



**MOS FOOD SERVICES, INC.**



**MOS Group Integrated Report  
2026**

**Feedback**



Please share your feedback and comments with us.

Thank you for taking the time to review the MOS REPORT (MOS Group Integrated Report 2026).  
We value your feedback and suggestions, which will help us improve and enhance future activities.

(Japanese only)

Printed in Japan

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For Readers Interested in Our Sustainability and  
SDG Initiatives

This section outlines societal value creation, key materiality topics, and strategic initiatives integrating financial and non-financial metrics to enhance enterprise value.

SUSTAINABLE  
DEVELOPMENT  
GOALS

For Readers Interested in Our Company

This section provides a clear overview of the history, current position, vision, and business model of MOS FOOD SERVICES, INC.

For Readers Interested in the President's Message

This section presents a message from President & Representative Director Nakamura, outlining the company's annual business operations and future vision.

For Readers Interested in Our Distinctive Business Framework and Sustainable Growth

This section outlines the principles and mechanisms through which the MOS Group, anchored in its core philosophy, drives continuous value creation alongside franchisees and members.

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Greetings

Thank you for taking the time to read the MOS REPORT (MOS Group Integrated Report 2026). In 1972, MOS BURGER started in a small store of around 9.3 square meters and has grown to a scale of about 1,300 stores in Japan and approximately 400 stores overseas. The Group has successfully developed its operations over more than 50 years thanks to the warm support of all its stakeholders.

This report has been published to provide the MOS Group's valued stakeholders with a clear explanation of its financial and non-financial information,

including its management strategy, business activities, environmental preservation efforts, social responsibility activities, and corporate governance structure. The report's goal is to demonstrate how the MOS Group's origins, its past value creation, and its initiatives to address material issues lead to business growth. By doing so, it aims to foster a mutual understanding with stakeholders and create new value. It is hoped that this report will be useful in enhancing the reader's understanding of the MOS Group.

The MOS Group's stakeholders

The MOS Group's business operations are made possible with the support of a wide range of stakeholders. We stand committed to creating value and addressing challenges through ongoing dialogue with our stakeholders.



\* "Members" is the collective term for everyone who works for the MOS Group.

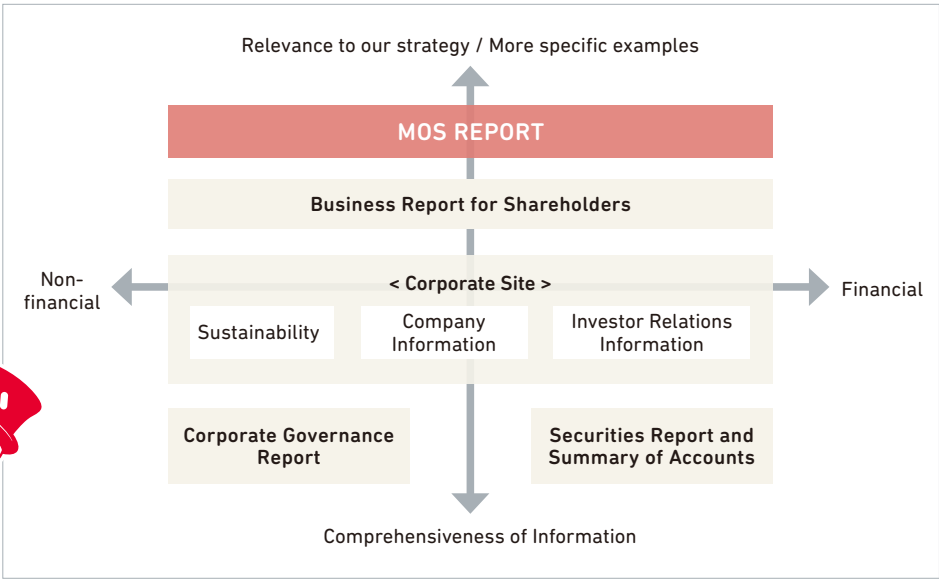
The MOS Group's stance on SDGs

In addition to helping achieve the 17 Sustainable Development Goals (SDGs), we have set our own goal of providing calmness and warmth, two concepts present in Our Promise, to more people around the world.

Delivering the calmness and warmth to people around the world.

Representation of our information disclosure system

The MOS Group discloses financial and non-financial information on our corporate website and in various documents, as shown on the right, as well as in this MOS REPORT (MOS Group Integrated Report 2026).



Scan the QR code to visit our corporate website. (Japanese only)

<https://www.mos.co.jp/company/>

The MOS Group’s Philosophy System, “MOS Spirit”

For over half a century since its founding in 1972, the MOS Group has endured by establishing its Philosophy System, the “MOS Spirit,” as the foundation for its existence. In difficult times, the company has always returned to these core values.



Embedding the MOS Group Philosophy ▶ pp. 25-26

Our Origin

**Mountain:**  
standing tall and firm  
like a mountain

**Ocean:**  
having a heart that is broad  
and deep like the Ocean

**Sun:**  
having passion like the Sun  
that never burns out

MOS stands for Mountain, Ocean, and Sun. These symbols express our deep respect for nature and our hope to live with sincerity, openness, and a warm heart.

Our Mission

**Happiness through food**

Through food, we persevere.  
Through food, we share laughter.  
Through food, we nurture health.  
Through food, we build bonds.  
Through food, we connect with the Earth.  
“Happiness through food” is Our Mission.  
At the heart of our mission is a simple belief:  
that food has the power to bring happiness.  
To spread this happiness,  
we stay closely connected with our customers  
and communities, and continue to passionately  
explore the endless possibilities of food.

Our Culture

**Work driven by gratitude  
and appreciation**

These are the words of our founder, Satoshi Sakurada, and this belief is at the heart of everything we do at MOS. Each of us carries different values and ways of living. We cherish the idea of meeting our customers and those around us with kindness and a smile. And yet, not every day goes the way we wish it would. Sometimes, the rush of everyday life gently wears us down. In those moments, we remind ourselves the belief: “Work driven by gratitude and appreciation.” Gratitude, when given, has a way of gently returning—offering both comfort and strength. Working with food, we find a daily reminder to be grateful—for the nature, for each other. Embedded with this culture, we aim to do work that earns appreciation and makes a positive difference.

Our Promise

**We want our stores to be  
welcoming and pristine;  
with all the workers being  
caring, authentic and  
soulful while attending  
to customers in a vibrant  
and intuitive manner.  
We want our customers to  
experience the calmness  
and warmth that is our store.**

The MOS Group’s Brands and Companies

The MOS Group operates a portfolio of brands centered on its core MOS Burger business, including brands specializing in tea and Japanese cuisine. The Group operates approximately 1,300 stores in Japan and approximately 400 stores across six countries and regions overseas.

Scan for Store Count Info.  
(Japanese Only)



Our Brands



A Japanese burger chain founded in 1972, constantly pursuing “deliciousness” and offering products that reflect the unique qualities of Japanese food culture.



A premium burger restaurant for discerning adults, serving gourmet burgers alongside craft beer.



MOSDO!

A collaborative concept store between MOS BURGER and Mister Donut, offering exclusive combo sets featuring both burgers and donuts.



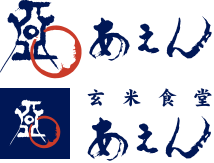
MOSH Burger & Bar

A hybrid dining concept combining handcrafted burgers with casual evening bar service.



MOTHER LEAF  
Luxurious Tea  
Mother Leaf

A specialty tea house directly importing single-origin, freshly harvested teas from Sri Lanka, elevating everyday life with exceptional aroma and flavor.



AEN/Brown Rice Shokudo AEN

A restaurant offering seasonal dishes centered on carefully selected vegetables. The brand also operates Brown Rice Shokudo AEN, which specializes in brown rice set meals.



Group Companies

MOS FOOD SERVICES, INC.

Develops the MOS BURGER franchise chain in Japan and overseas while also pursuing the Growth Business.

MOS STORE COMPANY, INC.

Operates approximately 200 MOS BURGER stores across Japan, based on its guiding principle of carefully creating stores that are rooted in the local community.

MHS, INC.

Conducts all aspects of work regarding hygiene management, such as facility and equipment inspections and microbiological inspections to ensure the safe provision of food.

MOS SHINE, INC.

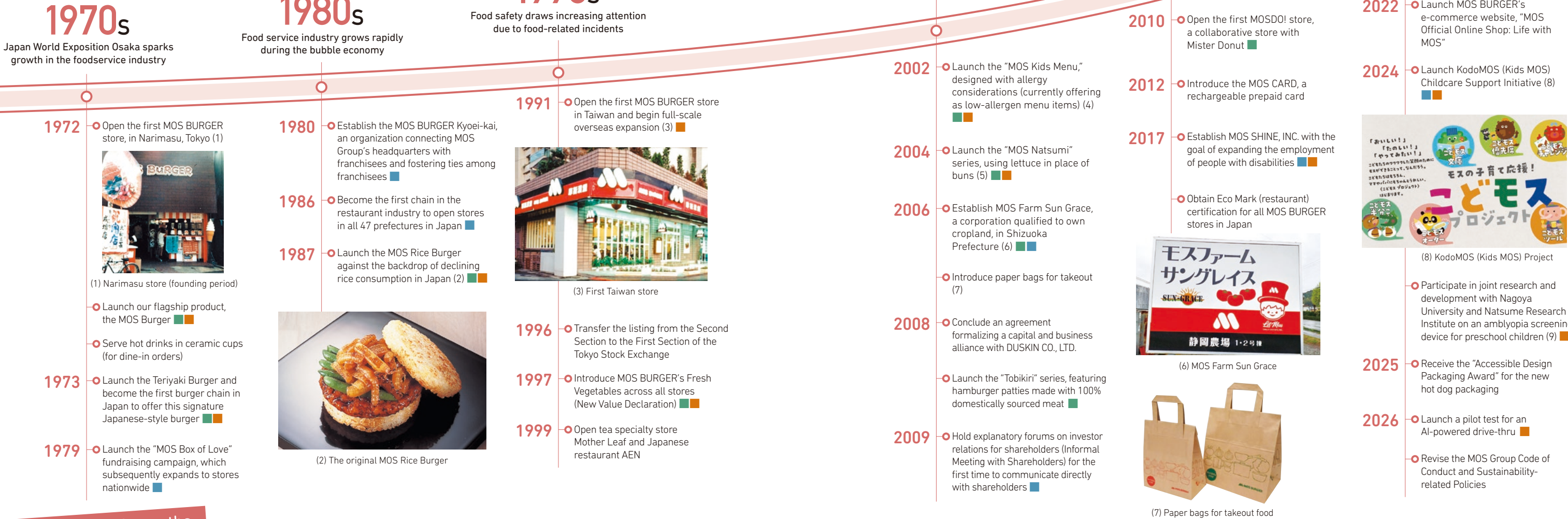
Serves as a special subsidiary company that provides a workplace environment suited to each individual's aptitudes and enables them to make the most of their strengths, with the aim of expanding and stabilizing employment for people with disabilities. Employees contribute in a wide range of roles, including administrative support at the headquarters, store operations support, and agricultural work.

Our Path to Value Creation

Since its founding in 1972, the MOS Group has expanded into a variety of businesses based on its Philosophy System “MOS Spirit.”

This timeline showcases more than 50 years of value creation, with the three key strengths:

■ Deliciousness, ■ Community Engagement, and ■ Innovation, categorized by color.



MOS's Three Strengths

Deliciousness

- Japanese Food Culture
- Health-consciousness (Nutritional well-being)
- Make-to-Order system



As a restaurant chain founded in Japan, we have developed products inspired by Japanese food culture throughout our history. Prime examples include our signature MOS BURGER and the Teriyaki Burger, which features a sauce made with Japanese soy sauce and miso. We also embrace the philosophy of *ishoku dogen* (the close connection between food and health)—the belief that a nutritionally balanced diet helps prevent illness and promote good health. In addition, our made-to-order system ensures that each item is prepared only after an order is placed, allowing customers to enjoy freshly prepared food.

Community engagement

- Building a beloved store
- MOS-style franchise system
- Community-oriented sales and community contribution activities



Strong cooperation among franchisees underpins our efforts to create restaurants deeply rooted in their local communities. Guided by the belief that “franchising starts with trust in people,” we established the MOS BURGER Kyoei-kai, a dedicated franchisee association, over 40 years ago (see p. 21). Leveraging this network, store owners share operational insights and actively engage in community initiatives. Through utilizing locally sourced ingredients, supporting disaster-affected areas, and organizing neighborhood cleanups, we focus on building restaurants that are cherished over the long term, rather than seeking short-term profits.

Innovation

- Innovative products
- Entrepreneurship & Innovation
- Systems that fit current trends



Leveraging our innovative product development capabilities, we create products that make a meaningful impact on society. Examples include the “Teriyaki Burger,” the first of its kind launched by a hamburger chain in Japan, and the “MOS Rice Burger,” developed to help address Japan’s rice surplus. Our commitment to taking on new endeavors extends beyond product development, marked by an early entrance into agriculture to ensure a stable supply of vegetables. In January 2026, pilot testing began for AI-powered drive-thru system in which conversational voice AI works alongside store staff.

MOS no Mori

Established on the official MOS website in 2021, “MOS no Mori” shares information about the MOS Group’s social initiatives. It covers ten categories, including the environment, food diversity, food and nutrition education, and community contribution activities undertaken by stores, and is updated approximately twice a month. The name “MOS no Mori” (“MOS Forest”) reflects our hope that each individual initiative will come together and eventually grow into a great forest.

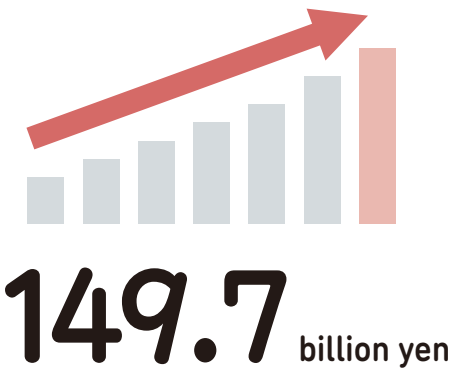


モスの森  
MOS initiatives that bring everyone together (Japanese Only)

# The MOS Group in Figures (Fiscal 2025)

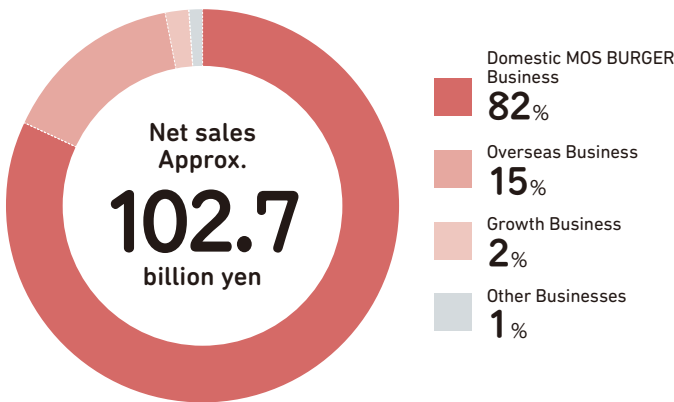
## Financial Performance

### Net Sales for All Domestic Stores



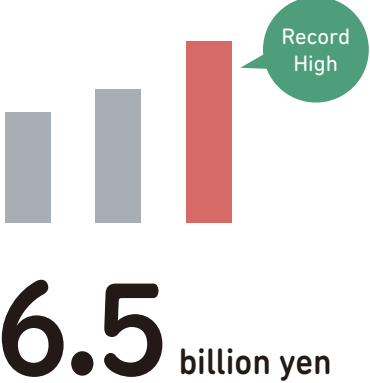
Average monthly sales per store in the Domestic MOS BURGER Business have increased for seven consecutive years, reaching 1.5 times the fiscal 2019 level (including stores in the Growth Business).

### Breakdown of Net Sales by Business Segment



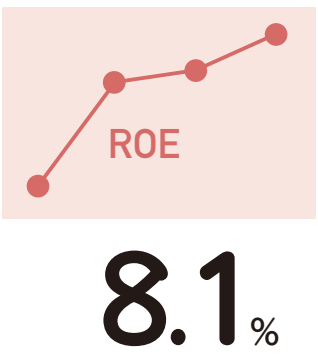
Led by the Domestic MOS BURGER Business, the MOS Group reported increases in both net sales and profit on a consolidated basis. Consolidated net sales exceeded 100 billion yen for the first time.

### Operating Profit (Consolidated)



Higher net sales in the Domestic MOS BURGER Business offset increased costs. Appropriate cost controls also reduced the SG&A expense ratio, resulting in record-high operating profit.

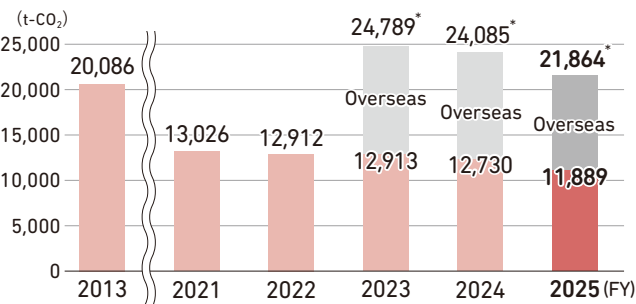
### Return on Equity (ROE)



Through more efficient use of assets and improved profitability, ROE rose from 6.0% in the previous fiscal year to 8.1% in fiscal 2025.

## Environmental Performance

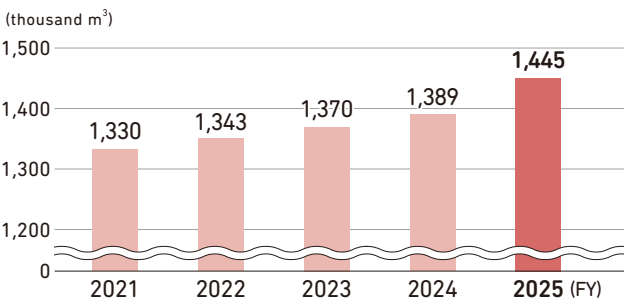
### CO<sub>2</sub> Emissions (Scope 1 and 2)



The medium-term greenhouse gas emissions reduction target is to reduce Scope 1 and 2 emissions in Japan by 46% by FY2030 compared with FY2013.

\* Scope 1 and 2 emissions include overseas consolidated subsidiaries since fiscal 2023.

### Resource (Water) Usage\*



The "SDGs Communication" is distributed to stores to promote environmental education. Across Japan, MOS BURGER stores have earned Eco Mark certification in the "Restaurants" category.

\* Domestic MOS Group stores

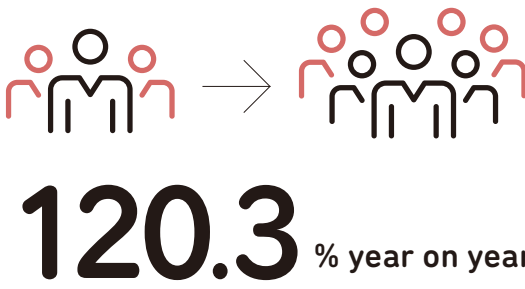
## Human Capital (Japan)

### Number of Store Staff at MOS BURGER



This is an estimate of the number of part-time staff working at stores in Japan. MOS FOOD SERVICES has 1,323 employees on a consolidated basis, with many team members playing active roles throughout the Group.

### Rate of Increase in Job Applicants



"MOS RECORDS," an initiative to discover, support, and collaborate with artists and creators, is helping revitalize our stores (see p. 36).

### Employee Engagement Score

66

Employee engagement surveys are conducted four times a year, and the score has improved from the previous year (see p. 38).

### Ratio of Women in Management Positions\*<sup>1</sup>

17.7 %

### Ratio of Women among Executives\*<sup>1, 2</sup>

7.7 %

To create an environment where diverse talent can thrive, the target is to achieve 30% representation of women in both management and executive positions by 2030.

\*<sup>1</sup> MOS FOOD SERVICES, INC. (non-consolidated)

\*<sup>2</sup> At the end of the General Meeting of Shareholders of each fiscal period

## Food Quality and Taste (Japan)

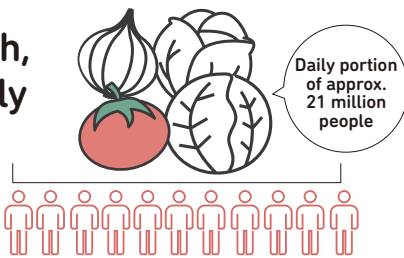
### Cumulative Sales of MOS Burger



(equivalent to 3.55 circles around the earth when stacked together)

Since our founding in 1972, the MOS Burger has consistently been our top-selling menu item each year.

### Use of Fresh, Domestically Grown Vegetables



\* The amount consumed by approximately 21 million people based on the recommended daily vegetable intake of 350 g.

Leveraging a nationwide network of contracted farmers enables the active use of high-quality, domestically grown fresh vegetables (see p. 33).

### Number of "Family Burger-Making Experience" Sessions Held

143

Selected MOS BURGER stores offer the "Family Burger-Making Experience," in which parents and children make hamburgers together (see pp. 35–36).

\* The program is held on an irregular basis.

### Number of Contracted Farm Locations



The fresh vegetables used at MOS BURGER allow customers to learn where they were grown and about the care and dedication of the farmers who produced them.

# Uncertain Times Call for Distinctive Value: Sharpening Our Edge and Forging Our Future

By staying true to the “MOS Spirit” while advancing a range of reforms, we will build a robust management foundation that enables sustainable growth even in uncertain times.



**Eisuke Nakamura**  
President & Representative Director,  
MOS FOOD SERVICES, INC.

## Further Strengthening Our Management Foundation for Sustainable Growth

During the fiscal year under review, Japan’s food service sector was supported by gradual improvements in employment and income conditions, along with strong inbound tourism demand. However, the business environment remained challenging due to the risk of a global economic slowdown amid unstable international conditions, uncertainty surrounding consumer spending, persistently high raw material and energy prices, and elevated procurement costs stemming from exchange rate fluctuations.

Under “Entrepreneurship & Innovation,” the slogan of our Medium-Term Management Plan FY2025–FY2027, the MOS Group has steadily advanced strategies based on three key policies: Strengthening the Foundation of the Domestic MOS BURGER Business, Expanding Markets for Overseas Business Development, and Revenue Diversification. In fiscal 2025, consolidated net sales reached ¥100 billion for the first time. I believe this achievement reflects the value built up by our store staff, franchise owners, producers and business partners, and office staff, each contributing in their respective roles.

What matters now is ensuring that this achievement is not temporary, but instead using it to build a stronger management foundation that will enable us to sustainably increase corporate value through 2030 and beyond. While preserving the values we have cherished since our founding, we must not hesitate to change the systems that need to change. With this approach, we will review areas including human capital management, product strategy, and digital transformation (DX), strengthening the foundation that enables us to consistently deliver value in a way that is uniquely MOS.

## Fiscal 2025 Priority: Advancing Human Capital Management

In fiscal 2025, my highest priority was our human

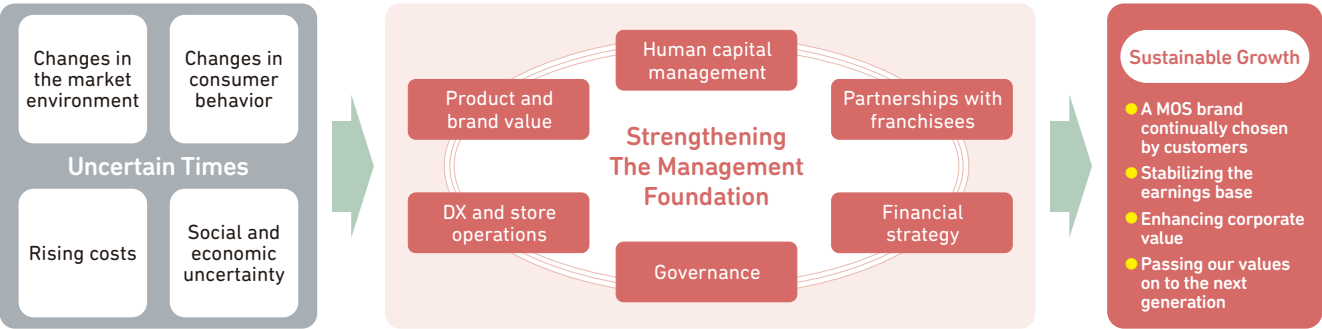
resources strategy. Strengthening our human capital enhances team member engagement and job satisfaction, which in turn enriches the customer experience, drives revenue growth, and strengthens brand equity. Recognizing these connections, I have consistently prioritized human capital management since becoming President in 2016. Upon my appointment, an internal survey showed that talent development, performance evaluation, and organizational management and reform were critical to MOS’s future. Over the past decade, we have steadily responded to this feedback, translating team members’ ideas into concrete initiatives.

At the MOS Group, we view our workforce not merely as an expense, but as value-creating human capital. We hold ourselves accountable for nurturing the talent we hire and helping them realize their full potential. In fiscal 2025, we swiftly executed a series of key reforms. These included introducing division-led organizational reviews to identify organizational challenges and formulate and execute tailored HR strategies; launching a new evaluation system rooted in MOS Values; providing HR Business Partner (HRBP) support; permitting secondary employment; and establishing a new recognition program (see pp. 27–30).

The purpose of these systems is to shift away from a structure in which divisions passively respond to initiatives from the Human Resources Division. Instead, each division head will define the type of talent the division needs and take responsibility for developing those people. HRBPs do more than support the operation of systems. Working closely with division heads, they help clarify organizational issues and approaches to developing successors, provide candid advice when necessary, and support division-led human resource cultivation.

We have also established standards for our performance review system. As the system is put into practice, we identify differences in how it is applied and carefully align approaches to improve its accuracy. The essence of human capital management is creating a culture in which each person redefines their own role and mission in their own words, thinks and acts independently,

### Navigating Uncertainty to Drive Sustainable Growth



and continues to improve. Strengthening the cycle in which management’s intentions reach the front lines and initiatives taken on in the workplace become a source of strength for management will provide the foundation for the MOS Group’s sustainable growth.

“Heart + Science,” Inherited from Our Founder Systems That Continue to Evolve

Since opening in a small corner of Narimasu, Tokyo, in 1972, MOS BURGER has grown over more than 50 years into a company with a store network throughout Japan and overseas. Throughout this journey, our starting point has remained the same: engaging with each customer and steadily performing “work driven by gratitude and appreciation.” What we have steadfastly preserved are these values and ways of thinking, in other words, the “heart” of MOS.

Yet, as times change, so do business environments and customer preferences. Preserving our core values requires continuously rethinking our work methods and organizational structure. For the past decade, I have prioritized reinforcing the “science” that anchors our founding “heart” by enhancing rationality, reproducibility, and systematic capabilities. This operationalizes our founder’s philosophy of “Heart + Science” in today’s business landscape.

Accordingly, we have evolved our systems in areas such as store operations, product development, human resource cultivation, and governance without compromising the MOS identity. In shaping our organization, we have also emphasized fostering the awareness that every individual plays a leading role and that everyone is personally responsible for moving the Company forward. A philosophy has no meaning if it is merely displayed as words. It only becomes powerful when it guides everyday decisions and actions. We will continue to value the approach of evolving the “science” that needs to change precisely so that we can preserve our “heart.”

Product Strategy to Meet Diverse Needs and Leverage Distinctive Strengths Refined over Time

Born in Japan, MOS BURGER has grown by consistently pursuing its own distinctive path. Every person working at MOS has valued and sincerely continued to refine our three strengths: Deliciousness, Community Engagement, and Innovation (see pp. 5–6). These strengths provide a robust foundation for our growth.

The key is how we use these strengths as a starting point to translate value for customers into concrete

offerings and continue delivering it consistently. In other words, we must bring to life through our actual business a story that answers two questions: Why do customers choose MOS, and why can MOS continue creating high-value-added products?

At the heart of the answer are our distinctive product development and procurement capabilities. Drawing on these strengths, we are advancing our Price Gradation Strategy as a concrete way to address diverse customer needs. By offering a range of products at regular, premium, and ultra-premium levels, each with a corresponding level of added value and price, this strategy enables us to serve customers on different occasions. For example, a customer might choose a regular product for an everyday meal, then select a premium or ultra-premium product for a special occasion. The essence of this strategy is meeting the varied needs of the same customer within a single brand. It is an initiative designed to broaden the range of reasons customers choose MOS.

At the center of this strategy is, of course, deliciousness, the fundamental value of food. The deliciousness of MOS is supported by carefully selected fresh vegetables, the warmth of food prepared to order, and the extra care that only people can provide. Our ability to continually create high-value-added products does not come from planning capabilities alone. It comes from the coordination of ingredient selection, product development, store operations, and careful improvements made in the workplace. By steadily building on and refining all these elements, we have made our uniquely MOS strengths unwavering.

Respective Roles of Digitalization and the Human Touch

As labor shortages and rising personnel expenses become challenges across industries, expectations are rapidly growing for digitalization to improve operational efficiency. The MOS Group is also advancing DX. What matters, however, is deciding which areas should be digitalized and

which should remain the responsibility of people.

While introducing self-service checkouts and making back-of-house operations more efficient, we remain committed to protecting the handcrafted processes essential to our deliciousness, such as preparing fresh tomatoes and lettuce. We are therefore using DX to improve operational efficiency and create systems that allow more time and effort to be devoted to hospitality and in-store engagement. Many franchise owners also expect to see tangible benefits from DX investments. To support their decision-making, we share examples and results from early-adopter stores based on quantitative data. We have also introduced AI into store analysis to improve the productivity of supervisors who provide store guidance. By optimizing what should be handled digitally and what should remain in human hands, we will support the sustainable growth of our store operations.

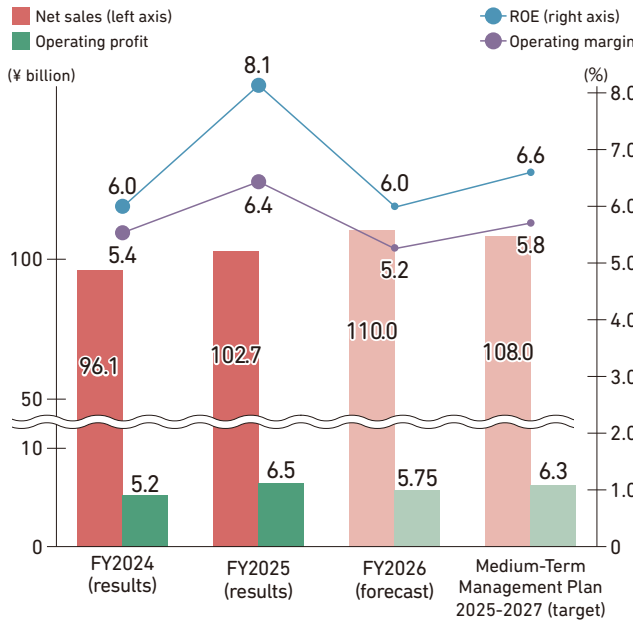
Basic Approach to Achieving the Medium-Term Management Plan

Under the Medium-Term Management Plan ending in fiscal 2027, we have set consolidated performance targets of net sales of ¥108 billion, operating profit of ¥6.3 billion, and ROE of 6.6%. In fiscal 2025, the first year of the Plan, our initiatives produced results and progress exceeded our initial expectations.

