

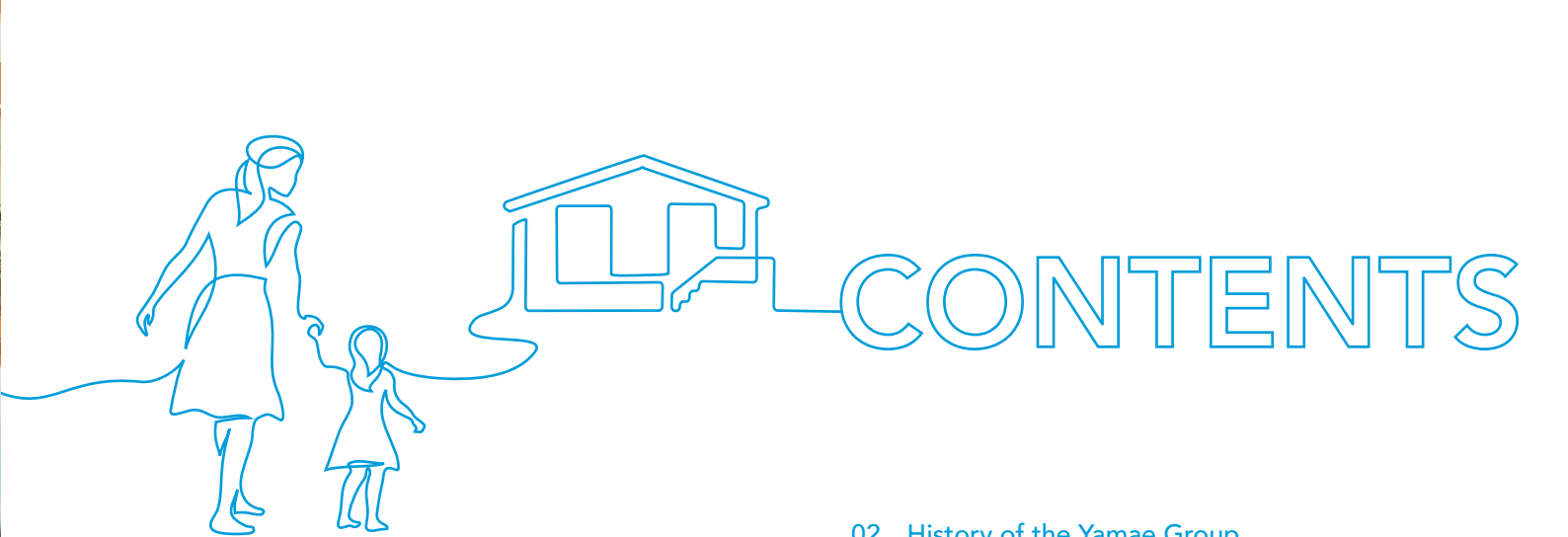
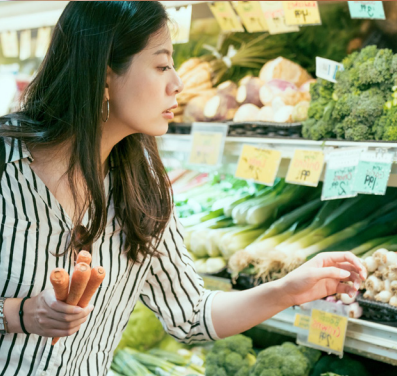


YAMAE GROUP HOLDINGS CO., LTD.
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TEL: 092-412-0711
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Integrated Report 2024





Basic Management Philosophy

Fully understanding the public nature of the industry, we will strive to improve profitability through a highly efficient sales structure with the goal of serving society through the development of the Group's business.

Yamae Group Philosophy

The Yamae Group will continue to contribute to the development of local communities and the realization of a sustainable society by connecting people, companies, and society to provide our customers with diverse abundance and lifestyles.



Editorial Policy

The YAMAE GROUP HOLDINGS Integrated Report has been designed for shareholders, investors, and other stakeholders. Viewing it as a communication tool for engaging in dialogue with all of our stakeholders, we have prepared this report with the aim of presenting, in a clear and coherent manner, our initiatives for achieving sustainable growth in both financial and non-financial terms, such as our environmental, social, and governance initiatives. In accordance with these objectives, we referenced the approaches of the Ministry of Economy, Trade and Industry's Guidance for Collaborative Value Creation and the International Integrated Reporting Council's International Integrated Reporting Framework in the production of this report.



Forward-Looking Statements

The forecasts for YAMAE GROUP HOLDINGS' future business results within this report reflect the current analysis of the Company based on information available at the time of preparation. Readers are cautioned that actual business results and other outcomes may differ from these forecasts due to a variety of factors, including economic trends and the Company's operating environment.
Period under Review: Fiscal year ended March 2024 (April 1, 2023–March 31, 2024)

YAMAE GROUP HOLDINGS Website



Website homepage
<https://www.yamaegroup-hd.co.jp.e.atq.hp.transer.com/>
Contains the latest information on YAMAE GROUP HOLDINGS, its business activities, and employment opportunities.



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History of the Yamae Group

Originally Founded as a Small Wholesale Store in Kyushu



The roots of the Yamae Group date back to 1930 when Shizuo Kodama took over his family's small wholesale business engaged in the sale of rice, fertilizer, and miscellaneous goods in Kobayashi City, Miyazaki Prefecture, one of the seven prefectures on the island of Kyushu (Japan). Later, the business began producing starch amidst the continued turmoil and supply shortages that Japan experienced after World War II. In 1950, Kobayashi Enatsu Shoten (limited partnership), the family business which our founder took over, was absorbed through a merger, resulting in the name of the business being changed to Enatsu Shoten Co., Ltd. This company expanded its business to include the production and sale of miso and soy sauce, wholesale of fertilizer, alcoholic beverages, sugar, food, and miscellaneous goods, and wheat and barley cleaning and polishing.

Becoming a Wholesaler That is Indispensable to People's Lives



In 1956, Enatsu Shoten obtained exclusive rights from Nisshin Flour Milling Co., Ltd. to sell flour in Kyushu. In 1958, the company established its Feed Division and began sales of compound feed. It also began its lumber business, which included the export of lumber to Okinawa, and expanded its operations to include transactions encompassing all types of housing materials. Enatsu Shoten also entered the distribution market and helped develop the local infrastructure in step with Japan's rapid economic growth. In 1968, the head office of Enatsu Shoten was moved to Fukuoka City, and the company expanded its business as a wholesaler that is indispensable to people's lives.

Accelerating Business Expansion Based on a Strengthened Management Foundation



In 1969, Yamae Oil Co., Ltd. (our corporate form at the time) merged with Hisano Shokuryo Co., Ltd., a company with operations based in Kitakyushu City, to become YAMAEHISANO Co., Ltd. This allowed us to acquire a stronger management foundation. In 1971, with the opening of the Kyushu Expressway and the improvement of the transportation infrastructure in Japan, YAMAEHISANO Co., Ltd. expanded its departments to include food, sugar/flour, and alcoholic beverage departments. Later, it was listed on the Fukuoka Stock Exchange in 1974.

Expanding Business throughout Japan and Overseas with Kyushu Serving as the Base of Operations



In 1979, when the convenience store chain 7-Eleven opened its first Kyushu locations, YAMAEHISANO Co., Ltd. was responsible for the supply and delivery of various products sold at each store. It also became involved in product development. In 1986, YAMAEHISANO established a fresh and frozen food department. It enhanced its low-temperature warehouses and distribution network to enhance business in the food field, which requires temperature control capabilities and daily delivery functions. From its base of operations in Kyushu, YAMAEHISANO expanded its business throughout Japan and overseas. In 2020, YAMAEHISANO Co., Ltd. was listed on the first section of the Tokyo Stock Exchange and transitioned to becoming a Group company under YAMAE GROUP HOLDINGS CO., LTD. in 2021.

Four Businesses That Connect People's Lives

Food Business

Sales of processed foods for general consumer use, confectioneries, alcoholic beverages, frozen foods, etc., production of boxed lunches, production of *shochu*, production, processing, and sale of agricultural and marine products, food and beverage delivery service, etc.

Sugar/Flour, Feed, and Livestock Business

Sales of food ingredients, feed, livestock products, and marine products, livestock farming, etc.

Housing and Real Estate Business

Sales of housing construction materials, housing equipment, lumber, etc., construction, real estate sales/leasing, etc.

Other Group Businesses

Transport Business, Fuel Business, Rental Car Business, Information Processing Service Business, etc.

71%

15%

11%

3%

* Proportion of Sales by Business Segment (fiscal year ended March 31, 2024)



Shizuo Kodama Founder

Placing importance on the concepts of focusing consistent efforts on profitable businesses, being a trustworthy person by always being honest and sincere, and giving consideration to how transportation costs affect business, our founder, Shizuo Kodama, taught his employees the principles listed on the right. These teachings have been passed down from generation to generation.

- Cherish the spirit of gratitude
- Improve your personality, character, and insight
- Be healthy both mentally and physically
- Have a solid view of life and goals in life
- Do not neglect human resource development
- Try to improve yourself
- Follow the commercial path
- Keep in mind that the Company is a public institution of society
- Enhance our wholesaler functions
- Strengthen ability to conduct management through figures
- Cherish capital
- Move forward with efforts to develop new businesses
- Establish a long-term vision and take on challenges
- Actively promote the development of new businesses and products

From the Teachings of Our Founder Shizuo Kodama

Becoming an important partner
by being a one-stop supplier that offers
a wide range of products and unique support



The Yamae Group Provides Comprehensive Support for Integrated Distribution

Retail Support

Fixed-Temperature Delivery and Joint Delivery

Quality Control and Product Development

Single-Family Home Orders

As a provider of comprehensive distribution support, the Yamae Group is united in its efforts to contribute to the development of the entire supply chain. At the same time, as a corporate group that produces businesses from the upstream to the downstream across all sections of the supply chain, we are building a sales system that leverages our comprehensive strengths. In addition to the basic functions of a wholesaler, we provide comprehensive support functions that are unique to the Yamae Group, such as providing proposals that meet the various needs of those involved in the supply chain and ideas for optimizing the entire supply chain, making us an important partner for our customers.

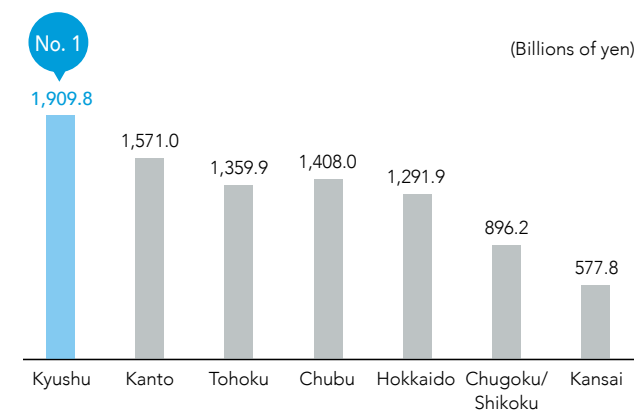
Expanding Business Nationwide Utilizing Our Brand Strength Developed in Kyushu, a Region of Japan Synonymous with Food

Kyushu Supports Japan's Food Culture

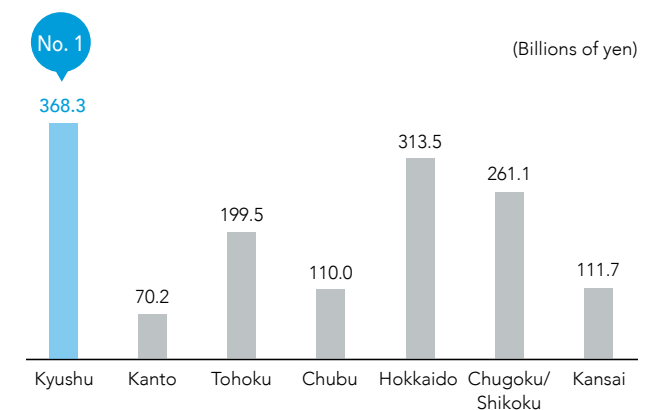
Based in Kyushu, also known as Japan's food base, the Yamae Group has built relationships with its business partners by providing unique support functions. We now have a system that allows us to discover and cultivate local products in Kyushu from around 10,000 suppliers and ensure quality and stable supply.

In the future, we will leverage our brand strength developed in Kyushu, a region of Japan synonymous with food, as well as our trusting relationships with business partners to spread products produced in Kyushu throughout Japan and develop business together with local communities.

Total Value of Agricultural Production by Region



Total Value of Fishing Industry Production by Region



Source: 2022 Agriculture, Forestry and Fisheries Statistics (Total Value of Fishing Industry Production by Region)
2022 Agriculture, Forestry and Fisheries Statistics (Total Value of Agricultural Production by Region)

Expanding Our Business from Kyushu throughout Japan and Overseas

The Yamae Group is working to expand its business areas by actively pursuing strategic M&A. The share of our sales outside Kyushu increased from 24% in FY2016 to 50% in FY2023.

In addition, amid growing interest in washoku (traditional Japanese food), which has been registered as a UNESCO Intangible Cultural Heritage, due to increased health consciousness, the Yamae Group has been promoting the overseas sales and marketing of traditional Japanese food products in collaboration with local manufacturers in Kyushu.



The Warai Sushi Project

In 2018, we opened our first Warai Sushi location within a supermarket in Milan, Italy. In 2020, we started to produce pre-packaged sushi at our central kitchen. In addition to the 30 Warai Sushi locations that we currently operate, the number of stores selling food products produced at our central kitchen has expanded to around 300.

CEO MESSAGE



As a provider of comprehensive distribution support, the Yamae Group will continue to connect people, companies, and society.

網田 日英人
Chairman, Representative
Director, and CEO

Continuing to Move Forward through Assertive Management

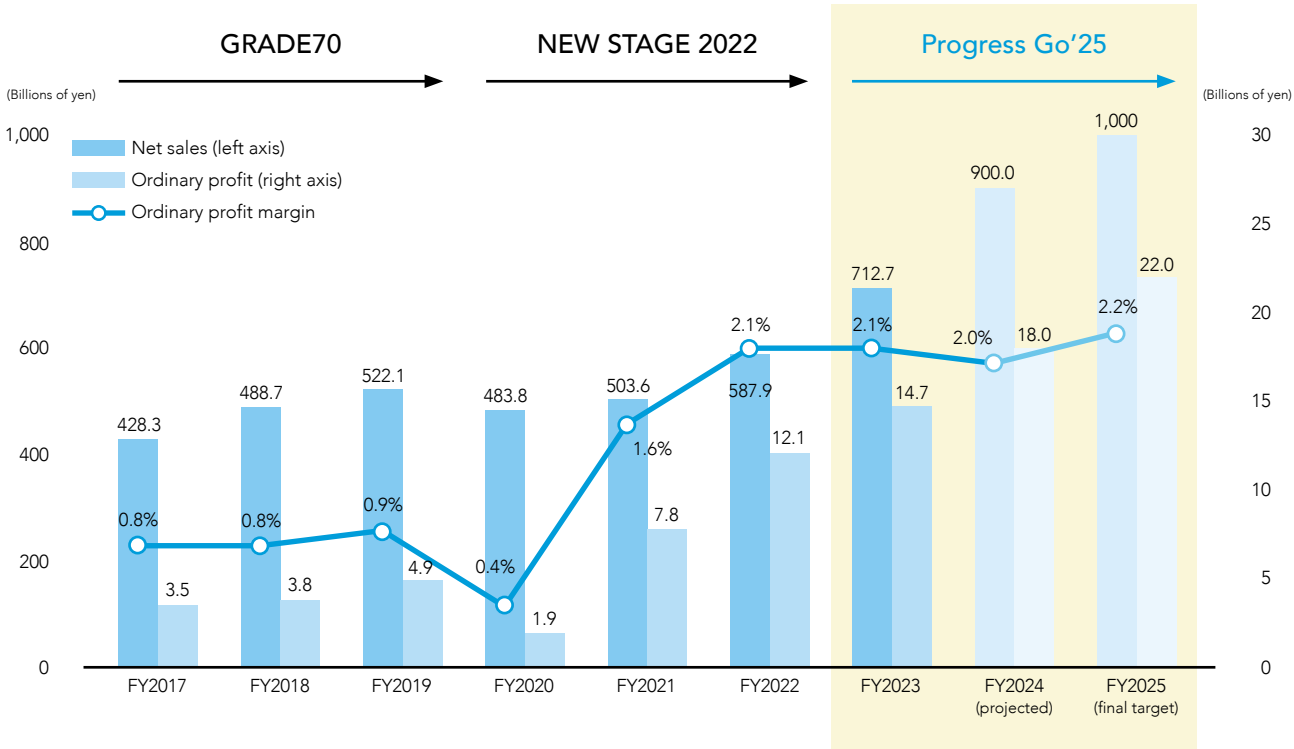
Originally established as YAMAEHISANO Co., Ltd. in 1950, the Yamae Group has built a history of trust and achievements in its birthplace of Kyushu as an intermediary distributor of food and housing, elements which are indispensable to people's lives.

