

This document is the translation version of 「第 27 期定時株主総会招集ご通知」 (“NOTICE OF THE 27th ANNUAL GENERAL MEETING OF SHAREHOLDERS”) which is originally written in Japanese. This document is intended for reference-purpose only. In the event of any discrepancy between this translation and the original Japanese document, the original shall prevail. OSAKA Titanium technologies Co., Ltd. (hereinafter “the Company”) assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from this translation.

Dear Shareholders,

We would like to express our sincere gratitude to all our shareholders for your continued support.

Japanese economy has finally overcome the Covid-19, and it is on a gradual recovery path and showed generally strong business conditions. However, its domestic demand lacked strength due to soaring commodity prices and exchange rate fluctuations. The global economy remains difficult to forecast as the outlook remains fragile, with resource and energy prices continuing to rise on the back of the protracted situation in Ukraine and geopolitical risks in the Middle East, amid a continuing monetary tightening measures in the global financial environment.

“Returning to a strategy of sustainable growth with the Titanium business at the core as the market returns to a growth trajectory” has been set by the Company as its medium-term management challenge. The Company is working diligently to maximise production from its existing facilities, while at the same time tuning them up, to meet the demand for titanium sponge which is now in a transitional stage from a recovery phase to a growth phase. Sales in the Company’s Titanium Business increased as a result of a steady increase in demand for titanium sponge for aircraft applications against the backdrop of a recovery in aircraft demand, together with additional demand for a substitute for Russian titanium in the middle of the global titanium supply chain restructuring.

Although raw material prices and other costs continued to rise, the Company’s performance exceeded last year’s due to cost reductions and improved product prices. The titanium market, which has returned to a growing stage, is expected to continue to expand and the Company is drawing up a plan to increase its titanium sponge production capacity to meet growing demand in a timely manner. The Company will promptly materialise a production enhancement plan to further increase its presence in the titanium market.

With regard to the Company’s another medium-term management challenges, “Strengthening the business structure by promoting growth in the High-Performance Materials business to reinforce profitability and accelerate the growth strategy,” sales volumes of high-purity titanium in the High-Performance business declined in sluggish semiconductor market, but new business, namely spherical titanium alloy powder (alloy TILOP), is growing steadily. The High-Performance Materials business, which also includes SiO anode material for lithium-ion batteries, is expected to grow significantly in markets and has a great potential for growth. The growth of the High-

Performance Materials business will facilitate the transformation of the Company's business portfolio and strengthen the Company's business structure.

In order to achieve sustainable growth and future development of the Company, in addition to the medium-term challenges in both the Titanium and the High-Performance Materials Businesses, the Company will also take on the challenge of innovating its production activities through the active use of IT technologies to promote Smart Factories and of strengthening its human capital to reinforce the foundation of the Company's business. Also, the Company will further enhance its corporate value by promoting various activities to reduce its environmental impact through carbon-neutral compliance.

Based on current performance, the year-end dividend will be JPY 50 per share, which, together with the interim dividend of JPY 20 per share, will result in an annual dividend of JPY 70 per share.

The Company will continue to make every effort to improve its performance and would like to thank you shareholders for your continued support and encouragement.

Yasuaki Sugizaki
Representative Director,
Member of the Board & President

To All Shareholders with Voting Rights:

Yasuaki Sugizaki
Representative Director,
Member of the Board & President
OSAKA Titanium technologies Co., Ltd.
1 Higashihama-cho,
Amagasaki, Hyogo, Japan

**NOTICE OF
THE 27th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Notice is hereby given that the 27th Annual General Meeting of Shareholders (hereinafter referred to as the “AGM”) of OSAKA Titanium technologies Co., Ltd. (hereinafter referred to as the “Company”) will be held as follows:

- 1. Date and Time:** Tuesday, 25th June 2024, at 10am Japan Time (doors open at 9 am)
- 2. Place:** Amagasaki Chamber of Commerce, Conference Room 701, 7th floor
3-96 Showa-Dori, Amagasaki, Hyogo, Japan
- 3. Meeting Agenda:**
 - 1) Matters to be Reported** The Business Report and Financial Statement for the 27th Term
(Financial Year ending 31st March 2024)
 - 2) Matters to be Resolved**
 - Item 1** Appointment of four (4) Directors (excluding those who are members of the Audit & Supervisory Committee)
 - Item 2** Appointment of four (4) Directors who are members of the Audit & Supervisory Committee

In convening this AGM, the Company has adopted the measures for the electronic provision of the information contained in the AGM Reference Documents (hereinafter referred to as the “Electronic Provision Measures”), which are available on the internet. The Company invites you to visit one of the following websites to check the information on the websites.

[Company’s website]

<https://www.osaka-ti.co.jp/ir/kabunushi.html>

[Tokyo Stock Exchange website (TSE-listed company information service)]

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show> (in English)

Access the above website and search for “OSAKA TITANIUM TECHNOLOGIES” in the “Issue name (Company name)” section or simply enter the Company’s security code “5726” in the “Code” section. Then, select in the following order: “Basic information”, “Documents for public inspection/PR information” and “Notice of General Shareholders Meeting/Information Materials for a General Shareholders Meeting.”

Please review the enclosed AGM Reference Documents and exercise your voting right in advance by returning the voting form or by voting online by the internet in case you are not able to come to the AGM on-site.

Notes

- The following items (1) and (2) are NOT included in this Notice of AGM as they are posted on the above websites in accordance with the law and Article 17 of the Company's Articles of Incorporation.
 - (1) In the Business Report, "Major Business Operations," "Major Offices and Plants," "Employees," "Major Lenders," "Status of Shares," "Matters relating to Share Subscription Rights," "Company Officers: Outside Officers," "Matters Concerning Accounting Auditor," "Policy regarding the Exercise of the Right to Determine Dividends from the Company Surplus," "Development of Internal Control Systems to Ensure the Appropriateness of Business Operations," and "Overview of the Operation of Internal Control Systems to Ensure the Appropriateness of Business Operations."
 - (2) In the Financial Statement, "Statement of Changes in Shareholders' Equity" and "Notes to the Financial Statement."
- The Business Report audited by the Directors who are members of the Audit & Supervisory Committee consists of the statements in this Notice of AGM and (1) above. The Financial Statement audited by the Accounting Auditors and the Directors who are members of the Audit & Supervisory Committee consists of the statements in this Notice of AGM and (2) above.
- In the event of any amendments to the Electronic Provision Measures, a notice will be posted on the aforementioned websites on the internet to inform shareholders of the amended matters.