However, the outlook remains uncertain, including trends in raw material prices and energy costs. We have therefore maintained the numerical targets in the Plan for now and will prioritize achieving them reliably. We have conservatively factored the impact of higher costs into our fiscal 2026 projections, which will affect profit. At the same time, we will use the amount by which we exceeded our targets to date for future growth investments and as a buffer against risk, aiming to achieve and ultimately outperform our final targets. Specifically, in addition to increasing store sales, we will improve productivity through DX and diversify our sources of earnings.

We have also announced our capital allocation plan for the two years from fiscal 2026 through fiscal 2027 (see p. 53). Based on total funds of ¥54.2 billion, our basic policy is to provide stable shareholder returns while prioritizing growth investments. Provided that any initiative is consistent with our philosophy system, the “MOS Spirit,” we will actively consider the potential for business alliances and M&A from the perspectives of both business synergies and economic rationality. We plan to make growth investments of ¥32.0 billion over the two-year period, including approximately ¥20.0 billion for M&A, ¥6.9 billion for stores in Japan, and ¥5.1 billion for overseas and other investments.

Trends in Net Sales, Operating Profit, Operating Margin, and ROE



Three Key Policies under the Medium-Term Management Plan

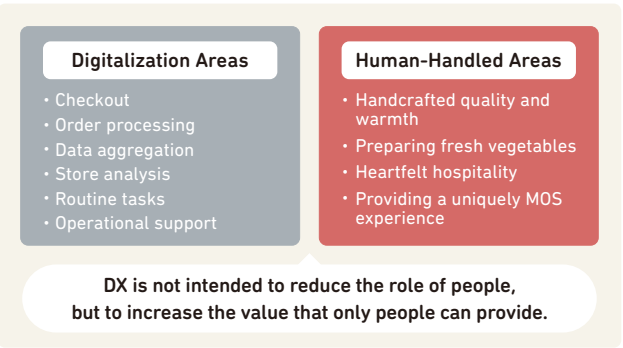
(1) Strengthening the Foundation of the Domestic MOS BURGER Business

Since our founding, the MOS Group has grown through the strength of a “product-out” approach, leading the market with our distinctive commitment and high quality. Meanwhile, to respond to changes in the market environment, in 2019 we integrated the Product Division into the Marketing Division, shifting to a structure that emphasizes a “market-in” approach rooted in customer needs. This structure initially gained momentum and produced successful products in the premium category.

As we responded flexibly to increasingly diverse needs, however, we also became concerned that MOS BURGER’s defining originality and the distinctive commitment of its creators could become relatively less visible. We therefore restructured the organization again in 2024, establishing the Product Division separately from the Marketing Division. This structural change sharpens our commitment to thoroughly pursuing the distinctive MOS value and deliciousness at the origin of our brand. By carefully assessing market conditions and the state of the brand at each point in time, we will use these two approaches to establish an even stronger competitive edge.

Looking ahead to sustainable growth, we must also broaden the occasions on which customers use our existing stores and increase the earning power of each location. We have therefore taken measures to balance sales across dayparts by expanding sales beyond the lunch period. Together with our Price Gradation Strategy, this will raise the earnings capacity of individual stores. We

Areas of Store Operations to Be Advanced through DX Areas Where People Create Value



will also focus on renovating existing stores. By creating more comfortable seating areas, we will capture new café demand and boost sales. At the same time, we will optimize customer and staff flow from ordering to product handoff, including the introduction of self-service checkouts. These efforts will streamline store operations while enhancing store value and productivity.

In fiscal 2026, we will maintain a disciplined, strategic approach to new store openings. Specifically, amid persistently high rents and construction costs, we will develop highly profitable store models and expand across a variety of locations and formats, including large stores with drive-through facilities and locations in busy commercial districts.

(2) Expanding Markets for Overseas Business

In our Overseas Business, we will continue to strengthen the two priorities set out in our medium-term policy: resolving issues in existing countries and regions, and building an optimal global ingredient supply network. In Hong Kong, where we operate through a consolidated subsidiary, we will further emphasize that MOS is a brand originating in Japan. Specific measures will include updating store signage to use the brand name in katakana. By renovating stores and strengthening sales promotion at the same time, we will maximize synergies, improve profitability, and advance rebranding.

We are also enhancing our ingredient supply network as a vital initiative supporting our business foundation. Serving as a central hub for this network, MOS FOOD INDUSTRY CORP., our consolidated subsidiary in Taiwan, is scheduled to bring a new processing plant online during fiscal 2026. The factory will not only supply Group companies but also expand sales to external customers, simultaneously strengthening our supply system and broadening our earnings base. Through these initiatives, we will establish sustainable operating structures in each region.



We have positioned the period through fiscal 2027 as the foundation-reinforcement period, that through fiscal 2030 as the strategy implementation period, and the period thereafter as the growth expansion phase. We will advance our initiatives step by step in accordance with these phases.

(3) Revenue Diversification

In diversifying revenue, we intend to broaden our earnings base through the Merchandising Business, Growth Business, Hygiene Business, and other operations, while strengthening the foundation of the Domestic MOS BURGER Business.

In the Merchandising Business, we will continue working to increase our brand value and recognition and acquire new customers by expanding our market. By accelerating product rollouts via our e-commerce site and third-party retail channels, we will expand customer touchpoints beyond our stores to drive deeper penetration of the MOS brand.

With the renaming of the former New Food Service Business as the Growth Business, we clarified the unit’s organizational goal of developing and scaling restaurant concepts. We are concurrently refining existing concepts and developing new business formats. For Brown Rice Shokudo AEN, our main growth driver, we will further perfect its low-investment, labor-efficient model to steadily develop it into a key future earnings base.

In the Hygiene Business, we will further refine the hygiene expertise cultivated through our stores to ensure rigorous hygiene management throughout the MOS Group. At the same time, we will use the knowledge accumulated over many years to enhance our inspection capabilities, acquire new external customers, and expand the scope of the business.

Through these initiatives, we will expand touchpoints with the MOS brand beyond our stores and add depth to our business portfolio, thereby increasing resilience to changes in the operating environment.

MOS BURGER Kyoei-kai:  
An Inimitable Foundation for Value Creation

One of the MOS Group’s greatest assets is the strong trust we have earned from customers, who recognize the high brand value delivered through our high-value-added products and services. Essential to the robust system supporting this value is the MOS BURGER Kyoei-kai, a mutual support organization comprising our franchise owners (see pp. 21–24).

The Kyoei-kai is far more than an organization that brings franchisees together. It plays an extremely important role in sharing and consistently reproducing our standards for quality and service, as well as our



commitment to local communities, across the entire chain. I believe this relationship is a source of competitive advantage for the MOS Group that is difficult to replicate.

The key lies in the strong relationships of trust we have built with franchise owners across Japan who share our philosophy. This is not simply a relationship founded on the pursuit of ideals, but a professional partnership underpinned by a shared purpose. In 2006, we changed our franchise agreements from automatic renewal to a system requiring both parties to enter into a new agreement every five years. This is a serious process through which both parties reconfirm whether they wish to continue working together for the next five years. I believe true partnership can only exist when both parties continually hone their capabilities and encourage each other to improve so that they remain partners of choice. The healthy sense of tension and brand discipline created by this system generate vitality throughout the organization. Although we are independent business entities, we continue to evolve together as one team. This unwavering unity is our greatest source of sustainable value creation in a time of rapid change.

A new five-year agreement period began in fiscal 2026. At the Domestic MOS BURGER Chain Policy Briefing held in March, I asked the owners gathered from across Japan, “As a member of the MOS BURGER chain, what added value do you provide?” This is also a question for all of us at the company, and for me personally. I am constantly asking myself what added value I provide as President. Only those who resolved to overcome a difficult external environment together with us signed new agreements and are moving forward with us for the next five years.

More than half of our franchise owners have now

completed next-generation owner development training. While cherishing the values shared across MOS, we are also steadily passing businesses on to the next generation.

Disciplined Governance for Overcoming  
Uncertainty

As a company pursues sustainable growth, it will sometimes encounter unexpected difficulties and unforeseen risks. What matters is not treating them as temporary problems, but regarding them as opportunities to reassess organizational vulnerabilities and build a stronger management foundation.

I understand governance as creating a state in which we can face management issues head-on and act without hesitation when organizational restructuring or a review of personnel assignments is necessary. We have therefore continually reviewed the composition of the Board of Directors and the division of roles between supervision and execution from the perspective of effectiveness. With appropriate collaboration between supervisory and executive functions as our basic approach, we will further clarify their respective roles and establish a highly effective decision-making structure.

For the Board of Directors, combining the knowledge, skills, experience, and diversity required by our strategy is essential. I believe a truly effective Board brings together frontline experience and management theory, blending internal expertise with external perspectives to sharpen substantive debate and strengthen our decision-making. In June 2026, we refined our Board structure to increase women’s representation and foster generational renewal. Creating a common framework for in-depth dialogue with Independent Outside Directors who possess specialized expertise enables us to link frontline knowledge with analytical rigor, ensuring our governance operates at peak effectiveness.

Developing the next generation of leaders and succession planning are also among our highest priorities and lie at the heart of governance. As an investment in our future management team, we intentionally assign Directors, Executive Officers, and senior managers expected to lead the next generation to unfamiliar fields and different areas of responsibility. Through hands-on management experience, we systematically develop their perspective and judgment. Successors grow by assuming responsibility themselves and overcoming difficult situations. Designing these opportunities for growth is one of my most important responsibilities. Recent changes to our Directors and Executive Officers and reviews of the organization are also intended to improve the quality of decision-making for our next stage of growth.

In strengthening our risk management structure, we are placing particular emphasis on the Overseas Business.

Rather than rushing to expand, we will first establish management structures capable of responding quickly to unforeseen circumstances in each country and systems that enable the Board to appropriately supervise execution. We will then connect this stronger foundation to our next phase of growth.

Advancing Our Sustainability Initiatives

For the MOS Group, sustainability is not a theme incidental to business activities; it is management itself. To sustainably increase corporate value, we have once again reviewed our initiatives and identified four material issues as key management priorities: Food and Health, Stores and Local Communities, Human Resource Cultivation and Support, and the Environment. In light of changing social conditions and the importance of these issues to our stakeholders, we are setting priorities and evolving our initiatives in ways that reflect actual circumstances.

We have also reviewed and reorganized our KPIs. New indicators include the rate of increase in customer satisfaction survey scores and the number of “Family Burger-Making Experience” sessions held, in which children learn about the joy and importance of food by making hamburgers. Through these initiatives, we will deepen engagement with customers, communicate the value of food to the next generation, and build stronger ties with local communities.

Non-financial activities are important factors that lead to future financial performance. We have now mapped the relationship between our materiality initiatives and medium- to long-term growth (see pp. 43–44). We will continue pursuing these initiatives as an integrated strategy to achieve sustainable growth. We have also reviewed the performance indicators used for performance-linked compensation for Directors and other officers, newly adding the efficient use of energy to reduce CO<sub>2</sub> emissions and improvement in the employee engagement score. In this way, we will embed our environmental and human capital initiatives into management systems as forward-looking management priorities.

Delivering Happiness Worldwide through Food Culture Originating in Japan

Beyond providing meals, the food service industry serves to enrich lives through shared moments, relaxation, and energy for the day ahead. Grounded in our founding mission, the MOS Group has always cherished the comfort and warmth enshrined in our Basic Policy. These values embody well-being—a state of fulfillment in both body and mind—which we have established as our unique SDG objective underpinning sustainable value creation.

In pursuing this value, the primary focus is not on

market competition. The true model to emulate is the deeply rooted local establishment—much like a cherished neighborhood dining spot—that has been loved by its community for generations. The goal is for each restaurant to function as a community hub and become a leading local store that the community cannot do without. Continuously embodying the “MOS Spirit” through everyday customer service and community activities will further strengthen trust both within and outside the Group.

In recent years, Japanese food culture has earned high praise around the world for its dedication to ingredients and deliciousness, as well as its spirit of *omotenashi*, or thoughtful hospitality. Even in highly uncertain times, the important role that the food service industry should play in society remains unchanged. I want the MOS Group to play its part and help shape the future of Japan’s food service industry. MOS BURGER was born in Japan and has developed over many years alongside this country’s rich sensibilities. That is precisely why we recognize that we have value to communicate to the world and a mission to fulfill. To achieve Our Mission, “Happiness through food,” we will further hone our distinctiveness and continue communicating the appeal of Japanese food culture in Japan and overseas through the MOS brand.

Our Promise to Stakeholders

As I consider the future of the food service industry, what I value most is adding extra thoughtful touches to everything we do. We must demonstrate this attitude not only toward the customers who visit our stores, but also toward shareholders, franchise owners, business partners, team members who work with us, and people in local communities. Every stakeholder is a customer to us. We



are therefore determined to continue making sincere efforts so that everyone becomes a MOS fan. Our corporate value is built on relationships of trust with our diverse stakeholders. Advancing human capital management, refining product value, deepening our bonds with the Kyoei-kai, and strengthening disciplined governance are all initiatives intended to continually earn that trust.

When there is a problem, I believe we must face it directly and take responsibility for making necessary organizational changes and reforms. I manage the Group with a firm resolve to pass on our unique MOS value to the next generation in an even better form. With each passing year, I feel more strongly that my greatest role as President

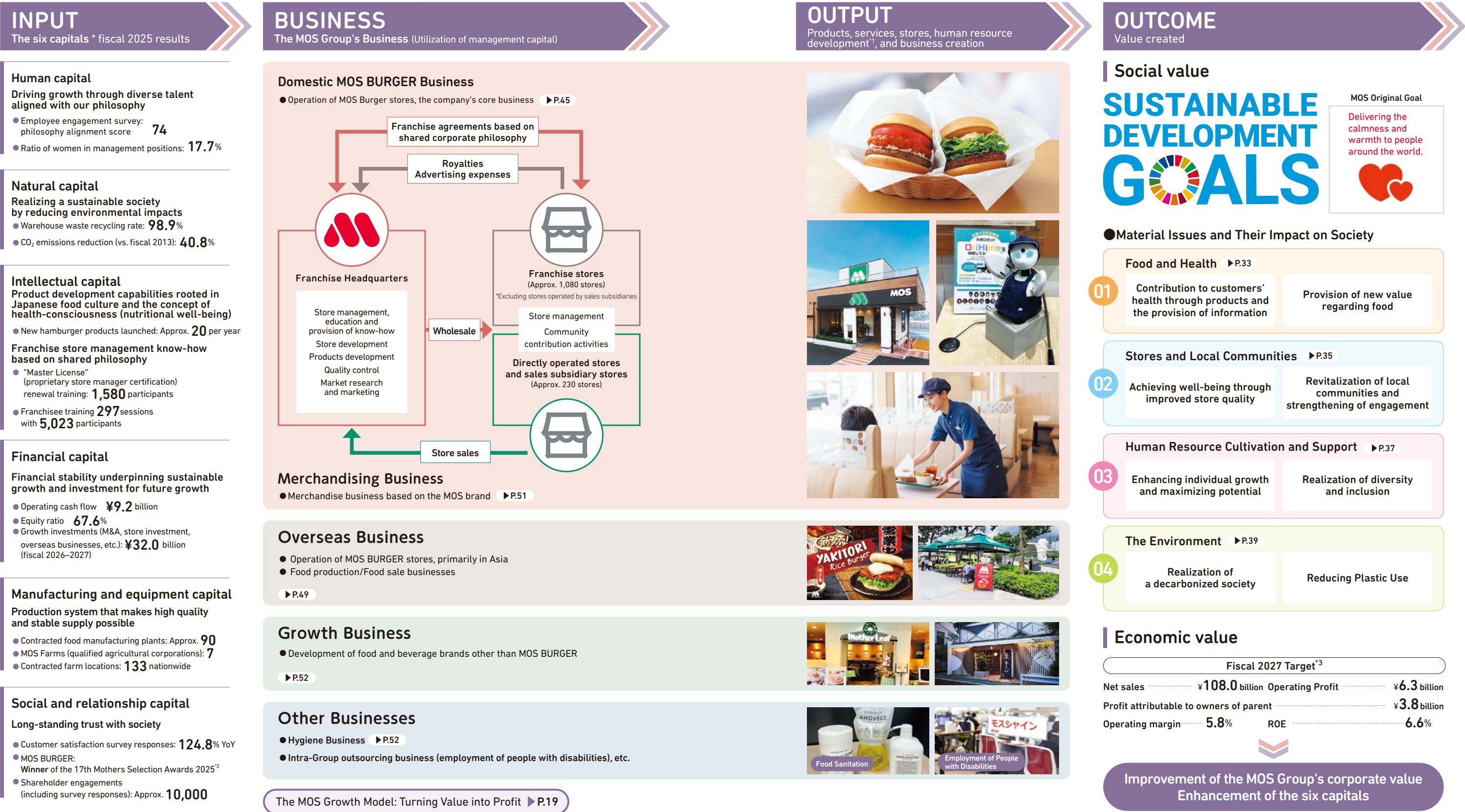
is to develop my successor. I see my mission as looking beyond immediate results --building a foundation on which the MOS Group can operate on a sounder footing and pursue bolder ambitions in the years ahead.

Going forward, we will look beyond the growth of our own company to the essential role that Japan’s food service industry should play in society, while continuing to evolve our calmness and warmth in step with the times. To preserve what must never change, we will change what needs to change. Through the steady accumulation of these efforts, we will carry the trust that is uniquely MOS into the future.

Key Messages

- We will ensure that achieving consolidated net sales of ¥100 billion is not a temporary result, but use it to build a management foundation for further increases in corporate value.
- We will focus on human capital management and strengthen the positive organizational cycle through which each person’s initiatives become a source of strength for management.
- While preserving the “MOS Spirit,” we will leverage DX and other tools to evolve the “science,” or systems, that need to change.
- In line with our capital allocation plan, we will consider M&A that contributes to stabilizing our earnings base and strengthening our supply chain.
- We will further strengthen our bonds with the MOS BURGER Kyoei-kai (an association of MOS franchise owners) and focus on building the MOS brand.
- We will steadily advance succession planning while establishing a governance structure capable of overcoming uncertainty.
- Through the MOS brand, we will continue communicating the appeal of Japanese food culture in Japan and overseas.

# The MOS Group's Value Creation Model

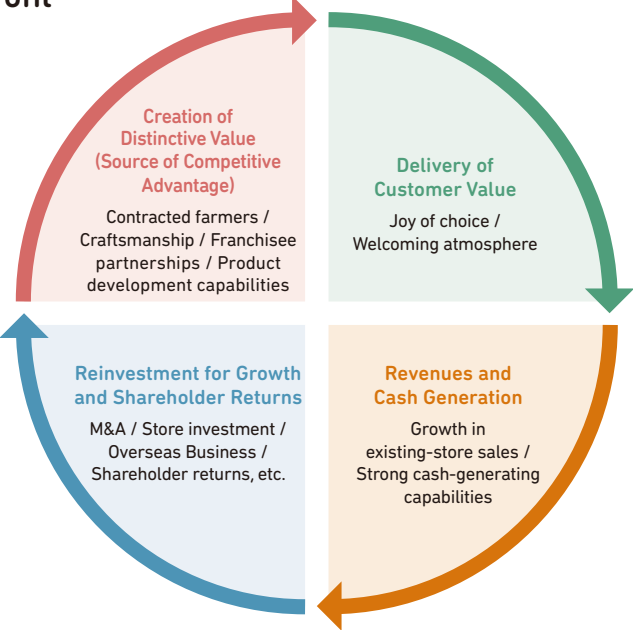


# A Virtuous Cycle of Value Creation, Investment, and Returns to Maximize Corporate Value

## The MOS Growth Model: Turning Value into Profit

A defining strength of MOS FOOD SERVICES, INC. lies in its capacity not merely to deliver products and services, but to steadily convert customer value—including deliciousness, safety and reliability, and the joy of choice—into profitability and cash-generating capabilities. Anchored by the Domestic MOS BURGER Business as its core business, the company is scaling the value creation mechanisms developed through this business across other business domains, including the Overseas Business and Growth Business.

Customer value created through the company’s distinctive product development and service capabilities is converted into an efficient earnings structure through a co-creation model with strong cash-generating capabilities. The cash generated is then reallocated to M&A, store investment, the Overseas Business, shareholder returns, and other areas, thereby creating a virtuous cycle of growth and returns.



## Creation of Distinctive Value (Source of Competitive Advantage) Uncompromising Craftsmanship: The Source of Value Only MOS Can Create

Since its founding in 1972, MOS has pursued a unique path as a restaurant chain originating in Japan, refining its three strengths, Deliciousness, Community Engagement, and Innovation (see pp. 5–6). These three points of differentiation are underpinned by the company’s strong, unique assets.

A network of contracted farmers built over more than 30 years supports both Deliciousness and Community Engagement. Collaboration with contracted farmers throughout Japan enables the stable procurement of carefully selected fresh vegetables, creating a barrier to entry that cannot easily be replicated overnight. Additionally, craftsmanship—MOS’s uncompromising commitment to in-store preparation—is another indispensable element. Processes such as hand-washing and preparing fresh vegetables in each store and using the after-order method, whereby products are prepared only after an order is received, have been standardized nationwide. This commitment to prioritizing quality over efficiency supports the exceptional taste unique to MOS. Partnerships with franchisees that share the MOS philosophy also provide a solid foundation for community-based store management. Mutual learning under MOS’s distinctive franchise business model (see pp. 21–24) and Hospitality, Delicious, and Cleanliness (HDC) activities have



firmly established a system for consistently delivering high-quality experiences at more than 1,000 franchise stores nationwide.

Innovation is supported by the company’s unique product development capabilities. MOS has created numerous groundbreaking products unconstrained by conventional thinking, including the “MOS Rice Burger,” developed in response to Japan’s surplus rice problem, and “MOS Natsumi,” which uses lettuce instead of buns to hold the fillings. These strong, distinctive assets will continue to drive further refinement of MOS’s three enduring strengths.

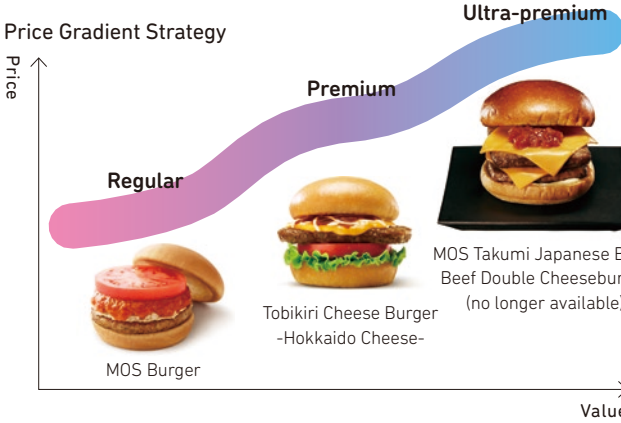


## Delivery of Customer Value (Brand Strength) The Pleasure of Choice and a Welcoming Atmosphere Drive Repeat Visits

Customer value is delivered in ways that customers can experience directly in MOS stores. At the heart of this approach is the Price Gradient Strategy. By offering choices ranging from regular and premium to ultra-premium products to suit different moods and occasions, MOS gives customers the pleasure of choosing. This represents a value proposition that enables customers to make choices with confidence and satisfaction.

MOS also positions its stores not merely as places to eat, but as places to recharge in everyday life. Recent store renovations have focused on making stores more welcoming and comfortable to capture café demand and creating spaces that encourage customers to return.

As demonstrated by MOS BURGER winning the 17th Mothers Selection Awards 2025\*, the strong affinity for the brand generated through both its products and store



\* Organized by the Japan Mothers Association, the Mothers Selection Awards recognize products, services, and facilities that mothers and fathers raising children support and identify with, as selected through their votes.

environments provides a solid foundation for MOS’s enduring customer value.



## Revenues and Cash Generation (Financial Strengths) Continued Growth at Existing Stores and Strong Cash-Generating Capabilities

As a result of various initiatives to enhance customer value, average monthly sales per existing store in the Domestic MOS BURGER Business have increased significantly to approximately 1.5 times the fiscal 2019 level. This represents a rate of growth that ranks among the highest in the restaurant industry.

In terms of profitability, investment in digital transformation has emerged as a new driver of earnings improvement. Compared with stores without self-checkout registers, stores where they have been introduced recorded a 1.6% improvement in the sales growth rate and a 1.2%

reduction in the personnel expense ratio. Redirecting the capacity created through greater efficiency toward improving the quality of customer service has generated a virtuous cycle that enhances both profit margins and the customer experience.

Furthermore, the company operates a fabless business model with minimal factory ownership, featuring an asset-light management structure supported by a robust franchise system. This structure enables stable and strong cash generation while supporting a sound financial position, as demonstrated by the equity ratio of 67.6%.



## Reinvestment for Growth and Shareholder Returns (Positioning for the Future) Strategically Allocating Cash Generated to Drive the Next Cycle of Growth and Customer Value

Rather than simply being retained, the cash generated is channeled into the next cycle of value creation through strategic capital allocation based on clearly defined priorities (see p. 53). This represents the final phase of the MOS Growth Model.



Store investment, including renovations | A pilot test for an AI-powered drive-thru

### Investment in M&A and New Business Domains (Expansion of the Business Portfolio)

To replicate the value of MOS in new markets and strengthen the resilience of the Group’s overall business portfolio, M&A opportunities and growth businesses expected to generate synergies will be strategically pursued.

### Store Investment and Overseas Business (Enhancing Existing Stores and Expanding the Business Base)

Continued investment in store renovations and digital transformation, together with the use of AI to reduce labor requirements, will further enhance existing stores toward the goal of average monthly sales of ¥10 million per store. Overseas, strategic investments will be made to improve the replicability of the business model, with a particular focus on establishing robust local operating foundations.

### Optimal Shareholder Returns (Sustaining Relationships of Trust)

The company will flexibly provide optimal shareholder returns with an emphasis on capital efficiency, including the introduction of a total payout ratio combining dividends and share repurchases. These measures will help build long-term relationships of trust with investors.

# Strengthening Management Capabilities through Bonds among Franchisees: The MOS BURGER Kyo-ei-kai

The MOS BURGER Kyo-ei-kai is a unique MOS organization that connects headquarters with franchisees, as well as franchisees with one another. It plays an important role in putting the MOS philosophy into practice and promoting community-based store management and promoting local store management and community contribution activities.

## MOS's Unique Network-Driven "FVC" Organization

The MOS BURGER Chain has an organization known as the MOS BURGER Kyo-ei-kai (hereinafter, the "Kyo-ei-kai"), which connects MOS FOOD SERVICES, INC., franchise headquarters, with franchisees while fostering ties among franchisees.

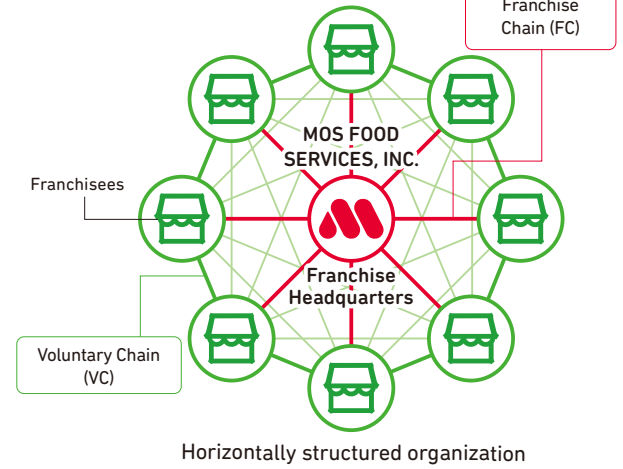
The Kyo-ei-kai combines two elements: a franchise chain (FC), which connects the franchisor with franchisees, and a voluntary chain (VC), which connects franchisees with one another. This makes it a distinctive MOS organization that can be described as a franchise voluntary chain (FVC). Established in 1980, the Kyo-ei-kai has undertaken activities to enhance the MOS brand for the prosperity of the entire chain under the shared philosophy, "For the Customer—Stores Exist for the Customer."

Although conventional franchise systems are often based on a top-down approach led by the headquarters,

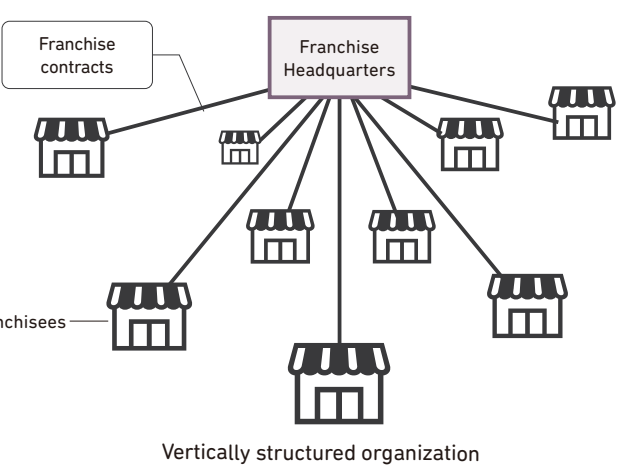
MOS has the Kyo-ei-kai, an organization through which equal business partners work to improve management itself. The headquarters and the Kyo-ei-kai work together as "the two wheels of a vehicle," developing community-based stores while incorporating requests and issues identified on the front lines and bringing the MOS Spirit philosophy to life.

The Kyo-ei-kai is divided into 20 regional branches nationwide. Through mutual learning initiatives such as Hospitality, Delicious, and Cleanliness (HDC) activities,\* information exchange, and the sharing of best practices and ideas, the branches work to improve store performance and motivate store staff. Support from the headquarters helps translate these activities into improved service throughout the chain.

MOS BURGER's unique franchise system



Typical franchise system



## Bringing Frontline Voices into Management: Creating Stores Chosen by Customers and Store Staff

The Kyo-ei-kai is an autonomous organization where franchisees work together to improve store management quality, supported by franchise headquarters. The Kyo-ei-kai franchisee association plans community-rooted initiatives and sales promotions, such as the MOS Farm-Fresh Vegetable Festival, while conducting mutual store assessments to elevate service standards and organizing joint training programs to build an autonomous quality management framework. These efforts solidify brand value into an unwavering foundation and serve as a safety net that guarantees MOS quality standards.

The integrated relationship between the Kyo-ei-kai and the headquarters also enables the intentions of both parties to be communicated quickly. This two-way approach to

management and the resulting trust facilitate the smooth introduction of new management strategies and help improve customer satisfaction (CS).

The Kyo-ei-kai also contributes to higher employee satisfaction (ES). The MOS Spirit philosophy, valued since the company's founding, is translated into specific initiatives such as HDC activities. Store staff take great pride in these efforts, with some even moved to tears at ceremonies recognizing stores that receive outstanding evaluations. A deeper understanding of the philosophy on the front lines creates an environment where team members find genuine fulfillment in their work, further boosting employee satisfaction.



