired treasury shares which were canceled	11,259,000	34,028,177,031	-	-
Acquired treasury shares which were transferred in association with a merger, share exchange, share issuance, or company split	-	-	-	-
Other (Sale due to demand for the sale of shares from shareholders holding shares less than one unit)	196	638,820	16	52,592
Total number of treasury shares held	11,309,372	-	11,310,468	-

(Note) Treasury shares held during the current period do not include the number of shares resulting from the purchase and sale of shares of less than one unit and the free-of-charge acquisition of shares with transfer restrictions from employees over a period from June 1, 2025 to the filing date of the Annual Securities Report.

### 3. Dividend policy

As a company mainly involved in food, health, and pharmaceuticals, we are a familiar brand that strives for lifelong engagement with our customers. This means that ensuring a long-term, stable financial platform is critical to our success.

We will pursue sustainable growth by aggressively applying capital gained through business activities towards future growth investments and research and development.

We also recognize that appropriate profit returns to our shareholders is a critical management issue and aim to continuously increase the dividend per share each fiscal year, targeting a total payout ratio of 50% or higher.

Furthermore, in the event of significant fluctuations in profit attributable to owners of parent due to extraordinary factors, dividend amounts may be determined after the elimination of those factors.

The Company's basic policy is to pay dividends from surplus twice annually—an interim dividend and a year-end dividend—and the decision-making organization for each dividend payment is the Board of Directors.

The Company's Articles of Incorporation stipulate that "The Company may pay interim dividends through a resolution of the Board of Director by setting the record date to September 30 each year."

For the current fiscal year, the Company paid an interim dividend of JPY 50.00 per share and decided to pay a year-end dividend of JPY 50.00 per share starting from June 5, 2025. As a result, the consolidated dividend payout ratio will be 53.7%.

For the annual dividend for the upcoming fiscal period, we are planning an increase to a dividend of JPY 105.00 (JPY 52.50 at end of second quarter and JPY 52.50 at end of fiscal period) per share, and we are forecasting the consolidated dividend payout ratio of 53.1%.

Date of resolution	Total amount of dividends (Millions of yen)	Dividend per share (Yen)
November 11, 2024 Board of Directors resolution	13,544	50.00
May 16, 2025 Board of Directors resolution	13,544	50.00

## 4. Corporate governance

### (1) Overview of corporate governance

#### 1) Fundamental ideas of corporate governance

As a corporate group in the food and health fields, the Meiji Group's goal is to continue finding innovative ways to meet our customers' needs, today and tomorrow. In this way, we aim to achieve sustainable growth and increase corporate value over the medium- to long-term. The Group's governance system including the Board of Directors is developed and operated to achieve the medium- to long-term management strategies formulated based on the Group's Philosophy.

#### 2) Corporate governance system

##### (i) Overview of corporate governance system and the reason for adopting this system

The Company has adopted the system of a company with an Audit & Supervisory Board to further enhance the objectivity and transparency of management through the supervisory function of the Board of Directors and the auditing function of Audit & Supervisory Board Members.

The Board of Directors comprises directors with diverse backgrounds, formulates and implements overall group strategies, supervises the management of operating companies, and executes highly effective supervision of directors and executive officers from an independent and objective standpoint. To enhance the effectiveness and transparency of the Board of Directors, as of June 26, 2025 (the filing date of the Annual Securities Report), we established a system to utilize the opinions of independent outside directors in management by appointing four independent outside directors out of nine directors. In accordance with the Rules of the Board of Directors, the Board of Directors meets monthly, in principle, to deliberate and decide on the most important matters. The names of the directors who are members of the Board of Directors and those who are independent outside directors are as stated in "4. Corporate governance, (2) Directors and other officers, 1) List of directors and other officers." The meeting is chaired by CEO, President and Representative Director Kazuo Kawamura.

Together with the Board of Directors, the Audit & Supervisory Board plays a role in the governance of the Company and is strengthening the management monitoring function from an independent and objective standpoint in accordance with its fiduciary responsibility to shareholders for the sound and sustainable growth of the Group and the enhancement of corporate value over the medium to long term. Two of the four auditors are unaffiliated auditors to organically leverage the information-gathering capabilities of full-time auditors and the independence of unaffiliated auditors to enhance the effectiveness of audits. The names of the auditors who are members of the Audit & Supervisory Board and those who are outside Audit & Supervisory Board Members are as stated in "4. Corporate governance, (2) Directors and other officers, 1) List of directors and other officers." The meeting is chaired by Mr. Hiroaki Chida, a member of the Audit & Supervisory Board.

The Audit & Supervisory Board deliberates on proposals for the nomination or removal of directors and Audit & Supervisory Board Members and nomination or removal of executive officers, including the president. The Committee also deliberates and gives advice on matters such as succession plans, and, together with the Nomination Committee, which reports to the Board of Directors, deliberates on the policy, amount, and level of remuneration and so on for directors and executive officers. A Compensation Committee, which reports to the Board of Directors, has been established and comprises four independent outside directors (Ms. Mariko Matsumura, Mr. Masaya Kawata, Ms. Michiko Kuboyama, and Mr. Peter D. Pedersen) and one internal director (Mr. Kazuo Kawamura). The Nomination Committee is chaired by Ms. Mariko Matsumura and the Compensation Committee is chaired by Mr. Masaya Kawata.

The Company has also introduced an executive officer system to accelerate decision-making and clarify responsibility for business execution so that we can fully perform both the supervision and execution functions of management.

A chief officer system has also been introduced to strengthen group management. Serving in the highest positions of responsibility within the Group, chief officers supervise and oversee Group business or functions in accordance with the basic management policies determined by the Board of Directors. Mr. Kazuo Kawamura serves as Chief Executive Officer (CEO), Mr. Jun Hishinuma as Chief Financial Officer (CFO), Mr. Shinji Matsuoka as Chief Sustainability Officer (CSO), Mr. Katsunari Matsuda as Chief Operating Officer (COO) in charge of the Food Segment, Mr. Daikichiro Kobayashi as Chief Operating Officer (COO) in charge of the Pharmaceutical Segment, Mr. Yuhei Matsumoto as Chief Human Resource Officer (CHRO), and Mr. Jun Furuta as Chief Digital Officer (CDO).

In addition to the chief officer system, the Group Strategy Meeting, consisting of members appointed by Mr. Kazuo Kawamura, the CEO and President, is held monthly, in principle, to determine the direction of critical matters such as the Group's general vision, business plans, business policies, and the distribution of management resources.

In addition, the Executive Committee, chaired by the CEO and President Kazuo Kawamura, meets twice each month, in principle, to discuss and decide matters of material importance relating to execution, thereby achieving prompt and appropriate business execution.

Note: At the 16th Ordinary General Meeting of Shareholders to be held on June 27, 2025, the Company plans to submit proposals (resolution items) for “Election of Nine (9) Members of the Board” and “Election of Four (4) Audit & Supervisory Board Members.” If the proposals are approved as originally proposed, the Company will have nine Members of the Board (including four Outside Members of the Board). In addition, the Board of Directors meeting scheduled to be held immediately after the Ordinary General Meeting of Shareholder is expected to deliberate on resolutions concerning “Nomination of executive officers” and “Nomination of members of the Nomination Committee and the Compensation Committee.” If these proposals are approved, the composition of the Board of Directors and executive officers will be as stated in “(2) Directors and other officers, 1) List of directors and other officers” below. In addition, The Board of Directors will be chaired by CEO, President and Representative Director Katsunari Matsuda, and the Audit & Supervisory Board will be chaired by Audit & Supervisory Board Member Masayori Tamaki. The Nomination Committee and the Compensation Committee will each consist of a total of five members: four independent outside directors (Ms. Mariko Matsumura, Mr. Masaya Kawata, Ms. Michiko Kuboyama, and Mr. Peter D. Pedersen) and one internal director (Mr. Katsunari Matsuda). The Nomination Committee will be chaired by Ms. Mariko Matsumura and the Compensation Committee will be chaired by Mr. Masaya Kawata. The Chief Officers will be as follows: Mr. Katsunari Matsuda serves as Chief Executive Officer (CEO), Mr. Jun Hishinuma as Chief Financial Officer (CFO), Mr. Shinji Matsuoka as Chief Sustainability Officer (CSO), Mr. Bunjiro Yao as Chief Operating Officer (COO) in charge of the Food Segment, Mr. Toshiaki Nagasato as Chief Operating Officer (COO) in charge of the Pharmaceutical Segment, Mr. Toshiyasu Sekine, as Chief Human Resource Officer (CHRO), and Mr. Jun Furuta as Chief Digital Officer (CDO). The Group Strategy Meeting will consist of members appointed by Mr. Katsunari Matsuda, the CEO and President, and the Executive Committee will be chaired by the CEO and President Katsunari Matsuda.

(ii) Progress of the development of internal control systems and risk management systems

The Company and the Group companies provide products and services to a large number of customers through our food and pharmaceuticals business operations.

The Meiji Group strives to establish an internal control system befitting the Group and the Group companies that is based on mutual collaboration and multifaceted checking functions to ensure directors, executive officers, and other employees comply with the Food Sanitation Act, the Law for Ensuring Quality, Efficacy, and Safety of Drugs and Medical Devices, and other statutory laws and regulations and the Articles of Incorporation, thereby ensuring fair and sound business activities firmly rooted in compliance.

A basic policy of the Company and the Group companies is to preempt damage to shareholders and other stakeholders and endeavor to improve sustainable corporate value by earning the trust of our customers and maximizing shareholder value.

Progress of system development

1. Systems for ensuring compliance with laws and regulations and the Articles of Incorporation in the execution of duties by directors, executive officers, and employees

To ensure thorough corporate governance, the Group has adopted business management structures and clearly define the responsibilities for the Company as the holding company overseeing business management among the Group, and the responsibilities for the Group companies as the organizations executing the business of the Group. The organizational structure that the Company has adopted for this purpose is that of a “company with audit & supervisory board members” (kansayaku-kai secchi kaisha), while the structure adopted by the Group companies is that of a “company with audit & supervisory members” (kansayaku secchi kaisha). The Company and the Group companies have constructed and operate effective compliance systems. In the case of the Company, these systems include the Compliance Regulations and related regulations, which incorporate the Group’s corporate philosophy. In the case of the Group companies, they include related regulations and the related committees.

2. Systems for storing and managing information related to the execution of duties by director

The Company has developed the Regulations for Handling Documents and Regulations for Managing Confidential Information, and constructed systems for storing and managing important documents related to the business management or business execution by the Company or the Group companies.

3. Procedures and other systems related to managing the risk of loss

To address risks to the smooth operation of business at an organizational and systematic level, the Company and the Group companies have developed rules for managing each risk, and constructed risk management systems in accordance with these rules.

The Company and the Group companies ensure unerring risk management by establishing risk-related committees that manage risk at an organizational and systematic level, and they have also developed systems for minimizing the risk of damages during emergency situations.

4. Systems for ensuring that directors and executive officers conduct their duties efficiently

The Company and the Group companies' boards of directors determine the duties of directors and executive officers. Directors and executive officers discharge these duties appropriately in accordance with the Duties Regulations, which define the segregation of duties and authorities, and other relevant regulations.

The Company integrates and coordinates the business operations of the Company and the Group companies by having its Executive Committee review important matters pertaining to the Group as a whole. The Group companies help accelerate decision-making and streamline the execution of duties by making it a principle to have their executive committees conduct a full preliminary review of important matters pertaining to business management.

5. Systems for ensuring the appropriate execution of duties in the corporate group consisting of the Company and Group companies

The Company and the Group companies share the same ethos concerning internal control systems and have developed systems for ensuring appropriate execution of duties and reliable financial reporting.

The Group Company Administration Regulations and related regulations define the roles, authorities, and responsibilities among the Group. Duties are executed appropriately so as to contribute to the rationalization and optimization of business processes across the Group.

Specifically, each Group company has constructed their own systems under 1, 3, and 4 above, and the Company receives reports as appropriate on matters pertaining to duties in Group companies in accordance with the Group Company Administration Regulations.

6. Systems for ensuring reliability in financial reporting

To ensure reliability in financial reporting, the Company and the Group companies have constructed internal control systems for financial reporting; this includes developing and operating systems of evaluation and reporting as appropriate.

7. Matters concerning employees who are assigned to assist in the duties of Audit & Supervisory Board Members when Audit & Supervisory Board Members request such assistance; matters concerning the independence of said employees from directors; and matters concerning the effectiveness of orders issued by Audit & Supervisory Board Members to said employees

After consulting with Audit & Supervisory Board Members, the Representative Director assigns employees to assist in the duties of the Audit & Supervisory Board Members. Authority to issue orders to said employees is delegated to the Audit & Supervisory Board Members, and any decisions regarding the appointments, reshuffles, and appraisals of said employees require the consent of the Audit & Supervisory Board Members. These measures ensure the effectiveness of orders issued by Audit & Supervisory Board Members to said employees.

8. Systems under which directors, executive officers, and employees report to Audit & Supervisory Board Members; systems under which directors, Audit & Supervisory Board Members, executive officers, employees, or persons who receive reports from said persons report to the Company's Audit & Supervisory Board Members; other systems concerning reporting to Audit & Supervisory Board Members

In the case of the Company, directors, executive officers, and employees report business management decisions and the status of the execution of business to the Audit & Supervisory Board Members via the Board of Directors, the Executive Committee, and major internal meetings, and also by issuing regular reports and forwarding important documents. In the case of the Group companies, directors, Audit & Supervisory Board Members (or the equivalent thereof), executive officers, employees, or persons who receive reports from said persons report the above matters via meetings with the Company's Audit & Supervisory Board Members and by issuing reports and disclosing important documents as necessary.

When the Audit & Supervisory Board Member requests reports of projects of the Company and Group companies or when investigating the performance of the Company and Group companies or the status of assets, prompt and appropriate responses are made.

9. Systems for ensuring that persons who make reports mentioned in 8 above do not suffer any disadvantage by reason of such reporting

The Company and the Group companies have established rules and regulations on whistleblowing prohibiting the disadvantageous treatment of whistleblowers by reason of their whistleblowing. In accordance with these rules and regulations, the Company has developed systems for ensuring that persons who make reports mentioned in 8 above do not suffer any disadvantage by reason of such reporting.

10. Matters concerning the procedure for paying or reimbursing costs arising from the performance of Audit & Supervisory Board Members' duties, or any other policy regarding the processing of costs or liabilities arising from the performance of such duties

The Company appropriates a certain amount of funds each fiscal year to cover the costs and liabilities incurred in connection with Audit & Supervisory Board Members' execution of duties. If an Audit & Supervisory Board Member, pursuant to the provisions of Article 388 of the Companies Act, requests payment in advance for expenses associated with their duties, the Board of Directors will review the matter and the Company will then promptly pay the expenses, except in cases where it deems that the expenses or liabilities related to such request are not necessary for the execution of the duties of the member concerned.

11. Systems for ensuring that the Company's Audit & Supervisory Board Members conduct audits effectively

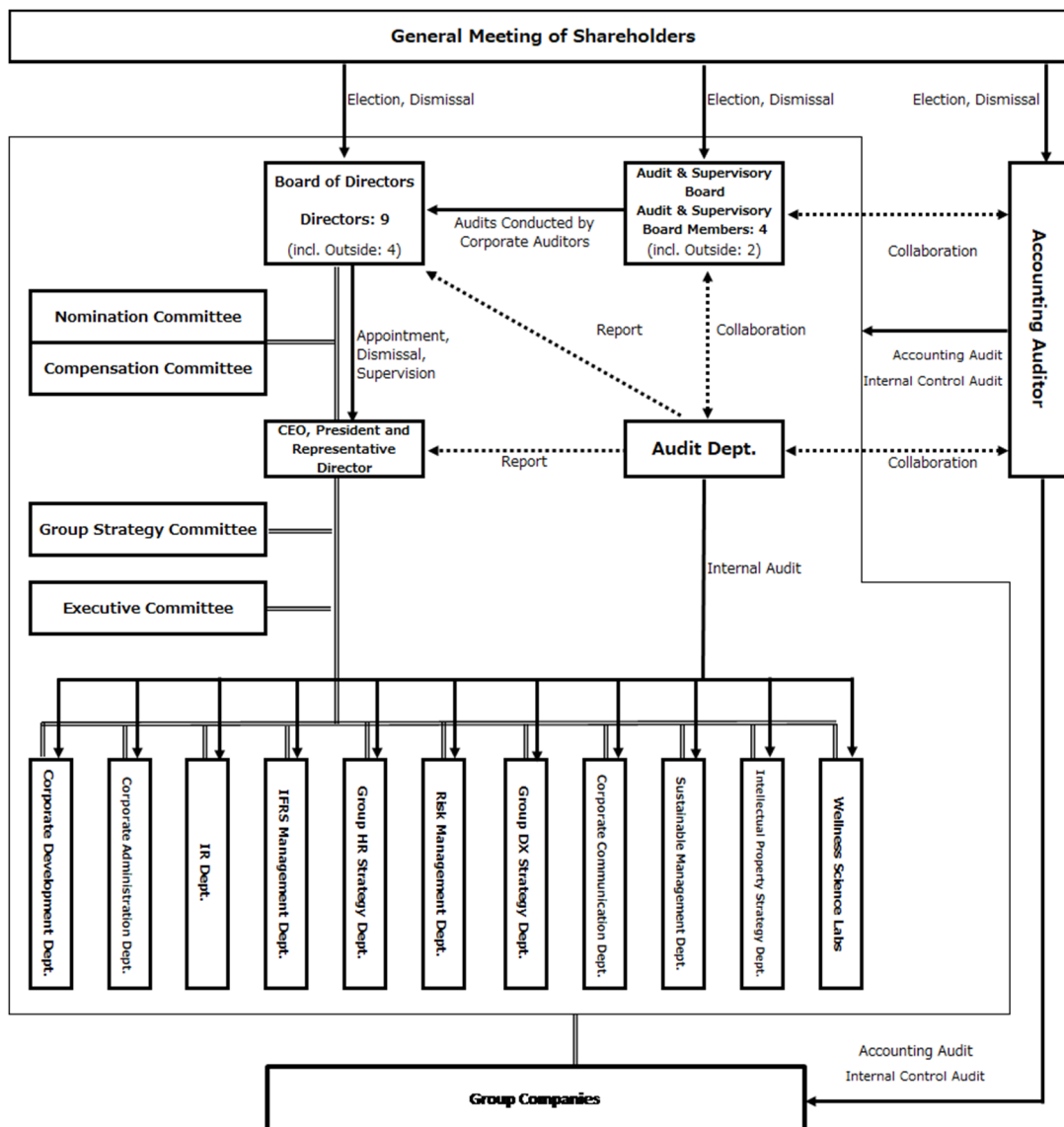
The Representative Director holds regularly meetings to exchange opinions with Audit & Supervisory Board Members. The Representative Director and directors of the Company and the Group companies understand the importance and usefulness of Audit & Supervisory Board audits, and they actively cooperate with Audit & Supervisory Board Members during their audits.

12. Basic views on eliminating anti-social forces

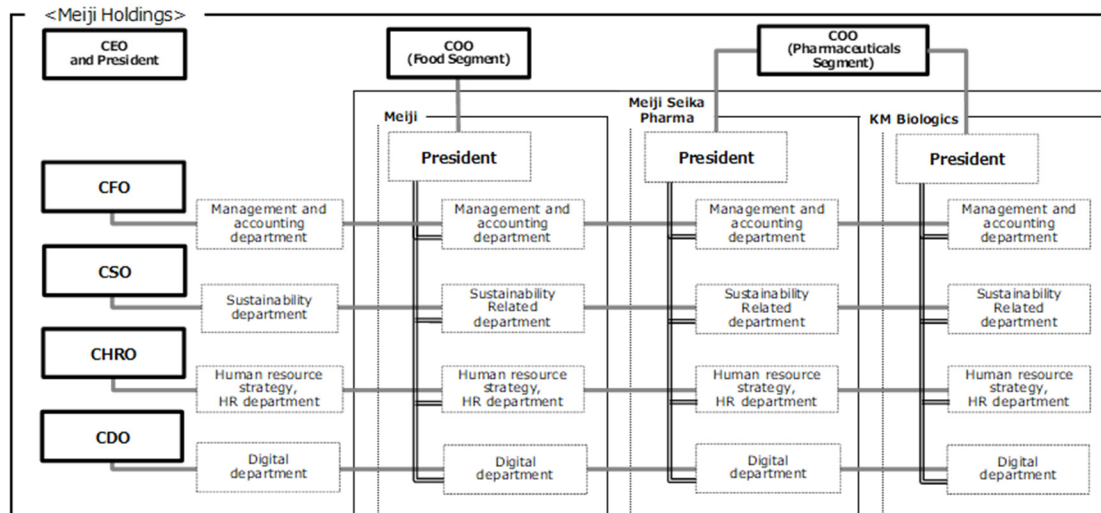
In accordance with the Corporate Behavior Charter and Compliance Regulations, the Company and Group companies sever all relationships with antisocial forces and groups that threaten the order and safety of civil society. In the case where a crime syndicate employs intimidation or otherwise poses a threat, the Company has developed a system for responding swiftly in close collaboration with public bodies such as the police and with attorneys.



The schematic diagram of the Company's corporate governance is as follows.



In addition, the Group's chief officer management system is as follows.



3) Overview of the limited liability contracts executed with outside directors and Audit & Supervisory Board Members

Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company enters into contracts with its outside directors and Audit & Supervisory Board Members limiting their liabilities under Article 423, Paragraph 1 of the said Act. The maximum amount of liabilities under such contracts is as prescribed in applicable laws and regulations.

4) Number of directors

The Company's Articles of Incorporation stipulate that the Company shall have no more than 15 directors.

5) Requirements for resolutions for the election of directors

The Company's Articles of Incorporation stipulate that a resolution for the election of directors shall be adopted by a majority of the voting rights of the shareholders present where shareholders holding one-third or more of the voting rights of shareholders who are entitled to exercise their voting rights are present and that cumulative voting shall not be used.

6) Dividends of surplus

To ensure efficient management of funds for future business expansion and capital expenditures as well as to enable flexible payment of dividends, the Company's Articles of Incorporation stipulate that matters related to dividends from surplus as stipulated in each item of Article 459, Paragraph 1 of the Companies Act shall be determined by a resolution of the Board of Directors instead of the general meeting of shareholders, unless otherwise provided by laws and regulations.

7) Interim dividends

The Company's Articles of Incorporation stipulate that the Company may, by a resolution of the Board of Directors, pay interim dividends (which refers to the distribution of surplus as provided for in Article 454, Paragraph 5 of the Companies Act).

8) Acquiring treasury shares

The Company's Articles of Incorporation stipulate that the Company may, by a resolution of the Board of Directors pursuant to Article 165, Paragraph 2 of the Companies Act, acquire its own shares to enable the execution of a flexible capital policy in response to changes in the business environment.

9) Exemption from liability of directors and Audit & Supervisory Board Members

The Company's Articles of Incorporation stipulate that the Company may, by a resolution of the Board of Directors pursuant to Article 426, Paragraph 1 of the Companies Act, exempt directors (including those who were directors) and Audit & Supervisory Board Members (including those who were Audit & Supervisory Board Members) from liability for damages under Article 423, Paragraph 1 of the Companies Act, to the extent provided by laws and regulations for the directors and Audit & Supervisory Board Members to fulfill the roles expected of them when carrying out their duties.

10) Requirements for special resolutions

To avoid a situation in which it becomes impossible to carry out actions necessary for company management that are important for shareholders' interests including reorganization and amendment of the Articles of Incorporation, the Company's Articles of Incorporation stipulate that a resolution of the general meeting of shareholders pursuant to Article 309, Paragraph 2 of the Companies Act shall be adopted by two-thirds or more of the voting rights of the shareholders present and holding one-third or more of the voting rights of the shareholders who are entitled to exercise their voting rights.

11) Overview of the limited liability contract entered into with accounting auditor

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company and Ernst & Young ShinNihon LLC, the Company's accounting auditor, have entered into a contract limiting liability under Article 423, Paragraph 1 of the Act. The maximum amount of liability under the contract is as prescribed in applicable laws and regulations.

12) Activities of the Board of Directors

In order to promote the realization of the Group Philosophy, sustainable growth of the Group and improvement of corporate value in the medium- to long-term, and improve profitability and capital efficiency, the Board of Directors formulates and implements overall group strategies, supervises of the management of operating companies, and executes highly effective supervision of directors and executive officers from an independent and objective standpoint.

In the current fiscal year, 17 meetings of the Board of Directors were held. At these meetings, in addition to holding discussions on important business plans and business budgets, matters related to general management policies, the conclusion of important

agreements, and the appointment of director candidates and executive officers, the Board of Directors also confirmed initiatives for sustainability, important themes related to human capital, assessment and supervision of management risks, and results of internal audits.

The attendance of individual directors and Audit & Supervisory Board Members is as follows.

Number of the Board of Directors meetings held during the current fiscal year		Total 17 times
Member of the Board of Directors	* Kazuo Kawamura	17/17
Member of the Board of Directors	Daikichiro Kobayashi	17/17
Member of the Board of Directors	Katsunari Matsuda	17/17
Member of the Board of Directors	Koichiro Shiozaki	4/17
Member of the Board of Directors	Jun Furuta	17/17
Member of the Board of Directors	Jun Hishinuma	13/13
Member of the Board of Directors	Mariko Matsumura (Independent)	17/17
Member of the Board of Directors	Masaya Kawata (Independent)	17/17
Member of the Board of Directors	Michiko Kuboyama (Independent)	17/17
Member of the Board of Directors	Peter D. Pedersen (Independent)	17/17
Audit & Supervisory Board Member	Hiroaki Chida	17/17
Audit & Supervisory Board Member	Takayoshi Ohno	17/17
Audit & Supervisory Board Member	Hajime Watanabe (Independent)	17/17
Audit & Supervisory Board Member	Makoto Ando (Independent)	17/17

\* indicates chairperson.

- (Notes) 1. Director Koichiro Shiozaki attended all four meetings of the Board of Directors held prior to his retirement at the close of the 15th Ordinary General Meeting of Shareholders held on June 27, 2024.
2. Director Jun Hishinuma attended all 13 meetings of the Board of Directors held after his appointment was approved at the 15th Ordinary General Meeting of Shareholders held on June 27, 2024.

#### 13) Activities of the Nomination Committee

The Company held seven meetings of the Nomination Committee in the current fiscal year, and the Committee deliberated and reported to the Board of Directors on proposals for the nomination or removal of directors and Audit & Supervisory Board Members, and nomination or removal of executive officers, including the president, and matters such as succession plan.

The attendance of individual Committee members is as follows.

Number of the Nomination Committee held during the current fiscal year		Total 7 times
Member of the Board of Directors	Kazuo Kawamura	7/7
Member of the Board of Directors	* Mariko Matsumura (Independent)	7/7
Member of the Board of Directors	Masaya Kawata (Independent)	7/7
Member of the Board of Directors	Michiko Kuboyama (Independent)	7/7
Member of the Board of Directors	Peter D. Pedersen (Independent)	7/7

\* indicates chairperson.

#### 14) Activities of the Compensation Committee

The Company held two meetings of the Compensation Committee in the current fiscal year, and the Committee deliberated and reported to the Board of Directors' policies regarding the determination of remuneration for directors and executive officers, the amount of remuneration, the level of remuneration, etc.

The attendance of individual Committee members is as follows.

Number of meetings of the Compensation Committee held during the current fiscal year		Total 2 times
Member of the Board of Directors	Kazuo Kawamura	2/2
Member of the Board of Directors	Mariko Matsumura (Independent)	2/2
Member of the Board of Directors	* Masaya Kawata (Independent)	2/2
Member of the Board of Directors	Michiko Kuboyama (Independent)	2/2
Member of the Board of Directors	Peter D. Pedersen (Independent)	2/2

\* indicates chairperson.

(2) Directors and other officers

As of June 26, 2025 (the filing date of the Annual Securities Report), the status of directors and other officers is as follows.

