These documents have been translated from Japanese originals for reference purposes only.
In the event of any discrepancy between these translated documents and the Japanese originals, the originals shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damage arising from the translations.

(Securities Code 6728)
(Issue date) September 8, 2026
(Commencement date of electronic provision measures) August 31, 2026

To Shareholders with Voting Rights:

Setsuo Iwashita
Chairman
ULVAC, Inc.
2500 Hagisono, Chigasaki,
Kanagawa, Japan

NOTICE OF
THE 122ND ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We hereby announce that the 122nd Ordinary General Meeting of Shareholders of ULVAC, Inc. (the "Company") will be held for the purposes as described in the next page.

In convening this General Meeting of Shareholders, the Company has adopted measures for the electronic provision of information contained in the reference documents for the General Meeting of Shareholders, etc. (the "matters subject to electronic provision measures") and has posted this information on the Company's website. Please access the following website to review the documents.

The Company's website: https://ir.ulvac.co.jp/en/ir/stock/meeting.html

In addition to the above, the documents have also been posted on the following websites:

Tokyo Stock Exchange (TSE) website (Listed Company Search):
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

(Access the abovementioned TSE website and enter "ULVAC" or "6728" in the "Issue name (company name)" or "Code" and click "Search," then select "Basic information" and "Documents for public inspection/PR information." The documents can be found in the "Notice of General Shareholders Meeting / Information Materials for a General Shareholders Meeting" section under "Filed information available for public inspection.")

Sumitomo Mitsui Trust Bank website (The Portal of Shareholders' Meeting):
https://www.soukai-portal.net (available in Japanese only)
* The QR code is printed on the Voting Rights Exercise Form.

(Please scan the QR code on the Voting Rights Exercise Form or enter "The Portal of Shareholders' Meeting Login ID" and "Password" printed on the Voting Rights Exercise Form.)

If you are unable to attend the General Meeting of Shareholders on the day, you may exercise your voting rights in writing or via the Internet. Please review the "Reference Documents for the General Meeting of Shareholders" included herein, and exercise your voting rights by 5:00 p.m. on Monday, September 28, 2026, Japan time, by following the procedure as described in pages 4 to 5.

1. **Date and Time:** Tuesday, September 29, 2026 at 10:00 a.m. Japan time
2. **Place:** 2nd Floor Conference Room of the C Building of the Company located at 2500 Hagisono, Chigasaki, Kanagawa, Japan
3. **Meeting Agenda:**

   Matters to be reported:
   1. The Business Report, Consolidated Financial Statements for the Company's 122nd fiscal year (July 1, 2025 – June 30, 2026) and results of audits by the Independent Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
   2. Non-consolidated Financial Statements for the Company's 122nd fiscal year (July 1, 2025 – June 30, 2026)

   Proposals to be resolved:

   Proposal No. 1: Appropriation of Surplus
   Proposal No. 2: Election of Nine Directors
   Proposal No. 3: Election of One Corporate Auditor
   Proposal No. 4: Election of One Substitute Auditor
   Proposal No. 5: Revision of the Amount of Compensation for External Directors
   Proposal No. 6: Determination of the Amount and Content of Compensation in Connection with the Introduction of a Post-Delivery Stock-Based Compensation Plan (RSU and PSU) for Directors (Excluding External Directors and Non-Executive Directors)

4. **Information on Exercise of Voting Rights, etc.**

   Please refer to "Information on Exercise of Voting Rights, etc." described on the following page.

- The doors to the conference room will open at 9:00 a.m., Japan time.
- When attending the meeting, please submit the Voting Rights Exercise Form at the reception desk.
- Revisions, if any, to the matters subject to electronic provision measures, will be posted on each of the websites on which the measures for electronic provision are taken, indicating the matters both before and after the revisions.
- For this General Meeting of Shareholders, we will send the written documents containing the matters subject to electronic provision measures to shareholders who have requested delivery in writing. The following matters are not included in such documents in accordance with laws and regulations and the Articles of Incorporation of the Company:
  1) Notes to Consolidated Financial Statements
  2) Notes to Non-consolidated Financial Statements

Information on Exercise of Voting Rights, etc.

Voting rights at the General Meetings of Shareholders are important rights of shareholders. Please exercise your voting rights having fully examined the following Reference Documents for the General Meeting of Shareholders. The following three methods are available to exercise your voting rights.

Attendance at General Meeting of Shareholders

When you attend the General Meeting of Shareholders, please submit the Voting Rights Exercise Form at the reception desk.

Date and time of the General Meeting of Shareholders:

Tuesday, September 29, 2026 at 10:00 a.m. Japan time

Exercise of voting rights in writing (via mail)

Please indicate your vote for or against each proposal on the Voting Rights Exercise Form and send the form by postal mail.

Deadline for exercising voting rights:

To be received no later than 5:00 p.m., Monday, September 28, 2026, Japan time

Exercise of voting rights via the Internet

Please follow the directions on page 5 to vote for or against each proposal (available in Japanese only).

Deadline for exercising voting rights:

Must finish input by 5:00 p.m., Monday, September 28, 2026, Japan time

If you do not indicate your vote for or against a proposal on your Voting Rights Exercise Form, your vote will be deemed as a vote in favor.

In the event that you exercise your voting rights both in writing (via mail) and via the Internet, only your exercise of voting rights via the Internet will be considered valid. In the event that you exercise your voting rights via the Internet multiple times, then only your final exercise of voting rights via the Internet will be considered valid.

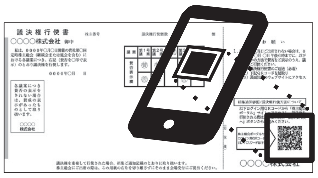
Institutional investors can electronically exercise their voting rights for this meeting from the “Electronic Voting System Platform” operated by ICJ, Inc.

Guidance on Exercise of Voting Rights via the Internet

Deadline for exercising voting rights on the Internet:
5:00 p.m., Monday, September 28, 2026

Exercise of Voting Rights via Smartphones, etc.

❶ Scan the QR code printed on the Voting Rights Exercise Form.



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

❷ Tap the “Exercise Voting Rights” button on the top page of the Portal of Shareholders’ Meeting.

❸ Once the screen for exercising voting rights is displayed, enter your vote for or against the proposals following the on-screen instructions.

Exercise of Voting Rights via PCs, etc.

Access the following URL and enter “Login ID” and “Password” printed on the Voting Rights Exercise Form. After logging in, enter your vote for or against the proposals following the on-screen instructions.

The Portal of Shareholders’ Meeting URL ▸https://www.soukai-portal.net

Also, you may continue to use the voting rights exercise website. ▸https://www.web54.net

Precautions

- If you wish to change your vote after exercising your voting rights, you will need to enter the “Voting Code” and “Password” printed on the Voting Rights Exercise Form.
- In the event that you exercise your voting rights both via the Internet and in writing, only your exercise of voting rights via the Internet will be considered valid. In the event that you exercise your voting rights via the Internet multiple times, your final exercise of voting rights will be considered valid.

For Inquiry

Stock Transfer Agency
Web Support Helpdesk,
Sumitomo Mitsui Trust Bank

0120-652-031

(Business hours:
9:00 a.m. to 9:00 p.m.)

Please also read Q&A.
(available in Japanese only)

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

The Company recognizes the sharing of profits with the shareholders as one of its most important policies.

On the other hand, increasing our corporate value is also very important. As the Company is in an industry which undergoes significant changes in capital investment trends and technical innovations, it is important to secure sufficient funds for R&D and strategic investments in growth areas. At the same time, it is also necessary to build and continue to maintain a stable financial base.

To return profits to shareholders in line with business performance, the Company's dividend policy is to aim for a consolidated dividend payout ratio of 35% or more.

Therefore, for the 122nd fiscal year, from the perspective of stable dividends with emphasis on shareholder returns, the Company has determined that the year-end dividend for our shareholders will be ¥152 per share as per the following:

・**Type of dividend property**	Cash
・**Matters concerning the allotment of dividend property to shareholders and total amount thereof**	¥152 per share of the Company's common stock Total amount of dividends: ¥7,501,436,208
・**Effective date of the distribution of surplus**	September 30, 2026

Proposal No. 2: Election of Nine Directors

The terms of office of all seven directors will expire at the close of this General Meeting of Shareholders. To ensure diversity and enhance the effectiveness of the Board of Directors through high-quality, active discussions, and to improve the Company's corporate value over the medium to long term by adapting to the changing business environment, the Company proposes to increase the number of directors by two and to elect a total of nine directors.

The candidates for directors have been determined by the Board of Directors, following consultation procedures with the Committee for Appointment and Remuneration, etc. which was established in an effort to materialize fairer, impartial, and transparent discussions and to enhance the effectiveness of the Board.

The candidates for directors are as follows.

Candidate No.	Name	Current positions	Attributes			Attendance at Board of Directors meetings
1	**Junya Kiyota**	President and Executive Officer	New election			–
2	**Tomoyasu Kondo**	Executive Vice President and Executive Officer	New election			–
3	**Sadao Aoki**	Director	Reelection			100% (16/16)
4	**Tetsuya Shimada**	Director	Reelection			100% (10/10)
5	**Hiroyuki Nishi**	External Director	Reelection	External	Independent Officer	100% (16/16)
6	**Norio Uchida**	External Director	Reelection	External	Independent Officer	100% (16/16)
7	**Kozo Ishida**	External Director	Reelection	External	Independent Officer	100% (16/16)
8	**Yoshimi Nakajima**	External Director	Reelection	External	Independent Officer	100% (16/16)
9	**Isao Yamakawa**	–	New election	External	Independent Officer	–

New election	Candidates for directors to be newly elected
Reelection	Candidates for directors to be reelected
External	Candidates for external directors
Independent Officer	Candidates for independent officers registered with the Tokyo Stock Exchange

Candidate No. 1		Past experience, positions, and responsibilities
	Junya Kiyota Date of birth September 28, 1967 Number of shares of the Company held 1,411 shares New election	April 1989 — Joined the Company July 2005 — Senior Manager of No. 1 Research Department, Chiba Institute for Super Materials July 2017 — General Manager of Institute for Super Materials April 2020 — General Manager of Institute of Advanced Technology July 2022 — Executive Officer, Head of Advanced Technology Research Center July 2023 — Senior Executive Officer, Head of Development Division July 2024 — Managing Executive Officer, Head of Development Division February 2025 — Managing Executive Officer, Head of Development Division and Components Business Unit April 2025 — President and Chief Executive Officer of ULVAC KIKO, Inc. July 2025 — President and Chief Executive Officer of ULVAC CRYOGENICS INCORPORATED July 2026 — President and Executive Officer of the Company (current position)
		(Significant concurrent positions) –
		[Reasons for selection as a candidate for director] Mr. Junya Kiyota has extensive experience and achievements as the person responsible for the Company's development division. In addition, as a manager of Group companies, he has strived for sustainable growth and the improvement of corporate value over the medium to long term. The Company has nominated Mr. Kiyota as a candidate for director based on its judgment that such expertise and experience will contribute to the management of the Company, promoting the development strategies and technology strategies that are key to the Group's medium- to long-term growth.

<table>
<tr><td rowspan="4">Candidate No. 2</td><td rowspan="4">Tomoyasu Kondo

Date of birth
November 9, 1963

Number of shares of the Company held
2,408 shares

New election</td><td>Past experience, positions, and responsibilities</td></tr>
<tr><td>April 1984 Joined the Company
July 2003 Senior Manager of Equipment Engineering Department, Semiconductor Equipment Division 1
July 2012 Head of Semiconductor Equipment Business Division
Director of ULVAC KOREA, Ltd.
July 2017 Executive Officer, Head of Semiconductor Equipment Business Division
July 2020 Senior Executive Officer, Head of Semiconductor Equipment Business Division
February 2021 Senior Executive Officer,
Vice Chairman of ULVAC KOREA, Ltd.
July 2023 Senior Executive Officer, Head of Sales HQ
October 2023 President & CEO of ULVAC Technologies, Inc.
October 2024 Head of Technology Center PYEONGTAEK
Chairman of ULVAC Technologies, Inc. and ULVAC KOREA, Ltd.
July 2026 Executive Vice President and Executive Officer, Head of Semiconductor and Advanced Electronics Business Strategy Division (current position)</td></tr>
<tr><td>(Significant concurrent positions)
–</td></tr>
<tr><td>[Reasons for selection as a candidate for director]
Mr. Tomoyasu Kondo has extensive experience and achievements in Japan and overseas, mainly across all aspects of the Group’s semiconductor business. In addition, as a manager of Group companies, he has strived for sustainable growth and the improvement of corporate value over the medium to long term. The Company has nominated Mr. Kondo as a candidate for director based on its judgment that such expertise and experience will contribute to the management of the Company, promoting the business strategies that are key to the Group’s medium- to long-term growth.</td></tr>
</table>

<table>
<tr><td rowspan="4">Candidate No. 3</td><td rowspan="4">Sadao Aoki

Date of birth
September 5, 1962

Number of shares of the Company held
609 shares

Attendance at Board of Directors meetings
16/16

Reelection</td><td colspan="2">Past experience, positions, and responsibilities</td></tr>
<tr><td>April 1986
July 2002

April 2005

March 2006

October 2007

April 2009

May 2011

December 2014

August 2015

May 2016

July 2016
July 2018

January 2019

September 2019

July 2020

July 2021

July 2023

September 2024

July 2025

July 2026</td><td>Joined The Dai-Ichi Kangyo Bank, Limited (currently Mizuho Bank, Ltd.)
Deputy Head of Uchisaiwaicho Sales Department No. 5, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)
Seconded to SEIBU RAILWAY Co., Ltd. as Deputy Head of Management Planning Headquarters
Corporate Examiner, Corporate Promotion Department No. 1, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)
Chief Relationship Manager, Sales Department No. 15, Mizuho Corporate Bank, Ltd.
Examiner of Corporate Examination Department No. 1, Mizuho Bank, Ltd.
General Manager of Shinjuku-Shintoshin Branch, Mizuho Bank, Ltd.
Seconded to Forum Engineering Inc. as Managing Executive Officer
Joined Forum Engineering Inc. as Managing Director
Joined the Company as Assistant Staff Manager to Senior Manager of Finance Department
General Manager of Finance Department
Executive Officer, General Manager of Finance Department
Executive Officer, General Manager of Finance & Accounting Department
Director and Executive Officer, General Manager of Finance & Accounting Department
Senior Executive Officer, General Manager of Finance Department
Managing Executive Officer, General Manager of Finance Department
Managing Executive Officer, Head of Administration HQ
Managing Director, Head of Administration HQ
Senior Managing Director and Chief Financial Officer, Head of Administration HQ
Director (current position)</td></tr>
<tr><td colspan="2">(Significant concurrent positions)
–</td></tr>
<tr><td colspan="2">[Reasons for selection as a candidate for director]
Mr. Sadao Aoki has extensive experience and achievements mainly in finance and accounting divisions in the Company as well as in other companies, and has strived for the sustainable growth of the Group and the improvement of corporate value over a medium to long term. Therefore, the Company has nominated Mr. Aoki as a candidate for director based on its judgment that he will be able to continue contributing to the management of the Company.</td></tr>
</table>

