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Expanding the MMD system
to every corner of the world.

*Every person takes the limits of their own field
of vision for the limits of the world.*

– Schopenhauer

Tottori Sand Dunes & Japan Sea, Tottori Prefecture

Notice of the 44th Ordinary General Meeting of Shareholders

Date and Time:

10:00 a.m. on Friday, **June 26**, 2026
(Reception scheduled to open at 9:00 a.m.)

Venue:

“Prominence” Ballroom, B1F,
ANA InterContinental Tokyo
1-12-33 Akasaka, Minato-ku, Tokyo

Proposal to be resolved

- | | |
|----------------|--|
| Proposal No. 1 | Election of 8 Directors (excluding Directors who are Members of the Audit & Supervisory Committee) |
| Proposal No. 2 | Election of Accounting Auditor |

Deadline for Exercising Voting Rights by Mail or via the Internet, etc.:

Delivery by 5:30 p.m. on Thursday, June 25, 2026

ZÉNSHO

Zensho Holdings Co., Ltd.
(Securities Code: 7550)

To Our Shareholders

Succeeding our founding
philosophy to move toward
further growth

Yohei Ogawa
Representative Director,
President & CEO
Zensho Holdings Co., Ltd.

小川 洋平



Thank you for your continued kind support.

On April 6 of this year, our founder, Kentaro Ogawa, passed away peacefully. Guided by the philosophy of “eradicating hunger and poverty from the world,” he built the company from a small bento shop into the first food service company originating in Japan to achieve net sales exceeding 1 trillion yen. We carry his aspirations deeply in our hearts. We recognize it as our mission to inherit the founder’s spirit and lead the Zensho Group to even greater heights.

Amid rising geopolitical risks, including those in the Middle East, uncertainty continues surrounding energy prices and the costs of industrial raw materials.

Nevertheless, we view these challenges as a renewed reminder of the importance of the Zensho Group’s mission to build a resilient food infrastructure.

By leveraging cutting-edge technologies, we will continue driving innovation across every process related to food and further accelerate our growth. Through our diverse growth engines—including Sukiya, Hamasushi, and sushi takeout businesses in overseas markets—we remain committed to delivering value to customers around the world.

We sincerely hope that you, our shareholders, will continue to provide us with your warm support as partners in embodying our founding philosophy.

To Shareholders with Voting Rights:

Yohei Ogawa, Representative Director,
President & CEO
Zensho Holdings Co., Ltd.
2-18-1 Konan, Minato-ku, Tokyo


Notice of the 44th Ordinary General Meeting of Shareholders


Dear Shareholders:

Thank you for your continued patronage and support.

Notice is hereby given that the 44th Ordinary General Meeting of Shareholders of Zensho Holdings Co., Ltd. (the “Company”) will be held for the purposes as described below. In convening this General Meeting of Shareholders, measures for electronic provision of information are implemented. The matters subject to the measures for electronic provision are posted on the following websites on the Internet as the Notice of the 44th Ordinary General Meeting of Shareholders.

In addition to the Company’s website, the Company also posts this information on the Tokyo Stock Exchange (TSE)’s website. Please access the TSE’s website (TSE Listed Company Search) below, enter and search for the issue name (company name) or the securities code, select “Basic information” and “Documents for public inspection/PR information,” in that order, and inspect the information.

<p>The Company’s website https://www.zensho.co.jp/en/ir/investor/shareholders.html</p>	
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<p>TSE’s website https://www2.jpx.co.jp/tse/HpFront/JJK020010Action.do?Show=Show</p>	
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If you are unable to attend the meeting, you may exercise your voting rights in writing or via the Internet, etc. In either case, please complete the procedures such that the exercise of your voting rights arrives by 5:30 p.m. on Thursday, June 25, 2026, Japan time.

1.	Date and time	Friday, June 26, 2026, at 10:00 a.m. Japan time
2.	Location	“Prominence” Ballroom, B1F, ANA InterContinental Tokyo 1-12-33 Akasaka, Minato-ku, Tokyo
3.	Meeting Agenda Matters to be reported	<p>1. The Business Report, Consolidated Financial Statements, and results of audits by the Accounting Auditor and Audit & Supervisory Committee of the Consolidated Financial Statements for the 44th fiscal year (April 1, 2025, to March 31, 2026)</p> <p>2. Non-consolidated Financial Statements for the 44th fiscal year (April 1, 2025, to March 31, 2026)</p>
	Proposal to be resolved:	<p>Proposal No. 1 Election of 8 Directors (excluding Directors who are Members of the Audit & Supervisory Committee)</p> <p>Proposal No. 2 Election of Accounting Auditor</p>

- Regarding paper-based documents sent to shareholders who have requested delivery of paper-based documents Pursuant to the stipulations of laws and regulations and Article 16 of the Company’s Articles of Incorporation, the following matters are not included in said documents.

The Audit & Supervisory Committee and the Accounting Auditor audit the documents subject to audit, which include the following matters.

- (1) “Matters concerning outside officers” and “Overview of content of directors and officers liability insurance agreement,” “Status of Accounting Auditor,” “Systems to Secure the Appropriateness of Operations,”

- “Operational Status of Systems to Secure the Appropriateness of Operations” and “Policy for Determining Dividends of Surplus, etc.” in “Status of the Company’s officers” of the Business Report,
- (2) “Consolidated Statement of Changes in Shareholders’ Equity” and “Notes to Consolidated Financial Statements” of the Consolidated Financial Statements
 - (3) “Non-consolidated Statement of Changes in Shareholders’ Equity” and “Notes to the Non-consolidated Financial Statements” of the Non-consolidated Financial Statements

In the event of any revisions to the matters subject to the measures for electronic provision, the revisions will be posted on the respective website where they are posted.

Guide to the Exercise of Voting Rights

Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights. The following three methods are available for the exercise of voting rights.

If attending the General Meeting of Shareholders

Date and time: **Friday, June 26, 2026,
at 10:00 a.m.**

Please submit the enclosed Voting Rights Exercise Form at the reception desk.

If mailing the Voting Rights Exercise Form

Exercise deadline: **Thursday, June 25, 2026,
at 5:30 p.m.**

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and reply such that it arrives by the exercise deadline. If no indication of for or against is made on the Form, it will be treated as a vote for the proposals.

If exercising voting rights via the Internet

Exercise deadline: **Thursday, June 25, 2026, at 5:30 p.m.**

Please access the Voting Rights Exercise Website (<https://www.web54.net>) designated by the Company and exercise your voting rights.

Entering voting rights exercise code and password

Voting Rights Exercise Website: <https://www.web54.net>

1. Please access the Voting Rights Exercise Website.
2. Please enter the “Voting Rights Exercise Code” indicated on the Voting Rights Exercise Form.
Enter the “Voting Rights Exercise Code”
Click “Login”
3. Please enter the “Password” indicated on the Voting Rights Exercise Form.
Enter the “Password” and set a new password that you will actually use.
Click “Register”
4. Indicate your vote for or against in accordance with the on-screen instructions.

“Smart Exercise” by reading the QR Code with a smartphone

You can login to the Voting Rights Exercise Website without entering a Voting Rights Exercise Code or password.

1. Please read the QR Code provided on the bottom right of the Voting Rights Exercise Form.
* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
2. Indicate your vote for or against in accordance with the on-screen instructions.

Voting rights may be exercised via “Smart Exercise” only once.

If changing your vote after you have exercised your voting rights, please access the Voting Rights Exercise Website, login with the “Voting Rights Exercise Code” and “Password” indicated on the Voting Rights Exercise Form and exercise your voting rights again.

Please contact the support desk below for any questions regarding the operation of a personal computer or smartphone for the exercise of voting rights via the Internet.

Dedicated line, Securities Agency Web Support, Sumitomo Mitsui Trust Bank
Phone number: 0120-652-031 (Toll free within Japan)
(Hours of operation: 9:00 a.m. to 9:00 p.m.)

- If voting rights are exercised multiple times, the last one to arrive at the Company will be deemed as the valid vote.
Additionally, if voting rights are exercised via the Internet, etc. and voting rights exercised in writing arrive on the same day, the voting rights exercised via the Internet, etc. will be deemed as the valid vote.
- If voting rights are exercised multiple times via the Internet, etc., or if voting rights are exercised in duplicate via personal computer and smartphone, the last vote to be exercised will be deemed as the valid vote.

To institutional investors:

Institutional investors may use the “Electronic Voting System Platform” operated by ICJ, Inc. as a method of exercising voting rights.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Election of 8 Directors (excluding Directors who are Members of the Audit & Supervisory Committee)


The terms of office of all 8 Directors (excluding Directors who are Members of the Audit & Supervisory Committee) will expire at the conclusion of this Ordinary General Meeting of Shareholders.

As a result, the Company proposes the election of the following 8 persons as Directors (excluding Directors who are Members of the Audit & Supervisory Committee).


The candidates for Directors (excluding Directors who are Members of the Audit & Supervisory Committee) are as follows.

Candidate No.		Name		Current position at the Company
1	Reelection	Yohei Ogawa		Representative Director, President & CEO
2	Reelection	Shinya Nonoshita		Managing Executive Director
3	Reelection	Makoto Hirano		Director
4	Reelection	Kazumasa Ogawa		Director
5	Reelection	Chiaki Ito	Outside Independent	Outside Director
6	Reelection	Takaharu Ando	Outside Independent	Outside Director
7	Reelection	Shoei Yamana	Outside Independent	Outside Director
8	Reelection	Reiko Nagatsuma	Outside Independent	Outside Director

<p>Candidate No. 1</p>  <p>Reelection Yohei Ogawa Born: August 30, 1979</p> <ul style="list-style-type: none"> ▪ Term of office as Director: 9 years (at the conclusion of this General Meeting of Shareholders) ▪ Number of the Company's shares held: 500,000 shares of common stock 	<ul style="list-style-type: none"> • Past experience, positions, and responsibilities <table border="0"> <tr> <td style="vertical-align: top;">April 2004</td> <td>Joined Ministry of Finance</td> </tr> <tr> <td style="vertical-align: top;">June 2016</td> <td>Joined the Company; General Manager, Business Management Strategy Office</td> </tr> <tr> <td style="vertical-align: top;">June 2017</td> <td>Executive Officer and Senior General Manager, Group Business Management Strategy Division, the Company Director and Senior General Manager, Group Business Management Strategy Division, the Company</td> </tr> <tr> <td style="vertical-align: top;">November 2018</td> <td>Director and Senior General Manager, Group Business Management Strategy Division, the Company</td> </tr> <tr> <td style="vertical-align: top;">September 2020</td> <td>Chairman of the Board, Advanced Fresh Concepts Corp. Director, in charge of Global Business, and Senior General Manager, Global Sushi Business Division, the Company</td> </tr> <tr> <td style="vertical-align: top;">October 2020</td> <td>Director and Senior General Manager, Business Management Strategy Division, the Company</td> </tr> <tr> <td style="vertical-align: top;">April 2021</td> <td>Director and Senior General Manager, Global Operations Division, the Company</td> </tr> <tr> <td style="vertical-align: top;">June 2021</td> <td>Managing Executive Director, Senior General Manager, Business Management Strategy Division, Senior General Manager, Global Operations Division, the Company</td> </tr> <tr> <td style="vertical-align: top;">June 2023</td> <td>Managing Executive Director, Senior General Manager, Business Management Strategy Division, Senior General Manager, Global Operations Division, the Company Chairman, Zensho China Holdings Co., Ltd. (current position)</td> </tr> <tr> <td style="vertical-align: top;">October 2023</td> <td>Managing Executive Director, Senior General Manager, Business Management Strategy Division, in charge of Global Operations Division, the Company</td> </tr> <tr> <td style="vertical-align: top;">November 2023</td> <td>Managing Executive Director, Senior General Manager, Business Management Strategy Division, in charge of Global Operations Division, in charge of Global Sushi PMI Office, the Company</td> </tr> <tr> <td style="vertical-align: top;">August 2024</td> <td>Managing Executive Director, Senior General Manager, Business Management Strategy Division, in charge of TGS Business Promotion Department (current position), the Company</td> </tr> <tr> <td style="vertical-align: top;">February 2025</td> <td>Director, Deputy President, Senior General Manager, Business Management Strategy Division, the Company</td> </tr> <tr> <td style="vertical-align: top;">June 2025</td> <td>Representative Director, President & CEO (current position), the Company</td> </tr> </table> <ul style="list-style-type: none"> • Significant concurrent positions Chairman, Zensho China Holdings Co., Ltd. • Reasons for selection as a candidate for Director Based on his advanced insight and wealth of experience gained at the Ministry of Finance, he is overseeing the overall Global Business and is demonstrating his abilities to promote the business integration of overseas sushi takeout companies. Currently, as the President, he is leading the formulation of management strategies, technology strategies, and rebranding in view of the entire Group's future expansion, while working toward becoming the "top food service company in the world." He has been selected as a candidate for Director to enable him to support management into the future as the Company's chief executive. 	April 2004	Joined Ministry of Finance	June 2016	Joined the Company; General Manager, Business Management Strategy Office	June 2017	Executive Officer and Senior General Manager, Group Business Management Strategy Division, the Company Director and Senior General Manager, Group Business Management Strategy Division, the Company	November 2018	Director and Senior General Manager, Group Business Management Strategy Division, the Company	September 2020	Chairman of the Board, Advanced Fresh Concepts Corp. Director, in charge of Global Business, and Senior General Manager, Global Sushi Business Division, the Company	October 2020	Director and Senior General Manager, Business Management Strategy Division, the Company	April 2021	Director and Senior General Manager, Global Operations Division, the Company	June 2021	Managing Executive Director, Senior General Manager, Business Management Strategy Division, Senior General Manager, Global Operations Division, the Company	June 2023	Managing Executive Director, Senior General Manager, Business Management Strategy Division, Senior General Manager, Global Operations Division, the Company Chairman, Zensho China Holdings Co., Ltd. (current position)	October 2023	Managing Executive Director, Senior General Manager, Business Management Strategy Division, in charge of Global Operations Division, the Company	November 2023	Managing Executive Director, Senior General Manager, Business Management Strategy Division, in charge of Global Operations Division, in charge of Global Sushi PMI Office, the Company	August 2024	Managing Executive Director, Senior General Manager, Business Management Strategy Division, in charge of TGS Business Promotion Department (current position), the Company	February 2025	Director, Deputy President, Senior General Manager, Business Management Strategy Division, the Company	June 2025	Representative Director, President & CEO (current position), the Company
April 2004	Joined Ministry of Finance																												
June 2016	Joined the Company; General Manager, Business Management Strategy Office																												
June 2017	Executive Officer and Senior General Manager, Group Business Management Strategy Division, the Company Director and Senior General Manager, Group Business Management Strategy Division, the Company																												
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February 2025	Director, Deputy President, Senior General Manager, Business Management Strategy Division, the Company																												
June 2025	Representative Director, President & CEO (current position), the Company																												

<p>Candidate No. 2</p>  <p>Reelection Shinya Nonoshita Born: May 2, 1954</p> <ul style="list-style-type: none"> ▪ Term of office as Director: 7 years (at the conclusion of this General Meeting of Shareholders) ▪ Number of the Company's shares held: 18,469 shares of common stock 	<ul style="list-style-type: none"> • Past experience, positions, and responsibilities <p>April 1979 Joined IBM Japan, Ltd. January 2005 Manager of eServer iSeries April 2007 Joined the Company; Executive Officer and Senior General Manager, Group IT Division November 2018 Executive Officer and Senior General Manager, Group IT & Engineering Division, the Company June 2019 Director and Senior General Manager, Group IT & Engineering Division, the Company June 2021 Director and Senior General Manager, Group IT Division, the Company June 2022 Managing Executive Director and Senior General Manager, Group IT Division, the Company (current position)</p> <ul style="list-style-type: none"> • Reasons for selection as a candidate for Director <p>He has a wealth of knowledge and experience regarding information technology (IT), and after joining the Company, he has worked to consistently strengthen the Group's IT sector based on this knowledge.</p> <p>The Company has determined that he will continue to work toward creating further synergies between IT, AI, and technology and contribute to business transformation and growth through DX and has thus selected him as a candidate for Director.</p>
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<p>Candidate No. 3</p>  <p>Reelection Makoto Hirano Born: December 2, 1958</p> <ul style="list-style-type: none"> ▪ Term of office as Director: 22 years (at the conclusion of this General Meeting of Shareholders) ▪ Number of the Company's shares held: 19,300 shares of common stock 	<ul style="list-style-type: none"> • Past experience, positions, and responsibilities <p>April 1982 Joined Nestlé Japan Ltd. April 2001 Representative Director and President, Nestlé Purina PetCare Ltd. April 2004 Joined the Company June 2004 Director, the Company November 2005 Director and General Manager, Food Safety Pursuing Department, the Company October 2010 Director and Senior General Manager, Group Corporate Communications Division, the Company July 2013 Director and Senior General Manager, Food Safety Pursuing Division, the Company April 2018 Representative Director and President, GFF Co., Ltd. April 2018 Director, the Company April 2018 Representative Director and President, Zensho Factory Holdings Co., Ltd. February 2019 Director and Senior General Manager, Group Food Safety Assurance Division, the Company October 2023 Director and Senior General Manager, Group Food Safety Standards Division, the Company September 2025 Director and Executive Advisor, Group Food Safety Advancement Division, the Company (current position) Executive Advisor, Zensho Factory Holdings Co., Ltd. (current position)</p> <ul style="list-style-type: none"> • Reasons for selection as a candidate for Director <p>He has a wide range of experience and insight in operations concerning the Company's overall food safety management and has been advancing operations based on this experience and insight as an Executive Advisor to the Company's division supervising food safety and a food manufacturing company responsible for food safety.</p> <p>The Company has determined that he can continue to contribute to strengthening the Company's structures in safety management for foods, and has thus selected him as a candidate for Director.</p>
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<p>Candidate No. 4</p>  <p>Reelection Kazumasa Ogawa Born: April 17, 1977</p> <ul style="list-style-type: none"> ▪ Term of office as Director: 17 years (at the conclusion of this General Meeting of Shareholders) ▪ Number of the Company's shares held: 500,000 shares of common stock 	<ul style="list-style-type: none"> • Past experience, positions, and responsibilities <table border="0"> <tr> <td style="padding-right: 10px;">April 2001</td> <td>Joined Nissho Electronics Corporation</td> </tr> <tr> <td>May 2006</td> <td>Joined the Company; Manager, Subsidiary Administration Office</td> </tr> <tr> <td>June 2009</td> <td>Director, the Company</td> </tr> <tr> <td>January 2013</td> <td>Director and Senior General Manager, Global Operations Division, the Company</td> </tr> <tr> <td>June 2014</td> <td>Managing Executive Director and Senior General Manager, Global Operations Division, the Company</td> </tr> <tr> <td>July 2018</td> <td>Managing Executive Director and Senior General Manager, Group Merchandising Division, the Company</td> </tr> <tr> <td>May 2019</td> <td>Managing Executive Director, the Company Representative Director and President, Sukiya Co., Ltd.</td> </tr> <tr> <td>June 2020</td> <td>Director and Deputy President, the Company Representative Director and President, Sukiya Co., Ltd.</td> </tr> <tr> <td>April 2021</td> <td>Director and Deputy President, the Company Representative Director and President, Nihon Retail Holdings Co., Ltd. Representative Director and President, Joy Mart Co., Ltd.</td> </tr> <tr> <td>October 2022</td> <td>Director, Deputy President and President of Zensho Japanese Culture Center, the Company (current position)</td> </tr> <tr> <td>June 2023</td> <td>Director, the Company (current position)</td> </tr> </table> <ul style="list-style-type: none"> • Reasons for selection as a candidate for Director <p>Since joining the Company in 2006, he has strongly promoted global store expansion, and has contributed to the development of the overseas business. Subsequently, he has contributed to improving business results as the person responsible for the Company's mainstay Sukiya business and retail business while working to further improve brand recognition as the executive responsible for design. He is currently working to preserve and develop Japanese culture both in Japan and overseas as President of Zensho Japanese Culture Center based on this experience and insight.</p> <p>Based on his wealth of experience and insight into the Group, the Company has determined that he can contribute to the development of the Group's business into the future and has thus selected him as a candidate for Director.</p>	April 2001	Joined Nissho Electronics Corporation	May 2006	Joined the Company; Manager, Subsidiary Administration Office	June 2009	Director, the Company	January 2013	Director and Senior General Manager, Global Operations Division, the Company	June 2014	Managing Executive Director and Senior General Manager, Global Operations Division, the Company	July 2018	Managing Executive Director and Senior General Manager, Group Merchandising Division, the Company	May 2019	Managing Executive Director, the Company Representative Director and President, Sukiya Co., Ltd.	June 2020	Director and Deputy President, the Company Representative Director and President, Sukiya Co., Ltd.	April 2021	Director and Deputy President, the Company Representative Director and President, Nihon Retail Holdings Co., Ltd. Representative Director and President, Joy Mart Co., Ltd.	October 2022	Director, Deputy President and President of Zensho Japanese Culture Center, the Company (current position)	June 2023	Director, the Company (current position)
April 2001	Joined Nissho Electronics Corporation																						
May 2006	Joined the Company; Manager, Subsidiary Administration Office																						
June 2009	Director, the Company																						
January 2013	Director and Senior General Manager, Global Operations Division, the Company																						
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June 2020	Director and Deputy President, the Company Representative Director and President, Sukiya Co., Ltd.																						
April 2021	Director and Deputy President, the Company Representative Director and President, Nihon Retail Holdings Co., Ltd. Representative Director and President, Joy Mart Co., Ltd.																						
October 2022	Director, Deputy President and President of Zensho Japanese Culture Center, the Company (current position)																						
June 2023	Director, the Company (current position)																						

Candidate No. 5



Reelection
Outside
Independent

Chiaki Ito

Born: October 10, 1947

- **Term of office as Outside Director:** 11 years (at the conclusion of this General Meeting of Shareholders)
- **Number of the Company's shares held:** 0 shares

- **Past experience, positions, and responsibilities**

- April 1970 Joined Fujitsu Limited
- June 2002 Corporate Vice President and Group President, Personal Systems Business Group
- June 2004 Member of the Board, Corporate Executive Vice President, and responsible for Products Division
- June 2006 Corporate Senior Executive Vice President and Representative Director
- June 2008 Member of the Board and Vice Chairman
- April 2010 Representative Director and Chairman, Fujitsu Research Institute
- June 2013 Outside Director, Hitachi Zosen Corporation
- June 2015 Outside Director, the Company (current position)
Outside Director, OBIC Business Consultants Co., Ltd. (scheduled to retire in June 2026)

- **Reasons for selection as a candidate for Outside Director and expected roles**

In addition to a wealth of technological knowledge and experience in the information telecommunications technology sector at Fujitsu Limited, he also has a wealth of experience and wide insight as a corporate manager. While the Company expects him to provide advice based on such insight, he has not only provided appropriate opinions and advice at meetings of the Board of Directors, but has also offered useful advice on business transformation and growth through DX, such as providing the Company with the latest information in the field of IT and DX. Thus, the Company has selected him as a candidate for Outside Director.