1) List of directors and other officers

Men: 10, Female: 3 (the ratio of female directors (and other officers) 23.1%)

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held
CEO, President and Representative Director	Kazuo Kawamura	August 25, 1953	<p>April 1976 Joined Meiji Dairies (Note 4)</p> <p>June 2007 Director, Meiji Dairies</p> <p>June 2009 Executive Officer, Meiji Dairies</p> <p>June 2010 Director, Meiji Dairies</p> <p>June 2010 Managing Executive Officer, Meiji Dairies</p> <p>April 2011 Member of the Board, Meiji (incumbent)</p> <p>April 2011 Senior Managing Executive Officer, Meiji</p> <p>June 2012 Representative Director, Meiji</p> <p>June 2012 President, Meiji</p> <p>June 2012 Member of the Board, the Company (incumbent)</p> <p>June 2018 Member of the Board, Meiji Seika Pharma (incumbent)</p> <p>June 2018 Representative Director, the Company (incumbent)</p> <p>June 2018 President, the Company (incumbent)</p> <p>April 2019 President (Co-Creation Center), the Company</p> <p>June 2020 CEO, the Company (incumbent)</p> <p>June 2020 President (Corporate Development Dept.), the Company (incumbent)</p> <p>April 2021 President (Group HR Strategy Dept.), the Company (incumbent)</p> <p>April 2023 President (Intellectual Property Strategy Dept.), the Company (incumbent)</p> <p>April 2023 President (Wellness Science Labs), the Company (incumbent)</p>	(Note 5)	128,304
COO (Pharmaceutical Segment), Member of the Board and Executive Officer	Daikichiro Kobayashi	August 21, 1954	<p>April 1979 Joined Meiji Seika (Note 3)</p> <p>June 2010 Executive Officer, Meiji Seika</p> <p>April 2011 Executive Officer, Meiji Seika Pharma</p> <p>June 2013 Member of the Board, Meiji Seika Pharma (incumbent)</p> <p>June 2013 Managing Executive Officer, Meiji Seika Pharma</p> <p>June 2014 Representative Director, Meiji Seika Pharma (incumbent)</p> <p>June 2014 President, Meiji Seika Pharma (incumbent)</p> <p>June 2014 Member of the Board, the Company (incumbent)</p> <p>June 2020 COO (Pharmaceutical Segment), the Company (incumbent)</p> <p>June 2021 Chairman and Representative Director, KM Biologics</p> <p>June 2025 Chairman and Representative Director of Meiji Seika Pharma (incumbent)</p>	(Note 5)	47,900
COO (Food Segment), Member of the Board and Executive Officer	Katsunari Matsuda	August 25, 1957	<p>April 1980 Joined Meiji Dairies (Note 4)</p> <p>June 2012 Executive Officer, Meiji</p> <p>June 2015 Managing Executive Officer, Meiji</p> <p>June 2017 Member of the Board, Meiji (incumbent)</p> <p>June 2017 Senior Managing Executive Officer, Meiji</p> <p>June 2018 Representative Director, Meiji</p> <p>June 2018 President, Meiji</p> <p>June 2018 Member of the Board, the Company (incumbent)</p> <p>June 2020 COO (Food Segment), the Company (incumbent)</p> <p>June 2025 Member of the Board, Meiji Seika Pharma (incumbent)</p>	(Note 5)	51,771

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held
CDO, Member of the Board and Senior Managing Executive Officer, Group DX Strategy Department / Risk Management Department / Corporate Communication Department	Jun Furuta	August 17, 1957	<p>April 1981 Joined Meiji Seika (Note 3)</p> <p>June 2013 Executive Officer, Meiji</p> <p>June 2014 Member of the Board, the Company (incumbent)</p> <p>June 2014 Executive Officer, the Company</p> <p>June 2014 General Manager, PR &amp; IR Dept., the Company</p> <p>June 2018 Managing Executive Officer, the Company</p> <p>October 2019 Managing Executive Officer (Sustainable Management Dept.), the Company (incumbent)</p> <p>April 2020 Managing Executive Officer (PR &amp; IR Dept.), the Company</p> <p>June 2020 Senior Managing Executive Officer, the Company (incumbent)</p> <p>June 2020 CSO, the Company</p> <p>June 2020 Member of the Board, Meiji (incumbent)</p> <p>April 2022 Senior Managing Executive Officer (Corporate Communication Dept.), the Company (incumbent)</p> <p>April 2024 Senior Managing Executive Officer (IR Dept.), the Company</p> <p>June 2024 CDO, the Company (incumbent)</p> <p>June 2024 Senior Managing Executive Officer (Group DX Strategy Dept.), the Company (incumbent)</p> <p>June 2024 Senior Managing Executive Officer (Risk Management Dept.), the Company (incumbent)</p>	(Note 5)	31,621
CFO, Member of the Board and Managing Executive Officer, Corporate Administration Department / IR Department / IFRS Management Department	Jun Hishinuma	November 5, 1965	<p>April 1988 Joined Meiji Dairies (Note 4)</p> <p>June 2022 Executive Officer, Meiji</p> <p>June 2023 Member of the Board, Meiji</p> <p>June 2023 Managing Executive Officer, Meiji</p> <p>June 2024 Member of the Board, the Company (incumbent)</p> <p>June 2024 Managing Executive Officer, the Company (incumbent)</p> <p>June 2024 CFO, the Company (incumbent)</p> <p>June 2024 Managing Executive Officer (Corporate Administration Dept.), the Company (incumbent)</p> <p>June 2024 Managing Executive Officer (IR Dept.), the Company (incumbent)</p> <p>June 2024 Managing Executive Officer (IFRS Management Dept.), the Company (incumbent)</p> <p>June 2024 Member of the Board, Meiji Seika Pharma (incumbent)</p> <p>June 2024 Member of the Board, KM Biologics (incumbent)</p>	(Note 5)	13,399
Member of the Board (Note 1)	Mariko Matsumura	September 24, 1959	<p>April 1988 Admitted to the bar in Japan as Attorney at Law</p> <p>April 1988 Joined Braun Moriya Hoashi &amp; Kubota</p> <p>February 1994 Joined Ryudo Sogo Law Offices</p> <p>January 2006 Joined Shinwa Sogo Law Offices (incumbent)</p> <p>June 2018 Outside Member of the Board, the Company (incumbent)</p> <p>April 2022 President, Dai-Ichi Tokyo Bar Association</p> <p>April 2022 Vice President, Japan Federation of Bar Associations</p>	(Note 5)	2,283

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held
Member of the Board (Note 1)	Masaya Kawata	April 20, 1952	<p>April 1975 Joined Nisshinbo Industries, Inc. (currently Nisshinbo Holdings Inc.)</p> <p>June 2006 Managing Officer, Nisshinbo Industries, Inc.</p> <p>June 2007 Director, Nisshinbo Industries, Inc. (incumbent)</p> <p>April 2009 President and Representative Director of Nisshinbo Brake Inc.</p> <p>June 2010 Executive Managing Officer, Nisshinbo Holdings Inc.</p> <p>June 2011 President and Representative Director, Nisshinbo Chemical Inc.</p> <p>June 2012 Senior Executive Managing Officer, Nisshinbo Holdings Inc.</p> <p>June 2012 President and Representative Director, Nisshinbo Mechatronics Inc.</p> <p>June 2013 President and Representative Director, Nisshinbo Holdings Inc.</p> <p>March 2019 Chairman and Representative Director, Nisshinbo Holdings Inc.</p> <p>June 2021 Outside Member of the Board, the Company (incumbent)</p> <p>March 2022 Chairman and Director, Nisshinbo Holdings Inc.</p>	(Note 5)	2,855
Member of the Board (Note 1)	Michiko Kuboyama	April 16, 1956	<p>April 1980 Joined Kao Soap Co., Ltd. (currently Kao Corporation)</p> <p>April 2006 General Manager, Products Public Relations Department, Kao Corporation</p> <p>April 2011 General Manager, Products Public Relations Center, Kao Corporation</p> <p>May 2016 Communication Fellow, Lifestyle Research Department, Kao Corporation</p> <p>June 2021 Outside Member of the Board, the Company (incumbent)</p>	(Note 5)	1,427
Member of the Board (Note 1)	Peter D. Pedersen	November 29, 1967	<p>September 2000 President, E-Square Inc.</p> <p>January 2015 Representative Director, Next Leaders' Initiative for Sustainability (NELIS)</p> <p>August 2020 Representative Director, NPO NELIS (incumbent)</p> <p>June 2022 Outside Member of the Board, the Company (incumbent)</p>	(Note 5)	844
Audit & Supervisory Board Member (Full-time)	Hiroaki Chida	October 22, 1959	<p>April 1982 Joined Meiji Dairies (Note 4)</p> <p>April 2011 General Manager, Operation Management Dept., Chubu Sales Headquarters, Meiji</p> <p>April 2013 General Manager, Audit Dept., Meiji</p> <p>April 2017 General Manager, Administration Dept., Administration Div., Meiji</p> <p>June 2018 Executive Officer, Meiji</p> <p>April 2021 Associate General Manager of Corporate Business Div., Meiji</p> <p>June 2021 Audit &amp; Supervisory Board Member, the Company (incumbent)</p> <p>June 2022 Audit &amp; Supervisory of KM Biologics Co. Ltd. (incumbent)</p>	(Note 6)	8,671
Audit & Supervisory Board Member (Full-time)	Takayoshi Ohno	October 29, 1960	<p>April 1983 Joined Meiji Seika (Note 3)</p> <p>October 2011 General Manager, Marketing Planning Strategy Dept., Meiji Seika Pharma</p> <p>June 2012 General Manager, Chiba &amp; Saitama Branch, Meiji Seika Pharma</p> <p>October 2014 General Manager, Fukuoka Branch, Meiji Seika Pharma</p> <p>October 2015 General Manager, Marketing Planning Strategy Dept., Meiji Seika Pharma</p> <p>July 2017 General Manager, Marketing Planning Strategy Dept., Meiji Seika Pharma</p> <p>June 2020 Executive Officer, Meiji Seika Pharma</p> <p>October 2020 General Manager, CNS Product Marketing Dept., Meiji Seika Pharma</p> <p>June 2021 Audit &amp; Supervisory Board Member, the Company (incumbent)</p>	(Note 6)	8,940

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held
Audit & Supervisory Board Member (Note 2)	Hajime Watanabe	July 28, 1959	April 1987 Admitted to the bar in Japan as Attorney at Law (Daini Tokyo Bar Association) April 1987 Joined Mori Sogo Law Offices (currently Mori Hamada & Matsumoto) September 1994 Admitted to the bar in the state of Illinois, the United States, as Foreign Legal Consultant May 1995 Admitted to the bar in the state of New York, the United States, as Attorney at Law April 2007 Opened STW & Partners (currently SHIOMIZAKA) June 2010 Substitute Audit & Supervisory Board Member, the Company June 2013 Outside Audit & Supervisory Board Member, the Company (incumbent) January 2022 Established Watanabe & Shimizu (incumbent)	(Note 6)	-
Audit & Supervisory Board Member (Note 2)	Makoto Ando	October 8, 1959	October 1984 Joined Sanwa Tokyo Marunouchi Office Audit Corporation (currently Deloitte Touche Tohmatsu LLC) December 1988 Joined KPMG Peat Marwick New York Office April 1991 Joined Sakurai Accounting Office April 1994 Joined Tokyo Metropolitan Police Department April 2002 Joined Ando Tax & Accounting Office (currently Hibiki Tax Corporation) April 2002 Joined Ando Certified Public Accountant Joint Office (incumbent) June 2017 Outside Audit & Supervisory Board Member, the Company (incumbent)	(Note 6)	11,380
Total					309,395

- (Notes) 1. Among the directors, Mariko Matsumura, Masaya Kawata, Michiko Kuboyama, and Peter D. Pedersen are outside directors.
2. Among the auditors, Hajime Watanabe and Makoto Ando are outside auditors.
3. Meiji Seika Kaisha, Ltd. changed its trade name to Meiji Seika Pharma Co., Ltd. as of April 1, 2011.
4. Meiji Dairies Corporation changed its trade name to Meiji Co., Ltd. as of April 1, 2011.
5. The term of office of the directors is from the close of the ordinary general meeting of shareholders for the fiscal year ended March 31, 2024 to the close of the ordinary general meeting of shareholders for the fiscal year ended March 31, 2025.
6. The term of office of the auditors is from the close of the ordinary general meeting of shareholders for the fiscal year ended March 31, 2021 to the close of the ordinary general meeting of shareholders for the fiscal year ended March 31, 2025.
7. The number of shares held is stated as of May 31, 2025.
8. The Company introduced an executive officer system. There are 10 executive officers, five of whom also serve as directors. The table below shows the executive officers.

Name	Positions & Responsibilities
Kazuo Kawamura	CEO, President Corporate Development Dept., Group HR Strategy Dept., Intellectual Property Strategy Dept., and Wellness Science Labs
Daikichiro Kobayashi	COO (Pharmaceutical Segment), Executive Officer
Katsunari Matsuda	COO (Food Segment), Executive Officer
Jun Furuta	CDO, Senior Managing Executive Officer Group DX Strategy Department / Risk Management Department / Corporate Communication Department
Jun Hishinuma	CFO, Managing Executive Officer Corporate Administration Dept., IR Dept., and IFRS Management Dept.



Name	Positions & Responsibilities
Shinji Matsuoka	CSO, Managing Executive Officer Sustainable Management Dept.
Shigeru Taniguchi	Executive Officer Intellectual Property Strategy Dept., and Wellness Science Labs
Yuhei Matsumoto	CHRO, Executive Officer, Head of Group HR Strategy Dept.
Takefumi Koga	Executive Officer, Group DX Strategy Dept.
Keiko Kawahata	Executive Officer, Head of Wellness Science Labs

At the 16th Ordinary General Meeting of Shareholders to be held on June 27, 2025, the Company plans to submit proposals (resolution items) for “Election of Nine (9) Members of the Board” and “Election of Four (4) Audit & Supervisory Board Members. If the proposals are approved as originally proposed, the status of directors and other officers will be as follows. The official titles or positions and career summaries reflect the content of the resolutions expected to be adopted at the Board of Directors and Audit & Supervisory Board meetings to be held immediately after the 16th Ordinary General Meeting of Shareholders.

1) List of directors and other officers

Men: 10, Female: 3 (the ratio of female directors (and other officers) 23.1%)

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held
CEO, President and Representative Director	Katsunari Matsuda	August 25, 1957	<p>April 1980 Joined Meiji Dairies (Note 4)</p> <p>June 2012 Executive Officer, Meiji</p> <p>June 2015 Managing Executive Officer, Meiji</p> <p>June 2017 Member of the Board, Meiji (incumbent)</p> <p>June 2017 Senior Managing Executive Officer, Meiji</p> <p>June 2018 Member of the Board, the Company</p> <p>June 2018 Representative Director, Meiji</p> <p>June 2018 President, Meiji</p> <p>June 2020 COO (Food Segment), the Company</p> <p>June 2025 Representative Director, the Company (incumbent)</p> <p>June 2025 President, the Company (incumbent)</p> <p>June 2025 CEO, the Company (incumbent)</p> <p>June 2025 President (Corporate Development Dept.), the Company (incumbent)</p> <p>June 2025 President (Group HR Strategy Dept.), the Company (incumbent)</p> <p>June 2025 President (Intellectual Property Strategy Dept.), the Company (incumbent)</p> <p>June 2025 President (Wellness Science Labs), the Company (incumbent)</p> <p>June 2025 Member of the Board, Meiji Seika Pharma (incumbent)</p>	(Note 5)	51,771
COO (Pharmaceutical Segment), Member of the Board and Executive Officer	Toshiaki Nagasato	October 1, 1957	<p>April 1983 Joined Meiji Seika (Note 3)</p> <p>June 2014 Executive Officer, Meiji Seika Pharma</p> <p>June 2017 Member of the Board, Meiji Seika Pharma (incumbent)</p> <p>July 2018 Executive Officer, KM Biologics</p> <p>July 2018 Representative Director, KM Biologics (incumbent)</p> <p>July 2018 President, KM Biologics (incumbent)</p> <p>June 2025 Member of the Board, the Company (incumbent)</p> <p>June 2025 COO (Pharmaceutical Segment), the Company (incumbent)</p> <p>June 2025 Executive Officer, Meiji Seika Pharma (incumbent)</p> <p>June 2025 Representative Director, Meiji Seika Pharma (incumbent)</p> <p>June 2025 President, Meiji Seika Pharma (incumbent)</p> <p>June 2025 Chairman and Representative Director, KM Biologics (incumbent)</p>	(Note 5)	19,022
COO (Food Segment), Member of the Board and Executive Officer	Bunjiro Yao	May 28, 1961	<p>April 1984 Joined Meiji Dairies (Note 4)</p> <p>June 2015 Executive Officer, Meiji</p> <p>June 2017 Managing Executive Officer, Meiji</p> <p>June 2020 Member of the Board, Meiji</p> <p>June 2021 Senior Managing Executive Officer, Meiji</p> <p>June 2023 Vice President and Executive Officer, Meiji</p> <p>June 2025 Member of the Board, the Company (incumbent)</p> <p>June 2025 COO (Food Segment), the Company (incumbent)</p> <p>June 2025 Representative Director, Meiji (incumbent)</p> <p>June 2025 President, Meiji (incumbent)</p>	(Note 5)	41,503

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held
CDO, Member of the Board, and Vice President Group DX Strategy Department / Risk Management Department / Corporate Communication Department	Jun Furuta	August 17, 1957	<p>April 1981 Joined Meiji Seika (Note 3)</p> <p>June 2013 Executive Officer, Meiji</p> <p>June 2014 Member of the Board, the Company (incumbent)</p> <p>June 2014 Executive Officer, the Company</p> <p>June 2014 General Manager, PR &amp; IR Dept., the Company</p> <p>June 2018 Managing Executive Officer, the Company</p> <p>October 2019 Managing Executive Officer (Sustainable Management Dept.), the Company</p> <p>April 2020 Managing Executive Officer (PR &amp; IR Dept.), the Company</p> <p>June 2020 Senior Managing Executive Officer, the Company</p> <p>June 2020 CSO, the Company</p> <p>June 2020 Member of the Board, Meiji (incumbent)</p> <p>April 2022 Senior Managing Executive Officer (Corporate Communication Dept.), the Company (incumbent)</p> <p>April 2024 Senior Managing Executive Officer (IR Dept.), the Company</p> <p>June 2024 CDO, the Company (incumbent)</p> <p>June 2024 Senior Managing Executive Officer (Group DX Strategy Dept.), the Company (incumbent)</p> <p>June 2024 Senior Managing Executive Officer (Risk Management Dept.), the Company (incumbent)</p> <p>June 2025 Vice President, the Company (incumbent)</p>	(Note 5)	31,621
CFO, Member of the Board and Senior Managing Executive Officer, Corporate Administration Department / IR Department / IFRS Management Department	Jun Hishinuma	November 5, 1965	<p>April 1988 Joined Meiji Dairies (Note 4)</p> <p>June 2022 Executive Officer, Meiji</p> <p>June 2023 Member of the Board, Meiji</p> <p>June 2023 Managing Executive Officer, Meiji</p> <p>June 2024 Member of the Board, the Company (incumbent)</p> <p>June 2024 Managing Executive Officer, the Company</p> <p>June 2024 CFO, the Company (incumbent)</p> <p>June 2024 Managing Executive Officer (Corporate Administration Dept.), the Company (incumbent)</p> <p>June 2024 Managing Executive Officer (IR Dept.), the Company (incumbent)</p> <p>June 2024 Managing Executive Officer (IFRS Management Dept.), the Company (incumbent)</p> <p>June 2024 Member of the Board, Meiji Seika Pharma (incumbent)</p> <p>June 2024 Member of the Board, KM Biologics (incumbent)</p> <p>June 2025 Senior Managing Executive Officer, the Company (incumbent)</p>	(Note 5)	13,399
Member of the Board (Note 1)	Mariko Matsumura	September 24, 1959	<p>April 1988 Admitted to the bar in Japan as Attorney at Law</p> <p>April 1988 Joined Braun Moriya Hoashi &amp; Kubota</p> <p>February 1994 Joined Ryudo Sogo Law Offices</p> <p>January 2006 Joined Shinwa Sogo Law Offices (incumbent)</p> <p>June 2018 Outside Member of the Board, the Company (incumbent)</p> <p>April 2022 President, Dai-ichi Tokyo Bar Association</p> <p>April 2022 Vice President, Japan Federation of Bar Associations</p>	(Note 5)	2,283

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held
Member of the Board (Note 1)	Masaya Kawata	April 20, 1952	<p>April 1975 Joined Nisshinbo Industries, Inc. (currently Nisshinbo Holdings Inc.)</p> <p>June 2006 Managing Officer, Nisshinbo Industries, Inc.</p> <p>June 2007 Director, Nisshinbo Industries, Inc.</p> <p>April 2009 President and Representative Director of Nisshinbo Brake Inc.</p> <p>June 2010 Executive Managing Officer, Nisshinbo Holdings Inc.</p> <p>June 2011 President and Representative Director, Nisshinbo Chemical Inc.</p> <p>June 2012 Senior Executive Managing Officer, Nisshinbo Holdings Inc.</p> <p>June 2012 President and Representative Director, Nisshinbo Mechatronics Inc.</p> <p>June 2013 President and Representative Director, Nisshinbo Holdings Inc.</p> <p>March 2019 Chairman and Representative Director, Nisshinbo Holdings Inc.</p> <p>June 2021 Outside Member of the Board, the Company (incumbent)</p> <p>March 2022 Chairman and Director, Nisshinbo Holdings Inc.</p>	(Note 5)	2,855
Member of the Board (Note 1)	Michiko Kuboyama	April 16, 1956	<p>April 1980 Joined Kao Soap Co., Ltd. (currently Kao Corporation)</p> <p>April 2006 General Manager, Products Public Relations Department, Kao Corporation</p> <p>April 2011 General Manager, Products Public Relations Center, Kao Corporation</p> <p>May 2016 Communication Fellow, Lifestyle Research Department, Kao Corporation</p> <p>June 2021 Outside Member of the Board, the Company (incumbent)</p>	(Note 5)	1,427
Member of the Board (Note 1)	Peter D. Pedersen	November 29, 1967	<p>September 2000 President, E-Square Inc.</p> <p>January 2015 Representative Director, Next Leaders' Initiative for Sustainability (NELIS)</p> <p>August 2020 Representative Director, NPO NELIS (incumbent)</p> <p>June 2022 Outside Member of the Board, the Company (incumbent)</p>	(Note 5)	844
Audit & Supervisory Board Member (Full-time)	Masayori Tamaki	June 8, 1965	<p>April 1989 Joined Meiji Dairies (Note 4)</p> <p>June 2019 General Manager of General Affairs &amp; Legal Dept., Meiji</p> <p>April 2022 General Manager of General Affairs &amp; Legal Dept., Corporate Administration Div., Meiji</p> <p>April 2023 General Manager of Legal &amp; Risk Management Div., Risk Management Dept., Meiji</p> <p>April 2024 General Manager of Legal Dept., Legal &amp; Risk Management Div., Meiji</p> <p>June 2024 Executive Officer, Meiji</p> <p>June 2025 Outside Audit &amp; Supervisory Board Member, the Company (incumbent)</p>	(Note 6)	7,365
Audit & Supervisory Board Member (Full-time)	Yasushi Watanabe	November 22, 1966	<p>April 1989 Joined Meiji Seika (Note 3)</p> <p>June 2016 General Manager of General Affairs Dept., Meiji Seika Pharma</p> <p>April 2017 General Manager, Corporate Development Dept., Meiji Seika Pharma</p> <p>October 2017 General Manager of Corporate Development and Administration Dept., Meiji Seika Pharma</p> <p>July 2018 General Manager of Corporate Administration Dept., Meiji Seika Pharma</p> <p>July 2019 General Manager of International Administration Dept., Meiji Seika Pharma</p> <p>April 2022 General Manager of Legal Dept., Meiji Seika Pharma</p> <p>July 2023 Associate General Manager of Corporate Administration Division, Meiji Seika Pharma</p> <p>June 2025 Outside Audit &amp; Supervisory Board Member, the Company (incumbent)</p>	(Note 6)	5,612

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held
Audit & Supervisory Board Member (Note 2)	Makoto Ando	October 8, 1959	October 1984 Joined Sanwa Tokyo Marunouchi Office Audit Corporation (currently Deloitte Touche Tohmatsu LLC) December 1988 Joined KPMG Peat Marwick New York Office April 1991 Joined Sakurai Accounting Office April 1994 Joined Tokyo Metropolitan Police Department April 2002 Joined Ando Tax & Accounting Office (currently Hibiki Tax Corporation) April 2002 Joined Ando Certified Public Accountant Joint Office (incumbent) June 2017 Outside Audit & Supervisory Board Member, the Company (incumbent)	(Note 6)	11,380
Audit & Supervisory Board Member (Note 2)	Masakazu Komatsu	April 6, 1977	October 2002 Admitted to the bar in Japan as Attorney at Law October 2002 Joined Mori Sogo Law Offices (currently Mori Hamada & Matsumoto) April 2007 Opened STW & Partners (currently SHIOMIZAKA) April 2014 Opened Komatsu Partners (currently Kotohira Partners) (incumbent) June 2023 Substitute Audit & Supervisory Board Member, the Company June 2025 Outside Audit & Supervisory Board Member, the Company (incumbent)	(Note 6)	-
Total					189,082

- (Notes) 1. Among the directors, Mariko Matsumura, Masaya Kawata, Michiko Kuboyama, and Peter D. Pedersen are outside directors.
2. Among the auditors, Makoto Ando and Masakazu Komatsu are outside auditors.
3. Meiji Seika Kaisha, Ltd. changed its trade name to Meiji Seika Pharma Co., Ltd. as of April 1, 2011.
4. Meiji Dairies Corporation changed its trade name to Meiji Co., Ltd. as of April 1, 2011.
5. The term of office of the directors is from the close of the ordinary general meeting of shareholders for the fiscal year ended March 31, 2025 to the close of the ordinary general meeting of shareholders for the fiscal year ending March 31, 2026.
6. The term of office of the auditors is from the close of the ordinary general meeting of shareholders for the fiscal year ended March 31, 2025 to the close of the ordinary general meeting of shareholders for the fiscal year ending March 31, 2029.
7. The number of shares held is stated as of May 31, 2025.
8. The Company introduced an executive officer system. There are 11 executive officers, five of whom also serve as directors. The table below shows the executive officers.

Name	Positions & Responsibilities
Katsunari Matsuda	CEO, President Corporate Development Dept., Group HR Strategy Dept., Intellectual Property Strategy Dept., and Wellness Science Labs
Toshiaki Nagasato	COO (Pharmaceutical Segment), Executive Officer
Bunjiro Yao	COO (Food Segment), Executive Officer
Jun Furuta	CDO, Vice President Group DX Strategy Department / Risk Management Department / Corporate Communication Department
Jun Hishinuma	CFO, Senior Managing Executive Officer Corporate Administration Dept., IR Dept., and IFRS Management Dept.
Shinji Matsuoka	CSO, Managing Executive Officer Sustainable Management Dept.
Takefumi Koga	Executive Officer, Group DX Strategy Dept.

Name	Positions & Responsibilities
Keiko Kawahata	Executive Officer, Head of Wellness Science Labs
Youichirou Yamagata	Executive Officer, General Manager of Corporate Development Dept.
Hayato Shimada	Executive Officer, General Manager of Corporate Administration Dept.
Toshiyasu Sekine	CHRO, Executive Officer, Head of Group HR Strategy Dept.

## 2) Outside directors and outside auditors

As of June 26, 2025 (the filing date of the Annual Securities Report), the Company has four Outside Members of the Board and two Outside Audit & Supervisory Board Members.

At the 16th Ordinary General Meeting of Shareholders to be held on June 27, 2025, the Company plans to submit proposals (resolution items) for “Election of Nine (9) Members of the Board” and “Election of Four (4) Audit & Supervisory Board Members.” However, even if these proposals are approved as originally proposed, there will be no change in the number of the above-mentioned outside directors and outside auditors.

Members of the Board Mariko Matsumura, Masaya Kawata, Michiko Kuboyama, Peter D. Pedersen, and Audit & Supervisory Board Member Makoto Ando hold shares of the Company.

Peter D. Pedersen has been receiving remuneration as an outside expert for the Company’s ESG Advisory Board since FY2021. In addition, he is the representative director of NELIS, a nonprofit organization, and the Company takes part in the activities organized by NELIS. The Company paid less than JPY 3.3 million for such remuneration and participation fees in the previous fiscal year, which meets our Criteria for Independence.

Other than the above, the Company does not have any personal, capital, business, or other interest relationship with Outside Members of the Board and Outside Audit & Supervisory Board Members.

Member of the Board Mariko Matsumura is an outside director of SODA NIKKA CO., LTD., an outside auditor of Komatsu Ltd., and an outside auditor of Japan Airlines Co., Ltd. In addition, she was an outside auditor of Adastria Co., Ltd. until May 2022, and an outside auditor of Fund Creation Group Co., Ltd. until February 2025. We do not have any special relationship with any of SODA NIKKA CO., LTD., Komatsu Ltd., Japan Airlines Co., Ltd., Adastria Co., Ltd. and Fund Creation Group Co., Ltd.

Member of the Board Masaya Kawata is an outside director of Central Glass Co., Ltd. In addition, he was the director and chairman of Nisshinbo Holdings Inc. until March 2023. We do not have any special relationship with either of Nisshinbo Holdings Inc. and Central Glass Co., Ltd.

Member of the Board Michiko Kuboyama is an outside director of Sumitomo Mitsui Banking Corporation. In addition, she was an outside director of Isetan Mitsukoshi Holdings Ltd. until June 2022, an outside director of Smile Holdings Inc. (former Kids Smile Holdings Inc.) until June 2023, and an outside director of Kura Sushi, Inc. until January 2024. Sumitomo Mitsui Banking Corporation is our lender of funds and holds shares of the Company. We do not have any special relationship with any of Isetan Mitsukoshi Holdings Ltd., Smile Holdings Inc., and Kura Sushi, Inc.

Member of the Board Peter D. Pedersen is an outside director of Marui Group Co., Ltd. and Mitsubishi Electric Corporation. We do not have any special relationship with either of Marui Group Co., Ltd. and Mitsubishi Electric Corporation.

The Company provides notification to the Tokyo Stock Exchange regarding Members of the Board Mariko Matsumura, Masaya Kawata, Michiko Kuboyama, and Peter D. Pedersen as independent directors in accordance with the rules of the exchange.

Audit & Supervisory Board Member Hajime Watanabe was an outside auditor of CHEMIPAZ CORPORATION (former Seiko PMC Corporation) until March 2019, an outside auditor of Furyu Corporation until June 2019, and an auditor of LOGISTEED, Ltd. (former Hitachi Transport System, Ltd.) until February 2024. We do not have any special relationship with any of CHEMIPAZ CORPORATION, Furyu Corporation, and LOGISTEED, Ltd.

Audit & Supervisory Board Member Makoto Ando is an outside auditor of Nippon Concrete Industries Co., Ltd. and an outside director of INV Inc. We do not have any special relationship with either of Nippon Concrete Industries Co., Ltd. and INV Inc.

The roles of outside directors are to provide precise advice and decision-making using their broad knowledge and experience from an objective and neutral standpoint. In addition, outside auditors are expected to accurately identify and audit the legality

and appropriateness of the Company's business execution based on their expertise and experience from an objective and neutral standpoint.

The criteria for independence for the appointment of Outside Members of the Board and Outside Audit & Supervisory Board Members stipulate that none of the following shall apply.

