

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Stock Exchange Code 4275)

Date of sending by postal mail: June 10, 2026

Start date of measures for electronic provision: June 3, 2026

To Shareholders with Voting Rights:

Hirofumi Kaneko
Representative Director and President &
CEO
Carlit Co., Ltd.
1-17-10, Kyobashi, Chuo-ku, Tokyo, Japan

NOTICE OF THE 13TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We are pleased to announce the 13th Annual General Meeting of Shareholders of Carlit Co., Ltd. (the “Company”), which will be held as indicated below.

When convening this general meeting of shareholders, the Company takes measures for providing in electronic format the information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items subject to measures for electronic provision). This information is posted on each of the following websites, so please access any of those websites to confirm the information.

The Company’s website:

<https://www.carlit.co.jp/ir/stock/meeting.html> (in Japanese)

Website for posted informational materials for the general meeting of shareholders:

<https://d.sokai.jp/4275/teiji/> (in Japanese)

TSE website (Listed Company Search):

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

(Access the TSE website by using the internet address shown above, enter “Carlit” in “Issue name (company name)” or the Company’s securities code “4275” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

Instead of attending the meeting in person, you may exercise your voting rights in writing or via the Internet or similar means. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5 p.m. on Thursday, June 25, 2026, Japan time, in accordance with “Guidance on Exercising Voting Rights.”

- 1. Date and Time:** Friday, June 26, 2026, at 10 a.m. Japan time
Reception start time: 9:30 a.m.
- 2. Place:** Conference room at the Head Office located at
Kyobashi One Terrace 7F,
1-17-10, Kyobashi, Chuo-ku, Tokyo, Japan

3. Meeting Agenda:

- Matters to be reported:** (1) The Business Report, the Consolidated Financial Statements for the Company's 13th Fiscal Year (April 1, 2025–March 31, 2026), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
- (2) The Non-Consolidated Financial Statements for the Company's 13th Fiscal Year (April 1, 2025–March 31, 2026)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Eight (8) Directors
- Proposal 3:** Election of One (1) Substitute Audit & Supervisory Board Member




- In the event that no vote for or against the proposals is indicated in the Voting Rights Exercise Form, it will be handled as a vote in favor of the proposal.
- When attending the meeting, please submit the Voting Rights Exercise Form at the reception desk.
- When attending the meeting, please bring this Notice with you for resource saving purposes.
- In the event of a correction to the items subject to measures for electronic provision, a notice that the correction was made, together with the information before and after the correction, will be posted on the websites where the information is provided.
- At this General Meeting of Shareholders, we will send you a document detailing the measures for electronic provision, regardless of whether or not you have requested a delivery of documents. In addition, among the items subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 16 of the Articles of Incorporation of the Company, the following items are not provided in the paper-based documents that are sent.
 - (i) "Share Acquisition Rights" and "System for Ensuring the Appropriateness of Operations and the Operation Status of this System" in the Business Report
 - (ii) "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
 - (iii) "Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements

Therefore, the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements listed in these documents constitute a portion of the documents which are audited when the accounting audit report is prepared by the Accounting Auditor and the audit report is created by the Audit & Supervisory Board Members.

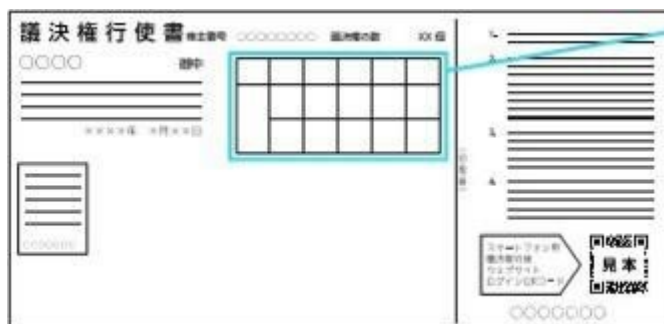
Guidance on Exercising Voting Rights

Voting at the general meeting of shareholders is an important right for all shareholders. Please exercise your voting rights after reviewing the Reference Documents for the General Meeting of Shareholders.

Please exercise your voting rights in one of the following three ways.

 <p style="color: red; font-weight: bold; margin-top: 10px;">For General Meeting of Shareholders attendees</p> <p style="font-size: small;">Please submit the Voting Rights Exercise Form at the reception desk.</p> <hr style="width: 50%; margin: 10px auto;"/> <p style="font-size: small; text-align: center;">Date and time</p> <hr style="width: 50%; margin: 10px auto;"/> <p style="color: red; font-weight: bold; margin-top: 10px;">Friday, June 26, 2026, at 10 a.m. Japan time (reception start time: 9:30 a.m.)</p>	 <p style="color: green; font-weight: bold; margin-top: 10px;">For exercising your voting rights in writing (by mail)</p> <p style="font-size: small;">Please indicate your vote for or against the proposals on the Voting Rights Exercise Form and return it. Note: Please use the enclosed sticker to cover the information you enter.</p> <hr style="width: 50%; margin: 10px auto;"/> <p style="font-size: small; text-align: center;">Deadline for exercising voting rights</p> <hr style="width: 50%; margin: 10px auto;"/> <p style="color: green; font-weight: bold; margin-top: 10px;">Thursday, June 25, 2026, at 5 p.m. Japan time</p>	 <p style="color: blue; font-weight: bold; margin-top: 10px;">For exercising your voting rights online, etc.</p> <p style="font-size: small;">Please follow the directions on the next page to enter your vote for or against the proposals.</p> <hr style="width: 50%; margin: 10px auto;"/> <p style="font-size: small; text-align: center;">Deadline for exercising voting rights</p> <hr style="width: 50%; margin: 10px auto;"/> <p style="color: blue; font-weight: bold; margin-top: 10px;">Thursday, June 25, 2026, at 5 p.m. Japan time</p>
---	---	---

How to Fill Out the Voting Rights Exercise Form



Note: The actual Voting Rights Exercise Form may differ from the image.

Please indicate your approval or disapproval of each proposal.

Proposals 1 and 3

- To mark your approval → Circle “Approve.”
- To mark your disapproval → Circle “Disapprove.”

Proposal 2

- To mark your approval for all candidates → Circle “Approve.”
- To mark your disapproval for all candidates → Circle “Disapprove.”
- To mark your disapproval for certain candidates → Circle “Approve” and write the number of the candidate(s) you wish to disapprove.

If you exercise your voting rights by mail and online, etc., only your online, etc. votes are valid. If you exercise your voting rights multiple times online, etc., only the votes from the final instance are valid.

Exercising Voting Rights Online, Etc.

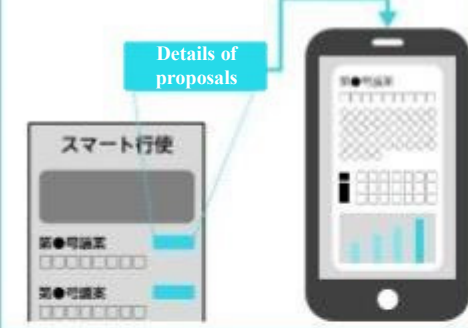
“Smart Voting®” by scanning the login QR Code

Please scan the QR Code provided at the bottom right of the Voting Rights Exercise Form.



You can simply log in to the Voting Rights Exercise Website without entering your voting rights exercise code and password.

The agendas for the General Meeting of Shareholders are available for reference on the Smart Voting page.



You can only use Smart Voting once to exercise your voting rights.

If you need to make a correction to the content of your vote after you have exercised your voting rights, please access the website for personal computer and exercise your voting rights again using the method explained below.

* You can access the website for personal computer by scanning the login QR Code again.

* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.

Voting rights exercise code/password entry

Voting Rights Exercise Website <https://soukai.mizuho-tb.co.jp/>

1 Visit the Voting Rights Exercise Website.



Click “Next”

2 Enter the voting rights exercise code given on the Voting Rights Exercise Form.



Enter the voting rights exercise code

Click “Next”

3 Please enter the password given on the Voting Rights Exercise Form.



Enter your password
Please register a new password
(on first use only)

Click “Register”

Note: The actual screen displayed to you may differ from the image.

4 Please follow the instructions on the screen to enter your votes.

If you have any questions about how to exercise your voting rights online using a personal computer or smartphone, please contact:

Internet Help Dial, Stock Transfer Agency Department,
Mizuho Trust & Banking Co., Ltd.

☎0120-768-524

(Hours: 9 a.m.–9 p.m. Japan time every day except New Year holidays)

- Institutional investors may use the platform for institutional investors to exercise voting rights electronically operated by ICJ, Inc.
- Shareholders will be responsible for the expense of connecting to the Internet, etc. when exercising voting rights online.
- Although we have checked that common Internet-enabled devices work properly with the online voting options, the options may not be available with some devices or in some circumstances.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

We believe that providing an appropriate return of profits to shareholders is one of our most important management tasks. We therefore abide by the basic policy of maintaining a total return ratio of 40% (of which, a dividend payout ratio of 30% or more) and promote performance-linked dividends, while endeavoring to secure internal reserves required to take effective measures to address future-oriented initiatives: R&D efforts to develop original businesses with growth potential, the vitalization of existing businesses, and the expansion of business fields.

In light of the Company's results for the fiscal year ended March 31, 2026 and these initiatives, we hereby propose to pay a year-end ordinary dividend of ¥42 per share for the fiscal year as follows.

- (1) Type of dividend property: Cash
- (2) Matters concerning allotment of dividend property to shareholders and the total amount thereof
Amount for each common share of the Company: ¥42 per share
Total amount to be distributed: ¥959,625,954
- (3) Effective date for the dividends of surplus: June 29, 2026

Proposal 2: Election of Eight (8) Directors

The terms of office of all seven (7) Directors will expire at the conclusion of this Annual General Meeting of Shareholders. We hereby propose that eight (8) Directors be elected, representing an increase of one (1), in order to strengthen the management structure.

