(Translation)
This document has been translated from the Annual Securities Report for the twelve-month period ended March 31, 2026, 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 17th Fiscal Year)

from April 1, 2025 to March 31, 2026

Meiji Holdings Co., Ltd.

(E21902)

Contents

Cover page

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Fiscal year	The 17th Fiscal Year (from April 1, 2025 to March 31, 2026)
Company name	Meiji Holdings Kabushiki Kaisha
Company name in English	Meiji Holdings Co., Ltd.
Title and name of representative	Katsunari Matsuda, 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	Shigenori Endou, Executive Officer, 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	Shigenori Endou, Executive Officer, 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		13th fiscal year	14th fiscal year	15th fiscal year	16th fiscal year	17th fiscal year
Fiscal year end		March 2022	March 2023	March 2024	March 2025	March 2026
Net sales	(Millions of yen)	1,013,092	1,062,157	1,105,494	1,154,074	1,173,688
Ordinary profit	(Millions of yen)	93,985	74,160	76,020	82,013	96,571
Profit attributable to owners of parent	(Millions of yen)	87,497	69,424	50,675	50,800	35,076
Comprehensive income	(Millions of yen)	109,008	77,669	63,401	56,695	65,181
Net assets	(Millions of yen)	713,021	751,311	787,793	791,783	817,552
Total assets	(Millions of yen)	1,117,459	1,136,217	1,205,288	1,184,472	1,261,759
Net assets per share	(Yen)	2,390.76	2,553.69	2,674.72	2,762.33	2,849.80
Earnings per share	(Yen)	303.62	247.39	181.64	186.08	129.42
Diluted earnings per share	(Yen)	-	-	-	-	-
Equity-to-asset ratio	(%)	60.3	62.7	61.9	63.2	61.2
Rate of return on equity	(%)	13.5	10.0	6.9	6.8	4.6
Price-earnings ratio	(Times)	10.9	12.8	18.6	17.5	29.8
Cash flows from operating activities	(Millions of yen)	127,526	85,013	107,983	68,979	56,522
Cash flows from investing activities	(Millions of yen)	-27,614	-36,788	-24,604	-40,636	-110,375
Cash flows from financing activities	(Millions of yen)	-76,997	-54,734	-43,772	-61,671	34,603
Cash and cash equivalents at end of period	(Millions of yen)	64,872	60,939	102,832	66,398	49,611
Number of employees [Average number of temporary employees not included in above]	(Number of persons)	17,336 [7,864]	17,290 [7,242]	17,270 [6,835]	17,231 [6,779]	17,103 [6,637]

(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. 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 13th fiscal year.

(2) Key financial data of reporting company

Fiscal year		13th fiscal year	14th fiscal year	15th fiscal year	16th fiscal year	17th fiscal year
Fiscal year end		March 2022	March 2023	March 2024	March 2025	March 2026
Operating revenue	(Millions of yen)	34,547	28,063	30,636	48,717	36,292
Ordinary profit	(Millions of yen)	31,055	23,924	24,894	38,965	24,754
Profit	(Millions of yen)	31,735	28,336	32,862	42,571	25,378
Share capital	(Millions of yen)	30,000	30,000	30,000	30,000	30,000
Total number of issued shares	(Thousand shares)	148,369	148,369	293,459	282,200	282,200
Net assets	(Millions of yen)	246,042	238,387	244,216	225,630	219,852
Total assets	(Millions of yen)	391,413	369,173	364,758	349,787	415,922
Net assets per share	(Yen)	873.60	855.11	874.99	832.92	810.96
Dividend paid per share (Interim dividend paid per share)	(Yen)	170.00 (80.00)	180.00 (85.00)	95.00 (47.50)	100.00 (50.00)	105.00 (52.50)
Earnings per share	(Yen)	110.12	100.97	117.79	155.94	93.64
Diluted earnings per share	(Yen)	-	-	-	-	-
Equity-to-asset ratio	(%)	62.9	64.6	67.0	64.5	52.9
Rate of return on equity	(%)	12.4	11.7	13.6	18.1	11.4
Price-earnings ratio	(Times)	30.0	31.2	28.7	20.8	41.2
Payout ratio	(%)	77.2	89.1	80.6	64.1	112.1
Number of employees [Average number of temporary employees not included in above]	(Number of persons)	85 [13]	99 [17]	116 [21]	295 [28]	298 [31]
Total shareholder return	(%)	95.2	93.5	102.7	101.7	121.7
(Comparison index: TOPIX (including dividends))	(%)	(102.0)	(107.9)	(152.5)	(150.2)	(202.2)
Highest share price	(Yen)	7,470	3,200 (7,130)	3,823	3,837	4,077
Lowest share price	(Yen)	6,540	3,145 (6,040)	3,100	2,871	2,907

(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. 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.
4. 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.
5. 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 13th 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 7 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.

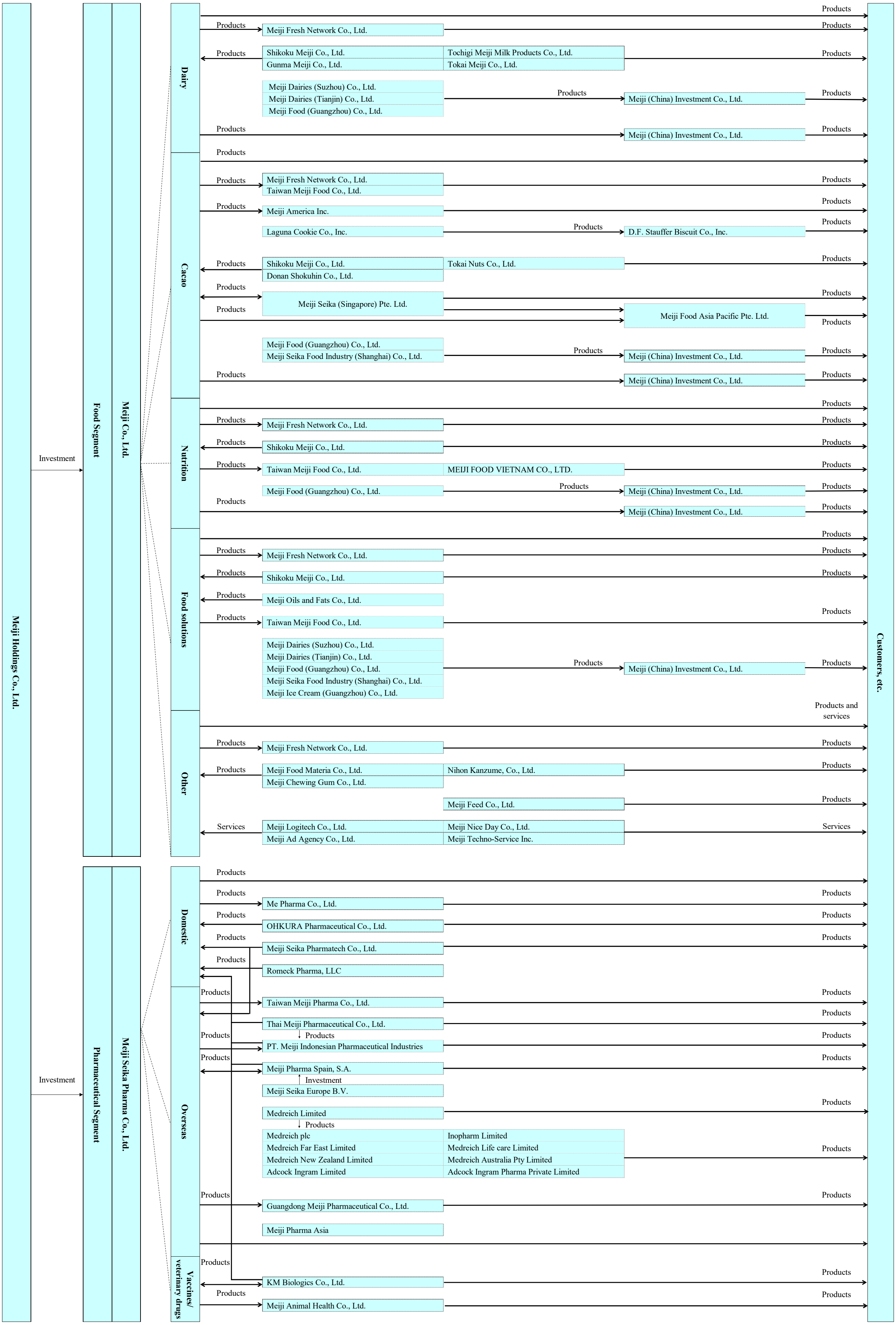
The positioning of related companies and their relationship with the segments are as follows.

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.	(Consolidated subsidiaries) 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 Food Asia Pacific Pte. 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. (Unconsolidated subsidiaries accounted for using the equity method) Thai Meiji Food Co., Ltd. (Unconsolidated subsidiaries) Meihan Ryutsu Co., Ltd., Meiji Hong Kong, 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. (Affiliates accounted for using the equity method) CP-MEIJI Co., Ltd., Okinawa Meiji Milk Products Co., Ltd. (Affiliates) Beghin Meiji, Meito Warehouse Co., Ltd., Kushiroshiryo, Co., Ltd., Japan Dairy Trading Co., Ltd., Wellnize, Inc.
		(48 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., Meiji Pharma Asia Pte. Ltd., KM Biologics Co., Ltd., Meiji Animal Health Co., Ltd. (Unconsolidated subsidiaries) Meiji Pharma USA Inc., MIYAKO YUSO TRANSPORTATION CO., LTD.
		(25 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 concurrent directors and other officers: 3
Meiji Fresh Network Co., Ltd.	Koto-ku, Tokyo	100	Food	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.
Donan Shokuhin Co., Ltd.	Hakodate City, Hokkaido	40	Food	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.
Meiji Chewing Gum Co., Ltd.	Kiyosu City, Aichi	75	Food	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.
Tokai Nuts Co., Ltd.	Chiyoda-ku, Tokyo	20	Food	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.
Shikoku Meiji Co., Ltd.	Mitoyo City, Kagawa	480	Food	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.
Tokai Meiji Co., Ltd.	Fukuroi City, Shizuoka	74	Food	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.
Gunma Meiji Co., Ltd.	Maebashi City, Gunma	60	Food	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.
Tochigi Meiji Milk Products Co., Ltd.	Utsunomiya City, Tochigi	100	Food	95.00 (95.00)	Meiji Holdings lends funds or holds funds in trust.
Meiji Oils and Fats Co., Ltd.	Hirakata City, Osaka	38	Food	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.
Meiji Food Asia Pacific Pte. Ltd.	Singapore	(Thousand SGD) 12,020	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 Holdings lends funds or holds funds in trust.
Meiji Logitech Co., Ltd.	Koto-ku, Tokyo	98	Food	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.
Nihon Kanzume, Co., Ltd.	Memuro, Kasai, Hokkaido	314	Food	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.
Meiji Feed Co., Ltd.	Koto-ku, Tokyo	480	Food	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.
Meiji Techno-Service Inc.	Koto-ku, Tokyo	30	Food	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.
Meiji Nice Day Co., Ltd.	Koto-ku, Tokyo	25	Food	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.
Meiji Ad Agency Co., Ltd.	Shibuya-ku, Tokyo	226	Food	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.

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 concurrent directors and other officers: 3
Ohkura Pharmaceutical Co., Ltd.	Minami-ku, Kyoto City, Kyoto	72	Pharmaceuticals	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.
Me Pharma Co., Ltd.	Chuo-ku, Tokyo	10	Pharmaceuticals	100.00 (100.00)	Meiji Holdings lends funds or holds funds in trust.
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	(Thousand HKD) 10	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)	Meiji Holdings lends funds or holds funds in trust.
Taiwan Meiji Pharma Co., Ltd.	Taipei, Taiwan	(Thousand TWD) 30,000	Pharmaceuticals	100.00 (100.00)	
Meiji Pharma Asia Pte. Ltd.	Singapore	(Thousand SGD) 1,500	Pharmaceuticals	100.00 (100.00)	
KM Biologics Co., Ltd. *2	Kumamoto City, Kumamoto	10,000	Pharmaceuticals	49.00 (49.00)	Meiji Holdings lends funds or holds funds in trust. Number of concurrent directors and other officers: 2
Meiji Animal Health Co., Ltd.	Kumamoto City, Kumamoto	100	Pharmaceuticals	74.35 (74.35)	Meiji Holdings lends funds or holds funds in trust.
Meiji Business Support Co., Ltd.	Chuo-ku, Tokyo	20	Company-wide (Common)	100.00	Meiji Holdings lends funds or holds funds in trust. Meiji Holdings leases offices, etc. Number of concurrent directors and other 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-MEIJI Co., Ltd.	Bangkok, Thailand	(Million THB) 500	Food	40.00 (40.00)	
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. 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, 2026 (April 1, 2025 to March 31, 2026)

	Meiji Co., Ltd.	Meiji Seika Pharma Co., Ltd.
(1) Net sales (Millions of yen)	676,731	148,333
(2) Ordinary profit (Millions of yen)	68,224	10,909
(3) Profit (Millions of yen)	-17,749	6,524
(4) Net assets (Millions of yen)	491,106	105,573
(5) Total assets (Millions of yen)	678,784	252,632

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 that 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

Initial 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 “Management 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.

Management 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 initiatives to evolve the Meiji brand.

2) Operating environment and issues to be addressed

The market environment surrounding our Group remains uncertain due to ongoing geopolitical risks in Japan and overseas, uncertainties in trade policies, and fluctuations in foreign exchange rates. 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 elderly, creating group synergies.

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 seek to further evolve the Meiji ROESG® management we outlined in the 2023 Medium-Term Business Plan. We will incorporate solutions to social issues into business strategies to promote sustainability innovation, thereby creating social value. We will seek to achieve sustainable growth through the principle of trade-on, realizing economic value and social value at the same time.

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

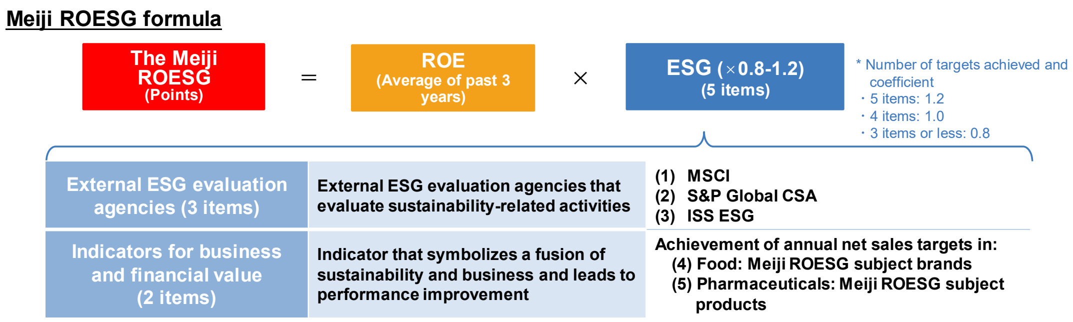
KPIs

	Indicators	Targets for the fiscal year ending March 31, 2027*1
Integrated goal	Meiji ROESG	7.8 points
Growth and Profitability	Consolidated operating profit	JPY 100.0 billion
	・Food Segment	JPY 74.0 billion
	・Pharmaceutical Segment	JPY 33.0 billion
	Overseas net sales*2	JPY 182.8 billion
Efficiency and Safety	ROIC	8.0% or more
Return to shareholders	ROE	8.0% or more

*1 The target figures of the 2026 Medium-Term Business Plan were revised during the current fiscal year.

*2 Overseas net sales are calculated as the simple sum of the Food Segment and the Pharmaceutical Segment. For products intended for overseas customers, domestically conducted sales transactions are included.

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



The achievements made on the 2026 Medium-Term Business Plan for the fiscal year ended March 31, 2026 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 in our 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 generation

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 Nutritional Profiling System (Meiji NPS) 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 strengthen the domestic generic drug 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 a stable profit structure in the domestic business and expand the overseas business.
- Launch high-value-added products
- Reorganize the production system to improve profitability
- Implement structural reforms in China business

・ Cocoa business

We aim to transform into a high value-added business based on global expansion.
- Provide new value linked to sustainable cocoa bean sourcing
- Launch products with highly unique value in both domestic and overseas markets and enhance their marketing activities
- Enhance the system of development, production, and sales to strengthen our global 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 sales volume and improve profitability by leveraging B to B business growth.
- Launch new highly profitable businesses and strengthen proposal capabilities by utilizing the Meiji Application Center.
- 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 corporate 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, where populations are growing - 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 for Intramuscular Injection,” 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 Nutritional Profiling System (Meiji NPS) 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
- Safety and reliability of product quality

  - 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 responses to TNFD (Taskforce on Nature-related Financial Disclosures)

Thriving Communities

- Growth and success for 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 throughout the value chain
  - Strengthen human rights due diligence
- Marketing with 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 bean 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

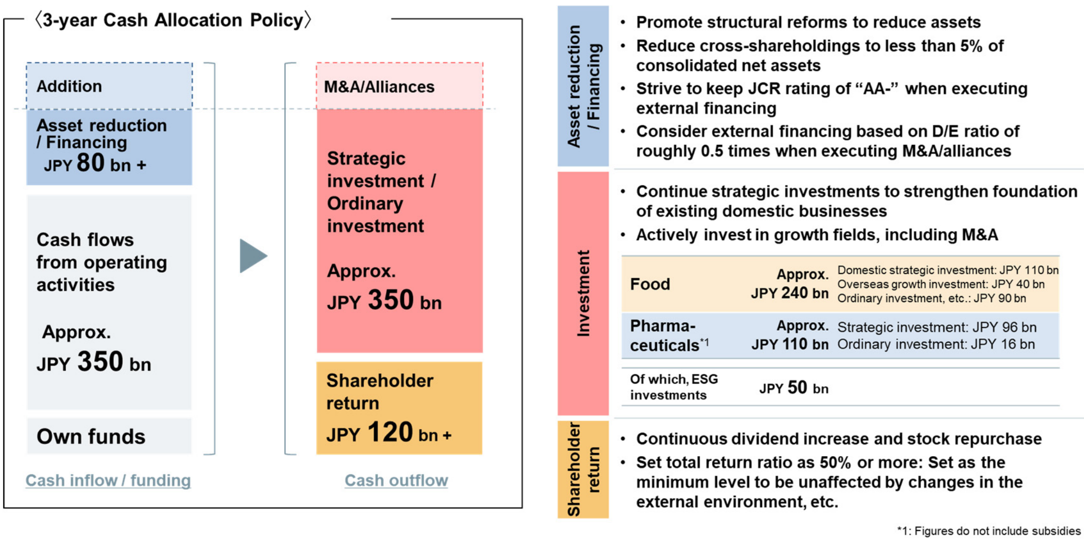
We adopt the approach that "encouragement of diverse human capital to be autonomous, take on challenges, grow, and co-create leads to generating innovation." We define our ideal human capital and organizational culture based on our management strategy, and promote human capital strategy to realize that 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 allocation of operating cash flow to strategic investments and ordinary investments in accordance with key strategies.
- When executing M&A/alliances, conduct debt financing 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

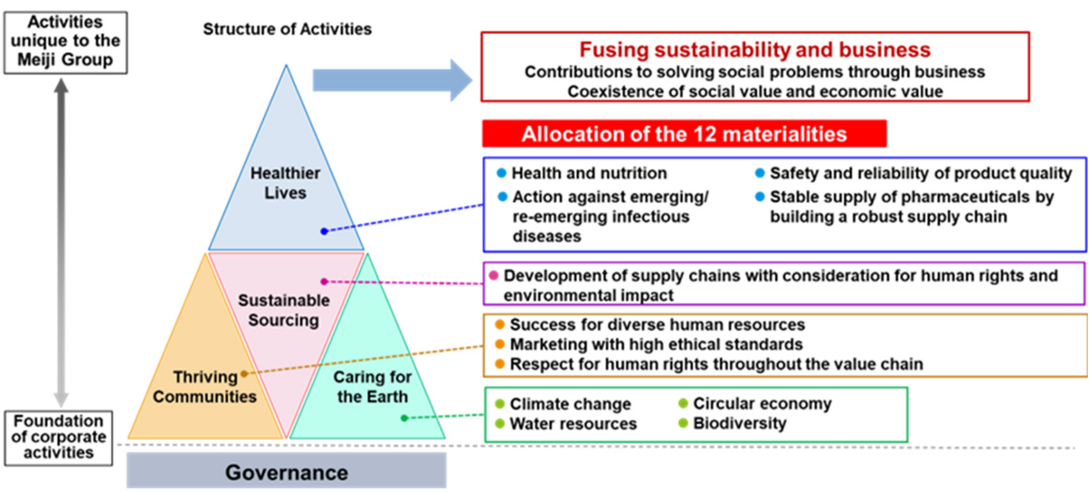
<u>Strategies</u>

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 creating social value through sustainability innovation and realizing a "Trade-on" by fusing sustainability and business strategies.

<u>Strategy area</u>

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_2 emissions	- Introduce energy-saving equipment - Introduce solar power generators, etc.
Measures against CFC	- 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 penicillin bulk 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 into management strategy 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

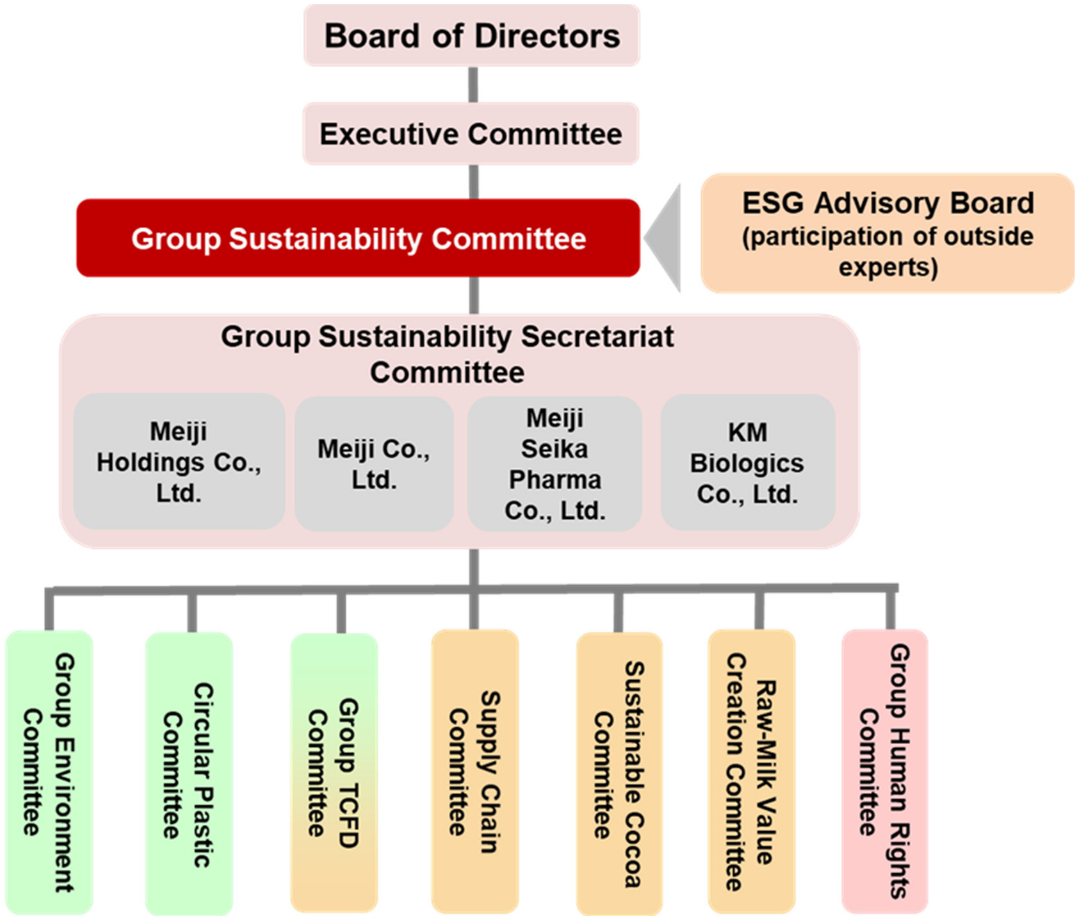
To improve the execution capability of the sustainability strategy, the Group holds monthly meetings of the Group Sustainability Secretariat Committee chaired by the CSO (Chief Sustainability Officer). The Committee periodically plans, executes, and checks the progress of the initiatives aimed at resolving 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.

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

For information on the skills and fields of expertise of Directors, please refer to the Corporate Governance Report scheduled to be updated in June 2026.

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.”).

<Governance System>



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 FY2025, we received practical and constructive opinions from three outside experts on the topics of "the Meiji Sustainable Products Certification System," "materiality assessment from the employee perspective," and "the degree to which the fusion of sustainability and business has become embedded among employees and its evolution under the next vision," 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.

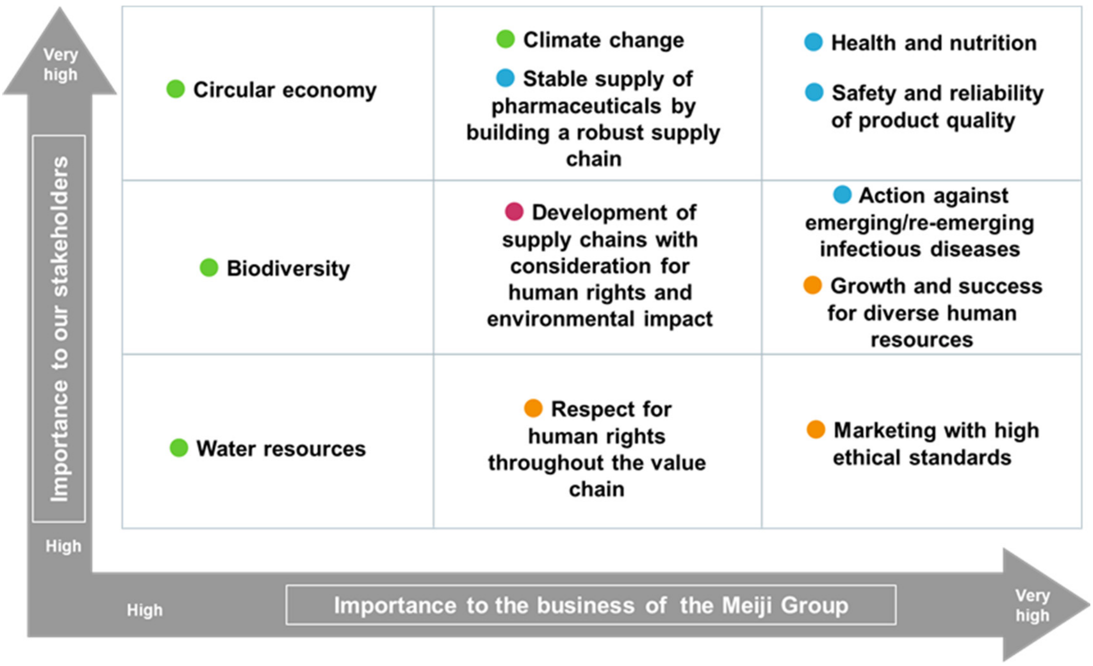
・The "Importance to our stakeholders" axis evaluates importance on a four-point scale for each of the six major stakeholders that were newly defined in the 2026 Medium-Term Business Plan (customers, shareholders/investors, employees, business partners, local communities, and government agencies/industry 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 and relationship 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. FY2025 was the second year in the 2026 Medium-Term Business Plan, during which we conducted progress reviews of the KPIs corresponding to the individual materialities. By revising measures according to progress and improving measures across departments, we steadily executed the strategy. During FY2026, the Group will work to improve effectiveness by strengthening KPI progress management, while also identifying materialities for the next long-term vision.

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_2 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	Understand the marketing impacts at downstream stages of the supply chain and engage 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.

<Expansion of ESG Investment>

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
- Domestic production of penicillin bulk drugs
- 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)
- Reduction of water consumption volume (e.g., measures to save water by circulating rinse water on small plastic bottle lines)

<Issuance of Sustainability Bonds>

We issued sustainability bonds in 2021 to finance the capital required to achieve our Sustainability Vision, raising 10 billion yen.

See our "Sustainable Finance" website for sustainability-related financing.

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

(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) in the previous section). Below is a list of actual KPI results corresponding to each materiality for FY2025.

<table>
<tr><th>Materiality</th><th>Major Initiatives</th><th>Metrics (KPI)</th><th>Results/ Progress (FY2025)</th><th>Targets (FY2026)</th></tr>
<tr><td rowspan="8">Health and nutrition</td><td>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</td><td>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.</td><td>63.3%</td><td>90% or more of sales of applicable products</td></tr>
<tr><td>Expand the scope of life stage evaluations on Meiji NPS</td><td>Target year of completion</td><td>Completed (Published in a peer-reviewed journal)</td><td>FY2026</td></tr>
<tr><td rowspan="2">Enhance nutrition education activities to promote information on healthy food lifestyles and food culture</td><td>Number of participants in nutrition education activities over 3 years</td><td>296,000 participants (Total of 588,000 participants)</td><td>Total of 800,000 participants</td></tr>
<tr><td>Number of experiential events held</td><td>11 events (Total of 21 events)</td><td>Total of 30 experiential events</td></tr>
<tr><td>Expand brands that focus on health-conscious foods and other sustainable initiatives</td><td colspan="3">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</td></tr>
<tr><td rowspan="3">Visualize the motion of swallowing during the process of chewing through swallowing, develop new simulation devices, and establish experimental methods</td><td>Number of case studies for medical images visualized and analyzed using Swallow Vision</td><td>11 cases</td><td>Number of swallowing behavior cases: 10 cases</td></tr>
<tr><td>Establish a method for simulated experiments that reflect age-related changes in chewing characteristics</td><td>Progressing as planned</td><td>Publish paper on an experimental method for simulating the chewing of elderly people</td></tr>
<tr><td>Establish a method to evaluate the blockage factor of bolus using a simulated feeding device</td><td>Progressing as planned</td><td>Publication of paper on an evaluation method for food bolus occlusion factor</td></tr>
</table>

Materiality	Major Initiatives	Metrics (KPI)	Results/ Progress (FY2025)	Targets (FY2026)
The threat of emerging and re-emerging infectious diseases	Launch the replicon vaccine "KOSTAIVE for Intramuscular Injection" and develop a domestic supply (chain) system	Domestic manufacturing supply ratio	30.2%	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	Clinical trials ongoing	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	Clinical trial Phase 2 (dose confirmation test in humans) began in August 2025	Start of clinical trial Phase 2 (dose confirmation test in humans) Aiming for market launch in FY2032
	Develop β-lactamase inhibitor "OP0595" against carbapenem-resistant enterobacteriaceae	Number of countries where we have obtained (manufacturing and) marketing approval	Domestic marketing authorization application under review	Marketing approval in 1 or more countries
Stable supply of pharmaceuticals by building a robust supply chain	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	Operations commenced	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 (FY2025)	Targets (FY2026)
Safety and reliability of product quality	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)	0 cases	0 cases
		Acquisition rate of GFSI recognized standards at all locations of partner companies (product outsourcing/suppliers)	95.9%	100%
		Plant audit rate for suppliers of important managed raw material	88.7%	100%
	- Strengthen our reliability assurance system to respond to new domains and global business development - Transform the reliability assurance system throughout the product lifecycle - Prevention through the steady implementation of quality management reviews and reliability assurance activities (manufacturing site audits, safety management operations, etc.)	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 (FY2025)	Targets (FY2026)
Climate change	Reduce Scope 1 and 2 CO_2 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)	30.1%	32% or more
	Reduce CO_2 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)	10.2%	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)	28.6%	30% or more
Circular economy	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)	23.6%[*1]	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)	30.7%[*1]	40% or more
	Increase the ratio of recycled plastic used in PET bottles	Percentage of recycled PET used	24.0%[*1]	(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)	24.7%	(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	47.3%	(FY2030 target) 50% or more
	Reduce final disposal volume by decreasing waste generation at factories, etc.	Recycling rate	85.8%	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	97.3%	95% or more

Materiality	Major Initiatives	Metrics (KPI)	Results/ Progress (FY2025)	Targets (FY2026)
Water	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	32.4%	20% or more
	Expand water resource cultivation activities such as forest conservation at factory water sources	Water source recharge rate	170.0%	80% or more
Biodiversity	Promote certification registration as a Site in Harmony with Nature (Registration in the OECM international database)	Number of newly certified areas	1 * Certified as a Site in Harmony with Nature by the Ministry of the Environment (total of 2)	1 new registration (total of 2)
	Conclude maintenance management agreements to engage in forest conservation activities	Forest area under maintenance management agreements	15ha	40ha 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 (FY2025)	Targets (FY2026)
Respect for human rights throughout the value chain	Conduct employee education on business and human rights	Implementation rate for human rights education for all domestic group employees	Participation rate 93.2%	Participation rate of 90% or more Participation once per year
		Implementation rate for human rights education for overseas Group companies (25 companies)	88.0% (Total of 22 companies)	100% by FY2026
	Strengthen human rights due diligence overseas	Number of overseas high-risk countries for which human rights impact assessments have been conducted	2 countries (total of 2 countries)	Total of 3 countries
Marketing with high ethical standards	Establish a responsible marketing communications policy and conduct employee education	Target year for policy establishment	Establishment in FY2026	During FY2024
		Number of education sessions conducted to disseminate policy details	Not conducted, pending establishment of the marketing communications policy in FY2026	Once per year or more
Growth and success for diverse human resources	This item is described in "● The Meiji Group's Human Capital Initiatives, 4) Indicators and targets."			

Materiality	Major Initiatives	Metrics (KPI)	Results/ Progress (FY2025)	Targets (FY2026)
Building a supply chain that takes into account human rights and the environment	Conduct engagement that includes risk assessments and audits based on the analysis of sustainable procurement survey results	Number of audits conducted on important suppliers	1 company (Total of 3 companies)	Total of 30 companies or more
		Implementation of risk assessments for overseas group company suppliers	18 companies	15 companies or more
	Through Meiji Dairy Advisory (MDA)*2, 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)	72 (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)*3	<Cocoa> Meiji Sustainable Cocoa Bean procurement ratio	99%	100%
	Establish traceability through to the farm for all procurement vendors	<Cocoa> Rate of traceability through to cocoa farms	68.9%	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: 100%	100%
			All suppliers: 71.3%	(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: 90.7%	100%
			All suppliers: 80.9%	(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> Number of investigations and corrective actions implemented concerning deforestation caused by palm oil	115 cases	150 cases

Materiality	Major Initiatives	Metrics (KPI)	Results/ Progress (FY2025)	Targets (FY2026)
Building a supply chain that takes into account human rights and the environment	Establish traceability through to the primary collection point*4 for any soy protein isolate among soybeans and soybean products	<Soybeans> Rate of traceability through to the primary collection point for soy protein isolate	97.0%	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%*1	100%

*1 Actual results for FY2024 are shown.

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

*3 A cocoa farmer support initiative that started in 2006

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

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 FY2026, we will continue to flexibly and effectively drive measures to achieve KPIs in response to the external environment and stakeholders' requests.

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

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

(1) Governance

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 Chief Executive Officer (CEO) 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 FY2025) analyzes risks and opportunities arising from climate change and deliberates on countermeasures. The results are discussed by the Executive Committee, overseen by the Board of Directors, and reflected in management.

(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.

<Overview of the Group's Climate Change Strategy>

The Group has conducted scenario analyses for both the 1.5°C and 4°C scenarios. The Group is implementing measures to reduce each risk and gain related opportunities.