- (i) A person who executes business of the Company or its subsidiary
- (ii) A person who executes business of the Company's parent company or a fellow subsidiary
- (iii) A party which has material business transactions with the Company or a person who executes business transactions of that party, or a major business partner of the Company, or a person who executes business transactions of that business partner
- (iv) A consultant, an accounting expert, or a legal expert who receives a considerable amount of cash or other assets other than remuneration as a Member of the Board or an Audit & Supervisory Board Member from the Company (when a party who receives such assets is an organization, such as a corporation or an association, this shall refer to a person who is associated with such organization)
- (v) A person who fell under category (i) above during the ten-year period prior to assuming the position
- (vi) A person who fell under category (ii), (iii), or (iv) above during the one-year period prior to assuming the position
- (vii) A relative within the second degree of kinship of a person (excluding a person who does not have an important management position) who currently falls or fell under category (i), (ii), (iii), or (iv) above during the one-year period prior to assuming the position

- (Notes)
- 1. "A party which has material business transactions with the Company" is one that received payment from the Company during the latest fiscal year equivalent to 2% or more of the party's annual consolidated net sales or JPY 100 million, whichever is greater.
  - 2. "A major business partner of the Company" is one that made payment to the Company during the latest fiscal year equivalent to 2% or more of the Company's annual consolidated net sales.
  - 3. "A consultant, an accounting expert, or a legal expert who receives a considerable amount of cash or other assets other than remuneration as a Member of the Board or an Audit & Supervisory Board Member from the Company" is one who received cash or assets from the Company during the latest fiscal year other than remuneration as a Member of the Board or an Audit & Supervisory Board Member, equivalent to 2% or more of his/her consolidated net sales or JPY 10 million, whichever is greater.

- 3) Mutual collaboration between supervision or auditing by outside directors or outside Audit & Supervisory Board Members and internal auditing and auditing by Audit & Supervisory Board Members and accounting auditor, as well as relationship with internal control departments

Please refer to 4. Corporate governance (1) Overview of corporate governance, 2) Corporate governance system, and (3) Audit, 1) Audit by Audit & Supervisory Board Members, 2) Internal audit, and 3) Audit by accounting auditor.

### (3) Audit

As of June 26, 2025 (the filing date of the Annual Securities Report), the status of audits is as follows.

#### 1) Audit by Audit & Supervisory Board Members

##### a. Organization, personnel, and procedures

Audit & Supervisory Board audits are conducted by four Audit & Supervisory Board Members, including two outside Audit & Supervisory Board Members. The Audit & Supervisory Board, which comprises four Audit & Supervisory Board Members, meets once a month, in principle, pursuant to the Audit & Supervisory Board Guidelines. To better enable the Audit & Supervisory Board Members to fulfill their function of overseeing business execution, the Company has put in place a system that facilitates effective audits. For example, dedicated staff are on hand to assist the process of Audit & Supervisory Board audits and the Audit & Supervisory Board Members attend important meetings such as those of the Board of Directors and Executive Committee. In addition, Audit & Supervisory Board Members are given regular reports and forwarded important documents.

Name	Background, etc.
Full-time Audit & Supervisory Board Member Hiroaki Chida	Hiroaki Chida held important positions in fields such as accounting, finance, and auditing at the Meiji Group, and has considerable expertise in finance and accounting.
Full-time Audit & Supervisory Board Member Takayoshi Ohno	Takayoshi Ohno assumed key managerial positions for an extended period at Meiji Seika Pharma Co., Ltd., a Meiji Group company, and is well versed in the pharmaceutical business.
Outside Audit & Supervisory Board Member Hajime Watanabe	Hajime Watanabe has a prolific career as an attorney at law and has deep expertise in international business transactional law areas.
Outside Audit & Supervisory Board Member Makoto Ando	Makoto Ando has built a prolific career and gained deep expertise in both the private sector, working in major audit firms and accounting firms in Japan and overseas as a certified public accountant, and the public sector.

##### b. Activities of the Audit & Supervisory Board and its members, and attendance of the Audit & Supervisory Board during the current fiscal year

Name	Background, etc.	Attendance of the Audit & Supervisory Board during the current fiscal year
Full-time Audit & Supervisory Board Member Hiroaki Chida	Hiroaki Chida held important positions in fields such as accounting, finance, and auditing at the Meiji Group, and has considerable expertise in finance and accounting.	16/16
Full-time Audit & Supervisory Board Member Takayoshi Ohno	Takayoshi Ohno assumed key managerial positions for an extended period at Meiji Seika Pharma Co., Ltd., a Meiji Group company, and is well versed in the pharmaceutical business.	16/16
Outside Audit & Supervisory Board Member Hajime Watanabe	Hajime Watanabe has a prolific career as an attorney at law and has deep expertise in international business transactional law areas.	16/16
Outside Audit & Supervisory Board Member Makoto Ando	Makoto Ando has built a prolific career and gained deep expertise in both the private sector, working in major audit firms and accounting firms in Japan and overseas as a certified public accountant, and the public sector.	15/16

The Audit & Supervisory Board meets once a month before the Board of Directors meeting is held and also meets as needed. In the current fiscal year, a total of 16 meetings were held, with each meeting lasting approximately 1.0 hour. The main subjects discussed by the Audit & Supervisory Board are as follows:

Matters resolved      6 matters: resolution on the reappointment of the accounting auditor, resolution on audit reports by the Audit & Supervisory Board, resolution on audit policies and plans, resolution on audit fees for the accounting auditor, etc.



Matters discussed	6 matters: discussion on audit reports by each Audit & Supervisory Board Member, discussion on reporting at the General Meeting of Shareholders, discussion on remuneration for Audit & Supervisory Board Members, etc.
Matters confirmed	18 matters: confirmation of proposals to be submitted to the Board of Directors, confirmation by the Audit & Supervisory Board regarding internal controls pertaining to financial reporting, etc.
Matters reported	128 matters: reports on the status of the execution of duties, etc.

The four Audit & Supervisory Board Members attend Board of Directors meetings, audit the proceedings and matters resolved, and express their opinions as needed. As for the attendance of the Audit & Supervisory Board Members at Board of Directors meetings, Hiroaki Chida, Takayoshi Ohno, and Hajime Watanabe attended 17 out of 17 meetings, and Makoto Ando attended 16 out of 17 meetings. In addition, the Audit & Supervisory Board holds regular meetings twice a year with the CEO, President and Representative Director, as well as the presidents of business companies who concurrently serve as COOs and Members of the Board of the Company, sharing opinions on matters such as issues to be addressed by the Company, the status of the environment put in place for Audit & Supervisory Board audits, key issues in auditing, and explaining audit policies and plans and the implementation status and results of audits as appropriate.

The full-time Audit & Supervisory Board Members attend important meetings at the Company, including those held by the Executive Committee and the Group Sustainability Committee, as well as the Internal Control Committee meetings, Audit Department Liaison Meetings, etc. They report the details of these meetings to the Audit & Supervisory Board and share information with the outside Audit & Supervisory Board Members.

At the 16th Ordinary General Meeting of Shareholders to be held on June 27, 2025, the Company plans to submit proposals (resolution items) for “Election of Four (4) Audit & Supervisory Board Members.” If the proposal is approved as originally proposed, the status of the audit by the Audit & Supervisory Board Members will be as follows. The official titles or positions reflect the content of the resolutions expected to be adopted at Audit & Supervisory Board meetings to be held immediately after the 16th Ordinary General Meeting of Shareholders.

#### Organization, Personnel, and Procedures

Audit & Supervisory Board audits are conducted by four Audit & Supervisory Board Members, including two outside Audit & Supervisory Board Members. The Audit & Supervisory Board, which comprises four Audit & Supervisory Board Members, meets once a month, in principle, pursuant to the Audit & Supervisory Board Guidelines. To better enable the Audit & Supervisory Board Members to fulfill their function of overseeing business execution, the Company has put in place a system that facilitates effective audits. For example, dedicated staff are on hand to assist the process of Audit & Supervisory Board audits and the Audit & Supervisory Board Members attend important meetings such as those of the Board of Directors and Executive Committee. In addition, Audit & Supervisory Board Members are given regular reports and forwarded important documents.

Name	Background, etc.
Full-time Audit & Supervisory Board Member Masayori Tamaki	Masayori Tamaki has experience and achievements in various areas of the Group, including HR and labor affairs, legal and risk management.
Full-time Audit & Supervisory Board Member Yasushi Watanabe	Yasushi Watanabe has experience and achievements in various areas of the Group, including corporate development, corporate administration, legal and risk management.
Outside Audit & Supervisory Board Member Makoto Ando	Makoto Ando has built a prolific career and gained deep expertise in both the private sector, working in major audit firms and accounting firms in Japan and overseas as a certified public accountant, and the public sector.
Outside Audit & Supervisory Board Member Masakazu Komatsu	Masakazu Komatsu has a prolific career as an attorney at law and has deep expertise in corporate legal affairs.

## 2) Internal audit

### a. Organization, personnel, and procedures

As an internal audit department independent of the business execution department, the Audit Department (comprising seven internal audit staff members) was established under the direct control of the CEO, President and Representative Director. The Audit Department examines and evaluates management and operation systems for overall business activities and the status of business execution from the perspectives of legitimacy and rationality and provides information, as well as advice and proposals for improvement, based on the results of such examinations and evaluations. For the purpose of checking whether the Group has achieved internal control, the Department also conducts internal audits in collaboration with internal audit departments within the Group.

As audit work, the Audit Department conducts business audits from the perspective of reducing risks for overall businesses based on audit plans, as well as internal control monitoring for internal control pertaining to financial reporting. Upon the completion of business audits, the Department summarizes matters to be addressed and provides notice to the audited departments. At the same time, it also prepares audit reports and reports to the CEO, President and Representative Director and other officers, as well as reports to the Board of Directors and the Audit & Supervisory Board on a regular basis based on the Supplementary Principle 4.13.3 of the Corporate Governance Code. If there is a matter requiring improvement, the Audit Department requests the audited department to submit a response report, confirms the subsequent implementation status of improvement measures, and conducts a follow-up to ensure that improvement measures are firmly in place. With regard to internal control monitoring, the Audit Department reports the monitoring results to the Internal Control Committee Secretariat, and if there is a deficiency, requests the monitored department to implement corrective measures.

The Audit Department also conducts audits centered on governance and compliance utilizing external experts to reduce the management risks of overseas Group companies, which are generally said to have higher risks than domestic companies due in part to differences in the management environment. By doing so, it strives to strengthen systems and prevent and check fraud. The issues and other problems found in overseas Group companies are shared with the management organization of the business subsidiary of the Company responsible for the overseas subsidiaries, and corrective action is taken.

### b. Coordination between internal audits, Audit & Supervisory Board Audits, and audits by the accounting auditor, and relationship between these audits and internal control department

The full-time Audit & Supervisory Board Members and the Audit Department regularly share information through the Audit Department Liaison Meeting, a liaison meeting on audits. The four Audit & Supervisory Board Members hold quarterly liaison meetings with the accounting auditor to receive reports on the status and results of the accounting audit and to exchange opinions. The accounting auditor and the Audit Department collaborate as needed and strive to improve the efficiency of audits.

As an internal control system pertaining to financial reporting, the Internal Control Committee has been established in accordance with the policy for development of such a system. The Internal Control Committee shares information and collaborates with the Audit & Supervisory Board, the accounting auditor, and the Audit Department with regard to the implementation and evaluation of internal control of the Company and its business subsidiaries.

## 3) Audit by accounting auditor

Since FY2010, the Company has concluded an audit agreement for audits under the Companies Act and audits under the Financial Instruments and Exchange Act with Ernst & Young ShinNihon LLC, and paid fees pursuant to the agreement.

Work for accounting audits of the Company has been executed by three certified public accountants: Shinji Takada, Kiyotaka Kinugawa, and Ai Hiraoka, all of whom belong to Ernst & Young ShinNihon LLC.

The assistants involved in the accounting audit work comprise 23 certified public accountants and 33 others.

The accounting auditor also checks annual audit plans with Audit & Supervisory Board Members and reports audit results.

There are no interests required to be disclosed pursuant to the Certified Public Accountants Act between the Company, Ernst & Young ShinNihon LLC, and employees executing business.

### a. Policy and reason for selecting the accounting auditor

The Company has set a policy of selecting as its accounting auditor an auditing firm which owns, along with independency and expertise, a global network that enables the provision of a variety of information and performs high-quality audits.

The Audit & Supervisory Board prepares criteria for selecting the accounting auditor, and based on the criteria, it checks whether the accounting auditor possesses independence and necessary expertise, has an appropriate scale and overseas

network that enable efficient audit work for the Company's wide range of businesses, and has a well-developed audit system, as well as whether the specific audit plans, including the scope of audits and the audit schedule, and the audit costs are reasonable and appropriate. After checking these points, the Board comprehensively evaluates the accounting auditor and makes a decision on the selection, taking into account the accounting auditor's audit record and other factors.

As the policy for the dismissal or non-reappointment of the accounting auditor, the Audit & Supervisory Board will dismiss the accounting auditor based on unanimous agreement of all the Audit & Supervisory Board Members if it is determined that the accounting auditor falls under any of the items of Article 340, Paragraph 1 of the Companies Act. In this case, the Audit & Supervisory Board Member selected by the Audit & Supervisory Board will report the dismissal of the accounting auditor and the reason at the first general meeting of shareholders held after the dismissal.

In addition to the case above, when it is deemed to be difficult for the accounting auditor to execute its duties appropriately, the Company determines, by resolution of the Audit & Supervisory Board, the details of a proposal on the dismissal or non-reappointment of the accounting auditor to be submitted to the general meeting of shareholders.

b. Evaluation of the auditing firm by Audit & Supervisory Board Members and the Audit & Supervisory Board

The Company's Audit & Supervisory Board Members and Audit & Supervisory Board conduct the evaluation of the auditing firm. In evaluating the firm, they prepare evaluation criteria for the accounting auditor and evaluate the auditing firm's quality control, audit team, audit fees, communication with the Audit & Supervisory Board Members, relationship with the management, group audits, fraud risk, and other matters.

4) Details of audit fees, etc.

a. Fees for auditing certified public accountants, etc.

Categories	As of March 31, 2024		As of March 31, 2025	
	Fees based on audit and attestation services (Millions of yen)	Fees based on non-audit services (Millions of yen)	Fees based on audit and attestation services (Millions of yen)	Fees based on non-audit services (Millions of yen)
Reporting company	126	-	141	3
Consolidated subsidiaries	137	-	139	-
Total	264	-	281	3

Details of non-auditing services provided by auditing certified public accountants, etc.

(Previous fiscal year)

Not applicable.

(Current fiscal year)

Fees were paid for domestic comfort letter preparation services.

b. Fees (excluding a) paid to organizations affiliated with the same network as that of auditing certified public accountants (Ernst & Young member firms)

Categories	As of March 31, 2024		As of March 31, 2025	
	Fees based on audit and attestation services (Millions of yen)	Fees based on non-audit services (Millions of yen)	Fees based on audit and attestation services (Millions of yen)	Fees based on non-audit services (Millions of yen)
Reporting company	-	-	-	2
Consolidated subsidiaries	150	314	168	248
Total	150	314	168	250

Details of non-auditing services provided by organizations affiliated with the same network as that of auditing certified public accountants (Ernst & Young member firms)

(Previous fiscal year)

Fees were paid for advisory services and other services in relation to the Pharmaceutical Segment at consolidated subsidiaries.

(Current fiscal year)

Fees were paid for advisory services in relation to the Company and consolidated subsidiaries.

For the current fiscal year, in relation to non-consolidated subsidiaries, fees paid for audit services were JPY 8 million and fees based on non-audit services were JPY 8 million.

c. Fees paid for other important audit and attestation services

Not applicable.

d. Policy on determining audit fees

In examining audit fees, the Company takes into account audit items, the number of audit days, and other matters, compares the level of fees in general, and makes a decision after obtaining agreement from the Audit & Supervisory Board.

e. Reason for the Audit & Supervisory Board's agreement to fees paid to the accounting auditor

The Audit & Supervisory Board checked and examined the accounting auditor's audit records and fees, etc. paid in the previous fiscal year, while looking into matters such as the details of audit plans for the current fiscal year and the grounds for calculation of estimated fees and so on. As a result, the Board determined that the estimate was reasonable as the amount of fees to be paid to the accounting auditor and agreed to the amount pursuant to Article 399, Paragraph 1 of the Companies Act.

(4) Remuneration for directors (and other officers)

As of June 26, 2025 (filing date of the annual securities report), the status of directors (and other officers) is as follows:

(i) Outline and results of executive remuneration system for payments in FY2024

a. Policy on determination of the amount and calculation method of executive remuneration and method of determination

The Company revised its executive remuneration system on July 1, 2024. However, remuneration under the revised system will be paid from July 2025 onward, reflecting the performance of FY2024. Accordingly, executive remuneration for the fiscal year under review was determined and paid based on the previous system, reflecting the performance of FY2023.

● Objectives of the remuneration system

The Company has set the objectives of its executive remuneration system as shown below, taking into account business administration as a united Group toward achievement of the Group's long-term vision and enhancement and reinforcement of corporate governance.

Objectives of the executive remuneration system (established in 2011)	
1.	Provide remuneration levels that make it possible to internally and externally recruit, motivate, and retain outstanding human capital
2.	Provide motivation for short-term and medium- to long-term management goals
3.	Enable appropriate rewards for produced results
4.	Satisfy a sense of mission through the sharing of responsibility for results with shareholders
5.	Guarantee fairness and rationality that can ensure the fulfilment of accountability to shareholders and other stakeholders

● Composition of remuneration

Remuneration paid to directors excluding outside directors comprises basic remuneration, which is fixed remuneration according to the position and duties, performance-linked remuneration as a short-term incentive based on corporate and individual performance for the previous fiscal year, and share remuneration as a medium- to long-term incentive linked to the result of the Meiji ROESG and the Company' share price trend. Basic remuneration and performance-linked remuneration are paid in cash, while share remuneration is provided by allotting shares with transfer restrictions.

Category		Outline
Fixed remuneration	Basic remuneration	<ul style="list-style-type: none"><li>• Determined according to the position</li><li>• A director allowance is paid as remuneration for work overseeing business execution.</li><li>• Paid as monthly remuneration</li></ul>
Variable remuneration	Performance-linked remuneration	<ul style="list-style-type: none"><li>• The amount of payment fluctuates every year according to corporate and individual performance.</li><li>• Consolidated operating profit and ROIC are used as indicators for corporate performance.</li><li>• The achievement rate of a single fiscal year budget and the achievement rate of medium- and long-term targets are assessed for corporate performance to encourage the achievement of not just single fiscal year budget but also medium- and long-term targets.</li><li>• The calculated amount is divided by the number of months of the term of office and paid as monthly remuneration.</li></ul>
	Share remuneration	<ul style="list-style-type: none"><li>• Shares with transfer restrictions of three years are allotted. The amount of monetary remuneration claims to be granted by the Company in order to allot transfer restricted shares fluctuates each year in accordance with the Meiji ROESG results.</li><li>• Granted each year during a certain period after the completion of the General Meeting of Shareholders</li></ul>

Only basic remuneration is paid to outside directors and Audit & Supervisory Board members from the perspective of their roles and independency.

● Remuneration levels

The remuneration levels of directors are determined by referring to the benchmarks below in an effort to provide remuneration levels that make it possible to internally and externally recruit, motivate, and retain outstanding human capital  
<Benchmarks for remuneration>

- The levels of major Japanese companies based on data provided by external research companies

- The levels of major manufacturers that are similar to the Company in terms of scale and business type and conditions

- Remuneration composition ratio

To provide incentives for improved corporate performance and promote the sharing of interests with shareholders and other stakeholders, the Company has set the ratio of fixed remuneration (basic remuneration) to variable remuneration (performance-linked remuneration and share remuneration) in the amount of remuneration at the time of achievement of medium- and long-term targets (“Target Base Amount”) at approximately 5:5. Specifically, the Company applies a higher rate of variable remuneration as the rank and position of the executive increases, setting ratios of 49% to 43% for fixed remuneration and 57% to 51% for variable remuneration.

- Remuneration governance

<Method of determining remuneration>

The Board of Directors determines the details of the director remuneration system, corporate and individual performance evaluation results, and the amounts of calculated remuneration, after securing the opinion of the Compensation Committee, the majority of whose members are independent outside directors. However, parts excluding individual performance are determined by the Board of Directors.

With regard to remuneration paid to executive officers in the current fiscal year, discussions were held at the Compensation Committee meeting held on May 29, 2024 concerning the amount of remuneration for each individual based on the corporate and individual performance evaluation results in accordance with the remuneration system. As it is most appropriate for the CEO, President and Representative Director, who oversees all business execution, to conduct individual performance evaluations for directors (excluding outside directors), a resolution was adopted at the Board of Directors meeting held on June 27, 2024 specifying that CEO, President and Representative Director Kazuo Kawamura shall decide the amount of remuneration for each individual, as well as the results of individual performance, based on the results of deliberations by the Compensation Committee.

The amount of remuneration for each individual, as well as the results of individual performance, is determined by the CEO, President and Representative Director based on the opinion of the Compensation Committee so that the authority delegated by the Board of Directors to the CEO, President and Representative Director is exercised appropriately.

The amount of remuneration for Audit & Supervisory Board Members is determined through consultation with the members concerned, and the amount will be within the limit resolved by the general meeting of shareholders.

<Members of the Compensation Committee and their attendance>

Name	Title	Attendance
Kazuo Kawamura	CEO, President and Representative Director	4 of 4 meetings
Mariko Matsumura	Outside director	4 of 4 meetings
Masaya Kawata	Outside director	4 of 4 meetings
Michiko Kuboyama	Outside director	4 of 4 meetings
Peter D. Pedersen	Outside director	4 of 4 meetings

<Activities of the Compensation Committee>

Meeting date	Details of deliberations
October 4, 2023	Policy for executive remuneration initiatives by the Compensation Committee in FY2024
November 30, 2023	New executive remuneration system aimed at achieving the 2026 Medium-Term Business Plan (basic design)
April 15, 2024	New executive remuneration system aimed at achieving the 2026 Medium-Term Business Plan (detailed design) Policies regarding the payment of remuneration for directors and executive officers for FY2024 Verification of actual executive remuneration levels for FY2023
May 29, 2024	Proposed revision of the executive remuneration system Policies regarding the determination of remuneration for directors and executive officers for FY2024 The amount of remuneration of each individual in FY2024 based on corporate and individual performance evaluation results in accordance with the executive remuneration system

<Reason for the Board of Directors' determination that remuneration for the current fiscal year is in line with policy on determination of remuneration>

The amount of remuneration for the Company's directors was discussed by the Compensation Committee, the majority of whose members are independent outside directors, from an objective point of view, and the details of such deliberations were reported to the Board of Directors. The amount of remuneration for each individual, as well as the results of individual performance, was determined by the CEO, President and Representative Director based on the opinion of the Compensation Committee, and the Company thus determined that the amounts are in line with the policy on the determination of remuneration.

<Method of remuneration adjustment after determination of performance or evaluation>

Due to corporate performance or other reasons, the amount of performance-linked remuneration for each director may be adjusted as needed based on a resolution of the Board of Directors after consulting the Compensation Committee and receiving its opinion.

b. Matters related to performance-linked remuneration, etc.

• Objective

Performance-linked remuneration has been established to encourage commitment to the Meiji Group 2026 Vision and key indicators under the Medium-Term Business Plan and provide motivation for improved performance.

• Performance indicator

The Company uses consolidated operating profit and ROIC as indicators for corporate performance to encourage commitment to the expansion of operating profit in light of capital productivity that is set out in the 2023 Medium-Term Business Plan. Individual performance is also added to the evaluation items for executive officers excluding the CEO, President and Representative Director, and COO, Member of the Board.

• Evaluation method

Corporate performance is evaluated through fiscal year target evaluation, which measures the level of achievement of single fiscal year budgets for consolidated operating profit and ROIC, and medium- and long-term target evaluation, which measures the level of achievement of medium- and long-term targets for consolidated operating profit.

• Payment amount calculation method

Payment amounts are calculated by multiplying the Target Base Amount by a coefficient calculated as detailed below.

Performance indicator	Evaluation method	Indicator	Coefficient calculation method
Corporate performance	Fiscal year target evaluation	Consolidated operating profit	• Achievement of fiscal year target represents 100%. The coefficient varies between 0% and 200% based on the rate of achievement (50% to 150%) for the fiscal year target.
		ROIC	• Achievement of fiscal year target represents 100%. The coefficient varies between 0% and 200% based on the rate of achievement, with the lower and upper limits set at the values equivalent to 50% and 150%, respectively, of the fiscal year target. • Regardless of the level of achievement for the fiscal year target, the coefficient is reduced by half if earnings are less than capital costs.
	Medium- and long-term target evaluation	Consolidated operating profit	• Achievement of medium- and long-term targets represents 100%. The coefficient varies between 0% and 100% based on the rate of achievement in medium- and long-term performance targets. • The coefficient is increased further when performance exceeding medium- and long-term targets is achieved. However, the upper limit of the coefficient shall be 200%.
Individual performance			• The coefficient varies between 0% and 200% based on a seven-tier evaluation of individual performance, which is determined through comprehensive assessment by the CEO, President and Representative Director. • Individual performance is not evaluated for the CEO, President and Representative Director, and COO, Member of the Board.

- Results for the current fiscal year

The actual and target amounts used for the calculation of performance-linked remuneration paid for the current fiscal year are as follows.

		Actual amount (FY2023)	Target amount
Fiscal year target evaluation	Consolidated operating profit (100 millions of yen)	843	890
	ROIC (%)	6.2	7.4
Medium- and long-term target evaluation	Consolidated operating profit (100 millions of yen)	843	1,300

c. Matters related to non-monetary remuneration, etc.

- Objective

Share remuneration has been introduced to provide incentives to improve the corporate value of the Meiji Group and promote the sharing of interests with shareholders and other stakeholders.

- Scheme

Transfer restricted shares with transfer restrictions of three years are provided. The amount of monetary remuneration claims to be granted by the Company in order to allot transfer restricted shares fluctuates every year according to the results of the Meiji ROESG in the previous fiscal year.

- Performance indicator

The Company sets Meiji ROESG, which is calculated based on ROE figures and the results of ESG initiatives, as a performance indicator.

- Payment amount calculation method

Payment amounts are calculated by multiplying the Target Base Amount by a coefficient calculated as detailed below.

- Meiji ROESG is calculated by multiplying ROE by ESG indicators (external evaluation), with the coefficient being 100% at the time of achieving 13 pt, the target set for the period of the 2023 Medium-Term Business Plan. Only for the fiscal year ended March 2024, the final fiscal year of the 2023 Medium-Term Business Plan, 1 pt will be added to Meiji ROESG for the achievement of each item of the ESG targets (unique to Meiji).
- The minimum is set as 9 pt, which is the actual figure for the Meiji ROESG, and the maximum is 17 pt. The coefficient fluctuates between 50% and 150% depending on the actual ROESG figure.
- No share remuneration will be allocated if the Meiji ROESG is lower than 5 pt for two consecutive years.

- Outline of share remuneration system

The share remuneration system seeks to provide incentives to improve the corporate performance of the Meiji Group and promote the sharing of interests with shareholders and other stakeholders.

Under the share remuneration system, eligible directors contribute, as investment in kind, all of the monetary remuneration claims granted by the Company in order to allot transfer restricted shares, and purchase ordinary shares in the Company newly issued or disposed of by the Company (“Allotted Shares”). The total number of Allotted Shares to be newly issued or disposed of by the Company under the share remuneration system is be 40,000 shares or less per year, and the paid-in amount per Allotted Share is an amount not advantageous to the eligible directors that is set by the Board of Directors based on the closing price of the Company’s ordinary shares on the Tokyo Stock Exchange on the trading day prior to the date of a board resolution in relation to this matter (if the transaction is not completed on the same day, the closing price on the most recent trading day prior to that day).

Moreover, when issuing or disposing of Allotted Shares under the share remuneration system, a transfer restricted share allotment agreement (“Allotment Agreement”) is concluded between the Company and the eligible directors. Such agreements include the following provisions: (1) the eligible directors shall not transfer, establish security interests in, or otherwise dispose of Allotted Shares allotted to them under the Allotment Agreement for a certain period (“transfer restrictions”); (2) the Company shall duly acquire, without consideration, all of the Allotted Shares upon the occurrence of certain events; and (3) certain events shall be the conditions for lifting transfer restrictions on Allotted Shares.



A transfer restricted share remuneration system similar to the share remuneration system has also been introduced for the executive officers of the Company and the directors and executive officers of the Company's subsidiaries, Meiji Co., Ltd. and Meiji Seika Pharma Co., Ltd.

- Outline of the Allotment Agreement

<Period of transfer restriction>

The period of transfer restriction is at least three years from the day Allotted Shares are granted and is designated by the Board of Directors in advance. During this period, the eligible directors may not transfer the Allotted Shares granted to them.

<Handling at time of loss of position>

When an eligible director loses any of his/her positions as director or executive officer of the Company or a subsidiary of the Company before the expiration of the transfer restriction period, the Company shall duly acquire, without consideration, all of the Allotted Shares granted to the director upon the loss of position, except in the case of the expiration of his/her term of office, death, or when there is any other reason deemed justifiable by the Company's Board of Directors.

<Lifting of transfer restriction, etc.>

The Company shall lift transfer restriction on all of the Allotted Shares granted to an eligible director upon the expiration of the transfer restriction period, provided that the director continuously held the position of director or executive officer of the Company or a subsidiary of the Company during the period of transfer restriction. When an eligible director loses any of his/her positions as director or executive officer of the Company or a subsidiary of the Company before the expiration of the period of transfer restriction due to the expiration of his/her term of office, death, or any other reason deemed justifiable by the Company's Board of Directors, immediately after the time of such loss of position, transfer restrictions on Allotted Shares shall be lifted for the number of shares calculated by dividing by 12 the number of months from the month which includes the date upon which the eligible director was appointed to the month when any of the position was lost (provided, however, that the number shall be one when the calculated number exceeds one), multiplied by the number of Allotted Shares (provided, however, that fractions of less than one share arising from the calculation shall be rounded up). In the cases specified above, the Company shall also duly acquire, without consideration, all of the Allotted Shares on which transfer restrictions have not been lifted as of the time immediately after the lifting of transfer restriction.