HDC Store Awards Ceremony (Kyo-ei-kai Tokyo Branch)



The MOS Farm Fresh Vegetable Festival held at MOS BURGER stores in Aichi Prefecture showcased the appeal of local ingredients.

## Multifaceted Support: Working alongside Franchisees to Sustain Growth

The MOS BURGER headquarters and franchise owners are partners in co-creation whose relationships extend beyond contractual arrangements. The headquarters monitors the financial position of each franchisee, conducting timely performance reviews and proactive consultations whenever profitability needs improvement. Furthermore, long-term support includes tailored store renovation plans to maintain competitiveness and systematic training through the MOS Academy.

The results of this hands-on management support are also reflected in the numbers. Franchisees have strengthened their management foundations by utilizing support from the headquarters, and the average number of stores owned per franchise owner has steadily increased. Multifaceted support covering finance, education, and renovations gives owners greater confidence and encourages reinvestment, fostering stable multi-store operations and the sustainability of the chain.

### Franchise Headquarters Supervisor Comment



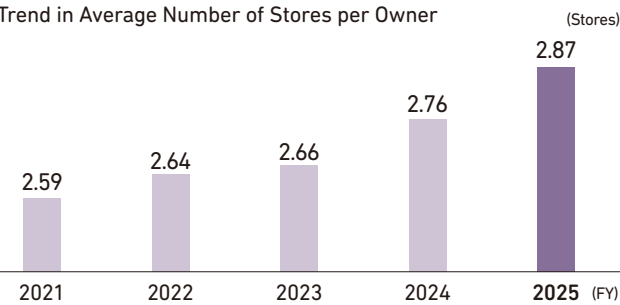
Providing Management Advice That Closely Reflects the Aspirations of Owners and Store Managers to Drive Mutual Growth

**Miho Nishimura**  
Chief Supervisor,  
Franchise Business Division

My role is to work closely with franchise owners and store managers to resolve the management issues faced by each store. I am currently responsible for the Chiba area and regularly visit each store to conduct detailed checks of its products and services.

The role goes beyond simply providing guidance on rules. It involves sharing specific presentation techniques that enhance the appeal of a product or engaging in passionate discussions with owners about the long-term direction of store operations.

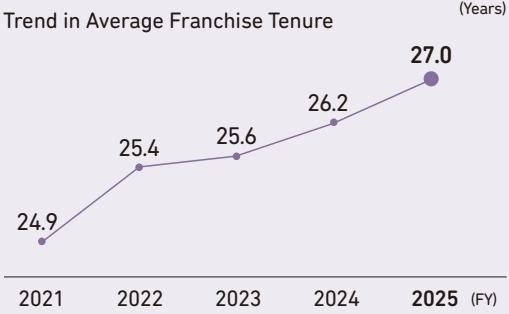
What matters most is gaining a deep understanding of the thoughts and aspirations of those working on the front lines and providing appropriate advice tailored to the character of each store. Every day, I approach my work with the conviction that a relationship in which the franchisor and franchisees trust and inspire one another ultimately contributes to our customers' happiness.



### The Strength of MOS's Unique FVC, as Demonstrated by Historical Data: High Retention and Low Risk through Strong Relationships

Through the Kyo-ei-kai, the MOS BURGER Chain supports mutual cooperation among franchise owners and the development of successors, creating an environment in which franchise relationships can continue for an average of more than 25 years.

Excluding terminations by mutual agreement, there have been no recent cases in which franchise agreements were not renewed. The number of lawsuits between the franchisor and franchisees also remains at zero. This low litigation risk further demonstrates the strength of the relationships between MOS and its franchisees.



\* Initiatives undertaken by each store to further improve the customer experience.



# The Kyoei-kai Is Indispensable to the Chain’s Development, Bringing Together Partners Who Share the MOS Spirit

The MOS BURGER Kyoei-kai connects the franchisor with franchisees while bringing franchisees together with one another. In this roundtable, participants discussed this unique framework—a mutual support organization and community where franchisees learn store management from each other.

**Ko Kasai, General Manager of the Franchise Business Division (left)** First, allow me to introduce the participants. Yasushi Yokoe, Chairman of the Kyoei-kai, operates three stores in Osaka Prefecture. Norihiko Koizumi, Vice Chairman of the Kyoei-kai, operates eight stores in Tokyo, while Naoyuki Goda operates three stores in Fukushima and Miyagi prefectures.

The Franchise Business Division places great importance on collaboration with franchisees in working toward the development of the entire chain. To begin, what are your thoughts on the functions performed by the Kyoei-kai?

## The Franchisor and Franchisees Refine One Another and Work as One to Improve Performance

**Koizumi** Led by the branch heads, the Kyoei-kai operates owner meetings, committees, store manager meetings, and other forums. Its horizontal connections are a major strength. One example is the HDC activities, which are intended to pass on the MOS Spirit and share best practices across the chain. Each branch undertakes a variety of initiatives. During visits to stores by franchise owners and franchise supervisors, supervisors provide precise advice, while owners offer insights from a management perspective. These visits are extremely helpful in raising store standards and supporting my own personal growth.

**Yokoe** When a new product is developed, franchisees evaluate sales methods and customer reactions from the perspective of those actually serving the product in stores. The results observed during sales are then provided to the headquarters as feedback. The constant objective is for the franchisor and franchisees to refine one another and work together to improve performance. Surveys conducted for each product campaign collect a wide range of feedback, including observations from the front lines about product preparation methods and suggestions that the featured product should be displayed more prominently and clearly in promotional materials.

**Kasai** We also recognize the considerable value of the campaign surveys. Valuable data submitted through the Kyoei-kai—including customer requests and opinions, advice for ensuring smooth product preparation in stores, and assessments of the effectiveness of promotional materials and television commercials—can be applied to subsequent initiatives. This enables the franchisor and franchisees to work as one and generate synergies.

**Goda** The mechanism through which the headquarters listens to franchise owners and incorporates their views via the Kyoei-kai is highly effective. The advice provided by the Kyoei-kai on management and store operating methods is also very valuable. Thanks to the Kyoei-kai, my stores have been able to build a strong brand image as franchisees of the MOS BURGER Chain.

## Supporting and Elevating One Another to Achieve Shared Success for All

**Kasai** Vice Chairman Goda became independent after working as an employee of a franchisee. Did franchise owners of the Kyoei-kai provide support at that time?

**Goda** There were many owners around me who were willing to listen and offer thoughtful advice, so I did not feel anxious. Even before becoming independent, they seemed inspiring and were people I admired. I would never have met them without the Kyoei-kai. They carefully guided me through every detail, including key points for store operations, which enabled me to reach this stage smoothly.

**Koizumi** I am a second-generation owner, but my father taught me very little. Like Vice Chairman Goda, I actually learned everything—from store operations to financing—from nearby franchise owners and team members of other branches.

**Yokoe** There is an atmosphere where people proactively offer advice even without being asked. This is probably because they received the same kind of help themselves. A deep-rooted culture of paying it forward exists—passing on to junior owners what was learned from senior owners.

**Koizumi** A phrase often heard is, “There is no point if only my store succeeds.” We all operate under the same sign, so one store cannot truly thrive unless everyone thrives. For example, some store staff who fall in love with MOS in their hometown continue working at MOS after moving elsewhere following marriage. Some customers also visit MOS stores throughout Japan while traveling. That is why every store must be one that the chain can be proud of, wherever it is located. This sense of fellowship and unity with the headquarters is what makes it possible to continue operating for many years.

**Yokoe** In my case, the alignment between my personal principles and the MOS philosophy is what has enabled me to continue operating for so long. I want to ensure this irreplaceable organization is passed on to future generations.

**Goda** I also love MOS products and its philosophy, which underpin my daily store operations. Participating in the next-generation owner development training offered by the headquarters allowed me to meet many fellow owners who continue to inspire me today.

## Establishing the CS and ES Improvement Committees to Realize the “Cycle of Excitement”

**Kasai** New committees have been established to improve employee satisfaction (ES) and customer satisfaction (CS). What is the objective behind their establishment?

**Yokoe** The importance of ES and CS has always been deeply rooted in the MOS philosophy. ES provides the



**Yasushi Yokoe**  
**Chairman,**  
**MOS BURGER Kyoei-kai**  
Operates three stores, including the MOS BURGER Suita North Exit Store in Osaka Prefecture. Became an independent franchise owner after working for MOS FOOD SERVICES, INC.



**Norihiko Koizumi**  
**Vice Chairman,**  
**MOS BURGER Kyoei-kai**  
**(Responsible for the Branch Heads’ Council)**  
Operates eight stores, including the MOS BURGER Eifukucho Store in Tokyo. Took over the business from the previous generation.



**Naoyuki Goda**  
**Vice Chairman,**  
**MOS BURGER Kyoei-kai**  
**(Responsible for Committees)**  
Operates three stores, including the MOS BURGER Fukushima Yanome Store in Fukushima Prefecture. Became an independent franchise owner after working as an employee of a franchisee.

foundation for CS. Improving ES enhances service quality and productivity, which leads to higher CS and, in turn, improved business performance. However, as MOS has grown into a major chain and administrative work has increased, store staff may sometimes lack the leeway to truly enjoy their work. This prompted a return to our roots. The new committees were established in the hope that store staff would reconnect with their personal goals, desire for growth, and self-realization.

**Koizumi** A major initiative is creating stores that customers choose. ES leads to CS, which helps a store become the preferred choice and generate profit. That profit can then be reinvested and returned to employees, leading once again to higher employee satisfaction. Now is the time to realize this “Cycle of Excitement” proposed by Chairman Yokoe.

**Kasai** Every day reinforces my conviction that the headquarters and the Kyoei-kai are working toward the same objectives in the management of MOS. The relationship is, of course, one between autonomous professionals who respect one another’s independence, rather than one of dependence. Nevertheless, their respective vectors consistently point in the same direction and overlap in many areas. This roundtable has strengthened my belief that the headquarters and the Kyoei-kai, representing the franchisees, should function as the two wheels of MOS management and work together to shape the future under the MOS Spirit philosophy.

# Embedding the Philosophy System, the MOS Spirit

## Giving Shape to Our Aspirations, Carrying Our Spirit into the Future

In May 2025, in conjunction with the formulation of the Medium-Term Management Plan, the MOS Group redefined its Philosophy System, the MOS Spirit (see p. 3). With further business growth and global expansion in view, the philosophy that supports shared values and a sense of unity throughout the organization is more important than ever. This section introduces the internal workshops held to embed this philosophy throughout the organization.

### Approach to Embedding the Philosophy System, the MOS Spirit

The process of redefining the philosophy began in 2024 and involved extensive discussions to reexamine the MOS Group's origins. The redefinition preserved long-held values while refining the wording so that it would resonate with colleagues from diverse backgrounds.

A philosophy has value only when it is put into practice in day-to-day operations and decision-making. To ensure that the MOS Spirit does not remain merely a

slogan, dialogue-based workshops were held away from the office, including off-site retreats. By connecting the philosophy to their own experiences and expressing it in their own words, individuals can make it their own and embody it in their respective workplaces. This series of steps will provide a strong foundation for sustainable value creation.

### Approach to Embedding the Philosophy

- 1. Redefining the Philosophy (Enhancing Clarity and Relatability)**  
Long-held values were preserved, while the wording was refined to align with the changing times and resonate with a diverse workforce.
- 2. Deepening Understanding through Dialogue and Experience**  
Emphasis is placed on deepening understanding through dialogue rather than one-way communication.
- 3. Driving Implementation through Management Involvement**  
Directors and executive officers take an active role in embedding the philosophy throughout the organization.



**Tomohisa Iokawa**  
Philosophy Embedding Project Secretariat

### Workshop Overview

During the workshops, participants reflected on formative experiences, including how they first encountered MOS and their feelings about and experiences in their work. They then articulated what the MOS Spirit means to them, expressed it as a creative work, and presented it to the Group. Directors and executive officers served as facilitators, encouraging participants to share the philosophy through dialogue. The process is intended to make the philosophy feel more personally relevant and encourage its application in day-to-day work and conduct.

Implementation Data

Period

: January–March 2026

Main scope

: MOS FOOD SERVICES, INC. and domestic consolidated subsidiaries

Unit

: Department or group level

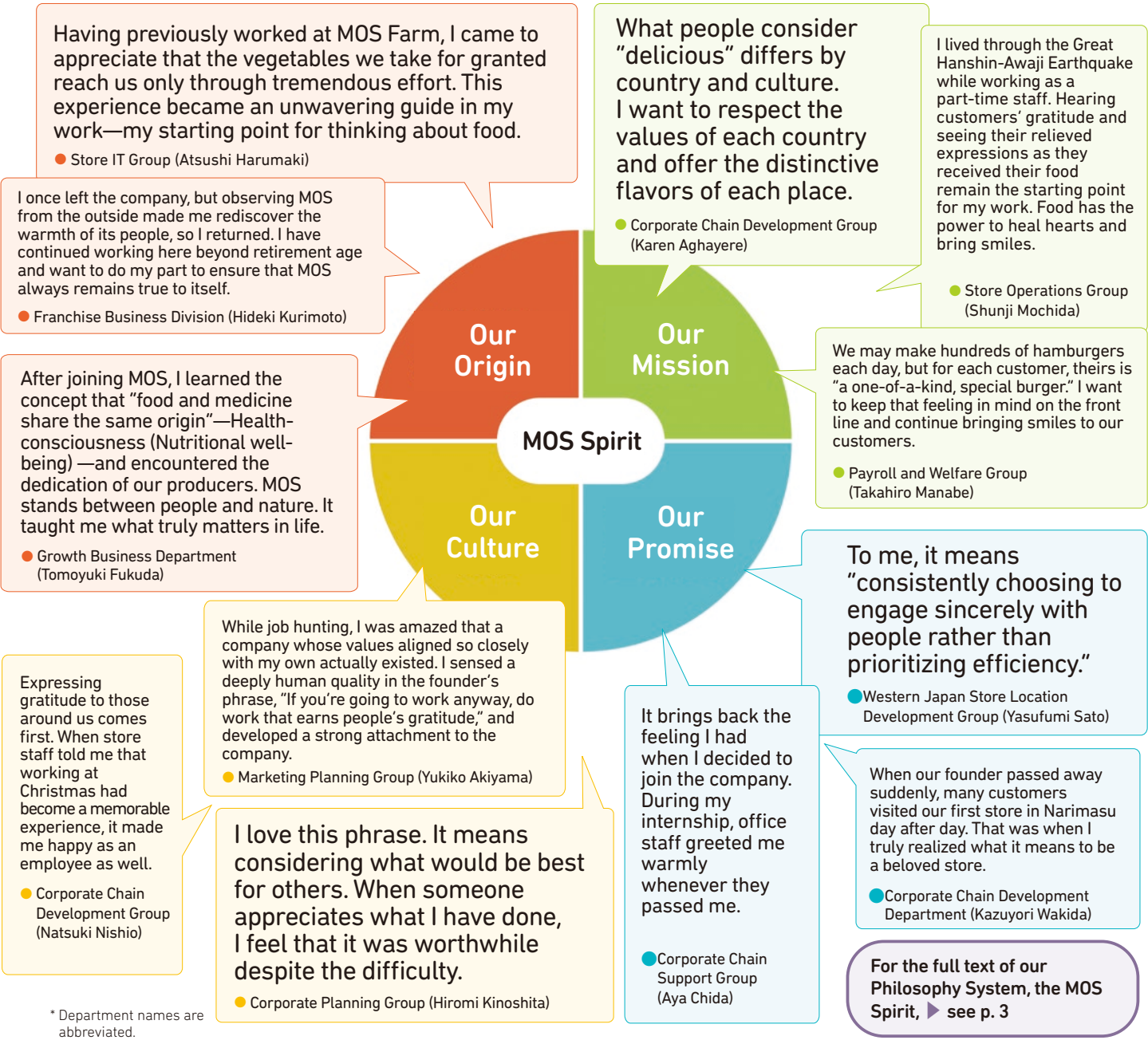
Submissions

: Approximately 600



### Selected Works from the Workshops

### What the MOS Spirit Means to Us



### Quantitative Data: Growing Alignment with Pride in Philosophy

Since the project’s launch in 2024, scores for related items in the employee engagement survey have improved. Beyond stronger alignment with corporate philosophy, employees have felt a deeper connection to the business policies and increased pride in the company. This improvement reflects increased communication fostered by the workshops, where participants shared their formative experiences at MOS and engaged with one another’s values.

The approximately 600 works created during the workshops have also been archived in an internal database. They serve as a source

of mutual inspiration and a touchstone that everyone can return to at any time. Moving forward, the MOS Spirit will remain the foundation of corporate activities, further strengthening organizational unity through the proactive actions of every individual.

### Score Improvements in Related Employee Engagement Survey Items

|                                                               | March 2024 | ➡ | March 2026 |
|---------------------------------------------------------------|------------|---|------------|
| Alignment with the Mission and Vision                         | 72         | ➡ | 74         |
| Endorsement of the Company’s Policies and Business Strategies | 67         | ➡ | 70         |
| Pride in Businesses and Services                              | 64         | ➡ | 67         |

# Human Capital Management

## Transforming People and Organization

### —the Source of Value Creation

The MOS Group believes that organizations are driven not by systems, but by people. Under the leadership of the President, an autonomous transformation process was launched in fiscal 2025, through which leaders and team members in each division take the initiative in updating our organizational culture. This section introduces the various measures and initiatives being undertaken.

### Background to the Self-Driven Transformation Process and Overview of the Human Resources Strategy

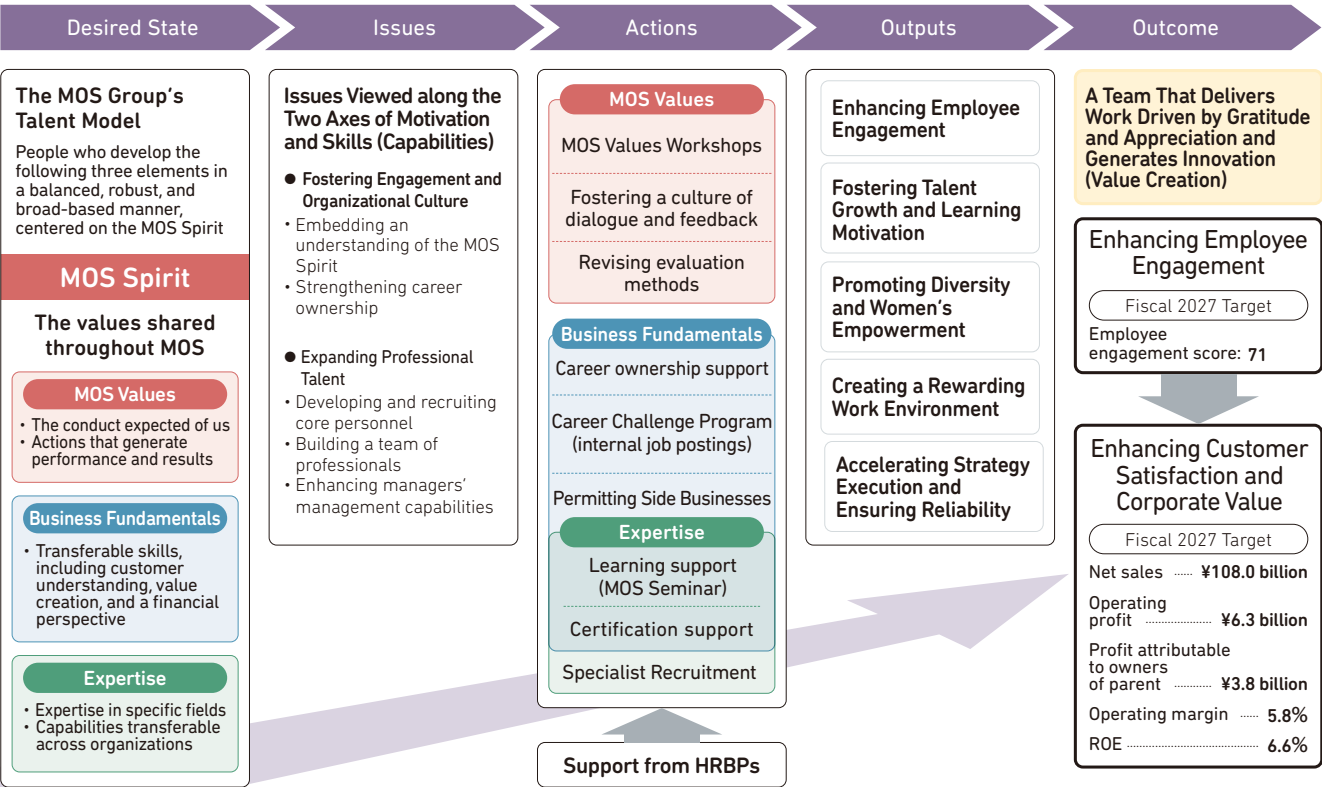
The MOS Group positions human capital management at the core of its management strategy. The key to transformation is for every individual in the workplace to take the initiative in putting it into practice, rather than having the process led by the Human Resources Division. Through this process, employees envision the future themselves and reshape the organizational foundations in line with the business strategy of each division. Going beyond the mere introduction of new systems, the initiative aims to achieve sustainable growth in corporate value by establishing a structure in which officers and managers regard the human resources strategy as their own responsibility and make and execute decisions accordingly.

The starting point for our overall human resources strategy is our desired state: establishing a talent model that combines MOS Values, Business Fundamentals, and Expertise, centered on our Philosophy System, the MOS

Spirit. The most appropriate measures are being implemented progressively to address organizational issues identified through an analysis of gaps between this desired state and the current situation. These include revamping the evaluation system based on the MOS Values and introducing elements of job-based employment. Human Resources Business Partners (HRBPs) also support strategy execution in each division and individual growth through organizational reviews and other activities.

These investments in human capital are expected to generate outputs such as improved employee engagement, greater diversity, and more reliable strategy execution. The ultimate outcome is an organization that creates a virtuous cycle between work driven by gratitude and appreciation and value creation. By translating greater employee satisfaction into greater customer satisfaction, we will establish this as a reliable cycle of growth.

### Overview of the Human Resources Strategy



### Frontline-Led Transformation: Organizational Reviews and Human Resources Business Partners (HRBPs)

To execute highly effective human resources strategies quickly amid a rapidly changing environment, a transition is underway toward autonomous organizational management, where each division takes the lead in managing its own talent and organization. At the core of this initiative are organizational reviews and the appointment of HRBPs to support these efforts on the front lines.

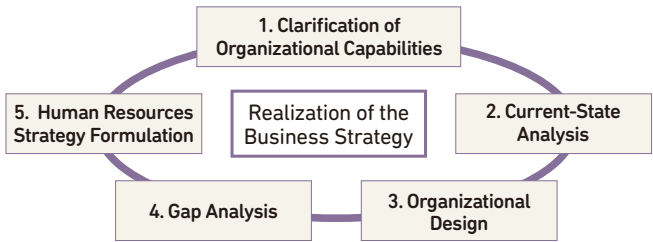
An organizational review is a series of processes through which each division takes the initiative in identifying organizational and personnel issues and formulates and executes a human resources strategy to close gaps between the current and desired states, thereby realizing its business strategy. Particular emphasis is placed on clarifying organizational capabilities and transitioning from the conventional approach of assigning

work to people to one of assigning people to roles. Specifically, each division works backward from its business strategy to identify and articulate the functions and strengths it must possess to build a competitive advantage as its organizational capabilities. It then designs the optimal organizational structure for maximizing these capabilities, defines the necessary roles, and assigns the most suitable personnel to them.

HRBPs work alongside each division as partners supporting organizational and individual growth, assisting with organizational reviews and the resolution of day-to-day organizational and personnel issues. Through this multifaceted and ongoing support, a frontline-led, autonomous organizational and talent management framework is being steadily strengthened.

### Organizational Review Process

1. Clarify the organizational capabilities required to support the realization of the business strategy
2. Assess the strengths of the current organization and personnel and identify issues
3. Design the optimal organizational structure and roles to maximize organizational capabilities
4. Identify gaps between the current state and the new organizational design, and establish priority issues based on an assessment of their relative importance
5. Formulate a human resources strategy to address the priority issues and translate it into specific action plans



A mutually connected, iterative cycle encompassing each stage ensures close alignment between the business and human resources strategies.

### Interviews with HRBP Team Members

HRBPs work alongside each division, supporting them in resolving issues autonomously. Their activities cover a broad range, focusing primarily on medium- to long-term initiatives such as resolving organizational issues, while also addressing individual concerns that arise in the workplace each day.

As the business strategy and human resources strategy become more closely aligned, the need to recruit and develop personnel has become increasingly apparent. To address these needs effectively, HRBPs support managers in taking the initiative throughout the entire process—from recruitment, transfers, and onboarding to subsequent development, career ownership, and improved engagement. These initiatives have steadily contributed to the growth of the organization as a whole. Achievements include faster recruitment processes, fewer mismatches, and enabling new employees to contribute more quickly after joining the company, as well as promoting autonomous career development through the Career Challenge Program (internal job postings). We will continue to contribute as trusted partners supporting frontline management.

### Examples of Specific Support

- Supporting organizational reviews
- Facilitating dialogue and building teams with high psychological safety
- Promoting career autonomy and placing the right talent in the right roles through recruitment, internal job postings, and transfers
- Supporting newly appointed managers in contributing and demonstrating their capabilities at an early stage



HRBP Team Members, Human Resources & General Affairs Division (from left): Maiko Matsuyama, Tsukie Tanimoto, Atsushi Koga

# Behavioral Change and an Evaluation System Centered on the MOS Values

A new evaluation method was introduced based on the MOS Values, which define desired employee conduct. Evaluating daily actions and enhancing dialogue quality support individual initiative while boosting satisfaction with evaluations. Deepening understanding of the MOS Values and fostering a culture of mutual recognition will establish a strong organizational foundation that enables individuals to continue growing autonomously.

## Behavioral and Organizational Transformation through the MOS Values

The MOS Values comprise five behavioral attributes designed to encourage behavioral change in every individual: Integrity, Growth Will, Initiative, Diversity & Inclusion, and External Focus & Change. These attributes define the conduct expected of all staff. To embed these values in practice, rather than merely in writing, interactive workshops were held for all staff. Participants actively considered and shared their views on specific examples of conduct, helping them make the values their own and apply them in their day-to-day work. Behaviors requiring

improvement were also identified to provide a concrete picture of the expected standards and clarify the evaluation criteria. Continued practice of these values through daily dialogue will accelerate transformation throughout the organization.



## A New Evaluation Method That Changes Behavior and Encourages New Endeavors

In fiscal 2025, a new evaluation method was introduced, positioning the practice of the MOS Values’ specific behavioral guidelines as a core evaluation pillar alongside performance targets. Under the 9-Box evaluation model, performance and demonstration of the MOS Values are each assessed on a three-level scale, producing nine evaluation categories. By evaluating not only results but also conduct throughout the process, the system improves the quality of dialogue between managers and team members, encourages each individual to take on their next endeavors, and fosters greater acceptance of evaluation outcomes.

### Introduction of a New Awards Program

To recognize achievements beyond established targets, the Work Driven by Gratitude and Appreciation Award was launched. The award is intended to provide timely recognition and feedback for contributions such as covering for team members on leave and responding to unexpected problems. Operated flexibly to meet divisional needs, the program actively fosters an organizational culture of mutual recognition.

# Building Human Resources Infrastructure to Support Individual Autonomy

By creating an environment where individuals can forge their own career paths, internal job postings and side business opportunities strongly support personal autonomy and the pursuit of new endeavors. Additionally, an education framework combining the embodiment of the MOS Values with specialized skill acquisition has been established to cultivate next-generation talent.

## New Programs Supporting Career Development

A new program was introduced to support autonomous career development, aiming to transition from an era in which the company determines employees’ careers to an environment where individuals forge their own career paths.

### Career Challenge Program (Internal Job Postings)

The newly introduced Career Challenge Program allows all staff to put themselves forward for positions identified through organizational reviews. By providing an alternative to conventional periodic transfers and external mid-career recruitment—and respecting each individual’s own career aspirations—the program increases motivation and enables them to deepen their expertise.

### Permitting Side Businesses

In response to increasingly diverse working styles and a growing focus on career development among individuals, side businesses have been permitted. The aim is to give individuals opportunities to acquire skills and perspectives beyond their primary roles, as well as to build external networks and gain experience. By embodying External Focus & Change, one of the MOS Values, a flexible organizational culture conducive to innovation is established.

## A Training Framework That Builds Strong Foundations and Develops Expertise

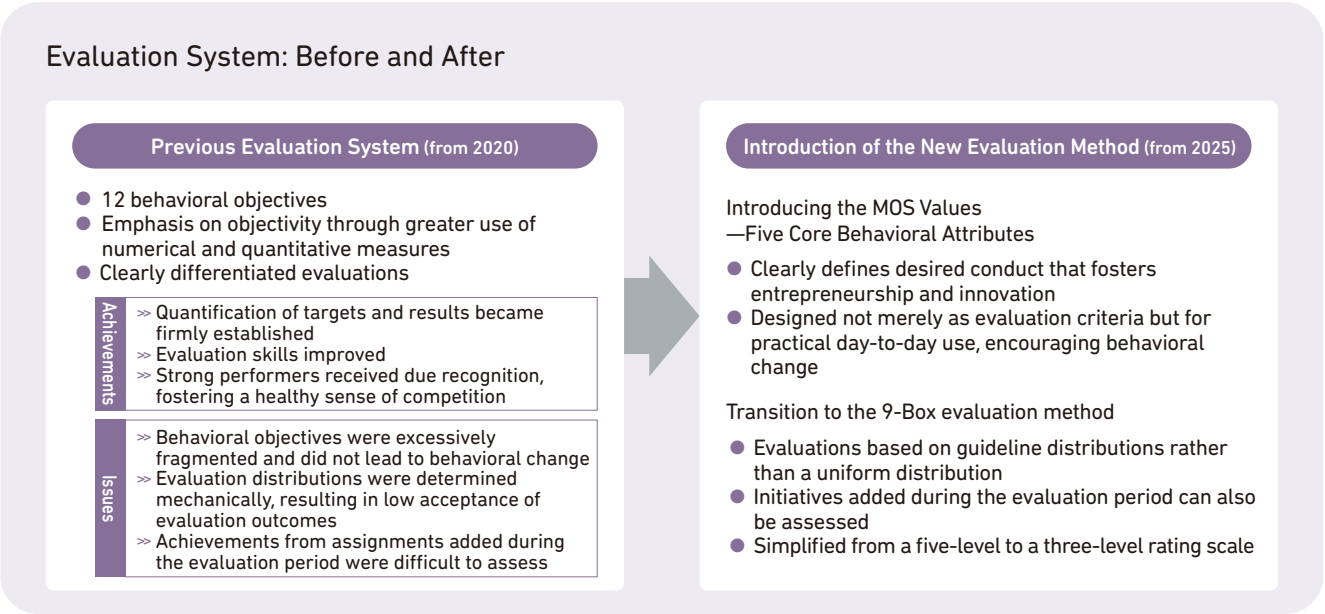
The training framework goes beyond the acquisition of skills, addressing both the shared mindset that shapes corporate culture and the specialized skills required to deliver results in practice.

