

This document is the translation version of 「第28期定時株主総会招集ご通知」 (“NOTICE OF THE 28th ANNUAL GENERAL MEETING OF SHAREHOLDERS”) which is originally written in Japanese. This document is intended for reference-purpose only. In the event of any discrepancy between this translation and the original Japanese document, the original shall prevail. OSAKA Titanium technologies Co., Ltd. (hereinafter “the Company”) assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from this translation.

Dear Shareholders,

We would like to express our sincere gratitude to all our shareholders for their continued support.

During the year under review, the Japanese economy was generally favourable thanks to a recovery in personal consumption that benefited from the largest wage increase since the bubble economy period, as well as solid capital investment. However, new factors of uncertainty, such as soaring prices and a serious labour shortage, have become apparent. In addition, the global economy is also facing great concerns and unpredictability due to a combination of issues such as global inflation, additional tariffs by the United States and retaliatory tariffs by other countries, fluctuations in stock prices, the protracted situation in Russia and Ukraine, and geopolitical risks in the Middle East.

Against this backdrop, the results of the Company’s Titanium Business for the 28th term saw a decline in sales due to the repeated quality problems and strike at Boeing. Furthermore, in the performance forecast for the 29th term, which was announced recently, sales and profit are expected to decrease significantly due to a temporary decline in demand from FY2024 in the general industrial market in addition to the aircraft industry. We apologise for any concern this may cause to our stakeholders. Nevertheless, Boeing has resumed aircraft production after the strike was resolved, the number of commercial aircrafts delivered worldwide has exceeded that before the COVID-19 period, and the demand for titanium is expected to continue to increase. Therefore, the Company does not only consider the main cause of the sales decline to be temporary, but also aims to make a further leap forward by capturing future increases in demand. In order to realise the sustainable growth of the Titanium Business, which is the Company’s core business, it is essential to stably supply high-quality titanium sponge to meet market demand, and the Company has decided to increase its titanium sponge production capacity by 10,000 tons per year. The Company will proceed with preparations so that the construction of the new plant will be completed at the end of FY2027.

In addition to the Titanium Business, the Company will also aim to transform the business portfolio and strengthen the business structure by expanding the High-Performance Materials Business including the development of new businesses. Recently, the Company has newly established the High-Performance Business Department to accelerate business growth in the semiconductor field and other business areas where future growth is expected. The Company will address these issues through a variety of means, including investing management resources and developing open innovation.

Furthermore, strengthening human capital is an essential management issue for sustainable growth through bolstering those two businesses. Recognizing human resources as capital, the Company aims

to achieve sustainable growth by actively investing in human resource strategies linked to the growth strategy. The Company will also focus on promoting DX, such as smart factories utilising AI technology.

At the same time, the Company will continue to be an environmentally friendly entity that takes climate change into consideration, thereby contributing to the realisation of a sustainable society, which is a corporate social responsibility, and further enhancing corporate value.

Based on current performance, the year-end dividend will be JPY 25 per share, which, together with the interim dividend of JPY 25 per share, will result in an annual dividend of JPY 50 per share.

The Company will continue to make every effort to improve its performance and would like to thank you shareholders for your continued support and encouragement.

June 2025

Representative Director, Member of the Board & President

Junji Kawafuku

To All Shareholders with Voting Rights:

Junji Kawafuku
Representative Director,
Member of the Board & President
OSAKA Titanium technologies Co., Ltd.
1 Higashihama-cho,
Amagasaki, Hyogo, Japan

**NOTICE OF
THE 28th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

We would like to take this opportunity to thank you for your continued support.

Notice is hereby given that the 28th Annual General Meeting of Shareholders (hereinafter referred to as the “AGM”) of OSAKA Titanium technologies Co., Ltd. (hereinafter referred to as the “Company”) will be held as follows:

- 1. Date and Time:** Thursday, 26th June 2025, at 10 am Japan Time (doors open at 9 am)
- 2. Place:** Amagasaki Chamber of Commerce, Conference Room 701, 7th floor
3-96 Showa-Dori, Amagasaki, Hyogo, Japan
(Please refer to the “Map to the Venue of the General Meeting of Shareholders” at the end of this document.)
- 3. Meeting Agenda:**
 - 1) Matters to be Reported** The Business Report and Financial Statement for the 28th Term
(Financial Year Ended 31st March 2025)
 - 2) Matters to be Resolved**

Item	Appointment of four (4) Directors (excluding those who are members of the Audit & Supervisory Committee)
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In convening this AGM, the Company has adopted the measures for the electronic provision of the information contained in the AGM Reference Documents (hereinafter referred to as the “Electronic Provision Measures”), which are available on the internet. The Company invites you to visit one of the following websites to check the information on the websites.

[Company’s website]

<https://www.osaka-ti.co.jp/ir/kabunushi.html>

[Tokyo Stock Exchange website (TSE-listed company information service)]

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

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

Access the above website and search for “OSAKA TITANIUM TECHNOLOGIES” in the “Issue name (Company name)” section or simply enter the Company’s security code “5726” in the “Code” section. Then, select in the following order: “Basic information,” “Documents for public

inspection/PR information” and “Notice of General Shareholders Meeting/Information Materials for a General Shareholders Meeting.”

