

meito

TSE Prime Market, NSE Premier Market
Securities Code: 2207

Financial Results Briefing

MEITO CO., LTD.

May 27, 2026





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01

**Overview of Financial Results
for the Year Ended March 31,
2026**

Financial Highlights for the Year Ended March 31, 2026

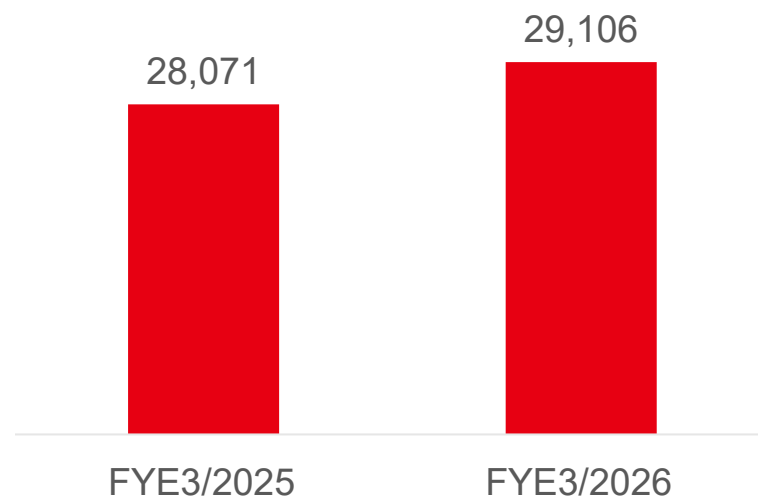


- Net sales: Increased by 3.7% compared to the previous consolidated fiscal year to ¥29,106 million.
- Operating profit: Decreased by 12.5% to ¥1,230 million as the result of recording expenses for various promotions carried out as part of the Company's 80th anniversary projects and write-downs on inventories, despite improvement of the cost-to-sales ratio attributable to an increase in net sales, changes in product volumes, and price revisions.
- Ordinary profit: Increased by 9.0% to ¥2,913 million, due to an increase in dividend income and a gain on sale of investment securities, despite a decrease in operating profit.
- Net income*: Decreased by 35.0% to ¥3,067 million, despite the recording of a gain on sale of investment securities of ¥1,449 million, etc. as extraordinary income. (A gain on sale of investment securities of ¥3,363 million, etc. was recorded as extraordinary income in the previous consolidated fiscal year.)

* Profit attributable to owners of parent

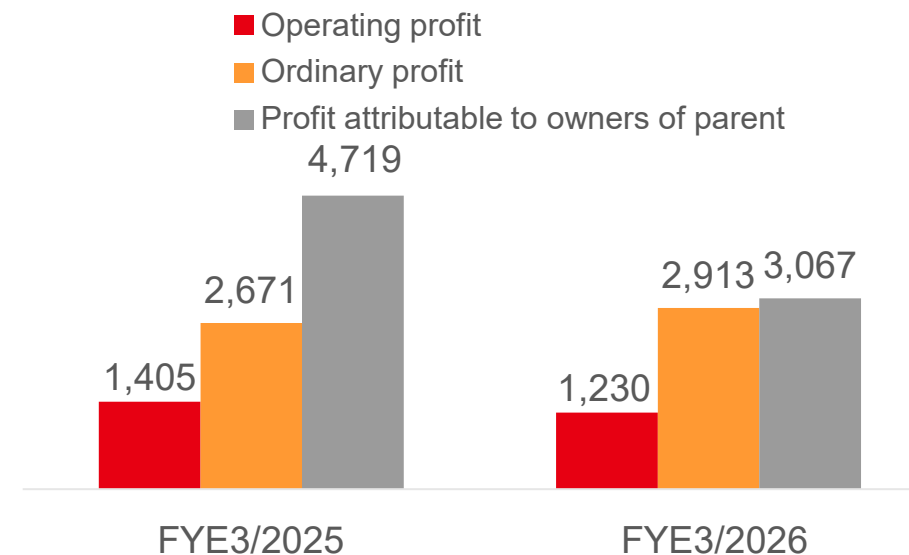
Net Sales

(Unit: Millions of yen)



Profit

(Unit: Millions of yen)



Financial Results for the Year Ended March 31, 2026

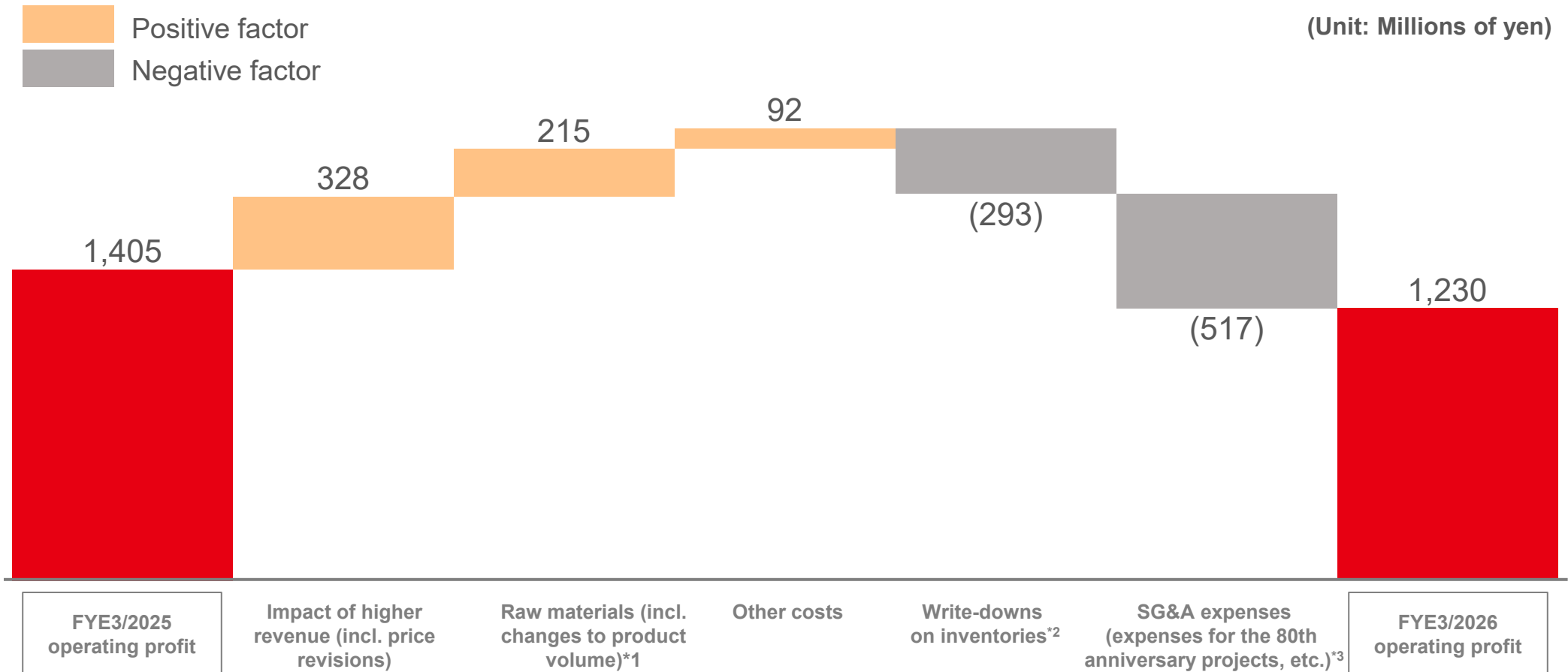


(Unit: Millions of yen)

	FYE3/2025	FYE3/2026		
	Actual	Actual	Change	Change (%)
Net sales	28,071	29,106	1,035	3.7%
Food Business	24,405	25,166	760	3.1%
Fine Chemicals Business	3,389	3,546	157	4.6%
Real Estate Business	276	393	117	42.3%
Gross profit	7,985	8,468	483	6.1%
Gross profit margin	28.4%	29.1%	—	—
Selling, general and administrative expenses	6,579	7,238	658	10.0%
Operating profit	1,405	1,230	(175)	(12.5%)
Operating profit margin	5.0%	4.2%	—	—
Dividend income	1,167	1,406	239	20.5%
Ordinary profit	2,671	2,913	241	9.0%
Ordinary profit margin	9.5%	10.0%	—	—
Profit attributable to owners of parent	4,719	3,067	(1,651)	(35.0%)
Net income margin	16.8%	10.5%	—	—
EPS	¥278.83	¥183.21	—	—

Analysis of Change in Operating Profit (YoY)

- Operating profit decreased due to negative factors such as write-downs on inventories and promotion expenses related to the Company's 80th anniversary projects, which exceeded positive factors such as the effects of increased revenue and improved profit resulting from changes in product volumes.



*1 Profit improvement due to changes in the volume of some products in response to soaring raw material prices.

*2 Recording of write-downs on inventories due to sharp declines in the market prices of main raw materials, which had previously surged.

*3 Recording of expenses for various promotions, including a corporate commercial aiming to increase brand recognition, as part of the 80th anniversary projects.

Financial Results by Segment



- Combined segment income for the three businesses increased by ¥337 million compared to the previous consolidated fiscal year.

On the other hand, operating profit decreased due to an increase in general & administrative expenses not attributable to each segment caused by promotions related to the 80th anniversary projects.

(Unit: Millions of yen)

Net sales	FYE3/2025		FYE3/2026			
	Actual	Composition ratio	Actual	Change	Change (%)	Composition ratio
Food Business	24,405	86.9%	25,166	760	3.1%	86.5%
Fine Chemicals Business	3,389	12.1%	3,546	157	4.6%	12.2%
Real Estate Business	276	1.0%	393	117	42.3%	1.3%
Total	28,071	100.0%	29,106	1,035	3.7%	100.0%

Segment income	FYE3/2025		FYE3/2026			
	Actual	Composition ratio	Actual	Change	Change (%)	Composition ratio
Food Business	1,477	61.3%	1,739	262	17.8%	63.3%
Fine Chemicals Business	837	34.8%	808	(29)	(3.5%)	29.5%
Real Estate Business	94	3.9%	198	104	110.3%	7.2%
Segment income	2,409	100.0%	2,746	337	14.0%	100.0%
Adjustment (General & Administrative Expenses)	(1,003)	—	(1,516)	—	—	—
Operating profit	1,405	—	1,230	(175)	(12.5%)	—

Financial Results by Segment — Food Business

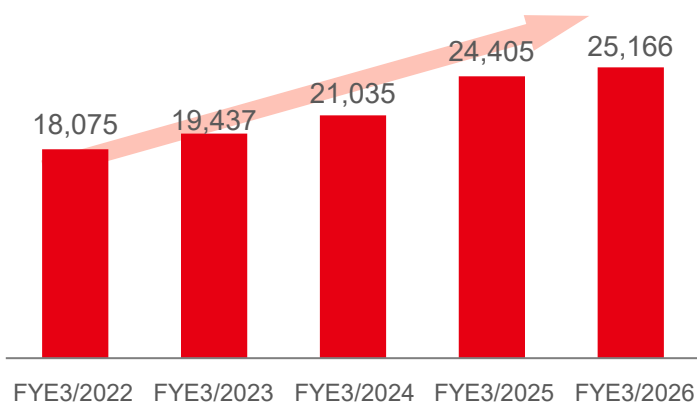


3.1% increase in revenue, 17.8% increase in operating profit

- Revenue in the Food Business increased, driven by growth in the powdered drink mix division. Segment income increased due to the effect of changes in product volumes and price revisions made several times over prior fiscal years, despite the recording of write-downs on inventories at fiscal year end.
- The confectionery division secured revenue exceeding the previous fiscal year’s level.
 - Revenue from chocolate products remained at the same level as the previous fiscal year.
 - Revenue at the subsidiary ACE BAKERY Co., Ltd. increased due to steady sales of jelly products, including the “Freeze and Eat Sherbet” series.
- Revenue in the powdered drink mix division increased due to expanded sales of cocoa products.
- Revenue in the ice cream division increased slightly.

