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To Our Shareholders

Kenji Hasegawa
President & COO
T. HASEGAWA CO., LTD.
4-4-14, Nihonbashi-honcho, Chuo-ku, Tokyo

Notice of Convocation of the 63rd Annual General Meeting of Shareholders

We are pleased to announce the 63rd Annual General Meeting of Shareholders of T. HASEGAWA CO., LTD. (the “Company”), which will be held as described below.

When convening this General Meeting of Shareholders, we will take measures to provide the information contained in the Reference Documents for the General Meeting of Shareholders, Etc. (items for which the measures for providing information in electronic format will be taken) electronically and will post them on the following websites. Please visit those websites and check.

(The Company’s website) <https://www.t-hasegawa.co.jp/> (in Japanese)

(To view, access this website and select “IR Information,” “Stock Information,” and “General Meeting of Shareholders” in that order.)

(Website for posting of general meeting of shareholders materials) <https://d.sokai.jp/4958/teiji/> (in Japanese)

(Tokyo Stock Exchange website (Listed Company Search))

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(To view, access the TSE website above, enter “T.HASEGAWA” for “Issue name (company name)” or the Company’s securities code “4958” (half-width characters) for “Code,” click Search, and select “Basic information” and “Documents for public inspection/PR information” in that order, then view the “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” under “Filed information available for public inspection.”)

If you are unable to attend the meeting, you may exercise your voting rights via the internet, etc. or in writing (by mail). Please exercise your voting rights no later than 5:30 p.m. on Wednesday, December 18, 2024 (JST) after reviewing the Reference Documents for General Meeting of Shareholders.

1. **Date and Time:** Thursday, December 19, 2024, at 10:00 a.m.
(The reception will commence at 9:00 a.m.)
2. **Venue:** Nomura Conference Plaza Nihonbashi, 6F, Grand Hall
Nihonbashi Muromachi Nomura Building (YUITO),
2-4-3, Nihonbashi-muromachi, Chuo-ku, Tokyo

3. Purpose of the Meeting
Matters to be reported

1. The business report, the consolidated financial statements and audit reports of the Accounting Auditors and the Audit & Supervisory Board for the consolidated financial statements for the 63rd term (from October 1, 2023 to September 30, 2024)
2. The non-consolidated financial statements for the 63rd term (from October 1, 2023 to September 30, 2024)

Matters to be resolved

Proposal: Election of ten (10) Directors

4. Decisions related to convocation (Guide to exercising voting rights)

- (1) If you exercise your voting rights in writing (by mail) and there is no indication of your approval or disapproval of a proposal on the Voting Card, we will consider you to approve of the proposal.
- (2) If you exercise your voting rights multiple times via the internet, etc., the last exercise of your voting rights will be treated as valid.
- (3) If you exercise your voting rights both via the internet, etc. and in writing (by mail), the exercise of your voting rights via the internet, etc. will be treated as valid regardless of the date and time of arrival.

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- ◎ If you attend the meeting in person, please submit the Voting Card at the venue's reception.
 - ◎ A special space has been prepared at the venue for persons who will be attending in a wheelchair. The staff will guide you upon your arrival.
 - ◎ If any revisions are made to the items subject to measures for electronic provision, we will post the original and revised contents on each of the above-mentioned websites.
 - ◎ At this General Meeting of Shareholders, we will uniformly send this document containing the items subject to measures for electronic provision as before, regardless of whether or not a request is made for the document to be delivered. However, the following matters are not included in this document based on laws and regulations and Article 17, Paragraph 2 of the Articles of Incorporation of the Company.
 - (i) The status of stock acquisition rights, the system for ensuring properness of operations, and the outline of the operating status of system for ensuring properness of operations in the business report
 - (ii) The consolidated statements of changes in equity and the notes to consolidated financial statements in the consolidated financial statements
 - (iii) The non-consolidated statements of changes in equity and the notes to non-consolidated financial statements in the non-consolidated financial statements

Accordingly, this document constitutes a part of the documents that were audited by the Audit & Supervisory Board Members and the Accounting Auditors in preparing the audit reports.

Reference Documents for General Meeting of Shareholders

Proposal: Election of ten (10) Directors

The terms of office of all ten (10) Directors will expire at the conclusion of this Annual General Meeting of Shareholders. In that regard, we request the election of ten (10) Directors. Nomination of the candidates for Director has passed through the deliberation process by the voluntary Appointment Committee of which a majority of the members are independent outside Directors.

The candidates for Director are as follows:


No.	Name		Position in the Company	
1	Takao Umino	(male)	Representative Director, Chairman & CEO	Re-election
2	Kenji Hasegawa	(male)	Representative Director, President & COO	Re-election
3	Yoshiaki Chino	(male)	Representative Director & Deputy President	Re-election
4	Minoru Nakamura	(male)	Director & Senior Executive Vice President	Re-election
5	Tetsuya Nakamura	(male)	Director & Senior Executive Vice President	Re-election
6	Masayasu Amaike	(male)	Executive Vice President	New candidate
7	Shingo Ohkado	(male)	Outside Director	Re-election Outside Independent
8	Akiko Izumi	(female)	Outside Director	Re-election Outside Independent
9	Paul Dupuis	(male)	Outside Director	Re-election Outside Independent
10	Yuichi Tada	(male)	–	New candidate Outside Independent


Re-election: Candidate for Director to be re-elected

New candidate: New candidate for Director

Outside: Candidate for outside Director

Independent: Independent director/auditor as defined by the securities exchange

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
1 Re-election	 Takao Umino (March 22, 1947)	Apr. 1970 Joined The Mitsui Bank, Limited (now Sumitomo Mitsui Banking Corporation) Jun. 2004 Representative Director and President of Sakura Card Co., Ltd. (now Sumitomo Mitsui Card Company, Limited) Jun. 2008 Joined the Company; Senior Advisor Dec. 2008 Director & Senior Executive Vice President of the Company, second in charge of Administration Dec. 2009 In charge of Administration Dec. 2010 In charge of Overseas Business (now Global Business) Dec. 2014 Director, Deputy President & CFO of the Company Nov. 2017 President & COO of the Company Dec. 2021 President & CEO of the Company Oct. 2024 Chairman & CEO of the Company (present) (Important concurrent positions) Director (Chairman) of T. HASEGAWA U.S.A., INC.	16,300
<p>[Reasons for nomination as a candidate for Director] As Chairman & CEO of the Company, Mr. Umino is in charge of the overall management of the Company and supervises the execution of business of the Company. From his long-standing and abundant experience in the financial sector and in the area of global business, he possesses a broad range of specialist knowledge and keen insight into the overall corporate management and global business operations. From 2017 to 2024, he served as President of the Company, demonstrating superior leadership and focusing on the establishment of an organizational foundation that can flexibly respond to changes in the business environment, reform of awareness, and development of human resources. In addition, to achieve growth in overseas markets, which is included in the Company's basic policy, he proactively promoted global strategies, such as leading an acquisition project by a U.S. subsidiary. We have nominated him as a candidate for Director as we expect he will continue to contribute to the sustainable growth of the Company and the improvement of corporate value.</p> <p>[Special interest between the candidate and the Company] There is no special interest between him and the Company.</p> <p>[Outline of details of directors and officers liability insurance policy] The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
2 Re-election	 Kenji Hasegawa (March 1, 1962)	Apr. 1985 Joined Nakano Sumise Co., Ltd (now Mizkan Holdings Co., Ltd.) Apr. 2003 Senior Vice President and Legal Team Leader, Mizkan Group Corporation Co., Ltd (now Mizkan Holdings Co., Ltd.) May 2006 Director of Mizkan Group Corporation Co., Ltd (now Mizkan Holdings Co., Ltd.) Oct. 2013 Senior Managing Director of Mizkan Group Corporation Co., Ltd (now Mizkan Holdings Co., Ltd.) May 2014 President & COO of Mizkan Holdings Co., Ltd. Jun. 2017 Outside Director of UNIZO Holdings Company, Limited Jul. 2020 Joined the Company; Senior Advisor (Corporate Planning Division) Oct. 2020 Senior Vice President; General Manager of Corporate Planning Division of the Company Dec. 2022 General Manager of Business Solutions Planning Department of the Company Mar. 2023 Executive Vice President of the Company Dec. 2023 Director & Executive Vice President of the Company Oct. 2024 President & COO of the Company (present) (Responsibilities in the Company) In charge of Audit Division, Quality Assurance Division, and Administration	1,400

[Reasons for nomination as a candidate for Director]


As President & COO, Mr. Hasegawa has been appropriately fulfilling such roles as making decisions on important matters of management and supervising the execution of business. He has a wealth of experience gained through many years of working at a major food manufacturer, as well as a wide range of knowledge gained through corporate management experience serving as the President and COO of that manufacturer. Since joining the Company, he worked in the Corporate Planning Division, working on duties such as mid-term plan formulation, sustainability report creation, and IR, and then in the Business Solutions Planning Department, where he carried out cross-departmental collaboration, formulation of strategy, reform of operations, and other initiatives aimed at further improving customer success. Since becoming President in 2024, he has led the Company in business aimed at further growth. We have nominated him as a candidate for Director as we expect he will continue to contribute to the sustainable growth of the Company and the improvement of corporate value.