Risk / opportunity factors		Potential impacts on the Group	Major countermeasures
Risks	1.5°C scenario Reinforcement of government's carbon pricing regulations	Increase in carbon pricing burden in the Group's own operations (increase in cost of sales and selling, general and administrative expenses) 4.7 billion yen in 2030, 9.2 billion yen in 2050	Mitigation measures Reduction of GHG emissions through energy-saving initiatives and the promotion of renewable energy adoption
		Rising procurement costs across the supply chain (increase in cost of sales)*1 60.4 billion yen in 2030, 15.3 billion yen in 2050	Mitigation measures Reduction of GHG emissions through supply chain engagement
	1.5°C scenario Rising electricity prices and renewable energy adoption costs due to the expansion of renewable energy	Increase in amount of electricity purchased (increase in cost of sales, selling, general and administrative expenses) 12.3 billion yen in 2030, −4.0 billion yen*2 in 2050	Mitigation measures Reduction of electricity consumption and promotion of renewable energy generation facility deployment

Risk / opportunity factors		Potential impacts on the Group	Major countermeasures
Risks	4°C scenario Increase in severity and frequency of typhoons, torrential rains, etc.	Asset damage and opportunity losses due to site shutdowns, resulting from flood damage (decrease in net sales, and losses of merchandise and finished goods, work in process, and property, plant, and equipment) Flooding risks at 15 domestic and overseas sites in 2050 The annual increase in risk is 830 million yen[*3]	Adaptation measures Implementation of flood protection measures at plants (elevation of critical equipment and installation of water barriers)
	4°C scenario Change in growth environment of raw materials resulting from temperature rise and water risks	Increase in raw material procurement costs (increase in cost of sales)	Adaptation measures Ensuring raw material traceability and securing diversified procurement channels
Opportunities	1.5°C scenario Promotion of mitigation measures such as energy transition and energy-saving initiatives	Business cost reduction including electricity costs and carbon pricing (decrease in cost of sales and selling, general and administrative expenses)[*4] 6.2 billion yen in FY2030, 8.6 billion yen in FY2050	Mitigation measures Reduction of GHG emissions through energy-saving initiatives and the promotion of renewable energy adoption
	1.5°C / 4°C scenarios Changes in society and daily lives due to the direct impacts of climate change	Needs for products and market may increase (increase in net sales) ・Response to changes in lifestyles (e.g., staying at home) ・Response to growing environmental awareness ・Response to emerging and re-emerging infectious diseases	Mitigation and adaptation measures ・Creation of business opportunities through utilization of systems such as the Meiji Sustainable Products in-house certification system ・Advancement of new modality acquisition

*1 These impact amounts are assumed to be borne not only by the Group but also across the entire supply chain.

*2 "–" indicates cost reduction.

*3 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."

*4 Cost reduction compared to cost in business without the measures is shown.

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. The figures for each impact have been updated following the financial impact assessment re-conducted in FY2025.

[Target scope of analysis] Meiji Group as a whole

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

[Analysis Method and Detailed Results]

□ Major Impacts and Specific Effects

<1.5°C scenario>

・Effect of introducing carbon pricing (the company)

We project a 4.7 billion yen cost increase in 2030, while reducing costs by 1.9 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 2.8 billion yen, based on our transition plan, which includes active introduction of new technologies and next-generation energy, among other measures. With current technology, achieving net-zero CO_2 emissions by 2050 will require additional measures costing 2.3 billion yen and the purchase of carbon credits worth 2.3 billion yen, which is expected to increase costs by 9.2 billion yen.

Unit: billion yen

Details of effect	2030	2050
Amount of carbon pricing borne when no countermeasures are taken	6.6	7.4
Amount of carbon pricing reduced through countermeasures	-1.9	-2.8
Costs/investments required for additional measures	-	2.3
Amount of carbon credit purchases	-	2.3
Total	4.7	9.2

・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 60.4 billion yen in 2030 and 15.3 billion yen in 2050, despite the expected increases in prices for each raw material, as a result of the implementation of GHG reduction measures.

*The amount of the impact from the introduction of the carbon pricing under the 1.5°C scenario was calculated based on the NZE scenario carbon prices (for 2030 and 2050) announced in the World Energy Outlook (WEO) 2025 of the International Energy Agency (IEA).

・Effect on amounts for purchased electricity (the company)

We project a cost reduction of 4.3 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 12.3 billion yen. In contrast, in 2050, we project a cost reduction of 4.0 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

Details of effect	2030	2050
Amount of increase due to increase in electricity unit prices	15.5	0.1
Amount of reduction from energy-saving and energy-generation measures, etc.	-4.3	-5.8
Amount of increase from purchase of renewable energy-derived electricity	1.1	1.6
Total	12.3	-4.0

* The amounts of impacts from purchased electricity under the 1.5°C scenario 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 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. 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	Less than 10	Less than 10	10	Less than 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 ingredients to remain within a few percentage decrease in both 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.

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

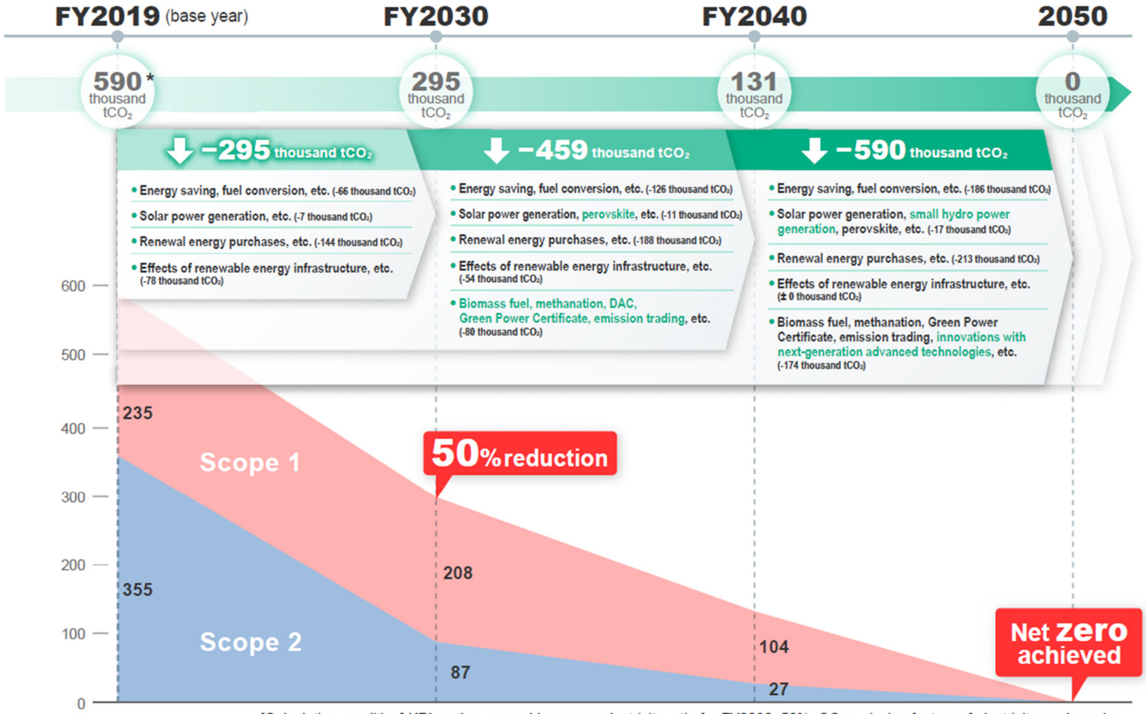
ii. Reduce: Reduce energy use and GHG emissions by increasing the efficiency of manufacturing processes and transportation and taking other measures

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

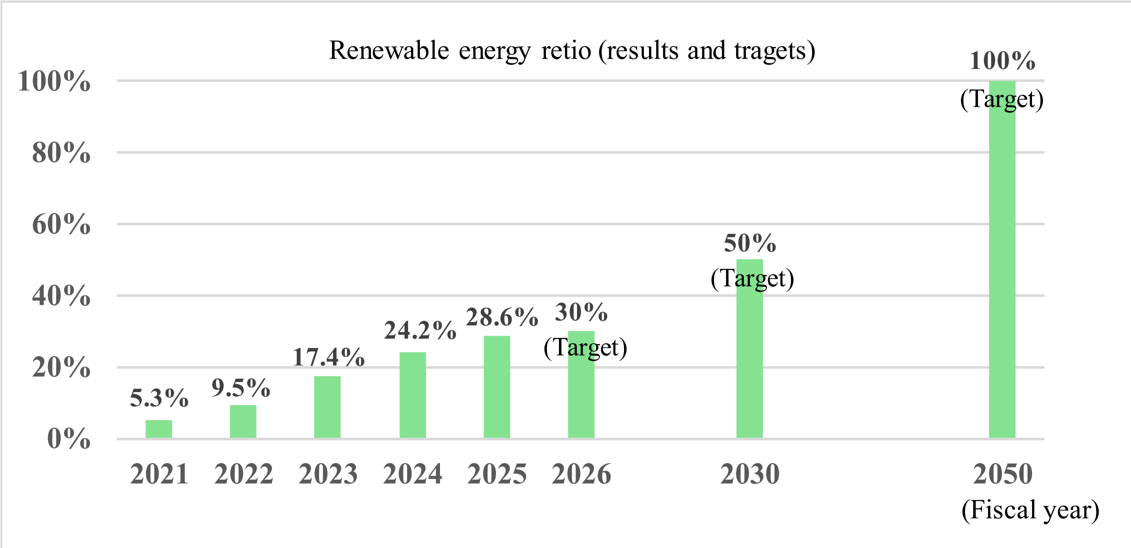
To reduce the Company's GHG emissions, in addition to our current initiatives including energy-saving and generation measures and purchase of renewable energy-derived electricity, we formulated a transition plan that incorporates the active introduction of new technology and next-generation energy. A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



[Calculation condition] KPI on the renewable energy electricity ratio for FY2030: 50%, CO_2 emission factors of electricity are based on IEA's Net Zero Emissions by 2050 Scenario. Figures approved by the SBT initiative.

* 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 FY2025, renewable energy accounted for 28.6% 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 Gunma Plant

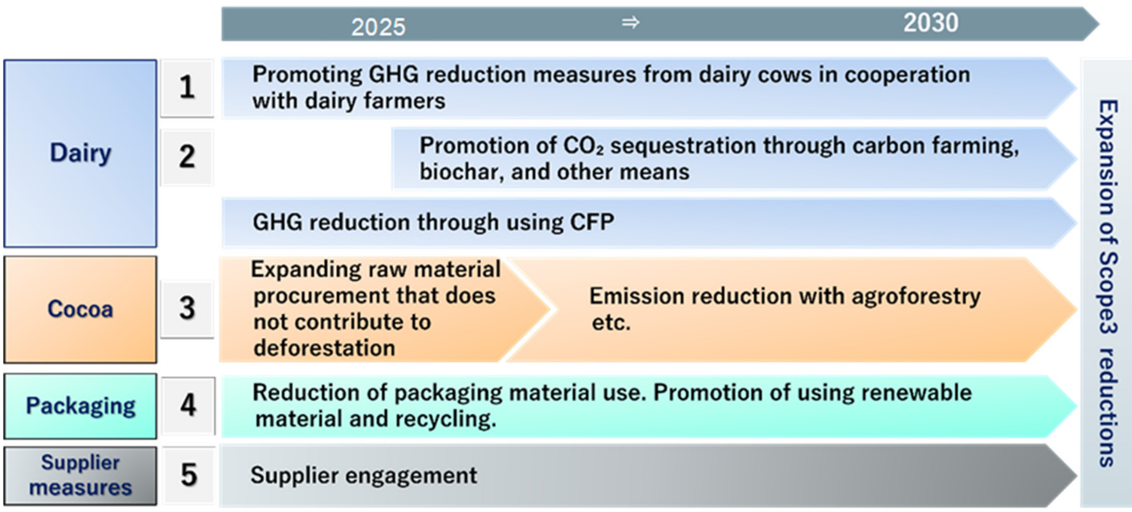
We installed solar panel equipment at the Gunma Plant. Operation began in April 2025, and this equipment reduced CO_2 emissions by approximately 597 tons per year by the end of FY2025.

・Mitigation Measures (GHG Emissions Reduction) in Supply Chains

We consider the reduction of not only CO_2 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 production, manufacturing, and transportation of purchased raw materials, packaging materials, etc. to the sale, transportation, use, and disposal of products manufactured from those materials.

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

With the cooperation of dsm-firmenich, a major feed and food additive manufacturer based in Switzerland and the Netherlands, we are working on 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%. In FY2025, we registered GHG reductions through the administration of Bovaer® as a methodology under the J-Credit scheme.

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_2 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_2 stored in the soil in Betsukai. In FY2025, we applied compost and mulch, and implemented cover crops to cover the soil with grasses, and assessed changes in soil conditions. As a result, the formation of soil aggregate structure was observed in plots where compost was applied, suggesting the potential for increased carbon sequestration. In addition, the introduction of cover crops was found to reduce the hardness of the soil surface layer and contribute to improved water retention and a better environment for plant growth.

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

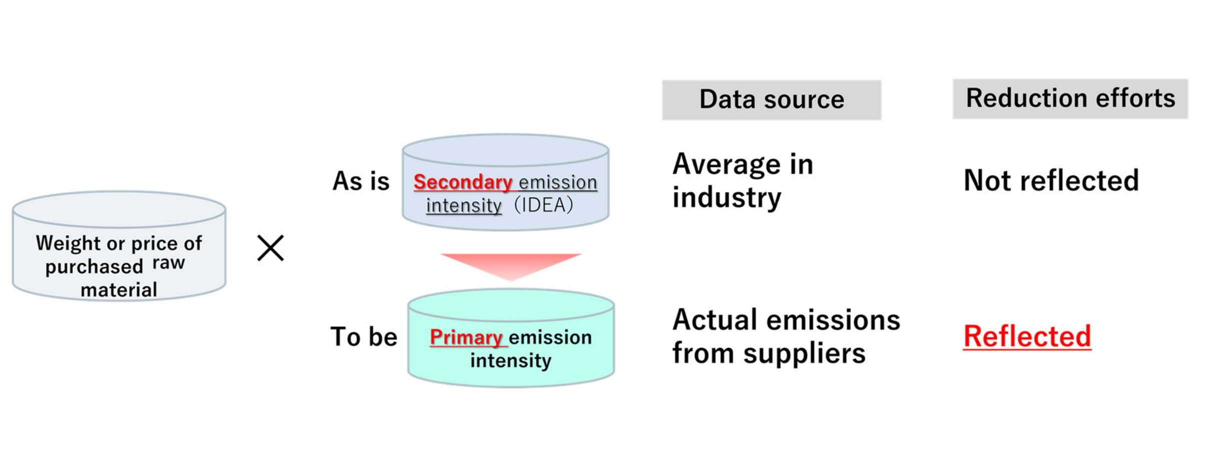
Reducing the use of plastic made from oil, which is the main raw material in packaging material, leads to reductions in GHG emissions. We reduced the weight of the "R-1 Drink Type" bottle by modifying its shape. As a result of this weight reduction, plastic usage per bottle is reduced by 43%. In addition, as a measure to reduce petroleum-derived plastics, more than 95% of the tray for the "Kinoko no Yama" handmade kit is made from biomass plastic derived from cocoa husks.

Plastic Usage Targets and Trends

Year	FY2017 (Base Year)	FY2024 (Result)	FY2030 (Target)
Result (t)	30,807	23,549	21,567
(Of which, recycled plastics and biomass plastics used (t))	–	2,185	–
Reduction (t)	–	7,258	9,240
Reduction rate (%)	–	23.6	30.0

Countermeasure 5: Supplier Engagement

In order to reflect efforts to reduce CO_2 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
[FY2025 Result] In addition to 22 suppliers with high GHG emissions, we promoted collaborative engagement through the Consumer Goods Forum.	[Requests] ・Calculate emissions for each raw material produced by the 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 to 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.

[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_2 emissions are expected, undertaking mitigation measures will help reduce those costs.

Unit: billion yen

Effects	2030	2050
Carbon price reduction by promoting mitigation measures	1.9	2.8
Reduction of electricity bill by energy saving and generation	4.3	5.8
Total	6.2	8.6

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

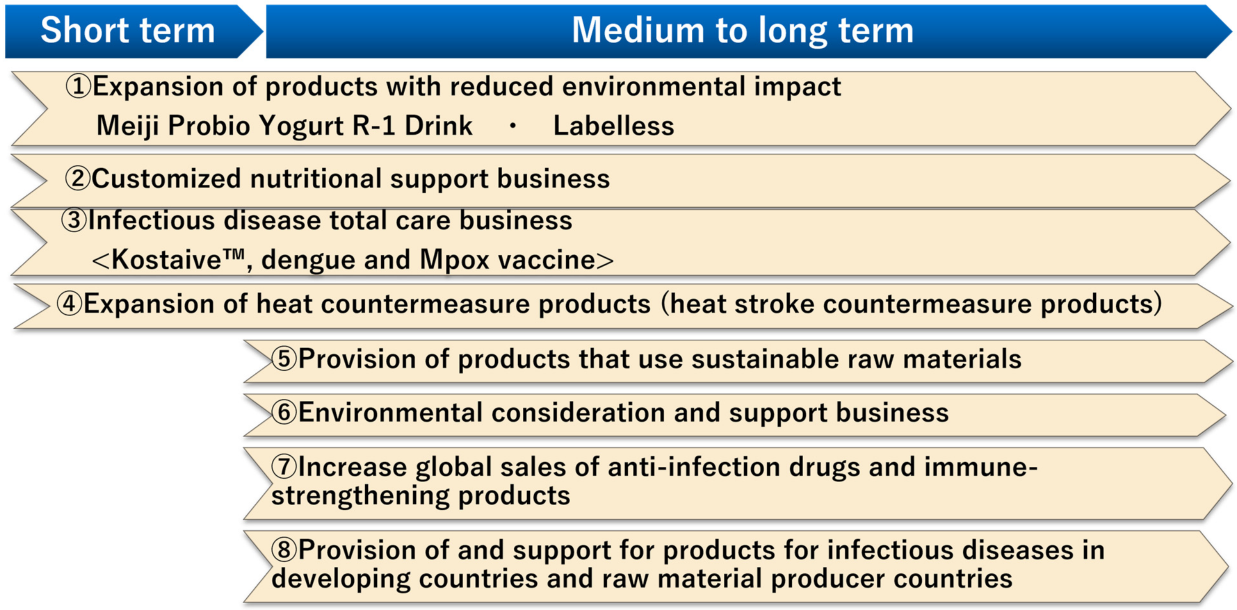
We considered the impacts on the business through the process below.

・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
・Rise in average temperature ・Intensification of disasters ・Changes in precipitation patterns ・Harm to biodiversity ・Reduction of crop yields ・Rise in sea level ・Permafrost thawing etc.	・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) ・Rise in food and energy prices, changes in producer expenditures ・Stricter GHG emission restrictions, manifestation of water risks (water shortages, deterioration of water quality) ・Promotion of environmental load-reducing lifestyles (e.g., reduction of waste and discarded unsaleable products, energy-saving, and ethical consumption) ・Permanent overwhelming of medical institutions and increased awareness of infectious disease prevention ・Increased awareness of disaster countermeasures ・Intensified malnutrition in developing countries

Keys to gaining opportunities	Needs expected to grow	Opportunities for the Meiji Group
Responses to changes in lifestyles (e.g., staying at home)	・Thirst-quenching and heatstroke countermeasures as a result of temperature rise ・Products and systems to complete daily activities inside one's home ・Maintenance of health through improved nutritional balance	・Expand heat countermeasure products (Figure 4 below) ・Customized nutrition- supporting businesses (Figure 2 below)
Response to growing environmental awareness	・Products with low environmental impact (e.g., vegetable-derived products, cell culture, circular agriculture) ・Products and lifestyles that involve fewer discarded products and reduced energy use ・Sustainable sourcing of raw materials	・Expand environmental impact-reducing products (Figure 1 below) ・Eco-friendly and environment-supporting businesses (Figure 6 below) ・Expand products that use sustainable raw materials (Figure 5 below)
Responses to emerging and reemerging infectious diseases	・Habituation of infectious disease prevention behaviors (e.g., gargling, hand-washing, mask-wearing, and boosting the immune system) ・Self-medication for infectious diseases ・Countermeasures against infectious diseases in developing countries	・Globally expand infectious disease drugs and products to boost the immune system (Figure 7 below) ・Business for comprehensive infectious disease treatment (e.g., natural immunity, acquired immunity, and pharmaceuticals) (Figure 3 below) ・Supply infectious disease products to developing countries and raw material-producing countries and provide support (Figure 8 below)

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. In addition to the existing certification scheme for products in the Food Segment, the system has also been applied as an evaluation framework for the Pharmaceutical Segment from FY2025.

[Examples of Certification Criteria for Food Segment Products]

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 ecofriendly agricultural methods

Business Opportunity ③ “Infectious Disease Total Care Business”

<Acquisition of New Modality>

The Meiji Group obtained domestic manufacturing and marketing approval for “KOSTAIVE for Intramuscular Injection (two-dose vial),” a COVID-19 vaccine. “KOSTAIVE for Intramuscular Injection (two-dose vial)” is a two-dose vial formulation designed for ease of use in routine clinical practice (previously: 16-dose vial). This vaccine 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 that 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, at the end of this century, there is possibility that 8.4 billion people may become infected by mosquito-transmitted virus including dengue.

"KD-382," a live attenuated tetravalent dengue fever vaccine, 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 non-endemic countries. Given that children are at high risk of developing severe dengue cases, we are conducting Phase II clinical studies with the support of the Strategic Center 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 the "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. According to a report by the Africa Centres for Disease Control and Prevention (Africa CDC), LC16 KMB, which was provided free of charge by the Government of Japan to the Democratic Republic of the Congo, has been administered to approximately 1.6 million people locally (as of the end of March 2026). Going forward, the Group will aim to obtain WHO prequalification. In addition, while continuing to cooperate with the WHO, the Ministry of Health, Labour 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) Risk Management

The Group promotes Group-wide risk management to appropriately address risks that could have a significant impact on its business activities. Within risk management, we position climate change as a key management risk. Recognizing that climate change-related risks and opportunities change over time, the Group TCFD Committee conducts quantitative analysis and evaluations using scenario analysis in line with the TCFD recommendations and identifies high-priority major impacts. For details of the scenario analysis, please refer to (2) Strategy. Based on this, the Committee considers countermeasures aligned with risk management flows. The Meiji Holdings Risk Management Department also participates in the Group TCFD Committee, which recognizes climate change impacts as major risks to the Group as a whole and has established systems to respond to those risks.

(4) Metrics and Targets (Including Progress)

The Meiji Group established materialities 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. As a long-term environmental vision, the climate change KPI is aimed at limiting the increase in the global average temperature to within the Paris Agreement target of 1.5°C.

Responses to climate change-related risks and opportunities (e.g., activities to reduce environmental impacts and raw material sourcing) entail diverse actions. We have established KPIs and regularly check their progress and work systematically to achieve them. For details of the KPIs, please refer to 2. Views and initiatives on sustainability, (4) Indicators and targets of the 2026 Medium-Term Business Plan. We also evaluate these initiatives as part of the Meiji ROESG(*) indicators and reflect them in the remuneration of directors.

The results of the Group's GHG emissions (Scopes 1, 2, and 3) for FY2025 are disclosed on the website below.
https://www.meiji.com/global/sustainability/esg-index.html?tab-active-4

GHG emissions are calculated based on the GHG Protocol and the Ministry of the Environment's Greenhouse Gas Emissions Accounting, Reporting and Disclosure System. There were no changes to the measurement approach during the fiscal year.

・Consolidation approach: operational control-based approach
・Scope 2 calculation method: market-based approach

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

<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_2 starting in FY2024, preparing to ensure a smooth transition after the full-scale introduction of carbon pricing.

● Stance on and Measures Concerning Natural Capital (Disclosures pursuant to the TNFD Recommendations)

Biodiversity is being lost at an accelerating pace and has reached a critical level, primarily due to economic activities that contribute to habitat destruction through deforestation and to the degradation of ecosystems caused by environmental pollution and other factors. The Group's business is based on the abundant gifts of nature, including cacao, dairy ingredients, lactobacillus, and other microorganisms such as antibiotics. To drive its sustainability strategy forward, the Group recognizes contributing to "Nature Positive" as a significant management issue and believes it is essential to integrate such efforts into its business activities. Accordingly, the Group supports the vision and initiatives of the Taskforce on Nature-related Financial Disclosures (TNFD) and is advancing the disclosure of natural capital-related information in line with the recommendations released in September 2023.

(1) Governance and Risk Management

In advancing the Group's sustainability strategy related to natural capital, 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 biodiversity, so that we can carry out our sustainability strategies. In addition, the Group Sustainability Committee, which is chaired by the Chief Executive Officer (CEO) of Meiji Holdings, meets twice each year to report on the overall progress of sustainability initiatives and deliberate on new measures. With respect to governance, the TCFD Committee evaluates, reviews, and discusses nature-related risks and opportunities identified through the analysis. Nature-related risks are expected to arise primarily from changes in the natural environment that may impact raw material procurement and production activities, and these risks are continuously discussed from a materiality perspective. The results of these discussions are reported to the Executive Committee, as necessary.

With regard to risk management, we conduct analyses and assessments using the "LEAP approach," as recommended by the TNFD, as a means of evaluating and managing nature-related issues. With regard to risks and opportunities arising from dependencies and impacts on natural capital, we take into account the results of the LEAP approach, and, in collaboration with the department responsible for risk management, assess and prioritize these risks and opportunities. In FY2025, we conducted an assessment of our interactions with nature in the upstream value chain (raw material procurement), where we recognize a particularly high level of dependencies and impacts on natural capital. In addition, as target raw materials for analysis, we prioritized "cacao beans" and "dairy ingredients," which are included in the Science Based Targets Network (SBTN) High Impact Commodity List (HICL) and are key procurement items in the Group's business activities. Going forward, we will expand and deepen the scope of commodities covered in our analyses and disclosures.

(2) Strategy

We recognize that, in identifying and managing nature-related issues (risks and opportunities) associated with our business activities, it is critically important to understand which ecosystem services our operations depend on and through what factors our operations impact nature (i.e., understanding the dependencies and impacts between our business activities and natural capital). With respect to the assessment of the dependencies and impacts between our business activities and nature, we conducted a sector-level assessment of the expected dependencies and impacts on the environment arising from our business activities using the assessment tools "ENCORE" and the "Materiality Screening Tool (MST)." In addition, based on the results of the assessment tools, we conducted a validation of the findings (through a literature review and confirmation of actual conditions within the Company). As a result of the validation, we revised the assessment results as necessary and ultimately identified items with high levels of dependency and impact (those rated "VH: Very High") as "high-priority dependency and impact items." Moreover, as the state of nature and biodiversity varies by region, the types and extent of nature-related risks faced by the Group also differ from region to region. We identify "locations" (i.e., priority areas) where our business activities have significant dependencies or impacts on nature, and assess, using scenario analysis, what risks and opportunities these may lead to for our business.

1) Identified "Priority Areas" and Dependency and Impact Items

<u>Cocoa Beans</u>

We conducted an assessment for each pre-identified high-priority dependency and impact item, at the Group's key procurement sites (17 sites). At the Group's cocoa bean sourcing production sites, the impact related to "changes in terrestrial ecosystem usage" was assessed as high. In particular, in the assessment items related to biodiversity significance, 12 out of the 17 sites analyzed were ranked as very high.

Impact / Dependence		Impact				Dependence	
High-priority item		Terrestrial ecosystem use change	Atmospheric pollution	Water pollution	Soil pollution	Curtailment of soil erosion	Reduction of the impact of natural disasters (flooding, etc.)
Materiality evaluation		H and VH	H and VH	H and VH	H and VH	H and VH	H and VH
Evaluation item of activity area		· Importance of biodiversity · Land use conversion	· Importance of biodiversity · Air pollutant concentration	· Importance of biodiversity · Water pollution	· Importance of biodiversity · Soil pollutant input	· Ecosystem integrity · Landslide	· Ecosystem integrity · Frequency of flood occurrence
Evaluation rank	VH	12	11	4	4	2	0
	H	4	3	10	4	3	9
	M	0	0	2	0	10	8
	L	1	3	1	3	2	0
	VL	0	0	0	6	0	0
	—	0	0	0	0	0	0
	Total	17	17	17	17	17	17

Notably, in Ghana, one of our sourcing countries, we have confirmed that we source from farms located near forest reserves designated as Key Biodiversity Areas (KBAs) or included in the World Database on Protected Areas (WDPA).

Dairy Ingredients

For the identification of priority areas related to dairy ingredients, as with cocoa beans, we conducted an assessment for each pre-identified high-priority dependency and impact item at the Group's key procurement sites (57 sites in Japan and overseas).

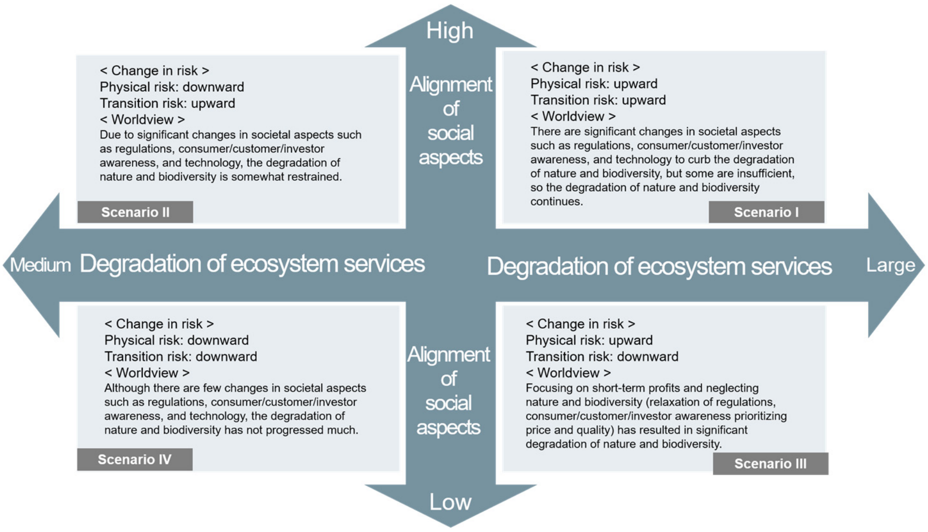
At the dairy ingredient procurement sites, more than half of the sites assessed were ranked highly in the assessment items of "water resource use," "water pollution," "maintenance of fibers and other materials and soil fertility," and "groundwater and surface water."

Impact / Dependence		Impact			Dependence	
High-priority item		Use of water resources	GHG emissions	Water pollution	Fibers and other materials and maintenance of soil fertility	Ground and surface water
Materiality evaluation		H and VH	H and VH	H and VH	H and VH	H and VH
Evaluation item of activity area		· Importance of biodiversity · Water stress	· Importance of biodiversity	· Importance of biodiversity · Water pollution	· Ecosystem integrity · Soil organic carbon content	· Ecosystem integrity · Water pollution
Evaluation rank	VH	17	7	27	11	16
	H	30	29	20	22	17
	M	2	0	4	23	23
	L	2	0	4	1	1
	VL	6	0	2	0	0
	—	0	21	0	0	0
	Total	57	57	57	57	57

2) Assessment of Risks and Opportunities

Based on the results of identifying priority areas and dependency and impact items, we conducted scenario analysis and, based on the results of the analysis, identified material risks and opportunities that were determined to "require particular attention." Under the assumption that nature-related risks and opportunities arise from significant dependencies or impacts on nature, we identified nature-related risks and opportunities for the Group for each material dependency and impact item.

For the identified nature-related risks and opportunities, taking into account the possibility that they may change over time, we conducted a qualitative assessment of materiality based on multiple scenarios. With respect to the approach to scenarios used in the scenario analysis, we adopt an approach that considers four-quadrant scenarios based on combinations of two axes of key uncertainties: "decline in ecosystem services (strongly associated with physical risks)" and "alignment of social direction (strongly associated with transition risks)." At present, there are no clear criteria for classifying nature-related scenarios, and externally available scenarios that indicate rates of change for specific events are also limited; therefore, we consider the assumed social environment for each of the four scenarios and incorporate them into our analysis. The assumed social environment for each of the four scenarios used in this analysis is shown in the figure below.



Below are some of the risk and opportunity pathways organized through scenario analysis linked to the identified dependency and impact items and priority areas.

Cocoa Production

Material risks related to cocoa bean sourcing include the possibility that the strengthening of regulations and the establishment of new rules aimed at preventing impacts on nature arising from land conversion (deforestation), air pollution, and water and soil contamination may restrict cocoa bean production activities, leading to a decline in procurement volumes. In addition, costs associated with complying with these regulations may be passed through to cocoa bean prices, resulting in higher procurement costs. Moreover, if adequate measures are not implemented to properly prevent negative impacts on nature associated with cocoa bean production, there is also a risk that product sales may decline in a social environment where ethical consumption is becoming increasingly prevalent.

With respect to opportunities in our business, it is expected that support for the introduction of agricultural practices that reduce environmental impacts on nature, including support for the introduction of agroforestry and support for farming operations, will enable sustainable cocoa bean production and may help avoid procurement constraints and increases in procurement costs. As a result, stable procurement is expected to be achieved, contributing to improved business continuity; accordingly, this is regarded as a material opportunity.

Dairy Ingredients

Material risks related to dairy ingredient procurement include the possibility that the strengthening of regulations and the introduction of new rules, both domestically and internationally, aimed at preventing adverse impacts on nature arising from water use, GHG emissions, and water pollution associated with dairy cattle farming may restrict dairy ingredient production activities, leading to a decline in procurement volumes. In addition, costs associated with complying with these regulations may be passed through to dairy ingredient prices, resulting in higher procurement costs. Moreover, as with cocoa beans, if adequate measures are not implemented to properly prevent negative impacts on nature associated with dairy ingredient production, there is also a risk that product sales may decline in a social environment where ethical consumption is becoming increasingly prevalent.

With respect to transition risks, there is a risk that restrictions on raw milk production and procurement volumes may be strengthened in line with enhanced environmental measures at dairy farming sites. As examples of environmental measures related to overseas dairy farming, there are proposals such as reducing livestock-derived nitrogen and phosphate emissions in the Netherlands, and introducing farm-level taxation on GHG emissions in New Zealand. It is expected that strengthened environmental measures and regulations related to livestock farming will restrict dairy ingredient production activities, leading to a deterioration in the supply-demand balance, a decrease in the volume of raw material distribution, and an increase in the risk of higher procurement costs for dairy ingredients.

As an opportunity for our business, we expect that the promotion of sustainable farmland and dairy farm management (e.g., regenerative agriculture), improvements in water use efficiency, and other initiatives to reduce impacts on natural capital may help avoid restrictions on dairy ingredient procurement and increases in procurement costs.

3) Response to Risks

The Group implements initiatives to reduce nature-related risks in accordance with AR3T (Avoid, Reduce, Restore, Regenerate, Transform), the SBTN action framework. Going forward, we will expand and deepen the scope of our analysis and consider formulating additional action plans to avoid and reduce nature-related risks.

Avoid	Promotion of certified raw material sourcing (sourcing in accordance with the No Deforestation, No Peat, No Exploitation (NDPE) policy) Meiji Cocoa Support (MCS) activities Establishment of traceability for sourced farms Forest education for cocoa farmers Meiji Dairy Advisory (MDA)
Reduce	Reduction of GHG emissions in dairy farming Conservation of water catchment forests
Restore and regenerate	Agroforestry Assessment of the introduction of carbon farming
Transform	Investment in California Cultured Inc., a cocoa cell culturing startup Supplier support for GHG emissions reduction

<u>Cocoa Production</u>

With regard to impacts on terrestrial ecosystems, including forests, in areas surrounding cocoa farms, we conduct monitoring through GPS mapping in collaboration with local partners, while visiting sourcing farms. This GPS mapping involves walking along farm boundaries with mobile phones to delineate farm areas and confirm whether the relevant farms are located within or overlap with protected areas. If GPS mapping identifies farms or farmland located within or overlapping with protected areas or other nature conservation areas, we exclude the relevant farmers from the supply chain and instruct them to avoid any such involvement with protected areas.

<u>Dairy Ingredients</u>

To respond to the risks identified at dairy farming sites, we are implementing activities to support “sustainable dairy farm management” and supporting the introduction of regenerative agricultural practices aimed at enhancing biodiversity and conserving and restoring farmland, at the feed production stage. In August 2023, the Group became a member of the “East Hokkaido Carbon Farming Research Group,” which promotes carbon farming initiatives to reduce GHG emissions in dairy farming and the dairy industry. The East Hokkaido Carbon Farming Research Group, in cooperation with dairy farmers, is promoting initiatives aimed at evaluating, researching, and practicing “carbon farming” in Betsukai Town, the largest milk producer in Japan.

We expect that the implementation of carbon farming will increase soil organic matter and thereby enhance carbon sequestration. In addition, carbon farming is expected to improve soil structure, thereby enhancing soil aeration, water retention, and drainage, and strengthening resilience to the impacts of climate change, such as high temperatures and drought. Furthermore, carbon farming is said to deliver co-benefits, including enhanced biodiversity and ecosystem conservation.

(3) Metrics and Targets

To address nature-related issues (risks and opportunities) in the Group, we have envisioned the desired medium- to long-term future state, identified materialities, and established KPIs to achieve that vision.

In the upstream value chain covered in this analysis (dairy ingredient production and cocoa bean production), we have set targets to address nature-related issues and build a responsible supply chain with respect for human rights and the environment, and are managing progress toward these targets.

For details of the KPIs, please refer to 2. Views and initiatives on sustainability, (4) Indicators and targets of the 2026 Medium-Term Business Plan.

