

Please note that the following is an unofficial English translation of Japanese original text of the Notice of Convocation of the 56th Ordinary General Meeting of Shareholders of THK CO., LTD. The Company provides this translation for reference and convenience purposes only. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

To Our Shareholders:

Dear Shareholders:

I would like to take this opportunity to express my deep gratitude for your support.

It gives us great pleasure to inform you that the 56th Ordinary General Meeting of Shareholders of THK CO., LTD. (the “Company”), will be held as outlined below.

The environment around us is growing even more uncertain due to rising geopolitical risks, ongoing inflation, the U.S. tariff policy, and other factors. We face various challenges related to issues such as the rapid advancement of digital technology, the growing environmental protection movement, and the shrinkage of working-age populations in developed nations. However, these challenges are creating a stronger need for our diverse solutions, and our growth potential is expanding. Against this backdrop, in November 2024, we announced our new management policy, “Early Realization of ROE of Over 10%,” and have been pursuing a variety of initiatives to achieve this objective. Moreover, we will further strengthen our sustainability and ESG, contribute to the realization of a sustainable society, drive growth, and improve corporate value further to meet the expectations of our shareholders.

We look forward to your continuous support and encouragement in the coming years.

Dear Shareholders:

I would like to take this opportunity to express my deep gratitude for your support.

Based on our new management policy, “Early Realization of ROE of Over 10%,” we have been pursuing a variety of initiatives. Regarding equity capital, the denominator of ROE, we have been steadily reducing it through the acquisition of approximately ¥40.0 billion in treasury stock and the implementation of dividend on equity (DOE) of 8%. To increase returns, which constitute the numerator, we have embarked on a restructuring of the industrial machinery business. First, I personally sent a message to all employees and visited bases both in Japan and overseas to directly communicate the background, what must be done, and my vision, which raised employee awareness for realizing these objectives. Meanwhile, on



Akihiro Teramachi
Representative Director
Chairman
THK CO., LTD.



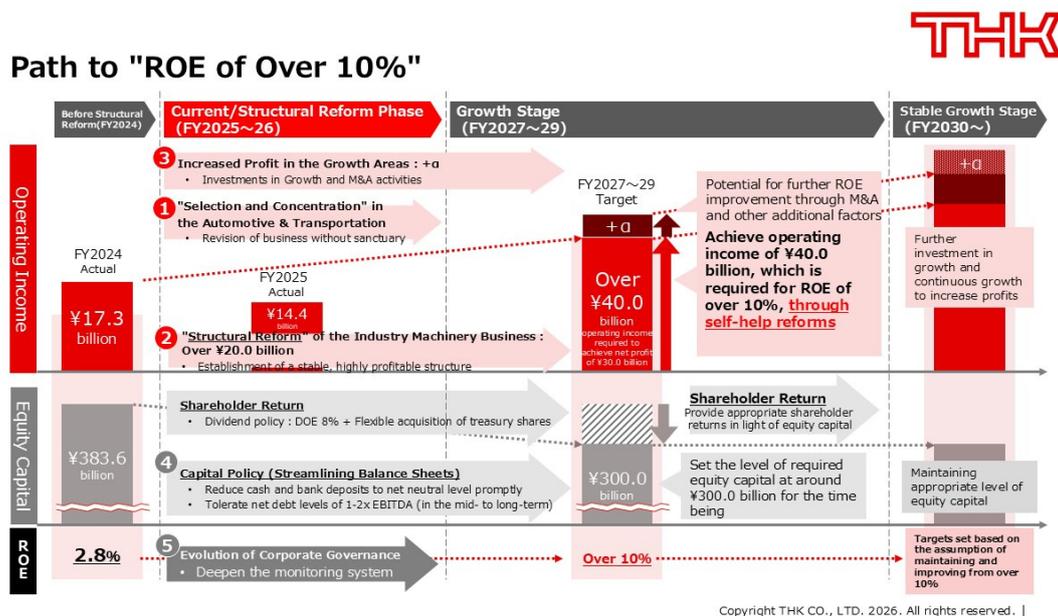
Takashi Teramachi
Representative Director
President and CEO
THK CO., LTD.

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the execution side, we have launched the ROE 10 Project, formed working groups for each function and purpose, and have been pursuing various activities with the support of external experts. Regarding the automotive & transportation business, we conducted a thorough examination of the expected cost of capital and return on invested capital (ROIC) at present and in the future as well. As a result, we have determined that transferring the automotive & transportation business is the most appropriate option. Based on this determination, the Board of Directors resolved at its meeting held on February 2, 2026, to transfer this business. We have also taken various steps to enhance the effectiveness of these initiatives. For example, we have made changes to the composition of the Board of Directors, had a third-party organization evaluate the effectiveness of the Board, reinforced our compensation system for officers, and enhanced our environmental and other sustainability-related measures.

Furthermore, as we advance the structural reforms and growth strategies with the entire Company united as one, I believe it is important to clearly articulate the direction the Company should take and the values that each and every employee should cherish, and for all personnel to share and empathize with these values. Therefore, we have newly formulated a new purpose, mission, vision, and value (PMVV) statement as the guiding philosophy framework for our future management.

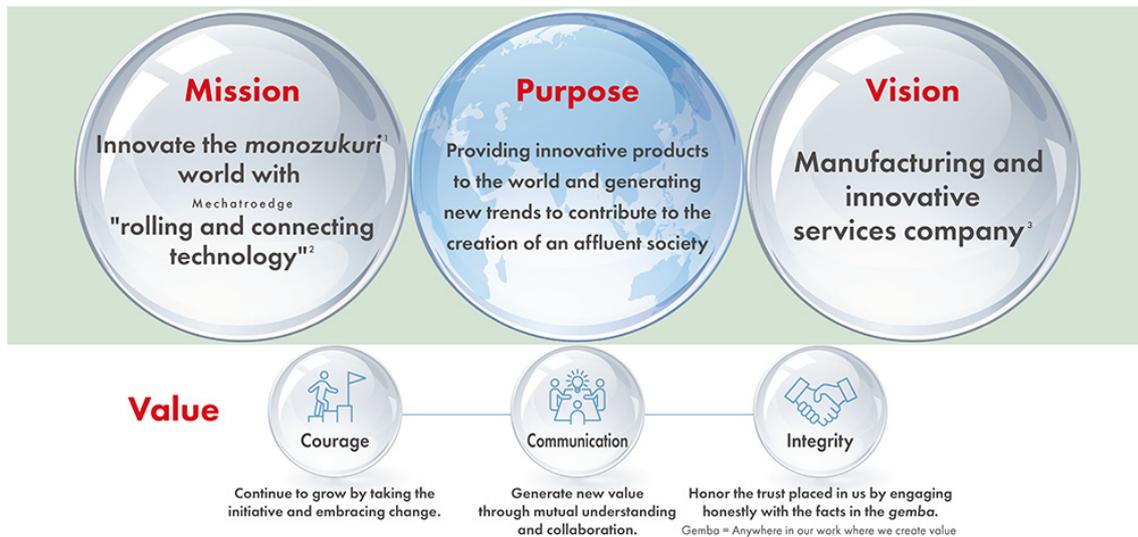
In this way, while confronting the Company's challenges from all directions and pursuing various initiatives, we will continue to aim for an ROE of over 10% by following a PDCA cycle, including taking new measures to get back on track when we are falling short. And even after achieving that goal, we will continue to raise ROE, not only to a level that exceeds cost of equity but even beyond, so that we can provide stable shareholder returns. Through this, we will increase our corporate value.



Establishment of New PMVV Statement

At THK Group, we are making a united effort to reform our business and pursue our growth strategies under a new management policy. Out of our belief in the importance of reestablishing and sharing our company's direction and the values to be upheld by each and every employee, we have formulated a new purpose, mission, vision, and value (the new PMVV) statement as the guiding philosophy framework for our future management.

At the beginning of the formulation process, we invited applications from employees to join a team that would work on the new PMVV. The team members were selected with consideration given to balance in terms of attributes such as department, position, and age. The team was at the center of the ongoing discussions that followed and also conducted a voluntary questionnaire for all employees on topics such as values. And after serious yet lively discussions by the Board of Directors, the final version of the PMVV statement was determined. Under this new PMVV statement, each and every employee will take the initiative in working to improve our corporate value.



¹ "Monozukuri" is a philosophy of manufacturing, craftsmanship, and innovation.

² Our company has a foundation in technologies that enable the linear motion of machines through rolling motion, and we provide solutions that combine mechatronics products with IoT and other digital connection technologies.

Based on the idea that "added value in the manufacturing industry is created in the *gemba*," we help customers around the world solve problems and work toward the realization of a sustainable society.

³ "Mechatroedge" is a term that combines mechanical components, mechatronics, and IoT/edge computing services provided by THK.

³ In addition to supplying products, we aim to go beyond the boundaries of the manufacturing industry and offer new value to our customers by providing high-value-added services that utilize digital technologies such as AI and IoT.

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Securities Code 6481
Date of dispatch: March 4, 2026
Date of initiating measures for providing
information in electronic format: February 27, 2026

To Shareholders

12-10, Shibaura 2-chome, Minato-ku, Tokyo, Japan
THK CO., LTD.
Representative Director President: Takashi Teramachi

Notice of Convocation of the 56th Ordinary General Meeting of Shareholders

We would like to express our appreciation for your loyal patronage.

We are writing to inform you that the 56th Ordinary General Meeting of Shareholders of THK CO., LTD. (the “Company”) will be held as outlined below.

When convening this General Meeting of Shareholders, the Company took measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items subject to measures for electronic provision) in electronic format, and posted such information on the following websites on the Internet; so please access any of the websites and check the information.

[The Company’s website]

<https://www.thk.com/jp/ja/ir/stock/meeting/> (in Japanese)

[Website on which materials for the General Meeting of Shareholders are posted]

<https://d.sokai.jp/6481/teiji/> (in Japanese)

[Tokyo Stock Exchange’s website (Listed Company Search)]

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

(To check the information, please access the above website of Tokyo Stock Exchange, enter “THK” in the “Issue name (company name)” box or the Company’s security code “6481” in the “Code” box, click the “Search” button, click the “Basic information” button, select the “Documents for public inspection/PR information” tab, and click the button under “Filed information available for public inspection,” “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting.”)

If you do not attend the meeting, you are entitled to exercise your voting rights via the Internet, etc. or in writing (by mail), so please review the reference documents for the Ordinary General Meeting of Shareholders, refer to “Guidance on the Exercise of Voting Rights” and exercise your voting rights by no later than 17:30 Japan time on Thursday, March 19, 2026.

[Translation for Reference and Convenience Purposes Only]

1. Date and Time: Friday, March 20, 2026, 13:30 (Reception desk: open at 12:30)

2. Place 10-30, Takanawa 4-chome, Minato-ku, Tokyo
Shinagawa Prince Hotel, Annex Tower 5th Floor (Prince Hall)

3. Agenda

Reports:

1. Business report, consolidated financial statements, and the results of the audits of the consolidated financial statements by the accounting auditor and the Audit and Supervisory Committee for the 56th Term (January 1, 2025 to December 31, 2025)
2. Report of non-consolidated financial statements for the 56th Term (January 1, 2025 to December 31, 2025)

Resolutions:

Proposal 1: Surplus Appropriation

Proposal 2: Appointment of Eight (8) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

Proposal 3: Appointment of Three (3) Directors Who Are Audit and Supervisory Committee Members

Proposal 4: Appointment of One (1) Substitute Director Who Is an Audit and Supervisory Committee Member

Proposal 5: Appointment of an Accounting Auditor

4. Convocation Decisions (Guidance on the Exercise of Voting Rights)

- (1) If voting rights are exercised in writing (by mail), when the voting form does not show any consent/dissent concerning a proposal, the vote shall be counted as affirmative.
- (2) In the event that voting rights are exercised multiple times via the Internet, the most recent vote shall prevail.
- (3) In the event that voting rights are exercised both via the Internet and in writing (by mail), the vote via the Internet shall prevail, regardless of the date and time of arrival.
- (4) When you exercise voting rights by proxy, the proxy must be another shareholder of the Company holding voting rights as provided under the Company's Articles of Incorporation. There shall be one proxy.

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- ⊙ If attending the meeting, please submit the voting sheet sent out with this convocation notice to the reception desk on arrival. Please bring this convocation notice with you.
- ⊙ If corrections to the items subject to measures for electronic provision may be made, a notice of the corrections as well as the details of the items before and after the corrections will be posted on the above websites on the Internet.
- ⊙ The Company shall send written documents including items subject to measures for electronic provision to shareholders who have requested the delivery of written documents, but the following items are omitted from the documents in accordance with provisions of laws and regulations and Article 16 of the Company's Articles of Incorporation.
 - (1) Major offices and plants
 - (2) Status of employees
 - (3) Status of significant borrowings
 - (4) Systems to ensure the adequacy of operations and the status of operation of such systems
 - (5) Basic policies on control of the company
 - (6) Consolidated statements of changes in equity
 - (7) Notes to the consolidated financial statements
 - (8) Statement of changes in shareholders' equity
 - (9) Notes to the non-consolidated financial statements

Therefore, the business report, consolidated financial statements and non-consolidated financial statements presented in this document are some of the documents subject to audit by the Audit and Supervisory Committee and the Accounting Auditor.

- ⊙ A video of a portion of the General Meeting of Shareholders will be uploaded to the Company's website after the General Meeting of Shareholders.
(<https://www.thk.com/jp/ja/ir/stock/meeting/>) (in Japanese)

Shareholders' Reception
<p>The THK Group Products Exhibition previously held after the close of the General Meeting of Shareholders will not be held due to various circumstances, and a Shareholders' Reception will instead be held to provide an opportunity to deepen interaction between shareholders and the THK Group's officers.</p> <p>No souvenir gifts will be provided to the attendees of the General Meeting of Shareholders.</p>

Guidance on the Exercise of Voting Rights

Voting rights at the General Meeting of Shareholders are important rights of shareholders.

Please review the reference documents for the General Meeting of Shareholders and exercise your voting rights.

Voting rights can be exercised by the following three methods.

■ Attending the Meeting

Please submit the voting sheet to the reception desk on arrival at the meeting.

Date and Time: **Friday, March 20, 2026, 13:30** (Reception desk: open at 12:30)

■ Exercising Voting Rights via the Internet

Please refer to the guidance described on the next page, and indicate your consent/dissent concerning each proposal.

Deadline for exercising your voting rights: No later than **17:30 on Thursday, March 19 (Japan Time), 2026**

■ Exercising Voting Rights in Writing (By Mail)

Please indicate your consent/dissent concerning each proposal shown on the voting sheet, and return it to us by deadline shown below, without a postage stamp.

Deadline for exercising your voting rights: No later than **17:30 on Thursday, March 19 (Japan Time), 2026**

- In the event that voting rights are exercised both via the Internet, etc. and in writing (by mail), the vote exercised via the Internet shall prevail. In the event that voting rights are exercised multiple times via the Internet, the most recent vote shall prevail.
- If voting rights are exercised in writing (by mail), when the voting form does not show any consent/dissent concerning a proposal, the vote shall be counted as affirmative.

Guidance on the Exercise of Voting Rights via the Internet, etc.

How to exercise your voting rights by scanning the QR code

By using the QR code, you can log into the voting website without entering a login ID and temporary password shown on the voting sheet.

1. Please scan the QR code on your voting form.
* “QR code” is a registered trademark of DENSO WAVE INCORPORATED.
2. Thereafter enter your consent/dissent in accordance with the guidance shown on the screen.

How to exercise your voting rights by entering your login ID and temporary password

Voting website: <https://evote.tr.mufg.jp/>

1. Please access the voting website.
2. Enter the “login ID” and “temporary password” shown on your voting sheet, and click on the “Login” button.
3. Thereafter enter your consent/dissent in accordance with the guidance shown on the screen.

For questions regarding how to operate your PC or smartphone to exercise voting rights via the Internet, please contact the number shown on the right:	Mitsubishi UFJ Trust & Banking Corporation Securities Agent Division Help Desk Tel.: 0120-173-027 (Toll-free, hours of operation: 9:00–21:00 Japan time)
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Institutional investors may use the “Voting Rights Electronic Exercise Platform” for institutional investors operated by ICJ Co., Ltd.

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Reference Documents for the Ordinary General Meeting of Shareholders Proposal 1: Surplus Appropriation

The Company proposes the appropriation of surplus as follows.

1. Matters Related to Other Surplus Appropriation

Due to the recording of a net loss in the fiscal year under review, profit surplus carried forward was negative ¥70,912 million. However, in order to provide stable dividends to shareholders, we would like to partially reverse the dividend reserve and general reserve as follows:

- | | |
|--|-----------------|
| (1) Account item and amount of decrease in surplus | |
| Dividend reserve | ¥2,000,000,000 |
| General reserve | ¥85,000,000,000 |
| (2) Account item and amount of increase in surplus | |
| Profit surplus carried forward | ¥87,000,000,000 |

2. Matters Related to Term-end Dividends

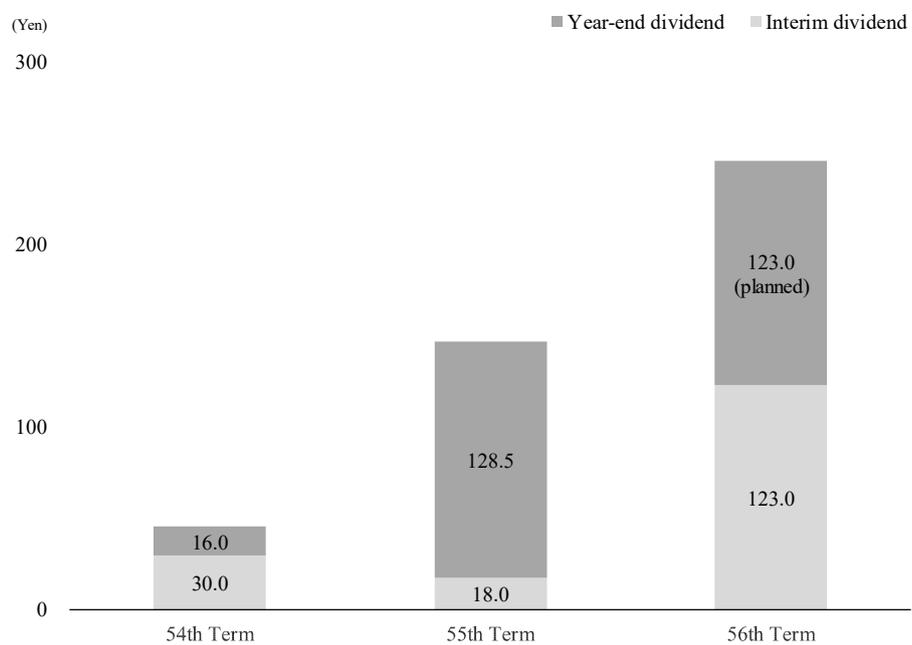
The Company has set a management policy of “Early Realization of ROE of Over 10%.” Under this policy, for the purpose of improving capital efficiency, the Company has set its dividend policy to maintain a dividend on equity (DOE) ratio of 8% with the aim of more actively returning profits to shareholders until it achieves “Early Realization of ROE of Over 10%.”

