

[Translation for Reference and Convenience Purposes Only]

Note. This document has been translated to English from the Japanese original for reference and convenience purposes only. In the event of any discrepancy between this translated document and the Japanese original, the Japanese original shall prevail.

Nippon Sanso Holdings Corporation

(Securities Code: 4091)

[Notice of Convocation of the 21st Ordinary General Meeting of Shareholders]

Date and time: Wednesday, June 18, 2025, 10:00 a.m. (Registration desk open from 9:00 a.m.)

Venue: Grand Prince Hotel Takanawa, in Prince Room on basement floor B1
3-13-1 Takanawa, Minato-ku, Tokyo

Agenda:

- | | |
|-------------|---|
| Proposal 1: | Appropriation of surplus |
| Proposal 2: | Election of nine directors |
| Proposal 3: | Election of one Audit & Supervisory Board member |

* The General Meeting of Shareholders will be streamed live on the Internet. For details, please refer to “Guide to Live Streaming” below. Video recording of part of the Meeting is also scheduled to be made available on our corporate website from late June (<https://www.nipponsanso-hd.co.jp/ir/stock/meeting.html>) (Japanese language version only).

*Only this Notice of Convocation and the ballot form will be sent to shareholders who did not request paper copy.

Important Notice – Trading of Nippon Sanso Holdings Corporation Common Stock, Disclaimer Regarding Un-sponsored American Depository Receipts

Nippon Sanso Holdings Corporation (“NSHD”) encourages anyone interested in buying or selling its common stock to do so on the Tokyo Stock Exchange, which is where its common stock is listed and primarily trades. NSHD’s disclosures are not intended to facilitate trades in, and should not be relied on for decisions to trade, un-sponsored American Depository Receipts (“ADRs”).

NSHD has not and does not participate in, support, encourage, or otherwise consent to the creation of any un-sponsored ADR programs or the issuance or trading of any ADRs issued thereunder in respect of its common stock. NSHD does not represent to any ADR holder, bank or depository institution, nor should any such person or entity form the belief, that (i) NSHD has any reporting obligations within the meaning of the U.S. Securities Exchange Act of 1934 (“Exchange Act”) or (ii) NSHD’s website will contain on an ongoing basis all information necessary for NSHD to maintain an exemption from registering its common stock under the Exchange Act pursuant to Rule 12g3-2(b) thereunder.

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To Our Shareholders

Representative Director, President CEO

Toshihiko Hamada

We would like to express our sincere gratitude to all shareholders for your continued support and confidence in our business operations.

We are pleased to inform you that we are convening our 21st Ordinary General Meeting of Shareholders.

The global economy during the current fiscal year experienced moderate growth amidst prolonged geopolitical issues, global price increases, and uncertainties arising from regime changes in major countries.

Under these circumstances, our Group has been continually striving to improve our profitability through ongoing activities to improve the Group-wide productivity and price management to ensure the value of our products is accurately reflected in their pricing. In addition, there was a positive impact from the weakening yen. Meanwhile, we incurred a temporary impairment loss due to the cancellation of a hydrogen-related project that was ongoing in the United States.

As a result, for the current fiscal year, we saw an increase in revenue but a decrease in profit. However, we continue to generate stable cash flow, and the adjusted net D/E ratio^{*}, one of our financial KPIs in our Medium-term Management Plan, is steadily improving towards the target. Therefore, prioritizing shareholder returns, we would like to seek your approval for our proposal to increase the year-end dividend for the current fiscal year by 3 yen to 27 yen per share at the 21st Ordinary General Meeting of Shareholders. This will make the total dividend for the current fiscal year, including the interim dividend, 51 yen.

Looking at the global situation, there are many economic uncertainties, such as prolonged geopolitical risks and significant changes in trade and foreign exchange environments. However, our Group will remain vigilant regarding these developments and continue our efforts to enhance the corporate value, while emphasizing our relationships with our stakeholders, particularly our shareholders.

We respectfully ask our esteemed shareholders for your continued guidance and support.

May 2025

^{*}A financial indicator of safety (fiscal soundness) calculated by taking into account hybrid finance instruments with 50% recognized as capital by rating agencies.

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To Our Shareholders

1-3-26, Koyama, Shinagawa-ku, Tokyo, Japan
Nippon Sanso Holdings Corporation
Toshihiko Hamada, Representative Director, President CEO

Notice of Convocation of the 21st Ordinary General Meeting of Shareholders

Nippon Sanso Holdings Corporation (“we” or “Company”) will hold its 21st Ordinary General Meeting of Shareholders (“Meeting”) as detailed below.

In convening the Meeting, the Company is providing the information contained in the reference documentation, etc. for the general meeting of shareholders electronically (Electronically Provided Information) on the following websites. Please access one of the websites to review the material.

Corporate Website

<https://www.nipponsanso-hd.co.jp/en/ir/stock/meeting.html>

Tokyo Stock Exchange website (Tokyo Stock Exchange Listed Company Search Service)

<https://www2.jpx.co.jp/tseHpFront/JJK020030Action.do?Show=Show>

(Access the above Tokyo Stock Exchange website and enter “Nippon Sanso Holdings” in the “Issue name (company name)” field, or enter our securities Code “4091” in the “Code” field, to search for the Company, and select “Basic Information” tab, then the “Documents for public inspection/PR information” tab, and access the “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting” under the “Filed information available for public inspection” to review the material.)

If you are unable to attend the Meeting, you may exercise your voting rights using any of the methods described below. Please review the reference documentation for the general meeting of shareholders and exercise your voting rights **no later than 5:40 p.m. on Tuesday, June 17, 2025.**

By Postal Mail

Indicate your approval or disapproval of each of the proposals on the ballot form that will be sent together with this Notice of Convocation and return it by mail to arrive by the deadline given above.

Via the Internet, Etc.

Access our designated shareholder voting website (<https://soukai.mizuho-tb.co.jp/> [in Japanese only]) and vote on the tendered proposals by the deadline given above.

Meeting of Shareholders

1. **Date and time:** Wednesday, June 18, 2025, 10:00 a.m.
(Registration desk open from 9:00 a.m.)
2. **Venue** Grand Prince Hotel Takanawa, in Prince Room on basement floor B1
3-13-1 Takanawa, Minato-ku, Tokyo
3. **Agenda**
 - Matters to Be Reported**
 1. Reports on the business, the consolidated financial statements and the findings of audits of the consolidated financial statements carried out by the accounting auditor and the Audit & Supervisory Board for the FYE2025 March (April 1, 2024, to March 31, 2025)
 2. Report on the non-consolidated financial statements for the FYE2025 March (April 1, 2024, to March 31, 2025)
 - Matters to Be Resolved**
 - Proposal 1:** Appropriation of surplus
 - Proposal 2:** Election of nine directors
 - Proposal 3:** Election of one Audit & Supervisory Board member

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- If you plan to exercise your voting rights by proxy, you may authorize another shareholder with voting rights to attend the Meeting on your behalf. Your proxy will need to present written proof of his or her power to act as your proxy.
 - If you plan to attend the Meeting, please bring the ballot form that will be sent together with this Notice of Convocation with you and present it at the registration desk.
 - If electronically provided information is revised, the fact that it has been revised and the information before and after the revision will be posted on each of the above-stated websites.
 - Only this Notice of Convocation and the ballot will be sent to shareholders who did not request paper copy.
 - Among the electronically provided information, the following are to be omitted from the documents to be delivered to shareholders who requested paper copies in accordance with the provisions of applicable Japanese law and Article 17 of our Articles of Incorporation. Therefore, they are not included in the documents:

1. “System to Ensure the Appropriateness of Business Operations and Implementation Status of Such Systems” and “Basic Policy on the Control over the Company” in the business report
2. “Consolidated statement of changes in equity” and “Notes to consolidated financial statements” in consolidated financial statements
3. “Statement of changes in equity” and “Notes to non-consolidated financial statements” in non-consolidated financial statements

The matters stated in the aforesaid section 1. are included in the business report audited by the Audit & Supervisory Board members for preparation of the audit report. Also, the matters stated in the aforesaid section 2. and 3. are included in the consolidated and non-consolidated financial statements audited by the accounting auditor and the Audit & Supervisory Board members for preparation of the accounting audit report and the audit report.

- A paper copy of the result of the resolutions at this Meeting will not be sent by postal mail, and will be posted on the corporate website (<https://www.nipponsanso-hd.co.jp/en/ir/stock/meeting.html>) after the conclusion of this Meeting.

If you have any questions about the Electric Provision and request of paper copies, you may contact the following number of our Shareholder Directory Administrator, Mizuho Trust & Banking Co., Ltd., or, if any, securities company you have an account.

-Number dedicated to the Electric Provision: 0120-524-324 (toll-free, 9:00 a.m. to 5:00 p.m. except Saturday, Sunday and Japanese National Holiday) [in Japanese only]

-FAQ for the Electric Provision: [in Japanese only]

https://contact.www.mizuho-tb.co.jp/category/show/72?site_domain=daikou

Instructions for Voting

You may exercise your voting rights using any of the following three methods.

- **Attendance at the Meeting**^{*1}

Present the ballot form that will be sent together with this Notice of Convocation at the registration desk when you arrive for the Meeting. (You do not need to affix your seal or signature.)

Date and time: Wednesday, June 18, 2025, 10:00 a.m. (Registration desk open from 9:00 a.m.)

- **By postal mail**^{*2}

Indicate your approval or disapproval of each of the proposals on the ballot form that will be sent together with this Notice of Convocation and return it by postal mail (No mailing stamp required within Japan) (You do not need to affix your seal or signature.).

Deadline: The ballot must be received no later than 5:40 p.m. on Tuesday, June 17, 2025.

- **Via the Internet, Etc.**

Access our designated shareholder voting website (<https://soukai.mizuho-tb.co.jp/> [in Japanese only]) and follow the on-screen instructions to enter your vote.

Deadline: 5:40 p.m. on Tuesday, June 17, 2025.



More information on next page

*1 If you plan to attend the Meeting in person, there is no need to submit a ballot by postal mail or via the Internet, etc.

*2 If the approval or disapproval of each of the proposals is not indicated on the returned ballot form, company proposals will be deemed to be approved, and shareholder proposals will be deemed to be disapproved.

Note for Institutional Investors

You may also exercise your voting rights by making use of the Electronic Voting Platform (run by Investor Communications Japan).

Instructions for Voting via the Internet, etc.

[Method 1: Scanning QR code® “Smart Vote”]

You can simply login to the website for exercising voting rights without entering your voting code and password.

1 Please scan the QR code® located on the bottom right of the ballot form.

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

2 Indicate your approval or disapproval by following the instructions on the screen.

Note that your voting rights can be exercised **only once** by using the “Smart Vote” method.

If you need to make a correction to the content of your vote after you have exercised your voting rights, please access the website for personal computer and login by entering your “voting code” and “password” printed on the ballot form, and exercise your voting rights again.

* You can access the website for personal computer by scanning the QR code® again.

[Method 2: Entering voting code and password]

1 Please access the shareholder voting website. <https://soukai.mizuho-tb.co.jp/> [in Japanese only].

Click “Next.”

2 Enter your “voting code” printed on the ballot form.

Enter the “voting code.”

Click “Next.”

3 Enter your password printed on the ballot form.

Enter the “initial password.”

Set the new password you are going to use.

Click “Register.”

4 Indicate your approval or disapproval by following the instructions on the screen.

Matters to Be Noted:

- (1) The deadline for voting is 5:40 p.m. on Tuesday, June 17, 2025. You will need to complete the voting process by that time. We encourage you to vote early.
- (2) In the event votes submitted via the Internet (including via “Smart Vote”) are duplicated by the submission of a written ballot, the votes submitted via the Internet will prevail. If votes are submitted multiple times via the Internet, the final vote will prevail.
- (3) Passwords (including new passwords set by shareholders after initial login) will be valid for this Meeting only. New passwords will be issued for the next General Meeting of Shareholders.
- (4) Shareholders will bear any costs incurred for voting via the Internet.

In case you need instructions for how to operate your personal computer/smartphone/mobile phone, etc. in order to exercise your voting rights via the Internet, please contact:

Securities Agent Dept. of Mizuho Trust & Banking Co., Ltd. Internet Help Dial 0120-768-524 [in Japanese only]
(9:00 a.m. to 9:00 p.m. (excluding the year-end and New Year holidays season) (JST)

Guide to Live Streaming

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Reference Documentation

For the General Meeting of Shareholders

Proposal 1: Appropriation of surplus

The Company proposes that the surplus be appropriated as follows.

1. Year-end dividend

Our proposed year-end dividend for this term is detailed below. This reflects our interest in using our internal reserves to improve and reinforce the Company's management foundation, as well as our core policy of returning profits to our shareholders on a stable and sustained basis, in keeping with our dividend policy, which takes into account linkages with consolidated results.

(1) Type of dividend

Cash

(2) Allocation and total amount of dividend

27 yen per common share in the Company

Total dividend: 11,688,406,488 yen

(3) Effective date of distribution of dividend from surplus

June 19, 2025

Including the interim dividend of 24 yen per share that was paid in December last year, the total annual dividend will be 51 yen per share.

2. Other matters concerning the appropriation of surplus

None

Proposal 2: Election of nine directors

The terms of office of nine directors (Toshihiko Hamada, Kenji Nagata, Thomas Scott Kallman, Raoul Giudici, Miri Hara, Katsumi Nagasawa, Masako Miyatake, Hideo Nakajima, and Katsuhito Yamaji) will expire at the conclusion of this Meeting. Accordingly, the Company proposes the election of nine directors (including five outside directors).

The candidates for directors are listed below.

| No. | Name | Gender | Current position and responsibilities | Note |
|-----|------------------|--------|---|--|
| 1. | Toshihiko Hamada | Male | Chairman of the Board of Directors Representative Director, President CEO Member of Advisory Committee on Appointments and Remuneration | Reappointment |
| 2. | Kenji Nagata | Male | Director | Reappointment |
| 3. | Raoul Giudici | Male | Director | Reappointment |
| 4. | Miri Hara | Female | Director Member of Advisory Committee on Appointments and Remuneration | Reappointment outside director independent |
| 5. | Katsumi Nagasawa | Male | Director Chairman of Advisory Committee on Appointments and Remuneration | Reappointment outside director independent |
| 6. | Masako Miyatake | Female | Director Member of Advisory Committee on Appointments and Remuneration | Reappointment outside director independent |
| 7. | Hideo Nakajima | Male | Director Member of Advisory Committee on Appointments and Remuneration | Reappointment outside director independent |
| 8. | Katsuhito Yamaji | Male | Director Member of Advisory Committee on Appointments and Remuneration | Reappointment outside director independent |
| 9. | Naoto Yabe | Male | - | New appointment |

Notes

The candidates for directors were selected by the Board of Directors following recommendations by the Advisory Committee on Appointments and Remuneration*, which consists of the Representative Director, President CEO and independent outside directors. The Company has established Standards for the Independence of Outside Directors and the Audit & Supervisory Board members, detailed on Page 25. These standards have been met by the five candidates nominated for outside director positions in this Proposal.