[Special interest between the candidate and the Company]

There is no special interest between him and the Company.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
3 Re-election	 Yoshiaki Chino (January 25, 1950)	Apr. 1972 Joined the Company Dec. 2003 Executive General Manager; General Manager of Food Materials Division of the Company Dec. 2006 Senior Vice President; Deputy General Manager of Fukaya Production Center of the Company Dec. 2007 General Manager of Fukaya Production Center of the Company Dec. 2011 Executive Vice President of the Company Dec. 2014 Director & Senior Executive Vice President of the Company Nov. 2015 President of T. HASEGAWA FLAVOURS AND FRAGRANCES (SHANGHAI) CO., LTD. Oct. 2018 General Manager of R&D Center of the Company Oct. 2020 Director, Deputy President of the Company General Manager of Business Solution Division of the Company Dec. 2021 Representative Director & Deputy President of the Company (present) (Responsibilities in the Company) In charge of the Production	12,580

[Reasons for nomination as a candidate for Director]


As Representative Director, Mr. Chino has been appropriately fulfilling such roles as making decisions on important matters of management and supervising the execution of business. He has served in key positions in the Company over many years, in the areas of research, production, procurement, etc. and possesses abundant experience and broad knowledge. As General Manager of R&D Center of the Company since October 2018, he led the organizational revitalization and productivity improvement of Research & Development, and from October 2020, as General Manager of Business Solution Division of the Company, which is in charge of research, sales, and marketing, he promoted the creation of an organization that provides customers with accurate solutions that take advantage of the Company's comprehensive strength. Since July 2023, he has overseen Production and promoted initiatives such as improving the environment for occupational safety and health at production sites, rebuilding factories to respond to changes in the products produced, and integration of production equipment. We have nominated him as a candidate for Director as we expect he will continue to contribute to the sustainable growth of the Company and the improvement of corporate value.


[Special interest between the candidate and the Company]

There is no special interest between him and the Company.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
4 Re-election	 Minoru Nakamura (September 5, 1955)	Apr. 1981 Joined Nippon Kokan Ltd. (now JFE Engineering Corporation) Aug. 1988 Joined The Mitsui Bank, Limited (now Sumitomo Mitsui Banking Corporation) Seconded to Mitsui Institute of Research Inc. (now The Japan Research Institute, Limited) Sep. 2006 Joined the Company; Chief Administrator, Corporate Planning Division Dec. 2011 Executive General Manager; General Manager of Corporate Planning Division, and General Manager of Information Systems Division of the Company Dec. 2013 Senior Vice President of the Company Dec. 2015 Executive Vice President; General Manager of Corporate Planning Division, and General Manager of Human Resources Division of the Company Dec. 2017 Director & Executive Vice President of the Company Oct. 2020 Director & Senior Executive Vice President of the Company (present)	12,900
<p>[Reasons for nomination as a candidate for Director] As Director, Mr. Nakamura has been appropriately fulfilling such roles as making decisions on important matters of management and supervising the execution of business. Having experience in management consulting and having served in key positions in the Company's Administration, he possesses abundant specialist knowledge relating to overall management and keen insight. As Senior Executive Vice President of the Company, he is in charge of Administration and has promoted various measures that lead to improvement of medium- to long-term performance, such as compliance, risk management, operational streamlining, human resources development, and sustainability-oriented business strategies. Since October 2024, he has been in charge of the Information Systems Division, and led projects for DX promotion and IT innovation. We have nominated him as a candidate for Director as we expect he will continue to contribute to the sustainable growth of the Company and the improvement of corporate value.</p> <p>[Special interest between the candidate and the Company] There is no special interest between him and the Company.</p> <p>[Outline of details of directors and officers liability insurance policy] The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
5 Re-election	 Tetsuya Nakamura (March 12, 1959)	Apr. 1982 Joined the Company Apr. 2002 General Manager of Department No. 6, Technical Research Institute of the Company Dec. 2011 Executive General Manager of the Company Dec. 2013 Deputy General Manager of Technical Research Institute of the Company Dec. 2014 Senior Vice President of the Company Jan. 2016 General Manager of Innovative Research Institute of the Company Oct. 2018 General Manager of Technical Research Institute of the Company Oct. 2019 Executive Vice President and Deputy General Manager of R&D Center of the Company Oct. 2020 General Manager of R&D Center of the Company Dec. 2021 Director & Executive Vice President of the Company Jul. 2023 Deputy General Manager of Business Solution Division of the Company Oct. 2024 Director & Senior Executive Vice President of the Company (present) General Manager of Business Solution Division of the Company (present)	7,682

[Reasons for nomination as a candidate for Director]

As Director, Mr. Nakamura has been appropriately fulfilling such roles as making decisions on important matters of management and supervising the execution of business. He has abundant experience and broad knowledge, having served in key positions in the Company over many years in the area of R&D. Beginning from October 2020, as the General Manager of the R&D Center of the Company, he has accelerated research and development and carried out strategic research and development. Since July 2023, he has been involved in the operations of the Production Department, concentrating on strengthening cooperation between Research & Development and Production. Since October 2024, he has served as Senior Executive Vice President and General Manager of the Business Solution Division of the Company, and has worked to construct an organization for providing high-quality value to the customers. We have nominated him as a candidate for Director as we expect he will continue to contribute to the sustainable growth of the Company and the improvement of corporate value.


[Special interest between the candidate and the Company]

There is no special interest between him and the Company.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
6 New candidate	 Masayasu Amaike (July 24, 1961)	<p>Apr. 1984 Joined the Company</p> <p>Oct. 2007 General Manager of Analysis Center, Technical Research Institute of the Company</p> <p>Oct. 2012 General Manager of Research Planning Division of the Company</p> <p>Dec. 2014 Executive General Manager of the Company</p> <p>Dec. 2015 General Manager of Fragrance Institute of the Company</p> <p>Dec. 2016 Senior Vice President of the Company</p> <p>Oct. 2020 General Manager of Purchasing Division of the Company</p> <p>Nov. 2021 President of T. HASEGAWA FLAVOURS AND FRAGRANCES (SHANGHAI) CO., LTD.</p> <p>Oct. 2022 Group Executive Officer of the Company</p> <p>Oct. 2023 Executive Vice President of the Company (present) General Manager of Global Business Division of the Company</p> <p>Oct. 2024 Deputy General Manager of Business Solution Division of the Company (present) General Manager of Business Solutions Planning Department of the Company (present)</p> <p>(Responsibilities in the Company) In charge of Sales, Marketing Division, and Global Business</p> <p>(Important concurrent positions) Chairman of T. HASEGAWA FLAVOURS AND FRAGRANCES (SHANGHAI) CO., LTD. Chairman of T. HASEGAWA FLAVOURS (SUZHOU) CO., LTD. Chairman of SHANGHAI T. HASEGAWA FLAVOURS AND FRAGRANCES TRADING CO., LTD. Chairman of T. HASEGAWA FLAVOURS AND FRAGRANCES (TAIWAN) CO., LTD.</p>	4,644
<p>[Reasons for nomination as a candidate for Director] Mr. Amaike has abundant experience and broad knowledge related to flavors and fragrances and the business of the Company, having served in key positions in the Company over many years in R&D fields and international fields. As Executive Vice President, he has been in charge of Global Business, and has promoted the expansion of overseas business results that is driving the growth of the Company. Since October 2024, he has served as General Manager of the Business Solutions Planning Department of the Company, and has carried out initiatives aimed at further strengthening customer success. We have nominated him as a candidate for Director as we expect he will contribute to the sustainable growth of the Company and the improvement of its corporate value by applying such experience and knowledge to important decision-making and supervisory functions of the Board of Directors.</p> <p>[Special interest between the candidate and the Company] There is no special interest between him and the Company.</p> <p>[Outline of details of directors and officers liability insurance policy] The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently an Executive Vice President of the Company and is included as an insured in said insurance policy. If his election as Director is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
<p>7 Re-election Outside Independent</p>	 <p>Shingo Ohkado (September 22, 1946)</p>	<p>Apr. 1971 Joined TOPPAN PRINTING CO., LTD. (now TOPPAN Holdings Inc.)</p> <p>Jan. 1979 Director of the Australian subsidiary of TOPPAN PRINTING CO., LTD. (worked in Sydney until March 1987)</p> <p>Jan. 1991 Vice President, Head of Sales and Marketing of Toppan USA, Inc. (worked in New York until March 1998)</p> <p>Mar. 1998 Served as General Manager of Overseas Sales Promotion, Information & Publication Division, and General Manager of Sales and Marketing of TOPPAN PRINTING CO., LTD. (now TOPPAN Holdings Inc.) until March 2000</p> <p>Mar. 2000 President & CEO of Toppan USA, Inc. (worked in New York)</p> <p>Mar. 2003 Head of International Division of TOPPAN PRINTING CO., LTD. (now TOPPAN Holdings Inc.)</p> <p>Jun. 2004 Director, Head of International Division of TOPPAN PRINTING CO., LTD. (now TOPPAN Holdings Inc.)</p> <p>Jun. 2008 Managing Director, Head of International Division of TOPPAN PRINTING CO., LTD. (now TOPPAN Holdings Inc.)</p> <p>Jun. 2011 Outside Audit & Supervisory Board Member of Toyo Ink SC Holdings Co., Ltd. (now artience Co., Ltd.)</p> <p>Dec. 2014 Outside Audit & Supervisory Board Member of the Company</p> <p>Dec. 2015 Outside Director of the Company (present)</p>	<p>0</p>

[Special notes on candidate for outside Director]

Mr. Ohkado is a candidate for outside Director as provided by Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act.