The candidates for Director are as follows:

No.	Name	Current position and responsibilities in the Company	
1	Hirofumi Kaneko	Representative Director and President & CEO In charge of the Internal Audit Office	Reappointment
2	Hideo Okamoto	Director and Managing Executive Officer In charge of Finance Division and Legal Affairs & Compliance Division	Reappointment
3	Harutoshi Sato	Outside Director	Reappointment
4	Shigenobu Takahashi	Director and Executive Officer In charge of Production Headquarters, Nagano Plant, and Production Quality Control Department	Reappointment
5	Ryuichi Nakatsu	Director and Executive Officer In charge of Bottling segment	Reappointment
6	Yukari Murayama	Outside Director	Reappointment Outside Independent
7	Yasuhiro Fujiwara	Outside Director	Reappointment Outside Independent
8	Hitoshi Suzuki	–	New appointment Outside Independent

Reappointment	Candidate for reappointment as Director
New appointment	Candidate for new appointment as Director
Outside	Candidate for Outside Director
Independent	Independent Director as stipulated by stock exchanges

No.	Name (Date of birth)	Past experience, positions, and responsibilities (significant concurrent positions)	Number of shares of the Company held
1	[Reappointment] Hirofumi Kaneko (April 30, 1960)	<p>April 1984 Joined Japan Carlit Co., Ltd.</p> <p>June 2015 Executive Officer of the Company President and Representative Director, General Manager, Sales Headquarters, Japan Carlit Co., Ltd.</p> <p>June 2016 Director, Executive Officer, Supervisor, Group Sales of the Company President and Representative Director, Japan Carlit Co., Ltd.</p> <p>April 2018 Director, Managing Executive Officer, Supervisor, Group Sales Department of the Company</p> <p>June 2020 President and Representative Director, in charge of Research & Development Center, Internal Audit Office of the Company</p> <p>April 2023 Representative Director and President & CEO, in charge of Corporate Planning Department and Internal Audit Office of the Company</p> <p>April 2024 Representative Director and President & CEO, in charge of Internal Audit Office of the Company (to present)</p>	37,000
<p>[Reason for selection as a candidate for Director] Mr. Hirofumi Kaneko has served the position of Representative Director and President & CEO of the Company after he served as President and Representative Director at Japan Carlit Co., Ltd., and Director, Managing Executive Officer, and Supervisor, Group Sales Department and Group Strategy Department of the Company. Since becoming Representative Director, he has demonstrated outstanding leadership in formulating and implementing “Challenge 2024,” the Medium-term Management Plan. The new plan “Challenge 2027” started last year, and he is leading the management team to ensure its achievement. He has a proven track record in the overall management of the Group and the formulation of management strategies, as well as a wealth of management experience. He is selected as a candidate for Director because he is expected to contribute to improving the effectiveness of the Board of Directors’ supervisory and decision-making functions as well as increasing the Group’s corporate value through his participation in deliberations and decision-making.</p>			
2	[Reappointment] Hideo Okamoto (July 15, 1961)	<p>April 1985 Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)</p> <p>August 2006 Assistant Director, Group Strategy Department, Mizuho Financial Group, Inc.</p> <p>April 2012 General Manager, Legal Affairs Office, Mizuho Trust & Banking Co., Ltd.</p> <p>October 2013 General Manager, Legal Affairs Division, Head of Internal Audit Office of the Company</p> <p>June 2019 Director, Executive Officer, Supervisor, Group Management Department, and General Manager, Legal Affairs & Compliance Division of the Company</p> <p>June 2020 Director, Executive Officer, in charge of Finance Division, IT Systems Promotion Division, Legal Affairs & Compliance Division, and General Manager, Legal Affairs & Compliance Division of the Company</p> <p>June 2024 Director, Executive Officer, in charge of Finance Division, Legal Affairs & Compliance Division, and Metal Working segment of the Company</p> <p>April 2026 Director, Managing Executive Officer, in charge of Finance Division, Legal Affairs & Compliance Division of the Company (to present)</p>	7,700
<p>[Reason for selection as a candidate for Director] Mr. Hideo Okamoto has experience in corporate planning in the trust and asset management divisions of Mizuho Financial Group, Inc. as well as overseas operations at Mizuho Bank, Ltd. He has been involved in the Company’s legal affairs, compliance, intellectual property, and internal audit since 2013, and currently serves as a Director and Managing Executive Officer of the Company in charge of the Finance and Legal Affairs & Compliance Divisions. He has extensive knowledge and experience in finance and accounting gained during his time in banking, and has a proven track record of raising the level of legal compliance of the Group as an officer in charge of the Compliance Committee. He is selected as a candidate for Director because he is expected to contribute to improving the effectiveness of the Board of Directors’ supervisory and decision-making functions as well as increasing the Group’s corporate value through his participation in deliberations and decision-making.</p>			

No.	Name (Date of birth)	Past experience, positions, and responsibilities (significant concurrent positions)	Number of shares of the Company held
3	[Reappointment] Harutoshi Sato (June 1, 1961)	<p>April 1984 Joined TOKYO OHKA KOGYO CO., LTD. December 1992 Seconded to TOKYO OHKA KOGYO AMERICA, INC. April 2004 General Manager, Quality Assurance Department, TOKYO OHKA KOGYO CO., LTD. April 2007 General Manager, Advanced Material Development Department 2, TOKYO OHKA KOGYO CO., LTD. June 2009 Executive Officer, Deputy Division Manager, Research and Development Division, and General Manager, Advanced Material Development Department 3, TOKYO OHKA KOGYO CO., LTD. June 2012 Director, Executive Officer, Division Manager, Research and Development Division, TOKYO OHKA KOGYO CO., LTD. June 2017 Director, Managing Executive Officer, Division Manager, Research and Development Division, TOKYO OHKA KOGYO CO., LTD. March 2019 Director, Senior Managing Executive Officer, Division Manager, Research and Development Division, TOKYO OHKA KOGYO CO., LTD. March 2022 Director, TOKYO OHKA KOGYO CO., LTD. June 2025 Outside Director of the Company (to present) March 2026 Retired from Director, TOKYO OHKA KOGYO CO., LTD.</p>	1,000
		<p>[Reason for selection as a candidate for Director] Mr. Harutoshi Sato has experience in overseas business at TOKYO OHKA KOGYO CO., LTD., has held important positions as General Manager of Quality Assurance Department and Division Manager of Research and Development Division, and has a wealth of knowledge and experience regarding product development and quality assurance. In particular, he has participated in the deliberations and decision-making of the Board of Directors of the Company as an Outside Director from the perspective of development strategy. Going forward, he is expected to contribute to improving the effectiveness of the supervisory and decision-making functions as well as increasing the Group's corporate value by leveraging this knowledge, and accordingly, he is selected as a candidate for Director.</p>	
4	[Reappointment] Shigenobu Takahashi (October 6, 1962)	<p>April 1983 Joined Japan Carlit Co., Ltd. April 2016 General Manager, Gunma Plant, Production Headquarters, Japan Carlit Co., Ltd. April 2019 Director, Silicon Technology Corporation April 2020 Executive Officer, General Manager, Production Headquarters, Japan Carlit Co., Ltd. April 2021 Executive Officer of the Company Director, General Manager, Production Headquarters, Japan Carlit Co., Ltd. November 2023 Executive Officer, in charge of Carbon Neutral Promotion and Production Quality Control Departments of the Company Director, Executive Officer, in charge of Production Headquarters, Japan Carlit Co., Ltd. June 2024 Director, Executive Officer, in charge of Production Headquarters and Production Quality Control Department of the Company April 2025 Director, Executive Officer, in charge of Production Headquarters, Nagano Plant, and Production Quality Control Department of the Company (to present)</p>	8,800
		<p>[Reason for selection as a candidate for Director] Mr. Shigenobu Takahashi has served in the position of Director and Executive Officer in charge of the Production Headquarters, Nagano Plant, and Production Quality Control Department of the Company after he served as Director of Silicon Technology Corporation as well as the Director and General Manager of the Production Headquarters of Japan Carlit Co., Ltd. He has a proven track record of leading vigorous capital investment in growth areas at the Company's plant, as well as extensive knowledge and experience in production technologies and quality assurance. He is selected as a candidate for Director because he is expected to contribute to improving the effectiveness of the Board of Directors' supervisory and decision-making functions as well as increasing the Group's corporate value through his participation in deliberations and decision-making.</p>	

No.	Name (Date of birth)	Past experience, positions, and responsibilities (significant concurrent positions)	Number of shares of the Company held
5	[Reappointment] Ryuichi Nakatsu (March 10, 1968)	<p>April 1991 Joined Japan Carlit Co., Ltd.</p> <p>January 2017 General Manager, Personnel Division, Head of Secretary's Office of the Company</p> <p>April 2019 General Manager, General Affairs Division of the Company</p> <p>April 2020 Director, JC Bottling Co., Ltd.</p> <p>April 2023 President and Representative Director, JC Bottling Co., Ltd. (to present)</p> <p>April 2024 Executive Officer, in charge of Bottling segment of the Company</p> <p>June 2025 Director, Executive Officer, in charge of Corporate Planning Department and Bottling segment of the Company</p> <p>April 2026 Director, Executive Officer, in charge of Bottling segment of the Company (to present)</p> <p>[Reason for selection as a candidate for Director] Mr. Ryuichi Nakatsu has served in the position of President and Representative Director at JC Bottling Co., Ltd. as well as Director and Executive Officer in charge of the Bottling segment of the Company after he served as General Manager of the Personnel Division, Head of Secretary's Office, and General Manager of the General Affairs Division of the Company. He has extensive knowledge and experience in the implementation of business management and corporate strategy as a manager, in addition to administrative duties including personnel and general affairs, and he promotes environmentally responsible and sustainable management in the Bottling segment. He is selected as a candidate for Director because he is expected to contribute to improving the effectiveness of the Board of Directors' supervisory and decision-making functions as well as increasing the Group's corporate value through his participation in deliberations and decision-making.</p>	5,200

No.	Name (Date of birth)	Past experience, positions, and responsibilities (significant concurrent positions)	Number of shares of the Company held
6	[Reappointment] [Outside Director] [Independent] Yukari Murayama (August 4, 1972)	<p>April 2000 Registered as an attorney at law Attorney at law, Bingham Sakai Mimura Aizawa (foreign law joint enterprise) (formerly Hideyuki Sakai Law Firm)</p> <p>April 2015 Partner at Anderson Mori & Tomotsune (currently Anderson Mori & Tomotsune Foreign Law Joint Enterprise) (to present)</p> <p>June 2015 Outside Audit & Supervisory Board Member, Information Services International-Dentsu, Ltd. (currently DENTSU SOKEN INC.)</p> <p>March 2016 Outside Director, Information Services International-Dentsu, Ltd. (currently DENTSU SOKEN INC.)</p> <p>June 2022 Outside Director of the Company (to present)</p> <p>March 2023 Outside Director (Audit and Supervisory Committee Member), Information Services International-Dentsu, Ltd. (currently DENTSU SOKEN INC.) (to present)</p> <p>June 2025 Outside Director (Audit and Supervisory Committee Member), MS&AD Insurance Group Holdings, Inc. (to present)</p> <p>(Significant concurrent positions) Partner at Anderson Mori & Tomotsune Foreign Law Joint Enterprise Outside Director (Audit and Supervisory Committee Member), DENTSU SOKEN INC. Outside Director (Audit and Supervisory Committee Member), MS&AD Insurance Group Holdings, Inc.</p> <p>[Reason for selection as a candidate for Outside Director and a summary of expected roles] While Ms. Yukari Murayama does not have past experience of direct involvement in corporate management other than as an outside officer, she has a high degree of expertise as a lawyer. Since her appointment as an Outside Director of the Company, she has contributed to ensuring the transparency and fairness of the Board of Directors by providing appropriate recommendations and advice from an independent standpoint and from a multifaceted perspective based on her wealth of knowledge and broad experience. Based not only on her experience and knowledge, but also on her proven track record of making proposals and implementing measures to promote DE&I, she is selected as a candidate for Outside Director because she is expected to contribute to improving the effectiveness of the Board of Directors' supervisory and decision-making functions as well as increasing the Group's corporate value through her participation in deliberations and decision-making.</p>	-
7	[Reappointment] [Outside Director] [Independent] Yasuhiro Fujiwara (January 3, 1972)	<p>April 1995 Joined Mitsui Home Co., Ltd.</p> <p>October 2001 Joined ChuoAoyama Audit Corporation</p> <p>July 2007 Joined Shin Nihon & Co. (currently Ernst & Young ShinNihon LLC)</p> <p>January 2021 Representative, Fujiwara Accounting Office (to present) Representative Director, Kaikei Oen Kobo Co., Ltd. (to present)</p> <p>June 2021 Outside Director (Audit), Fukoku Co., Ltd. (to present)</p> <p>June 2023 Outside Audit & Supervisory Board Member of the Company</p> <p>June 2024 Outside Director of the Company (to present)</p> <p>(Significant concurrent positions) Representative, Fujiwara Accounting Office Representative Director, Kaikei Oen Kobo Co., Ltd. Outside Director (Audit), Fukoku Co., Ltd.</p> <p>[Reason for selection as a candidate for Outside Director and a summary of expected roles] Mr. Yasuhiro Fujiwara has never in the past been involved in the management of a company except as an outside officer. However, he has a high degree of expertise as a certified public accountant and has served as an Outside Audit & Supervisory Board Member of the Company and as an outside director (auditor) of another company. Since his appointment as an Outside Director of the Company, he has contributed to ensuring the transparency and fairness of the Board of Directors by providing appropriate recommendations and advice from an independent standpoint, specifically regarding finance, accounting, internal controls and other fields, drawing on his background of knowledge and experience. Based on his performance as an Outside Director of the Company, he is selected as a candidate for Outside Director because he is expected to contribute to improving the effectiveness of the Board of Directors' supervisory and decision-making functions as well as increasing the Group's corporate value through his participation in deliberations and decision-making.</p>	-