The Company expects that he will continue to contribute to enriching and strengthening areas such as corporate governance and technological innovation while providing supervision and oversight of the Company's management from an independent standpoint for the improvement of corporate value over the medium to long term.

Candidate No. 6



Reelection
Outside
Independent

Takaharu Ando

Born: August 31, 1949

- **Term of office as Outside Director:** 9 years (at the conclusion of this General Meeting of Shareholders)
- **Number of the Company's shares held:** 0 shares

• **Past experience, positions, and responsibilities**

- April 1972 Joined National Police Agency
- August 1999 General Manager, Public Security Bureau, Tokyo Metropolitan Police Department
- August 2004 Commissioner, General's Secretariat, National Police Agency
- June 2009 Commissioner General
- May 2013 Outside Director, Nitori Holdings Co., Ltd.
- June 2016 Director (External), Amuse Inc. (current position)
- June 2017 Outside Director, the Company (current position)
- June 2018 Outside Director, Tobu Railway Co., Ltd. (scheduled to retire in June 2026)
- May 2020 Outside Director (Audit & Supervisory Committee Member), Nitori Holdings Co., Ltd.
- June 2022 Outside Director (Member of the Audit & Supervisory Committee), Nisshin Seifun Group Inc. (current position)
- March 2023 Outside Director, Rakuten Group, Inc. (current position)

• **Significant concurrent positions**


Outside Director, Amuse Inc.; Outside Director (Member of the Audit & Supervisory Committee), Nisshin Seifun Group Inc.; Outside Director, Rakuten Group, Inc.

• **Reasons for selection as a candidate for Outside Director and expected roles**

He has served in important positions such as Commissioner General of the National Policy Agency and has a wealth of experience and wide insights. Although he has not been involved in corporate management other than as an outside officer, while the Company expects him to provide advice based on his professional experience and knowledge, he has expressed his opinions appropriately as a member of the Nomination and Compensation Committee and provided useful advice on management. Thus, the Company has selected him as a candidate for Outside Director.

The Company expects that he will continue contributing to enriching and enhancing corporate governance, compliance, and risk management while providing supervision and oversight of the Company's management from an independent standpoint as a member of the Nomination and Compensation Committee for the improvement of corporate value over the medium to long term.

<p>Candidate No. 7</p>  <p>Reelection Outside Independent Shohei Yamana Born: November 18, 1954</p> <ul style="list-style-type: none"> ▪ Term of office as Outside Director: 3 years (at the conclusion of this General Meeting of Shareholders) ▪ Number of the Company's shares held: 0 shares 	<ul style="list-style-type: none"> • Past experience, positions, and responsibilities <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%; vertical-align: top;">April 1977</td> <td>Joined Minolta Camera Co., Ltd.</td> </tr> <tr> <td style="vertical-align: top;">July 2002</td> <td>Executive Officer and General Manager of Management Planning Div., Minolta Co., Ltd.</td> </tr> <tr> <td style="vertical-align: top;">August 2003</td> <td>Senior Executive Officer, Konica Minolta Holdings, Inc. (currently Konica Minolta, Inc.)</td> </tr> <tr> <td style="vertical-align: top;">June 2006</td> <td>Director and Senior Executive Officer, Konica Minolta Holdings, Inc. (currently Konica Minolta, Inc.)</td> </tr> <tr> <td style="vertical-align: top;">April 2013</td> <td>Director and Senior Managing Executive Officer, Konica Minolta, Inc.</td> </tr> <tr> <td style="vertical-align: top;">April 2014</td> <td>Director, President and CEO, and Representative Executive Officer, Konica Minolta, Inc.</td> </tr> <tr> <td style="vertical-align: top;">April 2022</td> <td>Director, Executive Chairman and Executive Officer, Konica Minolta, Inc.</td> </tr> <tr> <td style="vertical-align: top;">June 2022</td> <td>Outside Director, TDK Corporation (current position)</td> </tr> <tr> <td style="vertical-align: top;">June 2023</td> <td>Outside Director, the Company (current position)</td> </tr> <tr> <td style="vertical-align: top;">June 2024</td> <td>Outside Director, JAPAN POST INSURANCE Co., Ltd. (current position)</td> </tr> <tr> <td></td> <td>Outside Director, SCSK Corporation</td> </tr> </table> <ul style="list-style-type: none"> • Significant concurrent positions Outside Director, TDK Corporation; Outside Director, JAPAN POST INSURANCE Co., Ltd. • Reasons for selection as a candidate for Outside Director and expected roles Having served as a representative of Konica Minolta, Inc., he has a wealth of experience and wide insight as a corporate manager at a company that has expanded its business globally. The Company expects him to make use of this experience and insight to offer advice and suggestions in order to oversee the Company's management in general and ensure the legality and appropriateness of decision-making by the Board of Directors. Thus, the Company has selected him as a candidate for Outside Director. The Company expects that he will contribute to strengthening the world-wide management structure while providing supervision and oversight of the Company's management from an independent standpoint for the improvement of corporate value over the medium to long term. 	April 1977	Joined Minolta Camera Co., Ltd.	July 2002	Executive Officer and General Manager of Management Planning Div., Minolta Co., Ltd.	August 2003	Senior Executive Officer, Konica Minolta Holdings, Inc. (currently Konica Minolta, Inc.)	June 2006	Director and Senior Executive Officer, Konica Minolta Holdings, Inc. (currently Konica Minolta, Inc.)	April 2013	Director and Senior Managing Executive Officer, Konica Minolta, Inc.	April 2014	Director, President and CEO, and Representative Executive Officer, Konica Minolta, Inc.	April 2022	Director, Executive Chairman and Executive Officer, Konica Minolta, Inc.	June 2022	Outside Director, TDK Corporation (current position)	June 2023	Outside Director, the Company (current position)	June 2024	Outside Director, JAPAN POST INSURANCE Co., Ltd. (current position)		Outside Director, SCSK Corporation
April 1977	Joined Minolta Camera Co., Ltd.																						
July 2002	Executive Officer and General Manager of Management Planning Div., Minolta Co., Ltd.																						
August 2003	Senior Executive Officer, Konica Minolta Holdings, Inc. (currently Konica Minolta, Inc.)																						
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June 2022	Outside Director, TDK Corporation (current position)																						
June 2023	Outside Director, the Company (current position)																						
June 2024	Outside Director, JAPAN POST INSURANCE Co., Ltd. (current position)																						
	Outside Director, SCSK Corporation																						

<p>Candidate No. 8</p>  <p>Reelection Outside Independent</p> <p>Reiko Nagatsuma Born: October 16, 1974</p> <ul style="list-style-type: none"> ▪ Term of office as Outside Director: 3 years (at the conclusion of this General Meeting of Shareholders) ▪ Number of the Company's shares held: 0 shares 	<ul style="list-style-type: none"> • Past experience, positions, and responsibilities <p>April 1998 Joined Kokusai Denshin Denwa Co., Ltd. (currently KDDI Corporation)</p> <p>April 2001 Joined Tokyo FM Broadcasting Co., Ltd.</p> <p>July 2003 Joined Microsoft Japan Company, Limited</p> <p>April 2009 Joined Amazon Japan G.K.</p> <p>March 2018 General Manager, Seller Service Business Division, Amazon Japan G.K.</p> <p>November 2021 Managing Director, Twitter Japan (currently X Corp. Japan K.K.)</p> <p>March 2023 External Director, Medley, Inc.</p> <p>June 2023 Outside Director, the Company (current position)</p> <ul style="list-style-type: none"> • Reasons for selection as a candidate for Outside Director and expected roles <p>Having served at global IT corporations for many years, she has worked towards furthering networking and digital services and possesses advanced insight into the fields of IT and DX. In addition, she has experience as a corporate manager from her participation in management as Managing Director of Twitter Japan (currently X Corp. Japan K.K.). The Company has determined that she will make use of this experience and insight to offer useful advice on business transformation and the expansion of business areas for the Group companies, and has thus selected her as a candidate for Outside Director.</p> <p>The Company expects that she will contribute to enriching and strengthening technological innovation while providing supervision and oversight of the Company's management from an independent standpoint for the improvement of corporate value over the medium to long term.</p>
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- (Notes) 1. Mr. Chiaki Ito, Mr. Takaharu Ando, Mr. Shoei Yamana, and Ms. Reiko Nagatsuma are candidates for Outside Directors.
2. Based on the stipulations of Article 427, Paragraph 1 of the Companies Act, the Company has concluded agreements to limit liabilities for damages of Article 423, Paragraph 1 of the same Act with Mr. Chiaki Ito, Mr. Takaharu Ando, Mr. Shoei Yamana, and Ms. Reiko Nagatsuma. The limit of liabilities for damages under said agreements are 10 million yen or the amount stipulated by laws and regulations, whichever is greater. If Mr. Chiaki Ito, Mr. Takaharu Ando, Mr. Shoei Yamana, and Ms. Reiko Nagatsuma are reelected, the Company plans to continue the agreements with each person.
3. The Company has concluded a directors and officers liability insurance (D&O Insurance) contract stipulated in Article 430-3, Paragraph 1 of the Companies Act that provides coverage for all Directors, and the insurance covers any damages that may result from the Directors and Officers being liable for the performance of their duties or being subject to a claim for the pursuit of such liability. Each candidate will be included in the coverage for said contract. The contract is scheduled to be renewed with the same content upon the next renewal.
4. Matters concerning candidates for Outside Directors are as follows.
- (1) The Company has designated Mr. Chiaki Ito, Mr. Takaharu Ando, Mr. Shoei Yamana, and Ms. Reiko Nagatsuma as Independent Officers based on the stipulations of the Tokyo Stock Exchange. If their reelections are approved, the Company plans to designate them as Independent Officers.
- (2) Concerning responses to inappropriate business execution at other companies within the past five years
- It was discovered that, at JAPAN POST INSURANCE Co., Ltd., where Mr. Shoei Yamana has served as an Outside Director since June 2024, non-public financial information was used by post offices to invite customers to visit branches for the purpose of soliciting its insurance products without obtaining prior consent from such customers.
- In addition, during the investigation of this matter, it was also discovered that solicitation activities had been conducted before obtaining authorization required under the Insurance Business Act. In response to these matters, the Japan Post Group, including the said company, has been working to formulate and implement measures to prevent recurrence, and continues to report on the status of such measures and related initiatives in accordance with requests for reports from the Financial Services Agency.

Mr. Shoei Yamana has regularly expressed opinions at Board of Directors meetings and other occasions from the perspective of ensuring thorough compliance awareness. Following the discovery of these matters, he has also fulfilled his responsibilities by making recommendations regarding necessary responses and recurrence prevention measures from the viewpoints of legal compliance and customer protection.

Opinion of the Audit & Supervisory Committee

An overview of the opinion of the Audit & Supervisory Committee regarding the selection and compensation, etc., of Directors is as follows.

Deliberations have been made in the Nomination and Compensation Committee, comprised of a majority of Outside Directors, on whether or not each candidate is appropriate to serve as Director based on factors such as knowledge, experience, and abilities, and one Outside Audit & Supervisory Committee Member participates in the deliberations as a member of the Nomination and Compensation Committee. Upon consideration by the Audit & Supervisory Committee of the results of the content of deliberation in the Nomination and Compensation Committee, it has been determined that nomination procedures were conducted appropriately, and each candidate is suited to serve as Director of the Company. Additionally, upon by the Audit & Supervisory Committee of the results of the content of deliberation concerning compensation, etc., of Directors (excluding Directors who are Members of the Audit & Supervisory Committee) in the Nomination and Compensation Committee, it has been determined that determination procedures were conducted appropriately, and the content of compensation, etc., is appropriate as the amounts of compensation, etc., correspond to the duties, responsibilities, and results of each Director (excluding Directors who are Members of the Audit & Supervisory Committee).

[Reference] Specialties and experience for each candidate in Proposals No. 1 (Skill matrix)

Corporate management	Having experience as a representative director of the Company or a company outside the Group. Having the ability to strongly promote the sustainable growth and development of the Company's business.
Marketing and store development	Knowledgeable in marketing and store development and has extensive experience in these areas. Having the ability to formulate strategies by understanding the business environment and consumer preferences accurately.
Manufacturing and quality management	Knowledgeable in manufacturing and quality management and has extensive experience in these areas. Having the ability to pursue and secure solid safety, security, and quality.
IT and technology	Knowledgeable in IT and technology and has extensive experience in these areas. Having the ability to promote technological innovation and DX to build a stable foundation for business.
Accounting and finance	Knowledgeable in finance and accounting and has extensive experience in these areas. Having the ability to ensure the stability and improvement of the revenue basis and financial soundness.
Personnel, labor, and human resource development	Knowledgeable in personnel, labor management, etc., and has extensive experience in these areas. Having the ability to assess the potential of employees and manage a diverse workforce.
Legal, compliance, and risk management	Knowledgeable in legal issues, compliance, etc., and has extensive experience in these areas. Having the ability to ensure compliance with laws and regulations and promote loss cost reduction.
Global	Having overseas experience and can manage from a global perspective.

* Based on the above framework, up to three main skills that each candidate possesses are marked with an "X."

	Independent	Name	Specialties and experience (Skill matrix)								
			Corporate management	Marketing and store development	Manufacturing and quality management	IT and technology	Accounting and finance	Personnel, labor, and human resource development	Legal, compliance, and risk management	Global	
Director		Yohei Ogawa		X				X			X
		Shinya Nonoshita					X			X	
		Makoto Hirano	X		X						X
		Kazumasa Ogawa		X							X
	X	Chiaki Ito	X				X				X
	X	Takaharu Ando							X	X	X
	X	Shoei Yamana	X	X							X
	X	Reiko Nagatsuma	X	X			X				

Proposal No. 2 Election of Accounting Auditor

As PricewaterhouseCoopers Japan LLC, the Company's Accounting Auditor, will retire upon the conclusion of this General Meeting of Shareholders, the Company hereby requests approval for the appointment of Ernst & Young ShinNihon LLC as a new Accounting Auditor.

The Audit & Supervisory Committee has nominated Ernst & Young ShinNihon LLC as a candidate for Accounting Auditor after comprehensive consideration of factors including the firm's professional expertise, independence, quality control system, and the appropriateness of its audit fees, as well as the management environment of the Group, and has determined that the firm is suitable to serve as the Company's Accounting Auditor.

The principal office, history, and other information regarding Ernst & Young ShinNihon LLC are as follows.

Name	Ernst & Young ShinNihon LLC	
Location of Principal Office	Hibiya Mitsui Tower, Tokyo Midtown Hibiya 1-1-2 Yurakucho, Chiyoda-ku, Tokyo, Japan	
History	April 2000	Showa Ota & Co. and Century Audit Corporation merged to establish Century Ota Showa & Co.
	July 2001	Changed its name to ShinNihon & Co.
	July 2008	Changed its name to ShinNihon LLC
	July 2018	Changed its name to Ernst & Young ShinNihon LLC
Overview	Established	April 1, 2000
	Capital	1,221 million yen
Personnel Composition (As of June 30, 2025)		Certified Public Accountants: 3,061
		Partly-qualified accountants: 1,396
		Others: 2,060
		Total: 6,517

Business Report (April 1, 2025, to March 31, 2026)

1. State of the Corporate Group

(1) Status of business for the fiscal year under review

1) Progress and results of business

In the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026), consolidated business performance was net sales of 1,264,053 million yen (up 11.2% year-on-year), operating profit of 81,440 million yen (up 8.4% year-on-year), ordinary profit of 78,257 million yen (up 8.9% year-on-year), and profit attributable to owners of parent of 45,812 million yen (up 16.6% year-on-year).

The business environment surrounding the Group remained uncertain due to geopolitical risks, including heightened tensions in the Middle East, as well as developments in U.S. trade policy and fluctuations in foreign exchange rates and financial markets. In the domestic economy, while improvements were observed in the employment and income environment, consumer sentiment remained weak amid persistent inflation. Under these circumstances, rising cost burdens stemming from higher prices of raw materials, including soaring rice prices as well as imported beef and seafood, adversely affected business operations.

Under these circumstances, year-on-year comparisons of the same restaurant and store sales in each reporting segment were: 104.3% in Global Sukiya, 115.5% in Global Hamasushi, 109.2% in Global Fast Food, 109.8% in Restaurants, and 103.1% in Retail.

As of the end of the fiscal year ended March 31, 2026, the number of restaurants and stores was 14,947 (including 8,235 franchises).

Net sales 1,264,053 million yen Up 11.2 % year on year	Operating profit 81,440 million yen Up 8.4 % year on year
Ordinary profit 78,257 million yen Up 8.9 % year on year	Profit attributable to owners of parent 45,812 million yen Up 16.6 % year on year

An overview by segment is as stated on pages 16 to 24.

Overview by segment

Sales composition by segment

Other

35,638 million yen

(Group sales share: 2.8%)

■ Key brands:



Corporate and Support

10,709 million yen

(Group sales share: 0.8%)

■ Key brands:



Retail

76,977 million yen

(Group sales share: 6.1%)

■ Key brands:



Restaurants

171,281 million yen

(Group sales share: 13.6%)

■ Key brands:



■ Key brands:



Global Sukiya

314,454 million yen

(Group sales share: 24.9%)



Global Hamasushi

320,277 million yen

(Group sales share: 25.3%)



Global Prepared Food

221,895 million yen

(Group sales share: 17.6%)

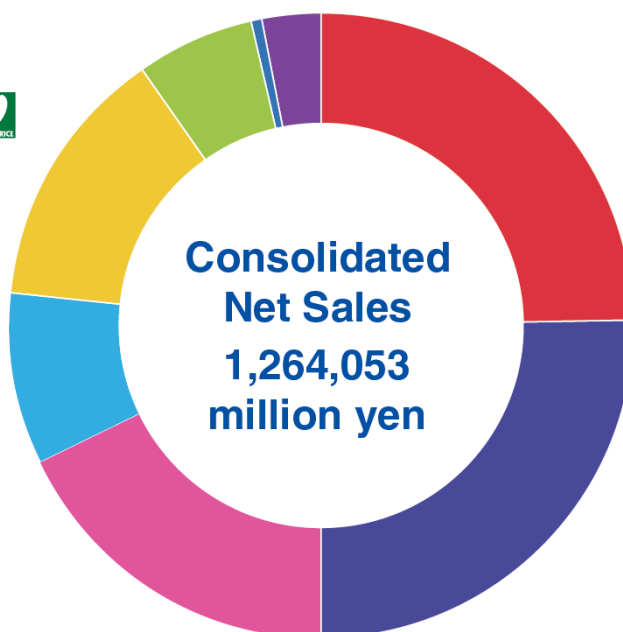
■ Key brands:



Global Fast Food

112,818 million yen

(Group sales share: 8.9%)

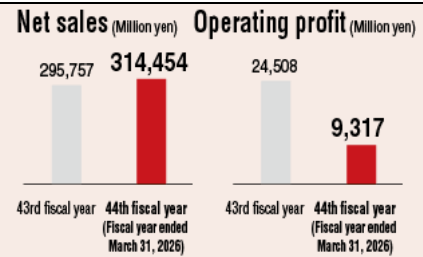


The figure above shows the logos of significant subsidiaries and businesses of the Group.

Global Sukiya

Net sales: **314,454 million yen**
(up 6.3% year on year)

Operating profit: **9,317 million yen**
(down 62.0% year on year)



Net sales of Global Sukiya during the fiscal year ended March 31, 2026, were 314,454 million yen (up 6.3% year-on-year) with operating profit of 9,317 million yen (down 62.0% year-on-year).

“Sukiya” has locations in Japan, China, Southeast Asia, and Central and South America, providing its mainstay Gyudon to families and groups with safety, good flavor, and reasonable pricing. With regard to health and safety measures in response to incidents of contamination with foreign objects or substances that occurred at some domestic Sukiya restaurants in the previous fiscal year, the Group is continuing efforts to strengthen cleaning and systematic renovating for aging restaurants.

At domestic “Sukiya,” amid an economic environment characterized by ongoing increases in raw material and energy costs, the Group implemented a price reduction for Gyudon to allow a wider range of customers to enjoy the product at more affordable prices. In addition, the Group provided “Neapolitan Style Gyudon,” “Stewed Hamburger Curry Rice,” “Gyudon with Mekabu Seaweed & Okra,” “Butter Chicken Sauce Curry Rice,” “Sukiyaki Style Gyudon with Raw Egg,” “Roast Beef Bowl,” and “Beef Stock & Pork Curry Rice w/ Char-Grilled Tender Chicken Leg,” among others.

The number of restaurants in this reporting segment as of the end of the fiscal year ended March 31, 2026, was 2,650 (2,000 domestic, 650 overseas), the result of 112 restaurant openings and 83 closures.



