

## Information

### Seasonable Products for Spring and Summer



Using Korean-made gochu-jang which is famous for its richness and flavor, we created rich heat with flavorful garlic and spicy red pepper.

Kotetchan,  
rich miso flavor

The secret of kotetchan's unique taste is addicting richness and flavor. We finished it with blended miso using three different types of them and deepened rich sauce using roasted garlic.

Newly launched

Kotetchan,  
salty lemon flavor

Using Seto-uchi lemon, we created clean sourtaste and flavor. It also goes with western vegetable such as asparagus and paprika.



Seasoned variety meat, sauce and pasted garlic are bundled in this product. You can enjoy the dish with a electric hot plate adding vegetable like cabbage, bean sprout or onion.



Kiwami-tei,  
beef variety meat  
barbecue,  
soy sauce flavor



Kiwami-tei,  
beef variety meat  
barbecue,  
miso flavor

### Shareholder Special Benefit Plan

#### Plan details

For shareholders registered in the shareholder's list as of the end of February each year

◎ Shareholders with 2,000 or more shares  
Domestic beef or domestic pork worth 10,000 yen

◎ Shareholders with between 500 and 1,999 shares  
S Foods' product worth 3,000 yen

\* The domestic beef (pork) and S Foods' product mentioned above will be sent to each shareholder in November (planned).

**Special sale to the shareholders as of the end of February and the end of August, respectively**

◎ Shareholders with 100 or more shares  
Special discounts on S Foods Group's original products

\* A catalog of products will be sent to each eligible shareholder in June and November (planned).

**Domestic beef (wagyu)**



Shabu-shabu or Sukiyaki



Steak

**Domestic pork  
(Yume-no-Daichi)**



\* Photos above are for illustrative purposes only.  
Vegetables, plates and utensils in the photos are not included in the gifts.

## Company Profile

**Company Name:** S Foods Inc.  
(Listing exchange: 1st section of Tokyo Stock Exchange,  
Securities code 2292)  
**Founding:** May 22,1967  
**Representative:** Shinnozuke Murakami, President  
**Capital:** 4,298,350,000 yen  
**Businesses:** Meat Processing & Wholesale Business,  
(Groups) Meat Retail Business, Meat Foodservice Business

## Investor Information

- **Business year:** March 1 to the last day of February of the next year
- **Date of record for distribution of year-end dividends:** Last day of February
- **Date of record for distribution of interim dividends:** August 31
- **Ordinary general meeting of shareholders:** May of every year
- **Administrator of shareholder list/**  
Management institution of special account:  
Sumitomo Mitsui Trust Bank, Limited  
1-4-1 Marunouchi, Chiyoda-ku, Tokyo
- **Administrator of shareholder list**  
Handling office: Sumitomo Mitsui Trust Bank, Limited,  
Stock Transfer Agency Business Planning Dept.  
4-5-33 Kitahama, Chuo-ku, Osaka
- Mail:** Sumitomo Mitsui Trust Bank, Limited,  
Stock Transfer Agency Business Planning Dept.  
2-8-4 Izumi, Suginami-ku, Tokyo 168-0063 Japan
- Phone:** ☎ 0120-782-031 (toll free)
- Website:** <https://www.smmtb.jp/personal/agency/index.html>

(Notes)

#### [Inquiries relating to procedure for changes to shareholder's address, etc.]

Shareholders who hold an account with a securities company are requested to contact their securities company, since Sumitomo Mitsui Trust Bank, Limited is not able to handle this procedure. Those who do not hold an account with a securities company should contact the administrator at the above phone number.

#### [Dividends receivable]

■ Please contact Sumitomo Mitsui Trust Bank, Limited,  
the administrator of the shareholder list.

■ **Shares per sales Unit:** 100

#### [Change in Management institution of special account]

As of May 25, 2016, we changed the management institution of special account from Mitsubishi UFJ Trust and Banking Corporation to Sumitomo Mitsui Trust Bank, Limited.