No.	Name (Date of birth)	Past experience, positions, and responsibilities (significant concurrent positions)	Number of shares of the Company held
8	[New appointment] [Outside Director] [Independent] Hitoshi Suzuki (December 11, 1961)	<p>April 1985 Joined Nissan Chemical Corporation</p> <p>April 2001 Taipei Office Manager, Nissan Chemical Corporation</p> <p>April 2007 General Manager, Semiconductor Materials Department, Electronic Materials Division, Nissan Chemical Corporation</p> <p>April 2010 General Manager, Semiconductor Materials Research Department, Electronic Materials Research Laboratories, Nissan Chemical Corporation</p> <p>April 2012 General Manager, Semiconductor Materials Department, Performance Materials Division, Nissan Chemical Corporation</p> <p>June 2013 Executive Officer, Deputy Head of Performance Materials Division, Nissan Chemical Corporation</p> <p>June 2018 Director, Managing Executive Officer, Head of Performance Materials Division, Nissan Chemical Corporation Chairman, Nissan Chemical America Corporation Managing Director, NCK Co., Ltd.</p> <p>June 2020 Director, Managing Executive Officer, Research & Development, Head of Planning and Development Division, Pharmaceuticals Division and Intellectual Property Department, Nissan Chemical Corporation</p> <p>June 2022 Retired from Nissan Chemical Corporation President & CEO, AtoZ Corporation (to present)</p> <p>July 2022 Independent Board Director, Arieca, Inc. (to present)</p> <p>(Significant concurrent positions) President & CEO, AtoZ Corporation Independent Board Director, Arieca, Inc.</p>	—
<p>[Reason for selection as a candidate for Outside Director and a summary of expected roles] Mr. Hitoshi Suzuki has experience in overseas business at Nissan Chemical Corporation, has held important positions such as General Manager of Semiconductor Materials Research Department and General Manager of Semiconductor Materials Department, and has a wealth of knowledge and experience in supervising Research & Development and in the Planning and Development Division. Based on his experience, knowledge, and performance, he is selected as a candidate for Outside Director because he is expected to provide appropriate recommendations and advice on a development strategy perspective and from an independent standpoint and contribute to improving the effectiveness of the Board of Directors' supervisory and decision-making functions as well as increasing the Group's corporate value through his participation in deliberations and decision-making.</p>			

(Notes)

1. There is no special interest between each of the candidates for Director and the Company.
2. Ms. Yukari Murayama and Mr. Yasuhiro Fujiwara are candidates for Outside Director. The Company has designated these two candidates as Independent Directors as prescribed in the regulations of the Tokyo Stock Exchange. If they are re-elected and assume the position of Independent Director, the Company intends to continue with the appointment submitted to the same Exchange.
3. Mr. Hitoshi Suzuki is a candidate for Outside Director. If he is elected and assumes the position of Outside Director, the Company intends to notify the Tokyo Stock Exchange that he is an Independent Director as prescribed in the regulations of the Tokyo Stock Exchange.
4. The Company has prescribed in its Articles of Incorporation that the Company may enter into a liability limitation agreement with Directors (excluding Directors with executive authority over operations) to limit their liability for damages to the Company within a certain limited amount. Accordingly, if Mr. Harutoshi Sato, Ms. Yukari Murayama, and Mr. Yasuhiro Fujiwara are re-elected and assume the position of Director, the Company intends to continue the said agreement with them.
Additionally, if Mr. Hitoshi Suzuki is elected and assumes the position of Outside Director, the Company intends to enter into the said agreement with him.
The outline of the liability limitation agreement is as follows.
 - Should the candidate cause any damage to the Company as a Director, provided that the candidate has executed his or her duties in good faith without gross negligence, the candidate shall be liable for compensation for damages to the Company, with the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act as the maximum amount of such liability.

5. The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act to cover legal damages and litigation expenses to be paid for shareholders or other third parties by the insured including the Company's Directors. If the candidates are elected and assume the office of Director, they will be insured under the insurance contract. Additionally, the Company plans to renew the insurance contract with the same contents at the next renewal.
6. Ms. Yukari Murayama will have served as an Outside Director of the Company for four (4) years at the conclusion of this General Meeting of Shareholders.
7. Mr. Yasuhiro Fujiwara will have served as an Outside Director of the Company for two (2) years at the conclusion of this General Meeting of Shareholders, and he has previously served as an Outside Audit & Supervisory Board Member of the Company for one (1) year.
8. Ms. Yukari Murayama's name on the family register is Yukari Hagiwara.
9. Mr. Harutoshi Sato is currently an Outside Director of the Company.

Proposal 3: Election of One (1) Substitute Audit & Supervisory Board Member

The qualification of Mr. Tetsuro Sugiura, the substitute Outside Audit & Supervisory Board Member elected at the 9th Annual General Meeting of Shareholders on June 29, 2022, expires at the start of this General Meeting of Shareholders. Accordingly, we hereby propose that one (1) substitute Audit & Supervisory Board Member be elected.

The validity of the election under this proposal can be nullified by resolution of the Board of Directors if the consent of the Audit & Supervisory Board has been obtained; provided, however, that it is applicable only before assuming office.

This proposal has received the consent of the Audit & Supervisory Board.

The candidate for substitute Outside Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Past experience and positions (significant concurrent positions)	Number of shares of the Company held
[Outside Audit & Supervisory Board Member] [Independent] Satoru Ochiai (June 4, 1960)	April 1984 Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.) November 2007 General Manager, Kichijoji Branch, Mizuho Bank, Ltd. April 2010 General Manager, Corporate Banking Department No. 17, Mizuho Corporate Bank, Ltd. April 2012 Executive Officer, General Manager, Trust Business Department IV, Mizuho Trust & Banking Co., Ltd. April 2014 Managing Executive Officer, Head of Equity Strategy Unit, Executive in charge of Sales, Mizuho Trust & Banking Co., Ltd. May 2018 President & CEO (Representative Director), Mizuho Human Service Co., Ltd. June 2019 Executive Vice President, NAKAYAMAFUKU CO., LTD. June 2022 Audit & Supervisory Board Member (full-time), TANAKA Holdings Co., Ltd. (currently TANAKA PRECIOUS METAL GROUP CO., LTD.) June 2023 Audit & Supervisory Board Member (part-time), Seiko Instruments Inc. (to present)	–
	(Significant concurrent positions) Audit & Supervisory Board Member (part-time), Seiko Instruments Inc. [Reason for selection as a candidate for substitute Outside Audit & Supervisory Board Member] Mr. Satoru Ochiai served as Managing Executive Officer of Mizuho Trust & Banking Co., Ltd., President & CEO (Representative Director) of Mizuho Human Service Co., Ltd., Executive Vice President of NAKAYAMAFUKU CO., LTD., and Audit & Supervisory Board Member (full-time) of TANAKA PRECIOUS METAL GROUP CO., LTD. He is nominated as a candidate for substitute Outside Audit & Supervisory Board Member because he has the expertise to provide appropriate advice from an independent standpoint and highly effective auditing with respect to ensuring the transparency and fairness of the Board of Directors as well as the appropriateness of its decision-making and supervisory functions, based on his extensive knowledge of overall management, including organizational management and governance, and from a multifaceted perspective based on his broad experience.	

(Notes)

1. There is no special interest between the candidate for substitute Outside Audit & Supervisory Board Member and the Company.
2. Mr. Satoru Ochiai is a candidate for substitute Outside Audit & Supervisory Board Member. If his election is approved and he assumes the position of Audit & Supervisory Board Member, the Company intends to notify the Tokyo Stock Exchange that he is an Independent Audit & Supervisory Board Member as prescribed in the regulations of the Tokyo Stock Exchange.
3. The Company has prescribed in its Articles of Incorporation that the Company may enter into a liability limitation agreement with Audit & Supervisory Board Members to limit their liability for damages to the Company within a certain limited amount to enable the Company to attract talented human resources as Audit & Supervisory Board Members. If the election of Mr. Satoru Ochiai, a candidate for substitute Outside Audit & Supervisory Board Member, is approved and he assumes the position, the Company intends to enter into a liability limitation agreement with him.

The outline of the liability limitation agreement is as follows.

- Should the candidate cause any damage to the Company as an Audit & Supervisory Board Member, provided that the candidate has executed his or her duties in good faith without gross negligence, the candidate shall be liable for compensation for damages to the Company, with the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act as the maximum amount of such liability.

4. The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act to cover legal damages and litigation expenses to be paid for shareholders or other third parties by the insured including the Company's Audit & Supervisory Board Members. If the election of Mr. Satoru Ochiai, a candidate for substitute Outside Audit & Supervisory Board Member, is approved and he assumes the position, he will be insured under the insurance contract.

[Reference] Skill matrix of each Director after the conclusion of this General Meeting of Shareholders
The main expertise and experience that the Company expects from each Director and Audit & Supervisory Board Member if the candidates listed in this Notice are elected as proposed, are as follows.