Under GRADE70, the Medium-Term Business Plan that covered FY2017–2019, we steered our course of expansion and growth under the slogan of “Expanding Our Business from Kyushu throughout Japan.” In FY2019, the final year of the plan, net sales exceeded 500 billion yen, and in March 2020, we achieved listing on the First Section of the Tokyo Stock Exchange (moving to the Tokyo Stock Exchange Prime Market in April 2022).

Next, in NEW STAGE 2022, the Medium-Term Business Plan for FY2020–2022, we achieved a V-shaped recovery from the headwinds of the global COVID-19 pandemic, and in the final year of 2022, we set all-time records with net sales of 587.9 billion yen and ordinary profit of 12.1 billion yen. During this period, a number of news items were emblematic of the Group's breaking through to a new stage, such as our transition to a holding company structure (October 2021), and our M&A of PIZZA HUT CORPORATION JAPAN LTD. (August 2022).

In the current Medium-Term Management Plan, Progress Go'25 (FY2023–2025), the Yamae Group is aiming for “further progress.” In FY2023, the first year of the plan, we set new records of 712.7 billion yen for net sales, and 14.7 billion yen for ordinary profit. In August 2023, the share price set a post-listing record of 4,605 yen, representing a market capitalization in excess of 100 billion yen, and with six M&As, including Confex Holdings Co., Ltd., the milestone of 1 trillion yen net sales has come into view.

As you can see, the Yamae Group is moving steadily forward. This is all thanks to the stakeholders who consistently support the Group, and I would like to express our sincere gratitude.



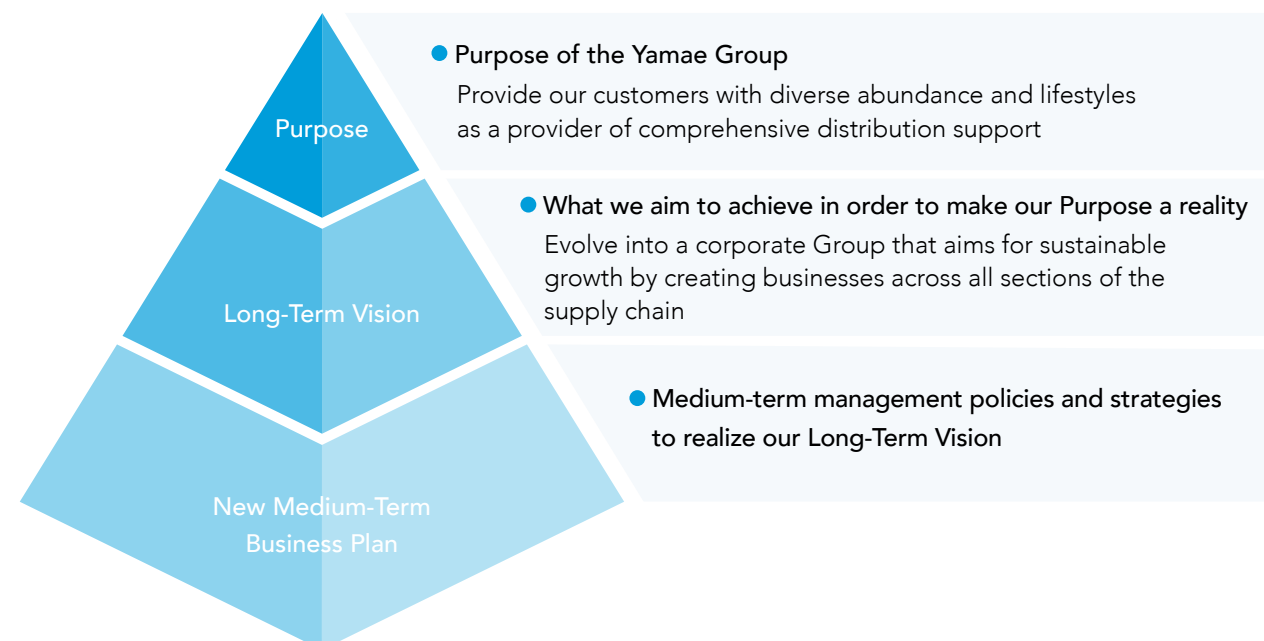
Investment as a “Growth Engine” for Further Growth

Progress Go’25 sets forth four basic strategies—Governance Strengthening Strategy, Sustainability Strategy, M&A Strategy, and Area/Logistics Strategy—and we have announced an investment plan totaling 90 billion yen (50 billion yen as growth investment and 40 billion yen as investment for improving efficiency). However, as a result of completing the aforementioned six M&As, we invested 52.2 billion yen in the first year of FY2023 (progress rate 58%), and are progressing ahead of schedule. Therefore, we took steps to strengthen our financial structure through a 12.4 billion yen public stock offering in January 2024.

People sometimes ask me, “Will you stop your M&A activities when the investment exceeds 90 billion yen?” I always respond like this: M&As only happen when there is a connection with a seller, and regardless of how numeric targets have been set, we will actively consider a proposal, even if it requires adding to the investment budget, provided we have a chance to connect with a company that is essential for the future growth of the Yamae Group.

Dialogue with Our Stakeholders

The purpose of the Yamae Group is to “Provide our customers with diverse abundance and lifestyles as a provider of comprehensive distribution support.” Our approach to achieving that is summarized in our Long-Term Vision: “Evolve into a corporate Group that aims for sustainable growth by creating businesses across all sections of the supply chain.” However, to achieve this high goal, it is crucial to have the understanding and support of all our stakeholders, including Group employees, business partners, shareholders, and investors.



In *Integrated Report 2023*, issued by the Group for the first time in 2023, we explained our Medium-Term Business Plan, Progress Go’25. In *Integrated Report 2024*, we will expand further on that content, reporting on progress in terms of strategies, measures, performance indicators, and other areas set forth in Progress Go’25, and explaining the Group’s current situation analysis and initiative policy regarding the “efforts to achieve management cognizant of the cost of capital and the share price” which have garnered attention in recent years. We will continue to emphasize dialogue with stakeholders through disclosure of financial information, as well as non-financial information indispensable for improving corporate value over the medium- to long-term, and we are always happy to hear people’s thoughts and frank views on our Group’s management.

Our Final Objective: To be a Company with Net Sales of 1 Trillion Yen

In FY2025, the final year of Progress Go’25, the Yamae Group will mark the 75th anniversary of its founding. As noted above, our next milestone—net sales of 1 trillion yen and ordinary profit of 22 billion yen—has finally come within reach due to the six M&As we completed in FY2023. The Group will continue to evolve, without stopping progress, toward the turning point of 2025. Our Group’s executives and employees are all intent on improving corporate value, so I hope we can count on the continuing guidance and support of all our stakeholders.

Hideto Oda
Chairman, Representative
Director, and CEO

Turning regional
characteristics into possibilities



大森 礼仁
President, Representative
Director, and COO

COO MESSAGE

Upward Revision of Final Targets of Progress Go'25

Looking at the Japanese economy in FY2023, we finally saw a resolution of the COVID-19 pandemic that lasted more than three years. Inbound tourism came back to life, and foreign tourists were once again a common sight in Japanese cities. Demand for dining out, which was depressed for a long time, recovered quickly, and events like Japanese festivals, sports, and concerts resumed. The Japanese economy is lively once again. On the other hand, the Bank of Japan has decided to abandon its negative interest rate policy, and there are unpredictable factors such as rising commodity and energy prices, and a depreciating yen, so the environment surrounding the Japanese economy continues to be rapidly changing.

Against this backdrop, the Group announced the "Progress Go'25" Medium-Term Business Plan in May 2023. Through steps like strengthening our financial structure for future growth through a public stock offering in January 2024, the Group's executives and employees have worked as a team to respond to a changing environment, under the slogans of "progress" (as highlighted in "Progress Go'25") and "on-site capabilities."

As a result, we achieved FY2023 net sales of 712.7 billion yen and ordinary profit of 14.7 billion yen, as compared with the FY2025 financial targets set in Progress Go'25 of net sales of 720 billion yen and ordinary profit of 18 billion yen. Our forecast of business results for FY2024—net sales of 900 billion yen and ordinary profit of 18 billion yen—suggests we will be one year early in achieving the targets we planned to achieve over three years. Therefore, we have reexamined the target values, and upwardly revised financial targets for the final year of the Medium-Term Business Plan to net sales of 1 trillion yen and ordinary profit of 22 billion yen.

Both targets are high, but we aim to achieve them by solidly executing each strategy of the Medium-Term Business Plan.

Upward Revision of Financial Targets of Progress Go'25

		Net sales	Ordinary profit	ROE
FY2025 (final target)	Initial	720.0 billion yen	18.0 billion yen	10% or higher
	Revised	1 trillion yen	22.0 billion yen	10% or higher

Progress of Basic Strategies of Progress Go'25

The four basic strategies of Progress Go'25 are the Governance Strengthening Strategy, Sustainability Strategy, M&A Strategy, and Area/Logistics Strategy, and in FY2023 solid results were achieved in terms of both strategies and measures.

First is the Governance Strengthening Strategy. In April 2023, we bolstered the function of our holding company by transferring 150 members of the Management Department of YAMAEHISANO Co., Ltd. to the holding company. To strengthen dialogue with shareholders and investors, we issued the Yamae Group's first integrated report in September of that same year, simultaneously in both Japanese and English versions, and worked to improve our presence among overseas investors. In October 2023, we renovated our website for the first time in two years. By providing IR and investor information, showcasing businesses of Group companies, and enhancing disclosure of non-financial information such as material on sustainability, we created a site that allows visitors to understand the Yamae Group's business model and growth strategy in greater depth.

As a Sustainability Strategy, we established the Sustainability Promotion Committee with the President, Representative Director, and COO as committee Director and the Officer in Charge of Sustainability as committee Chairman. We have established the following as the four materialities of the Yamae Group: "Contribute to a decarbonized society," "Contribute to primary industries," "Further promote recycling-based businesses," and "Increase the value of human capital." Through discussion in subcommittees held periodically for each materiality, we have built up a system for steadily resolving issues. In September 2023, we held a tree-planting ceremony at the Yamae no Mori (Yamae Forest, Ebino City, Miyazaki Prefecture), and in February 2024, we acquired the Topran Group, which is engaged in the poultry farming business, thus strengthening our efforts for primary industries.

For our M&A Strategy, we completed a total of six M&As: LUMBER ONE INC., Chao Holdings Co., Ltd., KANEKI KOGYO CO., LTD., Confex Holdings Co., Ltd., MAR CO., LTD., and Topran Co., Ltd. This strengthened our Group function in the business fields of food and housing.

For our Area/Logistics Strategy, PIZZA HUT JAPAN LTD. achieved opening of locations in all 47 prefectures of Japan in August 2023. The number of PIZZA HUT locations reached 600 nationwide in April 2024, and at each of our Group companies, we have steadily promoted the establishment and renovation of factories and distribution centers.

In terms of DX promotion, we were certified as a "DX Certified Business Operator"—a qualification established by the Ministry of Economy, Trade and Industry—in May 2024, and we are steadily building TSUNAGU, our next-generation core system (scheduled to go into operation in FY2025). TSUNAGU is a cutting-edge system infrastructure designed for the VUCA era, and it will realize capabilities like linkage of systems and utilization of various digital services within the Yamae Group.

We will be proactive in adopting automated warehouses, automated conveyors, robotic arms, and other automation and labor-saving equipment at our distribution centers. We will work to strengthen development of digital human resources throughout the Group, and we will strive to develop new business models in terms of both tangible and intangible factors.



Opening of Himeji Taishi location (Hyogo Prefecture), the 600th location, in April 2024



Logistic system (scheduled to begin operation in FY2024)



Next-generation core system (scheduled to begin operation in FY2025)

Progress Go'25 Investment Plan

In Progress Go'25, we announced an investment plan totaling 90 billion yen (50 billion yen as growth investment and 40 billion yen as investment for improving efficiency), greatly exceeding the actual investment of 38 billion yen in the previous Medium-Term Business Plan, NEW STAGE 2022. However, as a result of completing six M&As, as mentioned above, we invested 52.2 billion yen in the first year, FY2023 (progress rate 58%). Progress is considerably ahead of schedule, but the results of investment will only show up a few years from now, and to speedily reap the rewards, we felt it was essential to execute our plan ahead of time, even by one year. Naturally, there are numerous investments still available for the remaining two years, but by engaging in assertive investment ahead of schedule, the Company will steadily move forward, without any pause in its momentum towards growth.



June 2024: Completed new head office and factory of Echo delica Co., Ltd.



April 2024: Completed new head office and factory of Kajima Giken Co., Ltd., Iizuka City, Fukuoka Prefecture

Key Results

M&A	• Confex Holdings Co., Ltd. 16.1 billion yen • LUMBER ONE INC. 10.0 billion yen
New business	• PIZZA HUT JAPAN LTD. Opened new locations
Capital investment	• Echo delica Co., Ltd. New head office and factory • Kajima Giken Co., Ltd. New head office and factory
DX investment	• Creation of next-generation core system TSUNAGU • Creation of new logistic system Eagle

Efforts to Achieve Management Cognizant of the Cost of Capital and the Share Price

In recent years, shareholders and investors both inside and outside Japan have increasingly focused on "efforts to achieve management cognizant of the cost of capital and the share price." The Yamae Group too believes we must first accurately ascertain and analyze the current situation, and then steadily take steps toward sustained improvement of corporate value, while at the same time gaining understanding and support for the Group's current situation and concept for the future through appropriate dialogue with shareholders and investors.

Looking first at the current situation, the Company's PBR is in a rising trend due to favorable results. The share price fell after our public stock offering, and at the end of March

2024, the PBR dropped below one to 0.86. We want to raise our PBR over one as soon as possible by steadily moving forward with the measures indicated below. Also, ROE has been at a level exceeding 10% for three consecutive years.

In light of this situation, the Company's initiative policy for improving corporate value is summarized by the following four initiatives: "Improve profitability," "Promote investment in growth fields," "Promote sustainability management," and "Strengthen dialogue with shareholders and investors."

First, to improve profitability, the Company has indicated ROE of 10% or higher as a financial target in Progress Go'25, and we are promoting efforts to achieve that. More specifically, we are working to improve profitability and capital efficiency of our existing business, and to realize ROIC exceeding WACC in all our businesses. We are also optimizing our business portfolio based on return on capital. Finally, we will pursue improved profitability of the Group as a whole through synergy effects driven by integrated Group operations.

Next, to promote investment in growth fields, the Company plans to invest 90 billion yen in growth and greater efficiency by FY2025, as noted above. We will boost return on capital by promoting investment in growth fields and transforming our business portfolio.

Third, we will promote sustainability management. With the Sustainability Promotion Committee established in April 2023 playing a central role, we have established four issues as Yamae Group Materialities: "Contribute to a decarbonized society," "Contribute to primary industries," "Further promote recycling-based businesses," and "Increase the value of human capital." We employ a PDCA approach to each of these items.

Last is strengthening dialogue with shareholders and investors. In FY2023, we held a total of 37 IR meetings, with briefings provided by the CSO and CFO. We have improved our information disclosure system through steps like renovating our website and publishing an integrated report.

For the Company, "efforts to achieve management cognizant of the cost of capital and the share price" are still in progress, and we do not believe the current situation is adequate from the perspective of shareholders and investors. It is crucial to ensure a good understanding of the Company's efforts to achieve improved corporate value in the medium and long term through dialogue with investors, and going forward we will continue making improvements.

In Conclusion: Moving on to FY2025

As indicated above, the Company has upwardly revised the targets in Progress Go'25, and our aim for the final year, FY2025, is net sales of 1 trillion yen and ordinary profit of 22 billion yen.

Our intent is for all executives and employees of the Group to share a spirit of never halting the "progress" mentioned in the phrase "Progress Go," and to continue energetically moving forward. We hope we can count on your continuing guidance and support in the future.



