








For the People

YOSHINOYA HOLDINGS

INTEGRATED REPORT 2025













Group Business Philosophy

For the People

Management policy

Your Smile, Our Value

Our Six Core Values

1

Tasty, affordable, fast

Tasty means high quality, affordable signifies relative value and efficiency, and fast refers to promptness and delivery time. We will continue to adhere to these values and enhance these elements even further.

2

Greater number of customers

The number of customers is a scale for measuring customer satisfaction. We will continue to strive to provide satisfaction to as many customers as possible through efforts to increase the frequency of visits and to establish new outlets and businesses to ensure that our products and services are used by a greater number of customers.

3

Originality

We will maintain our focus on being a distinguished presence with regard to products, services, outlet development, employees, corporate culture, and other aspects, and provide customers with a level of satisfaction that only we can provide.

4

Integrity

We will cultivate a highly transparent, free, and open corporate culture through straightforward discussions based on principles. In addition, we will never permit acts that violate social ethics and compliance and will continue to maintain integrity.

5

Importance of human resources

Human resources are the most important assets of any company. We will continue to strive to be a group of individuals who are appreciated by society through maintaining aspirations, continuing to learn, and improving our personalities and capabilities.

6

Challenges and innovation

We will continue to be a group that is never satisfied with the status quo, always attentive to market changes, bold in taking on new challenges, and capable of producing innovations.











For the People

YOSHINOYA HOLDINGS



On to a new stage for Yoshinoya Holdings

Yoshinoya Holdings Group has launched a new Medium-term Management Plan (FY2025-FY2029) with the themes of “Transformation” and “Sustainable growth.” As a provider of everyday meals, we will accept new challenges and endeavor to realize high growth.













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Editorial Policy

This report has been prepared for our shareholders, investors, and other stakeholders as its target readers and edited with an awareness of accurate, detailed, and comprehensible corporate communication, to convey who we are and our vision and core values, as well as our value creation process and business strategy based thereon.

In this year's report, we are disclosing our mission and direction under the new management structure, as well as the values that the Group will continue to safeguard and pass on and our commitment to further evolution under our newly established management policy. We further present the key content of the new Group Medium-term Management Plan, along with comments from management, and provide a detailed explanation. With regard to information on sustainability, we have organized it based on ESG themes identified by FTSE Russell, toward improving reliability and transparency and enhancing disclosure, while considering external assessments.

The International Integrated Reporting Framework of the IFRS Foundation and ISO 26000 (Guidance on Social Responsibility) were used as references in editing the report for better comparability of information.

<Scope of coverage>

The business overview provided in this report focuses mainly on information that has a relatively high impact on YOSHINOYA HOLDINGS CO., LTD. and some of its consolidated subsidiaries. With respect to environmental, social, and governance (ESG) factors, information on the Group's core activities is presented.

<Period covered>

This report includes information on corporate activities during FY2024 (March 1, 2024, through February 28, 2025). However, a part of its contents includes information on the past and for March 1, 2025, and beyond.

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On the publication of the Integrated Report 2025

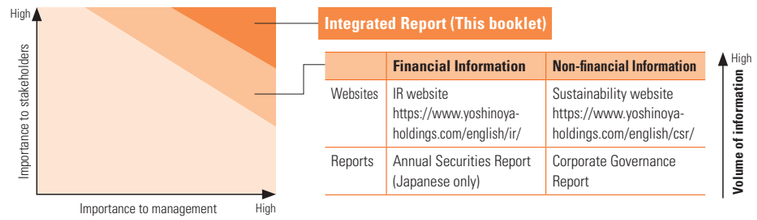
Since 2022, the Yoshinoya Holdings Group has been publishing its annual report, previously titled "Corporate Report," as an "Integrated Report." It presents the current status and future direction of the Group's initiatives toward sustainable growth from both financial and non-financial perspectives, and conveys a comprehensive, organized value creation story to our stakeholders.

In the "Management Message," the new management team expresses their determination to lift the Group to the next level and their commitment to satisfying stakeholder expectations for higher corporate value and sustainable growth. The "Value Creation Strategy" section focuses on an explanation of the newly launched five-year Group Medium-term Management Plan and provides detailed information on future challenges under the themes of "Transformation" and "Sustainable growth." With regard to "Sustainability," we have expanded this content by organizing and reporting on issues and initiatives based on materiality, and by adding a section on our supply chain, which ensures reliable quality from procurement through delivery.

As indicated in the Editorial Policy (page 4), this report was prepared through cooperation across the entire Group, with reference to the International Integrated Reporting Framework of the IFRS Foundation and ISO 26000 (Guidance on Social Responsibility). We hereby state that the report has been prepared in good faith with transparency and that its contents are appropriate and just.

Makoto Kayano, General Manager, Group Planning Division, YOSHINOYA HOLDINGS CO., LTD.

<Disclaimer>
The performance forecasts, future outlook, strategies, goals, and other statements contained in this report, excluding those relating to past or present facts, are forward-looking statements about the future. They are based on plans, expectations, and judgments in accordance with the information currently available to the company and certain assumptions judged to be reasonable. Please be advised, therefore, that actual results may differ from the disclosed forecasts and other statements due to various uncertainties and variable factors such as economic conditions.



For further detailed information:
https://www.yoshinoya-holdings.com/english/

This booklet provides information on selected core activities of the Group. For more detailed and comprehensive information, please visit our website.

For the People

YOSHINOYA HOLDINGS



Norihiro Ozawa
Executive Vice President & CFO
YOSHINOYA HOLDINGS CO., LTD.

Tetsuya Naruse
President & CEO
YOSHINOYA HOLDINGS CO., LTD.

"Transformation" into a corporate group of continued "growth"

President & CEO **Tetsuya Naruse** × Executive Vice President & CFO **Norihiro Ozawa**

Strengths nurtured over time and values prioritized

Naruse: I joined the company in 1988 and spent my first nine years as a Yoshinoya store and area manager. And, for 12 years, I was responsible for new business ventures such as izakaya (Japanese-style pubs) and curry udon. After that, I worked at Yoshinoya's future design division, the Future Creation Research Institute, and served as president of Hanamaru for five years beginning in 2012. In recent years, I have been responsible for overseeing the Group's Asia and China businesses, and I maintain this position to this day. Over the past 38 years, I have acquired experience as a manager in every aspect of the business the Group currently operates.

I believe I have cultivated adaptability in the course of my career. Whether overseas or a new business format, changes in the workplace bring about changes in practices and culture as well, and we cannot impose our own values on others. The people who work there must be treated equally, just like ourselves, and we must accept differences and diversity, and handle them in a flexible manner. The fact that I have learned those rules through experience and developed the ability to adapt to any situation, anywhere, may be one of my strengths as a manager.

Ozawa: I started working in the restaurant industry in 2005—20 years ago now—and am now in my seventh year as a member of the Yoshinoya Holdings Group. During my career, I have discovered great potential in the challenges and rewards of the restaurant business, a people-oriented business, and have found it to be quite fulfilling. "People-oriented business" is a field in which the nature of companies and organizations can vary significantly depending on the people involved, and there is also a difference in the results produced. It is possible that enhancing individual abilities through organization and management, and promoting individual performance and growth, will lead to corporate growth. This is why a people-oriented business is important to me.

Moreover, I have nine years of experience abroad, including the time I spent in other industries, where I also experienced differences between how Japan is viewed from overseas and the sensibilities and management methods within the country. I have a deep understanding of the strengths and weaknesses of both overseas and domestic businesses, and I leverage this global perspective in my management.

Naruse: Soon after Mr. Ozawa joined our group, the COVID-19 pandemic began. Under these unprecedented circumstances that required an urgent response, Mr. Ozawa worked tirelessly alongside our former president & CEO, Mr. Kawamura, to maintain overall Group leadership.

Ozawa: Business and unexpected events go hand in hand, but the COVID-19 pandemic was a source of tremendous pressure for the Company and for me personally as well. Having faced numerous challenges during my time overseas, however, I consider myself to be mentally strong. In emergencies such as the COVID-19 pandemic, I have been able to take the lead in solving problems while maintaining a positive attitude. Through the many things I have experienced, I believe I have cultivated a resilient spirit and the ability to see things through.

Naruse: While Mr. Ozawa and I work together as president & CEO and executive vice president & CFO to steer company management, the Group's management is, of course, executed by members of the Board of Directors as a team—it is not a burden that the two of us alone can bear. In terms of the division of roles between Mr. Ozawa and myself, however, I think I tend to judge things based on my perspective from the field. I intend to embrace the various changes that occur daily in the workplace, leverage the adaptability I have cultivated as my strengths, and reflect this in my management.

Ozawa: Over the past six years, Mr. Naruse and I have had many discussions, and I feel that we are aligned in terms of direction and goals. Although our backgrounds, experiences, and skill sets lead to differences in our approaches, our goal is common. I believe that our approach is to discuss and exchange opinions as needed to determine the best approach at any given time, and to make optimum decisions as we move down the path toward that goal.

Mr. Naruse has overwhelming experience, knowledge, and expertise in the Group's business, while my strengths tend to be more in areas such as large-scale frameworks, external measures, and overall organization. I hope that we will contribute to the company's growth by merging these respective strengths.

What is your view on Group management to this point?

Naruse: Mr. Kawamura was appointed Representative Director and President & CEO in 2012, and I was named a Director in 2014, so we have worked together as Board members for more than a decade. In my view, Mr. Kawamura's greatest strength lies in his ability to envision the Group 20 years into the future.

This was demonstrated by the long-term vision NEW BEGINNINGS 2025 (NB2025). It was formulated by recruiting forum members internally to forecast the next 10 years and determine the direction we should take, and the concept "people, health, and technology," which specifically outlined our direction. Initiatives based on this long-term vision have markedly changed the Group's culture. For instance, we achieved changes that were ahead of their time, including expanding the percentage of female customers at Yoshinoya and increasing the proportion of female employees and managers within the Group.

For a number of years, Yoshinoya Holdings Group had been unsuccessful in achieving its Medium-term Management Plan targets. During the previous plan (FY2022-FY2024), however, we succeeded in achieving net sales of 180.0 billion yen and operating income of 7.0 billion yen a year ahead of schedule. I am extremely grateful for Mr. Kawamura's leadership and sound judgment in negotiating a challenging environment and restoring business performance.

Ozawa: I couldn't agree more. He excels at forming visions by thinking while showing the distance and determining directions. And once he set his vision, he maintained it without wavering and accumulated results through honest practice. I believe that Mr. Kawamura was an excellent leader in both respects. We are grateful to him for upholding his belief in the importance of consistency over the 12 years of his tenure, in accordance with our group business philosophy, "For the People."

Naruse: Meanwhile, with "from competition to co-creation" being put forward as a theme for realizing the long-term vision and the prioritizing of partnerships for mutual growth, there is a slight tendency internally for the desire to win to be somewhat lacking. We hope to foster the spirit of challenge among our employees, who will accept new challenges such as global expansion as well as new business areas including ramen. From this should emerge leaders who can demonstrate leadership in group-wide initiatives. We believe that the new management team has been tasked with the challenge of determining how to cultivate human resources going forward.

Ozawa: The new management team's mission is to further enhance and develop the Group's growth potential, building on the foundation laid by Mr. Kawamura. The brand power of the Group's businesses, including Yoshinoya, Hanamaru, and ramen, is considerable, and we cannot afford to rest on our laurels at this point. We will continue striving to improve our business performance, expand the scale of our business, and boost profitability. At the same time, we will further enhance our brand value and provide food to more people through the Group's brands. We are confident that Yoshinoya Holdings is a group of companies capable of making this happen.

Another mission with which we have been entrusted is the cultivation of the next generation of management. The current management team will not remain on the Board forever. We will promote initiatives toward ensuring the seamless succession of management.

Naruse: Rather than nurturing the next generation of the management team, it should emerge from competition. I don't think everything is a competition, but I do think that true leadership is only born from a relationship in which people strive to "win" in cutthroat competition and push each other.

In the new Group Medium-term Management Plan, we have established extremely lofty performance targets despite the fact that improvement is not anticipated in the future cost environment. Without the determination to "move up one stage," we will never boost profitability and break free from a situation where we are unable to generate sufficient profits. We aim to win in the market by growing existing businesses and expanding the ramen business, and further develop our business overall from a global perspective. We expect that bold challenges toward such lofty goals will result in people destined to become leaders stepping forward.

The meaning behind "Your Smile, Our Value"

Ozawa: In formulating our Group Medium-term Management Plan (FY2025-FY2029), we established the management policy, "Your Smile, Our Value." This phrase embodies our desire to please all stakeholders through the value we create, based on the belief that the smiles of our stakeholders are the value that Yoshinoya Holdings Group aims for. The group business philosophy, "For the People," expresses the word "people" as a broad and abstract entity, indicating for whom we provide value. The "Your" in the management policy, "Your Smile, Our Value," refers to all stakeholders, and is an expression of our determination to make them smiles—make them happy—as our policy.

Naruse: Our philosophy system comprises a group business philosophy and "our six core values." This management policy represents the new management team's long-term vision for the Group's future. We hope that providing value to our stakeholders will lead to improved business performance and expansion. This will then be returned to our stakeholders in various ways. By maintaining this cycle, we hope to continue to play a part in society and realize sustainable growth.

As a Group where people want to continue working forever

Ozawa: Regarding sustainability, since formulating our basic policy in 2022, we have completed the framework by establishing the Sustainability Promotion Committee, identifying material issues, and setting KPIs, and are continuing activities and monitoring. Such initiatives do contribute to social value, but we must also link them to economic value. The challenge we presently face is to connect individual activities that are currently isolated—characterized as "points"—transforming them into "lines" and "surfaces" to raise the level of our efforts. We are also looking at ways to visualize, quantify, and systematize our initiatives to facilitate the companywide sharing of progress.

Naruse: We will confirm that sustainability and materiality initiatives championed by the holding company are well established in each operating company, and strengthen their establishment groupwide. It is important to take a three-pronged approach involving the holding company, the head office of each operating company, and the front line.

In terms of promoting human capital management, we aim to create a company where employees and their families take pride in being members of the Group, pursuing a vision of a "group where people want to continue working forever." While there are various themes, the single most important initiative is the reform of our organizational culture. We plan to relieve the operational burden by promoting the use of digital technology and upgrading business infrastructure, thereby reducing employee turnover and heightening retention and engagement.

Ozawa: While these are initiatives that cannot be achieved overnight, they are indeed fundamental to the people-oriented business, and organizational culture reform is a key theme.

Opening up the Group's future through a strong sense of "competition"

Ozawa: Our "Transformation" and "Sustainable growth" have already begun. Over the next five years, we will take on exciting challenges that will allow all stakeholders to experience the new Yoshinoya Holdings Group, planting the seeds for great expectations for the future to grow. We look forward to your attention and continued long-term support.

Naruse: I believe that the only way forward is to bring "Your Smile, Our Value" to life for our stakeholders. While optimizing the cycle of value creation and return, we will continue delivering our "For the People" philosophy around the world.

We also hope that employees will embrace change without trepidation, adopt "transformation" and "growth" as their own personal goals, and elevate their sights to accept new challenges with courage. Of course, we, the new management team, must lead by example and, without becoming complacent with the status quo, will endeavor to open up the future of Yoshinoya Holdings Group with a strong sense of "competition."

Management Message **Message from the Chairman**

Preserving the Group's uniqueness in terms of providing equal opportunities to all and opening up the future



Yasutaka Kawamura
Chairman
YOSHINOYA HOLDINGS CO., LTD.

Background to change of president & CEO and launch of new management structure

I was appointed Representative Director and President & CEO of the Company in September 2012 and served as the head of the Group for 12 years and 9 months. Effective May 27, 2025, however, I passed the baton to Mr. Tetsuya Naruse, President & CEO, and Mr. Norihiro Ozawa, Executive Vice President & CFO, and stepped down from my position as the top executive. I also stepped down as President and Representative Director of the operating company Yoshinoya, a position I had held since September 2014, and entrusted it to Mr. Naruse. I would like to express my sincere gratitude to our shareholders, investors, and other stakeholders for their support of our efforts to this point.

We have now completed the 10-year period covered by long-term vision NEW BEGINNINGS 2025 (NB2025), which I helped formulate and have been leading alongside all employees. Additionally, it has been a decade since I assumed the position of President of operating company Yoshinoya. And, considering that the previous three-year Medium-term Management Plan (FY2022-FY2024), which concluded the NB2025 initiative, achieved its performance targets, we have decided that the timing is appropriate to name a new president & CEO.

NB2025 was a long-term vision created with an awareness of "what to change" and "what kind of changes to make" while looking a decade into the future. The theme for the next 10 years, however, that we are currently sharing internally is rooted in an awareness of "what to protect going forward." For me, these internal changes felt symbolic, and they were some of the reasons I began giving thought to the change in leadership.

Looking back at the past decade

The Yoshinoya Holdings Group has taken on many pioneering initiatives in the restaurant industry to date, devising models that have evolved into industry standards. Before becoming president & CEO of our company, in 2010, while I was serving as President of Hanamaru, I declared internally that "from this point forward, we will not simply make tasty products." As a differentiation strategy, we established a Materials Development Department and conducted research on scientific health-related evidence to ascertain the health needs of consumers.

These initiatives were not easily understood within the company, and progress came slowly. Looking back, though, I think I can say that they led to the development of a host of health-related products and services within the Group—as well as the first approval for foods for specified health uses and foods with functional claims in the industry—and the development of products that address social issues, including nursing care foods and Ostrich Meat Bowls.

Then, in 2015, based on the concept of "people, health, and technology," we formulated NB2025, which set forth the direction for the future of the Group. We accepted the challenge of delivering new value that would lead to redefining the restaurant industry. Among these initiatives, introducing Cooking & Comfort (C&C) outlets, expanding takeout/delivery specialty stores, and digitalizing in-store operations have been successful and contributed to improved performance. I believe that our efforts over the past decade have significantly transformed our corporate culture and employee awareness. This resulted in a substantial increase in the percentage of female customers and more families visiting our restaurants, while also considerably impacting the industry overall.

Meanwhile, we did fail to accomplish certain things. We expected to significantly increase the number of overseas restaurants, to the point where they would surpass the number of domestic restaurants. Because of the significant impact of the COVID-19 pandemic that spread worldwide, however, we were restricted in terms of store openings in each region. Expanding overseas operations will be a challenge, along with growing the ramen business.

Ten years have passed since we formulated NB2025. Looking around us today, it is clear that "people, health, and technology," was the right direction to have taken as a result. And it will remain legitimate for the next 10 years. The Group will continue to use "people, health, and technology" as guidelines for long-term growth.

Reflecting on myself, I may be adept at showing the direction to aim for the future and laying the groundwork, but if there are people who can move it forward more quickly, I think it might be better to leave it to them. I expect that, led by Mr. Naruse and Mr. Ozawa, the new management team will do just that.

Expectations of the Yoshinoya Holdings Group

Last September, I brought the Group's senior executives together to discuss our vision for the coming decade. The first thing I said was that I wanted them to cherish the uniqueness of the Group in terms of providing equal opportunities to all.

Capitalism will become more radical going forward, individual economic disparities will widen, and while this is happening, the population decline will lead to a labor shortage such as we have never seen. Amidst these conditions, the Group's unique ability to provide equal opportunities to everyone without discrimination from the beginning, and to nurture them from restaurant clerks to managers, is extremely valuable, and I sincerely hope to preserve this. And, to eliminate unwanted turnover, I hope we will look to make work and the workplace more appealing to enable each and every employee to thrive and grow within the company.

Another hope of mine is that we will further enhance the Company's growth and profitability to satisfy the expectations of all stakeholders and boost corporate value. Our strategy to achieve this is to develop a ramen business with potential exceeding that of Yoshinoya and Hanamaru. I hope to achieve the goal of becoming the world's No.1 ramen provider in terms of number of servings. This objective complements the goal of protecting the uniqueness of the Group and, at the same time, is a prerequisite for achieving it.

I expect the new management team to maintain the spirit of respect for people as expressed in our group business philosophy, "For the People," while driving forward to realize these two goals and greatly expanding the future of the Yoshinoya Holdings Group.

Management Message **Outside Directors Dialogue**



Toward governance that facilitates “Transformation” and “Sustainable growth”

Outside Director **Daisaku Fujikawa** × Outside Director **Nobuko Sowa**

Effectiveness of the Board of Directors from an external perspective

Sowa: Looking back, with the formulation of the new Medium-term Management Plan, I think that FY2024 was quite a busy year. Discussions at the Board of Directors and various other meetings became livelier, and there were more frequent meetings of the Remuneration Advisory Committee and Nomination Advisory Committee.

Fujikawa: The Remuneration Advisory Committee, which I chair, has been held monthly since September. Overall, the Committee met 10 times in FY2024. This represents a significant increase compared with FY2023, when there were four meetings. This owed to a variety of factors, including the review of remuneration systems and levels in line with the completion of the previous Medium-term Management Plan, continued price increases, and the need to attract and retain talented human resources by considering the personnel cost trends at other companies. Even given this, the number of meetings was unexpected.

Sowa: Each year, we conduct a self-assessment and feedback using an external organization, and share the results with relevant parties toward enhancing the effectiveness of the Board of Directors. In my view, those involved in the Board of Directors are committed to continuous improvement.

Fujikawa: What I feel is most effective at our company is an environment that encourages the expression of opposing opinions and functions healthily. In concrete terms, we, as outside directors, raise questions about the feasibility of investments and the appropriateness of budgets, and management responds earnestly and makes improvements as appropriate. Our expectation is that materials for the Board of Directors will be provided at the appropriate timing and that they will be created in an easy-to-understand manner, with a clear awareness of the information that management wishes to convey and the information required by outside directors. Moreover, we should actively compare ourselves with other companies and aim to further raise quality.

Sowa: I would like our materials to be improved to not only provide a wealth of information but also clarify the essence of each matter, facilitating the comprehension of key points and the sharing of issues and risks. While continuing to provide information according to the timing recommended by the Corporate Governance Code, it will be more effective to provide explanations in advance when necessary to promote more efficient discussions.

Fujikawa: And I would like to further deepen Board discussions on long-term growth strategies and the business portfolio, and take a step forward by devoting more time to strategic discussions to contribute to shaping the Company’s future.

Sowa: I agree with you. I would like discussions at Board meetings to be more efficient and strategic than ever.

Fujikawa: In addition to the Board of Directors, there are other forums for discussion, such as the Outside Directors’ meeting, in which outside directors and outside corporate auditors participate, and the Group Strategy Council meetings (executive camps) held by the Board of Directors and executive members. These forums facilitate an open, lively exchange of opinions. We can say these are excellent frameworks and initiatives that contribute to boosting corporate value, and I believe they functioned effectively while the Medium-term Management Plan was being formulated.

Key points for achieving the Medium-term Management Plan

Sowa: The theme of the Medium-term Management Plan has transitioned from “evolution” and “regeneration,” which achieved results during the previous three-year plan, to “transformation” and “growth.” We believe that these themes will generate a sense of anticipation among our stakeholders.

Fujikawa: The first point of the current Medium-term Management Plan is a five-year plan, unlike previous plans that spanned three years. We determined that three years is not long enough, and it would require five years to achieve a full-scale transformation. We recognize that we have been given a very important responsibility to ensure that we achieve our goals in a timely manner. The second point is that we have begun efforts to develop ramen as a growth business and establish it as a new business domain. We can’t survive in the world on gyudon beef bowl and udon noodles alone. I believe that our clear declaration of this point is worthy of appreciation. Surviving and growing by continuing to be a group that all stakeholders are excited about.