He is presently an outside Director of the Company. At the conclusion of this Annual General Meeting of Shareholders, his term of office as an outside Director will have been nine (9) years. His total term of office, including his time as an outside Audit & Supervisory Board Member, will have been ten (10) years.

[Reasons for nomination as a candidate for outside Director and outline of the expected role]

He engaged in overseas sales, the management of a local corporation based in the U.S., and other global duties at a major printing company. Utilizing his keen insight as well as his wealth of experience and broad knowledge cultivated through that career, he proactively offers advice and suggestions for securing the appropriateness and properness of decision-making by the Board of Directors from a neutral and objective point of view in his capacity as an outside Director. The Company expects that he will continue to fulfill these roles in the future.

We have nominated him as a candidate for outside Director as we believe that he will appropriately fulfill these roles and contribute to the reinforcement of the decision-making functions and supervisory functions of the Board of Directors.

[Special interest between the candidate and the Company]

There is no special interest between him and the Company.

[Matters concerning independent director/auditor]


He satisfies the requirements for an independent director/auditor in accordance with the rules of the Tokyo Stock Exchange and the standards set by the Company for Independence Criteria for Outside Officers. The Company presently specifies him as an independent director/auditor and has submitted notification to the aforementioned exchange. If his re-election is approved, the Company intends to continuously specify him as an independent director/auditor.

[Outline of details of contract for limitation of liability]

The Company presently enters into a contract for limitation of liability with him in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, where the upper limit of liability for damages under the provisions of Article 423, paragraph (1) of the Companies Act shall be the minimum liability amount as provided by laws and regulations. If his re-election is approved, the Company intends to continue the said contract.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
8 Re-election Outside Independent	 Akiko Izumi (December 2, 1961)	<p>Mar. 1984 Joined Fukutake Publishing Co., Ltd. (now Benesse Corporation)</p> <p>Mar. 1987 News announcer of Nippon Shortwave Broadcasting Corporation (now NIKKEI RADIO BROADCASTING CORPORATION) until February 1988</p> <p>Mar. 1988 Freelance announcer/caster until March 2000</p> <p>Sep. 2000 Daily Life and Economic Journalist /Certified Financial Planner (CFP®) /Human Resource Development Consultant (present)</p> <ul style="list-style-type: none"> • Promoted lectures, training sessions and consulting activities mainly focused on work style reform, the promotion of women's active participation in the workplace, human resources development and effective communication. She also served as a member of the advisory board or as a part-time officer at companies and public interest incorporated foundations, and as a committee member at public institutions. <p>Sep. 2007 Established Platinum Concierge Co., Ltd.; Representative Director and President</p> <p>Aug. 2016 Director and Chairman of Platinum Concierge Co., Ltd.</p> <p>Jan. 2021 Counselor of Platinum Concierge Co., Ltd. (present)</p> <p>Dec. 2021 Outside Director of the Company (present)</p> <p>(Important concurrent positions) Board Member of Japan Pension Service Part-time Director of The Nippon Foundation</p>	0

[Special notes on candidate for outside Director]

Ms. Izumi is a candidate for outside Director as provided by Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act.

She is presently an outside Director of the Company. At the conclusion of this Annual General Meeting of Shareholders, her term of office as an outside Director will have been three (3) years.

[Reasons for nomination as a candidate for outside Director and outline of the expected role]

Leveraging her keen insight cultivated through her experience in professions such as daily life and economic journalist and financial planner as well as specialization in sectors such as work style reforms, human resource development, and diversity promotion, she actively offers advice and suggestions on matters for securing the appropriateness and properness of decision-making by the Board of Directors from a neutral and objective point of view as an outside Director. The Company expects that she will continue to fulfill these roles in the future.

We have nominated her as a candidate for outside Director as we believe that she will appropriately fulfill these roles and contribute to the reinforcement of the decision-making functions and supervisory functions of the Board of Directors.

[Special interest between the candidate and the Company]

There is no special interest between her and the Company.

[Matters concerning independent director/auditor]


She satisfies the requirements for an independent director/auditor in accordance with the rules of the Tokyo Stock Exchange and the standards set by the Company for Independence Criteria for Outside Officers. The Company presently specifies her as an independent director/auditor and has submitted notification to the aforementioned exchange. If her re-election is approved, the Company intends to continuously specify her as an independent director/auditor.


[Outline of details of contract for limitation of liability]

The Company presently enters into a contract for limitation of liability with her in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, where the upper limit of liability for damages under the provisions of Article 423, paragraph (1) of the Companies Act shall be the minimum liability amount as provided by laws and regulations. If her re-election is approved, the Company intends to continue the said contract.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. She is currently a Director of the Company and is included as an insured in said insurance policy. If her re-election is approved, she will be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during her term of office.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
9 Re-election Outside Independent	 Paul Dupuis (February 11, 1968)	Apr. 1998 Joined Osaka Kunei Jogakuin; Director, International Programs May 2005 Joined OIC K.K; Managing Director (Expo 2005 AICHI, JAPAN, Canadian Pavilion) Aug. 2005 Joined Wall Street Associates K.K. (now en world Japan K.K.); Head of S.E Asia Jul. 2011 Asia Representative of en world Japan K.K. (worked in Singapore) Sep. 2013 Joined Randstad K.K.; Board Member Apr. 2017 COO of Randstad India, Private Ltd. May 2017 Managing Director & Chief Executive Officer of Randstad India, Private Ltd. Jul. 2021 Chairman & Chief Executive Officer of Randstad K.K. Dec. 2023 Outside Director of the Company (present) (Important concurrent positions) Board Member (ex-Chairman) of HOPE International Development Agency, Japan (NGO)	0
<p>[Special notes on candidate for outside Director] Mr. Dupuis is a candidate for outside Director as provided by Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act. He is presently an outside Director of the Company. At the conclusion of this Annual General Meeting of Shareholders, his term of office as an outside Director will have been one (1) year.</p> <p>[Reasons for nomination as a candidate for outside Director and outline of the expected role] Utilizing his wealth of experience and wide-ranging knowledge regarding corporate management in Japan and overseas cultivated through his experience to serve as Managing Director and CEO of the Indian subsidiary and Chairman & CEO of the Japanese subsidiary of a global comprehensive human resources services company, he proactively offers advice and suggestions for securing the appropriateness and properness of decision-making by the Board of Directors from a neutral and objective point of view in his capacity as an outside Director. The Company expects that he will continue to fulfill these roles in the future. We have nominated him as a candidate for outside Director as we believe that he will appropriately fulfill these roles and contribute to the reinforcement of the decision-making functions and supervisory functions of the Board of Directors.</p> <p>[Special interest between the candidate and the Company] There is no special interest between him and the Company.</p> <p>[Matters concerning independent director/auditor] He satisfies the requirements for an independent director/auditor in accordance with the rules of the Tokyo Stock Exchange and the standards set by the Company for Independence Criteria for Outside Officers. The Company presently specifies him as an independent director/auditor and has submitted notification to the aforementioned exchange. If his re-election is approved, the Company intends to continuously specify him as an independent director/auditor.</p> <p>[Outline of details of contract for limitation of liability] The Company presently enters into a contract for limitation of liability with him in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, where the upper limit of liability for damages under the provisions of Article 423, paragraph (1) of the Companies Act shall be the minimum liability amount as provided by laws and regulations. If his re-election is approved, the Company intends to continue the said contract.</p> <p>[Outline of details of directors and officers liability insurance policy] The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
10 New candidate Outside Independent	 Yuichi Tada (August 15, 1959)	Apr. 1982 Joined BROTHER INDUSTRIES, LTD. Aug. 1994 Corporate Director of Brother International Corporation (U.S.A.) Apr. 2006 General Manager of Printing & Solutions Company Corporate Planning Dept. of BROTHER INDUSTRIES, LTD. Apr. 2007 Executive Vice President of Printing & Solutions Company of BROTHER INDUSTRIES, LTD. Apr. 2012 Group Executive Officer of BROTHER INDUSTRIES, LTD. Managing Director of Brother Holding (Europe) Ltd. Chairman & Managing Director of Brother International Europe Ltd. Jun. 2017 Director & Managing Executive Officer of BROTHER INDUSTRIES, LTD. Jun. 2020 Director of NISSEI CORPORATION; Corporate Auditor of XING INC. Apr. 2022 Director & Senior Managing Executive Officer of BROTHER INDUSTRIES, LTD.	0

[Special notes on candidate for outside Director]

Mr. Tada is a candidate for outside Director as provided by Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act.

[Reasons for nomination as a candidate for outside Director and outline of the expected role]

He has a business experience spanning a wide range in Japan and overseas, centering on management planning, at major electrical equipment manufacturers. He has advanced knowledge related to the formulation and implementation of international management strategies through his experience in management in the U.S., Europe, and Japan. The Company expects that by utilizing his broad knowledge and experience of general management cultivated through that career, he will offer advice and suggestions for securing the appropriateness and properness of decision-making by the Board of Directors from a neutral and objective point of view in his capacity as an outside Director. We have nominated him as a candidate for outside Director as we believe that he will appropriately fulfill these roles and contribute to the reinforcement of the decision-making functions and supervisory functions of the Board of Directors.

[Special interest between the candidate and the Company]

There is no special interest between him and the Company.

[Matters concerning independent director/auditor]

Since he satisfies the requirements for an independent director/auditor in accordance with the rules of the Tokyo Stock Exchange and the standards set by the Company for Independence Criteria for Outside Officers, the Company intends to submit notification that specifies him as an independent director/auditor to the aforementioned exchange if his election as Director is approved.