Hiroto Omori
President, Representative
Director, and COO

2023 to 2025

Progress Go'25

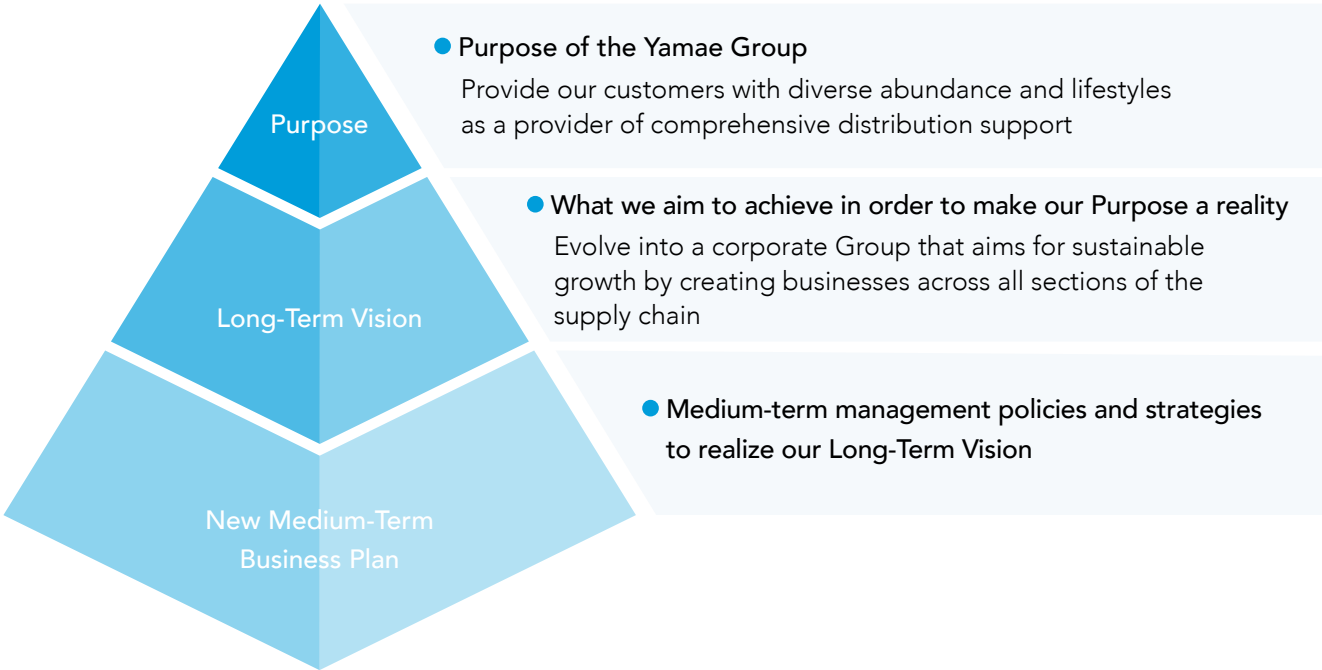
—Our Medium-Term Business Plan

Formulation of the New Medium-Term Business Plan

In 2023, the Group launched Progress Go'25, our new Medium-Term Business Plan. It is the first Medium-Term Business Plan the Group has launched since becoming a holding company. One of the aims of the new Medium-Term Business Plan is to clearly show the Group's Purpose, Long-Term Vision, and the Direction and Strategy (Mission) both within and outside the Group.

Yamae Group Philosophy

The Yamae Group will continue to contribute to the development of local communities and the realization of a sustainable society by connecting people, companies, and society to provide our customers with diverse abundance and lifestyles.



The Group philosophy expresses the unchanging idea that all of the Group's executives and employees should share and aim to follow in the coming eras while continuing the spirit of our Basic Management Philosophy that our Group has remained committed to since its founding. Designed to achieve those aims, the Purpose of the Yamae Group can be summarized by the phrase "To serve as a provider of comprehensive distribution support." We will leverage the know-how and expertise we have accumulated to the present as distribution professionals to not only connect (link) "people," "products," "companies," and "society" but also create businesses across all sections of the supply chain to continue to evolve into a corporate Group that aims for sustainable growth.

Progress Go'25

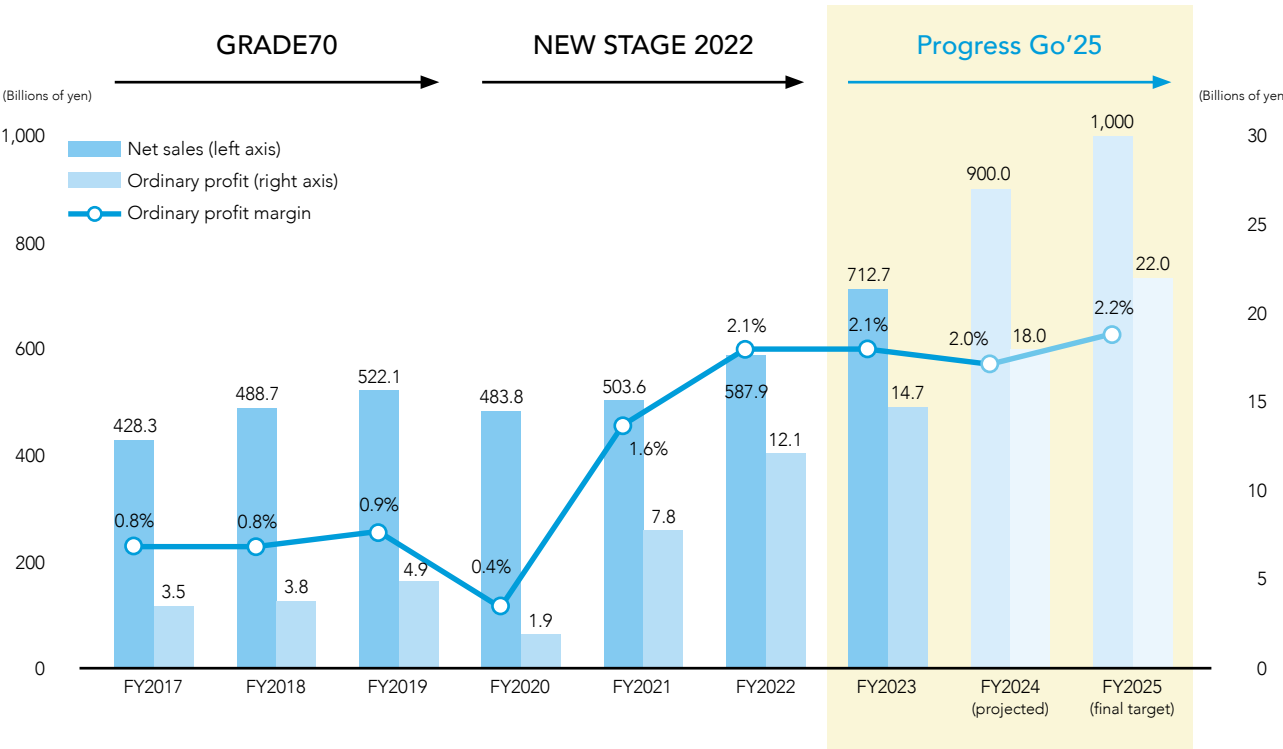
The Yamae Group will continue to progress toward 2025.

In the new Medium-Term Business Plan, "progress" means "evolution." For the Yamae Group, which has steadily evolved since transitioning to a holding company structure and being listed on the Tokyo Stock Exchange Prime Market, Progress Go'25 expresses the desire for the Group to continue to progress toward 2025.

Progress Go'25 Financial and Non-Financial Target

Financial Targets*			Non-Financial Target	
Final Targets for FY2025 (Consolidated)			Contributing to the realization of a decarbonized society	Efforts to enhance the value of human capital
Net sales	Ordinary profit (Ordinary profit margin)	ROE	Reduce energy consumption	Priority measures
1 trillion yen	22.0 billion yen (2.2%)	10% or higher	2030 target Reduce CO ₂ emissions by 50% compared to FY2013 levels	• Increase the ratio of female managers • Increase the ratio of male employees taking childcare leave • Eliminate gender wage gap

* Revised upward in May 2024.



Basic Strategies

Aimed at achieving “progress,” our four basic strategies are the Strategy for Strengthening Group Governance, Sustainability Strategy, M&A Strategy, and Area/Logistics Strategy.



Strategy for Strengthening Group Governance

- Strengthen holding company functions:
Transferred 150 members of the Management Department of YAMAEHISANO Co., Ltd. to the holding company (April 2023)
- Strengthen communication with stakeholders:
Published integrated report (September 2023)
Website renewal (October 2023)
- Hold IR meetings with institutional investors:
Total of 37 times during year (ongoing)
- Strengthen financial structure:
Held public stock offering of 12.4 billion yen (January 2024)
- Adopted restricted stock remuneration system (June 2024)



Website renewal



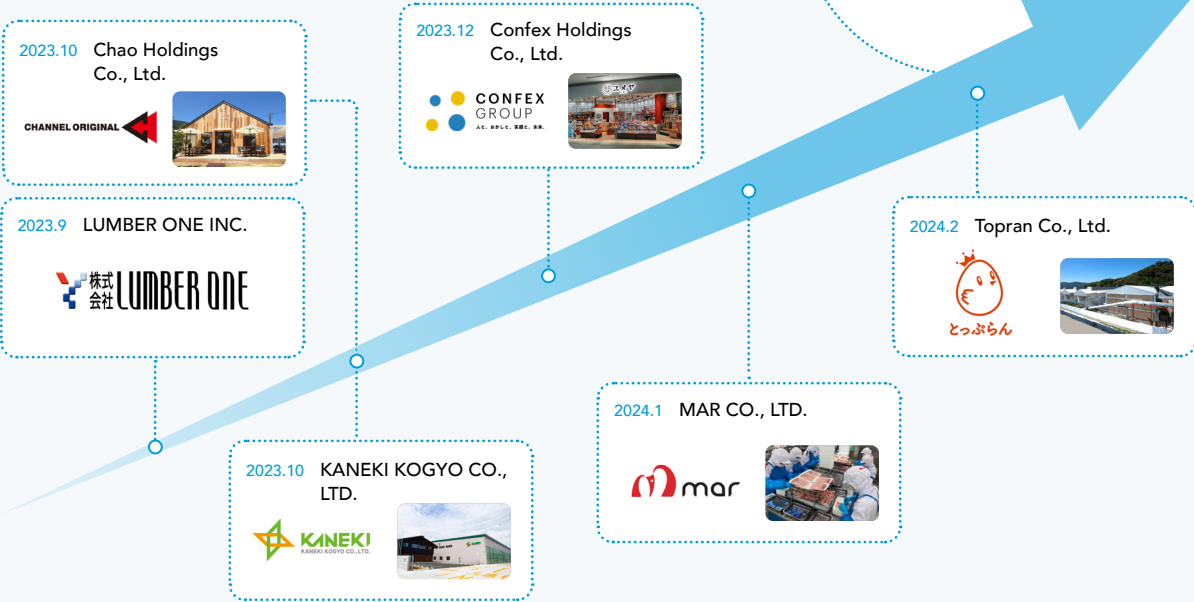
Publication of Integrated Report



M&A Strategy

- Acquired LUMBER ONE INC. as a subsidiary (September 2023)
- Acquired Chao Holdings Co., Ltd. as a subsidiary (October 2023)
- Acquired KANEKI KOGYO CO., LTD. as a subsidiary (October 2023)
- Acquired Confex Holdings Co., Ltd. as a subsidiary (December 2023)
- Acquired MAR CO., LTD. as a subsidiary (January 2024)
- Acquired Topran Co., Ltd. as a subsidiary (February 2024)

M&A of six companies



Sustainability Strategy

- Established Sustainability Promotion Committee (April 2023)
- Held tree-planting ceremony in Yamae no Mori (Yamae Forest, Ebino City, Miyazaki Prefecture, September 2023)
- Acquired Topran Co., Ltd. as a subsidiary, strengthening efforts for primary industries (February 2024)
- Yamae Oil Co., Ltd.: Began services supporting expansion of solar power generation business (April 2024)
- Adopted new equipment and began joint research with research institutions to develop and demonstrate sustainable aquaculture systems (April 2024)



Began services supporting expansion of solar power generation business



Held tree planting ceremony in Yamae no Mori (Yamae Forest)



Acquired Topran Co., Ltd. as a subsidiary



Area/Logistics Strategy

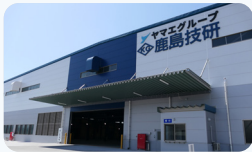
- PIZZA HUT JAPAN LTD.: Achieved opening of locations in all 47 prefectures of Japan (August 2023)
- Minori Holdings Co., Ltd.: Started operation of Kawasaki New Center (February 2024)
- Kajima Giken Co., Ltd.: Constructed new head office and factory (Iizuka City, Fukuoka Prefecture, started operation in April 2024)
- DELICA FRIENDS CO., LTD.: Constructed new boxed lunch and side dish factory (Yame City, Fukuoka Prefecture, site acquired in April 2024)
- Echo delica Co., Ltd.: Constructed new head office and factory (Hakozaki, Higashi-ku, Fukuoka City, scheduled to begin operation in October 2024)
- Next-generation core system TSUNAGU (scheduled to begin operation in FY2025)
- Creation of new logistics system Eagle (scheduled to begin operation in FY2024)
- Acquired DX Certification (May 2024)



PIZZA HUT JAPAN LTD.: Achieved opening of locations in all 47 prefectures of Japan

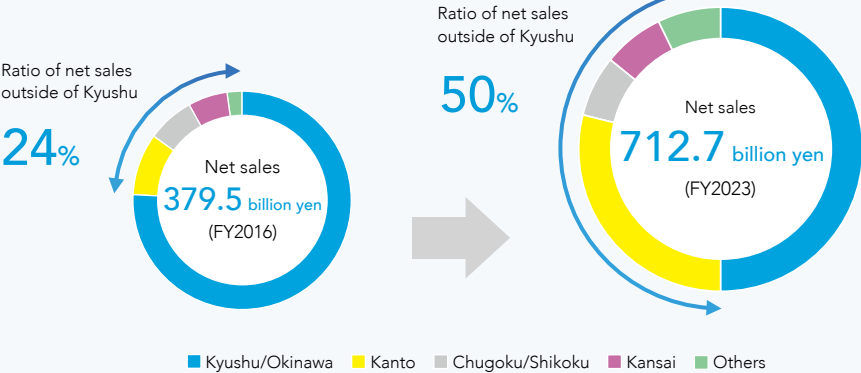


Echo delica Co., Ltd., New head office and factory



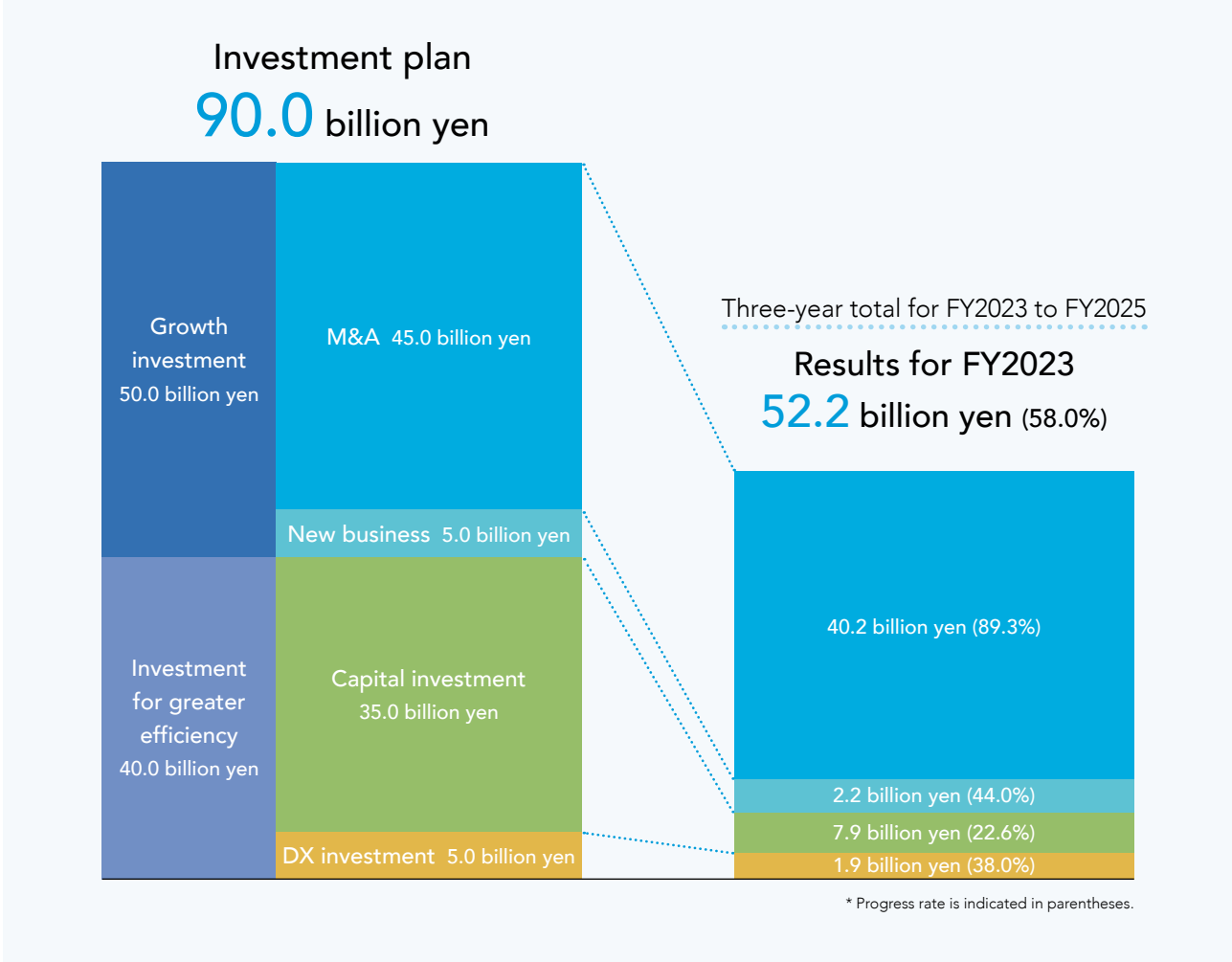
Kajima Giken Co., Ltd., New head office and factory

Ratio of Net Sales by Region



Progress of Investment Plan

- In the first year (FY2023), we invested 52.2 billion yen (progress rate 58%) of our investment plan totaling 90 billion yen. Our three-year plan is ahead of schedule due to multiple large M&As in FY2023.