Sowa: We were able to provide useful metrics such as improvements in capital efficiency as demonstrated by ROIC and financial discipline and leverage utilization policies reflected in the debt-to-equity ratio. Growth driven by inorganic investment and quantitative expansion through store opening strategies will be the keys to reaching our numerical targets. We must closely monitor the status of investment execution, returns and effects, and the success or failure of our store opening strategies.

Fujikawa: As an outside director, I am committed to making the company stronger by approaching the five-year plan with the intention of making upward revisions to our targets after three years. Expanding the ramen business will be essential in achieving this. Japanese ramen, which is extremely popular overseas, has tremendous potential as a global business. While focusing on our ramen business, we will closely monitor the situation to ensure that we can make optimal investments through concentration and selection.

Sowa: Unless we expand overseas as well as domestically, we will not be able to achieve growth for the Group, and it will be more challenging to reach the Medium-term Management Plan’s numerical targets. By leveraging the chain operation expertise we have cultivated through Yoshinoya and Hanamaru in multi-brand deployment through M&A, and welcoming Takara Sangyo into the Group to cover material supply, we believe that the ramen business is the optimal choice as the Group’s third business domain. Going forward, we will also need to consider the fourth and fifth business domains.

Fujikawa: Meanwhile, with regard to investment, the foundation for growth, over the five-year period, we plan to invest a total of 5.0 billion yen in infrastructure, including system infrastructure and security reinforcement, and 10.0 billion yen in growth initiatives, such as leveraging digitalization to improve customer convenience, reduce workload, and boost efficiency. Generally, investment in IT and DX is implemented to a certain degree, but when it comes to creating added value beyond that, there tend to be delays in progress because of the need to balance this against investment in outlets. We can further accelerate our growth by actively investing in areas where delays in progress are evident.

Sowa: Yoshinoya Holdings Group’s IT and DX initiatives are currently lagging behind those of other companies and progress is slow. In March 2023, the Group Digital Technology Promotion Division was established, and in July 2025, it was reorganized into four departments from two as the Group IT Coordination Division. We are making steady progress, but going forward, we must shift to a more aggressive approach to DX. DX itself is not the objective; rather, it is a transformative approach that enables customers to feel that our outlets are truly easy to use and allows employees to concentrate on customer service. To achieve the objectives of the Medium-term Management Plan within the limited five-year period, it is important to strategically execute plans while determining priorities and optimal timing, without being bound by the 15.0 billion yen investment plan.

As a presence that can indicate when something is “not sensible”

Sowa: The Group proactively recruits both internally and externally, and welcomes a broad range of people with different value systems, with the objective of further growing and developing our business.

Fujikawa: Achieving this will require us to foster a corporate culture that naturally attracts and retains talented people from wide-ranging backgrounds. And it is often the case that what is considered “common sense” within a company is actually “not sensible” in society, and it is important to actively recruit people from diverse backgrounds if we are to eliminate the risk to business continuity that this poses.

Sowa: It can also be said that this is our role as outside directors. It is the duty of outside directors to appropriately fulfill their monitoring and advisory functions from a shareholder perspective. Moreover, we want to be a presence that never loses sight of the customers’ and social viewpoints, and that can indicate “not sensible” from an outside perspective when it is regarded as what is considered “common sense” within the Group.

Fujikawa: The term governance can sometimes feel restrictive. As outside directors, however, we intend to promote governance as a mechanism that functions to drive business growth and boost corporate value. Moreover, while a significant proportion of our current shares are held by individual shareholders and investors, as a corporate group aiming to expand sales globally, we would like to work internally to become an even more appealing company that will attract the attention of institutional investors as well as investors overseas.

Sowa: The earnestness of our corporate culture is one of our strengths. Going forward, however, we expect that adding a spirit of freedom and offensive posture to this earnestness, and moving boldly toward the future without being fixated on perfection, will give rise to opportunities for further growth.

Fujikawa: Finally, I would like to express my sincere respect to the previous president & CEO, Mr. Kawamura, for his outstanding achievements.

Sowa: Allow me to express that same sentiment.

Fujikawa: We have great expectations that the new management team, having taken up the baton, will build upon previous achievements and vigorously promote “transformation” and “growth.”

Value Creation Strategy **Yoshinoya Holdings at a Glance**

Yoshinoya Holdings story

Since its founding, Yoshinoya has continued to provide safe, healthy food as a provider of everyday meals on a global scale. In recent years, following our core businesses, Yoshinoya and Hanamaru, we have been actively developing new brands centered on ramen as a new pillar of our business.

YOSHINOYA HOLDINGS

1899 Founding

1958 Established YOSHINOYA CO., LTD. (currently YOSHINOYA HOLDINGS CO., LTD.)

1973 Established YOSHINOYA AMERICA, INC.

1977 Established YOSHINOYA WEST, INC. in the U.S.

1980 Applied for corporate reorganization proceedings

1983 Received approval for reorganization plan / Relaunched with capital participation by the Saison Group

1988 Merged with D&C Co., Ltd., operator of Dunkin' Donuts Japan

1998 Withdrew from Dunkin' Donuts business

2000 Listed on the first section of the Tokyo Stock Exchange; KYOTARU CO., LTD. became a consolidated subsidiary

2006 Hanamaru became a subsidiary

2007 Established YOSHINOYA HOLDINGS CO., LTD.

2008 Don Co., Ltd. (currently ARCMEAL Co., Ltd.) became a subsidiary

2011 Established Group Product Division

2014 Established ASIA YOSHINOYA INTERNATIONAL SDN. BHD.

2015 Established YOSHINOYA China Holdings Co., Ltd.

2016 Setagaya became a subsidiary

2019 With Link became a subsidiary
Setagaya acquired shares in ZENRYOKU NO MOTO Co., Ltd.

2020 Transfer of Arcmeal shares

2020 Transfer of Kyotaru shares

2021 Established Group Development Division
(Yoshinoya Holdings acts as the initiator)
Cross-industry project: #Eating Out is Power

2024 Acquired shares in Takara Sangyo
Opened the first Setagaya outlet in Korea
Opened the first Bariuma outlet in Scotland

2025 Acquired shares in Kiramekino Mirai

FY2024 Group consolidated net sales **204,983** million yen

吉野家 YOSHINOYA

1899 Founding

1958 Established YOSHINOYA CO., LTD.

1968 Opened the Shimbashi outlet with the aim of establishing a chain of outlets in Japan

1996 Surpassed 500 outlets domestically

1998 Completed the planned opening of outlets nationwide

2001 Surpassed 1,000 outlets globally

2004 Temporarily suspended sales of beef bowls
Surpassed the 1,000-outlet mark in Japan

2007 Introduced limited-area employee system

2013 The Beef Sukiyaki Set became a big hit

2016 Introduced new Cooking & Comfort (C&C) service model

2017 Foods with functional claims: Salacia Beef launched
Introduced scholarship system

2018 Surpassed 2,000 outlets globally

2019 120th anniversary of Yoshinoya's founding

2020 Started providing meals to a children's cafeteria in Okinawa

2021 Cross-industry project: #Eating Out is Power

2022 Tokugyu Salacia Premium, the first food service operator to obtain FOSHU approval
Introduced new takeout/delivery specialty store service model

2023 30th anniversary of the launch of frozen beef bowl toppings
Opened Karubi no Toriko, a new restaurant model specializing in Korean-style Kalbi rib bowls and spicy tofu stew

2024 Beef Sukiyaki Set hot pot surpasses 100 million meals
Launched a new product, Ostrich Meat Bowl
Opened new restaurant models, curry specialty restaurant Mou Toriko and karaage fried chicken specialty restaurant Deikara

2025 Launched a new product, Gyutama Stamina Mazesoba

FY2024 Net sales by segment **137,804** million yen

はなまるうどん

2000 Founding; the opening of the first outlet in Takamatsu

2002 Launched franchise chain development

2006 Joined the Group

2008 Surpassed 250 outlets in Japan

2011 Acquired Kurumin certification

2016 Chiba Plant reformed and automated the noodle production line

2018 Acquired Eruboshi certification

2019 Hanamaru surpassed 500 outlets in Japan

2020 20th anniversary of founding

2021 Cross-industry project: #Eating Out is Power

2022 Began providing udon waste to Takamatsu City for use in biomass power generation

2024 Entered into capital and business alliance with KITT, operator of Hoshigaoka Seimenjo

2025 Relocated head office to Takamatsu City, Kagawa Prefecture
Launched "Come on over! Sanuki Project" in commemoration of 25th anniversary of founding

FY2024 Net sales by segment **30,852** million yen

Overseas

1975 Yoshinoya
Opened the first outlet in Denver

1988 Yoshinoya
Opened the first outlet in Taiwan

1991 Yoshinoya
Started franchising in Asia

2002 Yoshinoya
Opened the first outlet in Shanghai

2010 Hanamaru
Participated in Expo Shanghai

2012 Yoshinoya
Surpassed 500 outlets overseas

2019 Surpassed 100 outlets in Indonesia

2021 Concluded a joint venture agreement with major Philippine restaurant operator Jollibee Foods Corporation

2022 Yoshinoya
Opened the first outlet in Mongolia

2023 Established Tianjin Hop Hing Yoshinoya Food Industry Co., Ltd.

FY2024 Net sales by segment **27,875** million yen

Yoshinoya Holdings by the Numbers

Net sales **204,983** million yen

Corporate or eliminations (adjustment) (1.2%)
Hanamaru 15.0%
Yoshinoya 67.2%
Overseas 13.6%
Ramen/Other 5.4%

Operating income **7,306** million yen

Corporate or eliminations (adjustment) (59.3%)
Hanamaru 27.4%
Yoshinoya 106.6%
Overseas 16.6%
Ramen/Other 8.7%

Number of Brands
34 brands

Number of Group Outlets
2,821 outlets
Japan 1,823 Overseas 998

Number of Employees
17,250

Number of Meals Provided to Children's Cafeterias
83,713 meals

*The overseas figure represents Yoshinoya overseas outlets.

Brands at a Glance

Gyudon beef bowl brand

Yoshinoya

Founded in 1899 in a fish market in Nihonbashi, Tokyo. Gyudon beef bowl is the main dish, along with karaage fried chicken and sets, and we continue refining our familiar flavors that are known for being tasty, affordable, and fast.



Japanese noodle brand

As a Japanese noodle brand centered on Hanamaru Udon, to bring joy to our customers, we are committed to pursuing deliciousness in every udon noodle and every drop of broth. We are dedicated to authenticity in ingredients and traditional preparation methods.

Hanamaru

Hanamaru Udon



Umagena/Sanuki Noodle Restaurant/ Tsurusaku/Takamatsu Chokushi

Chikusei

Hoshigaoka Seimenjo



Ramen brand

Comprises a diverse range of ramen brands operated by Setagaya, Zenryoku no moto, With Link, and Kiramekino Mirai, and Takara Sangyo, which develops, manufactures, and sells ramen ingredients such as soup, noodles, and sauces for ramen restaurants.

Setagaya

Setagaya



Hirugao



Fukumori



Oreshiki



Fukumi



Gankuro



The Gyorou



Overseas outlets



Zenryoku no Moto

Shinsen



Ramen Hide



Kamiyagura



With Link

Bariuma



Torinosuke



Fūunmaru



Buchiton

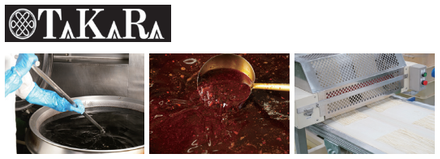


Kiramekino Mirai

Kirameki no Tori



Takara Sangyo



Specialty store brand

We aim to provide the flavor that can only be offered by a specialty store and become a part of the lives of as many customers as we can. We offer a wide range of formats that leverage the Group's foundation and expertise.

Karubi no Toriko



Mou Toriko



Deikara



Cha-o



Tori-sen



Senkichi



Kayabar



Services for a sustainable future

Share restaurant

We will contribute to creating new value in the restaurant industry and developing diverse food cultures by supporting prospective business owners and restaurant owners in improving their environments.

Share restaurant

Atotsugi restaurant



Speedia

We are conducting everything from ostrich breeding to research, product development, and sales. We are developing ostrich meat and ostrich oil products.



Value Creation Strategy

Value Creation Process

Our Six Core Values

1 Tasty, affordable, fast
2 Greater number of customers
3 Originality
4 Integrity
5 Importance of human resources
6 Challenges and innovation

Group Business Philosophy

For the People

Awareness of social issues surrounding the food service industry

- Decrease in labor force due to population decline
- Unstable raw material procurement and rising prices
- Country risks due to changes in international affairs becoming apparent
- Climate change

Principal capital of Yoshinoya Holdings

Financial capital

- Consolidated net sales 204,983 million yen
- Net assets 64,813 million yen

Human capital

- Number of employees 3,246
- Number of part-time workers 14,004
- Total 17,250 (Full-time and temporary employees)

Manufacturing capital

- Number of Group factories 19
- Amount of capital investment 14,924 million yen

Intellectual capital

- Over 50 years of expertise in chain store operations
- Number of co-created technologies 41
- Co-creation with health-related organizations 12
- Co-creation with SDGs-related organizations 8

Social capital

- 2,821 outlets in Japan and overseas with 300 million customers annually
- Inquiries to the customer service center 53,817

Management policy

Your Smile, Our Value

Medium-term Management Plan FY2025-FY2029

Transformation and sustainable growth

Transformation of existing businesses and growth of new business drivers

Strengthen
Domestic
Business model evolution and creation of new value

Three strategic pillars

Accelerate
Ramen
Establishing another core business segment

Expand
Overseas
Optimizing existing areas and entering new markets

Key domains for realizing strategy

- Continuing investment in human capital
- Investment in IT and technology and strengthening of system infrastructure
- Inorganic investment
- Centralized management of Group businesses and functional division organization
- Strengthening of sustainability initiatives

Medium-term Management Plan ➡ P. 21-32

Output

Yoshinoya



Hanamaru



Overseas



Ramen



Other

Outcomes

Social value : Targets for FY2029

- Percentage of female employees ····· 29.0%
- Percentage of women in management positions ····· 29.0%
- Percentage of paid leave taken ····· 77.0%
- Improvement in employee engagement*1 ····· 3.85 points
- Ratio of employees receiving medical checkups ··· 98%
- Annual sales of Tokugyu and Care Beef products*2 ····· 90,000 meals
- Provision of products that contribute to healthy dietary habits ··· —
- Expansion of local community contribution activities by outlets (provision of food, such as to children's cafeterias) ····· 230,000 meals
- Supplier audits (building a supply chain with an awareness of the environment and human rights) ····· 97%
- Recycling and reuse of waste from domestic factories*3 56%
- Reduction of specified plastics (50% compared with 2020 level) ····· 25.50 kg/100 million yen
- Continued designation as eco-friendly restaurant*4 ····· Continued designation

*1 Corporate environment is assessed by an external institution. The target 3.85 points indicates that half of the employees are in a state of mind in which they have a low level of stress in the organization and at work and are involved in their work proactively.

*2 Tokugyu was screened by the nation and is sold as a food for specified health uses (FOSHU). Care Beef is a nursing care food for people with reduced chewing and swallowing function.

*3 This is the recycling rate of eight domestic factories of Yoshinoya and Hanamaru.

*4 In 2017, Yoshinoya was granted Eco Mark certification, which is given to an environmentally friendly restaurant, from Japan Environment Association and was certified as an "eco-restaurant."

Economic value: Targets for FY2029

- Net sales ····· 300.0 billion yen
- Operating income ····· 15.0 billion yen
- ROIC ····· 7.0%
- D/E ratio ····· 0.9 or less
- Ramen business net sales ····· 40.0 billion yen

An irreplaceable part of the lives of the world's inhabitants

Sustainable growth of Yoshinoya Holdings

Shaping the future of the food service industry

Contribution to SDGs

Corporate governance

Value Creation Strategy

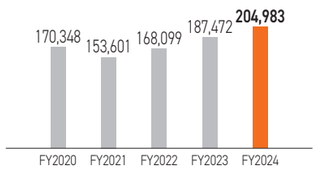
Financial and Non-financial Highlights

Financial Highlights

Net sales

204,983 million yen

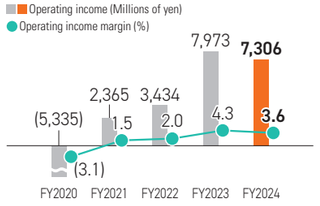
(Millions of yen)



Net sales increased 9.3% on a consolidated group basis owing to an increased flow of people visiting restaurants following the relaxation of infectious disease regulations and successful sales promotion measures and seasonal product planning oriented toward expanding the number of customers.

Operating income/margin

7,306 million yen/3.6%

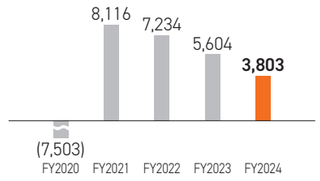


Despite having made every effort to curb rising expenses and control variable costs, performance stagnated and operating income decreased because of rising raw material and labor costs as well as changes in the economic environment surrounding our overseas business.

Net income attributable to owners of the parent

3,803 million yen

(Millions of yen)

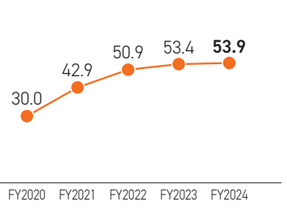


Net income attributable to owners of the parent decreased owing to the reversal of the gain on sale of idle real estate and compensation in the previous fiscal year, which were recorded in the first half of the previous fiscal year, as well as a decline in overseas segment performance.

Equity ratio

53.9%

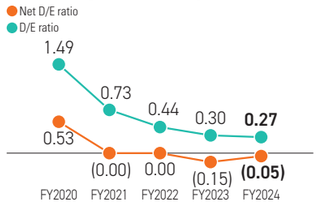
(%)



The systematic repayment of loans payable resulted in the equity ratio reaching 53.9%. We will continue striving to build a sound, flexible financial foundation.

Net D/E ratio and D/E ratio

(0.05), 0.27

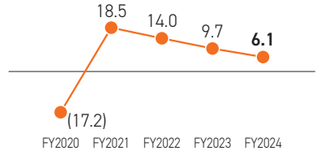


The debt-to-equity ratio was 0.27 and the net debt-to-equity ratio remained negative due to the increase in retained earnings and the reduction of interest-bearing debt.

Return on equity (ROE)

6.1%

(%)

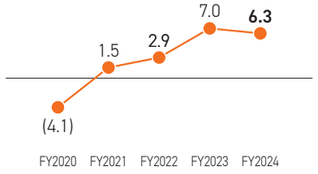


ROE was negatively impacted by the reversal of extraordinary gains recorded in the previous fiscal year and a decline in overseas revenues. Going forward, through the ongoing improvement of core business earnings, we will work to continuously boost capital efficiency.

Return on invested capital (ROIC)

6.3%

(%)

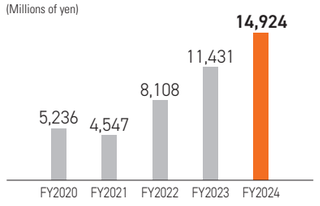


ROIC was 6.3% due to an improvement in the operating income margin. Through management decisions that consider the cost of capital and the optimization of investments, we will continue to strive for further improvement.

Capital expenditure

14,924 million yen

(Millions of yen)

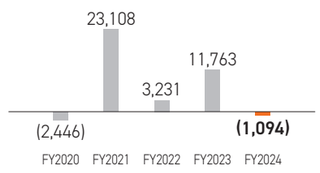


In addition to actively investing in renovation to a C&C model at Yoshinoya outlets in Japan, we are proceeding with rebranding outlets overseas through aggressive investments in China, Singapore, and elsewhere.

Free cash flow

(1,094) million yen

(Millions of yen)

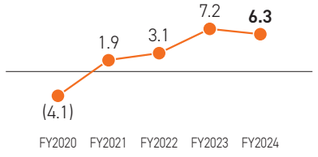


While operating cash flow remained strong, aggressive capital and growth investments rendered free cash flow for the current period negative temporarily.

Return on assets (ROA)

6.3%

(%)

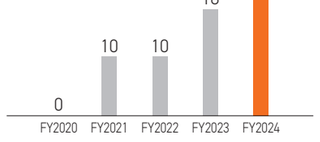


ROA was 6.3%, due to efforts to efficiently manage total assets and improve the earnings structure. We will continue focusing on effective asset utilization and striving to enhance capital efficiency.

Annual dividend per share

20 yen

(Yen)



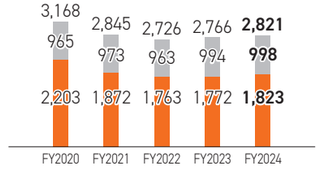
Despite continued uncertainty surrounding the future outlook, in line with our basic policy, we will continue pursuing both business growth and shareholder returns. While continuing growth investment, we will distribute profits sustainably based on financial soundness.

Number of Group outlets (in Japan and overseas)

Japan
Overseas (Total of overseas outlets of Yoshinoya and Hanamaru)

2,821 outlets

(Outlets)



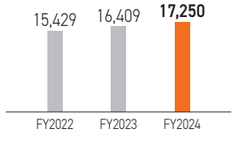
We are working to revitalize existing outlets while also opening new outlets systematically. As of the end of February 2025, there were a total of 2,821 outlets. We are continuing to expand business foundation both in Japan and abroad.

Non-financial Highlights

Number of employees and part-time workers

17,250
(Year on year +841)

(No. of people)

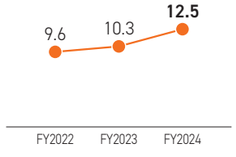


We now have 17,250 employees and part-time workers thanks to our efforts to strengthen recruitment activities and boost retention rates. In September 2023, we established a new department dedicated to hiring part-time workers, with the aim of shortening the time between interviews and hiring and strengthening our competitiveness in securing talent.

Percentage of female managers

12.5%
(Year on year +2.2%)

(%)

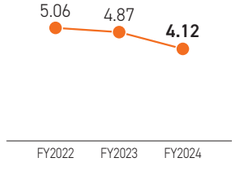


J-Yoshinoya (Yoshinoya) and LWB Project (Hanamaru) are focusing on supporting female employee career development and fostering a workplace environment where they can work with peace of mind. We are promoting continuous training and appointment with the goal of achieving a numerical target of 30% of female managers by the end of 2030.

Percentage of persons with disabilities (friend employees)

4.12%
(Year on year −0.75%)

(%)

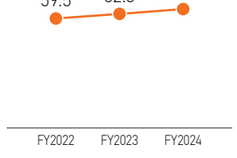


The Group considers people to be the origin of value creation, and as such promotes the active participation of diverse human resources. We are also promoting the fostering of workplaces that leverage the individual characteristics of persons with disabilities, and strive to provide opportunities for everyone to work in a manner that best suits them.

Percentage of paid leave taken

64.6%
(Year on year +2.6%)

(%)

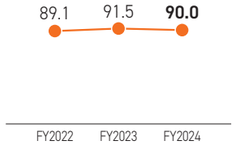


We consider the realization of work-life balance an important management issue, and are putting measures into practice to improve our vacation system and encourage employees to use their paid leave. The percentage of paid leave taken by employees was 64.6%, and the target for FY2030 is 80%.

