[Translation for reference only]
ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT
This is an English translation of the original Japanese-language document and is provided for convenience only. In all cases, the Japanese-language original shall take precedence.

July 31, 2026

Company name:	MEISEI INDUSTRIAL CO., LTD.
Name of representative:	Tetsuji Yanase, Representative Director and President (Securities code: 1976; Tokyo Stock Exchange, Prime)
Inquiries:	Atsuo Tanaka, Executive Officer, General Manager of Finance Division (Telephone: +81-6-6447-0275)

Regarding Measures to Achieve Management Conscious of Capital Cost and Stock Price（Update）

At today's Board of Directors meeting, we analyzed and evaluated the current status of "Measures to Achieve Management Conscious of Capital Costs and Stock Prices" disclosed on July 31, 2025, and updated the status of our efforts toward improvement.

Additionally, to further develop our growth strategy and efforts to improve capital efficiency, we plan to announce a new medium-term management plan starting in fiscal 2027.

For more details, please refer to the attached document "Responses to Realizing Management Mindful of Capital Costs and Stock Prices."

Please take a look.

Regarding Measures to Achieve Management Conscious of Capital Cost and Stock Price

(Updated July 2026)

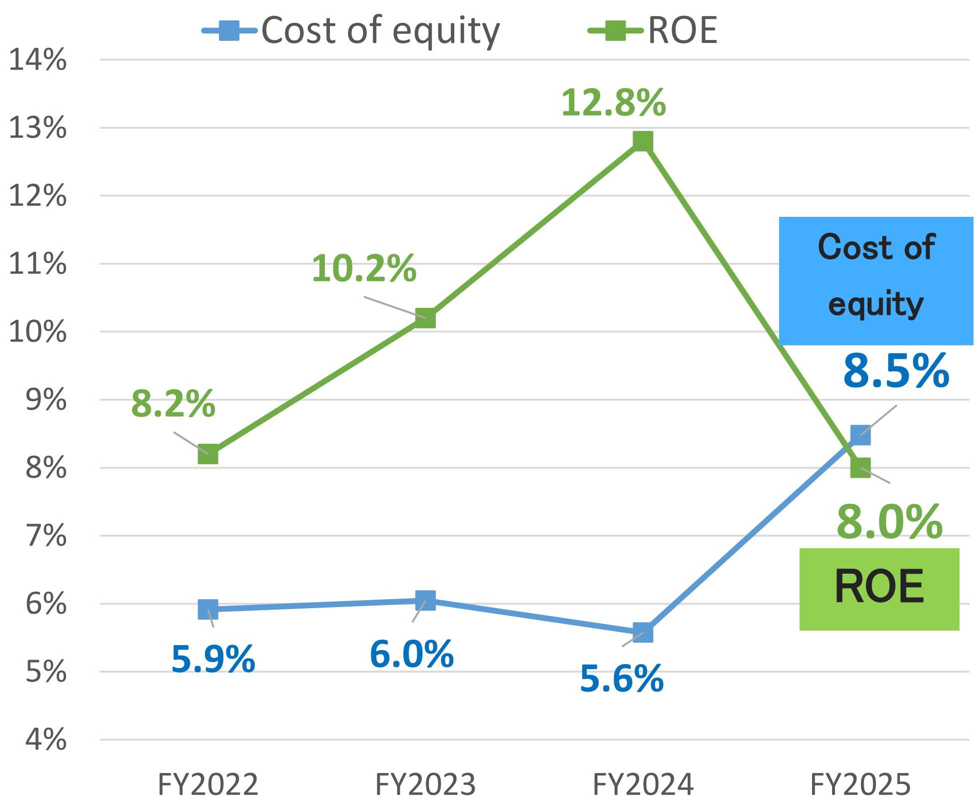
July 31, 2026

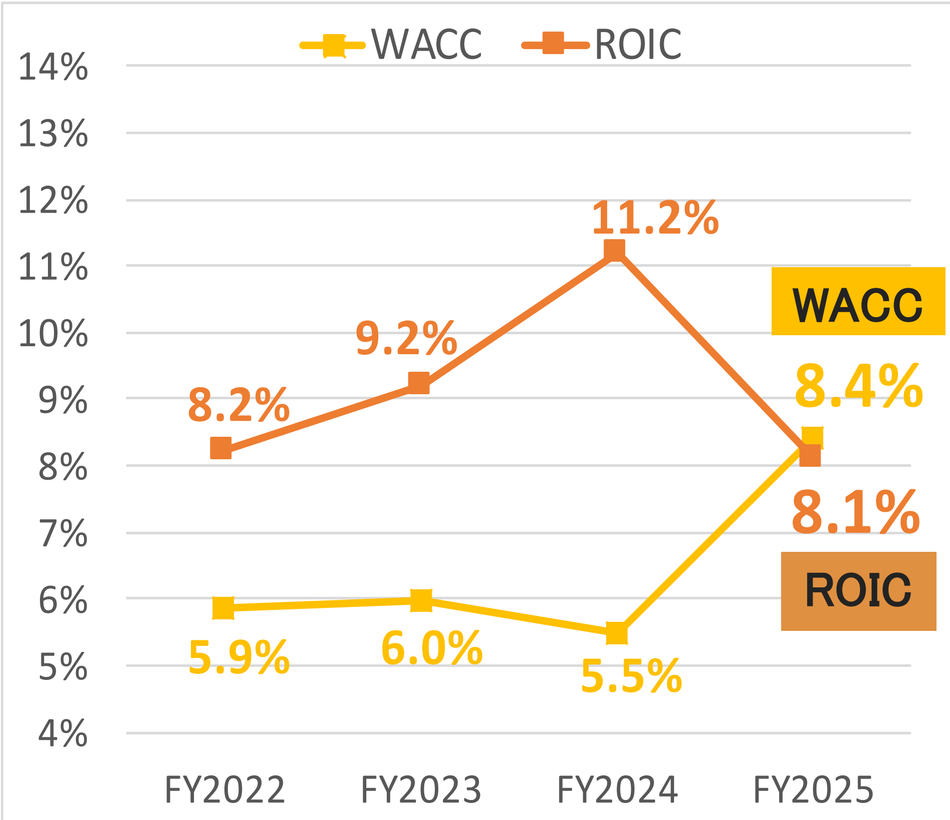
Meisei Industrial Co., Ltd.

Tokyo Stock Exchange Prime 1976

【Capital Cost-Related Indicators (Actual Results)】

- Fiscal Year 2025: ROE 8.0% and ROIC 8.1% both decreasing.
- Our company's expected cost of equity of 8.5% It remained below the WACC level of 8.4%.





【Capital Cost-Related Indicators (Factors Contributing to Increases in Cost of Equity)】

- Increase in risk-free rates due to rising long-term interest rates (1.33% ➡2.54%)
- Increase in the Company's beta (0.72➡1.08)