* See "Reference: Advisory Committee on Appointments and Remuneration" on page 25 below for the outline of the Advisory Committee on Appointments and Remuneration.

<Skills Matrix of Candidates for Directors>

The Company believes that members of the Board of Directors shall be composed of diverse individuals with the knowledge and experience required for corporate management in order for the Board of Directors to function more effectively. Accordingly, the fields of particular importance to the Group management are defined as Corporate Management, Financial Affairs & Accounting, Legal Affairs & Risk Management, Sales & Marketing, Development & Technology, and Production & Procurement. The knowledge and experience acquired by all of the officers through their career and in their expert areas comprise the necessary skills for the Group to promote sustainability management. The Company will strive to further enhance the effectiveness of the Board of Directors, assigning personnel with such knowledge and experience in the right places at the right time.

| No. | Name | Skills Matrix: areas of expertise and experience of candidates for Directors | | | | | | | | |
|-----|------------------|--|--------------------------------|---------------------------------|-------------------|--------------------------|--------------------------|---------------------|--|--------------|
| | | Corporate Management | Financial Affairs & Accounting | Legal Affairs & Risk Management | Sales & Marketing | Development & Technology | Production & Procurement | Overseas Assignment | Business Experience at Other Companies | Independence |
| 1. | Toshihiko Hamada | • | | | • | • | | • | | |
| 2. | Kenji Nagata | • | | | • | | | • | | |
| 3. | Raoul Giudici | • | | | • | | | • | • | |
| 4. | Miri Hara | | • | | | | | | • | • |
| 5. | Katsumi Nagasawa | • | | | | • | • | • | • | • |
| 6. | Masako Miyatake | | | • | | | | • | • | • |
| 7. | Hideo Nakajima | | • | • | | | | • | • | • |
| 8. | Katsuhito Yamaji | • | | | | • | • | • | • | • |
| 9. | Naoto Yabe | • | | | • | • | | | • | |

* Detailed Definition of Skills

Corporate Management: Career background as president (CEO), corporate executive officer or executive officer of a publicly listed company; or president (CEO) of a local subsidiary of a global company

Business Experience at Other Companies: work experience at companies other than the Group companies or the parent group companies

1



Reappointment

Number of Company shares owned:
7,200

Years of service as a director:
5

Record of attendance at the Board of
Directors meetings:
12 appearances at 12 meetings

Toshihiko Hamada (Date of birth: September 28, 1956) Male

Career summary, position and responsibilities in the Company

- April 1981 Joined the Company
- July 2002 Executive Vice President responsible for Specialty Gas Technology, Matheson Tri-Gas, Inc.
- October 2005 Deputy general manager of Semiconductor Gas Section of Electronics Division, the Company
- April 2006 General manager of Semiconductor Gas Section of Electronics Division, the Company
- January 2010 Subordinate directly to General manager of Electronics Division and general manager of Business Strategy Promotion Section, the Company
- June 2014 Managing director, NISSAN TANAKA CORPORATION
- June 2016 Senior managing director, NISSAN TANAKA CORPORATION
- June 2017 President and representative director, NISSAN TANAKA CORPORATION
- June 2020 Executive vice president (aid to the president), Director of the Company
- June 2021 Representative Director, President CEO, the Company (current)

Significant concurrent positions

None

Reasons for nomination as candidate for director position

After experiencing a wide range of sales activities for semiconductor gas in Japan and overseas, and serving as the general manager of the Semiconductor Gas Section, Toshihiko Hamada assumed the position of president and representative director of NISSAN TANAKA CORPORATION from June 2017 to June 2020. Having engaged in groupwide management as an assistant to the president after assuming the posts of executive vice president and director in the Company in June 2020, he has served as the Representative Director, President CEO of the Company since June 2021.

In view of his extensive background, we have nominated Mr. Hamada for a position as director in the expectation that his experience and insight will contribute significantly to enhancing Group management.

Special interests

Toshihiko Hamada has no special interests in the Company.

2

Kenji Nagata (Date of birth: February 28, 1959) Male



Reappointment

Number of Company shares owned:
12,700

Years of service as a director:
7

Record of attendance at the Board of
Directors meetings:
12 appearances at 12 meetings

Career summary, position and responsibilities in the Company

| | |
|--------------|--|
| April 1981 | Joined the Company |
| June 2009 | President, National Oxygen Pte. Ltd. (now Leeden National Oxygen Ltd.) |
| June 2013 | Executive officer, general manager of North Kanto Branch, the Company |
| April 2016 | Executive officer, deputy general manager of Industrial Gases Division, general manager of Gases Business Unit, general manager of Product Management Unit, the Company |
| June 2016 | Senior executive officer, deputy general manager of Industrial Gases Division, general manager of Gases Business Unit, general manager of Product Management Unit, the Company |
| April 2017 | Senior executive officer, general manager of Industrial Gases Division, the Company |
| June 2018 | Senior managing executive officer, director, general manager of Industrial Gases Division, the Company |
| October 2020 | Director, the Company (current), Representative Director, President, TAIYO NIPPON SANSO CORPORATION (current) |

Significant concurrent positions

Representative Director, President, TAIYO NIPPON SANSO CORPORATION

Reasons for nomination as candidate for director position

Kenji Nagata has wide-ranging experience in the areas of industrial gas logistics, sales, and planning. Following his tenure as president of one of our overseas subsidiaries and as general manager of our North Kanto Branch, he was appointed to serve as general manager of our Industrial Gases Division from April 2017 to September 2020. After the Company moved to a holding company structure in October 2020, he assumed Representative Director, President, TAIYO NIPPON SANSO CORPORATION which is our group company engaging in the industrial gases business in Japan. In view of his extensive background, we have nominated Mr. Nagata for a position as director in the expectation that his experience and insight will contribute significantly to Group management.

Special interests

Kenji Nagata has no special interests in the Company.

3



Reappointment

Number of Company shares owned:
0

Years of service as a director:
1

Record of attendance at the Board of
Directors meetings:
10 appearances at 10 meetings

Raoul Giudici (Date of birth: June 25, 1969) Male

Career summary, position and responsibilities in the Company

- September 1995 Joined Rivoira S.p.A. (now Nippon Gases Italia S.r.l.)
- March 2004 Director Marketing and Bulk Sales Development, Rivoira S.p.A
- February 2007 European Marketing Director, Praxair Euroholding S.L.
- January 2010 Sales and Marketing Director Italy, Rivoira S.p.A.
- February 2013 Managing Director, Rivoira S.p.A.
- November 2013 Managing Director, President, Rivoira S.p.A.
- January 2015 Managing Director, President, Praxair Italia S.r.l. (now Nippon Gases Italia S.r.l.)
- April 2024 Executive Vice President, Nippon Gases Euro Holding S.L.U.
- June 2024 Director of the Company (current)
- July 2024 Chairman and President, Nippon Gases Euro-Holding S.L.U. (current)

Significant concurrent positions

Chairman and President, Nippon Gases Euro-Holding S.L.U.

Reasons for nomination as candidate for director position

Raoul Giudici has worked for many years in the industrial gas business in Europe, and was in charge of Italy at the European business of Praxair, Inc., acquired by the Company. Since 2024, he has been serving as the Chairman and President of Nippon Gases Euro Holding S.L.U., which manages the Group's European business.

In view of his extensive background, we have nominated Mr. Giudici for a position as director in the expectation that his experience and insight will contribute significantly to Group management.

Special interests

Raoul Giudici has no special interests in the Company.

4



Reappointment

outside director

independent

Number of Company shares owned:

0

Years of service as an outside director:

4

Record of attendance at the Board of

Directors meetings:

12 appearances at 12 meetings

Miri Hara (Date of birth: December 20, 1961) Female

Career summary, position and responsibilities in the Company

| | |
|--------------|--|
| June 1988 | Director, Hara Jisho Co., Ltd. (current) |
| October 2017 | Founded Tax Corporation Yokohama Benten Accounting, Inc., and assumed Representative Certified Public Tax Accountant (current) |
| June 2020 | Outside director, SECOM CO., LTD. (current) |
| June 2021 | Outside director, the Company (current) |
| October 2024 | Auditor (part time), Hitotsubashi University (current) |

Significant concurrent positions

Representative Certified Public Tax Accountant, Tax Corporation Yokohama Benten Accounting, Inc.
 Outside director, SECOM CO., LTD.
 Auditor (part time), Hitotsubashi University

Reasons for nomination as candidate for outside director position

Miri Hara has served as a director of real estate management company over many years, and also has wide-ranging experience of serving as Representative Certified Public Tax Accountant of Tax Corporation, and an outside director at another publicly listed company. We have nominated Ms. Hara as a candidate for outside director in the expectation that she will effectively apply her wide experience and professional expertise of corporate accounting as a Certified Public Tax Accountant and viewpoint of promoting diversity and women's empowerment to the management of our Group.

Special interests

Miri Hara has no special interests in the Company.

Reporting of independent director status

Miri Hara is a candidate for the position of outside director. Also, she satisfies the requirements for independent directors as set forth by the Securities Listing Regulations of the Tokyo Stock Exchange, and we have notified the Tokyo Stock Exchange of her selection as an independent director. If this Proposal is approved and adopted, we will notify the Tokyo Stock Exchange of her continued selection as an independent director.

Overview of liability limitation agreement

With regard to liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act, the Company and Miri Hara have entered into a liability limitation agreement that limits said liability to the amount stipulated by law in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. This agreement with Ms. Hara will be extended if she is reelected as a director.

5

Katsumi Nagasawa (Date of birth: October 18, 1956) Male



Reappointment

outside director

independent

Number of Company shares owned:
900

Years of service as an outside
director:
3

Record of attendance at the Board of
Directors meetings:
12 appearances at 12 meetings

Career summary, position and responsibilities in the Company

| | |
|--------------|---|
| April 1980 | Joined Hitachi, Ltd. |
| April 2006 | General Manager of Nuclear Power Business Development & Management Division, Nuclear Systems Division, Power Systems Group, Hitachi, Ltd. |
| October 2008 | Vice President of Hitachi Power Systems America, Ltd. (now Mitsubishi Power Americas, Inc. ※) |
| October 2010 | General Manager of Global Business Division, Power Systems Company, Hitachi, Ltd. |
| January 2011 | General Manager of Global Business Division, Power Systems Company, Hitachi, Ltd., and CSO of Hitachi-GE Nuclear Energy, Ltd. |
| April 2012 | Corporate Officer for Hitachi, Ltd.; General Manager of Hitachi Works, Power Systems Company, Power Systems Group, Hitachi, Ltd. |
| April 2014 | Vice President and Executive Officer, President & CEO of Power Systems Company, Power Systems Group, Hitachi, Ltd. |
| April 2016 | Vice President and Executive Officer, CEO of Nuclear Business Unit, Hitachi, Ltd. |
| April 2017 | Senior Corporate Officer for Hitachi, Ltd., General Manager of Global Nuclear Business Division, Nuclear Business Unit, Hitachi, Ltd. |
| April 2019 | Chairman of the Board, Hitachi-GE Nuclear Energy, Ltd. |
| June 2020 | Outside director, Sugino Machine Limited (current) |
| June 2022 | Outside director, the Company (current) |

Significant concurrent positions

Outside director, Sugino Machine Limited

Reasons for nomination as candidate for outside director position

Katsumi Nagasawa had been engaged in the nuclear power business for many years at a general electrical appliance manufacturer, and subsequently served as a corporate executive officer of the company and as the chairman of the board of directors of its group company, among other important positions. We have nominated Mr. Nagasawa as a candidate for outside director in the expectation that he will effectively apply his wide experience and professional expertise in the field of technology, and a wealth of experience in corporate management in the manufacturing industry to the management of our Group.

Special interests

Katsumi Nagasawa has no special interests in the Company.

Reporting of independent director status

Katsumi Nagasawa is a candidate for the position of outside director. Also, he satisfies the requirements for independent directors as set forth by the Securities Listing Regulations of the Tokyo Stock Exchange, and we have notified the Tokyo Stock Exchange of his selection as an independent director. If this Proposal is approved and adopted, we will notify the Tokyo Stock Exchange of his continued selection as an independent director.

Overview of liability limitation agreement

With regard to liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act, the Company and Katsumi Nagasawa have entered into a liability limitation agreement that limits said liability to the amount stipulated by law in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. This agreement with Mr. Nagasawa will be extended if he is reelected as a director.

※The nuclear power-related business of the former Hitachi Power Systems America, Ltd. was transferred to Hitachi America, Ltd.

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Reappointment

outside director

independent

Number of Company shares owned:
0

Years of service as an outside director:
3

Record of attendance at the Board of
Directors meetings:
12 appearances at 12
meetings

Masako Miyatake (Date of birth: August 19, 1958) Female

Career summary, position and responsibilities in the Company

| | |
|----------------|--|
| April 1983 | Joined The Chase Manhattan Bank N.A (now JPMorgan Chase Bank, N.A.) |
| October 2002 | Registered as an attorney (Deregistered in 2011 to study abroad and reregistered in 2014) |
| October 2002 | Joined Koga & Partners |
| June 2004 | Joined Asahi & Koma Law Offices (now Nishimura & Asahi) |
| November 2014 | Joined Nakano Law Office |
| November 2014 | Reconciliator, Dispute Reconciliation Center for Nuclear Damage Compensation regarding Fukushima Nuclear Plant, Ministry of Education, Culture, Sports, Science and Technology (current) |
| April 2015 | Conciliation Commissioner, Tokyo Family Court (current) |
| April 2018 | Joined Blakemore & Mitsuki (current) |
| December 2018 | Deputy Secretary-General, Japan International Dispute Resolution Center |
| March 2019 | Outside director, SUMIDA CORPORATION |
| April 2019 | Visiting Professor, Keio University Law School |
| April 2021 | Professor, Keio University Law School |
| June 2022 | Outside director, the Company (current) |
| April 2024 | Visiting Professor, Keio University Law School (current) |
| September 2024 | Visiting Professor, Graduate School of Law, Kobe University (current) |

Significant concurrent positions

Visiting Professor, Keio University Law School
 Visiting Professor, Graduate School of Law, Kobe University
 Special Counsel, Blakemore & Mitsuki

Reasons for nomination as candidate for outside director position

Having accumulated a wealth of experience as an international lawyer over many years, Masako Miyatake has been practicing law in the fields of international transactions, finance, corporate governance, and litigation, arbitration and conciliation. Furthermore, she served as an outside director at another publicly listed company. We have nominated her as a candidate for outside director in the expectation that she will effectively apply her wide experience and professional expertise as an attorney as well as her wide experience in international transactions and global point of view to the management of our Group. Aside from her duties as an outside director, Dr. Miyatake has not been directly involved in corporate management. However, we believe she is capable of effectively fulfilling the role of an outside director at our Company, for the reasons given above.

Special interests

Masako Miyatake has no special interests in the Company.

Reporting of independent director status

Masako Miyatake is a candidate for the position of outside director. Also, she satisfies the requirements for independent directors as set forth by the Securities Listing Regulations of the Tokyo Stock Exchange, and we have notified the Tokyo Stock Exchange of her selection as an independent director. If this Proposal is approved and adopted, we will notify the Tokyo Stock Exchange of her continued selection as an independent director.