● The Meiji Group's Human Capital Initiatives

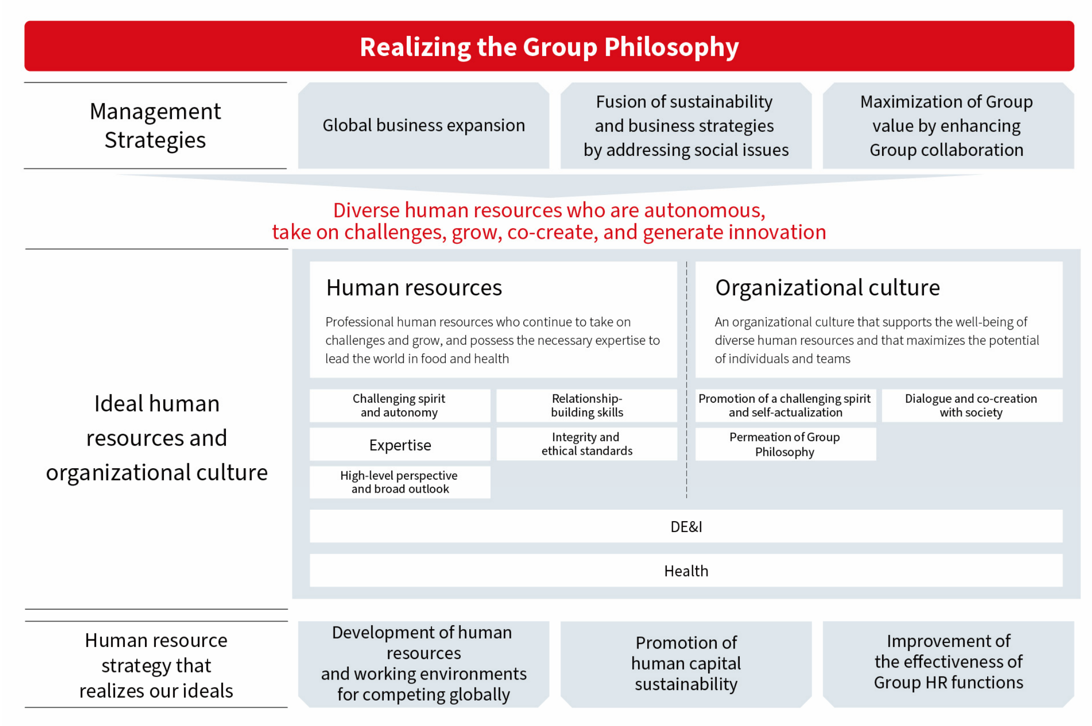
(1) Corporate governance

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. The Committee, for which the Chief Human Resource Officer (CHRO) serves as Head of the secretariat, has set as its mission enhancing human productivity and value creation capabilities, and creating a culture and structure essential for sustainable growth. We have established subcommittees on five particularly important topics, "DE&I (diversity, equity, and inclusion)," "human capital development," "health and productivity management," "occupational safety," and "smart work," and promote the Group-wide initiatives.

(2) 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 are promoting the human resource strategy in accordance with management strategies and making strategic investments.

Under the 2026 Medium-Term Business Plan, the Meiji Group is working on evolving Meiji ROESG management, aiming for sustainable growth through changing our markets, businesses, and activities. To promote business strategies aimed at the expansion into global markets and the fusion of sustainability and business strategies, we seek to develop human resources and working environments for global competition that drive business growth, promote the sustainability of human capital to support robust corporate management, and improve the effectiveness of the Group HR functions to support the realization of these objectives. By promoting these initiatives, we aim to create an environment where diverse human resources act autonomously, take on challenges, grow, and co-create, thereby generating innovation.



(3) 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 appropriate approach to identify and remedy 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

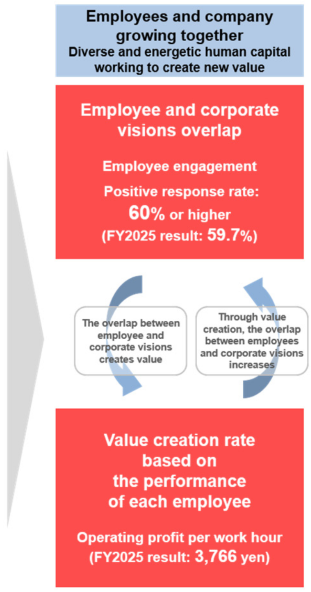
- Risk of a decline in organizational strength due to a lack of understanding and penetration of business plans and organizational goals, as well as a lack of communication across hierarchical and departmental boundaries
- Risk of increased turnover due to decreased sympathy for the company

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.

(4) Indicators and targets

In promoting the Meiji Group Human Capital Strategy, we set targets that can be measured quantitatively by important themes linked to 2026 Medium-Term Business Plan, monitor those targets, and evaluate the effectiveness of efforts and improve them.

	KPI	FY2024 Result	FY2025 Result	FY2026 Target
Foster development of autonomous human capital who embrace challenges	✓ Sufficient global business human capital * ✓ Number of people in Group management candidate pool ✓ Voluntary training participation rate	29.1% 20 people 23.3%	28.8% 32 people 24.5%	35% or higher 30 or more 25% or higher
Diverse human capital	✓ Ratio of female executive officers ✓ Ratio of female managers ✓ Ratio of mid-career hiring human capital in managerial positions ✓ Ratio of global human capital in managerial positions ✓ Percentage of male workers taking childcare leave ✓ Installation ratio of universal toilets and private changing rooms at offices	2.2% 7.7% 10.9% – 100% Toilets: 64.5% Changing rooms: 12.9%	6.5% 8.0% 11.8% 11.9% 96% Toilets: 85.7% Changing rooms: 53.6%	5% or higher 12% or higher 20% or higher (2040 target) 20% or higher (2040 target) 100% 100%
An energetic and comfortable work environment	✓ Absenteeism ✓ Presenteeism (loss) ✓ Rate of employees maintaining appropriate weight ✓ Annual paid leave usage rate ✓ Number of serious occupational accidents	0.6% 24.2% 64.6% 77.1% 0 case	0.4% 22.0% 64.5% 76.5% 0 case	0.3% or less 15% or less Yearly improvements 80% or higher 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.

To strengthen Group-wide risk management, the Company established an independent Risk Management Department, which is responsible for overall 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 Management 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 companies 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	・Abandon launch of planned product ・Changes in customer lifestyles and values ・Negative rumors about the Group's core materials (milk, cocoa, etc.)	・Establish proofs of concept (POC) ・Gather information on market trends ・Develop products that are friendly to the environment and society ・Create products and services unique to Meiji that address social issues ・Appropriately disseminate relevant information about products and materials	→	$$
1.2 The majority of profits comes from specific products	・Sluggish sales of products that account for a considerable portion of sales and profits	・Implement promotions that maximize unique value ・Improve product portfolio management ・Explore new markets and new business domains	→	$$
1.3 Supply chains	・Insufficient or excess procurement or price increases of raw materials ・Cessation of production due to production problems, etc. ・Difficulties in procuring raw milk ・Unstable product supplies due to distribution problems	・Gather information on raw materials markets and promote procurement strategies ・Strengthen coordination between production and sales divisions ・Diversify suppliers and consider alternative materials ・Improve distribution efficiency through labor-saving/automation	→	$$
1.4 Technological advances	・Insufficient adaptation to rapid advances in digital technologies ・Discovery of innovative treatment methods, manufacturing methods, and formulation methods	・Consider introducing new technologies as early as possible ・Research new manufacturing and formulation methods, and search for alliances	→	$$
1.5 Laws and regulations	・Revisions that significantly impact corporate activities ・NHI drug price revisions	・Obtain information about system revisions early and implement countermeasures ・Make appropriate approaches to relevant government authorities ・Expand portfolio of products that are not affected by NHI drug price revisions	→	$
1.6 Overseas expansion and overseas Group companies	・Rapid changes in society, or outbreaks of war or terrorism ・Revisions of the systems that greatly exceed expectations in various countries	・Gather information, and investigate and implement countermeasures early ・Create product supply systems from multiple locations	→	$$
1.7 Business plans, etc.	・Failure to achieve the Visions or Medium-Term Business Plans due to change in business conditions, etc. ・Growth slowdowns in core business, or failure to achieve targets for overseas markets or new business domains ・Impairment losses on non-current assets or goodwill ・Fluctuations in foreign exchange or interest	・Enhance unique value and search for new value ・Manage business portfolio from the perspectives of profitability, growth, and productivity ・Make decisions and monitor investment, M&A, and R&D plans appropriately ・Use foreign exchange contracts and borrow at fixed interest rates	→	$$

$$: 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	・Environment friendliness in corporate activities	・Reduce CO_2 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 ・Promote circular use of plastic resources ・Comply with policies related to the environment	→	$
2.2 Climate change	・Address climate change	・Analyze climate change scenarios according to the TCFD framework, formulate strategies, and release information	→	$
2.3 Thriving communities	・Sustainable raw material procurement ・Understand diversity, and use a diverse workforce effectively ・Consider human rights, and human rights issues	・Increase the ratio of sustainably procured raw materials, such as cocoa beans and palm oil ・Strengthen cooperation and collaboration with industry groups and other companies for the resolution of social issues in dairy farming ・Create organizations and cultures that value diverse perspectives and abilities ・Address challenges of human rights based on due diligence ・Strictly comply with policies, guidelines, etc. related to procurement, human rights, society, and so on.	↗	$
3. Management platform-related risks				
3.1 Corporate governance	・Make decisions in a timely and appropriate manner ・Internal or external non-compliance	・Improve effectiveness of the Board of Directors ・Enhance corporate governance systems ・Provide education on compliance and social media usage based on Meiji Group Behavior Charter, and comply with internal and external policies	→	$
3.2 Damage to the Meiji brand	・Product recalls or withdrawals from the market due to quality defects or unexpected side effects of pharmaceuticals, etc. ・Unexpected harmful rumors about the Group or products	・Pursue quality and safety ・Communicate appropriately with each stakeholder	→	$$
3.3 Human capital and culture	・Recruit and develop human capital required for corporate growth ・Employee engagement ・Effects of business environment on productivity	・Application of management personnel pool for succession planning ・Improve employee training ・Implement measures in consideration of the results of the employee engagement survey ・Promote smart work; strengthen the structure to enhance health and productivity management; develop a Group-wide structure for occupational health and safety	→	$
3.4 Information asset leaks	・Information leaks and system shutdowns due to unauthorized access, etc. ・Data breaches due to inappropriate system management	・Strengthen information management systems and information security ・Strengthen education on information management and comply with regulations and policies	↗	$$
3.5 Disaster, emergency, or other unforeseen circumstances	・Temporary or full suspension of business operations due to disasters, pandemics, or other unexpected emergency ・Fluctuations in product demand due to changes in business conditions in an emergency	・Develop business continuity plans and risk management plans for swift recovery ・Maintain a broad product portfolio across the Group	↗	$

The Company selected the priority initiative topics for FY2025 relating to Group business management risks, and the Board of Directors confirmed the initiatives of each topic.

Priority initiative topics for FY2025:

1) Make decisions in a timely and appropriate manner
   Against the backdrop of an increasing number of unsolicited takeover proposals and shareholder proposals in the Japanese market, we reviewed potential proposals that may be made to the Company and their possible content. And we confirmed the appropriate responses to be taken by the Board of Directors in the event such proposals are received, with the principle of sincerely considering such proposals to ensure and enhance corporate value and the common interests of shareholders.

2) Insufficient adaptation to rapid advances in digital technologies
   Against the backdrop of the rapid advancement of digital technologies such as AI, we reviewed the status of the use of AI and data across the Group. The Group is adapting to the rapid advancement of digital technologies by promoting the organization-wide use of AI and data-driven management.

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	1,173,688	93,307	96,571	35,076	129.42
Previous fiscal year	1,154,074	84,702	82,013	50,800	186.08
YoY change (%)	101.7%	110.2%	117.7%	69.0%	-

In the FYE March 2026, our Group's operating environment faced continued instability due to the trade policies of various nations, foreign currency fluctuations, and geopolitical risks such as the situation in the Middle East. In Japan, while the employment and income environment saw improvements, the trend towards saving continued due to heightened cost-consciousness driven by rising prices. Amid such an environment, our Group advanced our 2026 Medium-Term Business Plan (FYE March 2025–2027), which started in April 2024.

In the Food Segment, we strove to offset cost increases through price increases while also working to strengthen our added-value proposition for existing products and expand sales of new products. In Japan, we focused on expanding our B to B business, enhancing our proposals to be more responsive to client needs. Overseas, we grew sales by working to expand exposure for Meiji brand products. In our particularly strong-performing US business, we have expanded our production lines. Meanwhile, for our China business, while we posted an impairment loss, we have implemented fundamental structural reforms to restore profitability and have solidified our path to recovery.

In the Pharmaceutical Segment, we worked to ensure a stable supply for antibacterial drugs and vaccines. In addition, we made progress in establishing an APIs production system for antibacterial drugs in Japan, which is considered critical to ensuring economic security, and began production of the raw materials for antibacterial drugs at our Gifu Plant in December 2025. We also launched a two-dose vial for *KOSTAIVE*, a next-generation self-amplifying mRNA vaccine for COVID-19, and advanced the development of the new β-lactamase inhibitor OP0595 Nacubactam, which will help address the issue of antimicrobial resistance (AMR). Additionally, to resolve the structural issues of supply instability facing the generic drug industry, we held extensive discussions with multiple companies on a consortium initiative and have been preparing for its implementation.

These factors resulted in consolidated net sales of JPY 1,173.688 billion (up 1.7%, year on year), operating profit of JPY 93.307 billion (up 10.2%, year on year), and ordinary profit of JPY 96.571 billion (up 17.7%, year on year) during FYE March 2026. Profit attributable to owners of parent was JPY 35.076 billion (down 31.0%, year on year). ROE was 4.6% and earnings per share (EPS) were JPY 129.42.

2) Status of segments

(Millions of yen)

	Reportable segments						Total		
	Food			Pharmaceutical					
	Previous fiscal year	Current fiscal year	Change	Previous fiscal year	Current fiscal year	Change	Previous fiscal year	Current fiscal year	Change
Net sales	925,554	942,879	17,324	229,650	232,244	2,593	1,155,205	1,175,123	19,918
Profit by segment	64,629	68,746	4,117	24,749	30,463	5,713	89,378	99,210	9,831

(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 yogurt, yogurt, drinking 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 and the food solutions business increased year on year. Net sales of the dairy business and the nutrition business were largely unchanged year on year.

Segment profit increased year on year. The profit from the dairy business and the food solutions business significantly increased year on year. At the same time, profits from the cocoa business and the nutrition business decreased 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 were largely unchanged year on year. In Japan, sales were largely unchanged year on year. Although sales for mainstay products such as *Meiji Probio Yogurt R-1* and *Meiji Bulgaria Yogurt* performed well due to price increases and strengthened sales promotions, the performance of home delivery channels was sluggish. Overseas, we launched *Meiji Oishii Gyunyu* in China in July 2025, leading to increased sales in the drinking milk category. However, due to sluggish yogurt sales, sales of the drinking milk and yogurt business for the consumer market as a whole decreased.

Operating profit increased significantly year on year. In Japan, profits increased due to price increases and a decrease in indirect manufacturing costs. Overseas, losses decreased due to cost reduction efforts through our profitability improvement plan in China.

■ Cocoa business (Chocolate, gummy, overseas)

Net sales increased year on year. In Japan, sales of chocolate increased due to price increases. Sales of gummy also grew due to the strong performance of new products. Overseas, sales increased due to sales growth for mainstay chocolate products in China and *Hello Panda* in the U.S.

Operating profit decreased year on year. In Japan, profits increased due to price increases, which offset the rise in raw material costs. Overseas, while profit increased in the U.S., overall profits decreased due to an increase in raw material costs in China.

■ Nutrition business (Infant formula, sports nutrition, high nutrition foods, overseas)

Net sales were largely unchanged year on year. In Japan, sales decreased due to a decline in inbound demand for infant formula. Overseas, sales of infant formula in Taiwan increased.

Operating profit decreased year on year. In Japan, profits decreased due to an increase in raw material costs and lower sales of infant formula. Overseas, losses decreased due to higher profitability in Taiwan and the absence of the upfront investment expenses for business expansion recorded in the previous fiscal year.

■ Food solutions business (B to B, cheese, frozen dessert, overseas)

Net sales increased year on year. In Japan, sales of cream and cocoa for B to B increased. Sales of frozen desserts for the consumer market also increased due to the favorable performance. Overseas, in China, while sales of frozen desserts for the consumer market decreased, overall sales increased due to strong performance in cream for B to B.

Operating profit increased significantly year on year. In Japan, profits increased due to price increases, which offset the rise in raw material costs. Overseas, losses decreased due to B to B sales growth and cost reduction efforts in China.

■ Other business (Dairy ingredients, domestic subsidiaries, overseas)

Net sales decreased year on year due to lower sales of contract manufacturing products.

Operating profit significantly decreased year on year due to lower sales of contract manufacturing products in Japan and the incurrence of upfront investment expenses for overseas business expansion.

II. Pharmaceutical

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. Net sales of the overseas pharmaceuticals business and the vaccines and veterinary drugs business increased year on year. Net sales of the domestic pharmaceuticals business were largely unchanged year on year.

Operating profit increased significantly year on year. Operating profit of the overseas pharmaceuticals business significantly increased year on year, whereas the vaccines and veterinary drugs business achieved a turnaround to profitability from the previous fiscal year. Operating profit of the domestic pharmaceuticals business significantly decreased year on year.

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 were largely unchanged year on year. Sales of the selective *ROCK2* inhibitor *REZUROCK* Tablets, launched in May 2024, and the blood plasma products increased. Sales of antibacterial drugs decreased due to a market slowdown caused by changes in the prevalence of bacterial infections.

Operating profit decreased significantly year on year due to factors such as the impact of NHI price revisions and an increase in promotional expenses for newly launched products.

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

Net sales increased year on year. Net sales increased year on year due to royalty income and sales growth from a subsidiary in Thailand.

Operating profit increased significantly year on year. The positive performance was supported by lower R&D expenses and royalty income, as well as increased profits from our subsidiaries in India and Thailand.

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

Net sales increased year on year. Higher sales of the 5-in-1 combination vaccine, *Quintovac* contributed to this increase.

Operating profit achieved a turnaround to profitability from the previous fiscal year. This was mainly due to the absence of the valuation losses for *KOSTAIVE*, the next-generation COVID-19 mRNA vaccine, incurred during the previous fiscal year.

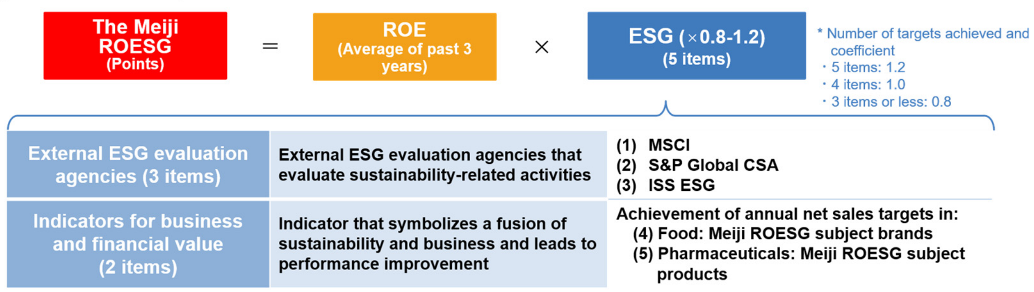
3) Progress of the 2026 Medium-Term Business Plan (the fiscal year ended March 31, 2025 to the fiscal year ending March 31, 2027)

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 fusion of sustainability and business strategies, "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 FYE March 2026	Targets for Medium-Term Business Plan (FYE March 2027)
Integrated goal	Meiji ROESG	6.1 points	9.8 points
Growth and Profitability	Consolidated operating profit	JPY 93.3 billion	JPY 116.5 billion
	・Food Segment	JPY 68.7 billion	JPY 83.0 billion
	・Pharmaceutical Segment	JPY 30.4 billion	JPY 40.0 billion
	Consolidated profit attributable to owners of parent	JPY 35.0 billion	JPY 76.5 billion
	Overseas net sales	JPY 161.3 billion	JPY 252.5 billion
Efficiency and Safety	ROIC	7.8%	8.5% or more
Return to shareholders	ROE	4.6%	9.5% or more
	Total return ratio	81.1%	50% or more

Meiji ROESG formula



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

Meiji ROESG = ROE (3-year average) × ESG (5 indicators)

Meiji ROESG		ROE (3-year average)		ESG (5 indicators)
FY2025: **6.1pt**	=	Average for FY2023-25 **6.1%**	×	Coefficient **1.0**
Target for FY2026: 9.8pt		Target for FY2026: 9.5% or more		Depending on achievement, set coefficient: x0.8-1.2

	Evaluation indicator	FY2025 Plan	FY2025 Results	FY2026 Target
ESG external evaluation	MSCI ESG Ratings	A	AA	AA
	S&P Global CSA	68 points or more	75 points	72 points or more
	ISS ESG	C (43 points or more)	C^+ (50.32 points; Prime)	C^+ (50 points or more)
Indicators of business and financial value	Food: Sales of Meiji ROESG target brand lines	YoY +1.0%	+3.8%	Achievement of yearly plan
	Pharma: Sales of Meiji ROESG target products	YoY +4.6%	−7.2%	Achievement of yearly plan

Meiji ROESG target brand lines and products

◆ Health-oriented foods and value-added nutritional foods
(Meiji Bulgaria Yogurt, Meiji Probio Yogurt R-1, Chocolate Koka, SAVAS, Meiji MeiBalance, etc.)
→ Brands with high gross margins that contribute particularly to profit growth

◆ Foods with our environmentally and socially conscious procurement activities for a sustainable society
(Meiji Oishii Gyunyu, Meiji Milk Chocolate, Meiji Hokkaido Tokachi series (yogurt and cheese), etc.)
→ Brands that contribute to the sustainability of raw material production base and support business continuity

◆ Mainstay drugs that contribute to prevention and treatment of infectious diseases
Influenza vaccine, stable supply drugs (Category A)
→Products that are not affected by NHI price revisions and contribute to stable business operations

Summary of the FYE March 2026 (FY2025) is as follows:

○ Consolidated operating profit for FY2025 exceeded the plan
  - Pharmaceutical Segment contributed especially strongly, expected to remain a key growth driver
  - In the Food Segment, despite positive momentum such as sales volume growth in mainstay products and expansion of new products amid ongoing price increases, the failure to achieve the full-year plan is a significant point of reflection. In FY2026, management will place greater emphasis on delivering results with a strong focus on numerical targets

○ The China business in the Food Segment, previously a key challenge, has established a clear path toward fundamental structural reform. We aim to reach breakeven and accelerate the pace of transformation

○ Achievement of the initial targets set in the 2026 Medium-Term Business Plan is expected to be difficult. In light of this reality, we will aim to achieve a consolidated operating profit target of JPY 100.0 billion for FY2026 as a critical target
  - Even under an uncertain business environment, including geopolitical risks and rising costs, we will pursue agile measures such as price increases, implement company-wide structural reforms, and take on new challenges to drive the next phase of growth

○ Under the challenging business environment, we will execute all necessary transformations, accelerating efforts to resolve key issues
  - To accelerate the pace of change, we will share a strong awareness of issues and urgency across the organization, while cultivating an organizational culture that is unafraid of transformation and actively takes on bold challenges
  - Will implement structural reforms of all scales, transforming our cost structure to one that enables sustainable growth

<Structural Reforms and Asset-light Initiatives>
  - Reconstruction of the Food Segment production structure: Following the establishment of new plants in Hokkaido and Kanagawa, five plants were closed
  - Discontinuation of production at Shikoku Meiji (Kagawa and Matsuyama plants)
  - Review of the vending machine business: The rental and leasing will be terminated by March 2027, etc.

○ Cash generated through these initiatives will be strategically allocated to shareholder returns and investments in growth areas. Aim for an early return to a growth trajectory and a swift recovery to an ROE level of approximately 10%

4) FY2026 forecast

During the FYE March 2027, the final fiscal year of the 2026 Medium-Term Business Plan (FYE March 2025–2027), in Japan, we anticipate a mild recovery in personal spending due to an improved employment and income environment. However, we are assuming continued geopolitical risks facing Japan and overseas, uncertainty in trade policy, and foreign currency fluctuations. Amid such an environment, our Group aims to increase profitability by responding to cost increases and maximizing the effect of supply structure enhancements. We will strive for sustainable growth by refining our business portfolio and optimizing resource allocation.

In light of the business environment in the FYE March 2026 and changes to the assumptions made at the time of formulating the 2026 Medium-Term Business Plan, we have revised the initial targets of the 2026 Medium-Term Business Plan as outlined below. These revisions reflect the impact of soaring and persistently high raw material prices, the economic slowdown in China, and changes in the COVID-19 vaccination environment, as well as revisions to our foreign exchange assumptions.

Indicators	Results for FYE March 2026	Plans for FYE March 2027	Initial Targets for Medium-Term Business Plan (FYE March 2027)
Meiji ROESG	6.1 points	7.8 points	9.8 points
Consolidated operating profit	JPY 93.3 billion	JPY 100.0 billion	JPY 116.5 billion
・Food Segment	JPY 68.7 billion	JPY 74.0 billion	JPY 83.0 billion
・Pharmaceutical Segment	JPY 30.4 billion	JPY 33.0 billion	JPY 40.0 billion
Overseas net sales	JPY 161.3 billion	JPY 182.8 billion	JPY 252.5 billion
ROIC	7.8%	8.0% or more	8.5% or more
ROE	4.6%	8.0% or more	9.5% or more

In the Food Segment, we will stabilize our profit base by evaluating the impact of factors such as Japan and overseas geopolitical risks and foreign currency fluctuations to implement additional measures, including agile price increases, while also advancing business structure reforms.

In Japan, we will work to maximize the value of existing brands by engaging in continuous promotions and enhancing our product lineup. For the dairy business and the cocoa business, we will establish medium- and long-term growth drivers by accelerating the development of products offering new value. In the nutrition business, we will work to restore profitability by enhancing the unique value of mainstay brands. For the food solutions business, we will accelerate growth by strengthening proposals in our thriving B to B business, incorporating proprietary technology to meet the needs of our business partners.

Overseas, we will accelerate business development with a focus on the confectionery business, which is performing favorably in each area. In China, we will focus on the confectionery business while continuing to implement measures aimed at achieving overall profitability for the China business. In the U.S., we will utilize our enhanced production capacity to expand sales channels, especially for chocolate snacks. In Asia, we will strengthen business development for chocolate, including exports outside the region.

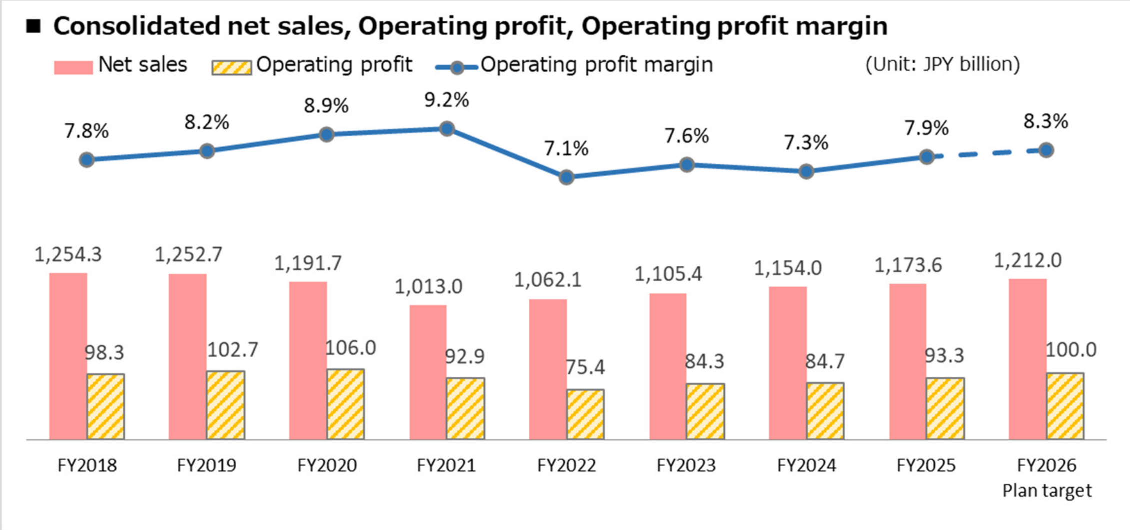
		Results for FYE March 2026	Plans for FYE March 2027	% Change
Food	Net sales	JPY 942.8 billion	JPY 953.9 billion	1.2%
	Operating profit	JPY 68.7 billion	JPY 74.0 billion	7.6%

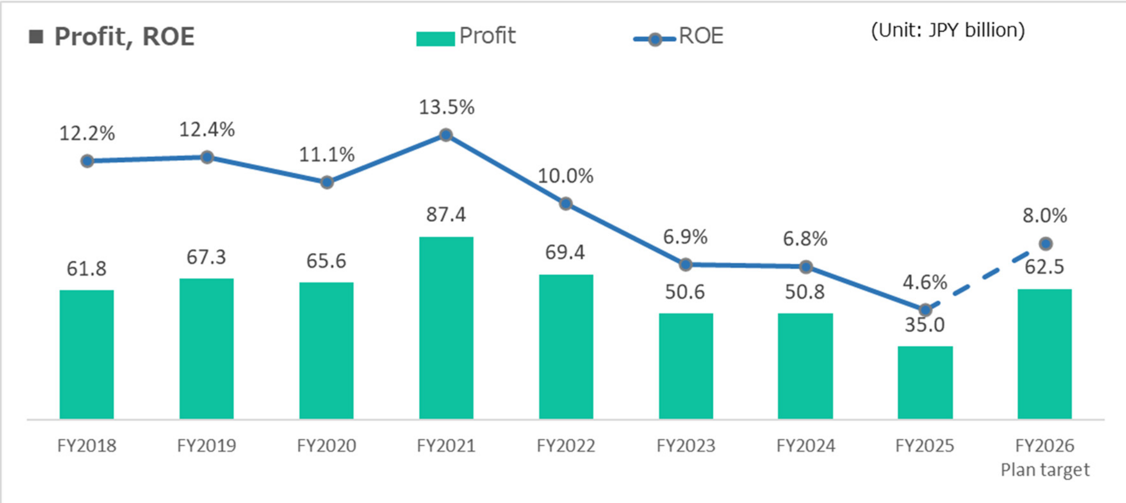
In the Pharmaceutical Segment, in Japan, we will work to ensure the stable provision of injectable antibacterial drugs and vaccines, and focus on promoting blood plasma products, for which we have achieved centralized Group manufacturing and sales. We will also work to maximize the value of the selective *ROCK2* inhibitor *REZUROCK* Tablets, our newly launched product.

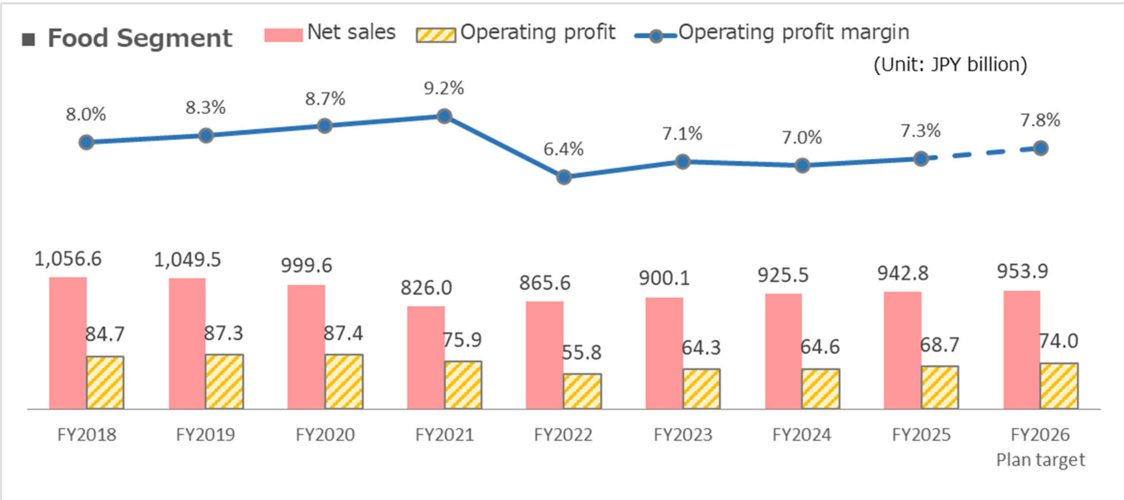
Overseas, to establish a foundation for future growth, we will drive business expansion in Southeast Asia from our hub, Meiji Pharma Asia Pte. Ltd., established in Singapore. At the same time, we will make steady progress in our pipeline development, including a dengue fever vaccine.

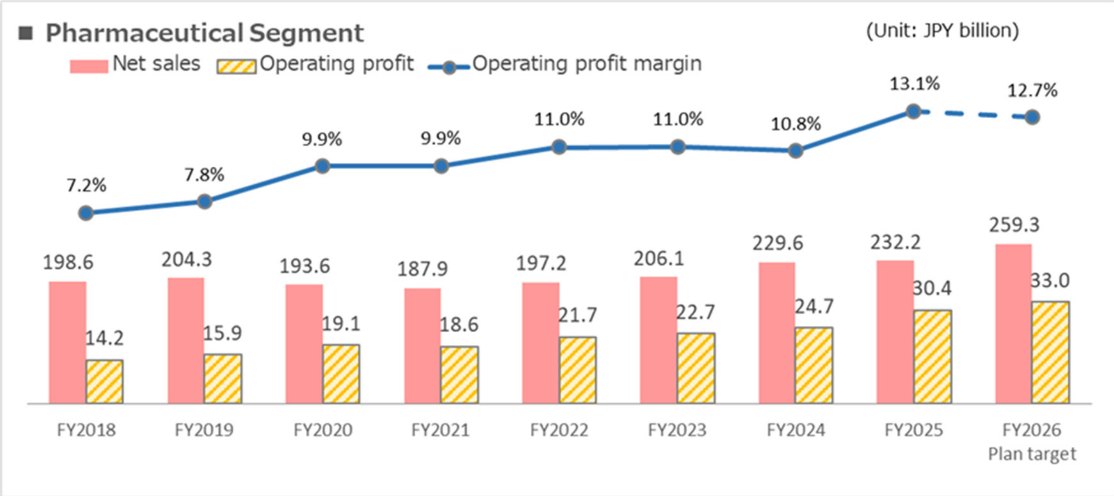
		Results for FYE March 2026	Plan for FYE March 2027	% Change
Pharmaceutical	Net sales	JPY 232.2 billion	JPY 259.3 billion	11.7%
	Operating profit	JPY 30.4 billion	JPY 33.0 billion	8.4%

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	802,366	-
Pharmaceutical	187,774	-
Reportable Segments - Total	990,140	-
Total	990,140	-

(Note) 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 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	941,470	101.8
Pharmaceutical	232,218	101.1
Reportable Segments - Total	1,173,688	101.7
Total	1,173,688	101.7

(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

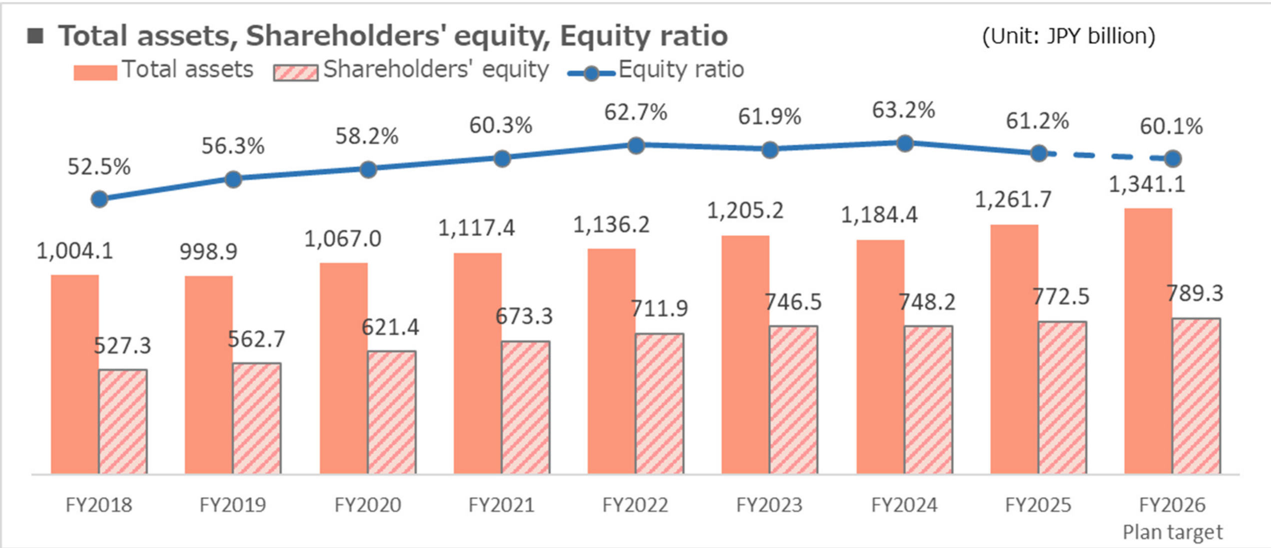
In assets, cash and deposits decreased by JPY 8,942 million from the end of the previous fiscal year to JPY 69,249 million. We maintained liquidity reserves of JPY 89,249 million together with a commitment line amount of JPY 20,000 million and secured the target level of on-hand liquidity (about one month of consolidated net sales) for the 2026 Medium-Term Business Plan. Merchandise and finished goods increased by JPY 17,105 million from the end of the previous fiscal year to JPY 144,727 million. Raw materials and supplies increased by JPY 18,975 million from the end of the previous fiscal year to JPY 100,894 million. This was largely due to soaring raw material prices and a planned increase in inventories. Property, plant, and equipment increased by JPY 26,023 million from the end of the previous fiscal year to JPY 509,924 million. This was mainly due to increases in construction in progress as a result of the construction of new plants in the Konsen region of Hokkaido and Kanagawa, despite decreases in buildings and structures and machinery, equipment, and vehicles as a result of the recording of impairment losses in the China foods business. As a result, total assets as of the end of the current fiscal year were JPY 1,261,759 million, an increase of JPY 77,287 million from the end of the previous fiscal year.