Based on this dividend policy, we would like to pay out ¥123 per share for the term-end dividend for the fiscal year under review. As a result, cash dividends applicable for the year ended December 31, 2025 will be ¥246 per share, including the interim dividends of ¥123 per share.

- | | |
|---|--|
| (1) Type of Property for Dividends | |
| Cash | |
| (2) Allotment of Property for Dividends | |
| ¥123 per share of common stock | |
| Total of ¥13,778,972,049 | |
| (3) Effective Date of Distribution of Surplus | |
| March 23, 2026 | |

[Translation for Reference and Convenience Purposes Only]

(Reference) Change in dividends per share



[Translation for Reference and Convenience Purposes Only]

Proposal 2: Appointment of Eight (8) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The tenure of all eight (8) Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the close of this Ordinary General Meeting of Shareholders. The Company hereby proposes a total of eight (8) Directors (excluding Directors who are Audit and Supervisory Committee Members), including two (2) External Directors.

The candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) are as follows:

Candidate No.	Name (Age)			Current Position and Duties in the Company
1	Reappointment Male	Akihiro Teramachi	(74)	Representative Director Chairman
2	Reappointment Male	Takashi Teramachi	(47)	Representative Director President and CEO General Manager of Headquarters - Industrial Machinery
3	Reappointment Male	Nobuyuki Maki	(65)	Director and Senior Managing Executive Officer General Manager of Headquarters - Automotive & Transportation
4	Reappointment Male	Naoki Kinoshita	(64)	Director and Senior Managing Executive Officer Deputy General Manager of Headquarters - Industrial Machinery Executive Vice Chairman and President of THK (CHINA) CO., LTD.
5	Reappointment Male	Kenji Nakane	(55)	Director and CFO Executive Officer Head of Finance & Accounting Department, Headquarters - Corporate Strategy Head of Indirect Material Procurement Department, Headquarters - Corporate Strategy
6	Newly elected Male	Nobufumi Sato	(61)	Managing Executive Officer Representative Director and President of THK America, Inc.
7	Reappointment Candidate for External Director Candidate for Independent Officer Female	Junko Kai	(58)	External Director
8	Reappointment Candidate for External Director Candidate for Independent Officer Female	Hiroko Kawasaki	(62)	External Director

Note: The age is as of this Ordinary General Meeting of Shareholders.

[Translation for Reference and Convenience Purposes Only]

Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
1	 <p>[Reappointment] [Male]</p> <p>Akihiro Teramachi (April 5, 1951)</p> <p>Service years as Director: 44 years</p> <p>Attendance at the Board of Directors meetings: 16 of 16 meetings</p>	<p>Oct. 1975 Joined the Company Mar. 1982 Director, Head of Administration Unit Jun. 1987 Managing Director and Head of Control Division Jun. 1994 Director and Executive Vice President May 1995 Representative Director and President of DAITO SEIKI CO., LTD. (currently THK INTECHS CO., LTD.) Jan. 1997 Representative Director President of the Company Jan. 2024 Representative Director Chairman (current position)</p> <p><Significant positions concurrently held> Chairman of JAPAN MACHINE ACCESSORY ASSOCIATION (General Incorporated Association)</p> <p><To our shareholders> The environment around us is growing even more uncertain due to rising geopolitical risks and other factors, and we face various challenges related to issues such as the rapid advancement of digital technology and the shrinkage of working-age populations. Yet amid this environment, the need for the solutions that THK offers is rising, and our medium- to long-term growth potential is expanding. I will seize this opportunity to achieve further growth and corporate value enhancement, in order to meet the expectations of our shareholders.</p>	22,974
<p>[Rationale for Appointment as a Candidate for Director] With regard to the rationale for the appointment of Akihiro Teramachi as a candidate for Director, Mr. Teramachi has shown leadership as a manager responsible for the supervision and control of the Company and the entire Group operating in Japan and overseas, and based on his considerable experience and actual performance, we judged Mr. Teramachi to be a human resource who can supervise and control the entire Group appropriately in our implementation of the new management policy toward further growth and improvement in corporate value.</p> <p>Note: There is no special interest relationship between Akihiro Teramachi and the Company.</p>			

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Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
2	 <p>[Reappointment] [Male]</p> <p>Takashi Teramachi (November 17, 1978)</p> <p>Service years as Director: 11 years and 9 months</p> <p>Attendance at the Board of Directors meetings: 16 of 16 meetings</p>	<p>Apr. 2003 Joined Sumitomo Corporation Nov. 2013 Joined the Company Jan. 2014 Head of IMT Division Jun. 2014 Director Executive Officer Deputy Head of IMT Division Representative Director and President of THK INTECHS CO., LTD. Jun. 2016 Senior Managing Executive Officer General Manager of Headquarters - Industrial Machinery (current position) Jan. 2024 Representative Director President (current position)</p> <p><Significant positions concurrently held> -</p> <p><To our shareholders> We declared a new management policy of “Early Realization of ROE of Over 10%,” and having determined tasks from all directions, such as growth strategies, profitability, capital policies, and corporate governance, we have been implementing various reforms. By accomplishing these tasks whatever it takes, and transitioning into our next growth stage, I will increase our corporate value in a sustainable manner and thereby meet the expectations of our shareholders.</p>	24,202
<p>[Rationale for Appointment as a Candidate for Director] With regard to the rationale for the appointment of Takashi Teramachi as a candidate for Director, under his declaration that “THK will thoroughly strengthen what needs to be strengthened and courageously change what needs to be changed,” he has been demonstrating leadership in various restructuring initiatives and executing his duties based on his considerable experience in supervision and control, as well as his actual performance, as the Company’s Representative Director President. We therefore judged Mr. Teramachi to be a human resource who can supervise and control the entire Group appropriately in our implementation of the new management policy toward further growth and improvement in corporate value.</p> <p>Note: There is no special interest relationship between Takashi Teramachi and the Company.</p>			

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Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
3	 <p>[Reappointment] [Male]</p> <p>Nobuyuki Maki (May 12, 1960)</p> <p>Service years as Director: 10 years and 9 months</p> <p>Attendance at the Board of Directors meetings: 16 of 16 meetings</p>	<p>Apr. 1983 Joined the Company</p> <p>Jul. 1992 Manager of Chicago Branch of THK America, Inc.</p> <p>Jan. 2003 Representative Director and President of THK Manufacturing of America, Inc.</p> <p>Oct. 2007 Plant Manager of Yamaguchi Plant of the Company</p> <p>Jun. 2010 Director Head of Production Division</p> <p>Jun. 2014 Managing Executive Officer (Retired as Director following the introduction of the Executive Officer System)</p> <p>Apr. 2015 Head of Sales Support Division</p> <p>May 2015 Head of L&S Business Integration Department</p> <p>Jun. 2015 Director (current position)</p> <p>Nov. 2015 Managing Executive Officer Head of Automotive & Transportation Division</p> <p>Jun. 2016 Senior Managing Executive Officer (current position) General Manager of Headquarters - Automotive & Transportation (current position)</p> <p><Significant positions concurrently held> -</p> <p><To our shareholders> Leveraging my experience in the United States, which has given me a global outlook, and knowledge of on-site improvement at our main domestic factories, I have most recently been leading the automotive & transportation business. In response to poor business performance due to dramatic changes in the market environment, we made the decision to divest/discontinue the business, with a view to maximizing corporate value. I sincerely acknowledge the great concern that this has caused. Going forward, I do everything I can to restore trust. Specifically, I will build on this experience with restructuring and devote myself to re-growing existing businesses and establishing new businesses at an early stage through resource reallocation, agile decision-making, and governance strengthening.</p>	10,907
<p>[Rationale for Appointment as a Candidate for Director]</p> <p>With regard to the rationale for the appointment of Nobuyuki Maki as a candidate for Director, based on his considerable experience and actual performance as a person responsible for supervising and controlling the automotive & transportation business and a person responsible for controlling the production of the Company and the entire Group operating in Japan and overseas and the domestic and overseas sales operations of the THK Group, we judged Mr. Maki to be a human resource who can appropriately supervise and control the entire Group and the businesses he is in charge of in our implementation of the new management policy toward further growth and improvement in corporate value.</p> <p>Note: There is no special interest relationship between Nobuyuki Maki and the Company.</p>			

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Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
4	 <p>[Reappointment] [Male]</p> <p>Naoki Kinoshita (November 23, 1961)</p> <p>Service years as Director: 1 year</p> <p>Attendance at the Board of Directors meetings: 13 of 13 meetings</p>	<p>Apr. 1985 Joined the Company Feb. 2003 Branch Manager of Sendai Branch Jun. 2005 Vice President of THK (SHANGHAI) CO., LTD. Oct. 2007 Vice President of THK (CHINA) CO., LTD. Feb. 2011 Head of West Japan Sales Region I Department Jun. 2014 Executive Officer President of THK (CHINA) CO., LTD. Jan. 2022 Executive Vice Chairman and President of THK (CHINA) CO., LTD. (current position) Mar. 2022 Managing Executive Officer Mar. 2025 Director (current position) Senior Managing Executive Officer (current position) Deputy General Manager of Headquarters - Industrial Machinery (current position)</p> <p><Significant positions concurrently held> -</p> <p><To our shareholders> We are currently advancing the structural reforms with the entire Company united as one. I have been involved in business development in China for approximately 17 years, starting from the establishment of a company to control our Chinese operations in 2005, and have carried out restructurings of Group companies within China. Leveraging this experience, I will personally take the lead in driving restructuring in the industrial machinery business, as well as developing its operations not only in Japan but also globally.</p>	6,668
<p>[Rationale for Appointment as a Candidate for Director] With regard to the rationale for the appointment of Naoki Kinoshita as a candidate for Director, based on his considerable experience and actual performance as a person responsible for supervising and controlling the holding and controlling companies in China, and a person responsible for controlling the sales operations in Japan and overseas, we judged Mr. Kinoshita to be a human resource who can appropriately supervise and control the entire Group and the businesses he is in charge of in our implementation of the new management policy toward further growth and improvement in corporate value.</p> <p>Note: There is no special interest relationship between Naoki Kinoshita and the Company.</p>			

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Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
5	 <p>[Reappointment] [Male]</p> <p>Kenji Nakane (July 10, 1970)</p> <p>Service years as Director: 3 years</p> <p>Attendance at the Board of Directors meetings: 16 of 16 meetings</p>	<p>Apr. 1993 Joined the Company Jun. 2009 Head of Finance & Accounting Unit, Corporate Strategy Department Jul. 2016 Head of Finance & Accounting Department, Headquarters - Corporate Strategy (current position) Apr. 2017 Executive Officer (current position) Nov. 2022 Head of Indirect Material Procurement Department, Headquarters - Corporate Strategy (current position) Mar. 2023 Director (current position)</p> <p><Significant positions concurrently held> -</p> <p><To our shareholders> The THK Group was the first in the world to commercialize LM Guides, and has contributed to building an affluent society. I have primarily been engaged in work centered on the finance and accounting field, and I will pursue achievement of the management target, announced in November 2024, of “Early Realization of ROE of Over 10%” by maintaining financial soundness and improving capital efficiency and profitability even in a rapidly changing business environment. I will do my utmost to meet the expectations of our shareholders by ensuring highly transparent information disclosure and accountability.</p>	13,205
<p>[Rationale for Appointment as a Candidate for Director] With regard to the rationale for the appointment of Kenji Nakane as a candidate for Director, based on his considerable experience and actual performance as CFO responsible for supervising and controlling the field of finance and accounting of the entire Group, we judged Mr. Nakane to be a human resource who can appropriately supervise and control the entire Group and the businesses he is in charge of in our implementation of the new management policy toward further growth and improvement in corporate value.</p> <p>Note: There is no special interest relationship between Kenji Nakane and the Company.</p>			

[Translation for Reference and Convenience Purposes Only]

Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
6	 <p>[Newly elected] [Male]</p> <p>Nobufumi Sato (December 22, 1964)</p> <p>Service years as Director: -</p> <p>Attendance at the Board of Directors meetings: -</p>	<p>Apr. 1987 Joined the Company Nov. 2007 Branch Manager of Hitachi Branch Jun. 2014 Head of West Japan Sales Region II Department Oct. 2018 Head of East Japan Sales Region I Department Apr. 2021 Director and Executive Vice President of THK America, Inc. Jan. 2022 Representative Director and President of THK America, Inc. (current position) Mar. 2022 Managing Executive Officer (current position)</p> <p><Significant positions concurrently held> -</p> <p><To our shareholders> As we developed our business globally, I managed and drove the growth of our industrial machinery operations in the Americas as President of THK America, Inc. Going forward, I will continue to meet demand for the most advanced equipment in domains such as semiconductor manufacturing equipment, aerospace, logistics, and robotics. And I will work to expand the business and enhance the corporate value of the THK Group by pursuing further improvement in profitability and the pioneering and deepening of new fields.</p>	3,779
<p>[Rationale for Appointment as a Candidate for Director] With regard to the rationale for the appointment of Nobufumi Sato as a candidate for Director, based on his considerable experience and actual performance as a person responsible for supervising and controlling our sales company in the United States and a person responsible for sales operations in Japan and overseas, we judged Mr. Sato to be a human resource who can appropriately supervise and control the entire Group and the businesses he is in charge of in our implementation of the new management policy toward further growth and improvement in corporate value.</p> <p>Note: There is no special interest relationship between Nobufumi Sato and the Company.</p>			

[Translation for Reference and Convenience Purposes Only]

Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
7	 <p>[Reappointment] [Female] [External Director] [Independent]</p> <p>Junko Kai (September 29, 1967)</p> <p>Service years as External Director: 4 years</p> <p>Attendance at the Board of Directors meetings: 16 of 16 meetings</p>	<p>Apr. 1992 Registered at the Daini Tokyo Bar Association</p> <p>Dec. 2002 Partner of Hamani Takahashi Kai Law Office (current position)</p> <p>Jun. 2006 Member of the Daini Tokyo Bar Association's discipline enforcement committee</p> <p>Mar. 2007 Instructor for defense in criminal cases, the Legal Training and Research Institute</p> <p>Apr. 2010 Conciliation Commissioner, of Tokyo Family Court</p> <p>Jul. 2010 Reserve member of Disciplinary Committee, The Japanese Institute of Certified Public Accountants</p> <p>Oct. 2010 Examiner for the national bar examination (Code of Criminal Procedure) Examiner for the preliminary national bar examination (Code of Criminal Procedure)</p> <p>Jun. 2014 Member of the Ministry of Health, Labour and Welfare's Committee for Public Procurement for Special Pension Accounts (current position)</p> <p>Oct. 2015 Special Member of Ministry of Land, Infrastructure, Transport and Tourism's Chuo Construction Disturbance Inspection Meeting (current position)</p> <p>Feb. 2016 Member of the Daini Tokyo Bar Association's disciplinary committee</p> <p>Jun. 2019 Outside Director of NARITA INTERNATIONAL AIRPORT CORPORATION (current position)</p> <p>Jun. 2021 Member of the Daini Tokyo Bar Association's discipline enforcement committee</p> <p>Jun. 2021 Outside Audit & Supervisory Board Member of JSR Corporation</p> <p>Mar. 2022 External Director of the Company (current position)</p> <p>Jun. 2025 Outside Director of Mitsui-Soko Holdings Co., Ltd. (current position)</p> <p><Significant positions concurrently held> Partner of Hamani Takahashi Kai Law Office Outside Director of NARITA INTERNATIONAL AIRPORT CORPORATION Outside Director of Mitsui-Soko Holdings Co., Ltd.</p> <p><To our shareholders> The Company is currently in a structural reform period based on a new management policy of "Early Realization of ROE of Over 10%," and is engaged in various initiatives to that end. As an External Director, by supporting the Company's new management policy based on my expertise as a legal professional and endeavoring to strengthen governance through discussions at meetings of the Board of Directors and other opportunities, I will work toward the sustainable enhancement of corporate value in order to meet the expectations of shareholders.</p>	—
<p>[Rationale for Appointment as a Candidate for External Director and Overview of Expected Roles]</p> <p>The rationale for the appointment of Junko Kai as a candidate for External Director is that we judged her to be a human resource who can contribute to effectively strengthening the decision-making function and supervisory function of the Company's Board of Directors from the perspectives mainly of management reform issues concerning sustainability and diversity, as well as risk management and compliance with the relevant laws and regulations in promoting the Company's sustainable growth and improving its medium to long term corporate value,</p>			

[Translation for Reference and Convenience Purposes Only]

Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
		<p>given her abundant experience and insights in law and compliance based on years of experience as a lawyer. Although she has no history of direct company management, for the reasons above, we have deemed her capable of executing the duties of an External Director.</p> <p>Notes:</p> <ol style="list-style-type: none"> 1. There is no special interest relationship between Junko Kai and the Company. 2. Junko Kai is a candidate for External Director. 3. Under the provisions of Article 427, Paragraph 1, of the Companies Act, the Company has entered into an agreement with Junko Kai to limit her indemnity liability under Article 423, Paragraph 1, thereof. The limitation of liability under the agreement is either the higher of ¥10 million or the minimum liability limit stipulated in Article 425, Paragraph 1, of the Companies Act. If Ms. Kai is reelected, the Company intends to continue the limited liability agreement with her as an External Director. 4. The Company registered Junko Kai as an independent officer in accordance with the regulations of the Tokyo Stock Exchange. If Ms. Kai is reelected, the Company intends to continue to register her as an independent officer. 	

