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Securities code: 9099

June 7, 2024

(Date of commencement of measures for electronic provision: June 5, 2024)

**To Shareholders with Voting Rights:**

Hikomasa Aya  
Representative Director, President and Chief  
Executive Officer  
Chilled & Frozen Logistics Holdings Co., Ltd.  
33-8, Wakamatsu-chop, Shinjuku-koi,  
Tokyo, Japan

**NOTICE OF THE CONVOCATION OF  
THE 9th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby inform you that the 9th Annual General Meeting of Shareholders of Chilled & Frozen Logistics Holdings Co., Ltd. (the “Company”) will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information in electronic format (“measures for electronic provision”) and has posted matters subject to measures for electronic provision on the following website.

The Company website : <https://www.cflogi.co.jp/en/ir/2024/>

In addition to the Company’s website, the matters subject to measures for electronic provision are also posted on the following website.

Tokyo Stock Exchange (TSE) website (Listed Company Search)  
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

\* To view the information, please enter the issue name (Chilled & Frozen Logistics Holdings) or securities code (9099), and click on “Search,” and then click on “Basic Information” and select “Documents for public inspection/PR information.”

Online convocation service *Net de Shoshu*: <https://s.srdb.jp/9099/> (in Japanese only)

**If you are unable to attend the meeting, you may exercise your voting rights via the Internet or in writing by mail. Please review the Reference Documents for the General Meeting of Shareholders posted in the matters subject to measures for electronic provision and exercise your voting rights by 6:00 p.m. on Wednesday, June 26, 2024.**

- 1. Date and Time:** Thursday, June 27, 2024 at 10:00 a.m. (Reception opens at 9:00 a.m.)  
**2. Place:** Room “YuYu,” 2nd floor, Main building, Hotel Metropolitan Edmont Tokyo  
10-8, Iidabashi 3-chome, Chiyoda-ku, Tokyo

**3. Meeting Agenda:**

- Matters to be reported:**
1. Business Report and Consolidated Financial Statements for the Company’s 9th Fiscal Year (April 1, 2023–March 31, 2024) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company’s 9th Fiscal Year (April 1, 2023–March 31, 2024)

**Proposal to be resolved:**

- Proposal** Election of Six (6) Directors (excluding Directors Who Are Audit and Supervisory Committee Members)

**4. Matters Determined for Convocation**

- (1) If neither approval nor disapproval for the proposal is indicated on the voting rights exercise form, the Company will deem that you indicated your approval for the proposal.
- (2) If you exercise your voting rights both via the Internet and in writing, only the vote made via the Internet will be deemed valid.
- (3) If you exercise your voting rights multiple times via the Internet, only the most recent vote will be deemed valid.

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- When you attend the meeting, please kindly submit the enclosed voting right exercise form at the reception desk.
  - The Reference Documents for the General Meeting of Shareholders are sent to shareholders who have not requested the delivery of the documents.
  - The following matters are not included in the documents sent to shareholders who requested the delivery of the documents, pursuant to laws and regulations and provisions of Article 15 of the Articles of Incorporation of the Company. Accordingly, the documents are a subset of documents audited by the Audit and Supervisory Committee and the Accounting Auditor in the preparation of their respective audit reports.
    - “Systems to Ensure Appropriateness of Business Operations and Its Implementation Status” in the Business Report
    - “Consolidated Statement of Changes in Equity” and “Notes on Consolidated Financial Statements” in the Consolidated Financial Statements
    - “Non-consolidated Statement of Changes in Equity,” and “Notes on Non-consolidated Financial Statements” in the Non-consolidated Financial Statements
    - If any amendments are made to the matters subject to measures for electronic provision, such amendments will be posted on the respective websites where the matters are posted.

## Reference Documents for the General Meeting of Shareholders

### Proposal and Reference Matters

**Proposal :** Election of Six (6) Directors (excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all current six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter the same in this proposal) will expire at the close of this Annual General Meeting of Shareholders. Therefore, the Company proposes to select six (6) Directors.

The candidates for Directors are as follows:

Candidate No.	Name	
1	[Reappointment]	Hiromasa Aya
2	[Reappointment]	Akihiro Muto
3	[Reappointment]	Toru Agui
4	[New appointment]	Tsuyoshi Sugawara
5	[Reappointment]	Akihiro Mizutani [Outside] [Independent]
6	[Reappointment]	Takeshi Tanaka [Outside] [Independent]

\*For reasons for nomination of each candidate for Director, please see the career summary of each candidate.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Hiromasa Aya (May 13, 1956)  [Reappointment]	April 1980      Joined The Norinchukin Bank July 2006      Manager, Corporate Business Division V of The Norinchukin Bank April 2008      Joined Hutech norin Co., Ltd. Strategic Advisor June 2008      Managing Director; General Manager, Administrative Headquarters of Hutech norin Co., Ltd. June 2012      Senior Managing Director; General Manager, Administrative Headquarters; and Manager, Finance and Accounting Department of Hutech norin Co., Ltd. June 2014      President and Representative Director of Hutech norin Co., Ltd. October 2015   Vice President and Director in charge of sales of the Company June 2019      Vice President and Representative Director in charge of sales of the Company October 2020   President and Representative Director of the Company June 2021      Representative Director, President and Chief Executive Officer (current position)	15,112
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Hiromasa Aya served in key positions in the administration division at Hutech norin Co., Ltd., a major operating company of the Group, and then assumed the position of President and Representative Director in June 2014, where he has worked to expand the company's business. Since the foundation of the Company in 2015, he has been engaged in overall management of the Group as Vice President and Director as well as Vice President and Representative Director and has been in charge of sales based on his experience at the operating company. Accordingly, he has considerable knowledge regarding the Group and extensive experience in corporate management. Since assuming the position of President and Representative Director in October 2020, he has introduced the executive officer system to speed up management decision-making and has promoted further strengthening of the governance system. He also has exercised strong leadership in realizing the management plan that the Group is aiming for. Based on these factors, the Company expects him to continue to lead the further development and value enhancement of the Group in the future, and nominates him again as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	Akihiro Muto (November 2, 1954)  [Reappointment]	<p>March 1977      Joined Renown Incorporated</p> <p>February 1999      Manager, Accounting Department of Renown Incorporated</p> <p>March 2006      Director; Executive Officer; and General Manager, Corporate Planning Office of Renown Incorporated</p> <p>September 2010      Joined Meito Transportation Co., Ltd. Manager, Accounting Department</p> <p>June 2011      Director; Manager, Accounting Department; and Manager, Corporate Planning Department of Meito Transportation Co., Ltd.</p> <p>June 2014      Full Time Audit &amp; Supervisory Board Member of Meito Transportation Co., Ltd.</p> <p>June 2015      Director; Manager, Corporate Planning Department; and Manager, Overseas Business Department of Meito Transportation Co., Ltd.</p> <p>October 2015      Managing Director in charge of corporate planning and management; and Manager, Corporate Planning Department of the Company</p> <p>April 2017      Senior Managing Director in charge of corporate planning and management; and Manager, Corporate Planning Department of the Company</p> <p>June 2020      President and Representative Director of C&amp;F Support Service Co., Ltd. (current position)</p> <p>October 2020      Representative Senior Managing Director in charge of corporate planning and management; and Manager, Corporate Planning Department of the Company</p> <p>April 2021      Representative Senior Managing Director in charge of corporate planning and management of the Company</p> <p>June 2021      Representative Director, Senior Managing Executive Officer in charge of corporate planning and management of the Company (current position)</p>	2,400
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Akihiro Muto served in key positions in the administration and other divisions at Meito Transportation Co., Ltd., a major operating company of the Group. Since the foundation of the Company in 2015, he has been engaged in overall management of the Group as Managing Director as well as Senior Managing Director and has been in charge of corporate planning and management based on his broad insight. Accordingly, he has considerable knowledge regarding the Group and extensive experience in corporate management. Since assuming the position of Representative Senior Managing Director in October 2020, he has promoted the integration of personnel systems in the administration division and review of financial strategies. He also has exercised strong leadership in realizing the management plan that the Group is aiming for.</p> <p>Based on these factors, the Company expects him to continue to lead the further development and value enhancement of the Group in the future, and nominates him again as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Toru Agui (October 18, 1965)  [Reappointment]	<p>April 1987      Joined Hutech norin Co., Ltd.</p> <p>April 2004      Manager, Sales Development Department of Hutech norin Co., Ltd.</p> <p>June 2006      Executive Officer; and Manager, Sales Development Department of Hutech norin Co., Ltd.</p> <p>April 2016      Director; General Manager, Sales Headquarters; and Manager, Kanto Sales Department of Hutech norin Co., Ltd.</p> <p>June 2018      Managing Director; General Manager, Sales Headquarters; and Manager, Kanto Sales Department of Hutech norin Co., Ltd.</p> <p>April 2019      Senior Managing Director; General Manager, Sales Headquarters; and Manager, Kanto Sales Department of Hutech norin Co., Ltd.</p> <p>April 2020      Senior Managing Director; and General Manager, Sales Headquarters of Hutech norin Co., Ltd.</p> <p>October 2020    President and Representative Director; and General Manager, Sales Headquarters of Hutech norin Co., Ltd. (current position)</p> <p>June 2021      Director of the Company (current position)</p> <p>[Significant concurrent positions] President and Representative Director; and General Manager, Sales Headquarters of Hutech norin Co., Ltd.</p>	7,800
<p>[Reasons for nomination as a candidate for Director] Mr. Toru Agui served in key positions in the sales division at Hutech norin Co., Ltd., a major operating company of the Group. Then he assumed the position of President and Representative Director in October 2020 and has been striving to expand the business of the Group. He has also been involved in the overall management of the Group as the Director of the Company since June 2021. Accordingly, he has considerable knowledge regarding the Group and extensive experience in corporate management. Since assuming the position of Director of the Company, he has focused on strengthening the Group's capabilities and has promoted measures to strengthen the earnings base as the person in charge of whole business at the operating company. He also has exercised strong leadership in the realization. Based on these factors, the Company expects him to continue to lead the further development and value enhancement of the Group in the future, and nominates him again as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	<p>Tsuyoshi Sugawara (February 7, 1965)</p> <p>[New appointment]</p>	<p>April 1991      Joined Meito Transportation Co., Ltd.</p> <p>June 2009      Manager, General Affairs Department of Meito Transportation Co., Ltd.</p> <p>April 2010      Manager, Sales 2 Department of Meito Transportation Co., Ltd.</p> <p>December 2014      President of Meito Vietnam Co., Ltd.</p> <p>October 2015      Executive Officer of Meito Transportation Co., Ltd.; and President of Meito Vietnam Co., Ltd.</p> <p>September 2016      Executive Officer of Meito Transportation Co., Ltd.; President of Meito Vietnam Co., Ltd.; and President of T&amp;M Transportation Co., Ltd.</p> <p>April 2018      Executive Officer; and Manager, Overseas Sales Department of Meito Transportation Co., Ltd.</p> <p>June 2018      Director; Vice General Manager, Sales Headquarters; and Manager, Overseas Sales Department of Meito Transportation Co., Ltd.</p> <p>April 2019      Director; Vice General Manager, Sales Headquarters; Manager, Overseas Sales Department; and Manager, Sales Planning Department of Meito Transportation Co., Ltd.</p> <p>June 2021      Managing Director; Vice General Manager, Sales Headquarters; and Manager, Overseas Sales Department of Meito Transportation Co., Ltd.</p> <p>June 2022      Managing Executive Officer; and General Manager, Administrative Division of the Company</p> <p>June 2023      Managing Executive Officer; General Manager, Administrative Division; and General Manager, Asset Management Department of the Company (current position)</p>	3,600
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Tsuyoshi Sugawara served in key positions in the sales and administration divisions, overseas business operations at Meito Vietnam Co., Ltd., etc. at Meito Transportation Co., Ltd., a major operating company of the Group. Then, he assumed the position of Managing Executive Officer and General Manager of Administrative Division of the Company in June 2022, where he has worked to enhance corporate value while overseeing general affairs, HR, and finance and accounting departments. Based on his experience and accomplishments, the Company expects him to lead the further enhancement of corporate value of the Group, and newly nominates him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	<p>Akihiro Mizutani (December 27, 1942)</p> <p>[Reappointment] [Outside]</p>	<p>April 1965      Joined Meito Sangyo Co., Ltd.</p> <p>June 1999      Director; and Manager, Food Development Department of Meito Sangyo Co., Ltd.</p> <p>June 2001      Director; and Manager, General Affairs Department of Meito Sangyo Co., Ltd.</p> <p>October 2002    Managing Director; and Manager, General Affairs Department of Meito Sangyo Co., Ltd.</p> <p>April 2003      Representative Director; and Manager, General Affairs Department of Meito Sangyo Co., Ltd.</p> <p>June 2003      President and Representative Director of Meito Sangyo Co., Ltd.</p> <p>June 2014      Chairman and Director of Meito Sangyo Co., Ltd. Outside Director of Meito Transportation Co., Ltd.</p> <p>June 2015      Senior Advisor of Meito Sangyo Co., Ltd.</p> <p>October 2015    Outside Director of the Company (current position)</p>	-
<p>[Reasons for nomination as a candidate for Outside Director and overview of expected roles] Mr. Akihiro Mizutani has long extensive experience and deep insight as top management of a food manufacturer and provides advice for improvement of logistics and other recommendations to ensure the validity and appropriateness of decision-making by the Board of Directors. The Company believes that as an Outside Director he will continue to utilize his experience and knowledge to realize the management plan envisioned by the Group and contribute to enhancing the decision-making and supervisory functions of the Board of Directors, and nominates him again as a candidate for Outside Director. He will have served as Outside Director for eight (8) years and nine (9) months at the close of this General Meeting of Shareholders.</p>			