In liabilities, interest-bearing debt (bonds payable, commercial papers, borrowings) increased by JPY 64,784 million from the end of the previous fiscal year to JPY 112,585 million due to raising funds for capital investments through long-term borrowings and raising working capital through the issuance of commercial papers. As a result, total liabilities as of the end of the current fiscal year were JPY 444,206 million, an increase of JPY 51,517 million from the end of the previous fiscal year.

In net assets, shareholders' equity increased by JPY 4,763 million from the end of the previous fiscal year due to an increase of JPY 4,084 million in retained earnings. Total net assets increased by JPY 25,769 million from the end of the previous fiscal year to JPY 817,552 million, mainly due to a JPY 6,158 million increase in valuation difference on available-for-sale securities, a JPY 3,717 million increase in foreign currency translation adjustments, and a JPY 9,593 million increase in remeasurements of defined benefit plans.

As a result, the current ratio increased by 10.8 points to 186.9%, the D/E ratio increased by 0.08 points to 0.15 times, and the equity ratio decreased by 1.9 points to 61.2% 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 87.47 from the end of the previous fiscal year to JPY 2,849.80.

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 financing policy 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 financing and reduce financing costs.

As a 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. 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	68,979	56,522	-12,457
Cash flows from investing activities	-40,636	-110,375	-69,738
Free cash flows	28,342	-53,852	-82,195
Cash flows from financing activities	-61,671	34,603	96,275
Effect of exchange rate change on cash and cash equivalents	-496	2,070	2,566
Net increase (decrease) in cash and cash equivalents	-33,825	-17,178	16,646
Cash and cash equivalents at beginning of period	102,832	66,398	-36,434
Cash and cash equivalents at end of period	66,398	49,611	-16,786

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

Categories	13th fiscal year	14th fiscal year	15th fiscal year	16th fiscal year	17th fiscal year
Equity-to-asset ratio (%)	60.3	62.7	61.9	63.2	61.2
Equity-to-asset ratio based on market price (%)	83.3	77.4	78.4	74.3	82.9
Debt-to-cash-flow ratio (years)	0.6	0.8	0.5	0.7	2.0
Interest coverage ratio (times)	246.3	193.6	266.3	179.9	69.6

(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 56,522 million, a decrease in inflow of JPY 12,457 million from the previous fiscal year. This was due to increases in trade receivables and inventories.

Net cash used in investing activities was JPY 110,375 million, an increase in outflows of JPY 69,738 million from the previous fiscal year. This was due to an increase in expenditures for the purchase of property, plant, and equipment and intangible assets, and a decrease in proceeds from the sale of investment securities 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 82,195 million from the previous fiscal year to JPY 53,852 million.

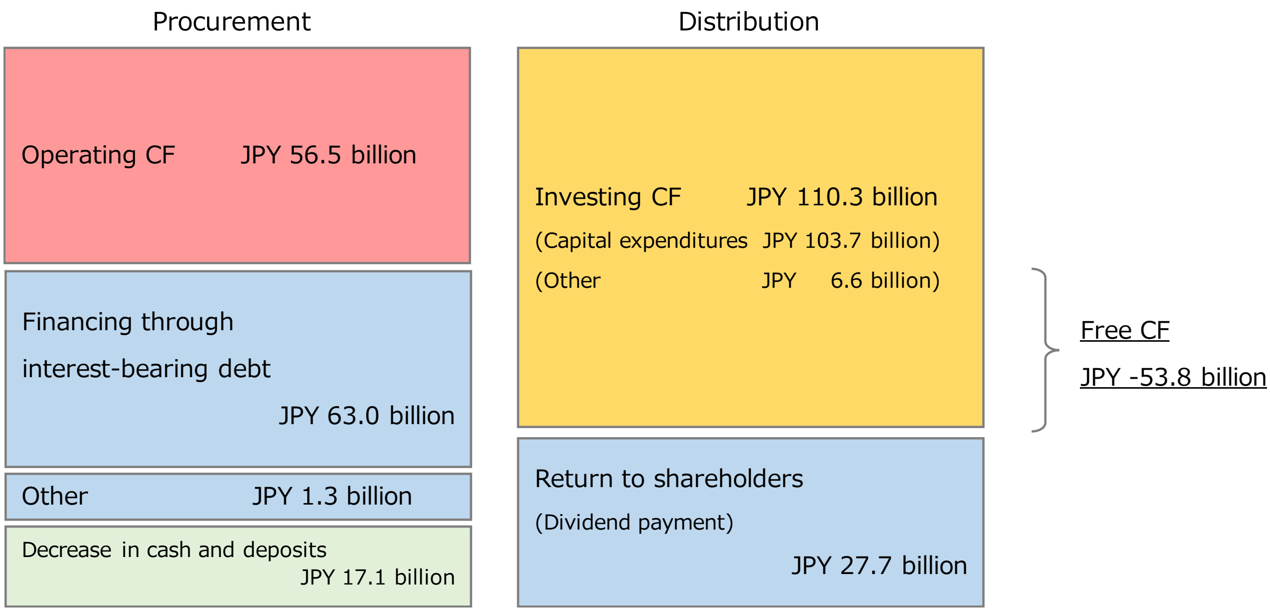
A decrease in free cash flows and funds necessary to pay dividends for shareholders returns are covered through interest-bearing debt and the utilization of cash and cash equivalents. Dividend payments increased, and we have made efforts to enhance shareholder returns. We will continue to maintain stable and continuous profit returns. Note that dividend payments resulted in JPY 27,708 million in expenditures, an increase of JPY 953 million compared to the previous fiscal year, and the payout ratio was 81.1%.

Net cash provided by financing activities was JPY 34,603 million, an increase in inflow of JPY 96,275 million from the previous fiscal year. This was due to an increase in interest-bearing debt as a result of borrowing from financial institutions and the issuance of commercial papers in the current fiscal year, in addition to the absence of cash outflows from the purchase of treasury shares in the previous fiscal year.

As a result of the foregoing, cash and cash equivalents at the end of the current fiscal year were JPY 49,611 million.

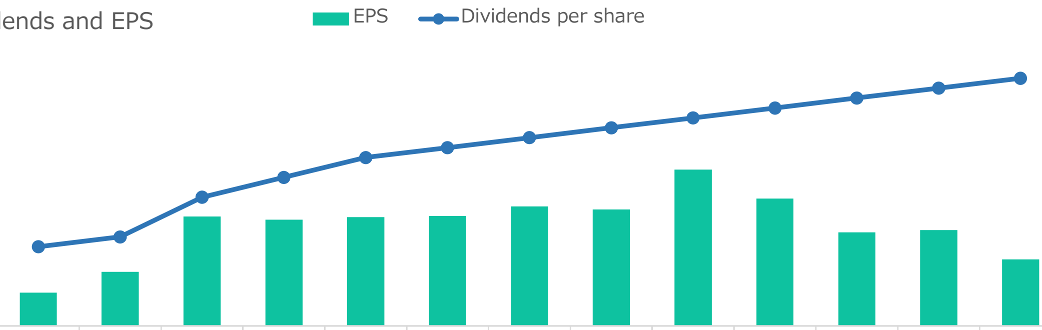
In this current fiscal year, we procured working capital for business activities through borrowings from financial institutions and the issuance of commercial papers.

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



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

■ Trends of dividends and EPS



	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
EPS	64.69	104.89	212.53	206.55	211.07	213.30	232.04	226.26	303.62	247.39	181.64	186.08	129.42
Dividends per share	20	25	45	55	65	70	75	80	85	90	95	100	105
Dividends payout ratio	30.9%	23.8%	21.2%	26.6%	30.8%	32.8%	32.3%	35.4%	28.0%	36.4%	52.3%	53.7%	81.1%

(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 a 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-MEIJI 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 37,042 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 14,053 million.

1) Dairy

Functional yogurt

In October 2025, we launched a new brand, “Meiji Hemoglobin A1c Yogurt,” offering an eating-type product and a drink-type product. It is a food with functional claims, which contains the MI-2 lactobacillus and is designed to support the reduction of elevated hemoglobin A1c levels in healthy individuals. We aim to solve social issues through the growth of the market for blood glucose-related countermeasures.

In October 2025, under the Meiji Probio Yogurt R-1 brand, the drink-type products “Meiji Probio Yogurt R-1 Drink Strawberry” and “Meiji Probio Yogurt R-1 Drink Blueberry Mix” were renewed. The flavors were adjusted to enhance the natural sweetness of the fruit, making them more enjoyable for a wider range of customers. In April 2026, the eating-type product of The GOLD series was renewed to enhance its richness and deliver a thicker texture for a more satisfying eating experience. In addition, fruit-flavored variants were expanded with the launch of “Meiji Probio Yogurt R-1 Blueberry & Strawberry” and “Meiji Probio Yogurt R-1 White and Yellow Peach.”

In April 2026, under “Meiji Probio Yogurt LG 21,” a hard-type yogurt “Meiji Probio Yogurt LG21 Additive-Free” was launched. It is a non-sweet, gentle-tasting product made solely from dairy ingredients, with no added sugar or sweeteners. In addition, all products in the hard-type range were renewed for flavor improvement, and the best-by dates were extended.

In April 2026, “Meiji Probio Yogurt PA-3” was renewed for flavor improvement.

Yogurt

Under the Meiji Bulgaria brand, as part of the Adult Deep Blend series, “Meiji Bulgaria Yogurt Adult Deep Blend Red Grape Mix” was launched in October 2025 in the four-pack yogurt lineup. In April 2026, the series was relaunched as the Deep Blend series, priced the same as the regular lineup to make it more accessible and easier to enjoy, with the introduction of “Meiji Bulgaria Yogurt Deep Blend White Peach, Pear & Fruit Mix” and “Meiji Bulgaria Yogurt Deep Blend Red Grape & Fruit Mix.” For the zero-fat personal-type product, “Meiji Bulgaria Yogurt Special Pear Mix,” featuring twice the amount of fruit pieces compared with the previous product and a luxurious blend of seasonal fruits, was launched in September 2025. This was followed in October 2025 by “Meiji Bulgaria Yogurt Special Fruits Varieties,” designed to deliver a richer fruit texture and more substantial ingredients. In March 2026, “Meiji Bulgaria Yogurt Special White Peach” and “Meiji Bulgaria Yogurt Six Fruit Varieties” were launched. For the Rich & Flavorful series, which has been marketed since the previous year as a premium dessert yogurt combining rich yogurt with fruit, “Meiji Bulgaria Yogurt Rich & Flavorful Orange Confiture,” “Meiji Bulgaria Yogurt Rich & Flavorful Blueberry Confiture,” “Meiji Bulgaria Yogurt Rich & Flavorful White Peach Confiture,” and “Meiji Bulgaria Yogurt Rich & Flavorful Strawberry Confiture” were launched sequentially between August 2025 and April 2026. In April 2026, “Meiji Bulgaria Yogurt LB81 Zero-Fat Plain” (400 g, 180 g), a key product in the brand’s core plain eating-type lineup, was renewed with improved flavor and texture, offering greater richness and smoothness while maintaining its healthy, zero-fat image. For the drink-type lineup, “Meiji Bulgaria Yogurt LB81 Blueberry Flavor (Drink)” was launched as a Food for Specified Health Uses (FOSHU) product in September 2025. In March 2026, “Meiji Bulgaria Yogurt Drink LB81 ONE SHOT” was launched as a FOSHU product in a newly designed single-serve PET bottle. In April of the same year, the flavor lineup was strengthened with the introduction of “Meiji Bulgaria Yogurt Blueberry Flavor LB81 ONE SHOT” and “Meiji Bulgaria Yogurt Strawberry Flavor LB81 ONE SHOT.”

Under the Meiji Hokkaido Tokachi Yogurt brand, we launched “Meiji Hokkaido Tokachi Milk Kiwadatsu Yogurt Drink” in March 2026. In the lactic acid bacteria drink category, we launched “Meiji Sawayaka Lactobacillus Beverage Moyamoya Hareruya” in April 2026.

Under the SAVAS MILK PROTEIN Yogurt brand, we introduced eating types of “SAVAS MILK PROTEIN Yogurt Mixed Berry” in September 2025, and “SAVAS MILK PROTEIN Yogurt Low Sugar,” “SAVAS MILK PROTEIN Yogurt Peach,” and “SAVAS MILK PROTEIN Yogurt Mango” in April 2026. In the drink-type line, we launched “SAVAS MILK PROTEIN Drink Yogurt Pink Grapefruit,” “SAVAS MILK PROTEIN Drink Yogurt Green Apple,” “SAVAS MILK PROTEIN Drink Yogurt Kiwi,” and “SAVAS MILK PROTEIN Drink Yogurt Strawberry” during the period from September 2025 to April 2026.

In October 2025, “Meiji Tofu-Style Yogurt YOFU,” designed to be enjoyed as a side dish, was launched exclusively in the Shikoku region, as part of an initiative to create new eating occasions.

Drinking milk

Against the backdrop of smaller household sizes and the growing awareness of ethical consumption, two 700 ml products designed to be finished while fresh and tailored to customers' lifestyles were launched under two brands. In April 2025, the new container and brand, Meiji Nyuu Healthy Bottle 700 ml series, was launched, featuring "Bokujou no Shizuku," characterized by the rich taste of milk, and "Ca Fe + Dietary Fiber for Your Body," which provides half a day's worth of iron, calcium, and dietary fiber in a single 200 ml serving. In April 2026, with the same container, the long-established Love brand, supported for over 40 years, addressed consumer dissatisfaction with fortified milk, particularly concerns that it does not taste good, and we launched "Meiji Love High-Protein, Calcium & Iron" in a 700 ml container, achieving a balance between exceptional taste and enhanced nutritional value. The product uses nonfat dry milk, thereby contributing to alleviating the excess inventory issue of nonfat dry milk, which has become a problem in the current domestic dairy farming and dairy industry.

In April 2026, a 700 ml bottle was added to "Meiji Oishii Gyunyu," Japan's top-selling milk brand by domestic market share, and was launched through limited distribution channels in the four prefectures of the Kanto area (Tokyo, Kanagawa, Saitama, and Chiba). We plan to gradually expand both the geographic coverage and distribution channels. The product indirectly contributes to alleviating the excess inventory issue of nonfat dry milk by increasing the usage of raw milk, which in turn helps to curb the production of nonfat dry milk. We will continue to contribute to the realization of sustainable dairy farming and the dairy industry by developing products that support healthier lifestyles for consumers.

"Meiji Oishii Milk Coffee" in 450 ml bottles, launched in October 2024, has continued to perform strongly. Positioned as a dairy beverage developed to make drinking milk tasty and enjoyable, it has received positive feedback from consumers, including comments such as "perfect for enjoying a luxurious and relaxing moment of my own." In December 2025, a 200 ml bottle was added to the product lineup, enabling consumers to select the bottle size that best matches their preferences. As the second product in the series, we introduced "Meiji Oishii Milk Tea," based on the recognition that tea ranks second only to coffee in consumers' purchase intent among milk-based beverages and offers excellent compatibility with milk. The 450 ml bottle was launched in March 2026, followed by the 200 ml bottle in April 2026. We carefully selected a tea variety that best enhances the delicious taste of "Meiji Oishii Gyunyu." The combination of the freshness of milk and the rich aroma of tea creates a satisfying taste experience that, like coffee, is perfect for moments when consumers want to relax or take a refreshing break. 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 freshness of milk.

Beverages and others

In October 2025, we launched "Tsujiri Okoi Matcha Latte," a new product featuring the globally popular matcha flavor. This product uses a generous amount of high-quality matcha carefully selected by "Tsujiri," a long-established tea brand from Uji, Kyoto, known for its refined aroma and pleasant bitterness. It is packaged in a stylish paper container with a cap, allowing consumers to enjoy the rich aroma of matcha upon opening. The packaging features a high-quality design accented with gold, conveying a sense of elegance and Japanese aesthetics. To support growing inbound demand, the product name is presented in English, and a multilingual QR code has been included to clearly communicate the product's appeal to international visitors to Japan.

In response to consumer requests for a barley tea product as part of the Meiji Soreike! Anpanman beverage series, we launched in September 2025 "Meiji Soreike! Anpanman's Barley Tea," which children can enjoy drinking with ease. The product is made with domestically sourced six-row barley and offers a mild, gentle taste designed to be easy for children to drink. Going forward, we will continue to develop products that meet consumers' expectations.

Overseas

In Vietnam, we newly launched "Meiji 0–1 year old INFANT FORMULA Premium" and "Meiji 1–3 years old GROWING UP FORMULA Premium" (both in can format), as additions to our existing brands under a premium line. These formulas are enriched with 2'-fucosyllactose, one of the human milk oligosaccharides abundant in breast milk. In addition, in Vietnam, Thailand, and Hong Kong, we launched "Meiji 0–1 year old INFANT FORMULA EZcube" in a four-cube pack, targeting trial demand with a smaller serving size.

2) Cocoa

Chocolate

In the ganache category, we developed a new brand, Meiji Nama no Toki, utilizing our proprietary raw kneading manufacturing process that allows for room-temperature distribution with a best-by period of 12 months. We launched "Shittori Milk" in May 2025, followed by "Nagori Matcha" in January 2026, both of which have been highly regarded in both domestic and overseas markets.

In September 2025, we launched "Cacao Beauté," a sustainable chocolate that supports daily well-being. It is the world's first* chocolate product to incorporate cacao ceramides derived from cocoa bean shells (cacao husks).

In the chocolate snack category, 2025 marked the 50th anniversary of the launch of "Kinoko no Yama." To commemorate this milestone, we launched in September 2025 "Oshi Kinoko no Yama Vanilla Flavor," which ranked first in a consumer poll for the most-requested revival item. In addition, in collaboration with chef pâtissiers, we introduced in February 2026 "Kinoko no Yama x CLUB HARIE Hazelnut Praline & Matcha" and "Takenoko no Sato x chez Shibata Yuzu-scented Hazelnut Praline." In April 2026, we launched "Kitakita Nokonoko no Yama Sato," a fusion product of "Kinoko no Yama" and "Takenoko no Sato," developed based on an AI-generated concept. The product has been well received by consumers.

* Based on findings from academic literature, patent searches, and online information on cocoa-derived ceramides as cosmetic and food ingredients.

Gummies

In recognition of its 37-year contribution to the development of Japan's gummy market, the brand logo of Kaju Gummy was registered as a trademark in September 2025. Throughout FY2025, we developed and launched a wide range of products, including numerous seasonal flavors, premium-positioned offerings, and products designed to meet diverse customer needs. We launched "Dark Cherry Mix," "Watermelon," "Sicilian Lemon," "Gold Kiwi," and "Special Tochiaika" in May, July, August, October, and December 2025, respectively, and "Oshi Aji Fruit Mix" in February 2026. In addition, we launched "Elastic Plus Peach" as a hard texture type product and "Smart Pack Grape Muscat Assortment" as a large-capacity type in October 2025.

In addition, we launched a new beauty-focused brand, FRUBI by Kaju Gummy, targeting women with a strong interest in beauty. In March 2026, we launched "Blueberry & Pomegranate," formulated with our proprietary cacao-derived ceramides. Going forward, we will continue to strengthen our product lineup to ensure satisfaction for an even broader range of customers.

Furthermore, we launched "Purupuru Torori Kanjuku Shokkan Gummy Mango Flavor" in March 2026, utilizing our proprietary formulation technology. The product is characterized by a melt-in-the-mouth texture similar to that of fully ripened fruit and has been well received by consumers. We will continue to promote the development of products utilizing this technology.

Cocoa and others

The first shipment of cocoa beans from Madagascar has arrived in Japan, marking the result of a project implemented over approximately five years and seven months (July 2019–January 2025), on the Promotion, Demonstration, and Business Development Project for Establishing a Value Chain for High-Quality Cacao Beans in Madagascar, supported by the Japan International Cooperation Agency (JICA). A first shipment ceremony was held at the time of departure, with local farmers and community members in attendance, to convey our appreciation for their cooperation and support to date. The cocoa beans have been utilized in "THE Cacao Fruity Cacao" and "THE Cacao Fruity Cacao Latte," launched in March 2026. We will continue to pursue ongoing procurement of these cocoa beans and further expand the range of products utilizing them.

In addition, to prepare for future cocoa supply risks caused by climate change and rising cocoa prices, we are conducting joint research with California Cultured, a company specializing in cell-cultured cocoa production, to develop chocolate products using cell-cultured cocoa.

Overseas

For "Hello Panda," which continues to see sales growth in overseas markets, we are advancing improvements in raw materials and manufacturing processes across production sites in the U.S., Singapore, Indonesia, and China, contributing to growth as a global brand.

3) Nutrition business

Infant and women nutrition

We have relaunched two infant formula products, "Meiji Hohoemi" and "Meiji Step" (both available in canned and cube types), with new formulations of "Bifidobacterium OLB6378," which was carefully selected by us to support infants' daily health. "Meiji Hohoemi" is the first infant formula in Japan to blend Bifidobacterium. "Meiji Step" has also been further fortified with zinc.

In the cohort study, started in January 2023, more than 1,100 pairs of mothers and children are being followed to investigate factors related to breast milk composition, as well as child growth, development, and health. We will continue to follow children who are 2–3 years old as of the end of fiscal 2025 through to the age of five. We identified that modifying the structure of triglycerides, the main lipid in infant formula, to more closely resemble that of breast milk may reduce inhibition of bifidobacterial growth in the gut, and published these findings jointly with Juntendo University, the University of Tokyo, and Toho University in the international scientific journal PLOS ONE. In addition, in a joint study with Kasukabe Medical Center and Nihon University, we demonstrated that dietary intake during late pregnancy is associated with maternal stress-related indicators and cortisol levels in umbilical cord blood, and published these findings in the international scientific journal Nutrients.

Furthermore, in a joint study with Ehime University and the University of Tokyo, we found that higher mushroom intake during pregnancy may have a protective association with behavioral risk in children at five years of age (peer relationship problems, lower prosocial behavior) and published these findings in the Journal of Human Nutrition and Dietetics.

Sports nutrition

As for the SAVAS powdered protein, we launched in March 2026 "SAVAS BIOPRO Whey Protein 100," which contains "lactic acid bacteria that support the power of protein," carefully selected from the lactobacillus library of Meiji. We propose a new possibility combining protein and lactobacillus, designed to support building an ideal body from the gut. As for the protein bar, we launched in September 2025 "SAVAS PROTEIN BAR Royal Milk Tea Flavor with 1/2 of the Daily Value for Iron," the fourth product aimed at expanding the reach of protein users. By launching a protein bar designed for women, containing half of the daily recommended iron intake, a nutrient highly valued by female consumers, we were able to expand sales through the acquisition of new users without cannibalizing existing products. In addition, for our powdered protein products, we have conducted storage stability evaluations based on the guidelines for best-by date determination and have been extending their best-by dates from 18 months to 24 months on a rolling basis.

In the SAVAS beverage type, we launched in April 2025 "SAVAS WHEY PROTEIN Muscat Flavor" for heavy users seeking "further improvements in muscle strength" and "rigorous daily nutrition management." This product contains high-purity whey protein isolate (WPI), providing 20 g of whey protein per bottle, and is formulated to be fat-free, sugar-free and lactose-free. It has been developed with a clear, refreshing sports drink-like taste, making it easy to consume for hydration during and after exercise. In September 2025, we launched "SAVAS MILK PROTEIN + Yellow Vegetable," a beverage that provides 15 g of milk protein and 14 kinds of vegetables per bottle. The product was developed to create more opportunities for a wider range of consumers to try protein beverages, including those who wish to consume not only protein but also vegetables for health reasons, as well as those who exercise at least once a week but have not yet incorporated protein into their diets. In April 2026, in response to increasingly diverse consumer needs regarding sugar and sweeteners, we launched "SAVAS MILK PROTEIN Fat 0 Bitter Chocolate Flavor," which is formulated with plant-based sweeteners. As attention increasingly shifts toward ingredients combined with protein, we will continue to develop products that respond to evolving consumer needs and enable a broader range of consumers to incorporate protein into their diets.

High nutrition food

"Mei Balance Gyutto Soft Jelly," launched in March 2025 is a high nutritional jelly that enables efficient nutritional intake in a small volume (100 ml). Designed to reduce the burden of intake, the initial three yogurt flavors (strawberry, banana, and apple) have been very well received, and sales have been performing strongly since launch. In response to customer requests, a new "Peach Yogurt" flavor was added in November 2025, bringing the lineup to a total of four flavors. At the same time, we extended the best-by dates from six months to eight months and launched a "Variety Box" that allows consumers to enjoy multiple flavors.

We conducted a joint study with Kochi University to further establish the "swallowing-friendly functionality," a key strength of "Mei Balance Soft Jelly," which holds the top share in the hospital jelly drink market, as a sustainable source of competitive advantage, particularly its ease of consumption for individuals with reduced swallowing ability. In this study, we used "GOKURI®," an advanced swallowing assessment technology in which AI analyzes swallowing sounds, to establish objective scientific evidence of the product's efficacy. The findings were presented at the Annual Meeting of the Japanese Society of Dysphagia Rehabilitation, generating research outcomes of high value for medical and nursing care settings.

The Meiji Renalen series is a high-function liquid diet designed and developed based on years of clinical and basic research, aimed at contributing to the improvement of quality of life (QOL) for individuals requiring specialized nutritional management due to kidney disease and other conditions. Our two product lines with selectable protein content (LP/MP), as well as our proprietary carbohydrate composition design "LoGIC (Low Glycemic Index Concept)," which takes into account fluid and mineral balance and the rate of carbohydrate absorption, have been highly evaluated in medical and nursing care settings. In November 2025, we implemented a renewal in response to customer requests while retaining these core strengths. We have newly incorporated the functional dietary fiber, partially hydrolyzed guar gum, further enhancing considerations for bowel movement control and blood glucose management, which are common challenges in clinical nutrition. This supports a safer and more comfortable dietary management experience for our customers.

In March 2026, we launched "Sokko Genki Jelly Amino Acids & Royal Jelly Sugar 0 Cola Flavor" as a strategic product aimed at expanding the customer base of our flagship jelly brand, Sokko Genki Jelly, in response to the growing market opportunity driven by increasing health consciousness. Through this initiative, we aim to address the evolving and diverse health values of modern consumers and to further accelerate the growth of our business.

In recent years, rising temperatures and abnormal weather patterns have emerged as a social issue, not only during outdoor activities but also within the home and in daily life. Against this backdrop, we received approval from the Consumer Affairs Agency for the labeling of our oral rehydration solutions, "Meiji Aqua Support" and "Meiji Aqua Support Jelly," as food for special dietary uses (individually evaluated food for patients). In response to this, the products have been on sale since March 16, 2026.

Overseas

Recognizing that nutritional challenges are common not only domestically but also in overseas markets, particularly in Asia, we are promoting the global expansion of our high-nutrition food products. “Meiji Mei Balance Mini Cup Global Spec Original Grain Flavor,” exported to Taiwan and Vietnam, has been performing well in these markets. In December 2025, we launched a new Strawberry flavor (Grain Strawberry), aiming to both contribute to extending healthy life expectancy in the Asian market and drive business growth.

4) Food solutions

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

In the area of sauce for commercial use, as sauces for cafes, we launched “Chocolate Sauce 2000 g” in August 2025, and “Sakura Sauce 2602” in February 2026.

Cheese

In September 2025, we launched “Meiji Iron & Calcium Candy Cheese” nationwide. The product provides 2.9 mg of iron and 260 mg of calcium in three pieces (approximately 15 g), and features a smooth texture that makes it easy to consume, allowing it to be enjoyed as a snack, a light accompaniment to drinks, or as part of a meal.

To commemorate the 2025 National Commendation for Invention “Invention Award” (Patent No. 6084162), we launched in November 2025 a limited-edition “Meiji Hokkaido Tokachi Parmesan Cheese Arakudaki,” offering a rich and aromatic flavor experience.

The best-by date of “Meiji Hokkaido Tokachi Nama Mozzarella Basil Jitate” was extended to 42 days from December 2025.

We conducted research and development for “Meiji Hokkaido Tokachi Camembert Blue,” establishing a flavor profile suited to Japanese preferences and a manufacturing process suitable for mass production. In addition, from March 2026, we built a production and quality management system capable of nationwide distribution. Furthermore, we are conducting basic research toward the development of a highly unique domestically produced cheese, utilizing microorganisms isolated from the natural environment of the Tokachi region.

In March 2026, we launched nationwide “Meiji Hokkaido Tokachi Camembert Sliced Cheese,” offering a rich umami flavor and the luxurious taste of camembert, as well as “Meiji Value Pack Cheddar Sliced Cheese,” which delivers a full-bodied flavor and bright orange color that pairs well with meat dishes.

Frozen dessert

As for frozen desserts, we launched “ESSEL SUPERCUP Kinako Flavor,” developed through a new flavor project in collaboration with our customers in March 2025, and “ESSEL SUPERCUP Tropical Mix” in May 2025. By incorporating feedback from our customers, we were able to take a fresh approach different from existing flavors, helping to expand our reach to new customer segments. In addition, under the Meiji Bulgaria Frozen Yogurt Dessert brand, we launched “Meiji Bulgaria Frozen Yogurt Dessert Aloe” in March 2025 and “Meiji Bulgaria Frozen Yogurt Dessert Salty Lemon” in July 2025, “Meiji Bulgaria Frozen Yogurt Dessert Rich Winter Flavor” in November 2025, and “Meiji Bulgaria Frozen Yogurt Dessert Rich Strawberry Flavor” in December 2025. We strengthened our product lineup to expand our health-promoting ice cream by taking advantage of the smooth and rich ice cream mixed with our original yogurt specially designed for ice cream. For Meiji Dear Milk, which was launched in March 2023 and uses only dairy products as ingredients, we launched “Meiji Dear Milk Multi Cup” in October 2025, and “Meiji Dear Milk Extra Rich” in December 2025. We leveraged the full value of dairy to develop and position it as a new premium ice cream.

Dairy fat

In the area of dairy fat, we launched in September 2025 “Meiji Spreadable Aged Cheese Blend,” which offers a rich flavor combining butter and cheese.

Ready meal

In the ready meal business, we continued from last year to aggressively expand the “Ginza” brand. As new frozen food products, we launched in September 2025 “Ginza Western-style Food Shrimp Gratin,” featuring the rich umami of lobster and the creamy richness of milk. In addition, we renewed “Ginza Western-style Food Demi Omelet Rice” and “Ginza Western-style Food Beef Stroganoff.” We also relaunched our dry food products, “Ginza Curry Medium Spicy,” “Ginza Curry Hot,” and “Ginza Curry Hayashi,” following revisions to the sauce flavor profile to further improve overall taste quality.

In our dry food products, we further strengthened our focus on the Marugoto Yasai brand, and significantly renewed “Marugoto Yasai Eggplant and Ripe Tomato Curry” and “Marugoto Yasai Seven Color Vegetable Curry.” By revising the sauce formulation, we enhanced the spiciness while also significantly improving convenience by enabling microwave preparation. In addition, in the successful Marugoto Yasai Soup line, we strengthened appeal by launching a new menu item, "Eight Ingredient Chinese White Soup."

In March 2026, we launched "Ginza Curry Gratin" as a new addition to our frozen food gratin menu. We also relaunched our core products, "Ginza Curry Rice Gratin" and "Ginza Curry Hayashi Rice Gratin," with improved flavor profiles, thereby strengthening the overall appeal of the series. In the dry food products, we launched a new menu item, "Ginza Tomato Curry," offering an innovative fusion of meat sauce and curry. For "Ginza Curry Medium Spicy," "Ginza Curry Hot," and "Ginza Curry Hayashi," we carried out further refinements following the updates in the fall, enhancing product quality while addressing the current cost increases.

Overseas

In the area of cream for commercial use, targeting the Chinese market, "25% Cream" made by Meiji Dairies (Tianjin) Co., Ltd. was launched in December 2025.

We launched "Hokkaido Ice Vanilla," developed as the first Meiji ice cream specifically for export, in Southeast Asia. This product was developed to meet global specifications, ensuring compliance with food standards in multiple countries to enable export to several markets. In addition to existing export markets, we aim to expand our overseas ice cream business by developing sales channels in new markets.

(2) Pharmaceutical

The amount of research and development activities in this category for the current fiscal year was JPY 20,555 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.

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

We obtained manufacturing and marketing approval for a "KOSTAIVE for intramuscular injection for two doses," a self-amplifying mRNA vaccine against COVID-19. The vaccine is designed to target the SARS-CoV-2 Omicron sub lineage JN.1 variant XEC. We submitted an application for manufacturing and marketing approval in Japan for Nacubactam (OP0595), a β-lactamase inhibitor, discovered in-house, for the treatment of various infectious diseases. We submitted a supplemental application for partial revision of the manufacturing and marketing approval for "Rezafurin 10 mg for Injection" (generic name: Talaporfin sodium), a photosensitizing agent for photodynamic therapy, to add an indication for the treatment of Cervical Intraepithelial Neoplasia. We obtained marketing approval in Thailand for *REZUROCK* Tablets (brand name; generic name: Belumosudil mesylate), a selective *ROCK2* (Rho-associated coiled-coil containing protein kinase 2) inhibitor indicated for the treatment of chronic graft-versus-host disease (chronic GVHD). We have initiated Phase II clinical trials for KD-382, a vaccine against Dengue fever, involving adults and pediatric patients. We have initiated Phase I clinical trials in healthy adults in Australia for ME3241, an anti-PD-1 agonist antibody developed through joint research with the Foundation for Biomedical Research and Innovation at Kobe.

KM Biologics, Co., Ltd. has a system for R&D, manufacturing, and marketing of biopharmaceuticals, including 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 is as follows.

As for inactivated vaccine (KD-414) against COVID-19, the company is promoting R&D and the establishment of a production system through joint development with Meiji Seika Pharma Co., Ltd. Currently, VE* Phase III clinical trials in pediatric patients (Japan) are underway.

As for the dengue fever vaccine (KD-382), 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, we are currently conducting Phase II clinical trials (Thailand and Australia) since August 2025 through joint development with Meiji Seika Pharma Co., Ltd.

Phase II clinical trials (Japan) of KD2-396, a 6-in-1 vaccine for children, have been completed, and Phase III clinical trials (Japan) were initiated in March 2026.

As for blood plasma products, Phase III clinical trials (Japan) of immune globulin liquid (KD-380) and Phase I/III clinical trials (Japan) of blood coagulation factor X agent (KD-416) are underway. KD-416 received orphan drug designation from the National Institutes of Biomedical Innovation, Health and Nutrition.

* 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 January 9, 2025 for MD-22-3002 (an antipyretic analgesic and anti-inflammatory drug for 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. We submitted an application for manufacturing and marketing approval for ME4305 (antimicrobial agent for cattle) on September 22, 2025. The trials required for application for manufacturing and marketing approval have been initiated for 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 2,433 million.

In fiscal 2025, Meiji Holdings Co., Ltd. Wellness Science Labs steadily built the foundation for creating new businesses by fully integrating the Meiji Group's strengths in "pharmaceutical" and "food."

A landmark achievement in our efforts to build scientific evidence with a view to future commercialization was our joint research project with Saitama Medical University. Through the consumption of yogurt containing an exopolysaccharide produced by Lactobacillus delbrueckii subsp. bulgaricus OLL1073R-1 (R-1 EPS) developed and owned by Meiji, we found a trend suggesting an improvement in the objective response rate (ORR) to immune checkpoint inhibitors, a key therapeutic option in contemporary lung cancer treatment. These findings were presented at the American Association for Cancer Research (AACR) Annual Meeting, demonstrating the potential for "food" to contribute to the field of "pharmaceuticals."