[Translation for Reference and Convenience Purposes Only]

Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
8	 <p>[Reappointment] [Female] [External Director] [Independent]</p> <p>Hiroko Kawasaki (September 21, 1963)</p> <p>Service years as External Director: 1 year</p> <p>Attendance at the Board of Directors meetings: 13 of 13 meetings</p>	<p>Apr. 1987 Joined Nippon Telegraph and Telephone (currently NTT, Inc.)</p> <p>Jul. 2006 Manager of Human Resources Department, Diversity Promotion Office of NTT DOCOMO, INC.</p> <p>Jun. 2010 Manager of Shizuoka Branch, Tokai Branch Office of NTT DOCOMO, INC.</p> <p>Jun. 2012 General Manager of Customer Service Dept. of NTT DOCOMO, INC.</p> <p>Jun. 2014 General Manager of CSR of NTT DOCOMO, INC.</p> <p>Jun. 2017 Executive Officer, Executive General Manager of Hokuriku Regional Office of NTT DOCOMO, INC. Representative Director, President of DOCOMO CS Hokuriku</p> <p>Jun. 2020 Executive Officer, General Manager of Marketing Dept. of NTT DOCOMO, INC.</p> <p>Apr. 2021 Member of the Labor Policy Council, Ministry of Health, Labour and Welfare of Japan (current position)</p> <p>Jun. 2021 Managing Director of DOCOMO Systems, Inc.</p> <p>Jun. 2022 Director, Full-Time Audit and Supervisory Committee Member of NTT DOCOMO, INC.</p> <p>Jun. 2023 Outside Director, Audit and Supervisory Committee Member of ENEOS Holdings, Inc.</p> <p>Jun. 2024 Outside Director of Mitsubishi Shokuhin Co., Ltd.</p> <p>Jun. 2024 Outside Director and Chairperson of the Board of Directors of ENEOS Holdings, Inc. (current position)</p> <p>Feb. 2025 Member Representing Employers of Central Labour Relations Commission (current position)</p> <p>Mar. 2025 External Director of the Company (current position)</p> <p>Jun. 2025 Outside Director (Member of the Audit & Supervisory Committee) of Nomura Research Institute, Ltd. (current position)</p> <p><Significant positions concurrently held> Outside Director and Chairperson of the Board of Directors of ENEOS Holdings, Inc. Outside Director (Member of the Audit & Supervisory Committee) of Nomura Research Institute, Ltd.</p> <p><To our shareholders> The Company is currently advancing projects company-wide with the goal of achieving an ROE of 10%. I will be supervising these projects from a shareholders' perspective, with a focus on whether they are being properly implemented and whether management is exercising accountability toward shareholders. Furthermore, with the belief that strengthening governance is essential for enhancing corporate value, I am fully aware of my role as an External Director, and will make every effort to fulfill it at meetings of the Board of Directors and other opportunities.</p>	100
<p>[Rationale for Appointment as a Candidate for External Director and Overview of Expected Roles]</p> <p>The rationale for the appointment of Hiroko Kawasaki as a candidate for External Director is that we judged her to be a human resource who can contribute to effectively strengthening the decision-making function and supervisory function of the Company's Board of Directors from the perspectives mainly of DX and sustainability with respect to the management reform issues of deepening governance in promoting the Company's sustainable growth and improving its</p>			

[Translation for Reference and Convenience Purposes Only]

Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
		<p>medium to long term corporate value, given her experience of serving as chairperson of the Board of Directors of a listed company, as well as her involvement in promoting DX and CSR and human resource development with strong leadership in a global company.</p> <p>Notes:</p> <ol style="list-style-type: none"> 1. There is no special interest relationship between Hiroko Kawasaki and the Company. 2. Hiroko Kawasaki is a candidate for External Director. 3. Under the provisions of Article 427, Paragraph 1, of the Companies Act, the Company has entered into an agreement with Hiroko Kawasaki to limit her indemnity liability under Article 423, Paragraph 1, thereof. The limitation of liability under the agreement is either the higher of ¥10 million or the minimum liability limit stipulated in Article 425, Paragraph 1, of the Companies Act. If Ms. Kawasaki is reelected, the Company intends to continue the limited liability agreement with her as an External Director. 4. The Company registered Hiroko Kawasaki as an independent officer in accordance with the regulations of the Tokyo Stock Exchange. If Ms. Kawasaki is reelected, the Company intends to continue to register her as an independent officer. 	

- Notes:
1. The summary of the Audit and Supervisory Committee's opinion regarding the appointment of Directors and remuneration, etc. is as follows.

The Nomination Advisory Committee deliberated each candidate's qualifications as a Director by examining their knowledge, experience, and ability, etc. One Audit and Supervisory Committee Member managed deliberations as the Chairperson of the Nomination Advisory Committee. The Audit and Supervisory Committee had a discussion based on the deliberation results of the Nomination Advisory Committee. As a result, we have determined that the nomination procedure was carried out properly and each candidate is qualified to be a Director of the Company.

The Audit and Supervisory Committee deliberated over remuneration for Directors based on the deliberation results of the Remuneration Advisory Committee, in which one Audit and Supervisory Committee Member managed deliberations as the Chairperson, as was the case with the deliberations by the Nomination Advisory Committee. As a result, we have determined that remuneration is appropriate considering that the decision procedure was carried out properly in accordance with the remuneration system.
 2. The Company has entered into a liability insurance contract with an insurance company for directors and officers, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with the Directors as the insured and the insurance fees paid in full by the Company. If the election of candidates is approved and adopted with this proposal, each candidate will be insured under the said contract. The insurance contract covers damages that may occur due to an insured being held liable for the execution of his/her duties or being subject to a claim related to the pursuit of such liability. The Company plans to renew the contract with the same terms in July 2026.

[Translation for Reference and Convenience Purposes Only]

Proposal 3: Appointment of Three (3) Directors Who Are Audit and Supervisory Committee Members

The tenure of all three (3) Directors who are Audit and Supervisory Committee Members will expire at the close of this Ordinary General Meeting of Shareholders. The Company hereby proposes a total of three (3) Directors who are Audit and Supervisory Committee Members.

The Company has obtained the consent of the Audit and Supervisory Committee to this proposal.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows:

[Translation for Reference and Convenience Purposes Only]

Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
1	 <p>[Reappointment] [Male] [External Director] [Independent]</p> <p>Yoshiki Ueda (March 10, 1953)</p> <p>Service years as External Director: 9 years and 9 months</p> <p>Service years as Director who is an Audit and Supervisory Committee Member: 9 years and 9 months</p> <p>Attendance at the Board of Directors meetings: 16 of 16 meetings</p> <p>Attendance at the Audit and Supervisory Committee meetings: 13 of 13 meetings</p>	<p>Apr. 1976 Joined Mitsubishi Corporation Apr. 2007 Deputy General Manager of Kansai Branch of Mitsubishi Corporation Apr. 2008 Executive of Mitsubishi Corporation Jun. 2010 President & CEO of Mitsubishi Corporation Technos Jun. 2011 Chairman of Japan Machine Tool Distributors Association Jun. 2015 Advisor of Mitsubishi Corporation Technos Jun. 2016 External Director (Audit and Supervisory Committee Member) of the Company (current position) Jun. 2016 Outside Director of SINTOKOGIO, LTD. Nov. 2016 Corporate Advisor to Makino Milling Machine Co., Ltd. Dec. 2016 Visiting Professor of National University Corporation Shizuoka University Jun. 2017 Outside Director, Chairman of the Board of Directors of SINTOKOGIO, LTD. (current position) Jun. 2018 Representative Director & Vice-Chairman of Makino Milling Machine Co., Ltd. Jun. 2020 Representative Director & Chairman of Makino Milling Machine Co., Ltd.</p> <p><Significant positions concurrently held> Outside Director, Chairman of the Board of Directors of SINTOKOGIO, LTD.</p> <p><To our shareholders> The year 2026 is the year to complete the structural reform for “Early Realization of ROE of Over 10%.” Regarding the automotive & transportation business, we have completed the process of business selection and concentration, and concluded a transfer agreement. What remains is to improve the profitability of the industrial machinery business, which is the backbone of the Company, and we must accelerate the transformation with nothing considered out of bounds in order to lay the foundation of a stable and highly profitable structure. Exercising sound governance to monitor execution status and making proactive recommendations based on my accumulated knowledge and experience, I will strive to maximize the Company’s corporate value.</p>	3,800
<p>[Rationale for Appointment as a Candidate for External Director who is an Audit and Supervisory Committee Member and Overview of Expected Roles]</p> <p>The rationale for the appointment of Yoshiki Ueda as a candidate for External Director who is an Audit and Supervisory Committee Member is that we expect that he will contribute to effectively strengthening the decision-making function and supervisory function of the Company’s Board of Directors from the perspectives mainly of global management and risk management with respect to the management reform issue of increasing profitability, in promoting the Company’s sustainable growth and improving its medium to long term corporate value, given that he has experience gained from years of involvement in the field of machinery-related business in a global company and is highly adept also in corporate management. Mr. Ueda is currently an Outside Director of SINTOKOGIO, LTD. The Company formerly had business transactions with SINTOKOGIO, LTD. involving purchases, etc. of the said company’s products, but there were no transactions in the fiscal year under review.</p> <p>Notes:</p>			

[Translation for Reference and Convenience Purposes Only]

Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
		<ol style="list-style-type: none"> 1. There is no special interest relationship between Yoshiki Ueda and the Company. 2. Yoshiki Ueda is a candidate for External Director. 3. Under the provisions of Article 427, Paragraph 1, of the Companies Act, the Company has entered into an agreement with Yoshiki Ueda to limit his indemnity liability under Article 423, Paragraph 1, thereof. The limitation of liability under the agreement is either the higher of ¥10 million or the minimum liability limit stipulated in Article 425, Paragraph 1, of the Companies Act. If Mr. Ueda is reelected, the Company intends to continue the limited liability agreement with him as an External Director. 4. The Company registered Yoshiki Ueda as an independent officer in accordance with the regulations of the Tokyo Stock Exchange. If Mr. Ueda is reelected, the Company intends to continue to register him as an independent officer. 	

[Translation for Reference and Convenience Purposes Only]

Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
2	 <p>[Reappointment] [Male] [External Director] [Independent]</p> <p>Masakatsu Hioki (July 30, 1950)</p> <p>Service years as External Director: 11 years and 9 months</p> <p>Service years as Director who is an Audit and Supervisory Committee Member: 9 years and 9 months</p> <p>Attendance at the Board of Directors meetings: 16 of 16 meetings</p> <p>Attendance at the Audit and Supervisory Committee meetings: 13 of 13 meetings</p>	<p>Apr. 1975 Joined Komatsu Ltd. Apr. 2004 Executive Officer of Komatsu Ltd. Apr. 2008 Senior Executive Officer of Komatsu Ltd. Jul. 2012 Advisor of Komatsu Ltd. Jun. 2014 External Director of the Company Nov. 2014 Outside Director of SUKIYA Co., Ltd. (current position) Apr. 2015 Visiting Professor of Ritsumeikan University Graduate School May 2016 Outside Director of ZUIKO CO., LTD. Jun. 2016 External Director (Audit and Supervisory Committee Member) of the Company (current position) May 2023 Outside Director (Audit and Supervisory Committee Member) of ZUIKO CO., LTD.</p> <p><Significant positions concurrently held> Outside Director of SUKIYA Co., Ltd.</p> <p><To our shareholders> The Company has declared a new management policy of “Early Realization of ROE of Over 10%,” and is boldly embracing the challenges of structural reforms and profitability improvement with more robust corporate governance as a base. To that end, the Company is seeking more strongly than ever the proactive participation of its employees. As someone who has been involved in human resources work for a long time, including overseas, I will support these efforts, particularly from the perspective of the people who work at the Company, and hope to respond to the expectations of shareholders for the realization of a new THK.</p>	3,100
<p>[Rationale for Appointment as a Candidate for External Director who is an Audit and Supervisory Committee Member and Overview of Expected Roles]</p> <p>The rationale for the appointment of Masakatsu Hioki as a candidate for External Director who is an Audit and Supervisory Committee Member is that we expect that he will contribute to effectively strengthening the decision-making function and supervisory function of the Company’s Board of Directors from the perspectives mainly of the management reform issue of developing next-generation human resources, as well as risk management in the Company’s global strategy, in promoting the Company’s sustainable growth and improving its medium to long term corporate value, given his abundant experience, accomplishments, and insights as a person responsible for personnel and general affairs in the management division of a global enterprise and a manufacturer.</p> <p>Mr. Hioki is a former employee of Komatsu Ltd., and the Company has business transactions with Komatsu Ltd. involving sales, etc. of the Company’s products. However, the amount of such transactions accounts for less than 1% of the Company’s and Komatsu’s sales revenue in the current consolidated fiscal year. Therefore, we have determined that Mr. Hioki can maintain his independence and perform his duties appropriately as External Director of the Company.</p>			

[Translation for Reference and Convenience Purposes Only]

Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held

Notes:

1. There is no special interest relationship between Masakatsu Hioki and the Company.
2. Masakatsu Hioki is a candidate for External Director.
3. Under the provisions of Article 427, Paragraph 1, of the Companies Act, the Company has entered into an agreement with Masakatsu Hioki to limit his indemnity liability under Article 423, Paragraph 1, thereof. The limitation of liability under the agreement is either the higher of ¥10 million or the minimum liability limit stipulated in Article 425, Paragraph 1, of the Companies Act. If Mr. Hioki is reelected, the Company intends to continue the limited liability agreement with him as an External Director.
4. The Company registered Masakatsu Hioki as an independent officer in accordance with the regulations of the Tokyo Stock Exchange. If Mr. Hioki is reelected, the Company intends to continue to register him as an independent officer.

[Translation for Reference and Convenience Purposes Only]

Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
3	 <p>[Reappointment] [Male] [External Director] [Independent]</p> <p>Tomitoshi Omura (August 3, 1954)</p> <p>Service years as External Director: 9 years and 9 months</p> <p>Service years as Director who is an Audit and Supervisory Committee Member: 9 years and 9 months</p> <p>Attendance at the Board of Directors meetings: 16 of 16 meetings</p> <p>Attendance at the Audit and Supervisory Committee meetings: 13 of 13 meetings</p>	<p>Oct. 1976 Registered as Assistant CPA Oct. 1977 Joined Fuji Accounting Office Oct. 1980 Joined Asahi & Co. (currently KPMG AZSA LLC) Mar. 1982 Registered as Certified Public Accountant Dec. 1989 Managing Director of Omura Accounting Office (current position) Jun. 2016 External Director (Audit and Supervisory Committee Member) of the Company (current position)</p> <p><Significant positions concurrently held> Managing Director of Omura Accounting Office</p> <p><To our shareholders> Based on a management policy of “Early Realization of ROE of Over 10%,” the Company is focusing on cost reduction and investment in growth areas. To that end, in the current fiscal year, the Company has been working to review and reinforce its risk management systems and audit functions. Utilizing my practical experience in accounting and auditing, I will endeavor to contribute to the medium- to long-term enhancement of corporate value as an External Director who is an Audit and Supervisory Committee Member through these governance improvement initiatives.</p>	3,800
<p>[Rationale for Appointment as a Candidate for External Director who is an Audit and Supervisory Committee Member and Overview of Expected Roles]</p> <p>The rationale for the appointment of Tomitoshi Omura as a candidate for External Director who is an Audit and Supervisory Committee Member is that we expect that he will contribute to effectively strengthening the decision-making function and supervisory function of the Company’s Board of Directors from the perspective mainly of finance governance with respect to management reform issues such as business portfolio management that is conscious of cost of capital, in promoting the Company’s sustainable growth and improving its medium to long term corporate value, given his knowledge and abundant experience of corporate accounting gained over many years as a certified public accountant.</p> <p>Although Mr. Omura has no experience of being directly involved in corporate management in the past, we have determined that he can perform his duties appropriately as External Director of the Company for the reasons above.</p> <p>Notes: 1. There is no special interest relationship between Tomitoshi Omura and the Company. 2. Tomitoshi Omura is a candidate for External Director.</p>			

[Translation for Reference and Convenience Purposes Only]

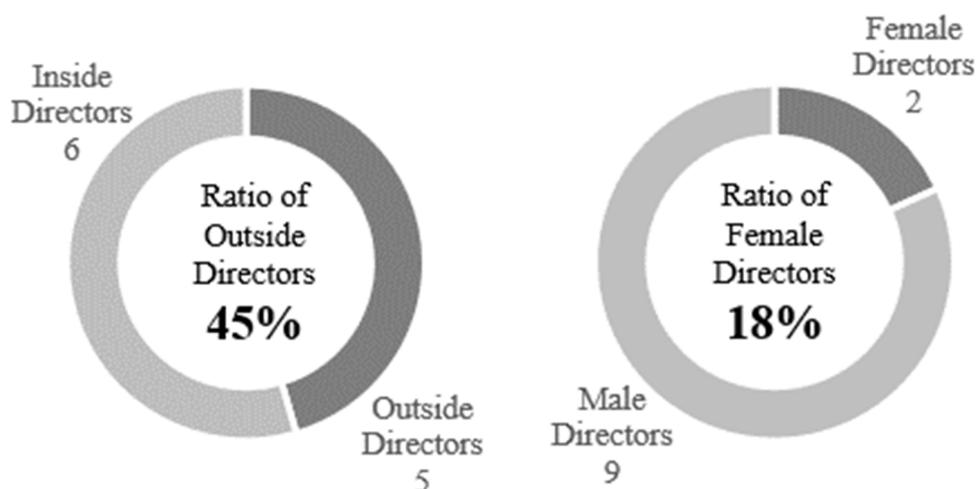
Candidate No.	Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
		<p>3. Under the provisions of Article 427, Paragraph 1, of the Companies Act, the Company has entered into an agreement with Tomitoshi Omura to limit his indemnity liability under Article 423, Paragraph 1, thereof. The limitation of liability under the agreement is either the higher of ¥10 million or the minimum liability limit stipulated in Article 425, Paragraph 1, of the Companies Act. If Mr. Omura is reelected, the Company intends to continue the limited liability agreement with him as an External Director.</p> <p>4. The Company registered Tomitoshi Omura as an independent officer in accordance with the regulations of the Tokyo Stock Exchange. If Mr. Omura is reelected, the Company intends to continue to register him as an independent officer.</p>	

Note: The Company has entered into a liability insurance contract with an insurance company for directors and officers, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with the Directors as the insured and the insurance fees paid in full by the Company. If the election of candidates is approved and adopted with this proposal, each candidate will be insured under the said contract. The insurance contract covers damages that may occur due to an insured being held liable for the execution of his/her duties or being subject to a claim related to the pursuit of such liability. The Company plans to renew the contract with the same terms in July 2026.

