



June 26, 2025

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Listing: Tokyo Stock Exchange
Securities code: 2874
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Notice of Implementation Policy for Management Improvement

We hereby announce that we have formulated medium- to long-term measures for management improvement in connection with the Notice of Measures for Realizing Management Aware of Capital Cost and Stock Price disclosed on May 15, 2025.

1. Long-term numerical targets

In light of the current market environment, we will maintain the numerical plan of YOKOREI Business Vision 2030 and work to continuously increase corporate value by promoting the following policies.

	Fiscal year ended September 30, 2024 (Actual)	YOKOREI Business Vision 2030
Net sales (100 million yen)	1,228	1,700
Operating income (100 million yen)	46	100
EBITDA (100 million yen)	120	170
ROE	5.2%	7% (target value)
Equity-to-asset ratio	38.5%	At least 40% (target value)

2. Implementation policy

All divisions: Maintaining financial soundness through appropriate investment

Food Sales Division: 1) Inventory reform

2) Stricter sales targets by introducing ROIC by business division (office)

3) Stricter business investment processes

For details, please refer to the Implementation Policy for Management Improvement disclosed today.

Implementation Policy for Management Improvement

June 26, 2025



YOKOREI Co., Ltd.

1. Numerical Targets of Business Vision 2030

As for food consumption trends in Japan, solid growth is expected in the Food Sales Business and Refrigerated Warehousing Business over the medium to long term against the backdrop of inbound demand and growing demand for processed foods, as well as market demand for storage and transit bases due to the 2024 logistics problem.

In light of this market environment, we will maintain our numerical targets for Business Vision 2030 by incorporating the following policies.

(100 million yen)	FY2024 results	Business Vision 2030 for FY2030	Growth rate: '24 → '30 (annualized rate)
Net sales	1,228	1,700	5.6%
Operating income	46	100	13.8%
EBITDA	120	170	6%
ROE	5.2%	7% (target value)	-
Equity-to-asset ratio	38.5%	At least 40% (target value)	-

<Company-wide Policy>

Maintaining financial soundness through appropriate investment → Optimize growth investments and optimally control pace of investment.

<Policies of Food Sales Business>

- 1) Inventory reform → Change in cash conversion cycle by introducing ROIC.
- 2) Stricter sales targets by introducing ROIC by business division → Introduce ROIC indicators in the budgeting process for the fiscal year ending September 2026.
- 3) Stricter business investment processes → Enhance investment evaluation processes that manage steps from investment execution to post-evaluation.