Overview of liability limitation agreement

With regard to liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act, the Company and Masako Miyatake have entered into a liability limitation agreement that limits said liability to the amount stipulated by law in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. This agreement with Ms. Miyatake will be extended if she is reelected as a director.

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Hideo Nakajima (Date of birth: July 23, 1955) Male



Reappointment

outside director

independent

Number of Company shares owned:

0

Years of service as an outside director:

2

Record of attendance at the Board of Directors meetings:

12 appearances at 12 meetings

Career summary, position and responsibilities in the Company

| | |
|----------------|---|
| April 1978 | Joined the Ministry of Finance of Japan |
| July 2002 | Director General of Budgeting and Personnel Management, Asian Development Bank (in Manila, Philippines) |
| July 2005 | Commissioner, Japan Fair Trade Commission (in charge of international affairs) |
| January 2014 | Secretary General, Japan Fair Trade Commission |
| September 2017 | Special Advisor, White & Case LLP/White & Case Law Offices (Registered Association) (current) |
| June 2023 | Outside director, the Company (current) |

Significant concurrent positions

Special Advisor, White & Case LLP/White & Case Law Offices (Registered Association)

Reasons for nomination as outside director position

Hideo Nakajima has occupied important posts at the Ministry of Finance and the Japan Fair Trade Commission. He is currently serving as a special advisor to a law firm that provides global services. We have nominated him as a candidate for outside director in the expectation that he will apply his wealth of experience and professional expertise to the management of our Group. Mr. Nakajima has not been directly involved in corporate management. However, we believe he is capable of effectively fulfilling the role of an outside director at our Company, for the reasons given above.

Special interests

Hideo Nakajima has no special interests in the Company.

Reporting of independent director status

Hideo Nakajima is a candidate for the position of outside director. Also, he satisfies the requirements for independent directors as set forth by the Securities Listing Regulations of the Tokyo Stock Exchange and we have notified the Tokyo Stock Exchange of his selection as an independent director. If this Proposal is approved and adopted, we will notify the Tokyo Stock Exchange of his continued selection as an independent director.

Overview of liability limitation agreement

With regard to liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act, the Company and Hideo Nakajima have entered into a liability limitation agreement that limits said liability to the amount stipulated by law in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. This agreement with Mr. Nakajima will be extended if he is reelected as a director.

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Reappointment

outside director

independent

Number of Company shares owned:
0

Years of service as an outside
director:
2

Record of attendance at the Board of
Directors meetings:
12 appearances at 12 meetings

Katsuhito Yamaji (Date of birth: November 28, 1958) Male

Career summary, position and responsibilities in the Company

| | |
|--------------|---|
| April 1982 | Joined Yamaha Motor Co., Ltd. |
| April 2003 | Director, Yamaha Motor da Amazonia Ltda. |
| July 2009 | Senior General Manager, Manufacturing and Engineering Section, Technology Center, Yamaha Motor Co., Ltd. |
| March 2012 | Executive Officer, Senior General Manager, EG Manufacturing Section, Manufacturing Center, Yamaha Motor Co., Ltd. |
| January 2014 | Executive Officer, Chief General Manager, Manufacturing Center, Yamaha Motor Co., Ltd. |
| March 2015 | Senior Executive Officer, Chief General Manager, Manufacturing Center, Yamaha Motor Co., Ltd. |
| January 2017 | Senior Executive Officer, Chief General Manager, Manufacturing Center, concurrently in charge of Procurement Center, Yamaha Motor Co., Ltd. |
| March 2017 | Senior Executive Officer and Director, Yamaha Motor Co., Ltd. |
| March 2019 | Managing Executive Officer and Director, Yamaha Motor Co., Ltd. |
| March 2022 | Advisor, Yamaha Motor Co., Ltd. |
| June 2023 | Outside director, the Company (current) |
| June 2024 | Outside director, ENSHU Limited (current) |

Significant concurrent positions*

Outside director, ENSHU Limited

Reasons for nomination as candidate for outside director position

Katsuhito Yamaji has worked for many years in the areas of technology development and production and procurement at a transport equipment manufacturer, and engaged in management after assuming the post of a director. We have nominated Mr. Yamaji as a candidate for outside director in the expectation that he will effectively apply his professional expertise in overall technology and wide experience including procurement, as well as experience in corporate management in the manufacturing industry, to the management of our Group.

Special interests

Katsuhito Yamaji has no special interests in the Company.

Reporting of independent director status

Katsuhito Yamaji is a candidate for the position of outside director. Also, he satisfies the requirements for independent directors as set forth by the Securities Listing Regulations of the Tokyo Stock Exchange and we have notified the Tokyo Stock Exchange of his selection as an independent director. If this Proposal is approved and adopted, we will notify the Tokyo Stock Exchange of his continued selection as an independent director.

Overview of liability limitation agreement

With regard to liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act, the Company and Katsuhito Yamaji have entered into a liability limitation agreement that limits said liability to the amount stipulated by law in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. This agreement with Mr. Yamaji will be extended if he is reelected as a director.

*Katsuhito Yamaji served as a director for Yamaha Motor Co., Ltd. until March 2022. In June 2024, Yamaha Motor Co., Ltd. was directed by the Ministry of Land, Infrastructure, Transport and Tourism to suspend shipment of certain motorcycle models and became the subject of an on-site inspection in connection with inappropriate handling of applications submitted for motorcycle model designations. These motorcycles were sold by Yamaha Motor Co., Ltd. during the time Mr. Yamaji served as a director there.

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Naoto Yabe (Date of birth: August 17, 1966) Male



New appointment

Number of Company shares owned:
0

Career summary, position and responsibilities in the Company

| | |
|------------|---|
| July 2003 | Project Faculty Member for Research Center Formation, Graduate School of Science, the University of Tokyo |
| April 2007 | Joined McKinsey & Company, Inc., Japan |
| April 2017 | Executive Officer, Vice President, General Manager of Cardiovascular, Renal, Metabolism & Gastroenterology Business Unit, CVRM Global Portfolio and Product Strategy Japan lead, AstraZeneca K.K. |
| June 2020 | Executive Officer, General Manager of New Business Development Department, Mitsubishi Chemical Corporation |
| April 2021 | Executive Manager, General Manager of Innovation Promotion Division, Mitsubishi Chemical Corporation |
| April 2022 | General Manager of Innovation Division, Mitsubishi Chemical Holdings Corporation (now Mitsubishi Chemical Group Corporation) |
| April 2023 | Executive Officer, Supervising - strategy, Director of Corporate Planning Department, Mitsubishi Chemical Group Corporation |
| April 2024 | Executive Officer, Chief Strategy Officer, Mitsubishi Chemical Group Corporation |
| April 2025 | Executive Officer, Chief Strategy Officer, Mitsubishi Chemical Corporation (current) General Manager of Strategy Office, Mitsubishi Chemical Group Corporation (current) |

Significant concurrent positions

Executive Officer, Chief Strategy Officer, Mitsubishi Chemical Corporation
General Manager of Strategy Office, Mitsubishi Chemical Group Corporation

Reasons for nomination as candidate for director position

Naoto Yabe has extensive experience in consulting at a global consulting firm, where he was involved in a broad range of consulting services, including corporate strategy and organizational transformation. He also served as an executive officer and general manager of the business unit at a global biopharmaceutical company, and he has since been engaged in the management as an executive office at Mitsubishi Chemical Group Corporation and its subsidiary. In light of his background, we have nominated him as a candidate for Director, with the expectation that his experience and insight will contribute to the management of our Group.

Special interests

Naoto Yabe has no special interests in the Company.

*The section “Career summary, position and responsibilities in the Company” above for Naoto Yabe includes his positions and responsibilities as a person responsible for business execution at Mitsubishi Chemical Group Corporation, our parent company, and its subsidiary over the past 10 years.

(Note) Matters common to all candidates for directors

The Company has entered into a directors and officers (D&O) liability insurance agreement with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. In the event that claims for damages including third party litigations, derivative lawsuits, and corporate litigations are made against the insured persons including directors of the Company due to the acts in the course of their duties as directors and officers of the Company, the said insurance agreement shall compensate for legal damages and litigation expenses to be borne by the insured. (However, the said insurance agreement shall not cover damages arising from any criminal acts, etc. committed by the insured.) If each candidate is reelected or elected, each candidate will be insured under the said insurance agreement. Also, the Company intends to renew the said insurance agreement at the time of next renewal.

Proposal 3: Election of one Audit & Supervisory Board member

The term of office of Audit & Supervisory Board member Akihiro Hashimoto will expire at the conclusion of this Meeting. Accordingly, the Company proposes election of one Audit & Supervisory Board member. This Proposal has the consent of the Audit & Supervisory Board. The candidate for Audit & Supervisory Board member is as follows.

[Notes]

The candidate for Audit & Supervisory Board member was selected by the Board of Directors following recommendation by the Advisory Committee on Appointments and Remuneration*, which consists of the Representative Director, President CEO, and independent outside directors.

*See “Reference: Advisory Committee on Appointments and Remuneration” on page 25 below for the outline of the Advisory Committee on Appointments and Remuneration.



New appointment

outside Audit & Supervisory Board member

independent

Number of Company shares owned:
0

Riki Shibata (Date of birth: December 18, 1961) Male

Career summary, position and responsibilities in the Company

| | |
|------------|---|
| April 1986 | Joined Dai-Ichi Kangyo Bank, Ltd. (now Mizuho Bank, Ltd.) |
| April 2017 | Executive Officer, General Manager of Global Markets Coordination Department, Mizuho Financial Group, Inc. Executive Officer, General Manager of Global Markets Coordination Department, Mizuho Bank, Ltd. |
| April 2018 | Managing Executive Officer, Deputy Head of Global Markets Company, Mizuho Financial Group, Inc. Managing Executive Officer, Co-Head of Global Markets Division, Mizuho Bank, Ltd. |
| April 2019 | Officer, Mizuho Bank, Ltd. |
| June 2019 | Director and Executive Vice President, NITTOCHI ASSET MANAGEMENT Co., Ltd. (now Chuo-Nittochi Asset Management Co., Ltd.) |
| April 2020 | Advisor, Nippon Tochi-Tatemono Co., Ltd. (now Chuo-Nittochi Co., Ltd.) President & Representative Director, NITTOCHI ASSET MANAGEMENT Co., Ltd. (now Chuo-Nittochi Asset Management Co., Ltd.) |
| April 2025 | Advisor, Nippon Tochi-Tatemono Co., Ltd. (now Chuo-Nittochi Co., Ltd.) Advisor, Chuo-Nittochi Asset Management Co., Ltd. |
| June 2025 | Advisor, Chuo-Nittochi Co., Ltd. Advisor of the Company (scheduled*) |

Significant concurrent positions

None

Reasons for nomination as candidate for outside Audit & Supervisory Board member

Riki Shibata has amassed a long career in financial institutions, and possesses wide-ranging experience in the fields of accounting and finance. In view of his extensive background, we have nominated Mr. Shibata for a position as an outside Audit & Supervisory Board member in the expectation that his experience and insight will contribute significantly to the audit system of our Group.

Special interests

Riki Shibata has no special interests in the Company.

Reporting of independent Audit & Supervisory Board member status

Riki Shibata is a candidate for the position of outside Audit & Supervisory Board member. Also, he satisfies the requirements for independent officers as set forth by the Securities Listing Regulations of the Tokyo Stock Exchange. If this Proposal is approved and adopted, we will notify the Tokyo Stock Exchange of his selection as an independent officer.

*Scheduled to be appointed as Advisor of the Company on June 1, 2025.

(Note) Matters concerning candidate for Audit & Supervisory Board members

The Company has entered into a directors and officers (D&O) liability insurance agreement with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. In the event that claims for damages including third party litigations, derivative lawsuits, and corporate litigations are made against the insured persons including Audit & Supervisory Board members of the Company due to the acts in the course of their duties as directors and officers of the Company, the said insurance agreement shall compensate for legal damages and litigation expenses to be borne by the insured. (However, the said insurance agreement shall not cover damages arising from criminals, etc. committed by the insured.) If candidate is elected, the candidate will be insured under the said insurance agreement. Also, the Company intends to renew the said insurance agreement at the time of next renewal.

Reference: Advisory Committee on Appointments and Remuneration

The Company has established an Advisory Committee on Appointments and Remuneration as a discretionary advisory committee under the Board of Directors. The Company Representative Director, president CEO and five independent outside directors are the members of this committee. The committee is chaired by an independent outside director.

The Board of Directors consults with and receives advice from the Advisory Committee on Appointments and Remuneration on the election of candidates for the position of director and Audit & Supervisory Board member, appointment and removal of the president (CEO), election and dismissal of executive officers, and revisions to the internal regulations governing the remuneration of the Board of Directors, thereby ensuring the transparency and objectivity of decision making.

Reference: Standards for the Independence of Outside Directors and Audit & Supervisory Board members

The Company considers a candidate for the position of Outside Director or Audit & Supervisory Board member to be independent provided the candidate does not fit any of the descriptions listed below as a result of a reasonable and feasible investigation by the Company.

1. A person who executes business for the Company and for a Company subsidiary (collectively the "Group")^{*1}.
2. A person who executes business for the Company's parent company or one of the Company's sister companies.
3. A major shareholder of the Company (who directly or indirectly holds 10% or more of the total voting rights), or a person who executes business for such a shareholder.
4. A major business partner of the Group, or a person who executes business for such a partner:
 - (1) A major supplier^{*3} of the Company or important subsidiary of the Company^{*2}, or a person who executes business for such a supplier
 - (2) A major client^{*4} of the Company or important subsidiary of the Company, or a person who executes business for such a client
 - (3) A major financial institution^{*5} from which the Group raised funds, or a person who executes business for such a financial institution.
5. A person who executes business for an auditing firm which is the Group's accounting auditor.
6. A person who executes business for a company in which an individual with an executive role in the Group serves as an outside director or an outside audit & supervisory board member.
7. A consultant, accounting professional, legal professional or any other individual who receives on average 10 million yen or more in cash or other assets per year in the last three fiscal years from the Group in addition to director's remuneration^{*6}.
8. A person, or board member or other persons executing business for a judicial person, partnership or other organizations, who receives on average 10 million yen or more per year as donation in the last three fiscal years from the Group.
9. A spouse or relative within the second degree of kinship of a person who falls under the following (excluding non-important personnel):
 - (1) A person as described in 1 through 8 above

However, those who are considered applicable shall fall under 1. or 2. above for the past ten years, and under 3 through 8 above for the past three years.

Supplementary provision: These Standards shall be effective for persons newly appointed from April 1, 2022 onwards.

*1 A person who executes business refers to a director, corporate executive officer, executive officer, managing member who executes operations, board member and those equivalent thereto and employees of a judicial person, partnership, or other organizations.

*2 Important subsidiaries of the Company refer to TAIYO NIPPON SANSEI CORPORATION, Matheson Tri-Gas, Inc., Nippon Gases Euro-Holding S.L.U., and THERMOS K.K.