<table>
<tr><td rowspan="3">Candidate No. 4</td><td rowspan="3">Tetsuya Shimada

Date of birth
April 21, 1969

Number of shares of the Company held
1,421 shares

Attendance at Board of Directors meetings
10/10

Reelection</td><td>Past experience, positions, and responsibilities
January 1995 Joined the Company
July 2009 Senior Manager of Engineering Department 1, Advanced Electronics Equipment Division
July 2012 General Manager of Advanced Electronics Equipment Division
July 2018 Executive Officer, General Manager of Advanced Electronics Equipment Division
January 2020 Chairman of ULVAC (Shenyang) Co., Ltd.
July 2020 Managing Executive Officer, General Manager of Advanced Electronics Equipment Division
October 2020 Managing Executive Officer, General Manager of Advanced Electronics Equipment Division and Quality Technology Division
January 2021 Managing Executive Officer, General Manager of Advanced Electronics Equipment Division and Quality System Division
July 2021 Managing Executive Officer, General Manager of Semiconductor and Advanced Electronics Equipment Division and Quality System Division
July 2022 Managing Executive Officer
President and Chief Executive Officer of ULVAC TECHNO, Ltd.
President and Chief Executive Officer of ULVAC EQUIPMENT SALES, Inc.
President and Chief Executive Officer of Tigold Corporation
July 2023 Managing Executive Officer, Head of CS Business HQ
July 2025 Senior Managing Executive Officer and Chief Strategy Officer, Head of Production HQ and CS Business HQ
September 2025 Senior Managing Director and Chief Strategy Officer, Head of Production HQ and CS Business HQ
July 2026 Director (current position)</td></tr>
<tr><td>(Significant concurrent positions)
–</td></tr>
<tr><td>[Reasons for selection as a candidate for director]
Mr. Tetsuya Shimada has extensive experience and achievements as the person responsible for the Company’s semiconductor and advanced electronics business, customer support operations, as well as production systems and quality control. In addition, as a manager of Group companies, he has strived for sustainable growth and the improvement of corporate value over the medium to long term. The Company has nominated Mr. Shimada as a candidate for director based on its judgment that he can continue to contribute to the management of the Company.</td></tr>
</table>

<table>
<tr><td rowspan="3">Candidate No. 5</td><td rowspan="3">Hiroyuki Nishi

Date of birth
September 20, 1960

Number of shares of the Company held
None

Attendance at Board of Directors meetings
16/16

Reelection

External

Independent Officer</td><td>Past experience, positions, and responsibilities
April 1983 Joined Nippon Life Insurance Company
March 2007 General Manager of International Planning & Operations Dept. and General Manager of China Office
March 2010 Executive Officer, General Manager of Europe, Deputy Director-General and General Manager of London Representative Office
July 2011 Director and Executive Officer, General Manager of the Americas, General Manager of Europe, Deputy Director-General, and General Manager of New York Representative Office
March 2014 Director and Managing Executive Officer, General Manager of International Planning & Operations Dept., General Manager of the Americas, General Manager of Europe, and General Manager of Asia
March 2017 Director and Senior Managing Executive Officer, General Manager of the Americas, General Manager of Europe, and General Manager of Asia
March 2018 Director
March 2018 President and Chief Executive Officer of Nissay Asset Management Corporation
March 2020 Advisor of Nissay Credit Guarantee Co., Ltd.
April 2020 President and Chief Executive Officer
September 2020 External Director of the Company (current position)
April 2026 Chairman & Representative Director of Nissay Credit Guarantee Co., Ltd. (current position)</td></tr>
<tr><td>(Significant concurrent positions)
• Chairman & Representative Director of Nissay Credit Guarantee Co., Ltd.</td></tr>
<tr><td>[Reasons for selection as a candidate for external director and outline of expected role]
Mr. Hiroyuki Nishi has a solid track record as a corporate manager of other companies in Japan and overseas. In particular, he has extensive experience and broad insight primarily in risk management. In addition, leveraging such experience and insight, he has strived for sustainable growth and the improvement of the Company’s corporate value over the medium to long term in his capacity as an external director of the Company, through providing appropriate advice on the overall management of the Company and properly supervising its management. Therefore, the Company has nominated Mr. Nishi as a candidate for external director based on its expectations that he will be able to continue to properly carry out his duties as an external director of the Company.
In addition, as Mr. Nishi meets the independence standards set forth by the Tokyo Stock Exchange, while at the same time does not have any special interests in the Company and thus does not pose a risk of conflict of interests with the general shareholders from a practical perspective, the Company has registered Mr. Nishi as an Independent Officer with the Tokyo Stock Exchange.
In the event that he is reelected, he will continue to serve as an Independent Officer.</td></tr>
</table>

<table>
<tr><td rowspan="4">Candidate No. 6</td><td rowspan="4">Norio Uchida

Date of birth
October 22, 1950

Number of shares of the Company held
1,200 shares

Attendance at Board of Directors meetings
16/16

Reelection

External

Independent Officer</td><td>Past experience, positions, and responsibilities</td></tr>
<tr><td>April 1973 Joined Tokyo Optical Co., Ltd. (currently TOPCON CORPORATION)
June 1980 General Manager of Topcon Singapore Pte. Ltd.
February 1989 President of Topcon Australia Pty Ltd.
October 1994 Senior Vice President of Topcon Laser Systems, Inc. (currently Topcon Positioning Systems, Inc.)
July 1999 President of Topcon Laser Systems Japan, Inc.
June 2003 Executive Officer of TOPCON CORPORATION
July 2003 Director and President of Topcon Sales Corporation (currently TOPCON SOKKIA POSITIONING JAPAN CO., LTD.)
June 2005 Director and Executive Officer of TOPCON CORPORATION
June 2007 Director and Managing Executive Officer
June 2010 Director and Senior Managing Executive Officer
June 2011 Representative Director, President & CEO
June 2013 Advisor to the Board
June 2015 Outside Director of Nabtesco Corporation
September 2015 External Director of the Company (current position)</td></tr>
<tr><td>(Significant concurrent positions)
–</td></tr>
<tr><td>[Reasons for selection as a candidate for external director and outline of expected role]
Mr. Norio Uchida has a solid track record as a corporate manager of other companies in Japan and overseas. In particular, he has extensive experience and broad insight primarily in international sales activities. In addition, leveraging such experience and insight, he has strived for sustainable growth and the improvement of the Company’s corporate value over the medium to long term in his capacity as an external director of the Company, through providing appropriate advice on the overall management of the Company and properly supervising its management. Therefore, the Company has nominated Mr. Uchida as a candidate for external director based on its expectations that he will be able to continue to properly carry out his duties as an external director of the Company.
In addition, as Mr. Uchida meets the independence standards set forth by the Tokyo Stock Exchange, while at the same time does not have any special interests in the Company and thus does not pose a risk of conflict of interests with the general shareholders from a practical perspective, the Company has registered Mr. Uchida as an Independent Officer with the Tokyo Stock Exchange. In the event that he is reelected, he will continue to serve as an Independent Officer.</td></tr>
</table>

<table>
<tr><td rowspan="4">Candidate No. 7</td><td rowspan="4">Kozo Ishida

Date of birth
November 4, 1944

Number of shares of the Company held
900 shares

Attendance at Board of Directors meetings
16/16

Reelection

External

Independent Officer</td><td colspan="2">Past experience, positions, and responsibilities</td></tr>
<tr><td>March 1970
June 1982

March 1985

June 1988
June 1991
June 1996
July 2001

June 2002
June 2005

March 2011

March 2014

March 2016
September 2016

March 2017

April 2018</td><td>Joined HORIBA, Ltd.
General Manager of Product Department I, Development and Sales Division
President and Director of HORIBA Europe GmbH (Germany)
Director of HORIBA, Ltd.
Managing Director
Senior Managing Director
President and Director (CEO) of ABX, S.A. (currently HORIBA ABX SAS) (France)
Vice President and Director of HORIBA, Ltd.
Executive Vice President and Representative Director
Director and Advisor of HORIBA STEC Co., Ltd.
Vice Chairman and Representative Director of HORIBA, Ltd.
Senior Advisor
External Director of the Company (current position)
External Director of Seiko Electric Co., Ltd. (current position)
Fellow of HORIBA, Ltd.</td></tr>
<tr><td colspan="2">(Significant concurrent positions)
• External Director of Seiko Electric Co., Ltd.</td></tr>
<tr><td colspan="2">[Reasons for selection as a candidate for external director and outline of expected role]
Dr. Kozo Ishida has a solid track record as a corporate manager of other companies in Japan and overseas. In particular, he has extensive experience and broad insight primarily in research and development. In addition, leveraging such experience and insight, he has strived for sustainable growth and the improvement of the Company’s corporate value over the medium to long term in his capacity as an external director of the Company, through providing appropriate advice on the overall management of the Company and properly supervising its management. Therefore, the Company has nominated Dr. Ishida as a candidate for external director based on its expectations that he will be able to continue to properly carry out his duties as an external director of the Company.
In addition, as Dr. Ishida meets the independence standards set forth by the Tokyo Stock Exchange, while at the same time does not have any special interests in the Company and thus does not pose a risk of conflict of interests with the general shareholders from a practical perspective, the Company has registered Dr. Ishida as an Independent Officer with the Tokyo Stock Exchange. In the event that he is reelected, he will continue to serve as an Independent Officer.</td></tr>
</table>

<table>
<tr><td rowspan="4">Candidate No. 8</td><td rowspan="4">Yoshimi Nakajima

Date of birth
December 16, 1956

Number of shares of the Company held
500 shares

Attendance at Board of Directors meetings
16/16

Reelection

External

Independent Officer</td><td>Past experience, positions, and responsibilities</td></tr>
<tr><td>April 1980 Joined The Yasuda Trust and Banking Co., Ltd. (currently Mizuho Trust & Banking Co., Ltd.)
February 1982 Joined AVON PRODUCTS CO., LTD. (currently FMG & MISSION CO., LTD.)
May 1997 Joined Citibank, N.A. as Vice President
June 2000 Joined Societe Generale Securities Services as Senior General Manager
April 2002 Joined American Express International, Inc. as Vice President in charge of Global Traveler's Check & Prepaid Card Service, Japan Branch
August 2011 Country Manager in Singapore (President)
February 2014 Senior Vice President of Japan Branch
April 2014 President and Representative Director of American Express Japan Co., Ltd.
June 2017 Outside Director of Yamaha Corporation
Outside Director of AEON Financial Service Co., Ltd.
June 2018 Outside Director of Japan Freight Railway Company (current position)
September 2018 External Director of the Company (current position)
April 2021 Outside Director of SEKISUI HOUSE, LTD. (current position)
Specially Appointed Professor of the Graduate School of Project Design (current position)
June 2026 Outside Director of Tokio Marine & Nichido Fire Insurance Co., Ltd. (current position)</td></tr>
<tr><td>(Significant concurrent positions)
• Outside Director of Japan Freight Railway Company
• Outside Director of SEKISUI HOUSE, LTD.
• Specially-Appointed Professor of the Graduate School of Project Design
• Outside Director of Tokio Marine & Nichido Fire Insurance Co., Ltd.</td></tr>
<tr><td>[Reasons for selection as a candidate for external director and outline of expected role]
Ms. Yoshimi Nakajima has a solid track record as a corporate manager of other companies in Japan and overseas. In particular, she has extensive experience and broad insight primarily in international sales activities. In addition, leveraging such experience and insight, she has strived for sustainable growth and the improvement of the Company's corporate value over the medium to long term in her capacity as an external director of the Company, through providing appropriate advice on the overall management of the Company and properly supervising its management. Therefore, the Company has nominated Ms. Nakajima as a candidate for external director based on its expectations that she will be able to continue to properly carry out her duties as an external director of the Company.
In addition, as Ms. Nakajima meets the independence standards set forth by the Tokyo Stock Exchange, while at the same time does not have any special interests in the Company and thus does not pose a risk of conflict of interests with the general shareholders from a practical perspective, the Company has registered Ms. Nakajima as an Independent Officer with the Tokyo Stock Exchange. In the event that she is reelected, she will continue to serve as an Independent Officer.</td></tr>
</table>

<table>
<tr><td rowspan="12">Candidate No. 9</td><td rowspan="12">Isao Yamakawa

Date of birth
February 20, 1959

Number of shares of the Company held
None

New election

External

Independent Officer</td><td colspan="2">Past experience, positions, and responsibilities</td></tr>
<tr><td>April 1981</td><td>Joined Tokyo Shibaura Electric Co., Ltd. (currently Toshiba Corporation)</td></tr>
<tr><td>April 2002</td><td>Vice President of Toshiba America Electronic Components, Inc.</td></tr>
<tr><td>May 2006</td><td>Senior Manager of Power Device Marketing & Engineering Dept., Discrete Semiconductor Division, Toshiba Corporation Semiconductor Company</td></tr>
<tr><td>January 2011</td><td>Technology Executive of Discrete & Opto Device Marketing & Engineering, Toshiba Corporation Semiconductor & Storage Products Company</td></tr>
<tr><td>June 2013</td><td>President of Toshiba Discrete Semiconductor Technology Corporation</td></tr>
<tr><td>June 2018</td><td>President and Chief Executive of Toshiba Microelectronics Corporation</td></tr>
<tr><td>April 2019</td><td>President and Chief Executive of Toshiba Electronic Device Solutions Corporation</td></tr>
<tr><td>June 2020</td><td>Full-time Corporate Auditor of Kaga Toshiba Electronics Corporation</td></tr>
<tr><td colspan="2">(Significant concurrent positions)
–</td></tr>
<tr><td colspan="2">[Reasons for selection as a candidate for external director and outline of expected role]
Mr. Isao Yamakawa has a solid track record as a corporate manager of other companies in Japan and overseas. In particular, he has extensive experience and broad insight primarily in the field of semiconductor technology. The Company has nominated Mr. Yamakawa as a candidate for external director based on its expectations that he will contribute to the Company’s sustainable growth and the improvement of its corporate value over the medium to long term through providing appropriate advice on the overall management of the Company from a broad perspective and properly supervising its management.
In addition, as Mr. Yamakawa meets the independence standards set forth by the Tokyo Stock Exchange, while at the same time does not have any special interests in the Company and thus does not pose a risk of conflict of interests with the general shareholders from a practical perspective, the Company plans to register Mr. Yamakawa as an Independent Officer with the Tokyo Stock Exchange if he is elected as a director.</td></tr>
</table>

(Notes)

1. No special interests exist between any of the candidates for director and the Company.
2. Messrs. Hiroyuki Nishi and Norio Uchida, Dr. Kozo Ishida, Ms. Yoshimi Nakajima, and Mr. Isao Yamakawa are candidates for external director.
   Messrs. Hiroyuki Nishi and Norio Uchida, Dr. Kozo Ishida and Ms. Yoshimi Nakajima currently serve as external directors of the Company, and Mr. Nishi will have served for six years, Mr. Uchida will have served for eleven years, Dr. Ishida will have served for ten years, and Ms. Nakajima will have served for eight years as external directors at the close of this General Meeting of Shareholders.
3. In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Hiroyuki Nishi, Mr. Norio Uchida, Dr. Kozo Ishida and Ms. Yoshimi Nakajima respectively to limit their liability for damages, which is stipulated in Article 423, Paragraph 1 of the Companies Act. The Company plans to continue this liability limitation agreement with them if their election is approved as proposed at this General Meeting of Shareholders. If Mr. Isao Yamakawa is elected as proposed, the Company also plans to enter into the same agreement with him. The amount of the liability limit under

such agreement shall be the amount provided for by the relevant laws and regulations.