Sukiya, Hodogaya

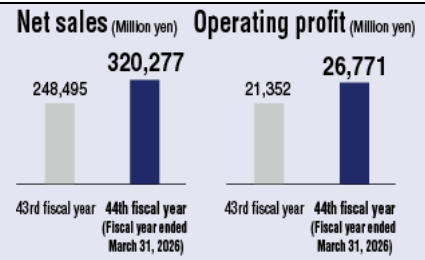


Sukiya, Promenade, Thailand

Global Hamasushi

Net sales: **320,277 million yen**
(up 28.9% year on year)

Operating profit: **26,771 million yen**
(up 25.4% year on year)



Net sales of Global Hamasushi during the fiscal year ended March 31, 2026, were 320,277 million yen (up 28.9% year-on-year) with operating profit of 26,771 million yen (up 25.4% year-on-year).

Hamasushi has locations mainly in Japan and China, providing menu items such as sushi, prepared with fresh seafood, alongside side menu items including noodles, desserts, and drinks. These foods are enjoyed by everyone, from children to adults.

The number of restaurants in this reporting segment as of the end of the fiscal year ended March 31, 2026, was 862 (664 domestic, 198 overseas), the result of 132 restaurant openings and 5 closures.



Hama-sushi, Totsuka Hirado

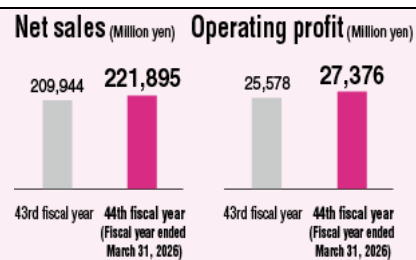


Hama-sushi, Central Bailian Shopping Center (China)

Global Prepared Food

Net sales: **221,895 million yen**
(up 5.7% year on year)

Operating profit: **27,376 million yen**
(up 7.0% year on year)



Net sales of Global Prepared Food during the fiscal year ended March 31, 2026, were 221,895 million yen (up 5.7% year-on-year) with operating profit of 27,376 million yen (up 7.0% year-on-year).

As main brands, “AFC (ZENSHI),” “SNOWFOX,” “YO!,” “Bento” and “Sushi Circle” provide sushi and other takeout foods mainly in North America and Europe.

In this reporting segment, we implemented strategic store openings and closures aimed at optimizing the store portfolio based on factors such as profitability and location.

The number of stores in this reporting segment as of the end of the fiscal year ended March 31, 2026, was 8,970 (including 8,102 franchises), the result of 761 store openings and 1,306 closures.



AFC's Brand “ZENSHI” (USA)

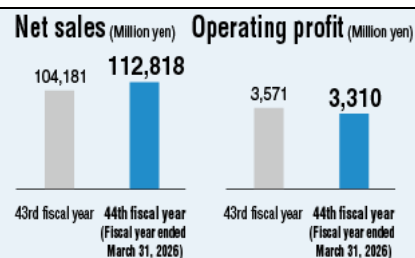


“YO!” (UK)

Global Fast Food

Net sales: **112,818 million yen**
(up 8.3% year on year)

Operating profit: **3,310 million yen**
(down 7.3% year on year)



Net sales of Global Fast Food during the fiscal year ended March 31, 2026, were 112,818 million yen (up 8.3% year-on-year) with operating profit of 3,310 million yen (down 7.3% year-on-year).

“Nakau,” a Japanese fast food chain, provides a wide variety of foods at affordable prices, mainly with oyakodon rice bowl dishes and Kyoto style udon noodles. This reporting segment also includes “Zetteria,” a hamburger restaurant chain, “Katsuan,” a tonkatsu specialty restaurant, “Kyubeiya,” which serves Musashino style udon noodles and “The Chicken Rice Shop,” a halal certified chicken rice specialty restaurant.

In this reporting segment, we are promoting a review of the business format mix and improving operational efficiency in light of the characteristics and growth potential of each business format. As part of these initiatives, we are proceeding with the conversion of hamburger chain stores to “Zetteria” and implemented the closure of all “Setoudon,” Sanuki udon noodle specialty restaurants, as well as all “Moriba Coffee” café chain stores.

The number of restaurants and stores in this reporting segment as of the end of the fiscal year ended March 31, 2026, was 1,145 (880 domestic, 265 overseas; including 57 franchises), the result of 31 restaurant and store openings and 103 closures.



久兵衛屋

江丸



Nakau, Mutsukawa, Yokohama

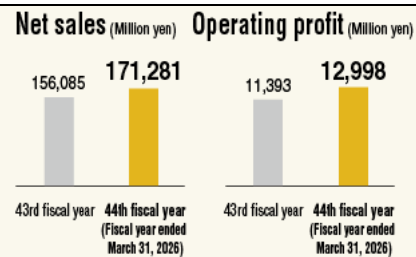


ZETTERIA, Tamachi Shibaura

Restaurants

Net sales: **171,281 million yen**
(up 9.7% year on year)

Operating profit: **12,998 million yen**
(up 14.1% year-on-year)



Net sales of Restaurants during the fiscal year ended March 31, 2026, were 171,281 million yen (up 9.7% year-on-year) with operating profit of 12,998 million yen (up 14.1% year-on-year).

“Coco’s,” a standard restaurant chain, has made efforts to improve its business performance by enhancing product competitiveness through active introduction of fair menus with a focus on seasonality, pursuing authentic taste rivaling specialty restaurants, and improving the standard of services to enable customers to enjoy meals with satisfaction. This reporting segment also includes “Jolly Pasta,” a pasta specialty restaurant chain, “Big Boy,” a chain of hamburger steak and steak restaurants, “Jukusei Yakiniku Ichiban,” a barbecue chain that offers carefully selected beef, “OLIVE HILL,” an Italian cuisine specialty restaurant chain, and “Hanaya Yohei,” a Japanese cuisine chain.

The number of restaurants in this reporting segment as of the end of the fiscal year ended March 31, 2026, was 1,181 (1,180 domestic, 1 overseas; including 76 franchises), the result of 6 restaurant openings and 11 closures.



Jolly-Pasta



Hamburg Steak & Beef Stew Foil Pack, Coco’s

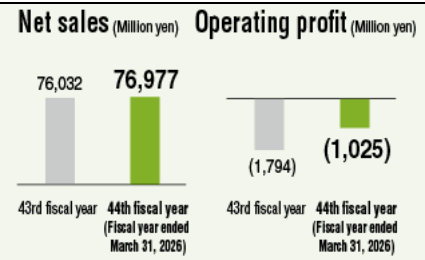


Bruschetta with Whitebait & Leeks, Spaghetti with Mozzarella & Tomato Sauce, Spaghetti Carbonara with Shrimp, Bacon & Lemon, OLIVE HILL

Retail

Net sales: **76,977 million yen**
(up 1.2% year on year)

Operating profit: **(1,025) million yen**
(Operating loss of 1,794 million yen in 43rd FY)



Net sales of Retail during the fiscal year ended March 31, 2026, were 76,977 million yen (up 1.2% year-on-year) with an operating loss of 1,025 million yen (operating loss of 1,794 million yen in the fiscal year ended March 31, 2025).

This reporting segment includes “Maruya” and “Joy Foods,” supermarkets with locations primarily in the North Kanto area, and “United Veggies,” which operates fruit and vegetable stores.

The number of stores in this reporting segment as of the end of the fiscal year ended March 31, 2026, was 120, the result of 6 closures.



Joy Foods

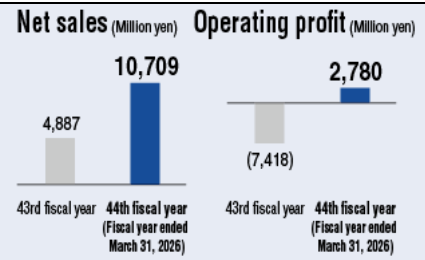


Saikazen of United Veggies Co., Ltd.

Corporate and Support

Net sales: **10,709 million yen**
(up 119.1% year on year)

Operating profit: **2,780 million yen**
(Operating loss of 7,418 million yen in 43rd FY)



Net sales of Corporate and Support during the fiscal year ended March 31, 2026, were 10,709 million yen (up 119.1% year-on-year) with operating profit of 2,780 million yen (operating loss of 7,418 million yen in the fiscal year ended March 31, 2025).

This reporting segment includes GFF Co., Ltd, which manufactures and processes food, Global Fresh Supply Co., Ltd., which handles logistics functions, and Global Table Supply Co., Ltd., which procures uniforms, equipment, etc.



GFF

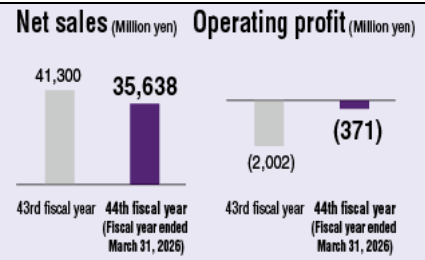


Global Fresh Supply Co., Ltd.

Others

Net sales: **35,638 million yen**
(down 13.7% year on year)

Operating profit: **(371) million yen**
(Operating loss of 2,002 million yen in 43rd FY)



Net sales of Others during the fiscal year ended March 31, 2026, were 35,638 million yen (down 13.7 % year-on-year) with an operating loss of 371 million yen (operating loss of 2,002 million yen in the fiscal year ended March 31, 2025).

This segment includes Tolona Japan Co., Ltd., which plans, develops, and sells frozen foods for home use, etc., Sanbishi Co., Ltd., which manufactures and sells soy sauce and dressing, etc., Kagayaki Co., Ltd., which operates the nursing business, and Zensho Rice Co., Ltd., which sells brown and milled rice.



Tolona Japan Co., Ltd.'s "Gyudon ingredients"



Zensho Rice Co., Ltd.

2) Status of capital investment

Capital investment during the fiscal year under review consisted of 1,042 new store openings across the Group and renovation of existing stores.

The total amount of capital investment for the corporate group during the fiscal year under review was 116,494 million yen.

3) Status of funding

Primarily as facilities investment and operating funds, 53,579 million yen in funding was procured from financial institutions, etc., during the fiscal year under review.

4) Status of business transfer, absorption-type splits, or incorporation-type splits

No applicable items.

5) Status of business transfers from other companies

No applicable items.

6) Status of continuation of rights and obligations concerning businesses of other companies, etc., owing to absorption-type mergers or absorption-type demergers

No applicable items.

7) Status of acquisition or disposal of stock or holdings in other companies or stock acquisition rights, etc.

No applicable items.

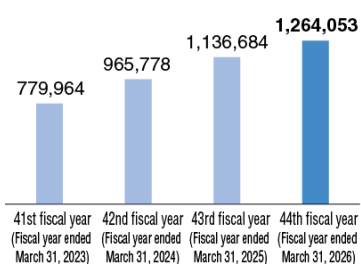
(2) Status of assets and income

(Million yen)

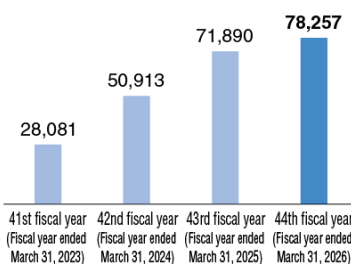
Category	41st fiscal year (Fiscal year ended March 31, 2023)	42nd fiscal year (Fiscal year ended March 31, 2024)	43rd fiscal year (Fiscal year ended March 31, 2025)	44th fiscal year (Fiscal year ended March 31, 2026)
Net sales	779,964	965,778	1,136,684	1,264,053
Ordinary profit	28,081	50,913	71,890	78,257
Profit attributable to owners of parent	13,265	30,693	39,290	45,812
Basic earnings per share (Yen)	87.30	195.41	240.45	275.85
Total assets	469,563	748,056	813,109	960,362
Net assets	115,837	214,652	240,371	341,449
Net assets per share (Yen)	761.63	1,171.76	1,335.69	1,665.94

(Note) Effective from the 42nd fiscal year, the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022) and others have been applied, and the figures for the state of assets and income for the 42nd fiscal year and subsequent fiscal years are those after the application of said Standard and others.

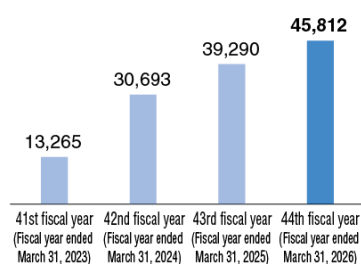
Net sales (Million yen)



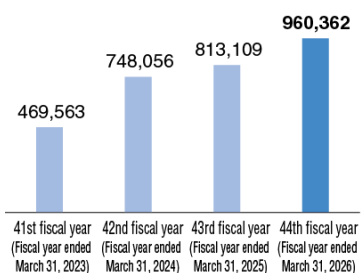
Ordinary profit (Million yen)



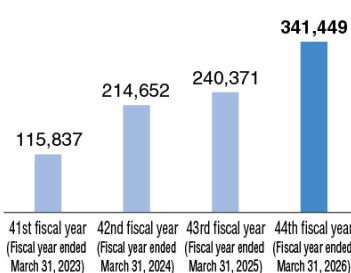
Profit attributable to owners of parent (Million yen)



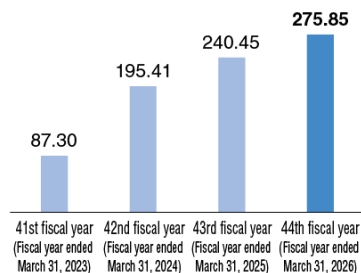
Total assets (Million yen)



Net assets (Million yen)



Basic earnings per share (Yen)



(3) Status of significant parent companies and subsidiaries

1) Status of parent company

No applicable items.

2) Status of significant subsidiaries

Company name	Number of stores	Headquarters location	Capital	Holding ratio	Key business content
Zensho Global Fast Food Holdings Co., Ltd.	-	Minato-ku, Tokyo	10 million yen	100.00%	Fast food business supervision
Sukiya Co., Ltd.	2,000	Minato-ku, Tokyo	10 million yen	100.00%	Restaurants
Katsu-An Co., Ltd.	58	Minato-ku, Tokyo	10 million yen	100.00%	Restaurants
Zensho Japan Dining Holdings Co., Ltd.	-	Minato-ku, Tokyo	10 million yen	100.00%	Fast food business supervision
Nakau Co., Ltd.	446	Minato-ku, Tokyo	10 million yen	100.00%	Restaurants
Burger One Co., Ltd.	272	Minato-ku, Tokyo	8 million yen	100.00%	Restaurants
A Dining Co., Ltd.	59	Minato-ku, Tokyo	10 million yen	100.00%	Restaurants
Kyubeya Co., Ltd.	45	Minato-ku, Tokyo	10 million yen	100.00%	Restaurants
Zensho Global Restaurant Holdings Co., Ltd.	-	Minato-ku, Tokyo	10 million yen	100.00%	Family dining business supervision
Coco's Japan Co., Ltd.	506	Minato-ku, Tokyo	10 million yen	100.00%	Restaurants
Jolly-Pasta Co., Ltd.	322	Minato-ku, Tokyo	10 million yen	100.00%	Restaurants
Big Boy Japan Co., Ltd.	168	Minato-ku, Tokyo	10 million yen	100.00%	Restaurants
TAG-1 Co., Ltd.	89	Minato-ku, Tokyo	10 million yen	100.00%	Restaurants
Hanaya Yohei Co., Ltd.	34	Minato-ku, Tokyo	100 million yen	100.00%	Restaurants
Olive Hill Co., Ltd.	59	Minato-ku, Tokyo	10 million yen	100.00%	Restaurants
Hama-Sushi Co., Ltd.	664	Minato-ku, Tokyo	10 million yen	100.00%	Restaurants
Nihon Retail Holdings Co., Ltd.	-	Minato-ku, Tokyo	10 million yen	100.00%	Retail business supervision
Joy Mart Co., Ltd.	90	Kasukabe-shi, Saitama	10 million yen	100.00%	Sale of groceries, etc.
United Veggies Co., Ltd.	30	Minato-ku, Tokyo	74 million yen	83.98%	Sale of fresh foods, etc.
Zensho Factory Holdings Co., Ltd.	-	Minato-ku, Tokyo	60 million yen	100.00%	Food production business supervision
GFF Co., Ltd.	-	Minato-ku, Tokyo	10 million yen	100.00%	Manufacture of foods
Sanbishi Co., Ltd.	-	Toyokawa-shi, Aichi	13 million yen	100.00%	Manufacture and sale of soy sauce and dressing
Global Fresh Supply Co., Ltd.	-	Minato-ku, Tokyo	70 million yen	100.00%	Logistics business
Tolona Japan Co., Ltd.	-	Minato-ku, Tokyo	10 million yen	100.00%	Sale of groceries, etc.
Zensho Tradings Co., Ltd.	-	Minato-ku, Tokyo	80 million yen	100.00%	Import and wholesale of food ingredients
Zensho Rice Co., Ltd.	-	Minato-ku, Tokyo	10 million yen	100.00%	Sale of rice
Global MD Holdings Co., Ltd.	-	Minato-ku, Tokyo	10 million yen	100.00%	Purchase of food ingredients
Global Table Supply Co., Ltd.	-	Minato-ku, Tokyo	30 million yen	100.00%	Sale of utensils, etc.
Nihon Kaigo Holdings Co., Ltd.	-	Minato-ku, Tokyo	10 million yen	100.00%	Nursing care business supervision
Kagayaki Co., Ltd.	-	Sapporo-shi, Hokkaido	3 million yen	100.00%	Nursing care business
Zensho USA Corporation	-	California, USA	10 thousand US dollars	100.00%	USA business supervision
Advanced Fresh Concepts Corp.	4,576	California, USA	100 thousand US dollars	100.00%	Sale of groceries
Zensho China Holdings Co., Ltd.	-	Shanghai, China	999,729 thousand yuan	100.00%	China business supervision
Zensho Restaurant (Shanghai) Co., Ltd.	545	Shanghai, China	327,975 thousand yuan	100.00%	Restaurants

Company name	Number of stores	Headquarters location	Capital	Holding ratio	Key business content
Zensho Taiwan Co., Ltd.	87	Taipei, Taiwan	552,400 thousand New Taiwan dollars	100.00%	Restaurants
ZENSHO SOUTH EAST ASIA HOLDINGS PTE. LTD.	-	Singapore	342,105 thousand Singapore dollars	100.00%	ASEAN business supervision
ZENSHO HOLDINGS MALAYSIA SDN. BHD.	-	Kuala Lumpur, Malaysia	309,065 thousand ringgits	100.00%	Malaysia business supervision
TCRS Restaurants Sdn. Bhd.	208	Kuala Lumpur, Malaysia	17,180 thousand ringgits	100.00%	Restaurants
Zensho Europe Holdings B.V.	-	Amsterdam, The Netherlands	1 euro	100.00%	Europe business supervision
Sushi Circle Gastronomie GmbH	339	Hesse, Germany	1,000 thousand euros	100.00%	Sale of groceries
Wonderfield Topco Limited	-	UK	14,939 thousand pounds	100.00%	Takeout sushi business supervision
Taiko Foods Limited	-	London, UK	83 thousand pounds	100.00%	Food processing and sales
JFE Franchising, Inc.	2,576	Texas, USA	300 thousand US dollars	100.00%	Sale of groceries
Bento Inc.	700	Ontario, Canada	1 Canadian dollar	100.00%	Sale of groceries
YO! Sushi UK Limited	600	London, UK	1 thousand pounds	100.00%	Sale of groceries

- (Notes)
1. The number of stores for each company is current as of the end of the fiscal year.
 2. Holding ratio for Zensho Global Fast Food Holdings Co., Ltd. is the ratio of stock including stock held by subsidiaries of the Company.
 3. Holding ratios for Sukiya Co., Ltd., Katsu-An Co., Ltd., Nakau Co., Ltd., Burger One Co., Ltd., A Dining Co., Ltd., Kyubeya Co., Ltd., Coco's Japan Co., Ltd., Jolly-Pasta Co., Ltd., Big Boy Japan Co., Ltd., TAG-1 Co., Ltd., Hanaya Yohei Co., Ltd., Olive Hill Co., Ltd., Joy Mart Co., Ltd., United Veggies Co., Ltd., GFF Co., Ltd., Sanbishi Co., Ltd., Kagayaki Co., Ltd., Advanced Fresh Concepts Corp., Zensho Restaurant (Shanghai) Co., Ltd., ZENSHO HOLDINGS MALAYSIA SDN.BHD., TCRS Restaurants Sdn. Bhd., Sushi Circle Gastronomie GmbH, Wonderfield Topco Limited, Taiko Foods Limited, JFE Franchising, Inc., Bento Inc., and YO! Sushi UK Limited are ratios of stock held by subsidiaries of the Company.
 4. Apart from headquarters, GFF Co., Ltd. has manufacturing plants in the following locations.
Uruma-shi, Okinawa; Tosu-shi, Saga; Shunan-shi, Yamaguchi; Kasai-shi, Hyogo; Osaka-shi; Komono-cho, Mie-gun, Mie; Kawasaki-shi; Asahi-shi, Chiba; Kamisato-cho, Kodama-gun, Saitama; Tsuchiura-shi, Ibaraki; Sano-shi, Tochigi; Oyama-shi, Tochigi; Shiogama-shi, Miyagi; Sendai-shi; Otaru-shi, Hokkaido

(4) Issues to be addressed

The Group operates with the mission of providing safe and delicious food at affordable prices to people throughout the world under the corporate vision “through food, take responsibility for the stability and development of human society to eradicate hunger and poverty from the world,” and will address the following issues:

1) Pursuit of food safety

The Group places the highest priority on providing safe food to our customers. Based on CODEX standards (global standards for food safety), the Group Food Safety Advancement Division sets our own standards. In the entire food chain of procurement, manufacturing, logistics, and sales, the traceability of food safety is guaranteed through the completion of food safety management by each group company. The safety of raw materials, packaging materials, and products is guaranteed by analyzing and inspecting hazards (factors that hinder health) at our in-house physicochemical analysis laboratory and Microbiology Testing Center.