Please review the AGM Reference Documents and exercise your voting right in advance by returning the voting form or by voting online by the internet in case you are not able to come to the AGM on-site.

Notes

- The following items (1) and (2) are NOT included in this Notice of AGM as they are posted on the above websites in accordance with the law and Article 17 of the Company’s Articles of Incorporation.
 - (1) In the Business Report, “Major Business Operations,” “Major Offices and Plants,” “Employees,” “Major Lenders,” “Status of Shares,” “Matters Relating to Share Acquisition Rights,” “Company Officers: Outside Officers,” “Matters Concerning Accounting Auditor,” “Policy Regarding the Exercise of the Right to Determine Dividends from the Company Surplus,” “Development of Internal Control Systems to Ensure the Appropriateness of Business Operations,” and “Overview of the Operation of Internal Control Systems to Ensure the Appropriateness of Business Operations.”
 - (2) In the Financial Statement, “Statement of Changes in Equity” and “Notes to the Financial Statement.”
- The Business Report audited by the Directors who are members of the Audit & Supervisory Committee consists of the statements in this Notice of AGM and (1) above. The Financial Statement audited by the Accounting Auditors and the Directors who are members of the Audit & Supervisory Committee consists of the statements in this Notice of AGM and (2) above.
- In the event of any amendments to the Electronic Provision Measures, a notice will be posted on the aforementioned websites on the internet to inform shareholders of the amended matters.

AGM Reference Documents

Matters to be Resolved

Item Appointment of four (4) Directors (excluding those who are members of the Audit & Supervisory Committee)

As the terms of office of all four (4) Directors (excluding those who are members of the Audit & Supervisory Committee) will expire at the conclusion of this AGM, the appointment of four (4) Directors (excluding those who are members of the Audit & Supervisory Committee) is proposed.

The Audit & Supervisory Committee discussed this proposal based on the deliberations of the Nomination and Remuneration Committee. As a result, the Audit & Supervisory Committee expressed the opinion that there were no particular matters to be addressed.

The candidates for Directors (excluding those who are members of the Audit & Supervisory Committee) are as follows:

<List of Candidates for Directors (excluding those who are members of the Audit & Supervisory Committee)>

Candidate No.	Name		Current Position & Responsibilities at the Company
1	Junji Kawafuku	Re-appointed	Representative Director, Member of the Board & President
2	Harutoyo Waki	Newly-appointed	Senior Managing Executive Officer Responsible for the General Affairs & Human Resources Department
3	Tadao Araiike	Re-appointed	Director, Member of the Board & Managing Executive Officer Oversees the Safety, Environment & Disaster Management, the Production Control, the Quality Assurance, the Technology, the Testing & Analysis, the DX Promotion, the Facilities, and the Titanium Manufacturing departments
4	Jun Matsuoka	Re-appointed	Director, Member of the Board & Executive Officer Responsible for the High-Performance Business Department and the Titanium Sales Department, General Manager of the High-Performance Business Department and Tokyo Office

Notes

1. There are no special interests between each candidate and the Company.
2. The Company has entered into a liability insurance contract with an insurance company for all Directors, Members of the Board, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy shall cover any loss that may arise as a result of an insured Director being held liable for the performance of his or her duties or being subject to a claim in respect of such liability. In the event that each candidate is appointed as a director, he or she will become an insured person under the relevant insurance policy and the policy will be renewed during the term of office.

Candidate No.	Name (Date of Birth)	Personal History, Positions & Responsibilities, and Important Concurrent Positions		
1	Junji Kawafuku (1 st April 1960) <div>Re-appointed</div>	April 1985 Joined Kobe Steel, Ltd. April 2010 Manager of Titanium Plant and Head of Plant Control Department, Titanium Division, Iron & Steel Business, Kobe Steel, Ltd. April 2013 Head of Titanium Division, Iron & Steel Business, Kobe Steel, Ltd. April 2014 Senior General Manager, Head of Titanium Division, Iron & Steel Business, Kobe Steel, Ltd. April 2018 Senior General Manager, Assistant Executive Officer of Titanium Division, Iron & Steel Business, Kobe Steel, Ltd. April 2020 Managing Executive Officer, the Company June 2020 Director, Member of the Board & Managing Executive Officer, the Company April 2023 Director, Member of the Board & Senior Managing Executive Officer, the Company June 2023 Director, Member of the Board & Senior Managing Executive Officer, and General Manager of Tokyo Office, the Company June 2024 Representative Director, Member of the Board & President, the Company (to present)		Number of Shares held in the Company 4,200 Attendance at the Board of Directors (FY2024) 13/13 (100%)
Reasons for Appointment as a Director He has been selected as a candidate for Director because he has been taking responsibility for the management of the Company through his excellent management decision-making abilities and strong leadership skills in order to achieve the sustainable growth of the Company and the enhancement of its medium- to long-term corporate value. He held key positions in the Titanium Division of Kobe Steel, Ltd. and, since his appointment as a Director of the Company, has developed a wealth of experience and extensive knowledge in corporate management.				