### Shared Mindset and Organizational Culture

Through workshops on the MOS Spirit and MOS Values, participants reinterpreted the philosophy in personally relevant terms and incorporated the expected behavioral attributes into their day-to-day conduct. Support for career ownership—autonomous career development and self-actualization—alongside elevating foundational business skills through e-learning fosters a proactive, self-directed mindset.

### Specialized and Practical Skills

To develop advanced capabilities directly linked to job performance, all staff acquire the technical skills required for their roles and the interpersonal skills needed to collaborate with others. Furthermore, next-generation leaders are developed through external training programs, while conceptual skills to discern core issues are strengthened among managers and senior executives, enhancing the strategic thinking required to achieve organization-wide goals.



| Development Components / Specific Details |                                                                                                                                                            | Training Programs                                                                                                                                                                    |
|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Shared Mindset and Organizational Culture | <b>Transferable Skills</b><br>Skills applicable across workplaces                                                                                          | ● Online courses ● Correspondence courses<br>● Self-Development Support Program<br>● Professional Certification Support Program                                                      |
|                                           | <b>Career Ownership</b><br>Developing the ability to envision one's desired future and take on new endeavors autonomously                                  | ● Career Training<br>● Career Self-Reporting System                                                                                                                                  |
|                                           | <b>MOS Spirit and MOS Values</b><br>Redefining shared values and clearly establishing the expected behavioral attributes                                   | ● Various workshops                                                                                                                                                                  |
| Specialized and Practical Skills          | <b>Conceptual Skills</b><br>The ability to identify the essence of issues and think strategically about how to achieve organization-wide objectives        | ● Management Training                                                                                                                                                                |
|                                           | <b>Technical and Interpersonal Skills</b><br>Job-specific expertise and the communication skills needed to collaborate with others and generate innovation | ● Division × Qualification Matrix<br>● Correspondence courses<br>● External Secondment Program<br>● Self-Development Support Program<br>● Professional Certification Support Program |
|                                           | <b>External Training Programs</b><br>Developing next-generation and global leaders                                                                         | ● International University of Japan MBA program<br>● Overseas Internship Program<br>● Selective External Training programs                                                           |

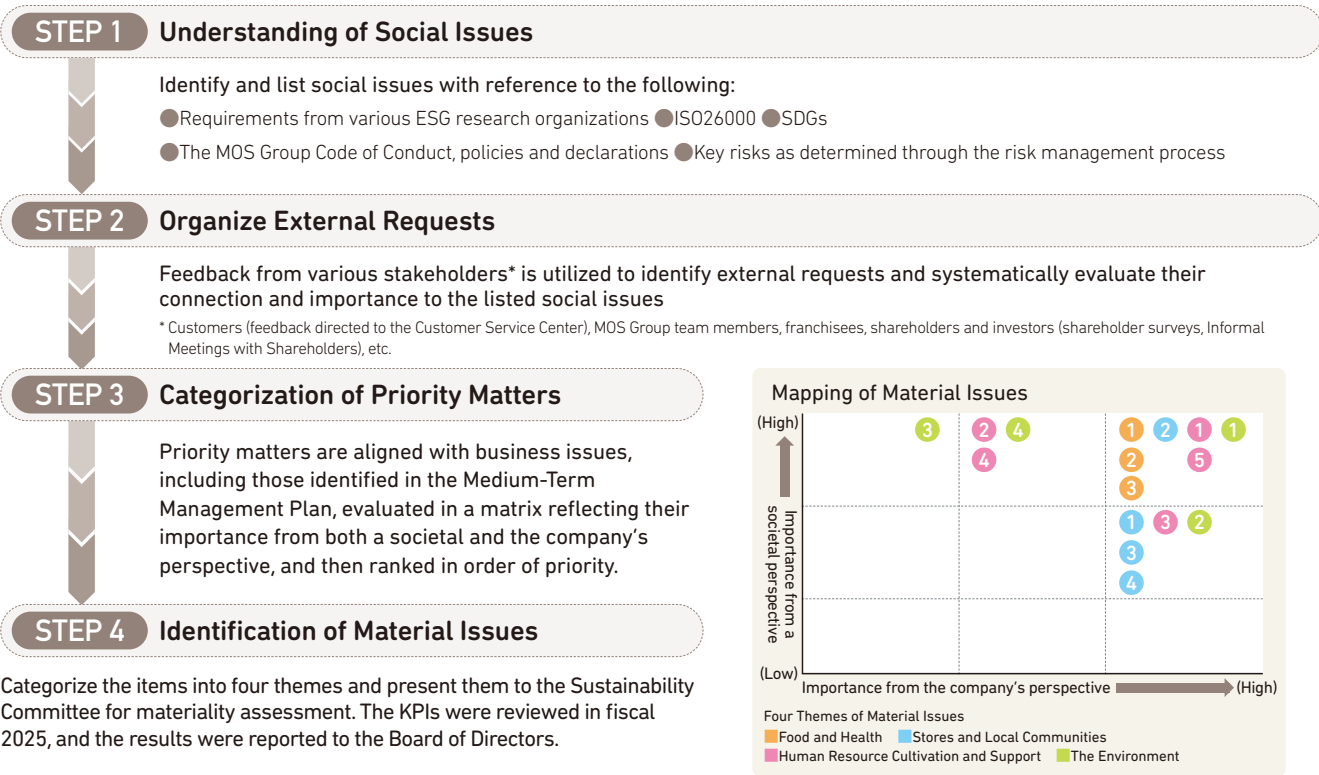
# The MOS Group's Material Issues

## Process and Background of Identifying Material Issues

In fiscal 2019, the MOS Group identified material issues from environmental, social, and governance (ESG) perspectives, with the aim of contributing to the resolution of social issues through its core business. Three years have passed since the fiscal 2022 revision, and the external environment surrounding sustainability has changed dramatically.

Against this backdrop, in fiscal 2025 the Group closely examined social conditions and their impact on its businesses, reexamined its material issues, and reviewed the related KPIs. Initiatives related to Corporate Governance, which is the foundation of business activities, are not included among the material issues and are addressed separately. The Group is promoting sustainability management under the new indicators to enhance corporate value, and progress on these initiatives is also reported to the Board of Directors.

### Process for Identifying Material Issues



### Reasons for the Selection of Material Issues

| Themes                                    | Material Issues                                                                                                                                                                                                                                                | Reasons for Selection                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 01 Food and Health                        | 1 Providing Food That Contributes to Health<br>2 Operating MOS Food Safety Standards<br>3 Improving Value of Products and Services                                                                                                                             | ● The company has embraced the principle of health-consciousness (nutritional well-being) since its founding, placing importance on a nutritionally balanced diet as a foundation for disease prevention and health improvement.<br>● The company assumes responsibility for food safety and reliability, the health of customers, and the fulfillment of diverse food requirements.                    |
| 02 Stores and Local Communities           | 1 Community-Oriented Store Operations<br>2 Store Development Aligned with Diverse Market Needs<br>3 Promotion of Store Community Contribution Activities<br>4 Promoting Nutrition and Food Literacy (Shokuiku)                                                 | ● To strengthen engagement with customers and local communities and to offer genuine service in light of the significant decline in regional vitality caused by demographic change and population decline.<br>● To work with owners who share the same philosophy to revitalize and contribute to the local community, and to create stores rooted in the community                                     |
| 03 Human Resource Cultivation and Support | 1 Health and Productivity Management<br>2 Human Resource and Career Development, Capability Building, and Strengthening Communication<br>3 Ensuring Diversity and Women's Empowerment<br>4 Removing Physical and Mental Barriers<br>5 Respect for Human Rights | ● Enhancing the Group's overall sustainability requires developing into an entrepreneurial organization that offers employees a meaningful and rewarding work environment.<br>● The organizational culture that embraces and leverages diverse perspectives is regarded as a foundation for generating new value.                                                                                       |
| 04 The Environment                        | 1 Reduction of Greenhouse Gas Emissions<br>2 Plastic and Waste Management<br>3 Conservation of Biodiversity<br>4 Environmental Initiatives Based on Eco Mark "Restaurant" Certification                                                                        | ● Amid rapid changes in the external environment, including climate change, the Company needs to proactively address environmental challenges.<br>● By recognizing environmental impacts and pursuing energy efficiency along with environmentally responsible containers and packaging, the company supports the creation of a recycling-oriented society and the progress of sustainable development. |

### Summary of the Review and Discussion of Materiality KPIs in Fiscal 2025

|                                           |                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 01 Food and Health                        | Rather than focusing on sales volume growth, the target was shifted from quantitative metrics to qualitative goals to steadily foster the Green Category (plant-based) and fulfill its essential societal role, including offering diverse dietary options and addressing the protein crisis.                                                                                                                               |
| 02 Stores and Local Communities           | Regarding customer satisfaction surveys, the target was shifted from a utilization-based indicator to the rate of score increase, establishing a more effective management metric that objectively and directly reflects improvement outcomes.                                                                                                                                                                              |
| 03 Human Resource Cultivation and Support | The employee engagement score was newly established as one of the indicators for performance-linked compensation. Discussions also focused on creating an organization in which women can fully demonstrate their abilities, emphasizing not only recruitment strategies but also workplace support and development aligned with life events, with the aim of increasing the ratio of women in management positions to 30%. |
| 04 The Environment                        | Given the growing need to address climate change, transition to a decarbonized society, and tackle plastic pollution, the company will maintain its existing key performance indicators and strengthen its initiatives to reduce environmental impact.                                                                                                                                                                      |

### The MOS Group's Material Issues

| Theme                                     | Material Issues                                                                               | KPIs (Fiscal 2030 Indicators)                                                                                                                                                 | Fiscal 2025 Results                      | Fiscal 2030 Targets              | Impacts on Society (KGI)                                                            |
|-------------------------------------------|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|----------------------------------|-------------------------------------------------------------------------------------|
| 01 Food and Health                        | 1 Providing Food That Contributes to Health                                                   | Contribution to achieving the target for the recommended vegetable intake (350g per day per adult) through "MOS BURGER's Fresh Vegetables"                                    | —                                        | — <sup>*1</sup>                  | Contribution to customers' health through products and the provision of information |
|                                           | 2 Operating MOS Food Safety Standards                                                         | Growth of the Green Category (plant-based) products                                                                                                                           | Number of meals sold: 1.30 million meals | — <sup>*1</sup>                  | Provision of new value regarding food                                               |
|                                           | 3 Improving Value of Products and Services                                                    |                                                                                                                                                                               |                                          |                                  |                                                                                     |
| 02 Stores and Local Communities           | 1 Community-Oriented Store Operations                                                         | Improvement in customer satisfaction survey score (compared with fiscal 2023)                                                                                                 | 102.0%                                   | 126%                             | Achieving well-being <sup>*2</sup> through improved store quality                   |
|                                           | 2 Store Development Aligned with Diverse Market Needs                                         |                                                                                                                                                                               |                                          |                                  |                                                                                     |
|                                           | 3 Promotion of Store Community Contribution Activities                                        | Rollout of the Nutrition and Food Literacy (Shokuiku) Program as a community engagement activity in major regions nationwide (excluding FDC stores and special-format stores) | 143 sessions                             | 700 sessions                     | Revitalization of local communities and strengthening of engagement                 |
|                                           | 4 Promoting Nutrition and Food Literacy (Shokuiku)                                            |                                                                                                                                                                               |                                          |                                  |                                                                                     |
| 03 Human Resource Cultivation and Support | 1 Health and Productivity Management                                                          | Increase of employee engagement                                                                                                                                               | Score 66                                 | Top 20% (score 76) <sup>*3</sup> | Enhancing individual growth and maximizing potential                                |
|                                           | 2 Human Resource and Career Development, Capability Building, and Strengthening Communication |                                                                                                                                                                               |                                          |                                  |                                                                                     |
|                                           | 3 Ensuring Diversity and Women's Empowerment                                                  | Ratio of women in management positions                                                                                                                                        | 17.7%                                    | 30%                              | Realization of diversity and inclusion                                              |
|                                           | 4 Removing Physical and Mental Barriers                                                       |                                                                                                                                                                               |                                          |                                  |                                                                                     |
| 04 The Environment                        | 5 Respect for Human Rights                                                                    | Ratio of men employees taking childcare leave                                                                                                                                 | 100%                                     | 85%                              |                                                                                     |
|                                           |                                                                                               |                                                                                                                                                                               |                                          |                                  |                                                                                     |
|                                           | 1 Reduction of Greenhouse Gas Emissions                                                       | CO <sub>2</sub> emissions reduction (vs. fiscal 2013, Scopes 1+2) <sup>*4</sup>                                                                                               | 40.8%                                    | 46%                              | Realization of a decarbonized society                                               |
|                                           | 2 Plastic and Waste Management                                                                |                                                                                                                                                                               |                                          |                                  |                                                                                     |
|                                           | 3 Conservation of Biodiversity                                                                |                                                                                                                                                                               |                                          |                                  |                                                                                     |
|                                           | 4 Environmental Initiatives Based on Eco Mark "Restaurant" Certification                      | The ratio of eco-friendly disposable products offered to customers                                                                                                            | 89.2%                                    | 100%                             | Reduction in plastic use                                                            |



### Governance (Foundation for the Promotion of Material Issues)

<sup>\*1</sup> Instead of numerical targets, the targets are presented as expected impact on society.  
<sup>\*2</sup> A state in which individual rights and self-fulfillment are assured encompassing physical, mental, and social well-being.  
<sup>\*3</sup> Employee engagement survey score.  
<sup>\*4</sup> The scope of the calculation includes MOS FOOD SERVICES, INC. and its consolidated domestic subsidiaries.

Material Issues

01

The MOS Group's Material Issues

# Food and Health



## Rationale for Its Significance

Since its founding, the company has valued the concept of health-consciousness (nutritional well-being), which highlights the connection between food and well-being through a balanced diet that supports both disease prevention and recovery. Guided by this philosophy, the Company develops and serves menu items featuring generous amounts of fresh vegetables grown by contract farmers across Japan. Furthermore, the company is expanding its lineup of Green Category (plant-based) products to offer customers more dietary options, including items featuring soy-based patties and burgers made without animal-derived ingredients. The company's mission is to uphold its commitment to great taste, food safety and reliability, and customer health while continuing to deliver food and health sustainably for years to come.



**Yoshinori Ando**  
Responsible Executive for Operations  
Senior Director, Executive Officer, General Manager of Product Division

Risks and opportunities are identified through analysis of the business environment, and initiatives are advanced accordingly.

Understanding the business environment

- Growing health and hygiene awareness among customers
- Strengthening regulations such as mandatory HACCP<sup>\*1</sup> for restaurants
- Rising international tensions, extreme weather, and climate change have increased the cost of raw materials and logistics

Risks

- Hygiene issues in store operations, including contamination with foreign objects or the occurrence of foodborne illness, may result in business suspension.
- Suspension of product supplies to stores due to food safety incidents at factories
- Loss of trust and decline in corporate value from food safety incidents

Opportunities

- Proactive measures to address hygiene risks, fostering a brand recognized for food safety and reliability, and maintaining a strong competitive position.
- Continuous enhancement of food safety across the MOS Group
- Expansion of the market by responding to diversifying dietary needs

Material Issues



1 Providing of Food That Contributes to Health

Product development is carried out with consideration of the recommended daily vegetable intake of 350g<sup>\*2</sup>. All fresh vegetables used by MOS BURGER are grown in Japan. The company has established cooperative relationships with growers in 133 production regions nationwide.

2 Operating MOS Food Safety Standards

In addition to hygiene management in accordance with HACCP<sup>\*1</sup>, MOS FOOD SERVICES, INC. has established its own food safety management system called the MOS Food Safety Standards. These standards are a system for ensuring food safety that utilizes the know-how cultivated since its founding to realize both "deliciousness" and "safety." In compliance with these standards, all stores undergo comprehensive hygiene audits by HACCP-trained instructors, ensuring that they serve safe, reliable and delicious products.

3 Improving Value of Products and Services

Efforts will continue to meet diversifying food needs by providing options such as low-allergen menu items and Green Category (plant-based) products, guided by the belief that individuals with different circumstances and preferences can enjoy meals together.

<sup>\*1</sup> Hazard Analysis and Critical Control Point (HACCP) is a method of hygiene management in which businesses identify hazards such as food poisoning and contamination and carry out continuous monitoring and recording of particularly important processes during the entire process from receiving ingredients through to the shipment of products.  
<sup>\*2</sup> The recommended daily vegetable intake for adults as set by Health Japan 21 (established by Ministry of Health, Labour and Welfare)

## KPIs (Fiscal 2030 Indicators), Achievements, and Future Plans and Targets

| Theme           | Material Issues                                                                                                                    | KPIs (Fiscal 2030 Indicators)                                                                                                              | Fiscal 2030 Targets | Fiscal 2025 Results                      | Initiatives in Fiscal 2025                                                                                                 | Action Plan for Fiscal 2026                                                                                                                               |
|-----------------|------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Food and Health | 1 Providing Food That Contributes to Health<br>2 Operating MOS Food Safety Standards<br>3 Improving Value of Products and Services | Contribution to achieving the target for the recommended vegetable intake (350g per day per adult) through "MOS BURGER's Fresh Vegetables" | —<br><sup>*3</sup>  | —                                        | ● Renewal of the "Mixed Salad Japanese Dressing <Reduced Salt>"<br>● Limited-time offering of "Broccoli and Potato Potage" | ● Product development and information dissemination that conveys the appeal of vegetables                                                                 |
|                 |                                                                                                                                    | Growth of the Green Category (plant-based) products                                                                                        | —<br><sup>*3</sup>  | Number of meals sold: 1.30 million meals | ● Consideration of product development for renewed plant-based burgers                                                     | ● Sale of the plant-based "Avocado Basil Burger with Rice-Flour-Blended Buns"<br>● Information dissemination on the Green Category (plant-based) products |

<sup>\*3</sup> Targets reflect the expected impacts on society (see p. 32).

## Progress in Achieving KPIs

In fiscal 2025, the "Mixed Salad Japanese Dressing <Reduced Salt>" was renewed and the "Broccoli and Potato Potage" was offered for a limited time to help customers meet the target daily vegetable intake of 350 g for adults. In fiscal 2026, the "Avocado Basil Burger with Rice Flour Buns," made without animal-derived ingredients, was launched as a regular menu item. Certified with the Plant-Based Food

Certification, this product will serve as a key driver to steadily expand the Green Category (plant-based) Products by enhancing market recognition. Through product development and communication that convey the appeal of vegetables, the company will pursue sustainable growth while supporting customers' health and responding to diversifying dietary needs.

Comment from the person in charge



**Yuki Tsutsumi**  
Leader, Product Development Group 2, Product Development Department

### Product Development Delivering the Appeal of Vegetables

To help customers meet the recommended vegetable intake target and convey the appeal of vegetables, the "Broccoli and Potato Potage" was developed and commercialized. Broccoli became a government-designated vegetable in April 2026<sup>\*4</sup>; however, substantial quantities of broccoli stems are typically discarded during processing. To eliminate food loss and leverage their natural sweetness and nutritional value, the tender stem portions are sautéed and used both in the soup base and as an ingredient. Broccoli grown in Hokkaido and Shizuoka Prefecture is sourced sequentially according to the respective harvest seasons, with careful adjustments made to ensure consistent flavor. Going forward, efforts will focus on making effective use of underutilized vegetables and proposing side dishes that appeal to children. Through products that allow customers to appreciate the appeal of vegetables, the company will continue contributing to customers' health.



<sup>\*4</sup> Vegetables designated by the Ministry of Agriculture, Forestry and Fisheries as being widely consumed and important to people's daily lives.

# Stores and Local Communities



## Rationale for Its Significance

Amid the challenge of declining regional vitality driven by demographic shifts, the MOS BURGER chain continues to advance community-oriented store operations. The driving force behind these efforts is the strong partnership with franchisees, which operate approximately 80% of all stores and share the same philosophy. Through collaborative initiatives such as the MOS BURGER's Nutrition and Food Literacy (Shokuiku) Program and efforts to improve store quality, the chain seeks to revitalize local communities, realize well-being, and strengthen engagement. Addressing local issues together with communities and creating stores that are valued and loved by local residents are considered essential to sustainable growth and enhanced corporate value.



**Ko Kasai**  
Responsible Executive for Operations  
Senior Director, Executive Officer, General Manager of Franchise Business Division & Store Innovation Office

Risks and opportunities are identified through analysis of the business environment, and initiatives are advanced accordingly.

Understanding the business environment

- Declining vitality due to labor shortages
- Expansion of the ready-made meal market driven by growing takeout demand
- Lifestyle changes due to the increase of dual-income and single-person households
- Impact of natural disasters on store operation
- Changes in consumer behavior and diversification of needs

Risks

- Incidents, accidents, or compliance violations at stores may create safety management issues, which could affect customers and employees and may result in suspension of operations.
- Loss of trust from customers and local communities due to the shortening or suspension of store operations.
- Challenges within the franchise system and the slowdown of business succession caused by the aging of franchise owners

Opportunities

- Establishing a trusted brand by ensuring the safety of customers and store staff and by actively leveraging customer feedback.
- Advancing the social value of restaurants within local communities
- Contribution to local economies through employment

Material Issues



**1 Community-Oriented Store Operations**  
MOS BURGER has established a unique franchisee association called MOS BURGER Kyoei-kai. Through Kyoei-kai, franchise headquarters and franchise stores come together to carry out community contribution activities and sales promotion initiatives unique to each region. The chain also promotes initiatives that support child-rearing families, including the KodoMOS (Kids MOS) project. Through close engagement with the community and community-focused store management, the objective is to become a store that earns lasting trust and affection from local residents.

**2 Store Development Aligned with Diverse Market Needs**  
Stores are being developed to suit various locations and environments, including office districts and roadside areas. In addition, store formats are being diversified to cater to a variety of dining occasions, with the aim of making stores a familiar and integral part of everyday life.

**3 Promotion of Store Community Contribution Activities**  
MOS BURGER Kyoei-kai is divided into 20 regional branches across Japan. Through these, it actively undertakes initiatives tailored to the characteristics of each region, such as community cleanups, fundraising, and local sales promotions.

**4 Promoting Nutrition and Food Literacy (Shokuiku)**  
The MOS BURGER's Nutrition and Food Literacy (Shokuiku) Program helps children learn about the joy and importance of food. Initiatives include the "Family Burger-Making Experience,"<sup>\*1</sup> in which parents and children make hamburgers together, and online remote classes.<sup>\*2</sup> By supporting the development of healthy minds, sound bodies, and well-rounded character in children, the program seeks to pass down the essential value of food to future generations.

<sup>\*1</sup> Held on an occasional basis.  
<sup>\*2</sup> Held in collaboration with Professionals for All Schools.

## KPIs (Fiscal 2030 Indicators), Achievements, and Future Plans and Targets

| Theme                        | Material Issues                                                                                                                                                                                                                                                       | KPIs (Fiscal 2030 Indicators)                                                                                                                                  | Fiscal 2030 Targets | Fiscal 2025 Results | Initiatives in Fiscal 2025                                                                                                                                                                    | Action Plan for Fiscal 2026                                                                                                                |
|------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| Stores and Local Communities | <ul style="list-style-type: none"><li>Community-Oriented Store Operations</li><li>Store Development Aligned with Diverse Market Needs</li><li>Promotion of Store Community Contribution Activities</li><li>Promoting Nutrition and Food Literacy (Shokuiku)</li></ul> | Improvement in customer satisfaction survey score (vs. fiscal 2023)                                                                                            | 126%                | 102.0%              | <ul style="list-style-type: none"><li>Promoted improvement activities at individual stores through regular newsletters</li><li>Printed QR codes for the customer survey on receipts</li></ul> | <ul style="list-style-type: none"><li>Strengthen collaboration with the Kyoei-kai</li><li>Hold study sessions for store managers</li></ul> |
|                              |                                                                                                                                                                                                                                                                       | Rollout of the Family Burger-Making Experience as a community engagement activity in major regions nationwide (excluding FDC stores and special-format stores) | 700 sessions        | 143 sessions        | <ul style="list-style-type: none"><li>Distributed videos on the "Family Burger-Making Experience" to stores</li><li>Strengthened communication via social media</li></ul>                     | <ul style="list-style-type: none"><li>Enhance support from franchise headquarters for program implementation</li></ul>                     |

## Progress in Achieving KPIs

The results of the Customer Satisfaction Survey are reviewed daily at each store through a dedicated website and used to identify and address issues. To make it easier for more customers to participate, QR codes linking to the survey have been printed on receipts. Regular newsletters regarding the Customer Satisfaction Survey are also issued to stores to help them reflect customer feedback in store operations. For the Nutrition and Food Literacy

(Shokuiku) Program, a video outlining the necessary preparations and procedures was produced to facilitate smooth implementation at stores. Going forward, measures will include strengthening collaboration with the Kyoei-kai, holding study sessions for store managers, and enhancing the store support system. Through these initiatives, store quality will be improved to realize well-being and further revitalize local communities.

Comment from the person in charge



**Yuji Fukuda**  
Senior Leader, Kyoei-kai and Franchise Business Planning Group, Franchise Business Planning Department

## An Art Project Connecting the Community with Dreams

"MOS RECORDS" is a project that supports the artistic activities of store staff working at MOS BURGER. By redefining the workplace as a place where dreams can be realized, the project seeks to make working at MOS more appealing, revitalize stores, and enhance engagement. As part of the project, an exterior wall art initiative was undertaken at the first MOS BURGER store in Narimasu, Tokyo. "Ebio," a store staff, created detailed depictions of the white wagtail, the official bird of Itabashi City, and other subjects. The artwork has encouraged warm interaction with the local community and transformed the store into a stage for showcasing the talents of its staff. Seeing familiar store staff take on new endeavors and succeed has also fostered pride and daily motivation among store staff. The initiative has consequently led to an increase in applications from younger job seekers. Going forward, stores will continue to serve as hubs while sustainable ways of supporting connections with local communities through music and art are explored.



# Human Resource Cultivation and Support



## Rationale for Its Significance

Amid growing demand for diverse and flexible working styles, MOS FOOD SERVICES, INC. believes that supporting the growth of each individual and enhancing the work environment will increase corporate value and contribute to sustainability. In addition to advancing Health and Productivity Management and providing career support, the company respects diverse values. Employee engagement surveys are also used to help develop an even more rewarding workplace. The company's mission is to create an environment in which everyone can proactively take on new endeavors, thereby achieving individual growth and success and realizing diversity and inclusion.

Human Capital Management ▶ See pp. 27–30



**Tsutomu Kawakoshi**  
Responsible Executive for Operations  
Senior Executive Officer,  
General Manager of Human Resources & General Affairs Division & HR Strategy Department

Risks and opportunities are identified through analysis of the business environment, and initiatives are advanced accordingly.

Understanding the business environment

- Increasing societal demand for diverse work styles
- Growing demand for flexible working arrangements that are not tied to a specific work location
- Growing interest in the diversity of human resources
- Promotion of Health and Productivity Management in response to changes in the operating environment
- The combined effects of declining birthrates and an aging population are leading to a shrinking workforce, persistent labor shortages, and escalating personnel expenses

Risks

- Decrease in job satisfaction and motivation due to violations of the Labor Standards Act, harassment, and deviations from internal rules, resulting in the loss of outstanding talent and difficulties in retaining employees
- Rising personnel costs reflecting stronger competition for human capital
- Decrease in organizational capabilities, sense of belonging, and labor productivity

Opportunities

- Building a company that fosters diversity, safety, and job satisfaction through the promotion of flexible workstyles.
- Attracting top talent and enhancing labor productivity to achieve sustainable company growth

Material Issues

1 Health and Productivity Management

The MOS FOOD SERVICES, INC. Health Declaration sets forth the company's commitment to promoting Health and Productivity Management as an important management priority. Under the Declaration, the Company implements specific measures to maintain and improve the health of team members and their families.

2 Human Resource and Career Development, Capability Building, and Strengthening Communication

The Career Design Guidebook offers an overview of initiatives that support employee career development and is accessible to all employees. The company remains dedicated to fostering self-directed learning and embracing new endeavors.

3 Ensuring Diversity and Women's Empowerment

A diverse workforce in terms of age, nationality, and disability is engaged at both the headquarters and stores. An action plan has been formulated and implemented to promote greater participation by female employees in the workplace.

4 Removing Physical and Mental Barriers

Challenge mates (employees with disabilities) from MOS SHINE, INC., a special subsidiary of the company, are active at both the headquarters and stores. MOS BURGER restaurants also display the Assistance Dogs Welcome Sticker, signaling their adherence to legal obligations to welcome customers with assistance dogs.

5 Respect for Human Rights

The MOS Group Human Rights Policy has been formulated to demonstrate the Group's commitment to respecting human rights. The policy prohibits discrimination and harassment based on race, gender, age, nationality, religion, creed, social status, disability, or other grounds, and measures are taken to ensure strict compliance.

## KPIs (Fiscal 2030 Indicators), Achievements, and Future Plans and Targets

| Theme                                  | Material Issues                                                                                                       | KPIs (Fiscal 2030 Indicators)                 | Fiscal 2030 Targets              | Fiscal 2025 Results | Initiatives in Fiscal 2025                                                                                       | Action Plan for Fiscal 2026                                                                                                                                  |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|----------------------------------|---------------------|------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Human Resource Cultivation and Support | 1 Health and Productivity Management                                                                                  | Increase of employee engagement               | Top 20% (score 76) <sup>*1</sup> | Score 66            | ● Held briefing sessions to explain the survey results based on the collected data                               | ● Collaborate with HRBPs (see p. 28)<br>● Share best practices across departments<br>● Hold study sessions                                                   |
|                                        | 2 Human Resource and Career Development, Capability Building, and Strengthening Communication                         | Ratio of women in management positions        | 30%                              | 17.7%               | ● Introduced female managerial role models<br>● Conducted an employee advancement survey targeting all employees | ● Introduce female managerial role models<br>● Continue providing training to promote understanding of D&I<br>● Provide systematic development opportunities |
|                                        | 3 Ensuring Diversity and Women's Empowerment<br>4 Removing Physical and Mental Barriers<br>5 Respect for Human Rights | Ratio of men employees taking childcare leave | 85%                              | 100%                |                                                                                                                  | ● Continue follow-up support for eligible employees and their supervisors<br>● Introduce role models                                                         |

<sup>\*1</sup> Employee engagement survey score.

## Progress in Achieving KPIs

As part of efforts to improve employee engagement, briefing sessions are held after each survey to explain a summary of the results, promote awareness and understanding of engagement, and encourage action within each department. To help women envision their future careers, the company also introduces “Women Role Models at MOS,” sharing female managers’ approaches to their work, sources of fulfillment, and paths to pursuing

management roles. In addition, an employee advancement survey is conducted among all employees to develop measures for creating a more supportive work environment. The issues and current conditions identified through the survey will be used to consider future measures. Going forward, the continued implementation of training to promote understanding of diversity and inclusion will remain a priority.