AGM Reference Documents

Matters to be Resolved

Item 1 Appointment of four (4) Directors (excluding those who are members of the Audit & Supervisory Committee)

As the terms of office of all four (4) Directors (excluding those who are members of the Audit & Supervisory Committee) will expire at the conclusion of this AGM, the appointment of four (4) Directors (excluding those who are members of the Audit & Supervisory Committee) is proposed.

The Audit & Supervisory Committee discussed this proposal based on the deliberations of the Nomination and Remuneration Committee. As a result, the Audit & Supervisory Committee expressed the opinion that there were no particular matters to be addressed.

The candidates for Directors (excluding those who are members of the Audit & Supervisory Committee) are as follows:

<List of Candidates for Directors (excluding those who are members of the Audit & Supervisory Committee)>

Candidate No.	Name		Current Position & Responsibilities at the Company
1	Junji Kawafuku	Re-appointed	Director, Member of the Board & Senior Managing Executive Officer Oversees the Sales & Marketing and the High-Performance Materials Departments. General Manager of Tokyo Office
2	Satoru Takahashi	Re-appointed	Director, Member of the Board & Senior Managing Executive Officer Oversees the Corporate Planning & Finance, the General Affairs & Human Resources, and the Raw Materials & Purchasing Departments
3	Tadao Araiike	Re-appointed	Director, Member of the Board & Managing Executive Officer Oversees the Safety, Environment & Disaster Management, the Production Control, the Quality Assurance, the Technology, the Testing & Analysis, the Facilities, and the Titanium Manufacturing Departments
4	Jun Matsuoka	Newly-appointed	Corporate Adviser

Notes

1. There are no special interests between each candidate and the Company.
2. The Company has entered into a liability insurance contract with an insurance company for all Directors, Members of the Board, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy shall cover any loss that may arise as a result of an insured Director being held liable for the performance of his or her duties or being subject to a claim in respect of such liability. In the event that each candidate is appointed as a director, he or she will become an insured person under the relevant insurance policy and the policy will be renewed during the term of office.

Candidate No.	Name (Date of Birth)	Personal History, Positions & Responsibilities, and Important Concurrent Positions		
1	<p data-bbox="284 309 434 398">Junji Kawafuku (1st April 1960)</p> <p data-bbox="293 432 424 510">Re-appointed</p>	<p data-bbox="475 309 609 338">April 1985</p> <p data-bbox="475 360 609 389">April 2010</p> <p data-bbox="475 472 609 501">April 2013</p> <p data-bbox="475 551 609 580">April 2014</p> <p data-bbox="475 663 609 692">April 2018</p> <p data-bbox="475 775 609 804">April 2020</p> <p data-bbox="475 826 609 855">June 2020</p> <p data-bbox="475 904 609 934">April 2023</p> <p data-bbox="475 983 609 1012">June 2023</p>	<p data-bbox="655 309 927 338">Joined Kobe Steel, Ltd.</p> <p data-bbox="655 360 1177 450">Manager of Titanium Plant and Head of Plant Control Department, Titanium Division, Iron & Steel Business, Kobe Steel, Ltd.</p> <p data-bbox="655 472 1118 528">Head of Titanium Division, Iron & Steel Business, Kobe Steel, Ltd.</p> <p data-bbox="655 551 1155 640">Senior General Manager, Head of Titanium Division, Iron & Steel Business, Kobe Steel, Ltd.</p> <p data-bbox="655 663 1177 752">Senior General Manager, Assistant Executive Officer of Titanium Division, Iron & Steel Business, Kobe Steel, Ltd.</p> <p data-bbox="655 775 1150 804">Managing Executive Officer, the Company</p> <p data-bbox="655 826 1161 882">Director, Member of the Board & Managing Executive Officer, the Company</p> <p data-bbox="655 904 1150 960">Director, Member of the Board & Senior Managing Executive Officer, the Company</p> <p data-bbox="655 983 1123 1106">Director, Member of the Board & Senior Managing Executive Officer, General Manager of Tokyo Office, the Company (to present)</p> <p data-bbox="480 1128 671 1158">Responsibilities</p> <p data-bbox="480 1162 1155 1218">Oversees the Sales & Marketing and the High-Performance Materials Departments. General Manager of Tokyo Office</p>	<p data-bbox="1198 309 1433 398">Number of Shares held in the Company 3,400</p> <p data-bbox="1198 432 1422 555">Attendance at the Board of Directors (FY2023) 12/12 (100%)</p>
<p data-bbox="268 1256 740 1285">Reasons for Appointment as a Director</p> <p data-bbox="288 1290 1422 1473">He has been re-appointed as a candidate for Director due to his excellent management decision-making abilities and strong leadership skills, and the Company has judged that he is the right person to exercise leadership and take responsibility for the management of the Company. He held key positions in the Titanium Division of Kobe Steel, Ltd. And, since his appointment as a Director of the Company, has developed a wealth of experience and extensive knowledge in corporate management.</p>				

Candidate No.	Name (Date of Birth)	Personal History, Positions & Responsibilities, and Important Concurrent Positions	
2	<p data-bbox="268 315 450 398">Satoru Takahashi (7th January 1960)</p> <p data-bbox="293 434 424 510">Re-appointed</p>	<p data-bbox="475 315 1177 376">April 1982 Joined Sumitomo Metal Industries, Ltd. (currently NIPPON STEEL CORPORATION)</p> <p data-bbox="475 394 1150 454">April 2011 Department Manager of Production Control and Purchasing Department, the Company</p> <p data-bbox="475 472 1054 533">June 2012 General Manager of Raw Materials Department, the Company</p> <p data-bbox="475 551 1155 611">June 2015 Executive Officer, General Manager of Raw Materials Department, the Company</p> <p data-bbox="475 629 1177 689">April 2017 Executive Officer, General Manager of Corporate Planning Department, the Company</p> <p data-bbox="475 707 1142 745">April 2018 Managing Executive Officer, the Company</p> <p data-bbox="475 763 1155 824">June 2018 Director, Member of the Board & Managing Executive Officer, the Company</p> <p data-bbox="475 842 1118 936">April 2019 Director, Member of the Board & Senior Managing Executive Officer, the Company (to present)</p> <p data-bbox="475 954 1123 1081">Responsibilities Oversees the Corporate Planning & Finance, the General Affairs & Human Resources, and the Raw Materials & Purchasing Departments</p>	<p data-bbox="1200 315 1439 398">Number of Shares held in the Company 9,200</p> <p data-bbox="1200 434 1423 555">Attendance at the Board of Directors (FY2023) 12/12 (100%)</p>
<p data-bbox="268 1111 740 1137">Reasons for Appointment as a Director</p> <p data-bbox="288 1140 1439 1294">He has been re-appointed as a candidate for Director because he has a wealth of experience and a wide range of insights in accounting, corporate planning, and raw materials business, and because he has played an important role of top executive in the Finance as well as in the General Affairs and Human Resources Departments, thus enhancing the Company's corporate governance and contributing to the improvement of corporate value of the Company.</p>			

