

Kyokuyo Co., Ltd.

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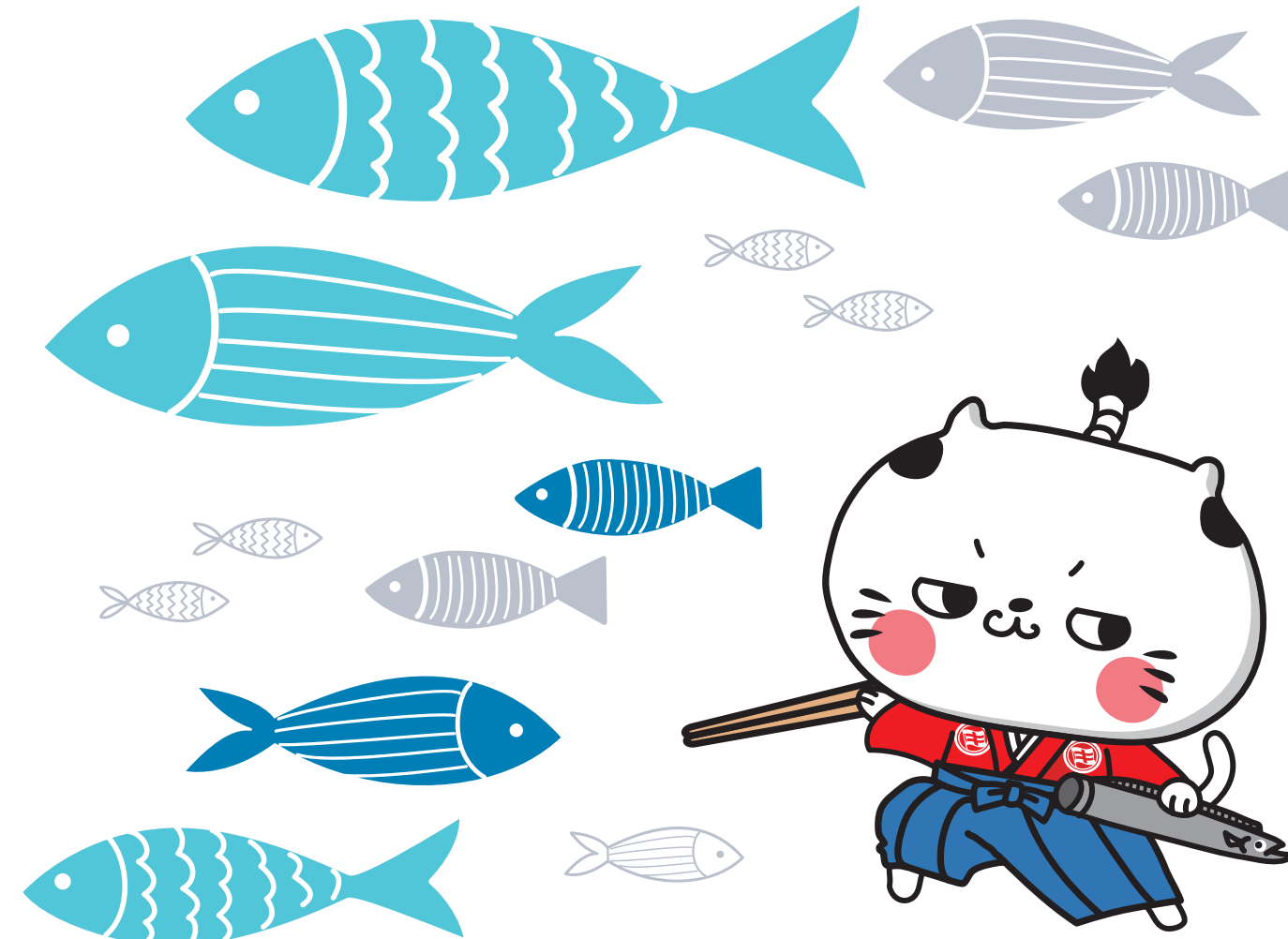
Kyokuyo Group Integrated Report 2025



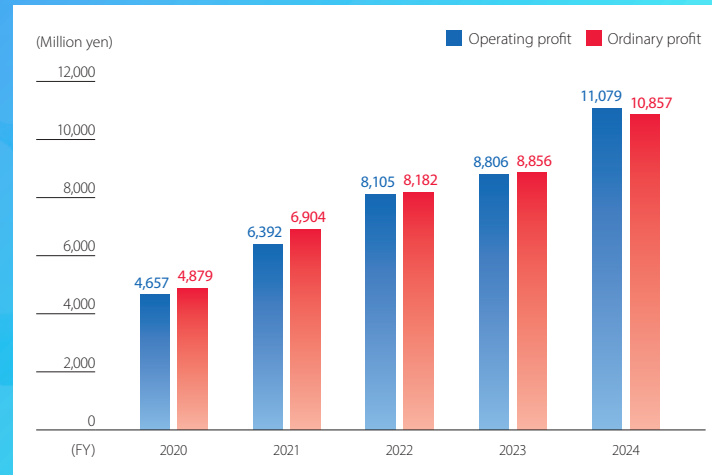
Always nearby, always delicious. KYOKUYO

Kyokuyo Group Integrated Report

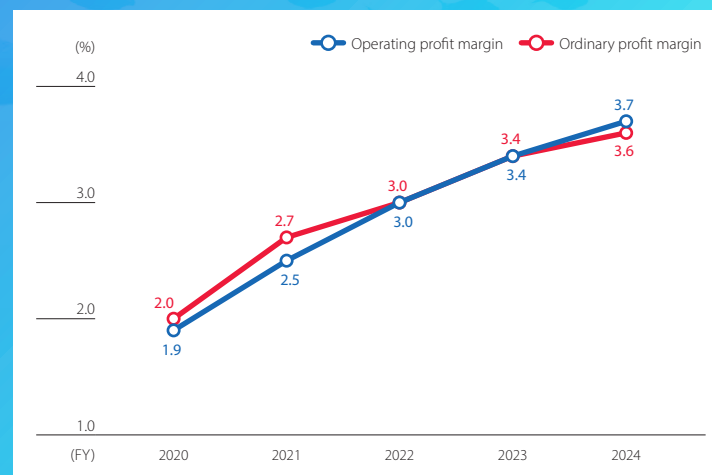
2025



Profits have grown over the past five years (Operating profit and ordinary profit)



Profit margins have grown over the past five years (Operating profit margin and ordinary profit margin)



Through initiatives implemented under the basic policy, “Change to a high-profit structure,” of the previous Medium-term Business Plan (FY2021–FY2023), we improved profitability and established a foundation for growth.

Message from the President

Makoto Inoue

President and Representative Director
Kyokuyo Co., Ltd.

“Kyokuyo—the fish experts” Further strengthening and expanding through a growth strategy centered on fish

As a company with deep expertise in fish, the Kyokuyo Group is committed to contributing to healthier lifestyles and the realization of a sustainable world through this valuable marine resource. Amid growing global concerns over food insecurity driven by population growth, fish—with its high nutritional value and low environmental impact—is increasingly recognized as a key food resource for a sustainable society. Grounded in this awareness, we will continue to generate both economic and social value as a company that “contributes to people’s lives and the planet through foods with a focus on fish.”

1. Looking Back over the First Year of the Medium-Term Business Plan

- Net sales exceeded 300 billion yen; operating profit and ordinary profit surpassed 10 billion yen
- New production facilities completed in Japan and overseas to support further growth and expansion

In April 2024, the Kyokuyo Group launched its new Medium-Term Business Plan, “Gear Up Kyokuyo 2027,” under the banner of “Kyokuyo—the fish experts,” with the aim of realizing

a strong Kyokuyo. In the first year of the plan, we accurately captured changes in market conditions and deepened collaboration with business partners. As a result, we delivered record performance: net sales of 302.6 billion yen, operating profit of 11.0 billion yen, and ordinary profit of 10.8 billion yen. Driven by the Marine Products and Freshfoods businesses, we steadily advanced initiatives to reinforce and expand the foundation for future growth.

As part of our initiatives to expand business scale, we constructed the Kurayoshi Plant of Kyokuyo Shokuhin Co., Ltd. in Tottori Prefecture. Specializing in retail frozen foods such as fried seafood products, the new plant was established to increase production capacity and enhance logistics efficiency in western Japan.

Overseas, following KYOKUYO GLOBAL SEAFOODS in Thailand, we completed construction of Kyokuyo Vina Foods in Vietnam as a new production site in Southeast Asia. The plant primarily manufactures products for the Japanese market and was established to diversify production locations and mitigate geopolitical risk. In North America, we established Ocean’s Kitchen in the US to manufacture imitation crab meat for the US market. Imitation crab meat is widely used in salads and California rolls in the US, and further growth in consumption is expected. By

leveraging the production expertise cultivated in Japan, we aim to develop products that meet the needs of the US market. In Europe, we advanced the development of our overseas platform by strengthening production capabilities and expanding the handling of marine materials, including through the consolidation of KOCAMAN (Turkey) and Northseafood (Netherlands) as subsidiaries.

With respect to strengthening our financial base, improvements in inventory turnover through rigorous inventory control, combined with steady accumulation of net profit, led to greater capital efficiency and a return to positive operating cash flow. On the human resources front, as part of our investment in human resources and to enhance employee motivation, we revised compensation to a level among the highest in the industry.

2. Toward Achieving the Targets of the Medium-Term Business Plan

- **Targets for the second year: net sales of 350 billion yen; operating profit and ordinary profit of 12.5 billion yen**
- **Further strengthen the Marine Products Business as “Kyokuyo—the fish experts”**
- **Promote adjusting production sites for policy of “produce overseas, sell overseas”**
- **Further strengthen the financial base and generate cash flow**
- **Further strengthen our human resources base**

The fiscal year ending March 2026 marks the second year of our Medium-Term Business Plan and is positioned as a year to accelerate further strengthening and expansion. We are targeting net sales of 350 billion yen and operating profit and ordinary profit of 12.5 billion yen.

<Business Strategy>

We will continue to focus on the Marine Products Business, which serves as the foundation of the Kyokuyo Group. Leveraging our strengths as “Kyokuyo—the fish experts,” we aim to increase market share by expanding the scale of core products such as salmon, shrimp, mackerel, and crab, while also increasing the number of categories in which we lead the Japanese market. As market conditions shift from deflation to inflation, we will strengthen our ability to respond to fishery market trends under inflationary conditions. By building a Marine Products Business with a strong competitive advantage, we will drive expansion in our Overseas, Freshfoods, and Processed Food businesses.

<Overseas Strategy>

In addition to exports from Japan, we will continue pursuing

M&A under our policy of “produce overseas, sell overseas,” and are also considering the establishment of a second plant in Vietnam as a production base for products targeting Southeast Asia.

While the executive officer in charge of Overseas Business regularly holds online meetings with local offices to monitor progress and address challenges, in parallel, I personally visit local operations to communicate the Group’s policies and engage with local employees. It is my role to foster unity with the management and staff of newly integrated Group companies and to lead them in realizing the maximum possible synergies as part of the Kyokuyo Group.

<Further Strengthening the Financial Base and Generating Cash Flow>

As the economic environment shifts from deflation to inflation, it is increasingly important to manage operations with greater awareness of interest rates. We will continue efforts to diversify our financing methods while steadily enhancing profitability in preparation for growth investments such as wage increases, shareholder returns, new plant construction, and M&A. Through the accumulation of stable earnings, we aim to strengthen our financial foundation. Group-wide, we are working to establish a structure that reliably generates cash through operating activities, enabling reinvestment in future business expansion.

While the executive officer in charge of finance shares financial policy across divisions and departments, I also use forums such as division head meetings to emphasize the importance of profit generation and financial soundness, reinforcing alignment and driving further Group-wide enhancement.

<Further Strengthening the Human Resources Base>

People are the foundation of corporate growth. As the Kyokuyo Group continues to expand rapidly, securing and developing human resources has become a critical challenge.

In FY2023, we carried out a personnel system reform and revised our compensation structure to reflect the expectations we place on our employees. To further increase motivation, we will continue raising compensation levels. In addition to recruiting and training new graduates, we will actively pursue mid-career hiring of experienced personnel.

Sustainable corporate growth depends on the physical and mental well-being of our employees. The Kyokuyo Group is committed to health and productivity management and is working to foster highly engaging workplaces. By creating an environment where every employee feels secure and can fully demonstrate their capabilities, we will continue to build a workplace where individuals can focus on their roles and contribute with confidence. Our aim is to transform Kyokuyo into a more vibrant organization that attracts passionate and motivated people.

3. Food Sustainability

The Kyokuyo Group’s purpose is “Contributing to people’s lives and the planet through foods with a focus on fish, for a more sustainable world.” We believe it is our social mission to continue delivering fish—a vital source of protein—as food.

However, with demand for marine products growing throughout the world, there are concerns regarding the deterioration of the ocean environment and the depletion of wild fishery resources due to overfishing. Labor-related human rights issues in the fishing industry, including forced labor, also require serious attention. To address these challenges, it is essential to promote science-based resource management, establish catch limits, and ensure respect for human rights across the supply chain.

To ensure the long-term use of marine resources—the bounty of the ocean—it is equally essential to secure traceability and confirm that procured seafood originates from responsibly managed fisheries or aquaculture. The Kyokuyo Group monitors the condition of marine resources in its supply chain and promotes sustainable sourcing by addressing associated issues. Marine products and other food resources are essential not only for nutrition but also for enriching people’s lives. With a strong sense of mission to pass abundant marine resources on to future generations, the Kyokuyo Group will continue to pursue effective resource utilization, reduce environmental impact, and promote responsible sourcing.

4. Kyokuyo Group Medium- to Long-Term Outlook

As the global population continues to grow and fish consumption becomes more widespread, demand for marine products is expected to increase over the medium to long term, expanding business opportunities worldwide.

To capture this demand, the Kyokuyo Group will continue to strengthen its production and sales structure overseas. I am committed to building a foundation for this growth and passing it on to the next generation. At the same time, we will take a multifaceted approach to management—integrating our business strategies with non-financial perspectives such as society, the environment, and human resources. Through this, we aim to establish a sustainable growth model that links business development with the creation of social value. Remaining true to our founding mission of ensuring a stable supply of food, we will continue working toward the realization of our corporate philosophy of “aiming to grow together with society, contributing to food culture.”

5. To Our Stakeholders

Per capita seafood consumption in Japan has been declining since peaking at 40.2 kg in FY2001, reaching 21.4 kg in FY2023.

This trend is attributed to changing consumer preferences and increasingly diverse dietary habits. While we have worked to promote fish consumption through the development of time-saving products, we also recognize the need to reexamine the significance of eating fish ourselves. This fiscal year, we launched the internal initiative “If you’re a seafood company, eat fish!” to encourage greater fish consumption. As part of this campaign, we are distributing fish-based boxed lunches to employees and displaying posters to highlight the appeal of seafood, promoting awareness both within and outside the Company. Looking ahead, we hope to collaborate with partners who share this vision to help preserve Japan’s fish-eating culture and revitalize the domestic fisheries industry. We believe that even small steps—such as increasing fish consumption by just one or two meals—can ultimately develop into a broader movement that contributes to the recovery of Japan’s seafood sector.

To our shareholders and investors, we are committed to ensuring a clear understanding of the Kyokuyo Group’s direction through continuous, constructive dialogue. We will continue to provide transparent disclosures on our management strategies, financial policies, and related initiatives, and we recognize that returning profits appropriately to shareholders is one of our key responsibilities.

A phrase I regularly share with employees is “maintaining the status quo amounts to going backwards.” With this belief in mind, I will continue to lead the Group forward and bring to life our vision of becoming “Kyokuyo—the fish experts.” We sincerely appreciate the continued support of all our shareholders, investors, and other stakeholders.



Kyokuyo Group's History to Value Creation

Since its founding in 1937, the Kyokuyo Group has contributed to the stable supply of food, while continuously advancing the effective use of marine resources and innovation in processing technologies in response to the changing times. Remaining committed to addressing social issues and evolving lifestyles, the Group will continue to propose diverse forms of food without change. Leveraging our global network of domestic and international sites and placing sustainability at the core of our business, the Kyokuyo Group will take on new challenges—supporting people's healthy and happy lives, while continually creating new value.

1937-1950s



- 1937 Founded Kyokuyo Hogei Co., Ltd., the forerunner of today's Kyokuyo Co., Ltd.
- 1942 Commenced trawl net fishing operations
- 1949 Began manufacturing canned foods at east branch (Shiogama, Miyagi Prefecture)
- 1954 Began mothership-type fishery for salmon and ocean trout in the North Pacific

Commenced operations as a fisheries company to secure valuable sources of protein, and entered the food processing business to contribute to the stable supply of food

To secure valuable sources of protein, the Company began whaling operations in the Southern Ocean in 1938, followed by the launch of trawl net fishing and mothership-type fishery for salmon and ocean trout in the North Pacific. In the postwar period, amid severe domestic food shortages, the Company took its first step into the food processing business in 1949 with the start of canned food production in Shiogama, Miyagi Prefecture, contributing to the stable supply of food.

1960s-1970s



- 1962 Launched deep-sea trawling operations
- 1963 Began import of Alaska-produced salmon roe; entering overseas purchasing operations
- 1970 Began production of frozen foods at the Hiratsuka Plant in Kanagawa Prefecture
- 1971 Changed company name to Kyokuyo Co., Ltd. Established Kyokuyo U.S.A. Inc. (now Kyokuyo America Corporation) in the US to undertake the procurement and sale of marine products and their exportation to Japan
- 1973 Began overseas purse seine fishing business using a purse seine fishing vessel

Diversified fisheries operations and expanded overseas; contributed to diversified food offerings and improved convenience in daily life through the launch of frozen food production

In 1962, the Company launched deep-sea trawling operations, followed by the start of overseas purse seine fishing in 1973, advancing the diversification of its fisheries business. In 1963, ahead of other Japanese companies, we began importing Alaska-produced salmon roe, marking the Company's entry into overseas purchasing operations. In 1971, we established our first overseas subsidiary in Seattle, United States, beginning our overseas expansion and supplying marine products from around the world to Japan. In 1970, we commenced frozen food production at the Hiratsuka Plant, further advancing our Processed and Frozen Food Business.

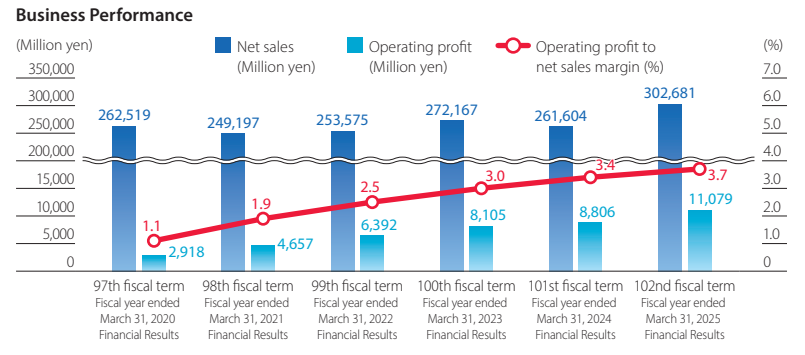
1980s-1990s



- 1980 Established Kyokuyo Shokuhin Co., Ltd. in Miyagi Prefecture to undertake manufacturing of frozen foods
- 1984 Established Kyokuyo Foods Co., Ltd. in Ehime Prefecture to manufacture imitation crab meat
- 1991 Established the Shiogama Laboratory (now the Research and Development Division Laboratory) in Miyagi Prefecture
- 1997 Established Kyokuyo Suisan Co., Ltd. in Shizuoka Prefecture to undertake overseas purse seine fisheries operations and the processing and sale of skipjack and tuna

Addressed regulatory changes and evolving lifestyles by delivering food products aligned with consumer needs

In the late 1970s, the introduction of the 200-nautical-mile exclusive economic zone marked a turning point for the fisheries business. To supplement this shift, the Company expanded its trading and domestic commercial operations while enhancing its Processed and Frozen Food Businesses. As part of these efforts, we began the production and sale of products such as peeled shrimp, Ocean King (imitation crab meat), seafood mixes, and salted salmon fillets in the 1980s. During this period, growing female workforce participation led to lifestyle changes, and the food services and ready-made meal markets expanded significantly. To respond to the sharp rise in demand for processed and frozen foods, we added a new product development facility to the Shiogama Plant of Kyokuyo Shokuhin Co., Ltd. in 1987. In 1991, we established the Shiogama Laboratory, thereby reinforcing our research and development and processing systems in line with the changing times.



2000-2019

Strengthened overseas operations and delivered food solutions tailored to the needs of food service kitchens



The Dandori Jozu series

Amid prolonged deflation following the collapse of the bubble economy, the Company enhanced its overseas production network—including partner plants in China and Southeast Asia—to pursue cost competitiveness in processed foods. We also established a sales base in Europe to strengthen its responsiveness to local market needs. In 2013, we launched the Dandori Jozu series of frozen foods, targeting nursing care facilities and workplace cafeterias. Featuring deboned fish and other products that can be cooked directly from frozen, the series offers value by shortening preparation time, thereby contributing to solving social issues in food service operations, particularly in response to labor shortages faced by medical, nursing care, and welfare facilities.

- 2006 Established Kyokuyo Europe B.V. in the Netherlands to undertake the sale of marine products and frozen food
- 2013 Announced Sea Marché as a new brand for consumer products Began the sales of the "Dandori Jozu" series of frozen food products
- 2014 Entered the frozen foods retail market Established the Kyokuyo Marché online store
- 2015 Completed construction of the new plant of Kyokuyo Shokuhin Co., Ltd. in Miyagi Prefecture
- 2019 Established KYOKUYO GLOBAL SEAFOODS Co., Ltd. in Thailand to undertake production of sushi toppings, grilled fish, and simmered fish products

2020s to Today



Ocean's Kitchen Corporation

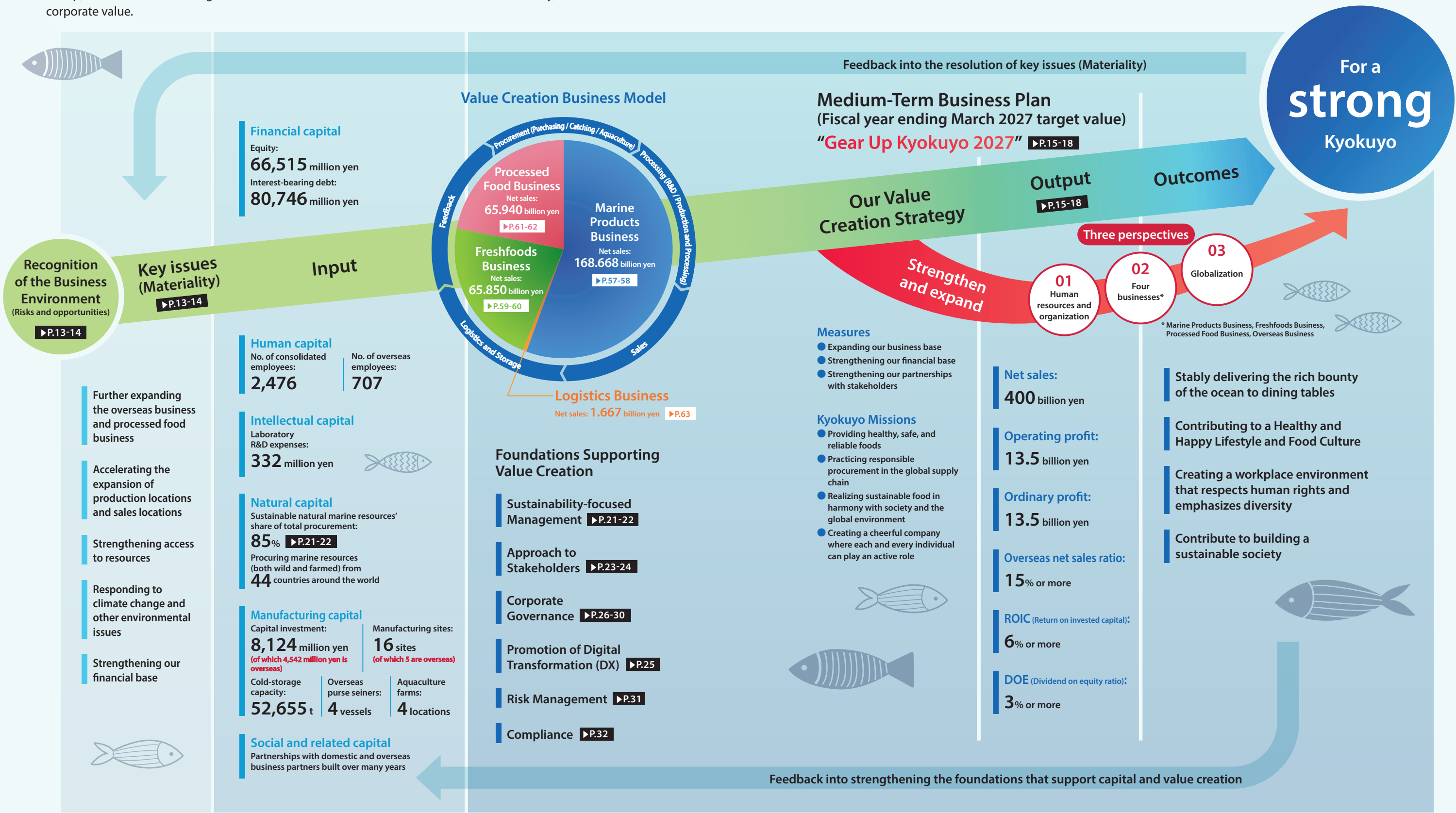


Kurayoshi Plant of Kyokuyo Shokuhin Co., Ltd.

- 2022 Established Kyokuyo Vina Foods Co., Ltd. in Vietnam to undertake food products manufacturing, sale, and exportation
- 2023 Established Ocean's Kitchen Corporation in the US to undertake the manufacturing and sale of imitation crab meat for the U.S. market
- 2024 Invested in KOCAMAN in Turkey (production and sales of food products for the European market) Invested in North Seafood Holding B.V. in the Netherlands (production and sales of food products for the European market) Established Pacific Scallop Co., Ltd. in Hokkaido (processing, export, and sales of scallops)
- 2025 Completed construction of the Kurayoshi Plant of Kyokuyo Shokuhin Co., Ltd. in Tottori Prefecture

Value Creation Process

To realize our corporate philosophy, which emphasizes “aiming to grow together with society, contributing to food culture,” and to enhance our corporate value, the Kyokuyo Group has set a corporate purpose of “Contributing to people’s lives and the planet through foods with a focus on fish, for a more sustainable world.” In line with “Gear Up Kyokuyo 2027,” our Medium-Term Business Plan, we will be working to further strengthen and expand the Kyokuyo Group, and we will be aiming to contribute toward the realization of a sustainable society, and to increase our corporate value.



As marine products experts, we utilize the domestic and overseas networks that we have built up over a period of many years to deliver the bounty of the ocean to our customers.