In addition, we provide food safety education to all employees and provide food safety information to our suppliers and business partners.

Furthermore, in the restaurant business, we position the maintenance and improvement of hygiene management at our stores as an important initiative supporting food safety. During the fiscal year under review, we implemented the following countermeasures generally as planned to improve in-store conditions in each business category involved in restaurant operations.

- a) Adequate time for cleaning operations has been secured in accordance with the business format and characteristics of each business category, and thorough daily hygiene management has been implemented.
- b) Regular inspections and repairs have been conducted for cracks, holes, and other proximity breaches that may lead to infestations by harmful insects or rodents, while renovations of aging stores have been carried out systematically.
- c) Restaurant designs have been reviewed to reinforce against infestation and inhabitation by harmful insects or rodents and enhance ease of cleaning processes, with such improvements being incorporated sequentially into new store openings and renovations.
- d) Thorough education for employees on safety and hygiene has been promoted through revisions to training content and the implementation of training programs.

Through these initiatives, we will strive to improve the hygiene management systems at our stores and will continue our initiatives that place the highest priority on food safety.

2) Evolution of the Mass Merchandising System (MMD)

In order to ensure that customers can enjoy safe and delicious products with peace of mind, the Group has continued to ensure safety through MMD, while expanding its operations and pursuing group synergies with the aim of improving business performance. In addition, in consideration of the accelerated pace of overseas store openings, we will strengthen our procurement network through overseas bases, while pursuing food safety, improving product quality, and improving costs.

* Mass Merchandising System (MMD)

MMD is a system to fulfill our mission of “providing safe and delicious food at affordable prices to people throughout the world,” in which we plan, design, and operate the entire process from procurement of raw materials to manufacturing, processing, distribution, and sales in our stores with our own hands.

3) Evolution of brands

The Group will strive to evolve our brands in all aspects to meet the ever-evolving needs of our customers and to respond to their diverse lifestyles, and to provide products, services, and customer experiences that consistently exceed their expectations.

4) Sustainability initiatives

Since its establishment, the Group has been committed to its management vision to “eradicate hunger and poverty from the world,” aiming to realize a sustainable world through a stable supply of safe and delicious food. Based on this vision, we started fair trade in coffee and tea in 2007, and are currently engaged in social development support activities in 24 countries in Asia and Africa, such as school construction, improvement of water supply facilities, and support for women, using “social development funds” generated from fair trade. We also take responsibility for the impact of our business activities on the global environment. In addition to issues such as conservation of eel resources and utilization of food residues, we will work on enhancing not only the sustainability of our business areas, including the use of

natural energy such as installation of solar panels in our stores and factories, but that of the global environment itself.

- 5) Growth through store openings and M&A
We will continue to proactively open new stores in Japan and overseas to enhance the profitability of our businesses. In addition, we will explore new business areas and further strengthen MMD by utilizing M&A and other means, and take measures to supply safe, high-quality food ingredients and promote the diversification of food.
- 6) Recruitment and training of human resources
Based on the idea that human resources are human capital that generates added value, the Group will hire excellent human resources who share our Group's vision and develop human resources to drive sustainable growth.
In addition, we will promote diverse work styles, including the advancement of female employees, strengthen mid-career recruitment, and actively recruit and develop global human resources.
- 7) Improvement of working environment
To improve the working environment, the Group has implemented various improvement measures, including strengthening of compliance education for management-level employees, establishment of a contact point and in-house training programs to prevent harassment, and enhancement of opportunities for dialogue with employees. We will continue to streamline operations through DX promotion, strengthen communication, and review the personnel evaluation system, salary system, and employee benefits to create a working environment where each employee can enhance his/her abilities and feel satisfaction and growth, thereby ensuring long-term stable employment.
- 8) Establishment of a system to improve customer convenience and contribute to prompt business decisions
The Group is building a system to improve customer convenience and productivity. Meanwhile, as a business management system, we are building a system to collect information on sales, inventory, personnel expenses, etc. As we expand the sales bases of our Group companies in Japan and overseas, we will further improve the efficiency of information collection and integration, and will also build a system and structure that will contribute to prompt decision making by management.
- 9) Proactive approach to digital transformation (DX)
Amid the rapid progress of digitalization, also known as the 4th Industrial Revolution, the utilization of artificial intelligence (AI), IoT, RPA, robots, and cloud computing has been accelerating. In stores, manpower reduction in both routine and non-routine labor is advancing due to technological innovations such as self-ordering, self-cashing, and robots, and the data utilization using IT. The Group will also promote the streamlining and automation of operations through proactive DX initiatives in each process, including stores, factories, logistics, and headquarters.
- 10) Initiatives to ensure a stable supply of food ingredients
The Group procures food ingredients used in its stores from both domestic and overseas sources, and is working to diversify its suppliers in order to address the risk of price increase due to climate change and exchange rate fluctuations in addition to challenges faced in procurement. In order to approach this issue, we will develop global bases for food ingredient procurement, gather information in and purchase directly from production areas, and strive to guarantee the procurement of safe, high-quality food ingredients.
In addition, with regard to recent changes in trade policies and the strengthening of tariff measures in various countries, including the United States, as well as geopolitical risks such as a potential blockade of the Strait of Hormuz, we will engage in analysis of the procurement risks from a global perspective, restructure our procurement and distribution networks, and endeavor to develop new procurement channels.

(5) Key business content (As of March 31, 2026)

The Group consists of the Company and 174 subsidiaries and affiliates for a total of 175 companies and operates a wide range of food businesses.

(6) Key offices and plants (As of March 31, 2026)

1) The Company

Headquarters	2-18-1 Konan, Minato-ku, Tokyo
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2) Key subsidiaries

As stated in “(3) Status of significant parent companies and subsidiaries 2) Status of significant subsidiaries” above.

(7) Status of employees (As of March 31, 2026)

1) Status of employees of the corporate group

Number of employees	Increase/decrease since the end of the previous fiscal year
20,626	Up 1,884

(Notes) 1. The number indicated is the number of employees at the Company and its consolidated subsidiaries.

2. Apart from the above, there are 76,437 part time persons in employment.

2) Status of the Company's employees

Number of employees	Increase/decrease since the end of the previous fiscal year	Average age	Average years of employment
1,129	Up 277	39.4 years	8.5 years

(Note) The number of employees is calculated by excluding persons seconded from the Company to other companies and including persons seconded by other companies to the Company. Apart from the above, there are 164 part time persons in employment.

(8) Status of key lenders (As of March 31, 2026)

(Million yen)

Lender	Amount of borrowing
Sumitomo Mitsui Banking Corporation	62,102
Mizuho Bank, Ltd.	45,574
The Bank of Yokohama, Ltd.	40,732
Development Bank of Japan Inc.	26,500
The Norinchukin Bank	19,715
The Hiroshima Bank, Ltd.	4,000
The San-in Godo Bank, Ltd.	4,000
The Nanto Bank, Ltd.	3,500
JA Bank Saitamakenshinren	3,000
The Higashi-Nippon Bank, Ltd.	3,000
The Shizuoka Bank	2,750
Japan Finance Corporation	2,376

(9) Other significant matters concerning the status of the corporate group

No applicable items.

2. Status of the Company

(1) Status of stock (As of March 31, 2026)

1) Total number of authorized shares:	Common shares	432,000,000 shares
	Class A preferred shares	1,000 shares
	Series 1 Bond-Type Class Shares	10,000,000 shares
	Series 2 Bond-Type Class Shares	10,000,000 shares
	Series 3 Bond-Type Class Shares	10,000,000 shares
	Series 4 Bond-Type Class Shares	10,000,000 shares
	Series 5 Bond-Type Class Shares	10,000,000 shares
	Series 6 Bond-Type Class Shares	10,000,000 shares
	Series 7 Bond-Type Class Shares	10,000,000 shares
	Series 8 Bond-Type Class Shares	10,000,000 shares
	Series 9 Bond-Type Class Shares	10,000,000 shares
	Series 10 Bond-Type Class Shares	10,000,000 shares
2) Total number of issued shares:	Common shares	160,733,225 shares
	Class A preferred shares	300 shares
	Series 1 Bond-Type Class Shares	10,000,000 shares
3) Number of shareholders:	Common shares	120,748 persons
	Class A preferred shares	2 persons
	Series 1 Bond-Type Class Shares	8,822 persons

4) Major shareholders (Top 10)

Shareholder name	Number of shares held (shares)				Holding ratio
	Common shares	Class A preferred shares	Series 1 Bond-Type Class Shares	Total	
Nihon Create Co., Ltd.	60,299,508	–	–	60,299,508	36.16%
The Master Trust Bank of Japan, Ltd. (Trust account)	13,201,900	–	–	13,201,900	7.92%
Custody Bank of Japan, Ltd. (Trust account)	4,735,900	–	–	4,735,900	2.84%
THE CHASE MANHATTAN BANK, N.A. LONDONSECS LENDING OMNIBUS ACCOUNT	3,203,443	–	–	3,203,443	1.92%
Zensho Group Employee Stock Ownership Association	2,540,143	–	–	2,540,143	1.52%
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	1,385,746	–	–	1,385,746	0.83%
JP MORGAN CHASE BANK 385781	1,338,169	–	–	1,338,169	0.80%
JP MORGAN CHASE BANK 385642	1,243,701	–	–	1,243,701	0.75%
STATE STREET BANK AND TRUST COMPANY 505001	1,217,032	–	–	1,217,032	0.73%
UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT	1,050,476	–	–	1,050,476	0.63%

(Note) The holding ratio is calculated after excluding treasury stock (3,979,538 shares). The number of such treasury stock does not include 291,400 shares of the Company shares held by Japan Custody Bank, Ltd. (Trust Account E) for the “Board Benefit Trust (BBT).”

(2) Other significant matters concerning shares

Overview of performance-linked stock compensation plan for the Company’s Directors, etc.

The Company has introduced a performance-linked stock compensation plan for the Company’s Directors (excluding Outside Directors and Members of the Audit & Supervisory Committee) and Executive Officers for the purpose of raising awareness among Directors, etc. to contribute to improving the Company’s business performance and increasing its corporate value over the medium to long term by clarifying the link between Directors’ and Executive Officers’ compensation and the Company’s business performance and stock value, and

by sharing with shareholders not only the benefits of an increase in stock price but also the risk of a decline in stock price.

This Plan is a performance-linked stock compensation plan under which the Company's shares will be acquired through a trust with cash contributed by the Company as the source of funds, and the Company's shares and cash equivalent to the amount obtained by converting the Company's shares at fair value will be paid to Directors, etc., in accordance with the Executive Stock Benefit Regulations established by the Company. In principle, the time when Directors, etc., receive the Company's shares, etc., will be after their retirement from office.

(3) Status of stock acquisition rights

No applicable items.

(4) Status of the Company's officers

1) Status of Directors (As of March 31, 2026)

Position	Name	Responsibilities and status of significant concurrent positions
Representative Director and Chairman	Kentaro Ogawa	Representative Director, Nihon Create Co., Ltd. President, Ogawa Kentaro Scholarship Foundation
Representative Director, President & CEO	Yohei Ogawa	Senior General Manager of Business Management Strategy Division, in charge of TGS Business Promotion Department Chairman, Zensho China Holdings Co., Ltd.
Managing Executive Director	Shinya Nonoshita	Senior General Manager, Group IT Headquarters
Director	Makoto Hirano	Executive Advisor, Group Food Safety Standards Division Executive Advisor, Zensho Factory Holdings Co., Ltd.
Director	Kazumasa Ogawa	President, Zensho Japanese Culture Center
Outside Director	Chiaki Ito	Outside Director, OBIC Business Consultants Co., Ltd.
Outside Director	Takaharu Ando	Outside Director, Amuse Inc. Outside Director, Tobu Railway Co., Ltd. Outside Director (Member of the Audit & Supervisory Committee), Nisshin Seifun Group Inc. Outside Director, Rakuten Group, Inc.
Outside Director	Shoei Yamana	Outside Director, TDK Corporation Outside Director, JAPAN POST INSURANCE Co., Ltd.
Outside Director	Reiko Nagatsuma	
Outside Director (Full-time Member of the Audit & Supervisory Committee)	Hideo Watanabe	
Outside Director (Member of the Audit & Supervisory Committee)	Yukio Miyajima	
Outside Director (Member of the Audit & Supervisory Committee)	Kenichi Kaneko	
Outside Director (Member of the Audit & Supervisory Committee)	Hisashi Maruyama	Outside Director, Yokogawa Electric Corporation

- (Notes)
1. Representative Director and Chairman Kentaro Ogawa passed away on April 6, 2026.
 2. Representative Director, President & CEO Yohei Ogawa and Director Kazumasa Ogawa are sons of Representative Director and Chairman Kentaro Ogawa, and are brothers.
 3. Directors Chiaki Ito, Takaharu Ando, Shoei Yamana, and Reiko Namatsuma and Directors (Members of the Audit & Supervisory Committee) Hideo Watanabe, Yukio Miyajima, Kenichi Kaneko, and Hisashi Maruyama are Outside Directors stipulated in Article 2, Item 15 of the Companies Act.
 4. Directors (Members of the Audit & Supervisory Committee) Hideo Watanabe, Yukio Miyajima, Kenichi Kaneko, and Hisashi Maruyama have considerable knowledge of finance and accounting.
 5. The Company has designated Directors Chiaki Ito, Takaharu Ando, Shoei Yamana, Reiko Nagatsuma, Hideo Watanabe, Yukio Miyajima, Kenichi Kaneko, and Hisashi Maruyama as independent officers as stipulated by the Tokyo Stock Exchange, and has notified the Exchange of such designation.
 6. The Company has entered into an agreement with Outside Directors Chiaki Ito, Takaharu Ando, Shoei Yamana, and Reiko Nagatsuma and Outside Directors who are Members of the Audit & Supervisory Committee Yukio Miyajima, Kenichi Kaneko, and Hisashi Maruyama pursuant to Article 427, Paragraph 1 of the Companies Act to limit their liability for damages under Article 423, Paragraph 1 of said Act.
The maximum amount of liability for damages under said agreement is 10 million yen or the amount provided by law, whichever is higher, for Outside Directors, and 5 million yen or the amount provided

by law, whichever is higher, for Outside Directors who are Members of the Audit & Supervisory Committee.

7. Director (Member of the Audit & Supervisory Committee) Hideo Watanabe is a full-time Member of the Audit & Supervisory Committee. The reason for selecting full-time Members of the Audit & Supervisory Committee is to enhance the effectiveness of supervision and oversight by the Audit & Supervisory Committee through their attendance at important internal meetings other than meetings of the Board of Directors, as well as through their daily information gathering and collaboration with the Accounting Auditor and the internal audit division, etc.

2) Total amount of compensation, etc., paid to Directors

Category	Total amount of compensation, etc.	Total amount of compensation, etc., by category			Number of officers compensated
		Fixed compensation	Performance-linked compensation		
			Performance-linked compensation (Bonuses paid in cash)	Performance-linked stock compensation	
Directors (excluding Directors who are Members of the Audit & Supervisory Committee) [of which, Outside Directors]	923 million yen [49 million yen]	545 million yen [49 million yen]	77 million yen [– million yen]	300 million yen [– million yen]	9 [4]
Directors who are Members of the Audit & Supervisory Committee [of which, Outside Directors]	50 million yen [50 million yen]	50 million yen [50 million yen]	– million yen [– million yen]	– million yen [– million yen]	4 [4]

(Notes) 1. Performance-linked compensation for Directors (excluding Outside Directors and Directors who are Members of the Audit & Supervisory Committee) shall consist of an annual performance-linked bonus and stock-based compensation to be granted upon retirement based on points awarded for each period covered by the medium-term management plan.

The amount of performance-linked bonus is calculated by using the annual basic compensation and the consolidated ordinary profit margin in the previous fiscal year. That consolidated ordinary profit margin is 6.3%. The performance indicator selected as the basis for calculating the amount of performance-linked bonus is the Company's consolidated ordinary profit margin. The Company believes that the consolidated ordinary profit margin is the most appropriate indicator for calculating performance-linked bonus because it directly indicates the business performance of the Company and the Group.

For performance-linked stock compensation, the "Board Benefit Trust (BBT)" system is adopted. Based on the Executive Stock Benefit Regulations, points (one point = one share) to each Director shall be granted in accordance with his/her position and the degree of achievement of performance indicators based on the pre-determined medium-term three-year plan, and then the number of the Company's shares (a certain portion of which shall be cash equivalent to the amount obtained by converting the Company's shares at fair value) corresponding to the number of such points shall be granted to each Director at the time of his/her retirement from office. The performance indicators shall be the degree of achievement of performance indicators based on the Company's pre-determined medium-term three-year plan and be intended to serve as medium- to long-term incentives not only to improve business performance but also to increase the Company's stock price.

2. The amount of monetary compensation for Directors (excluding Directors who are Members of the Audit & Supervisory Committee) was resolved at the 43rd Ordinary General Meeting of Shareholders held on June 27, 2025, to be no more than 1,000 million yen per year (of which, the amount for Outside Directors shall be no more than 100 million yen; these amounts do not include salaries for employees). As of the conclusion of said Ordinary General Meeting of Shareholders, the number of Directors (excluding Directors who are Members of the Audit & Supervisory Committee) is 9 (including 4 Outside Directors).

Regarding the stock-based compensation for Directors (excluding Outside Directors and Directors who are Members of the Audit & Supervisory Committee), it was resolved at the 40th Ordinary General Meeting of Shareholders held on June 24, 2022 that the amount to be contributed by the Company to the Trust for three consecutive fiscal years shall be up to 2,000 million yen and the total number of points per subject period (three fiscal years) to be granted to Directors shall be up to 225,000 points, in addition to the above annual compensation. As of the conclusion of said Ordinary General Meeting of Shareholders, the number of Directors (excluding Outside Directors and Directors who are Members of the Audit & Supervisory Committee) is 6.

3. The amount of monetary compensation for Directors (Members of the Audit & Supervisory Committee) was resolved at the 43rd Ordinary General Meeting of Shareholders held on June 27, 2025, to be no more than 200 million yen per year. The number of Directors (Members of Audit & Supervisory Committee) as of the conclusion of said Ordinary General Meeting of Shareholders is 4.

3) Policy for determining content of individual compensation, etc., for Directors

The Company has established a policy for determining the content of compensation, etc., for individual Directors (hereinafter the "Determination Policy"), a summary of which is as follows. The Determination

Policy is determined by the Board of Directors of the Company after the report of the Nomination and Compensation Committee.

1. Basic approach

Compensation for Directors shall be set at a level that motivates them to manage the Company with the aim of increasing corporate value not only in the short term but also in the medium to long term, and at the same time allows the Company to secure a diverse and talented workforce. The level of compensation shall be competitive in comparison with other companies in the same industry and other companies of the same size in other industries.

2. Specific Policies

(1) Breakdown of compensation

Compensation for Directors (excluding Outside Directors and Directors who are Members of the Audit & Supervisory Committee) shall consist of basic monthly compensation as fixed compensation, an annual performance-linked compensation (both are monetary compensation), and stock-based compensation to be granted upon retirement based on points awarded for each period covered by the medium-term management plan. Outside Directors and Directors who are Members of the Audit & Supervisory Committee shall receive only basic monthly compensation, which is fixed compensation.

(2) Limit on the total amount of monetary compensation and maximum number of shares for stock-based compensation

The total amount of compensation for basic monthly compensation and annual performance-linked compensation for Directors shall be determined within the limit of compensation approved by the General Meeting of Shareholders, and the total number of shares of stock-based compensation shall be determined within the maximum number of shares of stock-based compensation approved by the General Meeting of Shareholders, respectively. Any change in the limit of the total amount of compensation or the maximum number of shares shall be approved by the Board of Directors and the General Meeting of Shareholders.

(3) Determination of compensation for each Director

i. Determination of fixed compensation

- (a) The amount of fixed compensation for each Director (excluding Directors who are Members of the Audit & Supervisory Committee) shall be determined by the Representative of the Board based on the fixed basic executive compensation table (by position) within the limit of the total amount of compensation, taking into consideration the responsibilities and evaluation of each Director (excluding Directors who are Members of the Audit & Supervisory Committee).
- (b) The fixed basic executive compensation table (by position) shall be determined each year by the Representative of the Board after consulting the Nomination and Compensation Committee.
- (c) The amount of fixed compensation for Directors who are Members of the Audit & Supervisory Committee shall be determined by deliberation among the Members of the Audit & Supervisory Committee within the limit of the total amount of compensation, taking into consideration whether the Director serves full-time or part-time, the duties assigned to him/her, and other factors.

ii. Determination of performance-linked compensation

- (a) The amount of performance-linked compensation for each Director (excluding Outside Directors and Directors who are Members of the Audit & Supervisory Committee) shall be determined by the Representative of the Board based on the performance-linked executive compensation table (by position), within the limit of the total amount of compensation, taking into consideration the Company's performance and Directors' responsibilities and evaluation.
- (b) The performance-linked executive compensation table (by position) shall be determined each year by the Representative of the Board after consultation with the Nomination and Compensation Committee.
- (c) Performance-linked compensation shall be paid once a year in the month following the month in which the Ordinary General Meeting of Shareholders is held.

