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(Securities code: 4028)

June 5, 2026

To Those Shareholders with Voting Rights

Hiroshi Okubo
Executive Director, President
ISHIHARA SANGYO KAISHA, LTD.
3-15, Edobori 1-chome, Nishi-ku, Osaka

NOTICE OF THE 103rd ORDINARY GENERAL MEETING OF SHAREHOLDERS

Firstly, we would like to extend our sincere thanks for your ongoing support.

We are pleased to inform you that the 103rd Ordinary General Meeting of Shareholders will be held as follows.

We have adopted measures for providing information in electronic format for this General Meeting of Shareholders. The matters provided in electronic format have been posted on the following Internet website as “Notice of the 103rd Ordinary General Meeting of Shareholders” and “Other Matters Provided in Electronic Format (Matters Omitted from the Paper Copy).”

The Company’s website:

<https://www.iskweb.co.jp/eng/ir/stockholders.html>

This information also been posted on the following website.

The website of the Tokyo Stock Exchange:

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

*Please access the website shown above, enter the Company’s name or securities code to search, and select “Basic information” then “Documents for public inspection/PR information” to view the information.

Please exercise your voting rights in writing or via the Internet, etc. by 5:30 p.m. on Wednesday, June 24, 2026, after reading the attached REFERENCE DOCUMENT FOR THE GENERAL MEETING OF SHAREHOLDERS.

1. **Date and Time:** 10:00 a.m., Thursday, June 25, 2026 (Reception opens: 9:00 a.m.)
2. **Venue:** Hall on the 5th floor of Shin-Ishihara Building, at 3-15, Edobori 1-chome, Nishi-ku, Osaka
(Shin-Ishihara Building: Please use Exit 5-B of Higobashi Station, Osaka Metro Yotsubashi Line.)

3. **Objectives of the Meeting**

Reports:

1. The Business Report and the Consolidated Financial Statements for the 103rd Fiscal Term (from April 1, 2025 to March 31, 2026), as well as the audit reports on the Consolidated Financial Statements by the Company's Accounting Auditors and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 103rd Fiscal Term (from April 1, 2025 to March 31, 2026)

Matters to Be Resolved

Proposal No. 1: Appropriation of Surplus

Proposal No. 2: Election of Nine (9) Directors

Proposal No. 3: Election of One (1) Substitute Audit & Supervisory Board Member

4. How to Exercise Your Voting Rights

If you are attending the General Meeting of Shareholders

Please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting.

Date & Time: **10:00 a.m., Thursday, June 25, 2026**

(Reception opens: 9:00 a.m.)

If you are exercising your voting rights in writing

Please indicate your approval or disapproval of the matters to be resolved on the Voting Rights Exercise Form enclosed herewith, and return it to us. If you do not indicate your vote on a proposal, this will be treated as a vote in favor of the proposal.

Deadline: **The form should arrive by 5:30 p.m., Wednesday, June 24, 2026.**

If you are exercising your voting rights via the Internet, etc.

Please first read the attached Guidance on the Exercise of Voting Rights via the Internet, etc. (p. 3) and indicate your approval or disapproval.

Deadline: **Votes should be accepted by 5:30 p.m., Wednesday, June 24, 2026.**

- If you have exercised your voting rights both in writing and via the Internet, etc., the votes cast via the Internet, etc. shall be deemed valid. If you have exercised your voting rights via the Internet, etc. multiple times, the votes cast last shall be deemed valid.
- The costs incurred for access to the website for the exercise of voting rights via the Internet (such as Internet connection fees, phone charges, etc.) shall be borne by the shareholders.

* Of the matters provided in electronic format, the items listed below are not included in the paper copy sent to shareholders who have requested it, in accordance with laws and regulations, as well as the provisions of Article 19 of our Articles of Incorporation. Thus, the paper copy sent to shareholders who have requested it includes only part of the subjects audited by the Audit & Supervisory Board Members and the Accounting Auditor in preparing their Audit Reports.

- Principal Business Locations, Employees, Accounting Auditor, and Systems to Ensure the Proper Business Operation of the Corporate Group Composed of the Company and Its Subsidiaries, Including Systems to Ensure that Directors Execute Duties in Line with Relevant Laws, Regulations and the Articles of Incorporation, and Status of Their Operation in the Business Report
- Consolidated Statement of Changes in Net Assets and Notes to Consolidated Financial Statements
- Non-consolidated Statement of Changes in Net Assets and Notes to Non-consolidated Financial Statements

* If any situation arises that requires amendment to the matters provided in electronic format, such amendment will be posted on the websites on which they are posted, together with the matters before and after amendment.

* The results of voting will be posted on the Company's website, shown above, in addition to the written Notice of Resolutions.

Guidance on the Exercise of Voting Rights via the Internet, etc.

How to scan the QR code “Smart Voting”

You can log in to the voting rights exercise website without entering a “voting rights exercise code” and a “password.”

- 1 Please use your smartphone to scan the “voting rights exercise website login QR code” on the bottom right of the voting rights exercise form.
- 2 Please enter your vote for each proposal by following the instructions on the screen.

Voting rights can be exercised only once using “Smart Voting.”

If you want to change your vote after exercising your voting rights, please enter the “voting rights exercise code” and “password” on the voting rights exercise form to log in to the voting rights exercise website by following the instructions under “How to enter a voting rights exercise code and a password” on the right hand side, and exercise your voting rights again.

* You can access the voting rights exercise website on the right hand side by scanning the QR code again.

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

How to enter a voting rights exercise code and a password

The voting rights exercise website:

<https://www.web54.net>

- 1 Please access the voting rights exercise website.
- 2 Please enter the “voting rights exercise code” on the bottom left of the reverse side of the voting rights exercise form.
- 3 Please enter the “password” on the bottom left of the reverse side of the voting rights exercise form.
- 4 Please enter your vote for each proposal by following the instructions on the screen.

Please call the number on the right hand side, if you have any questions relating to the exercise of voting rights via the Internet.

Transfer Agency Web Support
Hotline, Sumitomo Mitsui Trust Bank



0120-652-031
Business hours: 9:00 a.m. to 9:00 p.m.

To institutional investors

In addition to the exercise of voting rights via the Internet as stated above, you may use the electronic voting platform operated by ICJ, Inc. only if you apply for its use in advance.

REFERENCE DOCUMENT FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and References

Proposal No. 1

Appropriation of Surplus

One of the most important management policies of the Company is to return profits to our shareholders while raising the Company's corporate value.

Our basic principle for dividends is to continue to implement stable dividend distribution according to our business performance, taking into comprehensive consideration the business trends, financial condition, and the need to enhance our internal reserve for business expansion into the future. We also flexibly implement repurchases of treasury stock.

Under the Mid-Term Management Plan "Vision 2030 Stage II" (fiscal 2024 to fiscal 2026), we aim to achieve a consolidated payout ratio of 40% by the final year of the plan (fiscal 2026).

We will pay dividends based on a minimum dividend-on-equity (DOE) ratio of 3% for the duration of the Mid-Term Management Plan "Vision 2030 Stage II" (fiscal 2024 to fiscal 2026).

Based on this policy, we have decided to pay a year-end dividend of 90 yen per share.

Together with the interim dividend of 30 yen per share already paid, this will result in an annual dividend of 120 yen per share, a 35-yen increase from that for the previous fiscal year.

1. Type of dividend property

Cash

2. Matters concerning the allocation of dividend property to shareholders and the total amount thereof

90 yen per share of common stock of the Company

Total: 3,483,951,570 yen

3. Date on which the dividend of surplus takes effect

June 26, 2026

Election of Nine (9) Directors

The terms of office of all current nine (9) Directors will expire at the conclusion of this General Meeting of Shareholders.

We therefore propose that nine (9) Directors (three (3) of whom are Outside Directors) be elected.

The candidates for Directors are as follows:

Candidate No.	Full name		Posts and responsibilities held at the Company	Term of office as Director	Attendance at Board of Directors meetings
1	Hiroshi Okubo	Reappointment	Executive Director, President & Chief Executive Officer, Chief Compliance Officer (CCO)	4 years	100% (16/16)
2	Mikiya Horie	Reappointment	Executive Director, Senior Managing Executive Officer, Director of Bioscience Business Headquarters	2 years	100% (16/16)
3	Yoshio Nishiyama	Reappointment	Director, Managing Executive Officer, Director of General Affairs & Human Resources Headquarters	2 years	100% (16/16)
4	Yoshiyuki Shimmyo	Reappointment	Director, Managing Executive Officer, Director of Inorganic Chemicals Business Headquarters	2 years	100% (16/16)
5	Kenji Tanaka	Reappointment	Director, Managing Executive Officer, Director of Corporate Administration & Planning Headquarters	1 year	100% (11/11)
6	Ikuo Yamashita	Reappointment	Director, Managing Executive Officer, Director of Yokkaichi Plant, Deputy Director of Inorganic Chemicals Business Headquarters, Production	1 year	100% (11/11)
7	Satoshi Ando	Reappointment [Outside] [Independent]	Director	6 years	94% (15/16)
8	Akemi Uchida	Reappointment [Outside] [Independent]	Director	3 years	100% (16/16)
9	Yumi Sano	Reappointment [Outside] [Independent]	Director	1 year	100% (11/11)

Reappointment Candidate for reappointment [Outside] Outside Officer [Independent] Independent Officer

Notes:

- Nomination of the candidates for Directors is decided at the Board of Directors after consulting with the Personnel Committee, consisting of independent Outside Directors and Outside Audit & Supervisory Board Members. The Board of Directors nominates the persons who are deemed appropriate as candidates for Directors after comprehensive examination of their personalities, knowledge, abilities, etc. based on the perspective of prompt and proper decision making.
- The Company has concluded a directors and officers liability insurance contract with an insurance company, as prescribed in Article 430-3, Paragraph 1 of the Companies Act, with all Directors as the insured. The insurance covers legal damages and litigation expenses in the event that a claim for damages is made against the insured during the insurance period due to improper actions (including errors of omission) committed by the insured in his/her capacity as such. The Company is fully responsible for paying the insurance premium. The Company intends to include all candidates for Directors, if appointed, in the insured under this insurance contract. The Company intends to renew this insurance contract under the same terms when it comes due for renewal.

REFERENCE DOCUMENT FOR THE GENERAL MEETING OF SHAREHOLDERS

Candidate No.

1 Hiroshi Okubo (Born on December 9, 1961)

Reappointment

A brief summary of his career, posts and responsibilities held, and other major offices concurrently held

Number of the Company's shares held 20,901 shares	April 1986	Joined the Company
Term of office as Director 4 years (at the conclusion of this General Meeting of Shareholders)	June 2016	Seconded to ISK ENGINEERING PARTNERS CORPORATION (Executive Officer)
Attendance at Board of Directors meetings 16 times / 16 meetings (100%)	July 2017	Seconded to FUJI TITANIUM INDUSTRY CO., LTD. (Director, Managing Executive Officer)
	June 2020	General Manager of Corporate Planning & Administration Division, Corporate Administration & Planning Headquarters
	June 2020	Executive Officer, Deputy Director of Corporate Administration & Planning Headquarters
	June 2021	Managing Executive Officer, Director of Corporate Administration & Planning Headquarters
	June 2022	Director, Managing Executive Officer, Director of Corporate Administration & Planning Headquarters
	June 2023	Executive Director, Senior Managing Executive Officer, Director of Corporate Administration & Planning Headquarters
	April 2024	Executive Director, President & Chief Executive Officer, Chief Compliance Officer (CCO), Director of Corporate Administration & Planning Headquarters
	June 2024	Executive Director, President & Chief Executive Officer, Chief Compliance Officer (CCO) (to date)

Major other offices concurrently held

Director and Chairman at ISK AMERICAS INCORPORATED

◆ Reason for nomination as a candidate for Director

Mr. Hiroshi Okubo has led the promotion of the Mid-Term Management Plan "Vision 2030 Stage II" as Executive Director, President. He has contributed greatly to enhancing the Group's corporate value, including the achievement of earnings in excess of the performance targets for the second year of the plan.