4. The Company has entered into a directors and officers liability insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance contract covers damages and others in the event that an insured assumes liability for damages arising from his or her act (including inaction) in the course of performing his or her duties. The insurance premiums are fully borne by the Company. If the candidates are elected as directors and assume office, they will be covered under the insurance contract. The Company plans to renew the insurance contract with the same contents at the time of renewal.
5. Japan Freight Railway Company, where Ms. Yoshimi Nakajima serves as Outside Director, received a business improvement order related to transportation safety from the Ministry of Land, Infrastructure, Transport and Tourism on October 31, 2024, concerning improper conduct in wheelset assembly work that came to light in September 2024. Ms. Nakajima had no prior knowledge of the facts of this case; however, she has regularly provided proposals at board meetings and other forums from the perspective of strengthening internal controls and ensuring compliance with laws and regulations. After becoming aware of the facts, she has fulfilled her responsibilities, primarily by making proposals to thoroughly enforce the internal reporting system and analyze the root causes.

Proposal No. 3: Election of One Corporate Auditor

The term of office of the Corporate Auditor, Mr. Kazuya Saito, will expire at the close of this General Meeting of Shareholders. Accordingly, the Company proposes to elect one Corporate Auditor.

This Proposal has received prior consent from the Board of Corporate Auditors.

The candidate for corporate auditor is as follows.

<table>
<tr><td rowspan="4">Satohiro Okayama

Date of birth
July 14, 1967

Number of shares of the Company held
None

New election</td><td colspan="2">Past experience and positions</td></tr>
<tr><td>May 2002
July 2010

July 2012

July 2019

July 2023

July 2026</td><td>Joined the Company
Senior Manager of Engineering Department 3, FPD Division
Senior Manager of Engineering Department 3, FPD・PV Division
Senior Manager of Mechanical Design Department, FPD・PV Division
Senior Manager of FPD Division, Equipment Business HQ
Senior Manager of Corporate Planning Division (current position)</td></tr>
<tr><td colspan="2">(Significant concurrent positions)
–</td></tr>
<tr><td colspan="2">[Reasons for selection as a candidate for corporate auditor]
Mr. Satohiro Okayama has extensive experience and expertise as the person responsible for the engineering and design divisions of the Company’s business. The Company has nominated Mr. Okayama as a candidate for corporate auditor based on its expectations that he will be able to utilize this experience and expertise in auditing the Company.</td></tr>
</table>

New election Candidates for directors to be newly elected

(Notes) 1. No special interests exist between Mr. Satohiro Okayama and the Company.

2. If Mr. Satohiro Okayama assumes the office of corporate auditor, the Company plans to enter into an agreement with him to limit his liability for damages, which is stipulated in Article 423, Paragraph 1 of the Companies Act, in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. The amount of the liability limit under such agreement shall be the amount provided for by the relevant laws and regulations.

3. The Company has entered into a directors and officers liability insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance contract covers damages and others in the event that an insured assumes liability for damages arising from his or her act (including inaction) in the course of performing his or her duties. The insurance premiums are fully borne by the Company. If this proposal is approved at this General Meeting of Shareholders, and Mr. Satohiro Okayama assumes office as a corporate auditor, he will be covered under the insurance contract. The Company plans to renew the insurance contract with the same contents at the time of renewal.

[Reference] Skill matrix of Board of Directors after General Meeting of Shareholders

If the candidates described in this notice are elected as originally proposed, the composition of directors and corporate auditors and their respective expertise and experience are as summarized in the below table.

Name	Position	Expertise/experience					
		Corporate management	Global	Sales/ marketing	R&D/ technology/ manufacturing	Finance/ accounting	Legal affairs/ risk management
Junya Kiyota	President & Chief Executive Officer	○	○		○		
Tomoyasu Kondo	Representative Director & Executive Vice President	○	○	○	○		
Sadao Aoki	Director					○	
Tetsuya Shimada	Director	○			○		
Hiroyuki Nishi	Director (external)	○	○				○
Norio Uchida	Director (external)	○	○	○			
Kozo Ishida	Director (external)	○	○		○		
Yoshimi Nakajima	Director (external)	○	○	○			
Isao Yamakawa	Director (external)	○	○		○		
Yuji Morijiri	Corporate Auditor					○	
Satohiro Okayama	Corporate Auditor				○		
Isao Utsunomiya	Corporate Auditor (external)					○	
Soya Honda	Corporate Auditor (external)						○

The above table summarizes the areas in which the Company has particular expectations, and is not intended as a description of all their expertise and experience.

Proposal No. 4: Election of One Substitute Auditor

The effective tenure of Mr. Kazushi Yoshizawa, who was elected as substitute auditor at the 121st Ordinary General Meeting of Shareholders held on September 26, 2025, will expire at the start of this General Meeting of Shareholders. Accordingly, in order to prepare for the contingency in which the Company does not have the number of corporate auditors required by laws and regulations, the Company proposes to elect one substitute auditor.

This Proposal has received prior consent from the Board of Corporate Auditors.

The candidate for substitute auditor is as follows.

<table>
<tr><td rowspan="4">Kazushi Yoshizawa

Date of birth
June 24, 1968

Number of shares of the Company held
None

External

Independent Officer</td><td colspan="2">Past experience and positions</td></tr>
<tr><td>April 1991

July 1997

March 2000

March 2005
April 2005

April 2017

May 2017

June 2020

June 2021</td><td>Joined KOBELCO SYSTEMS CORPORATION
Joined Philip Morris Co., Ltd. (currently Philip Morris Japan Limited)
Joined Yoshikuni Honma Certified Public Tax Accountant Office
Registered as Certified Public Tax Accountant
Opened Kazushi Yoshizawa Certified Public Tax Accountant Office
President of Kazushi Yoshizawa Certified Public Tax Accountant Office (current position)
Corporate Auditor of FUJIWARA STEEL MATERIALS CO., LTD.
Corporate Auditor of TAIYO TSUSHIN KOGYO CO., LTD.
President of the International Professional Ability Association (current position)
Deputy Branch Manager of Tokyo Certified Public Tax Accountants' Association. Kyobashi Branch (current position)</td></tr>
<tr><td colspan="2">(Significant concurrent positions)
• President of Kazushi Yoshizawa Certified Public Tax Accountant Office</td></tr>
<tr><td colspan="2">[Reasons for selection as a candidate for substitute external auditor]
Mr. Kazushi Yoshizawa not only has expertise and experience gained as a certified public tax accountant but also possesses experience as a corporate auditor of other companies. The Company has nominated Mr. Yoshizawa as a candidate for substitute external auditor based on its expectations that he will be able to contribute to sustainable growth and the improvement of corporate value over the medium to long term by leveraging his knowledge and experience to provide appropriate supervision.
In addition, as Mr. Yoshizawa meets the independence standards set forth by the Tokyo Stock Exchange, while at the same time does not have any special interests in the Company and thus does not pose a risk of conflict of interests with the general shareholders from a practical perspective, the Company will register Mr. Yoshizawa as an Independent Officer with the Tokyo Stock Exchange, in the event that he assumes the office of external auditor.</td></tr>
</table>

External	Candidate for substitute external auditor
Independent Officer	Candidate for independent officers registered with the Tokyo Stock Exchange

(Notes)

1. No special interests exist between the candidate for substitute auditor and the Company.
2. Mr. Kazushi Yoshizawa is a candidate for substitute external auditor.
3. In the event that Mr. Kazushi Yoshizawa assumes the office of external auditor, the Company, in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, intends to enter into an agreement with Mr. Yoshizawa to limit his liability for damages, which is stipulated in Article 423, Paragraph 1 of the Companies Act. The amount of the liability limit under such agreement shall be the amount provided for by the relevant laws and regulations.
4. The Company has entered into a directors and officers liability insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance contract covers damages and others in the event that an insured assumes liability for damages arising from his or her act (including inaction) in the course of performing his or her duties. The insurance premiums are fully borne by the Company. If this Proposal is approved and Mr. Yoshizawa thereafter assumes the office of external auditor, he will be covered under the insurance contract. The Company plans to renew the insurance contract with the same contents at the time of renewal.

Proposal No. 5: Revision of the Amount of Compensation for External Directors

The amount of aggregate compensation for directors of the Company was approved at the 117th Ordinary General Meeting of Shareholders held on September 29, 2021, at an annual total of up to ¥500 million (including up to ¥90 million per annum for external directors).

In order to realize high-quality, active discussions, enhance the effectiveness of the Board of Directors, and adapt to the changing business environment to achieve sustainable enhancement of the Company's corporate value over the medium to long term, the Company is proposing, as set forth in Proposal No. 2 "Election of Nine Directors," an increase of one external director. If that Proposal is approved as proposed, the total number of directors will be nine (including five external directors). In addition, with a Board of Directors in which external directors constitute a majority, the Company is further strengthening the Board's supervisory functions. The role and responsibilities expected of independent external directors have also expanded further, including through the operation of the Committee for Appointment and Remuneration, which is chaired by an independent external director and composed of a majority of independent external directors.

In light of this increase in the number of external directors and the expansion of their roles and responsibilities, as well as changes in economic conditions, trends in executive compensation levels, and the possibility of further strengthening the governance framework, the Company proposes to leave the total compensation for Directors (up to ¥500 million per annum) unchanged, while increasing the portion allocated to external directors from up to ¥90 million to up to ¥150 million per annum.

This Proposal has been determined by the Board of Directors based on a comprehensive consideration of the Company's business scale, executive compensation structure and payment levels, the number of Directors, and future outlook, and after due deliberation and recommendations from the Committee for Appointment and Remuneration. The Board believes that the Proposal is appropriate and consistent with the Company's policy for determining the content of compensation, etc. for individual directors.

The compensation of external directors consists solely of fixed monthly compensation that is not linked to performance, in recognition of their responsibility to oversee management from an independent standpoint. This policy will remain unchanged following the proposed revision.

If this Proposal is approved, the amount of compensation for directors will be as follows:

Current amount of aggregate compensation for directors:
Maximum annual amount of ¥500 million, including a maximum of ¥90 million for external directors

Amount of compensation after proposed revision:
Maximum annual amount of ¥500 million, including a maximum of ¥150 million for external directors

Proposal No. 6: Determination of the Amount and Content of Compensation in Connection with the Introduction of a Post-Delivery Stock-Based Compensation Plan (RSU and PSU) for Directors (Excluding External Directors and Non-Executive Directors)

1. Reason for the proposal and basis for the rationality of compensation under the plan

The Company believes that executive compensation contributes to the sustainable enhancement of corporate value over the medium to long term (long-term shareholder value), and aspires to a compensation system in which compensation outcomes are fully linked to business results and the Company's stock price. The proposed post-delivery stock-based compensation plan (hereinafter the "Plan") will encourage directors who concurrently serve as executive officer (excluding external directors; hereinafter "Eligible Directors") to share interests with shareholders and strengthen their incentives to take appropriate risks and strive to enhance corporate value.

The Company proposes to introduce the new post-delivery stock-based compensation plan for Eligible Directors to promote the sustainable enhancement of corporate value over the medium to long term and the further alignment of interests with shareholders. The Plan is composed of restricted stock units (RSUs), which are conditional upon a certain period of service, and performance stock units (PSUs), which are linked to the achievement of performance targets. This Proposal sets forth the matters specified in Article 361, Paragraph 1, Items 1, 3, and 5(a) of the Companies Act with respect to compensation under the Plan. Compensation under the Plan will be separate from the compensation limit for directors (a maximum annual amount of ¥500 million, including a maximum of ¥90 million for external directors) approved at the 117th Ordinary General Meeting of Shareholders held on September 29, 2021. (If Proposal No. 5 "Revision of the Amount of Compensation for External Directors" is approved as proposed, this will become a maximum annual amount of ¥500 million, including ¥150 million for external directors.)

The Company has also introduced a Board Benefit Trust (BBT) by resolution at the 112th Ordinary General Meeting of Shareholders held on September 29, 2016 (amended by resolution at the 121st Ordinary General Meeting of Shareholders held on September 26, 2025, including the elimination of the maximum limit on contributions by the Company to the trust). The Company now requests shareholders' approval for amendments to the terms of the BBT.

The Company's stock-based compensation system (the Board Benefit Trust, or BBT) has functioned effectively in fostering alignment of interests with shareholders by enabling directors to hold shares of the Company through stock-based compensation linked to their positions. However, to drive further growth and shareholder value creation, we believe it is important to introduce metrics directly tied to shareholder value (such as relative total shareholder return, or relative TSR) to strengthen the link between compensation and shareholder value, and to evaluate medium- to long-term growth—including non-linear growth—rather than focusing solely on single-year performance. In addition, after considering the need to further heighten executives' awareness of stock price during their tenure, and the benefit of maintaining a constant stock-based compensation ratio within total executive compensation regardless of stock price fluctuations, the Company has concluded that fundamentally restructuring the stock-based compensation system will contribute to its growth over the medium to long term.