* Market-in type aquaculture
This approach involves the securing of qualitative and quantitative information regarding aquaculture product items and utilization models, in line with demand, and the putting in place of a framework for supplying marine products through aquaculture with stable quality and stable production volume, in a timely manner, and at stable prices

Overview					Strengths		Issues	
Procurement	Marine Products Business	Freshfoods Business	Processed Food Business	Logistics Business	By effectively utilizing the relationship of trust that we have built up with our suppliers both in and outside Japan, as well as our network, we maintain stable procurement of high-quality marine products from around the world. In addition, we catch skipjack tuna in the western and central Pacific Ocean using our own overseas purse seine fishing vessels. In the aquaculture business, we conduct offshore farming of bluefin tuna, and fully farm-raised red sea bream and burihira® (a yellowtail-goldstriped amberjack crossbreed species).		<ul style="list-style-type: none">● Ensuring a stable supply of marine products by strengthening access to resources● Realization of sustainable procurement of wild-caught marine products by strengthening traceability● Further promotion of handling of certified marine products● Stabilizing earnings in the purse seine fishing business, which is subject to significant fluctuations in catch volume and selling prices● Developing and utilizing sustainable feed with reduced fishmeal content (We are considering measures such as partially replacing fishmeal and fish oil in feed with alternative protein sources and microalgae, as a sustainable procurement initiative)● Selecting farming sites and species based on the anticipated impacts of global warming● Development of a market-in type aquaculture*	
	Purchasing							
	Catching							
	Aquaculture products							
Processing	R&D				We undertake fisheries science research, for example on fish protein and fish oils, as well as fundamental research on food hygiene and food safety, as well as new product development for frozen food products for industrial use and home use, and for shelf-stable foods including chilled foods, canned foods, and seafood delicacies, etc. We also undertake new product development and enhancement of product quality consistency by developing our own original technologies and through production technology guidance, along with the development and improvement of manufacturing technologies for processed marine products.		<ul style="list-style-type: none">● Securing human resources capable of addressing a wide range of topics, and to cultivate human resources for the transmission of technical skills● Developing differentiated products to improve profitability at Kyokuyo plants● Safeguarding the company's technology as intellectual property, and to develop new technologies● Promoting low-cost operations to enhance production efficiency at Kyokuyo plants● Eliminating preconceptions in product development	
	Production and processing				We provide products that have been developed and manufactured in line with customers' needs, including grilled and simmered fish products that effectively utilize the natural flavor and texture of the ingredients used to make them, fried marine products with an enhanced level of processing, surimi (minced fish paste) products including our Ocean King brand, meat products, etc.		<ul style="list-style-type: none">● Realization of labor-saving (through the effective utilization of robots, etc.) at our production facilities in response to labor shortages and the need to enhance productivity● Responding to demand from medical, care, and social welfare facilities affected by labor shortages for products that are more convenient to prepare● Expanding the lineup of ready-to-eat side dishes for dining tables and lunchboxes, targeting dual-income households and single-person households with limited time for cooking● Expansion of production of products made using sustainable marine materials	
					We are also working to expand our production base both in Japan and overseas through the establishment of new plants and M&A activities.			
Sales	Sales				We sell our products to a wide range of different sectors, including not only the restaurant industry (conveyor belt sushi restaurants, other restaurants, Japanese-style pubs, etc.), mass-market retailers (for their marine products and deli counters), and convenience stores, but also medical and nursing facilities, school cafeterias, etc. In addition, to increase our sales in overseas markets with strong growth potential, besides undertaking export sales of Japanese marine products and engaging in trilateral trade with other countries, we are also aiming to expand our overseas production and sales sites in regions such as Europe, Southeast Asia, and the US, under the policy of "produce overseas, sell overseas."		<ul style="list-style-type: none">● We have a domestic and overseas sales network built over many years● Established a sales structure that responds to diversifying lifestyles by meeting needs such as time savings and eliminating the need to visit physical stores, through the official online shop "Kyokuyo Marché."	
							<ul style="list-style-type: none">● Further expansion of overseas production sites and sales networks to increase overseas net sales ratio● Implementation of measures to extend best-before dates and delivery dates, in order to reduce food loss	
Logistics and storage								
	Logistics							
Storage								
Business Partners	Restaurants				Retail			
	Ready-made meals				Consumers			
Kyokuyo Akitsu Reizo Co., Ltd., which handles logistics services for the Kyokuyo Group, has three facilities (at Jonanjima and Oi in Tokyo, and in Fukuoka) from which it provides logistics services, including organizing deliveries from warehouses, with a focus on cold storage business. It also uses the know-how it has accumulated over the years to provide storage and transport services for the goods of customers outside the Kyokuyo Group, and is striving to further enhance the quality and efficiency of the logistics services which it provides.					Kyokuyo Akitsu Reizo Co., Ltd., which handles logistics services for the Kyokuyo Group, has three facilities (at Jonanjima and Oi in Tokyo, and in Fukuoka) from which it provides logistics services, including organizing deliveries from warehouses, with a focus on cold storage business. It also uses the know-how it has accumulated over the years to provide storage and transport services for the goods of customers outside the Kyokuyo Group, and is striving to further enhance the quality and efficiency of the logistics services which it provides.		<ul style="list-style-type: none">● We are able to provide logistics services in Japan based on a nationwide network that links together the Kyokuyo Group's various business locations● We have a comprehensive supply system that ensures the safe, secure, and appropriate storage and delivery of products through the integration of processing/sales and logistics/storage operations	
							<ul style="list-style-type: none">● Reduction of the amount of time that drivers have to spend waiting around during loading and unloading operations, to ease the burden on transport firms● Improving logistics efficiency in response to rising transportation costs driven by driver shortages and higher fuel prices	

Recognition of the Business Environment

To fulfill our responsibility to contribute to realizing a sustainable society under our corporate philosophy of “aiming to grow together with society, contributing to food culture,” we have scrutinized the business environment in which the Kyokuyo Group operates from different perspectives, and have identified the key issues (materiality) affecting the group.

▲ Risks ● Opportunities

Business environment	Risks and opportunities for the Kyokuyo Group
● Growing global demand for marine products ▶P.21, 45, 55	▲ Increasing procurement costs due to intensified purchasing competition ▲ Reduction in and depletion of natural marine resources ● Increased global demand for marine products driven by rising health consciousness and global population growth ● Increased demand for sustainable marine products
● Carbon neutrality by 2050 ● Worsening environmental issues, including climate change and marine pollution ▶P.37-38,42-43	▲ Increase in costs for preventing pollution and reducing environmental impact, including addressing the plastics issue ▲ Reduction in corporate value due to a delayed response to the need for building a sound supply chain ▲ Suspension of business activities due to natural disasters ● Earning the trust of society by addressing environmental issues with sincerity ● Promoting the development of technology for low carbonization and resolving plastics issue ● Reducing corporate costs through resource conservation
● Continued declining birthrate and aging population in Japan ● Changing lifestyles related to food ▶P.51	▲ Declining seafood consumption in Japan due to continued declining birthrate and aging population ▲ Decrease in sales due to delays in responding to changing needs for processed marine products and frozen foods ● Rising demand for foods for the elderly and easy-to-prepare meals ● Growing interest in environmentally conscious products such as certified marine products
● Increasing interest in food safety and reliability ▶P.53	▲ Increase in costs for system construction to ensure safety and reliability ▲ Loss of trust from consumers and business partners due to a decline in product quality ● Earning trust by promoting accurate and prompt information for consumers and business partners ● Earning the trust of consumers and business partners by improving product quality
● Shortage of human resources ▶P.47-48	▲ Impact on safety and health management and increase in risk of occupational accidents ▲ Decline in productivity and quality, and higher labor and logistics costs ● Enhanced employee motivation and working efficiency through management of appropriate working hours ● Promoting the development of technologies for labor-saving and operational efficiency
● Growing awareness of human rights and of diversity, equity, and inclusion (DEI) ▶P.48	▲ Increased risk of human rights violations ▲ Reduced employee motivation and operational efficiency and loss of human resources due to delays in response ● Enhancing employee engagement through the creation of a comfortable workplace environment ● Promoting the creation of a workplace environment where diverse human resources can come together and thrive
● Development of IT and AI technologies ● Accelerating digital transformation (DX) ▶P.25	▲ Increase in cost of new system construction ▲ Loss of sales opportunities due to delays in responding to diversifying sales channels such as online sales ● Improving operational efficiency and sophistication by introducing and utilizing new technologies ● Visualizing production and marketing technologies
● Increasing emphasis on sustainability-oriented management ▶P.23	▲ Decline in corporate value due to delays in addressing sustainability issues ● Enhancing corporate value by actively addressing sustainability issues (improved social credibility, reduced funding costs, etc.)

Process for identifying key issues (Materiality)



Key issues (Materiality)					Creating social values
Further expanding the overseas business and processed food business	Accelerating the expansion of production locations and sales locations	Strengthening our financial base	Strengthening access to resources	Responding to climate change and other environmental issues	
✓	✓		✓		Contributing to a Healthy and Happy Lifestyle and Food Culture
			✓	✓	
✓	✓			✓	Creating a workplace environment that respects human rights and fosters diversity
	✓	✓			
		✓			Contributing to the realization of a sustainable society
✓	✓	✓			
✓	✓	✓			Stably delivering the rich bounty of the ocean to dining tables
		✓		✓	

Medium-Term Business Plan “Gear Up Kyokuyo 2027”

The Kyokuyo Group is now in the second year of its Medium-Term Business Plan “Gear Up Kyokuyo 2027” for the period from FY2024 through FY2026. Guided by our purpose—“Contributing to people’s lives and the planet through foods with a focus on fish, for a more sustainable world”—the Kyokuyo Group is committed to realizing ‘a strong Kyokuyo’ by deepening our domestic initiatives and further expanding our business presence overseas.

1. Looking Back over the First Year of the Medium-Term Business Plan and Key Issues

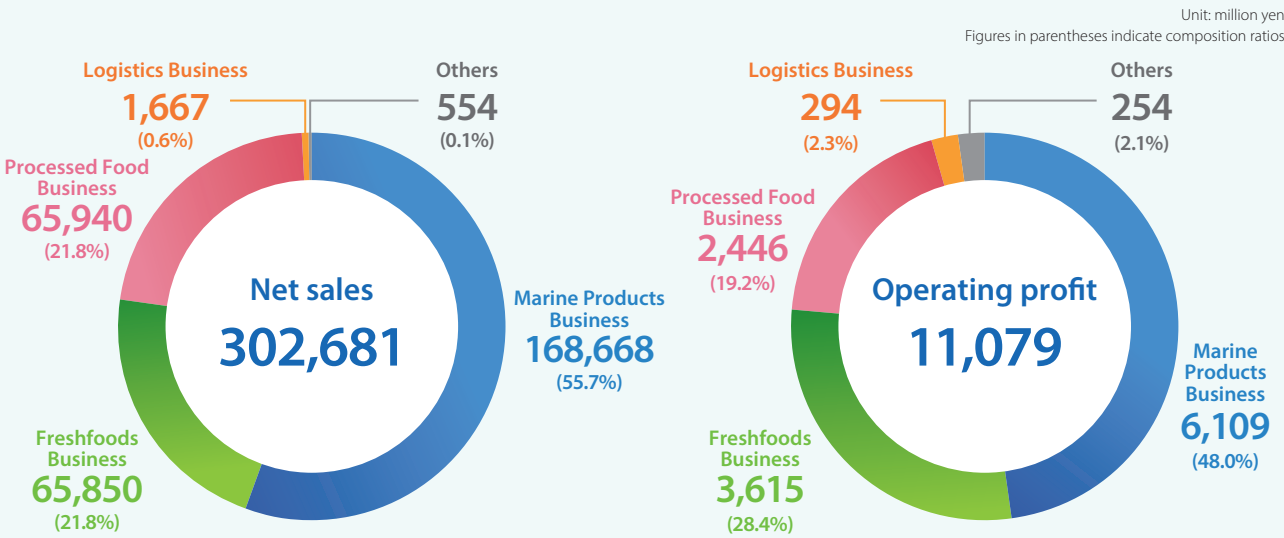
In the first year of the Medium-Term Business Plan, we carried forward the Group foundation built under the previous plan and continued our efforts to “change to a high-profit structure.” As “Kyokuyo—the fish experts,” the marine products business and the skipjack and tuna business drove Group performance, and we achieved record highs in net sales, operating profit, ordinary profit, and net profit.

Results of the First Year of the Medium-Term Business Plan

	FY ended March 2025 (Unit: million yen)	FY ended March 2024 (Unit: million yen)	Year-on-year change
Net sales	302,681	261,604	15.7%
Operating profit	11,079	8,806	25.8%
Ordinary profit	10,857	8,856	22.6%
Profit attributable to owners of parent	6,740	5,936	13.5%

	Net sales by segment			Profit by segment		
	FY ended March 2025 (Unit: million yen)	FY ended March 2024 (Unit: million yen)	Year-on-year change	FY ended March 2025 (Unit: million yen)	FY ended March 2024 (Unit: million yen)	Year-on-year change
Marine Products Business	168,668	130,040	29.7%	6,109	5,195	17.7%
Freshfoods Business	65,850	63,821	3.2%	3,615	2,248	60.8%
Processed Food Business	65,940	65,614	0.5%	2,446	2,658	-8.0%
Logistics Business	1,667	1,599	4.2%	294	289	1.7%
Others	554	527	5.1%	(1,386)	(1,584)	12.5%
Total	302,681	261,604	15.7%	11,079	8,806	25.8%

* Due to the revision of management classifications, the figures for the previous fiscal year have been restated to reflect the new segment structure.



* Excluding the adjustment amount of minus 1,641 million yen. Total segment profit before deducting the adjustment amount was 12,720 million yen.

Results achieved

- Strengthening our high-profit structure
- Start of operations at the new plants
- Strengthening our financial base
- Strengthening our human resources base

Issues

- Return to positive free cash flow
- Securing and cultivating human resources in line with business expansion

Strengthening our high-profit structure

The Kyokuyo Group made further progress in strengthening its high-profit structure by developing high-value-added products in the Marine Products Business and stabilizing sales profitability, and by improving the operating efficiency of its Processed Food Business through sales centered on Kyokuyo manufactured products.

Start of operations at the new plants

In line with our policy of “produce overseas, sell overseas,” we worked to diversify our production sites by launching operations at Kyokuyo Vina Foods in Vietnam and Ocean’s Kitchen in the U.S. for the production of imitation crab meat for the U.S. market. In Japan, we also began production of frozen foods for the retail market at the newly constructed Kurayoshi Plant of Kyokuyo Shokuhin Co., Ltd. in Tottori Prefecture.

Strengthening our financial base

Through steady improvements in profitability and the accumulation of stable earnings, we returned to positive operating cash flow and strengthened our equity capital. Through these efforts, besides ensuring that we have the financial flexibility needed to support a growth strategy oriented toward further expansion of the scale of production, we have also proceeded with building a capital structure able to withstand the increased risk that accompanies business expansion.

Strengthening our human resources base

To foster an environment in which every employee can perform at their best with peace of mind, we promoted health and productivity management and implemented measures to enhance employee motivation, including wage increases and higher starting salaries.

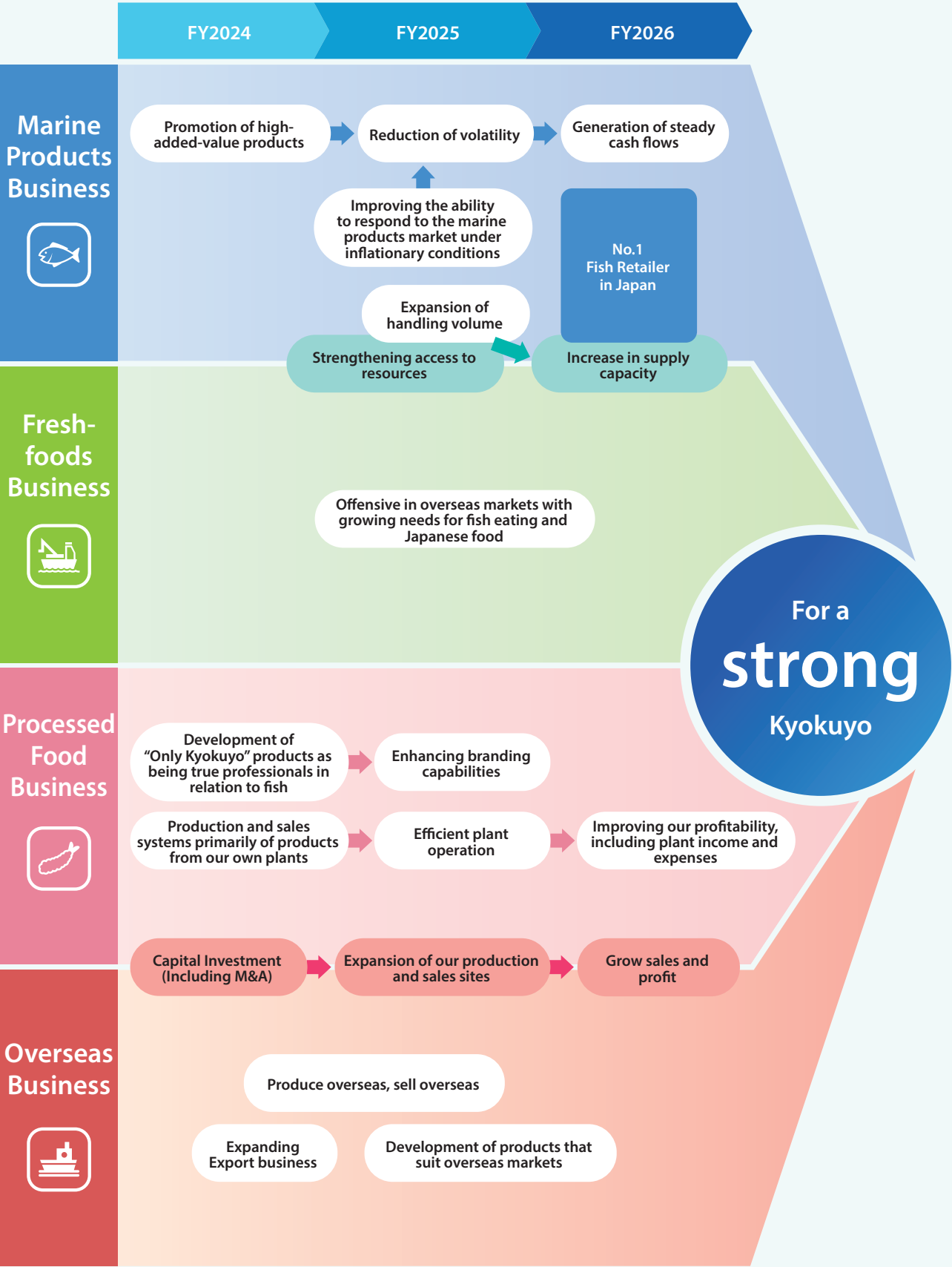
Issue

While we achieved record highs in net sales, operating profit, ordinary profit, and net profit, returning to positive free cash flow remains a key issue as we pursue growth investments to strengthen and expand the Group. In addition, securing and cultivating human resources in line with business expansion continues to be a critical issue.

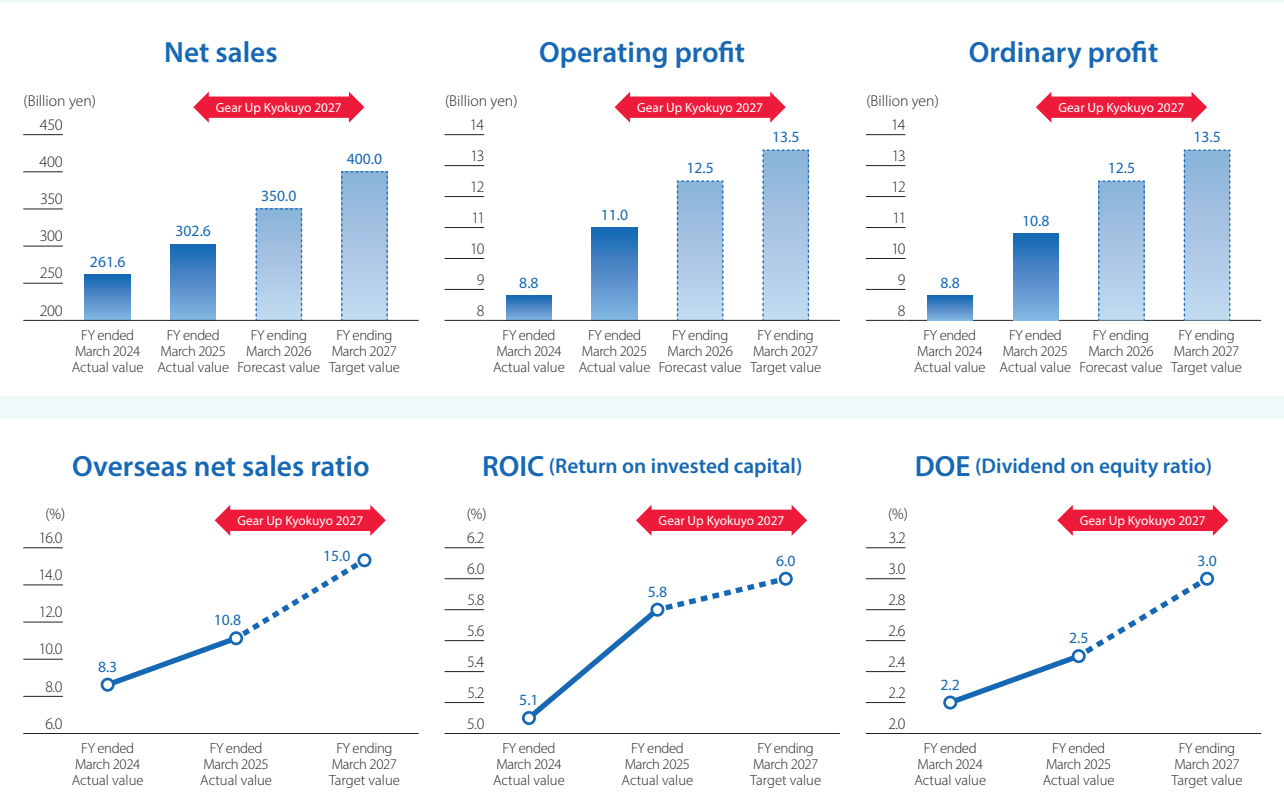
Medium-Term Business Plan “Gear Up Kyokuyo 2027”

2. Medium-Term Business Plan “Gear Up Kyokuyo 2027”

(1) Roadmap



(2) Actual Performance



(3) Issues and Policies

Issues

In Japan, continued inflation driven by rising energy, raw material, and logistics costs has raised concerns over a potential decline in consumer spending, and the overall environment remains challenging. In addition, as the economy shifts from prolonged deflation to inflation and enters a phase marked by rising interest rates, businesses must adapt to this new environment. Globally, uncertainty is expected to persist due to heightened geopolitical risks and potential impacts from U.S. trade policies. While domestic demand for marine products continues to decline, global demand is growing significantly, creating more business opportunities. In this context, securing stable access to marine resources is becoming increasingly critical to ensure a reliable supply to expanding overseas markets. To navigate these changes in the economic and global landscape, companies are expected to strengthen their overall corporate capabilities—including growth potential and long-term sustainability.

Policies

In our business operations, the Kyokuyo Group will further strengthen its competitive edge in the Marine Products Business—our core area of expertise—and increase market share. Building on this foundation, we will strengthen and expand our Freshfoods Business, Processed Food Business, and Overseas Business. In overseas operations, we will continue to enhance our production and sales infrastructure by constructing new plants and pursuing mergers and acquisitions, in line with our policy of “produce overseas, sell overseas.” On the financial side, we aim to reinforce our capital base through steady profit procurement and diversify funding sources to establish a framework capable of supporting proactive growth investments.

We will continue to expand our production and sales footprint and strengthen our high-profit structure. By steadily accumulating earnings to enhance shareholders' equity, we will allocate the cash generated toward further growth investments while also striving to enhance shareholder returns.

Message from the Executive Officer in Charge of Finance



Financial strategy to support the strengthening and expansion of the Kyokuyo Group

Hitoshi Higaki
Managing Director

In the first year of the Medium-Term Business Plan “Gear Up Kyokuyo 2027,” we achieved record performance, with net sales of 302.6 billion yen, operating profit of 11.0 billion yen, and ordinary profit of 10.8 billion yen. These results were driven by accurate analysis of market trends and stronger collaboration with business partners. Profit margins also improved steadily, and ROE (return on equity) remained above 10%.

To achieve the targets set for the final year of the Medium-Term

Business Plan—net sales of 400.0 billion yen, operating and ordinary profit of 13.5 billion yen, and an overseas net sales ratio of 15% or more—we are actively investing in business expansion both in Japan and overseas. As a result, demand for working capital and capital investment is increasing. We will continue to respond flexibly to this demand while formulating and executing efficient and effective financial strategies.

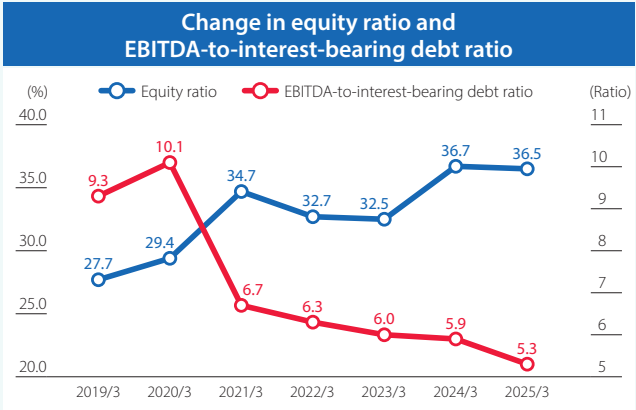
1. Strengthening our financial base to support growth

In Japan, as a company that excels in fish and seafood, we are working to expand both the handling volume and market share of our Marine Products Business. With sales continuing to grow, the need for working capital is also increasing. At the same time, by appropriately managing accounts receivable and inventory, we improved our cash conversion cycle from 118.5 days in the fiscal year ended March 2024 to 110.8 days in the fiscal year ended March 2025.

Overseas, we are making proactive growth investments, including the development of production sites and M&A. To respond to increasing capital needs with stable and flexible financing, we are strengthening the management functions of local subsidiaries while maintaining smooth communication with headquarters.

In light of rising domestic interest rates, controlling funding costs is essential. We are working to diversify methods of procuring funds, secure stable profit, and improve the efficiency of cash collection, while also curbing borrowings and further

reinforcing our financial base. As a result of these initiatives, our balance sheet continues to improve. In the fiscal year ended March 2025, our equity ratio remained at a stable level of 36.5%, and our EBITDA-to-interest-bearing debt ratio improved to 5.3 times.



2. Investment focused on efficiency

(1) Investment efficiency

While actively pursuing investments for growth, we have designated ROIC (Return on Invested Capital) as a key performance indicator (KPI) in our Medium-Term Business Plan, with a target of increasing it from 5.1% in the fiscal year ended March 2024 to 6.0% by the final year of the plan, the fiscal year ending March 2027. To achieve this, we are managing interest-bearing debt through favorable financing methods.

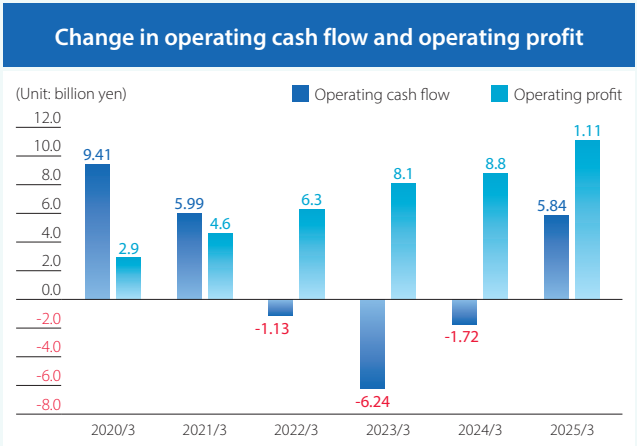
Although we expect invested capital and working capital to increase in the short term due to business expansion, we are considering introducing ROIC targets for each business unit in the near future to assess how efficiently each unit generates returns on the capital it uses. By promoting investment decisions that emphasize profitability, we aim to enhance corporate value.

ROA (Return on Assets), which measures how efficiently profits are generated from total assets, is another important management indicator. While increasing our asset base, we are also striving to grow profits, thereby improving ROA. In the fiscal year ended March 2024, ROA stood at 5.8%, and it improved to 6.3% in the fiscal year ended March 2025. We will continue to make investments with a clear focus on expanding earnings.

(2) Operating cash flow

As we continue to invest for growth, investment cash flow is expected to remain negative. To support these reinvestments, we aim to fund them through operating cash flow and achieve a positive free cash flow at an early stage.

For the past three fiscal years, Kyokuyo Group has recorded negative operating cash flow. As the executive officer in charge of finance, I have taken the opportunity during meetings attended by divisions and departments to clearly and carefully communicate the importance of not only expanding profits but also generating positive cash flow through proper management of accounts receivable and inventory. This approach has gradually gained traction across divisions and departments, leading to strengthened working capital management. As a result, operating cash flow turned positive in the fiscal year ended March 2025.



3. Returning profits to shareholders

We consider proper returns of profits to shareholders to be one of the key points in our business management. While continuing to pay a steady dividend, we also aim to raise the level of our dividend through medium- to long-term profit growth as we make investments to drive future growth. Based on this policy, we have adopted the DOE (Dividend on Equity Ratio), which is less affected by short-term fluctuations in performance and uses shareholders' equity as its basis, as a KPI for shareholder returns. For the fiscal year ended March 2025, taking into account

consolidated performance and dividend levels, we increased the annual dividend from 100 yen in the previous fiscal year to 130 yen. As a result, DOE improved compared with the prior year.

We will continue working to enhance shareholder returns by maintaining stable dividends while ensuring balance with earnings and investment plans.

	FY ended March 2022	FY ended March 2023	FY ended March 2024	FY ended March 2025	FY ending March 2026 forecast
Return on equity (ROE)	11.2%	12.8%	11.1%	10.7%	—
Return on assets (ROA)	5.6%	5.9%	5.8%	6.3%	—
End of period stock price	3,330 yen	3,425 yen	3,740 yen	4,150 yen	—
Dividends	90 yen	100 yen	100 yen	130 yen	150 yen
Dividend on equity ratio (DOE)	2.3%	2.4%	2.2%	2.5%	2.6%

Sustainability

The Kyokuyo Group is addressing a wide range of sustainability issues to fulfill its social responsibility by meeting society's needs and expectations. While working to address social issues, we are striving to build a relationship of trust with stakeholders, and we are aiming to realize sustainable growth for the group and enhance corporate value over the medium to long term.

Kyokuyo Group Basic Sustainability Policy

As a general food company with a focus on fish, the Kyokuyo Group aims to achieve sustainable growth while solving social issues and contributing to the sustainable development of society, by creating social and economic value in our business activities based on the following five themes aligned with our Corporate Philosophy.

Creation and Sharing of Value	We solve various social issues and contribute to a healthy and happy lifestyle and culinary culture by creating and sharing value for society via the provision of safe and reliable products and services.
Communication with Society	We promote active communication with various stakeholders to respond to the demands and expectations of society, fulfill our social responsibilities, and thereby contribute to the creation of a prosperous society.
Creating an Environment where Diverse Human Resources Can Flourish	We strive to respect the diversity of human resources, which are the source of new value creation, and create an environment where everyone can flourish.
Harmony with the Environment	We strive to conduct business activities in harmony with the environment, via efforts such as reducing environmental impact, mitigating climate change, and conserving biodiversity and ecosystems.
Enhancing Corporate Governance	We strive to conduct fair business activities based on swift and highly transparent management, ensure compliance, and enhance risk management.

Kyokuyo Group Basic Procurement Policy

The Kyokuyo Group is determined to fulfill its social responsibility and to do its part to realize a sustainable society through sustainability-focused business activities, based on its Corporate Philosophy and the Kyokuyo Group Corporate Action Charter. Accordingly, we have formulated Kyokuyo Group Basic Procurement Policy in line with ISO 26000, an international standard for social responsibility, and are promoting responsible procurement* activities.

* Responsible procurement: Procurement which demonstrates concern for society and the environment, in terms of respect for human rights, compliance with the law, environmental protection, labor health and safety, etc.