- (d) The consolidated ordinary profit margin shall be used as an indicator of the Company's performance. The performance-linked executive compensation table (by position) shall set absolute amounts for the ordinary profit margin of 5.0% or more but less than 10.0% in 1% increments, and in 2% increments for the ordinary profit margin of 10.0% or more.
- iii. Ratio of amount of fixed compensation to amount of performance-linked compensation
With regard to the ratio of the fixed compensation (annual basic compensation) amount to the performance-linked compensation amount, assuming that the amount of the fixed compensation is 1, the performance-linked compensation amount shall be between 0 and 3.5, depending on the consolidated ordinary profit margin.
- iv. Determination of stock-based compensation
With respect to stock-based compensation, based on the Executive Stock Benefit Regulations, points to each Director (excluding Outside Directors and Directors who are Members of the Audit & Supervisory Committee) shall be granted in accordance with his/her position and the degree of achievement of performance indicators based on the pre-determined medium-term three-year plan, and then the number of the Company's shares (a certain portion of which shall be cash equivalent to the amount obtained by converting the Company's shares at fair value) corresponding to the number of such points shall be granted to each Director at the time of his/her retirement from office.
- v. Percentage of compensation amount by type
The percentage of the amount of each type of compensation within the total amount of compensation will vary depending on the business performance and stock price, but shall generally be as follows:
Monetary compensation (fixed compensation and performance-linked compensation): 75%
Stock-based compensation: 25%
- vi. Delegation for determination of compensation for individual Directors
 - (a) Person to be delegated: Kentaro Ogawa, Representative Director and Chairman
 - (b) Content of authority to be delegated: Determination of specific amounts of fixed compensation and performance-linked compensation
(This does not include matters related to stock-based compensation.)
 - (c) Measures to ensure that the delegated authority is properly exercised: The fixed basic executive compensation table and the performance-linked executive compensation table, which will form the basis for calculating the amount of compensation, shall be submitted to the Nomination and Compensation Committee for consultation, and the specific amount shall be determined in accordance with the basic policy on compensation for Directors determined by the Board of Directors.

4) Matters concerning delegation of authority to determine the contents of compensation for individual Directors

At the Company, Representative Director and Chairman Kentaro Ogawa determines the specific contents of compensation for individual Directors based on a resolution of delegation by the Board of Directors. The resolution of delegation by the Board of Directors delegates the determination of the specific amount of fixed compensation and performance-linked compensation for each Director (excluding Directors who are Members of the Audit & Supervisory Committee). The reason for delegating these decisions is that the Representative Director and Chairman is best suited to evaluate the duties, responsibilities, and performance of each Director while observing the Company's overall business performance. The Company has established objective payment standards determined by the Board of Directors after consultation with the Nomination and Compensation Committee.

5) Reasons the Board of Directors determined that individual compensation for Directors (excluding Directors who are Members of the Audit & Supervisory Committee) for the fiscal year under review conform to the Determination Policy in "3)"

The Company has established objective payment standards determined by the Board of Directors after consulting with the Nomination and Compensation Committee to ensure that the Representative Director and Chairman appropriately determines the amount of compensation for individual Directors, and since the content of compensation for individual Directors has been determined through said procedures, the Board of Directors has determined that the content of compensation for individual Directors is in line with the Determination Policy.

6) Matters concerning outside officers (As of March 31, 2026)

(a) Status of concurrent positions at other companies, etc., and relationship between the Company and said other companies, etc.

The status of Mr. Chiaki Ito is as described in "1)" above, and the Company has no special relationship with OBIC Business Consultants Co., Ltd.

The status of Mr. Takaharu Ando is as described in "1)" above, and the Company has no special relationship with Amuse Inc. or Nisshin Seifun Group Inc. There is a real estate lease transaction between the Company and Tobu Railway Co., Ltd, and a service use transaction between the Company and Rakuten Group, Inc.

The status of Mr. Shoei Yamana is as described in "1)" above, and the Company has no special relationship with TDK Corporation or JAPAN POST INSURANCE Co., Ltd.

The status of Mr. Hisashi Maruyama is as described in "1)" above, and the Company has no special relationship with Yokogawa Electric Corporation.

(b) Status of key activities during the fiscal year under review

Position	Name	Status of key activities
Director	Chiaki Ito	Mr. Chiaki Ito attended all 13 meetings of the Board of Directors held during the fiscal year under review. He provided appropriate opinions and advice based on his abundant experience and broad knowledge as a business manager for many years.
Director	Takaharu Ando	Mr. Takaharu Ando attended 12 out of 13 meetings of the Board of Directors held during the fiscal year under review. He has held various important positions including Commissioner General of the National Police Agency, and expressed his opinions and advice appropriately based on his abundant experience and wide range of knowledge.
Director	Shoei Yamana	Mr. Shoei Yamana attended all 13 meetings of the Board of Directors held during the fiscal year under review. He provided appropriate opinions and advice based on his abundant experience and wide range of knowledge as a corporate manager at a company that has expanded its business globally.
Director	Reiko Nagatsuma	Ms. Reiko Nagatsuma attended all 13 meetings of the Board of Directors held during the fiscal year under review. She provided appropriate opinions and advice based on her advanced insight into the fields of IT and DX that she obtained while working at global IT corporations and abundant experience and wide range of knowledge as a corporate manager.
Director (Full-time Member of the Audit & Supervisory Committee)	Hideo Watanabe	Mr. Hideo Watanabe attended all 13 meetings of the Board of Directors and all 19 meetings of the Audit & Supervisory Committee held during the fiscal year under review. He made comments as necessary for the Company's management based on his abundant experience and wide range of knowledge as a business manager for many years.
Director (Member of the Audit & Supervisory Committee)	Yukio Miyajima	Mr. Yukio Miyajima attended all 13 meetings of the Board of Directors and all 19 meetings of the Audit & Supervisory Committee held during the fiscal year under review. He has many years of experience as a business manager and sufficient practical experience in finance, and made necessary comments for the Company's management as appropriate.
Director (Member of the Audit & Supervisory Committee)	Kenichi Kaneko	Mr. Kenichi Kaneko attended all 13 meetings of the Board of Directors and 18 out of 19 meetings of the Audit & Supervisory Committee held during the fiscal year under review. He has many years of experience as a business manager and professional insight in personnel and labor as well as accounting and finance, and made necessary comments for the Company's management as appropriate.

Position	Name	Status of key activities
Director (Member of the Audit & Supervisory Committee)	Hisashi Maruyama	Mr. Hisashi Maruyama attended all 13 meetings of the Board of Directors and 18 out of 19 meetings of the Audit & Supervisory Committee held during the fiscal year under review. He has many years of experience as a business manager and professional insight in legal affairs, compliance, and risk management, and made necessary comments for the Company's management as appropriate.

(c) Summary of duties performed with respect to the roles expected to be fulfilled by Outside Directors

Mr. Chiaki Ito has provided useful advice not only to the Board of Directors but also on business transformation and growth through DX by providing the latest information in the IT/DX field to the Company.

Mr. Takaharu Ando, as a member of the Nomination and Compensation Committee, attended the meetings of the Nomination and Compensation Committee held during the fiscal year under review and expressed his opinions appropriately. He has also provided useful advice not only to the Board of Directors but also on the management in general and on individual matters.

Mr. Shoei Yamana provided useful advice not only to the Board of Directors but also on the management in general and on individual matters.

Ms. Reiko Nagatsuma provided useful advice not only to the Board of Directors but also on the management in general and on individual matters.

Mr. Hideo Watanabe has provided useful advice not only to the Board of Directors and the Audit & Supervisory Committee, but also on the management in general and on individual matters as appropriate.

Mr. Yukio Miyajima, as a member of the Nomination and Compensation Committee, attended the meetings of the Nomination and Compensation Committee held during the fiscal year under review and expressed his opinions appropriately. He also provided advice as necessary not only to the Board of Directors and the Audit & Supervisory Committee, but also on management in general.

Mr. Kenichi Kaneko provided advice as necessary not only to the Board of Directors but also on the management in general and on individual matters.

Mr. Hisashi Maruyama provided advice as necessary not only to the Board of Directors but also on the management in general and on individual matters.

7) Overview of content of directors and officers liability insurance agreement

The Company has entered into a directors and officers liability insurance agreement with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, insuring Directors (excluding Directors who are Members of the Audit & Supervisory Committee), Directors who are Members of the Audit & Supervisory Committee, and Executive Officers of the Company, and Directors, Auditors, and Executive Officers of subsidiaries (hereinafter collectively referred to as "Officers, etc.>").

The insurance agreements provide coverage for losses incurred by the insured Officers, etc., as a result of being held liable for the performance of their duties or being subject to a claim for such liability. However, there are certain exemptions, such as not covering damages caused by acts committed with the knowledge that the acts are in violation of laws and regulations. The Company pays all insurance premiums.

(5) Status of Accounting Auditor

1) Name: PricewaterhouseCoopers Japan LLC

2) Amount of compensation, etc.

Category	Amount paid
Amount of compensation, etc., for the Accounting Auditor for the fiscal year under review	87 million yen
Total amount of cash and other assets to be paid to the Accounting Auditor by the Company and subsidiaries	153 million yen

- (Notes)
1. The Audit & Supervisory Committee, based on the “Practical Guidelines for Cooperation with Accounting Auditor” published by the Public Interest Incorporate Association Japan Audit & Supervisory Board Members Association, obtained necessary materials and reports from Directors, relevant internal divisions, and the Accounting Auditor, and confirmed the details of the audit plan of the Accounting Auditor, the status of the execution of its duties, and the basis for the calculation of the compensation estimates. As a result of the Company’s review and deliberation, the Company agreed to the compensation, etc., for the Accounting Auditor in accordance with Article 399, Paragraph 1 of the Companies Act.
 2. Since the audit contract between the Company and the Accounting Auditor does not clearly distinguish between the amount of compensation, etc., for audits based on the Companies Act and the amount of compensation, etc., for audits based on the Financial Instruments and Exchange Act and it is also not practicable to distinguish them, the sum of these amounts is shown as the total amount of compensation etc., for the fiscal year under review.

3) Content of non-audit operations

The Company commissions and pays compensation to the Accounting Auditor for “comfort letter issuance operation,” which is a service other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act (non-audit operations).

4) Policy on determining dismissal or non-reappointment of Accounting Auditor

The Audit & Supervisory Committee shall dismiss the Accounting Auditor with the unanimous consent of all Members of the Audit & Supervisory Committee if the Accounting Auditor is deemed to fall under any of the items of Article 340, Paragraph 1 of the Companies Act. In this case, Member of the Audit & Supervisory Committee selected by the Audit & Supervisory Committee shall report the dismissal of the Accounting Auditor and the reasons thereof at the first General Meeting of Shareholders convened after the dismissal. In addition, if the Audit & Supervisory Committee finds it necessary to change the Accounting Auditor, such as when it determines that the Accounting Auditor’s performance of its duties is impaired, the Audit & Supervisory Committee shall determine the details of a proposal for dismissal or non-reappointment of the Accounting Auditor to be submitted to the General Meeting of Shareholders.

5) Overview of content of agreements to limit liability

No applicable items.

(6) Systems to Ensure the Appropriateness of Operations

The following is an overview of the basic policies determined for the system to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation, and other systems to ensure the appropriateness of the Company's operations.

Basic approach and status of maintenance toward establishment of internal control systems

- 1) Systems to ensure that the execution of duties by Directors and employees complies with laws, regulations, and the Articles of Incorporation
 - (a) The "Zensho Group Charter" shall be established to ensure that all officers and employees comply with laws, regulations, the Articles of Incorporation, and internal rules.
 - (b) Each Director and Executive Officer in charge of business operations shall analyze compliance risks in the business unit he/she is in charge of and implement countermeasures against such risks.
 - (c) The "Committee of Total Risk Management and Compliance" shall oversee the Group's compliance initiatives across the Group and report the results of its deliberations to the Board of Directors and the Audit & Supervisory Committee. The "Zensho Group Hotline" shall be established for employees to provide information on compliance issues of the Group.
 - (d) In order to grasp the status of business operations in business activities in general and to ensure the legality and soundness of such activities, audits by the internal audit division shall be conducted continuously.

- 2) Regulations and other systems for managing the risk of loss
 - (a) The Company shall establish the "Group Risk Management Regulations," comprehensively and appropriately recognize various risks within the Group, select risks to be managed, appoint a division in charge of management, and develop and enhance the risk management system. In addition, fully recognizing that unexpected risks may occur, the Board of Directors or the Representative Director shall promptly select a division in charge of management and respond promptly and appropriately to any new significant risk.
 - (b) The "Committee of Total Risk Management and Compliance" shall be established to comprehensively manage various risks within the Group in accordance with the regulations, and its effectiveness shall be ensured by inspecting the implementation status of risk countermeasures by the division in charge of management.
 - (c) For risks related to "food safety and security," "compliance," and "information security," and other selected risks, the division in charge of management shall formulate corresponding countermeasures. In the event that risk materializes, the division in charge of management shall take prompt and appropriate action, report the results to the "Committee of Total Risk Management and Compliance," and report to the Board of Directors as appropriate for risks that may have a significant impact on management, and receive necessary instructions.

- 3) System for storing and managing information related to the execution of duties by Directors
 - (a) The Company shall store and manage information related to the execution of duties by Directors appropriately in accordance with the "Board of Directors Regulations" and "Document Management Regulations."
 - (b) Directors shall confirm that the system for storage, management, and preservation of such information is properly maintained.

- 4) System to ensure the efficient execution of duties by Directors
 - (a) The Company shall formulate a medium-term management plan and an annual management plan in order to clarify goals to be achieved by the Company, and shall thoroughly manage daily, monthly and quarterly operations to clarify the progress of the goals so that prompt judgment and decision can be made.
 - (b) In addition to simplifying the decision-making process to speed up the decision-making, the Company shall make executive decisions on matters to be decided by the President that may have a significant impact on the management of the Company and the Group based on discussions with the Director in charge and Executive Officers, and report these decisions to the Board of Directors as appropriate.

- 5) System to ensure the appropriateness of operations of the corporate group consisting of the Company and its subsidiaries
 - (a) The “Zensho Group Charter” shall be the code of conduct for all officers and employees of the Company and its subsidiaries to act in compliance with laws and regulations and the Articles of Incorporation.
 - (b) The Company, as a holding company, shall develop a system to ensure the appropriateness of business operations from the perspective of the entire Zensho Group, and shall manage Group companies according to their conditions based on the “Group Company Management Regulations.” In addition, the Company’s group company administration division shall serve as the contact point and receive reports on the status of the system from subsidiaries on a regular or as-needed basis.
 - (c) The Company shall dispatch officers and employees to the subsidiaries, grasp the status of the subsidiaries’ business execution, and confirm the effectiveness of their business activities.
 - (d) The internal audit division shall audit the Group companies on a regular or as-needed basis and report the status of the audit to the Representative Director of the Company in a timely manner.

- 6) System to ensure the reliability of financial reporting
 - (a) Recognizing that ensuring the reliability of financial reporting is essential for maintaining and improving the credibility of the Group’s activities, the importance of internal control activities related to financial reporting shall be thoroughly understood throughout the Zensho Group.
 - (b) The “Assessment Plan for Internal Control over Financial Reporting” shall be prepared for each fiscal year, and the entire Group shall work together to improve internal control over financial reporting on a consolidated basis.
 - (c) With regard to the maintenance and operation status of internal control over financial reporting, the division in charge of internal control evaluation shall verify the appropriateness of business operations to ensure the reliability of financial reporting of the entire Group.

- 7) Matters concerning Directors and employees who are to assist the Audit & Supervisory Committee in its duties (hereinafter the “Assistant Employees, etc.”) and matters concerning the independence of the Assistant Employees, etc., from other Directors and the securing of the effectiveness of instructions
 - (a) From the viewpoint of ensuring the effectiveness of audits by the Audit & Supervisory Committee, the Company shall appoint the necessary personnel as the Assistant Employees, etc., and enhance the system.
 - (b) From the viewpoint of ensuring independence, the Assistant Employees, etc., shall perform their duties under the direction of the Audit & Supervisory Committee.
 - (c) The prior consent of the Audit & Supervisory Committee is required for the transfer of, evaluation of, and disciplinary action against the Assistant Employees, etc.

- 8) System for Directors (excluding Directors who are Members of the Audit & Supervisory Committee) and employees to report to the Audit & Supervisory Committee and other systems related to reporting to the Audit & Supervisory Committee
 - (a) Directors (excluding Directors who are Members of the Audit & Supervisory Committee) shall promptly report to the Audit & Supervisory Committee on matters that have a material impact on the Company and the Group, the status of internal audits, the status of reporting to the “Zensho Group Hotline,” etc.
 - (b) Any officer or employee of the Company or its subsidiaries who discovers any matter that may materially affect the Company or the Group may report directly to the Audit & Supervisory Committee, and such reports shall be handled in accordance with the “Group Internal Report Regulations.” The Company shall ensure that no person who makes such report shall be subjected to any disadvantageous treatment because of such report.
 - (c) The Audit & Supervisory Committee shall share information and improve efficiency through mutual disclosure of audit plans, audit results, etc., with the internal audit division.

- 9) Other systems to ensure that audits by the Audit & Supervisory Committee are conducted effectively
 - (a) The Representative Director shall meet regularly with the Audit & Supervisory Committee to exchange opinions on issues to be addressed by the Company, the state of the environment for the audits of the Audit & Supervisory Committee, and important auditing issues.
 - (b) If the Audit & Supervisory Committee independently receives advice from professional attorneys, accountants, or other experts on the performance of its duties, the Audit & Supervisory Committee may charge the Company for expenses incurred thereby.
 - (c) The Audit & Supervisory Committee may, when it deems necessary, request reports from Directors (excluding Directors who are Members of the Audit & Supervisory Committee) and employees, attend important meetings, and inspect documents.

Basic policy on elimination of antisocial forces and status of its maintenance

- 1) Basic policy on elimination of antisocial forces

The Company shall have no relationship with antisocial forces. The Company shall take a resolute attitude toward any unreasonable demands from antisocial forces, and shall not provide any monetary or other economic benefits. Furthermore, the Company will ensure that all Group companies are fully aware of this policy.
- 2) Status of maintenance for elimination of antisocial forces
 - (a) The Company has established the “Zensho Group Charter” to promote corporate ethics, and has also established the “Group Compliance Regulations” and “Compliance Action Guidelines” to realize compliance, thereby providing specific guidelines for the “elimination of antisocial forces.”
 - (b) The Company shall make the “Zensho Group Charter,” “Group Compliance Regulations,” and “Compliance Action Guidelines” known and thoroughly understood by all employees through training at the time of hiring or periodic training.
 - (c) In addition, to deal with antisocial forces, the “Committee of Total Risk Management and Compliance” has been organized to ensure that no individual or department is left alone, and a system has been established to deal with such forces in cooperation with the police, attorneys, and other external specialized agencies.

(7) Operational Status of Systems to Ensure the Appropriateness of Operations

The following is an overview of the status of operation of the system to ensure the appropriateness of the Company’s operations during the fiscal year under review.

- 1) Systems for compliance

The Company has established a department dedicated to compliance and is working to further spread compliance awareness throughout the Group through the following activities:

 - (a) Compliance training is conducted for each division of the Company and each Group company. Through this training, the Company promotes the identification of compliance issues and the formulation of preventive measures in each division of the Company and each Group company, and confirms the progress of the preventive measures.
 - (b) The Committee of Total Risk Management and Compliance meets on a regular basis to confirm and strengthen preventive measures for common compliance-related issues in the Group by the divisions specializing in the respective fields.
- 2) Systems for risk management

The Company has established a department dedicated to risk management and is strengthening its risk management system through the following activities.

 - (a) The Committee of Total Risk Management and Compliance meets regularly to identify risk issues related to the entire Group’s businesses, etc., confirm the formulation of countermeasures and the status of their implementation by each specialized division of the Company, and strengthen those countermeasures as necessary.
 - (b) In preparation for large-scale accidents and disasters, the Company is developing an organizational structure to ensure that its stores can continue to operate as “food infrastructure.”
 - (c) In order to prevent deterioration of the brand image through social media and other platforms, the Company maintains a team dedicated to risk management that is working on the following measures.

i) Monitor negative posts

Specialized risk management team constantly monitors posts on social media to identify negative comments and defamation at early stages.

ii) Provide prompt responses

Respond promptly to negative posts that have been identified and reply or seek removal as appropriate.

iii) Consider potential legal action

Consider legal action against particularly malicious defamation and misinformation, and consult with attorneys and the police as necessary.

3) System for the execution of duties by Directors

(a) The Company establishes an annual management plan and manages the progress of the plan based on monthly and quarterly business results, while the Board of Directors deliberates and resolves on measures that need to be taken.

(b) Important investment projects are submitted to the Board of Directors after prior deliberation by the Investment Advisory Committee in order to speed up the decision-making process of Directors.

(c) The Company is continuously working to improve the operation of the Board of Directors through measures such as conducting an evaluation of the effectiveness of the Board of Directors.

4) Management system for Group companies

(a) In accordance with the Group Company Management Regulations, each division of the Group closely exchanges information with major subsidiaries and confirms the progress of plans and responses to issues at each company.

(b) The Company dispatches officers and employees to Group companies to grasp the status of business execution at each company and confirm the appropriateness and effectiveness of business activities.

(c) The Company has strengthened its management system by establishing an intermediate holding company for each business field.

In addition, the internal audit division audits the Company's administrative divisions and the Group companies based on the audit plan, and reports the audit results to the Company's Representative Director and the Audit & Supervisory Committee.

5) Systems for audits by the Audit & Supervisory Committee

(a) Members of the Audit & Supervisory Committee attend major meetings in addition to meetings of the Company's Board of Directors, inspect important documents such as approval documents, and interview Directors (excluding Directors who are Members of the Audit & Supervisory Committee), Executive Officers, Senior General Managers, and Presidents of the Group companies, in order to audit the status of execution of duties by Directors (excluding Directors who are Members of the Audit & Supervisory Committee).

(b) One full-time Member of the Audit & Supervisory Committee is selected to monitor and verify the status of the establishment and operation of the internal control system on a daily basis, based on his/her characteristics as full-time member.

