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Beyond Manufacturing. Toward Creation.

**We manufacture
essential parts for cars and machines.**

**We create
a new scene of more comfortable and
safer transportation and work.
Our self-belief gives us confidence
and pride.**

Beyond manufacturing.

Toward creation.

We are Press Kogyo.

PRESS KOGYO

VISION

What we strive to be

With pride and self-belief, we will continue to grow together with our stakeholders as a positive presence in our society.

For development of automotive and construction/industrial machinery parts, Press Kogyo Group has the full range of capabilities as follows:

Development/design, Analysis, Experiments,

Manufacturing, Quality assurance, and

Design/manufacturing of tools, jigs and equipment.

We continue to look toward the future and will grow with confidence and pride. This spirit comes from our history of overcoming challenges and from the refinement of our expertise to better serve society.

MISSION

Promise to society and reason for being

Through empathy and harmony with society, our “Monozukuri” (manufacturing) will continue to be a force that better serves people, automobiles and machines.

VALUES

Codes of conduct for realizing our vision and mission

Safety, Security and Compliance

Safety, security and compliance form the basis of our actions. We uphold these values honorably and responsibly for all of our stakeholders.

Integrity and Effort

People are the foundation of our business.

Our greatest fundamental and most important belief is trust which is gained through integrity and persistent effort.

Power to carry through

We act upon and accomplish our goals with a commitment to make it happen.

Creativity

We question the status quo with curiosity and a will to find and try new solutions. We enjoy the journey of creating the future.

Diversity

We honor and embrace the uniqueness of everyone’s ideas and thoughts, and collaborate together.

To our shareholders:

I would like to express my sincere gratitude to our shareholders for their continued support and patronage.

On June 1, 2025, the Company celebrated the 100th anniversary of its founding. We would like to once again express our gratitude to all our stakeholders for their support over the years. As we look forward to the next 100 years, we are committed to fulfilling our social responsibilities and enhancing corporate value, while creating a bright and innovative future for the Group.

The 124th fiscal year (from April 1, 2025, to March 31, 2026) presented a challenging business environment due to ongoing inflation, the continued weak yen, and the impact of tariff policies in the United States. However, we diligently addressed the four materiality issues set based on the “Press Kogyo Group Vision, Mission, and Values,” which are “strengthening corporate governance,” “diversity and revitalization of human capital,” “contribution to the global environment and society,” and “the quality growth of the Group.” As a result, we achieved performance that exceeded the previous year.

The 125th fiscal year marks the halfway point of our medium-term business plan, **PRESENce28** (FY2024 to FY2028), which is being advanced to realize “what we strive to be” for each materiality issue. Currently, we are facing an uncertain business environment mainly due to rising energy costs and logistical disruptions caused by the situation in the Middle East. However, by reflecting on the three themes of our medium-term business plan—“expanding and challenging strategies in core business,” “evolving core products toward electrification,” and “promoting sustainability management”—we are committed to continuing our efforts in innovation and creativity. We are determined to implement all necessary measures to achieve our FY2028 management targets of 240.0 billion yen in net sales, an operating profit ratio of 8.0% or higher, and an ROE of 9.0% or higher.

We kindly ask for your continued understanding and support for the management of the Group.

Representative
Director

Yuki Shimizu

Please check the medium-term business plan from here.

https://www.presskogyo.co.jp/en/ir/management/medium_term/

June 3, 2026

Dear Shareholders,

Yuki Shimizu
Representative Director
PRESS KOGYO CO., LTD.
1-1-1 Shiohama, Kawasaki-ku,
Kawasaki-shi, Kanagawa

Notice of the 124th Annual Shareholders' Meeting

We are pleased to announce that the 124th Annual Shareholders' Meeting of Press Kogyo Co., Ltd. (the "Company") will be held on June 25, 2026 as detailed below.

When convening this Shareholders' Meeting, the Company takes measures for providing information that constitutes the content of reference documents for the shareholders' meeting, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and posts the information on the Company's website as "Notice of the 124th Annual Shareholders' Meeting."

Please access the following website to view the information.

[The Company's website]

<https://www.presskogyo.co.jp/en/ir/stock/meeting/>

Items for which measures for providing information in electronic format are to be taken are posted on the website for posted informational materials for the shareholders' meeting in addition to the Company's website. Please access the following website to view the items.

[Website for posted informational materials for the shareholders' meeting]

<https://d.sokai.jp/7246/teiji/> (in Japanese)

In the event you are unable to attend the meeting in person, you may vote either in writing or by electromagnetic means (via the Internet). We therefore ask you to review the reference documents for the Annual Shareholders' Meeting and exercise your voting rights in advance.

[Exercise of voting rights in writing]

Please indicate your approval or disapproval of each proposal in the voting form and return it so that it arrives **no later than 5:00 p.m. on Wednesday, June 24, 2026 (JST)**.

We ask that you use the enclosed protective seal when returning votes by mail.

[Exercise of voting rights via the Internet]

<Information on exercise of voting rights via the Internet>

Please review the "Information on exercise of voting rights via the Internet" (in Japanese only), access the voting website designated by the Company (<https://evote.tr.mufg.jp/>), and follow the on-screen instructions to record your votes for or against each proposal **by no later than 5:00 p.m. on Wednesday, June 24, 2026 (JST)**.

Details

1. Date and time: Thursday, June 25, 2026, at 10:00 a.m. (JST)
2. Place: Banquet Room A, TKP Garden City PREMIUM Landmark Tower
25th Floor, Landmark Tower, 2-2-1, Minatomirai, Nishi-Ku, Yokohama-shi,
Kanagawa
3. Purpose of the Meeting
Matters to be reported:
 1. Business Report, Consolidated Financial Statements and Audit Reports of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee for the 124th Fiscal Year (from April 1, 2025 to March 31, 2026)
 2. Non-Consolidated Financial Statements for the 124th Fiscal Year (from April 1, 2025 to March 31, 2026)

Matters to be resolved:

- Proposal 1: Appropriation of Surplus
 - Proposal 2: Election of Seven (7) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
 - Proposal 3: Election of Four (4) Directors Who Are Audit & Supervisory Committee Members
4. Information About Exercising Your Voting Rights
Please refer to “Information About Exercising Your Voting Rights” on page 5.

- Among the items subject to measures for electronic provision, in accordance with the provisions of relevant laws and regulations and Article 16 of the Company’s Articles of Incorporation, the following items are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents. Accordingly, the documents that are delivered to shareholders who have made a request for delivery of paper-based documents are part of the documents included in the scope of audits by the Audit & Supervisory Committee and the Accounting Auditor when they create their respective audit reports.
 - (i) Consolidated Statement of Changes in Net Assets and Notes to Consolidated Financial Statements
 - (ii) Non-Consolidated Statement of Changes in Net Assets and Notes to Non-Consolidated Financial Statements
- If any changes are made to items for which measures for providing information in electronic format are to be taken, a notice of the changes and the details of the items before and after the changes will be posted on the Company’s website and the website for posted informational materials for the shareholders’ meeting below.

