Message from the CEO

Yuichiro Haruyama

Representative Director, President & CEO

Profile

April 1993	Joined Sumitomo Chemical Industry Co., Ltd. (currently SUMITOMO CHEMICAL COMPANY, LIMITED)
December 2019	Senior Strategic Officer, Sumitomo Dainippon Pharma Co., Ltd. (currently Sumitomo Pharma Co., Ltd.)
February 2020	Sumitovant Biopharma, Inc. (currently Sumitomo Pharma America, Inc.) EVP, Finance & Corporate Strategy
April 2021	CFO, Sumitovant Biopharma, Inc. (currently Sumitomo Pharma America, Inc.)
September 2022	Executive Fellow, Finance, J-OIL MILLS, Inc.
June 2023	Executive Officer, J-OIL MILLS, Inc.
July 2023	Executive Officer, CFO, Corporate Strategy & Finance and General Manager, Corporate Strategy, J-OIL MILLS, Inc.
June 2024	Executive Officer, Vice President & CSO, Corporate Strategy, J-OIL MILLS, Inc.
April 2025	Exective Officer, President & CEO, J-OIL MILLS, Inc.
June 2025	Representative Director, President & CEO, J-OIL MILLS, Inc. (to present)

My Mission: Achieving Medium- to Long-Term Growth Toward "Joy for Life—Bringing Joy to the Future by Food"

My Convictions upon Assuming the Presidency

On April 1, 2025, I assumed the role of president & CEO, and on June 25, I was appointed representative director. My mission is to carry forth the solid management foundation built by Chairman Sato and to deliver medium- to long-term growth. Reflecting on our nearly 200-year history—during which our predecessors overcame hardships and resolved numerous challenges—I am deeply aware of the responsibility of carrying the baton now passed to my generation. At the same time, I am determined to embrace external changes as opportunities and, through business transformation and development of new domains, to drive the J-Oil Mills Group toward becoming a company capable of robust growth, thereby realizing our vision: "Joy for Life—Bringing Joy to the Future by Food."

Allow me to briefly share my background and perspective. I began my career in the life sciences industry, working in a factory, as I had asked to do. For seven years, I was engaged in production planning, coordination between sales and operations, and cost accounting. Later, in corporate planning and other company departments, I gained experience as project leader for various initiatives. My leadership style crystallized when I was dispatched as CFO to a U.S. company we had acquired. Initially, as a manager sent from a Japanese parent company, I faced skepticism and a tense atmosphere. Nevertheless, I engaged in repeated discussions with local staff to formulate and implement post-acquisition business plans. I came to realize the high level of expertise each staff member possessed, and by setting individual goals that leveraged their strengths, we gradually built momentum. By accumulating "quick wins," the organizational climate changed, and we began to move forward smoothly as one team. This experience taught me that leadership means drawing on each member's expertise to create results greater than the sum of the parts. I have adopted the personal mantra of "working together with one heart and one mind," and this will guide me as I fulfill my responsibilities as CEO.

I believe there are four key elements to corporate management: the management team, led by the CEO and executive officers, must (1) repeatedly communicate our vision to employees to gain their empathy and foster unity across the company; (2) formulate medium- to long-term management policies and strategies; (3) develop and execute strategies and tactics for each business in line with those policies and strategies; and (4) strengthen the management foundation needed to realize them. I joined the Company in 2022 as a finance fellow. Since then, I have been in charge of corporate functions, which meant that my contact with frontline sales and production, as well as with external business partners and customers, was limited—this is an issue I recognized for myself. To address it, internally I have been holding briefing and dialogue sessions for employees, continuously sharing management's views while also receiving proposals from employees, thereby fostering the kind of communication that unifies the entire company as described in element (1). Externally, since the February 2025 announcement of the leadership transition, I have visited customers and business partners together with Chairman Sato to explain the new management structure. Through these visits, I have once again realized that building very strong relationships with our customers and partners is one of our strengths. Based on this foundation of trust, I intend to lead the company forward as CEO so that we can achieve business growth together with our customers and partners.

