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(Securities Code: 2060)
June 3, 2022

To Our Shareholders with Voting Rights:

Takashi Yamauchi
Director and President
FEED ONE CO., LTD.
2-23-2 Tsuruyacho, Kanagawa-ku,
Yokohama-shi, Kanagawa

**NOTICE OF CONVOCATION OF
THE 8TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We would like to express our appreciation for your continued support and patronage.

The 8th Ordinary General Meeting of Shareholders of FEED ONE CO., LTD. (the “Company”) will be held as described below.

You may exercise your voting rights in writing or via electromagnetic means (through the Internet). Please review the Reference Documents for the General Meeting for Shareholders provided below and exercise your voting rights by one of the following methods by no later than 5:20 p.m. on Thursday, June 23, 2022, Japan time.

In order to prevent the spread of COVID-19 infections, the Company requests that shareholders refrain from attending the meeting in person, regardless of their state of health, and instead exercise your voting rights in advance.

[Exercising voting rights in writing (by mailing)]

Please indicate your vote of approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and return the form to us by the aforementioned deadline.

[Exercising voting rights through the Internet, etc.]

Please cast your vote of approval or disapproval of the proposals by the aforementioned deadline.

1. Date and Time: Friday, June 24, 2022, at 10:00 a.m. Japan time

2. Place: Nichirin banquet room (5F),
Yokohama Bay Sheraton Hotel & Towers
1-3-23 Kitasaiwai, Nishi-ku, Yokohama-shi, Kanagawa

3. Meeting Agenda:

- Matters to be reported**
1. The Business Report, Consolidated Financial Statements for the Company’s 8th Fiscal Year (April 1, 2021 - March 31, 2022), and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 8th Fiscal Year (April 1, 2021 - March 31, 2022)

Matters to be resolved

- Proposal 1:** Partial Amendments to the Articles of Incorporation (1)
Proposal 2: Partial Amendments to the Articles of Incorporation (2)
Proposal 3: Election of Ten (10) Directors
Proposal 4: Election of Two (2) Corporate Auditors

Proposal 5: Election of One (1) Substitute Corporate Auditor
Proposal 6: Amendment to Amount of Remuneration for Directors

Reference Documents for the General Meeting for Shareholders

Proposals and References

Proposal 1: Partial Amendments to the Articles of Incorporation (1)

1. Reasons for Amendments

The Act Partially Amending the Act on Strengthening Industrial Competitiveness and Other Related Acts (Act No. 70 of 2021) came into effect on June 16, 2021, allowing a listed company to hold shareholders meetings without a designated location for the meeting (a general meeting of shareholders without a physical venue that directors and shareholders, etc. attend via internet or other means) by providing so in its Articles of Incorporation, under certain conditions. In response to this amended act, we shall make amendments to the current Article 13 of the Articles of Incorporation in belief that expanding the available options with regard the hosting of general meetings of shareholders shall be to the benefit of all our shareholders in light of the risk of large-scale emergency scenarios including spreads of infectious disease and natural disasters and the progression towards digitization of society as a whole.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined)

Current Articles of Incorporation	Proposed Amendments
(Convocation) Article 13 Ordinary general meetings of shareholders shall be convened in June of every year while extraordinary general meetings of shareholders shall be convened whenever necessary. The date, time, location, and purpose of general meetings of shareholders shall be determined upon a resolution of the Board of Directors. <Newly established> <Newly established>	(Convocation) Article 13 Ordinary general meetings of shareholders shall be convened in June of every year while extraordinary general meetings of shareholders shall be convened whenever necessary. The date, time, location, and purpose of general meetings of shareholders shall be determined upon a resolution of the Board of Directors. <u>General meetings of shareholders of the Company may be held without a designated location.</u> (Supplementary provisions) <u>The amendments to Article 13 are made in accordance with The Act Partially Amending the Act on Strengthening Industrial Competitiveness and Other Related Acts (Act No. 70 of 2021) and shall come into effect on condition that the Company obtains the confirmation of the Minister of Economy, Trade and Industry and the Minister of Justice that the general meetings of shareholders held by the Company by wholly electronic means satisfy the conditions set forth by the Order of the Ministry of Economy, Trade and Industry and the Order of the Ministry of Justice. These supplementary provisions shall be deleted from the day the amendments come into effect.</u>

Proposal 2: Partial Amendments to the Articles of Incorporation (2)

1. Reasons for Amendments

The system for electronic provision of materials for general meetings of Shareholders stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) shall be enforced on September 1, 2022. Accordingly, it shall be provided that the information

contained in the reference documents for the general meeting of Shareholders shall be provided electronically and a provision shall be established to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.

In addition, Article 16 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the current Articles of Incorporation will become unnecessary and will therefore be deleted. In line with the above amendments, supplementary provisions related to the effective date, etc., shall be established.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u> <u>Article 16 The Company may, when convening a general meeting of shareholders, deem that it has provided information to shareholders pertaining to matters to be described or indicated in the reference documents for the general meeting of shareholders, business report, non-consolidated financial statements, and consolidated financial statements, by disclosing such information through the internet in accordance with the provisions provided in the Ordinance of the Ministry of Justice.</u> <Newly established>	<Deleted> <u>(Measures for Electronic Provision, Etc.)</u> <u>Article 16 The Company shall, when convening a general meeting of shareholders, provide information contained in the reference documents for the general meeting of shareholders, etc. electronically.</u> <u>Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u>
<Newly established>	<u>(Supplementary provisions)</u> <u>(Transitional Measures Pertaining to Measures for Electronic Provision, Etc.)</u> <u>1. The deletion of Article 16 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the current Articles of Incorporation and the establishment of the proposed Article 16 (Measures for Electronic Provision, Etc.) shall come into effect on the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the “Effective Date”).</u>



Current Articles of Incorporation	Proposed Amendments
	<p data-bbox="756 212 1300 432">2. <u>Notwithstanding the provisions of the preceding paragraph, Article 16 of the current Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held on a date within six months from the Effective Date.</u></p> <p data-bbox="756 436 1300 620">3. <u>These supplementary provisions shall be deleted after the lapse of six months from the Effective Date or the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>




Proposal 3: Election of Ten (10) Directors



The terms of office of all nine (9) Directors will expire at the closing of this General Meeting of Shareholders. The Company seeks to improve management soundness further and strengthen the corporate governance system, while maintaining the appropriate scale that will enable prompt decision-making by the Company's Board of Directors. Accordingly, the Company proposes the election of ten (10) Directors, increasing one (1) External Director.



The candidates for the position of Director are as follows. (* indicates a new candidate.)

No.	Name			Current positions at the Company
1	Takashi Yamauchi			Representative Director and President
*2	Hidehiro Shoji			Managing Executive Officer General Manager, Corporate Planning & Strategy Division and jointly in charge of Aquatic Feed Division
3	Naoki Hatanaka			Director, Senior Managing Officer General Manager, Animal Feed Business Unit and in charge of Research & Development Center
4	Yukihiro Arakida			Director, Managing Executive Officer General Manager, Food Service Unit
*5	Yoshimasa Umemura			Managing Executive Officer General Manager, Administrative Unit and in charge of Aquatic Feed Division
6	Akio Ishizuka	External Director	Independent officer	External Director
7	Kikue Kubota	External Director	Independent officer	External Director
8	Keizo Goto	External Director	Independent officer	External Director
9	Osamu Watanabe	External Director		External Director
*10	Takao Tsuji	External Director	Independent officer	—

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	 Takashi Yamauchi (July 20, 1955)	April 1980 Joined MITSUI & CO., LTD. April 1998 Head, Feedstuff & Grain Group, Feedstuff & Livestock Division, Food Business Unit October 2001 General Manager, Feedstuff & Grain Department, Feedstuff & Livestock Division, Food Business Unit April 2006 General Manager, Feedstuff & Livestock Division, Food & Retail Business Unit June 2006 Director, Nippon Formula Feed Mfg. Co., Ltd. March 2008 General Manager, Food & Retail Planning & Administrative Division, Food & Retail Business Unit, MITSUI & CO., LTD. April 2009 Deputy COO (Chief Operating Officer), Food & Retail Business Unit April 2012 Deputy COO (Chief Operating Officer), Food Business Unit June 2012 Representative Director and President, Nippon Formula Feed Mfg. Co., Ltd. October 2014 Representative Director and President, the Company To present	30,821 shares
		[Reason for nomination as candidate for Director] After joining MITSUI & CO., LTD., Mr. Takashi Yamauchi was mainly engaged in food, feedstuff and grain departments. He then served as a Representative Director in Nippon Formula Feed Mfg. Co., Ltd. and the Company, and well versed in the feedstuff, livestock, and fisheries industry. Based on the above, the Company believes that he is qualified to lead management of the whole Group and promote business execution, and thus nominates him again as a candidate for Director.	
*2	 Hidehiro Shoji (December 12, 1964)	April 1988 Joined MITSUI & CO., LTD. August 2007 General Manager, Crude Sugar Office, Carbohydrate Fermentation Division, Food & Retail Business Unit April 2013 General Manager, Carbohydrate Fermentation Division, Food Business Unit June 2015 General Manager, Grain Logistics Division, Food Business Unit April 2017 General Manager, Grain & Feed Division, Food Business Unit April 2018 General Manager of Planning & Administrative Division (Food & Services) April 2020 Senior Executive Officer; General Manager, Corporate Planning & Strategy Division, the Company April 2021 Managing Executive Officer; General Manager, Corporate Planning & Strategy Division and jointly in charge of Aquatic Feed Division To present	— shares
		[Reason for nomination as candidate for Director] After joining MITSUI & CO., LTD., Mr. Hidehiro Shoji was engaged in trading and business management of grain, livestock products and sugar, and then served as a General Manager of Planning & Administrative Division supervising the food business as a whole. Based on these experiences, he is familiar with feedstuff, livestock and the food industry in general. At the Company, he is engaged in overseas business development and a core systems introduction project, etc., while engaging in the overall management as General Manager of Corporate Planning & Strategy Division. The Company believes that Mr. Hidehiro Shoji is qualified to lead the Group's management and promote business execution, and thus nominates him as a candidate for Director.	