(c) Members of the Audit & Supervisory Committee make efforts to ensure the effectiveness of audits by holding regular meetings of the Audit & Supervisory Committee to exchange information among themselves and by exchanging information with the internal audit division and the Accounting Auditor.

(d) Members of the Audit & Supervisory Committee hold liaison meetings with the Auditors of the Group companies as necessary to establish a system to ensure the effectiveness of the audit as a corporate group, including all Group companies.

(8) Policy for determining dividends of surplus, etc.

The Company's Articles of Incorporation provide that dividends of surplus, etc. may be made by resolution of the Board of Directors in accordance with Article 459 of the Companies Act.

The Board of Directors, at its meeting held on May 12, 2026, approved an interim dividend of 35 yen per common share and a year-end dividend of 40 yen, for a total annual dividend of 75 yen per common share for the fiscal year under review.

(Of the figures provided in this Business Report, amounts and numbers of shares are rounded down, and ratios and other figures are rounded to the nearest significant digit.)

TOPICS

TOPICS 1 ZENSHO FAIR TRADE – Thailand –

Karen Coffee Connecting “Those Who Produce” and “Those Who Enjoy” Through Local Production for Local Consumption



Karen producer family and Zensho employee



Representative producer and coffee tree



View overlooking the forest where the coffee trees grow



The Zensho Group launched its “local production for local consumption” fair trade initiative in Thailand in 2025. Through this initiative, coffee produced and roasted by the Karen people, an ethnic minority living in northern Thailand is served at stores in Thailand. In the border regions of northern Thailand, illegal poppy cultivation and slash-and-burn agriculture once caused serious deforestation. The Karen people, who have traditionally lived in harmony with the forest since the time of their ancestors, have inherited techniques for forest conservation and continue coffee cultivation as an alternative crop to poppies. Today, the coffee produced by the Karen people is served at Hama-sushi restaurants in Thailand, conveying to customers a way of life that coexists with the forest. Going forward, through its local production for local consumption fair trade initiative, we will continue connecting the aspirations of “those who produce” and “those who enjoy” within their own country.

*Social development fund: An amount of money from the purchase price of raw materials that is allocated to activities to improve the lives of growers, starting by enabling the provision of education and medical treatment to their children.

TOPICS 2 Support Activities for Ukraine

Connecting
“Food” and “Hospitality”
Beyond Borders



Since February 2022, Russia’s invasion of Ukraine has continued. Amid these circumstances, the Zensho Group learned that FOZZY Group, a local retailer, was seeking a company capable of providing authentic sushi and Japanese cuisine, and visited the site in July of last year. Both parties agreed to jointly develop products and sales operations, as well as supply ingredients from Japan. In August, two executives from the local company were invited to Japan to deepen their understanding of Zensho Group brands and experience Japanese culture. In January and February of this year, Zensho Group employees again visited the site and held Japanese food tasting events at local supermarkets, where approximately 600 customers enjoyed Japanese cuisine.

As a provider of “food infrastructure,” the Zensho Group will continue supporting the daily lives of people in war-torn Ukraine through high-quality and delicious Japanese food.



Visitors and employees enjoying meals together over Nakau’s Oyakodon (Kanagawa)

This marks the second year since Zensho began providing meals to children’s cafeterias. This year, not only Sukiya but also Coco’s, Hama-sushi, and Nakau provided a cumulative total of 4,624 meals. The Zensho Group collaborates with intermediary organizations supporting children’s cafeterias in various prefectures, enabling employees from nearby stores to deliver products directly to local children’s cafeterias.

TOPICS 3
Children’s Cafeterias and Community Cafeterias

Expanding Circles of Empathy
Inside and Outside the Company



These “face-to-face” activities have now expanded to 14 prefectures nationwide (as of March 2026). Going forward, we will continue expanding circles of empathy both inside and outside the Company while building relationships with local communities.



Sea bream sushi cured with yuzu juice served at the event



Serving products to visitors



Japanese food tasting event held in February



Hamburg steak and desserts provided by Coco’s, with presents distributed to children (Osaka Prefecture)

Consolidated Financial Statements

Consolidated Balance Sheet

(Million yen)

Item	44th fiscal year (As of March 31, 2026)
Assets	
Current assets	319,606
Cash and deposits	128,054
Accounts receivable - trade	58,676
Securities	15,011
Merchandise and finished goods	4,763
Work in process	3,488
Raw materials and supplies	78,858
Other	31,227
Allowance for doubtful accounts	(472)
Non-current assets	640,237
Property, plant and equipment	342,134
Buildings and structures	153,292
Machinery, equipment and vehicles	17,388
Tools, furniture and fixtures	48,162
Land	37,319
Leased assets	77,591
Construction in progress	8,379
Intangible assets	229,274
Trademark right	212,331
Goodwill	10,096
Other	6,845
Investments and other assets	68,828
Investment securities	1,198
Guarantee deposits	41,158
Long-term prepaid rent	10,121
Deferred tax assets	9,215
Other	7,196
Allowance for doubtful accounts	(61)
Deferred assets	518
Share issuance cost	314
Bond issuance cost	203
Total assets	960,362

(Million yen)

Item	44th fiscal year (As of March 31, 2026)
Liabilities	
Current liabilities	201,111
Accounts payable - trade	58,790
Short-term borrowings	3,942
Current portion of bonds payable	5,000
Current portion of long-term borrowings	22,582
Lease obligations	22,494
Income taxes payable	9,815
Contract liabilities	860
Provision for bonuses	5,147
Other	72,477
Non-current liabilities	417,801
Bonds payable	50,000
Long-term borrowings	228,518
Lease obligations	63,245
Provision for share awards	216
Retirement benefit liability	383
Asset retirement obligations	8,300
Deferred tax liabilities	60,560
Other	6,575
Total liabilities	618,912
Net assets	
Shareholders' equity	301,548
Share capital	47,497
Capital surplus	122,613
Retained earnings	147,070
Treasury shares	(15,632)
Accumulated other comprehensive income	39,414
Deferred gains or losses on hedges	341
Foreign currency translation adjustment	39,073
Non-controlling interests	486
Total net assets	341,449
Total liabilities and net assets	960,362

Consolidated Statement of Income

(Million yen)

Item	44th fiscal year (From April 1, 2025, to March 31, 2026)
Net sales	1,264,053
Cost of sales	577,617
Gross profit	686,436
Selling, general and administrative expenses	604,996
Operating profit	81,440
Non-operating income	6,616
Interest income	3,008
Dividend income	12
Foreign exchange gains	894
Share of profit of entities accounted for using equity method	16
Subsidy income	867
Other	1,817
Non-operating expenses	9,798
Interest expenses	7,027
Other	2,771
Ordinary profit	78,257
Extraordinary income	810
Gain on sale of investment securities	144
Gain on sale of non-current assets	86
Compensation income	236
Subsidy income	201
Other	140
Extraordinary losses	11,088
Loss on sale of non-current assets	255
Loss on retirement of non-current assets	2,867
Loss on withdrawal from business	1,378
Impairment losses	3,983
Other	2,603
Net profit before income taxes	67,979
Income taxes - current	21,084
Income taxes - deferred	1,112
Total income taxes	22,197
Net profit	45,782
Profit (loss) attributable to non-controlling interests	(30)
Profit attributable to owners of parent	45,812

Consolidated Statement of Changes in Shareholders' Equity
(From April 1, 2025, to March 31, 2026)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance as of April 1, 2025	47,497	74,112	113,097	(13,723)	220,983
Changes of items during period					
Issuance of new shares	24,250	24,250	–	–	48,500
Dividends of surplus			(12,586)		(12,586)
Profit attributable to owners of parent			45,812		45,812
Purchase of treasury shares				(1,908)	(1,908)
Disposal of treasury shares	–	0	–	0	0
Transfer from share capital to other capital surplus	(24,250)	24,250	–	–	–
Change of scope of consolidation			746		746
Net changes of items other than shareholders' equity	–	–	–	–	–
Total changes of items during period	–	48,500	33,972	(1,908)	80,564
Balance as of March 31, 2026	47,497	122,613	147,070	(15,632)	301,548

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance as of April 1, 2025	46	(723)	19,755	19,078	309	240,371
Changes of items during period						
Issuance of new shares	–	–	–	–	–	48,500
Dividends of surplus						(12,586)
Profit attributable to owners of parent						45,812
Purchase of treasury shares						(1,908)
Disposal of treasury shares						0
Transfer from share capital to other capital surplus	–	–	–	–	–	–
Change of scope of consolidation						746
Net changes of items other than shareholders' equity	(46)	1,065	19,317	20,336	176	20,513
Total changes of items during period	(46)	1,065	19,317	20,336	176	101,078
Balance as of March 31, 2026	–	341	39,073	39,414	486	341,449

Notes to Consolidated Financial Statements

1. Significant matters for basis of preparation of consolidated financial statements

(1) Matters concerning scope of consolidation

1) Number and names of consolidated subsidiaries

Number of consolidated subsidiaries: 170

Names of principal consolidated subsidiaries

Zensho Global Fast Food Holdings Co., Ltd.

Katsu-An Co., Ltd.

Nakau Co., Ltd.

A Dining Co., Ltd.

Zensho Global Restaurant Holdings Co., Ltd.

Jolly-Pasta Co., Ltd.

TAG-1 Co., Ltd.

Olive Hill Co., Ltd.

Nihon Retail Holdings Co., Ltd.

United Veggies Co., Ltd.

GFF Co., Ltd.

Global Fresh Supply Co., Ltd.

Zensho Tradings Co., Ltd.

Global MD Holdings CO., Ltd.

Nihon Kaigo Holdings Co., Ltd.

Zensho USA Corporation

Zensho China Holdings Co., Ltd.

Zensho Taiwan Co., Ltd.

ZENSHO HOLDINGS MALAYSIA SDN.

BHD.

Zensho Europe Holdings B.V.

Wonderfield Topco Limited

JFE Franchising, Inc.

YO! Sushi UK Limited

Sukiya Co., Ltd.

Zensho Japan Dining Holdings Co., Ltd.

Burger One Co., Ltd.

Kyubeya Co., Ltd.

Coco's Japan Co., Ltd.

Big Boy Japan Co., Ltd.

Hanaya Yohei Co., Ltd.

Hama-Sushi Co., Ltd.

Joy Mart Co., Ltd.

Zensho Factory Holdings Co., Ltd.

Sanbishi Co., Ltd.

Tolona Japan Co., Ltd.

Zensho Rice Co., Ltd.

Global Table Supply Co., Ltd.

Kagayaki Co., Ltd.

Advanced Fresh Concepts Corp.

Zensho Restaurant (Shanghai) Co., Ltd.

ZENSHO SOUTH EAST ASIA HOLDINGS PTE.

LTD.

TCRS Restaurants Sdn. Bhd.

Sushi Circle Gastronomie GmbH

Taiko Foods Limited

Bento Inc.

2) Matters concerning principal non-consolidated subsidiaries

- Names of principal non-consolidated subsidiaries

Zensho Food India Private Limited and 2 other companies

- Reasons for exclusion from the scope of consolidation

The non-consolidated subsidiaries are excluded from the scope of consolidation because they are small-scale companies and do not have a material impact on the consolidated financial statements with respect to total assets, net sales, profit or loss, retained earnings, etc.

(2) Matters concerning application of the equity method

1) Matters concerning non-consolidated subsidiaries and affiliates subject to the equity method

Number of equity-method affiliates: 1

Names of companies, etc.

MARUI Wasabi, Inc.

2) Matters concerning non-consolidated subsidiaries or affiliates not subject to the equity method

- Names of principal non-consolidated subsidiaries

Zensho Food India Private Limited and 2 other companies

- Reasons the equity method is not applied

The non-consolidated subsidiaries and affiliates not subject to the equity method are excluded from application of the equity method because the impact of each on profit or loss, retained earnings, etc., is negligible, and is immaterial as a whole.

(3) Matters concerning fiscal year of consolidated subsidiaries

For 19 consolidated subsidiaries whose account closing dates differ from the Company's consolidated closing date, provisional financial statements prepared for consolidation as of the consolidated closing date are used in the preparation of the consolidated financial statements.

(4) Matters concerning accounting policies

1) Basis and methods for valuation of significant assets

a. Basis and methods for valuation of securities

Available-for-sale securities

Securities other than shares, etc., that do not have a market price:

Stated at market value. (Valuation difference is reported as a component of net assets. The cost of sales is calculated using the moving average method.)

For compound financial instruments for which the fair value of embedded derivatives cannot be measured separately, the entire compound financial instrument is measured at fair value and the valuation difference is reported as profit or loss.

Shares, etc., that do not have a market price:

Stated at cost using the moving average method

b. Derivatives:

Stated at market value

c. Basis and methods for valuation of inventories

Merchandise:

Mainly stated at cost using the retail method (the figures shown in the balance sheet have been calculated by writing them down based on decline in profitability.)

Finished goods:

Mainly stated at cost using the weighted-average method (the figures shown in the balance sheet have been calculated by writing them down based on decline in profitability.)

Work in process:

Mainly stated at cost using the first-in first-out method (the figures shown in the balance sheet have been calculated by writing them down based on decline in profitability.)

Raw materials:

Mainly stated at cost using the specific identification method (the figures shown in the balance sheet have been calculated by writing them down based on decline in profitability.)

Supplies:

Mainly stated at cost using the last purchase price method (the figures shown in the balance sheet have been calculated by writing them down based on decline in profitability.)

2) Depreciation or amortization method for significant depreciable or amortizable assets

a. Property, plant and equipment (excluding leased assets)

Mainly the straight-line method is applied

The main useful lives are as follows:

Buildings and structures 2 to 50 years

Tools, furniture and fixtures 2 to 20 years

b. Intangible assets

Straight-line method is applied

Software for internal use is amortized by the straight-line method over the estimated useful life (5 years).

However, trademark rights whose useful life cannot be determined are not amortized.

c. Leased assets

Lease assets relating to finance lease transactions without transfer of ownership are depreciated over the lease period by the straight-line method assuming the residual value is zero or the guaranteed residual value.

In addition, certain foreign consolidated subsidiaries have adopted International Financial Reporting Standards (IFRS) No. 16 "Leases" and, in principle, record all lessees' lease transactions as assets and liabilities, and depreciate such assets with the straight-line method.

3) Standards of accounting for significant reserves

a. Allowance for doubtful accounts

To provide provision for possible losses on receivables, the allowance for doubtful accounts is provided based on the historical write-off ratio for general receivables and on the estimated amount of uncollectible receivable based on a case-by-case determination of collectability for specific receivables such as doubtful receivables.

b. Provision for bonuses

To provide for the payment of bonuses to employees, a provision for bonuses is provided based on the estimated amount of future bonus payments.

c. Provision for share awards

To provide for the payment of the Company's shares to Directors, etc. based on the Executive Stock Benefit Regulations, a provision for share awards is provided based on the estimated amount of share awards obligation.

(5) Other significant matters for preparing consolidated financial statements

1) Accounting treatment for deferred assets

Share issuance cost Amortized using straight-line method over 3 years

Bond issuance cost Amortized using straight-line method over the term of bonds

2) Accounting treatment of retirement benefits

The Company and certain of its consolidated subsidiaries have adopted defined contribution pension plan.

Also, certain of its consolidated subsidiaries have adopted defined benefit pension plan and the retirement benefits are calculated based on the simplified method.

3) Basis of translation of important assets and liabilities denominated in foreign currencies into yen

Foreign currency monetary receivables and payables are translated into yen based on the spot rate of exchange in the foreign exchange market on the balance sheet date, and the foreign exchange gains and losses from translation are recognized in the income statement. Assets and liabilities of overseas consolidated subsidiaries, etc. are translated into yen based on the spot rate of exchanges in the foreign exchange market on the balance sheet date, while revenue and expenses are translated into yen based on the average rate of exchange for the fiscal year. The differences resulting from such translations are included in "foreign currency translation adjustment" and "non-controlling interests" under net assets.

4) Hedge accounting method

a. Hedge accounting method

The Company applies the deferral accounting method.

Allocation treatment is applied for derivative transactions if they meet the criteria for allocation treatment. For investments in equity of overseas consolidated subsidiaries, foreign currency translation differences arising from hedging instruments are included in foreign currency translation adjustment.

b. Hedging instruments and hedged items

Hedging instruments	Hedged items
Forward exchange contracts, etc.	Accounts payable in foreign currency
Forward exchange contract	Accounts receivable in foreign currency
Forward exchange contract	Forecast transactions in foreign currency
Forward exchange contract	Investments in equity of overseas consolidated subsidiaries
Interest rate swaps	Interests on borrowings

c. Hedging policy

The policy aims to avoid risks from fluctuations in interest rates and foreign exchange rates for debt obligations, monetary receivables and payables denominated in foreign currencies, forecast transactions denominated in foreign currencies, and investments in equity of overseas consolidated subsidiaries, etc.

d. Method of assessing hedge effectiveness

The Company's hedge transactions are deployed in accordance with the risk management policies of the Company, and complete correlations are confirmed between hedging instruments and hedged items resulting from fluctuations in interest rates and foreign exchange rates.

5) Basis for recording revenues and expenses

The Group is mainly engaged in the provision of services through the operation of restaurants, the sale of food products through the operation of supermarkets, etc., and the granting of franchise rights, and the provision of store operation guidance.

Revenue from the provision of services is mainly derived from the provision of food based on customer orders at restaurants in the Gyudon, Family Dining, and Fast Food Service categories, etc. Revenue is recognized at the time the performance obligation is satisfied when the food is served to the customer and the consideration is received.

Revenue from sales of food products, etc., consists of sales of food products, etc., at supermarkets, sales of food ingredients to franchisees, wholesale of processed food, etc. Revenue is recognized at the time the performance obligation is satisfied when the products are delivered to customers.

Revenue related to the granting of franchise rights and the provision of store operation guidance to franchisees (franchise fees and royalty income) is recognized in accordance with the actual terms of the transactions. Franchise fees are recognized as a contract liability at the time the franchise agreement is entered into, and then recognized as revenue over a period of time in accordance with the satisfaction of performance obligations. Royalty income is measured based on the sales of the counterparty, and revenue is recognized when it is earned.

(6) Matters concerning amortization of goodwill

Goodwill is amortized by the straight-line method over a period of 20 years or less.

2. Additional information

(Board Benefit Trust (BBT))

The Company introduced a performance-linked compensation system (BBT, or Board Benefit Trust) for the Directors and Executive Officers excluding Outside Directors (hereinafter the “Directors, etc.”).

(1) Overview of the deal

The System is a performance-linked stock compensation system under which the Company’s shares will be acquired through a trust with cash contributed by the Company as the source of funds, and the Company’s shares and cash equivalent to the amount obtained by converting the Company’s shares at fair value will be paid to Directors, etc., in accordance with the Executive Stock Benefit Regulations established by the Company. In principle, the time when Directors, etc., receive the Company’s Shares, etc., will be after their retirement from office.

(2) Treasury shares remaining in the trust

Treasury shares remaining in the trust are recorded as treasury shares of the net assets at a carrying amount of the trust (excluding incidental expenses). Carrying amount and number of shares of such treasury shares are 1,052 million yen and 291 thousand shares, respectively, as of the end of the fiscal year under review.

(3) Carrying amount of borrowings recorded using gross method

Not applicable.

3. Notes to accounting estimates

(1) Recognition of impairment losses on store assets

As of the end of the fiscal year under review, the Group recorded store assets related to the Restaurant business and the Retail business of 223,506 million yen (property, plant and equipment of 223,274 million yen, intangible assets of 178 million yen, and investments and other assets of 52 million yen) in its consolidated balance sheet.

The Group groups such store assets mainly by store, and for stores with continuously negative cash flow from operating activities used in managerial accounting, the Company determines that the store assets show signs of impairment and judges whether an impairment loss should be recognized, and recognizes impairment loss for the store assets for which impairment losses are determined to be recognized.

In determining whether to recognize an impairment loss, the Company compares the total undiscounted future cash flows of the store, based on the store’s operating profit and loss figures, with the book value of the store assets. The estimated period of undiscounted future cash flows is the average remaining useful life of major assets, and no growth rate is set for cash flows for periods beyond the medium-term plan.

Impairment losses on assets for which impairment losses are determined to be recognized are measured by reducing the book value to the recoverable amount, and the recoverable amount is based on the net realizable value or the value in use. The net realizable sale price is mainly based on the roadside land price or the

assessed value for property tax with reasonable adjustments. The value in use for directly-managed stores is mainly zero since future cash is not are expected, and for other assets, it is the present value of future cash flows expected to arise from the continued use and ultimate disposal of the asset group, discounted at a rate that reflects the time value of money.

Of the stores for which the signs of impairment were recognized, the number of stores and book values of the major operating companies for which the recognition of impairment losses were determined not to be required in the fiscal year under review are as follows:

Company name	Number of stores	Book value (Million yen)
Burger One Co., Ltd.	6	162
Joy Mart Co., Ltd.	20	1,663

(2) Recognition of impairment losses on goodwill

As of the end of the fiscal year under review, the Group has recorded 10,096 million yen of goodwill on its consolidated balance sheet.

The Group groups goodwill into larger units by adding goodwill to multiple asset groups related to the business to which the goodwill belongs. For businesses with continuously negative operating profit (loss) (after taking into account amortization of goodwill), the Company determines that the goodwill shows signs of impairment and judges whether an impairment loss should be recognized, and recognizes impairment loss for the goodwill for which impairment losses are determined to be recognized.

In determining whether to recognize an impairment loss, the Company compares the total undiscounted future cash flows of the business to which the goodwill is attributable, based on the business's operating profit and loss figures, with the book value of the asset group that includes the goodwill. The estimated period of undiscounted future cash flows is the remaining useful life of the goodwill, and no growth rate is set for cash flows for periods beyond the medium-term plan.