Message from the CEO

FY2024 Performance and Achievements

In FY2024, although sales declined, operating profit reached a new record high of ¥8.57 billion. We also saw improvement in key indicators under the Sixth Medium-Term Business Plan, including ROE. That said, with the PBR at only 0.63 times, I recognize this is far from a satisfactory level of corporate value. We will move swiftly to put in place growth strategies and reinforce our management base, with the aim of further enhancing ROE and PER.

During the year, we responded to external changes such as raw material price volatility by ensuring sales at appropriate prices, while strengthening solution-based sales that combine oils and fats and food materials to meet the diverse needs of business-use customers . This enabled us to expand sales volume, particularly of high-value-added products such as long-lasting oils, seasoning and cooking oils, and starches that produce "Good Taste" by enhancing taste and juiciness. In household-use oils, we expanded our Smart Green Pack lineup—characterized by reduced environmental impact and ease of use—and enriched our product portfolio, thereby increasing market share.

PBR Reverse Tree Deployment

Enhancement of Corporate Value PBR 1.0 times or higher

Improvement of ROE Medium-Term Business Plan Target: 8.0%

Improvement of Net Profit Margin
- Maintaining appropriate spreads in core products Ref. P. 27 Message from the CFO
- Increase in the ratio of high-value-added products (gross profit) Ref. P. 26 Message from the CSO
- Improvement of production efficiency Ref. P. 11 Message from the CTO, P. 28 Message from the CFO

Improvement of Total Asset Turnover
- CCC improvement through supply chain efficiency Ref. P. 28 Message from the CFO
- Reduction of cross-shareholdings and other non-business assets Ref. P. 69 Cross-Shareholdings

Control of Financial Leverage
- Baseline D/E ratio of 0.5 times Ref. P. 27 Message from the CFO
- Consideration of investment up to D/E ratio of 0.7 times for growth Ref. P. 27 Message from the CFO
- Appropriate profit returns to shareholders Ref. P. 27 Message from the CFO

Improvement of PER

Advancement of Business Portfolio and Overseas Expansion
- Deepening of solutions to customer issues Ref. P. 10 Message from the CTO, P. 22 J-Oil Mills' Strength: "Oishisa Design," P. 30 Message from the CCO
- Challenge of new markets and customers Ref. P. 24 Message from the CSO, P. 30 Message from the CCO
- Acceleration of overseas expansion Ref. P. 31 Message from the General Manager of the Business Strategy Division

Reduction of Cost of Shareholders' Equity

Promotion and Strengthening of Sustainability Management
- Promotion of sustainable procurement Ref. P. 10 Message from the CTO, P. 34 Sustainable Supply Chain
- Maintenance of stable quality Ref. P. 10 Message from the CTO
- Promotion of initiatives for reducing environmental impact Ref. P. 44 Initiatives for Reducing Environmental Impact
- Promotion of human capital initiatives Ref. P. 50 Message from the CHRO, P. 54 Management Roundtable on Human Capital

Promotion and strengthening of information disclosure
- Promotion of dialogue with shareholders and the market Ref. P. 27 Message from the CFO, P. 73 Dialogue with Stakeholders
- Proactive disclosure of non-financial information Ref. P. 27 Message from the CFO, P. 77 Non-Financial Data
- Establishment of a highly transparent corporate governance system Ref. P. 60 Strengthening Corporate Governance

On structural reforms, we exited the domestic household-use margarine business, while improving profitability in business-use margarines by shifting production overseas. In addition, we enhanced asset efficiency by reducing inventories through value chain optimization and selling cross-shareholdings, thereby raising ROIC.

That said, I recognize that the pace of cultivating growth domains, including overseas businesses, remains an issue. From the next fiscal year onward, we will step up initiatives to accelerate growth.