The Company’s website
<https://www.presskogyo.co.jp/en/ir/stock/meeting/>
Website for posted informational materials for the shareholders’ meeting
<https://d.sokai.jp/7246/teiji/> (in Japanese)
- When attending the Meeting in person, please hand in the voting form at the reception desk at the meeting venue.
- We have decided to discontinue the issuance of our Shareholder Newsletter (in Japanese only). The information previously listed in our Shareholder Newsletter will now be included in this document and our Integrated Report.

Information About Exercising Your Voting Rights

Exercise of voting rights at the Shareholders' Meeting is shareholders' important right. Please exercise your voting rights after reviewing the Reference Documents for the Shareholders' Meeting.

There are three methods to exercise your voting rights as indicated below.

Exercise of voting rights by attending the Meeting

When attending the Meeting in person, please hand in the voting form at the reception desk at the meeting venue.

Date and time of the Meeting: Thursday, June 25, 2026 at 10:00 a.m. (JST)
(The reception desk will open at 9:00 a.m.)

Exercise of voting rights in writing (via postal mail)

Please indicate your approval or disapproval for each proposal on the voting form and return it.

Deadline: To be received by Wednesday, June 24, 2026 at 5:00 p.m. (JST)

Exercise of voting rights via the Internet

Please indicate your approval or disapproval for each proposal following the instructions on the screen.

Deadline: No later than Wednesday, June 24, 2026 at 5:00 p.m. (JST)

If you exercise your voting rights multiple times, the vote exercised last will be recorded as the effective vote. If you exercise your voting rights in duplicate via the Internet, the vote exercised last will be recorded as the effective vote. Also, in case you exercise your voting rights in duplicate in writing and via the Internet, the vote exercised via the Internet will be recorded as the effective vote.

<Handling of enclosed voting forms indicating neither approval nor disapproval>

When neither approval nor disapproval for each proposal is indicated on the enclosed voting form, it will be treated as an approval vote for the Company's proposal.

<Electronic Voting Platform>

Institutional investors may use the electronic voting platform for institutional investors operated by ICJ, Inc.

Reference Documents for the Shareholders' Meeting

Proposal 1: Appropriation of Surplus

Regarding the year-end dividends for the 124th fiscal year, after taking into comprehensive consideration the performance for the current fiscal year and future capital demands among other factors, in accordance with the capital policy of the Company, we propose to pay as described below.

- (1) Type of dividend property:
We will pay in cash.
- (2) Item concerning allocation of dividend property and its total amount:
We propose the year-end dividend of 21.0 yen per common share of the Company (total amount of dividends: 2,048,611,824 yen).
- (3) Effective date of dividend of surplus:
We propose the effective date of dividend to be June 26, 2026.

(Reference: 1) Capital policy of the Company

The fundamental policy of the Press Kogyo Group is to aim for sustainable growth and to increase corporate value over the medium- to long-term through business activities, while maintaining the necessary level of shareholders' equity and providing sustainable and stable returns to shareholders.

1. Maintenance of necessary shareholders' equity level
Financial soundness shall be ensured by comprehensively considering investment for growth, the ability to respond to operational risks, maintenance of ratings, etc.
2. Dividend policy
The dividend amount for each period is determined by comprehensively considering performance and capital demands, among other factors. The frequency of dividend payments shall be twice a year, in principle.
3. Acquisition of treasury shares, etc.
Changes in the business environment will be responded to flexibly, and financial measures leading to increased corporate value, such as the acquisition and cancellation of treasury shares, will be implemented.

<Capital policy targets and approach>

Shareholder Returns

1. Total Return Ratio:
Maintain 60% or higher
2. Annual dividend (FY2024-FY2028):
Commit to 32 yen or higher per share
3. DOE (FY2024-FY2028):
Aim for 3.0% or higher

Capital Structure

- Financial soundness

Aim to achieve credit rating of A- or higher and leverage interest-bearing debt as necessary, while maintaining financial discipline.

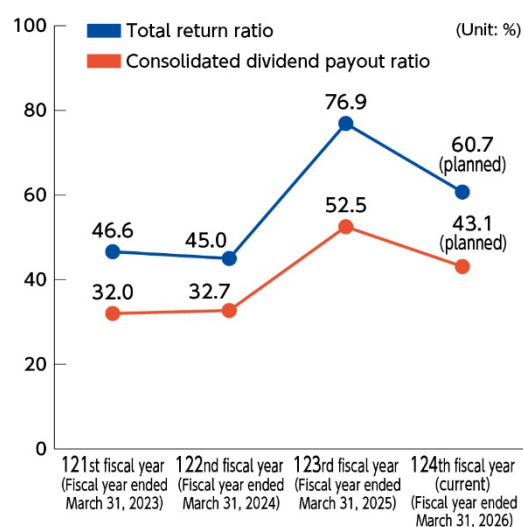
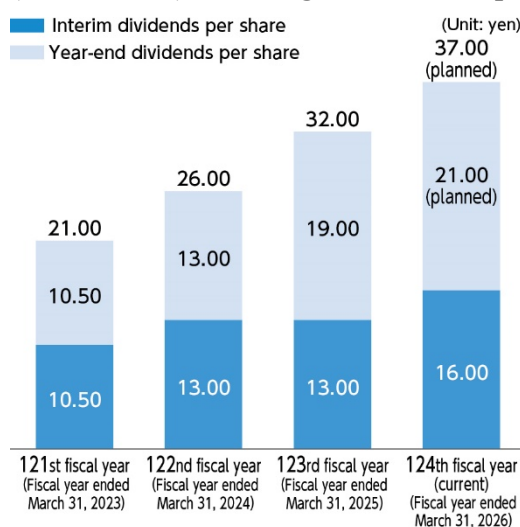
- Shareholder's equity ratio

Maintain 50%~55%

- Cash

Secure 1.2 worth of monthly revenue

(Reference: 2) Change in dividends per share



- Notes:
1. During the 121st fiscal year, the Company resolved to acquire and cancel treasury shares at the Board of Directors meeting held on May 13, 2022. Between May 16, 2022 and July 27, 2022, the Company acquired 2,420,800 treasury shares for 999,989,800 yen in total through market purchase on the Tokyo Stock Exchange and canceled 2,420,800 treasury shares on September 30, 2022.
 2. During the 122nd fiscal year, the Company resolved to acquire and cancel treasury shares at the Board of Directors meeting held on May 11, 2023. Between May 12, 2023 and June 12, 2023, the Company acquired 1,770,800 treasury shares for 999,973,300 yen in total through market purchase on the Tokyo Stock Exchange and canceled 1,770,800 treasury shares on September 29, 2023.
 3. During the 123rd fiscal year, the Company resolved to acquire and cancel treasury shares at the Board of Directors meeting held on May 13, 2024. Between May 14, 2024 and July 16, 2024, the Company acquired 2,261,000 treasury shares for 1,499,994,000 yen in total through market purchase on the Tokyo Stock Exchange and canceled 2,261,000 treasury shares on September 30, 2024. Furthermore, the Company resolved to cancel treasury shares at the Board of Directors meeting held on February 26, 2025 and canceled 4,562,470 treasury shares on March 14, 2025.
 4. During the 124th fiscal year (current fiscal year), the Company resolved to acquire and cancel treasury shares at the Board of Directors meeting held on November 11, 2025. Between November 12, 2025 and December 8, 2025, the Company acquired 1,933,600 treasury shares for 1,499,998,900 yen in total through market purchase on the Tokyo Stock Exchange and canceled 1,933,600 treasury shares on March 31, 2026.

