



Nihon Global Growth Partners' Proposal Receives Unprecedented Support at Toyo Suisan's 2024 General Shareholders' Meeting

Proposal for Disclosure of Company's Cost of Capital Receives Almost 50% Support

Results Clearly Demonstrate Shareholder Concerns Regarding Toyo Suisan's Capital Allocation

Toyo Suisan Previously Announced First Share Buyback in 17 Years in Direct Response to NHGGP Share Buyback Proposal

NEW YORK & TOKYO – JUNE 30, 2024 – Nihon Global Growth Partners Management Inc. (“NHGGP”) today highlighted encouraging results from its engagement surrounding the 2024 General Shareholders’ Meeting (the “Meeting”) of Toyo Suisan Kaisha Ltd. (2875.T) (“Toyo Suisan” or the “Company”), which was held on June 27th.

Specifically, NHGGP’s shareholder proposal requiring the Company to disclose its cost of capital received 49% support at the Meeting, which NHGGP believes to be the highest ever approval percentage for a shareholder cost of capital disclosure proposal in Japan. Given that over 10% of the Company’s shares are owned by cross-shareholders and related parties, NHGGP believes that it received support from a majority of the “unaffiliated” shareholders. While this approval rate did not meet the challenging two-thirds approval threshold for a proposal of this nature, the nearly 50% support clearly demonstrates the strong desire among shareholders for management to not only communicate its understanding of the Company’s cost of capital, but to also provide a justification for the continued investment in low-return legacy businesses and the stockpiling of JPY270 billion of cash and securities.

Additionally, on June 4, 2024, Toyo Suisan announced a JPY25 billion share buyback, its first share buyback in 17 years. Previously, NHGGP made a shareholder proposal for a JPY20 billion share buyback at the Meeting. NHGGP believes that the Company’s preemptive share buyback was the direct result not only of this shareholder proposal but also strong and widespread shareholder support for such an action.

NHGGP’s proposal to introduce management stock-based compensation received 22% support at the Meeting, also one of the highest levels of support for such a proposal.

NHGGP is grateful to all shareholders and other market participants, including the leading international proxy advisors, Institutional Shareholder Services, Inc. and Glass, Lewis & Co., who supported its proposal for cost of capital disclosure. NHGGP looks forward to its continued engagement with the Company and other market participants in the future.

About NHGGP

Nihon Global Growth Partners Management Inc. (“NHGGP”) is a long-term investor in Japanese listed companies that are rapidly growing in markets outside of Japan. Prior to founding NHGGP in 2018, its principals were involved in managing several private equity funds in Japan beginning in 2004. NHGGP manages private investment vehicles, including the NHGGP Japan Opportunities Fund L.P., which was launched in 2021.

Contacts;

General inquiries:

info@nhggp.com

Japan media inquiries:

Ashton Consulting Limited

P+81 (0)3-5425-7220

nhggp@ashton.jp

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International media inquiries:
Longacre Square Partners
nhggp@longacresquare.com