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# Securities Report

FY2025 Full Year

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- 1 This document is a securities report based on Article 24, paragraph (1) of the Financial Instruments and Exchange Act, output and printed with contents and pages attached to the data submitted using the electronic disclosure system (EDINET) stipulated in Article 27-30-2 of the same act.
- 2 This document contains, at the end, the audit report attached to the securities report submitted by the above method, as well as the internal control report and representation letter submitted together with the said securities report.

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[Cover]

[Filing]	Securities Report
[Articles of basis]	Article 24, paragraph (1) of the Financial Instruments and Exchange Act
[Submitting to]	Director-General of the Kinki Local Finance Bureau
[Submitting date]	Dec. 22, 2025
[Fiscal year]	11th period (from Oct. 1, 2024 to Sep. 30, 2025)
[Company name]	FOOD & LIFE COMPANIES LTD.
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[Location for public inspection]	Tokyo Stock Exchange Inc.  (2-1 Nihonbashi Kabutocho, Chuo-ku, Tokyo)

## Part I [Corporate Information]

### Section 1 [Overview of the Company]

#### (Introduction)

Our company originated from Sushitaro Co., Ltd., established on Oct. 23, 1984 (hereinafter referred to as "(the original) Akindo Sushiro Co., Ltd. [est. 1984]"). The (the original) Akindo Sushiro Co., Ltd. [est. 1984]. upheld the management philosophy of enriching people's lives through sushi and actively expanded its stores to enable more customers to enjoy high-quality and affordable sushi, aiming to contribute to the development of sushi, a traditional Japanese food. On Sep. 18, 2003, we were listed on the Second Section of the Tokyo Stock Exchange.

AS Holdings Co., Ltd., established by an investment fund belonging to the Unison Capital Group, announced the management buy-out (hereinafter "MBO") of the (the original) Akindo Sushiro Co., Ltd. [est. 1984]. in Sep. 2008 and conducted the public tender offer (hereinafter "this public tender offer"). This public tender offer was completed on Nov. 10, 2008, which caused (the original) Akindo Sushiro Co., Ltd. [est. 1984]. to become a subsidiary of AS Holdings Co., Ltd., and its stock listing on the Second Section of the Tokyo Stock Exchange was rescinded on Apr. 1, 2009. AS Holdings Co., Ltd. conducted a merger dissolving the (the original) Akindo Sushiro Co., Ltd. [est. 1984]., effective May. 31, 2009, and on the same date, changed its company name to Akindo Sushiro Co., Ltd. (hereinafter referred to as "(the predecessor) Akindo Sushiro Co., Ltd. [est. 2009]").

Later, CEIL Japan Co., Ltd., established by Permira Fund on Jul. 31, 2012, upon the transition of major shareholders from the Unison Capital Group to Permira Fund advised by Permira Advisors Group, acquired all shares of the (the predecessor) Akindo Sushiro Co., Ltd. [est. 2009]. on Sep. 28, 2012, making it a subsidiary. CEIL Japan Co., Ltd. merged with the (the predecessor) Akindo Sushiro Co., Ltd. [est. 2009]., dissolving the latter, effective Jan. 1, 2013, and changed its company name to Akindo Sushiro Co., Ltd. on the same date.

On Mar. 31, 2015, Akindo Sushiro Co., Ltd. [est. 2013]. established Akindo Sushiro Holdings Co., Ltd. through a company stock transfer and transitioned to a holding company structure, then changed its name to Sushiro Global Holdings Co., Ltd. on Oct. 1, 2015, further changing its name to FOOD & LIFE COMPANIES LTD. on Apr. 1, 2021, continuing to this date.

Further, on Oct. 1, 2015, for the purpose of developing new business formats, Sushiro Creative Dining Co., Ltd. was established through a corporate spin-off from Akindo Sushiro Co., Ltd. [2013]., and on the same date, all shares issued by Sushiro Creative Dining Co., Ltd. were transferred from Akindo Sushiro Co., Ltd. [2013] to our company. Notably, Sushiro Creative Dining Co., Ltd. changed its name to FOOD & LIFE INNOVATIONS on Apr. 1, 2021, continuing to this date.

Notably, due to the public offering of our company's shares associated with the listing on the First Section of the Tokyo Stock Exchange on Mar. 30, 2017, CEIL no longer qualified as our parent company or controlling shareholder, and the ownership ratio of our company's shares as of the end of Sep. 2017 was 28.91%. Moreover, through the transfer of our company's shares to Shinmei Co., Ltd.\*2 by CEIL, based on the capital and business alliance agreement concluded on Sep. 29, 2017, CEIL sold all its shares.

\*1 Permira Fund is a fund advised by Permira Advisors Co., Ltd. or its affiliate companies (Permira Advisors Group), and through Sardilux S.à r.l., held entirely by Permira Fund, it indirectly holds a majority of the shares in Consumer Equity Investments Limited (hereinafter referred to as "CEIL").

\*2 Shinmei Co., Ltd. changed its name to Shinmei Holdings Co., Ltd. on Oct. 1, 2018.

#### (1) Establishment of Sushitaro Co., Ltd. and change of name to Akindo Sushiro Co., Ltd. ((the original) Akindo Sushiro Co., Ltd. [est. 1984].)

The (the original) Akindo Sushiro Co., Ltd. [est. 1984]. was initiated by its founder, Mr. Yoshio Shimizu, who in Jul. 1975 opened a privately-run sushi restaurant in Abeno Ward, Osaka City (not a kaiten sushi, but a store where chefs prepare sushi in response to customer orders). Subsequently, after operating a take-out specialty store in Osaka City and other transitions, Sushitaro Co., Ltd. was established on Oct. 23, 1984, in Toyonaka City, Osaka Prefecture, with the purpose of expanding kaiten sushi store locations. Later, on Aug. 1, 1999, a merger was conducted with Sushitaro Co., Ltd. (Representative Director: Yoshio Shimizu) as the surviving company and Sushitaro Co., Ltd. (headquartered in Suita City, Osaka Prefecture), led by Shimizu Yoshio's younger brother, Shimizu Toyo, dissolving. In Dec. 2000, the company name changed from Sushitaro Co., Ltd. to Akindo Sushiro Co., Ltd., under the management philosophy of "enriching people's lives through sushi," continually providing customers with high-quality, value-added services while pursuing efficiency through measures like the introduction of a "Kaiten (=revolving lane) Sushi Integrated Management System," striving daily to enhance customer satisfaction, and was listed on the Second Section of the Tokyo Stock Exchange on Sep. 18, 2003.

#### (2) Implementation of MBO by AS Holdings Co., Ltd.

AS Holdings Co., Ltd. was established on Aug. 8, 2008, by an investment fund belonging to the Unison Capital Group, for the purpose of acquiring shares, etc., of (the original) Akindo Sushiro Co., Ltd. [est. 1984]. (essentially the surviving company).

The board of directors of the (the original) Akindo Sushiro Co., Ltd. [est. 1984]. carefully considered and deliberated the strategic privatization proposal from the Unison Capital Group, concluding that the proposal aimed to enhance the corporate value of the (the original) Akindo Sushiro Co., Ltd. [est. 1984]. by establishing a strong capital relationship beyond existing partnerships and was consistent with the medium-term management plan advocated by the (the original) Akindo Sushiro Co., Ltd. [est. 1984].; this was deemed extremely beneficial for the growth of the (the original) Akindo Sushiro Co., Ltd. [est. 1984]., and the tender offer price and terms were judged reasonable for the shareholders of the (the original) Akindo Sushiro Co., Ltd. [est. 1984].; a resolution about this public tender offer was made at the board meeting on Sep. 24, 2008, with a statement of support expressed. AS Holdings Co., Ltd. implemented the public tender offer for the shares of the (the original) Akindo Sushiro Co., Ltd. [est. 1984]. on Sep. 25, 2008, which was completed on Nov. 10, 2008. Thus, the (the original) Akindo Sushiro Co., Ltd. [est. 1984]. became a subsidiary of AS Holdings Co., Ltd., and its listing on the Second Section of the Tokyo Stock Exchange was rescinded on Apr. 1, 2009. Subsequently, AS Holdings Co., Ltd. conducted a merger dissolving the (the original) Akindo Sushiro Co., Ltd. [est. 1984]., effective May. 31, 2009, and on the same date, changed its company name to Akindo Sushiro Co., Ltd. (hereinafter referred to as "the (the predecessor) Akindo Sushiro Co., Ltd. [est. 2009]").

(3) Transition of major shareholders from Unison Capital Group, etc. to Permira Fund

CEIL Japan Co., Ltd. was established by Permira Fund on Jul. 31, 2012, to acquire all shares of the (the predecessor) Akindo Sushiro Co., Ltd. [est. 2009]., held by investment funds belonging to Unison Capital Group, etc.

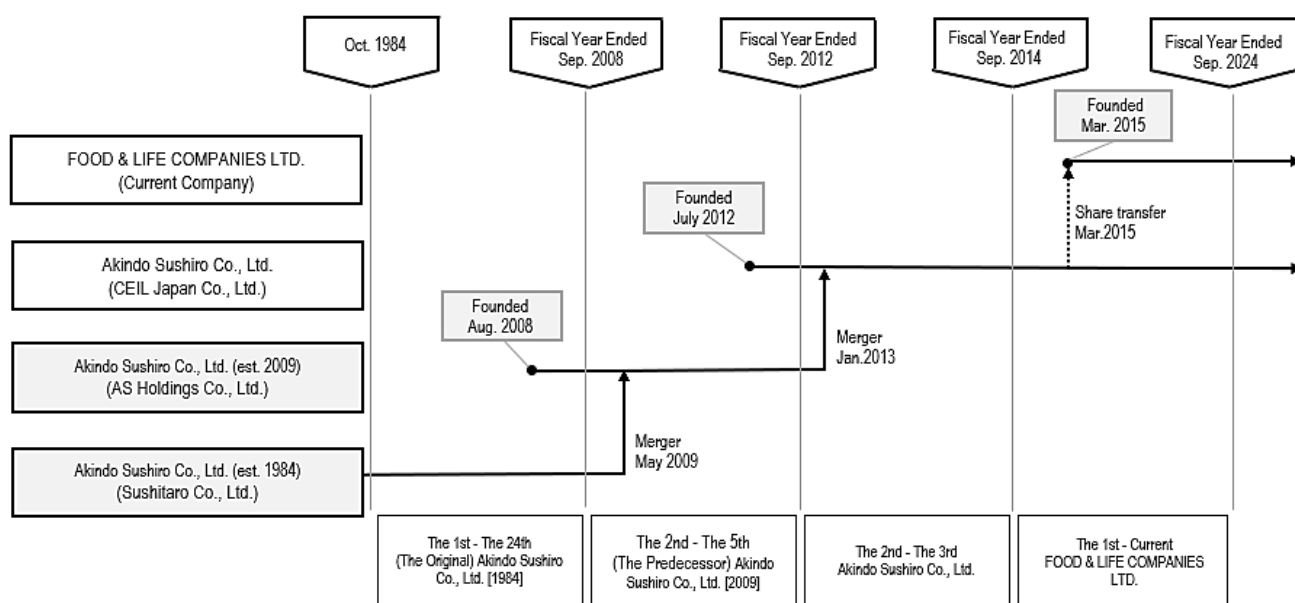
CEIL Japan Co., Ltd. executed a leveraged buyout (LBO) and obtained external financing of approximately JPY 40bn through borrowings from financial institutions in addition to its own funds, thereby acquiring all shares of the (the predecessor) Akindo Sushiro Co., Ltd. [est. 2009]. from investment funds belonging to the Unison Capital Group, etc. on Sep. 28, 2012. Part of the borrowings recorded in the consolidated financial statement, the brand valued at JPY 53,596mn, and the goodwill valued at JPY 30,371mn were recognized due to this subsidiary formation. Subsequently, CEIL Japan Co., Ltd. merged with the (the predecessor) Akindo Sushiro Co., Ltd. [est. 2009]., dissolving the latter, effective Jan. 1, 2013, and changed its company name to Akindo Sushiro Co., Ltd. on the same date. Notably, in Dec. 2015, from the perspective of capital policy, 25bn shares of treasury stock were acquired for a total of JPY 25bn, with financing newly borrowed for the acquisition. These treasury shares were entirely canceled in Dec. 2016.

Regarding goodwill impairment, refer to "Section 2 Business Status 3 Business Risks (19) Risks associated with the application of impairment accounting" and "Section 5 Financial Status 1 Consolidated Financial Statements (1) Consolidated Financial Statement Notes 12. Non-financial Asset Impairment." Regarding borrowings, please refer to "2. Business Situations 3. Business Risks and Others (20) Risks Associated with a Large Amount of Interest-Bearing Debt and Breaching Financial Covenants" and "5. Financial Situations 1. Consolidated Financial Statements (1) Consolidated Financial Statements Notes 16. Bonds and Borrowings."

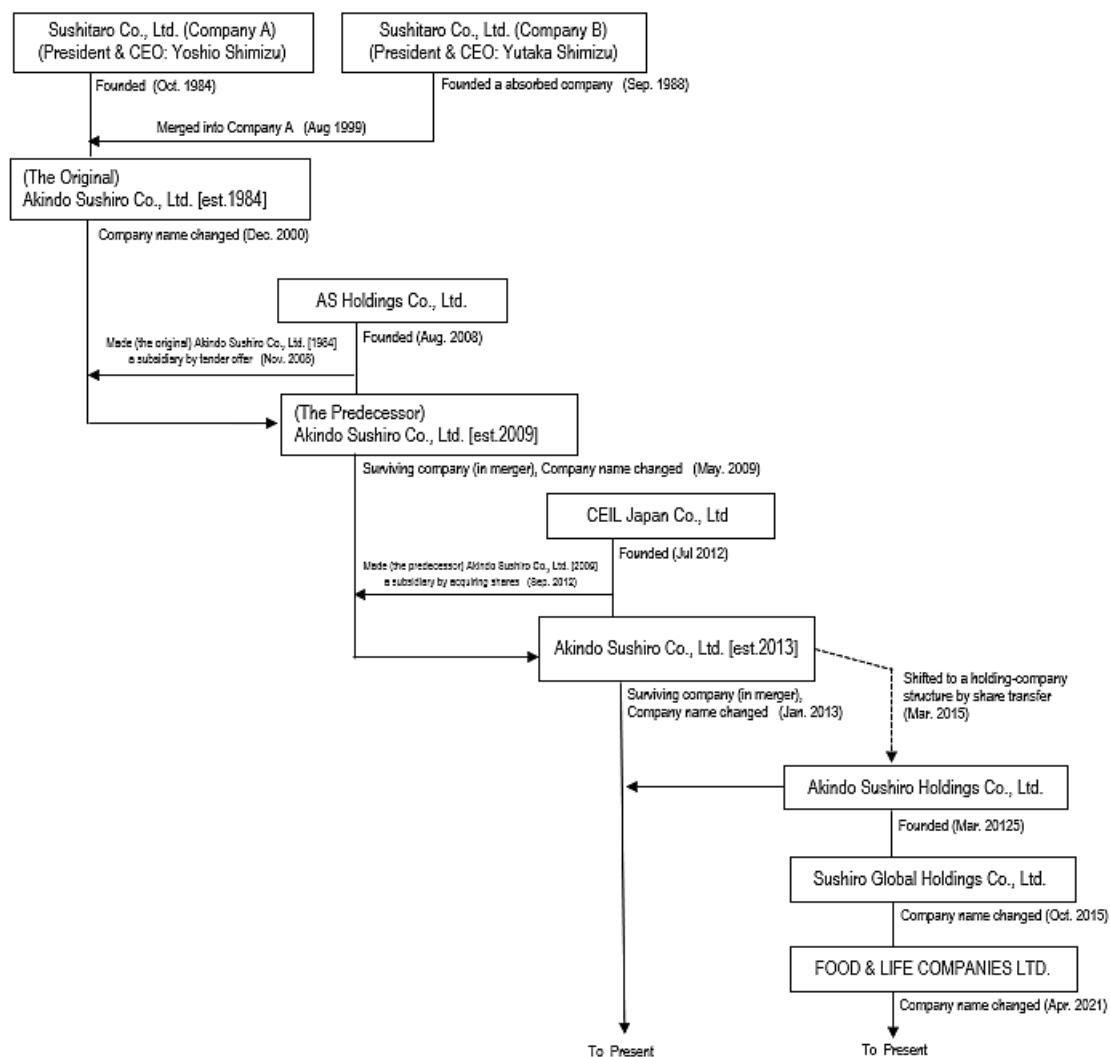
(4) Establishment of FOOD & LIFE COMPANIES LTD.

On Mar. 31, 2015, Akindo Sushiro Co., Ltd. [2013] established Akindo Sushiro Holdings Co., Ltd. through an independent stock transfer, transitioning to a holding company system. Furthermore, Akindo Sushiro Holdings Co., Ltd. changed its name to Sushiro Global Holdings Co., Ltd. on Oct. 1, 2015, and subsequently to FOOD & LIFE COMPANIES LTD. on Apr. 1, 2021, reaching its current status.

The following diagram illustrates the transition of our company's operational entity.



< Transition of Our Company >



In this document, Akindo Sushiro Co., Ltd. [2013] continues to operate the main business of (the original) and (the predecessor) Akindo Sushiro Co., Ltd., it is described as a series of ongoing companies. Additionally, the expressions for the (the original) and (the predecessor) Akindo Sushiro Co., Ltd. are separately mentioned as necessary.

## 1. [Trends in Major Management KPIs]

### (1) Financial Summary

Fiscal Term	International Accounting Standards				
	7th Term	8th Term	9th Term	10th Term	11th Term
Closing Month and Year	Sep. 2021	Sep. 2022	Sep. 2023	Sep. 2024	Sep. 2025
Revenue (¥, mn)	240,804	281,301	301,747	361,129	429,574
Operating Profit (¥, mn)	22,901	10,123	11,001	23,384	36,093
Income before Income Taxes (¥, mn)	21,584	7,564	9,864	21,653	33,777
Profit for the Period Attributable to the Owner of Parent (¥, mn)	13,185	3,607	8,045	14,633	22,937
Comprehensive Income Attributable to Owners of the Parent (¥, mn)	14,091	5,700	8,484	13,863	23,855
Equity Attributable to Owners of the Parent Company (¥, mn)	63,569	65,117	72,268	76,568	97,869
Total Assets (¥, mn)	296,001	331,982	351,619	365,154	398,596
Equity Attributable to Owners of the Parent per Share (¥)	542.88	554.51	612.24	661.48	845.61
Basic EPS (¥)	113.61	31.16	69.54	127.46	202.71
Diluted EPS (¥)	113.05	30.98	69.01	126.32	199.97
Ratio of Equity Attributable to the Owners of the Parent Company to Total Assets (%)	21.3	19.3	20.1	20.5	24.0
Profit Attributable to Owners of the Parent Company Over Equity Attributable to Owners of the Parent Company (%)	23.2	5.7	11.9	20.1	26.9
Price-Earnings Ratio (times)	45.42	71.36	36.15	22.58	38.17
Operating Cash Flow (¥, mn)	31,679	29,514	42,360	56,326	64,429
Cash Flow from Investment Activities (¥, mn)	△17,286	△19,647	△17,888	△24,066	△25,436
Cash Flow from Financing Activities (¥, mn)	2,107	10,539	△23,876	△34,322	△29,235
Cash and Cash Equivalents at the End of the Year (¥, mn)	29,367	50,637	51,228	48,695	58,822
Number of Employees (including Average Number of Temporary Staff) (persons)	4,577	6,088	7,134	8,978	11,720
	(21,035)	(21,961)	(20,779)	(21,071)	(23,789)

Note :

1. The above indicators are prepared according to International Financial Reporting Standards (hereinafter referred to as "IFRS").
2. Figures are rounded to the nearest million yen.
3. The number of temporary employees is the number of part-time and casual workers, with the annual average number based on an 8-hour workday provided in parentheses.
4. From the 10th fiscal year, International Accounting Standard No. 12 "Income Taxes" (revised in May, 2021, hereinafter referred to as "IAS 12 (revised) Income Taxes") is applied. As a result, the indicators for the 9th fiscal term are stated after retrospective application.

## (2) KPIs of the Reporting Company

Fiscal Term	Japanese Standard				
	7th Term	8th Term	9th Term	10th Term	11th Term
Closing Month and Year	Sep. 2021	Sep. 2022	Sep. 2023	Sep. 2024	Sep. 2025
Operating Revenues (¥, mn)	11,130	17,819	17,137	19,061	25,972
Current Profit (¥, mn)	6,128	5,335	2,448	2,301	5,980
Current Net Profit (¥, mn)	6,026	8,948	3,398	2,399	4,215
Capital Stock (¥, mn)	100	100	100	100	100
Number of Shares Issued (shares)	116,069,184	116,069,184	116,069,184	116,069,184	116,069,184
Total Shareholders' Equity (¥, mn)	19,548	24,365	25,666	18,316	19,974
Total Assets (¥, mn)	104,019	143,603	141,196	137,794	132,673
Net Assets per Share (¥)	163.62	202.21	209.41	146.53	157.82
Dividends Per Share (including interim dividends per share) (¥)	22.50 (-)	22.50 (-)	22.50 (-)	30.00 (-)	35.00 (-)
Profit for the Period Per Share (¥)	51.92	77.31	29.37	20.90	37.25
Diluted EPS Profit for the Period for Computation (¥)	51.67	76.85	29.15	20.71	36.75
Capital Adequacy Rate (%)	18.3	16.3	17.2	12.0	13.5
Return On Equity (%)	35.8	42.2	14.3	11.8	24.5
Price-Earnings Ratio (times)	99.38	28.77	85.60	137.73	207.68
Dividend Payout Ratio (%)	43.3	29.1	76.6	143.6	93.9
Number of Employees (including Average Number of Temporary Staff) (persons)	214 (14)	236 (15)	247 (12)	258 (11)	333 (12)
Total Shareholder Return (Comparison Index: TOPIX including Dividend) (%)	195.7 (127.5)	85.7 (118.4)	98.7 (153.7)	112.3 (179.2)	297.2 (217.8)
Monthly High (¥)	5,480	5,320	3,710	3,197	8,715
Monthly Low (¥)	2,656	2,060	2,132	2,019	2,840

Note :

1. Figures are rounded to the nearest million yen.
2. The number of temporary employees is the number of part-time and casual workers, with the annual average number based on an 8-hour workday provided in parentheses.
3. The highest and lowest stock prices are those on the First Section of the Tokyo Stock Exchange before Apr. 3, 2022, and on the Tokyo Stock Exchange Prime Market from Apr. 4, 2022.
4. The dividend amount of JPY 35 per share for the fiscal year ending Sep. 2025 is a resolution at the annual general meeting of shareholders scheduled for Dec. 23, 2025.

## 2. [History]

As stated in the foregoing "Introduction," our origin is Sushitaro Co., Ltd. ((the original) Akindo Sushiro Co., Ltd. [est. 1984]). CEIL Japan Co., Ltd. (Akindo Sushiro Co., Ltd. [2013]) was established on Jul. 31, 2012, and it made (the predecessor) Akindo Sushiro Co., Ltd. [est. 2009], which had formally succeeded the business of Sushitaro Co., Ltd. ((the original) Akindo Sushiro Co., Ltd. [est. 1984]), a subsidiary on Sep. 28, 2012. Subsequently, CEIL Japan Co., Ltd. conducted a merger on Jan. 1, 2013, making it the surviving company and renaming itself Akindo Sushiro Co., Ltd. on the same date. Afterwards, Akindo Sushiro Co., Ltd. [2013] established Akindo Sushiro Holdings Co., Ltd. through an independent stock transfer on Mar. 31, 2015, transitioning to a holding company system, changed its name to Sushiro Global Holdings Co., Ltd. on Oct. 1, 2015, and further changed its name to FOOD & LIFE COMPANIES LTD. on Apr. 1, 2021, reaching its current status.

Therefore, below is the history from the establishment of Sushitaro Co., Ltd., through the absorption merger of (the predecessor) Akindo Sushiro Co., Ltd. [est. 2009] by CEIL Japan Co., Ltd. (Akindo Sushiro Co., Ltd. [2013]), and the transition to a holding company system up to the present. Furthermore, the history is divided into two tables: from the establishment of Sushitaro Co., Ltd. to its delisting from the Second Section of the Tokyo Stock Exchange, and from the delisting to the present.

(From the establishment of Sushitaro Co., Ltd. ((the original) Akindo Sushiro Co., Ltd. [est. 1984]) to delisting through a public tender offer)

Month / Year	Events
Oct. 1984	Established Sushitaro Co., Ltd. (head office: Toyonaka City, Osaka Prefecture; Representative Director: Yoshio Shimizu). Opened the first store in Toyonaka City under the name "Sushitaro."
Oct. 1991	Sushitaro Co., Ltd. switched its store opening policy to focus primarily on directly operated stores and opened the first store with a reversible revolving lane system in the Ochiai area of Suma Ward, Kobe City.
Dec. 1995	Established a processing plant adjacent to Takarazuka Ankura Store.
Sep. 1996	Opened the first store with a JPY 100 per plate pricing model, "Takatsukasa," in Takarazuka City, Hyogo Prefecture.
Aug. 1999	Merged with Sushitaro Co., Ltd., with Sushitaro Co., Ltd. (whose Representative Director was Yutaka Shimizu, the older brother of Yoshio Shimizu) remaining as the surviving company.
Dec. 2000	Changed the company name to Akindo Sushiro Co., Ltd. ((the original) Akindo Sushiro Co., Ltd. [est. 1984]). Relocated headquarters to Tsuruno, Settsu City, Osaka Prefecture; integrated a new processing plant and warehouse within headquarters.
Sep. 2001	Expanded to the Kanto area with new store openings in Katsushika Ward, Tokyo, and Fussa City.
Jul. 2002	Expanded to the Chubu area with a new store opening in Atsuta Ward, Nagoya City.
Sep. 2003	Listed shares on the Second Section of the Tokyo Stock Exchange.
Nov. 2003	Outsourced delivery operations in the Kanto area.
Feb. 2004	Fully abolished the processing plant within headquarters.
Feb. 2005	Relocated headquarters functions to Suita City, Osaka Prefecture.
Apr. 2006	Transferred head office registration to Suita City, Osaka Prefecture.
Sep. 2006	Expanded into the Chugoku area with a new store in Okayama City, Okayama Prefecture.
Aug. 2007	Formed a strategic business alliance with Kyokuyo Co., Ltd. and the Unison Capital Group.
Jan. 2008	Expanded into the Shikoku area with a new store in Tokushima City, Tokushima Prefecture.
Apr. 2008	Expanded into the Tohoku area with a new store in Ishinomaki City, Miyagi Prefecture.
Apr. 2008	Expanded into the Kyushu area with a new store in Kikuyo Town, Kikuchi District, Kumamoto Prefecture.
Jul. 2008	Expanded into the Hokkaido area with a new store in Teine Ward, Sapporo City.
Sep. 2008	AS Holdings Co., Ltd. initiated a public tender offer for the shares of (the original) Akindo Sushiro Co., Ltd. [est. 1984]
Nov. 2008	AS Holdings Co., Ltd. completed the public tender offer for the shares of (the original) Akindo Sushiro Co., Ltd. [est. 1984] (Held 65.19% of issued common stock and all share warrants, thereby making (the original) Akindo Sushiro Co., Ltd. [est. 1984] a subsidiary.)
Feb. 2009	At the extraordinary general meeting of shareholders, a resolution was passed for the absorption merger contract, making AS Holdings Co., Ltd. the surviving company and (the original) Akindo Sushiro Co., Ltd. [est. 1984] the dissolving company.
Apr. 2009	Delisted from the Second Section of the Tokyo Stock Exchange.

(After delisting due to the public tender offer for the former Akindo Sushiro Co., Ltd., to the present)

Month / Year	Events
May. 2009	AS Holdings Co., Ltd. merged with (the original) Akindo Sushiro Co., Ltd. [est. 1984], changing its name to Akindo Sushiro Co., Ltd. ((the predecessor) Akindo Sushiro Co., Ltd. [est. 2009]).
Apr. 2011	Established a subsidiary, Sushiro Korea, Inc., in Seoul, South Korea.
Sep. 2012	CEIL Japan Co., Ltd. acquired all the shares of the (the predecessor) Akindo Sushiro Co., Ltd. [est. 2009] held by the Unison Capital Group and others, making it a subsidiary.
Jan. 2013	CEIL Japan Co., Ltd. merged with (the predecessor) Akindo Sushiro Co., Ltd. [est. 2009], changing its name to Akindo Sushiro Co., Ltd. (Akindo Sushiro Co., Ltd. [2013])
Mar. 2015	Established Akindo Sushiro Holdings Co., Ltd. through a stock transfer, transitioning to a holding company system.
Sep. 2015	Expanded into the Okinawa area with a new store in Urasoe City, Okinawa Prefecture.
Oct. 2015	Changed the company name from Akindo Sushiro Holdings Co., Ltd. to Sushiro Global Holdings Co., Ltd.
Oct. 2015	Established Sushiro Creative Dining Co., Ltd. in Suita City, Osaka Prefecture, through a company split from Akindo Sushiro Co., Ltd. [2013] Transferred all shares of Sushiro Creative Dining Co., Ltd. from Akindo Sushiro Co., Ltd. to Sushiro Global Holdings Co., Ltd.
Apr. 2016	Acquired all shares of CEI US Holdings Corporation, which operates sushi-related Japanese restaurants in the U.S., making it a subsidiary.
Sep. 2016	Opened the first urban style store, SUSHIRO Minami Ikebukuro.
Oct. 2016	Closed two stores operated by Sushiro U.S. Holdings Inc., which develops U.S. business.
Mar. 2017	Lists on First Section of the Tokyo Stock Exchange .
Aug. 2017	Established a subsidiary, Sushiro Taiwan Co., Ltd., in Taipei, Taiwan.
Sep. 2017	Entered into a capital and business alliance with Shinmei Co., Ltd. and Genki Sushi Co., Ltd. (terminated in Jun. 2019).
Oct. 2018	Established a subsidiary, Sushiro GH Singapore Pte. Ltd., in Singapore.
Jan. 2019	Established a subsidiary, Sushiro Hong Kong Limited (currently FOOD & LIFE COMPANIES HONG KONG LIMITED).
Feb. 2020	Established a subsidiary, Sushiro GH (Thailand) Ltd., in Thailand.
May. 2020	Established joint venture Sharetea Japan Co., Ltd. with Lianfa International Catering Business Co., Ltd.
Jan. 2021	Established a grandchild company, Guangzhou Sushiro Restaurants Co., Ltd., in China.
Apr. 2021	Changed the company name from Sushiro Global Holdings Co., Ltd. to FOOD & LIFE COMPANIES LTD. Changed the company name from Sushiro Creative Dining Co., Ltd. to FOOD & LIFE INNOVATIONS LTD.
Apr. 2021	Acquired all shares of KYOTARU CO., LTD., making it a subsidiary.
Apr. 2022	Transitioned to the new 'Prime Market' in line with the reorganization of markets by the Tokyo Stock Exchange.  Established grandchild companies, Chengdu Sushiro Restaurants Co., Ltd. and Shenzhen Sushiro Restaurants Co., Ltd., in China.
Jul. 2022	Established F & LC Support Co., Ltd. in Suita City, Osaka Prefecture.
Jun. 2023	Established a subsidiary, FOOD & LIFE COMPANIES USA, Corp, and its subsidiary, FOOD & LIFE COMPANIES USA, LLC in the U.S.
Jul. 2023	Established a subsidiary, PT. Indonesia Sushiro Restaurants in Indonesia.
Oct. 2023	Established a grandchild company, Beijing Sushiro Restaurants Co., Ltd., in China.
Apr. 2024	Established a grandchild company, Sushiro Malaysia Sdn. Bhd., in Malaysia.

### 3. [Description of Business]

As a holding company, we undertake the formulation of management policies and management of our group. Our group consists of our company and 19 consolidated subsidiaries, and its main business is the chain development of kaiten sushi (revolving sushi) stores directly operated.

The positioning of our group's business and its relationship with segments is as follows. The divisions shown below are the same as the segments.

From this consolidated fiscal year, we have changed the division of reporting segments. Details are described in 'Section 5 [Status of Accounting]' → '1. [Consolidated Financial Statements]' → '(1) Consolidated Financial Statements' → 'Notes to Consolidated Financial Statements' → '5. Segment Information' → '(1) Overview of Reporting Segments.'

Our company qualifies as a specified listed company as defined in Article 49, Paragraph 2 of the Cabinet Office Ordinance related to regulations on securities transactions, etc., and thus, the standard for minor information concerning insider trading regulations is judged based on consolidated figures.

#### Domestic Sushiro Business :

The subsidiary, Akindo Sushiro Co., Ltd., develops the 'Sushiro' kaiten sushi (revolving sushi) stores domestically.

#### Overseas Sushiro Business :

The subsidiaries such as Sushiro Korea, Inc., Sushiro Taiwan Co., Ltd., Sushiro GH Singapore Pte. Ltd., FOOD & LIFE COMPANIES HONG KONG LIMITED, Sushiro GH (Thailand) Ltd., Guangzhou Sushiro Restaurants Co., Ltd., Shenzhen Sushiro Restaurants Co., Ltd., Chengdu Sushiro Restaurants Co., Ltd., Beijing Sushiro Restaurants Co., Ltd., PT. Indonesia Sushiro Restaurants, Sushiro Malaysia Sdn. Bhd. develop overseas 'Sushiro' kaiten sushi (revolving sushi) stores.

#### Kyotaru Business :

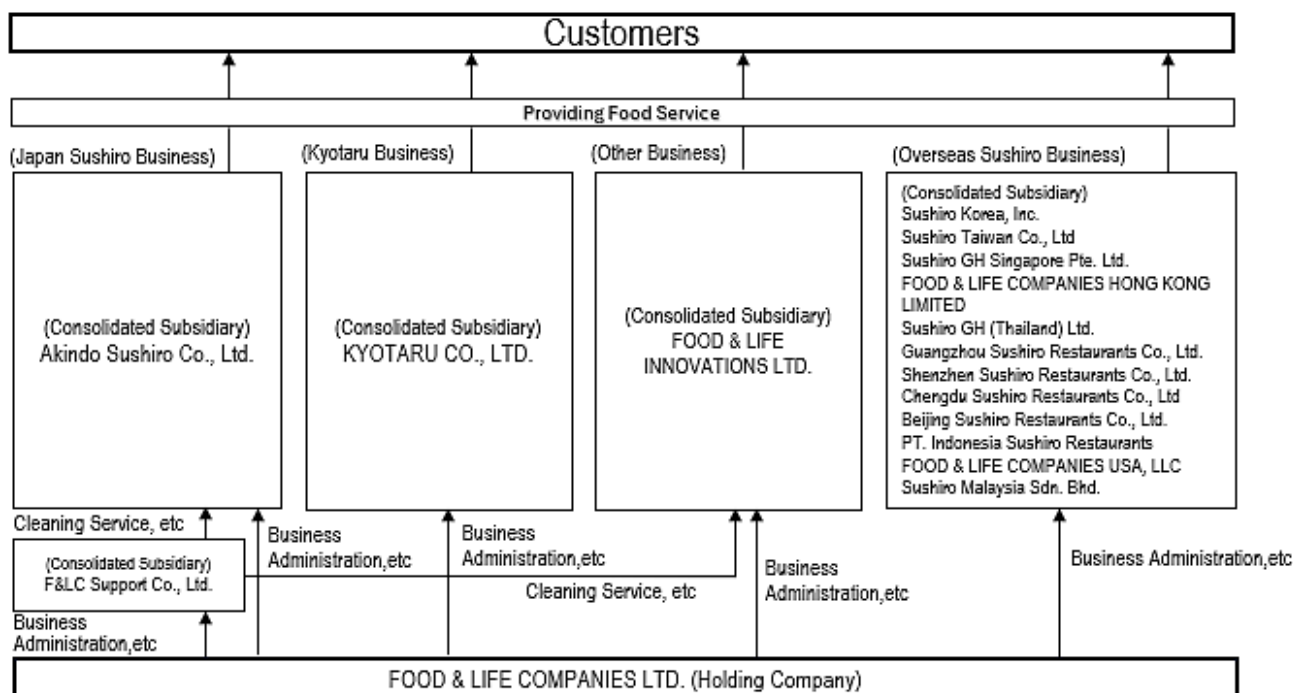
The subsidiary, KYOTARU CO., LTD., develops 'Kyotaru' take-out sushi specialty stores, as well as 'Kaiten Sushi Misaki' and 'Kaisen Misakiko' where sushi chefs provide sushi.

#### Domestic Sugidama Business :

The subsidiary, FOOD & LIFE INNOVATIONS LTD., develops the sushi izakaya 'Sushi, Sake, Sashimi Sugidama'.

The schematic diagram of our group's business is as follows.

#### Business Schematic Diagram :



#### 4. [Status of Affiliated Companies]

Company Name	Address	Stated Capital	Main Business	Ownership Percentage	Nature of Relationship
( Group Firms )					
Akindo Sushiro Co., Ltd. (Note) 1, 7	Suita City, Osaka Prefecture	JPY 100mn	Domestic Sushiro business	(proprietorship) 100.0	Provision of services from our company loaning of funds 2 concurrent board members
KYOTARU CO., LTD. (Note) 1	Chuo-ku, Tokyo	JPY 10mn	Kyotaru business	(proprietorship) 100.0	Provision of services from our company loaning of funds 1 concurrent board members
FOOD & LIFE INNOVATIONS LTD. (Note) 1, 3	Chiyoda-ku, Tokyo	JPY 10mn	Domestic Sugidama business	(proprietorship) 100.0 (100.0)	Provision of services from our company loaning of funds 1 concurrent board members
Sushiro Korea, Inc. (Note) 1	Seoul, Korea	KRW 28,460mn	Overseas Sushiro business	(proprietorship) 100.0	Provision of services from our company 2 concurrent board members
Sushiro Taiwan Co., Ltd. (Note) 1	Taipei-city, Taiwan	NTD 1,244mn	Overseas Sushiro business	(proprietorship) 100.0	Provision of services from our company 2 concurrent board members
Sushiro GH Singapore Pte. Ltd. (Note) 1	Singapore	SGD 31mn	Overseas Sushiro business	(proprietorship) 100.0	Provision of services from our company 2 concurrent board members
FOOD & LIFE COMPANIES HONG KONG LIMITED (Note) 1	Hong Kong, China	HKD 152mn	Overseas Sushiro business	(proprietorship) 100.0	Provision of services from our company 2 concurrent board members
Sushiro GH (Thailand) Ltd. (Note) 1, 2	Thailand	THB 16mn	Overseas Sushiro business	(proprietorship) 49.0	Provision of services from our company 2 concurrent board members
Guangzhou Sushiro Restaurants Co., Ltd. (Note) 1, 4	Guangdong Province, China Guangzhou, China	RMB 65mn	Overseas Sushiro business	(proprietorship) 100.0 (100.0)	Provision of services from our company 2 concurrent board members
Shenzhen Sushiro Restaurants Co., Ltd. (Note) 1, 4	Guangdong Province, China Shenzhen City	RMB 26mn	Overseas Sushiro business	(proprietorship) 100.0 (100.0)	Provision of services from our company 2 concurrent board members
Chengdu Sushiro Restaurants Co., Ltd. (Note) 1, 4	Sichuan Province, China Chengdu, Sichuan Province, China	RMB 39mn	Overseas Sushiro business	(proprietorship) 100.0 (100.0)	Provision of services from our company 2 concurrent board members
Beijing Sushiro Restaurants Co., Ltd. (Note) 1, 4	Beijing, China	RMB 33mn	Overseas Sushiro business	(proprietorship) 100.0 (100.0)	Provision of services from our company 2 concurrent board members
PT. Indonesia Sushiro Restaurants (Note) 1	Indonesia	IDR 247.5bn	Overseas Sushiro business	(proprietorship) 100.0	Provision of services from our company 2 concurrent board members
FOOD & LIFE COMPANIES USA, LLC (Note) 1, 5	U.S.A.	USD 101,000,000	Overseas Sushiro business	(proprietorship) 100.0 (100.0)	Provision of services from our company 2 concurrent board members
Sushiro Malaysia Sdn. Bhd. (Note) 1, 2, 6	Malaysia	MYR 1mn	Overseas Sushiro business	(proprietorship) 49.0 (49.0)	Provision of services from our company 2 concurrent board members
Other 4 Companies (Note) 1					
(Equity-Method Affiliate)					
Other 1 Company					

Note :

1. It qualifies as a specified subsidiary. Furthermore, all other 4 companies qualify as specified subsidiaries.
2. Equity ownership is 50% or less, but it is treated as a subsidiary due to effective control.
3. FOOD & LIFE INNOVATIONS LTD. is a wholly owned subsidiary of KYOTARU CO., LTD., and the figures in parentheses in the ownership percentage column indicate indirect ownership.
4. Guangzhou Sushiro Restaurants Co., Ltd., Shenzhen Sushiro Restaurants Co., Ltd., Chengdu Sushiro Restaurants Co., Ltd., and Beijing Sushiro Restaurants Co., Ltd. are wholly owned subsidiaries of Sushiro (China) Investment Co., Ltd. within the other 4 companies, and the figures in parentheses in the ownership percentage column indicate indirect ownership.
5. FOOD & LIFE COMPANIES USA, LLC is a wholly owned subsidiary of FOOD & LIFE COMPANIES USA, Corp., within the other 4 companies, and the figures in parentheses in the ownership percentage column indicate indirect ownership.
6. Sushiro Malaysia Sdn. Bhd. is a 49% owned subsidiary of Sushiro GH Singapore Pte. Ltd., and the figures in parentheses in the ownership percentage column indicate indirect ownership.
7. Regarding Akindo Sushiro Co., Ltd., its Revenue share exceeds 10% of the consolidated revenue excluding internal sales among the consolidated companies.

Major profit and loss information, etc.	① Sales	JPY 265,903mn
	Profit for the Period	JPY 14,567mn
	③ Net profit for the period	JPY 9,628mn
	Net Asset	JPY 34,880mn
	Total assets	JPY 84,372mn

## 5. [Status of Employees]

### (1) Status of the Consolidated Company

As of Sep. 30, 2025

Segment	Number of Employees	
Domestic Sushiro Business	2,023	(19,840)
Overseas Sushiro Business	8,683	(2,266)
Kyotaru Business	447	(1,022)
Domestic Sugidama Business	234	(584)
Other Operations	333	(77)
Total	11,720	(23,789)

Note :

- The number of employees represents the number of regular employees. Temporary employees (part-time and casual workers) are indicated separately in parentheses, calculated as the annual average number based on 8 hours per day.
- The number of employees has increased by 2,742 compared to the end of the FY2024, mainly due to aggressive business expansion in the overseas Sushiro operations.

### (2) Status of the Reporting Company

As of Sep. 30, 2025

Number of Employees	Average Age	Average Length of Service (year)	Average Annual Salary (JPY)
333 (12)	41.3	3.7	8,927,507

Note :

- Since our company is included in another single segment, the number of employees by segment is not listed.
- The number of employees includes those seconded to us from other companies, and excludes those seconded by us to other companies. Temporary employees (part-time and casual) are listed in parentheses after converting the annual average number to 8-hour days.
- Average annual salary includes bonuses and any non-standard wages.

### (3) Status of the Labor Union

There is no labor union formed, but labor-management relations are stable and there are no notable matters.

### (4) Ratio of Female Workers in Management Positions, Childcare Leave Acquisition Rate of Male Workers, and Wage Differences between Male and Female Workers

#### ① Domestic Consolidated Group

FY2025					
Company Name	Ratio of Female Workers in Management Positions (%) (Note 1)	Childcare Leave Acquisition Rate of Male Workers (%) (Note 2)	Wage Differences between Male and Female Workers (%) (Note 1, 3, 4)		
			All workers	Regular Employees	Part-time / Fixed-Term Workers
Domestic Consolidated Group	7.4	70.9	78.2	82.2	100.01

② The Reporting Company and Consolidated Subsidiaries

FY2025					
Company name	Ratio of Female Workers in Management Positions (%) (Note 1, 5)	Childcare Leave Acquisition Rate of Male Workers (%) (Note 2, 5)	Wage Differences between Male and Female Workers (%) (Note 1, 3, 4, 5)		
			All Workers	Regular Employees	Part-timers / Fixed-Term Workers
FOOD&LIFE COMPANIES Co., Ltd.	15.5	85.7	68.4	71.9	95.6
AKINDO SUSHIRO Co., Ltd.	6.0	71.2	80.8	77.0	100.3
KYOTARU CO., LTD.	14.0	100.0	75.4	88.0	97.6
FOOD & LIFE INNOVATIONS Co., Ltd.	5.6	40.0	71.5	80.1	97.4
F&LC Support Co., Ltd.	-	-	104.3	-	104.3

Note :

1. Calculated based on the provisions of the Act on the Promotion of Female Participation and Career Advancement in the Workforce (Act No. 64 of 2015).
2. Calculated based on the provisions of the Childcare Leave, Caregiver Leave, etc. Act (Act No. 76 of 1991) and its enforcement regulations (Ministry of Labor Order No. 25 of 1991), specifically Article 71-6-1 concerning acquisition rates of childcare leave, etc.
3. For part-time and fixed-term workers, average annual wage is calculated based on the number of workers converted into regular employees' standard working hours.
4. Wage differences between genders are mainly due to the relatively low ratio of female employees in high-paying grades, primarily among management.
5. A hyphen '-' is noted in columns where data cannot be calculated due to lack of records.