Candidate No.	Name (Date of Birth)	Personal History, Positions & Responsibilities, and Important Concurrent Positions		
3	<p>Tadao Arai (1st August 1967)</p> <p>Re-appointed</p>	<p>April 1991</p> <p>June 2012</p> <p>July 2013</p> <p>April 2016</p> <p>April 2018</p> <p>April 2019</p> <p>April 2023</p> <p>June 2023</p>	<p>Joined the Company</p> <p>Department Manager of Titanium Manufacturing Department, the Company</p> <p>General Manager of Titanium Manufacturing Department, the Company</p> <p>Executive Officer, General Manager of Titanium Manufacturing Department, the Company</p> <p>Executive Officer, the Company</p> <p>Executive Officer, General Manager of Titanium Manufacturing Department, the Company</p> <p>Managing Executive Officer, the Company</p> <p>Director, Member of the Board & Managing Executive Officer, the Company (to present)</p> <p>Responsibilities Oversees the Safety, Environment & Disaster Management, the Production Control, the Quality Assurance, the Technology, the Testing & Analysis, the Facilities, and the Titanium Manufacturing Departments</p>	<p>Number of Shares held in the Company 3,800</p> <p>Attendance at the Board of Directors (FY2023) 8/8 (100%)</p>
<p>Reasons for Appointment as a Director</p> <p>He has been re-appointed as a candidate for Director because of his contribution to the enhancement of the company's corporate value by continuously providing leadership and driving the manufacturing and technology divisions, as well as taking a leading role in planning and reviewing business strategies since his appointment as Director of the Company. He has extensive experience and excellent management skills in relation to manufacturing technology in the Company's flagship operation—the Titanium business.</p>				

Candidate No.	Name (Date of Birth)	Personal History, Positions & Responsibilities, and Important Concurrent Positions		
4	<p data-bbox="264 309 451 398">Jun Matsuoka (18th August 1969)</p> <div data-bbox="293 432 424 510" style="border: 1px solid black; padding: 2px; display: inline-block;"> <p data-bbox="309 443 408 499">Newly-appointed</p> </div>	<p data-bbox="472 309 611 338">April 1992</p> <p data-bbox="472 360 611 389">April 2018</p> <p data-bbox="472 472 611 501">April 2019</p> <p data-bbox="472 584 611 613">April 2020</p> <p data-bbox="472 696 611 725">April 2021</p> <p data-bbox="472 808 611 837">April 2023</p> <p data-bbox="472 920 611 949">April 2024</p>	<p data-bbox="647 309 919 338">Joined Kobe Steel, Ltd.</p> <p data-bbox="647 360 1161 450">Department Manager of Titanium Sales Department, Titanium Division, Iron & Steel Business, Kobe Steel, Ltd.</p> <p data-bbox="647 472 1161 562">General Manager of Titanium Sales Department, Titanium Division, Iron & Steel Business, Kobe Steel, Ltd.</p> <p data-bbox="647 584 1153 674">General Manager of Titanium Sales Department, Titanium Unit in the Advanced Materials Business, Kobe Steel, Ltd.</p> <p data-bbox="647 696 1129 786">General Manager of Aluminum Casting & Forging Unit in the Advanced Materials Business, Kobe Steel, Ltd.</p> <p data-bbox="647 808 1118 898">General Manager of Titanium Unit in the Advanced Materials Business, Kobe Steel, Ltd.</p> <p data-bbox="647 920 943 976">Corporate Adviser, the Company (to present)</p>	<p data-bbox="1195 309 1433 398">Number of Shares held in the Company 0</p>
<p data-bbox="264 1001 738 1030">Reasons for Appointment as a Director</p> <p data-bbox="288 1030 1441 1182">He has been nominated as a candidate for Director because he has extensive knowledge and wide-ranging insight in the business operations and sales divisions, and the Company has judged that he will contribute to the improvement of the corporate value of the Company. He held key positions in the Titanium Unit and the Aluminum Casting & Forging Unit, which are business units of Kobe Steel, Ltd.</p>				

Matters to be Resolved

Item 2 Appointment of four (4) Directors who are members of the Audit & Supervisory Committee

As the terms of office of all four (4) Directors who are members of the Audit & Supervisory Committee will expire at the conclusion of this AGM, the appointment of four (4) Directors who are members of the Audit & Supervisory Committee is proposed.

The members of the Audit & Supervisory Committee have given their consent to this proposal.

The candidates for Directors who are members of the Audit & Supervisory Committee are as follows:

<List of Candidates for Directors who are members of the Audit & Supervisory Committee>

Candidate No.	Name		Current Position & Responsibilities at the Company
1	Nobuhide Shimamoto	Re-appointed	Director, Member of the Board (Full-time Audit & Supervisory Committee Member)
2	Shigehisa Yamaguchi	Re-appointed Outside Director Independent Director	Outside Director, Member of the Board (Audit & Supervisory Committee Member)
3	Masashi Murata	Re-appointed Outside Director Independent Director	Outside Director, Member of the Board (Audit & Supervisory Committee Member)
4	Masami Oishi	Newly-appointed Outside Director Independent Director	N/A

Notes

1. There are no special interests between each candidate and the Company.
2. The Company has entered into a liability insurance contract with an insurance company for all Directors, Members of the Board, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy shall cover any loss that may arise as a result of an insured Director being held liable for the performance of his or her duties or being subject to a claim in respect of such liability. In the event that each candidate is appointed as a director, he or she will become an insured person under the relevant insurance policy and the policy will be renewed during the term of office.