Impairment losses on assets for which impairment losses are determined to be recognized are measured by reducing the book value to the recoverable amount, and the recoverable amount is based on the value in use. The value in use is the present value of future cash flows expected to arise from the continued use of the asset group, discounted at a rate that reflects the time value of money.

Of the goodwill for which the signs of impairment were recognized, there are two businesses (the Global Fast Food business and the Retail business) to which goodwill that was determined not to require recognition of impairment loss in the fiscal year under review are attributed, and their book values are 2,556 million yen and 5,379 million yen, respectively.

(3) Recognition of impairment losses on trademark rights whose useful life cannot be determined

As of the end of the fiscal year under review, the Group has recorded 212,189 million yen of trademark rights whose useful life cannot be determined on its consolidated balance sheet.

The Group conducts impairment tests on such trademark rights annually by the end of each fiscal year, regardless of whether any indication of impairment exists. In conducting the impairment test, impairment losses are recognized when the portion attributable to the trademark rights of the total discounted future cash flows (recoverable amount) based on the business's operating profit and loss figures to which the trademark rights belong falls below the book value of such trademark rights. The impairment loss is measured by reducing the book value to the recoverable amount, and the recoverable amount is based on the value in use. The value in use is the present value of future cash flows expected to arise from the continued use of the assets, discounted at a rate that reflects the time value of money. Certain assumptions are also made regarding growth rates and other factors for periods beyond the medium-term plan.

Regarding the book value of trademark rights whose useful life cannot be determined as of the end of the fiscal year under review, except for those described in "5. Notes to the consolidated statements of income," the Company has determined that no impairment losses need to be recognized.

4. Notes to the consolidated balance sheet

(1) Assets pledged as collateral and secured liabilities

1) Assets pledged as collateral

Buildings and structures 216 million yen

Land 1,139 million yen

2) Obligations related to the above properties

Long-term borrowings (including current
portion of long-term borrowings) 236 million yen

(2) Accumulated depreciation of property, plant and equipment 326,324 million yen

5. Notes to the consolidated statements of income

(Loss on withdrawal from business)

In the fiscal year ended March 31, 2026, the Group decided to dissolve and liquidate Pocino Foods Company (a consolidated subsidiary, Manufacturing and wholesale business for external sales) due to changes in the market environment and the decision to concentrate on and select the management resources of the Group. The estimated and incurred losses arising from this decision is recorded as “Loss on withdrawal from business” under “Extraordinary losses.”

(Impairment losses)

The Group recognized impairment losses on the following asset groups.

Use	Type	Location	Amount
Directly-managed stores	Buildings and structures, etc.	Japan (Tokyo, etc.)	1,188 million yen
		Overseas (UK, etc.)	1,065 million yen
Production facilities, etc.	Buildings and structures, etc.	Overseas (Uruguay, etc.)	670 million yen
Subtotal			2,924 million yen
Others	Trademark rights	Overseas (Spain, etc.)	1,059 million yen
Total			3,983 million yen

The Group groups assets primarily in units of directly-managed stores and leased properties, while headquarters, production facilities, training facilities, etc. related to multiple divisions are considered to be common assets.

Of these, the book value of directly-managed stores and production facilities, etc. with deteriorating operating profit (loss) was reduced to the recoverable amount, and an impairment loss of 2,924 million yen (1,136 million yen for buildings and structures, 97 million yen for land, and 1,689 million yen for others) was recognized. In addition, the book value of a portion of trademark rights whose useful life cannot be determined (the Global Prepared Food business) was reduced to the recoverable amount due to the increased uncertainty of profits assumed in the business plan in the fiscal year under review, and an impairment loss of 1,059 million yen was recognized.

The recoverable amount is based on the net realizable value or the value in use. The net realizable sale price is mainly based on the roadside land price or the assessed value for property tax with reasonable adjustments, while the value in use for directly-managed stores is mainly zero since cash flow is not expected. Future cash flows are mainly calculated with a discount of 10.5% for other assets.

6. Notes to consolidated statement of changes in shareholders' equity

(1) Total number of outstanding shares at the end of the fiscal year under review

Common stock	160,733,225 shares
Class A preferred shares	300 shares
Series 1 Bond-Type Class Shares	10,000,000 shares

(2) Matters concerning dividends

1) Amount of dividends paid

Resolution	Type of stock	Total dividends (Million yen)	Dividends per share (Yen)	Record date	Effective date
Meeting of Board of Directors held on May 13, 2025	Class A preferred shares	807	2,692,602.74	March 31, 2025	May 14, 2025
Meeting of Board of Directors held on May 13, 2025	Common stock	5,493	35	March 31, 2025	June 9, 2025
Meeting of Board of Directors held on November 11, 2025	Class A preferred shares	812	2,707,397.26	September 30, 2025	November 12, 2025
Meeting of Board of Directors held on November 11, 2025	Common stock	5,493	35	September 30, 2025	December 2, 2025

(Notes) 1. Total dividend amount resolved at the meeting of Board of Directors held on May 13, 2025 includes dividends of 10 million yen for the Company's common stock held by Japan Custody Bank, Ltd. (Trust Account E) as trust assets of the Board Benefit Trust (BBT).

2. Total dividend amount resolved at the meeting of Board of Directors held on November 11, 2025 includes dividends of 10 million yen for common stock held by Japan Custody Bank, Ltd. (Trust Account E) as trust assets of the Board Benefit Trust (BBT).

2) Dividends with a record date in the current fiscal year but with an effective date in the following fiscal year

Resolution	Type of stock	Source of funding	Total dividends (Million yen)	Dividends per share (Yen)	Record date	Effective date
Meeting of Board of Directors held on May 12, 2026	Class A preferred shares	Retained earnings	807	2,692,602.74	March 31, 2026	June 8, 2026
Meeting of Board of Directors held on May 12, 2026	Series 1 Bond-Type Class Shares	Retained earnings	997	99.72	March 31, 2026	June 8, 2026
Meeting of Board of Directors held on May 12, 2026	Common stock	Retained earnings	6,270	40	March 31, 2026	June 8, 2026

(Note) Total dividend amount resolved at the meeting of Board of Directors held on May 12, 2026 includes dividends of 11 million yen for common stock held by Japan Custody Bank, Ltd. (Trust Account E) as trust assets of the Board Benefit Trust (BBT).

7. Notes on financial instruments

(1) Matters concerning status of financial instruments

1) Policy regarding financial instruments

The Group raises necessary funds (mainly through bank loans and bond issuance) in light of its capital investment plans. Temporary surplus funds are mainly invested in highly liquid financial assets, and short-term working capital is raised through bank loans. Derivatives are used to avoid the risks described below, and the Company's policy is not to engage in speculative transactions.

2) Content of financial instruments and risks

Accounts receivable - trade, which are trade receivables, are exposed to the credit risk of counterparties, and accounts receivable in foreign currency are exposed to foreign exchange fluctuation risk.

Securities are bonds and other instruments held for the management of surplus funds, and while its issuers are limited to financial institutions with high creditworthiness, they are exposed to credit risk and market price fluctuation risk.

Investment securities are mainly shares of companies with which the Company has business relationships, and listed shares are exposed to market price fluctuation risk.

Investments in equity of overseas consolidated subsidiaries are exposed to foreign exchange fluctuation risk.

Guarantee deposits are exposed to the credit risk of the store property owner and other counterparties. Prepaid rent and long-term prepaid rent are also construction assistance fund receivables and are collected by offsetting rent paid, but are exposed to credit risk of the store property owner.

Most accounts payable - trade, which are trade payables, are due within one month, and accounts payable in foreign currency are exposed to foreign exchange fluctuation risk.

Bonds and borrowings are mainly for the purpose of financing capital investment for the long term, and a portion of these is exposed to interest rate fluctuation risk.

Lease liabilities related to finance lease transactions are for the purpose of financing capital investment for the long term, and are based on fixed interest rates.

Derivative transactions consist of forward exchange contracts, etc. to hedge foreign exchange fluctuation risks associated with foreign currency-denominated trade receivables and payables, foreign currency-denominated forecast transactions, and investments in equity of overseas consolidated subsidiaries, and interest rate swaps to hedge interest rate fluctuation risks associated with borrowings. Counterparties are limited to financial institutions with high creditworthiness.

For hedging instruments, hedged items, hedging policy, and the method of evaluating the effectiveness of hedging activities, please refer to "1. Significant matters for basis of preparation of consolidated financial statements; (5) Other significant matters for preparing consolidated financial statements; 4) Hedge accounting method."

3) Risk management system for financial instruments

a. Management of credit risk (risk related to nonperformance by counterparties)

With regard to accounts receivable - trade, the Company manages due dates and balances by counterparty.

For guarantee deposits and construction assistance fund receivable, the Company regularly monitors the status of counterparties in order to mitigate risk by early detection of deterioration in their financial conditions.

b. Management of market risk (risk related to foreign exchange rate and interest rate fluctuation)

The Company uses forward exchange contracts, etc. to hedge a portion of foreign currency-denominated trade receivables, foreign currency-denominated forecast transactions, and payables and investments in equity of overseas consolidated subsidiaries against the risk of exchange rate fluctuations in the respective currencies, which are periodically monitored. In addition, the Company uses interest rate swaps to hedge a portion of borrowings against the risk of fluctuations in interest rates payable.

For securities, the Company periodically monitors market prices of the securities in question and the fair value information presented by financial institutions with which the Company has transactions.

With regard to investment securities, the Company periodically monitors market prices and financial conditions of issuers, and reviews its holdings continuously by taking into consideration its relationships with counterparty companies.

Derivative transactions are executed and managed by the department in charge with the approval of the person in charge of approval, in accordance with the management regulations that stipulate transaction authority and limits on the transaction amount. Monthly transaction results are reported to the officer in charge.

- c. Management of liquidity risk (risk related to failure to make payments by due date) related to funding
The Company manages liquidity risk by preparing and updating cash management plans in a timely manner and maintaining liquidity on hand.

(2) Fair value, etc., of financial instruments

The amounts posted on the consolidated balance sheet, the fair values, and the difference thereof as of March 31, 2026, are as follows.

	Amount recorded on the consolidated balance sheet (Million yen)	Fair value (Million yen)	Difference (Million yen)
1. Securities	15,011	15,011	—
2. Investment securities (Note 2)	—	—	—
3. Guarantee deposits	41,158	37,642	(3,516)
4. Prepaid rent and long-term prepaid rent	11,715	9,787	(1,928)
Total assets	67,885	62,441	(5,444)
1. Bonds payable (including current portions of bonds payable)	55,000	52,573	(2,426)
2. Long-term borrowings (including current portion of long-term borrowings)	251,100	245,502	(5,598)
3. Lease liabilities (including current portion of lease liabilities)	85,739	82,450	(3,289)
Total liabilities	391,840	380,526	(11,313)
Derivative transactions (Note 3)	541	541	—

- (Notes) 1. Cash is omitted from the notes, and deposits, accounts receivable - trade, accounts payable - trade, and short-term borrowings are also omitted from the notes because they are settled in a short period of time, and their fair value approximates their book value.
2. Shares, etc., that do not have a market price (1,198 million yen on the consolidated balance sheet) are not included in “investment securities.”
3. Assets and liabilities generated by derivative transactions are shown as net amounts.

(3) Fair value information by appropriate classification within the fair value hierarchy

The fair value of financial instruments is classified into the following three levels according to the observability and materiality of inputs used to measure fair value.

Level 1 fair value: Fair value calculated using (unadjusted) quoted prices of identical assets or liabilities in active markets.

Level 2 fair value: Fair value calculated using directly or indirectly observable inputs other than Level 1 inputs.

Level 3 fair value: Fair value calculated using significant unobservable inputs.

If multiple inputs are used that are significant to the fair value measurement, the fair value measurement is categorized in its entirety in the level of the lowest level input that is significant to the entire measurement.

1) Financial assets measured at fair value

Classification	Fair value (Million yen)			
	Level 1	Level 2	Level 3	Total
1. Securities	–	15,011	–	15,011
2. Derivative transactions	–	541	–	541
Total assets	–	15,553	–	15,553

2) Financial assets and liabilities other than those measured at fair value

Classification	Fair value (Million yen)			
	Level 1	Level 2	Level 3	Total
1. Guarantee deposits	–	37,642	–	37,642
2. Prepaid rent and long-term prepaid rent	–	9,787	–	9,787
Total assets	–	47,429	–	47,429
1. Bonds payable	–	52,573	–	52,573
2. Long-term borrowing	–	245,502	–	245,502
3. Lease liabilities	–	82,450	–	82,450
Total liabilities	–	380,526	–	380,526

(Note) A description of the valuation technique(s) and inputs used in the fair value measurements

Assets

1. Securities

Bonds are valued using prices quoted by financial institutions with which the Company has transactions. As bonds are not traded in active markets, their fair value is classified as Level 2.

2. Guarantee deposits

The fair value of guarantee deposits is calculated based on the present value calculated by discounting the yield of government bonds immediately before the end of the fiscal year from the sum of the principal and interest (including interest-free ones), and is classified as Level 2.

3. Prepaid rent and long-term prepaid rent

The fair value of prepaid rent and long-term prepaid rent is calculated based on the present value calculated by discounting the yield of the government bonds immediately before the end of the fiscal year from the total future cash flows, and is classified as Level 2.

Liabilities

1. Bonds payable and 2. Long-term borrowings

The fair value of these items is measured using the discounted cash flow method based on the sum of the principal and interest, remaining maturities, and an interest rate reflecting credit risk, and is classified as Level 2.

3. Lease liabilities

The fair value of lease liabilities is calculated based on the present value calculated by discounting the sum of the principal and interest at the interest rate that would be applicable to similar new lease transactions, etc., and is classified as Level 2.

Derivative transactions

The fair values of interest rate swaps and forward exchange contracts, etc. are based on the prices, etc., presented by the financial institutions with which the Company has transactions, and are classified as Level 2.

8. Notes to revenue recognition

(1) Disaggregation of revenue from contracts with customers

(Million yen)

	Global Sukiya	Global Hamasushi	Global Prepared Food	Global Fast Food	Restaurants
Goods and services transferred at a point in time	314,454	320,276	138,399	112,486	171,076
Goods and services transferred over time	–	1	83,496	332	204
Revenue from contracts with customers	314,454	320,277	221,895	112,818	171,281
Revenue from other sources	–	–	–	–	–
Net sales to external customers	314,454	320,277	221,895	112,818	171,281

(Million yen)

	Retail	Corporate and Support	Total	Other	Total
Goods and services transferred at a point in time	76,043	9,348	1,142,085	33,959	1,176,044
Goods and services transferred over time	934	1,361	86,329	1,679	88,008
Revenue from contracts with customers	76,977	10,709	1,228,414	35,638	1,264,053
Revenue from other sources	–	–	–	–	–
Net sales to external customers	76,977	10,709	1,228,414	35,638	1,264,053

(2) Useful information in understanding revenue from contracts with customers

Useful information in understanding revenue is as presented in “1. Significant matters for basis of preparation of consolidated financial statements; (5) Other significant matters for preparing consolidated financial statements; 5) Basis for recording revenues and expenses.”

9. Notes to per share information

Net assets per share	1,665.94 yen
Basic earnings per share	275.85 yen

(Note) In the calculation of net assets per share, the Company shares held by Japan Custody Bank, Ltd. (Trust Account E) as trust assets for the “Board Benefit Trust (BBT)” are included in the number of treasury shares deducted from the number of shares issued and outstanding at the end of the fiscal year, while in the calculation of basic earnings per share, those are included in the number of treasury shares deducted from the average number of shares outstanding during the period. The number of such treasury shares at the end of the fiscal year deducted in the calculation of net assets per share is 291,400 shares for the fiscal year under review, and the average number of such treasury shares during the period deducted in the calculation of basic earnings per share is 291,400 shares for the fiscal year under review.

10. Notes to significant subsequent events

No applicable items.

Non-Consolidated Financial Statements

Non-consolidated Balance Sheet

(Million yen)

Item	44th fiscal year (As of March 31, 2026)
Assets	
Current assets	248,542
Cash and deposits	9,084
Accounts receivable - trade	39,678
Securities	15,011
Merchandise and finished goods	3,483
Work in process	6
Raw materials and supplies	298
Advance payments to suppliers	53
Prepaid expenses	4,977
Prepaid rent	1,405
Accounts receivable - other	12,903
Short-term loans receivable	170,964
Current portion of long-term loans receivable	5,291
Other	1,011
Allowance for doubtful accounts	(15,627)
Non-current assets	409,676
Property, plant and equipment	48,106
Buildings	10,048
Structures	582
Machinery and equipment	476
Vehicles	1
Tools, furniture and fixtures	1,796
Land	22,852
Leased assets	10,141
Construction in progress	2,207
Intangible assets	5,388
Leasehold interests in land	91
Software	4,973
Other	322
Investments and other assets	356,181
Investment securities	5
Shares of subsidiaries and associates	285,800
Investments in capital of subsidiaries and associates	17,790
Long-term loans receivable	19
Long-term loans receivable from subsidiaries and associates	15,207
Long-term prepaid expenses	1,391
Long-term prepaid rent	9,033
Deferred tax assets	774
Guarantee deposits	26,272
Other	290
Allowance for doubtful accounts	(350)
Allowance for investment loss	(52)
Deferred assets	518
Share issuance cost	314
Bond issuance cost	203
Total assets	658,736

(Million yen)

Item	44th fiscal year (As of March 31, 2026)
Liabilities	
Current liabilities	123,657
Accounts payable - trade	34,700
Short-term borrowings	47,353
Current portion of bonds payable	5,000
Current portion of long-term borrowings	21,350
Lease obligations	1,087
Accounts payable - other	4,808
Accrued expenses	1,408
Income taxes payable	570
Contract liabilities	3,415
Deposits received	285
Provision for bonuses	1,813
Other	1,861
Non-current liabilities	323,177
Bonds payable	50,000
Long-term borrowings	225,387
Lease obligations	11,782
Provision for share awards	216
Provision for loss on guarantees	907
Asset retirement obligations	195
Guarantee deposits received	33,607
Other	1,081
Total liabilities	446,834
Net assets	
Shareholders' equity	212,831
Share capital	47,497
Capital surplus	135,152
Legal capital surplus	47,419
Other capital surplus	87,732
Retained earnings	45,814
Legal retained earnings	80
Other retained earnings	45,734
General reserve	3,000
Retained earnings brought forward	42,734
Treasury shares	(15,632)
Total valuation and translation adjustments	(930)
Deferred gains or losses on hedges	(930)
Total net assets	211,901
Total liabilities and net assets	658,736

Non-consolidated Statement of Income

(Million yen)

Item	44th fiscal year (From April 1, 2025, to March 31, 2026)
Net sales	402,910
Cost of sales	375,259
Gross profit	27,650
Selling, general and administrative expenses	29,161
Operating loss	1,511
Non-operating income	39,999
Interest income	3,830
Dividend income	35,545
Foreign exchange gains	255
Other	368
Non-operating expenses	9,681
Interest expenses	4,112
Interest on bonds	688
Amortization of long-term prepaid expenses	699
Provision of allowance for doubtful accounts	3,627
Other	553
Ordinary profit	28,807
Extraordinary income	82
Other	82
Extraordinary losses	257
Impairment losses	36
Loss on valuation of shares of subsidiaries and associates	20
Other	200
Net profit before income taxes	28,631
Income taxes - current	(683)
Income taxes - deferred	(305)
Total income taxes	(988)
Net profit	29,620

**Non-consolidated Statement of Changes in Shareholders' Equity
(From April 1, 2025, to March 31, 2026)**

	Share capital	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
						General reserve	Retained earnings brought forward	
Balance as of April 1, 2025	47,497	47,419	39,231	86,651	80	3,000	25,700	28,780
Changes of items during period								
Issuance of new shares	24,250	24,250		24,250				
Dividends of surplus							(12,586)	(12,586)
Profit							29,620	29,620
Purchase of treasury shares								
Disposal of treasury shares			0	0				
Transfer from share capital and legal capital surplus to other capital surplus	(24,250)	(24,250)	48,500	24,250				
Net changes of items other than shareholders' equity								
Total changes of items during period	–	–	48,500	48,500	–	–	17,033	17,033
Balance as of March 31, 2026	47,497	47,419	87,732	135,152	80	3,000	42,734	45,814

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance as of April 1, 2025	(13,723)	149,205	(930)	(930)	148,275
Changes of items during period					
Issuance of new shares		48,500			48,500
Dividends of surplus		(12,586)			(12,586)
Profit		29,620			29,620
Purchase of treasury shares	(1,908)	(1,908)			(1,908)
Disposal of treasury shares	0	0			0
Transfer from share capital and legal capital surplus to other capital surplus		–			–
Net changes of items other than shareholders' equity					
Total changes of items during period	(1,908)	63,625	–	–	63,625
Balance as of March 31, 2026	(15,632)	212,831	(930)	(930)	211,901

Notes to Non-consolidated Financial Statements

1. Notes to significant accounting policies

(1) Basis and methods for valuation of securities

- 1) Shares in subsidiaries Stated at cost using the moving average method
- 2) Available-for-sale securities
 - a. Securities other than shares, etc., that do not have a market price: Stated at market value. (Valuation difference is reported as a component of net assets. The cost of sales is calculated using the moving average method.)
For compound financial instruments for which the fair value of embedded derivatives cannot be measured separately, the entire compound financial instrument is measured at fair value and the valuation difference is reported as profit or loss.
 - b. Shares, etc., that do not have a market price: Stated at cost using the moving average method

(2) Valuation of derivatives Stated at market value

(3) Basis and methods for valuation of inventories

- 1) Merchandise, finished goods, raw materials, and work in process
Mainly stated at cost using the first-in first-out method (the figures shown in the balance sheet have been calculated by writing them down based on decline in profitability.)
- 2) Supplies
Mainly stated at cost using the last purchase price method (the figures shown in the balance sheet have been calculated by writing them down based on decline in profitability.)