## Section 2 [Business Overview]

### 1. [Management Policies, Management Environment, and Challenges to be Addressed]

Any forward-looking statements in the text are based on assessments as of the end of the consolidated fiscal year under review.

#### (1) Fundamental Management Policy of the Company

Under the vision of “Discovering new tastiness, Sharing moments of joy.” our group operates revolving sushi restaurant chains as core business, currently with 1,198 outlets (964 domestic including 8 takeout specialty stores and 17 FC, and 234 overseas), serving approximately 180mn customers annually.

Going forward, we will aim to create stores that are appreciated and increasingly needed in each region.

Our group will develop business based on this fundamental management policy to maximize benefits for our shareholders.

#### (2) Medium- and Long-Term Company Management Strategy and Issues

Our group has created stores that are appreciated in the community through high-quality ingredient procurement, stringent freshness control, dedication to in-store preparation, and detailed cleaning and customer service. Going forward, we recognize the need for flexible response to customer needs, stronger organizational structure, and increased market competitiveness in order to create stores that are even more appreciated and desired domestically and internationally. We will undertake the following key initiatives.

##### ① Continued Expansion of Domestic Sushiro Operations

###### A. New Store Openings

Our group has focused on opening roadside Sushiro revolving sushi restaurants in the suburbs, but with projected domestic population decline and reduced opening opportunities, we will promote new openings in urban areas with more available space.

###### B. Reinforce Profitability of Existing Stores

Our group recognizes the importance of reinforcing existing store profitability by further differentiating our services from competitors.

###### i. More Customer Visits

Our group's advantage lies in its commitment to deliciousness since its founding and maintaining that standard. As we expand the number of stores, we've sought to offer high satisfaction levels through uniform services across stores; however, going forward, we will aim to increase visits to existing stores by offering services tailored to regional characteristics, launching campaigns and original products, and promoting PR strategies.

Additionally, we plan to expand usage scenes, such as café use, to encourage customer revisits, enhance idle-time operational rates, and implement customer loyalty improvement measures such as “Maido Points” via smartphone apps to further increase the number of visitors.

###### ii. Approach to Standard Products

Our group has sought differentiation and efficiency relative to competitors, but we believe it is important to reevaluate our commitment to deliciousness. Focusing especially on our strength in in-store preparation by intentionally putting effort into processes and utilizing the group's procurement capacity to use the best parts, we will enhance products and focus on providing authentic sushi taste to meet customer expectations and to differentiate ourselves. Also, through a structured training system and improved employee retention, we will accumulate in-store cooking know-how and strive to provide high-quality products with experienced employees in charge of cooking.

###### iii. Responding to Customer Needs

Based on subscriber information from apps and customer information such as issuing receipts at stores, we will promote providing services tailored to customer characteristics, improving average spending per customer, and strengthening original menus.

In addition, by improving the online order system and implementing exclusive takeout menus, delivery services, and automated souvenir lockers, we will further promote responses to takeout needs. Along with improving touch panel ordering systems and introducing “Digital Sushiro Vision,” which enhances both entertainment and convenience, we will utilize IT systems to cater to customer needs with high-quality service and interaction.

Moreover, using customer feedback and evaluations from external sources, we will identify and improve issues for each store to better operations.

##### ② Optimization of Raw Material Costs

A long-term rise in costs due to market shifts in raw material prices is expected. In our group, we will work to achieve scale benefits through centralized procurement of ingredients at the headquarters, and aim to reduce procurement costs and stabilize prices by establishing cooperative frameworks and long-term relationships with partners. Additionally, by improving accuracy in the quantity of ingredients procured and ordered by stores through AI-driven demand forecasting systems, we will strive towards operational efficiency at the headquarters and stores and a reduction in food waste.

##### ③ Rising Labor Costs and Promotion of Human Capital Management

The business environment surrounding our company is characterized by intensified competition for acquiring skilled talent, increased social demands for wage hikes, and diversification of working styles, leading to a distinctive trend of rising labor costs. We view this rise in labor costs as a strategic investment into human capital, vital for enhancing long-term corporate value, and will promote human capital management.

##### ④ Strengthening Businesses Other than Sushiro Operations

While the group continues to grow in the sushi business centered around Sushiro operations, the procurement and operational strengths cultivated by the group can also create new business opportunities in food and beverage endeavors beyond the Sushiro operations. Domestically, we will actively work to strengthen revenue generation for the “Kyotaru” business, which operates take-out and revolving sushi, as well as expand both direct-operated and franchised “Sugidama” sushi izakaya establishments.

##### ⑤ Expansion of Overseas Business Operations

Our group has established stores in South Korea, Taiwan, Singapore, Hong Kong, Thailand, mainland China, Indonesia, Malaysia, and the United States, and the expansion of overseas operations remains an essential growth factor for our group. To further spread Sushiro's delicious sushi overseas, we will expand business operations abroad even further, actively pursuing opportunities in sizable and highly promising markets such as East Asia, Southeast Asia, and North America.

Additionally, we have opened “Sugidama” sushi izakaya in Hong Kong and the United States, intending to broaden the allure of not only sushi but also Japanese sake as a brand, hence aiming for future business expansion.

**(3) Target Management KPIs**

Our group has set management indicators for the Sep. 2026 fiscal year with sales of JPY 485bn and operating profit of JPY 40.5bn (operating profit margin of 8.4%). These targets were established following a review of the mid-term management plan (Sep. 2024 fiscal year to Sep. 2026 fiscal year), accounting for changes in the external environment and trends in our company's performance during the full-year results announcement for the Sep. 2025 fiscal year.

**(4) Operating Environment**

The business environment of the food service industry surrounding our group remains challenging due to factors such as deteriorating international conditions, energy resources and raw material price surges owing to yen depreciation, and rising labor costs.

**2. [Approach to Sustainability and Initiatives]**

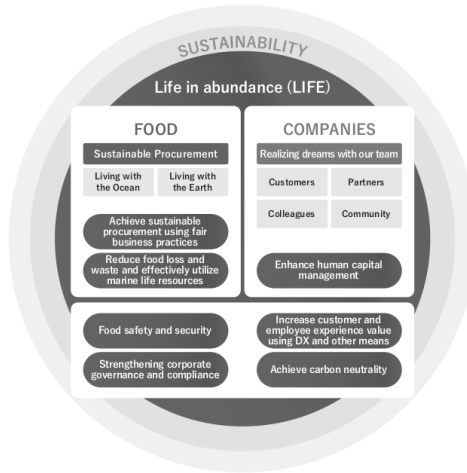
The group's approach and initiatives regarding sustainability are as follows.

Note that any forward-looking statements in the text are as judged by the group as of the end of the consolidated fiscal year under review.

Our group holds the vision of 'Discovering new tastiness. Sharing moments of joy.' To continuously deliver safe and delicious food to our customers, we consider sustainable initiatives aimed at the future in business activities indispensable.

**[ Basic Concept ]**

[Basic Concept] We want to enhance customers' lives and enrich their experiences by providing delicious 'FOOD' in collaboration with many 'COMPANIES'. To achieve this, we will address social challenges and realize corporate growth.



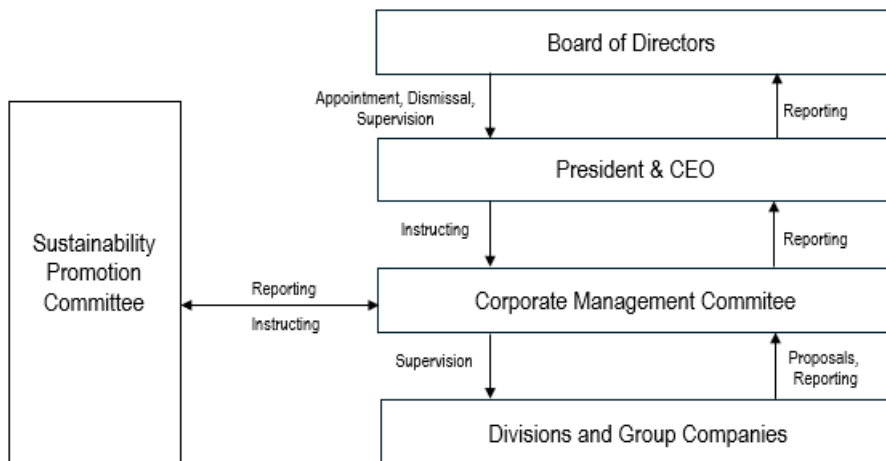
Please refer here for information related to sustainability: <https://www.food-and-life.co.jp/sustainability/>

**[Support System]**

The Board of Directors recognizes efforts towards sustainability, including climate change issues, as a critical management task and supervises these efforts. Specifically, when formulating management strategies or plans, discussions are conducted considering risks and opportunities related to sustainability, such as climate change issues, with reports being received from each group company and department if necessary, and supervision is executed.

**(1) Governance**

To advance initiatives related to sustainability, we have established a sustainability promotion committee chaired by the President. The sustainability promotion committee is principally conducted four times a year, reporting on sustainability issues including climate change at management meetings, where instructions and advice are received. Moreover, the President, as necessary, reports these situations to the Board of Directors, obtaining supervision and advice from the directors.



## (2) Strategy

### ① Seven Materialities Forming the Foundation of Sustainability

#### Current Situation Analysis and Extraction of Materiality Candidates :

We analyzed the impact of our group's business activities across the entire supply chain on global social challenges. We conducted analyses based on ESG and ISO26000, adding new social challenges to be tackled, linked them with 169 SDG targets, and extracted materiality candidates.

<Evaluation of Materiality Importance and Exchange of Views with External Experts>

Candidate materialities were evaluated for impact and importance from both a management and stakeholder perspective by the sustainability promotion committee and mapped on an importance map. To enhance objectivity and validity, views were exchanged on materialities with external experts.

#### Narrowing Down to Seven Materialities and Appointment of Responsible Directors :

Through continuous discussions involving management, the importance map's validity was deliberated, leading to narrowing down to seven materialities. For each materiality, social challenges to be undertaken were clarified, responsible directors appointed, and guided by linked SDGs169 targets, specific policy roadmaps were formulated.

#### Approval by Management Meeting and Board of Directors :

The seven materialities, organized in an ESG/SDGs matrix, were finalized through the sustainability promotion committee and ultimately approved through discussions at management meetings and by the Board of Directors. Going forward, our group will pursue materiality undertakings centered on the appointed responsible directors.

#### Seven Materialities :

- Conduct sustainable procurement based on fair transactions
- Enhance experience value for customers and employees through DX promotion
- Reduce food loss and utilize marine and fishery resources effectively
- Ensure food safety and security
- Achieve carbon neutrality
- Enhance human capital management
- Strengthen corporate governance and compliance

### ② Policies on Enhancing Human Capital Management

#### Human Capital Management Policy and Strategy :

Our group's strength concerning human capital lies in having many employees with rich experience and motivation who have led the revolving sushi business over many years and being blessed with employees of diverse backgrounds, nationalities, and working styles.

Utilizing this strength, realizing the VISION of 'Discovering new tastiness. Sharing moments of joy', and providing value that brings joy to customers and all stakeholders become the basic policy of our group's human capital management.

Additionally, to support current management challenges of our group such as 'expanding overseas business', 'strengthening domestic business', and 'building a foundation for sustainable business operation' from the human capital perspective, we will particularly emphasize 'personnel development', 'rewarding treatment', and 'creating an employee-friendly environment', and actively promote investment in human resources.

Specific initiatives are listed below.

#### A) Enhance Personnel Development

##### 1) Promotion of the Succession Plan

We regularly discuss succession plans for key positions, including management, among executives and make efforts for systematic successor development. Going forward, we will especially accelerate the recruitment and development of human resources to drive overseas business expansion, which is an urgent issue.

##### 2) Enhancing Education and Training

At our company and group companies, we have formulated and implemented educational programs centered on 'OJT', 'Off-JT', 'self-development', and 'fostering an organizational culture that promotes growth'.  
• OJT Support growth through work with close communication and guidance, such as one-on-one interviews  
• Off-JT Arrange training programs in a matrix according to capability development requirements for each level and expand them sequentially  
• Self-Development Support voluntary learning with approximately 1,400 e-learning courses and internal university opening  
• Fostering Organizational Culture for Growth Visualize individual strengths and challenges through mutual assessment. Improve the quality of OJT with coaching training.

- ✓ OJT : Growth support through work facilitated by close communication and guidance, including 1-on-1 meetings.
- ✓ Off-JT : Organize and gradually expand the training programs by creating a matrix of capability development requirements according to each level.
- ✓ Self-Development : Support voluntary learning through approximately 1,400 e-learning courses and the opening of an in-house university
- ✓ Fostering a Culture that Promotes Growth within the Organization : Visualization of individual strengths and challenges through mutual assessment. Improvement of OJT quality through coaching training and others

#### B) Realization of Fulfilling Treatment

##### 1) Compensation and Benefits

To achieve appropriate and fair treatment, we have reviewed compensation levels and revised the compensation and evaluation system.

##### 2) Supporting the Balance Between Career Development and a Fulfilling Life

We aim to maximize the potential of our employees by supporting their motivation to work and enriching their lives.

- ✓ Support for Autonomous Career Development through Internal Job Posting and Career Declaration System : Introduce a system that allows employees to apply for internal positions and self-declare their career visions.
- ✓ Sideline Business System : Introduce a system that allows employees to engage in work outside of regular working hours.
- ✓ Qualification Support : Support for costs and learning towards obtaining the necessary qualifications to become a manager
- ✓ Promotion and Support of Maternity and Paternity Leave Acquisition : Sharing explanations of the system and experiences of those who have taken maternity or parental leave internally to promote their acquisition.

#### C) Building an Employee-Friendly Workplace

##### 1) Promotion of DE&I

Our group believes that embracing diversity not only meets societal demands but also serves as a driving force for enhancing corporate value. We plan and implement measures to leverage the individuality of each diverse talent.

- ✓ Periodic Delivery of DE&I Education and DE&I Newsletter : Conduct training for store managers on better engagement with diverse employees. Additionally, by showcasing the achievements of diverse employees (such as young staff, seniors, women, foreign nationals, and people with disabilities) and examples of utilizing systems like parental leave, we encourage understanding and empathy towards DE&I.
- ✓ Support for Active Participation of Young Employees : Conduct training for newly graduated employees targeted to high school graduates to respond to unique concerns and learning needs of young people and support the formation of connections among peers
- ✓ Support for Active Participation of Female Employees : Support training for female employees, workplace environment improvements, and network building through the 'KIZUNA' association
- ✓ Support for Active Participation of Foreign Employees : Conduct training for foreign employees and support resolving work challenges arising in a cross-cultural environment. Additionally, support the formation of internal community
- ✓ Promotion of Employment and Retention Support for Disabled Persons : In addition to employment at each business company, create employment opportunities matched to individuals' characteristics through store cleaning and shared service activities in a special subsidiary

**2) Initiatives to Bridge the Gap Between the Front Line and Management**

- ✓ Holding Workshop and Recommendations for Management : Conducting workshops composed of diverse talent from group companies to propose issues and ideas from an on-site perspective to management, and to review and implement improvement measures based on the proposals.
- ✓ Engagement Survey : Regularly conduct engagement surveys and pulse surveys to use for planning and improving systems

As a future challenge, to further leverage the diversity of human resources, a strength of our group, we will continue to form environments that allow for diverse work styles, including increasing the rate of childcare leave taken by male employees and correcting long working hours.

**Indicators Related to Diversity in Human Resources (Domestic Consolidated Group) :**

**1) Participation of Female Workers**

	Y2023	Y2024	Y2025	Y2027 Target
Proportion of Female Workers	15.3%	16.4%	18.1%	-
Ratio of Female Workers in Managerial Positions.	6.7%	7.1%	7.4%	11%

Note : Temporary employees (part-timers and temporary staffs) are not included.

**2) Childcare Leave for Male Workers**

	Y 2023	Y 2024	Y 2025	Y2027 Target
Ratio of Male Workers Taking Childcare Leave	65.3%	64.9%	70.9%	100%

Note : Temporary employees (part-timers and temporary staffs) are not included.

**3) Employment of Disabled Persons**

	Y 2023	Y 2024	Y 2025	Y2027 Target
Rate of Employment for Disabled Persons	2.34%	2.96%	3.29%	3%

Note : Includes temporary employees (part-timers and temporary staff). Converting the average annual workforce into an 8-hour workday.

**4) Employment of Foreign Employees**

	Y 2023	Y 2024	Y 2025
Number of Foreign Employees	86 persons	128 persons	195 persons
Number of Nationalities	8 countries	13 countries	10 countries

Note : Temporary employees (part-timers and casual workers) are not included.

**(3) Risk Management**

In our group, the Sustainability Promotion Committee serves as the main entity in identifying, analyzing, and evaluating climate-related risks. The Sustainability Promotion Committee, chaired by the President, appropriately demands the formulation and reporting of response measures from each group company and department regarding identified, analyzed, and evaluated climate change-related risks as necessary.

Additionally, our group identifies all risks threatening continuous corporate development and establishes a risk management system by defining 'Risk Management Regulations' and setting up an Internal Control Committee. Material business management risks are identified, analyzed, and assessed by the Internal Control Committee, which formulates improvements and establishes a suitable crisis management system. The Sustainability Promotion Committee and the Internal Control Committee will collaboratively address climate change-related risks.

#### **(4) Indicators and Targets**

##### **① Indicators and Targets Related to Climate Change**

Regarding climate change, in order to reduce CO2 emissions resulting from business activities, we've set CO2 emission targets for our core business, Akindo Sushiro Co., Ltd.

FY 2030 : Reduction of CO2 emissions (Scope 1+2) by more than 50% of FY 2013 per unit

FY 2050 : Achieving the carbon neutral

Please refer here for details on climate change-related achievements.

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

##### **② Indicators and targets related to human resource development and internal environment improvement.**

Having set policies for the assignment and succession of key positions across the Group, as well as promoting DE&I, we have established indicators and goals concerning human capital at group companies to pursue these aims. Regarding the commitment to diversity, the Group as a whole has set the following goals.

✓ Aim to have women constitute more than 11% of management positions across the Group by the end of the fiscal term ending Sep. 2027.

✓ Aim for a 100% parental leave acquisition rate for both men and women by the end of the fiscal term ending Sep. 2027.

### **3. [Business Risks]**

Among the risks that may affect the financial position and business performance of the Group, the following risks may have a material impact on investors' investment decisions. In addition, even if the items do not necessarily fall under such risk factors, items that are important in investors' investment decisions are disclosed below from the perspective of proactively disclosing information to investors.

Please note that the statements about the future are based on judgments made by our Group as of the end of this consolidated fiscal year and do not cover all risks that may occur in the future.

#### **(1) Risks Associated with Changes in Economic Conditions**

Since the majority of the Group's stores are in Japan, the Group's business, performance, and financial position may be affected by economic fluctuations in Japan and the government's economic policies, including the consumption tax rate hike. In particular, a decrease in consumers' disposable income due to changes in employment levels, etc., a decrease in spending on eating out or takeout, including kaiten-sushi, and an increase in the cost of purchasing fresh fish due to fluctuations in exchange rates (mainly a weak JPY) could affect the Group's business, financial condition and operating results.

#### **(2) Risks Related to Competition in the Kaiten-Sushi Industry and the Restaurant Industry as a Whole**

In addition to competitors in the same industry, such as family restaurants, fast food restaurants, and other restaurants, as well as independent and family-owned restaurants, the Group also competes with convenience stores, take-out and delivery services, and supermarkets.

While we believe that quality, taste, and price are the most important competitive factors in our Group's business, we also believe that other factors such as location, convenience and accessibility, breadth of menu, and brand recognition of our Group are also important. The Group strives to differentiate itself from its competitors in terms of sushi quality and taste and strives to maintain a higher cost of sales ratio than its competitors to procure carefully selected ingredients and provide fresh, high-quality sushi. Competition based on price is particularly fierce in the low-cost kaiten-sushi industry, and the Group may be required to compete with competitors' prices while also focusing on ensuring the quality and variety of its sushi and side menu items. In addition, Japan's declining population may slow the overall growth in the size of the Japanese restaurant and food and beverage industry, which could lead to intensifying competition. In addition to this, an increase in the number of sushi restaurants in the low-cost kaiten-sushi industry may lead to a decrease in the number of customers per store, and the Group may face competition not only from its main competitors in the low-cost kaiten-sushi industry, but also among the Group's stores. The Group believes that increasing the value it provides to customers and average customer ticket prices by improving its menu is important to remain competitive, but failure to remain competitive could have a material adverse effect on the Group's business, financial condition, and results of operations. To gain an edge over the competition, a company must, among other things, spend money on advertising and devote resources to marketing to attract customers. However, such marketing strategies may not be successful. For example, the introduction of new menu items to increase customer counts, or seasonal, regional, or promotional campaigns may not be successful, which may result in a decrease in revenues. In addition, some of our competitors may be able to devote more resources to marketing and advertising activities than we can. In addition, consolidation in the restaurant industry as a whole or the acquisition of one of our major competitors by a larger restaurant chain could result in such a competitor gaining greater purchasing and marketing power than our Group. If our competitors were to increase their marketing and advertising expenditure relative to our group, this could result in a decrease in customer counts and revenue per store, which could adversely affect our group's financial condition and results of operations.

#### **(3) Risks Associated with Changes in Consumer Preferences**

The restaurant and food service industry in which our Group operates is affected by rapidly changing consumer preferences. The Group's mission is to provide fresh, high-quality sushi at attractive prices, along with quality customer service, through a clean and comfortable kaiten-sushi format. The Group believes that low-priced kaiten-sushi is a stable market supported by a wide range of customers. However, if consumer preferences diverge from the Group's core Sushiro store concept or from the Group's main menu items, this could have a negative impact on the Group's business and the performance of its stores. In recent years, the Group has expanded its sushi and non-sushi menus to provide customers with more choices and has also taken measures to increase customer counts during off-peak hours. However, there is no guarantee that these efforts will have the expected impact on the Group's performance. Furthermore, a major change in consumer preferences for a store-visit business model due to infectious diseases or other factors, as seen in the restrictions on behavior during the spread of the new COVID virus, could have a negative impact on our business and the performance of our group stores. If the Group is unable to accurately predict or understand consumer preferences or respond to them, the Group may lose market share, which may adversely affect the Group's business, financial condition, and results of operations.

#### **(4) Risks Related to Food Hygiene Management**

The Group's basic menu consists of a variety of ingredients, including marine products, and if these ingredients are not properly procured, stored, transported, prepared, or served, food safety issues may arise. Food safety is a top priority for the Group, and the Group invests significant resources to reduce the risk of food safety-related accidents and incidents that undermine confidence in the Group's hygiene management, such as the contamination of cockroaches or rodents, by complying with the Food Sanitation Law and other applicable food safety laws throughout the procurement, storage, transportation, preparation, and serving processes. In addition, the Group has been taking new initiatives through its growth strategy, specific examples of which are the possession of central kitchens, the increase in the number of franchised stores, the diversification of sales formats such as take-out, and the renewal of management systems to adapt to changes in risk due to overseas expansion. We are also taking countermeasures against infectious diseases such as the new COVID virus, which spreads not through food but through people, recognizing this as a new risk. However, despite the Group's efforts, it is difficult to completely eliminate the possibility of food poisoning incidents due to norovirus, Staphylococcus aureus, Vibrio parahaemolyticus, or other factors, incidents such as the contamination of cockroaches or rodents, or the sighting of cockroaches or rodents by customers in their seats, or product recalls due to violations of food labeling laws. With the Group's dependence on third-party suppliers for raw materials such as marine products, there is a risk that the above incidents may occur due to factors beyond the Group's control. In addition, new or different strains of diseases or diseases with long incubation periods that are resistant to preventive measures may occur, which may make it difficult to quickly identify the cause and take remedial measures. In addition, an outbreak of a new COVID virus or other serious infectious disease could spread among customers and employees within the facilities operated by the Group, threatening the safety of customers and employees. In addition, media reports, rumors, or complaints (regardless of whether they are grounded or not) related to food safety (including incidents of food poisoning, foreign material contamination, or contamination) or the spread of infectious diseases in our group or the restaurant industry as

a whole may adversely affect the reputation of our group. In such cases, the reputation, business, financial condition, and results of operations of our group may be severely affected. Although the Group has insurance coverage for food poisoning incidents, a large number of customers, distributors, and Group stores could be affected in the event of a food poisoning incident or product recall caused by products or raw materials manufactured in the central kitchen. In addition, if a portion of the Group's inventory of food products is contaminated, the Group may be required to dispose of inventory even for portions that are not confirmed to be contaminated. These could result in huge one-time costs. In addition, the Group is subject to numerous food safety laws and regulations, including the Food Sanitation Law. Failure of the Group to comply with food safety laws and regulations could result in administrative penalties, including revocation or suspension of central kitchen or store operating licenses, as well as fines and other sanctions. In addition, the Group's overall operating costs may increase due to the implementation or revision of laws, rules, or regulations related to food safety.

#### **(5) Risks Associated with Difficulties in Procurement and Price Hikes of Food Materials, etc.**

In order to maintain the profitability of the Group's business, it is important to correctly forecast and appropriately respond to changes in the prices of fish and shellfish, rice, other food ingredients, and store supplies. The prices of fish and shellfish, rice, other food ingredients, and store supplies may be affected by various factors, including: environmental changes such as rising sea water temperatures; the occurrence of unseasonable weather, abnormal weather, or natural disasters; a sudden increase in demand and price hikes due to the continuous growth of emerging countries; logistical accidents or obstacles; the imposition of import or export restrictions by the government; international fishing restrictions; suspension of supply due to bankruptcy of suppliers, accidents, or disasters; shipment restrictions or harmful rumors due to problems related to food sanitation, etc.; and tax increases. If the Group is unable to control these factors and is faced with uncertainty over the procurement of raw materials and other materials or price hikes due to factors that are difficult to predict, the Group's operating results may be affected by an increase in the cost of sales ratio and other factors. In addition, if the prices of fish and shellfish, rice, or other food ingredients used by the Group rise and the Group is unable to pass on such price increases to its customers, the Group's operating income will decrease. Furthermore, inflation in Japan or abroad or exchange rate fluctuations could increase the cost of procuring food ingredients. If we are unable to effectively adjust for these cost increases, our business may be severely impacted, even if we are able to improve the efficiency of our procurement operations or pass on higher costs to our customers in a manner that does not affect our Revenue or customer base.

#### **(6) Risks Related to the Mid-term Management Plan**

In November 2024, the Group announced its "Medium-term Management Plan for the period from September 2024 to September 2026" (hereinafter referred to as the "Medium-term Management Plan"), which sets forth a growth strategy centered on (1) expanding overseas operations, (2) strengthening domestic operations, and (3) strengthening initiatives to address the key issues of sustainable management. However, the Group's ability to achieve such goals is subject to a number of risks and challenges, including those described in this section. In developing its medium-term management plan, the Group has made various assumptions. There is no guarantee that these assumptions are correct, and even if they are incorrect, the Group may not be able to change its growth strategy or business operations in a timely manner in response.

#### **(7) Risks Related to New Store Openings**

Under its medium-term management plan, the Group aims to achieve growth through a steady stream of new store openings. The Group is striving to improve its store development capabilities by strengthening its store development team and improving simulations related to Revenue forecasting and store leasing and location selection. At present, the Group's core business, the domestic sushi business, is focused on opening new stores in urban areas. Since the initial costs required for the Group's store openings vary depending on the location, the Group's operating results may be affected in the event that the Group is unable to recover its investment on an operating income basis for a given store, or in the event that it is unable to open new stores as planned due to a decrease in store opening space. The Group's future store performance will be affected by numerous factors, including the type of new markets and store locations the Group chooses and the degree to which the Group's store concepts are accepted in those markets. The Group's store concept for suburban or urban areas may not be attractive enough to customers in areas where the Group's brand recognition is low, and the popularity of the Group's store concept may wane in existing markets. Furthermore, new stores may not be successful, and the Group may not be able to maintain revenue per store as it has in the past. In addition, we may not be able to achieve the number of new store openings in a cost-effective manner as planned. Delays or failures in opening new stores could adversely affect the Group's growth strategy and earnings forecasts.

#### **(8) Risks Related to Leasing of Real Estate**

The Group's store locations and store characteristics are mainly suburban stores located along main roads, and store sizes are mainly large stores with approximately 200 customer seats, based on the efficiency of the Group's store operations. Therefore, the construction of stores requires the securing of sufficient space, including parking lots. In addition, urban stores are opened in favorable locations in front of train stations, and some stores are large in size as well as suburban stores. In addition, the Group's stores occupy leased land or buildings for lease. Therefore, the Group's ability to continue to operate is affected by its ability to continue to lease these locations on favorable terms. If there is a material increase in rent at new or existing stores, the Group's operating costs will increase. In addition, the Group's ability to enter into, maintain, or renew lease contracts in more favorable locations is subject to risks related to the lessor, such as whether the lessor agrees to renew the lease at the end of the lease term, if such risks materialize, we may not be able to maintain the lease contract in the relevant location and may be forced to relocate. Furthermore, considering a new location for a new store, if competition arises with other stores or other potential lessees, the cost of rent and other expenses may increase. And if we are unable to incur such costs, we may lose an attractive opportunity. In addition, such increased costs may generally be more expensive in urban areas. In addition, the Group may incur losses from the disposal of assets or other related losses if it is forced to close a store due to lease termination, profitability, or other reasons. Furthermore, in the event of bankruptcy or other bankruptcy of the landlord, the Group's business, financial condition, and operating results could be adversely affected due to the possibility of being unable to collect security deposits, guarantee money, and construction cooperation money.

#### **(9) Risks Related to Unforeseeable Events Such as Natural Disasters**

In the event of a natural disaster such as a large-scale earthquake, flood, typhoon, infectious disease pandemic, or other catastrophe, social or political incident, or upheaval in the regions or countries in which the Group operates, the Group's business, financial condition, and operating results could be adversely affected, including disruption of raw material procurement, suspension of head office functions, damage to stores, and customers leaving the Group's stores. This could have a negative impact on the Group's business, financial condition, and results of operations. In the areas affected by the above natural disasters, daily life may be affected, resulting in lost opportunities at the Group's stores, damage to the Group's head office, stores, assets including equipment and facilities, or distribution facilities where materials are transported, and restrictions on the use of lifelines such as water, electricity, and gas, which may result in the suspension of the Group's store operations. In addition, the Group's suppliers could be in a similar situation, and as a result, the supply chain could be disrupted. Since the majority of the Group's store operating costs are fixed and quasi-fixed costs, a decrease in Revenue due to the above factors could reduce operating income and lead to an operating loss. The disaster insurance our group carries may not be sufficient to cover the costs of recovery.

#### **(10) Risks Related to Securing Labor and Wage Increases for Employees (Including Part-time Workers)**

Our group is in the business of operating a large number of stores, and securing a large number of employees, including part-timers, is an important management issue. In recent years, however, Japan's working population has continued to decline, and there are concerns that it will be difficult to secure the same quality and quantity of human resources as in the past. In particular, there has been a marked decline in the younger population, and the number of part-time student workers, who have traditionally served as the main labor force, has been decreasing. In addition, the number of foreign students is also decreasing, and there is a risk of a shortage of part-time workers. The hiring environment is also becoming more difficult for permanent employees. In Japan, in addition to the decline in the working population, the increasing fluidity of the labor market is making it easier for workers to change jobs. This is an opportunity for our group to recruit human resources from outside the company, but at the same time, it is a risk for us to lose valuable internal human resources. For this reason, the Group is proactively investing in human capital to attract and retain quality human resources. In addition, we have a policy of creating a workplace environment where diverse human resources can feel fulfilled in their work, reviewing personnel systems, and enhancing education, training, and career support.

### **(11) Risk That a Shortage of New Store Personnel or Overseas Business Personnel Will Slow Business Growth**

Store managers, who form the core of store operations, and employees to promote overseas business development, require a certain period of time for training, as they must be highly capable and experienced. As explained in (10) Risks, the working population is declining and the labor market is becoming more fluid, so the risk of loss of our group employees and a shortage of human resources necessary for business operations is higher than ever. Inability to fill the number of store managers and personnel who could be dispatched overseas could hinder the planned opening of new stores and overseas store development, and as a result, slow the growth of the Group's business.

### **(12) Risks Related to Information and Communication Systems**

The Group's business operations are based on information and communication systems that have been standardized globally, covering supply chain management, store reception and ordering systems, sales data management, and customer applications. Therefore, risks associated with these core systems have become more significant as our Group grows globally. If there is a suspension or disruption of these core systems due to cyber-attacks, security breaches, natural disasters, human error, or system update failures, the impact may not be limited to a single country but could extend to all regions where we operate. This could cause serious disruptions to store operations and customer service, lead to the leakage of confidential information including customers' personal information, damage our brand image, and reduce management efficiency. In particular, the expansion of our business scale increases the possibility of becoming a target for international attackers. In addition, since the Group relies heavily on external application service providers and cloud service providers for much of its system operations, problems occurring at these contractors could directly affect the Group's business. Furthermore, with the globalization of our business, there is an increasing risk of legal and regulatory issues due to delays in responding to different data protection laws in various countries, as well as risks that geopolitical factors, such as differences in communication infrastructure and fluctuations in international affairs, could threaten the stable operation of our systems. In addition to these risks, domestic and overseas competitors may build and utilize superior information and communication systems, which could relatively diminish our competitiveness in the global market.

### **(13) Risks Associated with Reputational Damage via the Internet, etc.**

If rumors spread through various postings and videos on the Internet, such as the unauthorized use of our Group's trademarks, foreign substances in products, complaints, etc., regardless of the accuracy of the content, our Group's business, financial position, performance, brand image, and social credibility could be affected. In addition, the Group's business, financial position, performance, brand image, and public trust may also be damaged by inappropriate behavior or other incidents involving employees or third parties. Reputational damage may result from allegations of illegal, unfair, or inconsistent employee conduct; employee dissatisfaction; media reports or inappropriate posts or videos on the Internet or SNS sites; criminal activity; data privacy violations; inadequate internal controls; or scandals involving employees of the Group or employees of other companies in the same or similar industries. Whether or not the allegations or complaints are upheld, unfavorable publicity regarding the Group's stores, competitors' stores, the kaiten-sushi market, or the broader Japanese foodservice industry could adversely affect the credibility of all of the Group's stores. In addition, rumors about the Group or its industry (including those related to food safety, the results of government or trade association investigations into food products, environmental issues related to overfishing, or operational problems at the Group's stores) could damage the Group's reputation, adversely affect the Group's ability to attract customers and revenues, and have a material adverse effect on the Group's business, financial condition, and results of operations.

### **(14) Risks Associated with Overseas Business Development**

Our group has been operating 234 stores in Korea, Taiwan, Singapore, Hong Kong, Thailand, mainland China, Indonesia, the United States and Malaysia as of the end of the consolidated fiscal year under the slogan, "Deliver delicious sushi to customers around the world." Revenue from these overseas stores accounted for approximately 30.6% of the Group's total revenue for the consolidated fiscal year under review. The Group is also considering the possibility of expanding its overseas operations to other overseas markets, especially in Asia. In addition to the limited track record of overseas store operations, the Group's may face a number of challenges, including differences in consumer preferences, price consciousness, dining out preferences and consumption trends, low brand recognition, competition from other options such as dining out at local stores, changes in consumption trends or raw material costs, distribution costs and labor costs, changes in local economies, fluctuations in material and foreign exchange rates, acts of war, terrorist attacks, epidemics, political upheavals and other events beyond the Group's control, changes in local laws and regulatory requirements that affect the Group's ability or cost of doing business in a given market. These challenges may adversely affect our financial condition, results of operations, and growth strategy. In addition, the import restrictions and harmful rumors associated with the release of ALPS treated water from TEPCO Fukushima Daiichi Nuclear Power Station, as well as the situation regarding the response of governments in each country, differ from area to area, and the impact of such restrictions and rumors on our business performance also differs greatly from area to area. If such an event were to occur as we expand our overseas operations, it could have a material impact on our group's financial position, business performance, and growth strategy.

### **(15) Risks Associated with Litigation and Other Legal Proceedings**

The Group is subject to the risk of litigation from third parties, including customers, lessors, suppliers, and employees, concerning product liability, breach of contract, personal injury, and labor and employment claims arising in the ordinary course of business. Regardless of the validity of the claims against the Group and whether or not the Group is ultimately held liable, such claims may be costly to defend, time-consuming and expensive, and consequently may have an adverse effect on the Group's business results. If such claims are not covered by the insurance policies that the Group has in place, or if a judgment is rendered that significantly exceeds the coverage of the insurance, the Group's financial position and operating results may be severely adversely affected. Rumors arising from these claims could also adversely affect our Group's reputation or prospects and further adversely affect our operating results.

### **(16) Risks Related to Leakage of Personal Information and Other Confidential Information**

The Group obtains and holds a variety of information from numerous individual customers. Regarding customer information, the Group, as a business operator handling personal information, is required to comply with obligations and other requirements related to the protection of personal information in accordance with the Act on the Protection of Personal Information. The Group regularly collects personal information through its credit card processing system and ordering system using the Sushiro application and website for smartphones, including the Group's loyalty point system for customers. In the event of a leak of personal information, the Group's reputation could be damaged by claims for damages and administrative penalties, and the Group could be required to incur substantial remediation costs, which could adversely affect the Group's business performance.

### **(17) Risks Related to Intellectual Property Rights**

In the operation of our group's business, it is important to build and maintain brand value by utilizing our group's trademarks, patents, and other proprietary intellectual property rights, including store names and logos used by our group in Japan and overseas, and store designs. If the Group fails to protect its intellectual property rights, or if a third party misuses or infringes on the Group's intellectual property rights, or if the Group's intellectual property rights become known to competitors or are independently developed by competitors, the value of the Group's brands may be damaged. This could have a material adverse effect on our business, and our brands may not be accepted in the market, or we may not be able to maintain the value of our brands. In addition, the Group may be subject to claims from prior users of similar intellectual property rights in the areas in which it operates or intends to operate. This could damage the Group's image, brand, or competitiveness, and the Group could incur substantial penalties and costs.

### **(18) Risks Associated with Fluctuations in Foreign Exchange Rates**

The Group's operations are affected by fluctuations in foreign exchange rates and changes in regulations pertaining to foreign exchange. While most of the procurement costs and other costs of fresh food ingredients purchased from the Group's direct suppliers, such as trading companies and wholesalers, are denominated in yen, the procurement costs associated with some suppliers are denominated in foreign currencies. If these foreign currencies strengthen against the Japanese yen, or if suppliers try to pass on increased costs to our group due to such market fluctuations, our group's procurement costs may increase. To cope with the risk of exchange rate fluctuations, the Group may in the future engage

in hedging transactions or other measures to minimize exchange rate fluctuation risk, but even if such measures are taken, there is no guarantee that the Group will be able to fully avoid the risk of foreign exchange rate fluctuations.

#### **(19) Risks Associated with the Application of Impairment Accounting**

Intangible assets (especially brands) and goodwill represent a substantial portion of the Group's assets. As of the end of the FY2025, the brand and goodwill arising from the acquisition of the former Akindo Sushiro Co., Ltd. by CEIL Japan, Inc. in September 2012 are valued at 53,596 million yen and 30,371 million yen, respectively, accounting for 21.1% of our group's total assets. Under IFRS, brands and goodwill are not subject to amortization but are tested for impairment annually and whenever an indication of impairment is recognized. The Group's operating assets are also tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Determining whether an impairment should be recorded requires a high degree of judgment. In particular, factors such as a material decrease in future cash flows of the stores that benefit from the assets, legal factors, or significant adverse changes in the business environment could lead to impairment. An unfavorable change in these factors could materially affect the recoverability of these assets and adversely affect the financial position and results of operations of the Group. The Group cannot accurately predict the amount and timing of any impairment of its assets. If the value of the Group's assets were to be impaired, the Group's financial condition and results of operations could be materially adversely affected.

#### **(20) Risks Associated with Large Amounts of Interest-bearing Debt and Violation of Financial Covenants**

The Group raises funds by entering into loan agreements with financial institutions as lenders and by issuing bonds. The ability to raise funds in a flexible manner may have a material impact on the Group's business. The Group's ability to refinance in the future will be affected by the financial and capital markets and the Group's financial condition at that time. There is no guarantee that the Group will be able to refinance on favorable terms, which may adversely affect the Group's financial position and business operations. The principal amount of some of the Group's borrowings is denominated in yen with floating interest rates and is therefore subject to fluctuations in market interest rates. If there is a change in interest rate policy and JPY interest rates rise, the interest rate applicable to the Group's variable-rate borrowings will rise, and interest payments on such borrowings will increase unless hedging is in place. In addition, because a portion of the Group's long-term borrowings are at fixed interest rates, an increase in market interest rates would increase the Group's interest payments when refinancing such borrowings or when increasing borrowings to fund operations or capital expenditures. In addition, the loan agreements contain financial covenants. In the event of a breach of these covenants, the Group would lose the benefit of time under the contract if the lender so demanded, and it would be necessary to immediately secure funds to repay the debt, which could affect the financial position and cash flow of the Group. The Group believes that the source of funds for interest and other repayments will come primarily from cash flows, and the Group's ability to make these payments will depend on its future performance. If the Group does not have sufficient funds, it may need to refinance all or part of its existing borrowings, sell assets, or borrow further money. The Group may not be able to make these alternatives on terms acceptable to the Group, or at all.

#### **(21) Risk of Dilution of Share Value Due to Exercise of Stock Acquisition Rights**

The Company has adopted a stock acquisition rights issuance and stock option plan to provide incentives to directors and employees of the Company and its subsidiaries. In addition, the Company may continue to utilize stock option plans to secure talented personnel, and if stock acquisition rights to be granted in the future are exercised in addition to the stock acquisition rights currently granted, the per-share value of the Company's stock may be diluted.

#### **(22) Risks Related to Legal Regulations**

In addition to general laws and regulations such as the Companies Act, tax laws, and labor-related laws, our group is subject to various domestic and international legal regulations related to the business we operate, including the Food Sanitation Law, the Law Concerning the Promotion of Recycling of Recyclable Food Resources (Food Recycling Law), the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors (Subcontract Act), the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Antimonopoly Act), and the Act against Unjustifiable Premiums and Misleading Representations. If these legal regulations are strengthened, the Group's business, financial position, and operating results may be affected due to new costs incurred to comply with them.

Violations of such legal regulations may cause the Group's social credibility to decline, which may affect the Group's business, financial position, and operating results.

#### **(23) Risks Related to Corporate Acquisitions, etc.**

The Group seeks to expand its business and enhance its competitiveness through corporate acquisitions, business alliances, and the establishment of joint ventures. At the stage of considering corporate acquisitions, etc., the Group conducts due diligence on the target company and verifies the operations of the target company after the acquisition or investment. However, if the initially expected effects are not achieved, the Group's operating results may be affected.

#### **(24) Risks Related to Environmental Issues**

The Group is subject to various environmental laws and regulations related to food waste, plastic and other container and packaging recycling, waste disposal, and climate change countermeasures. Physical risks associated with climate change include the possibility of reduced yields and quality impacts of raw material seafood due to rising temperatures, possible shutdowns due to droughts and floods, and increased costs and restrictions on business activities due to carbon taxes and emissions trading schemes.

## 4. [Management's Analysis of Financial Conditions, Operating Results, and Cash Flow]

### (1) Overview of Operational Performance

#### ① Financial Condition and Operating Results

During the FY2025, the Japanese economy saw a gradual recovery in economic activities due to improved personal consumption fueled by wage increases and a rise in inbound demand. On the other hand, global political instability and prolonged depreciation of the yen beyond expectations have led to price increases, resulting in continued uncertainty ahead. The food service industry also continues to face challenges such as rising prices of raw materials, including rice, and energy prices, as well as chronic staff shortages. Amidst these circumstances, our group, under the vision of "Discovering new tastiness, Sharing moments of joy." has been striving to enhance product development, in-store cooking, commitment to safety and security, and service improvement to enrich customers' lives through delicious daily food.