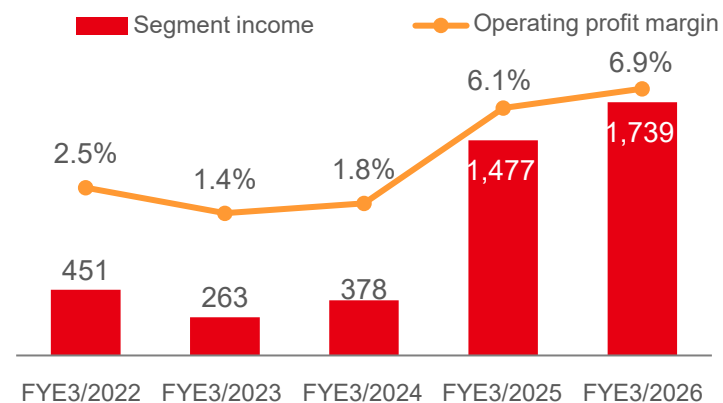
Net Sales Trend

(Unit: Millions of yen)



Segment Income Trend

(Unit: Millions of yen)



Net Sales Breakdown

(Unit: Millions of yen)

	FYE3/2022	FYE3/2023	FYE3/2024	FYE3/2025	FYE3/2026
Confectionery division	13,477	14,461	15,737	18,805	18,949
Powdered drink mix division	2,642	2,691	2,838	2,864	3,245
Ice cream division	1,657	1,956	2,097	2,308	2,319
Other	298	327	360	427	651
Total	18,075	19,437	21,035	24,405	25,166

Financial Results by Segment — Fine Chemicals Business

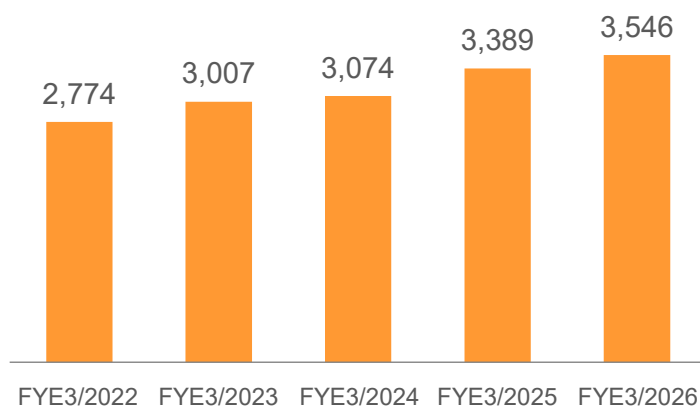


4.6% increase in revenue, 3.5% decrease in operating profit

- Revenue in the Fine Chemicals Business increased due to aggressive sales activities mainly in overseas markets. Segment income decreased due to a higher cost-of-sales ratio.
- In the enzyme division, sales of “Rennet,” a milk-clotting enzyme for cheese, increased significantly in overseas markets, while sales of “Lipase,” a lipolytic enzyme, remained at the same level as the previous fiscal year.
- Revenue in the pharmaceuticals division decreased due to a decline in sales of “Dextran sulfate,” a raw material for medical devices and other applications.

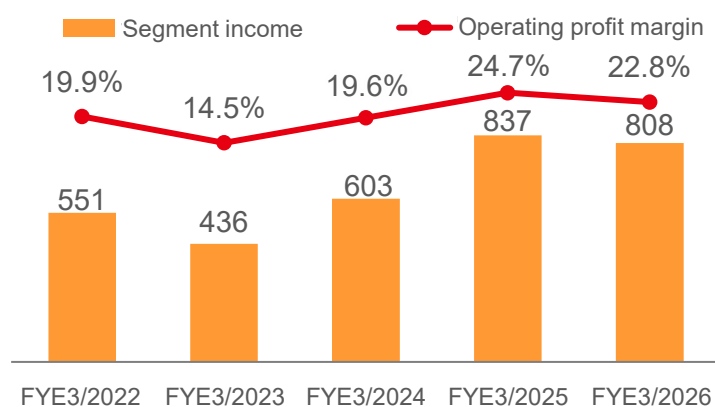
Net Sales Trend

(Unit: Millions of yen)



Segment Income Trend

(Unit: Millions of yen)



Net Sales Breakdown

(Unit: Millions of yen)

	FYE3/2022	FYE3/2023	FYE3/2024	FYE3/2025	FYE3/2026
Enzyme division	1,609	1,762	1,749	1,873	2,057
Pharmaceuticals division	974	1,056	1,137	1,316	1,278
Other	190	188	187	199	210
Total	2,774	3,007	3,074	3,389	3,546
Overseas sales	1,590	1,969	1,934	2,220	2,364

Financial Results by Segment — Real Estate Business (Golf Course and Real Estate Leasing)

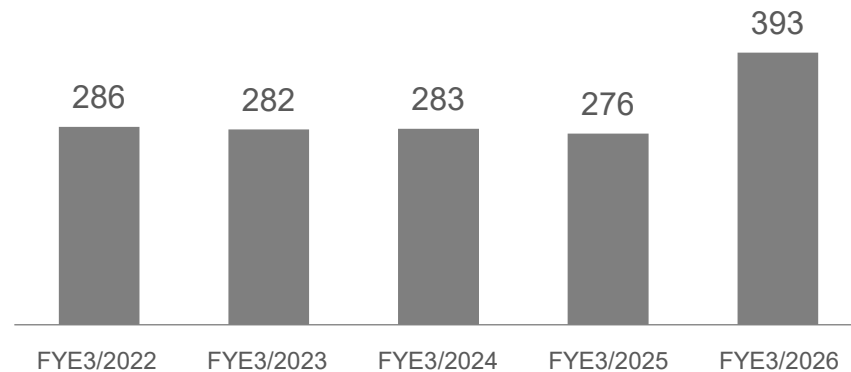


42.3% increase in revenue, 110.3% increase in operating profit

- Revenue and profit increased due to the acquisition of real estate in Tokyo in September 2025 and the commencement of leasing.

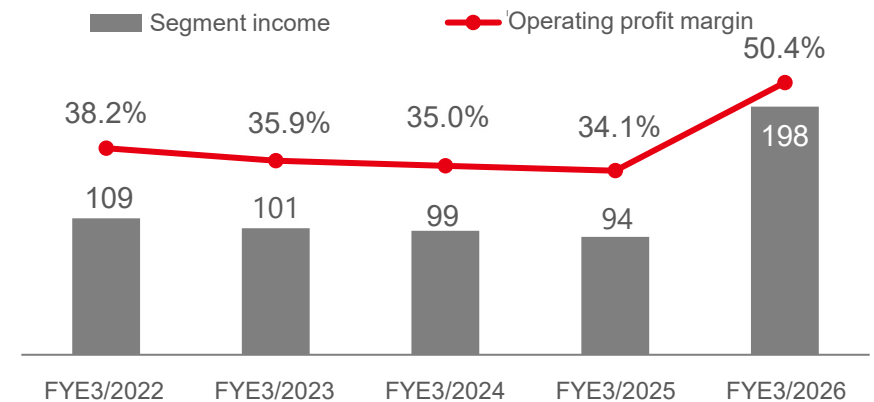
Net Sales Trend

(Unit: Millions of yen)



Segment Income Trend

(Unit: Millions of yen)



Balance Sheet and Cash Flow Statement



Balance Sheet

(Unit: Millions of yen)

	End of	End of FYE3/2026		
	FYE3/2025	Actual	Change	
	Actual	Actual	Change	
Current assets	17,395	16,071	(1,324)	
Cash and deposits	7,194	3,575	(3,618)	
Notes and accounts receivable - trade	5,546	5,468	(77)	
Merchandise and finished goods	1,915	2,528	613	
Raw materials and supplies	1,785	2,650	864	
Non-current assets	65,929	84,247	18,318	
Property, plant and equipment	20,249	30,088	9,838	*1
Investment securities	43,064	51,733	8,669	*2
Current liabilities	8,838	9,376	538	
Notes and accounts payable - trade	2,882	2,304	(577)	
Short-term borrowings	–	1,850	1,850	*1
Current portion of long-term borrowings	796	1,383	586	
Income taxes payable	1,346	93	(1,252)	
Non-current liabilities	19,574	28,778	9,204	
Long-term borrowings	8,342	14,454	6,112	*1
Deferred tax liabilities	8,410	11,485	3,074	
Net assets	54,912	62,164	7,251	
Total liabilities and net assets	83,325	100,319	16,994	

Cash Flow Statement

(Unit: Millions of yen)

	FYE3/2025	FYE3/2026	
	Actual	Actual	Change
Net cash provided by (used in) operating activities	4,236	(708)	(4,945)
Net cash provided by (used in) investing activities	960	(9,296)	(10,257) *1
Net cash provided by (used in) financing activities	(4,365)	6,387	10,753 *1
Net increase (decrease) in cash and cash equivalents	831	(3,618)	(4,450)
Cash and cash equivalents at beginning of period	6,362	7,194	831
Cash and cash equivalents at end of period	7,194	3,575	(3,618)

*1 Land was acquired in the Real Estate Business, etc. In addition, construction in progress increased due to the construction of a new plant. Borrowings were implemented to pay for the capital investment.

*2 Rise in market prices of shares held.

02

**Financial Results Forecast
for the Year Ending March 31,
2027**

Financial Results Forecast for the Year Ending March 31, 2027



(Unit: Millions of yen)

	FYE3/2026	FYE3/2027		
	Actual	Forecast	Change	Change (%)
Net sales	29,106	30,500	1,393	4.8%
Operating profit	1,230	1,800	569	46.3%
Operating profit margin	4.2%	5.9%		
Ordinary profit	2,913	3,000	86	3.0%
Ordinary profit margin	10.0%	9.8%		
Profit attributable to owners of parent	3,067	2,100	(967)	(31.6%)
Net income margin	10.5%	6.9%		
EPS (Earnings per share)	¥183.21	¥128.81	—	—
Dividend per share	¥55	¥80	—	—
Payout ratio	30.0%	62.1%	—	—

Financial Results Forecast by Segment for the Year Ending March 31, 2027



(Unit: Millions of yen)

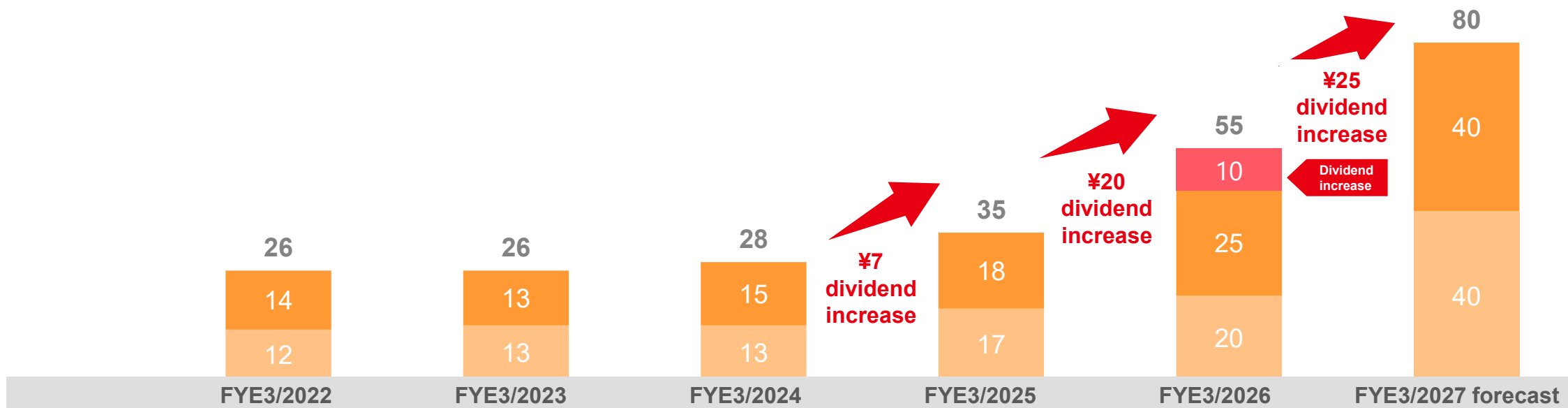
Net sales	FYE3/2026		FYE3/2027			
	Actual	Composition ratio	Forecast	Change	Change (%)	Composition ratio
Food Business	25,166	86.5%	26,400	1,233	4.9%	86.6%
Fine Chemicals Business	3,546	12.2%	3,600	53	1.5%	11.8%
Real Estate Business	393	1.3%	500	106	27.0%	1.6%
Total	29,106	100.0%	30,500	1,393	4.8%	100.0%

Trend in Dividend Amounts

- The year-end dividend is planned to be ¥35 per share, up ¥10 from the previous forecast (October 2025).
- The company plans to pay an annual dividend of ¥55, including an interim dividend of ¥20.
- The annual dividend for FYE3/2027 is planned to be ¥80 per share, up ¥25 from the previous fiscal year.