[Translation for Reference and Convenience Purposes Only]

Composition of the Board of Directors

(If each candidate for a Director position is appointed under Proposals 2 and 3)



Skill Matrix of the Board of Directors and Reasons for Selection

(If each candidate for a Director position is appointed under Proposals 2 and 3)

	Corporate management	Global business	Corporate finance	Development/ Production/ Innovation	IT/Digital	Personnel/ HR/Corporate culture	Legal affairs/ Risk/ Governance	Sustainability
Akihiro Teramachi	●	●		●	●	●		
Takashi Teramachi	●	●		●	●			●
Nobuyuki Maki	●	●		●				
Naoki Kinoshita	●	●						
Kenji Nakane			●		●		●	
Nobufumi Sato	●	●						
Junko Kai							●	
Hiroko Kawasaki					●	●	●	●
Yoshiki Ueda	●	●					●	
Masakatsu Hioki		●				●	●	
Tomitoshi Omura			●				●	

[Translation for Reference and Convenience Purposes Only]

Item	Reasons for selection (disclosure)
Corporate management	Because extensive management experience (including sales and marketing) is essential for achieving sustainable growth and medium- to long-term enhancement of corporate value while accurately identifying megatrends in the rapidly changing environment surrounding the Company as it pursues its management policy (Early Realization of ROE of Over 10%)
Global business	Because knowledge and experience (including sales and marketing) of the regions, industries, etc. in which the Company does business are essential for providing products and services tailored to local and market characteristics in order to accelerate global expansion
Corporate finance	Because knowledge and experience of finance, accounting, and corporate finance are essential for performing balance sheet management, including highly disciplined growth investments and appropriate fundraising and shareholder returns, in order to practice management that emphasizes capital efficiency as the Company pursues its management policy (Early Realization of ROE of Over 10%)
Development/ Production/ Innovation	Because knowledge and experience of development, production, and innovation are essential for a company focused on creation to develop original products and services and continuously devise unique production technologies
IT/Digital	Because knowledge and experience of IT and digital technologies are essential for achieving operational efficiency by strengthening IT infrastructure and advancing DX, as well as for bringing innovation to our business and creating new value
Personnel/ HR/Corporate culture	Because knowledge and experience in the areas of personnel, human resources, and corporate culture are essential for fostering a corporate culture that passes on traditions to the next generation while encouraging employees to take on challenges, and for creating an environment in which diverse talent can thrive, in line with the principle that “THK will thoroughly strengthen what needs to be strengthened and courageously change what needs to be changed”
Legal affairs/ Risk/ Governance	Because knowledge and experience in the areas of legal affairs, risk, and governance are essential for strengthening compliance and corporate governance, which provide the foundation for corporate activities, and for conducting proactive risk management, in order to actively pursue expansion both globally and into new fields
Sustainability	Because knowledge and experience in the area of sustainability are essential for responding to environmental and social issues in all corporate activities and achieving both increases in corporate value and the creation of a sustainable and affluent society

[Translation for Reference and Convenience Purposes Only]

Proposal 4: Appointment of One (1) Substitute Director Who Is an Audit and Supervisory Committee Member

As the effective tenure of Hidetaka Miyake, who was appointed as a substitute Director who is an Audit and Supervisory Committee Member at the 54th Ordinary General Meeting of Shareholders held on March 16, 2024, expires at the beginning of this Ordinary General Meeting of Shareholders, the Company hereby proposes the appointment of one (1) substitute Director who is an Audit and Supervisory Committee Member to prepare for the contingency in which the Company does not have the number of Directors who are Audit and Supervisory Committee Members required by laws and regulations.

The Company has obtained the consent of the Audit and Supervisory Committee to this proposal.

The candidate for substitute Director who is an Audit and Supervisory Committee Member is as follows:

[Translation for Reference and Convenience Purposes Only]

Name (Date of Birth)	Brief History, Position, Assigned Tasks and Significant Positions Concurrently Held	Number of the Shares of the Company Held
 <p>[External Director] [Male] [Independent]</p> <p>Hidetaka Miyake (April 15, 1972)</p>	<p>Apr. 2000 Joined Public Prosecutors Office of Ministry of Justice as a Public Prosecutor</p> <p>Jun. 2004 Registered as an attorney at law Joined Ashurst LLP, Tokyo Office (currently Ashurst Horitsu Jimusho Gaikokuho Kyodo Jigyō)</p> <p>Jan. 2010 Joined the Securities and Exchange Surveillance Commission, Financial Services Agency</p> <p>Jul. 2013 Joined Ernst & Young ShinNihon LLC</p> <p>Apr. 2017 Joined Anderson Mori & Tomotsune LPC (currently Anderson Mori & Tomotsune)</p> <p>Jan. 2020 Partner of Anderson Mori & Tomotsune (current position)</p> <p>Jun. 2023 Outside Auditor of Mitsui-Soko Holdings Co., Ltd. (current position)</p> <p><Significant positions concurrently held> Partner of Anderson Mori & Tomotsune Outside Auditor of Mitsui-Soko Holdings Co., Ltd.</p>	<p>—</p>
<p>[Rationale for Appointment as a Candidate for Substitute External Director who is an Audit and Supervisory Committee Member and Overview of Expected Roles]</p> <p>The rationale for the appointment of Hidetaka Miyake as a candidate for substitute External Director who is an Audit and Supervisory Committee Member is that we judged him to be a human resource who can contribute to effectively strengthening the decision-making function and supervisory function of the Company’s Board of Directors based on his knowledge of the law cultivated as an attorney, as well as his abundant experience and accomplishments gained at the Public Prosecutors Office and audit firms.</p> <p>Although Mr. Miyake has no experience of being directly involved in corporate management in the past, we have determined that he can perform his duties appropriately as External Director of the Company for the reasons above.</p> <p>Notes:</p> <ol style="list-style-type: none"> 1. There is no special interest relationship between Hidetaka Miyake and the Company. 2. Hidetaka Miyake is a candidate for External Director. 3. If Hidetaka Miyake assumes office as an External Director, under the provisions of Article 427, Paragraph 1, of the Companies Act, the Company intends to enter into an agreement with Mr. Miyake to limit his indemnity liability under Article 423, Paragraph 1, thereof. The limitation of liability under the agreement is either the higher of ¥10 million or the minimum liability limit stipulated in Article 425, Paragraph 1, of the Companies Act. 4. If Hidetaka Miyake assumes office as an External Director, the Company intends to register him as an independent officer in accordance with the regulations of the Tokyo Stock Exchange. 5. The Company has entered into a liability insurance contract with an insurance company for directors and officers, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with the Directors as the insured and the insurance fees paid in full by the Company. If Hidetaka Miyake assumes office as an External Director, he will be insured under the said contract. The insurance contract covers damages that may occur due to an insured being held liable for the execution of his/her duties or being subject to a claim related to the pursuit of such liability. The Company plans to renew the contract with the same terms in July 2026. 		

[Translation for Reference and Convenience Purposes Only]

Proposal 5: Appointment of an Accounting Auditor

The tenure of the Company’s Accounting Auditor, Grant Thornton Taiyo LLC, will expire at the close of this Ordinary General Meeting of Shareholders, and the Accounting Auditor will step down. The Company hereby proposes the appointment of a new Accounting Auditor.

This proposal is based on a resolution of the Audit and Supervisory Committee.

The rationale for the Audit and Supervisory Committee’s selection of KPMG AZSA LLC as candidate for Accounting Auditor is that given that the current Accounting Auditor has continued to conduct audits for many years, the change is expected to result in audits from a new perspective. In addition, after comprehensively taking into consideration the firm’s global audit system, independence, expertise, quality control system, and other factors, it was determined that the firm is suitable to be the Company’s Accounting Auditor.

The name, location of main office, and history of the candidate Accounting Auditor are as follows.

(As of June 30, 2025)

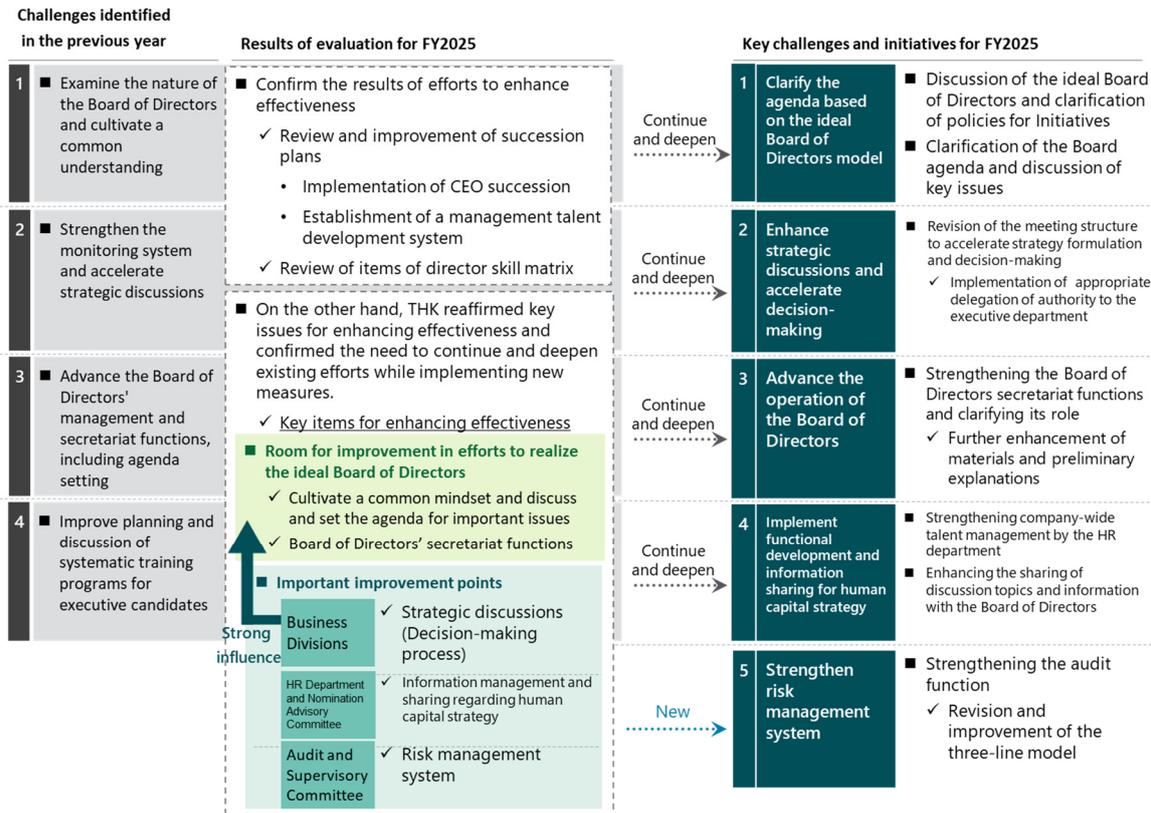
Name	KPMG AZSA LLC	
Office location	Main office: 1-2, Tsukudo-cho, Shinjuku-ku, Tokyo, Japan	
History	Jul. 1969	Established Asahi & Co.
	Jul. 1985	Asahi & Co. and Shinwa Audit Corporation (established in December 1974) merged to form Asahi Shinwa & Co.
	Oct. 1993	Merged with Inoue Saito Eiwa Audit Corporation (established in April 1978) and changed name to Asahi & Co.
	Jan. 2004	Merged with AZSA & Co. (established in February 2003) and changed name to KPMG AZSA & Co.
	Jul. 2010	Transitioned to a limited liability audit corporation, becoming KPMG AZSA LLC
Overview	Capital:	¥3,000 million
	Number of employees	
	Certified Public Accountants:	3,011 (including 516 partners)
	Passed the CPA exam:	1,537
	Professionals:	2,013 (including 36 specified partners)
	Administration staff:	801
	Total:	7,362
	Number of clients with audit engagements:	3,255

[Translation for Reference and Convenience Purposes Only]

■ **Evaluation of the effectiveness of the Board of Directors**

In order to ensure the effectiveness of the Board of Directors and improve its functions, THK conducts annual questionnaire regarding the effectiveness of the Board of Directors.

As for the fiscal year under review, we conducted questionnaire to all Directors through entrusted third party.



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■ **Composition of Voluntary Advisory Committees** (As of December 31, 2025)

The Company has established the voluntary Nomination Advisory Committee for election and dismissal, etc. of Director candidates of the Company, and voluntary Remuneration Advisory Committee for remuneration, etc. of the Directors, as an advisory body to the Board of Directors.

In accordance with the resolution of the Board of Directors, each committee is composed of more than three (3) Directors with a majority of External Directors, having External Director as a Chairperson.

Voluntary Nomination Advisory Committee	Voluntary Remuneration Advisory Committee
Chairperson: External Director Masakatsu Hioki	Chairperson: External Director Yoshiki Ueda
Member: Representative Director President Takashi Teramachi	Member: Representative Director President Takashi Teramachi
Member: External Director Hiroko Kawasaki	Member: External Director Junko Kai

[Translation for Reference and Convenience Purposes Only]

■ **Succession Plan**

<p>Overview</p>	<p>To ensure management continuity and achieve enhancement of medium- to long-term corporate value, the Company has formulated and is implementing a succession plan for the Representative Director President (CEO). This plan aims for sustainable growth as a “company focused on creation and development” while respecting the Company’s philosophy and values, and is being executed under a governance structure that emphasizes transparency and accountability.</p> <ul style="list-style-type: none"> ■ Purpose of succession <ul style="list-style-type: none"> ✓ To realize management continuity and sustainable enhancement of corporate value ✓ To ensure accountability and transparency to stakeholders 							
<p>Process</p>	<p>The Company’s succession plan aims to develop next-generation leaders through the following process:</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; vertical-align: top;"> <p>(i) Definition of requirements</p> <p>Clarify the qualities, capabilities, and values required of the CEO. These include leadership, embodiment of philosophy, human capital management, understanding of diversity, and global perspective.</p> </td> <td style="width: 25%; vertical-align: top;"> <p>(ii) Selection of candidates</p> <p>Draw up a list of candidates to target for development.</p> </td> <td style="width: 25%; vertical-align: top;"> <p>(iii) Development planning</p> <p>Take measures to maximize the candidates’ capabilities.</p> </td> <td style="width: 25%; vertical-align: top;"> <p>(iv) Evaluation and selection</p> <p>Evaluate candidates using the following methods:</p> <ul style="list-style-type: none"> ■ Comprehensive evaluation of quantitative and qualitative indicators ■ Evaluation through interviews by External Directors and review by the Nomination Advisory Committee to ensure objectivity </td> </tr> </table>				<p>(i) Definition of requirements</p> <p>Clarify the qualities, capabilities, and values required of the CEO. These include leadership, embodiment of philosophy, human capital management, understanding of diversity, and global perspective.</p>	<p>(ii) Selection of candidates</p> <p>Draw up a list of candidates to target for development.</p>	<p>(iii) Development planning</p> <p>Take measures to maximize the candidates’ capabilities.</p>	<p>(iv) Evaluation and selection</p> <p>Evaluate candidates using the following methods:</p> <ul style="list-style-type: none"> ■ Comprehensive evaluation of quantitative and qualitative indicators ■ Evaluation through interviews by External Directors and review by the Nomination Advisory Committee to ensure objectivity
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<p>Other: Emergency response (BCP)</p>	<p>Codify the interim structure in the event of CEO absence, establish an emergency response framework to prevent management vacuum, and minimize succession risks.</p>	<p>Future action</p>	<p>The Company will continue to focus on developing next-generation leaders who embody our corporate philosophy and can flexibly respond to a rapidly changing business environment. In addition, with human capital management and higher-level governance as twin pillars, we will be working to strengthen our management structure to support sustainable growth.</p>					

[Translation for Reference and Convenience Purposes Only]

(Reference) The Company's Standards for Independence of External Directors

The Company formulated its Standards for Independence of External Directors as follows. Any person who falls under any of the following items is judged not to be "independent."

1. Not currently a business operator of the Group but was a business operator of the Company within 10 years before the assumption of current office (provided, however, with regard to a person who was a non-Executive Director, Member of the Board of Auditors or Accounting Advisor sometime within 10 years before the assumption of office, within 10 years before assuming such office)
2. Entity for which the Company is a major client or its business operator
3. The Company's major client or its business operator
4. Consultant, Certified Public Accountant or other accounting expert or a legal expert such as a lawyer who is receiving from the Company a large amount of money or other assets other than officer's remuneration (if the recipient of such money or asset is an organization such as a corporation, a person who belongs to such an organization)
5. Person who falls under 2, 3 or 4 above in the past one year
6. Spouse or a relative within the second degree of kinship of the following persons (excluding those who are not important)
 - (a) Person who falls under 2 through 5 above
 - (b) A business operator of the Group
 - (c) Person who falls under (b) above in the past one year
7. The Company's shareholder who holds 10% or more of the current total voting rights of the Company (if the shareholder is an organization such as a corporation, a business operator of the organization)

Notes:

A "business operator" refers to a person who executes business duties as prescribed in Article 2, Paragraph 3, Item 6, of the Regulation for Enforcement of the Companies Act, including Executive Directors, Executive Officers, Managers and other employees but excluding non-Executive Directors and Members of the Board of Auditors.

The Company's concept of "major" and "importance":

A person or an organization such as a corporation that gives significant influence on the Company's decision making as well as stakeholders including shareholders, or a business operator who belongs to such an organization.

Specifically, the Company's client with which the transaction amount with the Company accounts for a significant part of the Company's sales revenue and the Group's management (Directors and Executive Officers, etc.) are considered to be major and/or important.

Business Report

(From January 1, 2025 to December 31, 2025)

1. Present Status of the Corporate Group

(1) Review of Business Performance in the Current Fiscal Year

1. Business Progress and Results

Economic Environment

In this fiscal year, the outlook for the global economy remained uncertain amid concerns such as rising geopolitical risks including the situation in Ukraine and in the Middle East, continuing inflation, and the U.S. tariff policy.

Overall Summary of Revenue

THK has established “Early Realization of ROE Over 10%” as its new management policy and announced its management indicator targets and measures to achieve them at the announcement of financial results in February 2025. In addition to the “structural reform” in the industrial machinery business and the “selection and concentration” in the automotive & transportation business, the new management policy places greater emphasis on controlling shareholders’ equity, which is the denominator of ROE.

In light of these circumstances, for the automotive & transportation business, THK conducted a thorough examination of the expected cost of capital and return on invested capital (ROIC) at present and in the future as well. As a result, THK has determined that transferring the automotive & transportation business is the most appropriate option. Consequently, on February 2, 2026, THK decided to transfer the automotive & transportation business to a special purpose company indirectly funded by investment funds serviced by Advantage Partners, Inc., and entered into a basic agreement concerning transfer of shares and assignment of receivables of subsidiaries engaging in the automotive & transportation business. Since the requirements of classification of assets as held for sale in accordance with IFRS 5, “Noncurrent Assets Held for Sale and Discontinued Operations” have been met in the current fiscal year, the automotive & transportation business has been classified as a discontinued operation and the related consolidated financial statements and notes thereto for the previous year have been reclassified to align with the current year presentation.

In the industrial machinery business, the continuing operations of THK, demand was in a recovery trend, primarily in China and the United States. As a result, consolidated revenue amounted to ¥240,444 million, up ¥17,707 million, or 7.9%, compared to the figure a year earlier.