*3 A major supplier refers to a party who received payment of 2% or more of that supplier's annual consolidated net sales in the most recent fiscal year from the Company or its important subsidiaries.

*4 A major client refers to a party to whom the Company or its important subsidiaries sold goods or services of 2% or more of its consolidated net sales in the most recent fiscal year.

*5 A major financial institution refers to a party whose outstanding loans to the Group exceed 2% of the Company's consolidated total assets at the end of the most recent fiscal year.

*6 If the recipient is a judicial person, partnership, or other organization, this includes persons belonging to that organization.

(Attachment)

Business Report

From April 1, 2024
to March 31, 2025

1. Current Status of Corporate Group

(1) Business conditions in fiscal year under review

1) Overview of Business Results for the Fiscal Year Under Review

Nippon Sanso Holdings Group (NSHD Group) delivered positive profit growth for the fiscal year under review (from April 1, 2024 to March 31, 2025) despite macro environment challenges.

Shipment volumes of our core product, air separation gases (oxygen, nitrogen, and argon), remained stable year over year, while overall group shipment volumes declined slightly. However, disciplined price management has helped offset cost pressures, and ongoing productivity initiatives continue to enhance operational efficiency and financial performance. These efforts have enabled the NSHD Group to achieve the following results for the full fiscal year under review. Meanwhile, an impairment loss occurred due to the cancellation of construction plans for a hydrogen production plant which was being built in the United States.

Revenue on a consolidated basis increased by 4.2% year-on-year to ¥1,308,024 million, core operating income increased by 13.9% to ¥189,149 million, operating income decreased by 3.6% to ¥165,906 million, and net income attributable to owners of the parent decreased by 6.7% to ¥98,779 million.

As for the impact of foreign exchange rates year-on-year, JPY depreciated against the USD from ¥145.31 to ¥152.57 (+¥7.26, or +5.0%), against the EUR from ¥157.72 to ¥163.66 (+¥5.94, or +3.8%). As a result, overall revenue and core operating income were favorably impacted by approximately ¥35.3 billion and ¥5.5 billion respectively.

Core operating income is calculated by excluding from operating income certain gains and losses attributable to non-recurring factors such as losses incurred due to business withdrawal or downsizing.

(Overview of business performance by reportable segment)

A breakdown of business performance by reportable segment is as follows.

Segment income represents core operating income.

a. Japan

In the industrial gas-related business, shipment volumes of air separation gases and carbon dioxide declined along with revenue from electronic material gases. However, the equipment and installation segment experienced higher revenues in both industrial gas and electronics-related businesses, driven primarily by medium- and large-scale projects accounted for on a percentage-of-completion basis. Additionally, revenue declined due to two transactions which occurred in the previous fiscal year: the conversion of a consolidated on-site subsidiary into a joint operation entity and the deconsolidation of a subsidiary managing resident-use LP gas. Segment income increased due to moderating electricity costs and stronger equipment and installation sales.

As a result, in the Japan segment, revenue decreased by 1.1% year-on-year to ¥410,009 million and segment income increased by 9.5% to ¥47,090 million.

b. United States

In the industrial gas-related business, revenue grew primarily due to a modest increase in shipment volumes of air separation gases and effective price management. In the equipment and installation segment, sales conditions for industrial gas and electronics-related equipment remained soft. However, segment income improved, driven by the positive impact of price management and ongoing productivity enhancement initiatives.

As a result, in the United States segment, revenue increased by 3.8% year-on-year to ¥360,200 million and segment income increased by 19.5% to ¥59,761 million.

c. Europe

In the industrial gas-related business, shipment volumes of air separation gases remained flat year over year, while carbon dioxide demand was subdued. However, revenue growth was primarily driven by effective price management. Equipment and installation revenue increased, supported by strong performance in both industrial gas and medical-related equipment sales. Segment income improved due to higher sales revenue and the continued success of productivity enhancement initiatives.

As a result, in the Europe segment, revenue increased by 8.6% year-on-year to ¥ 328,601 million and segment income increased by 17.2% to ¥ 62,419 million.

d. Asia & Oceania

In the industrial gas-related business, shipment volumes of air separation gases remained strong. LP gas, with a significant portion of sales concentrated in the Australia region, saw solid sales volumes, contributing to revenue growth. The electronics-related business also experienced revenue growth across both gases and equipment. However, segment income declined, impacted by increasing labor and logistics expenses in Australia and downward pressure on sales prices of helium in some regions due to a helium supply surplus. Additionally, segment income was weakened by preacquisition costs for a previously announced acquisition in Australia which was recorded in the fourth quarter.

As a result, in the Asia & Oceania segment, revenue increased by 10.1% year-on-year to ¥ 176,538 million and segment income decreased by 5.6% to ¥ 15,047 million.

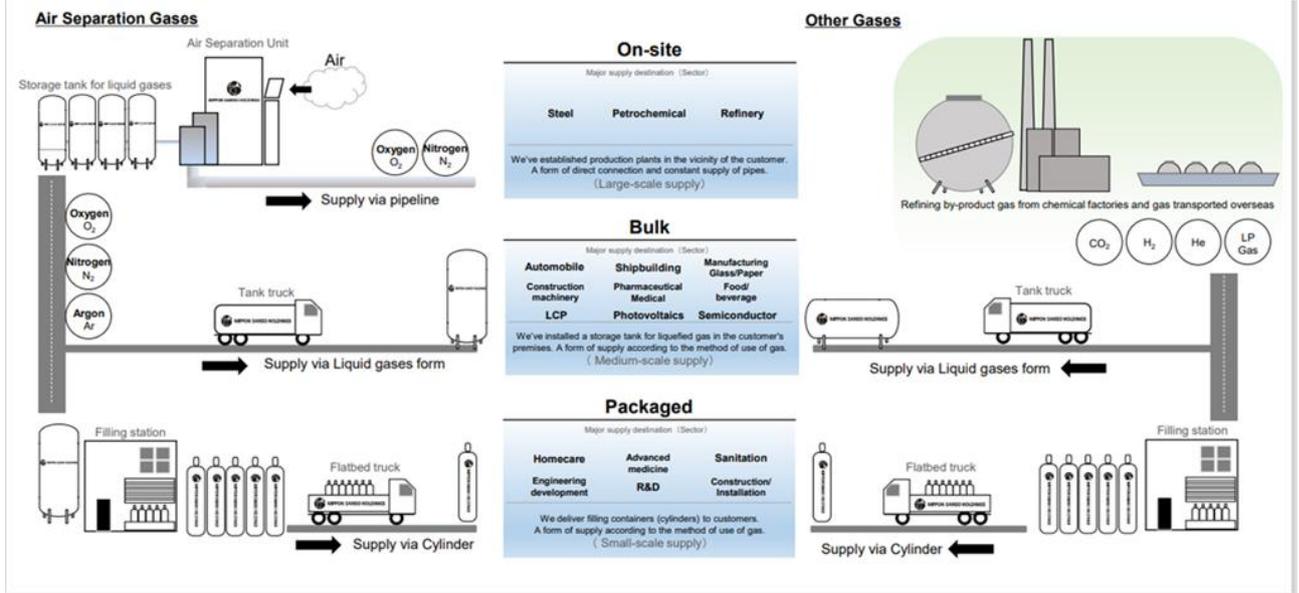
e. Thermos

In Japan, sales of portable vacuum-insulated mugs remained strong, with revenue growth driven in part by the successful launch of new products featuring functional and stylish designs. In Korea, sales performance remained stable year over year and revenue grew. Segment income improved despite being impacted by rising manufacturing costs associated with the continued depreciation of the Japanese yen, as a result of productivity and cost reduction efforts.

As a result, in the Thermos segment, revenue increased by 5.9% year-on-year to ¥32,593 million and segment income increased by 12.9% to ¥6,286 million.

(Note) The core operating income of ¥189,149 million yen for the fiscal year under review is the total amount of core operating income of each segment minus the adjustment amount of ¥1,455 million. The negative adjustment of segment income is comprised of (¥85) million of intersegment eliminations and companywide expenses, etc. of (¥1,540) million that were not allocated to any particular reportable segment. The companywide expenses, etc. are related principally to group management expenses that were not allocated to a particular reportable segment.

(Reference) Industrial gas supply systems



2) Plant & equipment investments

The Group makes capital investments primarily to acquire new facilities, including gas production facilities, upgrade existing facilities, rationalize, and conduct research and development.

The total investment in the Group's plant and equipment in the fiscal year under review was 163,849 million yen. The breakdown by segment is as follows.

| Segment | Capital expenditure |
|----------------|---------------------|
| Japan | 23,074 mil. yen |
| United States | 86,088 mil. yen |
| Europe | 36,897 mil. yen |
| Asia & Oceania | 17,442 mil. yen |
| Thermos | 1,196 mil. yen |

(Note) In addition to the above, "companywide (common) capital investment" amounted to 94 million yen, and intersegment eliminations amounted to -945 million yen.

3) Fund procurements

| Item | Balance at the beginning of the period | Balance at the end of the period | Change |
|-----------------------------|--|----------------------------------|------------------|
| Borrowings | 675,801 mil. yen | 653,064 mil. yen | -22,736 mil. yen |
| Bonds and commercial papers | 214,457 mil. yen | 197,501 mil. yen | -16,956 mil. yen |
| Total | 890,259 mil. yen | 850,566 mil. yen | -39,692 mil. yen |

4) Important organizational restructuring, etc.

- i. Through our European subsidiary, Nippon Gases Euro-Holding S.L.U., we acquired a 51% stake in Polaris S.r.l., an Italian plant engineering company, in November 2024, making it a consolidated subsidiary.
- ii. Through our Australian subsidiary, Supagas Pty Ltd, we acquired Wesfarmers Kleenheat Gas Pty Ltd's LPG sales business in Western Australia and the Northern Territory, in December 2024.

(2) Assets & profits/losses in the past three fiscal years

| Category | FYE March 2022 | FYE March 2023 | FYE March 2024 | (FY Under Review) FYE March 2025 |
|---|----------------|----------------|----------------|-------------------------------------|
| Revenue (millions of yen) | 957,169 | 1,186,683 | 1,255,081 | 1,308,024 |
| Core operating income (millions of yen) | 102,710 | 123,124 | 165,996 | 189,149 |
| Operating income (millions of yen) | 101,183 | 119,524 | 172,041 | 165,906 |
| Net income attributable to owners of the parent (millions of yen) | 64,103 | 73,080 | 105,901 | 98,779 |
| Basic earnings per share (yen) (FY Under Review) | 148.13 | 168.85 | 244.66 | 228.20 |
| Total assets (millions of yen) | 1,977,026 | 2,158,950 | 2,409,083 | 2,418,197 |
| Total equity (millions of yen) | 661,137 | 757,996 | 946,112 | 1,020,930 |

(Note) The Group has applied the International Financial Reporting Standards (IFRS) from the fiscal year ended March 31, 2017.

(3) Status of parent company & significant subsidiaries

1) Status of parent company

Our parent company is Mitsubishi Chemical Group Corporation, which owns 218,996 thousand shares or 50.59% of Nippon Sanso Holdings Corporation stock.

The Company concluded a master agreement with Mitsubishi Chemical Group Corporation, dated May 13, 2014. The agreement calls for Mitsubishi Chemical Group Corporation to respect the autonomy of the Company and to provide us with comprehensive support and cooperation under the parent company's "group management rules."

The Company paid Mitsubishi Chemical Group Corporation 1,373 million yen as outsourcing fees during the fiscal year under review. The Company was given a necessary and sufficient explanation on the basis of the calculation before the amount of the fees was determined. Additionally, the Board of Directors has carefully considered the explanation and concluded that these outsourcing fees are appropriate in light of the nature of the services to be provided.

2) Status of significant subsidiaries

| Segment | Subsidiary name | Capital | NSHD's Ownership Percentage (%) | Main business lines |
|---------------|--|---------------------|---------------------------------|---|
| Japan | Taiyo Nippon Sanso Corporation | mil. yen 1,500 | 100 | Manufacture & sales of oxygen, nitrogen, argon, helium, hydrogen, gas-related equipment, specialty gases, electronics-related equipment & installation, compound semiconductor-producing equipment, machinery & plants, liquefied petroleum gas, medical-use gases, medical equipment and stable isotopes |
| | Nippon Ekitan Corporation | mil. yen 600 | *85.40 | Manufacture & sales of liquefied carbon dioxide, dry ice, and sales of various compressed and liquefied gases |
| | Taiyo Nippon Sanso Gas & Welding Corporation | mil. yen 100 | *100 | Sales of cutting and welding equipment, and manufacture & sales of various compressed gases |
| United States | Matheson Tri-Gas, Inc. | US dollar 55.77 | 100 | Manufacture & sales of oxygen, nitrogen, argon, specialty gases, hydrogen, dry ice, equipment, and sales of cutting & welding equipment |
| Europe | Nippon Gases Euro-Holding S.L.U. | Euro 100,000,000 | 100 | Ownership of shares in related companies in Europe |
| | Nippon Gases Italia S.r.l. | Euro 30,000,000 | *100 | Ownership of shares in related companies in Italy |
| | Nippon Gases Belgium NV | Euro 125,284,386 | *100 | Manufacture & sales of oxygen, nitrogen, and argon |
| | Nippon Gases Industrial S.r.l. | Euro 46,326,216 | *100 | Manufacture & sales of oxygen, nitrogen, and argon |

| Segment | Subsidiary name | Capital | NSHD's Ownership Percentage (%) | Main business lines |
|----------------|---|--------------------------------------|---------------------------------|---|
| Asia & Oceania | Nippon Sanso Holdings Singapore Pte. Ltd. | Singapore dollar 233,436,140 | 100 | Ownership of shares in related companies in Singapore |
| | Leeden National Oxygen Ltd. | Singapore dollar 53,483,649 | *100 | Manufacture, purchase, and sales of welding related instrument, safety goods, and high-pressure gas, and manufacture & sales of oxygen, nitrogen, and argon |
| | NSC (Australia) Pty Ltd | Australian dollar 514,267,883 | 98.95 | Ownership of shares in related companies in Australia |
| | Taiyo Nippon Sanso (China) Investment Co., Ltd. | Chinese yuan 585,248,871 | 100 | Ownership of shares in related companies in China |
| | Nippon Sanso Taiwan, Inc. | New Taiwan dollar 160,000,000 | *100 | Manufacture & sales of nitrogen, and sales of specialty gases and equipment |
| | Matheson Specialty Gas (Xi'an) Co., Ltd. | Chinese yuan 12,322,400 | *100 | Sales of specialty gases |
| | Yangzhou Taiyo Nippon Sanso Semiconductor Gases Co., Ltd. | Chinese yuan 232,111,138 | *100 | Manufacture & sales of specialty gases |
| | Nippon Sanso Vietnam Joint Stock Company | Vietnamese Dong 1,533,301,289,000 | *95.39 | Manufacture & sales of oxygen, nitrogen and argon |
| | Matheson Gas Products Korea Co., Ltd. | Korean won 10,572,500,000 | *100 | Manufacture & sales of specialty gases |
| Thermos | Thermos K.K. | mil. yen 300 | 100 | Manufacture & sales of housewares |

(Note) Figures marked with an asterisk indicate our ownership ratio, including investment by subsidiaries.