Proposal 2: Election of Seven (7) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

All seven (7) Directors (excluding Directors who are Audit & Supervisory Committee Members, hereinafter referred to as “Director(s)”) will retire from office due to expiration of their terms of office at the conclusion of this Shareholders’ Meeting.

Accordingly, we propose the election of seven (7) Directors.

This proposal aims to further strengthen the Board of Directors’ strategic decision-making function by revising the composition of the Board of Directors through the appointment of Directors, including one External Director.

Decisions to select the Director candidates are made by the Board of Directors upon consulting with the Nomination & Remuneration Committee, in which the majority of the members are External Directors, and considering the Committee’s submission.

Also, after a review by the Audit & Supervisory Committee, they have expressed the opinion that each candidate in this proposal is qualified.

The candidates for Director are as follows:

No.	Name (Date of birth, age)	Attributes	Current position and areas of responsibility in the Company	Significant concurrent positions outside the Company	Term of office	Attendance at meetings of the Board of Directors
1	Yuki Shimizu (June 25, 1962, 64 years old)	Male	Reelected	Representative Director, President & CEO		5 years 17/17 (100.0%)
2	Takekazu Karaki (February 21, 1962, 64 years old)	Male	Reelected	Representative Director, Senior Executive Managing Director, Senior Executive Managing Officer & CFO Management of Accounting Dept. and General Affairs Dept. Overseeing of Management Planning Dept., IR Dept., Business Planning Dept., Personnel Dept., Employee Relations Dept., 100-Year History Compilation Dept. and Domestic/Overseas Related Business		5 years 17/17 (100.0%)
3	Masahiko Sato (September 28, 1962, 63 years old)	Male	Reelected	Representative Director, Senior Executive Managing Director, Senior Executive Managing Officer & CTO Overseeing of Manufacturing Division In charge of Engineering & Development Division		5 years 17/17 (100.0%)
4	Harumasa Nikkawa (May 26, 1961, 65 years old)	Male	Reelected	Director, Executive Managing Officer In charge of Manufacturing Division		3 years 17/17 (100.0%)
5	Kyoko Okada (September 21, 1967, 58 years old)	Female	Reelected	Director, Executive Managing Officer Overseeing of General Affairs Dept., In charge of Personnel Dept. and Employee Relations Dept. General Manager of 100-Year History Compilation Dept.		1 year 14/14 (100.0%)

No.	Name (Date of birth, age)		Attributes	Current position and areas of responsibility in the Company	Significant concurrent positions outside the Company	Term of office	Attendance at meetings of the Board of Directors
6	Kan Okugakiuchi (November 11, 1966, 59 years old)	Male	Reelected	Director, Executive Managing Officer In charge of Business Development and Administration Division		1 year	14/14 (100.0%)
7	Nobuhiko Takamatsu (June 2, 1955, 71 years old)	Male	Newly elected Independent External	–	Outside Director of Umios Corporation	–	–

Note: The terms of office and ages are as of the conclusion of this Shareholders' Meeting.

Note: In addition to the number of meetings of the Board of Directors shown above, one resolution of the Board of Directors was made in writing pursuant to Article 370 of the Companies Act and Article 25 of the Company's Articles of Incorporation.

Note: As candidates Ms. Okada and Mr. Okugakiuchi were elected at the 123rd Annual Shareholders' Meeting held on June 26, 2025, the total number of meetings shown in their attendance at meetings of the Board of Directors reflects the number of meetings held after their election.

No.	Name (Date of birth, age)	Career summary, position, areas of responsibility in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned
1 Reelected Male	Yuki Shimizu (June 25, 1962, 64 years old) Attendance at meetings of the Board of Directors 17/17 (100.0%)	<p>April 1986 Joined the Company</p> <p>April 2016 Executive Officer of the Company</p> <p>April 2018 Senior Executive Officer of the Company</p> <p>April 2020 Executive Managing Officer of the Company</p> <p>June 2021 Director, Executive Managing Officer of the Company</p> <p>April 2024 Representative Director, President of the Company (to the present)</p> <p><i>Reasons for nomination as candidate for Director</i></p> <p>Mr. Shimizu has mainly held key positions in the Sales and Purchasing Departments of the Company, and has been responsible for the overall management of the Company and the Group as Representative Director and President since April 2024. Based on such experience and considerable insight, the Company has judged that he is able to make decisions relating to execution of important business and supervise the management, and continues to nominate him as a candidate for Director.</p>	96,700
2 Reelected Male	Takekazu Karaki (February 21, 1962, 64 years old) Attendance at meetings of the Board of Directors 17/17 (100.0%)	<p>April 1986 Joined the Company</p> <p>April 2016 Executive Officer of the Company</p> <p>April 2018 Senior Executive Officer of the Company</p> <p>April 2020 Executive Managing Officer of the Company</p> <p>June 2021 Director, Executive Managing Officer of the Company</p> <p>April 2024 Director, Senior Executive Managing Officer of the Company</p> <p>April 2026 Representative Director, Senior Executive Managing Director, Senior Executive Managing Officer of the Company (to the present)</p> <p><i>Responsibilities</i></p> <p>Management of Accounting Dept. and General Affairs Dept. Overseeing of Management Planning Dept., IR Dept., Business Planning Dept., Personnel Dept., Employee Relations Dept., 100-Year History Compilation Dept. and Domestic/Overseas Related Business</p> <p><i>Reasons for nomination as candidate for Director</i></p> <p>Mr. Karaki has mainly held key positions in the Overseas Operations and Accounting Departments of the Company, and has been responsible for the overall management of the Company and the Group as Representative Director and Senior Executive Managing Director since April 2026. Based on such experience and considerable insight, the Company has judged that he is able to make decisions relating to execution of important business and supervise the management, and continues to nominate him as a candidate for Director.</p>	91,200