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Overall Summary of Income

Costs were impacted by expenses associated with structural reforms under the new management policy and the effects of U.S. tariffs. In such a situation, the cost to revenue ratio rose by 1.3% from a year earlier to 70.7%.

Selling, general and administrative (SGA) expenses amounted to ¥54,341 million, up ¥702 million, or 1.3%, compared to the figure a year earlier. The ratio to revenue was 22.6%, down 1.5% from a year earlier. In addition, SAMICK THK CO., LTD., an equity-method affiliate, experienced deteriorating market conditions and recorded an expected loss associated with implemented investment projects. Consequently, the THK Group recorded ¥1,587 million of share of loss in investments accounted for using the equity method.

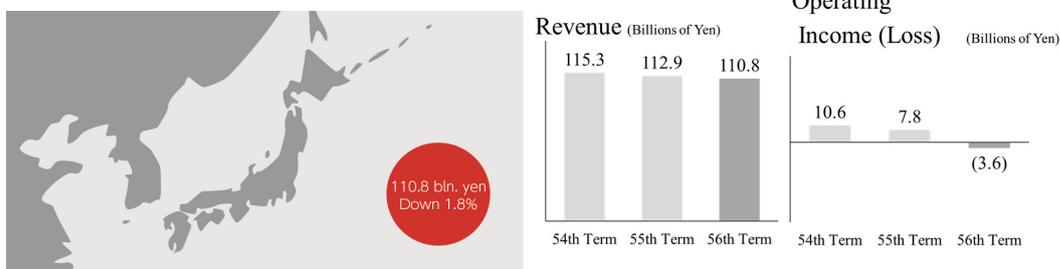
As a result, operating income amounted to ¥14,436 million, down ¥1,487 million, or 9.3%, compared to the figure a year earlier. Operating income margin dropped by 1.1% from a year earlier to 6.0%.

Financial income and financial costs were ¥3,048 million and ¥1,738 million, respectively. Profit before tax amounted to ¥15,746 million, down ¥2,123 million, or 11.9%, compared to the figure a year earlier.

In addition, THK recorded a loss on business liquidation amounting to ¥81,639 million in relation to the transfer of shares and assignment of receivables of consolidated subsidiaries engaging in the automotive & transportation business. As a result, THK recorded a loss attributable to owners of the parent, which is the total of the continuing and discontinued operation, amounting to ¥69,891 million, down ¥80,331 million compared to the figure a year earlier (profit attributable to owners of the parent of ¥10,439 million for the previous fiscal year).

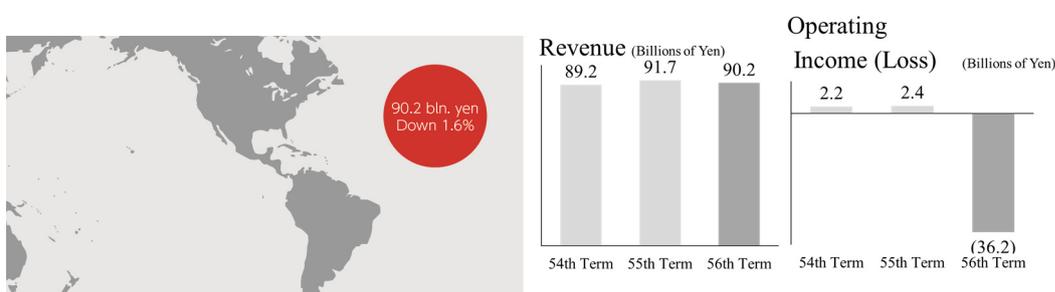
Segment Breakdown

Japan



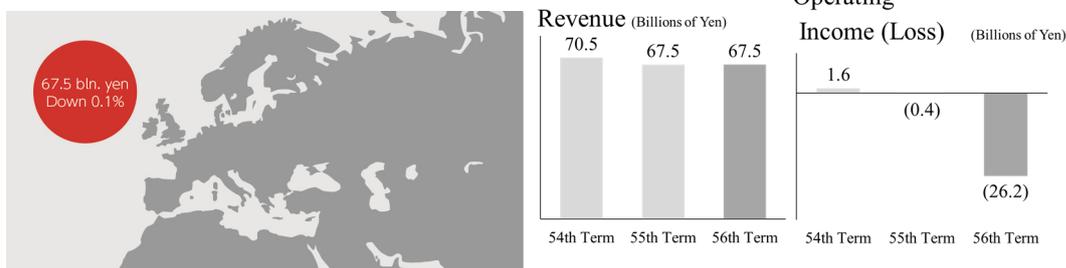
In Japan, demand in the industrial machinery business (the continuing operations) was generally flat; however, revenue amounted to ¥110,859 million, down ¥2,046 million, or 1.8%, compared to the figure a year earlier. THK recorded a segment loss (operating loss) amounting to ¥3,618 million, down ¥11,464 million compared to the figure a year earlier, due mainly to a loss on business liquidation of ¥9,738 million in relation to the transfer of shares and assignment of receivables of consolidated subsidiaries engaging in the automotive & transportation business (the discontinued operation) and ¥1,587 million of share of loss in investments accounted for using the equity method attributable to SAMICK THK CO., LTD.

The Americas



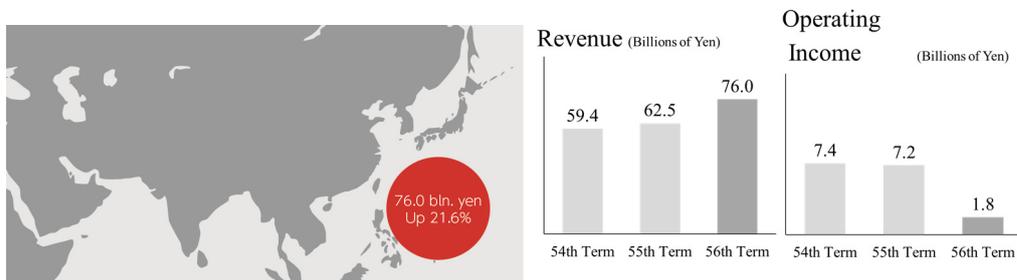
In the Americas, revenue amounted to ¥90,248 million, down ¥1,508 million, or 1.6%, compared to the figure a year earlier due mainly to weak demand in the automotive & transportation business (the discontinued operation). THK recorded a segment loss (operating loss) amounting to ¥36,279 million, down ¥38,687 million compared to the figure a year earlier, due mainly to a loss on business liquidation of ¥38,899 million in relation to the transfer of shares and assignment of receivables of consolidated subsidiaries engaging in the automotive & transportation business (the discontinued operation).

Europe



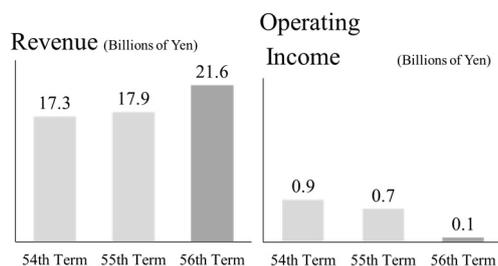
In Europe, revenue amounted to ¥67,516 million, down ¥83 million, or 0.1%, compared to the figure a year earlier due mainly to weak demand in both the industrial machinery business (the continuing operations) and the automotive & transportation business (the discontinued operation). THK recorded a segment loss (operating loss) amounting to ¥26,219 million, down ¥25,811 million compared to the figure a year earlier, due mainly to a loss on business liquidation of ¥24,504 million in relation to the transfer of shares and assignment of receivables of consolidated subsidiaries engaging in the automotive & transportation business (the discontinued operation).

China



In China, while demand in the industrial machinery business (the continuing operations) was in a recovery trend, revenue amounted to ¥76,034 million, up ¥13,508 million, or 21.6%, compared to the figure a year earlier. Segment income (operating income) amounted to ¥1,874 million, down ¥5,328 million, or 74.0%, compared to the figure a year earlier, due mainly to a loss on business liquidation of ¥7,233 million in relation to the transfer of shares and assignment of receivables of consolidated subsidiaries engaging in the automotive & transportation business (the discontinued operation).

Other Areas



In the industrial machinery business (the continuing operations) in the other countries and regions, the THK Group expanded its sales channels and implemented aggressive sales activities to cultivate new customers while demand for THK Group's products was widely expanded in India and the ASEAN countries. In such a situation, revenue amounted to ¥21,603 million, up ¥3,631 million, or 20.2%, compared to the figure a year earlier. Segment income (operating income) amounted to ¥111 million, down ¥634 million, or 85.0%, compared to the figure a year earlier, due mainly to a loss on business liquidation of ¥1,263 million in relation to the transfer of shares and assignment of receivables of consolidated subsidiaries engaging in the automotive & transportation business (the discontinued operation).

Overall Summary of Research and Development

The THK Group is actively engaged in R&D activities, conducted primarily at its Head Office and the Technology Center (Tokyo) as an R&D base, to develop core linear motion systems and other products by applying the core technologies and know-how in linear motion systems, including mechatronics such as Precision XY Stage and Linear motor actuators, and products in fields close to consumer goods such as automobiles, seismic isolation and damping systems, medical equipment, aircraft, renewable energy, and robotics.

In the industrial machinery business, we developed and launched DYNAS, a dynamic rigidity measurement service, which reveals the dynamic rigidity of machinery equipped with LM Guide. It will contribute to new discoveries in equipment development and improved reliability. In LM Guides, we developed the HSR-MH grade, mainly for material handling applications in China and Southeast Asia. We have been adding accuracy grades suitable for applications to the Model HSR lineup. As for ball splines, we developed the Model LF80/100 to expand our lineup. For ball screws, we expanded the SDA-VZ Ball Screw with Finished Shaft Ends lineup to include shaft diameters of 15 and 20. These are highly versatile, easy-to-use products, and we will be expanding sales to a wide range of markets. To broaden sales for special environment applications, particularly in the semiconductor market, we newly made surface treatment standard on our SPR/SPS Super-Low Waving Caged Ball LM Guides, and also developed a full roller specification for cross roller rings. Furthermore, we added the AWG18, the smallest model number, to the Advanced Wheel Guide utility slide lineup, which is being deployed in fields such as logistics and railways. This will contribute to the further miniaturization of equipment.

In IoT-related fields, we have been rolling out OMNIedge, a solution that helps reduce customer manufacturing site losses and maximize overall equipment effectiveness (OEE). We offer a wide range of solutions that help enhance efficiency at manufacturing sites. These include a predictive part failure detection AI solution, as well as a tool monitoring AI solution, an integrated maintenance management system, and a skill management AI solution. Our predictive part failure detection AI solution now also works for spindles, which are widely used at manufacturing sites. We have newly released GX Solution, which helps reduce energy losses by visualizing electricity, water, and gas usage. We will actively propose solutions to advance green transformation at factories.

In our factory automation fields, we released a high-load version of our next-generation linear transport system, Versatile Transport System (VTS), meeting the requirements of modern production sites, which need to handle the production of a wide variety of articles, in varying quantities. By enabling the transfer of large workpieces, this new addition to the lineup provides an automation solution even for heavy-weight manufacturing processes. We are also adapting to overseas standards, in locations such as North America and Europe, to drive global expansion. To meet market needs, we upgraded our flexible next-generation transfer robot SIGNAS. It is now better able to cope with different environments, allowing it to operate at more diverse sites.

In addition to continuing to promote the development of next-generation products aimed at a true market that anticipates needs, of which customers themselves are not

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yet aware, five or ten years into the future, we will strive to expand our product lineup to meet current customer needs.

[Translation for Reference and Convenience Purposes Only]

Overall Summary of the Operation and Production Systems

THK Group's vision is being a "Manufacturing and Innovative Services Company," and we are implementing various measures to achieve this. In our four key geographical regions of Japan, the Americas, Europe and Asia, the THK Group has established a "unified retailer-producer system at the locations closer to centers of demand," in which products will be produced and sold locally.

In the industrial machinery business, production sites face increasingly complex social issues related to automation, labor shortages, and sustainability. Until now, we have done business primarily focusing on machinery components that solve the problems of machine builders, but now we are also engaged in FA solution business that looks beyond machine builders to actual machine users to solve the problems they face, as well. From the perspective of the evolution of vital machinery components, we will seek to increase our points of contact with machine users to develop high quality products that help solve problems for both machine builders and users. Furthermore, we will use the diverse information we collect from these multiple levels of customers in all of our operations, such as development and production, to reinforce our development work in growth fields and to strengthen our business foundation.

In terms of production, we are also continuing to focus on the automation of our production lines, an initiative we have been actively advancing for some time. Having declared a new management policy of "Early Realization of ROE of Over 10%," we will be constructing automated lines that are even more sophisticated, in accordance with the path of structural reform we have determined. Shifting away from capacity expansion in anticipation of growing demand, we will enhance our cost competitiveness, the true purpose of automation, and increase sales and profits per employee. To that end, we are aiming for a lean organizational structure that can stably generate high profits through the organic combination of production equipment, robots of various kinds, and human intelligence.

Term-end Dividends

THK has established "Early Realization of ROE Over 10%" as its management policy. Under this policy, for the purpose of improving capital efficiency, THK has set its dividend policy to maintain a dividend on equity (DOE) ratio of 8% with the aim of more actively returning profits to shareholders until THK achieves "Early Realization of ROE of Over 10%."

Based on this dividend policy, THK has decided to pay the year-end dividend of ¥123 per share. As a result, cash dividends applicable for the year ended December 31, 2025 will be ¥246 per share, including the interim dividends of ¥123 per share.

THK will continue to strive for stable shareholder returns by raising ROE above the cost of equity even after achieving "Early Realization of ROE of Over 10%."

[Translation for Reference and Convenience Purposes Only]

2. Status of Capital Investments

Total capital investments in the consolidated fiscal year under review amounted to ¥21,041 million, consisting mostly of investments in buildings and processing facilities that were made to reinforce production facilities and improve product quality. The main investment amount at each base is as follows:

Domestic Operational Bases	THK CO., LTD.	(Millions of Yen)
	Production Division	2,571
	Yamaguchi Plant	1,593
	Yamagata Plant	940
	THK KIRYU CO., LTD.	1,340
Overseas Operational Bases	THK India Pvt. Ltd.	2,555
	THK MANUFACTURING OF CHINA (WUXI) CO., LTD.	1,277
	THK Manufacturing of Europe S.A.S.	937
	MANUFACTURING OF CHINA (LIAONING) CO., LTD.	928

3. Status of Funding

During the consolidated fiscal year under review, the Group raised funds of ¥30,000 million through the issuance of straight bonds.

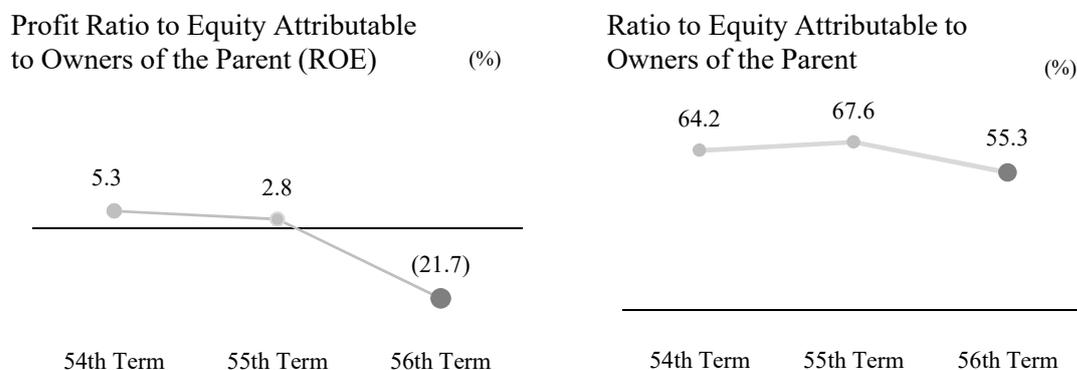
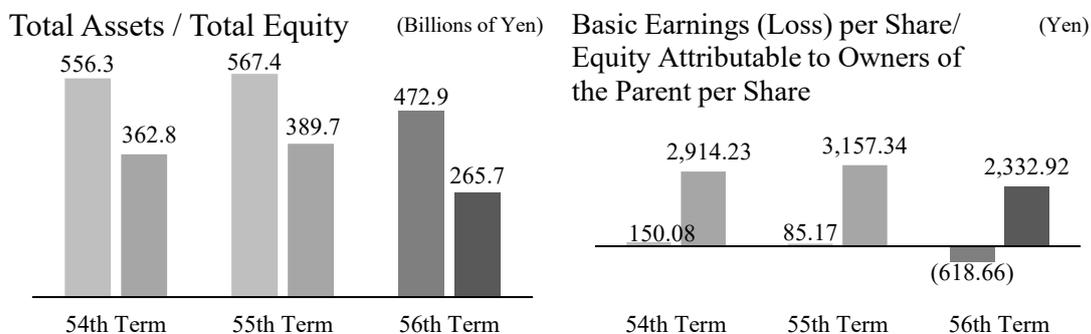
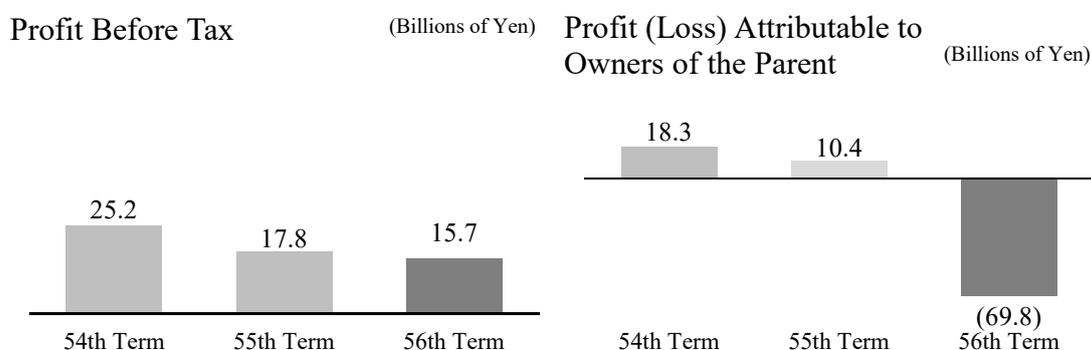
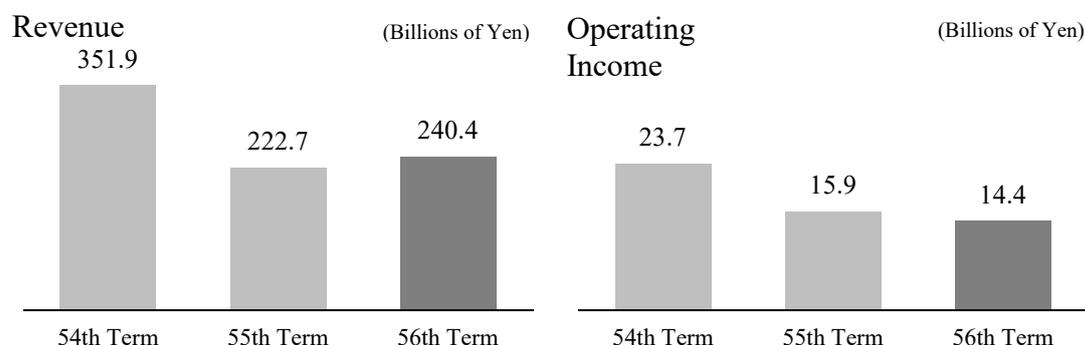
Company	Description	Date of issuance	Total Amount of issuance (Millions of Yen)	Rate (%)	Due date
THK CO., LTD.	The Twenty-first Series of THK CO., LTD. Unsecured Straight Bonds (with limited inter-bond pari passu clause)	Jan. 29, 2025	10,000	1.156	Jan. 29, 2030
THK CO., LTD.	The Twenty-second Series of THK CO., LTD. Unsecured Straight Bonds (with limited inter-bond pari passu clause)	Jul. 17, 2025	20,000	1.418	Jul. 17, 2030

For effective funding of operating capital, the Group has concluded Specified Commitment Line Contract totaling ¥50,000 million with its main correspondent financial institutions.