Subject to approval of this Proposal, the Company will cease granting new points to the existing Board Benefit Trust (BBT) after the final grant for the evaluation period ended June 2026, thereby effectively freezing it. Benefits relating to points already granted will continue to be paid in accordance with the Rules for Granting Shares to Officers until the recipients retire, and the trust will continue to exist until such benefits are fully paid. The resolutions of each of the above Ordinary General Meetings of Shareholders will remain effective to the extent necessary for benefits relating to already-granted points.

In addition, subject to the approval of this Proposal, the Company plans to introduce a similar stock-based compensation plan for executive officers who do not concurrently serve as director. The total number of shares expected to be delivered under the Plan to Eligible Directors over the initial five fiscal years is estimated to represent only approximately 0.8% of the total issued shares, so the dilution of existing shareholders' interests will be limited.

The content of this Proposal follows a report and recommendations from the Committee for Appointment and Remuneration, which is chaired by an independent external director and composed of a majority of independent external directors. Furthermore, subject to the approval of this Proposal, the Board of Directors resolved, at its meeting held on August 14, 2026, to amend the "Policy for Determining the Content of Compensation, etc. for Individual Directors." The Plan is consistent with the amended policy (an overview of which is set forth at the end of this Proposal). The Company believes that the details of this Proposal are appropriate.

[Revised executive compensation structure]

Type of Compensation	Current Structure	Revised Structure
Basic compensation (fixed, monetary)	Paid (within monetary compensation cap)	Unchanged (within monetary compensation cap)
Annual bonuses (short-term performance-linked, monetary)	Paid (within monetary compensation cap)	Unchanged (within monetary compensation cap)
Stock-based compensation	Board Benefit Trust (BBT)	RSU / PSU (under the Plan; separate cap)

(Note) The target compensation ratio for Eligible Directors is planned at approximately 1 : 0.5 : 1 for Basic compensation : Annual bonuses : Stock-based compensation, on a benchmark basis. The target composition of stock-based compensation is planned at RSU : PSU = 30% : 70%.

2. Amount and content of compensation under the Plan

(1) Overview of the Plan

A. RSUs

Under this stock-based compensation, Eligible Directors are granted, in advance, Units calculated by the method outlined in (3) A. (i) below. Upon satisfaction of the condition of continued service for three fiscal years from the grant date, the Company delivers, after the end of the performance period, a predetermined number of the Company's common shares (one share of common stock per Unit) and cash.

B. PSUs

Under this stock-based compensation, Eligible Directors are granted, in advance, Units calculated by the method outlined in (3) B. (i) below. The number of vested units is determined based on the performance achievement rate during the performance evaluation period. The Company delivers, after the end of the performance period, a number of the Company's common shares (one common share per Unit) and cash calculated based on the number of vested units.

(2) Eligibility

Eligible Directors are eligible under the Plan. External directors, directors who do not concurrently serve as executive officer, and corporate auditors are not eligible. If Proposal No. 2 "Election of Nine Directors" is approved as proposed, two directors will be eligible under the Plan (limited to those who concurrently serve as executive Officer).

(3) Number of units to be granted to Eligible Directors and number of shares of the Company's common stock to be delivered under the Plan

The method used to calculate the number of units to be granted to Eligible Directors and the number of shares to be delivered is as follows.

The "benchmark amount by position" shall be determined for each position by the Board of Directors, following the recommendations of the Committee for Appointment and Remuneration. The "grant price" shall mean the closing price of shares of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board resolution regarding such grant (or, if no transaction occurred on that day, the closing price on the most recent preceding trading day).

A. RSUs (restricted stock units)

(i) Number of units granted = (benchmark amount by position × 30%) ÷ grant price (fractions of less than one unit shall be rounded down), with annual grants.

(ii) Vesting is conditional upon continued service for three consecutive fiscal years from the grant date. The number of vested units shall be the same as the number of granted units.

(iii) At least 50% of the vested units shall be delivered as shares of the Company's common stock, and the remainder (up to 50% of the vested units) may be paid in cash for the purpose of providing funds for the Eligible Director's tax obligations.

B. PSUs (performance stock units)

(i) The base number of units per fiscal year = (benchmark amount by position × 70%) ÷ grant price (fractions of less than one unit shall be rounded down). In principle, PSUs covering three fiscal years shall be granted in a single grant at the beginning of the medium-term management plan (the initial grant will cover two fiscal years).

(ii) After the performance evaluation period (in principle, the three consecutive fiscal years of the medium-term management plan), the number of vested units = base number of units × performance achievement rate (0% to 200%). Different evaluation periods may be set for different performance metrics. With respect to the initial grant, as the current medium-term management plan is already underway, beginning in the fiscal year ended June 30, 2026, the performance evaluation period for financial metrics will be two fiscal years (the fiscal years ending June 30, 2027 and June 30, 2028), and for relative TSR will be three fiscal years (the fiscal years ending June 30, 2027 through June 30, 2029). Vesting will be conditional upon continued service until September 30, 2029.

(iii) At least 50% of the vested units shall be delivered as shares of the Company's common stock, and the remainder (up to 50% of the vested units) may be paid in cash for the purpose of providing funds for the Eligible Director's tax obligations.

C. Treatment of appointments during performance evaluation periods, etc.

(i) For individuals who newly become Eligible Directors during a performance evaluation period or fiscal year, units shall be granted at a time determined by the Board of Directors after appointment, with the number reasonably adjusted based on the benchmark amount by position and the remaining service period after appointment. The vesting conditions and other treatment in such cases shall be, mutatis mutandis, the same as in A and B above.

(ii) If there is a change in an Eligible Director's position, the number of units to be granted (including already-granted units) may be reasonably adjusted based on the new position and service period (including additional grants in the case of promotion to a higher position).

(iii) The Board of Directors shall determine such grants or adjustments following a recommendation from the Committee for Appointment and Remuneration. Any grants or adjustments shall be made within the respective caps outlined in (5) below.

(4) Method of share delivery

The Company shall, based on the number of shares of the Company's common stock to be delivered to Eligible Directors determined in (3) above and based on a resolution by the Board of Directors, issue new shares or dispose of treasury shares by one of the following methods:

(i) Non-monetary contributions: The Company shall issue or dispose of common shares to Eligible Directors as compensation without requiring monetary payment or contribution of in-kind assets (Article 202-2 of the Companies Act).

(ii) In-kind contributions: The Company grants a monetary compensation claim to an Eligible Director as compensation, and that Eligible Director contributes the entire amount of such monetary compensation claim as an in-kind asset to subscribe for or receive shares of the Company's common stock. The subscription price per share in this case will be based on the closing price of shares of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board resolution regarding such issuance or disposal (or, if no transaction occurred on that day, the closing price on the most recent preceding trading day), and will be determined by the Board of Directors within a range that is not particularly favorable to the Eligible Director subscribing for such shares.

(5) Maximum amount of compensation and number of shares to be delivered

The total number of shares of the Company's common stock to be issued or disposed of to Eligible Directors under the Plan, and the amount of compensation therefor (which, in the case of non-monetary contributions, refers to the value of the common shares delivered, and in the case of in-kind contributions, refers to the amount of the monetary compensation claims contributed as in-kind assets, and if a portion is paid in cash for tax payment purposes, includes such cash amount), shall each be capped at 80,000 shares and ¥300 million per fiscal year. However, for PSUs granted in a single grant covering multiple fiscal years, the number of common shares and the compensation amount shall be allocated pro rata to each relevant fiscal year for purposes of determining compliance with the above caps.

This per-fiscal-year share cap is equivalent to approximately 0.16% of the total number of issued shares (excluding treasury shares) of the Company. The compensation benchmarks and caps under the Plan have been established upon a comprehensive comparison with peer companies of similar size and industry based on compensation market data provided by external specialists, current executive compensation levels, trends in the number of Eligible Directors, and future projections.

If the delivery of common shares or payment of cash under the Plan becomes likely to exceed the above caps, the number of shares to be delivered or the amount of cash to be paid shall be reduced by proportional allocation or other reasonable methods, determined by the Board of Directors, to the extent necessary to ensure compliance with such caps.

In the event of a share split (including a gratis allotment of shares), share consolidation, or other similar event occurring after the approval of this Proposal, the maximum number of shares and the number of granted units shall be adjusted on a reasonable basis.

(6) Performance metrics for PSUs

The performance achievement rate for PSUs shall be determined based on financial metrics and relative total shareholder return (relative TSR), with the achievement rate ranging from 0% to 200% depending on the degree of achievement of these metrics.

At present, the Company intends to set the weighting of financial metrics (multiple financial metrics to be selected from among the medium-term management plan’s target metrics, including net sales, operating profit, operating margin, ROA, and other financial indicators) at 50%, and the weighting of relative TSR (based on comparison with a peer group selected by the Company) at 50%. Financial metrics are selected from the perspective of motivating executives to achieve the targets of the medium-term management plan, while relative TSR is selected from the perspective of reflecting the relative outcome of shareholder value creation in compensation.

The specific performance metrics, target levels, calculation methodology, and weightings, as well as performance metrics for subsequent periods, shall be determined by the Board of Directors, based on recommendations from the Committee for Appointment and Remuneration.

(7) Vesting timing and conditions

Under the Plan, units shall vest upon satisfaction of all of the following conditions, and the Company shall deliver shares of the Company’s common stock to Eligible Directors at a time determined by the Company:

(i) The Eligible Director has continuously held the position of Director or Executive Officer of the Company, or such other position as determined by the Board of Directors, from the grant date to the vesting date.
(ii) The Eligible Director has not committed any act that violates laws, regulations, or internal rules, or any other misconduct as determined by the Board of Directors, during the period from the grant date to the vesting date.
(iii) Any other requirements, to be determined by the Board of Directors in light of the purpose of the Plan, have been satisfied.

(8) Treatment upon resignation or retirement prior to vesting

The treatment in the event that an Eligible Director resigns or retires prior to the vesting date shall be as follows:

(i) Resignation or retirement due to expiration of term, mandatory retirement age, reasons attributable to the Company, or other reasons deemed justifiable by the Board of Directors: The number of units to vest, up to a pro-rated number based on the period of service (including, in the case of PSUs, the degree of performance achievement), shall be determined by the Board of Directors based on the recommendations of the Committee for Appointment and Remuneration (including, if deemed appropriate in light of the circumstances of the resignation, a determination of zero), and common shares of the Company and cash shall be delivered and paid accordingly.

(ii) Resignation or retirement due to death: Units shall vest up to a pro-rated number based on the period of service (or all such units if deemed appropriate by the Board of Directors), and an equivalent amount in cash shall be paid to the heirs instead of the delivery of common shares of the Company.

(iii) Organizational restructuring, etc.: If a merger in which the Company is the non-surviving company, a share exchange or share transfer in which the Company becomes a wholly owned subsidiary, or any other organizational restructuring is approved at the Company's Ordinary General Meeting of Shareholders (or by the Board of Directors if no shareholder approval is required for such restructuring), and the Eligible Director loses his/her position for justifiable reasons in connection with such restructuring, and no substitute stock-based compensation is provided for the units, then all or part of the units shall vest as determined by the Board, and instead of delivering its common shares, the Company shall pay an equivalent amount in cash to the Eligible Director (the "double-trigger" method) by the business day immediately preceding the effective date of the organizational restructuring, etc.

(iv) Resignation or retirement for reasons other than the above (voluntary resignation, etc.): All or part of the granted units shall be forfeited, and the Eligible Director shall not acquire the right to receive delivery of shares of the Company' common stock under the Plan.

(9) Malus and clawback

If an Eligible Director is found to have committed serious misconduct, violated laws, regulations or internal rules, if there is cause requiring material restatement of financial statements, or a breach of the Eligible Director's non-compete obligations with the Company (including post-retirement obligations to refrain from competition and maintain confidentiality), the Board of Directors, following a recommendation from the Committee for Appointment and Remuneration, may cause all or part of the units that have not yet vested to be forfeited (malus) or may demand the return of all or part of the value equivalent to the shares already delivered or cash already paid (clawback), regardless of whether such shares or cash have been delivered or paid. The compensation subject to clawback shall be RSUs and PSUs that vested during the fiscal year in which the relevant event is discovered and the three preceding fiscal years.

(10) Continued holding of shares

Eligible Directors shall continue to hold a certain number of shares of the Company's common stock delivered under the Plan during their tenure, in accordance with the Company's shareholding policy.

(11) Treatment in case delivery of shares is impracticable

If an Eligible Director becomes a resident outside Japan or if the Board of Directors otherwise determines that delivery of common shares of the Company is impracticable, all or part of the vested units may be settled in the equivalent amount of cash, instead of delivery of shares.

(12) Miscellaneous terms

Matters not specified in this Proposal, including details of the Plan, shall be determined by the Board of Directors based on the recommendations of the Committee for Appointment and Remuneration, within the respective caps and other limits outlined in this Proposal.

(Reference) Overview of the "Policy for Determining the Content of Compensation, etc. for Individual Directors" after this Proposal is approved

1. Basic policy

   Executive compensation at the Company shall contribute to sustainable enhancement of corporate value and shareholder value over the medium to long term. The Company's basic policy is that compensation outcomes shall be sufficiently linked to business results and stock price, shall promote alignment of interests with shareholders, and shall be determined through objective and highly transparent procedures.

2. Compensation structure

   Compensation for directors who concurrently serve as executive officer shall consist of base compensation (fixed, monetary), annual bonus (short-term performance-linked, monetary), and stock-based compensation (RSU and PSU), with an approximate target compensation mix, on a benchmark basis, of base compensation : annual bonus : stock-based compensation = 1 : 0.5 : 1. Compensation for directors who do not concurrently serve as executive officer and for external directors shall consist solely of base compensation, in recognition of their respective responsibilities.

3. Basic compensation

   Basic compensation shall consist of a fixed monthly stipend paid in accordance with the compensation standards for each position, with reference to compensation market data from external specialists, and taking into account economic conditions and the Company's performance.

4. Annual bonuses

   The annual bonuses consist of monetary compensation that varies between 0% and 150% of the benchmark amount based on the degree of achievement of performance metrics relating to the single-year budget targets (net sales, gross profit, operating profit, etc.), and shall be paid after the end of each fiscal year.

