

Please note that the following is an unofficial English translation of the Japanese original text of Notice of Convocation of the 113th Ordinary General Meeting of Shareholders of Toyo Seikan Group Holdings, Ltd. The Company provides this translation for reference and convenience purposes only, without any warranty of accuracy or appropriateness. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

Securities Code: 5901  
June 4, 2026

**To Our Shareholders:**

Takuji Nakamura  
President and Representative Director  
Toyo Seikan Group Holdings, Ltd.  
2-18-1 Higashi-Gotanda, Shinagawa-ku,  
Tokyo

## **Convocation of the 113th Ordinary General Meeting of Shareholders**

We are pleased to announce that the 113th Ordinary General Meeting of Shareholders of Toyo Seikan Group Holdings, Ltd. will take place on June 26, 2026, as described below.

We have posted the content of the reference documents and related materials for the shareholders meeting on the following websites, in accordance with the electronic provision measures for general meetings of shareholders.

[Official website of Toyo Seikan Group Holdings, Ltd.]

<https://www.tskg-hd.com/en/ir/stocks/meeting/>

[Tokyo Stock Exchange's "Listed Company Search"]\*

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

\* Access the Listed Company Search of the Tokyo Stock Exchange through the link above, enter the company name ("Toyo Seikan Group Holdings") or security code ("5901") and click "Search" to find the company's page. Then, select "Basic information" and, on the following page, select the tab named "Documents for public inspection/PR information" and click the button to access "Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting."

If you are unable to attend the shareholders meeting, please review the reference documents and exercise your voting rights, electronically or in writing (by mail), by 5:15 p.m., Thursday, June 25, 2026, Japan time.

- 1. Time and date:** 10:00 a.m., Friday, June 26, 2026 (Reception starts at 9:00 a.m.)
- 2. Place:** 2F Conference Room, Osaki Forest Building, 2-18-1 Higashi-Gotanda, Shinagawa-ku, Tokyo, Japan

### 3. Agenda items

#### Items to be reported:

- 1) Business report and consolidated financial statements for the 113th term (from April 1, 2025 to March 31, 2026) and results of the audit of the consolidated financial statements by the Accounting Auditor and the Audit and Supervisory Board
- 2) Non-consolidated financial statements for the 113th term (from April 1, 2025 to March 31, 2026)

#### Items to be resolved:

- |             |   |
|-------------|---|
| Proposal 1: | Appropriation of Surplus  |
| Proposal 2: | Election of Nine (9) Directors  |
| Proposal 3: | Election of One (1) Audit and Supervisory Board Member                                    |
| Proposal 4: | Revision of the Amount of Compensation for Directors                                      |
| Proposal 5: | Revision of the Amount of Compensation for Audit and Supervisory Board Members            |
| Proposal 6: | Partial Revision and Continuation of Performance-Linked Equity Compensation for Directors |

### 4. Important matters related to voting

- 1) If you exercise your voting rights in writing (by mail) and if there is no indication of approval or disapproval on any agenda item on the voting form, you will be deemed to have expressed your approval on such agenda item.
  - 2) If you vote multiple times by electronic means (the Internet, etc.), the most recent vote will be deemed valid.
  - 3) If you vote both by electronic means (the Internet, etc.) and in writing (by mail), the vote exercised by electronic means (the Internet, etc.) will be deemed valid, regardless of the time or date of arrival of the votes.
  - 4) If you intend to vote by proxy, one other shareholder with voting rights may attend the shareholders meeting as your proxy. Please note, however, that such shareholder will be required to submit a written authority to act as proxy.
- When you attend the meeting, please present the enclosed Voting Form at the reception of the venue on the date of the meeting.
  - If there is any revision to the information contained in the above-mentioned reference documents, we will announce the revision on the websites listed above.

\* \* \*

- \* Toyo Seikan Group Holdings, Ltd. is referred to as the “Company” and the Toyo Seikan Group, which consists of the Company and its subsidiaries and affiliates, is referred to as the “Group” in this document.

Contents:

Reference Documents for the 113th General Meeting of Shareholders .....	4
Proposal 1: Appropriation of Surplus .....	4
Proposal 2: Election of Nine (9) Directors .....	5
Proposal 3: Election of One (1) Audit and Supervisory Board Member .....	16
Proposal 4: Revision of the Amount of Compensation for Directors .....	18
Proposal 5: Revision of the Amount of Compensation for Audit and Supervisory Board Members....	19
Proposal 6: Partial Revision and Continuation of Performance-Linked Equity Compensation for Directors .....	20
The 113th Term Business Report .....	27
Consolidated Financial Statements .....	62
Non-Consolidated Financial Statements.....	79

## **Reference Documents for the 113th General Meeting of Shareholders**

### **Proposal 1: Appropriation of Surplus**

We submit the following proposal for the appropriation of surplus.

#### **1. Matters concerning the year-end dividend**

Rewarding shareholders is one of our most important management issues. Following our basic dividend policy of ensuring stable and constant payment, we will distribute dividends for the five years from fiscal 2021 to 2025 in accordance with the following criteria stated in our Medium-Term Management Plan 2025: i) we aim for a payout ratio of 50 percent or higher on a consolidated basis, and ii) we set a minimum annual dividend of 46 yen per share and will gradually increase the amount.

Based on the above-mentioned policy, we have decided to distribute the year-end dividend for the year under review as follows:

- 1) Type of dividend property: Cash
- 2) Allotment of dividend property to shareholders and its total amount  
Year-end dividend for the Company's common shares: 75 yen per share  
Total amount of payout: 11,312,872,425 yen  
As the Company has already paid an interim dividend of 57 yen per share, the aggregate amount of annual dividend for the year under review will be 132 yen per share.
- 3) Effective date of the distribution of surplus: June 29, 2026

#### **[Reference] Shareholder return policy of the Medium-Term Management Plan 2025**

We will distribute profit to our shareholders with a target total return ratio of 80 percent during the period of the Medium-Term Management Plan 2025.

- i) Dividend  
We aim for a payout ratio of 50 percent or higher on a consolidated basis. We set a minimum annual dividend of 46 yen per share and will gradually increase the amount.
- ii) Share repurchase  
We will implement share repurchase in an agile manner.

Note: The extraordinary income and losses arising from the disposal of assets are not taken into account, in principle, when we calculate the total return ratio and the consolidated payout ratio.

#### **2. Matters concerning the appropriation of surplus**

We ask our shareholders to approve a partial reversal of general reserve in order to allow for various measures to implement our capital strategy, including the stable and constant payment of dividends and the cancellation of treasury shares.

- 1) Item and amount of surplus to decrease  
General reserve: 30,000,000,000 yen
- 2) Item and amount of surplus to increase  
Retained earnings brought forward: 30,000,000,000 yen

## Proposal 2: Election of Nine (9) Directors

The term of office of the nine existing Directors, including four Outside Directors, will expire at the close of the 113th Ordinary General Meeting of Shareholders. Therefore, we propose the election of nine Directors, including four Outside Directors, as listed below:

### Candidates for Directors of the Company

No.	Name	Current position and responsibilities at the Company		Board meeting attendance during the 113th term	Period in office (years)
1	Ichio Otsuka	Chairman and Director; Chairman of Group Sustainability Committee	Reelection	14 out of 14 times (100.0%)	8
2	Takuji Nakamura	President and Representative Director; Chairman of Group Risk and Compliance Committee; Chief Technology Officer; Head of Technical Development	Reelection	14 out of 14 times (100.0%)	6
3	Masakazu Soejima	Director and Senior Executive Officer; Chief Financial Officer; Head of Corporate Strategy; Investor Relations and Procurement Strategy	Reelection	14 out of 14 times (100.0%)	9
4	Kazuo Murohashi	Director and Executive Officer; Human Resources, HR Development, Sustainability and Risk & Compliance	Reelection	14 out of 14 times (100.0%)	9
5	Kouki Ogasawara	Director and Executive Officer; General Affairs, Legal Affairs, IT and Information Management	Reelection	14 out of 14 times (100.0%)	8
6	Mami Taniguchi	Director	Reelection Outside Independent	14 out of 14 times (100.0%)	7
7	Kenzo Oguro	Director	Reelection Outside Independent	14 out of 14 times (100.0%)	3
8	Mizuho Taneoka	Director	Reelection Outside Independent	14 out of 14 times (100.0%)	2
9	Yoshihiro Ikegawa	Director	Reelection Outside Independent	14 out of 14 times (100.0%)	2

- Notes: 1. "Independent" marked in the above table means that the relevant candidate is independent from the Company on the basis of both the independent criteria of the Tokyo Stock Exchange (TSE) and those of the Company.
2. The Company has registered Mami Taniguchi, Kenzo Oguro, Mizuho Taneoka and Yoshihiro Ikegawa as independent directors with the TSE under the TSE's independent criteria.

### [Reference] Director Candidates' Skills Matrix

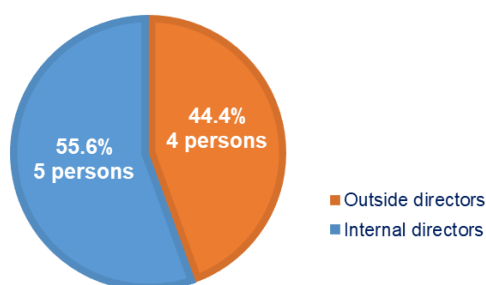
The matrix below shows the skills and specialty domains strongly expected of the Directors of the Company. We have identified the following nine areas as skills that will contribute to enhancing the Group's corporate value over the medium to long term and achieving the targets set forth in the Medium-Term Management Plan 2030 for the five-year period starting in fiscal 2026.

- Corporate management
- Corporate strategy / M&A
- Technology / R&D / Innovation
- Internationality / Overseas operations
- Information technology (IT) / Digital transformation (DX)
- Financing / Accounting
- Legal affairs / Compliance / Risk management
- Personnel & Labor affairs / Human resource development
- ESG / Sustainability

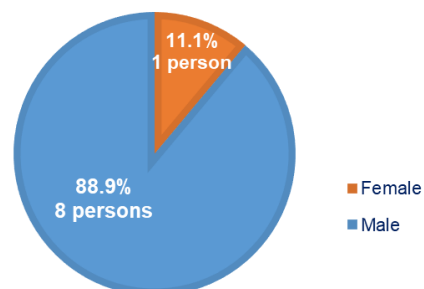
		Corporate management	Corporate strategy / M&A	Technology / R&D / Innovation	Internationality / Overseas operations	IT / DX	Financing / Accounting	Legal affairs / Compliance / Risk management	Personnel & Labor affairs / HR development	ESG / Sustainability
Director	Ichio Otsuka	✓	✓	✓	✓					
	Takuji Nakamura	✓	✓	✓		✓				
	Masakazu Soejima		✓		✓		✓			
	Kazuo Murohashi							✓	✓	✓
	Kouki Ogasawara					✓		✓		
Outside Director	Mami Taniguchi				✓				✓	✓
	Kenzo Oguro		✓		✓		✓			
	Mizuho Taneoka	✓	✓		✓		✓			
	Yoshihiro Ikegawa	✓	✓		✓					✓

Note: This matrix does not indicate all fields of expertise and experience of each director candidate.

[Reference] Outside director ratio after approval by shareholders



[Reference] Female director ratio after approval by shareholders



[Translation for Reference and Convenience Purposes Only]

Candidate No.	Name (Date of birth) (Age)	Career summary, status, responsibilities and significant concurrent positions
1	<p><b>Ichio Otsuka</b> (Nov. 24, 1959) (66)</p> <p>Reelection</p> <p>Board meeting attendance: 14 out of 14 times (100.0%)</p> <p>Company share ownership: 55,000 shares</p> <p>Potential share ownership: 41,528 shares</p> <p>Period in office: 8 years</p>	<p>Apr. 1983 Joined the Company</p> <p>Jun. 2005 Plant Manager, Hiroshima Plant</p> <p>Jun. 2006 Executive Vice President of Asia Packaging Industries (Vietnam) Co., Ltd.</p> <p>Jun. 2007 General Manager, Production Technology Department, Production &amp; Operations Division</p> <p>Jun. 2009 General Manager, Quality Assurance Department, Production &amp; Operations Division</p> <p>Jun. 2011 General Manager, International Operations Department, International Operations Division</p> <p>Apr. 2012 President of Next Can Innovation Co., Ltd.</p> <p>Apr. 2013 Operating Officer of Toyo Seikan Co., Ltd.; In charge of Management of Next Can Innovation Co., Ltd.</p> <p>Apr. 2014 Operating Officer; In charge of Business Development and CSR General Manager, Corporate Planning Department and International Business Development Department</p> <p>Jun. 2014 In charge of Business Development and CSR General Manager, Corporate Planning Department</p> <p>Apr. 2015 Executive Officer; In charge of Corporate Strategy and Investor Relations General Manager, Corporate Planning Department</p> <p>Apr. 2016 Director and Senior Executive Officer of Toyo Seikan Co., Ltd. (Assistant to President)</p> <p>Jun. 2016 President and Representative Director of Toyo Seikan Co., Ltd.</p> <p>Apr. 2018 Special Advisor</p> <p>Jun. 2018 President and Representative Director</p> <p>Apr. 2019 Chairman of Group Risk and Compliance Committee Chairman of Group Environment Committee</p> <p>Jun. 2020 Chairman of Group CSR Committee</p> <p>Apr. 2022 Chairman of Group Sustainability Committee (up to present)</p> <p>Jun. 2025 Chairman and Director (up to present)</p> <p>Significant concurrent position: -</p>
<p><b>Reason for nomination as Director:</b> We have determined that Mr. Ichio Otsuka is qualified to lead the management of the Group for his track record as Chairman and Director as well as President and Representative Director of the Company in addition to the years of experience and extensive knowledge he has accumulated in the divisions of production &amp; operations, international operations and corporate planning.</p>		

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Candidate No.	Name (Date of birth) (Age)	Career summary, status, responsibilities and significant concurrent positions
2	<p><b>Takuji Nakamura</b> (Dec. 27, 1963) (62)</p> <p>Reelection</p> <p>Board meeting attendance: 14 out of 14 times (100.0%)</p> <p>Company share ownership: 10,600 shares</p> <p>Potential share ownership: 30,996 shares</p> <p>Period in office: 6 years</p>	<p>Apr. 1988 Joined Toyo Kohan Co., Ltd.</p> <p>Aug. 2004 General Manager of Films Producing Department, Toyo Kohan Co., Ltd.</p> <p>Apr. 2009 General Manager of Laminating Department, Toyo Kohan Co., Ltd.</p> <p>Apr. 2010 Plant Manager of Laminating &amp; Film Producing Plant, Toyo Kohan Co., Ltd.</p> <p>Apr. 2012 Chief of Films Division; In charge of Production Operations; General Manager of Films Department, Toyo Kohan Co., Ltd.</p> <p>Jan. 2013 General Manager of Technology Planning Department, Toyo Kohan Co., Ltd.</p> <p>Apr. 2016 Operating Officer; In charge of Technical Development, Toyo Kohan Co., Ltd.</p> <p>Apr. 2017 Deputy Chief of Technical Development, Toyo Kohan Co., Ltd.</p> <p>Apr. 2018 Chief of R&amp;D Center, Toyo Kohan Co., Ltd.</p> <p>Apr. 2019 Operating Officer of the Company Head of Innovation Incubation Office Deputy Head of Technical Development</p> <p>Nov. 2019 Head of Technical Development</p> <p>Apr. 2020 Executive Officer</p> <p>Jun. 2020 Director</p> <p>Oct. 2023 Head of Technical Development; In charge of Innovation Promotion</p> <p>Apr. 2024 Senior Executive Officer</p> <p>Apr. 2025 Chief Technology Officer; Head of Technical Development; In charge of Innovation Promotion and Marketing</p> <p>Jun. 2025 President and Representative Director (up to present) Chairman of Group Risk and Compliance Committee (up to present) Chief Technology Officer and Head of Technical Development (up to present)</p> <p>Significant concurrent position: -</p>
<p><b>Reason for nomination as Director:</b> We have determined that Mr. Takuji Nakamura is qualified to lead the management of the Group for his track record as President and Representative Director of the Company in addition to the years of experience and extensive knowledge he has accumulated in technical development-related divisions.</p>		

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Candidate No.	Name (Date of birth) (Age)	Career summary, status, responsibilities and significant concurrent positions
3	<p><b>Masakazu Soejima</b> (Nov. 23, 1965) (60)</p> <p>Reelection</p> <p>Board meeting attendance: 14 out of 14 times (100.0%)</p> <p>Company share ownership: 6,100 shares</p> <p>Potential share ownership: 29,063 shares</p> <p>Period in office: 9 years</p>	<p>Apr. 1988 Joined the Company</p> <p>Apr. 2012 Director, Can Machinery Holdings, Inc. (up to present)</p> <p>Apr. 2013 General Manager, Accounting &amp; Finance Department</p> <p>May 2015 General Manager, Corporate Planning Department</p> <p>Apr. 2016 Operating Officer</p> <p>Jun. 2017 Director (up to present)</p> <p>In charge of Corporate Strategy and Investor Relations</p> <p>Apr. 2019 Executive Officer</p> <p>Head of Corporate Strategy; In charge of Investor Relations and Procurement</p> <p>Apr. 2020 Head of Corporate Strategy; In charge of Accounting, Finance, Investor Relations and Procurement Strategy</p> <p>Apr. 2024 Senior Executive Officer (up to present)</p> <p>Head of Corporate Strategy; In charge of Accounting, Finance, Investor Relations and Procurement Strategy</p> <p>Apr. 2025 Chief Financial Officer; Head of Corporate Strategy; In charge of Investor Relations and Procurement Strategy</p> <p>Apr. 2026 Chief Financial Officer; Head of Corporate Strategy; Overseeing Investor Relations and Procurement Strategy (up to present)</p> <p>Significant concurrent position: - Director, Toyo Seikan Co., Ltd.</p>
<p><b>Reason for nomination as Director:</b> We have determined that Mr. Masakazu Soejima is qualified to lead the management of the Group for the vast experience and extensive knowledge he has accumulated while serving in the accounting and corporate planning divisions over many years.</p>		

[Translation for Reference and Convenience Purposes Only]

Candidate No.	Name (Date of birth) (Age)	Career summary, status, responsibilities and significant concurrent positions
4	<p><b>Kazuo Murohashi</b> (Sep. 24, 1963) (62)</p> <p>Reelection</p> <p>Board meeting attendance: 14 out of 14 times (100.0%)</p> <p>Company share ownership: 10,900 shares</p> <p>Potential share ownership: 27,506 shares</p> <p>Period in office: 9 years</p>	<p>Apr. 1986 Joined the Company</p> <p>Jun. 2009 Plant Manager, Shimizu Plant, Production &amp; Operations Division</p> <p>Oct. 2010 Plant Manager, Shizuoka Plant, Production &amp; Operations Division</p> <p>Apr. 2012 General Manager, HR Department, Corporate Administration Division</p> <p>Apr. 2013 General Manager, General Affairs and HR Department, Corporate Administration Division, Toyo Seikan Co., Ltd.</p> <p>Jul. 2015 General Manager, Human Resources Department, Corporate Administration Division, Toyo Seikan Co., Ltd.</p> <p>Apr. 2016 General Manager, Human Resources Department</p> <p>Apr. 2017 Operating Officer</p> <p>Jun. 2017 Director (up to present) In charge of General Affairs and Human Resources</p> <p>Jun. 2018 In charge of Secretariat and Human Resources</p> <p>Jun. 2019 In charge of Secretariat, Human Resources and Risk &amp; Compliance</p> <p>Oct. 2019 Head of Risk Management Administration Office</p> <p>Apr. 2020 Executive Officer (up to present) In charge of CSR, Human Resources, HR Development and Risk &amp; Compliance</p> <p>Apr. 2023 In charge of Human Resources, HR Development, Sustainability and Risk &amp; Compliance</p> <p>Apr. 2026 Overseeing Human Resources, HR Development, Sustainability and Risk &amp; Compliance (up to present)</p> <p>Significant concurrent position: -</p>
<p><b>Reason for nomination as Director:</b> We have determined that Mr. Kazuo Murohashi is qualified to lead the management of the Group for the vast experience and extensive knowledge he has accumulated while serving in the human resources and personnel administration divisions over many years.</p>		
5	<p><b>Kouki Ogasawara</b> (Nov. 6, 1965) (60)</p> <p>Reelection</p> <p>Board meeting attendance: 14 out of 14 times (100.0%)</p> <p>Company share ownership: 10,100 shares</p> <p>Potential share ownership: 27,506 shares</p> <p>Period in office: 8 years</p>	<p>Apr. 1988 Joined the Company</p> <p>Apr. 2013 General Manager, General Affairs Department</p> <p>Apr. 2017 Operating Officer</p> <p>Jun. 2018 Director (up to present) In charge of General Affairs and Legal Affairs</p> <p>Apr. 2020 Executive Officer (up to present) In charge of Secretariat, General Affairs, Legal Affairs, IT and Information Management</p> <p>Apr. 2024 In charge of General Affairs, Legal Affairs, IT and Information Management</p> <p>Apr. 2026 Overseeing General Affairs, Legal Affairs, IT and Information Management (up to present)</p> <p>Significant concurrent position: -</p>
<p><b>Reason for nomination as Director:</b> We have determined that Mr. Kouki Ogasawara is qualified to lead the management of the Group for the vast experience and extensive knowledge he has accumulated while serving in the general affairs division over many years.</p>		

Candidate No.	Name (Date of birth) (Age)	Career summary, status, responsibilities and significant concurrent positions
6	<p><b>Mami Taniguchi</b> (Jun. 8, 1966) (60)</p> <p>Reelection Outside Independent</p> <p>Board meeting attendance: 14 out of 14 times (100.0%)</p> <p>Company share ownership: None</p> <p>Period in office: 7 years</p>	<p>Apr. 1996 Assistant Professor, Department of Economics, Hiroshima University of Economics</p> <p>Apr. 1999 Associate Professor, Department of Economics, Hiroshima University of Economics</p> <p>Apr. 2000 Associate Professor, Department of Management Studies, Graduate School of Social Sciences, Hiroshima University</p> <p>Apr. 2003 Associate Professor, School of Commerce and Graduate School of Commerce, Waseda University</p> <p>Apr. 2007 Associate Professor, Graduate School of Commerce, Waseda University</p> <p>Apr. 2008 Professor, Faculty of Commerce and Graduate School of Commerce, Waseda University (up to present)</p> <p>Jun. 2019 Director of the Company (up to present)</p> <p>Significant concurrent position: - Professor, Faculty of Commerce and Graduate School of Commerce, Waseda University</p>
<p><b>Reason for nomination and major role expected as Outside Director:</b> We have determined that Ms. Mami Taniguchi is qualified to act as Outside Director of the Company for the vast knowledge and extensive experience she has acquired as a university professor in international business administration and strategic human resources (human capital management; diversity management with knowledge and experience contributing to promoting innovation), and her long-term track record as a chairperson and a member of Japanese government study groups and committees organized by the Ministry of Economy, Trade and Industry, the Ministry of Health, Labour and Welfare, the Cabinet Office, and other ministries. With her knowledge and experience and from an objective perspective independent from the Company's management, especially from a global perspective and a standpoint of alignment between strategy and human resources, she is expected to contribute to improving the quality of strategic decision-making within the Group by providing supervision and advisory support for general management issues of the Group. When elected, she will be involved in the nomination of candidates for directors and auditors and the determination of compensation for directors and operating officers, among other issues, as a member of the Company's Governance Committee, a voluntary advisory body, from an objective and independent viewpoint. Although she has not been directly involved in corporate management, except serving as an outside director, we have concluded that she is capable of properly performing duties as Outside Director for the above-mentioned reason.</p>		

[Translation for Reference and Convenience Purposes Only]

Candidate No.	Name (Date of birth) (Age)	Career summary, status, responsibilities and significant concurrent positions
7	<p><b>Kenzo Oguro</b> (May 3, 1970) (56)</p> <p>Reelection Outside Independent</p> <p>Board meeting attendance: 14 out of 14 times (100.0%)</p> <p>Company share ownership: 2,400 shares</p> <p>Period in office: 3 years</p>	<p>Apr. 1995 Joined Asahi Glass Co., Ltd. (currently AGC Inc.) Oct. 1998 Joined Aoyama Audit Corporation Apr. 2002 Registered as a certified public accountant (up to present) Sep. 2004 Joined PricewaterhouseCoopers Consultants (Shenzhen) Limited, Shanghai Branch Feb. 2008 Joined PwC Advisory Co., Ltd. (currently PwC Advisory LLC) Jan. 2013 Established Bianca LLC Representative partner of Bianca LLC (up to present) Nov. 2014 Co-established Yamato Audit Corporation Representative partner of Yamato Audit Corporation Jan. 2017 Established Yamato Partners Corporation Representative director, Yamato Partners Corporation (up to present) Jun. 2023 Director of the Company (up to present)</p> <p>Significant concurrent position: - Certified public accountant - Representative director, Yamato Partners Corporation - Outside auditor, TOKYO MOKUZAI SOHGO ICHIBA Co., Ltd.</p> <p><b>Reason for nomination and major role expected as Outside Director:</b> We have determined that Mr. Kenzo Oguro is qualified to act as Outside Director of the Company for the expert knowledge and extensive experience he has acquired as a certified public accountant, and as an M&amp;A advisor while managing various global projects over many years. With his knowledge and experience and from an objective perspective independent from the Company's management, he is expected to contribute to continuous growth of the Group and a further increase in its corporate value by providing supervision and advisory support mainly for matters related to accounting and M&amp;A. When elected, he will be involved in the nomination of candidates for directors and auditors and the determination of compensation for directors and operating officers, among other issues, as a member of the Company's Governance Committee, a voluntary advisory body, from an objective and independent viewpoint.</p>