He also continues to engage in strengthening the management base and enhancing the governance structure, and is steadily putting in place the necessary structures to ensure sustainable growth. Based on his achievements so far, we expect that Mr. Okubo will continue to demonstrate strong leadership aimed at achieving the targets of the Mid-Term Management Plan and implementing strategies for further growth. This resulted in our decision to re-appoint him as a candidate for our Director.

Note: No special-interest relationships exist between the Company and Mr. Hiroshi Okubo.

Candidate No.

2

Mikiya Horie (Born on September 3, 1960)

Reappointment

A brief summary of his career, posts and responsibilities held, and other major offices concurrently held

Number of the Company's shares held
12,760 shares

Term of office as Director
2 years (at the conclusion of this General Meeting of Shareholders)

Attendance at Board of Directors meetings
16 times / 16 meetings (100%)

December 1992	Joined the Company
June 2018	Executive Officer, General Manager of Biosciences Sales & Marketing Division, Biosciences Business Headquarters
February 2019	Executive Officer, General Manager of Product Development & Marketing Division, Bioscience Business Headquarters
June 2021	Managing Executive Officer, Deputy Director of Bioscience Business Headquarters
June 2022	Managing Executive Officer, Director of Bioscience Business Headquarters
June 2024	Senior Managing Executive Officer, Director of Bioscience Business Headquarters
June 2024	Executive Director, Senior Managing Executive Officer, Director of Bioscience Business Headquarters (to date)

Major other offices concurrently held

Director and Chairman at ISK BIOSCIENCES CORPORATION
Director and Chairman at ISK BIOSCIENCES EUROPE N.V.

◆ Reason for nomination as a candidate for Director

Mr. Mikiya Horie has overseen companywide management as Executive Director, leading the implementation of Group management strategies. This includes driving the goals of the Mid-Term Management Plan, addressing key management issues, and optimizing the business portfolio Group-wide. He also leads sales expansion in the global market as Director of Bioscience Business Headquarters, contributing greatly to enhancing corporate value by strengthening earning power. We expect that Mr. Horie will continue to leverage his broad perspective as a senior manager and his swift decision-making ability, as well as his executive ability on the business front line, rooted in practical experience, to steadily advance the Group's growth strategy. This resulted in our decision to re-appoint him as a candidate for our Director.

Note: No special-interest relationships exist between the Company and Mr. Mikiya Horie.

REFERENCE DOCUMENT FOR THE GENERAL MEETING OF SHAREHOLDERS

Candidate No.

3 Yoshio Nishiyama (Born on March 26, 1962) **Reappointment**

A brief summary of his career, posts and responsibilities held, and other major offices concurrently held

<p>Number of the Company’s shares held 11,725 shares</p>	<p>April 1980 June 2021</p>	<p>Joined the Company Executive Officer, Director of General Affairs & Human Resources Headquarters</p>
<p>Term of office as Director 2 years (at the conclusion of this General Meeting of Shareholders)</p>	<p>June 2023</p>	<p>Managing Executive Officer, Director of General Affairs & Human Resources Headquarters</p>
<p>Attendance at Board of Directors meetings 16 times / 16 meetings (100%)</p>	<p>June 2024</p>	<p>Director, Managing Executive Officer, Director of General Affairs & Human Resources Headquarters (to date)</p>

◆ Reason for nomination as a candidate for Director

Mr. Yoshio Nishiyama has gained broad operational experience at plants, in the environmental, general affairs and labor departments, then as the head of the human resources department at the head office. In 2021, he was simultaneously appointed Executive Officer and Director of the General Affairs & Human Resources Headquarters. Even since his appointment as Director of the Company in 2024, he is engaged in promoting human capital management as Director of the General Affairs & Human Resources Headquarters, contributing to human resource development, organizational revitalization, and strengthening the management base. Based on these results and Mr. Nishiyama’s management insight, we expect that he will contribute to the sustained improvement of the corporate value of the Group. This resulted in our decision to re-appoint him as a candidate for our Director.

Note: No special-interest relationships exist between the Company and Mr. Yoshio Nishiyama.

Candidate No.

4

Yoshiyuki Shimmyo (Born on March 19, 1964)

Reappointment

A brief summary of his career, posts and responsibilities held, and other major offices concurrently held

Number of the Company's shares held 11,381 shares	April 1986	Joined the Company
Term of office as Director 2 years (at the conclusion of this General Meeting of Shareholders)	June 2022	Executive Officer, Deputy Director of Yokkaichi Plant
Attendance at Board of Directors meetings 16 times / 16 meetings (100%)	June 2023	Managing Executive Officer, Director of Yokkaichi Plant
	June 2024	Managing Executive Officer, Director of Inorganic Chemicals Business Headquarters
	June 2024	Director, Managing Executive Officer, Director of Inorganic Chemicals Business Headquarters (to date)

Major other offices concurrently held

Director and Chairman at ISHIHARA CORPORATION (U.S.A.)
Chairman at ISK TAIWAN CO., LTD.

◆ Reason for nomination as a candidate for Director

Mr. Yoshiyuki Shimmyo has extensive operational experience in sales in Japan and overseas in the inorganic chemicals department. He has served in positions including managing plant operations as head of the Yokkaichi Plant after his appointment as Executive Officer in 2022. Since being appointed Director in 2024, he has led business reforms as Director of Inorganic Chemicals Business Headquarters, steadily strengthening business earning power and competitiveness, including efforts to expand sales of high-value-added products. Based on these results and Mr. Shimmyo's management insight, we expect that he will contribute to the sustained improvement of the corporate value of the Group. This resulted in our decision to re-appoint him as a candidate for our Director.

Note: No special-interest relationships exist between the Company and Mr. Yoshiyuki Shimmyo.

REFERENCE DOCUMENT FOR THE GENERAL MEETING OF SHAREHOLDERS

Candidate No.

5 Kenji Tanaka (Born on September 1, 1964)

Reappointment

A brief summary of his career, posts and responsibilities held, and other major offices concurrently held

Number of the Company's shares held 8,925 shares	April 1988	Joined the Company
Term of office as Director 1 year (at the conclusion of this General Meeting of Shareholders)	June 2023	Executive Officer, Deputy Director of Corporate Administration & Planning Headquarters
Attendance at Board of Directors meetings 11 times / 11 meetings (100%)	June 2024	Managing Executive Officer, Director of Corporate Administration & Planning Headquarters
	June 2025	Director, Managing Executive Officer, Director of Corporate Administration & Planning Headquarters (to date)

◆ Reason for nomination as a candidate for Director

Mr. Kenji Tanaka has been engaged in production, environment, safety and health, and other divisions at plants. He was appointed as an Executive Officer in 2023 and as a Director of the Company in 2025, and is currently responsible for formulating and implementing corporate strategy, budget control, Group company administration, and DX promotion as Director of the Corporate Administration & Planning Headquarters. He contributes to strengthening Group-wide management systems and enhancing operational efficiency. Based on his achievements and management insight, Mr. Tanaka is expected to contribute to the sustained improvement of the corporate value of the Group. This resulted in our decision to re-appoint him as a candidate for our Director.

Note: No special-interest relationships exist between the Company and Mr. Kenji Tanaka.

Candidate No.

6

Ikuo Yamashita (Born on October 23, 1962)

Reappointment

A brief summary of his career, posts and responsibilities held, and other major offices concurrently held

Number of the Company's shares held 11,687 shares	April 1981	Joined the Company
Term of office as Director 1 year (at the conclusion of this General Meeting of Shareholders)	February 2017	General Manager of the Logistics Division
Attendance at Board of Directors meetings 11 times / 11 meetings (100%)	June 2021	Executive Director, President & Chief Executive Officer of ISK ENGINEERING PARTNERS CORPORATION
	June 2025	Director, Managing Executive Officer, Director of Yokkaichi Plant (to date) Deputy Director of Inorganic Chemicals Business Headquarters, Production (to date)

◆ Reason for nomination as a candidate for Director

Mr. Ikuo Yamashita has mainly been engaged in logistics at plants. As the leader of the Group's construction company, he has been responsible for constructing and repairing the Group's manufacturing plants, and has made substantial contributions to the Group's stable business operations and growth. Since being appointed Director in 2025, he has served as Director of Yokkaichi Plant, the Company's main business base, managing all aspects of plant operation. Based on his achievements and management insight, Mr. Yamashita is expected to contribute to the sustained improvement of the corporate value of the Group. This resulted in our decision to re-appoint him as a candidate for our Director.

Note: No special-interest relationships exist between the Company and Mr. Ikuo Yamashita.

REFERENCE DOCUMENT FOR THE GENERAL MEETING OF SHAREHOLDERS

Candidate No.

7

Satoshi Ando (Born on April 27, 1974)

Reappointment

Outside Officer

Independent Officer

A brief summary of his career, posts and responsibilities held, and other major offices concurrently held

Number of the Company's shares held 2,700 shares	October 2001	Admitted to the bar (Dai-Ichi Tokyo Bar Association)
Term of office as Outside Director 6 years (at the conclusion of this General Meeting of Shareholders)	October 2001	Joined Onishi Shoichiro Law Office
Attendance at Board of Directors meetings 15 times / 16 meetings (94%)	May 2015	Senior Partner of Onishi Shoichiro Law Office (to date)
	May 2016	Outside Director (Audit & Supervisory Committee Member) of TOHO CO., LTD. (to date)
	June 2020	Outside Director of the Company (to date)
	Major other offices concurrently held	
	Attorney-at-law	
	Outside Director (Audit & Supervisory Committee Member) of TOHO CO., LTD.	

◆ Reason for nomination as a candidate for Outside Director and summary of expected roles

Mr. Satoshi Ando, currently serving as Outside Director of the Company, has advanced professional expertise as an attorney-at-law, as well as extensive experience and broad insight in corporate legal affairs. He provides appropriate advice and supervision of the management of the Company, in the fields of law, risk management, finance, and accounting, from an independent and legal standpoint. In addition, he also serves as a member of the Compensation Committee, Personnel Committee and Evaluation Committee, actively expressing his opinions.

Mr. Ando has never in the past been involved in the management of a company except as an Outside Director. However, for these reasons, he is expected to perform his duties as Outside Director adequately from an independent standpoint. This resulted in our decision to re-appoint him as a candidate for our Outside Director.

Notes:

1. No special-interest relationships exist between the Company and Mr. Satoshi Ando.
2. Mr. Satoshi Ando is a candidate for Outside Director.
3. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Articles of Incorporation stipulate that the Company may enter into an agreement with an Outside Director that sets a limit on the liability for damages under Article 423, Paragraph 1 of the Companies Act. The Company has entered into an agreement on limitation of liability (the larger of an amount determined in advance, which shall be equal to or more than 10 million yen, and an amount prescribed by laws and regulations) with Mr. Satoshi Ando, and will renew the current agreement with him upon the approval of his re-election at this General Meeting of Shareholders.
4. Mr. Satoshi Ando meets the requirements of the "Criteria for the Independence of Outside Officers at the Company" and the requirements for Independent Officer set by the TSE. The Company has notified the TSE of his election as an Independent Officer as required by the TSE. If his re-election is approved at this General Meeting of Shareholders, the Company will continue to appoint him as an Independent Officer.

Candidate No.