In addition, by leveraging cutting-edge AI-driven data analysis technologies to analyze data obtained from projects such as the Human Phenotype Project*, we successfully generated multiple new business seeds in a short period, aimed at extending healthy life expectancy, predicting diseases, and enabling early detection.

Furthermore, our "bio-manufacturing" research, initiated in 2023, has made significant progress, with multiple concrete themes now underway that are expected to contribute to both the Meiji Group's "pharmaceutical" and "food" businesses, steadily laying the groundwork for the future.

The achievements of fiscal 2025 represent a solid step toward creating new business value at the intersection of the Meiji Group's expertise in "pharmaceutical" and "food."

In FY2026, 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.

* Human Phenotype Project: a longitudinal global cohort study that continuously collects and accumulates human health data across multiple countries

3. Information about Facilities

1. Overview of capital expenditures

The Meiji Group's total capital expenditures during the current fiscal year were JPY 94,672 million, mainly in the Food and Pharmaceutical Segments. Following is a breakdown by segment.

(1) Food

Capital expenditures of JPY 62,120 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 plants in the Konsen region and Kanagawa.

(2) Pharmaceutical

Capital expenditures of JPY 32,014 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 facility construction under the "Project of Developing Biopharmaceutical Manufacturing Sites to strengthen Vaccine Production" and for construction of liquid globulin formulation plant facilities.

(3) Others

Capital expenditures of JPY 537 million were made during the current fiscal year. The main capital expenditures were for renovation work on the head office building.

2. Major facilities

The following are the major facilities in the Meiji Group.

1) Reporting company

As of March 31, 2026

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^2)	Leased assets (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	
Meiji Holdings Co., Ltd.	Head Office (Chuo-ku, Tokyo)	Company-wide	-	3,566	11	8,414 (2,211)	0	255	12,248	298 (31)

2) Domestic subsidiaries

As of March 31, 2026

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^2)	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	7,556	8,381	1,270 (138,027)	-	219	17,427	162 (123)
	Eniwa Plant (Eniwa City, Hokkaido)	Food	Production facilities	4,986	4,475	306 (33,057)	-	242	10,010	73 (23)
	Gunma Plant (Isesaki City, Gunma)	Food	Production facilities	1,013	2,108	868 (116,968)	-	52	4,043	183 (70)
	Gunma Nutritionals Plant (Isesaki City, Gunma)	Food	Production facilities	1,646	2,320		-	63	4,031	
	Saitama Plant (Kasukabe City, Saitama)	Food	Production facilities	8,051	8,288	40 (33,059)	-	163	16,543	110 (40)
	Sakado Plant (Sakado City, Saitama)	Food	Production facilities	11,776	11,531	467 (101,318)	2	366	24,144	180 (489)
	Toda Plant (Toda City, Saitama)	Food	Production facilities	4,144	5,539	602 (70,675)	-	77	10,364	159 (81)
	Moriya Plant (Moriya City, Ibaraki)	Food	Production facilities	3,980	7,581	3,709 (109,481)	8	133	15,413	131 (61)
	Tokai Plant (Fujieda City, Shizuoka)	Food	Production facilities	2,304	5,020	1,403 (63,518)	7	136	8,871	149 (180)
	Aichi Plant (Inazawa City, Aichi)	Food	Production facilities	3,050	4,123	3,014 (66,842)	-	113	10,301	155 (64)
	Kyoto Plant (Kyotanabe City, Kyoto)	Food	Production facilities	7,173	10,968	471 (85,003)	-	214	18,827	205 (120)
	Kyoto Lactobacillus Plant (Kyotanabe City, Kyoto)	Food	Production facilities	83	106		-	33	223	
	Osaka Plant (Takatsuki City, Osaka)	Food	Production facilities	7,425	8,303	241 (135,525)	5	314	16,290	193 (456)

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^2)	Leased assets (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	
Meiji Co., Ltd.	Kansai Plant (Kaizuka City, Osaka)	Food	Production facilities	2,322	1,829	- (-)	-	105	4,257	197 (130)
	Kansai Ice Cream Plant (Kaizuka City, Osaka)	Food	Production facilities	2,037	891		-	85	3,014	
	Kansai Nutritionals Plant (Kaizuka City, Osaka)	Food	Production facilities	1,994	1,949		-	97	4,040	
	Kurashiki Plant (Kurashiki City, Okayama)	Food	Production facilities	6,290	2,752	1,606 (104,881)	-	63	10,712	76 (47)
	Branches, offices (Sendai City, Miyagi, etc.)	Food	Sales facilities	428	0	17 (8,423)	-	220	668	1,244 (460)
	Research laboratory (Hachioji City, Tokyo)	Food	Research facilities	10,297	1,218	4,071 (40,452)	-	1,109	16,696	412 (52)
	Head office and other offices (Chuo-ku, Tokyo, etc.)	Food	Offices of Head Office Other	6,820	621	18,508 (422,688)	-	986	26,938	1,215 (198)

As of March 31, 2026

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^2)	Leased assets (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	
Meiji Seika Pharma Co., Ltd.	Gifu Plant (Kitagata Town, Motosu, Gifu)	Pharmaceutical	Production facilities	3,766	7,770	756 (150,688)	-	219	12,512	92 (32)

As of March 31, 2026

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^2)	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)	Pharmaceutical	Head Office / production facilities	8,135	6,050	1,733 (134,042)	-	1,321	17,240	645 (556)
	Kikuchi Production Center (Kikuchi City, Kumamoto)	Pharmaceutical	Production facilities	4,888	803	360 (226,951)	-	471	6,524	252 (123)
	Koshi Production Center (Koshi City, Kumamoto)	Pharmaceutical	Production facilities	5,190	807	572 (102,283)	-	499	7,068	164 (98)

As of March 31, 2026

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^2)	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	722	1,139	379 (53,554)	-	61	2,302	213 (122)
Gunma Meiji Co., Ltd.	Head Office / Plant (Maebashi City, Gunma)	Food	Production facilities	758	1,179	1,230 (44,308)	-	42	3,210	102 (11)
Tochigi Meiji Milk Products Co., Ltd.	Head Office / Plant (Utsunomiya City, Tochigi)	Food	Production facilities	2,926	1,236	26 (30,303)	1	131	4,322	91 (24)
Meiji Oils and Fats Co., Ltd.	Osaka Plant (Hirakata City, Osaka)	Food	Production facilities	809	667	1,568 (15,716)	2	76	3,124	70 (16)
Meiji Chewing Gum Co., Ltd.	Head Office / Plant (Kiyosu City, Aichi)	Food	Production facilities	1,009	1,601	725 (10,904)	5	59	3,401	142 (27)
Meiji Seika Pharmatech Co., Ltd.	Odawara Plant (Odawara City, Kanagawa)	Pharmaceutical	Production facilities	2,251	2,254	161 (43,055)	-	238	4,906	189 (110)

(3) Overseas subsidiaries

As of March 31, 2026

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^2)	Leased assets (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	
Medreich Limited	Bengaluru, India	Pharmaceutical	Production facilities	2,697	3,138	1,588 (140,632)	21	180	7,626	1,658 (949)
Meiji Ice Cream (Guang Zhou) Co., Ltd.	Guangzhou, Guangdong, China	Food	Production facilities	1,349	199	-	4	11	1,565	200 (37)
Meiji Dairies (Suzhou) Co., Ltd.	Jiangsu, China	Food	Production facilities	1,490	528	-	6	32	2,058	169 (-)
Meiji Dairies (Tianjin) Co., Ltd.	Tianjin, China	Food	Production facilities	4,714	563	-	-	90	5,369	120 (-)
Meiji Food (Guangzhou) Co., Ltd.	Guangzhou, Guangdong, China	Food	Production facilities	10,430	1,430	-	31	27	11,920	203 (1)
Meiji Seika Food Industry (Shanghai) Co., Ltd.	Shanghai, China	Food	Production facilities	6,701	5,476	-	6	186	12,371	303 (94)

(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	24,679	Funds on hand and borrowings	April 2024	March 2028
Meiji Co., Ltd.	Atsugi City, Kanagawa	Food	Dairy product production facility	40,075	7,544	Funds on hand and borrowings	May 2025	June 2027
D.F. Stauffer Biscuit Co., Inc.	Pennsylvania, U.S.	Food	Confectionery production facilities	10,328	815	Funds on hand and borrowings	August 2026	June 2028

(2) Retirement of material facilities, etc.

The following are the plans for sales, retirement, or other disposals of material facilities that have been confirmed as of the end of the current fiscal year.

Company name	Company name Operating site	Segment	Facilities	Production end period
Meiji Co., Ltd.	Toda Plant (Toda City, Saitama)	Food	Production facilities	July 2027
Shikoku Meiji Co., Ltd.	Kagawa Plant (Mitoyo City, Kagawa)	Food	Production facilities	March 2028

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, 2026)	Number of issued shares as of filing date (June 24, 2026)	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, share capital and capital reserve

Date	Change in total number of issued shares	Balance of total number of issued shares	Change in share capital (Millions of yen)	Balance of share capital (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, 2026

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	1	111	38	1,075	465	313	210,201	212,204	-
Number of shares held (number of units)	2	834,961	122,072	159,039	762,130	597	933,155	2,811,956	1,004,400
Percentage of shareholdings (%)	0.00	29.69	4.34	5.66	27.10	0.02	33.19	100	-

(Notes) 1 Treasury shares as of March 31, 2026 totaled 11,098,044 shares, comprising 110,980 units included in “individuals and others” and 44 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, 2026

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	43,930	16.20
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo	17,106	6.31
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	6,223	2.30
Meiji Holdings Trading-Partner Shareholding Association	2-4-16 Kyobashi, Chuo-ku, Tokyo	5,343	1.97
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)	3,996	1.47
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)	3,862	1.42
JP MORGAN CHASE BANK 385781 (Standing agent: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (2-15-1 Konan, Minato-ku, Tokyo)	3,654	1.35
JPMorgan Securities Japan Co., Ltd.	2-7-3 Marunouchi, Chiyoda-ku, Tokyo	3,305	1.22
JAPAN ACTIVATION CAPITAL I L.P. (Standing agent: MUFG Bank, Ltd.)	C／O WALKERS CORPORATE LIMITED, 190 ELGIN AVENUE, GEORGE TOWN, GRAND CAYMAN, KY1-9008, CAYMAN ISLANDS (1-4-5 Marunouchi, Chiyoda-ku)	2,943	1.09
Total	-	97,062	35.80

(Notes) 1 In addition to the above, Meiji Holdings holds 11,098,000 shares of treasury shares.

2 On August 21, 2025, a large-volume holdings report of Nomura Asset Management 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 August 15, 2025. 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, 2026.

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

Name	Address	Number of shares held	Percentage of shares held to total number of issued shares (%)
NOMURA INTERNATIONAL PLC	1 Angel Lane, London EC4R 3AB, United Kingdom	1,395,100	0.49
Nomura Asset Management Co., Ltd.	2-2-1 Toyosu, Koto-ku, Tokyo	12,778,300	4.53

3 On December 3, 2025, 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 28, 2025. 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, 2026.

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 (%)
BlackRock Japan Co., Ltd.	1-8-3 Marunouchi, Chiyoda-ku, Tokyo	4,935,100	1.75
BlackRock (Netherlands) BV	Amstelplein 1, 1096 HA, Amsterdam, Netherlands	544,900	0.19
BlackRock Fund Managers Limited	12 Throgmorton Avenue, London, UK	1,016,814	0.36
BlackRock Asset Management Ireland Limited	1st Floor, 2 Ballsbridge Park, Ballsbridge Dublin, Ireland	635,400	0.23
BlackRock Fund Advisors	400 Howard Street, San Francisco, California, US	3,199,400	1.13
BlackRock Institutional Trust Company, N.A.	400 Howard Street, San Francisco, California, US	2,292,134	0.81

4 On December 19, 2025, a large-volume holdings report of Sumitomo Mitsui Trust Asset Management Co., Ltd. and the joint holders listed below were made available for public viewing. The report indicates the number of shares held by each holder as of December 15, 2025. 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, 2026.

The content of the large-volume holdings 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	7,978,836	2.83
Amova Asset Management Co., Ltd.	9-7-1 Akasaka, Minato-ku, Tokyo	6,158,600	2.18

(7) Voting rights

1) Issued shares

As of March 31, 2026

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 11,098,000	-	-
Shares with full voting rights (Other)	Ordinary shares 270,097,600	2,700,976	-
Shares less than one unit	Ordinary shares 1,004,400	-	-
Total number of issued shares	282,200,000	-	-
Number of voting rights held by all shareholders	-	2,700,976	-

(Notes) 1 Ordinary shares in the "Shares less than one unit" column include 44 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, 2026

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	11,098,000	-	11,098,000	3.93
Total	-	11,098,000	-	11,098,000	3.93

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

Not applicable.

(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	2,974	9,862,923
Treasury shares acquired during the current period	636	2,402,156

(Note) Treasury shares acquired during the current period do not include the number of shares acquired through the purchase of shares of less than one unit from June 1, 2026 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	1,900	-
Treasury shares acquired during the current period	3,300	-

(Note) Treasury shares acquired during the current period do not include the number of shares acquired through the free-of-charge acquisition of transfer-restricted shares from employees over a period from June 1, 2026 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	216,022	688,246,092	-	-
Acquired treasury shares which were canceled	-	-	-	-
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)	180	579,000	-	-
Total number of treasury shares held	11,098,044	-	11,101,980	-

(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 transfer-restricted shares from employees over a period from June 1, 2026 to the filing date of the Annual Securities Report.

3. Dividend policy

As a company engaged primarily in the food, health, and pharmaceutical businesses, the Company seeks to be familiar brand that strives for lifelong engagement with its customers and recognizes the importance of maintaining a strong and stable financial base in the medium to long term.

The Company seeks to achieve sustainable growth by actively allocating capital generated through its business activities to future growth investments and research and development.

The Company also recognizes the provision of appropriate profit returns to shareholders as an important management priority and aims to continuously increase dividends per share while targeting a total payout ratio of 50% or higher in each fiscal year.

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 Directors by setting the record date to September 30 each year.”

At the Ordinary General Meeting of Shareholders to be held on June 26, 2026, the Company plans to submit proposals (resolution items) for “Partial Amendments to the Articles of Incorporation regarding the Decision-making Body for Dividends of Surplus, etc.” If the proposal is approved as originally proposed, it will be stipulated in the Articles of Incorporation that, unless otherwise provided for by laws and regulations, the Company may decide the matters provided for in each of the items in Article 459, Paragraph 1 of the Companies Act, including dividends of surplus, by a resolution of the Board of Directors. As a result, the decision-making body for dividends of surplus will be the General Meeting of Shareholders and the Board of Directors for year-end dividends, and the Board of Directors for interim dividends.

For the current fiscal year, the Company paid an interim dividend of JPY 52.50 per share and decided to pay a year-end dividend of JPY 52.50 per share starting from June 8, 2026. As a result, the consolidated dividend payout ratio will be 81.1%.

For the annual dividend for the upcoming fiscal period, we are planning an increase to a dividend of JPY 110 (JPY 55.0 at end of second quarter and JPY 55.0 at end of fiscal period) per share, and we are forecasting the consolidated dividend payout ratio of 47.7%.

Date of resolution	Total amount of dividends (Millions of yen)	Dividend per share (Yen)
November 13, 2025 Board of Directors resolution	14,232	52.50
May 21, 2026 Board of Directors resolution	14,232	52.50

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 its customers' needs, today and tomorrow. In this way, the Group aims 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 24, 2026 (the filing date of the Annual Securities Report), the Company 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 Katsunari Matsuda.

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 outside Audit & Supervisory Board Members to organically leverage the information-gathering capabilities of full-time auditors and the independence of outside Audit & Supervisory Board Members 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. Masayori Tamaki, an Audit & Supervisory Board Member.

A Nomination Committee is established to deliberate on proposals for the nomination or removal of directors and Audit & Supervisory Board Members, as well as the nomination or removal of executive officers, including the president. The Committee also deliberates and gives advice on matters such as succession plans, and reports to the Board of Directors. A Compensation Committee is established to deliberate on the policy, amount, and level of remuneration for directors and executive officers, and also reports to the Board of Directors. Each committee consists 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 is chaired by Mr. Masaya Kawata and the Compensation Committee is chaired by Ms. Michiko Kuboyama.

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. Katsunari Matsuda serves as Chief Executive Officer (CEO), Mr. Jun Hishinuma as Chief Financial Officer (CFO), Mr. Shougo Ohishi 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. Takefumi Koga as Chief Digital Officer (CDO).

In addition to the chief officer system, the Group Strategy Meeting, consisting of members appointed by CEO and President Katsunari Matsuda, 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 CEO and President Katsunari Matsuda, meets twice each month, in principle, to discuss and decide matters of material importance relating to execution, thereby achieving prompt and appropriate business execution.

(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 their food and pharmaceutical 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 their customers and maximizing shareholder value.

Progress of system development

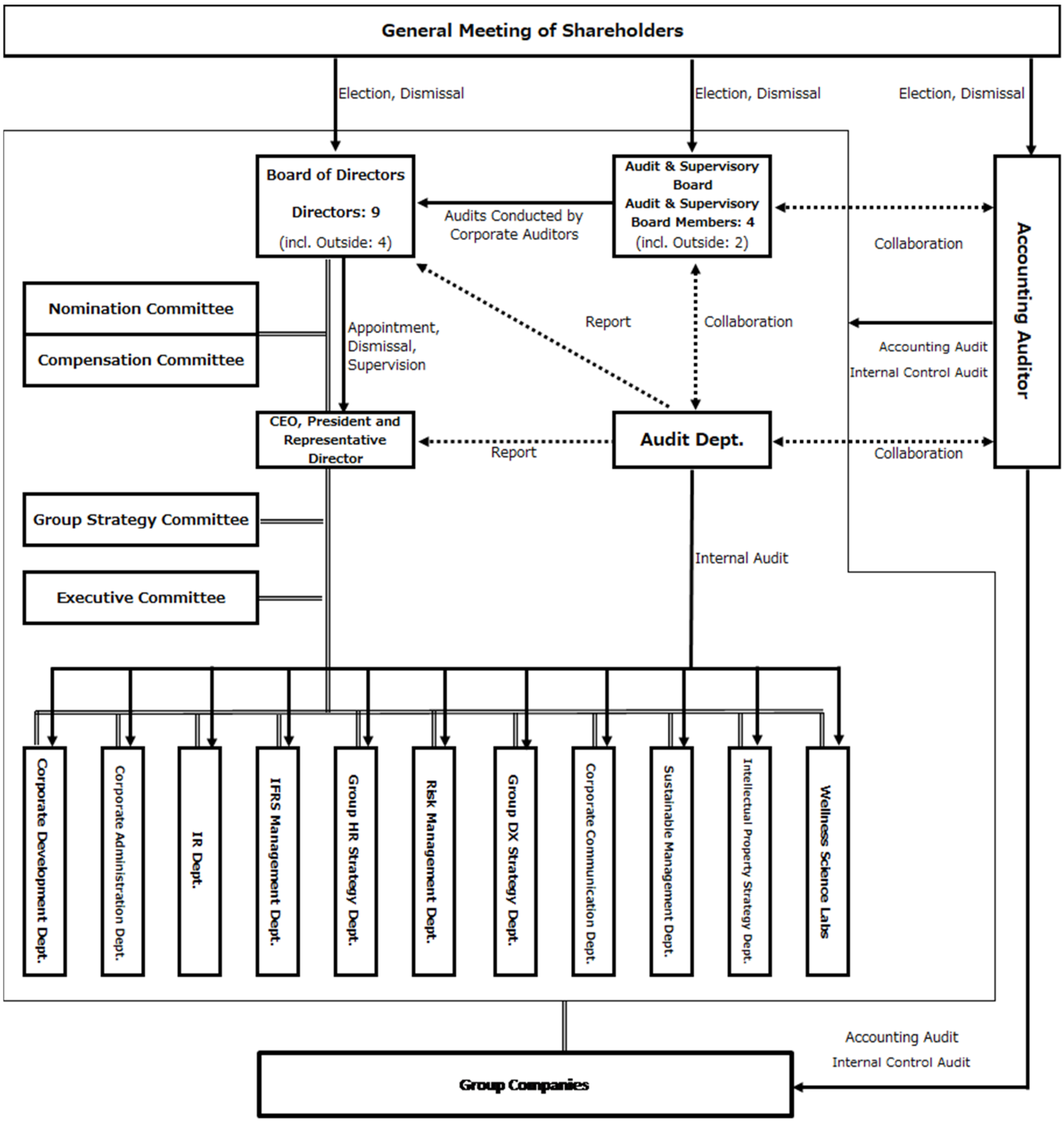
1. Systems for ensuring compliance with laws and regulations and the Articles of Incorporation in the execution of duties by directors, executive officers, and employees
   To ensure thorough corporate governance, the Group has adopted business management structures and clearly defines the responsibilities 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 operated 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 the Company's 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.

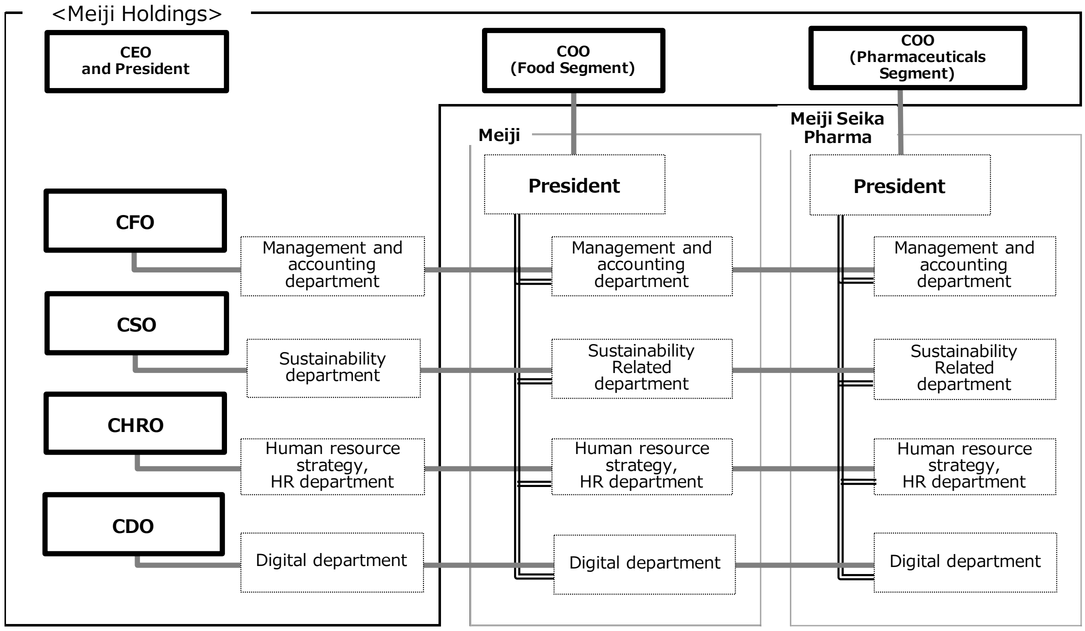
6. Systems for ensuring reliability in financial reporting
   To ensure reliability in financial reporting, the Company and the Group companies have constructed internal control systems for financial reporting; this includes developing and operating systems of evaluation and reporting as appropriate.
7. Matters concerning employees who are appointed to assist in the duties of the Company's Audit & Supervisory Board Members when the Company's Audit & Supervisory Board Members request such assistance; matters concerning the independence of such employees from the Company's directors; and matters concerning the effectiveness of orders issued by Audit & Supervisory Board Members to such employees
   After consulting with Audit & Supervisory Board Members, the Representative Director appoints employees to assist in the duties of the Audit & Supervisory Board Members. Authority to issue orders to such employees is delegated to the Audit & Supervisory Board Members, and any decisions regarding the appointments, reshuffles, and appraisals of such employees require the consent of the Audit & Supervisory Board Members. These measures ensure the effectiveness of orders issued by Audit & Supervisory Board Members to such employees.
8. Systems under which the Company's directors, executive officers, and employees report to the Company's Audit & Supervisory Board Members; systems under which the Group's directors, Audit & Supervisory Board Members, executive officers, employees, or persons who receive reports from such persons report to the Company's Audit & Supervisory Board Members; other systems concerning reporting to the Company's 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 such 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 Company's Audit & Supervisory Board Member requests reports on the business 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 the Company's 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 regularly holds meetings to exchange opinions with the Company's 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 the Company's 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. If the Company is threatened by or may incur damage from antisocial forces or groups, it will respond promptly in close cooperation with the police, relevant authorities, and legal counsel.

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, etc.

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.

At the Ordinary General Meeting of Shareholders to be held on June 26, 2026, the Company plans to submit proposals (resolution items) for "Partial Amendments to the Articles of Incorporation regarding the Decision-making Body for Dividends of Surplus, etc." If the proposal is approved as originally proposed, it will be stipulated in the Articles of Incorporation that, unless otherwise provided for by laws and regulations, the Company may decide the matters provided for in each of the items in Article 459, Paragraph 1 of the Companies Act, including dividends of surplus, by a resolution of the Board of Directors.

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 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	* Katsunari Matsuda	17/17
Member of the Board of Directors	Toshiaki Nagasato	13/13
Member of the Board of Directors	Bunjiro Yao	13/13
Member of the Board of Directors	Jun Furuta	17/17
Member of the Board of Directors	Jun Hishinuma	17/17
Member of the Board of Directors	Mariko Matsumura (Independent)	17/17
Member of the Board of Directors	Masaya Kawata (Independent)	16/17
Member of the Board of Directors	Michiko Kuboyama (Independent)	17/17
Member of the Board of Directors	Peter D. Pedersen (Independent)	16/17
Audit & Supervisory Board Member	Masayori Tamaki	13/13
Audit & Supervisory Board Member	Yasushi Watanabe	13/13
Audit & Supervisory Board Member	Makoto Ando (Independent)	17/17
Audit & Supervisory Board Member	Masakazu Komatsu (Independent)	11/13
Member of the Board of Directors	Kazuo Kawamura	4/4
Member of the Board of Directors	Daikichiro Kobayashi	4/4
Audit & Supervisory Board Member	Hiroaki Chida	4/4
Audit & Supervisory Board Member	Takayoshi Ohno	4/4
Audit & Supervisory Board Member	Hajime Watanabe (Independent)	4/4

* indicates chairperson.

(Notes) 1. Directors Kazuo Kawamura and Daikichiro Kobayashi, and Audit & Supervisory Board Members Hiroaki Chida, Takayoshi Ohno, and Hajime Watanabe retired upon the conclusion of the 16th Ordinary General Meeting of Shareholders held on June 27, 2025, due to the expiration of their respective terms of office.
2. For Directors Toshiaki Nagasato and Bunjiro Yao, and Audit & Supervisory Board Members Masayori Tamaki, Yasushi Watanabe, and Masakazu Komatsu, the number of Board of Directors meetings held since their appointment following approval at the 16th Ordinary General Meeting of Shareholders held on June 27, 2025 is listed.

13) Activities of the Nomination Committee

The Company held ten 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 a succession plan.

The attendance of individual Committee members is as follows.

Number of the Nomination Committee meetings held during the current fiscal year		Total 10 times
Member of the Board of Directors	Katsunari Matsuda	9/9
Member of the Board of Directors	Mariko Matsumura (Independent)	10/10
Member of the Board of Directors	* Masaya Kawata (Independent)	10/10
Member of the Board of Directors	Michiko Kuboyama (Independent)	10/10
Member of the Board of Directors	Peter D. Pedersen (Independent)	10/10
Member of the Board of Directors	Kazuo Kawamura	1/1

* indicates chairperson.

(Notes) 1. Director Kazuo Kawamura stepped down upon the conclusion of the 16th Ordinary General Meeting of Shareholders held on June 27, 2025, as his term of office expired.
2. For Director Katsunari Matsuda, the number of the Nomination Committee meetings held since his appointment following approval at the 16th Ordinary General Meeting of Shareholders held on June 27, 2025 is listed.

14) Activities of the Compensation Committee

The Company held nine meetings of the Compensation Committee in the current fiscal year, and the Committee deliberated and reported to the Board of Directors on 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 9 times
Member of the Board of Directors	Katsunari Matsuda	7/7
Member of the Board of Directors	Mariko Matsumura (Independent)	9/9
Member of the Board of Directors	Masaya Kawata (Independent)	9/9
Member of the Board of Directors	* Michiko Kuboyama (Independent)	9/9
Member of the Board of Directors	Peter D. Pedersen (Independent)	9/9
Member of the Board of Directors	Kazuo Kawamura	2/2

* indicates chairperson.

(Notes) 1. Director Kazuo Kawamura stepped down upon the conclusion of the 16th Ordinary General Meeting of Shareholders held on June 27, 2025, as his term of office expired.
2. For Director Katsunari Matsuda, the number of the Compensation Committee meetings held since his appointment following approval at the 16th Ordinary General Meeting of Shareholders held on June 27, 2025 is listed.

(2) Directors and other officers

As of June 24, 2026 (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

Male: 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	April 1980 Joined Meiji Dairies (Note 4) June 2012 Executive Officer, Meiji June 2015 Managing Executive Officer, Meiji June 2017 Member of the Board, Meiji (incumbent) June 2017 Senior Managing Executive Officer, Meiji June 2018 Representative Director, Meiji June 2018 President, Meiji June 2018 Member of the Board, the Company (incumbent) June 2020 Executive Officer, the Company (incumbent) June 2020 COO (Food Segment), the Company June 2025 Member of the Board, Meiji Seika Pharma (incumbent) June 2025 Representative Director, the Company (incumbent) June 2025 President, the Company (incumbent) June 2025 CEO, the Company (incumbent) June 2025 President (Corporate Development Dept.), the Company (incumbent) June 2025 President (Group HR Strategy Dept.), the Company June 2025 President (Intellectual Property Strategy Dept.), the Company (incumbent) June 2025 President (Wellness Science Labs), the Company (incumbent) October 2025 President (Group HR Strategy Dept.), the Company (incumbent)	(Note 5)	64,005
COO (Pharmaceutical Segment), Member of the Board and Executive Officer	Toshiaki Nagasato	October 1, 1957	April 1983 Joined Meiji Seika (Note 3) June 2014 Executive Officer, Meiji Seika Pharma June 2017 Member of the Board, Meiji Seika Pharma (incumbent) June 2025 Representative Director, Meiji Seika Pharma (incumbent) June 2025 President, Meiji Seika Pharma (incumbent) June 2025 Member of the Board, the Company (incumbent) June 2025 Executive Officer, the Company (incumbent) June 2025 COO (Pharmaceutical Segment), the Company (incumbent)	(Note 5)	25,900
COO (Food Segment), Member of the Board and Executive Officer	Bunjiro Yao	May 28, 1961	April 1984 Joined Meiji Dairies (Note 4) June 2015 Executive Officer, Meiji June 2017 Managing Executive Officer, Meiji June 2020 Member of the Board, Meiji (incumbent) June 2021 Senior Managing Executive Officer, Meiji June 2023 Vice President, Meiji June 2025 Representative Director, Meiji (incumbent) June 2025 President, Meiji (incumbent) June 2025 Member of the Board, the Company (incumbent) June 2025 Executive Officer, the Company (incumbent) June 2025 COO (Food Segment), the Company (incumbent)	(Note 5)	54,477

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held
Member of the Board and Executive Vice President	Jun Furuta	August 17, 1957	April 1981 Joined Meiji Seika (Note 3) June 2013 Executive Officer, Meiji June 2014 Member of the Board, the Company (incumbent) June 2014 Executive Officer, the Company June 2014 General Manager, PR & IR Dept., the Company June 2018 Managing Executive Officer, the Company October 2019 Managing Executive Officer (Sustainable Management Dept.), the Company April 2020 Managing Executive Officer (PR & IR Dept.), the Company June 2020 Senior Managing Executive Officer, the Company June 2020 CSO, the Company June 2020 Member of the Board, Meiji (incumbent) April 2022 Senior Managing Executive Officer (Corporate Communication Dept.), the Company April 2024 Senior Managing Executive Officer (IR Dept.), the Company June 2024 CDO, the Company June 2024 Senior Managing Executive Officer (Risk Management Dept.), the Company June 2024 Senior Managing Executive Officer (Group DX Strategy Dept.), the Company June 2025 Vice President, the Company (incumbent) October 2025 Senior Managing Executive Officer (Group DX Management Dept.), the Company April 2026 Assistant to the President (incumbent)	(Note 5)	39,465
CFO, Member of the Board and Senior Managing Executive Officer (Corporate Administration Dept., IR Dept., IFRS Management Dept., and Corporate Communication Dept.)	Jun Hishinuma	November 5, 1965	April 1988 Joined Meiji Dairies (Note 4) June 2022 Executive Officer, Meiji June 2023 Member of the Board, Meiji June 2023 Managing Executive Officer, Meiji June 2024 Member of the Board, Meiji Seika Pharma (incumbent) June 2024 Member of the Board, the Company (incumbent) June 2024 Managing Executive Officer, the Company June 2024 CFO, the Company (incumbent) June 2024 Managing Executive Officer (Corporate Administration Dept.), the Company (incumbent) June 2024 Managing Executive Officer (IR Dept.), the Company (incumbent) June 2024 Managing Executive Officer (IFRS Management Dept.), the Company (incumbent) June 2025 Senior Managing Executive Officer, the Company (incumbent) April 2026 Senior Managing Executive Officer (Corporate Communication Dept.), the Company (incumbent)	(Note 5)	18,550
Member of the Board (Note 1)	Mariko Matsumura	September 24, 1959	April 1988 Admitted to the bar in Japan as Attorney at Law (Dai-Ichi Tokyo Bar Association) April 1988 Joined Braun Moriya Hoashi & Kubota February 1994 Joined Ryudo Sogo Law Offices January 2006 Joined Shinwa Sogo Law Offices (incumbent) June 2018 Outside Member of the Board, the Company (incumbent) April 2022 President, Dai-Ichi Tokyo Bar Association April 2022 Vice President, Japan Federation of Bar Associations	(Note 5)	2,691

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	April 1975	Joined Nisshinbo Industries, Inc. (currently Nisshinbo Holdings Inc.)	(Note 5)	3,627
			June 2006	Managing Officer, Nisshinbo Industries, Inc.		
			June 2007	Director, Nisshinbo Industries, Inc.		
			April 2009	President and Representative Director of Nisshinbo Brake Inc.		
			June 2010	Executive Managing Officer, Nisshinbo Holdings Inc.		
			June 2011	President and Representative Director, Nisshinbo Chemical Inc.		
			June 2012	Senior Executive Managing Officer, Nisshinbo Holdings Inc.		
			June 2012	President and Representative Director, Nisshinbo Mechatronics Inc.		
			June 2013	President and Representative Director, Nisshinbo Holdings Inc.		
			March 2019	Chairman and Representative Director, Nisshinbo Holdings Inc.		
			June 2021	Outside Member of the Board, the Company (incumbent)		
			March 2022	Chairman and Director, Nisshinbo Holdings Inc.		
Member of the Board (Note 1)	Michiko Kuboyama	April 16, 1956	April 1980	Joined Kao Soap Co., Ltd. (currently Kao Corporation)	(Note 5)	1,813
			April 2006	General Manager, Products Public Relations Department, Kao Corporation		
			April 2011	General Manager, Products Public Relations Center, Kao Corporation		
			May 2016	Communication Fellow, Lifestyle Research Department, Kao Corporation		
			June 2021	Outside Member of the Board, the Company (incumbent)		
Member of the Board (Note 1)	Peter D. Pedersen	November 29, 1967	September 2000	President, E-Square Inc.	(Note 5)	1,146
			January 2015	Representative Director, Next Leaders' Initiative for Sustainability (NELIS)		
			August 2020	Representative Director, NPO NELIS (incumbent)		
			June 2022	Outside Member of the Board, the Company (incumbent)		
Audit & Supervisory Board Member (Full-time)	Masayori Tamaki	June 8, 1965	April 1989	Joined Meiji Dairies (Note 4)	(Note 6)	7,904
			June 2019	General Manager of General Affairs & Legal Dept., Meiji		
			April 2022	General Manager of General Affairs & Legal Dept., Corporate Administration Div., Meiji		
			April 2023	General Manager of Legal & Risk Management Div., Risk Management Dept., Meiji		
			April 2024	General Manager of Legal Dept., Legal & Risk Management Div., Meiji		
			June 2024	Executive Officer, Meiji		
			June 2025	Audit & Supervisory Board Member, the Company (incumbent)		
Audit & Supervisory Board Member (Full-time)	Yasushi Watanabe	November 22,1966	April 1989	Joined Meiji Seika (Note 3)	(Note 6)	5,822
			June 2016	General Manager of General Affairs Dept., Meiji Seika Pharma		
			April 2017	General Manager, Corporate Development Dept., Meiji Seika Pharma		
			October 2017	General Manager of Corporate Development and Administration Dept., Meiji Seika Pharma		
			July 2018	General Manager of Corporate Administration Dept., Meiji Seika Pharma		
			July 2019	General Manager of International Administration Dept., Meiji Seika Pharma		
			April 2022	General Manager of Legal Dept., Meiji Seika Pharma		
			July 2023	Associate General Manager of Corporate Administration Division, Meiji Seika Pharma		
			June 2025	Audit & Supervisory Board Member, the Company (incumbent)		

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) (incumbent) April 2002 Joined Ando Certified Public Accountant Joint Office (incumbent) June 2017 Outside Audit & Supervisory Board Member, the Company (incumbent)	(Note 6)	13,769
Audit & Supervisory Board Member (Note 2)	Masakazu Komatsu	April 6, 1977	October 2002 Admitted to the bar in Japan as Attorney at Law (Tokyo Bar Association) 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					239,169

(Notes) 1. Among the directors, Mariko Matsumura, Masaya Kawata, Michiko Kuboyama, and Peter D. Pedersen are outside directors pursuant to Article 2, Paragraph 3, Item 7 of the Regulations for Enforcement of the Companies Act.