Candidate No.	Name (Date of Birth)	Personal History, Positions & Responsibilities, and Important Concurrent Positions	
2	Harutoyo Waki (5 th February 1961) <div>Newly-appointed</div>	<p>April 1983 Joined Sumitomo Metal Industries, Ltd. (currently NIPPON STEEL CORPORATION)</p> <p>April 2006 Joined Sumitomo Metals (Naoetsu), Ltd. (currently NIPPON STEEL CORPORATION), General Manager of the General Affairs Department</p> <p>January 2012 General Manager of the General Affairs Department, the Stainless & Titanium Unit, Sumitomo Metal Industries, Ltd.</p> <p>October 2012 General Manager of the General Affairs Department, the Company</p> <p>July 2015 Chief Manager, the Company</p> <p>April 2016 Executive Officer, the Company</p> <p>February 2018 Executive Officer, General Manager of Kishiwada Works, the Company</p> <p>April 2021 Managing Executive Officer, General Manager of Kishiwada Works, the Company</p> <p>January 2022 Managing Executive Officer, General Manager of the General Affairs & Human Resources Department and General Manager of Kishiwada Works, the Company</p> <p>April 2024 Managing Executive Officer, General Manager of the Human Capital Development Project Team and General Manager of Kishiwada Works, the Company</p> <p>April 2025 Senior Managing Executive Officer, General Manager of the Human Capital Development Project Team and General Manager of Kishiwada Works, the Company</p> <p>May 2025 Senior Managing Executive Officer, the Company (to present)</p> <p>Responsibilities Responsible for the General Affairs & Human Resources Department</p>	Number of Shares held in the Company 4,500
Reasons for Appointment as a Director He has been selected as a candidate for Director because he has a wealth of experience and a wide range of insights in the corporate division as a whole including the general affairs and human resources divisions, and because he has played an important role since his appointment as Executive Officer of the Company, enhancing the Company's corporate governance and contributing to the improvement of corporate value of the Company.			

Candidate No.	Name (Date of Birth)	Personal History, Positions & Responsibilities, and Important Concurrent Positions		
3	Tadao Araiike (1 st August 1967) <div>Re-appointed</div>	April 1991 Joined the Company June 2012 Department Manager of Titanium Manufacturing Department, the Company July 2013 General Manager of Titanium Manufacturing Department, the Company April 2016 Executive Officer, General Manager of Titanium Manufacturing Department, the Company April 2018 Executive Officer, the Company April 2019 Executive Officer, General Manager of Titanium Manufacturing Department, the Company April 2023 Managing Executive Officer, the Company June 2023 Director, Member of the Board & Managing Executive Officer, the Company (to present) Responsibilities Oversees the Safety, Environment & Disaster Management, the Production Control, the Quality Assurance, the Technology, the Testing & Analysis, the DX Promotion, the Facilities, and the Titanium Manufacturing departments		Number of Shares held in the Company 4,300 Attendance at the Board of Directors (FY2024) 12/13 (92%)
Reasons for Appointment as a Director He has been selected as a candidate for Director because of his contribution to the enhancement of the company's corporate value by continuously providing leadership for the manufacturing and technology divisions, as well as working on planning and reviewing business strategies for the Titanium Business since his appointment as Director of the Company. He has extensive experience and excellent management skills in relation to manufacturing technology in the Company's flagship operation—the Titanium Business.				

Candidate No.	Name (Date of Birth)	Personal History, Positions & Responsibilities, and Important Concurrent Positions		
4	Jun Matsuoka (18 th August 1969) <div>Newly-appointed</div>	April 1992 Joined Kobe Steel, Ltd. April 2018 Department Manager of Titanium Sales Department, Titanium Division, Iron & Steel Business, Kobe Steel, Ltd. April 2019 General Manager of Titanium Sales Department, Titanium Division, Iron & Steel Business, Kobe Steel, Ltd. April 2020 General Manager of Titanium Sales Department, Titanium Unit in the Advanced Materials Business, Kobe Steel, Ltd. April 2021 General Manager of Aluminum Casting & Forging Unit in the Advanced Materials Business, Kobe Steel, Ltd. April 2023 General Manager of Titanium Unit in the Advanced Materials Business, Kobe Steel, Ltd. April 2024 Corporate Adviser, the Company June 2024 Director, Member of the Board & Executive Officer, and General Manager of Tokyo Office April 2025 Director, Member of the Board & Executive Officer, General Manager of the High-Performance Business Department, and General Manager of Tokyo Office (to present) Responsibilities Responsible for the High-Performance Business Department and the Titanium Sales Department, General Manager of the High-Performance Business Department and Tokyo Office	Number of Shares held in the Company 500 Attendance at the Board of Directors (FY2024) 9/9 (100%)	
Reasons for Appointment as a Director He has been nominated as a candidate for Director because he has contributed to improving the corporate value of the Company since his appointment as Director of the Company by leading the High-Performance Businesses and sales divisions with extensive knowledge and wide-ranging insight in the business operations and sales divisions he has cultivated so far. He held key positions in the Titanium Unit and the Aluminum Casting & Forging Unit, which are business units of Kobe Steel, Ltd.				