Eight points of Kyokuyo Group Basic Procurement Policy			
1 Compliance with laws and social norms	5 Fair business practices		
2 Respect for human rights	6 Safe and reliable products and services		
3 Safe and employee-friendly workplace environment	7 Coexistence with local communities		
4 Consideration for global environment	8 Information security		

Kyokuyo Group Marine Resources Survey

This survey was conducted to investigate the resource status of marine products procured by Kyokuyo Co., Ltd. and 16 domestic and overseas Group companies in FY2023.

1. Purpose	As demand for seafood grows due to more widespread seafood diets throughout the world, conservation of marine environment and sustainable use of marine resources are increasingly important. Under these circumstances, the Kyokuyo Group has strived to procure from properly managed fisheries and from aquaculture that is considerate of marine environment. Based on this idea, the Second Kyokuyo Group Marine Resources Survey was conducted to understand the Group's procurement status at a regular interval, understand the issues, and take appropriate measures to address those issues.
2. Results	<div><div>1 Breakdown of marine products produced</div><div><div>Wild products: 450,000 tons</div><div>Aquaculture products: 87,000 tons</div><div>84%</div><div>16%</div><div>Total: 537,000 tons</div><div>(Weights are based on raw material equivalent)</div></div><div><div>2 Resource status of wild seafood</div><div>"Managed" improved from 78% last time* to 85%</div><div><div>Managed: 383,000 tons</div><div>Needs improvement: 30,000 tons</div><div>Data deficient: 37,000 tons</div><div>85%</div><div>7%</div><div>8%</div><div>Total: 450,000 tons</div><div>* Survey of marine products procured in FY2020.</div></div></div></div>
3. Issues and the Next Steps	<div><div>(1) Issues</div><div>What is necessary to increase the procurement ratio from "managed"?</div><div><div>1 For "Needs improvement," we will continuously check the information from sources such as fishery organizations while also expanding the applicable scope of dialogues which have already begun with suppliers about the resource status and check methods and other means of resource management, minimize the risk of illegal, unreported, and unregulated (IUU) fishing, and find ways to carry more seafood that poses no risk of resource depletion.</div><div>2 For "Data deficient," it became possible to check the resource status updated in databases operated by investigative organizations such as the Sustainable Fisheries Partnership (SFP)* to learn the status of some resources. For further improvements, we will continue checking information from investigative organizations and others. As dialogues with suppliers proceed, we will also check their catching methods and the areas they use among other factors to work toward ensuring traceability while also further improving the accuracy of in-house data management.</div><div>3 For wild marine resources that are "managed," we will work toward handling larger amounts of certified marine products.</div><div>* Sustainable Fisheries Partnership: A nonprofit organization promoting initiatives toward sustainable fisheries</div></div><div>While sharing the results of this Marine Resources Survey throughout the Group as a whole, we will also continue conducting surveys once every three years, learning the status, considering measures in response, and implementing those measures. Additionally, through initiatives such as international aquaculture certifications, we will handle larger volumes of seafood that is properly managed among aquaculture products, in addition to wild products.</div></div>

Supplier Survey

With the aim of promoting "responsible procurement" throughout the entire supply chain, we conducted the second supplier survey.

1. Overview	<div>Scope: Kyokuyo Co., Ltd. and Group companies' domestic and overseas suppliers</div> <div>Survey Period: June to September 2024</div> <div>Method: Online questionnaire survey</div>	<div>Supplier Survey Process</div> <div><div>Distribution of the "Kyokuyo Group Supplier Guidelines" and request for cooperation with the survey</div><div>Suppliers respond to the survey</div><div>Responses are compiled and analyzed</div><div>Feedback on survey results</div></div>
2. Survey items	<div>1 Initiatives to prevent human rights violations (measures against forced labor and child labor, prevention of discrimination, etc.)</div> <div>2 Measures against climate change (efforts to reduce greenhouse gas emissions, calculation of emissions, etc.)</div> <div>3 Promotion of responsible procurement (measures against IUU fishing, etc.)</div>	
3. Number of responding companies	217 companies (accounting for approximately 81% of total purchase value in FY2023) Total companies surveyed: 257 (response rate: 84%)	
4. Future response measures	We are providing individual feedback to responding suppliers using radar charts and other tools to compare their initiatives with the average of all responding companies. For suppliers whose initiatives are found to be insufficient based on the survey results, we request them to consider taking further action during the feedback process. We will continue to conduct follow-up surveys to monitor progress. Even for suppliers whose efforts are deemed sufficient at this stage, we will conduct regular surveys to identify and mitigate risks across the supply chain.	

Approach to Stakeholders



The Kyokuyo Group believes that accurately reflecting the requests and expectations of stakeholders in its business strategies and activities is essential to achieving sustainable corporate management. In addition to ensuring legal compliance and accountability, we strive to build strong relationships through dialogue. Guided by our corporate philosophy of “growing together with society,” we will continue working to be a corporate group that moves forward in partnership with all of you.

Stakeholders	Consumers	Business partners (suppliers, customers)	Shareholders/ Investors	Employees	Government	Related organizations	Local communities	Global environment
Our attitude to stakeholders	Committed to our mission of contributing to a healthy and happy lifestyle and food culture by providing safe and reliable foods centered on fish.	Aim to build mutually trusting relationships through effective sales strategies and product development.	We place emphasis on asset efficiency and aim to further enhance corporate value and strengthen shareholder returns.	We place importance on employee well-being and engagement, and are working to create a workplace where employees can stay highly motivated.	Work in collaboration with government agencies to address issues faced by local communities and society.	Collaborate with relevant organizations with relevant organizations to communicate social issues, make policy proposals, and work toward their resolution.	Collaborating with local communities to address social issues and improve quality of life.	Taking a proactive and committed approach to conserving the global environment and making effective use of resources.
Methods and opportunities for communication (e.g.)	<ul style="list-style-type: none">Customer Relations Center / Website / E-commerce siteInformation dissemination through social media and TV commercials <div> @dandori_nya Instagram</div> <div> @kyokuyo_PR YouTube</div> <div> @kyokuyo_kitchen</div> <div> @kyokuyo_channel8287</div> <div></div> <p>A corporate TV commercial that began airing on April 1, 2025, featuring actual employees.</p>	<ul style="list-style-type: none">Campaign to Increase Fish Consumption: “If you’re a seafood company, eat fish!” ▶P.6Familiarizing suppliers with our Basic Procurement Policy and Supplier Guidelines ▶P.21-22Promotion of responsible procurement through supplier surveys ▶P.21-22Information sharing on regulatory revisions and quality control at the Kyokuyo Cooperation Association Technical Research Meeting ▶P.53-54	<ul style="list-style-type: none">General Meeting of Shareholders / IR presentations / IR interviewsIntegrated report / Business report / Website	<ul style="list-style-type: none">Promoting fish-eating culture through internal rollout of the “If you’re a seafood company, eat fish!” campaign ▶P.6Raising salary levels to enhance employee motivation ▶P.48-50Implementing various initiatives based on health management ▶P.48-50 <div></div>	<ul style="list-style-type: none">Providing information and reports to government agenciesParticipating in opinion exchange meetings and briefingsPromoting technology development through cooperation between industry, government, and academia ▶P.45-46	<ul style="list-style-type: none">Promoting policy recommendations, information sharing, and environmental initiatives in collaboration with industry organizationsParticipation in international initiatives such as CLOMA and GSSI ▶P.37Key participating organizations: Japan Fisheries Association, MEL Council, Japan Frozen Food Association	<ul style="list-style-type: none">Supporting the activities of the Japan Canoe Federation as an official partner ▶P.37Providing educational support by hosting local learning programs ▶P.47Conducting river and coastal cleanup activities ▶P.37Contributing to environmental conservation through water quality management in seas near aquaculture facilities	<ul style="list-style-type: none">Expanding handling of certified marine products (e.g., MSC) ▶P.45-46Participation in initiatives (CLOMA, GSSI) ▶P.37Conducting river and coastal cleanup activities ▶P.37Implementation of Marine Resources Survey ▶P.21-22Contributing to food loss reduction by commercializing seared skipjack trimmings ▶P.42
Communication results and evaluation (e.g.)	<ul style="list-style-type: none">Promotion of development and sales of health-conscious products (including “KARUSHIOH”-certified products) ▶P.51-52Kyokuyo’s “Canned glaze-grilled sardines” ranked No.1 in sales (2024 Nikkei POS Selection – Canned Sardine Category) <div></div>	<ul style="list-style-type: none">Enhancing hygiene management standards and ensuring prompt response to issues through periodic provision of guidance to plants ▶P.53-54Strengthening proposal capabilities through product development, reflecting feedback from business partners ▶P.51-52	<ul style="list-style-type: none">Kyokuyo has been selected for inclusion in the FTSE Blossom Japan Sector Relative IndexPromoting mutual understanding with shareholders and investors through constructive dialogue <div></div>	<ul style="list-style-type: none">Securing “Kurumin” certification from the Ministry of Health, Labour and Welfare as a company supporting childcare ▶P.48-50Securing “Eruboshi” (Stage 2) certification under the Act on the Promotion of Women’s Active Engagement in Professional Life ▶P.48-50Certified as a “Health & Productivity Management Outstanding Organization 2025 (Large Enterprise Category)” by the Ministry of Economy, Trade and Industry ▶P.48-50	<ul style="list-style-type: none">Development of imitation crab meat products as a Hometown Tax return gift through collaboration between Kyokuyo Foods Co., Ltd. and Matsuno Town, Ehime Prefecture. Conclusion of an agreement aimed at regional revitalization and related objectives	<ul style="list-style-type: none">Collaborating with various organizations to promote sustainable seafood, improve sustainability in the fisheries industry, and ensure food safety and securityLeveraging leading practices in resource circulation and environmental initiatives through CLOMA ▶P.37	<ul style="list-style-type: none">Conducting cleanup activities to help prevent plastic waste from entering the oceans ▶P.37Awarded the Runner-Up Prize at the ESSE Hometown Grand Prix 2024 (product by Ibusuki Shokuhin Co., Ltd.) ▶P.47	<ul style="list-style-type: none">Promoting measures against marine plastic waste by reducing plastic usage and preventing ocean leakage ▶P.43-44Reducing food loss through the use of trimmings and holding “Imperfect Item Sales” ▶P.42 <div></div>
Related key issues (Materiality)* ▶P.13-14	2・4・5	1・2・5	3・5	3	2・5	4・5	2・5	4・5

*Key issues (Materiality) 1: Further expanding the overseas business and processed food business 2: Accelerating the expansion of production locations and sales locations

3: Strengthening our financial base 4: Strengthening access to resources 5: Responding to climate change and other environmental issues

Accelerating Digital Transformation (DX)

In order to continue meeting the needs of society while faced with the continuous transformation of our business environment, the Kyokuyo Group is aiming to improve its operations through the effective utilization of digital technology, to enhance productivity and working efficiency, and to address social problems such as labor shortages.

Improving Operational Efficiency and Reducing Environmental Impact in Aquaculture through AI Utilization

At aquaculture farms, it has been common practice to use timer-based feeders for fixed-time, fixed-quantity feeding. However, because fish appetite fluctuates depending on growth stage and health conditions, this method can lead to challenges such as decreased growth efficiency due to overfeeding and marine pollution caused by uneaten feed. Furthermore, effective feed management requires on-site experience and specialized knowledge, and as aquaculture operations expand, securing skilled personnel has become increasingly difficult.

To address these issues, Kyokuyo Co., Ltd. and Kuroshio Suisan Co., Ltd. have introduced AI-equipped feeders capable of automatically assessing the appetite of farmed fish and dispensing only the necessary amount of feed. The system automatically sends data on feed volume and feeding conditions to a management platform accessible via mobile devices, enabling real-time monitoring of offshore aquaculture cages from remote locations. This contributes to the prevention of overfeeding and supports the optimization of equipment management costs.



Main unit of the AI-equipped feeder installed at the aquaculture site

By proactively introducing advanced equipment utilizing AI, we will continue to work toward improving operational efficiency and productivity, as well as reducing environmental impact.



Real-time monitoring of cage conditions via mobile device enables remote management from outside the aquaculture site

Evolving Product Development with Generative AI: Broadening Ideas While Reducing Time and Cost

In spring 2025, we launched Seared Seasoned Skipjack (Garlic Lemon) as a new product. This marked the first time Kyokuyo utilized generative AI (ChatGPT) in product development. Using generative AI, we designed personas for 30 individuals in their 20s and 30s—both male and female—and explored flavor directions that would appeal to younger consumers who do not typically eat seared seasoned skipjack.

Ordinarily, conducting interviews with 30 people would require about a month. However, by applying generative AI, a small team was able to extract equivalent insights in just three days. In addition to saving time, another major benefit was the ability to generate a broad range of hypotheses that would have been difficult to formulate through conventional approaches.

We regard generative AI as a partner for expanding ideas and strengthening hypotheses. Final decisions and judgments, however, remain the responsibility of human beings.



Seared Seasoned Skipjack (Garlic Lemon), developed using generative AI

Rather than using generative AI merely as a tool for efficiency, we position it as an important resource that supports human creativity, and we will continue to explore its broader applications moving forward.

* Persona: A fictional customer profile used to represent a target audience.

Comment from the development team



The Research and Development Division, Laboratory and Products Development Team, responsible for the development

Generative AI lacks the ability to read nuance or context, but by engaging with it as if it were “a highly knowledgeable and capable individual without prior background information,” we were able to conduct discussions smoothly and effectively. We were surprised to find that interacting with it politely—just as you would with a colleague—and offering reactions appeared to enhance the accuracy of its responses. Looking ahead, we hope to expand its use to areas such as data analysis and branding strategy.

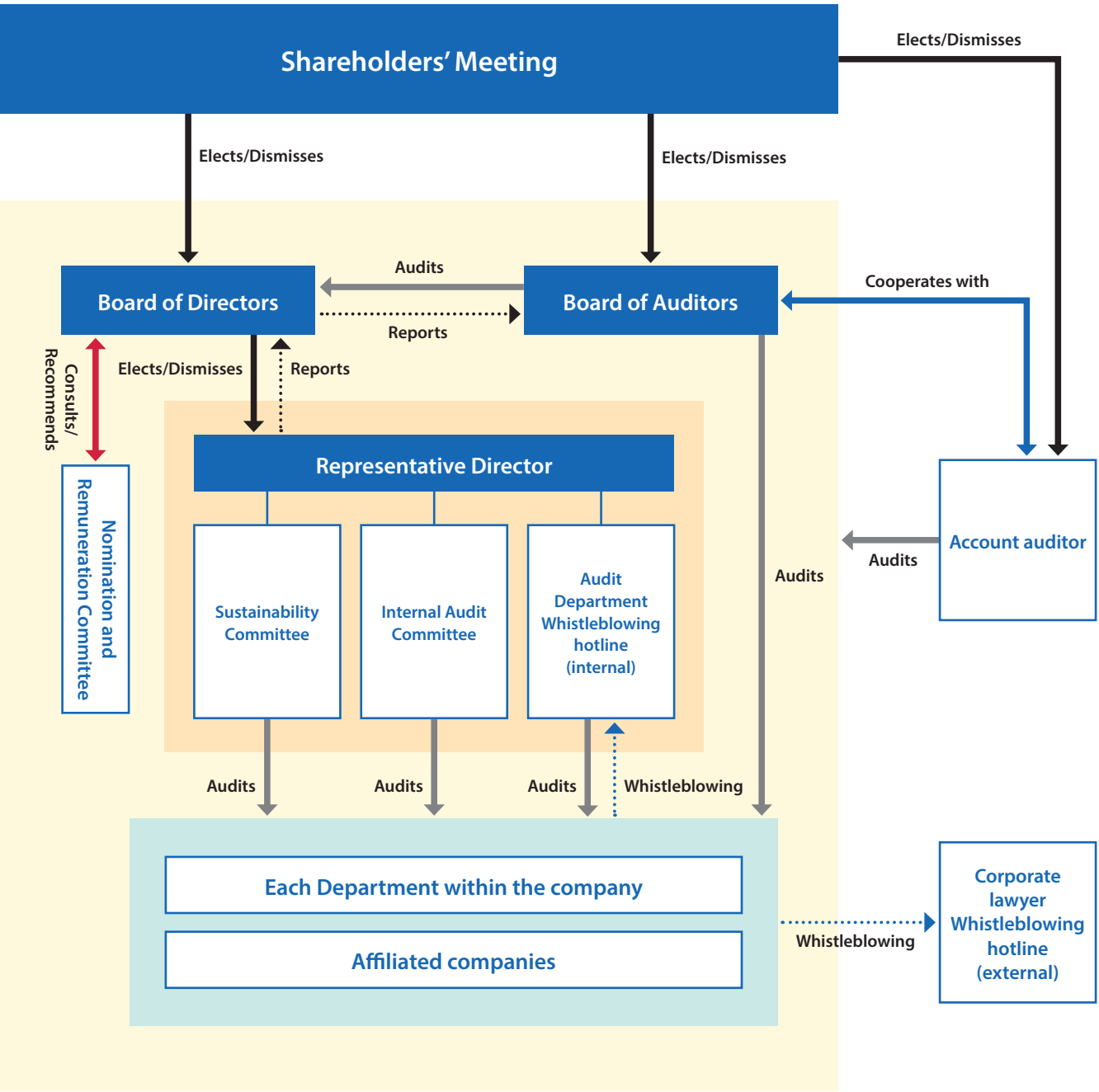
Corporate Governance

Basic approach

The Kyokuyo Group's basic corporate governance policy is to conduct highly transparent management for shareholders and other stakeholders, and to perform swift and decisive decision-making to achieve sustainable growth and improve our corporate value over the medium- to long-

term. In addition, we also uphold our company's Corporate Philosophy, Kyokuyo Group Corporate Action Charter, and Basic Sustainability Policy, building appropriate audit and monitoring systems to ensure thorough implementation of compliance, as we work to achieve and maintain efficient, fair operations.

Corporate governance system diagram



Elects/Dismisses Audits Reports
Consults/Recommends Cooperates with Whistleblowing

Changes in Corporate Governance
























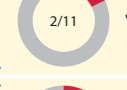


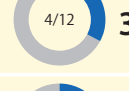
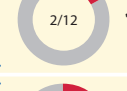



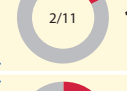


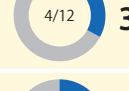
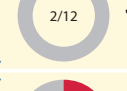


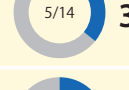
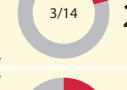


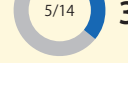

We regard the enhancement of corporate governance as a key management issue and, since FY2016, we have continuously promoted reforms such as reviewing the composition of the Board of Directors and actively appointing outside directors.

In particular, measures have included the appointment of multiple independent outside directors, the appointment of female directors, the establishment of the Nomination and Remuneration Committee, and the adoption of the

executive officer system, thereby strengthening the supervisory function of management and improving the quality of decision-making.

In FY2025, the number of outside directors was increased to five, close to a majority of the Board of Directors, three of whom are women, significantly enhancing the Board's diversity and independence. Going forward we will continue to strengthen our framework to achieve a more effective governance structure.

Unit: persons
Figures in parentheses denote the number of women

	Progress made in corporate governance reform	Executive directors	Independent outside directors	Outside directors ratio	Female directors ratio
FY ended March 2016	Appointment of independent outside director Appointment of female independent outside director Addition of an external attorney advisor to our whistleblowing system Commencement of assessment of Board of Directors performance	 11	 1 (1)	 1/12 8%	 1/12 8%
FY ended March 2017	Formulation of Corporate Governance Guidelines Commencement of examination of the appropriateness of cross shareholdings held by the company Initiation of regular training sessions for company officers Commencement of analysis of proxy voting results Adoption of stock compensation for directors based on company performance	 10	 1 (1)	 1/11 9%	 1/11 9%
FY ended March 2018	Appointment of multiple independent outside directors	 9	 2 (1)	 2/11 18%	 1/11 9%
FY ended March 2019		 10	 2 (1)	 2/12 17%	 1/12 8%
FY ended March 2020		 10	 2 (1)	 2/12 17%	 1/12 8%
FY ended March 2021	Appointment of multiple female independent outside directors	 9	 2 (2)	 2/11 18%	 2/11 18%
FY ended March 2022	Establishment of a Nomination and Remuneration Committee Appointment of independent outside directors accounting for over one-third of Board members	 8	 4 (2)	 4/12 33%	 2/12 17%
FY ended March 2023		 7	 4 (2)	 4/11 36%	 2/11 18%
FY ended March 2024	Adoption of an executive officer system	 8	 4 (2)	 4/12 33%	 2/12 17%
FY ended March 2025		 9	 5 (3)	 5/14 36%	 3/14 21%
FY ending March 2026		 9	 5 (3)	 5/14 36%	 3/14 21%

Corporate governance system

Board of Directors

The Board of Directors convenes regularly, with extraordinary meetings convened as necessary, to ensure that the directors carry out their duties efficiently. In order to clarify the management responsibilities of directors and establish a management system that can swiftly respond to changes in the business environment, we set a one-year term of office for directors. In addition, we have appointed five independent outside directors, who account for over one third of the total number of directors, so by strengthening our oversight systems.

Please refer to our corporate governance guidelines below. Japanese link:
URL <https://www.kyokuyo.co.jp/files/2404cgduidelines.pdf>

Board of Auditors

The Board of Auditors, which supervises the company's management, is composed of four members: two external auditors and two internal auditors.

At the start of each fiscal year, each auditor, in accordance with the audit policy and audit plan drawn up by the Board of Auditors, investigates and understands details of the company's internal controls including the execution of the company's business management, internal check and balances, compliance, and our internal audit, conducting their audit with a principal focus on confirming efficiency in these areas.

Nomination and Remuneration Committee

A Nomination and Remuneration Committee has been established as an advisory organ to the Board of Directors. The majority of the committee's members must be independent outside directors. The committee shall deliberate on matters related to directors' nomination and remuneration based on consultations and requests from directors.

The Nomination and Remuneration Committee's activities

Nomination and Remuneration Committee	April 1, 2024 to March 31, 2025
No. of meetings held	Three meetings
Attendance of individual committee members	The three committee members all attended every meeting
Content of the committee's deliberations	Nomination of candidates for directorships Directors' remuneration

As of the end of June 2025, the members of the Nomination and Remuneration Committee were as follows.

Chair	Makoto Inoue (President and Representative Director)
Member	Masayo Miura (Independent Outside Director)
Member	Katsuhiko Machida (Independent Outside Director)

Evaluating the effectiveness of the Board of Directors

We give an annual questionnaire to all directors and auditors regarding the effectiveness of the Board of Directors as a whole. The results are reported to the Board of Directors, leading to improvements. The questionnaires have been returned with generally positive evaluations of the composition and operation of the Board of Directors, the mechanism of governance, etc.

We are also striving to ensure that there is adequate time to discuss proposals, for example by simplifying business results reports, and we are working to further enhance the performance of the Board of Directors.

Main evaluation items

- Board composition (total no. of directors, and shares held by outside directors)
- Director diversity (in terms of specialist expertise and career background)
- Content and amount of materials provided prior to deliberation
- Implementation of deliberation, and time taken
- Liveliness of discussion
- Contribution to business strategy
- Extent to which decision-making embodies awareness of external perspectives
- Risk management
- Oversight of individual directors
- Self-assessment

Policy of training for directors and auditors

Newly appointed internal directors attend external seminars to acquire necessary knowledge as directors. We also promptly provide explanations of the Group's business to newly appointed outside directors and newly appointed external auditors at the time of their appointment. In addition to regular executive training sessions for directors and auditors, we recommend that directors and auditors participate in external seminars and other training sessions as necessary, with the company paying all expenses.

Executive remuneration

Policy for deciding executive remuneration

Our basic policy on remuneration for directors is to have a balanced remuneration system, the purpose of which is to motivate directors to contribute more to improving performance and increasing corporate value from a medium- to long-term perspective.

Under the above policy, directors' remuneration consists of fixed basic compensation and performance-based stock compensation, both of which are paid within the total amount of remuneration set at the Ordinary General Meeting of Shareholders.

Fixed basic compensation is determined based on each director's responsibilities. For performance-based stock com-

pensation, the points to be awarded to each director for each fiscal year are determined according to the degree of achievement of consolidated sales and consolidated operating profit, with the Company's shares being paid through a trust upon a director's retirement.

Amounts of remuneration for directors and auditors (FY2024)

Executive classification	Total amount of remuneration (million yen)	Total amount by type of compensation (million yen)			Number of eligible Basic executives
		Basic compensation	Performance-based stock compensation	Non-monetary compensation	
Directors (excluding outside directors)	420	331	89	—	9
Auditors (excluding external auditors)	12	12	—	—	2
External executives	102	101	—	—	8

(Note) 1. The amount of basic compensation for each director and auditor is within the compensation framework established at the Shareholders' Meeting.
2. Performance-based stock compensation was established at the 100th Ordinary Shareholders' Meeting.
3. Directors' pay does not include the employee salary portion for directors who are concurrently employees.

Outside Director

Outside directors are expected to conduct effective management supervision and to provide frank and constructive advice regarding the Group's management from an independent and objective standpoint, with a practical perspective that draws on abundant experience, knowledge, and expertise. **▶P.35-36**

Since the remuneration of outside directors is independent of business execution, they are only paid fixed basic compensation with no performance-based stock compensation.

When selecting candidates for outside directors, we select only those candidates who can provide frank and constructive advice on our company's business management. The independence of candidates is determined based on the requirements established by the Tokyo Stock Exchange, as well as our company's own criteria. The concrete reasons for the selection of the five outside directors are as described below.

Names of independent outside directors	Reasons for selection
Masayo Miura	Ms. Masayo Miura researched food and nutrition, among other subjects, at Kagawa Nutrition University. At Board of Directors meetings, she offers pertinent opinions from a fair and objective standpoint, drawing on her long experience and expertise as a specialist in food and nutrition. The Company has again nominated her for the position of Outside Director as it expects that she will continue to provide appropriate guidance for decision-making by the Board of Directors based on her long experience and expertise.
Mika Shirao	Ms. Mika Shirao researched food hygiene and dietary education at Jissen Women's University. At Board of Directors meetings, she offers pertinent opinions from a specialist standpoint, drawing on her abundant experience and advanced scholarship. The Company has again nominated her for the position of Outside Director as it expects her to continue to apply her knowledge and experience to the management of the Company and perform a supervisory role.
Katsuhiro Machida	Mr. Katsuhiro Machida worked for many years in key positions at the Ministry of Agriculture, Forestry and Fisheries and has abundant knowledge and experience accumulated at a research institute. The Company has again nominated him for the position of Outside Director as it expects him to provide advice and guidance from a specialist standpoint, and to supervise business execution appropriately from an impartial perspective.
Eiji Yamada	Mr. Eiji Yamada has served as Representative Director and President of Japan Information Processing Service Co., Ltd. over many years and has broad-based insight as a business executive with experience and a record of achievement in systems development. The Company has again nominated him for the position of Outside Director as it expects him to supervise the running of the Company and to contribute to bolstering its corporate governance by providing advice on all aspects of the Company's management.
Asako Nagano	Ms. Asako Nagano worked for many years in key positions at the Ministry of Agriculture, Forestry and Fisheries and has abundant knowledge and experience accumulated through the forestry consulting business. The Company has nominated her for the position of Outside Director as it expects her to provide advice and guidance on sustainability from a specialist standpoint and to supervise business execution appropriately from an impartial perspective.

Internal controls

We have established a basic policy on internal control systems and have put in place related rules to develop and operate an internal control system. With the Internal Controls over Financial Reporting, as stipulated by the Financial Instruments and Exchange Act, we evaluate the status of the development and operation of our internal control system. We reported that the Group's internal control system was effective in FY2024, as in the past.

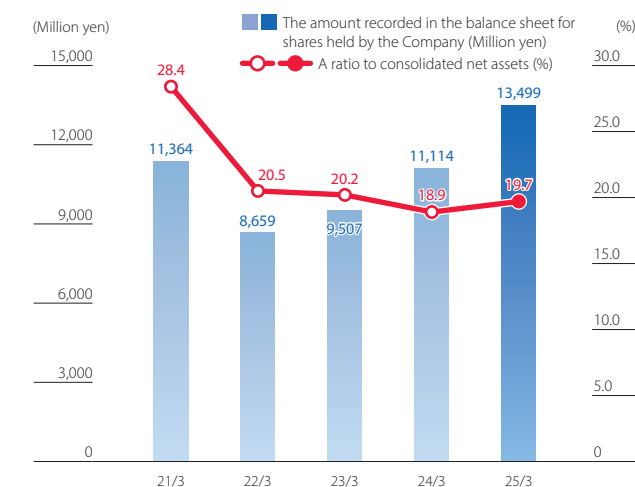
Cross-shareholdings*

Recognizing the risk of price fluctuations associated with holding shares, we hold shares other than those for investment purposes, taking fully into account the rationality of the holding purpose, such as maintaining and stabilizing business relationships and fostering mutual trust.

The Board of Directors carefully examines the purpose of holding, transaction status, dividends, capital costs, and other matters related to cross-shareholdings, individually each year to evaluate the necessity for holding the shares. In principle, when exercising voting rights, we respect the judgment of the Board of Directors of the share issuer and vote in the affirmative.

However, when exercising voting rights on matters that may have an adverse impact on the relationship with all transactions with our Group, or matters that may negatively affect the common good of shareholders, we will decide whether to vote in favor of the motion after careful consideration.