J-Oil Mills' Value Proposition

As I mentioned at the outset, our company has a history spanning nearly 200 years. This longevity is the result of steadily evolving the value we provide in response to changing values and needs over time. Today, perceptions of food, "good taste," and health are undergoing significant change. Looking at the food industry's business environment from a medium- to long-term perspective, we foresee challenges such as declining demand due to Japan's shrinking population, and heightened risks to the continuity and cost of energy and raw material procurement stemming from climate change and sharp currency fluctuations. At the same time, however, we also anticipate opportunities for new market expansion, driven by rising awareness of sustainability, growth in the elderly population in Japan, and advances in kitchen technology and food tech, all of which are reshaping the values and needs surrounding food.

To respond to these changes in the business environment, we must further pursue our strength in "Oishisa Design (creating deliciousness)." By acquiring new competitiveness, including through alliances with other companies and M&A where appropriate, we will further enhance our ability to provide solutions that address issues related to food. In doing so, we aim to realize our vision of "bringing joy to people, society, and the environment through good taste, health, and low burden," thereby contributing to society, the environment, and consumers' lives.

In 2023, we reviewed our materiality and reorganized it into four key themes. With the new management structure now in place, we have judged it necessary to focus even more on areas such as advancing our business portfolio, accelerating overseas expansion, and strengthening our management foundation, including human capital development. For these areas, we are delving deeper, setting new KPIs, and promoting initiatives to connect our materiality with both the business environment and our strategies in a more explicit manner.

Ref. P. 41–43 materiality

In addition, by adding the perspective of promoting and strengthening sustainability management toward medium- to long-term growth and enhancement of corporate value, we will respond swiftly and reliably to changes in the business environment and society. In this era of rapid change, the risk of being unable to set out a long-term growth strategy has increased compared with the past. We recognize that non-financial information is a key factor in ensuring that stakeholders, including shareholders and investors, view us as a sustainable company, and we consider improving ESG evaluations to be extremely important. Among these areas, this fiscal year we will particularly focus on promoting initiatives for human capital. Human capital management generally includes (1) human resource development, (2) health management and well-being, and (3) diversity, equity, and inclusion (DE&I). These are key drivers of sustainable growth, including the innovation, and we see them not only as enhancing each employee's growth and job satisfaction, but also as raising the overall strength of the organization.

One of the areas we want to work on going forward is to define with greater clarity and granularity what we aim to be in the next five or ten years, working backward from our long-term and universal vision. By doing so, we can make the input elements in our value creation process more tangible, and demonstrate a persuasive story both inside and outside the company regarding business portfolio advancement, next-generation technologies, and capital allocation for business investment. At the core of our value creation process, and our differentiating

Message from the CEO

strength, is the ability to provide "Oishisa Design." In addition to solid points of contact with a wide range of ready-made meal and restaurant customers through sales of oils and fats, we are able to offer solutions that combine oils and fats with our proprietary starches, typified by the "TXdeSIGN" series, which can be applied to nearly all processed foods to address a variety of customer issues.

To advance our business portfolio, in addition to the experience and know-how gained through solution proposals to date, it will be important to analyze and understand "Good Taste"—which professional chefs have traditionally identified through their skills and experience—from a scientific perspective, and to elevate our "Oishisa Design" into organizational knowledge by systematizing it into a database. This will further strengthen our ability to offer solutions based on "Oishisa Design." Beyond responding to customers' explicit needs, we aim to differentiate ourselves by making unique proposals initiated by our company, using the database to address latent issues that customers themselves may not yet recognize. We are also considering building new business models that make use of the knowledge accumulated through "Oishisa Design."

Growth Strategy

As we move forward with the Sixth Medium-Term Business Plan, we have reviewed our management structure. In light of major changes in the external environment, we adopted a flat organizational structure based on the concept of thinking and responding together as a team. The intent is to improve the speed of decision-making for overall optimization. In the new management team, each executive officer is responsible not only for initiatives aimed at achieving the annual budget, but also for serving as the lead or a participant in important medium- to long-term themes such as growth strategy and corporate culture reform. Incentives have been added by linking the outcomes of these initiatives to executive compensation. In this way, we believe we can further strengthen the perspective of companywide optimization and medium- to long-term management. The new management team also shares the recognition that strengthening the management foundation is a priority. By reinforcing not only financial capital but also non-financial capital—human capital, natural capital, intellectual capital, manufacturing capital, and social relationship capital—we aim to realize sustainable medium- to long-term growth.