No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6	<p>Takeshi Tanaka (February 2, 1954)</p> <p>[Reappointment] [Outside]</p>	<p>April 1977      Joined Nosan Corporation</p> <p>April 2000      Manager, Iodine-enriched Egg Department; and Manager, Processed Food Department of Nosan Corporation</p> <p>April 2003      Manager, Biotechnology Department of Nosan Corporation</p> <p>April 2006      Manager, Corporate Planning Office of Nosan Corporation</p> <p>April 2007      Executive Officer, Manager, Corporate Planning Office of Nosan Corporation</p> <p>May 2008      Executive Officer, Manager, Corporate Planning Office; and Manager, Overseas Business Office of Nosan Corporation</p> <p>June 2009      Managing Director in charge of Corporate Planning/Overseas Business/R&amp;D/LifeTech Business of Nosan Corporation</p> <p>April 2011      Representative Director, President and CEO of Nosan Corporation</p> <p>April 2015      Director, Advisor of Nosan Corporation</p> <p>June 2015      Advisor of Nosan Corporation</p> <p>April 2017      Independent Consultant (current position)</p> <p>June 2023      Outside Director of the Company (current position)</p>	-
<p>[Reasons for nomination as a candidate for Outside Director and overview of expected roles] Mr. Takeshi Tanaka has long extensive experience and deep insight in corporate planning and overseas business, in addition to a wealth of accomplishments and experience as a corporate executive over many years. He has provided accurate suggestions and advice from an objective and professional perspective to realize the management plan envisioned by the Group. The Company believes that as an Outside Director he will contribute to enhancing the decision-making and supervisory functions of the Board of Directors, and nominates him again as a candidate for Outside Director. He will have served as Outside Director for one (1) year at the close of this General Meeting of Shareholders.</p>			

- Notes:
1. There is no special interest between each of the candidates for Directors and the Company.
  2. Mr. Tsuyoshi Sugawara is scheduled to assume the post of President and Representative Director of the Company's subsidiary Meito Transportation Co., Ltd. at the 65th Annual General Meeting of Shareholders of the said company to be held on June 13, 2024.
  3. Mr. Akihiro Mizutani and Mr. Takeshi Tanaka are candidates for Outside Director.  
The Company has designated Mr. Akihiro Mizutani and Mr. Takeshi Tanaka as independent officers as stipulated by the rules of the Tokyo Stock Exchange and has notified the said exchange of their appointment. If the election of Mr. Akihiro Mizutani and Mr. Takeshi Tanaka is approved, the Company plans to notify the said exchange of their reappointment as independent officers.
  4. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Akihiro Mizutani and Mr. Takeshi Tanaka to limit their liabilities for damage stipulated in Article 423, Paragraph 1 of the said Act. The limit of liability for damage under the agreement is the minimum liability amount stipulated in laws and regulations. If the election of Mr. Akihiro Mizutani and Mr. Takeshi Tanaka is approved, the Company plans to continue the liability limitation agreement with them.
  5. The Company has entered into a directors and officers liability insurance policy pursuant to the provisions of Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insureds of the policy include all Directors and Executive Officers of the Company and all Directors and Audit and Supervisory Board Members of the Company's consolidated subsidiaries. The policy will cover damages, litigation costs, and other expenses incurred by the insured in cases where the insured receives a claim for damages arising from an act or an omission committed by the insured in his or her capacity as a director or officer of the company. The full amount of the insurance premiums is borne by the Company. If each candidate is elected and assumes the position of Director, such Director will become an insured person under the insurance policy. In addition, the Company plans to renew the insurance policy under the same terms and conditions at the next renewal.

■ **Opinion of the Audit and Supervisory Committee**

Regarding the election and compensation of Directors (excluding Directors who are Audit and Supervisory Committee Members) of the Company, all four (4) Audit and Supervisory Committee Members participate in deliberations at meetings as members of the Nomination and Compensation Committee, which has been voluntarily established. As a result of discussions based on the deliberations by the Nomination and Compensation Committee, the Audit and Supervisory Committee has determined that there are no matters to be particularly pointed out with respect to either the election or the compensation.

<<Reference>>

(1) Main experience and skills of Directors of the Company (Skill Matrix)

If the Proposal is approved as proposed, the Skill Matrix will be as follows.

Name	Outside	Nomination and Compensation Committee Member	Basic skills					Industry skills	
			Corporate management	Finance and Accounting	Personnel and Labor	Legal and Compliance	Internationality	Logistics business	Safety and Quality
Hiomasa Aya		○	●	●	●	●	●	●	
Akihiro Muto			●	●	●	●	●	●	
Toru Agui			●			●		●	●
Tsuyoshi Sugawara			●	●	●	●	●	●	●
Akihiro Mizutani	○	○	●			●			
Takeshi Tanaka	○	○	●			●	●		
Kenichi Sugita	○	○		●		●	●	●	
Nobuyuki Takagi	○	○		●		●			
Michiho Tachi	○	○			●	●			
Shiro Toba	○	○		●		●			

(Note) The list of skill matrix indicates the main experience or skills that each Director has in the management structure (planned) after this Annual General Meeting of Shareholders. We will continue to examine the expertise and composition balance of Directors in the future.

