

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

Securities Code: 4544

May 25, 2026

## **NOTICE OF 76TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholder,

You are hereby notified of the 76th Ordinary General Meeting of Shareholders of H.U. Group Holdings, Inc. (the “Company”) that will be held as set forth below.

When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of Reference Documents for the General Meeting of Shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the website below. Please access the websites by using the Internet addresses shown below to review the information.

The Company’s website:

<https://www.hugp.com/ir/stock/meeting.html> (in Japanese)

(Access the above website to view the information presented in the 76th Annual General Meeting of Shareholders.)

Website of informational materials of General Meeting of Shareholders:

<https://d.sokai.jp/4544/teiji/> (in Japanese)

Tokyo Stock Exchange website (Listed Company Search):

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

(in Japanese)

(Access the TSE website by using the Internet address shown above, enter “H.U.” in “Issue name (company name)” or the Company’s securities code “4544” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or via the Internet, etc. Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 5:30 p.m. on Monday, June 15, 2026.

Yours faithfully,

Naoki Kitamura  
Director, Managing Executive Officer  
H.U. Group Holdings, Inc.  
1-8-1, Akasaka  
Minato-ku, Tokyo

- 1. Date and Time:** Tuesday, June 16, 2026, at 10:00 a.m. (JST)  
(Reception start time: 9:30 a.m.)
- 2. Venue:** “Orchard,” 2<sup>nd</sup> Floor, The Okura Prestige Tower, The Okura Tokyo  
2-10-4 Toranomom, Minato-ku, Tokyo

**3. Agenda:**

- Items to be reported*
1. Business Report, Consolidated Financial Statements, Results of Audits of Consolidated Financial Statements by Accounting Auditors and the Audit Committee for the 76th term (from April 1, 2025 to March 31, 2026)
  2. Non-consolidated Financial Statements for the 76th term (from April 1, 2025 to March 31, 2026)

*Item to be resolved*

Item 1: Partial Amendments to the Articles of Incorporation

Item 2: Election of Ten (10) Directors

**4. Matters to Be Determined When Convening (Information on the Exercise of Voting Rights):**

- (1) If you exercise your voting rights in writing (by mail) and do not indicate your approval or disapproval of proposals on the voting form, it will be treated as if you indicated approval.
- (2) If you exercise your voting rights more than once via the Internet, the last vote will be treated as valid.
- (3) If you exercise your voting rights both via the Internet and in writing (by mail), your vote via the Internet will be treated as valid, regardless of the arrival date and time.
- (4) If you exercise your voting rights by proxy, one other shareholder with voting rights may attend the General Meeting of Shareholders as your proxy. However, they must submit a document certifying the authority of proxy.
- (5) If you wish to exercise your voting rights in a non-uniform manner, please notify the Company of your intention to exercise your voting rights in a non-uniform manner and the reason thereof at least three days prior to the date of the General Meeting of Shareholders.

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\* If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the aforementioned websites.

\* For shareholders who have not made a request for the delivery of paper-based documents, the Notice of General Meeting of Shareholders and Reference Material for General Meeting of Shareholders will be delivered. Paper-based documents stating matters for which measures for providing information in electronic format are to be taken will be delivered to shareholders who have made a request for the delivery of paper-based documents. Among the matters subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 15 of the Articles of Incorporation, the “Notes to Consolidated Financial Statements” and “Notes to Non-Consolidated Financial Statements” in the financial statements are not provided in the paper-based documents to be sent.

\* We will conduct a live streaming broadcast of the meeting on the day of the meeting via the Internet, exclusively for shareholders (in Japanese only). In addition, questions regarding the agenda items will be received prior to the meeting on the Company website. For details, please refer to page 3-4.

## Live Streaming via the Internet and Submission of Shareholder Questions in Advance

We will conduct a live streaming broadcast of the meeting on the day of the meeting via the Internet, exclusively for shareholders (in Japanese only). Furthermore, we will accept questions regarding agenda items for the General Meeting of Shareholders in advance on the Company website. We will provide details of these measures below.

### [Live streaming via the Internet]

#### 1. Date and time

From 10:00 a.m. on Tuesday, June 16, 2026 (JST) to the end of the General Meeting of Shareholders (Can be accessed from 9:30 a.m.)

#### 2. Please access the website portal for viewing the live-stream broadcast either by directly entering the URL shown below or by scanning the QR code®, then enter the ID and password.

URL <https://hugp.kabunushi-soukai.jp/>

ID	: Shareholder number presented on the voting rights exercise form
Password	: Postal code of the address recorded in the shareholder registry (7 numbers excluding the hyphen)



QR code®

\* Be sure to make a note of your shareholder number when mailing in your voting rights exercise form.

\* Inquiries regarding the shareholder number:

Mitsubishi UFJ Trust and Banking Corporation Stock Transfer Agency

Tel: 0120-232-711 (toll free within Japan)

Hours: 9:00 a.m. to 5:00 p.m. JST (weekdays excluding weekends and holidays, etc.)

Please note: The inquiry desk can respond only to inquiries regarding shareholder numbers (not inquiries about how to access or view the meeting).

#### 3. Precautions about live streaming

- Viewing is restricted to shareholders only.
- The live stream does not enable participation in resolutions of the General Meeting of Shareholders on the day. Please exercise your voting rights beforehand in writing or by the Internet, etc.
- Live streaming will be in Japanese only.
- We cannot receive statements or questions via the livestream.
- After the live stream has finished it will not be made available for on demand viewing.
- Footage of the live stream will be confined to the chairperson, director and executive officer seating area out of consideration for the privacy of shareholders in attendance.
- You may encounter issues in viewing the live stream due to factors involving your device or Internet connection environment or circumstances involving your network connection.
- Telecommunication fees and other such costs incurred for viewing the live-stream broadcast are to be borne by the shareholder.
- Please refrain from photographing, filming, recording the meeting proceedings, or posting it on social media.

**[Submission of shareholder questions in advance]**

We will accept questions regarding agenda items of the General Meeting of Shareholders in advance via the Company's website.

1. Form for submitting questions in advance

URL: <https://www.hugp.com/ir/stock/76pre-question.html>



QR code®

2. Period for receiving shareholder questions in advance

From 12:00 a.m. on Monday, May 25, 2026 to 5:30 p.m. on Wednesday, June 10, 2026 (JST)

3. Precautions about submission of questions in advance

- Questions from shareholders will be limited to the purposes related to items on the agenda of 76th Ordinary General Meeting of Shareholders.
- The Company will not answer all questions. Questions that were not answered at the meeting will be used as basis for later reference.

## **Exercise of Voting Rights in Writing or Via the Internet, etc.**

If you exercise your voting rights in duplicate both in writing and via the Internet, etc. the vote exercised online shall prevail. Also, if you exercise your voting rights multiple times via the Internet, etc. the final vote shall prevail.

### **[Exercise of voting rights in writing]**

Please indicate your approval or disapproval to the proposed item in the voting right form and return it so that it arrives no later than 5:30 p.m. on Monday, June 15, 2026 (JST).

### **[Exercise of voting rights via the Internet, etc.]**

Voting must be completed no later than 5:30 p.m. on Monday, June 15, 2026 (JST).

## **I. Exercise of voting rights via the Internet**

### **Scanning QR code®**

You can simply log in to the website for exercise of voting rights without entering your login ID and temporary password presented on the voting instructions form.

1. Please scan the QR code® located on the right side of the voting instructions form.  
\* “QR code” is a registered trademark of DENSO WAVE INCORPORATED.
2. Indicate your approval or disapproval by following the instructions shown on the screen.

### **Entering login ID and temporary password**

Website for exercise of voting rights: <https://evote.tr.mufg.jp/>

1. Please access the website for exercise of voting rights.
2. Log in by entering your “login ID” and “temporary password” presented on the voting instructions form.
3. Indicate your approval or disapproval by following the instructions shown on the screen.

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

**Mitsubishi UFJ Trust and Banking Corporation**  
**Stock Transfer Agency Help Desk**

**Tel: 0120-173-027** (Toll-free only from Japan / Hours: 9:00 a.m. to 9:00 p.m. JST)

## **II. Platform for proxy voting by electronic means**

Institutional investors may apply in advance to use the platform for proxy voting by electronic means operated by ICJ. In this case, such shareholders can use the ICJ platform in addition to the proxy voting via the Internet in I. above as a means to exercise their voting right by electromagnetic means at General Meeting of Shareholders of the Company.

## Reference Material for General Meeting of Shareholders

### Item 1: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

- To provide greater flexibility in the operation of the General Meeting of Shareholders, the Company proposes amending Article 14 of the current Articles of Incorporation. The amendment changes the convener of the General Meeting of Shareholders to a director designated in advance by the Board of Directors, and the chairperson to a director or executive officer designated in advance by the Board of Directors.
- To provide greater flexibility in the operation of the Board of Directors, the Company proposes changing the convener and the chairperson of the Board of Directors, as currently prescribed in Article 22 of the Articles of Incorporation, to a director designated in advance by the Board of Directors.

2. Details of the amendments

Details of the amendments are as follows:

(Underlined portions indicate amendments.)

Current Articles of Incorporation	Proposed Amendments
<p>Article 14 (Convener and Chairperson of General Meeting of Shareholders)</p> <p>Unless otherwise provided for by laws and regulations, <u>the Director, Representative Executive Officer and President</u> shall convene General Meetings of Shareholders and chair the meetings based on the resolution of the Board of Directors. In case where <u>the Director, Representative Executive Officer and President</u> is prevented from so acting, another director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall so act.</p> <p style="text-align: center;">(Newly established)</p> <p>Article 15 – 21 (Omitted)</p>	<p>Article 14 (Convener and Chairperson of General Meeting of Shareholders)</p> <p><u>1.</u> Unless otherwise provided for by laws and regulations, <u>a director designated in advance by the Board of Directors</u> shall convene General Meetings of Shareholders. In case where <u>that director</u> is prevented from so acting, another director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall so act.</p> <p><u>2.</u> <u>A director or executive officer designated in advance by the Board of Directors shall chair General Meetings of Shareholders. In case where that director or executive officer is prevented from so acting, another director or executive officer who is designated in accordance with an order of priority determined in advance by the Board of Directors shall so act.</u></p> <p>Article 15 – 21 (Unchanged)</p>

Current Articles of Incorporation	Proposed Amendments
<p data-bbox="252 293 794 360">Article 22 (Convener and Chairperson of Meeting of the Board of Directors)</p> <ol data-bbox="252 383 794 999" style="list-style-type: none"> <li data-bbox="252 383 794 775">1. Unless otherwise provided for by laws and regulations, <u>the Director, Representative Executive Officer and President</u> shall convene meetings of the Board of Directors and chair the meetings. In case where <u>the Director, Representative Executive Officer and President</u> is prevented from so acting, another director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall so act.</li> <li data-bbox="252 797 794 999">2. Notice of convocation of the meeting under the preceding paragraph shall be sent to each director no later than three days prior to the date of the meeting. However, this period may be shortened if there is an urgent need.</li> </ol>	<p data-bbox="821 293 1364 360">Article 22 (Convener and Chairperson of Meeting of the Board of Directors)</p> <ol data-bbox="821 383 1364 999" style="list-style-type: none"> <li data-bbox="821 383 1364 707">1. Unless otherwise provided for by laws and regulations, <u>a director designated in advance by the Board of Directors</u> shall convene meetings of the Board of Directors and chair the meetings. In case where <u>that director</u> is prevented from so acting, another director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall so act.</li> <li data-bbox="821 797 1364 999">2. Notice of convocation of the meeting under the preceding paragraph shall be sent to each director no later than three days prior to the date of the meeting. However, this period may be shortened if there is an urgent need.</li> </ol>

## Item 2: Election of Ten (10) Directors

The term of office of all nine (9) of the incumbent Directors expires at the close of this General Meeting of Shareholders. Accordingly, we would like to hereby propose the election of ten (10) Directors based on the decision of the Nominating Committee.

The names and brief personal profiles of the candidates for Director are as follows:

Candidate No.	Name	Attribute	Current position and duties in the Company (◎:Chairperson) (Note)			
				Nominating Committee	Audit Committee	Compensation Committee
1	Goki Ishikawa	New election	Representative Executive Officer, President	-	-	-
2	Sachiko Awai	Reelection Outside	Director	-	○	◎
3	Koji Inagaki	New election Outside	—	-	-	-
4	Takehiko Ota	New election Outside	—	-	-	-
5	Moegi Shirakawa	Reelection Outside	Director	○	○	-
6	Yutaro Shintaku	New election Outside	—	-	-	-
7	Katsunori Hashimoto	New election Outside	—	-	-	-
8	Takeshi Matsui	New election Outside	—	-	-	-
9	Keiji Miyakawa	Reelection Outside	Director	-	○	○
10	Hitoshi Yoshida	Reelection Outside	Director	◎	-	-

Note: The positions and duties of the above listed candidates for Director are as of this General Meeting of Shareholders.

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No. **1**

# Goki Ishikawa

(Born on November 18, 1976)

New  
election



## Reason for nominating the candidate for Director:

Mr. Goki Ishikawa joined the Company in 2012 after working for the Boston Consulting Group and Elsevier. After serving as Director of an overseas group company in the area of the In-Vitro Diagnostics since 2013, he became Director of Fujirebio Inc. in 2014, and after being appointed as President and CEO of the company in 2018, and appointed as President and CEO of Fujirebio Holdings, Inc. in 2020, he was appointed as Representative Executive Officer, President and Group CEO of the Company in April 2026. He has broad insight based on his extensive experience as a business company manager as well as a wide range of knowledge on healthcare and global business. Considering the above, Mr. Ishikawa is appropriately suited to be a director of the Company and accordingly has been appointed as a candidate for that position.

**Number of the  
Company's shares held**  
(Number of shares scheduled to  
be delivered under share-based  
compensation plan)

20,415 shares  
(11,490 shares)

**Tenure as Director**

-

## Brief personal profile, and position and duties in the Company

Apr. 2000	Joined the Japan Defense Agency (currently Ministry of Defense, Japan)	Apr. 2016	Representative Managing Director, Fujirebio Inc.
Sep. 2006	Joined the Boston Consulting Group	Apr. 2017	Executive Vice President & Representative Director, Fujirebio Inc. Executive Vice President & Representative Director, Fujirebio Holdings, Inc.
Dec. 2008	Joined Elsevier	Jun. 2018	President & CEO, Fujirebio Inc.
Jan. 2012	Joined the Company	Jun. 2020	Executive Officer of the Company President & CEO, Fujirebio Holdings, Inc. Director, Fujirebio Inc. (incumbent)
Jun. 2013	Director, Fujirebio Diagnostics Inc.	Jun. 2023	Director, SRL, Inc. (incumbent)
Apr. 2014	Director, Fujirebio Inc.	Jun. 2025	Managing Executive Officer of the Company
Jun. 2014	Director, Fujirebio Europe N.V.	Apr. 2026	Representative Executive Officer, President and Group CEO of the Company (incumbent)
Mar. 2015	Representative Director, Fujirebio Inc.		Director, Fujirebio Holdings, Inc. (incumbent) Director, H.U. Frontier, Inc. (incumbent)

## Significant positions held at other companies

Director, Fujirebio Inc.  
Director, SRL, Inc.

Director, Fujirebio Holdings, Inc.  
Director, H.U. Frontier, Inc.

\*The four companies are all consolidated subsidiaries of the Company.

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**Other matters**

1. There are no conflicts of interests between Mr. Ishikawa and the Company.
2. Directors and officers liability insurance policy  
The Company has concluded a directors and officers liability insurance policy with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. Mr. Ishikawa will be included as an insured party under the insurance policy upon approval of his election. Moreover, the Company intends to leave the content of the insurance policy unchanged upon its forthcoming renewal. Details of the policy are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
3. Of the number of shares of the Company held, the number shown in parentheses represents the shares scheduled to be delivered by July 2028 under the share-based compensation plan for the Company’s directors and officers and is excluded from the above number.

No. **2****Sachiko Awai**

(Born on May 21, 1957)

Reelection

Outside

Independent  
DirectorCompensation  
Committee

**Number of the  
Company's shares held**  
0 shares

**Tenure as Director**  
3 years

Attendance rate at Board of Directors Meetings	Attendance rate at Meetings of Audit Committee	Attendance rate at Meetings of Compensation Committee
100% (17/17 meetings)	100% (13/13 meetings)	100% (13/13 meetings)

\*Ms. Sachiko Awai became a member of the Audit Committee on June 17, 2025, and her attendance reflects the period after assuming office.

**Reason for nominating the candidate for Outside Director and overview of expected roles:**

Ms. Sachiko Awai has broad insight based on her extensive experience as a business company manager. On the Board of Directors, she performs her role of seeking to ensure that the Board of Directors appropriately makes decisions serving as an outside director. As a chairperson of the Compensation Committee, she furthermore leads robust deliberations when it comes to making decisions on the Company's compensation system for its directors and executive officers as well on compensation levels. In addition, as a member of the Audit Committee, she performs her role of auditing and supervising the execution of duties by management of the Group through meetings with management of the Company and its major subsidiaries and regular meetings with corporate auditors of major subsidiaries, in accordance with the audit policy and audit plan. Considering the above, Ms. Awai is capable of appropriately performing duties as an outside director and accordingly has been appointed as a candidate for that position. We are confident that she will continue performing her roles as a member of the Compensation Committee upon election.

**Brief personal profile, and position and duties in the Company**

Jul. 1984	Joined Japan Office of U.S. Meat Export Federation	Jan. 2019	Part Time Adviser, Natural Water Business Department, Harves Co., Ltd.
Jan. 1991	Joined Estée Lauder Companies	Jun. 2019	Outside Director (who is an Audit & Supervisory Committee Member), A.D.Works Co., Ltd.
Mar. 1997	Joined NIHON L'ORÉAL K.K.	Apr. 2020	Outside Director (who is an Audit & Supervisory Committee Member), A.D.Works Group Co., Ltd. (incumbent)
Nov. 2004	Joined GUERLAIN (LVJ Group)	Jun. 2020	Outside Director, INFOCOM CORPORATION
May 2012	Joined fitfit, Inc.	Mar. 2022	Outside Director (who is an Audit & Supervisory Committee Member), BP Castrol K.K. (incumbent)
May 2013	President and Representative Director, La Prairie Japan	Jun. 2023	Outside Director of the Company (incumbent)
Jan. 2019	General Manager, INCOCO Business Department, Newport Ltd.		

**Significant positions held at other companies**

Outside Director (who is an Audit & Supervisory Committee Member), A.D.Works Group Co., Ltd.

Outside Director (who is an Audit & Supervisory Committee Member), BP Castrol K.K.

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**Matters regarding independence / Other matters**

1. There are no conflicts of interests between Ms. Awai and the Company.
2. Ms. Awai is a candidate for outside director and satisfies the requirements regarding outside directors provided in Article 2, Item 15 of the Companies Act.
3. Ms. Awai satisfies the requirements for independence stipulated by the independence standards of the Company (described on page 30).
4. **Notification of Independent Directors**  
The Company has appointed Ms. Awai as an independent director stipulated by the Tokyo Stock Exchange and has registered with the stock exchange accordingly. She is not deemed to fall into the category specified by the Tokyo Stock Exchange in which a conflict of interest is likely to arise between general shareholders and the person.
5. **Limited liability agreement with outside directors**  
The Company has entered into a limited liability agreement with Ms. Awai. The Company will continue the said limited liability agreement with her if she is reelected as a director at this General Meeting of Shareholders. Details of the policy are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
6. **Directors and officers liability insurance policy**  
The Company has concluded a directors and officers liability insurance policy with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. Ms. Awai will be included as an insured party under the insurance policy upon approval of her election. Moreover, the Company intends to leave the content of the insurance policy unchanged upon its forthcoming renewal. Details of the policy are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
7. Through the passing of a resolution at the Board of Directors’ Meeting to be held after this General Meeting of Shareholders, Ms. Awai will be appointed as a member of the Compensation Committee.