[Outline of details of contract for limitation of liability]

If his election as Director is approved, the Company intends to enter into a contract for limitation of liability with him in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, where the upper limit of liability for damages under the provisions of Article 423, paragraph (1) of the Companies Act shall be the minimum liability amount as provided by laws and regulations.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. If his election as Director is approved, he will be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

Skill Matrix

Note: The skill matrix of the candidates stated in this Notice of Convocation of Annual General Meeting of Shareholders should they be elected in accordance with the original proposals herein is as follows.

Name	Managerial position (planned)	Specific utilizable skills possessed among specialized skills required by the Company									
		Corporate management & strategies	ESG & sustainability	Quality	Sales & marketing	R&D	Production	Global strategies	Accounting & finance	Human resources	Legal, compliance, risk management
Takao Umino	Representative Director, Chairman & CEO	●	●	●	●			●	●	●	●
Kenji Hasegawa	Representative Director, President & COO	●	●	●	●				●		●
Yoshiaki Chino	Representative Director & Deputy President	●	●	●	●	●	●	●			●
Minoru Nakamura	Director & Senior Executive Vice President	●	●				●		●	●	●
Tetsuya Nakamura	Director & Senior Executive Vice President	●	●	●		●	●	●			●
Masayasu Amaike	Director & Executive Vice President	●			●	●	●	●			●
Shingo Ohkado	Outside Director	●			●			●			●
Akiko Izumi	Outside Director	●	●		●					●	
Paul Dupuis	Outside Director	●			●			●	●	●	●
Yuichi Tada	Outside Director	●	●		●			●		●	●
Takehiro Matsumoto	Full-time Audit & Supervisory Board Member	●						●	●	●	●
Tomoyoshi Arita	Outside Audit & Supervisory Board Member								●		●
Kazuhito Yamamura	Outside Audit & Supervisory Board Member							●	●		●
Maki Suzuki	Outside Audit & Supervisory Board Member										●

* Please refer to the last page of the Basic Policy on Corporate Governance posted on the Company's website for the Independence Criteria for Outside Officers of the Company.
https://ssl4.eir-parts.net/doc/4958/ir_material1/189888/00.pdf#page=12 (in Japanese)

Business Report
(Fiscal year ended September 30, 2024)

1. Current status of the corporate group

(1) Business conditions for the fiscal year ended September 30, 2024

(i) Business activities and results

The Japanese economy during the fiscal year ended September 30, 2024 showed signs of a gradual recovery backed by improving employment and income environments. On the other hand, the economy continued to present an uncertain outlook resulting from concerns about the impact on economic activities in Japan and overseas due to the international situation, soaring raw material and resource prices, inflation, large changes in the exchange rate, and other factors.

The flavor and fragrance industry remained in a severe situation due largely to maturation of the domestic market, fiercer competition among peers, and growing demand for quality assurance.

Under this environment, giving primary consideration to quality control of products and securing of safety, the Group worked to further improve research and technology development capabilities and focused on development of the Company's unique high quality and high value-added products.

In the fiscal year ended September 30, 2024, net sales increased year on year, amounting to ¥71,645 million (up 10.4% year on year). The Company's non-consolidated net sales increased by 6.7% year on year. As for net sales of major overseas consolidated subsidiaries, net sales of subsidiaries in the U.S. increased by 19.1% year on year (up 10.0% on a local currency basis), those of subsidiaries in China increased by 12.5% (up 6.3% on a local currency basis), and those of subsidiaries in Malaysia increased by 26.3% (up 19.8% on a local currency basis).

As for profit, the Group recorded operating profit of ¥9,371 million (up 24.8% year on year), ordinary profit of ¥9,723 million (up 18.8% year on year), and profit attributable to owners of parent of ¥7,201 million (up 7.9% year on year) for the fiscal year ended September 30, 2024.

The following is a discussion of business conditions by division.

Flavor Division

The Flavor Division handles flavors and various extracts used in beverages, frozen desserts, confectionary, instant noodle soup and other such products, as well as processed fruit products and natural colorings. Net sales of the Flavor Division increased by 11.6% year on year, amounting to ¥63,669 million due mainly to increased net sales of the Company, on a non-consolidated basis, and increased net sales of our subsidiaries in the U.S. and China.

Fragrance Division

The Fragrance Division handles fragrances used in cosmetics, soaps, shampoos, detergents, air fresheners and so on. Net sales of the Fragrance Division increased by 2.3% year on year, amounting to ¥7,975 million due mainly to an increase in non-consolidated sales of the Company.

(ii) Capital investments

Capital investments by the Group in the fiscal year ended September 30, 2024 totaled ¥3,658 million, mainly for the purpose of maintaining and updating manufacturing facilities at existing plants, the DX promotion and IT innovation project being carried out by the Company, and construction of a new research building at a Chinese subsidiary.

(iii) Financing

All funds required by the Group in the fiscal year ended September 30, 2024 were provided entirely from cash on hand, and Group companies did not raise significant financing from outside sources.

(iv) Transfer of business, absorption-type company split, or incorporation-type company split
Not applicable.

(v) Transfer of business from other companies
Not applicable.

(vi) Succession of rights and obligations regarding the business of other corporations due to an absorption-type merger or an absorption-type split
Not applicable.

(vii) Acquisition or disposal of equity interests or share acquisition rights of other companies

On September 3, 2024, our subsidiary T. HASEGAWA U.S.A., INC. acquired all shares of ABELEI, INC. (location: Illinois, USA), making it a consolidated subsidiary.

(2) Assets and profit and loss for the last three fiscal years

Category	60th Fiscal Year (Ended September 30, 2021)	61st Fiscal Year (Ended September 30, 2022)	62nd Fiscal Year (Ended September 30, 2023)	63rd Fiscal Year (Fiscal Year under Review) (Ended September 30, 2024)
Net sales (Millions of yen)	55,755	62,398	64,874	71,645
Profit attributable to owners of parent (Millions of yen)	6,763	8,007	6,671	7,201
Earnings per share (Yen)	163.63	194.65	162.16	175.04
Total assets (Millions of yen)	120,945	133,553	139,125	144,504
Net assets (Millions of yen)	98,301	111,017	116,319	119,681
Net assets per share (Yen)	2,385.69	2,692.34	2,819.86	2,899.96

Note: Effective beginning from the start of the 61st fiscal year, the Company applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. and these accounting standards have been applied to the figures for assets and profit and loss for the 61st and later fiscal years.

(3) Significant parent company and subsidiaries

(i) Status of parent company

Not applicable.

(ii) Significant subsidiaries

Company name	Share capital	Percentage of voting rights held by the Company	Principal business
T. HASEGAWA BUSINESS SERVICE CO., LTD.	JPY 100 million	100.0%	Processing and sales of agricultural and livestock products
T. HASEGAWA U.S.A., INC.	USD 247,700 thousand	100.0%	Import and export, manufacture and sales of various flavors and fragrances
ABELEI, INC.	USD 10 thousand	100.0% [100.0%]	Manufacture and sales of various food and beverage flavorings
T. HASEGAWA FLAVOURS AND FRAGRANCES (SHANGHAI) CO., LTD.	USD 16,000 thousand	100.0%	Import and export, manufacture and sales of various flavors and fragrances
T. HASEGAWA FLAVOURS (SUZHOU) CO., LTD.	USD 15,500 thousand	100.0%	Manufacture and sales of various food and beverage flavorings
T. HASEGAWA FLAVOURS AND FRAGRANCES (TAIWAN) CO., LTD.	TWD 10,800 thousand	100.0%	Sales of various flavors and fragrances
T HASEGAWA FLAVOURS (KUALA LUMPUR) SDN. BHD.	MYR 25,000 thousand	100.0%	Manufacture and sales of various food and beverage flavorings
T. HASEGAWA (SOUTHEAST ASIA) CO., LTD.	THB 103,000 thousand	100.0% [0.01%]	Sales of various flavors and fragrances
PT. HASEGAWA FLAVOURS AND FRAGRANCES INDONESIA	IDR 30,847,100 thousand	100.0% [0.1%]	Sales of various flavors and fragrances

Notes: 1. The U.S. subsidiary MISSION FLAVORS & FRAGRANCES, INC. underwent an absorption-type merger with T. HASEGAWA U.S.A., INC. in February 2024.

2. In September 2024, T. HASEGAWA U.S.A., INC. acquired all shares of ABELEI, INC., making it a consolidated subsidiary.

3. Figures in square brackets show indirect holdings included in percentage of voting rights held by the Company.

(iii) Specified wholly-owned subsidiaries as of the end of the fiscal year

Not applicable.

(iv) Other

Not applicable.

(4) Issues to be addressed

The outlook for the Japanese economy is expected to recover moderately as the employment and income environment improves. On the other hand, the outlook is expected to remain uncertain due to concerns over the impacts of fluctuations in international affairs, soaring raw material and resource prices, rising commodity prices, and strong fluctuations in foreign exchange rates, etc.

The flavor and fragrance industry is also anticipated to remain in a severe situation due to further intensifying competition among companies for market share, increasing demand for quality assurance, and other factors.

Under this situation, the Group will conduct distinctive and differentiated product development by further improving research and technology development capabilities, and strive to reduce cost through an increase in productivity and promotion of streamlining of all aspects of operations.