In particular, we will accelerate initiatives on human capital this fiscal year. In FY2023, we established a Human Capital Subcommittee under the Sustainability Committee and formulated a Human Capital Policy, thereby shifting toward human capital management. In today's uncertain times, it is crucial to focus on developing human resources, promoting diversity, and reforming organizational culture to build organizational strength that can respond flexibly to change, while also achieving both employees' selffulfillment and enhancement of our corporate value. Accordingly, with the inauguration of the new management team, on April 1, 2025, we dissolved the Human Capital Subcommittee of the Sustainability Committee and established the Human Resources Committee as an advisory body to the Management Committee. Going forward, we will examine the ideal human capital portfolio in light of our medium- to long-term strategy and advance human capital management to achieve it.

Ref. P. 51 Message from the CHRO

As part of initiatives for strengthening our management foundation, we are also working on dX*. Last year, we established a promotion framework centered on management and business leaders, and set four reform themes with each executive officer in charge serving as a leader: business process reform, SCM/distribution, sales and marketing, and human resource development. The dX we are aiming for is not limited to simple operational improvements, but rather seeks to realize our vision and mission through transformation encompassing businesses, products and services, and business models, including the systematization of "Oishisa Design" into a database to establish a comparative advantage. In FY2025, we will focus on building the foundation for this by driving transformation in each theme through the use of digital technologies.

*We write "dX" with an emphasis on the "X" to highlight "transformation in operations" as the true objective, rather than focusing just on the tool of digitalization.

With respect to progress under the Sixth Medium-Term Business Plan, we believe that strengthening profitability in existing businesses is proceeding steadily at present. On the other hand, advancing the business portfolio and promoting overseas business remain key issues, and we will focus our efforts in these areas. One example of our investment in next-generation technologies and businesses is the March 2025 press conference on a flight using domestically produced SAF generated from non-edible plant seeds (Ref. P. 49 Highlight (4)). This is a long-term initiative, and we intend to continue exploring seeds of opportunity while monitoring changes in the external environment.

Regarding the priority issue of overseas business promotion, in the ASEAN region, at our subsidiary J-OIL MILLS (THAILAND) Co., Ltd., we have begun offering new solutions that combine oils and fats and starches, steadily producing results. At Premium Fats Sdn Bhd, we are expanding sales of margarine and shortening. In North America, we are focusing on exports of "MAMENORI SAN edible soybean sheets" and vitamin K2 "menatto." To further strengthen our business there, we have initiated collaboration with a local company and assigned our own personnel locally. Through this collaboration, in addition to expanding sales of our existing products, we aim to build a win–win relationship in which we also contribute to the partner's business development and expansion while promoting the development and commercialization of new oil and fat products of our own. Going forward, as we advance the business portfolio, we plan to expand the concept of "Oishisa Design" in overseas businesses as well, establishing our positioning by addressing customer issues through a diverse array of materials and services.

To Our Stakeholders

Under the leadership of Chairman Sato, we achieved a recovery in performance and accomplished a revival, while also building a solid management foundation in our existing businesses. Our commitment to achieving the goals of the Sixth Medium-Term Business Plan remains unchanged, but as some aspects of our growth strategy have shifted from the original assumptions, we will move forward with a sense of urgency, including those changes, to realize medium- to long-term growth. To achieve sustainable growth, we will advance the initiatives necessary to foster human resources capable of leading business transformation and to build an organizational culture that acts autonomously.

Looking ahead to the Company's growth and sustainable development, we will steadily implement initiatives on near-term materiality , respond swiftly and reliably to changes in society, and become a company of true value to our stakeholders, including investors, thereby building strong relationships of trust.