3) Status of specified wholly owned subsidiaries

None.

(4) Challenging issues to be addressed

The Company is operating its business in accordance with “NS Vision 2026 - Enabling the Future” (hereinafter, “NS Vision 2026”), which the Company developed as its medium-term management plan covering the four years from FYE2023 to FYE2026 toward achieving the Group Vision.

In the business environment surrounding the Group, the Company faced different and complicated changes in the macroeconomic environment, such as global inflationary pressures, lingering geopolitical risks and uncertainties over policy changes following the elections in major countries. To deal with increased cost resulting from these factors, we actively implemented groupwide measures to promote price management and enhance productivity, etc.

We will continue carefully monitoring and respond appropriately to lingering geopolitical risks, supply chain disruptions and energy price fluctuations, as well as policy changes by major countries involving structural changes—such as restructuring of trade policy and reinforcement of tariff actions—and resulting concerns about worldwide economic recession, which may have some impact on our business. In addition, we expect to see further development of digitalization driven by greater use of generative AI, etc., and possible regional variations in the pace of efforts to achieve carbon neutrality. We must capture new business opportunities, focus more on resilient markets, such as food and beverages, healthcare, and environment and establish our governance structure from a medium- to long-term perspective.

NS Vision 2026 has set up the following five focused fields. Based on the recognition of the above environment, the Company will implement the plan toward the achievement of the Medium-term Management Plan while reviewing individual measures as needed.

- I. **Promote sustainability management:** The Company participated in the TNFD Forum in August 2024 and was registered as a TNFD Adopter. In the environmental field, we remain committed to reducing greenhouse gas emissions from our Group’s business activities and strive to provide environmentally friendly products and expand related services for our customers. Moreover, we are promoting sustainable business operations through our endeavor to ensure process safety and improve product and service quality, respecting human rights, ensuring diversity and inclusion of human resources to remain a company trusted by society, and striving to enhance and gain support for compliance promotion activities.
- II. **Explore new business toward carbon neutrality:** The Group is committed to reducing greenhouse gas emissions by its customers by providing environmentally friendly products and solutions. This fiscal year, we have continued to proceed with the technological development intended to apply oxygen combustion technology to the industrial furnace process, and also newly developed shipping tank equipment for Carbon Capture and Storage (CCS), which is indispensable for building CCS value chains. This way, we encourage the development of technologies that can contribute to the realization of a carbon neutral society. Furthermore, we have been working to enhance the dedicated website on our Group initiatives and will continue to strengthen communication on our Group initiatives toward carbon neutrality.
- III. **Expand the electronics business:** With demand expected to show a recovery and further expansion, we are enhancing the capacity of semiconductor gas and related equipment production. In addition, we have engaged in gas-related construction work and bulk gas supply for the pilot line of a customer who aims to mass produce next-generation semiconductors in Japan. We are also promoting initiatives to commercialize ultra-high purity air separation units that will be required to cater for the strong demand in large semiconductor manufacturing plant construction.

- IV. **Pursue operational excellence:** Each operating company strongly promoted productivity improvement to maximize profit. We have strived to advance the globalization of our business and share productivity improvement programs and best practices across the entire Group by carrying out a promotion project under a designated leader. Specifically, best practices by each operating company are introduced at the “Operational Excellence Day” event to enhance awareness of productivity improvement by each company. In addition, the Group is making a collective effort to promote the initiative by establishing a separate working group in each company to further promote lateral deployment of the project. The working groups are planned to be expanded in the future.
- V. **Promote DX initiatives leading to new value creation:** Each operating company strives to upgrade its business model using digital data to improve productivity and product price management. Their efforts will be put together and strengthened further across the entire Group.

Each industrial gas business in the four global regions focuses on the above five focused fields while addressing management issues specific to each region.

- **Japan:** To promote profitability enhancement as an important policy, we will continue to review our business portfolio and implement various profitability enhancement programs. We will also expand facilities to capture various demands created by the expansion of the domestic electronics industry and assure stable supply of products so that we can offer total solution services and achieve strong growth. In addition, we will realize innovations starting with gas applications that can help customers in reducing greenhouse gas emissions and improving productivity, as we seek to explore and expand new business areas.
- **United States:** Though the impact of the new administration’s reciprocal tariff and other policies on the U.S. domestic industry has added to growing uncertainties, we will continue to seek an increase in the density and scale of our business by exploring new on-site businesses, continuing pricing activities in response to inflationary trends, and expanding production bases to capture demand for dry ice from the cold chain logistics system. We will also promote the smooth implementation of large-scale projects which have already been put into operation.
- **Europe:** We will focus on resilient markets, such as food and beverages, healthcare, and environment, and will respond to the expansion of the European electronics market by taking actions to capture demand for related products. During the fiscal year under review, we made a strategic investment in an engineering company and announced an expansion of the home-care business in Spain. While enhancing the Group’s engineering capabilities, we will continue to seek environment-related business opportunities and promote activities to win projects to expand the oxygen combustion technology area and our shares in the biomethane market.
- **Asia and Oceania:** During the fiscal year under review, we reached agreement on two acquisitions with a view to expanding the sales of industrial and LP gases in Australia. In addition to increasing our presence in Australia, we are making efforts to acquire large-scale on-site projects in Asian countries, increase the ASUs’ capacity, and expand products for the electronics market, which has significant room for growth. Assuming that the region will maintain economic growth, we will continue to focus on expanding new products, services, and business areas, while also striving to gain support for productivity enhancement activities to improve the profitability of each operating company.

In Thermos, the Group’s sole B2C business, we aim to increase demand by actively launching new products while using flexible advertisement and offering storefront promotions. We have been working to diversify our sales channels by expanding directly operated stores and e-commerce, and to improve membership sites and customer support with the use of artificial intelligence (AI), promoting DX in activities to enhance customer and employee satisfaction.

(5) Contents of main business lines (as of March 31, 2025)

| Segment | Main products & services |
|--|---|
| Japan United States Europe Asia & Oceania | Oxygen, nitrogen, argon, carbon dioxide, helium, hydrogen, acetylene, dry ice, gas-related equipment, specialty gases (electronic material gas, pure gas, etc.), electronics-related equipment & installation, compound semiconductor-producing equipment, cutting & welding equipment, welding materials, machinery & plants, liquefied petroleum gas & related equipment, medical-use gases (oxygen, nitrous oxide, etc.), medical equipment, stable isotopes |
| Thermos | Housewares |

(6) Main business offices, etc. (as of March 31, 2025)**1) Company**

| | |
|-------------|---------------------|
| Head office | Shinagawa-ku, Tokyo |
|-------------|---------------------|

2) Subsidiaries

| Company name | Location of head office |
|---|------------------------------------|
| Taiyo Nippon Sanso Corporation | Shinagawa-ku, Tokyo, Japan |
| Nippon Ekitan Corporation | Minato-ku, Tokyo, Japan |
| Taiyo Nippon Sanso Gas & Welding Corporation | Osaka City, Osaka., Japan |
| Matheson Tri-Gas, Inc. | Texas, U.S.A. |
| Nippon Gases Euro-Holding S.L.U. | Madrid, Spain |
| Nippon Gases Italia S.r.l. | Milano, Italy |
| Nippon Gases Belgium NV | Antwerp, Belgium |
| Nippon Gases Industrial S.r.l. | Milano, Italy |
| Nippon Sanso Holdings Singapore Pte. Ltd. | Singapore |
| Leeden National Oxygen Ltd. | Singapore |
| NSC (Australia) Pty Ltd | New South Wales, Australia |
| Taiyo Nippon Sanso (China) Investment Co., Ltd. | Liaoning, China |
| Nippon Sanso Taiwan, Inc. | Hsinchu, Taiwan |
| Matheson Specialty Gas (Xi'an) Co., Ltd. | Shaanxi, China |
| Yangzhou Taiyo Nippon Sanso Semiconductor Gases Co., Ltd. | Jiangsu, China |
| Nippon Sanso Vietnam Joint Stock Company | Dong Nai, Vietnam |
| Matheson Gas Products Korea Co., Ltd | Asan, South Korea |
| Thermos K.K. | Tsubame City, Niigata Pref., Japan |

(7) Employees (as of March 31, 2025)

| Segment | No. of employees | Year-on-year changes |
|----------------------|------------------|----------------------|
| Japan | 5,941 | +25 |
| United States | 4,597 | -108 |
| Europe | 3,369 | +245 |
| Asia & Oceania | 4,360 | -17 |
| Thermos | 1,375 | +55 |
| Segments Total | 19,642 | +200 |
| Companywide (common) | 112 | +21 |
| Total | 19,754 | +221 |

(Note) The numbers are those of employees.

(8) Main sources of borrowings (as of March 31, 2025)

| Source of Borrowings | Amount of Borrowings |
|----------------------|----------------------|
| Mizuho Bank, Ltd. | 280,756 mil. yen |
| The Norinchukin Bank | 126,020 mil. yen |
| MUFG Bank, Ltd. | 124,025 mil. yen |

2. Status of Company

(1) Status of shares (as of March 31, 2025)

- | | |
|--------------------------------|---------------|
| 1) No. of authorized shares | 1,600,000,000 |
| 2) No. of shares issued | 433,092,837 |
| 3) No. of shareholders | 16,377 |
| 4) Major shareholders (top 10) | |

| Shareholder | Status of investment in Company | |
|---|----------------------------------|--------------------|
| | Shares held (in 1,000 shares) | Shares held (%) |
| Mitsubishi Chemical Group Corporation | 218,996 | 50.59 |
| The Master Trust Bank of Japan, Ltd. (trust account) | 27,672 | 6.39 |
| Client shareholding association of Taiyo Nippon Sanso Corporation | 15,578 | 3.60 |
| Custody Bank of Japan, Ltd. (trust account) | 10,701 | 2.47 |
| Meiji Yasuda Life Insurance Company | 9,006 | 2.08 |
| JP MORGAN CHASE BANK 385632 | 8,419 | 1.94 |
| BNYMAS AGT/CLTS NON TREATY JASDEC | 6,210 | 1.43 |
| JP MORGAN CHASE BANK 385864 | 5,708 | 1.32 |
| Mizuho Bank, Ltd. | 4,332 | 1.00 |
| STATE STREET BANK AND TRUST COMPANY 505001 | 4,087 | 0.94 |

(Note) 1. Our Company has 188,000 treasury shares.

2. The shareholding ratio excludes treasury shares.

(2) Status of Company officers

1) Status of directors & Audit & Supervisory Board (hereinafter, sometimes referred to as "A&S Board") members (as of March 31, 2025)

| Name | Gender | Position | Duties in charge & main concurrent posts |
|----------------------|--------|--------------------------------------|--|
| Toshihiko Hamada | Male | Representative Director President | Chairperson of the Board CEO Member of Advisory Committee on Appointments and Remuneration |
| Kenji Nagata | Male | Director | Representative Director, President, Taiyo Nippon Sanso Corporation |
| Thomas Scott Kallman | Male | Director | Chairman and CEO, Matheson Tri-Gas, Inc. |
| Raoul Giudici | Male | Director | Chairman and President, Nippon Gases Euro-Holding S.L.U. |
| Miri Hara | Female | Director | Member of Advisory Committee on Appointments and Remuneration Representative Certified Public Tax Accountant, Tax Corporation Yokohama Benten Accounting, Inc. Outside director, SECOM CO., LTD. Auditor (Part-time), Hitotsubashi University |
| Katsumi Nagasawa | Male | Director | Chairman of Advisory Committee on Appointments and Remuneration Outside director, Sugino Machine Limited |
| Masako Miyatake | Female | Director | Member of Advisory Committee on Appointments and Remuneration Visiting Professor, Keio University Law School Visiting Professor, Graduate School of Law, Kobe University Special Counsel, Blakemore & Mitsuki |
| Hideo Nakajima | Male | Director | Member of Advisory Committee on Appointments and Remuneration Special Advisor, White & Case LLP/White & Case Law Offices (Registered Association) |
| Katsuhito Yamaji | Male | Director | Member of Advisory Committee on Appointments and Remuneration Advisor, Yamaha Motor Co., Ltd. Outside director, ENSHU Limited |
| Satoshi Wataru | Male | A&S Board member (Full-time) | |
| Akihiro Hashimoto | Male | A&S Board member (Full-time) | |
| Kentaro Akashi | Male | A&S Board member (Full-time) | Auditor (Part-time), Taiyo Nippon Sanso Corporation |
| Kohei Ichiya | Male | A&S Board member (Full-time) | |

- (Notes) 1. Representative Director, President Toshihiko Hamada is appointed CEO because he has abundant knowledge and experience over management and because he is expected to be capable of promoting the growth of our Company Group.
2. Directors Miri Hara, Katsumi Nagasawa, Masako Miyatake, Hideo Nakajima, and Katsuhito Yamaji are outside directors.
 3. A&S Board members Akihiro Hashimoto, Kentaro Akashi, and Kohei Ichiya are outside A&S Board members.
 4. A&S Board members Satoshi Wataru, Akihiro Hashimoto, Kentaro Akashi, and Kohei Ichiya have significant financial and accounting knowledge as follows.
 - A&S Board member Satoshi Wataru has long-term professional experience at the Company as the general manager of the Finance Department and officer of the Corporate Planning Office and possesses substantial financial and accounting knowledge.
 - A&S Board member Akihiro Hashimoto has long-term professional experience at financial institutions, and possesses a substantial level of financial and accounting knowledge.
 - A&S Board member Kentaro Akashi has long-term professional experience at financial institutions, and possesses a substantial level of financial and accounting knowledge.
 - A&S Board member Kohei Ichiya has long-term professional experience at the accounting department of a chemical company, and possesses a substantial level of financial and accounting knowledge.
 5. The Company has designated Directors Miri Hara, Katsumi Nagasawa, Masako Miyatake, Hideo Nakajima, and Katsuhito Yamaji, and A&S Board members Akihiro Hashimoto and Kentaro Akashi as independent officers based on the Tokyo Stock Exchange's listing rules and has reported them to the exchange.
 6. Director Katsuhito Yamaji resigned from his position as an Advisor of Yamaha Motor Co., Ltd. on March 31, 2025.

2) Overview of liability-limiting contract

In accordance with the Articles of Incorporation of the Company and Article 427, Paragraph 1 of the Companies Act, the Company has an agreement in place with each of its outside directors to limit their liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act. The Company has set each outside director's maximum liability amount for damages in accordance with Article 425, Paragraph 1 of the Companies Act.

3) Overview of contents of directors and officers (D&O) liability insurance agreement

The Company has entered into a directors and officers (D&O) liability insurance agreement with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. In the event that claims for damages including third party litigations, derivative lawsuits, and corporate litigations are made against the insured persons due to the acts in the course of their duties, the said insurance agreement shall compensate for legal damages and litigation expenses to be borne by the insured.

The insured parties of the insurance policy are directors, A&S Board members, and executive officers, etc. of the Company and all of its subsidiaries. The Company and the subsidiaries bear the full premium and the insured parties do not need to pay. Also, to ensure the appropriateness of execution of duties by the insured, damages arising from illegal receipt of private benefit or convenience by the insured, and criminal acts or acts committed with the knowledge that they violate laws and regulations, etc. by the insured, are not covered by the insurance policy.