	Name		Corporate management	Finance and accounting	Research and development, manufacturing, and technology	Legal affairs, risk management, and governance	Planning and marketing	Global experience	Environment and sustainability	Human resources and diversity
Directors	Hirofumi Kaneko	Male	○			○	○	○		○
	Hideo Okamoto	Male		○		○		○		○
	Harutoshi Sato	Male	○		○			○		○
	Shigenobu Takahashi	Male			○	○			○	○
	Ryuichi Nakatsu	Male	○				○		○	○
	Yukari Murayama	Female				○				○
	Yasuhiro Fujiwara	Male		○		○	○			
	Hitoshi Suzuki	Male	○		○		○	○		
Audit & Supervisory Board Members	Shinichi Iwamura	Male	○	○		○				
	Reiko Mitamura	Female		○		○				○
	Akinori Aoki	Male		○	○		○			

[Reference] Policy on reducing cross-shareholdings

(Policy on cross-shareholdings)

The Company holds shares in companies deemed beneficial to enhancing corporate value, taking comprehensive account of factors such as the maintenance and strengthening of business relationships and the necessity of medium-to-long-term business strategies. Each year, the Board of Directors evaluates the strategic and economic rationale for holding such shares, and where such rationale is not recognized, the Company will consider selling or reducing its holdings following consultation with the investee companies.

(Initiatives for reducing cross-shareholdings)

Under the three-year Medium-term Management Plan entitled “Challenge 2027,” with fiscal year 2027 as its final year, the Company has established a target of reducing the ratio of cross-shareholdings to consolidated net assets to below 15% by the end of fiscal year 2026, from the perspective of improving capital efficiency and other considerations, and is actively working toward this reduction. As a result of these efforts, as of March 31, 2026, the ratio to net assets stands at 17.8%.

Business Report

(April 1, 2025–March 31, 2026)

1. The Present State of the Group

(1) Progress and outcomes of business

In our Medium-term Management Plan “Challenge 2027,” which started this fiscal year, we have positioned several businesses, including ammonium perchlorate, a solid propellant ingredient for space rockets and defense-related products, as priority areas, focus areas, and development areas, and are promoting management based on a new business portfolio.

The three years from fiscal year 2025 to fiscal year 2027, which is the period of the Medium-term Management Plan, are positioned as the “Investment Promotion” stage. To achieve business growth and profit expansion in the final year, we will actively execute investments such as production capacity enhancement, new production facilities, and energy-saving and labor-saving measures.

By executing our management philosophy of “For Confidence and Infinite Challenge,” we aim to promote the growth of existing businesses and establish new businesses, while also promoting management that is conscious of the cost of capital and the share price in pursuing improvements in corporate value enlisting PBR as a benchmark.

In the current fiscal year, we recorded net sales of ¥36,247 million (-¥666 million/-1.8% YoY). Operating profit was ¥3,459 million (+¥412 million/+13.5%), ordinary profit was ¥3,755 million (+¥435 million/+13.1%), and profit attributable to owners of parent was ¥2,976 million (+¥406 million/+15.8%).

Regarding our performance in the current fiscal year, sales were strong in the Chemical Products segment (Explosives, Electronic materials), the Bottling segment, and the Metal Working segment, resulting in increased profits. This is due to our sales efforts such as the reflection of fair prices, and a decrease in general and administrative expenses, etc., in addition to the solid demand in the domestic market.

However, the Chemical Products segment (Material assessment service, Chemicals, Ceramics, Silicon wafers) and Engineering Services segment recorded lower profits. Particularly, Silicon wafers sub-segment had a significant impact on the business results.

The following is information about the main fluctuations in net sales.

Chemical Products segment

In the Explosives sub-segment, industrial explosives recorded an increase in both sales and profit due to the reflection of fair prices. Automotive emergency flares saw an increase in sales due to steady demand from automobile factories. However, profits decreased due to increased production costs. Signal flares for highway use saw an increase in sales and profits due to steady demand and the reflection of fair prices. Raw materials for fireworks saw steady sales of fireworks components, but overall sales and profit decreased due to the reduced sales volume related to other raw materials, such as oxidizing agents and metal powders.

In the Material assessment service sub-segment, despite being impacted by adjustments in certain demand, net sales of safety evaluation testing remained flat due to orders for high-value-added testing. However, profits decreased due to an increase in depreciation for new equipment. Secondary batteries testing was impacted by a slowdown in demand for EVs and adjustments for some customers, resulting in decreased sales and profit.

In the Chemicals sub-segment, sodium chlorate sales and profit decreased due to a decline in demand for paper pulp bleaching. For ammonium perchlorate (the raw material in propellants for rockets and defense missiles), steady demand led to increased sales and profits. Electrodes experienced an increase in sales and profit due to strong replacement demand for seawater electrolysis applications. Perchloric acid sales and profit decreased due to sluggish overseas demand.

In the Electronic materials sub-segment, sales of capacitor electrolytes have continued to decline due to the slowdown in demand for EVs. However, sales of high-value-added products—such as capacitor materials

for high-efficiency circuits for high-end servers, a market undergoing remarkable growth—increased, resulting in higher sales and profit.

In the Ceramics sub-segment, sales across the entire product range decreased due to sluggish demand for abrasive grains for the automotive and steel sectors, resulting in lower sales and profit.

In the Silicon wafers sub-segment, uncertainty remains due to excessive customer inventories and production adjustments. Sales increased supported by demand from some customers, but profit declined due to the impact of factors such as the sluggish growth in sales of high-profit products and lower factory operating rates as a result of inventory adjustments.

As a result, net sales for the Chemical Products segment were ¥21,977 million (-¥446 million/-2.0% YoY), while operating profit was ¥1,858 million (+¥380 million/+25.7%).

Bottling segment

In the Bottling segment, orders and operations for all production lines (ambient-temperature aseptic filling production line, hot-temperature filling production line, and can production line) remained steady. However, it was not enough to cover the impact of the first quarter's reduced sales, resulting in decreased sales. On the other hand, profit increased due to cost reduction and other initiatives.

As a result, net sales for the Bottling segment were ¥4,480 million (-¥44 million/-1.0% YoY), while operating profit was ¥378 million (+¥33 million/+9.6%).

Metal Working segment

In the Metal Working segment, sales of anchors for use inside heat-resistant furnaces and retainers for dust collectors were supported by renewal demand arising from regular maintenance at steel mills and other facilities, but sales nevertheless decreased in the second half of the fiscal year due to projects coming to a close and other factors. On the other hand, profit increased due to factors such as progress in price optimization. Various metal springs and pressed products were affected by production cuts at construction machinery-related customers; however, a recovery among automobile-related customers and efforts to improve productivity led to increased sales and profits.

As a result, net sales for the Metal Working segment were ¥7,303 million (+¥73 million/+1.0% YoY), while operating profit was ¥602 million (+¥94 million/+18.6%).

Engineering Services segment

For engineering and construction work, sales increased due to the impact of increased internal engineering work projects. However, profits decreased due to the intensifying competitive environment in the construction sector. In industrial paints and painting work, while sales of industrial paints remained solid, sluggish demand for construction machinery led to a reduction in the number of painting jobs handled, resulting in lower sales and profits. Demand for structural design remained steady, mainly for seismic reinforcement design; however, the impact of accounting treatment on certain detailed design projects resulted in decreased profits.

As a result, net sales for the Engineering Services segment were ¥5,251 million (+¥840 million/+19.0% YoY), while operating profit was ¥795 million (-¥27 million/-3.3%).

(2) Capital investments

The total of capital investments made during the current fiscal year was ¥5,707 million.

(i) Main facilities completed during the current fiscal year

Chemical Products segment

Carlit Co., Ltd.

Material assessment testing building, chemicals-related production facility, technology development building, renovation of laboratory building, silicon wafer manufacturing facility

Engineering Services segment

Fuji Shoji Co., Ltd.

Reconstruction of head office

(ii) New construction/enhancement of main facilities during the current fiscal year

Chemical Products segment

Carlit Co., Ltd.

Solid propellant manufacturing facility, material assessment testing equipment, chemicals-related production facility, agrochemicals-related production facility, core system development

Bottling segment

JC Bottling Co., Ltd.

Soft drink production facility

Metal Working segment

Toyo Spring Industrial Co., Ltd.

Introduction of large press machine

(iii) Sale/removal/loss of material non-current assets

Not applicable

(3) Financing

Regarding financing for facilities and other projects during the current fiscal year, we procured necessary funds mainly from own capital and loans from financial institutions. Consolidated interest-bearing liabilities amounted to ¥4,805 million, an increase of ¥3,524 million from the previous year.

(4) Issues to address

1. Fundamental management policy

Management philosophy: For Confidence and Infinite Challenge

Based on “Strenuous Efforts,” which is the spirit of our founder, Soichiro Asano, we established the management philosophy “For Confidence and Infinite Challenge” in light of our current reason for existence and ambitious development for the future.

We believe it is our mission to contribute to both society and individual people. To achieve this mission, we must establish a sustainable business foundation and develop enduring technology. We intend to develop new products and make forays into new business segments while improving our research and development structure, striving to proactively develop new businesses with the priority placed on maintaining trust from stakeholders.

Aiming to create a 200-year company, all employees of the Carlit Group will work together to earn the world’s trust by tackling countless challenges.

2. Medium- and long-term management strategies

We have determined that our vision for the Group in 2030 to 2035 is “To contribute to a sustainable society by combining the power of “chemistry” and “technology” to support people’s happy lives,” and we are promoting our three-year Medium-term Management Plan entitled “Challenge 2027,” with the fiscal year

2025 as its first year. Our management policy is to pursue improvements in corporate value through the optimization of our business portfolio, and we will advance the following initiatives: (1) growth strategy by business segment, (2) business growth by R&D strategy, (3) growth by human resources strategy, and (4) financial strategy and capital profitability. We will invest cash earned from existing businesses during the foundation enhancement phase through fiscal year 2024 into growth businesses, R&D and new businesses, and human capital, with the aim of achieving performance growth toward the Harvest and Breakthrough stage in 2030 and beyond.

(5) Recent trends in Group assets, profits and losses of the Group

Category	Year 10 (Year ended March 2023)	Year 11 (Year ended March 2024)	Year 12 (Year ended March 2025)	Year 13 Current fiscal year (Year ended March 2026)
Net sales (Millions of yen)	36,008	36,577	36,914	36,247
Ordinary profit (Millions of yen)	2,910	3,600	3,320	3,755
Profit attributable to owners of parent (Millions of yen)	2,246	2,598	2,570	2,976
Profit per share (Yen)	94.55	109.91	109.07	130.50
Total assets (Millions of yen)	51,230	55,146	53,012	57,674
Net assets (Millions of yen)	33,179	36,775	37,479	39,793
Net assets per share (Yen)	1,402.70	1,560.32	1,590.20	1,774.98

(6) Status of the parent company and significant subsidiaries (as of March 31, 2026)

(i) Relationship with the parent company

Not applicable

(ii) Status of significant subsidiary companies

Company name	Share capital (Millions of yen)	Ownership equity	Description of main businesses
JC Bottling Co., Ltd.	400	100%	Bottling and selling soft drinks
Fuji Shoji Co., Ltd.	12	100%	Selling industrial paints, performing painting work
Namitakiko Co., Ltd.	33	100%	Manufacturing and selling heat-resistant furnace hardware
General Design Co., Ltd.	10	100%	Designing and supervising buildings, structures, water supply and wastewater systems, wastewater treatment facilities, etc.
Toyo Spring Industrial Co., Ltd.	40	100%	Manufacturing and selling springs for automobiles and construction machinery
Carlit Sangyo Co., Ltd.	30	100%	Engineering, construction-related services, termite control
Minamisawa Construction Co., Ltd.	60	100%	Construction projects, civil engineering design and construction
Japan Carlit (Shanghai) Co., Ltd.	70	100%	Selling, exporting and importing electronics, etc.