No. 3

## Koji Inagaki

(Born on June 5, 1962)

New  
election

Outside

Independent  
Director

Audit  
Committee



### Reason for nominating the candidate for Outside Director and overview of expected roles:

Mr. Koji Inagaki has been involved in audit work for many years as a certified public accountant at Deloitte Touche Tohmatsu LLC and has abundant experience in the field of accounting and finance. In addition, he has a track record of experience in management of the auditing firm as Deputy CEO and broad insight based on his experience. Considering the above, Mr. Inagaki is capable of appropriately performing duties as an outside director and accordingly has been appointed as a candidate for that position. We are confident that he will appropriately perform duties as an outside director and roles as a member of the Audit Committee upon election.

### Number of the Company's shares held

0 shares

### Tenure as Director

-

### Brief personal profile, and position and duties in the Company

Oct.	1984	Joined Deloitte Haskins and Sells (currently Deloitte Touche Tohmatsu LLC)	Oct.	2013	Executive Officer, Global Audit Advancement, Deloitte Touche Tohmatsu LLC
Aug.	1990	Registered as a certified public accountant (registration number 10283)	Oct.	2015	Board Member, Deloitte Touche Tohmatsu LLC
Jul.	1996	Expatriate, New York Office of Deloitte & Touche LLP	Jun.	2018	Executive Officer, Deputy CEO, Deloitte Touche Tohmatsu LLC
Nov.	2000	Partner, Deloitte Touche Tohmatsu LLC	Jun.	2023	Audit & Supervisory Board Member (outside), NEC Networks & System Integration Corporation

### Significant positions held at other companies

None

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**Matters regarding independence / Other matters**

1. There are no conflicts of interests between Mr. Inagaki and the Company.
2. Mr. Inagaki is a candidate for outside director and satisfies the requirements regarding outside directors provided in Article 2, Item 15 of the Companies Act.
3. Mr. Inagaki satisfies the requirements for independence stipulated by the independence standards of the Company (described on page 30).
4. Notification of Independent Directors  
The Company will appoint Mr. Inagaki as an independent director stipulated by the Tokyo Stock Exchange and will register with the stock exchange accordingly. He is not deemed to fall into the category specified by the Tokyo Stock Exchange in which a conflict of interest is likely to arise between general shareholders and the person.
5. Limited liability agreement with outside directors  
The Company will enter into a limited liability agreement with Mr. Inagaki if he is elected as a director at this General Meeting of Shareholders. Details of the agreement are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
6. Directors and officers liability insurance policy  
The Company has concluded a directors and officers liability insurance policy with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. Mr. Inagaki will be included as an insured party under the insurance policy upon approval of his election. Moreover, the Company intends to leave the content of the insurance policy unchanged upon its forthcoming renewal. Details of the policy are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
7. Through the passing of a resolution at the Board of Directors’ Meeting to be held after this General Meeting of Shareholders, Mr. Inagaki will be appointed as a member of the Audit Committee.

No. **4**

## Takehiko Ota

(Born on April 5, 1960)

New  
election

Outside

Independent  
Director

Audit  
Committee



### Reason for nominating the candidate for Outside Director and overview of expected roles:

Mr. Takehiko Ota has abundant practical experience in corporate management and governance, including Full-time Audit & Supervisory Board Member at Mitsui O.S.K. Lines, Ltd. and Director, Senior Managing Executive Officer at DAIBIRU CORPORATION. Considering the above, Mr. Ota is capable of appropriately performing duties as an outside director, and accordingly has been appointed as a candidate for that position. We are confident that he will appropriately perform duties as an outside director and roles as a member of the Audit Committee upon election.

**Number of the  
Company's shares held**

0 shares

**Tenure as Director**

-

### Brief personal profile, and position and duties in the Company

Apr.	1984	Joined Mitsui O.S.K. Lines, Ltd.	Jun.	2019	Director, Managing Executive Officer, DAIBIRU CORPORATION
Jun.	2008	General Manager, Investor Relations Office, Mitsui O.S.K. Lines, Ltd.	Apr.	2024	Director, Senior Managing Executive Officer, DAIBIRU CORPORATION
Jun.	2013	Full-time Audit & Supervisory Board Member, Mitsui O.S.K. Lines, Ltd.	Apr.	2025	Advisor, DAIBIRU CORPORATION
Jun.	2017	Executive Officer, Deputy Director General of Corporate Management and Administration Division, DAIBIRU CORPORATION	Jun.	2025	Corporate Auditor, MOL Kosan Co., Ltd. (incumbent)

### Significant positions held at other companies

Corporate Auditor, MOL Kosan Co., Ltd.

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**Matters regarding independence / Other matters**

1. There are no conflicts of interests between Mr. Ota and the Company.
2. Mr. Ota is a candidate for outside director and satisfies the requirements regarding outside directors provided in Article 2, Item 15 of the Companies Act.
3. Mr. Ota satisfies the requirements for independence stipulated by the independence standards of the Company (described on page 30).
4. Notification of Independent Directors  
The Company will appoint Mr. Ota as an independent director stipulated by the Tokyo Stock Exchange and will register with the stock exchange accordingly. He is not deemed to fall into the category specified by the Tokyo Stock Exchange in which a conflict of interest is likely to arise between general shareholders and the person.
5. Limited liability agreement with outside directors  
The Company will enter into a limited liability agreement with Mr. Ota if he is elected as a director at this General Meeting of Shareholders. Details of the agreement are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
6. Directors and officers liability insurance policy  
The Company has concluded a directors and officers liability insurance policy with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. Mr. Ota will be included as an insured party under the insurance policy upon approval of his election. Moreover, the Company intends to leave the content of the insurance policy unchanged upon its forthcoming renewal. Details of the policy are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
7. Through the passing of a resolution at the Board of Directors’ Meeting to be held after this General Meeting of Shareholders, Mr. Ota will be appointed as a member of the Audit Committee.

No. **5**

## Moegi Shirakawa

(Born on January 14, 1979)

Reelection

Outside

Independent  
Director

Nominating  
Committee

Audit  
Committee



**Number of the  
Company's shares held**  
0 shares

**Tenure as Director**  
4 years

Attendance rate at Board of Directors Meetings	Attendance rate at Meetings of Nominating Committee	Attendance rate at Meetings of Audit Committee
100% (17/17 meetings)	100% (17/17 meetings)	100% (16/16 meetings)

\*Ms. Moegi Shirakawa became a member of the Nominating Committee on June 17, 2025, and her attendance reflects the period after assuming office.

### Reason for nominating the candidate for Outside Director and overview of expected roles:

Although Ms. Moegi Shirakawa does not have experience in corporate management other than being an outside director, she is an expert who can provide advice enlisting differing perspectives as a lawyer and a legal practitioner who is well versed in corporate and business law. At the law firm where Ms. Shirakawa currently serves as a partner, she is also committed to developing lawyers and staff who belong to the law firm. As an outside director on the Board of Directors, she fulfills her role in ensuring the appropriate decision-making by the Board of Directors. In addition, on the Audit Committee, she audits and supervises the execution of duties by management of the Group through meetings with management of the Company and its major subsidiaries and regular meetings with corporate auditors of major subsidiaries, in accordance with the audit policy and audit plan. Furthermore, as a member of the Nominating Committee, she also conducts robust deliberations regarding the nomination of candidates for director. Considering the above, Ms. Shirakawa is capable of appropriately performing duties as an outside director and accordingly has been appointed as a candidate for that position. We are confident that she will continue performing her roles as a member of the Nominating Committee and the Audit Committee upon election.

### Brief personal profile, and position and duties in the Company

Oct. 2003	Admitted to bar Joined Anderson Mori & Tomotsune (former Tomotsune & Kimura)
Sep. 2008	Associated with Sullivan & Cromwell LLP, New York
Aug. 2009	Rejoined Anderson Mori & Tomotsune
Jan. 2013	Partner, Anderson Mori & Tomotsune (incumbent)
Feb. 2021	Member of the Business Accounting Council, Financial Services Agency (incumbent)
Jun. 2022	Outside Director of the Company (incumbent)
Apr. 2026	Lecturer (Part-time) at Keio University Law School, Keio University (incumbent)

### Significant positions held at other companies

Partner, Anderson Mori & Tomotsune	Lecturer (Part-time) at Keio University Law School, Keio University
Member of the Business Accounting Council, Financial Services Agency	

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**Matters regarding independence / Other matters**

1. There are no conflicts of interests between Ms. Shirakawa and the Company.
2. Ms. Shirakawa is a candidate for outside director and satisfies the requirements regarding outside directors provided in Article 2, Item 15 of the Companies Act.
3. Ms. Shirakawa satisfies the requirements for independence stipulated by the independence standards of the Company (described on page 30).
4. **Notification of Independent Directors**  
The Company has appointed Ms. Shirakawa as an independent director stipulated by the Tokyo Stock Exchange and has registered with the stock exchange accordingly. She is not deemed to fall into the category specified by the Tokyo Stock Exchange in which a conflict of interest is likely to arise between general shareholders and the person.
5. **Limited liability agreement with outside directors**  
The Company has entered into a limited liability agreement with Ms. Shirakawa. The Company will continue the said limited liability agreement with her if she is reelected as a director at this General Meeting of Shareholders. Details of the policy are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
6. **Directors and officers liability insurance policy**  
The Company has concluded a directors and officers liability insurance policy with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. Ms. Shirakawa will be included as an insured party under the insurance policy upon approval of her election. Moreover, the Company intends to leave the content of the insurance policy unchanged upon its forthcoming renewal. Details of the policy are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
7. Through the passing of a resolution at the Board of Directors’ Meeting to be held after this General Meeting of Shareholders, Ms. Shirakawa will be appointed as a member of the Nominating Committee and the Audit Committee.

No. **6****Yutaro Shintaku**

(Born on September 19, 1955)

New  
election

Outside

Independent  
DirectorNominating  
Committee**Reason for nominating the candidate for Outside Director and overview of expected roles:**

Mr. Yutaro Shintaku has been involved in the management of Terumo Corporation as Chief Executive Officer for many years and has abundant experience and a track record as a manager, as well as insight in healthcare and global businesses. He also has a track record as an outside director. Considering the above, Mr. Shintaku is capable of appropriately performing duties as an outside director and accordingly has been appointed as a candidate for that position. We are confident that he will appropriately perform duties as an outside director and roles as a member of the Nominating Committee upon election.

**Number of the  
Company's shares held**

2,000 shares

**Tenure as Director**

-

**Brief personal profile, and position and duties in the Company**

Apr.	1979	Joined Toa Nenryo Kogyo K.K. (Currently ENEOS Corporation)	Jun.	2017	Outside Director, Santen Pharmaceutical Co., Ltd. Outside Director, J-OIL MILLS, INC.
Jan.	1999	Joined Terumo Corporation	Sep.	2017	Managing Director, Tonen International Scholarship Foundation
Jun.	2005	Executive Officer, Terumo Corporation	Mar.	2018	Councilor, International University of Health and Welfare (incumbent) Outside Director, Kubota Corporation (incumbent)
Jun.	2006	Director, Executive Officer, Terumo Corporation	Mar.	2019	Specially Appointed Professor, School of Business Administration, Hitotsubashi University Business School
Jun.	2007	Director, Senior Executive Officer, Terumo Corporation			Advisor, Social Collaboration Division, The University of Tokyo (incumbent)
Jun.	2010	Chief Executive Officer, Terumo Corporation	Sep.	2019	Outside Director, KOZO KEIKAKU ENGINEERING Inc. (Currently KOZO KEIKAKU ENGINEERING HOLDINGS Inc.) (incumbent)

**Significant positions held at other companies**

Councilor, International University of Health and Welfare	Advisor, Social Collaboration Division, The University of Tokyo
Outside Director, Kubota Corporation	Outside Director, KOZO KEIKAKU ENGINEERING HOLDINGS Inc.

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**Matters regarding independence / Other matters**

1. There are no conflicts of interests between Mr. Shintaku and the Company.
2. Mr. Shintaku is a candidate for outside director and satisfies the requirements regarding outside directors provided in Article 2, Item 15 of the Companies Act.
3. Mr. Shintaku satisfies the requirements for independence stipulated by the independence standards of the Company (described on page 30).
4. **Notification of Independent Directors**  
The Company will appoint Mr. Shintaku as an independent director stipulated by the Tokyo Stock Exchange and will register with the stock exchange accordingly. He is not deemed to fall into the category specified by the Tokyo Stock Exchange in which a conflict of interest is likely to arise between general shareholders and the person.
5. **Limited liability agreement with outside directors**  
The Company will enter into a limited liability agreement with Mr. Shintaku if he is elected as a director at this General Meeting of Shareholders. Details of the agreement are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
6. **Directors and officers liability insurance policy**  
The Company has concluded a directors and officers liability insurance policy with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. Mr. Shintaku will be included as an insured party under the insurance policy upon approval of his election. Moreover, the Company intends to leave the content of the insurance policy unchanged upon its forthcoming renewal. Details of the policy are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
7. Through the passing of a resolution at the Board of Directors’ Meeting to be held after this General Meeting of Shareholders, Mr. Shintaku will be appointed as a member of the Nominating Committee.

No. **7****Katsunori Hashimoto**

(Born on September 16, 1955)

New  
election

Outside

Independent  
DirectorCompensation  
Committee

**Number of the  
Company's shares held**  
0 shares

**Tenure as Director**  
-

**Reason for nominating the candidate for Outside Director and overview of expected roles:**

Mr. Katsunori Hashimoto has served as CFO of YKK (U.K.) Ltd. and held various positions including Senior Financial Analyst, Global Project Leader, and Audit Manager at DuPont de Nemours, Inc. As Director and Executive Vice President at DuPont Kabushiki Kaisha, he has engaged in overall corporate management encompassing business reorganization/PMI and group governance for many years. In addition, at Toshiba Corporation, he served as Director, Chair of Audit Committee and Nominating Committee member, and at NTT DATA Group Corporation, he has provided advice particularly on global management as an Advisory Board member. Considering his abundant experience and broad insight, Mr. Hashimoto is capable of appropriately performing duties as an outside director, and accordingly has been appointed as a candidate for that position. We are confident that he will appropriately perform duties as an outside director and roles as a member of the Compensation Committee upon election.

**Brief personal profile, and position and duties in the Company**

Apr.	1978	Joined YKK Corporation	Nov.	2009	Director, Managing Executive Officer, DuPont Kabushiki Kaisha
Oct.	1986	CFO, YKK (U.K.) Ltd.	Jan.	2013	Director, Senior Managing Executive Officer, DuPont Kabushiki Kaisha
Apr.	1990	Joined DuPont Kabushiki Kaisha	Jun.	2014	Representative Director and President, Danisco Japan Ltd.
Aug.	1996	Senior Financial Analyst, Automotive Division, DuPont de Nemours, Inc.	Sep.	2014	Director, Executive Vice President, DuPont Kabushiki Kaisha
Jan.	1998	Global Project Leader, Global Business Reporting, DuPont de Nemours, Inc.	Oct.	2020	Specially Appointed Professor, Graduate School of Management, Tokyo Metropolitan University (incumbent)
Oct.	1998	Audit Manager, DuPont de Nemours, Inc.	Oct.	2020	Chair, DSS Sustainable Solutions Japan, GK (incumbent)
May	1999	Treasurer, Tokyo Treasury Center, DuPont Kabushiki Kaisha	Jun.	2021	Director, Chair of Audit Committee, Member of Nominating Committee, Toshiba Corporation
Jan.	2002	Director of Finance, DuPont Kabushiki Kaisha	Apr.	2024	Advisory Board Member, NTT DATA Group Corporation

**Significant positions held at other companies**

Specially Appointed Professor, Graduate School of Management, Tokyo Metropolitan University

Chair, DSS Sustainable Solutions Japan, GK

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**Matters regarding independence / Other matters**

1. There are no conflicts of interests between Mr. Hashimoto and the Company.
2. Mr. Hashimoto is a candidate for outside director and satisfies the requirements regarding outside directors provided in Article 2, Item 15 of the Companies Act.
3. Mr. Hashimoto satisfies the requirements for independence stipulated by the independence standards of the Company (described on page 30).
4. **Notification of Independent Directors**  
The Company will appoint Mr. Hashimoto as an independent director stipulated by the Tokyo Stock Exchange and will register with the stock exchange accordingly. He is not deemed to fall into the category specified by the Tokyo Stock Exchange in which a conflict of interest is likely to arise between general shareholders and the person.
5. **Limited liability agreement with outside directors**  
The Company will enter into a limited liability agreement with Mr. Hashimoto if he is elected as a director at this General Meeting of Shareholders. Details of the agreement are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
6. **Directors and officers liability insurance policy**  
The Company has concluded a directors and officers liability insurance policy with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. Mr. Hashimoto will be included as an insured party under the insurance policy upon approval of his election. Moreover, the Company intends to leave the content of the insurance policy unchanged upon its forthcoming renewal. Details of the policy are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
7. Through the passing of a resolution at the Board of Directors’ Meeting to be held after this General Meeting of Shareholders, Mr. Hashimoto will be appointed as a member of the Compensation Committee.

No. 8

## Takeshi Matsui

(Born on February 18, 1961)

New  
election

Outside

Independent  
Director

Compensation  
Committee



### Reason for nominating the candidate for Outside Director and overview of expected roles:

Mr. Takeshi Matsui worked for many years in finance, overseas business, and related areas at Osaka Gas Co., Ltd. and has abundant experience in and a wide range of knowledge of corporate management and organizational operations with a focus on enhancing the value of group companies. Considering the above, Mr. Matsui is capable of appropriately performing duties as an outside director, and accordingly has been appointed as a candidate for that position. We are confident that he will appropriately perform duties as an outside director and roles as a member of the Compensation Committee upon election.

### Number of the Company's shares held

0 shares

### Tenure as Director

-

### Brief personal profile, and position and duties in the Company

Apr.	1983	Joined Osaka Gas Co., Ltd.	Apr.	2019	Representative Director, Executive Vice President, Osaka Gas Co., Ltd.
Apr.	2013	Executive Officer, General Manager, Finance Dept., Osaka Gas Co., Ltd.	Apr.	2024	Director, Osaka Gas Co., Ltd. and Chairman of the Board, Osaka Gas USA Corporation
Apr.	2014	Executive Officer, General Manager, Human Resources Dept., Osaka Gas Co., Ltd.	Jun.	2024	Advisor, Osaka Gas Co., Ltd. and Chairman of the Board, Osaka Gas USA Corporation (incumbent)
Apr.	2016	Senior Executive Officer, Head, Energy Resources & Int'l Business Unit, Osaka Gas Co., Ltd.	Jun.	2025	Chairman of the Board, Osaka Gas Foundation of International Cultural Exchange (incumbent) Corporate Auditor, Yomiuri Telecasting Corporation (incumbent)
Jun.	2017	Director, Senior Executive Officer, Head, Energy Resources & Int'l Business Unit, Osaka Gas Co., Ltd.			

### Significant positions held at other companies

Advisor, Osaka Gas Co., Ltd. and Chairman of the Board, Osaka Gas USA Corporation  
Corporate Auditor, Yomiuri Telecasting Corporation  
Chairman of the Board, Osaka Gas Foundation of International Cultural Exchange

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**Matters regarding independence / Other matters**

1. There are no conflicts of interests between Mr. Matsui and the Company.
2. Mr. Matsui is a candidate for outside director and satisfies the requirements regarding outside directors provided in Article 2, Item 15 of the Companies Act.
3. Mr. Matsui satisfies the requirements for independence stipulated by the independence standards of the Company (described on page 30).
4. **Notification of Independent Directors**  
The Company will appoint Mr. Matsui as an independent director stipulated by the Tokyo Stock Exchange and will register with the stock exchange accordingly. He is not deemed to fall into the category specified by the Tokyo Stock Exchange in which a conflict of interest is likely to arise between general shareholders and the person.
5. **Limited liability agreement with outside directors**  
The Company will enter into a limited liability agreement with Mr. Matsui if he is elected as a director at this General Meeting of Shareholders. Details of the agreement are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
6. **Directors and officers liability insurance policy**  
The Company has concluded a directors and officers liability insurance policy with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. Mr. Matsui will be included as an insured party under the insurance policy upon approval of his election. Moreover, the Company intends to leave the content of the insurance policy unchanged upon its forthcoming renewal. Details of the policy are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
7. Through the passing of a resolution at the Board of Directors’ Meeting to be held after this General Meeting of Shareholders, Mr. Matsui will be appointed as a member of the Compensation Committee.