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	 <p>Naoki Hatanaka (May 13, 1958)</p>	<p>April 1981 Joined Nippon Formula Feed Mfg. Co., Ltd. January 2004 General Manager, Sales Department, Kanto Branch April 2010 Executive Officer June 2012 Director July 2013 Managing Director; General Manager, Feed Business Unit October 2014 Director, the Company October 2015 Director, Managing Executive Officer April 2016 Director, Senior Managing Officer April 2019 Director, Senior Managing Officer; General Manager, Animal Feed Business Unit and in charge of Research & Development Center To present</p> <p>[Reason for nomination as candidate for Director] Mr. Naoki Hatanaka has been mainly engaged in sales departments and has supervised the feed business in Nippon Formula Feed Mfg. Co., Ltd. In light of these achievements and wealth of business experience to date, the Company believes that he is qualified to strengthen the feed business of the Company, and thus nominates him again as a candidate for Director.</p>	7,021 shares
4	 <p>Yukihiro Arakida (October 10, 1961)</p>	<p>April 1984 Joined Kyodo Shiryo Co., Ltd. April 2008 General Manager, Kansai Branch April 2010 Executive Officer October 2014 Executive Officer, the Company April 2017 Senior Executive Officer June 2018 Director, Senior Executive Officer April 2019 Director, Managing Executive Officer; General Manager, Food Service Unit To present</p> <p>[Reason for nomination as candidate for Director] Mr. Yukihiro Arakida has been mainly engaged in sales departments and has extensive knowledge of the livestock and fisheries industry based on the experience of supervising sales in the feedstuff business at Kyodo Shiryo Co., Ltd. and the experience in the corporate planning and strategy department of the Company. Based on the above, the Company believes that he is qualified to strengthen the food business of the Company, and thus nominates him again as a candidate for Director.</p>	2,572 shares
*5	 <p>Yoshimasa Umemura (January 9, 1959)</p>	<p>April 1981 Joined Nippon Formula Feed Mfg. Co., Ltd. June 2004 General Manager, Kansai Sales Department, Chubu and West Japan Branch April 2011 Executive Officer June 2013 Director; General Manager, Administrative Unit; General Manager, Finance & Accounting Division October 2015 Senior Executive Officer, the Company April 2018 Managing Executive Officer April 2022 Managing Executive Officer; General Manager, Administrative Unit and in charge of Aquatic Feed Division To present</p> <p>[Reason for nomination as candidate for Director] Mr. Yoshimasa Umemura has experienced a position of the head of sales department in the feed business, then managed affiliated companies, and then served as Director, and General Manager of Administrative Unit in Nippon Formula Feed Mfg. Co., Ltd. He has been mainly engaged in duties at administrative departments of the Company as General Manager of Finance & Accounting Division and General Manager of Administrative Unit. The Company believes that he is qualified to strengthen the administrative departments of the Company, and thus nominates him as a candidate for Director.</p>	9,239 shares

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6	 <p>Akio Ishizuka (October 30, 1943)</p>	<p>December 2001 Presiding Judge, Fukuoka High Court December 2004 Chief Judge, Niigata Family Court April 2007 Part-time Lecturer, Dokkyo Law School, Dokkyo University July 2007 Registered as a lawyer with Saitama Bar Association April 2008 Visiting Professor, Dokkyo Law School, Dokkyo University June 2011 External Auditor, Nippon Formula Feed Mfg. Co., Ltd. April 2015 Part-time Lecturer, Dokkyo Law School, Dokkyo University June 2015 External Director, the Company To present</p> <p>[Significant concurrent positions] Representative Lawyer, Nakaurawa Law Office</p> <p>[Reason for nomination as candidate for External Director and expected roles] Mr. Akio Ishizuka provides appropriate advice and supervision for the management of the Company, leveraging his experience as a judge and his expertise in law. In addition, as a lawyer, he is qualified to oversee management from an objective and independent perspective based on an overall grasp of corporate society, including laws and regulations. He is nominated again as a candidate for External Director because the Company believes that he can help improve the transparency and reinforce the supervisory functions of the Company's Board of Directors. The Company expects that he will play roles in supervising corporate management from a viewpoint of a legal expert as well as from an objective position independent of business executors. Although he has no direct experience in corporate management other than having served as an External Director, for the reasons stated above, he is deemed capable of appropriately carrying out the duties of an External Director.</p>	— shares
7	 <p>Kikue Kubota (March 6, 1948)</p>	<p>June 1972 Research Associate, Faculty of Education, Saitama University October 1982 Lecturer, Faculty of Home Economics, Ochanomizu University April 1999 Professor, Faculty of Human Life and Environmental Sciences April 2005 Trustee, Vice President April 2013 Professor Emeritus, Ochanomizu University Professor, Nodai Research Institute, Tokyo University of Agriculture Visiting Professor, Kanagawa Institute of Technology April 2016 Auditor (part-time), Tokyo University of Marine Science and Technology June 2019 External Director, the Company July 2019 Auditor (part-time), Tokyo University of Agriculture To present</p> <p>[Significant concurrent positions] Professor Emeritus, Ochanomizu University Auditor (part-time), Tokyo University of Marine Science and Technology Auditor (part-time), Tokyo University of Agriculture</p> <p>[Reason for nomination as candidate for External Director and expected roles] Ms. Kikue Kubota has long been engaged in studies in food science and other fields at Ochanomizu University, where she serves as Professor Emeritus, and has expertise mainly in the food business of the Company. She also serves as an auditor of a national university corporation. She is nominated again as a candidate for External Director because the Company believes that she can provide helpful advice and suggestions concerning the Company's overall management from an objective perspective. The Company expects that she will play roles in supervising corporate management from a viewpoint of an expert in the field of food business as well as from an objective position independent of business executors. Although she has no direct experience in corporate management other than having served as an External Director, for the reasons stated above, she is deemed capable of appropriately carrying out the duties of an External Director.</p>	— shares

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
8	 Keizo Goto (July 14, 1950)	<p> April 1973 Joined the Ministry of Finance July 1998 Director, Kanto Shinetsu National Tax Tribunal August 1998 Regional Commissioner, Sendai Regional Taxation Bureau July 1999 Regional Commissioner, Nagoya Regional Taxation Bureau July 2000 Deputy Director-General July 2001 Deputy General Manager, National Tax Tribunal July 2002 Trustee, The Open University of Japan Foundation June 2005 Full-time Auditor, Japan Freight Railway Company July 2008 Senior Managing Director, The Financial Futures Association of Japan April 2014 Designated Lecturer (Designated Professor), Graduate School of Economics, Rikkyo University June 2020 External Director, the Company To present </p> <p> [Reason for nomination as candidate for External Director and expected roles] Mr. Keizo Goto has experience of working at regional taxation bureaus and serving as Designated Professor at the Graduate School of Economics, Rikkyo University, and therefore has expertise in finance and economics, etc. He is nominated again as a candidate for External Director because the Company believes that he is qualified to oversee management from an objective and independent perspective leveraging his experience from serving as a Full-time Auditor of Japan Freight Railway Company and can help improve the transparency and reinforce the supervisory functions of the Company's Board of Directors. The Company expects that he will play roles in supervising corporate management from a viewpoint of an expert in the field of finance and economics, etc. as well as from an objective position independent of business executors. Although he has no direct experience in corporate management other than having served as an external director, for the reasons stated above, he is deemed capable of appropriately carrying out the duties of an External Director. </p>	— shares
9	 Osamu Watanabe (November 6, 1971)	<p> April 1995 Joined MITSUI & CO., LTD. December 2006 Deputy General Manager, Produce & Provisions Division, Kuala Lumpur Branch, MITSUI & CO. (Asia & Pacific) Pte Ltd July 2012 Chief, Dongyangguang Business Promotion Office, Metal Business Department, Mineral & Metal Resources Business Unit, MITSUI & CO., LTD. January 2014 Chief, Multigrain Promotion Office, Grain Business Second Department, Food Business Unit April 2017 General Manager, Overseas Sales Department, Kadoya Sesame Mills Incorporated July 2019 Corporate Officer and General Manager, Overseas Sales Department August 2020 General Manager, Food and Retail Business Division, MITSUI & CO. (Malaysia) Sdn Bhd April 2021 General Manager, Fats and Oils and Staple Food Business Department, Food Business Unit, MITSUI & CO., LTD. June 2021 External Director, the Company To present </p> <p> [Significant concurrent positions] General Manager, Fats and Oils and Staple Food Business Department, Food Business Unit, MITSUI & CO., LTD. </p> <p> [Reason for nomination as candidate for External Director and expected roles] Mr. Osamu Watanabe has knowledge of the grain, fats and oils business in which he was mainly engaged at MITSUI & CO., LTD. He also has work experience in overseas business and food business, including serving as a corporate officer and general manager of overseas sales department of a company handling food products. He is nominated again as a candidate for External Director because the Company believes that he can help reinforce the management structure of the Company by providing advice on the Company's business activities from a broad perspective. The Company expects that he will play roles in helping reinforce the management structure of the Company by leveraging his work experience in overseas business and food business and providing advice on the Company's business activities from a broad perspective. </p>	— shares

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
*10	 <p>Takao Tsuji (September 28, 1949)</p>	<p>April 1973 Joined Nissho Iwai Corporation (current Sojitz Corporation)</p> <p>June 1999 Director, NISSHO ELECTRONICS CORPORATION</p> <p>March 2001 Managing Director</p> <p>June 2002 President and Representative Director</p> <p>June 2009 Chairman of the Board of Directors</p> <p>June 2013 External Director, JVCKENWOOD Corporation</p> <p>May 2014 President, Representative Director of the Board, COO, CIO, CRO</p> <p>April 2016 President, Representative Director of the Board, CEO</p> <p>April 2018 Representative Director of the Board, Chairman & CEO</p> <p>April 2019 Representative Director of the Board, Chairman</p> <p>June 2019 Outside Director, Dexterity Corporation</p> <p>July 2021 Special Advisor, JVCKENWOOD Corporation To present</p> <p>[Reason for nomination as candidate for External Director and expected roles] In addition to work experience at trading companies, Mr. Takao Tsuji has wealth of experience and broad insight which he gained through managing two companies listed on the First Section of the Tokyo Stock Exchange. He is qualified to oversee and supervise management from an objective and independent perspective as an experienced corporate manager. He is nominated as a candidate for External Director because the Company believes that he can help improve the transparency and reinforce the supervisory functions of the Company's Board of Directors. The Company expects that he will play roles in helping reinforce the management structure of the Company by leveraging his corporate management experience and providing advice on the Company's business activities from a broad perspective.</p>	3,000 shares