5. Stock-based compensation

   Stock-based compensation shall consist of post-delivery stock-based compensation consisting of RSUs (30%; conditional upon three fiscal years of service) and PSUs (70%; variable between 0% and 200% based on the achievement of financial metrics (50%) and relative TSR (50%)). The financial metrics shall be the target indicators of the medium-term management plan: net sales, operating profit, operating margin, and ROA. Relative TSR shall be based on comparison with a peer group selected by the Company.

6. Malus, clawback, and shareholding requirements

   The policy includes provisions for non-payment and recovery of compensation in the event of serious misconduct, etc., as well as for continued shareholding during tenure.

7. Decision-making procedure

   The content of compensation, etc. for individual directors shall be determined by the Board of Directors based on the recommendations of the Committee for Appointment and Remuneration, which is chaired by an independent external director and composed of a majority of independent external directors.

Business Report

(July 1, 2025 - June 30, 2026)

1. Overview of the Corporate Group

(1) Business Overview for the Fiscal Year Ended June 30, 2026

(i) Business progress and results

The global economy during the fiscal year ended June 30, 2026, continued to show a moderate recovery trend; however, uncertainty about the future increased due to factors such as volatile financial markets, developments in trade policies, and rising geopolitical risk.

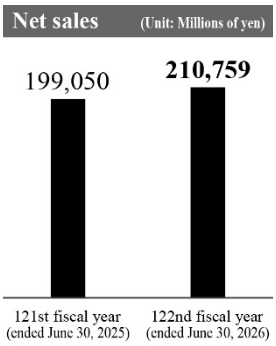
Regarding the business environment surrounding the Group, capital investment in the semiconductor industry was driven by investment in advanced logic, high bandwidth memory (HBM), and advanced packaging, supported by the rapid adoption of generative AI. In addition, construction and expansion of semiconductor fabs have progressed worldwide from the standpoints of economic security and supply chain resilience. In the electronics industry, while capital investment related to power devices showed signs of adjustment, technological innovation and capacity expansion investment for electronic devices remained steady, supported by ongoing digitalization, in the context of expanding demand for AI and data centers. In the flat panel display (FPD) industry, investment to increase panel size is continuing as the adoption of OLED in IT products expands. In addition, in the rare earth magnet field, investment aimed at diversifying supply chains has begun in earnest.

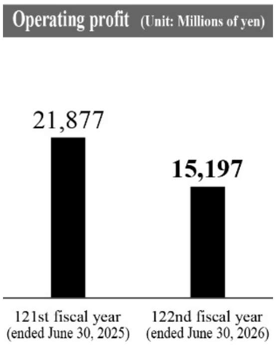
Under these circumstances, orders received amounted to ¥324,228 million, an increase of ¥98,661 million (43.7%) year on year, and net sales were ¥269,130 million, up ¥17,946 million (7.1%) year on year. Regarding profit, operating profit was ¥19,598 million, a decrease of ¥6,925 million (26.1%) year on year; ordinary profit was ¥19,908 million, down ¥8,696 million (30.4%) year on year; and net income attributable to owners of parent was ¥17,092 million, an increase of ¥404 million (2.4%) year on year.

	121st fiscal year (ended June 30, 2025)	122nd fiscal year (ended June 30, 2026)	Change	
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%)
Net sales	251,184	269,130	17,946	7.1
Operating profit	26,523	19,598	(6,925)	(26.1)
Ordinary profit	28,605	19,908	(8,696)	(30.4)
Net income attributable to owners of parent	16,687	17,092	404	2.4

Results by segment are as shown on the following pages.

[Vacuum Equipment Business]





Details for the Vacuum Equipment Business by item are as follows.

Semiconductor and electronic device production equipment

Orders received increased year on year, with a strong performance in logic, memory and advanced packaging sectors. However, net sales decreased year on year, mainly reflecting an adjustment in investment in power devices in Japan and China.

Display and energy-related production equipment

Orders received and net sales both increased year on year, supported by capital investment and retrofit projects aimed at larger OLED panel sizes.

Components

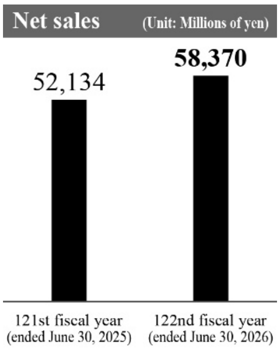
Vacuum pumps, measuring devices, power supply devices and other products for semiconductor, electronic devices and consumer-related markets continued to perform strongly.
Effective the fiscal year ended June 30, 2026, leak test equipment previously included in Components has been reclassified as Industrial Equipment.

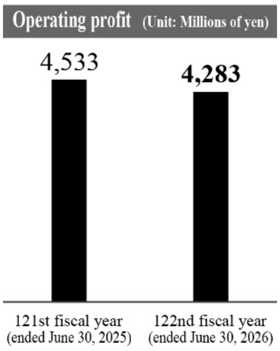
Industrial equipment

In the rare earth magnet field, high-performance magnet manufacturing equipment performed strongly as capital investment aimed at diversifying supply chains began in earnest. In addition, leak test equipment for cooling systems used in air conditioners and AI servers remained steady. As a result, orders received and net sales both increased year on year.

As a result, the Vacuum Equipment Business recorded orders received of ¥262,644 million, order backlogs of ¥156,594 million, net sales of ¥210,759 million, and operating profit of ¥15,197 million.

[Vacuum Application Business]





Details for Vacuum Application Business by item are as follows.

Materials

Orders received and net sales both increased year on year, primarily owing to the continued high operating rate of FPD, semiconductor and electronic component-related plants.

Others

Both orders received and net sales increased year on year, mainly due to the contribution from businesses related to the surface analyzer equipment business and mask blanks for high-definition, high-performance displays.

As a result, the Vacuum Application Business recorded orders received of ¥61,584 million, order backlogs of ¥19,468 million, net sales of ¥58,370 million, and operating profit of ¥4,283 million.

(ii) Capital investment

Capital investments in the fiscal year ended June 30, 2026, totaled ¥17,990 million.

Capital investments in the Vacuum Equipment Business amounted to ¥14,138 million, and mainly included machinery and equipment for evaluation, research, and development for the semiconductor and electronic device production equipment business and the display and energy-related production equipment business.

Capital investments in the Vacuum Application Business amounted to ¥3,852 million, and mainly included equipment for manufacturing mask blanks.

(iii) Financing

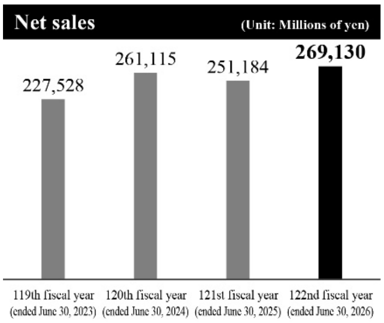
The Group did not obtain financing through the issuance of new shares during the fiscal year ended June 30, 2026.

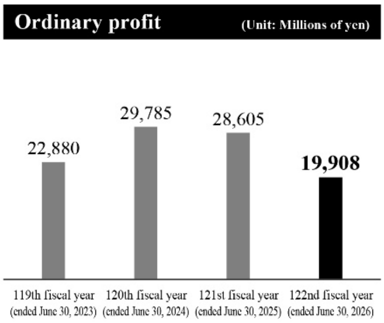
At the end of the current consolidated fiscal year, the Group's total borrowings amounted to ¥44,231 million.

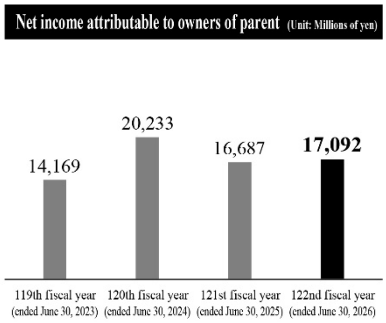
(iv) Acquisition or disposal of shares or other equity interest or share acquisition rights of other companies

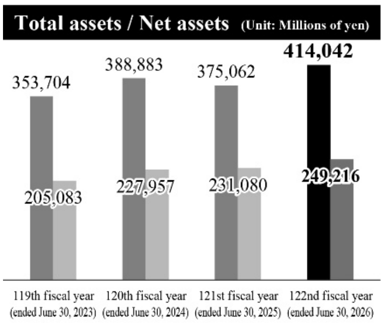
On June 25, 2026, the Company transferred all of its equity interests in ULVAC Materials (Suzhou) Co., Ltd., a consolidated subsidiary of the Company, to Beijing Fengke Jingsheng Electronic Materials Co., Ltd. The Company's Board of Directors also resolved, at the meeting held on June 23, 2026, to transfer the flat panel display (FPD) sputtering target business of Pure Surface Technology, Ltd., a consolidated subsidiary of the Company in South Korea, to a newly established company, UFOMAT Korea, Ltd., through an incorporation-type company split.

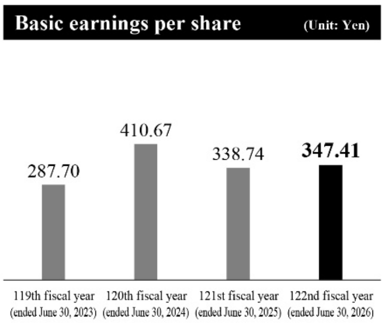
(2) Trends in Assets and Profits for the Most Recent Three Fiscal Years

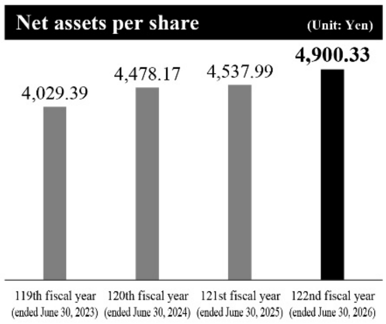












(Millions of yen, unless otherwise specified)

Item	119th fiscal year (July 1, 2022 to June 30, 2023)	120th fiscal year (July 1, 2023 to June 30, 2024)	121st fiscal year (July 1, 2024 to June 30, 2025)	122nd fiscal year (July 1, 2025 to June 30, 2026)
Net sales	227,528	261,115	251,184	269,130
Ordinary profit	22,880	29,785	28,605	19,908
Net income attributable to owners of parent	14,169	20,233	16,687	17,092
Basic earnings per share (Yen)	287.70	410.67	338.74	347.41
Total assets	353,704	388,883	375,062	414,042
Net assets	205,083	227,957	231,080	249,216
Net assets per share (Yen)	4,029.39	4,478.17	4,537.99	4,900.33

Notes:
1. Basic earnings per share is calculated using the average number of shares outstanding during the period. The average number of shares outstanding during the period is measured after subtracting the number of treasury shares.
2. The Company has applied the "Accounting Standard for Income Taxes, etc." (ASBJ Statement No. 27, October 28, 2022) and other standards from the beginning of the 121st fiscal year. Assets and profits from the 119th fiscal year onward have been presented after the retrospective application of these standards.

(3) Material Subsidiaries and Associates

(i) Material subsidiaries

Name	Share capital	Voting rights (%)	Main businesses
ULVAC TECHNO, Ltd.	¥125 million	100.0	Sale of vacuum equipment, devices, components, and consumable materials, customer support, and surface treatment
ULVAC KIKO, Inc.	¥280 million	100.0	Manufacture and sale of small vacuum pumps
ULVAC EQUIPMENT SALES, Inc.	¥90 million	* 100.0	Sale of vacuum equipment and devices
ULVAC Technologies, Inc.	USD 17,580 thousand	100.0	Manufacture and sale of vacuum equipment and devices in North America
ULVAC TAIWAN INC.	TWD 498,000 thousand	* 100.0	Manufacture and sale of vacuum equipment and devices, and customer support in Taiwan
ULVAC KOREA, Ltd.	KRW 8,144 million	* 100.0	Manufacture and sale of vacuum equipment and devices, and customer support in South Korea
ULVAC-PHI, Inc.	¥100 million	100.0	Manufacture and sale of surface analysis devices
ULVAC CRYOGENICS INCORPORATED	¥50 million	50.0	Manufacture and sale of cryopumps
ULVAC SINGAPORE PTE LTD.	SGD 8,300 thousand	* 92.8	Sale of vacuum equipment, devices, and components, and customer support in Southeast Asia
ULVAC (SUZHOU) CO., LTD.	RMB 246,521 thousand	* 100.0	Manufacture and sale of vacuum equipment, devices, and components in China
ULVAC Orient (Chengdu) Co., Ltd.	RMB 85,009 thousand	* 65.0	Manufacture and sale of vacuum equipment and devices in China
ULVAC ORIENT TEST AND MEASUREMENT TECHNOLOGY (CHENGDU) CO., LTD.	RMB 100,000 thousand	* 65.0	Manufacture and sale of leak test equipment and components, and customer support in China
ULVAC Automation Technology (Shanghai) Corporation	RMB 25,817 thousand	* 57.5	Manufacture and sale of control panels and automatic control and drive units in China
ULVAC (Shenyang) Co., Ltd.	RMB 129,319 thousand	* 100.0	Manufacture and sale of vacuum equipment and devices in China
Physical Electronics USA, Inc.	USD 1,000	* 100.0	Sale of surface analysis devices in North America
ULVAC (CHINA) HOLDING CO., LTD.	RMB 573,000 thousand	100.0	Administration and coordination of investment and business in China
Pure Surface Technology, Ltd.	KRW 26,795 million	* 100.0	Surface treatment of components for film deposition equipment, bonding of sputtering target materials, manufacture of components for large substrate vacuum equipment and devices and for other vacuum equipment and devices in South Korea
ULVAC CRYOGENICS KOREA INCORPORATED	KRW 6,145 million	* 50.0	Manufacture and sale of cryopumps in South Korea

Name	Share capital	Voting rights (%)	Main businesses
ULTRA CLEAN PRECISION TECHNOLOGIES CORP.	TWD 341,000 thousand	* 100.0	Manufacture of components, surface treatment, and customer support in Taiwan
ULVAC COATING CORPORATION	¥100 million	65.0	Manufacture, processing, and sale of mask blanks for semiconductors and flat panel displays
ULCOAT TAIWAN, Inc.	TWD 512,000 thousand	* 65.0	Manufacture, processing, and sale of mask blanks for flat panel displays in Taiwan
ULVAC (Shanghai) Trading Co., Ltd.	RMB 15,940 thousand	* 100.0	Sale of the Group's products, customer support, and surface treatment in China
ULVAC VACUUM EQUIPMENT (SHANGHAI) CO., LTD.	RMB 5,000 thousand	* 100.0	Sale of vacuum equipment, devices, and components in China
ULVAC Coating Technology (HEFEI) Co., Ltd.	RMB 80,267 thousand	* 67.7	Manufacture, processing, and sale of mask blanks for flat panel displays in China
ULVAC PHI Instruments Co., Ltd.	RMB 1,500 thousand	* 100.0	Sale of surface analysis devices and customer support in China

Notes: 1. Percentages of voting rights marked with an asterisk include indirect ownership.
2. ULVAC Materials (Suzhou) Co., Ltd. has been excluded from the scope of consolidation, as the Company transferred all of its equity interest on June 25, 2026.