No. 9

**Keiji Miyakawa**

(Born on November 5, 1958)

Reelection

Outside

Independent  
DirectorNominating  
Committee

**Number of the  
Company's shares held**  
3,400 shares

**Tenure as Director**  
5 years

Attendance rate at Board of Directors Meetings	Attendance rate at Meetings of Audit Committee	Attendance rate at Meetings of Compensation Committee
100% (17/17 meetings)	100% (16/16 meetings)	100% (13/13 meetings)

**Reason for nominating the candidate for Outside Director and overview of expected roles:**

Mr. Keiji Miyakawa has abundant experience in the investment banking division of a major global securities firm and in M&A advisory companies, and also has broad insight as a financial service manager. On the Board of Directors, he performs his role of seeking to ensure that the Board of Directors appropriately makes decisions serving as an outside director. As a member of the Compensation Committee, he furthermore conducts robust deliberations when it comes to the making decisions on the Company's compensation system for its directors and executive officers as well on compensation levels. On the Audit Committee, he audits and supervises the execution of duties by management of the Group through meetings with management of the Company and its major subsidiaries and regular meetings with corporate auditors of major subsidiaries, in accordance with the audit policy and audit plan. Considering the above, Mr. Miyakawa is capable of appropriately performing duties as an outside director and accordingly has been appointed as a candidate for that position. We are confident that he will conduct robust deliberations as a member of the Nominating Committee regarding the nomination of candidates for director in a manner that ensures membership balance and diversity of the Board of Directors overall.

**Brief personal profile, and position and duties in the Company**

Apr. 1982	Joined Japan External Trade Organization (JETRO)	Mar. 2018	Outside Director, Member of the Board, GungHo Online Entertainment, Inc.
Jul. 1988	Joined Bankers Trust Company (currently Deutsche Securities Inc.)	Jan. 2019	Senior Advisor, Lincoln International Inc. (incumbent)
Jul. 1999	Managing Director, Head of M&A Division, Deutsche Securities Inc.	Sep. 2020	Executive Advisor, MASH Holdings Co., Ltd.
Oct. 2006	Vice Chairman, Global Banking, Deutsche Securities Inc.	Jun. 2021	Outside Director of the Company (incumbent)
Sep. 2009	Chairman-Japan, Lincoln International Inc.	Dec. 2023	Outside Director, ZENSHO INTERNATIONAL LIMITED
Jun. 2012	Outside Audit & Supervisory Board Member, ASICS Corporation	Mar. 2024	Outside Auditor, MASH Holdings Co., Ltd. (incumbent)
Jun. 2013	Outside Director, ASICS Corporation	May 2024	Outside Director, ZENSHO INTERNATIONAL FOOD SERVICE LIMITED (incumbent) *Scheduled to retire at the end of May 2026
Mar. 2016	Audit & Supervisory Board Member, ASICS Corporation		

**Significant positions held at other companies**

Senior Advisor, Lincoln International Inc.  
Outside Auditor, MASH Holdings Co., Ltd.

Outside Director, ZENSHO INTERNATIONAL FOOD SERVICE LIMITED

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**Matters regarding independence / Other matters**

1. There are no conflicts of interests between Mr. Miyakawa and the Company.
2. Mr. Miyakawa is a candidate for outside director and satisfies the requirements regarding outside directors provided in Article 2, Item 15 of the Companies Act.
3. Mr. Miyakawa satisfies the requirements for independence stipulated by the independence standards of the Company (described on page 30).
4. **Notification of Independent Directors**  
The Company has appointed Mr. Miyakawa as an independent director stipulated by the Tokyo Stock Exchange has registered with the stock exchange accordingly. He is not deemed to fall into the category specified by the Tokyo Stock Exchange in which a conflict of interest is likely to arise between general shareholders and the person.
5. **Limited liability agreement with outside directors**  
The Company has concluded a limitation of liability agreement with Mr. Miyakawa. The Company will continue the said limited liability agreement with him if he is reelected as a director at this General Meeting of Shareholders. Details of the policy are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
6. **Directors and officers liability insurance policy**  
The Company has concluded a directors and officers liability insurance policy with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. Mr. Miyakawa will be included as an insured party under the insurance policy upon approval of his election. Moreover, the Company intends to leave the content of the insurance policy unchanged upon its forthcoming renewal. Details of the policy are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
7. Through the passing of a resolution at the Board of Directors’ Meeting to be held after this General Meeting of Shareholders, Mr. Miyakawa will be appointed as a member of the Nominating Committee.

No. 10

## Hitoshi Yoshida

(Born on January 20, 1958)

Reelection

Outside

Independent  
Director

Nominating  
Committee



**Number of the  
Company's shares held**  
0 shares

**Tenure as Director**  
3 years

**Attendance rate at Board of Directors Meetings**  
100% (17/17 meetings)

**Attendance rate at Meetings of Nominating Committee**  
100% (20/20 meetings)

### Reason for nominating the candidate for Outside Director and overview of expected roles:

Mr. Hitoshi Yoshida has a track record of sustained company growth as a manager at ASKUL Corporation and broad insight related to risk management and digital transformation. On the Board of Directors, he performs his role of seeking to ensure that the Board of Directors appropriately makes decisions serving as an outside director. Furthermore, as a chairperson of the Nominating Committee, he also leads robust deliberations regarding the nomination of candidates for director in a manner that ensures membership balance and diversity of the Board of Directors overall. Considering the above, Mr. Yoshida is capable of appropriately performing duties as an outside director and accordingly has been appointed as a candidate for that position. We are confident that he will continue performing his role as a member of the Nominating Committee upon election.

### Brief personal profile, and position and duties in the Company

Apr. 1980	Joined Victoria Inc.	Jul. 2012	Executive Officer, Chief Operating Officer (COO), B-to-B Company, ASKUL Corporation
Dec. 2000	Joined ASKUL Corporation	Aug. 2012	Director, Chief Operating Officer (COO), B-to-B Company
Mar. 2004	Business Leader, Catalogue Planning Operation, Office Life Creation	Aug. 2017	Director, Chief Operating Officer (COO), B-to-B Company, Director in charge of risk management
Aug. 2006	Manager, Living Supplies Division, Office Life Creation	Mar. 2020	Director and Vice President, Director in charge of risk management
Mar. 2008	Chief General Manager, Office Life Creation	Aug. 2020	Director and Vice President
Aug. 2009	Executive Officer in charge of Products	Jun. 2023	Outside Director of the Company (incumbent)
Aug. 2011	Executive Officer in charge of ECR Representative Director and Chairman, Bizex Corporation (currently ASKUL LOGIST Corporation)		

### Significant positions held at other companies

None

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**Matters regarding independence / Other matters**

1. There are no conflicts of interests between Mr. Yoshida and the Company.
2. Mr. Yoshida is a candidate for outside director and satisfies the requirements regarding outside directors provided in Article 2, Item 15 of the Companies Act.
3. Mr. Yoshida satisfies the requirements for independence stipulated by the independence standards of the Company (described on page 30).
4. **Notification of Independent Directors**  
The Company has appointed Mr. Yoshida as an independent director stipulated by the Tokyo Stock Exchange and has registered with the stock exchange accordingly. He is not deemed to fall into the category specified by the Tokyo Stock Exchange in which a conflict of interest is likely to arise between general shareholders and the person.
5. **Limited liability agreement with outside directors**  
The Company has concluded a limitation of liability agreement with Mr. Yoshida. The Company will continue the said limited liability agreement with him if he is reelected as a director at this General Meeting of Shareholders. Details of the policy are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
6. **Directors and officers liability insurance policy**  
The Company has concluded a directors and officers liability insurance policy with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. Mr. Yoshida will be included as an insured party under the insurance policy upon approval of his election. Moreover, the Company intends to leave the content of the insurance policy unchanged upon its forthcoming renewal. Details of the policy are as described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System” of the Business Report.
7. Through the passing of a resolution at the Board of Directors’ Meeting to be held after this General Meeting of Shareholders, Mr. Yoshida will be appointed as a member of the Nominating Committee.

**(Reference)**

**Knowledge, Experience, and Skills Expected of Candidates for Director**

The Group aims to realize its mission of “creating new value in healthcare and thereby contributing to human health and the future of medical care” through enhancing corporate value over the medium to long term.

To achieve this, we have identified the following seven areas of skills that the Board of Directors are particularly expected to demonstrate.

These key areas will be discussed and reviewed as appropriate by the Nominating Committee taking into account the Company’s management plan and the business environment of the Company.

Name of candidate for director	Business management and management strategy	Legal affairs and risk management	Finance and accounting	Human resources and human resource development	Life sciences and healthcare	DX	Global
Goki Ishikawa (Male)	●				●		●
Sachiko Awai (Female)	●			●	●		
Koji Inagaki (Male)			●			●	●
Takehiko Ota (Male)	●		●				●
Moegi Shirakawa (Female)		●		●			
Yutaro Shintaku (Male)	●				●		●
Katsunori Hashimoto (Male)	●		●				●
Takeshi Matsui (Male)	●		●				●
Keiji Miyakawa (Male)	●	●	●				
Hitoshi Yoshida (Male)	●	●				●	

Note: The above matrix does not indicate all of the skills of the candidates, and only a maximum of the top three skills the candidates are expected to demonstrate are indicated.

**(Reference)**

**Independence standards for independent outside directors**

The Company judges the independence of outside directors based on the independence criteria established by the Tokyo Stock Exchange. More specifically, the Company deems there to be potential for conflict of interest with its general shareholders in any case where one of the following applies, such the relationship with the Company is one of:

- (A) A party dealing with the Company as its major business partner, or an executive thereof;
- (B) A major business partner of the Company or an executive thereof;
- (C) A consultant, accounting expert or legal expert who receives a significant amount of money or other assets from the Company, apart from compensation for executive officers and directors (or a party who belongs to a corporation, association or other such body receiving such assets);
- (D) A party to whom either of (A), (B) or (C) has recently applied; or
- (E) A close relative of a party (excluding inconsequential persons) meeting any of the conditions from (a) to (c) below:
  - (a) A party described in aforementioned items (A) through (D);
  - (b) An executive of a subsidiary of the Company; or
  - (c) A party to whom aforementioned item (b) has recently applied, or a party who has recently served as an executive of the Company.

In some cases, we omit “information on outside director affiliations” \* such that pertains to the written notification of independent directors that is filed with the Tokyo Stock Exchange. Accordingly, such information is omitted if the immateriality standards below are satisfied with respect to the outside director’s role as a business partner, donation recipient or other affiliation, based on the judgment that the foregoing are unlikely to affect shareholder decisions with respect to exercising their voting rights.

\* This includes details of whether an outside director also acts as a business partner, donation recipient or otherwise, whether the outside director has formerly served such entities, and a brief description thereof.

**Immateriality standards**

- (i) Normal business transactions with the Company or its subsidiaries amount to less than 1% of the Company’s net sales;
- (ii) A consultant, accounting expert or legal expert that has received payment other than compensation for executive officers and directors of less than ¥10 million on average per year over the last three (3) years from the Company or its subsidiaries; and
- (iii) Donations, etc. received from the Company or its subsidiaries have amounted to less than ¥10 million on average per year over the last three (3) years.

(Note) The following sections have been translated from a part of the Japanese Business Report and are provided for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

## **Business Report**

( From April 1, 2025 to )  
March 31, 2026 )

### **1. Matters Regarding Current Status of Corporate Group**

#### **(1) Business progress and results**

During the fiscal year under review, the Japanese economy experienced a recovery trend supported by improvements in employment and income conditions. However, uncertainty remained due to concerns over rising resource prices and logistics costs stemming from U.S. trade policies, heightened tensions in the Middle East, including the situation in Iran, among other factors.

The business environment of the Company and its subsidiaries (the “Group”) has remained challenging due to the worsening financial position of medical institutions and declining specimen testing fees amid ongoing pressure to lower healthcare costs.

Under such circumstances, the Group has formulated the five-year Medium-term Business Plan “H.U.2030,” positioning it as a phase for harvesting the return on past investments, and worked on various measures aimed at improving profitability through further deepening of integrated management. The lab testing and its related services (“LTS”) business has continued to perform steadily, including through the optimization of sales prices. In the in vitro diagnostics (“IVD”) business, in the NEURO field, a test reagent measuring the ratio of plasma pTau217 to  $\beta$ -amyloid 1-42 received clearance from the U.S. Food and Drug Administration (FDA) in May 2025 as the first blood-based IVD test to aid in the diagnosis of Alzheimer’s disease, and NEURO products centered on this reagent are experiencing growth. Moreover, the Group is laying the groundwork for further growth: including filing an application with the Ministry of Health, Labour and Welfare in Japan for manufacturing and marketing approval in November 2025, and obtaining certification in Europe for a blood-based IVD test for NfL measurement. In the CDMO business, the Group is strengthening raw material supply, backed in part by the acquisition of Plasma Services Group, Inc. announced on June 23, 2025.

As a result, net sales for the fiscal year under review were 247,362 million yen (up 1.8% from the previous fiscal year).

As for earnings, in addition to increased profit from higher earnings in the Base Business, the increase in marginal profit due to appropriate pricing in the LTS business, as well as improvements in testing operations centered on the fully operational H.U. Bioness Complex, contributed to higher profit. As a result, operating profit was 4,780 million yen (up 81.0% from the previous fiscal year). Ordinary profit, amounted to 2,834 million yen (down 40.2%

from the previous fiscal year), as despite an increase in operating profit, the absence of gain on investments in capital recorded in the previous fiscal year, among other factors, resulted in a net decrease in profit. On the other hand, profit attributable to owners of parent was 6,823 million yen (up 147.1% from the previous fiscal year) due to the recording of gain on sale of non-current assets and gain on sale of shares of subsidiaries and associates.

An overview of each business segment is as follows.

#### **[Lab Testing and its related Services (LTS)]**

Sales increased mainly due to growth in the gene-related testing including cancer genome profiling and esoteric testing. As a result, net sales amounted to 157,297 million yen (up 2.8% from the previous fiscal year). In terms of earnings, operating profit was 31 million yen (operating loss was 4,638 million yen the previous fiscal year) due to factors including an increase in marginal profit from measures such as the optimization of selling prices and improvements in testing operations.

#### **[In Vitro Diagnostics (IVD)]**

Despite a decline in sales of COVID-19-related products, sales increased due to the growth of overseas NEURO-related sales. As a result, net sales amounted to 60,735 million yen (up 0.4% from the previous fiscal year). In terms of earnings, operating profit was 9,050 million yen (down 20.2% from the previous fiscal year) due to decreased profit from lower sales of COVID-19-related products, as well as softer performance in the CDMO business amid changes in the overseas market environment and shifts in product mix, and acquisition costs for Plasma Services Group, Inc.

#### **[Healthcare-related Services (HS)]**

In terms of sales, although sales decreased due to Care'x Inc. becoming an equity method affiliate from December 2025, this impact was largely offset by factors such as growth in the sterilization and surgery-related business and the consolidation of GAIA medicare Inc. as a consolidated subsidiary in the home-visit nursing business from December 2024. As a result, net sales amounted to 29,330 million yen (down 0.6% from the previous fiscal year). In terms of earnings, while there was a profit increase due to higher sales in the sterilization and surgery-related business, operating profit was 1,759 million yen (down 1.0% from the previous fiscal year), mainly due to the impact of making Care'x Inc. an equity method affiliate.

#### **(2) Status of financing, etc.**

##### **i) Financing**

The Company has concluded a commitment line contract with a major financial institution amounting to 20.0 billion yen in total, in order to ensure on-hand liquidity in case of emergencies, etc. The Company has no borrowings outstanding based on such contract as of the end of the fiscal year under review.

##### **ii) Capital expenditure**

###### **a. Major facilities completed during the consolidated fiscal year under review**

None in particular.

###### **b. Ongoing establishment and expansion of major facilities during the fiscal year under review**

None in particular.

- c. Major facilities removed during the fiscal year under review  
None in particular.
- iii) Status of succession of rights and obligations regarding the business of other corporations due to absorption-type merger or absorption-type split  
Effective October 1, 2025, the Company's subsidiaries Nihon Rinsho, Inc., HOKUSHIN Clinical Laboratory, Inc., and SRL Kitakanto Laboratory, Inc. merged in an absorption-type merger with Nihon Rinsho, Inc. as the surviving company and HOKUSHIN Clinical Laboratory, Inc., and SRL Kitakanto Laboratory, Inc. as the absorbed companies.
- iv) Status of acquisition or disposal of equity interests (including shares) or share acquisition rights of other companies  
On June 20, 2025, Fujirebio Diagnostics, Inc. acquired all shares of Plasma Services Group, Inc., making it a wholly owned subsidiary.  
On December 1, 2025, the Company transferred 80% of the outstanding shares of its consolidated subsidiary Care'x Inc. to Wakita & Co., Ltd. As a result, Care'x Inc. became an equity method affiliate of the Company.

(3) Status of assets and profit/loss for the last three fiscal years

	73 <sup>rd</sup> Fiscal year (FY 2022)	74 <sup>th</sup> Fiscal year (FY 2023)	75 <sup>th</sup> Fiscal year (FY 2024)	76 <sup>th</sup> Fiscal year (FY 2025)
Net Sales (million yen)	260,908	236,950	243,025	247,362
Ordinary Profit (Loss) (million yen)	22,010	(7,241)	4,742	2,834
Profit (Loss) Attributable to Owners of Parent (million yen)	15,676	(7,553)	2,761	6,823
Basic Earnings (Loss) per Share (yen)	275.52	(132.77)	48.60	121.52
Total Assets (million yen)	297,924	290,849	279,582	267,466
Net Assets (million yen)	150,047	142,505	137,295	137,472

(4) Issues to be addressed

The business environment, Mission, medium-term business strategy, and key issues to be addressed are outlined below.

I. Mission and Medium-term Business Plan "H.U.2030 2.0"

The Mission of the Group is "H.U. Group creates new value in healthcare and thereby contributes to human health and the future of medical care." Under this mission, we not only fulfill our commitment as a form of medical infrastructure that ensures the continuity of medical care centered on testing and surgery, but also expand our business into the broader healthcare domain beyond the medical field. On the other hand, the business environment surrounding the Group is changing rapidly, and in response to these changes, we are required to achieve sustainable growth and provide value to society by developing ONLY ONE and

No. 1 products with high clinical value through innovation based on our technological superiority and delivering them promptly in Japan and globally. In order to fulfill this social responsibility and achieve further growth, we formulated the five-year Medium-term Business Plan “H.U.2030” for the fiscal year ended March 31, 2026 to the fiscal year ending March 31, 2030, and, recognizing even more strongly that the businesses operated by the Group themselves constitute medical infrastructure supporting patient needs, namely the Patient Journey, we have clarified the priority growth strategies as “H.U.2030 2.0” (the “Current Medium-term Business Plan”) with the aim of becoming a global H.U. Group. An overview is provided below.

## II. Outline of the Current Medium-term Business Plan

### 1) The Group’s business environment

Demographic aging is advancing not only in developed countries but also in developing countries, making it a global issue. In Japan in particular, medical care costs have increased year after year, leading the government to promote cost-containment measures, resulting in declining specimen testing fees and a continued challenging Japanese clinical testing market. In addition, factoring in geopolitical risks including rising raw material prices, it has become necessary to closely monitor not only the medical and healthcare sectors but also a wide range of business environments. Meanwhile, the reorganization of hospitals and hospital beds has led to growing demand for in-home healthcare services and preventive medicine, and as advanced medical technologies such as personalized medicine and regenerative medicine continue to develop, social demand for early diagnosis and early treatment has heightened. In other words, as society transforms into one in which people live with illness for longer periods, we believe that the role the Group should play has become even more important, going beyond simply generating revenue.