Key Results

M&A	<div>• Confex Holdings Co., Ltd. 16.1 billion yen</div> <div>• LUMBER ONE INC. 10.0 billion yen</div>	Capital investment	<div>• Echo delica Co., Ltd. New head office and factory</div> <div>• Kajima Giken Co., Ltd. New head office and factory</div>
New business	<div>• PIZZA HUT JAPAN LTD. Opened new locations</div>	DX investment	<div>• Creation of next-generation core system TSUNAGU</div> <div>• Creation of new logistic system Eagle</div>

Business Overview by Segment

BUSINESS OVERVIEW

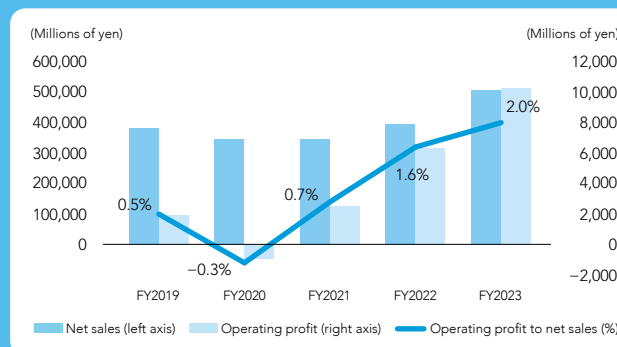
As a provider of comprehensive distribution support, the Yamae Group is united in its efforts to contribute to the development of the entire supply chain. At the same time, it produces businesses from the upstream to the downstream across all sections of the supply chain.





Food Business

Sales of processed foods for general consumer use, confectioneries, alcoholic beverages, frozen foods, etc., production of boxed lunches, production of *shochu*, production, processing, and sale of agricultural and marine products, food and beverage delivery service, etc.



Wholesale

The Yamae Group offers a wide range of products, such as processed foods for general consumer use, confectioneries, alcoholic beverages, and frozen foods, to meet the diversifying needs of consumers. In addition, we are working to discover and develop local products in Kyushu and throughout Japan, and we also propose products.

Strengths

Kyushu is a treasure trove of food ingredients and has long been known in particular as a major producer of seafood and meat products. The Group is developing original products that are safe, secure, and healthy with an awareness of traceability that meets the needs of our customers by taking advantage of our efforts with the production areas. We propose products that satisfy our customers, as well as sales floor and shelf allocation ideas, by uncovering hidden local products in Kyushu and conducting detailed marketing research.



Group Companies

Processed Foods

YAMAEHISANO Co., Ltd.
Confex Co., Ltd.
Yamaekashi Co., Ltd.

Alcoholic Beverages

YAMAEHISANO Co., Ltd.
Minori Holdings Co., Ltd.
Kawachiya Genos Co., Ltd.
Kasugaya Co., Ltd.

Fresh and Frozen (products requiring temperature control)

YAMAEHISANO Co., Ltd.
TATSUMI CO., LTD.
MAR CO., LTD.
Otosui Co., Ltd.
Kaneshimeichi Co., Ltd.
Tsuyama Seika Y.K.
Arco Marketing Pte Ltd



Manufacturing

The Group is engaged in the production, processing, and sale of *shochu*, boxed lunches, and agricultural and marine products, proposing a new food culture by offering everything from product planning to raw ingredient procurement, production, and delivery.

Strengths

We develop and propose products with value for customers by consolidating and analyzing various types of information, including market trends, sales floor information, information from regions all over Japan, overseas information, lifestyles, and fashion trends, and we develop and manufacture products that are consistently loved by customers, by for example developing products that go beyond delicious taste and provide health benefits.

Thanks to thorough quality control and production management, we achieve delicious taste with peace of mind, and stably deliver superior products.



Group Companies

Manufacture of Box Lunches and Side Dishes

DELICA FRIENDS CO., LTD.
SOUWA Co., LTD.
Futaba-Industry Co., Ltd.
Echo delica Co., Ltd.
Quicks CO., LTD.

Production of *Shochu*

TAKACHIHO SHUZO CO., LTD.

Manufacture of Confectioneries

CREET Co., Ltd.
KIRARA Co., Ltd.
Sweet Factory Co., Ltd.



Retail

The Group handles the business of PIZZA HUT in Japan, one of the world's largest pizza chains. We also sell confectioneries and toys, engage in a convenience store franchise business, and offer WARAI SUSHI booths in Italian supermarkets.

Strengths

We currently have 600 PIZZA HUT locations in Japan, and we are accelerating domestic location openings with the aim of becoming No. 1 in number of locations. With the brand message "PIZZA BEAUTIFUL DAY!" we are focused on the overall pizza experience of our customers—beyond just improving product taste and service—through efforts like creating locations that are inviting for people to enter, and improving our websites and apps for greater convenience.



Group Companies

Food/Beverage and Delivery Services

PIZZA HUT JAPAN LTD.
PIZZA HUT AGENCY CO., LTD.
Ashitamo Co., Ltd.

Confectioneries

Yumeya Co., Ltd.

Convenience Store Franchise Business

YSO Co., Ltd.

Sushi Booths in Italy
ORIGINAL JAPAN S.R.L.



Distribution

We have realized optimized services through implementing collaborative logistics among Group companies, integrated automated warehousing and case sorter-based sorting, and the creation of a next-generation logistics network visualized using a new logistics management system.



Group Companies

Distribution Center Operations

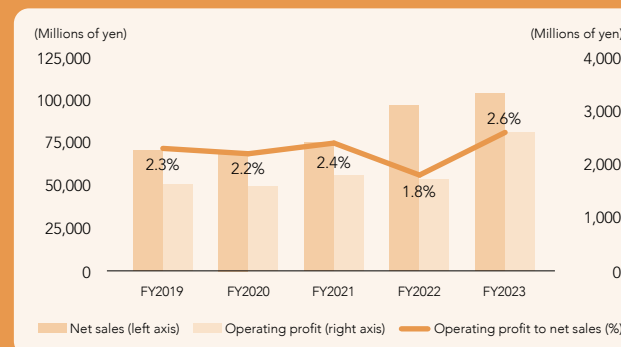
YAMAEHISANO Co., Ltd.
Fit Co., Ltd.
YLO Co., Ltd.





Sugar/Flour, Feed, and Livestock Business

Sales of food ingredients, feed, livestock products, and marine products, livestock farming, etc.



Sugar and Flour Business

In this area, the Yamae Group primarily sells food ingredients. We supply a wide range of food ingredients, such as flour, sugar, oils and fats, grains, and imported products, to the food manufacturing, brewing, and food service industries, and support our partner companies with proposals utilizing our Group network.

Strengths

- We handle some of the largest volumes of sugar and flour in Japan. Due to soaring overseas grain prices, domestic raw ingredients have gained a price advantage. We are working to achieve stable supply of raw ingredient agricultural products by focusing more effort than ever before on primary industry, developing production areas inside Japan, and engaging in contract farming. In addition, we are expanding the Kyushu brand nationwide by taking advantage of the strength and distribution network of Kyushu, which is a production area of agricultural, marine, and livestock products.
- We are always aware of SDGs in our activities. For example, we reuse the byproducts produced by our customers and suppliers as feed, and process non-standard agricultural products and sell them as standard products so they can be effectively used.
- At Fukuoka Nosan Co., Ltd., we have six polished and unpolished rice processing lines to meet all sorts of rice needs. We have also acquired various types of organic certification, and have an overwhelming share in the domestic organic rice market.

Group Companies

Sugar and Flour
YAMAEHISANO Co., Ltd.
Fukuoka Nosan Co., Ltd.
Fukuoka World Grains Co., Ltd.



Feed and Livestock Business

The Yamae Group is involved in the sale of feed, livestock products, and marine products. We offer livestock products, such as cattle, pigs, and chicken eggs as well as mixed feed and fish feed, and solve the problems of our business partners by providing them with information, technical guidance, and other forms of support.

Strengths

- Due to shortages of imported raw materials and price surges, there is a need to improve Japan's self-sufficiency rate for feed and livestock production. We are contributing to primary industries in Japan through the in-house production of pig and poultry businesses and stable supply of compound feed.
- In the pig farming business of MARUNAGA CO., LTD., we produce pigs under our own highly-regarded brand "Maruhime Pork." MARUNAGA CO., LTD.'s dressed carcass entry received an honorary award in the 11th All-Japan Pork Carcass Contest, part of the 63rd Agriculture, Forestry and Fisheries Festival Participation Awards Ceremony.
- The Topran Group has integrated all its processes across the Group, from chick rearing and chicken growth, to egg collection, packing, quality control, and delivery.
- Through Group collaboration, we are creating Group synergies around feed and livestock in various ways, including expanding outlets for livestock products, offering environmentally friendly feed ingredients, and supplying livestock materials.



Group Companies

Feed and Livestock

YAMAEHISANO Co., Ltd.
MARUNAGA CO., LTD.
Topran Co., Ltd.
Topran farm Co., Ltd.
BABA SHIRYO Co., Ltd.
Murakami Poultry farm Co., Ltd.



TOPICS

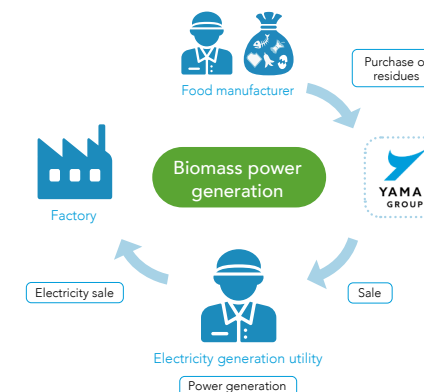
Initiative to generate biomass power by reusing rice bran

In collaboration with an electricity generation utility, Fukuoka Nosan Co., Ltd. uses the rice bran produced when polishing rice as fuel for **biomass power generation**. In FY2023, 100 tonnes of bran were reused.

Produced rice bran is also used for purposes other than biomass power generation, such as mixed feed and fish feed, and 100% of the bran is reused.

What is **biomass power generation** ?

This is a power generation method where bioresources from animals, plants, and other sources are combusted, and a turbine is turned with the generated heat and steam. The main bioresources such as food wastes and wood are not fossil fuels, and the market for biomass energy in Japan is in a growth trend.



Promotion of recycling-oriented livestock production and agriculture where feed and compost are recycled between the livestock and agricultural industries.

Topran farm Co., Ltd. manufactures organic fertilizer by composting poultry manure discharged by farms, producing approximately 600 tonnes of compost a month. Poultry manure contains more fertilizer components than compost produced from other

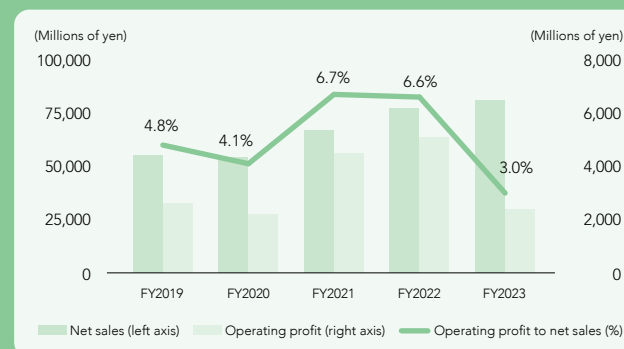
animals. By using an accumulation and fermentation method that requires more time and technique, the manure is reborn as organic fertilizer with high use value. This fertilizer is widely used by farmers who produce wheat and rice, leaf vegetables like lettuce, cabbage, and leaf mustard, and fruits such as mandarin oranges and kiwi berries.





Housing and Real Estate Business

Sales of housing construction materials, housing equipment, lumber, etc., construction, real estate sales/leasing, etc.



Sale of Housing Related Materials, Lumber, etc.

We provide functions, support, and services for providing a variety of housing-related products—such as housing construction materials, housing equipment, lumber, etc.—using a one-stop shop approach to support local housing construction.

Strengths

With its long years of experience and extensive track record, YAMAEHISANO Co., Ltd. can provide carefully selected, high-quality lumber. We are also concerned for the environment, and promote sustainable forest management. We flexibly meet user needs and provide total support for housing and daily life.

Chao Holdings Co., Ltd., which has companies like Channel Original Co., Ltd. and Yakushima Log Manufacture Corp. under its corporate umbrella, is more than just a materials distributor. It is constantly tackling the challenge of new products, new supply chains, and new business development with the objective of providing solutions to social problems.

Group Companies

YAMAEHISANO Co., Ltd.
Channel Original Co., Ltd.
Yakushima Log Manufacture Corp.
Wood Family Co., Ltd.
Inforest Co., Ltd.
CHANNEL-EX TRADING CORPORATION



Housing Lumber Processing (Pre-Cut) Business

To achieve work process rationalization, improved resistance to earthquakes, and more stable quality, we offer pre-processed (**pre-cut**) lumber products.

Strengths

Our Group companies Y-tech Co., Ltd. and HIVIC CO., LTD., have some of the highest production capacities in the industry, enabling us to provide comprehensive, one-stop sales of housing materials with a supply system for the stable supply of pre-cut products at the core. We create synergy effects within our Group by expanding pre-cut product sales to the business partners of our Group companies.

Using labor-saving **KANEKI Panels**, the flagship product of KANEKI KOGYO CO., LTD., reduces on-site work to compensate for the shortage of skilled labor. We provide products with a high degree of freedom due to the wide product lineup. This also reduces industrial wastes by eliminating work steps, and contributes to protecting the global environment.

What is **pre-cut**?

“Pre-cut products” denotes products that have been cut prior to sale. Wood processing, which was traditionally performed by carpenters at construction sites, is now performed by machines at factories to shorten construction periods, improve construction accuracy, and reduce sawdust and wood scraps generated at construction sites.



What is a **KANEKI Panel**?

With this product, architectural members necessary for the peripheral part of a building (walls, floors, roof, etc.) are produced as units and assembled in a factory. Stable quality and dramatic reduction of construction periods contribute to higher efficiency at construction sites. We can respond with a high degree of freedom to customer desires through fully order-made production.



Group Companies

Y-tech Co., Ltd., HIVIC CO., LTD., KANEKI KOGYO CO., LTD.



Construction and Real Estate

Our Group is engaged in construction of detached houses, condominiums, large facilities, and other projects, and real estate sales and leasing.

Strengths

We have built a one-stop system for everything from land procurement to building and aftercare, and this enables low-cost, high-quality flexible construction while leveraging the advantages of scale.

LUMBER ONE INC. specializes in the wooden framework construction method. This method allows design to maximally bring out the potential of a site, and create design-focused beautiful homes by exploiting the graceful toughness of wood.

EIJYU SANGYO Co., Ltd. uses the Sky Promenade construction method, which is highly durable and resistant to natural disasters among the several types of waterproofing methods for wooden houses.

Kajima Giken Co., Ltd., a Group company which is involved in general construction, steel formwork as well as metal and rebar processing, has built a comprehensive system from sales to construction and management, making it capable of flexibly responding to various customer needs.

Group Companies

Detached Houses

LUMBER ONE INC.
YAZAWA LUMBER INC.
YOU PROJECT INC.
ASTEEO Inc.
ASTEEO PARTNERS Inc.
EIYU SANGYO Co., Ltd.

Condominiums

Nissohken. CO., LTD.
Nissobuild. CO., LTD.

Other

Kajima Giken Co., Ltd.
Yamae Realty Co., Ltd.



TOPICS

Channel Original Co., Ltd. “Yakushima Jisugi Project”

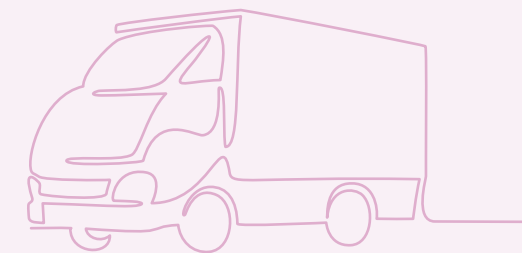
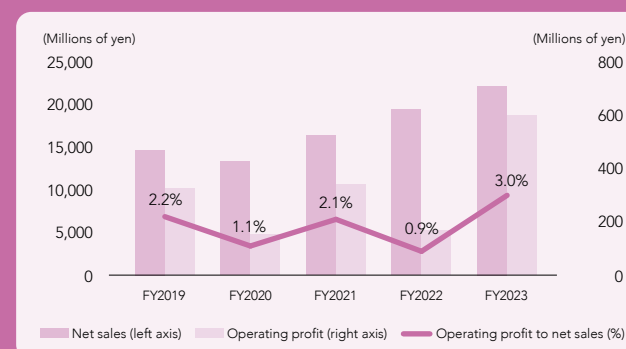
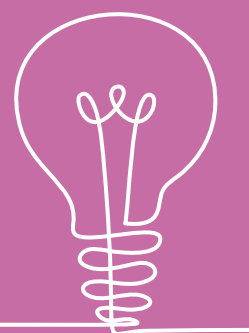
Yakushima Island in Kagoshima Prefecture, the habitat of the Yakushima “jisugi” (cedars), is located in a temperate zone, enclosed by mountains close to 2,000 meters in height. This creates a special environment where rain falls throughout the year, with people comparing it to a “dam in the sky.” Due to the high performance of tree species produced in the unique environment of Yakushima, Channel Original Co., Ltd. is releasing products under the name “J. RED CEDAR, Yakushima Jisugi Series” and striving to develop a unique supply scheme which contributes to the conservation of World Heritage and revitalization of the forestry industry.