Regular health checkup attendance rate

90.0%
(Year on year −1.5%)

(%)



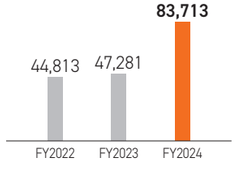
We regard employee health management as a fundamental part of our business, and the regular health checkup attendance rate among employees and part-time workers of the Group's domestic operating companies has remained high at around 90%. And we are promoting wellness management by having a team of nurses conduct life support training.

Meal support for children's cafeterias

Domestic Yoshinoya | Hanamaru

83,713 meals
(+36,432 meals from the previous year)

(Meals)



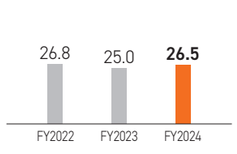
The Group is addressing the social issue of child poverty by continuing to provide meals to children's cafeterias through Yoshinoya and Hanamaru. We support childrens' healthy growth through hot meals.

Consumption of specified plastics

Domestic Yoshinoya

26.5 kg/100 million yen
(Year on year +1.5kg/100 million yen)

(kg/100 million yen)



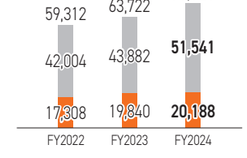
We aim to reduce the use of specified petroleum-based plastic products by half (in weight per unit sales) by the end of FY2030, with a view to mitigating our environmental impact. We are promoting the transition to sustainable materials through measures such as reviewing packaging materials and containers.

CO_2 emissions

Domestic Yoshinoya | Hanamaru

71,729 t
(As of the end of February 2025)
(+8,007 t from the previous year)

Scope 1
Scope 2
(Tonnes)



In our domestic business (including Yoshinoya, Hanamaru, and factories), we are promoting the reduction of energy consumption and the introduction of renewable energy. We are promoting measures to reduce global emissions in accordance with the environmental policies of each country and region.

Value Creation Strategy **Group Medium-term Management Plan FY2025–FY2029**

Review of Medium-term Management Plan FY2022–FY2024

The previous Medium-term Management Plan was for promoting structural changes during the COVID-19 pandemic, with the aims of evolution and regeneration. Given this, we have established a basic policy of improving invested capital efficiency by focusing on evolving existing businesses, strengthening growth businesses, and seeking M&A opportunities, under the themes of "evolution" and "regeneration." We achieved "evolution" in existing businesses through the acquisition of new customer segments by increasing the number of C&C outlets operated by Yoshinoya, as well as the growth of karaage fried chicken, which serves as the second pillar of the business. Looking at M&A, we added Takara Sangyo Co., Ltd., which manufactures and develops ramen ingredients, and Kiramekino Mirai Co., Ltd., which operates ramen restaurants in Kyoto with primarily Tori Paitan Ramen, to the Group in FY2024, thereby laying the foundation for further growth in the future. "Regeneration" was made possible by Hanamaru's escape from the severe conditions of the COVID-19 pandemic.

Medium-term Management Plan FY2022 - FY2024 Themes **Evolution and regeneration**

Basic policy: Improve invested capital efficiency

- **Heighten** — Evolve existing businesses
- **Extend** — Strengthen growth businesses
- **Increase** — Seek M&A opportunities

Deepen group management

Human resource development, capacity building, and diversity

Sustainability initiatives

Status of achievement of key management indicators

We achieved our quantitative targets of 180.0 billion yen in net sales and 7.0 billion yen in operating income in FY2023, a year ahead of schedule. We also achieved our target ROIC of 5.0% or more in FY2023 and a debt-to-equity ratio of no more than 0.60 in FY2022, both of which were established as targets for improving invested capital efficiency. With regard to shareholder returns, we reached our target of 20 yen per share in FY2024. We did fall short of our goal for the number of outlets because of factors such as the failure to achieve the target number of takeout/delivery specialty stores, making it the only management indicator where we did not reach our target.

Key management indicators		FY2021	FY2022	FY2023	FY2024	Numerical targets
Net sales	(Billions of yen)	153.6	168.0	187.4	204.9	**180.0**
Operating income	(Billions of yen)	2.3	3.4	7.9	7.3	**7.0**
Number of outlets	(Outlets)	2,845	2,726	2,766	2,821	**3,120**
ROIC	(%)	1.7	2.9	7.0	6.3	**5.0 or more**
Debt-to-equity ratio		0.72	0.44	0.30	0.27	**0.60**
Shareholder return	(yen)	10	10	18	20	**20**

Reinforcement of management foundation

Deepen group management

- **Promotion of DX for technology infrastructure** Establishment of a cloud application environment and introduction of online ordering and delivery apps
- **Group synergy** Full integration of back office functions and consolidation of manufacturing bases
- **Group organization/governance** Focus on transforming outlet development department into functional group organization and on ROIC management as the basis for group-wide decision-making

Human resource development, capacity building, and diversity

- **Personnel development** Implement cast rank-up system (Store managers formulate training plans for each cast member)
- **Capacity building** Improve skills and leadership through standard training (compulsory education) and selective training
- **Diversity** Introduce quota system and acquire global human resources

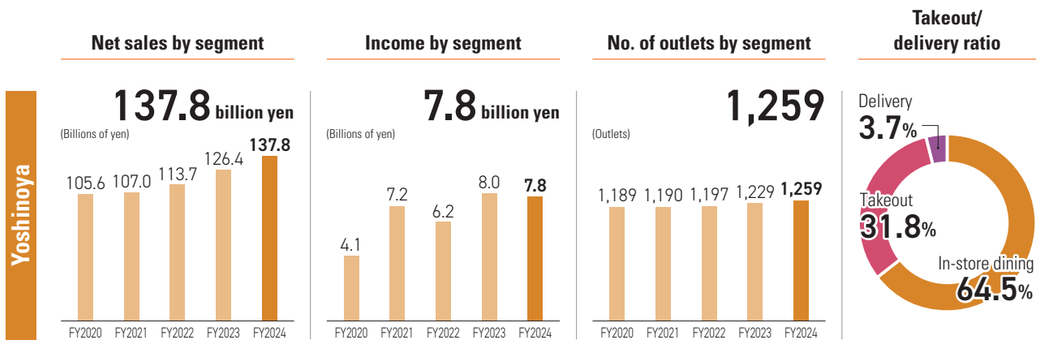
Sustainability initiatives

- Yoshinoya Holdings emphasizes environmental (E), social (S), and governance (G) perspectives in its business activities to realize its business philosophy, "For the People."
- Identified five material issues as key challenges

Overview of business for fiscal year ended February 2025

Net sales rose 17.5 billion yen, or 109.3%, year-on-year to 204.9 billion yen, exceeded the previous year, but operating income was down 0.6 billion yen year-on-year to 7.3 billion yen due to a 7.4 billion yen increase year-on-year in cost of sales (cost rate +0.6%) and a 10.7 billion yen increase year-on-year in SG&A expenses (SG&A ratio +0.1%). Net sales increased due to growth at existing stores and a net increase in outlets. SG&A expenses were up, however, due to higher labor costs based on California law in the U.S., and the replacement of uniforms at Yoshinoya, resulting in a drop in income.

We have completed M&A transactions aimed at future growth, and Takara Sangyo Co., Ltd., a manufacturer and developer of ramen ingredients, and Kiramekino Mirai Co., Ltd., which operates Tori Paitan Ramen restaurants in Kyoto, have joined the Group.



Medium-term Management Plan FY2025–FY2029



Aiming to achieve quantitative expansion and profit growth by investing appropriately and taking on new challenges

The themes are “transformation” and “growth”

Naruse: The Medium-term Management Plan covers a five-year period and establishes net sales of 300.0 billion yen and operating income of 15.0 billion yen in the plan’s final fiscal year (FY2029) as targets for boosting profitability. Net sales will be approximately 1.5 times that of FY2024, and operating income more than double. We have set targets for ROIC of 7.0% as capital efficiency, and, in terms of financial soundness, a debt-to-equity ratio of 0.9 or less. As a new growth driver, we aim to achieve ramen business net sales of 40.0 billion yen.

The main pillars for realizing this high growth are expansion through inorganic investments centered on the ramen business and quantitative expansion primarily through our store opening strategy. While we continue to formulate a management structure under the new management team, we have created this plan to span five years instead of three because time is required to lay the groundwork to implement this plan, particularly in terms of investment.

Ozawa: Regarding changes expected in the external environment over the five-year period, we need to take a bird’s-eye view of the big picture. We do not, however, get overly excited or discouraged by individual events, as we do not believe that they will significantly impact our long-term plans. More importantly, we must resolve the underlying issues within the Group. We will not be able to achieve growth that takes us to the next stage if we fail to do so. The plan really needed to be set at five years considering the time required for such internal reforms.

Naruse: The themes for the five-year plan are “transformation” and “growth.” Generally speaking, the term “transformation” might not be used in corporate management plans or growth strategies. If we are, however, to realize high growth through new challenges instead of simply carrying on our existing practices and initiatives, we must demand a fundamental change in attitude internally. We express this determination through the words “transformation” and “growth.”

The core business of Yoshinoya, for instance, is a business model oriented toward increasing the number of customers by creating core products such as Beef Sukiyaki Set hot pot and Beef and Mugi Toro Gozen, thereby achieving unfathomable performance. If it doesn’t sell at our outlets, it becomes a product that does nothing but create more work. If it gains customer support, though, it can become extremely powerful. It is important for us to search of possibilities and challenge ourselves, and when it comes to “transformation,” nothing is taboo.

Realize growth both quantitatively and in terms of profit

Naruse: As key points for “transformation” and “growth” toward achieving our plans, we have established rather ambitious targets for our existing segments, which consist of the Yoshinoya, Hanamaru, and overseas businesses. We plan to open 350 new Yoshinoya outlets over the next five years, with targets of 188.0 billion yen in sales and 1,500 outlets by FY2029. What is important, however, is whether the expansion is accompanied by substance. By “transforming” into an organization that comprehensively pursues streamlining and efficiency, we plan to boost segment income from 7.8 billion yen in FY2024 to 12.1 billion yen.

Ozawa: The major transformation of the core Yoshinoya business is the most important piece of this Medium-term Management Plan if we are to achieve both quantitative growth and profit growth

Naruse: Adding to that, Hanamaru, another pillar of our business, achieved record segment income of 2.0 billion yen in FY2024 on the strength of the recovery from the COVID-19 pandemic. Going forward, we will accelerate profit growth by opening new stores, efforts toward which had previously been suppressed, and pursuing quantitative growth. For locations near offices and in downtown areas, we will focus on opening stores in metropolitan areas and developing small-scale models. We are steadily expanding shopping center locations—which account for more than half of all stores—and are promoting the development of new service models as a key strategy for expansion in suburban areas. Our goals through these location-based strategies are net sales of 48.0 billion yen and 600 outlets by FY2029. We expect segment income to double from the aforementioned 2.0 billion yen to 4.2 billion yen.

Overseas business expansion into Islamic nations west of Central Asia will be the key to future growth. Customer traffic has steadily increased in Singapore, where we obtained halal certification at the end of 2024, and strong performance continues in Indonesia, which has been offering halal menus for some time. We plan to leverage our expertise with halal menus to capitalize on new business opportunities in unserved areas. Through these and other initiatives in each area, our goals are to achieve net sales of 31.0 billion yen and 1,120 outlets by FY2029, and to expand segment income from 1.2 billion yen in FY2024 to 2.5 billion yen.

Ozawa: Meanwhile, regarding expansion of the ramen business, which bears the burden for expanding the business portfolio, the Company has set a long-term goal of becoming the world’s No.1 ramen provider in terms of number of servings by FY2034. To achieve this, over the five-period of the current Medium-term Management Plan, we will aggressively expand existing brands while putting into action a multi-brand M&A strategy, with the goals of achieving net sales of 40.0 billion yen and 500 outlets by FY2029. If we simply expand store operations under multiple brands, efficiency will decline as the business grows. If, however, we leverage the domestic and overseas development and manufacturing capabilities of Takara Sangyo, which became a subsidiary in 2024, we will boost profitability while handling global demand. Through these initiatives, over the next five years, we plan to rapidly expand segment income in the ramen business from 0.4 billion yen in FY2024 to 4.0 billion yen.

Naruse: And in our current Medium-term Management Plan, we plan to invest a total of 130.0 billion yen over the five-year period. Breaking it down, the plan calls for foundation investment of 10.0 billion yen in existing businesses, 80.0 billion yen in growth investment in existing businesses, and 40.0 billion yen in inorganic investment. A large portion of this 40.0 billion yen in inorganic investment is to be allocated to M&A related to the ramen business.

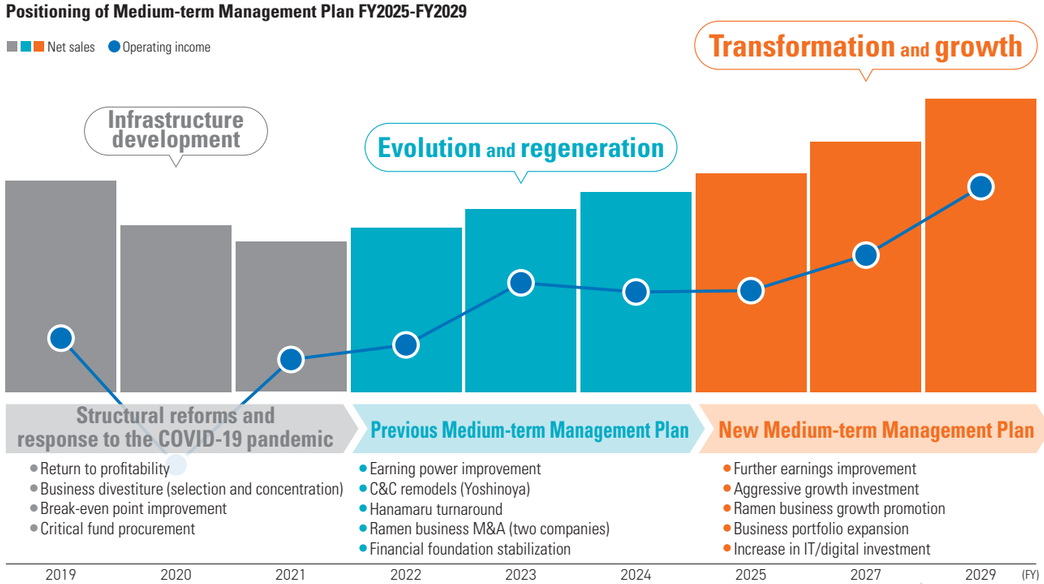
Ozawa: Moreover, we are planning to aggressively expand our ramen business as part of the 45.0 billion yen investment in new stores and formats in the growth investment in the existing businesses of 80.0 billion yen. And we plan to invest 5.0 billion yen in new factories for Takara Sangyo in Japan and abroad and expansion of its production capacity. Takara Sangyo possesses ramen product development and manufacturing capabilities.

Naruse: As we will be making significant outlays in both existing businesses and inorganic investments, monitoring focused on achieving a ROIC of 7.0% is necessary. With regard to existing businesses in particular, Board members must closely monitor the status and effects of investments and make judgments accordingly.

Medium-term Management Plan overall image

The Group has selected "transformation" and "growth" as the themes of its Medium-term Management Plan starting in FY2025, and we aim to continuously enhance corporate value. We will transform our traditional business structure centered on Yoshinoya and accelerate the growth of new formats including Hanamaru and ramen to diversify our revenue structure and improve stability. While promoting store expansion both domestically and abroad, we are working to bolster our competitiveness by transforming business models and renewing brands. Furthermore, we will promote improvements in operational efficiency by leveraging IT and strategic human resource investments to augment our management foundation. And we will actively pursue M&A and other inorganic investments as a key area for bringing our strategy to fruition, and expand the Group's growth opportunities. We will evolve into a company that realizes flexible, sustainable growth while aiming to achieve a balance between economic results and social value.

Positioning of Medium-term Management Plan FY2025-FY2029



Medium-term Management Plan summary

	Strengthen	Accelerate	Expand
Three strategic pillars	**Domestic business** Business model evolution and creation of new added value	**Ramen business** Toward the third business domain	**Overseas** Optimizing existing areas and entering new markets
Key domains for realizing strategy	Inorganic investment Continuing investment in human capital Investment in IT and technology and strengthening of system infrastructure Strengthening of sustainability initiatives Centralized management of Group businesses and functional division organization		
Financial targets	FY2029 ROIC 7.0% Debt-to-equity ratio 0.9		

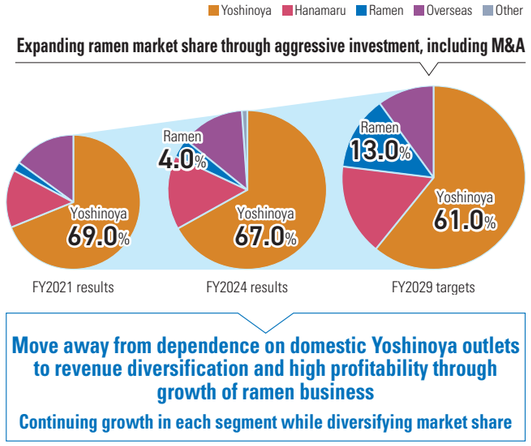
Enhancement of social value | Enhancement of economic value

Key management indicators for FY2029

In FY2029, the final year of the Medium-term Management Plan, we are targeting net sales of 300.0 billion yen (up 46.4% compared with FY2024) and operating income of 15.0 billion yen (up 105.3% compared with FY2024). From the perspective of capital efficiency, we will boost ROIC to 7.0% while keeping the debt-to-equity ratio at 0.9 or less to ensure financial soundness. While continuing to steadily grow our Yoshinoya business, we will expand our Hanamaru and ramen businesses to balance the sales composition and diversify business risk. Through these initiatives, we will enhance our ability to respond to changes in the business environment by constructing a management foundation that balances growth and stability.

Earning power improvement	Net sales	300.0 billion yen
	Operating income	15.0 billion yen
Capital efficiency improvement	ROIC	7.0%
Maintenance of financial soundness	Debt-to-equity ratio	0.9 or less
Establishment of new growth potential	Ramen business net sales	40.0 billion yen

Sales ratio by segment



Numerical targets by segment

Net sales

Segment	FY2024 results	FY2027 targets	FY2029 targets	CAGR
Yoshinoya	137.8 billion yen	170.0 billion yen	188.0 billion yen	6.4%
Hanamaru	30.9 billion yen	40.0 billion yen	48.0 billion yen	9.2%
Overseas	27.8 billion yen	29.0 billion yen	31.0 billion yen	2.2%
Ramen	8.0 billion yen	17.0 billion yen	40.0 billion yen	38.0%

Operating income

Segment	FY2024 results	FY2027 targets	FY2029 targets	CAGR
Yoshinoya	7.8 billion yen	10.0 billion yen	12.1 billion yen	9.2%
Hanamaru	2.0 billion yen	3.0 billion yen	4.2 billion yen	16.0%
Overseas	1.2 billion yen	1.7 billion yen	2.5 billion yen	15.8%
Ramen	0.4 billion yen	1.3 billion yen	4.0 billion yen	58.5%
Adjustment	-4.1 billion yen	-6.0 billion yen	-7.8 billion yen	—

Promoting human capital management

We view human resources as the driving force behind our medium- to long-term business growth. As such, we are striving to foster an environment in which all employees can fully demonstrate their abilities. Our goal is to build teams with creativity and endurance by developing an organization that respects diverse values, transcending differences in gender, age, nationality, and life stage. Moreover, we provide career development assistance and enhanced training programs in support of individual growth. And we will bolster measures related to health management and enhancing the working environment to boost employee engagement.

IT strategy

We are promoting work reforms utilizing IT and augmenting our information infrastructure to enable us to respond swiftly and flexibly to changes in the business environment. To improve productivity and stabilize quality, we are promoting the introduction of systems oriented toward streamlining store operations and strengthening cooperation between departments. Additionally, we have established systems for utilizing information to support digital measures at customer touchpoints and management decision-making. We will continue to strategically utilize IT to enhance our competitive power.

Sustainability promotion

We promote highly effective initiatives in the fields of the environment, society, and governance with the aim of realizing a sustainable society. In terms of the environment, we are continuously working to effectively use resources and mitigate waste. With regard to social responsibility, we aim to strengthen our social credibility by collaborating with local communities and constructing a responsible procurement system within our supply chain. In the area of governance, we will build a management structure that prioritizes transparency and accountability, and conduct constructive dialogue with our stakeholders.

Financial strategy

Implementing a financial strategy that supports "transformation" and "growth" while looking five years into the future

Norihiro Ozawa
Executive Vice President & CFO
YOSHINOYA HOLDINGS CO., LTD.

Previous Medium-Term Management Plan in financial terms

Achieved performance targets, improved financial soundness and investment efficiency

The Group's previous Medium-term Management Plan (FY2022-FY2024), which emphasized "evolution" and "regeneration," raised net sales from 153.6 billion yen in FY2021, the year before the plan was launched, to 204.9 billion yen in the final fiscal year of the plan, comfortably surpassing the target of 180.0 billion yen. During the same period, operating income improved from 2.3 billion yen to 7.3 billion yen, and ROIC grew from 1.7% to 6.3%, both surpassing our targets. Due to the impact, however, of cost increases in the plan's final year, FY2023 results marked a peak, with operating income and ROIC both high, at 7.9 billion yen and 7.0%, respectively. In terms of financial soundness, the debt-to-equity ratio in the plan's final fiscal year fell significantly below the target of 0.60, at 0.27.

The driving forces behind the achievement of our plans were the "evolution" of our domestic Yoshinoya business and the "regeneration" of our Hanamaru business. Yoshinoya executed a three-year growth investment plan totaling approximately 20.0 billion yen. The plan focused on renovating stores to the Cooking & Comfort (C&C) format, expanding the number of outlets selling karaage fried chicken, and installing order tablets in stores. This has led to an increase in customer traffic, with segment income surpassing 8.0 billion yen in the peak year of FY2023. During the COVID-19 pandemic, we lowered our break-even point and improved our profitability through structural reforms, which resulted in increased profits. We restored Hanamaru to good health financially by streamlining unprofitable stores and expanding sales at existing outlets, achieving a recovery that resulted in record-high segment income of 2.0 billion yen for FY2024.

Meanwhile, though overseas operations were impacted by inflation in the U.S. and the economic downturn in China, segment income for FY2023 reached 2.2 billion yen, twice the planned figure. In FY2024, however, income fell to 1.2 billion yen because of rising costs. As a growth business, there are issues still to face in strengthening it.

Moreover, in our previous Medium-term Management Plan, we identified pursuing M&A opportunities as one of our growth themes. Among efforts to augment the foundation of our ramen business—which we are developing as a new pillar—we acquired two companies, Takara Sangyo Co., Ltd. and Kiramekino Mirai Co., Ltd., as subsidiaries in FY2024. We will use these acquisitions as a springboard to further strengthen our ramen business strategy and drive future growth.

Based on the aforementioned, to summarize the three years of the previous Medium-term Management Plan, we reached all of our numerical targets (excluding the number of outlets) a year ahead of schedule, including net sales, operating income, ROIC, and debt-to-equity ratio. This demonstrates that our efforts toward "evolution" and "regeneration" were fruitful. We made significant progress particularly in strengthening financial soundness and boosting investment efficiency.