### 2) Content of the Current Medium-term Business Plan

The Group is one of the few corporate entities that encompasses both the lab testing and its related services (“LTS”) business and the in vitro diagnostics (“IVD”) business, along with the healthcare-related services (“HS”) business. We will leverage this unique strength to address social challenges posed by diseases with both recognized and unmet medical needs as well as rare diseases. In doing so, we aim to respond flexibly and swiftly to the changing business environment described above, drive business growth and maximize corporate value. Specifically, the LTS business and HS business, which possess a dominant customer base in the Japanese hospital market, aim to drive the Japanese market by becoming the leader in introducing new technologies, products, and services from the global healthcare industry into Japan. We are also the only corporate group capable of providing the technologies, products, and services that have been put into practical use to the global market through CDMO and partnerships based on the technological capabilities of the IVD business.

Each business will transform into a high-profit structure by utilizing the foundations established through past investments, and by responding to changes in the business environment, we aim to become the leading healthcare company representing Japan.

As a major measure of the Current Medium-term Business Plan, first, to contribute to people's health and the future of medical care, we have clarified a growth roadmap based on major disease-specific strategies. In particular, we have identified the oncology and NEURO fields, where the market is expanding globally, including potential patient numbers, as growth areas, and by focusing on these fields, we will fulfill our social responsibility while pursuing growth and aiming to enhance corporate value.

With regard to the transformation to a high-profit structure that we have already set forth, we will accelerate the measures that have started to yield results in the last fiscal year and further promote the improvements of profitability through the return of investments. The cash allocation policy for cash generated in this manner will be maintained, with no change to the shareholder return policy: the Company will work to improve capital efficiency by implementing progressive dividends and share buybacks of 20.0 billion yen or more over five years. Furthermore, to secure human resources capable of executing the Group's strategy, we will strengthen our human capital strategy. Moreover, recognizing that governance is the foundation of corporate growth, we will strengthen governance by clarifying the separation of execution and supervision, while working together as ONE TEAM to achieve the Current Medium-term Business Plan.

3) The Group's key initiatives in the Current Medium-term Business Plan

A) Disease-specific growth strategies as medical infrastructure supporting patient needs in the Patient Journey

As described above, the Group has identified the oncology and NEURO fields as growth areas, and infectious diseases and other items as priority areas. This section describes the measures and approach for each of these fields.

a. Oncology (cancer)

Cancer is one of the disease areas where early detection, personalized medicine and post-treatment monitoring are gaining importance, against the backdrop of an aging demographic worldwide and its status as the leading cause of death in Japan. In the IVD business, the Group supplies reagents and raw materials for tumor markers globally and holds a high market position. In addition, in the LTS business, we undertake testing in advanced areas such as cancer gene panel testing for many medical institutions throughout Japan, and further support the treatment area through sterilization and surgical support operations. In this way, the Group is involved in the whole process of Patient Journey from cancer screening, treatment, to prognosis monitoring, and with cancer-related sales accounting for more than 30% of total Group sales, which is an important growth area.

Going forward, in the IVD business, we will leverage our strength of our proprietary antibodies being adopted by global CDMO partners to advance the expansion of partner numbers, the development of additional items, and the market rollout primarily in Asia. In the LTS business, we will leverage our high coverage of large hospitals in an aim to expand contracts in esoteric tests, such as cancer gene panels, as well as improve profitability through in-house production of reagents in some test items. In addition, we will leverage the Group's reagent development, manufacturing, and efficacy verification capabilities to promote the

development and introduction of proprietary reagents, beginning with the NADETECT series of reagents for nucleic acid amplification testing which obtained manufacturing and sales approval from the Ministry of Health, Labour and Welfare as an in vitro diagnostic reagent in February 2026. In particular, in the cancer genome testing area, with our business relationships with major medical institutions as a foundation, the Group will take charge of introducing new testing items, thereby contributing to the resolution of social issues.

b. NEURO (dementia)

Dementia is one of the diseases that continues to increase with the aging of society, and its potential patient population is very large, making it a significant challenge facing humanity. Contributions through testing in this disease area will therefore directly lead to addressing social issues in terms of reducing the social toll, including the impact not only on patients but also on their families and those around them. The Company has obtained the world's first U.S. Food and Drug Administration (FDA) approval for a blood-based test in the NEURO area, and its advanced technological capabilities in this field have already been demonstrated. Against the background of FDA approval, its use is expanding in the United States. In Japan, we have filed for regulatory approval and, ahead of approval, have commenced commissioned testing for pTau217 and neurofilament-light chain at SRL, Inc. (a consolidated subsidiary of the Company engaged in contract clinical laboratory testing within the LTS business; hereinafter "SRL"), thereby initiating the development of a new market in Japan. In Europe, we have already obtained CE marking for blood-based pTau 217 and neurofilament-light chain test reagents. For regions overseas outside Europe and the United States, we will expand product deployment through the CDMO business and alliances into regions where aging is expected to advance further and dementia is set to become a social issue. Moreover, for this complex disease, we are continuing to develop new test items that contribute to the differential diagnosis of various types of dementia and the further improvement of diagnostic accuracy. At the same time, in the HS business, because approximately 40% of users of our home-visit nursing services suffer from mental disorders including dementia, we will expand service provision not only in testing but also in terms of prognosis. In this manner, we will continue to leverage the Group's assets to support the Patient Journey with a focus on early development and market introduction.

c. Infectious disease

Measures against infectious diseases are indispensable for humanity, and the adequacy of such measures can have a significant impact on the economy. The Group was the first to begin the manufacture and sale of clinical reagents for syphilis, leads the market with testing reagents for hepatitis B and C virus, and has accelerated growth in the clinical laboratory testing field through infectious disease test reagents. As such, measures against infectious diseases are a field closely related to its identity as a medical infrastructure, and the Group believes this is an area in which it should place the greatest focus and make the most significant contribution.

For example, respiratory infectious diseases are infections that have seen historically recurrent outbreaks. Furthermore, tropical diseases such as dengue fever, require close monitoring, as climate change, including temperature rise, may lead to outbreaks of emerging or re-emerging infectious diseases in regions where they have not previously occurred. In anticipation of these changes in the business environment, the Group will continue to address the threat of infectious diseases by leveraging knowledge accumulated over time and its unique strengths.

d. Other areas (metabolism, autoimmunity, rare diseases, etc.)

There is a wide range of diseases beyond the areas described above. Recognizing that each of our businesses is a top runner in its respective market, the Group will contribute to the development of therapeutic drugs and ultimately to each individual patient by providing value across a wide range of disease areas.

B) Transformation toward a high-profit structure

a. LTS segment

We will transform the LTS business into a high-profit structure by implementing a laboratory strategy based around the fully operational H.U. Bioness Complex as well as executing our unique product strategy.

First, the H.U. Bioness Complex began full operation in the first quarter of the fiscal year ended March 31, 2026, where the automated testing line on the first floor has established a structure that efficiently generates profit through automation and labor-saving measures. Going forward, we will further accelerate the introduction of LUMIPULSE items to SRL, to generate even greater profit. In addition, by investing the profit and cash generated on the first floor into strengthening esoteric testing and gene-related testing on the second and third floors, we will improve business processes through expanding our test lineup and the use of AI, and achieve strengthened and differentiated competitiveness.

Meanwhile, as part of the laboratory strategy centered around general practitioners, we have completed the integration of three companies under SRL, namely Nihon Rinsho, Inc., HOKUSHIN Clinical Laboratory, Inc., and SRL Kitakanto Laboratory, Inc., as well as the reorganization and closure of some regional laboratories. Going forward, we aim to build an ideal testing framework by considering alliance partners, such as other centers, for such reorganizations and regional labs.

b. IVD segment

Continuing from the previous Medium-term Business Plan (the “Previous Plan”), in addition to leveraging the strengths of the IVD business, this Current Medium-term Business Plan will continue to reinforce and expand the CDMO business through enhancement of production capacity, reallocation of in-house resources and other measures.

As part of a global strategy, we will develop and commercialize unique testing items that no other company possesses through continuous R&D activities. We will expand the developed items and products globally through the CDMO business, including partners in India.

For NEURO products, we will increase the number of countries where they are launched, including through partnerships with sales partners, and continue to develop test items for neurological disease fields beyond Alzheimer's disease.

Furthermore, in our domestic LUMIPULSE business, we will strengthen sales expansion targeting SRL business customers. Meanwhile, from the viewpoint of profitability, we will consider optimization of fixed costs through selection and concentration of manual products, cost improvement through optimal production allocation within the Group (Japan, Europe, and the United States), and cost improvement through transfer of manufacturing to Indian partners.

c. HS segment

In the sterilization and surgery-related business, amid an increasingly challenging business environment for medical institutions and staffing shortages, including among medical professionals, emerges as a major issue, we will respond to frontline care needs, actively promoting services that contribute to increasing efficiency and reducing costs in the clinical setting, particularly in surgery-related operations.

As key initiatives, we will pursue a transformation of the sterilization business model prompted by the deregulation of primary disinfection rules, and strengthen surgery-related services.

Specifically, in terms of service operations, we will focus on high-value-added and high-difficulty surgery-related tasks, while promoting the standardization and shift to outsourcing of hospital ward sterilization. By managing and optimizing total labor volume, we aim for growth through both improving customer profitability and providing sustainable services.

In the home-visit nursing business, recognizing that 40% of service users are in the mental disorder area including dementia, we will support education and the acquisition of qualifications to enhance expertise in care for the NEURO domain, which is a focus area, and aim to improve the quality of care. In addition, we will further promote IT and DX in this labor-intensive business.

C) Optimization of capital allocation and enhancement of capital efficiency

Under the Previous Plan, we made proactive capital investments to establish and enhance the business foundations of existing businesses. These included the H.U. Bioness Complex to establish efficient operations in the LTS business, as well as investments in the CDMO business to realize further growth in the IVD business. Under the Current Medium-term Business Plan, we will enhance returns to our shareholders.

Accordingly, capital allocation under the Current Medium-term Business Plan will involve the use of operating cash flow generated from our businesses as well as proceeds from non-current assets for maintenance investments in each business, progressive dividends, strategic investments including share buybacks (M&A/ investments for future growth), and partial repayment of interest-bearing debt (including lease obligations).

With regard to shareholder returns, we aim for 6% DOE and implementing progressive dividends. In addition, to further strengthen shareholder returns, we plan

to purchase treasury shares based on a flexible share buyback policy. Note that we have already acquired 5.0 billion yen of treasury shares in October 2025, and in May 2026, we resolved to acquire an additional 5.0 billion yen of treasury shares. Meanwhile, with regard to investments in growth areas, including M&A, we completed the acquisition of Plasma Services Group, Inc. in June 2025 with the aim of further strengthening the CDMO strategy. For these growth investments, we will continue to execute them after careful evaluation of expected investment returns. We will optimize capital allocation based on our business portfolio strategy and ROIC, while striving to improve capital efficiency under a policy of selection and concentration. We monitor ROE and consolidated ROIC as a KPI. Furthermore, for investment projects, we will apply hurdle rates that consider business risk and country risk (8% to 24%) and strengthen investment management to aim for improvements in ROE and ROIC.

D) Strengthening human capital

The Company has identified “human resource development that creates new value” as a materiality and is working to strengthen human capital based on the belief that people are the foundation for fulfilling its role as social infrastructure. In addition, in order to achieve the targets of the Current Medium-term Business Plan, it is important that each employee recognizes that the Group is a form of medical infrastructure supporting patient needs on the Patient Journey and feels that it is a company where they want to work for a long time. We will provide various educational and knowledge acquisition opportunities, including academic aspects, so that employees recognize that their own work and the Group’s products and services are directly linked to their own and their families’ lives, and can feel a sense of achievement and responsibility from influencing society and medical care in Japan and around the world. Going forward, we will consider the introduction of various initiatives such as flexible personnel systems that allow employees to work in accordance with their individual lifestyles, and will actively communicate from management to further improve employee engagement, with the aim of achieving the targets of the Current Medium-term Business Plan and thereby enhancing corporate value.

E) Strengthening corporate governance

Since 2005, the Company has maintained a robust governance structure as a Company with a Nominating Committee (currently “Company with Nominating Committee, etc.”); we intend to further strengthen governance by clearly separating the functions of execution and supervision and having both become ONE TEAM working toward the common goal of enhancing sustainable value creation and earning power, and we plan to appoint new outside directors from June 2026. In this way, we will increase opportunities for proactive and active information provision and communication to outside directors, including creating opportunities for them to understand the front line, so that the Board of Directors can not only supervise management but also strengthen management together.

4) Numerical targets for FY 2029

Under the Current Medium-term Business Plan, we aim not only for steady net sales growth and improved profit margin but also for enhanced capital efficiency, and have set key numerical targets as follows:

Targets	FY 2025	FY 2026	FY 2029
ROE	5.0%	3.7%	13% or more
Operating cash flow	21.6 billion yen	23.0 billion yen	150.0 billion yen or more*
Consolidated EBITDA [margins]	26.5 billion yen [10.7%]	29.0 billion yen [11.3%]	16% or more
LTS	13.7 billion yen [8.7%]	15.5 billion yen [9.5%]	13% or more
IVD	14.7 billion yen [24.2%]	16.3 billion yen [25.1%]	30% or more
HS	3.1 billion yen [10.5 %]	2.5 billion yen [9.1%]	10% or more
Consolidated operating profit [profit margin]	4.8 billion yen [1.9 %]	9.0 billion yen [3.5%]	11% or more
LTS	0.0 billion yen [0.0 %]	2.7 billion yen [1.6%]	10% or more
IVD	9.1 billion yen [14.9 %]	11.0 billion yen [16.9%]	25% or more
HS	1.8 billion yen [6.0 %]	1.7 billion yen [6.3%]	8% or more
ROIC	1.5%	3.0%	10% or more

\* Five-year cumulative management targets

5) Equity method affiliates

(Baylor Genetics Holdings, Inc. and Baylor Miraca Genetics Laboratories, LLC)

Baylor Genetics Holdings, Inc. was established at the end of March 2025 as a company that holds all equity in Baylor Miraca Genetics Laboratories, LLC. Simultaneously, it raised capital through the issuance of preferred shares to external investors.

In addition, in the fiscal year ended March 31, 2026, sales continued to increase from the previous fiscal year due to higher numbers of genetic tests commissioned for cancer and congenital diseases. We will continue to prepare the business for a future public offering, while aiming to further expand our market share through enhanced sales activities.

(Sapporo Mirai Laboratory Co., Ltd. and Sapporo Medicarry Co., Ltd.)

On June 10, 2021, we established two joint ventures with SAPPORO CLINICAL LABORATORY INC. to collaborate on conducting specimen testing laboratory business operations in Sapporo, Hokkaido, and collection and logistics business operations relating to clinical laboratory testing in the same region. Operations were launched in FY 2021.

(MEDISKET CORPORATION)

As of April 1, 2022, the Company established a logistics joint venture with MEDIPAL HOLDINGS CORPORATION to build a logistics platform in the medical and healthcare field, aiming not only to improve the collection and logistics efficiency of the Company but also to expand provision of collection services to other companies. Specifically, the goal is to reduce the cost of collection and greenhouse gas emissions by employing common routes and vehicles between the two companies.

(Care’x Inc.)

On December 1, 2025, the Company transferred 80% of the outstanding shares of Care’x Inc. to Wakita & Co., Ltd. As a result, Care’x Inc. became an equity method affiliate of the Company. The welfare equipment rental market is expanding along with rising demand driven by the increase in the elderly population and is expected to continue expanding. Meanwhile, competition is intensifying, and amid rising procurement costs, logistics costs, and labor costs, it is difficult to pass on such cost increases to rental prices due to the structure of the industry, resulting in an increasingly challenging business environment. Under such circumstances, leading companies in the industry are responding to market changes and achieving growth by strengthening their business foundations and expanding their scale backed by capital strength. Wakita & Co., Ltd., anticipating the expansion of the nursing care market, including welfare equipment rental, has recently acquired companies engaged in the wholesale rental of welfare equipment and is working to strengthen its nursing care-related business. Under Wakita’s strategic investment, Care’x Inc. is expected to achieve sustainable growth even in a further changing market environment.

6) Financial strategy and financial discipline

The Current Medium-term Business Plan continues to emphasize the generation of stable cash flows and the maintenance of sound financial discipline as key themes, and we will be implementing the following financial strategies:

- 1) Maximization of operating cash flow through improvement of the cash conversion cycle
- 2) Finance use of financial leases
- 3) Execution of asset sales

(Financial discipline)

	FY 2025 (actual results)	FY 2029 (targets)
Net interest-bearing debt to EBITDA (excl. lease liabilities)	0.46x	1.3x or less
Equity ratio (%)	51.3%	40% or more

### III. Sustainability approach and initiatives

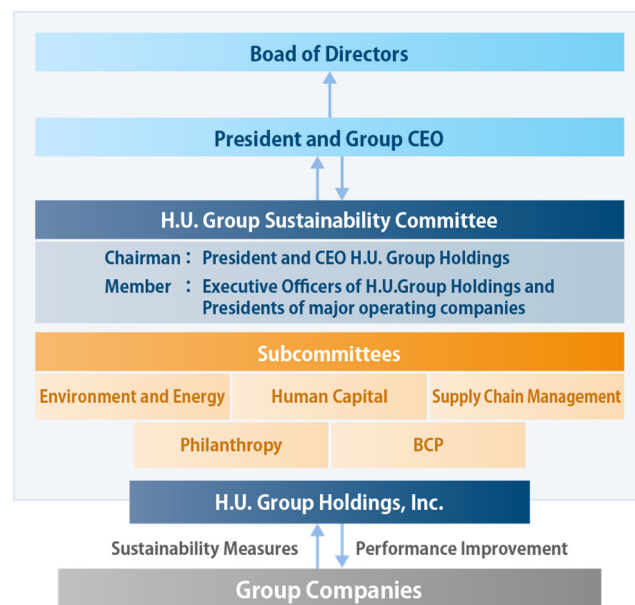
The following is a summary of the Group’s approach to sustainability and the status of its initiatives.

#### (1) Governance and risk management

##### i) Governance

##### 1) Organizational Structure for Promoting Sustainability

The Group discusses basic policies and plans of action in relation to sustainability at the “H.U. Group Sustainability Committee” (hereinafter the “Committee” or the “Sustainability Committee”) chaired by the President, the Group CEO. The Committee monitors activities of each Group company for execution of the plans and plays a role in gathering and sharing the latest information outside of the Company relating to sustainability. Under the Committee, five subcommittees were established based on each policy chaired by the Division Head of the relevant division, and they implement sustainability activities in turn.



The Group, as a Company with Nominating Committee, etc., achieves clear separation of oversight and executive functions giving executive officers authority to make decisions with greater speed, and implements sustainability activities under the corporate governance structure mentioned above. Matters discussed and resolved at the Sustainability Committee are reported to the Company’s Board of Directors.

##### 2) Medium- to Long-term Materiality and Targets in Sustainability

Recognizing that its businesses are directly involved in resolving social issues, the Group has positioned the execution of its core businesses at the center of sustainability management. Based on this understanding and approach, from April 2025, we have integrated the management plan, business plan, and sustainability materialities, reviewed the materialities, and established KPIs (non-financial

targets) for each materiality to link them to the enhancement of corporate value. The Group will strive to achieve these non-financial targets by the end of FY 2029, with the aim of realizing our Mission and Vision.

The progress made during the current fiscal year under review with respect to these non-financial targets will be disclosed on the Company’s website following the Sustainability Committee meeting scheduled for July 2026.