<Provision on management of Allotted Shares>

The eligible directors shall open a dedicated account with Daiwa Securities Co. Ltd. in the manner designated by the Company for the statement and recording of Allotted Shares, and store and maintain all of the Allotted Shares in the dedicated account until transfer restrictions are lifted.

<Handling in organizational realignment, etc.>

In the event that a merger agreement where the Company becomes the dissolved company, a share exchange agreement or share transfer plan where the Company becomes a wholly-owned subsidiary, or any other matter related to organizational realignment, etc. is approved by the Company's general meeting of shareholders (provided, however, that if the organizational realignment, etc. does not require approval at the Company's general meeting of shareholders, the Company's Board of Directors meeting) during the transfer restriction period, the Company shall make reasonable adjustments as prescribed to the number of Allotted Shares on which transfer restrictions are lifted and the timing of the lifting of transfer restrictions. In the cases specified above, the Company shall also duly acquire, without consideration, all of the Allotted Shares on which transfer restrictions have not been lifted as of the time immediately after the lifting of transfer restriction.

- Results for the current fiscal year

The actual and target amounts used for the calculation of share remuneration paid in the current fiscal year are as follows.

	Actual amount (FY2023)	Target amount
Meiji ROESG (pt)	12.2	13.0

d. Total amount of remuneration by officer category and by remuneration type, and number of eligible officers

Officer category	Total amount of remuneration (Millions of yen)	Total amount by remuneration type (Millions of yen) and number of eligible officers					
		Monetary remuneration				Non-monetary remuneration	
		Basic remuneration		Performance-linked remuneration		Share remuneration	
		Total amount	Number of eligible officers	Total amount	Number of eligible officers	Total amount	Number of eligible officers
Directors excluding outside directors	249	135	6	56	4	57	4
Audit & Supervisory Board Members excluding outside Audit & Supervisory Board Members	63	63	2	-	-	-	-
Outside directors	68	68	4	-	-	-	-
Outside Audit & Supervisory Board Members	29	29	2	-	-	-	-
Total	410	295	14	56	4	57	4

- (Notes) 1. As per the resolution of the 1st Ordinary General Meeting of Shareholders held on June 29, 2010, the amount of remuneration for directors is capped at JPY 1 billion per year (not including the employee portion of remuneration for directors who concurrently serve as employees). The number of directors as of the conclusion of the Ordinary General Meeting of Shareholders is 10.
2. As per the resolution of the 1st Ordinary General Meeting of Shareholders held on June 29, 2010, the amount of remuneration for Audit & Supervisory Board Members is capped at JPY 300 million per year. The number of Audit & Supervisory Board Members as of the conclusion of the Ordinary General Meeting of Shareholders is four.
3. The Company introduced a transfer restricted share remuneration system for directors other than outside directors. As per the resolution of the 8th Ordinary General Meeting of Shareholders held on June 29, 2017, the amount of remuneration under this plan is capped at JPY 200 million per year, aside from the amount of remuneration stated above, with the number of shares capped at 40,000 shares per year. The number of directors (excluding outside directors) as of the conclusion of the Ordinary General Meeting of Shareholders is seven.
4. The amount for share remuneration indicates the amount appropriated during the current fiscal year (recorded in expenses).

e. Total amount of consolidated remuneration of those with total consolidated remuneration of JPY 100 million or higher

Name	Officer category	Company	Remuneration type (Millions of yen)			Total consolidated remuneration (Millions of yen)
			Monetary remuneration		Non-monetary remuneration	
			Basic remuneration	Performance-linked remuneration	Share remuneration	
Kazuo Kawamura	Directors	Reporting company	54	29	33	145
	Directors	Meiji Co., Ltd.	14	-	-	
	Directors	Meiji Seika Pharma Co., Ltd.	14	-	-	
Katsunari Matsuda	Directors	Reporting company	11	-	-	118
	Directors	Meiji Co., Ltd.	59	21	26	

(ii) Outline of executive remuneration system for payments in FY2025 (revised in July 2024)

- a. Policy on determination of the amount and calculation method of executive remuneration and method of determination
- Objectives of the remuneration system

The Company has set the objectives of its executive remuneration system as shown below, taking into account business administration as a united Group toward achievement of the Group's long-term vision and enhancement and reinforcement of corporate governance.

Objectives of the executive remuneration system (established in 2011)

1. Provide remuneration levels that make it possible to internally and externally recruit, motivate, and retain outstanding human capital
2. Provide motivation for short-term and medium- to long-term management goals
3. Enable appropriate rewards for produced results
4. Satisfy a sense of mission through the sharing of responsibility for results with shareholders
5. Guarantee fairness and rationality that can ensure the fulfilment of accountability to shareholders and other stakeholders

● Composition of remuneration

Remuneration paid to directors excluding outside directors comprises basic remuneration, which is fixed remuneration according to the position and duties, performance-linked remuneration as a short-term incentive based on corporate and individual performance for the previous fiscal year, and share remuneration as a medium- to long-term incentive linked to the result of the Meiji ROESG and the Company's share price trend. Basic remuneration and performance-linked remuneration are paid in cash, while share remuneration is provided by allotting shares with transfer restrictions.

Category		Outline
Fixed remuneration	Basic remuneration	<ul style="list-style-type: none"> <li>• Determined according to the position</li> <li>• A director allowance is paid as remuneration for work overseeing business execution.</li> <li>• Paid as monthly remuneration</li> </ul>
Variable remuneration	Performance-linked remuneration	<ul style="list-style-type: none"> <li>• The amount of payment fluctuates every year according to corporate and individual performance.</li> <li>• Consolidated operating profit and ROIC are used as indicators for corporate performance.</li> <li>• The achievement rate of a single fiscal year budget is assessed for corporate performance.</li> <li>• The calculated amount is divided by the number of months of the term of office and paid as monthly remuneration.</li> </ul>
	Share remuneration	<ul style="list-style-type: none"> <li>• Shares with transfer restrictions of three years are allotted. The amount of monetary remuneration claims to be granted by the Company in order to allot transfer restricted shares fluctuates each year in accordance with the Meiji ROESG results.</li> <li>• Granted each year during a certain period after the completion of the General Meeting of Shareholders</li> </ul>

Only basic remuneration is paid to outside directors and Audit & Supervisory Board members from the perspective of their roles and independency.

● Remuneration levels

The remuneration levels of directors are determined by referring to the benchmarks below in an effort to provide remuneration levels that make it possible to internally and externally recruit, motivate, and retain outstanding human capital  
<Benchmarks for remuneration>

- The levels of major Japanese companies based on data provided by external research companies
- The levels of major manufacturers that are similar to the Company in terms of scale and business type and conditions

● Remuneration composition ratio

To provide incentives for improved corporate performance and promote the sharing of interests with shareholders and other stakeholders, the Company has set the ratio of fixed remuneration (basic remuneration) to variable remuneration (performance-linked remuneration and share remuneration) in the amount of remuneration at the time of achievement of medium- and long-term targets ("Target Base Amount") at approximately 5:5. Specifically, the Company applies a higher rate of variable remuneration as the rank and position of the executive increases, setting ratios of 49% to 43% for fixed remuneration and 57% to 51% for variable remuneration.

● Remuneration governance

<Method of determining remuneration>

The Board of Directors determines the details of the director remuneration system, corporate and individual performance evaluation results, and the amounts of calculated remuneration, after securing the opinion of the Compensation Committee,

the majority of whose members are independent outside directors. However, parts excluding individual performance are determined by the Board of Directors. As it is most appropriate for the CEO, President and Representative Director, who oversees all business execution, to conduct individual performance evaluations for directors (excluding outside directors), a resolution will be adopted at the Board of Directors meeting specifying that CEO, President and Representative Director shall decide the amount of remuneration for each individual, as well as the results of individual performance, based on the results of deliberations by the Compensation Committee.

The amount of remuneration for each individual, as well as the results of individual performance, is determined by the CEO, President and Representative Director based on the opinion of the Compensation Committee so that the authority delegated by the Board of Directors to the CEO, President and Representative Director is exercised appropriately.

The amount of remuneration for Audit & Supervisory Board Members will be determined through consultation with the members concerned, and the amount will be within the limit resolved by the general meeting of shareholders.

<Method of remuneration adjustment after determination of performance or evaluation>

Due to corporate performance or other reasons, the amount of performance-linked remuneration for each director may be adjusted as needed based on a resolution of the Board of Directors after consulting the Compensation Committee and receiving its opinion.

b. Matters related to performance-linked remuneration, etc.

• Objective

Performance-linked remuneration has been established to encourage commitment to the Meiji Group 2026 Vision and key indicators under the Medium-Term Business Plan and provide motivation for improved performance.

• Performance indicator

The Company uses consolidated operating profit and ROIC as indicators for corporate performance to encourage commitment to the expansion of operating profit in light of capital productivity that is set out in the 2026 Medium-Term Business Plan. Individual performance is also added to the evaluation items for executive officers excluding the CEO, President and Representative Director, and COO, Member of the Board.

• Evaluation method

Corporate performance is evaluated through fiscal year target evaluation, which measures the level of achievement of single fiscal year budgets for consolidated operating profit and ROIC.

• Payment amount calculation method

Payment amounts are calculated by multiplying the Target Base Amount by a coefficient calculated as detailed below.

Performance indicator	Indicators	Coefficient calculation method
Corporate performance (fiscal year target evaluation)	Consolidated operating profit	<ul style="list-style-type: none"> <li>Achievement of fiscal year target represents 100%. The coefficient varies between 0% and 200% based on the rate of achievement (50% to 150%) for the fiscal year target.</li> </ul>
	ROIC	<ul style="list-style-type: none"> <li>Achievement of fiscal year target represents 100%. The coefficient varies between 0% and 200% based on the rate of achievement, with the lower and upper limits set at the values equivalent to 50% and 150%, respectively, of the fiscal year target.</li> <li>Regardless of the level of achievement for the fiscal year target, the coefficient is reduced by half if earnings are less than capital costs.</li> </ul>
Individual performance		<ul style="list-style-type: none"> <li>The coefficient varies between 0% and 200% based on a seven-tier evaluation of individual performance, which is determined through comprehensive assessment by the CEO, President and Representative Director.</li> <li>Individual performance is not evaluated for the CEO, President and Representative Director, and COO, Member of the Board.</li> </ul>

c. Details of share remuneration

- Objective

Non-monetary remuneration has been introduced to provide incentives to improve the corporate value of the Meiji Group and promote the sharing of interests with shareholders and other stakeholders.

- Scheme

Transfer restricted shares with transfer restrictions of three years are provided. The amount of monetary remuneration claims to be granted by the Company in order to allot transfer restricted shares fluctuates every year according to the results of the Meiji ROESG in the previous fiscal year.

- Performance indicator

The Company sets Meiji ROESG, which is calculated based on ROE figures and the results of ESG initiatives, as a performance indicator.

- Payment amount calculation method

Payment amounts are calculated by multiplying the base amount by a coefficient calculated as detailed below.

- We will set the Meiji ROESG, calculated by multiplying ROE by the ESG indicators (external evaluation, business and financial value), as a performance indicator.
- The coefficient is 100% when the Meiji ROESG of 9.8 pt, a target for the period of the 2026 Medium-Term Business Plan, is achieved.
- The minimum is set as 5.8 pt, which is the actual figure for the Meiji ROESG, and the maximum is 13.8 pt. The coefficient fluctuates between 50% and 150% depending on the actual ROESG figure.
- No share remuneration will be allocated if the Meiji ROESG is lower than 5 pt for two consecutive years.

The Company plans to submit a proposal, “Matters Regarding Executive Remunerations,” to partially revise the amount of executive remunerations, as a matter to be resolved at the Board of Directors meeting and discussed at the Audit & Supervisory Board meeting, both to be held immediately after the 16th Ordinary General Meeting of Shareholders on June 27, 2025. If the proposal is approved as originally proposed, among the outline of the Company’s executive remuneration system related to the payments for FY2025, the details regarding performance-linked remuneration, etc., will be as follows:

Matters related to performance-linked remuneration, etc.

- Objective

Performance-linked remuneration has been established to encourage commitment to the Meiji Group 2026 Vision and key indicators under the Medium-Term Business Plan and provide motivation for improved performance.

- Performance indicator

The Company uses consolidated operating profit and ROIC as indicators for corporate performance to encourage commitment to the expansion of operating profit in light of capital productivity that is set out in the 2026 Medium-Term Business Plan. Individual performance is also added to the evaluation items for executive officers excluding the CEO, President and Representative Director, COO, Member of the Board, and Vice President, Member of the Board.

- Evaluation method

Corporate performance is evaluated through fiscal year target evaluation, which measures the level of achievement of single fiscal year budgets for consolidated operating profit and ROIC.

- Payment amount calculation method

Payment amounts are calculated by multiplying the Target Base Amount by a coefficient calculated as detailed below.

Performance indicator	Indicators	Coefficient calculation method
Corporate performance (fiscal year target evaluation)	Consolidated operating profit	<ul style="list-style-type: none"> <li>• Achievement of fiscal year target represents 100%. The coefficient varies between 0% and 200% based on the rate of achievement (50% to 150%) for the fiscal year target.</li> </ul>
	ROIC	<ul style="list-style-type: none"> <li>• Achievement of fiscal year target represents 100%. The coefficient varies between 0% and 200% based on the rate of achievement, with the lower and upper limits set at the values equivalent to 50% and 150%, respectively, of the fiscal year target.</li> <li>• Regardless of the level of achievement for the fiscal year target, the coefficient is reduced by half if earnings are less than capital costs.</li> </ul>
Individual performance		<ul style="list-style-type: none"> <li>• The coefficient varies between 0% and 200% based on a seven-tier evaluation of individual performance, which is determined through comprehensive assessment by the CEO, President and Representative Director.</li> <li>• Individual performance is not evaluated for the CEO, President and Representative Director, COO, Member of the Board, and Vice President, Member of the Board.</li> </ul>

(5) Shareholdings

1) Criteria and concepts for categories of investment shares

The Company classifies investment shares held exclusively for the purpose of receiving benefits from changes in the value of shares or dividends on the shares as investment shares for pure investment purposes and other investment shares as investment shares held for purposes other than pure investment.

2) Shareholdings in the reporting company

Among the Company and its consolidated subsidiaries, shareholdings in the Company, which is the company with the largest amount of investment shares on its balance sheet (investment shares book value) (largest holding company), are as follows.

a. Investment shares held for purposes other than pure investment

(i) Methods for verifying holding policies and the rationality of holding and details of verification by the Board of Directors regarding the appropriateness of holding individual issues

The Company holds shares when we believe such holdings will (i) facilitate the Group's financial operations, (ii) strengthen relationships with Group companies, (iii) strengthen the Group's transactional relationships, or (iv) be reasonable in light of our responsibility to shareholders. The Board of Directors conducts a detailed annual review of all the issues held, including the purpose for holding, the trading status, mid- to-long term perspective, and dividend amounts, and determines whether the Company should continue the holdings or reduce them by selling.

After the significance of strategic shareholding was reviewed at the Board of Directors meeting in September 2024, the Company sold seven issues in its entirety and partially sold two issues in the current fiscal year with the objective of reducing strategic shareholdings under the Corporate Governance Code.

The Group has a policy to maintain the total amount of strategic shareholdings recorded on the balance sheet less than 5% of consolidated net assets during the 2026 Medium-Term Business Plan period (from fiscal year ended March 31, 2025 to fiscal year ending March 31, 2027). The total amount of strategic shareholdings recorded on the balance sheet at the end of March 2025 was about 3.8% of the consolidated net assets.

The Group continues to reduce its strategic shareholdings over the medium to long term. As of the end of March 2025, the amount of strategic shareholdings has been reduced by 55.4% on a book value basis compared to the level as of the end of March 2015, just before the introduction of the Corporate Governance Code.

(ii) Number of issues and the amount recorded on the balance sheet

	Number of issues (Issues)	Total amount recorded in balance sheets (Millions of yen)
Shares not listed	5	1,148
Shares other than those not listed	11	17,321

(Issues whose holdings increased during the current fiscal year)

	Number of issues (Issues)	Total acquisition cost for increased shares (Millions of yen)	Reason for increase in number of shares
Shares not listed	1	504	Promotion of technological development and commercialization related to "Bio-Monozukuri" by utilizing cutting-edge DNA synthesis technologies and biofoundry services.
Shares other than those not listed	-	-	-

(Issues whose holdings decreased in the current fiscal year)

	Number of issues (Issues)	Total amount sold due to decrease in number of shares held (Millions of yen)
Shares not listed	-	-
Shares other than those not listed	9	6,674

(iii) Information on the issues, the number of shares, and the amount of specified investment securities and deemed shareholdings recorded in the balance sheets

Specified investment securities

Issue	Current fiscal year	Previous fiscal year	Purpose of shareholding, summary of business partnership, etc., quantitative effects of shareholding and reason for increase in number of shares	Ownership of Meiji's shares
	Number of shares	Number of shares		
	Book value (Millions of yen)	Book value (Millions of yen)		
Kikkoman Corporation	3,870,000	3,870,000	Shares are held to strengthen the relationship with Group companies, as there are transactions such as sales of commercial use products in the Food Segment.	Yes
	5,576	7,620		
Nippon Beet Sugar Manufacturing Co., Ltd.	993,845	993,845	Shares are held to strengthen the relationship with Group companies, as there are transactions such as the procurement of raw materials in the Food Segment.	Yes
	2,268	2,065		
Yakult Honsha Co., Ltd.	743,680	743,680	Shares are held to strengthen the relationship with Group companies, as there are transactions such as sales of commercial use products in the Food Segment.	Yes
	2,122	2,319		
Toyo Suisan Kaisha, Ltd.	232,000	232,000	Shares are held to strengthen the relationship with Group companies, as there are transactions such as sales of commercial use products in the Food Segment.	Yes
	2,040	2,198		
Nisshin Seifun Group Inc.	1,045,220	1,045,220	Shares are held to strengthen the relationship with Group companies, as there are transactions such as sales of commercial use products in the Food Segment.	Yes
	1,808	2,194		
ROHTO Pharmaceutical Co., Ltd.	656,200	656,200	Shares are held to strengthen the relationship with Group companies, as there are agreements such as sales collaboration for in-vitro diagnostic pharmaceuticals in the Pharmaceutical Segment.	Yes
	1,467	1,946		
Kameda Seika Co., Ltd.	246,400	246,400	Shares are held to strengthen the relationship with Group companies, as there are transactions such as sales of commercial use products in the Food Segment.	Yes
	962	1,052		
NIPPON Corporation	315,900	315,900	Shares are held to strengthen the relationship with Group companies, as there are transactions such as sales of commercial use products in the Food Segment.	Yes
	685	749		
Nippon Kayaku Co., Ltd.	207,100	414,200	Shares are held to strengthen the relationship with Group companies due to the track record, including the sales, procurement, and joint development of products in the Pharmaceutical Segment.	Yes
	292	540		



Issue	Current fiscal year	Previous fiscal year	Purpose of shareholding, summary of business partnership, etc., quantitative effects of shareholding and reason for increase in number of shares	Ownership of Meiji's shares
	Number of shares	Number of shares		
	Book value (Millions of yen)	Book value (Millions of yen)		
Nippi, Incorporated	13,200	26,400	Shares are held to strengthen the relationship with Group companies, as there are transactions such as sourcing of raw materials in the Food Segment.	Yes
	75	150		
ADEKA Corporation	8,000	8,000	Shares are held to strengthen the relationship with Group companies, as there are transactions such as sourcing of raw materials in the Food Segment.	Yes
	21	25		
Ono Pharmaceutical Co., Ltd.	-	1,026,600	This company's shares are not held as of March 31, 2025.	None
	-	2,519		
Mizuho Financial Group, Inc.	-	345,522	This company's shares are not held as of March 31, 2025.	Yes
	-	1,052		
Rengo Co., Ltd.	-	786,000	This company's shares are not held as of March 31, 2025.	None
	-	919		
Sompo Holdings, Inc.	-	234,105	This company's shares are not held as of March 31, 2025.	Yes
	-	746		
Sumitomo Mitsui Financial Group, Inc.	-	68,381	This company's shares are not held as of March 31, 2025.	None
	-	609		
Mitsubishi UFJ Financial Group, Inc.	-	254,890	This company's shares are not held as of March 31, 2025.	Yes
	-	396		
Sumitomo Mitsui Trust Group, Inc.	-	85,558	This company's shares are not held as of March 31, 2025.	Yes
	-	283		

(Notes) 1. “-” indicates that the relevant issue is not held.

2. While the quantitative effects of shareholding are not disclosed due to confidentiality with our business partners, we consider that there are sufficient quantitative effects based on (i) above.

3. With regard to ownership of the Company's shares, in the case where the issue is the holding company, the number of shares held by its main subsidiaries (the number of shares actually held) is taken into account.

Deemed shareholdings

Not applicable.

3) Shareholdings in Meiji Co., Ltd.

Among the Company and its consolidated subsidiaries, shareholdings in Meiji Co, Ltd., which is the second largest company following the Company with the largest amount of investment shares on its balance sheet (investment share book value) (largest holding company), are as follows.

a. Investment shares held for purposes other than pure investment

(i) Methods for verifying holding policies and the rationality of holding and details of verification by the Board of Directors regarding the appropriateness of holding individual issues

Meiji Co., Ltd. also holds shares in accordance with the Company's holding policies. Meanwhile, the Executive Committee of Meiji Co., Ltd. conducts annual reviews of all the issues held in detail, including the purpose for holding, the trading status in the past one year, mid-to-long term perspective, and dividend amounts, and determines whether the company should continue holding them or reduce them by selling.

Following its September 2024 review, the Executive Committee of Meiji Co., Ltd. concluded that the company should continue holding 83 issues.

(ii) Number of issues and the total amount recorded on the balance sheet

	Number of issues (Issues)	Total amount recorded in balance sheets (Millions of yen)
Shares not listed	31	1,781
Shares other than those not listed	52	9,884

(Issues whose holdings increased during the current fiscal year)

	Number of issues (Issues)	Total acquisition cost for increased shares (Millions of yen)	Reason for increase in number of shares
Shares not listed	1	100	Realization of the provision of new products and services that contribute to health by utilizing an AI-based blood glucose prediction model to explore health benefits.
Shares other than those not listed	-	-	-

(Issues whose holdings decreased in the current fiscal year)

	Number of issues (Issues)	Total amount sold due to decrease in number of shares held (Millions of yen)
Shares not listed	2	6
Shares other than those not listed	2	16

(iii) Information on the issues, the number of shares, and the amount of specified investment securities and deemed shareholdings recorded in the balance sheets

Specified investment securities

Issue	Current fiscal year	Previous fiscal year	Purpose of shareholding, summary of business partnership, etc., quantitative effects of shareholding and reason for increase in number of shares	Ownership of Meiji Co., Ltd.'s shares
	Number of shares	Number of shares		
	Book value (Millions of yen)	Book value (Millions of yen)		
Shoei Foods Corporation	428,789	428,789	Shares are held to strengthen the company's transactional relationships, as it is a customer and a supplier in the Food Segment.	None
	1,770	2,017		

Issue	Current fiscal year	Previous fiscal year	Purpose of shareholding, summary of business partnership, etc., quantitative effects of shareholding and reason for increase in number of shares	Ownership of Meiji Co., Ltd.'s shares
	Number of shares	Number of shares		
	Book value (Millions of yen)	Book value (Millions of yen)		
Seven & i Holdings Co., Ltd.	793,089	793,089	Shares are held to strengthen the Company's transactional relationships, as it is a customer in the Food Segment.	None
	1,715	1,749		
AEON Co., Ltd.	381,282	382,062	Shares are held to strengthen the company's transactional relationships, as it is a customer in the Food Segment.	None
	1,429	1,373		
ZENSHO HOLDINGS CO., LTD.	80,000	80,000	Shares are held to strengthen the company's transactional relationships, as it is a customer in the Food Segment.	None
	644	515		
Lacto Japan Co., Ltd.	140,000	140,000	Shares are held to strengthen the company's transactional relationships, as it is a supplier in the Food Segment.	None
	413	333		
United Super Markets Holdings Inc.	395,168	*	Shares are held to strengthen the company's transactional relationships, as it is a customer in the Food Segment.	None
	326	*		
Kato Sangyo Co., Ltd.	65,404	65,404	Shares are held to strengthen the company's transactional relationships, as it is a customer in the Food Segment.	None
	322	299		
Taiyo Kagaku Co., Ltd.	160,600	160,600	Shares are held to strengthen the company's transactional relationships, as it is a supplier in the Food Segment.	None
	277	251		
Mitsubishi Shokuhin Co., Ltd.	52,800	52,800	Shares are held to strengthen the company's transactional relationships, as it is a customer in the Food Segment.	None
	258	296		
Ohki Healthcare Holdings Co., Ltd.	318,607	318,607	Shares are held to strengthen the company's transactional relationships, as it is a customer in the Food Segment.	None
	255	315		
Maruichi Co., Ltd.	*	196,752	Shares are held to strengthen the company's transactional relationships, as it is a customer in the Food Segment.	None
	*	242		

- (Notes) 1. While the quantitative effects of shareholding are not disclosed due to confidentiality with our business partners, we consider that there are sufficient quantitative effects based on (i) above.
2. “-” indicates that the relevant issue is not held. “\*” indicates that the amount recorded on the balance sheet for the relevant issue is less than one-hundredth of the capital of the Company and that the description is omitted because they do not fall under the 10 largest issues in descending order of balance sheet amount.

## Deemed shareholdings

Issue	Current fiscal year	Previous fiscal year	Purpose of shareholding, summary of business partnership, etc., quantitative effects of shareholding and reason for increase in number of shares	Ownership of Meiji Co., Ltd.'s shares
	Number of shares	Number of shares		
	Book value (Millions of yen)	Book value (Millions of yen)		
Mizuho Financial Group, Inc.	1,613,610	1,613,610	Has the right to give instructions regarding the exercise of voting rights.	None
	6,536	4,915		
Mitsubishi UFJ Financial Group, Inc.	3,475,400	3,475,400	Has the right to give instructions regarding the exercise of voting rights.	None
	6,989	5,411		
Sumitomo Mitsui Trust Group, Inc.	153,000	153,000	Has the right to give instructions regarding the exercise of voting rights.	None
	569	506		

(Note) While the quantitative effects of shareholding are not disclosed due to confidentiality with our business partners, we consider that there are sufficient quantitative effects based on (i) above.

## 5. Financial Information

### 1. Basis of preparation of consolidated and non-consolidated financial statements

(1) The Company's consolidated financial statements are prepared in accordance with the Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements (Ordinance of the Ministry of Finance No. 28 of 1976).

(2) The non-consolidated financial statements of the Company are prepared in accordance with the Ordinance on Terminology, Forms and Preparation Methods of Financial Statements (Ordinance of the Ministry of Finance No. 59 of 1963; referred to as the "Rules Concerning Financial Statements").

In addition, the Company is a special company submitting financial statements, and its financial statements are prepared in accordance with Article 127 of the Rules Concerning Financial Statements.

### 2. Note on independent audit

The Company's consolidated and non-consolidated financial statements for the most recent fiscal year (from April 1, 2024 to March 31, 2025) were audited by Ernst & Young ShinNihon LLC pursuant to the provisions of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act.

### 3. Remarkable efforts to ensure fair presentation of consolidated financial statements

The Company is making efforts to ensure fair presentation of consolidated financial statements. More specifically, for example, the Company is a member of the Financial Accounting Standards Foundation and takes part in the training provided by the foundation in order to properly understand the details of accounting standard and establish systems to respond to the changes in accounting standard in a timely and appropriate manner.