New Medium-term Management Plan policies and measures

Launched five-year plan aimed at "transformation" and "growth"

The new Group Medium-term Management Plan (FY2025-FY2029) that we have formulated and launched is focused on the themes of "transformation" and "growth." By transforming existing businesses and nurturing new drivers, we will further boost our profitability and capital efficiency. We have established the following numerical targets for FY2029, five years from now: Net sales of 300.0 billion yen (including 40.0 billion yen from the ramen business), operating income of 15.0 billion yen, ROIC of 7.0%, and debt-to-equity ratio of 0.9 or less. Our growth strategy is based on three pillars: 1) Evolution of the business model of the domestic Yoshinoya and Hanamaru businesses and creation of new added value; 2) Active expansion of the ramen business through new store openings and M&A to develop a multi-brand strategy; and 3) Optimizing existing areas and entering new markets in the overseas business.

Over the next five years, domestic Yoshinoya will invest in enhancing customer convenience while opening 350 new outlets, including new service model stores such as C&C-format and takeout/delivery specialty stores, with the objective of growing to 1,500 outlets and net sales of 188.0 billion yen by FY2029. Hanamaru will focus on opening new stores in the three major metropolitan areas and devising new business models toward achieving its goal of reaching 600 outlets and achieving net sales of 48.0 billion yen. With regard to the ramen business, we aim to become the world's leading ramen provider in terms of number of servings. Leveraging Takara Sangyo's manufacturing and development capabilities, we intend to expand to 500 outlets and achieve net sales of 40.0 billion yen in response to global demand. In our overseas business, we will introduce store formats that have been successful domestically and proceed to develop new overseas models. And, by actively opening new stores in China and Southeast Asia and expanding into unserved areas in the U.S., we plan to grow to 1,120 outlets and 31.0 billion yen in net sales.

As a result of these initiatives, over the next five years, the Group's business portfolio is expected to see a decrease in the proportion of domestic Yoshinoya sales from the current 67.3% to 61.2%, with Hanamaru accounting for 15.6%, ramen for 13.0%, and overseas for 10.1%. We anticipate breaking away from the previous earnings structure that was reliant on domestic Yoshinoya and diversify the risk related to the use of beef as a primary ingredient.

Now, regarding our financial policy for the current Medium-term Management Plan over the next five years, we expect cash inflows of 100.0 billion yen or more in EBITDA, a 5.0 billion yen improvement through a shorter cash conversion cycle (CCC), and 55.0 billion yen in financing. We will allocate this total to investment of 130.0 billion yen, as well as shareholder returns and income taxes. Excluding M&A, we expect to invest 90.0 billion yen, or 2.6 times that of the previous Medium-term Management Plan. The allocation of this 90.0 billion yen is as follows: 10.0 billion yen for infrastructure development and other foundation investments, and 80.0 billion yen for growth investments in existing businesses such as store remodeling, new store openings, production expansion, and digital and IT. Moreover, we expect 40.0 billion yen in M&A and other inorganic investments.

As mentioned earlier, the Group's financial soundness improved significantly through the previous Medium-term Management Plan, with a debt-to-equity ratio of 0.27 and an equity ratio of 53.9%. Under the current Medium-term Management Plan, we intend to utilize this capital structure flexibility to shift growth investments to areas where we can effectively apply leverage. With regard to financing, we will maintain financial discipline while accelerating investment, strategically utilize leverage financing, and work to achieve capital cost optimization. Based on the above, we have set a numerical target debt-to-equity ratio of 0.9 or less. We believe that this aggressive investment will bear fruit and further enhance each segment's profitability, thereby enabling us to achieve a sustained improvement in capital efficiency to an ROIC of 7.0%.

Our finance department plans to contribute to improvement in capital efficiency by shortening the CCC, which will result in a higher return on invested capital, and by promoting initiatives to boost financing and fund management efficiency.

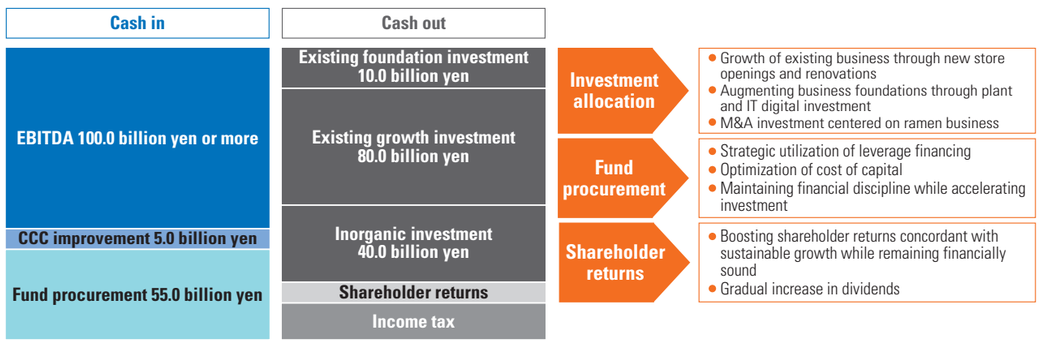
Engaging with shareholders and investors

Reflecting the opinions of investors in management and realizing increased corporate value

Regarding our shareholder return policy, we were forced to suspend dividends in FY2020 due to COVID-19 pandemic. Since resuming dividends in FY2021, we aimed to restore the pre-pandemic level of an annual dividend of 20 yen per share. We achieved this goal in FY2024. For FY2025, we plan to maintain the current dividend of 20 yen per share. Over the five-year period covered by the current Medium-term Management Plan, however, we intend to raise dividends gradually in line with improved business performance.

In recent years, we have seen an increase in opportunities to engage with investors, including IR interviews with institutional investors. We report questions, opinions, and requests received during these interactions to the Board of Directors for application in management. Going forward, we will establish opportunities for institutional investors to meet with Directors of the Company, enabling the management team to participate directly in discussions. We will strive to further enhance corporate value through this mutual exchange of ideas in management.

Cash allocation -Appropriately allocate cash generated to further growth investments and increased shareholder returns-



Investment policy and plan

Investment category	Five-year investment amount	Details on key investments
Investment in existing business foundation	5.0 billion yen	● Investment in outlets and plants to address aging
	5.0 billion yen	● Bolstering of system infrastructure and security
Investment in existing business growth	45.0 billion yen	● Investment in new stores and formats (all formats, including ramen)
	20.0 billion yen	● Investment in remodeling ● Yoshinoya C&C, Hanamaru new suburban format, other
	5.0 billion yen	● Investment in new ramen factories domestically and overseas and resulting increase in production
	10.0 billion yen	● Digital/IT investment ● Improving customer convenience, workload reduction, and efficiency, investment in the future
Inorganic investment	40.0 billion yen	● M&A investment in ramen business domestically and overseas ● Other M&A and capital tieup
Five-year investment plan	130.0 billion yen	

Stable cash generation and optimization of capital efficiency

Improvement in ROIC
Return on invested capital (ROIC) > WACC

Improvement in business earnings in line with growth
- Growth investment
- Quality, hospitality, and atmosphere (QHA)/marketing measures
- Optimization of head office overhead costs
- Accelerating investment PDCA (maximizing effectiveness)

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Capital efficiency improvement
- Capital structure optimization (utilization of interest-bearing debt)
- Cash conversion cycle shortening
- Shareholder return enhancement

Group management approach
- Horizontal deployment of best practices
- Identifying and implementing temporary measures to combat declines in business profitability
- From individual organizational optimization to overall Group optimization (elimination of silos)
- M&A investment and post-merger integration (PMI) based on invested capital

Strategy by business

Yoshinoya

Medium-term Management Plan initiatives

Yoshinoya will continue to refine its core values of "tasty, affordable, and fast" to increase customer traffic at our outlets and aggressively invest in improving customer convenience. Moreover, we are boosting service quality by rolling out new service model outlets and introducing digital devices, and we aim to realize sustainable growth by accelerating new store openings. And we will continue building a flexible-yet-stable management foundation by implementing a multi-brand strategy, expanding direct sales business, and utilizing labor-reducing technologies.

Revitalize
- **Customer acquisition**
- **Tasty, affordable, fast**

Expand
- **Investment in improving customer convenience**
  900 new service model outlets
  Place fryers in 1,300 outlets
  Install tablets in 1,400 outlets
- **Investment in 350 new outlets**
  New service model outlets + takeout/delivery specialty stores

Challenge
- **New format development**
- **Multi-brand management**
- **Expansion of direct sales products**
- **Activities oriented toward further labor reduction**

Concrete initiatives

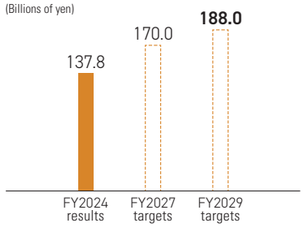
Yoshinoya plans to expand its new service model to 900 outlets by FY2029, improving cooking efficiency and changing interior design and seating layouts to satisfy the needs of the growing number of female and family customers. We will place fryers in 1,300 outlets and expand our side dish offerings, including karaage fried chicken. Introducing tablets in 1,400 outlets will increase order accuracy and ease the customer service workload, thereby helping address the labor shortage. Furthermore, we plan to open 350 new takeout/delivery specialty stores, primarily in urban areas. And, by combining the development of new formats, multi-brand deployment, and labor-reducing measures, we will realize flexibility in our store operations to enable us to respond to diverse customer demands.

In our direct sales business, we will focus on expanding our product lineup. We offer products such as frozen packs of gyudon beef bowl topping and retort pouch products, allowing customers to easily enjoy the same taste as in our outlets in the comfort of their own homes. These products are available at supermarkets nationwide as well as online shops, and we are also seeing increasing demand for gifts. Alongside our store business, it has grown to become a business area that generates stable profit.

Targets by segment

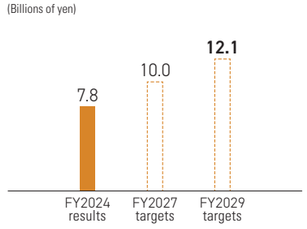
Net sales by segment

188.0 billion yen



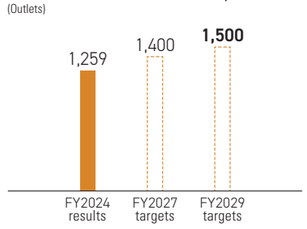
Income by segment

12.1 billion yen



No. of outlets by segment

1,500



Hanamaru

Medium-term Management Plan initiatives

Hanamaru is promoting a Medium-term Management Plan that responds to diversifying customer needs and changes in the restaurant industry structure. We will reinforce existing businesses by refining sales strategies in accordance with location characteristics and customer attributes, and by utilizing data in upgrading products and promotional measures. At the same time, we will concentrate on developing growth areas by centralizing store openings in metropolitan areas and launching new formats and brands. And we aim to heighten operational efficiency using digital technology and by recruiting diverse human resources, and to construct a sustainable business foundation.

Revitalize
- **Sales strategy by location**
- **Creating reasons to visit outlets**
- **Utilizing data to develop and promote products**

Expand
- **Major city store opening strategy**
- **Concentration of stores in three major metropolitan areas**
- **Expansion of new business models (Kishimen, Bar)**

Challenge
- **Creation of new brands**
- **Development of Japanese noodle business (soba, somen)**
- **Development of small store format**
- **Diversification in hiring**
- **Utilization of digital technology to reduce labor**

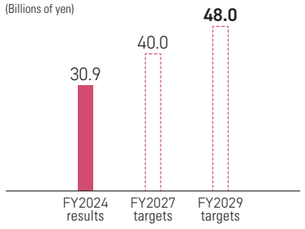
Concrete initiatives

Hanamaru will work to optimize store operations by analyzing demand by location to evolve its existing business. Additionally, we will aim to increase the frequency of visits and boost average customer spend by creating a comfortable space and introducing seasonal products that satisfy customer needs to motivate people to visit our outlets. And we will strive to heighten customer satisfaction and maximize sales promotion efficiency by utilizing POS data and purchasing history in developing products and promotional measures. As part of our expansion strategy, we are focused on urban area store openings to boost brand awareness and frequency of use in the three major metropolitan areas. In addition, to satisfy new demand, we are introducing new business models such as Kishimen and Bar to strengthen our approach to diverse customer demographics. Regarding areas we intend to challenge, we aim to expand our store network by developing our Japanese noodle businesses centered on soba and somen, and introducing small store formats that utilize small spaces. Furthermore, for hiring, we promote a flexible employment policy that prohibits age- or nationality-based discrimination, ensuring diversity in store operations. By introducing digital technology, we are working to achieve both labor reduction and operational efficiency, and are challenging ourselves to construct a sustainable growth model for the restaurant industry.

Targets by segment

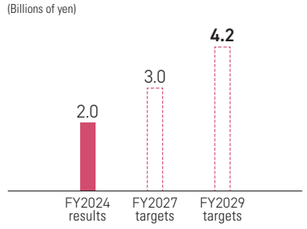
Net sales by segment

48.0 billion yen



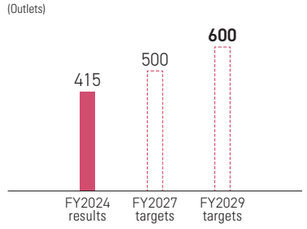
Income by segment

4.2 billion yen



No. of outlets by segment

600



Overseas

Medium-term Management Plan initiatives

Overseas Yoshinoya is aiming for sustainable growth in the global market. We will expand our dominance strategy through new store openings in unserved areas, with our goals being increased awareness and improved store management efficiency. Moreover, we will flexibly introduce service models and operational methods successful in Japan, and adapt them in accordance with local needs to boost our competitive power. And we will promote store operations optimized for each region by developing products that reflect each country's cultures and dining habits. In China and Hong Kong, we will strengthen joint purchasing systems through partnerships with franchise companies, and in the U.S., we will operate central kitchens to review our cost structure and stabilize quality.

Revitalize

- **America** Cost structure reform and quality enhancement through commissary (food processing plant) operation
- **Taiwan** Earnings structure reform and format change

Expand

- **Product development based on gyudon beef bowl, leveraging each country's characteristics**
- **China, Hong Kong** Joint purchasing through collaboration with franchisees
- **America** Expansion into California and adjacent states
- **Singapore** Increase in customer traffic owing to greater awareness of halal certification
- **Indonesia** Expansion of store openings through franchising

Challenge

- **Creating a dominant position by actively opening stores in unserved areas**
- **Expansion overseas of formats successful domestically**

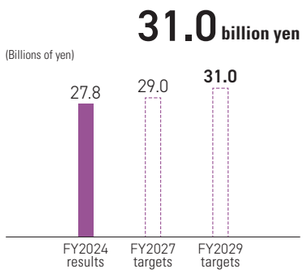
Concrete initiatives

Overseas Yoshinoya is accelerating its growth in the global market by implementing strategies tailored to each region's characteristics. We will select locations west of Central Asia based on transportation routes and market characteristics, and work to elevate brand awareness and build a stable store network. Moreover, we optimize our labor-reducing operations and efficient store designs cultivated in Japan in accordance with local conditions, thereby realizing uniform service quality and higher efficiency in operations. With regard to product development, we will offer menus that consider each country's religious and culinary cultures, with gyudon beef bowl as the core item. In Singapore, we are augmenting our halal-certified product lineup to appeal to a diverse customer base. In China and Hong Kong, we are creating a joint purchasing system with franchisees to lower logistics costs and establish a stable supply system. In the U.S., we will expand our store network in California and adjacent states, and with full-scale commissary operation, we will ensure stable ingredient supply and quality control. In Indonesia, we will continue new store openings in various locations—primarily commercial facilities and residential areas—to build a convenient store network. Through these initiatives, Yoshinoya aims to enhance its competitive power in overseas markets and realize stable, sustainable growth.

Targets by segment

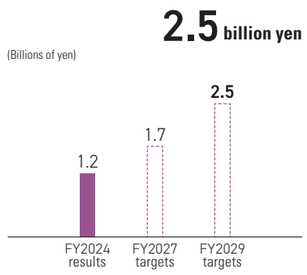
Net sales by segment

31.0 billion yen



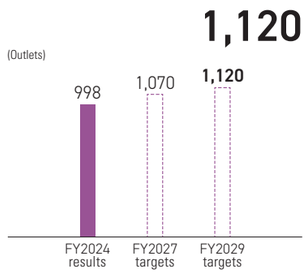
Income by segment

2.5 billion yen



No. of outlets by segment

1,120



Ramen

Medium-term Management Plan initiatives

In the ramen business, we will optimize sales strategies based on location and create new reasons for customers to visit, thereby raising the appeal of existing brands and accelerating new domestic store openings. Furthermore, we will flexibly utilize human resources to enhance synergies and improve the overall value of our business. And we will expand our overseas franchise network and reinforce our manufacturing and logistics systems to construct a foundation for global growth. Going forward, we will employ M&A, new brand development, and digital technology to establish a sustainable, competitive business model, with the goal of becoming the world's No.1 ramen provider in terms of number of servings by FY2034.

Revitalize

- **Sales strategy by location**
- **Creating reasons to visit outlets**
- **New domestic store openings for existing brands**
- **Synergistic effect generated by personnel exchange**

Expand

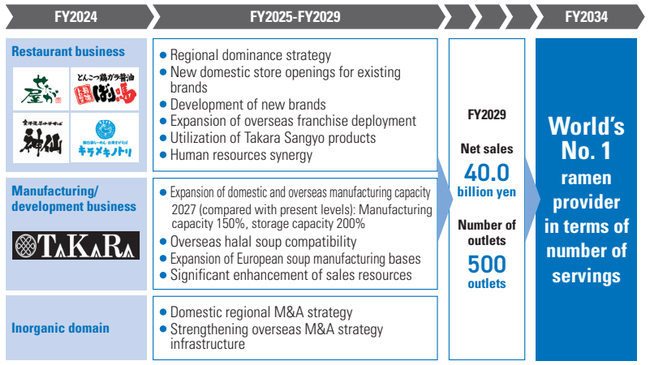
- **Expansion of overseas franchise deployment**
- **Utilization of Takara Sangyo products**
- **Strengthening domestic and overseas manufacturing bases**
- **Expansion of Takara Sangyo sales resources**
- **Overseas halal soup compatibility**

Challenge

- **Domestic regional M&A strategy**
- **Overseas M&A strategy**
- **Creation of new brands**
- **Utilization of digital technology to reduce labor**

Concrete initiatives

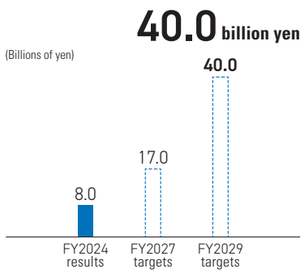
In the ramen business, we will focus on regionally concentrated store openings in major metropolitan areas nationwide to maximize customer contact points. Moreover, we will collaborate with Takara Sangyo to utilize high-quality products and strengthen our manufacturing and storage capabilities. And, in the European and Southeast Asian markets, we will establish a manufacturing structure for halal-certified soups, thereby augmenting the foundation for overseas franchise expansion. We will also promote efficient store operation through personnel exchange.



Ramen business targets

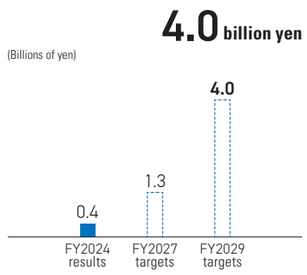
Ramen business net sales

40.0 billion yen



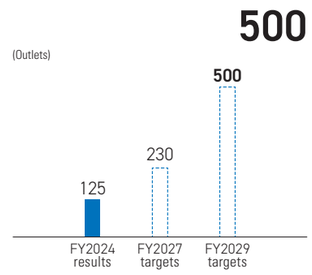
Ramen business income

4.0 billion yen



Ramen business no. of outlets

500



Sustainability

Sustainability Management

Our approach to sustainability

Based on the meaning behind the business philosophy of the Yoshinoya Holdings Group, "For the People," which holds that companies exist to serve the needs of society and to contribute to the greater happiness of mankind, we emphasize environmental (E), social (S), and governance (G) perspectives throughout our business activities. The Group considers the promotion of ESG management to be an important theme as changes in the global environment and social issues increase in severity. We are promoting the effective use of resources, reducing CO_2 emissions, promoting diversity and respect for human rights, and ensuring food safety and security throughout the entire supply chain as part of our commitment to realizing a sustainable society. Moreover, we will continue our dialogue with stakeholders as we strive to sustainably enhance our corporate value and remain a company trusted by society. We will continue to sincerely face the changing society and contribute to a sustainable future.

Sustainability promotion system

The Group positions sustainability at the core of management, and has established a system to promote sustainability from a companywide viewpoint. We newly established a Sustainability Promotion Committee in March 2024 to reinforce our strategic and ongoing initiatives. Under the Committee, we have organized seven subcommittees to carry out activities with the objective of solving specific issues in each field. The Group Planning Division plays a pivotal role in formulating policies and devising measures in cooperation with the promotion departments responsible for initiatives in the three areas of E, S, and G, based on material issues identified in each area. The details are shared and discussed with executives and department heads through group-wide meetings, Group Strategy Council meetings, and department head meetings, and are ultimately reported and submitted to the Board of Directors. In FY2024, we focused on the promotion of women's activities and health management. These efforts resulted in us being recognized as a 2025 Outstanding Organization of KENKO Investment for Health Program. Executives and managers actively engage in discussion to promote unity between management and the workplace, thereby enhancing our ability to put sustainability initiatives into practice. We will continue to foster awareness and entrench practices across the breadth of the organization, contributing to the realization of a sustainable society and corporate value.

FY2024 Sustainability Promotion Committee Activity Results

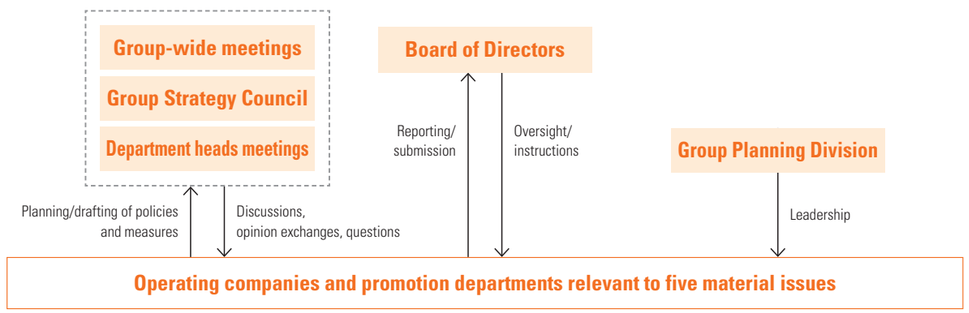
Number of times conducted:
4 (including 2 reports to the Board of Directors)

Committee members

Chairperson:	Representative Director and President & CEO
Vice Chairperson:	Executive Vice President & CFO
Committee member	Director
Committee member	Executive officer
Committee member	Group company president
Committee member	Head of department responsible for KPIs

Subcommittee

1. Human Resources Subcommittee
2. Direct Sales Subcommittee
3. Meal Provision Subcommittee
4. Supplier Audit Subcommittee
5. Food Waste and Reuse Subcommittee
6. Specified Plastics Reduction Subcommittee
7. CO_2 Reduction Subcommittee



Process of identifying material issues

Based on the Group's approach to sustainability, we aim to further enhance our corporate value in light of recent changes in the social environment and demands from society. We have therefore clarified the relationship between our business activities and social issues from an ESG perspective, and have identified material issues that contribute to the achievement of continued corporate growth and a sustainable society.