Changes in cross-shareholdings



* Cross-shareholdings: Amount recorded in the balance sheet and ratio to consolidated net assets of shares held by the Company for purposes other than net investment

Dialogue with shareholders and investors

IR policy

We believe that maintaining transparent and fair management is fundamental to corporate governance with the aim of achieving sustainable growth of the company and increasing corporate value over the medium- to long-term. To this end, we recognize that it is important to actively engage in dialogue with shareholders and reflect their opinions and requests in our management.

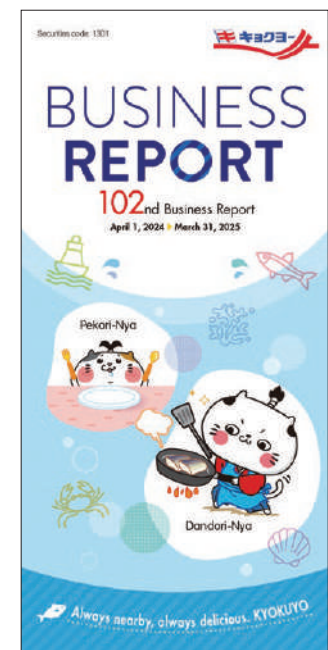
Based on this recognition, we disclose accurate corporate information required by shareholders and investors fairly and promptly in clear language. As well as providing disclosure consistent with regulations, including the regulations for public companies set out under the Financial Instruments and Exchange Act and by the Tokyo Stock Exchange, we also strive to provide timely and proactive disclosure.

Japanese link:

URL <https://www.kyokuyo.co.jp/ir/policy/index.html>

Promoting shareholders' and investors' understanding of Kyokuyo

In order to provide shareholders with a deeper understanding of the current state of Kyokuyo, we send a Business Report to people who are shareholders as of the end of March every year. In addition, at our twice-yearly IR Presentations for analysts and institutional investors, the president himself explains our financial results and future measures, and successively conducts dialogues (interviews) at the request of analysts and institutional investors.



BUSINESS REPORT

URL <https://www.kyokuyo.co.jp/en/files/14f7406b8b969546372175b82d345f39bee5524a.pdf>

Risk Management



Basic approach

We have established basic risk management rules for the Kyokuyo Group, and maintain a risk management system, in order to consider all risks that could affect the entire Group’s business activities, to prevent the occurrence of such risks, and to minimize the impact of any risks that actually materialize.

Each department and group company manages, on a daily basis, the risks faced in their own work. Kyokuyo’s headquarters departments, in their role as supervisory departments, oversee the managing of risks relating to their operations in the foregoing departments and group companies. Furthermore, Kyokuyo’s Audit Department oversees headquarters departments and manages risks throughout the entire Group. We are prepared to respond to crises and emergencies by organizing level-specific response organizations, including countermeasure headquarters, countermeasure projects, and response teams.

Risk management system

We recognize the major risks that could have a material impact on metrics including the financial condition and business results of the whole Kyokuyo Group, and we share the status of risks and countermeasures with the Board of Directors.

Our Internal Audit Team, which is organized by our Audit Department, conducts risk management system audits, reporting the results to the Internal Audit Committee.

Key risks and countermeasures

Risks	Countermeasures
Food safety issues	<ul style="list-style-type: none">Establishment and maintenance of a quality assurance system by the Quality Assurance DepartmentProduct-liability insurance and other forms of insurance
Risks related to overseas business	<ul style="list-style-type: none">Diversification of procurement areasHolding of appropriate inventory in accordance with procurement risk
Fluctuations in raw material prices	<ul style="list-style-type: none">Forecasting raw material market conditions based on supply and demand estimatesHolding of the strategic inventory required to respond to the market environmentEnhancing sales of value-added products
Risks in the aquaculture business	<ul style="list-style-type: none">Making use of Fishery Mutual Aid InsuranceThorough facility management
Exchange rate fluctuations	<ul style="list-style-type: none">Risk hedging through yen-denominated settlements, foreign exchange reserves, etc.
Crude oil prices fluctuations	<ul style="list-style-type: none">Efficient business operations
Fixed asset impairment risk	<ul style="list-style-type: none">Careful investment decision-makingRigorous revenue and expenditure managementRapid implementation of countermeasures to improve the revenue and expenditure situation as quickly as possible in the case of businesses that have been experiencing difficulties
Countermeasures against natural disasters	<ul style="list-style-type: none">Fire insurance, domestic comprehensive general cargo insurance, and other forms of insuranceEstablishment of a business continuity plan (BCP)
Risks related to information systems	<ul style="list-style-type: none">Use of antivirus softwareContinual uninterrupted monitoring of the network, regular security diagnosticsMultiple backups
Sustainability-related risks	<ul style="list-style-type: none">Responsible procurementReducing greenhouse gas emissionsReducing food waste

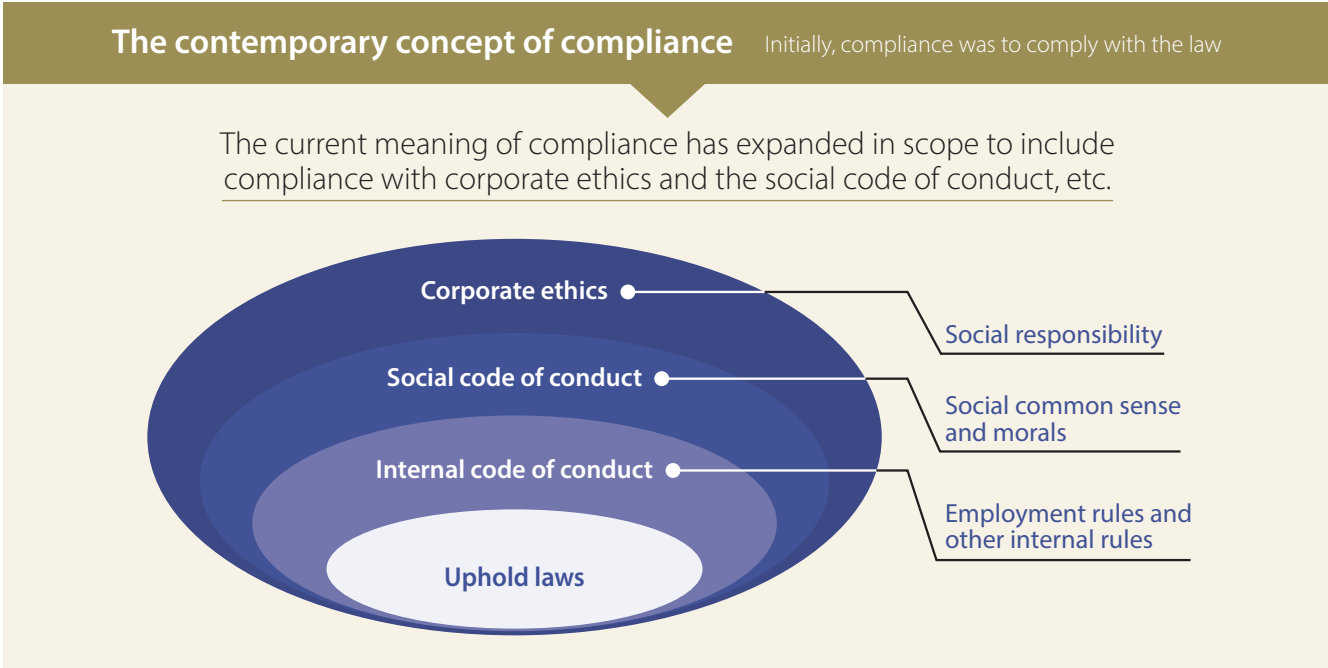
Compliance

Basic approach

The Kyokuyo Group defines compliance as “complying with laws and regulations, and adhering to Kyokuyo’s Corporate Philosophy, Action Guidelines, Corporate Action Charter, internal rules, and corporate ethics,” and views compliance as constituting a fundamental management policy.

In line with this fundamental policy, Kyokuyo Group officers and employees are expected not only to comply faithfully with laws and regulations, but also to understand corporate ethics and social code of conduct, and to act with sound judgment as responsible members of society.

By ensuring that all officers and employees consistently uphold compliance, we strive to prevent any violations from occurring in the course of daily operations.



Management system

The Audit Department, which reports directly to the President, is responsible for building, maintaining, and strengthening a group-wide compliance framework.

It also conducts reviews and monitoring related to internal controls over financial reporting and compliance in business execution, and reports to the Board of Directors as necessary.

Through the President’s daily messages and the Audit Department General Manager’s communications at the beginning of each year, we ensure thorough compliance.

Education

The Audit Department provides training to ensure that each employee deepens their awareness of compliance and is able to apply it appropriately in daily operations.

For new employees, compliance training is conducted during the onboarding program, using real-world case studies of past violations. This helps them understand how risks arise and the potential impact on the company, while reinforcing the importance of legal compliance.

We also encourage employees to participate annually in seminars on the Act against Delay in Payment of Subcontract Proceeds, etc., as part of our ongoing efforts to promote continuous legal education.

Whistleblowing system

As part of our compliance framework, we have established a whistleblower system with both internal contact points and an external legal counsel to serve as reporting channels.


In response to the enforcement of the revised Whistleblower Protection Act in 2022, we reviewed and updated the system to strengthen protections, including ensuring anonymity for whistleblowers, prohibiting retaliatory actions, and reinforcing confidentiality obligations. The scope of coverage was also expanded to include non-regular employees.

We revised our internal regulations on whistleblower protection accordingly and continue to raise awareness of the system across the organization to promote its proper use.


Board of Directors and Auditors

Director


Independent director




Makoto Inoue
President and Representative Director
Date of birth December 5, 1957




Shigeru Kondo
Vice President and Director
Date of birth December 8, 1958




Shuichi Kiyama
Senior Managing Director
Date of birth August 30, 1959




Hitoshi Higaki
Managing Director
Date of birth August 17, 1962




Yutaka Tanaka
Director
Date of birth August 20, 1961




Keizo Yamaguchi
Director
Date of birth January 8, 1962




Atsushi Hattori
Director
Date of birth July 16, 1965




Masaki Miyama
Director
Date of birth March 30, 1966




Masahiko Oda
Director
Date of birth July 12, 1966




Masayo Miura
Outside Director (part-time)
Date of birth May 16, 1946




Mika Shirao
Outside Director (part-time)
Date of birth February 28, 1960



Katsuhiro Machida
Outside Director (part-time)
Date of birth November 15, 1953




Eiji Yamada
Outside Director (part-time)
Date of birth July 18, 1955




Asako Nagano
Outside Director (part-time)
Date of birth December 11, 1971

Supervisory Board Members


Independent director




Tsutomu Sasaki
External Auditor (full-time)
Date of birth September 1, 1965



Shigeru Fukushima
External Auditor (full-time)
(Newly appointed)
Date of birth October 16, 1968



Yasuyuki Sobajima
Auditor (part-time)
Date of birth April 23, 1957



Junji Suzuki
Auditor (part-time)
(Newly appointed)
Date of birth June 5, 1959

Executive expertise and experience (skill matrix)

Our Board of Directors consists of members with the following skills.

Name	General management	Industry insight	IT	Legal and compliance	Finance and accounting	Government and academic research	Internationality	Sustainability
Makoto Inoue	●	●						●
Shigeru Kondo	●	●					●	
Shuichi Kiyama	●		●	●	●			●
Hitoshi Higaki	●		●		●			●
Yutaka Tanaka		●						
Keizo Yamaguchi		●					●	
Atsushi Hattori		●						
Masaki Miyama		●					●	
Masahiko Oda				●	●			
Masayo Miura						●		
Mika Shirao						●		
Katsuhiro Machida	●	●				●		
Eiji Yamada	●		●					
Asako Nagano	●	●				●	●	●

Reasons for selecting the eight items included in the skills matrix

The items chosen for inclusion in the skills matrix—which include management capability, involvement in measures to address society’s problems, compliance-related expertise, specialist expertise in areas including legal affairs, finance, accounting, government- and academic-related research, and sustainability, as well as the ability to operate effectively in an international context—are items necessary for realizing business expansion and sustainable growth.
(It should be noted that the list on the left shows areas where members have more specialized knowledge based on each individual’s experience, etc., and is not a complete representation of their knowledge.)

Attendance Record for the Fiscal Year

Position Title	Name	Board of Directors (Meetings attended / Meetings held)	Board of Auditors (Meetings attended / Meetings held)
President	Makoto Inoue	16/16	
Vice President and Director	Shigeru Kondo	16/16	
Senior Managing Director	Shuichi Kiyama	16/16	
Managing Director	Hitoshi Higaki	16/16	
Director	Yutaka Tanaka	16/16	
Director	Keizo Yamaguchi	16/16	
Director	Atsushi Hattori	16/16	
Director	Masaki Miyama	16/16	
Director ^{*1}	Masahiko Oda	13/13	
Director	Masayo Miura	16/16	
Director	Mika Shirao	16/16	
Director	Katsuhiro Machida	16/16	
Director	Eiji Yamada	16/16	
Director ^{*1}	Asako Nagano	13/13	
Auditor (full-time) ^{*2}	Masaji Tamura	3/3	3/3
Auditor (full-time)	Yoichi Kanno	13/16	12/13
Auditor (full-time) ^{*1}	Tsutomu Sasaki	13/13	10/10
Auditor	Masayuki Nishihama	16/16	13/13
Auditor ^{*1}	Yasuyuki Sobajima	13/13	10/10

^{*1} Indicates status following appointment on June 25, 2024.
^{*2} Stepped down upon expiration of term as of June 25, 2024.

Message from an Outside Director



Our Role in Enhancing Corporate Value

Differences Between Government and the Private Sector

Having spent many years in government, I have come to recognize the considerable differences between the public and private sectors since joining a private enterprise. Through this experience, I have come to fully appreciate the critical importance of generating profits in corporate management. It is only with profits that a company can operate its business and create a comfortable work environment. Furthermore, profits enable us to return value to shareholders and employees. The Company achieved the “change to a high-profit structure” set forth in the previous Medium-Term Business Plan, and is now working to “strengthen and expand” on those achievements with the aim of enhancing corporate value. As an Outside Director, while I am not directly involved in the generation of profits, I intend to contribute to the Company from a different perspective.

Governance Structure That Supports Open Discussion and Trust

Candid and constructive discussions take place at meetings of the Board of Directors. There is no atmosphere of hesitation or reluctance to speak—attendees actively share their views. The President and each Executive Director provide updates on their respective areas of responsibility, such as the progress of overseas operations and investment projects. After sufficient deliberation, decisions are made by resolution. I also serve as a member of the Nomination and Remuneration Committee. The purpose of this committee is to enhance the independence and objectivity of the Board of Directors in matters related to the nomination and remuneration of Directors, thereby strengthening the Company’s corporate governance framework. The committee is composed of an internal Director (the President) and two Independent Outside Directors. In response to consultations from the Board of Directors, the committee deliberates on

matters concerning the nomination and remuneration of Directors and submits recommendations to the Board.

Importance of Human Resource Development

As in other industries, labor shortages remain a major challenge in the fisheries industry. The Kyokuyo Group believes that securing and developing talented personnel is essential to supporting sustainable growth. We are committed to long-term human resource development through the hiring of new graduates, enabling them to acquire the knowledge and experience needed over time. At the same time, we recognize the importance of hiring experienced professionals through mid-career recruitment to strengthen our capabilities with individuals who can contribute immediately. For example, in overseas business development, professionals with international business experience often serve as valuable immediate assets. The Company has achieved rapid growth in recent years. To maintain this momentum, we believe that strengthening the recruitment of individuals who can contribute immediately and supporting the development of young employees

who will lead the next generation are key to sustaining the Kyokuyo Group’s long-term growth. Furthermore, forward-looking investments in employees—such as raising salary levels—serve as a foundation for our growth strategy. These initiatives go beyond simple improvements to working conditions; they also reflect the Company’s sincere approach to human capital and contribute to employee retention and motivation. Creating a workplace where employees feel motivated and fulfilled ultimately leads to enhanced corporate value.

Response to Risks

As we work toward the realization of a “Strong Kyokuyo,” we may encounter various challenges in advancing the initiatives set forth in our Medium-Term Business Plan, including the “strengthening and expanding” of our “human resources and organization,” “four businesses,” and “globalization.” In such circumstances, I intend to leverage the knowledge and experience I have gained in risk mitigation to identify emerging risks at an early stage and implement course corrections as needed. Through these efforts, I hope to continue contributing to the Kyokuyo Group’s sustainable growth.

Profile

April 1976	Joined the Ministry of Agriculture, Forestry and Fisheries
July 2009	Director-General of the Fisheries Agency
July 2010	Vice Minister of the Ministry of Agriculture, Forestry and Fisheries
May 2013	Chairperson of JA Kyosai Research Institute
March 2016	Vice-Chairperson of Japan Racing Association (JRA)
March 2020	Chairperson Director of JRA Facilities Co. Ltd.
June 2021	Outside Director of the Company (current position)
April 2022	Advisor of JRA Facilities Co. Ltd.
June 2022	Outside Director (Audit Committee Member) of Meiji Machine Co., Ltd.

A photograph of Katsuhiko Machida sitting in a chair, gesturing with his hands while speaking. He is wearing a dark blue suit, white shirt, and patterned tie. The background is a plain, light-colored wall.

Initiatives to Pass on a Healthy Ocean Environment to Future Generations

— Through Partnerships —

For Kyokuyo Group, which is heavily reliant on ocean resources, the health of the oceans has a major impact on the sustainability of our business operations. To conserve a healthy marine environment and promote the use of sustainable seafood, we are engaged in initiatives in collaboration with various stakeholders.

Implementation of Cleanup Activities

To help prevent waste from flowing into the ocean, the Company conducts cleanup activities in river areas and along coastlines.

Clean River Activity

As an official partner of the Japan Canoe Federation, the Company has served as the title sponsor of the “Canoe Slalom Japan Cup Kyokuyo Series” since 2017. Following each event, we conduct “Clean River Activities” to clean the areas surrounding the competition course. As of 2024, a total of 33 activities have been conducted, with cumulative participation reaching 2,328 individuals.



2024 Clean River Activity

Coastal Cleanup Activity

Since 2023, the Company has been conducting joint initiatives in collaboration with Maruha Nichiro Corporation and Nissui Corporation, with the presidents of all three companies participating in coastal cleanup activities. A total of 167 people from all three companies combined participated in the 2024 cleanup activity, in which a total of 104.6 kilograms of waste was cleared from the coast.



Group photo taken during the 2024 coastal cleanup activity



Participation in Initiatives

Japan Clean Ocean Material Alliance (CLOMA)

The Japan Clean Ocean Material Alliance (CLOMA) was established to address the issue of ocean plastic waste by promoting the more sustainable use of plastic products through resource circulation and by accelerating the development and adoption of innovative alternatives that contribute to reducing plastic waste emissions. The Company is working to help mitigate the issue of ocean plastic waste by sharing the latest information and technical insights from CLOMA on new materials and alternative products across the Group. We are also examining how these can be utilized in our business activities, including efforts to reduce the use of plastic in packaging materials at our production facilities.



Global Sustainable Seafood Initiative (GSSI)

The Global Sustainable Seafood Initiative (GSSI) is working toward its vision of promoting sustainable seafood throughout the value chain, with participation from seafood-related companies around the world, including major retailers. One of its key activities is the benchmarking of seafood certification schemes using international standards developed based on FAO guidelines. Schemes that comply with these standards are recognized to ensure credibility, while those that do not are encouraged to improve. The Kyokuyo Group, which promotes the sustainable use of marine products, supports GSSI's activities as a funding partner and contributes to the promotion of sustainable seafood.



Reducing Greenhouse Gas Emissions



Kyokuyo Group's position and policy

Global warming, caused mainly by the increase in emissions of greenhouse gases such as carbon dioxide (CO₂), has been transforming the ocean environment and leading to abnormal weather conditions, and there are concerns that it could have various negative impacts on society and on the ability of the Kyokuyo Group to realize business continuity over the long term.

To ensure that the Kyokuyo Group continues to deliver value to society and grow together with it over the long term, we are working to help keep global warming under control through the reduction of greenhouse gas emissions, for example by using energy more efficiently and utilizing renewable energy.

Initiatives in response to climate change —Following the TCFD Recommendation

Based on the recommendations issued by the Task Force on Climate-related Financial Disclosures (TCFD),*1 the Kyokuyo Group has been analyzing the risks and opportunities that climate change will bring for our business activities, and considering strategies that can be implemented in response.

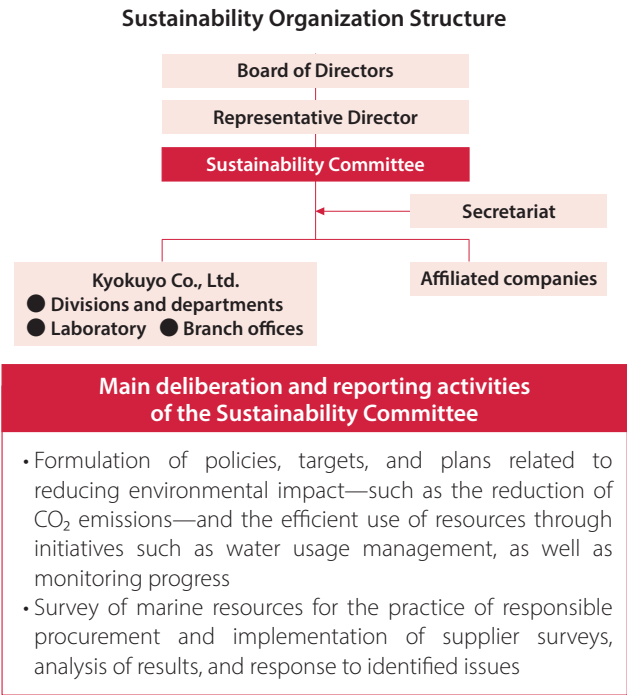
The operational flow from identifying risks and opportunities through to formulating strategies in response



*1 Task Force on Climate-related Financial Disclosure (TCFD): The Financial Stability Board established this task force in 2015 following a request from the G20. The task force evaluates the financial impact on business management of the risks and opportunities associated with climate change, encouraging companies to disclose information related to corporate governance, strategy, risk management and indicators and targets.

1. Governance

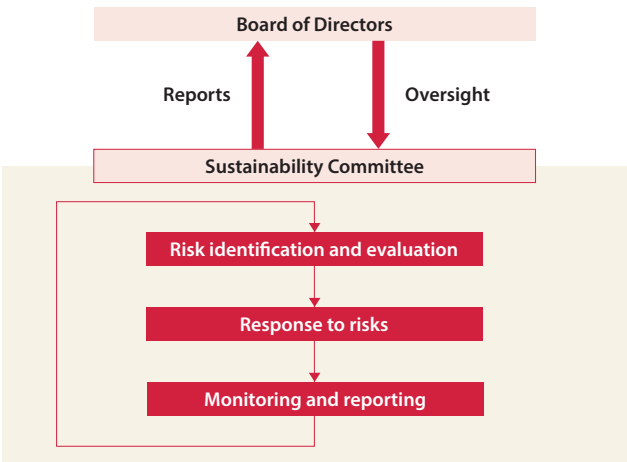
Chaired by the company's President and Representative Director, the Sustainability Committee meets more than once a year. With members that include Directors, the heads of each division, department, and branch office, and the presidents of affiliated companies, the Committee deliberates on and makes decisions relating to our response to societal issues such as climate change, and reports to the Board of Directors regarding important matters and the progress made in related initiatives.



2. Risk management

At the Sustainability Committee, we identify and evaluate major risks, based on the potential size of the impact and the likelihood/frequency of occurrence, and we formulate response strategies to prevent, avoid, mitigate, and minimize risks, as well as monitoring the progress made in implementing these strategies. The results of monitoring are reported to the Board of Directors, which oversees risk management.

Risk management process



3. Strategies

We have posited scenarios in which average global temperature rises by 1.5°C and 4°C respectively, and we have examined the associated risks and opportunities for our company's business as a whole, and the response strategies that we can implement (in terms of mitigation and adjustment strategies).

The 1.5°C scenario assumes that the rise in average global temperature by the end of the 21st century compared to the situation prior to the Industrial Revolution is kept down to within significantly less than 2°C. Referencing scenarios

formulated by the International Energy Agency (IEA) and the United Nations' Intergovernmental Panel on Climate Change (IPCC), we have examined the anticipated impact of the 1.5°C scenario by 2050.

The 4°C scenario assumes that decarbonization efforts are inadequate, with a continuing high level of dependency on fossil fuels, and that average global temperatures rise by at least 4°C. Referencing scenarios formulated by the IPCC, we have examined the anticipated impact of the 4°C scenario by 2050.

Risk and opportunity response measures, based on scenario analysis

1.5°C scenario

Risk categories		Impacts	Timing of impact ^{*2}	Extent of impact ^{*3}	Opportunities	Key response strategies
Transition risks ^{*4}	Policies / regulations	Strengthening of countries' regulations aimed at reducing greenhouse gas emissions	Medium term	Large	● Reducing the burden associated with the management of machinery that uses CFCs	● Switching over to renewable energy
		● Increased compliance costs resulting from the tightening of regulation			● Reduced costs resulting from changes in packaging specifications	● Switching over to energy-saving machinery and equipment that uses natural refrigerants
		Strengthening of regulations governing fishing catches	Medium term	Moderate	● Increased demand for farmed fish	● Reducing the amount of plastic used in packaging
	Reputation	Changes in investors' judgments and actions	Medium term	Moderate	● Enhancing the company's social value through promotion of sustainability-focused management	● Proactive disclosure of climate change response data
		● Weakening of the company's brand and image, with criticism on social media, etc.			● Differentiating the company from its competitors by developing eco-friendly and ethical products	● Development of environmentally friendly products and increased use of certified products
		Changes in consumer behavior	Medium term	Large	● Increased demand for eco-friendly and ethical products	● Development of environmentally friendly products and increased use of certified products

^{*2} The evaluation criteria for the timing of impact are as follows: short term (within 2 years), medium term (3–5 years), and long term (6–20 years).

^{*3} The evaluation criteria for the extent of impact are as follows: Large (the impact on business and the likelihood/frequency of occurrence are assumed to be significant), Moderate (assumed to be moderate), and Low (assumed to be minor).

^{*4} Risks associated with the transition to a low-carbon society

4°C scenario

Risk categories		Impacts	Timing of impact	Extent of impact	Opportunities	Key response strategies
Physical risks ^{*5}	Chronic	Changes in the ocean environment (rising sea temperatures, and rising sea levels)	Long term	Large	● Marine product production that is not dependent on the sea (inland aquaculture)	● Development of products that use alternative protein sources
	Acute	Abnormal weather (Changes in rainfall and weather patterns)	Medium term	Large	● Increased demand for products with long storage life	● Risk-hedging through dispersal and adjustment of logistics hubs
		● Increased damage to aquaculture facilities and plant and cold storage buildings				● Strengthening the disaster resilience of aquaculture facilities, plants, and cold storage facilities

^{*5} Risks relating to natural disasters, etc. caused by climate change

4. Indicators and targets

In our "Gear Up Kyokuyo 2027" Medium-Term Business Plan, the Kyokuyo Group has announced that, based on our sustainability-conscious management, we will be proceeding with proactive measures to help solve society's problems

through our business activities, for example by contributing toward the realization of carbon neutrality. In line with this policy, we have established the following indicators and targets, and we will be evaluating and managing our efforts to mitigate climate change related risk.

Target	Scope	Indicators	Response measures
CO ₂ emissions reduction (Scope 1 + 2)	Food plants, cold storage ^{*8}	FY2025: 2% or more reduction (on an intensity basis) compared to FY2024 actual performance	<ul style="list-style-type: none">● Activities, such as inspections, to reduce resource consumption in day-to-day business activities● Adoption of energy-saving machinery when replacing existing equipment● Installing solar panels● Utilization of hybrid vehicles and electric vehicles
		FY2026: Approximately 5% reduction (on an intensity basis) compared to FY2023 actual performance	
Reducing the amount of plastic used in packaging	Food plants ^{*8}	Reducing the volume of plastic used in packaging by 30% by 2030 (reference year: 2019, on an intensity basis)	<ul style="list-style-type: none">● Switching over to materials with lower CO₂ emissions● Utilization of non-tray packaging● Reducing the size of packaging materials, etc.

Greenhouse gas emissions performance

	Unit	FY2023	FY2024	Scope of aggregation
Scope 1 ^{*6}	t-CO ₂	4,470	4,534	Food plants, cold storage, offices, laboratory ^{*8}
Scope 2 ^{*6}	t-CO ₂	16,841	16,196	
Scope 3 ^{*6} Category 1	t-CO ₂ e	662,896	750,465	Kyokuyo Co., Ltd. (non-consolidated)
Scope 3 Category 4 ^{*7}	t-CO ₂	56,338	51,257	Kyokuyo Co., Ltd. (non-consolidated)

^{*6} Scope 1: Greenhouse gases emitted directly by the company itself (through the burning of fuel, and emissions from industrial processes)

Scope 2: Indirect emissions associated with electric power, heat, steam, etc. supplied by other companies (including electricity purchased from power companies, etc.)

Scope 3: Indirect emissions other than Scope 1 and 2 emissions (emissions from other companies related to the business activities)

^{*7} From FY2023 onward, emissions related to imports from overseas have been included in addition to domestic transportation, and are calculated under Category 4.