2. Among the Audit & Supervisory Board Members, Makoto Ando and Masakazu Komatsu are outside Audit & Supervisory Board Members pursuant to Article 2, Paragraph 3, Item 8 of the Regulations for Enforcement of the Companies Act.
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 ended March 31, 2026.
6. The term of office of the Audit & Supervisory Board Members 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, 2026.
8. The Company introduced an executive officer system. There are 12 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	Vice President, Assistant to the President
Jun Hishinuma	CFO, Senior Managing Executive Officer (Corporate Administration Dept., IR Dept., IFRS Management Dept., and Corporate Communication Dept.)

Name	Positions & Responsibilities
Shinji Matsuoka	Managing Executive Officer, Assistant to the President
Shougo Ohishi	CSO, Executive Officer (Risk Management Dept. and Sustainability Management Dept.)
Keiko Kawahata	Executive Officer, Head of Wellness Science Labs
Takefumi Koga	CDO, Executive Officer (Group DX Strategy Dept. and Group DX Management Dept.)
Youichirou Yamagata	Executive Officer, General Manager of Corporate Development Dept.
Shigenori Endou	Executive Officer, General Manager of Corporate Administration Dept.
Toshiyasu Sekine	CHRO, Executive Officer, General Manager of Group HR Strategy Dept.

At the 17th Ordinary General Meeting of Shareholders to be held on June 26, 2026, the Company plans to submit a proposal (resolution item) for "Election of Eight (8) Members of the Board."

If the proposal is approved and adopted 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 meeting to be held immediately after the 17th Ordinary General Meeting of Shareholders.

1) List of directors and other officers

Male: 9, Female: 3 (the ratio of female directors (and other officers) 25.0%)

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	April 1980	Joined Meiji Dairies (Note 4)	(Note 5)	64,005
			June 2012	Executive Officer, Meiji		
			June 2015	Managing Executive Officer, Meiji		
			June 2017	Member of the Board, Meiji		
			June 2017	Senior Managing Executive Officer, Meiji		
			June 2018	Representative Director, Meiji		
			June 2018	President, Meiji		
			June 2018	Member of the Board, the Company (incumbent)		
			June 2020	Executive Officer, the Company (incumbent)		
			June 2020	COO (Food Segment), the Company		
			June 2025	Member of the Board, Meiji Seika Pharma		
			June 2025	Representative Director, the Company (incumbent)		
			June 2025	President, the Company (incumbent)		
			June 2025	CEO, the Company (incumbent)		
			June 2025	President (Corporate Development Dept.), the Company (incumbent)		
			June 2025	President (Group HR Strategy Dept.), the Company		
			June 2025	President (Intellectual Property Strategy Dept.), the Company (incumbent)		
			June 2025	President (Wellness Science Labs), the Company (incumbent)		
			October 2025	President (Group HR Strategy Dept.), the Company (incumbent)		
COO (Pharmaceutical Segment), Member of the Board and Executive Officer	Toshiaki Nagasato	October 1, 1957	April 1983	Joined Meiji Seika (Note 3)	(Note 5)	25,900
			June 2014	Executive Officer, Meiji Seika Pharma		
			June 2017	Member of the Board, Meiji Seika Pharma (incumbent)		
			June 2025	Representative Director, Meiji Seika Pharma (incumbent)		
			June 2025	President, Meiji Seika Pharma (incumbent)		
			June 2025	Member of the Board, the Company (incumbent)		
			June 2025	Executive Officer, the Company (incumbent)		
			June 2025	COO (Pharmaceutical Segment), the Company (incumbent)		
COO (Food Segment), Member of the Board and Executive Officer	Bunjiro Yao	May 28, 1961	April 1984	Joined Meiji Dairies (Note 4)	(Note 5)	54,477
			June 2015	Executive Officer, Meiji		
			June 2017	Managing Executive Officer, Meiji		
			June 2020	Member of the Board, Meiji (incumbent)		
			June 2021	Senior Managing Executive Officer, Meiji		
			June 2023	Vice President, Meiji		
			June 2025	Representative Director, Meiji (incumbent)		
			June 2025	President, Meiji (incumbent)		
			June 2025	Member of the Board, the Company (incumbent)		
			June 2025	Executive Officer, the Company (incumbent)		
			June 2025	COO (Food Segment), the Company (incumbent)		

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held
CFO, Member of the Board and Senior Managing Executive Officer, Corporate Administration Department / IR Department / IFRS Management Department / Corporate Communication Department	Jun Hishinuma	November 5, 1965	April 1988 Joined Meiji Dairies (Note 4) June 2022 Executive Officer, Meiji June 2023 Member of the Board, Meiji June 2023 Managing Executive Officer, Meiji June 2024 Member of the Board, Meiji Seika Pharma (incumbent) June 2024 Member of the Board, the Company (incumbent) June 2024 Managing Executive Officer, the Company June 2024 CFO, the Company (incumbent) June 2024 Managing Executive Officer (Corporate Administration Dept.), the Company (incumbent) June 2024 Managing Executive Officer (IR Dept.), the Company (incumbent) June 2024 Managing Executive Officer (IFRS Management Dept.), the Company (incumbent) June 2025 Senior Managing Executive Officer, the Company (incumbent) April 2026 Senior Managing Executive Officer (Corporate Communication Dept.), the Company (incumbent) June 2026 Member of the Board, Meiji (incumbent)	(Note 5)	18,550
Member of the Board (Note 1)	Masaya Kawata	April 20, 1952	April 1975 Joined Nisshinbo Industries, Inc. (currently Nisshinbo Holdings Inc.) June 2006 Managing Officer, Nisshinbo Industries, Inc. June 2007 Director, Nisshinbo Industries, Inc. April 2009 President and Representative Director of Nisshinbo Brake Inc. June 2010 Executive Managing Officer, Nisshinbo Holdings Inc. June 2011 President and Representative Director, Nisshinbo Chemical Inc. June 2012 Senior Executive Managing Officer, Nisshinbo Holdings Inc. June 2012 President and Representative Director, Nisshinbo Mechatronics Inc. June 2013 President and Representative Director, Nisshinbo Holdings Inc. March 2019 Chairman and Representative Director, Nisshinbo Holdings Inc. June 2021 Outside Member of the Board, the Company (incumbent) March 2022 Chairman and Director, Nisshinbo Holdings Inc.	(Note 5)	3,627
Member of the Board (Note 1)	Michiko Kuboyama	April 16, 1956	April 1980 Joined Kao Soap Co., Ltd. (currently Kao Corporation) April 2006 General Manager, Products Public Relations Department, Kao Corporation April 2011 General Manager, Products Public Relations Center, Kao Corporation May 2016 Communication Fellow, Lifestyle Research Department, Kao Corporation June 2021 Outside Member of the Board, the Company (incumbent)	(Note 5)	1,813
Member of the Board (Note 1)	Peter D. Pedersen	November 29, 1967	September 2000 President, E-Square Inc. January 2015 Representative Director, Next Leaders' Initiative for Sustainability (NELIS) August 2020 Representative Director, NPO NELIS (incumbent) June 2022 Outside Member of the Board, the Company (incumbent)	(Note 5)	1,146

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held
Member of the Board (Note 1)	Yuko Omae	February 17, 1966	April 1996 Admitted to the bar in Japan as Attorney at Law (Dai-Ichi Tokyo Bar Association) April 1996 Joined Kamibayashi Law Office April 2003 Joined Cast Law Firm (currently, Uryu & Itoga Law Firm) June 2003 Partner, Uryu & Itoga Law Firm (incumbent) April 2025 Vice President, Dai-ichi Tokyo Bar Association April 2025 Executive Governor, Japan Federation of Bar Associations June 2026 Outside Member of the Board, the Company (incumbent)	(Note 5)	-
Audit & Supervisory Board Member (Full-time)	Masayori Tamaki	June 8, 1965	April 1989 Joined Meiji Dairies (Note 4) June 2019 General Manager of General Affairs & Legal Dept., Meiji April 2022 General Manager of General Affairs & Legal Dept., Corporate Administration Div., Meiji April 2023 General Manager of Legal & Risk Management Div., Risk Management Dept., Meiji April 2024 General Manager of Legal Dept., Legal & Risk Management Div., Meiji June 2024 Executive Officer, Meiji June 2025 Audit & Supervisory Board Member, the Company (incumbent)	(Note 6)	7,904
Audit & Supervisory Board Member (Full-time)	Yasushi Watanabe	November 22,1966	April 1989 Joined Meiji Seika (Note 3) June 2016 General Manager of General Affairs Dept., Meiji Seika Pharma April 2017 General Manager, Corporate Development Dept., Meiji Seika Pharma October 2017 General Manager of Corporate Development and Administration Dept., Meiji Seika Pharma July 2018 General Manager of Corporate Administration Dept., Meiji Seika Pharma July 2019 General Manager of International Administration Dept., Meiji Seika Pharma April 2022 General Manager of Legal Dept., Meiji Seika Pharma July 2023 Associate General Manager of Corporate Administration Division, Meiji Seika Pharma June 2025 Audit & Supervisory Board Member, the Company (incumbent)	(Note 6)	5,822
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) (incumbent) April 2002 Joined Ando Certified Public Accountant Joint Office (incumbent) June 2017 Outside Audit & Supervisory Board Member, the Company (incumbent)	(Note 6)	13,769
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 Audit & Supervisory Board Member, the Company (incumbent)	(Note 6)	-
Total					197,013

(Notes) 1. Among the directors, Masaya Kawata, Michiko Kuboyama, Peter D. Pedersen, and Yuko Omae are candidates for outside directors pursuant to Article 2, Paragraph 3, Item 7 of the Regulations for Enforcement of the Companies Act.

2. Among the Audit & Supervisory Board Members, Makoto Ando and Masakazu Komatsu are outside Audit & Supervisory Board Members pursuant to Article 2, Paragraph 3, Item 8 of the Regulations for Enforcement of the Companies Act.
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, 2026 to the close of the ordinary general meeting of shareholders for the fiscal year ending March 31, 2027.
6. The term of office of the Audit & Supervisory Board Members 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, 2026.
8. The Company introduced an executive officer system. There are 10 executive officers, four 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 Hishinuma	CFO, Senior Managing Executive Officer (Corporate Administration Dept., IR Dept., IFRS Management Dept., and Corporate Communication Dept.)
Shougo Ohishi	CSO, Executive Officer (Risk Management Dept. and Sustainability Management Dept.)
Keiko Kawahata	Executive Officer, Head of Wellness Science Labs
Takefumi Koga	CDO, Executive Officer (Group DX Strategy Dept. and Group DX Management Dept.)
Youichirou Yamagata	Executive Officer, General Manager of Corporate Development Dept.
Shigenori Endou	Executive Officer, General Manager of Corporate Administration Dept.
Toshiyasu Sekine	CHRO, Executive Officer, General Manager of Group HR Strategy Dept.

2) Outside directors and outside Audit & Supervisory Board Members

As of June 24, 2026 (the filing date of the Annual Securities Report), the Company has four Outside Members of the Board and two Outside Audit & Supervisory Board Members.

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

From FY2021 to FY2025, Peter D. Pedersen received remuneration as an outside expert for the Company's ESG Advisory Board. In addition, he is the representative director of NELIS, a nonprofit organization, and the Company takes part in the activities organized by NELIS. In the latest fiscal year, compensation and participation fees paid to him by the Company amounted to 11.22 million yen, so he satisfies the Company's 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. and TOBU RAILWAY 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 Central Glass Co., Ltd., TOBU RAILWAY CO., LTD., or Nisshinbo Holdings Inc.

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 Makoto Ando is an outside auditor of Nippon Concrete Industries Co., Ltd. He served as an outside director of INV Inc. until June 2024. We do not have any special relationship with Nippon Concrete Industries Co., Ltd. or INV Inc.

The Company plans to submit a proposal for "Election of Eight (8) Members of the Board" as an agenda item (resolution) at the 17th Ordinary General Meeting of Shareholders scheduled for June 26, 2026. If this proposal is approved, Ms. Yuko Omae will assume the position of outside director. In addition, upon the conclusion of this Ordinary General Meeting of Shareholders, Ms. Mariko Matsumura will retire as an outside director, and the number of the Company's outside directors will remain at four.

Ms. Yuko Omae, who is scheduled to be elected as an outside director, does not hold any shares in the Company, and has no personal, capital, business, or other interest relationship with the Company. She is also an outside director of Open House Group Co., LTD. We do not have any special relationship with Open House Group Co., LTD.

The Company plans to notify the Tokyo Stock Exchange that she is an Independent Officer as provided for in the regulations of the Tokyo Stock Exchange.

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 executive officers of that party, or a major business partner of the Company, or executive officers of that 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

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 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 Members 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.

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.	5/5
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.	5/5
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.	5/5
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.	12/12
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.	12/12
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.	17/17
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.	11/12

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 17 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	10 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	5 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	21 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	129 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 four out of four meetings, Masayori Tamaki and Yasushi Watanabe attended 13 out of 13 meetings, Makoto Ando attended 17 out of 17 meetings, and Masakazu Komatsu attended 11 out of 13 meetings. In addition, the Audit & Supervisory Board holds regular meetings twice a year with the CEO, President and Representative Director, as well as the representative directors and presidents of operating 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.

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: Hideyuki Fujita, Masatoshi Komiya, 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 32 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	Previous fiscal year		Current fiscal year	
	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	141	3	143	12
Consolidated subsidiaries	139	-	145	-
Total	281	3	288	12

(Notes) 1. Details of non-auditing services provided by auditing certified public accountants, etc. are as shown below.

(Previous fiscal year)

Fees were paid for domestic comfort letter preparation services.

(Current fiscal year)

Fees were paid for third-party verification services for the Company's quantitative environmental information.

2. In addition to the fees based on audit and attestation services for the Company listed above, there is additional compensation of 1 million yen related to the previous fiscal year.

3. In addition to the fees based on audit and attestation services for consolidated subsidiaries listed above, there is additional compensation of 1 million yen related to the previous fiscal year.

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

Categories	Previous fiscal year		Current fiscal year	
	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	-	0
Consolidated subsidiaries	168	248	170	85
Total	168	250	170	85

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

(Previous fiscal year)

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

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.

(Current fiscal year)

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

In relation to non-consolidated subsidiaries, fees paid for audit services were JPY 15 million, and fees based on non-audit services were JPY 3 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)

Outline and results of executive remuneration system for payments in FY2025

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’ 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	・Determined according to the position ・A director allowance is paid as remuneration for work overseeing business execution. ・Paid as monthly remuneration
Variable remuneration	Performance-linked remuneration	・The amount of payment fluctuates every year according to corporate and individual performance. ・Consolidated operating profit and ROIC are used as indicators for corporate performance. ・The achievement rate of a single fiscal year budget is assessed for corporate performance. ・The calculated amount is divided by the number of months of the term of office and paid as monthly remuneration.
	Share remuneration	・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. ・Granted each year during a certain period after the completion of the General Meeting of Shareholders

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 a single fiscal year budget (“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 43% to 49% for fixed remuneration and 51% to 57% 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 compensation paid to executive officers in the current fiscal year, discussions were held at the Compensation Committee meeting held on June 5, 2025 concerning the amount of compensation for each individual based on the corporate and individual performance evaluation results in accordance with the compensation system, and a resolution was adopted at the Board of Directors meeting held on June 27, 2025 for the portion excluding individual performance evaluations.

In addition, 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 same Board of Directors meeting specifying that CEO, President and Representative Director Katsunari Matsuda shall decide the amount of remuneration for each individual, as well as the results of individual performance, in light of 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
Mariko Matsumura	Outside director	2 of 2 meetings
Masaya Kawata	Outside director	2 of 2 meetings
Michiko Kuboyama	Outside director	2 of 2 meetings
Peter D. Pedersen	Outside director	2 of 2 meetings
Kazuo Kawamura	CEO, President and Representative Director	2 of 2 meetings

(Note) Mr. Kazuo Kawamura stepped down upon the conclusion of the 15th Ordinary General Meeting of Shareholders held on June 27, 2025, as his term of office expired.

Activities of the Compensation Committee

Meeting date	Details of deliberations
April 15, 2025	Verification of executive remuneration levels Policies regarding the payment of remuneration for directors and executive officers for FY2025
June 5, 2025	Partial revision of the regulations on remuneration for directors and executive officers Policies regarding the determination of remuneration for directors and executive officers for FY2025 The amount of remuneration of each individual in FY2025 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 2026 Medium-Term Business Plan. Individual performance is also added to the evaluation items for executive officers excluding the CEO, President and Representative Director, Vice President, Member of the Board, 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	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.
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, Vice President, Member of the Board, 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 (FY2024)	Target amount
Fiscal year target evaluation	Consolidated operating profit (100 millions of yen)	847	870
	ROIC (%)	6.8	7.0

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

● 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 or more 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 9.8 pt, the target set for the period of the 2026 Medium-Term Business Plan.
- 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.

● Outline of share remuneration system

The share remuneration system seeks to provide incentives to improve the corporate performance of the Meiji Group and to further promote the sharing of interests between directors and shareholders.

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 to 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 (FY2024)	Target amount
Meiji ROESG (pt)	9.5	9.8

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

<table>
<tr><th rowspan="4">Officer category</th><th rowspan="4">Total amount of remuneration (Millions of yen)</th><th colspan="6">Total amount by remuneration type (Millions of yen) and number of eligible officers</th></tr>
<tr><th colspan="4">Monetary remuneration</th><th colspan="2">Non-monetary remuneration</th></tr>
<tr><th colspan="2">Basic remuneration</th><th colspan="2">Performance-linked remuneration</th><th colspan="2">Share remuneration</th></tr>
<tr><th>Total amount</th><th>Number of eligible officers</th><th>Total amount</th><th>Number of eligible officers</th><th>Total amount</th><th>Number of eligible officers</th></tr>
<tr><td>Directors excluding outside directors</td><td>296</td><td>133</td><td>7</td><td>94</td><td>4</td><td>68</td><td>4</td></tr>
<tr><td>Audit & Supervisory Board Members excluding outside Audit & Supervisory Board Members</td><td>66</td><td>66</td><td>4</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Outside directors</td><td>68</td><td>68</td><td>4</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Outside Audit & Supervisory Board Members</td><td>29</td><td>29</td><td>3</td><td>-</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Total</td><td>460</td><td>296</td><td>18</td><td>94</td><td>4</td><td>68</td><td>4</td></tr>
</table>

(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

<table>
<tr><th rowspan="3">Name</th><th rowspan="3">Officer category</th><th rowspan="3">Company</th><th colspan="3">Remuneration type (Millions of yen)</th><th rowspan="3">Total consolidated remuneration (Millions of yen)</th></tr>
<tr><th colspan="2">Monetary remuneration</th><th>Non-monetary remuneration</th></tr>
<tr><th>Basic remuneration</th><th>Performance-linked remuneration</th><th>Share remuneration</th></tr>
<tr><td rowspan="3">Katsunari Matsuda</td><td>Directors</td><td>Reporting company</td><td>35</td><td>41</td><td>28</td><td rowspan="3">145</td></tr>
<tr><td>Directors</td><td>Meiji Co., Ltd.</td><td>14</td><td>6</td><td>6</td></tr>
<tr><td>Directors</td><td>Meiji Seika Pharma Co., Ltd.</td><td>12</td><td>-</td><td>-</td></tr>
<tr><td rowspan="2">Bunjiro Yao</td><td>Directors</td><td>Reporting company</td><td>10</td><td>-</td><td>-</td><td rowspan="2">123</td></tr>
<tr><td>Directors</td><td>Meiji Co., Ltd.</td><td>51</td><td>36</td><td>26</td></tr>
</table>

(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 2025, the Company sold two issues in its entirety 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 at less than 5.0% 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 2026 was about 4.0% of the consolidated net assets.

The Group continues to reduce the shares held as cross-shareholdings on a medium-to-long term basis. As of the end of March 2026, the total amount has been reduced by 60.9% on a book value basis compared to the figure at the end of March 2015, which was immediately before introducing 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	4	217
Shares other than those not listed	9	19,885

(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	-	-	-
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	1	1
Shares other than those not listed	2	555

(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 Number of shares Book value (Millions of yen)	Previous fiscal year Number of shares Book value (Millions of yen)	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
Kikkoman Corporation	3,870,000 5,553	3,870,000 5,576	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
Nippon Beet Sugar Manufacturing Co., Ltd.	993,845 4,074	993,845 2,268	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
Toyo Suisan Kaisha, Ltd.	232,000 2,552	232,000 2,040	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
Nisshin Seifun Group Inc.	1,045,220 2,190	1,045,220 1,808	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
Yakult Honsha Co., Ltd.	743,680 1,978	743,680 2,122	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
ROHTO Pharmaceutical Co., Ltd.	656,200 1,579	656,200 1,467	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
Kameda Seika Co., Ltd.	246,400 1,071	246,400 962	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
NIPPN Corporation	315,900 857	315,900 685	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
ADEKA Corporation	8,000 28	8,000 21	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
Nippon Kayaku Co., Ltd.	- -	207,100 292	This company's shares are not held as of March 31, 2026.	None

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	This company's shares are not held as of March 31, 2026.	None
	-	75		

(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 2025 review, the Executive Committee of Meiji Co., Ltd. concluded that the company should continue holding 75 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	27	1,760
Shares other than those not listed	50	11,240

(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	-	-	-
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	0
Shares other than those not listed	3	522

(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)		
AEON Co., Ltd.	1,146,186	381,282	Shares are held to strengthen the Company's transactional relationships, as it is a customer in the Food Segment. The increase in the number of shares was due to a stock split by the issuer.	None
	2,159	1,429		
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
	1,826	1,770		
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
	1,684	1,715		
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
	734	644		
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
	501	413		
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
	438	322		
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
	424	255		
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
	415	277		

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)		
United Super Markets Holdings Inc.	395,168	395,168	Shares are held to strengthen the Company's transactional relationships, as it is a customer in the Food Segment.	None
	354	326		
LIFE CORPORATION	112,306	*	Shares are held to strengthen the Company's transactional relationships, as it is a customer in the Food Segment.	None
	285	*		
Mitsubishi Shokuhin Co., Ltd.	-	52,800	This company's shares are not held as of March 31, 2026.	None
	-	258		

(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
	9,822	6,536		
Mitsubishi UFJ Financial Group, Inc.	3,475,400	3,475,400	Has the right to give instructions regarding the exercise of voting rights.	None
	9,036	6,989		
Sumitomo Mitsui Trust Group, Inc.	153,000	153,000	Has the right to give instructions regarding the exercise of voting rights.	None
	750	569		

(Note) While the quantitative effects of shareholding are not disclosed owing to confidentiality with our business partners, we consider that there are sufficient quantitative effects based on (i) above.

5. Employees, etc.

(1) Basic policies on human capital strategy, etc.

1) Basic Policies

As part of the human resource strategy to achieve the management strategies outlined in the 2026 Medium-Term Business Plan, we have identified "(i) Development of human resources and working environments for competing globally" to drive business in growth markets; "(ii) Promotion of human capital sustainability" to support a solid business foundation, including the domestic market; and "(iii) Improvement of the effectiveness of the Group HR functions" as an HR management approach to achieve these, and we are restructuring processes ranging from recruitment to development and evaluation, and promoting various HR initiatives.

Management strategy Business model	• **Growth markets: "global" and "new"** • **A solid structure in the domestic market**
↓	
Dependence on and impact of human capital	• **Human capital driving growth in global markets and new business growth** • **Revitalization of human capital supporting existing and domestic markets**
↓	
Human capital-related risks and opportunities	• **Acquisition, development, and engagement of human capital driving new markets and businesses** • **Revitalization of human capital supporting existing and domestic markets**
↓	
Human capital strategy	**(i) Development of human resources and working environments for competing globally** **: Recruitment and retention, human capital development (global business personnel, managerial talent)** **(ii) Promotion of human capital sustainability** **: Challenge and growth for all employees (evaluation and compensation systems, career and skills development)** **: An environment that enables individuals and organizations to maximize their capabilities (e.g., DE&I, engagement)** **(iii) Strengthening Group HR functions to support (i) and (ii) (human capital management transformation)**
↓	
KPI	✓ **Employee engagement** ✓ **Global business personnel sufficiency rate** ✓ **Number of the Group's managerial talent pool** ✓ **Voluntary training participation rate** ✓ **Success for diverse human capital (e.g., percentage of women, mid-career hires, and globally experienced personnel, percentage of male workers taking childcare leave)** ✓ **A comfortable work environment (e.g., absenteeism, presenteeism, and annual paid leave usage rate)**

i. Development of human resources and working environments for competing globally

<Strengthening human capital through recruitment>

As part of our efforts to strengthen our human capital to drive growth in the global market, we have focused on recruiting external talent; as a result, the proportion of mid-career hires in both career track and managerial positions has exceeded 40% over the past four years (Proportion of mid-career hires: 25.0% in FY2021 ⇒ 45.6% in FY2025). In the Food Segment, we are recruiting highly skilled professionals with global business experience, while in the Pharmaceutical Segment, we are focusing on strengthening mid-career hiring, particularly in the R&D department. We are also pursuing new innovation initiatives by recruiting R&D talent with expertise in both the food and pharmaceutical sectors.

In addition, we acquire and develop human capital that will drive the future growth of our overseas operations by assigning new graduates with global aspirations to overseas business departments from the outset and dispatching them to overseas offices at an early stage.

<Expanding global business personnel>

To transform our human capital portfolio, we are striving to strengthen personnel with the skills and capabilities to contribute to our global business expansion. Defining the Meiji Group’s global business personnel as individuals who demonstrate, in addition to standard business skills, a high level of “acceptance of diversity,” the ability to understand and embrace different cultures, values, and business practices, as well as “communication skills,” the ability to effectively convey their own opinions and understand those of others, we are strengthening their skill development and conducting regular monitoring (Proportion of global business personnel: 28.8% in FY2025).

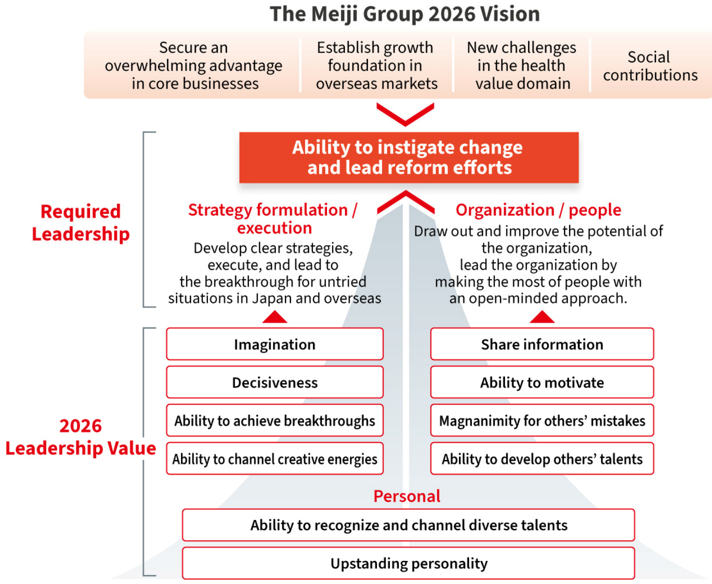
In addition to the above, we are focusing on expanding our global business personnel by combining various approaches, such as regularly holding open recruitment for transfers to overseas business divisions and introducing multiple overseas trainee programs to provide more motivated employees with opportunities to engage in overseas operations.

<Building a talent pipeline for management of the Group>

We are focusing our efforts into identifying and developing managerial talent within the Group, as these individuals are key to driving the Meiji Group’s growth strategy. We have been implementing the Group management human capital development program since FY2021 to systematically foster and monitor human capital, with a focus on human capital for transformation and strategy, who have not only knowledge, skills, and the capability to implement strategy in each business, but also perspectives, horizons, and views that are necessary for developing and promoting management strategy. With the CEO serving as chair, we are developing the ability to “spur changes and lead reforms,” a leadership value of the Meiji Group. To date, a total of 284 individuals have participated in the program, and as of the end of March 2026, the Group’s managerial talent pool consists of 32 individuals.

Starting in FY2026, we will launch succession planning for key executive positions, including CxOs, with the aim of expanding our pipeline of managerial talent in line with our strategic objectives.

The Meiji Group 2026 Vision



ii. Promotion of human capital sustainability

In the Company’s management strategy, it is essential that we lay a solid foundation in the existing domestic market in order to achieve growth in new markets, including global markets. We will enhance the effectiveness of the Group’s growth strategy by encouraging not only employees driving the growth markets but also those maintaining and driving the overwhelming competitive advantage of our domestic operations to play proactive roles, as well as by revitalizing our organization to enable all employees to fully demonstrate their capabilities.

<New HR system helping all employees take on challenges and grow>

In April 2025, we introduced a new HR system designed to foster an environment where all employees can take on challenges and continue to grow independently as key players who support our business and create new markets. Under the new system, the focus has shifted from the previous skill-based grading system to one centered on duties and roles. The system encourages motivated employees to play active roles through assignments that match talents with suitable positions, and promotions and appointments 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.

In the evaluation system under the new personnel system, we have established a mechanism that enables each and every employee to set challenging work goals aligned with organizational objectives in order to achieve high performance, and supervisors will step up their support for employees to help attain these goals. Achievements and action will be evaluated using absolute standards; we will operate a system that is approved by everyone and drives a cycle toward further growth.

Regarding the remuneration system, meanwhile, we set remuneration levels appropriate to each individual's duties and roles, while keeping an eye on labor market trends, thereby creating a working environment that ensures external competitiveness.

<Creating a supportive work environment to help organizations and employees maximize their potential>

Creating an environment where our diverse workforce can work safely and with peace of mind while being true to themselves is the cornerstone of our human resources strategy, which supports all our business activities, and is essential to the Meiji Group's sustainable growth.

The Meiji Group has identified "Promotion of DE&I," including the promotion of diversity among decision-makers, the strengthening of "Health and Productivity Management" and "Occupational Safety," and the "Promotion of Smart Work," which emphasizes high productivity without unnecessary strain or waste, as key priorities. We are actively working to create a workplace environment where all employees can perform to the best of their abilities. (For details, see 3) In-house Environmental Improvement Policy)

iii. Improve the effectiveness of the Group HR functions (human capital management transformation)

In conjunction with the introduction of the new HR system, we have established HRBPs (Human Resource Business Partners) in each business and functional division as a new HR function. We are evolving from our previous administrative approach to human capital management toward a management style that drives the realization of business strategies from the perspectives of human capital and organization, thereby promoting human capital strategy linked to management strategy.

In addition, to enhance the effectiveness of the new HR system centered on duties and roles, we have introduced a talent management framework. By regularly conducting a skills and experiences inventory of employees, we aim to motivate them to pursue self-directed skill development aligned with the requirements of each position, as well as to ensure that employees are placed in roles that best suit their abilities.

2) 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. In particular, we are strengthening our approach that emphasizes self-directed learning for each employee, encouraging voluntary participation in programs, and actively investing in the development of motivated talent. (Voluntary training participation rate: 24.5% in FY2025; and 23.3% in FY2024)

In order to realize the "Long-Term Vision" and the "Ideal human capital and organizational culture" outlined in the Meiji Group 2026 Vision, we are implementing a range of competency development programs under the "Meiji Group Human Resources Development Policy" and the "Competency Development Framework." These programs are designed to foster human capital with the qualities and capabilities required by the Meiji Group, while also helping each individual employee take on challenges and grow.

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 with the Company's visions and Group Philosophy

	New employees	Mid-career employees	Managers	Objectives
Developing next-generation leaders		• Training for next-generation leaders • Training at business school and external venues (management school / interaction with and exposure to other industries / developing managers)	• Training for top management	• Fostering innovation capabilities • Developing next-generation leaders • Developing next-generation managers
Global training Diversity management DX personnel development		• Global training (language training / e-learning / overseas assignments) • Training for employees in their childcare years • Training for DX personnel development	• DE&I training for new managers	• Developing personnel to work overseas • Strengthening diversity management • Increased use of digital technology
Rank-based training	• Training for new graduates • Onboard training for mid-career hires	• Training for promoted employees • Training for career track employees • Training for major career track employees	• Training for new managers	• Training for young employees • Onboarding to each stage • Enhancement of management skills
Voluntary training Career development	• Voluntary training • Career design training			• Self-development support • Promotion of career development
Division-specific training, Group company training, etc.	• Division-specific training (corporate / R&D / quality, manufacturing technologies / logistics, sales, MR / marketing / global / sustainability / information systems) • Training for Group company employees (new employees, business management)			• Enhancing division-specific expertise • Strengthening the Group

	Program's goals	Number of participants (Total number of participants)	Average total length (Hours)	Average course cost (Thousand yen)
Developing next-generation leaders	・ Develop personnel with a wider range of skills and perspectives ・ Develop strategic thinking, reasoning, decision-making, and communication skills	2,553	3.5	46.4
Global training Diversity management DX personnel development	・ Develop personnel competent in global business ・ Foster work environment that can encourage and promote human capital with diverse backgrounds	6,404	0.3	0.9
Rank-based training	Skills training at each career stage ・ Strengthen their ability to foster their subordinates / younger personnel ・ Enhance management skills to make the team/organization more dynamic ・ Cultivate an awareness of self-reform as participants seek to become next-generation/management leaders	1,362	19.3	54.2
Voluntary participation training, self-development, etc.	・ Promote employee's learning autonomy and develop autonomous human capital	7,875	8.1	18.7
Division-specific and Group company training, etc.	・ Develop the business skills they need for work	166,929	1.6	1.4

Number of participants of the course in FY2025 (managers and general employees, average total length, average course cost)

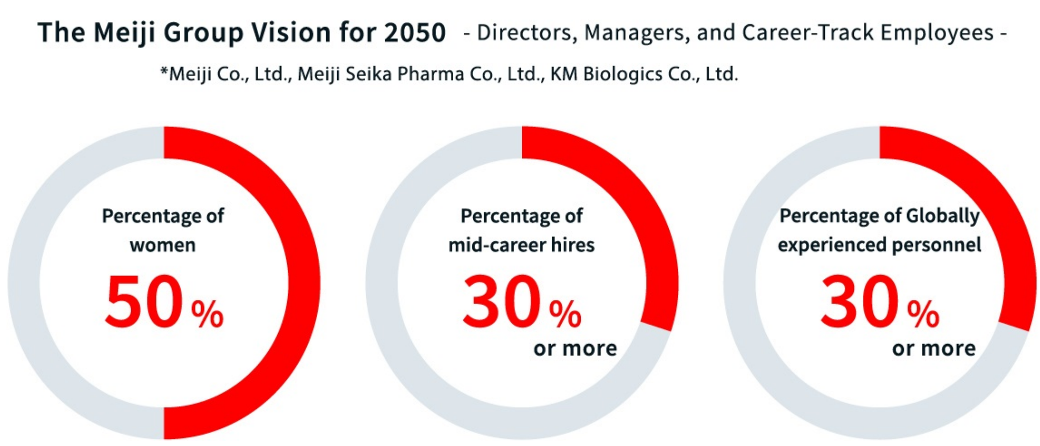
*Meiji Co., Ltd., Meiji Seika Pharma Co., Ltd., KM Biologics Co., Ltd.

3) In-house Environmental Improvement Policy

i DE&I (diversity, equity and inclusion)

Under the "Meiji Group Diversity, Equity, and Inclusion Policy," 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.