Other Group Businesses

Transport Business, Fuel Business, Rental Car Business, Information Processing Service Business, etc.



Transport Business

TAKACHIHO SOUKO UNYU CO., LTD., which is involved in the warehousing business and transport business, owns a warehouse and distribution center with a floor area of approximately 10,000 tsubo (approximately 33,000 m²), and has built a delivery network that covers every corner of the Kyushu area. In addition, its multi-functional warehouse allows for the storage of products at the appropriate temperatures, and we also support truck-based delivery according to customer requirements. Kyushu Eiko Express Co., Ltd. has a fleet consisting of a wide range of vehicles, including refrigerated vehicles, and can handle deliveries for a diverse range of products from vegetables and frozen foods to precision equipment. In addition, we are developing our transportation business not only in Kyushu but also throughout Japan. In the future, we will promote modal shifts and the introduction of electric vehicles and fuel cell vehicles in response to environmental concerns and next-generation logistics.



Group Companies

TAKACHIHO SOUKO UNYU CO., LTD.
Kyushu Eiko Express Co., Ltd.



Solar Power Generation Business

We have installed solar power generation systems which account for a total field area of approximately 36,000 m² on the roofs of distribution warehouses and offices, including a mega solar power generation system at Yamae Oil Co., Ltd., reducing annual CO₂ emissions by approximately 2,047t-CO₂ in FY2023. In the future, we will further develop the PPA^{*1} business. We will promote environmental management that contributes to further reduction of CO₂ emissions and realization of a sustainable society by installing solar power generation systems at customer facilities and supplying CO₂-free electricity generated by the systems to the facilities for compensation.



^{*1} PPA (Power Purchase Agreement): A system in which solar power generation equipment is installed on the roofs of facilities or idle land owned by companies or municipalities, and the electricity generated is supplied to those companies or municipalities for compensation.

Group Companies

Yamae Oil Co., Ltd.



Rental Car Business

Yamae Rental & Lease Co., Ltd. operates a car rental business in northern Kyushu as a franchisee of ORIX Rent-a-Car, a rental car franchise with approximately 900 branches throughout Japan. Yamae Rent Lease offers a wide range of vehicles from passenger cars to commercial vehicles. In the car rental industry, demand is expected to increase due to the recent trend among consumers of using cars that they do not own, as well as inbound tourism due to the relaxation of immigration restrictions. In order to further capture demand in this environment, we will implement timely strategies and introduce environmentally friendly vehicles.

Group Companies

Yamae Rental & Lease Co., Ltd.



Information Processing Service Business

RINNET Co., Ltd. provides a full range of services from software development and software operation services to consulting with the theme of IT used in front-line operations in the food distribution industry, and is expanding its one-stop information systems and low-cost cloud-based services. With a level of service quality in line with ISO 27001^{*2}, we utilize the latest IT technologies, such as AI and IoT, to provide comprehensive support for operational efficiency and DX in accordance with customer needs.

^{*2} ISO 27001: An international standard for information security management systems

Group Companies

RINNET Co., Ltd.



TOPICS

Digital Transformation (DX) Initiatives

DX is indispensable for the Yamae Group to continue evolving as a provider of comprehensive distribution support. For FY2024, we adopted “distribution industry breakthrough via DX” as our policy for the year, and as a first step, we were certified in May 2024 as a DX Certified Business Operator, a qualification established by the Ministry of Economy, Trade and Industry. We started development of digital human resources, who will be essential for advancing Yamae-style DX, and development projects are underway to achieve operation of two core systems in parallel: Eagle (our new logistics system) in FY2024, and TSUNAGU (our next-generation core system) in FY2025. We will create a new business model by promoting DX from both a systems perspective, including the renewal of core systems, and a human resources development perspective.



* DX Certification
(certified in May 2024)

Creation of Core Systems



• TSUNAGU

The Yamae Group is building TSUNAGU (our next-generation core system) as Group shared infrastructure to cope with the rapidly and flexibly changing business environment in what has been called the “VUCA era.” This system will not only establish safe and secure business continuity and supply of services as a business foundation for the distribution industry; it will also enable linkage of various types of external data and services, and allow us to exhibit Group-wide synergy effects. We aim to begin operation of the system in FY2025, so it can also contribute to optimization of the entire supply chain.

• Eagle

This system is scheduled for full operation during FY2024, as a shared logistics platform for providing greater operational efficiency and high-quality logistics services compatible with the latest logistics technologies, and realizing advantages such as flexible deployment of bases to suit the Group’s strategy.

Digital Human Resource Development

In January 2024, we launched a Digital Human Resource Development Program with the objective of making all our employees into digital human resources. By promoting the digitalization of operations and the use of data, we will strengthen collaboration within the Group as well as with external parties, contribute to process improvements in the industries to which each of our businesses is related, and strive to build a new business model.

Digital Human Resource Development System



Development via a three-level structure to make all employees into digital human resources and achieve DX promotion beyond that

Use of Generative AI

To expand the scope of use of generative AI, which is at work in all areas of society while rapidly progressing, we have developed a secure platform allowing shared use by the Group, and formulated usage guidelines.

We will continue to drive evolution of the Yamae Group in accordance with the progress of society and technology, while ensuring that employees recognize the risks of generative AI, and can use it safely and creatively.

Cybersecurity Measures

In recent years, all companies making up the supply chain, regardless of industry, category, or size, have been exposed to the threat of cyberattacks, and the Yamae Group too is strengthening its cybersecurity measures year by year. We are bolstering not only infrastructure and hardware countermeasures, but also training and security education for employees, and addressing invisible threats from both the hardware and software side.

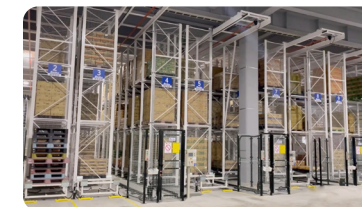
Logistics DX

Logistics is an indispensable social infrastructure for people’s lives and economic growth. Maintaining the supply chain not only in normal times but also in times of disaster is an important mission of the Group.

In recent years, the logistics industry has faced the following major issues: labor shortages due to the declining birthrate and aging population, the so-called “2024 Problem,” which is an anticipated shortage of drivers in Japan, and soaring energy costs, including fuel costs. In response to these types of social issues and responsibilities, the Yamae Group has proactively introduced automation and labor-saving facilities/equipment, such as automated warehouses, automated conveyors, and robotic arms at distribution centers. In cooperation with our business partners, we aim to build a high-quality, safe, secure, disaster-resistant and trouble-resistant logistics infrastructure through initiatives to reduce unreasonableness, inconsistency, and waste throughout the entire supply chain, including reducing driver waiting time, improving loading rates, and streamlining of deliveries.



Robotic arm



Automated warehouse

Co-Creation of New Value

To protect and further develop regional specialty products, we are collaborating with local governments, producers, and research institutions such as universities, taking action to broaden the markets for regional specialty products, and developing new production and distribution systems.

At present, we have begun demonstrations of a system for speedy and efficient delivery to consumers of products from hard-to-access production areas, by building a product transport system using drones. In the forestry industry, we are engaged in forest preservation activities in cooperation with local forestry cooperatives to ensure sustainable forest management. We are also conducting research and development on advanced production systems through collaboration with research institutions, including national universities. We contribute to regional revitalization by effectively using local resources, and creating new industries.

With an eye toward a sustainable future, we will strengthen partnerships with producers and regions, and establish innovative technology and original know-how—thereby striving to achieve both growth and social responsibility as a company.



Public Relations

Yamae Group Advertisement on the Pitcher's Mound at Mizuho PayPay Dome Fukuoka

Mound-based advertising is a new advertising medium that has been available since the 2022 baseball season. Our Group was the first company in Japan to display its logo on the pitcher's mound for the opening game of the Pacific League season. It will be displayed at all Fukuoka SoftBank Hawks games to be held at the Mizuho PayPay Dome Fukuoka this season.



Supporting Local Sports

Official Sponsor of the Tachikawa Dice Professional Basketball Team

To support development of an energetic community in its home area of Tachikawa, ASTEEQ Inc. provides support as an official sponsor of the Tachikawa Dice, a community-based three-man professional basketball team, based in Tachikawa City and established in 2016.



Supporting Female Professional Golf

Affiliation Agreement with Female Professional Golfer Rio Takeda

The Group signed an affiliation agreement with female professional golfer Rio Takeda in June 2022. In the 2024 season, Ms. Takeda achieved her first victory, and she is taking on the challenges of the overseas tour. We will continue to support her as she continues to progress, contributing to the development of sports.



Further Growth in the Confectioneries Wholesale Business due to Bringing Confex Holdings Co., Ltd. into the Group

In our Medium-Term Business Plan, Progress Go'25, the Yamae Group has indicated "Diversify businesses through business portfolio transformation" as a key element of our basic strategy, and we are applying this to our business.

In December 2023, Confex Holdings Co., Ltd. was welcomed into the Group, and it will contribute to further expanding the Group's confectioneries wholesale business, and development of our entire supply chain as a provider of comprehensive distribution support.



"People, Confectioneries, Smiles, the Future"

We are a trading company specializing in confectioneries, with sales and distribution bases throughout Japan, from Hokkaido to Kyushu. Our company was founded in 1906 in Hon-Hatchobori, Kyobashi as a parched beans business. With the growth of our business partners and manufacturers, we have built up a nationwide sales and distribution network, and grown into a group with three manufacturers, and two retailers.

While constantly thinking about the wonderful encounters that occur between people and confectioneries, for more than 100 years we have grasped market needs, and speedily provided solutions to business partners by building a system that allows us to respond accurately to market needs that change from day to day—from product planning and production (marketing function), to sales activities for proposing sales floor ideas and products suited to the business strategies of business partners (retail support function), and inventory control for stably supplying safe products (distribution function).

Espousing the slogan "People, Confectioneries, Smiles, the Future," we design confectionery markets based on the sort of unique ideas you can only get from a trading company specializing in confectioneries, and we contribute to the realization of a sustainable society and the improvement of well-being.



Yasushi Kon
Confex Holdings Co., Ltd.
President & Representative Director

CONFEX GROUP

Basic Policy

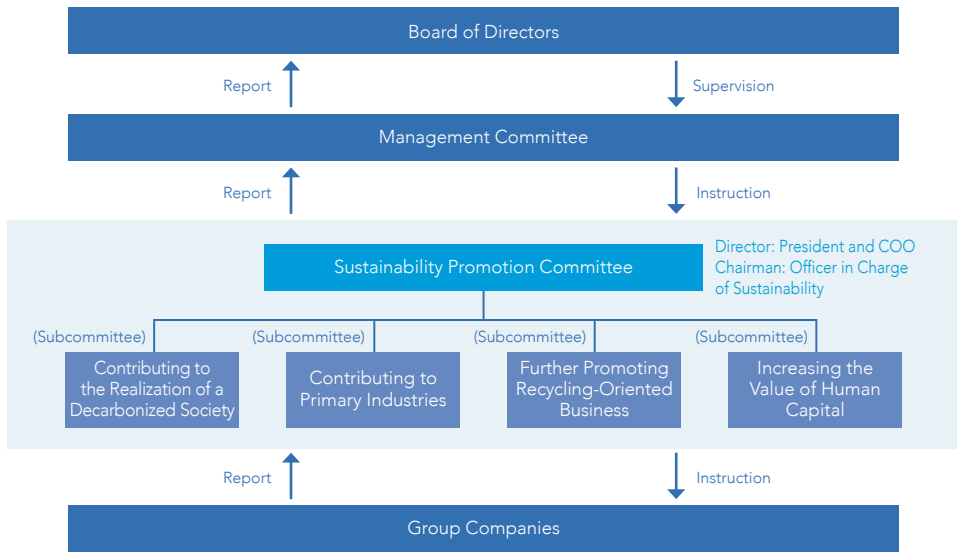
Based on our Group Philosophy “The Yamae Group will continue to contribute to the development of local communities and the realization of a sustainable society by connecting people, companies, and society to provide our customers with diverse abundance and lifestyles,” we promote sustainability initiatives with the aim of realizing a sustainable society and enhancing our corporate value over the medium to long term through our corporate activities. As part of this initiative, we have established the Sustainability Promotion Committee, which defines the four materiality issues of “Contribute to a decarbonized society,” “Contribute to primary industries,” “Further promote recycling-based businesses,” and “Increase the value of human capital” as Yamae Group Materialities to promote activities related to SDGs and ESG.

Governance and Risk Management relating to Sustainability in General

The Group considers environmental and social issues, including climate change, as important management issues, discusses these issues at Board of Directors meetings, and incorporates them into management strategy and risk management. The Sustainability Promotion Committee—with the President, Representative Director, and COO serving as committee Director and the Officer in Charge of Sustainability serving as committee Chairman—discusses specific responses and initiatives. The content of the discussions held by the committee is reported to the Board of Directors at a frequency of least once a year. The Board of Directors has established a system to appropriately oversee the contents of the reports.

The Sustainability Promotion Committee, which consists of full-time officers, Group company presidents, and other members is held, as a rule, once a year and whenever necessary in addition to that. The committee identifies materiality issues, formulates the Sustainability Vision, establishes measures and targets based on the Sustainability Strategy, and reports the specifics of important matters to the Management Committee and the Board of Directors.

Sustainability Promotion System



The Four Materiality Issues

As a Group that mainly offers products closely related to our daily lives, such as food and housing, and is responsible for their distribution, we have established four materialities (“Contribute to a decarbonized society,” “Contribute to primary industries,” “Further promote recycling-based businesses,” and “Increase the value of human capital”) from the perspective of human capital and environmental and social issues including food residues/loss and climate change in order to contribute to a sustainable society and promote activities that view the SDGs as a business opportunity.

Contributing to a decarbonized society



As part of efforts to address climate change risks, the Yamae Group is working to reduce greenhouse gas (CO₂) emissions generated from our business activities.

- **Efforts to Reduce CO₂ Emissions**
Considering adoption of electric trucks, EV scooters, etc.
- **Estimation of CO₂ Emissions**
Adoption of tools for visualizing CO₂ emissions
- **CDP Response**
Investigation of CDP response situation and consideration of target rank
- **Activities to Conserve Forest Resources**
Tree planting and forest conservation projects in cooperation with local governments

Non-Financial Target
Progress Go' 25
Contribute to the realization of a decarbonized society

Reduce Energy Consumption
2030 Target
Reduce CO₂ emissions by 50% compared to FY2013 levels

Achievements and Examples of Initiatives

Initiatives to Reduce CO₂ Emissions as a Provider of Comprehensive Distribution Support

Considering Adoption of EV Scooters, etc.
At PIZZA HUT JAPAN LTD. and Ashitamo Co., Ltd., we are striving for safe and secure delivery services that are friendly toward the environment, so we are considering adoption of electric scooters and other eco-friendly vehicles for deliveries.



Installation of Logisolar and Verification of Effectiveness
Since December 2023, TAKACHIHO SOUKO UNYU CO., LTD. has been installing Logisolar (mobile solar power generation systems) on the roofs of delivery trucks, and verifying their effectiveness.



Yamae no Mori (Yamae Forest)
YAMAEHISANO Co., Ltd. is engaged in corporate forestation in Ebino City, Miyazaki Prefecture and held a tree planting ceremony at the Yamae no Mori (Yamae Forest) in September 2023. The company expects 392.22 t-CO₂ to be absorbed between May 2023 and March 2033 thanks to these activities.

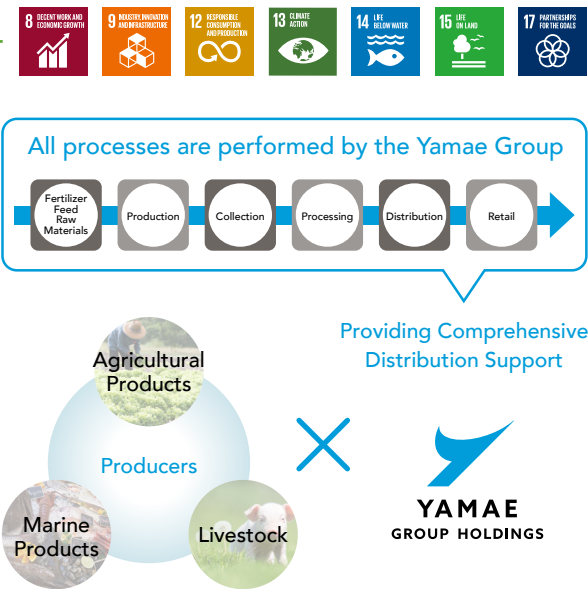
<Results for FY2023>
Tree planting area: 3.55 ha (agreement area: 4.21 ha)



Contributing to Primary Industries

The Group cooperates with and supports producers in order to maintain and develop primary industries.