The number of stores by type is as follows. [Number of Stores by Store Category in Our Group]

Business type	End of the Previous Consolidated Fiscal Year	Store Openings	Store Closures	End of the Consolidated Financial Year
Domestic: Sushiro Brand (Takeout Specialty Stores)	655 (9)	15	3 (1)	667 (8)
Domestic: Sugidama Brand (Franchise)	87 (17)	13 (1)	5 (1)	95 (17)
Domestic: Kyotaru Brand	117 (-)	-	17	100 (-)
Domestic: Kaiken Sushi Misaki/MISAKIMARU Brand	95 (-)	1	9	87 (-)
Domestic: Other Brands	18 (-)	1	4	15 (-)
<b>Domestic Total</b>	<b>972 (26)</b>	<b>30 (1)</b>	<b>38 (2)</b>	<b>964 (25)</b>
Overseas: Sushiro Brand (Takeout Specialty Stores)	174 (-)	55	2	227 (-)
Overseas: Other Brands	9 (-)	-	2	7 (-)
<b>Overseas Total</b>	<b>183 (-)</b>	<b>55</b>	<b>4</b>	<b>234 (-)</b>
<b>Domestic and Overseas Total</b>	<b>1,155 (26)</b>	<b>85 (1)</b>	<b>42 (2)</b>	<b>1,198 (25)</b>

Numbers in parentheses indicate the number of takeout specialty stores and franchise stores

As a result, the financial condition and operating results are as follows.

#### A) Financial Position

##### (Asset)

The total assets balance increased by JPY 33,441mn from the end of the FY2024, reaching JPY 398,596mn.

The balance of current assets increased by JPY 13,740mn from the end of the FY2024, reaching JPY 88,396mn. This is mainly due to an increase of JPY 10,127mn in cash and cash equivalents.

The balance of non-current assets increased by JPY 19,701mn from the end of the FY2024, reaching JPY 310,200mn. This is mainly due to an increase of JPY 18,884mn in property, plant, and equipment.

##### (Liability)

Total liabilities increased by JPY 10,377mn from the end of the FY2024, reaching JPY 297,694mn.

Current liabilities increased JPY 4,013mn from the end of the FY2024 to JPY 84,857mn. This is mainly due to a decrease in bonds and borrowings of JPY 5,000mn, an increase in trade and other payables of JPY 6,522mn, and an increase in lease liabilities of JPY 2,161mn.

Non-current liabilities increased JPY 6,363mn from the end of the FY2024 to JPY 212,837mn. This is mainly due to an increase in lease liabilities of JPY 3,609mn and an increase in bonds and borrowings of JPY 1,005mn.

##### (Capital)

Equity increased JPY 23,064mn from the end of the FY2024 to JPY 100,902mn. This is mainly due to a decrease of JPY 3,394mn from dividend payments, offset by an increase of JPY 22,937mn from the profit attributable to owners of the parent.

#### B) Operating Performance

For the consolidated fiscal year, revenue amounted to JPY 429,574mn (up 19.0% from the FY2024), operating profit was JPY 36,093mn (up 54.4%), profit before tax was JPY 33,777mn (up 56.0%), and profit attributable to owners of the parent was JPY 22,937mn (up 56.7%), both reaching new record highs for the consolidated fiscal year. The operating performance by segment is as follows. Please note that the reportable segment classifications have been reorganized from the FY2025. The figures for the FY2024 are disclosed reflecting the reorganized reportable segment classifications. Details are provided in 'Section 5: [Status of Accounting]' → '1. [Consolidated Financial Statements]' → '(1) [Consolidated Financial Statements]' → 'Notes to Consolidated Financial Statements' → '5. Segment Information' → '1) Overview of Reporting Segments.'

##### (Domestic Sushiro Business)

Regarding the domestic Sushiro business, under the theme 'Mastering the Art of Sushi!', we have continued to focus on the deliciousness that Sushiro has been committed to since its founding, striving to provide satisfying products and implement campaigns throughout the year. Furthermore, the implementation of 'Digital Sushiro Vision', commonly known as 'Digiro', which digitally recreates the thrill of encountering and selecting new sushi while watching the revolving lane, has progressed smoothly, with completion in 123 domestic stores by the end of the consolidated fiscal year. As a result, the revenue from the domestic Sushiro business reached JPY 265,903mn (an 11.6% increase from the FY2024), with segment profit reaching JPY 18,008mn (a 26.7% increase).

##### (Overseas Sushiro Business)

The overseas Sushiro business has been expanding smoothly by selecting the characteristics of properties and locations for store openings. In Southeast Asia, Malaysia became the fourth market with the opening of its first store in Feb., receiving thank you letters from customers who had long awaited a Sushiro opening, and the store

continues to perform well after its initial success. Meanwhile, the business in mainland China has surpassed the recovery trend observed until last fiscal year, entering a phase of rapid growth with a stable increase in the number of stores and maintaining high performance, continuing the strong momentum of the overseas Sushiro business. Additionally, to further maintain and expand the number of visitors, attractive promotional and marketing initiatives have been deployed in each region, striving to provide an enhanced experience value through dining at Sushiro. As a result, revenue from the overseas Sushiro business amounted to JPY 131,422mn (up 42.6% from the FY2024), with segment profit reaching JPY 16,324mn (up 126.9%).

**(Kyotaru Business)**

Regarding the Kyotaru business, efforts were made to strengthen e-commerce sales and streamline unprofitable stores, promoting further improvements in profitability. Campaigns were continuously executed to enjoy seasonal products at excellent value. For the Misaki brand, tuna disassembly shows and special promotions were held as commemorative events in new and partially renovated stores, which were very well received by customers. Business performance continues to be favorable, with continued efforts to enhance product and service capabilities based on the flagship store, aiming for further evolution of brand power.

As a result, revenue from the Kyotaru business reached JPY 23,532mn (a 1.9% decrease from the FY2024) with segment profit of JPY 60mn (compared to a segment loss of JPY 350mn).

**(Domestic Sugidama Business)**

Leveraging the power of FOOD & LIFE COMPANIES to the fullest to achieve exceptional freshness, taste, and appearance with sushi and exclusive offerings of izakaya-style dishes and perfectly paired drinks, at the casual sushi izakaya 'Sugidama'. Store count increased steadily through both company-operated and franchise formats, reaching 95 domestic locations, close to 100, by the end of our eighth consolidated fiscal year. Promotional campaigns to enhance the dining experience in uniquely crafted spaces with modern Japanese décor that create extraordinary moments were continually implemented, aiming to craft a place customers would desire to revisit.

As a result, revenue from the domestic Sugidama business amounted to JPY 8,284mn (up 20.1% from the FY2024), with segment profit reaching JPY 64mn (down 51.1%).

② **Cash Flow Status**

Cash and cash equivalents (hereinafter referred to as 'funds') increased JPY 10,127mn from the FY2024-end, amounting to JPY 58,822mn. The status and factors of each cash flow in the consolidated fiscal year are as follows.

**(Cash Flows From Operating Activities)**

Cash flow provided by operating activities totaled JPY 64,429mn, a 14.4% increase from the FY2024. This is mainly due to a profit before tax of JPY 33,777mn, depreciation and amortization of JPY 35,776mn, recognition of an impairment loss of JPY 1,213mn, and an increase in trade and other payables by JPY 6,287mn, offset by an increase in inventories of JPY 3,720mn and income tax payments totaling JPY 8,257mn.

**(Cash Flows From Investing Activities)**

Cash used in investing activities amounted to JPY 25,436mn, a 5.7% increase from the FY2024. This is mainly due to expenditures from the acquisition of property, plant, and equipment totaling JPY 25,177mn.

**(Cash Flows From Financing Activities)**

Cash used in financing activities amounted to JPY 29,235mn, a 14.8% decrease from the FY2024. This is mainly due to JPY 5,000mn in bond redemption expenses, JPY 4,974mn in bond issuance income, JPY 22,117mn in lease liability repayments, and JPY 4,009mn in long-term borrowing repayments.

③ **Actual Production, Orders and Sales**

**(1) Actual Purchases**

Our Group operates a direct-to-consumer dining business where the nature of services provided makes production results irrelevant, thus 'Actual Purchases' are recorded instead of 'Production Results'.

The actual purchases for the consolidated fiscal year are shown by segment as follows.

Segment Name	Millions, JPY	YoY Change (%)
Domestic Sushiro Business	122,493	112.3
Overseas Sushiro Business	51,189	142.0
Kyotaru Business	9,837	97.7
Domestic Sugidama Business	2,419	121.6
Other Operations	2,359	199.2
Total	188,297	118.9

Note : Inter-segment transactions have been eliminated.

**(2) Orders Received**

Our Group operates a direct-to-consumer dining business, thus 'Orders Received' are not recorded.

### (3) Actual Sales

The actual sales for the consolidated fiscal year are shown by segment as follows.

Segment Name	Millions, JPY	YoY Change (%)
Domestic Sushiro Business	265,903	111.6
Overseas Sushiro Business	131,420	142.6
Kyotaru Business	23,425	97.9
Domestic Sugidama Business	8,153	119.8
Other Operations	674	908.6
Total	429,574	119.0

Note : Inter-segment transactions have been eliminated.

## (2) Management Perspective Analysis and Evaluation of Business Performance

The recognition, analysis, and evaluation of our Group's business performance from the management's viewpoint are outlined below.

Please note that forward-looking statements in the text are based on judgments as of the end of the consolidated fiscal year.

### ① Significant Accounting Estimates and Assumptions Utilized

Our Group's consolidated financial statements are prepared in accordance with IFRS. The preparation of these consolidated financial statements requires management's estimates and forecasts that affect the amounts of assets, liabilities, revenues, and expenses as of the reporting date. We make estimates and forecasts based on assumptions deemed reasonable from historical results and circumstances, but actual outcomes may differ if there are changes in conditions or subsequent environments.

### ② Recognition, Analysis, and Evaluation of Business Performance in the Consolidated Fiscal Year

#### a) Analysis of Financial Condition

Analysis of financial condition is detailed in 'Section 2 [Business Overview]' → '4. [Management's Analysis of Financial Position, Operating Results, and Cash Flows]' → '(1) Overview of Financial Condition and Business Performance' → '① Financial Condition and Operating Results' → 'A) Financial Position.'

#### b) Analysis of Operating Results

##### (Revenue and Gross Profit)

Revenue increased JPY 68,445mn from the FY2024 (19.0% increase), totaling JPY 429,574mn. This is mainly due to the opening of 30 new stores domestically and 55 internationally, coupled with the recovery and growth in performance of the overseas Sushiro business. Cost of sales amounted to JPY 184,567mn, with the cost of sales ratio decreasing by 0.2 points to 43.0% compared to the FY2024. This is mainly due to improved consolidation composition from the expansion in performance of the overseas Sushiro business. As a result, gross profit increased by JPY 39,674mn (a 19.3% increase from the FY2024) to JPY 245,007mn.

##### (Selling, General and Administrative Expenses, Other Income, Other Expenses, Operating Income)

Selling, General and Administrative Expenses increased by JPY 28,781mn (a 16.0% increase from the FY2024) to JPY 208,629mn. This was mainly due to an increase in personnel costs and depreciation expenses associated with the increase in the number of stores. Other Income increased by JPY 109mn (a 10.0% increase from the FY2024) to JPY 1,192mn. Additionally, Other Expenses decreased by JPY 1,708mn (a 53.6% decrease from the FY2024) to JPY 1,478mn. This was primarily due to a decrease in impairment losses by JPY 979mn compared to the FY2024. As a result, operating income increased by JPY 12,709mn (a 54.4% increase from the FY2024) to JPY 36,093mn.

##### (Financial Income, Financial Expenses, Equity Method Investment Income, Profit Attributable to Owners of the Parent)

Financial Income decreased by JPY 53mn (an 11.6% decrease from the FY2024) to JPY 407mn. This was mainly due to a decrease of JPY 141mn in foreign exchange gain compared to the FY2024. Additionally, Financial Expenses increased by JPY 532mn (a 24.3% increase from the FY2024) to JPY 2,723mn. This was mainly due to an increase in interest payments by JPY 523mn compared to the FY2024. As a result, profit attributable to owners of the parent increased by JPY 8,304mn (a 56.7% increase from the FY2024) to JPY 22,937mn.

##### (Analysis of Factors Affecting Operational Performance)

The Group's sales and expenses are influenced by economic conditions, competition, changes in consumer preferences, food prices, utility costs, new store openings, real estate rents, natural disasters, personnel costs, and other factors. If these factors arise and the Group is unable to respond appropriately, they may have an impact on the Group's operational performance. For other factors that could significantly impact the Group's operational performance, please refer to 'Section 2 [Business Overview]' → '3. [Business Risks].'

### ③ Analysis of Capital Sources and Liquidity

#### a) Capital Sources

The Group's financial policy is to maintain optimal funding, liquidity, and a sound financial position for capital investments and working capital. Regarding liquidity, the Group believes it has secured sufficient liquidity to maintain growth through cash, cash equivalents, and commitment line agreements with banks.

#### b) Analysis of Liquidity

For an analysis of liquidity, refer to 'Section 2 [Business Overview]' → '4. [Management's Analysis of Financial Position, Operating Results, and Cash Flows]' → '(1) Overview of Operational Performance' → '② Cash Flow Status.'

## 5. [Important Contracts]

### (1) Loan Agreements

The Company has executed money lending agreements with four domestic financial institutions for the purpose of refinancing existing loans.

The main contract details are as follows.

1. Lenders : Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, Mitsubishi UFJ Bank, Ltd., and the Development Bank of Japan.
2. Loan Amount : Totaling JPY 35,000mn
3. Loan Execution Date : Mar. 31, 2021
4. Repayment Dates : Jun. 30, 2029, and Mar. 31, 2031
5. Interest Rates : Variable interest rate (benchmark rate plus a set margin), fixed interest rate

### (2) Loan Agreements

The Company has executed money lending agreements with three domestic financial institutions to prepare for prolonged risks from the COVID-19 pandemic, enhance financial stability, and continue growth investments for increased corporate value.

The main contract details are as follows.

1. Lenders : ① Sumitomo Mitsui Banking Corporation, ② Mitsubishi UFJ Bank, Ltd., ③ Mizuho Bank, Ltd.
2. Loan Amount : Totaling JPY 34,000mn
3. Loan Execution Date : ① Feb. 28, 2022, ② Mar. 3, 2022, Mar. 9, 2022, ③ Mar. 31, 2022
4. Repayment Dates : ① Feb. 28, 2027, ② Mar. 9, 2029, Mar. 3, 2032, ③ Mar. 31, 2029
5. Interest Rates : Fixed interest rate
6. Main Borrower Obligations : ① Comply with restrictive financial covenants
  - ✓ Maintain total capital in the Consolidated Statement of Financial Position at each fiscal year end at a level no less than 50% of the capital at Sep. 2021 fiscal year end.
  - ✓ Ensure pre-tax profit in the Consolidated Statement of Profit and Loss is not a loss for two consecutive periods.

### (3) Commitment Line Agreements

The Company has entered into a commitment line agreement on Mar. 19, 2021, with Sumitomo Mitsui Banking Corporation as the agent, to establish a stable and flexible fundraising system for future business development needs of the Group.

The main contract details are as follows.

1. Counterparties : Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd.
2. Commitment Amount (Maximum Amount) : JPY 20,000mn
3. Commitment Period : From Mar. 31, 2021, to Mar. 30, 2026
4. Borrowing Rates : Variable interest rate (benchmark rate plus a set margin)
5. Main Borrower Obligations :
  - A. Do not provide collateral for third parties without written prior consent, except as permitted under this contract.
  - B. Comply with restrictive financial covenants
    - ✓ Maintaining total capital at year-end in the Consolidated Statement of Financial Position at a level no less than 50% of the capital as of the end of Sep. 2020
    - ✓ Ensuring Profit for the Period in the Consolidated Statement of Profit and Loss is not a loss for two consecutive periods.

## 6. [R & D Activities]

Not applicable.

## Section 3 [Status of Facilities]

### 1. [Overview of Facilities]

During the consolidated fiscal year, capital expenditures were continuously carried out for new store openings, renovations of existing stores, and investments in staff reduction.

The total capital expenditures for the consolidated fiscal year were JPY 28,337mn, and the breakdown by segment is as follows.

**Domestic Sushiro Business** invested JPY 14,701mn in capital expenditures for new store openings, renovations of existing stores, and investments in staff reduction.

**Overseas Sushiro Business** invested JPY 11,250mn in capital expenditures for new store openings, renovations of existing stores, and investments in staff reduction.

**Kyotaru Business** invested JPY 339mn in capital expenditures for new store openings, renovations of existing stores, and investments in staff reduction.

**Domestic Sugidama Business** invested JPY 750mn in capital expenditures for new store openings, renovations of existing stores, and investments in staff reduction.

There were no major disposals or sales during the consolidated fiscal year.

### 2. [Status of Key Facilities]

The major facilities within the Group are as follows.

#### (1) Reporting Company

As of Sep. 30, 2025

Name of Office (Location)	Segment Company Name	Facility Type/Purpose	Book Value (¥, mn)						Number of Employees (persons)
			Buildings and Structures	Tools/Equipme nt/Furnishings	Machinery and Equipment	Lease and Guarantee Deposits	Right-of-Use Assets	Total	
Head Office (Suita, Osaka Prefecture)	Other	Office/Facilities etc.	160	179	54	56	1,033	1,482	333

Note: The number of employees includes working personnel (excluding those seconded to other companies and including those seconded from other companies) and does not include temporary employment (part-time and temporary workers).

#### (2) Domestic Subsidiaries

As of Sep. 30, 2025

Company Name	Segment Name	Name of Office (area)	Number of Pharmacies	Land Lease Area (㎡)	Book Value (¥, mn)						Number of Employees (persons)	
					Buildings & Structures	Tools / Equipment/ Furnishings	Machinery and Equipment	Lease & Guarantee Deposits	Right-of-Use Assets	Total		
Akindo Sushiro Co., Ltd.	East Japan Area	Stores (Hokkaido Area)	16	30,460	676	309	350	294	3,199	4,828	42	
		Stores (Tohoku Area)	26	50,646	815	399	431	271	3,152	5,067	73	
		Stores (Kanto Area)	223	293,942	5,986	3,503	3,733	3,678	35,310	52,209	644	
		Stores (Chubu Area)	111	234,642	2,675	1,822	1,634	1,221	13,184	20,537	297	
	West Japan Area	Stores (Kinki Area)	141	256,136	3,843	2,449	2,150	1,600	18,066	28,109	501	
		Stores (Chugoku Area)	35	71,925	1,319	535	699	401	4,861	7,816	106	
		Stores (Shikoku Area)	30	74,964	948	579	720	304	2,505	5,055	80	
		Stores (Kyushu Area)	69	164,500	1,920	1,243	1,143	577	6,808	11,692	196	
			Stores (Okinawa Area)	8	8,763	265	113	100	102	1,629	2,209	22
			Head Office etc. (Suita City, Osaka Prefecture and others)	-	18,890	13	29	13	259	361	675	62
		Total	659	1,204,868	18,461	10,981	10,974	8,708	89,075	138,199	2,023	

Note:

- The number of employees includes working personnel (excluding those seconded from the subsidiary to other companies and including those seconded from other companies to the subsidiary) and does not include temporary employment (part-time and temporary workers).
- The number of employees in the headquarters includes employees related to stores not opened as of Sep. 30, 2025.
- The primary facilities leased from non-affiliated companies include stores, parking lots, etc.

As of Sep. 30, 2025

Company Name	Segment Name	Office Name (Location)	Facility Type / Purpose	Book Value (¥, mn)							Number of Employees (persons)
				Buildings & Structures	Tools / Equipment/ Furnishings	Machinery & Equipment	Land (m <sup>2</sup> )	Lease & Guarantee Deposits	Right-of-Use Assets	Total	
KYOTARU CO., LTD.	Kyotaru Business	Stores etc. (Chuo-ku, Tokyo and others)	Store Equipment etc. (208 stores)	588	307	295	1,553 (55,827)	1,800	2,929	7,471	447
FOOD & LIFE INNOVATIONS CO., LTD.	Domestic Sugidama Business	Stores etc. (Chiyoda-ku, Tokyo and others)	Store Equipment etc. (97 stores)	1,157	330	-	-	572	3,930	5,988	234

Note:

1. The number of employees includes working personnel (excluding those seconded from the subsidiary to other companies and including those seconded from other companies to the subsidiary) and does not include temporary employment (part-time and temporary workers).
2. The primary facilities leased from non-affiliated entities include stores, parking lots, etc.

### (3) Overseas Subsidiaries

As of Sep. 30, 2025

Company Name	Segment Name	Office Name (region)	Facility Type/ Purpose	Book Value (¥, mn)						Number of Employees (persons)
				Buildings & Structures	Tools / Equipment/ Furnishings	Machinery and Equipment	Lease & Guarantee Deposits	Right-of-Use Assets	Total	
Sushiro Korea, Inc.	Overseas Sushiro Business	Stores etc. (Seoul City, Korea and others)	Store equipment etc. (10 stores)	261	81	-	309	749	1,399	40
Sushiro Taiwan Co., Ltd.		Store and others (Taipei-city, Taiwan and others)	Store facilities and others (53 stores)	3,613	1,330	1,114	547	7,085	13,689	1,136
Sushiro GH Singapore Pte. Ltd.		Store and others (Singapore)	Store facilities and others (16 stores)	1,014	561	503	444	2,601	5,122	243
FOOD & LIFE COMPANIES HONG KONG LIMITED		Store and others (Hong Kong, China)	Store facilities and others (44 stores)	2,892	1,420	1,742	1,550	12,484	20,087	1,671
Sushiro GH (Thailand) Ltd.		Store and others (Thailand)	Store facilities and others (38 stores)	2,182	1,719	991	739	1,761	7,392	2,583
Guangzhou Sushiro Restaurants Co., Ltd.		Store and others (Guangdong Province, China)	Store facilities and others (28 stores)	842	277	-	266	3,223	4,608	1,105
Shenzhen Sushiro Restaurants Co., Ltd.		Store and others (Guangdong Province, China)	Store facilities and others (11 stores)	351	178	-	125	1,330	1,985	436
Chengdu Sushiro Restaurants Co., Ltd.		Store and others (Sichuan, China)	Store facilities and others (5 stores)	146	45	-	60	497	749	314
Beijing Sushiro Restaurants Co., Ltd.		Store and others (Beijing)	Store facilities and others (19 stores)	969	239	-	444	4,084	5,736	995
PT. Indonesia Sushiro Restaurants		Store and others (Indonesia)	Store facilities and others (8 stores)	637	92	604	76	560	1,969	86
FOOD & LIFE COMPANIES USA, LLC		Store and others (USA)	Store facilities and others (1 store)	14	1	-	92	1,893	2,000	15
Sushiro Malaysia Sdn. Bhd.		Store and others (Malaysia)	Store facilities and others (1 store)	129	12	114	32	143	430	59
Total			Store facilities and others (234 stores)	13,050	5,954	5,068	4,684	36,410	65,167	8,683

Note:

1. The number of employees is based on working personnel (excluding those seconded from the subsidiary to other companies, and including those seconded from other companies to the subsidiary.) Temporary workers (part-time and hourly staff) are not included.
2. Major facilities leased from entities outside the consolidated companies include stores and parking lots.

### 3. [Plans for Construction and Disposal of Facilities]

The group's capital investment plans are formulated by comprehensively considering economic forecasts, industry trends, and investment efficiency. The plans for new construction and renovation of major facilities as of the end of the fiscal year are as follows.

#### (1) Construction of Major Facilities

##### ① Domestic Sushiro Business

Company Name	Office Name (region)	Segment Name	Facility Type / Purpose	Planned Investment		Financing Method	Planned Start / Completion Dates		Increase in Capacity (Number of Seats)
				Total (¥, mn)	Payments Made (¥, mn)		Start	Completion	
Akindo Sushiro Co., Ltd.	East Japan Area 11 stores	Domestic Sushiro Business	Store facilities, etc.	2,440	1	Internal sources & loans	Feb. 2025	Sep. 2026	1,770
	West Japan Area 10 stores		Store facilities, etc.	2,030	32	Internal sources & loans	Jun. 2025	Sep. 2026	1,482
	Total Operating Profit margin		—	4,470	33	—	—	—	3,252

Note:

- The total planned investment includes lease and guarantee deposits as well as construction cooperation funds amounting to JPY 590mn.
- The monthly store opening plan is as follows.

Company Name	Oct. 2025	Nov.	Dec.	Jan. 2026	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.
Akindo Sushiro Co., Ltd.	1	0	1	0	1	3	4	0	3	3	1	4

##### ② Overseas Sushiro Business

Company Name	Office Name (region)	Segment Name	Facility Type / Purpose	Planned Investment		Financing Method	Planned Start / Completion Dates		Increase in Capacity (Number of Seats)
				Total (¥, mn)	Payments Made (¥, mn)		Start	Completion	
Total	83 stores abroad	Overseas Sushiro Business	Store facilities, etc.	17,486	1,112	Internal sources & loans	Dec. 2024	Sep. 2026	16,321

Note:

- The total planned investment includes lease and guarantee deposits as well as construction cooperation funds amounting to JPY 1,006mn.
- The monthly store opening plan is as follows.

Company Name	Oct. 2025	Nov.	Dec.	Jan. 2026	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.
Total	5	8	6	8	7	6	5	9	6	10	6	7

#### (2) Significant renovations

There are no plans for the renovation of major facilities.

#### (3) Major disposals, etc.

There are no plans for the disposal, etc. of major facilities.

## Section 4 [Status of the Reporting Company]

### 1. [Status of Shares]

#### (1) Total Number of Shares and Others

##### ① Total number of shares

Type	Total Number of Authorized Shares
Common Stock	436,000,000
Total	436,000,000

##### ② Issued share

Type	Number of Shares Issued and Outstanding on Sep. 30, 2025	Number of Issued Shares as of the Filing Date (Dec. 22, 2025)	Name of Listed Financial Instruments Exchange or Registered Authorized Financial Instruments Firms Association	Details
Common Stock	116,069,184	116,069,184	Tokyo Stock Exchange Prime Market	Stock Transaction Units : 100 shares
Total	116,069,184	116,069,184	—	—

##### Note

- The “Number of issued shares as of the filing date” column does not include shares issued as a result of exercising stock acquisition rights from Dec. 1, 2025, to the date of submission of this securities report.

## (2) Status of Stock Options and Others

### ① Stock Option Plan

Date of Resolution	Jan. 18, 2018 (14th Stock Acquisition Right)	Dec. 20, 2018 (15th Stock Acquisition Right)	Dec. 19, 2019 (16th Stock Acquisition Right)	Dec. 24, 2020 (18th Stock Acquisition Right)	Dec. 23, 2021 (20th Stock Acquisition Right)
Position and Number of Grantees	Company's Director (4), Corporate officer of the Company (3), Board Member of Subsidiary of the Company (1), Corporate Officer of Subsidiary of the Company (1) (Note)1	Company's Director (4), Corporate officer of the Company (4), Board Member of Subsidiary of the Company (1), Corporate Officer of Subsidiary of the Company (1) (Note)1	Company's Director (4), Corporate Officer of the Company (6), (Note)1	Company's Director (1), Corporate Officer of the Company (10), (Note)1	Company's Director (1), Corporate Officer of the Company (13), Board Member of Subsidiary of the Company (2), (Note)1
Number of Stock Acquisition Rights (units) ※	297	249	329	419	573
The Class(es) of Shares Subject to the Share Options ※	Common Stock				
Number of Shares to be Acquired upon Exercise of Stock Subscription Rights (shares) ※	118,800 (Note) 2, 3	99,600 (Note) 2, 3	131,600 (Note) 2, 3	167,600 (Note) 3	229,200 (Note) 3
Payment on Exercise Price of Stock Acquisition Rights (¥) ※	1				
Period for Exercising Subscription Rights ※	From Feb. 3, 2018 to Feb. 2, 2058	From Jan. 5, 2019 to Jan. 4, 2059	From Jan. 7, 2020 to Jan. 6, 2060	From Jan. 9, 2021 to Jan. 8, 2061	From Jan. 8, 2022 to Jan. 7, 2062
Issue Price for Shares on Exercise of Stock Acquisition Rights and Appropriation to Capital (¥) ※	(Note) 4, 5				
Conditions of the Exercise ※	(Note) 6				
Items Related to Transfer of Subscription Rights ※	Transfer and acquisition of stock acquisition rights shall require the approval by resolution of the Board of Directors of the Company.				
Policy to Decide Termination of Stock Acquisition Rights on Organizational Restructuring and Delivery of Stock Acquisition Rights on a Company Reorganization ※	(Note) 8				

Date of Resolution	Dec. 22, 2022 (22nd Stock Acquisition Right)	Dec. 21, 2023 (24th Stock Acquisition Right)	Dec. 26, 2024 (26th Stock Acquisition Right)
Position and Number of Grantees	Company's Directors (1) Corporate Officer of the Company (14) (Note) 1	Company's Directors (2) Corporate Officer of the Company (14) (Note) 1	Company's Directors (2) Corporate Officer of the Company (14) (Note) 1
Number of Stock Acquisition Rights (units) ※	545	757	652
The Class(es) of Shares Subject to the Share Options ※	Common Stock		
Number of Shares to be Acquired on Exercise of Stock Subscription Rights (shares) ※	218,000 (Note) 3	302,800 (Note) 3	260,800 (Note) 3
Payment on Exercise Price of Stock Acquisition Rights (¥) ※	1		
Period for Exercising Subscription Rights ※	From Jan. 11, 2023 to Jan. 10, 2026	From Jan. 11, 2024 to Jan. 10, 2026	From Jan. 15, 2025 to Jan. 14, 2026
Issue Price for Shares on Exercise of Stock Acquisition Rights and Appropriation to Capital (¥) ※	(Note) 4, 5		
Conditions of the Exercise ※	(Note) 6		
Items Related to Transfer of Subscription Rights ※	Transfer and acquisition of stock acquisition rights shall require the approval by resolution of the Board of Directors of the Company.		
Policy to Decide Termination of Stock Acquisition Rights on Organizational Restructuring and Delivery of Stock Acquisition Rights on Company Reorganization ※	(Note) 8		

※ The contents as of the end of the fiscal year (Sep. 30, 2025) are described for the 14th, 15th, 16th, 18th, 20th, 22nd, 24th, and 26th stock acquisition rights. The description for the end of the month prior to the submission date (Nov. 30, 2025) is omitted because there are no changes from the contents as of the end of the fiscal year. Hereinafter, the 14th, 15th, 16th, 18th, 20th, 22nd, 24th, and 26th stock acquisition rights are collectively referred to as “these stock acquisition rights”.

Note :

- Audit & Supervisory Committee members and outside directors are not included.
- The Company implemented a stock split at a ratio of 4 shares to one on Apr. 1, 2020. As a result, the “number of shares subject to the share options” for the 14th, 15th, and 16th stock acquisition rights has been adjusted.
- Each fiscal year, the maximum number of these stock acquisition rights is set at 1,282 units. Furthermore, the number of shares per stock acquisition right unit (hereinafter referred to as “number of granted shares”) for the 14th, 15th, and 16th stock acquisition rights is set at 100 shares of the Company’s common stock, and for the 18th, 20th, 22nd, 24th, and 26th stock acquisition rights, it is set at 400 shares.

The number of granted shares shall be adjusted according to the following formula in the event that the Company conducts a share split (including free allotment of common shares, the same applies hereafter) or reverse stock split after the allotment date of these stock acquisition rights. The date on which the adjusted number of granted shares is applied shall be the day following the record date of the share split (unless a record date is defined, the effective date) for a share split, and the effective date thereafter for a reverse stock split. However, such adjustments will only apply to the shares corresponding to unexercised stock acquisition rights at the time of the share split or reverse stock split, and any fractional shares resulting from the adjustment will be omitted.

$$\boxed{\text{Number of Granted Shares After Adjustment}} = \boxed{\text{Number of Granted Shares Before Adjustment}} \times \boxed{\text{Rate of Stock Split or Stock Consolidation}}$$

Furthermore, if unavoidable circumstances arise necessitating adjustment of the number of granted shares following the allotment date of these stock acquisition rights due to merger, corporate split, or capital reduction of the Company, or other similar scenarios, the number of granted shares will be appropriately adjusted within a reasonable range.

4. The issuance price of shares when issuing shares by exercising these stock acquisition rights is the sum of the payment amount at the time of the exercise for each stock acquisition right (JPY 1 per share) and the fair valuation amount calculated by the Monte Carlo simulation, which is a general option pricing model on the allocation date. These stock acquisition rights have a minimum vesting rate (hereinafter referred to as the 'Minimum Vesting Rate') determined according to the position of the person who accepts them. In addition, the issuance price per share according to the Minimum Vesting Rate of each stock acquisition right is as follows.

	Minimum Vesting Rate	Issue Price
14th Stock Acquisition Rights	16.60%	493.00 yen
	20.75%	510.00 yen
	27.66%	538.75 yen
15th Stock Acquisition Rights	16.60%	603.50 yen
	20.75%	623.50 yen
	27.66%	656.00 yen
16th Stock Acquisition Rights	16.60%	1,031.00 yen
	20.75%	1,066.00 yen
	27.66%	1,126.00 yen
18th Stock Acquisition Rights	16.60%	1,841.00 yen
	18.60%	1,861.00 yen
	19.60%	1,881.00 yen
20th Stock Acquisition Rights	16.60%	2,021.00 yen
	17.60%	2,041.00 yen
	18.60%	2,051.00 yen
	19.60%	2,071.00 yen
22nd Stock Acquisition Rights	16.60%	1,441.00 yen
	17.60%	1,451.00 yen
	18.60%	1,461.00 yen
	19.60%	1,471.00 yen
24th Stock Acquisition Rights	16.60%	1,425.00 yen
	17.60%	1,435.00 yen
	18.60%	1,445.00 yen
	19.60%	1,455.00 yen
26th Stock Acquisition Rights	16.60%	1,445.00 yen
	17.60%	1,455.00 yen
	18.60%	1,465.00 yen
	19.60%	1,475.00 yen

※ On Apr. 1, 2020, the company implemented a stock split at a ratio of 4 shares for one common share. Accordingly, the 'Issuance Price' for the 14th, 15th, and 16th Stock Acquisition Rights is shown adjusted. Moreover, the company will provide monetary compensation equivalent to the total amount of the payment amount to individuals who receive the allocation of these stock acquisition rights as directors and corporate officers of the company, and offset the monetary compensation claims with the payment obligations of the payment amount of these stock acquisition rights. For individuals who receive the allocation of these stock acquisition rights as directors and corporate officers of the company's subsidiaries, the subsidiary will pay monetary compensation equivalent to the total payment amount of these stock acquisition rights, and the company will assume the monetary compensation claims and offset them with the payment obligations of the stock acquisition rights.

5. The amount of capitalization will be half of the maximum amount of capital increase calculated pursuant to Article 17, Paragraph 1 of the Corporate Calculation Rules. If a fraction less than one yen results from this calculation, it shall be rounded up.

6. Conditions for exercising these stock acquisition rights

- (1) The holder of the stock acquisition rights can only exercise them in a lump sum during the period from the day after they have lost their positions as directors and corporate officers of the company and its subsidiaries, up to the 10th day (or the previous business day if the 10th day is a holiday).
- (2) The number of stock acquisition rights that can be exercised is determined by multiplying the number of allocated rights by the vesting rate calculated based on the relative TSR\* as shown in the graph below. If the number of exercisable rights includes a fraction of less than one, it shall be rounded down. Additionally, if the holder loses their position as a director or corporate officer of the company or its subsidiaries before three years from the allocation date, the vesting rate is calculated by multiplying the vesting rate calculated based on the graph below by the ratio of the number of months in office from the allocation date (rounding down less than one month) divided by 36. However, according to the position of the person accepting the stock acquisition rights, the Minimum Vesting Rate is set between 16.60% and 27.66% (16.60% to 19.60% for the 18th, 20th, 22nd, 24th, and 26th stock acquisition rights). If they resign before the first ordinary general meeting of shareholders convenes after the allocation date, the number shall be adjusted by multiplying the Minimum Vesting Rate by the ratio of months in office (with periods of less than one month truncated if 15 days or less, and rounded up to a month if 16 days or more) divided by 12. Further, if the absolute TSR is less than 1 (100%) or if the stock price at the end of the period (the average closing price of the company's common stock on the Tokyo Stock Exchange for each day of the month prior to the month in which three years have passed from the assignment day—if the assignee loses their position before three years have passed, the respective loss date is applied) is lower than the initial stock price (average closing price of the company's common stock on the Tokyo Stock Exchange for each day of the month in which the allocation date falls), the Minimum Vesting Rate will be applied.

$$\text{Relative TSR} = \frac{\text{Absolute TSR}}{\text{TOPIX Growth Rate}}$$

$$\text{Absolute TSR} = \frac{\{\text{Stock Price at End of Period} + \text{total dividends}\}}{\text{Stock Price at Beginning of Period}}$$

[Stock Price at End of Period] Average closing price of the company's common stock on the Tokyo Stock Exchange for each day of the month prior to the end of three years from the allocation date (if a director loses their role before this period, the date of role loss is applicable, same as below). Excludes non-trading days.

[Stock Price at Beginning of Period] Average closing price of the company's common stock on the Tokyo Stock Exchange for each day of the month in which the allocation date falls.

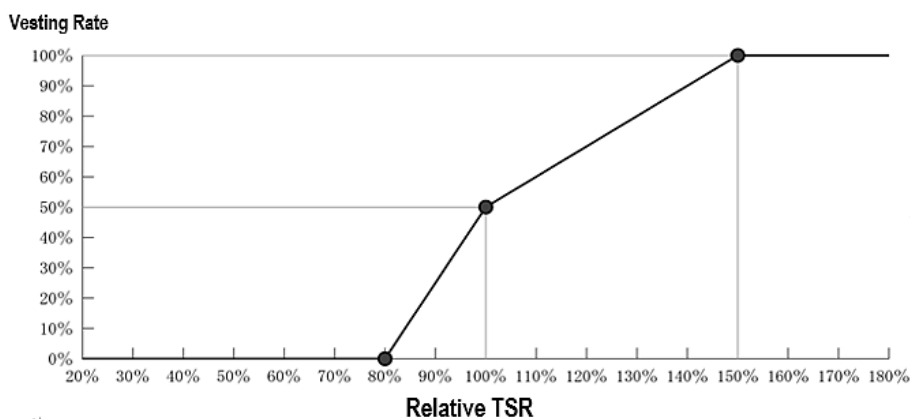
[Total Dividends] Total dividends paid per share of the company's common stock from the allocation date to three years after.

$$\text{TOPIX Growth Rate} = \frac{\text{TOPIX at End of Period}}{\text{TOPIX at Beginning of Period}}$$

[TOPIX at End of Period] Average closing price of TOPIX (Tokyo Stock Price Index, same as below) for each day of the month prior to three years from the allocation date.

[TOPIX at Beginning of Period] Average closing price of TOPIX for each day of the month in which the allocation date falls.

\* In the above calculations, average closing prices are rounded to the nearest hundredth place.



- (3) If the holder of the stock acquisition rights dies, an heir may exercise this right.
- (4) If exercising these stock acquisition rights results in the total number of issued shares exceeding the number of shares allowed to be issued at that time, the exercise of these rights cannot occur.
- (5) The exercise of less than one stock acquisition right is not permitted.

7. Matters regarding acquisition of these stock acquisition rights

- (1) In cases such as the merger agreement where the company becomes a dissolved entity, a division agreement or plan for a corporate demerger where the company becomes a divided company, a share exchange or transfer plan where the company becomes a wholly-owned subsidiary, or an amendment of the Articles of Incorporation to require the company's approval to acquire stocks by transfer, or when the company sets a resolution at the shareholders' meeting to acquire all such stocks by transfer, if the stockholder approval is not necessary, it shall be approved by a resolution of the board of directors; in case of a reverse-split of shares concerning these stock acquisition rights (limited to cases where fractions resulting from the multiplication by the split ratio are less than one unit share), or approval of the agenda for requesting sale of shares by a special controlling shareholder at the General Meeting of Shareholders (or a board resolution if shareholder approval is not required), the company may acquire all of these stock acquisition rights gratis on a date separately determined by the board of directors.
- (2) If the holder becomes unable to exercise the rights under the provisions set forth in 6 above before exercising the rights, the company may acquire these stock acquisition rights gratuitously.

8. In cases where the company engages in a merger where it becomes a dissolved entity, absorption-type demerger or incorporation-type demerger where it becomes a divided company, or a share exchange or transfer where it becomes a wholly-owned subsidiary (hereafter collectively referred to as 'Organizational Restructuring'), stock acquisition rights of stock companies listed in Article 236, Paragraph 1, Item 8(I) to (V), of the Corporate Law (hereinafter referred to as 'Target Company') will be allocated on the effective date of the Organizational Restructuring to holders of stock acquisition rights according to the conditions below. However, this applies only when the allocation of stock acquisition rights of the Target Company is defined according to these conditions in absorption-type merger agreements, incorporation-type merger agreements, absorption-type demerger agreements, incorporation-type demerger plans, share exchange agreements, or stock transfer plans.

- (1) Number of stock acquisition rights of the Target Company to be delivered : An identical number as held by each holder of stock acquisition rights will be delivered.
- (2) Type of shares of the restructured company subject to the stock acquisition rights : Common stock of the Target Company.
- (3) Number of shares of the restructured company subject to the stock acquisition rights : Determined according to 3 above, considering the conditions of the Organizational Restructuring.
- (4) Value of assets to be contributed upon the exercise of the stock acquisition rights : The value of assets to be contributed upon the exercise of each delivered stock acquisition right is the amount obtained by multiplying the adjusted exercise value, based on the conditions of the Organizational Restructuring defined in 3 above, by the number of shares of the restructured company subject to the stock acquisition rights determined based on (3) above.
- (5) Period during which stock acquisition rights can be exercised : From the later of either the first day of the exercisable period of stock acquisition rights or the effective date of the Organizational Restructuring to the last day of the exercisable period.
- (6) Matters related to the capital increase and capital reserve increase when issuing shares upon exercising stock acquisition rights : Determined in accordance with the capitalization amount when issuing shares by exercising the stock acquisition rights as specified above.
- (7) Restriction on acquisition of stock acquisition rights by transfer : Approval by resolution of the Board of Directors of the Reorganized Company shall be required for the restrictions on acquisition by transfer.
- (8) Other conditions for the exercise of stock acquisition rights : It shall be determined based on (6) above.
- (9) Causes and conditions for acquisition of stock acquisition rights : It shall be determined based on (7) above.
- (10) Other conditions shall be determined based on the conditions of the reorganized company.

9. Matters relating to certificates of stock acquisition rights regarding stock acquisition rights

The Company shall not issue certificates for the stock acquisition rights concerning these stock acquisition rights.

Date of Resolution	Dec. 19, 2019 (17th Stock Acquisition Rights)	Dec. 24, 2020 (19th Stock Acquisition Rights)	Dec. 23, 2021 (21st Stock Acquisition Rights)
Position and Number of Grantees (persons)	Employees of the Company (103) Subsidiary's employees (573) (Note) 1	Employees of the Company (112) Subsidiary's employees (623) (Note) 1	Employees of the Company (129) Subsidiary's employees (763) (Note) 1
Number of Stock Acquisition Rights (units) ※	521	772	976
Class(es) of Shares Subject to the Share Options ※	Common Stock		
Number of Shares Subject to Stock Acquisition Rights (shares) ※	208,400 (Note) 2,3	77,200 (Note) 3	97,600 (Note) 3
Payment on Exercise Price of Stock Acquisition rights (¥) ※	2,210 (Note) 2,3	3,690 (Note) 3	4,285 (Note) 3
Period for Exercising Subscription Rights ※	From Dec. 20, 2021 to Dec. 19, 2029	From Dec. 25, 2022 to Dec. 24, 2030	From Dec. 24, 2023 to Dec. 23, 2031
Issue Price for Shares on Exercise of Stock Acquisition Rights and Appropriation to Capital (¥) ※	Issue price 2,210 Amount incorporated into capital 1,105 (Note) 2,5	Issue price 3,690 Amount incorporated into capital 1,845 (Note) 5	Issue price 4,285 Amount incorporated into capital 2,143 (Note) 5
Conditions for Exercising Stock Acquisition Rights (Note) 7	Note 7	Note 7	Note 7
Items Related to Transfer of Subscription Rights ※	For acquisition of these stock acquisition rights by transfer, approval by resolution of the Company's Board of Directors is required.		
Matters Regarding the Delivery of Stock Acquisition Rights in Connection with Organizational Restructuring ※	(Note) 9	(Note) 9	(Note) 9

Date of Resolution	Dec. 22, 2022 (23rd Stock Acquisition Rights)	Dec. 21, 2023 (25th Stock Acquisition Rights)	Dec. 26, 2024 (27th Stock Acquisition Rights)
Position and Number of Grantees (persons)	Employees of the Company (141) Subsidiary's Employees (776) (Note) 1	Employees of the Company (159) Subsidiary's Employees (790) (Note) 1	Employees of the Company (188) Subsidiary's Employees (787) (Note) 1
Number of Stock Acquisition Rights (units) ※	932	1,145	1,189
The Class(es) of Shares Subject to the Share Options ※	Common Stock		
Number of Shares Subject to Stock Acquisition Rights (shares) ※	93,200 (Note) 3	114,500 (Note) 3	118,900 (Note) 3
Payment on Exercise Price of Stock Acquisition Rights (¥) ※	2,803 (Note) 3	2,890 (Note) 3	3,403 (Note) 3
Period for Exercising Subscription Rights ※	From Dec. 23, 2024 to Dec. 22, 2032	From Dec. 22, 2025 to Dec. 21, 2033	From Dec. 27, 2026 to Dec. 26, 2034
Issue Price for Shares on Exercise of Stock Acquisition Rights and Appropriation to Capital (¥) ※	Issue price 2,803 Amount incorporated into capital 1,402 (Note) 5	Issue price 2,890 Amount incorporated into capital 1,445 (Note) 5	Issue price 3,403 Amount incorporated into capital 1,702 (Note) 5
Conditions for Exercising Stock Acquisition Rights (Note) 7	Note 7		
Items Related to Transfer of Subscription Rights ※	For acquisition of these stock acquisition rights by transfer, approval by resolution of the Company's Board of Directors is required.		
Matters Regarding the Delivery of Stock Acquisition Rights in Connection with Organizational Restructuring ※	(Note) 9		

※ For the 17th, 19th, 21st, 23rd, 25th, and 27th stock acquisition rights, the content at the end of the fiscal year (Sep. 30, 2025) is stated. As of the end of the month prior to the date of submission (Nov. 30, 2025), there are no changes to be made from the content at the end of the fiscal year, hence details regarding the end of the month prior to the submission date are omitted. Hereinafter, the 17th, 19th, 21st, 23rd, 25th, and 27th stock acquisition rights are collectively referred to as 'these stock acquisition rights'.