Candidate No.	Name (Date of Birth)	Personal History, Positions & Responsibilities, and Important Concurrent Positions	
1	Nobuhide Shimamoto (3 rd January 1960) <div style="background-color: black; color: white; padding: 2px; text-align: center; width: fit-content; margin: 5px auto;">Re-appointed</div>	April 1982 Joined Sumitomo Metal Industries, Ltd. (currently NIPPON STEEL CORPORATION) April 2009 Department Manager of the Accounting Department, Sumitomo Metal Industries, Ltd. (currently NIPPON STEEL CORPORATION) October 2012 Department Manager of the Finance & Accounting Department, the Company July 2013 General Manager of the Finance & Accounting Department, the Company July 2015 Chief Manager, the Company April 2016 Executive Officer, the Company August 2016 Executive Officer, General Manager of the Finance & Accounting Department, the Company April 2018 Executive Officer, General Manager of the Corporate Planning Department, the Company April 2019 Managing Executive Officer, General Manager of the Corporate Planning Department, the Company November 2019 Managing Executive Officer, General Manager of the Corporate Planning and the Finance & Accounting Departments, the Company April 2021 Corporate Adviser, the Company June 2021 Full-time Audit & Supervisory Board Member, the Company June 2022 Director, Member of the Board, Full-time Audit & Supervisory Committee Member, the Company (to present)	Number of Shares held in the Company 5,500 Attendance at the Board of Directors (FY2023) 12/12 (100%) Attendance at the Audit & Supervisory Committee (FY2023) 13/13 (100%)
<p>Reasons for Appointment as a Director</p> <p>He has been engaged in work related to finance and accounting for many years and has sufficient knowledge in this area. He is also familiar with the Company's business, such as being in charge of the Corporate Planning and the Finance & Accounting Departments after assuming the position of Executive Officer at the Company. He has been re-appointed as a candidate for Director who is a member of the Audit & Supervisory Committee because he performs his duties appropriately by drawing on his knowledge and experience as a full-time Audit & Supervisory Board Member and as a full-time Director who is a member of the Audit & Supervisory Committee.</p>			

Candidate No.	Name (Date of Birth)	Personal History, Positions & Responsibilities, and Important Concurrent Positions	
2	<p>Shigehisa Yamaguchi (11th June 1952)</p> <p>Re-appointed</p> <p>Outside Director</p> <p>Independent Director</p>	<p>April 1975 Joined Anritsu Electric Co., Ltd. (currently Anritsu Corporation)</p> <p>June 1999 General Manager of Sales Department No. 2, Overseas Sales Division No. 1, Anritsu Corporation</p> <p>July 2002 General Manager of Global Marketing Division, Anritsu Corporation</p> <p>April 2003 Executive Officer, General Manager of Global Business Division, Anritsu Corporation</p> <p>June 2003 Director, Member of the Board, Executive Officer, General Manager of Global Business Division, Anritsu Corporation</p> <p>April 2007 Director, Member of the Board, Managing Executive Officer, General Manager of Global Business Division, Anritsu Corporation</p> <p>April 2008 Director, Member of the Board, Managing Executive Officer, General Manager of Sales and CRM Group, Anritsu Corporation</p> <p>April 2010 Director, Member of the Board, Managing Executive Officer, General Manager of Corporate Planning Office, Anritsu Corporation</p> <p>April 2011 Director, Member of the Board, Anritsu Corporation</p> <p>June 2011 Full-time Audit & Supervisory Board Member, Anritsu Corporation</p> <p>June 2020 Outside Director, Member of the Board, the Company</p> <p>June 2022 Outside Director, Member of the Board, Audit & Supervisory Committee Member, the Company (to present)</p>	<p>Number of Shares held in the Company 0</p> <p>Term of Office as Outside Director (at the conclusion of this AGM) 4 years</p> <p>Attendance at the Board of Directors (FY2023) 12/12 (100%)</p> <p>Attendance at the Audit & Supervisory Committee (FY2023) 13/13 (100%)</p>
<p>Reasons for Appointment as a Director who is a Member of the Audit & Supervisory Committee and Expected Roles:</p> <p>He has been re-appointed as a candidate for Outside Director who is a member of the Audit & Supervisory Committee because he is expected to continue to provide appropriate advice to the Company and supervise the execution of business based on the knowledge and experience he has cultivated through his wide range of work experience, including management experience. He has a high level of insight and a wealth of experience as a management executive, having held key positions in overseas business, corporate planning, and other departments at Anritsu Corporation, and he also has deep knowledge of corporate governance, having served as a corporate auditor at Anritsu Corporation. He has used his knowledge and experience to supervise the execution of business from an independent standpoint and has performed his duties appropriately since his appointment as Outside Director and Outside Director who is a member of the Audit & Supervisory Committee at the Company.</p>			

Candidate
No. 2

Special Notes on the Candidate as an Outside Director:

- (1) He is a candidate for Outside Director, Member of the Board, and has been registered as an Independent Director to Tokyo Stock Exchange, Inc. In the event that this Item 2 is resolved, and he assumes a post of Outside Director, Member of the Board, he will continue to serve as an Independent Director.
- (2) The Company has entered into a liability limitation agreement with him, which limits his liability to the amount specified in Section 425(1) of the Companies Act. In the event that this Item 2 is resolved, and he assumes a post of Outside Director, the Company intends to continue this liability limitation agreement.

Candidate No.	Name (Date of Birth)	Personal History, Positions & Responsibilities, and Important Concurrent Positions	
3	<p>Masashi Murata (19th March 1958)</p> <p>Re-appointed</p> <p>Outside Director</p> <p>Independent Director</p>	<p>April 1983 Joined Asahi Glass Co., Ltd. (currently AGC Inc.)</p> <p>March 1995 Group Leader of Marketing Group, Electronic Business, Asahi Glass Co., Ltd. (currently AGC Inc.)</p> <p>August 1999 General Manager, Office of the President, Santen Pharmaceutical Co., Ltd.</p> <p>September 2001 General Manager, Strategic Planning Group, Sales & Marketing Division, Prescription Pharmaceuticals, Santen Pharmaceutical Co.,Ltd.</p> <p>July 2002 General Manager, Ophthalmic Marketing Group, Sales & Marketing Division, Prescription Pharmaceuticals, Santen Pharmaceutical Co., Ltd.</p> <p>January 2005 General Manager, Strategic Planning & Controlling Group, Sales & Marketing Division, Prescription Pharmaceuticals, Santen Pharmaceutical Co., Ltd.</p> <p>April 2007 General Manager, Corporate Planning Group, Santen Pharmaceutical Co., Ltd.</p> <p>July 2011 Santen Inc. CAO (Chief Administrative Officer)</p> <p>January 2014 General Manager, Office of Corporate Auditors, Santen Pharmaceutical Co., Ltd.</p> <p>June 2016 Full-time Audit & Supervisory Board Member, Santen Pharmaceutical Co., Ltd.</p> <p>June 2020 Senior Advisor, Santen Pharmaceutical Co., Ltd.</p> <p>June 2021 Outside Audit & Supervisory Board Member, the Company Outside Director, TOA Corporation (to present)</p> <p>June 2022 Outside Director, Member of the Board, Audit & Supervisory Committee Member, the Company (to present)</p>	<p>Number of Shares held in the Company 0</p> <p>Term of Office as Outside Audit & Supervisory Board Member 1 year</p> <p>Term of Office as Outside Director (at the conclusion of this AGM) 2 years</p> <p>Attendance at the Board of Directors (FY2023) 12/12 (100%)</p> <p>Attendance at the Audit & Supervisory Committee (FY2023) 13/13 (100%)</p>
<p>Reasons for Appointment as a Director who is a Member of the Audit & Supervisory Committee and Expected Roles:</p> <p>He has been re-appointed as a candidate for Outside Director who is a member of the Audit & Supervisory Committee because he is expected to continue to provide appropriate advice and supervise business execution based on the knowledge and experience he has cultivated through his wide range of work experience. He has a wealth of knowledge and experience in a wide range of fields including corporate planning, business planning and marketing at Santen Pharmaceutical Co., Ltd, and he also has deep knowledge of corporate governance, having served as a corporate auditor at Santen Pharmaceutical Co., Ltd. He has used his knowledge and experience to supervise the execution of business from an independent standpoint and has performed his duties appropriately since his appointment as Outside Audit & Supervisory Board Member and Outside Director who is a member of the Audit & Supervisory Committee at the Company.</p>			