(4) Depreciation method for non-current assets

- 1) Property, plant and equipment (excluding leased assets)
Straight-line method is applied
The main useful lives are as follows:
Buildings 2 to 47 years
- 2) Intangible assets
Straight-line method is applied
Software for internal use is amortized by the straight-line method over the estimated useful life (5 years).
- 3) Leased assets
Lease assets relating to finance lease transactions without transfer of ownership are depreciated over the lease period by the straight-line method assuming the residual value is zero or the guaranteed residual value.

(5) Standards of accounting for significant reserves

- 1) Allowance for doubtful accounts To provide provision for possible losses on receivables such as loans receivable, the allowance for doubtful accounts is provided based on a case-by-case determination of collectability for specific receivables such as doubtful receivables.
- 2) Provision for bonuses To provide for the payment of bonuses to employees, a provision for bonuses is provided based on the estimated amount of bonus payments.
- 3) Provision for share awards To provide for the payment of the Company's shares to Directors, etc. based on the Executive Stock Benefit Regulations, a provision for share awards is provided based on the estimated amount of share awards obligation.
- 4) Provision for loss on guarantees To provide for losses related to guarantees of obligations to affiliated companies, etc., an estimated amount of losses is recorded, taking into consideration the financial conditions, etc., of the guaranteed companies.
- 5) Allowance for investment loss To provide for losses related to investments in affiliated companies, the Company records an amount deemed necessary, taking into consideration the financial conditions, etc., of the affiliated companies.

(6) Basis for recording revenues and expenses

The Company is principally engaged in sales of food ingredients and beverages and management and store operation guidance to subsidiaries.

Revenue from sales of food ingredients and beverages is recognized at the time the goods are delivered to the customer, as the performance obligation is satisfied at that time.

Management guidance fees to subsidiaries are calculated based on the sales, etc., of the subsidiaries, and revenue is recognized by taking into consideration the time such fees are earned.

(7) Other significant matters for preparing non-consolidated financial statements

1) Accounting treatment for deferred assets

Share issuance cost Amortized using straight-line method over 3 years

Bond issuance cost Amortized using straight-line method over the term of bonds

2) Hedge accounting method

a. Hedge accounting method

The Company applies the deferral accounting method.

b. Hedging instruments and hedged items

Hedging instruments	Hedged items
Forward exchange contract	Investments in equity of overseas subsidiaries

c. Hedging policy

The policy aims to avoid risks from fluctuations in foreign exchange rates for investments in equity of overseas subsidiaries.

d. Method of assessing hedge effectiveness

The Company's hedge transactions are deployed in accordance with the risk management policies of the Company, and complete correlations are confirmed between hedging instruments and hedged items resulting from fluctuations in foreign exchange rates.

2. Additional information

(Board Benefit Trust (BBT))

Information has been omitted as the same information is presented in “2. Additional information” in the Notes to Consolidated Financial Statements.

3. Notes to accounting estimates

Valuation of investments in affiliated companies (investments in intermediate holding companies)

As of the end of the fiscal year under review, the Company included 296,676 million yen of investments of intermediate holding companies in its non-consolidated balance sheet as shares of subsidiaries and associates and investments in capital of subsidiaries and associates.

Regarding the valuation of investments in affiliated companies, when the actual value of investments in affiliated companies declines significantly (generally by about 50%) due to deterioration in the financial condition of the affiliated companies, a substantial reduction is made unless the possibility of recovery can be supported by sufficient evidence, and the valuation difference is treated as a loss for the period.

The actual value is calculated based on the net asset value of the affiliated company. In the case of an intermediate holding company, the actual value is calculated by taking into account the valuation difference based on the fair value of assets, etc., and other factors.

The medium-term plan of the relevant affiliated company is considered as sufficient evidence to support the possibility of recovery. However, in the case of an intermediate holding company, the medium-term plan of the entire intermediate holding company group, including its subsidiaries, is considered as sufficient evidence.

There are no investments in intermediate holding company investments, for which the substantial reduction was deemed unnecessary despite the significant decline in the actual value of intermediate holding company, including their operating subsidiaries, in consideration of the medium-term plan of the entire intermediate holding company group.

4. Notes to non-consolidated balance sheet	
(1) Accumulated depreciation of property, plant and equipment	22,701 million yen
(2) Guarantee obligations	
United Veggies Co., Ltd.; Accounts payable - trade	41 million yen
Joy Mart Co., Ltd.; Accounts payable - trade	355 million yen
Zenshoen Co., Ltd.; Borrowings	386 million yen
Provision for loss on guarantees	213 million yen
Net amount	173 million yen
Mizushita Farm Co., Ltd.; Borrowings	1,102 million yen
Provision for loss on guarantees	694 million yen
Net amount	408 million yen
(3) Monetary claims and monetary obligations to affiliates (excluding those presented separately)	
Short-term monetary claims	225,928 million yen
Short-term monetary obligations	65,403 million yen
Long-term monetary obligations	32,069 million yen
5. Notes to non-consolidated statement of income	
Transactions with affiliates	
Net sales	392,187 million yen
Purchase turnover	118,796 million yen
Other operating transactions	2,551 million yen
Transactions other than operating transactions	39,113 million yen
6. Notes to non-consolidated statement of changes in shareholders' equity	
Type and number of shares of treasury shares as of the end of the fiscal year under review	
Common stock	4,270,938 shares
(Note) The number of treasury shares of common stock at the end of the fiscal year under review includes 291,400 shares held by Japan Custody Bank, Ltd. (Trust Account E) for the "Board Benefit Trust (BBT)."	
7. Notes to tax effect accounting	
(1) Breakdown of causes for occurrence of deferred tax assets and deferred tax liabilities	
Deferred tax assets	
Allowance for doubtful accounts	5,128 million yen
Provision for loss on guarantees	192 million yen
Provision for bonuses	571 million yen
Impairment losses	74 million yen
Accrued income tax	178 million yen
Amount in excess of depreciation and amortization of non-current assets	82 million yen
Shares of subsidiaries and associates	502 million yen
Tax loss carryforwards	1,214 million yen
Long-term accounts payable - other	369 million yen
Other	507 million yen
Valuation reserve	(7,718 million yen)
Total deferred tax assets	1,102 million yen
Deferred tax liabilities	
Shares of subsidiaries and associates	(274 million yen)
Other	(53 million yen)
Total deferred tax liabilities	(328 million yen)
Net deferred tax assets	774 million yen

- (2) Accounting treatment of corporate and local income taxes or tax effect accounting treatment related to these taxes

The Company has adopted the group tax sharing system. In accordance with the “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (PITF No. 42; August 12, 2021), the Company conducts accounting treatment or tax effect accounting treatment and disclosure related to corporate income tax and local corporate income tax.

8. Notes concerning non-current assets used under lease

Finance lease transactions without transfer of ownership

- (1) Content of lease assets

Property, plant and equipment

- (2) Method of depreciation and amortization for lease assets

The method is as stated in “(4) Depreciation method for non-current assets” in Notes to significant accounting policies.

9. Notes to related party transactions
(1) Subsidiaries and affiliates, etc.

(Million yen)

Category	Name of company, etc.	Percentage of voting rights held	Relationship with related party	Content of transactions	Transaction amount	Item	Balance at fiscal year-end
Subsidiary	Sukiya Co., Ltd.	100.00% (100.00%) (Note 5)	-	Sales of ingredients, etc. (Note 3)	113,471	Accounts receivable - trade	10,620
				Lending of funds (Note 1)	11,463	Short-term loans receivable	18,789
				Lease of stores (Note 2)	14,662	Guarantee deposits	12,865
Subsidiary	Zensho Global Restaurant Holdings Co., Ltd.	100.00%	-	Borrowing of funds (Note 1)	6,208	Short-term borrowings	15,683
Subsidiary	Big Boy Japan Co., Ltd.	100.00% (100.00%) (Note 5)	-	Lending of funds (Note 1)	2,427	Short-term loans receivable	16,927
Subsidiary	Zensho Rice Co., Ltd.	100.00% (100.00%) (Note 5)	-	Lending of funds (Note 1)	7,172	Short-term loans receivable	8,790
Subsidiary	Zensho Global Fast Food Holdings Co., Ltd.	100.00% (22.46%) (Note 5)	-	Borrowing of funds (Note 1)	(6,191)	Short-term borrowings	6,824
				Dividend income	6,384	-	-
Subsidiary	Zensho Tradings Co., Ltd.	100.00%	-	Lending of funds (Note 1)	5,086	Short-term loans receivable	40,647
				Purchase of food ingredients (Note 4)	82,648	Accounts payable - trade	8,358
Subsidiary	Hama-Sushi Co., Ltd.	100.00%	-	Sales of ingredients, etc. (Note 3)	115,842	Accounts receivable - trade	11,182
				Lending of funds (Note 1)	7,879	Short-term loans receivable	17,879
				Dividend income	27,005	-	-
				Lease of stores (Note 2)	11,761	Guarantee deposits	11,694
Subsidiary	TAG-1 Co., Ltd.	100.00% (100.00%) (Note 5)	-	Lending of funds (Note 1)	(200)	Short-term loans receivable	7,800
Subsidiary	GFF Co., Ltd.	100.00% (100.00%) (Note 5)	Interlocking officers	Lending of funds (Note 1)	(207)	Short-term loans receivable	8,500
				Sales of ingredients, etc. (Note 3)	62,661	Accounts receivable - trade	5,790
				Purchase of food ingredients (Note 4)	83,579	Accounts payable - trade	4,139
Subsidiary	Joy Mart Co., Ltd.	100.00% (100.00%) (Note 5)	-	Lending of funds (Note 1)	699	Short-term loans receivable	8,576

(Note 1) Short-term loans and borrowings are based on the cash management system provided by the Company to its Group companies. Since funds are transferred on a daily basis, the transaction amount represents the increase or decrease from the balance at the end of the previous period. Interest rates are determined reasonably, taking market interest rates into consideration.

(Note 2) Store rent is determined based on the actual trading conditions in the neighborhood.

(Note 3) Selling prices are determined based on prevailing market prices.

(Note 4) Purchase prices are determined based on prevailing market prices.

(Note 5) Figures in parentheses in the percentage of voting rights held indicate indirect ownership and are included in the total.

10. Notes to per share information

Net assets per share 841.07 yen

Basic earnings per share 172.44 yen

(Note) In the calculation of net assets per share, the Company shares held by Japan Custody Bank, Ltd. (Trust Account E) as trust assets for the “Board Benefit Trust (BBT)” are included in the number of treasury shares deducted from the number of shares issued and outstanding at the end of the fiscal year, while in the calculation of basic earnings per share, those are included in the number of treasury shares deducted from the average number of shares outstanding during the period. The number of such treasury shares at the end of the fiscal year deducted in the calculation of net assets per share is 291,400 shares for the fiscal year under review, and the average number of such treasury shares during the period deducted in the calculation of basic earnings per share is 291,400 shares for the fiscal year under review.

11. Notes to significant subsequent events

No applicable items.

Audit Report

Audit Report by the Accounting Auditor for the Consolidated Financial Statements

Independent Auditor's Report

May 12, 2026

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

Tokyo Office
PricewaterhouseCoopers Japan LLC
Designated Limited Liability Partner
Engagement Partner Toshihiro Taniguchi, CPA
Designated Limited Liability Partner
Engagement Partner Kentaro Shimizu, CPA
Designated Limited Liability Partner
Engagement Partner Daisuke Yamamoto, CPA

Auditor's opinion

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the Consolidated Balance Sheet, the Consolidated Statement of Income, the Consolidated Statement of Changes in Net Assets and the Notes to the Consolidated Financial Statements of Zensho Holdings Co., Ltd. (the "Company") for the fiscal year from April 1, 2025, through March 31, 2026.

In our opinion, the Consolidated Financial Statements referred to above present fairly, in all material respects, the financial position and results of operations of the Group, which consists of the Company and its consolidated subsidiaries, for the period covered by the consolidated financial statements in conformity with accounting principles generally accepted in Japan.

Basis for the opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under the auditing standards are stated in "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan (including those provisions applicable to audits of financial statements of public-interest entities), and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other information

Other information consists of the Business Report and its supplementary schedules. Management is responsible for the preparation and disclosure of other information. The Audit & Supervisory Committee's responsibility is to monitor the Directors' performance of their duties in preparing and operating the process for reporting other information.

Our audit opinion on the Consolidated Financial Statements does not include other information, and we express no opinion on it.

Our responsibility in the audit of the Consolidated Financial Statements is to read other information and, in the course of reading other information, to consider whether there are material differences between other information and the Consolidated Financial Statements or our knowledge obtained in the course of our audit, and to pay attention to whether there are indications of material error other than such material differences in other information.

If, based on the work performed, we determine that there is a material error in other information, we are required to report such fact.

We have no matters to report with respect to other information.

Responsibilities of Management, Members of the Audit & Supervisory Committee and the Audit & Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the Consolidated Financial Statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the presentation and fair presentation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, management is responsible for assessing whether it is appropriate to prepare the Consolidated Financial Statements in accordance with the premise of a going concern,

and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

Members of the Audit & Supervisory Committee and the Audit & Supervisory Committee are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

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

Our responsibilities are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the Consolidated Financial Statements from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the Consolidated Financial Statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the Consolidated Financial Statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the Notes to the Consolidated Financial Statements in the Audit Report, or if the Notes to the Consolidated Financial Statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the Consolidated Financial Statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and Notes to the Consolidated Financial Statements are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the Consolidated Financial Statements including related notes, and whether the Consolidated Financial Statements fairly present the transactions and accounting events on which they are based.
- Plan and perform the audit of the Consolidated Financial Statements to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries as a basis for forming an opinion on the Consolidated Financial Statements. The auditor is responsible for the direction, supervision and review of the audit of the Consolidated Financial Statements, and is solely responsible for the audit opinion.

The auditor reports to Members of the Audit & Supervisory Committee and the Audit & Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Members of the Audit & Supervisory Committee and the Audit & Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any measures in place to eliminate obstacles or safeguards applied to reduce obstacles to an acceptable level.

Interest

Our firm and engagement partners have no interests in the Company or its consolidated subsidiaries requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

Audit Report by the Accounting Auditor for the Non-consolidated Financial Statements

Independent Auditor's Report

May 12, 2026

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

Tokyo Office
PricewaterhouseCoopers Japan LLC
Designated Limited Liability Partner
Engagement Partner Toshihiro Taniguchi, CPA
Designated Limited Liability Partner
Engagement Partner Kentaro Shimizu, CPA
Designated Limited Liability Partner
Engagement Partner Daisuke Yamamoto, CPA

Auditor's opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying Non-consolidated Financial Statements, which comprise the Non-consolidated Balance Sheet, the Non-consolidated Statement of Income, the Non-consolidated Statement of Changes in Net Assets, the Notes to the Non-consolidated Financial Statements and the accompanying supplementary schedules of Zensho Holdings Co., Ltd. (the "Company") for the 44th fiscal year from April 1, 2025 through March 31, 2026.

In our opinion, the Non-consolidated Financial Statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2026, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in Japan.

Basis for the opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under the auditing standards are stated in "Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements and the Accompanying Supplementary Schedules." We are independent of the Company in accordance with the provisions related to professional ethics in Japan (including those provisions applicable to audits of financial statements of public-interest entities), and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other information

Other information consists of the Business Report and its supplementary schedules. Management is responsible for the preparation and disclosure of other information. The Audit & Supervisory Committee's responsibility is to monitor the Directors' performance of their duties in preparing and operating the process for reporting other information.

Our audit opinion on the Non-consolidated Financial Statements and the accompanying supplementary schedules does not include other information, and we express no opinion on it.

Our responsibility in the audit of the Non-consolidated Financial Statements and the accompanying supplementary schedules is to read other information and, in the course of reading other information, to consider whether there are material differences between other information and the Non-consolidated Financial Statements and the accompanying supplementary schedules or our knowledge obtained in the course of our audit, and to pay attention to whether there are indications of material error other than such material differences in other information.

If, based on the work performed, we determine that there is a material error in other information, we are required to report such fact.

We have no matters to report with respect to other information.

Responsibilities of Management, Members of the Audit & Supervisory Committee and the Audit & Supervisory Committee for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the Non-consolidated Financial Statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the Non-consolidated Financial Statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the Non-consolidated Financial Statements and the accompanying supplementary schedules, management is responsible for assessing whether it is appropriate to prepare the Non-consolidated Financial

Statements and the accompanying supplementary schedules in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

Members of the Audit & Supervisory Committee and the Audit & Supervisory Committee are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the Non-consolidated Financial Statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the Non-consolidated Financial Statements and the accompanying supplementary schedules from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the Non-consolidated Financial Statements and the accompanying supplementary schedules.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the Non-consolidated Financial Statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the Non-consolidated Financial Statements and the accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the Notes to the Non-consolidated Financial Statements and the accompanying supplementary schedules in the audit report, or if the Notes to the Non-consolidated Financial Statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the Non-consolidated Financial Statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and Notes to the Non-consolidated Financial Statements and the accompanying supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the Non-consolidated Financial Statements and the accompanying supplementary schedules including related notes, and whether the Non-consolidated Financial Statements and the accompanying supplementary schedules fairly present the transactions and accounting events on which they are based.

The auditor reports to Members of the Audit & Supervisory Committee and the Audit & Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Members of the Audit & Supervisory Committee and the Audit & Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any measures in place to eliminate obstacles or safeguards applied to reduce obstacles to an acceptable level.

Interest

Our firm and engagement partners have no interests in the Company or its consolidated subsidiaries requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

Audit Report by the Audit & Supervisory Committee

Audit Report

The Audit & Supervisory Committee has audited the execution of duties by Directors for the 44th fiscal year from April 1, 2025, to March 31, 2026. The methods and results are reported as follows.

1. Audit methods and content

The Audit & Supervisory Committee received periodic reports from Directors and employees, etc., regarding resolutions of the Board of Directors regarding the matters in Article 399-13, Paragraph 1, Item 1, b) and c) and the status of establishment and operation of structures (internal control systems) that are maintained based on said resolutions, sought explanations and expressed opinions as required, and implemented audits with the methods below.

- 1) Pursuant to audit policies and division of duties defined by the Audit & Supervisory Committee, Members of the Audit & Supervisory Committee, in cooperation with the Company's Internal Control Division, attended important meetings, received reports on matters regarding execution of duties by Directors and employees, etc., requested explanations as required, viewed documents, etc., regarding important decisions, and examined the status of operations and assets at the headquarters and principal offices. In addition, meetings were held with Outside Directors to exchange opinions and communicate with them on the status of the execution of duties by Directors.
Regarding subsidiaries, efforts were made to communicate and exchange information with Directors and Corporate Auditors of subsidiaries, and business reports were received from subsidiaries as required.
- 2) In addition, in order to conduct appropriate audits as needed in response to the expansion of business operations, the Audit & Supervisory Committee endeavored to improve the audit environment by collecting information and exchanging opinions through the Group's Internet environment and other means, thereby enhancing the efficiency and speed of the audits.
- 3) Furthermore, while supervising and evaluating whether or not the Accounting Auditor is maintaining an independent standpoint and implementing appropriate audits, reports were received from the Accounting Auditor on the status of execution of duties, and explanations were requested as required. Additionally, notification was received from the Accounting Auditor that "Systems to Secure the Appropriateness of Operations" (Matters in each item of Article 131 of the Regulations on Corporate Accounting) were being maintained in accordance with "Quality Management Standards Regarding Audits" (Business Accounting Council), and explanations were requested as required.

Based on the methods above, the Business Report, accompanying supplementary schedules, Non-consolidated Financial Statements (Non-consolidated Balance Sheet, Non-consolidated Income Statement, Non-consolidated Statement of Changes in Net Assets, and Notes to the Non-consolidated Financial Statements) and accompanying supplementary schedules, Consolidated Financial Statements (Consolidated Balance Sheet, Consolidated Income Statement, Consolidated Statement of Changes in Net Assets, and Notes to the Consolidated Financial Statements), and the Accounting Auditor's Audit Report were evaluated.

2. Results of audit

(1) Audit results for the Business Report, etc.

- 1) The Business Report and accompanying supplementary schedules are in compliance with laws and regulations and accurately reflect the status of the Company.
- 2) There are no inappropriate actions regarding the execution of duties by Directors and significant facts that are in violation of laws and regulations or the Articles of Incorporation.
- 3) The content of resolutions by the Board of Directors regarding internal control systems are appropriate. Additionally, there are no matters of note concerning the content of information provided in the Business Report regarding said internal control systems nor the execution of duties by Directors.
- 4) It has been confirmed that efforts are being made toward improving store conditions in relation to store hygiene for each business in the Restaurant business as stated in the Business Report. The Audit & Supervisory Committee will continue to examine the status of improvement.

(2) Audit results for the Non-consolidated Financial Statements and accompanying supplementary schedules

The methods and results of audits performed by PricewaterhouseCoopers Japan LLC, the Accounting Auditor, are appropriate.

(3) Audit results for the Consolidated Financial Statements and accompanying supplementary schedules

The methods and results of audits performed by PricewaterhouseCoopers Japan LLC, the Accounting Auditor, are appropriate.

May 12, 2026

Audit & Supervisory Committee, Zensho Holdings Co., Ltd.

Full-time Member of the Audit & Supervisory Committee Hideo Watanabe

Member of the Audit & Supervisory Committee Yukio Miyajima

Member of the Audit & Supervisory Committee Kenichi Kaneko

Member of the Audit & Supervisory Committee Hisashi Maruyama

(Note) Full-time Member of the Audit & Supervisory Committee Hideo Watanabe, Member of the Audit & Supervisory Committee Yukio Miyajima, Member of the Audit & Supervisory Committee Kenichi Kaneko, and Member of the Audit & Supervisory Committee Hisashi Maruyama are Outside Directors as stipulated by Article 2, Item 15 and Article 331, Paragraph 6 of the Companies Act.