Comment from the person in charge



**Miki Ozawa**  
Leader,  
Talent & Organizational Development Group,  
Human Resources and General Affairs Division

## Building an Organization Where Everyone Can Leverage Their Strengths and Find Fulfillment

To improve employee engagement, briefing sessions explaining key survey findings and workplace-led improvement activities were conducted in fiscal 2025. These initiatives have promoted mutual understanding and dialogue within departments, resulting in positive changes as team members take greater ownership of efforts to improve their organizations.

The employee engagement survey revealed that a strong attachment to the corporate philosophy and colleagues is one of the company's strengths. At the same time, improving the quality of growth support and recognition provided by supervisors and colleagues and connecting this support to greater fulfillment in daily work remain challenges. To address these issues, efforts are being made throughout the year to foster a culture of dialogue and feedback. Going forward, an environment will be created in which the quality of actions can be enhanced through ongoing support for each department and individual, with the aim of building an organization where everyone can experience a sense of fulfillment in their daily work.



Material Issues

04

The MOS Group's Material Issues

# The Environment



## Rationale for Its Significance

Rapid environmental shifts, such as climate change, are compelling companies to strengthen their environmental initiatives. MOS Group is committed to addressing the environmental impact of its business activities and contributing to a circular economy and sustainable societal development.



**Yasuaki Kaneda**  
CO<sub>2</sub> Emissions Reduction  
Responsible Executive for Operations  
Executive Officer,  
General Manager of the President's Office



**Yoshinori Ando**  
Ratio of Eco-friendly Disposable Products  
Responsible Executive for Operations  
Senior Director,  
Executive Officer,  
General Manager of Product Division

Risks and opportunities are identified through analysis of the business environment, and initiatives are advanced accordingly.

Understanding the business environment

- Growing demand for environmental measures, including plastic reduction and decarbonization
- Growing consumer interest in food loss
- Increased awareness of the sustainable development goals (SDGs) and changes in consumer behaviors
- Increasing frequency and severity of extreme weather events

Risks

- Increase in procurement risks due to climate change
- Increase in costs due to strengthening of environment-related laws and regulations (such as the carbon tax)
- Decrease in demand for meat products due to spread of plant-derived meat alternatives

Opportunities

- Enhancement of social credibility and corporate value through appropriate responses to climate change
- Increase in sales of plant-based products with expansion of market for meat alternatives

Material Issues



1 Reduction of Greenhouse Gas Emissions

In line with the TCFD<sup>\*1</sup> recommendations, the MOS Group analyzes climate change scenarios and discloses the results. Stores are promoting the adoption of renewable energy and green curtains. Although extreme weather events pose financial risks, strengthening supply chain resilience and minimizing their impact can create opportunities to stabilize wholesale revenue. Through these measures, the Group is building a structure capable of withstanding unforeseen circumstances.

2 Plastic and Waste Management

To reduce the use of single-use plastic products, the Group has switched its takeout salad containers to paper and is also expanding the use of biomass plastics.

3 Conservation of Biodiversity

To ensure sustainable sourcing for MOS Fresh Vegetables, corporate teams monitor operational practices and environmental management across partner farming locations, alongside the expanding deployment of sustainable paper packaging.

4 Environmental Initiatives Based on Eco Mark "Restaurant" Certification

All MOS BURGER stores in Japan have obtained Eco Mark (restaurant) certification. Additionally, the Group's proprietary environmental management system, "MOS-EMS," drives sustainable business practices.

Scan for details



<sup>\*1</sup> Task Force on Climate-Related Financial Disclosures

## KPIs (Fiscal 2030 Indicators), Achievements, and Future Plans and Targets

| Theme           | Material Issues                                                                                                                                                                         | KPIs (Fiscal 2030 Indicators)                                                   | Fiscal 2030 Targets | Fiscal 2025 Results | Initiatives in Fiscal 2025                                                                                                                                                          | Action Plan for Fiscal 2026                                                                                                                                                                                            |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Environment | 1 Reduction of Greenhouse Gas Emissions<br>2 Plastic and Waste Management<br>3 Conservation of Biodiversity<br>4 Environmental Initiatives Based on Eco Mark "Restaurant" Certification | CO <sub>2</sub> emissions reduction (vs. fiscal 2013, Scopes 1+2) <sup>*2</sup> | 46%                 | 40.8%               | <ul style="list-style-type: none"><li>Purchased of FIT non-fossil certificates</li><li>Promoted of energy-saving activities</li><li>Introduced of energy-saving equipment</li></ul> | <ul style="list-style-type: none"><li>Introduce renewable energy generated through biogas power generation at selected stores and other facilities</li><li>Expand energy-saving measures for store equipment</li></ul> |
|                 |                                                                                                                                                                                         | The ratio of eco-friendly disposable products offered to customers              | 100%                | 89.2%               | <ul style="list-style-type: none"><li>Switched size-S cold-drink lids to eco-friendly materials</li><li>Switched takeout salad containers to paper</li></ul>                        | <ul style="list-style-type: none"><li>Continue considering alternative materials for containers and packaging that currently use plastic</li></ul>                                                                     |

<sup>\*2</sup> The target calculation covers MOS FOOD SERVICES, INC. and its consolidated subsidiaries in Japan.

## Progress in Achieving KPIs

MOS FOOD SERVICES, INC. has set a target of reducing domestic Scope 1 and 2 emissions by 46% by 2030 compared with fiscal 2013. In fiscal 2025, the company achieved a reduction of 40.8%. The ratio of eco-friendly disposable products among disposable products provided to customers reached 89.2%. This reflects the switch to environmentally responsible materials for size-S cold-drink lids and the change to paper takeout salad

containers. The company will continue monitoring electricity and gas consumption at individual stores and promoting energy-saving activities. Energy-saving measures for store equipment will also be expanded. Through these initiatives, the company will steadily reduce CO<sub>2</sub> emissions and increase the ratio of eco-friendly disposable products provided to customers.

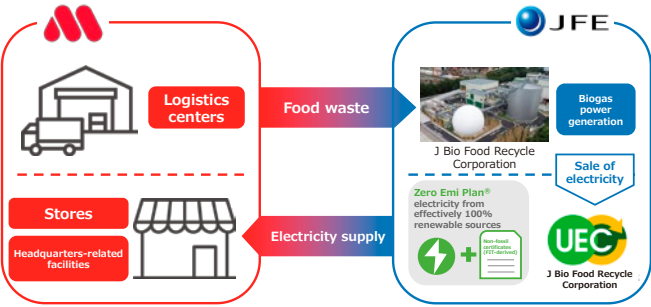
Comment from the person in charge



**Hanako Mitsuoka**  
Leader,  
PR, IR and SDGs Group,  
President's Office

## Introduction of Renewable Energy at Selected Stores to Reduce CO<sub>2</sub> Emissions

MOS FOOD SERVICES, INC. has introduced renewable energy generated through biogas power generation using food waste as feedstock at selected stores and headquarters-related facilities. Renewable energy sources such as solar power face challenges in terms of stable supply, including weather-related fluctuations in power generation and price volatility. Because this biogas power generation system uses food waste generated by MOS stores, logistics centers, and other facilities, it can provide a stable supply of electricity regardless of weather conditions or the time of day. Its introduction is expected to reduce CO<sub>2</sub> emissions by approximately 670 tonnes annually. Going forward, the company will increase the number of waste collection points at waste is converted into electricity and returned to stores. Efforts will also be made to raise broad customer awareness of MOS's environmentally responsible initiatives.



# The MOS Group’s Sustainability Management and Initiatives to Address the SDGs

To advance sustainability management, MOS Group is evaluating and organizing its initiatives based on the seven core subjects of ISO 26000 and key ESG themes, and identifying materiality issues. An overview has been prepared illustrating the alignment between the initiatives and the 17 Sustainable Development Goals (SDGs) and their 169 targets. Efforts are directed towards addressing social challenges through core business operations.



| ESG                            | Seven Core Subjects                   | Key ESG Themes                                     | Themes of Material Issues                        | The MOS Group's Main Initiatives                                                                  | Relationship to the 17 SDGs                                                              |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|--------------------------------|---------------------------------------|----------------------------------------------------|--------------------------------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|--|--|
|                                |                                       |                                                    |                                                  |                                                                                                   | 1<br> | 2<br> | 3<br> | 4<br> | 5<br> | 6<br> | 7<br> | 8<br> | 9<br> | 10<br> | 11<br> | 12<br> | 13<br> | 14<br> | 15<br> | 16<br> | 17<br> |  |  |
| G                              | Organizational Governance             | Corporate Governance                               |                                                  | Corporate Governance                                                                              |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       |                                                    |                                                  | Internal Control                                                                                  |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       |                                                    |                                                  | Promotion of Sustainability Management (Internal Dissemination)                                   |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       | Risk Management                                    |                                                  | Risk Management for the Group as a Whole                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       |                                                    |                                                  | Data Security and Privacy Protection (Excluding Customers)                                        |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       |                                                    |                                                  | BCP Management                                                                                    |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       | Compliance                                         |                                                  | Management and Awareness Building for the Philosophy System, Code of Conduct, and Related Matters |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
| S                              | Fair Operating Practices              | Compliance with Fair Business Practices[OCo        |                                                  | Compliance with Laws and Regulations Governing Business Transactions                              |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       | Supply Chain Management                            |                                                  | Promotion of CSR Procurement                                                                      | ○1.1                                                                                     | ●2.4                                                                                     |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       |                                                    |                                                  | Support for Production Regions and Promotion of the MOS Farm Business                             |                                                                                          | ●2.4                                                                                     |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                | Human Rights                          | Human Rights                                       | ③ Human Resource Cultivation and Support         | Respect for Human Rights                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                | Labor Practices                       | Human Resources and Employee Benefits              |                                                  | Response to Legal System Reform                                                                   |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       |                                                    |                                                  | Enhancement of Employee Benefits                                                                  |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       | Health and Safety of Employees                     |                                                  | Reduction of Long Working Hours and Promotion of Taking Vacation Days                             |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       |                                                    | ③ Human Resource Cultivation and Support         | Health and Productivity Management                                                                |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       | Human Resource Cultivation                         | ③ Human Resource Cultivation and Support         | Talent Acquisition and Retention Strategies                                                       |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       |                                                    |                                                  | Personnel Development, Capacity Development, Career Development, and Communication Reinforcement  |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       | Diversity                                          |                                                  | Cultivation of Next-Generation Franchise Owners                                                   |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       |                                                    | ③ Human Resource Cultivation and Support         | Ensuring Diversity and Women's Empowerment                                                        |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                | Consumer Issues                       | Quality and Safety of Products                     |                                                  | Operating MOS Food Safety Standards                                                               |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       |                                                    | ① Food and Health                                | Providing Food That Contributes to Health                                                         |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       | Appropriate Information Disclosure                 |                                                  | Appropriate Product Information Indication and Disclosure                                         |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       |                                                    | ① Food and Health                                | Improving Value of Products and Services                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       | Affordability of Products                          |                                                  | Improvement of Store Infrastructure to Enhance Convenience                                        |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       | Fair Marketing and Advertising                     |                                                  | Fair Marketing and Advertising                                                                    |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       | Protection of Personal Information                 |                                                  | Data Security and Privacy Protection (Customers)                                                  |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                | Community Involvement and Development | Community and Local Activities                     |                                                  | Advancing Community Engagement through Stores                                                     |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       | Community and Industrial Development               | ② Stores and Local Communities                   | Store Development Aligned with Diverse Market Needs                                               |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       |                                                    |                                                  | Community-Oriented Store Operation                                                                |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       | Communities, the Environment, and Culture          |                                                  | New Product Development Leveraging Local Specialty Products                                       |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
| ② Stores and Local Communities |                                       |                                                    | Promoting Nutrition and Food Literacy (Shokuiku) |                                                                                                   |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
| E                              | The Environment                       | Climate Change and the Prevention of Air Pollution |                                                  | Environmental Initiatives Based on Eco Mark "Restaurants" Certification                           |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       |                                                    | ④ The Environment                                | Reduction of Greenhouse Gas Emissions                                                             |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       | Promotion of Energy Savings                        |                                                  | Promotion of Energy Conservation at the Headquarters and Across the Entire Store Network          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       | Waste and Recycling                                |                                                  | Plastic and Waste Management                                                                      |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       |                                                    | ④ The Environment                                | Promotion of Food Recycling                                                                       |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |
|                                |                                       | Conservation of Biodiversity                       |                                                  | Conservation of Biodiversity                                                                      |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                          |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |                                                                                           |  |  |

Note: This matrix was created under the supervision of Sasaya Hidemitsu. ● : Main related SDGs ○ : Related SDGs

# Linking Financial and Non-Financial Factors: Materiality and the Logic of Enhancing Corporate Value

The Group has sought to organize and link the various components of corporate value from the perspective of the interrelationship between financial and non-financial factors. Through this process, the Group aims to clarify how each initiative contributes to enhancing corporate value. Value creation processes are interconnected, making it difficult to present them in their entirety through diagrams and text. The following outlines the principal relationships through which each form of intangible capital contributes to corporate value via the Group’s material issues and growth strategies.

## Intangible Capital: Customer Loyalty

Based on Materiality (1), Food and Health, the Group is improving its profit margin on sales by expanding high-value-added services and balancing sales across different times of day. These initiatives are also linked with community-based store operations under Materiality (2), Stores and Local Communities, to build strong customer loyalty. In addition, the Group will secure a growth rate exceeding its cost of capital through strategic investment supported by flexible financing, as well as the expansion of the Overseas Business and new businesses.

## Intangible Capital: Employee Engagement

Based on Materiality (3), Human Resource Cultivation and Support, the Group is enhancing employee engagement through Health and Productivity Management, human resource development, and the promotion of diversity. By improving operational efficiency and productivity and increasing sales-generating capacity per employee, the Group is simultaneously improving its profit margin on sales and total asset turnover. Promoting human capital management enhances team member autonomy and skills, fostering the accumulation of operational ingenuity at the store level. This increases asset efficiency by raising average spending per customer and visit frequency while improving equipment utilization and inventory turnover, thereby contributing to higher ROA and ROE.

## Intangible Capital: Community Engagement

Based on Materiality (1), Food and Health, the Group earns the trust of local communities by providing safe and reliable products. By developing products tailored to local characteristics and collaborating with franchisees and other partners, the Group increases average spending per customer and visit frequency, thereby improving its profit margin on sales. It also enhances asset efficiency by stabilizing store operations and improving inventory turnover. Community-based store operations and social contribution activities under Materiality (2), Stores and Local Communities, also create new reasons for customers to visit.

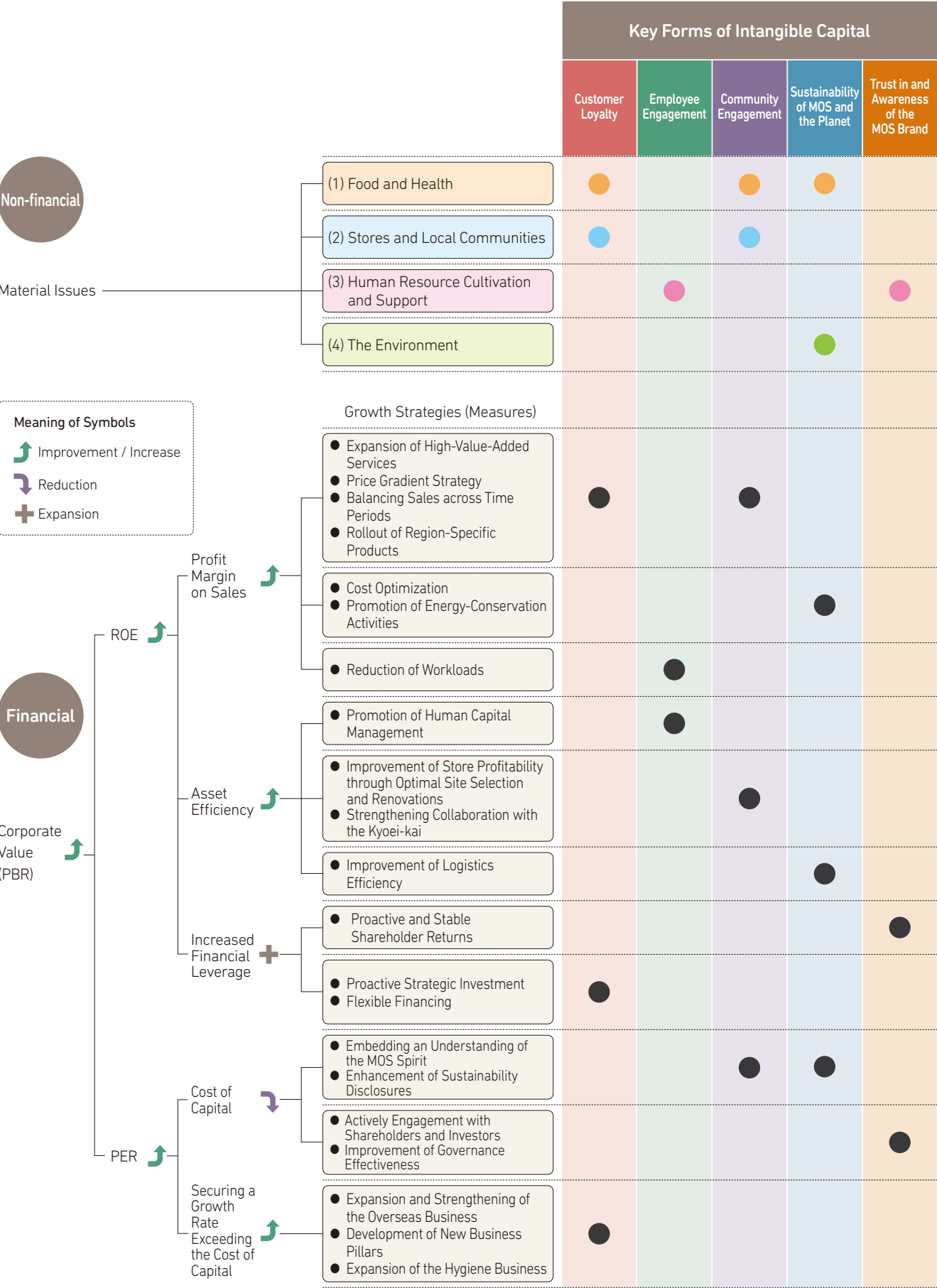
## Intangible Capital: Sustainability of MOS and the Planet

Based on Materialities (1), Food and Health, and (4), the Environment, the Group is stabilizing its supply chain and mitigating the risk of fluctuations in procurement costs by reducing environmental impacts and sustainably sourcing raw materials. By promoting energy conservation and improving logistics efficiency, the Group achieves simultaneous improvements in its profit margin on sales through lower operating costs and asset efficiency, thereby supporting higher ROE. Through transparent sustainability disclosures, the Group also demonstrates appropriate risk management to the market and seeks to reduce its cost of capital and WACC (weighted average cost of capital).

## Intangible Capital: Trust in and Awareness of the MOS Brand

By maintaining a disciplined capital policy and stable shareholder returns, the Group is improving capital efficiency and strengthening market trust and brand value. Building on this strong foundation of trust, these efforts are linked with Materiality (3), Human Resource Cultivation and Support. The continued and stable investment in human resource development and Health and Productivity Management creates a virtuous cycle of earnings through improved employee engagement and service quality. Furthermore, by enhancing proactive dialogue with investors, expanding non-financial disclosures, and increasing management transparency, the Group aims to maximize corporate value (PBR). By organizing and linking the components of corporate value to examine the interrelationship between financial and non-financial factors, the Group has also identified areas for further improvement. It plans to continue refining the framework through ongoing verification. By using this framework as a tool for constructive dialogue both internally and externally, the Group aims to effectively incorporate market perspectives into management and sustainably enhance corporate value.

Diagram Linking Material Issues to Corporate Value



# Domestic MOS BURGER Business

In the Domestic MOS BURGER Business, burger shops are operated nationwide under the MOS BURGER brand, primarily through a franchise system. Key sources of revenue include royalties from providing store management and training expertise, the wholesale of food

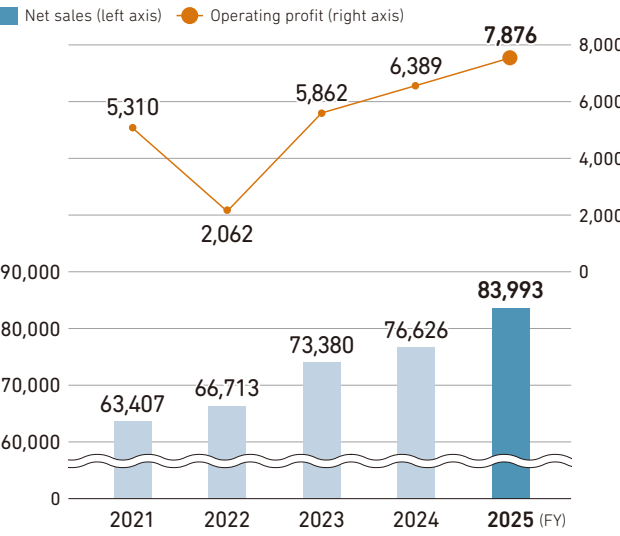
ingredients and packaging materials, and revenues from company-operated stores. The business emphasizes product development, marketing initiatives, and store-opening strategies that respond to customer needs and reinforce its presence within local communities.

## Overview of Fiscal 2025

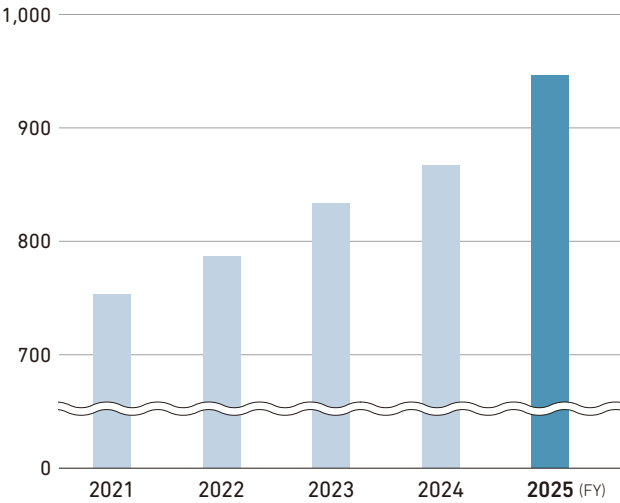
In fiscal 2025, net sales in the Domestic MOS BURGER Business were extremely strong, reaching ¥83.9 billion, representing 109.7% of the previous fiscal year's level. As a result of strengthening the foundations of existing stores and promoting community-oriented store operations, existing-store sales reached 109.0% of the previous fiscal year's level, with customer numbers at 106.3% and

average spending per customer at 102.5%. Carefully selected new stores were opened while underperforming locations were strategically closed, bringing the total number of stores to 1,310, a decrease of eight from the end of the previous fiscal year. Average monthly sales per store increased for the seventh consecutive year and were approximately 1.5 times the fiscal 2019 level.

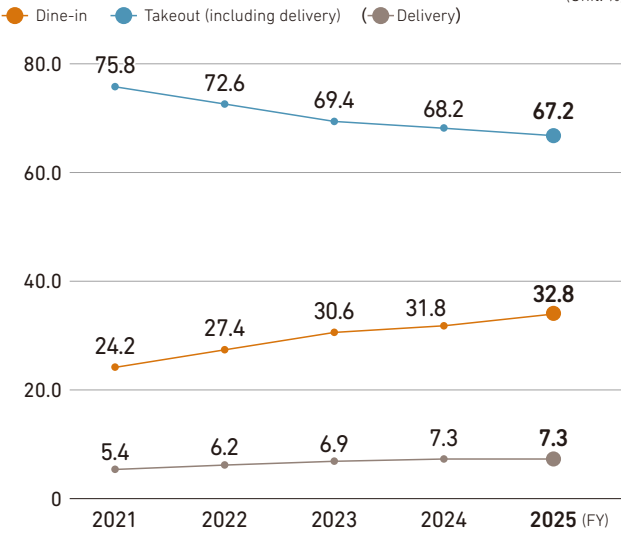
Net Sales and Operating Profit (Unit: ¥ million)



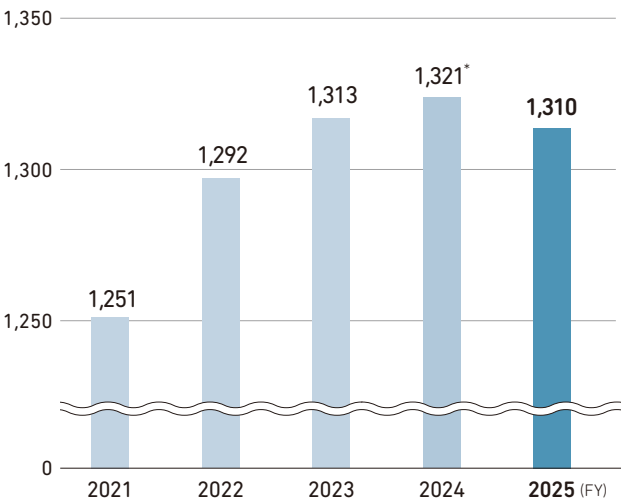
Average Monthly Sales per Store (Unit: ¥ million)



Sales Breakdown of Dine-in, Takeout and Delivery Services (Unit: %)



Number of Stores (Unit: stores)



\* Includes three stores prior to the change in segment classification.

## A New Structure Combining "Product-Out" and "Market-In" Approaches

In its product strategy, the company had long drawn strength primarily from a "product-out" approach dating back to its founding. In 2019, however, it adopted a structure placing greater emphasis on a "market-in" approach to respond to market changes. As flexible initiatives were developed to address increasingly diverse needs, concerns arose that the distinctive qualities representing MOS BURGER's greatest appeal—its originality and the dedication of its creators—might become relatively diluted. The organizational structure was therefore revised again in 2024, with the Product Division established separately from the Marketing Division. This change has renewed the emphasis on a "product-out" approach that thoroughly pursues "distinctive MOS value

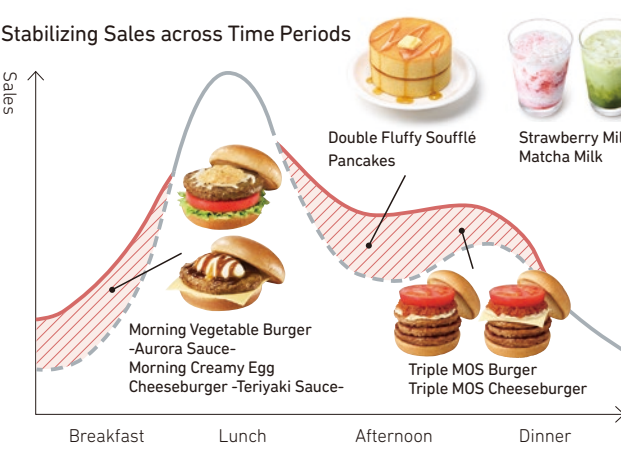
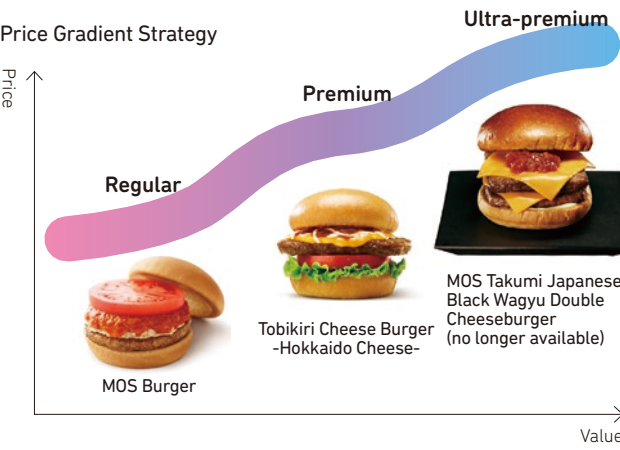
and deliciousness," the foundation of the brand. Repeatedly reassessing the balance between these "product-out" and "market-in" approaches creates a healthy sense of tension within the organization. Even in a rapidly changing market environment, combining uncompromising dedication with flexibility will help establish a stronger competitive advantage.



## Product and Marketing Initiatives Addressing Diverse Customer Needs

Product and marketing initiatives offered choices across a broad range of price points under the price gradient strategy. This was designed to address external trends such as increasingly price-conscious behavior amid inflation, demand for higher-priced offerings on special occasions, and the growing number of dual-income households. Strengthening the regular, premium, and ultra-premium lineups addressed

customers' diverse consumption needs. Marketing that values Japanese food culture was also conducted under the catchphrase "Enjoy Wagokoro (Japanese Spirit),"market-in" and a new brand commercial based on the concept of "Eating HAPPY!" depicted the happy moments created through food. Furthermore, lineups for different times of day were expanded through offerings such as "Morning MOS" and "Evening MOS." These efforts to balance sales across time periods increased customer numbers outside lunchtime and led to more frequent store visits.



## Enhancing the Customer Experience by Creating Comfortable Store Environments

Store initiatives included continued investment in comfortable store environments and renovations. At selected locations, furniture and interiors were upgraded, and lighting tailored to the seating layout was introduced. Efforts also focused on advancing digitalization. Expanding the "Order at Your Table," and online ordering, introducing

self-service checkout systems, and using digital signage at drive-throughs improved customer convenience and streamlined store operations.

On the cost side, SG&A expenses were controlled, storage costs were reduced by improving inventory turnover, and logistics efficiency was enhanced. Raw material procurement risks arising from extreme weather were also addressed, thereby strengthening the earnings base.

\* "Order at your table" refers specifically to MOS BURGER's table self-ordering system.

Fiscal 2026 and Medium- to Long-Term Initiatives in Line with the MTMP

Amid continuing changes in the business environment—including demographic shifts, increasingly diverse consumer behavior, and rising raw material prices and logistics costs—the Domestic MOS BURGER Business will continue and strengthen its efforts in fiscal 2026 to realize the MOS value proposition and strengthen the foundations of existing stores, as set out in the Medium-Term Management Plan (MTMP).

Broadening the Product Range to Create Stores That Customers Can Enjoy at Any Time

Product and marketing initiatives will further develop the price gradient strategy, offering choices ranging from regular to ultra-premium to address diverse consumption needs. Other efforts will include developing climate-resilient vegetables through crop breeding, establishing a stable

supply system by diversifying the procurement of imported ingredients, and strengthening the supply chain through logistics reforms. To stimulate afternoon demand, sweets and beverages that customers finish themselves will be introduced based on the new concept of “relational foods”—foods that deepen connections. The previous fiscal year’s initiative to stabilize sales across time periods will also be advanced further, aiming to increase customer numbers throughout the day by strengthening promotion of “Morning MOS” and “Evening MOS.” Looking ahead to attracting future customers, menu items that combine global food cultures with Japanese cuisine will be developed, while the dine-in customer experience will be enhanced through digital signage, music, and other elements. Community-based activities that leverage the strengths of the franchise chain will also continue.