4) Directors and A&S Board members who resigned or were discharged during the business year

There were no Directors and A&S Board members who resigned or were discharged during the fiscal year under review.

5) Total amount of remunerations, etc. for directors & A&S Board members

| Category of officers | Total remunerations (millions of yen) | Total amount of remunerations by type (millions of yen) | | | No. of corresponding officers |
|--------------------------------------|---------------------------------------|---|---------------------------------|---------------------------------------|-------------------------------|
| | | Basic remuneration | Performance-linked remuneration | Non-financial KPI-linked remuneration | |
| Director | 219 | 155 | 53 | 9 | 10 |
| (of which outside directors) | (64) | (64) | (—) | (—) | (5) |
| A&S Board members | 111 | 111 | — | — | 6 |
| (of which outside A&S Board members) | (81) | (81) | (—) | (—) | (5) |
| Total | 330 | 266 | 53 | 9 | 16 |
| (of which outside officers) | (145) | (145) | (—) | (—) | (10) |

(Notes) 1. The Company does not pay a director-cum-employee the employee portion of his/her pay.

2. The total amount of remunerations for directors was limited to 800 million yen per year (including 50 million yen or less for outside directors, excluding their employee portion) under a resolution passed at the 11th Ordinary General Meeting of Shareholders held on June 23, 2015. (The number of directors as of the end of the relevant Ordinary General Meeting of Shareholders was 11, including two outside directors.)

Due to the increase in the number of outside directors, etc., a resolution was passed at the 18th Ordinary General Meeting of Shareholders on June 17, 2022, to retain the limit of 800 million yen as remuneration for directors, of which the portion for outside directors will be “up to 100 million yen on an annual basis” (excluding the salary under employee status). The number of directors as of the end of the relevant Ordinary General Meeting of Shareholders was 9 (including five outside directors).

3. The total amount of remunerations for A&S Board members is limited to 200 million yen per year under a resolution passed at the 3rd Ordinary General Meeting of Shareholders held on June 28, 2007. (The number of A&S Board members as of the end of the relevant Ordinary General Meeting of Shareholders was 4.)

4. The above total amount of remunerations includes remuneration, etc. paid to one director and two A&S Board members who retired during the fiscal year under review.

6) Matters related to performance-linked remunerations, etc.

a. Outline of performance-linked remunerations, etc.

The Board of Directors and the Audit and Supervisory Board consult with the Advisory Committee on Appointment & Remuneration about the appropriateness of the remuneration system for the directors and A&S Board members. The Advisory Committee on Appointment & Remuneration discusses the issue and submits the result to the Board of Directors and the Audit and Supervisory Board.

Remunerations for directors consist of (i) fixed “Basic Monthly Remuneration,” which is a base salary specific to each rank; (ii) “Performance-linked Remuneration,” which vary according to business results; and (iii) “Non-financial KPI-linked Remuneration,” which are linked to the degree of the progress, achievement and other related aspects of certain non-financial KPI targets set out in the medium-term management plan. These components are reflected in the amount paid to each individual director. Remuneration for directors is based, in principle, on the annual salary system, with the amount paid monthly equivalent to one-12th of the annual salary. Revision of remuneration is reflected in the payments made from July onward each year.

Of the remuneration, the amount of “(ii) Performance-linked Remuneration” is calculated corresponding to (I) the degree of achievements of each fiscal year’s budget based on medium-term management plan targets, (II) Improvements in business results, and (III) the degree of efficiency improvement. The amount of (iii) “Non-financial KPI-linked Remuneration” fluctuates in accordance with the degree of progress, achievement, and other related aspects in each fiscal year of certain non-financial KPI targets set out in the medium-term management plan, and calculated based on (a) the progress in the lost-time injury frequency rate, (b) the achievement level of compliance training attendance rate, and (c) the growth rate of GHG reduction contributions from environmentally friendly products. They are reflected separately in the remuneration paid from July onward (for example, the amount calculated based on performance evaluation for FYE March 2024 (April 1, 2023 to March 31, 2024) is reflected in the directors’ remuneration paid from July 2024 onward) (*1)(*2).

Also, outside directors receive the fixed “Basic Monthly Remuneration” only as remuneration for directors of the Company.

The Performance-linked Remuneration and Non-financial KPI-linked Remuneration are determined on the basis of the following formulas, respectively.

- Performance-linked Remuneration (variable) = Rank-specific standard amount x “coefficient based on evaluation related to Performance-linked Remuneration”
- Non-financial KPI-linked Remuneration (variable) = Rank-specific standard amount x “coefficient based on evaluation related to Non-financial KPI-linked Remuneration”

The following figures are applied to the “coefficient based on evaluation related to Performance-linked Remuneration” and “coefficient based on evaluation related to Non-financial KPI-linked Remuneration” respectively, in order to judge the status of achievements of medium-term management plan targets while strengthening the extent of their interlocking with the Company’s business results as well as improving their objectivity and transparency.

[Coefficient based on evaluation related to Performance-linked Remuneration]

- Degree of achievements of each fiscal year’s budget based on medium-term management plan targets (consolidated revenue and consolidated core operating profit margin)
- Improvements in business results of each fiscal year (consolidated revenue, consolidated core operating profit, and profit attributable to owners of the parent company)
- Efficiency improvement in each fiscal year (consolidated ROCE after tax)

[Coefficient based on evaluation related to Non-financial KPI-linked Remuneration]

- Progress in lost-time injury frequency rate against the baseline at the start of the medium-term management plan
- Achievement level of compliance training attendance rate in the previous fiscal year
- Growth rate of GHG reduction contributions from environmentally friendly products in each fiscal year

(Notes)

1. At its meeting on June 19, 2024, the Board of Directors passed a resolution that, with respect to the remuneration for the Representative Director, President from July 2024 onward, new performance indicators would be added to both “Performance-linked Remuneration” and “Non-financial KPI-linked Remuneration.” “Consolidated ROCE after Tax”, one of the financial KPIs set out in the medium-term management plan, and “GHG reduction contributions from environmentally friendly products” were newly added as indicators for “Performance-linked Remuneration” and “Non-financial KPI-linked Remuneration”, respectively. With respect to remuneration linked to these newly added indicators, payments of rank-specific standard amounts already commenced in July 2024, and from July 2025 onward, payments will also be made based on the improvement and growth rates.
2. At its meeting on June 19, 2024, the Board of Directors passed a resolution that, effective from July 2024, in addition to the conventional “Basic Monthly Remuneration,” the “Performance-linked Remuneration” and the “Non-financial KPI-linked Remuneration” would also be reflected in the remuneration of directors whose primary duty is serving as officers of subsidiaries. (Regarding the “Non-financial KPI-linked Remuneration”, only the indicator, “GHG reduction contributions from environmentally friendly products”, will be applied as an indicator). With respect to newly added “Performance-linked Remuneration” and “Non-financial KPI-linked Remuneration”, payments of rank-specific standard amounts already commenced in July 2024, and from July 2025 onward, payments will also be made based on the improvement and growth rates.

b. Targets & results of indicators tied to Performance-linked Remuneration, etc. for directors (excluding outside directors) in FYE March 2025

| Types of remuneration *1 | Attributes | Composition ratio *2 (Representative Director, President) | Composition ratio *2 (Directors whose primary duty is serving as officers of subsidiaries) | Performance indicators and non-financial indicators (KPI) | | Weight for evaluation *4 (Representative Director, President) | Weight for evaluation *4 (Directors whose primary duty is serving as officers of subsidiaries) | Reference values, etc. | Results etc. |
|--|------------|---|---|--|---|---|---|--|--|
| Basic Monthly Remuneration | Fixed | 53 | 82 | — | — | — | — | — | — |
| Performance-linked Remuneration | Variable | 40 | 15 | Degree of achievements of each fiscal year's budget based on medium-term management plan targets | Consolidated revenue | 16.6 | 16.6 | FYE March 2024 target 1,160,000 mil. yen | FYE March 2024 results 1,255,081 mil. yen |
| | | | | | Consolidated core operating profit margin | 16.6 | 16.6 | FYE March 2024 target 11.0% | FYE March 2024 results 13.2% |
| | | | | Improvements in business results of each fiscal year | Consolidated revenue | 16.6 | 16.6 | FYE March 2023 results 1,186,683 mil. yen | FYE March 2024 results 1,255,081 mil. yen |
| | | | | | Consolidated core operating profit | 16.6 | 16.6 | FYE March 2023 results 123,124 mil. yen | FYE March 2024 results 165,996 mil. yen |
| | | | | | Profit attributable to owners of the parent company | 16.6 | 16.6 | FYE March 2023 results 73,080 mil. yen | FYE March 2024 results 105,901 mil. yen |
| | | | | Efficiency improvement in each fiscal year | Consolidated ROCE after Tax *3 | 16.6 | 16.6 | — | — |
| Non-financial KPI-linked Remuneration | Variable | 7 | 3 | Degree of progress, achievement, and other related aspects in each fiscal year of certain non-financial KPI targets set out in the medium-term management plan | Lost-time injury frequency rate *5 | 50 | — | FYE March 2022 results 2.1 ^(*) | FYE March 2024 results 2.0 |
| | | | | | compliance training attendance rate *5 | 25 | — | 100% ^(*) | FYE March 2024 results 99% |
| | | | | | GHG reduction contributions from environmentally friendly products *3 | 25 | 100 | — | — |

*1. Outside directors receive the fixed “Basic Monthly Remuneration” only.

*2. The composition ratio indicates the percentage of the rank-specific standard amount.

*3. With respect to remuneration linked to the “Consolidated ROCE after Tax” and the “GHG reduction contributions from environmentally friendly products”, payments of rank-specific standard amounts already commenced in July 2024, and from July 2025 onward, payments will also be made based on the improvement and growth rates.

*4. With respect to directors whose primary duty is serving as officers of subsidiaries, only “GHG reduction contributions from environmentally friendly products” is applicable as an indicator for “Non-financial KPI-linked Remuneration”; “lost-time injury frequency rate” and “compliance training attendance rate” do not apply.

*5. With respect to the lost-time injury rate, the target is to reduce it to 1.6 or less by the end of FYE March 2026, using the start of the medium-term management plan as the baseline. The achievement target for compliance training attendance rate is 100% every fiscal year.

7) Details of non-monetary remuneration

None

8) Matters related to resolutions at General Meeting of Shareholders regarding remuneration, etc. for directors & A&S Board members

This is as described in the above (Notes) 2. and 3. of “5) Total amount of remunerations, etc. for directors & A&S Board members.”

9) Policy on determining contents of remuneration, etc. for individual directors

a. Method of determining policy on determining contents of remuneration, etc. for individual directors

The Board of Directors approved a policy on determining contents of remuneration, etc. for individual directors at its meeting held on May 11, 2016. The Board also approved establishment of the Advisory Committee on Appointments & Remuneration and revision to the Company's internal regulations on remuneration for directors at its meeting on June 21 that year. The Committee comprises two or more independent outside directors and the Representative Director, President with an outside director acting as its chairman. The Committee has been discussing remuneration for directors continuously and, based on the Committee's recommendation, the internal regulations on remuneration for directors have been revised several times.

b. Overview of determination policy

The amount of remuneration, etc. for directors and A&S Board members is determined by a resolution adopted at the General Meeting of Shareholders in the form of a cap on the total amount for all directors and another cap on the total amount for all A&S Board members.

The amount of remuneration for each director is determined on the basis of the policy described in "6) Matters related to performance-linked remunerations, etc."

The amount of remuneration for individual directors in the fiscal year under review is calculated according to the internal regulations on remuneration for directors approved by the Board of Directors on the basis of the above policy on determining contents of remuneration, etc. for individual directors. Therefore, the Company believes the amount of remuneration is in line with that policy.

10) Matters on delegation of authority on fixing remuneration, etc. for individual directors

At its meeting on June 19, 2024, the Board of Directors passed a resolution delegating the decision-making authority to Representative Director, President Toshihiko Hamada regarding details of the amount of remuneration for individual directors. The contents of the delegated authority are calculations and decisions of the monthly amount of remuneration, performance-linked remuneration, and non-financial KPI-linked remuneration for individual directors based on the internal regulations on remuneration for directors. The reason for delegating these powers is that the Representative Director, President who is in a position to supervise the Company's business execution is best suited for determining remuneration amounts based on the internal regulations.

The amount of remuneration for directors is to be unambiguously calculated from their rank and performance, etc., based on the internal regulations, and it is possible to verify the results of calculations by the Representative Director, President. The result of the calculation is reported to the Advisory Committee on Appointments & Remuneration.

11) Matters related to outside officers

a. Status of significant concurrent jobs at other firms & relationship between Company & other firms

- Director Miri Hara is the Representative Certified Public Tax Accountant, Tax Corporation Yokohama Benten Accounting, Inc., an outside director, SECOM CO., LTD., and a part-time auditor at Hitotsubashi University. The Company and the three entities where she concurrently works have no special interests in each other.
- Director Katsumi Nagasawa is an outside director at Sugino Machine Limited. The Company and the entity where he concurrently works have no special interests in each other.
- Director Masako Miyatake is a visiting professor at both Keio University Law School and the Graduate School of Law, Kobe University, and a special counsel at Blakemore & Mitsuki. The Company and the three entities where she concurrently works have no special interests in each other.
- Director Hideo Nakajima is a Special Advisor at White & Case LLP/White & Case Law Offices (Registered Association). The Company and the entity where he concurrently works have no special interests in each other.
- Director Katsuhito Yamaji is an advisor at Yamaha Motor Co., Ltd. and an outside director at ENSHU Limited(*). The Company and the two entities where he concurrently works have no special interests in each other.