Skills Matrix of Directors (after this AGM)

Name	Full-time/Outside	Independent Director	Position	Business Unit Management	Finance & Accounting	Governance & Legal Affairs	Global Business	Sales & Marketing	Technology
Junji Kawafuku (Male)	Full-time	—	Representative Director, Member of the Board & President	✓				✓	✓
Harutoyo Waki (Male)	Full-time	—	Director, Member of the Board		✓	✓			
Tadao Araiike (Male)	Full-time	—	Director, Member of the Board					✓	✓
Jun Matsuoka (Male)	Full-time	—	Director, Member of the Board	✓			✓	✓	
Nobuhide Shimamoto (Male)	Full-time	—	Director, Member of the Board (Full-time Audit & Supervisory Committee Member)		✓	✓			
Shigehisa Yamaguchi (Male)	Outside Director	✓	Outside Director, Member of the Board (Audit & Supervisory Committee members)	✓		✓	✓		
Masashi Murata (Male)	Outside Director	✓	Outside Director, Member of the Board (Audit & Supervisory Committee members)			✓	✓	✓	
Masami Oishi (Female)	Outside Director	✓	Outside Director, Member of the Board (Audit & Supervisory Committee members)			✓	✓		

Notes

- The proportion of independent outside directors on the Board of Directors of the Company will continue to be more than one-third (3 of 8 Directors)
- Key skills (up to three) are indicated in this matrix.

****END OF DOCUMENT****

Business Report

(Financial Year Ended 31st March 2025)

1. Company Overview

(1) Business Progress and Results

During the financial year under review, the Japanese economy continued to recover gradually as a recovery in domestic consumption led to improved employment and income conditions partly due to inbound demand resulting from an increase in foreign visitors to Japan. On the other hand, factors of uncertainty have become apparent, such as the deteriorating labour shortage, high resource and energy prices, problems of inflation due to high prices, and sharp fluctuations in exchange rates and stock prices. Overseas economies are also on a gradual recovery trend, while there are rapidly growing uncertainties about them, including inflation and monetary tightening measures, the prolonged stagnation of the property market in China, continuous geopolitical risks of the situations in Ukraine and the Middle East, and the revision of tariff policy in the United States.

In terms of the business environment in which the company operated, demand for titanium sponge in the Titanium Business has been strong, as aircraft demand moved from a recovery phase to a growth phase and the impact of the restructuring of the global titanium supply chain as a result of Russian military aggression towards Ukraine continued to exist. However, Boeing, which is a major aircraft manufacturer, recently suffered a strike that continued for about two months, as well as a quality problem, and they have temporarily affected the supply chain. In the High-Performance Materials Business, the adjusting phase has been continuing in the semiconductor market.

In these business contexts, net sales for the financial year under review amounted to JPY 51,914 million (down 6.2% year-on-year), operating profit to JPY 10,088 million (up 21.7% year-on-year), ordinary profit to JPY 9,076 million (down 3.0% year-on-year) and profit to JPY 7,090 million (down 26.8% year-on-year).

Titanium Business

For the Titanium Business in the financial year under review, net sales of export titanium sponge, mainly for aircraft applications, decreased by 4.0% year-on-year due to the completion of inventory accumulation at clients in the previous financial year and the transition to procurement meeting actual demand in the current financial year, and the quality problem and strike that lasted about two months at Boeing, despite improved product prices and the effect of a weaker yen. Net sales of domestic titanium sponge, which is mainly for general industrial applications, also declined by 17.1% year-on-year due in part to a significant decrease in demand for products for electrolytic plants and for plate-type heat exchangers. As a result, net sales in the Titanium Business amounted to JPY 47,947 million (down 8.3% year-on-year).

In terms of profit in the Titanium Business, operating profit amounted to JPY 9,901 million (up 17.7% year-on-year) due to a higher profitability such as improved product prices and operations and the effect of a weaker yen.

High-Performance Materials Business

Net sales in the High-Performance Materials Business during the financial year under review amounted to JPY 3,966 million (up 31.2% year-on-year) due to an increase in the sales volume of high-purity titanium for sputtering targets for semiconductor-related applications as a result of spot orders from some clients, despite the continuous adjusting phase in the semiconductor market.

In terms of profit in the High-Performance Materials Business, operating profit was JPY 187 million (compared with a loss of JPY 126 million a year earlier) due to the effect of higher sales of high-purity titanium.

(2) Capital Investments

Total capital investment in the year under review amounted to JPY 5,425 million.

This was mainly for the maintenance and improvement of titanium production facilities and the enhancement of production capacity.