As part of the Meiji Group's vision of "DE&I realized," we have set the following target levels for key demographics (women, mid-career hires, and international talent) by 2050 and are strengthening our efforts to achieve them.



<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, we foster a mindset geared toward executive-level roles by implementing selective training programs designed to prepare participants for promotion to senior positions, as well as through empowerment initiatives such as mentoring by internal and external mentors. In addition, to support employees raising children and improve managerial practices, we conduct joint training sessions for these employees and their supervisors. Through exercises designed to foster empathy, we aim to enhance mutual understanding and create a workplace environment where everyone can freely demonstrate their abilities without hesitation. 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.

Leadership pipeline building	Support for encouraging and promoting employees in the childcare period	Supervisor management
Awareness building for management and managers	From support for balancing to support for encouraging and promoting	Management of diverse human capital
– Selective training for female executive candidates – Internal and external cross-mentoring – Networking event for female managers and leaders – Training for female managers and leaders	– Training for employees in the childcare period – Network construction support – Development of interviews before and after the childcare period	– Unconscious bias training – Evaluator training – Training for supervisors who have employees in the childcare period under their supervision

<Career hires>

To incorporate a wide range of expertise and diverse perspectives and facilitate organizational flexibility, we actively recruit experienced professionals with extensive experience at other companies. In addition, we have introduced a comeback system that allows former employees who have left the Company to reapply for employment. Through the rehiring of individuals who have know-how and knowledge gained in the Meiji Group and who have acquired diverse experience and knowledge outside the Group, we aim to revitalize the Group and create new value.

<Overseas human capital>

We are strengthening the recruitment of overseas human capital (those with more than half a 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.

<Male employees’ childcare leave>

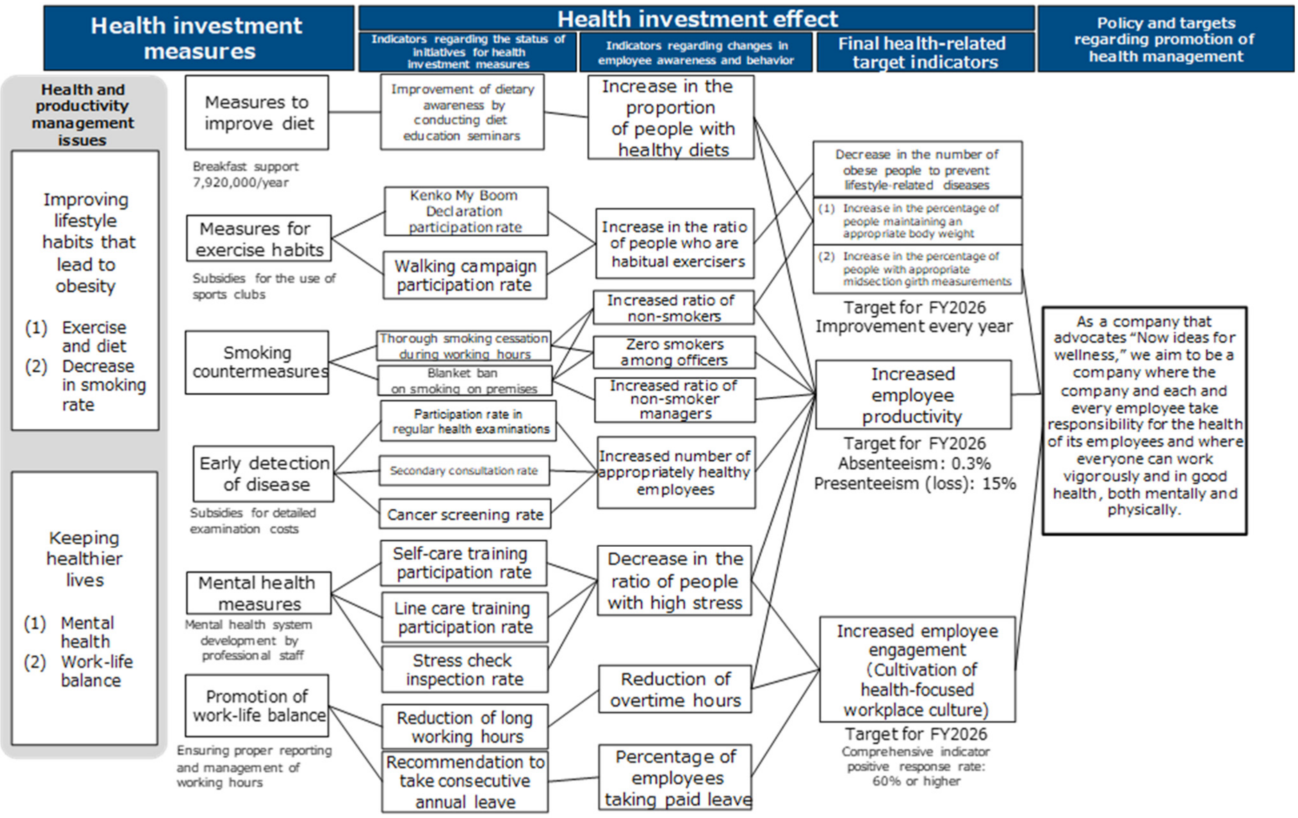
We are encouraging male employees to take childcare leave as part of our efforts to create a worker-friendly workplace for all employees regardless of gender. Currently, we have increased the maximum number of childcare leave days that male employees can take to 28 days, to further promote male participation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

ii Health and Productivity Management

In the belief that the driving force for continued growth as a corporate Group that represents the Group slogan “New Ideas for Wellness” is the healthier lives of employees, 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 have identified "improving lifestyle habits," "early disease detection," and "mental health" as our three key priorities. In FY2025, we implemented initiatives such as smoking cessation programs for managers with the involvement of top management and financial assistance for secondary cancer screenings at certain operating companies.

<Health and Productivity Management Strategy Map>



iii Occupational safety

In accordance with the Meiji Group Occupational Health and Safety Policy, we are continuously working to ensure safety in the workplace based on the recognition that safety takes precedence over everything else. Having established "Zero Major Disasters," "Zero Crushing and Entanglement Accidents," and "Zero Major Traffic Accidents" as key performance indicators (KPIs) under the 2026 Mid-Term Business Plan, we are strengthening our efforts to prevent occupational accidents and legal violations by implementing measures to foster safety awareness among employees and conducting risk assessments for new facilities prior to operation and performing safety audits and inspections of existing facilities across the Group, all while ensuring widespread awareness of and compliance with safety measures and regulations.

iv Smart work

To achieve further growth for the Meiji Group, it is essential not only that our diverse workforce remains physically and mentally healthy and works to their full potential, but also that each individual places greater emphasis on creative work than ever and adopts a work style focused on autonomy, challenge, growth, and co-creation. We will promote smart work based on the three pillars of "development of systems and frameworks," "improvement of workplace processes," and "transformation of employee mindsets and behaviors," to create a condition where each and every employee works productively and where individual and team potential are maximized.

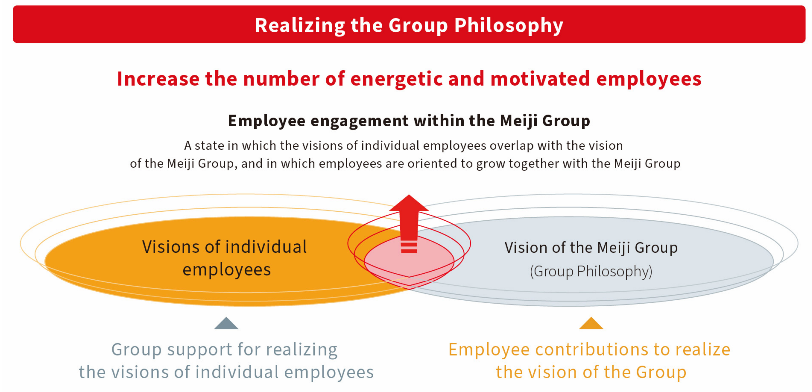
In FY2025, we promoted continuous changes in awareness and behavior through initiatives such as the company-wide rollout of the Meeting Challenge to improve meeting efficiency and the implementation of time management training for all line managers. Introducing a new performance evaluation criterion for managers focused on improving overall organizational productivity in FY2026, we will press ahead with a shift to smarter work practices by tackling both the development of systems and frameworks and the transformation of employee mindsets and behaviors.

v. Evaluations from external organizations, etc. regarding the improvement of the workplace environment

Nadeshiko Brands	PRIDE Index		Outstanding Health and Productivity Management Organization (White 500)
	"Gold"	"Rainbow"	
Next Nadeshiko Selected as a Company Supporting Dual-career and Co-parenting (2024, 2026) *Meiji Holdings Co., Ltd.	Awarded for three consecutive years (2023–2025) *Three Meiji Group companies	Awarded for three consecutive years (2023–2025) *Meiji Co., Ltd.	Recognized for ten consecutive years (2017–2026) *Meiji Holdings Co., Ltd.

vi. Employee engagement

The Meiji Group has identified employee engagement as the most important indicator of its human capital management. Defining employee engagement within the Group as a state in which the visions of individual employees overlap with the visions of the Meiji Group, and in which employees are oriented to grow together with the Meiji Group for the realization of the Group philosophy, we have designed engagement programs based on our proprietary survey. To realize employee engagement, it is necessary to create mechanisms and an environment that enable both employees and the company to clearly envision their respective ideal states, foster mutual understanding and empathy, and support and inspire each other. We have categorized the factors necessary to realize this into six themes: "Company," "Workplace," "Supervisor," "Work," "HR System," and "Self." We conduct an annual engagement survey and monitor progress based on the detailed items associated with each of these themes.



Results of the engagement survey (Affirmative response rate)

		FY2025	FY2024	Year-on-year difference
Overall indicator		59.7%	56.6%	3.1%
Company	Philosophy and strategies	56.6%	51.3%	5.3%
	Company foundation	80.9%	79.1%	1.8%
	Transformation activities	54.2%	48.8%	5.4%
Workplace		74.4%	73.5%	0.9%
Supervisor		76.7%	76.0%	0.7%
Work		60.2%	58.6%	1.6%
Self		64.1%	61.0%	3.1%
HR system/measures		30.8%	33.5%	-2.7%

The results of the FY2025 survey revealed that the most pressing issue at present is understanding and implementing the new HR system. Accordingly, we postponed the initiatives originally planned to define the visions of individual employees, and instead prioritized training for evaluators and one-on-one meetings across the organization, thereby increasing our efforts to strengthen the operation of the new HR system.

Meanwhile, the workplace-driven initiative to align the Group's and employees' visions, which has already yielded some results, is being implemented primarily by managers. In addition, to generate best practices early on and foster a culture of engagement, we implemented support measures tailored to each department's specific challenges.

By continuously repeating the cycle of identifying challenges and developing solutions through the analysis of engagement surveys, we will foster an organizational culture in which employees and the company pull together to drive the growth of the Meiji Group.

4) Policy for Determining Employee Salaries, etc.

The source of the Meiji Group's sustainable growth lies in the growth and contributions of each and every employee. Based on this belief, we place great importance on balancing the stability of our employees' lives with sustainable corporate growth, and strive to maintain and improve appropriate and stable wage levels in light of business performance trends and the economic environment.

Furthermore, regarding base pay, which serves as the foundation for supporting employees' stable livelihoods, we have designed our compensation system that takes into account the wage levels of other companies. In addition, we have responded flexibly to recent inflation, resulting in a 5.0% base pay increase for the third consecutive year, which is reflected in the table of grade-based salaries and grade-based annual salaries below.

<Grade-based salaries / grade-based annual salaries>

For regular employees, we have established salary levels for each grade (grade-based salary) based on grade definitions centered on roles, which encompass both the skills necessary to perform their duties and the duties they are responsible for. Once a year, we adjust salaries based on individual performance evaluations, creating a highly equitable system that rewards each employee's achievements and growth.

For managers, we have defined grades based on the scope of each individual's duties, taking into account the level of responsibility and results achieved. We have established market-competitive salary levels (grade-based annual salaries) by referring to external compensation surveys. Annual salary adjustments based on performance evaluations feature a wider range of increases and decreases than those for regular employees, creating a system that encourages each manager to take on challenges and grow independently.

<Bonuses / performance-based annual salaries>

Bonuses and performance-based annual salaries, which serve as incentives for employees' contributions to corporate performance, are determined based on both individual and corporate performance. We provide this compensation as a reward for their achievements and as a testament to the mutual growth of both employees and the company.

For both regular employees (bonuses) and managers (performance-based annual salaries), compensation amounts are determined based on an absolute evaluation of performance at each grade level. In particular, for managers, who are the driving force behind the Meiji Group's growth, we have designed a compensation structure with a well-defined range that places greater emphasis on performance. By ensuring that performance is directly reflected in compensation, we aim to foster a strong motivation to achieve ambitious goals.

<Determination process>

We conduct consultations and negotiations with the labor union regarding wage revision, comprehensively considering the business environment, business performance trends, and labor market conditions. The terms agreed upon through these negotiations are finalized following deliberation and approval by internal decision-making bodies, such as the Executive Committee.

5) Incentive Plan Using Transfer-Restricted Shares for Employees

Transfer-restricted shares are granted to employees in managerial positions at the Company's operational subsidiaries who lead the Group's medium- to long-term business plan and its sustainable corporate growth. The purpose of this plan is to enhance employees' motivation to contribute to the improvement of the Group's corporate value and to further promote value sharing between eligible employees and shareholders. Each eligible employee is granted 100 shares, which corresponds to one trading unit of shares of the Company.

In addition, from the perspective of encouraging sustained motivation and contribution over the medium to long term, transfer restrictions are imposed on the granted shares. The restriction period is set from the payment date of the allotted shares until the end of the "Meiji Group 2026 Vision" period.

(2) Employees

1) Information about group

As of March 31, 2026

Segment	Number of employees
Food	9,845 [3,836]
Pharmaceutical	6,953 [2,754]
Company-wide (Common)	305 [47]
Total	17,103 [6,637]

(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, 2026

Number of employees	Average age (Years)	Average length of service (Years)	Average annual salary (Thousand yen)	Change in average annual salary compared to the previous fiscal year (%)
298 [31]	43.0	18.0	9,380	3.1

Segment	Number of employees
Company-wide (Common)	298 [31]
Total	298 [31]

(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.

3) Current status of companies with the largest workforce

i. The company with the largest number of employees during the current fiscal year
Meiji Co., Ltd.

As of March 31, 2026

Number of employees	Average age (Years)	Average length of service (Years)	Average annual salary (Thousand yen)	Change in average annual salary compared to the previous fiscal year (%)
5,307 [2,864]	43.3	20.5	8,517	4.6

(Notes) 1 The number of employees is the number of full-time employees (excluding employees transferred from the Company to outside and including employees transferred from outside to the Company). 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.

ii. The company with the second-largest number of employees after the one listed in i. above
Meiji Seika Pharma Co., Ltd.

As of March 31, 2026

Number of employees	Average age (Years)	Average length of service (Years)	Average annual salary (Thousand yen)	Change in average annual salary compared to the previous fiscal year (%)
1,629 [227]	43.3	17.7	9,405	4.0

(Notes) 1 The number of employees is the number of full-time employees (excluding employees transferred from the Company to outside and including employees transferred from outside to the Company). 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.

4) Labor union status
The main labor unions in the Group are the Meiji Labor Union (5,340 members as of March 31, 2026) and the Meiji Seika Pharma Labor Union (1,317 members as of March 31, 2026).
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.

5) Percentage of female employees in managerial positions, rate of male employees taking childcare leave, and differences in wages between male and female employees
Indicators of diversity for the current fiscal year are as follows.

i. 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 managerial positions (%)	Rate of male employees taking childcare leave (%)	Differences in wages between male and female employees (%)		
			All employees	Employees	Temporary employees
Meiji Co., Ltd.	5.7	96.7	51.8	71.2	54.2
Meiji Seika Pharma Co., Ltd.	12.8	100.0	70.0	72.6	64.4
KM Biologics Co., Ltd.	7.8	90.6	49.1	58.4	69.6
Meiji Fresh Network Co., Ltd.	1.9	80.0	58.4	66.2	45.6
Shikoku Meiji Co., Ltd.	2.9	100.0	52.6	80.3	70.1
Meiji Logitech Co., Ltd.	2.0	100.0	54.6	59.9	50.9
Gunma Meiji Co., Ltd.	0.0	*	59.6	77.7	47.5
Meiji Chewing Gum Co., Ltd.	20.7	100.0	85.1	107.7	52.0
Donan Shokuhin Co., Ltd.	10.0	*	65.1	73.7	85.8
Tokai Nuts Co., Ltd.	9.1	*	70.8	74.6	74.9
Meiji Ad Agency Co., Ltd.	10.0	100.0	64.9	65.7	0.0
Meiji Feed Co., Ltd.	0.0	60.0	51.0	61.0	59.0
Nihon Kanzume, Co., Ltd.	7.7	0.0	50.1	90.7	73.2
Tochigi Meiji Milk Products Co., Ltd.	14.3	*	78.1	85.2	84.3

Name	Percentage of female employees in managerial positions (%)	Rate of male employees taking childcare leave (%)	Differences in wages between male and female employees (%)		
			All employees	Employees	Temporary employees
Ohkura Pharmaceutical Co., Ltd.	15.4	*	65.0	82.3	57.8
Meiji Seika Pharmatech Co., Ltd.	10.0	100.0	60.8	74.6	77.9

ii. Information about Group

	Percentage of female employees in managerial positions (%)	Rate of male employees taking childcare leave (%)	Differences in wages between male and female employees (%)			
			All employees	Employees		Temporary employees
					Managers	
Meiji Holdings and domestic consolidated subsidiaries	7.6	97.4	54.5	69.6	92.4	56.7

(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 managerial positions and the differences in wages between male and female employees 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).
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 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 54.5%. 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."

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 current fiscal year (from April 1, 2025 to March 31, 2026) 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 standards and establish systems to respond to the changes in accounting standards 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, 2025		As of March 31, 2026
Assets				
Current assets				
Cash and deposits	*3	78,191	*3	69,249
Notes and accounts receivable - trade	*1	189,533	*1	195,682
Merchandise and finished goods		127,621		144,727
Work in process		5,084		9,940
Raw materials and supplies		81,919		100,894
Other		58,817		65,230
Allowance for doubtful accounts		-401		-363
Total current assets		540,765		585,361
Non-current assets				
Property, plant and equipment				
Buildings and structures		377,109		386,428
Accumulated depreciation		-189,056		-204,335
Buildings and structures, net	*3, *4	188,053	*3, *4	182,092
Machinery, equipment and vehicles		598,984		609,934
Accumulated depreciation		-438,925		-462,316
Machinery, equipment and vehicles, net	*3, *4	160,059	*3, *4	147,618
Tools, furniture and fixtures	*4	60,292	*4	60,432
Accumulated depreciation		-47,456		-49,725
Tools, furniture and fixtures, net		12,836		10,706
Land	*3	76,092		76,209
Leased assets		3,313		3,147
Accumulated depreciation		-2,260		-1,156
Leased assets, net		1,053		1,991
Construction in progress		45,807		91,306
Total property, plant and equipment		483,901		509,924
Intangible assets		19,240		21,791
Investments and other assets				
Investment securities	*2	78,354	*2	75,335
Retirement benefit asset		37,616		45,593
Deferred tax assets		15,773		4,909
Other		8,873		19,011
Allowance for doubtful accounts		-54		-168
Total investments and other assets		140,563		144,680
Total non-current assets		643,706		676,397
Total assets		1,184,472		1,261,759

(Millions of yen)

		As of March 31, 2025		As of March 31, 2026
Liabilities				
Current liabilities				
Notes and accounts payable - trade		102,846		101,131
Short-term borrowings	*3	25,376	*3	21,317
Current portion of bonds payable		–		10,000
Commercial papers		–		14,000
Accrued expenses		48,785		46,186
Income taxes payable		14,332		11,388
Contract liabilities		721		762
Refund liabilities		20,784		20,625
Provision for bonuses		11,496		11,632
Provision for contingent loss		1,500		–
Other		81,234		76,227
Total current liabilities		307,077		313,271
Non-current liabilities				
Bonds payable		10,000		–
Long-term borrowings	*3	12,423	*3	67,267
Deferred tax liabilities		3,747		4,756
Retirement benefit liability		50,602		41,213
Provision for retirement benefits for directors (and other officers)		79		88
Other		8,757		17,609
Total non-current liabilities		85,611		130,935
Total liabilities		392,688		444,206
Net assets				
Shareholders' equity				
Share capital		30,000		30,000
Capital surplus		38,708		38,743
Retained earnings		649,258		653,343
Treasury shares		-33,956		-33,312
Total shareholders' equity		684,010		688,774
Accumulated other comprehensive income				
Valuation difference on available-for-sale securities		16,261		22,420
Deferred gains or losses on hedges		-17		46
Foreign currency translation adjustment		35,752		39,469
Remeasurements of defined benefit plans		12,282		21,876
Total accumulated other comprehensive income		64,278		83,812
Non-controlling interests		43,494		44,965
Total net assets		791,783		817,552
Total liabilities and net assets		1,184,472		1,261,759

2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

		Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2026
Net sales	*1	1,154,074	*1	1,173,688
Cost of sales	*3, *7, *8	814,973	*3, *7, *8	814,648
Gross profit		339,100		359,040
Selling, general and administrative expenses	*2, *3, *8	254,398	*2, *3, *8	265,733
Operating profit		84,702		93,307
Non-operating income				
Interest income		723		998
Dividend income		991		1,000
Share of profit of entities accounted for using equity method		–		600
Foreign exchange gains		625		2,688
Other		1,894		1,620
Total non-operating income		4,234		6,907
Non-operating expenses				
Interest expenses		382		977
Share of loss of entities accounted for using equity method		4,468		–
Compensation expenses		–		420
Special milk supply business expenses		466		418
Other		1,605		1,827
Total non-operating expenses		6,923		3,643
Ordinary profit		82,013		96,571
Extraordinary income				
Gain on sale of non-current assets	*4	598	*4	1,990
Subsidy income		8		11,023
Other		6,461		1,143
Total extraordinary income		7,069		14,157
Extraordinary losses				
Loss on abandonment of non-current assets	*5	4,571	*5	3,237
Loss on tax purpose reduction entry of non-current assets		8		11,024
Impairment losses	*6	172	*6	24,488
Other		1,849		3,937
Total extraordinary losses		6,600		42,688
Profit before income taxes		82,482		68,040
Income taxes - current		30,847		23,811
Income taxes - deferred		-2,451		5,432
Total income taxes		28,396		29,243
Profit		54,085		38,797
Profit attributable to non-controlling interests		3,285		3,720
Profit attributable to owners of parent		50,800		35,076

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	54,085	38,797
Other comprehensive income		
Valuation difference on available-for-sale securities	-5,442	6,163
Deferred gains or losses on hedges	-100	66
Foreign currency translation adjustment	-2,590	10,720
Remeasurements of defined benefit plans, net of tax	8,326	9,733
Share of other comprehensive income of entities accounted for using equity method	2,415	-299
Total other comprehensive income	* 2,609	* 26,384
Comprehensive income	56,695	65,181
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	53,464	61,178
Comprehensive income attributable to non-controlling interests	3,231	4,003

3) Consolidated statement of changes in net assets

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

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,000	38,708	649,258	-33,956	684,010
Changes during period					
Dividends of surplus			-27,777		-27,777
Profit attributable to owners of parent			35,076		35,076
Purchase of treasury shares				-9	-9
Disposal of treasury shares		35		653	688
Change in scope of consolidation			-50		-50
Change in scope of equity method			-3,164		-3,164
Net changes in items other than shareholders' equity					
Total changes during period	–	35	4,084	643	4,763
Balance at end of period	30,000	38,743	653,343	-33,312	688,774

	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	16,261	-17	35,752	12,282	64,278	43,494	791,783
Changes during period							
Dividends of surplus							-27,777
Profit attributable to owners of parent							35,076
Purchase of treasury shares							-9
Disposal of treasury shares							688
Change in scope of consolidation							-50
Change in scope of equity method			-6,567		-6,567		-9,731
Net changes in items other than shareholders' equity	6,158	64	10,285	9,593	26,102	1,471	27,573
Total changes during period	6,158	64	3,717	9,593	19,534	1,471	25,769
Balance at end of period	22,420	46	39,469	21,876	83,812	44,965	817,552

4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	82,482	68,040
Depreciation	54,979	54,954
Impairment losses	172	24,488
Loss on retirement of property, plant and equipment	2,951	3,278
Increase (decrease) in allowance for doubtful accounts	152	72
Increase (decrease) in provision for bonuses	9	128
Increase (decrease) in retirement benefit asset or liability	-68	-3,111
Interest and dividend income	-1,714	-1,998
Interest expenses	382	977
Share of loss (profit) of entities accounted for using equity method	4,468	-600
Loss (gain) on sale of property, plant and equipment	-557	-1,853
Loss (gain) on sale of investment securities	-4,487	-1,132
Decrease (increase) in trade receivables	11,355	-2,860
Decrease (increase) in inventories	-11,304	-37,893
Increase (decrease) in contract liabilities	451	5
Increase (decrease) in trade payables	-26,171	-3,310
Other, net	-13,381	-15,671
Subtotal	99,720	83,513
Interest and dividends received	2,351	3,220
Interest paid	-383	-812
Income taxes refund (paid)	-32,709	-29,399
Net cash provided by (used in) operating activities	68,979	56,522
Cash flows from investing activities		
Net decrease (increase) in time deposits	-6,439	-6,582
Purchase of property, plant and equipment	-52,798	-96,847
Purchase of intangible assets	-3,825	-6,903
Proceeds from sale of property, plant and equipment and intangible assets	1,717	2,998
Subsidies received	2,425	1,371
Purchase of investment securities	-4,786	-1,687
Proceeds from sale of investment securities	22,094	1,609
Proceeds from liquidation of subsidiaries	3,918	4
Other, net	-2,943	-4,339
Net cash provided by (used in) investing activities	-40,636	-110,375

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	19,997	-113
Increase (decrease) in commercial papers	–	14,000
Proceeds from long-term borrowings	–	56,000
Repayments of long-term borrowings	-22,012	-5,162
Decrease (increase) in treasury shares	-29,428	-12
Dividends paid	-26,754	-27,708
Dividends paid to non-controlling interests	-801	-766
Other, net	-2,672	-1,633
Net cash provided by (used in) financing activities	-61,671	34,603
Effect of exchange rate change on cash and cash equivalents	-496	2,070
Net increase (decrease) in cash and cash equivalents	-33,825	-17,178
Cash and cash equivalents at beginning of period	102,832	66,398
Net increase (decrease) in cash and cash equivalents attributable to changes in the accounting periods of consolidated subsidiaries	-2,609	–
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	–	391
Cash and cash equivalents at end of period	* 66,398	* 49,611

Notes

(Significant accounting policies for preparation of consolidated financial statements)

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 54 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)

During the current fiscal year, Meiji Food Asia Pacific Pte. Ltd. was included in the scope of consolidation owing to its increased materiality, and Meiji Pharma Asia Pte. Ltd. was also included following its establishment.

(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: 3 companies

Okinawa Meiji Milk Products Co., Ltd., Thai Meiji Food Co., Ltd., CP-MEIJI Co., Ltd.

(Excluded)

During the current fiscal year, AustAsia Group Ltd. was excluded from the scope of equity method application owing to a decrease in the Group’s ownership interest and other factors.

(2) Names of major companies not accounted for by the equity method

Affiliated companies: Kushiroshiryo 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, CP-MEIJI Co., Ltd. has its settlement date on December 31, and its consolidation has been changed to prepare financial statements based on the provisional accounting conducted on March 31, which is the consolidated fiscal year-end.

3. Fiscal years of consolidated subsidiaries

Of the consolidated subsidiaries, the following companies have their settlement date on December 31, and their consolidation has been changed to prepare financial statements based on the provisional accounting conducted on March 31, which is the consolidated fiscal year-end.

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 (Guangzhou) Co., Ltd., Meiji Food (Guangzhou) Co., Ltd., Guangdong Meiji Pharmaceutical Co., Ltd.

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.

- Pharmaceutical

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)

Impairment of non-current assets in the China foods business

(1) Amount recorded in the consolidated financial statements for the current fiscal year

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Balance of non-current assets (the China foods business)	50,852	33,658

During the current fiscal year, we recognized impairment losses in our China business of JPY 2,726 million for the dairy business and B to B business, JPY 8,826 million for the cocoa business, and JPY 7,909 million for the ice cream business.

(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 China foods business, the domestic operations assets of the China foods business were grouped into the dairy business and B to B business, which manufacture and sell drinking milk and yogurt, the cocoa business, which manufactures and sells chocolate, and the ice cream business, which manufactures and sells ice cream. In the current fiscal year, the operating profit or loss arising from the operating activities of each asset group has been consistently negative. Owing to this as well as other factors, the Company determined that there was an indication of impairment in each asset group, and accordingly recognized and measured impairment losses. As a result of the comparison of the carrying amount of the relevant asset group with the recoverable amount, the recoverable amount was lower than the carrying amount. Accordingly, the carrying amount has been reduced to the recoverable amount, and impairment losses of JPY 19,462 million have been recorded. The recoverable amount was calculated based on the 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

Owing 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.

(Accounting standards 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)

The “Special infant formula operating expenses,” which was previously included in “Other” under non-operating expenses, is independently presented in the current fiscal year because it increased in monetary significance. In the previous fiscal year, we reported “Gain on sale of investment securities” and “Gain on liquidation of subsidiaries” under extraordinary income as separate items. However, as the monetary significance of their amounts decreased, we included these items in “Other” under extraordinary income in the current fiscal year. We reported “Provision for contingent loss” under extraordinary losses as a separate item. However, as the monetary significance of this amount decreased, we included this item in “Other” under extraordinary losses in 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 2,071 million of “Other” under non-operating expenses in the consolidated statement of income for the previous fiscal year has been reclassified as JPY 466 million of “Special infant formula operating expenses” and JPY 1,605 million of “Other.” JPY 4,487 million of “Gain on sale of investment securities,” JPY 1,921 million of “Gain on liquidation of subsidiaries,” and JPY 53 million of “Other” under extraordinary income have been reclassified as JPY 6,461 million of “Other.” JPY 1,500 million of “Provision for contingent loss” and JPY 349 million of “Other” under extraordinary losses have been reclassified as JPY 1,849 million of “Other.”

(Consolidated balance sheet)

*1. Notes and accounts receivable - trade arising from contracts with customers are as follows.

	As of March 31, 2025	As of March 31, 2026
Notes receivable - trade	JPY 319 million	JPY 126 million
Accounts receivable - trade	189,213	195,556

*2. Amounts related to unconsolidated subsidiaries and affiliates are as follows.

	As of March 31, 2025	As of March 31, 2026
Investment securities (shares)	JPY 37,164 million	JPY 20,986 million

*3. Pledged assets and secured liabilities

Assets pledged as collateral are as follows.

	As of March 31, 2025	As of March 31, 2026
Cash and deposits	JPY 146 million	JPY 146 million
Buildings and structures	1,083	412
Machinery, equipment, and vehicles	178	55
Land	49	-
Total	1,457	614

Cash and deposits are pledged as collateral to guarantee business transactions.

Secured liabilities are as follows.

	As of March 31, 2025	As of March 31, 2026
Long-term borrowings (including current portion of long-term borrowings)	JPY 1,462 million	JPY 475 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, 2025	As of March 31, 2026
Buildings and structures	JPY 3,787 million	JPY 6,423 million
Machinery, equipment, and vehicles	5,987	14,289
Tools, furniture, and fixtures	307	351
Total	10,082	21,064

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, 2025	As of March 31, 2026
Sendai Feed Co., Ltd.	JPY 1 million	JPY - million
Employees	7	3
Total	8	3

6. Contingent liabilities

Inspection by the Japan Fair Trade Commission

On June 16, 2026, Meiji Co., Ltd., a consolidated subsidiary of the Company, underwent an on-site inspection by the Japan Fair Trade Commission due to suspicions of violating the Antimonopoly Act in relation to the determination of sales prices for ice cream and other products. Both the Company and Meiji Co., Ltd. take the inspection seriously and will fully cooperate with the Japan Fair Trade Commission’s investigation.

The investigation is ongoing, and at this point, it is difficult to reasonably estimate the impact on the Company’s financial position and operating results.

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 contacts at the end of the current fiscal year are as follows.

	As of March 31, 2025	As of March 31, 2026
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, 2025	For the fiscal year ended March 31, 2026
Freight and storage charges	JPY 19,344 million	JPY 21,211 million
Sales promotion expenses	22,359	22,890
Labor cost	71,609	77,232
Provision for bonuses	8,434	7,480
Retirement benefit expenses	4,066	2,774
Research and development expenses	28,889	26,670

*3. Total research and development expenses included in manufacturing costs and selling, general, and administrative expenses

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
	JPY 38,889 million	JPY 37,042 million

*4. Details of gain on sale of non-current assets are as follows.

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Buildings and structures	JPY 0 million	JPY 2 million
Land	585	1,955
Other non-current assets	13	32
Total	598	1,990

*5. Details of loss on abandonment of non-current assets are as follows.

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Buildings and structures	JPY 297 million	JPY 171 million
Machinery, equipment, and vehicles	675	899
Other non-current assets	3,598	2,165
Total	4,571	3,237

*6 Impairment losses

The Meiji Group recorded impairment losses on the following asset groups.

For the fiscal year ended March 31, 2025

Disclosure is omitted because it is insignificant.

For the fiscal year ended March 31, 2026

Location	Use	Category	Impairment losses (Millions of yen)
Shanghai, China	Business assets	Buildings and structures, machinery, equipment, and vehicles, etc.	19,462
Guangdong, China	Business assets	Buildings and structures, machinery, equipment, and vehicles, etc.	
Jiangsu, China	Business assets	Buildings and structures, machinery, equipment, and vehicles, etc.	
Tianjin, China	Business assets	Buildings and structures, machinery, equipment, and vehicles, etc.	
Other	Mainly business assets	Buildings and structures, machinery, equipment, and vehicles, etc.	5,026

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 24,488 million was recorded as an extraordinary loss.

For business assets, the loss is broken down as follows: JPY 4,235 million for buildings and structures, JPY 19,519 million for machinery, equipment, and vehicles, JPY 541 million for tools, furniture, and fixtures, and JPY 153 million for intangible assets.

For idle assets, the loss is broken into JPY 22 million for buildings and structures, JPY 15 million for machinery, equipment, and vehicles, and JPY 0 million for tools, furniture, and fixtures.

Net realizable value as a recoverable amount is evaluated based on the 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.

*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, 2025	For the fiscal year ended March 31, 2026
JPY 11,265 million	JPY -15,958 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, 2025	For the fiscal year ended March 31, 2026
Valuation difference on available-for-sale securities:		
Increase in the current fiscal year	JPY -3,050 million	JPY 9,100 million
Reclassification adjustments	-4,487	-1,130
Before income taxes and tax effect adjustments	-7,537	7,969
Income taxes and tax effect amount	2,095	-1,806
Valuation difference on available-for-sale securities	-5,442	6,163
Deferred gains or losses on hedges:		
Increase in the current fiscal year	-144	96
Reclassification adjustments	-	-
Adjustment to acquisition cost of assets	-	-
Before income taxes and tax effect adjustments	-144	96
Income taxes and tax effect amount	44	-30
Deferred gains or losses on hedges:	-100	66
Foreign currency translation adjustment:		
Increase in the current fiscal year	-2,590	10,720
Reclassification adjustments	-	-
Foreign currency translation adjustment	-2,590	10,720
Remeasurements of defined benefit plans, net of tax		
Increase in the current fiscal year	12,773	16,936
Reclassification adjustments	-476	-2,603
Before income taxes and tax effect adjustments	12,296	14,333
Income taxes and tax effect amount	-3,969	-4,599
Remeasurements of defined benefit plans, net of tax	8,326	9,733
Share of other comprehensive income of entities accounted for using equity method:		

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Increase in the current fiscal year	2,415	-299
Reclassification adjustments	-	-
Share of other comprehensive income of entities accounted for using equity method:	2,415	-299
Total of other comprehensive income	2,609	26,384

(Consolidated statement of changes in net assets)

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

For the fiscal year ended March 31, 2026

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)	282,200	-	-	282,200
Total	282,200	-	-	282,200
Treasury shares				
Ordinary shares (Notes 2, 3)	11,309	4	216	11,098
Total	11,309	4	216	11,098

(Notes) 1 The increase of 4 thousand shares in treasury shares of ordinary shares is due to the acquisition of 1 thousand treasury shares and the purchase of 2 thousand shares of shares less than one unit.