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Candidate No.	Name (Date of birth) (Age)	Career summary, status, responsibilities and significant concurrent positions
8	<p><b>Mizuho Taneoka</b> (May 24, 1956) (70)</p> <p>Reelection Outside Independent</p> <p>Board meeting attendance: 14 out of 14 times (100.0%)</p> <p>Company share ownership: 3,000 shares</p> <p>Period in office: 2 years</p>	<p>Apr. 1980 Joined Sumitomo Corporation Sep. 2010 Joined Sumitomo Light Metal Industries, Ltd. Oct. 2012 Executive Officer, Sumitomo Light Metal Industries, Ltd. Oct. 2013 Executive Officer, UACJ Corporation Apr. 2017 Managing Executive Officer, UACJ Corporation Jun. 2017 Director and Managing Executive Officer, UACJ Corporation Apr. 2018 Director and Senior Managing Executive Officer, UACJ Corporation Jun. 2018 Representative Director and Senior Managing Executive Officer, UACJ Corporation Apr. 2020 Director and Senior Managing Executive Officer, UACJ Corporation President and Director, Tri-Arrows Aluminum Holding Inc. Apr. 2021 Director, UACJ Corporation Jun. 2024 Director of the Company (up to present) Jan. 2025 President and representative director of Gränges Japan Ltd. (up to present)</p> <p>Significant concurrent position: - President and representative director of Gränges Japan Ltd.</p>
<p><b>Reason for nomination and major role expected as Outside Director:</b> We have determined that Mr. Mizuho Taneoka is qualified to act as Outside Director of the Company for the vast knowledge and extensive experience he has acquired as a corporate manager both in Japan and abroad while serving in sales and business management positions over many years. With his knowledge and experience and from an objective perspective independent from the Company's management, he is expected to contribute to continuous growth of the Group and a further increase in its corporate value by providing supervision and advisory support for various matters, including the development of overseas operations and new businesses. When elected, he will be involved in the nomination of candidates for directors and auditors and the determination of compensation for directors and operating officers, among other issues, as a member of the Company's Governance Committee, a voluntary advisory body, from an objective and independent viewpoint.</p>		

Candidate No.	Name (Date of birth) (Age)	Career summary, status, responsibilities and significant concurrent positions
9	<p><b>Yoshihiro Ikegawa</b> (Jul. 2, 1960) (65)</p> <p>Reelection Outside Independent</p> <p>Board meeting attendance: 14 out of 14 times (100.0%)</p> <p>Company share ownership: 1,400 shares</p> <p>Period in office: 2 years</p>	<p>Apr. 1983 Joined Mitsubishi Kasei Kogyo Kabushiki Kaisha Apr. 2014 Executive Officer, Mitsubishi Chemical Corporation Dec. 2015 Executive Officer, Mitsubishi Chemical Holdings Corporation (currently, Mitsubishi Chemical Group Corporation) Apr. 2018 Managing Corporate Executive Officer, Mitsubishi Chemical Holdings Corporation Apr. 2019 Director, Mitsubishi Chemical Corporation Apr. 2021 Representative Corporate Executive Officer and Managing Corporate Executive Officer, Mitsubishi Chemical Holdings Corporation (currently, Mitsubishi Chemical Group Corporation) Apr. 2022 Executive Vice President, Mitsubishi Chemical Holdings Corporation Representative Director, Mitsubishi Chemical Corporation Apr. 2023 Director, Mitsubishi Chemical Corporation Jun. 2024 Director of the Company (up to present)</p> <p>Significant concurrent position: - Outside director of Obayashi Corporation</p>
<p><b>Reason for nomination and major role expected as Outside Director:</b> We have determined that Mr. Yoshihiro Ikegawa is qualified to act as Outside Director of the Company for the vast knowledge and extensive experience he has acquired as a corporate manager both in Japan and abroad while serving in corporate strategy divisions for many years. With his knowledge and experience and from an objective perspective independent from the Company's management, he is expected to contribute to continuous growth of the Group and a further increase in its corporate value by providing supervision and advisory support for various matters concerning portfolio management and strategy development. When elected, he will be involved in the nomination of candidates for directors and auditors and the determination of compensation for directors and operating officers, among other issues, as a member of the Company's Governance Committee, a voluntary advisory body, from an objective and independent viewpoint.</p>		

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- Notes:
1. There are no special interests between the Company and each of the above-named candidates for Directors.
  2. Mami Taniguchi, Kenzo Oguro, Mizuho Taneoka and Yoshihiro Ikegawa are candidates for Outside Directors.
  3. Mizuho Taneoka was an executive member of UACJ Corporation, which is a specified associated service provider (major business partner) of the Company, during the past 10 years, and his position and responsibilities during his service in the company are stated in “Career summary, status, responsibilities and significant concurrent positions” in the table above. He resigned from the executive position at UACJ Corporation in June 2021.
  4. On March 24, 2026, Obayashi Corporation, in which Yoshihiro Ikegawa serves as an outside director, and two of its employees received summary orders from the Kajikazawa Summary Court to pay a fine of 200,000 yen each for violations of the Industrial Safety and Health Act. These orders were issued in connection with the fact that the employees of Obayashi Corporation provided explanations, to the competent Labor Standards Inspection Office, that differed from the actual facts regarding an industrial accident that occurred on October 4, 2024, at Minamikoma Tunnel No. 4 (east construction area), which is under construction by a joint venture for which Obayashi Corporation is the representative member. Prior to the occurrence of this case, Yoshihiro Ikegawa, as an outside director of the company, had been preventing violations of laws and regulations by monitoring and supervising the status of business execution by each director and the operation of internal control systems through receiving reports at the Board of Directors meeting and other means. After the case was identified, he recommended that effective measures be taken to prevent its recurrence. Considering these circumstances, we have concluded that he has fully fulfilled his responsibilities as an outside director of the company.
  5. Outline of Liability Limitation Agreement with Outside Directors:  
In accordance with Article 427, Paragraph 1 of the Companies Act, the Company has signed an agreement which limits the liability under Article 423, Paragraph 1 of the Companies Act, individually with Mami Taniguchi, Kenzo Oguro, Mizuho Taneoka and Yoshihiro Ikegawa. The maximum amount of liability based on the agreement shall be the higher of either 10 million yen or the amount set by the Companies Act. If the election of the aforementioned Mami Taniguchi, Kenzo Oguro, Mizuho Taneoka and Yoshihiro Ikegawa is approved at the 113th Ordinary General Meeting of Shareholders, the Company will extend these agreements.
  6. The Company has entered into a liability insurance contract with an insurance company for directors, auditors, operating officers and managers of the Company and its group companies in accordance with Article 430-3, Paragraph 1 of the Companies Act. The contract covers compensation for damages and court costs incurred in the event that claims for damages are made by shareholders, companies, employees or other third parties due to the insured’s business activities during the insurance period. If the reelection of the candidates listed above is approved, they will be the insured of the relevant insurance contract, which is expected to be renewed with the same terms and conditions during their term of office.
  7. “Independent” marked in the above table means that the relevant candidate is independent from the Company on the basis of both the independent criteria of the Tokyo Stock Exchange (TSE) and those of the Company.
  8. The Company has registered Mami Taniguchi, Kenzo Oguro, Mizuho Taneoka and Yoshihiro Ikegawa as independent directors with the TSE under the TSE’s independent criteria.
  9. “Potential share ownership” refers to the number of shares equivalent to the points expected to be granted to each Director under the equity compensation plan using a board benefit trust for Directors.
  10. The age of each of the candidates is as of the date of the 113th Ordinary General Meeting of Shareholders.

### Proposal 3: Election of One (1) Audit and Supervisory Board Member

The term of office of one existing member of the Audit and Supervisory Board, Shunji Tanaka, will expire at the close of the 113th Ordinary General Meeting of Shareholders.

Therefore, we propose the election of one Audit and Supervisory Board Member.

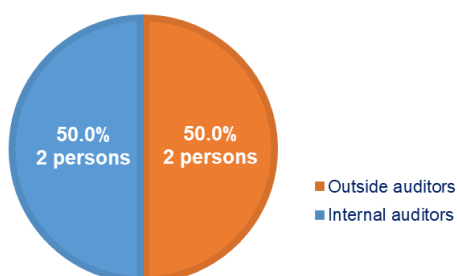
The Audit and Supervisory Board has already approved this proposal.

The candidate for Audit and Supervisory Board Member is as follows:

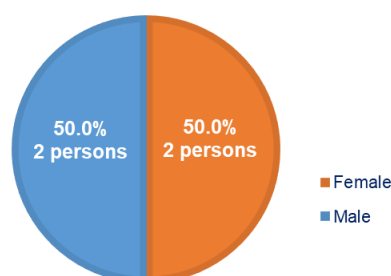
Name (Date of birth) (Age)	Career summary, status, responsibilities and significant concurrent positions
<p><b>Shunji Tanaka</b> (Jun. 4, 1962) (64)</p> <p>Reelection</p> <p>Company share ownership: 2,900 shares</p>	<p>Apr. 1985 Joined the Company</p> <p>Apr. 2013 General Manager, Corporate Planning Department, Toyo Seikan Co., Ltd.</p> <p>Apr. 2016 Operating Officer, Toyo Seikan Co., Ltd.</p> <p>May 2018 Deputy Head of Corporate Planning, Toyo Seikan Co., Ltd.</p> <p>Apr. 2020 Operating Officer of the Company in charge of Corporate Strategy / in charge of management of Toyo Aerosol Industry Co., Ltd.</p> <p>Apr. 2022 Operating Officer of the Company in charge of Corporate Strategy</p> <p>Jun. 2022 Standing Audit and Supervisory Board Member of the Company (up to present)</p> <p>(Significant concurrent position)</p> <ul style="list-style-type: none"> <li>- Auditor of Toyo Seikan Co., Ltd.</li> <li>- Auditor of Toyo Kohan Co., Ltd.</li> <li>- Auditor of TOYO GLASS CO., LTD.</li> <li>- Auditor of Toyo Aerosol Industry Co., Ltd.</li> </ul>
<p><b>Reason for nomination for Audit and Supervisory Board Member:</b> We have determined that Mr. Shunji Tanaka is qualified to serve as Audit and Supervisory Board Member of the Company for the extensive knowledge and insight he has acquired through many years of service in the corporate planning division and the management of Group companies.</p>	

- Notes: 1. There are no special interests between the Company and Shunji Tanaka.
2. The age of the candidate is as of the date of the 113th Ordinary General Meeting of Shareholders.
3. The Company has entered into a liability insurance contract with an insurance company for directors, auditors, operating officers and managers of the Company and its group companies in accordance with Article 430-3, Paragraph 1 of the Companies Act. The contract covers compensation for damages and court costs incurred in the event that claims for damages are made by shareholders, companies, employees or other third parties due to the insured's business activities during the insurance period. If the reelection of Shunji Tanaka is approved, he will be the insured of the relevant insurance contract, which is expected to be renewed with the same terms and conditions during his term of office.

[Reference] Outside Auditor Ratio after Approval by Shareholders



[Reference] Female Auditor Ratio after Approval by Shareholders



## [Reference] Independence Criteria for Outside Directors and Auditors of the Company

The Company has established the “Independence Criteria for Outside Directors and Auditors” to clearly set the criteria for independence to be fulfilled by Outside Directors<sup>(1)</sup> and Outside Audit and Supervisory Board Members<sup>(2)</sup> (collectively, “Outside Directors and Auditors”).

### **Independence Criteria**

The Outside Directors and Auditors shall not fall under any of the following:

- a) A person who is, or was within the past ten years, a Director (excluding an Outside Director), Audit and Supervisory Board Member (excluding an Outside Audit and Supervisory Board Member) or employee of the Company and its consolidated subsidiaries (collectively, the “Group”);
- b) A person who executes or executed business<sup>(4)</sup> within the past three years at a major business partner<sup>(3)</sup> of the Group or at a company or entity of which the Group is a major business partner;
- c) A person who is, or was within the past three years, a major shareholder<sup>(5)</sup> of the Company (in the case where such major shareholder is a corporation, a person who executes or executed business of such corporation) or a person who executes or executed business of a company or entity of which the Group is a major shareholder;
- d) A lawyer, certified public accountant, certified tax accountant or other consultant who receives or received in any of the past three fiscal years from the Group cash and/or other property worth more than 10 million yen annually in addition to director compensation;
- e) A person who is, or was within the past three years, an employee, partner or associate of a law firm, auditing firm, tax accountant firm or other consulting company of which the Group is a major client;
- f) A person who receives or received in any of the past three fiscal years donations exceeding 10 million yen annually from the Group, or a person who executes business of a corporation or organization which receives or received in any of the past three fiscal years such donations; or
- g) A spouse or a relative within the second degree of kinship of any of the following individuals:
  - 1) A person who is, or was within the past three years, a Director, Audit and Supervisory Board Member or important employee<sup>(6)</sup> of the Group; or
  - 2) A person who falls under the above b), c), d), e) or f) (if such person is an employee, this applies only to an important employee).

#### Note:

1. Outside Director refers to an outside director as set forth under Article 2, Paragraph 15 of the Companies Act.
2. Outside Audit and Supervisory Board Member refers to an outside auditor as set forth under Article 2, Paragraph 16 of the Companies Act.
3. “Major business partner” means:
  - 1) in any of the past three fiscal years, i) a business counterparty with whom the Group performed transactions (sales or purchase) of an amount exceeding 2% of the annual consolidated net sales of the Group or ii) a business counterparty whose group performed with the Group transactions (sales or purchase) of an amount exceeding the higher of 100 million yen or 2% of the annual consolidated net sales of such group; or
  - 2) a financial institution group from which the Group borrows funds, if the outstanding amount of borrowings from such financial institution group exceeds 2% of the Group’s consolidated total assets as of the end of the previous fiscal year.
4. “Person who executes business” refers to a person who executes business as defined under Article 2, Paragraph 3, Item 6 of the Regulations for Enforcement of the Companies Act.
5. “Major shareholder” refers to a shareholder who directly or indirectly owns 10% or more of the total voting rights.
6. “Important employee” refers to an employee at or above a general manager level.

#### **Proposal 4: Revision of the Amount of Compensation for Directors**

The compensation for Directors of the Company is comprised of basic compensation (fixed amount, paid in cash), bonus (performance-linked, paid in cash) and performance-linked equity compensation. As for the cash compensation (basic compensation and bonus), we determine the amount in accordance with the resolution of the 110th Ordinary General Meeting of Shareholders, held on June 23, 2023: the total amount of annual cash compensation for Directors shall be no more than 490 million yen, including up to 80 million yen for Outside Directors, excluding the employee salary portion for Directors concurrently serving as employees.

To provide a greater incentive for Directors to achieve the targets we have set in the Medium-Term Management Plan 2030 for the five years from fiscal 2026, as well as to ensure that the compensation amount is sufficient to recruit and retain internal and external management professionals who contribute to continuous growth in corporate value, we ask for shareholders' approval to increase the maximum total amount of annual cash compensation for Directors to 700 million yen (including up to 100 million yen for Outside Directors, excluding the employee salary portion for Directors concurrently serving as employees).

We consider that this revision is appropriate, as the Board of Directors has approved the revision with comprehensive consideration of our business scale, director compensation policy and compensation amounts, and the current number and future estimated number of Directors, taking account of the report of the Company's Governance Committee, a voluntary advisory body consisting of the representative director and the four independent Outside Directors.

Our current policy for determining the details of compensation for individual directors is described in the 113th term Business Report of this document (II. Current Status of the Company, 3. Directors and Auditors of the Company, 3.3 Compensation for Directors and Audit and Supervisory Board Members). If Proposal 6: Partial Revision and Continuation of Performance-Linked Equity Compensation for Directors is approved by our shareholders, we will change this policy as described in [Reference] at the end of Proposal 6, in accordance with the resolution at the Board of Directors meeting held on May 14, 2026. We also consider that the proposed revision is necessary and reasonable to provide compensation for Directors in accordance with the amended policy.

The Board of Directors currently has nine members, including four Outside Directors, and the number will remain unchanged (nine, including four Outside Directors) if Proposal 2: Election of Nine (9) Directors is approved as originally proposed.

### **Proposal 5: Revision of the Amount of Compensation for Audit and Supervisory Board Members**

The 104th Ordinary General Meeting of Shareholders held on June 27, 2017 resolved that the total amount of annual compensation for Audit and Supervisory Board Members will be no more than 110 million yen, which has remained unchanged to date. However, taking into account changes in the economic conditions, levels of compensation in our industry, further enhancement of the corporate governance system and associated increase in the roles and responsibilities of Audit and Supervisory Board Members, and other factors, we would like to propose revising the amount of annual compensation for Audit and Supervisory Board Members to be no more than 150 million yen.

Currently, the number of Audit and Supervisory Board Members is four, including two Outside Audit and Supervisory Board Members. If Proposal 3: Election of One (1) Audit and Supervisory Board Member is approved as originally proposed, the number of Audit and Supervisory Board Members will be four, including two Outside Audit and Supervisory Board Members.

## **Proposal 6: Partial Revision and Continuation of Performance-Linked Equity Compensation for Directors**

### 1. Reasons for the Proposal and Reasons for the Appropriateness of the Revision

The compensation of the Company's Directors comprises fixed compensation (basic compensation), performance-linked compensation (bonuses), and performance-linked equity compensation. With respect to the performance-linked equity compensation, the Company received approval from shareholders at the 108th Ordinary General Meeting of Shareholders, held on June 25, 2021, for the introduction of a performance-linked equity compensation plan using a trust (the "Plan"), and subsequently received approval at the 110th Ordinary General Meeting of Shareholders, held on June 23, 2023, for a partial revision to the Plan (the resolution approving such revision being referred to hereinafter as the "Previous Resolution"), and has been operating the Plan up to the present. This Proposal seeks approval for the continuation of the Plan with a further partial revision as a performance-linked restricted share (RS) trust (share-based compensation).

As to the details of the revised Plan, the Company requests that the matter be entrusted to the Board of Directors within the scope set forth in section 2 below.

The Plan was introduced to enhance the Directors' awareness of contribution to improved medium- and long-term business performance and increased corporate value, by more clearly linking the Directors' compensation with the Company's business performance and share value, while allowing them to share benefits and risks arising from share price fluctuations with shareholders. Following the revision pursuant to this Proposal, the Company intends to deliver and have the Directors hold shares as compensation under the Plan during their term of office rather than upon retirement, and, in addition, by imposing transfer restrictions until retirement from office, to create a further incentive effect aimed at the sustainable enhancement of corporate value even after the delivery of shares.

The compensation under this Proposal will be granted to Directors (excluding Outside Directors; the same applies hereinafter) who are in office during the five years from the fiscal year ending March 2027 to the fiscal year ending March 2031 (the "Eligible Period"), as a separate framework from the compensation limit for Directors (within an annual amount of 700 million yen (of which, within an annual amount of 100 million yen for Outside Directors); excluding compensation as employees) for which approval is being requested under Proposal 4: Revision of the Amount of Compensation for Directors (provided, however, that the Eligible Period may be extended as described in section 2-2 below).

The Company's policy for determining the details of the compensation for individual Directors is as set out in the attached Business Report (II. Current Status of the Company, 3. Directors and Auditors of the Company, 3.3 Compensation for Directors and Audit and Supervisory Board Members); however, subject to the approval and adoption of this Proposal, the Board of Directors resolved at its meeting on May 14, 2026 to amend the policy as stated in the reference section at the end of this Proposal. The content of this Proposal is necessary and reasonable for the granting of compensation to Directors in accordance with the amended policy for determining the details of compensation for individual Directors, and the Company considers the content to be appropriate.

The current number of Directors is nine (9) (of whom four (4) are Outside Directors), and the number of Directors eligible under the Plan (Directors excluding Outside Directors; hereinafter referred to in this Proposal as "Eligible Directors") is five (5). If Proposal 2: Election of Nine (9) Directors is approved and adopted as originally proposed, the number of Directors will be nine (9) (of whom four (4) will be Outside Directors), and the number of Eligible Directors will be five (5).

In addition, if this Proposal is approved and adopted as originally proposed, the Company plans to make similar revisions to the similar equity compensation plan introduced for operating officers who have entered into a delegation agreement with the Company (the "Officers").

### 2. Content, etc. of the Plan after Revision

#### 2-1. Overview of the revised Plan

The revised Plan pursuant to this Proposal is an equity compensation plan in which a trust established with money contributed by the Company (the "Trust"), which was set up when the Plan was initially introduced in 2021, acquires the Company's shares and, through the Trust, the Company's shares corresponding to a prescribed proportion of the number of points granted by the Company to each Eligible Director ("Share

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Delivery Points”) are delivered to the respective Eligible Directors. With respect to the number of points obtained by deducting the Share Delivery Points from the points granted by the Company to each Eligible Director (“Cash Delivery Points”), the Company’s shares corresponding to such number of points will be sold by the Trust, and money equivalent to the proceeds of such sale will be delivered to the respective Eligible Directors. The details of the Plan are as set forth in section 2-2 and below, and an overview is set out in the table below.

Heretofore, the Company’s shares corresponding to the points granted were delivered upon retirement from office; however, under the revised Plan pursuant to this Proposal, (i) the Company’s shares corresponding in number to the Share Delivery Points will be delivered to the Eligible Directors on or after each points-granting date (which refers to the date on which points are granted to Eligible Directors under the Plan, as described in section 2-3 below; in principle, each fiscal year) within a prescribed period (in principle, on a date within the same fiscal year as the points-granting date), and transfer restrictions will be imposed until retirement from a prescribed position at the Company or a Group company of the Company (such retirement being referred to hereinafter as “Retirement”); and (ii) with respect to Cash Delivery Points, money corresponding to the number of such points will be delivered upon Retirement, as funds for tax payments at the time of the lifting of the transfer restrictions described in (i) above.

(1) Eligible persons under the Plan	Eligible Directors
(2) Eligible period	From the fiscal year ending March 2027 to the fiscal year ending March 2031 (provided, however, that the period may be extended by up to 5 years as determined each time by resolution of the Board of Directors)
(3) Upper limit on the monetary amount to be contributed by the Company as funds for acquiring the Company’s shares necessary for delivery to the eligible persons in (1) above during the Eligible Period in (2) above	500 million yen in total (provided, however, that for any extended period, the amount shall be the amount obtained by multiplying the number of fiscal years in such extended period by 100 million yen)
(4) Method of acquiring the Company’s shares	Disposal of treasury shares or acquisition from the stock market (including off-auction trading)
(5) Upper limit on the total number of points to be granted to the eligible persons in (1) above	100,000 points per year
(6) Upper limit on the total number of the Company’s shares to be delivered to the eligible persons in (1) above in respect of duties performed during the Eligible Period in (2) above	The number of shares corresponding to 100,000 points multiplied by the number of fiscal years in the Eligible Period (for any extended period, the number of shares corresponding to 100,000 points multiplied by the number of fiscal years in such extended period) (calculated at one (1) Company Share per point). Provided, however, that the number of the Company’s shares per point shall be adjusted in the event of a share split, share consolidation, or gratis allotment of shares. The number of shares corresponding to Cash Delivery Points from the above shall be delivered in cash instead of the Company’s shares.
(7) Criteria for granting points	Points are granted in accordance with position, etc. and performance-linked indicators (the Company’s ROE (consolidated), EBITDA (consolidated), and a sustainability index, which is a non-financial indicator*)
(8) Timing of delivery of the Company’s shares (corresponding to Share Delivery Points) to the eligible persons in (1) above	Each fiscal year (on a date within the same fiscal year as each points-granting date).

(9) Timing of delivery of money (corresponding to Cash Delivery Points) to the eligible persons in (1) above	In principle, upon Retirement.
(10) Transfer restriction period under the transfer restriction agreement provided for in section 3.	From the date of delivery of the Company's shares until the date of Retirement.

\* The sustainability index is defined as the assessment of an external ESG rating agency, specifically the "FTSE ESG Score," with targets set based on the scores awarded, decided by the Board of Directors following evaluation by the Governance Committee.

## 2-2. Upper limit on monetary amount to be contributed by the Company

The Company will extend the trust period for the Trust and will additionally entrust to the Trust money up to an upper limit of 500 million yen in total, as funds for acquisition of the Company's shares necessary for delivery to the Eligible Directors as equity compensation under the revised Plan. The Trust will, using the money entrusted by the Company (which includes not only the additional funds entrusted by the Company as described above, but also the funds remaining in the Trust prior to the additional entrustment) as the source of funds, acquire the Company's shares by means of disposal of the Company's treasury shares or by means of acquisition from the stock market (including off-auction trading).

Note: The actual amount that the Company will additionally entrust to the Trust will comprise, in addition to the funds for acquiring the Company's shares described above, estimated amounts for necessary expenses such as trust fees, trust administrator fees, etc. As an equity compensation plan similar to the Plan has also been introduced for the Officers, funds for acquiring the Company's shares necessary for delivery to the Officers under such plan will also be entrusted.

Further, the Company may, by decision of the Board of Directors, extend the Eligible Period by up to 5 years, as determined each time and, with this, further extend the trust period (this includes effectively extending the trust period by transferring the trust assets of the Trust to a trust that the Company establishes with the same purpose as the Trust; the same applies below), and thereby have the Plan continue. In such cases, during the extended Eligible Period, the Company will make additional entrustment to the Trust up to the amount obtained by multiplying the number of fiscal years of the extended Eligible Period by 100 million yen, to fund acquisition of additional the Company's shares necessary for delivery to the Eligible Directors under the Plan, and will continue to grant points and deliver the Company's shares (and money) as described in section 2-3 below (the same shall apply thereafter).