Note: We have 11 consolidated subsidiary companies and one company accounted for using the equity method.

(iii) Status of specified wholly-owned subsidiary companies on March 31, 2026

Not applicable

(7) Description of main businesses (as of March 31, 2026)

Business segment	Main products and services
Chemical Products segment	< Explosives sub-segment> Industrial explosives, Automotive emergency flares, Signal flares, Raw materials for fireworks < Material assessments sub-segment> Material hazard assessment testing, Battery testing < Chemicals sub-segment > Sodium chlorate, Ammonium perchlorate, Sodium chlorite, Agrichemicals, Electrodes, Perchloric acid < Electronics sub-segment > Organic conducting materials, Optical function materials, Ion conducting materials < Ceramics sub-segment > Abrasives < Silicon wafer sub-segment > Silicon wafers
Bottling segment	Bottling and packaging
Metal Working segment	Heat-resistant refractories, Springs
Engineering Services segment	Sales of industrial paints and painting work, Designing and supervising water supply and wastewater systems, and wastewater treatment facilities and buildings

(8) Main places of business and plants (as of March 31, 2026)

(i) Main places of business

Head Office		Chuo-ku, Tokyo
Branch	Osaka Branch	Osaka-shi, Osaka
Sales Offices	Kyushu Sales Office Hokkaido Sales Office	Fukuoka-shi, Fukuoka Sapporo-shi, Hokkaido
Laboratories	Gunma Laboratory Akagi Laboratory Nagano Laboratory	Shibukawa-shi, Gunma Shibukawa-shi, Gunma Saku-shi, Nagano
Plants	Gunma Plant Akagi Plant Nagano Plant Shiga Plant	Shibukawa-shi, Gunma Shibukawa-shi, Gunma Saku-shi, Nagano Inukami-gun, Shiga
Distribution Center	Toyota Distribution Center	Toyota-shi, Aichi

(ii) Main places of business and plants of the subsidiary companies

JC Bottling Co., Ltd.	Head Office Shibukawa Plant	Chuo-ku, Tokyo Shibukawa-shi, Gunma
Fuji Shoji Co., Ltd.	Head Office Shiga Plant	Osaka-shi, Osaka Inukami-gun, Shiga
Namitakiko Co., Ltd.	Head Office and Factory Tokyo Office	Osaka-shi, Osaka Chuo-ku, Tokyo
General Design Co., Ltd.	Head Office	Minato-ku, Tokyo
Toyo Spring Industrial Co., Ltd.	Head Office Ishioka Plant Kashiwabara Plant	Matsudo-shi, Chiba Omitama-shi, Ibaraki Ishioka-shi, Ibaraki
Carlit Sangyo Co., Ltd.	Head Office	Shibukawa-shi, Gunma
Minamisawa Construction Co., Ltd.	Head Office	Shibukawa-shi, Gunma
Japan Carlit (Shanghai) Co., Ltd.	Head Office	Shanghai, China

(9) Status of employees (as of March 31, 2026)

Status of Group employees

Business segment	Number of employees	Change from end of previous year
Chemical Products segment	547	+17
Bottling segment	137	+2
Metal Working segment	216	-3
Engineering Services segment	175	-11
Total	1,075	+5

Note: "Number of employees" is the number of working employees.

(10) Main lenders (as of March 31, 2026)

(Millions of yen)

Lender	Borrowings
Mizuho Bank, Ltd.	1,489
The Gunma Bank, Ltd.	971
Resona Bank, Limited	611
Meiji Yasuda Life Insurance Company	392

(11) Status of business transfers, absorption-type company splits, and incorporation-type company splits

Not applicable

(12) Status of acquisitions of businesses

Not applicable

(13) Status of succession of the rights and obligations of the businesses of other corporations under absorption-type mergers or absorption-type company splits

Not applicable

(14) Status of acquisition or disposition of shares or other equity, share acquisition rights of other companies

Not applicable

2. The Company's Shares (as of March 31, 2026)

- (1) Total number of authorized shares: 80,000,000
 (2) Total number of issued shares: 22,848,237 (excluding 92,363 treasury shares)

Note: As a result of the cancellation of treasury shares carried out on December 26, 2025 and March 30, 2026, the total number of issued shares decreased by 1,109,400 shares compared to the end of the previous fiscal year.

- (3) Number of shareholders: 28,654
 (4) Major shareholders

Shareholder name	Number of shares owned (Thousands of shares)	Ownership ratio (%)
Custody Bank of Japan, Ltd. (Marubeni retirement benefit trust account re-entrusted by Mizuho Trust & Banking Co., Ltd.)	1,997	8.7
The Master Trust Bank of Japan, Ltd. (trust account)	1,771	7.8
NOF CORPORATION	915	4.0
Custody Bank of Japan, Ltd. (Mizuho Bank retirement benefit trust account re-entrusted by Mizuho Trust & Banking Co., Ltd.)	913	4.0
Custody Bank of Japan, Ltd. (trust account)	847	3.7
NAGASE & CO., LTD.	700	3.1
Meiji Yasuda Life Insurance Company ^(株)	700	3.1
MSIP CLIENT SECURITIES	687	3.0
Yuto Suzuki	538	2.4
Fuyo General Lease Co., Ltd.	522	2.3

- Notes: 1. Ownership ratios were calculated after excluding the 92,363 treasury shares.
 2. The shares owned by the Marubeni retirement benefit trust account with Mizuho Trust & Banking Co., Ltd. were purchased by Marubeni Corporation as a retirement benefit trust.
 3. The shares owned by the Mizuho Bank retirement benefit trust account with Mizuho Trust & Banking Co., Ltd. were purchased by Mizuho Bank, Ltd. as a retirement benefit trust.
 4. Treasury shares do not include shares held by Custody Bank of Japan, Ltd. (Trust Account E) related to the "Board Benefit Trust (BBT)" and the "Japanese version of Employee Stock Ownership Plan (J-ESOP)."

- (5) Status of shares issued to Company Officers as compensation for execution of duties during the current fiscal year

Type of Officer	Number of shares (Hundreds of shares)	Recipients (Number of people)
Directors (excluding Outside Directors)	–	–
Outside Directors	–	–
Audit & Supervisory Board Members	–	–

Note: Details of the Company's stock compensation plan can be found under "3. Company Officers, (4) Compensation, etc. of Directors and Audit & Supervisory Board Members" of the Business Report.

- (6) Important matters pertaining to other shares

- (i) Introduction of the Board Benefit Trust (BBT)

At the 2nd Annual General Meeting of Shareholders held on June 26, 2015, the shareholders passed a resolution to introduce a performance-linked stock compensation plan (BBT) which limits compensation to Directors (excluding Outside Directors) to a maximum of ¥60 million in a single fiscal year. In addition to the above limit, at the 8th Annual General Meeting of Shareholders held on June 29, 2021, the shareholders passed a resolution to establish a maximum of 120,000 points granted to Directors (excluding Outside Directors) under the performance-linked stock compensation plan (BBT) during a single fiscal year. The number of such shares owned by the Trust Account as of the end of the fiscal year was 297,400.

(ii) Introduction of the Japanese version of Employee Stock Ownership Plan (J-ESOP)

Based on a resolution passed at the Board of Directors meeting held on November 28, 2023, the Company has introduced the “Japanese version of Employee Stock Ownership Plan (J-ESOP),” effective December 12, 2023, which is an incentive plan to provide employees of the Company as well as directors and employees of certain subsidiaries of the Company with Company shares. The number of such shares owned by the Trust Account as of the end of the fiscal year was 131,800.

(iii) Repurchase of treasury shares

Pursuant to a resolution adopted at the Board of Directors meeting held on May 15, 2025, the Company repurchased treasury shares as follows.

Class and number of shares repurchased	Common stock: 837,400 shares
Total purchase cost of shares	¥999 million
Repurchase period	May 16, 2025 to November 28, 2025

Pursuant to a resolution adopted at the Board of Directors meeting held on November 12, 2025, the Company repurchased treasury shares as follows.

Class and number of shares repurchased	Common stock: 272,000 shares
Total purchase cost of shares	¥499 million
Repurchase period	November 13, 2025 to February 27, 2026

(iv) Cancellation of treasury shares

Pursuant to a resolution adopted at the Board of Directors meeting held on December 24, 2025, the Company cancelled treasury shares as follows.

Class and number of shares cancelled	Common stock: 837,400 shares
Cancellation date	December 26, 2025

Pursuant to a resolution adopted at the Board of Directors meeting held on March 26, 2026, the Company cancelled treasury shares as follows.

Class and number of shares cancelled	Common stock: 272,000 shares
Cancellation date	March 30, 2026

3. Company Officers

(1) Names, etc. of Directors and Audit & Supervisory Board Members (as of March 31, 2026)

Position in the Company	Name	Areas of responsibility and significant concurrent positions
Representative Director	Hirofumi Kaneko	In charge of the Internal Audit Office
Director	Hideo Okamoto	In charge of Finance Division, Legal Affairs & Compliance Division, and Metal Working segment
Director	Shigenobu Takahashi	In charge of Production Headquarters, Nagano Plant, and Production Quality Control Department
Director	Ryuichi Nakatsu	In charge of Corporate Planning Department and Bottling segment; President and Representative Director, JC Bottling Co., Ltd.
Director	Yukari Murayama	Partner at Anderson Mori & Tomotsune Foreign Law Joint Enterprise; Outside Director (Audit and Supervisory Committee Member), DENTSU SOKEN INC.; Outside Director (Audit and Supervisory Committee Member), MS&AD Insurance Group Holdings, Inc.
Director	Yasuhiro Fujiwara	Representative, Fujiwara Accounting Office; Representative Director, Kaikei Oen Kobo Co., Ltd.; Outside Director (Audit), Fukoku Co., Ltd.
Director	Harutoshi Sato	
Full-Time Audit & Supervisory Board Member	Shinichi Iwamura	
Audit & Supervisory Board Member	Reiko Mitamura	Representative, Reiko Mitamura Certified Public Accountant Office
Audit & Supervisory Board Member	Akinori Aoki	

- Notes:
1. Directors Yukari Murayama, Yasuhiro Fujiwara, and Harutoshi Sato are Outside Directors as defined in Article 2, Paragraph 15 of the Companies Act.
 2. Full-Time Audit & Supervisory Board Member Shinichi Iwamura and Audit & Supervisory Board Member Reiko Mitamura are Outside Audit & Supervisory Board Members as defined in Article 2, Paragraph 16 of the Companies Act.
 3. Directors Yukari Murayama, Yasuhiro Fujiwara, and Harutoshi Sato; Full-Time Audit & Supervisory Board Member Shinichi Iwamura; and Audit & Supervisory Board Member Reiko Mitamura have been reported to the Tokyo Stock Exchange as independent officers.
 4. Directors Fumio Ogawa, Yoji Yamaguchi, and Seiichi Shimbo retired at the conclusion of the 12th Annual General Meeting of Shareholders held on June 27, 2025, due to the expiration of their terms of office.
 5. Audit & Supervisory Board Member Reiko Mitamura is a certified public accountant and has considerable knowledge of finance and accounting.
 6. Audit & Supervisory Board Member Tsunemichi Iwai retired at the conclusion of the 12th Annual General Meeting of Shareholders held on June 27, 2025, due to the expiration of his term of office.
 7. The following changes have been made to the areas of responsibility of the Directors, effective April 1, 2026.