Moreover, the Group will aim to contribute to more enriching lifestyles by creating new value and inspiration through not only flavors and fragrances, but also a wide range of other technologies. In order to seek future growth of the Group, it is essential to further strengthen the global expansion while building a resilient organization that can flexibly respond to the changes in the business environment and unforeseen circumstances and working to increase the share in the Japanese market where maturation is progressing in step with the falling birthrate and the aging population. The Group will efficiently invest managerial resources into the USA as our priority region as well as the Asian region, centering on China and Southeast Asia, to accurately capture the growth potential of the markets, consumer palatability, etc. and plan and promote a business strategy in line with changes in the business environment. In addition, the Group will implement investments to achieve sustainable growth into the future, aiming to enhance the business performance in overseas markets.

Under the Business Solution Division, which is in charge of sales, research, and marketing in Japan, in research areas we will endeavor to accelerate the pace of research and development, and strengthen the fundamental R&D capabilities that lead to sustainable and long-term growth after clarifying priority areas in order to promote strategic R&D. In order to achieve customer success and innovation, we will utilize teamwork with the sales, marketing, and global business divisions to improve our market sense and competitive mindset. We will work to differentiate ourselves from our competitors through the development of products that feature our unique characteristics. We will also carry out new value creation and technological innovation utilizing outside expertise and intellectual properties, and will strive to contribute to resolving the issues facing society.

In the Flavor Division, with a priority on ensuring safety and security, the Group will continue striving to develop flavors that make health-conscious low sugar, low salt, and low fat foods delicious, as well as flavorings with outstanding stability and longevity. The Group will also put efforts into the development of flavors to substitute for food ingredients with the aim of solving social issues, including shortages of food resources.

In the Fragrance Division, the Group will focus on further expanding market share in Japan by conducting rigorous basic research and creating new fragrances with outstanding safety and stability. Overseas, the Group will work to create fragrances that are liked by local consumers based on the results of market surveys and acceptability studies.

In the area of sales, we will strive to identify potential customer requirements through teamwork with the research, marketing and global business divisions, and through the use of market investigations, analysis, and other means. By providing targeted solutions that leverage the Company's comprehensive capabilities, the Group will aim to establish a position as a partner trusted by customers, as well as to increase its sales and share of sales through contributions to customer successes. We will also reinforce efforts to find and develop new customers, and work to expand a sales infrastructure that can support future growth.

In the area of production, we will carry out continued environmental improvements for safety measures, and conduct training and educational activities for labor health and safety. In order to accommodate changes in the items produced, we will carry out reconstruction of our facilities and integration of our production equipment. In addition, the Group will also work to prevent the spread of odors around the plant, enact disaster readiness and prevention measures, and reduce greenhouse gas (GHG) emissions. The Group will continue to take such initiatives as improving its manufacturing methods, streamlining its operating flow, reviewing its logistics system, and optimizing inventory in an effort to lower manufacturing costs.

Overseas, under its strategy of steady global expansion through efficient allocation of management resources, on September 3, 2024, T. HASEGAWA U.S.A., INC. acquired all shares of ABELEI, INC., a company manufacturing and selling various food and beverage flavorings based in the U.S. Midwest region, making it a consolidated subsidiary. We will work to rapidly achieve synergy between the sales and manufacturing areas of both companies, and will continue to carry out active sales activities for local customers, aiming to grow our results in the U.S. market.

In China, the Group will focus on developing new customers and cultivating existing customers through strategic sales activities utilizing our marketing functions, while thoroughly managing profits, with the aim to expand its business performance in terms of both sales and profits. In order to meet growing local demand and further reinforce our service system, and ensure the continuity of our business, we will strengthen the production system by constructing a third production site in China.

In Southeast Asia, under its regional sales strategy, the Group is aiming to expand its business performance by strengthening sales activities through collaboration among sales personnel at its sites in Malaysia, Thailand, Indonesia, and in neighboring countries as well as through utilization of its application laboratories. We are carrying out a plan for the construction of a new plant at Enstek Industrial Park in Malaysia in order to expand production capacity to meet growing demand in Asian markets and halal markets.

We would like to ask for the continued support and cooperation of our shareholders.

(5) Principal business (as of September 30, 2024)

The Group consists of T. HASEGAWA CO., LTD., 11 subsidiaries, and one associate. The principal business is the manufacture, sale, import and export of various flavors and fragrances (perfumes and cosmetics fragrances, food and beverage flavorings, and artificial flavors and fragrances), various food additives, and food products.

(6) Major offices and facilities (as of September 30, 2024)

T. HASEGAWA CO., LTD.	The Company	Head Office	Chuo-ku, Tokyo
		Osaka Branch	Chuo-ku, Osaka-shi, Osaka
		Nagoya Sales Office	Naka-ku, Nagoya-shi, Aichi
		Sapporo Sales Office	Kita-ku, Sapporo-shi, Hokkaido
		R&D Center	Nakahara-ku, Kawasaki-shi, Kanagawa
		Fukaya Facility	Fukaya-shi, Saitama
		Itakura Facility	Itakura-machi, Oura-gun, Gunma
T. HASEGAWA BUSINESS SERVICE CO., LTD.	Subsidiary	Head Office	Chuo-ku, Tokyo
		Fine Foods Facility	Itakura-machi, Oura-gun, Gunma
T. HASEGAWA U.S.A., INC.	Subsidiary	Head Office and Facility	Cerritos, California, USA
		Facility	Rancho Cucamonga, California, USA
ABELEI, INC.	Subsidiary	Head Office and Facility	North Aurora, Kane County, Illinois, USA
T. HASEGAWA FLAVOURS AND FRAGRANCES (SHANGHAI) CO., LTD.	Subsidiary	Head Office and Facility	Pudong New Area, Shanghai, China
T. HASEGAWA FLAVOURS (SUZHOU) CO., LTD.	Subsidiary	Head Office and Facility	Suzhou Industrial Park, Suzhou, Jiangsu, China
SHANGHAI T. HASEGAWA FLAVOURS AND FRAGRANCES TRADING CO., LTD.	Subsidiary	Head Office	Shanghai Wai Gaoqiao Free Trade Zone, Shanghai, China
T. HASEGAWA FLAVOURS AND FRAGRANCES (TAIWAN) CO., LTD.	Subsidiary	Head Office	Taipei
T HASEGAWA FLAVOURS (KUALA LUMPUR) SDN. BHD.	Subsidiary	Head Office and Facility	Kuala Lumpur, Malaysia
T. HASEGAWA (SOUTHEAST ASIA) CO., LTD.	Subsidiary	Head Office	Bangkok, Thailand
PT. HASEGAWA FLAVOURS AND FRAGRANCES INDONESIA	Subsidiary	Head Office	South Jakarta, Indonesia

(7) Employees (as of September 30, 2024)

(i) Status of employees of the corporate group

Number of employees	Change from the end of the previous fiscal year
1,909 [158]	+62 [-8]

Notes: 1. The number of employees is the number of people employed, and the average number of temporary employees is shown separately in square brackets.
 2. Since the Group is engaged in a single business segment, the manufacture and sales of various flavors and fragrances, etc., information by business segment is not presented.

(ii) Status of the Company’s employees

Number of employees	Change from the end of the previous fiscal year	Average age	Average years of service
1,111 [55]	+6 [+2]	44.6	17.8

Note: The number of employees is the number of people employed, and the average number of temporary employees is shown separately in square brackets.

(8) Principal lenders (as of September 30, 2024)

Information omitted as there are no borrowings.

(9) Other important matters regarding the current status of the corporate group

Not applicable.

2. Current status of the Company

(1) Status of shares (as of September 30, 2024)

- (i) Total number of authorized shares 160,000,000 shares
- (ii) Total number of issued shares 42,708,154 shares
- (iii) Number of shareholders 12,617
- (iv) Major shareholders (top 10 shareholders)

Shareholder name	Number of shares held (Hundreds of shares)	Shareholding ratio (%)
Hasegawa Totaro Shoten Co., Ltd.	66,206	16.09
JP MORGAN CHASE BANK 380055	49,525	12.03
The Master Trust Bank of Japan, Ltd. (Trust Account)	44,592	10.83
JP MORGAN CHASE BANK 385632	27,851	6.76
Hasegawa International Scholarship Foundation	20,000	4.86
RBC IST 15 PCT NON LENDING ACCOUNT - CLIENT ACCOUNT	13,351	3.24
STATE STREET BANK AND TRUST COMPANY 505001	13,170	3.20
T. HASEGAWA CO., LTD. Employee Shareholding Association	10,141	2.46
Ajinomoto Co., Inc.	9,000	2.18
Custody Bank of Japan, Ltd. (Trust Account)	8,919	2.16

Notes: 1. The Company holds 1,563,008 shares of treasury stock, but is excluded from the above list of major shareholders.
2. Treasury stock is excluded in the calculation of shareholding ratios.

- (v) Status of shares granted to Company officers during the fiscal year as consideration for performance of duties

Not applicable.