2 The decrease of 216 thousand shares in treasury shares of ordinary shares is due to the disposal of 216 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 16, 2025 Board of Directors	Ordinary shares	13,544	50.00	March 31, 2025	June 5, 2025
November 13, 2025 Board of Directors	Ordinary shares	14,232	52.50	September 30, 2025	December 8, 2025

(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 21, 2026 Board of Directors	Ordinary shares	14,232	Retained earnings	52.50	March 31, 2026	June 8, 2026

(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, 2025 (Millions of yen)	For the fiscal year ended March 31, 2026 (Millions of yen)
Cash and deposits account	78,191	69,249
Time deposits with maturities longer than three months	-11,793	-19,637
Cash and cash equivalents	66,398	49,611

(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) and production facilities (machinery, equipment, and vehicles) at manufacturing plants.

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, 2025	As of March 31, 2026
Within 1 year	1,414	1,433
More than 1 year	2,343	1,448
Total	3,758	2,882

(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, 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, 2026 (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 items with a net payable position are indicated by a minus sign (-).

As of March 31, 2026

	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	46,466	46,486	19
Total assets	46,466	46,486	19
(1) Bonds payable	10,000	9,993	-7
(2) Long-term borrowings	68,470	65,407	-3,063
Total liabilities	78,470	75,400	-3,070
Derivative transactions			
(1) To which hedge accounting is not applied	-	-	-
(2) To which hedge accounting is applied	70	70	-
Total derivative transactions	70	70	-

(Notes) 1. Notes on cash are omitted. Notes on deposits, notes and accounts receivable - trade, notes and accounts payable - trade, short-term borrowings, commercial papers, 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 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, 2026 (Millions of yen)
Shares with no market price (*1)	27,023
Investments in partnerships (*2)	1,844

*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).

3. Long-term borrowings include their current portion.

4. Receivables and payables arising from derivative transactions are presented on a net basis, and items with a net payable position are indicated by a minus sign (-).

(Notes) 1. Scheduled redemption amounts after the consolidated closing date for monetary claims and securities that have maturities

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	-	-	-

As of March 31, 2026

	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	69,249	-	-	-
Notes and accounts receivable - trade	195,682	-	-	-
Total	264,931	-	-	-

2. Scheduled redemption amounts after the consolidated closing date for bonds payable, long-term borrowings, and other interest-bearing liabilities

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	-	-

As of March 31, 2026

	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	20,114	-	-	-	-	-
Bonds payable	10,000	-	-	-	-	-
Long-term borrowings	1,203	11,154	14,113	10,000	32,000	-
Total	31,317	11,154	14,113	10,000	32,000	-

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, 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

As of March 31, 2026

Categories	Fair value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities				
Shares	45,718	-	-	45,718
Other	-	-	619	619
Total assets	45,718	-	619	46,338

(2) Financial instruments other than those recorded at fair value on the consolidated balance sheet

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

As of March 31, 2026

Categories	Fair value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities				
Shares	-	147	-	147
Total assets	-	147	-	147
Bonds payable	-	9,993	-	9,993
Long-term borrowings	-	65,407	-	65,407
Derivative transactions				
Currency-related	-	70	-	70
Total liabilities	-	75,470	-	75,470

(Note) Explanation of the valuation method used to measure fair values and the inputs related to fair value measurement

Investment securities

Investment securities mainly consist of shares listed and the golf club membership. Shares listed are measured using quoted prices. Since shares listed are traded in active markets, their fair values are categorized as level 1. Golf club membership 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, 2025

Not applicable.

As of March 31, 2026

Not applicable.

2. Available-for-sale securities

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.

As of March 31, 2026

	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	38,185	8,985	29,199
	(2) Bonds	-	-	-
	(3) Others	619	611	8
	Subtotal	38,804	9,596	29,208
The amount recorded on the consolidated balance sheet does not exceed the acquisition cost	(1) Shares	7,661	7,691	-30
	(2) Bonds	-	-	-
	(3) Others	-	-	-
	Subtotal	7,661	7,691	-30
Total		46,466	17,288	29,178

(Note) With regard to available-for-sale securities, shares with no market price (the amount recorded on the consolidated balance sheet is JPY 6,037 million) and investments in partnerships (the amount recorded on the consolidated balance sheet is JPY 1,844 million) are not included in the above table.

3. Available-for-sale securities sold

For the fiscal year ended 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	-

For the fiscal year ended March 31, 2026

Category	Sales amount (Millions of yen)	Total gain on sale (Millions of yen)	Total loss on sale (Millions of yen)
(1) Shares	1,609	1,132	-
(2) Bonds	-	-	-
(3) Others	-	-	-
Total	1,609	1,132	-

4. Securities for which impairment losses are recorded

In the previous fiscal year, impairment losses on securities of JPY 212 million are recorded (JPY 212 million in investment securities).

In the current fiscal year, impairment losses on securities of JPY 1,191 million are recorded (JPY 1,191 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, 2025

Not applicable.

As of March 31, 2026

Not applicable.

(2) Interest rate-related derivatives

As of March 31, 2025

Not applicable.

As of March 31, 2026

Not applicable.

2. Derivative transactions to which hedge accounting is applied

(1) Currency-related derivatives

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.

As of March 31, 2026

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:	Accounts payable - trade			
	U.S. dollar		2,143	-	70
	Sold:	Accounts receivable - trade			
	Euro		976	-	0
Appropriation treatment for forward exchange contracts, etc.	Forward exchange contract transactions				
	Bought:	Accounts payable - trade			(Note)
	U.S. dollar		531	-	
Total			3,651	-	70

(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, 2025

Not applicable.

As of March 31, 2026

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 6 million in the current fiscal year.

(1) Matters regarding the funded status of the entire plan

		(As of March 31, 2024) (Millions of yen)	(As of March 31, 2025) (Millions of yen)
a.	Amount of plan assets	55,038	55,105
b.	Total amount of the actuarial liabilities calculated under the pension funding program and the minimum actuarial liability	74,852	74,161
c.	Difference (a – b)	-19,813	-19,056

(2) Premium contribution ratio of the Group to the entire plan

For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
0.96%	1.02%

(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 30,179 million as of March 31, 2024 and JPY 29,199 million as of March 31, 2025).

The amortization method for prior service obligations is primarily even amortization of principal and interest over 18 years. The ratio in (2) above is calculated using a weighted average and therefore does not correspond to the actual contribution 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, 2025 (Millions of yen)	For the fiscal year ended March 31, 2026 (Millions of yen)
Beginning balance of retirement benefit obligations	137,528	123,460
Service cost	6,370	5,717
Interest cost	872	1,764
Actuarial gains or losses	-11,489	-6,268
Retirement benefits paid	-10,252	-8,070
Other	430	105
Ending balance of retirement benefit obligations	123,460	116,709

(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, 2025 (Millions of yen)	For the fiscal year ended March 31, 2026 (Millions of yen)
Beginning balance of plan assets	112,220	110,474
Expected return on plan assets	2,517	2,299
Actuarial gains or losses	1,450	10,668
Contributions by the employer	1,453	1,498
Retirement benefits paid	-6,458	-3,963
Other	-709	112
Ending balance of plan assets	110,474	121,089

(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.

	For the fiscal year ended March 31, 2025 (Millions of yen)	For the fiscal year ended March 31, 2026 (Millions of yen)
Retirement benefit obligations of funded plans	118,024	111,358
Plan assets	-110,474	-121,089
	7,550	-9,730
Retirement benefit obligations of unfunded plans	5,436	5,350
Net assets or liabilities recorded on the consolidated balance sheet	12,986	-4,379
Liabilities related to retirement benefits	50,602	41,213
Assets related to retirement benefits	-37,616	-45,593
Net assets or liabilities recorded on the consolidated balance sheet	12,986	-4,379

(4) Breakdown of retirement benefit expenses

	For the fiscal year ended March 31, 2025 (Millions of yen)	For the fiscal year ended March 31, 2026 (Millions of yen)
Service cost	6,370	5,723
Interest cost	872	1,764
Expected return on plan assets	-2,517	-2,299
Amortization of actuarial gains or losses	-388	-2,516
Amortization of prior service cost	-88	-87
Others	-6	-5
Retirement benefit expenses related to defined benefit plans	4,243	2,580

(Notes) 1. Retirement benefit expenses calculated using the simplified method are included. Employees' contributions to the corporate pension funds are deducted.
2. In addition to the retirement benefit expenses presented above, JPY 1,132 million was recognized in the current fiscal year as a "Next Career Special Support Payment" and is included in "Other" under extraordinary losses.

(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, 2025 (Millions of yen)	For the fiscal year ended March 31, 2026 (Millions of yen)
Actuarial gains or losses	12,536	14,420
Prior service cost	-240	-87
Total	12,296	14,333

(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, 2025 (Millions of yen)	As of March 31, 2026 (Millions of yen)
Unrecognized actuarial gains or losses	-18,287	-32,708
Unrecognized prior service cost	-237	-150
Total	-18,525	-32,858

(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, 2025	As of March 31, 2026
Bonds	33%	31%
Shares	28	32
Alternatives (Note 1)	26	24
Cash and deposits	6	5
Others	7	8
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 (16% in the previous fiscal year and 20% 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, 2025	As of March 31, 2026
Discount rate	Mainly 0.9 to 1.7%	Mainly 1.6 to 2.6%
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 1,230 million for the previous fiscal year and JPY 1,109 million for the current fiscal year.

(Share options)

Not applicable.

(Tax effect accounting)

1. Breakdown of deferred tax assets and deferred tax liabilities by major causes

	As of March 31, 2025 (Millions of yen)	As of March 31, 2026 (Millions of yen)
Deferred tax assets		
Retirement benefit liability	19,020	16,250
Accrued enterprise tax	1,068	907
Accrued expenses	1,803	2,369
Investment securities	2,230	2,476
Provision for bonuses	3,529	3,661
Depreciation	3,237	2,972
Impairment losses	4,870	2,489
Unrealized income	2,553	2,289
Shares of subsidiaries and associates	-	1,880
Losses carried forward*	7,242	10,083
Other	18,453	15,195
Subtotal deferred tax assets	64,010	60,575
Valuation allowance for losses carried forward*	-7,161	-9,684
Valuation allowance related to future deductible temporary differences	-7,524	-7,818
Subtotal valuation allowance	-14,685	-17,503
Total deferred tax assets	49,324	43,072
Deferred tax liabilities		
Reserve for tax purpose reduction entry of non-current assets	-5,720	-5,468
Valuation difference on available-for-sale securities	-7,381	-9,188
Retirement benefit asset	-13,047	-15,547
Valuation difference associated with purchase of shares of subsidiaries	-3,791	-3,794
Tax liability adjustment account	-110	-104
Others	-7,246	-8,816
Total deferred tax liabilities	-37,299	-42,919
Net deferred tax assets	12,025	153

* Breakdown of losses carried forward and related deferred tax assets by carryforward periods:

(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 (a)	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

(a) Loss carried forward is calculated using the effective statutory tax rate.

(As of March 31, 2026) (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)	567	350	1,580	3,884	2,634	1,065	10,083
Valuation allowance	554	301	1,580	3,877	2,597	772	9,684
Deferred tax assets	12	49	-	6	36	293	398

(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, 2025	As of March 31, 2026
Effective statutory tax rate	30.6%	30.6%
(Adjustments)		
Items not permanently included in deductible expenses such as entertainment expenses	1.1	1.4
Items not permanently included in taxable revenues such as dividend income	0.2	-
Inhabitant tax on per capita basis	0.4	0.4
Tax credit for experimentation and research expenses	-5.3	-3.4
Increase/decrease in valuation allowance	2.0	9.1
Share of gains and losses of entities accounted for using equity method	1.7	-0.3
Retained earnings of subsidiaries and associates	4.9	1.2
Other	-1.2	4.0
Corporation tax burden rate, etc. after application of tax effect accounting	34.4	43.0

3. 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, 2025

Disclosure is omitted due to immateriality.

As of March 31, 2026

(Transactions under common control, etc.)

The Company transferred the common shares of KM Biologics Co., Ltd. (“KMB”) held by the Company to Meiji Seika Pharma Co., Ltd. (“MSP”), a consolidated subsidiary of the Company, through a simplified absorption-type company split (the “Absorption-Type Company Split”).

1. Outline of the transaction

(1) Parties to the Absorption-Type Company Split

Transferor company ······································ Meiji Holdings Co., Ltd.
Transferee company ······································ Meiji Seika Pharma Co., Ltd.

(2) Business description of the divided or succeeded business segment

This Absorption-Type Company Split involves the transfer of 5,800 common shares of KMB held by the Company to MSP and does not involve the transfer of any business segment.

(3) Date of business combination

January 30, 2026

(4) Legal form of the business combination

An absorption-type company split in which the Company is the transferor company and MSP is the transferee company

(5) Name of the post-combination company

There is no change in the name of Meiji Seika Pharma Co., Ltd. after combination.

(6) Other matters relating to the outline of the transaction

The Absorption-Type Company Split was carried out for the purpose of transferring the common shares of KMB held by the Company to MSP, in order to further strengthen integrated operations in the Pharmaceutical Segment.

2. Outline of accounting treatment

In accordance with the “Accounting Standard for Business Combinations” and the “Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures,” the transaction has been accounted for as a transaction under common control.

(Asset retirement obligations)

As of March 31, 2025

Disclosure is omitted due to immateriality.

As of March 31, 2026

Disclosure is omitted due to immateriality.

(Real estate for lease)

For the fiscal year ended March 31, 2025

Disclosure is omitted due to immateriality.

For the fiscal year ended March 31, 2026

Disclosure is omitted due to immateriality.

(Revenue recognition)

(1) Disaggregated information of revenue from contracts with customers

For the fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segments		
	Food	Pharmaceutical	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.

For the fiscal year ended March 31, 2026

(Millions of yen)

	Reportable segments		
	Food	Pharmaceutical	Total
Dairy	272,619	-	272,619
Cocoa	186,843	-	186,843
Nutrition	118,806	-	118,806
Food solutions	203,691	-	203,691
Other	159,509	-	159,509
Domestic ethical pharmaceuticals	-	116,685	116,685
Overseas ethical pharmaceuticals	-	64,811	64,811
Vaccines/veterinary drugs	-	50,721	50,721
Revenue from contracts with customers	941,470	232,218	1,173,688
Other revenue	-	-	-
Sales to third parties	941,470	232,218	1,173,688

(Note) The Pharmaceutical Segment includes JPY 6,491 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, etc.

Disclosure is omitted for the previous and current fiscal years, because the balances are immaterial and no significant changes have occurred.

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. 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.
Pharmaceutical	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, 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.

For the fiscal year ended March 31, 2026

(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	941,470	232,218	1,173,688	-	1,173,688
(2) Intersegment sales and transfers	1,408	26	1,434	-1,434	-
Total	942,879	232,244	1,175,123	-1,434	1,173,688
Segment profit (loss)	68,746	30,463	99,210	-5,902	93,307
Segment assets	870,537	435,859	1,306,396	-44,637	1,261,759
Other items					
Depreciation	44,019	10,535	54,554	399	54,954
Investments in entities accounted for using equity method	14,346	-	14,346	-	14,346
Increase in property, plant, and equipment and intangible assets	61,155	28,179	89,335	676	90,012

(Notes) 1. Details of adjustments are as follows:

The segment profit adjustment of JPY -5,902 million includes an intersegment elimination of JPY 17 million and corporate expenses that are not allocated to any reportable segment of JPY -5,920 million. Corporate expenses consist mainly of expenses related to the operation of the Company (the holding company).

The segment assets adjustment of JPY -44,637 million includes an intersegment elimination of JPY -196,700 million and corporate assets that are not allocated to any reportable segment of JPY 152,063 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, 2025

1. Information for each product or service

(Millions of yen)

	Food				
	Dairy	Cocoa	Nutrition	Food solutions	Other
Sales to third parties	271,342	170,994	118,959	195,175	167,971

Pharmaceutical			Total
Japan	Overseas ethical pharmaceuticals	Vaccines/veterinary drugs	
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.

For the fiscal year ended March 31, 2026

1. Information for each product or service

(Millions of yen)

	Food				
	Dairy	Cocoa	Nutrition	Food solutions	Other
Sales to third parties	272,619	186,843	118,806	203,691	159,509

Pharmaceutical			Total
Japan	Overseas ethical pharmaceuticals	Vaccines/veterinary drugs	
116,685	64,811	50,721	1,173,688

2. Information for each region

(1) Net sales

(Millions of yen)

Japan	China	Asia (except China)	North America	Europe	Other	Total
1,013,526	31,526	49,371	43,604	20,635	15,024	1,173,688

(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
441,538	29,236	27,123	9,940	2,063	22	509,924

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, 2025

(Millions of yen)

	Reportable segments		Total	Adjustments	Amount presented in consolidated financial statements
	Food	Pharmaceutical			
Impairment losses	172	-	172	-	172

For the fiscal year ended March 31, 2026

(Millions of yen)

	Reportable segments		Total	Adjustments	Amount presented in consolidated financial statements
	Food	Pharmaceutical			
Impairment losses	22,522	1,966	24,488	-	24,488

Amortization and unamortized balance of goodwill for each reportable segment

For the fiscal year ended March 31, 2025

Not applicable.

For the fiscal year ended March 31, 2026

Not applicable.

Information about gain on bargain purchase for each reportable segment

For the fiscal year ended March 31, 2025

Not applicable.

For the fiscal year ended March 31, 2026

Not applicable.

(Related parties)

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.

For the fiscal year ended March 31, 2026

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)	Katsunari Matsuda	Direct ownership 0.0%	President and Representative Director of Meiji Holdings Co., Ltd.	Contributions in kind for monetary remuneration claims	37	—	—
Officer of significant subsidiary	Bunjiro Yao	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	29	—	—
Officer of significant subsidiary	Toshiaki Nagasato	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	22	—	—
Directors (and other officers)	Jun Furuta	Direct ownership 0.0%	Director of Meiji Holdings Co., Ltd.	Contributions in kind for monetary remuneration claims	19	—	—
Directors (and other officers)	Jun Hishinuma	Direct ownership 0.0%	Director of Meiji Holdings Co., Ltd.	Contributions in kind for monetary remuneration claims	15	—	—

(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, 2025	For the fiscal year ended March 31, 2026
Net assets per share	JPY 2,762.33	JPY 2,849.80
Earnings per share	JPY 186.08	JPY 129.42

(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, 2025	For the fiscal year ended March 31, 2026
Earnings per share		
Profit attributable to owners of parent (Millions of yen)	50,800	35,076
Amount not attributable to ordinary shareholders (Millions of yen)	-	-
Profit attributable to owners of parent related to ordinary shares (Millions of yen)	50,800	35,076
Average number of ordinary shares during the fiscal year (Thousand shares)	273,002	271,019

(Significant events after reporting period)

Inspection by the Japan Fair Trade Commission

On June 16, 2026, Meiji Co., Ltd., a consolidated subsidiary of the Company, underwent an on-site inspection by the Japan Fair Trade Commission due to suspicions of violating the Antimonopoly Act in relation to the determination of sales prices for ice cream and other products. Both the Company and Meiji Co., Ltd. take the inspection seriously and will fully cooperate with the Japan Fair Trade Commission’s investigation.

The investigation is ongoing, and at this point, it is difficult to reasonably estimate the impact on the Company’s financial position and operating results.

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 (10,000)	0.050	Nil	April 23, 2026
Total	-	-	10,000	10,000 (10,000)	-	-	-

(Notes) 1. The figures shown in parentheses represent the amount to be redeemed within one year.

2. 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	20,218	20,114	1.21	-
Current portion of long-term borrowings	5,158	1,203	0.82	-
Current portion of lease liabilities	1,091	1,749	-	-
Long-term borrowings (excluding current portion)	12,423	67,267	1.08	2027–2030
Lease liabilities (excluding current portion)	3,237	2,594	-	2027–2040
Other interest-bearing liabilities Commercial papers (due within one year)	-	14,000	0.84	-
Total	42,129	106,928	-	-

(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	11,154	14,113	10,000	32,000
Lease liabilities	840	572	505	374

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)	574,885	1,173,688
Profit before income taxes (Millions of yen)	39,910	68,040
Profit attributable to owners of parent (Millions of yen)	21,477	35,076
Earnings per share (Yen)	79.27	129.42

2. Financial statements, etc.

(1) Financial statements

1) Non-consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	5,483	3,463
Income taxes refund receivable	225	19
Short-term loans receivable from subsidiaries and associates	40,688	72,169
Other	*1 1,733	*1 3,788
Total current assets	48,130	79,440
Non-current assets		
Property, plant and equipment		
Buildings	3,524	3,566
Structures	133	127
Machinery and equipment	17	12
Tools, furniture and fixtures	253	423
Land	8,414	8,414
Other	1	0
Total property, plant and equipment	12,344	12,544
Intangible assets		
Trademark right	136	161
Other	56	107
Total intangible assets	193	268
Investments and other assets		
Investment securities	19,006	20,671
Shares of subsidiaries and associates	270,111	264,140
Long-term loans receivable from subsidiaries and associates	–	38,844
Other	1	12
Total investments and other assets	289,118	323,668
Total non-current assets	301,656	336,481
Total assets	349,787	415,922

(Millions of yen)

		As of March 31, 2025		As of March 31, 2026
Liabilities				
Current liabilities				
Short-term borrowings		20,000		20,000
Current portion of long-term borrowings		3,200		–
Current portion of bonds payable		–		10,000
Accrued expenses	*1	814	*1	1,183
Deposits received from subsidiaries and associates		73,180		76,278
Commercial papers		–		14,000
Other	*1	2,192	*1	3,136
Total current liabilities		99,387		124,598
Non-current liabilities				
Bonds payable		10,000		–
Long-term borrowings		10,500		66,500
Deferred tax liabilities		4,217		4,921
Other		51		50
Total non-current liabilities		24,769		71,471
Total liabilities		124,157		196,069
Net assets				
Shareholders’ equity				
Share capital		30,000		30,000
Capital surplus				
Legal capital surplus		7,500		7,500
Other capital surplus		156,019		150,084
Total capital surplus		163,519		157,584
Retained earnings				
Other retained earnings				
Retained earnings brought forward		58,250		55,852
Total retained earnings		58,250		55,852
Treasury shares		-34,178		-33,535
Total shareholders’ equity		217,591		209,901
Valuation and translation adjustments				
Valuation difference on available-for-sale securities		8,038		9,951
Total valuation and translation adjustments		8,038		9,951
Total net assets		225,630		219,852
Total liabilities and net assets		349,787		415,922

2) Non-consolidated statement of income

(Millions of yen)

		Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2026
Operating revenue				
Management fee income from subsidiaries and associates		5,171		5,755
Dividends from subsidiaries and associates		43,545		30,536
Total operating revenue	*1	48,717	*1	36,292
Operating expenses				
General and administrative expenses	*1, *2	10,013	*1, *2	11,710
Operating profit		38,703		24,582
Non-operating income				
Interest and dividend income	*1	614	*1	1,127
Miscellaneous income	*1	68	*1	89
Total non-operating income		683		1,217
Non-operating expenses				
Interest expenses	*1	264	*1	907
Compensation for forced relocation	*1	43		–
Miscellaneous losses		114	*1	137
Total non-operating expenses		421		1,045
Ordinary profit		38,965		24,754
Extraordinary income				
Gain on sale of investment securities		3,582		344
Total extraordinary income		3,582		344
Extraordinary losses				
Loss on valuation of investment securities		49		931
Other		71		38
Total extraordinary losses		121		970
Profit before income taxes		42,427		24,128
Income taxes - current		-303		-1,074
Income taxes - deferred		159		-176
Total income taxes		-143		-1,250
Profit		42,571		25,378

3) Non-consolidated statement of changes in net assets

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

For the fiscal year ended March 31, 2026

(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	Total retained earnings		
					Retained earnings brought forward			
Balance at beginning of period	30,000	7,500	156,019	163,519	58,250	58,250	-34,178	217,591
Changes during period								
Dividends of surplus					-27,777	-27,777		-27,777
Profit					25,378	25,378		25,378
Purchase of treasury shares							-9	-9
Disposal of treasury shares			35	35			653	688
Decrease by corporate division			-5,970	-5,970		–		-5,970
Net changes in items other than shareholders' equity								
Total changes during period	–	–	-5,935	-5,935	-2,398	-2,398	643	-7,690
Balance at end of period	30,000	7,500	150,084	157,584	55,852	55,852	-33,535	209,901

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	8,038	8,038	225,630
Changes during period			
Dividends of surplus			-27,777
Profit			25,378
Purchase of treasury shares			-9
Disposal of treasury shares			688
Decrease by corporate division		–	-5,970
Net changes in items other than shareholders' equity	1,912	1,912	1,912
Total changes during period	1,912	1,912	-5,777
Balance at end of period	9,951	9,951	219,852

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 presentation)

(Non-consolidated statement of income)

"Loss on abandonment of non-current assets" and "Contributions to financial support," which were independently presented under extraordinary losses in the previous fiscal year, are now included in "Other" under extraordinary losses in the current fiscal year because they became insignificant in terms of amount.

In order to reflect this change, the non-consolidated financial statements for the previous fiscal year have been reclassified.

As a result, the "Loss on abandonment of non-current assets" of JPY 51 million and the "Contributions to financial support" of JPY 20 million, which were reported as extraordinary losses in the non-consolidated statement of income for the previous fiscal year, have been reclassified as "Other" in the amount of JPY 71 million.

(Balance sheet)

*1. Monetary claims and obligations to subsidiaries and associates (excluding items presented separately)

	As of March 31, 2025 (Millions of yen)	As of March 31, 2026 (Millions of yen)
Short-term monetary claims	1,018	2,904
Short-term monetary obligations	1,072	2,205

2. Guarantee liabilities

The Company provides guarantees for loans and debts incurred by employees of consolidated subsidiaries from financial institutions.

With respect to the consolidated subsidiary's liabilities, the guarantees were provided for its long-term accounts payable - other, etc. Guarantee fees and other terms were determined rationally based on market standards and risk levels.

	As of March 31, 2025 (Millions of yen)	As of March 31, 2026 (Millions of yen)
Employees (including those of consolidated subsidiaries)	7	3
Meiji Seika Pharma Co., Ltd.	-	12,069

3 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 financial flexibility and improving capital efficiency.

The unused portion of the commitment line based on these agreements as of March 31, 2026 is as follows:

	As of March 31, 2025 (Millions of yen)	As of March 31, 2026 (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, 2025 (Millions of yen)	For the fiscal year ended March 31, 2026 (Millions of yen)
Operating revenue	48,717	36,292
Operating expenses	442	969
Amount of transactions that are not from operating transactions	204	863

*2. Major expense items and amounts included in operating expenses are as follows:

	For the fiscal year ended March 31, 2025 (Millions of yen)	For the fiscal year ended March 31, 2026 (Millions of yen)
Remuneration for directors (and other officers)	410	460
Salaries	2,421	2,727
Office expenses	2,699	3,222
Taxes and dues	500	483
Depreciation	359	399
Deduction	-966	-1,000

Rental income associated with leasing part of head office and other premises is deducted from operating expenses.

(Securities)

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.

As of March 31, 2026

Shares of subsidiaries (book value: JPY 264,140 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 major causes

	As of March 31, 2025 (Millions of yen)	As of March 31, 2026 (Millions of yen)
Deferred tax assets		
Accrued enterprise tax	16	13
Accrued expenses, etc.	111	210
Investment securities	137	415
Shares of subsidiaries and associates	-	1,880
Losses carried forward	73	339
Others	75	95
Subtotal deferred tax assets	414	2,955
Valuation allowance for losses carried forward	-73	-339
Valuation allowance for deductible temporary differences	-181	-2,353
Subtotal valuation allowance	-255	-2,693
Total deferred tax assets	159	262
Deferred tax liabilities		
Reserve for tax purpose reduction entry	-285	-271
Assets adjusted for loss (gain) on transfer	-512	-512
Valuation difference on available-for-sale securities	-3,518	-4,398
Enterprise tax refund receivable	-60	0
Total deferred tax liabilities	-4,377	-5,183
Net deferred tax assets (liabilities)	-4,217	-4,921

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, 2025	As of March 31, 2026
Effective statutory tax rate	30.6%	30.6%
(Adjustments)		
Items not permanently included in deductible expenses such as entertainment expenses	0.3	0.7
Dividend income, etc. amount that is not permanently included in profits	-31.5	-38.8
Increase/decrease in valuation allowance	0.2	2.5
Other	0.1	-0.2
Corporation tax burden rate, etc. after application of tax effect accounting	-0.3	-5.2

3. 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).

(Business combinations)

(Transactions under common control, etc.)

The note is omitted because the same information is presented in “Notes (Business combinations)” in the consolidated financial statements.

(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	3,524	280	0	237	3,566	4,397
	Structures	133	0	-	7	127	64
	Machinery and equipment	17	-	0	5	12	217
	Tools, furniture, and fixtures	253	287	0	117	423	502
	Land	8,414	-	-	-	8,414	-
	Other	1	-	-	0	0	4
	Total	12,344	568	0	368	12,544	5,185
Intangible assets	Trademark right	136	50	-	25	161	272
	Other	56	56	0	6	107	16
	Total	193	106	0	31	268	289
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

<table>
<tr><td>Fiscal year</td><td>From April 1 to March 31</td></tr>
<tr><td>Ordinary general meeting of shareholders</td><td>During June</td></tr>
<tr><td>Record date</td><td>March 31</td></tr>
<tr><td>Record date for distribution of surplus</td><td>March 31 and September 30</td></tr>
<tr><td>Number of shares constituting one unit</td><td>100 shares</td></tr>
<tr><td>Purchase of shares less than one unit and sale of additional shares</td><td></td></tr>
<tr><td>Listing exchanges</td><td>(Special account)
1-4-5, Marunouchi, Chiyoda-ku, Tokyo
Mitsubishi UFJ Trust and Banking Corporation
Securities Agent Division</td></tr>
<tr><td>Shareholder registry administrator</td><td>(Special account)
1-4-5, Marunouchi, Chiyoda-ku, Tokyo
Mitsubishi UFJ Trust and Banking Corporation</td></tr>
<tr><td>Agent</td><td>―</td></tr>
<tr><td>Purchase and sale commissions</td><td>Free of charge</td></tr>
<tr><td>Method of public notice</td><td>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: https://www.meiji.com/global/</td></tr>
<tr><td>Privileges for shareholders</td><td>Shareholder benefit program

We present special gifts to shareholders of record as of March 31 each year around the end of October, based on the number of shares held and the length of time they have been held, as follows:
<table>
<tr><th colspan="2">Held for less than three years</th><th colspan="3">Held for three years or more*</th></tr>
<tr><td>100 shares or more</td><td>An assortment of Meiji Group products worth JPY 1,500</td><td>100 shares or more</td><td>An assortment of Meiji Group products worth JPY 1,500</td><td rowspan="3">+ Thank You Box for long-term support</td></tr>
<tr><td>200 shares or more</td><td>An assortment of Meiji Group products worth JPY 2,500</td><td>200 shares or more</td><td>An assortment of Meiji Group products worth JPY 2,500</td></tr>
<tr><td>1,000 shares or more</td><td>An assortment of Meiji Group products worth JPY 5,500</td><td>1,000 shares or more</td><td>An assortment of Meiji Group products worth JPY 5,500</td></tr>
</table>
*“Holding shares for three years or more” means that the shareholder has been listed or recorded in the Company’s shareholder registry as holding 100 or more shares under the same shareholder number on at least seven consecutive occasions as of the last day of March and the last day of September.

In lieu of receiving the above product assortment, shareholders may choose to donate to welfare organizations and others.</td></tr>
</table>

(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, 2026 to the filing date of Annual Securities Report.

(1) 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.	June 30, 2025
A revision to the Shelf Registration Statement (for issuance of shares and bonds, etc.) submitted on August 23, 2024.	July 4, 2025
(2) Annual Securities Report, Attached Documents, and Confirmation Letter 16th business term: From April 1, 2024 to March 31, 2025	Filed with Director-General of the Kanto Local Finance Bureau on June 26, 2025
(3) Internal Control Report and Attached Documents	Filed with Director-General of the Kanto Local Finance Bureau on June 26, 2025
(4) Semi-annual Securities Report and Confirmation Letter During the 17th business term (from April 1, 2025 to September 30, 2025)	Filed with Director-General of the Kanto Local Finance Bureau on November 13, 2025
(5) 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)	June 30, 2025
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 4, 2025

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, 2026, 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 24, 2026

To the Board of Directors of
Meiji Holdings Co., Ltd.

Ernst & Young ShinNihon LLC
Tokyo, Japan

Designated Limited Liability Partner Hideyuki Fujita
Engagement Partner
Certified Public Accountant

Designated Limited Liability Partner Masatoshi Komiya
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, 2026, 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, 2026, 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 (including those applicable to audits of financial statements of public interest entities), 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.

<table>
<tr><td colspan="2">Reasonableness of the net realizable value used to measure impairment losses on non-current assets in the China foods business</td></tr>
<tr><th>Description of Key Audit Matter</th><th>Auditor's Response</th></tr>
<tr><td>As stated in Part 5 Financial Information 1. Consolidated Financial Statements, etc. (1) Consolidated Financial Statements Notes (Significant accounting estimates), the Company recognized impairment losses on non-current assets in the China foods business during the current fiscal year, totaling JPY 19,462 million, comprising JPY 2,726 million for the dairy business and B to B business, JPY 8,826 million for the cocoa business, and JPY 7,909 million for the ice cream business.

The Company recognizes impairment losses on asset groups for which there is an indication of impairment when the total undiscounted future cash flows expected to be generated from the asset group are less than their carrying amount, by reducing the carrying amount to the recoverable amount. The recoverable amount is measured as the higher of net realizable value and value in use.

In the current consolidated fiscal year, the Company identified indications of impairment for each asset group in the China foods business, as those asset groups have incurred, or are expected to incur, continuing operating losses. Accordingly, the Company recognized and measured impairment losses for each asset group.</td><td>We involved the component auditor and mainly performed the following audit procedures in considering the reasonableness of the net realizable value used in measuring impairment losses on non-current assets in the China foods business.

・ We held discussions with management and relevant business managers, and inspected minutes of the Board of Directors meetings, in order to understand the recent business environment of the China foods business.
・ We evaluated the competence, capabilities, and objectivity of the external specialists engaged by management.
・ We involved specialists from our network firm and primarily performed the following procedures.
  ・ We inspected real estate appraisal reports and made inquiries of the external specialists engaged by management, and obtained an understanding of the valuation assumptions, the valuation policies and methods adopted, and the decision-making process leading to the determination of the appraised values.
  ・ We evaluated the reasonableness of the inputs used by the external specialists in calculating comparable prices based on transaction cases by comparing such</td></tr>
</table>

As a result, since the recoverable amount was less than the carrying amount, the carrying amount of the relevant asset groups was reduced to the recoverable amount, and the difference was recognized as an impairment loss. The Company used net realizable value as the recoverable amount for measuring impairment losses, and the net realizable value was based on appraised values determined by external real estate appraisers. As stated in Notes (Significant accounting estimates), the primary assumption used in real estate appraisal is the comparable price based on transaction cases, and the estimation requires specialized skills and knowledge and involves management judgment. In addition, the amount of impairment losses determined based on the recoverable amount is material to the consolidated financial statements. Based on the above, we have determined that the reasonableness of the net realizable value used in measuring impairment losses was of most significance to our audit of the consolidated financial statements for the current fiscal year, and accordingly, that this was a key audit matter.	inputs with external data, including prices benchmarked against officially announced land prices. ・ With respect to the judgments made in determining the appraised values, we evaluated the reasonableness of the appraised values estimated by the external specialists, which were ultimately determined after considering property-specific factors such as specifications of the property and the surrounding environment. ・ We obtained impairment assessment documentation prepared by the Company and re-performed the calculations, and compared the net realizable value of each asset group with appraisal reports prepared by external specialists.

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 execution of duties by the Directors in the establishment and operation of the Group's reporting process for 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 execution of duties by the Directors in the establishment and operation of 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 to express 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 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, 2026 of the Group ("Management's Report"). In our opinion, the Management's Report referred to above, which represents that the internal control over financial reporting as at March 31, 2026 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 (including the provisions applicable to audits of financial statements of public interest entities), 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 are 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 judgment in consideration of the materiality of the effect on the reliability of financial reporting.
- Consider the overall presentation of Management’s Report with regard 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 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.

<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, 2026 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, 2026, 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 24, 2026

To the Board of Directors of
Meiji Holdings Co., Ltd.

Ernst & Young ShinNihon LLC
Tokyo, Japan
Designated Limited Liability Partner Hideyuki Fujita
Engagement Partner
Certified Public Accountant
Designated Limited Liability Partner Masatoshi Komiya
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, 2026, 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, 2026, 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 (including those applicable to audits of financial statements of public interest entities), 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 execution of duties by the Directors in the establishment and operation of the Company’s reporting process for 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 execution of duties by the Directors in the establishment and operation of 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 to express 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 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 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.