Position in the Company	Name	Before amendments	After amendments
Director	Hideo Okamoto	In charge of Finance Division, Legal Affairs & Compliance Division, and Metal Working segment	In charge of Finance Division and Legal Affairs & Compliance Division
Director	Ryuichi Nakatsu	In charge of Corporate Planning Department and Bottling segment; President and Representative Director, JC Bottling Co., Ltd.	In charge of Bottling segment; President and Representative Director, JC Bottling Co., Ltd.

(2) Summary of the content of liability limitation agreements

The Company and the Directors (excluding those who are Directors with executive authority over operations) and Audit & Supervisory Board Members have entered into agreements limiting the Directors' and Audit & Supervisory Board Members' liability for compensation for damages to the Company when they cause damage to the Company to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, provided that they have executed their duties in good faith without gross negligence.

(3) Summary of the content of the directors and officers liability insurance contract

The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insured parties under the insurance contract are the Directors and Audit & Supervisory Board Members of the Company and those of its subsidiary companies under the Companies Act; the insured parties do not pay insurance premiums. The insurance covers damage (legal damages and litigation expenses) suffered by Officers of the Company when shareholders or other third parties seek compensatory damages during the term of the insurance as a result of the Officers' actions or inaction.

(4) Compensation, etc. of Directors and Audit & Supervisory Board Members

(i) Policies for determining the details of Officer compensation, etc.

The Company determines policies for determining the details of compensation for individual Directors as follows through resolutions by the Board of Directors. Before reaching these resolutions, the Board of Directors requests and receives advice about the details from the Governance Committee.

Additionally, the Board of Directors judges whether compensation for individual Directors for the current fiscal year aligns with policies for determining the details of the compensation by verifying the methods of determining the details, whether such determined details are consistent with the policies, and whether the advice from the Governance Committee has been properly regarded.

The following are the details of policies for determining the details of compensation for individual Directors.

I. Basic policy

Our basic policy for determining compensation for individual Directors is to set it at appropriate levels for their responsibilities under a system linked to shareholders' interests so that the compensation serves as a sufficient incentive for the Directors to persistently strive to improve the value of the Company. Specifically, compensation for Directors with executive authority over operations comprises basic compensation, which serves as their fixed compensation, and bonuses, while Outside Directors, who are tasked with supervisory functions, are only paid the basic compensation in light of their duties.

II. Policies for determining amounts of basic compensation (monetary compensation) for individuals (including policies for determining the timing and conditions for providing the compensation)

As basic compensation, Company Directors are paid a fixed monthly amount determined based on many factors, including their position, responsibilities, what other companies are paying, the Company's

performance, and Company employees' wage levels as well as assessments of their duties. In these assessments, the Representative Director assesses the status of each Director's duties and consults with the Governance Committee, which reports to the Board of Directors, which then deliberates over and finalizes the assessments.

III. Policies for determining details about bonuses and methods of calculating amounts and figures (including policies for determining the timing and conditions for providing the compensation)

Regarding bonuses, the performance-linked stock compensation plan aims to raise Directors' motivation to contribute to improving performance and increasing corporate value over the medium and long term by clarifying the link between Director compensation and the Company's performance and share price. The maximum total performance-linked stock compensation for a single fiscal year is ¥60 million. Directors (excluding Outside Directors) are awarded points corresponding to their level of achievement based on Company regulations for granting shares to Officers. Consolidated ordinary profit serves as the baseline for assessing their level of achievement. Consolidated ordinary profit was selected as the baseline metric rather than operating profit, which reflects business activities and fluctuates in response to financing activities, because it expresses the overall profitability of management activities. Directors are granted shares of the Company corresponding to the number of points awarded when they acquire rights to receive benefits under certain conditions. In principle, they receive the shares when they step down from their positions as Directors. The granted shares are acquired from the market or through disposal of the Company's treasury shares using money set in trust in advance.

a. Eligible recipients of bonuses

Directors (excluding Outside Directors)

b. Assets provided as performance-linked remuneration

Common shares of the Company and cash

c. Method of calculating stock compensation payments

The number of points to be awarded is calculated using the following formula, and points are awarded to the scheduled recipients each year on the day on which the Annual General Meeting of Shareholders concludes.

Number of points = Funds for distribution (Table 1) x (Scheduled recipient's point percentage (Table 2) ÷ Total number of points to be awarded) ÷ Share price when the trust acquires the shares (Points are rounded down to the nearest whole number)

Table 1: Funds for Distribution

Level of performance	Funds for distribution
Consolidated ordinary profit of ¥2,000 million or greater, and profit of ¥1,500 million or greater	1.0% of consolidated ordinary profit (Maximum for Directors: ¥60 million)
Consolidated ordinary profit of less than ¥2,000 million, or profit of less than ¥1,500 million when ordinary profit is ¥2,000 million or greater	No payments

Notes: 1. Consolidated ordinary profit and funds for distribution are rounded down to the nearest million yen.
2. If suitable reasons exist, the Board of Directors may pass a resolution to award no points.

Table 2: Point Percentages

Position	Point percentage
Chair of the Board of Directors	2.5
President	4.0
Vice President	2.5
Senior Managing Director	2.0
Managing Director	1.5
Director	1.0

Notes: 1. A maximum total of 120,000 points can be awarded to Directors in a single fiscal year.
2. Monetary amounts allocated according to point percentages are rounded down to the nearest ¥10,000.

When a scheduled recipient steps down from their position, they acquire the right to receive the number of shares calculated using the following formula and based on the cumulative number of points awarded to them over the years using the aforementioned formula. Note that when the number of shares to be provided involves a fraction, a monetary payment corresponding to the fraction will be provided. Additionally, when a scheduled recipient has died, their surviving family will be provided with a monetary payment corresponding to the number of shares owed to the recipient multiplied by the closing price or the indicative price of the stock on the day of the recipient's death.

Number of shares to be provided = Cumulative points x 1.0

IV. Policies for determining percentages of amounts of monetary compensation, performance-linked compensation, non-monetary compensation, and other forms of compensation for individual Directors

The Governance Committee examines percentages of compensation for each type of Director based on levels of compensation benchmarked against those of companies with scales, lines, and categories of business similar to the Company's. The Board of Directors regards advice from the Governance Committee and determines the details of individual Director compensation such that they fall within the scope of the compensation percentage for each type of Director advised by the Governance Committee.

Specifically, as outlined in Section I, compensation for Directors with executive authority over operations comprises basic compensation, which serves as their fixed compensation, and bonuses, while Outside Directors, who are tasked with supervisory functions, are only paid the basic compensation in light of their duties. In addition to the basic compensation, which serves as fixed compensation, Directors with executive authority over operations are awarded points corresponding to the Company's performance each fiscal year as outlined in Section III as performance-linked stock compensation. In principle, they receive the number of shares corresponding to their cumulative point total as a bonus when they step down from their positions as Directors. Accordingly, the percentages of compensation of Directors with executive authority over operations may fluctuate in response to the number of points awarded as performance-linked stock compensation.

V. Determining the details of individual Director compensation

In pursuit of transparency and objectivity with regard to amounts of compensation for individual Directors, the Board of Directors requests and receives advice from the Governance Committee and then deliberates over and determines the amounts. Regarding the performance-linked stock compensation plan, points are calculated in line with the details in Section III and finalized by resolution of the Board of Directors.

(ii) Total amount of compensation for the year ended March 31, 2026

Type of Officer	Total amount of compensation (Millions of yen)	Total amount by type of compensation (Millions of yen)			Number of eligible recipients
		Basic compensation	Performance-linked compensation	Of the amount at left, the amount of non-monetary compensation	
Directors	150 (including 21 for Outside Directors)	124 (including 21 for Outside Directors)	25 (including 0 for Outside Directors)	25 (including 0 for Outside Directors)	10 (including 4 for Outside Directors)
Audit & Supervisory Board Members	33 (including 24 for Outside Audit & Supervisory Board Members)	33 (including 24 for Outside Audit & Supervisory Board Members)	–	–	4 (including 2 for Outside Audit & Supervisory Board Members)

Notes: 1. At the 6th Annual General Meeting of Shareholders held on June 27, 2019, the shareholders passed a resolution to limit Director compensation to ¥300 million per year (of which the limit per year for Outside Directors is ¥30 million). (However this does not include portions of wages corresponding to services as an employee for individuals concurrently serving as Directors.) The number of Directors at the conclusion of the General Meeting of Shareholders was nine (including three Outside Directors). Separate from the above, at the 2nd

Annual General Meeting of Shareholders held on June 26, 2015, the shareholders passed a resolution to introduce a performance-linked stock compensation plan which limits compensation to Directors (excluding Outside Directors) to a maximum of ¥60 million in a single fiscal year. The number of Directors (excluding Outside Directors) at the conclusion of the General Meeting of Shareholders was six. In addition to the above limit, at the 8th Annual General Meeting of Shareholders held on June 29, 2021, the shareholders passed a resolution to establish a maximum of 120,000 points granted to Directors (excluding Outside Directors) under the performance-linked stock compensation plan during a single fiscal year. The number of Directors (excluding Outside Directors) at the conclusion of the General Meeting of Shareholders was four. Details of the performance-linked stock compensation plan are as described in Section III “Policies for determining details about bonuses and methods of calculating amounts and figures (including policies for determining the timing and conditions for providing the compensation)” in “(i) Policies for determining the details of Officer compensation, etc.” of the Business Report.

2. At the 1st Annual General Meeting of Shareholders held on June 27, 2014, the shareholders passed a resolution to limit Audit & Supervisory Board Member compensation to ¥60 million per year. The number of Audit & Supervisory Board Members at the conclusion of the General Meeting of Shareholders was four.
3. Included in the above are the three Directors (including one Outside Director) who retired from office at the conclusion of the 12th Annual General Meeting of Shareholders held on June 27, 2025, due to the expiration of their term of office.
4. Included in the above is one Audit & Supervisory Board Member who retired from office at the conclusion of the 12th Annual General Meeting of Shareholders held on June 27, 2025, due to the expiration of term of office.
5. Performance-linked compensation and non-monetary compensation show the upper limits for recording of expenses related to the performance-linked stock compensation Plan in that fiscal year. Consolidated ordinary profit has been selected as the performance indicator for calculating performance-linked stock compensation, and the result for the current fiscal year was ¥3,755 million. The reason for selecting consolidated ordinary profit as the performance indicator for the compensation plan and the method for calculating the compensation amount are as described in Section III “Policies for determining details about bonuses and methods of calculating amounts and figures (including policies for determining the timing and conditions for providing the compensation)” in “(i) Policies for determining the details of Officer compensation, etc.” of the Business Report.

