

**【Presentation Q&A Summary (Q1 FY6/2026)】**

The summary of the Q&A session from the financial briefing.  
Sentences have been edited for clarity.

Q: Regarding Seiyu's gross profit margin (GPM) in Q1, it is progressing in line with the plan. However, to achieve the full-year forecast of a 27.7%GPM, an improvement of more than 2 points will be required from Q2 onward. How do you intend to achieve this level while recovering customer traffic?

A: The improvement in GPM will be driven primarily by better trading terms with our business partners through scale merits resulting from the integration. In addition, we will strengthen sales of SEIYU's high-margin and traffic-driving private brand (PB) "Minasama no Osumitsuki," and further expand the introduction of TRIAL's Ready meals and PB products. We will also reinforce store staffing to ensure customer-oriented sales floor, and by horizontally rolling out model stores such as SEIYU Toyocho and Hibarigaoka, we aim to achieve both customer traffic recovery and gross margin improvement.

Q: For Ready meals and PB products that are being tested at two SEIYU stores (Toyocho and Hibarigaoka), what is the rollout pace for expanding these items to all stores?

A: Starting with the joint "Thanks sale" launched on Oct 22, we have fully begun the mutual expansion of PB products between TRIAL and SEIYU. In SEIYU stores, the introduction of TRIAL's signature products—such as "Pork Cutlet Bowls," "Egg Full-filling Sandwich," and "TRIAL Bread"—is progressing mainly in the food category. Conversely, TRIAL stores have begun introducing Seiyu's PB "Minasama no Osumitsuki." Going forward, we plan to gradually expand the number of mutually rolled-out items while monitoring sales trends.

Q: What are the future store-opening plans for "TRIAL GO" in the Tokyo metropolitan area?

A: On Nov 7, we opened the first two "TRIAL GO" stores in Tokyo (Nishi-Ogikubo Eki Kita / Fujimidai Eki Kita). We are also planning to open two additional stores in Tokyo in early Dec. Since the business environment differs from the urban areas of Fukuoka Prefecture, where we have been opening stores to date, we intend to expand gradually while continuously conducting proof-of-concept experiments.

Q: Regarding TRIAL's pricing strategy, will you continue to maintain GPM improvements at the same level as in Q1? How will you balance GPM improvement with SSS?

A: Toward achieving the full-year forecast GPM of 22.6%, TRIAL will continue efforts to improve its margin. At the same time, customer traffic at existing stores has been below the previous year's level since June 2025, making traffic recovery a priority. In addition to enhancing pricing precision through data utilization, we will strengthen the development and sales of high-margin and traffic-driving Ready meals and PB products, and reinforce merchandising that clearly communicates product value through POP and Signage. Through these initiatives, we aim to secure continued customer loyalty and achieve sustainable high profitability. Furthermore, in 2H, we will also work on improving trading terms with business partners by leveraging scale merits from the integration.

Q: Regarding future investment allocation, how will you address the challenges such as new TRIAL store openings and SEIYU renovations?

A: For investment allocation from FY27 onward, we plan to disclose the details in the medium-term management plan to be announced in Feb 2026, after carefully assessing the optimal balance to support growth. In 2H FY6/2026, we plan to refinance the bridge loan (short-term borrowings) procured at the time of the M&A into a syndicated loan (long-term borrowings). As a result, we expect an annual repayment burden of approx. ¥40 billion. Meanwhile, in FY6/2026, we have no repayment obligations and plan to invest approx. ¥40

billion in capital expenditures, including 25 new TRIAL stores, 17 renovations, and improvements to Process Centers and Central Kitchens.

Q: What is the competitive positioning, product lineup, and GPM level of the small-format "TRIAL GO"?

A: It is a format designed to compete with small urban stores such as convenience stores and mini-supermarkets. The product lineup focuses mainly on food items, including fresh ready meals such as sushi and seafood. Regarding GPM, we are developing a model that exceeds TRIAL's current level of 22%, and based on the successful model stores in Fukuoka Prefecture, we will optimize the product mix and operations for the Tokyo metropolitan area.

Q: What is the store concept for "TRIAL SEIYU," scheduled to open in late November?

A: "TRIAL SEIYU" is a new urban-format concept that combines the strengths of both TRIAL and SEIYU to provide an "exciting shopping experience." The first store, "TRIAL SEIYU Hanakoganei," will open on Nov. 28 following a full renovation of "SEIYU Hanakoganei." The store will offer an extensive lineup of both companies' PB products, introduce Skip Cart, and operate 24 hours to improve convenience. In addition, as a retailer originating in Kyushu, TRIAL will offer many Kyushu-inspired products. We are also considering further initiatives to enhance the "exciting shopping experience."

————— The end of Q&A memo —————