### Materiality and Non-financial Targets (FY 2025 – FY2029)

Materiality	Components	Non-financial targets
Resolution of social issues through our businesses	LTS business IVD business HS business Group synergy Resilience Quality control Digital transformation (DX) Brand management Customer relations	LTS <ul style="list-style-type: none"> <li>Number of newly introduced dementia disease-related test items: Over 8 items</li> <li>Number of cancer gene (cancer genomic profiling) tests directly linked to treatment: 20% increase (compared to FY2024)</li> </ul>
		IVD <ul style="list-style-type: none"> <li>Number of countries where NEURO-related reagents have been launched: 50 countries (Total of in-house and CDMO products)</li> <li>Number of infectious disease items developed for emerging countries: 12 items (Total of in-house and CDMO products)</li> </ul>
		HS <ul style="list-style-type: none"> <li>Number of medical institutions receiving the operating room support service: 205 institutions</li> <li>Number of users of the Group's home business: 6,000 users</li> </ul>
Creation of innovation	R&D Innovation Intellectual property	<ul style="list-style-type: none"> <li>Number of patent applications: 40 applications/year</li> <li>Number of academic publications and presentations: 140 items/year</li> <li>R&amp;D expenses to sales ratio <ul style="list-style-type: none"> <li>Consolidated: Maintained at the 5% level</li> <li>IVD: Maintained at the 12% level</li> </ul> </li> </ul>
Human resource development that creates new value	Human resource development Diversity Ideal workplaces Health improvement Human rights	<ul style="list-style-type: none"> <li>Positive response rate in the Engagement Survey <ul style="list-style-type: none"> <li>Sympathy for the corporate philosophy: 80%</li> <li>Growth opportunity: 60%</li> </ul> </li> <li>Percentage of men taking extended leave or leave for childcare: 100%</li> </ul>
Mitigation of environmental impacts	Climate change Recycling-oriented society Biodiversity	<ul style="list-style-type: none"> <li>Reduction of total CO<sub>2</sub> emissions: 33.6% (compared to FY2021)</li> <li>Reduction of water consumption per unit at H.U. Bloness Complex: 5% (compared to FY2024)</li> </ul>
Establishment of a sustainable value chain	Sustainable procurement	<ul style="list-style-type: none"> <li>Formulation of a policy regarding sustainable procurement and agreement with key suppliers* on the policy</li> <li>UNGC Self-Assessment Tool (SAQ) <ul style="list-style-type: none"> <li>S class: All key suppliers</li> <li>A class or higher: 90% of suppliers subject to the SAQ</li> </ul> </li> </ul> <small>*Suppliers accounting for the top 60% of the consolidated transaction value</small>
Strengthening corporate governance	Corporate governance Information security Anti-corruption/Compliance Risk management	<ul style="list-style-type: none"> <li>Diversity ratio on the board of directors (such as women and foreign nationals): 30%</li> </ul>

#### ii) Risk management

The Group has established a Risk Management Committee to promote integrated risk management for the Company and the Group as a whole, encompassing sustainability-related risks, and to ensure that the Group is protected against risk. Furthermore, we have identified “impacts due to the stoppage of or constraints placed on business activities as a result of natural disasters, climate change, etc.” as one of the significant business risks.

### (2) Key strategies, indicators, and targets

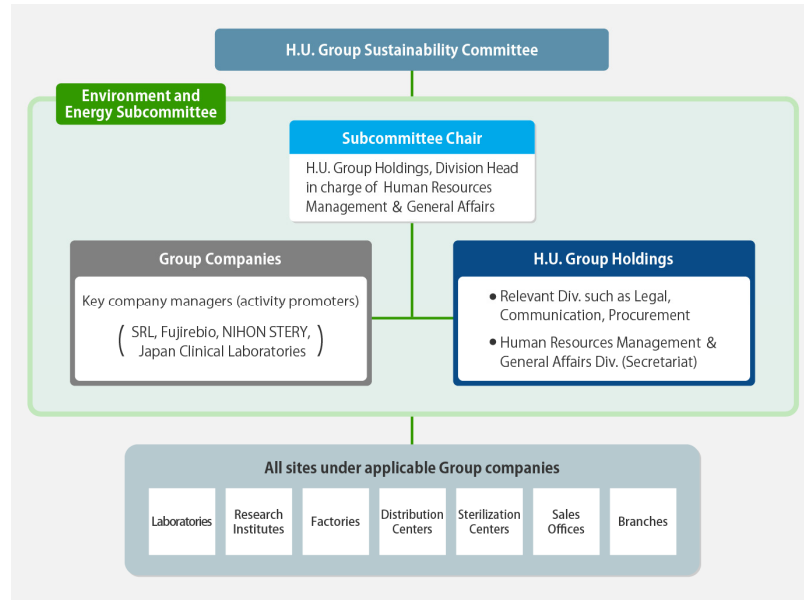
#### i) Strategies

The Group identifies climate change as one of the components of the materiality “mitigation of environmental impacts” given the various changes that are expected in our group businesses, including the risk of damage to buildings and facilities due to the severity of natural disasters brought about by climate change, supply chain risks such as distribution disruptions, stricter policies and regulations, and information disclosure requirements from investors and other stakeholders.

The Environment and Energy Subcommittee, managed by the Division Head of Human Resources Management and General Affairs of the Company, formulates and executes plans for environmental activities in climate change. Goal setting and other important

matters are discussed by the Sustainability Committee and reported to the Board of Directors as necessary.

### System for Environment and Energy Management



As disclosure of climate change-related risk and opportunity is getting more attention, the Group declared support for TCFD recommendation (TCFD: Task Force on Climate-related Financial Disclosures) in November 2021. As information disclosure in accordance with the TCFD recommendations, we take account of the highly unpredictable impact of climate change by carrying out scenario analysis and conducting qualitative evaluation of risks and opportunities. In considering our risk and opportunity responses, we estimated transition risks increase (1.5°C and 2°C) and physical risks increase (4°C) and sorted out events that could take place under each scenario. To prepare for these potential events, we have set timelines of “Short term: 1 year,” “medium term: 5 years” and “long term: 10 years or more,” organized the potential business impact and our response measures and analyzed business risks and opportunities.

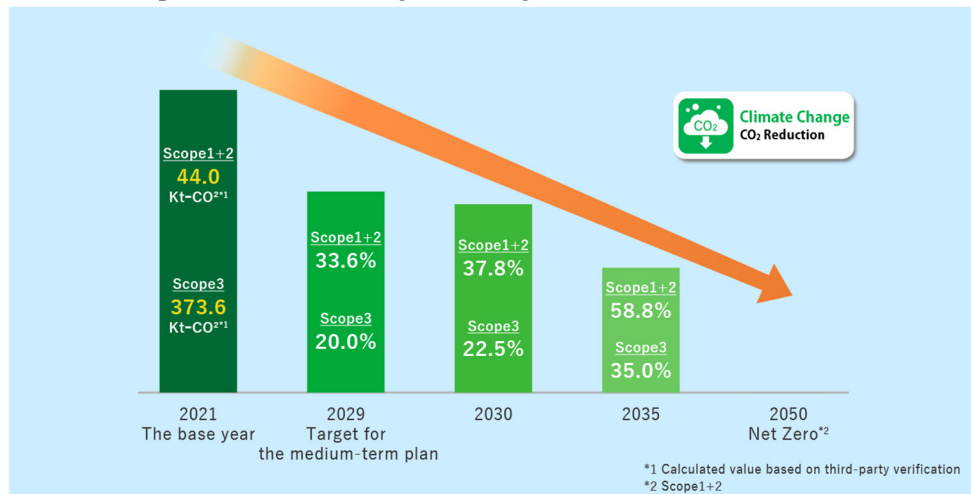
## Climate Change Scenario Analysis Based on TCFD Recommendations

Scenario	TCFD Framework		Event	Time Horizon	Impact	Response	Risk	Opportunity
4°C scenario	Physical risk	Acute risk	Flooding of business locations	Short-term	• Damages of equipment	• Formulate BCPs at the head office and field levels • Purchase non-life insurance water damage rider	Low	—
			Supply chain disruption	Short-term	• Interruption of sample transportation and distribution network	• Use multiple modes of transportation • Form business alliance for sample transportation	Low	—
		Chronic risk	Temperature rise	Long-term	• Increasing demand for products and tests for tropical diseases	• Consider R&D on relevant diseases and items	—	○
2°C scenario	Transition risk	Policy and legal risk	Introduction of carbon tax and revision of ordinances	Medium-term	• Carbon tax to be introduced in 2030 • Potential violation of ordinances (emission cap)	• The H.U. Bioness Complex and company vehicle emissions simulation	Low	○
		Technology risk	Installation of renewable energy facilities	Medium-term	• Expanded capital investment in renewable energy	• Study such facilities for pilot or full-scale adoption to the Group	Low	—
		Market risk	External pressures specific to the market and industry	Long-term	• Market pressures to do something about GHG emission reductions	• Reorganize to use vehicles for logistics jointly with other companies	—	○
		Reputation risk	ESG brand	Long-term	• Dismissed as ESG-adverse	• Relations with long-term investors • Improve the ESG ratings	—	○
1.5°C scenario	(Severe) Transition risk	We will look into information disclosure based on detailed analysis						

### ii) Indicators and targets

In accordance with the Paris Agreement and the Osaka Blue Ocean Vision, the Group has established medium- to long-term targets for climate change and recycling-oriented society. Toward the long-term goal of achieving net zero in CO<sub>2</sub> (Scope 1 + 2) emissions by 2050 and the medium-term targets for 2030, we have set emission reduction targets for the final year of the Current Medium-term Business Plan at a 33.6% reduction in Scope 1 + 2 and a 20.0% reduction in Scope 3, using FY 2021 as the base year, and are conducting disclosure and progress management based on the recommendations of the TCFD.

### The Group's Medium- to Long-term Targets of Reduction of CO<sub>2</sub> Emissions



#### IV. Strategies, indicators, and targets for Human Capital

##### i) Strategies

To realize the H.U. Group Mission & Vision, we are required to innovate. The people, our employees, are able to become a driver of innovation. Changing their awareness and behavior leads to creating new values in healthcare. To this end, we have identified materialities related to human capital (development of human resources capable of creating new value), and are working to create a diverse, healthy, and energized organizational culture with the key phrase, “Thinking about People, Helping People Improve.”

To ensure that these policies are firmly established in our organization, we have formulated them as our Human Rights Policy, Diversity Policy, Occupational Health and Safety Policy, and Training and Development Policy, thereby promoting these policies in an organized and systematic manner based on a unified recognition thereof.

For more information on these policies, please refer to our website.

<https://www.hugp.com/en/sustainable/humanrights.html>

[Examples of initiatives to enhance the Company’s internal environment]

The Group is committed to creating an environment in which each individual in our diverse workforce can work in a healthy and motivated manner.

<Diversity>

The Group’s Diversity Policy states that it will generate innovation and create new value by maximizing the capabilities of each of its diverse base of human resources.

In FY 2025, we undertook a range of initiatives for employees, including education on diversity management and well-being, conducting an inclusive survey to assess the state of the organization, and holding seminars on work-life balance. Through these initiatives, we are promoting the establishment of a workplace in which each and every employee can play an active role.

As one of our accomplishments, we were certified as a “Best Workplace,” the highest available rank, at the “D&I Award 2025,” Japan’s largest D&I award ceremony, for the second consecutive year.

For more information, please refer to the Company’s press release.

[https://www.hugp.com/en/news/202512/E-20251224\\_news.pdf](https://www.hugp.com/en/news/202512/E-20251224_news.pdf)

<Health Management>

In order to achieve the basis of the Company’s name, “Healthcare for You” – providing optimal healthcare services to all by addressing each and every one of our customers individually – the Group has pursued various measures for its employees and their families from both mental and physical health perspectives. We have strengthened our efforts in this area yearly.

In 2019, we codified our position as a corporation oriented toward health in our Health Declaration, and in 2020 we established the Health Management Promotion Office. In 2021 we established the Health Management Center and the Women’s Subcommittee, and in 2023 we published the Health Management White Papers.

As a result, in addition to being recognized as part of the Certified Health & Productivity Management Outstanding Organizations Recognition Program (Large enterprise

category) for the seventh consecutive year, in 2025 we were selected as a Health and Productivity Stock for the third consecutive year. Currently out of all companies of the Group, seven companies from the Group, including five companies in the large enterprise category of the Certified Health & Productivity Management Outstanding Organizations Recognition Program (of which four group companies, including our Company, have obtained White 500 certification for five consecutive years, and one group company for the second consecutive year), one company in the small and medium enterprise category (obtained Bright 500 for the second consecutive year), and one company in the other excellent corporation category (certified for five consecutive years), have been recognized as Certified Health & Productivity Management Outstanding Organizations. For more information, please refer to the Company’s press release.  
[https://www.hugp.com/en/news/202603/E-20260309\\_news.pdf](https://www.hugp.com/en/news/202603/E-20260309_news.pdf)

ii) Indicators and targets

Since FY 2025, we have set five-year Group-wide targets based on the revised materiality established alongside the Current Medium-term Business Plan. These targets include the percentage of male employees taking parental leave, as well as two items from the questionnaire (“sympathy for corporate philosophy” and “growth opportunity”).

Regarding the percentage of male employees taking parental leave, through dissemination of target values in company-wide training and implementation of interviews and follow-up support for non-takers, we achieved the target at a record-high level.

In the engagement survey, we also achieved the target values through the establishment of a system for setting implementing, and following up on action plans tailored to the situation of each company and department.

Going forward, the H.U. Group will continue to work together to achieve these goals.

The Group’s Non-Financial Targets for Human Capital

Theme	KPI	Actual	Target	Actual
		FY2024	FY2025	FY2025
Diversity promotion	Percentage of men taking extended leave or leave for childcare	75%	90%	90.7%
Engagement	Positive response rate in the Engagement Survey	63%	Sympathy for the corporate philosophy	65%
			Growth opportunity	51%
		49%	53%	53%

V. Plan for the fiscal year ending March 31, 2027

In the fiscal year ending March 31, 2027, the following results are expected due to factors such as growth of the Base Business, enhancement of profitability in the LTS business, and expansion of NEURO-related items and the CDMO business in the IVD business.

Unit: billions of yen (rounded)	Actual results for the fiscal year ended March 31, 2026	Forecasts for the fiscal year ending March 31, 2027
Net sales	247.4	256.0
EBITDA*1	26.5	29.0
Operating profit	4.8	9.0
Ordinary profit	2.8	8.0
Profit attributable to owners of parent	6.8	5.0
ROE	5.0%	3.7%
ROIC*2	1.5%	3.0%

\*1 EBITDA = Operating profit + Depreciation + Amortization of goodwill

\*2 ROIC = Net operating profit after tax (NOPAT; Operating profit - Estimated effective income tax) / Invested capital (Yearly average of [Net assets + Interest-bearing liabilities (including lease liabilities) + Other non-current liabilities])

The forecasts are based on information available as of the date of the announcement of this document and assumptions as of the same date on many uncertain factors that could affect the future performance of the Company. Actual results may differ substantially from the forecasts due to various factors in the future.

VI. Shareholder returns and investment in growth

We are committed to paying out progressive dividends drawing on profits and funds generated by our respective businesses. We accordingly target a consolidated dividend on equity (DOE) ratio of 6% as our main key performance indicator for dividends, and furthermore make decisions on progressive dividends upon having comprehensively considered factors that include cash flows and the notion of maintaining a sound financial footing over the medium to long term.

In addition, we position the acquisition of treasury shares as a “strategic investment in the Company” and will carry it out proactively and flexibly.

## 2. Matters Regarding Directors and Executive Officers

### (1) Directors (As of March 31, 2026)

Position in the Company	Name	Responsibilities in the Company	Significant Concurrent Positions
Director	Shigekazu Takeuchi	–	Director, SRL, Inc. Director, Fujirebio Holdings, Inc. Director, Fujirebio Inc. Director, H.U. Frontier, Inc.
Director	Naoki Kitamura	–	Director, SRL, Inc. Director, Fujirebio Holdings, Inc. Director, Fujirebio Inc. Director, H.U. Frontier, Inc. Director, Nihon Stery, Inc. CEO, H.U. America, Inc.
Director	Shigehiro Aoyama	Nominating Committee Member	Outside Director, Takamatsu Construction Group Co., Ltd.
Director	Futomichi Amano	Audit Committee Chairman	Futomichi Amano CPA office
Director	Sachiko Awai	Compensation Committee Chairman Audit Committee Member	Outside Director (who is an Audit & Supervisory Committee Member), A.D.Works Group Co., Ltd. Outside Director (who is an Audit & Supervisory Committee Member), BP Castrol K.K.
Director	Ryoji Itoh	Nominating Committee Member Compensation Committee Member	Managing Director, Planetplan, Inc. External Director, SATO HOLDINGS CORPORATION
Director	Moegi Shirakawa	Nominating Committee Member Audit Committee Member	Partner, Anderson Mori & Tomotsune Member of the Business Accounting Council, Financial Services Agency
Director	Keiji Miyakawa	Audit Committee Member Compensation Committee Member	Senior Advisor, Lincoln International Inc. Outside Director, ZENSHO INTERNATIONAL FOOD SERVICE LIMITED Outside Auditor, MASH Holdings Co., Ltd.
Director	Hitoshi Yoshida	Nominating Committee Chairman	–

- Notes:
1. Mr. Shigehiro Aoyama, Mr. Futomichi Amano, Ms. Sachiko Awai, Mr. Ryoji Itoh, Ms. Moegi Shirakawa, Mr. Keiji Miyakawa, and Mr. Hitoshi Yoshida are outside directors as prescribed in Article 2, Item 15 of the Companies Act.
  2. The Company has designated Mr. Shigehiro Aoyama, Mr. Futomichi Amano, Ms. Sachiko Awai, Mr. Ryoji Itoh, Ms. Moegi Shirakawa, Mr. Keiji Miyakawa, and Mr. Hitoshi Yoshida as independent directors as stipulated by the Tokyo Stock Exchange and has notified the Exchange accordingly.
  3. Mr. Futomichi Amano has a qualification of the certified public accountant and a considerable degree of knowledge on finance and accounting.

4. The Company has the following committees:

Nominating Committee	Chairman	Hitoshi Yoshida
	Members	Shigehiro Aoyama Ryoji Itoh Moegi Shirakawa
Audit Committee	Chairman	Futomichi Amano
	Members	Sachiko Awai Moegi Shirakawa Keiji Miyakawa
Compensation Committee	Chairman	Sachiko Awai
	Members	Ryoji Itoh Keiji Miyakawa

5. All members of the Audit Committee are appointed from among the part-time outside directors, and full-time Audit Committee members are not appointed, given the view that members of the Audit Committee must maintain a high degree of independence.  
An employee, who is independent from executive officers, is assigned to support the duties of the Audit Committee in order to provide internal company information to the Audit Committee and in order to coordinate with the Accounting Auditor, and departments in charge of internal control systems.
6. There are no significant business relationships between the Company and any of the major concurrent positions held by outside directors.

## (2) Executive Officers (As of March 31, 2026)

Position in the Company	Name	Responsibilities in the Company	Significant Concurrent Positions
Representative Executive Officer	Shigekazu Takeuchi	Chairman, President and Group CEO	Refer to “(1) Directors” hereinabove
Executive Officer	Naoki Kitamura	Managing Officer and CFO HS	Refer to “(1) Directors” hereinabove
Executive Officer	Goki Ishikawa	Managing Officer IVD	President and CEO, Fujirebio Holdings, Inc. Director, Fujirebio Inc. Director, SRL, Inc.
Executive Officer	Makoto Matsumoto	Managing Officer LTS	President and CEO, SRL, Inc. Director, Fujirebio Inc. Director, H.U. Frontier, Inc.
Executive Officer	Kazuya Omi	CTO	Director, SRL, Inc. Director, Fujirebio Inc. President, H.U. Group Research Institute G.K. Representative Director and President, H.U. Cells, Inc.
Executive Officer	Toshihiko Shimizu	CIO	–
Executive Officer	Tadashi Hasegawa	President’s Special Assignments Officer	Director, SRL, Inc. Director, Fujirebio Inc. Director, H.U. Frontier, Inc.
Executive Officer	Takayuki Yoshizumi	HR and General Affairs	–

Note: The changes in the positions and responsibilities of Executive Officers since the day following the last day of the fiscal year under review are as follows.