- Notes:
1. The number of shares of the Company held presented above is the number held as of March 31, 2022.
 2. There are no special interests between any of the Director candidates and the Company.
 3. Mr. Akio Ishizuka, Ms. Kikue Kubota, Mr. Keizo Goto, Mr. Osamu Watanabe and Mr. Takao Tsuji are candidates for the position of External Director.
 4. The Company has designated Mr. Akio Ishizuka, Ms. Kikue Kubota and Mr. Keizo Goto as independent officers of the Company as prescribed by the Tokyo Stock Exchange and has registered them as such with the exchange. The Company will designate Mr. Takao Tsuji as an independent officer of the Company as prescribed by the Tokyo Stock Exchange and register as such with the exchange. There are no business relationships, such as advisory contracts, between the Company and the four candidates.
 5. Mr. Osamu Watanabe is a business executor (employee) of MITSUI & CO., LTD., a specified associated company (main business partner) of the Company, and there are transactions for raw materials, etc. between the Company and the said company.
 6. The Company has entered into a liability limitation agreement with Mr. Akio Ishizuka, Ms. Kikue Kubota, Mr. Keizo Goto and Mr. Osamu Watanabe pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act.
Upon approval of their reappointments, the Company will continue the liability limitation agreement with them. Additionally, if an appointment of Mr. Takao Tsuji is approved, the Company will enter into the liability limitation agreement with him, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act.
The overview of the agreement is as follows:
 - (1) The Company shall enter into a liability limitation agreement in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act to limit the liability for damages as specified under Article 423, Paragraph 1 of the said Act. However, the limit of liability under the said agreement shall be the amount stipulated by laws and regulations.
 - (2) The abovementioned liability limit shall be applicable only when the External Director acted in good faith and without gross negligence in the performance of the duties giving rise to such responsibilities.
 7. The Company has entered into a directors and officers liability insurance contract with an insurance company, which shall compensate for damages to be borne by the insureds. The candidates will be insured under this insurance contract. Additionally, the Company plans to renew the insurance contract with the same contents at the time of next renewal.
 8. Mr. Akio Ishizuka assumed office as an External Director of the Company on June 26, 2015, and will have held this position for 7 years at the closing of this General Meeting of Shareholders. Ms. Kikue Kubota assumed office as an External Director of the Company on June 21, 2019, and will have held this position for 3 years at the closing of this General Meeting of Shareholders. Mr. Keizo Goto assumed office as an External Director of the Company on June 23, 2020, and will have held this position for 2 years at the closing of this General Meeting of Shareholders. Mr. Osamu Watanabe assumed office as an External Director of the Company on June 25, 2021, and will have held this position for 1 year at the closing of this General Meeting of Shareholders.

<Reference>

The Company expects candidates for the position of Director to play active roles particularly in the following fields, based on their expertise and experience.



	Name	List of skills						
		Management experience	Industry knowledge (livestock, raw materials, etc.)	Sales / Marketing	Finance / Accounting / Economy / Financing	Legal affairs	International business	Academic research
Director	Takashi Yamauchi	●	●	●			●	
	Hidehiro Shoji		●	●			●	
	Naoki Hatanaka		●	●				
	Yukihiro Arakida		●	●				
	Yoshimasa Umemura		●	●	●			
External Director	Akio Ishizuka					●		●
	Kikue Kubota							●
	Keizo Goto				●		●	●
	Osamu Watanabe						●	
	Takao Tsuji	●					●	●

Proposal 4: Election of Two (2) Corporate Auditors

The terms of office of Mr. Shunji Saito and Mr. Isao Tsubaki as Corporate Auditors will expire at the closing of this General Meeting of Shareholders. Accordingly, the Company proposes the election of two (2) Corporate Auditors.

The Board of Corporate Auditors has given its consent to the submission of this proposal.

The candidates for the position of Corporate Auditor is as follows. (* indicates a new candidate.)

No.	Name (Date of birth)	Past experience, positions and significant concurrent positions	Number of shares of the Company held
*1	 Toru Aoyama (September 16, 1961)	<p>April 1984 Joined Kyodo Shiryō Co., Ltd. May 2007 General Manager, Ishinomaki Factory April 2012 Executive Officer October 2015 Executive Officer, the Company April 2017 Senior Executive Officer September 2018 Senior Executive Officer; General Manager, Human Resources Division To present</p> <p>[Reason for nomination as candidate for Corporate Auditor] Mr. Toru Aoyama engaged in duties related to systems and raw materials procurement at Kyodo Shiryō Co., Ltd., and then served as a Factory General Manager. After joining the Company, he assumed the positions of General Manager of Finance & Accounting Division, General Manager of Human Resources Division and others, thus accumulating broad experience and insights at administrative departments, etc. The Company expects that he will effectively leverage these experience and insights, and nominates him as a candidate for Corporate Auditor.</p>	5,024 shares
*2	 Naohiro Chikada (December 19, 1969)	<p>April 1992 Joined Chuo Shinko Audit Corporation April 1995 Registered as a certified public accountant July 2004 Partner of ChuoAoyama Pricewaterhouse Coopers August 2006 Opened Chikada Certified Public Accountant Office as Representative Registered as a tax accountant September 2006 June 2009 Representative Partner, Koa Audit Corporation June 2011 Corporate Auditor, Kenkou corporation, Inc. (currently RIZAP GROUP, Inc.) June 2016 Outside Director (Audit Committee Member), RIZAP GROUP, Inc. April 2018 Outside Director (Audit & Supervisory Committee Member), SKIYAKI Inc. To present</p> <p>[Significant concurrent positions] Representative, Chikada Certified Public Accountant Office Representative Partner, Koa Audit Corporation Outside Director (Audit & Supervisory Committee Member), SKIYAKI Inc.</p> <p>[Reason for nomination as candidate for External Corporate Auditor] Mr. Naohiro Chikada has professional knowledge accumulated as a certified public accountant and a tax accountant, and serves as an audit & supervisory committee member at other listed companies. He is nominated as a candidate for External Auditor so that he can leverage his wealth of corporate auditing experience.</p>	— shares

- Notes:
1. The number of shares of the Company held presented above is the number held as of March 31, 2022.
 2. There are no special interests between either of Mr. Toru Aoyama or Mr. Naohiro Chikada and the Company.
 3. Mr. Naohiro Chikada is a candidate for the position of External Corporate Auditor.
 4. The Company plans to designate Mr. Naohiro Chikada as an independent officer of the Company as prescribed by the Tokyo Stock Exchange and register him as such with the exchange. There are no business relationships, such as advisory contracts, between the Company and the candidate.
 5. The Company plans to enter into a liability limitation agreement with Mr. Toru Aoyama and Mr. Naohiro Chikada, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act.
The overview of the agreement is as follows:
 - (1) The Company shall enter into a liability limitation agreement in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act to limit the liability for damages as specified under Article 423, Paragraph 1 of the said Act. However, the limit of liability under the said agreement shall be the amount stipulated by laws and regulations.
 - (2) The abovementioned liability limit shall be applicable only when the Corporate Auditor acted in good faith and without gross negligence in the performance of the duties giving rise to such responsibilities.
 6. The Company has entered into a directors and officers liability insurance contract with an insurance company, which shall compensate for damages to be borne by the insureds. The candidates will be insured under this insurance contract. Additionally, the Company plans to renew the insurance contract with the same contents at the time of next renewal.

Proposal 5: Election of One (1) Substitute Corporate Auditor

Since the number of Corporate Auditors of the Company is three (3) including External Auditors, and thus to prepare for a contingency in which the number of Corporate Auditors falls short of the number stipulated in laws and regulations, the Company proposes the election of one (1) Substitute Corporate Auditor.

The effectiveness of the election of a Substitute Corporate Auditor under this proposal shall expire at the beginning of the Ordinary General Meeting of Shareholders pertaining to the last business year ending within two (2) years from the election.

The Board of Corporate Auditors has given its consent to the submission of this proposal.

The candidate for the position of Substitute Corporate Auditor is as follows.

Name (Date of birth)	Past experience and significant concurrent positions	Number of shares of the Company held
Yoshiyuki Ishikubo (January 17, 1957)	<div>October 1984 Joined Audit Corporation Chuo Accounting Office</div> <div>October 1988 Registered as a certified public accountant</div> <div>July 2001 Registered as Partner, Chuo Aoyama Audit Corporation</div> <div>October 2005 Representative, Ishikubo Certified Public Accountant Office</div> <div>June 2010 External Director, Kyoto Kimono Yuzen Inc.</div> <div> External Director, ARTVIVANT CO., LTD.</div> <div>October 2014 Outside Director, CRE, Inc.</div> <div>October 2015 Outside Director (Audit Committee Member)</div> <div>December 2015 Outside Auditor, Interspace Co., Ltd. To present</div> <div>[Significant concurrent positions]</div> <div>Representative, Ishikubo Certified Public Accountant Office</div> <div>Outside Director (Audit Committee Member), CRE, Inc.</div> <div>Outside Auditor, Interspace Co., Ltd.</div>	— shares
	<div>[Reason for nomination as candidate for Substitute External Auditor]</div> <div>Mr. Yoshiyuki Ishikubo has professional knowledge accumulated as a certified public accountant, and serves as an External Director and Audit Committee Member at other listed companies. He is nominated as a candidate for Substitute External Auditor so that he can leverage his wealth of experience in corporate supervision and audit.</div>	

- Notes:
1. The number of shares of the Company held presented above is the number held as of March 31, 2022.
 2. There are no special interests between Mr. Yoshiyuki Ishikubo and the Company.
 3. Mr. Yoshiyuki Ishikubo is a candidate for the position of Substitute External Auditor.
 4. Mr. Yoshiyuki Ishikubo satisfies requirements for independent officers as prescribed by the Tokyo Stock Exchange. If Mr. Yoshiyuki Ishikubo assumes office as External Auditor, the Company plans to designate him as an independent officer and register him as such with the exchange.
 5. If Mr. Yoshiyuki Ishikubo assumes office as External Auditor, the Company plans to enter into a liability limitation agreement with him, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act.
The overview of the agreement is as follows:
 - (1) The Company shall enter into a liability limitation agreement in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act to limit the liability for damages as specified under Article 423, Paragraph 1 of the said Act. However, the limit of liability under the said agreement shall be the amount stipulated by laws and regulations.
 - (2) The abovementioned liability limit shall be applicable only when the Corporate Auditor acted in good faith and without gross negligence in the performance of the duties giving rise to such responsibilities.
 6. The Company has entered into a directors and officers liability insurance contract with an insurance company, which shall compensate for damages to be borne by the insureds. If Mr. Yoshiyuki Ishikubo assumes office as External Auditor, he will be insured under this insurance contract. Additionally, the Company plans to renew the insurance contract with the same contents at the time of next renewal.