8

Akemi Uchida (Born on April 27, 1965)

Reappointment

Outside Officer

Independent Officer

A brief summary of her career, posts and responsibilities held, and other major offices concurrently held

Number of the Company's shares held
900 shares

Term of office as Outside Director
3 years (at the conclusion of this General Meeting of Shareholders)

Attendance at Board of Directors meetings
16 times / 16 meetings (100%)

April 2000	Joined TOMY Company, Ltd.
April 2008	General Manager of Internal Control Promotion Department, Corporate Planning Division
October 2016	Joined Topre Corporation, Assistant to Auditors (with General Manager status)
June 2020	Director
June 2022	Senior Advisor of Toprec Corporation
January 2023	Senior Director of Morpho, Inc.
June 2023	Outside Director of the Company (to date)
June 2024	Outside Director (Audit & Supervisory Committee Member) of IRISO ELECTRONICS CO., LTD. (to date)
June 2024	Outside Director (Audit & Supervisory Committee Member) of STELLA CHEMIFA CORPORATION (to date)

Major other offices concurrently held

Outside Director (Audit & Supervisory Committee Member) of IRISO ELECTRONICS CO., LTD.
Outside Director (Audit and Supervisory Committee Member) of STELLA CHEMIFA CORPORATION

◆ Reason for nomination as a candidate for Outside Director and summary of expected roles

Ms. Akemi Uchida, currently serving as Outside Director of the Company, has extensive experience related to corporate planning, human resources, risk management, and financial and management accounting, as well as experience as Director of a company engaged in the global development, manufacture and sale of automotive press components, refrigeration equipment, etc. She provides appropriate advice and supervision of the management of the Company from an external perspective and an objective and neutral standpoint. In addition, she chairs the Compensation Committee and serves as a member of the Personnel Committee and Evaluation Committee, actively expressing her opinions. She also provides valuable advice in fields such as diversity and inclusion, and she is expected to perform her duties as Outside Director adequately from an independent standpoint. This resulted in our decision to re-appoint her as a candidate for our Outside Director.

Notes:

1. No special-interest relationships exist between the Company and Ms. Akemi Uchida.
2. Ms. Akemi Uchida is a candidate for Outside Director.
3. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Articles of Incorporation stipulate that the Company may enter into an agreement with an Outside Director that sets a limit on the liability for damages under Article 423, Paragraph 1 of the Companies Act. The Company has entered into an agreement on limitation of liability (the larger of an amount determined in advance, which shall be equal to or more than 10 million yen, and an amount prescribed by laws and regulations) with Ms. Akemi Uchida, and will renew the current agreement with her upon the approval of her re-election at this General Meeting of Shareholders.
4. Ms. Akemi Uchida meets the requirements of the "Criteria for the Independence of Outside Officers at the Company" and the requirements for Independent Officer set by the TSE. The Company has notified the TSE of her election as an Independent Officer as required by the TSE. If her re-election is approved at this General Meeting of Shareholders, the Company will continue to appoint her as an Independent Officer.

REFERENCE DOCUMENT FOR THE GENERAL MEETING OF SHAREHOLDERS

Candidate No.

9 **Yumi Sano** (Born on August 20, 1961)

Reappointment

Outside Officer

Independent Officer

	A brief summary of her career, posts and responsibilities held, and other major offices concurrently held	
Number of the Company's shares held 0 shares	April 1984	Joined Shikishima Boseki K.K. (currently SHIKIBO LTD.)
Term of office as Outside Director 1 year (at the conclusion of this General Meeting of Shareholders)	March 1997	Joined Kansai Employers Association (currently Kansai Economic Federation)
Attendance at Board of Directors meetings 11 times / 11 meetings (100%)	April 2004	General Manager of Membership Department, Kansai Employers Association (currently Kansai Economic Federation)
	April 2013	Joined Japan Institute for Women's Empowerment & Diversity Management
	April 2014	General Manager of Kansai Office, Japan Institute for Women's Empowerment & Diversity Management (to date)
	June 2017	Outside Director of Sakai Chemical Industry Co., Ltd.
	June 2021	Outside Director of Sanyo Chemical Industries, Ltd. (to date)
	June 2024	Outside Director of Sumitomo Densetsu Co., Ltd. (scheduled to retire in June 2026)
	June 2025	Outside Director of the Company (to date)
	May 2026	Outside Director (Audit and Supervisory Committee Member) of STUDIO ALICE Co., Ltd. (scheduled to take office in May 2026)

Major other offices concurrently held

General Manager of Kansai Office, Japan Institute for Women's Empowerment & Diversity Management
Outside Director of Sanyo Chemical Industries, Ltd.

◆ Reason for nomination as a candidate for Outside Director and summary of expected roles

Ms. Yumi Sano, currently serving as Outside Director of the Company, has held an important post for many years in public-service corporations and has extensive experience related to organizational management and human resources development. She provides appropriate advice and supervision of the management of the Company from an external perspective and an objective and neutral standpoint. In addition, she serves as a member of the Compensation Committee, Personnel Committee and Evaluation Committee, actively expressing her opinions.

Ms. Sano has never in the past been involved in the management of a company except as an Outside Director. However, for these reasons, she is expected to perform her duties as Outside Director adequately from an independent standpoint. This resulted in our decision to re-appoint her as a candidate for our Outside Director.

Notes:

1. No special-interest relationships exist between the Company and Ms. Yumi Sano.
2. Ms. Yumi Sano is a candidate for Outside Director.
3. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Articles of Incorporation stipulate that the Company may enter into an agreement with an Outside Director that sets a limit on the liability for damages under Article 423, Paragraph 1 of the Companies Act. The Company has entered into an agreement on limitation of liability (the larger of an amount determined in advance, which shall be equal to or more than 10

million yen, and an amount prescribed by laws and regulations) with Ms. Yumi Sano, and will renew the current agreement with her upon the approval of her re-election at this General Meeting of Shareholders.

4. Ms. Yumi Sano meets the requirements of the “Criteria for the Independence of Outside Officers at the Company” and the requirements for Independent Officer set by the TSE. The Company has notified the TSE of her election as an Independent Officer as required by the TSE. If her re-election is approved at this General Meeting of Shareholders, the Company will continue to appoint her as an Independent Officer.

REFERENCE DOCUMENT FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposal No. 3

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

At the 102nd Ordinary General Meeting of Shareholders held on June 26, 2025, Mr. Masaki Nakajima was elected as a substitute Audit & Supervisory Board Member. The election is effective until the time of the start of this General Meeting of Shareholders. Therefore, one (1) substitute Audit & Supervisory Board Member shall be appointed anew in the case that a vacancy occurs in the statutory number of auditors.

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

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

Masaki Nakajima (Born on July 19, 1973)

Substitute Outside Audit & Supervisory Board

Independent Officer

A brief summary of his career and posts held, and other major offices concurrently held

Number of the Company's shares held
0 shares

October 2001	Admitted to the bar (Osaka Bar Association)
September 2007	Opened ACT Osaka Law Office
October 2007	Outside Auditor, Nippon Parking Development Co., Ltd.
April 2021	Vice-president of Osaka Bar Association
October 2024	Outside Auditor, Nippon Car Service Development Co., Ltd. (to date)

Major other offices concurrently held

Attorney-at-law
Outside Auditor of Nippon Car Service Development Co., Ltd.

◆ Reason for nomination as a candidate for substitute Outside Audit & Supervisory Board Member

Mr. Masaki Nakajima has professional knowledge and experience of legal practice and sufficient insight into corporate management. He currently serves as an outside auditor at a company engaged in developing car-sharing services. Although he has never been involved in corporate management except in the capacity of outside officer, for the reasons above, he is expected to audit business execution from an independent and unbiased perspective. This resulted in our decision to appoint him as a substitute Outside Audit & Supervisory Board Member.

Notes:

1. No special-interest relationships exist between the Company and Mr. Masaki Nakajima.
2. Mr. Masaki Nakajima is a candidate for a substitute Outside Audit & Supervisory Board Member.
3. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Articles of Incorporation stipulate that the Company may enter into an agreement with an Outside Audit & Supervisory Board Member that sets a limit on the liability for damages under Article 423, Paragraph 1 of the Companies Act. If the election of Mr. Masaki Nakajima is approved at this General Meeting of Shareholders and he assumes his Audit & Supervisory Board Member role, the Company will enter into an agreement on limitation of liability (the larger of an amount determined in advance, which shall be equal to or more than 10 million yen, and an amount prescribed by laws and regulations) with him.
4. Mr. Masaki Nakajima meets the requirements of the "Criteria for the Independence of Outside Officers at the Company" and the requirements for Independent Officer set by the TSE. If his election is approved by this General Meeting of Shareholders and he assumes his Audit & Supervisory Board Member role, the Company will notify the TSE of his election as an Independent Officer as required by the TSE.
5. The Company has concluded a directors and officers liability insurance contract with an insurance company, as prescribed in Article 430-3, Paragraph 1 of the Companies Act, with all Audit & Supervisory Board Members as the insured. The insurance covers legal damages and litigation expenses in the event that a claim for damages is made against the insured during the insurance period due to improper actions (including errors of omission)

committed by the insured in his/her capacity as such. If the election of Mr. Masaki Nakajima is approved at this General Meeting of Shareholders and he assumes his Audit & Supervisory Board Member role, then he will be included in the insured under this insurance contract. The Company intends to renew this insurance contract under the same terms when it comes due for renewal.

(Reference)

Skills Matrix of Director and Audit & Supervisory Board Member Candidates

Name	Vision		Business base		Management base			
	Corporate management and corporate strategy	Environment and society	R&D and production	Global business	Legal and risk management	Human resources strategy	Financial accounting	DX
Directors								
Hiroshi Okubo	●	●	●		●		●	●
Mikiya Horie	●	●	●	●				
Yoshio Nishiyama		●	●			●		
Yoshiyuki Shimmyo	●	●	●	●				
Kenji Tanaka	●	●	●				●	●
Ikuo Yamashita	●	●	●					
Satoshi Ando [Outside] [Independent]					●	●		
Akemi Uchida [Outside] [Independent]	●	●			●	●	●	●
Yumi Sano [Outside] [Independent]		●			●	●		
Audit & Supervisory Board Members								
Hirotsugu Sakai	●						●	●
Yoichi Kobayashi				●	●			
Norihisa Kusumi [Outside] [Independent]	●				●	●	●	
Yasuhiro Koike [Outside] [Independent]					●			

(Reference)

Explanation of Skills

■ Corporate management and corporate strategy	The skills to establish growth strategies, make swift management decisions, and lead the organization to achieve our Purpose “To continue contributing to better living environments through chemical technologies” This includes corporate management experience at other companies
■ Environment and society	The skills to identify issues and formulate policies on engaging with the environment and society, which are vital elements of conducting corporate activities, promote continuing activities, and balance economic value and sustainable value
■ R&D and production	The skills to lead the development of new products that leverage our strengths “develop proprietary technologies” and “accommodate quality and environmental requirements” such as new product development, the improvement of production technology, the search for new businesses, and challenges to create high-quality, environmentally-friendly products
■ Global business	The skills to leverage our strength “collaborate globally,” leading distribution, development, and registration activities firmly rooted in each local community, while also driving the establishment of robust global supply chains and the expansion of new products to achieve further business growth
■ Legal and risk management	The skills to lead corporate activities that prioritize compliance, to achieve sustainable corporate growth by fulfilling our social responsibilities and contributing to society
■ Human resources strategy	The skills to lead the development of strategies to generate human resources who will drive the creation of new value and innovations to resolve social issues, and the creation of safe and vibrant workplaces where all people can make the most of their individual abilities
■ Financial accounting	The skills to formulate and manage budgets to achieve medium- and long-term management strategies, prepare financial reports, and formulate dividend policies
■ DX	The skills to promote Group-wide DX to strengthen the business base and achieve work style reform through more efficient operations

(Reference)

Criteria for the Independence of Outside Officers at the Company

Outside Directors and Outside Audit & Supervisory Board members are considered independent if none of the following applies to them.

1. A current or past (within the past 10 years) business executor*1 for ISK or its subsidiaries (collectively, “ISK Group”)
2. A current or past (within the past 5 years) principal ISK shareholder (i.e., a shareholder that owns 10% or more of ISK’s voting shares) or a business executor of the principal ISK shareholder
3. An ISK Group client, or a business executor of an ISK Group client, whose business dealings with ISK Group have accounted for more than 2% of ISK Group’s annual consolidated net sales for any of the most recent three fiscal years
4. An ISK Group supplier, or a business executor of an ISK Group supplier, whose business dealings with ISK Group have accounted for more than 2% of said party’s annual consolidated net sales for any of the most recent three fiscal years
5. An accounting professional, legal professional, or other type of consultant or a member of a consulting organization, which receives significant financial or other economic benefit*2 from ISK Group, other than Director remuneration
6. A party, or a business executor of a party, which receives or has received (within the past three years) significant financial contribution or assistance*3 from ISK Group
7. A spouse, relative within the second degree of kinship, or relative living together, of anyone that meets the criteria of #1 to #6 above

*1: A person who meets the criteria stipulated in Article 2, paragraph (3), item (6) of the Ordinance for Enforcement of the Companies Act.