Candidate
No. 3

Special Notes on the Candidate as an Outside Director:

- (1) He is a candidate for Outside Director, Member of the Board, and has been registered as an Independent Director to Tokyo Stock Exchange, Inc. In the event that this Item 2 is resolved, and he assumes a post of Outside Director, Member of the Board, he will continue to serve as an Independent Director.
- (2) The Company has entered into a liability limitation agreement with him, which limits his liability to the amount specified in Section 425(1) of the Companies Act. In the event that this Item 2 is resolved, and he assumes a post of Outside Director, the Company intends to continue this liability limitation agreement.

Candidate No.	Name (Date of Birth)	Personal History, Positions & Responsibilities, and Important Concurrent Positions	
4	<p>Masami Oishi (27th August 1966)</p> <p>Newly-appointed</p> <p>Outside Director</p> <p>Independent Director</p>	<p>April 1990 Joined the Ministry of Foreign Affairs of Japan (MOFA)</p> <p>March 2005 Left MOFA</p> <p>December 2010 Registered as an attorney-at-law</p> <p>June 2022 Outside Audit & Supervisory Board Member, Ashimori Industry Co., Ltd. (to present)</p> <p>October 2022 Joined Progress Law Firm (to present)</p>	<p>Number of Shares held in the Company</p> <p>0</p>
<p>Reasons for Appointment as a Director who is a Member of the Audit & Supervisory Committee and Expected Roles:</p> <p>Although she has no experience of being involved in the management of a company other than as an outside director, she has been nominated as a candidate for Director who is a member of the Audit & Supervisory Committee because she is expected to provide appropriate advice to the Company and supervise the execution of business from the perspective of legal risk and compliance with law, based on her knowledge and experience as a legal professional.</p>			
<p>Special Notes on the Candidate as an Outside Director:</p> <p>(1) She is a candidate for Outside Director, Member of the Board. In the event that this Item 2 is resolved, and she assumes a post of Outside Director, Member of the Board, the Company will register her as an independent director with the Tokyo Stock Exchange, Inc.</p> <p>(2) In the event that this Item 2 is resolved, and she assumes a post of Outside Director, the Company intends to enter into a liability limitation agreement with her, which limits her liability to the amount specified in Section 425(1) of the Companies Act.</p>			

(Reference) Outline of the Criteria for determining the Independence of Independent Directors

The Company has established criteria for determining the independence of Independent Directors based on the independence standards set by Tokyo Stock Exchange, Inc. Its summary is given below. For more information, please visit our website at <https://www.osaka-ti.co.jp/ir/pdf/cg.pdf>. (Available only in Japanese language)

In order to be considered independent, an outside Director of the Company must not fall under any of the following categories.

- (1) Spouse or relatives within the second degree of kinship to Directors, Members of the Board, or important employees of the Company
- (2) Major shareholders of the Company
- (3) Directors or officers, or employees of the Company's major shareholders or lenders
- (4) Main clients of the Company or their managing officers
- (5) Those who have received payments, donations, or grants from the Company in excess of a certain amount
- (6) Those who have fallen under any of the above categories (2) to (5) in the past 5 years
- (7) Those whose spouse or relatives within the second degree of kinship fall under any of the above categories (2) to (5)

Skills Matrix of Directors (after this AGM)

Name	Full-time/ Outside	Independent Director	Position	Business Unit Management	Finance & Accounting	Governance & Legal Affairs	Global Business	Sales & Marketing	Technology
Junji Kawafuku (Male)	Full-time	—	Representative Director, Member of the Board & President	✓				✓	✓
Satoru Takahashi (Male)	Full-time	—	Director, Member of the Board		✓	✓	✓		
Tadao Araiike (Male)	Full-time	—	Director, Member of the Board					✓	✓
Jun Matsuoka (Male)	Full-time	—	Director, Member of the Board	✓			✓	✓	
Nobuhide Shimamoto (Male)	Full-time	—	Director, Member of the Board (Full-time Audit & Supervisory Committee Member)		✓	✓			
Shigehisa Yamaguchi (Male)	Outside Director	✓	Outside Director, Member of the Board (Audit & Supervisory Committee Member)	✓		✓	✓		
Masashi Murata (Male)	Outside Director	✓	Outside Director, Member of the Board (Audit & Supervisory Committee Member)			✓	✓	✓	
Masami Oishi (Female)	Outside Director	✓	Outside Director, Member of the Board (Audit & Supervisory Committee Member)			✓	✓		

Notes

1. The proportion of independent outside directors on the Board of Directors of the Company will be more than one-third consecutively. (3 of 8 Directors)
2. Key skills (up to three) are indicated in this matrix.

Business Report

(Financial Year ending 31st March 2024)

1. Company Overview

(1) Business Progress and Results

During the year under review, the Japanese economy showed a gradual recovery trend as companies recorded good business results, the flow of people improved due to the easing of immigration restrictions by many countries, and employment and income environment improved leading to a pick-up in domestic consumption. However, the Japanese economy is experiencing high prices for resources and raw materials, including the impact of the weak yen, and the problems of higher cost of living and labour shortages are becoming more apparent. In overseas economies, while there is also a gradual recovery trend, there are still concerns about the economic downturn against the backdrop of global inflation and monetary tightening measures in some countries, as well as stagnation in the property market in China. In addition to some concerns about a slowdown in the global economy, there are also concerns about the effects of fluctuations in the foreign exchange markets.

In terms of the business environment in which the company operated, demand for titanium sponge in the Titanium business further increased, as aircraft demand moved from a recovery phase to a growth phase and the impact of the restructuring of the global titanium supply chain as a result of Russia's invasion of Ukraine continued to exist. In the High-Performance Materials Business, on the other hand, the semiconductor market was in a sluggish and adjusting phase that began in autumn 2022.