(2) Views on the skill items for the Company's Board of Directors

- 1) The skills of "finance and accounting," "personnel and labor," and "legal and compliance" are the basic skills that the Board of Directors should possess. Global knowledge, or the so-called "internationality" skills, are also essential because the Group operates in the country of Vietnam.
- 2) The industry skill that the Board of Directors should possess is an understanding of the cold chain logistics industry (the logistics business) in which the Group operates to properly make important decisions on and supervise business execution. We also consider "safety and quality" initiatives to be important, given that the Group's management philosophy states that "ensuring safety shall be the basis of all our operations."
- 3) We expect Outside Directors (Directors who are not Audit and Supervisory Committee Members) to have "corporate management" skills. We also expect Directors who are Audit and Supervisory Committee Members to have expertise skills in "finance and accounting," "legal and compliance," and other relevant fields.

(Appendix)

# Business Report

(April 1, 2023 - March 31, 2024)

## I. Overview of the Group

### 1. Business Progress and Results

As for the Japanese economy during the fiscal year under review, social activities fully resumed in wake of reclassification of COVID-19 to Class 5 under the Infectious Diseases Control Law. On the other hand, outlooks remain uncertain due to a slowdown of consumer spending along with high price of raw materials and energies on the background of unstable international circumstances, a prolonged depreciation of Japanese yen, and a continuing increase in any costs, including labor cost.

In the cold chain logistics for food products industry, which is the Group's principal focus, while food manufacturers mainly have passed an increase in costs to product prices to a certain extent, the handling volume of household chilled and frozen foods showed slow growth as consumers have been cutting down on their spending and selecting purchases more rigidly. However, the handling volume of commercial products has been recovering by the revitalization in the flow of people.

Amid these changes in social and economic environments, from April in 2022, the Group began its 3<sup>rd</sup> Medium-Term Management Plan from FY2022 to FY2024. Setting as basic policy "Achieving sustainable low temperature zone logistics, meeting the needs of new cold-chains," the Group strives to expand new business of growing fields such as E-commerce related logistics and Pharmaceutical logistics, and to strengthen the existing business through some initiatives such as acquiring new facilities.

Additionally, in light of the diversification of distribution channels for low-temperature products, the Group revised the 3<sup>rd</sup> Mid-term Management Plan as a 3-year plan from FY2023 to FY2025, as announced on June 16, 2023. While continuing to promote the implementation of effective measures to sustain the food lifelines and realize the prosperous society with its function for chilled and frozen logistics, the Group added the following items as important measures and planned an additional investment of approximately 10 billion yen to achieve them:

- (i) Investing in the development and introduction of new technologies in order to raise the productivity in respect of labor-saving and address the environmental issues as sustainability initiatives
- (ii) Accelerating the growth speed by promoting the investment in businesses such as overseas business, E-commerce related logistics and pharmaceutical logistics, and by business alliance with other companies
- (iii) Enhancing profitability and expanding business volumes by both organic and inorganic growth including through the M&A that contributes to strengthening the existing business

As a result of the above, operating revenue was ¥116,028 million (up 2.4% year-on-year), operating profit was ¥4,777 million (up 8.5% year-on-year), and ordinary profit was ¥5,194 million (up 5.3% year-on-year). Profit attributable to owners of parent was ¥3,283 million (up 7.4% year-on-year).

### 2. Capital Investment

The total amount of the Group's capital investment, including leased assets, was ¥12,726 million for the fiscal year under review and major capital investments are as follows.

Major capital investment projects during the fiscal year under review  
Hutech norin Co., Ltd.

Construction of the Joint Distribution Center for Kinki Region, Kansai Branch, etc.

Other major capital investments include purchase of vehicles.

### 3. Financing

The above investments were self-financed as well as financed through borrowings including a syndicated loan involving The Norinchukin Bank as the lead manager.

#### 4. Issues to Be Addressed

Social activities fully resumed with revitalization in the flow of people. On the other hand, the outlook for the Japanese economy remains uncertain due to the slowdown of consumer spending owing to high price of raw materials and energies on the background of unstable international circumstances, the prolonged depreciation of Japanese yen, and the continuing increase in any costs, including labor cost. Additionally, as actions for climate change are globally required, the sustainability of corporate activities is getting more and more important. In this regard, companies listed on the Tokyo Stock Exchange's Prime Market are particularly urged by society and the market to grow with a sustainability perspective.

In the cold chain logistics for food products industry, which is the Group's principal focus, the market environment has been rapidly changing. While food manufacturers mainly have passed an increase in costs to product prices to a certain extent, the handling volume of household chilled and frozen foods showed slow growth as consumers have been cutting down on their spending and selecting purchases more rigidly. However, the handling volume of commercial products has been recovering, and distribution channels including E-commerce are being diversified. At the same time, a decrease in logistics resources such as human resources, represented by the so-called "2024 issues" on logistics industry is concerning. Thus, business continuity risk for logistics operators is higher than ever before.

Amid these changes in social and economic environments, from April in 2022, the Group began its 3<sup>rd</sup> Medium-Term Management Plan from FY2022 to FY2024. Setting as basic policy "Achieving sustainable low temperature zone logistics, meeting the needs of new cold-chains," the Group strives to expand new business of growing fields such as E-commerce related logistics and Pharmaceutical logistics, and to strengthen the existing business through some initiatives such as acquiring new facilities.

[The 3rd Medium-Term Management Plan] (FY2022–FY2024)

Basic Strategy (Key Measures)

- (1) Building a Sustainable Logistics Business
  - (i) Protect food lifelines and promote logistics operations that contribute to the creation of a prosperous society.
  - (ii) Build a logistics infrastructure that is friendly to the global environment toward the realization of a decarbonized society.
  - (iii) Emphasize diversity and create a comfortable and rewarding workplace environment for all employees.
- (2) Enhancing Corporate Value through Strategic Financial Structure
  - (i) Actively optimize the balance between capital and liabilities and conduct management that maintains and continues ROE of 8% or higher.
  - (ii) In order to improve capital efficiency, make appropriate capital allocation, and at the same time, make investment with an awareness of capital cost.
  - (iii) Improve the value of shares by further enhancing shareholder returns and dialogue with shareholders.
- (3) Strengthening the Functions and Earnings Base of Existing Businesses Centered on the Joint Delivery Business
  - (i) Promote the strengthening of the profit structure of the joint delivery business by reorganizing the network and developing new functions.
  - (ii) Beyond the framework of conventional business models for each operating company, such as "shippers and customers" or "temperature zones," build a new joint delivery business and acquire business opportunities.
  - (iii) Reorganize and strengthen existing business models that meet the needs of customers and markets.
- (4) Promoting Investment in Growing Fields
  - (i) Promote the injection of management resources into growing markets, including expansion into EC-related logistics.

- (ii) Expand new business domains utilizing temperature control technology.
- (iii) In overseas business, invest in projects that can be expected to achieve stable growth, while increasing sensitivity to country risk.

Additionally, in light of the diversification of distribution channels for low-temperature products, the Group revised the 3<sup>rd</sup> Mid-term Management Plan as a 3-year plan from FY2023 to FY2025, as announced on June 16, 2023. While continuing to promote the implementation of effective measures to sustain the food lifelines and realize the prosperous society with its function for chilled and frozen logistics, the Group added the following items as important measures and planned an additional investment of approximately 10 billion yen to achieve them:

- (i) Investing in the development and introduction of new technologies in order to raise the productivity in respect of labor-saving and address the environmental issues as sustainability initiatives
- (ii) Accelerating the growth speed by promoting the investment in businesses such as overseas business, E-commerce related logistics and pharmaceutical logistics, and by business alliance with other companies
- (iii) Enhancing profitability and expanding business volumes by both organic and inorganic growth including through the M&A that contributes to strengthening the existing business

Furthermore, the Group announced in March 15, 2024, “Notice concerning action to implement management that is conscious of cost of capital and stock price.” Following the 3<sup>rd</sup> Medium-Term Management Plan from April 2022, based on the maximum use of its accumulated business experiences of low-temperature logistics, the Group aims achieving ¥200 billion of operating revenue as a long-term target by expanding growth fields more actively with an unconventional idea and establishing a sustainable logistical infrastructure with the expansion of the capacity of existing cold-chain business for foods, in which continuous demands are expected. At the same time, the Group will respond to requests from society and the market by accelerating efforts to reduce CO2 emissions and labor-saving initiatives by automation and digital transformation (DX) to realize a corporate growth that ensures sustainability.

## 5. Status of Assets and Income

### (1) The Group

(Millions of yen, unless otherwise specified)

Item	6th fiscal year (ended March 31, 2021)	7th fiscal year (ended March 31, 2022)	8th fiscal year (ended March 31, 2023)	9th fiscal year (ended March 31, 2024) (FY under review)
Operating profit	110,449	110,868	113,350	116,028
Ordinary profit	5,675	5,105	4,935	5,194
Profit attributable to owners of parent	3,678	3,316	3,057	3,283
Earnings per share (yen)	145.97	132.59	124.23	139.80
Total assets	85,059	88,559	91,351	105,506
Net assets	43,212	45,697	47,647	46,801
Net assets per share (yen)	1,697.63	1,816.72	1,912.73	2,130.53

- Notes:
1. The number of shares used to calculate earnings per share is the average total number of shares outstanding (excluding the number of treasury shares) during the period. The number of shares used to calculate net assets per share is the total number of shares outstanding (excluding the number of treasury shares) at the end of the period.
  2. The Company has introduced the stock benefit trust since the 6th fiscal year. The Company's shares held by the trust are included in treasury shares. In calculating earnings per share, the Company's shares held by the trust are included in treasury shares to be deducted from the average number of shares during the period.
  3. The Group has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and other standards from the beginning of the 7th fiscal year.