(5) Outside Officers

- (i) Significant concurrent positions with other companies, and the Company’s relationship with the other companies

Outside Director Yukari Murayama is concurrently serving as a Partner at Anderson Mori & Tomotsune Foreign Law Joint Enterprise, Outside Director (Audit and Supervisory Committee Member) at DENTSU SOKEN INC., as well as Outside Director (Audit and Supervisory Committee Member) at MS&AD Insurance Group Holdings, Inc. Notably, there is no special interest between the Company and Anderson Mori & Tomotsune Foreign Law Joint Enterprise, DENTSU SOKEN INC., or MS&AD Insurance Group Holdings, Inc.

Outside Director Yasuhiro Fujiwara is concurrently serving as a Representative at Fujiwara Accounting Office, a Representative Director at Kaikei Oen Kobo Co., Ltd., as well as Outside Director (Audit) at Fukoku Co., Ltd. Notably, there is no special interest between the Company and Fujiwara Accounting Office, Kaikei Oen Kobo Co., Ltd., or Fukoku Co., Ltd.

Outside Audit & Supervisory Board Member Reiko Mitamura is concurrently serving as Representative at Reiko Mitamura Certified Public Accountant Office. Notably, there is no special interest between the Company and Reiko Mitamura Certified Public Accountant Office.

(ii) Status of main activities during the current fiscal year

Name	Position	Status of main activities and summary of duties performed with regard to their expected role as an Outside Director
Yukari Murayama	Outside Director	Of the 17 meetings of the Board of Directors held during the year, Ms. Yukari Murayama attended all 16 that did not involve the one written resolution. With efforts highlighted by proactive contributions to discussions based on her expert knowledge and experience as an attorney, she is fulfilling her role, which is to ensure the relevance and appropriateness of the decisions of the Board of Directors. Additionally, as the chair of the Governance Committee, she attended all six of the committee's meetings held this year, and is serving a supervisory function over the process of determining the Company's policies for electing and dismissing senior management and for determining compensation plans and amounts of compensation for Directors.
Yasuhiro Fujiwara	Outside Director	Of the 17 meetings of the Board of Directors held during the year, Mr. Yasuhiro Fujiwara attended all 16 that did not involve the one written resolution. With efforts highlighted by proactive contributions to discussions based on his expert knowledge and experience as a certified public accountant, he is fulfilling his role, which is to ensure the relevance and appropriateness of the decisions of the Board of Directors. Additionally, as a member of the Governance Committee, he attended all six of the committee's meetings held since his appointment as an Outside Director of the Company, and is serving a supervisory function over the process of determining the Company's policies for electing and dismissing senior management and for determining compensation plans and amounts of compensation for Directors.
Harutoshi Sato	Outside Director	Mr. Harutoshi Sato attended all 13 meetings of the Board of Directors held since his appointment as an Outside Director of the Company. With efforts highlighted by proactive contributions to discussions based on his expert knowledge and experience in the product development and quality assurance sectors, he is fulfilling his role, which is to ensure the relevance and appropriateness of the decisions of the Board of Directors. Additionally, as a member of the Governance Committee, he attended all six of the committee's meetings held this year, and is serving a supervisory function over the process of determining the Company's policies for electing and dismissing senior management and for determining compensation plans and amounts of compensation for Directors.
Shinichi Iwamura	Outside Audit & Supervisory Board Member	Of the 17 meetings of the Board of Directors held during the year, Mr. Shinichi Iwamura attended all 16 that did not involve the one written resolution, and attended all 24 of the Audit & Supervisory Board meetings. His contributions to discussions are based on the knowledge and perspectives he has cultivated at financial institutions, where he started his career.
Reiko Mitamura	Outside Audit & Supervisory Board Member	Of the 17 meetings of the Board of Directors held during the year, Ms. Reiko Mitamura attended all 16 that did not involve the one written resolution, and attended all 24 of the Audit & Supervisory Board meetings. Her contributions to discussions are based on her expertise and experience as a certified public accountant.

Note: All monetary amounts and numbers of shares in this Business Report have been rounded down to the nearest whole unit.

4. Status of the Accounting Auditor

(1) Name of the Accounting Auditor

Ernst & Young ShinNihon LLC

(2) Amount of compensation for the Accounting Auditor for the year ended March 31, 2026

- | | |
|---|-------------|
| (i) Compensation for the Accounting Auditor for the year ended March 31, 2026 | ¥49 million |
| (ii) Total amount of money and other economic benefits to be paid to the Accounting Auditor by the Company and its subsidiary companies | ¥49 million |

- Notes:
1. The respective amounts of compensation for auditing services under the Companies Act and the Financial Instruments and Exchange Act are not classified in the agreement for auditing services between the Company and the Accounting Auditor, and cannot be classified in practical terms; therefore, the amount of compensation for the year ended March 31, 2026 is indicated as the total of both.
 2. The Audit & Supervisory Board agreed to the compensation for the Accounting Auditor after undergoing the steps necessary to verify the appropriateness of the basis for calculating compensation, details of auditing plans, and the like.
 3. In addition to the above, the amount of compensation for the Accounting Auditor includes ¥4 million as the amount of additional compensation related to the preceding fiscal year.
 4. The significant subsidiaries located overseas are audited by audit firms other than the Company's accounting auditor.

(3) Details of non-auditing services

Not applicable

(4) Policy for deciding to dismiss or refuse to reappoint the Accounting Auditor

The Company's policy is for the Audit & Supervisory Board to undergo the necessary procedures, including dismissing the Accounting Auditor with a unanimous vote when the Accounting Auditor falls under the items of Article 340, Paragraph 1 of the Companies Act and dismissal is deemed appropriate, and considering dismissing or refusing to reappoint the Accounting Auditor based on the facts and including the matter as a proposal to be discussed at a Meeting of Shareholders when necessary when the Accounting Auditor's competence to continue their duties is called into question.

(5) Orders issued to the Accounting Auditor to suspend business operations in the last two years

Not applicable

Consolidated Financial Statements

Consolidated Balance Sheets (as of March 31, 2026)

(Millions of yen)

	Accounts	Amounts
Assets		
I	Current assets	
	Cash and deposits	3,994
	Notes and accounts receivable - trade, and contract assets	9,497
	Merchandise and finished goods	3,453
	Work in process	605
	Raw materials and supplies	1,858
	Other	2,122
	Allowance for doubtful accounts	(8)
	Total current assets	21,524
II	Non-current assets	
1	Property, plant and equipment	
	Buildings and structures, net	9,706
	Machinery, equipment and vehicles, net	3,643
	Land	5,751
	Leased assets, net	663
	Construction in progress	2,457
	Other, net	412
	Total property, plant and equipment	22,635
2	Intangible assets	
	Software in progress	847
	Other	63
	Total intangible assets	910
3	Investments and other assets	
	Investment securities	11,095
	Deferred tax assets	376
	Retirement benefit asset	608
	Other	528
	Allowance for doubtful accounts	(5)
	Total investments and other assets	12,603
	Total non-current assets	36,150
	Total assets	57,674

		(Millions of yen)
Accounts		Amounts
Liabilities		
I	Current liabilities	
	Notes and accounts payable - trade	4,332
	Short-term borrowings	3,500
	Current portion of long-term borrowings	257
	Income taxes payable	325
	Provision for bonuses	816
	Other	2,277
	Total current liabilities	11,509
II	Non-current liabilities	
	Long-term borrowings	348
	Lease liabilities	528
	Deferred tax liabilities	3,685
	Provision for share awards	57
	Provision for share awards for directors (and other officers)	150
	Retirement benefit liability	343
	Other	1,258
	Total non-current liabilities	6,372
	Total liabilities	17,881
Net assets		
I	Shareholders' equity	
	Share capital	2,099
	Retained earnings	31,148
	Treasury shares	(525)
	Total shareholders' equity	32,722
II	Accumulated other comprehensive income	
	Valuation difference on available-for-sale securities	6,677
	Deferred gains or losses on hedges	8
	Foreign currency translation adjustment	217
	Remeasurements of defined benefit plans	166
	Total accumulated other comprehensive income	7,070
	Total net assets	39,793
	Total liabilities and net assets	57,674

Consolidated Statements of Income (from April 1, 2025 to March 31, 2026)

(Millions of yen)

Accounts	Amounts	
I Net sales		36,247
II Cost of sales		26,714
Gross profit		9,533
III Selling, general and administrative expenses		
Selling, general and administrative expenses		6,073
Operating profit		3,459
IV Non-operating income		
Dividend income	252	
Share of profit of entities accounted for using equity method	27	
Other	109	389
V Non-operating expenses		
Interest expenses	56	
Commission for purchase of treasury shares	17	
Other	19	93
Ordinary profit		3,755
VI Extraordinary income		
Gain on sale of non-current assets	2	
Gain on sale of investment securities	795	797
VII Extraordinary losses		
Loss on retirement of non-current assets	216	
Impairment losses	132	
Loss on sale of investment securities	1	350
Profit before income taxes		4,203
Income taxes - current	1,170	
Income taxes - deferred	55	1,226
Profit		2,976
VIII Profit attributable to owners of parent		2,976

Non-consolidated Financial Statements

Non-consolidated Balance Sheets (as of March 31, 2026)

(Millions of yen)

	Accounts	Amounts
Assets		
I	Current assets	
	Cash and deposits	3,065
	Notes and accounts receivable - trade, and contract assets	6,182
	Merchandise and finished goods	2,864
	Work in process	326
	Raw materials and supplies	1,141
	Short-term loans receivable from subsidiaries and associates	793
	Other	753
	Allowance for doubtful accounts	(7)
	Total current assets	15,121
II	Non-current assets	
1	Property, plant and equipment	
	Buildings and structures, net	9,045
	Machinery, equipment and vehicles, net	2,416
	Tools, furniture and fixtures	334
	Land	4,873
	Leased assets, net	620
	Construction in progress	2,394
	Total property, plant and equipment	19,685
2	Intangible assets	
	Software	27
	Software in progress	694
	Other	5
	Total intangible assets	727
3	Investments and other assets	
	Investment securities	7,092
	Shares of subsidiaries and associates	3,555
	Long-term loans receivable from subsidiaries and associates	5,543
	Prepaid pension costs	357
	Other	215
	Total investments and other assets	16,764
	Total non-current assets	37,177
	Total assets	52,299