*2: Normal remuneration averaging more than 10 million yen over the past three years.

*3: Annual contribution or assistance totaling more than 10 million yen over the past three years.

Business Report

(April 1, 2025 - March 31, 2026)

I. Overview of the Corporate Group

1. Business Progress and Results

(1) Business Conditions

In fiscal 2025 (from April 1, 2025 to March 31, 2026), the domestic economy continued on a moderate recovery trajectory, supported by improvements in the employment and income environment and the effects of various government policies. While personal consumption and capital investment showed signs of recovery, production remained largely flat. Corporate earnings showed signs of improvement in the second half of the fiscal year, despite the lingering impact of United States trade policies. While prices continued to rise, the pace of inflation slowed. The impact on resource prices and financial markets from escalating tensions in the Middle East also exerted downward pressure on the economy. Internationally, the global economy continued a gradual recovery, although weakness was evident in some regions. At the same time, uncertainty regarding the future persisted due to factors such as United States trade policies, the situation in the Middle East, and fluctuations in financial and capital markets.

In this economic climate, the Group's business environment was affected by changes driven by United States trade policies and the situation in the Middle East. However, in the organic chemicals business, sales of agrochemicals were supported by exchange rates and weather conditions, and both growth strategy agents and existing products performed well. In the inorganic chemicals business, while fine chemicals continued to face difficult conditions due to sluggish market conditions and a competitive environment, sales of electronics materials and functional color materials remained firm. As a result, the Company posted consolidated net sales of ¥154.8 billion (up ¥9.7 billion YoY) and consolidated operating income of ¥19.0 billion (up ¥8.5 billion YoY) for the fiscal year ended March 31, 2026 (the "current fiscal year"). Consolidated ordinary income was ¥21.7 billion (up ¥10.3 billion YoY) and net income attributable to owners of parent was ¥16.6 billion (up ¥8.2 billion YoY).

Results for each business segment

[Organic Chemicals Business]

Sales composition ratio: 53%

Net sales: (Fiscal 2024) ¥67.7 billion ► (Fiscal 2025) ¥82.6 billion Up ¥14.8 billion

Operating income: (Fiscal 2024) ¥12.4 billion ► (Fiscal 2025) ¥18.3 billion Up ¥5.8 billion

Details of business: Manufacture and sale of herbicides, pesticides, fungicides, plant growth regulators, organic intermediates and pharmaceuticals; manufacture and sale of veterinary drugs

- In agrochemicals, sales of growth-strategy agents grew in the Americas and Asia. Existing products also performed well in both Europe and the Americas, and the European market in particular made a significant contribution to profits, partly due to weather factors.
- Net sales in the healthcare business, including veterinary drugs and active pharmaceutical ingredients, were above the previous fiscal year's results.
- As a result, both sales and income increased in the organic chemicals business.

[Inorganic Chemicals Business]

Sales composition ratio: 44%

Net sales: (Fiscal 2024) ¥73.2 billion ▶ (Fiscal 2025) ¥68.2 billion Down ¥5.0 billion

Operating income: (Fiscal 2024) ¥1.5 billion ▶ (Fiscal 2025) ¥4.9 billion Up ¥3.3 billion

Details of business: Manufacture and sale of titanium dioxide, functional materials, electronics materials, plaster, etc.

- For electronics materials, domestic sales grew significantly.
- For functional color materials, conductive materials performed steadily both domestically and overseas.
- Profitability improved for fine chemicals (titanium dioxide) through the maintenance of selling prices, despite sluggish sales of general-purpose products for construction applications.

[Other Businesses]

Sales composition ratio: 3%

Net sales: (Fiscal 2024) ¥4.1 billion ▶ (Fiscal 2025) ¥4.0 billion Down ¥0.1 billion

Operating income: (Fiscal 2024) ¥0.7 billion ▶ (Fiscal 2025) ¥0.6 billion Down ¥0.1 billion

Details of business: Construction, trading, etc.

- Both net sales and operating income were lower than in the previous fiscal year.

(2) Capital Expenditures

Capital expenditures during the current fiscal year amounted to ¥11.6 billion, mainly comprising ¥4.5 billion in the organic chemicals business and ¥6.9 billion in the inorganic chemicals business. The main facilities under construction at the end of the current fiscal year are shown below.

Construction of the MF MATERIAL CO., LTD. functional materials manufacturing plant (Nobeoka City, Miyazaki Prefecture); planned investment: ¥9.5 billion

(3) Financing

Interest-bearing debt at the end of the current fiscal year increased by ¥1.7 billion year over year to ¥73.9 billion, as the Group increased its borrowings to finance the construction of the Technology Research Center, Hyogo-Ono.

(4) Issues to Be Addressed

The Group has been implementing its long-term vision, “Vision 2030” and the Mid-Term Management Plan “Vision 2030 Stage II” (for fiscal 2024–2026), founded on this vision.

1) Long-term vision “Vision 2030”

We took the opportunity of the 100th anniversary of the Group’s founding to visualize our ideal for the Group in 2030, ten years from now, and establish “Originality. Acceleration. Global Reach. Transforming Lives Through the Power of Chemistry.” as our long-term vision, “Vision 2030.” We aim to achieve the following management targets and policy approach.

• Management targets (2030)

Consolidated operating income: ¥24.0 billion or greater (anticipated consolidated net sales: ¥180.0 billion or greater); secure stable ROE of 10% or greater

Shareholder returns: maintain stable shareholder returns

• Basic policy approach

We will strive to achieve Vision 2030 through our “three strengths” — “developing proprietary technologies,” “accommodating quality and environmental requirements” and “collaborating globally” — centered on our core competency in “chemical technologies” and underpinned by “management drive.”

The Group will contribute to realizing a sustainable society while simultaneously enhancing corporate value through its business activities.

- Business policies and key measures

- i) Organic chemicals business

- Business policy: Supply unique products that directly enhance customer value across the world, and support people's nutrition, health and life to contribute to the realization of a sustainable society.

- Key measures: - Promote development and commercialization with an awareness of the entire value chain
 - Refine and evolve proprietary technologies to accelerate value creation and return to a growth trajectory
 - Achieve global lowest-cost manufacture and stable customer supply of main products

- ii) Inorganic chemicals business

- Business policy: Create new value based on the technologies developed for titanium dioxide products to support the environment and digital society, and contribute to the realization of a sustainable society.

- Key measures: - Diversify the optical characteristics of titanium dioxide to achieve new value creation
 - Contribute to the resolution of social issues including the spread of ICT and the shift to electric vehicles through functional materials
 - Reform production structures to achieve both a reduction in environmental impact and an increase in production efficiency

2) Mid-Term Management Plan (for fiscal 2024-2026) "Vision 2030 Stage II"

- Basic policy

The Mid-Term Management Plan "Vision 2030 Stage II," the second stage backcast from the long-term vision, "Vision 2030," continues the basic policy of "Vision 2030 Stage I" aimed at creating sustainable corporate value. By implementing key measures such as enhancing the strength and efficiency of research and technological development capabilities aimed at originality, accelerating globalization to demonstrate the Group's technological strength in overseas markets, promoting ROIC-focused management, and maintaining stable shareholder returns, the plan promotes the strengthening of the Group's business foundations and the reform of the business structure.

- Management targets

Consolidated operating income: ¥19.0 billion or greater (anticipated consolidated net sales: ¥160.0 billion or greater); ROE of 10% or greater

Shareholder returns: maintain stable shareholder returns

- Target a consolidated payout ratio of 40% for fiscal 2026
- Implement flexible share buybacks.

	Fiscal 2023 results (A)	New Mid-Term Management Plan “Vision 2030 Stage II”			
		Fiscal 2024 results	Fiscal 2025 results	Fiscal 2026 (B)	(B) / (A)
Net sales	¥138.4 billion	¥145.1 billion	¥154.8 billion	¥160.7 billion	1.2
Operating income	¥11.4 billion	¥10.4 billion	¥19.0 billion	¥19.8 billion	1.7
Ordinary income	¥14.8 billion	¥11.3 billion	¥21.7 billion	¥19.3 billion	1.3
Net income attributable to owners of parent	¥7.9 billion	¥8.4 billion	¥16.6 billion	¥13.6 billion	1.7
Operating income ratio	8.3%	7.2%	12.3%	12.3%	1.5
ROE	7.9%	7.6%	13.7%	11.2%	1.4

· Key measures

The key measures to be implemented across the Group and within each business are as follows. We will review the business plan each fiscal year, and strive to achieve performance targets for the final fiscal year of the plan.

Group

- Enhance the strength and efficiency of research and technological development capabilities aimed at originality
- Accelerate globalization
- Promote ROIC-focused management
- Maintain stable shareholder returns
- Contribute to the environment and society
- Promote DX
- Promote human capital management
- Continue and enhance corporate governance

Organic chemicals business

- Promote the development and commercialization of new agrochemicals, veterinary drugs, etc.
- Expand the Group’s global market share by maintaining the stable supply of agrochemicals and reducing costs
- Acquire and maintain agrochemicals registration in countries around the world
- Expand sales of the veterinary drug PANOQUELL™ in the United States and develop sales across major countries around the world
- Implement strategic and innovative sales initiatives, such as the use of multiple agrochemicals sales companies
- Expand the business scale by promoting corporate acquisitions and corporate alliances, and introducing other companies’ products
- Develop and commercialize products in the biological field

Inorganic chemicals business

- Structural reform of the inorganic chemicals business
 - Reorganization to establish the Inorganic Chemicals Sales & Marketing Headquarters
 - Full-scale shift of the product portfolio from general-purpose titanium dioxide to the functional materials domain
 - Focus and rationalization of manufacturing bases and product lineup
- Expand sales of electronic component materials and strengthen production capacity
- Business expansion by marketing new developed products and creating new business

- Enhance technical sales capabilities overseas
- Expand the business through alliances with other companies
- Achieve more favorable procurement terms for the main raw materials and fuel

(5) Sustainability management

The Group upholds its corporate purpose – “to continue contributing to better living environments through chemical technologies” – and actively promotes a range of specific measures to address environmental and other issues as sustainability management initiatives.

Under this corporate purpose, we work to address ESG and the SDGs through our businesses, based on our vision for 2050 as a global company loved by people and society, bringing them healthy, rich and fulfilling lifestyles.

1) Environmental initiatives

To further the Group’s response to the issue of climate change, we are aiming to achieve a 30% reduction in CO₂ emissions by 2030 (against fiscal 2019) and carbon neutrality by 2050. As part of these efforts, we completed a companywide analysis based on the framework (governance, strategy, risk management, and metrics and targets) established by the Task Force on Climate-Related Financial Disclosures (TCFD), and disclosed the results. We also ascertained the volume of greenhouse gas emissions across the entire Group, including its supply chains. We have obtained third-party assurance for our data on direct greenhouse gas emissions (including heat and steam) and indirect emissions from the use of electricity. We will reduce greenhouse gas emissions by, for example, replacing coal for boilers with low-carbon fuels, rebuilding the inorganic chemicals business, thoroughly saving energy, using renewable energy, and improving facilities. At the same time, we have also established the Company’s unique Certification System for Environmentally Conscious Products as a system to develop more environmentally friendly products and technologies, and we are promoting the development of products in harmony with the environment.

In addition to participating in the Ministry of the Environment’s 30by30 Alliance for Biodiversity, we have concluded an agreement with the relevant local governments and other bodies for a corporate-sponsored forest development project promoted by Hyogo Prefecture. By collaborating with local communities in forest development activities, we are working to protect forests and conserve biodiversity.

2) Social initiatives

- Respect for human rights

We have undertaken human rights due diligence and identified the Group’s “Priority risks for human rights countermeasures,” based on the ISK Group Policy on Human Rights: respect for the human rights of all people related to our business activities. We will continue to work to ascertain the status of any human rights issues at our suppliers or business partners and strengthen risk management throughout the supply chain. Through workshops for all employees and human rights training for management, we aim to increase understanding and awareness of human rights.