(ii) Material associates

Name	Share capital	Voting rights (%)	Main businesses
SHOWA SHINKU CO., LTD.	¥2,177 million	21.5	Manufacture and sale of vacuum equipment for crystal oscillators and optical applications
ULVAC AUTOMATION TAIWAN Inc.	TWD 80,000 thousand	40.0	Manufacture and sale of control panels and automatic control and drive units in Taiwan
ULVAC (NINGBO) CO., LTD.	RMB 192,493 thousand	49.0	Manufacture and sale of vacuum pumps in China
ULVAC Tianma Electric (Jingjiang) Co., Ltd.	RMB 24,830 thousand	40.0	Manufacture and sale of components for vacuum pumps in China

(iii) Results of business combinations

Consolidated subsidiaries comprise the 25 companies listed under (i) Material subsidiaries, and associates accounted for by the equity method comprise the four companies listed under (ii) Material associates. In the fiscal year ended June 30, 2026, consolidated net sales were ¥269,130 million, up ¥17,946 million year on year, ordinary profit was ¥19,908 million, a decrease of ¥8,696 million year on year, and net income attributable to owners of parent was ¥17,092 million, an increase of ¥404 million year on year.

(4) Issues to Be Addressed

We manage our businesses to leverage the synergies generated by handling a wide range of business areas, including equipment, materials, film coating, analysis, and customer support, centered on vacuum and peripheral technologies, based on our Basic Corporate Philosophy: "The ULVAC Group aims to contribute to the development of industries and science by comprehensively utilizing its vacuum and peripheral technologies through the mutual cooperation and collaboration of the Group companies." To more effectively realize these synergies, we aim to strengthen collaboration within the Group and develop business partnerships with diverse companies and research institutes worldwide, thereby expanding our global presence and becoming a high-profit corporate group that achieves sustainable growth and enhanced corporate value.

Through our business activities, we contribute to the development of industry and science together with a wide range of stakeholders, based on our Sustainability Policy: “The ULVAC Group strives to create economic, social, and environmental value by comprehensively utilizing its vacuum and peripheral technologies.” We strive to solve environmental problems that threaten global sustainability, such as the climate crisis and resource shortages, by reducing environmental impact and creating health and happiness.

We have established the Group’s Vision 2032—“Continue to be a Field of Potentiality for the Future”—in line with this Basic Corporate Philosophy and Sustainability Policy. Vision 2032 presents the Group’s ideal for a decade into the future, transforming the corporate culture and values inherited since the Company’s founding into a future-oriented form. We continue to engage in Group-wide management with the key challenges (materiality) to address in mind, so that we can realize this vision.

<Key challenges (materiality) for the Group>

- Promotion of Creation and Co-creation of Innovation with Vacuum Technology as the Core
- Development of Diverse Human Resources and Promotion of Their Advancement; Cultivation of Resilient Organizations
- Respect for Human Rights and Responsible Conduct in the Value Chain
- Contribution to a Sustainable Global Environment

To achieve these key challenges (materiality), we are pursuing a mid- to long-term management plan, the “Value-Up Plan,” spanning the six years from the fiscal year ended June 30, 2026 to the fiscal year ending June 30, 2031. We will optimize management resources and accelerate the transformation of our business portfolio to the one with a focus on the semiconductor and electronics business, while transforming to a high-growth, high-profitability structure aiming to enhance corporate value.

In the fiscal year ended June 30, 2026, we achieved a record-high level of orders received, against the backdrop of growing demand mainly in the semiconductor and electronics-related markets. At the same time, however, materialization of materials supply risks and constraints on production capacity have prevented us from fully converting these orders into sales and profits, and we recognize improving profitability as a key management challenge.
Therefore, we have positioned the fiscal year ending June 30, 2027 as a year of comprehensive review and transformation to ensure that we achieve the Value-Up Plan. In this fiscal year, we will focus on business and production reforms as our top priorities.

1. Growth Strategy
   We will define AI- and data center-related businesses as strategic themes, concentrate management resources on these priority areas, and increase the proportion of advanced, high-value-added projects to achieve both high growth and high profitability. In addition, we will drive sustainable growth by acquiring high-value-added projects and creating cross-business synergies, primarily in logic and memory, advanced packaging, and rare earth magnets.

2. Business Reforms
   We will proceed with the sale or downsizing of businesses with low strategic fit, review headquarters functions and the fixed cost structure, and optimize our business portfolio.

3. Production Reforms
   We plan to fundamentally review our production, procurement, and logistics functions. Through initiatives such as expanding production capacity, optimizing logistics hubs, and shortening material procurement lead times, we will work to establish a system capable of reliably converting orders into sales and profits.

4. Strengthening of the Financial Base and Cash Flow Management
   We will secure sufficient funds to invest in development, production reforms, M&A, and other areas, driving the further growth of the Group. At the same time, we will further advance the establishment of a robust financial base to enable us to respond swiftly to changes in the external business environment, and strive to further improve capital efficiency through the reinforcement of cash flow management.

   In addition to the Value-Up Plan, we will promote the following initiatives to address key challenges (materiality).

   [Strengthening ESG-oriented Management]
   - As it becomes ever more important to protect the global environment, we are advancing measures to address climate change and preserve water quality, while simultaneously working to reduce the environmental footprint of our business activities. At the same time, we aim to help achieve a sustainable society and enhance our corporate value by developing and promoting more environmentally friendly products that help address social challenges such as climate change.
   - We will strive to achieve a shared understanding of human rights-conscious business operations promoted by the Group, not only within the Group but also among stakeholders, including our business partners, and work to further promote respect for human rights, including labor environments.
   - We will continue to strengthen our management systems to ensure they are effective and highly transparent, working to maintain and further enhance the Group's corporate governance structure to achieve sustainable growth.

   [Promoting Human Resources-focused Management]
   - We will strive to strengthen our personnel structure in alignment with our business strategy, while promoting the recruitment and development of diverse human resources—including highly specialized professionals. Through optimal placement across the Group, we will work to make effective use of our human capital.
   - We aim to retain talent by establishing fair evaluation and compensation systems, fostering an environment in which diverse personnel can make the most of their abilities, and promoting initiatives to improve employee engagement. Through these efforts, we strive to strengthen our talent base and cultivate a healthy corporate culture.

<Quantitative Targets (Consolidated)>

The quantitative targets of the Value-Up Plan are presented below.

Indicator	Result for the fiscal year ended June 30, 2026 (Reference)	Interim target for the fiscal year ending June 30, 2028	Target for the fiscal year ending June 30, 2031
Net sales	¥269.1 billion	¥260.0 billion or more	¥360.0 billion
Operating profit	¥19.6 billion	¥39.0 billion or more	¥79.0 billion
Operating profit margin	7.3%	15%	22%
ROE	7.4%	10%	16%

We look forward to the ongoing understanding and support of our shareholders in these endeavors.

(5) Main Businesses (As of June 30, 2026)

Business Segment		Principal Products
Vacuum Equipment Business	Semiconductor and electronic device production equipment	Sputtering equipment, vacuum evaporation equipment, etching equipment, ion implantation equipment, ashing equipment, various CVD equipment, wafer pretreatment equipment (natural oxide film removal, etc.), ultra-high vacuum equipment, etc.
	Display and energy-related production equipment	Sputtering equipment, plasma CVD equipment, vacuum evaporation equipment, roll-to-roll vacuum evaporation equipment, roll-to-roll sputtering equipment, etc.
	Components	Vacuum pumps (dry pumps, mechanical booster pumps, oil rotary pumps, cryopumps, turbomolecular pumps, ion pumps, oil diffusion pumps), vacuum gauges, leak detectors, gas analyzers, deposition power supplies, evaporation sources for film deposition, film deposition controllers, vacuum valves, vacuum transfer robots, cryogenic equipment, various vacuum components, etc.
	Industrial equipment	Vacuum melting furnaces, vacuum heat treatment furnaces, vacuum sintering furnaces, vacuum brazing furnaces, lyophilizers, leak test equipment, etc.
Vacuum Application Business	Materials	Sputtering target materials, vacuum deposition materials, titanium and tantalum processed products, high-melting-point active metals (Ta, Nb, W, Mo), etc.
	Others	X-ray photoelectron spectroscopy devices, scanning Auger electron spectroscopy devices, time-of-flight secondary ion mass spectrometry devices, quadrupole secondary ion mass spectrometry devices, semiconductor and FPD mask blanks, contract film deposition processing, etc.

(6) Principal Business Locations and Plants (As of June 30, 2026)

Head office plant	Chigasaki City, Kanagawa
Sales and service sites in Japan	ULVAC EQUIPMENT SALES, Inc. head office (Minato-ku, Tokyo) and 8 other locations; ULVAC TECHNO, Ltd. head office, Chigasaki CS Center (Chigasaki City, Kanagawa) and 22 other locations
Sales and service sites overseas	ULVAC Technologies, Inc. (Massachusetts, USA); ULVAC TAIWAN INC. (Hsinchu, Taiwan) and 2 other locations; ULVAC KOREA, Ltd. (Seongnam, South Korea) and 7 other locations; ULVAC SINGAPORE PTE LTD (Singapore); ULVAC (Shanghai) Trading Co., Ltd. (Shanghai, China) and 12 other locations, ULVAC VACUUM EQUIPMENT (SHANGHAI) CO., LTD. (Shanghai, China), ULVAC PHI Instruments Co., Ltd. (Nanjing, China)
Production sites in Japan	The Company's Fuji Susono Plant (Susono City, Shizuoka), Chiba Sanmu Plant (Sanmu City, Chiba), Tohoku Factory (Hachinohe City, Aomori), Kyushu Plant (Kirishima City, Kagoshima); ULVAC TECHNO, Ltd. Surface Cleaning Division (Sanmu City, Chiba) and two other locations; ULVAC KIKO, Inc. head office plant (Saito City, Miyazaki); ULVAC CRYOGENICS INCORPORATED head office plant (Chigasaki City, Kanagawa); ULVAC-PHI, Inc. (Chigasaki City, Kanagawa); ULVAC COATING CORPORATION (Chichibu City, Saitama)
Production sites overseas	ULVAC Technologies, Inc. (Massachusetts, USA); ULVAC TAIWAN INC. (Tainan City, Taiwan); ULCOAT TAIWAN, Inc. (Tainan City, Taiwan); ULTRA CLEAN PRECISION TECHNOLOGIES CORP. (Tainan City, Taiwan); ULVAC KOREA, Ltd. (Pyeongtaek, South Korea); Pure Surface Technology, Ltd. (Pyeongtaek, South Korea); ULVAC CRYOGENICS KOREA INCORPORATED (Pyeongtaek, South Korea); ULVAC (SUZHOU) CO., LTD. (Suzhou, China); ULVAC Orient (Chengdu) Co., Ltd. (Chengdu, China); ULVAC ORIENT TEST AND MEASUREMENT TECHNOLOGY (CHENGDU) CO., LTD. (Chengdu, China); ULVAC Automation Technology (Shanghai) Corporation (Shanghai, China); ULVAC Tianma Electric (Jingjiang) Co., Ltd. (Jingjiang, China); ULVAC (Shenyang) Co., Ltd. (Shenyang, China); ULVAC Coating Technology (HEFEI) Co., Ltd. (Hefei, China), ULVAC (NINGBO) CO., LTD. (Ningbo, China)
Research and development sites	The Company's Institute of Advanced Technology (Chigasaki City, Kanagawa; Susono City, Shizuoka; Tomisato City, Chiba), Future Technology Research Laboratory (Suita City, Osaka), and AX Solutions Division (Chigasaki City, Kanagawa); ULVAC Technologies, Inc. (Massachusetts, USA); ULVAC TAIWAN INC. (Hsinchu, Taiwan), ULVAC KOREA, Ltd. Technology Center PYEONGTAEK (Pyeongtaek, South Korea), ULVAC Research Center SUZHOU Co., Ltd. (Suzhou, China)

(7) Employees (As of June 30, 2026)

(i) Employees of the Group

Business Segment	Number of employees	Year-on-year change
Vacuum Equipment Business	4,132	(373)
Vacuum Application Business	838	(98)
Corporate (shared)	643	(48)
Total	5,613	(519)

Note: The year-on-year decrease of 519 in the number of employees is mainly due to the Group's policy of business reform, including the downsizing or withdrawal from low-profit businesses and the restructuring and streamlining of Group companies and production sites.

(ii) Employees of the Company

Number of employees		Year-on-year change	Average age	Average years of service
Male	1,331	(157)	45.2	18.3
Female	152	(8)	41.2	13.6
Total/average	1,483	(165)	44.8	17.8

Notes:
1. The number of employees shown includes 99 employees seconded to the Company. In addition, 105 employees have been seconded from the Company to other companies.
2. The number of employees shown does not include temporary employees or dispatched workers.
3. The year-on-year decrease of 165 in the number of employees is mainly due to the retirement, effective June 30, 2026, of employees who applied for the voluntary retirement program announced in February 2026.

(8) Main Lenders (As of June 30, 2026)

Lender	Balance of borrowings (millions of yen)
Mizuho Bank, Ltd.	9,608
Sumitomo Mitsui Banking Corporation	6,502
Nippon Life Insurance Company	3,877

(9) Other Important Matters Concerning the Current Status of the Group

Not applicable.