Even if the Eligible Period is not extended as set out above, and the Plan is thus discontinued, in the event that, at the time of expiration of the trust period, there are Eligible Directors who have already been granted points but have not yet reached Retirement, the trust period of the Trust may be extended until such Eligible Directors reach Retirement and the delivery of the Company's shares is completed.

## 2-3. Method of calculation and upper limit on the Company's shares and money to be delivered to Eligible Directors

### (1) Method of granting points to Eligible Directors

The Company will, based on the share delivery rules established by the Board of Directors, grant points to each Eligible Director on the points-granting dates during the trust period as prescribed by the share delivery rules, by multiplying the number determined according to their position, etc., by a performance-linked coefficient that varies within a range of 50% to 150% in accordance with performance-linked indicators\*.

\* The performance-linked indicators shall consist of the following three types: the Company's ROE (consolidated), EBITDA (consolidated), and a sustainability index, which is a non-financial indicator; and the weighting of each indicator shall be determined by the Board of Directors. Provided, however, that the total number of points to be granted to the Eligible Directors by the Company shall have an upper limit of 100,000 points per year.

### (2) Delivery of the Company's shares to Eligible Directors

Each Eligible Director will, each time points are granted under 2-3-(1) above (on a date within the same fiscal year as each points-granting date), subject to entering into the transfer restriction agreement

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described in section 3 below with the Company and completing other prescribed procedures, acquire beneficial rights in the Trust in respect of the Share Delivery Points among the points granted under 2-3-(1) above and, as a beneficiary of the Trust, receive delivery of the number of the Company's shares corresponding to the Share Delivery Points. The Company's shares to be delivered to Eligible Directors shall be one share per point (however, if circumstances arise with respect to the Company's shares in which it may be reasonable to adjust the number of the Company's shares per point, such as share split or share consolidation, etc., then adjustment shall be made in accordance with the share split ratio, share consolidation ratio, etc.).

However, if the Company's shares held in the Trust are converted into cash, such as in the case of a tender offer where there is settlement of the Company's shares held in the Trust, delivery may be made in cash (the amount of such conversion) instead of the Company's shares.

(3) Delivery of money to Eligible Directors

Each Eligible Director will, in principle upon Retirement, acquire beneficial rights in the Trust in respect of the Cash Delivery Points among the points granted under 2-3-(1) above and, as a beneficiary of the Trust, receive delivery of money equivalent to the proceeds from the sale and conversion into cash within the Trust of the number of the Company's shares (calculated in the same manner as in 2-3-(2) above) corresponding to the Cash Delivery Points. However, such delivery of money is made for the purpose of the Company withholding at source the funds required for tax payments such as income tax, etc., and the amount actually received by the Eligible Director will be the amount remaining after such withholding; only if any balance remains.

(4) Delivery of the Company's shares corresponding to points granted under the Plan prior to the revision pursuant to this Proposal

Notwithstanding 2-3-(2) and 2-3-(3) above, with respect to the Company's shares corresponding to points granted under the Plan prior to the revision pursuant to this Proposal, each Eligible Director will, in accordance with the Previous Resolution, in principle upon retirement from their position as a Director of the Company, complete the prescribed procedures to acquire beneficial rights in the Trust and receive delivery from the Trust.

2-4. Exercise of voting rights

In order to ensure neutrality of management, the voting rights of the Company's shares held in the Trust shall not be exercised at any time during the trust period.

2-5. Handling of dividends

Dividends on the Company's shares held in the Trust will be received by the Trust, and will be applied to the acquisition price of the Company's shares, as well as trust fees payable to the trustee in connection with the Trust, etc.

2-6. Other content of the Plan

The content shall be determined within the scope of sections 2-1 through 2-5 above, taking into account the purpose of the Plan.

3. Transfer Restriction Agreement for the Company's Shares Delivered to Eligible Directors

A transfer restriction agreement (the "Transfer Restriction Agreement") containing the following terms shall be entered into between the Company and the Eligible Directors regarding the Company's shares to be delivered for Share Delivery Points granted under the revised Plan pursuant to this Proposal. (For each of the Eligible Directors, receipt of delivery of the Company's shares shall be subject to the condition that they enter into the Transfer Restriction Agreement.)

However, in cases where the Company's shares are delivered under the revised Plan on or after Retirement, transfer restrictions shall not be imposed.

### 3-1. Transfer restriction period

With respect to the Company's shares delivered under the Plan (the "Delivered Shares"), in principle, the Eligible Director shall not transfer, create security interest in, or otherwise dispose of (the "Transfer Restrictions") the Delivered Shares during the period from the date of delivery thereof (or, in cases of multiple deliveries, each respective date of delivery) until the date of Retirement (the "Transfer Restriction Period").

During the Transfer Restriction Period, the Eligible Director shall manage the Delivered Shares in an account at a securities company designated by the Company, for the purpose of managing them separately from shares already held by the Eligible Director.

### 3-2. Acquisition of Delivered Shares without compensation

(1) In the event that an Eligible Director attempts to transfer, pledge, or otherwise dispose of all or part of the Delivered Shares in violation of section 3-1 above, the Company shall automatically acquire all of the Delivered Shares without compensation.

(2) In the event that an Eligible Director retires mid-term during the Transfer Restriction Period without legitimate reason, engages in misconduct (including violation of laws and regulations or internal rules), or in other cases where the Board of Directors determines that it is appropriate for the Company to acquire the Delivered Shares without compensation, the Company may acquire all or part of the Delivered Shares without compensation.

### 3-3. Treatment in the event of corporate reorganization, etc.

In the event that, during the Transfer Restriction Period, a proposal relating to a merger agreement under which the Company becomes the dissolving company, a share exchange agreement or share transfer plan under which the Company becomes a wholly-owned subsidiary, or other corporate reorganization, etc. is approved at a General Meeting of Shareholders of the Company (or, in cases where approval by a General Meeting of Shareholders of the Company is not required in connection with such corporate reorganization, etc., at a meeting of the Board of Directors of the Company), the Transfer Restrictions shall be lifted prior to the expiration of the Transfer Restriction Period.

### 3-4. Other matters to be determined by the Board of Directors

In addition to the above, the Transfer Restriction Agreement shall contain provisions regarding the method of expressing intent and giving notice under the Transfer Restriction Agreement, the method of amending the Transfer Restriction Agreement, and other matters to be determined by the Board of Directors.

## [Reference]

### Policy for Determining the Details of Compensation for Individual Directors (Draft)

#### a) Basic policy

The compensation scheme for the directors of the Company shall be based on the following basic policy.

The scheme shall:

- i) be for the sake of the realization of the Group's management philosophy (the management policy, creed and vision);
- ii) provide an appropriate level of director compensation that enables the Company to secure highly capable directors;
- iii) be able to foster a sense of contribution to a medium- to long-term improvement in business performance and corporate value;
- iv) be transparent and objective and tied to the Group's business performance;
- v) allow the directors to share perspectives on profitability with shareholders and foster awareness of shareholder-oriented management; and
- vi) contribute to encouraging appropriate risk-taking in business operations.

b) Determination of the level and mix of the compensation components for individual directors

The determination of the mix of compensation components for executive directors shall be based on the premise that the director compensation is set at an appropriate level that allows the Company to secure talented executives who can contribute to continuous development of the Group's business, in accordance with its management philosophy. The mix shall be determined according to the directors' respective duties and responsibilities so as to provide an appropriate incentive to improve financial performance, taking account of the business environment surrounding the Company and the compensation structures of peer group companies that are shown by external surveys.

As a benchmark peer group, we refer to manufacturing companies listed on the Prime Market of the Tokyo Stock Exchange with annual sales of 500 billion to 1 trillion yen to determine the appropriateness of our compensation structure, taking into consideration the results of surveys on directors' compensation, among others.

We adopt a composition of 55% fixed compensation (basic compensation), 30% short-term performance-linked, and 15% medium- to long-term performance-linked compensation (based on the standard performance).

Directors who are not executive directors will receive only fixed compensation (basic compensation) based on their responsibilities.

c) Determination of the amounts of fixed compensation (basic compensation) (in cash) as well as the timing and conditions of payment of the compensation

The fixed compensation (basic compensation) for directors shall be paid in cash every month as a fixed amount and the amount for each director shall be determined according to their positions and responsibilities.

d) Determination of the details of performance indicators for performance-linked compensation and non-monetary compensation, and the method of calculating the compensation amount, as well as the timing and conditions of payment of the compensation

The performance-linked compensation consists of performance-linked bonus (paid in cash) as a short-term incentive and performance-linked equity compensation using a performance-linked RS trust (share-based compensation) as a medium- to long-term incentive.

The performance-linked bonus is paid to executive directors in June of each year, aiming to raise awareness of financial performance improvement for each fiscal year. The bonus amount is calculated based on the degree of achievement of each year's financial target measured with net sales, operating income and operating income margin, all on a consolidated basis, which we select as key performance indicators (KPIs).

The performance indicators and their target values are determined by the Board of Directors every year, with the target values for consolidated net sales and consolidated ordinary income each set based on the estimated figures announced in the summary of financial results for the previous fiscal year.

The performance-linked RS trust (share-based compensation) adopts ROE, EBITDA, and a sustainability index as its three KPIs, linked to the medium- to long-term management plan, to ensure motivation for enhancement of corporate value over the medium- to long-term. Points calculated based on the director's position, etc. and the degree of achievement of each indicator shall be granted for each fiscal year, and the number of shares corresponding to the 'Share Delivery Points' among such points shall be delivered to each eligible director's dedicated RS account, with the transfer restrictions on the Company's shares delivered to such dedicated RS account being lifted upon the director's retirement from office. With respect to the 'Cash Delivery Points' that remain without being delivered as shares, upon the retirement of each eligible director, the shares corresponding to such number of points shall be sold within the trust, and money equivalent to the proceeds of such sale shall be delivered to the director.

The performance indicators and their target values are decided by the Board of Directors following evaluation by the Governance Committee. The target values for ROE and EBITDA are set based on the targets in the medium- to long-term management plan, and the sustainability index is defined as the assessment of an external ESG rating agency, specifically the "FTSE ESG Score," with targets set based on the scores awarded.

e) Method for determination of the details of compensation for individual directors

To ensure transparency and objectivity, the types of director compensation and their mix, amounts and calculation methods shall be discussed in advance by the Governance Committee, a voluntary advisory body consisting of the representative director(s) and the independent outside director(s), and shall be determined by the Board of Directors based on the committee's report. The amounts shall be determined up to the maximum total amount of annual compensation approved by the general meeting of shareholders.

With respect to compensation amounts for individual directors, the President of the Company shall receive delegation by resolution of the Board of Directors to determine the amounts based on the types of director compensation and their mix, amounts and calculation methods as determined above. The Board of Directors shall, in order to ensure that the authority delegated to the President of the Company is exercised appropriately, determine objective calculation criteria for the fixed compensation (basic compensation) of each director, the amount of performance-linked bonus for each executive director, and the number of delivery points of performance-linked equity compensation (performance-linked RS trust).

## The 113th Term Business Report

(From April 1, 2025 to March 31, 2026)

### I. Current Status of the Group

#### 1. Progress and Results of Business Operations

The Japanese economy continued to pick up at a moderate pace during the year under review (fiscal 2025) as employment and income conditions improved. The outlook, however, remains uncertain due to unstable international conditions, rises in prices, and volatility in financial markets.

Under such conditions, the Toyo Seikan Group has reported its business results for the year under review as described below.

(in millions of yen, except for percentage changes)

	FY2024 (March 2025)	FY2025 (March 2026)	YOY	YOY (%)
Net sales	922,516	963,213	40,696	4.4
Operating income	34,264	52,005	17,740	51.8
Operating income margin	3.7%	5.4%	1.7%	-
Ordinary income	37,182	58,270	21,087	56.7
Extraordinary income	1,161	20,762	19,600	-
Extraordinary losses	5,868	1,756	(4,112)	-
Profit attributable to owners of parent	22,486	54,983	32,497	144.5

\* The accounting of a business consolidation that was provisionally recorded in the consolidated financial statements for fiscal 2024 was finalized in the first quarter of fiscal 2025, and the finalized accounts for the business consolidation have been reflected in the amounts for fiscal 2024.

On a consolidated basis, net sales increased 4.4% from the previous year to 963,213 million yen. The sales growth was largely due to price hikes to pass on cost increases to customers, a recovery in engineering operations overseas, which had been stagnant in the previous year, and the inclusion of PREMIER CENTRE GROUP SDN. BHD. (a company engaged in contract filling of home and personal care products in Malaysia) in the scope of consolidation, despite lower sales volume in the packaging business. Operating income rose 51.8% year on year to 52,005 million yen due to product price hikes, despite an increase in personnel and other expenses. Another factor for the operating income growth was the absence of a significant amount of bad debt losses, which were recognized in the previous year for a project in our engineering business. Ordinary income grew 56.7% year on year to 58,270 million yen mainly due to foreign exchange gains. As a result, profit attributable to owners of parent increased 144.5% year on year to 54,983 million yen mainly due to a gain on sale of investment securities.

The overall operating results by segment were as follows:

(in millions of yen, except for percentage changes)

Business segment	Net sales				Operating income			
	FY2024 (March 2025)	FY2025 (March 2026)	YOY	YOY (%)	FY2024 (March 2025)	FY2025 (March 2026)	YOY	YOY (%)
Packaging	602,447	602,297	(149)	(0.0)	27,005	26,784	(221)	(0.8)
Engineering, filling, and logistics	146,407	179,344	32,937	22.5	(9,667)	3,293	12,961	-
Steel plate related	89,987	91,463	1,475	1.6	7,694	9,859	2,165	28.1
Functional materials related	51,866	57,785	5,918	11.4	6,097	6,831	734	12.0
Real estate related	8,080	8,332	251	3.1	4,550	5,020	470	10.3
Other businesses	23,726	23,989	263	1.1	1,537	2,156	618	40.2
Adjustment	-	-	-	-	(2,953)	(1,941)	1,011	-
Total	922,516	963,213	40,696	4.4	34,264	52,005	17,740	51.8

### **[Packaging business]**

The packaging business recorded 602,297 million yen in net sales, down 0.0% year on year, and 26,784 million yen in operating income, down 0.8% year on year.

#### 1) Metal packaging

Sales of metal packaging were largely unchanged from the previous year. While the sales volume of cans and can ends for alcoholic drinks in Japan decreased, the effect of product price hikes both in Japan and overseas supported the segment's performance.

#### 2) Plastic packaging

Sales of plastic packaging were largely unchanged from the previous year. While sales of small-size beverage PET bottles and PET bottle preforms declined, product price hikes contributed to sales, and sales of plastic cups for beverages and sales of bottles for oral care products performed well.

#### 3) Paper packaging

Sales of paper packaging increased from the previous year due to product price hikes as well as higher sales of paper containers for bento (lunchbox) sold at convenience stores and paper cups for fast-food restaurants, although sales of corrugated packaging for beverages declined.

#### 4) Glass packaging

Sales of glass packaging were largely unchanged from the previous year. While sales of soft drink bottles decreased, product price hikes supported sales.

### **[Engineering, filling and logistics businesses]**

The engineering, filling and logistics businesses recorded 179,344 million yen in net sales, up 22.5% year on year, and 3,293 million yen in operating income, compared to an operating loss of 9,667 million yen for the previous year.

#### 1) Engineering

Sales of engineering operations significantly increased from the previous year due to sales growth of can and can-end making machinery for new customers, although existing customers were still reluctant to increase their capital expenditure.

#### 2) Contract filling

Sales of contract filling operations surged from the previous year as a result of the inclusion of PREMIER CENTRE GROUP SDN. BHD. (a company engaged in contract filling of home and personal care products in Malaysia) in the scope of consolidation and the expansion of beverage filling in Thailand.

#### 3) Logistics

Sales of trucking and warehousing operations increased from the previous year.

### **[Steel plate related business]**

The steel plate related business recorded 91,463 million yen in net sales, up 1.6% year on year, and 9,859 million yen in operating income, up 28.1% year on year.

Sales of materials for electrical and electronics components increased from the previous year due to higher sales of automotive rechargeable battery materials.

Sales of can stock were largely unchanged from the previous year. While sales of 18-liter can materials declined, sales of food can materials performed well.

Sales of materials for automotive and industrial machinery components decreased from the previous year as materials for driving system parts saw a sales decline.

Sales of materials for construction and home electronics increased from the previous year as interior panel materials for modular bathrooms performed well.

**[Functional materials related business]**

The functional materials related business recorded 57,785 million yen in net sales, up 11.4% year on year, and 6,831 million yen in operating income, up 12.0% year on year.

Sales of aluminum substrates for magnetic disks increased from the previous year due to a market recovery for hard disks used in data centers.

Sales of optical functional films decreased from the previous year as the flat panel display market weakened.

Sales of enamel glazes, pigments and other functional materials increased from the previous year primarily due to an increase in sales of pigments, despite a decrease in sales of glaze for enamel products.

**[Real estate related business]**

Leasing of office buildings and commercial facilities recorded 8,332 million yen in net sales, up 3.1% year on year, and 5,020 million yen in operating income, up 10.3% year on year.

**[Other businesses]**

Other businesses (including manufacturing and sales of automotive press dies, machinery and appliances, hard alloys and agricultural-use materials; sales of petroleum products; and non-life insurance agency business) recorded 23,989 million yen in net sales, up 1.1% year on year, and 2,156 million yen in operating income, up 40.2% year on year.

The Group's operating results by region are as follows:

In Japan, net sales increased 0.6% year on year to 777,335 million yen, while operating income rose 27.6% year on year to 41,628 million yen.

In Asia, including Thailand, China and Malaysia, net sales increased 15.9% year on year to 96,268 million yen, while operating income rose 30.6% year on year to 12,880 million yen.

In the other regions, including the U.S., net sales increased 34.1% year on year to 89,609 million yen, while operating loss was 2,554 million yen, compared to an operating loss of 8,508 million yen for the previous year.

As of the end of the year under review, the number of consolidated subsidiaries of the Company was 74 (unchanged), while that of affiliates accounted for under the equity method was 5 (unchanged). The changes in the scope of consolidation during the year under review are as follows:

- Increase: 1 company  
(Guangzhou Nansha Stolle Machinery Co., Ltd.)
- Decrease: 1 company  
(Stolle EMS Precision Limited\*)

\* Stolle EMS Precision Limited was liquidated in February 2026.

## 2. Capital Investment

- 1) Capital investment implemented during the year under review amounted to 54,843 million yen. Total investment by segment and major projects during the year are as follows:

<b>[Packaging business]</b>	27,793 million yen
▶ Toyo Seikan Co., Ltd.	
▪ Production facilities for beverage cans (Ishioka Plant and other plants)	
<b>[Engineering, filling, and logistics businesses]</b>	9,829 million yen
▶ Toyo Seikan (Thailand) Co., Ltd.	
▪ Filling facilities for PET bottles for beverages (Head Office Plant)	
<b>Steel plate related business]</b>	13,903 million yen
▶ Toyo Kohan Co., Ltd.	
▪ Production facilities for steel sheet (Kudamatsu Plant)	
<b>[Functional materials related business]</b>	3,132 million yen
<b>[Real estate related business]</b>	198 million yen
<b>[Other businesses]</b>	890 million yen

- 2) There were no facilities that were completed during the year under review.
- 3) Ongoing construction and expansion of major facilities as of the end of the year under review are as follows:

<b>[Packaging business]</b>	
▶ Toyo Seikan Co., Ltd.	
▪ Production facilities for beverage cans (Ishioka Plant and other plants)	
<b>[Engineering, filling, and logistics businesses]</b>	
▶ Toyo Seikan (Thailand) Co., Ltd.	
▪ Filling facilities for PET bottles for beverages (Head Office Plant)	
<b>[Steel plate related business]</b>	
▶ Toyo Kohan Co., Ltd.	
▪ Production facilities for steel sheet (Kudamatsu Plant)	

## 3. Financing

Not applicable.

## 4. Transfer of Business, Absorption-Type or Incorporation-Type Company Split

Not applicable.

## 5. Business Taken Over from Other Companies

Not applicable.

## 6. Succession of Rights and Obligations with Respect to Business of Other Companies through Absorption-Type Merger or Split

Not applicable.

## 7. Acquisition and Disposal of Shares and Other Equity Interests or Stock Acquisition Rights in Other Companies

The Boards of Directors of the Company and Toyo Seikan Co., Ltd. (“TSK”), a consolidated subsidiary of the Company, resolved on February 27, 2026, that TSK would enter into a share transfer agreement to sell part of its stake in Bangkok Can Manufacturing Co., Ltd. (“BCM”) to BG Container Glass Public Company Limited. The share transfer was completed on April 30, 2026, and BCM will be changed from a consolidated subsidiary to an affiliate accounted for using the equity method.

## 8. Issues to Address

For over 100 years since its founding, the Toyo Seikan Group has contributed to the society by providing packaging and other products and services that are essential to people’s daily lives.

The environment surrounding the Group has been changing beyond expectations in recent years, as various social issues to address have been emerging.

Under these circumstances, in May 2021, we formulated a long-term management vision looking to the fiscal year 2050, the Long-Term Management Vision 2050 “The Future, Wrapped for All,” in order to think about the society and the global environment from a long-term perspective to maximize the value we offer to all our stakeholders. In May 2026, we formulated a new management plan for the five years starting from fiscal 2026 based on the vision and our top-priority issues as the Materiality of Toyo Seikan Group, aiming for further growth. We also launched, in May 2023, the Capital Efficiency Initiative 2027 as an initiative to increase returns on capital by pursuing both our growth strategy and capital and financial strategy.

The outline is as follows.

### 8.1 Long-Term Management Vision 2050 “The Future, Wrapped for All”

The long-term vision has set a goal as to what we aim and want to be: a “daily living platform” for people all over the world to live safe, secure and fulfilling lives. It aims for a society that accepts differences and diversity to allow individual people to value their own lives and a society that continues to allow people to live happily into the future without harming the environment.

To this end, we will combine all abilities of the Group in the fields of “food and health,” “comfortable living” and “environment, resources and energy” and utilize the technologies and know-how we have developed in material development, package processing and engineering to promote open innovation, internet of things and digital transformation. We will also work together with partners, including customers and suppliers, who have the same aim, creating new value that changes the society beyond the boundaries of packaging manufacturing.



## 8.2 Medium-Term Management Plan 2030

To achieve further growth, we have formulated a new management plan for five years from fiscal 2026 based on the Long-Term Management Vision 2050 “The Future, Wrapped for All” and the Materiality of Toyo Seikan Group. The following is an overview of the Medium-Term Management Plan 2030.

### [Summary of Medium-Term Management Plan 2030]



### [Basic Strategy for Business Growth]

We will pursue further growth based on our Long-Term Management Vision 2050 and Materiality.



[Translation for Reference and Convenience Purposes Only]

1) Overall strategy to increase EBITDA to 130 billion yen

The new plan uses an EBITDA increase as the primary indicator to measure business growth. Our operations in both mature and growth areas will pursue growth according to their respective business strategies.

	Japan	Overseas
	<b>Mature areas</b>	<b>Growth areas</b>
<b>Packaging</b>	<b>Up 7 billion yen</b> Reform the profit structure of domestic operations with an extensive renewal of production equipment to further save labor, resources, and energy.	[Packaging and filling] Pursue growth through the expansion of production facilities and M&As in Southeast Asia, including Vietnam, Malaysia, and Indonesia, as well as Thailand, the market we have focused on for years.
<b>Engineering, filling &amp; logistics</b>		[Engineering] Market recovery in advanced economies and demand growth in developing economies
<b>Steel plate</b>	<b>Up 3 billion yen</b> Update production facilities in Japan for higher efficiency and invest in prospective growth areas for 2030 and beyond, tapping into market expansion both in Japan and overseas to ensure our business growth.	
<b>Functional materials</b>		
<b>New businesses</b>	<b>Up 5 billion yen</b> Continue to grow the “business seeds” developed during the previous medium-term plan to realize their commercialization and monetization.	

\* The amounts shown above are increases from FY2025.  
\* The yen amounts shown above are rounded to nearest billion.

2) Targets for individual business segments

Each of our business segments will develop measures to expand business and improve profitability to achieve their respective targets for fiscal 2030.