### (2) The Company

(Millions of yen, unless otherwise specified)

Item	6th fiscal year (ended March 31, 2021)	7th fiscal year (ended March 31, 2022)	8th fiscal year (ended March 31, 2023)	9th fiscal year (ended March 31, 2024) (FY under review)
Operating profit	4,471	4,551	4,503	4,339
Ordinary profit	2,528	2,617	2,369	2,146
Profit	2,508	2,623	2,342	2,093
Earnings per share (yen)	99.54	104.88	95.20	89.13
Total assets	47,434	49,739	52,666	63,338
Net assets	31,886	33,590	34,949	32,163
Net assets per share (yen)	1,273.71	1,357.93	1,427.02	1,492.00

- Notes:
1. The number of shares used to calculate earnings per share is the average total number of shares outstanding (excluding the number of treasury shares) during the period. The number of shares used to calculate net assets per share is the total number of shares outstanding (excluding the number of treasury shares) at the end of the period.
  2. The Company has introduced the stock benefit trust since the 6th fiscal year. The Company's shares held by the trust are included in treasury shares. In calculating earnings per share, the Company's shares held by the trust are included in treasury shares to be deducted from the average number of shares during the period.
  3. The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and other standards from the beginning of the 7th fiscal year.

## 6. Principal Parent Company and Subsidiaries

(1) Parent Company  
Not applicable

(2) Principal Subsidiaries

(Millions of yen, unless otherwise specified)

Company name	Share capital	Voting right ratio	Main businesses
Meito Transportation Co., Ltd.	2,176	100%	<ul style="list-style-type: none"> <li>· General motor truck transportation business</li> <li>· Administrative operation of distribution centers</li> </ul>
Hutech norin Co., Ltd.	1,217	100%	<ul style="list-style-type: none"> <li>· Storage of low temperature food and joint delivery</li> <li>· Operation of distribution centers and making deliveries to stores</li> </ul>
C&F Support Service Co., Ltd.	80	100%	<ul style="list-style-type: none"> <li>· Insurance agency business</li> <li>· Real estate business</li> </ul>

(3) Matters regarding specified wholly owned subsidiary as of the end of fiscal year under review

(Millions of yen)

Name	Hutech norin Co., Ltd.
Address	33-8, Wakamatsu-cho, Shinjuku-ku, Tokyo
Book value of shares of a specified wholly owned subsidiary held by the Company and its wholly owned subsidiaries	18,174
The Company's total assets	63,338

## 7. Principal Business (As of March 31, 2024)

TC Business (Transfer Center Business)	<p>Transfer type business includes operating logistics centers for low-temperature food products, mostly chilled products, and making deliveries by refrigerator vehicles.</p> <p>Operating 24 hours a day, 365 days a year to realize short lead time from order to delivery, enabling response at any hour of the day. Chilled products have short expiration date, from warehousing to shipment, and are barely kept as inventories in the warehouse. They represent the transfer type business model.</p>
DC Business (Distribution Center Business)	<p>Storage type business mainly includes operating storing, handling, and making deliveries of frozen products integrally.</p> <p>Storing miscellaneous cargos in the Company's warehouses, as well as conducting change of ownership and sorting according to vehicles and destinations. Making deliveries by freezer vehicles. Frozen food products have low turnover ratio and are often kept as inventories in the warehouse. They represent the storage type business model.</p>
Other	<p>Operating transportation of cash, valuables and important documents such as bills handled by banking institutions in the Tokyo metropolitan area based on the Security Services Act. Operating delivery and pickup of linens for hospitals, making delivery of at-home nursing care products to homes. Temporary staffing services dedicated to logistics businesses such as crews, warehouse operators and clerks. Insurance agency services for the Group and business partners, childcare services, etc.</p>



## 8. Principal Business Locations (As of March 31, 2024)

### (1) The Company

Headquarters: 33-8, Wakamatsu-cho, Shinjuku-ku, Tokyo

### (2) Subsidiaries

Name	Address
Meito Transportation Co., Ltd.	33-8, Wakamatsu-cho, Shinjuku-ku, Tokyo
Hutech norin Co., Ltd.	33-8, Wakamatsu-cho, Shinjuku-ku, Tokyo
C&F Support Service Co., Ltd.	33-8, Wakamatsu-cho, Shinjuku-ku, Tokyo

## 9. Employees (As of March 31, 2024)

### (1) Employees of the Group

Number of employees	Change from the end of the previous year
5,998 persons (fulltime)	Up 82 persons
5,474 persons (temporary, yearly mean)	Up 68 persons

### (2) Employees of the Company

Number of employees	Change from the end of the previous year	Average age of all employees	Average years of employment for all employees
108 persons (fulltime)	Down 55 persons	40 years and 3 months	5 years and 9 months
9 persons (temporary, yearly mean)	- person		

## 10. Major Lenders (As of March 31, 2024)

(Millions of yen)

Lenders	Amount of borrowings outstanding
Syndicated loan	11,000
The Norinchukin Bank	5,555
MUFG Bank, Ltd.	3,392
Mizuho Bank, Ltd.	1,794
Sumitomo Mitsui Trust Bank, Limited	1,078
Meiji Yasuda Life Insurance Company	392

Note: The syndicated loan above is co-financing from The Norinchukin Bank, as the lead manager, and other 14 companies.

## **11. Other Significant Issues Concerning the Group**

With respect to a tender offer commenced on May 2, 2024, for the common shares of the Company (the “Tender Offer”) as a part of the certain series of transactions conducted for the purpose to make AZ-COM MARUWA Holdings Inc. become the sole shareholder of the Company (the “Transaction”), at the meeting of the Board of Directors held on 7, May 2024, by all Directors’ unanimous resolution, the Company resolved to withhold at this stage their opinion regarding the Tender Offer.

The Company has received by the day of this announcement several sincere counterproposals for the Transaction, and our Board of Directors will reiterate our opinion on the Tender Offer after careful consideration of whether the Tender Offer is conducive to securing and enhancing our corporate value, and whether the Tender Offer has those terms and conditions that are as favorable as possible for our shareholders, including comparisons with such sincere counterproposals.

## II. Shares of the Company

### 1. Status of Shares (As of March 31, 2024)

- (1) Total number of shares authorized to be issued 100,000,000 shares
- (2) Total number of shares outstanding 25,690,766 shares (including 4,019,772 treasury shares)
- (3) Number of shareholders 7,800 persons
- (4) Major shareholders (Top 10)

Name of shareholder	Number of shares held	Shareholding ratio
	Thousand shares	%
The Master Trust Bank of Japan, Ltd. (Account in Trust)	2,090	9.64
KYODO MILK INDUSTRY CO., Ltd.	1,491	6.88
Maruha Nichiro Corporation	1,175	5.42
Chilled and Frozen Logistics Holdings Employee Stock Ownership Plan	863	3.98
The Norinchukin Bank	851	3.92
The Kyoei Fire and Marine Insurance Company, Limited	842	3.88
Chilled and Frozen Logistics Holdings Trading Partner Stock Ownership Plan	831	3.83
JA MITSUI LEASING, LTD.	746	3.44
Masaru Wasami	728	3.36
Custody Bank of Japan, Ltd. (Account in Trust)	623	2.87

- Notes: 1. The Company has 4,019,772 treasury shares, which are excluded from the above list. The shareholding ratio above is calculated excluding the said number of treasury shares.
2. The treasury shares above do not include 113,800 shares of the Company owned by Sumitomo Mitsui Trust Bank, Limited (sub-trustee: Custody Bank of Japan, Ltd.) established for performance-linked stock compensation plan.
3. Number of shares held smaller than 1,000 are rounded down. The shareholding ratio is rounded to the second decimal place.

### 2. Matters Regarding Shares Granted to Company Officers during the Fiscal Year as Consideration for Performance of Duties

Not applicable.

### 3. Matters Regarding Share Acquisition Rights

Not applicable

### III. Company Officers

#### 1. Directors (as of March 31, 2024)

Title	Name	Responsibilities and significant concurrent positions
Representative Director	Hiromasa Aya	President and Chief Executive Officer
Representative Director	Akihiro Muto	Senior Managing Executive Officer in charge of corporate planning and management President and Representative Director of C&F Support Service Co., Ltd.
Director	Ichiro Yata	President and Representative Director; and General Manager, Sales Headquarters of Meito Transportation Co., Ltd.
Director	Toru Agui	President and Representative Director; and General Manager, Sales Headquarters of Hutech norin Co., Ltd.
Director	Akihiro Mizutani	
Director	Takeshi Tanaka	
Director (Full-time Audit and Supervisory Committee Member)	Kenichi Sugita	Audit and Supervisory Board Member of Hutech norin Co., Ltd. Audit & Supervisory Board Member of Meito Transportation Co., Ltd. Audit and Supervisory Board Member of C&F Support Service Co., Ltd.
Director (Audit and Supervisory Committee Member)	Nobuyuki Takagi	Outside Director of NAKANO REFRIGERATORS CO., LTD. Outside Director (Audit & Supervisory Committee Member) of ELAN Corporation
Director (Audit and Supervisory Committee Member)	Michiho Tachi (professionally goes by Michiho Takamura)	Attorney at Law, Shitara Sakamoto Law Office Audit and Supervisory Board Member of Coop Meat Co., Ltd. Outside Audit and Supervisory Board Member of Zen-Noh Energy Co., Ltd. Outside Director (Audit & Supervisory Committee Member) of CAREER CO., LTD.
Director (Audit and Supervisory Committee Member)	Shiro Toba	Representative of Toba Public Accounting Office Representative Director of Minori Accounting Co., Ltd. Director of Majestic, Inc. Director of Keystone Partners Co., Ltd.