Proposal 6: Amendment to Amount of Remuneration for Directors

The amount of annual remuneration for Directors of the Company was approved as a figure not exceeding 300 million yen (not exceeding 30 million yen for External Directors) at the 1st Ordinary General Meeting of Shareholders held on June 26, 2015; however, in consideration of the facts that the composition of Directors is to be changed through an increase in the number of External Directors so as to strengthen our corporate governance system, and that the responsibilities of the External Directors are to increase in future, we would like to change the amount of annual remuneration for Directors to a figure not exceeding 300 million yen (not exceeding 40 million yen for External Directors).

For this proposal, comprehensive consideration has been given to the management structure of the Company, the number of directors, and the changes to the economic climate and business environment moving forward. It has been resolved by the Board of Directors based on a recommendation by the Nomination and Remuneration Committee that it was in line with the Company's policy for determining the remuneration of Directors as described in the Business Report, and therefore the content of the proposal is judged to be appropriate.

The decision regarding the specific amount of remuneration for each individual eligible Director shall be entrusted to the Nomination and Remuneration Committee, which is comprised primarily of independent External Directors, and shall follow a procedure that is transparent and objective.

If Proposal 3 is approved, the number of directors shall be ten (10) (of which five (5) shall be External Directors).

Business Report

(April 1, 2021 - March 31, 2022)

1. Overview of the Corporate Group

(1) Business Progress and Results

During the consolidated fiscal year under review (from April 1, 2021 to March 31, 2022), the Japanese economy continued, as in the previous fiscal year, to be impacted by the spread of COVID-19, with restrictions placed on the activities of businesses and individuals, and the economy remaining in a difficult environment. On March 21, the quasi-state of emergency for preventing the spread of COVID-19 was lifted across Japan, with economic activities expected to increase as a result. However, with the numbers of new COVID-19 infections in Japan still high and the emergence of new variants overseas, the outlook continues to remain uncertain.

In the feed industry, the price of corn, which is a primary raw ingredient, rose in response to the strong demand on the back of the increase in demand for ethanol associated with the rise in price of crude oil. Since then, grain prices have trended even further upward owing to the growing tensions in Ukraine, which is an exporter of grain, and therefore, the price is significantly higher compared to the previous fiscal year.

As for livestock products, while the market price of pork remained steady due to a shortage in the numbers of shipments and the strong demand for eating-at-home, there was a slight drop in the second half of the period; however, the price is up compared to the previous fiscal year. The egg market saw high prices in the first half of the period due to a drop in supply following an outbreak of avian influenza across Japan, and as a result, was up significantly compared to the same period in the previous fiscal year. However, following a stabilizing of supply from January onward, the price has since come down to a level lower compared to the same period in the previous fiscal year. With regard the beef market, following a significant fall in price due to a drop in consumption, the price has subsequently started to rise again gradually, reaching a level up compared to the same period in the previous fiscal year.

In this environment, in order to achieve its three-year mid-term management plan, of which fiscal year 2021 was the first year, the Group has been promoting initiatives such as streamlining its raw materials procurement and production system, improving the quality of products and services supplied to livestock and fishery producers, and reducing costs.

During the consolidated fiscal year under review, the Group posted sales of 243,202 million yen (up 13.6% year-on-year), operating profit of 4,293 million yen (down 24.3% year-on-year), and ordinary profit of 5,067 million yen (down 16.7% year-on-year). Profit attributable to owners of parent was 3,659 million yen (down 17.6% year-on-year).

Performance by business segment is as follows.

Feed Business

In the Feed Business, sales increased 25.4% to 203,398 million yen, mainly due to the average sales prices for animal feed increasing significantly year-on-year. Operating profit decreased 13.6% year-on-year to 6,531 million yen, mainly due to an increase in the costs of corn and other raw ingredients, as well as an increase in selling, general and administrative expenses such as contributions to the of Feed Price Stabilization Fund.

Food Business

In the Food Business, sales decreased 24.1% year-on-year to 37,366 million yen, mainly due to the impact of recognizing sales with net amount for transactions conducted as agents following the application of the "Accounting Standard for Revenue Recognition" etc. Further, we recorded an operating loss of 52 million yen (operating profit of 150 million yen in the previous fiscal year), mainly due to our participation in the *2020 Kokusan Norin Suisanbutsu-to Hanro Tayo-ka Kinkyu Taisaku Jigyo* (2020 Emergency Measures Project for the Diversification of Sales Channels for Japanese Agricultural, Forestry and Fisheries Products) (specifically, the *Soi Kufu ni Yoru Tayona Hanro no Kakuritsu* (Innovative Ways to Establish Diverse Sales Channels)) hosted by the Ministry of Agriculture, Forestry and Fisheries of Japan, which resulted in recording of expenses for

subsidies for the diversification of aquatic products that had lost their sales channels as a result of the impact of COVID-19. With regard to subsidy income related to this project etc., we recorded 326 million yen in non-operating income.

Other Businesses

Sales decreased 9.1% year-on-year to 2,437 million yen, as a result of sales of livestock and fishery equipment and other products to distributors and livestock and fishery producers, and operating profit decreased 17.3% year-on-year to 286 million yen.

(2) Capital Expenditures

During the consolidated fiscal year under review, the total amount of capital expenditures was 2,659 million yen, mainly due to streamlining of production facilities in the Feed Business segment.

(3) Financing

The Company has entered into a syndicated loan agreement with nine financial institutions for a total of 6,500 million yen, with the aim of consolidating borrowing conditions and contact points, and securing flexibility and stability in fund procurement.

As of the end of the fiscal year under review, the outstanding balance under this agreement was 5,668 million yen.

(4) Issues to Be Addressed

Owing to the concerns over supply of grains following the situation between Russia and Ukraine, the prices of many raw materials have soared to historical highs this year, which, when combined with the rapid depreciation of the yen and concerns over a significant increase in the contributions to the Feed Price Stabilization Fund, has meant that there have been some major changes in the business environment surrounding the Group, and so we believe it is likely that it will be an extremely challenging year. The future outlook is expected to remain extremely uncertain due to concerns over outbreaks of diseases such as CSF (classical swine fever) and avian influenza, foreign exchange markets, soaring fuel costs, and labor shortages in the logistics industry.

In this environment, the Group believes that its absolute mission is to provide a stable supply of products to livestock and fishery producers, and to provide safe and secure food products to consumers, and is striving to put this into practice. In FY2022, the second year of our third mid-term management plan, under the basic policy of “completing management integration,” the Group is aiming to improve corporate value by achieving an increase in revenue through thorough utilization of the business foundations strengthened in the second mid-term management plan, and by building on its foundations for achieving sustainable growth.

(5) Trends in Assets and Income

(In millions of yen, unless otherwise specified.)

Item	5th fiscal year (FY2018)	6th fiscal year (FY2019)	7th fiscal year (FY2020)	8th fiscal year (FY2021)
Sales	212,886	215,050	214,120	243,202
Ordinary profit	4,466	5,737	6,081	5,067
Profit attributable to owners of parent	4,657	3,842	4,438	3,659
Basic earnings per share (yen)	23.66	97.64	112.78	94.65
Total assets	88,934	90,880	99,251	108,504
Net assets	36,413	38,906	42,794	44,840

Notes: 1. The status of the 8th fiscal year is as presented above, in “(1) Business Progress and Results.”

2. Effective October 1, 2020, the Company carried out a consolidation of shares at a ratio of one share for every five common shares. Basic earnings per share is calculated on the assumption that the share consolidation was conducted at the beginning of the sixth consolidated fiscal year.

(6) Material Subsidiaries (As of March 31, 2022)

Company name	Major business description
FEED ONE FOODS Co., Ltd.	Processing and sales of meat
GOLD EGG CORPORATION	Processing and sales of eggs
Kitakyushu Feed One Hanbai Co., Ltd.	Purchase and sales of feed
Kashima Feed One Hanbai Co., Ltd.	Purchase and sales of feed
Minamikyushu Feed One Hanbai Co., Ltd.	Purchase and sales of feed
Hokkaido Feed One Hanbai Co., Ltd.	Purchase and sales of feed
Hachinohe Feed One Hanbai Co., Ltd.	Purchase and sales of feed, livestock products, etc

(7) Principal Business (As of March 31, 2022)

Business segment	Business description
Feed Business	Production, processing, and sales of feed
Food Business	Purchase, production, processing, and sales of livestock and aquatic products
Other Businesses	Sales of livestock and fishery equipment

(8) Major Sales Offices and Factories (As of March 31, 2022)