- Human capital management initiatives

With an understanding of human resources as the source of our competitive strength, we have established the ISK Group Human Resources Management Policy and we are striving to accelerate the development of human resources, promote diversity, and enhance engagement. We have defined our vision for human resources as “people capable of understanding the essence of things, applying this understanding, and ‘changing’ in order to ‘change’ them.” We are working to enhance education and training and actively supporting employees’ career-building. In addition, we are focused on helping women’s empowerment, supporting work-life balance, and securing diverse talent, based on our belief that diverse backgrounds will drive the creation of new value. In addition to undertaking regular engagement surveys, we are working to continually improve workplace environments, aiming to create workplace environments that enable all employees to achieve a sense of job fulfilment.

Regarding health and productivity management, we are engaged in maintaining and promoting employees' health and productivity through various initiatives based on the ISK Health Management Declaration.

3) Governance initiatives

We are working to strengthen corporate governance based on our philosophy of transparent management that contributes to social development, protection of life and environmental preservation, while respecting all our stakeholders. At meetings of the Board of Directors, we discuss and resolve on important matters, primarily concerning management plans and sustainability management, but also relating to governance, risk management, and compliance. By evaluating the effectiveness of the Board of Directors and our internal control system, as well as risk management activities and internal audit reports, etc., we are continually working to improve our management system.

We have established the Sustainability Promotion Committee under the Board of Directors to engage in deliberations, decision-making, and control over important management issues related to the Group's sustainability. The Sustainability Promotion Committee is chaired by the Executive Director, President and mainly composed of Executive Officers. It meets at least twice each year. Matters approved by the committee are submitted for resolution by the Board of Directors. We have also established the Office of Sustainability Promotion to accelerate the planning, formulation, and promotion of sustainability management measures. A system is in place to report on the progress of these activities to the Board of Directors every three months.

2. Trends in Assets and Income

(Millions of yen, unless otherwise specified)

Item	The 100th fiscal year ended March 31, 2023	The 101st fiscal year ended March 31, 2024	The 102nd fiscal year ended March 31, 2025	The 103rd fiscal year ended March 31, 2026 (Current fiscal year)
Net sales	131,238	138,456	145,196	154,897
Ordinary income	10,349	14,850	11,392	21,737
Net income attributable to owners of parent	6,947	7,988	8,410	16,636
Net income per share (Yen)	175.75	209.27	219.98	434.78
Total assets	201,913	224,324	225,097	240,408
Total net assets	97,431	106,116	114,448	129,178

Notes 1. The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022) and other guidance from the 102nd fiscal year. Assets and income from the 102nd fiscal year onward are presented after the application of these accounting standards.

3. Significant Parent Companies and Subsidiaries, etc. (As of March 31, 2026)

(1) Relationship with Parent
Not applicable.

(2) Significant Subsidiaries, etc.

1) Significant Subsidiaries

Name	Capital	Ownership Ratio (%)	Main Business
ISK BIOSCIENCES K.K.	¥312 million	100	Agrochemical sales
ISK AMERICAS INCORPORATED	US\$27,253 thousand	100	Management and administration of subsidiaries in the United States
ISK BIOSCIENCES EUROPE N.V.	€7,436 thousand	100	Management of the European agrochemicals business; manufacture and sale of agrochemicals
ISHIHARA TECHNO CORPORATION	¥100 million	100	Trading
FUJI TITANIUM INDUSTRY CO., LTD.	¥450 million	100	Manufacture and sale of titanium dioxide, functional materials, etc.
MF MATERIAL CO., LTD.	¥100 million	65 [55]	Manufacture and sale of functional materials
ISK ENGINEERING PARTNERS CORPORATION	¥100 million	100	Construction

Note: The figure shown in square brackets [] in the Ownership Ratio column represents the indirect ownership ratio.

2) Significant Affiliates

Name	Capital	Ownership Ratio (%)	Main Business
CERTIS BELCHIM B.V.	€3,942 thousand	15 [15]	Sale of materials related to agriculture

Note: The figure shown in square brackets [] in the Ownership Ratio column represents the indirect ownership ratio.

4. Principal Businesses (As of March 31, 2026)

Business Segment	Details of Business
Organic chemicals business	Manufacture and sale of herbicides, pesticides, fungicides, plant growth regulators, organic intermediates and pharmaceuticals; manufacture and sale of veterinary drugs
Inorganic chemicals business	Manufacture and sale of titanium dioxide, functional materials, electronics materials, plaster, etc.
Other businesses	Construction, trading, etc.

5. Major Lenders (As of March 31, 2026)

Lender	Balance of Loans (in millions of yen)
SBI Shinsei Bank, Limited	11,784
Sumitomo Mitsui Banking Corporation	9,260
Development Bank of Japan Inc.	7,129
The Norinchukin Bank	4,185
Resona Bank, Limited	3,186

II. Status of the Company

1. Shares (As of March 31, 2026)

- (1) Total Number of Shares Authorized to be Issued 100,000,000 shares
- (2) Total Number of Shares Outstanding 40,383,943 shares
(including 1,673,370 shares of treasury stock)
- (3) Number of Shareholders 33,220 persons
- (4) Major Shareholders (Top10)

Name of Shareholder	Investment to the Company	
	Number of Shares of the Company Held (Thousand shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	4,911	12.69
MITSUI & CO., LTD.	2,019	5.22
Custody Bank of Japan, Ltd. (trust account)	1,800	4.65
Toagosei Co., Ltd.	1,722	4.45
Ishihara Sangyo Kaisha Client Stock Ownership Association	1,171	3.03
UPL Japan GK	1,170	3.02
STATE STREET BANK AND TRUST COMPANY 505223	896	2.32
Ishihara Sangyo Kaisha Employee Stock Ownership Association	810	2.09
DFA INTL SMALL CAP VALUE PORTFOLIO	760	1.96
JPMorgan Securities Japan Co., Ltd.	612	1.58

- Notes: 1. The shareholding ratio is calculated after deducting treasury stock.
2. Shares held by The Master Trust Bank of Japan, Ltd. (trust account) and Custody Bank of Japan, Ltd. (trust account) are held in connection with their trust operations.
3. The Company holds 1,673 thousand shares of treasury stock in addition to the shares shown above. The Company has introduced a stock compensation plan, the share delivery trust, for Directors and other officers, and the number of shares of treasury stock shown above does not include the shares held under this trust.

(5) Shares Delivered to Company Officers during the Current Fiscal Year as Consideration for the Execution of Duties

Post	Number of shares	Number of recipients
Directors (excluding Outside Directors)	36,010 shares	6

Note: The details of the Company's stock compensation are presented in "3. Company Officers (2) Compensation, etc. for Directors and Audit & Supervisory Board Members."

(6) Other Important Matters Concerning Shares
Not applicable.

2. Stock Acquisition Rights (As of March 31, 2026)
Not applicable.

3. Company Officers

(1) Directors and Audit & Supervisory Board Members (As of March 31, 2026)

Name	Posts	Responsibilities	Major Other Offices Concurrently Held
Hiroshi Okubo	Executive Director, President (President & Chief Executive Officer)	Chief Compliance Officer (CCO)	Director and Chairman at ISK AMERICAS INCORPORATED
Mikiya Horie	Executive Director (Senior Managing Executive Officer)	Director of Bioscience Business Headquarters	Director and Chairman at ISK BIOSCIENCES CORPORATION Director and Chairman at ISK BIOSCIENCES EUROPE N.V.
Yoshio Nishiyama	Director (Managing Executive Officer)	Director of General Affairs & Human Resources Headquarters	
Yoshiyuki Shimmyo	Director (Managing Executive Officer)	Director of Inorganic Chemicals Business Headquarters	Director and Chairman at ISHIHARA CORPORATION (U.S.A.) Chairman at ISK TAIWAN CO., LTD.
Kenji Tanaka	Director (Managing Executive Officer)	Director of Corporate Administration & Planning Headquarters	
Ikuo Yamashita	Director (Managing Executive Officer)	Director of Yokkaichi Plant Deputy Director of Inorganic Chemicals Business Headquarters, Production	
Satoshi Ando	Director		Attorney-at-law Outside Director (Audit & Supervisory Committee Member) of TOHO CO., LTD.

Name	Posts	Responsibilities	Major Other Offices Concurrently Held
Akemi Uchida	Director		<p>Outside Director (Audit & Supervisory Committee Member) of IRISO ELECTRONICS CO., LTD.</p> <p>Outside Director (Audit and Supervisory Committee Member) of STELLA CHEMIFA CORPORATION</p>
Yumi Sano	Director		<p>General Manager of Kansai Office, Japan Institute for Women's Empowerment & Diversity Management</p> <p>Outside Director of Sanyo Chemical Industries, Ltd.</p> <p>Outside Director of Sumitomo Densetsu Co., Ltd.</p>
Hirotsugu Sakai	Standing Audit & Supervisory Board Member		<p>Audit & Supervisory Board Member at ISHIHARA TECHNO CORPORATION</p> <p>Audit & Supervisory Board Member at FUJI TITANIUM INDUSTRY CO., LTD.</p> <p>Audit & Supervisory Board Member at MF MATERIAL CO., LTD.</p> <p>Audit & Supervisory Board Member at ISK ENGINEERING PARTNERS CORPORATION</p>
Yoichi Kobayashi	Standing Audit & Supervisory Board Member		<p>Audit & Supervisory Board Member at ISHIHARA TECHNO CORPORATION</p> <p>Audit & Supervisory Board Member at ISK BIOSCIENCES K.K.</p> <p>Audit & Supervisory Board Member at ISK BIOSCIENCES K.K.</p>
Noriyoshi Kusumi	Standing Audit & Supervisory Board Member		<p>Audit & Supervisory Board Member at FUJI TITANIUM INDUSTRY CO., LTD.</p> <p>Audit & Supervisory Board Member at ISK ENGINEERING PARTNERS CORPORATION</p>
Yasuhiro Koike	Audit & Supervisory Board Member		Attorney-at-law

- Notes:
1. Of the Directors, Mr. Satoshi Ando, Ms. Akemi Uchida, and Ms. Yumi Sano are Outside Directors.
 2. Of the Audit & Supervisory Board Members, Mr. Norihisa Kusumi and Mr. Yasuhiro Koike are Outside Audit & Supervisory Board Members.
 3. No special-interest relationships exist between the Company and TOHO CO., LTD., at which Outside Director Mr. Satoshi Ando concurrently serves. ISK BIOSCIENCES K.K., FUJI TITANIUM INDUSTRY CO., LTD. and ISK ENGINEERING PARTNERS CORPORATION, at which Outside Audit & Supervisory Board Member Mr. Norihisa Kusumi concurrently serves, are subsidiaries of the Company.
 4. Audit & Supervisory Board Member, Mr. Hirotsugu Sakai has extensive experience in accounting and administrative duties for many years, and Audit & Supervisory Board Member, Mr. Norihisa Kusumi has extensive experience in the operations of financial institutions for many years. Both individuals possess considerable knowledge of finance and accounting.
 5. Changes in Directors and Audit & Supervisory Board Members during the current fiscal year were as follows:
 - 1) At the conclusion of the 102nd Ordinary General Meeting of Shareholders held on June 26, 2025, Directors Mr. Kenichi Tanaka, Mr. Yasunobu Kawazoe, and Mr. Tatsuo Hanazawa left office due to the expiration of their terms of office, and Audit & Supervisory Board Member Mr. Yoshihito Akiyama left office due to resignation.
 - 2) Mr. Kenji Tanaka, Mr. Ikuo Yamashita, and Ms. Yumi Sano were newly elected and appointed to the post of Director, and Mr. Hirotsugu Sakai was newly elected to the post of Audit & Supervisory Board Member, at the 102nd Ordinary General Meeting of Shareholders held on June 26, 2025.
 - 3) Mr. Masaki Nakajima was elected as a substitute Audit & Supervisory Board Member at the 102nd Ordinary General Meeting of Shareholders held on June 26, 2025.
 6. Outside Directors Mr. Satoshi Ando, Ms. Akemi Uchida, and Ms. Yumi Sano, and Outside Audit & Supervisory Board Members Mr. Norihisa Kusumi and Mr. Yasuhiro Koike have been registered with the TSE as Independent Officers as stipulated by its regulations.