Name	Before change	After change	Date of change
Goki Ishikawa	Managing Executive Officer IVD	Representative Executive Officer President and Group CEO	April 1, 2026
Shigekazu Takeuchi	Representative Executive Officer Chairman, President and Group CEO	Executive Officer	April 1, 2026
Naoki Kitamura	Managing Executive Officer and CFO HS	Managing Executive Officer Finance	April 1, 2026
Kazuya Omi	Executive Officer CTO	Executive Officer R&D	April 1, 2026
Toshihiko Shimizu	Executive Officer CIO	Executive Officer IT	April 1, 2026
Tadashi Hasegawa	Executive Officer President’s Special Assignments Officer	Executive Officer Corporate Management, Legal and Procurement	April 1, 2026
Takashi Arai	–	Executive Officer HS	April 1, 2026
Tadashi Ninomiya	–	Executive Officer IVD	April 1, 2026

(3) Compensation for directors and executive officers, etc.

The Company, whose corporate name expresses “Healthcare for you,” aims to make further progress as a corporate group that contributes to the development of healthcare based on our desire to provide optimal healthcare services to all by addressing each and every one of our customers individually. To realize this desire and to promote full-scale global management among other items, we established the following “Basic Principles of Executive Officer Compensation” and decided to operate a compensation program.

<Basic Principles of Executive Officer Compensation>

- Encourage all executive officers to work together to develop and implement measures to sustainably increase the Company’s market capitalization
- Strongly motivate executive officers to aggressively expand business on the premise of global expansion by emphasizing the concept of pay-for-performance in the compensation system, system design, and operation
- Appropriately reflect the assessment of non-financial initiatives in contributing to the realization of a healthy and prosperous society through our business, which is the cornerstone of the Company’s sustainability
- Continually deepen shared interests with all stakeholders and enhance long term trust in the Company by strengthening continued ownership of the Company’s share

a. Policy and determination methods on amounts of compensation for directors and executive officers or calculation method thereof

The Company complies with provisions of the Companies Act regarding companies with nominating committees, etc., and the Compensation Committee has established the following policies for determining compensation for respective directors and executive officers of the Company and determines the amounts and other conditions of compensation for respective directors and executive officers in accordance with these policies. In addition, as the Company is a Company with Three Committees (Nomination, Audit and Remuneration) pursuant to the Companies Act, it has established a Compensation Committee fully constituted by outside directors, including the Chairperson, as stipulated by the Companies Act.

i) Method for determining the policy for determining compensation, etc. for directors and executive officers

The Compensation Committee of the Company has built an operational process emphasizing objectivity and transparency based on the premise of promoting a high level of independence in determining the compensation system for directors and executive officers. In establishing a policy for determining the compensation for directors and executive officers, the Compensation Committee of the Company collects information, recommendations, etc. from outside compensation consultants and verifies the appropriateness of compensation for directors and executive officers each fiscal year based on objective and sufficient information including recent developments, trends in discussions, other companies’ systems, etc. regarding compensation for directors and executive officers.

Regarding the involvement and participation of the outside compensation consultants on the Compensation Committee, they attend Compensation Committee meetings as necessary and only provide indirect support for effective deliberations and consensus

building, but they do not make any recommendations, etc. on the appropriateness of compensation.

ii) Compensation system

Compensation for directors and executive officers of the Company will be paid in the form of fixed-amount compensation based on official responsibilities in consideration of the scope and degree of responsibility for group management and other aspects and will not be paid in the form of retirement benefits at the time of retirement. The amount of performance-linked compensation will be changed depending on business results, with net sales, operating profit, net income, sustainability indicators, relative TSR (TOPIX growth rate, which includes dividends, against the Company's TSR (Total Shareholder Return)), ROIC (Return on Invested Capital), and other figures employed as performance indicators.

Directors serving concurrently as executive officers will receive compensation as executive officers.

iii) Directors' compensation

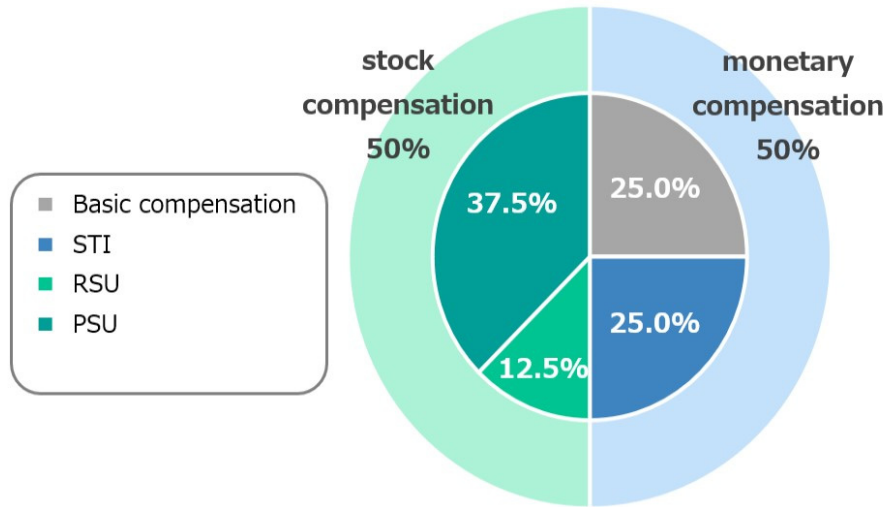
Directors' compensation will be determined as nil, or as a combination of fixed-amount compensation and share-based compensation in consideration of the duties of the respective directors.

The Company will pay compensation to outside directors, based on the details of their supervision activities, in addition to the combination of prescribed fixed-amount compensation and share-based compensation.

iv) Executive officers' compensation

Compensation received by executive officers of the Company comprises (1) basic compensation as fixed compensation; (2) STI (Short Term Incentive) linked to the consolidated performance of the Group for a single fiscal year and achievement of targets for the segment for which they are responsible; (3) RSUs (Restricted Stock Units), which promote value sharing with shareholders through shareholding; and (4) PSUs (Performance Share Units) linked to achievement of improving medium- to long-term corporate value of the Company. STI, which is cash compensation, and RSUs and PSUs, which are non-monetary compensation (stock compensation), are both organized as variable compensation.

When determining the compensation ratio by type for compensation for the Company's executive officers, the Company reflects the weight of management responsibilities in the compensation composition by position by increasing the ratio of variable compensation as the position of the executive officer gets higher, while taking into consideration market compensation data for companies that are similar in scale to the Company based on officer compensation surveys carried out by external research institutions. Furthermore, to ensure that compensation is set at a level commensurate with the capabilities and responsibilities, etc. required of the management of the Company, the Compensation Committee conducts a verification of its appropriateness using compensation benchmarks and so forth every year. The composition ratio for compensation in the event that variable compensation is considered a single-year standard amount for Representative Executive Officer, Chairman, President and Group CEO of the Company is as follows.



Basic compensation is paid monthly, while STI, RSUs, and PSUs are either paid yearly at a certain period or basic points are granted.

v) Shareholding guidelines

To ensure sustainable value sharing with all stakeholders, the Company has established shareholding guidelines for its executive officers, including the Company's President and Group CEO, who serves as the top executive of the Company. Specifically, including basic points granted through potential RSUs held, the Company requires officers to aim for a base holding value equivalent to the levels set out below, and upon achieving such base level, to maintain holdings at or above the base level throughout their tenure at a minimum.

- President and Group CEO: 3x annual basic compensation (within three years of assuming this position)
- Other executive officers: 1x annual basic compensation

vi) Malus clause and clawback clause

To prevent the Company's executive officer compensation from becoming an incentive to encourage excessive risk-taking and to ensure the soundness of executive officer compensation, the Company has established a malus clause whereby, when the Company's Board of Directors recognizes that certain reasons such as illegal acts, improper accounting resulting in inappropriate presentation of performance, or significant retroactive corrections to prior-year financial statements, including the instruction, execution, or approval thereof, have occurred, at the discretion of the Compensation Committee, all compensation (base points) related to STI prior to payment and RSUs and PSUs prior to delivery of shares or performance in money shall be confiscated, and a clawback clause whereby all or part of compensation (shares or money) related to STI after payment and RSUs and PSUs after delivery of shares or performance in money shall be returned or confiscated. This provision shall apply to STI to be paid in FY 2025 onwards and RSUs and PSUs granted in FY 2023 onwards, and the applicable period shall be the fiscal year in which the relevant reason occurred and the preceding three fiscal years.

[Details of each type of compensation]

i) Basic compensation

Although the benchmark for compensation is their titles, compensation is paid to executive officers after taking into account how each of them has performed in their duties, etc.

In addition to the prescribed fixed compensation, compensation is paid to directors in accordance with the details of their supervisory activities.

ii) STI

Regarding KPIs (key performance indicators) for STI, KPIs for the consolidated performance of the Group are single-year consolidated net sales and profit attributed to owners of parent (hereinafter “consolidated profit”). The reason for selecting each of these consolidated Group performance KPIs is that they are respectively the source of corporate activities, and that by clarifying the responsibility of attributing results to our shareholders, makes it easy to explain the rationality of the amount paid. Furthermore, from FY 2025, sustainability indicators have been newly added as KPIs for STI. These indicators utilize the PDCA cycle for ESG indicators, which are currently used as evaluation indicators for PSUs, with the aim of further enhancing awareness among management and improving the effectiveness of evaluation. The KPIs for these sustainability indicators are certification as a “White 500” enterprise in Health & Productivity Management Outstanding Organization Recognition Program, the engagement survey, MSCI ESG Ratings, and CDP scoring in the Climate category. The weight of each of these KPIs is set at consolidated net sales: consolidated profit: sustainability indicators=45:45:10.

Furthermore, evaluations of certain executive officers will take into account KPIs for segment performance based on their respective areas of responsibility (segment net sales, segment operating profit). The reason for selecting each of these segment performance KPIs is that they are indicators that represent results against predetermined absolute amounts (planned values) for each segment. The consolidated performance of each segment is applied for the executive officer in charge of each segment (LTS, IVD, HS) as segment performance.

Regarding performance evaluations, the amount to be paid is determined after deliberation and verification on appropriateness by the Compensation Committee, based on a formula established in advance upon calculation of such amount and evaluation by the Compensation Committee at the end of the period. For STIs, the single-year standard amount determined individually will vary within a range of 0% to 200%. However, in calculating and evaluating the amount to be paid, the Company’s Compensation Committee may deliberate on whether performance numbers were greatly affected by events, etc. that were unforeseeable at the time of establishing the formula and make qualitative adjustments to the amount paid as necessary.

[Percentage of achievement, related to STI]

The percentage of achievement, related to performance-linked compensation for the fiscal year ended March 31, 2026, is as follows.

<STI>

Performance Evaluation Items	Performance Evaluation Indicator	Targets (million yen)	Actual Results (million yen)	Achievement Rate
Consolidated Group Performance	Net sales	252,000	247,362	98.2%
	Profit	5,500	6,823	124.1%
LTS Segment Performance	LTS net sales	160,000	157,297	98.3%
	LTS operating profit	500	31	6.3%
IVD Segment Performance	IVD net sales	60,000	60,735	101.2%
	IVD operating profit	11,500	9,050	78.7%

Notes: 1. For the performance of both LTS and IVD segments, both net sales and operating profit are evaluated against the targets set at the beginning of the fiscal year, and achievement rate is compared to the progress against such initial targets.

2. Operating profit for the LTS segment fell short of the target, therefore the achievement rate is shown as “\_”.

3. For FY 2025, the HS segment is overseen by the Chief Financial Officer (CFO), and therefore no STI evaluation indicators linked to segment performance have been set.

<Evaluation Weight>

	Consolidated Group Performance	Segment Performance
Representative Executive Officer	100%	—
Executive Officer	30% to 100%	0% to 70%

<Performance Evaluation Items>

Performance Evaluation Items	KPI	Weight	Targets	Range of Variation in Payment
Consolidated Group Performance	Net sales	45%	Predetermined absolute amount	0% to 200%
	Profit	45%	Predetermined absolute amount	0% to 200%
	Sustainability indicators	10%	Certification as a “White 500” enterprise in Health & Productivity Management Outstanding Organization Recognition Program, engagement survey, MSCI ESG Ratings, CDP scoring in the Climate category	0% to 200%
Segment Performance	Net sales	50%	Predetermined absolute amount	0% to 200%
	Operating profit	50%	Predetermined absolute amount	0% to 200%

iii) RSU

RSUs are share-based compensation in which the Company allocates RSU points (1 point = one share of the Company) for the year of service in July each year, then grants money corresponding to the Company’s common shares and the tax amount three years after the allocation of points. The number of RSU points allocated is calculated as the standard RSU compensation amount for each individual, as determined by the

Company's stock compensation regulations, divided by the average closing price of the Company's stock for the month of April each year (hereinafter the "set stock price"). In granting the shares, shares of the Company's common stock (hereinafter the "Company's shares") corresponding to the allocated RSU points are granted.

\* In principle, approximately 50% of the Company's shares that are granted through RSUs are sold on the stock market and paid in cash to secure funds for tax payments.

iv) PSU

PSUs are share-based compensation in which the Company allocates PSU points (1 point = one share of the Company) for the year of service in July each year, then grants money corresponding to the Company's common shares and the tax amount three years after the allocation of points, having multiplied the number of points by a performance-linked coefficient in accordance with the degree of achievement of KPIs. The number of PSU points allocated is calculated as the standard PSU compensation amount for each individual, as determined by the Company's stock compensation regulations, divided by the set stock price. In granting the shares, the Company's shares corresponding to the confirmed PSU points, calculated as the allocated PSU points multiplied by the performance-linked coefficient, are granted.

KPIs for PSUs are relative TSR and ROIC. The reason for selecting both KPIs is that they serve as incentives contributing to the sustainable increase in the Company's market capitalization and efficient profit generation on invested capital. PSU is designed as "performance-linked remuneration" under the Corporation Tax Act. The evaluation weight of both KPIs is relative TSR: ROIC=50:50, and the share delivery ratio will vary from 0% to 200%. Finally, the share delivery ratio calculated for each KPI will be totaled according to evaluation weight in order to calculate the performance coefficient for the PSU as a whole.

\* In principle, approximately 50% of the Company's shares that are granted through PSUs are sold on the stock market and paid in cash to secure funds for tax payments.

b. Details of compensation for directors and executive officers, etc.

Details of compensation for directors and executive officers, etc. for the fiscal year under review are as follows:

Total amount of compensation, total amount of compensation by type, and number of payees by classification

Category	Total Amount of Compensation (Millions of yen)	Total Amount of Compensation by Type (Millions of yen)					Number of Payees (Persons)
		Non-performance-linked Compensation			Short-term Performance-linked Compensation	Medium- to Long-term Performance-linked Compensation	
		Money	Shares		Money	Shares	
		Basic Compensation	Restricted Stock Compensation	Trust-type Share-based Compensation	Performance-linked Compensation	Trust-type Share-based Compensation	
Executive Officer	562	220	5	61	151	122	8
Director	88	88	-	-	-	-	7
[Outside Director]	[88]	[88]	[-]	[-]	[-]	[-]	[7]

Note: The Company does not pay directors' compensation to directors serving concurrently as executive officers.

c. Persons with decision-making authority in relation to policy for determining the amount of compensation for directors and executive officers or calculation method thereof

Because the Company is a "Company with Nominating Committee, etc." under the Companies Act, it has set up a Compensation Committee as an organization based on the

Companies Act in which outside directors form the entirety of committee members, including the committee chair.

A. Details of the Compensation Committee’s authority and scope of discretion

The Compensation Committee determines the amount of compensation, etc. for executive officers and directors of the Company based on laws and regulations, the Articles of Incorporation and relevant rules of the Company.

B. Details of Compensation Committee activities during the process of determining compensation, etc. for directors and executive officers in the fiscal year under review  
The activities of the Compensation Committee in the fiscal year under review are as follows.

The Compensation Committee met 13 times during the fiscal year.

	Date of meeting	Details
1st meeting	April 25, 2025	i) Reported on calculation and evaluation of short-term performance-linked compensation for FY 2025
2nd meeting	May 15, 2025	i) Decision on individual short-term performance-linked compensation amount for executive officers in FY 2024 ii) Review of compensation for directors and executive officers (compensation mix, performance indicators, etc.)
3rd meeting	May 23, 2025	i) H.U. Group Officers’ Executive Grades (EG) Compensation Rules and revision of stock compensation rules ii) Confirmation of targets for FY 2025 short-term performance-linked compensation (tentative) iii) Individual fixed-amount compensation pertaining to executive officer candidates for the next fiscal year (tentative)
4th meeting	June 17, 2025	i) Selection of Compensation Committee Chairperson ii) Confirmation of targets for FY 2025 short-term performance-linked compensation iii) Decision on individual fixed-amount compensation for FY 2025 iv) Points determination for individual RSUs for FY 2025
5th meeting	July 25, 2025	i) Compensation Committee’s schedule of activities
6th meeting	August 29, 2025	i) Updated review of benchmark analysis on governance, compensation trends, compensation levels, and compensation mix
7th meeting	September 26, 2025	i) Confirmation of principles for compensation, etc. in preparation for FY 2026
8th meeting	October 31, 2025	i) Developments to governance and manager compensation ii) Benchmark analysis of compensation levels and compensation mix iii) Confirmation of principles for compensation, etc. in preparation for FY 2026
9th meeting	November 28, 2025	i) Executive officer compensation in preparation for FY 2026 (fiscal year ending March 31, 2027)
10th meeting	December 19, 2025	i) Executive officer compensation in preparation for FY 2026 (fiscal year ending March 31, 2027)
11th meeting	January 30, 2026	i) Executive director compensation for April to June 2026 under the new management structure
12th meeting	March 27, 2026	i) Executive director compensation for April to June 2026 under the new management structure
13th meeting	March 27, 2026	i) Revision of H.U. Group Officers’ Executive Grades (“EG”) Compensation Rules

- In addition, all resolutions of the Compensation Committee are made after excluding any person having a relationship of special interest.
- The Company’s Compensation Committee determined the amount to be paid to each individual for the fiscal year under review in accordance with the formula established in advance in the “H.U. Group Officers’ Executive Grades (EG) Compensation Rules” (the “EG Rules”). In making this determination, the Compensation Committee conducted deliberations on executive officer compensation for the fiscal year under review, collected objective information sufficient for such deliberations, and carried out a multifaceted review, including

consistency between the executive officer compensation system for directors and executive officers and the policy for determining compensation. As a result, the Compensation Committee determined that such amounts were in line with the policy for determining individual compensation.