(2) Status of Company Officers

(i) Directors and Audit & Supervisory Board Members (as of September 30, 2024)

Position in the Company	Name	Responsibilities in the Company (Important concurrent positions)
President & CEO	Takao Umino	President and Executive Officer, in charge of Auditing Division and Quality Assurance Division (Important concurrent positions) Director (Chairman) of T. HASEGAWA U.S.A., INC.
Representative Director	Yoshiaki Chino	Deputy President, in charge of Production
Director	Minoru Nakamura	Senior Executive Vice President, in charge of Administration (Important concurrent positions) Representative Director and President of T. HASEGAWA BUSINESS SERVICE CO., LTD.
Director	Tetsuya Nakamura	Executive Vice President, in charge of Research & Development, second in charge of Quality Assurance Division, Business Solutions Planning Department, and Production, Deputy General Manager of Business Solution Division, General Manager of R&D Center
Director	Koichiro Kato	Executive Vice President, in charge of Business Solutions Planning Department, Sales, and Marketing Division, General Manager of Business Solution Division
Director	Kenji Hasegawa	Executive Vice President, second in charge of Sales and Marketing Division, General Manager of Business Solutions Planning Department
Outside Director	Shingo Ohkado	
Outside Director	Takao Yuhara	
Outside Director	Akiko Izumi	(Important concurrent positions) Board Member of Japan Pension Service Part-time Director of The Nippon Foundation
Outside Director	Paul Dupuis	(Important concurrent positions) Board Member (ex-Chairman) of HOPE International Development Agency, Japan (NGO)
Full-time Audit & Supervisory Board Member	Takehiro Matsumoto	
Outside Audit & Supervisory Board Member	Tomoyoshi Arita	(Important concurrent positions) Attorney at law of GINZA CHUO LAW OFFICE External Director (Audit and Supervisory Committee Member) of WDB Holdings Co., Ltd.
Outside Audit & Supervisory Board Member	Kazuhiro Yamamura	(Important concurrent positions) Auditor of The Photographic Society of Japan
Outside Audit & Supervisory Board Member	Maki Suzuki	(Important concurrent positions) Attorney at law of Shintaro Sato Law Office Outside Director (Audit & Supervisory Committee Member) of Sansan, Inc. Outside Director (Audit & Supervisory Committee Member) of nms Holdings Corporation

Notes: 1. Full-time Audit & Supervisory Board Member Takehiro Matsumoto and Outside Audit & Supervisory Board Members Tomoyoshi Arita and Kazuhiro Yamamura have considerable knowledge of finance and accounting as outlined below. Outside Audit & Supervisory Board Member Maki Suzuki has considerable knowledge of legal matters as outlined below.

- Full-time Audit & Supervisory Board Member Takehiro Matsumoto served at financial institutions over many years. He also has abundant experience and broad knowledge of auditing in general, having served as the General Manager of the Company's Auditing Division from October 2019 to December 2021, and possessing the credential of a Certified Internal Auditor (CIA).
- Outside Audit & Supervisory Board Member Tomoyoshi Arita has served as outside audit & supervisory board member for multiple listed companies over many years in addition to serving as a member of numerous third-party and internal investigative committees on corporate misconduct to uncover the handling of accounting and financial irregularities as an attorney at law.
- Outside Audit & Supervisory Board Member Kazuhiro Yamamura has gained experience in accounting and finance divisions at listed companies, as well as serving as a full-time audit & supervisory board member.

- Outside Audit & Supervisory Board Member Maki Suzuki has many years of experience in corporate law as an attorney, has been involved in numerous cases including acquisitions and overseas cases, and has specialized legal knowledge and extensive experience.
2. The Company has designated Shingo Ohkado, Takao Yuhara, Akiko Izumi, Paul Dupuis, Tomoyoshi Arita, Kazuhito Yamamura, and Maki Suzuki as independent directors/auditors in accordance with the rules of the Tokyo Stock Exchange, and submitted notification of such designation to the Exchange.
 3. Changes in the positions, responsibilities, and important concurrent positions of the Directors and Audit & Supervisory Board Members during the fiscal year are as follows.
 - At the conclusion of the 62nd Annual General Meeting of Shareholders held on December 21, 2023, Audit & Supervisory Board Member Junko Imura resigned from her position upon the completion of her term of office.
 - At the 62nd Annual General Meeting of Shareholders held on December 21, 2023, Kenji Hasegawa and Paul Dupuis were elected and appointed as Directors, and Maki Suzuki was elected and appointed as an Audit & Supervisory Board Member.
 - As of January 1, 2024, Director Paul Dupuis resigned from his position as Chairman & Chief Executive Officer of Randstad K.K.
 - Representative Director Takao Umino previously served concurrently as Director (Chairman) of our sub-subsidiary MISSION FLAVORS & FRAGRANCES INC., however he resigned from this position as of February 23, 2024 when the company was eliminated as a result of an absorption-type merger with our consolidated subsidiary T. HASEGAWA U.S.A., INC.
 - As of June 17, 2024, Audit & Supervisory Board Member Kazuhito Yamamura was appointed to the position of Auditor at The Photographic Society of Japan.
 4. The Company has entered into contracts with Outside Directors Shingo Ohkado, Takao Yuhara, Akiko Izumi, and Paul Dupuis and Outside Audit & Supervisory Board Members Tomoyoshi Arita, Kazuhito Yamamura, and Maki Suzuki under the provisions of Article 427, paragraph (1) of the Companies Act to limit liability for damages in Article 423, paragraph (1) of the Companies Act. The upper limit of liability for damages under said contracts is the minimum liability amount as provided by laws and regulations.
 5. The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The said insurance policy covers all Directors, Audit & Supervisory Board Members, and Executive Officers of the Company and officers of the Company's subsidiaries as the insured, and the insured do not pay the insurance premiums. The policy covers compensation for damages and litigation expenses, etc. that the insured are liable for in cases where a claim for damages has been filed arising out of acts (including acts of omission) committed by the insured in his or her capacity as a director or officer of the Company. However, there are certain exemptions, such as the fact that damages arising from acts committed with the knowledge that they are in violation of laws and regulations are not covered by compensation.

(ii) Changes in the positions, responsibilities, and important concurrent positions of directors after the end of the fiscal year

Name	Before change	After change	Date of change
Takao Umino	President & CEO In charge of Audit Division and Quality Assurance Division Director (Chairman) of T. HASEGAWA U.S.A., INC.	Representative Director, Chairman & CEO Director (Chairman) of T. HASEGAWA U.S.A., INC.	October 1, 2024
Kenji Hasegawa	Director & Executive Vice President Second in charge of Sales and Marketing Division General Manager of Business Solutions Planning Department	Representative Director, President & COO In charge of Audit Division, Quality Assurance Division, and Administration	October 1, 2024
Minoru Nakamura	Director & Senior Executive Vice President In charge of Administration Representative Director and President of T. HASEGAWA BUSINESS SERVICE CO., LTD.	Director & Senior Executive Vice President	October 1, 2024

Tetsuya Nakamura	Director & Executive Vice President In charge of Research & Development Second in charge of Quality Assurance Division, Business Solutions Planning Department, and Production Deputy General Manager of Business Solution Division, General Manager of R&D Center	Director & Senior Executive Vice President In charge of Business Solutions Planning Department and Research & Development Second in charge of Quality Assurance Division General Manager of Business Solution Division	October 1, 2024
Koichiro Kato	Director & Executive Vice President In charge of Business Solutions Planning Department, Sales, and Marketing Division General Manager of Business Solution Division	Director	October 1, 2024

(iii) Remuneration, etc. of Directors and Audit & Supervisory Board Members

A. Policy for determination of the details of officer remuneration, etc.

The meeting of the Company's Board of Directors held on April 16, 2021 approved a resolution on the policy for determination of the details of remuneration, etc. for individual Directors.

The Board of Directors also confirmed that the method for determining the details of remuneration, etc. for individual Directors for the current fiscal year and the details of remuneration, etc. determined are consistent with the policy for determination approved by the Board of Directors and that the report from the Compensation Committee was taken into consideration, and determined that the remuneration, etc. is in line with the policy on determination.

The policy on determination of the details of remuneration, etc. for individual Directors is as follows.

a. Basic policy

The basic policy on remuneration, etc. for the Company's Directors is a system of remuneration that is linked to shareholders' profits in order to increase motivation and morale to contribute to enhancement of shareholder value, in addition to functioning as an incentive for the sustainable increase of corporate value, with remuneration, etc. for individual Directors to be set at an appropriate level based on the responsibilities of each position.

More specifically, remuneration, etc. for inside Directors consists of basic remuneration as fixed remuneration and performance-linked remuneration in the form of bonus and remuneration-type stock options as non-monetary remuneration. Remuneration, etc. for Outside Directors consists of basic remuneration only in consideration of their duties.

b. Policy on determining the amount of individual remuneration, etc. for basic remuneration (monetary remuneration) (including the policy on determining the timing and conditions for granting of remuneration, etc.)

The Company pays basic remuneration as fixed compensation for Directors at a fixed time each month.

The amount of remuneration for each individual with respect to basic remuneration (fixed compensation) is based on the criteria for each position taking into consideration business performance, financial position, economic conditions, market levels, and other factors within the remuneration limit approved by a resolution of the General Meeting of Shareholders.

- c. Policy on determining the details of performance-linked remuneration, etc. and non-monetary remuneration, etc. and the method for calculating the amount and the frequency of such remuneration (including the timing and conditions for granting remuneration, etc.)

Bonus, which is performance-linked remuneration, is paid in a lump sum at a fixed time each year within the remuneration limit approved by a resolution of the General Meeting of Shareholders. The amount of bonus is calculated by using consolidated ordinary profit as the indicator for performance-linked remuneration, and multiplying a payment unit, which is calculated by multiplying incentives based on the percentage of achievement of the plan for consolidated ordinary profit achieved, by a coefficient based on the position of each Director and taking into account each Director's performance evaluation.