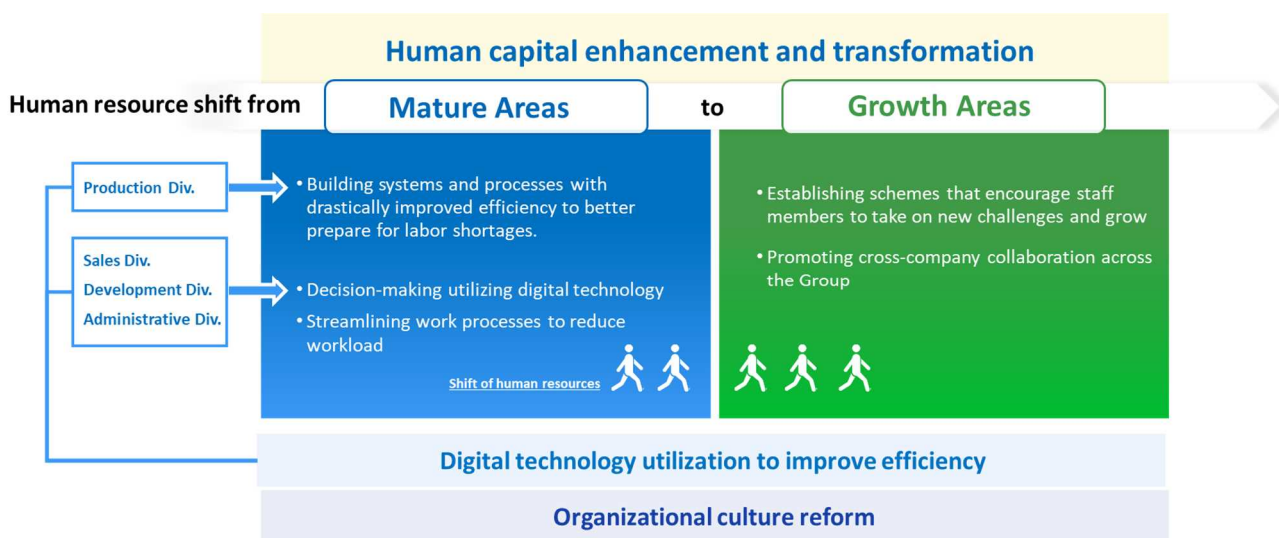
(in billions of yen)

Business segment	Item	FY2025	FY2030	Change	Initiatives for five years	
					[Measures for growth]	[Measures for profitability]
Packaging	Net sales	602.2	625.0	22.8	<ul style="list-style-type: none"> <li>Overseas: Enhance supply ability / Increase packages used for Japan-made products exported to global markets.</li> <li>Japan: Explore markets expected to grow as population ages.</li> <li>Common: Develop and launch environmentally sound packaging.</li> </ul>	<ul style="list-style-type: none"> <li>Streamline production processes and operations to further save labor, resources, and energy.</li> </ul>
	Operating income	26.7	34.0	7.3		
	EBITDA	54.9	61.9	7.0		
Engineering, filling & logistics	Net sales	179.3	220.0	40.7	<ul style="list-style-type: none"> <li>Engineering: Seize opportunities from market recovery in developed economies and demand growth in emerging economies.</li> <li>Contract filling: Expand operations for beverage and home products mainly in Southeast Asia.</li> </ul>	<ul style="list-style-type: none"> <li>Restructure overseas bases for engineering operations and their roles.</li> </ul>
	Operating income	3.2	12.0	8.8		
	EBITDA	14.5	22.5	8.0		
Steel plate	Net sales	91.4	110.0	18.6	<ul style="list-style-type: none"> <li>Expand production and sales of automotive rechargeable battery materials by tapping into market growth both in Japan and overseas.</li> </ul>	<ul style="list-style-type: none"> <li>Update production facilities in Japan for higher efficiency.</li> <li>Streamline production processes and operations.</li> <li>Aggressively invest in growth areas for the future beyond 2030.</li> </ul>
	Operating income	9.8	10.0	0.2		
	EBITDA	18.7	20.2	1.5		
Functional materials	Net sales	57.7	70.0	12.3	<ul style="list-style-type: none"> <li>Take advantage of the characteristics of individual production bases in Japan and overseas as global markets expand.</li> <li>Expand into new business domains by leveraging proprietary technologies.</li> </ul>	<ul style="list-style-type: none"> <li>Optimize production allocation across plants.</li> <li>Streamline production processes and operations.</li> </ul>
	Operating income	6.8	8.0	1.2		
	EBITDA	10.0	11.5	1.5		
New businesses	EBITDA	-	5.0	5.0	<ul style="list-style-type: none"> <li>Promote the monetization of the MiraNeo® project.</li> <li>Aim to commercialize ongoing projects for new businesses.</li> </ul>	-
Total	Net sales	963.2	1,070.0	106.8		
	Operating income	52.0	75.0	23.0		
	EBITDA	106.3	130.0	23.7		

\* We omitted information about the real estate and other businesses and intersegment adjustment in the table above.

**[Overview of Measures to Enhance Business Foundation]**

Aiming to reallocate human resources from mature areas to growth areas, we will accelerate three key measures: “human capital enhancement and transformation,” “digital technology utilization to improve efficiency,” and “organizational culture reform.”



**[Targets in Medium-Term Management Plan 2030]**

The Medium-Term Management Plan 2030 sets the management targets in line with its basic strategy for business growth and measures to enhance the Group’s business foundation.

**Open Up! 2030**  
A Leap in Growth and Innovation

Three quantitative targets (for FY2030)		Four qualitative targets	
<p style="text-align: center;">ROE</p> <p style="text-align: center;"><b>8% or more</b></p> <p style="text-align: center;">(8.1% for FY2025)</p> <p style="text-align: center;"><u>Improve capital efficiency</u></p>	<p style="text-align: center;">EBITDA</p> <p style="text-align: center;"><b>130 billion yen</b></p> <p style="text-align: center;">(23.7 billion yen increase from FY2025)</p> <p style="text-align: center;"><u>Increase earning power</u></p>	<p style="text-align: center;"><b>Restructure domestic operations and improve their efficiency</b></p> <p style="text-align: center;"><u>Increase human resource mobility</u></p>	<p style="text-align: center;"><b>Reallocate human resources from mature areas to growth areas</b></p> <p style="text-align: center;"><u>Prepare for changes in the business environment</u></p>
<p style="text-align: center;"><b>Open Up! Products &amp; Services</b> (internal certification program)</p> <p style="text-align: center;">Share of the certified products and services in total sales</p> <p style="text-align: center;"><b>50% or more</b></p> <p style="text-align: center;">(25.5% in FY2024)</p> <p style="text-align: center;"><u>Contribute to resolving social issues</u></p>		<p style="text-align: center;"><b>Improve employee engagement scores</b></p> <p style="text-align: center;"><u>Create a more comfortable and rewarding workplace</u></p>	<p style="text-align: center;"><b>Expand the use of AI and other digital technologies</b></p> <p style="text-align: center;"><u>Transform work and decision-making processes</u></p>

**[Shareholder Return Policy and Cash Allocation]**

1) Financial targets of Capital Efficiency Initiative 2027 and Medium-Term Management Plan 2030

We aim to achieve an EBITDA of 130 billion yen for FY2030 through aggressive capital investment. To fund an extensive renewal of production facilities to achieve growth and increase efficiency while controlling the equity capital level, we will continue to enhance shareholder returns by achieving a dividend on equity ratio (DOE) of 4% and implementing share buybacks through fiscal 2027. In pursuing these targets, we aim to maintain an ROE of 8% or more.

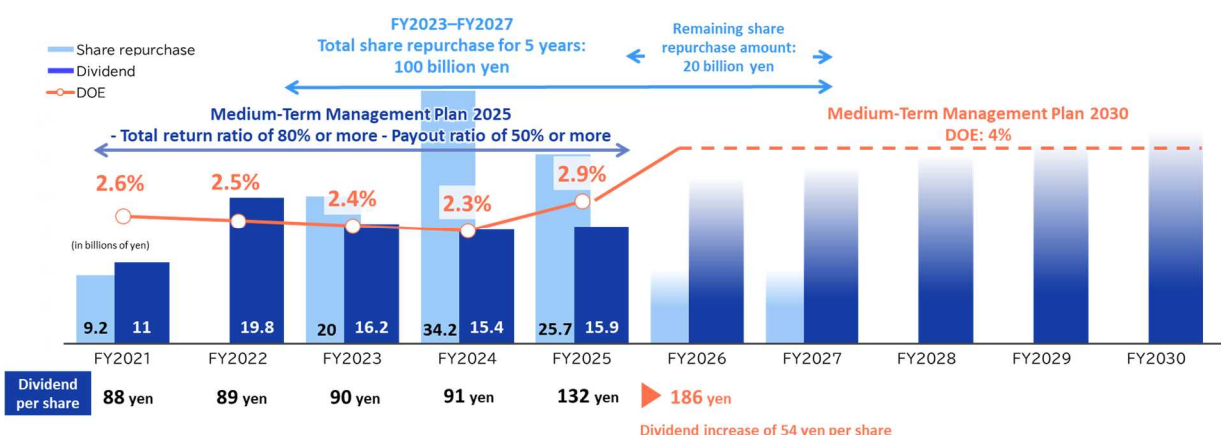
\* The amounts in gray-shaded cells are for reference.

		FY2022 Results	FY2025 Results	FY2027 Targets	FY2030 Targets
<b>Earnings</b>	<b>EBITDA</b> <small>(billion yen)</small>	<b>60.3</b>	<b>106.3</b>	<b>120.0</b>	<b>130.0</b>
	Net sales <small>(billion yen)</small>	906.0	963.2	1,050.0	1,070.0
	Operating income <small>(billion yen)</small>	7.3	52.0	<b>65.0</b>	75.0
	Profit <small>(billion yen)</small>	10.3	54.9	<b>48.0</b>	58.0
<b>Return on capital</b>	<b>ROE</b>	<b>1.6%</b>	<b>8.1%*</b>	<b>8% or more</b>	<b>8% or more</b>
	Equity capital <small>(billion yen)</small>	643.0	697.7	600.0	720.0
<b>Shareholder returns</b>	<b>Dividends</b>	Consolidated payout ratio (Dividend per share) 156% (89 yen) / 36% (132 yen)		<b>DOE: 4%</b> <b>(Equivalent to 130.0 billion yen)</b>	
	<b>Share buybacks</b> <small>(billion yen)</small>	Total return ratio (Share buybacks) 156% (0) / 83% (25.7)		FY2026 to FY2027 <b>20.0</b>	—

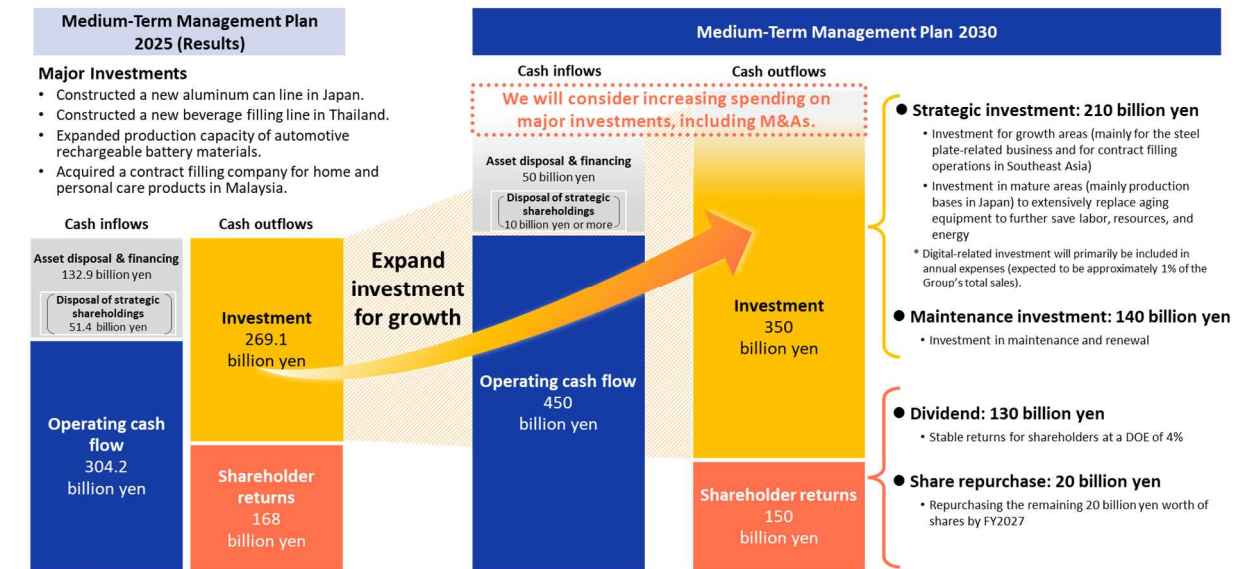
\* ROE for FY2025 excluding the impact of extraordinary income was 5.9%.

2) Boosting capital efficiency —Shareholder return policy

While prioritizing investment for growth, we will continue to control the equity capital level by adopting the dividend on equity (DOE) ratio as an indicator for shareholder returns, aiming to maintain stable profit distribution to shareholders. We will implement the shareholder return policy by achieving the target DOE of 4% during the period of the Medium-Term Management Plan 2030 and conducting share buybacks through fiscal 2027.



### 3) Cash allocation FY2026–FY2030



### 8.3 Capital Efficiency Initiative 2027

We have been implementing the Capital Efficiency Initiative 2027, which outlines measures for the period from fiscal 2023 to fiscal 2027 to pursue both our growth strategy and capital and financial strategy, aiming to achieve management that is conscious of the cost of capital and the stock price.

#### [Basic approaches]

We will promote both growth strategy and capital and financial strategy to increase returns on capital.

##### 1) Growth strategy: Optimizing business portfolio

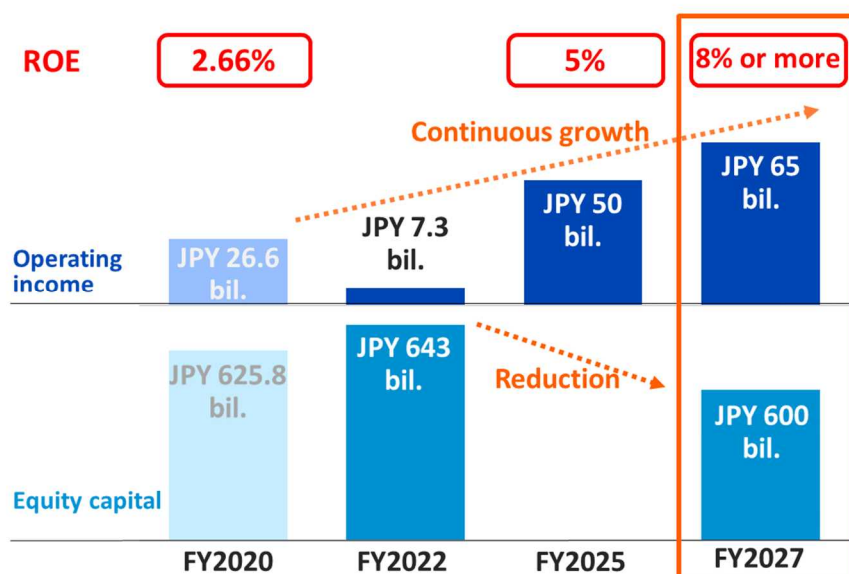
- Allocate more resources to growth areas of the engineering, filling, and logistics, steel plate related and functional materials related businesses.
- Seek appropriate cost pass-through and streamline and restructure unprofitable operations mainly in the domestic packaging business.

##### 2) Capital and financial strategy: Improving asset efficiency

- Substantially increase returns to shareholders through dividend payment and share buybacks, which we have gradually enhanced.
- Further reduce “strategic shareholdings” (including cross-shareholdings).
- Reduce assets in unprofitable operations and streamline real estate management (disposal and adding value).

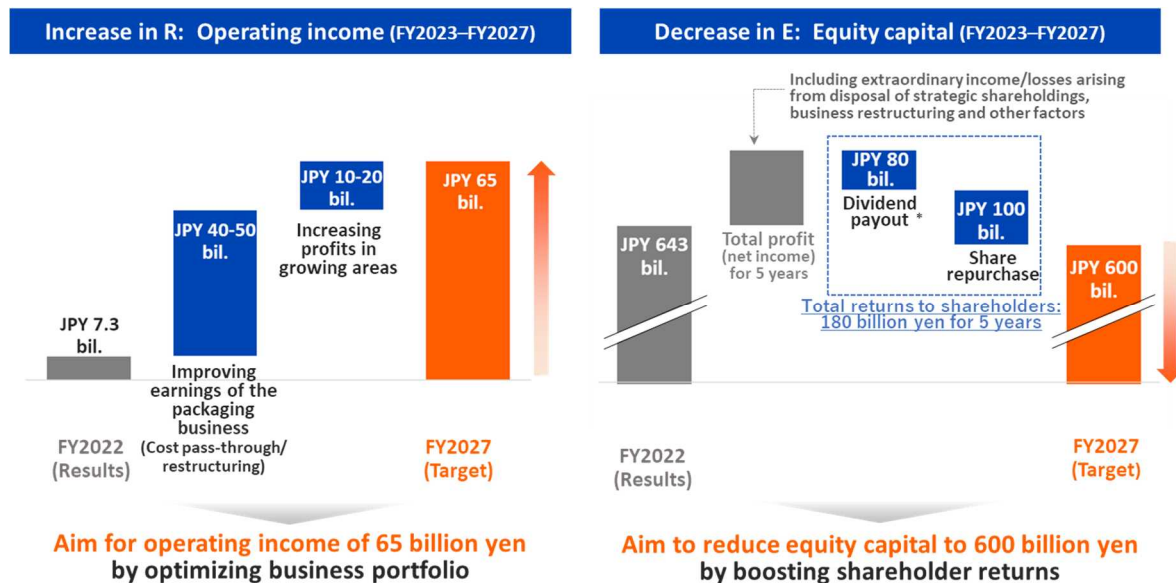
#### [Setting key performance indicators (KPIs)]

We will reduce equity capital while seeking the FY2027 operating income target, which has been set under the assumptions of the Medium-Term Management Plan 2025, aiming to achieve an ROE of 8% or more, a return that exceeds the shareholders’ equity cost.



**[Measures to achieve an ROE of 8% or more]**

We aim to achieve an ROE of 8% or more by increasing profits (R) and lowering equity capital (E).



Note: The dividends for FY2026 and FY2027 are currently expected based on the dividend policy of the Mid-Term Management Plan 2025, and will be determined based on actual earnings.

1) Optimizing business portfolio

We will accelerate cost pass-through efforts and the restructuring of unprofitable operations mainly in the domestic packaging business and achieve business expansion in growth areas, in order to meet FY2027 operating income target.

2) Boosting shareholder returns

We will substantially increase returns to shareholders, which we have gradually enhanced, to achieve an ROE of 8% or more with an additional share repurchase of around 100 billion yen for five years from fiscal 2023 to fiscal 2027.

3) Cash allocation (FY2023 – FY2027)

Seeking business growth and higher returns on capital, we will strategically allocate funds obtained from operating cash flows and through asset disposal and financing to investment activities and shareholder returns.

Although the business environment surrounding the Group is likely to become more challenging in the years ahead, we will continue to pursue continuous growth by implementing the measures in the Medium-Term Management Plan 2030 and the Capital Efficiency Initiative 2027 in order to enhance corporate value for our shareholders.

## 9. Asset Condition and Profit and Loss for the Recent Years

(in millions of yen except for per-share amounts)

	FY2022 (March 2023)	FY2023 (March 2024)	FY2024 (March 2025)	FY2025 (March 2026) (Year under review)
Net sales	906,025	950,663	922,516	963,213
Operating income	7,396	33,850	34,264	52,005
Ordinary income	13,770	38,740	37,182	58,270
Profit (Loss) attributable to owners of parent	10,363	23,083	22,486	54,983
Profit (Loss) per share	57.07 yen	130.15 yen	134.60 yen	361.63
Total assets	1,165,767	1,180,784	1,202,930	1,240,692
Net assets	671,889	697,683	694,915	727,593
Net asset per share	3,544.28 yen	3,835.53 yen	4,192.76 yen	4,639.87 yen

Note: 1. The Company has changed its accounting policies from the beginning of fiscal 2024, and the figures from fiscal 2022 to fiscal 2023 are retroactively adjusted to reflect the change in the policies.

2. The accounting of a business consolidation that was provisionally recorded in the consolidated financial statements for fiscal 2024 was finalized in the first quarter of fiscal 2025, and the finalized accounts for the business consolidation have been reflected in the amounts for fiscal 2024.

## 10. Material Status of the Parent Company and Subsidiaries

### 1) Parent company

Not applicable.

### 2) Significant subsidiaries

Company name	Capital (million yen)	Voting right ownership (%)	Major operations
Toyo Seikan Co., Ltd.	1,000	100.0	Manufacturing and sales of metal and plastic packaging products
Toyo Kohan Co., Ltd.	5,040	100.0	Manufacturing and sales of tinsplate, steel sheets, surface-treated steel sheets and functional materials
Tokan Kogyo Co., Ltd.	1,531	100.0	Manufacturing and sales of paper and plastic containers
Nippon Closures Co., Ltd.	500	100.0	Manufacturing and sales of metal and plastic caps
Mebius Packaging Co., Ltd.	1,000	100.0	Manufacturing and sales of plastic packaging products
Toyo Glass Co., Ltd.	960	100.0	Manufacturing and sales of glass bottles
Toyo Aerosol Industry Co., Ltd.	315	100.0	Contract filling and sales of aerosol products and general liquid-filled products
TOMATEC Co., Ltd.	310	100.0	Manufacturing and sales of glaze, pigment, gel coat and trace-element fertilizer
Nippon Tokan Package Co., Ltd.	700	55.0 [55.0]	Manufacturing and sales of corrugated paper products and paper containers
Stolle Machinery Company, LLC	-	100.0 [100.0]	Manufacturing and sales of can and can-end production machinery and related services

Note: 1. The share of indirect voting rights is shown in parentheses in the column of the "Voting right ownership."

[Translation for Reference and Convenience Purposes Only]

2. The Boards of Directors of the Company and Toyo Seikan Co., Ltd. (“TSK”), a consolidated subsidiary of the Company, resolved on February 27, 2026, that TSK would enter into a share transfer agreement to sell part of its stake in Bangkok Can Manufacturing Co., Ltd. (“BCM”) to BG Container Glass Public Company Limited. The share transfer was completed on April 30, 2026, and BCM will be changed from a consolidated subsidiary to an affiliate accounted for using the equity method.

3. The status of a specific wholly owned subsidiary as of the end of the year under review is as follows.

Name of the subsidiary	Toyo Seikan Co., Ltd.
Address of the subsidiary	2-18-1 Higashi-Gotanda, Shinagawa-ku, Tokyo
Carrying value of the shares in the subsidiary on the Company's balance sheet	180,918 million yen
Total assets of the Company	575,580 million yen

### 11. Major Operations (as of March 31, 2026)

Business segment	Major operations
Packaging business	Manufacturing and sales of metal, plastic, paper and glass packaging
Engineering, filling, and logistics businesses	Manufacturing and sales of machinery and equipment related to packaging containers; contract filling of beverage-filled, aerosol and general liquid-filled products; and trucking and warehousing services
Steel plate related business	Manufacturing and sales of steel plate and related processed products
Functional materials related business	Manufacturing and sales of aluminum substrates for magnetic disks, optical functional films, glaze, pigment, gel coat and trace-element fertilizer
Real estate related business	Leasing of office buildings and commercial properties
Other businesses	Manufacturing and sales of automotive press dies, machinery and appliances, hard alloys, and agricultural-use materials; sales of petroleum products; and non-life insurance agency business

### 12. Major Offices and Plants (as of March 31, 2026)

Company name	Major facilities	
Toyo Seikan Group Holdings, Ltd.	Head Office	2-18-1 Higashi-Gotanda, Shinagawa-ku, Tokyo
Toyo Seikan Co., Ltd.	Head Office	2-18-1 Higashi-Gotanda, Shinagawa-ku, Tokyo
	Plants	Chitose (Chitose-shi), Sendai (Miyagino-ku, Sendai-shi), Ishioka (Ishioka-shi), Kuki (Kuki-shi), Saitama (Yoshimi-cho, Hiki-gun), Yokohama (Tsurumi-ku, Yokohama-shi), Shizuoka (Makinohara-shi), Toyohashi (Toyohashi-shi), Shiga (Higashi-Omi-shi), Ibaraki (Ibaraki-shi), Osaka (Izumisano-shi), Hiroshima (Mihara-shi), Kiyama (Kiyama-cho, Miyaki-gun)
Toyo Kohan Co., Ltd.	Head Office	2-18-1 Higashi-Gotanda, Shinagawa-ku, Tokyo
	Plant	Kudamatsu (Kudamatsu-shi)
Tokan Kogyo Co., Ltd.	Head Office	2-18-1 Higashi-Gotanda, Shinagawa-ku, Tokyo
	Plants	Atsugi (Ayase-shi), Shizuoka (Kakegawa-shi), Komaki (Komaki-shi), Fukuoka (Miyawaka-shi)
Nippon Closures Co., Ltd.	Head Office	2-18-1 Higashi-Gotanda, Shinagawa-ku, Tokyo
	Plants	Ishioka (Ishioka -shi), Hiratsuka (Hiratsuka-shi), Komaki (Komaki-shi), Okayama (Shoo-cho, Katsuta-gun)

[Translation for Reference and Convenience Purposes Only]

Company name	Major facilities	
Mebius Packaging Co., Ltd.	Head Office	2-18-1 Higashi-Gotanda, Shinagawa-ku, Tokyo
	Plants	Ibaraki (Goka-machi, Sashima-gun), Kawasaki (Kawasaki-ku, Kawasaki-shi), Settsu (Settsu-shi), Izumisano (Izumisano-shi)
Toyo Glass Co., Ltd.	Head Office	2-18-1 Higashi-Gotanda, Shinagawa-ku, Tokyo
	Plants	Chiba (Kashiwa-shi), Shiga (Konan-shi)
Toyo Aerosol Industry Co., Ltd.	Head Office	2-18-1 Higashi-Gotanda, Shinagawa-ku, Tokyo
	Plants	Tsukuba (Ryugasaki-shi), Kawagoe (Kawagoe-shi), Mie (Iga-shi)
TOMATEC Co., Ltd.	Head Office	2-1-27 Oyodo Kita, Kita-ku, Osaka-shi, Osaka
	Plants	Komaki (Komaki-shi), Kyushu (Nakama-shi)
Nippon Tokan Package Co., Ltd.	Head Office	2-18-1 Higashi-Gotanda, Shinagawa-ku, Tokyo
	Plants	Sendai (Taiwa-cho, Kurokawa-gun), Fukushima (Iwaki-shi), Ibaraki (Goka-machi, Sashima-gun), Koga (Koga-shi), Tochigi (Sakura-shi), Saitama (Soka-shi), Sagamihara (Minami-ku, Sagamihara-shi), Atsugi (Ayase-shi), Shizuoka (Kakegawa-shi), Aichi (Anjo-shi), Shiga (Kusatsu-shi), Osaka (Settsu-shi), Fukuoka (Shingu-machi, Kasuya-gun)
Stolle Machinery Company, LLC	Head Office	United States (Delaware)
	Plants	United States (Colorado/Ohio)

### 13. Employees (as of March 31, 2026)

#### 1) Employees of the Group

Business segment	Number of employees		Year-on-year change in number	
Packaging business	10,087	[1,685]	+81	[-57]
Engineering, filling, and logistics businesses	4,721	[581]	+40	[-33]
Steel plate related business	1,647	[82]	+70	[-6]
Functional materials related business	1,240	[69]	-13	[±0]
Real estate related business	5	[2]	±0	[+1]
Other businesses	834	[63]	+21	[±0]
Corporate (common)	533	[46]	+38	[+8]
Total	19,067	[2,528]	+237	[-87]

Note: 1. "Number of employees" consists of the number of employees who are working within the Group as of the date above, excluding those who are seconded to companies outside the Group and including those who are seconded from companies outside the Group to any of the group companies. In addition to the number of employees, the number of temporary workers is shown in [ ] as an annual average.