I ask for your continued support of our endeavors.

Message from the Director, Executive Officer, Executive Vice President & CTO

Amid a rapidly changing business environment, while preserving our essential values, I will lead transformation from a technological perspective and contribute to creating new value, all toward realizing "Joy for Life—Bringing Joy to the Future by Food."

Kazuya Kondo

Director, Executive Officer, Executive Vice President & CTO & General Manager of the R&D Strategy Department

My Convictions upon Assuming the Role of Executive Vice President and My Mission as CTO

On April 1, 2025, I was appointed executive vice president & CTO, and on June 25 I became a director. I joined the Company in 2023, and initially

I was an executive officer responsible for research and development. In FY2024, in addition to R&D, I also oversaw dX* and the IT division. With the recent changes to our management structure, I now oversee a broad range of areas, including manufacturing, quality assurance, procurement, oil meal & bulk oil sales, oil milling management, and aspects of supply chain management such as distribution. My experience has been shaped primarily through production sites and R&D both in Japan and overseas. During my previous posting in Brazil, I also served as executive vice president, where I was responsible for production, technology oversight, and DX. Drawing on this knowledge and skill set, I want to lead transformation from the technological side and contribute to creating new value so that, even amid a rapidly shifting business environment, our company can continue moving toward the realization of "Joy for Life—Bringing Joy to the Future by Food." At the same time, J-Oil Mills is a time-honored Japanese company with a history spanning nearly 200 years. The technologies that have been passed down, along with values of safety, security, and quality, must also be preserved. Striking a balance between protecting what must be preserved and driving change, I will work with the management team to share issues and execute our growth strategy.

*We write "dX" with an emphasis on the "X" to highlight "transformation in operations" as the true objective, rather than focusing just on the tool of digitalization.

Contributing to the Well-Being of All through Food Safety and Security

From a medium- to long-term perspective, we recognize and address issues while aiming to enhance corporate value. In the production division, we place the highest priority on the manufacturer's responsibility of stable supply and food safety and security. We have set "contributing to the well-being of all through food and safety" as one of our materiality themes. To meet society's expectations for safety and security and to ensure stable supply, we are continuously making capital investments and fulfilling our responsibility for stable production at six plants in Japan and one plant overseas.

While safety can be achieved through scientific approaches, security ultimately depends on customers feeling it for themselves. For this reason, we have built management systems across all processes of delivering our products to customers, and we are working to improve quality. Furthermore, to contribute to the well-being of all people, it is essential to address health and diverse needs. In addition to disclosing information on raw material origins and food allergens, we recognize that expanding halal and kosher compliance is also an issue given customer diversity, and we are examining these options. Through these initiatives, we intend to continue providing not only safety but also peace of mind to customers.

In the R&D department, we are continuously refining our strength in "Oishisa Design (creating deliciousness)" and working on technology and product development. Our research areas span a wide range, from core technologies to product development, application development, and containers and packaging. Among these, product development and application development are positioned as priority areas, as they are drivers for enhancing the technological capabilities and materials essential for advancing "Oishisa Design." To respond quickly to customer needs and requests, we have emphasized collaboration with the sales division and placed product development units within each business division, a structure that has been highly regarded. At the same time, we were aware that relying solely on our existing technological capabilities and materials could eventually lead to stagnation. To ensure that R&D contributes to medium- to long-term business growth, in 2025 the management team integrated the functions of the R&D organization. In addition, we decided to consolidate our three existing R&D sites and relocate them to the city of Kawasaki, Kanagawa Prefecture, in January 2027. Through this integration, we aim to invigorate innovation by strengthening collaboration among research domains, generate synergies such as enhancing responsiveness to cross-divisional projects and improving productivity, and further reinforce our R&D capabilities.