^{*8} Scope

Site	Scope
Food plants	Shiogama Plant, Hachinohe Plant, and Hitachinaka Plant of Kyokuyo Shokuhin Co., Ltd.; Oigawa Plant and Souemon Plant of Kyokuyo Suisan Co., Ltd.; Kyokuyo Foods Co., Ltd.; Kyokuyo Fresh Co., Ltd.; Kaiyo Foods Co., Ltd.; Ibusuki Shokuhin Co., Ltd.; Apex Kyokuyo Co., Ltd.; and Jokki Co., Ltd.
Cold storage	Jonanjima cold storage, Tokyo cold storage, and Fukuoka cold storage of Kyokuyo Akitsu Reizo Co., Ltd.; and Cold Storage Section of Kyokuyo Suisan Co., Ltd.
Offices	Headquarters and branch offices of Kyokuyo Co., Ltd.; Kyokuyo Sougou Service Co., Ltd.; Kyokuyo Shoji Co., Ltd.; and Integrate System Service Co., Ltd.
Laboratory	Kyokuyo Research and Development Division Laboratory

Decarbonization and eliminating the use of CFCs

In addition to setting intensity-based targets, the Kyokuyo Group has also established total volume reduction targets for greenhouse gas emissions, and is working to achieve reductions across the entire Group. Focusing on plants and cold storage, we are proceeding

with initiatives to reduce fossil fuel usage, while also investing in renewable energy, transitioning to refrigeration equipment that does not rely on CFCs, etc. Going forward, we will be proceeding with activities to enhance energy efficiency through regular inspections and improvement efforts, and promoting a transition to using machinery with a lower environmental footprint, as we aim to realize decarbonization and a move away from CFCs.

Target	Scope	Indicators
CO ₂ emissions reduction (Scope 1 + 2)	Food plants, cold storage, offices, laboratory	FY2025: 1% or more reduction (total volume basis) compared to FY2024 actual performance

Examples of our initiatives

Utilization of hybrid vehicles and electric vehicles

The Kyokuyo Group is proceeding steadily with the adoption of hybrid vehicles and electric vehicles, striving to realize decarbonization by reducing its use of gasoline-powered vehicles.



Electric vehicle used by Kyokuyo Akitsu Reizo Co., Ltd.

Installation of solar panels

Jokki Co., Ltd. and Kyokuyo Suisan Co., Ltd. have been installing solar panels and generating renewable electric power. The electricity generated in this way is used in the companies' own facilities, and is also supplied to electric power companies. At the Saitama Plant of Jokki Co., Ltd., 25% of the plant's energy consumption is covered by electricity generated on-site.



Solar panels at Jokki Co., Ltd.'s Saitama Plant

Adoption of CFC-free refrigeration equipment

The Kyokuyo Group continues to switch over to CFC-free refrigeration equipment. By transitioning to the use of natural refrigerants, we are reducing the usage of CFCs, which are a significant contributor to the greenhouse gas effect. We also perform regular inspections of refrigeration equipment that still uses CFCs, making thorough efforts to prevent any CFC leakage.



CFC-free refrigeration equipment used by Kyokuyo Akitsu Reizo Co., Ltd.

Achieving a Circular Society



Social issues (background)

- Effective utilization of natural resources
- Reducing environmental impact associated with business activities

Kyokuyo Group's approach

- Effective utilization of food waste
- Reduction of food loss
- Efficient use of water resources

Kyokuyo Group's position and policy

The Kyokuyo Group is underpinned by nature's bounty, and being able to utilize limited natural resources properly is vitally important for the sustainability of our operations. While proceeding with efforts to reduce waste and water usage, we are also striving to help realize a circular society by making effective use of by-product, etc.

Examples of the Kyokuyo Group's approach to achieve a circular society

Effective utilization of by-products

At Ibusuki Shokuhin Co., Ltd., which primarily produces seared skipjack, by-products such as shavings generated during the cutting process of frozen skipjack have been effectively utilized by outsourcing processing to an external company to produce neribushi, which is used in commercial dashi powder and other applications.



Neribushi

In April 2025, a new neribushi processing facility was established, enabling the Company to integrate the entire process—from the production of seared skipjack to the processing of neribushi—in-house. This has improved operational efficiency while further promoting the effective use of marine products across the Kyokuyo Group.

Reducing water consumption through equipment replacement at plant sites

At the Shiogama Plant of Kyokuyo Shokuhin Co., Ltd., we are working to reduce water consumption across the entire plant by replacing machinery such as the foreign matter removal equipment used in the production of shrimp fritters



and Funwari Ebi Katsu, Shrimp Cutlet.

Previously, the plant used a foreign matter removal equipment that discharged water after each use. This has been replaced with a model that recirculates water. Combined with additional water-saving measures, this initiative has resulted in a reduction of approximately 15 tons in daily water usage across the plant compared to the period prior to the equipment replacement.

Reducing food loss through "Imperfect Item Sales"

On our e-commerce site Kyokuyo Marché, we periodically hold "Imperfect Item Sales," offering products—such as those nearing their best-before dates—at discounted prices. Reducing food loss helps avoid wasting valuable resources such as water, energy, and labor used in the production, transportation, and storage of food products. It also contributes to measures against climate change by reducing greenhouse gas emissions associated with disposal. The utilization of imperfect items represents a step toward a sustainable, environmentally conscious lifestyle. The Kyokuyo Group will continue to work together with customers to help realize a circular society.



Management of food waste and water consumption

The Kyokuyo Group has set the following targets for FY2025 towards the reduction of food waste and water consumption.

Items		Actual value		FY2025 target	Scope
		FY2023	FY2024		
Food waste output	Total volume (t)	4,605	4,673	Reducing emissions by at least 1% compared to actual performance in FY2024 (on an intensity basis)	Food plants
	Intensity (kg/t)	110.0	108.7		
Food waste recycling rate	(%)	100	100	Maintain the current 100% level	
Water consumption volume	Total volume (m³)	547,920	549,163	Reducing emissions by at least 1% compared to actual performance in FY2024 (on total volume basis)	
	Intensity (m³/t)	13.1	12.8	Reducing emissions by at least 2% compared to actual performance in FY2024 (on an intensity basis)	

*For the scope of aggregation related to food plants, please refer to the Kyokuyo Group Sustainability Data Book

URL https://www.kyokuyo.co.jp/en/ir/library/library_reports02/index.html

Initiatives to Address the Problem of Ocean Plastic Waste



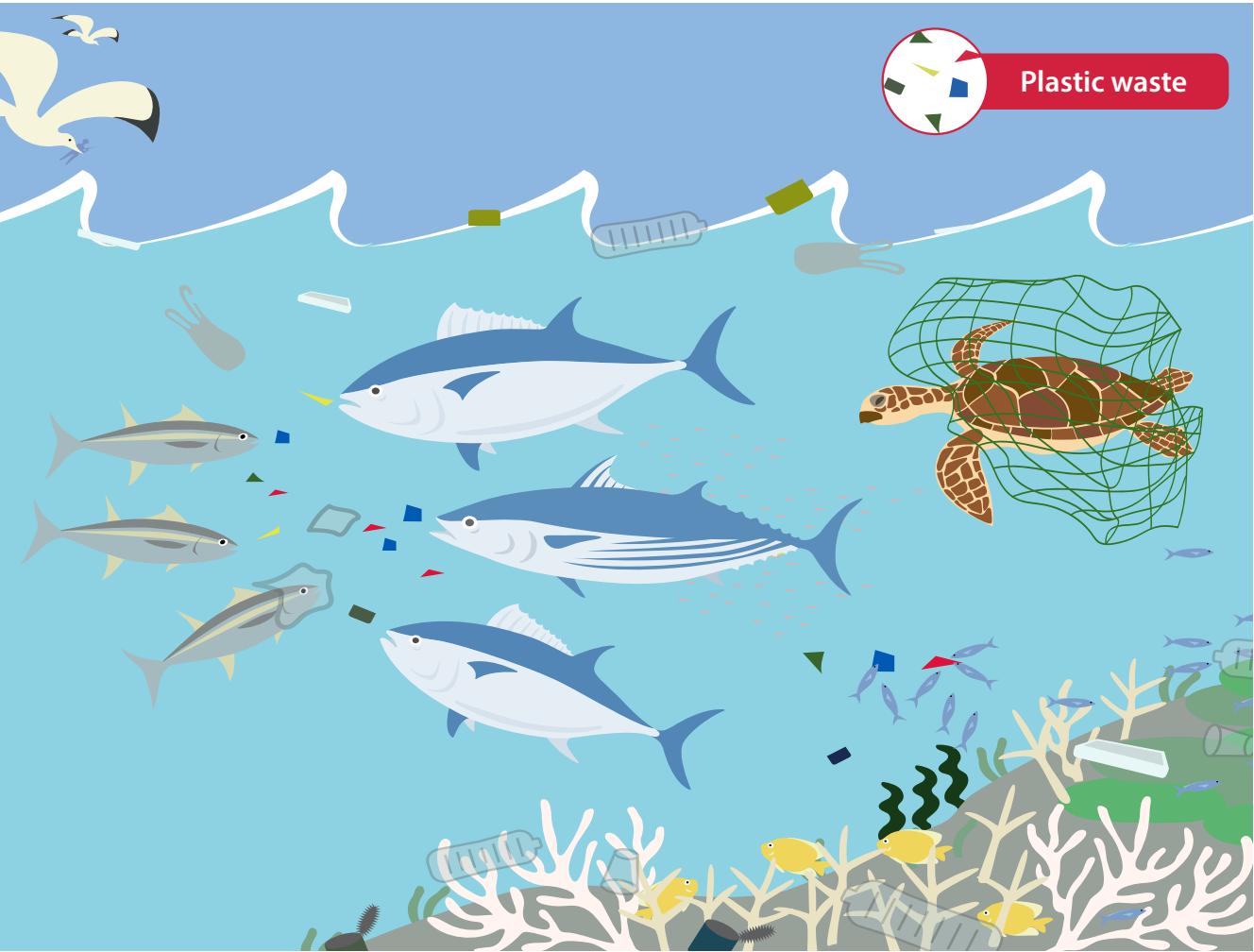
Social issues (background)	Kyokuyo Group's approach
<ul style="list-style-type: none">Preventing pollution of the marine environmentConservation of Biodiversity	<ul style="list-style-type: none">Reducing the amount of plastic used in packagingPreventing the outflow of plastic waste into the oceans

Kyokuyo Group's position and policy

Of the ocean plastic waste that has become a global issue, it is estimated that approximately 10 million tons per year originate from land-based sources. The majority of ocean plastic waste is generated in urban areas and reaches the ocean via rivers. While ultraviolet light, waves and other factors reduce the size of plastic, it does not decompose and accumulates in the ocean. As it is vital to reduce the inflow of plastic into the ocean itself, Group plants that use plastic packaging materials in the manufacturing of their products, are working to reduce

plastic usage, from the product design stage onward, to consider appropriate materials, assess product safety, and review manufacturing processes. In addition, Group aquaculture companies which use plastic buoys, fishing nets and other equipment, are carry out daily maintenance and inspection work to help keep fishing equipment out of the oceans. The Kyokuyo Group is making a concerted effort to reduce both the volume of plastic used in packaging (which is a major source of plastic waste) and the overall amount of plastic waste entering the oceans.

Conceptual Illustration of Ocean Plastic Waste



Initiatives to reduce the amount of plastic used in packaging

In 2022, we set ourselves the goal of reducing the plastic usage intensity of packaging materials used at Group plants by 30% by 2030 (reference year: 2019). Our entire Group is working together to achieve this goal. We are working to reduce the amount of plastic used through various methods, including switching to alternative materials.

<Switching materials>

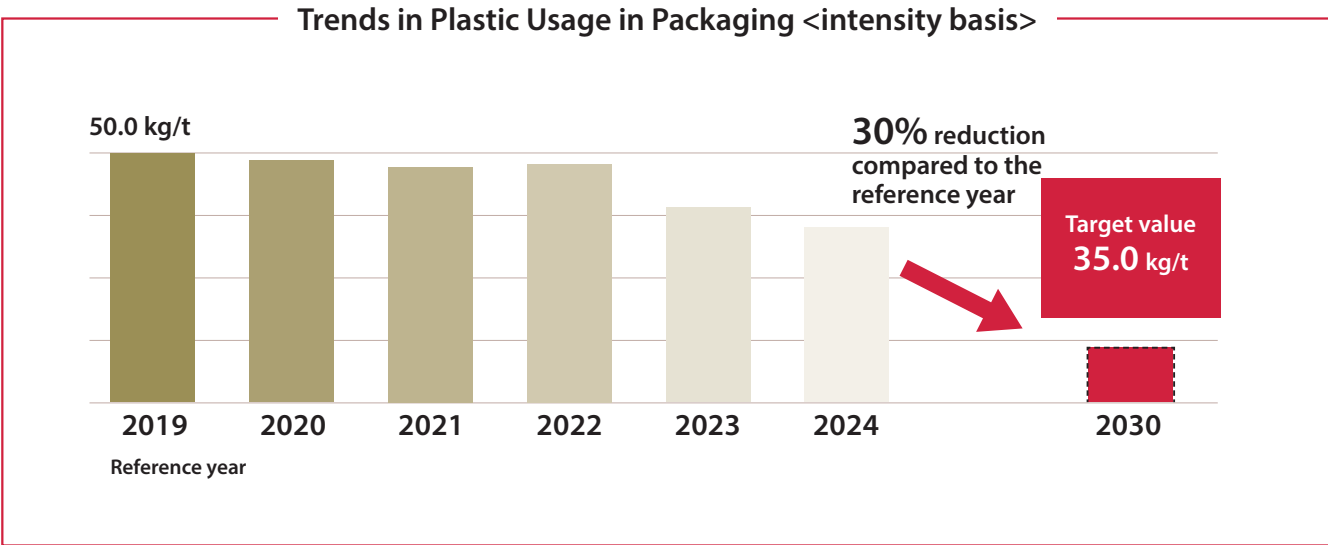
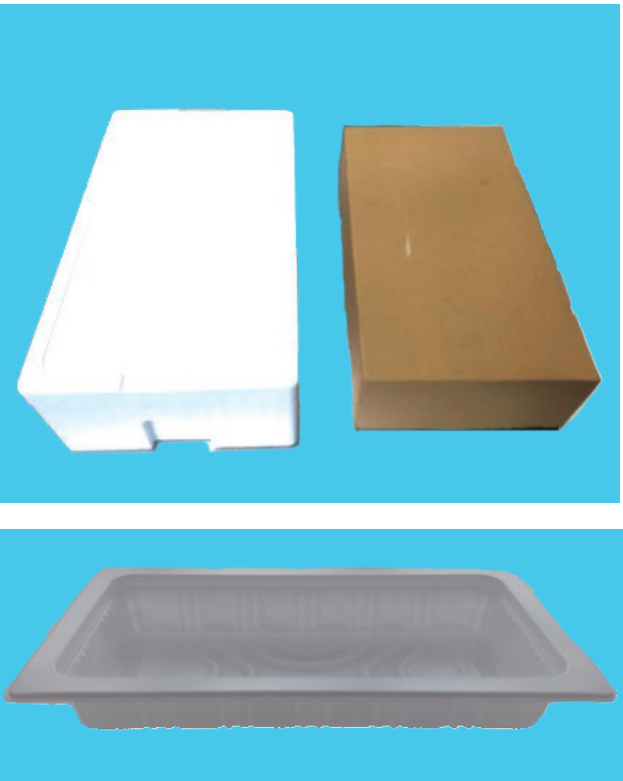
Kyokuyo Shokuhin Co., Ltd.'s Hachinohe Plant

Material used for boxes for salt-cured coho salmon are being gradually switched from expanded polystyrene (Styrofoam) to paper (cardboard), which has a higher recycling rate.

<Thinning of materials>

Apex Kyokuyo Co., Ltd.

By thinning the trays while maintaining strength, achieved a 10% reduction in plastic usage.

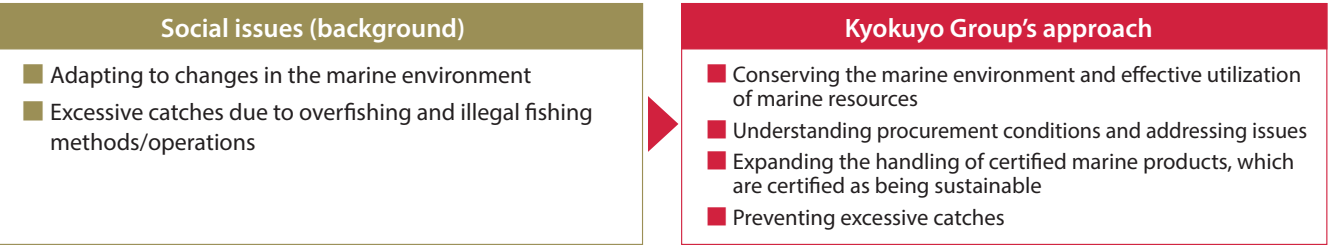


Preventing plastic from flowing into the oceans: Regular replacement of fishing equipment

Group companies in Japan responsible for the aquaculture conduct repairs and maintenance in the course of their daily work to prevent plastic components of fishing nets and buoys used in aquaculture facilities from getting damaged

and flowing into the ocean. In addition, nets and buoys etc. are removed from the water and inspected for damage every three years, and are replaced in the ninth year. Going forward, by continuing to implement inspections, repairs and maintenance work, and by replacing fishing equipment on a regular basis, we will prevent plastic waste from flowing into the oceans.

Conservation of Biodiversity



Kyokuyo Group's position and policy

With the global population continuing to rise and fish-based dietary cultures becoming more widespread, demand for marine products is increasing annually. Ensuring the sustainable use of limited marine resources is now an urgent issue. In particular, the appropriate management and control, based on scientific evidence, of fishery resources used internationally is a global issue. Therefore, the fishing industry must respect ecosystems and prevent overfishing, ensuring the appropriate conservation of fishery resources and their effective use. The Kyokuyo Group's business operations are supported by the blessings of the ocean, and we are committed to conserving the marine environment and ecosystems, while promoting the sustainable use of marine resources.

Initiatives for the sustainable use of marine resources

Implementation of Marine Resources Survey

As part of our efforts to promote responsible procurement, we regularly review the Group's marine product procurement status and appropriately address any identified issues. For details, see the Sustainability section on pages 21–22.

Handling of certified marine products

The proportion of marine resources that are harvested at sustainable levels continues to decline. As a result, demand for certified marine products (which are certified as being sustainable) is expected to significantly increase in the future, both in Japan and abroad. The Kyokuyo Group began handling MSC-certified seafood^{*1} in 2006, followed by ASC-certified seafood^{*2} in 2014, and has since been working to expand both the number of species and the total volume handled. Since the end of 2023 to the beginning of 2024, we secured MEL^{*3} aquaculture certification for red sea bream, and burihira® (a yellow-tail-goldstriped amberjack crossbreed species), and also secured MEL Chain of Custody Certification for the distribution and processing stages. These certifications serve as indicators to ensure that the marine products handled by the Kyokuyo Group are derived from fisheries and aquaculture that are properly managed on a scientific basis. Every year, we implement training for relevant personnel regarding the handling of certified products. This training promotes understanding of management methods such as identification and traceability in the handling of certified seafood products. The Kyokuyo Group will continue to promote the conservation of biodiversity and the sustainable use of seafood resources.



MSC-C-51738



ASC-C-00459



MEL-JFR-C130021

^{*1} MSC (Marine Stewardship Council): An international non-profit organization established in 1997 and headquartered in the United Kingdom. The MSC blue fish label is awarded only to natural marine products caught using sustainable fishing methods from a fishery that is appropriately managed with due consideration for marine resources and the environment.
^{*2} ASC (Aquaculture Stewardship Council): An international non-profit organization established in 2010 and headquartered in the Netherlands. ASC manages a system of certification that recognizes only products cultivated through environmentally and socially responsible aquaculture.
^{*3} MEL (Marine Eco-Label Japan): An internationally recognized seafood eco-label originating in Japan. It certifies businesses (fishing, aquaculture, processing, and distribution) that take the sustainability of marine resources and environmental considerations into account, based on a third-party review. Since 2016, it has been run by the Marine Eco-Label Japan Council.

Initiatives for the conservation of the marine environment and ecosystems

The fishing operations of Kyokuyo Suisan Co., Ltd. mainly involve fishing for skipjack in the central and western Pacific Ocean. These areas of the Pacific are managed by the WCPFC,^{*4} an international regional fisheries management organization of which Japan is a member. Kyokuyo Suisan undertakes fishing in accordance with guidelines compiled by Japan's Fisheries Agency and WCPFC rules.

1. Restrictions on the use of ecosystem-friendly fishing gear

To prevent overfishing, we have established operational periods and set limits on the number of FADs^{*5} that may be used. In addition, to reduce the impact on marine life, FADs are made of materials that prevent entanglement with marine organisms.

2. Preventing by-catch of fry and young fish

To prevent by-catch of fry, the size of the mesh used in the company's fishing nets has been adjusted to enable fry to swim out through the mesh. To prevent by-catch of young fish, which are unable to swim fast yet, one of the purse seine vessels operated by the company is equipped with a helicopter to conduct free school fishing^{*6}—a method in which fast-swimming schools of adult fish are located and harvested.

3. Preventing by-catch of endangered species

Endangered species unintentionally caught during operations (whales excluding tuna species, turtles, rays, sharks, manta rays, and seabirds) are recorded, released, and reported using electronic systems. The information is submitted to the Minister of Agriculture, Forestry, and Fisheries, and the animals are released back into the sea.



The Wakaba Maru No. 11 fishing vessel with a helicopter

^{*4} WCPFC: Western & Central Pacific Fisheries Commission. One of the five regional fisheries management organizations that oversees fishing of skipjack and tuna and other tuna species.
^{*5} FADs (Fish Aggregating Devices): Floating devices that create "artificial reefs" by taking advantage of some fish species' tendency to cluster around objects floating in the water.
^{*6} Free school fishing: A method of catching skipjack and tuna that swim at high speed in a school, by following the sardines and other prey on which they feed.

4. Preventing the outflow of fishing gear into the ocean

To prevent fishing gear such as FADs and sonar buoys from drifting into the ocean and contributing to ocean waste, sonar satellite buoys labeled with identification (ID) numbers and vessel names are attached.

5. Collection of ocean waste

All fishing nets, plastic bottles, etc. that are caught in the nets while fishing are recovered and appropriately disposed of after returning to port, in order to prevent accidental ingestion by marine life and to contribute to the conservation of the marine environment.

Measures to reduce antibiotics usage by developing fish vaccines for use in the aquaculture business

Along with Maruha Nichiro Corporation and Nissui Corporation, Kyokuyo has recognized the need to strengthen development of fish vaccines to reduce the amount of antibiotics used in our aquaculture business. Working together with the Ministry of Agriculture, Forestry and Fisheries, Fisheries Agency, Japan Fisheries Research and Education Agency (FRA), and pharmaceutical companies, in 2022 we established a Vaccine Study Group to serve as a platform for collaboration between industry, government, and the university sector. Through the exchange of views and ongoing measures to realize the development of new fish vaccines, we are aiming to reduce the use of antibiotics in aquaculture and help prevent the spread of antimicrobial-resistant bacteria that compromise the effectiveness of antibiotics.



Sonar satellite buoy attachment for smart fishing buoys and other FADs to prevent outflow of fishing gear

Contributing to Local Communities



Kyokuyo Group's position and policy

We strive to understand and respect the culture, customs, and traditions of the local communities where we operate. By deepening communication, we aim to build mutual trust and coexist with local communities. Through our business activities, we also address issues related to local communities and the global environment, contributing to regional development.

Acceptance of off-campus educational visits

Kyokuyo Marine Ehime Co., Ltd., a Group company engaged in the farming of Pacific bluefin tuna, hosted a workplace visit at the request of Misho Junior High School in Ainan Town, Ehime Prefecture. The school conducts off-campus learning programs across four courses—local history and culture, industry, community development, and nature/environment—and selected the Kyokuyo Group for its "Industry Course" destination. During the visit, the company introduced footage of feeding and harvesting pacific bluefin tuna, and also presented an actual farm-raised tuna that had been caught. Through such engagement with local residents, the Kyokuyo Group aims to promote understanding of its initiatives and foster mutual trust.



Commemorative photo with a 72 kg tuna at the shipping facility (students from Misho Junior High School)

Contributing to the local community through the Hometown Tax gift

Kyokuyo Foods Co., Ltd., which produces imitation crab meat, has signed a "Cooperation Agreement on Regional Revitalization and the Sustainable Development of the Local Economy" with Matsuno Town in Kitauwa District, Ehime Prefecture, where its plant is located. As part of this initiative, the company supplies its imitation crab meat to Matsuno Town as a return gift under the town's Hometown Tax program.



Cooperation agreement signing ceremony

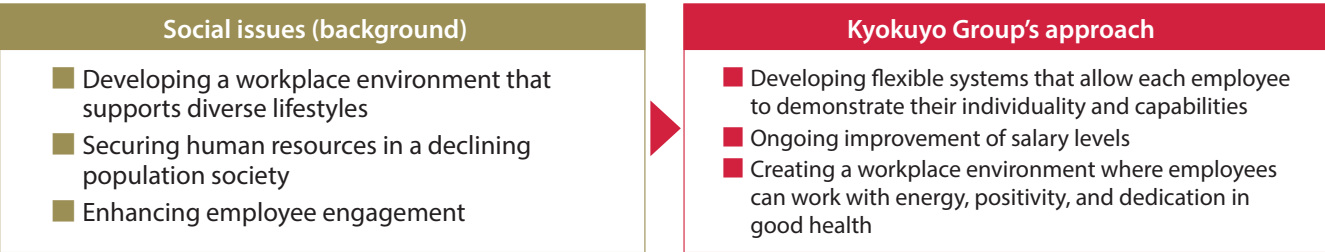
Ibusuki Shokuhin Co., Ltd., which primarily produces seared skipjack, supplies the seared skipjack to Ibusuki City as a return gift under the city's Hometown Tax program.



The "Ibusuki Seafood Enjoyment Set," selected as a return gift for Ibusuki City's Hometown Tax program and awarded the Runner-Up Prize at the ESSE Hometown Grand Prix 2024, was reported to the Mayor of Ibusuki.

The Kyokuyo Group contributes to the development of regional society through its business activities, including the promotion of local industries and job creation.

Creating a Comfortable Working Environment



Kyokuyo Group's position and policy

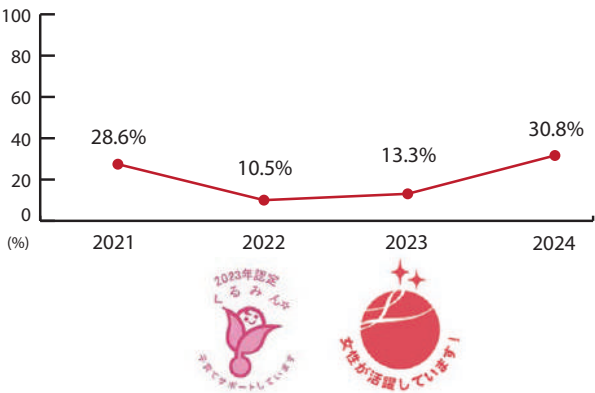
The Kyokuyo Group believes that enabling each employee to maintain both physical and mental well-being and to perform to their full potential in a comfortable working environment contributes to increased productivity and more efficient management. Guided by our corporate philosophy of "human respect," we are promoting health and productivity management and implementing various initiatives to create a workplace where employees find fulfillment in their work.

Creating a comfortable working environment

Diversity Management Initiatives

We implement various programs to ensure that the talents of female employees are fully reflected into our company's work including a job rotation system designed to provide a wide range of experience for career building and improve motivation, and a system of reemployment for employees who left the Company for reasons including taking time away to look after their children. Through these programs, we aim to increase the percentage of female executives, create an environment that supports female employees, and foster personnel development. We encourage the active participation of male employees in housework and childcare and we raise awareness of this issue through internal company newsletters, etc., working to create environment in which it is easy for male employees to take childcare leave.

Paternity Leave Utilization Rate

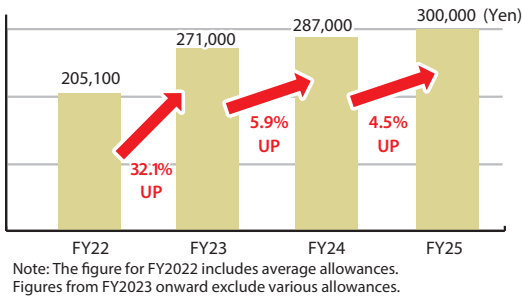


In 2023, Kyokuyo was awarded "Kurumin" certification from Japan's Ministry of Health, Labour and Welfare (MHLW) as a company supporting childcare, and also received "Eruboshi" certification (stage 2) from the MHLW as an outstanding enterprise in the promotion of female participation and advancement in the workplace.

Improving Salary Levels

Under the management vision that employee well-being is essential to sustaining the Company's competitiveness, we revised our salary levels in response to recent price increases. In fiscal 2025, we implemented an average monthly base salary increase of 13,000 yen for union members. Combined with an average regular salary increase of 6,700 yen, this resulted in a total average monthly salary increase of 19,700 yen. The starting salary was also raised to 300,000 yen. Through these revisions, we aim to enhance employee motivation, support stable livelihoods, and further improve the work environment.

Starting Salary Increase Trends



Promoting Health and Productivity Management

Kyokuyo established the Health Management Declaration in 2024 as the first step in its efforts toward health and productivity management. We will be conducting various efforts based on this declaration.

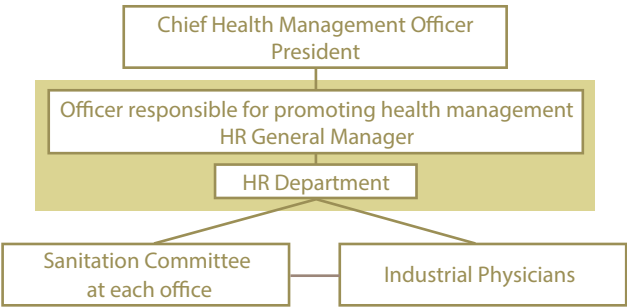
Health and Productivity Management Declaration

- (1) We will actively support employees' independent efforts to maintain and improve their own health.
- (2) We will work towards early detection and prevention of diseases, and enhance our support system.
- (3) We will work to create a comfortable working environment where each individual employee can fully demonstrate their abilities.