No.	Name (Date of birth, age)	Career summary, position, areas of responsibility in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned
<p style="text-align: center;">3</p> <p style="text-align: center;">Reelected</p> <p style="text-align: center;">Male</p>	<p style="text-align: center;">Masahiko Sato (September 28, 1962, 63 years old)</p> <p style="text-align: center;">Attendance at meetings of the Board of Directors 17/17 (100.0%)</p>	<p>April 1985 Joined the Company</p> <p>April 2017 Executive Officer of the Company</p> <p>April 2019 Senior Executive Officer of the Company</p> <p>April 2020 Executive Managing Officer of the Company</p> <p>June 2021 Director, Executive Managing Officer of the Company</p> <p>April 2024 Director, Senior Executive Managing Officer of the Company</p> <p>April 2026 Representative Director, Senior Executive Managing Director, Senior Executive Managing Officer of the Company (to the present)</p> <p><i>Responsibilities</i></p> <p>Overseeing of Manufacturing Division</p> <p>In charge of Engineering & Development Division</p> <p><i>Reasons for nomination as candidate for Director</i></p> <p>Mr. Sato has mainly held key positions in the Production Engineering and Engineering Departments of the Company, and has been responsible for the overall management of the Company and the Group as Representative Director and Senior Executive Managing Director since April 2026. Based on such experience and considerable insight, the Company has judged that he is able to make decisions relating to execution of important business and supervise the management, and continues to nominate him as a candidate for Director.</p>	75,500
<p style="text-align: center;">4</p> <p style="text-align: center;">Reelected</p> <p style="text-align: center;">Male</p>	<p style="text-align: center;">Harumasa Nikkawa (May 26, 1961, 65 years old)</p> <p style="text-align: center;">Attendance at meetings of the Board of Directors 17/17 (100.0%)</p>	<p>April 1980 Joined the Company</p> <p>April 2016 Executive Officer of the Company</p> <p>April 2018 Senior Executive Officer of the Company</p> <p>April 2020 Executive Managing Officer of the Company</p> <p>June 2023 Director, Executive Managing Officer of the Company (to the present)</p> <p><i>Responsibilities</i></p> <p>In charge of Manufacturing Division</p> <p><i>Reasons for nomination as candidate for Director</i></p> <p>Mr. Nikkawa has experience mainly in the Factory Department of the Company and has deep knowledge and achievements in the Company's manufacturing operation. Based on such experience and considerable insight, the Company has judged that he is able to make decisions relating to execution of important business and supervise the management, and continues to nominate him as a candidate for Director.</p>	66,800

No.	Name (Date of birth, age)	Career summary, position, areas of responsibility in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned
5 Reelected Female	Kyoko Okada (September 21, 1967, 58 years old) Attendance at meetings of the Board of Directors 14/14 (100.0%)	<p>April 1990 Joined the Company</p> <p>April 2019 Executive Officer of the Company</p> <p>April 2021 Senior Executive Officer of the Company</p> <p>April 2023 Executive Managing Officer of the Company</p> <p>June 2025 Director, Executive Managing Officer of the Company (to the present)</p> <p><i>Responsibilities</i> Overseeing of General Affairs Dept. In charge of Personnel Dept. and Employee Relations Dept. General Manager of 100-Year History Compilation Dept.</p> <p><i>Reasons for nomination as candidate for Director</i> Ms. Okada has experience mainly in the Overseas Operations, Management Planning and Personnel Departments of the Company and has deep knowledge and achievements in the Company's overseas business, management planning and personnel operation. Based on such experience and considerable insight, the Company has judged that she is able to make decisions relating to execution of important business and supervise the management, and continues to nominate her as a candidate for Director.</p>	77,800
6 Reelected Male	Kan Okugakiuchi (November 11, 1966, 59 years old) Attendance at meetings of the Board of Directors 14/14 (100.0%)	<p>March 1991 Joined the Company</p> <p>April 2019 Executive Officer of the Company</p> <p>April 2021 Senior Executive Officer of the Company</p> <p>April 2023 Executive Managing Officer of the Company</p> <p>June 2025 Director, Executive Managing Officer of the Company (to the present)</p> <p><i>Responsibilities</i> In charge of Business Development and Administration Division</p> <p><i>Reasons for nomination as candidate for Director</i> Mr. Okugakiuchi has experience mainly in the Sales and Purchasing Departments of the Company, has been in charge of the management of a Chinese subsidiary, and has deep knowledge and achievements in the Company's sales and purchasing operation. Based on such experience and considerable insight, the Company has judged that he is able to make decisions relating to execution of important business and supervise the management, and continues to nominate him as a candidate for Director.</p>	53,100

No.	Name (Date of birth, age)	Career summary, position, areas of responsibility in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned
<p style="text-align: center;">7</p> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Newly elected</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Independent</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">External</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 5px auto;">Male</div>	<p>Nobuhiko Takamatsu (June 2, 1955, 71 years old)</p>	<p>April 1979 Joined Nippon Steel Corporation</p> <p>April 2008 General Manager of Intellectual Property Division of Nippon Steel Corporation</p> <p>April 2011 Executive Officer, General Manager of Ironmaking Technology Division of Nippon Steel Corporation</p> <p>April 2012 Advisor of Nippon Steel Corporation Executive Officer of Usinas Siderúrgicas de Minas Gerais S.A.</p> <p>August 2014 Executive Vice President of Usinas Siderúrgicas de Minas Gerais S.A</p> <p>April 2016 Managing Executive Officer of NIPPON STEEL & SUMITOMO METAL CORPORATION (currently Nippon Steel Corporation) Director of Usinas Siderúrgicas de Minas Gerais S.A.</p> <p>April 2017 Advisor of NIPPON STEEL & SUMITOMO METAL CORPORATION (currently Nippon Steel Corporation) Senior Managing Executive Officer, Assistant to President and CEO of Topy Industries, Ltd.</p> <p>June 2017 Retired as Advisor of NIPPON STEEL & SUMITOMO METAL CORPORATION (currently Nippon Steel Corporation) Representative Director, President and CEO of Topy Industries, Ltd.</p> <p>June 2023 Director and Chairman of Topy Industries, Ltd.</p> <p>April 2024 Director and Counselor to the Board of Topy Industries, Ltd.</p> <p>June 2024 Counselor of Topy Industries, Ltd. Outside Director of Maruha Nichiro Corporation (currently Umios Corporation) (to the present)</p> <p>June 2025 Retired as Counselor of Topy Industries, Ltd.</p> <p><i>Significant concurrent positions outside the Company</i> Outside Director of Umios Corporation</p> <p><i>Reasons for nomination as candidate for External Director and overview of expected roles</i></p> <p>Mr. Takamatsu has held key positions in the technology and intellectual property divisions at Nippon Steel Corporation for many years, and served as Representative Director, President and CEO of Topy Industries, Ltd. from June 2017 to June 2023, overseeing all aspects of management. As such, he has expert perspective and abundant experience in corporate management. Based on such experience and knowledge, the Company has judged that he is able to appropriately advise and supervise the management of the Company, and nominates him as candidate for External Director. In addition, NIPPON STEEL TRADING CORPORATION, a subsidiary of Nippon Steel Corporation, where Mr. Takamatsu served as an Executive Officer and Advisor until June 2017, is a major shareholder of the Company, and the Company has a business relationship with NIPPON STEEL TRADING CORPORATION regarding purchasing steel. However, nine years have passed since Mr. Takamatsu has retired from his positions as an Executive Officer and Advisor at Nippon Steel Corporation, and he is not currently involved in the company's business operations. Accordingly, these facts are deemed not to affect his independence. Because Mr. Takamatsu has no relationship with the Press Kogyo Group other than the election as an External Director and satisfies the requirements for independence criteria set by the Tokyo Stock Exchange, Inc., and for Standards for Electing Independent External Directors set by the Company, the Company has judged that there is no possibility of conflict of interest between Mr. Takamatsu and general shareholders and plans to designate him as an Independent Officer.</p>	-

- Notes: 1. There is no special interest between any of the candidates and the Company.
2. Mr. Takamatsu is a candidate for External Director.
3. If Mr. Takamatsu is elected, he will sign a contract with the Company to limit his liability for damages under Paragraph 1 of Article 423 of the Companies Act, pursuant to Paragraph 1 of Article 427 of the said Act. Under the

said contract, the limit of liability shall be set at the minimum liability amount prescribed by the relevant laws and regulations.