Consolidated ordinary profit is used as the indicator for performance-linked remuneration as it represents profit from overall management activities and is thus considered appropriate as an indicator for evaluating the execution of duties by the Directors.

- d. Policy on determining the details of non-monetary remuneration, etc. and the method for calculating the amount and the frequency of such remuneration (including the timing and conditions for granting remuneration, etc.)

Remuneration-type stock options, which are non-monetary remuneration, are stock acquisition rights with an exercise price of one yen per share that can be delivered upon exercise, and are granted once a year in principle. The number of remuneration-type stock options granted is determined based on position-specific criteria within the remuneration limit approved by a resolution of the General Meeting of Shareholders.

- e. Policy for determining the ratio of the amounts of fixed remuneration, performance-linked remuneration, etc., and non-monetary remuneration, etc. in the amount of remuneration, etc. for each individual Director

Remuneration, etc. for inside Directors consists of basic remuneration (fixed remuneration), bonus (performance-linked remuneration), and remuneration-type stock options (non-monetary remuneration). Remuneration, etc. for Outside Directors consists of basic remuneration only.

The ratio of remuneration, etc. for inside Directors is based on a comprehensive consideration of their positions and responsibilities, trends at other companies that are the same size as the Company, and other factors and is determined as a ratio that is appropriate for increasing the motivation and morale to contribute to improving shareholder value as well as functioning sufficiently as an incentive to strive for the sustainable enhancement of corporate value.

- f. Matters related to determining the details of remuneration, etc. for individual Directors

The amount of remuneration, etc. for each individual Director is determined by the Board of Directors based on the deliberations of the optional Compensation Committee within the remuneration limit approved by a resolution of the General Meeting of Shareholders. The optional Compensation Committee is composed of the Representative Director and the Outside Directors in order to ensure transparency and objectivity in determining remuneration.

B. Total amount of remuneration, etc. related to the fiscal year under review

Category	Total amount of remuneration, etc. (Millions of yen)	Total amount by type of remuneration, etc. (Millions of yen)			No. of persons paid
		Basic remuneration (fixed remuneration)	Bonus (performance-linked remuneration)	Remuneration-type stock options (non-monetary remuneration)	
Directors (excluding Outside Directors)	383	231	85	67	6
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	25	25	–	–	1
Outside Directors	31	31	–	–	4
Outside Audit & Supervisory Board Members	18	18	–	–	4

- Notes:
1. The number of Outside Audit & Supervisory Board Members includes one Outside Audit & Supervisory Board Member who resigned on December 21, 2023.
 2. Remuneration, etc. for Outside Audit & Supervisory Board Members includes basic remuneration related to the fiscal year under review for one Outside Audit & Supervisory Board Member who resigned on December 21, 2023.
 3. Consolidated ordinary profit, for which the actual results were ¥9,723 million, is used as the performance indicator for the bonus, which is performance-linked remuneration. The reasons for selecting this indicator and the method for calculating the amount paid are provided in “A. Policy for determination of the details of officer remuneration, etc.”
 4. At the 60th Annual General Meeting of Shareholders that convened on December 22, 2021, the amount of remuneration for Directors was resolved at no more than five hundred million (500,000,000) yen per annum, of which no more than 50 million (50,000,000) yen shall be paid to Outside Directors (excluding the amount of employee’s salaries portion for Directors who are also employees). The number of Directors at the conclusion of the 60th Annual General Meeting of Shareholders was eight, including three Outside Directors. Additionally, at the 60th Annual General Meeting of Shareholders that convened on December 22, 2021, the amount of remuneration for remuneration-type stock options was approved as no more than one hundred forty million (140,000,000) yen per annum (The number of Directors at the conclusion of the 60th Annual General Meeting of Shareholders was eight, including three Outside Directors).
 5. At the 40th Annual General Meeting of Shareholders that convened on December 21, 2001, the amount of remuneration for Audit & Supervisory Board Members was resolved at no more than sixty million (60,000,000) yen per annum (The number of Audit & Supervisory Board Members at the conclusion of the 40th Annual General Meeting of Shareholders was four, including three Outside Audit & Supervisory Board Members).

(iv) Matters concerning Outside Directors and Audit & Supervisory Board Members

A. Important concurrent positions and relationships with the Company

- a. Director Akiko Izumi serves concurrently as a Steering Council member of the Japan Pension Service and a Part-time Director of The Nippon Foundation. The Company has no special relationship with either of the concurrent position companies.
- b. Director Paul Dupuis serves concurrently as Board Member of HOPE International Development Agency, Japan (NGO). The Company has no special relationship with the concurrent position organization.
- c. Audit & Supervisory Board Member Tomoyoshi Arita serves as an attorney-at-law at GINZA CHUO LAW OFFICE and as External Director (Audit & Supervisory Committee Member) at WDB Holdings Co., Ltd. The Company has no special relationship with either of the concurrent position companies.
- d. Director Kazuhito Yamamura serves concurrently as Auditor of The Photographic Society of Japan. The Company has no special relationship with the concurrent position organization.
- e. Audit & Supervisory Board Member Maki Suzuki serves concurrently as an attorney-at-law of Shintaro Sato Law Office, Outside Director (Audit & Supervisory Committee Member) of Sansan, Inc., and Outside Director (Audit & Supervisory Committee Member) of nms Holdings Corporation. The Company has no special relationship with any of the concurrent position companies.

B. Main activities of the Outside Directors in the fiscal year under review

Name	Summary of attendance, statements, and duties performed with respect to the expected role
Shingo Ohkado	Shingo Ohkado attended all 12 meetings of the Board of Directors held in the fiscal year under review. Utilizing his deep insight into corporate management and extensive practical experience in international business and sales strategies, and from an objective standpoint, he sought explanations as needed and actively made the necessary statements in deliberations on proposals at the meetings of the Board of Directors. He also provided sound recommendations and expressed useful opinions at meetings of the Appointment Committee and the Compensation Committee.
Takao Yuhara	Takao Yuhara attended all 12 meetings of the Board of Directors held in the fiscal year under review. Utilizing his deep insight into corporate management and extensive practical experience in international business and finance and accounting, and from an objective standpoint, he sought explanations as needed and actively made the necessary statements in deliberations on proposals at the meetings of the Board of Directors. He also provided sound recommendations and expressed useful opinions at meetings of the Appointment Committee and the Compensation Committee.
Akiko Izumi	Akiko Izumi attended all 12 meetings of the Board of Directors held in the fiscal year under review. Utilizing her wealth of experience as a lifestyle and economic journalist and financial planner, as well as her expertise in areas such as workstyle reform, human resource development, and diversity promotion, and from an objective standpoint, she sought explanations as needed and actively made the necessary statements in deliberations on proposals at the meetings of the Board of Directors. She also provided sound recommendations and expressed useful opinions at meetings of the Appointment Committee and the Compensation Committee.
Paul Dupuis	Paul Dupuis attended nine of ten meetings of the Board of Directors held in the fiscal year under review since his appointment on December 21, 2023. Utilizing his deep insight into corporate management in Japan and overseas and extensive practical experience in international business and human resources development, and from an objective standpoint, he sought explanations as needed and actively made the necessary statements in deliberations on proposals at the meetings of the Board of Directors.

C. Main activities of the Outside Audit & Supervisory Board Members in the fiscal year under review

Name	Attendance and statements
Tomoyoshi Arita	<p>Tomoyoshi Arita attended 11 of 12 meetings of the Board of Directors and 10 of 11 meetings of the Audit & Supervisory Board held in the fiscal year under review.</p> <p>From an objective standpoint based on his extensive experience and expert knowledge as a prosecutor and attorney-at-law, he sought explanations as needed at meetings and actively made statements to ensure the appropriateness and suitability of decision-making at meetings of the Board of Directors. He also actively made the necessary statements on audit methods and other matters related to the execution of the duties of the Audit & Supervisory Board Members at meetings of the Audit & Supervisory Board.</p>
Kazuhito Yamamura	<p>Kazuhito Yamamura attended all 12 meetings of the Board of Directors and all 11 meetings of the Audit & Supervisory Board held in the fiscal year under review.</p> <p>From an objective standpoint based on his broad insight and practical experience in the field of management, he sought explanations as needed at meetings and actively made statements to ensure the appropriateness and suitability of decision-making at meetings of the Board of Directors. He also actively made the necessary statements on audit methods and other matters related to the execution of the duties of the Audit & Supervisory Board Members at meetings of the Audit & Supervisory Board.</p>
Maki Suzuki	<p>Maki Suzuki attended all ten meetings of the Board of Directors and eight of nine meetings of the Audit & Supervisory Board held in the fiscal year under review since her appointment on December 21, 2023.</p> <p>From an objective standpoint based on her extensive experience and expert knowledge as an attorney-at-law, she sought explanations as needed at meetings and actively made statements to ensure the appropriateness and suitability of decision-making at meetings of the Board of Directors. She also actively made the necessary statements on audit methods and other matters related to the execution of the duties of the Audit & Supervisory Board Members at meetings of the Audit & Supervisory Board.</p>

(3) Status of accounting auditor

(i) Name of the Company's accounting auditor

Deloitte Touche Tohmatsu LLC

(ii) Amount of remuneration, etc. for accounting auditor

	Amount of remuneration, etc. (Millions of yen)
Amount of remuneration, etc. as accounting auditor related to the fiscal year under review	46
Total amount of monetary and other financial benefits payable by the Company and its subsidiaries to the accounting auditor	53

Notes: 1. Seven of the significant subsidiaries, T. HASEGAWA U.S.A., INC., T. HASEGAWA FLAVOURS AND FRAGRANCES (SHANGHAI) CO., LTD., T. HASEGAWA FLAVOURS (SUZHOU) CO., LTD., T. HASEGAWA FLAVOURS (KUALA LUMPUR) SDN. BHD., PT. HASEGAWA FLAVOURS AND FRAGRANCES INDONESIA, T. HASEGAWA (SOUTHEAST ASIA) CO., LTD., and T. HASEGAWA FLAVOURS AND FRAGRANCES (TAIWAN) CO., LTD. are audited by an auditing firm other than Deloitte Touche Tohmatsu LLC. In addition, no significant subsidiaries are audited by Deloitte Touche Tohmatsu LLC.