Rendering of planned R&D facility (exterior view)

Ref. P. 22-23 J-Oil Mills' Strength: "Oishisa Design"

Within the R&D department, we have established a dedicated unit for intellectual property. Generally, IP activities have both a defensive aspect—patenting advantageous technologies to protect them from infringement—and an offensive aspect—leveraging technologies to advance R&D and business. In 2023, our number of patent registrations was 38, ranking sixth in the food chemistry field (source: Japan Patent Office, Annual Report on Patent Administration 2024). However, in order to advance business offensively through intellectual property, it is important not only to increase the quantity but also to improve the quality of our patents.

As for next-generation technologies and businesses, we plan to launch new projects in FY2025 that leverage our technologies. Safety assurance is essential, but we intend to start small and without delay. We are also continuing to pursue fundamental next-generation technologies such as alternatives to oils, which could represent both business opportunities and threats for us.

Realizing a Sustainable Society through Stable Food Supply

For our company, which creates products from the bounty of nature such as soybeans and rapeseed and delivers valuable goods to customers, sustainable procurement of raw materials is essential. In recent years, the risks of sharp price fluctuations in raw materials have risen due to the impacts of climate change. Moreover, because we procure nearly all of our raw materials from overseas, we must be mindful not only of social ethics, legal compliance, and fair trade, but also of addressing global

Message from the Director, Executive Officer, Executive Vice President & CTO

social issues such as environmental destruction, human rights violations, and forced labor. Supply chain management requires that the entire supply chain be sustainable, and society demands that we continue initiatives that stay one step ahead. Supplying edible oils—indispensable to people's daily lives—and supporting food are the values and purpose of our company. Going forward, we will continue to work with business partners and relevant institutions, while making use of opportunities for dialogue with raw material producing countries.

Traceability is also important in terms of appropriate management. We procure raw materials through local collection and export agents as well as trading companies. To ensure procurement in line with our "Sustainable Procurement Policy and Standards," we have been advancing the signing of contracts that include sustainability clauses, and have completed such agreements with nearly all of our raw material suppliers. In addition, we are conducting surveys of suppliers handling other materials to confirm the status of their sustainability initiatives. We will continue to carry out regular surveys and work to build a responsible supply chain.