* Director Katsuhito Yamaji resigned from his position as an advisor of Yamaha Motor Co., Ltd. on March 31, 2025.

b. Main activities in fiscal year under review

• Main activities of outside directors & outside A&S Board members

| Category | Name | Board of Directors meeting attendance | Audit & Supervisory Board meeting attendance | Main activities, remarks & overview of duties done in relation to role expected of outside director |
|------------------|------------------|---------------------------------------|--|---|
| Outside director | Miri Hara | 12 appearances at 12 meetings | — | Her experience as director of real estate management company for many years, expert knowledge as Certified Public Tax Accountant, and perspective of the promotion of diversity and women's empowerment, were expected to be effectively applied to the management of our Group. While offering necessary advice on the promotion of diversity in the Company, she expressed opinions, as a member of the Advisory Committee on Appointments & Remuneration, in discussing the selection of candidates for directors/A&S Board members, planning a successor to the President/CEO, mulling desirable remuneration for directors, etc. |
| Outside director | Katsumi Nagasawa | 12 appearances at 12 meetings | — | His wide experience and professional expertise mainly in the field of technology, and a wealth of experience in corporate management in the manufacturing industry was expected to be effectively applied to the management of our Group. While offering necessary advice and proposals on desirable ways of governance and discussions on agenda items, he played a leading role, as Chairman of the Advisory Committee on Appointments & Remuneration, in discussing the selection of candidates for directors/A&S Board members, planning a successor to the President/CEO, mulling desirable remuneration for directors, etc. |
| Outside director | Masako Miyatake | 12 appearances at 12 meetings | — | Her wide experience and professional expertise as an attorney as well as her experience in international transactions and global point of view was expected to be effectively applied to the management of our Group. While offering necessary advice and proposals on desirable ways of governance and discussions on agenda items, she expressed opinions, as a member of the Advisory Committee on Appointments & Remuneration, in discussing the selection of candidates for directors/A&S Board members, planning a successor to the President/CEO, mulling desirable remuneration for directors, etc. |
| Outside director | Hideo Nakajima | 12 appearances at 12 meetings | — | His rich experience at administrative organizations and expert knowledge were expected to be effectively applied to the management of our Group. While offering necessary advice and proposals on desirable ways of governance and discussions on agenda items, he expressed opinions, as a member of the Advisory Committee on Appointments & Remuneration, in discussing the selection of candidates for directors/A&S Board members, planning a successor to the President/CEO, mulling desirable remuneration for directors, etc. |

| Category | Name | Board of Directors meeting attendance | Audit & Supervisory Board meeting attendance | Main activities, remarks & overview of duties done in relation to role expected of outside director |
|--------------------------|-------------------|---------------------------------------|--|--|
| Outside director | Katsuhito Yamaji | 12 appearances at 12 meetings | — | His wide experience including procurement and professional expertise mainly in the whole field of technology, and a wealth of experience in corporate management in the manufacturing industry was expected to be effectively applied to the management of our Group. While offering necessary advice and proposals on desirable ways of governance and discussions on agenda items, he expressed opinions, as a member of the Advisory Committee on Appointments & Remuneration, in discussing the selection of candidates for directors/A&S Board members, planning a successor to the President/CEO, mulling desirable remuneration for directors, etc. |
| Outside A&S Board member | Akihiro Hashimoto | 12 appearances at 12 meetings | 17 appearances at 17 meetings | He has provided the Board of Directors with advice to ensure appropriateness of decision-making. Also, as a full-time A&S Board member, he also has held hearings with directors on the status of business execution, exchanged opinions with the Representative Director, President, and visited subsidiaries on an audit mission. |
| Outside A&S Board member | Kentaro Akashi | 10 appearances at 10 meetings | 13 appearances at 13 meetings | He has provided the Board of Directors with advice to ensure appropriateness of decision-making. Also, as a full-time A&S Board member, he also has held hearings with directors on the status of business execution, exchanged opinions with the Representative Director, President, and visited subsidiaries on an audit mission. |
| Outside A&S Board member | Kohei Ichiya | 10 appearances at 10 meetings | 13 appearances at 13 meetings | He has provided the Board of Directors with advice to ensure appropriateness of decision-making. Also, as a full-time A&S Board member, he also has held hearings with directors on the status of business execution, exchanged opinions with the Representative Director, President, and visited subsidiaries on an audit mission. |

(Note)

1. The Board of Directors held 12 meetings in the fiscal year under review. In addition, a written resolution in lieu of a resolution in accordance with Article 370 of the Companies Act was held three times.
2. Outside A&S Board member Mr. Kentaro Akashi (Full time) and Outside A&S Board member Mr. Kohei Ichiya (Full time) have been serving as A&S Board members since June 2024 and have attended all Board of Directors' meetings and A&S Board meetings held since their appointment.

(3) Status of accounting auditor

1) Name: Ernst & Young ShinNihon LLC.

2) Amount of remuneration, etc.

| | Amount paid |
|--|--------------|
| Remuneration, etc. for accounting auditor associated with audit for fiscal year under review | 108 mil. yen |
| Total amount of money and other economic benefits to be paid by the Company and its subsidiaries to accounting auditor | 246 mil. yen |

(Note) 1. Among the significant subsidiaries of the Company, the financial statements of Matheson Tri-Gas, Inc., Nippon Gases Euro-Holding S.L.U., Nippon Gases Italia S.r.l., Nippon Gases Belgium NV, Nippon Gases Industrial S.r.l., Nippon Sanso Holdings Singapore Pte. Ltd., Leeden National Oxygen Ltd., NSC (Australia) Pty Ltd, Nippon Sanso Vietnam Joint Stock Company, Matheson Gas Products Korea Co., Ltd., Taiyo Nippon Sanso (China) Investment Co., Ltd., Matheson Specialty Gas (Xi'an) Co., Ltd., Yangzhou Taiyo Nippon Sanso Semiconductor Gases Co., Ltd., and Nippon Sanso Taiwan, Inc. are audited (limited to audits stipulated in the Companies Act or the Financial Instruments and Exchange Act [including similar foreign laws]) by a certified public accountant or an auditing firm (including overseas auditors possessing qualifications similar to the Accounting Auditor) other than the Accounting Auditor of the Company.

2. Under the audit agreement between the Company and its accounting auditor, the amount of remuneration and other compensation for auditors is not clearly distinguished between audits conducted under the Companies Act and those conducted under the Financial Instruments and Exchange Act. It is also practically impossible to distinguish between them. Therefore, the amount of remuneration and other compensation paid to the accounting auditor in connection with the audits for the fiscal year under review is listed as a total sum of payments for these audits.

3) Contents of non-auditing service

The Company has commissioned the accounting auditor to prepare a comfort letter and perform other duties outside the services stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act.

4) Consent to remuneration amount, etc. for accounting auditor

The Audit & Supervisory Board confirmed audit plans for prior fiscal years and the status of their implementation and reviewed the reasonableness of estimated audit hours and remuneration amount for the fiscal year under review. As a result, the Board consented to the remuneration and other compensation for the accounting auditor pursuant to Article 399, Paragraph 1 of the Companies Act.

5) Policy on dismissal or non-reappointment of accounting auditor

The Audit & Supervisory Board shall dismiss the accounting auditor by the unanimous consent of all Board member auditors if it determines that the accounting auditor falls under any of the items listed in Article 340, Paragraph 1 of the Companies Act. In that event, an Audit & Supervisory Board member auditor selected by the Audit & Supervisory Board shall report the dismissal of that accounting auditor and its reasons to the first General Meeting of Shareholders to be convened after the dismissal.

If the Audit & Supervisory Board deems it necessary, including in cases where there is significant difficulty in the continuation of the accounting auditor's duties, it shall, by resolution, submit a proposal for the dismissal or non-reappointment of the accounting auditor to the General Meeting of Shareholders.

(Notes) Figures in the above tables are shown based on the following method.

1. In the amount of money shown in millions of yen, figures less than a million are omitted.
2. In the number of shares shown in thousands of shares, figures less than 1,000 are omitted.
3. Shareholding and investment ratios are rounded off at the third decimal point.

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Consolidated Statement of Profit and Loss

(From April 1, 2024 to March 31, 2025)

(Unit: Millions of Yen)

| Accounting item | Amount |
|-----------------------------------|----------------|
| Revenue | 1,308,024 |
| Cost of sales | △ 762,581 |
| Gross profit | 545,442 |
| Selling, general & admin. Exps. | △ 359,318 |
| Other operating income | 11,439 |
| Other operating expenses | △ 36,671 |
| Equity earnings of affiliates | 5,014 |
| Operating income | 165,906 |
| Financial income | 3,886 |
| Financial costs | △ 24,520 |
| Profit before income taxes | 145,272 |
| Income taxes | △ 43,326 |
| Profit | 101,945 |
| Profit attributable to | |
| Owners of parent | 98,779 |
| Non-controlling interests | 3,166 |

(Note) Fractions of one million yen are rounded off.

(Reference) Condensed consolidated statements of Cash flows (unaudited)

| (Unit: ¥ bn.) | FYE2024 | FYE2025 | YoY | |
|---|---------------|---------------|--------------|---------------|
| | Full-term | Full-term | Difference | %Change |
| Income before income taxes | 150.7 | 145.2 | -5.5 | -3.6% |
| Depreciation and amortization | 112.4 | 116.1 | +3.7 | |
| Changes in working capital | -20.6 | 15.5 | +36.1 | |
| Others | -26.5 | -41.8 | -15.3 | |
| Cash flows from operating activities | 215.9 | 235.1 | +19.2 | +8.9% |
| Capital expenditures | -118.3 | -146.8 | -28.5 | |
| Investments and loans | -2.5 | -6.5 | -4.0 | |
| Others (asset sales, etc.) | -3.7 | 10.4 | +14.1 | |
| Cash flows from investing activities | -124.6 | -142.9 | -18.3 | +14.7% |
| Free cash flow | 91.3 | 92.2 | +0.9 | +1.0% |
| Cash flows from financing activities | -110.0 | -73.2 | +36.8 | -33.4% |

(Note) This “(Reference)Condensed consolidated statements of Cash flows” is solely for the convenience of shareholders and is outside scope of independent auditor’s nor Audit & Supervisory Board Member’s audit.

(Note) Fractions of 100 million yen are rounded off.

Balance Sheet

(As of March 31,2025)

(Unit: Millions of Yen)

| Accounting item (Assets) | Amount | Accounting item (Liabilities) | Amount |
|-------------------------------------|----------------|---|----------------|
| Current Assets | 77,006 | Current Liabilities | 115,527 |
| Cash and cash in bank | 38,036 | Short-term loan payable | 83,576 |
| Account receivable | 468 | Current portion of long-term loan | 26,509 |
| Short-term loans receivable | 33,138 | Accrued expenses | 4,662 |
| Other current assets | 5,362 | Other current liabilities | 779 |
| Non Current Assets | 902,828 | Non Current Liabilities | 614,070 |
| Tangible Assets | 3,808 | Bonds | 198,000 |
| Building and structures | 2,581 | Long-term loan payable | 416,043 |
| Machinery and equipment | 993 | Other non-current liabilities | 27 |
| Tools, furniture and fixtures | 79 | Total Liabilities | 729,598 |
| Land | 153 | | |
| Lease assets | 0 | (Net assets) | |
| Investments and Other Assets | 899,019 | Shareholders' Equity | 259,637 |
| Investment in securities | 20,678 | Share capital | 37,344 |
| Investment in affiliates stock | 666,193 | Capital surplus | 57,860 |
| Investment in LLC and partnership | 128 | Legal capital surplus | 56,433 |
| Investment in affiliates | 9,931 | Other capital surplus | 1,427 |
| Long-term loans receivables | 199,727 | Retained Earnings | 164,651 |
| Deferred tax assets | 2,008 | Legal retained earnings | 7,664 |
| Other investments | 385 | Other retained earnings | 156,987 |
| | | Reserve for tax purpose reduction entry of non-current assets | 749 |
| Allowance for doubtful accounts | △ 33 | Reserve for special account for tax purpose reduction entry of non-current assets | 51 |
| | | General reserve | 65,717 |
| | | Retained earnings | 90,468 |
| | | Treasury shares | △ 219 |
| | | Valuation and Translation Adjustments | △ 9,401 |
| | | Valuation difference on available-for- sale securities | 9,690 |
| | | Deferred gain and loss on hedges | △ 19,091 |
| | | Total Net Assets | 250,236 |
| Total Assets | 979,834 | Total Liabilities and Net Assets | 979,834 |

(Note) Fractions of one million yen are rounded off.

Profit and Loss Statement

(From April 1, 2024 to March 31, 2025)

(Unit: Millions of Yen)

| Accounting item | Amount | |
|---------------------------------------|---------|---------------|
| Operating revenue | | 36,410 |
| Operating expenses | | 7,610 |
| Operating Profit | | 28,800 |
| Non operating income | | |
| Interest income & Dividends | 7,470 | |
| Others | 418 | 7,889 |
| Non operating expenses | | |
| Interest expenses | 14,875 | |
| Others | 571 | 15,447 |
| Ordinary Profit | | 21,242 |
| Extraordinary gain | | |
| Gain on sale of investment securities | 1,929 | |
| Gain on sale of non-current assets | 2,662 | 4,591 |
| Extraordinary loss | | |
| Loss on sale of investment securities | 3 | 3 |
| Profit Before Income Taxes | | 25,830 |
| Income taxes | △ 1,948 | |
| Deferred tax | 36 | △ 1,911 |
| Profit | | 27,742 |

(Note) Fractions of one million yen are rounded off.

Copy of Report of Accounting Auditor Regarding Consolidated Financial Statements

Independent Auditors' Audit Report

May 13, 2025

To: Board of Directors of Nippon Sanso Holdings Corporation

Ernst & Young ShinNihon LLC

Tokyo Office

Maruyama Takao

Designated Limited Liability Partner, Managing Partner

Certified Public Accountant

Yamamoto Takao

Designated Limited Liability Partner, Managing Partner

Certified Public Accountant

Opinion

Under Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated financial statements (i.e., consolidated statement of financial position, consolidated statement of income, consolidated statement of changes in equity, important basic matters for the preparation of the consolidated financial statements, and other notes) of Nippon Sanso Holdings Corporation for the fiscal year from April 1, 2024 to March 31, 2025.

In our opinion, the above-mentioned consolidated financial statements, in all material respects, appropriately present the financial position and results of the operations of the group consisting of Nippon Sanso Holdings Corporation and its consolidated subsidiaries for the period covered by these statements, in compliance with the accounting standards that omit some items whose disclosure is required by the designated International Financial Reporting Standards as stipulated by the provision of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting.

Basis for the Opinion

We conducted our audit by auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for Auditing the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries under the provisions related to professional ethics in Japan, and we fulfill other ethical responsibilities as auditors. We believe that we have obtained sufficient and appropriate audit evidence that serves as a basis for presenting our opinion.

Other descriptions

"Other descriptions" means the business report and its supplementary schedules. Management is responsible for preparing and disclosing other descriptions. The Audit & Supervisory Board and its members are responsible for monitoring the performance of duties by the Directors in their development and operation of the reporting process of the other descriptions.

Our firm's audit opinion for the consolidated financial statements does not cover the other descriptions. We do not express any opinion about the other descriptions.

In the audit of the consolidated financial statements, we have the responsibility to read over the other descriptions and, during that reading, to examine whether there are any material differences between the other descriptions and the consolidated financial statements or our knowledge obtained during our audit, and to check to see whether there are any signs of material errors in the other descriptions besides such material differences.

If, based on our work, we determine that there are material errors in the other descriptions, we are required to report that fact. The other descriptions have no issues that should be reported by us.

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

Management is responsible for preparing and appropriately presenting consolidated financial statements in compliance with the accounting standards that omit some items whose disclosure is required by the designated International Financial Reporting Standards as stipulated by the provision of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting. The responsibility includes development and operation of internal controls that management determines are necessary to prepare and appropriately present the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for evaluating the appropriateness of doing so on a going concern assumption, and for disclosing matters related to a going concern when such disclosure is obligatory in compliance with the accounting standards that omit some items whose disclosure is required by the designated International Financial Reporting Standards as stipulated by the provision of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting.

The Audit & Supervisory Board and its members are responsible for monitoring the execution of duties by the Directors in their development and operation of the financial reporting process.