Trend in the Dividend Per Share and Payout Ratio

■ Interim dividend
 ■ Year-end dividend
 ■ Dividend increase



	FYE3/2022	FYE3/2023	FYE3/2024	FYE3/2025	FYE3/2026	FYE3/2027 forecast
Annual dividend	¥26	¥26	¥28	¥35	¥55	¥80
Payout ratio	24.2%	62.7%	—	12.6%	30.0%	62.1%
EPS	¥107.50	¥41.47	(¥41.59)	¥278.83	¥183.21	¥128.81

03

Progress of the Medium-Term Management Plan

MEITO CHALLENGE 2026

Slogan

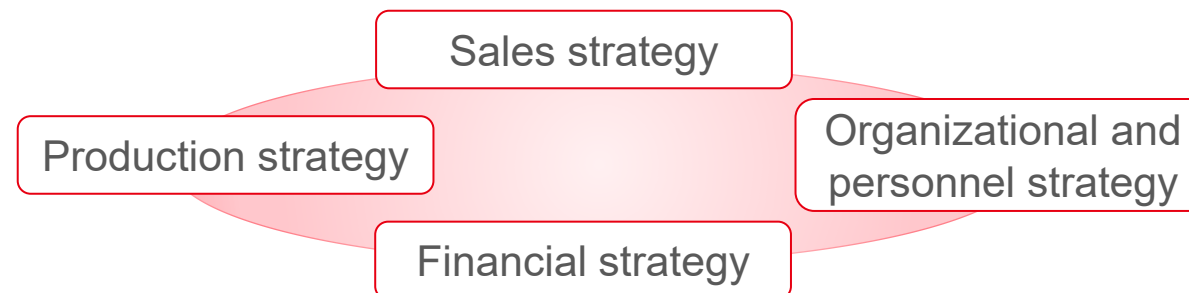
Challenge for the future

Taking on challenges that create the future

Concept

- Backcasting mindset contributing to sustainable growth
- Promotion of strategies for optimizing the business portfolio
- Strengthening management that is conscious of human capital, cost of capital, and stock price

Growth Strategy



Medium-Term Management Plan “MEITO CHALLENGE 2026” — Management Targets



- For FYE3/2026, both net sales and profit progressed largely according to plan.
- Meanwhile, we will further promote initiatives for PBR to achieve the management targets and for ROE to realize further capital efficiency.

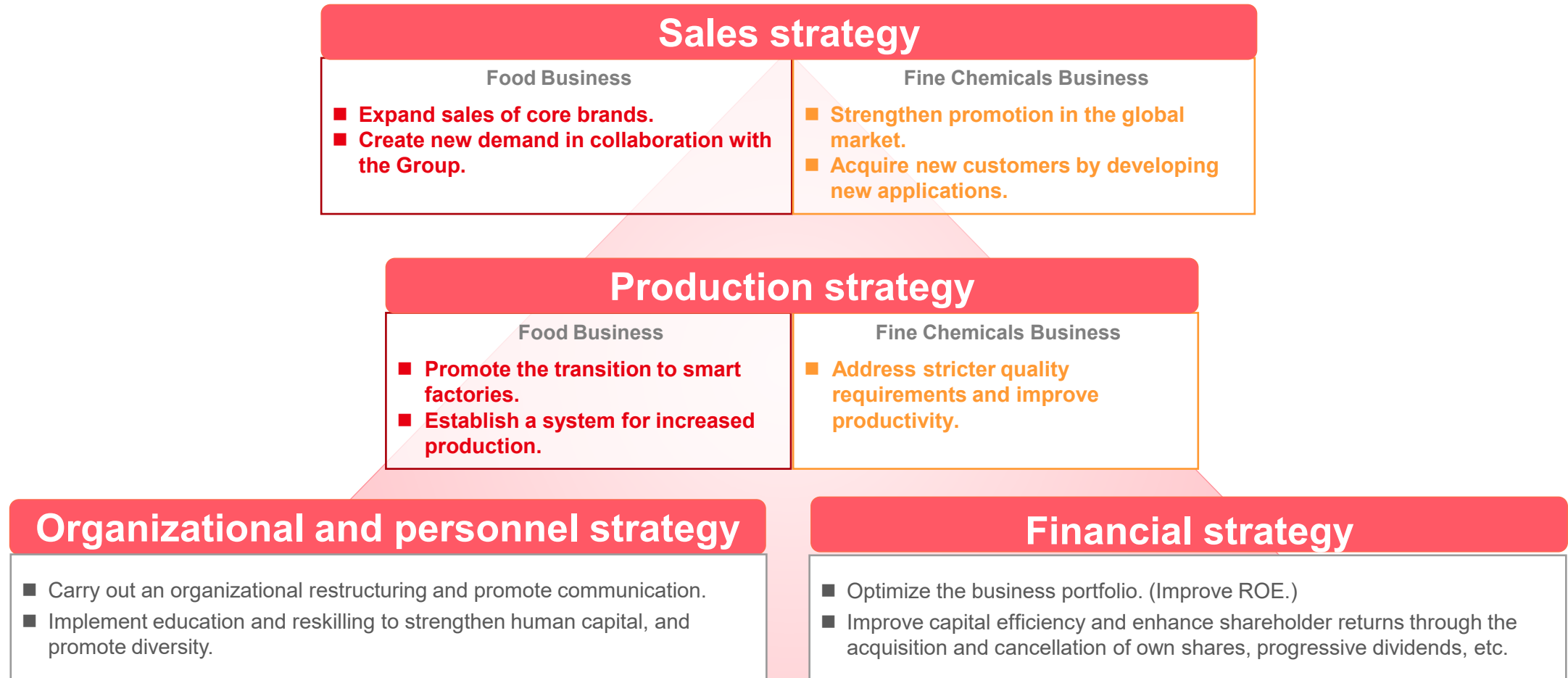
FYE3/2027 Management Targets

Net sales ¥30.0 billion	Operating profit ¥1.8 billion	Ordinary profit ¥3.0 billion	ROE 5.0% or more	PBR 1.0 times
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FYE3/2026 Actual

	MC 2023		MEITO CHALLENGE 2026			
	FYE3/2024	FYE3/2025	FYE3/2026			FYE3/2027
	Actual	Actual	Plan <small>(Announced in May 2024)</small>	Actual	vs. Plan	Plan <small>(Announced in May 2024)</small>
Net sales	¥24.4 billion	¥28.0 billion	¥29.0 billion	¥29.1 billion	+3.7%	¥30.0 billion
Operating profit	¥0.23 billion	¥1.40 billion	¥1.30 billion	¥1.23 billion	(12.57%)	¥1.80 billion
Ordinary profit	¥1.43 billion	¥2.67 billion	¥2.50 billion	¥2.91 billion	+9.0%	¥3.00 billion
ROE	(1.5%)	8.9%	—	5.2%	—	5.0% or more
PBR	0.6 times	0.6 times	—	0.8 times	—	1.0 times

- We are working on four growth strategies to achieve our management targets.



Medium-Term Management Plan “MEITO CHALLENGE 2026”

— Progress of the Medium-Term Management Plan



Growth Strategy

Sales strategy	Food Business <ul style="list-style-type: none"> Expand sales by strategically allocating management resources to core brands. Create new demand, including strengthening synergies across Group companies.
	Fine Chemicals Business <ul style="list-style-type: none"> Strengthen promotion of high-value-added products in the global market. (Maintain the top position in global niches.) Acquire new customers by developing new applications.
Production strategy	Food Business <ul style="list-style-type: none"> Implement DX directly linked to improving safety, quality, and production. (Transition to smart factories.) Establish a system for increased production through capital investment, personnel reinforcement, and predictive/preventive maintenance.
	Fine Chemicals Business <ul style="list-style-type: none"> Address stricter quality requirements and improve productivity by optimizing manufacturing technology and processes, enhancing facilities, and reinforcing personnel.
Organizational strategy	<ul style="list-style-type: none"> Carry out an organizational restructuring and promote communication to enhance organizational capabilities (launching of problem-solving projects, inter-Group company exchanges). Enhance (expand) education and reskilling to strengthen human capital, and promote diversity.
Financial strategy	<ul style="list-style-type: none"> Optimize the business portfolio by reallocating management resources. (Improve ROE.) Improve capital efficiency and enhance shareholder returns through the acquisition and cancellation of own shares, progressive dividends, etc.



Progress as of FYE3/2026

Food Business <ul style="list-style-type: none"> Implemented TV commercials, radio commercials, SNS advertising, and gift campaigns aimed at improving core brand recognition and expanding sales. Held a pop-up event to raise recognition of <i>Alphabet Chocolate</i>. Developed new flavored products for strengthening core brands.
Fine Chemicals Business <ul style="list-style-type: none"> Continued application for EU positive list registration of food additive enzymes for various lipases. Exhibited at the 16th COSME Tech 2026 Tokyo (at Tokyo Big Sight) for sales promotion of lipase and dextran derivatives for cosmetic applications.
Food Business <ul style="list-style-type: none"> Made progress in designing the integrated production process system. Started use of some analysis tools. Made capital investment in the packaging lines for candies and ice cream, etc. to increase production and improve productivity.
Fine Chemicals Business <ul style="list-style-type: none"> A new plant for sodium dextran sulfate is under construction (to be completed in January 2027). Made preparations for ISO 9001 quality management standard certification at the Nagoya Research Laboratory and Biwajima Plant Improved productivity of enzyme products at the Hachioji Plant and the Tokyo Research Laboratory (optimization of conditions for chemically processing MRS and MRS-LP).
<ul style="list-style-type: none"> Developed menu items by collaborating with subsidiaries and held pop-up events that were jointly operated with said subsidiaries. The Human Rights and Diversity Subcommittee started planning information distribution from departments using an internal social network.
<ul style="list-style-type: none"> Implemented a secondary offering of shares, aiming to optimize shareholder composition and to reduce policy shareholdings. Announced revisions to the financial strategy, aiming to improve capital efficiency and enhance shareholder returns.

Medium-Term Management Plan “MEITO CHALLENGE 2026” Sales Strategy — Food Business: Strengthening Promotion of Core Brands



- Actively deployed promotions utilizing TV commercials and SNS to help strengthen brand recognition and expand sales.



TV commercials

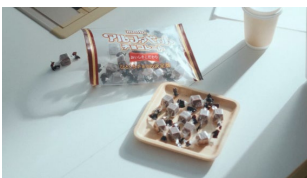
From May
Pukupukutai



From October
Nuts Chocolate Collection



From November
Alphabet Chocolate



SNS



Expansion of lineups of brand products

From August

Pukupukutai
Roasted
Sweet Potato



Alphabet
Chocolate
Annouimo



From September

Alphabet
Chocolate
Big Pack



From January

Stick Mate
Rooibos Tea



Alphabet
Chocolate
Matcha Latte



From March

Pukupukutai
Pudding Flavor



**Aiming for
inclusion as
staple products**

KPI: Rate of increase in
stores with regular
listings of the four core
brands (internal survey)

Alphabet Chocolate	14.6% increase
Pukupukutai	14.8% increase
Lemon Tea	0.6% increase
Stick Mate	17.0% increase

Medium-Term Management Plan “MEITO CHALLENGE 2026” Sales Strategy — Food Business: Strengthening the Brand by Promotion



Developed various promotions to enhance brand recognition as part of the 80th anniversary projects

Implementation of corporate promotion

Holding of pop-up events to communicate the new appeal of *Alphabet Chocolate* (in Tokyo, Nagoya, Osaka, and Fukuoka)

Target

“Enhance recognition of the corporate brand and the *Alphabet* brand on the occasion of the trade name change on September 1”

TV commercials

Roll out three kinds of TV commercials nationwide



- TV commercial (1), 30-second “General ver.”
- TV commercial (2), 15-second “General ver.”
- TV commercial (3), 15-second “Food ver. (*Alphabet Chocolate* ver.)”

Digital advertising

Use the same advertising materials as the TV commercials for younger viewers (YouTube, TVer, etc.)

Physical advertising

Seek synergy effects through mass transit advertisements for stations, trains, bus shelters, etc. (in Tokyo, Nagoya, Osaka, and Fukuoka)

- Cityscape: Bus shelters
- Vision advertisements: Visions in trains, station signage, outdoor giant screens, etc.