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(2) Assets and Profit/Loss

Assets and Profit/Loss of the Group



[Translation for Reference and Convenience Purposes Only]

1. Assets and Profit/Loss of the Group (Consolidated)
International Financial Reporting Standards (IFRS)

Millions of Yen				
Item	53rd Term (Term Ended December 2022)	54th Term (Term Ended December 2023)	55th Term (Term Ended December 2024)	56th Term (Term Ended December 2025; Current Consolidated Fiscal Year)
Revenue	393,687	351,939	222,737	240,444
Operating Income	34,460	23,707	15,923	14,436
Profit Before Tax	35,596	25,289	17,870	15,746
Profit (Loss) Attributable to Owners of the Parent	21,198	18,398	10,439	(69,891)
Total Assets	560,304	556,351	567,418	472,992
Total Equity	337,281	362,898	389,795	265,749
Basic Earnings (Loss) per Share (Yen)	172.67	150.08	85.17	(618.66)
Equity Attributable to Owners of the Parent per Share (Yen)	2,707.51	2,914.23	3,157.34	2,332.92
Profit Ratio to Equity Attributable to Owners of the Parent (%)	6.7	5.3	2.8	(21.7)
Ratio of Equity Attributable to Owners of the Parent (%)	59.2	64.2	67.6	55.3

Note: Effective from the term ended December 2025, the automotive & transportation business has been classified as a discontinued operation. Therefore, revenue, operating income, and profit before tax in the table above represent amounts from continuing operations and exclude amounts from the discontinued operation, whereas profit (loss) attributable to owners of the parent is presented at the total amount of the continuing operations and discontinued operation. This change is also reflected in the figures for the term ended December 2024.

2. Profit/Loss of the Company (Non-consolidated)

Millions of Yen				
Item	53rd Term (Term Ended December 2022)	54th Term (Term Ended December 2023)	55th Term (Term Ended December 2024)	56th Term (Term Ended December 2025; Current Fiscal Year)
Revenue	197,624	144,227	144,737	145,070
Operating Income	25,722	7,138	4,121	4,235
Ordinary Income	35,105	15,905	18,020	45,103
Net Income (Loss)	6,094	13,037	15,495	(24,701)

(3) Description of Main Business Operations (As of December 31, 2025)

The THK Group supplies the world with vital machinery components that convert “sliding” motion into “rolling” motion, thereby enabling motion parts to move in a “lighter” and “more accurately” in linear motions. Since its establishment in 1971, the Company has been contributing to the development of industry with respect to indispensable component parts, underpinned by its management philosophy of “providing innovative products to the world and generating new trends to contribute to the creation of an affluent society.” This has involved serving as a company focused on creation and development in supplying machine components that include THK’s LM Guide, while also achieving improvements in terms of high precision, high rigidity, high speed, and energy saving with respect to various machines and equipment such as machine tools and semiconductor manufacturing equipment. In recent years, the THK Group’s products have come to be used across an increasingly extensive range of applications beyond the field of industrial machinery. For instance, in addition to fields close to consumer goods such as automobiles, medical equipment, aircraft, and service robotics, our products are also finding uses in applications aimed at mitigating risk of natural disasters and climate change, including applications in seismic isolation and damping systems, as well as renewable energy. As such, we will accordingly contribute to society through our primary operations as our many customers worldwide turn to us for product supply, while concurrently striving to increase our corporate value as we engage in initiatives that help give rise to a sustainable society in the midst of global warming and other changes in the global environment.

(4) Future Tasks

The environment around the Company is growing even more uncertain due to rising geopolitical risks, ongoing inflation, the U.S. tariff policy, and other factors. Against this backdrop, in November 2024, the Company announced its new basic policy, “Early Realization of ROE of Over 10%,” a level that exceeds our cost of equity, and in February 2025, we presented a path for achieving this objective. We have determined tasks for the Company from all directions, in the areas of profitability, capital policy, and corporate governance. First, regarding capital policy, we are steadily reducing equity capital through the acquisition of approximately ¥40.0 billion in treasury stock while maintaining high dividends based on a dividend on equity (DOE).

As for profitability, we embarked on a restructuring without sanctuary, and have been transforming ourselves into a leaner business entity. In the industrial machinery business, to achieve operating income exceeding ¥40.0 billion, the level required for ROE of over 10%, we have launched the ROE 10 Project, formed working groups for each function and purpose, and have been pursuing various activities while making use of insights from external experts. In the fiscal year ended December 31, 2025, we were able to confirm that the measures we were taking proved effective to a certain extent, and in the face of headwinds such as inflation, we continued with our initiatives while taking measures to correct course where necessary. In the fiscal year ending December 31, 2026, we will further accelerate the restructuring by continuing to repeat the PDCA cycle.

We have also taken various steps to enhance the effectiveness of these initiatives. For example, we have strengthened corporate governance by making changes to the composition of the Board of Directors, having a third-party organization evaluate the

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effectiveness of the Board, and reviewing our compensation system for officers, and have also been enhancing our environmental and other sustainability-related measures.

Furthermore, as we advance restructuring and growth strategies with the entire Company united as one, I believe it is important to clearly articulate the direction the Company should take and the values that each and every employee should cherish, and for all personnel to share and empathize with these values. Therefore, we have formulated a new purpose, mission, vision, and value (PMVV) statement. From a human capital perspective, as we work toward an ROE of over 10%, we have introduced mechanisms for granting shares to those enrolled in our employee shareholding association and increasing bonuses in line with consolidated operating income, thereby fostering commitment to results and strengthening incentives. From the fiscal year ending December 31, 2026 onward, we will continue to emphasize employee fulfillment, and keep implementing various initiatives to maximize human capital.

By doing these, we will achieve early realization of ROE of over 10%, and even after accomplishing that goal, we will continue to raise ROE, not only to a level that exceeds cost of equity but even beyond, so that we can provide stable shareholder returns. Through this, we will increase our corporate value.

[Translation for Reference and Convenience Purposes Only]

(5) Status of Major Subsidiaries (As of December 31, 2025)

1. Status of Major Subsidiaries

Name of Company	Capital Stock	Percentage of Voting Rights Held by the Company	Description of Main Business Operations
THK INTECHS CO., LTD.	¥100 million	100%	Manufacturing of mechanical element devices and vital machinery components
TALK SYSTEM CO.,LTD.	¥400 million	99.00	Sales of vital machinery components, etc.
TRA Holdings CO., LTD.	¥100 million	100	Holding and controlling company of transport equipment business
THK RHYTHM CO., LTD.	¥490 million	100 (100)	Manufacturing and sales of transport equipment parts
THK America, Inc.	USD 20,100 thousand	100	Sales of the Company's products in North America
THK Manufacturing of America, Inc.	USD 75,000 thousand	100 (100)	Manufacturing of vital machinery components in North America
THK RHYTHM NORTH AMERICA CO., LTD.	USD 66 thousand	100 (100)	Manufacturing and sales of transport equipment parts in North America
THK RHYTHM AUTOMOTIVE MICHIGAN CORPORATION	USD 70,000 thousand	100	Manufacturing and sales of transport equipment parts in North America
THK RHYTHM AUTOMOTIVE CANADA LIMITED	CAD 150,000 thousand	100	Manufacturing and sales of transport equipment parts in North America
THK Europe B.V.	EUR 90,000 thousand	100	Holding and controlling company in Europe
THK GmbH	EUR 1,000 thousand	100 (100)	Sales of the Company's products in Europe
THK Manufacturing of Europe S.A.S.	EUR 96,000 thousand	100 (100)	Manufacturing of vital machinery components in Europe
THK RHYTHM AUTOMOTIVE GmbH	EUR 1,000 thousand	100	Manufacturing and sales of transport equipment parts in Europe
THK RHYTHM AUTOMOTIVE CZECH a.s.	CZK 335,479 thousand	100	Manufacturing and sales of transport equipment parts in Europe
THK CAPITAL UNLIMITED COMPANY	USD 250,000 thousand	100	In-group financing and fund management for THK's group companies in the Americas
THK FINANCE UNLIMITED COMPANY	EUR 50,000 thousand	100	In-group financing and fund management for THK's group companies in Europe

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Name of Company	Capital Stock	Percentage of Voting Rights Held by the Company	Description of Main Business Operations
THK (CHINA) CO., LTD.	CNY 2,296,109 thousand	100	Holding and controlling company in China and sales of vital machinery components
DALIAN THK CO., LTD.	CNY 420,997 thousand	70.00 (25.00)	Manufacturing and sales of vital machinery components in China
THK MANUFACTURING OF CHINA (WUXI) CO., LTD.	CNY 806,494 thousand	100 (100)	Manufacturing of vital machinery components in China
THK MANUFACTURING OF CHINA (LIAONING) CO., LTD.	CNY 848,827 thousand	100 (100)	Manufacturing of vital machinery components in China
THK RHYTHM GUANGZHOU CO., LTD.	CNY 91,498 thousand	100 (100)	Manufacturing and sales of transport equipment parts in China
THK RHYTHM CHANGZHOU CO., LTD.	CNY 237,265 thousand	100 (100)	Manufacturing and sales of transport equipment parts in China
THK RHYTHM (THAILAND) CO., LTD.	THB 350,000 thousand	100 (100)	Manufacturing and sales of transport equipment parts in other Asian countries
THK India Pvt. Ltd.	INR 13,000,000 thousand	100 (0.017)	Manufacturing and sales of vital machinery components in India

- Notes: 1. Figures in parentheses in the “Percentage of Voting Rights Held by the Company” indicate indirect ownership.
2. THK India Pvt. Ltd. conducted a capital increase in April and December 2025, bringing its capital stock amount to INR 13,000,000 thousand.
3. From the fiscal year under review, the automotive & transportation business is classified as a discontinued operation, and on February 2, 2026, the Company decided to transfer the automotive & transportation business to AP87 Co., Ltd., a special purpose company indirectly funded by investment funds serviced by Advantage Partners, Inc.

2. Status of Major Affiliated Companies

Name of Company	Capital Stock	Percentage of Voting Rights Held by the Company	Description of Main Business Operations
SAMICK THK CO., LTD.	KRW 10,500 million	33.82%	Manufacturing and sale of vital machinery components in South Korea

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2. Current Status of the Company

(1) Status of Stocks (As of December 31, 2025)

1. Total number of authorized shares: 465,877,700
2. Total number of outstanding shares (incl. 7,076,640 of treasury shares) 119,099,803
 Note: The total number of outstanding shares decreased by 10,757,100 shares from the end of the previous fiscal year due to the cancellation of treasury stock carried out on August 27, 2025.
3. Number of shareholders: 38,944
4. Major shareholders (top 10):

Shareholder	Number of Shares Held (Thousand Shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd., Trust Account	18,059	16.12
Custody Bank of Japan, Ltd., Trust Account	14,662	13.08
TERAMACHI CORPORATION	6,014	5.36
STATE STREET BANK AND TRUST COMPANY 505001	4,602	4.10
BBH (LUX) FOR FIDELITY FUNDS-GLOBAL TECHNOLOGY POOL	2,570	2.29
OASIS JAPAN STRATEGIC FUND Y LTD.	1,992	1.77
Custody Bank of Japan, Ltd., Trust Account 4	1,705	1.52
Mizuho Bank, Ltd.	1,600	1.42
OASIS JAPAN STRATEGIC FUND LTD.	1,563	1.39
JP MORGAN CHASE BANK 385781	1,553	1.38

Notes: 1. The treasury shares held by the Company, which is 7,076,640 shares in total, are excluded from the above-mentioned Shareholders.

2. Shareholding ratio is calculated by excluding treasury stock.

5. Status of shares delivered to the Company's Officers in consideration for execution of their duties during the current fiscal year

	Type and number of Shares	Number of eligible persons
Directors (excluding Directors who are Audit and Supervisory Committee Members and External Directors)	Common stock of the Company 52,763 shares	6 persons

Note: The details of the Company's share-based remuneration are described in "6. Policies, etc. for determining the details of the remuneration of individual Directors" on page 62.

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(2) Status of Corporate Officers

1. Status of Directors (As of December 31, 2025)

Position in the Company	Name	Duties or Significant Positions Concurrently Held
Representative Director Chairman	Akihiro Teramachi	Chairman of JAPAN MACHINE ACCESSORY ASSOCIATION (General Incorporated Association)
Representative Director President	Takashi Teramachi	CEO General Manager of Headquarters - Industrial Machinery
Director and Executive Vice President	Hiroshi Imano	
Director	Nobuyuki Maki	Senior Managing Executive Officer General Manager of Headquarters - Automotive & Transportation
Director	Naoki Kinoshita	Senior Managing Executive Officer Deputy General Manager of Headquarters - Industrial Machinery Executive Vice Chairman and President of THK (CHINA) CO., LTD.
Director	Kenji Nakane	CFO Executive Officer Head of Finance & Accounting Department, Headquarters - Corporate Strategy Head of Indirect Material Procurement Department, Headquarters - Corporate Strategy
Director	Junko Kai	Partner of Hamani Takahashi Kai Law Office Outside Director of NARITA INTERNATIONAL AIRPORT CORPORATION Outside Director of Mitsui-Soko Holdings Co., Ltd.
Director	Hiroko Kawasaki	Outside Director and Chairperson of the Board of Directors of ENEOS Holdings, Inc. Outside Director (Member of the Audit & Supervisory Committee) of Nomura Research Institute, Ltd.
Director (Audit and Supervisory Committee Member)	Masakatsu Hioki	Outside Director of SUKIYA Co., Ltd.
Director (Audit and Supervisory Committee Member)	Tomitoshi Omura	Registered as Certified Public Accountant Managing Director of Omura Accounting Office

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Position in the Company	Name	Duties or Significant Positions Concurrently Held
Director (Audit and Supervisory Committee Member)	Yoshiki Ueda	Outside Director, Chairman of the Board of Directors of SINTOKOGIO, LTD.

- Notes: 1. Directors Junko Kai and Hiroko Kawasaki, and Directors (Audit and Supervisory Committee Members) Masakatsu Hioki, Tomitoshi Omura and Yoshiki Ueda are External Directors.
2. The Company registered Directors Junko Kai and Hiroko Kawasaki, and Directors (Audit and Supervisory Committee Members) Masakatsu Hioki, Tomitoshi Omura and Yoshiki Ueda, as independent officers, as stipulated under the guidelines of the Tokyo Stock Exchange.
3. Director (Audit and Supervisory Committee Member) Tomitoshi Omura is a certified public accountant and has a substantial level of expertise in finance and accounting.
4. THK established the Audit and Supervisory Committee Secretariat to support the execution of duties by the Audit and Supervisory Committee, and assigns a dedicated employee. Audit and Supervisory Committee Members and the Audit and Supervisory Committee Secretariat collect and share information by attending important meetings, etc., and they work in close cooperation with internal control departments responsible for the internal control system and implement measures to facilitate access to information under the control of each department. By taking such measures, Audit and Supervisory Committee Members and the Audit and Supervisory Committee Secretariat conduct an organizational audit by utilizing the internal control system to ensure the effectiveness of audits. Accordingly, THK does not appoint full-time Audit and Supervisory Committee Members.

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(Reference)

The Company introduced the Executive Officer System. The Executive Officers excluding those concurrently serving as Directors are as follows:

(As of December 31, 2025)

Position in the Company	Name	Duties
Managing Executive Officer	Nobufumi Sato	Representative Director and President of THK America, Inc.
Managing Executive Officer	Takanobu Hoshino	Head of IMT Division, Headquarters - Industrial Machinery Director and Executive Vice Chairman of THK INTECHS CO., LTD.
Managing Executive Officer	Toshiki Matsuda	Representative Director and President of THK Europe B.V. Representative Director and President of THK GmbH Representative Director and President of THK France S.A.S. Representative Director and President of THK Manufacturing of Europe S.A.S.
Managing Executive Officer	Toshihiro Takahashi	Head of Production Division, Headquarters - Industrial Machinery
Managing Executive Officer	Yutaka Nakano	Head of LM System Sales Division, Headquarters - Industrial Machinery
Managing Executive Officer	Takuya Sakamoto	Head of FA Solution Sales Division, Headquarters - Industrial Machinery Head of FA Solution Sales Department, FA Solution Sales Division, Headquarters - Industrial Machinery Head of FA Solution Development Division, Headquarters - Industrial Machinery
Managing Executive Officer	Katsuya Iida	Head of LM System Planning and Development Division, Headquarters - Industrial Machinery
Executive Officer	Kaoru Hoshide	Head of Research Center, Headquarters - Industrial Machinery Head of Mobility Development Department, Research Center, Headquarters - Industrial Machinery
Executive Officer	Yukio Yamada	Deputy Head of LM System Sales Division, Headquarters - Industrial Machinery Head of International Sales Department, LM System Sales Division, Headquarters - Industrial Machinery

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Position in the Company	Name	Duties
Executive Officer	Takehiro Nakanishi	Deputy Head of Production Division, Headquarters - Industrial Machinery Head of Global Procurement Department, Production Division, Headquarters - Industrial Machinery Head of Global Sales & Manufacturing Management Department, Headquarters - Industrial Machinery
Executive Officer	Masaki Kimura	Head of The President's Office Head of Corporate Planning Department, Headquarters - Corporate Strategy
Executive Officer	Koichi Miyoshi	Head of Human Resources & General Affairs Department, Headquarters - Corporate Strategy Head of Human Resources Unit, Human Resources & General Affairs Department, Headquarters - Corporate Strategy Head of Risk Management Department
Executive Officer	Akira Furihata	Representative Director and President of THK RHYTHM CO., LTD. Representative Director and President of TRA Holdings CO., LTD.
Executive Officer	Toshihiko Enomoto	Deputy Head of Production Division, Headquarters - Industrial Machinery Head of Production Engineering Department, Production Division, Headquarters - Industrial Machinery Director of THK INTECHS CO., LTD. Director of THK MANUFACTURING OF CHINA (CHANGZHOU) CO., LTD.