Auditor's Responsibility for Auditing the Consolidated Financial Statements

The auditor's responsibility is to obtain reasonable assurance on if the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion in the audit report on these consolidated financial statements from an independent position based on the audit conducted by the auditor. Misstatement can occur due to fraud or error. Misstatement is deemed material when it is reasonably estimated to individually or cumulatively influence the decision-making of the users of the consolidated financial statements.

In its auditing process, the auditor makes judgments as a professional specialist and conducts the following while maintaining professional skepticism by auditing standards generally accepted in Japan:

- Identify and assess the risks of material misstatement due to fraud or error. Design and perform audit procedure that deals with the risks of material misstatement. The selection and application of the audit procedures depend on the auditor's judgement. Moreover, obtain sufficient and appropriate audit evidence to provide a basis for expressing the audit opinion.
- The purpose of auditing the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control. But in assessing risks, the auditor considers internal controls relevant to the audit in order to design audit procedures that are appropriate for the circumstances.
- Evaluate the appropriateness of accounting policies and their application methods adopted by management, the reasonableness of accounting estimates made by management and the propriety of the relevant notes.
- Conclude whether or not it is appropriate for management to prepare the consolidated financial statements under the going concern assumption. Also, conclude whether or not the audit evidence obtained informs some material uncertainties about events or conditions that cast serious doubt on the going concern assumption. When uncertainties about the going concern assumption is acknowledged, it is required to issue an alert about the notes to the consolidated financial statements in the audit report. When the notes to the consolidated financial statements about material uncertainties are inappropriate, it is required to express an opinion with qualifications about these statements. The auditor's conclusion is based on audit evidence obtained up until the issue date of the audit report. Future events or conditions may cause the Company to stop continuing as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and the notes to them comply with the accounting standards that omit some items whose disclosure is required by the designated International Financial Reporting Standards as stipulated by the provision of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting. Also evaluate the presentation, structure, and content of the consolidated financial statements including their related notes, as well as whether the consolidated financial statements appropriately present the underlying transactions and accounting events.
- Plan and perform the audit of the consolidated financial statements for the purpose of obtaining sufficient and appropriate audit evidence concerning the financial information of the Company and its consolidated subsidiaries, which forms the basis for expressing an opinion on the consolidated financial statements. The auditor is responsible for the direction, supervision, and review of the audit of the consolidated financial statements. The auditor is solely responsible for the audit opinion.

The auditor reports to the Audit & Supervisory Board and its members on the scope and timing of the planned audits, material audit findings identified during the audit including any material weakness in internal controls, and other matters required by the auditing standards.

The auditor reports to the Audit & Supervisory Board and its members on its compliance with the provisions in Japan for professional ethics about independence, matters that are reasonably considered to influence the independence of the auditor, and the description of any measures to eliminate impediments or any safeguard measures to reduce impediments to an acceptable level, where applicable.

Conflicts of Interests

The Company and its consolidated subsidiaries have no interest relationship with our audit firm or its managing partners that should be stated under the Certified Public Accountants Act.

**Copy of Report of Accounting Auditor Regarding Non-Consolidated Financial
Statements**

Independent Auditors' Audit Report

May 13, 2025

To: Board of Directors of Nippon Sanso Holdings Corporation

Ernst & Young ShinNihon LLC

Tokyo Office
Maruyama Takao
Designated Limited Liability Partner, Managing Partner
Certified Public Accountant

Yamamoto Takao
Designated Limited Liability Partner, Managing Partner
Certified Public Accountant

Opinion

Under Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the non-consolidated financial statements and their related documents (i.e., non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity, notes to the non-consolidated financial statements, and supplementary schedules) of Nippon Sanso Holdings Corporation for the fiscal year from April 1, 2024 to March 31, 2025.

In our opinion, the above-mentioned non-consolidated financial statements and their related documents, in all material respects, appropriately present the financial position and results of operations for the period covered by these statements and documents by accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit by auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for Auditing the Non-consolidated Financial Statements and Their Related Documents." We are independent of the Company under the provisions related to professional ethics in Japan, and we fulfill other ethical responsibilities as auditors. We believe that we have obtained sufficient and appropriate audit evidence that serves as a basis for presenting our opinion.

Other descriptions

"Other descriptions" means the business report and its supplementary schedules. Management is responsible for preparing and disclosing other descriptions. The Audit & Supervisory Board and its members are responsible for monitoring the performance of duties by the Directors in their development and operation of the reporting process of the other descriptions.

Our firm's audit opinion for the non-consolidated financial statements and their related documents does not cover the other descriptions. We do not express any opinion about the other descriptions.

In the audit of the non-consolidated financial statements and their related documents, we have the responsibility to read over the other descriptions and, during that reading, to examine whether there are any material differences between the other descriptions and the non-consolidated financial statements and their related documents or our knowledge obtained during our audit, and to check to see whether there are any signs of material errors in the other descriptions besides such material differences.

If, based on our work, we determine that there are material errors in the other descriptions, we are required to report that fact.

The other descriptions have no issues that should be reported by us.

Responsibility of Management, Audit & Supervisory Board Members, and the Audit & Supervisory Board for the Non-consolidated Financial Statements and Their Related Documents

Management is responsible for preparing and appropriately presenting the non-consolidated financial statements and their related documents by accounting principles generally accepted in Japan. The responsibility includes development and operation of internal controls that management determines are necessary to prepare and appropriately present the non-consolidated financial statements and their related documents that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements and their related documents, management is responsible for evaluating the appropriateness of doing so on a going concern assumption, and for disclosing matters related to a going concern when disclosure is obligatory by accounting principles generally accepted in Japan.

The Audit & Supervisory Board and its members are responsible for monitoring the execution of duties by the Directors in their development and operation of the financial reporting process.

Auditor's Responsibility for Auditing the Non-consolidated Financial Statements and Their Related Documents

The auditor's responsibility is to obtain reasonable assurance on if the non-consolidated financial statements and their related documents as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion in the audit report on these statements and documents from an independent position based on the audit conducted by the auditor. Misstatement can occur due to fraud or error. Misstatement is deemed material when it is reasonably estimated to individually or cumulatively influence the decision-making of the users of the non-consolidated financial statements and their related documents.

In its auditing process, the auditor makes judgments as a professional specialist and conducts the following while maintaining professional skepticism by auditing standards generally accepted in Japan:

- Identify and assess the risks of material misstatement due to fraud or error. Design and perform audit procedure that deals with the risks of material misstatement. The selection and application of the audit procedures depend on the auditor's judgement. Moreover, obtain sufficient and appropriate audit evidence to provide a basis for expressing the audit opinion.
- The purpose of auditing the non-consolidated financial statements and their related documents is not to express an opinion on the effectiveness of the entity's internal control. But in assessing risks, the auditor considers internal controls relevant to the audit in order to design audit procedures that are appropriate for the circumstances.
- Evaluate the appropriateness of accounting policies and their application methods adopted by management, the reasonableness of accounting estimates made by management and the propriety of the relevant notes.
- Conclude whether or not it is appropriate for management to prepare the non-consolidated financial statements and their related documents under the going concern assumption. Also, conclude whether or not the audit evidence obtained informs some material uncertainties about events or conditions that cast serious doubt on the going concern assumption. When uncertainties about the going concern assumption is acknowledged, it is required to issue an alert about the notes to the non-consolidated financial statements and their related documents in the audit report. When the notes to the non-consolidated financial statements and their related documents about material uncertainties are inappropriate, it is required to express an opinion with qualifications about these statements and documents. The auditor's conclusion is based on audit evidence obtained up until the issue date of the audit report. Future events or conditions may cause the Company to stop continuing as a going concern.
- Evaluate whether the presentation of the non-consolidated financial statements and their related documents and the notes to them are prepared by principles generally accepted in Japan. Also, evaluate the presentation, structure, and content of these statements and documents including their notes, as well as whether these statements and documents appropriately present the underlying transactions and accounting events.

The auditor reports to the Audit & Supervisory Board and its members on the scope and timing of the planned audits, material audit findings identified during the audit including any material weakness in internal controls, and other matters required by the auditing standards.

The auditor reports to the Audit & Supervisory Board and its members on its compliance with the provisions in Japan for professional ethics about independence, matters that are reasonably considered to influence the independence of the auditor, and the description of any measures to eliminate impediments or any safeguard measures to reduce impediments to an acceptable level, where applicable.

Conflicts of Interests

No interest relationship exists between the Company and our audit firm or its managing partners that should be stated under the Certified Public Accountants Act.

Copy of the Audit & Supervisory Board Audit Report

Audit Report

In regard to the Directors' performance of their duties for the business year from April 1, 2024, to March 31, 2025, the Audit & Supervisory Board has prepared this Audit Report after deliberations based on the audit reports prepared by each Audit & Supervisory Board member and reports as follows.

1. Method and Contents of Audits by the Audit & Supervisory Board and Its Members

- (1) The Audit & Supervisory Board determined the audit policies and division of duties, etc. and received reports from each Audit & Supervisory Board member regarding the implementation status and results of their audits, in addition to which it received reports from the Directors, etc. and the accounting auditor regarding the status of the performance of their duties and requested explanations as necessary.
- (2) In compliance with the audit standards established by the Audit & Supervisory Board and in accordance with the audit policies and division of duties, etc., each Audit & Supervisory Board member communicated with the Directors, the internal audit department, and other employees, etc., endeavored to gather information and develop the audit environment, and conducted audits using the following methods.
 - (i) The Audit & Supervisory Board members attended meetings of the Board of Directors and other important meetings either online or in person, received reports from the Directors and employees, etc. regarding the status of the performance of their duties, requested explanations as necessary, reviewed important decision-making documents, etc., and inspected the status of operations and assets. Additionally, in regard to subsidiaries, the Audit & Supervisory Board members communicated and exchanged information with the Directors and Audit & Supervisory Board members, etc. of subsidiaries either online or in person and received reports on business from subsidiaries as necessary.
 - (ii) In regard to the content of resolutions of the Board of Directors regarding the development of systems to ensure that the Directors' performance of their duties complies with laws, regulations, and the Articles of Incorporation and other systems provided for in Article 100, paragraph (1) and paragraph (3) of Regulations for Enforcement of the Companies Act as systems necessary to ensure the appropriateness of operations of the corporate group composed of a stock company and its subsidiaries, as well as the systems developed pursuant to those resolutions (i.e., internal control systems) stated in the Business Report, the Audit & Supervisory Board members periodically received reports from the Directors and employees, etc. regarding the status of the establishment and operation of those systems and requested further explanations as necessary and expressed opinions in regard thereto. The Audit & Supervisory Board members also received reports from the Directors, etc. and Ernst & Young ShinNihon LLC on their evaluation of internal controls for financial reporting and on the status of auditing such internal controls and requested further explanations as necessary.
 - (iii) In regard to the basic policies provided for in Article 118, item (iii)(a) of Regulations for Enforcement of the Companies Act, the efforts provided for in item (iii)(b) of that article, the matters given due consideration provided for in item (v)(a) of that article, and the judgment and reasons provided for in item (v)(b) of that article, each as stated in the Business Report, the Audit & Supervisory Board members considered the contents thereof taking into account matters such as the status of deliberations at meetings of the Board of Directors and by any other method.
 - (iv) The Audit & Supervisory Board members monitored and checked whether the accounting auditor maintained an independent position and conducted appropriate audits, received reports from the accounting auditor on the status of the performance of its duties, and requested further explanations as necessary. Additionally, the Audit & Supervisory Board members received notification from the accounting auditor that, in accordance with the "Quality Control Standards for Audits" (Business Accounting Council), etc., it had developed systems in order to ensure that its duties are appropriately performed (as listed in each item of Article 131 of the Ordinance on Accounting of Companies) and requested further explanations as necessary.

Using the methods above, the Audit & Supervisory Board examined the Business Report, the supplementary schedules thereto, the accounting documents (i.e., the balance sheet, statement of income, statement of changes in net assets, and explanatory notes to accounting documents), the supplementary schedules to the accounting documents, and the consolidated accounting documents (i.e., the consolidated statement of financial position, consolidated statement of income, consolidated statement of changes in equity, and explanatory notes to consolidated accounting documents) for the business year.

2. Audit Results

(1) Results of audit of business report, etc.

- (i) We acknowledge that the Business Report and the supplementary schedules thereto accurately present the status of the Company in accordance with laws, regulations, and the Articles of Incorporation.
- (ii) We do not acknowledge any misconduct nor any material fact constituting a violation of any law, regulation, or the Articles of Incorporation in relation to the Directors' performance of their duties.
- (iii) We acknowledge the content of the resolutions of the Board of Directors regarding internal control systems to be reasonable. Additionally, we do not acknowledge any matters that should be commented upon in regard to the statements in the Business Report or the Directors' performance of their duties relating to the internal control systems, including the internal controls for financial reporting.
- (iv) We do not acknowledge any matters that should be commented upon in regard to the basic policy regarding persons who control the determination of financial and business policies of the Company stated in the Business Report. We acknowledge that the efforts provided for in Article 118, item (iii)(b) of Regulations for Enforcement of the Companies Act and stated in the Business Report are in compliance with that basic policy and do not harm the common interests of the shareholders of the Company, and that their purpose is not to maintain the positions of the Directors of the Company.
- (v) In regard to transactions with the parent company stated in the Business Report, we do not acknowledge any matters that should be commented upon, in regard to the matters given due consideration so that the interests of the Company are not harmed when engaging in such transactions, the judgment of the Board of Directors regarding whether or not such transactions harm the interests of the Company, and the reasons for that judgment.

(2) Results of audit of accounting documents and supplementary schedules thereto

We acknowledge the methods and results of the audit by the accounting auditor, Ernst & Young ShinNihon LLC, to be reasonable.

(3) Results of audit of consolidated accounting documents

We acknowledge the methods and results of the audit by the accounting auditor, Ernst & Young ShinNihon LLC, to be reasonable.

May 14, 2025

The Audit & Supervisory Board of Nippon Sanso Holdings Corporation

| | |
|--|-------------------|
| Audit and Supervisory Board Member (Full-time) | Satoshi Wataru |
| Audit and Supervisory Board Member (Full-time) | Akihiro Hashimoto |
| Audit and Supervisory Board Member (Full-time) | Kentaro Akashi |
| Audit and Supervisory Board Member (Full-time) | Kohei Ichiya |

(Note) Audit & Supervisory Board Members Akihiro Hashimoto, Kentaro Akashi, and Kohei Ichiya are Outside Company Auditors specified by Article 2, Item (xvi) and Article 335, Paragraph (3) of the Companies Act.

Memo

Memo

Map to the Venue of the 21st Ordinary General Meeting of Shareholders

Date and time:

Wednesday, June 18, 2025, 10:00 a.m. (Registration desk open from 9:00 a.m.)

Venue:

Grand Prince Hotel Takanawa, in Prince Room on basement floor B1

3-13-1 Takanawa, Minato-ku, Tokyo

Telephone: (03) 3447-1111

Nearest stations:

Shinagawa Station (Takanawa Exit) of JR Line and Keihin Kyuko Line (9-minute walk)

Takanawadai Station (A1 Exit) of Toei Asakusa Line (7-minute walk)