# SFoods News

Report for the fiscal year ended February 28, 2021

March 1, 2020 to February 28, 2021



## Business Overview Report

During the fiscal year ended February 28, 2021, Japanese society has experienced drastic changes that forced its people to reconsider how their daily lives, society or economy should be in the face of the COVID-19 pandemic that broke out at the end of the previous

fiscal year. Not only individuals but many businesses have been required to follow emergency procedures and limit their activities. Although vaccine inoculation started in Japan at the end of the current fiscal year, it is expected to take a while to stabilize the situation. The meat industry has also been forced to handle difficult situations such as two times issuance of the state of emergency, and launch and suspension of the GoTo campaigns.

Under these circumstances, our group, based on the company motto of "contribute to the world with attractive stamina foods", has worked to stably supply customers with meat products and sustain our business as an essential business supplier of food products. ↴



S Foods Inc. 1-22-13 Naruhama, Nishinomiya, Hyogo 663-8142

Phone: +81-798-43-1065

<http://www.sfoods.co.jp/english/>

In the meat processing and wholesale business, we focused mainly on making sure to provide our products to our customers in the situation where government policies for preventing infections and voluntary regulation frequently restrain people's daily lives and business activities. Hygiene control measures for infection prevention as well as realignment of work schedule were implemented at each of our sales and manufacturing sites. We strengthened sales promotion at each sales channel in line with consumer demand trends and worked on developing new products corresponding lifestyle changes such as "sugomori", or staying home, and the new normal. In the meat retail business, we created a task force to facilitate our decision-making and information sharing; we worked to maintain our store operation to provide our customers with safe and secured shopping experiences to fulfil our mission of supporting the daily life of our local customers.

In the meat foodservice business, our business environment has continued to be severe with many outlets forced to be closed or operating under limited hours in the Tokyo and other metropolitan areas because of issuance of the state of emergency in April and another spread of infection since November. Our priority lies on the safety of our customers and employees and, keeping it in mind, we continued our operations in line with government guidelines under the through infection prevention measures at each store such as maintaining social distancing and sterilizing stores.

As a result, consolidated net sales for the current fiscal year were 327,479 million yen (down 7.0% year-on-year) because of a drop in prices caused by the COVID-19 pandemic. As for profits, since sales to retailers were strong due to increased demands for home cooking, operating income was 12,609 million yen (up 17.8% year-on-year), ordinary income was 12,990 million yen (up 17.2% year-on-year) and net income attributable to owners of the parent was 9,965 million yen (up 53.0% year-on-year).

## Business Outlook

As referred to as "living with COVID-19", many scientists warn that we have to prepare to coexist with COVID-19 from now. We also are required to carry on business corresponding so called "the new normal". It is possible that sales activities and managements may form new styles, rather than restore the original style. Under such circumstances, recognizing the responsibility of the food company and through providing our customers with food related services stably, we are resolved to contribute to the maintenance and development of the meat industry.

In the meat processing and wholesale business, aiming to stabilize supply network of meat materials, we will expand our upstream section of meat production and procurement business. We are now engaging meat procuring domestically and globally; we will strengthen

them further as a long-term strategy. In domestic sales, as well as developing new customers, we will make a different approach to existing customers to increase our market shares. In overseas sales, we will penetrate each country's market even deeper by identifying changes in each environment. As for export of domestic beef, we aim to foster it as one of our main business categories.

As for the manufacturing business, we will develop and promote products which correspond the market trends. Since last year, people are called for refraining from going out or dining in a large group. Outlets including restaurants are increasingly selling take-out meals and supermarket stores are expanding the selection of prepared food for individuals. We are stepping up the system to roll out new products which cater to changing customer needs in a timely manner.

In the meat retail business, while continuing to revitalize existing stores and to close unprofitable stores, we will promote opening stores at new developer's facilities and developing new category stores. Integration of meat retailing and delicatessen retailing is also proceeding to improve effective operation, achieving the economy of scale.

In the meat foodservice business, recognizing it as the most susceptible division to COVID-19 turmoil, we make every effort to carry out hygiene measures and equip necessary facilities. We also aim to maintain our traditional policy of generating stable profit.