(2) Compensation, etc. for Directors and Audit & Supervisory Board Members

Compensation for Directors of the Company is paid as follows, based on the Officers Compensation Regulations decided by the Board of Directors.

Compensation for Audit & Supervisory Board Members is determined through discussion among Audit & Supervisory Board Members.

1) Decision policy regarding the calculation method of compensation for individual Directors

The Company's Board of Directors has resolved, after receiving the recommendations of the Compensation Committee, on the following decision policy regarding the calculation method of compensation, etc. for individual Directors. Only monthly basic compensation is paid to Audit & Supervisory Board Members.

a. Basic policy

Compensation for the Directors of the Company shall be determined with consideration for the factors listed below, taking into account the content of each Director's duties and the Company's condition. Specifically:

- a) Compensation shall be fair and highly reasonable, enabling Directors to fulfill their accountability to stakeholders;
- b) Compensation shall be structured to raise the incentive for Directors to increase corporate value;
- c) Compensation shall be structured to enable the Company to secure and retain outstanding human resources as Directors;

Compensation shall be composed of "basic compensation," "annual performance-linked compensation" and "long-term performance-linked compensation."

Compensation for Outside Directors shall be composed only of basic compensation due to their independence from business execution.

b. Basic compensation

Basic compensation is paid as fixed monetary compensation based on the Officers Compensation Regulations, in amounts corresponding to the roles and responsibilities of each Director. Basic compensation is paid per calendar month, with a monthly amount paid on the same day as employees' salaries.

c. Annual performance-linked compensation

Annual performance-linked compensation, paid as monetary compensation, is aimed at ensuring that compensation is linked to corporate performance and securing its objectivity. Whether annual performance-linked compensation is paid, and the amount of such payment, is calculated upon comprehensive consideration of the Company's performance, including operating income and net income attributable to owners of parent, which represent the ultimate results of corporate activities, and performance against ESG metrics, as well as individual performance evaluation. After the results for each fiscal year are finalized, they are deliberated by the Compensation Committee, and the amount to be paid is decided at the first meeting of the Board of Directors held after the General Meeting of Shareholders. Annual performance-linked compensation is paid on the same day as employees' summer bonuses.

d. Long-term performance-linked compensation

Long-term performance-linked compensation is paid through a share delivery trust, composed of restricted stock units and performance share units. The restricted stock units are aimed at promoting the enhancement of corporate value by encouraging each Director to continuously hold the Company's stock while in office, thereby participating in shareholder value. The number of shares to be delivered is calculated for each rank. The performance share units are aimed at promoting the enhancement of corporate value. The number of shares to be delivered is calculated with regard to ROE, which represents the ultimate results of corporate activities, and corporate ESG performance. Long-term performance-linked compensation is paid at a certain time based on the share delivery guidelines established by the resolution of the Board of Directors.

e. Proportions of each type of compensation for individual Directors

The proportions of basic compensation, annual performance-linked compensation, and long-term performance-linked compensation are proposed, taking into account each year's financial results, etc., by an Executive Director, President. It is then referred to the Compensation Committee for deliberation, and determined by the Board of Directors, based on the report by the Compensation Committee.

If the standard amounts of annual performance-linked compensation and long-term performance-linked compensation are paid, then the relative proportions of each type of compensation will be roughly as shown below.

- Executive Director, President

Basic compensation (60%), annual performance-linked compensation (20%), long-term performance-linked compensation (20%)

- Other Directors

Basic compensation (65%), annual performance-linked compensation (20%), long-term performance-linked compensation (15%)

f. Delegation of authority concerning the determination of compensation, etc. for individual Directors

The details of compensation for individual Directors will be determined after deliberation by the Compensation Committee, which is composed of independent Outside Directors and independent Outside Audit & Supervisory Board Members. The

Compensation Committee will provide advice and recommendations, based on the information from officers' compensation surveys carried out by third-party firms, and each member's insight, before the decision is made. Compensation, etc. for individual Directors of the Company will be decided by the Executive Director, President, who is delegated authority by resolution of the Board of Directors. The Executive Director, President will evaluate the individual performance of each Director and determine compensation within the range approved by the Board of Directors, after deliberations by the Compensation Committee.

- 2) Reason why the Board of Directors has determined that the content of Directors' compensation, etc. for the current fiscal year is in line with the decision policy
When determining the content of compensation for individual Directors, the Compensation Committee, which is composed of independent Outside Directors and independent Outside Audit & Supervisory Board Members, deliberates on matters including consistency with the decision policy. Based on the advice and recommendations of the Compensation Committee, the Executive Director, President determines the compensation amounts within the range approved by the Board of Directors. Therefore, the Board of Directors has determined that the content of this compensation, etc. is in line with the decision policy.
- 3) Performance indicators for performance-linked compensation and results
In calculating annual performance-linked compensation, the Company uses operating income, net income attributable to owners of parent, and ESG (materiality) as performance indicators. This is because the Company considers these to be appropriate indicators of the Company's performance over a single fiscal-year period. In calculating long-term performance-linked compensation, the Company uses ROE and ESG (engagement) as performance indicators. This is because it considers these to be appropriate indicators of long-term corporate value enhancement.
The results of these performance indicators for the current fiscal year are operating income of 19,077 million yen, net income attributable to owners of parent of 16,636 million yen, and ROE of 13.7%.
- 4) Delegation of authority concerning the determination of compensation for individual Directors
As stated in the decision policy regarding the calculation method of compensation for individual Directors, compensation for individual Directors of the Company is determined by the Executive Director, President, Mr. Hiroshi Okubo, who is delegated authority by resolution of the Board of Directors. The Executive Director, President evaluates the individual performance of each Director and determines compensation within the range approved by the Board of Directors, after deliberations by the Compensation Committee.
The reason for delegating this authority is that the Executive Director, President, who chairs the Board of Directors, is most aptly suited to evaluating each Director based on his or her rank, and in accordance with his or her responsibilities and roles, etc., while maintaining a comprehensive view of the Company as a whole.
The details of compensation for individual Directors are determined after deliberation by the Compensation Committee. The Compensation Committee provides advice and recommendations, based on the information from officers' compensation surveys carried out by third party firms, and each member's insight, before the decision is made, in order to ensure that the Executive Director, President exercises his authority appropriately.

5) Total amount of compensation, etc. for Directors and Audit & Supervisory Board Members

Post	Total Amount of Compensation, etc. (million yen)	Total Amount of Compensation, etc. by type (million yen)				Number of Eligible Recipients
		Basic Compensation	Performance-linked Compensation	Restricted Stock Compensation	Performance-linked stock compensation	
Directors [of whom Outside Directors]	322 [36]	209 [36]	58 [-]	3 [-]	51 [-]	12 [4]
Audit & Supervisory Board Members [of whom Outside Audit & Supervisory Board Members]	66 [30]	66 [30]	- [-]	- [-]	- [-]	5 [2]
Total	388	275	58	3	51	17

- Notes:
- The amounts of compensation, etc. and the number of recipients shown in the table above include compensation, etc. for three Directors and one Audit & Supervisory Board Member who retired at the conclusion of the 102nd Ordinary General Meeting of Shareholders held on June 26, 2025.
 - The amounts shown for restricted stock compensation and performance-linked stock compensation are the amounts expensed in the current fiscal year.
 - The maximum amount of compensation for Directors (basic compensation and annual performance-linked compensation) was determined as 460 million yen per annum by the 82nd Ordinary General Meeting of Shareholders held on June 29, 2005. There were 12 incumbent Directors at the conclusion of that Ordinary General Meeting of Shareholders.
In addition, the payment of compensation under a performance-linked stock compensation plan using a trust structure (the RS Trust) for the Company's Directors (excluding Outside Directors) was resolved by the 102nd Ordinary General Meeting of Shareholders held on June 26, 2025. The initial trust period under the RS Trust is approximately five years. During the period of eligibility, the Company contributes a total amount of money not exceeding 500 million yen as compensation for Directors in office during the period of eligibility to fund the acquisition of the number of the Company's shares necessary to deliver to Directors based on the RS Trust. This contribution establishes the trust, of which the beneficiaries will be the Directors who satisfy the designated conditions. There were six incumbent Directors (excluding Outside Directors) at the conclusion of that Ordinary General Meeting of Shareholders.
 - Compensation for Audit & Supervisory Board Members is determined through discussion among Audit & Supervisory Board Members. The maximum amount of compensation for Audit & Supervisory Board Members was determined as 90 million yen per annum at the 71st Ordinary General Meeting of Shareholders held on June 29, 1994. There were four incumbent Audit & Supervisory Board Members at the conclusion of that Ordinary General Meeting of Shareholders.

(3) Summary of Agreement on Limitation of Liability

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Articles of Incorporation stipulate that the Company may enter into an agreement with an Outside Director or Outside Audit & Supervisory Board Member that sets a limit on the liability for damages under Article 423, Paragraph 1 of the Companies Act. The limitation of liability, provided the Outside Director or Outside Audit & Supervisory Board Member acted in good faith and without gross negligence, shall be the larger of an amount determined in advance, which shall be equal to or more than 10 million yen, and an amount prescribed by laws and regulations. Accordingly, the Company has entered into liability limitation agreements with all Outside Directors and Outside Audit & Supervisory Board Members.

(4) Summary of the Directors and Officers Liability Insurance Contract

The Company has concluded a directors and officers liability insurance contract with an insurance company, in accordance with the provisions of Article 430-3, Paragraph 1 of the Companies Act.

1) Insured parties

All Directors, Audit & Supervisory Board Members, and Executive Officers of the Company and its subsidiaries (excluding some subsidiaries).

2) Summary of the insurance contract

The insurance covers legal damages and litigation expenses in the event that a claim for damages is made against the insured during the insurance period due to improper actions (including errors of omission) committed by the insured in his/her capacity as such. However, individual officers, etc. are not covered by the insurance for damages arising from criminal acts such as offering or receiving bribes, or intentional unlawful acts, to ensure the proper execution of duties by officers, etc. The insured parties are not responsible for paying the insurance premium.

(5) Outside Directors and Outside Audit & Supervisory Board Members

1) Main activities of Outside Directors and Outside Audit & Supervisory Board Members

Post	Name	Main Activities
Director	Satoshi Ando	Mr. Satoshi Ando attended 15 out of 16 meetings of the Board of Directors held during the current fiscal year (he was absent from one meeting due to his duties as an attorney-at-law). He expressed opinions as necessary with an external perspective from an objective and neutral standpoint, mainly utilizing professional knowledge, cultivated as an attorney-at-law and abundant experience related to legal affairs, risk management, finance and accounting.
Director	Akemi Uchida	Ms. Akemi Uchida attended all 16 meetings of the Board of Directors held during the current fiscal year. She expressed opinions as necessary with an external perspective from an objective and neutral standpoint, utilizing her extensive knowledge related to corporate planning, human resources, risk management, and financial and management accounting, as well as her experience as manager of a company engaged in the global development, manufacture and sale of automotive press components, refrigeration equipment, etc.
Director	Yumi Sano	Ms. Yumi Sano attended all 11 meetings of the Board of Directors held after she assumed office as an Outside Director in June 2025. She expressed opinions as necessary with an external perspective from an objective and neutral standpoint, given her outstanding achievements, especially in areas such as promoting diversity, supporting the advancement of women in the workplace, and work-style reforms, in addition to her extensive knowledge and experience related to organizational management and human resources development.
Standing Audit & Supervisory Board Member	Norihisa Kusumi	Mr. Norihisa Kusumi attended all 16 meetings of the Board of Directors and all 12 meetings of the Audit & Supervisory Board held during the current fiscal year. He expressed opinions as necessary, with an external perspective from an objective and neutral standpoint, utilizing his wide-ranging knowledge and insights cultivated at financial institutions and his experience as a manager.