2. Description of Limited Liability Agreement

Pursuant to the provision of Article 427, Paragraph 1, of the Companies Act, the Company and each External Director entered into an agreement that limits the indemnity liability under Article 423, Paragraph 1 of the said Act.

Under this agreement, the limitation of liability for an External Director is the higher of ¥10 million or the minimum liability limit set forth in Article 425, Paragraph 1, of the Companies Act on condition that the External Director fulfills due diligence and there is no gross negligence or no knowledge of it of the External Director with regard to the execution of duties that caused such liability.

3. Description of Directors and Officers Liability Insurance Contracts

The Company has entered into a liability insurance contract with an insurance company for directors and officers, as stipulated in Article 430-3, Paragraph 1 of the Companies

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Act, with officers and executive officers, etc. of the Company and its subsidiaries as the insured, and plans to renew the said contract in July 2026.

(i) Summary of insurance incidents subject to coverage

The insurance covers damages that may occur due to an insured being held liable for the execution of his/her duties or being subject to a claim related to the pursuit of such liability.

(ii) Insurance fee

Insurance fees are paid in full by the Company.

4. Remuneration for Directors

Classification	Amount of Remuneration (Millions of Yen)	Total Amount of Remuneration by Type (Millions of yen)			Persons Receiving Remuneration (Persons)
		Basic Remuneration	Performance-based Remuneration	Non-monetary Remuneration	
Directors (excluding Audit and Supervisory Committee Members) (External Directors)	541 (30)	384 (30)	– (–)	157 (–)	11 (3)
Directors (Audit and Supervisory Committee Members) (External Directors)	57 (57)	57 (57)	– (–)	– (–)	3 (3)
Total (External Directors)	599 (88)	441 (88)	– (–)	157 (–)	14 (6)

- Notes: 1. The above table includes three (3) Directors (including one (1) External Director) who retired at the conclusion of the 55th Ordinary General Meeting of Shareholders held on March 15, 2025.
2. Pursuant to resolutions of the General Meeting of Shareholders, the maximum fixed remuneration for a Director (excluding Audit and Supervisory Committee Members) is ¥1,200 million per year (including ¥120 million or less a year for External Directors), not including the salary of employees who concurrently serve as Directors (Resolution of the Ordinary General Meeting of Shareholders in March 2022). At the conclusion of this General Meeting of Shareholders, the number of eligible Directors (excluding Audit and Supervisory Committee Members) is nine (9), including two (2) External Directors.
3. Pursuant to resolutions of the General Meeting of Shareholders, the maximum remuneration for a Director (Audit and Supervisory Committee Member) is ¥10 million a month (Resolution of the Ordinary General Meeting of Shareholders in June 2016). At the conclusion of this General Meeting of Shareholders, the number of eligible Directors (Audit and Supervisory Committee Members) is three (3), including three (3) External Directors.
4. Profit attributable to owners of the parent is used as the performance indicator for performance-based remuneration for Directors (excluding External Directors) pursuant to resolutions of the General Meeting of Shareholders,

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and loss attributable to owners of the parent was ¥69,891 million for the fiscal year under review. The maximum amount of performance-based remuneration is, in accordance with the viewpoint of providing an incentive to grow significantly as a global company, the sum of the amount obtained by multiplying profit attributable to owners of the parent for the fiscal year associated with the payment of the remuneration by 3% and the amount obtained by multiplying the average profit attributable to owners of the parent for the latest four (4) fiscal years, which include the subject fiscal year, by 3% (Resolution of the Ordinary General Meeting of Shareholders in June 2016). At the conclusion of this General Meeting of Shareholders, the number of eligible Directors is seven (7), excluding External Directors. In addition, the changes in profit attributable to owners of the parent are shown in “1. Assets and Profit/Loss of the Group (Consolidated), International Financial Reporting Standards (IFRS)” on page 48.

5. Restricted stock remuneration for Directors (excluding Directors who are External Directors and Audit and Supervisory Committee Members) pursuant to resolutions of the General Meeting of Shareholders is no more than ¥1,200 million per year including the fixed remuneration (of which the amount for External Directors shall be no more than ¥120 million per year) and no more than 270,000 shares of common stock (Resolution of the Ordinary General Meeting of Shareholders in March 2022). At the conclusion of this General Meeting of Shareholders, the number of eligible Directors is seven (7), excluding External Directors.
6. There were eight (8) Directors (excluding Audit and Supervisory Committee Members) (of which two (2) were External Directors) and three (3) Directors (Audit and Supervisory Committee Members) (of which three (3) were External Directors) at the end of the fiscal year under review.

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5. Matters Related to External Officers

A. Status of important concurrent services in other corporations, etc. and relationships between the Company and other such corporations, etc.

- Director Junko Kai is a partner of Hamani Takahashi Kai Law Office, an Outside Director of NARITA INTERNATIONAL AIRPORT CORPORATION, and an Outside Director of Mitsui-Soko Holdings Co., Ltd. There is no special relationship between the Company and the relevant office or companies.
- Director Hiroko Kawasaki is an Outside Director of ENEOS Holdings, Inc. and an Outside Director (Member of the Audit & Supervisory Committee) of Nomura Research Institute, Ltd. There is no special relationship between the Company and the relevant office or companies.
- Director Masakatsu Hioki (Audit and Supervisory Committee Member) is an Outside Director of SUKIYA CO., LTD. There is no special relationship between the Company and the relevant company.
- Director Tomitoshi Omura (Audit and Supervisory Committee Member) is the Managing Director of Omura Accounting Office. There is no special relationship between the Company and the relevant office.
- Director Yoshiki Ueda (Audit and Supervisory Committee Member) is an Outside Director of SINTOKOGIO, LTD. The Company formerly had business transactions with SINTOKOGIO, LTD. involving purchases, etc. of the said company's products, but there were no transactions in the fiscal year under review.

B. Status of major business activities in the current fiscal year

Title	Name	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee meetings	Presentations at the Board of Directors meetings and the Audit and Supervisory Committee meetings as well as summary of duties performed in relation to the roles expected from External Director
External Director	Junko Kai	100% (16 of 16 meetings)	—	Ms. Kai made comments at meetings of the Board of Directors based on her abundant experience, broad knowledge and insight as a legal expert who is an attorney. In addition, she supervised the Company's management from an objective and neutral standpoint in order to improve the corporate value of the THK Group and fulfilled her expected roles.

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Title	Name	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee meetings	Presentations at the Board of Directors meetings and the Audit and Supervisory Committee meetings as well as summary of duties performed in relation to the roles expected from External Director
External Director	Hiroko Kawasaki	100% (13 of 13 meetings)	—	Ms. Kawasaki made comments at meetings of the Board of Directors based on her abundant experience, broad knowledge, and insight. This experience includes engaging in DX promotion, CSR, and human resource development with strong leadership in a global company, and serving as chairperson of the Board of Directors of a listed company. In addition, she supervised the Company's management from an objective and neutral standpoint in order to improve the corporate value of the THK Group and fulfilled her expected roles.
External Director (Audit and Supervisory Committee Member)	Masakatsu Hioki	100% (16 of 16 meetings)	100% (13 of 13 meetings)	Mr. Hioki made comments at meetings of the Board of Directors and meetings of the Audit and Supervisory Committee based on his abundant experience, broad knowledge and insight mainly as a person responsible for personnel and general affairs in the management division of a global enterprise and a manufacturer. In addition, he supervised the Company's management from an objective and neutral standpoint in order to improve the corporate value of the THK Group and fulfilled his expected roles.

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Title	Name	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee meetings	Presentations at the Board of Directors meetings and the Audit and Supervisory Committee meetings as well as summary of duties performed in relation to the roles expected from External Director
External Director (Audit and Supervisory Committee Member)	Tomitoshi Omura	100% (16 of 16 meetings)	100% (13 of 13 meetings)	Mr. Omura made comments at meetings of the Board of Directors and meetings of the Audit and Supervisory Committee based on his abundant experience, broad knowledge and insight as a certified public accountant highly adept in corporate accounting. In addition, he supervised the Company's management from an objective and neutral standpoint in order to improve the corporate value of the THK Group and fulfilled his expected roles.
External Director (Audit and Supervisory Committee Member)	Yoshiki Ueda	100% (16 of 16 meetings)	100% (13 of 13 meetings)	Mr. Ueda made comments at meetings of the Board of Directors and meetings of the Audit and Supervisory Committee based on his abundant experience gained from his involvement in the field of machinery-related business in a global company, as well as broad knowledge and insight in corporate management. In addition, he supervised the Company's management from an objective and neutral standpoint in order to improve the corporate value of the THK Group and fulfilled his expected roles.

6. Policies, etc. for determining the details of the remuneration of individual Directors
At the Board of Directors meeting held on November 12, 2024, the Company resolved to adopt the policies for determining the details of the remuneration of individual Directors.

The Company's policies (as of December 31, 2025) for determining the details of the remuneration of individual Directors are as follows.

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[Basic policy]

The basic policy is to have a remuneration structure linked to the interest of shareholders so that it works as a sustainable incentive to improve corporate value, and appropriate levels of remuneration shall be ensured in light of their relevant duties in determining remuneration for individual Directors (excluding Directors who are Audit and Supervisory Committee Members). Specifically, the remuneration of an Executive Director of the Company shall mainly consist of fixed remuneration determined according to the Director's job roles and responsibilities, as well as restricted stock remuneration with the aim of granting a medium-term incentive and performance-based remuneration based on the annual and medium-term performance. Fixed remuneration only shall be paid to an External Director who is in charge of the monitoring function in light of his/her duties. Fixed remuneration and performance-based remuneration shall be monetary remuneration, and restricted stock remuneration shall be monetary remuneration claims for granting Restricted Stocks.

[Fixed remuneration]

Fixed remuneration shall be determined based on operating performance during the previous fiscal year, and the total amount of fixed remuneration of Directors during the current fiscal year shall not exceed ¥1,200 million per year. Each Director shall be individually evaluated based on his/her job responsibilities and track record according to the degree of his/her contribution so far as well as expected degree of contribution, etc., and the total amount of remuneration determined as stated above shall be allocated to each Director in accordance with such evaluation. Fixed remuneration for External Directors shall not exceed ¥120 million per year and be determined in light of the level of remuneration paid by companies similar to the Company in size and those belonging to related industry sectors/business types.

[Performance-based remuneration]

Performance-based remuneration shall be determined based on the evaluation of job responsibilities and the degree of contribution of each Director during a relevant fiscal year. Its amount shall not exceed an amount as calculated by adding an amount calculated by multiplying the average amount of profit attributable to owners of the parent over the most recent four (4) fiscal years including the relevant fiscal year by 3%, to an amount calculated by multiplying the amount of profit attributable to owners of the parent for the fiscal year by 3%, in order to even out changes in the demand and supply trend of the Company's business. This remuneration shall not be paid to External Directors.

[Restricted stock remuneration]

As restricted stock remuneration, common stock of the Company that are subject to restrictions including a prohibition on transfers until certain circumstances arise and acquisition of these shares by the Company without contribution in the event that certain circumstances arise shall be allotted to Directors (excluding Directors who are Audit and Supervisory Committee Members and External Directors) in order to provide them an incentive to sustainably increase the Company's corporate value and to share interests between shareholders and them. In addition, in accordance with the resolution of its Board of Directors, the total amount shall be allotted to Directors (excluding Directors who are Audit and Supervisory Committee Members and External Directors)

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as no more than ¥1,200 million per year including the fixed remuneration (of which the amount for External Directors shall be no more than ¥120 million per year) and no more than 270,000 shares of common stock.

[Policy for determining ratio]

In regard to the ratio between the amount of fixed remuneration and that of performance-based remuneration for an Executive Director, fixed remuneration shall also be reviewed each fiscal year based on the intent of clarifying the Company's operating performance and an individual role's responsibilities for the results and operating performance. With the amount of fixed remuneration determined accordingly, operating performance during the fiscal year and that over the most recent four (4) fiscal years as well as the degree of contribution by the entire management shall be taken into consideration to determine the ratio. In determining the ratio, the Remuneration Advisory Committee shall be consulted on an original proposal and its recommendation shall be respected.

The number of shares to be granted to an eligible Director as restricted stock remuneration shall be calculated so that the value of the shares is equivalent to about 5% of the total amount of fixed remuneration paid to the Director as of the initial date of introduction. On the basis of the above ratio as of the initial date of introduction, such ratio shall be adjusted to a proper provision ratio according to future changes in the business environment in order to encourage willingness to contribute to a sustainable increase in the Company's corporate value, share the benefits and risks of stock price fluctuations with shareholders, and contribute to improving its share value and corporate value.

[Policy for determining the timing of and conditions for the payment of remuneration to Directors]

With regards to the timing and conditions of the payment of remuneration to Directors, fixed remuneration shall be calculated for each calendar month and paid monthly, and performance-based remuneration shall be paid once a year in April; any change to this shall be subject to a resolution by the Board of Directors. With regards to the timing and conditions of the granting (payment) of restricted stock remuneration to eligible Directors, it shall be paid once a year in April under the Allotment Agreement concluded between the Company and each eligible Director.

[Matters relating to the delegation of the determination of remuneration of individual Directors to Directors]

With regards to the amount of remuneration of individual Directors (excluding Directors who are Audit and Supervisory Committee Members) (for Restricted Stocks, the number of shares to be granted to each Director), the determination for Director and Executive Vice Presidents, etc. who are responsible for the operation of the entire Company without specific line responsibilities shall be delegated to two (2) Representative Directors, and that for other Directors who are in charge of specific business lines/fields shall be delegated jointly to two (2) Representative Directors and one (1) Director and Executive Vice President. The authorities to be delegated in each case shall be to determine the amount of fixed remuneration of each Director as well as the evaluation and allocation of performance-based remuneration based on operating

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performance of the business line that each Director is in charge of, and the number of Restricted Stocks to be granted to each Director.

The Board of Directors shall obtain a recommendation on the policies for determining the total amounts of fixed remuneration and performance-based remuneration (for Restricted Stocks, the total number of shares to be granted) as well as allocating to individual Directors from the Remuneration Advisory Committee to ensure such authorities are exercised properly by the above delegates. The above delegates shall respect the details of such recommendation to determine individual amounts of remuneration, independently or after discussions. The Remuneration Advisory Committee is comprised of three (3) persons of one (1) Representative Director, an External Director, as well as an External Director who is an Audit and Supervisory Committee Member.

The Board of Directors has delegated the authority to determine the amount of fixed remuneration of each Director, the evaluation and allocation of performance-based remuneration based on operating performance of the business line that each Director, excluding External Directors, is in charge of, as well as the number of restricted stocks granted to each Director, excluding External Directors, to Akihiro Teramachi, Representative Director Chairman, Takashi Teramachi, Representative Director President and CEO, and Hiroshi Imano, Director and Executive Vice President. The reason for the delegation is that the Company determined that they are appropriate for evaluating the business that each Director is in charge of, while taking into account company-wide operating performance, etc.

In addition, the Board of Directors has judged that the remuneration for individual Directors for the fiscal year under review is in line with the policies for determining the remuneration because the determination of the details of the remuneration and the details of the determined remuneration were consistent with the policies and because the report from the Remuneration Advisory Committee was respected.

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(3) Status of Accounting Auditor

1. Name: Grant Thornton Taiyo LLC

2. Amount of Remuneration of the Accounting Auditor Pertinent to the Fiscal Year under Review:

(Millions of Yen)

	Amount of Remuneration
1. Amount of remuneration as the accounting auditor for the current fiscal year	95
2. Total sum of monies or money equivalent to be paid by the Company and its subsidiaries to the accounting auditor	98

Notes: 1. In line with the “Practical Guidelines on the Alliance with Accounting Auditors” announced by the Japan Audit & Supervisory Board Members Association, the Audit and Supervisory Committee of the Company checked and verified the Accounting Auditors’ actual performance by audit item in the accounting audit plan for the previous fiscal year and hours spent for auditing each tier, the transition in the amounts of remuneration paid to the Accounting Auditors and the status of execution of duties by the Accounting Auditors. Based on such verification, the board inspected the Accounting Auditors’ accounting audit plan for the current fiscal year and the adequacy of the amounts of remuneration. As a result, the Audit and Supervisory Committee gave consent under Article 399, Paragraphs 1 and 3, of the Companies Act.

2. Under the audit agreement between the Company and the accounting auditor, the Company does not classify the amount of auditing remuneration for the audit set forth in the Companies Act and the audit set forth in the Financial Instruments and Exchange Act. Therefore, the amount shown in 1. above includes auditing remuneration under the Financial Instruments and Exchange Act.

3. Matters Related to the Audit of the Financial Statements of Important Consolidated Subsidiaries

Of the Company’s important subsidiaries, 20 subsidiaries including THK America, Inc. were audited by certified public accountants or audit firms other than the Company’s Accounting Auditor, Grant Thornton Taiyo LLC.

4. Description of Non-Audit Activities

The Company entrusts the Accounting Auditor with preparation of letters to the leading underwriting firm in the bond issuance, which are services other than those provided for in Article 2, Paragraph 1, of the Certified Public Accountants Act (non-auditing services), and pays the Accounting Auditor for such advisory services.

5. Policy for Determining Dismissal and Non-Reappointment of Accounting Auditors

The Audit and Supervisory Committee, if it considers it necessary, such as in the case where the performance of the accounting auditor’s duties is hindered, decides the details

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of the proposal for the dismissal or non-reappointment of the accounting auditor to be presented to the General Meeting of Shareholders.

In addition, if it is considered that the accounting auditor comes under any of the items of Article 340, Paragraph 1, of the Companies Act, the accounting auditor will be dismissed with the consent of all Audit and Supervisory Committee Members. In this case, the Audit and Supervisory Committee Member selected by the Audit and Supervisory Committee will report the dismissal of the accounting auditor and the reason for such dismissal at the first General Meeting of Shareholders held after such dismissal.