# 1. Consolidated financial statements, etc.

## (1) Consolidated financial statements

### 1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	*3 106,858	*3 78,191
Notes and accounts receivable - trade	*1 202,239	*1 189,533
Merchandise and finished goods	118,935	127,621
Work in process	5,151	5,084
Raw materials and supplies	75,282	81,919
Other	54,775	58,817
Allowance for doubtful accounts	-214	-401
Total current assets	563,029	540,765
Non-current assets		
Property, plant and equipment		
Buildings and structures	374,779	377,109
Accumulated depreciation	-179,872	-189,056
Buildings and structures, net	*3, *4 194,906	*3, *4 188,053
Machinery, equipment and vehicles	587,583	598,984
Accumulated depreciation	-424,537	-438,925
Machinery, equipment and vehicles, net	*3, *4 163,046	*3, *4 160,059
Tools, furniture and fixtures	59,001	60,292
Accumulated depreciation	-46,510	-47,456
Tools, furniture and fixtures, net	*4 12,490	*4 12,836
Land	*3 77,040	*3 76,092
Leased assets	2,981	3,313
Accumulated depreciation	-2,050	-2,260
Leased assets, net	931	1,053
Construction in progress	32,090	45,807
Total property, plant and equipment	480,507	483,901
Intangible assets	20,998	19,240
Investments and other assets		
Investment securities	*2 87,935	*2 78,354
Retirement benefit asset	29,076	37,616
Deferred tax assets	16,069	15,773
Other	7,746	8,873
Allowance for doubtful accounts	-74	-54
Total investments and other assets	140,753	140,563
Total non-current assets	642,259	643,706
<b>Total assets</b>	<b>1,205,288</b>	<b>1,184,472</b>

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	127,348	102,846
Short-term borrowings	*3 22,330	*3 25,376
Accrued expenses	37,377	48,785
Income taxes payable	17,122	14,332
Contract liabilities	353	721
Refund liabilities	17,876	20,784
Provision for bonuses	11,461	11,496
Provision for contingent loss	—	1,500
Other	88,475	81,234
Total current liabilities	322,345	307,077
Non-current liabilities		
Bonds payable	10,000	10,000
Long-term borrowings	*3 17,596	*3 12,423
Deferred tax liabilities	4,754	3,747
Retirement benefit liability	54,384	50,602
Provision for retirement benefits for directors (and other officers)	87	79
Other	8,326	8,757
Total non-current liabilities	95,149	85,611
Total liabilities	417,494	392,688
<b>Net assets</b>		
Shareholders' equity		
Share capital	30,000	30,000
Capital surplus	72,410	38,708
Retained earnings	626,158	649,258
Treasury shares	-38,236	-33,956
Total shareholders' equity	690,332	684,010
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21,722	16,261
Deferred gains or losses on hedges	78	-17
Foreign currency translation adjustment	30,517	35,752
Remeasurements of defined benefit plans	3,880	12,282
Total accumulated other comprehensive income	56,200	64,278
Non-controlling interests	41,261	43,494
Total net assets	787,793	791,783
Total liabilities and net assets	1,205,288	1,184,472

## 2) Consolidated statement of income and consolidated statement of comprehensive income

## Consolidated statement of income

(Millions of yen)

		Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025
Net sales	*1	1,105,494	*1	1,154,074
Cost of sales	*3, *7, *8	778,149	*3, *7, *8	814,973
Gross profit		327,345		339,100
Selling, general and administrative expenses	*2, *3, *8	243,023	*2, *3, *8	254,398
Operating profit		84,322		84,702
Non-operating income				
Interest income		488		723
Dividend income		1,322		991
Foreign exchange gains		291		625
Other		1,934		1,894
Total non-operating income		4,037		4,234
Non-operating expenses				
Interest expenses		367		382
Share of loss of entities accounted for using equity method		8,642		4,468
Other		3,328		2,071
Total non-operating expenses		12,338		6,923
Ordinary profit		76,020		82,013
Extraordinary income				
Gain on sale of non-current assets	*4	3,738	*4	598
Gain on sale of investment securities		28,917		4,487
Gain on liquidation of subsidiaries		-		1,921
Subsidy income		551		8
Other		2,735		53
Total extraordinary income		35,942		7,069
Extraordinary losses				
Loss on abandonment of non-current assets	*5	4,336	*5	4,571
Loss on tax purpose reduction entry of non-current assets		551		8
Impairment losses	*6	15,524	*6	172
Provision for contingent loss		-		1,500
Other		4,043		349
Total extraordinary losses		24,456		6,600
Profit before income taxes		87,507		82,482
Income taxes - current		35,422		30,847
Income taxes - deferred		-1,630		-2,451
Total income taxes		33,792		28,396
Profit		53,715		54,085
Profit attributable to non-controlling interests		3,040		3,285
Profit attributable to owners of parent		50,675		50,800



## Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	53,715	54,085
Other comprehensive income		
Valuation difference on available-for-sale securities	-9,865	-5,442
Deferred gains or losses on hedges	69	-100
Foreign currency translation adjustment	10,574	-2,590
Remeasurements of defined benefit plans, net of tax	6,768	8,326
Share of other comprehensive income of entities accounted for using equity method	2,138	2,415
Total other comprehensive income	* 9,686	* 2,609
Comprehensive income	63,401	56,695
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	60,107	53,464
Comprehensive income attributable to non-controlling interests	3,293	3,231

3) Consolidated statement of changes in net assets  
For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,000	80,609	602,042	-47,502	665,149
Changes during period					
Dividends of surplus			-26,499		-26,499
Profit attributable to owners of parent			50,675		50,675
Purchase of treasury shares				-15	-15
Disposal of treasury shares		217		865	1,083
Cancellation of treasury shares		-8,416		8,416	-
Change in scope of consolidation			-59		-59
Net changes in items other than shareholders' equity					
Total changes during period	-	-8,199	24,115	9,266	25,182
Balance at end of period	30,000	72,410	626,158	-38,236	690,332

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	31,598	11	17,870	-2,713	46,767	39,394	751,311
Changes during period							
Dividends of surplus							-26,499
Profit attributable to owners of parent							50,675
Purchase of treasury shares							-15
Disposal of treasury shares							1,083
Cancellation of treasury shares							-
Change in scope of consolidation							-59
Net changes in items other than shareholders' equity	-9,875	66	12,646	6,594	9,432	1,866	11,299
Total changes during period	-9,875	66	12,646	6,594	9,432	1,866	36,481
Balance at end of period	21,722	78	30,517	3,880	56,200	41,261	787,793

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,000	72,410	626,158	-38,236	690,332
Changes during period					
Dividends of surplus			-26,802		-26,802
Profit attributable to owners of parent			50,800		50,800
Purchase of treasury shares				-30,001	-30,001
Disposal of treasury shares		104		474	579
Cancellation of treasury shares		-33,807		33,807	—
Increase or decrease due to changes in accounting period of consolidated subsidiaries			-1,326		-1,326
Increase or decrease due to changes in accounting period of entities accounted for using equity method			428		428
Net changes in items other than shareholders' equity					
Total changes during period	—	-33,702	23,100	4,280	-6,321
Balance at end of period	30,000	38,708	649,258	-33,956	684,010

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	21,722	78	30,517	3,880	56,200	41,261	787,793
Changes during period							
Dividends of surplus							-26,802
Profit attributable to owners of parent							50,800
Purchase of treasury shares							-30,001
Disposal of treasury shares							579
Cancellation of treasury shares							—
Increase or decrease due to changes in accounting period of consolidated subsidiaries							-1,326
Increase or decrease due to changes in accounting period of entities accounted for using equity method							428
Net changes in items other than shareholders' equity	-5,461	-96	5,234	8,401	8,078	2,232	10,310
Total changes during period	-5,461	-96	5,234	8,401	8,078	2,232	3,989
Balance at end of period	16,261	-17	35,752	12,282	64,278	43,494	791,783

## 4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	87,507	82,482
Depreciation	55,317	54,979
Impairment losses	15,524	172
Loss on retirement of property, plant and equipment	4,331	2,951
Increase (decrease) in allowance for doubtful accounts	143	152
Increase (decrease) in provision for bonuses	175	9
Increase (decrease) in retirement benefit liability	624	-68
Interest and dividend income	-1,810	-1,714
Interest expenses	367	382
Share of loss (profit) of entities accounted for using equity method	8,642	4,468
Loss (gain) on sale of property, plant and equipment	-3,383	-557
Loss (gain) on sale of investment securities	-28,916	-4,487
Decrease (increase) in trade receivables	-27,784	11,355
Decrease (increase) in inventories	1,959	-11,304
Increase (decrease) in contract liabilities	-532	451
Increase (decrease) in trade payables	13,194	-26,171
Other, net	5,786	-13,381
Subtotal	131,147	99,720
Interest and dividends received	2,018	2,351
Interest paid	-405	-383
Income taxes paid	-24,776	-32,709
Net cash provided by (used in) operating activities	107,983	68,979
Cash flows from investing activities		
Net decrease (increase) in time deposits	-1,188	-6,439
Purchase of property, plant and equipment	-50,023	-52,798
Purchase of intangible assets	-3,421	-3,825
Proceeds from sale of property, plant and equipment and intangible assets	5,924	1,717
Subsidies received	532	2,425
Purchase of investment securities	-895	-4,786
Proceeds from sale of investment securities	20,875	22,094
Proceeds from liquidation of subsidiaries	—	3,918
Other, net	3,592	-2,943
Net cash provided by (used in) investing activities	-24,604	-40,636

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-506	19,997
Repayments of long-term borrowings	-4,142	-22,012
Decrease (increase) in treasury shares	1,057	-29,428
Dividends paid	-26,444	-26,754
Dividends paid to non-controlling interests	-823	-801
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-1,476	-1,185
Other, net	-11,435	-1,486
Net cash provided by (used in) financing activities	-43,772	-61,671
Effect of exchange rate change on cash and cash equivalents	2,286	-496
Net increase (decrease) in cash and cash equivalents	41,893	-33,825
Cash and cash equivalents at beginning of period	60,939	102,832
Increase (decrease) in cash and cash equivalents due to changes in accounting period of consolidated subsidiaries	—	-2,609
Cash and cash equivalents at end of period	* 102,832	* 66,398

## Notes

(Significant accounting policies for preparation of consolidated financial statements)

### 1. Scope of consolidation

#### (1) Number of consolidated subsidiaries: 52 companies

The names of the consolidated subsidiaries are omitted, as they are listed in “1. Overview of the Company, 4. Subsidiaries and other affiliated entities.”

#### (New)

Taiwan Meiji Pharma Co., Ltd. was established during the current fiscal year, and therefore, it is included in the scope of consolidation.

#### (Excluded)

The liquidation of Guangzhou Meiji Confectionery Co., Ltd. and Genovo Development Services Limited was completed during the current fiscal year. Accordingly, these companies were excluded from the scope of consolidation.

#### (2) Names of major unconsolidated affiliates

Thai Meiji Food Co., Ltd.

#### (Reasons for exclusion from the scope of consolidation)

The total amounts of assets, net sales, current net income and loss (the amounts corresponding to the Company's equity interest), and retained earnings (the amounts corresponding to the Company's equity interest) of the unconsolidated subsidiaries are small and do not have a significant impact on the consolidated financial statements.

### 2. Application of equity method

#### (1) Companies which are accounted for by the equity method: 4 companies

Okinawa Meiji Milk Products Co., Ltd., Thai Meiji Food Co., Ltd., CP-MEIJ I Co., Ltd., AustAsia Group Ltd.

#### (2) Names of major companies not accounted for by the equity method

Unconsolidated subsidiaries: MIYAKO YUSO TRANSPORTATION CO., LTD.

Affiliated companies: Kushiroshiryō Co., Ltd.

#### (Reasons for not applying the equity method)

The total amounts of current net income and loss (the amounts corresponding to the Company's equity interest) and retained earnings (the amounts corresponding to the Company's equity interest) of the companies not accounted for by the equity method are small and do not have a significant impact on the consolidated financial statements.

#### (3) Matters which are found particularly necessary to be stated with respect to the procedures for application of the equity method

Of the companies accounted for by the equity method, AustAsia Group Ltd. has its closing date on December 31. The financial statements as of December 31 were used in preparing the consolidated financial statements.

For companies accounted for by the equity method with their closing date on December 31, adjustments necessary for preparing the consolidated financial statements are made to reflect significant transactions that occurred between the relevant closing date and the consolidated closing date. From the current fiscal year, for the purpose of ensuring more proper disclosure of the consolidated financial statements, the closing date for Thai Meiji Food Co., Ltd. has been changed to March 31. For CP-MEIJ I Co., Ltd., consolidation has been changed to prepare financial statements based on the provisional accounting conducted on March 31, which is the consolidated closing date.

Any gains or losses between January 1, 2024 and March 31, 2024 are adjusted as increase or decrease of retained earnings.

### 3. Fiscal years of consolidated subsidiaries

Previously, the financial statements as of the closing date of each company were used for consolidated subsidiaries with their closing date on December 31, and adjustments necessary for preparing the consolidated financial statements were made to reflect significant transactions that occurred between the relevant closing date and the consolidated closing date.

From the current fiscal year, for the purpose of ensuring more proper disclosure of the consolidated financial statements, the closing date for the following companies has been changed to March 31.

- Consolidated subsidiaries

Meiji America Inc., D.F. Stauffer Biscuit Co., Inc., Laguna Cookie Co., Inc.,  
Meiji Seika (Singapore) Pte. Ltd., Taiwan Meiji Food Co., Ltd.,  
MEIJI FOOD VIETNAM CO., LTD., Meiji Pharma Spain, S.A.,  
PT. Meiji Indonesian Pharmaceutical Industries,  
Thai Meiji Pharmaceutical Co., Ltd., Meiji Seika Europe B.V.

From the current fiscal year, for the purpose of ensuring more proper disclosure of the consolidated financial statements, for the following companies, consolidation has been changed to prepare financial statements based on the provisional accounting conducted on March 31, which is the consolidated closing date.

- Consolidated subsidiaries

Meiji (China) Investment Co., Ltd., Meiji Dairies (Tianjin) Co., Ltd.,  
Meiji Seika Food Industry (Shanghai) Co., Ltd., Meiji Dairies (Suzhou) Co., Ltd.,  
Meiji Ice Cream (Guang Zhou) Co., Ltd., Meiji Food (Guangzhou) Co., Ltd., Guangdong Meiji Pharmaceutical Co., Ltd.

Any gains and losses generated by consolidated subsidiaries between January 1, 2024 and March 31, 2024 are adjusted as increase or decrease of retained earnings. Changes in cash and cash equivalents are indicated as “Net increase (decrease) in cash and cash equivalents attributable to changes in the accounting periods of consolidated subsidiaries” on the consolidated statements of cash flow.

### 4. Accounting policies

#### (1) Basis and method of valuation of significant assets

##### 1) Securities

###### Other securities

###### Securities other than shares with no market price

Stated at fair value method (valuation differences are reported as a component of shareholders' equity, and costs of securities sold are calculated by the moving-average method).

###### Shares with no market price

Stated at cost method primarily using the moving-average method.

##### 2) Derivatives

Stated at fair value method.

##### 3) Inventories

Stated at actual cost method primarily using the periodic average method (the amount stated in the balance sheet is calculated by the book value write-down method based on reduction in profitability).

#### (2) Depreciation methods for significant depreciable assets

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

Stated primarily at straight-line method.

Note that the main useful lives are as follows.

Buildings and structures: 2-60 years

Machinery, equipment, and vehicles: 2-18 years

Tools, furniture, and fixtures: 2-20 years

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

Stated primarily at straight-line method.

Note that software for internal use is stated at straight-line method based on the useful life (five years).

3) Leased assets

Leased assets related to the finance lease transactions other than those involving a transfer of ownership

The lease period is treated as the expected lifetime and stated at straight-line method assuming with no residual value.

(3) Reporting basis for significant allowances

1) Allowance for doubtful accounts

In order to prepare for losses from defaults of trade receivables, etc., the estimated uncollectable amounts regarding general accounts receivable are recorded using historical bad debt ratio, and the estimated uncollectable amounts regarding certain accounts receivable, such as doubtful accounts receivable, are recorded separately by examining their collectability.

2) Provision for bonuses

To cover bonus payments to employees, the expected bonus payments for employees enrolled at the end of the fiscal year is recorded based on the applicable payment period.

3) Provision for retirement benefits for directors (and other officers)

In order to prepare for retirement benefits for directors (and other officers), an amount as required to be paid at the end of the current fiscal year is recorded primarily based on internal regulations.

4) Provision for contingent loss

In order to prepare for contingent losses that may occur in the future, the reasonably estimated amounts are recorded separately by contingent event upon examining their individual risks.

(4) Accounting method for retirement benefits

1) Method of attributing estimated retirement benefits to periods of service

When calculating retirement benefit obligations, the methods of attributing estimated retirement benefits to the period through the end of the current fiscal year is primarily based on the benefit calculation method.

2) Actuarial differences and treatment of past service cost

Actuarial differences are amortized by the straight-line method over a fixed number of years (7 to 14 years) within the average remaining service years of employees at the time of occurrence in each fiscal year and allocated proportionately from the fiscal year following the respective fiscal year of occurrence.

Past service cost is amortized by the straight-line method (4 to 15 years) within the average remaining service of employees at the time of occurrence.

3) Unrecognized actuarial differences and accounting treatment of unrecognized past service cost

Unrecognized actuarial differences and unrecognized past service cost are posted to remeasurements of defined benefit plans on accumulated other comprehensive income in net assets, after adjusting for tax effects.



(5) Accounting methods for significant revenues and expenses

With regard to the revenues of the Company and its consolidated subsidiaries arising from contracts with customers, the description of main performance obligations in the main business segments and the typical timing at which these performance obligations are satisfied (the typical timing of revenue recognition) are as follows.

- Food

In the Food Segment, revenues are recorded mainly from the sale of yogurt, drinking milk, beverages, cheese, butter and margarine, cream, ice cream, ready meals, chocolate, gummy products, sports nutrition products, infant formula, liquid diet, beauty supplements, feed stuffs, sugar and corn sweeteners, etc.

Revenue from the sale of these products is recognized upon acceptance inspection of these products by customers, as it is considered that control is transferred to customers and the Group's performance obligation is satisfied upon performance of the acceptance inspection of these products by customers. Certain consolidated subsidiaries recognize revenue at the time of shipment as an alternative method. Revenue from the sale of these products is measured as the amount of consideration promised in the contract with customers, less discounts, rebates, etc., and consumption and other taxes.

Variable consideration is the consideration under a contract with customers or a transaction that cannot be separated from a sales transaction. When the Company has a performance obligation to arrange for goods to be provided by another party, the Company is deemed as an agent and recognizes the net amount of commission or consideration as revenue. The consideration for the transactions is received primarily within one year of satisfaction of the performance obligation and does not include significant financial elements.

- Pharmaceuticals

In the Pharmaceutical Segment, revenue from the sale of domestic ethical pharmaceuticals, overseas ethical pharmaceuticals, human vaccines, and veterinary drugs, royalties related to intellectual property, upfront and milestone payments, and contracted services are recorded.

Revenue from the sale of domestic ethical pharmaceuticals, overseas ethical pharmaceuticals, human vaccines, and veterinary drugs is recognized upon performance of the acceptance inspection of the products by customers, as it is considered that control is transferred to customers and the Group's performance obligation is satisfied upon the acceptance inspection of the products by customers. For product sales in Japan, revenue is recognized upon shipment, applying the alternative treatment, if the period from the shipment to the transfer of control of the products to customers is within a normal period. Revenue from the sale of these products is measured as the amount of consideration promised in the contract with customers, less discounts, rebates, etc., and consumption and other taxes.

Royalty income related to intellectual property is recognized, in principle, when the underlying sales occur.

As for revenue related to upfront and milestone payments, its performance obligation is the provision of intellectual property under the contract, and the revenue is recognized over a certain period when the performance obligation is fulfilled or as the performance obligation is being fulfilled. Regarding the performance obligation that can be fulfilled at a certain point of time, revenue is recognized when the customer obtains the right promised to be transferred by the Group based on the contract. Regarding the performance obligation that is fulfilled over a certain period of time, revenue shall be recognized over a certain period of time such as the expected contract period, in accordance with the method to measure the progress for the fulfillment of performance obligation determined for each contract.

Revenue related to contracted services is primarily from contracted services for activities of providing information on ethical pharmaceuticals, and the Company has performance obligations to provide contracted services based on contracts with customers. Since the performance obligation is satisfied when the services are rendered to customers, revenue is recognized when the performance obligation is satisfied.

The consideration for the transactions is received primarily within one year of satisfaction of the performance obligation and does not include significant financial elements.

(6) Standards for translation of significant assets and liabilities denominated in foreign currencies into Japanese yen

Monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the prevailing spot exchange rates on the consolidated closing date, and translation differences are recognized as gains or losses.

Assets and liabilities of overseas subsidiaries are translated into Japanese yen at the prevailing spot exchange rates on the closing date of the overseas subsidiaries, while revenues and expenses are translated into Japanese yen at the average exchange rate during the fiscal year and translation differences are included in foreign currency translation adjustments and non-controlling interests in net assets.

(7) Derivative financial instruments

1) Method of hedge accounting

Deferred hedge accounting is used.

For forward exchange contracts and other transactions, the apportionment method is applied when the specific requirements for the method are satisfied. For interest rate and currency swap transactions, the integrated method is applied when the requirements for the integrated method (exceptional method, apportionment method) are satisfied.

2) Hedging instruments and hedged items

Hedging instrument	Hedged item
Forward exchange contracts	Receivables and payables denominated in foreign currencies and forecast transactions denominated in foreign currencies
Interest rate and currency swap transactions	Interest on loans and borrowings

3) Hedging policy

Certain consolidated subsidiaries enter into forward exchange contracts to reduce foreign exchange risks associated with export and import transactions in the ordinary course of business. In addition, the Company conducts interest rate and currency swap transactions to reduce the risk of interest rate and foreign exchange fluctuations for funds procured. The Company does not conduct derivatives transactions for speculative purposes.

4) Methods for evaluating the effectiveness of hedging

Since forward exchange contracts, etc. are applied to foreign currency receivables and payables transactions to fix future cash flows in Japanese yen, the apportionment method is applied and the requirements for subsequent testing are met. For forecast transactions denominated in foreign currencies, the Company examines eligibility for hedging while considering whether the feasibility of the transaction is extremely high.

For interest rate and currency swap transactions, evaluation of the effectiveness is omitted, since the requirements for integrated method (exceptional method, apportionment method) are satisfied.

(8) Scope of funds in consolidated statements of cash flows

Funds (cash and cash equivalents) in the consolidated statements of cash flows consist of cash on hand, deposits that can be withdrawn on demand, and short-term investments that are readily convertible to cash, have only a slight risk of value fluctuation, and are redeemable within three months from the date of acquisition.

(9) Other important matters for preparation of consolidated financial statements

Treatment of deferred assets

Bond issuance costs are fully expensed at the time the disbursement is made.

(Significant accounting estimates)

1. Impairment of non-current assets in the drinking milk and yogurt businesses in China

(1) Amount recorded in the consolidated financial statements for the current fiscal year

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Balance of non-current assets (foods business in China)	48,394	50,852

(2) Additional information that contributes to the understanding of users of the consolidated financial statements

1) Calculation method for amounts disclosed in the consolidated financial statements for the current fiscal year

When considering impairment losses on non-current assets in the foods business in China, assets were grouped mainly based on its domestic operations in China. The China foods business manufactures and sells drinking milk, yogurt, chocolate, ice cream, etc. in China. Among them, the drinking milk and yogurt businesses have been suffering significant decline in profitability. For this reason, the Company determined that there was an indication of impairment in the asset group related to the drinking milk and yogurt businesses in China, which is recognized, and measured an impairment loss. As a result of comparison of the book value of the relevant asset group with the recoverable amount, no impairment loss has been recorded. The recoverable amount was calculated based on the higher of value in use and net realizable value.

- 2) Key assumptions used for calculating the amounts recorded in the consolidated financial statements for the current fiscal year  
The net realizable value is based on an appraisal amount by a real estate appraiser, and the main assumption for the appraisal is the comparable price based on transaction cases.
- 3) Impact on the consolidated financial statements for the following fiscal year  
Due to uncertain future economic conditions, if the net realizable value needs to be revised, impairment losses on non-current assets may be incurred and affect the Group's financial results.

## 2. Valuation of equity method investment in AustAsia Group Ltd.

- (1) Amount recorded in the consolidated financial statements for the current fiscal year

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Investment securities (Valuation of equity method investment in AustAsia)	22,778	18,061
Share of loss of entities accounted for using equity method (Share of loss of AustAsia accounted for using equity method)	9,714	6,673

The excess of the Company's equity interest in the net assets of AustAsia Group Ltd. ("AustAsia") as of the end of the current fiscal year is as follows.

Customer-related assets: JPY 6,287 million (JPY 6,833 million at the end of the previous fiscal year)

- (2) Additional information that contributes to the understanding of users of the consolidated financial statements

- 1) Calculation method for amounts disclosed in the consolidated financial statements for the current fiscal year

AustAsia is an affiliate accounted for using equity method in which the Group owns 22.19% of equity interest, and the investments in AustAsia are accounted for using the equity method. AustAsia, whose shares are listed on the Hong Kong Exchanges, has adopted the International Financial Reporting Standards, and an impairment test is conducted in the case that there is an indication of impairment on an asset group.

In the current fiscal year, since there was an indication of impairment due to loss recorded from deterioration of profitability caused by excessive supply of raw milk in China, an impairment test was conducted. The estimated future cash flow used for the impairment test is based on a going concern assumption.

In the impairment test, the recoverable amount of non-current assets is based on the value in use, and the value in use is evaluated by a method of discounting future cash flows based on AustAsia's business plan to the present value. As a result of the impairment test, the recoverable amount of AustAsia's non-current assets including customer-related intangible assets was greater than its book value, and thus no impairment loss has been recognized.

- 2) Key assumptions used for calculating the amounts recorded in the consolidated financial statements for the current fiscal year

The main assumptions used to calculate the value in use were raw milk prices, sales volume and feed costs, which are the bases of the business plan, and the discount rate used to discount the future cash flows based on the business plan to present value.

- 3) Impact on the consolidated financial statements for the following fiscal year

Raw milk prices, sales volume, feed costs and discount rate are highly uncertain, and if they deviate considerably from the assumptions, an impairment loss may be recorded for AustAsia's non-current assets.

(Changes in accounting policies)

(Application of the "Accounting Standard for Current Income Taxes," etc.)

The Company has applied the "Accounting Standard for Current Income Taxes" (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the "Revised Accounting Standard of 2022"), etc. from the beginning of the current fiscal year.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28,

October 28, 2022; the “Revised Guidance of 2022”). This change in accounting policies has no impact on the consolidated financial statements.

In addition, for changes related to the revised treatment in consolidated financial statements when a gain or loss on sale arising from the sale of shares of subsidiaries, etc. among consolidated companies is deferred for tax purposes, the Revised Guidance of 2022 has been applied from the beginning of the current fiscal year. This change in accounting policies has been applied retrospectively, and is reflected in the consolidated financial statements for the previous fiscal year. This change in accounting policies has no impact on the consolidated financial statements for the previous fiscal year.

(Accounting standard not yet adopted)

(Accounting Standard for Leases, etc.)

- “Accounting Standard for Leases” (ASBJ Statement No. 34, September 13, 2024, ASBJ)
- “Implementation Guidance on Accounting Standard for Leases” (ASBJ Guidance No. 33, September 13, 2024, ASBJ), etc.

(1) Outline

As part of its efforts for ensuring that Japanese GAAP is consistent with international accounting standards, the ASBJ conducted a review, taking into consideration international accounting standards, toward the development of the Accounting Standard for Leases for recognizing assets and liabilities for all leases held by a lessee. Accordingly, the ASBJ issued the Accounting Standard for Leases, etc., which were developed under a basic policy with the aim of being simple and highly convenient by incorporating only the key provisions of IFRS 16 instead of all the provisions, despite being based on the single accounting model of IFRS 16, while also making revisions basically unnecessary even when the provisions of IFRS 16 are applied for non-consolidated financial statements.

Regarding the method for allocating the lessee’s lease expenses in the lessee’s accounting treatment, a single accounting model is applied for recording the depreciation related to right-of-use assets and the amount equivalent to the interest on lease liabilities for all leases regardless of whether a lease is a finance lease or an operating lease. This is the same as under IFRS 16.

(2) Effective date

The accounting standards and related implementation guidance will be applied from the beginning of the fiscal year ending March 31, 2028.

(3) Impact from applying accounting standards and related implementation guidance

The impact from the application of the “Accounting Standard for Leases,” etc. on the consolidated financial statements is currently under evaluation.

(Changes in presentation)

(Consolidated statement of income)

“Business commencement expenses” under non-operating expenses, which was independently presented in the previous fiscal year, is included in “Other” under non-operating expenses in the current fiscal year because it became insignificant in terms of amount. We reported “Gain on sale of shares of subsidiaries and associates” under extraordinary income as a separate item. However, as the monetary significance of this amount decreased, we included “Gain on sale of shares of subsidiaries and associates” in “Other” under extraordinary income from the current fiscal year. We reported “Compensation expenses” under extraordinary losses as a separate item. However, as the monetary significance of this amount decreased, we included “Compensation expenses” in “Other” under extraordinary losses from the current fiscal year.

In order to reflect these changes, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, JPY 1,467 million of “Business commencement expenses” and JPY 1,861 million of “Other” under non-operating expenses are presented as JPY 3,328 million of “Other.” JPY 2,720 million of “Gain on sale of shares of subsidiaries and associates” and JPY 15 million of “Other” under extraordinary income are presented as JPY 2,735 million of “Other.” JPY 2,923 million of “Compensation expenses” and JPY 1,120 million of “Other” under extraordinary losses are presented as JPY 4,043 million of “Other.”

(Consolidated statement of cash flows)

“Amortization of goodwill,” “Loss on tax purpose reduction entry of non-current assets” and “Loss (gain) on sale of shares of subsidiaries and associates” under cash flows from operating activities, which were independently presented in the previous fiscal year, are included in “Other” under cash flows from operating activities in the current fiscal year because they became insignificant in terms of amount. “Purchase of securities,” “Proceeds from redemption of securities,” “Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation,” and “Payments for sale of investments in capital of subsidiaries resulting in change in scope of consolidation” under cash flows from investing activities which were independently presented in the previous fiscal year, are included in “Other” under cash flows from investing activities in the current fiscal year because they

became insignificant in terms of amount. “Net decrease (increase) in time deposits” was included in “Other” under cash flows from investing activities for the previous fiscal year. However, as the monetary significance of this amount increased, we decided to report “Net decrease (increase) in time deposits” under investing activities as a separate item from the current fiscal year. “Redemption of bonds” under cash flows from financing activities, which was independently presented in the previous fiscal year, is included in “Other” under cash flows from financing activities in the current fiscal year because it became insignificant in terms of amount.

In order to reflect these changes, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, “Amortization of goodwill” of JPY 11 million, “Loss on tax purpose reduction entry of non-current assets” of JPY 551 million, “Loss (gain) on sale of shares of subsidiaries and associates” of JPY -2,218 million, and “Other” of JPY 7,442 million, which were presented under cash flows from operating activities in the consolidated statement of cash flows of the previous fiscal year, were reclassified as JPY 5,786 million in “Other.” “Purchase of securities” of JPY -3,000 million, “Proceeds from redemption of securities” of JPY 3,000 million, “Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation” of JPY 5,459 million, “Payments for sale of investments in capital of subsidiaries resulting in change in scope of consolidation” of JPY -372 million and “Other” of JPY -2,682 million, which were presented under cash flows from investing activities in the consolidated statement of cash flows of the previous fiscal year, were reclassified as JPY -1,188 million in “Net decrease (increase) in time deposits” and JPY 3,592 million in “Other.” “Redemption of bonds” of JPY -10,000 million and “Other” of JPY -1,435 million, which were presented under cash flows from financing activities in the consolidated statement of cash flows of the previous fiscal year, were reclassified as JPY -11,435 million in “Other.”