Post	Name	Main Activities
Audit & Supervisory Board Member	Yasuhiro Koike	Mr. Yasuhiro Koike attended all 16 meetings of the Board of Directors and all 12 meetings of the Audit & Supervisory Board held during the current fiscal year. He expressed opinions as necessary, with an external perspective from an objective and neutral standpoint, mainly utilizing his professional knowledge and extensive experience of corporate legal affairs as an attorney-at-law.

- 2) Details of situations where decisions on the Company's business policy or other matters were changed due to the opinions of Outside Directors or Outside Audit & Supervisory Board Members
Not applicable.
- 3) Any incident or scandal in business execution at the Company during the fiscal year that violated laws, regulations, or the Articles of Incorporation, or were otherwise improper
Not applicable.
- 4) Duties performed in relation to expected roles of Outside Directors during the fiscal year
In addition to attendance at the meetings of Board of Directors, Outside Directors Mr. Satoshi Ando, Ms. Akemi Uchida, and Ms. Yumi Sano also attended meetings of the Executive Management Committee, a body established under the Board of Directors to enable swifter decision making by the Board of Directors and more efficiently supervise and evaluate the execution status of important items of business. Mr. Satoshi Ando and Ms. Akemi Uchida attended all 13 such meetings held during the fiscal year, and Ms. Yumi Sano attended all 9 such meetings held after she assumed office as an Outside Director in June 2025. At these meetings, they expressed their opinions without reserve on overall important matters concerning management of the Company and important items of business execution, based on their extensive experience and insight.
- 5) Any opinions of Outside Directors or Outside Audit & Supervisory Board Members regarding matters related to Outside Directors or Outside Audit & Supervisory Board Members
Not applicable.

4. Policy Regarding Decisions on Dividends of Surplus, etc.

One of the most important management policies of the Company is to return profits to our shareholders while raising the Company's corporate value.

The Company's basic principle for dividends is to continue to implement stable dividend distribution according to our business performance, taking into comprehensive consideration the business trends, financial condition, and need to enhance our internal reserve for business expansion into the future.

Moreover, the Company flexibly implements repurchases of treasury stock.

Under the Mid-Term Management Plan "Vision 2030 Stage II," we aim to achieve a consolidated payout ratio of 40% by the final year of the plan (fiscal 2026).

We will pay dividends based on a minimum dividend-on-equity (DOE) ratio of 3% for the duration of the Mid-Term Management Plan "Vision 2030 Stage II" (fiscal 2024 to fiscal 2026).

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Reference:

Amounts and numbers of shares presented in this business report have been rounded down to the nearest unit, and percentages have been rounded off to the nearest unit.

## Consolidated Balance Sheet

(As of March 31, 2026)

(Millions of yen)

| Description                                         | Amount         | Description                                           | Amount         |
|-----------------------------------------------------|----------------|-------------------------------------------------------|----------------|
| <b>ASSETS</b>                                       | [240,408]      | <b>LIABILITIES</b>                                    | [111,229]      |
| Current assets                                      | 161,808        | Current liabilities                                   | 52,021         |
| Cash and deposits                                   | 29,424         | Notes and accounts payable - trade                    | 11,434         |
| Notes receivable - trade                            | 2,939          | Electronically recorded obligations                   | 976            |
| Accounts receivable - trade                         | 43,043         | – operating                                           |                |
| Electronically recorded monetary claims - operating | 1,974          | Short-term bank loans                                 | 7,680          |
| Contract assets                                     | 766            | Current portion of long-term bank loans               | 14,369         |
| Merchandise and finished goods                      | 41,504         | Current portion of bonds                              | 854            |
| Work in process                                     | 5,793          | Lease obligations                                     | 454            |
| Raw materials and supplies                          | 32,882         | Accrued income taxes                                  | 3,367          |
| Other                                               | 3,766          | Contract liabilities                                  | 498            |
| Allowance for doubtful receivables                  | (286)          | Accrued expenses                                      | 5,168          |
|                                                     |                | Provision for bonuses                                 | 1,104          |
| Non-current assets                                  | 78,599         | Provision for share-based payments                    | 129            |
| Property, plant and equipment                       | 53,502         | Provision for loss on plant closings                  | 56             |
| Buildings and structures                            | 18,616         | Provision for repairs                                 | 216            |
| Machinery, equipment and vehicles                   | 14,654         | Other                                                 | 5,709          |
| Land                                                | 6,735          |                                                       |                |
| Leased assets                                       | 1,375          | Long-term liabilities                                 | 59,207         |
| Construction in progress                            | 10,917         | Bonds                                                 | 924            |
| Other                                               | 1,203          | Long-term bank loans                                  | 45,440         |
| Intangible assets                                   | 2,314          | Lease obligations                                     | 1,010          |
| Software                                            | 1,620          | Provision for loss on plant closings                  | 135            |
| Software in progress                                | 447            | Provision for maintenance                             | 63             |
| Leased assets                                       | 1              | Retirement benefit liability                          | 9,722          |
| Other                                               | 245            | Asset retirement obligations                          | 140            |
| Investments and other assets                        | 22,782         | Other                                                 | 1,770          |
| Investments in securities                           | 13,625         |                                                       |                |
| Deferred tax assets                                 | 6,966          | NET ASSETS                                            | [129,178]      |
| Retirement benefit asset                            | 42             | Shareholders' equity                                  | 120,162        |
| Other                                               | 2,195          | Common stock                                          | 43,420         |
| Allowance for doubtful receivables                  | (48)           | Capital surplus                                       | 11,227         |
|                                                     |                | Retained earnings                                     | 68,658         |
|                                                     |                | Treasury stock                                        | (3,143)        |
|                                                     |                | Accumulated other comprehensive income (loss)         | 8,829          |
|                                                     |                | Valuation difference on available-for-sale securities | 1,281          |
|                                                     |                | Translation adjustments                               | 6,128          |
|                                                     |                | Remeasurements of defined benefit plans               | 1,419          |
|                                                     |                | Non-controlling interests                             | 187            |
| <b>Total assets</b>                                 | <b>240,408</b> | <b>Total liabilities and net assets</b>               | <b>240,408</b> |

Note: Figures presented in the financial statements are rounded down to the nearest million yen.

## Consolidated Statement of Income

(April 1, 2025 - March 31, 2026)

(Millions of yen)

| Description                                      | Amount |         |
|--------------------------------------------------|--------|---------|
| Net sales                                        |        | 154,897 |
| Cost of sales                                    |        | 105,231 |
| Gross profit                                     |        | 49,666  |
| Selling, general and administrative expenses     |        | 30,588  |
| Operating income                                 |        | 19,077  |
| Non-operating income                             |        |         |
| Interest income                                  | 179    |         |
| Dividend income                                  | 252    |         |
| Equity in earnings of affiliates                 | 1,390  |         |
| Foreign exchange gains                           | 2,145  |         |
| Other                                            | 164    | 4,131   |
| Non-operating expenses                           |        |         |
| Interest expense                                 | 832    |         |
| Financial fee                                    | 394    |         |
| Other                                            | 245    | 1,472   |
| Ordinary income                                  |        | 21,737  |
| Extraordinary income                             |        |         |
| Gain on sale of investment securities            | 19     | 19      |
| Extraordinary losses                             |        |         |
| Loss on disposal of non-current assets           | 780    |         |
| Impairment loss                                  | 382    |         |
| Loss on closing of plant                         | 364    | 1,526   |
| Income before income taxes                       |        | 20,229  |
| Income taxes - current                           | 4,217  |         |
| Income taxes - deferred                          | (635)  | 3,581   |
| Net income                                       |        | 16,648  |
| Profit attributable to non-controlling interests |        | 11      |
| Net income attributable to owners of parent      |        | 16,636  |

Note: Figures presented in the financial statements are rounded down to the nearest million yen.

## Non-consolidated Balance Sheet

(As of March 31, 2026)

(Millions of yen)

| Description                                                 | Amount         | Description                                           | Amount         |
|-------------------------------------------------------------|----------------|-------------------------------------------------------|----------------|
| <b>ASSETS</b>                                               | [203,892]      | <b>LIABILITIES</b>                                    | [104,825]      |
| Current assets                                              | 134,871        | Current liabilities                                   | 47,259         |
| Cash and deposits                                           | 19,254         | Accounts payable - trade                              | 8,006          |
| Notes receivable - trade                                    | 2,470          | Electronically recorded obligations - operating       | 328            |
| Accounts receivable - trade                                 | 48,658         | Short-term bank loans                                 | 7,680          |
| Electronically recorded monetary claims - operating         | 579            | Current portion of long-term bank loans               | 12,098         |
| Merchandise and finished goods                              | 36,053         | Current portion of bonds                              | 854            |
| Work in process                                             | 4,201          | Lease obligations                                     | 307            |
| Raw materials and supplies                                  | 17,994         | Accrued income taxes                                  | 2,988          |
| Advance payments to suppliers                               | 703            | Contract liabilities                                  | 1              |
| Prepaid expenses                                            | 153            | Accounts payable - other                              | 3,668          |
| Short-term loans receivable                                 | 3,156          | Accrued expenses                                      | 4,588          |
| Other                                                       | 2,206          | Deposits received                                     | 4,137          |
| Allowance for doubtful receivables                          | (560)          | Provision for bonuses                                 | 806            |
| Non-current assets                                          | 69,021         | Provision for share-based payments                    | 106            |
| Property, plant and equipment                               | 37,730         | Provision for maintenance                             | 216            |
| Buildings                                                   | 9,454          | Other                                                 | 1,470          |
| Structures                                                  | 5,705          | Long-term liabilities                                 | 57,566         |
| Machinery and equipment                                     | 12,723         | Bonds                                                 | 924            |
| Vehicles                                                    | 44             | Long-term bank loans                                  | 45,195         |
| Tools, furniture and fixtures                               | 1,039          | Lease obligations                                     | 572            |
| Land                                                        | 5,623          | Long-term deposits received                           | 69             |
| Leased assets                                               | 799            | Provision for retirement benefits                     | 10,037         |
| Construction in progress                                    | 2,338          | Provision for maintenance                             | 63             |
| Intangible assets                                           | 2,218          | Asset retirement obligations                          | 140            |
| Software                                                    | 1,595          | Other                                                 | 562            |
| Software in progress                                        | 379            |                                                       |                |
| Other                                                       | 243            | <b>NET ASSETS</b>                                     | [99,066]       |
| Investments and other assets                                | 29,071         | Shareholders' equity                                  | 98,025         |
| Investments in securities                                   | 2,798          | Common stock                                          | 43,420         |
| Shares of subsidiaries and affiliates                       | 10,010         | Capital surplus                                       | 10,456         |
| Long-term loans receivable                                  | 30             | Legal capital surplus                                 | 9,155          |
| Long-term loans receivable from subsidiaries and affiliates | 9,859          | Other capital surplus                                 | 1,301          |
| Long-term prepaid expenses                                  | 1,940          | Retained earnings                                     | 46,795         |
| Deferred tax assets                                         | 4,437          | Legal retained earnings                               | 1,482          |
| Other                                                       | 142            | Other retained earnings                               | 45,313         |
| Allowance for doubtful receivables                          | (146)          | Retained earnings brought forward                     | 45,313         |
|                                                             |                | Treasury stock                                        | (2,647)        |
|                                                             |                | Valuation and translation adjustments                 | 1,041          |
|                                                             |                | Valuation difference on available-for-sale securities | 1,041          |
| <b>Total assets</b>                                         | <b>203,892</b> | <b>Total liabilities and net assets</b>               | <b>203,892</b> |

Note: Figures presented in the financial statements are rounded down to the nearest million yen.