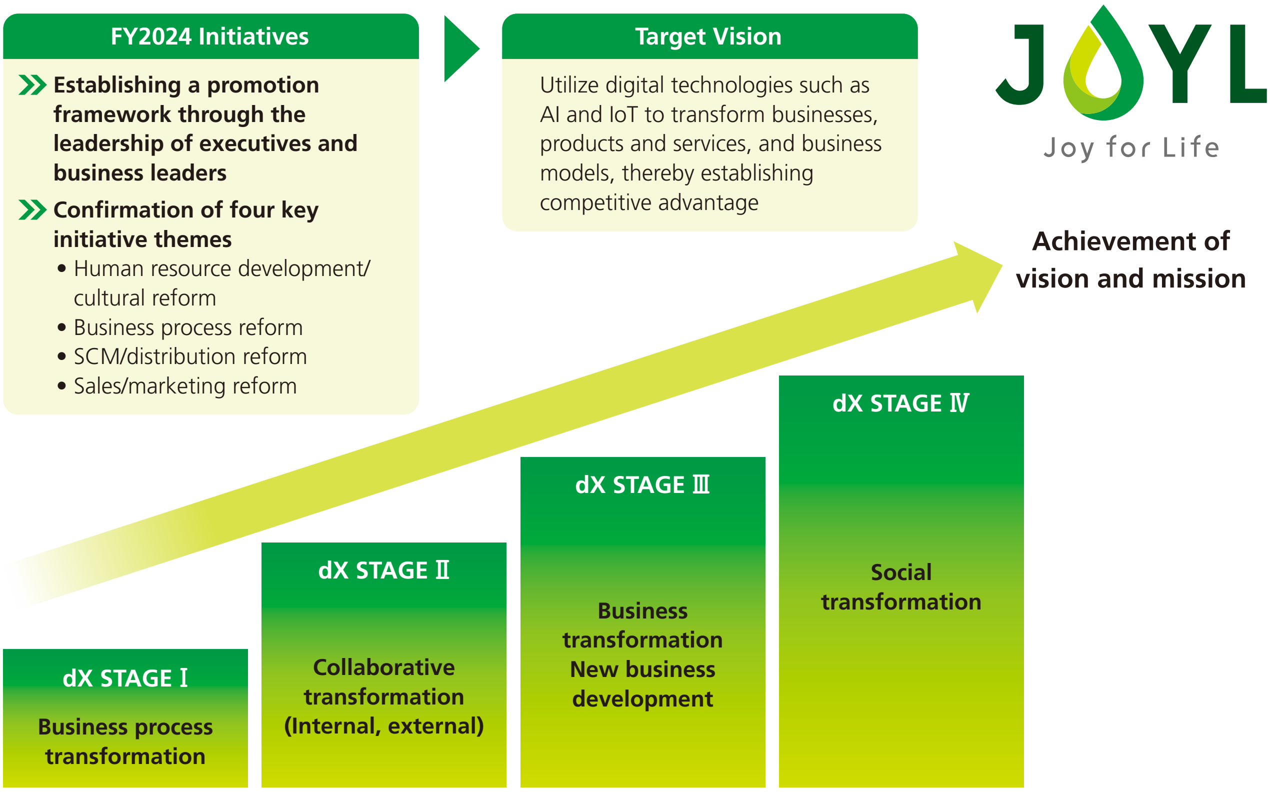
Ref. P. 34 Sustainable Supply Chain

Promotion of dX

To realize the future set out in our corporate philosophy system and to fulfill our mission, we have defined our target vision for dX as "Utilizing digital technologies such as AI and IoT to transform businesses, products and services, and business models, and to establish competitive advantage."

In April 2024, as project leader, I launched the "dX Promotion Project." We set four stages: business process transformation, collaborative transformation (inside and outside the Company), business transformation / new business development, and social transformation. We began by working on business process transformation and collaborative transformation, setting themes for each. This approach stems from my experience overseeing DX in my previous position, where I learned that business

Establishing Competitive Advantage through Transformation Using dX



transformation cannot be achieved without first implementing business process transformation and collaborative transformation. However, the stages we have set are not intended as steps to be climbed sequentially, but rather as elements that accumulate in combination. While I believe there are still issues to be resolved before reaching the level I expect, and that it will take time, I recognize that progress has been steady. From experience, I also believe that as collaborative transformation advances, new business possibilities often come into view, and I have high expectations in that regard. In 2025, we will continue initiatives on collaborative transformation and aim to raise themes for business transformation by identifying several seeds of new business, leading to initiatives starting in 2026. The intent behind setting social transformation as the final stage is that by driving business transformation through dX and delivering social value, we will contribute to realizing the future we aspire to—"Joy for Life—Bringing Joy to the Future by Food"—which will ultimately lead to social transformation.

As for themes under business transformation, discussions are still underway, but one example under consideration is deepening "Oishisa Design." This might involve building a business model that addresses customers' latent issues by systematizing and creating a database of solution proposals, the driving force behind "Oishisa Design." For example, by combining oils and starches we can currently achieve textures such as crispiness or juiciness, verified mainly through sensory evaluation. On the other hand, scientifically clarifying the basis for these effects remains an issue. By converting such know-how and scientific evidence into knowledge and creating a database, we can deepen the resolution of customer issues (through proposals for solutions to latent issues and the development of new applications), take on new markets and customers (active investment and human resource development in fields where we can leverage our strengths), and accelerate overseas expansion. All of these could potentially lead to business transformation. This is just one example of a potential theme, but during FY2025 we will discuss and set themes within the dX Promotion Project and move forward with initiatives accordingly.

Ref. P. 32 dX

To Our Stakeholders

In the years ahead, advances in new technologies and changes in the business environment may bring about major shifts in customer needs and values. Even in such circumstances, while fulfilling the responsibilities we have inherited as a food manufacturer over many years, we intend to boldly pursue transformation aimed at enhancing corporate value and provide new value to society.

I respectfully ask for your continued support.