- Notes:
1. Mr. Takeshi Tanaka was newly appointed at the 8th Annual General Meeting of Shareholders held on June 28, 2023 and assumed the office.
  2. Directors Akihiro Mizutani and Takeshi Tanaka, and Directors (Audit and Supervisory Committee Members) Kenichi Sugita, Nobuyuki Takagi, Michiho Tachi, and Shiro Toba are Outside Directors.
  3. Director (Audit and Supervisory Committee Member) Kenichi Sugita possesses considerable knowledge of finance gained through his years of experience at a financial institution. Director (Audit and Supervisory Committee Member) Nobuyuki Takagi possesses considerable knowledge mainly of finance and accounting gained through his years of experience at a securities company and other institutions. Director (Audit and Supervisory Committee Member) Michiho Tachi possesses professional knowledge and experience as a lawyer. Director (Audit and Supervisory Committee Member) Shiro Toba possesses professional knowledge and experience as a certified public accountant.
  4. The Company has designated the following Directors as Independent Directors under the provisions of the Tokyo Stock Exchange: Directors Akihiro Mizutani and Takeshi Tanaka, and Directors (Audit and

Supervisory Committee Members) Nobuyuki Takagi, Michiho Tachi, and Shiro Toba, and has notified the Tokyo Stock Exchange to that effect.

5. To reinforce the audit and supervision functions of the Audit and Supervisory Committee, the Company has selected Mr. Kenichi Sugita as a full-time Audit and Supervisory Committee Member so that we can collect information from Directors (excluding Audit and Supervisory Committee Members), share information at important internal meetings, and achieve close cooperation with the Audit Office and the Internal Control Division.
6. Executive officers who are not Directors are as follows:

Title	Name	Job title
Managing Executive Officer	Tadashi Sakamitsu	Research and Development, General Manager, Advanced Technology Promotion Department
Managing Executive Officer	Shigeaki Sakauchi	Sustainability, General Manager, Sustainability Promotion Department
Managing Executive Officer	Tsuyoshi Sugawara	General Manager, Administration Division, General Manager, Asset Management Department
Executive Officer	Morikazu Wakatabe	Security and Quality Management
Executive Officer	Takaaki Yamamiya	General Manager, Corporate Planning Department
Executive Officer	Yuzo Koyama	General Manager, Human Resources Department
Executive Officer	Kenichiro Sakai	General Manager, Public Relations and Investor Relations Department

## 2. Outline of Liability Limitation Agreement

Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Outside Directors Akihiro Mizutani and Takeshi Tanaka, and Directors (Audit and Supervisory Committee Members) Kenichi Sugita, Nobuyuki Takagi, Michiho Tachi, and Shiro Toba to limit their liability for damages under Article 423, Paragraph 1 of the said Act. The limit of liability for damages under the said agreement is the minimum liability amount stipulated by laws and regulations.

## 3. Outline of Directors and Officers Liability Insurance Agreement

The Company has entered into a directors and officers liability insurance policy pursuant to the provisions of Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insureds of the policy include all Directors and Executive Officers of the Company and all Directors and Audit and Supervisory Board Members of the Company's consolidated subsidiaries. The policy will cover damages, litigation costs, and other expenses incurred by the insured in cases where the insured receives a claim for damages arising from an act or an omission committed by the insured in his or her capacity as a director or officer of the company. However, the policy does include certain exemption clauses, such as no compensation given to damage attributable to acts in violation of laws and regulations that were carried out with full knowledge of their illegality. As such, the Company has taken measures to ensure the appropriateness of the performance of Directors and other officers. The full amount of the insurance premiums is borne by the Company.

## 4. Compensation, etc. for Directors for FY 2023

- (1) Matters Regarding Policies for Determining Contents of Individual Directors' Compensations, etc.

The Company set forth its policies for determining the contents of individual Directors' compensations (hereinafter, the "Determination Policies") at the Board of Directors meeting held on May 25, 2022. The outline of the policies is shown below.

The Compensation Committee has deliberated the proposal for the contents of individual Directors'

compensations for FY2023. The Board of Directors of the Company also has determined that the contents have been determined in accordance with the policies shown below.

- 1) Basic Policy
  - a. Compensation shall be paid based on the practices of the basic strategies of management plan.
  - b. Compensation shall be sufficiently competitive for hiring (appointing) excellent human resources as a corporate manager.
  - c. The compensation system shall be sufficiently competitive for Directors to be motivated so that it will lead to contribution to maximizing the corporate value in the long term.
  - d. The compensation system shall have high transparency, fairness, and rationality for the Company to be able to fulfill its accountability to stakeholders including shareholders.
  - e. To ensure transparency, fairness, and rationality of individual Directors' compensations, the Company shall consult the Compensation Committee about all officers' compensations.
  - f. The purpose of compensation shall be clarified to build a compensation system based on the roles of each individual officer.
  - g. The Company shall annually verify the appropriateness of the level of officers' compensation under the officers' compensation system by using compensations of other companies of the same size in the same industry as a benchmark based on the result of a survey on officers' compensations in which domestic companies participate.
  - h. The compensation of Directors (excluding Directors who are Audit and Supervisory Board Members) shall consist of basic compensation, which is a fixed compensation, performance-linked compensation, and non-monetary compensation. The compensations of Directors (Audit and Supervisory Board Members) and Outside Directors shall only be basic compensation based on the roles and responsibilities of each individual, taking into account their advice provided for the Group's management from objective perspectives.
  
- 2) Policy for Determining the Amount of Individual Compensation, etc. of Basic Compensation (Monetary)
  - a. The basic compensation of the Director of the Company shall be monthly fixed compensation and determined through mutual consultation, after consultation with the Compensation Committee, based on respective roles and responsibilities within the range of the total of compensations stipulated by the resolution of the General Meeting of Shareholders.
  
- 3) Policy for Determining the Contents and Method of Calculating the Amount and Number of Performance-linked Compensation, etc. and Non-monetary Compensation, etc.
  - a. Performance-linked compensation shall be monetary compensation that reflects performance indicator to further raise incentives to improve performance.
  - b. As performance indicators, the Company shall use consolidated operating income, consolidated operating margin, and ROIC for each fiscal year, and calculate an amount obtained by multiplying the standard performance-linked compensation for each title according to the degree of achievement of these indicators. The calculated amount shall be paid at a certain time every year.
  - c. For non-monetary compensation, a Board Benefit Trust shall be adopted to further clarify the link between the compensation and performance of Directors and the stock value, and to have Directors share with shareholders the benefits and risks of share price movements, thereby raising Directors' incentives to contribute to the improvement of the Company's business performance and its corporate value over the medium- to long-term.
  - d. As performance indicators, the Company shall use consolidated operating income in the Medium-Term Management Plan and ROE and calculate the amount of compensation according to the degree of achievement of these indicators. To this calculated amount, the fixed amount based on each title is added. According to this total evaluation amount, points shall be granted (one point is equivalent to one share) to individual Directors, and the shares of the Company equivalent to the number of points granted shall be delivered to them at the time of resignation.
  - e. The upper limit of the performance-linked compensation (monetary and non-monetary) shall be 200% of the standard compensation of respective Directors.

- 4) Policy for Determining the Ratio of the Amounts of Monetary Compensation, Performance-linked Compensation, and Non-monetary Compensation to the Amount of Individual Directors' Compensations, etc.
  - a. The ratio of different classification in the make-up of Directors' compensation shall be deliberated by the Compensation Committee. The Board of Directors shall respect the report issued by the Compensation Committee and determine individual Directors' compensations within the range of the ratio of different classification presented in the report.
  - b. The general ratio by different classification of compensations shall be such that the proportion of performance-linked compensation becomes greater as a Director's rank becomes higher. As such, Directors shall be required to bear more responsibility for high results to be achieved through their awareness regarding contribution to the improvement of business performance and corporate value over the medium- to long-term as well as successful performance in their roles and functions. When the KPI reaches 100%, the composition of the Representative Director, President and Chief Executive Officer's compensation is: 60% basic, 25% of performance-linked, and 15% non-monetary.
- 5) Policy for Determining the Contents of Individual Directors' Compensations, etc.
  - a. Individual compensations shall be deliberated at the Compensation Committee. The Board of Directors shall respect the report issued by the Compensation Committee and determine individual Directors' compensations within the range of the ratio of different classification presented in the report.

(2) Matters Regarding Resolutions of Shareholders Meeting on Directors' Compensations, etc.

A resolution was passed at the 4th Annual General Meeting of Shareholders held on June 26, 2019, to limit the amount of monetary compensation payable to Directors (excluding Directors who are Audit and Supervisory Committee Members) and Directors who are Audit and Supervisory Committee Members to 400 million yen per year (including 30 million yen or less for Outside Directors) and to 60 million yen per year, respectively. At the time of the conclusion of the 4th Annual General Meeting of Shareholders, the Company had nine Directors (excluding Directors who are Audit and Supervisory Committee Members) (including two Outside Directors) and four Directors who are Audit and Supervisory Committee Members.