Note :

1. The number of persons scheduled for allocation as of the resolution date is listed.
2. The Company implemented a stock split at a ratio of 4 shares to 1 common share on Apr. 1, 2020. Thus, adjustments have been made to the 'Number of shares subject to stock acquisition rights', 'Payment amount upon exercise of stock acquisition rights', and 'Issuance price and capital increase amount when issuing shares upon exercise of stock acquisition rights' for the 17th stock acquisition rights.
3. The number of shares subject to each of these stock acquisition rights (hereinafter referred to as 'number of granted shares') shall be 100 shares of the Company's common stock. If, in cases where the number of shares to be issued to the holder of stock acquisition rights who has exercised these stock acquisition rights includes a fraction less than one share, such fraction shall be rounded down. However, if, following the allocation date, the Company conducts a stock split (including free allocation of shares, hereinafter the same) or reverse consolidation of common stock, the number of shares subject shall be adjusted according to the following formula. The application date for the adjusted number of subject shares shall be the same day that the adjusted exercise price, determined in relation to the adjustment cause covered under Note 6 below, is applied. Such adjustment shall only apply to shares corresponding to stock acquisition rights that have not been exercised at the point of stock split or consolidation, and fractions less than one share will be rounded down.

$$\boxed{\begin{array}{c} \text{Adjusted Number of} \\ \text{Subject Shares} \end{array}} = \boxed{\begin{array}{c} \text{Number of Subject Shares} \\ \text{before Adjustment} \end{array}} \times \boxed{\begin{array}{c} \text{Rate of Stock Split or} \\ \text{Stock Consolidation} \end{array}}$$

Further, if, after the allocation date of these stock acquisition rights, the Company engages in a merger, company division, or capital reduction, or if changes to the number of subject shares are deemed appropriate, the Company shall make necessary adjustments by resolution of the Board of Directors.

4. The payment amount upon exercise of these stock acquisition rights shall be the same as the closing price in ordinary transactions of the Company's common stock on the Tokyo Stock Exchange on the day before the resolution date.
5. The issuance price when issuing shares upon exercise of these stock acquisition rights shall be the same as the payment amount upon exercising these stock acquisition rights. Furthermore, the amount of capital increase shall be half of the maximum capital increase amount calculated in accordance with Article 17, Paragraph 1 of the Company Accounting Rules, and any resulting fraction less than one yen shall be rounded up.
6. If, after the issuance of these stock acquisition rights, a split or consolidation of the Company's common stock is executed, the exercise price shall be adjusted according to the following formula. The adjusted exercise price shall be applied from the day following the reference date for stock splits (in the case of free share allocation, from the day the allocation becomes effective or the day determined as the reference date for the free allocation) or from the day following the effective date of the stock consolidation.

$$\boxed{\begin{array}{c} \text{Adjusted} \\ \text{Exercise Price} \end{array}} = \boxed{\begin{array}{c} \text{Exercise Price} \\ \text{Before Adjustment} \end{array}} \times \boxed{\begin{array}{c} 1 \\ \text{Ratio of Split or} \\ \text{Consolidation} \end{array}}$$

Also, besides the above reasons, if it is deemed appropriate to change the exercise price, necessary adjustments will be made by resolution of the Company's Board of Directors. If, as a result of adjusting the exercise price, a fraction less than one yen arises, it shall be rounded up.

7. Conditions for the exercise of these stock acquisition rights
  - (1) A holder of these stock acquisition rights (or their heirs in case of ㉔) shall not be able to exercise the rights if any of the following causes arise.
    - ㉑ The holder of these stock acquisition rights loses the position of director, audit officer, corporate officer, or employee of the Company, Akindo Sushiro Co., Ltd., FOOD & LIFE INNOVATIONS Co., Ltd., KYOTARU CO., LTD., or other affiliates of the Company (collectively referred to as 'Company Group'), except as recognized by the Company for retirement or other valid reasons.
    - ㉒ The holder of these stock acquisition rights has died.
    - ㉓ The holder of stock acquisition rights is subjected to a petition for commencement of bankruptcy or civil rehabilitation procedures, or has filed such a petition themselves.
    - ㉔ The holder of stock acquisition rights engages in fraudulent acts, breaches duties, exhibits negligence at work, or violates the Company's Group internal rules applicable to them, leading to potential sanctions such as pay reduction, suspension from attendance, demotion, recommended resignation, or termination, judged by the Board of Directors of the relevant company (or equivalent in overseas companies).
  - (2) Partial exercise of a single stock acquisition right is not allowed.
8. Acquisition clauses of these stock acquisition rights
  - (1) If the holder of these stock acquisition rights loses their position as director, audit officer, corporate officer, or employee of the Company Group, the Company may acquire all or part of the stock acquisition rights held by the affected holder without charge. Furthermore, if part of these stock acquisition rights is to be acquired, the number of rights to be acquired shall be determined by resolution of the Company's Board of Directors.
  - (2) If amendments are made to the Articles of Incorporation regarding mergers where the Company is the dissolving entity, demerger contracts or plans where the Company is the dividing entity, share exchange contracts or share transfer plans making the Company a wholly owned subsidiary, provisions requiring Company approval for acquisition of all issued shares through transfer, amendments regarding share acquisition requiring Company approval based on shareholder meeting resolutions, or regarding stock consolidation causing fractions of less than 1 share, or if resolutions approving disposal requests by special controlling shareholders are passed (or board resolutions if a shareholder meeting approval is not required), the Company may acquire all such stock acquisition rights for free upon arrival of a date separately determined by the Company's Board of Directors.
9. In cases where the Company engages in mergers where it is the dissolving entity, absorption-type demergers or incorporation-type demergers where it is the dividing entity, or share exchanges or share transfers making the Company a wholly-owned subsidiary (collectively referred to hereinafter as "Organizational Restructuring"), any holders of Outstanding Stock Acquisition Rights (hereinafter referred to as "remaining stock acquisition rights") that have not been exercised nor acquired by the Company at the time such Organizational Restructuring takes effect shall be granted new stock acquisition rights of the stock companies listed in Article 236 Paragraph 1 Item 8 (i) to (v) of the Corporation Law (collectively referred to hereinafter as "Company to be Reorganized"), in accordance with the following conditions. However, the delivery of new stock acquisition rights of the Company to be Reorganized shall only be performed if stipulated in absorption-type merger agreements, incorporation-type merger agreements, absorption-type demerger agreements, incorporation-type demerger plans, share exchange agreements, or share transfer plans in accordance with the following conditions.

- (1) Number of stock acquisition rights of the Company to be Reorganized to be delivered : The number of stock acquisition rights to be delivered shall be equal to the number of Outstanding Stock Acquisition Rights held by the stock acquisition right holder.
- (2) Type of shares of the reorganized company to be issued for the stock acquisition rights : The type of stock shall be common stock of the Company to be Reorganized.
- (3) Number of shares of the reorganized company to be issued upon exercise of the stock acquisition rights : The number of shares subject to the stock acquisition rights shall be reasonably adjusted according to the conditions, etc., of the Organizational Restructuring and referred to as the number of succeeding shares. However, any fraction of shares less than one resulting from the adjustment shall be rounded down.
- (4) Exercise period for the stock acquisition rights : The exercise period shall be from the effective date of the Organizational Restructuring to the expiration date of the exercise period of the stock acquisition rights.
- (5) Matters related to the capital and capital reserves to be increased if stocks are issued upon the exercise of the stock acquisition rights : The increase in capital and capital reserves when stock is issued upon the exercise of the stock acquisition rights shall be determined in accordance with the capital increase amount stipulated above.
- (6) Amount of assets contributed at the time of exercise of each stock acquisition right : The amount shall be the exercise price reasonably adjusted based on the conditions of the Organizational Restructuring and consistent with the exercise price stipulated above.
- (7) Conditions of Exercise of Rights and acquisition provisions of stock acquisition rights : These conditions and provisions shall be determined pursuant to sections (7) and (8) above.
- (8) Restriction on acquisition of stock acquisition rights by transfer : Approval by the Company to be Reorganized shall be required for acquisition of stock acquisition rights by transfer.
- (9) If there arises any fractional shares less than one in the stocks to be delivered to the stock acquisition right holders resulting from the exercise of the rights, such fractions shall be rounded down.
10. Matters concerning share option certificates related to share options : The Company shall not issue certificates for the stock acquisition rights mentioned herein.

② **Content of the Rights Plan**

Not applicable.

③ **Status of Other Stock Options**

Not applicable.

**(3) [Status of Exercise of Bonds with Stock Acquisition Rights with Exercise Price Adjustment Clauses, etc.]**

Not applicable.

**(4) [Changes in Shares Issued and Outstanding / Changes in Capital]**

Date	Change in Shares Issued and Outstanding	Total Number of Shares Issued and Outstanding After Change	Change in Common Stock (¥, mn)	Common Stock Balance (¥, mn)	Change in Capital Surplus (¥, mn)	Legal Capital Surplus Balance (¥, mn)
Apr. 7, 2021 (Note 1)	19,200	116,069,184	7	107	7	1,747
Apr. 7, 2021 (Note 2)	—	116,069,184	△7	100	—	1,747

Note :

1. As of Apr. 7, 2021, due to the exercise of stock acquisition rights, the total number of shares issued is increased by 19,200 shares and both paid-in capital and capital surplus increase by JPY 7mn each.
2. In accordance with Article 447 Paragraph 3 of the Corporation Law, by resolution of the Board, share issuance and simultaneous reduction in capital occurred effective Apr. 7, 2021, reducing capital by JPY 7mn.

## (5) [Shareholder Composition]

As of Sep. 30, 2025

Classification	Shares per Trading Unit : 100 shares							Fractional Shares	
	Government & Municipalities	Financial Institutions	Financial Products Traders	Other Corporations	Overseas Investors		Individuals/ Others		Total
					Non-individual	Individuals			
Number of Shareholders	—	36	28	343	384	266	60,748	61,805	—
Number of Shares Held	—	293,759	58,175	51,801	544,734	627	210,806	1,159,902	78,984
Percentage of Shares Held (%)	—	25.33	5.02	4.47	46.96	0.05	18.17	100	—

Note :

1. It includes treasury stock holdings of 2,814,631 shares listed as 28,146 MTUs under 'Individuals and others' and 31 shares under 'Fractional Share Status.'
2. The percentage of shares held shown in above table is rounded to the nearest thousandth.

## (6) [Major Shareholders]

As of Sep. 30, 2025

Name	Address	Number of Shares Held	Percentage of Shares Held (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	1-8-1 Akasaka, Minato-ku, Tokyo	16,859,100	14.89
Japan Custody Bank, Ltd. ( Trust Account )	1-8-12 Harumi, Chuo-ku, Tokyo	6,089,700	5.38
STATE STREET BANK AND TRUST COMPANY 505001 (Standing Proxy: Mizuho Bank, Ltd.)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (2-15-1 Konan, Minato-ku, Tokyo, Shinagawa Intercity A Tower)	4,026,938	3.56
National Federation of Agricultural Cooperative Associations	1-3-1 Otemachi, Chiyoda-ku, Tokyo	3,744,400	3.31
HSBC HONG KONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES (Standing Proxy: Hongkong and Shanghai Banking Corporation Tokyo Branch)	1 QUEEN'S ROAD CENTRAL, HONG KONG (3-11-1 Nihonbashi, Chuo-ku, Tokyo)	3,217,602	2.84
JP Morgan Securities Co., Ltd.	2-7-3 Marunouchi, Chiyoda-ku, Tokyo	2,351,757	2.08
JP JPMSE LUX RE UBS AG LONDON BRANCH EQ CO (Standing Proxy: MUFG Bank, Ltd.)	BAHNHOFSTRASSE 45 ZURICH SWITZERLAND 8098 (1-4-5 Marunouchi, Chiyoda-ku, Tokyo)	2,249,512	1.99
STATE STREET BANK AND TRUST COMPANY 505325 (Standing Proxy: Mizuho Bank, Ltd.)	P.O. BOX 351 BOSTON MASSACHUSETTS 02 101 U.S.A (2-15-1 Konan, Minato-ku, Tokyo)	1,840,878	1.63
JP JPMSE LUX RE BARCLAYS CAPITAL SEC LTD EQ CO (Standing Proxy: MUFG Bank, Ltd.)	1 CHURCHILL PLACE LONDON - NORTH OF THE THAMES UNITED KINGDOM E14 5HP (1-4-5 Marunouchi, Chiyoda-ku, Tokyo)	1,738,147	1.53
BNYM SA/NV FOR BNYM FOR BNY GCM CLIENT ACCOUNTS M LSCB RD (Standing Proxy: MUFG Bank, Ltd.)	ONE CHURCHILL PLACE, LONDON, E14 5HP UNITED KINGDOM (1-4-5 Marunouchi, Chiyoda-ku, Tokyo)	1,667,531	1.47
Total	—	43,785,565	38.68

Note :

1. The percentage of shares held in issued shares (excluding treasury stock) is rounded to the nearest thousandth.
2. All shares held by the Master Trust Bank of Japan, Ltd. (Trust Account) are related to trust business.
3. All shares held by Japan Custody Bank, Ltd. (Trust Account) are related to trust business.
4. The large shareholding report (change report) published for public inspection on Nov. 8, 2024, states that Goldman Sachs Securities Co., Ltd., Goldman Sachs International, Goldman Sachs & Co. LLC, Goldman Sachs Asset Management Co., Ltd., Goldman Sachs Asset Management LP and Goldman Sachs Asset Management International held shares as of Oct. 31, 2024, but as of Sep. 30, 2025, the Company cannot verify the actual number of shares owned, thus they are excluded from the major shareholders. The contents of the large shareholding report are as follows.

Name	Address	Number of Shares Held	Percentage of Shares Held (%)
Goldman Sachs Securities Co., Ltd.	2-6-1 Toranomon, Minato-ku, Tokyo Toranomon Hills Station Tower	-2,000	0.00
Goldman Sachs International	Plumtree Court, 25 Shoe Lane, London EC4A 4AU, United Kingdom	1,922,968	1.66
Goldman Sachs & Co. LLC	200 West Street, New York, New York 10282, U.S.A.	47	0.00
Goldman Sachs Asset Management Co., Ltd.	2-6-1 Toranomon, Minato-ku, Tokyo Toranomon Hills Station Tower	231,300	0.20
Goldman Sachs Asset Management LP	200 West Street, New York, New York 10282, U.S.A.	3,274,306	2.82
Goldman Sachs Asset Management International	Plumtree Court, 25 Shoe Lane, London EC4A 4AU, United Kingdom	198,500	0.17
Total	—	5,625,121	4.85

5. Although the reports dated Jan. 20, 2025, for public viewing as of Jan. 15, 2025, indicate that Nomura Securities Co., Ltd., Nomura International plc, and Nomura Asset Management Co., Ltd. each held shares in the numbers below, as of Sep. 30, 2025, we have excluded these major shareholders as the verification of actual number of shares owned by them could not be confirmed. The details of the amendments to the report are as follows.

Name	Address	Number of Shares Held	Percentage of Shares Held (%)
Nomura Securities Co., Ltd.	1-13-1 Nihonbashi, Chuo-ku, Tokyo	538,121	0.46
Nomura International plc	1 Angel Lane, London EC4R 3AB, United Kingdom	681,111	0.59
Nomura Asset Management Co., Ltd.	2-2-1 Toyosu, Koto-ku, Tokyo	5,168,332	4.45
Total	—	6,387,564	5.50

6. Although the reports dated Sep. 19, 2025, for public viewing as of Sep. 15, 2025, indicate that Sumitomo Mitsui Trust Asset Management Co., Ltd. and Amova Asset Management Co., Ltd. each held shares in the numbers below, as of Sep. 30, 2025, we have excluded these major shareholders as the verification of actual number of shares owned by them could not be confirmed. The details of the amendments to the report are as follows.

Name	Address	Number of Shares Held	Percentage of Shares Held (%)
Sumitomo Mitsui Trust Asset Management Co., Ltd.	1-1-1 Shiba-koen, Minato-ku, Tokyo	3,399,800	2.93
Amova Asset Management Co., Ltd.	9-7-1 Akasaka, Minato-ku, Tokyo	2,296,300	1.98
Total	—	5,696,100	4.91

## (7) [Voting Rights]

### ① Issued Share

As of Sep. 30, 2025

Classification	Number of Shares	Number of Voting Rights	Details
Shares With No Voting Rights	—	—	—
Shares With Restricted Voting Rights (treasury stock, etc.)	—	—	—
Shares With Restricted Voting Rights (other)	—	—	—
Shares With Full Voting Rights (treasury stock, etc.)	Common Stock 2,814,600	—	—
Shares With full voting rights (others)	Common Stock 113,175,600	1,131,756	Stock Unit : 100 shares
Share Less Than the Trading Unit	Common Stock 78,984	—	—
Number of Shares Issued	116,069,184	—	—
Total Voting Rights of Shareholders	—	1,131,756	—

Note : The column "Shares less than one unit" includes 31 treasury shares owned by the company.

### ② Treasury Stock, etc.

As of Sep. 30, 2025

Owner's Name	Owner's Address	Number of Shares Held Under Own Name	Number of Shares Held Under Other Names	Total Number of Shares Held	Percentage of Shares Held in Total Issued Shares (%)
FOOD & LIFE COMPANIES LTD.	1-22-2 Esaka-cho, Suita City, Osaka Prefecture	2,814,600	-	2,814,600	2.42
Total	—	2,814,600	-	2,814,600	2.42

Note: The percentage of ownership against total issued shares is rounded off to the nearest whole number from the third decimal point.

## 2. [Acquisitions of Treasury Stock]

### Issued Share

Acquisition of common stock based on Article 155, item 7 of the Companies Act

#### (1) Status of Acquisition by Resolution at the General Meeting of Shareholders

Not applicable.

#### (2) Status of Acquisition by Resolution at the Board of Directors' Meeting

Not applicable.

#### (3) Details of Acquisition Not Based on Resolution at the General Meeting of Shareholders or the Board of Directors

Acquisition based on Article 155, item 7 of the Companies Act (request for purchase of shares less than one unit)

Classification	Number of Shares	Total Acquisition Cost (¥)
Treasury Stocks Acquired in FY2025	167	870,114
Treasury Stocks Acquired in the Current Period	-	-

Note : The number of "Treasury Stocks Acquired in Current Period" does not include shares acquired through purchase of shares less than one unit from Dec. 1, 2025, until the filing date of this securities report.

#### (4) Disposal and Holding Status of Acquired Treasury Stocks

Classification	Current Fiscal Year		Current Period	
	Number of Shares	Total Disposal Value (JPY)	Number of Shares	Total Disposal Value (JPY)
Treasury Stocks Acquired through Solicitation of Subscribers	—	—	—	—
Treasury Stocks Retired	—	—	—	—
Treasury Stocks Transferred due to Merger, Share Exchange, Share Delivery, or Corporate Partition	—	—	—	—
Others (Exercise of Stock Options)	131,300	408,080,400	—	—
Number of Treasury Stocks Owned	2,814,631	—	2,814,631	—

Note: The number of treasury stocks owned during the current term does not include shares acquired or disposed through purchase or sale of shares less than one unit from Dec. 1, 2025, until the filing date of this securities report.

### 3. [Dividend Policy]

The company positions profit distribution to shareholders as an important management policy and maintains a basic policy of continuously implementing appropriate profit allocation in line with performance improvement. It aims to provide stable dividends by comprehensively considering performance and internal reserves, and plans an annual surplus dividend linked to performance. The deciding body for these surplus dividends is the general meeting of shareholders for year-end dividends and the board of directors for interim dividends. Retained earnings will be allocated as resources for aggressive investments aimed at strengthening the management foundation through various measures.

Based on the above basic policy, the medium-term management plan (Fiscal Year 2024 - 2026) announced in Nov. 2023 and the circumstances of the FY2025 were considered. After discussions at the board of directors, it was decided to revise the dividend per share as part of a continuous effort to enhance shareholder returns while securing sufficient internal reserves for our group's growth strategy. The dividend per share will be increased from JPY 27.50 by JPY 7.50, amounting to a planned total of JPY 35.00 per share.

Our Articles of Incorporation stipulate that decisions on matters concerning surplus dividends defined in Article 459, Paragraph 1 of the Companies Act can be made by resolution of the board of directors, unless otherwise specified by laws and regulations.

The surplus dividend for the FY2025 is as follows.

Resolution Schedule	Total Amount of Dividends (¥, mn)	Dividend Per Share (¥)
Resolution at the Ordinary General Meeting of Shareholders Scheduled for Dec. 23, 2025	3,964	35.00

### 4. [Corporate Governance]

#### (1) Overview of Corporate Governance

##### ① Basic Policy on Corporate Governance

The basic policy of our company regarding corporate governance is to enable management to verify the adherence to laws, regulations, and the articles of incorporation and maintain a sustainable management system. Establishing a management system that can guide the awareness and business activities of all executives and employees towards realizing our "management philosophy" and "management goals" leads to fairer and more transparent governance, benefiting all stakeholders involved with our company.

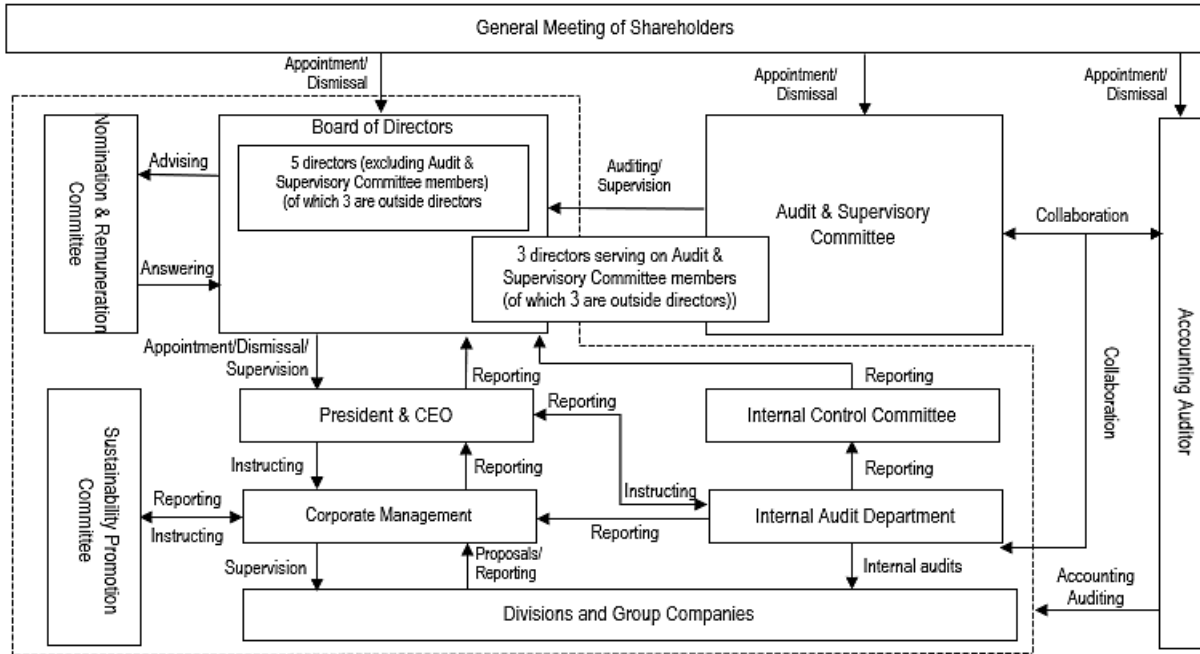
##### ② Details of Company Institutions and Maintenance of Internal Control System

###### (a) Basic Explanation of the Company's Organization and Reasons for Adopting the Current System

The company has adopted the structure of a company with an Audit Committee. By improving the audit and supervisory system of the Audit Committee and increasing the proportion and diversity of outside directors on the board, the transparency and objectivity of the board is enhanced, thereby strengthening corporate governance. Additionally, promoting the separation of execution and supervision, with delegation of authority to corporate officers led by the CEO and President, enables quicker decision-making in business execution, forming a monitoring model. The board of directors, presently comprising 8 directors, including 6 outside directors, serves as a forum for thorough discussions on basic management policies and strategic issues considering capital costs, deciding on fundamental policies related to group management and other important matters, and supervising (monitoring) based on reports on business execution.

Moreover, the Audit Committee, consisting of 3 outside director members, conducts regular audits by attending board meetings and performing checks during daily operations to ensure the execution of directors' duties. Furthermore, a Nominating and Compensation Committee has been established, with independent outside directors making up the majority of its members. Additionally, to enhance corporate governance, an Internal Control Committee has been established, chaired by the CEO, consisting of external experts such as lawyers, directors who are Audit Committee members, and committee members appointed by the chair (our corporate officers). The Secretariat convenes meetings on demand, aside from regular meetings, providing necessary improvements and enlightenment measures across group companies. The Management Meeting, comprising executive directors and corporate officers, supports decision-making by the Chief Corporate officer and President, engaging in deliberations on matters resolved by the board and considering important managerial issues delegated by the board.

The corporate governance structure diagram of our company is as follows.



**(b) Status of Internal Control Systems**

Our company's internal control system is as follows.

- a) System to ensure that the execution of duties by our directors and employees and those of our subsidiaries complies with laws and regulations
  - Our company and subsidiaries (hereinafter referred to as "our group") adhere to business philosophies, laws, and internal regulations, proactively ensuring comprehensive compliance.
  - To establish a compliance system and prevent legal violations, an Internal Control Committee, chaired by the CEO and consisting of external experts and others, is convened regularly to provide necessary improvements and enlightenment measures across group companies. The Internal Control Committee also provides status reports to the board of directors as and when appropriate.
  - An independent Internal Audit Office is installed separately from the business execution department to audit compliance practices and internal management systems in each division. Audit results are responsibly reported to the Audit Committee and the Internal Control Committee, ensuring preparedness.
  - Establish a system to immediately report to the audit and supervisory committee upon discovering violations of laws, regulations, articles of incorporation, internal rules, or other material facts, or if there is a risk thereof, and promptly report to the Internal Control Committee.
  - Set up a hotline for reporting and consultation as a means to swiftly identify and resolve information regarding compliance with laws and regulations, articles of incorporation, and violations of internal rules.
- b) Matters related to the preservation and management of information on the execution of duties by directors
  - Information and documents related to the execution of duties by directors are properly preserved and managed by the respective department in charge, based on relevant regulations and laws.
- c) Regulations and other systems for management of risk of loss of our company and its subsidiaries
  - Establish the 'Risk Management Regulations' and set up the Internal Control Committee to understand and manage all risks threatening the continuous development of the company.
  - For material risks related to group management, the Internal Control Committee will perform identification, analysis, and evaluation, establish countermeasures, and create a system for proper crisis management.
  - Define the 'Crisis Management Regulations' to quickly and appropriately address countermeasures during emergency situations.
  - Establish the 'Information System Regulations' to lead information security activities and set standards for handling information assets.
- d) System to ensure that duties of directors of our company and its subsidiaries are performed efficiently
  - The Board of Directors determines mid-term management plans and annual management plans and regularly reviews their progress.
  - Define the 'Board of Directors Regulations' to ensure the efficiency and propriety of the Board of Directors.
  - Set up a system for the Internal Control Committee to promptly report to the Board of Directors as necessary.
  - Each director clarifies the scope of responsibilities and decision-making procedures to ensure operational efficiency based on the 'Business Allocation Rules' and 'Authority Rules'.
- e) System related to reporting on the execution of duties of directors of our subsidiaries to our company
  - The execution status of our group company operations shall be periodically reported to the Board of Directors.
  - Our company shall require periodic reports from subsidiaries regarding their operational execution and financial status.
- f) System to ensure the adequacy of operations in the corporate group consisting of our company and subsidiaries
  - Define common compliance regulations for our group companies to instill core corporate ethics consistently, and ensure thorough awareness of these regulations. However, overseas, consideration of differences in laws and customs of the respective countries necessitates a phased approach to implementation.
  - Hold regular meetings by group executives or management to exchange information and share the overall group's management plans and essential policies.
  - The Internal Audit Department regularly conducts internal audits of each company within our group.
- g) Matters related to directors and employees who should assist the audit and supervisory committee in their duties, matters related to the independence of these directors and employees from other directors (excluding directors who are audit and supervisory committee members), and matters concerning ensuring the effectiveness of instructions from the audit and supervisory committee to these directors and employees
  - Our company appoints suitable personnel with expertise and knowledge as assistants to the audit and supervisory committee when requested. Evaluation, appointment, dismissal, personnel transfers, and wage revisions for assistants to the audit and supervisory committee require consent from the audit and supervisory committee to ensure independence from directors.
- h) System for our company's directors (excluding directors who are audit and supervisory committee members), employees, and subsidiaries' directors, auditors, and

- employees to report to the audit and supervisory committee, other systems related to reporting to the audit and supervisory committee, and ensuring that those who reported to the audit and supervisory committee are not disadvantaged for having made such reports
- Our audit and supervisory committee attends meetings, including Board of Directors meetings, to facilitate detailed information exchange and express opinions, ensuring directors (excluding directors who are audit and supervisory committee members) and employees adequately respond to requests for explanations.
  - Set up a system for directors (excluding directors who are audit and supervisory committee members) and employees to immediately report to the audit and supervisory committee upon finding or risking violations of laws, articles of incorporation, or internal regulations, ensuring that the department receiving such reports subsequently report to our company's audit and supervisory committee. Establish internal rules to ensure individuals are not disadvantaged for having made such reports.
  - Create a system for directors and employees to report to the audit and supervisory committee on the state of internal controls related to financial reporting, accounting standards, and the activity of the Internal Audit Department and subsidiary auditors as necessary.
  - Set up a system to allow the audit and supervisory committee to review decision-making and report documents submitted by each department to the responsible department.
- i) Matters related to policies on prepayment or reimbursement procedures for expenses arising from the execution of duties by audit and supervisory committee members (limited to execution of duties related to the audit and supervisory committee), and handling other expenses or obligations relating to executing such duties; and systems to ensure effective auditing by the audit and supervisory committee
- Establish a system wherein the audit and supervisory committee receive reports and explanations concerning accounting audits from statutory accountants and gather information about audit implementation status as necessary.
  - Strive to establish an effective audit system to detect and deter fraudulent and unjust acts by securing coordination between the Internal Audit Department and the audit and supervisory committee.
  - Ensure a system for directors and employees to promptly and appropriately respond to audit and supervisory committee requests for explanations or reporting related to operations.
  - If the audit and supervisory committee request prepayment for expenses arising from executing their duties (limited to execution related to the audit and supervisory committee), our company promptly processes such costs unless it is proven unnecessary for executing such duties.
- j) System for excluding anti-social forces
- Define the 'Anti-Social Forces Response Regulations,' and adopt a firm stance to decisively reject unjust demands from anti-social forces, including cutting off transactional relationships if necessary.

### ③ Status of Development of Risk Management Systems

Our risk management system involves setting up the Internal Audit Office, directly supervised by the President and CEO, to conduct regular business audits and provide improvements and guidance to audited departments, promptly reporting audit results to the CEO. The Internal Audit Office, audit and supervisory committee, and statutory auditors maintain close coordination through frequent information exchanges to eliminate risks.

### ④ Number of Directors

Our company's articles of incorporation stipulate that the number of directors shall be up to 13, including up to 4 directors who are audit and supervisory committee members.

### ⑤ Requirements for Electing Directors

Our articles of incorporation stipulate that resolutions for the election of directors shall be carried out with the attendance of shareholders holding at least one-third of the voting rights of shareholders entitled to exercise voting rights, and by the majority of those voting rights. Additionally, our articles of incorporation specify that the resolution for electing directors shall not be conducted by cumulative voting.

### ⑥ Matters Decided at Board of Directors Meetings Instead of General Shareholder Meetings

Authority for surplus dividend decisions : Our articles of incorporation stipulate that surplus dividend decisions and other matters prescribed in Paragraph 1, Article 459 of the Corporation Act can be determined by a board resolution unless otherwise provided by law. This aims to allow flexible shareholder returns by vesting the board with authority over surplus dividend decisions.

### ⑦ Exemption from Director Liability

Our articles of incorporation allow the exemption of directors (including ex-directors) from liabilities regarding actions under Paragraph 1, Article 423 of the Corporation Act, by board resolution to the extent permitted by law. The objective is to create an environment where directors can fully utilize their abilities and fulfill expected roles in executing their duties.

### ⑧ Summary of Liability Limitation Contract

We have entered into a contract with outside directors to limit their compensation liabilities under Paragraph 1, Article 423 of the Corporation Act, based on Paragraph 1, Article 427. The compensation limit under this contract is set as the minimum liability limit specified by law.

### ⑨ Summary of Directors' Liability Insurance Contract

Our company has established a Directors' Liability Insurance Contract, as prescribed in Paragraph 1, Article 430-3 of the Corporation Act, with our company (and subsidiaries) covering directors (including outside directors), managerial employees, and full employees as insured parties, providing compensation for damages their actions incur or claims pursued against their responsibilities. Our company bears the full cost of these insurance premiums. Measures have been taken to ensure the appropriateness of insured parties' duty execution, with limits set on compensation amounts covered. Updates with the same content are intended for the next renewal.

### ⑩ Special Resolution Requirements of the General Meeting of Shareholders

Our articles of incorporation stipulate that special resolution requirements at the general meeting of shareholders, as defined in Paragraph 2, Article 309 of the Corporation Act, necessitate the attendance of shareholders holding at least one-third of voting rights, resolved by a two-thirds majority. This aims to facilitate the smooth operation of general meetings by relaxing quorum requirements for special resolutions.

⑪ Activity Status of the Board of Directors

Classification	Name	Attendance Status at Board of Directors Meetings during FY2025
President and CEO	Masahiro Yamamoto	Attended all 14 of 14 meetings (100%) (Note 1)
Board Member	Hiroshi Ogawa	Attended all 3 of 3 meetings (100%) (Note 2)
Board Member	Koichi Mizutome	Attended all 17 of 17 meetings (100%)
Outside Director	Akira Kondoh	Attended all 17 of 17 meetings (100%)
Outside Director	Minesaburo Miyake	Attended all 17 of 17 meetings (100%)
Outside Director	Reiko Kanise	17 out of 17 times (100%)
Outside Director (serving on the Audit and Supervisory Committee)	Teiichi Takatsuki	14 out of 14 times (100%) (Note 3)
Outside Director (serving on the Audit and Supervisory Committee)	Mami Taira	16 out of 17 times (94%)
Outside Director (serving on the Audit and Supervisory Committee)	Emi Omura	17 out of 17 times (100%)
Outside Director (serving on the Audit and Supervisory Committee)	Yoshihiro Noutsuka	3 out of 3 times (100%) (Note 4)

The deliberations of the Board of Directors are as described in 'Section 4 [Status of the Reporting Company]' → '4. [Corporate Company]' → '(1) Overview of Corporate Governance' → 'Details of Company Institutions and Maintenance of Internal Control System.'

(Note 1) Masahiro Yamamoto, the President and CEO, has attended every meeting since assuming the position of director.

(Note 2) Director Hiroshi Ogawa retired due to the expiration of his term on Dec. 26, 2024.

(Note 3) Teiichi Takatsuki has attended every meeting since assuming the position of director.

(Note 4) Yoshihiro Noutsuka retired due to the expiration of his term on Dec. 26, 2024.

⑫ Activity Status of the Board of Directors

Classification	Name	Attendance at Nomination and Compensation Committee Meetings During the Fiscal Year
President and CEO	Masahiro Yamamoto	11 out of 11 times (100%) (Note 1)
Board Members	Koichi Mizutome	2 out of 2 times (100%) (Note 2)
Outside Director	Minesaburo Miyake	13 out of 13 times (100%)
Outside Director	Reiko Kanise	13 out of 13 times (100%)
Outside Director	Mami Taira	11 out of 11 times (100%) (Note 3)

The deliberations of the Nomination and Compensation Committee are as described in 'Status of Directors' → '(b) Status of the Directors After the 11th Annual General Meeting of Shareholders'

. details of company bodies and the state of arrangements for an internal control system.'

(Note 1) Masahiro Yamamoto, the Representative Director, has attended every meeting since assuming the position on the committee.

(Note 2) Director Koichi Mizutome resigned from the committee following the Nomination and Compensation Committee meeting on Nov. 28, 2024.

(Note 3) Mami Taira has attended every meeting since the committee appointment.

\*Our company is proposing the agenda item 'Appointment of 6 Directors (excluding those serving on the Audit and Supervisory Committee)' for the ordinary general meeting of shareholders scheduled for Dec. 23, 2025. If approved, the total number of directors will be 9, including 8 outside directors. Furthermore, the agenda 'Appointment of Corporate Officers' is scheduled to be presented at the Board of Directors meeting to be held immediately after the said ordinary general meeting of shareholders. If approved, the composition of the Board of Directors and Corporate Officers will be as described later in '(2) Status of Directors, section' → 'Status of the Directors After the 11th Annual General Meeting of Shareholders.'