1) The Company

Name	Location	Name	Location
Head Office	Kanagawa-ku, Yokohama-shi, Kanagawa	Kitakyushu Branch Office	Hakata-ku, Fukuoka-shi, Fukuoka
Research & Development Center	Ono-machi, Tamuragun, Fukushima	Minamikyushu Branch Office	Miyakonojo-shi, Miyazaki
East Hokkaido Branch Office	Kushiro-shi, Hokkaido	Ishinomaki Factory	Ishinomaki-shi, Miyagi
Central Hokkaido Branch Office	Chuo-ku, Sapporo-shi, Hokkaido	Kashima Factory	Kamisu-shi, Ibaraki
Tohoku Branch Office	Miyagino-ku, Sendai-shi, Miyagi	Nagoya Factory	Minato-ku, Nagoya-shi, Aichi
Kanto Branch Office	Kamisu-shi, Ibaraki	Chita Factory	Chita-shi, Aichi
Chubu Branch Office	Minato-ku, Nagoya-shi, Aichi	Kitakyushu Aquatic Feed Factory	Wakamatsu-ku, Kitakyushu-shi, Fukuoka
Kansai Branch Office	Kurashiki-shi, Okayama	Kitakyushu Animal Feed Factory	Wakamatsu-ku, Kitakyushu-shi, Fukuoka
Shikoku Branch Office	Uwajima-shi, Ehime		

2) Locations of major subsidiaries

Company name	Location
FEED ONE FOODS Co., Ltd.	Kanagawa-ku, Yokohama-shi, Kanagawa
GOLD EGG CORPORATION	Yao-shi, Osaka
Kitakyushu Feed One Hanbai Co., Ltd.	Kita-ku, Kumamoto-shi, Kumamoto
Kashima Feed One Hanbai Co., Ltd.	Ishioka-shi, Ibaraki
Minamikyushu Feed One Hanbai Co., Ltd.	Miyakonojo-shi, Miyazaki
Hokkaido Feed One Hanbai Co., Ltd.	Iwamizawa-shi, Hokkaido
Hachinohe Feed One Hanbai Co., Ltd.	Hachinohe-shi, Aomori

(9) Employees (As of March 31, 2022)

1) Corporate group (consolidated)

Number of employees	Changes from the end of the previous consolidated fiscal year
932 (384)	-1 (-29)

Note: The number of employees refers to the number of full-time employees, and the average number of temporary employees for the year is shown in parentheses.

2) The Company (non-consolidated)

Number of employees	Changes from the end of the previous fiscal year
525 (55)	-4 (1)

Note: The number of employees is the number of full-time employees, and the average number of temporary employees for the year is shown in parentheses.

(10) Major Lenders and Amounts of Loans (As of March 31, 2022)

Lender	Outstanding amount of loan
The Bank of Yokohama, Ltd.	4,107 million yen
The Norinchukin Bank	3,143 million yen
Sumitomo Mitsui Banking Corporation	2,073 million yen
Sumitomo Mitsui Trust Bank, Limited	1,459 million yen
Mizuho Bank, Ltd.	1,024 million yen

2. Status of Shares (As of March 31, 2022)

- (1) Total number of shares authorized to be issued 100,000,000 shares
- (2) Total number of shares issued 38,477,128 shares
- (3) Number of shareholders 17,750 persons
(Changes from the end of the previous fiscal year: 899)
- (4) Major shareholders

Shareholder	Number of shares held	Ratio of shares held
	Thousand shares	%
MITSUI & CO., LTD.	9,838	25.60%
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,506	9.12%
Daiwa Kogyo LLC	1,207	3.14%
Custody Bank of Japan, Ltd. (Trust Account)	1,153	3.00%
THE KEIHIN CO., LTD.	1,047	2.72%
Tokio Marine & Nichido Fire Insurance Co., Ltd.	857	2.23%
Asahi Mutual Life Insurance Company	803	2.09%
The Bank of Yokohama, Ltd.	781	2.03%
STATE STREET BANK AND TRUST COMPANY 505223	634	1.65%
Yonkyu Co., Ltd.	600	1.56%

- Notes: 1. The major shareholders presented above are based on the shareholder registry as of March 31, 2022.
2. The ratio of shares held is calculated after deducting treasury shares (40,990 shares).
3. 287,160 shares of the Company, held by the Custody Bank of Japan, Ltd. (Trust Account) as trust assets for the “trust for share-based remuneration for directors (and other officers),” are not included in the number of treasury shares.

3. Company Officers

(1) Status of Directors and Corporate Auditors (As of March 31, 2022)

Name	Positions, responsibilities and significant concurrent positions	
Takashi Yamauchi	Representative Director and President	
Takashi Noguchi	Representative Director	(Vice President; General Manager, Administrative Unit and in charge of Aquatic Feed Division)
Naoki Hatanaka	Director	(Senior Managing Officer; General Manager, Animal Feed Business Unit and in charge of Research & Development Center)
Tsuneo Suzuki	Director	(Senior Managing Officer; Executive Secretary; in charge of Corporate Planning & Strategy Division and Quality Assurance Division)
Yukihiro Arakida	Director	(Managing Executive Officer; General Manager, Food Service Unit)
Akio Ishizuka	Director	(Representative Lawyer, Nakaurawa Law Office)
Kikue Kubota	Director	(Professor Emeritus, Ochanomizu University) (Auditor (part-time), Tokyo University of Marine Science and Technology) (Auditor (part-time), Tokyo University of Agriculture)
Keizo Goto	Director	
Osamu Watanabe	Director	(General Manager, Fats and Oils and Staple Food Business Department, Food Business Unit, MITSUI & CO., LTD.)
Eiichi Yano	Full-time Corporate Auditor	
Shunji Saito	Full-time Corporate Auditor	
Isao Tsubaki	Corporate Auditor	(Representative Director, Tsubaki General Management Research Center Co., Ltd.)

- Notes:
1. At the 7th Ordinary General Meeting of Shareholders held on June 25, 2021, Mr. Osamu Watanabe was elected and assumed office as a Director.
 2. Directors, Mr. Akio Ishizuka, Ms. Kikue Kubota, Mr. Keizo Goto, and Mr. Osamu Watanabe are External Directors.
 3. Corporate Auditors, Mr. Eiichi Yano, and Mr. Isao Tsubaki are External Auditors.
 4. The Company has designated Directors, Mr. Akio Ishizuka, Ms. Kikue Kubota, and Mr. Keizo Goto, and Corporate Auditor, Mr. Isao Tsubaki as independent officers in accordance with the provisions of the Tokyo Stock Exchange, and has registered them as such with the exchange.
 5. Corporate Auditor, Mr. Isao Tsubaki is a certified public accountant, and possesses considerable knowledge in finance and accounting.

(2) Summary of the Liability Limitation Agreement

The Company and its External Directors and External Auditors have entered into a liability limitation agreement based on the provisions of Article 427, Paragraph 1 of the Companies Act. An outline of the contents of the agreement is as follows.

- If External Directors or External Auditors become liable for damages to the Company due to negligence of their duties, the liability shall be limited to the minimum liability amount stipulated in Article 427, Paragraph 1 of the Companies Act.
- The abovementioned liability limit shall be applicable only when the External Director or External Auditor acted in good faith and without gross negligence in the performance of his/her duties giving rise to such responsibilities.

(3) Summary of the Directors and Officers Liability Insurance Contract

The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The scope of the insured persons under the insurance contract covers Directors, Corporate Auditors, Executive Officers, managerial employees, externally dispatched officers, and retired officers, and the insured persons shall not bear any insurance premiums. This insurance contract covers litigation costs and compensation for damages to be borne by the insured person resulting from any claims made against them during the term of the policy. However, so that the properness of the performance of duties by officers is not impaired, there are certain exemptions such as the insured person not being eligible for compensation for damages attributable to any actions taken by said insured person with the knowledge that such actions are in violation of laws and regulations.

(4) Remuneration, etc. for Directors and Corporate Auditors for the Fiscal Year Under Review

1) Matters concerning policies for determining the details of individual remuneration, etc. for each Director

i) Method for determining policies

The Company's policies for determining remuneration are decided by the Board of Directors, and the Company has established basic policies, as follows.

[Basic policies]

- In principle, the Company shall consult with the Nomination and Remuneration Committee, which is mainly composed of External Directors, regarding the individual remuneration, etc. for Directors. The remuneration shall follow a process that ensures the transparency and objectivity of the procedures for determining officer remuneration.
- The remuneration shall be designed to be an incentive linked to short-term performance, based on the mid-term management plan, and for the medium- to long-term enhancement of corporate value.
- The amount of remuneration for each position shall not deviate from that of other companies in the same industry or companies with similar size, while maintaining a level that can secure and maintain excellent human resources.

ii) Outline of details in policies

Remuneration for Directors consists of monetary remuneration (fixed remuneration and performance-linked remuneration) and non-monetary remuneration (stock remuneration). The remuneration for External Directors consists of fixed remuneration only. Based on the above policies, monetary remuneration and non-monetary remuneration are each calculated by comprehensively considering factors such as position, the achievement rate against performance targets, division evaluations, the market environment, and social situations. The payment ratio for each type of remuneration is determined by the Nomination and Remuneration Committee, taking into consideration the balance between the total amount of monetary remuneration and non-monetary remuneration, as well as a comparison with the remuneration of other companies in the same industry or companies of similar size.

The index for performance-linked remuneration is the ordinary profit in the mid-term management plan of the Company, in order to clarify the performance evaluation of each Director, taking into account a wide range of factors including changes in the business environment and risks associated with the operation of equity method affiliated companies. Of the monetary remuneration and non-monetary remuneration, performance-linked remuneration accounts for 0 to 25%, corresponding to the status of achievement of the mid-term management plan by position, while non-monetary

remuneration accounts for 9 to 15%, by position.

The remuneration for Corporate Auditors is determined based on consultation with the Board of Corporate Auditors.

The target for performance-linked remuneration for the fiscal year under review was an ordinary profit of 5.4 billion yen, and the achieved result was 5.0 billion yen.

- iii) Reason for the Board of Directors (Nomination and Remuneration Committee) to have judged that the details of individual remuneration, etc. for each Director for the fiscal year under review is in line with the policies

The Nomination and Remuneration Committee makes judgments by comparing the amount of remuneration for each position with remuneration of other companies in the same industry or companies of similar size.

(Reference) Formula for calculating individual remuneration for each Director and the composition ratio thereof

1. Fixed monetary remuneration and non-monetary remuneration

Remuneration is set for each position based on a median of officer remuneration survey data from an external research institution, which takes into account the size of listed and unlisted companies (sales, number of employees, market capitalization, etc.).