Purpose of Health and Productivity Management

- Achieving Health and Productivity Management Declaration
- Employees are healthy both mentally and physically, and are able to demonstrate their abilities
- Improved employee productivity
- Improved corporate value

Health and Productivity Management Operational Structure



Implementation of Smoking Cessation Program

With the aim of promoting employee health and creating a more comfortable workplace environment, the Company implemented a smoking cessation program. To support this initiative, the Company covered the cost of nicotine replacement therapy, helping to create an environment in which employees can more easily take on the challenge of quitting smoking. On the first day of the program, a pharmacist conducted a seminar on smoking cessation, and participants received nicotine replacement aids. During the program period, the designated coordinator regularly checked in with participants to monitor their progress and provide ongoing support to help them continue their efforts. Through this initiative, we are working to reduce health risks associated with smoking, prevent involuntary exposure to secondhand smoke, and foster a workplace environment where all employees can work in greater health and comfort.

Implementation of Lifestyle Disease Improvement Program

The Company implemented a lifestyle disease improvement program for employees working in Tokyo who were identified as having, or being at risk of developing, metabolic syndrome. The program included seminars on dietary habits, as well as measurement sessions for weight, visceral fat level, waist circumference, and blood pressure. Participants set individual goals for weight, exercise, and diet, and worked to improve their lifestyle habits accordingly. To support ongoing health management throughout the program period, participants were provided with nutritionally balanced frozen meals and wearable devices. We will continue to promote initiatives that support both the physical and mental well-being of employees and create a work environment where they can stay motivated and engaged, while also striving to improve organizational productivity.



Kyokuyo was recognized in 2025 as a "Health & Productivity Management Outstanding Organization (Large Enterprise Category)" by the Ministry of Economy, Trade and Industry, in recognition of its proactive efforts in employee health management.

Recruiting human talent from diverse backgrounds — A mid-career hire

Taking on the challenge of creating value as a player

Career background and current responsibilities

In my previous position in the retail industry, I was engaged in store operations, where I handled a wide range of responsibilities, including customer service, marketing initiatives to drive sales, employee management, recruitment activities, and shift scheduling. While the experience of serving in a managerial position from a young age was highly valuable, I developed a strong desire to take on a role where I could generate value directly as a player. This aspiration led me to make a career change. Currently, I work in the department responsible for salmon and trout, where I am involved in expanding sales of trout salmon (Brand name: Manten Salmon), the Company's new strategic product. As a mid-career hire from a different industry, I encounter challenges on a daily basis. However, by facing each one sincerely and carefully, I am steadily overcoming them and turning those efforts into tangible results.



Hyoga Notomi

Osaka Branch Office
Marine Products Department,
Marine Products Section 2

Looking ahead to the future

My goal is to contribute to the nationwide expansion of Manten Salmon and further develop the market. At the same time, I aim to deepen my product knowledge across a broader range of marine products and expand the scope of my responsibilities. Looking to the future, I hope to take on a role where I can succeed not only in Japan but also in overseas markets, while continuing to engage with sincerity in my daily work.

Diversified workstyles —Male employees' acquisition of childcare leave

Childcare leave made possible through team support

Toshiharu Miyamoto

Research and Development Division
Research and Development Department
Business Products Development Department
Sub Manager



Commemorative photo taken at the baby's first shrine visit

Following the birth of my second child, I took approximately one month of childcare leave. My wife faced considerable physical strain after the delivery, and I felt it was vital for me to take the lead in parenting and household responsibilities. That conviction led me to take leave. At the time, I was involved in the development of products manufactured at overseas plants, and I was concerned that my absence might cause delays. However, by sharing progress with my team in advance and maintaining communication during my leave—adjusting information as needed at key points—I felt that operations proceeded smoothly. One of the greatest benefits of taking childcare leave was being able to take an active role in parenting—dropping off and picking up my eldest child from daycare, managing household tasks, and caring for the newborn at night, including preparing and feeding milk. These efforts helped our household run more smoothly and enabled all family members to live more comfortably. I also used the time to review food labeling laws and successfully passed the Intermediate Food Labeling Certification exam. Some employees considering childcare leave may feel uneasy about stepping away from work. However, with proper planning and coordination with supervisors and colleagues, it is entirely possible to take childcare leave without worry. As more employees take advantage of this system, I believe it will establish positive precedents and contribute to a more supportive and inclusive workplace environment.

Comment from Supervisor at the Time

Takayuki Hirayama

Research and Development Division
Research and Development Department
Business Products Development
Section Manager



Sub Manager Miyamoto approached me about taking childcare leave approximately three months before the planned start date. At the time, another team member was already on childcare leave, meaning that two of the eight members in our department would be on leave simultaneously. This situation required us to reevaluate our staffing and operational structure. When one person is on leave, we are able to manage by receiving temporary support from other departments. However, with two people away at the same time, we needed to be more creative in distributing the workload. Thanks to close collaboration with related departments, we were able to maintain operations, which highlighted the importance of a flexible and responsive system. As diverse workstyles—including not only childcare leave but also nursing care leave—become more common, it is increasingly important to foster a workplace culture where employees feel comfortable taking leave without hesitation. This experience reaffirmed for me the importance of advancing both system development and workplace support structures in tandem. Going forward, I hope to continue building an environment where everyone can navigate life events with peace of mind.

Promoting women's empowerment — A female manager

Overcoming language barrier – My challenge working in Thailand



Aiko Yamanaka

KYOKUYO GLOBAL SEAFOODS Co., Ltd.
Managing Director

In my previous role as section manager in the Quality Assurance Department, I was responsible for the certification of partner plants, quality control of products, and management of food-related regulations. Through opportunities to be involved in launching new businesses and plants, I developed a strong interest in the Company's direction of expanding overseas operations and strengthening production bases. That desire to take on a challenge at an overseas plant—while leveraging the experience I had gained—led to my current position. At present, I serve as Managing Director of KYOKUYO GLOBAL SEAFOODS Co., Ltd., located in Thailand. My main responsibilities include overseeing the entire plant, coordinating and liaising with the head office, and handling matters related to visitors from Japan. Approximately 1,300 staff are employed at this plant, where we produce sushi toppings, simmered and grilled fish products, and frozen sushi. Our staff come from diverse backgrounds—Japanese, Thai, and Myanmar nationals work together—and English is used as the primary language for communication. However, conveying the nuances of Japanese expressions in clear and accurate English requires careful thought. I continue to explore and refine communication methods to ensure our staff fully understand the quality standards and policies expected by the head office. Another important responsibility is ensuring that prototypes meet the flavor profiles and quality standards expected in the Japanese market, and sharing that understanding with the staff. Through these efforts, we are working to strengthen the competitiveness of our manufacturing. Looking ahead, I aim to fully apply my knowledge and experience not only to manufacturing for the Japanese market, but also to product development and enhancing our procurement capabilities for raw materials and finished products in line with global market expansion. I will continue to promote effective communication with local staff, deepen my understanding of on-site perspectives, and contribute to the growth of the organization as a whole.

Contributing to a Healthy and Happy Lifestyle and Food Culture



Social issues (background)

- Changes in food lifestyles (increased demand for “time-savings,” such as quicker and easier preparation)
- Labor shortages in medical, care and social welfare facilities
- Global rise in health consciousness and increased demand for protein sources
- Decline in seafood consumption in Japan

Kyokuyo Group’s approach

- Contributing to labor reduction and shorter cooking times at food preparation sites through efforts such as developing products that meets demands
- Focusing on quality ingredients and great taste, to deliver value through “Food to Enjoy Life” and food that promotes “Feeling well”
- Implementing campaign to increase fish consumption among employees: “If you're a seafood company, eat fish!”

Kyokuyo Group’s position and policy

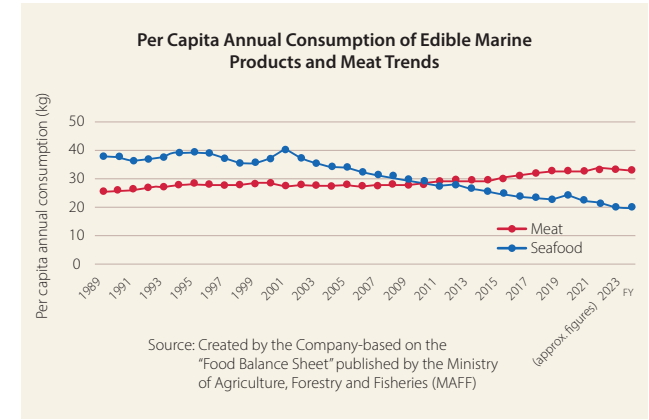
In Japan, per capita annual consumption of edible marine products has been declining since peaking in fiscal 2001, as dietary habits shift away from seafood driven by changes in lifestyle, pricing factors, and the time and effort required for preparation. However, seafood contains high-quality animal protein, and is low in calories and rich in nutrients such as vitamins and essential minerals. It also contains functional ingredients such as DHA and EPA.

As a general food company with a focus on fish, the Kyokuyo Group undertakes ongoing R&D and product development work, emphasizing the creation of time value in line with customers’ needs for time-efficient, convenient solutions, and providing “food to enjoy life” by responding to customers’ growing health consciousness and meeting their requirements for protein sources. Having put in place a production and sales network that extends throughout the globe, Kyokuyo provides delicious food that can be consumed safely and reliably not only to people in Japan but to people all over the world, we aim to realize our corporate philosophy of contributing to a healthy and happy lifestyle and food culture.

Creating time value

Helping to solve society’s problems, such as labor shortages, by creating products that take into account customer feedback

Staff shortages in medical, care and social welfare facilities constitute an increasingly serious problem for society. Based on the concept of making food easy to prepare, in 2013 Kyokuyo launched the Dandori Jozu product line of frozen food products, featuring products that have had the bones removed, etc., and which can be cooked directly from frozen. In creating the products in the Dandori Jozu product line, we have made use of valuable advice from nutritionists, etc. working in the field in medical and care facilities. By continuing to undertake the development of new products, and providing products made from different ingredients with differing flavors and shapes, we are aiming to expand our product lineup in this range. Going forward, we will continue with similar initiatives, striving to help solve the social problems relating to staff shortages.



Examples of products in the Dandori Jozu product line

Food to enjoy life

Collaboration on the development of products containing balenine, a nutrient with anti-fatigue properties

Balenine is a substance which is believed to prevent fatigue and which may help prevent dementia. As such, balenine is drawing attention for its potential to help improve quality of life among Japanese people, who are living in a high stress, rapidly-aging society.^{*1} Only a limited number of marine species contain significant volumes of balenine. Previously, only baleen whales were thought to contain balenine. However, our Research and Development Department and laboratory, in cooperation with the Fisheries Technology Institute, Japan Fisheries Research and Education Agency, analyzed the flesh of opah (moonfish) by-catch from the long line of an oceangoing fishing vessel, and discovered the presence of balenine at a higher concentration than in baleen whales.^{*2}

We are collaborating with Toa Kasei Co., Ltd., which focuses on the functions of imidazole dipeptides^{*3}—including balenine—in partnership with academic institutions. By supporting the development of products containing balenine, we aim to contribute to a healthy and happy life-styles.

^{*1} Source: Fisheries Technology Institute, Japan Fisheries Research and Education Agency; Research Trends, Major research results published by Fisheries Technology Institute, No.16 (2017) Japanese link: https://nriifs.fra.affrc.go.jp/ugoki/pdf/ugoki_016_011.pdf
^{*2} Source: Fisheries Science, Vol. 84, No. 6 Analysis of balenine in muscle extract of opah Lampris guttatus with automatic amino acid analyzer English abstract, paper in Japanese: https://www.jstage.jst.go.jp/article/suisan/84/6/84_18-00010/_pdf/-char/ja
^{*3} Imidazole dipeptides: Compounds consisting of two amino acids, including histidine. Representative types include balenine, carnosine, and anserine.

Simple and delicious low-salt diets

Having an excessively high salt intake is one of the factors leading to high blood pressure; it is estimated that around 50% of Japanese adults aged 20 or over suffer from high blood pressure. Controlling one’s salt intake, without cutting out salt completely, over an extended period can help people avoid developing high blood pressure, which puts them at increased risk of developing lifestyle diseases.^{*4} Japan’s National Cerebral and Cardiovascular Center is currently promoting the concept of “KARUSHIOH” (“light on the salt”), which focuses on the new concept of reducing salt usage to better bring out the taste of ingredients. Products which pass inspection as conforming to the “KARUSHIOH” certification criteria are authorized to display the “KARUSHIOH” mark.

The Kyokuyo Group has been developing reduced-salt products, including “KARUSHIOH” certified products. Kyokuyo’s “Karushioh” deboned Coho Salmon Fillet with Flying Fish Stock and “Karushioh” deboned Coho Salmon Fillet with Kelp Extract have 30% less sodium chloride equivalent^{*5} than conventional products, and feature first-class soup stock and carefully selected ingredients that

really bring out the flavor. These products embody the Japanese tradition of eating fish with exquisite soup stocks, and the savory flavor of the flying fish soup stock and kelp extract ensures that they not only provide value in terms of health benefits, but are also very tasty. The Kyokuyo Group will continue to develop and propose products that are delicious, healthy, and socially meaningful, supporting people’s lives through solutions that respond to evolving needs.

Example of preparation

^{*4} Source: Ministry of Health, Labour and Welfare, e-healthnet health information website for lifestyle disease prevention – “High Blood Pressure” Japanese link: <https://kenet.mhlw.go.jp/information/information/metabolic/m-05-003.html>
^{*5} Comparison with salted salmon based on the 2020 Standard Tables of Food Composition in Japan (Eighth Edition).

Employee campaign to increase fish consumption: “If you're a seafood company, eat fish!”

As fish consumption continues to decline in Japan, “Kyokuyo—the fish experts” has been working to promote fish consumption through the development of convenient, time-saving marine products. However, with questions such as “Are Kyokuyo employees themselves actually eating fish?” and “Why not start spreading the movement from within Kyokuyo?” in mind, we launched an internal campaign titled “If you're a seafood company, eat fish!” in fiscal 2024.

As part of the initiative, seafood bento lunches were distributed free of charge to employees working in the Akasaka area of Minato-ku, Tokyo, where the head office is located. The aim of distributing these bento lunches was to encourage employees to eat more fish. Employees provided us with feedback such as, “It gave us a chance to talk about eating fish with our colleagues.”

Through this internal campaign, we aim to highlight the deliciousness and health benefits of fish, and turn it into a larger movement to increase fish consumption and revitalize the seafood industry in Japan.

Distributed bento lunches

魚食量増加運動実施中
水産会社なら
魚を
食べよう！
魚を食べよう！

Providing Safe and Reliable Products



Social issues (background)	Kyokuyo Group's approach
<ul style="list-style-type: none">Growing consumer emphasis on food safety and securityIncreasing demand for initiatives to improve quality	<ul style="list-style-type: none">Establishing a system to ensure the supply of safe and secure productsProviding accurate product informationProviding prompt and sincere customer response in the event of product complaints, etc.

Basic Policy for Quality Assurance

<h3>Providing Products with Safety and Security</h3> <p>We give highest priority to providing safe and secure products to customers, and construct, maintain, and continuously review systems to achieve this goal.</p>	<h3>Complying with the Law</h3> <p>We comply with all laws related to food, such as food sanitation law. We also comply with voluntary rules that are separately defined.</p>
<h3>Providing Accurate Information</h3> <p>We accurately convey information on our products to customers in a manner that is easy to understand.</p>	<h3>Sincere Customer Support</h3> <p>If an incident or complaint should occur with one of our products, we swiftly and sincerely prevent the spread of damage, investigate the cause, plan countermeasures, and report to the customer, etc.</p>

Enhancing food safety

Food defense, which aims to protect against deliberate efforts to contaminate food by criminals or terrorists, is vitally important in the food industry. All of our factories have drawn up food defense rules based on guidelines that the Quality Assurance Department played a central role in formulating, and we are proceeding with the strengthening of relevant management systems.

Major Categories of Kyokuyo Food Defense Guidelines
<ul style="list-style-type: none">Organization ManagementFacility ManagementHuman Factor of EmployeesManagement of Storage and RetrievalHuman Factor of Outsiders

Initiatives to improve quality

With the aim of improving product quality at all our factories, every year since 1986 we have held the Kyokuyo Cooperation Association Technical Research Meeting, which brings together the partner companies contracted to process our products. We share explanations and requests related to reports of complaints that have been addressed to the company, requests we have received, and our response to changes in food-related laws and regulations and food labeling laws, while also exchanging and sharing information on topics such as sanitation management methods at each plant, as well as examples of successful and unsuccessful practice.

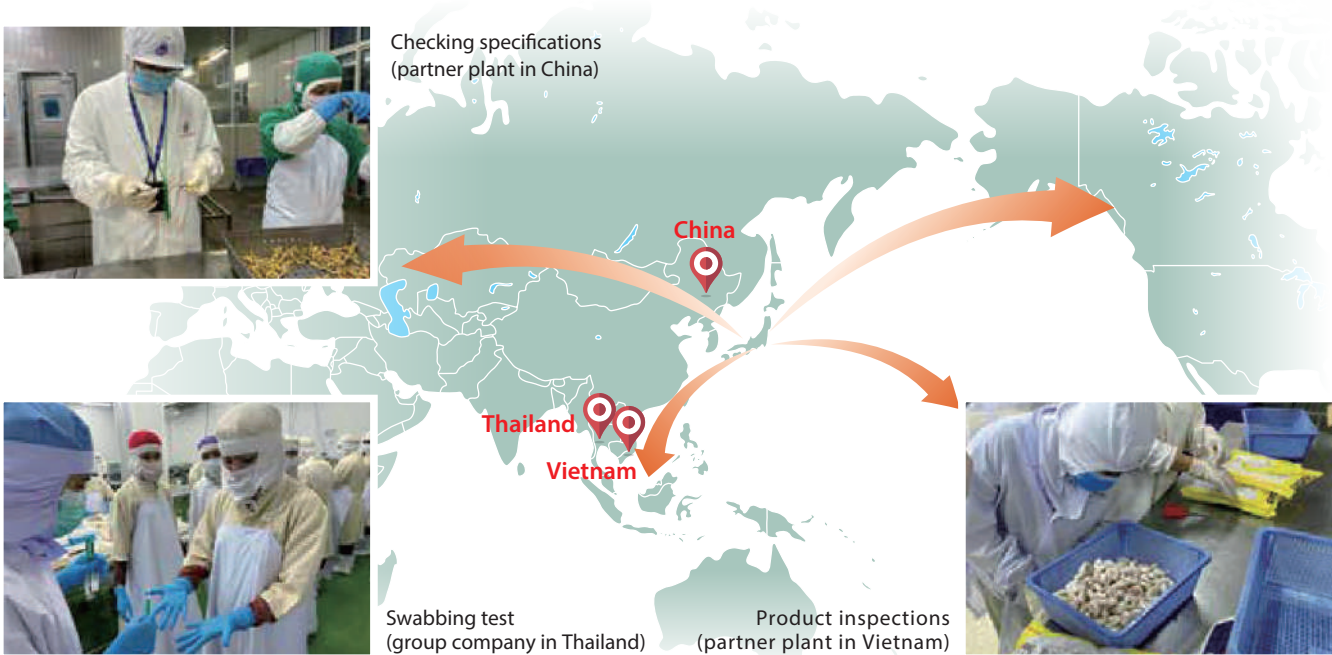
Kyokuyo Cooperation Association Technical Research Meeting
<ul style="list-style-type: none">Quality controlElimination of insects and miceLectures on inspection equipmentLectures on microbe inspection <p>This meeting shares information on the following initiatives, etc.</p>

Quality Assurance Initiatives

The Kyokuyo Group works to achieve quality assurance. These activities center on our Quality Assurance Department and prioritize the procurement of safe and secure foods. In order to manufacture safe and secure products, members of staff from our Quality Assurance Department directly visit processing subcontractors in Japan, as well as processing subcontractors overseas that do not have onsite quality

control staff, in order to conduct audits and provide guidance. At processing subcontractors in China, Vietnam, and Thailand, product quality control specialists are permanently stationed onsite, where they work to provide for product quality and sanitation management. For further information on our quality assurance system, please refer to our website.

URL <https://www.kyokuyo.co.jp/en/company/point/reliability/index.html>



Securing food safety certification

Kyokuyo Foods Co., Ltd., which manufactures more than 6,000 tons of frozen foods—mainly Ocean King (imitation crab meat)—every year and is developing export sales, implements HACCP management (the foundation for food safety) and has secured FSSC 22000 food safety certification. By undergoing periodic auditing by a third-party certification

body and implementing ongoing improvement activities to maintain this certification, Kyokuyo Foods is aiming to enhance food quality and take the entire organization to an even higher level. Going forward, we will be striving to ensure that the Group as a whole supplies products that embody safety and security.



Overview by Business

In FY2024, the first year of the Medium-Term Business Plan “Gear Up Kyokuyo 2027,” corporate earnings showed an upward trend, and the moderate recovery continued, supported by improvements in employment and income conditions. On the other hand, the outlook remained uncertain due to increasingly complex international affairs and other factors. In both the marine product and the food industries, despite an increase in Japan's inbound tourism, leading to an improvement for the restaurant and tourism sectors, the business environment remained challenging. This was due to a decline in consumer willingness to spend amid soaring prices, and because of rising manufacturing costs resulting from increases in

raw material prices, labor costs, and logistics expenses.Despite this difficult environment, our net sales, operating profit, ordinary profit, and net profit all increased to reach the highest figures ever recorded in the company's history. The business conditions in each of our segments are as detailed below. Please note that, due to a review of the management classifications within the Group starting in FY2024, the figures for FY2023 have been restated based on the new classification method.

Market environment and FY2024 performance		Net sales / Segment profit (consolidated)		FY2025 measures																
<div>Marine Products Business</div> <div></div> <div>Trout salmon from Chile (Manten Salmon)</div> <div><div><div>Sales up</div><div>Profit up</div></div><div><div><div>[Sales in Japan]</div><ul style="list-style-type: none">Sales of salmon and crab slowed after January, but strong sales through the year-end sales season supported overall performanceSales of salmon, trout, and shrimp, which are the main product categories in this segment, as well as high-value products including crab, fish roe, and scallops increased<div>[Overseas Business]</div><ul style="list-style-type: none">Exports of blue-backed fish (such as mackerel) increased due to soaring global prices for marine products used in feed, and sales of tuna recovered through the development of new business partnersLocal sales in overseas markets expanded, due to two overseas companies that became consolidated subsidiaries, and the sales environment improved in Europe, the U.S., and ChinaSales to Japanese restaurant chain operators in Asia also increased</div></div></div>			<div>Net sales</div> <div>(Million yen)</div> <table><tr><th>(FY)</th><th>2023</th><th>2024</th></tr><tr><td>Net sales</td><td>130,040</td><td>168,668</td></tr></table> <div>Segment profit</div> <div>(Million yen) (%)</div> <table><tr><th>(FY)</th><th>2023</th><th>2024</th></tr><tr><td>Operating profit (Million yen)</td><td>5,195</td><td>6,109</td></tr><tr><td>Operating profit margin (%)</td><td>4.0</td><td>3.6</td></tr></table> <div><ul style="list-style-type: none">Expand handling volume of marine products through the cultivation of new business partnersEnhance responsiveness to marine product price fluctuations amid inflation by strengthening coordination with business partners under the “Group-wide integrated system” from procurement to processing and salesExpand overseas sales by promoting M&A and strengthening collaboration with overseas subsidiaries</div>	(FY)	2023	2024	Net sales	130,040	168,668	(FY)	2023	2024	Operating profit (Million yen)	5,195	6,109	Operating profit margin (%)	4.0	3.6		
(FY)	2023	2024																		
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<div>Freshfoods Business</div> <div></div> <div>Hon Maguro no Kiwami –Domestically farmed bluefin tuna</div> <div><div><div>Sales up</div><div>Profit up</div></div><div><div><div>[Tuna & skipjack sales business]</div><ul style="list-style-type: none">Sales expanded to the restaurants and mass-market retailers, mainly for frozen bluefin tuna<div>[Overseas purse seine fishing business]</div><ul style="list-style-type: none">Catch weight increased, but both sales and profits declined due to falling unit prices<div>[Aquaculture business]</div><ul style="list-style-type: none">Sales of domestically farmed bluefin tuna grew through strengthened initiatives with business partners, leading to improved profitability<div>[Sushi and sashimi business]</div><ul style="list-style-type: none">Sales of sushi toppings declined due to a sharp rise in market prices for high-end products and pricing revisions, but profits improved</div></div></div>			<div>Net sales</div> <div>(Million yen)</div> <table><tr><th>(FY)</th><th>2023</th><th>2024</th></tr><tr><td>Net sales</td><td>63,821</td><td>65,850</td></tr></table> <div>Segment profit</div> <div>(Million yen) (%)</div> <table><tr><th>(FY)</th><th>2023</th><th>2024</th></tr><tr><td>Operating profit (Million yen)</td><td>2,248</td><td>3,615</td></tr><tr><td>Operating profit margin (%)</td><td>3.5</td><td>5.5</td></tr></table> <div><ul style="list-style-type: none">Increase profitability by strengthening sales of products of own plantsFocus on sales to Japanese restaurant chains overseas, where the number of stores is increasingExpand sales of processed products by strengthening collaboration with business partners from the product development stage</div>	(FY)	2023	2024	Net sales	63,821	65,850	(FY)	2023	2024	Operating profit (Million yen)	2,248	3,615	Operating profit margin (%)	3.5	5.5		
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<div>Processed Food Business</div> <div></div> <div>(left) “Dandori Jozu” salmon fillet (right) “Dandori Jozu” mackerel grilled with salt</div> <div><div><div>Sales up</div><div>Profit down</div></div><div><div><div>[Frozen food for industrial use]</div><ul style="list-style-type: none">Sales of fried marine products, etc., declined due to intensified competition with low-priced overseas products, but profits improved thanks to price revisions<div>[Frozen food products for home use]</div><ul style="list-style-type: none">Sales remained on par with the previous fiscal year, but profits declined due to high raw material costs<div>[Canned food]</div><ul style="list-style-type: none">In addition to improvements in canned mackerel, sales of canned tuna and canned saury increased, but rising material costs put pressure on earnings<div>[Snacks and seafood delicacies]</div><ul style="list-style-type: none">Sales declined due to the impact of price revisions, and profits also decreased due to high raw material costs</div></div></div>			<div>Net sales</div> <div>(Million yen)</div> <table><tr><th>(FY)</th><th>2023</th><th>2024</th></tr><tr><td>Net sales</td><td>65,614</td><td>65,940</td></tr></table> <div>Segment profit</div> <div>(Million yen) (%)</div> <table><tr><th>(FY)</th><th>2023</th><th>2024</th></tr><tr><td>Operating profit (Million yen)</td><td>2,658</td><td>2,446</td></tr><tr><td>Operating profit margin (%)</td><td>4.1</td><td>3.7</td></tr></table> <div><p><Frozen Foods> Expand earnings by building a sales structure centered on products of own plants</p><ul style="list-style-type: none">[Industrial use] Strengthen product competitiveness and boost sales volume through the introduction of new products aligned with market needs and refinement of existing items[Home use] Increase sales volume through expanded production capacity via new plant construction and proposals for new products utilizing the strengths in marine-based ingredients<p><Shelf-Stable Foods> Expand sales by developing new product categories</p><ul style="list-style-type: none">[Canned foods] Increase sales through product development using main product categories</div>	(FY)	2023	2024	Net sales	65,614	65,940	(FY)	2023	2024	Operating profit (Million yen)	2,658	2,446	Operating profit margin (%)	4.1	3.7		
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<div>Logistics Business</div> <div></div> <div>Kyokuyo Akitsu Reizo Co., Ltd.'s Tokyo Office</div> <div><div><div>Sales up</div><div>Profit up</div></div><div><div><div>[Cold storage business]</div><ul style="list-style-type: none">Storage fee income increased, thanks to consistently high space utilization rates*Sales and profits both grew as a result of the previous fiscal year's price revisions<div>[Consigned forwarding business]</div><ul style="list-style-type: none">Sales increased thanks to strengthened sales efforts toward external business partners</div><div>* The percentage of actual products compared to the capacity of cold storage</div></div></div>			<div>Net sales</div> <div>(Million yen)</div> <table><tr><th>(FY)</th><th>2023</th><th>2024</th></tr><tr><td>Net sales</td><td>1,599</td><td>1,667</td></tr></table> <div>Segment profit</div> <div>(Million yen) (%)</div> <table><tr><th>(FY)</th><th>2023</th><th>2024</th></tr><tr><td>Operating profit (Million yen)</td><td>289</td><td>294</td></tr><tr><td>Operating profit margin (%)</td><td>18.1</td><td>17.6</td></tr></table> <div><ul style="list-style-type: none">Increase sales by strengthening the combined sales of warehouse storage and delivery servicesImprove operational efficiency by introducing a management system to reduce truck waiting times</div>	(FY)	2023	2024	Net sales	1,599	1,667	(FY)	2023	2024	Operating profit (Million yen)	289	294	Operating profit margin (%)	18.1	17.6		
(FY)	2023	2024																		
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The company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc., and all figures are presented based on the application of this standard and related adjustments.

Marine Products Business

We are further strengthening our collaborative relationships with business partners and expanding transaction volume for both procurement and sales, with the aim of becoming Japan's No.1 fish company.