In these business contexts, sales for the financial year under review amounted to JPY 55,322 million (up 28.4% year-on-year), operating profit to JPY 8,288 million (up 73.4% year-on-year), ordinary profit to JPY 9,360 million (up 98.2% year-on-year) and net profit to JPY 9,689 million (up 120.8% year-on-year), partly due to the recording of JPY 1,555 million of deferred tax assets.

Titanium Business

For the Titanium Business in the financial year under review, sales of export titanium sponge, mainly for aircraft applications, increased by 38.4% year-on-year due to increased volumes, improved product prices and a weaker yen. Domestic titanium sponge sales, which are mainly for general industrial applications, also remained steady, resulting in a 23.9% year-on-year increase. As a result, sales in the Titanium Business amounted to JPY 52,299 million (up 33.2% year-on-year).

In terms of profit in the Titanium Business, the operating profit amounted to JPY 8,414 million (up 90.2% year-on-year) due to increased sales and production volumes, improved profitability such as improved product prices and operations, softening ocean freight and the effect of a weaker yen, despite the impact of higher energy and resource prices.

High-Performance Materials Business

Sales in the High-Performance Materials Business during the financial year under review amounted to JPY 3,023 million (down 20.5% year-on-year) due to a decrease in sales of high-purity titanium for sputtering targets for semiconductor-related applications.

In terms of loss in the High-Performance Business, the operating loss was JPY 126 million (compared to profit of JPY 356 million a year earlier) due to the significant impact of lower sales of the high-purity titanium.

(2) Capital Investments

Total capital investment in the year under review amounted to JPY 3,655 million. This was mainly for the maintenance and improvement of titanium production facilities.

(3) Capital Procurement

The funds required for capital investment in the year under review were provided by the Company's own funds and borrowings. Stable funding is being secured by various means of funding such as refinancing long-term debt.

(4) Business Results and Asset Trends

(Japanese Yen in millions, except per share amounts)

Item	FY2020 (24th Term)	FY2021 (25th Term)	FY2022 (26th Term)	FY2023 (year-under review)
Sales	17,053	28,549	43,074	55,322
Ordinary profit (loss)	(2,843)	(1,719)	4,723	9,360
Net profit (loss)	(5,083)	(3,112)	4,388	9,689
Net profit (loss) per share	(138.15)	(84.57)	119.27	263.30
Total assets	77,743	76,586	81,544	92,986
Total equity	29,708	26,509	30,474	38,507

Notes

1. Figures in (brackets) indicate losses.
2. Net Profit (loss) per share is calculated based on the average number of shares outstanding during the period.

(5) Issues to be Addressed

The current demand for aircraft has been recovering from the sharp decline during the Covid-19 period and is now moving onto the growing stage. Demand for titanium sponge in aircraft applications has been further boosted by the additional demand for a substitute for Russian titanium in the middle of the global titanium supply chain restructuring in the wake of the protracted situation in Ukraine. Demand for titanium sponge for general industrial applications has also remained strong. However, uncertainty continues in the business environment affected by unstable world affairs, as prices for raw materials, such as titanium ore, remain high and there are also concerns about rising energy prices due to geopolitical risks in the Middle East.

Under this business environment, the Company continues to produce at a high plant utilisation rate to meet the strong demand for titanium sponge, and is pursuing optimum production to achieve maximum production volume. In order to ensure the profitability of the Titanium business, the Company is working on improving product prices and is also working on thorough cost reductions by improving production parameters and optimising operating conditions. Alongside these activities, the Company is promoting Smart Factories using AI and IoT technologies to automate production processes and to improve production efficiency.

As demand for titanium mill products for aircraft applications is expected to grow steadily in the medium to long term, and demand for general industrial applications is also expected to grow, titanium mill product manufacturers are beginning to implement their plans to increase their production capacity. In view of a possible tight supply-and-demand balance in the medium to long term, the titanium supply chain is strongly demanding a stable supply of high-quality titanium sponge, and the Company is accelerating a feasible study to expand its titanium sponge production capacity from the perspective of contributing to the growth of the Company's Titanium Business and the development of titanium industry.

Also, the Company is working diligently to strengthen its business structure and is developing the High-Performance Materials Business to attain the business portfolio it has set out as its future management vision: the Company's second medium to long term management challenge. High-Performance Materials Business products, such as high-purity titanium and spherical titanium alloy powder (alloy TILOP), have been launched in the semiconductor and additive manufacturing markets, where significant market growth is expected in the future. The Company will leverage its distinctive products and technologies to increase its market presence and drive business growth in these areas.

The Company also works on creating new businesses that can express its strengths, such as silicon monoxide (SiO) anode material for lithium-ion batteries. These activities will reinforce the growth strategy centred on the Titanium Business and steadily reinforce the management

foundation of the Company for its stable growth.

At present, the Company is currently working diligently on the following medium-term management challenges.

[Medium-term Management Challenges]

Titanium Business

- ✓ Returning to a strategy of sustainable growth with the Titanium Business at the core as the market returns to a growth trajectory

High-Performance Materials Business

- ✓ Strengthening the business structure by promoting growth in the High-Performance Materials Business to reinforce profitability and accelerate the growth strategy

Company-wide Tasks

- ✓ Restoring a stable growth platform by quickly ensuring financial strength
- ✓ Promoting various activities to reduce environmental load, including carbon neutral compliance
- ✓ Proactively using IT technologies in the production and operational activities

The challenges in each of the Business segments are as follows:

1. *Titanium Business*

1) Strengthening the Revenue Base

- ✓ Improving product prices and sales mix to a level of profitability that provides the basis for continued growth of the Business
- ✓ Modifying the cost structure and contributing to the reduction of environmental impact through the development of innovative technologies
- ✓ Maintaining a stable and competitive raw material procurement scheme and strengthening technologies for the use of less-expensive-low-quality raw materials

2) Pursuing an Optimum Production

- ✓ Maximising the use of production capacity through improving productivity per furnace
- ✓ Improving labour productivity with a better working environment (automation, reduction of workload)
- ✓ Actively introducing AI and other mathematical engineering approaches for the advancement of production technology

3) Materialising a plan to increase titanium sponge production capacity and its start-up

2. High-Performance Materials Business

1) Expanding High-Purity Titanium Business by Strengthening Customer-response Capabilities

- ✓ Strengthening customer responsiveness and increasing market share through strategic products by strengthening the technical-sales capabilities
- ✓ Developing distinctive products that anticipate innovative needs and capture ongoing growth opportunities
- ✓ Further strengthening the profitability by expanding sales of high value-added products and reducing loss costs