2. Performance-linked monetary remuneration

The following formula is used to calculate remuneration with the ordinary profit in the mid-term management plan of the Company as an indicator.

(Formula)

Performance-linked monetary remuneration^{*1}

= Base amount + allocation amount: (actual ordinary profit - (ordinary profit in the mid-term management plan + 100 million yen))^{*2*3} x allocation ratio by position x evaluation coefficient

^{*1} The maximum of the performance-linked monetary remuneration is 150% of the base amount.

^{*2} The total allocation to Directors and Executive Officers is 3.5% of the difference between actual ordinary profit and ordinary profit in the mid-term management plan + 100 million yen. The allocation amount for Directors for the fiscal year ended March 31, 2021 is 1.7% of the difference stated above.

^{*3} Performance-linked monetary remuneration is not paid if actual ordinary profit is less than 80% of ordinary profit in the mid-term management plan + 100 million yen.

3. Composition of remuneration

The composition of individual remuneration by position is as shown in the following table. (Rounded down to the nearest decimal place)

Position	Actual ordinary profit < (ordinary profit in the mid-term management plan + 100 million yen) x 80%			Actual ordinary profit = ordinary profit in the mid-term management plan + 100 million yen			Allocation amount ≤ base amount x 150%		
	Fixed remuneration	Performance-linked remuneration	Non-monetary remuneration	Fixed remuneration	Performance-linked remuneration	Non-monetary remuneration	Fixed remuneration	Performance-linked remuneration	Non-monetary remuneration
Representative Director and President	84%	0%	15%	69%	18%	12%	63%	25%	11%
Representative Director, Vice President	86%	0%	13%	71%	16%	11%	66%	23%	10%
Director, Senior Managing Officer	87%	0%	12%	73%	15%	10%	68%	21%	9%
Director, Managing Executive Officer	87%	0%	12%	73%	15%	10%	68%	21%	10%

2) Matters concerning provisions in the Articles of Incorporation or resolutions of General Meetings of Shareholders concerning remuneration, etc. for Company officers

i) Date of resolution of General Meeting of Shareholders and the number of Company officers concerning the resolution

- Monetary remuneration: resolution of General Meeting of Shareholders on June 26, 2015; ten (10) Directors (including three (3) External Directors), four (4) Corporate Auditors

- Non-monetary remuneration: resolution of General Meeting of Shareholders on June 28, 2018; five (5) Directors (excluding External Directors)

ii) Outline of details in provisions

The total amount of remuneration shall not exceed 300 million yen for Directors (not exceeding 30 million yen for External Directors), and shall not exceed 90 million yen for Corporate Auditors.

Non-monetary remuneration shall be separate from the above, and shall not exceed 90 million yen over three years.

3) Matters concerning delegating decisions on the details of individual remuneration, etc. for each Director

i) Decision on the delegation

Decisions have been made by the Board of Directors to delegate the decision to the Representative Director, following consultation with the Nomination and Remuneration Committee.

- ii) Name of the delegated person, his/her position, and responsibilities on the date the details are decided
Delegated person: Takashi Yamauchi, Representative Director and President
- iii) Delegated authority
Authority to decide the amount of individual remuneration for Directors
- iv) Reason for delegating authority
The Company determined that delegating decisions within the scope of the advice and opinion of the Nomination and Remuneration Committee is within the reasonable scope of the Representative Director's authority, as the Board of Directors consulted with the Nomination and Remuneration Committee and the Chairman of the Nomination and Remuneration Committee expressed his opinion to the Board of Directors that the individual remuneration is reasonable in light of the Company's policies.
- v) Measures to ensure that authority is properly exercised
The Company notifies individual Directors of the amount of remuneration, and reports the amount to the Nomination and Remuneration Committee.

4) Total amount of remuneration, etc. for Directors and Corporate Auditors

(In millions of yen, unless otherwise specified.)

Position	Number of persons provided	Total amount of remuneration, etc.	Total amount of remuneration, etc. by type		
			Fixed remuneration	Performance-linked remuneration	Non-monetary remuneration
Director	10	226	162	41	22
(of which External Director)	(5)	(22)	(22)	-	-
Corporate Auditor	3	43	43	-	-
(of which External Auditor)	(2)	(24)	(24)	-	-

- Notes:
- 1. External officers of the Company have not received any officer remuneration from subsidiaries of the Company during the fiscal year under review, other than the above remuneration, etc.
 - 2. The total amount of remuneration, etc. for Directors includes the provision for share-based remuneration for directors (and other officers), for the trust for share-based remuneration for directors (and other officers), of 22 million yen, recorded in the fiscal year under review.

(5) Matters Regarding External Officers

- 1) Relationship between the Company and other companies where external officers concurrently serve as executives, etc.
 - Director, Mr. Osamu Watanabe is a business executor (employee) of MITSUI & CO., LTD., which is a specified associate company (major business partners). MITSUI & CO., LTD. is a major shareholder of the Company, and there are transactional relationships of raw materials, etc. between the Company and the said company.
 - Corporate Auditor, Mr. Isao Tsubaki is a Representative Director of Tsubaki General Management Research Center Co., Ltd. There are no special relationships, including transactions, between the Company and Tsubaki General Management Research Center Co., Ltd.

2) Major activities during the fiscal year under review

Name	Position	Major activities
Akio Ishizuka	External Director	Mr. Ishizuka attended all 17 meetings of the Board of Directors, and asked questions and expressed his opinions as necessary, based on his expert knowledge as an attorney. He also serves as a chairman of the Nomination and Remuneration Committee, which was established for the purpose of improving the appropriateness and objectivity of decision-making regarding the selection of Director candidates and remuneration.
Kikue Kubota	External Director	Ms. Kubota attended all 17 meetings of the Board of Directors, and asked questions and expressed her opinions as necessary, based on her expert knowledge of the food business. She also serves as a member of the Nomination and Remuneration Committee, which was established for the purpose of improving the appropriateness and objectivity of decision-making regarding the selection of Director candidates and remuneration.
Keizo Goto	External Director	Mr. Goto attended all 17 meetings of the Board of Directors, and asked questions and expressed his opinions as necessary, based on his expert knowledge of finance and economics and the experience he has cultivated as a Full-time Auditor of the Japan Freight Railway Company. He also serves as a member of the Nomination and Remuneration Committee, which was established for the purpose of improving the appropriateness and objectivity of decision-making regarding the selection of Director candidates and remuneration.
Osamu Watanabe	External Director	Mr. Watanabe attended all 13 meetings of the Board of Directors after his appointment, and asked questions and expressed his opinions as necessary, based on his experience working primarily in the grain and food business. He also serves as a member of the Nomination and Remuneration Committee, which was established for the purpose of improving the appropriateness and objectivity of decision-making regarding the selection of Director candidates and remuneration.
Eiichi Yano	External Auditor	Mr. Yano attended all 17 meetings of the Board of Directors and all 29 meetings of the Board of Corporate Auditors, and asked questions and expressed his opinions as necessary, based on his wide knowledge on management and finance, cultivated at a financial institution.
Isao Tsubaki	External Auditor	Mr. Tsubaki attended all 17 meetings of the Board of Directors and all 29 meetings of the Board of Corporate Auditors, and asked questions and expressed his opinions as necessary, based on his expert knowledge cultivated as a certified public accountant.

3) Overview of duties performed by External Directors in relation to the roles they are expected to fulfill

Name	Position	Major activities
Akio Ishizuka	External Director	Mr. Akio Ishizuka, as a legal expert, is expected to supervise corporate management from an objective standpoint independent of business executors. He attends meetings of the Board of Directors and other important meetings, and expresses his opinions from a legal standpoint.
Kikue Kubota	External Director	Ms. Kikue Kubota, as a food sector expert, is expected to take on the role of supervising corporate management from an objective standpoint independent of business executors. She attends meetings of the Board of Directors and other important meetings, and expresses her opinions drawing on her knowledge.
Keizo Goto	External Director	Mr. Keizo Goto, as an expert in finance and economics, etc., is expected to take on the role of supervising corporate management from an objective standpoint independent of business executors, leveraging his experience as a Full-time Auditor of Japan Freight Railway Company. He attends meetings of the Board of Directors and other important meetings, and expresses his opinions drawing on his knowledge.
Osamu Watanabe	External Director	Mr. Osamu Watanabe is expected to take on the role of reinforcing the management structure of the Company by providing advice on the Company's business activities from a broad perspective, leveraging not only his knowledge of the grain, fats and oils business, but also his experience including serving as a corporate officer and general manager of the overseas sales department of a company handling food products., He attends meetings of Board of Directors and other important meetings, and expresses his opinions drawing on his knowledge

4. Accounting Auditor

- (1) Accounting Auditor's Name
Deloitte Touche Tohmatsu LLC
- (2) Accounting Auditor's Compensation, etc., for the Fiscal Year Ended March 31, 2022
Compensation, etc., for the fiscal year ended March 31, 2022 56 million yen
Total amount of monetary and other property benefits payable by the Company or its subsidiaries to Accounting Auditor 56 million yen
Note: Under the audit agreement between the Company and the Accounting Auditor, the amount of compensation, etc. for audits based on the Companies Act and audits based on the Financial Instruments and Exchange Act are not distinguished; therefore, the above amount includes compensation, etc. for audits based on the Financial Instruments and Exchange Act.
- (3) Reasons for the Board of Corporate Auditors to Have Agreed on Accounting Auditor's Compensation, etc.
The Board of Corporate Auditors has given its consent based on Article 399, Paragraph 1 of the Companies Act regarding compensation, etc. of the Accounting Auditor, upon making the necessary verification of the contents of the audit plan of the Accounting Auditor, previous records of audits and compensation, the status of execution of duties by the Accounting Auditor, and the appropriateness of the basis for calculation of the estimates of audit compensation.
- (4) Policy on Determination of Dismissal or Non-reappointment of Accounting Auditor
If it is deemed that the Accounting Auditor falls under any of the items stipulated in Article 340, Paragraph 1 of the Companies Act, the Board of Corporate Auditors shall dismiss the Accounting Auditor, based on the unanimous consent of the Corporate Auditors. In this case, the Corporate Auditor selected by the Board of Corporate Auditors shall report the dismissal of the Accounting Auditor, and the reasons for the dismissal at the first General Meeting of Shareholders held after the dismissal.
In addition, if it is deemed necessary, such as when it is deemed difficult for the Accounting Auditor to execute its duties appropriately, the Board of Corporate Auditors shall determine the contents of the proposal regarding dismissal or non-reappointment of the Accounting Auditor, for the General Meeting of Shareholders.