(4) Status of main activities of outside directors

i) Attendance rate at meetings of the Board of Directors and Committees (number of times of attendance/number of meetings held during the fiscal year)

Position	Name	Board of Directors Meeting	Meeting of Nominating Committee	Meeting of Audit Committee	Meeting of Compensation Committee
Director	Shigehiro Aoyama	17/17	20/20	–	–
Director	Futomichi Amano	17/17	–	16/16	–
Director	Sachiko Awai	17/17	–	13/13	13/13
Director	Ryoji Itoh	17/17	20/20	–	13/13
Director	Moegi Shirakawa	17/17	17/17	16/16	–
Director	Keiji Miyakawa	17/17	–	16/16	13/13
Director	Hitoshi Yoshida	17/17	20/20	–	–

- Notes: 1. The figure shown for Sachiko Awai's attendance in the Audit Committee meetings reflects her attendance since becoming a member of the Audit Committee on June 17, 2025.
2. The figure shown for Moegi Shirakawa's attendance in the Nominating Committee meetings reflects her attendance since becoming a member of the Nominating Committee on June 17, 2025.

ii) Main activities during the fiscal year

Position	Name	Status of Main Activities
Director	Shigehiro Aoyama	<p>At meetings of the Board of Directors, he has made proactive remarks in connection with proposals and deliberations based on his experience in corporate management at Suntory Holdings Limited for many years, and abundant experience and broad insight in the global business encompassing M&amp;A and in the healthcare field. Through such remarks, he has performed his role of seeking to ensure that the Board of Directors appropriately makes decisions serving as an outside director.</p> <p>As a member of the Nominating Committee, he has conducted robust deliberations regarding the nomination of candidates for director and the CEO succession plan in a manner that ensures membership balance and diversity of the Board of Directors overall.</p>
Director	Futomichi Amano	<p>At meetings of the Board of Directors, he has made proactive remarks in connection with proposals and deliberations based on his experience in audits as a certified public accountant and in the management of Deloitte Touche Tohmatsu LLC for many years, abundant experience in the field of accounting, and broad insight in the global business. Through such remarks, he has performed his role of seeking to ensure that the Board of Directors appropriately makes decisions serving as an outside director.</p> <p>At meetings of the Audit Committee, he has audited and supervised the Group management's execution of duties after grasping issues and risks related to management and businesses of the Group through meetings with management of the Company and its major subsidiaries, regular meetings with auditors of the major subsidiaries, etc., based on audit policy and audit plans. As the Chairman of the Audit Committee, he has furthermore played an important role in strengthening the audit and supervisory function, which includes taking initiative in regular meetings with the Internal Audit Department as well as those with the Accounting Auditor.</p>
Director	Sachiko Awai	<p>At meetings of the Board of Directors, she has made proactive remarks in connections with proposals and deliberations based on her broad insight based on her extensive experience as a business company manager. Through such remarks, she has performed her role of seeking to ensure that the Board of Directors appropriately makes decisions serving as an outside director.</p> <p>At meetings of the Audit Committee, she has audited and supervised the Group management's execution of duties after grasping issues and risks related to management and businesses of the Group through meetings with management of the Company and its major subsidiaries, regular meetings with auditors of the major subsidiaries, etc., based on audit policy and audit plans.</p> <p>As the Chairman of the Compensation Committee, she has led robust deliberations that involve making decisions on the Company's compensation system and compensation levels for its directors and executive officers.</p>

Position	Name	Status of Main Activities
Director	Ryoji Itoh	<p>At meetings of the Board of Directors, he has made proactive remarks in connection with proposals and deliberations, enlisting differing perspectives based on his insight related to corporate management, human resources development, digital transformation, etc., based on his abundant experience on the global stage as a management consultant, fund manager and corporate manager. Through such remarks, he has performed his role of seeking to ensure that the Board of Directors appropriately makes decisions serving as an outside director.</p> <p>As a member of the Nominating Committee, he has also conducted robust deliberations regarding the nomination of candidates for director and the CEO succession plan in a manner that ensures membership balance and diversity of the Board of Directors overall.</p> <p>As a member of the Compensation Committee, he has also conducted robust deliberations that involve making decisions on the Company's compensation system and compensation levels for its directors and executive officers.</p>
Director	Moegi Shirakawa	<p>At meetings of the Board of Directors, she has made proactive remarks on proposals and deliberations, enlisting differing perspective as a legal practitioner well versed in a wide range of fields and corporate legal affairs as an attorney-at-law. Through such remarks, she has performed her role of seeking to ensure that the Board of Directors appropriately makes decisions serving as an outside director.</p> <p>As a member of the Nominating Committee, she has also conducted robust deliberations regarding the nomination of candidates for director and the CEO succession plan in a manner that ensures membership balance and diversity of the Board of Directors overall.</p> <p>At meetings of the Audit Committee, she has audited and supervised the Group management's execution of duties after grasping issues and risks related to management and businesses of the Group through meetings with management of the Company and its major subsidiaries, regular meetings with auditors of the major subsidiaries, etc., based on audit policy and audit plans.</p>
Director	Keiji Miyakawa	<p>At meetings of the Board of Directors, he has made proactive remarks in connection with proposals and deliberations based on his abundant experience in the investment banking division of a major global securities firm and in M&amp;A advisory companies, and also has broad insight as a financial service manager. Through such remarks, he has performed his role of seeking to ensure that the Board of Directors appropriately makes decisions serving as an outside director.</p> <p>At meetings of the Audit Committee, he has audited and supervised the Group management's execution of duties after grasping issues and risks related to the management and businesses of the Group through meetings with the management of the Company and its major subsidiaries, regular meetings with auditors of the major subsidiaries, etc., based on the audit policy and audit plans.</p> <p>As a member of the Compensation Committee, he has also conducted robust deliberations that involve making decisions on the Company's compensation system and compensation levels for its directors and executive officers.</p>

Position	Name	Status of Main Activities
Director	Hitoshi Yoshida	<p>At meetings of the Board of Directors, he has made proactive remarks in connection with proposals and deliberations based on his track record of sustained company growth as a manager at ASKUL Corporation and broad insight related to risk management and digital transformation. Through such remarks, he has performed his role of seeking to ensure that the Board of Directors appropriately makes decisions serving as an outside director.</p> <p>As the Chairman of the Nominating Committee, he has led deliberations regarding the nomination of candidates for director and the CEO succession plan in a manner that ensures membership balance and diversity of the Board of Directors overall.</p>

### 3. Matters Regarding Accounting Auditor

- (1) Name of Accounting Auditor  
PricewaterhouseCoopers Japan LLC
- (2) Amount of compensation, etc. of Accounting Auditor
  - i) Total amount of compensation the Company and its subsidiaries paid to Accounting Auditor  
154 million yen
  - ii) Of i) above, the total amount of compensation the Company and its subsidiaries paid to Accounting Auditor in exchange for the work (audit certification work) stipulated by Article 2, Paragraph 1 of the Certified Public Accountants Act (Act No. 103 of 1948)  
154 million yen
  - iii) Of ii) above, the amount of compensation the Company paid to Accounting Auditor for the work as an accounting auditor  
74 million yen

Notes: 1. The audit agreement between the Company and Accounting Auditor does not and cannot practically distinguish between compensation for audit in accordance with the Companies Act and those in accordance with the Financial Instruments and Exchange Act. Therefore, the figures of iii) above represent total amount.

2. The Company's Audit Committee has checked appropriateness, validity and other aspects of the audit plan, the basis for calculating audit compensation estimates, and details in that regard, taking into account the "Practical Guidelines for Cooperation with Accounting Auditors" released by the Japan Audit & Supervisory Board Members Association ("JASBA"), and upon review the committee has agreed on matters such as the compensation to be paid to the Accounting Auditor pursuant to Article 399, Paragraph 1 of the Companies Act.

- (3) Policies for determination of dismissal or refusal of reelection

When Accounting Auditor is recognized as falling under the category stipulated by each Item of Article 340, Paragraph 1 of the Companies Act, the Audit Committee dismisses the Accounting Auditor based on the consensus of all the committee members. In this case, the committee member appointed by the Audit Committee reports the dismissal of the Accounting Auditor and the reason therefore at the first General Meeting of Shareholders to be held after the dismissal.

With taking the quality, effectiveness and efficiency of audits conducted by Accounting Auditor into consideration, the Audit Committee also discusses reappointment or non-reappointment of Accounting Auditor every year. When details of the item to be resolved at General Meeting of Shareholders on non-reappointment of the Accounting Auditor are determined, the committee member appointed by the Audit Committee provides necessary explanation about the item at General Meeting of Shareholders.

#### **4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System**

(1) Basic idea on corporate governance

The Company brings about greater managerial efficiency based on its stated Mission to “Create new value in healthcare and thereby contribute to human health and the future of medical care,” as well as its Vision, Values and Traits. We fully recognize the vital importance of cooperation encompassing a wide range of stakeholders both inside and outside the Group. Accordingly, we are committed to the establishment of a corporate governance structure that encourages greater managerial transparency and accelerates proper decision-making.

(2) Details of corporate organizations, the system to ensure the appropriateness of business activities and the operating status of the system

The Company fully recognizes the importance of strong and thorough corporate governance and is committed to the establishment of a governance structure that encourages greater transparency and accelerates proper decision-making at all levels of oversight, management and operation.

Therefore, the Company adopted the “Company with Committees” corporate governance system (currently the “Company with Nominating Committee, etc.”) under the Companies Act on June 27, 2005, and moved to a holding company structure that controls the Group on July 1, 2005.

i) Corporate organizations

The Company chose to adopt Company with Nominating Committee, etc. with the aim of achieving clear separation of oversight and executive functions giving executive officers the authority to make decisions with greater speed and provide more effective management for the operation of the Group companies. In addition, in accordance with the Companies Act and the committee system, the Company has established three committees: the Nominating, Audit and Compensation Committees.

[Composition and activities of the Board of Directors]

The Board of Directors receives reports from each committee and from the executive officers regarding information on current corporate operations and target management achievements. The Board is thus able to provide timely, comprehensive, and pertinent corporate oversight. Among the nine (9) members of the Board of Directors, the Company appoints seven (7) as outside directors, each of whom is recognized as a leader in their respective field. The Board of Directors met 17 times during the fiscal year under review to discuss key investment proposals, business plans, and other important management matters.

[Activities of the three committees]

· Nominating Committee

As the Company has a Nominating Committee pursuant to the Company Law, it has established a Nominating Committee chaired by an outside director and constituted by all outside directors as stipulated by the Company Act. The Nominating Committee held 20

meetings during the fiscal year under review to facilitate discussions on the management structure for the next fiscal year and the medium-to-long-term management framework, to nominate candidates for the Representative Executive Officer, President and Group CEO to the Board of Directors, to elect candidates for the Board of Directors of the Company, and to nominate candidates for the executive officers to the Board of Directors.

· Audit Committee

The status of activities of the Audit Committee is described in “4. The System to Ensure the Appropriateness of Business Activities and the Operating Status of the System, (2) Details of corporate organizations, the system to ensure the appropriateness of business activities and the operating status of the system, iii) Outline of operational status of system to ensure appropriate execution of business operations, 1) Matters regarding audits performed by the Audit Committee.”

· Compensation Committee

The activities of the Compensation Committee are described in “2. Matters Regarding Directors and Executive Officers, (3) Compensation for directors and executive officers, etc., c. Persons with decision-making authority in relation to policy for determining the amount of compensation for directors and executive officers or calculation method thereof, B. Details of Compensation Committee activities during the process of determining compensation, etc. for directors and executive officers in the fiscal year under review.”

Furthermore, the activities of the outside directors in each committee are described in “2. Matters regarding Directors and Executive Officers, (4) Status of main activities of outside directors.”

1) Matters regarding limited liability agreements

The Company amended the Articles of Incorporation at the 70th Ordinary General Meeting of Shareholders held on June 23, 2020, establishing provisions regarding limited liability agreements with directors (excluding directors who are an executive director, etc. stipulated in the Companies Act; hereinafter, “non-executive directors”). An outline of the limited liability agreements entered into by the Company with all non-executive directors under the Articles of Incorporation is as follows:

• Limited liability agreements with non-executive directors

After execution of this agreement, the non-executive director shall, in the case of having performed his/her duties in good faith and without gross negligence with respect to the responsibility prescribed in Article 423, Paragraph 1 of the Companies Act, assume liability for damages up to the higher of 2 million yen or the minimum liability amount prescribed by law and regulations.

2) Outline, etc. of details of directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The scope of insureds under the insurance policy includes directors, executive officers, auditors, etc. of the Company and its subsidiaries, and the insureds do not bear any of the premiums. The insurance policy covers the legally mandated

amount of indemnification, litigation expenses, etc. to be assumed by the insureds. However, in order that the proper performance of duties of the insureds is not impaired, losses arising from actions by the insureds such as breach of faith, criminal acts and fraudulent acts (including inaction) are not covered by the policy.

- 3) Number of directors  
The Articles of Incorporation stipulate that the Company may have no more than ten (10) directors.
  - 4) Requirement for resolutions to elect directors  
The Company stipulates in its Articles of Incorporation that resolutions for election of directors are to be adopted by a majority of the voting rights of the shareholders present at a general meeting of shareholders where the shareholders holding at least one-third (1/3) of the voting rights of the shareholders who are entitled to exercise their voting rights are present, and not by cumulative voting.
  - 5) Decision-making body for dividends of surplus  
The Company stipulates in its Articles of Incorporation that matters involving dividends of surplus as prescribed in the items of Article 459, Paragraph 1 of the Companies Act may be determined by resolution of the Board of Directors, and that matters prescribed in the items of Article 459, Paragraph 1 of the Companies Act may not be determined by resolutions made at a general meeting of shareholders. The purpose of this is to ensure flexibility with respect to capital policy and return of profits to shareholders.
  - 6) Exemption from liability as Director and Executive Officer  
In accordance with Article 426, Paragraph 1 of the Companies Act, the Company's Articles of Incorporation have a provision enabling the Company to exempt Directors (including former Directors) and Executive Officers (including former Executive Officers) from their liability in relation to actions stipulated under Article 423, Paragraph 1 of the same act within the limit provided by laws and regulations, upon a resolution of the Board of Directors. The provision is intended to create an environment in which Directors and Executive Officers can fully exercise their capabilities in performing their duties and fulfill their expected roles.
  - 7) Requirement for a special resolution of the General Meeting of Shareholders  
The Company stipulates in its Articles of Incorporation that resolutions of a general meeting of shareholders pursuant to Article 309, Paragraph 2 of the Companies Act are to be adopted by a majority of two-thirds (2/3) or more of the voting rights of the shareholders in attendance where the shareholders holding at least one-third (1/3) of the voting rights of the shareholders who are entitled to exercise their voting rights are present. This provision is intended to enable smooth operation of general meetings of shareholders.
- ii) Outline of the system to ensure the appropriateness of business activities  
Based on the following basic policy, the Company ensures that business activities are executed appropriately.

1) Mission, Vision, and Values and Traits

<Mission>

H.U. Group creates new value in healthcare and thereby contributes to human health and the future of medical care.

<Vision>

Solve global social issues through “Collaboration,” “Challenge,” and “Innovation” leveraging H.U. Group assets and resources

<Values and Traits>

[Customer Centricity]

- Respond to medical care and healthcare needs, exceed customer expectations

[Creation of New Value]

- Strive for global value creation first and foremost; take risks to challenge and innovate
- Think and execute with global perspective
- Lead with result-orientation, speed and efficiency

[Sincerity and Trust]

- Be sincere and trustworthy, act with transparency
- Communicate openly and constructively, beyond the boundaries
- Gain and maintain trust from all stakeholders

[Mutual Respect]

- Respect diverse values, experience, expertise and teamwork
- Praise and celebrate challenges and successes
- Grow and help others to grow

2) Code of Conduct

The Company, as a corporate group, has established the H.U. Group Code of Conduct so that all officers and employees of the Group can embody the high ethical standards that they are expected to meet in the performance of their duties, and ensure that the officers and employees practice it in daily corporate activities.

3) Matters regarding directors and employee(s) who is assigned to support duties of the Audit Committee

The Company shall establish the Secretariat of the Audit Committee as an organization under the Audit Committee. Employee(s) who is assigned to support the duties of the Audit Committee belongs to the Secretariat of the Audit Committee.

4) Matters regarding independence of directors and employee(s) in 3) from executive officers

- Employee(s) of the Secretariat of the Audit Committee shall follow instructions of members of the Audit committee.
- For appointment and reassignment of the employee(s) of the Secretariat of the Audit Committee and treatment such as evaluation and transfer of the employee(s), the Company shall give explanations to the Audit Committee in advance and obtain prior approval.

- 5) System of reporting from executive officers and employees to the Audit Committee and other systems of reporting to the Audit Committee  
 The Audit Committee may have people other than members participate in a meeting as necessary, and ask them to report on the following items, in addition to items stipulated by laws and regulations.
  - a) Overview of activities of departments involved in internal control of the Group
  - b) The Group's significant accounting policy, accounting standards and changes thereof
  - c) Details of important disclosure documents
  - d) Other matters to be reported as stipulated by the Company's internal rules
- 6) Other systems to ensure effective audit by the Audit Committee
  - Members of the Audit Committee have authorities stipulated in the following items.
    - a) Authority to request other directors, executive officers, managers and other employees to report matters regarding execution of their duties
    - b) Authority to examine the status of the Company's business operations and assets
    - c) Authority to request the Company's subsidiaries or consolidated subsidiaries to report business operations or to examine the status of business operations and assets of the Company's subsidiaries or consolidated subsidiaries as necessary in order to execute the duties of the Audit Committee
    - d) Other authorities regarding audit deemed necessary by the Audit Committee within the scope of laws and regulations
  - Directors, executive officers and employees who participate in a meeting of the Audit Committee by request from the Committee are required to explain matters requested by the Committee.
  - Members of the Audit Committee and the Secretariat of the Audit Committee may participate in important meetings of the Company including the Group companies as necessary.
- 7) The system to ensure appropriateness of business activities of the company and the corporate group consisting of its parent company and subsidiaries
  - To ensure appropriateness of business activities of the Company's subsidiaries by conducting operation and management of the subsidiaries based on the management rules of the subsidiaries and affiliates as well as the agreement on responsibilities and authorities of the officers of the subsidiaries.
  - To establish a management structure based on the following rules and ensure appropriateness of business activities of the corporate group.
    - a) The company and major business subsidiaries shall be covered.
    - b) The purpose shall be to comply with laws and regulations pertaining to effectiveness and efficiency of business operations, credibility of financial reporting and business activities.
    - c) Based on the Risk Management Rules, risk management of the corporate group shall be promoted.

- d) A flow chart of major business processes shall be created including those of business subsidiaries to standardize business operations and conduct adequate risk management.
  - e) The Internal Audit Department shall conduct an audit on the system of internal controls.
  - The Internal Audit Departments of the Group companies shall report and exchange opinions on a regular basis and hold an audit liaison conference regularly in order to enhance cooperation between the Audit Committee and auditors of the Group companies.
- 8) System for storage and management of information on execution of duties by executive officers  
Each executive officer shall appropriately store and manage documents and other relevant information regarding execution of their duties in accordance with the Rules for Management of Documents for Execution of Duties.
- 9) Rules for management of risk of loss and other systems  
Based on the “Risk Management Rules” and “Rules for the Risk Management Committee,” a risk management system shall be established, and the Risk Management Committee shall promote it to manage the risk of loss.
- 10) System to ensure efficient execution of duties by executive officers
- Each executive officer executes duties based on the Rules of Duties of Executive Officers.
  - Each executive officer holds discussions and makes a report as necessary at the Board of Executive Officers’ meeting based on the Rules for the Board of Executive Officers.
- 11) System to ensure compliance of execution of duties by executive officers and employees with laws and regulations and the Articles of Incorporation
- While the ethical standards that all the members of the Company are expected to meet are codified in the H.U. Group Code of Conduct, the H.U. Group Compliance Committee implements necessary measures based on the Rules for Management of the Compliance Committee to ensure compliance of execution of duties by executive officers and employees with laws and regulations, the Articles of Incorporation and the H.U. Group Code of Conduct.
  - The H.U. Group Compliance Committee detects illegal activities of the Company at an early stage and establishes and operates an internal reporting system in order to respond to it.
  - The Internal Audit Department conducts internal audits based on the Rules for Internal Audit.
- iii) Outline of operational status of system to ensure appropriate execution of business operations  
The following subsection provides an overview regarding implementation of the system for ensuring appropriate execution of business operations, with respect to the fiscal year under review.