2. Trends and Future Outlook for Operating Income Margin by Segment Net Sales

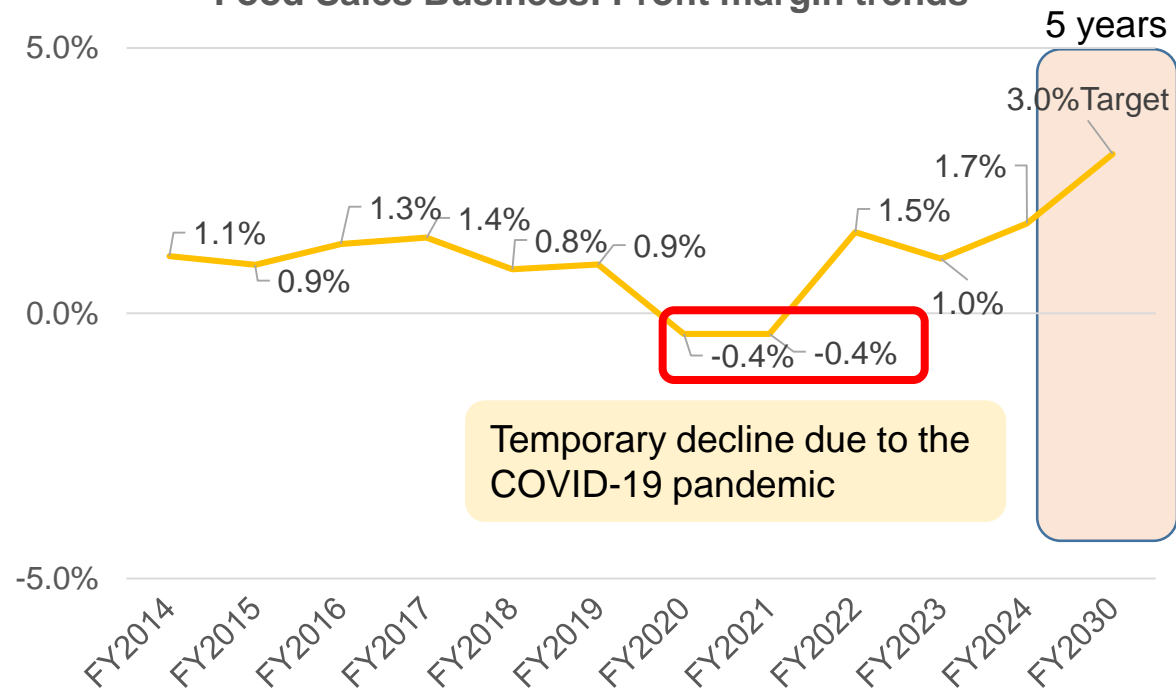
<Food Sales Business>

- Segment operating income margin increased due to the policy of “transformation from quantity to quality” promoted from the previous medium-term management plan.
- From the current medium-term management plan, we will focus on providing high-value-added products and aim to further improve profit margins.
- Going forward, we will promote stricter sales targets by introducing ROIC by business division (by office) to lead to sustainable growth.

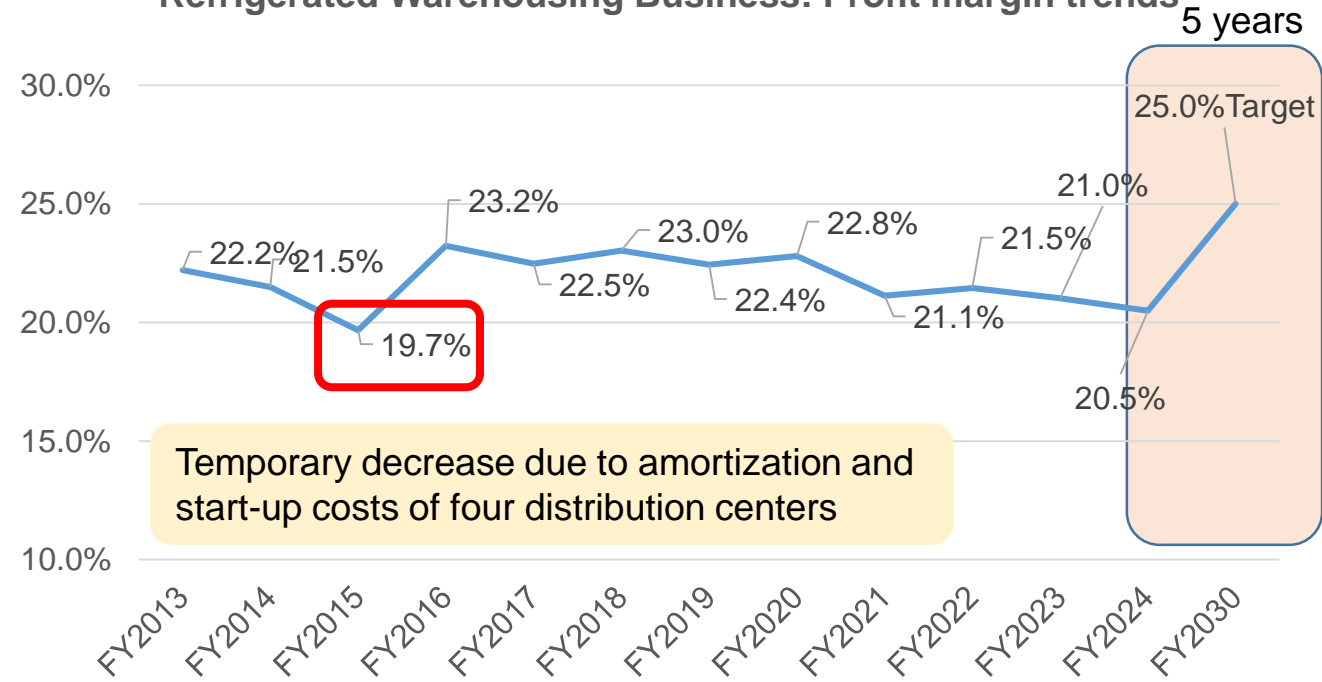
<Refrigerated Warehousing Business>

- Optimize invested capital by implementing growth investments at appropriate timing while ensuring stable operating income margins for segments.
- Growth investment refers to new construction investment and facility renewal projects that are expected to increase corporate value.

Food Sales Business: Profit margin trends



Refrigerated Warehousing Business: Profit margin trends



3. ROIC Calculation Method

1 Company-wide calculation of ROIC

Use invested capital that focuses on the funding side.