4. If Mr. Takamatsu is elected, the Company will notify the Tokyo Stock Exchange, Inc. of his new designation as an Independent Officer.
5. The Company has entered into a directors and officers liability insurance policy with an insurance company that classifies the Company's Directors, Executive Officers, and company officers of domestic and overseas subsidiaries and affiliates (excluding PK U.S.A., INC.) as the insureds, and the insureds are covered for losses that may arise from their assumption of liability incurred in the course of their performance of duties, or receipt of claims pertaining to the pursuit of such liability.

However, there are certain reasons for coverage exclusion, such as performance of an illegal act with full knowledge of its illegality.

Each candidate will be included as an insured in the policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Proposal 3: Election of Four (4) Directors Who Are Audit & Supervisory Committee Members

All five (5) Directors who are Audit & Supervisory Committee Members will retire from office due to expiration of their terms of office at the conclusion of this Shareholders' Meeting.

Accordingly, we propose the election of four (4) Directors who are Audit & Supervisory Committee Members, thereby reducing the number of Directors who are Audit & Supervisory Committee members by one (1) to a total of four (4).

This proposal takes into account the overall composition of the Board of Directors and aims to establish a system for more rapid decision-making and flexible auditing.

Furthermore, if this proposal is approved, the number of Audit & Supervisory Committee members will be reduced by one (1). However, we have judged that the effectiveness of our audits can continue to be ensured mainly through collaboration with the Internal Audit Department, to which dedicated Executive Officers are assigned.

Decisions to select the candidates for Director who is an Audit & Supervisory Committee member are made by the Board of Directors upon consulting with the Nomination & Remuneration Committee, in which the majority of the members are External Directors, and considering the Committee's submission.

The Audit & Supervisory Committee has given its prior consent to the submission of this proposal to this Shareholders' Meeting.

The candidates for Director who is an Audit & Supervisory Committee member are as follows:

No.	Name (Date of birth, age)		Attributes	Current position and areas of responsibility in the Company	Significant concurrent positions outside the Company	Term of office	Attendance at meetings of the Board of Directors	Attendance at meetings of the Audit & Supervisory Committee
1	Masanori Sakano (September 4, 1960, 65 years old)	Male	Reelected	Director (Full-time Audit & Supervisory Committee Member)	–	6 years	17/17 (100.0%)	12/12 (100.0%)
2	Kenji Furusato (August 3, 1968, 57 years old)	Male	Reelected Independent External	External Director (Audit & Supervisory Committee Member)	Attorney of Tokyo Fuji Law Office Professor of Nihon University Law School	10 years	17/17 (100.0%)	12/12 (100.0%)
3	Yuki Okabe (May 5, 1973, 53 years old)	Female	Reelected Independent External	External Director (Audit & Supervisory Committee Member)	–	2 years	17/17 (100.0%)	12/12 (100.0%)
4	Kayo Murakami (September 16, 1967, 58 years old)	Female	Reelected Independent External	External Director (Audit & Supervisory Committee Member)	Partner & CEO of Kazu and Company LLC External Director of SANYO SHOKAI LTD. Outside Director of Bunka Shutter Co., Ltd. Advisory Fellow of IT Innovation and Strategy Center Okinawa	2 years	17/17 (100.0%)	12/12 (100.0%)

Note: The terms of office and ages are as of the conclusion of this Shareholders' Meeting.

Note: In addition to the number of meetings of the Board of Directors shown above, one resolution of the Board of Directors was made in writing pursuant to Article 370 of the Companies Act and Article 25 of the Company's Articles of Incorporation.

No.	Name (Date of birth, age)	Career summary, position, areas of responsibility in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned
<p style="text-align: center;">1</p> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 2px auto;">Reelected</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 2px auto;">Male</div>	<p style="text-align: center;">Masanori Sakano (September 4, 1960, 65 years old)</p> <p style="text-align: center;">Attendance at meetings of the Board of Directors 17/17 (100.0%)</p> <p style="text-align: center;">Attendance at meetings of the Audit & Supervisory Committee 12/12 (100.0%)</p>	<p>April 1984 Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>November 2009 President of ZAO Sumitomo Mitsui Rus Bank</p> <p>December 2012 General Manager of Global Advisory Department of Sumitomo Mitsui Banking Corporation</p> <p>January 2016 Joined the Company General Manager of Financial Dept. of the Company</p> <p>June 2020 Director of the Company (Full-time Audit & Supervisory Committee Member) (to the present)</p> <p><i>Reasons for nomination as candidate for Director</i> Mr. Sakano has abundant and broad-ranging insights regarding finance and accounting as well as corporate management from his many years of experience at financial institutions in Japan and overseas. Based on such experience and knowledge, the Company has judged that he is able to appropriately supervise the management of the Company, and continues to nominate him as candidate for Director who is an Audit & Supervisory Committee member.</p>	29,400
<p style="text-align: center;">2</p> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 2px auto;">Reelected</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 2px auto;">Independent</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 2px auto;">External</div> <div style="border: 1px solid black; padding: 2px; width: fit-content; margin: 2px auto;">Male</div>	<p style="text-align: center;">Kenji Furusato (August 3, 1968, 57 years old)</p> <p style="text-align: center;">Attendance at meetings of the Board of Directors 17/17 (100.0%)</p> <p style="text-align: center;">Attendance at meetings of the Audit & Supervisory Committee 12/12 (100.0%)</p>	<p>April 1996 Joined Toranomon Law Office</p> <p>April 2000 Joined Tokyo Fuji Law Office (to the present)</p> <p>April 2008 Associate Professor of Nihon University Law School</p> <p>April 2013 Professor of Nihon University Law School (to the present)</p> <p>June 2016 External Director of the Company (Audit & Supervisory Committee Member) (to the present)</p> <p><i>Significant concurrent positions outside the Company</i> Attorney of Tokyo Fuji Law Office Professor of Nihon University Law School</p> <p><i>Reasons for nomination as candidate for External Director and overview of expected roles</i> Although Mr. Furusato has not been directly involved in corporate management in the past, he has abundant experience in law office and has served consecutively as professor in law school with specialized expertise as a lawyer. Based on such experience and knowledge, the Company has judged that he is able to appropriately advise and supervise the management of the Company, and continues to nominate him as candidate for External Director who is an Audit & Supervisory Committee member. Because Mr. Furusato has no relationship with the Press Kogyo Group other than the election as an External Director and satisfies the requirements for independence criteria set by the Tokyo Stock Exchange, Inc., and for Standards for Electing Independent External Directors set by the Company, the Company has judged that there is no possibility of conflict of interest between Mr. Furusato and general shareholders and has continued to designate him as an Independent Officer.</p>	-