- 1) Matters regarding audits performed by the Audit Committee
  - The Audit Committee consists of four (4) committee members and one (1) staff member. Each member participates in important meetings attended by executive directors and important committee meetings including Risk Management Committee, or reviews related documents, holds regular meetings with the Internal Audit Department and with the auditors of the major subsidiaries and directly conducts audits on the execution of duties as necessary, and the results of such activities are regularly reported to the Board of Directors. The Audit Committee exchanges ideas regularly with Accounting Auditor by requesting them to explain and report the initial audit plan, status of audits during the term and results of the year-end audit.
- 2) Matters regarding ensuring appropriate execution of business operations of the corporate group
  - Management within the Group is conducted in a manner ensuring that business operations are executed appropriately based on the “Rules of Duties of Executive Officers,” “management rules of the subsidiaries and affiliates,” “agreement on responsibilities and authorities of the officers of the subsidiaries” and other internal rules of the Company.
  - The Internal Audit Department reviews internal control system. Moreover, the Internal Audit Departments of respective Group companies report and exchange opinions on a regular basis.
- 3) Matters regarding management of risk of loss
  - Meetings of the Risk Management Committee are held regularly, in accordance with the “Risk Management Rules” and “Rules for the Risk Management Committee.” Moreover, risk assessment results and policies for addressing substantial risks faced by the Company and its major subsidiaries are reported to the Board of Directors.
- 4) Matters regarding compliance
  - The Internal Audit Department (sixteen (16) members) conducts internal audits of the Company and its major subsidiaries and assesses internal control independently on a regular basis in order to ensure the legality, accuracy and efficiency of management and business operations. The Department reports the audit results and status of follow-up to both the Board of Directors and the Audit Committee to ensure the effectiveness of internal audits.
  - Meetings of the H.U. Group Compliance Committee are held regularly, in accordance with “H.U. Group Code of Conduct.”
  - As part of its efforts to develop an internal reporting system, the Company has established the “H.U. Group Hotline” to report ethics and compliance concerns, and shares information regarding its operations with the Audit Committee. In addition, the Company also raises awareness of its rules for ensuring confidentiality of those reporting concerns and furthermore prohibiting disadvantageous treatment of such individuals.

## **5. Basic Policy Regarding Control of the Company**

- I. Basic Policy concerning Persons Controlling the Decision on the Financial and Operational Policy of the Company (Basic Policy concerning Persons Controlling the Decision on the Financial and Operational Policy of the Company as stipulated by Article 118, Item 3 of the Ordinance for Enforcement of the Companies Act (Ordinance of the Ministry of Justice No. 12 of 2006))

The Board of Directors of the Company believes that the shareholders of the Company should make final decisions as to whether an offer to purchase shares is acceptable. In the event that the purchase of the shares of the Company is proposed, in order for the shareholders of the Company to make proper decisions, it is necessary for sufficient information to be provided to the shareholders of the Company through the Board of Directors of the Company.

In particular, the shareholders of the Company should be given information regarding the terms and conditions of the purchase (including fairness of price), the influence the purchase has on the management of the Company and its group, the management policy and business plan that the purchaser intends to adopt, etc.

However, in the event that the purchase of the shares of the Company is proposed, the shareholder or the Company may not be given sufficient time or information necessary to consider the terms and conditions of the proposal or any alternative plan. The proposed structure may coerce the shareholders to accept the proposal of the purchase. The proposed purchase price may be inadequate or inappropriate in light of the Company's intrinsic corporate value and the common interests of the shareholders. In such case, there will be a threat of severe damage to the Company's corporate value and the common interests of the shareholders.

The Company believes that a person who conducts or proposes an inappropriate Large-scale Purchase which will raise a threat of severe damage to the Company's corporate value and the common interest of the shareholders is not appropriate as a person in control of decisions on the financial and operational policy of the Company.

The Company decided, at a meeting of the Board of Directors held on May 23, 2007, to establish the above as our Basic Policy concerning Persons Controlling the Decision on the Financial and Operational Policy of the Company.

- II. Efforts supporting achievement of the basic policy

We are making efforts to enhance the Company's corporate value and to serve the common interests of shareholders through the sound execution of the Medium-term Business Plan by ensuring stable and continuous returns to shareholders and further strengthening the Company's corporate governance structure. We believe that the measures explained below will support the achievement of our basic policy described in Section I above. We believe it is obvious that the following initiatives, considering the details, do not undermine common interests of our shareholders and are not intended to maintain the status of company directors and officers.

1. Efforts to enhance the Company's corporate value and to serve the common interests of shareholders through execution of the Medium-term Business Plan

In the business environment where the Group operates, demographic aging and the introduction of advanced medical treatments are among the factors driving a projected increase in medical care costs. On the other hand, the worsening financial position of medical institutions and declining specimen testing fees, together with pressure to limit medical care costs, are expected to lead to continued difficult conditions for the Japanese clinical testing market. Nevertheless, new opportunities for growth have also arisen despite the policy of restricting medical costs. Reorganization resulting in a reduction in the number of hospitals and hospital beds has led to growing demand for in-home healthcare services and preventive medicine, and medical and IT technologies continue to advance. Given these trends, the business environment is in a state of constant evolution.

The overseas clinical testing market is experiencing growth, mainly in emerging countries, but in developed countries the effort to limit social security costs continues to result in stagnant growth. Moreover, regulatory changes in individual countries have led to increased registration costs, contributing to a continuing challenging environment for business.

In response to these trends in the business environment, the Company is working to implement its Medium-term Business Plan formulated in May 2025, "H.U. 2030," with a view to further deepening integrated management and achieving sustainable growth.

2. Efforts to enhance the Company's corporate value and to serve the common interests of shareholders by providing stable and continuous returns to shareholders

The Company will implement progressive dividends taking into comprehensive consideration factors such as cash flows and the notion of maintaining a sound financial footing over the medium to long term. We will also actively and flexibly acquire treasury shares and aim to improve capital efficiency.

3. Efforts to enhance the Company's corporate value and to serve the common interests of shareholders through the further strengthening of the corporate governance structure

The Company has adopted a "Company with Committees" (currently "Company with Nominating Committee, etc.") corporate governance system in June 2005, leading to clear separation of the monitoring and execution functions as well as the establishment of an execution structure which allows for speedy operational implementation. From a corporate governance perspective, seven (7) of the nine (9) board members are outside directors with high independency. Furthermore, we have established three committees: the Nominating, Audit and Compensation Committees in accordance with laws and regulations, and continued efforts aimed at promoting fairness and transparency are being implemented. With respect to incentives and compensation, we have positioned the enhancement of corporate value and the common interests of our shareholders as our top priorities and have adopted a performance-linked compensation plan for executive officers, while eliminating the retirement benefits system which was not highly correlated with performance and introducing a share-based compensation plan aimed to align interest between our shareholders and the officers and employees of the Company. Compensation provided to

such officers and directors are disclosed in our annual securities reports, and business reports. We have further implemented various measures to stimulate activity at shareholders' meetings and to facilitate the exercise of voting rights, such as sending notice of shareholders' meetings at least 3 weeks in advance to secure sufficient time for our shareholders to appropriately exercise their voting rights, implementing an electronic voting system for the electronic exercise of voting rights, and introducing a platform for the electronic exercise of voting rights. The shareholders' meeting schedule is set to avoid so-called "concentrated days" for shareholders' meetings. For shareholders who are unable to attend the meeting, we accept questions in advance and provide a live streaming broadcast via the Internet. Realizing the importance of maintaining and strengthening an appropriate governance structure, we have also established a basic policy for our internal control system and have established an infrastructure to ensure proper business operations as a corporate group by reinforcing the framework for audits by the Audit Committee and by creating control guidelines for the entire group, including subsidiaries and affiliates.

- III. Efforts above being in line with the basic policy of I above and not undermining the common interests of shareholders, nor being intended to maintain the status of the company directors and officers and reasons thereof

The abovementioned efforts are for making maximum use of the Company's assets, making appropriate allocations of profits for securing retained earnings required to maintain and improve revenue and providing returns to our shareholders and maintaining and enhancing the adequate corporate governance system, thus contributing to enhancement of the Company's corporate value, and serving the common interests of shareholders of the Company. Therefore, the efforts above are in line with the basic policy and do not undermine the common interests of shareholders, nor are they intended to maintain the status of the Company's directors and officers.

## CONSOLIDATED BALANCE SHEET

(As of March 31, 2026)

(Unit: Millions of yen)

Item	Amount	Item	Amount
<b>ASSETS</b>		<b>LIABILITIES</b>	
<b>Current assets</b>	<b>126,630</b>	<b>Current liabilities</b>	<b>73,559</b>
Cash and deposits	48,105	Notes and accounts payable - trade	20,159
Notes and accounts receivable - trade, and contract assets	47,022	Electronically recorded obligations - operating	186
Investments in leases	206	Short-term borrowings	10,000
Merchandise and finished goods	6,898	Current portion of bonds payable	5,000
Work in process	9,728	Current portion of long-term borrowings	10,027
Raw materials and supplies	7,421	Lease liabilities	3,506
Other	8,256	Accounts payable - other	9,563
Allowance for doubtful accounts	(1,009)	Income taxes payable	1,246
		Provision for bonuses	6,177
<b>Non-current assets</b>	<b>140,788</b>	Provision for share awards	267
<b>Property, plant and equipment</b>	<b>65,396</b>	Other	7,424
Buildings and structures	25,508	<b>Non-current liabilities</b>	<b>56,434</b>
Machinery, equipment and vehicles	7,016	Bonds payable	26,100
Tools, furniture and fixtures	10,323	Long-term borrowings	9,154
Land	7,818	Lease liabilities	10,543
Leased assets	13,452	Retirement benefit liability	6,677
Construction in progress	1,277	Asset retirement obligations	1,848
<b>Intangible assets</b>	<b>39,730</b>	Provision for share awards	437
Goodwill	8,680	Other	1,673
Customer-related intangible assets	2,378	<b>Total liabilities</b>	<b>129,994</b>
Software	19,280	<b>NET ASSETS</b>	
Leased assets	112	<b>Shareholders' equity</b>	<b>120,159</b>
Software in progress	1,375	Share capital	9,309
Other	7,903	Capital surplus	25,124
<b>Investments and other assets</b>	<b>35,661</b>	Retained earnings	92,335
Investment securities	846	Treasury shares	(6,610)
Guarantee deposits	17,697	<b>Accumulated other comprehensive income</b>	<b>17,153</b>
Deferred tax assets	12,890	Valuation difference on available-for-sale securities	(34)
Other	4,241	Foreign currency translation adjustment	17,877
Allowance for doubtful accounts	(14)	Remeasurements of defined benefit plans	(689)
<b>Deferred assets</b>	<b>47</b>	<b>Share acquisition rights</b>	<b>97</b>
Bond issuance costs	47	<b>Non-controlling interests</b>	<b>61</b>
		<b>Total net assets</b>	<b>137,472</b>
<b>Total assets</b>	<b>267,466</b>	<b>Total liabilities and net assets</b>	<b>267,466</b>

**CONSOLIDATED STATEMENT OF INCOME**

From: April 1, 2025  
To: March 31, 2026

(Unit: Millions of yen)

<b>Net sales</b>		<b>247,362</b>
<b>Cost of sales</b>		<b>175,977</b>
<b>Gross profit</b>		<b>71,385</b>
<b>Selling, general and administrative expenses</b>		<b>66,605</b>
<b>Operating profit</b>		<b>4,780</b>
<b>Non-operating income</b>		
Interest income	402	
Dividend income	66	
Rental income	84	
Other	303	<b>856</b>
<b>Non-operating expenses</b>		
Interest expenses	686	
Share of loss of entities accounted for using equity method	904	
Loss on investments in capital	591	
Other	619	<b>2,802</b>
<b>Ordinary profit</b>		<b>2,834</b>
<b>Extraordinary income</b>		
Gain on sale of non-current assets	2,290	
Gain on sale of shares of subsidiaries and associates	3,928	
Other	625	<b>6,844</b>
<b>Extraordinary losses</b>		
Loss on retirement of non-current assets	396	
Impairment losses	118	
Provision for compensation loss	400	
Other	180	<b>1,096</b>
<b>Profit before income taxes</b>		<b>8,582</b>
Income taxes - current	1,239	
Income taxes - deferred	637	<b>1,877</b>
<b>Profit</b>		<b>6,704</b>
<b>Loss attributable to non-controlling interests</b>		<b>(119)</b>
<b>Profit attributable to owners of parent</b>		<b>6,823</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

From: April 1, 2025

To: March 31, 2026

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
<b>Balance at beginning of period</b>	<b>9,279</b>	<b>25,094</b>	<b>93,309</b>	<b>(2,258)</b>	<b>125,425</b>
<b>Changes during period</b>					
Issuance of new shares - exercise of share acquisition rights	30	30			60
Dividends of surplus			(7,151)		(7,151)
Profit attributable to owners of parent			6,823		6,823
Purchase of treasury shares				(5,002)	(5,002)
Disposal of treasury shares				0	0
Purchase of treasury shares through share-based benefit trust				(3,688)	(3,688)
Disposal of treasury shares for share-based benefit trust		(650)		4,339	3,688
Change in scope of consolidation			4		4
Transfer of negative balance of other capital surplus		650	(650)		-
Net changes in items other than shareholders' equity					
<b>Total changes during period</b>	<b>30</b>	<b>30</b>	<b>(973)</b>	<b>(4,352)</b>	<b>(5,265)</b>
<b>Balance at end of period</b>	<b>9,309</b>	<b>25,124</b>	<b>92,335</b>	<b>(6,610)</b>	<b>120,159</b>

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
<b>Balance at beginning of period</b>	<b>(9)</b>	<b>12,942</b>	<b>(1,347)</b>	<b>11,586</b>	<b>102</b>	<b>180</b>	<b>137,295</b>
<b>Changes during period</b>							
Issuance of new shares - exercise of share acquisition rights							60
Dividends of surplus							(7,151)
Profit attributable to owners of parent							6,823
Purchase of treasury shares							(5,002)
Disposal of treasury shares							0
Purchase of treasury shares through share-based benefit trust							(3,688)
Disposal of treasury shares for share-based benefit trust							3,688
Change in scope of consolidation							4
Transfer of negative balance of other capital surplus							-
Net changes in items other than shareholders' equity	(25)	4,934	657	5,566	(4)	(119)	5,443
<b>Total changes during period</b>	<b>(25)</b>	<b>4,934</b>	<b>657</b>	<b>5,566</b>	<b>(4)</b>	<b>(119)</b>	<b>177</b>
<b>Balance at end of period</b>	<b>(34)</b>	<b>17,877</b>	<b>(689)</b>	<b>17,153</b>	<b>97</b>	<b>61</b>	<b>137,472</b>

**NON-CONSOLIDATED BALANCE SHEET**

(As of March 31, 2026)

(Unit: Millions of yen)

Item	Amount	Item	Amount
<b>ASSETS</b>		<b>LIABILITIES</b>	
<b>Current assets</b>	<b>61,611</b>	<b>Current liabilities</b>	<b>56,371</b>
Cash and deposits	43,873	Short-term borrowings	10,000
Accounts receivable - trade	379	Current portion of bonds payable	5,000
Prepaid expenses	510	Current portion of long-term borrowings	10,000
Short-term loans receivable from subsidiaries and associates	19,717	Accounts payable - other	1,654
Accounts receivable - other	2,331	Accrued expenses	408
Other	401	Income taxes payable	76
Allowance for doubtful accounts	(5,601)	Deposits received	28,105
<b>Non-current assets</b>	<b>107,456</b>	Provision for bonuses	694
<b>Property, plant and equipment</b>	<b>2,067</b>	Provision for share awards	267
Buildings	1,119	Other	164
Tools, furniture and fixtures	545	<b>Non-current liabilities</b>	<b>36,844</b>
Land	202	Bonds payable	26,100
Leased assets	200	Long-term borrowings	9,000
<b>Intangible assets</b>	<b>746</b>	Provision for share awards	437
Software	717	Provision for retirement benefits	1,112
Other	28	Other	195
<b>Investments and other assets</b>	<b>104,643</b>	<b>Total liabilities</b>	<b>93,215</b>
Investment securities	38	<b>NET ASSETS</b>	
Shares of subsidiaries and associates	47,130	<b>Shareholders' equity</b>	<b>75,835</b>
Bonds of subsidiaries and associates	30,000	<b>Share capital</b>	<b>9,309</b>
Investments in capital	2,173	<b>Capital surplus</b>	<b>25,031</b>
Investments in capital of subsidiaries and associates	1,902	Legal capital surplus	25,031
Long-term loans receivable from subsidiaries and associates	7,700	<b>Retained earnings</b>	<b>48,104</b>
Guarantee deposits	16,462	Legal retained earnings	928
Deferred tax assets	1,867	Other retained earnings	47,176
Other	596	Retained earnings brought forward	47,176
Allowance for doubtful accounts	(3,228)	<b>Treasury shares</b>	<b>(6,610)</b>
<b>Deferred assets</b>	<b>47</b>	<b>Valuation and translation adjustments</b>	<b>(32)</b>
Bond issuance costs	47	Valuation difference on available-for-sale securities	(32)
<b>Total assets</b>	<b>169,116</b>	<b>Share acquisition rights</b>	<b>97</b>
		<b>Total net assets</b>	<b>75,900</b>
		<b>Total liabilities and net assets</b>	<b>169,116</b>

**NON-CONSOLIDATED STATEMENT OF INCOME**

From: April 1, 2025  
To: March 31, 2026

(Unit: Millions of yen)

<b>Operating revenue</b>		
Dividend income	12,640	
Service revenue	4,201	<b>16,841</b>
<b>Operating expenses</b>		<b>10,319</b>
<b>Operating profit</b>		<b>6,521</b>
<b>Non-operating income</b>		
Interest income	1,203	
Foreign exchange gains	438	
Reversal of allowance for doubtful accounts	183	
Other	89	<b>1,914</b>
<b>Non-operating expenses</b>		
Interest expenses	716	
Interest on bonds	145	
Loss on investments in capital	591	
Other	149	<b>1,602</b>
<b>Ordinary profit</b>		<b>6,833</b>
<b>Extraordinary profit</b>		
Gain on sale of non-current assets	2,256	
Gain on sales of investment securities	78	
Gain on sale of shares of subsidiaries and associates	3,820	<b>6,155</b>
<b>Extraordinary loss</b>		
Loss on retirement of non-current assets	0	
Loss on liquidation of shares of subsidiaries and associates	5,070	
Provision for compensation loss	400	<b>5,471</b>
<b>Profit before income taxes</b>		<b>7,518</b>
Income taxes - current	(421)	
Income taxes - deferred	63	<b>(358)</b>
<b>Profit</b>		<b>7,876</b>

**NON-CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

From: April 1, 2025

To: March 31, 2026

(Unit: Millions of yen)

	Shareholders' equity								Total share-holders' equity
	Share capital	Capital surplus			Retained earnings			Treasury shares	
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings		
					Retained earnings brought forward				
<b>Balance at beginning of period</b>	9,279	25,001	0	25,001	928	47,102	48,030	(2,258)	80,052
<b>Changes during period</b>									
Issuance of new shares - exercise of share acquisition rights	30	30		30					60
Dividends of surplus						(7,151)	(7,151)		(7,151)
Profit						7,876	7,876		7,876
Purchase of treasury shares								(5,002)	(5,002)
Disposal of treasury shares								0	0
Purchase of treasury shares through share-based benefit trust								(3,688)	(3,688)
Disposal of treasury shares for share-based benefit trust				(650)	(650)			4,339	3,688
Transfer of negative balance of other capital surplus					650	(650)	(650)		-
Net changes in items other than shareholders' equity									
<b>Total changes during period</b>	30	30	(0)	30	-	74	74	(4,351)	(4,217)
<b>Balance at end of period</b>	9,309	25,031	-	25,031	928	47,176	48,104	(6,610)	75,835

	Valuation and translation adjustments		Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
<b>Balance at beginning of period</b>	<b>10</b>	<b>10</b>	<b>102</b>	<b>80,166</b>
<b>Changes during period</b>				
Issuance of new shares - exercise of share acquisition rights				60
Dividends of surplus				(7,151)
Profit				7,876
Purchase of treasury shares				(5,002)
Disposal of treasury shares				0
Purchase of treasury shares through share-based benefit trust				(3,688)
Disposal of treasury shares for share-based benefit trust				3,688
Transfer of negative balance of other capital surplus				–
Net changes in items other than shareholders' equity	(43)	(43)	(4)	(48)
<b>Total changes during period</b>	<b>(43)</b>	<b>(43)</b>	<b>(4)</b>	<b>(4,265)</b>
<b>Balance at end of period</b>	<b>(32)</b>	<b>(32)</b>	<b>97</b>	<b>75,900</b>