(3) Capital Procurement

The funds required for capital investment in the year under review were provided by the Company's own funds and borrowings.

Stable funding is being secured by various means of funding such as refinancing long-term debt.

(4) Business Results and Asset Trends

Item		FY2021 (25th Term)	FY2022 (26th Term)	FY2023 (27th Term)	(FY2024) (year-under review)
Net sales	(Japanese Yen in millions)	28,549	43,074	55,322	51,914
Ordinary profit (loss)	(Japanese Yen in millions)	(1,719)	4,723	9,360	9,076
Net profit (loss)	(Japanese Yen in millions)	(3,112)	4,388	9,689	7,090
Net profit (loss) per share		(84.57)	119.27	263.3	JPY 192.69
Total assets	(Japanese Yen in millions)	76,586	81,544	92,986	100,925
Total equity	(Japanese Yen in millions)	26,509	30,474	38,507	42,838

Notes

1. Figures in (brackets) indicate losses.
2. Net Profit (loss) per share is calculated based on the average number of shares outstanding during the period.

(5) Issues to Be Addressed

The current demand for aircraft has recovered from the sharp decline during the COVID-19 period and moved onto the growing stage.

Medium- to long-term demand for titanium sponge in aircraft applications is expected to be strong due to the additional demand for a substitute for Russian titanium in the middle of global titanium supply chain restructuring in the wake of the protracted situation in Ukraine. However, recently demand for titanium sponge has temporarily fallen due in part to a delay in Boeing's plan to increase commercial aircraft production partly as a result of the quality problems and strike at Boeing. In addition, demand for titanium sponge for general industrial applications is on a declining trend partly due to the slowdown of the Chinese economy.

In terms of cost, on the other hand, while prices of titanium ore and other raw materials and energy prices have peaked out, equipment prices and personnel expenses are rising year by year. Furthermore, the business environment has become more uncertain due in part to additional tariffs by the United States and retaliatory tariffs by other countries.

Under this business environment, the Company has lowered the plant utilization rate for titanium sponge so that it meets the sales volume, while maintaining capacity to meet an increase in the sales volume during the financial year, because the Company has secured a certain level of financial sources for sales. In order to ensure the profitability of the Titanium business, the Company is working on improving product prices and is also working on thorough cost reductions by improving production parameters and optimising operating conditions. Alongside these activities, the Company is promoting Smart Factories using AI and IoT technologies to automate each production process and to improve production efficiency.

As demand for titanium mill products for aircraft applications is expected to grow steadily in the medium to long term, titanium mill product manufacturers in the United States are increasing their production capacity and preparing for mass production. In view of a possible tight supply-and-demand balance in the medium to long term, the titanium supply chain is strongly demanding a stable supply of high-quality titanium sponge, and the Company decided to expand its titanium sponge production capacity by taking advantage of the existing infrastructure at the Headquarters / Amagasaki Plant from the perspective of contributing to the growth of the Company's Titanium Business and the development of titanium industry. Currently the Company is making efforts to complete the construction work as planned and to fully utilise the plant as soon as possible.

Also, the Company is working diligently to strengthen its business structure and is developing the High-Performance Materials Business by newly establishing the High-Performance Business Department, which manages the whole product lineup including titanium tetrachloride, which will lead to the multilayer ceramic capacitor (MLCC) market, as well as the existing products, in order to transform the business portfolio it has set out as its future management vision: the Company's second medium- to long-term management challenge. High-Performance Materials

Business products, such as high-purity titanium and spherical titanium alloy powder (alloy TILOP), have been launched in the semiconductor and additive manufacturing markets, where significant market growth is expected in the future. The Company will leverage its distinctive products and technologies to increase its market presence and drive business growth in these areas. The Company also works on creating new businesses that can express its strengths, such as silicon monoxide (SiO) anode material for lithium-ion batteries. These activities will reinforce the growth strategy centred on the Titanium Business and steadily reinforce the management foundation of the Company for its stable growth.

At present, the Company is currently working diligently on the following medium-term management challenges.

[Medium-term Management Challenges]

Titanium Business

- ✓ Having sustainable growth of the Titanium Business by increasing production capacity and strengthening revenue structure

High-Performance Materials Business

- ✓ Promoting business portfolio transformation by expanding the High-Performance Materials Business including the development of new businesses

Company-wide Tasks

- ✓ Creating an environment to strengthen and fully utilise human capital
- ✓ Further promoting DX (Digital Transformation) through smart factories utilising data science, etc.
- ✓ Constructing a stable growth platform by ensuring financial strength
- ✓ Promoting various activities to reduce environmental load, including carbon neutral compliance

The challenges in each of the Business segments are as follows:

1. Titanium Business

1) Strengthening the Revenue Base

- ✓ Improving product prices and sales mix to a level of profitability that provides the basis for continued growth of the Business
- ✓ Modifying the cost structure and contributing to the reduction of environmental impact through the development of innovative technologies
- ✓ Maintaining a stable and competitive raw material procurement scheme and pursuing total cost optimisation

