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June 17, 2025

To Whom it May Concern

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Company representative: Taku Morimoto,  
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(Stock code: 2109 TSE Prime Market)  
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### **Notice Measures to realize management that is conscious of capital costs and stock prices (Update)**

At a meeting of the Board of Directors held on June 17, 2025, Mitsui DM Sugar Co., Ltd. (“the Company”) resolved to implement the following measures (updated; underlined sections) to realize management that considers capital costs and stock prices, based on an analysis and assessment of the Company's current situation and policies and initiatives for improvement.

#### **1. Current status analysis and evaluation**

Under the medium-term management plan “2026 Diversify into Nutrition & Health” launched in the fiscal year ended March 2023, the Company is promoting the following initiatives based on the basic policies of “Transform the Group’s business model” and “Reallocate management resources” as the growth strategy for the entire Group: (1) reinforce the domestic Sugar Business, (2) grow overseas operations, (3) expand the Life Energy Business, (4) accumulate and strengthen the Group’s R&D capabilities, and (5) contribute to the creation of a sustainable society.

As a result, ROE for the fiscal year ending March 2025 will be 5.6%, which is below the quantitative target (ROE of 7% or more) set in the “Reinforce the Domestic Sugar Business” mid-term management plan, and the average ROE for the last five fiscal years (fiscal years ending March 2021 to March 2025) will be 5.5%, which exceeds the Company's assumed cost of shareholders' equity (3.3% to 4.9%). ROIC (Return on Invested Capital) for the fiscal year ending March 2025 was 7.4%, exceeding the company's assumed WACC (Weighted Average Cost of Capital). However, the average ROIC over the past five fiscal years was 3.0%, remaining below the target level.

Although PBR improved to nearly 1.0 in the current fiscal year (ending March 2025), it has remained below 1.0 for the last five fiscal years. The Company recognizes that this is due to room for improvement in capital efficiency and a lack of sufficient understanding and appreciation among shareholders and investors regarding the feasibility of our growth strategy.

	FYE March 31, 2021	FYE March 31, 2022	FYE March 31, 2023	FYE March 31, 2024	FYE March 31, 2025
Consolidated net sales (100 million yen)	1,089	1,479	1,633	1,708	1,788
Consolidated operating income (100 million yen)	36	36	11	43	138
Consolidated operating income margin (%)	3.3	2.5	0.7	2.5	7.7
Ordinary income on a consolidated basis (100 million yen)	31	32	9	37	141
Consolidated net income (100 million yen)	28	37	79	84	63
<b>ROE (%)</b>	<b>3.3</b>	<b>3.5</b>	<b>7.6</b>	<b>7.7</b>	<b>5.6</b>
<b>ROIC (%)</b>	<b>2.4</b>	<b>2.2</b>	<b>0.6</b>	<b>2.2</b>	<b>7.4</b>
Net assets per share (yen)	3,315.56	3,136.39	3,321.09	3,475.71	3,550.69
Year-end stock price (yen)	1,962	1,923	2,035	3,115	3,375
<b>PBR (times)</b>	<b>0.59</b>	<b>0.61</b>	<b>0.61</b>	<b>0.90</b>	<b>0.95</b>
<b>PER (times)</b>	<b>18.24</b>	<b>17.03</b>	<b>8.30</b>	<b>11.90</b>	<b>17.30</b>

(\*) ROIC : Consolidated operating income (after tax) / Invested capital (Net interest-bearing debt + Consolidated net assets)

## 2. Policy for improvement

To realize management that is conscious of capital costs and stock prices, the Company will achieve the medium-term management plan-2026 through our business activities, maintain ROE of 7% or more in the fiscal year ending March 2026, and aim to achieve capital profitability that consistently exceeds capital costs.

The Company will also promote communication with shareholders and investors and strive to ensure that they have sufficient understanding and appreciation of our business plans and growth potential.

## 3. Efforts for improvement

### (1) Promotion of growth strategies

- Achievement of quantitative targets in the medium-term management plan-2026

Consolidated net sales of 200 billion yen, operating income of 12.5 billion yen (including equity in net income of affiliates), and EBITDA of 17.5 billion yen

ROE of 7% or more

- Promotion of business portfolio management

By utilizing ROIC and other metrics on a business segment basis, the Company will promote the internalization of balance sheet and cash flow management and implement capital efficiency management led by the front lines, with the aim of achieving a total ROIC that consistently exceeds WACC (Weighted Average Cost of Capital).

### (2) Engagement with shareholders and investors

- Establishment of the SR (Stakeholder Relations) section and clarification of responsibilities

The section headed by the CFO will be established under the Corporate Planning Division to consolidate and centralize the process of disclosing financial and non-financial information to internal and external stakeholders (Already completed).

- Enhanced information disclosure

The Company will create new opportunities for dialogue, such as briefings for individual investors and sustainability briefings, and enhance information disclosure through measures such as expanding the information posted on the Company's website and English disclosure.