5. Systems to Ensure the Appropriateness of Operations

- (1) Systems to Ensure Compliance of the Execution of Duties by Directors, Executive Officers, and Employees with Laws and Regulations and the Articles of Incorporation
 - 1) In accordance with laws and regulations, the Articles of Incorporation, resolutions at the General Meeting of Shareholders, and internal regulations, the Board of Directors of the Group shall decide on important matters related to management, and supervise the execution of duties by Directors.
 - 2) To ensure that the Directors, Executive Officers, and employees of the Group comply with laws and regulations, and promote appropriate corporate activities, the Group shall make them aware of the “FEED ONE Group Employee Code of Conduct.”
 - 3) Corporate Auditors shall audit the execution of duties by Directors, in cooperation with the Accounting Auditor and the Internal Auditing Division.
 - 4) The Company shall ensure that Internal Reporting System Regulations are recognized within the Group, and periodically report the status of reporting each year to the Board of Directors of the Company. The Board of Directors shall conduct follow-up activities on such reports, and take necessary measures to improve the effectiveness of the internal reporting system. In addition, the Board of Directors shall evaluate the internal reporting system and continuously improve the system.
 - 5) The Board of Directors of the Company shall educate, train, and familiarize the Group regarding compliance, including the internal reporting system, and shall assign and train personnel in charge of compliance who possess the necessary skills and aptitude.
 - 6) The Compliance Committee shall decide on matters including action policies, by investigating and deliberating on various issues related to the Group’s compliance, and inform and instruct the Group, accordingly.
 - 7) The Group will not engage in any relationship with anti-social forces that threaten civil society, and will never conduct anti-social transactions with such forces. In addition, the entire company shall take a resolute stance against such anti-social forces, by closely collaborating with police and other external specialized institutions.
- (2) Systems for the Storage and Management of Information Related to Execution of Duties by Directors and Executive Officers
 - 1) Important documents and records related to the duties of Directors, Executive Officers, and employees of the Group shall be appropriately stored and managed in accordance with applicable laws and regulations, “Regulations for Document Management,” “Regulations for Information Security,” and other regulations.
 - 2) The personal information of the Group shall be managed in accordance with “Regulations for Personal Information Protection” and other regulations.
 - 3) The confidential information of the Group shall be managed in accordance with “Regulations for Business Confidentiality Preservation.”
- (3) Regulations and Other Systems for Managing Risk of Loss
 - 1) In order to manage risks associated with the quality of the Group, the Group shall establish a “Quality Policy” and a management system under the leadership of the Quality Assurance Division, which prevents the occurrence of quality risks, including the safety of the Group’s products. In addition, the Quality Assurance Committee shall investigate and deliberate on various issues related to quality, establish action policies, etc., and inform and instruct the Group, accordingly.
 - 2) In order to manage risks that may arise from the business development of the Group, the Group shall operate the “Regulations for Company-wide Risk Management,” and the Corporate Planning & Strategy Division shall comprehensively manage risk information and conduct periodic reports to the Board of Directors, etc. In addition, each division shall manage the specific individual risks pertaining to the operations in their charge.
- (4) Systems to Ensure the Effective Execution of Duties by Directors and Executive Officers
 - 1) The Group shall establish an executive officer system in order to clarify functions and speed up management, by separating the decision-making and supervisory functions from the business execution functions.
 - 2) In order to ensure a common understanding between the decision-making and supervisory functions and the business execution functions, and to ensure the effectiveness and

- efficiency of operations, reliability of financial reports, and compliance with relevant laws and regulations, important matters shall be decided at the meetings of the Board of Directors held every month, after deliberation by the Executive Committee.
- 3) The Group's business operations and authorities shall be classified based on internal rules, such as "Regulations for Division of Duties" and "Regulations of Administrative Authorities," and the person in charge of each division shall operate the division appropriately, based on his/her authority and responsibility.
 - (5) Systems to Ensure the Appropriateness of Operations of the Corporate Group Comprising the Company and its Subsidiaries
 - 1) Each Group company's execution of business operations shall be managed by the Group Strategy Meeting attended by Representative Directors and related Directors, Executive Officers, and employees, "Regulations for the Management of Subsidiaries and Associates," "Regulations of Administrative Authorities," and others.
 - 2) The Internal Auditing Division, which is independent from lines of operation, shall periodically implement internal audits of the Company and each of the Group companies, investigate the status of operation and maintenance of the internal control system, and report the results of such investigations, matters for improvement, and other relevant matters to the Board of Directors of the Company.
 - (6) Matters Related to Employees Who are Requested by Corporate Auditors to Assist them in their Duties
In addition to making the General Affairs Division a secretariat of the Board of Corporate Auditors, if a Corporate Auditor requests the assignment of employees to assist with his/her duties, employees to assist the duties of the Corporate Auditor shall be assigned.
 - (7) Matters Related to the Independence of Employees Set Forth in the Previous Paragraph from Directors, and Matters Related to Ensuring the Effectiveness of Instructions to Such Employees
Directors, Executive Officers, and employees of the Group shall take care not to interfere with the independence of the duties of the employees who assist with the duties of Corporate Auditors, and the Director in charge of the General Affairs Division shall obtain prior consent from the Board of Corporate Auditors on personnel affairs regarding employees who assist with the duties of Corporate Auditors.
 - (8) System for Directors, Executive Officers, and Employees to Report to Corporate Auditors, and Other Systems for Reporting to Corporate Auditors
 - 1) Directors, Executive Officers, and employees shall establish a system for Corporate Auditors to attend important internal meetings such as Executive Committee and Group Strategy Meetings, in addition to the meetings of the Board of Directors, and to receive reports as appropriate. They shall also report the decision-making of management and status of execution of business operations to the Corporate Auditors, through periodic reports that are required by the Corporate Auditors, circulation of documents including important approval documents and minutes, and other means. In addition, if a Corporate Auditor requests an explanation regarding the status of execution of the business operations of the Group, Directors, Executive Officers, and employees of the Group shall promptly and appropriately respond to such requests.
 - 2) Directors, Executive Officers, and employees of the Group, or persons who have received reports from them shall promptly report to the Corporate Auditors if they become aware of the occurrence of an event that may significantly affect the management of the Group.
 - (9) System to Ensure that Persons Who Have Made Reports are Not Subjected to Disadvantageous Treatment on the Grounds that They Have Made Such Reports
The Group will not subject persons who have made reports to Corporate Auditors to any disadvantageous treatment, based on such grounds.
 - (10) Matters Related to Policies on Procedures for Prepayment or Reimbursement of Expenses Incurred in the Execution of Duties of Corporate Auditors, and Other Policies on Procedures for Expenses or Debts Incurred in the Execution of Such Duties
If a Corporate Auditor requests prepayment of expenses, etc. based on the Companies Act, to the Company in the execution of his/her duties, the Company shall promptly process such expenses or debts, unless the expenses or debts in such request are deemed unnecessary for the execution of

duties by such Corporate Auditor.

- (11) Other Systems to Ensure Effective Audits by Corporate Auditors
Representative Directors and Directors shall periodically exchange opinions with Corporate Auditors, recognize the importance of audits by the Corporate Auditors, and establish a collaborative system for audit operations, in order for the Corporate Auditors to collaborate with the Accounting Auditor and the Internal Auditing Division, to audit the execution of duties by Directors.

6. Overview of the Status of Operation of Systems to Ensure the Appropriateness of Operations

Based on systems to ensure the appropriateness of operations, the Company strives to develop a system to ensure the appropriateness of the operations of the corporate group, and to operate it appropriately.

The status of operations during the consolidated fiscal year under review is as follows.

- Ensuring the appropriateness of operations in general

The Company holds a “Group Strategy Meeting,” at least once per month in principle, in order to check the status of execution of the business operations of the Group. Important matters are deliberated at the “Executive Committee,” which is also held at least once per month in principle, and decisions are made at the meetings of the Board of Directors. During the fiscal year under review, the Group Strategy Meeting was held 10 times, the Executive Committee was held 20 times, and meetings of the Board of Directors were held 17 times.

The execution of the business operations of the Group companies is managed by establishing and operating “Regulations for the Management of Subsidiaries and Associates.” In addition, the Internal Auditing Division conducts internal audits of each Group company, and periodically reports the results to the Board of Directors. At the same time, this division collaborates with Corporate Auditors, the Accounting Auditor, and External Directors, and exchanges opinions.

- Compliance

During the fiscal year under review, the Company held four meetings of the “Compliance Committee,” which was established by the Representative Director and President, and investigated and deliberated on various issues related to the Group’s compliance. In addition, the Company conducted compliance training for Directors, Executive Officers, employees, and other staff to increase compliance awareness, and ensures that the Group is fully aware of the internal reporting system, which has an outside attorney, an External Auditor, and the Internal Auditing Division as contact points.

- Risk management system

The Company has established a company-wide risk management system based on “Regulations for Company-wide Risk Management.” In addition, individual risks that arise during the course of the Company’s business are managed by internal regulations and committee meetings held by each division, including the “Compliance Committee” and “Credit Committee.”

- Ensuring the effectiveness of audits by Corporate Auditors

The Board of Corporate Auditors of the Company is composed of one internal Corporate Auditor and two External Auditors.

During the fiscal year under review, the meetings of the Board of Corporate Auditors were held 29 times, and reports were received from Directors on their status regarding execution of business operations. Furthermore, Full-time Corporate Auditors shared concurrent positions of Corporate Auditors at important subsidiaries, and attended important meetings such as the meetings of the Board of Directors of each company. In addition, the Board of Corporate Auditors exchanges opinions with Representative Directors, External Directors, and the Internal Auditing Division, in addition to the Accounting Auditor, and requests important reports from Directors, Executive Officers, and employees, to deliberate and make decisions on various matters.