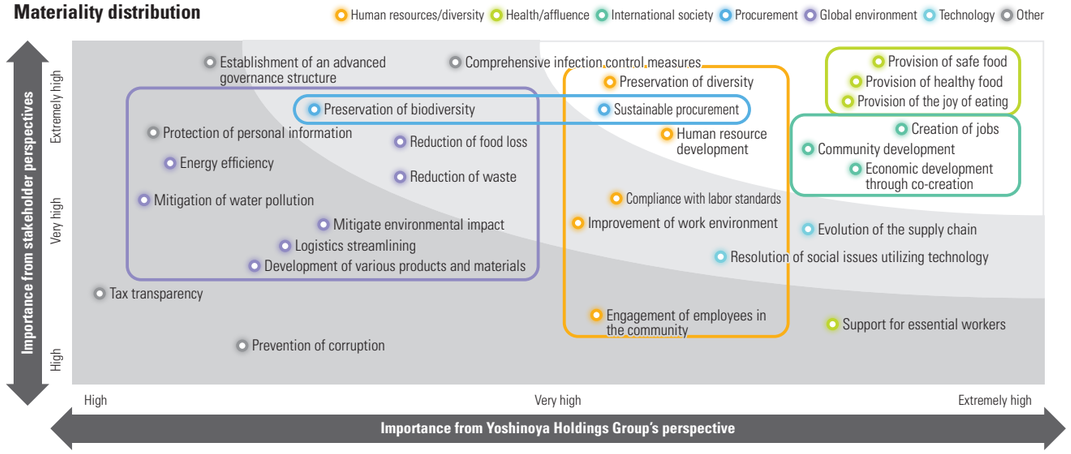
STEP 1 Create a list of 128 items of important issues that society expects companies to address, with reference to international ESG guidelines such as GRI and requirements of FTSE, an ESG assessment organization.

STEP 2 Narrow the list of 128 down to 50 items by evaluating them in terms of long-term perspective, objectivity, the significance that our involvement would have, and relevance to our business.

STEP 3 Comprehensively evaluate and prioritize the extracted items based on the two axes of "importance from Yoshinoya Holdings Group's perspective" and "importance from stakeholder perspectives."

STEP 4 Material issues are finalized by the Board of Directors following discussion of the prioritized items at the Group Strategy Council meeting and by the Management Committee.

Materiality distribution



Material issues identified

Materiality	Direction for resolving issues (basic policy)
Realizing diversity and inclusion to enable people to grow and thrive	• Practice diversity and inclusion • Promote a good work-life balance • Develop human resources and support career development
Providing the joy of food and health to more customers, enabling them to have fulfilling lifestyles	• Contribute to customers' health • Contribute to the health of employees who serve the food • Cope with an aging society • Apply new technologies and materials
Contributing to local communities by operating businesses centered on food	• Reinforcing the function as the food infrastructure • Connecting with local communities
Building a sustainable supply chain through co-creation with Suppliers	• Ensuring food safety • Ensuring soundness of the supply chain
Responding to climate change through environment-friendly business activities	• Reduction of loss and reuse of ingredients at outlets and factory manufacturing processes • Reduction of environmental impact of packaging materials

Sustainability

Five Material Issues

We set KPIs after having analyzed risks and opportunities for each material issue and promote specific activities.

Material issues	Risks	Opportunities	Contribution to SDGs	Key measures	Establishing KPIs	FY2023 results	FY2024 results	FY2027 targets	FY2029 targets
Realizing diversity and inclusion to enable people to grow and thrive As a company that pursues the value and joy that comes from human interaction, we will focus on improving the working environment, ensuring diversity, and pursuing human resource development.	● Difficulty in securing human resources due to the decrease in the working population ● Stagnation in the business creation and product development due to a delay in responding to diversifying customer needs ● Achievement of diversity required for maintaining employee engagement and retention	● Attracting the best talent globally through respect for diversity ● Increasing the value of human resources while reaping the benefits of automation and labor-saving innovations ● Heightening employee motivation and competitiveness in recruiting by investing in employee training		● Promotion of women's activities ● Hiring of employees with disabilities (friend employees) ● Promotion of seniors' activities ● Revitalizing the organizational culture ● Enhancing ease of work ● Revitalizing internal communication ● Wellness management ● Support for career path realization through educational training and tools tailored to the stage of learning of each individual ● Framework for supporting self-development ● Revitalizing intergroup exchange among personnel ● Refining cooking and customer service skills ● Educating and developing global human resources ● Identifying and cultivating the next generation of management teams ● Promoting the transition of part-time workers to full-time employees ● Health management	**Percentage of female employees**	22.0%	21.6%	27.0%	29.0%
					Percentage of women in management positions	10.3%	12.5%	23.0%	29.0%
					Percentage of paid leave taken	62.0%	64.6%	75.0%	77.0%
					Improvement in employee engagement*1	3.00 points	3.69 points	3.80 points	3.85 points
Providing the joy of food and health to more customers, enabling them to have fulfilling lifestyles We contribute to enriching people's lives by providing food with overwhelming value and developing safe products that contribute to health.	● Soaring raw material prices driven by climate change and competition for resources ● Changes in consumer behavior owing to the pandemic and population aging ● Decrease in the number of food service customers caused by widening economic disparities	● Functioning as a social safety net against child poverty ● Responding to growing health demands associated with changes in the social environment ● Providing the rich life that warm daily meals bring		● Education related to food hygiene ● Providing quality-related information to customers ● Labeling of Allergens and nutritional components ● Labeling of nutritional components ● Acquisition of ISO 22000 ● Reduction of food loss ● Securing safe beef and rice (Yoshinoya) ● Stabilization of quality through noodle manufacturing technology and automation at the central kitchen (Hanamaru) ● Comprehensive pursuit of safety and quality through temperature and time management at outlets (Hanamaru)	**Ratio of employees receiving medical checkups**	91%	90%	96%	98%
					Annual sales of Tokugyu and Care Beef products*2	70,000 meals	85,000 meals	90,000 meals	90,000 meals
					Provision of products that contribute to healthy dietary habits	—	—	—	—
Contributing to local communities by operating businesses centered on food By delivering high-quality services and culinary delights while respecting each region's culture and needs, we generate new value for local communities and contribute to their sustainable development.	● Damage to the brand and customer churn due to loss of regional credibility ● Stagnant growth caused by sluggish global expansion	● Expanding employment and revitalizing local economies through outlet openings ● Capitalizing on overseas demand for high-quality, safe Japanese food ● Evolving into a community-based company by providing education and disaster relief support through food, and developing emergency food and nursing care food		● Local industry revitalization and job creation ● Develop locally-oriented products and outlets ● Disaster preparedness ● Contributing to the improvement of health and safety of local communities ● Granting special paid leave for volunteer work ● Conducting work experience ● Support for children's cafeterias ● Development of foods and eating and shopping support for nursing care receivers and the elderly ● Industry-government-academia collaboration ● Implementation of disaster-stricken area support and fundraising	**Expansion of local community contribution activities by outlets (provision of food at children's cafeterias, etc.)**	47,281 meals	83,713 meals	200,000 meals	230,000 meals
Building a sustainable supply chain through co-creation with suppliers We will work with our suppliers to establish a sustainable supply chain by practicing environmentally and socially responsible procurement.	● Disruption of stable procurement due to soaring food prices and tight supply ● Damage to the brand and customer churn caused by human rights violations and other issues ● Adverse effects of extreme weather and disasters on supply chain processes ● Labor shortage in the logistics industry	● Fostering trust in our co-creation partners by addressing environmental and social issues ● Corporate value created by a sustainable supply chain ● Capturing customer needs by developing products with low environmental impact		● Stable procurement that ensures food material quality and safety ● Implementation of supplier audits ● Education and training for buyers ● Collaboration with external associations	**Auditing of suppliers (build a supply chain with consideration given to the environment and human rights)**	86%	92%	93%	97%
Responding to climate change through environment-friendly business activities We will implement measures that reduce our environmental impact while cutting food loss and costs so that we can achieve both global environment conservation and economic growth.	● Adverse impact on the supply chain through more frequent and severe weather events ● Legal restrictions on business activities due to delays in environmental regulation compliance ● Damage to the brand image caused by insufficient environmental awareness ● Increase in procurement and energy costs resulting from resource depletion	● Differentiating ourselves and enhancing our brand image through environmental measures ● Complying with environmental regulations to facilitate smooth business development		● Compliance ● Reduction of environmental impact ● Promotion of environmental education ● Establishment of environmental targets and disclosure of information ● Implementation of initiatives to reduce food waste ● Promotion of environmental conservation activities ● Preservation of water resources	**Recycling and reuse of waste from domestic factories*3**	53%	62%	55%	56%
					Reduction of specified plastics (50% compared with 2020)	25.00 kg/ 100 million yen	26.50 kg/ 100 million yen	27.50 kg/ 100 million yen	25.50 kg/ 100 million yen
					Continued designation as eco-friendly restaurant*4	Acquired designation in 2017	Acquired designation in 2017	Acquired designation in 2017	Continued designation

*1 Organizational assessment score

*2 Tokugyu was screened by the nation and is sold as a food for specified health uses (FOSHU). Care Beef is a nursing care food for people with reduced chewing and swallowing function.

*3 This is the recycling rate of eight domestic factories of Yoshinoya and Hanamaru.

*4 In 2017, Yoshinoya was granted Eco Mark certification, which is given to an environmentally friendly restaurant, from Japan Environment Association and was certified as an "eco-restaurant."

Sustainability

A framework that ensures reliable quality from procurement to delivery

The Group has established a strictly controlled supply chain to deliver safe, reliable meals to its customers, from raw material procurement to the provision at our outlets.





Regarding the ingredients Yoshinoya uses, we have established a Food Safety Policy to address all foreseeable food-related risks, from raw materials, processing, transportation, and storage to serving dishes to our customers. Moreover, considering hazards including bacterial and viral food poisoning, allergies, pesticides, and foreign objects, we handle ingredients hygienically throughout all processes. The Quality Assurance Department constantly incorporates the latest scientific knowledge from regulatory authorities, various inspection agencies, and the food industry to establish and operate a realistic, highly effective quality assurance system that pursues customer safety from every angle. In addition to the Quality Assurance Department training procurement staff to improve their knowledge, we also guide our suppliers concerning how to better their operations through joint inspections performed by procurement staff and Quality Assurance Department staff, based on ingredient characteristics.

Inspection

Supply Chain

Procurement

The Product Department, part of the Group Product Division, is responsible for ingredient procurement. In addition to lowering costs and heightening operational efficiency, consolidation and centralization are key in ensuring steady procurement of safe food ingredients. The Product Department always strives to form close relationships with its business partners, but purchases from multiple suppliers as a risk hedge for stable procurement. To ensure food safety, we collaborate with trading companies, wholesalers, and other relevant parties to directly visit production sites. We regularly inspect and provide guidance on hygiene management and quality control systems, while communicating closely with producers. A partnership underpinned by respect and trust serves as the foundation for building relationships with our business partners. By maintaining fair prices that benefit both parties while gaining a comprehensive understanding of each other's business activities, we form a cooperative relationship in which we complement each other's strengths and weaknesses, leading to strong procurement capabilities.



Manufacturing/Processing

The Product Department of the Group Product Division and the Tokyo and Kyoto factory acquired ISO 22000 certification, an international standard for food safety management systems, in October 2016. This is an international standard for providing safe, reliable products based on Hazard Analysis and Critical Control Point (HACCP) food safety management methods. Under the slogan of "safety, trust, quality, and efficiency," we thoroughly implement safety management at our five noodle plants nationwide. In 2016, the Hanamaru Udon Chiba Plant in particular has achieved complete automation of the noodle production process, using machines to reproduce the skills of skilled craftspeople. Accumulating and quantifying manufacturing data also contributes to maintaining stable quality and improving technology.



Logistics

In the area of logistics, we participate in the White Logistics Movement, which aims to eliminate drivers' long working hours and excessive workloads. We are pursuing various initiatives, such as logistics improvement proposals and collaborations, order volume leveling, and consideration of legal compliance. Furthermore, for the improvement of logistics, the Group serves as a mediator to encourage cooperation among shipping companies, and utilizes in-house drivers for irregular deliveries. These efforts are leading to lighter workloads for drivers and to the improvement of operational efficiency. We also provide support for recruitment of drivers.



Cooking/Customer Service

In the interest of providing safe, secure meals, we conduct regular inspections and checks at all of our outlets nationwide, and all staff members are highly aware of food safety and comprehensively implement hygiene management. Manuals are used to standardize cooking and food management, ensuring an efficient operation system. This precludes variations in the quality of the products we offer and ensures standardized quality and service at all outlets across the country. And we are constantly striving to heighten quality, service, and cleanliness (QSC) to provide our customers with a satisfying store experience. At Yoshinoya, Hanamaru, and With Link, we conduct regular skills contests with the goal of refining and passing on our services and skills, and we are also working to improve our employees' technical capabilities.





Realizing diversity and inclusion to enable people to grow and thrive

As a company that pursues the value and joy that comes from human interaction, we will focus on improving the working environment, ensuring diversity, and pursuing human resource development.

Human capital management

Human capital management is a method of management that uses a company's human capital—including human resources, knowledge, and skills—as management resources to boost corporate value. Among the five material issues identified based on our Basic Sustainability Policy, the Group has set out to "realize diversity and inclusion to enable people to grow and thrive." For our Group, which offers everyday meals under the business philosophy of "For the People," the joy and sense of fulfillment that employees derive from their work is the origin of the service that supports our customers' delicious and fulfilling meals, and it is a value that can only be achieved by people. Respecting people's diversity and individuality and encouraging employee success and growth lead to the continuous creation of value that meets customers' changing needs, which in turn leads to the company's sustainable growth and the return of value to society.

Moreover, information disclosure related to human capital management heightens corporate transparency and leads to the establishment of a relationship of trust with stakeholders. The Group aims to boost corporate value by disclosing information on human capital to all stakeholders, including employees, customers, investors, business partners, and local communities.

Human Resources Development Policy

The Group considers all employees as potential executive candidates and provides everyone with fair and equal training opportunities. We provide our staff with challenging opportunities and specialist training and actively reassign employees to support personal growth. We also invest the necessary funds and create the necessary environments for promoting growth and learning.

Policy to Improve Internal Environments

The Group promotes diversity and inclusion, encourages a good work-life balance, and pursues wellness management to ensure all employees can enjoy strong physical and mental health and work in a safe environment.

Initiatives to maximize the value of human capital

Practice diversity and inclusion

We respect the diversity and personal characteristics of our people and strive to maximize each person's individual strengths. As part of that commitment, we seek to develop a company that enables all employees to demonstrate their full potential and play an active role while also fostering mutual trust. We will continue to use the diversity of knowledge that different individuals bring to the table to develop a more resilient response to change, create innovative new value, and solve issues for our customers and society at large.

Increase the proportion of executive candidates aged 35 and under

The quota system has been introduced with the aim of achieving the proportion of executive candidates (managers) aged 35 and under of 30% or more. We set goals to achieve each fiscal year.

Promotion of women's activities

With the aim of achieving sustainable growth, the Group is developing businesses to promote the use of our services by a broad range of customers—including women and families—and working to have more female employees involved in internal decision-making.

Support for diverse workstyles

We are fostering a workplace environment that facilitates good work for everyone through measures such as childcare leave, shortened working hours, job retention upon return from maternity leave, and exemption from overtime work. This year, as a measure to support parents raising children during summer vacation when school meals are not available, we provided a subsidy (grant) for costs to members of the Mutual Aid Association who purchased products from the Yoshinoya official online shop.

Promoting the active participation of people with disabilities and seniors

We are promoting the employment of people with disabilities—who we call "friend employees"—and providing them with opportunities to work in areas such as cleaning facilities and employee uniforms. Based on the Act on Stabilization of Employment of Elderly Persons, each of our operating companies in Japan is taking steps to rehire employees aged 60 or over.

Establishment of a fair treatment system

We set salaries based on a job grade system, regardless of gender, nationality, or age. The difference in wages between men and women results from differences in average years of service, and we are working to correct this through the promoting the active participation of women.

Promote a good work-life balance

We have introduced and implemented employee leave systems to enrich our employees' private lives as well as communication measures to improve employee interaction and relationships. We also pursue wellness management after having positioned the mental and physical health of our employees as one of our key management pillars.

Revitalizing the organizational culture

Yoshinoya Holdings, Yoshinoya, and Hanamaru regularly assess the organizational culture to visualize employee attitudes and the state of the organization. In FY2022, we formed the Corporate Culture Enhancement Committee to further invigorate internal communication.

Ease of work

We grant paid leave to part-time workers, and we have introduced a scholarship system for high school students who work part-time. We have established a long-term service award that grants special leave to employees based on their years of service.

Internal communication

We continue to hold store managers' meetings twice a year, including online, to share messages from the President & CEO. We publish roundtable discussions in our internal newsletters and offer work experience programs for store managers and their families to promote shared knowledge of management policies and foster understanding among family members.



Wellness management

In addition to conducting regular health checkups for employees and part-time workers who satisfy certain conditions, we support organizational improvement through regular pulse surveys focused on employee engagement. And, in 2024, Yoshinoya Holdings was recognized as an Outstanding Organization of KENKO Investment for Health.

Develop human resources and support career development

We seek to build strong human resources by actively investing in talent development and career building that focuses on helping individual employees demonstrate their full capabilities and promoting long-term growth.

We offer educational training and tools tailored to the stage of learning of each individual to support career path realization. In addition, we have also introduced a framework for supporting self-development to aid employees in acquiring specialized knowledge and skills. Operating companies and all departments nominate candidates for executive slots and intentionally transfer them to new positions. We also publicly recruit staff for departments at the head office from among all employees—including store managers—and provide opportunities for growth by assigning selected personnel to system and product development roles. Moreover, we have created a database of human resources information to aid us in properly allocating personnel, and we are leveraging this in revitalizing human resource exchange within the Group and developing the next generation of leaders.

Refining cooking and customer service skills

We utilize video-based training tools to enable repeated learning of cooking and customer service processes. Yoshinoya and Hanamaru regularly hold various competitions and contests for employees to improve their operational skills

Educating and developing global human resources

We are cultivating foreign employees as future executive candidates and reinforcing our foundation for developing global human resources through education at stores in Japan and language study programs overseas.



Identifying and cultivating next generation of management teams

Centered on the Human Resources Council, we promote the selection and placement of executive candidates and the promotion of young employees. We broaden employee horizons and experience through cross-industry exchange, industry-academia collaboration, and study programs at business school.

Career development support

We have established a system for promoting part-time workers to full-time employees, and conduct monthly conversion tests. We support the growth of management personnel through store manager duties and training.

FY2024 quantitative human capital data

			FY2023	FY2024
Practice diversity and inclusion	Percentage of female employees	Japan operations*1	22.0%	**21.6%**
	Percentage of women in management positions	Japan operations*1	10.3%	**12.5%**
	Percentage of childcare leave taken*1		**Male** 52.0% **Female** 100.0%	**Male 60.0% Female 100.0%**
	Number of employees using shortened working hour system upon returning to work after maternity leave*1		2	**3**
	Percentage of employees with disabilities (friend employees)*2		4.87% *Statutory employment rate: 2.30%	**4.12%** ***Statutory employment rate: 2.50%**
	Number of employees aged 65 years or over covered by social insurance*1		330	**373**
	Average wage gap between men and women*1 (ratio of women's wages to men's wages) and average years of service*1	Department heads	88.1%	**94.5%**
			Male 24.0 years **Female** 22.2 years	**Male 22.1 years** **Female 22.9 years**
		Management positions (area managers, etc.)	97.8%	**95.3%**
			Male 18.0 years **Female** 13.6 years	**Male 18.3 years** **Female 13.2 years**
		Non-management positions (store managers, etc.)	91.8%	**93.4%**
			Male 12.8 years **Female** 6.6 years	**Male 13.5 years** **Female 7.3 years**
Promote a good work-life balance	Percentage of paid leave taken*1	Employees	62.0%	**64.6%**
		Part-time workers	69.4%	**65.1%**
	Number of scholarship recipients (total)*3		27	**27**
	Regular health checkup attendance rate (including part-time workers)*1		91.5%	**90.0%**
	Ratio of employees undergoing stress checks*4		72.5%	**51.1%**
	Percentage of employees recording high-stress levels in stress checks*4		22.6%	**18.2%**
	Employee turnover rate (within three years of joining the company)*1		34.4%	**28.8%**
Develop human resources and support career development	Number of employees (including part-time workers)*5		**Total** 16,409	**Total 17,250**
			Male 8,020 **Female** 8,389	**Male 8,565 Female 8,685**
	Number of foreign employees*1		**Employees** 59	**Employees 63**
			Part-time workers 1,963	**Part-time workers 2,927**
	Number of nationalities*1		32 countries worldwide	**34 countries worldwide**
	Percentage of employees with part-time work experience*1		75.6%	**76.8%**
	Percentage of employees in important positions (officers and department heads) with part-time work experience*1		41.8%	**42.2%**
	Percentage of managers aged 35 and under*1		3.2%	**15.4%**
	Number of hours of education or training per employee*1		30.3 hours/year	**32.5 hours/year**
	Educational investment per employee*1		57,058 yen/year	**64,679 yen/year**
	Number of training sessions conducted*1	Training for officers and department heads	20 sessions	**19 sessions**
		Selective training and external training	44 sessions	**115 sessions**
		Training for store managers	167 sessions	**775 sessions**

*1 Results across three companies: Yoshinoya Holdings, Yoshinoya, and Hanamaru
*2 Results across four companies: Yoshinoya Holdings, Yoshinoya, Hanamaru, and Sankosha Laundry Center
*3 Results for Yoshinoya
*4 Results across two companies: Yoshinoya Holdings and Yoshinoya
*5 Consolidated results for the Group (including overseas businesses)

Regular First Aid Training Sessions as part of the Life Baton Project

Since July 2023, we have been regularly holding training sessions called the Life Baton Project for all group employees to learn CPR and AED operation. We contribute to local communities through our factories and outlets, and we aim to become an even greater source of support for the health of those communities. At these sessions, employees learn CPR and how to use an AED, and through practical training using mannequins, they acquire the skills to respond in the event of an emergency. To date, we have conducted 20 sessions, with over 600 people taking part. Participants have expressed their desire to "act with courage" and "save lives," and there have been reports of actual cases in which lives were saved as a result of the training. We will continue to hold the training session nationwide in the interest of contributing to the health and safety of local communities.



Conducting health-related events using dietary fiber derived from guar beans

Starting in January 2025, as a collaborative project between the Group Human Resources Division and the Materials Development Department, we conducted monitor testing of guar bean dietary fiber for volunteers internally, with the theme of "health from the gut." We provided guar bean dietary fiber free of charge to participants, and verified the effects of consumption over a certain period of time. These included intestinal regulation, blood sugar control, improved work performance, and better sleep. And we have installed body composition analyzers and blood pressure monitors at our head office to encourage regular measurement and heighten health awareness. Furthermore, we held an explanatory session to promote health by explaining the significance of this event, the benefits of guar bean-derived dietary fiber, and the importance of the intestines. After the session, we provided participants with their individual intestinal bacteria type assessments, giving them the chance to check their health from within. And we held a special lecture by Professor Yuji Naito of Kyoto Prefectural University of Medicine.