2. The temporary workers include contract employees, associate employees and part-time workers, and exclude temps dispatched from staffing agencies.

3. The employees in the category of "Corporate (common)" refer to the employees who belong to administrative departments that cannot be classified under any specific business segment.

2) Employees of the Company

Number of employees		Year-on-year change in number	Average age (years)	Average years of service
Male	371 [34]	+18 [+6]	43.6	18.3
Female	162 [12]	+20 [+2]	39.2	13.7
Total	533 [46]	+38 [+8]	42.3	16.9

Note: 1. "Number of employees" consists of the number of employees who are working within the Group as of the date above, excluding those who are seconded to companies outside of the Group and including those who are seconded from companies outside of the Group to any of the group companies. In addition to the number of employees, the number of temporary workers is shown in [ ] as an annual average.

2. The temporary workers include contract employees and part-time workers, and exclude temps dispatched from staffing agencies.

3. All employees of the Company are classified under the "Corporate (common)" category in the table of the previous section 13 (1).

**14. Major Lenders (as of March 31, 2026)**

Lender	Loan amount (million yen)
Sumitomo Mitsui Banking Corporation	86,814
Sumitomo Mitsui Trust Bank, Limited	17,857
MUFG Bank, Ltd.	15,892

**15. Other Material Matters Concerning Current Status of the Group**

Not applicable.

## II. Current Status of the Company

### 1. Equity of the Company (as of March 31, 2026)

- 1) Number of shares authorized: 450,000,000 shares
- 2) Number of shares issued: 153,162,162 shares
- 3) Number of shareholders: 15,384
- 4) Major shareholders (Top ten):

Name	Number of shares held (in thousands)	Ownership ratio (%)
Toyo College of Food Technology	16,767	11.1
The Master Trust Bank of Japan, Ltd. (Trust account)	15,394	10.2
Toyo Institute of Food Technology	12,499	8.3
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	8,048	5.3
Custody Bank of Japan, Ltd. (Trust account)	6,593	4.4
Fukoku Mutual Life Insurance Company	5,600	3.7
The Gunma Bank, Ltd.	4,219	2.8
Sumitomo Mitsui Banking Corporation	3,250	2.2
HANKYU CULTURE FOUNDATION	2,940	1.9
Sumitomo Mitsui Trust Bank, Limited	2,058	1.4

- Note:
1. In addition to the above-stated shares, the Company holds 2,323,863 treasury shares.
  2. The 2,323,863 treasury shares are excluded from the total shares issued in calculation of the ownership ratio.
  3. The treasury shares do not include the shares held by the board benefit trust for directors.

- 5) Status of shares delivered to directors as compensation for performance of their duties for the year under review

There are no applicable items to be reported under this section. The details of the Company's equity compensation scheme are provided in section 3.3 Compensation for Directors and Audit and Supervisory Board Members.

- 6) Other material information about the equity

- i) Disposal of treasury shares

The Company resolved, at the Board of Directors Meeting held on November 29, 2024, to introduce a restricted share incentive plan for the Group's employees through the Employee Shareholding Association of Toyo Seikan Group Holdings (the "Association") and, as a method to implement the plan, to dispose of treasury shares through a third-party allotment to the Association. The details of the disposal completed on May 14, 2025 are as follows:

Payment date:	May 14, 2025
Class and number of shares allotted:	91,560 common shares of the Company
Allotment price per share:	2,343.5 yen
Total allotment price:	214,570,860 yen
Allotment method:	Third-party allotment
Allottees:	Employee Shareholding Association of Toyo Seikan Group Holdings (91,560 shares)

ii) Share repurchase

The Company completed a share repurchase program based on the resolution of the Board of Directors Meeting held on February 28, 2025. The details of the share repurchase program are as follows:

Class of shares purchased:	Common shares of the Company
Number of shares purchased:	10,546,000 shares
Total purchase price:	29,999,866,950 yen
Period of purchase:	From March 3, 2025 to September 18, 2025 (trade date basis)

iii) Cancellation of treasury shares

The Company completed a cancellation of treasury shares based on the resolution of the Board of Directors Meeting held on September 29, 2025. The details of the cancellation are as follows:

Class of shares cancelled:	Common shares of the Company
Number of shares cancelled:	10,000,000 shares (6.1% of the total number of shares issued before the cancellation)
Total number of shares issued after the cancellation:	153,162,162 shares
Date of cancellation:	October 6, 2025

iv) Disposal of treasury shares

The Company resolved, at the Board of Directors Meeting held on December 19, 2025, to introduce a restricted share incentive plan for the Group's employees through the Employee Shareholding Association of Toyo Seikan Group Holdings (the "Association") and, as a method to implement the plan, to dispose of treasury shares through a third-party allotment to the Association. The details of the disposal completed on May 14, 2026 are as follows:

Payment date:	May 14, 2026
Class and number of shares allotted:	214,000 common shares of the Company
Allotment price per share:	3,830 yen
Total allotment price:	819,620,000 yen
Allotment method:	Third-party allotment
Allottees:	Employee Shareholding Association of Toyo Seikan Group Holdings (214,000 shares)

## 2. Stock Acquisition Rights

Not applicable.

### 3. Directors and Auditors of the Company

#### 3.1 Directors and Audit and Supervisory Board Members (as of March 31, 2026)

Title	Name	Responsibility and significant concurrent positions
Chairman and Director	Ichio Otsuka	- Chairman of Group Sustainability Committee
President and Representative Director	Takuji Nakamura	- Chairman of Group Risk and Compliance Committee - Chief Technology Officer - Head of Technical Development
Director	Masakazu Soejima	- Senior Executive Officer - Chief Financial Officer - Head of Corporate Strategy - Investor Relations and Procurement Strategy - Director of Toyo Seikan Co., Ltd.
Director	Kazuo Murohashi	- Executive Officer - Human Resources, HR Development, Sustainability and Risk & Compliance
Director	Kouki Ogasawara	- Executive Officer - General Affairs, Legal Affairs, IT and Information Management
Director	Mami Taniguchi	- Professor, Faculty of Commerce / Graduate School of Commerce, Waseda University
Director	Kenzo Oguro	- Certified public accountant - Representative director of Yamato Partners Corporation - Outside auditor of TOKYO MOKUZAI SOHGO ICHIBA Co., Ltd.
Director	Mizuho Taneoka	- President and representative director of Gränges Japan Ltd.
Director	Yoshihiro Ikegawa	- Outside director of Obayashi Corporation
Standing Audit and Supervisory Board Member	Shunji Tanaka	- Auditor of Toyo Seikan Co., Ltd. - Auditor of Toyo Kohan Co., Ltd. - Auditor of Toyo Glass Co., Ltd. - Auditor of Toyo Aerosol Industry Co., Ltd.
Standing Audit and Supervisory Board Member	Takehiro Noma	- Auditor of Tokan Kogyo Co., Ltd. - Auditor of Nippon Closures Co., Ltd. - Auditor of Mebius Packaging Co., Ltd. - Auditor of TOMATEC Co., Ltd. - Auditor of Nippon Tokan Package Co., Ltd.
Audit and Supervisory Board Member	Ikuko Akamatsu	- Certified public accountant - Certified fraud examiner - Outside auditor of SBI Shinsei Bank, Limited - Outside director (Audit and supervisory committee member) of Mitsubishi UFJ Securities Holdings Co., Ltd. - Outside director of Nippon Kayaku Co., Ltd. - Outside auditor of BROTHER INDUSTRIES, LTD.
Audit and Supervisory Board Member	Kaoru Hattori	- Attorney-at-law of Nagashima Ohno & Tsunematsu - Trustee of The Sasakawa Peace Foundation - Outside director of NEXON Co., Ltd.

Note: 1. Mami Taniguchi, Kenzo Oguro, Mizuho Taneoka and Yoshihiro Ikegawa are Outside Directors.  
2. Ikuko Akamatsu and Kaoru Hattori are Outside Audit and Supervisory Board Members.

3. The Company has registered Mami Taniguchi, Kenzo Oguro, Mizuho Taneoka, Yoshihiro Ikegawa, Ikuko Akamatsu and Kaoru Hattori as independent directors with the Tokyo Stock Exchange (TSE) under the TSE's independent criteria.
4. Shunji Tanaka and Takehiro Noma, Standing Audit and Supervisory Board Members, have experience as officers managing the Company's group companies and considerable insight into finance and accounting.
5. Ikuko Akamatsu, Audit and Supervisory Board Member, is a certified public accountant and certified fraud examiner and has considerable insight into finance and accounting.
6. Resignation from significant concurrent position during the year under review is as follows:

Title	Name	Significant concurrent positions	Date of resignation
Director	Kenzo Oguro	Representative partner of Yamato Audit Corporation	August 31, 2025
Audit and Supervisory Board Member	Ikuko Akamatsu	Council member of the Japanese Institute of Certified Public Accountants	July 23, 2025

### 3.2 Outline of Liability Insurance Contract for Directors

The Company has entered into a liability insurance contract with an insurance company for directors, auditors, operating officers and managers of the Company and its group companies in accordance with Article 430-3, Paragraph 1 of the Companies Act. The contract covers compensation for damages and court costs to be borne by the insured in the event that claims for damages are made by shareholders, companies, employees or other third parties due to the insured's business activities during the insurance period. The full premiums of the insurance are borne by the Company and its group companies, not by the insured.

### 3.3 Compensation for Directors and Audit and Supervisory Board Members

#### 1) Policy for the determination of directors' compensation

The Company's Board of Directors adopted at its meeting held on June 23, 2023 the policy for determining the details of compensation for individual directors. Prior to the resolution, the Board consulted with the Company's Governance Committee, a voluntary advisory body consisting of the representative director and the independent outside directors, and received a report from the committee.

The Board has confirmed that the determination method and the determined details of compensation for individual directors for the year under review are consistent with the directors' compensation policy and that the report from the Governance Committee has been reflected in the determination process, as required in the policy.

The details of the policy are as follows:

#### a) Basic policy

The compensation scheme for the directors of the Company shall be based on the following basic policy.

The scheme shall:

- i) be for the sake of the realization of the Group's management philosophy (the management policy, creed and vision);
  - ii) provide an appropriate level of director compensation that enables the Company to secure highly capable directors;
  - iii) be able to foster a sense of contribution to a medium- to long-term improvement in business performance and corporate value;
  - iv) be transparent and objective and tied to the Group's business performance;
  - v) allow the directors to share perspectives on profitability with shareholders and foster awareness of shareholder-oriented management; and
  - vi) contribute to encouraging appropriate risk-taking in business operations.
- b) Determination of the amounts of basic compensation (in cash) as well as the timing and conditions of payment of the compensation

The basic compensation for directors shall be paid in cash every month as a fixed compensation and the amount for each director shall be determined according to their positions and responsibilities.

- c) Determination of the details of performance-linked compensation and the method of calculating the compensation amount as well as the timing and conditions of payment of the compensation

The performance-linked compensation consists of performance-linked bonus (paid in cash) as a short-term incentive and performance-linked equity compensation using a board benefit trust system as a medium- to long-term incentive.

The performance-linked bonus is paid to executive directors in June of each year, aiming to raise awareness of financial performance improvement for each fiscal year. The bonus amount is calculated based on the degree of achievement of each year's financial target measured with net sales, operating income and operating income margin, all on a consolidated basis, which we select as key performance indicators (KPIs).

The target net sales and operating income are determined by the Board of Directors every year based on the estimated net sales and operating income for the relevant fiscal year we announce in the summary of financial results for the previous year, while the target operating income margin\* is set at the level of "the recent five-year average plus 0.5 percent."

Note\*: The operating income margin target is set within the range from minus 2% to plus 5% of "the simple average of annual operating margins for the past five years plus 0.5%."

The performance-linked equity compensation is paid in shares of the Company to executive directors at the time of their retirement. The number of shares delivered to each director corresponds to the number of points given to the director based on the position and responsibility of the director and the degree of achievement of three performance indicators we set as KPIs related to our medium- to long-term management plan to motivate the directors to contribute to growth in corporate value over the medium- to long-term. The three indicators are ROE, EBITDA and a sustainability index.

The targets of the performance indicators are decided upon the approval of the Board of Directors through examination by the Governance Committee. The target levels of ROE and EBITDA are set based on the financial targets in the medium- to long-term management plan, while the sustainability index target is determined by taking account of the general progress of ESG related activities, including the implementation of the Eco Action Plan 2030, our environmental action guidelines.

- d) Determination of the mix of the compensation components for individual directors

The determination of the mix of compensation components for executive directors shall be based on the premise that the director compensation is set at an appropriate level that allows the Company to secure talented executives who can contribute to continuous development of the Group's business, in accordance with its management philosophy. The mix shall be determined according to the directors' respective duties and responsibilities so as to provide an appropriate incentive to improve financial performance, taking account of the business environment surrounding the Company and the compensation structures of peer group companies that are shown by external surveys.

As a benchmark peer group, we refer to manufacturing companies listed on the Prime Market of the Tokyo Stock Exchange with annual sales of 500 billion to 1 trillion yen to determine the appropriateness of our compensation structure, taking into consideration the results of surveys on directors' compensation, among others.

We adopt a composition of 50% basic, 33% short-term performance-linked, and 17% medium- to long-term performance-linked compensation (based on the standard performance).

Directors who are not executive directors will receive only basic compensation based on their responsibilities.

- e) Determination of the details of compensation for individual directors

In order to ensure transparency and objectivity, the types of director compensation and their mix, amounts and calculation methods shall be discussed in advance by the Governance Committee, a voluntary advisory body consisting of the representative director(s) and the independent outside

director(s), and shall be determined by the Board of Directors based on the committee's report. The amounts shall be determined up to the maximum total amount of annual compensation approved by the general shareholders meeting. Provided that the President of the Company may determine the amounts and calculation methods under the delegation of the Board of Directors based on the report of the Governance Committee.

With respect to compensation amounts for individual directors, the President of the Company shall determine the amount of basic compensation of each director as well as the amount of performance-linked bonus and the number of points for performance-linked equity compensation of each executive director under the delegation of the Board of Directors based on the decision of the Board of Directors on the types of director compensation and their mix, amounts and calculation methods.

## 2) Total amount of compensation for Directors and Audit and Supervisory Board Members

	Basic compensation		Bonus (in cash)				Non-cash compensation		Total Amount (million yen)
	Fixed		Fixed		Performance-linked		Performance-linked		
	Number of persons	Amount (million yen)	Number of persons	Amount (million yen)	Number of persons	Amount (million yen)	Number of persons	Amount (million yen)	
Directors (of the above, outside directors)	9 (4)	214 (43)	- (-)	- (-)	5 (-)	124 (-)	5 (-)	56 (-)	395 (43)
Audit and Supervisory Board Members (of the above, outside auditors)	4 (2)	63 (21)	2 (-)	8 (-)	- (-)	- (-)	- (-)	- (-)	71 (21)
Total (of the above, outside directors and auditors)	13 (6)	277 (64)	2 (-)	8 (-)	5 (-)	124 (-)	5 (-)	56 (-)	466 (64)

Note: 1. The 110th Ordinary General Meeting of Shareholders held on June 23, 2023, resolved that the total amount of compensation paid to Directors shall be no more than 490 million yen per year, including up to 80 million yen per year for Outside Directors, excluding the employee salary portion for Directors concurrently serving as employees. The number of Directors at the close of the 110th Ordinary General Meeting of Shareholders was nine (including four outside directors).

The 108th Ordinary General Meeting of Shareholders held on June 25, 2021, also resolved that the Company would introduce, in addition to the cash compensation system, a performance-linked equity compensation scheme, and the 110th Ordinary General Meeting of Shareholders adopted a partial revision to the scheme. In the scheme, the Company contributes up to 500 million yen for five fiscal years to acquire its shares to be delivered to Directors (other than Outside Directors), and the maximum total number of points granted to Directors (other than Outside Directors) shall be 100,000 points per fiscal year (one point is equivalent to one share). The number of eligible directors for the scheme was five as of the close of the 110th shareholders meeting.

2. The 104th Ordinary General Meeting of Shareholders held on June 27, 2017, resolved that the total amount of compensation paid to Audit and Supervisory Board Members shall be no more than 110 million yen per year. The number of Audit and Supervisory Board Members at the close of the 104th Ordinary General Meeting of Shareholders was five (including three Outside Audit and Supervisory Board Members).

3. As for the details of the performance indicators to determine the performance-linked compensation (KPIs), the reasons for selecting these indicators, and the calculation method of the performance-linked compensation, please refer to the item c) of the previous section 1) Policy for the determination of directors' compensation.

The performance-linked compensation for the year under review (fiscal 2025) was based on the KPIs for the year, for which actual results were net sales of 963,213 million yen, operating income of 52,005 million yen, and an operating income margin of 5.28 percent\* on a consolidated basis, against their targets of 960 billion yen, 50 billion yen and 4.69 percent, respectively. The performance-linked equity compensation for the year under review was also based on the KPIs for the year, for which the actual ROE and EBITDA were 8.1 percent and 106.3 billion yen, respectively. The Company achieved only the ROE target set in the Medium-Term Management Plan 2025. The sustainability index was rated as "D" out of the five grades of S, A, B, C, and D. The rating has been determined based on the achievement of environmental targets set in the Eco Action Plan 2030.

\* The actual operating income margin as a KPI for directors' compensation determination takes into account the impact of impairment losses, and thus may become lower than the operating income margin based on the published statement of income.

4. The non-cash compensation is paid in shares of the Company. For the conditions of share allotment and other details, please refer to the item c) of the previous section 1) Policy for the determination of directors' compensation. The status of delivery of shares for the year under review is shown in the previous section 1 (5) Status of shares delivered to directors as compensation for performance of their duties for the year under review.
5. With respect to the compensation amount for individual directors, Takuji Nakamura, President of the Company, has determined the amounts of basic compensation for each director, performance-linked cash compensation (bonus) for each executive director, and bonus for each outside director under the delegation of the Board of Directors based on its decision on the types of director compensation and their mix, amounts and calculation methods. The Board of Directors' decision is in accordance with the report issued by the Governance Committee based on prior discussion on the compensation amount for individual directors, and the amount has been determined up to the maximum total compensation amount approved by the shareholders meeting. The delegation to the president is on the grounds that the president is deemed appropriate to determine the compensation amount for individual directors by taking into consideration overall business performance of the Company and duties of individual directors.

### 3.4 Outside directors and auditors

- 1) Significant positions concurrently held by Outside Directors (in the case where the relevant director executes business or serves as an outside director or auditor at a corporation other than the Company)

Name	Significant concurrent positions outside the Company
Kenzo Oguro	Representative director of Yamato Partners Corporation Outside auditor of TOKYO MOKUZAI SOHGO ICHIBA Co., Ltd.
Mizuho Taneoka	President and representative director of Gränges Japan Ltd.
Yoshihiro Ikegawa	Outside director of Obayashi Corporation

- Note: 1. There are no special interests between the Company and Yamato Partners Corporation.  
 2. There are no special interests between the Company and TOKYO MOKUZAI SOHGO ICHIBA Co., Ltd.  
 3. There are no special interests between the Company and Gränges Japan Ltd.  
 4. There are no special interests between the Company and Obayashi Corporation.

- 2) Significant positions concurrently held by Outside Audit and Supervisory Board Members (in the case where the relevant auditor executes business or serves as an outside director or auditor at a corporation other than the Company)

Name	Significant concurrent positions outside the Company
Ikuko Akamatsu	Outside auditor of SBI Shinsei Bank, Limited Outside director (Audit and supervisory committee member) of Mitsubishi UFJ Securities Holdings Co., Ltd. Outside director of Nippon Kayaku Co., Ltd. Outside auditor of BROTHER INDUSTRIES, LTD.
Kaoru Hattori	Attorney-at-law (Nagashima Ohno & Tsunematsu) Trustee of The Sasakawa Peace Foundation Outside director of NEXON Co., Ltd.

- Note: 1. There are no special interests between the Company and SBI Shinsei Bank, Limited.  
 2. There are no special interests between the Company and Mitsubishi UFJ Securities Holdings Co., Ltd.  
 3. There are no special interests between the Company and Nippon Kayaku Co., Ltd.  
 4. There are no special interests between the Company and BROTHER INDUSTRIES, LTD.  
 5. There are no special interests between the Company and Nagashima Ohno & Tsunematsu.  
 6. There are no special interests between the Company and The Sasakawa Peace Foundation.  
 7. There are no special interests between the Company and NEXON Co., Ltd.

3) Major activities in the year under review

Each Outside Director sufficiently fulfilled management supervisory functions by providing advice and making proposals in a proper and timely manner to ensure the validity and appropriateness of decision-making by the Board of Directors.

Each Outside Audit and Supervisory Board Member sufficiently fulfilled auditing functions by expressing questions and opinions necessary for deliberations at the Board of Directors meetings as well as exchanging opinions and discussing audit matters at the Audit and Supervisory Board meetings.

Name	Position	Record of attendance		Status regarding the expression of opinion and the performance of duties to fulfill expected roles as outside directors and auditors
		Board of Directors Meeting	Audit and Supervisory Board Meeting	
Mami Taniguchi	Outside Director	14 out of 14 times	-	She has acquired expert knowledge and extensive experience as a university professor in international business administration and strategic human resource management, including human capital management; diversity management with knowledge and experience contributing to promoting innovation, and has her long-term track record as a chairperson and a member of Japanese government study groups and committees organized by the Ministry of Economy, Trade and Industry, the Ministry of Health, Labour and Welfare, the Cabinet Office, and other ministries. With her knowledge and experience, she was expected to provide supervision and advisory support for general management issues from an objective perspective independent from the Company's management. She has expressed opinions on a wide range of management issues from a broader, practical viewpoint, especially through careful monitoring from a global perspective and a standpoint of alignment between strategy and human resources, thereby contributing to improving the quality of strategic decision-making within the Group. She has properly performed her duties to secure the validity and appropriateness of the Company's decision-making by providing supervision and advisory support, in particular, for the Group's risk management in overseas operations, including human capital management, based on insights into the latest global management trends obtained through her overseas academic networks. As a member of the Governance Committee, she has also engaged in discussions on the nomination of executive candidates and the remuneration of directors and officers from an independent and objective standpoint.

Kenzo Oguro	Outside Director	14 out of 14 times	-	<p>With the expert knowledge and extensive experience he has acquired as a certified public accountant and as an M&amp;A advisor managing various global projects for many years, he was expected to contribute to continuous growth of the Group and a further increase in its corporate value by providing supervision and advisory support for matters related to accounting and M&amp;A from an objective perspective independent from the Company's management. He has properly performed his duties to secure the validity and appropriateness of the Company's decision-making by providing supervision and advisory support, in particular, for risk control and post-merger integration strategies in M&amp;A projects. As a member of the Governance Committee, he has also engaged in discussions on the nomination of executive candidates and the remuneration of directors and officers from an independent and objective standpoint.</p>
Mizuho Taneoka	Outside Director	14 out of 14 times	-	<p>As an executive manager, he has acquired a broad range of knowledge and experience in sales and business management in Japan and overseas for many years. With his knowledge and experience, he was expected to contribute to continuous growth of the Group and a further increase in its corporate value by providing supervision and advisory support for various matters, including the development of our overseas and new businesses. He has properly performed his duties to secure the validity and appropriateness of the Company's decision-making by providing supervision and advisory support, in particular, for the Group's response to changes in the business environment of overseas operations, from an executive manager's perspective. As a member of the Governance Committee, he has also engaged in discussions on the nomination of executive candidates and the remuneration of directors and officers from an independent and objective standpoint.</p>
Yoshihiro Ikegawa	Outside Director	14 out of 14 times	-	<p>As an executive manager, he has acquired a broad range of knowledge and experience in management strategy in Japan and overseas for many years. With his knowledge and experience, he was expected to contribute to continuous growth of the Group and a further increase in its corporate value by providing supervision and advisory support for portfolio management, including strategy planning, and other various matters. He has properly performed his duties to secure the validity and appropriateness of the Company's decision-making by providing supervision and advisory support, in particular, for business portfolio management and enhancement of business platforms of the Group, from an executive manager's perspective. As a member of the Governance Committee, he has also engaged in discussions on the nomination of executive candidates and the remuneration of directors and officers from an independent and objective standpoint.</p>

Ikuko Akamatsu	Outside Audit and Supervisory Board Member	14 out of 14 times	18 out of 18 times	She has properly expressed opinions from a professional viewpoint as a certified public accountant and certified fraud examiner.
Kaoru Hattori	Outside Audit and Supervisory Board Member	14 out of 14 times	18 out of 18 times	She has properly expressed opinions from a professional viewpoint as an attorney-at-law.