No.	Name (Date of birth, age)	Career summary, position, areas of responsibility in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned
3 <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reelected</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">External</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Female</div>	Yuki Okabe (May 5, 1973, 53 years old) Attendance at meetings of the Board of Directors 17/17 (100.0%) Attendance at meetings of the Audit & Supervisory Committee 12/12 (100.0%)	<p>October 2002 Joined ChuoAoyama Audit Corporation</p> <p>July 2007 Joined Ernst & Young ShinNihon LLC</p> <p>October 2011 Established Yuki Okabe Certified Public Accountant and FP Office</p> <p>March 2020 External Director (Audit & Supervisory Committee Member) of OPT Holding, Inc. (currently DIGITAL HOLDINGS, Inc.)</p> <p>June 2024 External Director of the Company (Audit & Supervisory Committee Member) (to the present)</p> <p><i>Reasons for nomination as candidate for External Director and overview of expected roles</i></p> <p>Although Ms. Okabe has not been directly involved in corporate management in the past, she has expert perspective and abundant experience as a certified public accountant. Based on such experience and knowledge, the Company has judged that she is able to appropriately advise and supervise the management of the Company, and continues to nominate her as candidate for External Director who is an Audit & Supervisory Committee member. Because Ms. Okabe has no relationship with the Press Kogyo Group other than the election as an External Director and satisfies the requirements for independence criteria set by the Tokyo Stock Exchange, Inc., and for Standards for Electing Independent External Directors set by the Company, the Company has judged that there is no possibility of conflict of interest between Ms. Okabe and general shareholders and has continued to designate her as an Independent Officer.</p>	-

No.	Name (Date of birth, age)	Career summary, position, areas of responsibility in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned
4 Reelected Independent External Female	Kayo Murakami (September 16, 1967, 58 years old) Attendance at meetings of the Board of Directors 17/17 (100.0%) Attendance at meetings of the Audit & Supervisory Committee 12/12 (100.0%)	<p>December 1996 Established MK CONET Ltd.</p> <p>May 2001 Joined Netyear Group Corporation</p> <p>March 2007 Joined Culture Convenience Club Co.,Ltd. Marketing Manager of TSUTAYA Online Media Business Dept.</p> <p>September 2012 Joined Rakuten, Inc. Concurrently served as Manager of Rakuten E-mobile, Inc.</p> <p>September 2013 Joined P.G.C.D. JAPAN, Inc. Manager of IPO Office of P.G.C.D. JAPAN, Inc.</p> <p>October 2016 Joined Synapse co., ltd. Consultant of Synapse co., ltd.</p> <p>June 2020 External Director of en Japan Inc.</p> <p>July 2020 Partner & CEO of Kazu and Company LLC (to the present)</p> <p>April 2023 Advisory Fellow of IT Innovation and Strategy Center Okinawa (to the present)</p> <p>May 2023 External Director of SANYO SHOKAI LTD. (to the present)</p> <p>June 2024 External Director of the Company (Audit & Supervisory Committee Member) (to the present)</p> <p>June 2025 Outside Director of Bunka Shutter Co., Ltd. (to the present)</p> <p><i>Significant concurrent positions outside the Company</i></p> <p>Partner & CEO of Kazu and Company LLC External Director of SANYO SHOKAI LTD. Outside Director of Bunka Shutter Co., Ltd. Advisory Fellow of IT Innovation and Strategy Center Okinawa</p> <p><i>Reasons for nomination as candidate for External Director and overview of expected roles</i></p> <p>Based not only on her professional perspective and extensive experience in corporate management as a director, but also her expert experience and knowledge of digital transformation (DX), the Company has judged that she is able to appropriately advise and supervise the management of the Company, and continues to nominate her as candidate for External Director who is an Audit & Supervisory Committee member. Ms. Murakami serves concurrently as an Outside Director of Bunka Shutter Co., Ltd. Although the Company has a business relationship with Bunka Shutter Co., Ltd. regarding purchasing equipment, etc., the transaction amount in the current fiscal year was insignificant, accounting for less than 0.002% of the consolidated sales amount of the Company and less than 0.002% of that of Bunka Shutter Co., Ltd. Accordingly, these facts are deemed not to affect the independence of Ms. Murakami. Because Ms. Murakami has no relationship with the Press Kogyo Group other than the election as an External Director and satisfies the requirements for independence criteria set by the Tokyo Stock Exchange, Inc., and for Standards for Electing Independent External Directors set by the Company, the Company has judged that there is no possibility of conflict of interest between Ms. Murakami and general shareholders and has continued to designate her as an Independent Officer.</p>	-

- Notes: 1. There is no special interest between any of the candidates and the Company.
2. Mr. Furusato, Ms. Okabe and Ms. Murakami are candidates for External Director.
3. (1) Mr. Furusato is currently External Director of the Company and his term of office as External Director will be ten years at the conclusion of this Shareholders' Meeting.
- (2) Ms. Okabe is currently External Director of the Company and her term of office as External Director will be two years at the conclusion of this Shareholders' Meeting.
- (3) Ms. Murakami is currently External Director of the Company and her term of office as External Director will be two years at the conclusion of this Shareholders' Meeting.
4. At present, Mr. Sakano, Mr. Furusato, Ms. Okabe and Ms. Murakami have signed contracts with the Company to limit their liabilities for damages under Paragraph 1 of Article 423 of the Companies Act, pursuant to Paragraph 1 of Article 427 of the said Act. Under the said contract, the limit of liability shall be set at the minimum liability amount prescribed by the relevant laws and regulations. If the four candidates are re-elected, the Company plans to extend the contracts with them to limit the above liabilities for damages.

5. At present, the Company has designated Mr. Furusato, Ms. Okabe and Ms. Murakami as Independent Officers as specified in the Tokyo Stock Exchange, Inc. and notified the Exchange of their designation. If they are re-elected, the Company will notify the Tokyo Stock Exchange, Inc. of their designation as Independent Officers again.
6. The Company has entered into a directors and officers liability insurance policy with an insurance company that classifies the Company's Directors, Executive Officers, and company officers of domestic and overseas subsidiaries and affiliates (excluding PK U.S.A., INC.) as the insureds, and the insureds are covered for losses that may arise from their assumption of liability incurred in the course of their performance of duties, or receipt of claims pertaining to the pursuit of such liability.

However, there are certain reasons for coverage exclusion, such as performance of an illegal act with full knowledge of its illegality.

Each candidate will be included as an insured in the policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

(Reference)

Standards for Electing Independent External Directors

Article 1 (Purpose)

The Standards define the standards for electing External Directors independent from the senior management, controlling shareholders, etc., for the purpose of strengthening and enhancing the Company's corporate governance system.