Image for cityscape

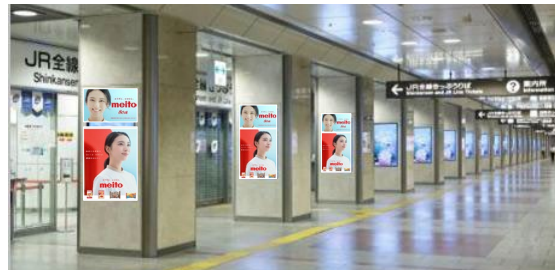


Image for vision advertisements



Limited products and special projects (Examples)

- 13 kinds of limited flavors “*Alphabet Chocolate* with ‘i’ (love)”
- “*Alphabet Choco Letter*”, a one-of-a-kind “gift of words”
- *Alphabet Chocolate* in Daily Life (merchandise-related)

Region	Period	Venue
Tokyo	From Nov. 29 to Dec. 7, 2025	Shibuya Cast Garden
Fukuoka	From Dec. 13 to 21, 2025	Canal City Hakata
Osaka	From Jan. 10 to 18, 2026	HOOP
Nagoya	From Jan. 31 to Feb. 8, 2026	JR Gate Tower Event Space



Alphabet Chocolate with ‘i’ (love)

Results

- ✓ Approx. 30,000 visitors and 15,000 viewers on social networks
- ✓ Strong sales of products with limited flavors, limited-time products, and *Choco Letter*
- ✓ Approx. half of visitors were in their 20’s, which contributed to creating contacts with younger consumers.

Spring/Summer Lineup

Confectionery Division

Chocolate

Alphabet Chocolate
Matcha Latte



Appeal to inbound tourists amid growing worldwide demand for matcha

Ukiyoe-like illustration

Flavor name also indicated in English

Pukupukutai
Pudding Flavor



Two-layered chocolate inside designed to evoke the image of pudding

Ice Cream Division

Chocotto Fruit
Shine Muscat



White-chocolate-coated gelato with shine muscat juice

Mocchiri Puru Puru
Fruit Bars (Pineapple)



Enjoy different textures and temperature changes while experiencing the real fruit juice

Powdered Drink Mix Division

Aqua Mate



Contains salt, citric acid, vitamin C, and potassium

Density-adjustable hydration drink (Sports drink flavor)

Developed to respond to rising awareness of heatstroke prevention measures

Spring/Summer Lineup

ACE BAKERY

Freeze and Eat Sherbet

Salty Sherbet
Jelly



Domestic Fruit
Juice Sherbet



Freeze and
Eat Sherbet



Sherbet Soda
Assortment



Baked Confectionery

Homemade Baumkuchen
Salty Vanilla



Citrus Cheese
Pound Cake



Progress of a new jelly factory to start operation in 2027

- Currently selecting and checking equipment that is expected to significantly improve productivity.
- After starting operation, is expected to boost revenue by increasing production of NB products and enhancing contract manufacturing of PB and OEM products.



Image of the completed factory

Location	Kasugai-shi, Aichi
Overview	Total floor area of 7,849 m ² , two-story steel-frame structure
To start operation	After January 2027

Oimoya

Expanded lineup of Mother's Day gifts



Expanded gift sets that combine a flower frame or photo frame with strawberry Baumkuchen for EC sites.

Medium-Term Management Plan “MEITO CHALLENGE 2026”

Sales Strategy — Fine Chemicals Business:

Strengthening Promotion of High-Value-Added Products in the Global Market



Fine Chemicals Business

Expanding dextran derivatives into cosmetic applications

Initiatives

- Enhanced sales promotion in the sensitive skin and aging-care cosmetics markets, focusing on sodium dextran sulfate (DST-H), which is expected to provide effects such as wound healing, anti-inflammation, skin-soothing, and improved barrier function, and which also has a track record of use as an active ingredient in pharmaceutical ointments and a long history of adoption in the flagship brands of major European dermatological cosmetics companies.
- Exhibited at the 16th COSME Tech 2026 Tokyo (at Tokyo Big Sight).



Results

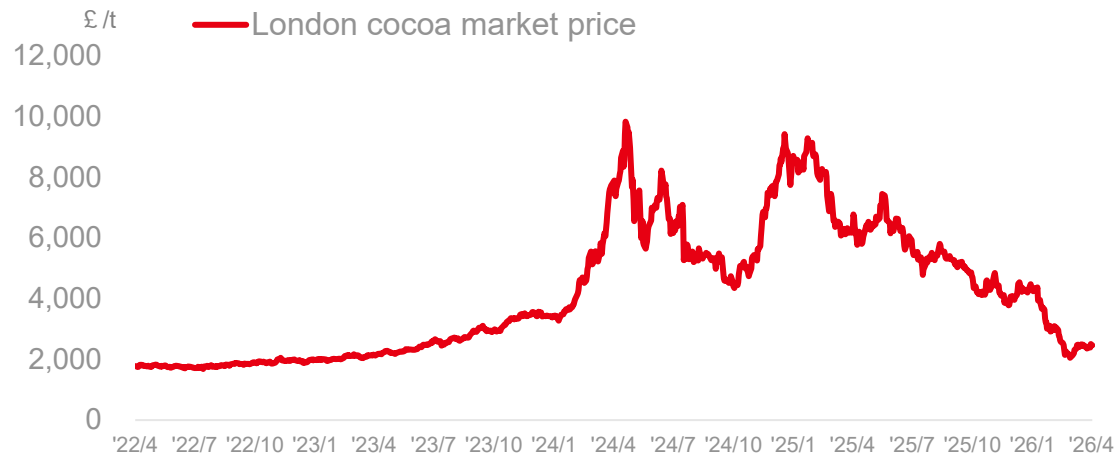
- A major domestic pharmaceutical company has adopted dextran derivative products for skincare applications.
- Major domestic pharmaceutical companies and cosmetic companies have adopted dextran derivative products for scalp care serum.

Strengthening promotion in the global market

- Continuing to apply for EU food additive enzyme positive list registration for various lipases.
- Continuing to develop applications of lipase OF, a lipolytic enzyme.

Downward trend in cacao bean market prices

- Chocolate prices have risen in countries around the world due to the cacao bean price surge of recent years, causing demand to recede. Meanwhile, with cacao bean growing conditions relatively favorable, the market has reversed and now favors supply over demand.



- Draw down inventories quickly by strengthening sales initiatives and adjusting product formulations
- Uncertainty in future prices of packaging materials due to the Middle East situation

- The company holds inventories of certain raw materials that were purchased prior to the decline in market price, due to early procurement of cacao raw materials to hedge against potential supply shortages; as a result, it is expected to take some time before the market price decline is reflected in product costs.
- The company will work through inventories quickly through strengthened sales initiatives and product formulation adjustments, accelerating the improvement in profitability.
- Uncertainty about future market prices of naphtha-derived raw materials used for packaging materials is growing due to the Middle East situation.

Careful monitoring of future market prices of raw materials and the procurement environment

Medium-Term Management Plan “MEITO CHALLENGE 2026”

— Key Initiatives for the Current Fiscal Year



Sales strategy	Food Business <ul style="list-style-type: none">■ Consider operating permanent stores (satellite stores, concept stores), leveraging knowhow acquired through pop-up events held in major cities (Tokyo, Nagoya, Osaka, and Fukuoka).■ Develop various advertising initiatives to raise corporate and brand recognition.■ Enhance rollout of core products to strengthen core brands (<i>Alphabet Chocolate</i>, <i>Pukupukutai</i>, and <i>Stick Mate</i>).■ Continue to hold pop-up events to raise recognition of <i>Alphabet Chocolate</i>.
	Fine Chemicals Business <ul style="list-style-type: none">■ Continue to apply for EU food additive enzyme positive list registration for various lipases.■ Exhibit products for cosmetic applications at trade shows.■ Implement customer support for sales expansion using direct mail.
Production strategy	Food Business <ul style="list-style-type: none">■ Operate the integrated production process system at full scale, aiming to streamline operations and reduce person-hours.■ Consider the introduction of an AI-driven automatic sorting machine for whole natural almonds used in chocolate products.■ Implement capital investments at the Seto, Nagoya, Komaki, and Fukuoka Plants to increase production and improve productivity.
	Fine Chemicals Business <ul style="list-style-type: none">■ Construct the DS Second Plant at the Biwajima Plant (to be completed in January 2027 with test operations in March 2027 and production starting in June 2027).■ Acquire ISO9001 quality management standard certifications for the Nagoya Research Laboratory and the Biwajima Plant.■ Advance the project to establish increased production capacity for lipase.
Organizational strategy	<ul style="list-style-type: none">■ Introduce the “Employee Benefit for Life Stage Support” program, which strengthens human capital investment such as growth support and self-development as well as expands support for employees’ various life stages (childcare, family caregiving, children’s education, etc.)■ Consider holding regular information exchange meetings between counterpart divisions and functions across the Group aiming to strengthen cooperation within the Group and promote knowledge sharing.
Financial strategy	<ul style="list-style-type: none">■ The annual dividend per share for FYE3/2027 will be revised to ¥80, an increase of ¥20 from the previously planned ¥60, as a KPI for dividends under the Medium-Term Management Plan.■ Regarding the acquisition and cancellation of treasury shares, the company will change the total amount to be implemented during the Medium-Term Management Plan period from the previously planned ¥2.0 billion to ¥3.5 billion, an increase of ¥1.5 billion. As the company has already acquired treasury shares totaling approximately ¥1.5 billion, it plans to acquire and cancel the remaining approximately ¥2.0 billion of treasury shares by the end of FYE3/2027.■ Accelerate sale of cross-shareholdings.

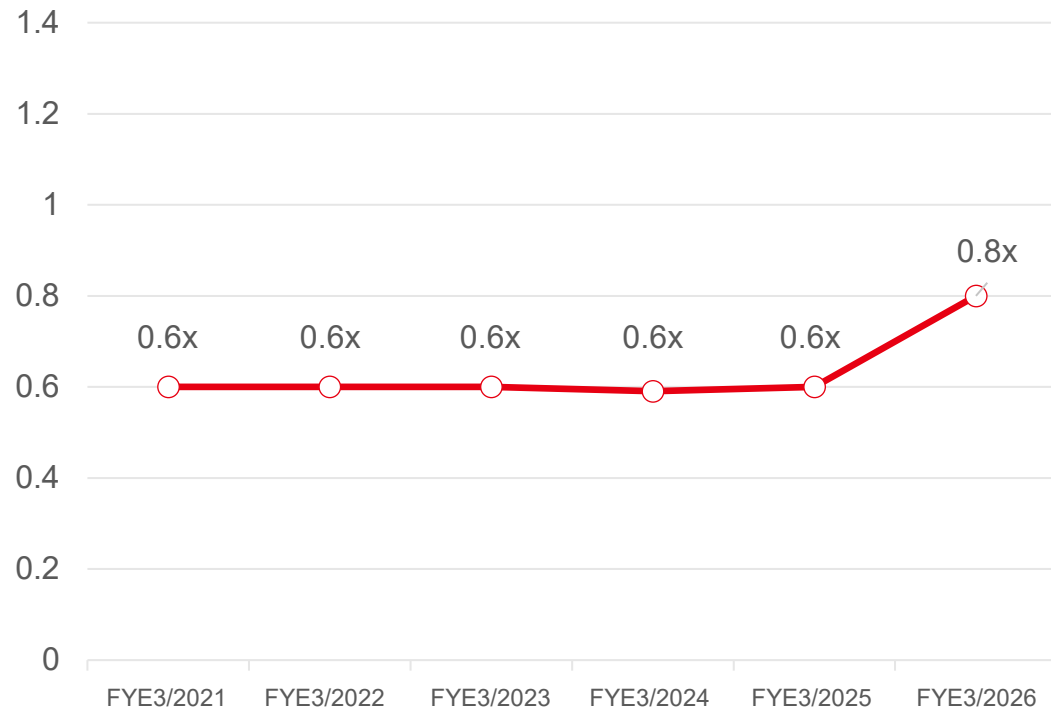
Medium-Term Management Plan “MEITO CHALLENGE 2026” — Financial Strategy (1)

(Management Conscious of Cost of Equity and Stock Price)