Note: In addition to the above-mentioned meetings, the Outside Audit and Supervisory Board Members, along with other members of the Audit and Supervisory Board, have actively been engaged in activities such as exchanging views and opinions with directors and auditors of major group companies and the accounting auditor of the Company.

#### 4) Outline of the limited liability agreement

In accordance with Article 427, Paragraph 1 of the Companies Act, the Company has signed with each Outside Director and Outside Audit and Supervisory Board Member an agreement which limits the liability under Article 423, Paragraph 1 of the Companies Act. Based on the agreement, the maximum amount of liability for each of them shall be the higher of either 10 million yen or the amount set by the Companies Act.

## 4. Accounting Auditor

### 4.1 Name of Accounting Auditor: KPMG AZSA LLC

### 4.2 Auditor's fees

(in millions of yen)

Category	Amount of fees for audit and assurance services	Amount of fees for non-audit services
The Company	88	-
Consolidated subsidiaries	186	-
Total	275	-

- Note:
1. The audit agreement entered into by the Company and the Accounting Auditor does not clearly distinguish between audit fees derived from audits under the Companies Act and that derived from audits under the Financial Instruments and Exchange Act, and practically cannot do so. Therefore, the payment amount under "Amount of fees for audit and assurance services" for the Company in the above table shows the combined amount of such audit fees.
  2. The Audit and Supervisory Board carefully examined the Accounting Auditor's explanation of the accounting audit plan for the year under review, the results of the previous year's audit work, the implementation status of its audit activities, and the calculation basis for its audit fee estimates. Based on the explanation, the Audit and Supervisory Board has determined that the amount of fees to be paid to the Accounting Auditor is appropriate and has approved it.

Among the Company's major subsidiaries, Stolle Machinery Company, LLC has been subject to statutory audits (limited only to audits under the Companies Act or the Financial Instruments and Exchange Act, or any foreign law equivalent to the foregoing Japanese laws) by certified public accountants or audit corporations other than the Company's Accounting Auditor, including those who hold foreign licenses equivalent to licenses required for the foregoing entities in Japan.

**4.3 Company's policy for the decision on dismissal or non-reappointment of the Accounting Auditor**

If the Audit and Supervisory Board determines that the Accounting Auditor has become significantly inappropriate for the Company's accounting auditor, including the case where the Accounting Auditor has violated any of its professional obligations, neglected its duties or committed any misconduct, the board shall dismiss the Accounting Auditor with its unanimous consent in accordance with the provisions of Article 340, paragraph 1 of the Companies Act.

In addition, if the Accounting Auditor cannot properly perform its duties due to the occurrence of circumstances that impair qualification and/or independence of the Accounting Auditor, or if the board determines that the replacement of the Accounting Auditor should be reasonable to enhance the appropriateness of audits, the board shall determine a proposal for the dismissal or refusal of reelection of the Accounting Auditor, which will be submitted to the General Meeting of Shareholders.

## 5. System to Ensure Appropriateness of Business and Its Operating Status

### 5.1 System to Ensure Appropriateness of Business

The Company's Board of Directors has resolved the following to establish systems and frameworks that ensure the appropriateness of business operations.

- 1) System to ensure that performance of duties by directors and employees of the Company and its group companies complies with laws and regulations and the Articles of Incorporation
  - a) The Company shall formulate the Toyo Seikan Group Sustainability Charter as well as the Toyo Seikan Group Action Policy and the Toyo Seikan Group Code of Conduct, which provide standards for directors, officers, and employees of the Company and its group companies (collectively "Directors and Employees") to comply with laws and regulations, the Articles of Incorporation and corporate ethics.
  - b) The Company shall establish the Group Risk and Compliance Committee, which governs the entire Group's commitment to compliance. Under the supervision of the committee, the Company shall provide training opportunities for Directors and Employees to fully understand compliance-related issues.
  - c) The Company and its group companies shall develop a system of reporting and consultation about compliance issues for the prevention, early detection and correction of compliance violations. They shall establish internal and external compliance hotlines to provide a means for their employees to directly report law violations and alleged non-compliance, and set rules for operating the hotline system.
- 2) System to retain and manage information regarding performance of duties by directors of the Company and its group companies
  - a) In accordance with laws and regulations and internal regulations, the Company and its group companies shall record and retain all information related to the performance of duties by their directors, including minutes of shareholders meetings, board of directors meetings and management meetings, deliberation records and approval documents, in a hard copy or electronic form, in an appropriate and easy-to-search manner, for a period of time set forth by the relevant regulations, to allow their directors and auditors to access such information at all time.
  - b) The Company shall oversee information management of the Company and its group companies under the supervision of the Group Risk and Compliance Committee, and formulate rules to ensure appropriate information management across the Group.
- 3) Rules and framework to control the risk of loss to the Company and its group companies
  - a) The Company shall formulate the Group Risk and Crisis Management Regulations and establish a group-wide risk and crisis management framework under the supervision of the Group Risk and Compliance Committee. Through this framework, the Company shall check the risk management status at its group companies and take improvement and corrective measures as necessary.
  - b) In the event of an emergency, the Company shall establish a crisis management headquarters that supervises group companies' emergency control action, or relevant group companies shall individually establish a crisis management headquarters, as appropriate, to prevent and minimize the spread of damage to the entire Group.
- 4) System to ensure efficient performance of duties by directors of the Company and its group companies
  - a) The Company shall stipulate matters to be resolved and reported at the Board of Directors meetings. The Board of Directors shall hold regular meetings monthly in principle, and additional meetings as needed, to ensure appropriate and quick decision-making on important issues related to the Group's management policies, management strategies and business execution.
  - b) The Company shall stipulate matters to be deliberated and reported at its management meetings, which shall be held three times per month in principle, and additionally as needed, to discuss issues related to important business execution by the Company and its group companies and thereby improve the efficiency and effectiveness of deliberations at the Board of Directors meetings. Individual group companies shall also set up management meetings, in principle, to improve the efficiency and effectiveness of deliberations at their board of directors meetings.

- c) Business operations based on resolution by the board of directors of the Company or its group companies shall be implemented by departments in charge in accordance with the rules on division of duties and approval authorities established by the Company, or by group companies with prior consultation with the Company. The directors shall examine and correct the status of such operations as needed.
- 5) Other systems to ensure appropriate business operations of the Company and its group companies
  - a) The Company, as the holding company that manages operations across the Group, shall hold regular meetings with its group companies to check and review the status of their business operations and performance.
  - b) The Company shall formulate the Rules for the Management and Administration of Group Companies and develop a framework to manage and support its group companies, including a business operation reporting system, to ensure appropriate management of each group company.
  - c) The internal audit division of the Company shall audit the internal control systems of the Company and its group companies and report the results to the Representative Director of the Company.
  - d) The Company and its group companies shall establish and operate necessary and appropriate internal control systems to ensure proper financial reporting in accordance with the Financial Instruments and Exchange Act and other applicable laws and regulations.
- 6) System related to assignment of audit assistants; and matters related to ensuring their independence from directors and the effectiveness of auditors' directions
  - a) Directors shall appoint employees as dedicated audit assistants to assist auditors in their performance of duties. The number of audit assistants required shall be determined in consultation with auditors.
  - b) Audit assistants shall be directed only by auditors, not by directors, in performing their duties. Evaluations of audit assistants shall be conducted by auditors, while their appointment, dismissal and transfer shall be determined by directors with the consent of the Audit and Supervisory Board.
- 7) System related to reports to auditors by directors and employees of the Company and its group companies
  - a) Directors and Employees shall report, through management meetings and other channels, to auditors as appropriate on important matters that may have an impact on business operations or performance of the Company and its group companies. Notwithstanding the foregoing, auditors may, whenever necessary, request reports from Directors and Employees and attend important meetings related to operations of the Company and its group companies.
  - b) The internal audit division of the Company shall regularly hold meetings with auditors to report the status of internal auditing, compliance and risk management of the Company and its group companies.
  - c) The Company and its group companies shall establish a reporting system that allows Directors and Employees to appropriately report to auditors on compliance-related issues.
  - d) The Company and its group companies shall establish a system to ensure that no Directors and Employees suffer detrimental treatment due to their reporting to auditors.
- 8) Other systems to ensure effective audits by auditors
  - a) Auditors shall enhance their audit processes by exchanging information and opinions with the representative director, the internal audit division and the accounting auditor.
  - b) When identifying an issue to address in developing and operating the Company's internal control system, auditors may express their opinions to the board of directors and request that the board of directors take measures against the issue.
  - c) The Company and its group companies shall process without delay expenses incurred during the performance of duties by their auditors, by taking into account the opinion of relevant auditors(s), except for expenses recognized as unnecessary for the execution of their duties.

- 9) Basic principles and framework to eliminate the influence of organized crime groups
  - a) The Company and its group companies shall have no association whatsoever with organized crime groups and related parties that threaten social order and security, taking a firm stand against them and decisively rejecting any unreasonable demands.
  - b) The Company and its group companies shall stipulate how to cope with organized crime groups in the Toyo Seikan Group Code of Conduct, and share it with Directors and Employees. The Company and its group companies shall establish a framework that enables them to, under the supervision of their respective general affairs departments, take prompt action against organized crime groups whenever necessary by gathering relevant information from police organizations and other authorities concerned and cooperating closely with those authorities and attorneys.

## 5.2 Operating Status of System to Ensure Appropriateness of Business

Summarized below is the operating status of the system to ensure the appropriateness of business in the year under review.

### 1) Overall internal control system

The Company and its group companies develop and operate an internal control system. Its operation status is checked by the Legal Department of the Company every year and reported to the board of directors and management meetings. In order to examine the effectiveness of the internal control system, the Internal Audit Office, which operates directly under the Representative Director of the Company, and internal audit divisions of its group companies conduct internal audits on the effectiveness, efficiency and legality of the Group's business operations and report audit results to the Board of Directors, management meetings and the Audit and Supervisory Board of the Company. The auditors of the Company and its group companies strive to increase the effectiveness and efficiency of audits and develop human resources for auditing by enhancing cooperation with their internal audit divisions, such as sharing information and opinions about material risks and audit plans and results.

### 2) Risk management

The Company and its group companies reinforce their risk management systems based on the Group Risk and Crisis Management Regulations, which are designed to prevent risks that could have an impact on business continuity, to maintain a stable foundation for their management, and to quickly restore and resume operation in the event of a crisis. The Company has established the Group Risk and Compliance Committee to supervise risk control, crisis management and compliance activities across the Group. The committee checks information related to material risks and takes necessary action to improve situations and prevent risk occurrence. In addition, the Company and its group companies individually develop crisis management rules and crisis response manuals and review their risk management status under their respective management systems.

### 3) Compliance

The Group has carried out compliance activities, such as Group Risk and Compliance Committee meetings and various training programs, with a flexible, cross-organizational approach to ensure compliance awareness and prevent violations.

The Company and its group companies endeavor to ensure that employees are properly informed of the compliance hotlines and that these hotlines are easy to use. The information received through the hotlines is investigated and addressed by the relevant division under the instruction of the officer in charge of compliance, and then reported to the Group Risk and Compliance Committee.

The Company has worked on activities to grasp the full scope of generally assumed compliance risks, identify compliance risks related to the Group's business operations, and thereby establish an appropriate compliance promotion system based on the concept of a risk-based approach.

The Company has also designated April 20 as Day of Renewed Commitment to Competition Law Compliance, to further strengthen the Group's systems for compliance with laws and regulations. On the day every year, the presidents of the Company and its group companies send all employees a message to remind them about their compliance responsibilities.

On March 13, 2026, consolidated subsidiary Nippon Tokan Package Co., Ltd. received a recommendation from the Japan Fair Trade Commission regarding printing plates and dies under the Act Against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (the "Subcontract Act") before the amendment by the amending act, on the grounds that Nippon Tokan Package Co., Ltd. violated the Subcontract Act, which continues to be governed by prior laws and regulations, pursuant to the provisions of Article 2, Paragraph 2 of the Supplementary Provisions of the Act to amend the Subcontract Act and the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises. The Group has taken this recommendation seriously and will implement the following measures to prevent recurrence:

- i) Set a key theme for Group compliance activities in fiscal 2026: the review of compliance with the Act Against Delay in Payment of Fees, etc. to Small and Medium-sized Entrusted Business Operators in Manufacturing and Other Specified Fields (the "Amended Act").
- ii) Hold an explanatory meeting on the background, cause, and key points requiring attention for the Group members in light of this recommendation.
- iii) Revise the compliance model for the Amended Act and add the following items as monitoring activities.
  - Identify dies subject to the Amended Act.
  - Check the dies subject to the Amended Act and their usage status once a year.
  - Prior to purchasing dies, agree with the supplier on the content of the transaction by using a form prepared by the Legal Department.
- iv) Carry out the review of compliance with the Amended Act, which was scheduled for fiscal 2027, one year earlier than originally planned.
- v) Provide a training session on the Amended Act by an attorney at the Group Risk and Compliance seminar.

Through these initiatives, the Group will enhance its compliance framework and strive to restore trust as a company that fulfills its social responsibilities.

#### 4) Governance Committee

The Company has established the Governance Committee, which consists of the Representative Director and the four independent Outside Directors, to further enhance corporate governance. The committee is designed to achieve more objective, transparent and timely decision-making of the Board of Directors regarding such issues as the appointment of representative directors and director and auditor candidates and the remuneration of directors and officers.

#### 5) Management of group companies

Based on the Rules for the Management and Administration of Group Companies, important decisions for a group company are discussed by such group company's management meeting before being discussed at a management meeting of the Company.

The Company regularly holds meetings with major group companies, including the Group Management Promotion Committee, to share and discuss business issues across the Group.

#### 6) Performance of duties by auditors

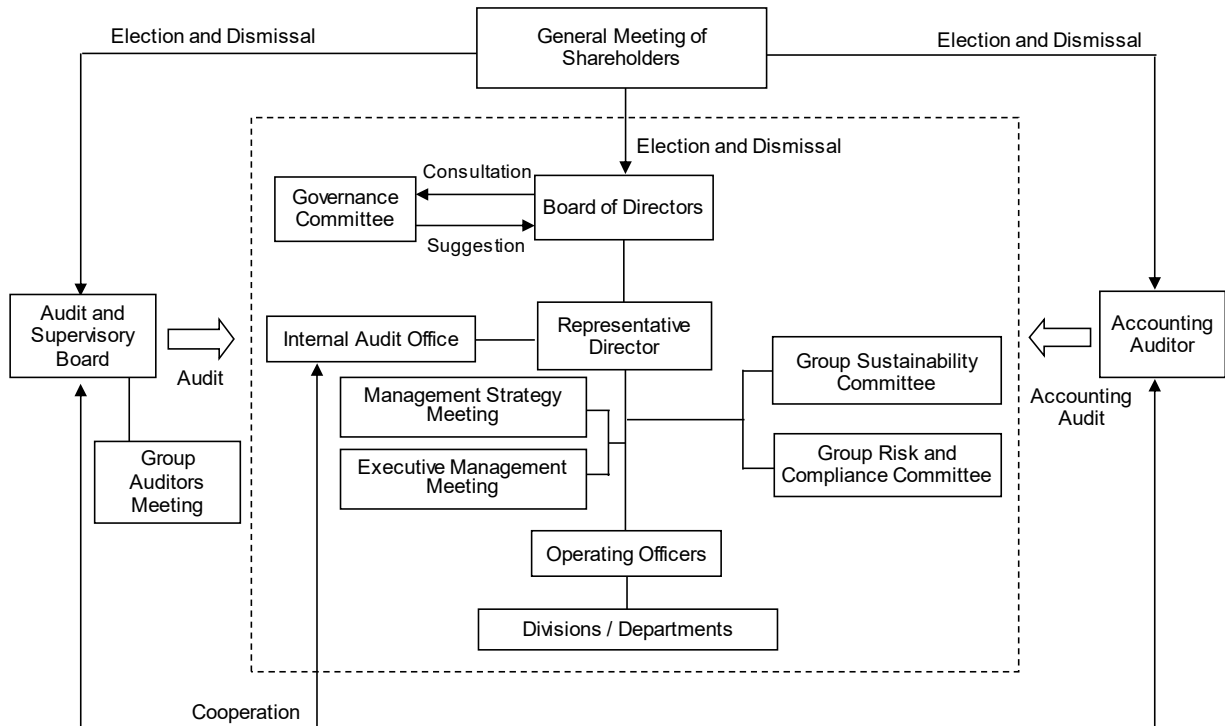
Auditors of the Company (Audit and Supervisory Board Members), including outside auditors, check and supervise the business execution status through holding Audit and Supervisory Board Meetings (18 times during the year under review) and receiving report on important management issues at the Board of Directors meeting and the management meeting, which is attended by standing auditors of the Company.

Auditors of the Company, including outside auditors, appropriately share management issues with directors and auditors of major group companies and the accounting auditor of the Company through regular meetings and other opportunities to exchange opinions.

<Reference>

The corporate governance structure of the Company is as follows:

The Company's Corporate Governance Structure



### **Board of Directors**

The Board of Directors, established as a management decision-making and supervising body, is composed of nine members (including four outside Directors) and meets once a month in principle. The term of office of the Directors is set at one year in order to clarify their management responsibility and to flexibly establish a management system that can swiftly respond to changes in business environment. The Article of Incorporation of the Company stipulates that the number of seats on the Board of Directors shall not exceed fifteen.

### **Audit and Supervisory Board**

The Audit and Supervisory Board is responsible for auditing important management issues. It is composed of four members (including two outside Audit and Supervisory Board Members) and meets once a month in principle.

### **Management Strategy Meeting / Executive Management Meeting**

The Company has introduced an operating officer system to clarify responsibilities for management decision-making/supervisory functions and business execution function. To ensure more effective management through the development of the basic management policies and implementation of necessary measures swiftly and appropriately, it regularly conducts the Management Strategy Meeting and the Executive Management Meeting; the former is held on a monthly basis and comprised of full-time Directors, heads in charge of key organizational functions, Senior Executive Officers, Executive Officers, and the Chief of Corporate R&D, while the latter is scheduled twice a month in principle and attended by full-time Directors, heads in charge of key organizational functions, Senior Executive Officers, the Chief of Corporate R&D, and the presidents of major group companies.

Standing Audit and Supervisory Board Members attend both the Management Strategy Meeting and the Executive Management Meeting to present their opinions as appropriate.

### **Internal Audit Office**

The Internal Audit Office (consisting of nine employees including three certified internal auditors) has been established as an independent organization under the direct control of the Representative Director, and works closely with the Accounting Auditor and Audit and Supervisory Board Members by exchanging information and opinions in order to enhance the effectiveness of audits.

### **Governance Committee**

The Company has established the Governance Committee, a voluntary consultative body consisting of the representative director and the four independent outside directors, to further enhance corporate governance. The committee is designed to achieve more objective, transparent and timely decision-making of the Board of Directors regarding such issues as the appointment of representative directors and director and auditor candidates and the remuneration of directors and officers.

### **Group Auditors Meeting**

The Company has established the Group Auditors Meeting, aiming to facilitate information sharing among the audit and supervisory board members of the Company and its group companies and enhance their relationships. Through the meeting, they secure the efficiency and effectiveness of their duties.

### **Group Sustainability Committee**

The Group Sustainability Committee develops and manages the framework to promote sustainability activities and implement sustainability initiatives in order to drive sustainability management across the Group.

### **Group Risk and Compliance Committee**

The Group Risk and Compliance Committee supervises risk management, crisis management and compliance across the Group. Its responsibilities include confirming information on significant risks and preventing, mitigating and correcting risk situations.

## 6. Basic Policy for Control of the Company (the “Basic Policy”)

### 6.1 Outline of the Basic Policy

The Company believes that those who control decisions on its financial and business policies need to understand the source of the Company’s corporate value and be able to constantly and stably generate and improve the corporate value and, in turn, the common interests of its shareholders.

The Company would not necessarily reject a large-scale acquisition of its shares if such acquisition could contribute to its corporate value and shareholders’ common interests. The Company also believes that the final decision as to whether or not to accept a proposal of acquisition that leads to a change in control of the Company should be made based on the overall shareholders’ intention.

However, there have been quite a few large-scale share acquisitions performed with a purpose that could result in obvious damage to the target company’s value and its shareholders’ common interests as well as other negative outcomes. If a buyer who acquires massive amount of shares in the Company never understands the source of its corporate value nor has the capability to maintain and increase the source over the medium- to long-term, the Company’s value and its shareholders’ common interests would be impaired.

Since such buyer is not appropriate to gain control over decisions about the Company’s financial and business policies, the Company will take appropriate measures against such proposals, if any, in accordance with the Financial Instruments and Exchange Act, the Companies Act, and other relevant laws and regulations, by requesting such buyer to provide necessary and sufficient information for shareholders to make an appropriate decision on whether or not to accept the proposed large-scale share acquisition, disclosing the opinions of the Board of Directors, and securing the time and information necessary for shareholders to consider the matter.

### 6.2 Details of specific activities that contribute to the implementation of the Basic Policy

#### Medium-Term Management Plan and related actions

In May 2021, the Group formulated the Long-Term Management Vision 2050, “The Future, Wrapped for All,” in order to think about the society and the global environment from a long-term perspective to maximize the value we offer to all our stakeholders. In May 2026, as a plan to achieve further business growth based on the vision and our top-priority issues as the Materiality of Toyo Seikan Group, we formulated the Medium-Term Management Plan 2030 for the five years from fiscal 2026. We also announced, in May 2023, the Capital Efficiency Initiative 2027 as an initiative to increase returns on capital by pursuing both our growth strategy and capital and financial strategy.

#### Enhancing corporate governance

The Company believes that the enhancement of corporate governance under the Group’s management philosophy, including its management policy, creed, and vision, is one of the most important management issues in improving its corporate value and continuing new development and evolution while contributing to the society through its business activities. Based on this point of view, it has formulated the “Corporate Governance Policy” to continuously address this issue.

##### 1) Holding company structure

Under a holding company structure, the Group has been operating flexibly and effectively by setting clear management strategies and goals for the entire group and optimizing the allocation of management resources across the Group. This allows the Group to separate the functions for the development of management strategies from the business execution functions as well as to establish a more definite management responsibility structure.

##### 2) Structures of outside directors and auditors

The Company has set the Independence Criteria for Outside Directors and Auditors, which are clear standards for designating outside directors and auditors as independent directors and Independent Audit and Supervisory Board Members of the Company.

The Board of Directors is composed of nine members, four of whom are Independent Outside Directors. The Independent Outside Directors therefore represent more than one-third of the Board members. The Director’s term of office is set as one year in order to clarify the Directors’ management responsibility and flexibly establish a management system that can swiftly respond to changes in business environment.

In addition to active discussions at the Board meetings, the outside Directors and Audit and Supervisory Board Members provide monitoring on management with an objective view of an outsider, which ensures that the surveillance function for the Company's management structure works effectively.

### 3) Executive structure

The Company has adopted an operating officer system to ensure management efficiency and flexibility as well as to clarify responsibilities for management decision-making/supervisory functions and business execution functions. To ensure more effective management through developing basic management policies and implementing necessary measures swiftly and appropriately, the Company regularly conducts the Management Strategy Meeting and the Executive Management Meeting; the former is held monthly and attended by full-time Directors, heads in charge of key organizational functions, Senior Executive Officers, Executive Officers, and the Chief of Corporate R&D, while the latter is scheduled twice a month in principle and attended by full-time Directors, heads in charge of key organizational functions, Senior Executive Officers, the Chief of Corporate R&D, and the presidents of major group companies. Standing Audit and Supervisory Board Members attend the both meetings to express their opinions as appropriate. The Company provides its directors and officers with training opportunities as needed to support them in acquiring and continuously updating necessary knowledge for appropriate performance of their duties.

The Company has also established the Governance Committee, a voluntary consultative body consisting of the representative director and the four independent outside directors to further enhance corporate governance. The committee is designed to achieve more objective, transparent and timely decision-making of the Board of Directors regarding such issues as the appointment of representative directors and director and auditor candidates and the remuneration of directors and officers.

### 4) Structure of internal control system management

The Company and its group companies develop and operate an internal control system. Its operation status is checked by the Legal Department of the Company every year and reported to the Board of Directors and management meetings of the Company. In order to examine the effectiveness of the internal control system, the Internal Audit Office, which operates directly under the President of the Company, and internal audit divisions of the Company's group companies conduct internal audits on the effectiveness, efficiency and legality of the Group's business operations and report audit results to the Board of Directors, management meetings and the Audit and Supervisory Board of the Company. The audit and supervisory board members of the Company and its group companies strive to increase the effectiveness and efficiency of audits and develop human resources for auditing by enhancing cooperation with their internal audit divisions, such as sharing information and opinions about material risks and audit plans and results.

The Group will pursue the enhancement of corporate governance with the aforementioned measures, increasing the corporate value of the Company and, in turn, generating and improving the common interests of its shareholders.