With regard to improving the group companies' management, taking advantages of each companies features and management techniques, we strive to achieve balanced development across the group by implementing cross-sectional supervision on social challenges such as requirement for food safety and a sustainable society.

As for the prospect for the year ending February, 2022, with an unclear outlook for the contraction of the COVID-19 pandemic and the severe business environment, we expect consolidated sales of 340,000 million yen (up 3.8% year-on-year), operating income of 12,700

million yen (up 0.7% year-on-year), ordinary income of 13,000 million yen (up 0.1% year-on-year), and net income attributable to owner of the parent company of 8,000 million yen (down 19.7% year-on-year).

## Mid-to Long-Term Management Strategy

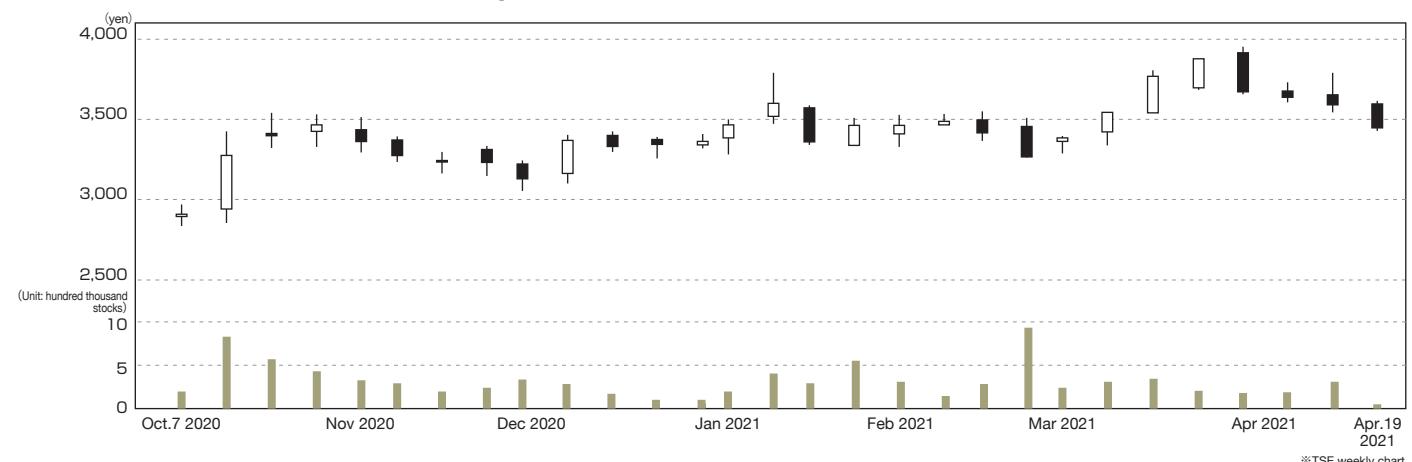
Based on its management philosophy, the S Foods Group aims to become a multifaceted meat vendor group and continue focusing on the establishment of a stable food supply system, mainly for meats. Specifically, we will create an integrated intra-group food supply chain that covers upstream to downstream of the meat distribution channel -- everything from production to procurement and processing to distribution, along with retail sales and services for end-consumers. Furthermore, we will upgrade our meat distribution functions overseas as well as in Japan to increase our capability to cope with changes in social conditions.

## Business Results and Financial Position (Consolidated)

Term Item	FY Feb.2019 (53rd term)	FY Feb.2020 (54th term)	FY Feb.2021 (55th term)	FY Feb.2022 (56th term) projected
Sales	338,781	351,972	327,479	340,000
Income from operations	10,973	10,703	12,609	12,700
Pre-tax earnings	11,344	11,085	12,990	13,000
Net income attributable to owners of the parent	7,185	6,511	9,965	8,000
Total assets	165,062	171,071	172,394	
Shareholder's equity	86,028	86,348	94,507	
Dividend per share	56yen	60yen	64yen	70yen

Unit : Million yen (excl. dividends)

## ● Trends in Share Values and Trading Volumes



※TSE weekly chart