## (2) Status of Directors

### ① List of Directors

#### (a) Status of Officers as of the Date of Submission of Securities Report

5 men, 3 women (Ratio of women : 37.5%)

Position	Name	Date of Birth	Job History	Term of Office	Number of Shares Held (shares)
President and CEO	Masahiro Yamamoto	Born Sep. 28, 1977	Apr. 2000 Joined Asatsu-DK Inc. (current ADK Holdings) Jan. 2009 Joined Dentsu Inc. Sep. 2014 Executive Vice President, Dentsu media (current dentsu X) Taiwan Sep. 2014 Director, Dentsu (Taiwan) Sep. 2014 Director, Dentsu Guanghua Sep. 2014 Director, Dentsu New Frontier Apr. 2016 Vice Chairman & Co-President, Dentsu media (current dentsu X) Taiwan Sep. 2020 Chief Director, Global Business Center, Dentsu Inc. Mar. 2021 Assistant Head, X Innovation Headquarters, Dentsu International Information Service (current Dentsu Research Institute) Jan. 2023 Director, Dentsu Group Integrated Office Jun. 2023 Senior Corporate officer, Assistant to President of the Company Oct. 2023 Executive Vice President, COO, Domestic Business Oct. 2023 Chairman and Representative Director, Akindo Sushiro Co., Ltd., KYOTARU CO., LTD., and FOOD & LIFE INNOVATIONS (current) Oct. 2024 President and CEO, Corporate Officer of the Company Oct. 2024 Director, Sushiro Korea, Inc. (current) Oct. 2024 Director, Sushiro Taiwan Co., Ltd. (current) Oct. 2024 Director, Sushiro GH Singapore Pte. Ltd. (current) Oct. 2024 Director, FOOD & LIFE COMPANIES HONG KONG LIMITED (current) Oct. 2024 Sushiro GH (Thailand) Ltd. Oct. 2024 Director, Sushiro (China) Investment Co., Ltd. (current) Oct. 2024 Director, Guangzhou Sushiro Restaurants Co., Ltd. (current) Oct. 2024 Director, Shenzhen Sushiro Restaurants Co., Ltd. (current) Oct. 2024 Director, Chengdu Sushiro Restaurants Co., Ltd. (current) Oct. 2024 FOOD & LIFE COMPANIES USA, Corp. Oct. 2024 Director, PT INDONESIA SUSHIRO RESTAURANTS (current) Oct. 2024 Director, Beijing Sushiro Restaurants Co., Ltd. (current) Oct. 2024 Director, Sushiro Malaysia Sdn. Bhd. (current) Dec. 2024 President and CEO, Representative Director of the Company (current)	(Note 2)	0

Position	Name	Date of Birth	Abbreviated CV		Term of Office	Number of shares held (shares)
Board Member	Koichi Mizutome	Born Jan. 26, 1968	Apr. 1991	Joined Dentsu Inc.	(Note 2)	44
			Feb. 1996	Joined Andersen Consulting (current Accenture)		
			Apr. 2000	Joined Roland Berger (Japanese subsidiary)		
			Jan. 2005	Representative Director of the company		
			Oct. 2009	Managing Director, Enterprise Revitalization Support Organization (current Regional Economic Revitalization Support Organization)		
			Dec. 2010	Executive Vice President and Director, Japan Airlines Co., Ltd.		
			Jun. 2013	Executive Vice President and Director, WORLD Co., Ltd.		
			Feb. 2015	President and Representative Director, Akindo Sushiro Co., Ltd.		
			Mar. 2015	president and CEO of the Company.		
			Sep. 2015	Director, Sushiro Korea, Inc. (current)		
			Oct. 2015	President and Representative Director, FOOD & LIFE INNOVATIONS Co., Ltd.		
			Aug. 2017	Director, Sushiro Taiwan Co., Ltd. (current)		
			Jan. 2019	Director, Sushiro GH Singapore Pte. Ltd. (current)		
			Jan. 2019	Director, Sushiro Hong Kong Limited (current FOOD & LIFE COMPANIES HONG KONG LIMITED) (current)		
			Oct. 2019	Chairman of the Board, Akindo Sushiro Co., Ltd.		
			Feb. 2020	Sushiro GH (Thailand) Ltd.		
			Dec. 2020	Director, Sushiro (China) Investment Co., Ltd. (current)		
			Feb. 2021	Director, Guangzhou Sushiro Restaurants Co., Ltd. (current)		
			Apr. 2021	Chairman of the Board, KYOTARU CO., LTD.		
			Apr. 2022	Chairman and Representative Director, Akindo Sushiro Co., Ltd.		
			Apr. 2022	Director, Shenzhen Sushiro Restaurants Co., Ltd. (current)		
			Apr. 2022	Director, Chengdu Sushiro Restaurants Co., Ltd. (current)		
			May. 2022	Outside Director, Adastria Co., Ltd.		
			Jun. 2023	FOOD & LIFE COMPANIES USA, Corp. Director (current)		
			Jul. 2023	Director, PT INDONESIA SUSHIRO RESTAURANTS (current)		
			Oct. 2023	Director, Akindo Sushiro Co., Ltd., KYOTARU CO., LTD., and FOOD & LIFE INNOVATIONS Co., Ltd.		
			Oct. 2023	Director, Beijing Sushiro Restaurants Co., Ltd. (current)		
Apr. 2024	Director, Sushiro Malaysia Sdn. Bhd. (current)					
Oct. 2024	Representative Director of the Company					
Dec. 2024	Director of the Company (current)					
Sep. 2025	Outside Director, AndSte HD Co., Ltd. (current)					
Sep. 2025	Outside Director, I-NE Co., Ltd. (current)					

Position	Name	Date of Birth	Abbreviated CV		Term of Office	Number of Shares Held (shares)
Board Member	Akira Kondoh	Born Feb. 2, 1945	Apr. 1967	Joined Sumitomo Bank (current Sumitomo Mitsui Banking Corporation)	(Note 2)	2,500
			Jun. 1997	Managing Director, IBI		
			Apr. 1999	Executive Vice President and Representative Director, Daiwa Securities SB Capital Markets Co., Ltd.		
			May. 2000	Senior Managing Corporate officer, Sony Corporation		
			Jul. 2004	Vice Chairman, AIG East Asia Holdings Management Co., Ltd.		
			Jun. 2009	Director and President & CEO, Fuji Fire and Marine Insurance Co., Ltd. (current AIG General Insurance Co., Ltd.)		
			Jun. 2010	Chairman and CEO, Fuji Fire and Marine Insurance Co., Ltd.		
			Oct. 2011	Vice Chairman, Chartis Far East Holdings Co., Ltd. (current AIG Japan Holdings Co., Ltd.)		
			Apr. 2012	Outside Director, Japan Bank for International Cooperation		
			Jun. 2014	Outside Corporate Auditor, Calbee Inc.		
			Jun. 2016	President and Representative Director, Japan Bank for International Cooperation		
			Nov. 2018	Outside Director, Argo Holdings Co., Ltd.		
			Nov. 2018	Outside Director, DeCurret Inc.		
			Dec. 2018	Outside Director of the Company (current)		
			Jul. 2019	Director, Right Now Co., Ltd.		
			Jun. 2020	Corporate Auditor, Power One Co., Ltd.		
			Jun. 2020	Outside Director, Glocalist Co., Ltd.		
			Sep. 2020	Executive Advisor, BONAC Co., Ltd.		
			Oct. 2021	Executive Advisor, IA Partners Co., Ltd. (current)		
			Oct. 2021	Advisor, Argo Holdings Co., Ltd.		
Feb. 2023	Director, Japan Investment Co., Ltd. (current)					
Feb. 2023	Executive Advisor, Global IR, Inc.					
Apr. 2025	Chairman and Representative Director, Alphaterra Advisory Co., Ltd. (current)					

Position	Name	Date of Birth	Abbreviated CV		Term of Office	Number of Shares Held (shares)
Board Member	Minesaburo Miyake	Born Jul. 22, 1952	Apr. 1976 Feb. 2003 Feb. 2010 Feb. 2011  Feb. 2011 Feb. 2017 Feb. 2017 Apr. 2017 Dec. 2017 Jun. 2018 Jun. 2018 Jun. 2019  Jun. 2019  Dec. 2020 Oct. 2021  Jun. 2023	Joined Kewpie Corporation Director at the same company Executive Managing Director at the same company Representative Director and President of the same company  Director of Nakashima Trading Co., Ltd. Advisor of Kewpie Corporation Chairman of Nakashima Trading Co., Ltd. Chairman of the Board, Kewpie Mirai Tamago Foundation Outside Director of Fuji Pharmaceuticals Co., Ltd. Outside Director of Kameda Seika Co., Ltd. (current) Outside Director of AUTOBACS SEVEN Co., Ltd. Outside Director (serving on the Audit and Supervisory Committee) at the same company Chief Expert Member of the Cabinet Office's Dormant Deposit Utilization Council Outside Director of our company (current) Expert Member of the Cabinet Office's Dormant Deposit Utilization Council Outside Director of AUTOBACS SEVEN Co., Ltd.	(Note)2	0
Board Member	Reiko Kanise	Born Jul. 14, 1951	Apr. 1975 Feb. 1993 Jun. 1999  Jan. 2001  May. 2001 May. 2004  Feb. 2007  Oct. 2010 Jun. 2015 Sep. 2015  Dec. 2020 Jun. 2021 Sep. 2022 May. 2023	Joined Hakuodo Inc. Representative Director of K Associates, Inc. (current) Representative Director and President of AEON Forest Co., Ltd. (current The Body Shop Japan)  Member of the Consumer Committee of the Japan Retailers Association (current) Director of the Japan Council of Shopping Centers Chairperson of the Information Committee of the same association  Representative Director of Lena Japon Institute Co., Ltd. (current)  Guest Professor at Showa Women's University Outside Director at Tokyu Corporation Member of the Consumer Commission of the Cabinet Office Outside Director of our company (current) Outside Director at Kitamura Holdings Co., Ltd. Outside Director at And Do Holdings Co., Ltd. Advisor at the Japan Council of Shopping Centers (current)	(Note)2	0

Position	Name	Date of Birth	Abbreviated CV		Term of Office	Number of Shares Held
Outside Director (serving on the Audit and Supervisory Committee)	Teiichi Takatsuki	Born Aug. 2, 1960	Apr. 1983 Mar. 1991 Jun. 2007 Apr. 2008 Oct. 2012 Jun. 2015 May. 2024 Dec. 2024 Dec. 2024	Joined World Co., Ltd. Representative Director and President of WORLD ITALY S.P.A Corporate officer, General Manager of Business Management Department, World Co., Ltd. Corporate officer, General Manager of Accounting Coordination Department at the same company Corporate officer, General Manager of Business Support Headquarters at the same company Director, Audit and Supervisory Committee Member at the same company Outside Auditor of Shimamura Co., Ltd. (current) Auditor of Akindo Sushiro Co., Ltd. (current) Director (Full-Time Audit and Supervisory Committee Member) of our company (current)	(Note)3	600
Outside Director (serving on the Audit and Supervisory Committee)	Mami Taira	Born Feb. 20, 1962	Oct. 1987 Oct. 1.99k Sep. 1991 Apr. 1992 Oct. 2002 May. 2011 May. 2014 Jun. 2014 Mar. 2016 Jun. 2016 Dec. 2020 Jun. 2024	Joined Asahi & Co. (current Deloitte Touche Tohmatsu LLC) Joined Hayakawa Yoshio Tax Accountant Office Registered as Certified Public Accountant to practice as a certified public tax accountant Partner at Hayakawa & Taira Accounting Firm (current) Outside Auditor of AEON MALL Co., Ltd. Outside Director at the same company Outside Auditor of SUZUDEN CORPORATION Outside Auditor of ISEKI & Co., Ltd. Outside Director (serving on the Audit and Supervisory Committee) at SUZUDEN CORPORATION (current) Director (serving on the Audit and Supervisory Committee) of our company (current) Outside Director of Showa Sangyo Co., Ltd. (current)	(Note)3	0
Outside Director (serving on the Audit and Supervisory Committee)	Emi Omura	Born Sep. 2, 1976	Oct. 2002 Mar. 2007 Jul. 2008 Sep. 2010 Jan. 2014 Sep. 2014 Jun. 2019 Apr. 2021 Nov. 2021 Jan. 2022 Dec. 2022 May. 2024	Registered Attorney at Law (Tokyo Bar Association) Registered Attorney in New York State Partner at Athena Law Office Associate Expert at the International Labour Standards Department, ILO (Geneva Headquarters) Director of the International Office, Japan Federation of Bar Associations Outside Director of Digital Garage, Inc. Counsel at Kamiyacho Law Office Counsel at CLS Hibiya Tokyo Law Office Outside Director (serving on the Audit and Supervisory Committee) of Valence Holdings Inc. Partner at CLS Hibiya Tokyo Law Office (current) Director (serving on the Audit and Supervisory Committee) of our company (current) Outside Director of J. FRONT RETAILING Co., Ltd. (current)	(Note)3	0
Total						3,144

Note :

- Directors Akira Kondoh, Minesaburo Miyake, and Reiko Kanise, and Directors serving on the Audit and Supervisory Committee, Teiichi Takatsuki, Mami Taira, and Emi Omura, are Outside Directors.
- From the adjournment of the Ordinary General Meeting of Shareholders relating to the fiscal year ending Sep. 2024, to the adjournment of the Ordinary General Meeting of Shareholders relating to the fiscal year ending Sep. 2025.
- From the adjournment of the Ordinary General Meeting of Shareholders relating to the fiscal year ending Sep. 2024, to the adjournment of the Ordinary General Meeting of Shareholders relating to the fiscal year ending Sep. 2026.

4. Our company has implemented a corporate officer system. The names and responsibilities of corporate officers are as follows.

Position	Name	Areas in Charge
Executive Vice President, Corporate Officer	Hiromitsu Kato	International Business (International Business Development, Overseas Corporations)
Senior Executive Corporate Officer	Hiroshi Ogawa	Corporate Strategic Planning, IT, Legal, General Affairs, Corporate Communications, Secretarial Office, Sustainability
Senior Executive Corporate Officer	Kohei Nii	Sushiro Brand (Japan Market), Corporate Sales (President of Akindo Sushiro Co., Ltd.)
Senior Executive Corporate Officer	You Horie	Food Product Development
Senior Corporate Officer	Takaharu Matsuo	HR, Finance & Accounting
Senior Corporate Officer	Yoshihito Kinoshita	International Business, Greater China Region
Senior Corporate Officer	Kazuo Aratani	Product & Logistics
Corporate Officer	Takeshi Yoshida	Finance & Accounting
Corporate Officer	Yukihisa Nishimura	Internal Audit
Corporate Officer	Tomoko Fukuyama	Corporate Communications, Secretarial Office, Sustainability
Corporate Officer	Yosuke Tanaka	International Business, North America Region (President of the F&LC U.S.)
Corporate Officer	Koji Hayashi	Site Development, Store Designing
Corporate Officer	Noriko Kuze	Quality Assurance
Corporate Officer	Tsukasa Yoshida	International Business, North America Region (Vice President of the F&LC U.S.)
Corporate Officer	Kinya Maeda	PR/Marketing, Customer Voice Support

**(b) Status of the Directors After the 11th Annual General Meeting of Shareholders**

The agenda (proposal) for the Ordinary General Meeting of Shareholders scheduled to be held on Dec. 23, 2025, includes a proposal for the election of six directors (excluding directors serving on the Audit and Supervisory Committee), and if this resolution is approved, the status of our officers and their terms will be as follows. The positions and other information of the officers are listed, including the content of the resolution matters (positions, etc.) to be resolved at the Board of Directors meeting scheduled to be held immediately after the said Ordinary General Meeting of Shareholders.

5 men and 4 women (the percentage of women is 44.4%)

Position	Name	Date of Birth	Job History	Term of Office	Number of Shares Held	
President & CEO	Masahiro Yamamoto	Born Sep. 28, 1977	Apr. 2000	Joined Asatsu-DK Inc. (current ADK Holdings Inc.)	(Note)2	0
			Jan. 2009	Joined Dentsu Inc.		
			Sep. 2014	Executive Vice President of Dentsu media (current dentsu X) Taiwan		
			Sep. 2014	Director of Dentsu Taiwan		
			Sep. 2014	Director of Dentsu Guohua		
			Sep. 2014	Director of Dentsu New Frontier		
			Apr. 2016	Vice Chairman & Co-President of Dentsu media (current dentsu X) Taiwan		
			Sep. 2020	Chief Director of Global Business Center, Dentsu Inc.		
			Mar. 2021	Deputy General Manager of X-Innovation Headquarters, Dentsu International Information Services (current Dentsu Institute)		
			Jan. 2023	Director of Integrated Office, Dentsu Group Inc.		
			Jun. 2023	Senior Managing Corporate officer, President Assistant of our company		
			Oct. 2023	Executive Vice President and COO of Domestic Business		
			Oct. 2023	Chairman and Representative Director of AKINDO SUSHIRO CO., LTD., KYOTARU CO., LTD., and FOOD & LIFE INNOVATIONS (current)		
			Oct. 2024	President and CEO of the Company		
			Oct. 2024	Director of Sushiro Korea, Inc. (current)		
			Oct. 2024	Director of Sushiro GH Singapore Pte. Ltd. (current)		
			Oct. 2024	Director of Sushiro Taiwan Co., Ltd. (current)		
			Oct. 2024	Director of FOOD & LIFE COMPANIES HONG KONG LIMITED (current)		
			Oct. 2024	Director of Sushiro GH (Thailand) Ltd. (current)		
			Oct. 2024	Director of Sushiro (China) Investment Co., Ltd. (current)		
Oct. 2024	Director of Guangzhou Sushiro Restaurants Co., Ltd. (current)					
Oct. 2024	Director of Shenzhen Sushiro Restaurants Co., Ltd. (current)					
Oct. 2024	Director of Chengdu Sushiro Restaurants Co., Ltd. (current)					
Oct. 2024	FOOD & LIFE COMPANIES USA, Corp.					
Oct. 2024	Director of PT INDONESIA SUSHIRO RESTAURANTS (current)					
Oct. 2024	Director of Beijing Sushiro Restaurants Co., Ltd. (current)					
Oct. 2024	Director of Sushiro Malaysia Sdn. Bhd. (current)					
Dec. 2024	Representative Director, President & CEO (current)					

Position	Name	Date of Birth	Job History		Term of Office	Number of Shares Held
Outside Director	Minesaburo Miyake	Born Jul. 22, 1952	Apr. 1976 Feb. 2003 Feb. 2010 Feb. 2011 Feb. 2011 Feb. 2017 Feb. 2017 Apr. 2017 Dec. 2017 Jun. 2018 Jun. 2018 Jun. 2019 Jun. 2019 Dec. 2020 Oct. 2021 Jun. 2023	Joined Kewpie Corporation Director of the Company Managing Director of the Company President & Representative Director of the Company Director of Nakajima Sangyo Co., Ltd. Advisor to Kewpie Corporation Chairman of the Board of Nakajima Sangyo Co., Ltd. Chairman of the Board of the Kewpie Future Egg Foundation Outside Director of Fuji Pharma Co., Ltd. Outside Director of Kameda Seika Co., Ltd. (current) Outside Director of AUTOBACS SEVEN Co., Ltd. Outside Director of the Company (serving on the Audit and Supervisory Committee) Chief Specialist of the Cabinet Office Council on Dormant Deposits Utilization Outside Director of the Company (current) Specialist of the Cabinet Council on Dormant Deposits Utilization Outside Director of AUTOBACS SEVEN Co., Ltd.	(Note) 2	0
Outside Director	Reiko Kanise	Born Jul. 14, 1951	Apr. 1975 Feb. 1993 Jun. 1999 Jan. 2001 May. 2001 May. 2004 Feb. 2007 Oct. 2010 Jun. 2015 Sep. 2015 Dec. 2020 Jun. 2021 Sep. 2022 May. 2023	Joined Hakuho Inc. Representative Director of K Associates Co., Ltd. (current) President and Representative Director of AEON Forest Co., Ltd. (current The Body Shop Japan) Member of the Lifestyle Committee, Japan Retailers Association (Current) Board Member of the Japan Shopping Center Association Chairman of the Information Committee of the Japan Shopping Center Association Representative Director of Lena Japon Institute Co., Ltd. (current) Guest Professor at Showa Women's University Outside Director of TOKYU CORPORATION Member of the Consumer Committee, Cabinet Office Outside Director of the Company (current) Outside Director of KITAMURA HOLDINGS Co., Ltd. Outside Director of And Do Holdings, Inc. Advisor to the Japan Shopping Center Association (current)	(Note) 2	0

Position	Name	Date of Birth	Job History		Term of Office	Number of Shares Held
Outside Director	Eietsu Sakuraba	Born May. 30, 1956	Apr. 1980 Sep. 2011 Jul. 2014 Apr. 2016 Apr. 2020 Jun. 2020 Apr. 2023 Jan. 2024	Entered Ministry of Agriculture, Forestry and Fisheries Councilor, Secretariat of the Minister's Office, Food Industry Affairs Bureau and Production Bureau Director-General of the Food Industry Affairs Bureau Concurrent Position as Cabinet Councilor, Cabinet Secretariat Guest Professor, Faculty of Agriculture, Takasaki University of Health and Welfare (current) Outside Director of NISSIN FOODS HOLDINGS CO., LTD. (current) Assistant to the Special Mission President, Takasaki University of Health and Welfare (current) Cabinet Office Councilor, Advisor to Ministry of Agriculture, Forestry and Fisheries	(Note) 2	0
Outside Director	Tetsuya Ebata	Born Jan. 1, 1965	Apr. 1987 Jun. 2000 Feb. 2010 Apr. 2013	Joined Recruit Co., Ltd. Established RECRUIT About.com Japan Co., Ltd. (current All About, Inc.), President & CEO (current Group CEO) (Current) Executive Director, Japan New Economy Federation (current) Chairman of All About Life Marketing Co., Ltd. (current)	(Note) 2	0
Outside Director	Haruko Watanabe	Born Feb. 18, 1964	Apr. 1987 Jul. 2002 Jun. 2009 Nov. 2011 Dec. 2014 Jun. 2017 Dec. 2018 Jun. 2020 Jun. 2020 Jan. 2022	Entered Bank of Japan Joined Goldman Sachs Japan Ltd. (current Goldman Sachs Japan Co., Ltd.) Executive Vice President of Chartis Far East Holdings K.K. (current AIG Japan Holdings K.K.) Property Casualty, AIG Inc. Director, Corporate officer, and COO of AIG Fuji Life Insurance Co., Ltd. (current FWD Life Insurance Co., Ltd.) Vice President, Representative Director of JI Accident & Fire Insurance Co., Ltd. Corporate officer of AIG General Insurance Co., Ltd. President and CEO, American Home Medical & Liability Insurance Co., Ltd. (current) Director of AIG Japan Holdings Co., Ltd. Vice Chairman of the Company's Board of Directors (current)	(Note) 2	0

Position	Name	Date of Birth	Job History		Term of Office	Number of Shares Held
Outside Director (serving on the Audit and Supervisory Committee)	Teiichi Takatsuki	Born Aug. 2, 1960	Apr. 1983 Mar. 1991 Jun. 2007 Apr. 2008 Oct. 2012 Jun. 2015 May. 2024 Dec. 2024 Dec. 2024	Joined World Co., Ltd. President & Representative Director of WORLD ITALY S.P.A Corporate officer, Business Management Division Manager, World Co., Ltd. Corporate officer, Financial Affairs Manager of the Company Corporate officer, Business Support Division Manager of the Company Director and Audit & Supervisory Committee Member of the Company Outside Auditor of SHIMAMURA CO., LTD. (Current) Auditor of AKINDO SUSHIRO CO., LTD. (Current) Director (Full-time Audit & Supervisory Committee Member) of the Company (Current)	(Note) 3	600
Outside Director (serving on the Audit and Supervisory Committee)	Mami Taira	Born Feb. 20, 1962	Oct. 1987 Oct. 1.99k Sep. 1991 Apr. 1992 Oct. 2002 May. 2011 May. 2014 Jun. 2014 Mar. 2016 Jun. 2016 Dec. 2020 Jun. 2024	Entered Sanwa & Tohmatsu Aoki Auditing Firm (current Deloitte Tohmatsu LLC) Joined Hayakawa Yoshio Tax Accountant Office Registered as Certified Public Accountant to practice as a certified public tax accountant Partner, Hayakawa & Taira Tax Accounting Corporation (Current) Outside Auditor of AEON MALL Co., Ltd. Outside Director of AEON MALL Co., Ltd. Outside Auditor of Suzuden Co., Ltd. Outside Auditor of ISEKI & CO., LTD. Outside Director of Suzuden Co., Ltd. (Audit & Supervisory Committee Member) (Current) Director (Audit & Supervisory Committee Member) of the Company (Current) Outside Director of Showa Sangyo Co., Ltd. (Current)	(Note) 3	0
Outside Director (serving on the Audit and Supervisory Committee)	Emi Omura	Born Sep. 2, 1976	Oct. 2002 Mar. 2007 Jul. 2008 Sep. 2010 Jan. 2014 Sep. 2014 Jun. 2019 Apr. 2021 Nov. 2021 Jan. 2022 Dec. 2022 May. 2024	Registered Attorney (Member of Tokyo Bar Association) Registered as Attorney in New York State Partner at Athena Law Firm Associate Expert, International Labour Standards Department, International Labour Organization (ILO), Geneva Headquarters Director, International Affairs Department, Japan Federation of Bar Associations Outside Director of Digital Garage, Inc. Counsel, Kamiyacho Law Offices Counsel, CLS Hibiya Tokyo Law Offices Outside Director of Valence Holdings, Inc. (serving on the Audit and Supervisory Committee) Partner, CLS Hibiya Tokyo Law Offices (current) Director (Audit & Supervisory Committee Member) of the Company (current) Outside Director of J. FRONT RETAILING Co., Ltd. (current)	(Note) 3	0
Total						600

Note :

1. Directors Minesaburo Miyake, Reiko Kanise, Eietsu Sakuraba, Tetsuya Ebata, and Haruko Watanabe, along with Audit & Supervisory Committee Member Directors Teiichi Takatsuki, Mami Taira, and Emi Omura are Outside Directors.
2. From the conclusion of the regular general meeting of shareholders related to the fiscal year ending Sep. 2025 until the conclusion of the regular general meeting of shareholders related to the fiscal year ending Sep. 2026.
3. From the conclusion of the regular general meeting of shareholders related to the fiscal year ending Sep. 2024 until the conclusion of the regular general meeting of shareholders related to the fiscal year ending Sep. 2026.
4. Our company has implemented a corporate officer system. The names and responsibilities of corporate officers are as listed in last term's report under '(2) Status of Officers' ① List of Officers A: Securities Report Submission Date Current Situation of Officers (Note) 4'.
5. In preparation for a potential shortfall in statutory audit and supervisory committee member directors, we will submit a proposal to 'Appoint one Substitute Audit and Supervisory Committee Member Director' as an agenda item for the regular general meeting of shareholders scheduled for Dec. 23, 2025. Should the proposal be approved as originally presented, the brief biographical summary of the substitute audit & supervisory committee member director will be as follows.

Name	Date of Birth	Job History	Number of Shares Held	
Atsushi Iwasaki	Born Jan. 9, 1959	Apr. 1982	Joined Osaka Prefecture Otaka Civil Engineering Office	0
		Jan. 1985	Joined Ministry of Education (currently Ministry of Education, Culture, Sports, Science and Technology)	
		Oct. 1987	Joined Arthur Andersen Accounting Office	
		Nov. 1.99k	Joined Century Auditing Corporation (current EY Shin Nihon LLC)	
		Mar. 1991	Registered as Certified Public Accountant	
		Mar. 1997	Registered as Real Estate Appraiser	
		Sep. 2005	Director, Iwasaki Certified Public Accountant Office (current)	
		Jun. 2013	Director of ISEKI & CO., LTD. (current)	
		Jun. 2015	Outside Auditor of Nippon Ham Co., Ltd.	
		Jun. 2016	Outside Auditor of Olympus Corporation	
		Jun. 2019	Outside Director of Nippon Meat Packers, Inc.	
		Jun. 2019	Outside Director of Olympus Corporation	
Jun. 2024	Outside Auditor of Nippon Kayaku Co., Ltd. (current)			

## ② Status of Outside Directors

The number of outside officers of our company as of the date of submission of the securities report is six. In addition, we have proposed the appointment of six directors (excluding directors who are Audit and Supervisory Committee members) as an agenda item for the ordinary general meeting of shareholders scheduled to be held on Dec. 23, 2025, and if this resolution is approved and passed, our outside officers will be increased to eight.

Outside directors are expected to provide oversight and checks on the company's management while making appropriate decisions and supervising management through an independent and professional perspective to further improve the soundness and transparency of management, which makes them an important position for our company.

We have established specific criteria for the independence of outside directors and appoint individuals who have no potential conflicts of interest with general shareholders and possess management decision-making capabilities through a wide range of external business activities. Additionally, we have registered Mr. Minesaburo Miyake, Ms. Reiko Kanise, Mr. Teiichi Takatsuki, Ms. Mami Taira, and Ms. Emi Omura as independent directors with the Tokyo Stock Exchange.

Mr. Akira Kondoh, an outside director, has extensive experience and achievements as a manager in multiple financial and business companies over many years, and based on this experience and achievements, he has been appointed to provide management oversight for the sustainable enhancement of our group's corporate value. Mr. Akira Kondoh is an Executive Advisor at IA Partners Co., Ltd., a Director at Japan Investment Co., Ltd., and the Chairman of Alphaterra Advisory Co., Ltd., but there is no special relationship between these concurrent positions and our company.

Mr. Minesaburo Miyake, an outside director, has a strong track record of management and high insight over many years as a manager, and based on his experience and insights as a management expert, he has been appointed to oversee management for the sustainable enhancement of our group's corporate value. Mr. Minesaburo Miyake is an outside director at Kameda Seika Co., Ltd., but there is no conflict of interest between any of his concurrent positions and our company.

Ms. Reiko Kanise, an outside director, has been elected based on her extensive management record as a manager over the years and her rich experience and wide insight in retail business and marketing to supervise management for the sustainable enhancement of our group's corporate value. Ms. Reiko Kanise is the President of K Associates Co., Ltd., and the President of Lena Japon Institute Co., Ltd., but there is no special relationship between these concurrent positions and our company.

Mr. Teiichi Takatsuki, an outside director, possesses wide knowledge about managing companies with B-to-C business and multi-store operations, as well as extensive experience in accounting and auditing practice due to his long tenure as an Audit and Supervisory Committee member, and therefore, he has been chosen to give appropriate advice and oversight to our group. Mr. Teiichi Takatsuki is an outside auditor at Shimamura Co., Ltd., but there is no conflict of interest between this concurrent position and our company.

Ms. Mami Taira, an outside director, has qualifications as a certified public accountant and tax accountant, and is knowledgeable in finance and accounting, thus she has been appointed based on her high insight to utilize in our audits, etc. Ms. Mami Taira is a partner at Hayakawa & Taira Accounting Office, an outside director (Audit and Supervisory Committee member) at Suzuden Corporation, and an outside director at Showa Sangyo Co., Ltd., but there is no conflict of interest between these concurrent positions and our company.

Ms. Emi Omura, an outside director, has rich experience and wide knowledge as a lawyer and is familiar with corporate legal affairs, and based on this, she has been chosen to utilize these skills in our audits, etc. Ms. Emi Omura is an outside director at J. Front Retailing Co., Ltd. and a partner at CLS Hibiya Tokyo Law Firm, but there is no conflict of interest between these concurrent positions and our company.

In addition, we have proposed the appointment of six directors (excluding directors who are Audit and Supervisory Committee members) as an agenda item for the ordinary general meeting of shareholders scheduled to be held on Dec. 23, 2025, and if this resolution is approved and passed, Mr. Akira Kondoh will step down upon the expiration of his term, and Mr. Hideyoshi Sakuraba, Mr. Tetsuya Ebata, and Ms. Haruko Watanabe will be newly appointed as outside directors, bringing our outside directors to a total of eight.

Mr. Hideyoshi Sakuraba has held positions as Director of the Food Industry Bureau at the Ministry of Agriculture, Forestry and Fisheries, and has been teaching at the Faculty of Agriculture at Takasaki University of Health and Welfare, and due to his insight as an expert in food safety, security, and environmental issues in the food sector, he is expected to oversee management towards enhancing our corporate value. Mr. Hideyoshi Sakuraba serves as the Special Assistant to the President of Takasaki University of Health and Welfare, a Visiting Professor at the Faculty of Agriculture, and an outside director at Nissin Foods Holdings Co., Ltd., but there is no conflict of interest between these concurrent positions and our company.

Mr. Tetsuya Ebata has a rich management record as a manager over many years, with extensive experience and broad insights in digital media business and marketing, which he is expected to utilize in overseeing management to enhance our group's sustainable corporate value. Mr. Tetsuya Ebata is the President and Group CEO of All About Co., Ltd., and the Chairman of the Board of All About Life Marketing Co., Ltd., but there is no conflict of interest between these concurrent positions and our company.

Ms. Haruko Watanabe has a long management track record as a manager and rich experience and insightful knowledge in various insurance businesses, which she is expected to use to oversee management to enhance our group's sustainable corporate value. Ms. Haruko Watanabe is the President and CEO of American Home Medical and General Insurance Co., Ltd., and the Vice Chairman of AIG Japan Holdings Co., Ltd., but there is no conflict of interest between these concurrent positions and our company.

There are no personal, capital, or other conflicts of interest between the other outside directors and our company.

Our company has established the following criteria for the independence of independent directors.

(Criteria for the independence of independent directors)

- a. Persons who served as corporate officers (as defined in Article 2, Paragraph 3, Item 6 of the Companies Act Enforcement Regulations, hereinafter the same) of our company or our subsidiaries at any time within the 10 years preceding their appointment.
- b. Persons who are major shareholders of our company (defined as those who directly or indirectly hold 10% or more of our voting rights) or their corporate officers.
- c. Persons who are major business partners of our company (defined as those whose revenue from our company in any of the last three fiscal years accounts for 2% or more of our consolidated revenue of that fiscal year) or their corporate officers.
- d. Persons who have designated our company as a major business partner (defined as those whose payment from our company in any of the last three fiscal years accounts for 2% or more of their consolidated sales of that fiscal year) or their corporate officers.
- e. Persons who are currently employees or partners of the auditing firm serving as our company's auditor, or other accounting professionals responsible for auditing our company or our subsidiaries, or who have been such employees or partners, or have conducted audits on our company or our subsidiaries, in the past three years.
- f. Persons receiving substantial money (defined as individuals receiving on average more than JPY 10mn annually over the past three years, organizations receiving an average of JPY 10mn or the greater of 2% of their total consolidated sales from the company over the last three fiscal years) or other properties from the company, including consultants, accounting, legal or tax professionals (if the recipient is an organization, this refers to the consultants, accounting, legal, or tax professionals within the organization).
- g. Persons who are directors (limited to those engaged in operations) or other corporate officers of organizations to which our company has made substantial donations (defined as donations exceeding an average annual amount of JPY 10mn over the last three fiscal years).
- h. Persons who are major lenders of our company (defined as financial institutions or other large creditors that are indispensable for our fundraising and are sufficiently relied upon without alternatives) or their parent companies or their corporate officers.
- i. Corporate officers of companies that accept directors from our company.
- j. Persons who fall under any of b to h above prior to appointment or are associated with eligible organizations during any of the three years prior to appointment.
- k. Immediate family members (defined as relatives within the second degree of kinship) of any of the persons listed above.
- l. Persons whose cumulative term as a director exceeds six years.
- m. Even if someone falls into one of the 'b' to 'k' categories above, if we deem a person suitable as an independent director of our company considering their character, insight, etc., our company may designate them as an independent director if they fulfill the requirements for outside directors under company law, and we can justify their suitability to external parties.

**③ Relationship Between Supervision or Audit by Outside Directors and Collaboration With Internal Audit, Audit by Audit and Supervisory Committee, and Accounting Audit, as well as the Role of the Internal Control Department**

Outside directors coordinate with the internal control department and internal audit room by receiving timely reports through the board of directors. Additionally, outside directors who are Audit and Supervisory Committee members request reports on audit methods and results from accounting auditors and the internal audit room, exchange information as necessary, and coordinate mutually to identify cases requiring further investigation and swift action, striving for reasonable and efficient audits.

**(3) Audit Structure**

**① Status of Audit by Audit Committee**

**(a) Organizational and Personnel**

As of the date of submission of the securities report, the Audit and Supervisory Committee comprises three directors who are audit and supervisory committee members (all of whom are outside directors). The status of each Audit and Supervisory Committee member is as follows.

Classification	Name	Career
Independent Outside Director Serving on the Audit and Supervisory Committee (full-time)	Teiichi Takatsuki	He possesses a broad knowledge of B-to-C business and management of companies with multiple store deployments, along with extensive experience in accounting and finance, having served as an auditor and audit committee member for many years, making him well-versed in audit practices.
Independent Outside Director Serving on the Audit and Supervisory Committee	Mami Taira	She holds qualifications as a certified public accountant and tax accountant, with extensive practical experience and knowledge in finance and accounting, having served as a director and auditor at several companies, and is well-versed in overall governance.
Independent Outside Director Serving on the Audit and Supervisory Committee	Emi Omura	As a lawyer, she possesses broad knowledge based on corporate legal expertise and practical experience, having served as a director and auditor at multiple companies, and is well-versed in overall governance.

Additionally, an Audit and Supervisory Committee office has been established, and the duties of the committee are supplemented by a dedicated employee who maintains a certain degree of independence from the executive side. The appointment, personnel transfers (including transfer destinations), personnel evaluations, and disciplinary actions of the said employee require the consent of the Audit and Supervisory Committee.

**(b) Activities of the Audit and Supervisory Committee**

During the FY2025, the Audit and Supervisory Committee held a total of 23 meetings, with each meeting lasting approximately 1.5 hours. The attendance status of each Audit and Supervisory Committee member at the committee meetings and the Board of Directors meetings is as follows.

Classification	Name	Audit Committee Attendance In FY2025	Board of Directors Attendance In FY2025
Independent Outside Director Serving on the Audit and Supervisory Committee (full-time)	Teiichi Takatsuki	17 out of 17 meetings (100%)	14 out of 14 meetings (100%) ( Note 1)
Independent Outside Director Serving on the Audit and Supervisory Committee	Mami Taira	23 out of 23 meetings (100%)	16 out of 17 meetings (94%)
Independent Outside Director Serving on the Audit and Supervisory Committee	Emi Omura	23 out of 23 meetings (100%)	17 out of 17 meetings (100%)
Independent Outside Director Serving on the Audit and Supervisory Committee (full-time)	Yoshihiro Noutsuka	6 out of 6 meetings (100%)	3 out of 3 meetings (100%) ( Note 2)

(Note 1) Mr. Teiichi Takatsuki has attended every meeting since his appointment as audit committee member.

(Note 2) Mr. Yoshihiro Noutsuka, a full-time independent outside audit committee member, resigned upon the completion of his term at the Ordinary General Meeting of Shareholders held on Dec. 26, 2024.

The main shared and considered matters by the Audit and Supervisory Committee in the FY2025 are as follows.

[Resolutions] Audit Committee audit plan and policy, legality of Ordinary General Meeting of Shareholders, Board of Directors, Executive Directors, and Corporate Officers; decision on opinions regarding the appointment, dismissal, and compensation of directors who are not audit committee members; appointment consent for substitute directors who are audit committee members; compensation decision for directors who are audit committee members; reappointment of accounting auditors; consent for accounting auditors' remuneration; Audit Committee audit report

[Reports] Management Council report, major subsidiary management council report, Internal Audit Office report, full-time audit committee members' performance report, shared audit status with the representative director and president, Governance Officer Opinion Exchange Meeting report, Sustainability Promotion Committee report, Audit Committee office report, etc.

[Deliberations] Financial results summary, semi-annual report, business report, evaluation of accounting auditors, draft annual report of the Audit Committee, other matters to be discussed by the Board of Directors, etc.

**(c) Main Activities of the Audit and Supervisory Committee**

The main activities of the Audit and Supervisory Committee in the FY2025 are as follows..

- ✓ Attendance at important meetings : Audit committee members attend the Board of Directors and Internal Control Committee meetings, provide necessary statements of opinion, and the full-time audit committee members attend important internal meetings and major subsidiaries' Board of Directors and management meetings, sharing them with the Audit Committee.
- ✓ Inspection of important authorization documents, etc. : Full-time audit committee members inspect important authorization documents, legally required documents, important meeting minutes, financial documents, and other internal control documents, sharing them with the Audit Committee and confirming the appropriateness and accuracy of decision-making.
- ✓ Exchange of opinions with Executive Directors and Corporate Officers : All audit committee members conduct individual meetings once a year with the representative director and president, and senior corporate officers or higher, to exchange opinions on goal setting and business execution status.
- ✓ Confirmation of execution issues, sharing of audit status, and exchange of opinions with the representative director : Full-time audit committee members exchange opinions with the representative director and president once every two months, separately from the semi-annual sharing of audit status.
- ✓ Audits of domestic and overseas group companies and headquarters departments : Full-time audit committee members exchange information with auditors of domestic group companies and primarily conduct audits of business locations and headquarters departments of domestic and overseas group companies, confirming business outlines and internal control status.
- ✓ Reporting annual audit results to the Board of Directors : The Audit and Supervisory Committee has focused on the following key audit items in the FY2025: 1) monitoring of the new management system and understanding the progress and risks of each business; 2) confirming measures related to human capital; 3) verification of the investment decision process and its appropriateness; 4) confirmation of the company's response to sustainability and ESG issues; and has reported these results to the Board of Directors.

**(d) Collaboration with the Internal Audit Office and Governance Officers**

To efficiently carry out audits by the Audit and Supervisory Committee, the head of the Internal Audit Office submits monthly reports to the committee. Additionally, full-time audit committee members and the head of the Internal Audit Office share audit achievements and exchange opinions once a month.

Furthermore, full-time audit committee members exchange opinions with governance officers once a month, share the contents with the Audit Committee, and make necessary recommendations to improve the effectiveness of corporate governance.

**(e) Collaboration with Accounting Auditors**

All members of the Audit and Supervisory Committee confirm the audit plan of the accounting auditors at the beginning of the term, attend the auditor's interim audit status report and semi-annual audit report meetings, and conduct three opinion exchange meetings per year. In addition, full-time audit committee members attend preliminary meetings on the semi-annual report and confirm timely issues, etc.

The collaboration details between the Audit and Supervisory Committee and the accounting auditors are as follows.

Details	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Explanation of the Audit Plan Overview				●								
Report on Status of Audit Implementation etc.					●						●	
Report on Results of Semi-annual Review								●				
Information and Opinion Exchange						●			●			●
Report of Audit Findings		●	●									

② **Status of Internal Audits**

Our company's risk management system includes the establishment of an Internal Audit Office directly under the control of the representative director and president, consisting of 12 members. It conducts regular business audits, makes improvement requests and guidance to the audited departments, reports audit results to the president as needed, and separately reports them to the Group Management Council, Internal Control Committee, and Audit and Supervisory Committee.

Moreover, the Internal Audit Office, audit committee members, and accounting auditors maintain close mutual cooperation through the exchange of information, striving to eliminate risks.

③ **Status of Accounting Audits**

(a) **Name of the Auditing Firm**

Limited Liability Azusa Audit Corporation

(b) **Continuous Auditing Period**

6 years

(c) **Certified Public Accountants Leading the Independent Financial Audit**

Takehiro Nakamura  
Satoshi Suzuki

(d) **Composition of Support Staff in Auditing Team**

CPA 16  
Other 39

(e) **Audit firm Selection Policy and Reasons**

The Audit and Supervisory Committee decides the content of proposals for the appointment, dismissal, and non-reappointment of accounting auditors based on Article 399-2 Paragraph 3 Item 2 of the Companies Act, with the consent of all audit committee members.

Additionally, if it is recognized that it is difficult for the accounting auditor to execute their duties appropriately or if changes to the accounting auditor are deemed reasonable, the dismissal of the accounting auditor is decided with the consent of all audit committee members based on Article 340 Paragraph 1 of the Companies Act. As a result, acknowledging that the auditing methods and results of the accounting auditor are appropriate, the Audit and Supervisory Committee concluded that it is reasonable to reappoint Limited Liability Azusa Audit Corporation.

(f) **Evaluation of Auditing Firm by the Audit and Supervisory Committee**

The Audit and Supervisory Committee conducted an evaluation of the accounting auditor based on the evaluation criteria listed below.

- ✓ Results of the quality control review by the Japanese Institute of Certified Public Accountants, inspection results by the CPA and Auditing Oversight Board
- ✓ Verification of appropriateness and effectiveness in each phase (items, processes, etc.) of the audit plan and execution
- ✓ Independence of the audit team, due professional care and skepticism as experts
- ✓ Details, levels, audit days, and period of audit compensation
- ✓ Effective communication with the audit committee and management
- ✓ A certain scale and global network enabling group audits including overseas bases
- ✓ Consideration of the risks of signs of fraud, audit plans based on fraud risk
- ✓ Opinions from the internal accounting department

④ **Content of Audit Compensation, etc.**

(a) **Compensation for Certified Public Accountants and Others**

Limited Liability Azusa Audit Corporation

Classification	FY2024		FY2025	
	Compensation Based on Audit Assurance Services (¥, mn)	Compensation Based on Non-Audit Services (¥, mn)	Compensation Based on Audit Assurance Services (¥, mn)	Compensation Based on Non-Audit Services (¥, mn)
Reporting Company	59	2	64	2
Consolidated Subsidiary	29	—	29	—
Total	88	2	93	2

The content of non-audit services for our company in the previous and FY2025 includes the creation of comfort letters related to bond issuance.

(b) **Compensation to organizations belonging to the same network as the certified public accountant (excluding (a) shown above)**

Classification	FY2024		FY2025	
	Compensation Based on Audit Assurance Services (¥, mn)	Compensation Based on Non-Audit Services (¥, mn)	Compensation Based on Audit Assurance Services (¥, mn)	Compensation Based on Non-Audit Services (¥, mn)
Reporting Company	—	24	—	18
Consolidated Subsidiary	44	6	49	20
Total	44	30	49	38

The non-audit services provided to our company and our consolidated subsidiaries for the FY2024 and FY2025 consist of compensation for tax advisory and assistance in preparing tax returns.

(c) **Contents of Other Material Compensation Based on Audit Assurance Services**

(FY2024)

Not applicable.

(FY2025)

Not applicable.

(d) **Policy for Determining Audit Remuneration**

Our policy for determining the audit remuneration for our certified public accountants is not specifically defined, but we determine the audit remuneration through mutual consultation with the audit firm, considering the number of audit days and various conditions such as the content of our company's operations, with the consent of the Audit and Supervisory Committee.

(e) **Reasons Why Audit and Supervisory Committee Agreed to Remuneration for Accounting Auditor**

The Audit and Supervisory Committee, based on the Practical Guidelines on Cooperation with Accounting Auditors published by the Japan Audit & Supervisory Board Members Association, confirmed and reviewed the analysis and evaluation of the previous audit results, audit hours and staffing plan in the audit plan, the performance of the accounting auditor, the appropriateness of the remuneration estimate, and as a result, agreed on the amount of remuneration for the accounting auditor in accordance with Article 399, Paragraphs 1 and 3 of the Companies Act.

(4) **Compensation of Officers, etc.**

① **Matters Related to Policy for Determining the Amount of Officers' Remuneration or its Calculation Method**

Content and decision method of the policy for determining the amount of officers' remuneration, etc., or its calculation method

The remuneration of directors (excluding those who are members of the Audit and Supervisory Committee) is decided by considering the deliberation and advice of the Nomination and Compensation Committee, which is a voluntary advisory body, within the range of the total amount of remuneration approved at the general meeting of shareholders. The board of directors has resolved on the policy for determining the content of individual remuneration for directors. The content of the decision policy is as follows.

**1) Basic Policy:** The basic policy is that the remuneration for our directors should be a reward system linked to shareholder interests in order to function sufficiently as an incentive for the sustainable enhancement of corporate value, and that the remuneration of each director should be at a reasonable level based on their individual responsibilities. Specifically, the remuneration for executive directors consists of basic fixed compensation and performance-linked compensation, while only basic compensation is paid to outside directors who serve a supervisory function, in consideration of their duties.

**2) Policy for Determining Amount of Individual Basic Compensation (monetary compensation), Including the Timing or Conditions for Awarding Compensation:**

The basic remuneration for our directors is determined as a monthly fixed compensation and is comprehensively reviewed and decided, considering the level of similar positions in other companies in the same industry, company performance, and employee salaries, in accordance with the position and responsibility of each director.

**3) Policy for Determining Performance-Linked Compensation, Including the Timing or Conditions for Awarding Compensation :** For directors (excluding outside directors), if the targets set to enhance the incentive for performance improvement (composed of the growth rate of consolidated Revenue in performance forecasts and the achievement level of net profit attributed to the owners of the parent) are met, the amount paid is set at 50% of the basic remuneration, with the maximum amount paid at the time of highest performance being 200%, and 0% if below minimum performance. The payment is made in a lump sum at a certain time after performance is confirmed, in a range from 0% to 200%.

**4) Policy for Determining Non-Monetary Compensation, Including the Timing or Conditions for Awarding Compensation :**

- ✓ To share a greater sense of value with shareholders and to enhance the incentive for improving corporate value, stock options as stock compensation in the form of new stock acquisition rights will be allocated to directors (excluding outside directors), within the range of an annual amount of JPY 200mn, as approved at the 3rd Annual General Meeting of Shareholders held on Dec. 21, 2017. The timing and allocation of the payments shall be determined by the board of directors as appropriate.
- ✓ Free company housing will be provided to directors (excluding outside directors) only if they are required to live away from their home for commuting to offices or other facilities.

**5) Policy for Determining the Ratio of Each Type of Compensation :** For directors (excluding outside directors), the approximate ratio of each type of compensation at 100% achievement of performance indicators is set as ;

[Basic remuneration] : [Performance-linked compensation] : [Non-monetary compensation] = 2 : 1 : 3

**6) Method for Determining Content of Individual Compensations :** The compensation for directors is decided based on the deliberation and advice of the Nomination and Compensation Committee, which is a voluntary advisory body within the range of the total amount of compensation approved at the general meeting of shareholders. The Nomination and Compensation Committee is composed of members selected by resolution of the board of directors, with the majority being independent outside directors.