6. Suspension of Operations Imposed on the Accounting Auditor in the Past Two Years
Summary of disciplinary action announced by the Financial Services Agency as of December 26, 2023

A. Target of disciplinary action

Grant Thornton Taiyo LLC

B. Contents of disciplinary action

- Suspension of operations related to the conclusion of new contracts for a period of three months (from January 1, 2024 to March 31, 2024, excluding the period renewal of audit agreements and the conclusion of new agreements associated with the listing of companies with whom an audit agreement already exists)
- Business improvement order (improvements to business management system)
- Prohibition of the partner materially responsible for the action that resulted in the disciplinary action from involving in a part of the audit activities (examination of audit activities) for a period of three months (from January 1, 2024 to March 31, 2024)

C. Reason for disciplinary action

Two certified public accountants, who are partners of the said audit firm, neglected to exercise considerable care when auditing another client's correction report, etc. and certified that financial documents that contained material misstatements contained no material misstatements.

[Translation for Reference and Convenience Purposes Only]

Consolidated Statements of Financial Position

(As of December 31, 2025)

(Millions of Yen)

Assets		Liabilities	
Current assets	284,367	Current liabilities	100,368
Cash and cash equivalents	110,008	Trade and other payables	18,585
Trade and other receivables	63,528	Bonds and borrowings	33,205
Inventories	65,177	Other financial liabilities	2,884
Other financial assets	2,001	Provisions	99
Other current assets	7,526	Income taxes payable	3,057
Subtotal	248,241	Other current liabilities	14,157
Assets held for sale	36,126	Subtotal	71,990
Non-current assets	188,624	Liabilities directly associated with assets held for sale	28,377
Property, plant and equipment	162,901	Non-current liabilities	106,874
Goodwill and intangible assets	3,197	Bonds and borrowings	90,000
Investments accounted for using the equity method	5,347	Other financial liabilities	6,621
Other financial assets	10,880	Retirement benefit liabilities	1,408
Deferred tax assets	6,005	Provisions	65
Retirement benefit asset	129	Deferred tax liabilities	6,174
Other non-current assets	162	Other non-current liabilities	2,605
		Total liabilities	207,242
		Equity	
		Total equity attributable to owners of the parent	261,333
		Common stock	34,606
		Capital surplus	39,580
		Retained earnings	128,734
		Treasury stock	(22,445)
		Other components of equity	66,715
		Other components of equity associated with a disposal group held for sale	14,142
		Non-controlling interests	4,416
		Total Equity	265,749
Total assets	472,992	Total liabilities and equity	472,992

[Translation for Reference and Convenience Purposes Only]

Consolidated Statements of Profit or Loss

(From January 1, 2025 to December 31, 2025)

(Millions of Yen)

Accounting Item	Amount
Continuing operations	
Revenue	240,444
Cost of sales	169,949
Gross profit	70,495
Selling, general and administrative expenses	54,341
Other income	1,450
Other expenses	1,581
Share of profit (loss) in investments accounted for using the equity method	(1,587)
Operating income	14,436
Financial income	3,048
Financial costs	1,738
Profit before tax	15,746
Income tax expense	5,185
Profit from continuing operations	10,561
Discontinued operation	
Loss from discontinued operation	(80,040)
Loss for the year	(69,479)
Attributable to	
Owners of the parent	(69,891)
Non-controlling interests	412
Total	(69,479)

[Translation for Reference and Convenience Purposes Only]

Balance Sheet
(As of December 31, 2025)

(Millions of Yen)

Assets		Liabilities	
Current Assets	124,451	Current Liabilities	102,768
Cash and deposits	26,283	Accounts payable	6,986
Notes receivable	175	Electronically recorded obligations—operating	4,118
Electronically recorded monetary claims—operating	16,375	Short-term loans payable	24,866
Accounts receivable	26,850	Current portion of bonds payable	10,000
Merchandise and finished goods	13,784	Current portion of long-term loans payable	2,185
Work in process	6,062	Lease obligations	150
Raw materials and supplies	9,936	Accrued payables	4,950
Prepaid expenses	1,336	Accrued expenses	3,619
Short-term loans	16,652	Income taxes payable	911
Accrued receivables	4,479	Contract liabilities	0
Other	2,517	Deposits received	185
Allowance for bad debts	(3)	Reserve for bonuses	2,750
Fixed Assets	221,465	Provision for loss on business liquidation	42,000
Tangible fixed assets	65,373	Other	44
Buildings	12,656	Long-Term Liabilities	90,925
Structures	575	Bonds payable	70,000
Machinery and equipment	37,016	Long-term loans payable	20,000
Automobiles and transportation equipment	41	Lease obligations	194
Tools and supplies	1,736	Other	731
Land	6,899	Total Liabilities	193,694
Lease assets	289	Net Assets	
Construction in progress	6,158	Shareholders' Equity	149,700
Intangible fixed assets	2,273	Common stock	34,606
Software	1,899	Capital surplus	47,471
Other	374	Capital reserve	47,471
Investments and other assets	153,818	Profit surplus	90,061
Investment securities	6,070	Legal retained earnings	1,958
Shares of subsidiaries and associates	93,504	Other profit surplus	88,103
Investments in capital of subsidiaries and associates	42,700	Reserve for advanced depreciation of land	15
Long-term loans	6,217	Dividend reserve	2,000
Insurance reserve	1,182	General reserve	157,000
Prepaid pension costs	1,486	Profit surplus carried forward	(70,912)
Deferred tax assets	2,830	Treasury stock	(22,439)
Other	844	Valuation/Conversion Difference	2,522
Allowance for bad debts	(1,017)	Net unrealized gain on available-for-sale securities	2,522
		Total Net Assets	152,223
Total Assets	345,917	Total Liabilities and Net Assets	345,917

[Translation for Reference and Convenience Purposes Only]

Statement of Income

(From January 1, 2025 to December 31, 2025)

(Millions of Yen)

Accounting Item	Amount	
Revenue		145,070
Cost of Sales		108,662
Gross Profit		36,408
Selling, general, and administrative expenses		32,172
Operating Income		4,235
Non-Operating Income		
Interest received	306	
Dividends received	40,151	
Foreign exchange profit	31	
Rent income	558	
Royalty income	1,145	
Miscellaneous income	476	42,670
Non-Operating Expenses		
Interest expenses	292	
Interest on corporate bonds	469	
Bond issuance cost	166	
Rent expenses	161	
Commission for purchase of treasury stock	532	
Miscellaneous loss	180	1,802
Ordinary Income		45,103
Extraordinary Income		
Gain on sale of fixed assets	46	
Gain on sales of investment securities	66	113
Extraordinary Loss		
Loss on disposition and sale of fixed assets	160	
Loss on valuation of shares of subsidiaries and associates	27,177	
Provision of allowance for bad debts for subsidiaries and associates	980	
Provision for loss on business liquidation	42,000	70,319
Net Loss before Income Taxes		(25,102)
Income taxes-current	2,058	
Income taxes-deferred	(2,459)	(400)
Net loss		(24,701)

[Translation for Reference and Convenience Purposes Only]

Accounting Audit Report on the Consolidated Financial Statements

AUDIT REPORT BY INDEPENDENT AUDITOR

February 19, 2026

To the Board of Directors of THK CO., LTD.

Grant Thornton Taiyo LLC
Tokyo office

Designated Executive Employee Certified Public Accountant	Tatsuya Arai
Designated Executive Employee Certified Public Accountant	Kenichi Nakamura
Designated Executive Employee Certified Public Accountant	Motoki Ishikawa

Audit Opinion

In accordance with the provisions of Article 444, Paragraph 4, of the Companies Act, we audited the consolidated financial statements of THK CO., LTD. (the “Company”), consisting of the consolidated statements of financial position, consolidated statements of profit or loss, consolidated statements of changes in equity and notes to the consolidated financial statements covering the consolidated fiscal year from January 1, 2025 to December 31, 2025.

In our opinion, the consolidated financial statements referred to above conform to the accounting standard omitting certain disclosure items required by designated international accounting standards in accordance with the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting, and present fairly, in all material respects, the financial position and results of operations of the Group, which consisted of the Company and its consolidated subsidiaries, applicable to the fiscal year ended December 31, 2025.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As described in the notes on a significant subsequent event, on February 2, 2026, the Company entered into a basic agreement concerning transfer of shares and assignment of receivables associated with the Company’s automotive & transportation business

[Translation for Reference and Convenience Purposes Only]

with AP87 Co., Ltd., a special purpose company indirectly funded by investment funds serviced by Advantage Partners, Inc. The transfer is planned to be completed on June 1, 2026.

Our opinion is not modified in respect of this matter.

Other Information

The other information refers to the business report and its supplementary schedules. Management is responsible for preparing and disclosing the other information. In addition, the Audit and Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the reporting process for the other information.

The scope of our audit opinion on the consolidated financial statements does not include the content of the other information, and we do not express an opinion regarding the other information.

Our responsibility in auditing the consolidated financial statements is to read through the other information, and in the process of reading it, we examine whether there are material differences between the other information and the consolidated financial statements or the knowledge we have gained in the auditing process, and we also pay attention as to whether there are any indications in the other information of material errors besides such material differences.

If we determine there to be material errors in the other information based on the work we have performed, we are required to report those facts.

There are no matters to report regarding the other information.

Responsibilities of Management and the Audit and Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements conform to the accounting standard omitting certain disclosure items required by designated international accounting standards in accordance with the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting: this includes the maintenance and operation of such internal control as management determines is necessary to enable the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of the Group's ability to continue as a going concern, and, where necessary, disclosing matters related to going concern conform to the accounting standard omitting certain disclosure items required by designated international accounting standards in accordance with the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting.

The Audit and Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements within the maintenance and operation of the financial reporting process.

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider, in making those risk assessments, internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and the notes thereto conform to the accounting standard omitting certain disclosure items required by designated international accounting standards in accordance with the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting prescribing preparation, as well as evaluate the overall presentation, structure and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements fairly represent the underlying transactions and accounting events.
- Plan and perform audits of the consolidated financial statements to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries as a basis for expressing an opinion on the

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consolidated financial statements. We are responsible for the direction, supervision and review of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with the Audit and Supervisory Committee regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide the Audit and Supervisory Committee with a statement that we have complied with the ethical requirements in Japan regarding independence that are relevant to our audit of the financial statements. We communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, the contents of measures for eliminating obstruction factors when such measures are employed, and the contents of safeguards used to reduce obstruction factors to permissible levels when such safeguards are employed.

Conflicts of Interest

Our firm and the designated engagement partners have no interest in the Company and its consolidated subsidiaries which should be disclosed in accordance with the Certified Public Accountants Act.

[Translation for Reference and Convenience Purposes Only]

Accounting Audit Report on the Non-Consolidated Financial Statements

AUDIT REPORT BY INDEPENDENT AUDITOR

February 19, 2026

To the Board of Directors of THK CO., LTD.

Grant Thornton Taiyo LLC
Tokyo office

Designated Executive Employee Certified Public Accountant	Tatsuya Arai
Designated Executive Employee Certified Public Accountant	Kenichi Nakamura
Designated Executive Employee Certified Public Accountant	Motoki Ishikawa

Audit Opinion

In accordance with the provisions of Article 436, Paragraph 2, No. 1, of the Companies Act, we audited the non-consolidated financial statements of THK CO., LTD. (the “Company”), consisting of the balance sheet, statement of income, statement of changes in shareholders’ equity, notes to the non-consolidated financial statements and supplementary schedules (collectively, “non-consolidated financial statements, etc.”) covering the 56th fiscal year from January 1, 2025 to December 31, 2025.

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations of the Company, applicable to the fiscal year ended December 31, 2025, in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc. section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements, etc. in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As described in the notes on a significant subsequent event, on February 2, 2026, the Company entered into a basic agreement concerning transfer of shares and assignment of receivables associated with the Company’s automotive & transportation business with AP87 Co., Ltd., a special purpose company indirectly funded by investment funds serviced by Advantage Partners, Inc. The transfer is planned to be completed on June 1, 2026.

[Translation for Reference and Convenience Purposes Only]

Our opinion is not modified in respect of this matter.

Other Information

The other information refers to the business report and its supplementary schedules. Management is responsible for preparing and disclosing the other information. In addition, the Audit and Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the reporting process for the other information.

The scope of our audit opinion on the non-consolidated financial statements, etc. does not include the content of the other information, and we do not express an opinion regarding the other information.

Our responsibility in auditing the non-consolidated financial statements, etc. is to read through the other information, and in the process of reading it, we examine whether there are material differences between the other information and the non-consolidated financial statements, etc. or the knowledge we have gained in the auditing process, and we also pay attention as to whether there are any indications in the other information of material errors besides such material differences.

If we determine there to be material errors in the other information based on the work we have performed, we are required to report those facts.

There are no matters to report regarding the other information.

Responsibilities of Management and the Audit and Supervisory Committee for the Non-consolidated Financial Statements, Etc.

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements, etc. in accordance with accounting principles generally accepted in Japan; this includes the maintenance and operation of such internal control as management determines is necessary to enable the preparation and fair presentation of non-consolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. with the assumption of the Company's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Audit and Supervisory Committee is responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc.

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the non-consolidated financial statements, etc. based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the decisions of users taken on the basis of the non-consolidated financial statements, etc.

[Translation for Reference and Convenience Purposes Only]

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, etc., whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider, in making those risk assessments, internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit of the non-consolidated financial statements, etc. is not expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the non-consolidated financial statements, etc. and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the non-consolidated financial statements, etc. or, if the notes to the non-consolidated financial statements, etc. on material uncertainty are inadequate, to express a qualified opinion with exceptions on the non-consolidated financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation of the non-consolidated financial statements, etc. and the notes thereto are in accordance with accounting standards generally accepted in Japan, as well as evaluate the overall presentation, structure and content of the non-consolidated financial statements, etc., including the related notes thereto, and whether the non-consolidated financial statements, etc. fairly represent the underlying transactions and accounting events.

We communicate with the Audit and Supervisory Committee regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide the Audit and Supervisory Committee with a statement that we have complied with the ethical requirements in Japan regarding independence that are relevant to our audit of the financial statements. We communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, the contents of measures for eliminating obstruction factors when such measures are employed, and the contents of safeguards used to reduce obstruction factors to permissible levels when such safeguards are employed.

[Translation for Reference and Convenience Purposes Only]

Conflicts of Interest

Our firm and the designated engagement partners have no interest in the Company which should be disclosed in accordance with the Certified Public Accountants Act.

Audit Report by the Audit and Supervisory Committee

AUDIT REPORT

We, the Audit and Supervisory Committee (the “Committee”), audited the execution of duties of the Directors during the Company’s 56th fiscal year starting from January 1, 2025, and ended on December 31, 2025. The auditing method and details of audits are as described below.

1. Auditing Method and Content of Audits Performed

Regarding the content of the resolution of the Board of Directors relating to matters stipulated in Article 399-13, Paragraph 1, No. 1-B and C of the Companies Act of Japan and the system developed pursuant to such resolution (internal control system), the Committee utilized remote means such as web conference systems, received reports from Directors, Executive Officers, and employees concerning the status of the establishment and operation of such system, sought explanation as necessary, and expressed opinions. In addition, we carried out audits according to the following method:

- 1) The Committee, working in coordination with the Company’s Internal Audit Division and departments in charge of internal control in accordance with the Audit and Supervisory Committee’s Auditing Standards specified by the Committee and following the auditing policy and allocation of tasks, attended important meetings, received reports from Directors, Executive Officers, and employees concerning matters relating to the execution of their duties, sought explanation as necessary, inspected important decision-making documents, etc., and investigated the status of operations and assets at the Company’s Head Office and principal offices. As for subsidiaries of the Company, the Committee communicated and exchanged information with directors and members of the board of auditors, etc. of subsidiaries, and received reports on business from subsidiaries as necessary. Also, the Committee held its meetings on a monthly basis and deliberated on matters for resolution and sought to share information. Furthermore, the Committee held a meeting separately from the Committee meeting once a month to complement the Committee meeting, and conducted information sharing, exchange of opinions, and deliberations on various matters, as well as seeking to collect information. The Committee also delivered opinions to the Directors on the results of its audit activities as necessary.
- 2) For the basic policy of the Regulation for Enforcement of the Companies Act, Article 118, No. 3-A, as described in the Business Report, the Committee examined the contents of the policy based on the status of deliberations at the Board of Directors meetings, etc.
- 3) The Committee monitored and inspected whether the independent auditors maintained their independence and appropriateness in their implementation of audits, received reports from accounting auditors concerning their execution of duties and requested explanations when necessary. Furthermore, we received the notice stating to the effect that the “System to Ensure Appropriate Execution of Duties” (various provisions stated in Article 131 of the Regulation on Corporate Accounting) is prepared in accordance with the “Quality Control Standards

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Concerning Audits” (Business Accounting Deliberation Council) and requested explanations when necessary.

In accordance with the approach explained above, we reviewed the business reports and supplementary schedules thereof, the financial statements (balance sheet, statement of income, statement of changes in shareholders’ equity and notes to the financial statements) and the supplementary schedules thereof, as well as the consolidated financial statements (consolidated statements of financial position, consolidated statements of profit or loss, consolidated statements of changes in equity and notes to the consolidated financial statements) for the fiscal year under review.

2. Results of the Audit

(1) Audit Results for the Business Report, etc.

- 1) We are of the opinion that the content of business reports and supplementary schedules comply with laws and regulations and the Articles of Incorporation and fairly reflect the state of the Company.
- 2) We determined no improper acts or material breaches of laws and regulations or the Articles of Incorporation in the execution of duties by Directors.
- 3) We are of the opinion that the content of the Board of Directors resolutions pertaining to the Internal Control System is appropriate. In addition, we did not identify anything that requires comment with regard to execution of duties by Directors concerning said Internal Control System.
- 4) We are of the opinion that the Company’s basic policy regarding persons who control decision making on the Company’s financial and business policies, as described in the Business Report, is appropriate.

(2) Audit Results for the Financial Statements and Supplementary Schedules

We are of the opinion that the audit methods and results of Grant Thornton Taiyo LLC are appropriate.

(3) Audit Results for the Consolidated Financial Statements

We are of the opinion that the audit methods and results of Grant Thornton Taiyo LLC are appropriate.

February 19, 2026

The Audit and Supervisory Committee of THK CO., LTD.
Audit and Supervisory Committee Member Masakatsu Hioki
Audit and Supervisory Committee Member Tomitoshi Omura
Audit and Supervisory Committee Member Yoshiki Ueda

Note: The Audit and Supervisory Committee Members Masakatsu Hioki, Tomitoshi Omura, and Yoshiki Ueda are External Directors provided for in Article 2, No. 15, and Article 331, Paragraph 6, of the Companies Act of Japan.