Message from the General Managers

The Franchise Business Division regards lost opportunities caused by staffing shortages as its most significant challenge. While using the employee satisfaction survey—the MOS Smile Survey—to assess workplace satisfaction, we aim to create workplaces that foster pride in working at MOS and provide value as places that enrich people’s lives. In parallel, we will invest in measures such as improving productivity through digital transformation, aiming to create stores chosen by both customers and store staff.



**Ko Kasai**  
Senior Director,  
Executive Officer,  
General Manager of  
Franchise Business  
Division & Store  
Innovation Office

The key focus of our product strategy in fiscal 2026 is to further advance our price gradient strategy. By offering products that balance quality and price, we will provide choices suited to each customer and encourage them to try new products. MOS BURGER has consistently created original products and services found nowhere else. We will carry on this DNA and continue delivering new value.



**Yoshinori Ando**  
Senior Director,  
Executive Officer,  
General Manager of  
Product Division

Our marketing goal is for customers to say, “I’ll definitely be back!” To achieve this, we will strengthen our value propositions for each time of day and strive to deliver customer experiences that satisfy not only the appetite but also the heart through our products, services, and store environments. We will also advance the use of ID-POS data\*, while strengthening the Digital Marketing Department to expand app functionality and enhance our digital touchpoints.



**Kazuaki Chihara**  
Senior Executive  
Officer,  
General Manager of  
Marketing Division

In addition to being recognized for delicious products and excellent service, we want our stores to be praised for their wonderful environments. We will provide spaces where customers naturally want to spend time throughout the day, while simultaneously enhancing store value and expanding sales through renovations. We will continue analyzing the results of new store openings and renovations and apply the findings to the development of attractive, competitive stores.



**Hiroshi Nishinoiri**  
Executive Officer,  
General Manager of  
Store Development  
Division

\* ID-POS data is purchasing data that combines point-of-sale (POS) data with customer identification data.

Creating Better Dine-In Work Environments through DX

To strengthen the foundations of existing stores, DX will be used to improve customer convenience and store productivity. The introduction of “Order at Your Table” and new self-service checkout systems will be accelerated, targeting contactless ordering rates of 80% in urban areas

Promoting Contactless Ordering

- Order at Your Table
- Self-service checkout systems

Streamlining the Product Pickup Flow

- Order number displays
- Pickup lockers

and 50% in regional areas by fiscal 2030. Order number displays and pickup lockers will also be introduced to ensure smooth product pickup. Other initiatives include AI-based store analysis and operational support, pilot testing of AI-powered drive-throughs, and consideration of kitchen automation that could assist with food preparation in the future. These efforts will create efficient stores that also provide an easier working environment for store staff.

New Self-Service Checkout System

- Vertical display
- Wired LAN connection
- Cash payments supported through linkage with a staffed register

Full-scale rollout beginning in fiscal 2026

Strengthening the Earnings Base through High-Profit Store Models and Selective Openings

In fiscal 2026, carefully selected new stores will continue to be opened strategically. Highly profitable store models will be developed in response to high rents and construction costs, with expansion across a variety of locations and formats, including large stores with drive-through facilities and locations in busy commercial districts. Closing unprofitable stores while opening new ones will strengthen the earnings base in preparation for the next Medium-Term Management Plan. The transition to newly designed signage featuring the “M” symbol and “MOS” is also progressing in stages, with conversion at 1,000 stores scheduled for completion by the end of fiscal 2026.

Rendering of a large store with a drive-through



Proactive Investment Proposals from Store Supervisors Using AI

Store supervisors propose the introduction of new store equipment and systems promoted by headquarters to individual franchisees. In recent years, they have used store analysis data generated with technologies such as AI to make proactive investment proposals involving DX initiatives, the introduction of highly efficient equipment, and store renovation plans. These proposals simultaneously create easier working environments for store staff and comfortable spaces through store renovations. This enhances the value of visiting the stores and establishes a

Enhancing the value of store visits through renovations

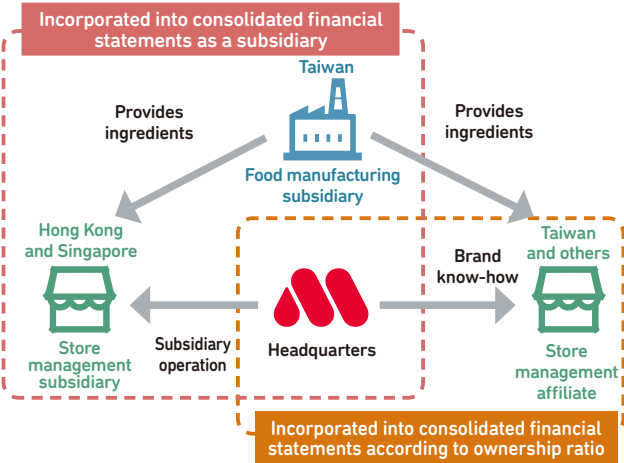


framework through which both stores and headquarters can move toward the next stage of growth with confidence in the decisions made.

Overseas Business

The Overseas Business consists of operating MOS BURGER stores and conducting food production and sales in six countries and regions, including Taiwan, Singapore, and Hong Kong. Overseas stores account for approximately 20% of all MOS BURGER stores. Subsidiaries established in Hong Kong and Singapore and joint ventures established in Taiwan and other markets manage these operations. Food production is undertaken by consolidated subsidiary MOS FOOD INDUSTRY CORP., which primarily manufactures ingredients used at overseas stores. Certain affiliated companies are consolidated into financial results according to the proportion of ownership.

Relationship Between Overseas Subsidiaries and Consolidated Financial Statements



Overview of Fiscal 2025

The Overseas Business has positioned the Medium-Term Management Plan for fiscal 2025–2027 as a “foundation reinforcement period” and focused on improving profitability. Specifically, in response to changes in trade areas and customer traffic, underperforming stores were closed while existing locations were renovated, and efforts were made to control headquarters expenses.

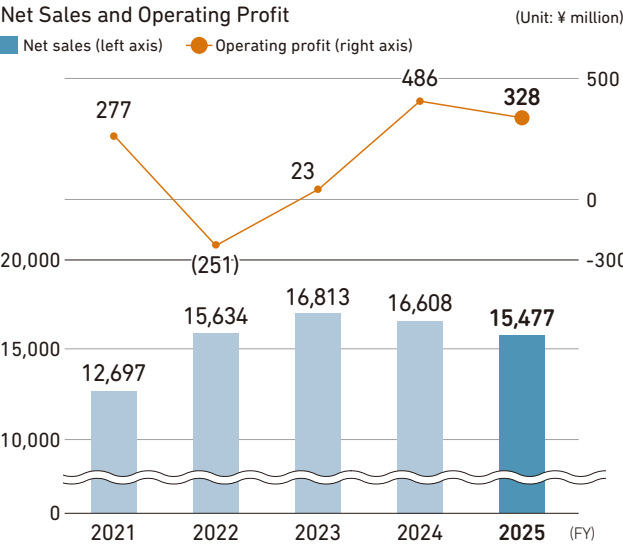
Taking into account lease terms and negotiating conditions in each country, the store network was flexibly rationalized. As a result, the number of stores decreased from 422 in the previous fiscal year to 411\*, and net sales declined 6.8% year over year accordingly. Going forward, operating profit will be improved by concentrating management resources in growth areas.

Marketing for existing stores included measures such as adding katakana lettering to store signage to reinforce MOS BURGER’s identity as a Japanese-born brand. Store

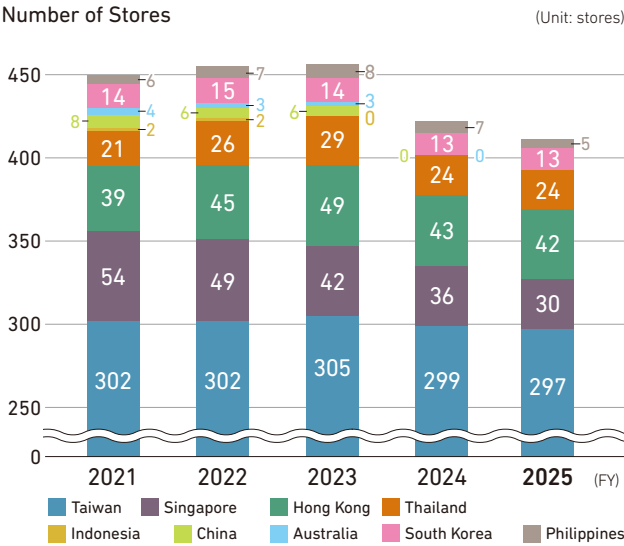
renovations and sales promotions are being carried out in an integrated manner to increase brand awareness and drive customer traffic. In addition to core menu items grounded in Japanese food culture, products tailored to regional preferences are being developed, promoting store operations deeply rooted in each market.

Demand for food delivery continues to grow, particularly in Hong Kong, with delivery accounting for an increasing share of sales. In response to these changes, delivery capabilities were strengthened and store operations were reviewed to maximize revenue opportunities. Furthermore, to establish a stable and efficient ingredient supply system, consolidated subsidiary MOS FOOD INDUSTRY CORP. in Taiwan plans to commence operations at a new factory during fiscal 2026. This initiative will also strengthen the global supply network.

\* As of December 31 (Overseas Business fiscal year end)



\* Overseas Business fiscal year end: December 31



\* As of December 31 (Overseas Business fiscal year end)

Fiscal 2026 and Medium- to Long-Term Initiatives in Line with the MTMP

In fiscal 2026, initiatives centered on the two priorities set out in the Medium-Term Management Plan will be strengthened further: “resolving issues in countries with existing operations” and “building an optimal global ingredient supply network.”

For the ingredient supply network, which is central to the B2B strategy, full-scale operations will be advanced at the new factory in Taiwan. In addition to ensuring a stable supply within the Group, contract manufacturing for external customers will be strengthened. The proportion of external sales is planned to increase from the current 30% to 50% in

the future. Economies of scale from joint procurement by Japan and Taiwan will also be leveraged to reduce costs and ensure consistent quality. Looking toward 2027, franchise agreements and partner selection will be pursued to maximize business value, including management and expansion capabilities, while developing a management structure that supports sustainable growth. Under the next Medium-Term Management Plan for fiscal 2028–2030, growth initiatives, including expansion into new countries and regions, will be fully implemented. In the future, the goal is to achieve net sales on the scale of ¥100 billion.

Promoting MOS’s Japanese Brand Identity  
Adding katakana lettering to store signage



New Factory in Taiwan  
Scheduled to commence operations during fiscal 2026



Restructuring Existing Businesses  
Strengthening Group functions

| MTMP<br>FY2025-2027                                                                                                                                                             | Next MTMP<br>FY2028-2030                                                             | FY2031<br>and beyond                                                                                                          |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| <b>Foundation<br/>Reinforcement Period</b><br>Restructure existing<br>businesses and<br>organizational<br>frameworks while<br>acquiring and<br>strengthening Group<br>functions | <b>Strategy<br/>Implementation<br/>Period</b><br>Implement<br>measures for<br>growth | <b>Growth and<br/>Expansion<br/>Period</b><br>Aim to achieve<br>net sales on<br>the scale of<br>¥100 billion in<br>the future |

Developing Stores That Combine the Character of a Japanese-Born Chain with Local Cultures

One of the challenges MOS BURGER faces in expanding overseas is brand awareness. Major chains originating in the United States and competitively priced local chains have already established strong popularity in each market. To differentiate MOS BURGER, the strengths associated with a Japanese brand are emphasized: high quality, safety and reliability, and health-conscious offerings. Efforts continue to communicate the brand’s Japanese character, including offering menu items inspired by Japanese cuisine. At the same time, standard products from Japan are not necessarily accepted unchanged in every market.

Addressing differing local needs is essential: consumers in Taiwan tend to prefer lighter, milder flavors, while those in the Philippines favor richer, garlic-forward seasoning. Products and services aligned with local food cultures and lifestyles are therefore being developed. Collaboration with local partners and team members in each country supports these efforts. While maintaining MOS BURGER’s Japanese-

born commitment to quality, stores that are loved in each local community will continue to be developed.

Developing Brand Imagery and Products That Evoke Japan



To strengthen product development, we will assign Japanese product development personnel to Thailand and Hong Kong, creating products that combine MOS quality with local preferences. We also plan to establish a global supply network centered on the new factory in Taiwan, thereby building a strong competitive advantage. Guided by our Mission of “Happiness through food,” we will focus on developing our people and establish the Overseas Business as a pillar of growth for the MOS Group.



**Atsushi Hirabayashi**  
Senior Director,  
Executive Officer,  
General Manager of  
International Division

## Merchandising Business

### Overview of Fiscal 2025

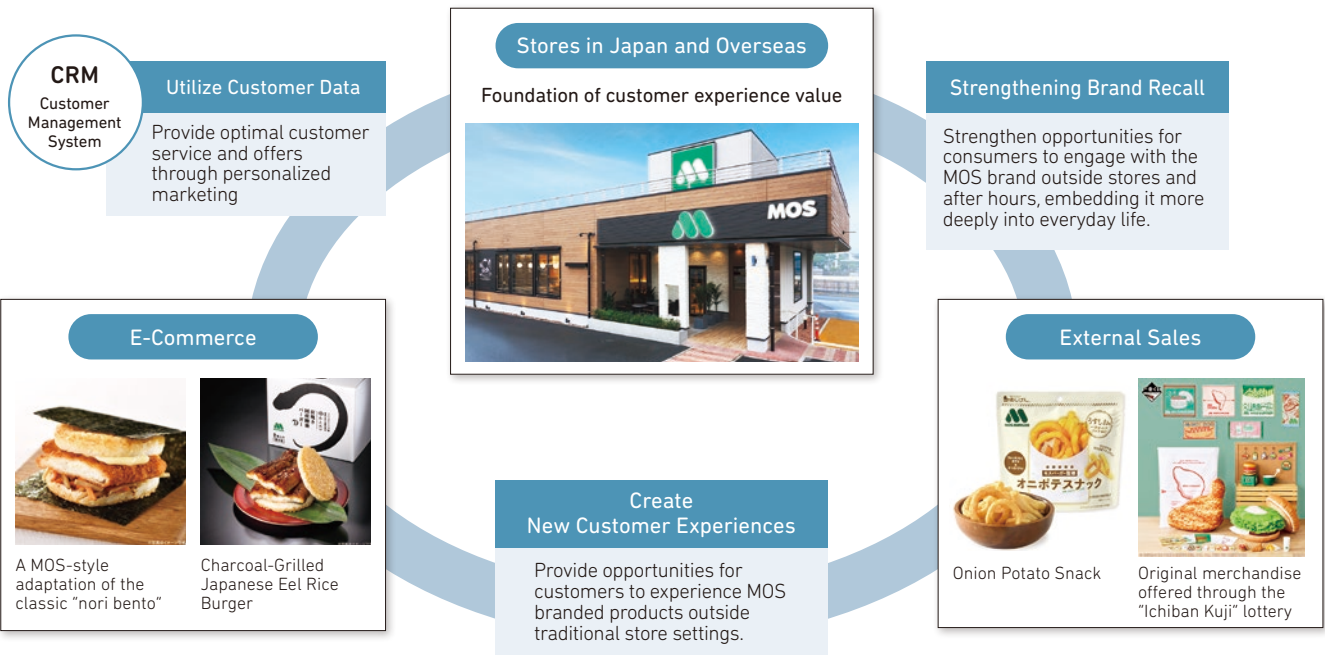
The Merchandising Business, which operates outside physical stores, achieved significant growth in fiscal 2025, with net sales reaching approximately 150% of the previous fiscal year's level. In e-commerce, the effective use of the Company's proprietary media to expand the frozen food lineup contributed to higher sales. Relationships with existing customers were strengthened through email

newsletters and social media, while awareness among new customers was expanded through public relations activities. At the "MOS Online Shop -Life with MOS-," the MOS Rice Burger "Nori Bento" (Fried White Fish and Kinpira), a MOS-style adaptation of the classic nori bento boxed lunch, successfully captured customer needs and significantly exceeded its initial sales plan.

### Fiscal 2026 and Medium- to Long-Term Initiatives in Line with the MTMP

In fiscal 2026, the business will continue to grow with a primary focus on enhancing the value and awareness of the Company's proprietary brand and acquiring new customers through market expansion. Specifically, product offerings through e-commerce sites and external sales will be strengthened, expanding customer touchpoints outside stores and increasing the presence of the MOS brand. Efforts will continue to expand an appealing product lineup that incorporates MOS's distinctive ideas and surprises

customers. To diversify sales channels, a new initiative has also been launched to wholesale MOS ingredients through B2B and B2B2C channels. From fiscal 2027 onward, MOS BURGER's online membership data is scheduled to be integrated with membership data from the online shop, further improving customer convenience. In parallel, the sales team and strategic sales activities that leverage brand assets will be expanded.



The mission of the Merchandising Business Department is to strengthen brand recall. The key is determining how to integrate the MOS brand into customers' everyday lifestyles. One strategy for achieving this is collaboration with other companies. We will strengthen joint development across a wide range of fields encompassing both clothing and food, including children's clothing, caps, confectionery, prepared foods, and entertainment. Through these initiatives, we will further expand the presence of the MOS brand.



**Hideki Nakano**  
Executive Officer,  
General Manager of  
Merchandising  
Business Department

## Growth Business

### Overview of Fiscal 2025 and Initiatives for Fiscal 2026

Initiatives were advanced along the two axes of refining existing businesses and developing new business formats, resulting in net sales of 107.4% of the previous fiscal year's level. In fiscal 2026, multiple new stores are planned, primarily under the Brown Rice Shokudo AEN brand, which operates under a low-investment, labor-saving model. The brand is also popular among health-conscious senior customers. Expansion will target

locations suited to different usage occasions, including prime sites near stations and station buildings, steadily developing the brand into a future pillar of the business. Mother Leaf stores will serve as hubs that embody and communicate the world of tea directly imported from plantations in Sri Lanka. Going forward, the established strength of the tea brand will be leveraged, with a focus on expanding merchandise sales, including wholesale.



The Growth Business Division positioned fiscal 2025 as a period of transition for pursuing strategic exits to enable future growth and reviewed its businesses accordingly. In fiscal 2026, we will pursue growth along two axes: enhancing the value of existing stores and creating new businesses that will generate cash in the future. We will also leverage MOS's highly replicable operating model to establish an earnings base that supports sustainable growth.



**Tsuneari Ota**  
Senior Director,  
Executive Officer,  
General Manager of  
Growth Business  
Division

## Hygiene Business

### Overview of Fiscal 2025 and Initiatives for Fiscal 2026

The Hygiene Business, centered on consolidated subsidiary MHS, INC., provides microbiological testing and hygiene audit services that support food safety, as well as selling hygiene-related products. In fiscal 2025, in addition to maintaining accreditation under ISO/IEC 17025, the international standard underpinning the reliability of food testing, the cost structure was reviewed and pricing was optimized. As a result, net sales reached 107.8% and operating profit 126.9% of the previous fiscal year's levels.

The business achieves high levels of profitability and productivity within the Group. From fiscal 2026 onward, expertise developed through MOS will be used to accelerate expansion outside the Group, broaden the scope of audits, and develop proprietary products.



MHS will celebrate its 50th anniversary in 2027. We believe that the expertise accumulated within the Group can contribute broadly to today's society, where interest in safety and reliability continues to grow. In addition to conducting store audits for external companies, we are taking on the endeavor of creating new markets and providing high-value-added services. By realizing the value of the MOS brand, we aim to develop the Hygiene Business into a core profit-generating business for the Group in the future.



**Tamaki Kudo**  
Senior Director,  
Executive Officer,  
General Manager of  
Hygiene Business  
Department,  
Representative Director &  
President of MHS, INC.

# Implementing a Financial Strategy to Sustainably Enhance Corporate Value



**Shoichi Hayata**  
Executive Officer,  
General Manager of Corporate  
Planning Division,  
General Manager of Corporate  
Planning Department

## Current Business Environment and Performance Summary

In fiscal 2025, the MOS Group achieved record highs in net sales, operating profit, and profit attributable to owners of parent, driven by the strong performance of its core Domestic MOS BURGER Business. All three figures exceeded both their prior-year levels and forecasts. Consolidated net sales surpassed ¥100 billion for the first time, rising by ¥6.5 billion (+6.8%) year on year to ¥102.7 billion. Operating profit reached a record high of ¥6.5 billion, exceeding the forecast of ¥5.25 billion and increasing by ¥1.3 billion (+25.6%) from fiscal 2024. Profit attributable to owners of parent increased by ¥1.4 billion (+45.6%) year on year to ¥4.5 billion.

## Progress on the Medium-Term Management Plan for Fiscal 2025–2027

Fiscal 2025 marked a strong start to the Medium-Term Management Plan, with profits at all levels on track to exceed the final-year targets, reflecting the success of our product strategy and initiatives to strengthen existing stores. In fiscal 2026, we will channel the benefits of this

strong performance into growth investments and stronger risk management capabilities, aiming not only to achieve but also to exceed the final-year targets.

Our consolidated targets for fiscal 2026 are net sales of ¥110 billion, operating profit of ¥5.75 billion, profit attributable to owners of parent of ¥3.6 billion, an operating margin of 5.2%, and ROE of 6.0%. In light of the highly uncertain business environment, we have decided to retain the numerical targets in the Medium-Term Management Plan and will steadily execute our strategies while balancing financial discipline with management flexibility.

## Management Focused on Investment Strategy and the Cost of Capital

In fiscal 2025, the Group invested a total of ¥5.5 billion, focusing on growth investment and strengthening the foundations of existing stores. This represented approximately 25% of the ¥22.2 billion planned for the three-year period under the Medium-Term Management Plan.

To further improve capital efficiency over the remaining two years of the Plan, we announced a new capital allocation policy that clarifies the intended uses of funds. Our basic policy is to prioritize cash generated by the business for future growth investments while deploying it in a disciplined manner as strategic funding to enhance corporate value over the medium to long term. With total funds of ¥54.2 billion available for fiscal 2026 and fiscal 2027, we will pursue a capital allocation strategy that balances stable shareholder returns with priority allocation to growth investments.

We apply rigorous screening to ensure selectivity and focus in allocating investment. Planned growth investments comprise approximately ¥20.0 billion for M&A, ¥6.9 billion for domestic stores, and ¥5.1 billion for the

Overseas Business and other areas. By strengthening the business foundation through these growth investments while maintaining stable shareholder returns, we aim to sustainably enhance corporate value.

To strengthen inorganic growth\*, we have also established the necessary organizational structure. A new Investment & Finance Management Group was created within the Corporate Planning Department to enhance oversight of overseas subsidiaries and investment projects and enable agile M&A execution. Going forward, we will consider all potential avenues for growth, including business alliances, while further strengthening our deal-sourcing and execution capabilities.

Our M&A policy is to consider a broad range of opportunities, provided that potential partners embrace our Philosophy System, the “MOS Spirit.” Possible approaches include horizontal transactions with companies in the same industry to stabilize the earnings base and strengthen the business portfolio, vertical transactions to strengthen the supply chain, and functional transactions to add capabilities such as hygiene management consulting services for stores.

Our financing policy is based primarily on retained earnings and cash generated through business activities, supplemented by bank borrowings and other financing as necessary to maintain an optimal capital structure with due consideration for ROE. For growth investments such as timely M&A transactions and large-scale business alliances expected to enhance corporate value, we will flexibly consider the use of financial leverage, using an equity ratio of 50% (a D/E ratio of 1.0) as a guideline.

The MOS Group maintains a high equity ratio of approximately 67.6%, supported by the stable cash-generating capacity of its franchise-based business model. Going forward, we will leverage this solid financial foundation to balance growth investment with improved capital efficiency and sustainably enhance corporate value.

\* Inorganic growth is a strategy of capturing external growth opportunities through M&A and alliances with other companies, as opposed to organic growth achieved autonomously using a company’s own resources.

## Financial Strategy to Enhance Corporate Value

To enhance corporate value over the medium to long term, we will steadily advance the business and investment strategies discussed above, thereby raising both ROE and the P/E ratio and ultimately improving the P/B ratio.

In fiscal 2025, the Group achieved ROE of 8.1%, surpassing the 6.6% target for the final year of the Medium-Term Management Plan (fiscal 2027). For fiscal 2026, however, we project ROE of 6.0%, taking into account rising raw material prices and energy costs, as well as other changes in the external environment.

For major investments and financing initiatives, including investments in new businesses, we require expected investment returns to exceed a hurdle rate based on the company’s weighted average cost of capital (WACC). We have established a process under which each proposal is submitted to the Board of Directors after a quantitative analysis of the balance among capital, risk, and return. We also incorporate insights gained through regular dialogue with shareholders and investors into management decisions and will continue to pursue disciplined financial management with profitability as a prerequisite.

We recognize that expanding the business portfolio is essential for sustainable growth. In addition to the Domestic MOS BURGER Business, we are building a balanced portfolio by expanding the Overseas Business and other businesses. In parallel, we are introducing business-specific ROIC management to visualize the capital invested in and returns generated by each business and to evaluate and manage performance from the perspectives of both profitability and capital efficiency.

Our growth vision for 2030 calls for the Domestic MOS BURGER Business to reach approximately 130% of its fiscal 2024 level and the Overseas Business to reach approximately 110%. For the Merchandising Business and Growth Business, we are targeting even higher growth as we expand and diversify the business portfolio. Through these initiatives, we will sustainably enhance corporate value while balancing improved capital efficiency with growth.

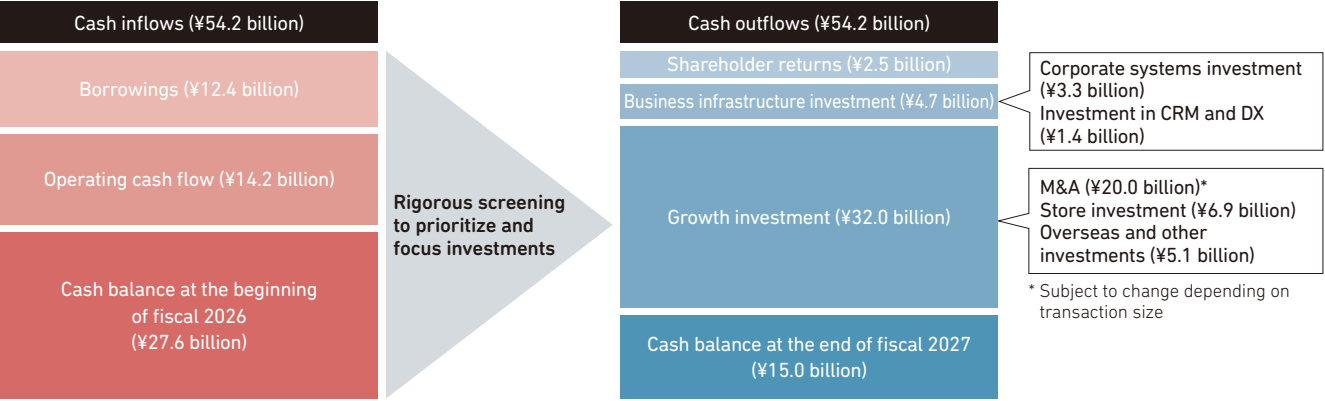
## Dividend Policy and Shareholder Returns

We position shareholder returns as a key management priority and provide stable shareholder returns while responding flexibly, balancing them with growth investment. Beginning in fiscal 2026, we will change the shareholder return metric from a dividend payout ratio of 30% to a total payout ratio of 30%, combining dividends and share repurchases and giving greater consideration to capital efficiency.

In fiscal 2025, we increased the annual dividend per share from ¥30 to ¥34 and intend to maintain the same dividend in fiscal 2026. Share repurchases will be conducted flexibly, subject to a cap set with reference to the total payout ratio target described above.

We also prioritize building medium- to long-term relationships with shareholders and will continue to offer a shareholder benefits program for those who have held shares continuously for three years or more. Going forward, we will pursue the optimal balance between investment and shareholder returns while striving to sustainably enhance corporate value and maximize shareholder value.

Capital Allocation (Fiscal 2026–2027, Consolidated)



The Management Team (As of June 24, 2026)

Directors



Eisuke Nakamura  
President & Representative Director

My Favorite MOS  
Spicy MOS Cheese Burger



Tsuneari Ota  
Senior Director, Executive Officer,  
General Manager of Growth Business Division

My Favorite MOS  
Set Meal at Brown Rice Shokudo AEN



Ko Kasai  
Senior Director, Executive Officer,  
General Manager of Franchise Business Division & Store Innovation Office

My Favorite MOS  
Spicy MOS Cheese Burger Double Patty



Yoshinori Ando  
Senior Director, Executive Officer,  
General Manager of Product Division

My Favorite MOS  
Double Fluffy Soufflé Pancakes <Maple Syrup>



Atsushi Hirabayashi  
Senior Director, Executive Officer,  
General Manager of International Division

My Favorite MOS  
Spicy MOS Burger



Tamaki Kudo  
Senior Director, Executive Officer,  
General Manager of Hygiene Business Department,  
Representative Director & President of MHS, INC.