Masaki Miyama

Control over Marine Products Business Segment
Director
Chief of Division, Marine Products Business Division



Strengths	Business opportunities	Risks	Areas of focus
<ul style="list-style-type: none">“Group-wide integrated system” from procurement to processing and salesKnowledge and know-how accumulated in each of the Group's segmentsNetworks in and outside Japan built up over a period of many yearsVolumes handled that are among the highest in the industry (including Norwegian mackerel, Atka mackerel, Chilean coho salmon, shrimp, and salmon roe products, etc.)	<ul style="list-style-type: none">Increased global demand for marine products resulting from rising health consciousnessGrowing demand for marine products that have been caught, farmed, and/or processed in an environmentally friendly wayIncreased supply of farmed marine products	<ul style="list-style-type: none">Smaller catches and purchasing volumes for wild fish resulting from tighter fishing regulation aimed at safeguarding natural resourcesFluctuations in marine product prices due to the shift from deflation to inflationSudden changes in exchange rates and trade conditions stemming from abrupt policy shifts in the United States	<ul style="list-style-type: none">Expand handling volume of marine products and enhance responsiveness to marine product price fluctuations under inflation by strengthening collaboration with business partnersStrengthening access to resources by developing new procurement partnersExpanding our network of overseas production and sales sites to grow our overseas business

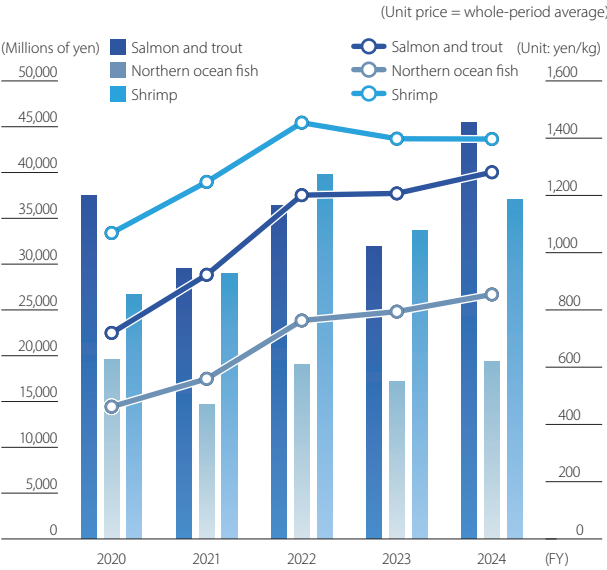
Business overview by segment (April 2024 to March 2025)

In FY2024, under the theme of “Refining Kyokuyo,” we worked to strengthen partnerships with business partners and expand transactions in both procurement and sales.

In domestic sales, although the movement of salmon and crab slowed from January onward due to weakened consumption caused by high market prices, strong performance up to the year-end sales season supported overall results. For the full year, sales and profits increased as sales grew for main product categories such as salmon, trout, and shrimp, as well as high-value products including crab, fish roe, and scallops.

In overseas business, exports recovered, driven by increased sales of blue-backed fish such as domestically sourced mackerel amid soaring global prices for marine products used in feed, as well as expanded tuna sales through the cultivation of new business partners. In overseas local sales, recovery from the consumption slowdown caused by sharp inflation in the previous fiscal year in Europe and the U.S. contributed to results, along with increased sales from two overseas companies that became consolidated subsidiaries. In China, although domestic demand remained sluggish, sales increased due to a recovery in demand for raw materials used in export processing. Additionally, sales grew to Japanese restaurant chains in Asia, where store openings are accelerating.

Marine Products Business <Non-consolidated> Net sales and unit price of each seafood type by year



* The company has applied “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc., from the fiscal year 2021. As a result, regarding paid supply transactions, if we are obliged to buy back the supplied items, we have changed to the method of not recognizing the disappearance of the supplied items. The figures from the fiscal year 2021 are figures after the application of this accounting standard and related adjustments.

FY2024 performances

Net sales: **168.668 billion yen**
(up 29.7% year-on-year)

Operating profit: **6.109 billion yen**
(up 17.6% year-on-year)

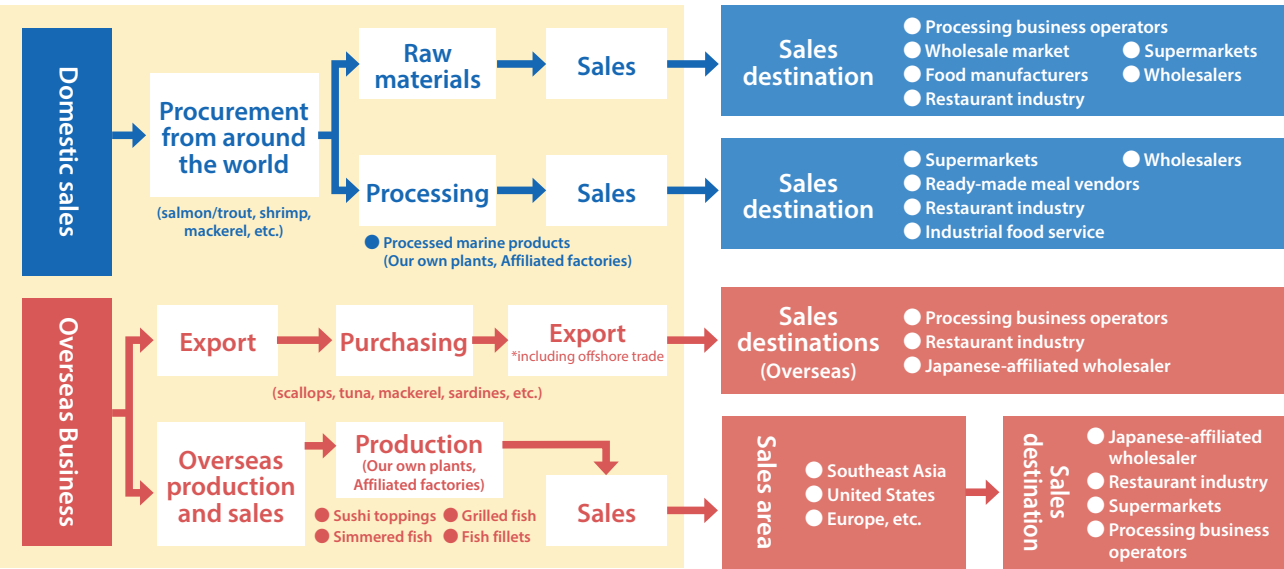
FY2024 consolidated overseas net sales performance

Net sales: **32.5 billion yen**
(up 49.1% year-on-year)

Main products handled



Marine Products Business Flow



FY2025 policies

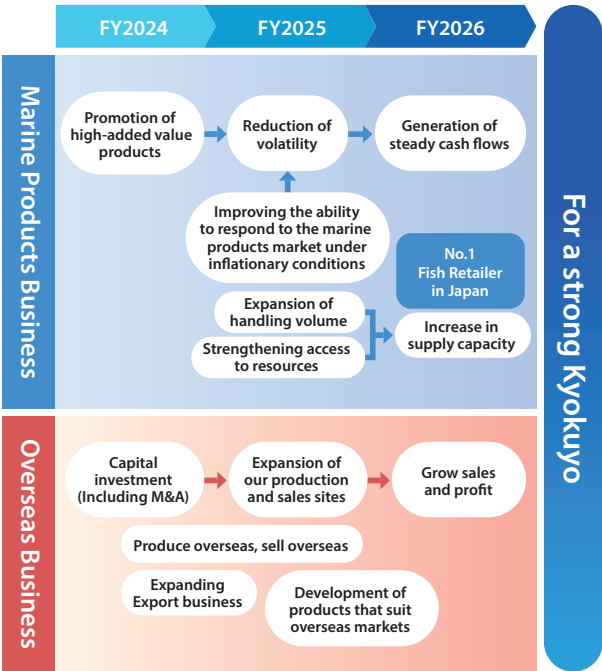
The theme for FY2025 is “Becoming Japan's No.1 fish retailer.” We will expand the handling volume of seafood products through the cultivation of new business partners. While fluctuations in marine product prices are expected due to the shift from deflation to inflation, we will work to enhance our ability to respond to such volatility and strive to avoid sudden price surges in order to steadily generate future cash flows. In addition, while we recognize the risk of sudden changes in foreign exchange rates and trade conditions stemming from abrupt policy shifts in the United States, we will pursue overseas M&A and aim to increase overseas sales through synergies created by strengthening collaboration among our overseas subsidiaries.

FY2025 forecast

Net sales: **200 billion yen**

Operating profit: **7.0 billion yen**

Roadmap to Medium-term Business Plan Targets



Freshfoods Business

We will work toward transforming into a “Strong Kyokuyo” under a business policy that leverages our integrated strengths across the entire value chain—from catching and aquaculture to processing and sales.

Keizo Yamaguchi

Control over Freshfoods Business Segment
Director
Chief of Division, Freshfoods Business Division



Strengths

- A seamless system within the Group covering everything from raw materials procurement (including catching, aquaculture, and purchasing) to processing, and sales
- Initiatives in fisheries to produce and raise fish, enabling high quality and a stable supply

Business opportunities

- Increased supply of farmed marine products
- Growing inbound tourism demand in Japan
- Heightened global demand for Japanese food and rising demand for raw foods materials in overseas markets
- Expansion in the number of overseas locations operated by Japanese restaurant chains

Risks

- Reduction in and depletion of natural resources
- Labor shortages affecting processing plants where the work is difficult to mechanize
- Rapidly changing customer needs
- Rising feed costs and increased mortality of farmed fish due to environmental changes

Areas of focus

- Strengthen access to resources and expand handling volume
- Increase profitability by strengthening sales of products of own plants
- Expand sales to Japanese restaurant chains overseas
- Promote sales expansion of processed products

Business overview by segment (April 2024 to March 2025)

In the tuna business, we focused on expanding production to drive increased sales and improving product quality to strengthen our proposal capabilities. Sales of frozen bluefin tuna, for which market prices recovered compared to the previous fiscal year, remained strong and contributed to increased sales and profits. In addition, sales expanded for processed products such as skipjack—available at attractive prices due to a bountiful catch—and frozen bigeye tuna and minced raw tuna products, which were relatively affordable compared to the previous year. Overall, sales grew, particularly in the foodservice sector, including conveyor belt sushi restaurants, as well as in mass retailers.

In the overseas purse seine fishing business, although the volume of catches increased, both sales and profits declined due to falling unit prices. In the aquaculture business, we worked to enhance our product lineup by strengthening access to resources. As a result, sales of domestically farmed bluefin tuna expanded through reinforced partnerships with business partners. Despite rising feed costs, profitability improved due to the dissolution of the full-cycle tuna aquaculture joint venture and increased productivity in red sea bream and other farmed species.

In raw food products for raw consumption, particularly sushi toppings, we worked to strengthen sales capabilities and competitiveness through an integrated approach from production to sales. While we promoted the expansion of sales, particularly of products from our overseas plants, sales of

high-end items such as eel declined due to sharp market price increases. In addition, the impact of the previous fiscal year's price revisions continued, resulting in decreased sales—mainly in the conveyor belt sushi channel—but profitability improved.

Overseas purse seine fishing business Trends in catch weight & fish price



Bluefin tuna farming business Trends in sales weight and amount

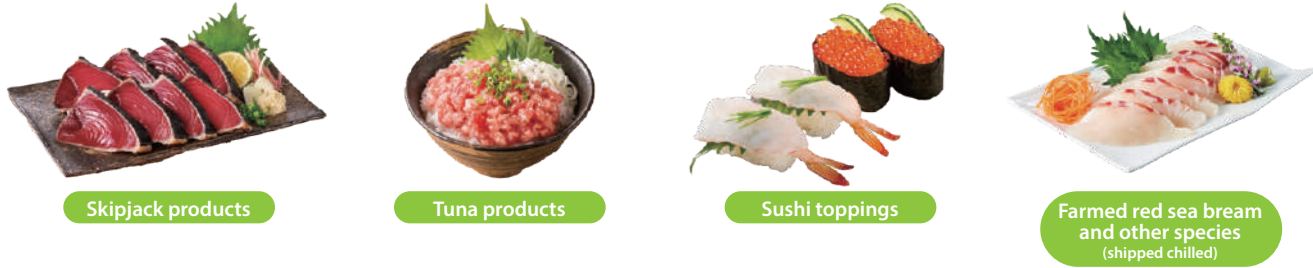


FY2024 performances

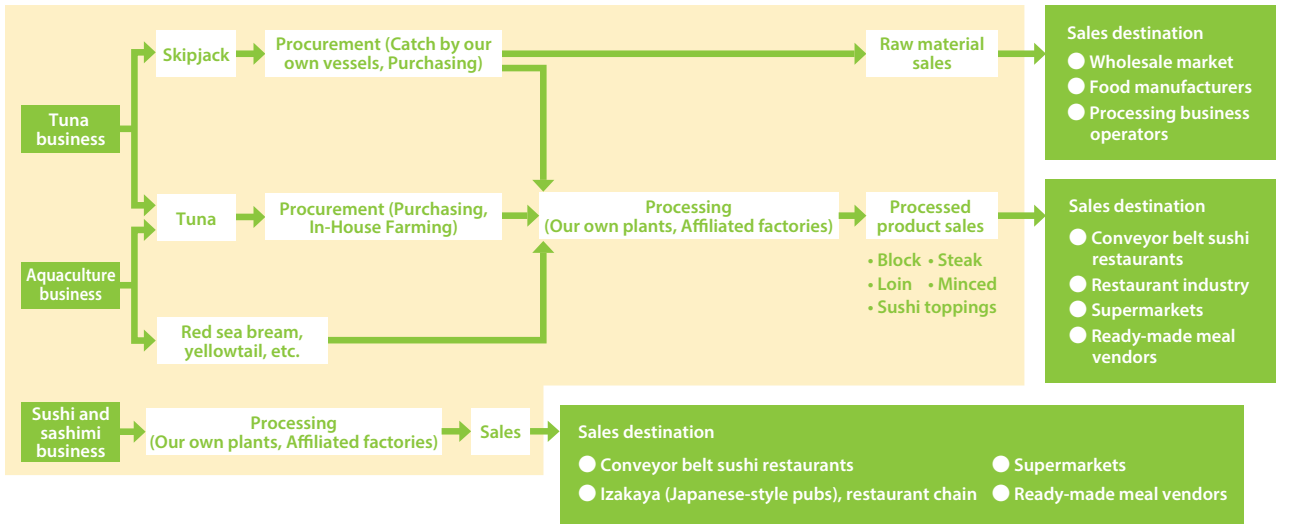
Net sales: 65.850 billion yen
(up 3.2% year-on-year)

Operating profit: 3.615 billion yen
(up 60.8% year-on-year)

Main products handled



Freshfoods Business Flow



FY2025 policies

In the Freshfoods Business, we operate under a Group-wide “seamless system” that encompasses purchasing, catching, aquaculture, processing, and sales. One of our strengths is the flexibility to handle procurement, processing, and product proposals tailored to the diverse needs of our customers. In FY2025, we will continue to promote business activities that leverage the advantages of this system. To improve profitability, we will strengthen sales of products from the Company's own plants, including minced raw skipjack, minced raw tuna, salmon roe, and sea shrimp. In response to the heightened global demand for Japanese food, we will also focus on expanding sales to Japanese restaurant chains overseas,

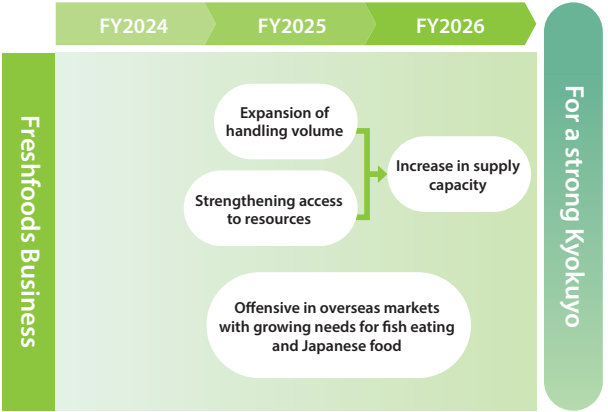
where the number of locations is increasing. Furthermore, by strengthening collaboration with our business partners from the product development stage, we will promote the expansion of processed product sales both in Japan and overseas.

FY2025 forecast

Net sales: 73.7 billion yen

Operating profit: 3.7 billion yen

Roadmap to Medium-term Plan Targets



Processed Food Business

As a food manufacturer, we will thoroughly expand sales of products from our own plants and grow the scale of our business.

Atsushi Hattori

Control over Processed Food Business Segment
Director
Chief of Division, Processed Food Business Division



Strengths

- A global network of processing facilities, and a worldwide procurement capability
- Industry-leading market share in frozen simmered fish and grilled fish products, and in imitation crab meat products

Business opportunities

- Growing inbound tourism demand in Japan
- Rising demand for food that can be prepared quickly and conveniently, in response to lifestyle changes and shortages of kitchen staff
- Growing consumer preference for selective, high-value products

Risks

- A trend toward consumer frugality in response to rising prices
- Increased production costs resulting from rising energy prices, raw materials costs, and distribution costs

Areas of focus

- Expand earnings by building a sales structure centered on products of own plants
- Expand sales through initiatives in new product categories

Business overview by segment (April 2024 to March 2025)

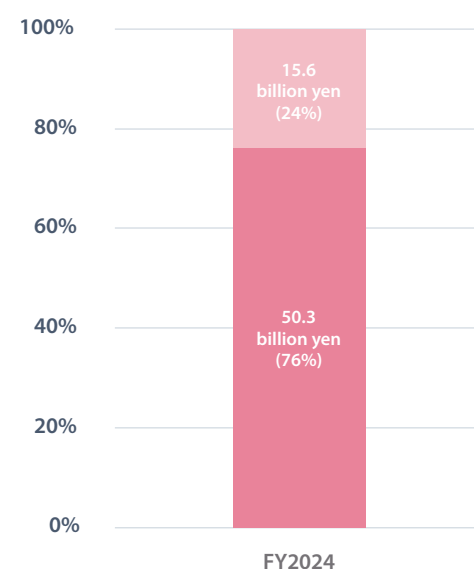
In frozen food for industrial use, sales of products such as the imitation crab meat Ocean King and shrimp fritters increased due to the launch of new products. However, overall sales declined as soaring prices led to intensified competition with low-priced overseas products, resulting in decreased sales of fried marine products. On the other hand, profitability improved as price revisions took hold. Frozen foods for home use, sales of simmered and grilled fish products and items used for bento boxed lunches remained

on par with the previous year, but profitability declined due to high raw material costs. In canned goods, while sales of tuna and saury cans—areas of focused effort—increased in addition to an improvement in canned mackerel, profit was squeezed by cost increases stemming from surging material prices. For snacks, seafood delicacies, both sales and profit declined due to a decrease in sales volume following price revisions, coupled with high raw material costs.

Breakdown of net sales in FY2024

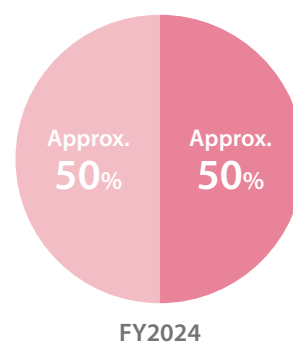
[By temperature range]

■ Shelf-stable
■ Frozen



[By industry type]

■ For home use
■ For industrial use



FY2024 performances

Net sales:	65.940 billion yen (up 0.5% year-on-year)
Operating profit:	2.446 billion yen (down 8.0% year-on-year)

Main products handled



Frozen food for industrial use



Frozen food for home use

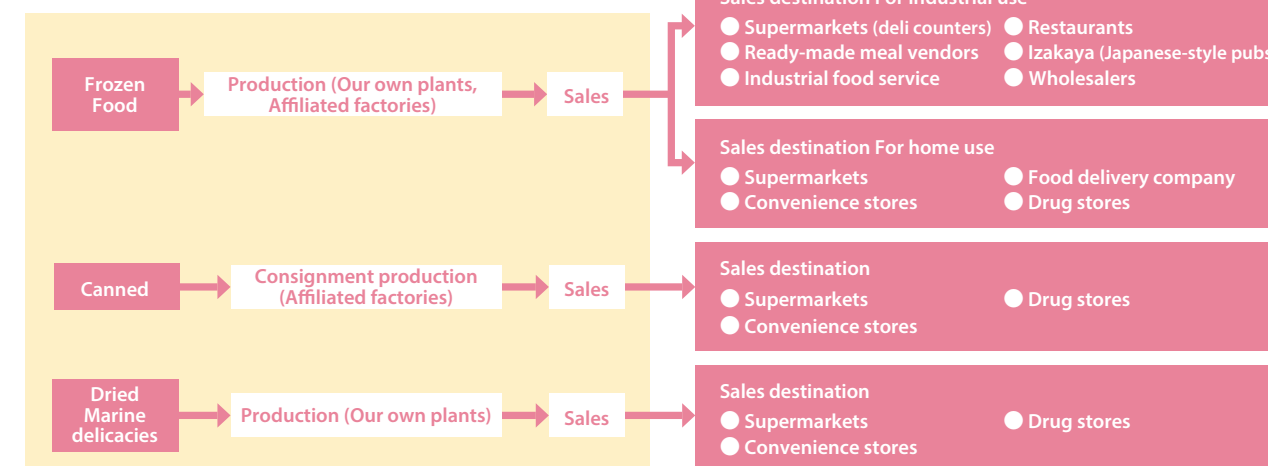


Shelf-stable foods, health products



Snacks, seafood delicacies

Processed Food Business Flow



FY2025 policies

In the business environment surrounding the Processed Food Business, consumers' growing preference for frugality amid rising prices presents a potential risk. However, by building a sales structure centered on products from the Company's own plants, we aim to operate our plants efficiently and expand earnings.

For industrial use products, we will strengthen product competitiveness and boost sales volume through the introduction of new products that capture market needs and the refinement of existing items.

For home use products, we will increase sales volume by enhancing production capacity through the operation of a new plant and developing new products that utilize marine

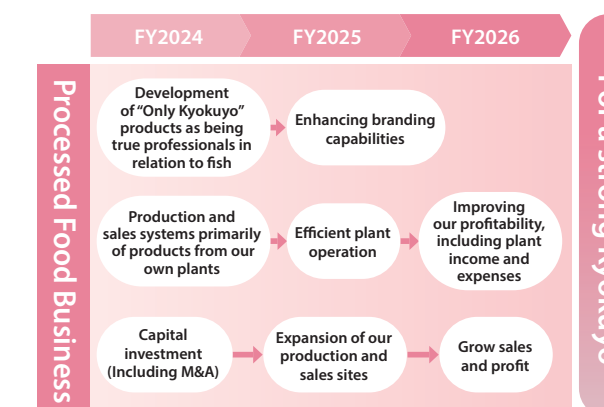
ingredients—one of the Company's strengths.

In Shelf-Stable Food Business, including snack products, we will work to expand sales by developing new product categories, while for canned products, we will aim to grow sales through new product development using main product categories.

FY2025 forecast

Net sales:	74.0 billion yen
Operating profit:	3.3 billion yen

Roadmap to Medium-term Plan Targets



We will work to increase sales by strengthening the combined sales of warehouse storage and delivery services, while also promoting operational efficiency.

Shuichi Kiyama

Control over Logistics Business Segment
Senior Managing Director


Strengths

- A comprehensive business framework that integrates product manufacturing and sales with warehousing and logistics
- Accumulated know-how enabling storing and delivering products safely, securely, and appropriately
- Logistics network covering the whole of Japan

Business opportunities

- Improving operational efficiency through the effective utilization of digital technology
- Expansion in cold chain demand driven by increasing demand for frozen foods and sushi toppings
- Supply shortages in the cold and frozen storage industry due to aging facilities and fluorocarbon regulations

Risks

- Increase in refrigerated storage operating costs due to rising energy costs
- Inadequate delivery capability resulting from workstyle reforms in the logistics and transportation sector
- Increased labor and logistics costs due to labor shortages

Areas of focus

- Growing sales by raising the freight turnover rate at our cold storage warehouses
- Making delivery more efficient through freight consolidation
- Centralize management by integrating delivery operations into the Logistics Department
- Reducing costs by enhancing operational efficiency

Business overview by segment (April 2024 to March 2025)

In the cold storage business, storage income increased due to continued high space utilization rate*, and both sales and profit expanded as a result of price revisions implemented in the previous fiscal year in response to rising costs. The consigned forwarding business, sales increased through strengthened sales efforts toward external business partners.

* Space utilization rate: the percentage of actual products compared to the capacity

FY2025 policies

We will work to increase sales by strengthening the combined sales of warehouse storage and delivery services. In addition, we will promote operational efficiency by introducing a management system that allows trucks to reserve time slots for loading and unloading cargo.

FY2024 performances

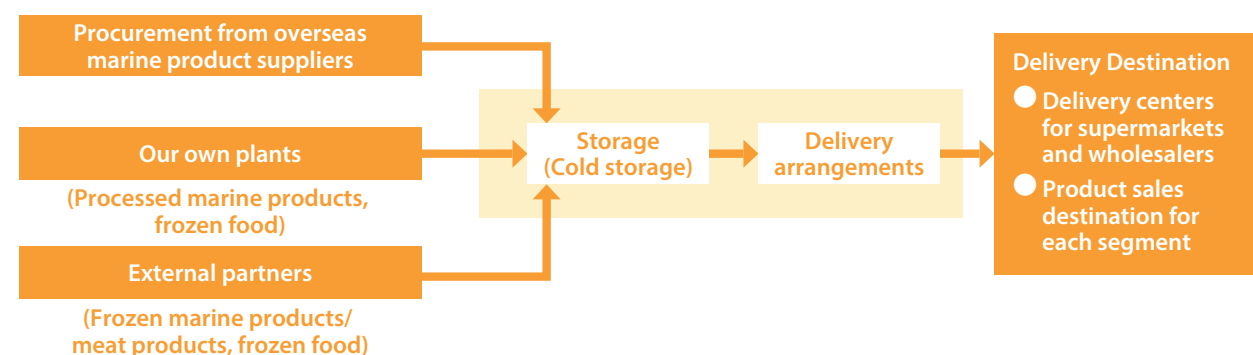
Net sales: **1.667 billion yen**
(up 4.2% year-on-year)

Operating profit: **0.294 billion yen**
(up 1.8% year-on-year)

FY2025 forecast

Net sales: **1.7 billion yen**

Operating profit: **0.3 billion yen**

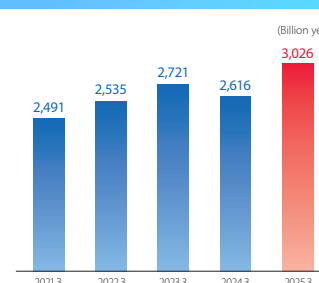
Logistics Business Flow


Financial Non-Financial Highlights

Financial Highlights

Net sales
302.6 billion yen

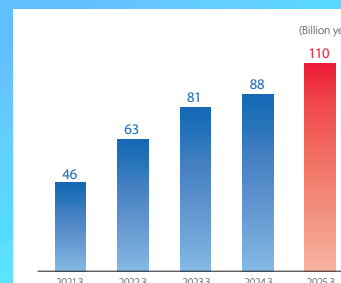
Y-o-Y up
41.0 billion yen
(up 15.7%)



Record high for the first time in two fiscal years

Operating profit
11.0 billion yen

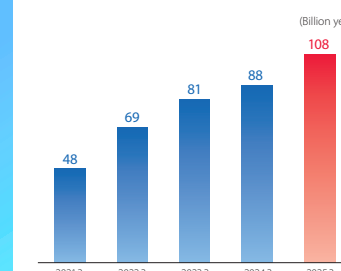
Y-o-Y up
2.2 billion yen
(up 25.8%)



Record highs for the 4th consecutive year

Ordinary profit
10.8 billion yen

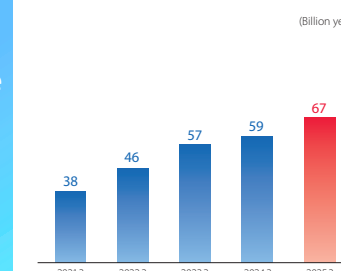
Y-o-Y up
2.0 billion yen
(up 22.6%)



Record highs for the 5th consecutive year

Profit attributable to owners of parent
6.7 billion yen

Y-o-Y up
0.8 billion yen
(up 13.5%)



Record highs for the 3rd consecutive year



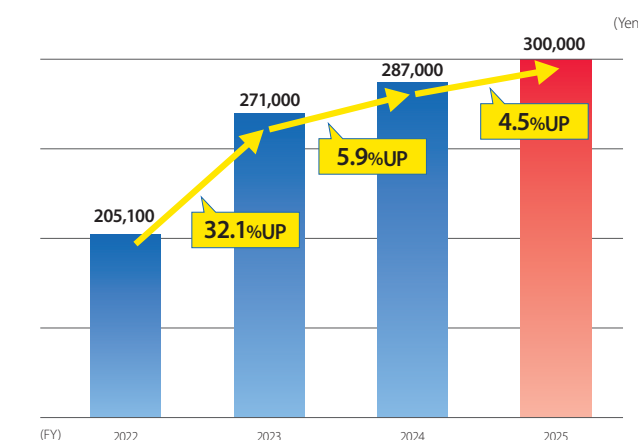
- Net sales, operating profit, ordinary profit, and profit attributable to owners of parent **all hit all-time highs**
- Operating profit exceeded 10.0 billion yen, clearly reflecting a strengthened earnings foundation
- Sales increased for main product categories in the Marine Products Business (salmon, trout, shrimp) as well as high-value products (crab, fish roe, scallops)
Sales of frozen bluefin tuna in the Freshfoods Business remained strong

Non-Financial Highlights
Strengthening our partnerships with stakeholders

A comfortable working environment for employees

Average monthly wage for union members **increased by 19,700 yen**; starting salary raised to 300,000 yen (April 2025)

We aim to increase motivation and secure human talent, including in response to the recent price increases.