In addition, separately from the monetary compensation, a resolution was approved at the 5th Annual General Meeting of Shareholders held on June 25, 2020, to introduce a performance-linked share compensation scheme, which limited the amount of trusted money payable to Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) to 100 million yen and the number of shares deliverable per fiscal year to 70,000 shares during two fiscal years, from the fiscal year ended March 31, 2021 until the fiscal year ended March 31, 2022. The Company had seven Directors who were subject to this system at the time of conclusion of the 5th Annual General Meeting of Shareholders.

It was resolved at the Board of Directors meeting held on May 25, 2022 that this system would continue with extension for another three fiscal years, under which the amount of trusted money is limited to 150 million yen and the shares deliverable per fiscal year to 70,000 shares.

(3) Total Amount of Compensation, etc. for Directors

Classification of officers	Total compensation, etc. (millions of yen)	Total compensation, etc. by classification (millions of yen)			Number of recipient officers
		Basic compensation	Performance-linked compensation, etc.	Non-monetary compensation, etc.	
Director (excluding Audit and Supervisory Committee Member) (Outside Director)	115 (12)	66 (12)	33 (-)	15 (-)	4 (2)
Director (Audit and Supervisory Committee Member) (Outside Director)	37 (37)	37 (37)	- (-)	- (-)	4 (4)
Total (Outside Director)	152 (49)	103 (49)	33 (-)	15 (-)	8 (6)

- Notes:
- As of the end of FY2023, the Company had six Directors (excluding Audit and Supervisory Committee Members) and four Directors (Audit and Supervisory Committee Members), among whom two Directors (excluding Audit and Supervisory Committee Members) served without compensations
  - The table above does not include the portion of employee salary paid to Directors concurrently serving as employees.
  - Other than the above, there is no officer's compensation that Outside Directors of the Company received from subsidiaries of the Company in FY 2023.
  - The performance-linked compensations, etc. include the provision for bonuses for directors of 33 million yen pertaining to FY 2023.
  - The performance-linked compensations, etc. are bonuses for directors, and as a basis for calculation, the Company has selected consolidated operating profit, consolidated operating profit margin, and ROIC as performance indicators to further motivate Directors (excluding Audit and Supervisory Committee Members) to improve business performance. The amount is calculated with the pre-determined title-based standard performance-linked compensation multiplied by a coefficient according to the level of achievement of the performance indicators for each fiscal year. The results of the performance indicators for FY 2023 were the consolidated operating profit of 4,777 million yen, consolidated operating profit margin of 4.1%, and ROIC of 4.4% (In a case where PBR falls below 1.0x, equity is used, instead of market capitalization, for calculation.).
  - The non-monetary compensations, etc. stated above are the amounts equivalent to share compensations recorded for FY 2023 in accordance with the share compensation scheme, under which the following are delivered through the trust: the Company's shares equivalent to the points granted based on the level of achievement and the amount of cash equivalent to the Company's shares converted at market value as of the date of resignation.

## 5. Outside Officers

- (1) Significant concurrent positions held at other companies, etc. and relationship between the Company and such other companies, etc.
- Director (Audit and Supervisory Committee Member) Kenichi Sugita holds a concurrent position at Hutech norin Co., Ltd., Meito Transportation Co., Ltd., and C&F Support Service Co., Ltd., which are subsidiaries of the Company.
  - Director (Audit and Supervisory Committee Member) Nobuyuki Takagi is an Outside Director of NAKANO REFRIGERATORS CO., LTD. and Outside Director (Audit & Supervisory Committee Member) of ELAN Corporation. There is no special relationship between the Company and these companies.
  - Director (Audit and Supervisory Committee Member) Michiho Tachi is an Attorney at Law of Shitara Sakamoto Law Office, Audit and Supervisory Board Member of Coop Meat Co., Ltd., Outside Audit and Supervisory Board Member of Zen-Noh Energy Co., Ltd., and Outside Director (Audit and Supervisory Committee Member) of CAREER CO., LTD. There is no special relationship between the Company and these companies.



- 4) Director (Audit and Supervisory Committee Member) Shiro Toba is Representative of Toba Public Accounting Office, Representative Director of Minori Accounting Co., Ltd., Director of Majestic, Inc., and Director of Keystone Partners Co., Ltd. There is no special relationship between the Company and these companies.

(2) Main Activities during FY 2023

	Name	Attendance		Overview of main activities and duties performed in relation to the roles expected of Outside Directors
		Board of Directors meetings	Audit and Supervisory Committee meetings	
Directors	Akihiro Mizutani	17 out of 17 (100%)	–	Mr. Akihiro Mizutani attended all Board of Directors meetings held in FY2023, where he made advice and suggestions for ensuring the adequacy and appropriateness of decision making in deliberations on agenda items, based on his wealth of experience in corporate management and deep insights. As such, he has been appropriately fulfilling his role as Outside Director. Also, as the chairman of the Nomination Committee and the Compensation Committee, he attended all Committee meetings, playing a leading role in selection of Directors or other officers and in designing of the officers' compensation system.
	Takeshi Tanaka	13 out of 13 (100%)	–	Mr. Takeshi Tanaka made statements for ensuring the adequacy and appropriateness of decision making in deliberations on agenda items, and expressed his opinions on compliance, governance, etc., based on his wealth of knowledge he has gained as a corporate executive over many years. As such, he has been appropriately fulfilling his role as Outside Director. Also, as a member of the Nomination Committee and the Compensation Committee, he attended the meetings held, fulfilling his role to ensure transparency and objectiveness in deliberations at such meetings.
Directors (Audit and Supervisory Committee Members)	Kenichi Sugita	17 out of 17 (100%)	18 out of 18 (100%)	Mr. Kenichi Sugita attended all Board of Directors meetings and Audit and Supervisory Committee meetings held in FY2023, where he made statements for ensuring the adequacy and appropriateness of decision making in deliberations on agenda items, and expressed his opinions on compliance, governance, etc., based on his wealth of knowledge of finance and accounting gained through experience at financial institutions. As such, he has been appropriately fulfilling his role as Outside Director. Also, as a full-time Outside Director (Audit and Supervisory Committee Member), he attended important internal meetings, such as Executive Officers' meetings, and attended all meetings held as a member of the Nomination Committee and the Compensation Committee, fulfilling his role to ensure transparency and objectiveness in deliberations at such meetings.
	Nobuyuki Takagi	17 out of 17 (100%)	18 out of 18 (100%)	Mr. Nobuyuki Takagi attended all Board of Directors meetings and Audit and Supervisory Committee meetings held in FY2023, where he made statements for ensuring the adequacy and appropriateness of decision making in deliberations on agenda items, and expressed his opinions on compliance, governance, etc., based on his wealth of experience and high-level insights gained through his duties at a securities company and other institutions. As such, he has been appropriately fulfilling his role as Outside Director. Also, as a member of the Nomination Committee and the Compensation Committee, he attended all meetings held, fulfilling his role to ensure transparency and objectiveness in deliberations at such meetings.
	Michiho Tachi	17 out of 17 (100%)	18 out of 18 (100%)	Mr. Michiho Tachi, as an attorney at law, attended all Board of Directors meetings and Audit and Supervisory Committee meetings held in FY2023, where he made statements for ensuring the adequacy and appropriateness of decision making in deliberations on agenda items, and expressed his opinions on compliance, governance, etc., based on his expert perspectives on laws. As such, he has been appropriately fulfilling his role as Outside Director. Also, as a member of the Nominating Committee and the Compensation Committee, he attended all meetings held, fulfilling his role to ensure transparency and objectiveness in deliberations at such meetings.

Name	Attendance		Overview of main activities and duties performed in relation to the roles expected of Outside Directors
	Board of Directors meetings	Audit and Supervisory Committee meetings	
Shiro Toba	17 out of 17 (100%)	18 out of 18 (100%)	Mr. Shiro Toba, as a certified public accountant, attended all Board of Directors meetings and Audit and Supervisory Committee meetings held in FY2023, where he made statements for ensuring the adequacy and appropriateness of decision making in deliberations on agenda items, and expressed his opinions on compliance, governance, etc., based on his expert perspectives on finance and accounting. As such, he has been appropriately fulfilling his role as Outside Director. Also, as a member of the Nomination Committee and the Compensation Committee, he attended all meetings held, fulfilling his role to ensure transparency and objectiveness in deliberations at such meetings.

## IV. Accounting Auditor

### 1. Accounting Auditor's Name

Ernst & Young ShinNihon LLC.

### 2. Amount of Fees, etc.

	Amount paid
Amount of fees, etc. for the Accounting Auditor for FY 2023	28 million yen
Total amount of monetary and other financial benefits payable by the Company and subsidiaries to the Accounting Auditor	63 million yen

- Notes:
1. The amount of audit fees, etc. for audits conducted under the Companies Act and the amount of audit fees, etc. for audits conducted under the Financial Instruments and Exchange Act are not clearly distinguished from each other in the audit agreement concluded between the Company and the Accounting Auditor; nor are they distinguishable in practice. Therefore, the aggregate amount of such audit fees, etc. is shown as the amount of fees, etc. for the Accounting Auditor for FY 2023.
  2. Having conducted the required verification regarding the appropriateness of matters such as the content of the audit plan, status of business execution of the accounting audit, and basis for estimating the fees of the Accounting Auditor, the Audit and Supervisory Committee has consented to the amount of fees, etc., payable to the Accounting Auditor, pursuant to Article 399, Paragraphs 1 and 3 of the Companies Act.
  3. The overseas subsidiaries of the Company are audited by audit corporations other than the Accounting Auditor of the Company.