## **6.3 The Board of Directors' judgment on the specific measures and the grounds for the judgment**

The Company's mid-term management plan and various other measures to strengthen corporate governance have been formulated to continuously enhance its corporate value and the common interests of its shareholders, and are fully in line with the basic policy.

Therefore, the objectives of these measures are obviously not to maintain the status of Directors and Audit and Supervisory Board Members of the Company but to contribute to its corporate value and, in turn, the common interests of its shareholders.

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Note: The amounts of money and the numbers of shares stated in this Business Report are rounded down to the nearest unit. The ratios are rounded off to the nearest unit.

**Consolidated Financial Statements****Consolidated Balance Sheet**

(As of March 31, 2026)

(in millions of yen)

<b>Assets</b>	
Current assets	
Cash and deposits	123,160
Notes and accounts receivable—trade, and contract assets	227,189
Electronically recorded monetary claims—operating	37,422
Merchandise and finished goods	122,571
Work in process	25,131
Raw materials and supplies	59,211
Other	26,659
Allowance for doubtful accounts	(3,548)
<b>Total current assets</b>	<b>617,797</b>
Non-current assets	
Property, plant and equipment	
Buildings and structures	109,701
Machinery, equipment and vehicles	123,812
Land	79,790
Construction in progress	21,700
Other	18,859
<b>Total property, plant and equipment</b>	<b>353,864</b>
Intangible assets	
Goodwill	3,973
Other	21,384
<b>Total intangible assets</b>	<b>25,357</b>
Investments and other assets	
Investment securities	169,432
Retirement benefit asset	50,761
Deferred tax assets	4,288
Other	23,119
Allowance for doubtful accounts	(3,929)
<b>Total investments and other assets</b>	<b>243,671</b>
<b>Total non-current assets</b>	<b>622,894</b>
<b>Total assets</b>	<b>1,240,692</b>

(in millions of yen)

<b>Liabilities</b>	
Current liabilities	
Notes and accounts payable—trade	112,782
Short-term borrowings	85,413
Income taxes payable	18,848
Provision for bonuses for directors	630
Provision for pollution load levy	102
Other	97,852
<b>Total current liabilities</b>	<b>315,630</b>
Non-current liabilities	
Bonds payable	20,000
Long-term borrowings	98,076
Deferred tax liabilities	25,638
Provision for special repairs	6,224
Provision for pollution load levy	1,660
Provision for retirement benefits for directors	1,266
Provision for share awards for directors	417
Retirement benefit liability	30,988
Other	13,194
<b>Total non-current liabilities</b>	<b>197,467</b>
<b>Total liabilities</b>	<b>513,098</b>
<b>Net assets</b>	
Shareholders' equity	
Capital stock	11,094
Capital surplus	11,673
Retained earnings	528,229
Treasury shares	(7,159)
<b>Total shareholders' equity</b>	<b>543,838</b>
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	69,594
Deferred gains or losses on hedges	(74)
Foreign currency translation adjustment	53,747
Remeasurements of defined benefit plans	30,597
<b>Total accumulated other comprehensive income</b>	<b>153,865</b>
<b>Non-controlling interests</b>	<b>29,889</b>
<b>Total net assets</b>	<b>727,593</b>
<b>Total liabilities and net assets</b>	<b>1,240,692</b>

## **Consolidated Statement of Income**

(From April 1, 2025 to March 31, 2026)

	(in millions of yen)
Net sales	963,213
Cost of sales	822,699
Gross profit	140,513
Selling, general and administrative expenses	88,507
Operating income	52,005
Non-operating income	
Interest income	1,307
Dividend income	3,302
Foreign exchange gains	2,597
Share of profit of entities accounted for using equity method	3,125
Other	5,376
Total non-operating income	15,709
Non-operating expenses	
Interest expenses	3,858
Loss on retirement of non-current assets	1,635
Other	3,951
Total non-operating expenses	9,445
Ordinary income	58,270
Extraordinary income	
Gain on sale of investment securities	17,987
Gain on sale of non-current assets	2,775
Total extraordinary income	20,762
Extraordinary losses	
Impairment losses	1,756
Total extraordinary losses	1,756
Profit before income taxes	77,276
Income taxes—current	20,043
Income taxes—deferred	549
Total income taxes	20,593
Profit	56,683
Profit attributable to non-controlling interests	1,699
Profit attributable to owners of parent	54,983

**Consolidated Statement of Changes in Equity (1/2)**

(From April 1, 2025 to March 31, 2026)

(in millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,094	11,915	516,800	(9,351)	530,459
Amount of impact arising from finalization of provisional accounting treatment			91		91
Restated balance	11,094	11,915	516,892	(9,351)	530,551
Changes during period					
Purchase of shares of consolidated subsidiaries		(241)			(241)
Transfer from retained earnings to capital surplus		27,707	(27,707)		-
Dividends of surplus			(15,938)		(15,938)
Profit (Loss) attributable to owners of parent			54,983		54,983
Purchase of treasury shares				(25,751)	(25,751)
Disposal of treasury shares		(5)		240	234
Cancellation of treasury shares		(27,701)		27,701	-
Net changes in items other than shareholders' equity					
Total changes during period	-	(241)	11,337	2,191	13,287
Balance at end of period	11,094	11,673	528,229	(7,159)	543,838

**Consolidated Statement of Changes in Equity (2/2)**

(From April 1, 2025 to March 31, 2026)

(in millions of yen)

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	64,650	40	49,801	22,016	136,509	27,851	694,820
Amount of impact arising from finalization of provisional accounting treatment			3		3		94
Restated balance	64,650	40	49,804	22,016	136,513	27,851	694,915
Changes during period							
Purchase of shares of consolidated subsidiaries							(241)
Transfer from retained earnings to capital surplus							-
Dividends of surplus							(15,938)
Profit (Loss) attributable to owners of parent							54,983
Purchase of treasury shares							(25,751)
Disposal of treasury shares							234
Cancellation of treasury shares							-
Net changes in items other than shareholders' equity	4,943	(114)	3,942	8,580	17,352	2,038	19,390
Total changes during period	4,943	(114)	3,942	8,580	17,352	2,038	32,678
Balance at end of period	69,594	(74)	53,747	30,597	153,865	29,889	727,593

## **Notes to Consolidated Financial Statements**

### **◆ Significant Matters That Serve as the Basis for Preparing Consolidated Financial Statements**

#### **1. Scope of Consolidation**

(1) Number of consolidated subsidiaries and names of significant consolidated subsidiaries

Number of consolidated subsidiaries: 74

(Toyo Seikan Co., Ltd. / Toyo Kohan Co., Ltd. / Tokan Kogyo Co., Ltd. / Nippon Closures Co., Ltd. / Toyo Glass Co., Ltd. / Mebius Packaging Co., Ltd. / Toyo Aerosol Industry Co., Ltd. / TOMATEC Co., Ltd. / Can Machinery Holdings, Inc. / 65 other subsidiaries)

Included: 1 company

Excluded: 1 company

Guangzhou Nansha Stolle Machinery Co., Ltd. is included in the scope of consolidation for the year under review as it was newly established.

Stolle EMS Precision Limited is excluded from the scope of consolidation for the year under review due to the completion of its liquidation.

(2) Non-consolidated subsidiaries

The 11 non-consolidated subsidiaries, including ISHIKAWA INK CO., LTD., are excluded from the scope of consolidation since their respective total assets, sales, profit or loss (the portion corresponding to the equity held by the Company) and retained earnings (the portion corresponding to the equity held by the Company) are relatively small and have no significant impact on the consolidated financial statements.

#### **2. Application of the Equity Method**

Number of associates accounted for using the equity method: 5

(Asia Packaging Industries (Vietnam) Co., Ltd. / T&T Enertechno Co., Ltd. / TOSYALI TOYO CELIK ANONIM SIRKETI / PT FUJI TECHNICA INDONESIA / Crown Seal Public Co., Ltd.)

The non-consolidated subsidiaries (ISHIKAWA INK CO., LTD. and 10 others) and associates (Takeuchi Hi-Pack Co., Ltd., and 1 other) are not accounted for using the equity method since they have no significant importance and their respective profit or loss (the portion corresponding to the equity held by the Company) and retained earnings (the portion corresponding to the equity held by the Company) have no significant impact on the consolidated financial statements.

As for entities accounted for using the equity method with a book-closing date that is different from the book-closing date for consolidated accounting, the financial statements they prepared for their own fiscal years are used for the consolidated financial statements.

#### **3. Book-Closing Date for Accounting of Consolidated Subsidiaries**

Of the consolidated subsidiaries, 34 companies (including 6 companies stated below) close their accounts on December 31. Because the difference between their book-closing date and the book-closing date for consolidated accounting is three months or less, the financial statements they prepared for their own fiscal years are used for the consolidated financial statements.

Stolle Machinery Company, LLC

Toyo Seikan (Thailand) Co., Ltd.

Toyo Pack (Changshu) Co., Ltd.

Bangkok Can Manufacturing Co., Ltd.

Next Can Innovation Co., Ltd.

PREMIER CENTRE GROUP SDN. BHD.

As for significant transactions performed during the period between their closing date (December 31) and the consolidated closing date (March 31), necessary adjustments are made for the purposes of consolidated accounting.

#### **4. Accounting Policies**

(1) Valuation bases and methods for major assets

i) Securities

Bonds held to maturity: Valued at amortized cost by the straight-line method.

[Translation for Reference and Convenience Purposes Only]

Available-for-sale securities

Securities excluding stocks and others without quoted market prices:

Valued at fair value. (The full amount of net unrealized gain or loss is recorded in the net assets section. The cost of securities sold is determined by the moving-average method.)

Stocks and others without quoted market prices:

Valued at cost using the moving-average method.

- ii) Derivatives Valued at fair value.
- iii) Inventories Valued primarily using the weighted-average cost method. (The carrying value of inventories is subject to write-down due to lower profitability.)

(2) Depreciation and amortization methods of major assets

- i) Property, plant and equipment (excluding leased assets)  
Depreciated using the straight-line method.
- ii) Intangible assets (excluding leased assets)  
Amortized using the straight-line method.
- iii) Leased assets (related to non-ownership-transfer financial lease transactions)  
Depreciated over the lease period using the straight-line method with no residual value.

(3) Accounting standards for major allowances and provisions

- i) Allowance for doubtful accounts  
Provided at an estimated amount of uncollectible receivables based on the actual default rates for ordinary receivables and on the recoverability determined on an individual claim basis for specific doubtful accounts receivables.
- ii) Provision for directors' bonuses  
Provided at an amount that is expected to be sufficient to cover payments of bonuses to Directors.
- iii) Provision for share awards for directors  
Provided based on the estimated amount of share benefit obligations as of the end of the year under review in order to cover the future delivery of shares of the Company to Directors (other than Outside Directors) and operating officers.
- iv) Provision for retirement benefits for directors  
Provided at an estimated amount payable for retirement benefits for directors as of the end of the year under review based on internal regulations.
- v) Provision for special repairs  
Provision for periodic repairs of glass furnaces is provided at an amount equivalent to part of the expected expenses for the next repair event depending on a lapse of time from the last repair event.
- vi) Provision for pollution load levy  
Provided at an estimated amount of pollution load levy payable in the future that is reasonably estimated according to the amount of pollutant emission pursuant to the Law Concerning Pollution-Related Health Damage Compensation and Other Measures.

(4) Accounting standards for revenue and expenses

Concerning revenue from contracts with customers of the Company and its group companies, the content of primary performance obligations in relevant businesses and the timing of fulfillment of the performance obligations are as follows.

The Group's businesses mainly consist of the packaging business, the engineering, filling, and logistics businesses, the steel plate related business, the functional materials related business, and the real estate related business. The performance obligations of the packaging business are the manufacturing and delivery of packaging made of metal, plastic, paper, and glass, and the performance obligations of the engineering, filling, and logistics businesses are the manufacturing and

delivery of machinery and equipment related to packaging containers, the contract manufacturing and delivery of filled products, and cargo transportation. The performance obligations of the steel plate related business are the manufacturing and delivery of steel plate and related products, while those of the functional materials related business are the manufacturing and delivery of functional materials such as magnetic disk aluminum substrates, optical functional films, flit, pigment, and gel coat.

With respect to performance obligations to be fulfilled at a point in time, the control of goods or products are determined to transfer to customers at the time of delivery of the goods or products mainly based on contracts with customers. Therefore, such performance obligations are fulfilled when the promised goods or services are transferred to the customer, and revenue is recognized at the amount expected to be received in exchange for such goods or services. For domestic transactions, if the period from the time of shipment to the time of transfer of the control of the shipped item or product to the customer is a normal length of time, revenue is recognized at the time of shipment by applying an alternative treatment in consideration of materiality regarding revenue recognition.

For some of the machinery and equipment related to packaging containers in the engineering, filling, and logistics businesses, there are performance obligations to be fulfilled over a certain period of time. Therefore, we reasonably estimate the degree of progress in the fulfillment of the performance obligations and recognize revenue over a certain period of time based on the degree of progress. To estimate the degree of progress, we apply the input method based on the ratio of cumulative actual person-hours to the estimated total person-hours as of the closing date.

Some contracts in the packaging business and the filling business provide that raw materials purchased from a customer should be processed and sold back to the customer. In such transactions, revenue is recognized in the net amount received from the customer, less the raw material prices paid to the customer.

Some of the Company's consolidated subsidiaries offer rebates on goods and products they sell subject to the achievement of their target sales volume or sales amount. In such cases, the transaction prices are the consideration promised from customers in the contract, less the estimated amount of relevant rebates. Such rebates are estimated based on the mode approximation method in consideration of the contract terms and conditions, and are recognized only when it is highly probable that no significant reversal will occur.

The consideration promised from customers is usually collected within one year from the time when the goods or services are transferred to the customers, and does not include significant financing components.

The real estate related business mainly provides leasing services for office buildings and commercial facilities. Revenue is recognized based on lease agreements with customers in accordance with the Accounting Standard for Lease Transactions (ASBJ Statement No. 13).

(5) Other significant matters in preparing the consolidated financial statements

i) Hedge accounting method

The Company adopts the deferral hedge accounting, in principle. Certain hedge transactions, such as foreign exchange forward contracts, are treated by adopting a Japanese exceptional hedge accounting method (called *furiate-shori*) if such transactions meet the requirements of the method.

ii) Method and period of goodwill amortization

Goodwill is amortized using the straight-line method over the period for which goodwill is expected to have an effect.

If the value of goodwill is insignificant, the goodwill is amortized all at once in the fiscal year in which it is recognized.

iii) Accounting procedures regarding employees' retirement benefits

The amount of retirement benefit obligations after deducting the plan assets was reported as "Retirement benefit liability," based on the projected retirement benefits as of the end of the year under review. In calculating retirement benefit obligations, the expected amount of retirement benefit attributable to periods of service until the end of the year under review is determined on the benefit-formula basis.

Prior service cost is amortized at one time in the fiscal year in which such cost is incurred.

Actuarial gains or losses are amortized on a straight-line basis from the following year of the fiscal year of recognition over a period (10 years) within the average remaining service years for employees at the time of recognition.

Unrecognized actuarial gains or losses are reported as remeasurements of defined benefit plans under "Accumulated other comprehensive income" in the net assets section after adjusting tax effects.

◆ **Note to Accounting Estimates**

[Impairment of non-current assets]

**1. Amount recorded in the consolidated financial statements for the year under review**

Impairment losses:	1,756 million yen
Property, plant and equipment:	353,864 million yen
Intangible assets:	25,357 million yen

**2. Information on the details of important accounting estimates related to identified items**

(1) Calculation method of the amounts recorded in the consolidated financial statements for the year under review

The Group classifies owned assets based on management accounting categories; business assets are mainly classified by plant or by business category, while leasing assets and idle assets are classified by property. If an asset group shows signs of impairment, the Group determines on whether or not to recognize an impairment loss by comparing the total amount of estimated undiscounted future cash flows from the asset group with its carrying value.

Of the asset groups that showed signs of impairment in the year under review, those whose total undiscounted future cash flows exceeded the carrying value of their fixed assets were determined not to be required to recognize an impairment loss. These asset groups include certain asset groups of consolidated subsidiaries engaged in packaging operations in Japan and consolidated subsidiaries engaged in engineering operations overseas.

If the recognition of an impairment loss is required, the Group reduces the carrying value to a recoverable amount and posts the reduction in the value as an impairment loss. The recoverable amount of an asset group is the greater of its value in use or net selling value. The value in use is calculated by discounting the future cash flows to their present values with a pre-tax discount rate based on the weighted average cost of capital, while the net selling value is calculated based on the real estate appraisal value and other information.

The details of impairment losses recognized on the consolidated statements of income are presented in "1. Impairment losses," "Note to Consolidated Statements of Income" on the consolidated financial statements.

(2) Key assumptions used in the calculation of the amounts recorded in the consolidated financial statements for the year under review

The calculation of future cash flows uses several factors stated in the mid-term management plans and other business plans of individual reporting units of the Group. These plans include projections of selling prices, sales volumes, and costs based on certain assumptions, such as past experiences, growth rates and current economic prospects.

With raw material and energy prices expected to remain elevated, the Company will continue efforts to pass on increased costs to its product prices and develop business plans by taking account of the effect of these efforts to estimate future cash flows. The management judgment based on these projections

has a significant impact on estimates of future cash flows.

(3) Impact on the consolidated financial statements for the following fiscal year

While key assumptions are based on the best estimate, the timing and amount of cash flows may be affected by uncertainty of future economic conditions. If any changes to the assumptions are necessary, they may have a material impact on the consolidated financial statements for the following fiscal year.

◆ **Note to Consolidated Balance Sheet**

**1. Accumulated depreciation on property, plant and equipment:** 1,388,078 million yen

**2. Guaranteed loans**

The Company has provided credit guarantees on loans from financial institutions as follows:

- TOSYALI TOYO CELIK ANONIM SIRKETI (bank loans): 35,579 million yen  
(222 million dollars)
- TOSYALI TOYO CELIK ANONIM SIRKETI (L/C transactions): 4,105 million yen  
(25 million dollars)

◆ **Note to Consolidated Statements of Income**

**1. Impairment losses**

The Group posted impairment losses on the following asset groups.

(in millions of yen)

Location	Use of assets	Type of assets	Impairment amount (million yen)	Recoverable amount
Toyo Seikan Co., Ltd. Shiga Plant (Higashiomi-shi, Shiga)	Research and development facilities, etc.	Buildings and structures, machinery, equipment and vehicles, and others	1,557	Net selling value
Toyo Aerosol Industry Co., Ltd. (Iga-shi, Mie)	Idle assets	Construction in progress	198	Net selling value

The Group classifies owned assets based on management accounting categories; business assets are mainly classified by plant or by business category, while leasing assets and idle assets are classified by property. If an asset group shows signs of impairment, the Group determines on whether or not to recognize an impairment loss by comparing the total amount of estimated undiscounted future cash flows from the asset group with its carrying value. Of the asset groups that showed signs of impairment in the year under review, those whose total undiscounted future cash flows exceeded the carrying value of their fixed assets were determined not to be required to recognize an impairment loss. If the recognition of an impairment loss is required, the Group reduces the carrying value to a recoverable amount and posts the reduction in the value as an impairment loss.

The recoverable amounts for individual asset groups were based on their net selling values and the net selling values are determined according to the estimated disposal values.

[Translation for Reference and Convenience Purposes Only]

The following table describes the details of the impairment losses (1,756 million yen) posted under extraordinary losses.

(in millions of yen)

Location	Buildings & structures	Machinery, equipment & vehicles	Land	Construction in progress	Other (of Property, plant and equipment)	Intangible assets	Total
Toyo Seikan Co., Ltd. Shiga Plant (Higashiomi-shi, Shiga)	167	1,383	-	-	5	-	1,557
Toyo Aerosol Industry Co., Ltd. (Iga-shi, Mie)	-	-	-	198	-	-	198
Total	167	1,383	-	198	5	-	1,756

◆ Note to Consolidated Statement of Changes in Equity

1. Class and total number of shares issued

(All numbers are in thousands)

Class of shares	Number of shares at beginning of period	Increase during period	Decrease during period	Number of shares at end of period
Shares issued				
Common shares <sup>*1</sup>	163,162	-	10,000	153,162
Treasury shares				
Common shares <sup>*2, 3, 4</sup>	4,062	8,832	10,104	2,790

Note: 1. The total number of common shares issued decreased by 10,000 thousand due to the cancellation of treasury shares by the Company in accordance with Article 178 of the Companies Act.

2. The number of treasury shares includes shares of the Company held by the board benefit trust for directors (479 thousand shares at beginning of period and 467 thousand shares at end of period).

3. The breakdown of increase in treasury shares:

• Purchase of shares under the provisions of the Articles of Incorporation pursuant to Article 165, Paragraph 2 of the Companies Act:	8,830 thousand shares
• Purchase of shares in odd lots:	0 thousand shares
• Increase due to the acquisition of restricted shares without contribution	0 thousand shares

4. The breakdown of decrease in treasury shares:

• Cancellation of treasury shares pursuant to Article 178 of the Companies Act:	10,000 thousand shares
• Provision of the Company's shares held by the board benefit trust for directors:	12 thousand shares
• Decrease due to the grant of restricted shares	91 thousand shares

2. Dividends

(1) Amount of dividends paid

Resolution on the payment	Class of shares	Total payout (million yen)	Dividend per share (yen)	Record date	Effective date
Ordinary General Meeting of Shareholders on June 20, 2025	Common shares	7,340	46.00	March 31, 2025	June 23, 2025
Board of Directors Meeting on November 7, 2025	Common shares	8,597	57.00	September 30, 2025	December 1, 2025

Note: 1. The total payout resolved at the Ordinary General Meeting of Shareholders on June 20, 2025 includes dividends of 22 million yen for the Company's shares held by the board benefit trust for directors.

[Translation for Reference and Convenience Purposes Only]

2. The total payout resolved at the Board of Directors meeting on November 7, 2025 includes dividends of 26 million yen for the Company's shares held by the board benefit trust for directors.

(2) Dividends with a record date belonging to the year under review whose effective date for payment falls in the following fiscal year

Resolution on the payment	Class of shares	Dividend resource	Total payout (million yen)	Dividend per share (yen)	Record date	Effective date
Ordinary General Meeting of Shareholders on June 26, 2026	Common shares	Retained earnings	11,312	75.00	March 31, 2026	June 29, 2026

Note: The total payout to be resolved at the Ordinary General Meeting of Shareholders on June 26, 2026 includes dividends of 35 million yen for the Company's shares held by the board benefit trust for directors.

◆ **Note to Financial Instruments**

**1. Status of financial instruments**

(1) Policy on treatment of financial instruments

The Group only uses safe financial assets for its fund management, and raises funds necessary to implement its business plans primarily through bank loans and bond issuances. It also utilizes a cash management service (CMS) for appropriate fund management. The Group uses derivatives only for the purpose of hedging risks, such as currency and interest rate risks, arising from its business activities, only based on actual demand and not based on speculation.

(2) Details of financial instruments, their risks and related risk management system

Since notes and accounts receivable, which are trade receivables, and electronically recorded monetary claims are exposed to customer credit risk, we regularly check due dates and balances for each business partner and the credit status of major business partners. For several trade receivables denominated in foreign currencies, their currency risk is hedged using forward exchange contracts.

We also use currency swaps to hedge currency risk for certain foreign currency-denominated loans to consolidated subsidiaries.

Investment securities are mainly held-to-maturity bonds and shares of the companies with which we have business relationships. As most of them are exposed to market risk, we control the risk by regularly monitoring market prices and financial and other conditions of the issuers and the business partners.

Notes and accounts payable are trade payables, and most of them are due within a year. For several trade payables denominated in foreign currencies, their currency risk is hedged using forward exchange contracts.

Borrowings are mainly used to finance business transactions and capital investment, and corporate bonds are issued to finance additional expenditures and refinance funds necessary for the eligible projects under the green finance framework.

Derivatives transactions are managed through a mutual check between the executing division and the accounting division and by monitoring derivatives positions with individual counterparties, and the trading status is regularly reported to the Board of Directors (derivatives are used only based on actual demand and not based on speculation to aim for capital gains). We engage in derivatives transactions only with major financial institutions with high creditworthiness in order to reduce credit risk arising from the transactions.

Trade payables and borrowings are exposed to liquidity risk, which is managed by the Group's finance division by formulating and renewing financing plans, maintaining liquidity at or above a certain level, and concluding a commitment line agreement with financial institutions.

## 2. Fair values of financial instruments

The table below indicates carrying values and fair values of financial assets and liabilities on the consolidated balance sheet, and the difference between carrying and fair values as of the end of the year under review. Notes to cash are omitted. Notes to the following items are also omitted since they are settled in the short term and their fair values approximate their carrying values: deposits, notes and accounts receivable, electronically recorded monetary claims, notes and accounts payable, and short-term borrowings.

(in millions of yen)

	Carrying value	Fair value	Difference
Investment securities* <sup>1</sup>			
1) Bonds held to maturity	7,000	6,948	(51)
2) Available-for-sale securities	123,991	123,991	-
3) Shares of associates	8,895	5,306	(3,588)
Total—assets	139,887	136,246	(3,640)
Bonds payable	20,000	19,454	(545)
Long-term borrowings* <sup>2</sup>	148,420	145,902	(2,518)
Total—liabilities	168,420	165,356	(3,064)
Derivatives* <sup>3</sup>			
Without application of hedge accounting	(510)	(510)	-
With application of hedge accounting	(107)	(107)	-
Total derivatives	(618)	(618)	-

Note: 1. “Stocks and other securities without quoted market prices” are not included in “investment securities.” The amounts of these financial instruments recorded on the consolidated balance sheet are as follows:

(in millions of yen)

Category	FY2025 (March 2026)
Unlisted shares and other securities	3,905
Unlisted shares and other securities of subsidiaries and associates	25,639
Investments in capital of subsidiaries and associates	15,139

- The value includes the current portion of long-term borrowings.
- Receivables and payables arising from derivative transactions are shown as a total net amount, and net payables are presented in parentheses.