The upper limit for the remuneration of directors (excluding those who are members of the Audit and Supervisory Committee, here and below the same) was set at JPY 600mn annually (of which JPY 100mn is for outside directors) by resolution of the regular general meeting of shareholders on Dec. 21, 2023. As of the conclusion of the regular general meeting of shareholders on Dec. 23, 2025, there are 6 directors (2 executive directors and 4 non-executive directors).

The upper limit for the remuneration of directors who are members of the Audit and Supervisory Committee was set at JPY 100mn annually by resolution of the regular general meeting of shareholders on Dec. 16, 2015. As of the conclusion of the general meeting of shareholders on Dec. 23, 2025, there are 3 directors who are members of the Audit and Supervisory Committee.

Our company has established a voluntary committee called the Nomination and Compensation Committee to ensure objectivity and transparency regarding directors' compensation (including the design of the compensation system and determination of the amount of compensation) and conducts deliberations. This committee is composed of members selected by board of directors' resolution, with the majority being independent outside directors. The remuneration of directors (excluding those who are members of the Audit and Supervisory Committee) is decided by resolution of the board of directors following the advice of this committee.

The remuneration of directors who are members of the Audit and Supervisory Committee consists solely of fixed compensation, and is determined through discussions among the Committee members within the range approved by the shareholders' meeting, to ensure the effectiveness of our audits and to perform their duties independently from the corporate officers.

There is no retirement benefit system for directors (except for those cases where payments had been decided before the system was abolished).

The board of directors believes that the content of individual compensation for directors for this fiscal year has been determined in accordance with the decision policy, through prescribed procedures and the advice of the Nomination and Compensation Committee, which is a voluntary advisory body.

In our company, the board of directors, after receiving deliberations and advice from the Nomination and Compensation Committee regarding the variable compensation of directors who are not members of the Audit and Supervisory Committee (excluding outside directors), makes decisions as follows.

- ✓ Method of calculating variable compensation for directors who are not members of the Audit and Supervisory Committee (excluding outside directors)
- ✓ The variable compensation for representative directors, who are not members of the Audit and Supervisory Committee (excluding outside directors), is made up solely of company performance.

**Company Performance Evaluation ;**

[Basic remuneration (50% of annual remuneration)] × [(Payment rate based on the achievement level of the consolidated Revenue growth rate in performance forecasts ※1) × (50%) + (Payment rate based on the achievement level of net profit attributed to the owners of the parent in performance forecasts ※2) × (50%)]

The variable compensation for executive directors, excluding the representative directors, who are not members of the Audit and Supervisory Committee (excluding outside directors), consists of company performance evaluation and individual performance evaluation of each director.

**Company Performance Evaluation ;**

[Basic remuneration (35% of annual remuneration)] × [(Payment rate based on the achievement level of the consolidated Revenue growth rate in performance forecasts ※1) × (50%) + (Payment rate based on the achievement level of net profit attributed to the owners of the parent in performance forecasts ※2) × (50%)]

**Evaluation of Individual Results ;**

[Basic remuneration (15% of annual remuneration)] × [(Payment rate based on the achievement level of the consolidated Revenue growth rate in performance forecasts ※1) × (50%) + (Payment rate based on the achievement level of net profit attributed to the owners of the parent in performance forecasts ※2) × (50%)] × [Achievement level of individual performance indicators of each director] × [Variation rate]

※1 [Achievement level of the consolidated Revenue growth rate in performance forecasts (%) (rounded to the third decimal place)] = [(Current period's consolidated Revenue results (rounded to the nearest million yen) ÷ (Previous period's consolidated Revenue results (rounded to the nearest million yen) × 100)] ÷ [(Current period's consolidated Revenue forecast) ÷ (Previous period's consolidated Revenue results × 100)]

※2 [Achievement level of net profit attributed to the owners of the parent in performance forecasts (%) (rounded to the third decimal place)] = [Net profit attributed to the owners of the parent results (rounded to the nearest million yen)] ÷ [Net profit attributed to the owners of the parent forecast in performance forecasts (rounded to the nearest million yen)] × 100

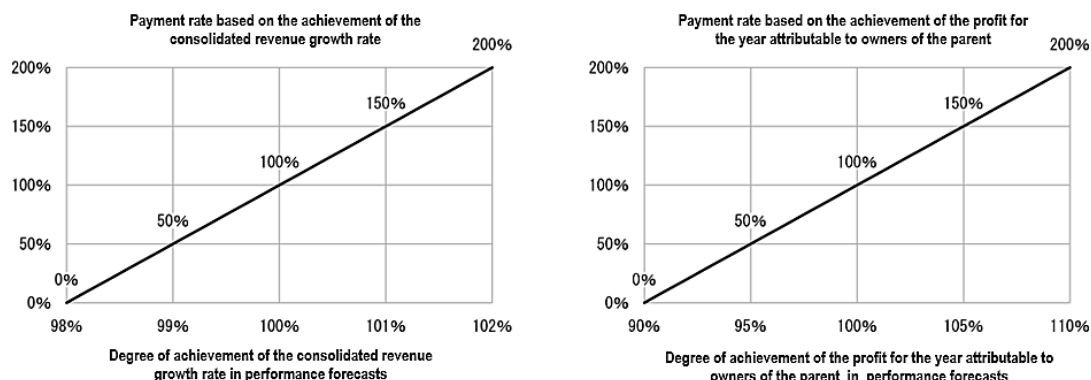
For individuals whose tenure is less than one fiscal year, the calculated amount is multiplied by the ratio of their tenure months (periods less than one month are rounded down if 15 days or less, and rounded up to one month if 16 days or more) divided by 12, rounded to the third decimal place, to calculate variable compensation.

The performance forecasts and actual results for the fiscal year ending Sep. 2025 and the forecast for the fiscal year ending Sep. 2026 are as follows.

(¥, mn)

	FY2024 (actual)	FY2025 (forecast)	FY2025 (actual)	FY2026 (forecast)
Revenue (consolidated)	361,129	408,000	429,574	485,000
Profit for the Period Attributed to Owners of the Parent	14,633	15,000	22,937	24,000

Each payment rate is calculated based on the achievement levels determined by the formulae in ※1 and ※2, referencing the graph below.



The upper limit for the payment of variable compensation is as follows.

(FY2025)

	Company Performance Evaluation	Evaluation of Individual Results
Our Company (Representative Director)	JPY 66mn	JPY 0mn

(FY2026)

	Company Performance Evaluation	Evaluation of Individual Results
Our Company (Representative Director)	JPY 66mn	JPY 0mn

✓ Stock compensation-type stock options with conditions based on stock price

Stock compensation-type stock options with conditions based on stock price are granted with an exercise period of 40 years from the day following the allocation date of the stock acquisition rights, with an exercise price of JPY 1. For other exercise conditions, please refer to 'Section 4 [Status of the Reporting Company]' → '1. [Status of Shares]' → '(2) Status of Stock Options' → '④ Stock Option Plan.' However, if the calculated vesting rate falls below the following number (hereinafter referred to as the "minimum vesting rate"), the vesting rate will be the minimum vesting rate. Additionally, if the absolute TSR (Total Shareholder Return) falls below 1 (100%) or if the stock price at the end of the period (the average closing price of the company's common stock on the Tokyo Stock Exchange on each day of the previous month of the month in which three years have passed from the allocation date, or if the grantee loses their position as director or corporate officer of the company and its subsidiaries before the day three years from the allocation date, the said loss date applies) falls below the stock price at the beginning of the period (the average closing price of the company's common stock on the Tokyo Stock Exchange on each day of the month to which the allocation date belongs), the minimum vesting rate will be applied.

Positional Rank	Minimum Vesting Rate
F&LC Director	16.60%

	Annual Upper Limit of Stock Options Granted
F&LC Managing Director	1,282 units

② **Total Amount of Compensation by Executive Category, Total Amount by Type of Compensation, and Number of Executives Subject.**

Category	Total Amount of Remuneration, etc. (¥, mn)	Total Amount by Type of Compensation (¥, mn)				Number of Target Executives (persons)
		Base Compensation	Stock Option Plan	Bonuses	Others	
Directors (Excluding Audit and Supervisory Committee Members and Outside Directors)	332	114	138	66	14	3
Directors (Audit and Supervisory Committee Members), (Excluding Outside Directors)	-	-	-	-	-	0
Outside Directors	64	64	-	-	-	7

Note: "Others" include the equivalent amount of rent for company housing provided free of charge to directors.

③ **Total Amount of Compensation, etc., for Persons with Total Compensation of JPY 100mn or More**

Name	Category	Company Category	Total Amount by Type of Compensation (¥, mn)				Total Amount of Remuneration, etc. (¥, mn)
			Base Compensation	Stock Option Plan	Bonuses	Others	
Masahiro Yamamoto	Board member	Reporting company	55	41	66	6	168
Koichi Mizutome	Board member	Reporting company	53	92	-	8	153

Note: "Others" include the equivalent amount of rent for company housing provided free of charge to directors.

**(5) Share-Holding Status**

① **Criteria and Approach for Classifying Investment Stocks**

Our company classifies investment stocks into those held solely for the purpose of profiting from stock value fluctuations or dividends (classified as investment stocks for pure investment purposes) and those held for purposes other than pure investment (classified as investment stocks for non-pure investment purposes).

② **Investment Stocks Held for Purposes Other Than Pure Investment**

a) **Method to Verify Holding Policy and Rationale, and Content of Board Examination Regarding Suitability of Individual Stocks :**

We classify investment stocks held for the purpose of creating business opportunities and building, maintaining, and strengthening trade and collaboration relationships as investment stocks for non-pure investment purposes. When acquiring these stocks, we decide whether to acquire them based on transaction conditions with the investing partner, strategic and tactical positioning of our company, anticipated risks, and their countermeasures.

b) **Number of Issues and Total Carrying Value on Consolidated Statement of Financial Position**

	Number of Issues (stocks)	Total Carrying Value on Consolidated Statement of Financial Position (¥, mn)
Unlisted Stock	4	557
Stocks Other Than Unlisted Ones	-	-

(Issues where the number of shares increased during the business year)  
Not applicable.

(Issues where the number of shares decreased during the business year)

	Number of Issues (stocks)	Total Selling Value Related to Reduction in Number of Shares (¥, mn)
Unlisted Stock	1	0
Stocks Other Than Unlisted Ones	-	-

c) **Information on Specific Investment Stocks and Deemed Holding Stocks Including Number of Shares, Carrying Value, etc.**

Not applicable.

③ **Investment Stocks Held for Pure Investment Purposes**

Not applicable.

④ **Investment Stocks Whose Holding Purpose Was Changed From Pure Investment to Non-Pure Investment During the Business Year**

Not applicable.

⑤ **Investment Stocks Whose Holding Purpose was Changed From Non-Pure Investment to Pure Investment During the Business Year**

Not applicable.

## Section 5 [Status of Accounting]

### 1. Method of Preparing Consolidated Financial Statements and Financial Statements :

- (1) Our consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as stipulated in Article 312 of the "Regulations concerning the terminology, forms, and method of preparation of consolidated financial statements" (Order No. 28 of the Ministry of Finance, 1976, hereafter referred to as "Consolidated Financial Statement Regulations").
- (2) Our financial statements are prepared based on the "Regulations on the terminology, forms, and preparation of financial statements, etc." (Ministry of Finance Order No. 59 of 1963, hereafter referred to as "Regulations on Financial Statements, etc."). Additionally, our company qualifies as a special exception financial statement reporting company and prepares financial statements according to Article 127 of the Regulations on Financial Statements, etc.

### 2. Audit Certification :

Our company receives audit by KPMG AZSA LLC for its consolidated financial statements for the fiscal year (Oct. 1, 2024 to Sep. 30, 2025) according to the provisions of Article 193-2(1) of the Financial Instruments and Exchange Act.

### 3. Special Measures to Ensure Accuracy of Consolidated Financial Statements and Preparation of a System to Adequately Prepare Consolidated Financial Statements etc. Compliant with IFRS :

Our company implements special measures to ensure the accuracy of consolidated financial statements and has prepared a system to properly prepare consolidated financial statements etc. in accordance with IFRS. The details are as follows. (1) To accurately grasp the contents of accounting standards and appropriately respond to changes in accounting standards, our company has joined the Financial Accounting Standards Foundation, participates in training etc. hosted by audit firms and various organizations, and continuously subscribes to accounting expert journals to actively engage in information gathering activities. (2) Regarding the application of IFRS, we obtain press releases and standards published by the International Accounting Standards Board as needed and grasp the latest standards. Furthermore, to create appropriate consolidated financial statements based on IFRS, we create group accounting policies and guidelines compliant with IFRS and conduct accounting processes based on them.

## 1. [Consolidated Financial Statements]

### (1) [Consolidated Financial Statements]

#### ① Consolidated Statement of Financial Position

(Unit: ¥, mn)

	Note	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
<b>Assets</b>			
Current Assets			
Cash and Cash Equivalents	6	48,695	58,822
Trade and Other Receivables	7, 25, 34	13,882	15,284
Inventories	8	6,512	10,242
Other Financial Assets	18	2,940	690
Other Current Assets	20	2,627	3,357
<b>Total Current Assets</b>		<b>74,656</b>	<b>88,396</b>
Non-Current Assets			
Property, Plant and Equipment	9, 12, 37	184,936	203,820
Goodwill	10, 12	30,371	30,371
Intangible Assets	11, 12	57,016	57,002
Equity Method Investment	13	52	52
Lease and Guarantee Deposits	34, 35	14,766	15,795
Other Financial Assets	18, 34, 35	1,232	801
Deferred Tax Liabilities	14	1,552	1,664
Other Non-Current Assets	20	574	694
<b>Total Non-Current Assets</b>		<b>290,499</b>	<b>310,200</b>
<b>Total Assets</b>		<b>365,154</b>	<b>398,596</b>
<b>Liabilities and Shareholders' Equity</b>			
Liabilities			
Current Liabilities			
Trade and Other Payables	15	35,569	42,091
Bonds and Borrowings	16, 34, 35	9,009	4,009
Income Taxes Payable	14	4,710	4,926
Lease Liabilities	17	19,523	21,685
Other Financial Liabilities	18, 34	1,006	1,339
Provisions	19	5,275	4,381
Other	20	5,750	6,426
<b>Total Current Liabilities</b>		<b>80,843</b>	<b>84,857</b>
Non-Current Liabilities			
Trade and Other Payables	15	22	22
Bonds and Borrowings	16, 34, 35	75,514	76,519
Lease Liabilities	17	112,838	116,447
Other Financial Liabilities	18	105	100
Provisions	19	4,730	5,462
Deferred Tax Liabilities	14	13,264	14,287
<b>Total Non-Current Liabilities</b>		<b>206,474</b>	<b>212,837</b>
<b>Total Liabilities</b>		<b>287,317</b>	<b>297,694</b>
Stockholders' Equity			
Capital Stock	21	100	100
Capital Surplus	21	15,734	15,806
Retained Earnings	21, 24	65,818	85,355
Treasury Stock	21, 23	△9,156	△8,749
Other Components of Equity	22, 33, 34, 35	4,073	5,357
<b>Total Equity Attributable to Owners of the Parent</b>		<b>76,568</b>	<b>97,869</b>
Non-Controlling Interests		1,269	3,032
<b>Total Shareholders' Equity</b>		<b>77,837</b>	<b>100,902</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>365,154</b>	<b>398,596</b>

② Consolidated Statement of Profit and Loss

(Unit: ¥, mn)

	Note	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)	FY2025 (Oct. 1, 2024 to Sep. 30, 2025)
Revenue	25	361,129	429,574
Cost of Sales	8	△155,796	△184,567
Gross Profit		205,334	245,007
Selling, General and Administrative Expenses	27,29,33	△179,848	△208,629
Other Income	12,26	1,084	1,192
Other Expenses	12,28	△3,186	△1,478
Operating Profit		23,384	36,093
Financial Income	30	461	407
Financial Expenses	30	△2,191	△2,723
Income Before Income Taxes		21,653	33,777
Income Taxes	14	△6,209	△9,168
Profit for the Period		15,445	24,609
Attribution of Profit for the Period			
Owners of the Parent		14,633	22,937
Non-Controlling Interests		811	1,672
Profit for the Period		15,445	24,609
Basic Profit for the Period			
Basic Earnings Per Share (¥)	31	127.46	202.71
Diluted Earnings Per Share (¥)	31	126.32	199.97

③ Consolidated Statement of Comprehensive Income

(Unit: ¥, mn)

	Note	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)	FY2025 (Oct. 1, 2024 to Sep. 30, 2025)
Profit for the Period		15,445	24,609
Other Comprehensive Income			
Items Not to Be Reclassified to Profit for the Period			
Net Change in Fair Value of Financial Assets Measured Through Other Comprehensive Income	22	△143	△307
Total Items Not to Be Reclassified to Profit for the Period		△143	△307
Items that May Be Reclassified to Profit of Loss			
Exchange Differences on Translation of Foreign Operations	22	△561	1,336
Total Items that May Be Reclassified to Profit for the Period		△561	1,336
Other Comprehensive Income After Taxes		△704	1,029
Total Comprehensive Income For the Year		14,740	25,638
Attribution of Comprehensive Income			
Owners of the Parent		13,863	23,855
Non-Controlling Interests		878	1,783
Total Comprehensive Income for the Year		14,740	25,638

④ Statement of Changes in Consolidated Equity

(Unit: ¥, mn)

	Note	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Other Components of Equity	Total Equity Attributable to Owners of the Parent	Non-Controlling Interests	Total Shareholders' Equity
Balance as of Oct. 1, 2023		100	15,676	53,787	△1,840	4,544	72,268	391	72,659
Profit for the Period				14,633			14,633	811	15,445
Other Comprehensive Income						△771	△771	67	△704
Total Comprehensive Income for the Period		-	-	14,633	-	△771	13,863	878	14,740
Disposal of Treasury Stock	21,22,23		△130		184	△40	14		14
Purchase of Treasury Stock	21,23		△2		△7,500		△7,503		△7,503
Expiration of Share Options	22		190			△190	-		-
Stock-Based Compensation Transactions	22,33					529	529		529
Dividend Per Share	24			△2,603			△2,603		△2,603
Total Transactions With Owners		-	58	△2,603	△7,317	300	△9,562	-	△9,562
Balance as of Sep. 30, 2024		100	15,734	65,818	△9,156	4,073	76,568	1,269	77,837
Profit for the Period				22,937			22,937	1,672	24,609
Other Comprehensive Income						918	918	111	1,029
Total Comprehensive Income for the Period		-	-	22,937	-	918	23,855	1,783	25,638
Disposal of Treasury Stock	21,22,23		69		408	△131	345		345
Purchase of Treasury Stock	23				△1		△1		△1
Expiration of Share Options	22		21			△21	-		-
Stock-Based Compensation Transactions	22,33					513	513		513
Dividend Per Share	24			△3,394			△3,394		△3,394
Transfer to Retained Earnings	22			△6		6	-		-
Change in Equity Due to Acquisition of Shares in Consolidated Subsidiaries	21		△17				△17	△20	△37
Total Transactions With Owners		-	72	△3,399	407	366	△2,554	△20	△2,574
Balance as of Sep. 30, 2025		100	15,806	85,355	△8,749	5,357	97,869	3,032	100,902

⑤ Statement of Cash Flow

(Unit: ¥, mn)

	Note	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)	F2025 (Oct. 1, 2024 to Sep. 30, 2025)
<b>Cash Flow From Operating Activities</b>			
Income Before Income Taxes		21,653	33,777
Depreciation and Amortization	9,11,27	30,760	35,776
Impairment Losses on Fixed Assets	12,28	2,192	1,213
Financial Income	30	△461	△407
Financial Expenses	30	2,191	2,723
Increase/Decrease in Provision For Bonuses (△ indicates decrease)		2,040	△858
Amount Offset by Lease and Guarantee Deposits Against Rent		540	264
Change in Trade and Other Receivables (△ indicates increase)		△2,535	△982
Change in Inventories (△ indicates increase)		△2,558	△3,720
Change in Trade and Other Payables (△ indicates decrease)		4,459	6,287
Other		1,411	1,013
Sub Total		59,691	75,086
Interest and Dividend Received		139	213
Interest Expense Paid		△2,008	△2,613
Income Taxes Paid		△2,580	△8,257
Income Tax Refund		1,083	0
Cash Flow From Operating Activities		56,326	64,429
<b>Cash Flow from Investment Activities</b>			
Acquisition of Property, Plant and Equipment		△19,530	△25,177
Proceeds From Sales of Property and Equipment		14	13
Purchase of Intangible Assets		△1,196	△1,161
Payment For Time Deposits		△3,207	△2,323
Decrease in Time Deposits		1,796	4,456
Deposits For Lease and Guarantee Deposits		△1,642	△1,999
Payments for Acquisition of Investment Securities		△1,035	-
Other		734	754
Cash Flow From Investment Activities		△24,066	△25,436
<b>Cash Flow from Financing Activities</b>			
Payments of Redemption of Bonds	32	△20,000	△5,000
Proceeds From bonds	32	19,494	4,974
Payments for Repayment of Long-Term Debt	32	△4,009	△4,009
Repayment of Lease Liabilities	32	△19,716	△22,117
Payments for Commission Fees		△15	△15
Payment for Purchase of Treasury Stock		△7,504	△1
Proceeds from Exercise of Share Options		14	347
Payments of Cash Dividends	24	△2,599	△3,388
Payments for Acquiring Subsidiary Interest From Non-Controlling Interests		-	△37
Other		12	12
Cash Flow From Financing Activities		△34,322	△29,235
Change in Cash and Cash Equivalents (△ indicates decrease)		△2,062	9,759
Cash and Cash Equivalents at the Beginning of the Year		51,228	48,695
Effect of Exchange Rate Changes		△471	368
Cash and Cash Equivalents at the End of the Year	6	48,695	58,822

## Notes to Consolidated Financial Statements :

### 1. Reporting Entity

FOOD & LIFE COMPANIES LTD. (hereinafter referred to as the 'Company') is a corporation located in Japan, with its registered head office situated in Osaka Prefecture. The consolidated financial statements of the Company consist of the Company and its subsidiaries (hereinafter referred to as the 'Group'). Our Group operates primarily in the food service industry focusing on kaiten (revolving) sushi restaurants. The Group specializes in the sushi business, and domestically, it operates a kaiten sushi chain under the name 'Sushiro' without franchise or licensed stores..

The Company has reached its current form through the following transitions.

The Company originated from Sushitaro Co., Ltd., established in Oct. 1984. In Dec. 2000, Sushitaro Co., Ltd. changed its name to Akindo Sushiro Co., Ltd. (hereinafter referred to as '(the original) Akindo Sushiro Co., Ltd. [est. 1984]') and, under the management philosophy of 'Enriching people's lives through sushi', continuously provided customers with high-quality, value-added services while striving daily to improve customer satisfaction by pursuing efficiency through the introduction of a comprehensive management system for kaiten sushi, culminating in listing its shares on the Second Section of the Tokyo Stock Exchange in Sep. 2003.

However, from Oct. 2007 onward, as the business environment surrounding the Company underwent dramatic changes, it was determined that it was imperative to establish a framework for fundamental reform of management policies from a medium-term perspective in order to precisely address the management challenges of simultaneously strengthening organizational capabilities and aggressively and swiftly opening new stores amidst the intense business environment. In Nov. 2008, the Company executed a Management Buy-Out (MBO) to privatize, receiving investment from Unison Capital Group, and delisted its shares from the Second Section of the Tokyo Stock Exchange in Apr. 2009.

At that time, AS Holdings Co., Ltd. was established in Aug. 2008 for the purpose of acquiring shares of (the original) Akindo Sushiro Co., Ltd. [est. 1984] (essentially the surviving company), which was subsequently made a subsidiary through a public tender offer. Following this, a merger was carried out on May. 31, 2009, with (the original) Akindo Sushiro Co., Ltd. [est. 1984] as the dissolving company, and on the same date, AS Holdings Co., Ltd. changed its name to Akindo Sushiro Co., Ltd. (hereinafter referred to as '(the predecessor) Akindo Sushiro Co., Ltd. [est. 2009]').

Subsequently, CEIL Japan Co., Ltd. was established in Jul. 2012, and this company acquired all shares held by an investment fund belonging to Unison Capital Group in Sep. 2012, thus making (the predecessor) Akindo Sushiro Co., Ltd. [est. 2009] a subsidiary. The goodwill and brand recognized on the Consolidated Statement of Financial Position are due to the aforementioned subsidiary acquisition (see Note '12. Impairment of Non-Financial Assets'). CEIL Japan Co., Ltd. carried out a merger on Jan. 1, 2013, with (the predecessor) Akindo Sushiro Co., Ltd. [est. 2009] as the dissolving company, and on the same date changed its name to Akindo Sushiro Co., Ltd. (hereinafter referred to as 'Akindo Sushiro Co., Ltd. [est.2013]').

Akindo Sushiro Co., Ltd. [est.2013] established Akindo Sushiro Holdings Co., Ltd. on Mar. 31, 2015, transitioning to a holding company structure, changing its name to Sushiro Global Holdings Co., Ltd. on Oct. 1, 2015, and further changing its name to FOOD & LIFE COMPANIES LTD. on Apr. 1, 2021, reaching its current state. Furthermore, the Company's shares were listed on the First Section of the Tokyo Stock Exchange on Mar. 30, 2017, and transitioned to the Prime Market due to a review of Tokyo Stock Exchange market segments on Apr. 4, 2022.

### 2. Basis of Preparation

- (1) **Compliance with IFRS :** The Group meets the requirements of a 'Designated International Accounting Standards Specified Company' as stipulated in Article 1-2, Paragraph 1 of the Consolidated Financial Statements Regulation, and therefore the consolidated financial statements are prepared in compliance with IFRS under Article 312 of the same regulation. These consolidated financial statements were approved by President and CEO Masaaki Yamamoto and Corporate Officer Takeshi Yoshida on Dec. 19, 2025.
- (2) **Basis of Measurement :** The consolidated financial statements of the Group are prepared on the basis of historical cost, except for financial instruments measured at fair value.
- (3) **Functional and Presentation Currency :** The consolidated financial statements of the Group are presented in Japanese yen, the functional currency of the Company, with amounts rounded off to the nearest million yen.
- (4) **Unapplied Published Standards and Interpretation :** As of the approval date of the consolidated financial statements, the following new or revised standards and interpretations have been published, but the Group has not yet early adopted them.

The impact of these adoptions is currently under review.

Statement of Financial Accounting Standards	Standard	Mandatory Adoption Date (Fiscal Year Starting After)	Group Application Date	Summary of New or Revised Standards
IFRS 18	Presentation and Disclosure in Financial Statements	Jan. 1, 2027	Fiscal Year Ending Sep. 2028	Provisions regarding presentation and disclosure in financial statements to provide more transparent and comparable information on financial performance

### 3. Significant Accounting Policies

#### 1) Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries.

##### ① Subsidiaries

Subsidiaries refer to all entities over which the Group has the power to govern financial and operating policies, typically owning more than half of the voting rights. The Group determines whether it controls another entity by considering the existence and effects of currently exercisable or convertible potential voting rights. The financial statements of subsidiaries are included in the consolidated financial statements from the date control is obtained until the date it is lost. The Group utilizes the acquisition method for accounting for business combinations except for those under common control. When the acquisition method is used, the consideration transferred is measured as the sum of the fair values of the assets transferred, liabilities assumed, and equity interests issued by the Group. The fair value of any assets or liabilities arising from a contingent consideration arrangement is also included. Acquisition-related costs are recognized in the consolidated statement of income when incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at the acquisition date. However, IFRS 3 establishes exceptions to the fair value measurement, such as deferred taxes and equity-based compensation. If the consideration transferred exceeds the fair value of the identifiable assets and liabilities, goodwill is recognized on the consolidated statement of financial position. In a bargain purchase, where the consideration transferred is less than the fair value of identifiable assets and liabilities, the difference is recognized directly in the Consolidated Statement of Profit and Loss (see (6) Goodwill and Intangible Assets—① Goodwill). Business combinations under common control, where all combining entities or businesses are ultimately controlled by the same party both before and after the combination, and that control is not temporary, are accounted for based on book value. If the consideration given differs from the book value of assets and liabilities of the acquired entity, an adjustment is made in capital surplus.

Intracompany transaction amounts, balances, and unrealized gains arising from transactions within the Group are eliminated. All group entities apply consistent accounting policies.

## ② Affiliate

Associates are entities over which the Group has significant influence but not control over financial and operating policy decisions. The Group is presumed to have significant influence over another entity when it holds between 20% and 50% of the voting rights. Even with less than 20% of voting rights, if significant influence over financial and operating policy decision-making is evidenced by shareholding percentage or board participation, the entity is considered an associate. Interests in associates are recognized at cost upon acquisition and accounted for using the equity method until the date significant influence is lost. If accounting policies adopted by associates differ from the Group's, adjustments are made to the associate's financial statements. Due to relationships with other shareholders, it is practically impossible to unify the fiscal year end for certain affiliates, so their financial statements are prepared based on provisional closings conducted as of the consolidated fiscal year-end.

## ③ Non-Controlling Interests

Interests in subsidiaries that are not attributable to the parent company directly or indirectly are displayed as non-controlling interests. Comprehensive income, even if the non-controlling interest becomes negative, is fundamentally attributed to the owners of the parent company and non-controlling interests.

Changes in the interests of the subsidiaries within our group involving owners of the non-controlling interests, where there is no change in control over the subsidiaries, are treated as capital transactions, and goodwill or profit and loss on the consolidated statement of profit and loss is not recognized.

## 2) Foreign Currency Translation

### ① Functional Currency and Presentation Currency

The individual financial statements of each company in our group are measured using the currency of the primary economic environment in which they operate (functional currency). The consolidated financial statements are presented in Japanese yen, which is the functional currency of our company.

### ② Transactions and balances

Foreign currency transactions are translated into functional currency at the exchange rates at the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the fiscal year-end exchange rates of foreign currency monetary assets and liabilities are recognized in the consolidated statement of income.

### ③ Foreign subsidiaries and foreign affiliates

The financial performance and fiscal status of all group companies using a functional currency different from our group's presentation currency are translated as follows.

- ✓ Assets and liabilities are translated at the exchange rates at the Consolidated Statement of Financial Position date.
- ✓ Income and expenses are translated at the average exchange rate for the period unless the average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rates on the transaction dates.
- ✓ Foreign exchange differences are recognized in other comprehensive income, with the cumulative foreign currency translation adjustments reported as a component of other equity in the Consolidated Statement of Financial Position.

## 3) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and highly liquid short-term investments with original maturities of three months or less.

## 4) Inventory

Inventories are measured at the lower of acquisition cost or net realizable value. Acquisition cost is mainly determined by the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

The carrying amounts of inventory stated in Consolidated Statement of Financial Position are regularly reviewed. Inventory that is in slow movement or inventory that our group judges unlikely to recover cost through future sales is reduced to the net realizable value.

## 5) Tangible Fixed Assets

All tangible fixed assets are presented at cost less accumulated depreciation and accumulated impairment losses. The acquisition cost includes costs directly attributable to the acquisition of the assets, costs to dismantle and remove the assets, and borrowing costs that should be capitalized. Subsequent costs after initial acquisition are included in the carrying amount of the asset or recognized as a separate asset only if it is probable that future economic benefits will flow to the group and the cost can be reliably measured. Other repairs and maintenance are recognized in the consolidated statement of income when incurred.

Depreciation of tangible fixed assets is calculated using the straight-line method over the estimated useful lives of the assets, after deducting the residual value from the acquisition cost.

- ✓ Buildings 1–38 years
- ✓ Structures 1–15 years
- ✓ Machinery 1–15 years
- ✓ Tools, furniture, and fixtures 1–20 years

The useful lives are determined from the perspective of the expected utility of the assets for our group. The residual values and the useful lives of assets are reviewed at the end of each consolidated accounting period, considering technological changes, usage frequency, and market demand, and are modified as appropriate. If impairment occurs, the carrying amount of the asset is reduced to the recoverable amount (see (7) Impairment of non-financial assets).

Gains or losses arising from the disposal are calculated by deducting the carrying amount of the asset from the proceeds on disposal and are recognized in the consolidated statement of profit and loss.

## 6) Goodwill and Intangible Assets

### ① Goodwill

Goodwill is tested for impairment annually and is recorded at cost less accumulated impairment losses. Goodwill is measured as the excess of the cost of acquisition over the sum of the fair values of the identifiable assets and liabilities at the acquisition date.

Currently, the goodwill recognized in our group arises from the business combination by CEIL Japan Co., Ltd. with the former Akindo Sushiro Co., Ltd. This goodwill has been carried over to the post-merger company as described in the note '1. Reporting Entity.' This goodwill is allocated to the domestic Sushiro business as the cash-generating unit group expected to benefit from synergies arising from the acquisition for impairment testing (see (7) Impairment of non-financial assets).

### ② Brand

The brand is displayed at acquisition cost, is not amortized, and has an indefinite useful life because it is expected to exist as long as the business continues.

The brand currently recognized in our group arises from the business combination of CEIL Japan Co., Ltd. with the former Akindo Sushiro Co., Ltd., and is carried over to the post-merger company as described in '1. Reporting Entity.' This brand is allocated to the domestic and international Sushiro businesses as the cash-generating unit groups expected to benefit from the brand's effect for impairment testing (see (7) Impairment of non-financial assets).

### ③ Software

Licenses for software acquired by our group are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized on a straight-line basis over their estimated useful lives, which are five years.

## 7) Impairment of Non-Financial Assets

Goodwill and intangible assets with indefinite useful lives (brands) are not subject to amortization but are tested for impairment annually during the fourth quarter accounting period, or whenever there is an indication of impairment. Amortizable assets are tested for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. For impairment testing, individual assets are grouped at the lowest levels for which there are separately identifiable cash flows, which are reviewed for each store.

Forecasts of future cash flows involve many important assumptions and estimates, including market growth rates, sales volumes, and market prices. The forecasts of future cash flows are based on the best estimates of future Revenue and operating costs, considering historical trends, market conditions, and industry trends. These assumptions are reviewed by management. The forecast cash flow values are adjusted based on an appropriate discount rate reflecting capital costs and risk premiums as of the valuation date. This discount rate is based on the pre-tax weighted average cost of capital used in calculating recoverable amounts (see note '12. Impairment of non-financial assets'). For fixed assets other than goodwill, indications for reversal of impairment losses are reviewed annually, and if necessary, reversals are made so that they do not exceed the newly estimated recoverable amount or the adjusted original carrying amount.

## 8) Corporate Income Taxes

Current corporate income tax is measured based on the expected payment to or refund from the tax authorities.

Deferred taxes are recognized for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements, using the liability method. However, deferred taxes are not recognized for temporary differences arising from transactions that are not business combinations and affect either accounting or taxable profit. Deferred taxes are calculated using enacted or substantively enacted tax rates as of the Consolidated Statement of Financial Position date expected to be applied to the period when the deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized to the extent it is probable that future taxable profits will be available against which the temporary differences can be utilized. For future taxable temporary differences arising from investments in subsidiaries and associates, deferred tax is recognized except where the group controls the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. No deferred tax liability is recognized on the initial recognition of goodwill where the temporary difference arises in a transaction that is not a business combination.

## 9) Leases

### ① Leasing As Lessee

Whether an arrangement is, or contains, a lease is determined based on the substance of the arrangement, even if it does not take the legal form of a lease.

We elect not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases that have a lease term of 12 months or less.

For all other leases, at the commencement date, we recognize a right-of-use asset and a lease liability in the consolidated Consolidated Statement of Financial Position, except for short-term leases and leases of low-value assets.

We apply the cost model for measuring right-of-use assets, which are presented at costless accumulated depreciation and accumulated impairment losses.

Right-of-use assets are depreciated on a straight-line basis over the lease term. Lease liabilities are measured at the present value of the lease payments that are not paid.

Lease payments are allocated between financial expenses and the repayment amount of lease liabilities based on the effective interest method. Financial expenses are recognized in the consolidated statement of income.

### ② Leasing As Lessor

For operating leases (leases other than finance leases), lease payments are recognized in the consolidated statement of income over the lease term on a straight-line basis, net of any incentives received from the lessor.

## 10) Provisions

Provisions are recognized when our group owes a legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when the amount can be reliably estimated.

If future expenditures exceed 12 months and the impact of the time value of money is significant, provisions are discounted using a rate that reflects the risk specific to the liability. Increases in provisions due to the passage of time are charged as financial expenses in the consolidated statement of income each period.

## 11) Revenue Recognition

Our group recognizes revenue based on the following 5-step approach.

Step 1: Identify contracts with customers

Step 2: Identify performance obligations within the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) performance obligations are satisfied

Our group operates the dining business primarily through kaiten (revolving) sushi restaurants, and we recognize revenue at the point when a customer is provided with food and we determine that the customer gains control and performance obligations are satisfied.

Revenue is measured at the amount promised in the contract with the customer, net of discounts and other deductions.

## 12) Government Grants

Grants are measured at fair value and recognized when there is reasonable assurance that the conditions will be met and the grants will be received. Grants related to costs incurred are recognized as income in the same consolidated fiscal year as the costs.

## 13) Employee Benefits

### ① Retirement Benefits

Our group adopts a defined contribution plan for employees' retirement benefits. Costs related to defined contribution retirement benefits are recognized as expenses during the period the employee renders services.

### ② Short-term Employee Benefits

Short-term employee benefits are expensed in the period in which the services are rendered. Bonuses and paid leave expenses are recognized as liabilities when our group has a present legal or constructive obligation to pay as a result of past employee service, and the amount can be reliably estimated.

#### 14) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction, or production of a qualifying asset, which requires a substantial period of time to get ready for its intended use or sale, are included in the cost of the asset until it is ready for use or sale. All other borrowing costs are recognized as an expense in the consolidated statement of income during the period in which they are incurred.

#### 15) Earnings Per Share

Basic earnings per share are calculated by dividing net profit attributable to the parent company's common shareholders by the weighted average number of common shares outstanding. Diluted earnings per share are calculated by adjusting the net profit to reflect the impact of all potentially diluted securities.

#### 16) Share-Based Payment

Our group has established an equity-settled share-based payment plan, granting equity financial instruments (options) to directors and employees. The fair value of options at the grant date is calculated using Monte Carlo simulations and other methods. The fair value of granted options is recognized as expenses and increases in equity over the vesting period from the grant date.

#### 17) Financial Instruments

##### ① Non-Derivative Financial Assets

###### (a) Initial Recognition and Measurement

Our group classifies financial assets as those measured at amortized cost, at fair value through profit or loss, or at fair value through other comprehensive income. Our group determines its classification at initial recognition. Financial assets are recognized on the date our group becomes a party to the contractual provisions of the instrument.

###### Financial Assets Measured at Amortized Cost

Financial assets are classified as measured at amortized cost if both of the following conditions are met.

- ✓ The asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows.
- ✓ The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortized cost are initially recognized at fair value plus transaction costs directly attributable to the acquisition of the financial asset. However, trade receivables without a significant financing component are initially recognized at transaction price. After initial recognition, they are measured at amortized cost using the effective interest method.

###### Financial Assets Measured at Fair Value Through Profit or Loss

Financial assets (excluding those measured at fair value through other comprehensive income) that do not meet the criteria for amortized cost are classified as measured at fair value through profit or loss.

Financial assets measured at fair value through profit or loss are initially recognized at fair value. After initial recognition, they are measured at fair value, with changes in fair value recognized as profit or loss for the FY2025.

###### Financial Assets Measured at Fair Value Through Other Comprehensive Income

Equity financial instruments designated as measured at fair value through other comprehensive income are initially recognized at fair value plus transaction costs directly attributable to the acquisition. After initial recognition, they are measured at fair value, with changes recognized in other comprehensive income. Additionally, dividends from financial assets measured at fair value through other comprehensive income are recognized as profit or loss for the FY2025.

###### (b) Derecognition of Financial Assets

Our group derecognizes a financial asset only when the contractual rights to the cash flows from the financial asset expire or when the financial asset is transferred and substantially all the risks and rewards of ownership are transferred. If our group neither transfers nor retains substantially all the risks and rewards of ownership and continues to involve in the transferred asset, we recognize the asset and related liability to the extent of our continuing involvement.

When financial assets measured at fair value through other comprehensive income are derecognized, the cumulative amount recognized in other comprehensive income is transferred to retained earnings.

###### (c) Impairment of Financial Assets

For impairment of financial assets measured at amortized cost, we recognize an allowance for expected credit losses associated with that financial asset.

Our group evaluates whether the credit risk of financial products has increased significantly since initial recognition at each reporting date.

If the credit risk of a financial product has not increased significantly since initial recognition, the allowance for doubtful accounts is measured at an amount equal to the expected credit losses over 12 months. Conversely, if the credit risk of a financial product has increased significantly since initial recognition, the allowance is measured at an amount equal to the expected credit losses over the lifetime of the product.

Trade receivables are always measured at an amount equal to the expected credit losses over their lifetime.

Expected credit losses are estimated using methods that reflect changes in credit information and past due claims information. Amounts resulting from this measurement are recognized in profit or loss. The carrying amount of financial assets after impairment shown in the consolidated financial statements represents the maximum exposure to our group's credit risk from financial assets.

##### ② Non-Derivative Financial Liabilities

###### (a) Initial Recognition and Measurement

Our group classifies non-derivative financial liabilities as those measured at amortized cost. Financial liabilities are recognized on the date our group becomes a party to the contractual provisions of the instrument.

###### Financial Liabilities Measured at Amortized Cost

Financial liabilities, including borrowings, are initially measured at fair value less transaction costs at recognition. After initial recognition, they are measured at amortized cost using the effective interest method, and interest payable is recognized using the effective interest method.

###### (b) Derecognition of Financial Liabilities

Our group derecognizes a financial liability when it is extinguished, i.e., the obligation specified in the contract is discharged, canceled, or expires.

###### (c) Modification of Financial Liabilities Not Resulting in Derecognition

If financial liabilities are modified or exchanged without resulting in derecognition (i.e., it is not substantial), gains or losses from the modification are recognized.

#### 4. Critical Accounting Estimates and Judgments

In preparing consolidated financial statements in accordance with IFRS, it is necessary to use estimates and assumptions that affect the amounts of assets, liabilities, revenues, and expenses reported on the consolidated financial statements as of the reporting date. These estimates and assumptions are made based on historical experience and information known to management at present, but actual results may differ from these ultimately. Estimates and assumptions are continually reviewed.

Items accounted for in the consolidated financial statements for the FY2025 based on accounting estimates that could have a material impact on the consolidated financial statements for the subsequent fiscal year are as follows.

(The necessity of recognizing impairment losses on tangible fixed assets, goodwill, and intangible assets)

##### 1) Amounts Recognized in the Consolidated Financial Statements

	FY2024	FY2025
Property, Plant and Equipment	JPY 184,936mn	JPY 203,820mn
Goodwill	JPY 30,371mn	JPY 30,371mn
Intangible Asset	JPY 57,016mn	JPY 57,002mn
Impairment Losses on Fixed Assets	JPY 2,192mn	JPY 1,213mn

Moreover, JPY 53,596mn of intangible assets in the previous and FY2025s are intangible assets (brands) whose useful lives cannot be determined. The impairment loss was primarily recorded for stores with deteriorating performance and is included in other expenses.

##### 2) Other Information that Aids Understanding of Accounting Estimates in Securities Report

For tangible assets, goodwill, and intangible assets, impairment tests are conducted according to the methods described in 'Section 5 [Status of Accounting] ' → '1. [Consolidated Financial Statements] ' → '1. [Consolidated Financial Statements] ' → 'Notes to Consolidated Financial Statements' → '3. Significant Accounting Policies' → '7) Impairment of Non-Financial Assets.' Future cash flows, which are the basis for the calculation of utility value in impairment tests, reflect past performance and incorporate major assumptions about future market fluctuations and sales strategies. However, these assumptions carry high uncertainty and could significantly impact future cash flow estimates.

Besides the above, information on estimates and judgments impacting the amounts recognized in consolidated financial statements is included in the following notes.

- Corporate Income Tax (Note '14. Corporate Income Tax')
- Useful life of tangible and intangible assets (Refer to the above and '3. Significant Accounting Policies' → '5) Tangible Fixed Assets & 6) Goodwill and Intangible Assets')
- Obligation related to asset removal arising from legal and assumed liabilities (Note '19. Provisions')
- Evaluation of lease and guarantee deposits (Notes '34. Financial Products' and '35. Fair Value Measurement')

#### 5. Segment Information

##### 1) Overview of Reporting Segments

Our group's reportable segments are mainly composed of business segments.

Major brands included in each reportable segment are as follows.