**Non-consolidated Statement of Income**  
(April 1, 2025 - March 31, 2026)

(Millions of yen)

| Description                                  | Amount |         |
|----------------------------------------------|--------|---------|
| Net sales                                    |        | 118,066 |
| Cost of sales                                |        | 79,525  |
| Gross profit                                 |        | 38,541  |
| Selling, general and administrative expenses |        | 23,111  |
| Operating income                             |        | 15,429  |
| Non-operating income                         |        |         |
| Interest income                              | 171    |         |
| Dividend income                              | 2,063  |         |
| Foreign exchange gains                       | 2,478  |         |
| Other                                        | 185    | 4,898   |
| Non-operating expenses                       |        |         |
| Interest expenses                            | 792    |         |
| Financial fee                                | 378    |         |
| Other                                        | 262    | 1,433   |
| Ordinary income                              |        | 18,895  |
| Extraordinary income                         |        |         |
| Gain on sale of investment securities        | 19     | 19      |
| Extraordinary losses                         |        |         |
| Loss on disposal of non-current assets       | 660    |         |
| Impairment loss                              | 281    | 941     |
| Income before income taxes                   |        | 17,972  |
| Income taxes - current                       | 3,358  |         |
| Income taxes - deferred                      | 163    | 3,522   |
| Net income                                   |        | 14,450  |

Note: Figures presented in the financial statements are rounded down to the nearest million yen.

**Independent Auditor's Report**  
(English Translation)

May 15, 2026

To the Board of Directors  
ISHIHARA SANGYO KAISHA, LTD.

Ernst & Young ShinNihon LLC  
Osaka, Japan

Daiji Tokuno  
Designated Engagement Partner  
Certified Public Accountant  
Shinya Imoto  
Designated Engagement Partner  
Certified Public Accountant

*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 net assets, and notes to consolidated financial statements of ISHIHARA SANGYO KAISHA, LTD. and its consolidated subsidiaries (the "Group") applicable to the fiscal year from April 1, 2025 to March 31, 2026.

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

*Basis for the 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 Group in accordance with the ethical requirements in Japan that are relevant to our audit of the consolidated financial statements (including those applicable to audits of financial statements of public interest entities), 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*

Other information refers to the business report and supplementary schedules. Management is responsible for the preparation and disclosure of other information. The Audit & Supervisory Board and its members are responsible for overseeing performance of duties by directors in developing and operating the reporting process for other information.

Other information is not included in the scope of our opinion on the consolidated financial statements, and we express no opinion on it.

Our responsibility with respect to the audit of the consolidated financial statements is to read through other information and, in this process, to consider whether any material differences exist between other information and the consolidated financial statements or knowledge we have gained through the auditing process; also, to remain alert for any other indications of material error in other information.

We are required to report any matter that we consider constitutes a material error in other information, based on the work we have undertaken.

We have nothing to report regarding other information.

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

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, including the establishment and operation of such internal control as management determines is necessary to enable the preparation 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 to evaluate whether it is appropriate to prepare the consolidated financial statements as a going concern. As required by accounting principles generally accepted in Japan, if it is necessary for the Group to disclose matters relating to a going concern, the management has the responsibility to disclose such information.

The Audit & Supervisory Board and its members are responsible for overseeing performance of duties by directors in developing and operating the Group's financial reporting process.

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

Our responsibilities are to obtain reasonable assurance, based on the audit we conducted, 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 regarding the consolidated financial statements from an independent viewpoint. 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 economic decisions of users taken on the basis of these consolidated financial statements.

We perform the following procedure in accordance with auditing standards generally accepted in Japan, while exercising professional judgment and maintaining professional skepticism throughout the audit process:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. Design and perform audit procedures responsive to those risks. The selection and application of audit procedures are at our discretion. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, 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 and accounting methods adopted by the management, the reasonableness of accounting estimates made by the management, and the appropriateness of the related notes to the consolidated financial statements.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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 regarding the going concern assumption exists, we are required to draw attention in our auditor's report that the related notes to the consolidated financial statements should be considered. Or, if any note to the consolidated financial statements regarding significant uncertainty is inadequate, we are required to express a modified opinion 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 notes comply with the corporate accounting principles generally accepted in Japan, and whether the overall presentation, structure and contents of the consolidated financial statements, including the related notes, accurately represent the underlying transactions and events.
- Plan and execute an audit of the consolidated financial statements to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries on which to base our 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 the Audit & Supervisory Board and its members 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 audit standards.

We also report to the Audit & Supervisory Board and its members that we have complied with the ethical requirements in Japan regarding independence that are relevant to our audit of the financial statements, matters that are reasonably considered to affect the independence of us, and where applicable, related measures implemented to remove factors that could hinder our independence and safeguards applied to reduce them to an acceptable level.

*Interest*

Our firm and its designated engagement partners do not have any interest in the Company and its consolidated subsidiaries which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

## Independent Auditor's Report

(English Translation)

May 15, 2026

To the Board of Directors  
ISHIHARA SANGYO KAISHA, LTD.

Ernst & Young ShinNihon LLC  
Osaka, Japan

Daiji Tokuno  
Designated Engagement Partner  
Certified Public Accountant  
Shinya Imoto  
Designated Engagement Partner  
Certified Public Accountant

### *Opinion*

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets, and notes to financial statements, and the supplementary schedules thereto ("financial statements, etc.") of ISHIHARA SANGYO KAISHA, LTD. (the "Company") applicable to the 103rd fiscal year from April 1, 2025 to March 31, 2026.

In our opinion, the accompanying financial statements, etc. 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 the 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 Financial Statements, etc.* section of our report. We are independent of the Company in accordance with the ethical requirements in Japan that are relevant to our audit of the financial statements (including those applicable to audits of financial statements of public interest entities), 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*

Other information refers to the business report and supplementary schedules. Management is responsible for the preparation and disclosure of other information. The Audit & Supervisory Board and its members are responsible for overseeing performance of duties by directors in developing and operating the reporting process for other information.

Other information is not included in the scope of our opinion on the financial statements, etc., and we express no opinion on it.

Our responsibility with respect to the audit of the financial statements, etc. is to read through other information and, in this process, to consider whether any material differences exist between other information and the financial statements, etc. or knowledge we have gained through the auditing process; also, to remain alert for any other indications of material error in other information.

We are required to report any matter that we consider constitutes a material error in other information, based on the work we have undertaken.

We have nothing to report regarding other information.

*Responsibilities of Management, the Audit & Supervisory Board and Its Members for the Financial Statements, etc.*

Management is responsible for the preparation and fair presentation of the financial statements, etc. in accordance with accounting principles generally accepted in Japan, including the establishment and operation of such internal control as management determines is necessary to enable the preparation of financial statements, etc. that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, etc., management is responsible to evaluate whether it is appropriate to prepare the financial statements, etc. as a going concern. As required by accounting principles generally accepted in Japan, if it is necessary for the Company to disclose matters relating to a going concern, the management has the responsibility to disclose such information.

The Audit & Supervisory Board and its members are responsible for overseeing performance of duties by directors in developing and operating the Company's financial reporting process.

*Auditor's Responsibilities for the Audit of the Financial Statements, etc.*

Our responsibilities are to obtain reasonable assurance, based on the audit we conducted, about whether the 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 regarding the financial statements, etc. from an independent viewpoint. 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 economic decisions of users taken on the basis of these financial statements, etc.

We perform the following procedure in accordance with auditing standards generally accepted in Japan, while exercising professional judgment and maintaining professional skepticism throughout the audit process. We also:

- Identify and assess the risks of material misstatement of the financial statements, etc., whether due to fraud or error. Design and perform audit procedures responsive to those risks. The selection and application of audit procedures are at our discretion. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the financial statements, etc. is not expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies and accounting methods adopted by the management, the reasonableness of accounting estimates made by the management, and the appropriateness of the related notes to the financial statements, etc.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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 regarding the going concern assumption exists, we are required to draw attention in our auditor's report that the related notes to the financial statements, etc. should be considered. Or, if any note to the financial statements, etc. regarding significant uncertainty is inadequate, we are required to express a modified opinion on the 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 Company to cease to continue as a going concern.
- Evaluate whether the presentation of the financial statements, etc. and notes comply with the corporate accounting principles generally accepted in Japan, and whether the overall presentation, structure and contents of the financial statements etc., including the related notes, accurately represent the underlying transactions and events.

We communicate with the Audit & Supervisory Board and its members 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 audit standards.

We also report to the Audit & Supervisory Board and its members 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, matters that are reasonably considered to affect the independence of us, and where applicable, related measures implemented to remove factors that could hinder our independence and safeguards applied to reduce them to an acceptable level.

*Interest*

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

**Audit Report**  
(English Translation)

The Audit & Supervisory Board prepared this audit report regarding the performance of duties by Directors for the 103rd fiscal year from April 1, 2025 to March 31, 2026, upon deliberation based on audit reports from individual Audit & Supervisory Board Members and reports as follows.

1. Methods and Details of Audit by Audit & Supervisory Board and its members

- (1) The Audit & Supervisory Board established the audit policy, allocation of duties, etc., and received reports from each Audit & Supervisory Board Member regarding the state of implementation of his or her audits and results thereof, as well as received reports from Directors, etc., and the accounting auditor regarding performance of their duties, and sought explanations as necessary.
- (2) Each Audit & Supervisory Board Member complied with the auditing standards established by the Audit & Supervisory Board, in accordance with the audit policy, allocation of duties, etc., communicated with the Directors, the internal audit department, other employees, etc., and made efforts to collect information and improve the audit environment, and conducted audits by the following methods:
  - 1) We attended the meetings of the Board of Directors, the Executive Management Committee, and other important meetings, received reports from Directors, Executive Officers, employees, etc., regarding the state of performance of their duties, sought explanations as necessary, inspected important approval documents, etc., and investigated the state of activities and property at the head office and other main business offices of the Company. With respect to subsidiaries, we communicated and exchanged information with Directors, Audit & Supervisory Board Members, employees, etc., of the subsidiaries, and ascertained the status of business, management and administration.
  - 2) With respect to the systems stipulated in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act to ensure the proper business operation of a corporate group composed of a parent and its subsidiaries, including systems to ensure compliance of the duties performed by directors and reported in business reports with relevant laws, regulations and the Articles of Incorporation of the Company ("internal control system"), the Audit & Supervisory Board Members regularly received reports from Directors, Executive Officers, employees, etc., asked for explanations and expressed opinions as needed, regarding the resolutions adopted by the Board of Directors on the establishment of such system, the system established in accordance with the resolutions, and the status of improvement and operation of the system.
  - 3) We monitored and verified whether the accounting auditor maintained independence and implemented appropriate audits, and we received reports from the accounting auditor regarding the state of performance of their duties and sought explanations as necessary. In addition, we received notice from the accounting auditor that systems for ensuring that the correct performance of duties (matters set forth in each item of Article 131 of the Regulation on Corporate Accounting) are organized in accordance with the Standards for Quality Control of Audit (Business Accounting Council) and other relevant standards, and sought explanations as necessary.

Based on the above methods, we examined the business report and supplementary schedules thereto, non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in net assets, and related notes) and supplementary schedules thereto, and the consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets, and related notes) for the fiscal year under review.

## 2. Results of Audit

### (1) Results of audit of the business report and other relevant documents

- 1) We recognize the business report and supplementary schedules thereto represent the situation of the Company correctly in accordance with laws, regulations, and the Articles of Incorporation.
- 2) We do not recognize any misconduct related to Directors' execution of their duties or material facts that constitute violations of laws, regulations or the Articles of Incorporation.
- 3) We recognize the contents of the resolutions by the Board of Directors regarding the internal control system are appropriate. We do not recognize any matters to be noted on the contents of the business report regarding the said internal control system or Directors' execution of duties.

### (2) Results of the audit of the non-consolidated financial statements and supplementary schedules thereto

We recognize the methods and results of audits by Ernst & Young ShinNihon LLC, the accounting auditor, are appropriate.

### (3) Results of the audit of consolidated financial statements

We recognize the methods and results of audits by Ernst & Young ShinNihon LLC, the accounting auditor, are appropriate.

May 18, 2026

Audit & Supervisory Board,  
ISHIHARA SANGYO KAISHA, LTD.

Standing Audit & Supervisory Board Member  
Standing Audit & Supervisory Board Member  
Standing Audit & Supervisory Board Member  
(Outside Audit & Supervisory Board Member)  
Audit & Supervisory Board Member  
(Outside Audit & Supervisory Board Member)

Hirotsugu Sakai  
Yoichi Kobayashi  
Norihisa Kusumi  
Yasuhiro Koike