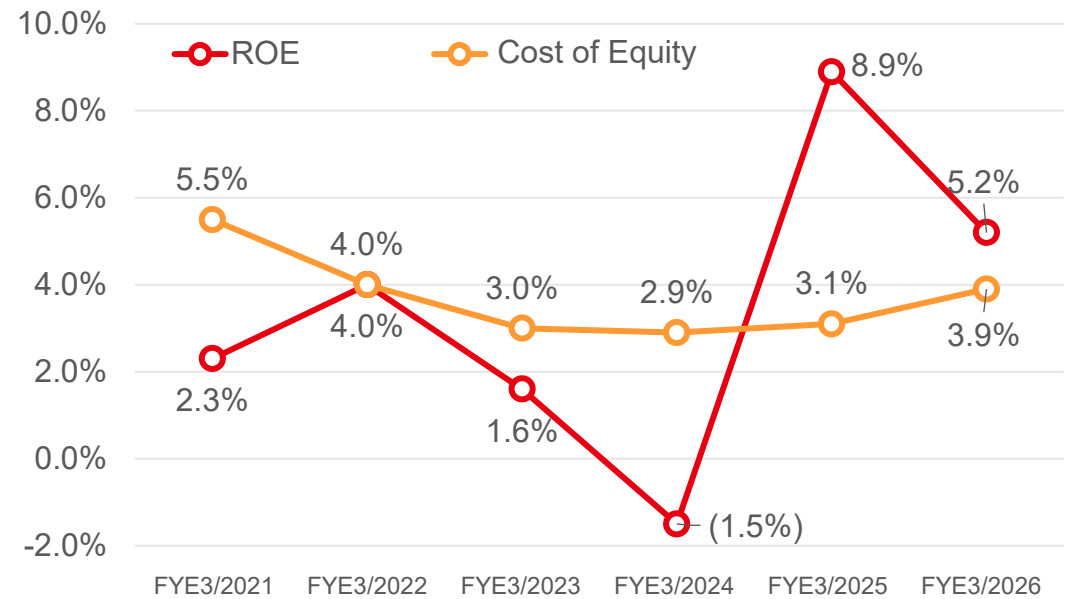


- The priority initiatives are (1) improving earning power and capital efficiency and (2) ensuring continuous and stable shareholder returns

PBR Trend



Comparison of ROE and Cost of Equity



Review of [Financial Strategy] Initiatives in Medium-Term Management Plan



* Planned shareholder returns totaling approx. ¥3.3 billion

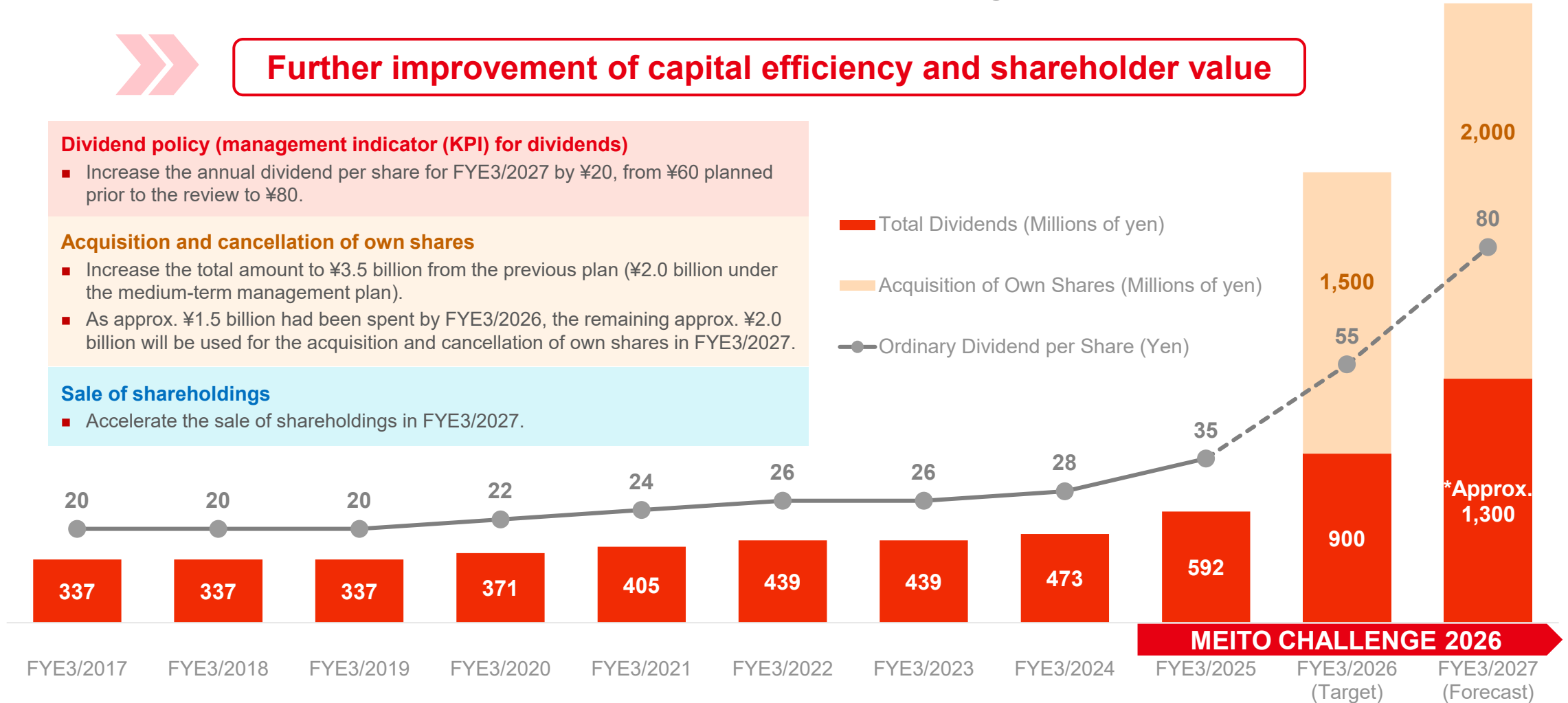
■ Enhancement of shareholder returns and sale of shareholdings in FYE3/2027



Further improvement of capital efficiency and shareholder value

- Dividend policy (management indicator (KPI) for dividends)**
- Increase the annual dividend per share for FYE3/2027 by ¥20, from ¥60 planned prior to the review to ¥80.
- Acquisition and cancellation of own shares**
- Increase the total amount to ¥3.5 billion from the previous plan (¥2.0 billion under the medium-term management plan).
 - As approx. ¥1.5 billion had been spent by FYE3/2026, the remaining approx. ¥2.0 billion will be used for the acquisition and cancellation of own shares in FYE3/2027.
- Sale of shareholdings**
- Accelerate the sale of shareholdings in FYE3/2027.

■ Total Dividends (Millions of yen)
 ■ Acquisition of Own Shares (Millions of yen)
 ● Ordinary Dividend per Share (Yen)



MEITO CHALLENGE 2026

*This may change depending on the progress of the acquisition of own shares.

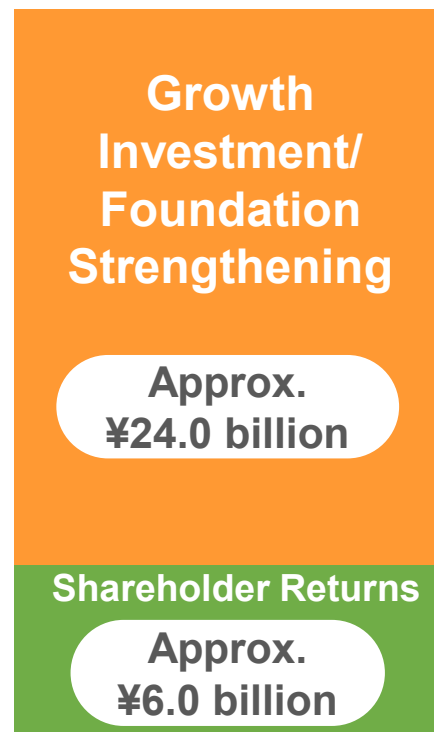
- The funds obtained from the sale of cross-shareholdings, along with cash generated from operating activities and other sources, will be allocated to growth investment, strengthening the management foundation, and shareholder returns

Cash Allocation during the Medium-Term Management Plan Period

Cash In



Cash Out



Asset Utilization/Fundraising

- **Results of the sale of cross-shareholdings**
Sold ¥5.9 billion of cross-shareholdings over the past two years of the Medium-Term Management Plan.
- **Cross-shareholdings sale policy for FYE3/2027**
Accelerate the sale of cross-shareholdings to promote efficient use of assets.
- **Sources of fundraising**
In addition to the above, aim to generate cash from operating activities, among other means.

Growth Investment (Previously approved investment projects)

Food Business

- **Jelly Factory Construction: ¥7.7 billion**
Construction of a new jelly factory (including land acquisition) at the ACE BAKERY subsidiary to increase production of *Freeze and Eat Sherbet*, etc.

Fine Chemicals Business

- **Biwajima Plant Construction: ¥3.8 billion**
Construction of a new plant (on the existing plant premises) to increase production of sodium dextran sulfate, one of the core products of the Fine Chemicals Business.

Real Estate Business

- **Acquisition of Real Estate for Leasing: ¥6.2 billion**
Acquired land in Tokyo and commenced leasing.

Foundation Strengthening

- **Capital investment, management foundation investment: Approx. ¥6.0 billion total over three years**

Shareholder Returns

- **Acquisition and cancellation of own shares up to ¥3.5 billion**
- **Implementation of progressive dividends (Approx. ¥2.8 billion total over three years)**
FYE3/2025: ¥35, FYE3/2026 (Forecast): ¥55, FYE3/2027 (Target): ¥80

04

**Financial Policy under
the Next Medium-Term
Management Plan**

Financial Policy under the Next Medium-Term Management Plan: MEITO CHALLENGE 2029

Financial Policy of MEITO CHALLENGE 2029

Aim to achieve sustainable enhancement of corporate value by continuously increasing ROE and further improving PBR through further promoting management that is conscious of the cost of capital and stock price, while expanding growth investment through asset utilization and shareholder returns.

—Three Key Initiatives for Improving Corporate Value—

Generate cash by sale of shareholdings

Utilize cash generated through the sale of shareholdings as funds for growth investment and shareholder returns.

Plan large-scale strategic growth investments totaling more than ¥20.0 billion

Promote large-scale investments and strengthen the business foundation for medium- to long-term growth, aiming to enhance competitiveness and expand the revenue base going forward.

Expand shareholder returns totaling more than ¥10.0 billion

Further promote improvements in capital efficiency and shareholder value by flexibly implementing the acquisition and cancellation of own shares while maintaining progressive dividends during the period of the next Medium-Term Management Plan, **MEITO CHALLENGE 2029**.

05

Appendix

Company Overview



(As of the end of March 2025)

Company Name	MEITO CO., LTD.	
Head Office	2-41 Sasazuka-cho, Nishi-ku, Nagoya-shi, Aichi Prefecture	
Representative	Masuo Mitsuya, Representative Director and President	
Established	February 1945	
Capital	¥1,335.19 million	
Securities Code	2207 (Tokyo Stock Exchange Prime Market, Nagoya Stock Exchange Premier Market)	
Business Activities	<ul style="list-style-type: none"> ■ Manufacture and sale of pharmaceuticals, quasi-drugs, medical devices, veterinary drugs, cosmetics, and other fine chemical products ■ Manufacture and sale of confectionery, beverages, seasoned foods, food additives, and other food products ■ Construction and management of golf courses ■ Real estate leasing ■ All businesses related and incidental to the preceding items 	
Major Consolidated Subsidiaries	<p>ACE BAKERY Co., Ltd. (Komaki-shi, Aichi Prefecture):</p> <p>Meito Nyugyo Co., Ltd. (Iizuka-shi, Fukuoka Prefecture):</p> <p>Prince Golf Co., Ltd. (Miyawaka-shi, Fukuoka Prefecture):</p> <p>PCS Co., Ltd. (Nagoya-shi, Aichi Prefecture):</p> <p>Oimoya Co., Ltd. (Kakegawa-shi, Shizuoka Prefecture):</p> <p>Hiramatsu Shoten Co., Ltd. (Kakegawa-shi, Shizuoka Prefecture):</p>	<p>Manufacture and sale of Baumkuchen and jellies</p> <p>Manufacture and sale of frozen desserts</p> <p>Public golf course</p> <p>Development and sale of software</p> <p>Mail order sale of sweet potato confectionery and sweets, etc.</p> <p>Manufacture and sale of dried sweet potatoes and baked sweet potatoes</p>
Equity-method Affiliate	Meito Adams Co., Ltd. (Kiyosu-shi, Aichi Prefecture):	Manufacture of chewing gum
Number of Employees (As of the end of FYE3/2026)	<p>Consolidated: 639</p> <p>Non-consolidated: 397</p>	

Purpose

“For days filled with richness and joy, for both body and mind”

We pursue deliciousness, enjoyment, and health, and through our food and fine chemical products, we will bring smiles to people all over the world.