My Favorite MOS  
Chicken Burger



Isamu Nakayama  
Director (Outside Director)

My Favorite MOS  
MOS Burger



Kana Odawara  
Director (Outside Director)

My Favorite MOS  
Shrimp Cutlet Burger



Kundo Koyama  
Director (Outside Director)

My Favorite MOS  
NATSUMI Pork Cutlet Burger



Audit & Supervisory Board Members



Tsukasa Usui  
Audit & Supervisory Board Member

My Favorite MOS  
Pork Cutlet Burger



Haruo Hirayama  
Audit & Supervisory Board Member

My Favorite MOS  
Tobikiri Cheese Burger -Hokkaido Cheese-



Masafumi Fujino  
Outside Audit & Supervisory Board Member

My Favorite MOS  
MOS Rice Burger  
Kaisen Kakiage (Salt seasoning sauce)



Takaharu Matsumura  
Outside Audit & Supervisory Board Member

My Favorite MOS  
Chicken Tatsuta Burger with Japanese-Style Savory Sauce and Lemon Wedge (No longer available)



Skills Matrix of the Management Team

|                                   | Name                | Position in the Company                  | Expected Roles/Expertise |                                   |                         |     |                                   |                        |                           |
|-----------------------------------|---------------------|------------------------------------------|--------------------------|-----------------------------------|-------------------------|-----|-----------------------------------|------------------------|---------------------------|
|                                   |                     |                                          | Overall management       | Product development and marketing | Global business and M&A | ESG | Legal matters and risk management | Finance and accounting | Human resource management |
| Directors                         | Eisuke Nakamura     | Representative Director                  | ●                        |                                   | ●                       | ●   | ●                                 |                        | ●                         |
|                                   | Tsuneari Ota        | Senior Director, Executive Officer       | ●                        | ●                                 |                         |     |                                   |                        |                           |
|                                   | Ko Kasai            | Senior Director, Executive Officer       | ●                        |                                   | ●                       |     |                                   |                        |                           |
|                                   | Yoshinori Ando      | Senior Director, Executive Officer       | ●                        | ●                                 | ●                       |     |                                   |                        |                           |
|                                   | Atsushi Hirabayashi | Senior Director, Executive Officer       | ●                        |                                   | ●                       |     |                                   |                        |                           |
|                                   | Tamaki Kudo         | Senior Director, Executive Officer       | ●                        |                                   |                         |     |                                   |                        | ●                         |
|                                   | Isamu Nakayama      | Outside Director                         | ●                        | ●                                 | ●                       | ●   |                                   |                        |                           |
|                                   | Kana Odawara        | Outside Director                         | ●                        |                                   | ●                       |     |                                   | ●                      | ●                         |
|                                   | Kundo Koyama        | Outside Director                         | ●                        | ●                                 |                         | ●   |                                   |                        | ●                         |
| Audit & Supervisory Board Members | Tsukasa Usui        | Audit & Supervisory Board Member         | ●                        |                                   |                         |     |                                   | ●                      |                           |
|                                   | Haruo Hirayama      | Audit & Supervisory Board Member         |                          |                                   | ●                       |     | ●                                 | ●                      |                           |
|                                   | Masafumi Fujino     | Outside Audit & Supervisory Board Member |                          |                                   |                         | ●   |                                   | ●                      |                           |
|                                   | Takaharu Matsumura  | Outside Audit & Supervisory Board Member |                          |                                   | ●                       |     | ●                                 |                        |                           |

| Area                              | Criteria (met, as indicated by ●)                                                                                                                                                                                                                                    |
|-----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Overall management                | <div>Executive officer-level or higher experience at a listed company, or equivalent knowledge and capabilities</div> <div>Knowledge and experience in food services and franchise businesses is desirable</div>                                                     |
| Product development and marketing | <div>Management experience in a product development or marketing department, or equivalent knowledge and capabilities</div>                                                                                                                                          |
| Global business and M&A           | <div>Management experience in an overseas business department, preferably including an assignment to an overseas operating company, or equivalent knowledge and capabilities</div> <div>Practical M&amp;A experience, or equivalent knowledge and capabilities</div> |
| ESG                               | <div>Practical business management experience related to ESG, or equivalent knowledge and capabilities</div>                                                                                                                                                         |
| Legal matters and risk management | <div>Knowledge and capabilities relating to business management based on laws and other relevant regulations</div> <div>Knowledge and capabilities relating to business management based on risk management</div>                                                    |
| Finance and accounting            | <div>Knowledge and capabilities relating to business management based on corporate accounting</div> <div>Knowledge and capabilities relating to business management based on financial strategy</div>                                                                |
| Human resource management         | <div>Knowledge and capabilities relating to business management based on human resource management</div>                                                                                                                                                             |

\* This skills matrix does not represent all knowledge and experience of each individual.  
\* For Outside Directors and Outside Audit & Supervisory Board Members, this table shows the areas where they are expected to make a particular contribution to the Company's management.

## Message from an Outside Director

## Fair Franchise Contracts Underpin the Distinct MOS Identity Consumers Stand Behind



**Isamu Nakayama**  
Outside Director

### Our Strength: The Warm Sense of Unity Between Headquarters and Our Franchisees

Customers appreciate the product, service, store management, and other expertise found throughout our franchise chain, and this is MOS FOOD SERVICES' strength. The warm atmosphere of MOS stores everywhere feels like a home away from home. We serve a diverse range of customers and there is no one-size-fits-all approach, yet the distinct MOS identity makes itself felt in every store. This is a testament to the way headquarters and franchisees work together as one. Leveraging this strength to sketch out and implement a strategy for further growth will be our task going forward.

I have worked with franchise chains for many years. From this perspective, I would call the contracts between the MOS Group and our franchisees fair. A "fair contract" starts out by firmly establishing the value proposition offered by the company in its role as franchisor, and ensuring that this is fully understood by the franchisee. Next, it involves the fair distribution of revenue generated by properly implementing that value proposition. An equal partnership with mutual respect is key to developing the business. As epitomized by the Kyoei-kai, MOS brings our franchisees and headquarters together as a unit through these fair contracts to deliver high-quality products and experiences to our customers.

Even during periods of strong performance, however, we must remain alert to changes in market conditions and potential risks. Engaging seriously with customer feedback is a keystone of commerce. It is important to always keep track of how customers perceive us and tirelessly maintain our efforts to use this information to improve. Any business unable to do this will fall by the wayside in no time. Franchise stores receive this feedback directly from our customers, and it is therefore vital to ensure smooth, daily communication between headquarters and franchisees as we work to improve.

### Rigorous Labor-Saving Measures to Elevate MOS Quality

Externally, there are many negative factors at work, including labor shortages and surging raw material costs in the restaurant industry. However, we are set apart by our company strength of service provision that communicates the care that goes into its delivery. Rather than competing within the narrow category of the hamburger market, it is by making steady business efforts as a service provider dedicated to enriching our customers' lives that we will differentiate ourselves from other companies. Toward this aim, we must also carry out comprehensive capital investments and reduce labor requirements. It is important that we use this to create time to engage seriously with customer feedback and work with franchisees to build on MOS Quality on an ongoing basis.

To successfully implement our Medium-Term Management Plan (fiscal 2025–2027), we must establish new core elements of our business. In essence, management is about determining where to focus investment of one's limited management resources and implementing that resolution. Our Board of Directors is avoiding scattershot investments and engaging in discussions with a focus on medium- to long-term prospects. More concretely, we are making decisions on reallocating or reshuffling business assets and new investments, among other subjects for discussion, and I am taking an active role, bringing a perspective informed by my knowledge of franchise chain management.

We will continue to pool our collective wisdom in order to achieve sustainable growth in a restaurant sector where competition is becoming more intense, and thereby contribute to building a more prosperous society.

## Message from an Outside Director

## A Valuable First Step in Human Capital Management



**Kana Odawara**  
Outside Director

### Strengthening Human Capital Management as a Management Strategy

The MOS BURGER Chain operated by MOS FOOD SERVICES has established a unique brand position, set apart by our high quality, safety, and reliability. We have also cultivated our product development capabilities over many years, and maintain a high level of customer loyalty thanks to friendly and welcoming customer service and a store management approach built around community engagement. At the same time, we do have challenges in our current position, with intensifying market competition and, in particular, the increasing difficulty of opening new stores as a result of our competitors' aggressive strategies in this area. Other issues include responding to rising costs caused by the weak yen, taking action on store labor shortages, structural reforms of our overseas business, and creating other businesses at an accelerated pace.

Within this context, I think it is particularly important to look at how we manage our human capital. All of the European and U.S. companies I have worked for had well-established human capital management practices and had also properly formulated and implemented human resource strategies designed to achieve their management objectives. Having adopted initiatives such as organizational reviews (see pp. 27–30) and similar processes in fiscal 2025, MOS is gaining greater visibility into our human resources and the company is at a point where we can begin human capital management.

Continued consideration must be given to how the insights gained from the newly introduced initiatives can be incorporated into personnel deployment, development, and evaluation systems. At the same time, management must identify the actions required based on the gap between the human resources needed to execute the business strategy and the current workforce, and remain actively involved by continuously monitoring human capital-related indicators.

### Enhancing Management Quality Through Constructive Board Discussions

In fiscal 2024, the Board of Directors identified stronger oversight of succession planning as an issue requiring attention. Ongoing discussions led primarily by Outside Directors will be important in addressing this issue. In these discussions, we must clarify its purpose and our role, going beyond merely offering advice to effectively fulfill our oversight responsibilities. We need to take sufficient time to carefully review the status of potential successors and their development progress, and assess whether their selection and development are appropriate. By challenging management as necessary and prompting revisions when appropriate, we will enhance the effectiveness of our governance.

Another topic requiring discussion is the "management that is conscious of cost of capital and stock price" requested by the Tokyo Stock Exchange. I would say that MOS has firmly established a decision-making process that considers investment profitability with a full understanding of the cost of capital. However, this process is used only for individual investment decisions, and it is not always applied to reviews of existing businesses or optimization of overall capital allocation, which I feel is an issue.

Going forward, we must use our Board of Directors' discussions to work toward further embedding management based on capital efficiency in our approach. It is also vital that we further enhance the high quality, safety, and reliability that are the MOS Group's strengths and achieve increased corporate value over the medium to long term. Through effective oversight and constructive discussion within the Board of Directors, we will deliver even higher management quality and work toward sustainable growth and value creation.

Message from an Outside Director

Toward New Endeavors Embodying the MOS Spirit



Kundo Koyama  
Outside Director

Finding the Meaning and Emotions Beyond the Numbers Through Discussion

From my perspective in my third year as an Outside Director, MOS FOOD SERVICES’ greatest strengths are, above all, reliable product appeal, and the warm store-management approach that the company has upheld since its founding. Underpinning these strengths in turn is the Kyoei-kai, MOS’s unique franchisee network. I believe that the Kyoei-kai is a particularly significant asset to the company’s value.

Looking beyond these advantages, for the very reason that we are currently in a period of steady growth, we need a new endeavor that will allow us to generate fresh, cross-divisional value with an eye to our next leap forward. However, despite the fact that we have the capacity to take it on, we do not have a clear picture of this next endeavor that fits with MOS’s distinct identity, and I have misgivings on that score. There are times when the Board of Directors honestly discusses the success or failure of a project in terms only of the numbers in front of us. When this happens, I make sure to ask what kind of new value we might see on the other side of that project, what kind of well-being it could deliver and to whom, and how it connects to the future of the MOS brand. In this I am motivated by the fact that taking a close look at the meanings and inspiration beyond the numbers leads to creative discussions.

I am confident that the MOS Spirit is not just about protecting or maintaining, but will find expression as new value adapted to the changing times and customer expectations, developing in this way into a living philosophy. I have the sense that the customers who have been drawn to our brand and supported us over the years, as well as the franchisees of the Kyoei-kai, are not looking for us to provide only a sense of security, but also new surprises and innovations that only MOS can offer. Taking the customer’s perspective as my starting point, I ask the question: what do we need as a company delivering

“happiness through food”? Going forward, I will continue to fulfill this role.

Leveraging MOS’s Japanese Heritage as a Strength for Global Expansion

Speaking from my experience as a World Expo producer, for the MOS brand to gain currency internationally, we must first redefine what “distinctly Japanese value” means to the company. I think that the capacity to consider others is at the heart of it. This means carefully determining what our customers really want, and refining our products and services in response. It also involves entering into the feelings of the people who work with us as we design our businesses. It is this approach that will build the trust and dignity of a brand originating in Japan. For this to resonate in other countries and other cultures, we do not need to display a superficial sense of Japanese identity; rather, it is important that we consistently communicate this mindset.

At the same time, it is also vital that our approach does not rest on the laurels of our delicious products. Of course, we want our products to be delicious, but if we concentrate on this alone, we risk overlooking the value of the overall customer experience. In addition to the goal of delicious products, I think we need to give careful thought, from a variety of angles, to comfortable spaces and how to deliver inspiring experiences.

Today, Japanese culture and craftsmanship are enjoying renewed appreciation worldwide. With our distinct Japanese identity, this offers MOS significant possibilities. What makes a hamburger “made-in-Japan” is not just featuring Japanese ingredients, but also and especially using umami and particular ingredient combinations to create delicious flavors with subtlety and depth. In taking on the endeavor of aiming for the global market, I believe that MOS will not only enhance its corporate value, but make the Japanese people proud.

Corporate Governance

Basic Policy on Corporate Governance

The foundation of the MOS Group’s corporate value lies in its core principles: Our Origin—Mountain (standing tall and firm like a mountain), Ocean (having a heart that is broad and deep like the Ocean), and Sun (having passion like the Sun that never burns out)—Our Mission (Happiness through food), Our Culture (Work driven by gratitude and appreciation), and Our Promise. The corporate value of the MOS Group is the collective value provided to all stakeholders, including customers, employees, franchisees, business partners, and local communities, who deeply share and resonate with the

“MOS Spirit” Philosophy System. By fulfilling its responsibilities to these stakeholders and continuing to be supported as a “valuable company,” the Group can ultimately fulfill its responsibilities to shareholders and enhance shareholder value.

The MOS Group is committed to continuously improving its corporate governance to facilitate constructive dialogue with stakeholders based on appropriate information disclosure, ultimately leading to the realization of increased corporate and shareholder value over the medium to long term.

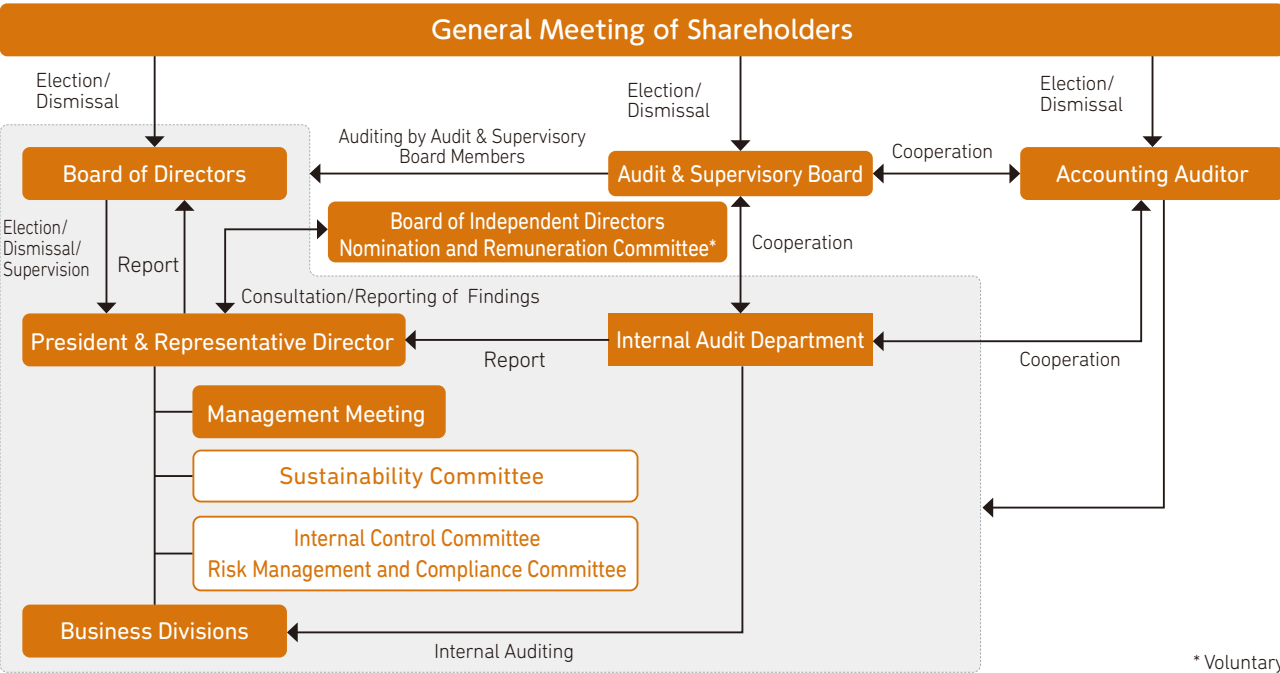


Reason for Selecting the Current Corporate Governance System

MOS FOOD SERVICES, INC. has adopted the organizational structure of a company with an Audit & Supervisory Board. This system enhances the soundness and transparency of management by delegating the auditing function of the Board of Directors, the highest decision-making body, to the independent Audit & Supervisory Board. Additionally, Outside Directors and Outside Audit & Supervisory Board members with extensive experience are appointed. This robust system of checks and balances is designed to ensure appropriate decision-making by the Board of Directors and effective supervision of the business execution of directors.

|                                                                          |                                           |
|--------------------------------------------------------------------------|-------------------------------------------|
| Governance system                                                        | Company with an Audit & Supervisory Board |
| Number of Directors                                                      | 9                                         |
| Of which, Outside Directors                                              | 3                                         |
| Term of office for Directors stipulated by the Articles of Incorporation | 2 years                                   |
| Number of Audit & Supervisory Board members                              | 4                                         |
| Of which, Outside Audit & Supervisory Board members                      | 2                                         |
| Accounting Auditor                                                       | KPMG AZSA LLC                             |

Overview of Corporate Governance System



\* Voluntary

Board of Directors

The Board of Directors comprises nine Directors, including three Outside Directors. Its meetings are also attended by four Audit & Supervisory Board members, two of whom are Outside Audit & Supervisory Board members. To ensure that the Board of Directors can conduct sufficient deliberations regarding important management matters and use these to make swift and accurate decisions, Board meetings are generally held once a month, with extraordinary meetings convened as necessary.

Executive Compensation

The total compensation by executive category, by type of compensation, and the number of executives are as follows.

| Classification                                                                             | Total amount of compensation<br>(¥ million) | Amount by type of compensation (¥ million) |                        |                                |                          | Number of eligible officers |
|--------------------------------------------------------------------------------------------|---------------------------------------------|--------------------------------------------|------------------------|--------------------------------|--------------------------|-----------------------------|
|                                                                                            |                                             | Supervisory Remuneration                   | Executive Remuneration |                                |                          |                             |
|                                                                                            |                                             |                                            | Fixed compensation     | Performance-based compensation | Share-based compensation |                             |
|                                                                                            |                                             |                                            |                        |                                |                          |                             |
| Directors<br>(excluding Outside Directors)                                                 | 143                                         | 46                                         | 48                     | 36                             | 11                       | 6                           |
| Audit & Supervisory Board members<br>(excluding Outside Audit & Supervisory Board members) | 28                                          | 28                                         | –                      | –                              | –                        | 2                           |
| Outside officers                                                                           | 37                                          | 37                                         | –                      | –                              | –                        | 5                           |

Note: The salaries of directors and Audit & Supervisory Board members serving concurrently as employees are not included in the above amounts.

Operation of the Board of Directors

Key Matters Reported to and Resolved by the Board of Directors in Fiscal 2025 (Meetings Held: 18)

| Item                                     | Key Deliberation Topics                                                                                                                                                                                                                             |                                                                                                                                                                        |
|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                          | Resolved Items                                                                                                                                                                                                                                      | Reported Items                                                                                                                                                         |
| Management Policy                        | MOS BURGER Chain Action Plan and New Food-service Business Strategy                                                                                                                                                                                 | Medium- to long-term human resources strategy, WACC calculations                                                                                                       |
| Management Targets                       | Formulation of annual plans                                                                                                                                                                                                                         | Business plans for overseas companies                                                                                                                                  |
| Management Strategy                      | Marketing plans, price revisions, subsidiary support, absorption-type mergers of subsidiaries, organizational restructuring, overseas subsidiary plant relocation, appropriation of surplus, disposal of treasury stock, commitment line agreements | Creation of new meeting structures, management of unprofitable stores                                                                                                  |
| Officer-Related Matters                  | Appointment and reappointment of Directors, officer performance targets, officer performance evaluations, revisions to the executive compensation system, officers' liability insurance, appointment of officers at affiliated companies            | Reports on executive execution of duties                                                                                                                               |
| Governance-Related Matters               | Disclosure of Corporate Governance Reports, changes to policies on the holding of cross-shareholdings, Renewal of Corporate Code of Conduct and Employee Conduct Standards                                                                          | Board effectiveness evaluation, exercise of voting rights on cross-shareholdings                                                                                       |
| Risk Management                          | Approval of Risk Management and Compliance Committee "Promotion Program," submission of the Internal Control Report, amendments to internal control regulations                                                                                     | Risk Management and Compliance Committee reports, reports on internal control and internal auditing, basic plan documents, audits by Audit & Supervisory Board members |
| Sustainability                           |                                                                                                                                                                                                                                                     | Sustainability Committee reports                                                                                                                                       |
| HR-Related Matters                       | Personnel transfers, total sum of wage and bonus payments, increases in base pay, amendments to employment rules and payroll regulations                                                                                                            |                                                                                                                                                                        |
| Financial Results and Accounting Matters | Non-consolidated and consolidated financial results; submission of Annual Securities Report                                                                                                                                                         | Performance reports of affiliates                                                                                                                                      |
| Other Important Matters                  | Convocation of the General Meeting of Shareholders, audit fees, concurrent positions as Outside Directors                                                                                                                                           | General Meeting of Shareholders voting outcomes                                                                                                                        |

Audit & Supervisory Board

The Audit & Supervisory Board comprises two Audit & Supervisory Board members and two Outside Audit & Supervisory Board members. In accordance with the audit policies and plans determined by the Audit & Supervisory Board, each Audit & Supervisory Board member attends Board of Directors' meetings and conducts audits by carefully monitoring the status of management and business execution through periodic meetings and exchanging information as needed with the Accounting Auditor regarding the formulation and implementation of annual auditing plans.

Overview of Performance-Based Compensation

Performance-based compensation consists of performance-based compensation (monetary compensation) and performance share units (non-monetary compensation). Performance-based compensation is monetary compensation that reflects key performance indicators (KPIs) designed to raise awareness of the need to improve business performance each fiscal year. The amount to be paid is determined by the Board of Directors, taking into account recommendations from the Board of Independent Directors, which serves as an advisory committee, and by evaluating the degree of achievement against consolidated net sales, consolidated operating profit, profit attributable to owners of parent, and the individual goals of Directors (for Directors overseeing specific business divisions, including the goals of their respective divisions). The performance indicators and their targets are set each fiscal year to align with the Medium-Term Management Plan and are reviewed and adjusted as needed based on changes in the environment, with recommendations from the Board of

\*1 The plastic reduction rate refers to the proportion of eco-friendly products among single-use items provided to customers, established as a key performance indicator for materiality.

Overview of Board Effectiveness Evaluation Results

To enhance corporate value, the company conducted a fiscal 2025 survey of all Directors and Audit & Supervisory Board members regarding the effectiveness of the Board of Directors. This was carried out through an external consultant, in order to guarantee transparency and objectivity. The evaluation confirmed the effectiveness of the Board, with oversight of the Group's Philosophy System and

Independent Directors. Performance share units are a form of share-based compensation to enhance awareness of contributing to medium- and long-term performance improvement and increasing corporate value. To strengthen alignment with shareholder value, Directors are awarded points based on their responsibilities for each fiscal year. Additionally, to further align compensation with company performance, a certain percentage of these points is adjusted after the end of the Medium-Term Management Plan, based on the degree to which targets such as those for return on equity (ROE) and ESG criteria (indicators of energy use efficiency designed to reduce CO<sub>2</sub> emissions, plastic use reduction rate<sup>\*1</sup>, employee engagement scores) have been met. The total number of points may be increased or decreased accordingly. At the time of their departure, Directors are provided with shares in the company equivalent to the accumulated number of points through a trust, at no cost.

the effectiveness of the internal reporting system receiving particularly high ratings. Meanwhile, the survey highlighted certain challenges and expectations for improvement in areas such as structuring deliberations aligned with the expected roles of officers and overseeing management resource allocation, including IT investment.

1. Progress on Initiatives to Address Fiscal 2024 Key Issues  
As a result of prioritizing measures for identified key issues, multiple evaluations confirmed tangible improvements.

| Issues                                                                                                                          | Key Improvement Initiatives Taken                                                                                                                                                                                                                                                  |
|---------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reviewed the structure of the Board of Directors (separation of supervisory and executive functions, composition, duties, etc.) | • Enhanced board monitoring by streamlining executive decision-making and sharing information on executive deliberations (key issues and progress)<br>• Reaffirmed a shared understanding of the ideal Board structure through discussions as part of the effectiveness evaluation |
| Expanded strategy deliberations (considering themes that should be deliberated on or monitored)                                 | • Secured dedicated time for strategic topics (such as human resources strategy) by revising Board agenda criteria and delegating authority<br>• Established opportunities for off-site discussions between outside officers and executives                                        |
| Strengthened oversight of the Group's risk management structure (including the Group's internal reporting system)               | • Expanded this structure through strengthening the Group's internal control systems and human resource development                                                                                                                                                                |
| Expanded deliberation on succession planning                                                                                    | • Strengthened succession plan-related cooperation with the Board of Independent Directors and promoting sharing of information with the Board of Directors                                                                                                                        |

2. Key Challenges Identified in Fiscal 2025 and Future Action  
Based on the latest Board effectiveness evaluation, the company will continue to address the following challenges on an ongoing basis, with the aim of further improving governance.

| Issues                                                                                          | Planned Improvement Initiatives                                                                                                                                                                                                                                                                                                |
|-------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Role of the Board of Directors (ongoing review of ideal board structure and consensus building) | • Expanding coordination and information sharing on executive deliberations (key issues and progress)<br>• Shifting toward future-oriented discussions with a focus on strengthening earning power<br>• Establishing an appropriate consultation and reporting process for the voluntary Nomination and Remuneration Committee |
| Board agendas (expanding deliberation on and oversight of important themes)                     | • Deliberating on the future vision for capital and resource allocation<br>• Optimizing the Group's human capital to increase corporate value (recruitment and talent development strategies)<br>• Digital transformation strategy (leveraging AI, future strategy)<br>• Reviewing company-wide reporting items                |
| Information Supporting Deliberations (Improving Information Quality and Meeting Materials)      | • Enhancing details on key issues and progress in proposal summaries, and refining deliberation procedures<br>• Sharing summaries of deliberations in executive meetings (Management Meeting, etc.)<br>• Adopting a report format based on the strategic themes in the performance reports                                     |

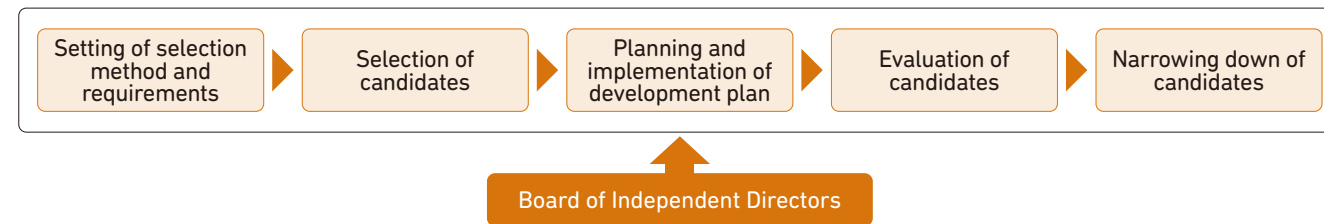
Note: Excerpted from the Summary of Analysis and Evaluation Results of the Effectiveness of the Board of Directors for Fiscal 2025.  
<https://www.mos.co.jp/company/outline/governance/hyoka.pdf>

## Succession Plan

Succession planning has been positioned as a management priority for sustainable growth and risk management. Development of future leadership and other key personnel is being advanced with a medium- and long-term perspective. Selection of successors is based not only on personal qualities and management capabilities but also on criteria such as understanding and embodying the

company's philosophy. Candidates are provided with systematic development through continual discussions and opportunities to strengthen their management expertise. The entire process, from considering selection methods to appointments, is overseen by the Board of Independent Directors (a voluntary advisory board), to ensure transparency and objectivity.

## Sequence of Processes



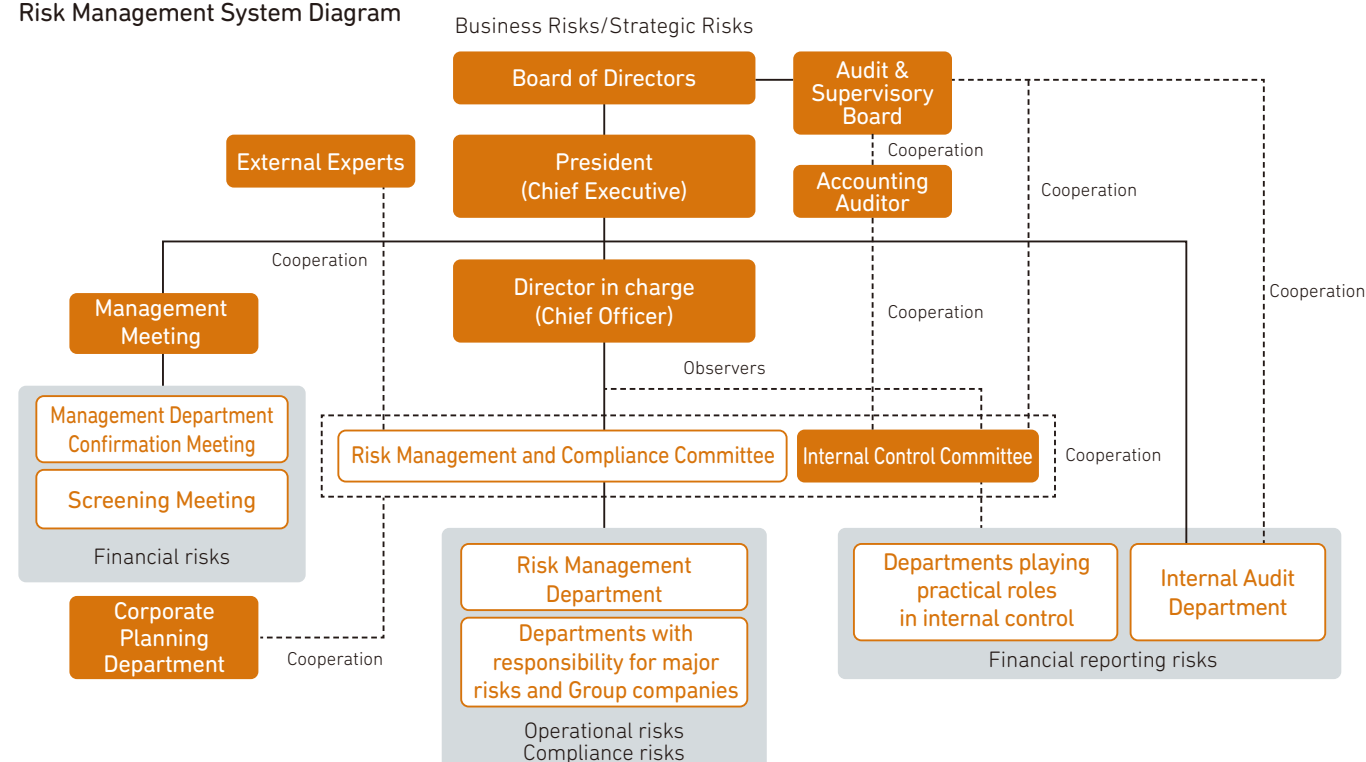
## Promoting Risk Management and Compliance

The Board of Directors promotes the development of the internal control system and handles crisis response in the event of an emergency (e.g., a serious compliance violation, a major food-related incident, or a disaster causing severe damage).

The company has established a robust system to manage financial risk related to key investments and new business ventures. Under the Management Meeting, a Management Department Confirmation Meeting and a

Screening Meeting analyze the balance of capital, risk, and returns before submitting proposals to the Board of Directors for approval. Specifically, each proposal to the Board includes a clear statement of the investment amount, payback period, and anticipated risks with their mitigation plans. The Board of Directors then makes its decisions by defining risk appetite and risk tolerance, thereby managing business and strategic risks.