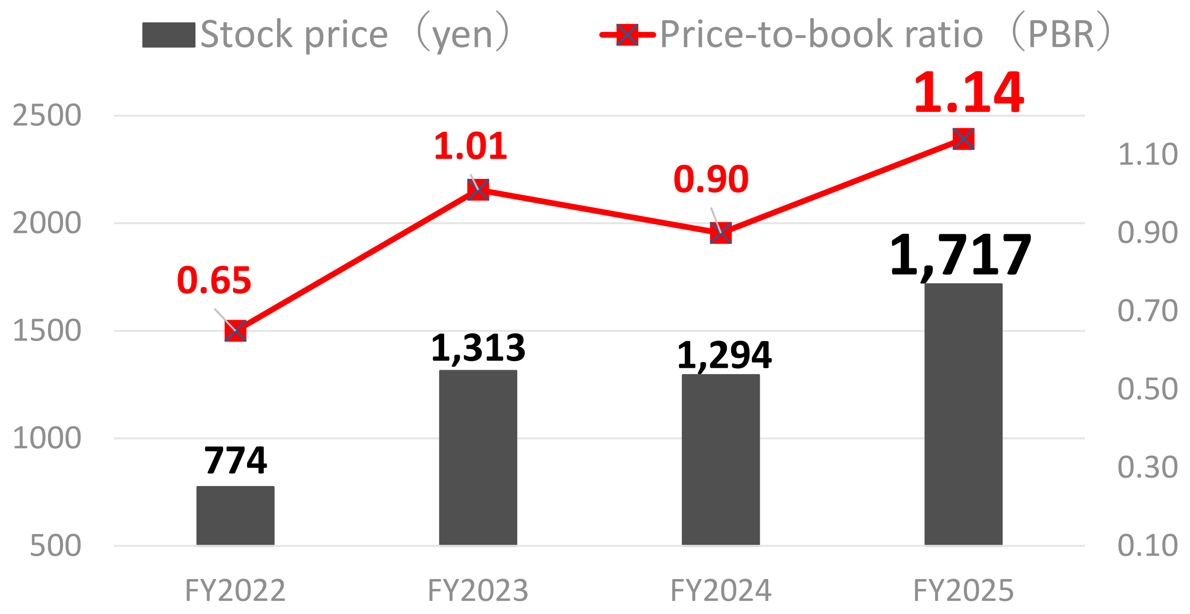
Risk-Free Rate 2.54% ＋ Beta 1.08 × Risk Premium 5.5%

＝ Cost of Equity 8.5%

- Risk-free rate
  - ➢ 10-Year Government Bond Yield
- Beta
  - ➢ Stock price sensitivity to overall market movements
- Risk Premium
  - ➢ Average values from the historical method and the implied method

【Market Valuation Indicators (Actual Result)】

- Market valuation indicators, including PBR, PER, and stock price, have continued to improve.
  In particular, PBR has exceeded 1.0.



It is presumed that the improved market evaluation of medium- to long-term growth strategies and capital policies is behind this.

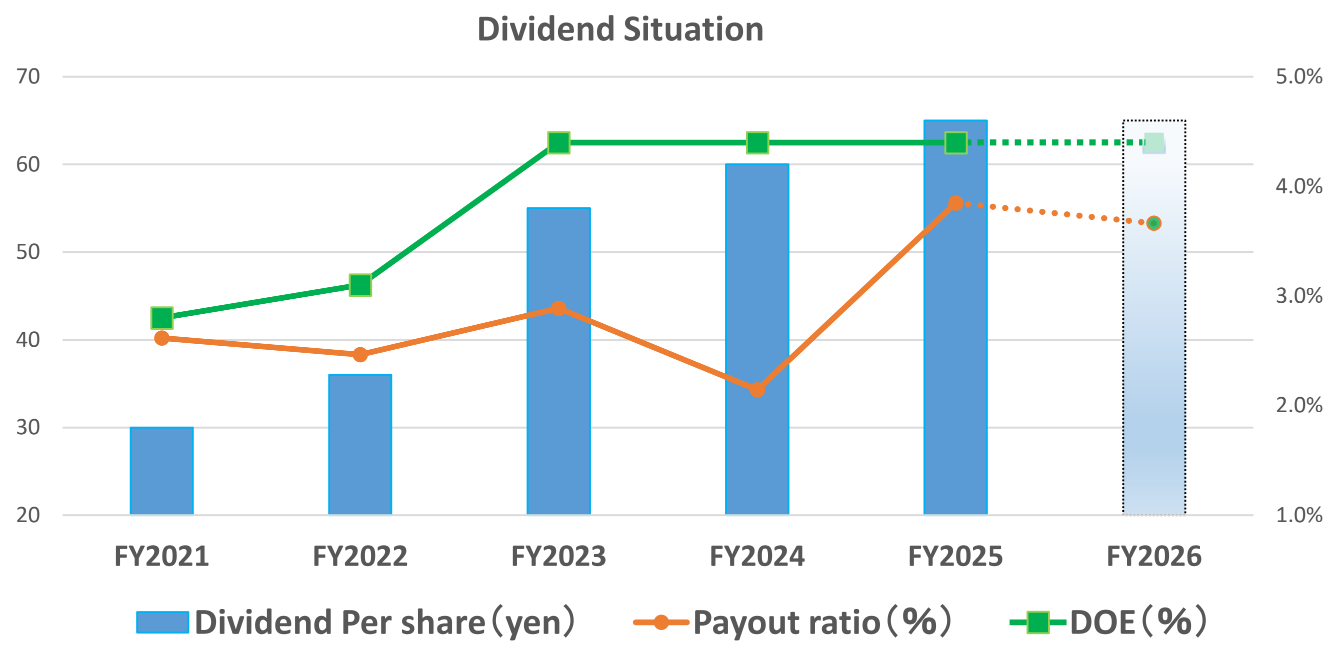
【Policy and Progress Based on Current Analysis】