2. The audit contract between the Company and the accounting auditor does not clearly distinguish between the amounts of audit remuneration, etc. for audits based on the Companies Act and those for audits based on the Financial Instruments and Exchange Act, and it is not practically possible to distinguish between them, so the total amount of remuneration, etc. as the accounting auditor for the fiscal year under review is the sum of these amounts.

(iii) Reasons for the consent of the Audit & Supervisory Board to the remuneration, etc. for the accounting auditor

Based on the Practical Guidelines for Cooperation with Independent Auditors published by Japan Audit & Supervisory Board Members Association, the Company's Audit & Supervisory Board gave its consent to the remuneration, etc. of the accounting auditor in accordance with Article 399, paragraph (1) of the Companies Act as a result of verifying changes in audit hours and audit fees by audit item and the status of audit plans and results for the past fiscal years, and considering the appropriateness of the estimates of audit hours and fees for the fiscal year under review.

(iv) Content of non-auditing services

Non-auditing services at the Company consist of advisory services, etc. related to the personnel system. There are no non-auditing services at consolidated subsidiaries.

(v) Policy on determining dismissal or non-reappointment of the accounting auditor

When the Company deems that any of the items of Article 340, paragraph (1) of the Companies Act apply to the accounting auditor, the Audit & Supervisory Board will dismiss the accounting auditor with unanimous consent of the Audit & Supervisory Board Members. Furthermore, when it is judged to be necessary, such as in the event of an impediment to the execution of the duties of the accounting auditor, based on a resolution of the Audit & Supervisory Board, the dismissal or non-reappointment of the accounting auditor shall be the purpose of the General Meeting of Shareholders.

(vi) Outline of details of contract for limitation of liability

Not applicable.

(4) Policy on determining dividends of surplus

The Company has the basic policy of returning profit to shareholders based on its business performance, while securing internal reserves necessary for further strengthening of the Group's management base and future business expansion. We previously adopted a target of around 35% for the dividend payout ratio on a consolidated basis. However, following a review, we have adjusted our basic policy to pay dividends of surplus twice a year, interim dividend and year-end dividend, targeting a payout ratio of around 40%.

The Company stipulates in the Articles of Incorporation that dividends of surplus, etc. shall be stipulated through resolutions at a Meeting of the Board of Directors in accordance with the provision of Article 459, paragraph (1) of the Companies Act, and the Board of Directors is the decision-making body for dividends of surplus.

With regard to the dividend for the fiscal year ended September 30, 2024, the Company decided to pay an annual dividend of ¥70 per share (of which, interim dividend of ¥31). As a result, the payout ratio on a consolidated basis for the fiscal year ended September 30, 2024 is 40.0%.

Internal reserves will be used for capital expenditures and effective investments to implement the globalization strategy.

Dividends of surplus for the fiscal year are as follows.

Date of resolution	Total amount of dividends (Millions of yen)	Dividends per share (Yen)
Resolution at a Board of Directors meeting held on May 10, 2024	1,275	31
Resolution at a Board of Directors meeting held on November 8, 2024	1,604	39

Consolidated Balance Sheets

(As of September 30, 2024)

(Millions of yen)

Assets		Liabilities	
Current assets	72,241	Current liabilities	14,771
Cash and deposits	27,396	Accounts payable - trade	6,324
Notes receivable - trade	2,819	Income taxes payable	1,498
Accounts receivable - trade	17,653	Provision for bonuses	2,004
Securities	6,997	Provision for bonuses for directors (and other officers)	85
Inventories	16,416	Provision for removal cost	204
Other	989	Other	4,654
Allowance for doubtful accounts	(30)	Non-current liabilities	10,051
Non-current assets	72,262	Deferred tax liabilities	840
Property, plant and equipment	36,367	Retirement benefit liability	7,480
Buildings and structures	21,463	Long-term accounts payable - other	178
Machinery, equipment and vehicles	4,758	Asset retirement obligations	69
Tools, furniture and fixtures	1,450	Other	1,481
Land	7,615	Total liabilities	24,822
Construction in progress	1,078	Net assets	
Intangible assets	22,723	Shareholders' equity	100,991
Goodwill	9,855	Share capital	5,364
Customer relationship	10,349	Capital surplus	7,513
Other	2,519	Retained earnings	90,670
Investments and other assets	13,171	Treasury shares	(2,556)
Investment securities	11,997	Accumulated other comprehensive income	18,327
Deferred tax assets	749	Valuation difference on available-for-sale securities	6,304
Retirement benefit asset	18	Foreign currency translation adjustment	12,171
Other	473	Remeasurements of defined benefit plans	(148)
Allowance for doubtful accounts	(67)	Share acquisition rights	362
Total assets	144,504	Total net assets	119,681
		Total liabilities and net assets	144,504

Consolidated Statements of Income
(Fiscal year ended September 30, 2024)

(Millions of yen)

Item	Amount	
Net sales		71,645
Cost of sales		42,001
Gross profit		29,643
Selling, general and administrative expenses		20,272
Operating profit		9,371
Non-operating income		
Interest income	282	
Dividend income	256	
Other	91	630
Non-operating expenses		
Interest expenses	24	
Provision of allowance for doubtful accounts	42	
Foreign exchange losses	171	
Other	39	277
Ordinary profit		9,723
Extraordinary income		
Gain on sale of investment securities	800	800
Extraordinary losses		
Loss on rebuilding	293	
Loss on abandonment of non-current assets	59	353
Profit before income taxes		10,170
Income taxes - current	3,526	
Income taxes - deferred	(557)	2,968
Profit		7,201
Profit attributable to owners of parent		7,201

Non-consolidated Balance Sheets

(As of September 30, 2024)

(Millions of yen)

Assets		Liabilities	
Current assets	46,859	Current liabilities	11,502
Cash and deposits	11,109	Accounts payable - trade	5,418
Notes receivable - trade	540	Lease liabilities	66
Electronically recorded monetary claims - operating	2,278	Accounts payable - other	797
Accounts receivable - trade	12,909	Accrued expenses	2,121
Securities	6,997	Income taxes payable	1,129
Merchandise	228	Provision for bonuses	1,158
Finished goods	6,710	Provision for bonuses for directors (and other officers)	85
Work in process	130	Provision for removal cost	204
Raw materials	4,888	Other	520
Supplies	278	Non-current liabilities	8,794
Other	789	Lease liabilities	1,218
Allowance for doubtful accounts	(0)	Provision for retirement benefits	7,207
Non-current assets	70,354	Long-term accounts payable - other	178
Property, plant and equipment	18,887	Asset retirement obligations	69
Buildings	9,227	Other	120
Structures	623	Total liabilities	20,297
Machinery and equipment	1,893	Net assets	
Vehicles	41	Shareholders' equity	90,249
Tools, furniture and fixtures	839	Share capital	5,364
Land	6,112	Capital surplus	7,306
Construction in progress	150	Legal capital surplus	6,554
Intangible assets	1,429	Other capital surplus	752
Software	300	Retained earnings	80,135
Other	1,128	Legal retained earnings	394
Investments and other assets	50,037	Other retained earnings	79,740
Investment securities	11,992	Reserve for tax purpose reduction entry	324
Shares of subsidiaries and associates	33,151	General reserve	28,700
Investments in capital of subsidiaries and associates	3,659	Retained earnings brought forward	50,716
Long-term loans receivable from subsidiaries and associates	749	Treasury shares	(2,556)
Deferred tax assets	249	Valuation and translation adjustments	6,304
Other	302	Valuation difference on available-for-sale securities	6,304
Allowance for doubtful accounts	(67)	Share acquisition rights	362
Total assets	117,213	Total net assets	96,916
		Total liabilities and net assets	117,213

Non-consolidated Statements of Income
(Fiscal year ended September 30, 2024)

(Millions of yen)

Item	Amount	
Net sales		42,366
Cost of sales		26,067
Gross profit		16,298
Selling, general and administrative expenses		11,383
Operating profit		4,915
Non-operating income		
Interest income	39	
Dividend income	4,592	
Other	148	4,780
Non-operating expenses		
Interest expenses	18	
Provision of allowance for doubtful accounts	42	
Foreign exchange losses	76	
Other	17	154
Ordinary profit		9,541
Extraordinary income		
Gain on sale of investment securities	800	800
Extraordinary losses		
Loss on rebuilding	293	
Loss on abandonment of non-current assets	40	334
Profit before income taxes		10,006
Income taxes - current	2,244	
Income taxes - deferred	(240)	2,003
Profit		8,003