2) Strengthening the Business Base of Spherical Titanium Alloy Powder (alloy TILOP)

- ✓ Building a business foundation by fully utilising the alloy TILOP plant
- ✓ Improving the ability to make proposals and deepening cooperation with customers
- ✓ Continuously developing the process technology and bringing differentiated products to market

3) Advancing Commercialisation of SiO Anode Materials for lithium-ion batteries (LiBs)

- ✓ Advancing commercialisation through attentive and swift response to customer needs
- ✓ Starting commercial production and strengthening the business promotion
- ✓ Developing new products and studying the possibility of business expansion

4) Continuous Efforts to Create “High-Quality Menus”

- ✓ Searching for new businesses that utilise our proprietary technologies and studying their commercialisation
- ✓ Supporting the commercialisation review process for new businesses through additional management resources
- ✓ Pursuing projects that express our strengths

3. Company-wide Initiatives

1) Consolidating the Technology Development Capabilities

- ✓ Consolidating the organisational structure dedicated to the advancement of production process technology and collaboration with external R&D organisations
- ✓ Continuously exploring the possibility for new products and businesses towards business portfolio transformation

2) Strengthening Human Capital

- ✓ Activating the Human Capital Development Project Team focusing on “Recruitment,” “Training” and “Improvement of the working environment”
- ✓ Enhancing measures for human capital development to achieve a systematic training of the coming generation leaders

- ✓ Handing down skills to the coming generation and fostering technical experts through visualisation and sharing of the experience and knowledge of skilled personnel

3) Promoting DX (Digital Transformation)

- ✓ Promoting work restructuring through the renewal of core information system
- ✓ Further stabilising the quality of products and improving the production efficiency by proactive use of accumulated data
- ✓ Planning and promoting the overall concept of Smart Factories

4) ESG Initiatives

- ✓ Contributing to the reduction of environmental load
- ✓ Creating a safe and healthy working environment
- ✓ Developing human resources and promoting diversity
- ✓ Sustaining growth through corporate governance
- ✓ Contributing to a sustainable society through the development and provision of environment-friendly advanced materials

(6) Important Parent Company and Subsidiaries

Not applicable

2. Company Officers

(1) Directors, Members of the Board (As of 31st March 2024)

Position	Name	Responsibilities at the Company and Important Concurrent Positions
Representative Director, Member of the Board, and President	Yasuaki Sugizaki	
Director, Member of the Board, and Senior Managing Executive Officer	Satoru Takahashi	Oversees the Corporate Planning & Finance, the General Affairs & Human Resources, and the Raw Materials & Purchasing Departments
Director, Member of the Board, and Senior Managing Executive Officer	Junji Kawafuku	Oversees the Sales & Marketing and the High-Performance Materials Departments. General Manager of Tokyo Office
Director, Member of the Board, and Managing Executive Officer	Tadao Araiike	Oversees the Safety, Environment & Disaster Management, the Production Control, the Quality Assurance, the Technology, the Testing & Analysis, the Facilities, and the Titanium Manufacturing Departments
Director, Member of the Board (Full-time Audit & Supervisory Committee Member)	Nobuhide Shimamoto	
Director, Member of the Board (Audit & Supervisory Committee Member)	Nae Iijima	Attorney-at-Law and Partner of Dojima Law Office Outside Director (Audit & Supervisory Committee Member), Okura Industrial Co., Ltd
Director, Member of the Board (Audit & Supervisory Committee Member)	Shigehisa Yamaguchi	
Director, Member of the Board (Audit & Supervisory Committee Member)	Masashi Murata	Outside Director, TOA Corporation

Notes

- Directors, Members of the Board, Nae Iijima, Shigehisa Yamaguchi and Masashi Murata are Outside Directors, Member of the Board, as stipulated in Article 2, Paragraph 15 of the Companies Act.
- The Company has designated Directors, Members of the Board, Nae Iijima, Shigehisa Yamaguchi and Masashi Murata as Independent Directors as stipulated by the Tokyo Stock Exchange, Inc. and has registered them at the aforementioned Exchange.
- Director, Member of the Board, Nobuhide Shimamoto has many years of experience in operations of accounting and finance, and has an adequate level of knowledge in those sectors.
- The Company has appointed Nobuhide Shimamoto as a full-time member of the Audit & Supervisory Committee to ensure the effectiveness of the audit.

5. At the 26th AGM held on the 23rd of June, 2023, Tadao Araiike was newly elected as a Director, Member of the Board, and assumed its position.
6. The Company has established regulations in its Articles of Incorporation regarding liability limitation agreements with Directors (except those who are managing directors). Based on these regulations, the Company has entered into liability limitation agreements with all Outside Directors, Members of the Board, that limit the amount of liability to the total of each item in Article 425, Paragraph 1 of the Companies Act, should the Company be harmed as a result of the execution of duties by Outside Directors, Members of the Board, as long as they perform their duties unknowingly and without gross negligence .
7. The Company has entered into a directors' and officers' liability insurance policy, as stipulated in Article 430-3(1) of the Companies Act, insuring all Directors and Executive Officers, with the premiums fully borne by the Company. The insurance policy covers damages that may arise as a result of the insured person being held liable for the performance of his/her duties or being subject to claims in respect of such liability. In addition, the insurance policy has certain exclusions of liability, such as not covering claims for damages arising from intentional violations of laws and regulations or criminal acts, as a measure to ensure that the proper execution of duties is not impaired.

(2) Remuneration for Directors, Members of the Board

1) Total Amount of Remuneration by Category of Officer, by Type of Remuneration, and Number of Eligible Officers

(Japanese Yen in millions, except number of officers)

Category of Officers	Total Amount of Remuneration	Total Amount of Remuneration by Type			Number of Eligible Officers
		Base Remuneration	Performance-based Remuneration, etc.	Non-monetary Remuneration, etc.	
Directors, Member of the Board (of which, Outside Directors)	145 (—)	110 (—)	34 (—)	—	5 (—)
Directors, Member of the Board -Audit & Supervisory Committee members (of which, Outside Directors)	37 (18)	35 (18)	1 (—)	—	4 (3)
TOTAL (of which, Outside Directors)	182 (18)	146 (18)	36 (—)	—	9 (3)

2) Company Performance-based Remuneration

Company performance-based remuneration is determined by taking into account the performance and dividend levels of the previous financial year and the company performance and dividend of the financial year under review. The Company has chosen this index in order to share the same values with its shareholders.

The level of company performance in the previous and the financial year under review is shown in the section “(4) Business Results and Asset Trends” on page 19. The annual dividend for the previous financial year was JPY 35 per share and that for the financial year under review is JPY 70 per share.