(Consolidated balance sheet)

\*1 Notes and accounts receivable - trade arising from contracts with customers are as follows.

	As of March 31, 2024	As of March 31, 2025
Notes receivable - trade	JPY 453 million	JPY 319 million
Accounts receivable - trade	201,786	189,213

\*2 Amounts related to unconsolidated subsidiaries and affiliates are as follows.

	As of March 31, 2024	As of March 31, 2025
Investment securities (shares)	JPY 40,454 million	JPY 37,164 million

\*3 Pledged assets and secured liabilities

Assets pledged as collateral are as follows.

	As of March 31, 2024	As of March 31, 2025
Cash and deposits	JPY 146 million	JPY 146 million
Buildings and structures	1,132	1,083
Machinery, equipment, and vehicles	278	178
Land	49	49
Total	1,606	1,457

Cash and deposits are pledged as collateral to guarantee business transactions.

Secured liabilities are as follows.

	As of March 31, 2024	As of March 31, 2025
Long-term borrowings (including current portion of long-term borrowings)	JPY 3,010 million	JPY 1,462 million

\*4 Tax purpose reduction entry

The amounts of tax purpose reduction entry deducted from the acquisition cost of property, plant, and equipment acquired through national subsidies, etc. are as follows.

	As of March 31, 2024	As of March 31, 2025
Buildings and structures	JPY 3,785 million	JPY 3,787 million
Machinery, equipment, and vehicles	6,000	5,987
Tools, furniture, and fixtures	307	307
Total	10,094	10,082

5 Guarantee liabilities

The Company has guaranteed the following borrowings from financial institutions by companies other than consolidated companies and by employees.

Debt guaranty

	As of March 31, 2024	As of March 31, 2025
Sendai Feed Co., Ltd.	JPY 14 million	JPY 1 million
Makiba Feed Co., Ltd.	680	-
Employees	9	7
Total	703	8

6 Contingent liabilities related to debt assumption contracts for bonds

For the following bonds, the Company has assigned its debt under a trust-type debt assumption contracts (debt assumption contracts) with a bank. As a result, the transferred debt for the bonds is offset against the amount payable under the contract. However, the Company's obligation to bond holders to redeem the bonds will remain until the bonds are redeemed.

	As of March 31, 2024	As of March 31, 2025
7th Series of Unsecured Straight Bonds, Meiji Holdings Co., Ltd.	JPY 10,000 million	JPY - million

7 Commitment line contracts

The Company has commitment line contracts with six financial institutions (six banks in the previous fiscal year) for the purpose of flexible financing and improvement of fund efficiency.

The unused commitment lines under these contracts at the end of the current fiscal year are as follows.

	As of March 31, 2024	As of March 31, 2025
Total amount of commitment lines	JPY 20,000 million	JPY 20,000 million
Used portion of the commitment line	-	-
Balance	20,000	20,000

(Consolidated statement of income)

\*1 Revenue from contracts with customers

In net sales, revenue from contracts with customers and other revenue are not presented separately. The amount of revenue from contracts with customers is presented in "Notes (Revenue recognition) (1) Disaggregated information of revenue from contracts with customers" in the consolidated financial statements.

\*2 Major items and amounts of selling, general and administrative expenses are as follows.

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Freight and storage charges	JPY 18,308 million	JPY 19,344 million
Sales promotion expenses	22,678	22,359
Labor cost	70,967	71,609
Provision for bonuses	6,738	8,434
Retirement benefit expenses	4,492	4,066
Research and development expenses	25,346	28,889

\*3 Total research and development expenses included in manufacturing costs and selling, general, and administrative expenses

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
	JPY 34,884 million	JPY 38,889 million

\*4 Details of gain on sale of non-current assets are as follows.

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Buildings and structures	JPY 1,285 million	JPY 0 million
Land	2,403	585
Other non-current assets	49	13
Total	3,738	598

\*5 Details of loss on abandonment of non-current assets are as follows.

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Buildings and structures	JPY 662 million	JPY 297 million
Machinery, equipment, and vehicles	1,868	675
Other non-current assets	1,805	3,598
Total	4,336	4,571

\*6 Impairment losses

The Meiji Group recorded impairment losses on the following asset groups.

For the fiscal year ended March 31, 2024

Location	Use	Category	Impairment losses (Millions of yen)
Guangdong, China	Business assets	Buildings and structures, machinery, equipment, and vehicles, etc.	14,385
Tianjin, China	Business assets	Buildings and structures, machinery, equipment, and vehicles, etc.	
Jiangsu, China	Business assets	Buildings and structures, machinery, equipment, and vehicles, etc.	
Chigasaki City, Kanagawa	Business assets	Machinery, equipment, and vehicles, etc.	1,128
Kaizuka City, Osaka	Business assets	Machinery, equipment, and vehicles	
Kyotanabe City, Kyoto	Business assets	Machinery, equipment, and vehicles, etc.	
Fujieda City, Shizuoka	Business assets	Machinery, equipment, and vehicles, etc.	
Kumamoto City, Kumamoto	Business assets	Machinery, equipment, and vehicles	

Location	Use	Category	Impairment losses (Millions of yen)
Takatsuki City, Osaka	Business assets	Machinery, equipment, and vehicles, etc.	
Other	Business assets	Intangible assets	10

We, in principle, conduct impairment tests by assets group determined based on business type, while lease assets and idle assets are tested for impairment individually.

In the current fiscal year, due mainly to a decline in profitability of some assets, the book value of such assets was reduced to the recoverable amount, and an impairment loss of JPY 15,524 million was recorded as an extraordinary loss.

For business assets, the loss is broken down as follows: JPY 1,101 million for buildings and structures, JPY 14,380 million for machinery, equipment, and vehicles, JPY 0 million for tools, furniture, and fixtures, JPY 19 million for intangible assets, and JPY 22 million for construction in progress.

Net realizable value as a recoverable amount is evaluated based on an appraisal amount of a real estate appraiser. In addition, for recoverable amount measured at value in use, the presentation of the discount rate is omitted since their future cash flows are generally negative.

For the fiscal year ended March 31, 2025

Disclosure is omitted because it is insignificant.

\*7 The balance of ending inventory is stated at the amount after a write-down resulting from decreased profitability. The following loss on valuation of inventories (a negative amount indicates a reversal gain) is included in cost of sales.

For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
JPY -3,144 million	JPY 11,265 million

\*8 Subsidies for expenses incurred are deducted from the related expenses they are intended to cover.



## (Consolidated statement of comprehensive income)

## \*Reclassification adjustments, income taxes, and tax effects relating to other comprehensive income

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Valuation difference on available-for-sale securities:		
Increase in the current fiscal year	JPY 14,734 million	JPY -3,050 million
Reclassification adjustments	-28,847	-4,487
Before income taxes and tax effect adjustments	-14,112	-7,537
Income taxes and tax effect amount	4,247	2,095
Valuation difference on available-for-sale securities	-9,865	-5,442
Deferred gains or losses on hedges:		
Increase in the current fiscal year	100	-144
Reclassification adjustments	-	-
Adjustment to acquisition cost of assets	-	-
Before income taxes and tax effect adjustments	100	-144
Income taxes and tax effect amount	-30	44
Deferred gains or losses on hedges:	69	-100
Foreign currency translation adjustment:		
Increase in the current fiscal year	10,697	-2,590
Reclassification adjustments	-123	-
Foreign currency translation adjustment	10,574	-2,590
Remeasurements of defined benefit plans, net of tax		
Increase in the current fiscal year	9,240	12,773
Reclassification adjustments	518	-476
Before income taxes and tax effect adjustments	9,758	12,296
Income taxes and tax effect amount	-2,990	-3,969
Remeasurements of defined benefit plans, net of tax	6,768	8,326
Share of other comprehensive income of entities accounted for using equity method:		
Increase in the current fiscal year	2,138	2,415
Reclassification adjustments	-	-
Share of other comprehensive income of entities accounted for using equity method:	2,138	2,415
Total of other comprehensive income	9,686	2,609

(Consolidated statement of changes in net assets)

For the fiscal year ended March 31, 2024

1. Matters concerning the classes and total number of issued shares and the classes and number of treasury shares

	Number of shares at the beginning of the current fiscal year (Thousand shares)	Increases in the number of shares in the current fiscal year (Thousand shares)	Decreases in the number of shares in the current fiscal year (Thousand shares)	Number of shares outstanding at the end of the current fiscal year (Thousand shares)
Issued shares				
Ordinary shares (Notes 1, 2)	148,369	148,369	3,280	293,459
Total	148,369	148,369	3,280	293,459
Treasury shares				
Ordinary shares (Notes 3, 4)	8,979	8,984	3,611	14,352
Total	8,979	8,984	3,611	14,352

- (Notes) 1. The increase of 148,369 thousand shares in the total number of issued ordinary shares is due to the two-for-one share split on April 1, 2023.
2. The decrease of 3,280 thousand shares in the total number of issued ordinary shares is due to the cancellation of treasury shares.
3. The increase of 8,984 thousand shares of ordinary share in treasury shares is due to the increase of 8,979 thousand shares due to the two-for-one share split on April 1, 2023, the acquisition of 0 thousand treasury shares and the purchase of 4 thousand shares of shares less than one unit.
4. The decrease of 3,611 thousand shares of ordinary share in treasury shares is due to the cancellation of 3,280 thousand treasury shares, disposal of 331 thousand treasury shares as restricted share remuneration and decrease of 0 thousand shares from the sale of shares less than one unit.

2. Matters concerning dividends

(1) Dividends paid

(Resolution)	Class	Total amount of dividends (Millions of yen)	Dividend per share (Yen)	Record date	Effective date
May 11, 2023 Board of Directors	Ordinary shares	13,242	95.00	March 31, 2023	June 7, 2023
November 9, 2023 Board of Directors	Ordinary shares	13,257	47.50	September 30, 2023	December 6, 2023

(Note) A two-for-one share split was conducted on April 1, 2023, and the dividends with a record date of March 31, 2023 are stated based on the amount of the number of shares prior to the share split.

(2) Dividends for which the record date is in the current fiscal year but for which the effective date is in the following fiscal year

(Resolution)	Class	Total amount of dividends (Millions of yen)	Source of dividends	Dividend per share (Yen)	Record date	Effective date
May 17, 2024 Board of Directors	Ordinary shares	13,257	Retained earnings	47.50	March 31, 2024	June 5, 2024

For the fiscal year ended March 31, 2025

1. Matters concerning the classes and total number of issued shares and the classes and number of treasury shares

	Number of shares at the beginning of the current fiscal year (Thousand shares)	Increases in the number of shares in the current fiscal year (Thousand shares)	Decreases in the number of shares in the current fiscal year (Thousand shares)	Number of shares outstanding at the end of the current fiscal year (Thousand shares)
Issued shares				
Ordinary shares (Note 1)	293,459	-	11,259	282,200
Total	293,459	-	11,259	282,200
Treasury shares				
Ordinary shares (Notes 2, 3)	14,352	8,379	11,422	11,309
Total	14,352	8,379	11,422	11,309

- (Notes) 1. The decrease of 11,259 thousand shares in the total number of issued ordinary shares is due to the cancellation of treasury shares.
2. The increase of 8,379 thousand shares in treasury shares of ordinary share is due to the acquisition of 8,376 thousand treasury shares and the purchase of 3 thousand shares of shares less than one unit.
3. The decrease of 11,422 thousand shares of ordinary share in treasury shares is due to the cancellation of 11,259 thousand treasury shares, disposal of 163 thousand treasury shares as restricted share remuneration, and decrease of 0 thousand shares from the sale of shares less than one unit.

2. Matters concerning dividends

(1) Dividends paid

(Resolution)	Class	Total amount of dividends (Millions of yen)	Dividend per share (Yen)	Record date	Effective date
May 17, 2024 Board of Directors	Ordinary share	13,257	47.50	March 31, 2024	June 5, 2024
November 11, 2024 Board of Directors	Ordinary share	13,544	50.00	September 30, 2024	December 6, 2024

(2) Dividends for which the record date is in the current fiscal year but for which the effective date is in the following fiscal year

(Resolution)	Class	Total amount of dividends (Millions of yen)	Source of dividends	Dividend per share (Yen)	Record date	Effective date
May 16, 2025 Board of Directors	Ordinary shares	13,544	Retained earnings	50.00	March 31, 2025	June 5, 2025

(Consolidated statement of cash flows)

- \* Reconciliation of cash and cash equivalents at the fiscal year-end balance to the amount of account reported in the consolidated balance sheet.

	For the fiscal year ended March 31, 2024 (Millions of yen)	For the fiscal year ended March 31, 2025 (Millions of yen)
Cash and deposits account	106,858	78,191
Time deposits with maturities longer than three months	-4,025	-11,793
Cash and cash equivalents	102,832	66,398

(Leases)

(Lessees)

1. Finance lease transactions

Non-ownership-transfer finance lease transactions

1) Details of leased assets

Property, plant, and equipment

Mainly sales equipment (tools, furniture, and fixtures), production facilities (machinery, equipment, and vehicles) at manufacturing plants, and test and research equipment (machinery, equipment, tools, furniture, and fixtures).

2) Depreciation method for leased assets

As stated in “Notes - Significant accounting policies for preparation of consolidated financial statements, 4. Accounting policies, (2) Depreciation methods for significant depreciable assets.”

2. Operating lease transactions

Future lease payments under non-cancelable operating lease transactions

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Within 1 year	1,420	1,414
More than 1 year	1,285	2,343
Total	2,706	3,758

(Financial instruments)

1. Matters concerning the status of financial instruments

(1) Policy on dealing in financial instruments

The Meiji Group procures necessary funds (mainly through bank loans and bond issuance) in light of its capital expenditure plan and working capital plans, to conduct the business of manufacturing and selling mainly dairy products, confectioneries, food, and pharmaceuticals. Temporary surplus funds are invested in highly secure financial assets, and short-term working capital is procured through commercial paper and other means. The Company uses derivatives to avoid the risks described below with a policy of not engaging in speculative transactions.

(2) Description of financial instruments and their risks

Notes and accounts receivable - trade are exposed to the risk of customer credit. In addition, foreign currency-denominated trade receivables arising from global business operations are exposed to the risk of exchange rate fluctuations, and some consolidated subsidiaries hedge this risk by using forward exchange contracts and other means. Investment securities mainly consist of shares related to business or capital tie-ups with business partners and are exposed to the risk of market price fluctuation.

Trade notes and accounts payable - trade are mostly due within one year. Some of them are denominated in foreign currencies in connection with imports of raw materials, etc. and are exposed to the risk of exchange rate fluctuations, and some consolidated subsidiaries hedge such risk by using forward exchange contracts and other means. Borrowings, commercial papers, and bonds payable are mainly for the purpose of procuring funds necessary for capital expenditures and working capital, and their redemption dates are at longest five years after the consolidated closing date. Some of these are denominated in foreign currencies and have floating interest rates and are exposed to the risk of interest rate and foreign exchange fluctuations, and are hedged using derivative transactions (interest rate and currency swap transactions).

Derivative transactions include forward exchange contracts, etc., to hedge the risk of exchange rate fluctuations related to trade receivables and payables denominated in foreign currencies, and interest rate and currency swaps to hedge the risk of fluctuations in interest rates payable related to borrowings and exchange rates. For information on hedging instruments and hedged items related to hedge accounting, hedging policy, evaluation method of the effectiveness of hedging, etc., please refer to “4. Accounting policies (7) Derivative financial instruments” in the aforementioned “Notes - Significant accounting policies for preparation of consolidated financial statements.”

(3) Risk management system for financial instruments

1) Management of credit risk (risk related to nonperformance of contracts by business partners)

In the Meiji Group, in accordance with the receivable management rules, each management department in each business division periodically monitors the status of major business partners with respect to trade receivables, and manages due dates and outstanding balances by business partner, in order to early identify and mitigate concerns about collection due to deterioration of financial conditions and other factors.

In using derivatives, the Company enters into transactions only with highly rated financial institutions in order to mitigate counterparty risk.

The maximum amount of credit risk as of the consolidated closing date of the current fiscal year is presented by the balance sheet amount of financial assets exposed to credit risk.

2) Management of market risk (risk of fluctuations in foreign exchange rates, interest rates, etc.)

Certain consolidated subsidiaries use forward exchange contracts and other means to hedge foreign currency-denominated trade receivables and payables against the risk of exchange rate fluctuations identified monthly by currency. In addition, the Company uses interest rate and currency swap transactions to reduce the risk of fluctuations in interest rates and foreign exchange rates related to borrowings.

With regard to investment securities, the Company periodically determines the fair value and financial conditions of the issuers (business partners) and continually reviews the status of holding considering the relationship with them.

In certain consolidated subsidiaries, each relevant department conducts derivative transactions in accordance with the derivative transaction management rules, which stipulate transaction authority and limits.

3) Management of liquidity risk related to fund procurement (risk of failure to pay on due dates)

The Meiji Group manages liquidity risk by having each company's accounting department prepare and update fund management plans in a timely manner based on reports from each business department.

(4) Supplementary explanation on matters concerning fair value of financial instruments

Since variable factors are incorporated in the calculation of the fair value of financial instruments, such value may change due to the adoption of different assumptions and other factors.

In addition, the contract amount of derivative transactions in the Note “Derivatives” does not in itself indicate the market risk associated with derivative transactions.

## 2. Matters regarding fair values, etc. of financial instruments

The amounts recorded on the consolidated balance sheet, fair values, and their differences are as follows:

As of March 31, 2024

	Amount recorded on the consolidated balance sheet (Millions of yen)	Fair value (Millions of yen)	Difference (Millions of yen)
(1) Investment securities			
Available-for-sale securities	44,386	44,407	21
Shares of affiliates	22,778	5,219	-17,558
Total assets	67,164	49,627	-17,537
(1) Bonds payable	10,000	9,925	-75
(2) Long-term borrowings	39,607	39,391	-216
Total liabilities	49,607	49,316	-291
Derivative transactions			
(1) To which hedge accounting is not applied	-	-	-
(2) To which hedge accounting is applied	105	105	-
Total derivative transactions	105	105	-

(Notes) 1. Notes on cash are omitted. Notes on deposits, notes, and accounts receivable - trade, notes, and accounts payable - trade, short-term borrowings, and accounts payable - other are omitted because these accounts are settled in a short period of time and fair values are approximate to book values.

2. Shares of affiliates include those of listed entities accounted for using equity method, and the difference is due to the fair value of such shares.
3. Shares with no market price are not included in the investment securities. The amounts of the financial instruments reported on the consolidated balance sheet are as follows:

Categories	As of March 31, 2025 (Millions of yen)
Shares with no market price (*1)	20,227
Investments in partnerships (*2)	542

\*1 Shares with no market price include unlisted shares, which are not subject to disclosure of fair values pursuant to paragraph 5 of Implementation Guidance on Disclosure about Fair Value of Financial Instruments (ASBJ Guidance No. 19, March 31, 2020).

\*2 Investments in partnerships, etc. are mainly investments in investment partnerships. These are not subject to disclosure of fair values pursuant to paragraph 24-16 of Implementation Guidance on Accounting Standard for Fair Values Measurement (ASBJ Guidance No. 31, June 17, 2021).

4. Long-term borrowings include their current portion.
5. Receivables and payables arising from derivative transactions are presented on a net basis, and the net total receivables and payables at the end of the current fiscal year is receivable.

As of March 31, 2025

	Amount recorded on the consolidated balance sheet (Millions of yen)	Fair value (Millions of yen)	Difference (Millions of yen)
(1) Investment securities			
Available-for-sale securities	33,446	33,468	21
Shares of affiliates	18,061	3,136	-14,925
Total assets	51,508	36,604	-14,904
(1) Bonds payable	10,000	9,911	-89
(2) Long-term borrowings	17,582	17,401	-180
Total liabilities	27,582	27,312	-269
Derivative transactions			
(1) To which hedge accounting is not applied	-	-	-
(2) To which hedge accounting is applied	-26	-26	-
Total derivative transactions	-26	-26	-

- (Notes) 1. Notes on cash are omitted. Notes on deposits, notes, and accounts receivable - trade, notes, and accounts payable - trade, short-term borrowings, and accounts payable - other are omitted because these accounts are settled in a short period of time and fair values are approximate to book values.
2. Shares of affiliates include those of listed entities accounted for using equity method, and the difference is due to the fair value of such shares.
3. Shares with no market price are not included in the investment securities. The amounts of the financial instruments reported on the consolidated balance sheet are as follows:

Categories	As of March 31, 2025 (Millions of yen)
Shares with no market price (*1)	25,930
Investments in partnerships (*2)	914

- \*1 Shares with no market price include unlisted shares, which are not subject to disclosure of fair values pursuant to paragraph 5 of Implementation Guidance on Disclosure about Fair Value of Financial Instruments (ASBJ Guidance No. 19, March 31, 2020).
- \*2 Investments in partnerships, etc. are mainly investments in investment partnerships. These are not subject to disclosure of fair values pursuant to paragraph 24-16 of Implementation Guidance on Accounting Standard for Fair Values Measurement (ASBJ Guidance No. 31, June 17, 2021).
4. Long-term borrowings include their current portion.
5. Receivables and payables arising from derivative transactions are presented on a net basis, and the net total receivables and payables at the end of the current fiscal year are payable.

(Notes) 1. Scheduled redemption amounts after the consolidated closing date for monetary claims and securities that have maturities

As of March 31, 2024

	Within 1 year (Millions of yen)	More than 1 year up to 5 years (Millions of yen)	More than 5 years up to 10 years (Millions of yen)	More than 10 years (Millions of yen)
Cash and deposits	106,858	-	-	-
Notes and accounts receivable - trade	202,239	-	-	-
Total	309,097	-	-	-

As of March 31, 2025

	Within 1 year (Millions of yen)	More than 1 year up to 5 years (Millions of yen)	More than 5 years up to 10 years (Millions of yen)	More than 10 years (Millions of yen)
Cash and deposits	78,191	-	-	-
Notes and accounts receivable - trade	189,533	-	-	-
Total	267,725	-	-	-

2. Scheduled redemption amounts after the consolidated closing date for bonds payable, long-term borrowings, and other interest-bearing liabilities

As of March 31, 2024

	Within 1 year (Millions of yen)	More than 1 year up to 2 years (Millions of yen)	More than 2 years up to 3 years (Millions of yen)	More than 3 years up to 4 years (Millions of yen)	More than 4 years up to 5 years (Millions of yen)	More than 5 years (Millions of yen)
Short-term borrowings	319	-	-	-	-	-
Bonds payable	-	-	10,000	-	-	-
Long-term borrowings	22,011	5,161	1,192	11,143	99	-
Total	22,330	5,161	11,192	11,143	99	-

As of March 31, 2025

	Within 1 year (Millions of yen)	More than 1 year up to 2 years (Millions of yen)	More than 2 years up to 3 years (Millions of yen)	More than 3 years up to 4 years (Millions of yen)	More than 4 years up to 5 years (Millions of yen)	More than 5 years (Millions of yen)
Short-term borrowings	20,218	-	-	-	-	-
Bonds payable	-	10,000	-	-	-	-
Long-term borrowings	5,158	1,189	11,141	93	-	-
Total	25,376	11,189	11,141	93	-	-

3. Breakdown of fair values of financial instruments by level

Fair values of financial instruments are categorized into the following three levels on the basis of the observability and materiality of inputs used in the fair value measurement.

Level 1: Fair values measured using quoted prices of identical assets or liabilities in active markets among observable valuation inputs

Level 2: Fair values measured using inputs other than inputs included within Level 1 among observable valuation inputs

Level 3: Fair values measured using unobservable valuation inputs



When several inputs that have a significant impact on fair value measurement are used and those inputs are categorized into different levels, the fair value is categorized into the lowest hierarchy level for fair value measurement among those in which each of the inputs belongs.

(1) Financial instruments measured at fair value on the consolidated balance sheet

As of March 31, 2024

Categories	Fair value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities				
Shares	44,259	-	-	44,259
Total assets	44,259	-	-	44,259

As of March 31, 2025

Categories	Fair value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities				
Shares	33,318	-	-	33,318
Total assets	33,318	-	-	33,318

(2) Financial instruments other than those recorded at fair value on the consolidated balance sheet

As of March 31, 2024

Categories	Fair value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities				
Shares	-	148	-	148
Shares of affiliates	5,219	-	-	5,219
Total assets	5,219	148	-	5,368
Bonds payable	-	9,925	-	9,925
Long-term borrowings	-	39,391	-	39,391
Derivative transactions				
Currency-related	-	105	-	105
Total liabilities	-	49,422	-	49,422

As of March 31, 2025

Categories	Fair value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities				
Shares	-	149	-	149
Shares of affiliates	3,136	-	-	3,136
Total assets	3,136	149	-	3,286
Bonds payable	-	9,911	-	9,911
Long-term borrowings	-	17,401	-	17,401
Derivative transactions				
Currency-related	-	-26	-	-26
Total liabilities	-	27,286	-	27,286

(Note) Explanation of the valuation method used to measure fair values and the inputs related to fair value measurement

Investment securities

Shares listed are measured using quoted prices. Since shares listed are traded in active markets, their fair values are categorized as Level 1. On the other hand, the fair value of the golf club membership owned by the Company is categorized as Level 2 because the transaction frequency in the market is low and such fair value is not considered quoted prices in active markets.

Bonds payable

Fair values of bonds payable issued by the Company are measured using quoted prices and are categorized as Level 2.

Long-term borrowings

Fair values of long-term borrowings are measured using the discounted present value method based on the total amount of principal and interest, as well as the interest rate considering the remaining period and credit risk of the debts, and are categorized as Level 2.

Derivative transactions

Fair values of interest rate swaps and forward exchange contracts are measured using the discounted present value method using observable inputs such as interest rates and exchange rates, and are categorized as Level 2.

(Securities)

1. Held-to-maturity bonds

As of March 31, 2024

Not applicable.

As of March 31, 2025

Not applicable.

2. Available-for-sale securities

As of March 31, 2024

	Category	Amount recorded on the consolidated balance sheet (Millions of yen)	Acquisition cost (Millions of yen)	Difference (Millions of yen)
The amount recorded on the consolidated balance sheet exceeds the acquisition cost	(1) Shares	44,129	12,820	31,308
	(2) Bonds	-	-	-
	(3) Others	-	-	-
	Subtotal	44,129	12,820	31,308
The amount recorded on the consolidated balance sheet does not exceed the acquisition cost	(1) Shares	257	302	-45
	(2) Bonds	-	-	-
	(3) Others	-	-	-
	Subtotal	257	302	-45
Total		44,386	13,123	31,263

(Note) With regard to available-for-sale securities, shares with no market price (the amount recorded on the consolidated balance sheet is JPY 2,551 million) and investments in partnerships (the amount recorded on the consolidated balance sheet is JPY 542 million) are not included in the above table.

As of March 31, 2025

	Category	Amount recorded on the consolidated balance sheet (Millions of yen)	Acquisition cost (Millions of yen)	Difference (Millions of yen)
The amount recorded on the consolidated balance sheet exceeds the acquisition cost	(1) Shares	33,164	9,436	23,727
	(2) Bonds	-	-	-
	(3) Others	-	-	-
	Subtotal	33,164	9,436	23,727
The amount recorded on the consolidated balance sheet does not exceed the acquisition cost	(1) Shares	282	310	-27
	(2) Bonds	-	-	-
	(3) Others	-	-	-
	Subtotal	282	310	-27
Total		33,446	9,746	23,699

(Note) With regard to available-for-sale securities, shares with no market price (the amount recorded on the consolidated balance sheet is JPY 6,827 million) and investments in partnerships (the amount recorded on the consolidated balance sheet is JPY 914 million) are not included in the above table.

3. Available-for-sale securities sold  
As of March 31, 2024

Category	Sales amount (Millions of yen)	Total gain on sale (Millions of yen)	Total loss on sale (Millions of yen)
(1) Shares	35,135	28,917	0
(2) Bonds	-	-	-
(3) Others	-	-	-
Total	35,135	28,917	0

As of March 31, 2025

Category	Sales amount (Millions of yen)	Total gain on sale (Millions of yen)	Total loss on sale (Millions of yen)
(1) Shares	7,834	4,487	-
(2) Bonds	-	-	-
(3) Others	-	-	-
Total	7,834	4,487	-

4. Securities for which impairment losses are recorded

In the previous fiscal year, impairment losses on securities of JPY 32 million are recorded (JPY 32 million in investment securities).

In the current fiscal year, impairment losses on securities of JPY 212 million are recorded (JPY 212 million in investment securities).

When recording impairment losses, if the fair value at the end of the fiscal year falls below the acquisition cost by 50% or more, the entire difference is recorded as an impairment loss, and if the fair value falls below the acquisition cost by approximately 30% to 50%, the amount considered necessary taking into account the recoverability is recorded as an impairment loss.

(Derivatives)

1. Derivative transactions to which hedge accounting is not applied

(1) Currency-related derivatives

As of March 31, 2024

Not applicable.

As of March 31, 2025

Not applicable.

(2) Interest rate-related derivatives

As of March 31, 2024

Not applicable.

As of March 31, 2025

Not applicable.