2. Status of the Company

(1) Shares (As of June 30, 2026)

(i) Total number of shares authorized to be issued 100,000,000

(ii) Total number of shares outstanding 49,355,938
(including 4,384 treasury shares)

(iii) Number of shareholders 12,328

(iv) Major shareholders

Name of shareholder	Number of shares (Thousand shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	7,600	15.40
Custody Bank of Japan, Ltd. (Trust Account)	4,249	8.61
BBH (LUX) FOR FIDELITY FUNDS-GLOBAL TECHNOLOGY POOL	3,690	7.48
Nippon Life Insurance Company	3,242	6.57
STATE STREET BANK AND TRUST COMPANY 505001	1,791	3.63
JPMorgan Securities Japan Co., Ltd.	1,355	2.75
STATE STREET BANK AND TRUST COMPANY 505103	875	1.77
THE BANK OF NEW YORK MELLON 140044	727	1.47
JP MORGAN CHASE BANK 385781	722	1.46
Mizuho Bank, Ltd.	639	1.29

Notes: 1. Shareholding ratios have been calculated after deducting the number of treasury shares (4,384 shares).
2. The number of treasury shares does not include 164,000 shares of the Company held by Custody Bank of Japan, Ltd. (Trust Account E) as trust property for the Board Benefit Trust (BBT), and 8,000 shares held by Custody Bank of Japan, Ltd. (Trust Account) as trust property for the Share -Based Compensation Plan for employees.
3. The Large Volume Holding Reports (including Change Reports) shown on the next page are available for public inspection. However, shareholders are not listed in the major shareholders shown above if they cannot be identified in the shareholder registry as of the end of the current fiscal year, or if the number of shares held does not rank among the top 10.

Large volume shareholder	Document submitted	Date of submission	Number of shares held
FIL Investments International and one other company	Change Report	June 5, 2026	4,014,100 shares as of January 30, 2026
Sumitomo Mitsui Trust Bank, Limited and two other companies	Change Report	February 5, 2026	3,886,840 shares as of January 30, 2026
Nippon Life Insurance Company and one other company	Change Report	July 5, 2024	3,434,048 shares as of June 28, 2024
Nomura Securities Co., Ltd. and one other company	Change Report	July 6, 2026	3,164,335 shares as of June 30, 2026
Wellington Management Japan Pte Ltd. and three other companies	Change Report	December 18, 2025	3,002,856 shares as of December 15, 2025
BlackRock Japan Co., Ltd. and six other companies	Large Volume Holding Report	February 5, 2025	2,515,955 shares as of January 31, 2025
Taiyo Pacific Partners LP and one other company	Change Report	August 22, 2025	1,985,900 shares as of August 15, 2025

(v) Shares delivered to the Company’s officers as consideration for the execution of duties during the fiscal year ended June 30, 2026

Not applicable.

(2) Share Acquisition Rights, etc.

(i) Share acquisition rights held by the Company’s officers as of June 30, 2026, that were delivered as consideration for the execution of duties

Not applicable.

(ii) Share acquisition rights delivered to the Company’s employees and others as consideration for the execution of duties during the fiscal year ended June 30, 2026

Not applicable.

(iii) Other matters concerning share acquisition rights, etc.

Not applicable.

(3) Company Officers (As of June 30, 2026)

(i) Directors and Corporate Auditors

Position in the Company	Name	Responsibilities and significant concurrent positions
President and Chief Executive Officer	Setsuo Iwashita	
Senior Managing Director and Chief Financial Officer	Sadao Aoki	Responsible for management strategy, administrative divisions, and compliance Head of Administration HQ
Senior Managing Director and Chief Strategy Officer	Tetsuya Shimada	Responsible for business strategy and production divisions Head of Production HQ and CS Business HQ President and Chief Executive Officer of ULVAC TECHNO, Ltd. and ULVAC EQUIPMENT SALES, Inc.
Director (external)	Hiroyuki Nishi	Chairman & Representative Director of Nissay Credit Guarantee Co., Ltd.
Director (external)	Norio Uchida	
Director (external)	Kozo Ishida	External Director of Seiko Electric Co., Ltd.
Director (external)	Yoshimi Nakajima	Outside Director of Japan Freight Railway Company Outside Director of SEKISUI HOUSE, LTD. Specially-Appointed Professor of the Graduate School of Project Design Outside Director of Tokio Marine & Nichido Fire Insurance Co., Ltd.
Corporate Auditor	Yuji Morijiri	(Full-time)
Corporate Auditor	Kazuya Saito	(Full-time)
Corporate Auditor (external)	Isao Utsunomiya	Representative Partner of Tsukiji Accounting Tax Corporation
Corporate Auditor (external)	Soya Honda	Director of Soya Honda Law Office External Director of bBreak Systems Co., Ltd.

Notes:
1. Messrs. Hiroyuki Nishi and Norio Uchida, Dr. Kozo Ishida and Ms. Yoshimi Nakajima are external directors.
2. Messrs. Isao Utsunomiya and Soya Honda are external corporate auditors.
3. Corporate Auditor Mr. Yuji Morijiri has extensive experience of finance and accounting divisions at Nippon Life Insurance Company. Corporate Auditor Mr. Isao Utsunomiya is a certified public tax accountant. Both have ample knowledge of finance and accounting.
4. The Company has registered Directors Messrs. Hiroyuki Nishi and Norio Uchida, Dr. Kozo Ishida, and Ms. Yoshimi Nakajima and Corporate Auditors Messrs. Isao Utsunomiya and Soya Honda as Independent Officers with the Tokyo Stock Exchange.
5. President and Chief Executive Officer Mr. Setsuo Iwashita assumed the position of Chairman on July 1, 2026.

(ii) Executive Officers

Position in the Company	Name	Responsibilities and significant concurrent positions
Managing Executive Officer	Dr. Ju Hoon Shin	Semiconductor and electronics business development
Managing Executive Officer	Junya Kiyota	Responsible for intellectual property Head of Development Division and Components Business Unit President and Chief Executive Officer of ULVAC CRYOGENICS INCORPORATED
Senior Executive Officer	Tomoyasu Kondo	Head of Semiconductor and Advanced Electronics Equipment Business HQ Head of Technology Center PYEONGTAEK
Senior Executive Officer	Shinji Takahashi	General Manager of Legal Division Chairman of ULVAC (CHINA) HOLDING CO., LTD. and ULVAC Automation Technology (Shanghai) Corporation Vice Chairman of ULVAC TAIWAN INC. Chairman of ULVAC SINGAPORE PTE LTD
Executive Officer	Harunori Iwai	Responsible for special assignments
Executive Officer	Sun-Gil Kim	Chairman of the Board of Directors of ULVAC KOREA, Ltd.
Executive Officer	Yoshiki Iso	General Manager of Vacuum Manufacturing Solutions Business Unit Chairman of ULVAC (Shenyang) Co., Ltd.
Executive Officer	Bingjun Yang	Director and Chief Executive Officer of ULVAC (CHINA) HOLDING CO., LTD. Chairman of ULVAC (Shanghai) Trading Co., Ltd., ULVAC (SUZHOU) CO., LTD., and ULVAC VACUUM EQUIPMENT (SHANGHAI) CO., LTD.
Executive Officer	Tung-Jung Wu	Director, President and Chief Executive Officer of ULVAC TAIWAN INC.
Executive Officer	Hirohisa Takahashi	President and Chief Executive Officer of ULVAC-PHI, Inc.
Executive Officer	Takaya Iwai	Head of Corporate Planning Division
Executive Officer	Dayong Zhao	Responsible for special assignments
Executive Officer	Eric Ries	General Manager of Growth & Development Division Chairman of ULVAC Technologies, Inc.

Notes:
1. Managing Executive Officer Mr. Junya Kiyota assumed the position of President and Executive Officer on July 1, 2026.
2. Senior Executive Officer Mr. Tomoyasu Kondo assumed the position of Executive Vice President and Executive Officer on July 1, 2026.

(iii) Summary of agreement on limitation of liability

In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with its external directors and corporate auditors to limit their liability for damages, which is stipulated in Article 423, Paragraph 1 of the Companies Act. The amount of the liability limit under these agreements is the amount provided for by the relevant laws and regulations.

(iv) Directors and officers liability insurance contract

The Company has entered into a directors and officers liability insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, covering all of the directors, corporate auditors, and executive officers of the Company and certain of the Company's domestic and overseas subsidiaries. The insurance contract excludes damages arising from criminal acts or intentionally illegal acts committed by the insured, but covers damages and others in the event that an insured assumes liability for damages arising from his or her act (including inaction) in the course of performing his or her duties. The insurance premiums are fully borne by the Company.

(v) Compensation for directors and corporate auditors

A. Policy for determining the content of compensation, etc. for individual directors

(a) Method used to decide the policy

The Company adopted a resolution regarding the policy for determining the content of compensation, etc. for individual directors at a meeting of the Board of Directors held on February 12, 2021. Under this policy, the Company determines compensation, etc. for individual directors through an evaluation combining the multiple compensation elements described below. This approach takes into account the responsibility of each director not only for the Company's non-consolidated business results for a single fiscal year, but also for the sustainable enhancement of the corporate value of the Group. Furthermore, it aims to appropriately reflect the degree of contribution commensurate with each director's responsibilities, ensuring that each director's compensation is at an objectively appropriate level.
When determining the specific compensation, etc. for individual directors, the Committee for Appointment and Remuneration—which is composed of external directors, external auditors, and the Chairman of the Board of Directors, and was established to ensure management transparency, fairness, and the appropriateness of compensation—analyzes compensation levels at other companies of comparable business scale and industry, and reports the results of this analysis to the Board of Directors. Based on the committee's report, the Board of Directors determines the amount of compensation, etc. for individual directors within the overall limits established by resolution of the General Meeting of Shareholders.
In this way, the Committee for Appointment and Remuneration comprehensively reviews and examines draft proposals submitted by the Board of Directors—which address compensation standards and the individual evaluations of internal directors—in light of the Company's policy for determining the content of compensation, etc. for individual directors. The committee then submits its recommendations to the Board of Directors, which makes its decisions in accordance with those recommendations. Accordingly, the Company believes that such compensation is consistent with the policy.

(b) Overview of the content of the policy

Compensation for internal directors consists of a basic compensation paid as a fixed monthly amount, annual performance-linked compensation (executive bonuses) based on the Company's operating results for the relevant fiscal year, and stock-based compensation provided through the Board Benefit Trust: a performance-based stock-based compensation system tied to the achievement of annual performance targets. This composition is designed to reflect a multifaceted evaluation—including directors' role in the appropriate oversight of the Company's overall management, as well as their responsibilities regarding the Company's standalone performance for the fiscal year and the sustainable enhancement of the Group's corporate value, and the degree to which their duties contribute to their respective positions. In contrast, from the perspective of

ensuring fair and appropriate oversight of the Company's overall management, compensation for external directors consists solely of basic compensation.
Details regarding the fixed compensation, annual performance-linked compensation (executive bonuses), and stock-based compensation for individual directors of the Company are shown below. The Company does not specify the proportion of each component—basic compensation, annual performance-linked compensation, and stock-based compensation—that makes up the total compensation for internal directors, as it has established a system to evaluate each type of compensation individually.

- Basic compensation
  This is fixed monthly compensation paid in accordance with the compensation standards for each position established by the Board of Directors based on the recommendations of the Committee for Appointment and Remuneration. The positions held by each director are also determined by the Board of Directors based on the recommendations of the Committee for Appointment and Remuneration.
- Annual performance-linked compensation (executive bonuses)
  Annual performance-linked compensation is determined based on a standard calculated using the Company's non-consolidated operating profit margin and other performance indicators, taking into account evaluations of each internal director's contribution and the extent to which they have fulfilled their duties. Annual performance-linked compensation (executive bonuses) is profit-sharing style compensation provided to internal directors with the primary objective of enhancing their motivation to strive for improved performance in each fiscal year. The compensation standards are determined by the Board of Directors based on the recommendations of the Committee for Appointment and Remuneration, and the Committee for Appointment and Remuneration determines the evaluation of each internal director.
- Stock-based compensation
  Stock-based compensation is determined based on standards established for each position, measuring performance as the degree to which each fiscal year's consolidated operating profit result meets the performance targets set out in the medium-term management plan. The primary purpose of stock-based compensation is to encourage each internal director to contribute to the Group's medium- to long-term performance and the enhancement of its corporate value. The standards for each position are determined by the Board of Directors based on the recommendations of the Committee for Appointment and Remuneration.

B. Decisions by the General Meeting of Shareholders concerning compensation, etc. for directors and corporate auditors

The maximum amounts of compensation, etc. for directors and corporate auditors of the Company have been established by resolution, as follows.

(a) The maximum annual amount of compensation for directors was set at ¥500 million (including a maximum annual amount of ¥60 million for external directors) by resolution of the 114th Ordinary General Meeting of Shareholders held on September 27, 2018. There were eight directors (including three external directors) in office at the conclusion of that General Meeting of Shareholders. Subsequently, at the 117th Ordinary General Meeting of Shareholders held on September 29, 2021, a resolution was adopted to change the maximum annual amount of compensation for external directors to ¥90 million. There were eight directors (including four external directors) in office at the conclusion of that General Meeting of Shareholders.

(b) The introduction of a stock-based compensation system for directors (excluding external directors), with a maximum number of 45,000 points awarded per three fiscal years and a maximum contribution of ¥180 million for the purchase of shares, was approved by resolution of the 112th Ordinary General Meeting of Shareholders held on September 29, 2016. Subsequently, at the 121st Ordinary General Meeting of Shareholders held on September 26, 2025, a resolution was adopted to specify the calculation method for monetary contributions to the trust, without setting an upper limit for such contributions. There were three directors (excluding external directors) in office at the conclusion of that General Meeting of Shareholders.

(c) The maximum annual amount of compensation for corporate auditors was set at ¥100 million by resolution of the 102nd Ordinary General Meeting of Shareholders held on September 28, 2006. There were five corporate auditors in office when the resolution was adopted.

C. Total amounts of compensation, etc. for directors and corporate auditors

Category	Total amount of compensation, etc. (Millions of yen)	Total amount of each type of compensation, etc. (Millions of yen)			Number of recipients
		Basic compensation	Performance-linked compensation (executive bonuses)	Non-monetary compensation, etc. (stock-based compensation)	
Directors	293	212	46	36	7
[of which, external directors]	[72]	[72]	[-]	[-]	[4]
Corporate auditors	89	89	-	-	4
[of which, external auditors]	[29]	[29]	[-]	[-]	[2]
Total	382	301	46	36	11
[of which, external directors and auditors]	[101]	[101]	[-]	[-]	[6]

Notes: 1. There were seven directors (including four external directors) and four corporate auditors (including two external auditors) as of June 30, 2026.

2. Non-monetary compensation, etc. (stock-based compensation) refers to the amount of expenses recorded for the fiscal year under the Board Benefit Trust (BBT).