Starting Salary Increase Trends


Note: The figure for FY2022 includes average allowances. Figures from FY2023 onward exclude various allowances.

Consolidated Summary Over 11-Years (1)

Consolidated basis		Transition of Medium-term Business Plans	Power Up Kyokuyo 2015	Value Up Kyokuyo 2018	
	Unit	FY2014	FY2015	FY2016	FY2017
Profit and loss status					
Net sales	(Million yen)	218,350	226,626	236,561	254,783
Cost of sales	(Million yen)	198,009	205,854	213,292	231,180
Gross profit	(Million yen)	20,341	20,771	23,268	23,603
Operating profit	(Million yen)	2,460	2,433	3,273	4,066
Operating profit margin	(%)	1.1	1.1	1.6	1.6
Ordinary profit	(Million yen)	2,107	2,814	3,709	4,437
Ordinary profit margin	(%)	1.0	1.2	1.6	1.7
Profit attributable to owners of parent	(Million yen)	2,433	1,799	2,422	3,211
Financial status					
Total assets	(Million yen)	88,937	94,608	97,386	106,297
Net assets	(Million yen)	23,069	23,065	25,391	29,423
Interest-bearing debt	(Million yen)	47,321	50,679	51,441	51,476
Equity ratio	(%)	25.5	23.9	25.6	27.2
Cash flow					
Cash flows from operating activities	(Million yen)	(2,340)	2,689	601	3,201
Cash flows from investing activities	(Million yen)	(762)	(5,114)	(1,998)	(1,179)
Free cash flow	(Million yen)	(3,102)	(2,425)	(1,397)	2,022
Cash flows from financing activities	(Million yen)	3,698	2,482	105	255
Year-end balance of cash and cash equivalents	(Million yen)	4,070	4,030	2,572	4,977
Key management indicators					
Net assets per share	(yen)	2,156.50	2,149.67	2,378.09	2,679.00
Net income per share	(yen)	231.72	171.33	230.66	304.29
Return on equity (ROE)	(%)	11.5	8.0	10.2	11.9
Return on assets (ROA)	(%)	2.4	3.1	3.9	4.4
D/E ratio	(Ratio)	2.1	2.2	2.0	1.8
R&D expenses	(Million yen)	272	268	280	290
Capital investment	(Million yen)	3,053	6,387	2,566	1,543
Dividend payout ratio	(%)	21.6	29.2	26.0	19.7
Total shareholder return	(%)	155	161	161	193
Dividend per share	(yen)	50	50	60	60

* Please note that data for FY2020 were recorded prior to the adoption of the Accounting Standard for Revenue Recognition. Data for FY2021 were recorded after the adoption of this standard.

* The financial data highlights featured in the previous fiscal year's edition (five-year) have been replaced with an 11-year consolidated summary, allowing us to present long-term performance trends alongside the evolution of our management strategies over an extended period.

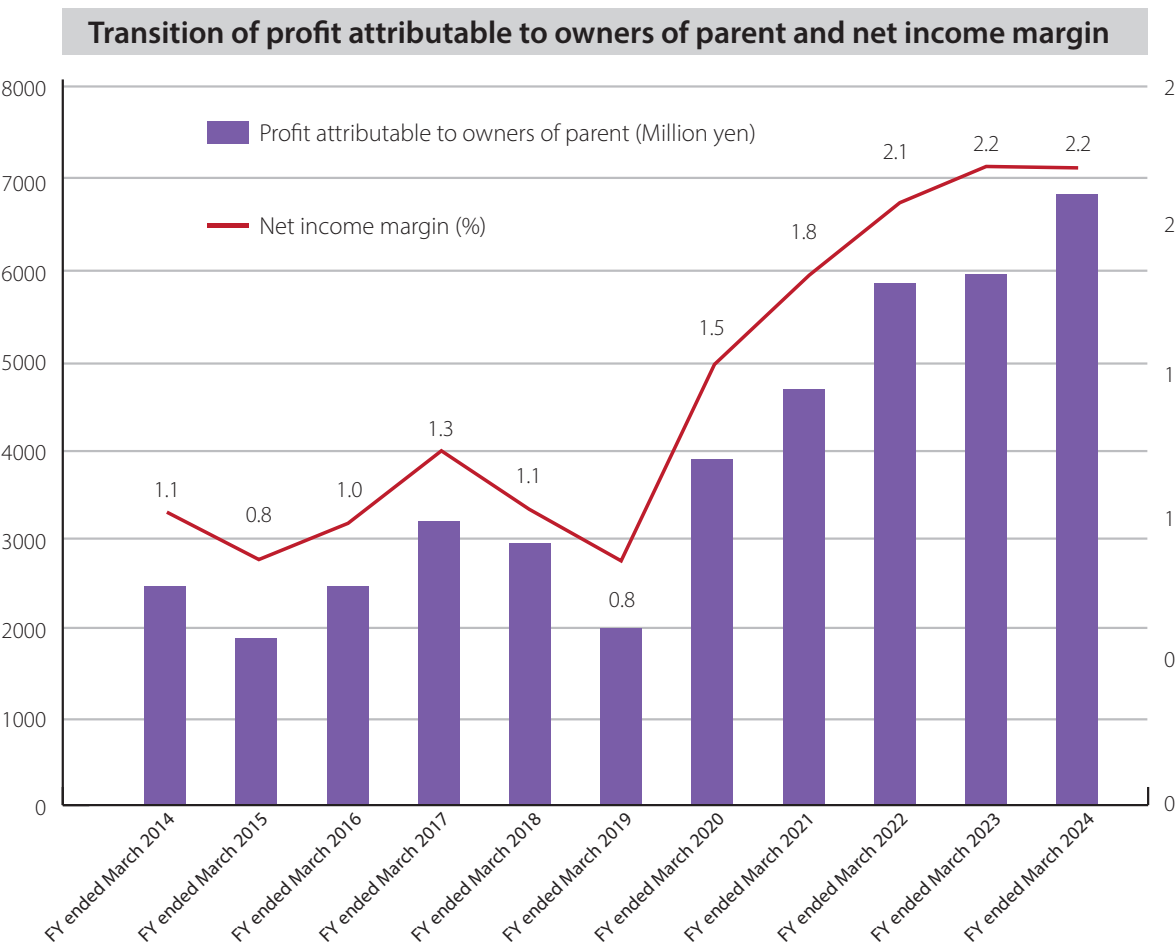
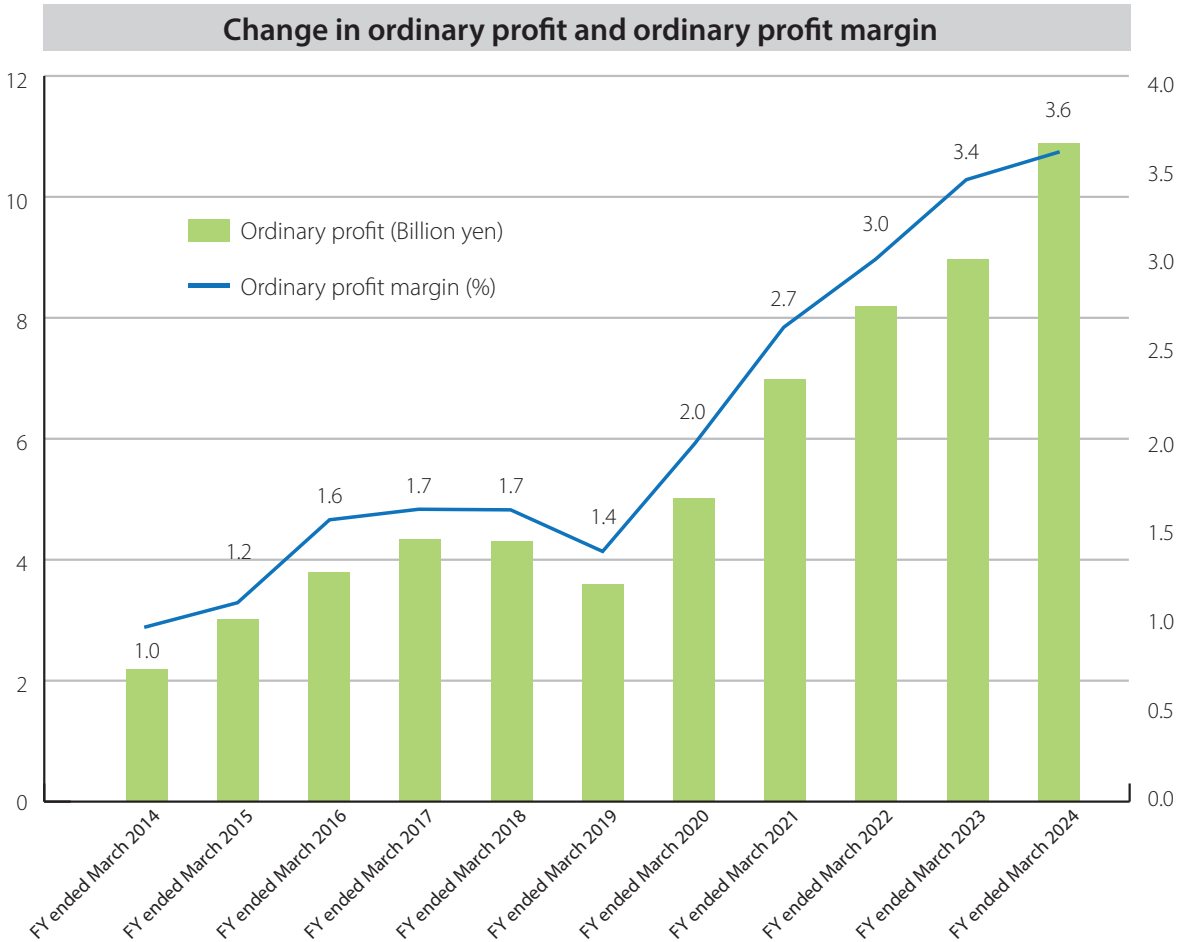
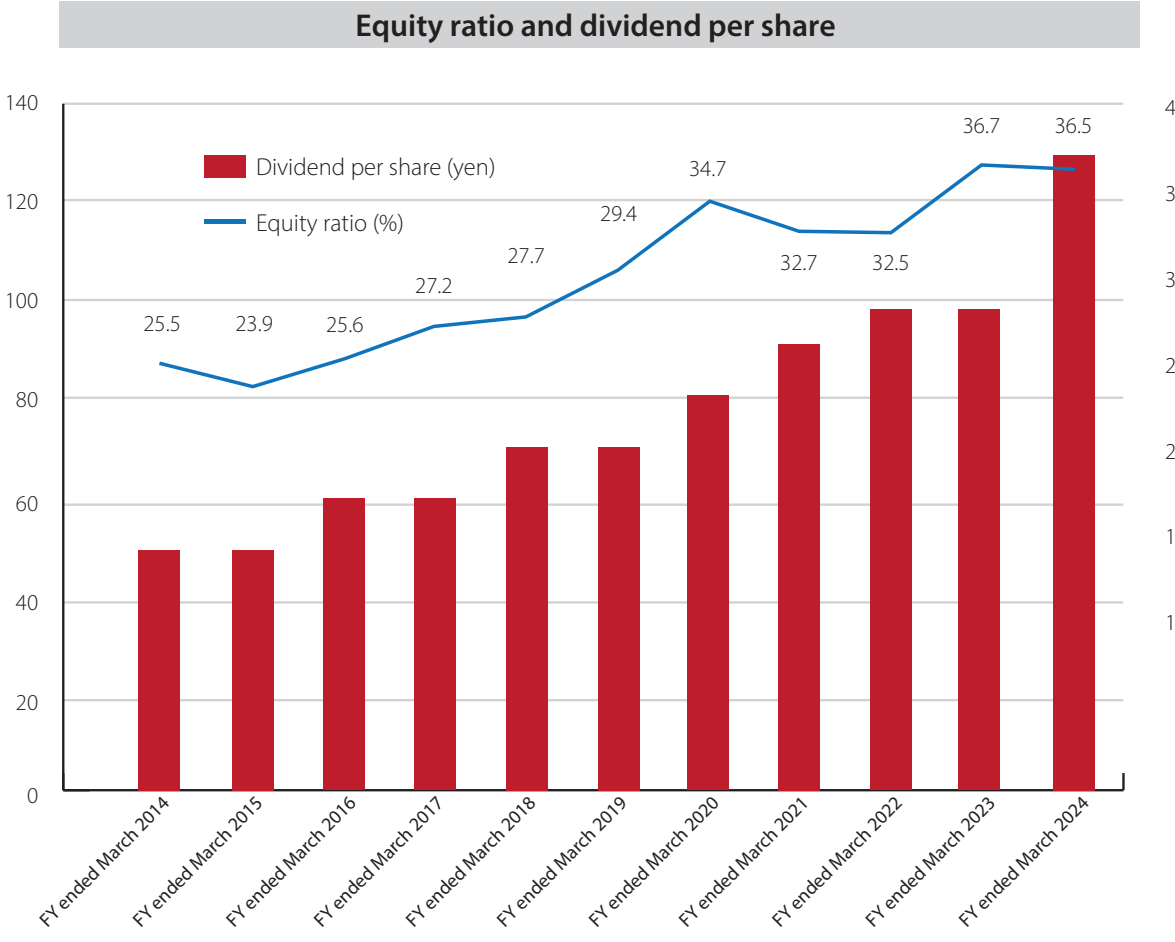
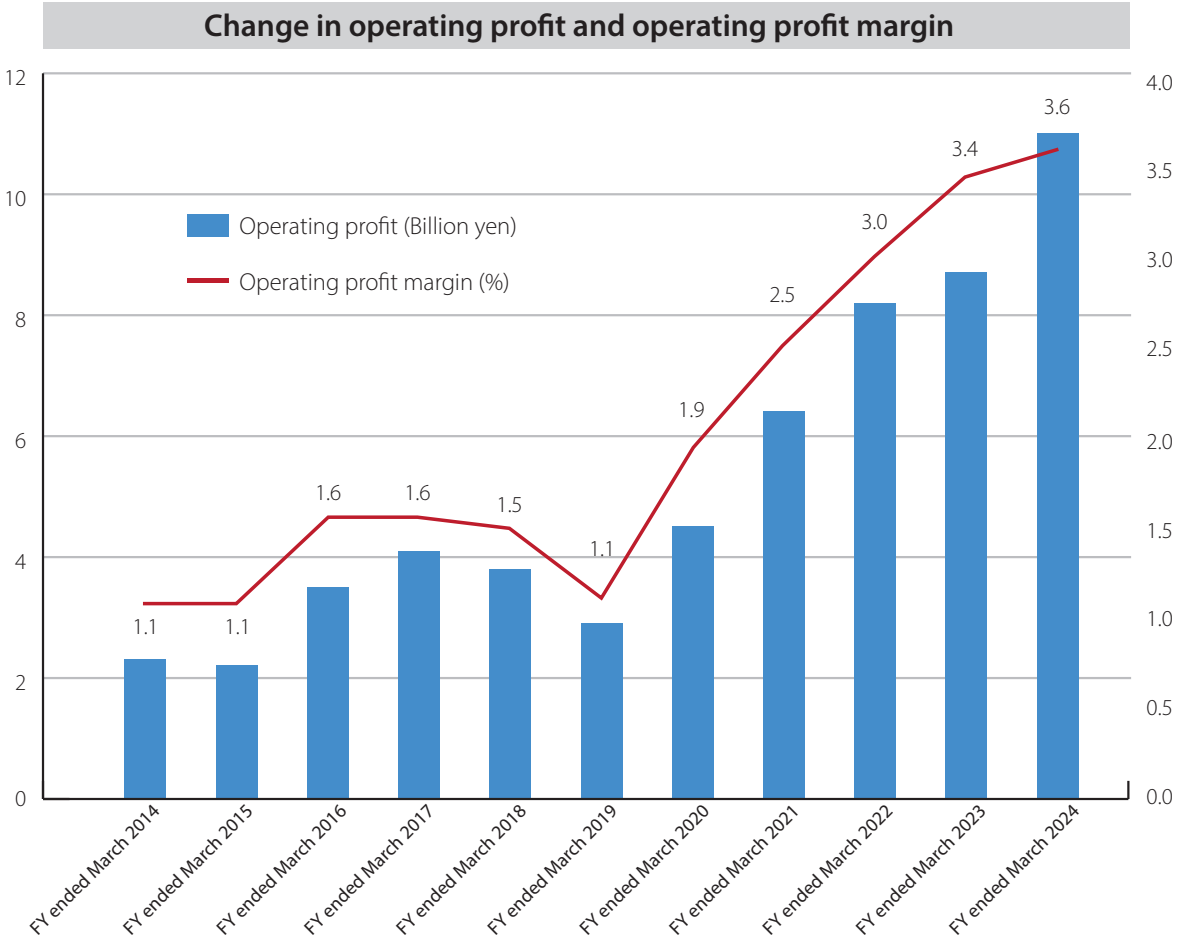
To provide stakeholders with a broader and more long-term perspective, as well as to fulfill our accountability to a wider range of stakeholders, two additional items have been introduced:

- Addition of "Gross Profit" and "Cost of Sales" to the profit and loss status
- Gross profit, which indicates the profitability of our products and services, and cost of sales, which reflects the cost structure relative to net sales, have been disclosed to enable more detailed analysis of the Company's earnings structure.
- Addition of "Free cash flow" to the cash flow

By disclosing free cash flow, which indicates the flow of freely available funds, we aim to provide a clearer picture of the Company's financial soundness and capacity for future investment.

FY2025 ver.						
Change Kyokuyo 2021			Build Up Platform 2024			Gear Up Kyokuyo 2027
FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
256,151	262,519	249,197	253,575	272,167	261,604	302,681
232,446	238,274	223,620	225,558	241,139	228,213	263,861
23,705	24,245	25,576	28,016	31,027	33,390	38,819
3,831	2,918	4,657	6,392	8,105	8,806	11,079
1.5	1.1	1.9	2.5	3.0	3.4	3.7
4,434	3,608	4,879	6,904	8,182	8,856	10,857
1.7	1.4	2.0	2.7	3.0	3.4	3.6
2,914	2,037	3,838	4,634	5,782	5,936	6,740
114,673	111,184	116,331	130,460	146,301	160,720	182,125
31,996	32,593	39,975	42,174	46,966	58,860	68,355
58,023	55,173	51,174	58,121	68,973	74,625	80,746
27.7	29.4	34.7	32.7	32.5	36.7	36.5
(4,118)	9,410	5,997	(1,128)	(6,243)	(1,721)	5,843
(2,494)	(2,931)	(527)	(5,225)	(2,338)	(5,707)	(9,036)
(6,612)	6,479	5,470	(6,353)	(8,581)	(7,428)	(3,193)
5,958	(4,817)	(4,627)	5,743	9,011	8,524	2,149
4,621	6,313	7,097	6,539	7,042	8,452	7,514
2,941.26	3,046.26	3,753.90	3,969.73	4,436.27	4,965.39	5,600.14
269.63	188.53	356.95	430.83	539.10	548.61	567.48
9.6	6.3	10.5	11.2	12.8	11.1	10.7
4.0	3.2	4.3	5.6	5.9	5.8	6.3
1.9	1.7	1.4	1.5	1.6	1.4	1.4
304	343	336	317	338	365	332
2,201	3,160	2,456	5,064	2,292	5,623	8,124
26.0	37.1	22.4	20.9	18.5	18.2	22.9
119	101	132	126	101	147	183
70	70	80	90	100	100	130

Consolidated Summary Over 11-Years (2)



Corporate Information / Investor Information (As of March 31, 2025)

Corporate profile

Company name	Kyokuyo Co., Ltd.
Headquarters address	3-3-5, Akasaka, Minato-ku, Tokyo, 107-0052, Japan
Established	September 3, 1937
Stated capital	¥7,527 million
Major businesses	Export, import, domestic purchasing, and sales of marine products, and manufacture and sales of processed and frozen foods
Employees	2,476 (consolidated) / 734 (nonconsolidated)
Number of consolidated companies	33

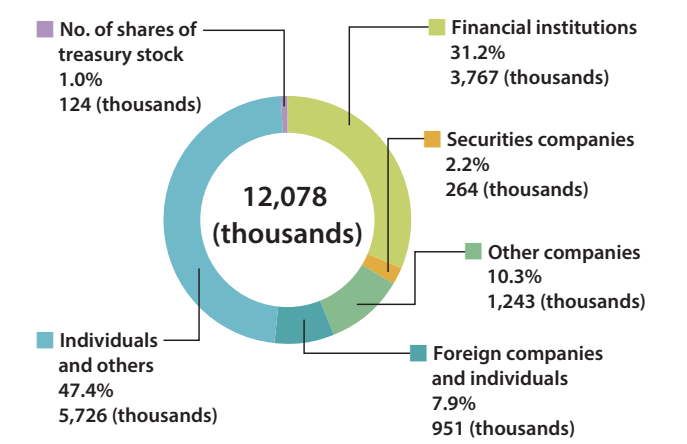
Stock information

Total number of shares the company is authorized to issue	43,700,000
Total number of shares issued	12,078,283
Number of shareholders	30,501

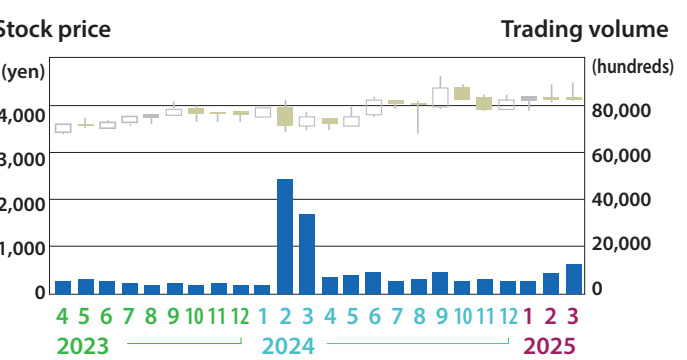
Major shareholders

Shareholder's name	No. of shares held (thousands)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd.	1,629	13.63
Resona Bank, Limited	523	4.37
The Norinchukin Bank	445	3.72
Custody Bank of Japan, Ltd.	362	3.03
Toyo Seikan Group Holdings, Ltd.	315	2.63
Mitsui Sumitomo Insurance Co., Ltd.	250	2.09
Tokio Marine & Nichido Fire Insurance Co., Ltd.	179	1.50
Noriaki Nakamura	171	1.43
Kyokuyo Akitsukai	151	1.26
JP MORGAN CHASE BANK 385781	149	1.25

Distribution of shares by shareholder type

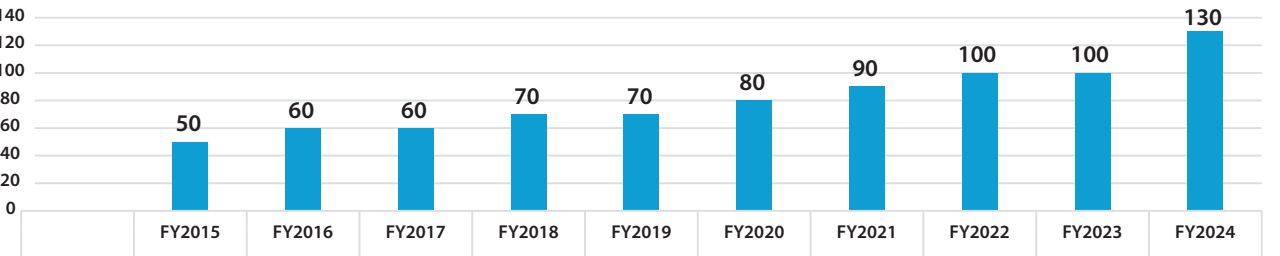


Stock price and trading volume (FY2023–FY2024)



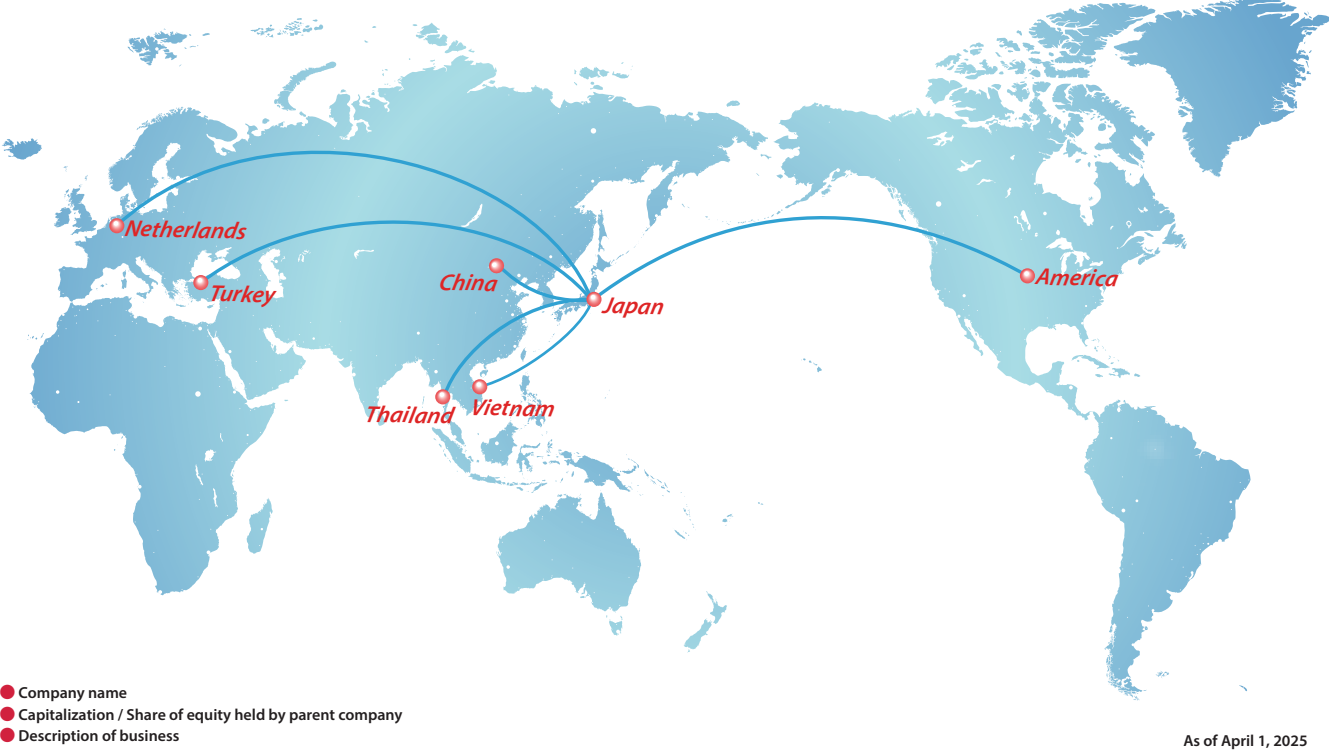
Dividends (10-year period)

Dividend per share (yen)



*Dividend for FY2022 was 100 yen (ordinary dividend: 90 yen, commemorative dividend: 10 yen).

List of Group Companies



As of April 1, 2025

Kyokuyo Akitsu Reizo Co., Ltd.

80 million yen/100%
Cold storage business

Kyokuyo Shoji Co., Ltd.

60 million yen/100%
Purchasing and sale of marine, agricultural and meat products

Kyokuyo Shokuhin Co., Ltd.

100 million yen/100%
Manufacturing of frozen and chilled food products

Kyokuyo Suisan Co., Ltd.

192 million yen/100%
Overseas purse seine fishing business, processing skipjack tuna and other tuna, and cold storage business

Kyokuyo Sougou Service Co., Ltd.

10 million yen/100%
Insurance agent business

Kyokuyo Foods Co., Ltd.

30 million yen/100%
Manufacturing of frozen and chilled food products

Kyokuyo Fresh Co., Ltd.

90 million yen/100%
Operations include processing and sale of tuna and other seafoods

Kyokuyo Marine Ehime Co., Ltd.

60 million yen/100%
Operations include aquaculture, processing, and sale of tuna and others

Kyokuyo Marine Farm Co., Ltd.

30 million yen/100%
Operations include aquaculture, processing, and sale of tuna and others

Ibusuki Shokuhin Co., Ltd.

50 million yen/95%
Operations include processing and sale of tuna and other seafoods

Integrate System Service Co., Ltd.

50 million yen/55%
Development and maintenance of software

Apex Kyokuyo Co., Ltd.

50 million yen/100%
Manufacturing and sales of processed marine products and prepared foods

Kaiyo Foods Co., Ltd.

40 million yen/100%
Operations include processing and sale of salmon and other seafoods

Kuroshio Suisan Co., Ltd.

5 million yen/70%
Operations include aquaculture, and sale of red sea bream and others

Jokki Co., Ltd.

60 million yen/100%
Manufacturing and sale of seafood delicacies

Kyokuyo America Corporation

15.6 million US dollars/100%
Purchasing and sale of marine products, and others

QINGDAO KYOKUYO INTERNATIONAL CO., LTD.

0.2 million US dollars/100%
Purchasing and sale of marine products, and others

Kyokuyo Europe B.V.

0.25 million euro/100%
Oversight/management of European subsidiaries

KYOKUYO GLOBAL SEAFOODS Co.,Ltd.

350 million baht/100%
Manufacturing and sales of frozen foods

Kyokuyo Vina Foods Co.,Ltd.

225,000 million dong/100%
Manufacturing of frozen and processed marine products