### Risk Management System Diagram



## The MOS Group's Risks and Risk Response Measures\* (Excerpt from the Annual Securities Report)

| Risk classification | Risk category              | Details                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Response measures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Major risks         | Food incident risks        | Contamination by hazardous foreign matter, outbreaks of food poisoning, or the inability to supply ingredients to stores due to food incidents at plants.                                                                                                                                                                                                                                                                                                    | In addition to incorporating HACCP principles into hygiene management, MOS Food Safety Standards have been established in compliance with ISO 22000. This system, which manages the entire supply chain, is reviewed annually to ensure it can adapt to business diversification, changes in social conditions, and changes in customer values.                                                                                                                                                                                           |
|                     | Store management risks     | Accidents caused by equipment, traffic accidents, leaks of personal information of customers and employees, and other store-related incidents, accidents, issues, violations of laws, regulations or ordinances, deviations from manuals or internal rules, or natural disasters in areas with a high concentration of stores.                                                                                                                               | Rigorous safety management for both customers and employees is carried out through regular safety inspections, risk management training for store staff, and similar initiatives. In addition to monthly safety checks at each store, carbon monoxide (CO) inspections are conducted at all stores. Criteria have been set to determine store closures or continued operation in the event of an emergency, such as a natural disaster or infectious disease outbreak, and a rapid response system has been established and strengthened. |
|                     | Personnel and labor risks  | Violations of laws, regulations, and ordinances such as the Labor Standards Act; harassment; deviations from employment rules and internal rules; labor shortages; mental health issues; loss of human resources; and a decline in work quality and productivity.                                                                                                                                                                                            | The company is committed to fostering diversity through a 100% return-to-work rate for female employees after childcare leave, encouraging male employees to take leave, and recruiting diverse talent. Based on the "MOS FOOD SERVICES, INC. Health Declaration," efforts are focused on creating a work environment that promotes employee health and well-being. Work to expand systems supporting employee development and new endeavors is also in progress.                                                                         |
|                     | Legal violation risks      | Misconduct by management or employees; violations of laws, regulations, or ordinances; and the need to respond to revisions or tightening of various laws and regulations, including those related to food hygiene (such as the Food Sanitation Act), the environment, facilities, and labor.                                                                                                                                                                | A review day for the "MOS Group Code of Conduct" was established to ensure thorough group-wide awareness. Compliance training is held for officers and employees, alongside harassment prevention training for management. Efforts are also made continuously to raise awareness of the internal reporting system to prevent legal violations and misconduct. The company's Standards for Employee Conduct have been revised.                                                                                                             |
|                     | Supply chain risks         | Disruptions in the planned supply to franchisees of food ingredients, packaging materials, consumables, kitchen equipment, furniture, signage, and other supplies, stemming from various factors such as natural disasters, pandemics, political instability, regional conflicts, supply chain issues (e.g., soaring prices or shortages of raw materials and components), or cyberattacks and system failures targeting the Group or its business partners. | Diversified supply routes and optimized logistics via multi-vendor sourcing and multi-facility production, backed by multi-month safety stock reserves for key ingredients. Sourcing of fresh vegetables has been reorganized and diversified. Systems have been put in place to ensure uninterrupted supply to stores in the event of impairments to the normal functioning of the company's headquarters as a result of a disaster, such as a major earthquake in Tokyo and the surrounding area.                                       |
|                     | Information security risks | Damages arising from cyberattacks, leaks of personal or confidential information due to unexpected incidents or accidents, interruption or impairment of ingredient supply to stores caused by information system failures, or reputational damage.                                                                                                                                                                                                          | An organizational structure has been established based on the company's Information Security Management Regulations. Awareness among employees is fostered through twice-annual e-learning and targeted phishing simulations. The company has implemented malware protection (including ransomware protection), enhanced access control, prevention of unauthorized access, vulnerability management, establishment of a backup system, development of recovery systems for use in the event of an incident, and other measures.          |

\* Excerpted from the "Business Risks" section of the Annual Securities Report for the fiscal year ending Mar. 2026  
[https://www.mos.co.jp/company/ir/library/valuable\\_securities/](https://www.mos.co.jp/company/ir/library/valuable_securities/)

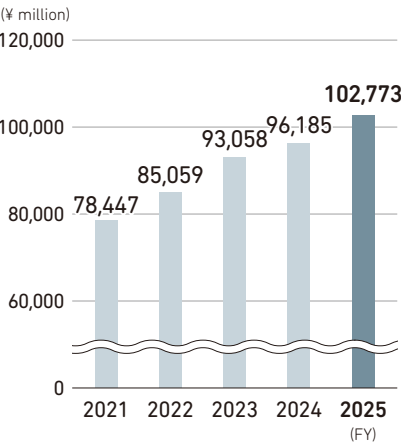
11-Year Financial Summary (Consolidated)

\*1 Net sales per segment are indicated for the fiscal years where the current segment classification applies.  
\*2 Net sales and number of stores in the Overseas Business are for fiscal years ended December 31, while store counts are as of December 31, in line with the fiscal years of the relevant affiliates.

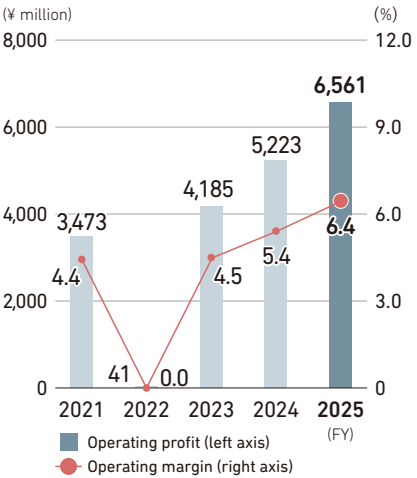
Key Financial Data

| Accounting Period (Fiscal Year)         | 2015     | 2016     | 2017     | 2018     | 2019     | 2020     | 2021     | 2022     | 2023     | 2024     | 2025     |
|-----------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Profit and Loss (Unit: ¥ million)       |          |          |          |          |          |          |          |          |          |          |          |
| Net sales <sup>*1</sup>                 | 71,113   | 70,929   | 71,387   | 66,264   | 68,985   | 71,972   | 78,447   | 85,059   | 93,058   | 96,185   | 102,773  |
| Domestic MOS BURGER Business            | —        | —        | —        | —        | 55,118   | 59,098   | 63,407   | 66,713   | 73,380   | 76,626   | 83,993   |
| Overseas Business <sup>*2</sup>         | —        | —        | —        | —        | 10,305   | 10,575   | 12,697   | 15,634   | 16,813   | 16,608   | 15,477   |
| New Food-service Business               | —        | —        | —        | —        | 2,794    | 1,495    | 1,473    | 1,792    | 1,838    | 1,805    | 2,015    |
| Other Businesses                        | —        | —        | —        | —        | 766      | 803      | 869      | 919      | 1,026    | 1,144    | 1,287    |
| Operating profit                        | 3,824    | 4,663    | 3,734    | 517      | 1,060    | 1,422    | 3,473    | 41       | 4,185    | 5,223    | 6,561    |
| Ordinary profit                         | 4,011    | 4,892    | 3,911    | 724      | 1,232    | 1,427    | 3,634    | 356      | 4,392    | 5,569    | 7,107    |
| Profit attributable to owners of parent | 2,284    | 3,050    | 2,385    | (907)    | 365      | 997      | 3,419    | (317)    | 2,573    | 3,150    | 4,587    |
| Financial Condition (Unit: ¥ million)   |          |          |          |          |          |          |          |          |          |          |          |
| Total assets                            | 57,655   | 61,589   | 61,834   | 60,588   | 64,348   | 64,827   | 69,602   | 74,479   | 79,711   | 80,576   | 87,342   |
| Net assets                              | 43,803   | 46,140   | 47,950   | 45,460   | 45,100   | 45,338   | 48,576   | 48,091   | 52,086   | 54,326   | 59,620   |
| Interest-bearing debt                   | 977      | 2,590    | 1,894    | 2,968    | 5,757    | 5,271    | 3,993    | 7,607    | 7,180    | 5,430    | 4,738    |
| Cash Flows (Unit: ¥ million)            |          |          |          |          |          |          |          |          |          |          |          |
| Cash flows from operating activities    | 5,069    | 5,379    | 5,096    | 837      | 5,661    | 4,399    | 10,449   | 1,422    | 10,160   | 7,346    | 9,221    |
| Cash flows from investing activities    | (3,514)  | (4,579)  | (3,387)  | (2,217)  | (401)    | 45       | (798)    | (2,974)  | (2,135)  | (1,642)  | (3,206)  |
| Cash flows from financing activities    | (1,047)  | 731      | (1,665)  | 184      | (2,465)  | (2,719)  | (3,825)  | 611      | (3,944)  | (3,730)  | (3,530)  |
| Free cash flow                          | 1,555    | 800      | 1,709    | (1,380)  | 5,260    | 4,445    | 9,650    | (1,552)  | 8,024    | 5,704    | 6,040    |
| Per Share Information (Unit:¥)          |          |          |          |          |          |          |          |          |          |          |          |
| Net income per share                    | 74.12    | 98.94    | 77.39    | (29.43)  | 11.84    | 32.34    | 110.91   | (10.31)  | 83.45    | 102.10   | 148.66   |
| Net assets per share                    | 1,418.05 | 1,491.22 | 1,549.55 | 1,469.23 | 1,456.61 | 1,463.64 | 1,567.14 | 1,551.72 | 1,680.16 | 1,751.71 | 1,914.26 |
| Annual dividends per share              | 24.00    | 26.00    | 28.00    | 28.00    | 28.00    | 22.00    | 28.00    | 28.00    | 28.00    | 30.00    | 34.00    |
| Management Indicators (Unit:%)          |          |          |          |          |          |          |          |          |          |          |          |
| Equity ratio                            | 75.8     | 74.6     | 77.3     | 74.8     | 69.8     | 69.6     | 69.4     | 64.3     | 65.0     | 67.1     | 67.6     |
| Return on equity (ROE)                  | 5.3      | 6.8      | 5.1      | (2.0)    | 0.8      | 2.2      | 7.3      | (0.7)    | 5.2      | 6.0      | 8.1      |
| Return on assets (ROA)                  | 7.1      | 8.2      | 6.3      | 1.2      | 2.0      | 2.2      | 5.4      | 0.5      | 5.7      | 6.9      | 8.5      |
| Dividend payout ratio                   | 32.4     | 26.3     | 36.2     | —        | 236.5    | 68.0     | 25.2     | —        | 33.6     | 29.4     | 22.9     |

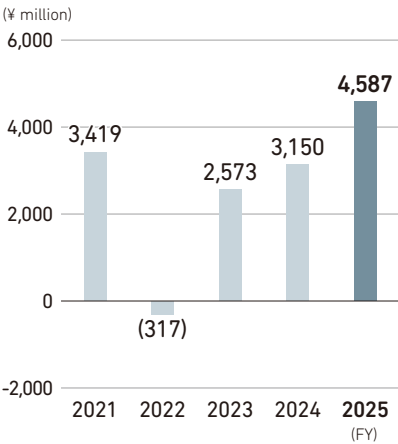
Net Sales (Consolidated)



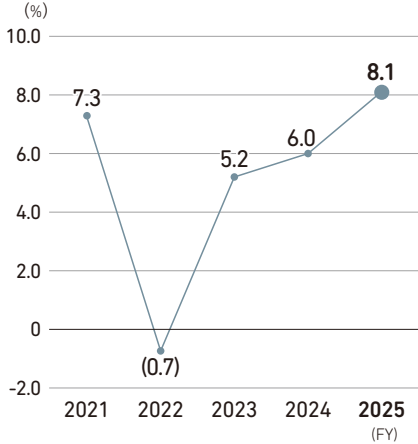
Operating Profit / Operating Margin (Consolidated)



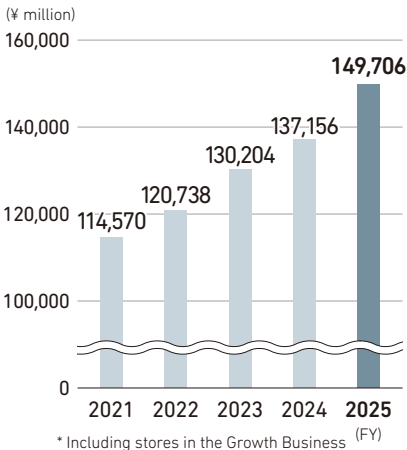
Profit (Loss) Attributable to Owners of Parent (Consolidated)



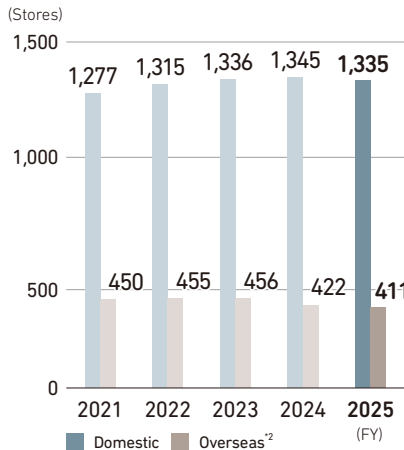
Return on Equity (ROE)



Net Sales for All Domestic Stores

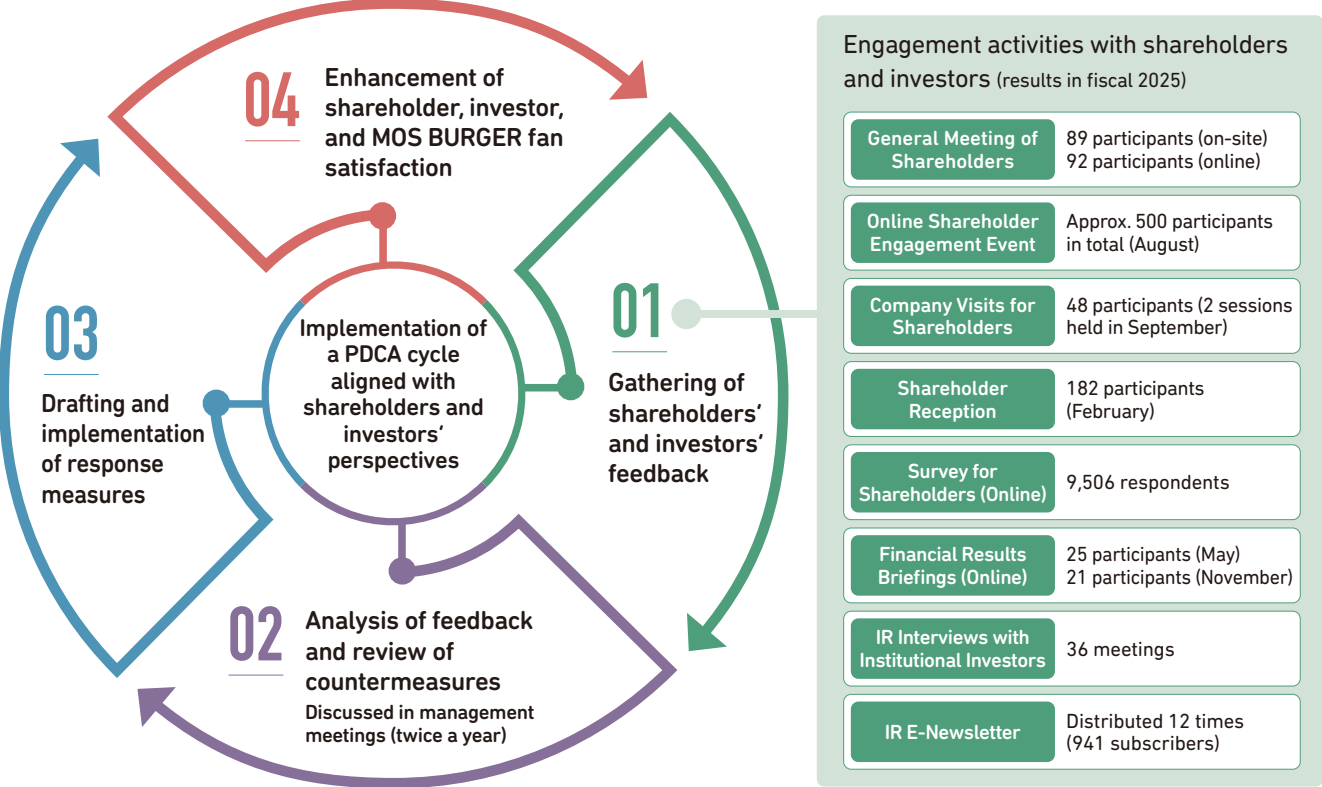


Number of Stores (All MOS Group stores)



# Dialogue with Shareholders and Investors

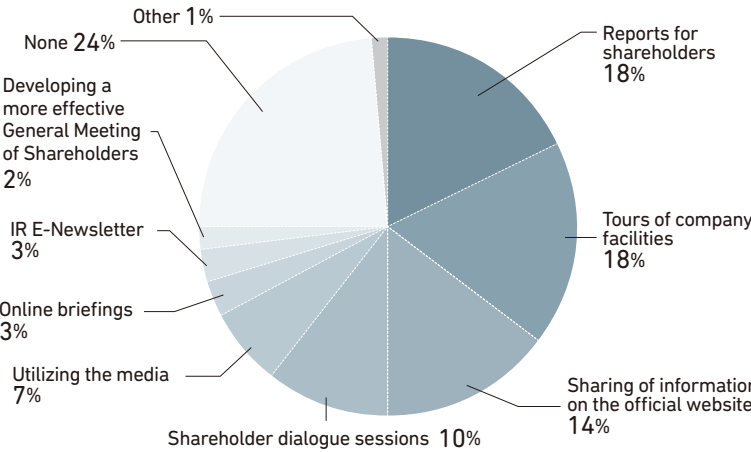
Stable management is reinforced by actively seeking the opinions of shareholders and investors through various channels. Feedback is incorporated into management to enhance organizational discipline and improve the quality of management.



## Dialogues with Individual Investors

More than half of the shareholders are individuals, with a relatively high proportion of MOS BURGER fans and women. In addition, 80.8% have expressed their intention to continue holding shares. To gather shareholders' views, shareholder events are organized and surveys are conducted. Feedback reflected in the pie chart on the right is actively integrated into corporate measures. Maintaining a strong emphasis on dialogue will remain central to expanding and refining future IR initiatives.

Expectations for Future IR Activities (9,506 responses)



| Feedback from individual investors (shareholders)                                                                                            | Our corporate initiatives                                                                                                                                                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>Low success rates for event lotteries.</li><li>Geographic barriers to on-site participation.</li></ul> | In fiscal 2025, an online shareholder engagement event was introduced, allowing shareholders to participate regardless of location and without venue capacity constraints. Additionally, event videos were published on the corporate website to enhance overall IR initiatives. |

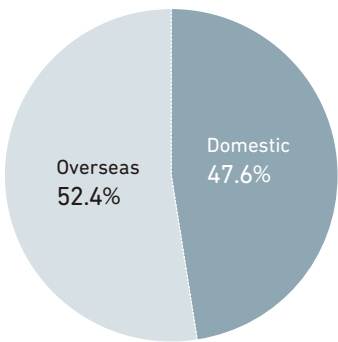
## Dialogues with Institutional Investors

Feedback from institutional investors is shared with management and incorporated into our approach to sustainable management. By applying market perspectives to strengthen both management and IR activities, we will work with our stakeholders to enhance corporate value.

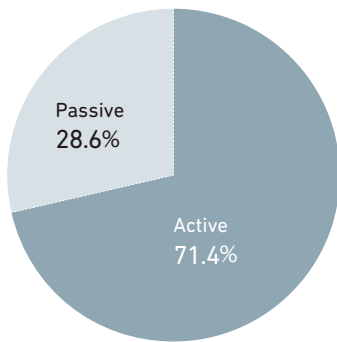
### Key Institutional Investor Interests

- Existing-store performance trends and future outlook
- Strengths of the business model, growth investments, and shareholder returns
- Addressing rising raw material costs and future pricing strategies
- Progress in strengthening and restructuring the foundations of the Overseas Business
- Domestic store opening and closure plans and franchise strategy

Breakdown by Region



Investment Style



## Shareholder Returns Policy and Dividends

To balance growth-oriented strategic investments with stable dividends, the shareholder return benchmark has shifted from a dividend payout ratio of 30% to a total payout ratio of 30%, encompassing both dividends and share repurchases. The annual dividend for fiscal 2025 was increased from ¥30 to ¥34 per share, with the target of maintaining this level in fiscal 2026. Share repurchases will be carried out using the 30% total payout ratio as a guideline, within an established upper limit. Through the shareholder benefit program, gift vouchers are distributed based on shareholding size and holding period, offering additional benefits for long-term shareholders of three years or more. Going forward, enhancing medium- to long-term corporate value through strategic investments while ensuring appropriate shareholder returns will remain central to aligning with market expectations.

Annual Dividends per Share (¥)

|          | FYE March 31, 2023 | FYE March 31, 2024 | FYE March 31, 2025 | FYE March 31, 2026 | FYE March 31, 2027 (forecast) |
|----------|--------------------|--------------------|--------------------|--------------------|-------------------------------|
| Interim  | 14                 | 14                 | 15                 | 15                 | 17                            |
| Year-end | 14                 | 14                 | 15                 | 19                 | 17                            |
| Annual   | 28                 | 28                 | 30                 | 34                 | 34                            |

### Creating Opportunities for Dialogue at Shareholder Events

Expanding opportunities for dialogue is essential to deepening shareholders' understanding of business operations and sharing initiatives to enhance corporate value. By utilizing both online and on-site formats—including online shareholder engagement events, company visits, and shareholder receptions at hotel venues—channels for direct communication with shareholders are continuously maintained. Dialogues conducted in a welcoming atmosphere alongside executives and office staff offer shareholders a

firsthand perspective on current performance and future potential. Going beyond one-way communication, these interactive initiatives serve as vital touchpoints to receive encouraging words and constructive feedback. Continuing to strengthen engagement through dialogue will drive sustainable growth in partnership with shareholders.

View Past Events



Online Shareholder Engagement Event



Company Visits for Shareholders



Shareholder Reception

Company and Shareholder Information (As of March 31, 2026)

Company Information

|                                    |                                                                      |                                   |                                    |
|------------------------------------|----------------------------------------------------------------------|-----------------------------------|------------------------------------|
| Company Name                       | MOS FOOD SERVICES, INC.                                              | Stock Exchange Listing            | Tokyo Stock Exchange, Prime Market |
| Established                        | July 21, 1972                                                        | Stock Code                        | 8153                               |
| Capital                            | ¥11,412 million                                                      | Initial Public Offering           | November 1985                      |
| Head Office Address                | 4F ThinkPark Tower, 2-1-1 Osaki, Shinagawa-ku, Tokyo 141-6004, Japan | Total Number of Authorized Shares | 101,610,000 shares                 |
| Number of Employees (consolidated) | 1,323                                                                | Total Number of Issued Shares     | 32,009,910 shares                  |
|                                    |                                                                      | Number of Shares per Unit         | 100 shares                         |
|                                    |                                                                      | Number of Shareholders            | 51,399                             |

Third-Party Evaluations

Nikkei Sustainable Comprehensive Survey Smart Work Management Edition



Received a 3-star rating in this survey, which recognizes leading companies that aim to maximize corporate value by fully utilizing human potential, accelerating investment in human capital, driving innovation, and improving productivity.

“Eruboshi” certification from the Minister of Health, Labour and Welfare



Received three stars, the highest grade in Eruboshi certification. This system reflects the acknowledgement by the Minister of Health, Labour and Welfare of companies which meet a fixed set of criteria and enjoy an outstanding status in their promotion of women’s active participation, based on Act on the Promotion of Women’s Active Engagement in Professional Life.

FTSE JPX Blossom Japan Sector Relative Index



Included in the FTSE JPX Blossom Japan Sector Relative Index, selected by FTSE Russell, an ESG evaluation provider. This index is designed to reflect the performance of Japanese companies with relatively high ESG ratings within each sector.

Nikkei Sustainable Comprehensive Survey SDGs Management Edition



Awarded with a 3-star rating in this survey, which evaluates businesses that link management to the SDGs to address social, economic, and environmental issues through their operations, thereby contributing to the enhancement of corporate value.

Outstanding Organizations of KENKO Investment for Health



Recognized under the 2026 Outstanding Organizations of KENKO Investment for Health Recognition Program (large enterprise category), co-sponsored by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi (Japan Health Council), for seven consecutive years since 2020, for its exceptional work in promoting health and productivity management.

CDP



Received a B rating for fiscal 2025 in the climate change survey conducted by CDP, a UK-based international NGO that evaluates companies and cities’ efforts to combat climate change.

About This Report

Editorial Policy

The MOS REPORT (MOS Group Integrated Report 2026) integrates both financial and non-financial information, including management strategies, business highlights, environmental preservation efforts, social responsibility activities, and governance structures. The report aims to provide clear and accessible information for all stakeholders—including shareholders, investors, prospective employees, and store staff—while delivering the specialized insights required by professional investors. It is hoped that this report will serve as a valuable resource for all stakeholders who form the foundation of the MOS Group’s business.

- Reference Guidelines
- Value Reporting Foundation (VRF): The International <IR> Framework
  - Guidance for Collaborative Value Creation (Ministry of Economy, Trade and Industry)



Reporting Period

This report primarily covers fiscal 2025 (April 1, 2025 to March 31, 2026). However, it also reports on ongoing activities and future targets for fiscal 2026 and beyond. Please note that details regarding the acquisition of shares in BYO Co., Ltd. to make it a subsidiary, announced on June 30, 2026, are not included in this report as the transaction occurred outside the primary reporting period.

Caution Regarding Forward-Looking Statements

The report outlines MOS Group’s future strategy and performance outlook based on available information. It includes forecasts, plans, and assessments. These forecasts and plans involve various potential risks, uncertainties, and assumptions, so actual results and performance may differ significantly from expectations.

Scope of This Report

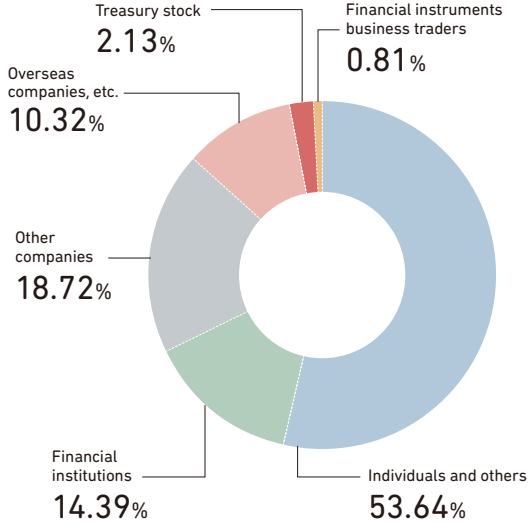
MOS FOOD SERVICES, INC. and the MOS BURGER Chain (headquarters, directly managed stores, and franchise stores). Please note that it also includes information on businesses other than MOS BURGER and the Group companies.

Major Shareholders

| Shareholder Name                                           | Number of Shares Held (Shares) | Shareholding Ratio (%) |
|------------------------------------------------------------|--------------------------------|------------------------|
| The Master Trust Bank of Japan, Ltd.                       | 2,547,200                      | 8.13                   |
| KOHBAI FOODS INC.                                          | 1,400,000                      | 4.46                   |
| Duskin Co., Ltd.                                           | 1,315,600                      | 4.19                   |
| NITTO CO., LTD.                                            | 1,214,704                      | 3.87                   |
| Nippon Life Insurance Company                              | 1,209,097                      | 3.85                   |
| Yamazaki Baking Co., Ltd.                                  | 718,382                        | 2.29                   |
| Custody Bank of Japan, Ltd.                                | 389,200                        | 1.24                   |
| JP MORGAN CHASE BANK 385781                                | 363,873                        | 1.16                   |
| MOS FOOD SERVICES Partner Company Shareholding Association | 321,200                        | 1.02                   |
| STATE STREET BANK AND TRUST COMPANY 505001                 | 270,911                        | 0.86                   |

\*1 Although the Company holds 681,424 shares of treasury stock, these shares are excluded from the above list of major shareholders.  
\*2 Shareholding ratios are calculated based on the total number of issued shares after deducting treasury shares, with figures truncated to two decimal places.

Distribution by Shareholder Type



Three Benefits for Shareholders



1. Shareholder Gift Vouchers

Shareholders receive gift vouchers that can be used at MOS Group stores nationwide,<sup>\*1</sup> based on the number of shares held. These vouchers are issued twice a year.

2. Semiannual Dividends

Shareholders are entitled to dividends (interim and year-end) twice a year, based on the number of shares held.

3. Participation in Management

Shareholders holding at least one trading unit (100 shares) can attend the MOS Group’s Annual General Meeting of Shareholders in June, to exercise their voting rights on important resolutions, thereby participating in the company’s management. Additionally, to help shareholders understand the company’s management stance and strategy, the company hosts initiatives such as Shareholder Reception, where executives and team members directly engage with shareholders. Participation is by lottery for those who have expressed an interest in attending.

| Number of Shares Held | Less than 3 years of continuous holding           | 3 years or more of continuous holding <sup>*2</sup> (Long-term shareholder benefits program) |
|-----------------------|---------------------------------------------------|----------------------------------------------------------------------------------------------|
| 100 to 299 shares     | ¥2,000 (¥500 x 2 vouchers, issued twice a year)   | ¥3,000 (¥500 x 3 vouchers, issued twice a year)                                              |
| 300 to 499 shares     | ¥6,000 (¥500 x 6 vouchers, issued twice a year)   | ¥8,000 (¥500 x 8 vouchers, issued twice a year)                                              |
| 500 to 999 shares     | ¥10,000 (¥500 x 10 vouchers, issued twice a year) | ¥12,000 (¥500 x 12 vouchers, issued twice a year)                                            |
| 1,000 or more shares  | ¥20,000 (¥500 x 20 vouchers, issued twice a year) | ¥22,000 (¥500 x 22 vouchers, issued twice a year)                                            |

About Shareholder Gift Vouchers

- Shareholder gift vouchers can also be used at Mister Donut stores (excluding some stores).
- Shareholder gift vouchers can be exchanged at MOS BURGER stores for MOS Card Points<sup>\*3</sup> credited to a MOS Card during their six-month validity period, thereby extending the period for which their value remains valid.

\*1 MOS Group Stores: MOS BURGER, MOS PREMIUM, MOSDO!, Mother Leaf, AEN, Brown Rice Shokudo AEN, MOSH Burger & Bar

\*2 Shareholders who are listed or recorded with the same shareholder number for at least seven consecutive times as of March 31 and September 30 each year, and whose number of shares held remains 100 or more during the same periods

\*3 MOS Card Points can be used at MOS BURGER and Mother Leaf stores (excluding some locations). MOS Card Points cannot be used at other Group stores or Mister Donut stores.