2) Pursuing an Optimum Production

- ✓ Maximising the use of production capacity through improving productivity per furnace
- ✓ Improving labour productivity with a better working environment (automation, reduction of workload)

- ✓ Actively introducing AI and other mathematical engineering approaches for the advancement of production technology

3) Increasing Titanium Sponge Production Capacity

- ✓ Completing the construction work as planned (by the end of FY2027)
- ✓ Recruitment and training of operating personnel by the start of facility operations
- ✓ Promoting acquisition of clients' certificates to fully utilise strengthened facilities as soon as possible

2. High-Performance Materials Business

1) Expanding High-Purity Titanium Business by Strengthening Customer-response Capabilities

- ✓ Strengthening customer responsiveness and increasing market share through strategic products by strengthening the technical-sales capabilities
- ✓ Developing distinctive products that anticipate innovative needs and capture ongoing growth opportunities
- ✓ Further strengthening the profitability by expanding sales of high value-added products and reducing loss costs

2) Expanding the Titanium Tetrachloride Business

- ✓ Maintaining profitability as an independent entity
- ✓ Maximising sales volume and profit at the current facility capacity
- ✓ Capturing demand for multilayer ceramic capacitors (MLCC), which are expected to grow

3) Strengthening the Business Base of Spherical Titanium Alloy Powder (alloy TILOP)

- ✓ Building a business foundation by fully utilising the alloy TILOP plant
- ✓ Maximising profit by entering markets with high sales potential and reducing loss costs
- ✓ Continuously developing the process technology and bringing differentiated products to market

4) Advancing Commercialisation of SiO Anode Materials for lithium-ion batteries (LiBs)

- ✓ Building a business foundation by starting commercial production, expanding sales, and entering high value-added markets
- ✓ Realising high cost efficiency by stabilizing quality and reducing cost
- ✓ Developing new products and studying the possibility of business expansion

5) Continuous Efforts to Create “High-Value-Added Menus”

- ✓ Searching for new businesses through our proprietary core technologies utilising open innovation and studying their commercialisation
- ✓ Supporting the commercialisation review process for new businesses through additional management resources
- ✓ Pursuing projects that express our strengths

3. Company-wide Initiatives

1) Consolidating the Technology Development Capabilities

- ✓ Promoting the improvement of labour productivity through labour/manpower saving and streamlined development
- ✓ Promoting innovative technology development including DX (Digital Transformation) and GX (Green Transformation) as innovation development
- ✓ Continuously exploring the possibility for new products and businesses towards business portfolio transformation

2) Strengthening Human Capital

- ✓ Continuing activities of the Human Capital Development Project Team focusing on “Recruitment,” “Training” and “Improvement of the working environment”
- ✓ Creating an attractive workplace where employees feel confident, proud, and happy working there
- ✓ Enhancement of recruitment and training plans and human resource measures to resolve medium-term issues for sustainable growth

3) Promoting DX (Digital Transformation)

- ✓ Further stabilising the quality of products and improving the production efficiency by efficient use of accumulated data
- ✓ Planning and promoting the overall concept of Smart Factories
- ✓ Promoting work restructuring through the renewal of core information system

4) ESG Initiatives

- ✓ Contributing to the reduction of environmental load
- ✓ Creating a safe and healthy working environment
- ✓ Promoting human resource development and D&I (Diversity & Inclusion)
- ✓ Sustaining growth through corporate governance
- ✓ Contributing to a sustainable society through the development and provision of environment-friendly advanced materials

(6) Important Parent Company and Subsidiaries

Not applicable

2. Company Officers

(1) Directors, Member of the Board (As of 31st March 2025)

Position	Name	Responsibilities at the Company and Important Concurrent Positions
Representative Director, Member of the Board & President (President)	Junji Kawafuku	
Director, Member of the Board (Senior Managing Executive Officer)	Satoru Takahashi	Oversees the Corporate Planning & Finance, the General Affairs & Human Resources, and the Raw Materials & Purchasing Departments
Director, Member of the Board (Managing Executive Officer)	Tadao Arai	Oversees the Safety, Environment & Disaster Management, the Production Control, the Quality Assurance, the Technology, the Testing & Analysis, the Facilities, and the Titanium Manufacturing Departments
Director, Member of the Board (Executive Officers)	Jun Matsuoka	Oversees the Sales & Marketing and the High-Performance Materials Departments General Manager of Tokyo Office
Director, Member of the Board (Full-time Audit & Supervisory Committee Member)	Nobuhide Shimamoto	
Director, Member of the Board (Audit & Supervisory Committee members)	Shigehisa Yamaguchi	
Director, Member of the Board (Audit & Supervisory Committee members)	Masashi Murata	Outside Director, TOA Corporation
Director, Member of the Board (Audit & Supervisory Committee members)	Masami Oishi	Outside Audit & Supervisory Board Member, Ashimori Industry Co., Ltd.