<b>Domestic Sushiro Business :</b>	"Sushiro" and take-out specialty stores in Japan
<b>Overseas Sushiro Business :</b>	"Sushiro" and take-out specialty stores overseas
<b>Kyotaru Business :</b>	All brands operated by Kyotaru Co., Ltd. (Major brands "Kyotaru," "Kaiten Sushi Misaki," "Kaisen Misaki Port")
<b>Domestic Sugidama Business :</b>	All brands operated by FOOD & LIFE INNOVATIONS Co., Ltd. (Major brand "Sugidama")
<b>Other Business :</b>	Sushiro Future Expo Store and external sales of product inventories

Starting from this consolidated fiscal year, the reportable segments have been changed from the previous four categories of "Domestic Sushiro Business," "Overseas Sushiro Business," "Kyotaru Business," and "Other Business" to five categories: "Domestic Sushiro Business," "Overseas Sushiro Business," "Kyotaru Business," "Domestic Sugidama Business," and "Other Business." The change reflects future significance and establishes the previously included "Domestic Sugidama Business" as an independent reportable segment. Segment information for the FY2024 has been disclosed based on the revised classification of reportable segments.

## 2) Revenue and Performance by Reporting Segment

Revenue and performance by our group's reporting segments are as follows.

FY2024 (Oct. 1, 2023 to Sep. 30, 2024)

(Unit: ¥, mn)

	Reportable Segments					Total	Total Adjustments Note 2	Total (consolidated)
	Domestic Sushiro Business	Overseas Sushiro Business	Kyotaru Business	Domestic Sugidama Business	Other Business			
Revenue								
External Revenue	238,173	92,138	23,939	6,806	74	361,129	-	361,129
Inter-Segment Revenue	-	-	47	91	-	139	△139	-
Total Revenue	238,173	92,138	23,986	6,897	74	361,268	△139	361,129
Segment Income or Loss (△ indicates a loss) (Note 1)	14,217	7,194	△350	131	74	21,267	2,116	23,384
Other Items								
Depreciation and Amortization	16,401	11,010	1,738	728	-	29,876	885	30,760
Impairment Losses on Fixed Assets	582	1,179	400	30	-	2,192	-	2,192

Note:

1. Segment income or loss is reconciled with operating profit in the consolidated statement of profit and loss.
2. The adjustment amount of segment income or loss is JPY 2,116mn, which mainly includes eliminations of inter-segment transactions and corporate profit or loss not allocated to each reportable segment.

FY2025 (Oct. 1, 2024 to Sep. 30, 2025)

(Unit: ¥, mn)

	Reportable Segments					Total	Total Adjustments Note 2	Total (consolidated)
	Domestic Sushiro Business	Overseas Sushiro Business	Kyotaru Business	Domestic Sugidama Business	Other Business			
Revenue								
External Revenue	265,903	131,420	23,425	8,153	674	429,574	-	429,574
Inter-Segment Revenue	-	3	106	131	-	240	△240	-
Total Revenue	265,903	131,422	23,532	8,284	674	429,814	△240	429,574
Segment Income or Loss (△ indicates a loss) (Note 1)	18,008	16,324	60	64	△366	34,090	2,002	36,093
Other Items								
Depreciation and Amortization	17,840	14,202	1,706	907	10	34,665	1,111	35,776
Impairment Losses on Fixed Assets	112	698	227	108	-	1,144	68	1,213

Note:

1. Segment income or loss is reconciled with operating profit in the consolidated statement of profit and loss.
2. The adjustment amount of segment income or loss is JPY 2,002mn, which mainly includes eliminations of inter-segment transactions and corporate profit or loss not allocated to each reportable segment.

### 3) Information by Product and Service

The description of Revenue by product and service is omitted as our group sells a single line of products and services.

### 4) Information by Region

Breakdown of Revenue and non-current assets by region is as follows.

#### FY2024 (Oct. 1, 2023 to Sep. 30, 2024)

##### ① Revenue to External Customers

(Unit: ¥, mn)

Japan	Overseas Affiliates	Total
268,992	92,138	361,129

##### ② Non-Current Assets (excluding financial instruments, deferred tax assets, and rights arising from insurance contracts)

(Unit: ¥, mn)

Japan	Overseas Affiliates	Total
233,853	53,810	287,663

#### FY2025 (Oct. 1, 2024 to Sep. 30, 2025)

##### ① Revenue to External Customers

(Unit: ¥, mn)

Japan	Overseas Affiliates	Total
298,154	131,420	429,574

##### ② Non-Current Assets (excluding financial instruments, deferred tax assets, and rights arising from insurance contracts)

(Unit: ¥, mn)

Japan	Overseas Affiliates	Total
241,022	66,660	307,682

### 5) Information on Major Customers

A single external customer does not constitute more than 10% of our group's Revenue, so the description is omitted.

## 6. Cash and Cash Equivalents

The breakdown of cash and cash equivalents is as follows.

(Unit: ¥, mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Bank Deposits and Cash on Hand	48,695	58,822
Total	48,695	58,822

Note : Cash and cash equivalents are classified as financial assets measured at amortized cost.

## 7. Trade and Other Receivables

The breakdown of trade and other receivables is as follows.

(Unit: ¥, mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Account Receivable	11,920	13,109
Accounts Receivable	1,962	2,175
Total	13,882	15,284
Current	13,882	15,284
Non-Current	-	-
Total	13,882	15,284

Note :

1. Credit risk management is disclosed in Note “34. Financial Instruments.”
2. Of the above, trade receivables are recognized when our group provides dishes, as the right to receive compensation arises based solely on the passage of time. Furthermore, our group receives payment in a short period after fulfilling performance obligations, according to specified payment terms. Since the period from fulfillment of performance obligations to receipt of consideration is typically within one year, practical expedients are used, and significant financial components are not adjusted for such receivables.
3. Trade and other receivables are classified as financial assets measured at amortized cost.

## 8. Inventories

The breakdown of inventories is as follows.

(Unit: ¥, mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Food Materials	5,402	8,868
Supplies	1,109	1,374
Total	6,512	10,242

Note :

1. Of the acquisition cost of inventories recognized as expenses and included in the cost of sales, the amounts are JPY 154,546mn (JPY 149,309mn for food materials and JPY 5,237mn for supplies inventory) for the FY2024 and JPY 183,252mn (JPY 177,256mn for food materials and JPY 5,996mn for supplies) for the FY2025.
2. There were no reversals of inventory write-downs from past years recorded in the consolidated statement of profit and loss of the FY2024 and FY2025.

## 9. Tangible Fixed Assets

The acquisition cost, accumulated depreciation, and accumulated impairment loss fluctuations of tangible fixed assets, along with the book value, are as follows.

(Unit: ¥, mn)

Acquisition Cost	Buildings	Structures	Machinery and Equipment	Tools/Instruments /Fixtures	Right-of-Use Assets	Land	Construction in Progress	Total
Balance on Oct. 1, 2023	50,420	6,491	14,474	34,007	184,583	1,675	1,001	292,651
Acquisition	3,390	-	1,472	1,614	20,880	-	18,314	45,671
Sale or Disposal Note 4	△865	△95	△237	△527	△2,772	-	-	△4,496
Money Transfer	4,888	213	5,002	4,421	853	-	△18,486	△3,110
Foreign Currency Translation Difference	△237	-	△81	△69	△969	-	△7	△1,363
Other	-	-	0	13	△25	-	-	△12
Balance on Sep. 30, 2024	57,597	6,608	20,630	39,459	202,550	1,675	822	329,341
Acquisition	1,886	-	1,190	929	26,653	-	24,920	55,577
Sale or Disposal (Note 4)	△429	△22	△56	△361	△1,273	-	-	△2,141
Money Transfer	8,142	77	5,619	7,733	2	-	△24,440	△2,868
Foreign Currency Translation Difference	900	-	340	491	2,054	-	26	3,812
Other	-	-	-	△67	△333	-	4	△396
Balance on Sep. 30, 2025	68,096	6,663	27,723	48,184	229,653	1,675	1,332	383,325

(Unit: ¥, mn)

Accumulated Depreciation and Impairment Loss	Buildings	Structures	Machinery and Equipment	Tools/Instruments /Fixtures	Right-of-Use Assets	Land	Construction in Progress	Total
Balance on Oct. 1, 2023	27,141	4,531	6,601	21,581	56,059	122	-	116,035
Depreciation Expenses	4,092	301	1,953	4,041	19,575	-	-	29,963
Impairment Losses on Fixed Assets	913	80	207	520	468	-	-	2,188
Reversal of Impairment Losses	△134	△1	△70	△73	-	-	-	△279
Sales or Disposal Note 4	△825	△95	△208	△457	△1,696	-	-	△3,282
Foreign Currency Translation Difference	△121	-	△35	△54	△357	-	-	△567
Other	22	-	2	△25	348	-	-	347
Balance on Sep. 30, 2024	31,088	4,816	8,451	25,533	74,396	122	-	144,406
Depreciation Expenses	4,975	289	2,790	4,815	21,888	-	-	34,757
Impairment Losses on Fixed Assets	485	0	74	261	297	-	-	1,118
Reversal of Impairment Losses	△224	△10	△81	△53	-	-	-	△368
Sale or Disposal Note 4	△422	△22	△54	△329	△1,068	-	-	△1,895
Foreign Currency Translation Difference	378	-	152	233	790	-	-	1,553
Other	△10	-	-	△29	△28	-	-	△66
Balance on Sep. 30, 2025	36,270	5,073	11,332	30,432	96,276	122	-	179,505

(Unit: ¥, mn)

Carrying Amount	Buildings	Structures	Machinery and Equipment	Tools/Instruments/Fixtures	Right-of-Use Assets	Land	Construction in Progress	Total
Balance on Oct. 1, 2023	23,279	1,960	7,873	12,426	128,524	1,553	1,001	176,615
Balance on Sep. 30, 2024	26,508	1,793	12,179	13,926	128,154	1,553	822	184,936
Balance on Sep. 30, 2025	31,826	1,589	16,391	17,752	133,377	1,553	1,332	203,820

Note :

1. The original assets of right-of-use assets consist of land, buildings, tools and fixtures, machinery and equipment, and vehicles. At the end of the FY2024, the book values were JPY 47,221mn for land, JPY 78,338mn for buildings, JPY 2,582mn for tools and fixtures, and JPY 13mn for vehicles. At the end of the FY2025, they were JPY 44,380mn for land, JPY 85,956mn for buildings, JPY 3,036mn for tools and fixtures, and JPY 5mn for vehicles.
2. In the FY2024 and the FY2025, there were no borrowing costs included in the acquisition cost of tangible fixed assets.
3. The impairment of tangible fixed assets and the reversal of impairment losses are disclosed in Note '12. Impairment of Non-Financial Assets.'
4. Includes reductions due to lease cancellations.

## 10. Goodwill

The acquisition cost of goodwill, cumulative impairment loss, and carrying amount changes are as follows.

(Unit: ¥, mn)

	FY2024 (Oct. 1, 2023, to Sep. 30, 2024)	FY2025 (Oct. 1, 2024, to Sep. 30, 2025)
Acquisition Cost		
Balance at Beginning of Year	30,541	30,541
Balance at End of Period	30,541	30,541
Accumulated Impairment Loss		
Balance at Beginning of Year	170	170
Impairment Losses on Fixed Assets	-	-
Balance at End of Period	170	170
Carrying Amount		
Balance at Beginning of Year	30,371	30,371
Balance at End of Period	30,371	30,371

Note :

1. The impairment of goodwill is disclosed in Note '12. Impairment of Non-Financial Assets.'

## 11. Intangible Assets

Changes in the acquisition cost, accumulated amortization, and accumulated impairment losses of intangible assets and their carrying amounts are as follows.

(Unit: ¥, mn)

Acquisition Cost	Brand	Software	Other	Total
Balance as of Oct. 1, 2023	53,596	5,121	711	59,428
Acquisition	-	1,722	66	1,788
Sale or Disposal	-	-	△1	△1
Money Transfer	-	4	△305	△301
Foreign Currency Translation Differences	-	△1	△2	△3
Other	-	-	-	-
Balance as of Sep. 30, 2024	53,596	6,846	470	60,912
Acquisition	-	962	147	1,109
Sale or Disposal	-	-	-	-
Money Transfer	-	40	△55	△15
Foreign Currency Translation Differences	-	3	4	7
Other	-	△0	-	△0
Balance as of Sep. 30, 2025	53,596	7,852	565	62,013

(Unit: ¥, mn)

Accumulated amortization and impairment loss	Brand	Software	Other	Total
Balance as of Oct. 1, 2023	-	2,959	138	3,096
Amortization Expense	-	784	12	796
Impairment Losses on Fixed Assets	-	4	-	4
Reversal of Impairment Loss	-	-	-	-
Sale or Disposal	-	-	-	-
Foreign currency Translation Differences	-	-	-	-
Other	-	-	-	-
Balance as of Sep. 30, 2024	-	3,747	150	3,897
Amortization Expense	-	1,009	11	1,020
Impairment Losses on Fixed Assets	-	70	25	94
Reversal of Impairment Loss	-	-	-	-
Sale or Disposal	-	-	-	-
Foreign Currency Translation Differences	-	-	-	-
Other	-	-	-	-
Balance as of Sep. 30, 2025	-	4,825	186	5,011

(Unit: ¥, mn)

Carrying Amount	Brand	Software	Other	Total
Balance as of Oct. 1, 2023	53,596	2,162	574	56,332
Balance as of Sep. 30, 2024	53,596	3,100	320	57,016
Balance as of Sep. 30, 2025	53,596	3,027	379	57,002

Note :

- Intangible assets with definite useful lives are amortized on a straight-line basis over their useful lives. Amortization expenses of intangible assets are included in 'Selling, General and Administrative Expenses' in the consolidated statement of income.
- Brands are not subject to amortization as their useful lives cannot be determined. This brand was recognized through a business combination conducted by CEIL Japan Co., Ltd. with the former Akindo Sushiro Co., Ltd. It is expected to last as long as the business continues; therefore, it is deemed that the brand's useful life cannot be determined. The impairment of intangible assets is disclosed in Note '12. Impairment of Non-Financial Assets.'

## 12. Impairment of Non-Financial Assets

### 1) Impairment of Business Assets

The impairment losses recognized by our group for stores with deteriorating performance in the consolidated statement of income are as follows.

(Unit: ¥, mn)

	FY2024 (Oct. 1, 2023, to Sep. 30, 2024)	FY2025 (Oct. 1, 2024, to Sep. 30, 2025)
Buildings	913	485
Structures	80	0
Machinery and Equipment	207	74
Tools, Furniture, and Fixtures	520	261
Right-of-Use Assets	468	297
Other	4	94
Total	2,192	1,213

Note :

- All impairment losses are included in 'Other Expenses' in the consolidated statement of income.
- Impairment tests for business assets are conducted using each store as a cash-generating unit.
- The recoverable amount of these assets (JPY 867mn in the FY2024, JPY 1,210mn in the FY2025) is based on the value in use, calculated using pre-tax discount rates of 9.9%-14.0% in the previous year and 9.8%-12.5% in the current year, based on weighted average cost of capital.
- The stores and factories recognizing impairment losses were 137 stores and 1 factory in the previous year, and 87 stores and 1 factory in the current year.

### 2) Reversal of Impairment Losses of Business Assets

For stores where performance is improving, the reversal of impairment losses recognized by our group in the consolidated statement of income is as follows.

(Unit: ¥, mn)

	FY2024 (Oct. 1, 2023, to Sep. 30, 2024)	FY2025 (Oct. 1, 2024, to Sep. 30, 2025)
Buildings	134	224
Structures	1	10
Machinery and Equipment	70	81
Tools, Furniture, and Fixtures	73	53
Total	279	368

Note :

- All reversals of impairment losses are included in 'Other Income' in the consolidated statement of income.
- Consideration of the reversal of impairment losses is conducted using each store as a cash-generating unit.
- The recoverable value of these assets (JPY 841mn in the previous year, JPY 1,069mn in the current year) is based on the value in use, calculated using pre-tax discount rates of 9.9% in the previous year and 9.8% in the current year, based on weighted average cost of capital.
- The stores recognizing the reversal of impairment losses were 5 in the previous year, and 11 in the current year.

### 3) Impairment of Acquired Assets through Business Combination

The goodwill and brands with an undetermined useful life recognized by our group were acquired through a business combination conducted by CEIL Japan Co., Ltd. with the former Akindo Sushiro Co., Ltd. As noted in '1. Reporting Entity,' these were succeeded to the post-merger company through the merger of CEIL Japan Co., Ltd. and the former Akindo Sushiro Co., Ltd. The synergies from the acquisition of goodwill arise from the entire cash-generating unit group as the domestic Sushiro business, so this goodwill is allocated to the domestic Sushiro business as the cash-generating unit when conducting impairment tests. Moreover, for brands with an undetermined useful life, the brand effect arises from the entire cash-generating unit group of the Sushiro business, so this brand is allocated to the domestic and overseas Sushiro businesses as the cash-generating unit during impairment tests.

The recoverable amount of this cash-generating unit is calculated based on value in use. The value in use is calculated by discounting the estimated future cash flows to present value, reflecting past data and based on the business plan for the next consolidated fiscal year approved by management, assuming a long-term growth rate of 0% thereafter. For discount calculations, pre-tax discount rates based on weighted average cost of capital of 9.9%-14.0% in the FY2024, and 9.8%-12.5% in the FY2025, are used. At the end of the FY2024, the recoverable amount of the cash-generating unit group, including goodwill, exceeds the carrying amount of assets by JPY 94,432mn, but if the pre-tax discount rate increases by 15.3% or the estimated future cash flow for each period decreases by 60.7%, the recoverable amount will equal the carrying amount. Moreover, the recoverable amount of the cash-generating unit group including goodwill and brands with an undetermined useful life exceeds the carrying amount of assets by JPY 89,638mn, but if the pre-tax discount rate increases by 8.4% or the estimated future cash flow for each period decreases by 43.7%, the recoverable amount will equal the carrying amount.

At the end of the FY2025, the recoverable amount of the cash-generating unit group inclusive of goodwill exceeds the carrying amount of the assets by JPY 117,495mn, but if the pre-tax discount rate rises by 16.7% or the estimated future cash flow for each period decreases by 63.0%, the recoverable amount will match the carrying amount. Furthermore, the recoverable amount of the cash-generating unit group including goodwill and brands with an undetermined useful life exceeds the carrying amount of assets by JPY 205,716mn, but if the pre-tax discount rate increases by 18.4% or if the estimated future cash flow for each period decreases by 61.7%, the recoverable amount and carrying amount will become equal.

### 13. Equity Method Investments

#### Affiliate Companies with No Significant Influence :

Our group accounts for investments in affiliates using the equity method. The carrying amount of investments in individually insignificant affiliates and related financial information is as follows. These amounts reflect our group's ownership percentage.

(Unit: ¥, mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Total Carrying Amount	52	52

### 14. Income Taxes

Income taxes reflected in the consolidated statement of income are as follows.

(Unit: ¥, mn)

	FY2024 (Oct. 1, 2023, to Sep. 30, 2024)	FY2025 (Oct. 1, 2024, to Sep. 30, 2025)
Income Taxes	△6,249	△8,100
Deferred Income Taxes	40	△1,069
Total	△6,209	△9,168

Income taxes directly recorded in other comprehensive income are as follows.

(Unit: ¥, mn)

	FY2024 (Oct. 1, 2023, to Sep. 30, 2024)	FY2025 (Oct. 1, 2024, to Sep. 30, 2025)
Net Change in Fair Value of Financial Assets Measured Through Other Comprehensive Income	78	152
Total	78	152

Note :

1. The above content pertains to deferred income taxes.

The reconciliation of statutory effective tax rate and average actual tax rate is as follows.

	FY2024 (Oct. 1, 2023, to Sep. 30, 2024)	FY2025 (Oct. 1, 2024, to Sep. 30, 2025)
	(%)	(%)
Statutory Effective Tax Rate	34.1	34.1
Permanently Non-Deductible Items	0.6	0.5
Unrecognized Deferred Tax Assets	2.3	0.0
Tax Deduction	△3.5	△2.6
Tax Rate Differences in Subsidiaries	△5.3	△6.3
Effect of Statutory Tax Rate Change	-	1.1
Other	0.5	0.3
Average Actual Tax Rate	28.7	27.1

The 'Act Partially Amending the Income Tax Act and Others' (Act No. 13 of 2025) was enacted on Mar. 31, 2025, introducing the 'Defense Special Corporate Tax' from fiscal years starting on or after Apr. 1, 2026. Accordingly, for deferred tax assets and liabilities regarding temporary differences expected to reverse from fiscal years beginning on or after Apr. 1, 2026, the statutory effective tax rate has been changed from 34.1% to 34.9%. The effect of this change is immaterial.

The deferred tax assets and liabilities on the consolidated statement of financial position are as follows.

(Unit: ¥, mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Deferred Tax Assets	8,363	8,201
Deferred Tax Liabilities	20,076	20,824
Net Deferred Tax Liability	11,713	12,623

The changes in deferred tax assets and liabilities of our group are as follows.

FY2024 (Oct. 1, 2023 to Sep. 30, 2024)

(Unit: ¥, mn)

	Oct. 1, 2023	Recognized Through Profit for the Period	Recognized in Other Comprehensive Income	Others (Foreign Currency Translation Differences)	Sep. 30, 2024
Deferred Tax Assets					
Property, Plant and Equipment	3,856	△502	-	9	3,364
Asset Retirement Obligations	830	46	-	-	877
Accrued Enterprise Tax	100	248	-	-	349
Reserve for Bonus Payment	471	370	-	-	840
Accrued Vacation	613	△59	-	-	554
Tax Losses Carryforward	138	△138	-	-	-
Other	2,109	194	78	-	2,380
Total	8,117	160	78	9	8,363
Deferred Tax Liabilities					
Brand	18,271	-	-	-	18,271
Property, Plant and Equipment	1,516	115	-	△0	1,631
Other	170	5	-	-	174
Total	19,957	119	-	△0	20,076

FY2025 (Oct. 1, 2024 to Sep. 30, 2025)

(Unit: ¥, mn)

	Oct. 1, 2024	Recognized Through Profit for the Period	Recognized in Other Comprehensive Income	Others (Foreign Currency Translation Differences)	Sep. 30, 2025
Deferred Tax Assets					
Property, Plant and Equipment	3,364	△368	-	6	3,002
Asset Retirement Obligations	877	28	-	-	904
Accrued Enterprise Tax	349	△61	-	-	287
Reserve for Bonus Payment	840	△98	-	-	742
Accrued Vacation	554	51	-	-	605
Other	2,380	128	152	-	2,661
Total	8,363	△321	152	6	8,201
Deferred Tax Liabilities					
Brand	18,271	450	-	-	18,721
Property, Plant and Equipment	1,631	316	-	0	1,947
Other	174	△19	-	-	156
Total	20,076	748	-	0	20,824

The temporary differences for which deferred tax assets have not been recognized amount to JPY 1,879mn at the end of the FY2025 (FY2024-end: JPY 1,628mn). Our group applies the consolidated tax filing system in Japan, but the temporary differences for future tax deductions related to local taxes (resident and enterprise taxes) not subject to this system's deferred tax asset recognition are not included. The amount of temporary differences for future local tax deductions is JPY 4,431mn at the end of the FY2025 (FY2024-end: JPY 5,025mn).

Tax losses carryforward for which deferred tax assets have not been recognized amount to JPY 3,261mn at the end of the FY2025 (FY2024-end: JPY 2,911mn), primarily incurred by overseas subsidiaries. Additionally, their expiration schedule is as follows.

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Within 5 years	1,265	2,687
6th year	712	-
7th year	-	-
8th year	-	-
9th year	-	-
Beyond 10th year	934	573
Total	2,911	3,261

The Tax losses carryforward not included above are those for local taxes (resident and enterprise taxes) not subject to group tax consolidation and thus exclude recognition of deferred tax assets. The amount of Tax losses carryforward relating to local taxes is JPY 11,556mn at the end of the FY2025 (FY2024-end: JPY 10,744mn). Furthermore, the expiration for Tax losses carryforward related to local taxes is 10 years.

Additionally, in Japan, corporate tax aligning with global minimum taxation was established through the tax reform for fiscal year 2023, including related regulations under the revised tax law ("Act Partially Amending the Income Tax Act, etc." (Law No. 3 of 2023)) enacted on Mar. 28, 2023. From the fiscal year beginning Apr. 1, 2024, additional taxation will be levied on parent companies, etc., when the tax for subsidiaries located in Japan does not reach the minimum rate (15%). We expect the impact of these legal frameworks on our group's consolidated financial statements to be minimal.

## 15. Trade and Other Payables

The breakdown of trade and other payables is as follows.

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Accounts Payable	20,230	23,972
Accounts payable	15,361	18,142
Total	35,591	42,113
Current	35,569	42,091
Non-current	22	22
Total	35,591	42,113

Note :

1. Trade and other payables are classified as financial liabilities measured at amortized cost.

## 16. Bonds and Loans Payable

### 1) The Breakdown of Bonds and Borrowings for Our Group is as Follows.

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)	Average Interest Rate (%)	Term of Payment
<b>Current Liabilities</b>				
Current Portion of Bonds Payable	5,000	-	—	—
Current Portion of Long-Term Borrowings	4,009	4,009	0.58%	Sep. 2026
Sub Total	9,009	4,009	—	—
<b>Non-Current Liabilities</b>				
Corporate Bonds (Excluding Current Portion)	24,555	29,569	—	—
Long-Term Borrowings (Excluding Current Portion)	50,959	46,950	0.41%	Mar. 2032
Sub Total	75,514	76,519	—	—
<b>Total</b>	<b>84,523</b>	<b>80,528</b>	<b>—</b>	<b>—</b>

Note :

- Bonds and borrowings are classified as financial liabilities measured at amortized cost.
- The average interest rates listed are weighted according to the loan balances at the end of the FY2025.
- Some of our group's borrowings entail financial covenants requiring maintenance of a certain capital level. No events have occurred during the current or FY2024 that would breach these covenants.
- A summary of the bond issue conditions is as follows.

(Unit: ¥,mn)

Company Name	Name of Issue	Date of Issue	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)	Interest Rate	Collateral	Maturity Date
FOOD & LIFE COMPANIES LTD.	The 1st Unsecured Bond	Jan. 23, 2020	5,000	-	0.170%	Unsecured	Jan. 23, 2025
FOOD & LIFE COMPANIES LTD.	The 2nd Unsecured Bond	Jan. 23, 2020	4,994	4,998	0.350%	Unsecured	Jan. 23, 2030
FOOD & LIFE COMPANIES LTD.	The 4th Unsecured Bond	Dec. 20, 2023	11,971	11,985	1.062%	Unsecured	Dec. 20, 2028
FOOD & LIFE COMPANIES LTD.	The 5th Unsecured Bond	Dec. 14, 2023	7,590	7,597	1.062%	Unsecured	Dec. 14, 2028
FOOD & LIFE COMPANIES LTD.	The 6th Unsecured Bond	Jan. 23, 2025	-	4,989	1.351%	Unsecured	Jan. 23, 2030
Total	—	—	29,555	29,569	—	—	—

- The scheduled repayment amounts for borrowings and bonds are as follows.

FY2024 (Oct. 1, 2023 to Sep. 30, 2024)

(Unit: ¥,mn)

	Due Within 1 Year	More Than 1 Year Less Than 2 Years	More Than 2 Years Less Than 3 Years	More Than 3 Years Less Than 4 Years	More Than 4 Years Less Than 5 years	More Than 5 Years	Total
Borrowings	4,009	4,009	24,009	4,009	10,481	8,450	54,968
Bonds	5,000	—	—	—	19,600	5,000	29,600

Note : The contractual cash flows are stated.

FY2025 (Oct. 1, 2024 to Sep. 30, 2025)

(Unit: ¥,mn)

	Due Within 1 Year	More Than 1 Year Less Than 2 Years	More Than 2 Years Less Than 3 Years	More Than 3 Years Less Than 4 Years	More Than 4 Years Less Than 5 years	More Than 5 Years	Total
Borrowings	4,009	24,009	4,009	10,481	1,100	7,350	50,959
Bonds	—	—	—	19,600	10,000	—	29,600

Note : The contractual cash flows are stated.

## 2) Committed Line Agreements

We have concluded commitment line agreements with two financial institutions for stable and flexible financing to meet the business development needs of our group. The unexecuted balances on commitment lines as of the previous and FY2025-ends are as follows.

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Commitment Amount	20,000	20,000
Amount Used	-	-
Available Balance	20,000	20,000

## 17. Leases

Our group, as lessee, rents primarily real estate for store use (land and buildings).

### 1) Losses Related to Fixed Assets (Lessee)

Losses related to fixed assets are as follows.

(Unit: ¥,mn)

	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)	FY2025 (Oct. 1, 2024 to Sep. 30, 2025)
Depreciation of Right-of-Use Assets		
Land	4,377	4,368
Buildings	14,476	16,634
Tools and Fixtures	712	878
Vehicles	10	8
Total Depreciation Expense	19,575	21,888
Short-Term Lease Expenses	570	666
Low-Value Lease Expenses	12	23
Variable Lease Fees (Note)	3,188	3,992
Interest Expenses on Lease Liabilities	1,671	2,129

Note : Expenses related to variable lease fees not included in the measurement of lease liabilities.

The total cash outflow related to these leases was JPY 25,156mn for the FY2024 and JPY 28,927mn for the FY2025.

### 2) Maturity analysis of lease liabilities

The maturity analysis of lease liabilities is as follows.

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Due Within 1 Year	21,991	25,443
Due After 1 Year Through 5 Years	62,600	68,379
Due After 5 Years	57,423	56,658
Total Lease Liabilities Before Discounting	142,014	150,480
Liability Balance of Lease in the Consolidated Statement of Financial Position as of Sep. 30	132,361	138,132

## 18. Other Financial Assets and Liabilities

The breakdown of other financial assets and liabilities is as follows.

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Other Financial Assets		
Financial Assets Carried at Amortized Cost		
Time Deposit	2,072	-
Funds Deposited	864	687
Other	4	32
Financial Assets Measured at Fair Value Through Other Comprehensive Income		
Equity Securities	1,232	773
<b>Total</b>	<b>4,172</b>	<b>1,492</b>
Current	2,940	690
Non-Current	1,232	801
<b>Total</b>	<b>4,172</b>	<b>1,492</b>

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Other Financial Liabilities		
Financial Liabilities Carried at Amortized Cost		
Deposits Received	1,006	1,339
Guarantee Deposits Received	105	100
<b>Total</b>	<b>1,112</b>	<b>1,439</b>
Current	1,006	1,339
Non-Current	105	100
<b>Total</b>	<b>1,112</b>	<b>1,439</b>

The maturity of guarantee deposits received is as follows.

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Due Within 1 Year	22	37
More Than 1 Year Less Than 2 Years	36	38
More Than 2 Years Less Than 3 Years	31	13
More Than 3 Years Less Than 4 Years	16	3
More Than 4 Years Less Than 5 Years	-	9
Due After 5 years	-	-
<b>Total</b>	<b>105</b>	<b>100</b>

## 19. Provisions

The breakdown and changes in provisions are as follows.

FY2024 (Oct. 1, 2023 to Sep. 30, 2024)

(Unit: ¥,mn)

	Asset Retirement Obligations	Other	Total
Oct. 1, 2023	4,517	2,982	7,499
Increase in Provisions During the Year	462	5,102	5,564
Interest Expenses in Discount Calculations	34	-	34
Decrease in Provisions During the Year (Used for Purpose)	△117	△2,957	△3,074
Other	△17	-	△17
Sep. 30, 2024	4,878	5,127	10,006
Current	212	5,063	5,275
Non-Current	4,666	64	4,730
Total	4,878	5,127	10,006

FY2025 (Oct. 1, 2024 to Sep. 30, 2025)

(Unit: ¥,mn)

	Asset Retirement Obligations	Other	Total
Oct. 1, 2024	4,878	5,127	10,006
Increase in Provisions During the Year	799	4,242	5,042
Interest Expenses in Discount Calculations	44	-	44
Decrease in Provisions During the Year (Used for Purpose)	△183	△5,063	△5,246
Other	△1	-	△1
Sep. 30, 2025	5,537	4,306	9,844
Current	211	4,170	4,381
Non-Current	5,326	136	5,462
Total	5,537	4,306	9,844

Asset retirement obligations relate to the dismantling costs of fixtures and equipment upon the termination of real estate leasing contracts for stores, etc. The amount of liabilities is based on estimated usage periods (mainly 1-20 years) determined by considering the useful life of the fixtures and equipment of leased properties. The discount rate used in calculating liabilities is the yield on government bonds corresponding to the useful life (FY2024: 0.0% to 3.3%, FY2025: 0.0% to 2.1%). The provisions also include reserve for bonuses.

## 20. Other Assets and Liabilities

The breakdown of other assets and liabilities is as follows.

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Other Assets		
Prepaid Expenses	2,851	3,429
Other	351	621
Total	3,202	4,051
Current	2,627	3,357
Non-Current	574	694
Total	3,202	4,051

Note : Prepaid expenses primarily consist of the amortized cost of lease and guarantee deposits and the differences from payment amounts.

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Other Liabilities		
Contract Liabilities	51	817
Accrued Expenses	394	392
Tax Payables	3,251	2,912
Accrued Vacation	1,881	2,098
Other	173	206
Total	5,750	6,426
Current	5,750	6,426
Non-Current	-	-
Total	5,750	6,426

## 21. Capital Stock and Surplus

### 1) Number of Authorized and Issued Shares

(Unit: Shares)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Authorized Stock (No-Par Value Common Stock)	436,000,000	436,000,000
Number of Issued Shares (No-Par Value Common Stock)	116,069,184	116,069,184
Treasury Stock	2,945,764	2,814,631

	Number of Shares	Capital (¥,mn)	Capital Surplus (¥,mn)
Fully Paid Ordinary Shares :			
As of Oct. 1, 2023	116,069,184	100	15,676
Disposal of Treasury Stock (Note) 1	-	-	△130
Acquisition of Treasury Stock (Note) 2	-	-	△2
Expiration of Share options	-	-	190
As of Sep. 30, 2024	116,069,184	100	15,734
Disposal of Treasury Stock (Note) 3	-	-	69
Purchase of Treasury Stock	-	-	-
Expiration of Share Options	-	-	21
Changes Due to Acquisition of Shares of Consolidated Subsidiaries	-	-	△17
As of Sep. 30, 2025	116,069,184	100	15,806

Note :

1. Recognized a loss on disposal of treasury stock of 130 ¥,mn as capital surplus.
2. Recognized acquisition cost of treasury stock of 2 ¥,mn as capital surplus.
3. Recognized a gain on disposal of treasury stock of 69 ¥,mn as capital surplus.

### 2) Capital Structure

The capital structure of our group is as follows.

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Total Liabilities	287,317	297,694
Cash and Cash Equivalents	48,695	58,822
Total Liabilities	238,622	238,872
Total Shareholders' Equity	77,837	100,902

Our group manages capital with the policy of maintaining an appropriate level of assets, liabilities, and equity for current and future business activities, optimizing capital efficiency in business activities, and improving financial health. Executives evaluate our group's capital management using the parent company's ownership equity ratio as a benchmark, and the ratio was 20.5% for the FY2024 and 24.0% for the FY2025.

### 3) Surplus

#### ① Capital Surplus

Under Japanese Company Law (hereinafter referred to as "Company Law"), at least half of the amount paid in or provided for the issuance of shares must be incorporated into capital stock, and the remainder is incorporated into capital reserves included in capital surplus.

#### ② Retained Earnings

Company Law stipulates that one-tenth of the amount distributed as dividends from surplus should be set aside as capital reserves or profit reserves until the combined amount of capital reserves included in capital surplus and profit reserves included in retained earnings reaches one-fourth of capital stock. Additionally, profit reserves may be distributed by resolution of the shareholders meeting. Retained earnings consist of undistributed retained profits.

## 22. Other Components of Equity

(Unit: ¥,mn)

	Net Change in Fair Value Relating to Financial Assets Measured Through Other Comprehensive Income	Exchange Differences on Translation of Foreign Operations	Subscription Rights to New Shares	Total
Oct. 1, 2023	△152	3,256	1,440	4,544
Exchange Differences on Translation of Foreign Operations				
Amount Incurred During This Fiscal Year	-	△628	-	△628
Reclassification Adjustment to Consolidated Statement of Profit and Loss	-	-	-	-
Tax (Expense) or Benefit	-	-	-	-
Net Change in Fair Value Relating to Financial Assets Measured Through Other Comprehensive Income				
Amount Incurred During This Fiscal Year	△221	-	-	△221
Transfer to Retained Earnings	-	-	-	-
Tax (Expense) or Benefit	78	-	-	78
Disposal of Treasury Stock	-	-	△40	△40
Expiration of Share Options	-	-	△190	△190
Stock-Based Compensation Transactions	-	-	529	529
Sep. 30, 2024	△295	2,629	1,739	4,073
Exchange Differences on Translation of Foreign Operations				
Amount Incurred During This Fiscal Year	-	1,219	-	1,219
Reclassification Adjustment to Consolidated Statement of Profit and Loss	-	6	-	6
Tax (Expense) or Benefit	-	-	-	-
Net Change in Fair Value Relating to Financial Assets Measured Through Other Comprehensive Income				
Amount Incurred During This Fiscal Year	△459	-	-	△459
Transfer to Retained Earnings	6	-	-	6
Tax (Expense) or Benefit	152	-	-	152
Disposal of Treasury Stock	-	-	△131	△131
Expiration of Share Options	-	-	△21	△21
Stock-Based Compensation Transactions	-	-	513	513
Sep. 30, 2025	△596	3,853	2,100	5,357

The content and purpose of other components of equity are as follows.

Net change in fair value relating to financial assets measured through other comprehensive income

This is the valuation difference of capital financial assets measured at fair value through other comprehensive income.

**Exchange Differences on Translation of Foreign Operations**

This is the translation difference that arises when consolidating financial statements of foreign subsidiaries prepared in foreign currency.

**Subscription Rights to New Shares**

This refers to the stock-based compensation transactions related to the stock option system (see Note "33. Stock-Based Compensation").

## 23. Treasury Stock

FY2024 (Oct. 1, 2023, to Sep. 30, 2024)

	Number of Shares	Value Amount (¥, mn)
As of Oct. 1, 2023	382,884	△1,840
Purchase of Treasury Stock	2,600,880	△7,500
Disposal of Treasury Stock	△38,000	184
As of Sep. 30, 2024	2,945,764	△9,156

FY2025 (Oct. 1, 2024, to Sep. 30, 2025)

	Number of Shares	Value Amount (¥, mn)
As of Oct. 1, 2024	2,945,764	△9,156
Purchase of Treasury Stock	167	△1
Disposal of Treasury Stock	△131,300	408
As of Sep. 30, 2025	2,814,631	△8,749

## 24. Dividends

### 1) Dividends Paid

FY2024 (Oct. 1, 2023, to Sep. 30, 2024)

Date of Resolution	Class of Shares	Source of Funds for Dividend Distribution	Total Dividend Amount (¥,mn)	Dividend Per Share (¥)	Reference Date	Effective Date
Dec. 21, 2023 Annual Shareholders Meeting	Common Stock	Retained Earnings	2,603	22.50	Sep. 30, 2023	Dec. 22, 2023

FY2025 (Oct. 1, 2024, to Sep. 30, 2025)

Date of Resolution	Class of Shares	Source of Funds for Dividend Distribution	Total Dividend Amount (¥,mn)	Dividend Per Share (¥)	Reference Date	Effective Date
Dec. 26, 2024 Annual Shareholders Meeting	Common stock	Retained earnings	3,394	30.00	Sep. 30, 2024	Dec. 27, 2024

## 2) Dividends For Which the Base Date Belongs to FY2025 and For Which the Effective Date Falls in the Next Fiscal Year

FY2024 (Oct. 1, 2023, to Sep. 30, 2024)

Date of Resolution	Class of Shares	Source of Funds for Dividend Distribution	Total Dividend Amount (¥,mn)	Dividend Per Share (¥)	Reference Date	Effective Date
Dec. 26, 2024 Annual Shareholders Meeting	Common stock	Retained earnings	3,394	30.00	Sep. 30, 2024	Dec. 27, 2024

FY2025 (Oct. 1, 2024, to Sep. 30, 2025)

Date of Resolution	Class of Shares	Source of Funds for Dividend Distribution	Total Dividend Amount (¥,mn)	Dividend Per Share (¥)	Reference Date	Effective Date
Dec. 23, 2025 Annual Shareholders Meeting	Common stock	Retained earnings	3,964	35.00	Sep. 30, 2025	Dec. 24, 2025

## 25. Revenue

### 1) Information on Disaggregated Revenue Arising From Contracts With Customers

Our group displays revenue recognized from the restaurant business as Revenue, and disaggregates Revenue (external revenue), categorized by type of goods or services, according to the reportable segment. From the FY2025, we have changed the reportable segment classifications. The figures for the FY2024 are disclosed based on the revised reportable segment classifications. For details, please refer to Note 5 Segment Information (1) Overview of Reportable Segments.

FY2024 (Oct. 1, 2023, to Sep. 30, 2024)

(Unit: ¥,mn)

	Reportable segments					Total
	Domestic Sushiro Business	Overseas Sushiro Business	Kyotaru Business	Domestic Sugidama Business	Other Operations	
Store Sales	237,926	92,125	23,939	6,634	-	360,624
Other	247	13	-	172	74	506
Total	238,173	92,138	23,939	6,806	74	361,129

FY2025 (Oct. 1, 2024, to Sep. 30, 2025)

(Unit: ¥,mn)

	Reportable Segments					Total
	Domestic Sushiro Business	Overseas Sushiro Business	Kyotaru Business	Domestic Sugidama Business	Other Operations	
Store Sales	265,642	131,402	23,425	8,010	470	428,949
Other	260	18	0	143	204	625
Total	265,903	131,420	23,425	8,153	674	429,574

### 2) Basis for Understanding Revenue

Referred in '3. Significant Accounting Policies' -> '(11) Revenue Recognition.'

### 3) Information to Understand Revenue Amounts for the Current and Future Fiscal Years

#### ① Contract Balance

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Receivables Arising From Contracts With Customers (Beginning Balance)	9,805	11,920
Receivables Arising From Contracts With Customers (Ending Balance)	11,920	13,109
Contract Liabilities (Beginning Balance)	10	51
Contract Liabilities (Ending Balance)	51	817

Note : Contract liabilities primarily recognize advance prices related to customer loyalty programs granting points, and the ending balance of contract liabilities increased at the end of the FY2025, mainly due to the extension of point expiration in Japan.

#### ② Transaction Price Allocated to Remaining Performance Obligations

Our group does not have significant transactions with individual contract periods exceeding one year.

Additionally, there are no significant amounts that are excluded from the transaction price arising from contracts with customers.

Our group applies the practical expedient of IFRS 15 paragraph 121 by not disclosing information on remaining performance obligations with an initial expected duration of one year or less.

In store sales, customers primarily consist of guests visiting the stores. Revenue is recognized at the time of meal provision upon which the customer gains control and performance obligations are fulfilled.

When customers use coupons, the transaction price reflects a reduction from the agreed consideration in the contract.

Points awarded to customers based on our group's operated point system (customer loyalty program) are identified as performance obligations, allocated from the transaction price, and recognized as contract liabilities.

Monthly reported revenue amounts are based on the payment terms defined separately by credit companies according to the payment method chosen by the user; payments are received in a short period post fulfillment of performance obligations, devoid of significant financial components.

## 26. Other Revenue

(Unit: ¥,mn)

	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)	FY2025 (Oct. 1, 2024 to Sep. 30, 2025)
Reversal of Impairment Loss	279	368
Other	805	825
Total	1,084	1,192

## 27. Selling, General and Administrative Expenses

Selling, general and administrative expenses comprise the following:

(Unit: ¥,mn)

	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)	FY2025 (Oct. 1, 2024 to Sep. 30, 2025)
Employee Benefit Expenses	99,672	114,592
Depreciation and Amortization (Note)	30,686	35,693
Water and Utility Costs	9,020	10,126
Other	40,471	48,219
Total	179,848	208,629

Note : In addition, the amounts included in cost of sales were JPY 74 mn in the FY2024 and JPY 83 mn in the FY2025.

## 28. Other Expenses

(Unit: ¥,mn)

	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)	FY2025 (Oct. 1, 2024 to Sep. 30, 2025)
Loss on Disposal of Property, Plant and Equipment	98	69
Impairment Losses on Fixed Assets	2,192	1,213
Other	896	196
Total	3,186	1,478

## 29. Employee Benefit Expenses

(Unit: ¥,mn)

	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)	FY2025 (Oct. 1, 2024 to Sep. 30, 2025)
Wages and Salaries	83,467	97,998
Seasonal Bonuses to Employees	6,754	6,407
Legal Welfare Expenses	7,622	8,745
Other	1,829	1,442
Total	99,672	114,592

Note : Employee benefit expenses are included in selling, general and administrative expenses. Employer contributions to the Employees' Pension Insurance based on Japan's Welfare Pension Insurance Act were JPY 3,093mn in the FY2024 and JPY 3,387mn in the FY2025. Additionally, defined contribution retirement benefit costs for some subsidiaries were JPY 1,271mn in the FY2024 and JPY 865mn in the FY2025. In addition, employee benefit expenses included in the cost of sales were JPY 698mn in the FY2024 and JPY 619mn in the FY2025.