2. Derivative transactions to which hedge accounting is applied

(1) Currency-related derivatives

As of March 31, 2024

Hedge accounting method	Type of transaction	Hedged item	Contract amount, etc. (Millions of yen)	Contract amount, etc. (More than 1 year) (Millions of yen)	Fair value (Millions of yen)
General treatment	Forward exchange contract transactions				
	Bought:				
	U.S. dollar	Accounts payable - trade	3,123	-	105
	Euro		-	-	-
	Sold:				
	U.S. dollar	Accounts receivable - trade	-	-	-
Appropriation treatment for forward exchange contracts, etc.	Forward exchange contract transactions				
	Bought:				
	U.S. dollar	Accounts payable - trade	455	-	(Note)
	Euro		-	-	
	British pound		327	-	
	Australian dollar		-	-	
	Sold:				
	U.S. dollar	Accounts receivable - trade	-	-	
	Euro		-	-	
Total			3,905	-	105

(Note) If appropriation treatment for forward exchange contracts is applied, such contracts are accounted for together with the hedged accounts receivable - trade and accounts payable - trade, which are designated as hedged items, on an integrated basis. Therefore, their fair values are included in the fair values of the accounts receivable - trade and accounts payable - trade.

As of March 31, 2025

Hedge accounting method	Type of transaction	Hedged item	Contract amount, etc. (Millions of yen)	Contract amount, etc. (More than 1 year) (Millions of yen)	Fair value (Millions of yen)
General treatment	Forward exchange contract transactions Bought: U.S. dollar	Accounts payable - trade	2,426	-	-26
Appropriation treatment for forward exchange contracts, etc.	Forward exchange contract transactions Bought: U.S. dollar British pound	Accounts payable - trade	373 656	- -	(Note)
Total			3,456	-	-26

(Note) If appropriation treatment for forward exchange contracts is applied, such contracts are accounted for together with the hedged accounts receivable - trade and accounts payable - trade, which are designated as hedged items, on an integrated basis. Therefore, their fair values are included in the fair values of the accounts receivable - trade and accounts payable - trade.

(2) Interest rate-related derivatives

As of March 31, 2024

Hedge accounting method	Type of transaction	Hedged item	Contract amount, etc. (Millions of yen)	Contract amount, etc. (More than 1 year) (Millions of yen)	Fair value (Millions of yen)
Integrated treatment for interest rate and currency swaps (Exceptional treatment and appropriation treatment)	Interest rate and currency swap transactions Floating receipts, fixed payments	Long-term borrowings	11,515	-	(Note)

(Note) Swap contracts are accounted for together with the hedged long-term borrowings, and therefore their fair values are included in the fair value of the long-term borrowings.

As of March 31, 2025

Not applicable.

(Retirement benefits)

1. Outline of the retirement benefit plans adopted

The retirement benefit plans adopted by the Group include a defined benefit pension plan, a defined contribution pension plan, and an employees' pension fund plan, in addition to a retirement lump-sum payment plan based on retirement benefit rules. Moreover, an additional retirement payment may be made when an employee takes early retirement.

Some consolidated subsidiaries establish retirement benefit trusts, and some consolidated subsidiaries participate in the Smaller Enterprise Retirement Allowance Mutual Aid Scheme.

Also, matters regarding multiemployer plans where required contributions are accounted for as retirement benefit expenses are as follows:

The required contribution to the employees' pension fund plan of the multiemployer plan was JPY 18 million in the current fiscal year.

(1) Matters regarding the funded status of the entire plan

	(As of March 31, 2023) (Millions of yen)	(As of March 31, 2024) (Millions of yen)
a. Amount of plan assets	12,807	55,038
b. Total amount of the actuarial liabilities calculated under the pension funding program and the minimum actuarial liability	12,799	74,852
c. Difference (a – b)	8	-19,813

(2) Premium contribution ratio of the Group to the entire plan

For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
2.85%	0.96%

(3) Supplementary explanation

The amount in (1) above represents the total for multiple multiemployer plans. The main reason for the difference is the balance of prior service obligations under the pension funding calculation (JPY 824 million as of March 31, 2023 and JPY 30,179 million as of March 31, 2024).

The amortization method for prior service obligations is primarily even amortization of principal and interest over 19 years. The ratio in (2) above is calculated using a weighted average and therefore does not correspond to the actual burden ratio of the Group.

2. Defined benefit plan

(1) Reconciliation of retirement benefit obligations as of the beginning and end of the fiscal year

	For the fiscal year ended March 31, 2024 (Millions of yen)	For the fiscal year ended March 31, 2025 (Millions of yen)
Beginning balance of retirement benefit obligations	136,517	137,528
Service cost	5,891	6,370
Interest cost	837	872
Actuarial gains or losses	658	-11,489
Retirement benefits paid	-6,551	-10,252
Decrease due to exclusion of consolidated subsidiaries	-155	-
Other	330	430
Ending balance of retirement benefit obligations	137,528	123,460

(Note) With regard to the funds of the comprehensive employees' pension fund plan, the amount of plan assets corresponding to the Company's contributions cannot be reasonably calculated and, accordingly, it is not included in the retirement benefit obligations.

(2) Reconciliation of plan assets as of the beginning and end of the fiscal year

	For the fiscal year ended March 31, 2024 (Millions of yen)	For the fiscal year ended March 31, 2025 (Millions of yen)
Beginning balance of plan assets	101,995	112,220
Expected return on plan assets	2,360	2,517
Actuarial gains or losses	9,928	1,450
Contributions by the employer	1,588	1,453
Retirement benefits paid	-3,885	-6,458
Other	233	-709
Ending balance of plan assets	112,220	110,474

(Note) Funds of the comprehensive employees' pension fund plan are not included in the plan assets.

(3) Reconciliation between the balance of retirement benefit obligations and plan assets at the end of the fiscal year and the liabilities and assets related to retirement benefits recorded on the consolidated balance sheet.

	As of March 31, 2024 (Millions of yen)	As of March 31, 2025 (Millions of yen)
Retirement benefit obligations of funded plans	132,254	118,024
Plan assets	-112,220	-110,474
	20,033	7,550
Retirement benefit obligations of unfunded plans	5,273	5,436
Net assets or liabilities recorded on the consolidated balance sheet	25,307	12,986
Liabilities related to retirement benefits	54,384	50,602
Assets related to retirement benefits	-29,076	-37,616
Net assets or liabilities recorded on the consolidated balance sheet	25,307	12,986

(4) Breakdown of retirement benefit expenses

	For the fiscal year ended March 31, 2024 (Millions of yen)	For the fiscal year ended March 31, 2025 (Millions of yen)
Service cost	5,891	6,370
Interest cost	837	872
Expected return on plan assets	-2,360	-2,517
Amortization of actuarial gains or losses	582	-388
Amortization of prior service cost	-63	-88
Others	-10	-6
Retirement benefit expenses related to defined benefit plans	4,877	4,243

(Note) Retirement benefit expenses calculated using the simplified method are included. Employees' contributions to the corporate pension funds are deducted.

(5) Remeasurements of defined benefit plans

Breakdown of remeasurements of defined benefit plans (before income taxes and tax effect adjustments) are as follows:

	For the fiscal year ended March 31, 2024 (Millions of yen)	For the fiscal year ended March 31, 2025 (Millions of yen)
Actuarial gains or losses	9,822	12,536
Prior service cost	-63	-240
Total	9,758	12,296



(6) Accumulated remeasurements of defined benefit plans

Breakdown of accumulated remeasurements of defined benefit plans (before income taxes and tax effect adjustments) is as follows:

	As of March 31, 2024 (Millions of yen)	As of March 31, 2025 (Millions of yen)
Unrecognized actuarial gains or losses	-5,750	-18,287
Unrecognized prior service cost	-478	-237
Total	-6,228	-18,525

(7) Notes on the plan assets

1) Breakdown of the plan assets

The ratio of each main category to the total plan assets is as follows:

	As of March 31, 2024	As of March 31, 2025
Bonds	30%	33%
Shares	29	28
Alternatives (Note 1)	25	26
Cash and deposits	9	6
Others	7	7
Total	100	100

(Notes) 1. Alternatives include multi-asset investments, investments in hedge funds, real estate funds, insurance-related funds, etc.

2. Total plan assets include retirement benefit trusts (13% in the previous fiscal year and 16% in the current fiscal year) that were established for the corporate pension plan and the retirement lump-sum payment plan.

2) Method of setting an expected long-term rate of return

In determining the expected long-term rate of return on the plan assets, the Company takes into consideration the current and projected plan asset allocation, as well as the current and future expected long-term returns from various assets that constitute the plan assets.

(8) Matters regarding the basis for actuarial calculations

Major basis for actuarial calculations

	As of March 31, 2024	As of March 31, 2025
Discount rate	Mainly 0.2 to 0.9%	Mainly 0.9 to 1.7%
Expected rate of increase in salary	Mainly 1.4%	Mainly 1.4%
Expected long-term rate of return	Mainly 2.5%	Mainly 2.5%

3. Defined contribution plans

The required contributions to the defined contribution plans of consolidated subsidiaries are JPY 1,242 million for the previous fiscal year and JPY 1,230 million for the current fiscal year.

(Share options)

Not applicable.

(Tax effect accounting)

1. Breakdown of deferred tax assets and deferred tax liabilities by main causes

	As of March 31, 2024 (Millions of yen)	As of March 31, 2025 (Millions of yen)
Deferred tax assets		
Retirement benefit liability	19,588	19,020
Accrued enterprise tax	1,264	1,068
Accrued expenses	1,474	1,803
Investment securities	2,103	2,230
Provision for bonuses	3,441	3,529
Depreciation	2,821	3,237
Impairment losses	4,997	4,870
Unrealized income	1,947	2,553
Losses carried forward*	3,766	7,242
Other	12,839	18,453
Subtotal deferred tax assets	54,243	64,010
Valuation allowance for losses carried forward*	-3,538	-7,161
Valuation allowance related to future deductible temporary differences	-7,217	-7,524
Subtotal valuation allowance	-10,755	-14,685
Total deferred tax assets	43,487	49,324
Deferred tax liabilities		
Reserve for tax purpose reduction entry of non-current assets	-6,049	-5,720
Valuation difference on available-for-sale securities	-9,477	-7,381
Retirement benefit asset	-9,773	-13,047
Valuation difference associated with purchase of shares of subsidiaries	-3,774	-3,791
Tax liability adjustment account	-112	-110
Others	-2,984	-7,246
Total deferred tax liabilities	-32,172	-37,299
Net deferred tax assets	11,315	12,025

\* Breakdown of losses carried forward and related deferred tax assets by carryforward periods:

(As of March 31, 2024)

(Millions of yen)

	Within 1 year	More than 1 year up to 2 years	More than 2 years up to 3 years	More than 3 years up to 4 years	More than 4 years up to 5 years	More than 5 years	Total
Loss carried forward (a)	20	763	524	407	1,376	673	3,766
Valuation allowance	20	763	524	273	1,376	578	3,538
Deferred tax assets	-	-	-	133	-	94	228

(a) Loss carried forward is calculated using the effective statutory tax rate.

(As of March 31, 2025)

(Millions of yen)

	Within 1 year	More than 1 year up to 2 years	More than 2 years up to 3 years	More than 3 years up to 4 years	More than 4 years up to 5 years	More than 5 years	Total
Loss carried forward (b)	760	541	432	1,535	3,455	516	7,242
Valuation allowance	737	541	398	1,535	3,449	498	7,161
Deferred tax assets	23	-	34	-	5	17	81

(b) Loss carried forward is calculated using the effective statutory tax rate.

2. Breakdown of major items that constituted the material difference between the effective statutory tax rate and the corporation tax burden rate after application of tax effect accounting

	As of March 31, 2024	As of March 31, 2025
Effective statutory tax rate	30.6%	30.6%
(Adjustments)		
Items not permanently included in deductible expenses such as entertainment expenses	1.2	1.1
Items not permanently included in taxable revenues such as dividend income	-0.0	0.2
Inhabitant tax on per capita basis	0.4	0.4
Tax credit for experimentation and research expenses	-3.2	-5.3
Increase/decrease in valuation allowance	5.0	2.0
Share of gains and losses of entities accounted for using equity method	3.0	1.7
Retained earnings of subsidiaries and associates	-0.3	4.9
Other	1.9	-1.2
Corporation tax burden rate, etc. after application of tax effect accounting	38.6	34.4

(Changes in presentation)

“Retained earnings of subsidiaries and associates,” which was included in “Other” in the previous fiscal year, is independently presented in the current fiscal year because it increased in monetary significance. To reflect this change in presentation, the notes for the previous fiscal year were reclassified.

As a result, some items for the previous fiscal year were reclassified as follows: “Other” of 1.6% are now presented as “Retained earnings of subsidiaries and associates” of -0.3% and “Other” of 1.9%.

3. Revision of deferred tax assets and deferred tax liabilities due to changes in income tax rates

Due to the enactment of the “Act for Partial Revision of the Income Tax Act, etc.” (Act No. 13 of 2025) in the Japanese Diet on March 31, 2025, the “Special Corporation Tax for National Defense” will be imposed from the fiscal years beginning on or after April 1, 2026.

Accordingly, deferred tax assets and deferred tax liabilities related to temporary differences expected to be reversed in the fiscal years beginning on April 1, 2026 are calculated by changing the effective statutory tax rate from 30.6% to 31.5%. The impact of this change is immaterial.

4. Accounting treatment for corporation tax and local corporation tax and accounting treatment for tax effect accounting related to these taxes

The Company and some of the domestic consolidated subsidiaries have adopted the Japanese Group Relief System, and the accounting and disclosure of corporate and local income taxes and tax effect accounting are in accordance with the Treatment of Accounting and Disclosure in Applying the Japanese Group Relief System (Practical Issues Task Force No. 42 of August 12, 2021).

(Business combinations)

As of March 31, 2024

Disclosure is omitted due to immateriality.

As of March 31, 2025

Disclosure is omitted due to immateriality.

(Asset retirement obligations)

As of March 31, 2024

Disclosure is omitted due to immateriality.

As of March 31, 2025

Disclosure is omitted due to immateriality.

(Real estate for lease)

For the fiscal year ended March 31, 2024

Disclosure is omitted due to immateriality.

For the fiscal year ended March 31, 2025

Disclosure is omitted due to immateriality.

(Revenue recognition)

(1) Disaggregated information of revenue from contracts with customers

From the current fiscal year, the following changes have been applied to the classification in the Food and Pharmaceutical Segments regarding revenue from contracts with customers. The Food Segment, which previously consisted of eight business sub-segments (yogurt & cheese business, nutrition business, chocolate & gummy business, drinking milk business, B to B business, frozen dessert & ready meal business, overseas business, and other/domestic subsidiaries), now consists of five business sub-segments (dairy business, cocoa business, nutrition business, food solutions business, and other). The Pharmaceutical Segment, which previously consisted of four business sub-segments (domestic ethical pharmaceuticals business, overseas ethical pharmaceuticals business, human vaccines business, and veterinary drugs business), now consists of three business sub-segments (domestic ethical pharmaceuticals business, overseas ethical pharmaceuticals business, and vaccines/veterinary drugs business). The disaggregated information of revenue from contracts with customers for the previous fiscal year has been prepared based on the revised classification.

For the fiscal year ended March 31, 2024

(Millions of yen)

	Reportable segments		
	Food	Pharmaceuticals	Total
Dairy	274,178	-	274,178
Cocoa	155,526	-	155,526
Nutrition	116,127	-	116,127
Food solutions	183,382	-	183,382
Other	170,191	-	170,191
Domestic ethical pharmaceuticals	-	105,277	105,277
Overseas ethical pharmaceuticals	-	57,112	57,112
Vaccines/veterinary drugs	-	43,698	43,698
Revenue from contracts with customers	899,406	206,088	1,105,494
Other revenue	-	-	-
Sales to third parties	899,406	206,088	1,105,494

(Note) The Pharmaceutical Segment includes JPY 4,316 million of revenue from royalties, upfront and milestone payments, and contracted services.

For the fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segments		
	Food	Pharmaceuticals	Total
Dairy	271,342	-	271,342
Cocoa	170,994	-	170,994
Nutrition	118,959	-	118,959
Food solutions	195,175	-	195,175
Other	167,971	-	167,971
Domestic ethical pharmaceuticals	-	117,714	117,714
Overseas ethical pharmaceuticals	-	63,794	63,794
Vaccines/veterinary drugs	-	48,121	48,121
Revenue from contracts with customers	924,444	229,630	1,154,074
Other revenue	-	-	-
Sales to third parties	924,444	229,630	1,154,074

(Note) The Pharmaceutical Segment includes JPY 4,045 million of revenue from royalties, upfront and milestone payments, and contracted services.

(2) Fundamental information for understanding revenue from contracts with customers

Details of the main performance obligations in the main business segments and the typical timing of revenue recognition are described in “4. Accounting policies, (5) Accounting methods for significant revenues and expenses” in the aforementioned “Notes - Significant accounting policies for preparation of consolidated financial statements.”

(3) Relationship between satisfaction of performance obligations based on contracts with customers and cash flows arising from those contracts, and information on the amount and timing of revenues from contracts with existing customers at the end of the current fiscal year that are expected to be recognized in the following fiscal years

1) Balance of contract liabilities

Disclosure is omitted for the previous and current fiscal year because the information is insignificant.

2) Transaction price allocation to remaining performance obligations

Since the Company and its consolidated subsidiaries have no material transactions with an initially expected contract term of more than one year, information on remaining performance obligations is omitted on grounds of practical expedient method. Furthermore, there are no material amounts of consideration arising from contracts with customers that have been excluded from transaction price.

(Segment information)

Segment information

1. Description of reportable segments

The reportable segments of the Meiji Group are the Group's components for which separate financial information is available and for which the Board of Directors regularly conducts examinations to determine the allocation of management resources and evaluate business performance.

The Group has operational subsidiaries organized based on products/services. Operational subsidiaries develop their business activities by formulating comprehensive strategies for domestic and overseas business with respect to their products and services.

Accordingly, the Group comprises segments based on operational subsidiaries and has two reportable segments: the Food Segment and the Pharmaceutical Segment.

The Food business is handled by Meiji Co., Ltd., and the Pharmaceutical business is handled by Meiji Seika Pharma Co., Ltd. and KM Biologics Co., Ltd.

Each company's main products are as follows.

Segment	Main products
Food	Yogurt, drinking milk, beverages, cheese, butter and margarine, cream, ice cream, ready meal, chocolate, gummies, sports nutrition, infant formula, enteral formula, beauty supplement, feedstuffs, sugar and corn sweeteners, etc.
Pharmaceuticals	Ethical pharmaceuticals, veterinary drugs

2. Explanation of measurements of sales, profit (loss), assets, liabilities, and other items for each reportable segment

The accounting treatments for reportable segments are the same as those indicated in "Significant accounting policies for preparation of consolidated financial statements."

The profit of a reportable segment is the figure for operating profit.

Inter-segment sales and transfers are mainly based on the price of third-party transactions, or on manufacturing costs.

## 3. Sales, profit (loss), assets, liabilities, and other items by each reportable segment

For the fiscal year ended March 31, 2024

(Millions of yen)

	Reportable segments		Total	Adjustments (Note 1)	Amount presented in consolidated financial statements (Note 2)
	Food	Pharmaceutical			
Net sales					
(1) Sales to third parties	899,406	206,088	1,105,494	-	1,105,494
(2) Intersegment sales and transfers	721	20	742	-742	-
Total	900,127	206,109	1,106,237	-742	1,105,494
Segment profit (loss)	64,315	22,717	87,032	-2,710	84,322
Segment assets	865,699	337,635	1,203,334	1,953	1,205,288
Other items					
Depreciation	45,293	9,701	54,995	322	55,317
Investments in entities accounted for using equity method	32,109	-	32,109	-	32,109
Increase in property, plant, and equipment and intangible assets	46,439	15,581	62,020	544	62,564

(Notes) 1. Details of adjustments are as follows:

The segment profit adjustment of JPY -2,710 million includes an intersegment elimination of JPY 22 million, an intrasegment elimination of JPY -198 million, and corporate expenses that are not allocated to any reportable segment of JPY -2,535 million. Corporate expenses consist mainly of expenses related to the operation of the Company (the holding company).

The segment assets adjustment of JPY 1,953 million includes an intersegment elimination of JPY -92,951 million and corporate assets that are not allocated to any reportable segment of JPY 94,904 million. Corporate assets consist mainly of surplus working capital (cash and deposits) of the Company (the holding company), long-term investment capital (investment securities), and assets held by the Company (the holding company).

2. Segment profit (loss) is adjusted to the operating profit recorded in the consolidated statement of income.

For the fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segments		Total	Adjustments (Note 1)	Amount presented in consolidated financial statements (Note 2)
	Food	Pharmaceutical			
Net sales					
(1) Sales to third parties	924,444	229,630	1,154,074	-	1,154,074
(2) Intersegment sales and transfers	1,110	20	1,130	-1,130	-
Total	925,554	229,650	1,155,205	-1,130	1,154,074
Segment profit (loss)	64,629	24,749	89,378	-4,676	84,702
Segment assets	835,322	388,349	1,223,671	-39,199	1,184,472
Other items					
Depreciation	44,936	9,672	54,609	370	54,979
Investments in entities accounted for using equity method	29,847	-	29,847	-	29,847
Increase in property, plant, and equipment and intangible assets	36,603	17,313	53,917	641	54,558

(Notes) 1. Details of adjustments are as follows:

The segment profit adjustment of JPY -4,676 million includes an intersegment elimination of JPY 25 million and corporate expenses that are not allocated to any reportable segment of JPY -4,701 million. Corporate expenses consist mainly of expenses related to the operation of the Company (the holding company).

The segment assets adjustment of JPY -39,199 million includes an intersegment elimination of JPY -119,174 million and corporate assets that are not allocated to any reportable segment of JPY 79,974 million. Corporate assets consist mainly of surplus working capital (cash and deposits) of the Company (the holding company), long-term investment capital (investment securities), and assets held by the Company (the holding company).

2. Segment profit (loss) is adjusted to the operating profit recorded in the consolidated statement of income.



Information associated with reportable segments

For the fiscal year ended March 31, 2024

1. Information for each product or service

(Millions of yen)

	Dairy	Cocoa	Nutrition	Food solutions	Other
Sales to third parties	274,178	155,526	116,127	183,382	170,191

Domestic ethical pharmaceuticals	Overseas ethical pharmaceuticals	Vaccines/veterinary drugs	Total
105,277	57,112	43,698	1,105,494

(Note) As stated in “Notes (Revenue recognition) (1) Disaggregated information of revenue from contracts with customers” in the Consolidated Financial Statements, the disaggregation classification has been changed from the current fiscal year. The figures for the previous fiscal year have been prepared based on the revised disaggregation classification.

2. Information for each region

(1) Net sales

(Millions of yen)

Japan	China	Asia (except China)	North America	Europe	Other	Total
971,691	26,324	39,608	36,327	18,389	13,153	1,105,494

(Note) Net sales are classified by country or region based on the location of the customers.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Asia (except China)	North America	Europe	Other	Total
397,218	44,283	30,862	6,397	1,733	12	480,507

3. Information for each of main customers

Omitted, since there are no sales to specific external customers that account for 10% or more of net sales in the consolidated statement of income.

For the fiscal year ended March 31, 2025

1. Information for each product or service

(Millions of yen)

	Dairy	Cocoa	Nutrition	Food solutions	Other
Sales to third parties	271,342	170,994	118,959	195,175	167,971

Domestic ethical pharmaceuticals	Overseas ethical pharmaceuticals	Vaccines/veterinary drugs	Total
117,714	63,794	48,121	1,154,074

2. Information for each region

(1) Net sales

(Millions of yen)

Japan	China	Asia (except China)	North America	Europe	Other	Total
1,002,006	27,286	45,133	40,665	19,885	19,096	1,154,074

(Note) Net sales are classified by country or region based on the location of the customers.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Asia (except China)	North America	Europe	Other	Total
398,320	46,217	29,071	8,465	1,820	6	483,901

3. Information for each of main customers

Omitted, since there are no sales to specific external customers that account for 10% or more of net sales in the consolidated statement of income.

Impairment losses on non-current assets for each reportable segment

For the fiscal year ended March 31, 2024

(Millions of yen)

	Reportable segments		Total	Adjustments	Amount presented in consolidated financial statements
	Food	Pharmaceuticals			
Impairment losses	15,460	63	15,524	-	15,524

For the fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segments		Total	Adjustments	Amount presented in consolidated financial statements
	Food	Pharmaceuticals			
Impairment losses	172	-	172	-	172

Amortization and unamortized balance of goodwill for each reportable segment

For the fiscal year ended March 31, 2024

(Millions of yen)

	Reportable segments		Total	Adjustments	Amount presented in consolidated financial statements
	Food	Pharmaceutical			
Amortization of goodwill	11	-	11	-	11
Balance at end of period	-	-	-	-	-

For the fiscal year ended March 31, 2025

Not applicable.

Information about gain on bargain purchase for each reportable segment

For the fiscal year ended March 31, 2024

Not applicable.

For the fiscal year ended March 31, 2025

Not applicable.

## Related parties

For the fiscal year ended March 31, 2024

Transactions between the company submitting the consolidated financial statements and related parties

Officers and major shareholders (individual shareholders only) of the company submitting the consolidated financial statements

(Millions of yen)

Category	Name of person, company, etc.	Percentage of voting rights held	Description of business or occupation	Description of transactions (Note)	Transaction amount	Account	Balance at end of period
Directors (and other officers)	Kazuo Kawamura	Direct ownership 0.0%	President and Representative Director of Meiji Holdings Co., Ltd.	Contributions in kind for monetary remuneration claims	31	—	—
Officer of significant subsidiary	Katsunari Matsuda	Direct ownership 0.0%	President and Representative Director of Meiji Co., Ltd. Director of Meiji Holdings Co., Ltd.	Contributions in kind for monetary remuneration claims	25	—	—
Officer of significant subsidiary	Daikichiro Kobayashi	Direct ownership 0.0%	President and Representative Director of Meiji Seika Pharma Co., Ltd. Director of Meiji Holdings Co., Ltd.	Contributions in kind for monetary remuneration claims	18	—	—
Directors (and other officers)	Koichiro Shiozaki	Direct ownership 0.0%	Director of Meiji Holdings Co., Ltd.	Contributions in kind for monetary remuneration claims	12	—	—
Directors (and other officers)	Jun Furuta	Direct ownership 0.0%	Director of Meiji Holdings Co., Ltd.	Contributions in kind for monetary remuneration claims	12	—	—

(Note) Conditions of the transactions and the policy for deciding the conditions of the transactions, etc.

The transactions are contributions in kind for monetary remuneration claims based on the restricted share remuneration system.

For the fiscal year ended March 31, 2025

Transactions between the company submitting the consolidated financial statements and related parties

Officers and major shareholders (individual shareholders only) of the company submitting the consolidated financial statements

(Millions of yen)

Category	Name of person, company, etc.	Percentage of voting rights held	Description of business or occupation	Description of transactions (Note)	Transaction amount	Account	Balance at end of period
Directors (and other officers)	Kazuo Kawamura	Direct ownership 0.0%	President and Representative Director of Meiji Holdings Co., Ltd.	Contributions in kind for monetary remuneration claims	33	—	—
Officer of significant subsidiary	Katsunari Matsuda	Direct ownership 0.0%	President and Representative Director of Meiji Co., Ltd. Director of Meiji Holdings Co., Ltd.	Contributions in kind for monetary remuneration claims	26	—	—
Officer of significant subsidiary	Daikichiro Kobayashi	Direct ownership 0.0%	President and Representative Director of Meiji Seika Pharma Co., Ltd. Director of Meiji Holdings Co., Ltd.	Contributions in kind for monetary remuneration claims	16	—	—
Directors (and other officers)	Jun Furuta	Direct ownership 0.0%	Director of Meiji Holdings Co., Ltd.	Contributions in kind for monetary remuneration claims	13	—	—
Directors (and other officers)	Jun Hishinuma	Direct ownership 0.0%	Director of Meiji Holdings Co., Ltd.	Contributions in kind for monetary remuneration claims	10	—	—

(Note) Conditions of the transactions and the policy for deciding the conditions of the transactions, etc.

The transactions are contributions in kind for monetary remuneration claims based on the restricted share remuneration system.

(Per share information)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net assets per share	JPY 2,674.72	JPY 2,762.33
Earnings per share	JPY 181.64	JPY 186.08

(Notes) 1. Diluted earnings per share is not given because there are no dilutive shares.

2. The basis for calculation of earnings per share is as follows.

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Earnings per share		
Profit attributable to owners of parent (Millions of yen)	50,675	50,800
Amount not attributable to ordinary shareholders (Millions of yen)	-	-
Profit attributable to owners of parent related to ordinary shares (Millions of yen)	50,675	50,800
Average number of ordinary shares during the fiscal year (Thousand shares)	278,984	273,002

(Significant events after reporting period)

Not applicable.

## 5) Consolidated supplemental schedules

## Consolidated supplemental schedule of corporate bonds

Company name	Issue	Date of issue	Balance at beginning of period (Millions of yen)	Balance at end of period (Millions of yen)	Interest rate (% per annum)	Security	Date of redemption
Meiji Holdings Co., Ltd.	10th Series of Unsecured Straight Bonds	April 23, 2021	10,000	10,000	0.050	Nil	April 23, 2026
Total	-	-	10,000	10,000	-	-	-

(Note) The annual amounts scheduled for redemption during the five-year period from the consolidated balance sheet date are as follows:

Within 1 year (Millions of yen)	More than 1 year up to 2 years (Millions of yen)	More than 2 years up to 3 years (Millions of yen)	More than 3 years up to 4 years (Millions of yen)	More than 4 years up to 5 years (Millions of yen)
-	10,000	-	-	-

## Consolidated supplemental schedule of borrowings

Categories	Balance at beginning of period (Millions of yen)	Balance at end of period (Millions of yen)	Average interest rate (%)	Repayment period
Short-term borrowings	319	20,218	0.88	-
Current portion of long-term borrowings	22,011	5,158	0.44	-
Current portion of lease liabilities	965	1,091	-	-
Long-term borrowings (excluding current portion)	17,596	12,423	0.79	2026–2029
Lease liabilities (excluding current portion)	3,878	3,237	-	2026–2040
Total	44,770	42,129	-	-

- (Notes) 1. The “average interest rate” column shows the weighted average interest rate for the balance of borrowings, etc. at the end of the fiscal period.
2. The average interest rate of lease liabilities is not stated because lease liabilities are recorded on the consolidated balance sheet before deducting the amount equivalent to interest which is included in the total lease payments.
3. The aggregate annual amounts of long-term borrowings and lease liabilities (excluding current portion) scheduled for repayment during the five-year period from the consolidated balance sheet date are as follows:

Categories	More than 1 year up to 2 years (Millions of yen)	More than 2 years up to 3 years (Millions of yen)	More than 3 years up to 4 years (Millions of yen)	More than 4 years up to 5 years (Millions of yen)
Long-term borrowings	1,189	11,141	93	-
Lease liabilities	957	716	482	442

Consolidated supplemental schedule of asset retirement obligations

Omitted pursuant to Article 92-2 of the Regulation on Consolidated Financial Statements, since the amounts of asset retirement obligations at the beginning and end of the current fiscal year are not more than one hundredth of the total amount of liabilities and net assets at the beginning and end of the current fiscal year.