Article 2 (Standards for Independence)

A person who falls under any of the paragraphs below shall not have independency:











1. An executing person (Executive Director, Executive Officer and equivalents to each of the foregoing, and employee; the same hereinafter) of the Press Kogyo Group
2. An executing person of any company, etc., who falls under any of the subparagraphs:
 - (1) Major business partner of the Press Kogyo Group
If its transaction amount with the Press Kogyo Group for any business year in the latest three (3) fiscal years exceeds 2% of the Company's or the transaction counterparty's consolidated sales amount, provided that, major business partners include all companies which belong to the Association for Business Partner Cooperation of the Company, regardless of the size of the transaction amount.
 - (2) Major lender of the Press Kogyo Group
If the outstanding debt of the Press Kogyo Group at the end of any business year in the latest three (3) fiscal years exceeds 2% of the Group's or lenders' total consolidated assets amount
 - (3) Major shareholder of the Company
If it is ranked in the top 10 with respect to shareholdings for any business year in the latest three (3) fiscal years
3. A person who belongs to any audit firm that acts as the Press Kogyo Group's Accounting Auditor
4. A consultant or accounting or legal specialist who receives a substantial amount of money or any other property (i.e., an average payment of JPY 10 million or more in the latest three (3) fiscal years) in addition to compensation to be paid to Officers from the Press Kogyo Group (if an entity including a corporation and association receives such money or property, a person who belongs to such entity)
5. An executing person of any managing securities company of the Press Kogyo Group
6. An executing person of any cross-shareholding company of the Press Kogyo Group
7. When an executing person of the Press Kogyo Group currently assumes or assumed any time in the latest three (3) years the office of external officer in any other company, the executing person of such company
8. A person who fell under any of Paragraphs 2 through 6 above any time in the latest three (3) years
9. A relative within the second degree of relationship of a person who falls under any of Paragraphs 1 through 7 above
10. Notwithstanding Paragraphs 1 through 9 above, a person who is considered to have a special reason for which his/her conflict-of-interest relationship between the Company and general shareholders may be formed.
11. A person who has served as an External Director for twelve (12) years or more.

Article 3 (Organization in Charge of Improvement or Elimination)

The improvement or elimination of the Standards shall be drafted by the department in charge of IR (General Affairs Dept.) and determined at the meeting of the Board of Directors.

(Reference)**Directors' Skill Matrix**

The Company's Board of Directors shall consist of persons who possess general skills required for the Company's management and important skills for the medium- to long-term management.
If Proposal 2 and 3 are approved and adopted as proposed, the composition of the Company's Directors as well as expertise and experience they have are as follows.

Name (Gender)	Expertise/Experience of Directors									
	 Corporate Management	 Sales/Purchasing	 Technology/Development	 Manufacturing	 IT/Digital	 Finance/Accounting	 Overseas Business	 E (Environment)	 S (Society including Human Resources)	 G (Governance including Legal/Risk Management)
Yuki Shimizu (Male)	•	•					•		•	•
Takekazu Karaki (Male)	•					•	•			•
Masahiko Sato (Male)	•		•	•	•		•	•		•
Harumasa Nikkawa (Male)	•		•	•				•		•
Kyoko Okada (Female)	•						•	•	•	•
Kan Okugakiuchi (Male)	•	•					•			•
Nobuhiko Takamatsu (Male)	•		•	•			•	•	•	•
Masanori Sakano (Male)	•					•	•			•
Kenji Furusato (Male)										•
Yuki Okabe (Female)					•	•				•
Kayo Murakami (Female)	•	•			•				•	•

■ Reason for skill selection

Vision
(What we strive to be)

With pride and self-belief, we will continue to grow together with our stakeholders as a positive presence in our society

For development of automotive and construction/industrial machinery parts, Press Kogyo Group has the full range of capabilities as follows: Development/design, Analysis, Experiments, Manufacturing, Quality assurance, and Design/manufacturing of tools, jigs and equipment. We continue to look toward the future and will grow with confidence and pride. This spirit comes from our history of overcoming challenges and from the refinement of our expertise to better serve society.

Mission
(Promise to society and reason for being)

Through empathy and harmony with society, our “Monozukuri” (manufacturing) will continue to be a force that better serves people, automobiles and machines.

Values

Codes of conduct for realizing our vision and mission

Safety, Security and Compliance
Safety, security and compliance form the basis of our actions. We uphold these values honorably and responsibly for all of our stakeholders.

Integrity and Effort
People are foundation of our business. Our greatest fundamental and most important belief is trust which is gained through integrity and persistent effort.

Power to carry through
We act upon and accomplish our goals with a commitment to make it happen.

Creativity
We question the status quo with curiosity and a will to find and try new solutions. We enjoy the journey of creating the future.

Diversity
We honor and embrace the uniqueness of everyone’s ideas and thoughts, and collaborate together.

Medium-term business plan
PRESENCE28
(FY2024 to FY2028)

- ✓ Continuation of unstable global conditions such as conflicts among major powers and uncertain business environment
- ✓ Reorganization of automotive industry (OEM alliances) and intensification of global competition
- ✓ Evolution of electrification
- ✓ Sustainability (global environment and human capital)

Growing to be indispensable despite uncertain times



Pursuing quality and enhancing presence

- 1) Expanding and challenging strategies in core business
 - Business expansion through reorganization of the automotive industry
 - Business expansion through wide range of cabin lineup
 - Growth strategy leveraging various strategies of OEM manufactures
 - Proposal of technological development and pursuit of Monozukuri
- 2) Evolving core products toward electrification
 - Development and proposal of core business products for electrified vehicles
 - Expansion of business in unique products for electrified vehicles
- 3) Promoting sustainability management
 - Diversity and revitalization of human capital
 - Contribution to the global environment and society
 - Strengthening corporate governance

Reason for skill selection

- Based on our “Vision, Mission, and Values” and “Medium-term Business Plan **PRESENCE28** (FY2024 – FY2028),” the Company’s skill matrix consists of “general skills required for management” and “important skills for the medium- to long-term management.”
- The main relevance of each skill to the issues of the Medium-term Business Plan is as follows:

Skills required for “expanding and challenging strategies in core business”

Corporate Management	Sales/ Purchasing	Technology/ Development
Manufacturing	IT/Digital	
Finance/ Accounting	Overseas Business	

Skills required for “evolving core products toward electrification”

Technology/ Development	Manufacturing	IT/Digital
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Skills required for “promoting sustainability management”

E (Environment)	S (Society including Human Resources)	G (Governance including Legal/Risk Management)
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Business Report Summary

	123rd fiscal year (Fiscal year ended March 31, 2025)	124th fiscal year (Fiscal year ended March 31, 2026)	Difference	
Key business result (Millions of yen)				
Net sales	189,883	202,167	+12,283	+6.5%
Operating profit	9,646	13,509	+3,862	+40.0%
Operating profit ratio	5.1%	6.7%	+1.6%	–
Ordinary profit	10,279	14,026	+3,747	+36.5%
Profit attributable to owners of parent	6,080	8,475	+2,395	+39.4%
ROE	5.5%	7.2%	+1.7%	–
Annual dividends	32.0 yen/share	37.0 yen/share	+5.0 yen	–
Consolidated dividend payout ratio	52.5%	43.1%	–9.4%	–
Total return ratio	76.9%	60.7%	–16.2%	–
Financial Indicator (Millions of yen)				
Total assets	197,764	207,185	+9,421	+4.8%
Net assets	127,481	134,651	+7,169	+5.6%
Equity ratio	57.6%	58.0%	+0.4%	–

About the business report, financial statements, etc.

The Company has taken measures for electronic provision of materials for this Annual Shareholders' Meeting. A full copy of the meeting materials is available on the following websites on the Internet:

Company's website

<https://www.presskogyo.co.jp/en/ir/stock/meeting/>

Website for posted informational materials for the shareholders' meeting

<https://d.sokai.jp/7246/teiji/> (in Japanese)

About the medium-term business plan

https://www.presskogyo.co.jp/en/ir/management/medium_term/

Integrated Report

<https://www.presskogyo.co.jp/en/ir/library/annual/>

Business Report

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

1 Status of the Corporate Group

(1) Business progress and results

In the business environment for trucks for the fiscal year ended March 31, 2026, the domestic market for heavy- and medium-duty trucks remained firm, but demand continued to decrease in Thailand, Indonesia, etc. In addition, the business environment for construction machinery saw an increase in demand for hydraulic excavators in North America, ASEAN, and China and other regions due to robust construction investment and expectations for lower interest rates.