Sponsoring Tokyo Pride 2025: moving into the future with diverse values

In June 2025, we sponsored two Yoshinoya mobile catering trucks at the Pride Festival, part of Tokyo Pride 2025, Asia's largest LGBTQ+ event held at Yoyogi Park. Embodying the philosophy of "striving to realize a society where everyone is respected equally," a group of employee volunteers planned and operated the project based on a proposal from the Group Human Resources Division. In addition to selling gyudon beef bowls and karaage fried chicken, we interacted with many visitors through the distribution of limited edition stickers and the establishment of photo panels. Yoshinoya Holdings Group does not tolerate discrimination based on sexual orientation, gender identity, or gender expression. The Group strives to foster a workplace where everyone can work with peace of mind. We also reflect this philosophy in our hiring practices for students and job seekers.



Providing the joy of food and health to more customers, enabling them to have fulfilling lifestyles

We contribute to enriching people's lives by providing food with overwhelming value and developing safe products that contribute to health.

Food product quality

At Yoshinoya, our top priority is food safety. We have established a Food Safety Policy and comprehensively implement hygiene management to address risks including bacteria, viruses, allergies, pesticides, and foreign objects, from raw material procurement to the serving of food. We work to improve knowledge and practical skills through food hygiene training for employees and inspections conducted by third-party organizations, and we also provide our business partners with guidance for improvement to ensure quality.

Through our website and in-store tablets, we provide customers with allergy information and nutritional information, and check with Legal Affairs as needed before displaying this information.

Furthermore, in 2016, we acquired the ISO 22000 international standard and established a HACCP-based food safety system. We are making a companywide effort to provide safe, secure products.

Food safety and security initiatives

The Group places the highest priority on food safety and security. It has established stringent hygiene management and multiple check systems encompassing everything from raw material procurement to manufacturing and delivery at our outlets. We take responsibility for safety, security, and quality throughout all processes—raw materials, manufacturing, logistics, and outlet operations. We strive to provide products that consumers can trust through continuous improvement and innovation led by our frontline staff.

Secure safe beef

The Group's numerous organizations and teams support safety in multiple layers from raw material procurement to the provision at our outlets to continuously provide beef our customers can rely on. The U.S. beef mainly used for our beef bowls strictly adheres to three safety standards, international, U.S., and Japanese standards, thus ensuring safety and security. In addition to stringent inspections conducted by the inspectors of United States Department of Agriculture (USDA) stationed permanently at the factories, upon entry into Japan, quarantine inspections are performed collaboratively by the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Health, Labour and Welfare. And we conduct final inspections in the form of visual checks through quality confirmation and trimming at our own factories, and have set up a system to immediately track and deal with any abnormalities.



Secure safe rice

Rice is a major agricultural product in Japan, and to ensure its safety, strict inspections are performed in accordance with relevant laws. In concrete terms, checks are conducted for the use of pesticides and fertilizers, as well as for the residue of pesticides, cadmium and other substances, and cultivation records are generated. Moreover, in accordance with Japan's Rice Traceability Act, Yoshinoya Holdings has established a system that enables it to rapidly trace the inspection records and history of all rice received. And we can trace the origin, brand, and grade of the blended rice supplied to each Yoshinoya outlet, as well as the production lot at the rice milling plant and the producer's inspection records. In the event of any quality problem, the distribution route in question can be identified swiftly to find causes and deal with the problem.

Initiatives related to Yoshinoya gyudon beef bowl overseas

At outlets overseas, quality control is implemented based on the Standards of Principal Ingredients to ensure reproduction of the original taste even when ingredients are procured locally. Moreover, to support personnel in charge of merchandising and personnel in charge of quality control in each country, we have established a system whereby they can consult with Yoshinoya Holdings buyers. And personnel in charge of quality control and field counselors in each area periodically audit stores' management systems and ingredient suppliers, providing guidance to them. We are doing our best to ensure that customers can enjoy Yoshinoya gyudon beef bowl of uniform quality anywhere in the world.

Hanamaru Udon quality control

While responding to change in line with the ongoing expansion of its business, Hanamaru Udon has been maintaining consistent quality control and safety management, encompassing everything from procurement of wheat flour, manufacturing, and logistics to cooking at outlets. Just like the ideal noodles pursued by Hanamaru Udon, we continue to create value with delicious Sanuki-style udon noodles with a balance between tenderness and firmness.

Hanamaru Udon noodles are made using our proprietary Hanamaru Flour made from carefully selected domestic wheat at five factories across Japan, and freshly delivered to outlets. The noodle production process is automated, and the digitization of craftsmanship ensures consistent quality. Moreover, we employ sensory inspections to standardize quality nationwide, while also focusing on temperature control and food loss reduction. In addition to managing noodle expiration dates, each outlet strictly adheres to time management for safety, including boiling, cooling, and holding times.





Health and nutrition

Placing great importance on providing health value, the Group is undertaking product development, material research, and industry-academia collaboration to ensure scientific validity.

The Product Development Department is developing menus that incorporate foods for specified health uses and foods for nursing care. The Materials Development Department promotes research into functional materials, confirmation of their effectiveness for health, and effective use of materials from the perspective of the SDGs.

Specific examples

- Yoshinoya's Gyudon Namimori (regular-size beef bowl) provides 1/4 to 1/3 of the daily recommended intake of protein, fat, and carbohydrates(*). And it has been confirmed to have no effect on health checkup results even after three months of continuous consumption.
- In a joint study with Doshisha University, we confirmed the second-meal effect that suppresses the rise in blood sugar after lunch by eating beef bowl in the morning.
- In collaboration with the Tohoku University Smart-Aging Research Center, Tohoku University, and NeU Corporation, we are jointly conducting a survey on breakfast habits and research into brain function through the consumption of breakfast meals incorporating rice.
- Along with Taiyo Kagaku Co., Ltd. and Kyoto Prefectural University of Medicine, we established the "Food and Health Research Chair," an endowed chair for joint research at Kyoto Prefectural University of Medicine, and are conducting research and development through industry-academia collaboration with the aim of extracting the maximum nutritional value from beef bowls.
- We concluded a comprehensive industry-academia partnership agreement with Kagawa Education Institute of Nutrition's Kagawa Nutrition University, based on which it is working on industry-academia collaboration in the areas of health, food, and nutrition with the goal of "healthy meals."

*Dietary Reference Intakes for Japanese (2020), for males aged 30–49 with physical activity level (PAL) II

We are further promoting research into alternative meats and ostriches as next-generation foods. Group company Speedia, Co., Ltd. is in charge of breeding, research, product development, and sales, and has discovered new functions in the beauty and health domains.

And, beginning in 2023, some outlets launched a health-conscious menu item called Beef and Steamed Vegetables Combo Bowl, which combines vegetables with gyudon beef bowl. We acquired Smart Meal® certification and won the Ministry of Health, Labour and Welfare's Award for excellence at the "Let's Extend Healthy Life Expectancy! Awards." In the same year, the Tokyo factory began developing new varieties of lettuce specifically for the factory, and obtained patents for them. Additionally, we are upcycling off-spec onion scraps by drying and powdering them for use as food ingredients. In 2024, we received the Vice-Minister of the Environment Award, earning high praise for our efforts to mitigate environmental impact.

Smart Meal
スマートミール



Acquired Smart Meal® certification for Beef and Steamed Vegetables Combo Bowl





SPEEDIA products related to ostriches

Contributing to local communities by operating businesses centered on food

By delivering high-quality services and culinary delights while respecting each region's needs and culture, we generate new value for local communities and contribute to their sustainable development.

Contributing to the improvement of health and safety of local communities

As a joint initiative between Hanamaru and Yoshinoya, to address issues such as skipping meals and eating alone, we are providing free, nutritious meals to children's cafeterias.

Moreover, Hanamaru offers udon noodles made with "Sanuki no Yume," a wheat variety grown in Kagawa Prefecture, only at its outlets in that prefecture as a community-based initiative. And we are endeavoring to strengthen ties with the local community by providing waste udon noodles for a biomass power generation experiment in Takamatsu City and engaging in other resource recycling initiatives in collaboration with communities.

Yoshinoya delivers products to isolated islands and areas where there are no outlets using its Orange Dream catering trucks, and also offers local dishes such as Taco Rice in Okinawa Prefecture. Furthermore, as support for areas with people facing difficulties with their everyday shopping, we are selling "Soft Beef Bowl Toppings" through Tokushimaru mobile supermarkets.

In addition, SPEEDIA offers skincare products containing ostrich oil produced in Ishioka City, Ibaraki Prefecture, as thank-you gifts under Japan's hometown tax scheme, thereby contributing to the enhancement of local industry.

For people who require care

With the aim of realizing a society in which nobody will lose their opportunities to enjoy food throughout their lives, since 2017, Yoshinoya has been rolling out the "Yoshinoya Gentle Meals" series for people whose ability to chew and swallow has declined. Products such as "Soft Beef Bowl Topping" and "Minced Beef Bowl Topping" are sold to pharmacies, hospitals, and other facilities, and have been introduced to over 10,000 hospitals and care facilities. More than 2.8 million of these meals have been provided through Nissin Healthcare Food Service.

The day service also offers a Yoshinoya Gyudon Recreation program, where employees wearing happi coats serve gyudon beef bowls. This initiative won the Food Industry Technology Achievement Award in the Marketing Category in 2024.

Additionally, in 2023, Yoshinoya concluded a partnership agreement with Tochigi Dental Association (Japan) Inc., under which it is working to promote good health in late-stage elderly residents of Tochigi Prefecture. It is supporting the prevention of malnutrition through the consumption of meat to ensure adequate protein intake, and the creation of dining environments where people with dietary restrictions in terms of form and content can enjoy the same meals as their family members and loved ones.







Number of "Yoshinoya Gentle Meals" served at hospital facilities through Nissin Healthcare Food Service Co., Ltd.

FY2020	FY2021	FY2022	FY2023	FY2024
300,000 meals	610,000 meals	560,000 meals	640,000 meals	720,000 meals

A system that supports the future of young people and social contribution

Since 2017, Yoshinoya has been operating a scholarship program to support students working part-time at Yoshinoya outlets who, for financial reasons, face difficulties pursuing higher education. If the recipients join Yoshinoya as full-time employees after graduating from university and work for four years continuously, repayment of the entire amount will be waived, supporting the development of human resources in the food service industry. In addition, to promote community contribution, Yoshinoya grants its employees two extra days of paid leave which they can take when participating in volunteer activities such as supporting children and the elderly, and disaster relief.

Disaster preparedness

Wanting people to be able to eat food that is both nutritious and delicious even during emergencies, Yoshinoya has developed a range of canned meals for emergencies. It also has "beef bowl topping," "beef curry," and "hashed beef" products that can be stored at room temperature, making them suitable as emergency food supplies. These products were recognized at the Disaster Prevention Goods Awards, which aims to promote disaster prevention awareness, with the "Canned Meal Beef Bowl 6-Can Set" winning the Excellence Award in 2023 and the full range of retort pouch food products garnering the Grand Prize in 2024.

In addition, in 2021, Yoshinoya concluded a partnership agreement for disaster prevention awareness-raising activities with Izumiotsu City in Osaka Prefecture, and are conveying importance of disaster preparedness in the home through activities such as holding tastings of its canned meals at disaster prevention events. Furthermore, Yoshinoya is concluding agreements with prefectures all over Japan for the assistance of people who have been stranded after disasters. Some Yoshinoya outlets have a support system in place as "assistance stations," offering water and use of restrooms.

Providing food and support to disaster-stricken areas

Following 2024 Noto Peninsula Earthquake, on 14 separate occasions from January 26, Yoshinoya prepared and provided a total of 8,189 Gyudon Bento boxed meals using its Orange Dream catering trucks. And an emergency relief fund drive conducted at outlets nationwide raised 4,578,138 yen, which was used to assist people in the affected areas through the Japan Foodservice Association. Furthermore, at the request of the government, we also arranged for 6,000 freeze-dried Gyusui beef soup meals.





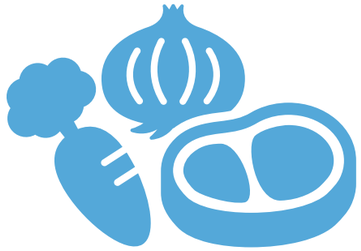
Social initiatives

Exploring the potential of ostrich, a futuristic ingredient

SPEEDIA has been researching ostriches as an alternative meat since 2017, and has discovered new functional properties that contribute to beauty and health. In addition to meat and oil, their feathers and bones are attracting attention as they are being utilized as a recyclable resource, and it is conducting initiatives jointly with researchers in a range of fields. Currently, SPEEDIA handles everything from breeding to product development and sales. Domestically produced ostrich roast meat and SPEEDIA skincare products are sold at the Yoshinoya official online store, and Ostrich Meat Bowls are sold at select Yoshinoya outlets.

Developing service to revitalize restaurants in urban areas

ShareRestaurant has been providing the "Share-restaurant" service that matches people who want to rent out their unused space with those who want to use it since 2020, and the "Atotsugi-restaurant" service that connects people who want to take over a restaurant with those who want to pass on their restaurant since 2024. It is working to revitalize restaurants, which are assets to the community, and the restaurant industry as a whole. In May 2025, the cumulative number of restaurants opened under the Share-restaurant service exceeded 1,000, and total annual sales surpassed 100 million yen.



Building a sustainable supply chain through co-creation with suppliers

We will work with our suppliers to establish a sustainable supply chain by practicing environmentally and socially responsible procurement.

Maintaining safe stable procurement

At the Group, the Product Department in the Group Product Division handles all procurement functions for food ingredients for the Group's businesses in Japan. This is done to reduce procurement costs and increase operational efficiency, as well as to maintain stable procurement and ensure the quality and safety of food ingredients.

Procurement Policy

o build a sustainable supply chain, we will conduct secure procurement in compliance with the following policy. We will also ensure that our suppliers and employees are aware of the policy and put it into practice.

- Procuring safe food ingredients in compliance with our quality control standards
- Building good relationships that will enable both suppliers and the Group to earn reasonable profits
- Improving quality and safety through communication between our employees and growers
- When selecting suppliers, the Group Product Division interviews them about their responses to illegal labor, human rights violations, and labor issues in the supply chain. It also ensures that suppliers are aware of the Group's policies on and approaches to human rights, and, after trading has commenced, conducts inspections based on an assessment checklist.
- We share our approaches to sustainability and our materiality with suppliers, in our aim to establish co-creation and build a sustainable supply chain with suppliers that are able to empathize and engage with those approaches.

Supplier audits

We conduct ongoing supplier audits with the aim of building a sustainable and safe supply chain for all our business partners. Our buyers regularly visit our suppliers' manufacturing plants, and collect day-to-day information and conduct periodic plant inspections, confirming, evaluating, and giving guidance about food safety processes. The results of these activities are documented, shared with suppliers, and used to drive improvement initiatives. In audits, an assessment checklist is used to evaluate the environment of the supplier's plant, the processes for finished products and ingredients, and other matters, to determine if the supplier is able to achieve a sustainable, stable supply while ensuring standards management and safety consistently at all stages from planning and procurement to consumption. The scope of audit activities and matters for checking are reviewed every year. In particular, for matters related to environmental and social issues and CSR, we have endeavored to share information and raise awareness through questionnaires.

Going forward, for the enhancement of co-creation with suppliers, we will formulate supplier sustainability action guidelines and expand CSR-related items in audits, in our aim to build a sustainable supply chain. Moreover, we collect as much information as possible about the state of employee management, consideration of human rights, pollution control, and antisocial behavior at our suppliers. We plan to include these factors into the matters for the assessment in the future. The results of food hygiene inspections are confirmed in cooperation with the Quality Control Division.

For CSR audits of overseas suppliers, instead of making judgments based only on local laws, customs, and current conditions, we also check against international standards and the laws and customs in Japan related to the matters in question.

If a supplier audit reveals any nonconformities or serious violations, upon confirmation of the facts, the supplier concerned will be asked to take corrective actions. If those corrective actions are not taken, we will respond accordingly, including reviewing our business with that supplier.



Education and training of buyers

We have established a structure to enhance buyer expertise and ensure ethical business. New buyers are given basic knowledge through practical plant training and hygiene training based on a prescribed curriculum. All buyers are educated on safety and security by the Quality Control Division. We also conduct training on environmental and social issues and on amendments to laws and regulations as necessary.

When buyers visit suppliers, they conduct on-site inspections through hands-on training accompanied by the Quality Assurance Department and deepen their understanding by linking knowledge with practical experience. Purchasing department staff comply with laws and regulations and with industry agreements and standards. They make efforts to gather information from the relevant government agencies, industry bodies, and suppliers. They also work on establishing and revising management methods by collaborating with relevant departments in the Group, including the Quality Assurance Department.

In contracts with our suppliers, with the full recognition that the Group is in a superior position to them, we strive to establish fair, reasonable, and transparent business relationships, to ensure that our suppliers do not gain the mistaken impression that they have entered into unfair business dealings.

The Group advocates and promotes the globally-recognized Five Freedoms of animal welfare. Buyers conduct inspections of livestock production sites to ensure that livestock production is not being conducted in poor conditions. We will continue to work closely with our suppliers to ensure that animals reared for our products are reared under a high level of welfare.

Cooperation with external organizations

To reduce our environmental impact and solve social issues, we actively collect information on innovative initiatives in Japan and overseas. As part of this effort, we engage in seminars and other activities in cooperation with companies in other industries. In addition, we participate in the Safety and Security Committee hosted by the Japan Foodservice Association.

Furthermore, in an effort to improve logistics, we participate in the White Logistics Movement, which aims to eliminate drivers' long working hours and heavy workloads. Specifically, we are pursuing initiatives, such as proposals and collaborations, order volume leveling, and consideration of legal compliance in logistics operations. Moreover, the Group serves as a mediator to encourage cooperation among shipping companies, and utilizes in-house drivers for irregular deliveries. These efforts are leading to the improvement of operational efficiency and to lighter workloads for drivers. We also provide support for recruitment of drivers and strive to build a sustainable logistics system.







Responding to climate change through environment-friendly business activities

We will implement measures that reduce our environmental impact while cutting food loss and costs so that we can achieve both global environment conservation and economic growth.

Environmental policy

Global movement to contain climate change has been gaining momentum, as exemplified by streamlining of energy and laws and regulations for measures to tackle global warming. Climate change-related transition risks may affect the Group's business performance. Taking these risks into consideration, we continue to work on addressing climate change through environmentally friendly business activities. As a provider of everyday food, we will implement measures in line with economic growth in response to the demands of society for action on climate change.

Reduction of food loss

Since our founding, "not wasting any food ingredients" has been well established as a guideline. We have been recycling the beef tallow generated when making Gyudon at Yoshinoya since the 1970s. In addition to this guideline, we view it as our social responsibility as a company involved in food to reduce the volume of food waste that ends up in landfill. We have set the reduction of food loss as a materiality KPI, and are continuing to pursue a host of initiatives to reduce the impact on the global environment group-wide.

Yoshinoya Holdings initiatives

At every factory and outlet, we are working to reduce food waste and recycle resources. The recycling rate for food waste generated at our seven factories in Japan is 100% from FY2023 onwards.

Recycling rate for food waste at seven factories in Japan

FY2020	FY2021	FY2022	FY2023	FY2024
90.3%	92.2%	99.9%	100.0%	100.0%

Yoshinoya initiatives

At our Tokyo factory, trimmings from meat processing are sold to other companies as raw material for hamburger meat, and vegetable scraps are used in Yoshinoya sauce and soup stock. At the Kyoto factory, a recycling-based upcycling project is conducted in which vegetable scraps is fermented in the company's own fields to produce compost soil, and then the vegetables grown in that soil are commercialized.

Yoshinoya views the volume of food left over by customers in its outlets as an indicator of how satisfied customers are, and through recording and analysis, it strives to standardize flavor and reduce waste. Food waste is recycled into animal feed or fertilizer. Moreover, Yoshinoya has achieved both loss reduction and quality improvement through its order-based cooking system and 100% recycling of beef tallow (for feed, fuel, etc.).

Food waste recycling rate (Yoshinoya overall)

FY2020	FY2021	FY2022	FY2023	FY2024
74.0%	74.4%	83.7%	83.8%	77.4%

Number of cans of beef tallow oil shipped (All Yoshinoya outlets)

FY2020	FY2021	FY2022	FY2023	FY2024
5,751t	5,591t	4,239t	3,767t	4,757t
383,400 cans	372,706 cans	282,615 cans	251,167 cans	317,133 cans

Hanamaru initiatives

Hanamaru provides udon noodles with extended shelf life achieved through freezing technology for vending machines and to children's cafeterias. In addition, waste udon from factories nationwide is reused as feed ingredients. The Takamatsu factory is also cooperating in a demonstration experiment for biomass power generation, generating the gas from udon noodle scraps. Furthermore, research is underway on the upcycling of udon into alcohol.

At outlets, Hanamaru minimize loss by managing the timing of boiling noodles in conjunction with the forecasted number of outlet visitors. Moreover, it aims for a 50% food recycling rate by improving noodle manufacturing technology to extend the holding time, enabling the udon to stay delicious after boiling and mitigating waste.

Food loss rate at noodle plants (Takamatsu Factory, Chiba Factory, Shizuoka Factory, Okinawa Factory, Hokkaido Factory)

FY2020	FY2021	FY2022	FY2023	FY2024
7.5%	8.4%	0.0%	0.0%	0.0%

Food Waste Recycling Rate (Hanamaru Udon overall)

FY2020	FY2021	FY2022	FY2023	FY2024
44.2%	40.3%	33.2%	33.0%	32.7%

Volume of waste udon provided by the Takamatsu Factory to Takamatsu City

FY2022	FY2023	FY2024
2.5t	6.9t	7.0t

Takara Sangyo

For over a decade, Takara Sangyo has been repurposing the sauce from simmered pork belly—which is full of meaty flavor that cannot be achieved with seasonings alone—and selling it as a sauce for tsukemen, or noodles served with dipping sauce, and for soy-marinated eggs. Furthermore, the leftover meat from making chashu (braised pork belly) is mixed with other meat and used to make gyoza (pan-fried dumplings), shumai (steamed dumplings), jiang (Chinese-style fermented bean paste), minced meat with miso (fermented bean paste), and even soup stock. This recycling process has been successful, and in recent years, meat waste has been eliminated. Waste noodles are also recycled as animal feed, fertilizer, and fuel.





Takara Sangyo joined the Group in January 2025.

Environmental conservation activities

We are promoting the reduction of specified plastics. At our outlets, we make an effort to ask customers if they need spoons or other utensils when they order food to take out. We are promoting the inclusion of a notice on menu displays and various delivery service menus saying that spoons are not included. In addition, both the Yoshinoya and Hanamaru brands are taking the lead in Japan's Kansai region in voluntarily collecting and recycling waste PET resin from their outlets. Going forward, we aim to expand nationwide.

Furthermore, beginning in 2019, Yoshinoya has adopted LIMEX, a material made from limestone, in its grand menu to reduce the use of paper and petroleum resource. Beginning in 2020, for all of our takeout plastic bags, we switched to bags made from 25% biomass materials. In 2023, we started upcycling by using Rice Resin®, derived from domestically produced rice, as a raw material for one type of plastic bag. In the same year, we changed the ink material used for beef bowl containers to biomass ink, and introduced biomass tableware containing 55% eggshells in all outlets. This contributes to both reducing waste and curbing global warming.

In addition, we installed a solar power generation system on the rooftop of the Tokyo factory, achieving an annual reduction of 195 tons of CO_2 emissions. It should also lower the temperature on the roof by 10°C and by 3°C inside, contributing to energy conservation. From 2024, the Kyoto factory began recycling packages for raw materials to make recycled pallets for use at the in-house distribution center in the Kansai region.