(2) Other

Semi-annual information for the current fiscal year

	Interim period	Fiscal year
Net sales (Millions of yen)	569,006	1,154,074
Profit before income taxes (Millions of yen)	44,251	82,482
Profit attributable to owners of parent (Millions of yen)	26,867	50,800
Earnings per share (Yen)	97.66	186.08

## 2. Financial statements, etc.

### (1) Financial statements

#### 1) Non-consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	33,566	5,483
Income taxes refund receivable	452	225
Short-term loans receivable from subsidiaries and associates	18,438	40,688
Other	*1 1,221	*1 1,733
Total current assets	53,679	48,130
Non-current assets		
Property, plant and equipment		
Buildings	3,395	3,524
Structures	140	133
Machinery and equipment	23	17
Tools, furniture and fixtures	202	253
Land	8,414	8,414
Other	1	1
Total property, plant and equipment	12,178	12,344
Intangible assets		
Trademark right	117	136
Other	45	56
Total intangible assets	162	193
Investments and other assets		
Investment securities	28,626	19,006
Shares of subsidiaries and associates	270,111	270,111
Other	0	1
Total investments and other assets	298,737	289,118
Total non-current assets	311,079	301,656
Total assets	364,758	349,787

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Short-term borrowings	—	20,000
Current portion of long-term borrowings	19,538	3,200
Accrued expenses	*1 653	*1 814
Deposits received from subsidiaries and associates	69,143	73,180
Other	*1 1,363	*1 2,192
Total current liabilities	90,699	99,387
Non-current liabilities		
Bonds payable	10,000	10,000
Long-term borrowings	13,700	10,500
Deferred tax liabilities	6,088	4,217
Other	53	51
Total non-current liabilities	29,842	24,769
Total liabilities	120,542	124,157
<b>Net assets</b>		
Shareholders' equity		
Share capital	30,000	30,000
Capital surplus		
Legal capital surplus	7,500	7,500
Other capital surplus	189,956	156,019
Total capital surplus	197,456	163,519
Retained earnings		
Other retained earnings		
Retained earnings brought forward	42,481	58,250
Total retained earnings	42,481	58,250
Treasury shares	-38,693	-34,178
Total shareholders' equity	231,244	217,591
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	12,971	8,038
Total valuation and translation adjustments	12,971	8,038
Total net assets	244,216	225,630
Total liabilities and net assets	364,758	349,787



## 2) Non-consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Operating revenue		
Management fee income from subsidiaries and associates	3,724	5,171
Dividends from subsidiaries and associates	26,912	43,545
Total operating revenue	*1 30,636	*1 48,717
Operating expenses		
General and administrative expenses	*1, *2 6,313	*1, *2 10,013
Operating profit	24,323	38,703
Non-operating income		
Interest and dividend income	*1 884	*1 614
Miscellaneous income	*1 80	*1 68
Total non-operating income	965	683
Non-operating expenses		
Interest expenses	*1 214	*1 264
Payments of compensation for forced relocation	*1 104	*1 43
Miscellaneous losses	75	114
Total non-operating expenses	395	421
Ordinary profit	24,894	38,965
Extraordinary income		
Gain on sale of investment securities	10,254	3,582
Total extraordinary income	10,254	3,582
Extraordinary losses		
Loss on abandonment of non-current assets	1	51
Loss on valuation of investment securities	—	49
Contributions to financial support	80	20
Total extraordinary losses	81	121
Profit before income taxes	35,066	42,427
Income taxes - current	2,299	-303
Income taxes - deferred	-95	159
Total income taxes	2,204	-143
Profit	32,862	42,571

## 3) Non-consolidated statement of changes in net assets

For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at beginning of period	30,000	7,500	198,609	206,109	36,118	36,118	-48,414	223,814
Changes during period								
Dividends of surplus					-26,499	-26,499		-26,499
Profit					32,862	32,862		32,862
Purchase of treasury shares							-15	-15
Disposal of treasury shares			188	188			894	1,083
Cancellation of treasury shares			-8,842	-8,842			8,842	-
Net changes in items other than shareholders' equity								
Total changes during period	-	-	-8,653	-8,653	6,362	6,362	9,720	7,430
Balance at end of period	30,000	7,500	189,956	197,456	42,481	42,481	-38,693	231,244

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	14,572	14,572	238,387
Changes during period			
Dividends of surplus			-26,499
Profit			32,862
Purchase of treasury shares			-15
Disposal of treasury shares			1,083
Cancellation of treasury shares			-
Net changes in items other than shareholders' equity	-1,601	-1,601	-1,601
Total changes during period	-1,601	-1,601	5,829
Balance at end of period	12,971	12,971	244,216

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at beginning of period	30,000	7,500	189,956	197,456	42,481	42,481	-38,693	231,244
Changes during period								
Dividends of surplus					-26,802	-26,802		-26,802
Profit					42,571	42,571		42,571
Purchase of treasury shares							-30,001	-30,001
Disposal of treasury shares			91	91			488	579
Cancellation of treasury shares			-34,028	-34,028			34,028	—
Net changes in items other than shareholders' equity								
Total changes during period	—	—	-33,937	-33,937	15,769	15,769	4,515	-13,652
Balance at end of period	30,000	7,500	156,019	163,519	58,250	58,250	-34,178	217,591

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	12,971	12,971	244,216
Changes during period			
Dividends of surplus			-26,802
Profit			42,571
Purchase of treasury shares			-30,001
Disposal of treasury shares			579
Cancellation of treasury shares			—
Net changes in items other than shareholders' equity	-4,933	-4,933	-4,933
Total changes during period	-4,933	-4,933	-18,586
Balance at end of period	8,038	8,038	225,630

## Notes

### (Significant accounting policies)

#### 1. Basis and method for valuation of securities

Shares of subsidiaries Valued using the moving average cost method.

Available-for-sale securities

Securities other than shares with no market price

Stated at fair value method (valuation differences are reported as a component of shareholders' equity, and costs of securities sold are calculated by the moving-average method).

Shares with no market price Valued using the moving average cost method. However, available-for-sale securities denominated in foreign currencies are translated into Japanese yen at the spot exchange rates prevailing on the closing date, and translation differences are recognized as valuation differences (with the entire amount of valuation differences inserted directly into net assets).

#### 2. Depreciation method for non-current assets

Property, plant, and equipment (excluding leased assets)

Depreciated using the straight-line method.

Intangible assets

Depreciated using the straight-line method.

Software for internal use is depreciated using the straight-line method over the estimated useful life (five years).

Leased assets

Leased assets related to the finance lease transactions other than those involving a transfer of ownership.

The lease period is treated as the expected lifetime and stated at straight-line method assuming with no residual value.

Investment property

Depreciated using the straight-line method.

#### 3. Accounting methods for revenues and expenses

Revenue is recognized when control of promised goods or services is transferred to customers in the amount expected to be received in exchange for those goods or services. As a holding company, the Company's revenue from contracts with customers is mainly management fee income from its subsidiaries. Regarding management fee income, the Company has a performance obligation to provide contracted services to subsidiaries in accordance with the terms of the contracts. Since the performance obligation is satisfied when the services are actually performed, revenue is recognized at that time.

#### 4. Other basic policies and important matters for preparation of the financial statements

Treatment of deferred assets

Bond issuance costs are fully expensed at the time the disbursement is made.

(Significant accounting estimates)

Not applicable.

(Changes in accounting policies)

(Application of the "Accounting Standard for Current Income Taxes," etc.)

The Company has applied the "Accounting Standard for Current Income Taxes" (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the "Revised Accounting Standard of 2022"), etc. from the beginning of the current fiscal year.

Revisions to categories for recording current income taxes conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022. This change in accounting policies has no impact on the financial statements.

(Balance sheet)

\*1 Monetary claims and obligations to subsidiaries and associates (excluding items presented separately)

	As of March 31, 2024 (Millions of yen)	As of March 31, 2025 (Millions of yen)
Short-term monetary claims	284	1,018
Short-term monetary obligations	445	1,072

2 Guarantee obligations

The Company guarantees loans from financial institutions to employees of consolidated subsidiaries.

	As of March 31, 2024 (Millions of yen)	As of March 31, 2025 (Millions of yen)
Employees (including those of consolidated subsidiaries)	9	7

3 Contingent liabilities related to debt assumption contracts for corporate bonds

Debt for the following bonds has been transferred in accordance with a bond trust-type debt assumption contract concluded with a bank. As a result, the transferred debt for the bonds is offset against the amount payable under the contract. However, the Company's obligation to bond holders to redeem the bonds will remain until the bonds are redeemed.

	As of March 31, 2024 (Millions of yen)	As of March 31, 2025 (Millions of yen)
7th Series of Unsecured Straight Bonds, Meiji Holdings Co., Ltd.	10,000	-

4 Commitment line contracts

The Company has entered into commitment line contracts with six financial institutions (six banks in the previous fiscal year) for the purpose of securing a flexible measure for raising funds and improving capital efficiency.

The unused portion of the commitment line based on these agreements as of March 31, 2025 is as follows:

	As of March 31, 2024 (Millions of yen)	As of March 31, 2025 (Millions of yen)
Total amount of commitment lines	20,000	20,000
Used portion of the commitment line	-	-
Balance	20,000	20,000

(Statement of income)

\*1 Amount of transactions with subsidiaries and associates

	For the fiscal year ended March 31, 2024 (Millions of yen)	For the fiscal year ended March 31, 2025 (Millions of yen)
Operating revenue	30,636	48,717
Operating expenses	68	442
Amount of transactions that are not from operating transactions	220	204

\*2 Major expense items and amounts included in operating expenses are as follows:

	For the fiscal year ended March 31, 2024 (Millions of yen)	For the fiscal year ended March 31, 2025 (Millions of yen)
Remuneration for directors (and other officers)	410	410
Salaries	1,266	2,421
Office expenses	2,129	2,699
Taxes and dues	684	500
Depreciation	322	359
Deduction	-935	-966

Rental income associated with leasing part of head office and other premises is deducted from operating expenses.

(Securities)

Fiscal year ended March 31, 2024

Shares of subsidiaries (book value: JPY 270,111 million) are not stated because they do not have a market price.

As of March 31, 2025

Shares of subsidiaries (book value: JPY 270,111 million) are not stated because they do not have a market price.

(Tax effect accounting)

1. Breakdown of deferred tax assets and deferred tax liabilities by main causes

	As of March 31, 2024 (Millions of yen)	As of March 31, 2025 (Millions of yen)
Deferred tax assets		
Accrued enterprise tax	145	16
Accrued expenses, etc.	95	111
Loss on valuation of investment securities not deductible	118	137
Losses carried forward	-	73
Others	68	75
Subtotal deferred tax assets	427	414
Valuation allowance for losses carried forward	-	-73
Valuation allowance for deductible temporary differences	-178	-181
Subtotal valuation allowance	-178	-255
Total deferred tax assets	248	159
Deferred tax liabilities		
Reserve for tax purpose reduction entry	-290	-285
Assets adjusted for loss (gain) on transfer	-498	-512
Valuation difference on available-for-sale securities	-5,549	-3,518
Enterprise tax refund receivable	-	-60
Total deferred tax liabilities	-6,337	-4,377
Net deferred tax assets (liabilities)	-6,088	-4,217

2. Breakdown of major items that constituted the material difference between the effective statutory tax rate and the corporation tax burden rate after application of tax effect accounting

	As of March 31, 2024	As of March 31, 2025
Effective statutory tax rate	30.6%	30.6%
(Adjustments)		
Items not permanently included in deductible expenses such as entertainment expenses	0.2	0.3
Dividend income, etc. amount that is not permanently included in profits	-23.6	-31.5
Increase/decrease in valuation allowance	-0.1	-0.2
Special deduction of experimentation and research expenses	-0.7	-
Other	-0.1	0.1
Corporation tax burden rate, etc. after application of tax effect accounting	6.3	-0.3

3. Revision of deferred tax assets and deferred tax liabilities due to changes in income tax rates

Due to the enactment of the “Act for Partial Revision of the Income Tax Act, etc.” (Act No. 13 of 2025) in the Japanese Diet on March 31, 2025, the “Special Corporation Tax for National Defense” will be imposed from the fiscal years beginning on or after April 1, 2026.

Accordingly, deferred tax assets and deferred tax liabilities related to temporary differences expected to be reversed in the fiscal years beginning on April 1, 2026 are calculated by changing the effective statutory tax rate from 30.6% to 31.5%.

The impact of this change is immaterial.

4. Accounting treatment for corporation tax and local corporation tax and accounting treatment for tax effect accounting related to these taxes

The Company has adopted the Japanese Group Relief System, and the accounting and disclosure of corporate and local income taxes and tax effect accounting are in accordance with the Treatment of Accounting and Disclosure in Applying the Japanese Group Relief System (Practical Issues Task Force No. 42 of August 12, 2021).

(Revenue recognition)

Information on the basis for recognizing revenue from contracts with customers is described in “(1) Financial statements, Notes (Significant accounting policies), 3. Accounting methods for revenues and expenses.”

(Significant events after reporting period)

Not applicable.

4) Supplemental schedules

Supplemental schedule of property, plant, and equipment, etc.

(Millions of yen)

Categories	Asset type	Balance at beginning of period	Increase during the period	Decrease during the period	Depreciation for the period	Balance at end of period	Accumulated depreciation
Property, plant, and equipment	Buildings	3,395	343	0	214	3,524	4,187
	Structures	140	-	-	7	133	57
	Machinery and equipment	23	0	-	5	17	211
	Tools, furniture, and fixtures	202	156	0	105	253	455
	Land	8,414	-	-	-	8,414	-
	Other	1	-	-	0	1	3
	Total	12,178	500	1	332	12,344	4,915
Intangible assets	Trademark right	117	41	-	22	136	247
	Other	45	17	1	3	56	20
	Total	162	58	1	26	193	268
Investments and other assets	Investment property	0	-	-	-	0	2

Supplemental schedule of provisions

Not applicable.

(2) Components of major assets and liabilities

Since we prepare the consolidated financial statements, the description is omitted.

(3) Others

Not applicable.



## 6. Outline of Share-related Administration of Reporting Company

Fiscal year	From April 1 to March 31
Ordinary general meeting of shareholders	During June
Record date	March 31
Record date for distribution of surplus	March 31 and September 30
Number of shares constituting one unit	100 shares
Purchase of shares less than one unit and sale of additional shares	
Listing exchanges	(Special account) 1-4-5, Marunouchi, Chiyoda-ku, Tokyo Mitsubishi UFJ Trust and Banking Corporation Securities Agent Division
Shareholder registry administrator	(Special account) 1-4-5, Marunouchi, Chiyoda-ku, Tokyo Mitsubishi UFJ Trust and Banking Corporation
Agent	_____
Purchase and sale commissions	Free of charge
Method of public notice	Public notices are posted electronically. However, if electronic notice is not possible due to accident or other unavoidable circumstances, notice is provided by publication in the Nikkei. URL for public notice: <a href="https://www.meiji.com/global/">https://www.meiji.com/global/</a>
Privileges for shareholders	We send the following assortment of Meiji Group products to shareholders as of March 31 around the end of October. Shareholders holding less than 100 shares: None Shareholders holding 100 shares or more but less than 200 shares: Assortment equivalent to JPY 1,500 in retail price Shareholders holding 200 shares or more but less than 1,000 shares: Assortment equivalent to JPY 2,500 in retail price Shareholders holding 1,000 or more shares: Assortment equivalent to JPY 5,500 in retail price * In lieu of receiving the above product assortment, shareholders may choose to donate to welfare organizations.

(Note) Pursuant to the Company's Articles of Incorporation, shareholders of the Company may not exercise any rights with respect to shares constituting less than one unit held by them, other than the rights specified in each item of Paragraph 2 of Article 189 of the Companies Act, the right to make a request pursuant to Paragraph 1 of Article 166 of the Companies Act, the right to receive allocations of subscriber shares or subscriber share options in proportion to the number of shares held by such shareholder; and the right to demand that the Company sell to the shareholder a number of shares that, together with the shares constituting less than one unit held by the shareholder, will constitute one unit.

## 7. Reference Information of Reporting Company

### 1. Information about parent of reporting company

The Company does not have a parent company, etc. specified in Article 24-7, Paragraph 1 of the Financial Instruments and Exchange Act.

### 2. Other reference information

The Company filed the following documents during the period from the commencing date of the fiscal year ended March 31, 2025 to the filing date of Annual Securities Report.

(1) Shelf Registration Statement (for issuance of shares and bonds, etc.) and Attached Documents	Filed with Director-General of the Kanto Local Finance Bureau on August 23, 2024
(2) Revision to Shelf Registration Statement	Filed with Director-General of the Kanto Local Finance Bureau
A revision to the Shelf Registration Statement (for issuance of shares and bonds, etc.) submitted on August 23, 2024.	November 11, 2024
A revision to the Shelf Registration Statement (for issuance of shares and bonds, etc.) submitted on August 23, 2024.	November 22, 2024
A revision to the Shelf Registration Statement (for issuance of shares and bonds, etc.) submitted on August 23, 2024.	December 3, 2024
(3) Annual Securities Report, Attached Documents, and Confirmation Letter 15th business term: From April 1, 2023 to March 31, 2024	Filed with Director-General of the Kanto Local Finance Bureau on June 27, 2024
(4) Revision to Annual Securities Report, Attached Documents, and Confirmation Letter 15th business term: From April 1, 2023 to March 31, 2024	Filed with Director-General of the Kanto Local Finance Bureau on July 4, 2024
(5) Internal Control Report and Attached Documents	Filed with Director-General of the Kanto Local Finance Bureau on June 27, 2024
(6) Semi-annual Securities Report and Confirmation Letter During the 16th business term (from April 1, 2024 to September 30, 2024)	Filed with Director-General of the Kanto Local Finance Bureau on November 11, 2024
(7) Current Reports	Filed with Director-General of the Kanto Local Finance Bureau
An extraordinary report pursuant to Article 19, Paragraph 2, Item (ix)-2 of the Cabinet Office Ordinance Concerning Disclosure of Corporate Affairs (result of the resolution made at the general meeting of shareholders)	July 1, 2024
An extraordinary report pursuant to Article 19, Paragraph 2, Item (ii)-2 of the Cabinet Office Ordinance Concerning Disclosure of Corporate Affairs (disposal of treasury shares as restricted share remuneration)	July 5, 2024
An extraordinary report pursuant to Article 19, Paragraph 2, Item (i) of the Cabinet Office Ordinance Concerning Disclosure of Corporate Affairs (offering of securities in the region other than Japan)	November 22, 2024
(8) Revision to Current Reports	Filed with Director-General of the Kanto Local Finance Bureau on December 3, 2024
(9) Share Buyback Report	Filed with Director-General of the Kanto Local Finance Bureau
	June 4, 2024
	July 3, 2024
	August 5, 2024
	September 4, 2024
	October 2, 2024

Part II Information about Reporting Company's Guarantor, etc.

Not applicable.

(Translation)

This document has been translated from the Annual Securities Report for the twelve-month period ended March 31, 2025, pursuant to the Financial Instruments and Exchange Act of Japan. In the event of any discrepancy between this document and the Japanese original, the original shall prevail.

(For Translation Purposes Only)  
Independent Auditor's Report

June 26, 2025

To the Board of Directors  
Meiji Holdings Co., Ltd

Ernst & Young ShinNihon LLC

Tokyo, Japan

Designated Limited Liability Partner Shinji Takada

Engagement Partner

Certified Public Accountant

Designated Limited Liability Partner Kiyotaka Kinugawa

Engagement Partner

Certified Public Accountant

Designated Limited Liability Partner Ai Hiraoka

Engagement Partner

Certified Public Accountant

**<The Audit of the Consolidated Financial Statements>**

**Opinion**

Pursuant to the provisions of Article 193-2, paragraph 1 of the Financial Instruments and Exchange Act, we have audited the accompanying consolidated financial statements in the “Financial Information” section of the Annual Securities Report of Meiji Holdings Co., Ltd. and its consolidated subsidiaries (the Group), which comprise the consolidated balance sheet as at March 31, 2025, the consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the year then ended, notes to the consolidated financial statements, and the consolidated supplemental schedules.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended 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 further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

Reasonableness of estimate of value in use for impairment test of non-current assets held by AustAsia Group Ltd.	
Description of Key Audit Matter	Auditor's Response
<p>The investment securities of JPY 78,354 million on the consolidated balance sheet for the current fiscal year ended March 31, 2025, include an investment in AustAsia Group Ltd. (hereinafter, "AustAsia"), an affiliate accounted for using equity method. As described in Notes to "(Significant accounting estimates)," the Group's balance of investment securities related to AustAsia is JPY 18,061 million, and the balance of the investment in AustAsia includes an amount of JPY 6,287 million, which corresponds to the amount equivalent to customer-related assets identified by the Group upon the acquisition of AustAsia shares.</p> <p>AustAsia, which is listed on the Stock Exchange of Hong Kong, applies International Financial Reporting Standards and performs impairment tests when there are indications of impairment in asset groups. In performing an impairment test, when the recoverable amount of non-current assets is lower than the carrying amount, the Group reduces the carrying amount to the recoverable amount and records the amount of the reduction as an impairment loss. The recoverable amount is the higher of value in use or fair value less costs of disposal.</p> <p>In the current fiscal year, since the profitability deteriorated and a net loss was recorded due to the oversupply of raw milk in China, the Group determined that there were indications of impairment of non-current assets held by AustAsia. Given that the customer-related assets identified by the Group constitute the non-current assets held by AustAsia, the Group performed impairment test on the asset group, including the customer-related assets. Since the recoverable amount based on value in use of the asset group exceeded the carrying amount, the</p>	<p>We involved the component auditor and mainly performed the following audit procedures in considering the reasonableness of the estimate of value in use for the impairment test of non-current assets held by AustAsia.</p> <ul style="list-style-type: none"><li>• We obtained an understanding of the method of formulating a business plan upon which impairment tests are based, by making inquiries of management, and we considered its consistency with the business plan approved by the board of directors.</li><li>• We compared the estimation period for future cash flows to the remaining useful lives of major assets.</li><li>• For raw milk prices and sales volumes, which are the basis of underlying the business plan, we inquired of management and compared these assumptions to long-term market forecasts, which are available external data.</li><li>• For costs of feedstuff, which are the basis of underlying the business plan, we inquired of management and considered the consistency with the number of farms.</li><li>• To evaluate the effectiveness of the estimation process that management uses in formulating a business plan, we compared prior year business plans with subsequent actual results.</li></ul>

<p>Group did not recognize an impairment loss.</p> <p>In this case, the Group uses value in use as the recoverable amount in performing impairment testing. The value in use is calculated as the discounted present value of the estimated future cash flows expected from the asset group. The estimate of future cash flows is based on the business plan for AustAsia, which is prepared as a going concern basis.</p> <p>The key assumptions used in calculating the value in use are raw milk prices and sales volume, which form the basis for the business plan, the cost of feedstuff, and the discount rates used in calculating the value in use. These key assumptions based on the business plan involve uncertainty since they are potentially influenced by future economic conditions, thus increasing the subjectivity of judgments by management.</p> <p>In addition, selecting the appropriate calculation method and input data for estimating the discount rates used in calculating value in use requires a high degree of expertise.</p> <p>Based on the above, we have determined that the reasonableness of the estimate of value in use for the impairment test of non-current assets held by AustAsia, which include customer-related assets identified by the Group, is of most significance to our audit of the consolidated financial statements for the current fiscal year, accordingly, that this is a key audit matter.</p>	<ul style="list-style-type: none"> <li>• For the discount rates used in calculating value in use, we involved specialists from the network firm of the component auditor to evaluate the appropriateness of the calculation method used by management and considered the consistency between the input data that was used and available external data.</li> </ul>
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## Other Information

The other information comprises the information included in the Annual Securities Report (“Yukashoken Hokokusho”) but does not include the consolidated financial statements and our auditor’s report thereon. Management is responsible for preparation and disclosure of the other information. The Audit & Supervisory Board Member and the Audit & Supervisory Board are responsible for overseeing the Group’s reporting process of the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Responsibilities of Management, the Audit & Supervisory Board Member and the Audit & Supervisory Board for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Audit & Supervisory Board Member and the Audit & Supervisory Board are responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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, design and perform audit procedures responsive to those risks, and 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, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. 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 the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit & Supervisory Board Member and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit & Supervisory Board Member and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

From the matters communicated with the Audit & Supervisory Board Member and the Audit & Supervisory Board, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **<Internal Control Audit>**

### **Opinion**

Pursuant to the provisions of Article 193-2, paragraph 2 of the Financial Instruments and Exchange Act, we have audited the accompanying Management's Report on Internal Control Over Financial Reporting for the financial statements as at March 31, 2025 of the Group ("Management's Report"). In our opinion, Management's Report referred to above, which represents that the internal control over financial reporting as at March 31, 2025 of the Group is effective, presents fairly, in all material respects, the result of management's assessment of internal control over financial reporting in accordance with standards for assessment of internal control over financial reporting generally accepted in Japan.

### **Basis for Opinion**

We conducted our internal control audit in accordance with auditing standards on internal control over financial reporting generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Internal Control section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of Management, the Audit & Supervisory Board Member and the Audit & Supervisory Board for the Management's Report**

Management is responsible for designing and operating internal control over financial reporting, and for the preparation and fair presentation of Management's Report in accordance with standards for assessment of internal control over financial reporting generally accepted in Japan. The Audit & Supervisory Board Member and the Audit & Supervisory Board is responsible for monitoring and verifying the design and operation of internal control over financial reporting. Internal control over financial reporting may not prevent or detect misstatements completely.

### **Auditor's Responsibilities for the Audit of Internal Control**



Our objectives are to obtain reasonable assurance about whether Management's Report is free from material misstatement, and to issue an auditor's report that includes our opinion from an independent standpoint.

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

- Perform audit procedures to obtain audit evidence relating to the result of management's assessment of internal control over financial reporting in Management's Report. The design and performance of audit procedures for internal control audit is based on our judgement in consideration of the materiality of the effect on the reliability of financial reporting.
- Consider the overall presentation of Management's Report with regards to the scope, procedures, and result of the assessment of internal control over financial reporting including descriptions by management.
- Obtain sufficient appropriate audit evidence regarding the result of management's assessment of internal control over financial reporting in Management's Report. We are responsible for the direction, supervision, and performance of the audit of Management's Report. We remain solely responsible for our audit opinion.

We communicate with the Audit & Supervisory Board Member and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the internal control audit, the results of the internal control audit, any significant deficiencies in internal control that we identify, and the results of corrective measures for such significant deficiencies.

We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards in order to eliminate obstruction factors or reduce them to an acceptable level.

#### **< Fee-related Information >**

The fees for the audits of the financial statements of the Company and its subsidiaries and other services provided by us and other EY member firms for the year ended March 31, 2025 are presented in "Corporate governance, (3) Audit", which is included in the section of "Information about reporting company."

#### **Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

(Translation)

This document has been translated from the Annual Securities Report for the twelve-month period ended March 31, 2025, pursuant to the Financial Instruments and Exchange Act of Japan. In the event of any discrepancy between this document and the Japanese original, the original shall prevail.

## (For Translation Purposes Only)

### Independent Auditor's Report

June 26, 2025

To the Board of Directors of  
Meiji Holdings Co., Ltd.

Ernst & Young ShinNihon LLC

Tokyo, Japan

Designated Limited Liability Partner Shinji Takada

Engagement Partner

Certified Public Accountant

Designated Limited Liability Partner Kiyotaka Kinugawa

Engagement Partner

Certified Public Accountant

Designated Limited Liability Partner Ai Hiraoka

Engagement Partner

Certified Public Accountant

### <The Audit of the Financial Statements>

#### Opinion

Pursuant to the provisions of Article 193-2, paragraph 1 of the Financial Instruments and Exchange Act, we have audited the accompanying financial statements of Meiji Holdings Co., Ltd. (the Company), which comprise the balance sheet as at March 31, 2025, the statements of income and changes in net assets for the year then ended, notes to the financial statements, and the supplemental schedules.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025, and its financial performance for the year then ended 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 further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our audit report.

### **Other Information**

The other information comprises the information included in the Annual Securities Report ("Yukashoken Hokokusho") but does not include the consolidated financial statements, financial statements and our auditor's reports thereon. Management is responsible for preparation and disclosure of the other information. The Audit & Supervisory Board Member and the Audit & Supervisory Board are responsible for overseeing the Company's reporting process of the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of Management, the Audit & Supervisory Board Member and the Audit & Supervisory Board for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Audit & Supervisory Board Member and the Audit & Supervisory Board are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and 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, while the purpose of the audit of the financial statements is not expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

We communicate with the Audit & Supervisory Board Member and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards in order to eliminate obstruction factors or reduce them to an acceptable level.

From the matters communicated with the Audit & Supervisory Board Member and the Audit & Supervisory Board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**< Fee-related Information >**

Fee-related information is provided in the Independent Auditor's Report of the company's consolidated financial statements.

**Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.