(vi) Matters relating to external directors and auditors

A. Significant concurrent positions at other corporations and the relationship between the Company and those other corporations

- Director Hiroyuki Nishi concurrently serves as Chairman & Representative Director of Nissay Credit Guarantee Co., Ltd. The Company has no special relationship with Nissay Credit Guarantee Co., Ltd.
- Director Kozo Ishida concurrently serves as External Director of Seiko Electric Co., Ltd. The Company has no special relationship with Seiko Electric Co., Ltd.
- Director Yoshimi Nakajima concurrently serves as Outside Director of Japan Freight Railway Company, Outside Director of SEKISUI HOUSE, LTD., Specially-Appointed Professor of the Graduate School of Project Design, and Outside Director of Tokio Marine & Nichido Fire Insurance Co., Ltd. The Company has no special relationship with Japan Freight Railway Company, SEKISUI HOUSE, LTD., or Tokio Marine & Nichido Fire Insurance Co., Ltd. The Company participates in research projects hosted by the Graduate School of Project Design; however, the transaction amount in the fiscal year ended June 30, 2026, was ¥13 million, and the Graduate School of Project Design is not a business partner that has a significant influence on the Company’s decision-making.
- Corporate Auditor Isao Utsunomiya concurrently serves as Representative Partner of Tsukiji Accounting Tax Corporation. The Company has no special relationship with Tsukiji Accounting Tax Corporation.
- Corporate Auditor Soya Honda concurrently serves as Director of Soya Honda Law Office and External Director of bBreak Systems Co., Ltd. The Company has no special relationship with Soya Honda Law Office or bBreak Systems Co., Ltd.

B. Main activities during the fiscal year ended June 30, 2026

Category	Name	Main activities (overview of duties performed relating to the role expected of external directors)
Director	Hiroyuki Nishi	Attended all 16 meetings of the Board of Directors held during the fiscal year and appropriately fulfilled the role expected of external directors by providing accurate advice and supervision of management. This included providing opinions concerning deliberation of the agenda as necessary based on his extensive experience and broad insight, primarily in the corporate management and risk management of other companies.
Director	Norio Uchida	Attended all 16 meetings of the Board of Directors held during the fiscal year and appropriately fulfilled the role expected of external directors by providing accurate advice and supervision of management. This included providing opinions concerning deliberation of the agenda as necessary based on his extensive experience and broad insight, primarily in the corporate management and international sales activities of other companies.
Director	Kozo Ishida	Attended all 16 meetings of the Board of Directors held during the fiscal year and appropriately fulfilled the role expected of external directors by providing accurate advice and supervision of management. This included providing opinions concerning deliberation of the agenda as necessary based on his extensive experience and broad insight, primarily in the corporate management and research and development activities of other companies.
Director	Yoshimi Nakajima	Attended all 16 meetings of the Board of Directors held during the fiscal year and appropriately fulfilled the role expected of external directors by providing accurate advice and supervision of management. This included providing opinions concerning deliberation of the agenda as necessary based on her extensive experience and broad insight, primarily in the corporate management and international sales activities of other companies.
Corporate Auditor	Isao Utsunomiya	Attended all 16 meetings of the Board of Directors and all 20 meetings of the Board of Corporate Auditors held during the fiscal year and provided opinions concerning deliberation of the agenda as necessary, mainly from a specialist perspective as a certified public tax accountant.
Corporate Auditor	Soya Honda	Attended all 16 meetings of the Board of Directors and all 20 meetings of the Board of Corporate Auditors held during the fiscal year and provided opinions concerning deliberation of the agenda as necessary, mainly from a specialist perspective as an attorney.

(4) Independent Auditor

(i) Name of Independent Auditor

PricewaterhouseCoopers Japan LLC

(ii) Independent Auditor's compensation, etc., for the fiscal year ended June 30, 2026

	Amount (Millions of yen)
Compensation, etc., for the fiscal year ended June 30, 2026	133
Total cash and other benefits payable by the Company or its subsidiaries	145

Notes:
1. The amounts of audit fees for audits based on the Companies Act and those based on the Financial Instruments and Exchange Act are not separately specified under the Company's auditing agreement with the Independent Auditor, and cannot be separated for practical purposes. The table above, therefore, presents the total amount of these fees.
2. The Board of Corporate Auditors has reviewed the content of the Independent Auditor's audit plan, its performance of duties in previous business years, and the basis for calculating its estimated compensation, by obtaining the necessary materials from internal departments and the Independent Auditor and auditing their reports. Based on this review, it believes that compensation, etc., for the Independent Auditor is at a reasonable level to maintain and improve audit quality, and has given its consent under Article 399, Paragraph 1 of the Companies Act.
3. Certain of the Company's material subsidiaries, such as overseas subsidiaries, are audited by audit firms other than the Company's Independent Auditor.

(iii) Non-audit services

The Company has paid a consideration to the Independent Auditor for advisory and other services relating to financial closing.

(iv) Decision policy on the dismissal or non-reappointment of the Independent Auditor

If the Board of Corporate Auditors believes that the Independent Auditor falls under any of the grounds for dismissal stipulated in Article 340, Paragraph 1 of the Companies Act, it shall dismiss the Independent Auditor upon the unanimous consent of the Corporate Auditors. In addition, the Board of Corporate Auditors shall comprehensively assess the Independent Auditor's performance of duties, and if it determines that the appropriateness and reliability of the audit cannot be ensured, it will consider submitting a proposal regarding the dismissal or non-reappointment of the Independent Auditor to the General Meeting of Shareholders.

~~~~~~

Note: Amounts, numbers of shares, and ratios in this Business Report are rounded off to the nearest unit.
~~~~~~

Consolidated Financial Statements
Consolidated Balance Sheets

(As of June 30, 2026)

(Unit: Millions of yen)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	302,010	Current liabilities	122,759
Cash on hand and in banks	105,006	Notes and accounts payable - trade	39,166
Notes and accounts receivable - trade, and contract assets	89,463	Short-term loans payable	9,698
Securities	11,993	Lease obligations	982
Merchandise and finished goods	4,735	Income taxes payable	4,122
Work in process	47,820	Contract liabilities	39,929
Raw materials and supplies	18,517	Accrued employees' bonuses	7,020
Other	24,834	Accrued directors' bonuses	159
Allowance for doubtful accounts	(358)	Accrued warranty costs	1,740
Non-current assets	112,032	Provision for loss on order received	178
Property, plant and equipment	80,379	Other	19,764
Buildings and structures	31,167	Long-term liabilities	42,068
Machinery, equipment and vehicles	25,276	Long-term loans payable	34,533
Tools, furniture and fixtures	2,451	Lease obligations	3,446
Land	8,917	Deferred tax liabilities	487
Leased assets	4,083	Net defined benefit liability	2,192
Construction in progress	8,485	Provision for share awards for employees	27
Intangible assets	6,057	Provision for board benefit trust	481
Leased assets	41	Asset retirement obligations	429
Software	3,485	Other	474
Other	2,531	Total liabilities	164,827
Investments and other assets	25,597	(Net Assets)	
Investment securities	10,452	Shareholders' equity	215,972
Net defined benefit asset	1,774	Capital stock	20,873
Deferred tax assets	6,267	Capital surplus	3,988
Other	10,030	Retained earnings	192,078
Allowance for doubtful accounts	(2,926)	Treasury shares	(967)
		Accumulated other comprehensive income	24,996
		Valuation difference on available-for-sale securities	989
		Foreign currency translation adjustment	21,982
		Remeasurements of defined benefit plans	2,025
		Non-controlling interests	8,248
		Total net assets	249,216
Total assets	414,042	Total liabilities and net assets	414,042

(Note) Figures presented in the financial statements are rounded off to the nearest million yen.

Consolidated Statements of Income

(July 1, 2025–June 30, 2026)

(Unit: Millions of yen)

Description	Amount	
Net sales		269,130
Cost of sales		191,404
Gross profit		77,725
Selling, general and administrative expenses		58,127
Operating profit		19,598
Non-operating income		
Interest income	606	
Dividend income	751	
Share of profit of entities accounted for using equity method	810	
Other	1,629	3,796
Non-operating expenses		
Interest expenses	679	
Foreign exchange losses	1,081	
Other	1,726	3,486
Ordinary profit		19,908
Extraordinary income		
Gain on sale of investments in capital of subsidiaries and associates	7,793	
Gain on sale of non-current assets	110	
Gain on termination of retirement benefit plan	43	7,946
Extraordinary losses		
Impairment losses	339	
Extra retirement payments	1,067	
Loss on liquidation of subsidiaries and associates	103	1,509
Income before income taxes		26,346
Current income taxes	8,811	
Deferred income taxes	(1,205)	7,606
Net income		18,740
Net Income attributable to non-controlling interests		1,648
Net income attributable to owners of parent		17,092

(Note) Figures presented in the financial statements are rounded off to the nearest million yen.

Consolidated Statements of Changes in Equity
(July 1, 2025–June 30, 2026)

(Unit: Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	20,873	3,912	185,228	(498)	209,514
Changes of items during the period					
Dividends of surplus			(8,094)		(8,094)
Net income attributable to owners of parent			17,092		17,092
Purchase of treasury shares				(487)	(487)
Disposal of treasury shares				19	19
Change in ownership interest of parent due to transactions with non-controlling interests		76			76
Change in scope of consolidation			(2,148)		(2,148)
Net changes of items other than shareholders' equity					
Total changes of items during the period	–	76	6,850	(468)	6,458
Balance at the end of current period	20,873	3,988	192,078	(967)	215,972

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	506	13,520	(75)	13,951	7,615	231,080
Changes of items during the period						
Dividends of surplus						(8,094)
Net income attributable to owners of parent						17,092
Purchase of treasury shares						(487)
Disposal of treasury shares						19
Change in ownership interest of parent due to transactions with non-controlling interests						76
Change in scope of consolidation						(2,148)
Net changes of items other than shareholders' equity	483	8,463	2,099	11,045	633	11,678
Total changes of items during the period	483	8,463	2,099	11,045	633	18,136
Balance at the end of current period	989	21,982	2,025	24,996	8,248	249,216

(Note) Figures presented in the financial statements are rounded off to the nearest million yen.

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(As of June 30, 2026)

(Unit: Millions of yen)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	165,425	Current liabilities	64,541
Cash on hand and in banks	47,340	Electronically recorded obligations - operating	9,688
Notes receivable - trade	29	Accounts payable - trade	11,424
Electronically recorded monetary claims - operating	2,087	Current portion of long-term loans payable	6,770
Accounts receivable - trade, and contract assets	47,992	Lease obligations	41
Securities	11,993	Accounts payable - other	8,856
Finished goods	559	Contract liabilities	13,592
Raw materials	7,474	Deposits received	9,801
Work in process	20,290	Accrued employees' bonuses	1,014
Short-term loans receivable	12,849	Accrued warranty costs	512
Accounts receivable - other	11,752	Provision for loss on order received	111
Other	3,059	Other	2,732
Non-current assets	85,116	Long-term liabilities	37,044
Property, plant and equipment	44,970	Long-term loans payable	33,915
Buildings	11,726	Lease obligations	119
Structures	221	Provision for defined benefit plans	2,080
Machinery and equipment	19,570	Provision for share awards for employees	27
Vehicles	22		
Tools, furniture and fixtures	670	Provision for board benefit trust	481
Land	6,098	Asset retirement obligations	213
Leased assets	142	Other	211
Construction in progress	6,521	Total liabilities	101,585
Intangible assets	3,750	(Net Assets)	
Patent right	721	Shareholders' equity	148,041
Software	2,351	Capital stock	20,873
Other	678	Capital surplus	4,582
Investments and other assets	36,396	Legal capital surplus	105
Investment securities	1,486	Other capital surplus	4,477
Shares of subsidiaries and associates	13,916	Retained earnings	123,552
Investments in capital of subsidiaries and associates	10,606	Legal retained earnings	5,113
		Other retained earnings	118,438
Long-term loans receivable	3,162	Reserve for advanced depreciation of non-current assets	308
Guarantee deposits	273		
Deferred tax assets	6,452		
Other	2,415	Retained earnings brought forward	118,131
Allowance for doubtful accounts	(1,913)		
		Treasury shares	(965)
		Valuation and translation adjustments	915
		Valuation difference on available-for-sale securities	915
		Total net assets	148,956
Total assets	250,541	Total liabilities and net assets	250,541

(Note) Figures presented in the financial statements are rounded off to the nearest million yen.

Non-consolidated Statements of Income

(July 1, 2025–June 30, 2026)

(Unit: Millions of yen)

Description	Amount	
Net sales		87,172
Cost of sales		65,903
Gross profit		21,269
Selling, general and administrative expenses		29,736
Operating profit (loss)		(8,467)
Non-operating income		
Interest and dividend income	15,859	
Rent income	265	
Other	602	16,726
Non-operating expenses		
Interest expenses	563	
Assets for lease expenses	181	
Other	1,269	2,013
Ordinary profit		6,246
Extraordinary income		
Gain on sale of investments in capital of subsidiaries and associates	3,353	
Gain on termination of retirement benefit plan	43	3,396
Extraordinary losses		
Extra retirement payments	970	
Impairment losses	297	1,268
Income before income taxes		8,374
Current income taxes	1,014	
Deferred income taxes	(2,253)	(1,239)
Net income		9,613

(Note) Figures presented in the financial statements are rounded off to the nearest million yen.

Non-consolidated Statements of Changes in Equity

(July 1, 2025–June 30, 2026)

(Unit: Millions of yen)

	Shareholders' equity									
	Capital stock	Capital surplus			Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings		
						Reserve for advanced depreciation of non-current assets	Retained earnings brought forward			
Balance at the beginning of current period	20,873	105	4,477	4,582	4,684	333	117,015	122,032	(497)	146,990
Changes of items during the period										
Dividends of surplus							(8,094)	(8,094)		(8,094)
Provision of legal retained earnings due to dividends of surplus					429		(429)	–		—
Reversal of reserve for advanced depreciation of non-current assets						(25)	25	–		—
Net income							9,613	9,613		9,613
Purchase of treasury shares									(487)	(487)
Disposal of treasury shares									19	19
Net changes of items other than shareholders' equity										
Total changes of items during the period	–	–	–	–	429	(25)	1,115	1,519	(468)	1,051
Balance at the end of current period	20,873	105	4,477	4,582	5,113	308	118,131	123,552	(965)	148,041

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of current period	468	468	147,458
Changes of items during the period			
Dividends of surplus			(8,094)
Provision of legal retained earnings due to dividends of surplus			-
Reversal of reserve for advanced depreciation of non-current assets			-
Net income			9,613
Purchase of treasury shares			(487)
Disposal of treasury shares			19
Net changes of items other than shareholders' equity	447	447	447
Total changes of items during the period	447	447	1,498
Balance at the end of current period	915	915	148,956

(Note) Figures presented in the financial statements are rounded off to the nearest million yen.