### 3. Policy Regarding Decisions on Dismissal or Non-reappointment of Accounting Auditor

If the Accounting Auditor is deemed to have fallen under any of the matters specified in each item under Article 340, Paragraph 1 of the Companies Act, the Audit and Supervisory Committee will dismiss the Accounting Auditor based on the consent of all Audit and Supervisory Committee Members. In this case, the Audit and Supervisory Committee Member appointed by the Audit and Supervisory Committee will report the dismissal of the Accounting Auditor and the reason for the dismissal at the first General Meeting of Shareholders convened after the dismissal.

If it is deemed necessary to change the Accounting Auditor, taking into account the status of execution of duties of the Accounting Auditor, the audit system of the Company, and other circumstances, the Audit and Supervisory Committee will decide on the details of a proposal to dismiss or not to reappoint the Accounting Auditor to be submitted to a general meeting of shareholders.

## Consolidated Balance Sheet

(As of March 31, 2024)

(Million yen)

Account	Amount	Account	Amount
<b>(Assets)</b>		<b>(Liabilities)</b>	
<b>Current assets</b>	<b>27,559</b>	<b>Current liabilities</b>	<b>21,157</b>
Cash and deposits	12,414	Trade accounts payable	4,787
Trade accounts receivable	13,038	Short-term borrowings	587
Raw materials and supplies	290	Current portion of long-term borrowings	3,485
Other	1,816	Lease liabilities	1,648
Allowance for doubtful accounts	(1)	Income taxes payable	974
<b>Non-current assets</b>	<b>77,947</b>	Provision for bonuses	2,319
<b>Property, plant and equipment</b>	<b>66,634</b>	Provision for bonuses for directors (and other officers)	147
Buildings and structures	30,025	Other	7,207
Machinery, equipment and vehicles	5,365	<b>Non-current liabilities</b>	<b>37,547</b>
Land	21,092	Long-term borrowings	20,154
Leased assets	8,359	Lease liabilities	7,446
Construction in progress	1,531	Deferred tax liabilities	202
Other	259	Deferred tax liabilities for land revaluation	404
<b>Intangible assets</b>	<b>758</b>	Retirement benefit liability	6,194
<b>Investments and other assets</b>	<b>10,554</b>	Provision for share awards	171
Investment securities	4,925	Asset retirement obligations	2,113
Long-term loans receivable	113	Other	861
Deferred tax assets	3,066	<b>Total liabilities</b>	<b>58,705</b>
Other	2,464	<b>(Net assets)</b>	
Allowance for doubtful accounts	(15)	<b>Shareholders' equity</b>	<b>44,643</b>
		<b>Share capital</b>	<b>4,000</b>
		<b>Capital surplus</b>	<b>5,646</b>
		<b>Retained earnings</b>	<b>40,871</b>
		<b>Treasury shares</b>	<b>(5,874)</b>
		<b>Accumulated other comprehensive income</b>	<b>1,284</b>
		Valuation difference on available-for-sale securities	1,110
		Revaluation reserve for land	35
		Foreign currency translation adjustment	124
		Remeasurements of defined benefit plans	13
		<b>Non-controlling interests</b>	<b>872</b>
		<b>Total net assets</b>	<b>46,801</b>
<b>Total assets</b>	<b>105,506</b>	<b>Total liabilities and net assets</b>	<b>105,506</b>

Note: Figures presented in the financial statements are rounded down to the nearest million yen.

## Consolidated Statement of Income

(April 1, 2023 - March 31, 2024)

(Million yen)

Account	Amount	
<b>Operating revenue</b>		<b>116,028</b>
<b>Operating costs</b>		<b>107,044</b>
<b>Operating gross profit</b>		<b>8,983</b>
<b>Selling, general and administrative expenses</b>		<b>4,206</b>
<b>Operating profit</b>		<b>4,777</b>
<b>Non-operating income</b>		
Interest and dividend income	88	
Income from gain on maturity of insurance contract	87	
Subsidy income	73	
Rental income	78	
Share of profit of entities accounted for using equity method	77	
Subsidy income	123	
Foreign exchange gains	59	
Other	192	780
<b>Non-operating expenses</b>		
Interest expenses	300	
Loss on cancellation of leases	2	
Commission for syndicate loan	29	
Other	31	363
<b>Ordinary profit</b>		<b>5,194</b>
<b>Extraordinary income</b>		
Gain on sales of non-current assets	67	67
<b>Extraordinary losses</b>		
Loss on sale and retirement of non-current assets	33	
Loss on accidents	331	364
<b>Profit before income taxes</b>		<b>4,897</b>
Income taxes - current	1,642	
Income taxes - deferred	(99)	1,542
<b>Profit</b>		<b>3,355</b>
Profit attributable to non-controlling interests		71
<b>Profit attributable to owners of parent</b>		<b>3,283</b>

Note: Figures presented in the financial statements are rounded down to the nearest million yen.

## Non-Consolidated Balance Sheet

(As of March 31, 2024)

(Million yen)

Account	Amount	Account	Amount
<b>(Assets)</b>		<b>(Liabilities)</b>	
<b>Current assets</b>	<b>16,760</b>	<b>Current liabilities</b>	<b>10,881</b>
Cash and deposits	6,994	Trade accounts payable	222
Trade accounts receivable	251	Short-term borrowings	6,898
Prepaid expenses	22	Current portion of long-term borrowings	3,485
Short-term loans receivable from subsidiaries and associates	8,777	Lease liabilities	12
Accounts receivable - other	466	Accrued expenses	22
Other	248	Income taxes payable	26
<b>Non-current assets</b>	<b>46,578</b>	Advances received	2
<b>Property, plant and equipment</b>	<b>57</b>	Deposits received	7
Buildings	28	Provision for bonuses	74
Leased assets	18	Provision for bonuses for directors (and other officers)	85
Other	9	Other	43
<b>Intangible assets</b>	<b>81</b>	<b>Non-current liabilities</b>	<b>20,294</b>
<b>Investments and other assets</b>	<b>46,439</b>	Long-term borrowings	20,154
Shares of subsidiaries and associates	25,504	Lease liabilities	10
Long-term loans receivable from subsidiaries and associates	20,779	Provision for share awards	105
Deferred tax assets	67	Asset retirement obligations	25
Other	87	<b>Total liabilities</b>	<b>31,175</b>
		<b>(Net assets)</b>	
		<b>Shareholders' equity</b>	<b>32,163</b>
		<b>Share capital</b>	<b>4,000</b>
		<b>Capital surplus</b>	<b>21,477</b>
		Legal capital surplus	1,000
		Other capital surplus	20,477
		<b>Retained earnings</b>	<b>12,608</b>
		Other retained earnings	12,608
		Retained earnings brought forward	12,608
		<b>Treasury shares</b>	<b>(5,922)</b>
		<b>Total net assets</b>	<b>32,163</b>
<b>Total assets</b>	<b>63,338</b>	<b>Total liabilities and net assets</b>	<b>63,338</b>

Note: Figures presented in the financial statements are rounded down to the nearest million yen.

## Non-Consolidated Statement of Income

(April 1, 2023 - March 31, 2024)

(Million yen)

Account	Amount	
<b>Operating revenue</b>		
Dividend income	2,098	
Consulting fee income	1,135	
Outsourcing service income	1,077	
Other income	28	<b>4,339</b>
<b>Operating costs</b>		<b>32</b>
<b>Operating gross profit</b>		<b>4,307</b>
<b>Selling, general and administrative expenses</b>		<b>2,166</b>
<b>Operating profit</b>		<b>2,140</b>
<b>Non-operating income</b>		
Interest income	229	
Other	6	236
<b>Non-operating expenses</b>		
Interest expenses	199	
Commission for syndicate loan	29	
Other	1	230
<b>Ordinary profit</b>		<b>2,146</b>
<b>Extraordinary losses</b>		
Loss on sale and retirement of non-current assets	0	0
<b>Profit before income taxes</b>		<b>2,146</b>
Income taxes - current	59	
Income taxes - deferred	(6)	52
<b>Profit</b>		<b>2,093</b>

Note: Figures presented in the financial statements are rounded down to the nearest million yen.



**Independent Auditor's Report**  
(English Translation)

May 21, 2024

To the Board of Directors  
Chilled & Frozen Logistics Holdings Co., Ltd.

Ernst & Young ShinNihon LLC  
Tokyo, Japan  
Kazuya Kitazumi  
Designated Engagement Partner, Certified Public Accountant  
Yasuyuki Hagiwara  
Designated Engagement Partner, Certified Public Accountant

**Audit Opinion**

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity and the notes on consolidated financial statements, of Chilled & Frozen Logistics Holdings Co., Ltd. (the "Company") applicable to the fiscal year from April 1, 2023 to March 31, 2024.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and the results of operations of the Company and its consolidated subsidiaries for the period, for which the consolidated financial statements were prepared, in accordance with corporate accounting principles generally accepted in Japan.

**Basis for Audit Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Other Information**

Other information consists of the business report and supplementary schedules thereto. Management is responsible for the preparation and disclosure of other statements. The Audit and Supervisory Committee is responsible for overseeing the Directors' performance of duties in development and operation of the reporting process for the other information.

The scope of our opinion on the consolidated financial statements does not include the other information, and we do not provide our opinion on the other information.

Our responsibility for the audit of the consolidated financial statements is to read the other information, and, in doing so, consider whether there is a material inconsistency between the other information and the consolidated financial statements or our knowledge obtained in audit, and give attention to whether there are any other indications of material errors in the other information other than such material inconsistency.

If, based on the audit work performed, we determine that there is a material misstatement in the other information, we are required to report such facts.

We have no matters to report with respect to the other information.