In addition, the internal Corporate Auditor and External Auditors attend important meetings such as the “Executive Committee,” “Group Strategy Meeting,” and “Compliance Committee,” depending on their roles.

The Corporate Auditors and Representative Directors have agreed upon a system for reporting to Corporate Auditors or the Board of Corporate Auditors, which includes attendance at important meetings by Corporate Auditors, inspection of important documents, and periodic and special reporting of matters to Corporate Auditors, in order to ensure the effectiveness of audits by Corporate Auditors.

7. Basic Policy Related to the Determination of Dividends of Surplus

In order to secure flexibility in its capital policy, the Company stipulates in its Articles of Incorporation that the matters stipulated in each item of Article 459, Paragraph 1 of the Companies Act may be conducted by the resolution of the Board of Directors.

The Company aims for a consolidated dividend payout ratio of 25% or more, with enhancement of internal reserves to strengthen its financial structure, which will serve as a foundation for long-term development, and stable dividends as its basis.

Internal reserves will be utilized effectively as investment funds to maintain and enhance the competitiveness of the Company, in the future.

In principle, the Company pays dividends twice a year in the form of an interim dividend and a year-end dividend. For the fiscal year under review, an interim dividend of 12.5 yen per share has been paid, and based on the above policy, as a result of comprehensively taking into account the performance and financial status of the fiscal year under review, the Company will pay a year-end ordinary dividend of 12.5 yen per share.

Consolidated Financial Statements

(April 1, 2021 - March 31, 2022)

Consolidated Balance Sheet

(As of March 31, 2022)

(In millions of yen)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	65,303	Current liabilities	50,022
Cash and deposits	3,500	Notes and accounts payable - trade	30,903
Notes and accounts receivable - trade	40,359	Short-term borrowings	11,350
Electronically recorded monetary claims - operating	2,427	Lease liabilities	128
Merchandise and finished goods	2,345	Income taxes payable	441
Raw materials and supplies	13,269	Provision for bonuses	685
Animals	335	Other	6,513
Other	3,100	Non-current liabilities	13,641
Allowance for doubtful accounts	(34)	Long-term borrowings	10,478
Non-current assets	43,200	Lease liabilities	759
Property, plant and equipment	33,513	Deferred tax liabilities	10
Buildings and structures	13,438	Provision for share awards for directors (and other officers)	156
Machinery, equipment and vehicles	12,271	Retirement benefit liability	2,194
Land	6,355	Asset retirement obligations	3
Leased assets	818	Other	38
Construction in progress	45	Total liabilities	63,663
Other	583	(Net assets)	
Intangible assets	530	Shareholders' equity	43,348
Other	530	Share capital	10,000
Investments and other assets	9,157	Capital surplus	9,737
Investment securities	8,215	Retained earnings	23,882
Long-term loans receivable	16	Treasury shares	(271)
Distressed receivables	239	Accumulated other comprehensive income	957
Deferred tax assets	315	Valuation difference on available-for-sale securities	948
Other	630	Deferred gains or losses on hedges	72
Allowance for doubtful accounts	(259)	Foreign currency translation adjustment	(1)
		Remeasurements of defined benefit plans	(61)
		Non-controlling interests	534
		Total net assets	44,840
Total assets	108,504	Total liabilities and net assets	108,504

Consolidated Statement of Income

(April 1, 2021 - March 31, 2022)

(In millions of yen)

Description	Amount	
Net sales		243,202
Cost of sales		220,490
Gross profit		22,712
Selling, general and administrative expenses		18,418
Operating profit		4,293
Non-operating income		
Interest and dividend income	153	
Share of profit of entities accounted for using equity method	109	
Stockpile storage revenue	138	
Subsidy income	379	
Other	188	969
Non-operating expenses		
Interest expenses	94	
Sales discounts	35	
Opening and closing business cost	38	
Other	28	195
Ordinary profit		5,067
Extraordinary income		
Gain on sale of non-current assets	6	
Gain on sale of investment securities	45	
Subsidy income	196	
Insurance claim income	18	266
Extraordinary losses		
Loss on sale of non-current assets	25	
Loss on retirement of non-current assets	59	
Loss on tax purpose reduction entry of non-current assets	12	
Impairment losses	143	
Loss on valuation of shares of subsidiaries and associates	2	243
Profit before income taxes		5,090
Income taxes - current	1,317	
Income taxes - deferred	83	1,401
Profit		3,689
Profit attributable to non-controlling interests		29
Profit attributable to owners of parent		3,659

Consolidated Statement of Changes in Equity

(April 1, 2021 - March 31, 2022)

(In millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,000	10,484	21,197	(122)	41,559
Changes during period					
Dividends of surplus			(974)		(974)
Profit attributable to owners of parent			3,659		3,659
Purchase of treasury shares				(895)	(895)
Cancellation of treasury shares		(743)		743	-
Disposal of treasury shares		(3)		136	132
Acquisition of treasury stock by stock benefit trust				(132)	(132)
Net changes in items other than shareholders' equity					
Total changes during period	-	(746)	2,684	(148)	1,789
Balance at end of period	10,000	9,737	23,882	(271)	43,348

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	859	28	(109)	(47)	730	504	42,794
Changes during period							
Dividends of surplus							(974)
Profit attributable to owners of parent							3,659
Purchase of treasury shares							(895)
Cancellation of treasury shares							-
Disposal of treasury shares							132
Acquisition of treasury stock by stock benefit trust							(132)
Net changes in items other than shareholders' equity	88	44	107	(14)	226	29	256
Total changes during period	88	44	107	(14)	226	29	2,045
Balance at end of period	948	72	(1)	(61)	957	534	44,840

Non-Consolidated Financial Statements

(April 1, 2021 - March 31, 2022)

Non-Consolidated Balance Sheet

(As of March 31, 2022)

(In millions of yen)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	58,669	Current liabilities	43,238
Cash and deposits	1,252	Accounts payable - trade	28,856
Notes receivable - trade	7,152	Short-term borrowings	7,725
Accounts receivable - trade	32,355	Lease liabilities	110
Merchandise and finished goods	1,851	Accounts payable - other	1,756
Raw materials and supplies	13,064	Accrued expenses	2,579
Advance payments to suppliers	276	Income taxes payable	361
Prepaid expenses	1,173	Deposits received	1,313
Accounts receivable - other	445	Provision for bonuses	534
Short-term loans receivable	1,393	Non-current liabilities	7,654
Other	544	Long-term borrowings	5,062
Allowance for doubtful accounts	(839)	Lease liabilities	634
Non-current assets	32,405	Provision for retirement benefits	1,797
Property, plant and equipment	22,771	Provision for share awards for directors (and other officers)	156
Buildings	7,703	Asset retirement obligations	3
Structures	1,284	Total liabilities	50,892
Machinery and equipment	8,173	(Net assets)	
Vehicles	58	Shareholders' equity	39,228
Tools, furniture and fixtures	279	Share capital	10,000
Land	4,570	Capital surplus	11,931
Leased assets	677	Legal capital surplus	2,500
Construction in progress	22	Other capital surplus	9,431
Other	1	Retained earnings	17,570
Intangible assets	388	Other retained earnings	17,570
Leasehold interests in land	1	Retained earnings brought forward	17,570
Software	127	Treasury shares	(273)
Software in progress	257	Valuation and translation adjustments	953
Other	2	Valuation difference on available-for-sale securities	881
Investments and other assets	9,244	Deferred gains or losses on hedges	72
Investment securities	4,275	Total net assets	40,182
Shares of subsidiaries and associates	4,146		
Investments in capital	34		
Long-term loans receivable	4		
Long-term loans receivable from subsidiaries and associates	176		
Distressed receivables	431		
Long-term prepaid expenses	9		
Deferred tax assets	28		
Other	456		
Allowance for doubtful accounts	(317)		
Total assets	91,075	Total liabilities and net assets	91,075

Non-Consolidated Statement of Income

(April 1, 2021 - March 31, 2022)

(In millions of yen)

Description	Amount	
Net sales		205,827
Cost of sales		188,276
Gross profit		17,551
Selling, general and administrative expenses		13,801
Operating profit		3,749
Non-operating income		
Interest and dividend income	168	
Stockpile storage revenue	138	
Subsidy income	354	
Other	108	769
Non-operating expenses		
Interest expenses	54	
Sales discounts	35	
Opening and closing business cost	38	
Other	21	149
Ordinary profit		4,369
Extraordinary income		
Gain on sale of non-current assets	0	
Gain on sale of investment securities	45	
Gain on liquidation of subsidiaries	23	
Subsidy income	196	266
Extraordinary losses		
Loss on sale of non-current assets	0	
Loss on retirement of non-current assets	25	
Impairment losses	2	
Loss on valuation of shares of subsidiaries and associates	2	
Provision of allowance for doubtful accounts for subsidiaries and associates	194	225
Profit before income taxes		4,410
Income taxes - current	1,135	
Income taxes - deferred	59	1,194
Profit		3,215

Non-Consolidated Statement of Changes in Equity

(April 1, 2021 - March 31, 2022)

(In millions of yen)

	Shareholders' equity					
	Share capital	Capital surplus			Retained earnings	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at beginning of period	10,000	2,500	10,177	12,677	15,328	15,328
Changes during period						
Dividends of surplus					(974)	(974)
Profit					3,215	3,215
Purchase of treasury shares						
Cancellation of treasury shares			(743)	(743)		
Disposal of treasury shares			(3)	(3)		
Acquisition of treasury stock by stock benefit trust						
Net changes in items other than shareholders' equity						
Total changes during period	-	-	(746)	(746)	2,241	2,241
Balance at end of period	10,000	2,500	9,431	11,931	17,570	17,570

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(124)	37,882	765	28	793	38,676
Changes during period						
Dividends of surplus		(974)				(974)
Profit		3,215				3,215
Purchase of treasury shares	(895)	(895)				(895)
Cancellation of treasury shares	743	-				-
Disposal of treasury shares	136	132				132
Acquisition of treasury stock by stock benefit trust	(132)	(132)				(132)
Net changes in items other than shareholders' equity			115	44	159	159
Total changes during period	(148)	1,346	115	44	159	1,506
Balance at end of period	(273)	39,228	881	72	953	40,182