Note:

1. Directors, Members of the Board, Shigehisa Yamaguchi, Masashi Murata and Masami Oishi are Outside Directors, Member of the Board, as stipulated in Article 2, Paragraph 15 of the Companies Act.
2. The Company has designated Directors, Members of the Board, Shigehisa Yamaguchi, Masashi Murata and Masami Oishi as Independent Directors as stipulated by Tokyo Stock Exchange, Inc. and has registered them at the aforementioned exchange.
3. Director, Member of the Board, Nobuhide Shimamoto has many years of experience in operations of accounting and finance, and has an adequate level of knowledge in those sectors.
4. The Company has appointed Nobuhide Shimamoto as a full-time member of the Audit & Supervisory Committee to ensure the effectiveness of the audit.
5. At the 27th AGM held on 25th June 2024, Jun Matsuoka was newly elected as a Director, Member of the Board (excluding those who are members of the Audit & Supervisory Committee), and Masami Oishi was newly

elected as a Director, Member of the Board who is a member of the Audit & Supervisory Committee, and they assumed their position.

6. The Company has established regulations in its Articles of Incorporation regarding liability limitation agreements with Directors (except those who are managing directors). Based on these regulations, the Company has entered into liability limitation agreements with all Outside Directors, Members of the Board, that limit the amount of liability to the total of each item in Article 425, Paragraph 1 of the Companies Act, should the Company be harmed as a result of the execution of duties by Outside Directors, Members of the Board, as long as they perform their duties unknowingly and without gross negligence .
7. The Company has entered into a directors' and officers' liability insurance policy, as stipulated in Article 430-3(1) of the Companies Act, insuring all Directors and Executive Officers, with the premiums fully borne by the Company. The insurance policy covers damages that may arise as a result of the insured person being held liable for the performance of his/her duties or being subject to claims in respect of such liability. In addition, the insurance policy has certain exclusions of liability, such as not covering claims for damages arising from intentional violations of laws and regulations or criminal acts, as a measure to ensure that the proper execution of duties is not impaired.

(2) Remuneration for Directors, Members of the Board

1) Total Amount of Remuneration by Category of Officer, by Type of Remuneration, and Number of Eligible Officers

(Japanese Yen in millions, except number of officers)

Category of Officers	Total Amount of Remuneration (Japanese Yen in millions)	Total Amount of Remuneration by Type			Number of Eligible Officers
		Basic Remuneration (base remuneration)	Performance-based Remuneration, etc.	Non-monetary Remuneration, etc.	
Director, Member of the Board (of which, Outside Directors)	162 (-)	111 (-)	51 (-)	-	5 (-)
Directors, Member of the Board - Audit & Supervisory Committee Members (of which, Outside Directors)	41 (20)	38 (20)	3 (-)	-	5 (4)
TOTAL (of which, Outside Directors)	203 (20)	149 (20)	54 (-)	-	10 (4)

2) Company Performance-based Remuneration

Performance-based remuneration is determined by taking into account the Company's performance and dividend levels of the previous financial year as well as the Company's performance and dividend of the financial year under review. The Company has chosen this index in order to share the same values with its shareholders.

The level of company performance in the previous and the financial year under review is shown in the section “(4) Business Results and Asset Trends” on page 19. The annual dividend for the previous financial year was JPY 70 per share and that for the financial year under review is JPY 50 per share.

3) Matters Relating to the Resolution at the AGM on the Remuneration for Directors, Members of the Board

At the 25th AGM held on 22nd June 2022, it was resolved that the remuneration for Directors (excluding those who are members of the Audit & Supervisory Committee) shall not exceed JPY 23 million per month (including JPY 1 million for outside Directors). The number of Directors (excluding those who are members of the Audit & Supervisory Committee) at the close of the said AGM was four (4).

At the 25th AGM held on 22nd June 2022, it was resolved that the remuneration for Directors who are members of the Audit & Supervisory Committee shall not exceed JPY 7 million per month. The number of Directors who are members of the Audit & Supervisory Committee at the close of the said AGM was four (including three (3) Outside Directors).

4) Matters Relating to the Policy for Determining the Details of Remuneration for Directors, Members of the Board

The Board of Directors of the Company, at its board meeting held on 25th February 2021, resolved a policy for determining the details of remuneration for individual Directors, Members of the Board (hereinafter referred to as “the Policy for Determining the Content of Directors’ Remuneration”). Following the establishment of the Nomination & Remuneration Committee as well as the transition to “a company with an audit & supervisory committee,” the Policy for Determining the Content of Directors’ Remuneration was revised by the Board of Directors on 22nd June 2022.

The Board of Directors has confirmed that the method of determining the remuneration and the content of the remuneration determined are consistent with the decision-making policy resolved by the Board of Directors with regard to the remuneration for individual Directors during the year under review, and also confirmed that the decisions on remuneration for Directors are made after explaining the policy on remuneration for Directors to the Nomination & Remuneration Committee and obtaining its opinions prior to the Board of Directors’ resolution in accordance with the decision policy. The Company has confirmed that the policy is in accordance with its decision-making policy.