## **Responsibilities of Management and the Audit and Supervisory Committee for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with corporate accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of a going concern, and in accordance with corporate accounting principles generally accepted in Japan, for disclosing, as necessary, matters related to a going concern.

The Audit and Supervisory Committee is responsible for overseeing the Directors' performance of duties in development and operation of the financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that expresses our opinion on the consolidated financial statements based on our audit as independent auditor. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of these consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of material misstatement, whether due to fraud or error, design and perform audit procedures responsive to those risks, select and apply audit procedures at the discretion of the auditor, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- When auditing the consolidated financial statements, obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of preparing the consolidated financial statements with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes on consolidated financial statements or, if the notes on consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and notes on consolidated financial statements are in accordance with corporate accounting principles generally accepted in Japan, as well as evaluate the presentation, structure, and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements fairly present the underlying transactions and accounting events.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with the Audit and Supervisory Committee regarding, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and to communicate with them all relationships and other matters that may reasonably be deemed to bear on our independence, and where applicable, actions taken to eliminate obstruction factors or safeguards applied to reduce obstruction factors to an acceptable level.

**Conflict of Interest**

Our firm and engagement partners have no interest in the Company and its consolidated subsidiaries which should be disclosed pursuant to the provisions of the Certified Public Accountants Act.

**Independent Auditor's Report**  
(English Translation)

May 21, 2024

To the Board of Directors  
Chilled & Frozen Logistics Holdings Co., Ltd.

Ernst & Young ShinNihon LLC  
Tokyo, Japan  
Kazuya Kitazumi  
Designated Engagement Partner, Certified Public Accountant  
Yasuyuki Hagiwara  
Designated Engagement Partner, Certified Public Accountant

**Audit Opinion**

Pursuant to Article 436, Paragraph 2, Item (i) of the Companies Act, we have audited the accompanying non-consolidated financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity and the notes on non-consolidated financial statements, and the supplementary schedules (the "Non-consolidated Financial Statements, Etc.") of Chilled & Frozen Logistics Holdings Co., Ltd. (the "Company") applicable to the 9th fiscal year from April 1, 2023 to March 31, 2024.

In our opinion, the Non-consolidated Financial Statements, Etc. referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the Non-consolidated Financial Statements, Etc. were prepared, in accordance with corporate accounting principles generally accepted in Japan.

**Basis for Audit Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc." section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Non-consolidated Financial Statements, Etc. in Japan, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Other Information**

Other information consists of the business report and supplementary schedules thereto. Management is responsible for the preparation and disclosure of other statements. The Audit and Supervisory Committee is responsible for overseeing the Directors' performance of duties in development and operation of the reporting process for the other information.

The scope of our opinion on the Non-consolidated Financial Statements, Etc. does not include the other information, and we do not provide our opinion on the other information.

Our responsibility for the audit of the Non-consolidated Financial Statements, Etc. is to read the other information, and, in doing so, consider whether there is a material inconsistency between the other information and the Non-consolidated Financial Statements, Etc. or our knowledge obtained in audit, and give attention to whether there are any other indications of material errors in the other information other than such material inconsistency.

If, based on the audit work performed, we determine that there is a material misstatement in the other information, we are required to report such facts.

We have no matters to report with respect to the other information.

## **Responsibilities of Management and the Audit and Supervisory Committee for the Non-consolidated Financial Statements, Etc.**

Management is responsible for the preparation and fair presentation of the Non-consolidated Financial Statements, Etc. in accordance with corporate accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the Non-consolidated Financial Statements, Etc. that are free from material misstatements, whether due to fraud or error.

In preparing the Non-consolidated Financial Statements, Etc., management is responsible for assessing whether it is appropriate to prepare the Non-consolidated Financial Statements, Etc. with the assumption of a going concern, and in accordance with corporate accounting principles generally accepted in Japan, for disclosing, as necessary, matters related to a going concern.

The Audit and Supervisory Committee is responsible for overseeing the Directors' performance of duties in development and operation of the financial reporting process.

### **Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc.**

Our responsibilities are to obtain reasonable assurance about whether the Non-consolidated Financial Statements, Etc. as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that expresses our opinion on the Non-consolidated Financial Statements, Etc. based on our audit as independent auditor. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of the Non-consolidated Financial Statements, Etc.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of material misstatement, whether due to fraud or error, design and perform audit procedures responsive to those risks, select and apply audit procedures at the discretion of the auditor, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- When auditing the Non-consolidated Financial Statements, Etc., obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of preparing the Non-consolidated Financial Statements, Etc. with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the Non-consolidated Financial Statements, Etc., or if the notes to the Non-consolidated Financial Statements, Etc. on material uncertainty are inadequate, to express a qualified opinion with exceptions on the Non-consolidated Financial Statements, Etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate whether the presentation of the Non-consolidated Financial Statements, Etc. and notes to the Non-consolidated Financial Statements, Etc. are in accordance with corporate accounting standards generally accepted in Japan, as well as evaluate the presentation, structure, and content of the Non-consolidated Financial Statements, Etc., including the related notes thereto, and whether the Non-consolidated Financial Statements, Etc. fairly present the underlying transactions and accounting events.

We communicate with the Audit and Supervisory Committee regarding, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and to communicate with them all relationships and other

matters that may reasonably be deemed to bear on our independence, and where applicable, actions taken to eliminate obstruction factors or safeguards applied to reduce obstruction factors to an acceptable level.

**Conflict of Interest**

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Act.

## **Audit Report** (English Translation)

The Audit and Supervisory Committee audited the performance of duties by the Directors for the 9th fiscal year from April 1, 2023 to March 31, 2024, and hereby submits the method and results of the audit.

### **1. Summary of Auditing Methods**

In regard to the content of resolutions of the Board of Directors regarding the matters stated in Article 399-13, Paragraph 1, Items (i)(b) and (i)(c) of the Companies Act, as well as the systems developed pursuant to those resolutions (i.e., internal control systems), the Audit and Supervisory Committee periodically received reports from Directors and employees, etc. regarding the status of the establishment and operation of those systems and as necessary requested explanations and expressed opinions in regard thereto, in addition to which the Audit and Supervisory Committee conducted audits using the following methods.

- 1) In accordance with the audit policies and division of duties, etc. determined by the Audit and Supervisory Committee, and in cooperation with the internal control department of the company, the Audit and Supervisory Committee attended important meetings, received reports from Directors and employees, etc. regarding matters related to the performance of their duties, requested explanations as necessary, viewed important decision-making documents, etc., and inspected the status of operations and assets at the head office and main business locations while utilizing communications over telephone lines and the Internet in some cases. Additionally, in regard to subsidiaries, the Audit and Supervisory Committee communicated and exchanged information with the Directors and Audit and Supervisory Board Members, etc. of subsidiaries and received reports on business from subsidiaries as necessary.
- 2) The Audit and Supervisory Committee oversaw and verified whether the Accounting Auditor maintained an independent position and conducted an appropriate audit, received reports from the Accounting Auditor on the status of the performance of its duties, and requested explanations as necessary. Additionally, the Audit and Supervisory Committee received notification from the Accounting Auditor that, in accordance with the "Quality Control Standards for Audits" (Business Accounting Council), etc., it had developed systems in order to ensure that its duties are appropriately performed (i.e., notification of the matters stated in the items of Article 131 of the Ordinance on Accounting of Companies) and requested explanations as necessary.

Using the methods above, the Audit and Supervisory Committee examined the Business Report, the supplementary schedules thereto, the Non-consolidated Financial Statements (i.e., the Non-consolidated Balance Sheet, Non-consolidated Statement of Income, Non-consolidated Statement of Changes in Net Assets, and Notes on Non-consolidated Financial Statements), the supplementary schedules to the accounting documents, and the Consolidated Financial Statements (i.e., the Consolidated Balance Sheet, Consolidated Statement of Income, Consolidated Statement of Changes in Net Assets, and Notes on Consolidated Financial Statements) for the business year.

## 2. Results of Audit

### (1) Results of Audit of Business Report and Other Relevant Documents

- 1) We find that the Business Report and the supplementary schedules thereto accurately present the status of the company in accordance with laws, regulations, and the Articles of Incorporation.
- 2) We do not find any misconduct nor any material fact constituting a violation of any law, regulation, or the Articles of Incorporation in relation to the Directors' performance of their duties.
- 3) We find the content of the resolutions of the Board of Directors regarding internal control systems to be reasonable. Additionally, we do not find any matters that should be commented upon in regard to the statements in the Business Report or the Directors' performance of their duties relating to the internal control systems.

### (2) Results of Audit of Non-consolidated Financial Statements and Supplementary Schedules

We find the methods and results of the audit by the Accounting Auditor, Ernst & Young ShinNihon LLC, to be reasonable.

### (3) Results of Audit of Consolidated Financial Statements

We find the methods and results of the audit by the Accounting Auditor, Ernst & Young ShinNihon LLC, to be reasonable.

May 21, 2024

Audit and Supervisory Committee, Chilled & Frozen Logistics Holdings Co., Ltd.

Full-Time Audit and Supervisory Committee Member	Kenichi Sugita
Audit and Supervisory Committee Member	Nobuyuki Takagi
Audit and Supervisory Committee Member	Michiho Tachi
Audit and Supervisory Committee Member	Shiro Toba

Note: Audit and Supervisory Committee Members Kenichi Sugita, Nobuyuki Takagi, Michiho Tachi and Shiro Toba are Outside Directors provided for in Article 2, Item (xv) and Article 331, Paragraph 6 of the Companies Act.