Summary of main questions and answers at the business performance presentation of the six-month period ended September 30, 2024

<Date and time> 5:00 p.m.–6:00 p.m., November 6, 2024

Q. Question about sales in the North American wholesale business:
Why were the results for the first half of the fiscal year on par with the previous fiscal year's results in real terms excluding the effect of foreign exchange fluctuation? What were the results on a sales volume basis? What is your outlook for the second half? And for the next fiscal year?

A. - This was partly due to sluggish growth in sales to Japanese restaurants, though this area is gradually recovering.
- Another contributing factor was the decline in purchase prices and selling prices, following a drop in market prices for agricultural and marine products.
- Sales volume grew by more than 5% in the first half. The market environment improved in Q2 compared to Q1, leading to stronger growth.
- We are working to acquire new customers in the foodservice-use sector.
- We expect sales volume to continue growing in the second half. The decline in selling prices has stabilized, so we also expect growth in monetary terms.
- In the next fiscal year as well, we are aiming to return to pre-COVID-19 levels of sales growth, although this will depend on market conditions.

Q. Question about profit margin of the North American wholesale business:
What was behind the decline in profit margin in 2Q compared to Q1? Why is the forecast for the second half of the year lower than the second half of the previous fiscal year? What is your outlook for the next fiscal year and beyond? What is the risk of price competition from competitors?

A. - In 2Q, we allocated expenses to prioritize sales growth, which was our original plan.
-The forecasted year-on-year decline in profit margin in the second half is not due to deterioration of the business environment. Rather, a portion of personnel expenses was recorded earlier than expected in the first half of the previous fiscal year, which resulted in lower expenses and a quite high profit margin in the second half of the previous fiscal year.
- While there is a possibility that the profit margin may eventually decline due to market conditions and other factors, our efforts to promote the visualization of management data through DX have improved productivity and raised employee awareness, which

has helped improve the profit margin by several percentage points. We believe that this improvement will help us maintain profit margin at a higher level than before COVID-19.

- There is always the risk of price competition, but the current likelihood of such competition is relatively low for the time being. Naturally, we have no intention of initiating a price war.

Q. Question about the Soy Sauce Business in North America:
What are the trends by business sector?

A. All business sectors, which include home-use, foodservice-use, and industrial-use, are growing.

Q. Question about the Soy Sauce Business in Europe:
What factors are expected to slow down growth in the second half? What is your outlook for the next fiscal year and beyond?

A. - Sales in the second half of the previous fiscal year were strong, which makes growth in the second half of the current fiscal year appear lower. However, we expect business performance to remain strong.
- Despite the political and economic challenges faced by many European countries, the market as a whole has significant potential for growth in soy sauce sales. We will continue to aim for double-digit growth by further strengthening our customer relationships, which are currently at an all-time high, and through aggressive marketing.

Q. Question about the next medium-term management plan:
How do you see the growth potential of the Soy Sauce Business in North America and Europe? What will happen to the profit margin in Japan? Will there be any changes in segments?

A. - Since the next medium-term management plan has yet to be developed, we cannot make any definitive statements, but we will continue to aim for stable, high-level growth in both North America and Europe as we have done in the past.
- In Japan, we plan to increase the profit margin by recovering sales volume and offering high value-added products.
- There will be no segments changes in the next medium-term management plan. However, we are currently considering a new long-term vision (Global Vision 2040) with a view to long-term growth, and if our organizational structure is adjusted to align

with this growth strategy, segments may change in the medium-term management plan after the next.

Q. Question about the next medium-term management plan:
What is your approach to financial strategy? How do you view ROE?

A. - First, it is essential to secure growth capital. If there is room after that, we will consider share buybacks in light of future funding needs and the market environment. Recently, we resolved to repurchase 15 billion yen worth of treasury shares as a form of shareholder return.
- This approach will remain our basic stance in the next fiscal year and beyond.
- ROE, which was around 5% previously, has risen to over 12% and we intend to raise it further.

Q. Why did you reduce your capital expenditure forecast for this fiscal year?

A. Because the payment period for the construction of the third U.S. plant has been moved to the next fiscal year.

End