The details of Policy for Determining the Content of Directors’ Remuneration are as follows:

a) Basic Policy on Remuneration for Individual Directors (hereinafter referred to as “Remuneration”)

- i. Directors’ Remuneration is paid on a monthly basis.
- ii. Remuneration for Directors (excluding those who are members of the Audit & Supervisory Committee) consists of a fixed remuneration and a performance-linked remuneration which is determined based on comprehensive consideration of performance and dividend in each financial year.
- iii. Remuneration for Directors who are members of the Audit & Supervisory Committee and outside Directors is fixed.

b) Policy on Determining the Method of Calculating the Remuneration for Executive Directors

i. Composition of Remuneration

Remuneration for Directors consists of a fixed base remuneration and the Company's performance-based remuneration linked to the performance achievements.

ii. Method of Calculating Remuneration

1) Basic Remuneration (base remuneration)

The base remuneration is fixed by position, taking into account the level commensurate with the required ability and responsibility.

2) Company's Performance-based Remuneration

Performance-based remuneration is determined by taking into account the Company's performance and dividend levels of the previous financial year as well as the Company's performance and dividend of the financial year under review.

In particular, ranges are set according to the level of the Company's performance and dividends, and the amount to be paid for each position is determined for each range. The ratio of performance-based remuneration against total amount of remuneration ranges from 0% to 50%, depending on the level of the Company's performance and dividends.

c) Matters Relating to the Determination of the Details of Remuneration for Directors, Member of the Board

The policy on Remuneration for Directors, Members of the Board, (the determination of the level of Remuneration for each individual and the concept of the ratio of performance-linked Remuneration, etc.) is explained to the Nomination & Remuneration Committee. The Committee's opinions are obtained prior to the resolution by the Board of Directors. The amount of Remuneration for each individual Director, Member of the Board, is resolved at the Board of Directors' meeting based on the payment formula determined by the Nomination & Remuneration Committee, taking into account the calculation method, the Company performance, the ratio of performance-based remuneration, and trends in remuneration for other executives and employees.

5) Matters Relating to the Determination of the Amount of Individual Remuneration for Directors Who Are Members of the Audit & Supervisory Committee

The amount of individual remuneration for each Director who is a member of the Audit & Supervisory Committee is determined by consultation among Directors who are members of the Audit & Supervisory Committee.

Note: Unless otherwise stated, figures in this document are rounded down to the nearest unit for monetary amounts and number of shares, and rounded to the nearest whole number for all other figures.

Balance Sheet

(As of 31st March 2025)

(Japanese Yen in millions)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	61,880	Current liabilities	27,999
Cash and deposits	4,619	Trade accounts payable	5,561
Trade accounts receivables	22,596	Short-term bank loans	17,200
Finished products	17,159	Accounts payable - other	285
Work in process	3,497	Income tax payable	419
Raw materials and supplies	13,791	Consumption tax payable	384
Advance payment	1	Accrued expenses	270
Prepaid expenses	170	Deposits received	50
Accounts receivable-other	43	Provision for bonuses	438
Other	2	Accounts payable - facilities	3,389
Allowance for doubtful receivables	(3)	Long term liabilities	30,087
Fixed assets	39,045	Long-term debt	26,500
Property, plant, and equipment	35,252	Provision for retirement benefits	2,020
Buildings	8,236	Asset retirement obligations	1,567
Structures	340		
Machinery and equipment	8,710		
Vehicles	6	Total liabilities	58,087
Tools, furniture, and fixtures	220	(Equity)	
Land	14,823	Shareholders' equity	42,838
Construction in progress	2,913	Share capital	8,739
Intangible assets	744	Capital surplus	8,943
Software	714	Additional paid-in capital	8,943
Other	29	Retained earnings	25,166
Investments and other assets	3,048	Legal retained earnings	38
Long-term prepaid expenses	9	Unappropriated	25,128
Prepaid pension cost	1,303	Retained earnings brought forward	25,128
Deferred tax assets	1,710	Treasury stock	(10)
Other	25		
		Total equity	42,838
Total assets	100,925	Total liabilities and equity	100,925

Note Figures are rounded down to the nearest million yen.

Profit and Loss Statement

(Financial Year Ended 31st March 2025)

(Japanese Yen in millions)

Description	Amount	
Net sales		51,914
Cost of sales		35,783
Gross profit		16,130
Selling, general and administrative expenses		6,041
Operating profit (loss)		10,088
Non-operating profit		
Interest and dividend income	59	
Sale of unused goods	353	
Other	56	469
Non-operating expenses		
Interest expense	274	
Foreign exchange losses	1,147	
Extra retirement expense	52	
Syndicated loans commission	2	
Other	4	1,481
Ordinary profit (loss)		9,076
Extraordinary losses		
Loss on retirement of non-current assets	769	
Impairment loss	431	1,201
Profit before income taxes		7,875
Income taxes-current	854	
Income taxes-deferred	(69)	784
Net profit (loss)		7,090

Note Figures are rounded down to the nearest million yen.

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