## 3. Breakdown of fair values of financial instruments by fair value hierarchy level

The fair values of financial instruments are classified into the following three levels depending on the observability and significance of inputs used in fair value measurement.

Level 1: Fair values measured by observable inputs that reflect quoted prices for identical assets or liabilities in active markets

Level 2: Fair values measured by observable inputs other than those included in Level 1

Level 3: Fair values measured by unobservable valuation inputs

If multiple inputs with a significant impact are used in the fair value measurement of a financial instrument, the fair value of the financial instrument is classified to the lowest priority level of fair value measurement.

(1) Financial instruments recorded at fair value on the consolidated balance sheet

(in millions of yen)

Category	Fair value			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities	123,991	-	-	123,991
Total—assets	123,991	-	-	123,991
Derivatives*	-	(618)	-	(618)

\* Receivables and payables arising from derivative transactions are shown as a total net amount, and net payables are presented in parentheses.

(2) Financial instruments not recorded at fair value on the consolidated balance sheet

(in millions of yen)

Category	Fair value			
	Level 1	Level 2	Level 3	Total
Investment securities				
Bonds held to maturity				
- Corporate bonds	-	6,948	-	6,948
Shares of associates	5,306	-	-	5,306
Total—assets	5,306	6,948	-	12,254
Bonds payable	-	19,454	-	19,454
Long—term borrowings*	-	145,902	-	145,902
Total—liabilities	-	165,356	-	165,356

\* The values include the current portion of long-term borrowings.

Note: Description of the valuation methods and inputs used in fair value measurements:

i) Investment securities

The fair values of listed stocks are based on their quoted market prices. Since listed stocks are traded in active markets, their fair values are classified as Level 1. On the other hand, the fair values of corporate bonds held by the Company are classified as Level 2 because they are not considered to be quoted prices in active markets due to low trading frequency in the market.

ii) Derivatives

As the fair values of derivatives are determined based on observable inputs such as foreign exchange rates, the fair values of derivatives are classified as Level 2.

Currency swaps are used to hedge loans extended by the Company to its consolidated subsidiaries. As these inter-company transactions are eliminated in the consolidated financial statements, hedging accounting is not applied to the transactions.

iii) Bonds payable

The fair values of bonds payable are determined as their present values, which are calculated by discounting the total of principal and interest at a risk-free rate adjusted to reflect the Group's credit risk. Bonds payable are classified as Level 2.

iv) Long-term borrowings

The fair values of long-term borrowings are determined as their present values, which are calculated by discounting the total of principal and interest at a risk-free rate adjusted to reflect the Group's credit risk. Long-term borrowings are classified as Level 2.

#### ◆ Note to Leasing Property

The Company and several consolidated subsidiaries own office buildings (including land) and commercial facilities for leasing in Tokyo and other regions. The carrying values, revenue, expenses and fair values of these properties are described in the following table.

(in millions of yen)

Use of properties	Carrying value	Revenue	Expenses	Fair value
Office buildings	14,275	7,200	2,395	94,961
Commercial facilities	2,386	791	270	21,661
Others	11,191	2,246	878	57,172
Total	27,852	10,239	3,544	173,795

- Note:
1. "Carrying value" is acquisition costs of assets, net of accumulated depreciation expenses and impairment losses.
  2. "Revenue" includes rent income, while "Expenses" include depreciation expenses, repair expenses, insurance premiums, and taxes and dues.
  3. Fair values as of the end of the year under review are mainly based on real estate appraisal reports or real estate inspection reports provided by external real estate appraisers.

#### ◆ Note to Revenue Recognition

##### 1. Breakdown of revenue from contracts with customers

The breakdown of revenue from contracts with customers is as follows:

(in millions of yen)

	Reportable segments						Other*	Total
	Packaging	Engineering, filling, and logistics	Steel plate related	Functional materials related	Real estate related	Subtotal		
Revenue from contracts with customers	602,297	179,344	91,463	57,785	-	930,890	23,989	954,880
Other revenue	-	-	-	-	8,332	8,332	-	8,332
Sales to external customers	602,297	179,344	91,463	57,785	8,332	939,223	23,989	963,213

Note\*: "Other" refers to businesses that do not belong to any of the reportable segments, and includes manufacturing and sales of automotive press dies and hard alloys, and non-life insurance agency business. "Other revenue" mainly refers to lease revenue included in the scope of the Accounting Standard for Lease Transactions (ASBJ Statement No. 13).

##### 2. Basic information for understanding revenue from contracts with customers

Basic information for understanding revenue from contracts with customers is provided in the previous section, Significant Matters That Serve as the Basis for Preparing Consolidated Financial Statements - 4. Accounting Policies (4) Accounting standards for revenue and expenses.

##### 3. Information for understanding the amounts of revenue for the year under review and for the following fiscal year and thereafter

Contract liabilities mainly consist of consideration received from customers before the delivery of products, and are included in other current liabilities on the consolidated balance sheet.

Receivables arising from contracts with customers and contract assets and liabilities for the year under review are as follows:

	(in millions of yen)
	FY2025 (March 2026)
Receivables arising from contracts with customers	254,717
Contract assets	9,894
Contract liabilities	26,146

The amount of revenue recognized for the year under review that included the balance of contract liabilities as of the beginning of the period is not significant. In addition, the amount of revenue from performance obligations satisfied in prior periods that was recognized for the year under review is not significant.

◆ **Note to Per Share Information**

Net assets per share: 4,639.87 yen

Profit per share: 361.63 yen

Note: The Company has provided an equity compensation plan for directors using a board benefit trust. The shares of the Company held by the trust are included in treasury shares to be deducted from the year-end number of shares issued for the calculation of net assets per share. The shares of the Company held by the trust are also included in treasury shares to be excluded from the calculation of the average number of shares outstanding during the year in the calculation of profit per share. The number of treasury shares held by the trust at the end of the year under review was 467 thousand shares, and the average number of such treasury shares during the year under review was 470 thousand shares.

◆ **Note to Significant Subsequent Events**

[Transfer of shares in a consolidated subsidiary]

The Company resolved, at the Board of Directors meeting held on February 27, 2026, that Toyo Seikan Co., Ltd. (TSK), a consolidated subsidiary of the Company, would enter into a share transfer agreement to sell part of its stake in Bangkok Can Manufacturing Co., Ltd. (BCM) to BG Container Glass Public Company Limited (BGC). The transfer was completed on April 30, 2026. As a result, BCM will be excluded from the scope of consolidation of the Company and will become an associate accounted for using the equity method during fiscal 2026.

1. Reason for the share transfer

As announced in the press release dated February 7, 2024, titled “Conclusion of an agreement to transfer shares in a consolidated subsidiary (Progress and changes in disclosed matters),” TSK transferred part of its shares in BCM to Bangkok Glass Public Company Limited and two of its group companies: Singha Corporation Co., Ltd. and BGC (the three companies are collectively referred to as the “Boonrawd Group”) in February 2024. As a result, shares equivalent to 25.1% of the voting rights in BCM were transferred to the Boonrawd Group. BGC recently informed TSK of the Boonrawd Group’s intention to own a majority stake in BCM, and TSK and BGC discussed a transfer of additional shares. We concluded that the additional share transfer would allow us to further strengthen our business platforms in Thailand and decided to enter into this share transfer agreement.

2. Profile of the subsidiary to be transferred

Name	Bangkok Can Manufacturing Co., Ltd.
Main business	Manufacturing and sales of beverage cans

3. Name of the transferee

BG Container Glass Public Company Limited

4. Number of shares to be transferred, transfer price, and share ownership status before and after the transfer

Number of shares owned by the Company before transfer	13,482,000 shares (74.9% of total voting rights)
Number of shares transferred	4,662,000 shares (25.9% of total voting rights)
Transfer price	788 million Thai baht (3,832 million yen)
Number of shares owned by the Company after transfer	8,820,000 shares (49.0% of total voting rights)

5. Effective date of transfer:

April 30, 2026

◆ **Note to business consolidation**

[Finalization of provisional treatment for business consolidation]

The accounting of the business consolidation with PREMIER CENTRE GROUP SDN. BHD. on August 2, 2024 (the deemed acquisition date is June 30, 2024), which was provisionally recorded in the consolidated financial statements for fiscal 2024, was finalized in the year under review.

Following the finalization, a significant change in the purchase price allocation from the initial allocation has been reflected in the consolidated financial statements and the provisionally determined amount of goodwill of 7,956 million yen decreased by 3,824 million yen to 4,131 million yen. The decrease in goodwill is explained by an increase of 3,986 million yen in other intangible assets (including customer-related intangible assets), an increase of 1,045 million yen in land, and an increase of 1,207 million yen in deferred tax liabilities.

Goodwill is amortized over 10 years, while other intangible assets (including customer-related intangible assets) are amortized over 10 to 17 years.

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Note: Yen amounts shown in the Consolidated Financial Statements are rounded down to the nearest million yen.

## **Non-Consolidated Financial Statements**

### **Non-Consolidated Balance Sheet**

(As of March 31, 2026)

(in millions of yen)

<b>Assets</b>	
Current assets	
Cash and deposits	62,687
Short-term loans receivable from subsidiaries and associates	25,817
Accounts receivable	2,762
Other	759
Allowance for doubtful accounts	(1,039)
Total current assets	90,987
Non-current assets	
Property, plant and equipment	
Buildings	13,574
Tools, furniture and fixtures	770
Land	6,940
Other	875
Total property, plant and equipment	22,161
Intangible assets	2,235
Investments and other assets	
Investment securities	123,509
Shares of subsidiaries and associates	301,455
Long-term loans receivable from subsidiaries and associates	34,956
Other	403
Allowance for doubtful accounts	(130)
Total investments and other assets	460,195
Total non-current assets	484,593
Total assets	575,580

[Translation for Reference and Convenience Purposes Only]

(in millions of yen)

<b>Liabilities</b>	
Current liabilities	
Short-term borrowings	49,288
Accounts payable	2,927
Accrued expenses	2,273
Income taxes payable	5,671
Deposits received from subsidiaries and associates	67,467
Provision for bonuses for directors	112
Other	560
Total current liabilities	128,300
Non-current liabilities	
Bonds payable	20,000
Long-term borrowings	92,000
Deferred tax liabilities	10,011
Provision for retirement benefits	462
Asset retirement obligations	582
Provision for share awards for directors	417
Other	4,310
Total non-current liabilities	127,783
Total liabilities	256,084
<b>Net assets</b>	
Shareholders' equity	
Capital stock	11,094
Capital surplus	
Legal capital surplus	1,361
Total capital surplus	1,361
Retained earnings	
Legal retained earnings	2,773
Other retained earnings	
Reserve for tax purpose reduction entry of non-current assets	253
General reserve	218,441
Retained earnings brought forward	27,821
Total other retained earnings	246,516
Total retained earnings	249,289
Treasury shares	(7,159)
Total shareholders' equity	254,585
Valuation and translation adjustments	
Valuation difference on available-for-sale securities	64,910
Total valuation and translation adjustments	64,910
Total net assets	319,495
Total liabilities and net assets	575,580

**Non-Consolidated Statement of Income**

(From April 1, 2025 to March 31, 2026)

(in millions of yen)

Operating revenue	
Management fee income from subsidiaries and associates	4,580
Income from operations consignment by subsidiaries and associates	6,780
Dividends from subsidiaries and associates	6,993
Real estate lease revenue	6,074
Total operating revenue	24,428
Operating expenses	
Real estate lease expenses	3,005
General and administrative expenses	14,698
Total operating expenses	17,704
Operating income	6,724
Non-operating income	
Interest and dividend income	4,673
Foreign exchange gains	1,332
Other	347
Total non-operating income	6,353
Non-operating expenses	
Interest expenses	2,349
Other	385
Total non-operating expenses	2,734
Ordinary income	10,343
Extraordinary income	
Gain on sale of non-current assets	1,371
Gain on sale of investment securities	16,288
Total extraordinary income	17,660
Profit before income taxes	28,003
Income taxes—current	6,393
Income taxes—deferred	(490)
Total income taxes	5,903
Profit	22,100

## **Non-Consolidated Statement of Changes in Equity (1/2)**

(From April 1, 2025 to March 31, 2026)

(in millions of yen)

	Shareholders' equity									
	Capital stock	Capital surplus			Retained earnings					
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings				Total retained earnings
						Reserve for tax purpose reduction entry of non-current assets	Reserve for special investment in businesses developing new business	General reserve	Retained earnings brought forward	
Balance at beginning of period	11,094	1,361	-	1,361	2,773	255	34	248,441	19,330	270,835
Changes during period										
Transfer from retained earnings to capital surplus			27,707	27,707					(27,707)	(27,707)
Reversal of reserve for tax purpose reduction entry of non-current assets						(1)			1	-
Reversal of reserve for special investment in businesses developing new business							(34)		34	-
Reversal of general reserve								(30,000)	30,000	-
Dividends of surplus									(15,938)	(15,938)
Profit									22,100	22,100
Purchase of treasury shares										
Disposal of treasury shares			(5)	(5)						
Cancellation of treasury shares			(27,701)	(27,701)						
Net changes in items other than shareholders' equity										
Total changes during period	-	-	-	-	-	(1)	(34)	(30,000)	8,490	(21,545)
Balance at end of period	11,094	1,361	-	1,361	2,773	253	-	218,441	27,821	249,289

**Non-Consolidated Statement of Changes in Equity (2/2)**

(From April 1, 2025 to March 31, 2026)

(in millions of yen)

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(9,351)	273,939	60,173	60,173	334,113
Changes during period					
Transfer from retained earnings to capital surplus		-			-
Reversal of reserve for tax purpose reduction entry of non-current assets		-			-
Reversal of reserve for special investment in businesses developing new business		-			-
Reversal of general reserve		-			-
Dividends of surplus		(15,938)			(15,938)
Profit		22,100			22,100
Purchase of treasury shares	(25,751)	(25,751)			(25,751)
Disposal of treasury shares	240	234			234
Cancellation of treasury shares	27,701	-			-
Net changes in items other than shareholders' equity			4,737	4,737	4,737
Total changes during period	2,191	(19,354)	4,737	4,737	(14,617)
Balance at end of period	(7,159)	254,585	64,910	64,910	319,495

## **Notes to Non-Consolidated Financial Statements**

### **◆ Note to Significant Accounting Policies**

#### **1. Valuation bases and methods for securities**

- (1) Bonds held to maturity: Valued at amortized cost by the straight-line method.
- (2) Shares of subsidiaries and associates:  
Valued at cost using the moving-average method.
- (3) Available-for-sale securities
  - Securities excluding stocks without quoted market prices:  
Valued at fair market value. (The full amount of net unrealized gain or loss is recorded in the net assets section. The cost of securities sold is determined by the moving-average method.)
  - Stocks and others without quoted market prices:  
Valued at cost using the moving-average method.

#### **2. Valuation basis and method for derivatives**

Valued using the fair value method.

#### **3. Depreciation and amortization methods of non-current assets**

- (1) Property, plant and equipment (excluding leased assets):  
Depreciated using the straight-line method.
- (2) Intangible assets:  
Amortized using the straight-line method.
- (3) Leased assets (related to non-ownership-transfer finance lease transactions):  
Depreciated over the lease period using the straight-line method with no residual value.

#### **4. Accounting standards for allowances and provisions**

- (1) Allowance for doubtful accounts  
Provided at an estimated amount of uncollectible receivables based on the actual default rates for ordinary receivables and on the recoverability determined on an individual claim basis for specific doubtful receivables.
- (2) Provision for bonuses for directors  
Provided at an amount that is expected to be sufficient to cover payments of bonuses to Directors.
- (3) Provision for retirement benefits  
Provided at an amount calculated based on the projected benefit obligations at the end of the year under review.
- (4) Provision for share awards for directors  
Provided based on the estimated amount of share benefit obligations as of the end of the year under review in order to cover the future delivery of shares of the Company to Directors (other than Outside Directors) and operating officers.

#### **5. Accounting standards for revenue and expenses**

The Company, as the holding company of the Group, is obliged to provide management guidance and contract services for its subsidiaries based on contracts, and the subsidiaries receive benefits as the Company fulfills its obligations over time. The Company therefore recognizes revenue from such services as consideration for performance obligations to be fulfilled over a certain period of time. The consideration for such services does not include any significant financing components.

In addition, revenue from dividends received from subsidiaries is recognized when the rights to receive the dividends are established. Real estate lease revenue primarily consists of revenue from the leasing of

office buildings and commercial facilities and is recognized based on lease agreements with customers in accordance with the Accounting Standard for Lease Transactions (ASBJ Statement No. 13).

## 6. Other important matters in preparing the non-consolidated financial statements

### Hedge accounting method

The Company adopts the deferral hedge accounting, in principle. Certain hedge transactions, such as foreign exchange forward contracts, are treated by adopting a Japanese exceptional hedge accounting method (called *furiate-shori*) if such transactions meet the requirements of the method.

## ◆ Note to Accounting Estimates

[Valuation of shares of subsidiaries and associates]

### 1. Amount recorded in the non-consolidated financial statements for the year under review

Shares of subsidiaries and associates: 301,455 million yen

### 2. Information on the details of important accounting estimates related to identified items

- (1) Calculation method of the amounts recorded in the non-consolidated financial statements for the year under review

Shares of subsidiaries and associates that do not have quoted market prices are carried at their acquisition cost. If the real value of the shares of a subsidiary or associate significantly declines from their acquisition price due to a deterioration in the company's financial conditions, the carrying value of the shares will be reduced to the real value, unless the possibility of future recovery can be supported by sufficient evidence. With respect to shares of a subsidiary or associate acquired at a price higher than its net asset value per share in the financial statements based on its excess earning power, if their real value significantly declines due to a decrease in the excess earning power, their carrying value will be reduced to the real value.

As there were no shares of subsidiaries or associates whose real value significantly declined from their acquisition price for the year under review, we determined that no subsidiaries or associates needed to recognize impairment losses. We therefore provided no estimates for recoverability.

- (2) Key assumptions used in the calculation of the amounts recorded in the non-consolidated financial statements for the year under review

When considering whether or not to recognize impairment losses on the value of the shares of a subsidiary or associate that do not have quoted market prices, we estimate the real value of the company by taking account of its financial position, earnings and other factors based on its most recent financial statements. In determining whether or not the company's excess earning power is impaired, we evaluate the company based on its financial forecast, among other factors, taking account of the achievement of its business plan.

- (3) Impact on the non-consolidated financial statements for the following fiscal year

If uncertainty of future economic conditions causes a significant decline in the real value of the shares of a subsidiary or associate, it may have an impact on the Company's non-consolidated financial statements for the following fiscal year.

◆ **Note to Non-Consolidated Balance Sheet**

(in millions of yen)

1. Accumulated depreciation on property, plant and equipment:	36,691
2. Guarantee of liabilities	
The Company has guaranteed loans from financial institutions and other liabilities for the following subsidiaries:	
▪ Stolle Machinery Company, LLC (loans, etc.):	39,039
▪ Stolle Machinery Company, LLC (lease contract):	1,585
▪ Tokan Trading Corporation (trade payables):	93
▪ TOYO PACK KIYAMA Co., Ltd. (loans, etc.):	4,279
▪ Polytech America, LLC (lease contract):	275
3. Short-term monetary receivables due from subsidiaries and associates:	2,923
4. Short-term monetary payables due to subsidiaries and associates:	1,364

◆ **Note to Non-Consolidated Statement of Income**

Volume of trading with subsidiaries and associates

(in millions of yen)

Operating revenue:	19,471
Operating expenses:	276
Amount of non-operating transactions:	2,026

◆ **Note to Non-Consolidated Statement of Changes in Equity**

Matters concerning class and total number of treasury shares

(All numbers are in thousands)

Class of shares	Number of shares at beginning of period	Increase during period	Decrease during period	Number of shares at end of period
Common shares	4,062	8,832	10,104	2,790

Note: 1. The number of treasury shares includes shares of the Company held by the board benefit trust for directors (479 thousand shares at beginning of period and 467 thousand shares at end of period).

2. The breakdown of increase in treasury shares:

• Purchase of shares under the provisions of the Articles of Incorporation pursuant to Article 165, Paragraph 2 of the Companies Act:	8,830 thousand shares
• Purchase of shares in odd lots:	0 thousand shares
• Increase due to the acquisition of restricted shares without contribution	0 thousand shares

3. The breakdown of decrease in treasury shares:

• Cancellation of treasury shares pursuant to Article 178 of the Companies Act:	10,000 thousand shares
• Provision of the Company's shares held by the board benefit trust for directors:	12 thousand shares
• Decrease due to the grant of restricted shares	91 thousand shares

◆ **Note to Tax-Effect Accounting**

**Breakdown of deferred tax assets and liabilities by major factor**

(in millions of yen)

<b>Deferred tax assets</b>	
Shares of subsidiaries and associates	15,526
Excessive depreciation	1,756
Loss on valuation of shares of subsidiaries and associates	7,943
Allowance for doubtful accounts	368
Assets adjusted for gains or losses on transfer	276
Other	1,629
Subtotal (deferred tax assets)	27,500
Valuation allowance related to total deductible temporary differences	(9,161)
Subtotal of valuation allowance	(9,161)
Total of deferred tax assets	18,339
<b>Deferred tax liabilities</b>	
Valuation difference on available-for-sale securities	(28,049)
Reserve for tax purpose reduction entry of non-current assets	(116)
Assets adjusted for gains or losses on transfer	(184)
Total of deferred tax liabilities	(28,351)
Net deferred tax liabilities	(10,011)

◆ Note to Transactions with Related Parties

**Subsidiaries**

1. Transactions with related parties

Type	Name	Voting right ownership	Relation	Transaction	Amount (million yen)	Account title	Balance at end of period (million yen)
Subsidiary	Toyo Seikan Co., Ltd.	Direct 100%	Business management/ Concurrent post of officers	Management fees and outsourcing expenses <sup>*1</sup>	4,003	Accounts receivable	733
				Deposits received (net) <sup>*3</sup>	(2,114)	Deposits received from subsidiaries and associates	10,719
Subsidiary	Tokan Kogyo Co. Ltd.	Direct 100%	Business management/ Concurrent post of officers	Deposits received (net) <sup>*3</sup>	187	Deposits received from subsidiaries and associates	10,619
Subsidiary	Nippon Closures Co., Ltd.	Direct 100%	Business management/ Concurrent post of officers	Deposits received (net) <sup>*3</sup>	3,692	Deposits received from subsidiaries and associates	15,752
Subsidiary	Mebius Packaging Co., Ltd.	Direct 100%	Business management/ Concurrent post of officers	Deposits received (net) <sup>*3</sup>	950	Deposits received from subsidiaries and associates	6,425
Subsidiary	Toyo Kohan Co., Ltd.	Direct 100%	Business management/ Concurrent post of officers	Collection of funds <sup>*2</sup>	3,930	Long-term loans receivable from subsidiaries and associates	15,070
Subsidiary	Toyo Aerosol Industry Co., Ltd.	Direct 100%	Business management/ Concurrent post of officers	Collection of funds <sup>*2</sup>	1,072	Short-term loans receivable from subsidiaries and associates	5,858
Subsidiary	Can Machinery Holdings, Inc.	Direct 100%	Business management/ Concurrent post of officers	Collection of funds <sup>*2</sup>	1,296	Long-term loans receivable from subsidiaries and associates	7,551

Note: 1. The fee amount is determined based on certain reasonable standards for the purpose of business management.

2. Short-term and long-term loans receivable from subsidiaries and associates include transactions through cash management services (CMS), and the interest rates are reasonably determined based on market rates. The transaction amounts are shown on a net basis.

3. Transactions related to deposits received from subsidiaries and associates are through CMS, and the interest rates are reasonably determined based on market rates. The transaction amounts are shown on a net basis.

2. Loan guarantees by the Company

Type	Balance at end of period (million yen)
Subsidiary	45,272

Note: 1. The Company provides guarantees on bank loans to subsidiaries.

2. The Company provides guarantees on rent for the remaining lease period of subsidiaries' lease contracts.

### 3. Loan guarantees for the Company

Type	Balance at end of period (million yen)
Subsidiary	24,297

Note: Subsidiaries provide guarantees on bank loans to the Company.

#### ◆ Note to Revenue Recognition

Basic information for understanding revenue from contracts with customers is provided in the previous section, 5. Accounting standards for revenue and expenses in Note to Significant Accounting Policies.

#### ◆ Note to Per Share Information

Net assets per share: 2,124.71 yen

Profit per share: 145.35 yen

Note: The Company has provided an equity compensation plan for directors using a board benefit trust. The shares of the Company held by the trust are included in treasury shares to be deducted from the year-end number of shares issued for the calculation of net assets per share. The shares of the Company held by the trust are also included in treasury shares to be excluded from the calculation of the average number of shares outstanding during the year for the calculation of profit per share. The number of treasury shares held by the trust at the end of the year under review was 467 thousand shares, and the average number of such treasury shares during the year under review was 470 thousand shares.

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Note: Yen amounts shown in the Non-Consolidated Financial Statements are rounded down to the nearest million yen.