- **Growth in Agricultural, Marine, and Livestock Products**
Increased volume of collected pork and collected beef
Expanding outlets for GAP-certified agricultural products
- **Development and Adoption of Sustainable Agricultural, Marine, and Livestock Products**
Protection of marine resources through sustainable fishing methods
Development of stable production systems for producers on remote islands



Achievements and Examples of Initiatives

Achieved Growth in Agricultural, Marine, and Livestock Products

Agricultural Products

The Group organizes production focused on distribution, products, and producers, offers GAP-certified agricultural products, and provides producers with management support by promoting the use of non-standard products.



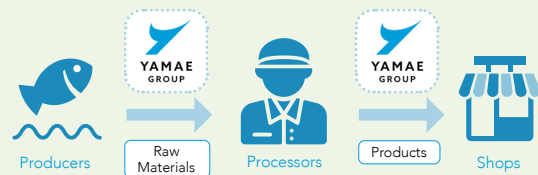
GAP Certification

GAP is an abbreviation for Good Agricultural Practices. It indicates production process management for ensuring sustainability in agriculture. Items for which these practices have been certified by third parties are said to be "GAP-certified," and there are various types including GGAP, JGAP, and ASIAGAP. By working to acquire these certifications, we can improve agriculture management, make it more efficient, and improve trust in products.



Marine Products

By offering *mozuku* (seaweed) produced on Amami Oshima, the Group supports a stable production system for producers on remote islands.



Livestock

The Group is responsible for all processes from feed procurement to production, processing, distribution, and retail, reducing the burden on producers.

Product Profile Melty Pork

This is a pork brand developed by Quality Farm Co., Ltd. with strict attention to the rearing environment and feed. The product is being newly introduced at volume sellers and specialty shops, and sales are growing.



Further Promoting Recycling-based Business

Taking advantage of its strength in covering the entire supply chain from upstream to downstream businesses, the Group is working to create recycling-oriented businesses through effective use of byproducts and recycling of food residues.

- **Effective Use of Byproducts**
Sale of oysters grown using marine fertilizer derived from poultry manure
Efforts to generate biomass power using residues produced in food factories, shops, and restaurants
- **Recycling of Food Residues**
Composting of food residues and supply to agricultural producers
Efforts to recycle and commercialize waste oils discharged by food factories, shops, and restaurants



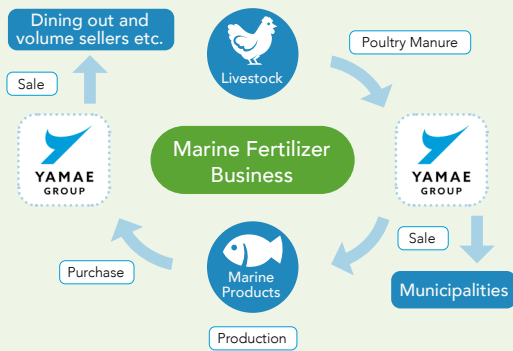
Achievements and Examples of Initiatives

Results of Recycling-Based Business Initiatives

Effective Use of Byproducts

• Marine Fertilizer Business

We develop, manufacture, and sell mature fertilizers made from poultry manure that do not burden the environment, and effectively use them to make soil for fields, and as marine fertilizers to create rich seaweed beds and tidal flats.



Marine Fertilizer MOFU-DX



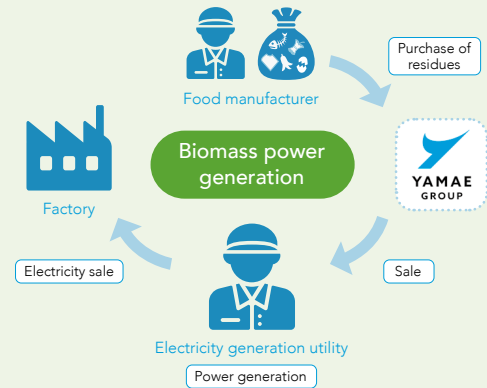
Effective Use in Oyster Farming



Hanasho Oysters Grown Using MOFU-DX

• Biomass Business

In collaboration with electricity generation utilities, we are promoting biomass power generation initiatives using residues produced by food factories, shops, and restaurants.



System for Biomass Power Generation

This is a power generation method where bioresources from animals, plants, and other sources are combusted, and a turbine is turned with the generated heat and steam. The main bioresources such as food waste and wood are not fossil fuels.

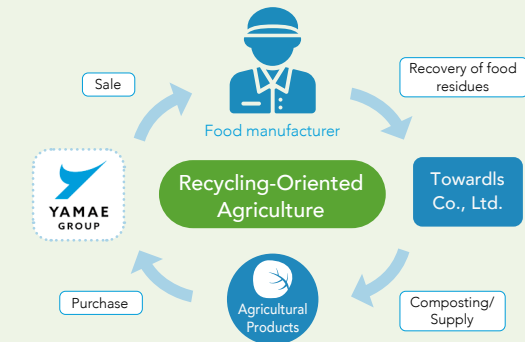


Use of Rice Bran of Fukuoka Nosan Co., Ltd.

Recycling of Food Residues

• Recycling-Oriented Agriculture

We compost food residues, and supply the compost to agricultural producers.



Efforts by Towards Co., Ltd.
Food residues are collected daily, and composted at the recycling plant of Towards Co., Ltd. That compost is supplied and sold to agricultural producers, and the Group purchases and sells the harvested fruits and vegetables.

• Recycling of Waste Oils

We are working to recycle and commercialize waste oils discharged by food factories, shops, and restaurants.



Refining and Effective Use of Waste Oil
Waste oil discharged by factories, shops, and restaurants is refined and used in a variety of products such as paint and soap.

Product Profile

MARUNAGA's Original Fermented Feed Made Primarily from Sake Lees

By manufacturing and selling feed from sake lees, which are normally incinerated as industrial waste, we make effective use of this waste product, contributing to the reduction of CO₂ emissions. The Maroyaka Series, a fermented feed series from MARUNAGA CO., LTD. which is made mainly from the original sake lees, is a source of high-quality protein for cattle and helps digestion and absorption of crude feed through the action of fermentation bacteria. This feed is locally produced for local consumption, unique to a region where sake production is flourishing.



Increasing the Value of Human Capital



The Yamae Group considers people to be its most important management resource and is committed to improving employee engagement. We will create an environment where all employees can continue to work comfortably and where they can grow and play an active role.

Promoting Diversity

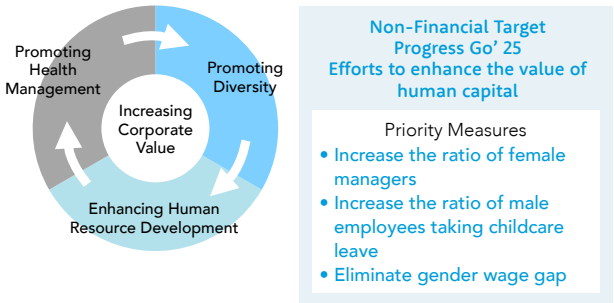
We aim to become a company where everyone can play an active role by prohibiting all forms of discrimination based on gender, nationality, race, age, religion, etc. and incorporating diverse values by respecting human rights.

Enhancing Human Resource Development

We are energizing the Group through Group-based recruitment and personnel exchange, and developing the skills of our employees by assigning the right people to the right jobs.

Promoting Health Management

The Group is working to create a work environment where all employees can work with peace of mind and in good mental and physical health.



Achievements and Examples of Initiatives

Initiative to Create an Environment where Employees can Sustainably Grow and Flourish while Working

Male Employees Taking Childcare Leave

As part of promoting diversity, we are providing awareness-raising activities to create an environment and culture where it is easy to take childcare leave. We are explaining laws and regulations to managers and supervisors, and raising awareness to gain their understanding for creating the appropriate environment, and at the same time explaining the system to employees and encouraging them to take leave.

	Target Value	FY2023
Promoting Diversity		
Ratio of male employees taking childcare leave	100%	71%
Enhancing Human Resource Development		
Participation rate in Group company education/training	100%	58%
Participation rate in compliance training	100%	100%
Promoting Health Management		
Implementation of "fit for work" evaluation while undergoing health checkups	100%	100%
Implementation of stress checks	100%	100%

Group Company Education/Training and Compliance Training

To improve the capabilities of each employee and the overall synergy of the Group, in FY2023 we began standardized education and training programs across the entire Group.



Promoting Health Management

To create a work environment where all employees can work with peace of mind and in good mental and physical health, the Group is improving the rate at which employees undergo periodic health checkups, and conducting stress checks.

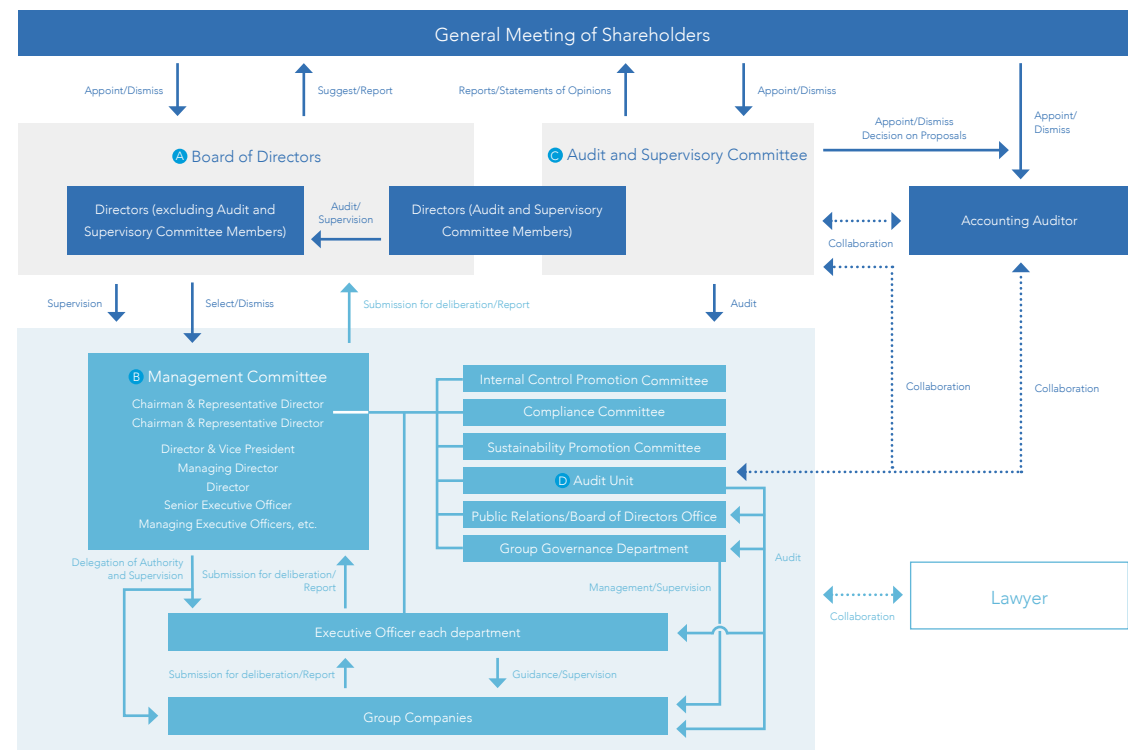


Corporate Governance

Basic Approach to Corporate Governance

Our Basic Management Philosophy is “Fully understanding the public nature of the industry, we will strive to improve profitability through a highly efficient sales structure with the goal of serving society through the development of the Group’s business.” In order to achieve sustainable growth and increase corporate value over the medium to long term, we recognize that corporate governance is an important issue and will work to speed up management decision-making and improve management soundness in response to changes in the business environment and the expansion and diversification of business domains.

Corporate Governance System



A Board of Directors

The Board of Directors consists of 11 Directors, including 6 Audit and Supervisory Committee Members, and meets once a month in principle as the highest decision-making body for management, and also holds special meetings as necessary to discuss and make decisions on important management matters.

B Management Committee

The Management Committee is composed of 14 members, including the Chairman and Representative Director, President and Representative Director, Director and Vice President, Managing Director, Directors, Senior Executive Officer, and Managing Executive Officers. In principle, the Management Committee meets once a week to review agenda items for the Board of Directors and to discuss important decisions related to business execution. In addition, the Company has introduced an executive officer system with the aim of enabling swift decision-making and business execution, clarifying roles in the organization and enhancing business execution functions.

C Audit and Supervisory Committee

The Audit and Supervisory Committee consists of 6 members, including 4 Independent Outside Directors, who audit the execution of duties by directors, prepare audit reports, and determine the content of proposals regarding the appointment, dismissal, and non-reappointment of accounting auditors to be submitted to the General Meeting of Shareholders. In addition, Audit and Supervisory Committee Members supervise the decision-making process of the Board of Directors and the execution status of business by Directors through attendance at the Board of Directors meetings and other important meetings, interviews with the Board of Directors (excluding Directors who are Audit and Supervisory Committee Members), and inspection of important approval documents. In addition, the Committee strives to establish a high-quality corporate governance system by cooperating with the Accounting Auditor and the audit unit, which is the Internal Audit Department.

D Audit Unit

With the aim of contributing to ensuring the appropriateness of business operations, including reducing management risks and preventing misconduct, the Company has established an Audit Unit consisting of 10 staff members. The Audit Unit prepares an audit plan for each fiscal year, periodically conducts on-site audits based on the audit plan, and conducts extraordinary audits as necessary.

Overview of the Structure of a Company with an Audit and Supervisory Committee and Reasons for Adoption

YAMAE GROUP HOLDINGS has adopted a structure of a company with Audit and Supervisory Committee. This is to further strengthen the supervisory functions of the Board of Directors and the corporate governance system by establishing the Audit and Supervisory Committee, where the majority of its members are Outside Directors, and to realize more transparent management and prompt decision-making.

Overview of the Structure

Organizational form	Company with an Audit and Supervisory Committee
Number of Directors stipulated in articles of incorporation	22 (including 6 members of the Audit and Supervisory Committee)
Director's term of office stipulated in articles of incorporation	1 year (2 years for Audit and Supervisory Committee Members)
Chairman of the Board of Directors	Chairman of the Company (excluding when the Chairman concurrently serves as President)
Number of Directors	11 (including 6 members of the Audit and Supervisory Committee)
Election of Outside Directors	Selected
Number of Outside Directors	4
Number of Outside Directors designated as Independent Directors	4

Assessing the Effectiveness of the Board of Directors

In order to improve the effectiveness of the Board of Directors, we conduct a questionnaire (5-point scale evaluation) and self-evaluation using free writing for all Directors on the following major items.

- A Roles and functions of the Board of Directors

C Operation of the Board of Directors

E Relationships with Outside Directors
- B Size and composition of the Board of Directors

D Collaboration with auditing agencies, etc.

F Relationships with shareholders and investors

As for the questionnaire results, all major items related to the Board of Directors received a high evaluation score of 4 or more out of 5 points. We evaluate that the Board of Directors of the Company is functioning appropriately and the effectiveness of the Board of Directors as a whole is ensured.

Based on the results of this evaluation, the Company will strive to further strengthen the functions of the Board of Directors as a whole and improve its effectiveness.

For details on the internal control system, etc., please refer to YAMAE GROUP HOLDINGS Corporate Governance Report (In Japanese only).