Basic Management Stance

1

Customer-focused management

2

Unique management based on prompt, reliable work and limitless creativity and ingenuity

3

Energetic management that respects humanity and maximizes abilities and motivation

Corporate Code of Conduct

1 – Providing Safe, Secure, and High-Quality Products

We pursue deliciousness, enjoyment, and health, and provide products and services that are safe, secure, and of high quality for our customers.

2 – Compliance with Laws, etc., and Fair and Transparent Business Activities

We comply with domestic and international laws and internal regulations, and act with social good sense. We also conduct fair and transparent business activities based on free competition.

3 – Communication with Society

We communicate broadly with society and disclose corporate information accurately, fairly, and in a timely manner.

4 – Information Management

We strictly manage confidential information and personal information obtained in the course of business and do not engage in unauthorized use.

5 – Environmental Conservation

We engage in environmental conservation, resource conservation, and energy conservation, and we promote environmentally friendly business activities.

6 – Social Contribution

As a good corporate citizen, we contribute to the economic and cultural development of society.

7 – Comfortable Working Environment

We respect human rights and ensure a healthy, safe, and comfortable working environment.

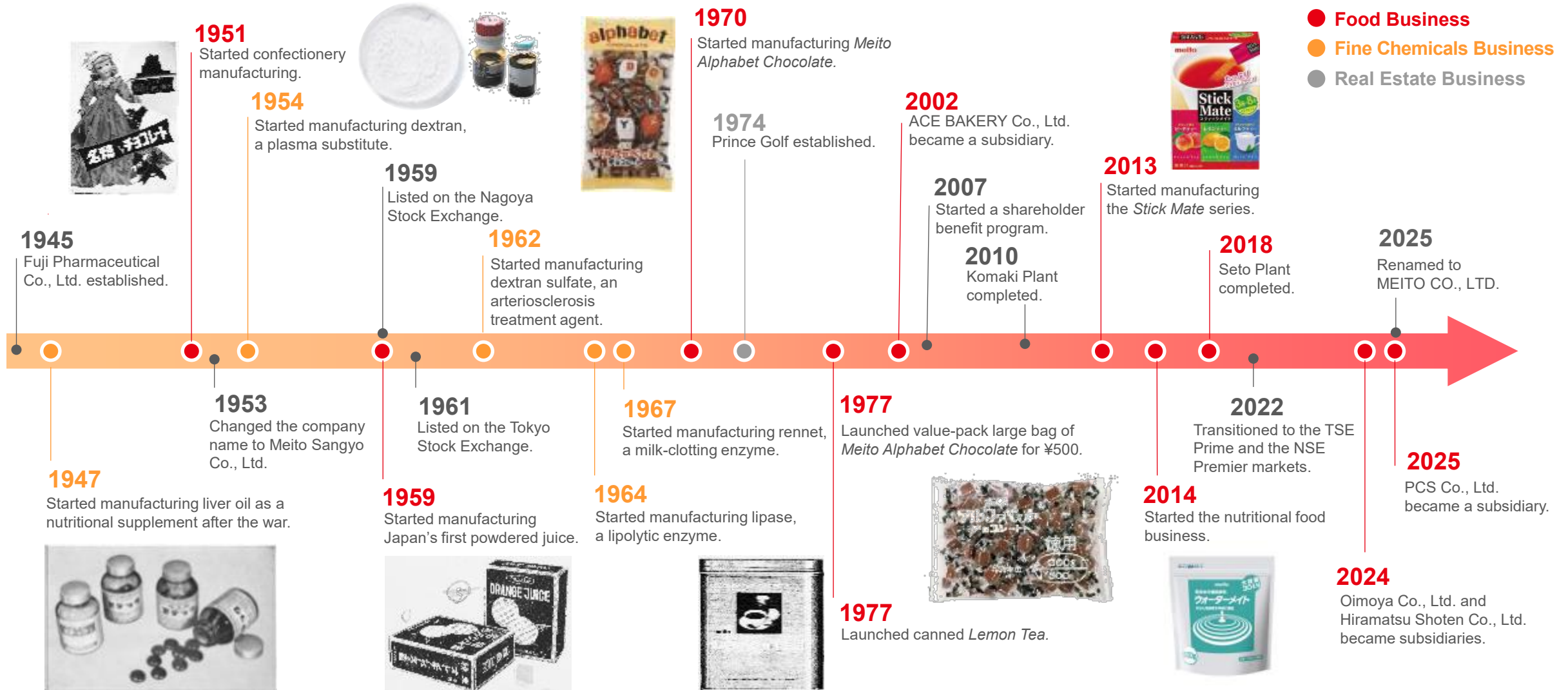
8 – Taking on the Challenge of New Technologies

We constantly challenge ourselves with new technologies and aim to create products that satisfy our customers.

History



■ Building on the business foundation that had been established by the 1970s, we are challenging ourselves to make further leaps forward.



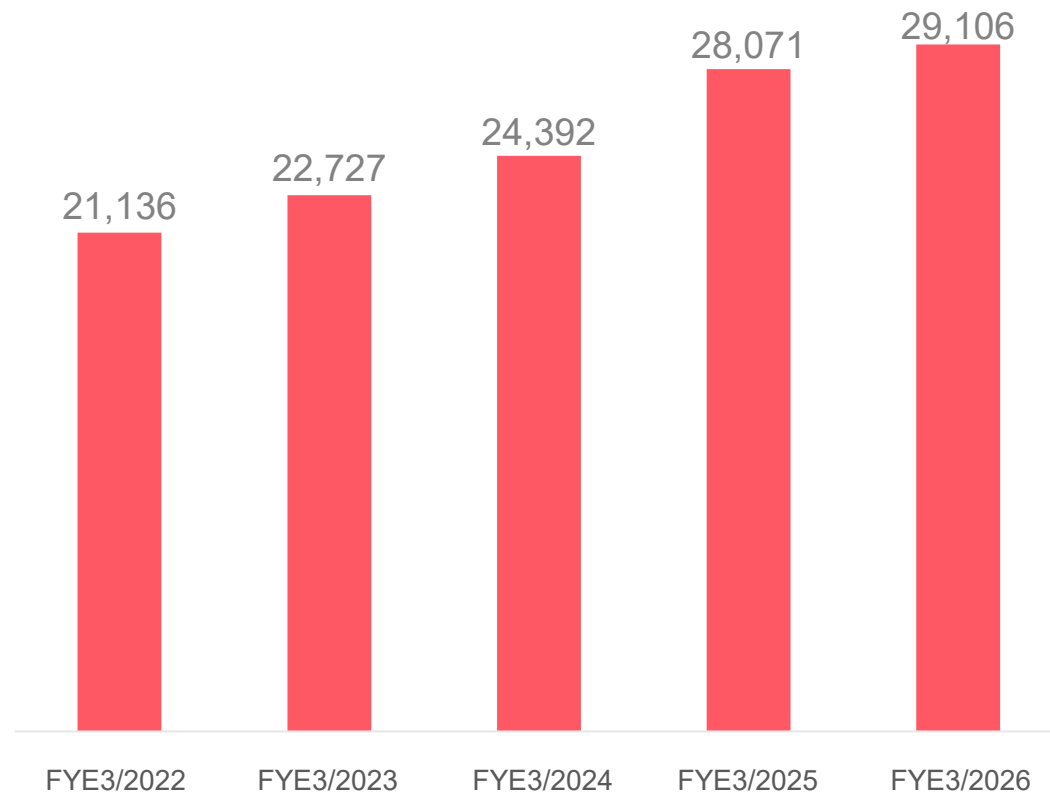
Financial Performance Trends



Maintaining profits while responding to changes in the business environment due to soaring raw material prices.

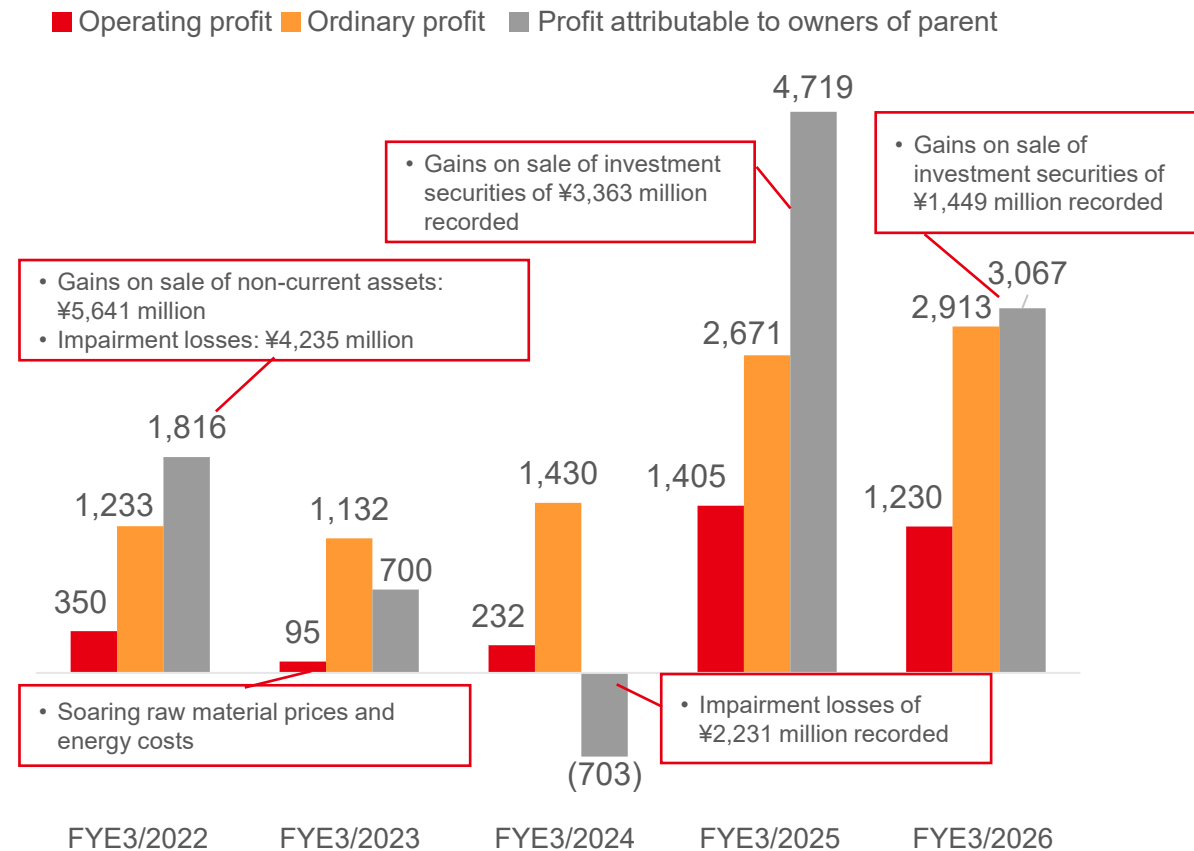
Net Sales

(Unit: Millions of yen)



Profit

(Unit: Millions of yen)

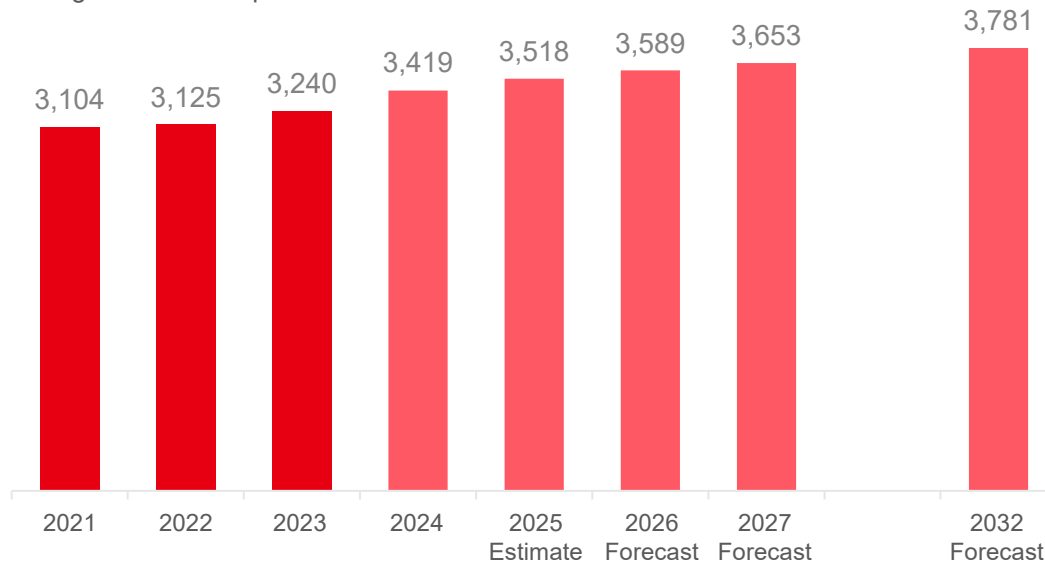


* From FYE3/2025, includes sales and profit from Oimoya and Hiramatsu Shoten.