3) Matters relating to the Resolution at the AGM on the Remuneration for Directors, Members of the Board

At the 25th AGM held on 22nd June 2022, it was resolved that the remuneration for Directors (excluding those who are members of the Audit & Supervisory Committee) shall not exceed JPY 23 million per month (including JPY 1 million for outside Directors). The number of Directors (excluding those who are members of the Audit & Supervisory Committee) at the close of the said AGM was four (4).

At the 25th AGM held on 22nd June 2022, it was resolved that the remuneration for Directors who are members of the Audit & Supervisory Committee shall not exceed JPY 7 million per month. The number of Directors who are members of the Audit & Supervisory Committee at the close of the said AGM was four (including three (3) Outside Directors).

4) Matters relating to the Policy for Determining the Details of Remuneration for Directors, Members of the Board

The Board of Directors of the Company, at its board meeting held on 25th February 2021, resolved a policy for determining the details of remuneration for individual Directors, Members of the Board (hereinafter referred to as “the Policy for Determining the Content of Directors’ Remuneration”). Following the establishment of the Nomination & Remuneration Committee as well as the transition to “a company with an audit & supervisory committee,” the Policy for Determining the Content of Directors’ Remuneration was revised by the Board of Directors on 22nd June 2022.

The Board of Directors has confirmed that the method of determining the remuneration and the content of the remuneration determined are consistent with the decision-making policy resolved by the Board of Directors with regard to the remuneration for individual Directors during the year under review, and also confirmed that the decisions on remuneration for Directors are made after explaining the policy on remuneration for Directors to the Nomination & Remuneration Committee and obtaining its opinions prior to the Board of Directors’ resolution in accordance with the decision policy. The Company has confirmed that the policy is in accordance with its decision-making policy. The details of Policy for Determining the Content of Directors’ Remuneration are as follows:

a) Basic Policy on Remuneration for Individual Directors (hereinafter referred to as “Remuneration”)

- i. Directors’ Remuneration is paid on a monthly basis.
- ii. Remuneration for Directors (excluding those who are members of the Audit & Supervisory Committee) consists of a fixed remuneration and a performance-linked remuneration which is determined based on comprehensive consideration of performance and dividend in each financial year.

- iii. Remuneration for Directors who are members of the Audit & Supervisory Committee and outside Directors is fixed.

b) Policy on Determining the Method of Calculating the Remuneration for Executive Directors

i. Composition of Remuneration

Remuneration for Directors consists of a fixed base remuneration and the Company's performance-based remuneration linked to the performance achievements.

ii. Method of Calculating Remuneration

1) Basic Remuneration (base remuneration)

The base remuneration is fixed by position, taking into account the level commensurate with the required ability and responsibility.

2) Company's Performance-based Remuneration

Performance-based remuneration is determined by taking into account the Company's performance and dividend levels of the previous financial year as well as the Company's performance and dividend of the financial year under review. In particular, ranges are set according to the level of the Company's performance and dividends, and the amount to be paid for each position is determined for each range. The ratio of performance-based remuneration against total amount of remuneration ranges from 0% to 50%, depending on the level of the Company's performance and dividends.

c) Matters relating to the Determination of the Details of Remuneration for Directors, Member of the Board

The policy on Remuneration for Directors, Members of the Board, (the determination of the level of Remuneration for each individual and the concept of the ratio of performance-linked Remuneration, etc.) is explained to the Nomination & Remuneration Committee. The Committee's opinions are obtained prior to the resolution by the Board of Directors. The amount of Remuneration for each individual Director, Member of the Board, is resolved at the Board of Directors' meeting based on the payment formula determined by the Nomination & Remuneration Committee, taking into account the calculation method, the Company performance, the ratio of performance-based remuneration, and trends in remuneration for other executives and employees.

5) Matters relating to the Determination of the Amount of Individual Remuneration for Directors who are Members of the Audit & Supervisory Committee

The amount of individual remuneration for each Director who is a member of the Audit & Supervisory Committee is determined by consultation among Directors who are members of the Audit & Supervisory Committee.

Notes Unless otherwise stated, figures in this document are rounded down to the nearest unit for monetary amounts and number of shares, and rounded to the nearest whole number for all other figures.

Balance Sheet
(As of 31st March 2024)

(Japanese Yen in millions)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	55,629	Current liabilities	16,547
Cash and deposits	5,975	Trade accounts payable	5,317
Trade accounts receivables	21,829	Short-term bank loans	5,800
Finished products	10,744	Accounts payable - other	1,708
Work in process	3,859	Income tax payable	1,012
Raw materials and supplies	12,983	Consumption tax payable	715
Advance payment	10	Accrued expenses	394
Prepaid expenses	133	Deposits received	34
Accounts receivable-other	86	Provision for bonuses	401
Other	8	Accounts payable - facilities	1,161
Allowance for doubtful receivables	(3)	Long term liabilities	37,930
Fixed assets	37,357	Long-term debt	34,300
Property, plant, and equipment	33,496	Provision for retirement benefits	2,020
Buildings	8,404	Asset retirement obligations	1,540
Structures	330	Other	69
Machinery and equipment	8,584	Total liabilities	54,478
Vehicles	7	(Equity)	
Tools, furniture, and fixtures	219	Shareholders' equity	38,507
Land	14,823	Share capital	8,739
Construction in progress	1,126	Capital surplus	8,943
Intangible assets	969	Additional paid-in capital	8,943
Software	950	Retained earnings	20,835
Other	18	Legal retained earnings	38
Investments and other assets	2,891	Unappropriated	20,797
Long-term prepaid expenses	102	Retained earnings brought forward	20,797
Prepaid pension cost	1,124	Treasury stock	(10)
Deferred tax assets	1,640	Total equity	38,507
Other	24	Total liabilities and equity	92,986
Total assets	92,986		

Note Figures are rounded down to the nearest million Yen.

Profit-and-Loss Statement

Financial Year ending 31st March 2024

(Japanese Yen in millions)

Description	Amount	
Net sales		55,322
Cost of sales		41,878
Gross profit		13,443
Selling, general and administrative expenses		5,154
Operating profit (loss)		8,288
Non-operating profit		
Interest and dividend income	103	
Foreign exchange profit	717	
Sale of unused goods	256	
Subsidy income	154	
Other	92	1,325
Non-operating expenses		
Interest expense	212	
Extra retirement expense	27	
Syndicated loans commission	2	
Other	12	254
Ordinary profit (loss)		9,360
Extraordinary losses		
Loss on retirement of non-current assets	69	69
Profit before income taxes		9,290
Income taxes-current	1,156	
Income taxes-deferred	(1,555)	(398)
Net profit (loss)		9,689

Note Figures are rounded down to the nearest million Yen.

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