<https://www.yamaegroup-hd.co.jp/company/governance/>



Corporate Officers (as of June 21, 2024)

Director



Hideto Oda
Chairman, Representative Director, and CEO (Chief Executive Officer)

Dec. 1974 Joined YAMAEHISANO Co., Ltd.
Jul. 1999 Became General Manager, Food Department, YAMAEHISANO Co., Ltd.
Jun. 2002 Became Director and General Manager, Food Department, YAMAEHISANO Co., Ltd.
Jul. 2006 Became Director and Officer in Charge of the Food Business, YAMAEHISANO Co., Ltd.
Jun. 2008 Became Managing Director and Officer in Charge of the Food Business, YAMAEHISANO Co., Ltd.
Jun. 2011 Became Senior Managing Director and Head of Sales, YAMAEHISANO Co., Ltd.
Jun. 2012 Became Executive Managing Director and Head of Sales, YAMAEHISANO Co., Ltd.
Jun. 2014 Became President and Representative Director, YAMAEHISANO Co., Ltd.
Jun. 2018 Became Chairman, Representative Director, and CEO, YAMAEHISANO Co., Ltd.
Oct. 2021 Became Chairman, President, and Representative Director, YAMAE GROUP HOLDINGS CO., LTD.
Jun. 2023 Became Chairman, Representative Director, and CEO (Chief Executive Officer), YAMAE GROUP HOLDINGS CO., LTD. (current position)



Hiroto Omori
President, Representative Director, and COO (Chief Operating Officer)

Apr. 1979 Joined YAMAEHISANO Co., Ltd.
Jul. 2005 Became General Manager, Fresh and Frozen Department, YAMAEHISANO Co., Ltd.
Apr. 2009 Became Executive Officer and General Manager, Fresh and Frozen Department, YAMAEHISANO Co., Ltd.
Jun. 2010 Became Director and General Manager, Fresh and Frozen Department, YAMAEHISANO Co., Ltd.
Apr. 2011 Became Director and Officer in Charge of Fresh and Frozen Business, YAMAEHISANO Co., Ltd.
Jun. 2014 Became Managing Director and Officer in Charge of the Food Business, Fresh and Frozen Business, and Alcoholic Beverage Business, YAMAEHISANO Co., Ltd.
Jun. 2016 Became Director, Senior Executive Officer, and Head of Sales, YAMAEHISANO Co., Ltd.
Apr. 2017 Became Director, Senior Executive Officer, Head of Sales, and General Manager, Food Distribution Division, YAMAEHISANO Co., Ltd.
Jun. 2017 Became Vice President and Representative Director, Head of Sales, and General Manager, Food Distribution Division, YAMAEHISANO Co., Ltd.
Jun. 2018 Became President, Representative Director, and COO, YAMAEHISANO Co., Ltd.
Oct. 2021 Became President and Representative Director, YAMAEHISANO Co., Ltd.
Oct. 2021 Became Director and Vice President, YAMAE GROUP HOLDINGS CO., LTD.
Jun. 2023 Became President, Representative Director, and COO (Chief Operating Officer), YAMAE GROUP HOLDINGS CO., LTD. (current position)



Tsunemichi Nakanishi
Outside Director, Audit and Supervisory Committee Member

Oct. 1986 Joined audit firm Asahi Shinwa & Co. (currently KPMG AZSA LLC)
Jun. 2008 Became Outside Auditor, Shoyaku Co., Ltd. (current position)
Jul. 2008 Became Senior Partner, Hokusan Audit Corporation (current position)
Jun. 2013 Became Outside Auditor, YAMAEHISANO Co., Ltd.
Jun. 2015 Became Outside Auditor, Takara Pharmacy Co., Ltd. (current position)
Jun. 2016 Became Outside Director and Audit and Supervisory Committee Member, YAMAEHISANO Co., Ltd.
Oct. 2021 Became Outside Director and Audit and Supervisory Committee Member, YAMAE GROUP HOLDINGS CO., LTD. (current position)

Reason for appointment
The Group expects that Mr. Nakanishi will supervise and check the Group's management from an objective and fair perspective by utilizing his expertise in finance, accounting, and taxation.



Masao Shimosaka
Outside Director, Audit and Supervisory Committee Member

Apr. 1982 Joined Nishin Flour Milling Inc. (currently Nishin Seifun Group Inc.)
Apr. 2012 Became Director and General Manager, Business Operations Division, Nishin Flour Milling Inc.
Jun. 2012 Became Director, Nishin Seifun Group Inc.
Jun. 2013 Became Outside Director, Japan Logistics Systems Corp.
Jun. 2013 Became Director, Japan Logistics Systems Corp.
Jun. 2014 Became Managing Director, Japan Logistics Systems Corp.
Jun. 2015 Became Advisor to General Manager of the Corporate Planning Division, Nishin Seifun Group Inc.
Dec. 2015 Became Outside Director, Hosokawa Micron Corporation
Jun. 2017 Became General Manager, Internal Control Department, Nishin Seifun Group Inc.
Jun. 2018 Became General Manager, Audit Department, Nishin Seifun Group Inc. (current position)
Jun. 2018 Became Outside Director and Audit and Supervisory Committee Member, YAMAEHISANO Co., Ltd.
Oct. 2021 Became Outside Director and Audit and Supervisory Committee Member, YAMAE GROUP HOLDINGS CO., LTD. (current position)

Reason for appointment
Mr. Shimosaka is expected to supervise and check the Group's management from an objective and fair perspective by utilizing his abundant experience and broad insight in corporate management. Although there are commercial transactions between the Yamae Group and Group companies of Nishin Seifun Group Inc., the amount of such transactions is insignificant for the Yamae Group and Group companies of Nishin Seifun Group Inc., and it is immaterial to create a special-interest relationship.



Ryoji Yamada
Director, Vice President, and CAO (Chief Administrative Officer)

Apr. 1985 Joined Tokyo Securities Co., Ltd. (currently Tokai Tokyo Securities Co., Ltd.)
Jun. 2003 Joined YAMAEHISANO Co., Ltd.
Jul. 2012 Became General Manager, General Affairs Department, YAMAEHISANO Co., Ltd.
Apr. 2014 Became Executive Officer and General Manager, General Affairs Department, YAMAEHISANO Co., Ltd.
Jun. 2017 Became Managing Executive Officer, Officer in Charge of Human Resources/General Affairs, and General Manager, General Affairs Department, YAMAEHISANO Co., Ltd.
Jun. 2018 Became Managing Executive Officer and Assistant Head of Administration, YAMAEHISANO Co., Ltd.
Jun. 2020 Became Director, Managing Executive Officer, and Assistant Head of Administration, YAMAEHISANO Co., Ltd.
Oct. 2021 Became Managing Director, and Officer in Charge of President/Public Relations Office, Corporate Planning, General Affairs, Human Resources, and Legal Affairs, YAMAE GROUP HOLDINGS CO., LTD.
Jun. 2022 Became Director, Senior Executive Officer, Head of Administration, General Manager, Property Administration and Operations Department, YAMAEHISANO Co., Ltd. (current position)
Jun. 2022 Became Senior Managing Director and Head of Headquarters Department, YAMAE GROUP HOLDINGS CO., LTD.
Oct. 2022 Became President and Representative Director, Yamae Realty Co., Ltd. (current position)
Jun. 2023 Became Senior Managing Director and CAO (Chief Administrative Officer), and Head of Headquarters Department, YAMAE GROUP HOLDINGS CO., LTD.
Jun. 2024 Became Director, Vice President, and CAO (Chief Administrative Officer), and Head of Headquarters Department, YAMAE GROUP HOLDINGS CO., LTD. (current position)



Takeko Maruyama
Managing Director and CHO (Chief Human Resource Officer)

Apr. 1987 Joined YAMAEHISANO Co., Ltd.
Apr. 2019 Became General Manager, Overseas Business Department, YAMAEHISANO Co., Ltd.
Apr. 2020 Became General Manager, Human Resources Department, YAMAEHISANO Co., Ltd.
Jun. 2020 Became Executive Officer and General Manager, Human Resources Department, YAMAEHISANO Co., Ltd.
Oct. 2021 Became Executive Officer and General Manager, Human Resources Department, YAMAE GROUP HOLDINGS CO., LTD.
Jun. 2022 Became Managing Executive Officer and General Manager, Human Resources Department, YAMAEHISANO Co., Ltd.
Jun. 2022 Became Managing Executive Officer and General Manager, Human Resources Department, YAMAE GROUP HOLDINGS CO., LTD.
May 2023 Became Managing Executive Officer and Officer in Charge of Human Resources/General Affairs, YAMAEHISANO Co., Ltd. (current position)
May 2023 Became Managing Executive Officer, Officer in Charge of Human Resources/General Affairs, YAMAE GROUP HOLDINGS CO., LTD.
Jun. 2023 Became Managing Director and CHO (Chief Human Resource Officer) Officer in Charge of Human Resources/General Affairs, YAMAE GROUP HOLDINGS CO., LTD. (current position)



Tomoko Yamamoto
Outside Director, Audit and Supervisory Committee Member

Nov. 1979 Joined All Nippon Airways Co., Ltd.
Oct. 2000 Joined Chuo Aoyama Kansa Hojin
Jul. 2006 Joined Chuo Certified Public Tax Accountant Corporation
Feb. 2008 Became Director of Yamamoto Tomoko Certified Public Accountant Office (current position)
Sep. 2008 Became Director of Yamamoto Tomoko Public Tax Accountant Office (current position)
Oct. 2015 Part-time Auditor, Organization for Environment Improvement around International Airport
Jun. 2020 Became Outside Director and Audit and Supervisory Committee Member, YAMAEHISANO Co., Ltd.
Oct. 2021 Became Outside Director and Audit and Supervisory Committee Member, YAMAE GROUP HOLDINGS CO., LTD. (current position)

Reason for appointment
The Group expects that Ms. Yamamoto will supervise and check the Group's management from an objective and fair perspective by utilizing her expertise in finance, accounting, and taxation.

Executive Officer

Satoshi Tanaka
Senior Executive Officer

Akihiko Tani
Managing Executive Officer and CSO (Chief Strategy Officer) General Manager, Corporate Planning Department

Shinichi Okutomi
Managing Executive Officer and CIO (Chief Information Officer) Officer in Charge of Digital Strategy

Masaki Nagano
Managing Executive Officer and CFO (Chief Financial Officer) General Manager, Finance Department

Shinya Nitta
Managing Executive Officer in Charge of Sales, Head of the Public Relations/Board of Directors Office

Yoshihiko Morita
Managing Executive Officer General Manager, Legal Affairs Department

Hideho Tanaka
Executive Officer General Manager, Accounting Department

Yoichi Kumagae
Executive Officer General Manager, Group Governance Department



Kyoji Kudo
Director

Apr. 1985 Joined YAMAEHISANO Co., Ltd.
Jul. 2015 Became Fresh and Frozen Fukuoka Branch Manager, YAMAEHISANO Co., Ltd.
Jun. 2016 Became Executive Officer and Fresh and Frozen Fukuoka Branch Manager, YAMAEHISANO Co., Ltd.
Apr. 2017 Became Executive Officer, General Manager, No. 1 Fresh and Frozen Department, Fresh and Frozen Division, and Fresh and Frozen Fukuoka Branch Manager, YAMAEHISANO Co., Ltd.
Jun. 2019 Became Managing Executive Officer, General Manager, Fresh and Frozen Division, and General Manager, No. 1 Fresh and Frozen Department, Fresh and Frozen Division, YAMAEHISANO Co., Ltd.
Jun. 2020 Became Director, Managing Executive Officer, and General Manager, Fresh and Frozen Division, YAMAEHISANO Co., Ltd.
Apr. 2021 Became Director and Vice President, Head of Sales, and General Manager, Food Distribution Division, YAMAEHISANO Co., Ltd.
Jun. 2021 Became Director, Vice President, and Head of Sales, YAMAEHISANO Co., Ltd.
Oct. 2021 Became Senior Managing Director and Head of Sales, YAMAE GROUP HOLDINGS CO., LTD.
May 2023 Became President and Representative Director, YAMAEHISANO Co., Ltd. (current position)
May 2023 Became Senior Executive Officer, YAMAE GROUP HOLDINGS CO., LTD.
Jun. 2024 Became Director, YAMAE GROUP HOLDINGS CO., LTD. (current position)



Nobuyuki Kusaba
Director, Audit and Supervisory Committee Member

Apr. 1983 Joined YAMAEHISANO Co., Ltd.
Apr. 2014 Became Head of Auditing Office, YAMAEHISANO Co., Ltd.
Jun. 2018 Became Director and Full-Time Audit and Supervisory Committee Member, YAMAEHISANO Co., Ltd.
Oct. 2021 Became Corporate Auditor, YAMAEHISANO Co., Ltd. (current position)
Oct. 2021 Became Director and Full-Time Audit and Supervisory Committee Member, YAMAE GROUP HOLDINGS CO., LTD. (current position)



Yasufumi Mori
Director, Audit and Supervisory Committee Member

Apr. 1989 Joined YAMAEHISANO Co., Ltd.
Jun. 2018 Became Head of Auditing Office, YAMAEHISANO Co., Ltd.
Oct. 2021 Became General Manager of Audit Unit, YAMAE GROUP HOLDINGS CO., LTD.
Jan. 2024 Became Auditor, YAMAEHISANO Co., Ltd. (current position)
Apr. 2024 Became General Manager of Audit Unit, YAMAE GROUP HOLDINGS CO., LTD.
Jun. 2024 Became Director and Full-Time Audit and Supervisory Committee Member, YAMAE GROUP HOLDINGS CO., LTD. (current position)



Hironobu Abe
Outside Director, Audit and Supervisory Committee Member

Apr. 1975 Joined Mitsubishi Corporation
Feb. 2004 Became Branch Manager of Chugoku Branch, Mitsubishi Corporation
Apr. 2007 Became Executive Officer, Assistant Branch Manager of Kansai Branch and Branch Manager of Chugoku Branch, Mitsubishi Corporation
Apr. 2010 Became Executive Officer and Branch Manager of Kyushu Branch, Mitsubishi Corporation
Jun. 2012 Became President and Representative Director, and Operating Officer, Mitsubishi Corporation Packaging Ltd.
Apr. 2021 Became Director and Advisor, Mitsubishi Corporation Packaging Ltd. (current position)
Jun. 2021 Became Outside Director and Audit and Supervisory Committee Member, YAMAEHISANO Co., Ltd.
Oct. 2021 Became Outside Director and Audit and Supervisory Committee Member, YAMAE GROUP HOLDINGS CO., LTD. (current position)
Jun. 2022 Became Outside Director, Fumakilla Limited (current position)

Reason for appointment
Mr. Abe is expected to supervise and check the Group's management from a perspective based on his experience and broad insight in company management.

Board Skills Matrix

The Board Skills Matrix shows the main expertise and knowledge that the Company expects each Director to possess.

Name	Business Management	Sales and Marketing	Finance and Accounting	Legal Affairs and Risk Management	Human Resources and Labor	IT/DX	Sustainability
Hideto Oda	●	●	●		●		●
Hiroto Omori	●	●			●	●	●
Ryoji Yamada			●	●	●		●
Takeko Maruyama				●	●	●	●
Kyoji Kudo		●			●	●	●
Nobuyuki Kusaba				●	●	●	●
Yasufumi Mori			●	●	●		●
Hironobu Abe	●			●	●		●
Tsunemichi Nakanishi	●		●	●			●
Masao Shimosaka	●			●		●	●
Tomoko Yamamoto	●		●	●			●

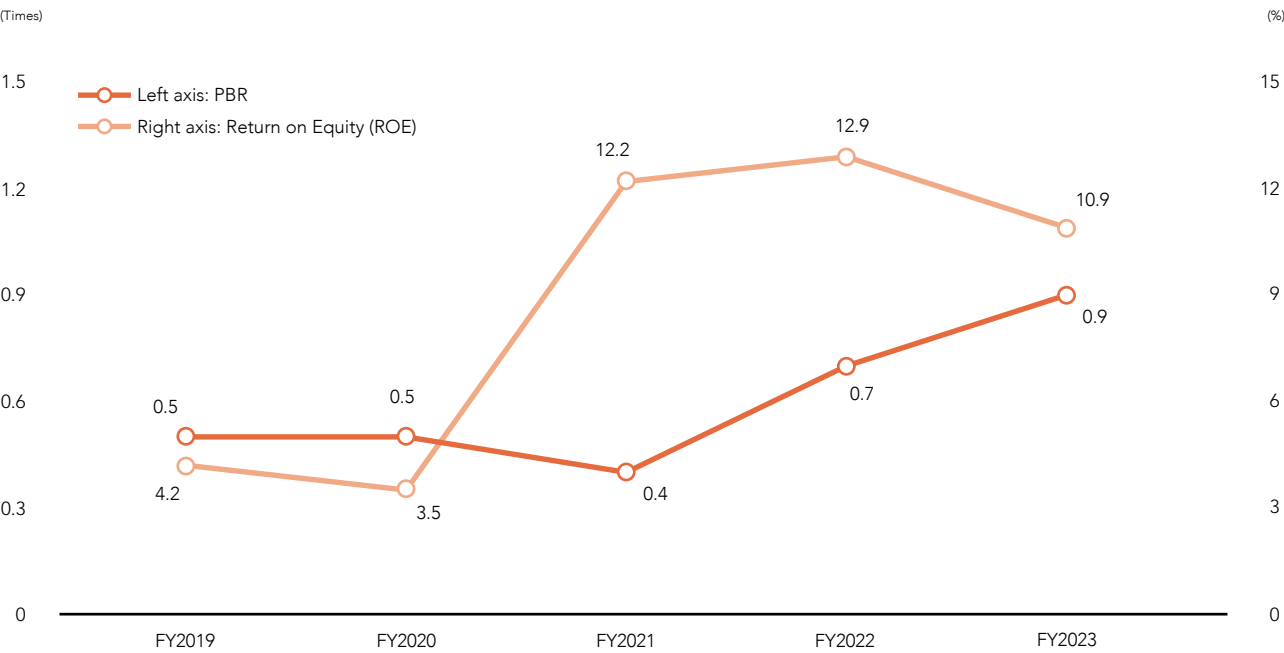
Note: The above list does not show all of the expertise and knowledge of each Director but rather shows five areas in which particular expertise is expected to be exercised based on the experience of each Director for Representative Directors and four areas for other Directors.