Yoshinoya Tokyo factory introduces solar power generation

Water resource conservation

We manage water usage at our factories and outlets numerically and implement water conservation measures and wastewater treatment to conserve water resources. At our Tokyo and Kyoto factories, we are implementing measures including controlling water used during hand washing with water-saving taps and timers, optimizing water pressure, utilizing well water, and recording the volume of water used during cleaning. We strive to prevent water leaks and waste at all Yoshinoya and Hanamaru outlets by measuring the volume of water used every day and cleaning grease traps. In addition, we are thoroughly managing water purifiers and replacing filters to remove perfluoroalkyl and polyfluoroalkyl substances (PFAS), and we are working to reduce the amount of water used to wash rice through measures such as using pre-washed rice when preparing food.

Sustainability

Corporate Governance — Management Members (as of August 2025)

Conditions for appointment of directors and corporate auditors

Due to the wide variety of human resource requirements that the Company seeks to satisfy in order to promote flexible, rapid business development, the Company has not set a particular policy for the appointment of director and corporate auditor candidates. To achieve the objectives of the business plan, we select candidates based on their career and experience. If we determine, however, that certain criteria are needed for future business development, we will give them consideration as we deem appropriate.

Conditions for appointment of outside directors and outside corporate auditors

By appointing two of the six directors and two of the three corporate auditors from outside the Company, we incorporate external knowledge independent of management. Outside directors have many years of experience in a wide range of financial instruments in international financial institutions. They also boast extensive experience working with a diverse range of personnel and have for many years been involved in the development and construction of IT systems, and have corporate experience in advancing DX. The Company appoints independent outside directors with a wealth of experience in a vast array of areas, including the promotion of women's activities and diversity. Outside auditors provide accurate advice based on their expertise and insight as CPAs or lawyers and are appointed to monitor management.

Skills and experience of our directors and corporate auditors

Our Board of Directors, which governs and supervises the Group as a holding company, consists of members with diverse perspectives, profound experience, and advanced skills that facilitate the development of sound, highly transparent corporate governance and internal controls, enabling the Board to govern the Group appropriately. The Company believes that the Board of Directors as a whole is equipped with the necessary skills.

We have created the following skills matrix with ◆ marking the particular skills and experience of each director and corporate auditor based on their individual knowledge, experience, and capabilities. This list is not an exclusive representation of each person's knowledge, experience, and capabilities.

On the Board of Directors as well, the Company will strive to further promote diversity and increase the proportion of female directors.

Skill	Definition
Corporate management/ management strategies	Experience at a listed company (or companies) or a company (or companies) equivalent to a listed company, or knowledge, experience, and capabilities related to corporate management and management strategies
Sales/ marketing	Sales experience and marketing knowledge, experience, and capabilities
M&A/finance/ accounting	Knowledge, experience, and capabilities in financial strategy, capital markets, accounting and finance in financial institutions, financial accounting or investment departments, professional positions
Global expansion	Knowledge, experience, and capabilities in international transactions and overseas business at international companies.
Diversity/ personnel development	Knowledge, experience, and capabilities relating to the promotion of the Group's diversity and human resources development
Legal affairs/ compliance	Specialist knowledge and experience as a lawyer, etc., or specialized knowledge relating to corporate legal affairs, laws and regulations, etc.
DX/ innovation	Experience, knowledge and capabilities related to DX and innovation

Name	Position	Classification	Career highlights	Start date	FY2024 Attendance: Board of Directors	FY2024 Attendance: Board of Corporate Auditors	Skills and experience: Corporate management/ management strategies	Sales/marketing	M&A/finance/ accounting	Global expansion	Diversity/ personnel development	Legal affairs/ compliance	DX/ innovation
 Yasutaka Kawamura	Chairman	Internal	Yasutaka Kawamura joined the Company in 1993. In 2007, he was appointed Representative Director and President of Hanamaru Inc., and in 2012, he was appointed Representative Director and President & CEO of the Company. Since 2014, he has served as Representative Director and President of YOSHINOYA CO., LTD. He was appointed Chairman in May 2025.	May 2025	18/18 (100%)		◆	◆			◆		
 Tetsuya Naruse	President & CEO	Internal	Tetsuya Naruse joined the Company in 1988. He was appointed Representative Director and President of Hanamaru, Inc. in 2012. Since 2018, he has served as CEO of ASIA YOSHINOYA INTERNATIONAL SDN. BHD. He was appointed President & CEO of the Company in May 2025.	May 2025	18/18 (100%)			◆		◆	◆		
 Norihiro Ozawa	Executive Vice President & CFO	Internal	After having gained experience working in other industries in the U.S., Norihiro Ozawa served as Chief Executive Officer of Seiyo Food-Compass Group Inc. (currently Compass Group Japan Inc.) before being appointed Representative Director, Executive Vice President & CFO of the Company in May 2025.	May 2025	18/18 (100%)		◆		◆	◆			
 Yoshihiro Maeda	Director	Internal	Yoshihiro Maeda joined Hanamaru, Inc. in 2001. Since 2014, he has been in charge of launching new businesses and business development overseas as Executive Officer of the Company. He was appointed Representative Director and President of Hanamaru, Inc. in March 2022. He was appointed Director of the Company in May 2024.	May 2024	14/14 (100%)			◆		◆			
 Daisaku Fujikawa	Outside Director	Outside	Daisaku Fujikawa joined the Industrial Bank of Japan, Limited in 1984. After working at UBS Securities Japan Co., Ltd., he moved to Citigroup Global Markets Japan Inc. in 2006. He was appointed Vice President of Citigroup Global Markets Japan Inc. in February 2019. He was appointed as an Outside Director of the Company in 2022.	May 2022	18/18 (100%)		◆		◆				
 Nobuko Sowa	Outside Director	Outside	Nobuko Sowa joined IBM Japan, Ltd. in 1985. After serving as General Manager of IBM Japan Services Company, Ltd., she was appointed Senior Delivery Executive, IBM Consulting of IBM Japan, Ltd. in 2022. She has served as a visiting professor at Osaka University since 2017. She was appointed as an Outside Director of the Company in 2023.	May 2023	18/18 (100%)						◆		◆
 Kaoru Tomiya	Corporate Auditor	Internal	Kaoru Tomiya joined the Company in 1993. After serving as Executive Officer and General Manager of the Group Legal Affairs Department and Representative Director and President of With Link Co. Ltd., he was appointed Corporate Auditor in 2022.	May 2022	18/18 (100%)	14/14 (100%)		◆				◆	
 Osamu Ohashi	Outside Corporate Auditor	Outside	Osamu Ohashi established Ohashi Certified Public Accountants in 1999. He has served as Representative Partner of ReEx Accounting Firm, a tax accounting firm, since 2004. He was appointed as an Outside Corporate Auditor of the Company in 2011.	May 2011	18/18 (100%)	14/14 (100%)			◆				
 Hitoshi Yokokura	Outside Corporate Auditor	Outside	Hitoshi Yokokura established Yokokura CPA Office in 2002. He was named Partner, Waseda Legal Commons, LPC in 2014. He was appointed as an Outside Corporate Auditor of the Company in 2023.	May 2023	18/18 (100%)	14/14 (100%)			◆			◆	

Sustainability

Corporate Governance — Approach and Structure

Basic approach to corporate governance

We have adopted "For the People" as our business philosophy and declared that all our business activities are conducted for the benefit of people. This is rooted in our recognition that a company is a public institution that exists to satisfy the needs of society and to contribute to people's happiness. "We will think for the benefit of people, give top priority to people, and be a company that is needed by people." We believe that enhancing management efficiency, soundness, and transparency is a key management issue. Achieving this will enable us to put our six core values into practice—"tasty, affordable, and fast," "greater number of customers," "originality," "integrity," "importance of human resources" and "challenges and innovation"—and continuously improve the corporate value of the Group, as well as to earn the trust of society as a company that recognizes the importance of compliance with laws and regulations and corporate ethics.

To this end, we will strive to maintain and develop positive relationships with our various stakeholders, including shareholders, customers, employees, suppliers, and local communities, while increasing management transparency through timely and proactive information disclosure to shareholders and investors. This will be accomplished through financial results briefings, IR activities in Japan and overseas, information disclosure on our website, and other means.

Efforts to date to strengthen governance

Institutional design
- **2007:** Transitioned to a holding company structure (company with Board of Directors and Board of Corporate Auditors)

Director
- **2007:** Introduced Executive Officer System (separation of supervision and execution)
- **2017:** Reduced term for directors to one year

Outside Directors
- **2008-2014:** One person
- **2015-:** Two persons (one female)

Outside Corporate Auditors
- **2008-2009:** Three persons
- **2010-:** Two persons

Internal control
- **2008:** Established Group Hotline
- **2009:** Established Group Risk Management Committee
- **2008:** Formulated basic policy for the establishment of an internal control system
- **2015:** Revised

Assessment of effectiveness of the Board of Directors
- **2017-:** Implementation
- **2021:** Conducted third-party evaluation
- **2024**

Nomination/ remuneration
- **2017:** Introduced the restricted stock-based remuneration plan
- **2021:** Changed the restricted stock-based remuneration plan
- **2017:** Executive Remuneration Advisory Committee
- **2018:** Executive Remuneration Advisory Committee
- **2021:** Remuneration Advisory Committee and Nomination Advisory Committee

Other
- **2008:** Introduced takeover defense
- **2009:** Launched disclosure of convocation notice in English
- **2011:** Updated
- **2014:** Updated
- **2015:** Introduced agreement limiting liability
- **2016:** Established fundamental policy on corporate governance
- **2017:** Updated / Revised
- **2018:** Launched electronic exercise of voting rights
- **2020:** Updated
- **2021:** Revised
- **2022:** Established Basic Sustainability Policy
- **2023:** Updated / Revised
- **2024:** Sustainability Promotion Committee

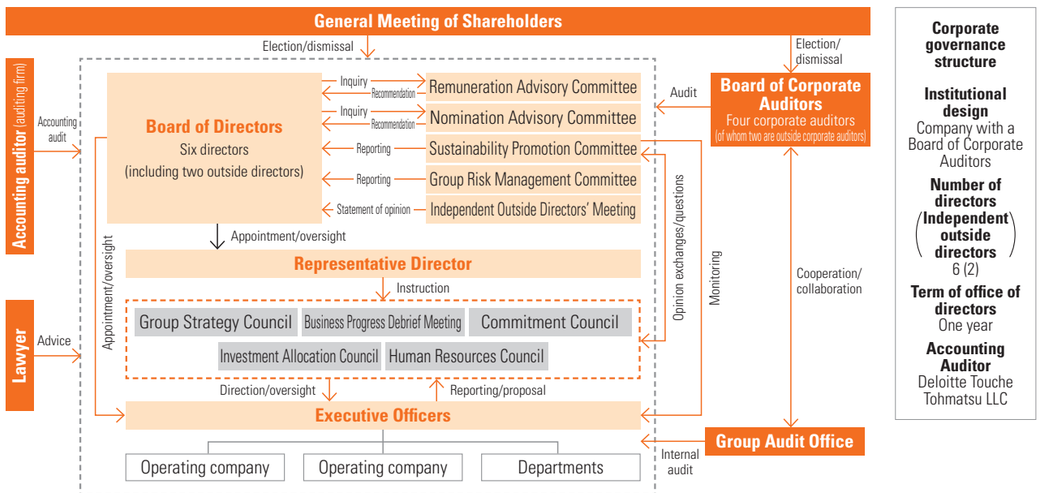
Background and characteristics of governance structure

Our Board of Directors is composed of individuals with expertise and considerable experience in the Group's industry. This includes general management, sales, financial accounting, marketing, and other specialties, giving maximum consideration to the perspective of diversity and ensuring that the Board suits the unique business characteristics of the Company. The Board of Corporate Auditors consists of people with knowledge of finance, accounting, and legal matters, including those with management experience, certified public accountants, and attorneys.

In addition, we have introduced an executive officer system, which separates management and execution, thereby accelerating decision-making at each of the Group's operating companies. Important matters are intensively discussed and examined by our directors and executive officers at Group Strategy Council meetings, Business Progress Debrief Meetings, Commitment Council meetings, and on other occasions.

The institutional design of each Group company is based on the premise of not having a Board of Directors, and flexible decision-making is carried out by the director or the executive officer in charge.

Corporate governance structure <FY2024>



Corporate governance structure

Institutional design
Company with a Board of Corporate Auditors

Number of directors (Independent outside directors)
6 (2)

Term of office of directors
One year

Accounting Auditor
Deloitte Touche Tohmatsu LLC

Remuneration Advisory Committee

The role of the Remuneration Advisory Committee is to deliberate on the determination of remuneration and related matters for directors and executive officers, as well as on the details specific to each individual, and report to the Board of Directors. Specific responsibilities include activities to ensure objectivity in the deliberation of individual details of remuneration for directors and executive officers by viewing them from a neutral perspective based on key management indicators. The Committee also confirms the suitability of each executive officer's rating and the appropriateness of their workload for their respective areas of work.

Nomination Advisory Committee

The Committee's role is to share the human resource requirements and candidates for management positions and to report to the Board on the anticipated appointment of candidates for directors and executive officers the Committee selects.

Commitment Council

Reports on the annual status of business, presents the management plan for the next fiscal year to the directors and executive officers, and commits to the president the numerical targets to be achieved by the subsidiaries or the general managers of each department and division.

Operation of the Board of Directors and committees <FY2024>

	FY2024 activities/major agenda items
❶ **Board of Directors** **Chairperson:** Yasutaka Kawamura **Number of members and composition:** 6 (internal directors: 4, outside directors: 2) **Key roles:** Actively discusses and exchanges opinions at monthly meetings on regular items for resolution, and by such means as convening committees and projects as needed **No. of meetings/average attendance rate:** 18 times/100% (directors: 100%, corporate auditors 100%)	In FY2024, 18 meetings were held and the attendance rate of directors was 100%. In March 2024, we launched a Sustainability Promotion Committee, reported on the progress of KPIs we set and the activities of the subcommittees for each KPI, and discussed how to achieve our goals. Moreover, after repeated discussions, the Board decided on the formulation of medium- and long-term management policies for group financing, allocation of investments, and optimizing the business portfolio. The Board worked to make speedy, prudent management decisions on the issues of the day.
❷ **Remuneration Advisory Committee** **Chairperson:** Daisaku Fujikawa **Number of members and composition:** 3 (Representative Director and President: 1, outside directors: 2) **Key roles:** Offers advice to strengthen the independence, objectivity, and accountability of the Board of Directors' functions with respect to directors' remuneration and related matters **No. of meetings/average attendance rate:** 10 times/100%	In FY2024, the Committee met ten times, with 100% attendance by Committee members. From the viewpoint of objectivity and transparency where executive compensation is concerned, the Committee discussed and reviewed the evaluation criteria and remuneration table for executive officers with the aim of achieving a balanced compensation level in accordance with each officer's area of business, social conditions, and market trends.
❸ **Nomination Advisory Committee** **Chairperson:** Yasutaka Kawamura **Number of members and composition:** 5 (Representative Director and President: 1, outside directors: 2, outside corporate auditors: 2) **Key roles:** Strengthen the independence, objectivity, and accountability of the Board of Directors' functions related to the nomination of the Representative Director and directors **No. of meetings/average attendance rate:** 2 times/100%	In FY2024, the Committee met twice, with 100% attendance by Committee members. The committee primarily discussed expanding the scope for selecting the next generation of management executives and shared revisions and additions to the desired profile of next-generation candidates. It further discussed the provision of growth opportunities through personnel reassignment of the candidates.
❹ **Independent Outside Directors' Meeting** **Chairperson:** Daisaku Fujikawa **Number of members and composition:** 4 (outside directors: 2, outside corporate auditors: 2) **Key roles:** Conducts free discussions on matters related to the Company's business and corporate governance, with independent outside directors and outside corporate auditors engaging in the necessary exchange of information and opinions and sharing of their awareness. **No. of meetings/average attendance rate:** 3 times/100%	In FY2024, the Committee met three times, with 100% attendance by Committee members. The Committee's discussions and opinion exchanges focused mainly on the Corporate Governance Code including the operation of the Board of Directors, as well as future growth strategy taking into account changes in the market environment, basic shareholder return policy, and human resource development policy. In response to points discussed at the Board of Directors meeting, the Committee further deliberated the issues to be reaffirmed and items to be proposed to the executive side.

Sustainability

Corporate Governance — Functional Effectiveness

Assessment of effectiveness of the Board of Directors

The Group performs self-assessments and analyses of the effectiveness of the Board of Directors with the aim of improving the functioning of the Board and, ultimately, enhancing corporate value. Since 2017, we have analyzed and evaluated the Board of Directors once a year at the end of the business period. Moreover, approximately once every three years, we conduct a survey with the advice of an external organization.

Going forward, we will improve the quality of the various deliberations at the Board of Directors' meetings to strengthen corporate governance and to consistently enhance corporate value.

1. Evaluation method and process

Method of implementation:
Self-evaluation based on questionnaires created by the Company (responses include scoring and free comments)
Time of implementation:
Fiscal year-end
Period covered:
Board of Directors' meetings for each fiscal year
The subject of evaluation:
Directors (including outside directors), corporate auditors (including outside corporate auditors)
Question items:
(1) Nature and composition of the Board of Directors
(2) Operation and discussions of the Board of Directors
(3) Board of Directors' monitoring function
(4) Performance of internal and outside directors
(5) Support structure and training for directors and corporate auditors
(6) Dialogue with shareholders and other stakeholders
(7) Initiatives undertaken by the subjects
(8) Operation of the Nomination Advisory Committee and the Remuneration Advisory Committee
(9) General overview

2. Overview of evaluation results and future initiatives

Based on the responses to the survey, we confirmed that our Board of Directors is of an appropriate scale with a diverse range of talent, and that active discussions have been held on various management issues. Moreover, we have confirmed that information is provided for discussion, and that sufficient time is allocated for discussion, at the Board of Directors. We have further confirmed that sufficient cooperation between the internal audit division and directors and corporate auditors, as well as mutual cooperation among independent outside directors and outside corporate auditors, is ensured. It is our view that the Board of Directors is provided with opportunities to appropriately function as a supervisory body and that there are no issues with its effectiveness.

In addition, we believe that our outside directors possess sufficient knowledge, experience, and capabilities. We hold the Independent Outside Directors' Meeting (chaired by an outside director), which comprises two outside directors and two outside corporate auditors, on a quarterly basis to exchange views on an ongoing basis on matters such as the Company's corporate governance, including the nature of the Board of Directors. The effectiveness of the Board of Directors of the Company has been determined to be assured.

Remuneration, etc. of directors and corporate auditors

Remuneration, etc. for directors and corporate auditors consists of and is paid in the form of fixed, performance-linked, and stock-based remuneration, based on the following points to ensure a sound system design conducive to sustainable growth.

- **The system must promote sustainable, medium- and long-term improvements in corporate value.**
- **The system must reflect short-term performance and strongly motivate achievement.**
- **The system and amount of money paid must be sufficient to attract and retain talented personnel.**
- **The system must be transparent, fair, and reasonable to stakeholders, and it must be established through appropriate processes to ensure this.**

The level of remuneration for directors and corporate auditors, as well as fixed, performance-linked, and stock-based remuneration, will be determined with reference to the level of remuneration for directors and corporate auditors at listed companies of similar size as the company in terms of market capitalization and sales and profit levels of the previous fiscal year, etc., while considering the various fundamentals of the company's business and management environment. The basic timing for revision of fixed, performance-linked, and stock-based remuneration is May, but remuneration is not necessarily revised every year.

Generally, the composition of remuneration for directors other than outside directors* is as follows.

Composition	Fixed remuneration	Performance-linked remuneration	Stock-based remuneration
Senior directors	60〜70%	15〜20%	15〜20%
Director	80%	10%	10%

*Calculation is based on the amount of basic remuneration.

Our stock-based remuneration plan provides for the issuance of stock as remuneration to directors, excluding outside directors, with transfer restricted until retirement from their positions. Our objective with the introduction of this system is to encourage our directors to further share value with our shareholders, reinforce their medium- to long-term commitment, and increase their intention to contribute to enhancing corporate value. For eligible directors, all monetary claims paid by the Company in accordance with this system will be transferred as property contributed in kind, and common shares of company stock will be issued or disposed of. The total amount of monetary claims to be paid to directors will be no more than 30 million yen per year (excluding the portion of employee salary for directors who serve concurrently as employees), and the timing and allocation of the payment will be determined by the Board of Directors.

Individual remuneration for directors is determined by the Remuneration Advisory Committee —consisting mainly of outside directors—based on the individual director's position, responsibilities, and performance during the applicable fiscal year. The Committee then submits its recommendations to the Board of Directors, which makes decisions on them.

Individual remuneration for corporate auditors is determined through discussions among the corporate auditors.

Succession plan concept

To perpetuate the Group's brand—with a history of 125 years—management must have a deep understanding of the Company's philosophy and put it into practice. We believe that developing next-generation management is the most significant responsibility of the current management team. As such, in March 2021, we established the Nomination Advisory Committee, chaired by the Representative Director and President with outside directors and outside corporate auditors as members.

With the objective of shaping governance in accordance with our company's unique value creation story toward sustainable future growth, we endeavor to clearly define requirements for management personnel, ensure transparency in the selection process, and share information on candidates and their skills and development issues through the Committee's operation.

This has strengthened the function of the Board of Directors in nominating the representative director and directors, while ensuring their independence, objectivity, and accountability.

With regard to the development of candidates for next-generation management brought to our attention by the Nomination Advisory Committee, we will provide growth opportunities through personnel reassignment, training, etc., and systematically promote their development. Moreover, we are revising our personnel and evaluation systems to expand the pool of talented young management candidates.

Internal control system

We are striving to strengthen and enhance the internal control system throughout the Group from the perspective of ensuring management transparency and efficiency, legal and regulatory compliance in our corporate activities, and appropriate risk management.

As a system to ensure that the execution of duties by directors and employees is in compliance with applicable laws, regulations, and the Articles of Incorporation, our business philosophy and action guidelines are shared and practiced at each Group company. Furthermore, internal training is conducted to ensure compliance with laws, regulations, and the Articles of Incorporation and to ensure thorough adherence to corporate ethics. Concerning financial reporting, we have established internal accounting rules to properly prepare financial reports in accordance with laws and regulations and evaluate and improve their implementation and operation status in line with annual plans.

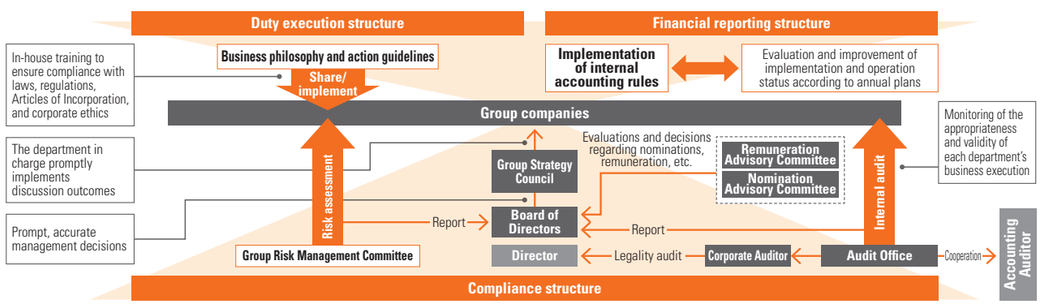
The Group Risk Management Committee is responsible for evaluating the status of compliance and risk management and reports to the Board of Directors.