Compensation of key management personnel included in the table above is as follows:

(Unit: ¥,mn)

	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)	FY2025 (Oct. 1, 2024 to Sep. 30, 2025)
Executive Compensation	323	380
Provision For Directors' Bonuses	166	128
Other	382	384
Total	871	892

Note : Compensation of key management personnel consists of compensation of key executives who have responsibility for planning, directing and controlling the activities of our group, directly or indirectly.

### 30. Financial Income and Expenses

(Unit: ¥,mn)

	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)	FY2025 (Oct. 1, 2024 to Sep. 30, 2025)
Interest and Dividend Income		
Interest Received		
Financial Assets Measured at Amortized Cost	159	247
Foreign Currency Translation Gain	289	149
Other	13	12
Total	461	407
Financing Cost		
Interest Paid		
Financial Liabilities Measured at Amortized Cost	332	535
Lease Liabilities	1,809	2,129
Interest Expense on Discount Calculation (Provision)	34	44
Commitment Fees	9	7
Other	7	7
Total	2,191	2,723

### 31. Earnings Per Share

	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)	FY2025 (Oct. 1, 2024 to Sep. 30, 2025)
Profit for the Period Attributable to Owners of the Parent Company (¥,mn)	14,633	22,937
Profit for the Period for the Year Attributable to Ordinary Shares Used in Calculating Basic Earnings Per Share (¥,mn)	14,633	22,937
Profit for the Period for the Year Attributable to Ordinary Shares Used in Calculating Diluted Earnings Per Share (¥,mn)	14,633	22,937
Basic Average Common Shares Outstanding	114,808,427	113,152,113
Increase in Common Shares Used to Calculate Diluted earnings Per Share	1,032,418	1,549,806
Diluted Average Common Shares Outstanding	115,840,845	114,701,919
Basic Earnings Per Share (¥)	127.46	202.71
Diluted Earnings Per Share (¥)	126.32	199.97
Explanation of Potential Shares Excluded From the Calculation of Diluted Earnings Per Share Due to Non-Dilutive Effect	Four classes of stock acquisition rights ( 293,000 shares of common stock )	—

## 32. Cash Flow Information

### 1) Changes in Liabilities Related to Financing Activities

FY2024 (Oct. 1, 2023 to Sep. 30, 2024)

(Unit: ¥,mn)

	Oct. 1, 2023	Changes Involving Cash Flows	Changes Not Involving Cash Flows			Sep. 30, 2024
			New Lessee	Currency Fluctuations	Other	
Bonds and Borrowings	88,959	△4,515	-	-	79	84,523
Lease Liabilities	132,590	△19,716	20,880	△677	△717	132,361

Note : Includes balances due within one year.

FY2025 (Oct. 1, 2024 to Sep. 30, 2025)

(Unit: ¥,mn)

	Oct. 1, 2023	Changes Involving Cash Flows	Changes Not Involving Cash Flows			Sep. 30, 2025
			New Lessee	Currency Fluctuations	Other	
Bonds and Borrowings	84,523	△4,035	-	-	40	80,528
Lease Liabilities	132,361	△22,117	26,653	1,338	△104	138,132

Note : Includes balances due within one year.

### 2) Non-Cash Transactions

The main details of non-cash transactions are as follows:

(Unit: ¥, mn)

	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)	FY2025 (Oct. 1, 2024 to Sep. 30, 2025)
Acquisition of Right-of-Use Assets From Lease Transactions	20,880	26,653

### 33. Share-Based Payments

Our group has an equity-settled share-based payment plan and grants equity financial instruments (options) to directors and employees. The fair value of options at the grant date for the 14th to 27th stock acquisition rights is calculated using methods such as Monte Carlo simulation. The fair value of granted options is recognized as an increase in expenses and equity over the vesting period from the grant date. The amount of stock compensation expenses included in selling, general and administrative expenses in the consolidated statement of profit and loss was JPY 529mn in the FY2024 and JPY 513mn in the FY2025.

The overview of the stock option plan is as follows:

	Granting Date	Expiration Dates	Exercise Price Per Share (¥)	Condition in Exercising Rights
14th	Feb. 2, 2018	Feb. 2, 2058	0.25	(Note) 1, 4
15th	Jan. 4, 2019	Jan. 4, 2059	0.25	(Note) 1, 4
16th	Jan. 6, 2020	Jan. 6, 2060	0.25	(Note) 1, 4
17th	Jan. 7, 2020	Dec. 19, 2029	2,210	(Note) 2, 3, 4
18th	Jan. 8, 2021	Jan. 8, 2061	1	(Note) 1
19th	Jan. 9, 2021	Dec. 24, 2030	3,690	(Note) 2, 3
20th	Jan. 7, 2022	Jan. 7, 2062	1	(Note) 1
21st	Jan. 8, 2022	Dec. 23, 2031	4,285	(Note) 2, 3
22nd	Jan. 11, 2023	Jan. 10, 2063	1	(Note) 1
23rd	Jan. 12, 2023	Dec. 22, 2032	2,803	(Note) 2, 3
24th	Jan. 10, 2024	Jan. 10, 2064	1	(Note) 1
25th	Jan. 11, 2024	Dec. 21, 2033	2,890	(Note) 2, 3
26th	Jan. 14, 2025	Jan. 14, 2065	1	(Note) 1
27th	Jan. 14, 2025	Dec. 26, 2034	3,403	(Note) 2, 3

Note :

1. The holder of stock acquisition rights (hereinafter referred to as "the Holder") can exercise such rights only if they fall under any of the following cases.
  - ① The Holder can exercise the stock acquisition rights only as a whole within the period from the day immediately following the day when the Holder loses the position as a director and/or corporate officer of the Company or its subsidiaries, until the passing of 10 days (or the preceding business day if the 10th day is a holiday).
  - ② The number of stock acquisition rights that the Holder can exercise shall fluctuate in stages according to the ratio by comparing the absolute TSR calculated as (the average of closing prices of the Company's common stock on the Tokyo Stock Exchange for each day of the month before the third anniversary month from the allocation date, added by the total amount of dividends per share between allocation date and day before the third anniversary month) divided by the average of closing prices of the Company's common stock for each day of the allocation month; with the TOPIX growth rate calculated similarly with TOPIX. Compare it, and it will fluctuate gradually according to the ratio.
  - ③ In the event of the death of the stock subscription rights holder, the rights may be exercised by their heirs.
2. The holder of the new stock acquisition rights (or their heirs in case of point ②) cannot exercise these rights if any of the following circumstances arise.
  - ① If the holder of this stock acquisition right loses their position as a director, auditor, corporate officer, or employee of our company, Akindo Sushiro Co., Ltd., FOOD & LIFE INNOVATIONS Co., Ltd., KYOTARU CO., LTD., or any other affiliated company (collectively referred to as 'our group'), excluding cases recognized by our company as having valid reasons such as retirement due to age.
  - ② In the event that the holders of share acquisition rights pass away
  - ③ In addition, as stipulated in contracts related to the allocation of stock subscription rights, concluded between the recipients of stock subscription rights and the Company, based on Board of Directors' resolutions.
3. Partial exercise of a single Stock Acquisition Right is not permitted.
4. On Apr. 1, 2020, the company implemented a stock split at a ratio of 4 shares for every 1 common share. Therefore, for the 14th to 17th stock acquisition rights, the exercise price per share is stated in terms of the number of shares after the stock split.

The changes in the number of issued stock options under the stock compensation plan and their weighted average exercise price are as follows.

	FY2024 (Oct. 1, 2023 to Sep. 30, 2024)		FY2025 (Oct. 1, 2024 to Sep. 30, 2025)	
	Per-Share Weighted Average Exercise Price (¥)	Number of Shares	Per-Share Weighted Average Exercise Price (¥)	Number of Shares
Outstanding at the Beginning of Year	1,160	1,597,258	1,170	1,821,761
Grant	1,024	334,321	961	355,961
Retirement	—	—	—	—
Lapse	2,362	△71,818	3,158	△20,100
Exercise	373	△38,000	2,632	△131,300
Outstanding at the End of Year	1,170	1,821,761	1,018	2,026,322
Exercisable Balance at the End of the Period	1,170	1,821,761	1,018	2,026,322

The weighted average remaining contractual life of unexercised stock options is 22.68 years in the FY2024 and 24.5 years in the FY2025. The maximum period for the stock options was 39.33 years in the FY2024 and 39.33 years in the FY2025.

There were no cancellations or modifications of stock options in the FY2024 and the FY2025.

Estimation method for the fair unit value of stock options

The fair value of options granted in the FY2024 and the FY2025 is evaluated using Monte Carlo simulations; the principal data used in the valuation are as follows.

	24th instance	25th instance	26th instance	27th instance
Stock Price at Grant Date (¥)	2,927	2,943	3,074	3,074
Exercise Price (¥)	1	2,890	1	3,403
Expected Volatility (Note) 1	40.5%	40.5%	39.3%	39.3%
Expected Life of the Option	20 years	10 years	20 years	10 years
Dividend (forecast)	0.8%	0.8%	0.98%	0.98%
Risk Free Interest Rate	1.36%	0.62%	1.953%	1.196%

Note :

1. Estimated based on our historical volatility.
2. The total fair values at the measurement dates are JPY 435mn for the 24th instance, JPY 153mn for the 25th instance, JPY 380mn for the 26th instance, and JPY 150mn for the 27th instance.

## 34. Financial Products

### 1) Financial Risk Management

Our group is exposed to various financial risks such as exchange risk, credit risk, liquidity risk, and interest rate risk. Our group hedges these risks based on specific policies. Our group uses derivative trading solely to mitigate risks arising from specific transactions based on actual demand.

#### a) Exchange Risk

Our group operates internationally and is exposed to exchange risk arising from foreign currency exposure. Exchange risk arises from future commercial transactions and recorded assets and liabilities.

#### b) Credit Risk

Lease deposits and guarantee money relate to tenant lease agreements and are exposed to the credit risk of the property owners. The store development department of our group assesses credit risk through credit ratings systems and endeavors to mitigate this risk by regularly monitoring the financial status of counterparts to detect worsening liabilities as soon as possible. Additionally, trade receivables and deposits are exposed to counterparties' credit risks. Under credit management regulations, our financial department plays a central role in monitoring the credit status of key trading partners.

The carrying amount of impaired financial assets listed in the consolidated Consolidated Statement of Financial Position represents the maximum exposure to credit risk for our group's financial assets. For specific clients, there is no significant exposure to credit risk, nor extreme concentration requiring particular management.

Furthermore, we do not hold any property or other credit enhancements related to exposure to credit risk.

Our group records allowances for doubtful credits on financial assets measured at amortized cost, such as trade receivables, lease and guarantee deposits, considering the likelihood of recovery and substantial increases in credit risk to assess future expected credit losses. The determination of whether credit risk has significantly increased is based on fluctuations in default risk, considering factors like the worsening financial condition of counterparties and overdue data.

Our group consistently evaluates allowances for doubtful accounts individually and collectively on trade receivables using the estimated total expected credit losses. For non-trade receivables, allowances for doubtful accounts are collectively assessed using the estimated 12-month expected credit losses. However, if credit risk has significantly increased, both individual and collective amounts are calculated using total expected credit losses over their lifespan.

If credit risk has not substantially increased on non-trade receivables, expected credit losses are calculated by applying historical credit loss rates and forecasts of future economic conditions to the total carrying value. When credit risk has significantly risen, expected credit losses are assessed by estimating the recovery potential based on historical credit loss data and future predictive information across the life of the financial product.

For financial assets where credit risk has markedly increased, if the debtor requests significant restructuring due to severe financial distress, it is deemed a default when substantial portions of the receivable are considered irrecoverable. Our group considers financial assets impaired if the debtor is deemed in default or initiates legal insolvency proceedings such as bankruptcy. Amounts clearly unrecoverable in the future are directly deducted from the carrying value of the financial asset.

The carrying value of financial assets subject to allowance for doubtful accounts is as follows.

FY2024 (Oct. 1, 2023, to Sep. 30, 2024)

(Unit: ¥,mn)

	Measured at an Amount Equal to the 12-month Expected Credit Losses	Measured at an Amount Equal to the Lifetime Expected Credit Losses			Total
		Non-Credit Impaired Financial Assets	Credit Impaired Financial Assets	Trade Receivables	
Balance as of Sep. 30, 2024	17,618	-	-	11,920	29,538

FY2025 (Oct. 1, 2024, to Sep. 30, 2025)

(Unit: ¥,mn)

	Measured at an Amount Equal to the 12-month Expected Credit Losses	Measured at an Amount Equal to the Lifetime Expected Credit Losses			Total
		Non-Credit Impaired Financial Assets	Credit Impaired Financial Assets	Trade Receivables	
Balance as of Sep. 30, 2025	18,092	-	-	13,109	31,201

Our group assesses the recoverability of financial assets and records provisions for bad debts based on the credit status of counterparties. Changes in the allowance for doubtful accounts are as follows.

FY2024 (Oct. 1, 2023, to Sep. 30, 2024)

(Unit: ¥,mn)

	Measured at an Amount Equal to the 12-month Expected Credit Losses	Measured at an Amount Equal to the Lifetime Expected Credit Losses			Total
		Non-Credit Impaired Financial Assets	Credit Impaired Financial Assets	Trade Receivables	
Balance as of Oct. 1, 2023	25	-	-	-	25
Increase (Provision)	-	-	-	-	-
Decrease (Reversal)	△1	-	-	-	△1
Decrease (Other)	-	-	-	-	-
Balance as of Sep. 30, 2024	23	-	-	-	23

FY2025 (Oct. 1, 2024, to Sep. 30, 2025)

(Unit: ¥,mn)

	Measured at an Amount Equal to the 12-month Expected Credit Losses	Measured at an Amount Equal to the Lifetime Expected Credit Losses			Total
		Non-Credit Impaired Financial Assets	Credit Impaired Financial Assets	Trade Receivables	
Balance as of Oct. 1, 2024	23	-	-	-	23
Increase (Provision)	1	-	-	-	1
Decrease (Reversal)	-	-	-	-	-
Decrease (Other)	-	-	-	-	-
Balance as of Sep. 30, 2025	24	-	-	-	24

All trade receivables are linked to receivables generated from contracts with customers.

For trade receivables, expected credit losses are determined by assessing historical credit loss rates adjusted for future economic forecasts based on the credit risk characteristics of the counterparties.

Moreover, as our group's trade receivables primarily involve credit card companies and are collected in the month following issuance, no specific provision rates are set based on the elapsed number of days past due.

**c) Liquidity Risk**

Through prudent liquidity risk management policies, we ensure sufficient cash and cash equivalents, and secure necessary funds via established borrowing limits. To adapt to changes in the business environment, our group endeavors to maintain ample unused borrowing limits to facilitate flexible funding.

**d) Interest Rate Risk**

Interest rate risk in our group primarily arises from long-term borrowings. Borrowings at variable interest rates expose our group to future cash flow fluctuation risks. Assuming other conditions remain unchanged, a 0.1% increase in interest rates decreases post-tax profit by JPY 6mn in the FY2024 and by JPY 5mn in the FY2025.

**(2) Fair Value of Financial Products**

Carrying amounts and fair values of financial products are as follows. Notes are omitted for financial products where carrying amounts are approximate to fair values.

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)		FY2025 (Sep. 30, 2025)	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets Measured at Amortized Cost:				
Lease Deposits	14,766	14,211	15,795	14,911
Financial Assets Measured at Fair Value				
Unlisted Stock	1,232	1,232	773	773
Financial Liabilities Measured at Amortized Cost:				
Corporate Debt Securities	29,555	29,329	29,569	28,811
Loans Payable	54,968	53,983	50,959	49,314

The fair value of financial assets and liabilities is calculated as follows.

**a) Lease deposits and guarantees**

Lease deposits and guarantees have low associated credit risk currently, so their fair value is calculated based on the present value of future cash flows over the lease term, discounted using appropriate indices like government bond yields, classified as Level 3.

**b) Unlisted stocks**

The fair value of unlisted stocks is measured using the most recent data available, in accordance with the group's accounting policies, classified as Level 3.

**c) Bonds**

The fair value of bonds is calculated based on market price, classified as Level 2.

**d) Loans payable**

The fair value of loans payable approximates their carrying amounts for short-term borrowings due to their short settlement period. For long-term borrowings with fixed interest rates, fair value is estimated based on the present value of total principal and interest, discounted at rates applicable to similar new borrowings. For those with variable rates, fair value approximates contractual amounts as they quickly reflect market rates and our credit does not undergo material changes post-borrowing, classified as Level 2. These correspond to Level 2.

### 35. Fair Value Measurement

#### Hierarchy of Fair Value

The level within the hierarchy used for fair value measurement is determined based on the lowest level of significant input in fair value measurement.

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Inputs other than publicly available price included in Level 1, which are directly or indirectly observable in relation to assets or liabilities"

Level 3: Inputs that are not observable in relation to assets or liabilities"

FY2024 (Sep. 30, 2024)

(Unit: ¥,mn)

	Level 1	Level 2	Level 3	Total
Asset :				
Lease Deposits	-	-	14,211	14,211
Other Financial Assets (Non-Current):"				
Unlisted Stock	-	-	1,232	1,232
Total	-	-	15,442	15,442
Liability :				
Bonds	-	29,329	-	29,329
Borrowings	-	53,983	-	53,983
Total	-	83,312	-	83,312

FY2025 (Sep. 30, 2025)

(Unit: ¥,mn)

	Level 1"	Level 2"	Level 3"	Total
Asset :				
Lease Deposits	-	-	14,911	14,911
Other Financial Assets (Non-Current):"				
Unlisted Stock	-	-	773	773
Total	-	-	15,684	15,684
Liability :				
Bonds	-	28,811	-	28,811
Borrowings	-	49,314	-	49,314
Total	-	78,125	-	78,125

Note :

1. Regarding assets and liabilities recorded in the consolidated financial statements on a recurring basis, our group assesses classifications at the end of each reporting period to determine whether any transfers between hierarchy levels have occurred."
2. There were no transfers between fair value measurement Level 1 and Level 2, or from or to Level 3, during the reporting periods ending with the FY2024-end and the FY2025-end."

The reconciliation of financial instruments classified as Level 3 and measured at fair value on a recurring basis is as follows:"

(Unit: ¥,mn)

	FY2024 (from Oct. 1, 2023, to Sep. 30, 2024)	FY2025 (from Oct. 1, 2024, to Sep. 30, 2025)
Balance at the Beginning of the Year	417	1,232
Purchase	1,035	-
Other Comprehensive Income	△221	△459
Balance at the End of the Year	1,232	773

### 36. Contingent Liabilities

Not applicable.

### 37. Commitment

Capital Investment Contract"

The capital expenditures contracted but not yet incurred as of the end date are as follows."

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Property, Plant and Equipment	1,531	1,712

### 38. Related Party Transactions

For significant affiliated companies, please refer to '1. Overview of the Company' → '4. Status of Affiliated Companies.'

The balances of transactions and claims and liabilities between our company and related parties are as follows.

#### Total transactions and balances at the end of FY2024

Not applicable.

#### Total transactions and balances at the end of FY2025

Not applicable.

### 39. Subsequent Events

Not applicable.

## (2) [Other]

## 2. [Financial Statements]

### (1) [Financial Section]

#### ① [Consolidated Statement of Financial Position]

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)"	FY2025 (Sep. 30, 2025)
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Deposits	26,555	23,738
Account Receivable	6	102
Food Materials and Supplies	3,164	6,175
Short-Term Loan Receivable of Affiliates	3,247	2,362
Prepaid Expenses	478	259
Accounts Receivable	※ 27,537	※ 28,836
Income Tax Refunds Receivable	-	355
Other	※ 1,467	※ 1,498
<b>Total Current Assets</b>	<b>62,454</b>	<b>63,325</b>
<b>Fixed Asset</b>		
<b>Property, Plant and Equipment</b>		
Buildings	22	159
Machinery and Equipment	7	48
Furniture and Fixtures	29	163
Other	1	1
<b>Net Property and Equipment</b>	<b>60</b>	<b>372</b>
<b>Intangible Fixed Assets</b>		
Software	2,872	2,785
Trademark Rights	21,438	18,759
Other	171	248
<b>Total Intangible Assets</b>	<b>24,481</b>	<b>21,792</b>
<b>Investments and Other Assets</b>		
Investment in Securities	962	303
Investments in Affiliates	37,318	37,263
Subsidiaries and Affiliates	17,939	14,858
Other	55	85
Allowance for Doubtful Accounts	△5,475	△5,325
<b>Total Investment and Other Assets</b>	<b>50,799</b>	<b>47,184</b>
<b>Total Fixed Assets</b>	<b>75,340</b>	<b>69,348</b>
<b>Total Assets</b>	<b>137,794</b>	<b>132,673</b>

(Unit: ¥,mn)

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
<b>Liabilities</b>		
Current Liabilities		
Accounts Payable	16,762	18,809
Bonds Redeemable Within 1 year	5,000	-
Less Current Portion	4,009	4,009
Lease Obligations	2	2
Accounts Payable	※ 2,999	※ 4,330
Accrued Expenses	134	146
Income Taxes Payable	567	26
Advance Received	40	30
Deposits Received	※ 7,019	※ 2,262
Reserve for Bonus Payment	787	592
Accrued Bonuses to Directors	105	66
Other	29	40
<b>Total Current Liabilities</b>	<b>37,454</b>	<b>30,311</b>
Non-Current Liabilities		
Corporate Debt Securities	24,600	29,600
Long-term Debt	50,959	46,950
Lease Obligations	4	2
Asset Retirement Obligations	24	24
Deferred Tax Liabilities	6,423	5,797
Other	15	15
<b>Total Long-Term Liabilities</b>	<b>82,025</b>	<b>82,388</b>
<b>Total Liabilities</b>	<b>119,478</b>	<b>112,699</b>
<b>Net Assets</b>		
Shareholder's Equity		
Capital Stock	100	100
Capital Surplus		
Capital Surplus	1,747	1,747
Capital Surplus-Others	9,918	9,987
<b>Total Capital Surplus</b>	<b>11,664</b>	<b>11,733</b>
Retained Earnings		
Other Retained Earnings		
Other Reserve	94	94
Retained Earnings Brought Forward	13,874	14,696
<b>Total Retained Earnings</b>	<b>13,968</b>	<b>14,790</b>
Treasury Stock	△9,156	△8,749
<b>Total Shareholders' Equity</b>	<b>16,576</b>	<b>17,874</b>
Subscription Rights to New Shares	1,739	2,100
<b>Net Assets Total</b>	<b>18,316</b>	<b>19,974</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>137,794</b>	<b>132,673</b>

② [Consolidated Statement of Profit and Loss]

(Unit: ¥,mn)

	FY2024 (from Oct. 1, 2023, to Sep. 30, 2024)	FY2025 (from Oct. 1, 2024, to Sep. 30, 2025)
Operating Revenues	※1 19,061	※1 25,972
Operating Cost		
Cost of Sales	85	417
Selling, General and Administrative Expenses	※1,2 16,414	※1,2 19,840
Operating Profit	2,563	5,715
Non-Operating Income		
Interest Received	※1 266	※1 316
Dividend Income	1	-
Foreign Currency Translation Gain	250	219
Reversal of Allowance for Doubtful Receivables	-	150
Other	42	129
Total Non-Operating Income	559	814
Non-Operating Expense		
Interest Paid	392	498
Provision for Doubtful Receivables	300	-
Other	130	51
Total Non-Operating Expenses	821	549
Current Profit	2,301	5,980
Extraordinary Gains		
Gain on Sales of Investments in Affiliated Companies	-	20
Reversal Profit on Share Options"	190	21
Total Special Gains	190	41
Extraordinary Loss		
Impairment Losses on Fixed Assets	-	68
Loss on Impairment of Investment Securities	187	658
Loss on Write-Down of Investments in Affiliated Companies	-	1,314
Total Extraordinary Losses	187	2,040
Income Before Income Taxes	2,304	3,980
Income Taxes - Current	884	391
Income Taxes - Deferred	△980	△626
Total Income Taxes	△95	△235
Current Net Profit	2,399	4,215

③ Statement of Changes in Shareholders' Equity

FY2024 (from Oct. 1, 2023, to Sep. 30, 2024)

(Unit: ¥,mn)

	Shareholder's equity						
	Capital Stock	Capital Surplus			Retained Earnings		
		Capital Surplus	Capital Surplus- Others:	Total Capital Surplus	Other retained earnings		Total Retained Earnings
					Other Reserve	Retained Earnings	
Opening Balance	100	1,747	10,048	11,794	94	14,078	14,172
Change During the Year							
Profit for the Year						2,399	2,399
Disposal of Treasury Stock			△130	△130			
Purchase of Treasury Stock							
Dividend of Surplus						△2,603	△2,603
Net Change in Items Other Than Shareholders' Equity							
Total Changes in Current Term	-	-	△130	△130	-	△204	△204
End-of-Term Balance	100	1,747	9,918	11,664	94	13,874	13,968

	Shareholder's Equity		Subscription Rights to New Shares	Total Equity
	Treasury Stock	Total Shareholders' Equity		
Opening Balance	△1,840	24,226	1,440	25,666
Change During the Year				
Profit for the Year		2,399		2,399
Disposal of Treasury Stock	184	54		54
Purchase of Treasury Stock	△7,500	△7,500		△7,500
Dividend of Surplus		△2,603		△2,603
Net Change in Items Other Than Shareholders' Equity			300	300
Total Changes in Current Term	△7,317	△7,650	300	△7,351
End-of-Term Balance	△9,156	16,576	1,739	18,316

FY2025 (from Oct. 1, 2024, to Sep. 30, 2025)

(Unit: ¥,mn)

	Shareholder's Equity						
	Capital Stock	Capital Surplus			Retained Earnings		
		Capital Surplus	Other Capital Surplus	Total Capital Surplus	Other Retained Earnings		Total Retained Earnings
					Other Reserve	Retained Earnings	
Opening Balance	100	1,747	9,918	11,664	94	13,874	13,968
Change During the Year							
Profit for the Year						4,215	4,215
Disposal of Treasury Stock			69	69			
Purchase of Treasury Stock							
Dividend of Surplus						△3,394	△3,394
Net Change in Items Other Than Shareholders' Equity							
Total Changes in Current Term	-	-	69	69	-	822	822
End-of-Term Balance	100	1,747	9,987	11,733	94	14,696	14,790

	Shareholder's Equity		Subscription Rights to New Shares	Total Equity
	Treasury Stock	Total Shareholders' Equity		
Opening Balance	△9,156	16,576	1,739	18,316
Change During the Year				
Profit for the Year		4,215		4,215
Disposal of Treasury Stock	408	477		477
Purchase of Treasury Stock	△1	△1		△1
Dividend of Surplus		△3,394		△3,394
Net Change in Items Other Than Shareholders' Equity			361	361
Total Changes in Current Term	407	1,298	361	1,658
End-of-Term Balance	△8,749	17,874	2,100	19,974

## [Notes to Consolidated Financial Statement]

### Significant Accounting Policies :

#### 1. Valuation Basis and Method for Assets

##### (1) Valuation of Securities

Investments in subsidiaries and affiliates

- ✓ Stated at cost determined mainly by the moving-average method

Securities without market value

- ✓ Stated at cost determined mainly by the moving-average method

##### (2) Valuation Basis and Method for Inventory Assets

- ① Food materials are valued using the average cost method (where book values are subject to the lower of cost or market method based on decreased profitability)
- ② Supplies are valued using the cost method based on the last purchase price method (where book values are subject to the lower of cost or market method based on decreased profitability)

#### 2. Depreciation and Amortization of Fixed Assets

##### (1) Tangible Fixed Assets

Be computed by the declining-balance method

However, buildings (excluding fixtures) and fixtures acquired on or after Apr. 1, 2016, are computed using the straight-line method

The principal estimated useful lives are as follows :

- ✓ Buildings 5 to 15 years
- ✓ Machinery and equipment 8 years
- ✓ Tools, furniture, and fixtures 2 to 20 years

##### (2) Intangible Fixed Assets

Be computed by the straight-line method

The period of depreciation/amortization for the main tangible fixed assets are as follows :

- ✓ Trademark rights 11 years
- ✓ Software (for in-house use) 5 years (software's estimated useful life)

#### 3. Basis of Material Allowances

##### (1) Allowance for Doubtful Accounts

Provision is made for possible credit losses stemming from trade notes and accounts receivable. Estimates of irrecoverable amounts are based on historical loan-loss ratios for general receivables, and on a consideration of feasibly recoverable amounts in individual cases of suspected bad debt or other specific dubious accounts.

##### (2) Accrued Bonuses

Accrued employees' bonuses are provided based on the estimated amount to be paid

##### (3) Accrued Bonuses to Directors

To prepare for the payment of bonuses paid to directors, the companies appropriate the estimated payment amount

#### 4. Recognition of Revenue and Expenses

The company recognizes revenue based on the following 5-step approach

- Step 1:** Identify contracts with customers
- Step 2:** Identify the performance obligations in the contract
- Step 3:** Determine the transaction price
- Step 4:** Allocate the transaction price to the performance obligations in the contract
- Step 5:** Recognize revenue when (or as) the performance obligation is satisfied

Our revenue is primarily from dividends from subsidiaries, royalty income, and income from the provision of services

Dividends are recognized as revenue on the effective date of the dividend

Royalty income is measured based on the sales of the contract partner, determines satisfaction of performance obligations by considering the occurrence and timing, and recognizes revenue accordingly

Income as a result of providing services is recognized when the services are performed, primarily in the context of supporting subsidiaries

#### 5. Any other Significant Matters that Serve As the Basis for Preparation of Financial Statements

##### (1) Foreign Currency Translation

Foreign currency-denominated monetary receivables and payables are converted into Japanese yen at the exchange rate prevailing at the end of the period, with exchange gains and losses recognized in the consolidated statements of income

##### (2) Figures are Rounded Off To the Nearest Million yen

###### (Critical Accounting Estimates)

Items recorded in the financial statements for the FY2025 as a result of accounting estimates, which could have a material impact on the financial statements for the following fiscal year, are as follows :

**(Evaluation of Affiliated Company Investments and Loans)**

**1) Amount Recorded in the Financial Statements for FY2025**

	FY2024	FY2025
Investments in Affiliates	JPY 37,318 mn	JPY 37,263 mn
Short-term loan Receivable of Affiliates	JPY 3,247 mn	JPY 2,362 mn
Subsidiaries and Affiliates	JPY 17,939 mn	JPY 14,858 mn
Loss on Write-Down of Investments in Affiliated Companies	-	JPY 1,314 mn
Provision for Doubtful Receivables	JPY 300 mn	-
Reversal of Allowance for Doubtful Receivables	-	JPY 150 mn

**2) Other Information to Aid Financial Statement Users' Understanding of Accounting Estimates**

In evaluating investments in affiliated companies, if the financial condition of the target company deteriorates significantly causing a substantial decrease in actual value, impairment is processed unless recovery potential is sufficiently evidenced.

For evaluating loans to affiliated companies, they are classified into three categories: normal receivables, receivables at risk of default, and bankrupt rehabilitation claims, based on the debtor's financial condition and performance. For receivables at risk of default and bankrupt rehabilitation claims, individual collectability is considered, and amounts estimated to be uncollectible are recorded as allowance for doubtful receivables.

In determining the necessity of recognizing impairment losses on affiliated company investments and assessing the collectability of affiliated company loans, the financial content such as the net asset value of each affiliated company is used. Furthermore, the net asset value of each affiliated company is affected by the valuation of store fixed assets; information on these estimates is provided in "Section 5 [Status of Financial Statements]" → "1. [Consolidated Financial Statements]" → "(1) Consolidated Financial Statements" → "Notes to Consolidated Financial Statements" → "4. Critical Accounting Estimates and Judgments."

**(Related to the Consolidated Statement of Financial Position)**

※ Monetary claims and liabilities to affiliated companies

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Short-Term Receivables From Affiliates	27,762 (¥, mn)	29,359 (¥, mn)
Short-Term Payables to Affiliates	7,239	2,563

**(Related to the Statement of Profit and Loss)**

※1 Transactions with affiliated companies

	FY2024 (from Oct. 1, 2023 to Sep. 30, 2024)	FY2025 (from Oct. 1, 2024 to Sep. 30, 2025)
Turnover with Business Transaction		
Operating Revenues	18,334 (¥, mn)	25,204 (¥, mn)
Selling, General and Administrative Expenses	4	142
Non-Operating Transactions	265	309

※2 Main selling, general and administrative expense items:

	FY2024 (from Oct. 1, 2023 to Sep. 30, 2024)	FY2025 (from Oct. 1, 2024 to Sep. 30, 2025)
Compensation and Benefits	1,494 (¥, mn)	1,846 (¥, mn)
Provision for Directors' Bonuses	105	66
Provision for Bonuses	954	881
Depreciation Expenses	714	957
Supplies Expenses	445	1,185
System Related Expenses	1,180	1,510
Advertising and Promotional Expenses	3,574	4,390
Amortization of Trademarks	2,680	2,680
Membership Fees	130	33
Professional Fees	1,258	1,654
Stock-Based Compensation Expenses	529	512
Outsourcing Fees	4	142

\* All are 'selling, general and administrative expenses'

**(Marketable Securities and Investment Securities)**

Subsidiary and affiliated company stocks (Consolidated Statement of Financial Position amounts for the FY2025 are JPY 37,208mn for subsidiary stocks and JPY 55mn for affiliated company stocks, and for the FY2024, JPY 37,263mn for subsidiary stocks and JPY 55mn for affiliated company stocks) do not have a market price and therefore are not listed at market value.

**(Tax-Effect Accounting)**

**1) Breakdown by Cause of Deferred Tax Assets and Liabilities**

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Deferred Tax Assets		
Investments in Affiliates	6,730 (¥,mn)	7,285 (¥, mn)
Allowance for Doubtful Accounts	1,866	1,860
Reserve for Bonus Payment	210	199
Other	961	1,087
Total Deferred Tax Assets	9,768	10,431
Valuation Allowance for Loss on Write-Down of Investments in Securities	△8,883	△9,675
Less Valuation Allowance	△8,883	△9,675
Net Deferred Tax Assets	885	755
Deferred Tax Liabilities		
Trademark Rights	△7,308	△6,552
Deferred Tax Liabilities	△7,308	△6,552
Net Deferred Tax Liability	△6,423	△5,797

**2) Reconciliation of the Differences Between the Legally Stipulated Effective Tax Rate and the Corporate Tax Rate After Application of Tax-Effect Accounting are As Follows**

	FY2024 (Sep. 30, 2024)	FY2025 (Sep. 30, 2025)
Statutory Effective Tax Rate	34.1%	34.1%
(Adjustments for)		
Non-Taxable Dividend Income	△52.5%	△61.8%
Expenses Not Deductible for Income Tax Purposes	14.1%	3.9%
Increase in Valuation Allowance	0.8%	14.1%
Foreign Corporations	3.0%	2.6%
Tax Deduction	△5.3%	△3.0%
Effect of Tax Rate Changes	-	3.7%
Other	1.7%	0.5%
Effective Tax Rates	△4.1%	△5.9%

**3) Accounting Treatment for Corporation Tax and Local Corporate Tax or Tax-Effect Accounting Treatment Related to These**

We handle accounting treatment and disclosure for corporation tax and local corporate tax or tax-effect accounting related to these in accordance with "Handling of Accounting Processing and Disclosure when Applying the Group Consolidation System" (Practical Solution Report No. 42, Aug. 12, 2021).

**(Business Combination Relationship)**

Not applicable

**(Revenue Recognition)**

The fundamental information to understand revenue arising from contracts with customers is as described in 'Notes to Significant Accounting Policies' → '4. Recognition of Revenue and Expenses.'

**(Subsequent Event)**

Not applicable

④ **[Supplementary Schedule]**  
**[Tangible Fixed Assets]**

(Unit: ¥,mn)

Classification	Class of Property	Opening Balance	Increase in FY2025	Decrease in FY2025	Depreciation in FY2025	End-of-term Balance	Accumulated depreciation
Property, Plant and Equipment	Buildings	22	141	-	3	159	50
	Machinery and Equipment	7	49	-	8	48	12
	Tools, Furniture, and Fixtures	29	172	-	38	163	127
	Other	1	1,034	1,034	-	1	-
	Net Property, Plant and Equipment	60	1,395	1,034	50	372	189
Intangible Fixed Assets	Software	2,872	888	68 (68)	907	2,785	2,467
	Trademark Rights	21,438	-	-	2,680	18,759	10,049
	Other	171	1,104	1,026	-	248	-
	Intangible Fixed Assets Total	24,481	1,992	1,094 (68)	3,587	21,792	12,517

Note : The amount in parentheses in the "Decrease in FY2025" column is the amount recorded as an impairment loss.

**[Schedule of Provisions]**

(Unit: ¥,mn)

Account	Opening Balance	Increase in FY2025	Decrease in FY2025	End-of-term Balance
Allowance for Doubtful Accounts	5,475	-	150	5,325
Reserve for Bonus Payment	787	592	787	592
Accrued Bonuses to Directors	105	66	105	66

**(2) [Contents of Main Assets and Liabilities]**

Since consolidated financial statements are prepared, details are omitted.

**(3) [Other]**

Not applicable.

## Section 6 [Outline of Stock Administrations of the Reporting Company]

Business year	From Oct. 1 to Sep. 30 each year	
Annual Shareholders Meeting	Within 3 months from the next day of the last day of each business year	
Record Date	Last day of each fiscal year	
Dividend Record Date	Sep. 30 each year Mar. 31 each year	
Shares Per Unit	100 shares	
Purchase and Sale of Fractional Unit Shares	<p>Agency / Intermediary Office 5-33, Kitahama 4-chome, Chuo-ku, Osaka Sumitomo Mitsui Trust Bank, Limited, Osaka Branch Securities Administration Department</p> <p>Transfer Agent 1-4-1, Marunouchi, Chiyoda-ku, Tokyo Sumitomo Mitsui Trust Bank, Limited</p> <p>Contact Office —</p> <p>Commission for Purchase / Sale No charge</p>	
Posting of Public Notices	<p>Electronic public notice (<a href="https://www.food-and-life.co.jp/">https://www.food-and-life.co.jp/</a>) Provided, however, that in case electronic public notices are impracticable due to any accident or any other unavoidable reason, the Company shall give its public notices by publishing in the Nihon Keizai Shimbun.</p>	
Benefits for Shareholders	Shareholder Benefits Program	Presenting meal vouchers that can be used at all Sushiro stores nationwide, all "Sugidama" stores, and all brands operated by Kyotaru Co., Ltd. (with exception of some stores)
	Value Amount	<p>Monetary amount based on the following number of shares held</p> <ul style="list-style-type: none"> <li>• 100 to 199 shares Annual JPY 3,300 (JPY 1,650 per half-year × 2) However, if held for 3 years or more Annual JPY 5,500 (JPY 2,750 per half-year × 2)</li> <li>• 200 to 399 shares Annual JPY 4,400 (JPY 2,200 per half-year × 2) However, if held for 3 years or more Annual JPY 6,600 (JPY 3,300 per half-year × 2)</li> <li>• 400 to 799 shares Annual JPY 6,600 (JPY 3,300 per half-year × 2) However, if held for 3 years or more Annual JPY 8,800 (JPY 4,400 per half-year × 2)</li> <li>• 800 to 1,999 shares Annual JPY 13,200 (JPY 6,600 per half-year × 2) However, if held for 3 years or more Annual JPY 15,400 (JPY 7,700 per half-year × 2)</li> <li>• 2000 shares and more Annual JPY 33,000 (JPY 16,500 per half-year × 2) However, if held for 3 years or more Annual JPY 35,200 (JPY 17,600 per half-year × 2)</li> </ul>
	Frequency of Distribution	Twice a year (Record dates: Sep. 30 and Mar. 31)
	Validity Period	6 months
	Terms of Use	<ul style="list-style-type: none"> <li>• Usable in one yen unit regardless of total transaction amount</li> <li>• Can be used with other discount coupons</li> </ul>

Note : According to the Articles of Incorporation, shareholders holding fractional unit shares may not exercise any rights other than those set forth below for their fractional unit shares.

1. Rights set forth in each Item of Paragraph 2 of Article 189 of the Companies Act
2. Right to file a claim in accordance with the provision of Article 166, Paragraph 1 of the Corporation Act
3. Right to receive allotments of shares for subscription and the share options for subscription based on the number of shares less than one unit owned
4. Right to demand sale of the shares of less than one share unit set forth in the preceding Article.

## Section 7 [Reference Information of the Reporting Company]

### 1. [Information of the Parent Company etc. of the Reporting Company]

The Company has no parent company or equivalent entity as stipulated in Paragraph 1, Article 24-7 of the Financial Instruments and Exchange Act.

### 2. [Other Reference Information]

Between the start of this fiscal year and the date of submitting the securities report, the following documents have been submitted:

1. Annual Securities Report and its Attached Documents and Confirmation
  - ✓ (10th term) (from Oct. 1, 2023 to Sep. 30, 2024) Submitted on Dec. 27, 2024, to the Director-General of the Kinki Finance Bureau
2. Amendment Report of the Annual Securities Report and Confirmation
  - ✓ (10th term) (from Oct. 1, 2023 to Sep. 30, 2024) Submitted on Feb. 7, 2025, to the Director-General of the Kinki Finance Bureau.
3. Internal Control Report and its Attached Documents
  - ✓ Submitted on Dec. 27, 2024, to the Director-General of the Kinki Finance Bureau
4. Semi-annual Report and Confirmation
  - ✓ (During the 11th term) (from Oct. 1, 2024 to Mar. 31, 2025) Submitted on May. 14, 2025, to the Director-General of the Kinki Finance Bureau
5. Extraordinary Report
  - ✓ Submitted on Dec. 27, 2024, to the Director-General of the Kinki Finance Bureau  
It is an Extraordinary Report based on Article 19, Paragraph 2, Item 2-2 of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc. (Issuance of Subscription to New Shares).
  - ✓ Submitted on Dec. 27, 2024, to the Director-General of the Kinki Finance Bureau  
It is an Extraordinary Report based on Article 19, Paragraph 2, Item 2-2 of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc. (Issuance of Subscription to New Shares).
  - ✓ Submitted on Dec. 27, 2024, to the Director-General of the Kinki Finance Bureau  
It is an Extraordinary Report based on Article 19, Paragraph 2, Item 9-2 of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc. (Results of Exercise of Voting Rights at Shareholders' Meeting).
  - ✓ Submitted on Sep. 12, 2025, to the Director-General of the Kinki Finance Bureau  
It is an Extraordinary Report based on Article 19, Paragraph 2, Item 3 of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc. (Changes in Specified Subsidiaries).
6. Amendment of the Extraordinary Report
  - ✓ Submitted on Jan. 15, 2025, to the Director-General of the Kinki Finance Bureau  
It is an Amendment Report based on Article 19, Paragraph 2, Item 2-2 of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc. (Issuance of Subscription to New Shares).
  - ✓ Submitted on Jan. 15, 2025, to the Director-General of the Kinki Finance Bureau  
It is an Amendment Report based on Article 19, Paragraph 2, Item 2-2 of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc. (Issuance of Subscription to New Shares).
7. Amendment to Shelf Registration Statement
  - ✓ Submitted to the Director-General of the Kinki Local Finance Bureau on Dec. 27, 2024  
This is an amendment to the shelf registration statement related to the issuance shelf registration statement (bonds) submitted on Jul. 22, 2024.
  - ✓ Submitted to the Director-General of the Kinki Local Finance Bureau on Jan. 15, 2025  
This is a correction issuance registration statement related to the issuance registration statement (bonds) submitted on Jul. 22, 2024.
  - ✓ Submitted to the Director-General of the Kinki Local Finance Bureau on Feb. 7, 2025  
This is a correction issuance registration statement related to the issuance registration statement (bonds) submitted on Jul. 22, 2024.
  - ✓ Submitted to the Director-General of the Kinki Local Finance Bureau on Sep. 12, 2025  
This is a correction issuance registration statement related to the issuance registration statement (bonds) submitted on Jul. 22, 2024.
8. Supplementary Issuance Shelf Registration Statement (stock certificates, bond certificates, etc.) and Other Attachments
  - ✓ Submitted to the Director-General of the Kinki Local Finance Bureau on Jan. 17, 2025.  
This is a document supplementary issuance shelf registration statement (stock certificates, bond certificates, etc.) related to the issuance shelf registration statement (bonds) submitted on Jul. 22, 2024.