・Recognizing the improvement of capital efficiency as a challenge in light of declining ROE and other factors.
Positioning capital efficiency as a key issue, with the following policy Progress and steadily carry out these actions.

Policy and Implementation Status During the Medium-Term Management Plan Period		
Policy Progress		Implementation status
Enhancement of Growth Strategy	■ Strengthening the business foundation in the domestic market, Active Expansion into Overseas Markets ■ Proactive implementation of growth investments, including human capital ■ Continuous development of next-generation energy-enabled technologies	■ Liquefied Hydrogen and LNG Tank Insulation Work, Data Center Interior Work, and Large-Scale Industrial Boiler Contract (Domestic) ■ Completion of the large-scale (major) periodical repair work (domestic) ■ LNG shipping and receiving terminals, insulation work for copper refining Construction (Indonesia & Taiwan) ■ New personnel system to be introduced from fiscal year 2026 ■ Promotion of next-generation construction methods through collaboration with customers
Strengthening capital policy	■ Enhancement of shareholder returns ■ Flexible treasury stock acquisitions considering capital efficiency and other factors ■ Consideration of reducing policy shareholdings	■ Introducing DOE indicators into the basic dividend policy ■ Flexible Stock Buybacks (1.6 billion yen in fiscal year 2024, 2.7 billion yen in fiscal year 2025) ■ Five Strategic Holdings Stocks sold in Fiscal Year 2025
Proactive IR Development of Activities	■ Enhancement of integrated reports and English disclosures ■ Strengthening the Sustainability Promotion System ■ Continuous information dissemination through dialogue with investors	■ Comprehensive content of integrated reports ■ Track Record of Individual IR Meetings (29th in 2024, 62nd in 2025) ■ FY2027~ New Medium-Term Management Plan Scheduled to Be Announced

【Dividend Status Trends】

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026（Forecast）
Dividend per share	30 yen	36 yen	55 yen	60 yen	65 yen	**65 yen**
Payout ratio	40.2%	38.3%	43.6%	34.3%	55.6%	**53.3%**
DOE	2.8%	3.1%	4.4%	4.4%	4.4%	**At least 4.0%**



【Medium-Term Management Plan 2024-2026 Cash Allocation Plan and Results】

Cash Allocation Plan			Results for FY 2024, 2025
Investment 13 billion yen	Research and Development 3.5 billion yen	Development of next-generation energy technologies, consideration of alternative raw materials, and more	0.4 billion yen
	growth investment 8 billion yen	New office (boiler) 8 billion yen Manufacturing equipment capacity enhancement 500 million yen DX investment 2 billion yen M&A and others 3 billion yen	2.4 billion yen
	Maintenance and renewal 1.5 billion yen	Maintenance and Renewal of Existing Equipment and Offices	0.5 billion yen
			Investment record 3.5 billion yen
Shareholder Returns 7 billion yen + α	dividend 7 billion yen		5.8 billion yen
	Acquisition of treasury stock		4.4 billion yen
			Shareholder Returns 10.2 billion yen