In addition to monthly meetings, the Board of Directors meets as necessary, and meetings including those of the Group Strategy Council are also held with the purpose of supplementing prompt and accurate management decisions. The departments in charge then promptly implement the decisions resulting from discussions at these meetings. The Audit Office then conducts internal audits of the Company or each Group company in accordance with the audit plan approved by the representative director. The results of audits conducted by the Audit Office are reported to the president, the executive director in charge of the relevant division, and the corporate auditors at the Audit Report Meeting. Moreover, our directors and executive officers concurrently serve as directors and corporate auditors of each Group company. Through this and other means, they keep abreast of the decision-making and business operations of the subsidiaries, thereby ensuring appropriate supervision.

Corporate auditors audit the legality of operational execution by directors in accordance with the audit plan formulated by the Board of Corporate Auditors. In addition, corporate auditors attend meetings of the Board of Directors and other important meetings to receive reports on important matters. In conducting audits, corporate auditors exchange opinions and cooperate with the Audit Office and the accounting auditor.

Moreover, we have the Remuneration Advisory Committee and the Nomination Advisory Committee as voluntarily established advisory bodies to the Board of Directors. The supervisory function has been strengthened by further clarifying and objectifying the evaluation and decision-making process regarding the nomination, remuneration, and other matters concerning directors, leading to further improvement of the internal control system as well.

Internal control system of Yoshinoya Holdings (as of August 2025)



Sustainability

Compliance

Basic approach to compliance

As seen in the spirit of the Group's business philosophy "For the People" and as a company that can contribute to people around the world through business activities, we have positioned compliance as a top priority. We will also comply with corporate ethics and practice risk management based on the spirit of the Group Charter of Corporate Behavior.
The management of each Group company will take the initiative in implementing the above and ensure that all employees possess a full awareness of the Charter to ensure that they strictly comply with corporate ethics.
In the event of a violation of the Group Charter of Corporate Behavior, the management of each Group company will investigate the cause and strive to prevent recurrence, promptly and accurately disclose information to fulfill our accountability, and take strict disciplinary action against violators including ourselves if applicable.

Yoshinoya Holdings Group Charter of Corporate Behavior
https://www.yoshinoya-holdings.com/english/csr/management/compliance/

Promotion system and structure

A meeting of the Risk Management Office personnel is conducted on a monthly basis, consisting mainly of persons in charge of compliance in each Group company.

Tasks performed at the meeting include exchanging information on risk management, compliance activities, and the operation of the whistleblowing system. These tasks help identify important issues that should be given priority and examine basic policies and concrete measures for dealing with these issues. On-site improvements are sought by feeding back such information to the relevant division of each company, thereby promoting the compliance system within the Group in an integrated manner.

In addition to a point of contact for whistleblowing established at each company, we have the Group Hotline in place, serving as a common point of contact for all Group employees. Yoshinoya Holdings' self-cleansing function within its organization is boosted by operating such points of contact in an appropriate manner while making the objectives and method of using the internal reporting system understood and widely known among employees through the Group Compliance Guide, posters, internal newsletters, and other means.

Compliance education

We promote on-site knowledge education and actual activities by distributing our Group Compliance Guide to all employees at Group outlets and at headquarters, including directors and corporate auditors, as a tool for compliance education. By doing so, we are striving to spread compliance across the entire workplace. The Group Compliance Guide is revised every three years in response to the enactment, amendment, or repeal of laws, regulations, and other rules as well as changes in social conditions and the environment, and is distributed to employees.

Moreover, we regularly conduct compliance training targeting different employee groups, such as officers, managers, and new Group employees, to raise awareness of compliance among all employees. For outlet staff members, we are working to deepen their understanding of the importance of compliance through compliance videos, internal newsletters, and notices. We are also focused on raising awareness of compliance practices in their daily operations with regard to such issues as food safety and security, human rights, harassment, and the use of social media platforms, all of which have also been of great social concern. In particular, we recognize that food safety and security is the most important issue in light of the characteristics of the Group's business, and are working to ensure that all Group employees thoroughly comply with standards, manuals, and guides to deliver appropriate products and services.

Furthermore, the topic of compliance is included in the coverage of our internal qualification examination as a means of confirming that employees have acquired compliance-related knowledge.

Internal reporting system

A Group Hotline has been established within the Company as a contact point for internal reporting. In the event of a whistleblower report, the Legal Affairs Department either instructs the relevant department of each company to investigate and respond to the report, or investigates and responds to the report itself. The department then reports back to the whistleblower on how the matter has been dealt with, and confirms whether corrective action has been taken. The contents of these reports are reported to the Board of Directors on a quarterly basis through the Group Risk Management Committee as part of updates on the status of system operation. Moreover, each Group company has its own whistleblower hotline.

We have established a comprehensive system to ensure the protection of the anonymity of whistleblowers and those who cooperate in investigations and that they are not treated unfavorably. We regularly report and manage report details and response status. The Company and each Group company have established whistleblower regulations in accordance with Japan's Whistleblower Protection Act and manage them appropriately.

Risk Management

Basic approach to risk management

In order to achieve sustainable growth, Yoshinoya Holdings endeavors to establish and improve risk management systems so that it can identify various risks that may hinder the achievement of its business objectives at an early stage and take appropriate measures to counter them, while at the same time dealing promptly and appropriately with risks as they arise.
Our initiatives to this end are based on the policy of compliance with laws, regulations, the Articles of Incorporation, the Group Charter of Corporate Behavior, and various company regulations. Under the supervision of the Group Risk Management Committee, we identify risks in the light of developments in the legal systems and the social environment and take appropriate preventive measures. If a significant risk materializes, we respond appropriately to minimize the damage and consider and implement effective measures to prevent recurrence.

Risk management system and structure

The risk management system is overseen by the Group Risk Management Committee, which formulates policies and issues instructions to be followed regarding important risks that may affect the entire Group. The Committee is chaired by the Representative Director and President of the Company.

The system is designed to ensure that each department manager of the Company identifies, classifies, evaluates, and effectively manages our potential risks. In subsidiaries and other entities, this is carried out by the corresponding risk management organization or the person responsible.

Each department manager, subsidiaries, and other entities report quarterly on the status of risk management and events that occurred to the Group Risk Management Committee, which then reports to the Board of Directors.

If a significant risk materializes, it is promptly reported to the chairperson of the Committee, who in turn convenes a meeting of the Group Risk Management Committee and gives instructions to the secretariat. Information management in a "Level 2 (warning)" or higher situation—which requires an emergency response—will be carefully reviewed in coordination with regulatory authorities, related organizations, and each department as necessary, and appropriate measures to be taken.

Risk identification and response criteria

We have identified a total of 24 risks: 12 external environment risks and 12 operational risks that may affect the performance, financial condition, stock price, and other aspects of the Company, its subsidiaries, and other entities. Five of these risks—reputational risk; natural disaster risk; legal, regulatory, and business practice risk, which are categorized as external environment risks, food safety risk, and accident risk, which are categorized as operational risks—are positioned as particularly important matters that require urgent risk communication and information gathering.

If and when these risks materialize, we will take prompt and appropriate action as instructed by the Group Risk Management Committee.

The response criteria are classified into three levels: Level 1 (caution), which calls for a standard response; Level 2 (warning), which requires an emergency response; and Level 3 (critical), which mandates a company-wide response.

However, these criteria are not absolute, and we will always respond with the principle of stakeholder protection as the number one priority.

External environment risk	
Raw material procurement	**Natural disasters**
Capital procurement	Brand
Market	**Laws, regulations, business practices**
Competitors	Environment
Customers	Country
Reputation	Climate change

Operational risk	
Decision-making information	**Accidents**
Food safety	Disputes
Financial reporting	Suppliers
Impairment	Compliance
Information system	Personnel
Products/services	Shareholders

■ Urgent and critical risks

Level 1	Caution	**Standard response** ● Losses relatively minor and limited in scope
Level 2	Warning	**Emergency response** ● Single occurrence with significant impact ● Expanded scope of loss due to multiple occurrences ● Potential media coverage
Level 3	Critical	**Company-wide response** ● Particular need for risk communication ● Significant social impact

Sustainability

Stakeholder Engagement

We have established a set of promises to share the value attained through co-creation and to grow together with all stakeholders involved in the Group's corporate activities.

	Promise	Primary methods of engagement	Actual results for FY2024
Customers	We will continue provision of originality-rich products and services to satisfy as many customers as possible.	● Communication at outlets ● Customer service center ● Customer survey ● Website, social media	**Under the policy of customer acquisition, we aggressively promoted initiatives to heighten customer satisfaction and broaden its customer base.** **Yoshinoya** ● 35 openings and 80 renovation conversions of C&C model outlet implemented ● Strengthen sales promotion through Beef Bowl Festival and IP collaboration ● Bolstered sales of *karaage* fried chicken, positioned as the second pillar of the company's business ● Sales of seasonal menu items such as Oyakodon and Beef Sukiyaki Set meals **Hanamaru** ● Implemented campaign measures such as Tempura Commuter Pass ● Sales of seasonal menu items such as Cold Tantan udon
Employees	Respect employee individuality and independence, impartially create opportunities, and share a sense of achievement in work and a sense of fulfillment in life. By continuously improving the work environment and elevating the social status of the Company, we will become a company in which employees and their families can be proud of.	● J-yoshinoya*1 (Yoshinoya) and Life Work Balance (LWB) Project*2 (Hanamaru) activities ● Employee training ● Corporate Culture Improvement Committee activities ● Organizational culture assessment ● Hold store managers' meetings (employee assemblies) twice a year ● Hold roundtable discussions between the President & CEO and store managers ● Internal newsletter ● Conduct regular health checks ● Internal reporting system and whistleblower hotlines	**We implemented initiatives to contribute to promotion of diversity and inclusion.** **Practice diversity and inclusion** ● J-Yoshinoya: 2 times ● Percentage of female employees: 21.6% ● Percentage of women in management positions: 12.5% **Develop human resources and support career development** ● Internal contests over service and operational quality **Promote a good work-life balance** ● LWB Project: 10 times
Suppliers	Maintain good relationships with suppliers and continue to offer opportunities to acquire appropriate profits.	● Supplier audits ● Discussion on the status of response to human resources and labor issues when selecting business partners ● Communication with producers ● Participation in the White Logistics Movement	**We worked to ensure stable procurement by bolstering our supply chain risk management and communication with suppliers.** ● Supplier audit participation ratio: 92%
Shareholders	Strive to grow our business through sound corporate governance with capital efficiency and proactive information disclosure in mind and appropriately return profits to shareholders.	● Financial results briefing ● Meetings with analysts and investors ● Shareholders' Meeting ● Corporate website ● Shareholder survey ● Shareholder benefit program	**We undertook IR activities that contribute to improving engagement with shareholders and formulated a sustainability promotion structure.** **Reinforce IR activities** ● Implement shareholder survey **Increase in annual dividend per share** ● 18 yen → 20 yen **Sustainability promotion** ● Sustainability Promotion Committee: 4 times
Society	Fulfill our social responsibility as a corporate citizen by practicing sustainable business activities for protection of the global environment and resources and by giving back to the local community and participating in social welfare activities.	● Environment-friendly business operations ● Social contribution activities ● Disaster support	**We worked to reduce environmental impact at our factories and undertook activities to contribute to local communities nationwide.** ● Received the Vice-Minister of the Environment Award for upcycling of off-spec onion scraps that would otherwise be discarded during food processing, as well as the creation of a sustainable scheme. ● Implemented support for children's cafeterias: Yoshinoya 81,992 meals, Hanamaru 1,721 meals ● Regular First Aid Training Sessions as part of the Life Baton Project ● Yoshinoya Gyudon Recreation won the 54th Food Industry Technology Achievement Award in the Marketing Category ● Beef and Steamed Vegetables Combo Bowl product, which has received Smart Meal® certification, won the Award of Excellence from the Director-General of the Public Health Bureau, Ministry of Health, Labour and Welfare in the area of lifestyle-related disease prevention

*1 J-Yoshinoya: A project that leverages the perspectives of women in an aim to foster a workplace environment where everyone is able to work comfortably. We actively promote the advancement of women by encouraging them to make their own proposals and communicate.

*2 LWB Project (Life Work Balance Project): A project that aims to foster a workplace where all employees are able to work with peace of mind. As part of the project, the Company promotes the use of days off, reduces overtime work, and actively supports childcare leave and nursing care leave for male employees. We promote a workplace where employees can easily balance family and work.

Examples of initiatives

Engagement with investors

One of our basic corporate governance policies is to engage in active dialogue with investors.

Dialogue with institutional investors is led by members of the IR staff of the Group Planning Division and is conducted through financial results briefings and 120 individual meetings per year. From FY2022 onward, we have disseminated information to a broad range of investors via real-time online distribution of the General Meeting of Shareholders and financial results briefings.

In individual meetings, we engaged in a vigorous exchange of views with institutional investors on the progress of the Medium-term Management Plan and management strategies. The details of these meetings are documented and regularly reported to the Board of Directors to share with management. We will continue to engage with investors to incorporate market feedback into our management, which should contribute to achieving sustainable growth.

Shareholder benefit program

We have a shareholder benefit program in place with the purpose of encouraging our shareholders to use the Group's products, to deepen their understanding of our business, and to further support us as fans of the Group. Under this program, shareholder meal coupons are issued to eligible shareholders at the end of February and August every year according to how many shares they own, allowing them to enjoy meals at the Group's outlets in Japan. (You can see a list of outlets where these coupons are redeemable on our corporate website.)



*Example of our set of assorted products

In addition, shareholders who hold 200 or more shares can also exchange their shareholder meal coupons for a set of assorted Group products instead of using the coupons at an outlet by applying before the exchange deadline.

← Shareholder meal coupons
Scan QR code for a list of outlets where shareholder meal coupons are redeemable. (Japanese only)

Scan QR code for details of the shareholder benefit program. (Japanese only) →

Data Section

Financial Data for the Last 11 Years

Fiscal year (Millions of yen)	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Net sales	180,032	185,738	188,623	198,503	202,385	216,201	170,348	153,601	168,099	187,472	204,983
Operating income	3,515	1,613	1,865	4,019	104	3,926	(5,335)	2,365	3,434	7,973	7,306
Ordinary income	3,993	2,345	2,750	4,604	349	3,369	(1,964)	15,642	8,741	8,606	7,995
Net income (loss) attributable to owners of the parent	941	837	1,248	1,491	(6,000)	713	(7,503)	8,116	7,234	5,604	3,803
Depreciation and amortization	5,088	5,433	5,915	6,286	6,700	7,715	7,191	6,292	6,138	6,262	6,830
Capital expenditure	8,453	12,879	11,373	10,749	12,091	14,613	5,236	4,547	8,108	11,431	14,924
Cash flows from operating activities	11,833	433	10,104	9,374	2,830	14,038	2,722	23,442	7,245	20,071	13,304
Cash flows from investing activities	(9,201)	(12,365)	(6,526)	(8,379)	(9,034)	(8,453)	(5,168)	(333)	(4,014)	(8,307)	(14,398)
Cash flows from financing activities	5,595	3,843	1,085	(4,200)	2,461	288	17,810	(26,042)	(14,196)	(8,957)	(5,973)
Cash and cash equivalents at end of year	26,858	18,498	22,941	19,573	15,660	21,500	36,796	34,211	23,396	26,275	19,524
End of fiscal year (Millions of yen)											
Total assets	108,658	111,292	114,947	115,613	112,685	126,167	131,921	112,214	108,230	112,936	119,113
Net assets	58,938	57,733	57,209	57,807	50,025	48,385	40,142	48,741	55,603	60,849	64,813
Other data											
Net assets per share (yen)	921.01	891.04	879.46	887.13	765.73	739.76	612.50	743.85	852.07	932.99	991.79
Basic earnings (loss) per share (yen)	16.24	13.10	19.35	23.11	(92.94)	11.04	(116.09)	125.54	111.86	86.63	58.78
Dividend per share (yen)	20	20	20	20	20	20	—	10	10	18	20
Equity ratio (%)	53.7	51.7	49.4	49.5	43.9	37.9	30.0	42.9	50.9	53.4	53.9
Return on equity (ROE) (%)	1.9	1.4	2.2	2.6	(11.2)	1.5	(17.2)	18.5	14.0	9.7	6.1

Analysis and explanation of operating results

Sales and profit

Group net sales totaled 204,983 million yen (year on year +9.3%), and operating income was 7,306 million yen (year on year -8.4%). The domestic business saw increased revenue because of growth in sales at existing outlets driven by developing sales measures and seasonal products at each business, in addition to an increase in the number of outlets through new openings. And, though increases in minimum wages and changes of Yoshinoya's uniform led to higher costs, revenue growth offset these increases, resulting in higher profits. The overseas business was significantly impacted by higher labor costs owing to a substantial minimum wage increase in the United States (California) and the economic downturn in China, which led to a decline in the food service industry profits. Moreover, the addition of Takara Sangyo, which possesses ramen ingredient manufacturing and development capabilities, to the Group contributed to higher net sales and operating income.

Total assets, liabilities, and net assets

Total assets at the end of the current fiscal year increased by 6,176 million yen compared with the end of the previous fiscal year to 119,113 million yen. This was mainly attributable to a 10,757 million yen increase in property, plant and equipment as a result of aggressive investment in opening and renovating outlets, and M&A. As a result of using our own funds for these growth investments, cash and deposits fell by 6,774 million yen. Due to securing net income, however, net assets increased by 3,963 million yen to 64,813 million yen, and the equity ratio rose by 0.5% to 53.9%. Additionally, as a result of the repayment of loans payable, the debt-to-equity ratio was down 0.03, maintaining a high level of safety.

Cash flows

Cash and cash equivalents at the end of the fiscal year under review decreased by 6,750 million yen compared with the end of the previous fiscal year to 19,524 million yen, after taking into account the effect of exchange rate change. Net cash provided by operating activities amounted to 13,304 million yen, a decrease of 6,767 million yen compared with the previous fiscal year. The main factors included a decrease of 1,895 million yen owing to a decrease in income before income taxes, a decrease of 1,506 million yen because of an increase in trade receivables, a decrease of 3,011 million yen due to an increase in income taxes paid, and a decrease of 1,301 million yen due to a decrease in proceeds from subsidy income. Net cash used in investing activities amounted to 14,398 million yen, a decrease of 6,090 million yen compared with the previous fiscal year. The main factors included a decrease of 3,974 million yen due to an increase in purchase of property, plant, and equipment, and a decrease of 2,678 million yen due to an increase in purchase of shares of subsidiaries resulting in change in scope of consolidation. Net cash used in financing activities amounted to 5,973 million yen, an increase of 2,983 million yen compared with the previous fiscal year. The main factors included an increase of 1,993 million yen due to a net increase in short-term loans payable and an increase of 1,251 million yen due to repayment of long-term loans payable, among others.

Data Section

Company Profile/Stock Information (as of February 28, 2025)

Company Profile (as of May 27, 2025)

Company Name	YOSHINOYA HOLDINGS CO., LTD.
Established	December 27, 1958
Paid-in Capital	10,265 million yen
Head Office	18F Daiwa Rivergate, 36-2 Nihonbashihakozakicho, Chuo-ku, Tokyo, 103-0015, Japan
President & CEO	Tetsuya Naruse
Executive Vice President & CFO	Norihiro Ozawa
Stock Exchange	Tokyo Stock Exchange Prime Market
Securities Code	9861

Major Consolidated Subsidiaries

YOSHINOYA CO., LTD.

Hanamaru, Inc.

YOSHINOYA AMERICA, INC.

YOSHINOYA China Holdings Co., Ltd.

ASIA YOSHINOYA INTERNATIONAL SDN. BHD.

Directors and Corporate Auditors (as of May 27, 2025)

Chairman	Yasutaka Kawamura	**Corporate Auditor**	Kaoru Tomiya
President & CEO	Tetsuya Naruse	**Corporate Auditor**	Osamu Ohashi*
Executive Vice President & CFO	Norihiro Ozawa	**Corporate Auditor**	Hitoshi Yokokura*
Director	Yoshihiro Maeda		
Director	Daisaku Fujikawa*		
Director	Nobuko Sowa*		

*Outside Directors/Outside Corporate Auditors

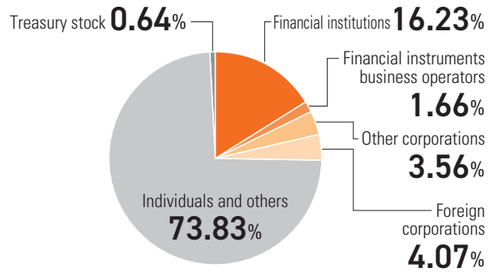
Number of Employees

Yoshinoya	10,150	[Male:	5,211,	Female:	4,939]	
Hanamaru	2,466	[Male:	943,	Female:	1,523]	
Overseas	2,718	[Male:	1,268,	Female:	1,450]	
Other	1,183	[Male:	711,	Female:	472]	
Corporate	733	[Male:	432,	Female:	301]	
Group total	17,250	[Male:	8,565,	Female:	8,685]	*including part-time workers

Stock Overview

Total number of shares authorized to be issued:	160,000,000
Total number of shares issued and outstanding:	65,129,558
Number of shareholders:	297,845

Composition of Shareholders by Type

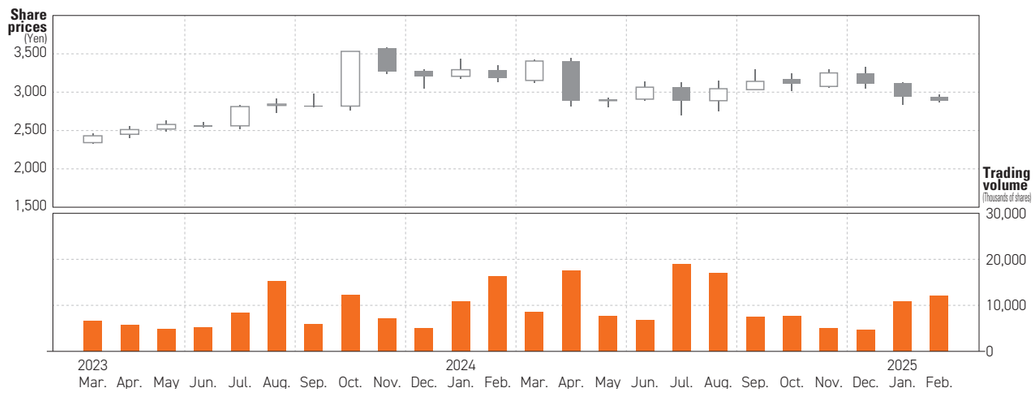


Major shareholders (10 largest shareholders)

Shareholders name	Number of shares owned	Proportion of shares owned (%)
The Master Trust Bank of Japan, Ltd.	7,420,300	11.47
Custody Bank of Japan, Ltd.	2,445,500	3.78
Kisshokai	808,800	1.25
Taiju Life Insurance Co., Ltd.	558,600	0.86
Daiwa Securities Co., Ltd.	381,808	0.59
STATE STREET BANK WEST CLIENT - TREATY 505234	372,300	0.58
HANEWFOODS INC.	326,800	0.50
Suntory Spirits Limited	278,000	0.43
Kokubu Group Corp.	230,000	0.36
Yoshinoya Holdings employee stock ownership plan	214,120	0.33

*The company holds 415,302 shares of treasury stock but is excluded from the above list of major shareholders.

Trends in Share Prices and Trading Volume



For the People

YOSHINOYA HOLDINGS

https://www.yoshinoya-holdings.com/english/