2 Calculation of ROIC of the Food Sales Business

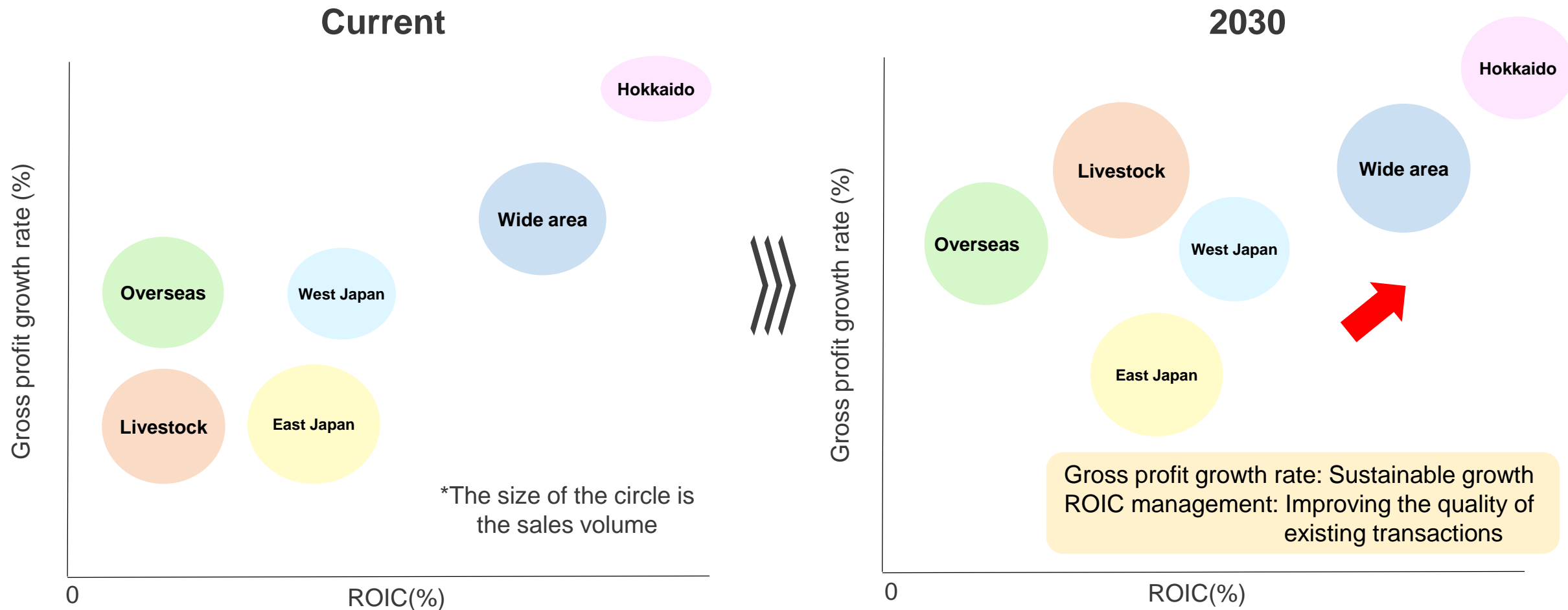
Use invested capital that focuses on the fund management side.

- The Food Sales Business consists of six business divisions (Hokkaido Business Division, Overseas Business Division, Regional Sales Business Division, Livestock Business Division, East Japan Business Division, and West Japan Business Division), each of which has its own sales office.
- Introduce ROIC by business division in the budgeting process for the fiscal year ending September 2026.
- Classify the growth stages of each business division into introductory, growth, stable, and declining stages according to the products handled and the maturity of the industry or business category, and set ROIC standard values for each business division.
- The introduction of ROIC aims to improve the turnover rate of current assets including inventories and maximize operating income by improving the cash conversion cycle (CCC) and strengthening current asset management.
- Investments in high-value-added areas that require initial costs will be evaluated based on different criteria from ROIC and do not hinder medium- to long-term growth strategies.

We calculated ROIC for the Refrigerated Warehousing Business in the same way but judged that it would not be a reasonable evaluation to apply ROIC in a subdivided way because there is a large difference in fixed asset amounts between existing facilities and new facilities. We will continue to focus on operating income margin as before and strive to continuously increase corporate value by maximizing cash flow based on our long-term strategy.

4. Portfolio of Food Sales Business

In addition to the policy of focusing on profit margins, the Food Sales Business will focus on developing new products and providing high-value-added services with a view to sustainable growth.



The financial results for the fiscal year ending September 2025 are scheduled to be announced around mid-November 2025. Specific measures for the next medium-term management plan, the final phase of Business Vision 2030, will be announced around July 2026.