		(Millions of yen)
Accounts		Amounts
Liabilities		
I	Current liabilities	
	Notes and accounts payable - trade	1,289
	Short-term borrowings	3,500
	Current portion of long-term borrowings	257
	Deposits received	2,358
	Provision for bonuses	552
	Other	1,664
	Total current liabilities	9,621
II	Non-current liabilities	
	Long-term borrowings	348
	Lease liabilities	496
	Long-term deposits received	1,483
	Deferred tax liabilities	3,513
	Provision for share awards	57
	Provision for share awards for directors (and other officers)	150
	Other	108
	Total non-current liabilities	6,158
	Total liabilities	15,780
Net assets		
I	Shareholders' equity	
1	Share capital	2,099
2	Capital surplus	
	(1) Legal capital surplus	1,196
	(2) Other capital surplus	12,287
	Total capital surplus	13,483
3	Retained earnings	
	(1) Other retained earnings	
	Retained earnings brought forward	16,780
	Total other retained earnings	16,780
	Total retained earnings	16,780
4	Treasury shares	(525)
	Total shareholders' equity	31,837
II	Valuation and translation adjustments	
	Valuation difference on available-for-sale securities	4,672
	Deferred gains or losses on hedges	8
	Total valuation and translation adjustments	4,680
	Total net assets	36,518
	Total liabilities and net assets	52,299

Non-consolidated Statements of Income (from April 1, 2025 to March 31, 2026)

(Millions of yen)

Accounts	Amounts	
I Net sales		21,740
II Cost of sales		15,738
Gross profit		6,001
III Selling, general and administrative expenses		
Selling, general and administrative expenses		4,175
Operating profit		1,826
IV Non-operating income		
Interest income	48	
Dividend income	857	
Other	76	983
V Non-operating expenses		
Interest expenses	66	
Commission for purchase of treasury shares	17	
Other	11	95
Ordinary profit		2,715
VI Extraordinary income		
Gain on sale of non-current assets	0	
Gain on sale of investment securities	4,020	4,020
VII Extraordinary losses		
Loss on retirement of non-current assets	96	
Impairment losses	132	
Loss on sale of investment securities	1	230
Profit before income taxes		6,505
Income taxes - current	665	
Income taxes - deferred	917	1,582
Profit		4,922

Audit Reports

Certified copy of Accounting Auditor's Report on Consolidated Financial Statements

Independent Auditor's Report (Translation)

May 26, 2026

The Board of Directors

Carlit Co., Ltd.

Ernst & Young ShinNihon LLC

Tokyo Office, Japan

Designated Engagement Partner,
Certified Public Accountant

Eri Sekiguchi

Designated Engagement Partner,
Certified Public Accountant

Tetsuya Kawawaki

Audit Opinion

Pursuant to Article 444, paragraph (4) of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity, and the notes to the consolidated financial statements of Carlit Co., Ltd. (the "Company") applicable to the fiscal year from April 1, 2025 to March 31, 2026.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and results of operations of the Group, which consisted of the Company and its consolidated subsidiaries, applicable to the fiscal year ended March 31, 2026, in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, including those applicable to audits of the financial statements of entities with significant public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. Audit & Supervisory Board Members and Audit & Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the maintenance and operation of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan. This includes designing and implementing such internal controls as management determines are necessary to enable the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of the Group's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit.

- We also: Identify and assess the risks of material misstatement of the non-consolidated financial statements, etc., whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider, in making those risk assessments, internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and the notes thereto are in accordance with accounting standards generally accepted in Japan, as well as evaluate the overall presentation, structure, and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements fairly represent the underlying transactions and accounting events.

- Plan and perform the audit of consolidated financial statements to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries, which serves as the basis for expressing an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and review of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have compiled with the ethical requirements in Japan regarding independence that are relevant to our audit of the financial statements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards that have been taken to remove obstruction factors or to reduce them to an acceptable level.

Conflicts of Interest

Our firm and the designated engagement partners have no interest in the Company and its consolidated subsidiaries which should be disclosed in accordance with the Certified Public Accountants Act.

Certified copy of Accounting Auditor's Report on Financial Statements: translation

Independent Auditor's Report (Translation)

May 26, 2026

The Board of Directors
Carlit Co., Ltd.

Ernst & Young ShinNihon LLC

Tokyo Office, Japan

Designated Engagement Partner,
Certified Public Accountant

Eri Sekiguchi

Designated Engagement Partner,
Certified Public Accountant

Tetsuya Kawawaki

Audit Opinion

Pursuant to Article 436, paragraph (2), item (i) of the Companies Act, we have audited the accompanying non-consolidated financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity, the notes to the non-consolidated financial statements and the related supplemental schedules (collectively, "non-consolidated financial statements, etc.") of Carlit Co., Ltd. (the "Company") applicable to the 13th fiscal year from April 1, 2025 to March 31, 2026.

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations of the Company, applicable to the fiscal year ended March 31, 2026, in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc. section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements, etc. in Japan, including those applicable to audits of the financial statements of entities with significant public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. Audit & Supervisory Board Members and Audit & Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the maintenance and operation of the reporting process for the other information.

Our opinion on the non-consolidated financial statements and the accompanying supplementary schedules does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the non-consolidated financial statements and the accompanying supplementary schedules, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements and the accompanying supplementary schedules or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Non-consolidated Financial Statements, Etc.

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements, etc. in accordance with accounting principles generally accepted in Japan. This includes designing and implementing such internal controls as management determines are necessary to enable the preparation and fair presentation of non-consolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. with the assumption of the Company's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc.

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the non-consolidated financial statements, etc. based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the decisions of users taken on the basis of the non-consolidated financial statements, etc.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit.

- We also: Identify and assess the risks of material misstatement of the non-consolidated financial statements, etc., whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider, in making those risk assessments, internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit of the non-consolidated financial statements, etc. is not expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the non-consolidated financial statements, etc. and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the non-consolidated financial statements, etc. or, if the notes to the non-consolidated financial statements, etc. on material uncertainty are inadequate, to express a qualified opinion with exceptions on the non-consolidated financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the non-consolidated financial statements, etc. and the notes thereto are in accordance with accounting standards generally accepted in Japan, as well as evaluate the overall presentation, structure, and content of the non-consolidated financial statements, etc., including the related notes thereto, and whether the non-consolidated financial statements, etc. fairly represent the underlying transactions and accounting events.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements in Japan regarding independence that are relevant to our audit of the financial statements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards that have been taken to remove obstruction factors or to reduce them to an acceptable level.

Conflicts of Interest

Our firm and the designated engagement partners have no interest in the Company which should be disclosed in accordance with the Certified Public Accountants Act.

Certified copy of Audit & Supervisory Board's Audit Report

Audit Report

The Audit & Supervisory Board has received the reports of the business performance of the Directors during the 13th fiscal year from April 1, 2025 through March 31, 2026 from each of the Audit & Supervisory Board Members. After discussing the reports, we have prepared this Audit Report and report as follows.

1. Method and Content of Audit Conducted by Audit & Supervisory Board Members and Audit & Supervisory Board
 - (1) The Audit & Supervisory Board established auditing policies, allocation of duties and other relevant matters and received reports from each Audit & Supervisory Board Member regarding his or her audits and results thereof, as well as received reports from the Directors, other relevant personnel, and the accounting auditors regarding performance of their duties, and sought explanations as necessary.
 - (2) Each Audit & Supervisory Board Member complied with the auditing standards for Audit & Supervisory Board Members established by the Audit & Supervisory Board, followed the audit policies, allocation of duties, etc., communicated with Directors, the internal audit department, and other employees, through web conferences, as well as worked to enhance environment for information collection and auditing, while conducting the audit by the following methods:
 - 1) Audit & Supervisory Board Members attended the meetings of the Board of Directors and other important meetings of the Company, received reports from Directors and employees, etc. on the status and results of the execution of their duties and asked them for explanations as necessary, reviewed important approval documents, etc. and conducted investigation on the status of business operations and assets regarding Head Office and at major offices. As for the subsidiaries, each Audit & Supervisory Board Member promoted communications with the Directors and the Audit & Supervisory Board Members, etc. and received reports on the business of the subsidiaries, physically visiting some of them as necessary.
 - 2) Each Audit & Supervisory Board Member periodically received reports from the Directors, employees, and others; requested explanation as necessary; inspected important documents supporting decisions and other records; and expressed opinions regarding the details of the Board of Directors' resolutions and the system that is developed and operated in accordance with such resolutions concerning the development of systems to ensure that Directors' performance of duties provided in the Business Report are in compliance with laws and regulations, the Articles of Incorporation, and the system to ensure the adequacy of operations of the Group, consisting of Kubota Corporation and its subsidiaries, as stipulated under Article 100, Paragraphs 1 and 3 of the Regulations for Enforcement of the Companies Act (internal control system). For internal control associated with the Company's financial reporting, each Audit & Supervisory Board Member received reports from the Directors and Ernst & Young ShinNihon LLC on the evaluation of the relevant internal control as well as the status of the accounting audit and sought clarification when necessary.
 - 3) We also observed and verified that the Accounting Auditors implemented appropriate audits while maintaining independence, received reports from the Accounting Auditors on the execution of their duties, and sought explanations whenever necessary. In addition, each Audit & Supervisory Board Member was informed of the establishment of the "System for ensuring that duties are performed appropriately" (matters stipulated in the items of Article 131 of the Corporate Calculation Regulations) in accordance with "Standards for the Quality Control of Audits" (Business Accounting Council), etc. by the Accounting Auditor and requested explanations as necessary.

Based on the methods mentioned above, we have reviewed the Business Report and its supplementary schedules, the Non-consolidated Financial Statements (Balance Sheets, Statements of Income, Non-consolidated Statement of Changes in Equity and Notes to the Non-consolidated Financial Statements) and their supplementary schedules and the Consolidated Financial Statements (Consolidated Balance Sheets, Consolidated Statements of Income, Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements) related to the fiscal year.

2. Results of Audit

(1) Results of Audit of Business Report

(i) In our opinion, the Business Report and supplementary schedules are in accordance with the related laws and regulations and Articles of Incorporation, and fairly represent the Company's condition.

(ii) We found no wrongful act or material fact in violation of law or regulations or in violation of the Company's Articles of Incorporation with respect to the execution of duties by the Directors.

(iii) In our opinion, the contents of the resolutions of the Board of Directors regarding the internal control system are fair and reasonable. Furthermore, there are no matters that we should point out regarding the contents of the Business Report and execution of duties by the Directors related to internal control systems, including internal control systems over financial reporting.

(2) Results of Audit of Financial Statements and the Accompanying Supplementary Schedules

In our opinion, the methods and results of the audit conducted by the accounting auditor, Ernst & Young ShinNihon LLC, are appropriate.

(3) Results of Audit of Consolidated Financial Statements

In our opinion, the methods and results of the audit conducted by the accounting auditor, Ernst & Young ShinNihon LLC, are appropriate.

May 27, 2026

Audit & Supervisory Board,
Carlit Co., Ltd.

Full-Time Audit & Supervisory Board Member	Shinichi Iwamura (Seal)
Audit & Supervisory Board Member	Reiko Mitamura (Seal)
Audit & Supervisory Board Member	Akinori Aoki (Seal)

(Note) Full-Time Audit & Supervisory Board Member Shinichi Iwamura and Audit & Supervisory Board Member Reiko Mitamura are Outside Audit & Supervisory Board Members provided for by Article 2, item 16 and Article 335, Paragraph 3 of the Companies Act.