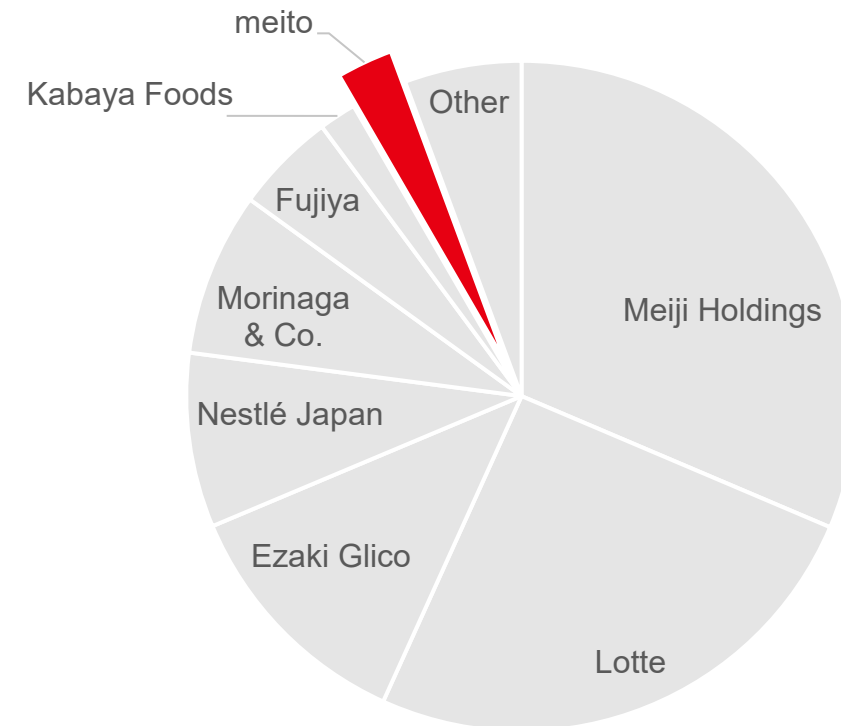
The Japanese chocolate market is projected to grow steadily in the period up to 2032.

Japan's Chocolate Sales Value (¥100 million)

- In 2024, the sales value continued to grow due to promotions by various Group companies. However, price revisions by various Group companies in response to surging cacao bean prices resulted in the sales volume remaining sluggish and creating a bigger gap with the sales value.
- In 2025, the sales value is expected to continue growing, driven by price-competitive products and high-value-added products such as premium products, supported by anticipated demand from inbound tourists and ongoing price revisions in response to high cacao bean prices.



Market Share Based on Sales Value



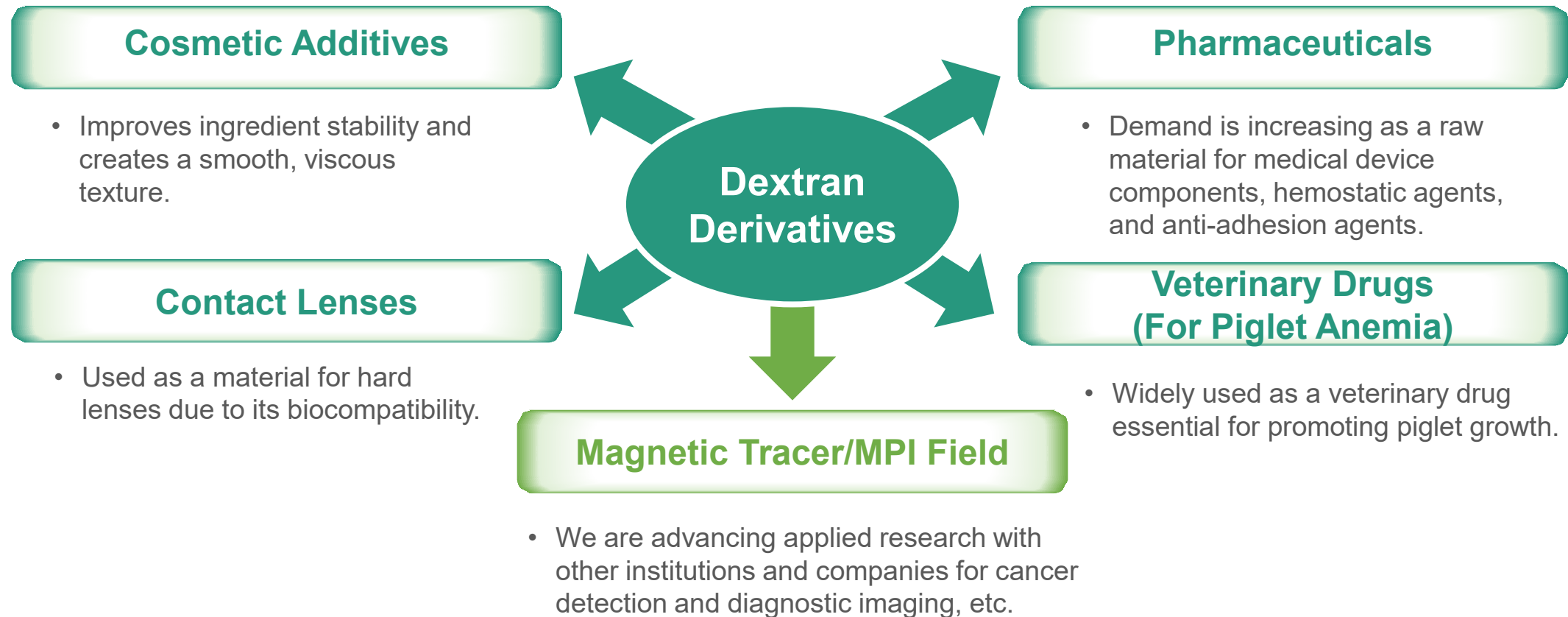
Source: Created by our company based on Fuji Keizai's "2026 Food Marketing Handbook."

* Sales value is on a manufacturer shipment basis.

* Other companies' figures are estimates for 2025; our company's sales are actuals for FYE3/2025.

- There is potential for growth by developing applications for dextran derivatives.

Development of Applications for Dextran Derivatives



■ We are mainly focusing on the Food Business, including chocolate, and the Fine Chemicals Business.

Food Business

Confectionery division

- Chocolate products
Large-bag chocolate, aerated chocolate, etc.
- Candy products
- Baumkuchen products
- Jelly products
- Sweet potato confectionery products, etc.



Powdered drink mix division

- Lemon Tea
- Stick Mate, etc.



Ice cream division

- Bite-sized ice cream and large-bag ice cream, etc.



Nutritional food division

- Deliciously Healthy Support Chocolate, etc.

Fine Chemicals Business

Enzyme division

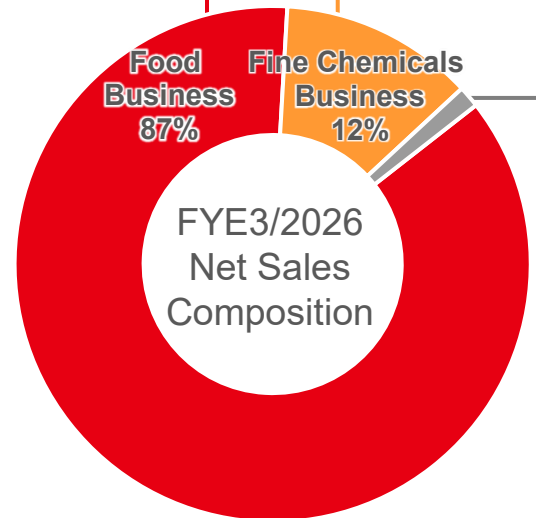
- Rennet
Milk-clotting enzyme for cheese
- Lipase
Lipolytic enzyme

Pharmaceuticals division

- Dextran
Plasma volume expander, blood flow improving agent, etc.
- Dextran Magnetite
MRI contrast medium, medical device material, etc.

Real Estate Business

- Management of golf courses and real estate leasing





Real Estate Business
1%


Bases and Group Companies





■ Sales, production, and R&D bases nationwide collaborate to implement Meito's philosophy.


-  Head Office

-  Branches 4 locations






















-  Fine Chemicals Sales Department















-  Research Laboratories/
Food Development Department 5 locations

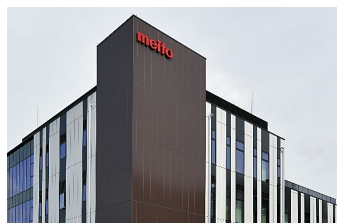
-  Plants 6 locations

-  Major Subsidiaries 5 locations



-   Seto Plant
 Food Development Department
-   Nagoya Research Laboratory
 Biwajima Plant
-   Osaka Branch
-   Fukuoka Branch
 Fukuoka Plant
-   Meito Nyugyo
-   Prince Golf
-   Oimoya
-   Hiramatsu Shoten
-   PCS

-   Head Office
 Food Development Department
 Nagoya Branch
 Nagoya Plant
-   Tokyo Branch
 Fine Chemicals Sales Department
-   Tokyo Research Laboratory
 Hachioji Plant
-   Komaki Plant
 ACE BAKERY



Head Office



Hachioji Plant



Seto Plant



Komaki Plant



Nagoya Plant



Biwajima Plant



Fukuoka Plant

1

**Business foundation
built through
pioneering initiatives**

2

**Dedication to quality
and expansive
capabilities through
integrated production**

3

**Top position in global
niches**

4

**Balanced management
across three businesses**

Our Characteristics and Strengths (1): Business Foundation Built through Pioneering Initiatives

■ Our originality and tackling of challenges contribute to commercialization and the establishment of industry standards.



Started factory production of dextran magnetite

- In 2001, an MRI liver contrast agent was approved in Europe, and commercial production began.

1992



Launched value-pack large-bag chocolate

- Became a pioneer in the large-bag market.

1977

First in the world to develop microbial rennet

- Microbial rennet as a substitute for animal rennet



1964

Launched powdered juice

- This groundbreaking product blended sugar with fruit juice, acidulants, flavorings, and colorings.



1959

Individually “twist-wrapped” with visible contents

- Ahead of our time, we sparked a packaging revolution in the confectionery industry.



Succeeded in industrializing dextran, a plasma substitute

- Dextran is widely used in active pharmaceutical ingredients, pharmaceutical/food additives, cosmetics, industrial applications, etc.



1953

Our Characteristics and Strengths (2): Dedication to Quality and Expansive Capabilities through Integrated Production



- Differentiating our products with the chocolate mass, which is the key to their smooth, melt-in-your-mouth texture and flavor



Roasting cacao beans at our proprietary temperature



Forming a paste-like cacao mass



Mixing sugar, powdered milk, etc. to create the flavor of Alphabet Chocolate



Passing through rollers to eliminate grittiness



Enhancing the flavor of the chocolate



Pouring into molds to form cube shapes



Individually twist-wrapping, then bagging

Commitment to integrated production from primary processing

We successfully developed the product through the expansive capabilities unique to integrated production.

- “Aerated chocolate” with air bubbles mixed in



- “Nutritional foods” leveraging chocolate technology
Chocolate primarily made with low-GI* sugar “reduced maltose”



* GI: Glycemic Index (degree of post-meal blood glucose elevation)

Our Characteristics and Strengths (3): Top Position in Global Niches

- The Fine Chemicals Business is on a growth trajectory as one of the world's leading manufacturers.



Dextran Dextran derivatives

 Japan's
First

- Succeeded in **industrial production** of dextran as a plasma substitute and dextran magnetite for MRI contrast agents.

 Japan's
Only

- **Large-scale** industrial production



Milk-clotting enzyme for cheese Microbial rennet

 World's
First

- **Developed** microbial rennet as a substitute for animal rennet.

 World's
Only

- **Developed** next-generation microbial rennet with quality equivalent to that of animal rennet.



Lipid-related enzymes Lipase/Phospholipase

 Japan's
First

- Began the first large-scale **industrial production** of lipase in Japan.