Efforts to Achieve Management Cognizant of the Cost of Capital and the Share Price

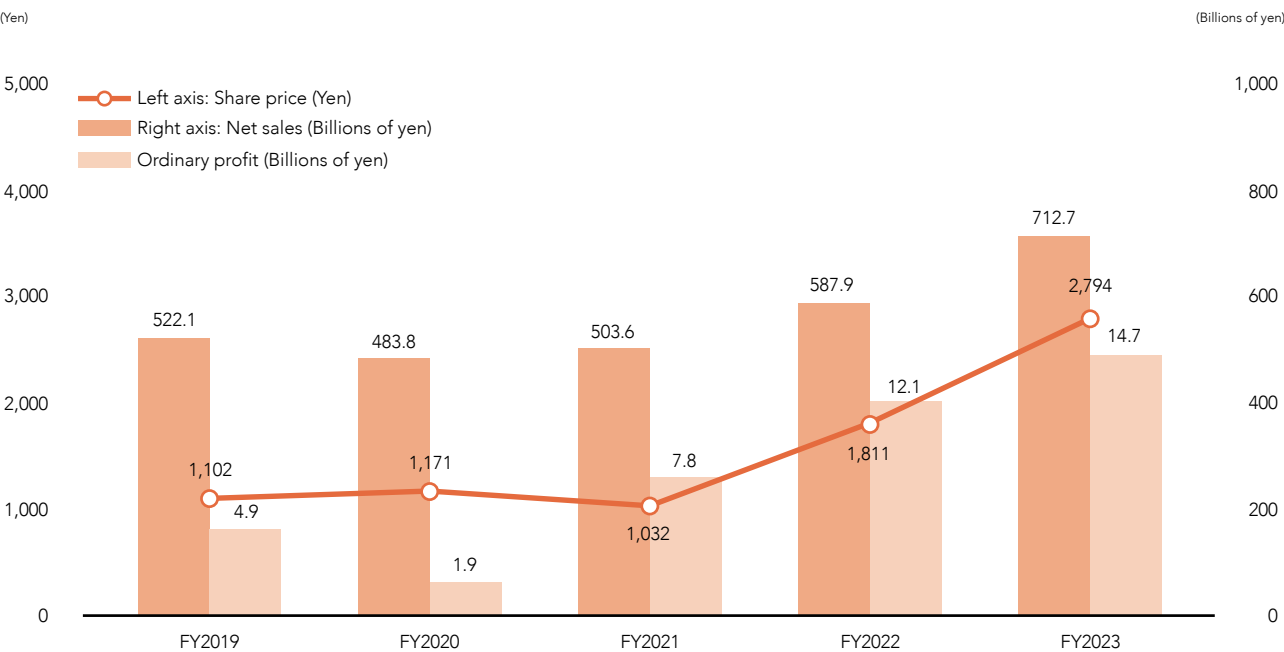
Current Situation Analysis for Improving Corporate Value

The Company's PBR is in a rising trend due to favorable results, but it has dropped from the level prior to the public stock offering in January 2024. ROE has been at a level exceeding 10% for three consecutive years.

Changes in PBR and ROE



Changes in Business Results and Share Price



Initiative Policy for Improving Corporate Value

While emphasizing returns to shareholders through continuation of a stable dividend, our policy focuses on the following four areas to further improve efficiency of shareholder's equity.

01. Improve Profitability

Indication of an ROE of 10% or higher as a financial target in the Medium-Term Business Plan, Progress Go'25

- Improve profitability and capital efficiency of our existing business (realize ROIC exceeding WACC in all our businesses)
- Optimize our business portfolio based on return on capital
- Consistently pursue synergies by promoting integrated Group operations

02. Promote Investment in Growth Fields

Plan to invest 90 billion yen in growth and greater efficiency by FY2025 as part of our Medium-Term Business Plan, Progress Go'25

- Growth investment: 50 billion yen
Diversify businesses through M&A (45 billion yen), expansion of new business (5 billion yen)
- Investment for greater efficiency: 40 billion yen
Capital investment (35 billion yen) and DX investment (5 billion yen) for strengthening distribution function

03. Promote Sustainability Management

- Develop promotion system centered on the Sustainability Promotion Committee
- Clarify materiality issues

<Yamae Group Materiality Issues>

- ✓ Contributing to a Decarbonized Society
- ✓ Contributing to Primary Industries
- ✓ Further Promoting Recycling-based Business
- ✓ Increasing the Value of Human Capital



04. Strengthen Dialogue with Shareholders and Investors

- Held a total of 37 IR meetings in one year, with briefings provided by the CSO and CFO
- Improved information disclosure system through steps like renovating our website and publishing an integrated report (English version)
- Adopted restricted stock remuneration system

<Key Themes for Dialogue and Shareholder Concerns>

- ✓ Strengths of the Company's business model
- ✓ Medium-Term Business Plan and future growth strategy
- ✓ Initiative policy for M&A
- ✓ Returns to shareholders



10-Year Financial Data	YAMAEHISANO Co., Ltd.							YAMAE GROUP HOLDINGS CO., LTD.		
	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Profit and Loss Statement										
Net sales	349,066	368,708	379,572	428,349	488,704	522,102	483,834	503,635	587,982	712,717
Operating Profit	2,640	3,884	3,822	3,153	3,546	4,504	1,167	6,878	11,575	13,919
Ordinary profit	2,996	4,411	4,365	3,554	3,899	4,959	1,928	7,894	12,156	14,757
Net Profit Attributable to Owners of the Parent	2,640	3,381	2,916	3,118	3,220	2,155	1,862	6,721	7,868	8,456
Balance Sheet										
Total Assets	121,064	124,071	124,262	179,407	200,986	175,773	168,114	180,890	225,766	407,641
Liabilities	84,002	84,689	81,693	127,673	147,054	119,656	113,522	120,354	158,820	313,351
Net Assets	37,061	39,382	42,569	51,733	53,932	56,116	54,592	60,535	66,946	94,289
Statement of Cash Flows										
Cash Flows from Operating Activities	4,908	7,708	9,186	10,350	8,076	3,976	5,167	8,317	13,750	23,936
Cash Flows from Investment Activities	(7,253)	(2,954)	(88)	(12,786)	(7,970)	6,786	(2,185)	833	(22,055)	(36,813)
Cash Flows from Financial Activities	3,567	(3,370)	(6,690)	14,093	(1,298)	(14,722)	(10,436)	(7,950)	12,620	38,178
Balance of Cash and Cash Equivalents at the End of the Period	10,473	11,870	14,278	26,789	25,596	21,637	14,183	15,477	19,738	44,969
Per Share Data										
Net Profit Per Share (yen)	130.83	167.52	144.50	154.71	159.77	106.13	78.65	283.79	332.57	347.26
Net Assets Per Share (yen)	1,834	1,949	2,108	2,358	2,434	2,225	2,209	2,450	2,720	3,267
Dividend Per Share (yen)	15	20	20	20	20	25	30	40	50	60
Financial Target										
EBITDA	5,539	7,255	7,273	7,804	9,036	10,759	7,361	12,819	19,125	23,422
Operating Profit to Net Sales (%)	0.8	1.1	1.0	0.7	0.7	0.9	0.2	1.4	2.0	2.0
Ordinary Profit Margin (%)	0.9	1.2	1.2	0.8	0.8	0.9	0.4	1.6	2.1	2.1
Equity Ratio (%)	30.6	31.7	34.2	26.5	24.4	30.0	31.1	32.1	28.5	22.2
Return on Assets (ROA) (%)	2.6	3.6	3.5	2.3	2.1	2.6	1.1	4.5	6.0	4.7
Return on Equity (ROE) (%)	7.7	8.9	7.1	6.9	6.7	4.2	3.5	12.2	12.9	10.9
Payout Ratio (%)	11.5	11.9	13.8	12.9	12.5	23.6	38.1	14.1	15.0	17.3
Other Data										
Number of Consolidated Employees*1	4,384	4,348	4,405	6,361	6,818	7,093	7,058	7,254	12,829	16,215
Number of Consolidated Subsidiaries	15	15	15	29	31	27	26	30	48	71

Note: Data prior to the fiscal year ended March 31, 2021 is from YAMAEHISANO Co., Ltd.
*1 Includes the average number of temporary employees

Company Profile (as of June 30, 2024)

Company Name	Representatives
YAMAE GROUP HOLDINGS CO., LTD.	Hideto Oda
	Chairman, Representative Director, and CEO
Address	Hiroto Omori
2-13-34, Hakataekihigashi, Hakata-ku, Fukuoka-shi, Fukuoka 812-8548, Japan	President, Representative Director, and COO
	Capital
Founded	9,175,793,692 yen
October 1, 2021	
	Consolidated Subsidiaries
	66
	Consolidated employees (Includes the average number of temporary employees)
	16,215 (as of March 31, 2024)

Stock Information (as of March 31, 2024)

Stock Exchange Listings
Tokyo Stock Exchange (Prime Market), Fukuoka Stock Exchange

Industry
Wholesale

Stock Code
7130

The number of shares
constituting one unit

100 shares

Settlement Date
March 31

General Meeting of Shareholders
June

Total number of shares authorized
to be issued
45,600,000 shares
Number of issued shares
27,686,752 shares

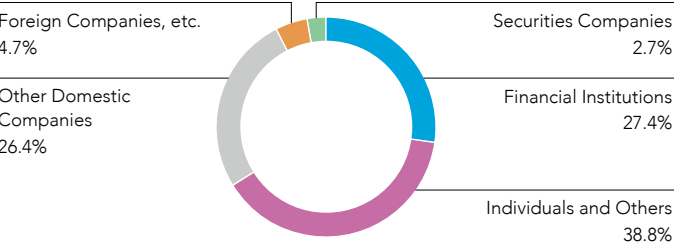
Total number of shareholders
8,540

Major Shareholders

Shareholder Name	Number of Shares Held (Unit: thousand shares)	Shareholding Ratio (%)
Yamae Daiichi Shokueikai	1,833	6.62
Yamae Group Employee Stock Ownership Plan	1,379	4.98
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,376	4.97
Nanei Fukushimai	934	3.37
The Bank of Fukuoka, Ltd.	879	3.18

Note: Figures less than one thousand shares are rounded down.

Shareholder Composition



Group Companies (as of June 30, 2024)

Fukuoka Prefecture YAMAEHISANO Co., Ltd.	Wholesale company that sells, manufactures, and processes products mainly in the food, housing, and real estate industries	Tokyo Metropolitan Area Minori Holdings Co., Ltd. Kawachiya Genos Co., Ltd.	Holdings company Wholesale of alcoholic beverages for commercial use
TAKACHIHO SOUKO UNYU CO., LTD. Yamae Oil Co., Ltd.	Transportation and warehousing Sales of petroleum products, vehicle maintenance, and non-life insurance	Fit Co., Ltd. TATSUMI CO., LTD.	Alcoholic beverages, food delivery Wholesale of restaurant food products, primarily ingredients and wine
RINNET Co., Ltd.	Information processing and software development	Y&I Holdings Ltd.	Holdings company (holds shares of confectioneries wholesaler Confex Holdings Co., Ltd.)
Y-tech Co., Ltd.	Wood processing and sale of residential building materials	ASTEEO Inc.	Sale of built-for-sale housing for sale, sale of building lots, and custom-built housing construction
Yamae Rental & Lease Co., Ltd. Yamaekashi Co., Ltd.	Rental Car Business Confectioneries wholesales	ASTEEO PARTNERS Inc. LUMBER ONE INC.	Real estate brokerage Business holding company, and real estate leasing business
Delica SF Holdings Co., LTD. DELICA FRIENDS CO., LTD. SOUWA Co., LTD.	Holdings company Manufacture and sale of bento side dishes	YAZAWA LUMBER INC.	Architectural construction design, construction, and contracting
Futaba-Industry. Co., Ltd. Echo delica Co., Ltd.	Manufacture and sale of bento side dishes	YOU PROJECT INC.	Real estate sales/purchase, leasing, management, and other brokerage services
HVC Holdings Inc. HIVIC CO., LTD. (Tochigi Prefecture)	Manufacture and sale of bento side dishes Holdings company	Confex Holdings Co., Ltd. Confex Co., Ltd.	Holdings company General trading company for confectioneries and foods
Kajima Giken Co., Ltd.	Wood processing and sale of residential building materials	CREET Co., Ltd.	Confectionery product planning, development, import, and sales
ELIYU SANGYO Co., Ltd.	General construction, manufacture of steel formwork, hardware and rebar, and IS base pillar business	KIRARA Co., Ltd. (Gifu Prefecture) Sweet Factory Co., Ltd. (Aichi Prefecture) YSO Co., Ltd. Yumeya Co., Ltd. MAR CO., LTD.	Manufacture and sales of confectioneries Manufacture and sales of confectioneries Operation of convenience store franchise chain Retail sales of confectioneries and toys Import and wholesale of marine products, vegetables, and fruits
Ashitamo Co., Ltd.	Roof and balcony waterproofing, solar power generation installation and sales, housing material sales, pipework business, air-conditioning ventilation, and fire-fighting facility construction business	Kanagawa Prefecture PIZZA HUT CORPORATION JAPAN LTD. PIZZA HUT JAPAN LTD. PIZZA HUT AGENCY CO., LTD.	Holdings company Delivery food and beverage services Business related to the Advertising Department of Pizza Hut Corporation Japan Ltd.
Fukuoka Nosan Co., Ltd. Fukuoka World Grains Co., Ltd. YGL Co., Ltd.	Polished rice wholesales Imported organic rice business	Chao Holdings Co., Ltd. Channel Original Co., Ltd. Yakushima Log Manufacture Corp. (Kagoshima Prefecture) Wood Family Co., Ltd. (Hokkaido)	Holdings company Development and sales of building materials Production of lumber from Yakushima jisugi cedars
Kyushu Eiko Express Co., Ltd. (Kumamoto Prefecture) Yamae Realty Co., Ltd.	General freight forwarding business and consigned freight forwarding business	Inforest Co., Ltd. (Saitama Prefecture)	Processing and sales of Hokkaido broad-leaved tree products
Quicks CO., LTD.	Real estate ownership, leasing, sales/purchase, and brokerage services	CHANNEL-EX TRADING CORPORATION (Canada)	Wholesale of imported lumber and imported building materials
Torizen Quality Oceans Co., Ltd. Topran Co., Ltd.	Meat processing, manufacture and sale of side dishes Sales of fishery materials and marine products	Chiba Prefecture Kasugaya Co., Ltd.	Sales of North American lumber and sales of imported building materials Wholesale of alcoholic beverages, and retail business
Topran farm Co., Ltd. (Kumamoto Prefecture) Murakami Poultry farm Co., Ltd. (Kumamoto Prefecture) BABA SHIRYO Co., Ltd.	Sales of chicken eggs and chicken egg processed foods Poultry farming business, and packaging, processing, and sales of chicken eggs	Gunma Prefecture KANEKI KOGYO CO., LTD.	Processing of wood panels for construction, lumber processing, and sales of architectural materials, etc.
HYAKUICHIDO Co., Ltd. (Osaka Prefecture)	Poultry farming business, and packaging, processing, and sales of chicken eggs Sales of livestock feed and guidance on livestock technologies	Hyogo Prefecture MARUNAGA CO., LTD.	Production and sale of animal feed, sale of animal pharmaceuticals and livestock machinery and equipment, livestock agriculture, sale of raw livestock, meat and chicken eggs, pig farming, and poultry farming
Production and sale of food products			
Kumamoto Prefecture Nissokhen. CO., LTD. Nissokbuild. CO., LTD.	Construction industry Real estate holdings, leasing, sales/purchase management, brokerage services, etc.	Shizuoka Prefecture F and S Co., Ltd. Otosui Co., Ltd. Kaneshimeichi Co., Ltd. (Miyagi Prefecture)	Holdings company Marine product collection and sales Fishing, marine product wholesales, and refrigerated warehousing
Tsuyama Seika Y.K. TOY MEDICAL Co., Ltd.	Fruit and vegetable wholesales	Singapore Arco Marketing Pte Ltd	Development and sales of medical equipment, health foods, and beauty products
Tsunoura Golf Arena Co., Ltd.	Management of golf driving ranges, planning and operation of golf competitions, etc.	Italy ORIGINAL JAPAN S.R.L.	Import, export and sale of frozen seafood and processed foods Restaurant management, trade business
Saga Prefecture Towardis Co., Ltd.	Logistics business, information system business, and food recycling business		
Miyazaki Prefecture TAKACHIHO SHUZO CO., LTD.	Production and sale of <i>shochu</i>		
Kagoshima Prefecture Quality Farm Co., Ltd.	Pig farming		
Okinawa Prefecture YLO. Co., Ltd.	CVS center operations		