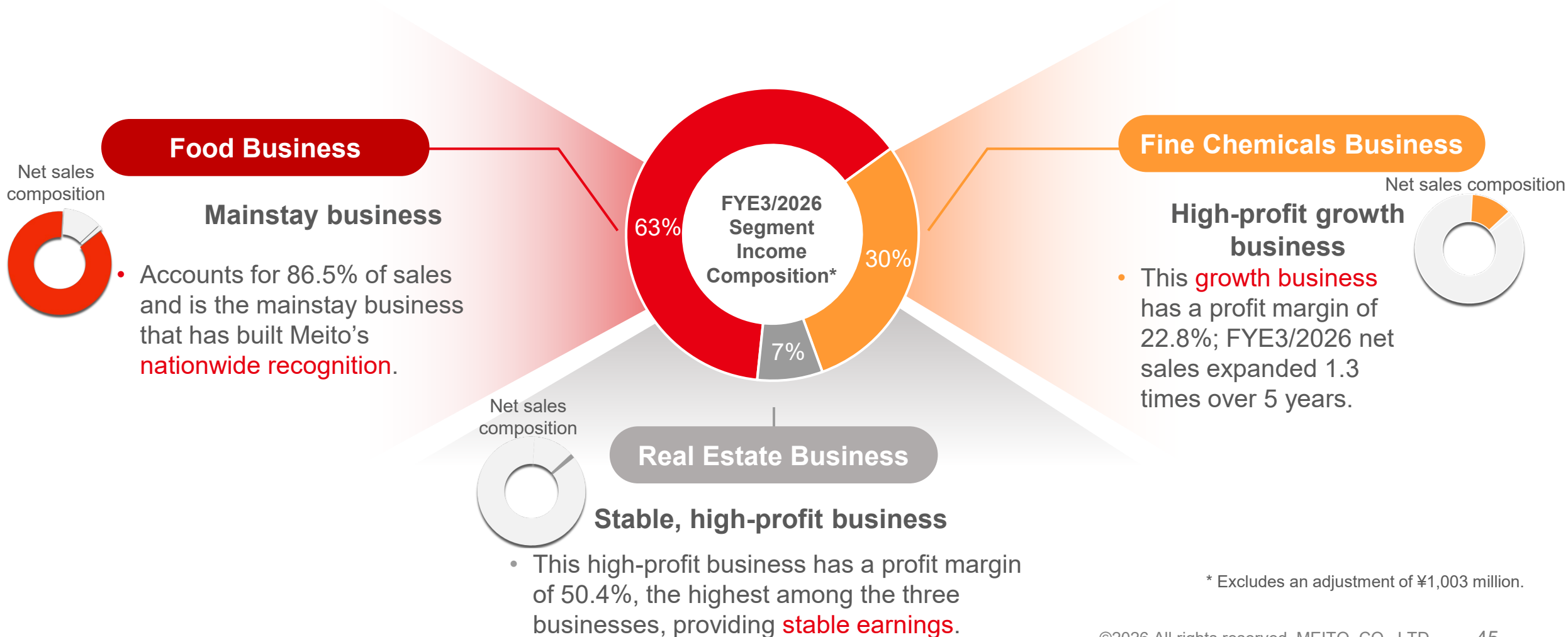
 Japan's
Only

- **Industrial production** of phospholipase D for phosphatidylserine*

* Phosphatidylserine: A supplement for improving brain function and managing stress

Our Characteristics and Strengths (4): Balanced Management across Three Businesses

- Three segments in different business areas complement each other, securing stable profits while avoiding the impacts of economic fluctuations.

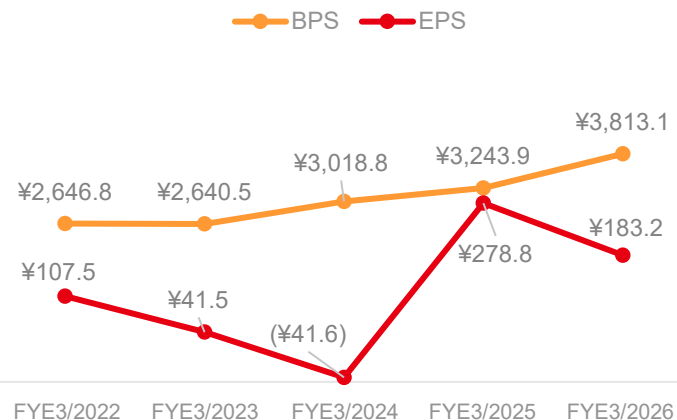


* Excludes an adjustment of ¥1,003 million.

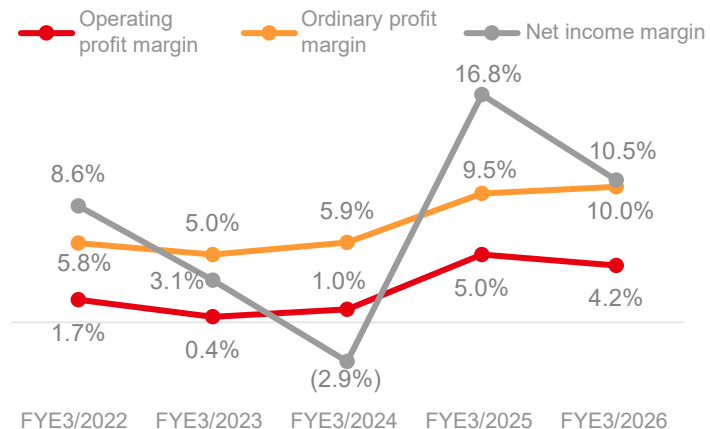
Financial Highlights



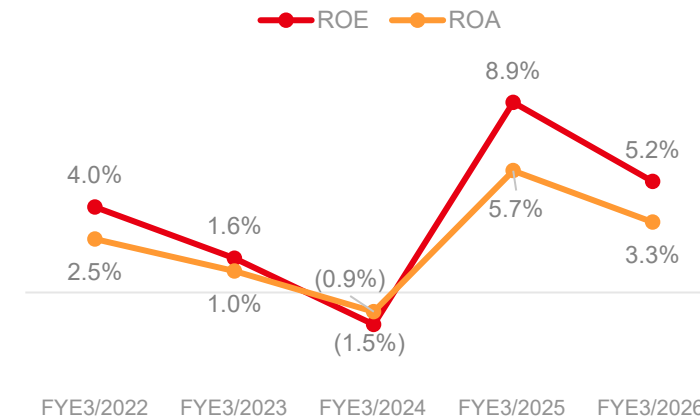
EPS/BPS (Unit: Yen)



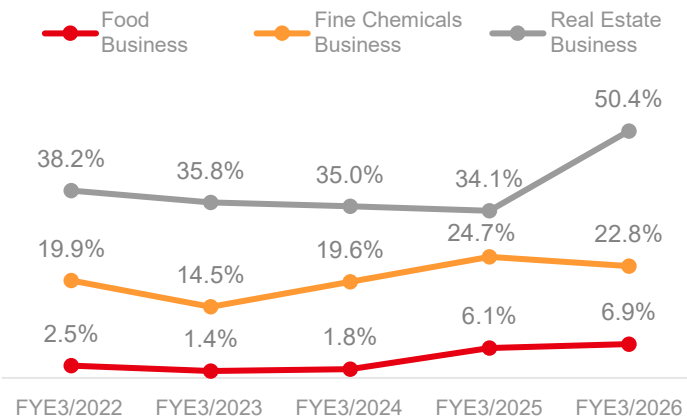
Profit Margins (Unit: %)



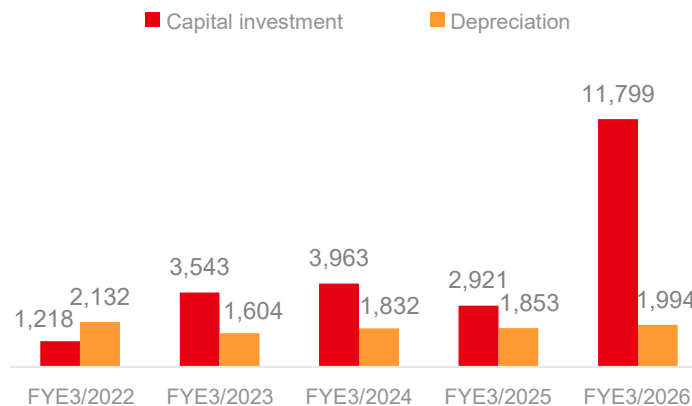
ROE/ROA (Unit: %)



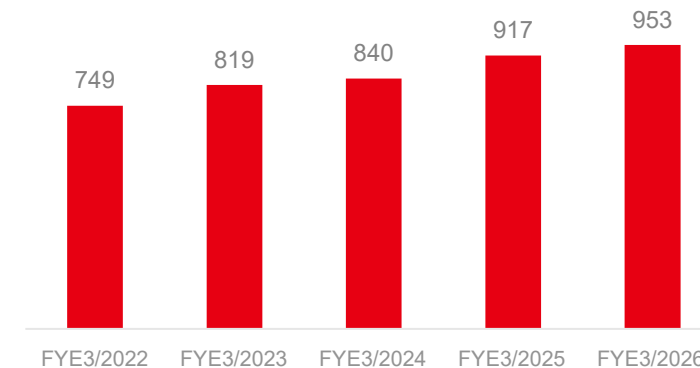
Segment Profit Margins (Unit: %)



Capital Investment/Depreciation (Unit: Millions of yen)



R&D Expenses (Unit: Millions of yen)



Initiatives by Materiality

Reducing Environmental Impacts



<Common>

- Upgrading to energy-saving equipment
- Product design informed by environmental considerations
- Continued promotion of digitization of internal documents and submitted materials, and paperless operations
- Energy conservation measures utilizing energy-saving diagnostics

<Food Business>

- Reduction of the use of plastic and paper in packaging materials
- Reduction of food residue at food factories
- Start of transactions with companies working to reduce food waste

<Fine Chemicals Business>

- Effective utilization of waste



Chiller equipment upgrades at the Fukuoka Plant (Energy saving)



Air conditioner intake/exhaust fan upgrades (Energy saving)

Ensuring Food Safety and Security



<Food Business>

- Maintenance of quality through FSSC 22000 operation
- Development of products that pursue “deliciousness, enjoyment, and health”
- Activities to foster a culture of food safety and quality

<Fine Chemicals Business>

- Maintenance of FSSC 22000 and GMP (Good Manufacturing Practice for pharmaceuticals and quasi-drugs) certifications
- Maintenance of Halal (Islam) and Kosher (Judaism) certifications

Health Contribution Targets

Launch five or more new products that ease customer concerns by balancing health and flavor between FY2025 and FY2030.



Deliciously Healthy Support Café au Lait (Health contribution)



Deliciously Healthy Support Throat Lozenges Blueberry (Health contribution)

Initiatives by Materiality

Promoting Human Rights and Diversity



<Common>

- Holding of Diversity Forums
- Promotion of the use of internal systems for male employees to take childcare leave
- Promotion of employment of people with disabilities
- Harassment education for all employees through e-learning



Scene from the Role Model Roundtable Discussion (Held in person and online in March 2025)

Social Contribution Activities



<Common>

- Participation on the council of the Japan Association for the World Food Programme to support the operations of humanitarian aid organizations
- Held a Halloween event with five confectionery companies headquartered in Nishi-ku, Nagoya for the second year in a row
- Donation of chocolate to child welfare facilities, etc., through the Community Chest
- Donation of products to food banks
- Planned and operated events to support children's cafeterias

Initiatives to support cacao bean production areas



Donation of school supplies to elementary schools in Ghana

Governance



<Common>

- Regular meetings of the Board of Directors (held 8 times in FY2024)
- Regular meetings of the Nomination and Remuneration Committee (held 4 times in FY2024)
- Regular meetings of the Compliance Committee (held 1 time in FY2024)
- Regular meetings of the Sustainability Promotion Committee (held 2 times in FY2024)

Change of trade name and initiatives to strengthen governance

- Change of Trade Name (Company Name)
株式会社 meito (Former name: Meito Sangyo Co., Ltd.)
- Establishment of Purpose

For days filled with richness and joy,
for both body and mind.

We pursue deliciousness, enjoyment, and health, and through our food and fine chemical products, we will bring smiles to people all over the world.

This document contains the current plans and earnings forecasts of our company. These future plans and projected figures are based on information currently available to and planned/projected by our company. Actual business results may differ from these plans and projected figures due to various conditions and factors. This document does not guarantee or assure such figures will be met.

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