Under these circumstances, the Group is steadily promoting initiatives based on the medium-term business plan “**PRESEnce28**,” which spans from FY2024 to FY2028, and is achieving positive results. These initiatives include promoting sales expansion activities and maximizing value, improving productivity, and promoting streamlining activities through growth investments.

In the current fiscal year, the Company recorded net sales of 202,167 million yen (up 6.5% year on year), operating profit of 13,509 million yen (up 40.0% year on year), ordinary profit of 14,026 million yen (up 36.5% year on year) and profit attributable to owners of parent of 8,475 million yen (up 39.4% year on year).

	123rd fiscal year (Fiscal year ended March 31, 2025)	124th fiscal year (Fiscal year ended March 31, 2026)	Year-on-year change	
	Amount (Millions of yen)	Amount (Millions of yen)	Amount (Millions of yen)	Percentage
Net sales	189,883	202,167	+12,283	+6.5%
Operating profit	9,646	13,509	+3,862	+40.0%
Ordinary profit	10,279	14,026	+3,747	+36.5%
Profit attributable to owners of parent	6,080	8,475	+2,395	+39.4%

Business performance by segment is as follows.

Automotive-Related Business

Net sales
167,078 million yen
(Up 5.4% year on year)

(Automotive-Related Business)

The production volume and net sales of components for heavy- and medium-duty trucks and light-duty trucks increased year on year at the Group in Japan due to strong sales by customers.

Overseas, although production of pick-up trucks declined in Thailand, net sales remained flat year on year due to new orders and other factors. In the United States, net sales decreased due to the downsizing of the panel business for some customers based on a review of the business portfolio, although production of axle tubes and door reinforce parts increased. In Indonesia, net sales decreased year-on-year due to continued weak demand. However, in Sweden, net sales increased year on year due to new sales expansion of EV components and other products, and the increase in production of engine-related parts.

As a result of the above, net sales in this segment amounted to 167,078 million yen (up 5.4% year on year), and segment profit amounted to 16,054 million yen (up 21.9% year on year).

Construction Machinery-Related Business

Net sales
35,127 million yen
(Up 14.6% year on year)

(Construction Machinery-Related Business)

In Japan, the production of cabins for hydraulic excavators increased due to strong sales by customers. Although demand in export markets for equipment other than hydraulic excavators was sluggish and decreased, the production and net sales of cabins at the Group in Japan increased year on year.

In China, domestic demand is on a recovery trend, and production and net sales increased year on year.

In light of the future business environment in China, and from the standpoint of improving business efficiency of the Press Kogyo Group's operations in that country, the Company resolved at a meeting of the Board of Directors held on December 26, 2025 to dissolve PK MANUFACTURING (SUZHOU) CO., LTD.

As a result of the above, net sales in this segment amounted to 35,127 million yen (up 14.6% year on year), and segment profit amounted to 945 million yen (segment loss of 415 million yen in the previous fiscal year).

(2) Status of financing

In order to make it possible to efficiently raise working capital, the Company entered into loan commitment contracts for a total amount of 11.5 billion yen with Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., Resona Bank, Limited, and The Bank of Yokohama, Ltd.

With regard to affiliates, U.S. subsidiary PK U.S.A., INC. entered into loan commitment contracts for 32 million U.S. dollars with its main trading financial institutions.

(3) Status of capital investments, etc.

In the current fiscal year, the Group made capital investments totaling 20,126 million yen. The main components of capital investments were as follows.

(i) Major facilities completed during the current fiscal year

Fujisawa Plant of the Company	Axle production facility
Utsunomiya Plant of the Company	Auxiliary frame production facility
Utsunomiya Plant of the Company	Auxiliary press processing facility
Saitama Plant of the Company	Axle production facility
PK U.S.A., INC.	Door impact beam production facility
PK U.S.A., INC.	Axle production facility

(ii) Sale or removal of major non-current assets during the current fiscal year

Not applicable.

(4) Status of assets and profit (loss) in the most recent three fiscal years**(i) Trends in the status of assets and profit (loss) of the corporate group**

		121st fiscal year (Fiscal year ended March 31, 2023)	122nd fiscal year (Fiscal year ended March 31, 2024)	123rd fiscal year (Fiscal year ended March 31, 2025)	124th fiscal year (current) (Fiscal year ended March 31, 2026)
Net sales	(Millions of yen)	184,844	197,817	189,883	202,167
Operating profit	(Millions of yen)	13,110	12,807	9,646	13,509
Operating profit ratio	(%)	7.1	6.5	5.1	6.7
Ordinary profit	(Millions of yen)	13,714	13,461	10,279	14,026
Profit attributable to owners of parent	(Millions of yen)	6,793	8,078	6,080	8,475
ROE	(%)	7.0	7.8	5.5	7.2
Basic earnings per share	(Yen)	65.54	79.41	60.99	85.85
Total assets	(Millions of yen)	178,402	191,742	197,764	207,185
Net assets	(Millions of yen)	111,087	120,444	127,481	134,651

Note: Basic earnings per share is calculated based on the average total number of shares outstanding during period.

(ii) Trends in the status of assets and profit (loss) of the Company

		121st fiscal year (Fiscal year ended March 31, 2023)	122nd fiscal year (Fiscal year ended March 31, 2024)	123rd fiscal year (Fiscal year ended March 31, 2025)	124th fiscal year (current) (Fiscal year ended March 31, 2026)
Net sales	(Millions of yen)	69,189	73,497	71,489	78,053
Operating profit	(Millions of yen)	5,451	5,085	4,579	5,972
Ordinary profit	(Millions of yen)	7,398	7,949	7,174	8,326
Profit	(Millions of yen)	5,336	6,155	5,400	6,204
Basic earnings per share	(Yen)	51.49	60.51	54.17	62.84
Total assets	(Millions of yen)	113,030	120,334	120,217	125,583
Net assets	(Millions of yen)	80,202	84,291	85,149	86,779

Note: Basic earnings per share is calculated based on the average total number of shares outstanding during period.

(5) Issues to be addressed

There is sentiment that the global economy is slowing due to factors such as the fluid nature of the U.S. government’s tariff policy and geopolitical risks. However, policy measures in various countries are expected to lead to moderate growth overall. In the automotive industry, the current situation is marked by a slowdown in EVs, the diversification of powertrains, changes driven by corporate reorganization, and labor shortages, along with soaring energy costs and logistics disruptions stemming from the situation in the Middle East, resulting in a business environment where the outlook remains uncertain

In our five-year medium-term business plan **PRESeence28**, which began in FY2024, we have formulated a growth strategy to grow as an indispensable presence even in times of uncertainty and rapid change. Under a basic policy of “Pursuing quality and enhancing presence,” we are making steady progress in line with our three themes of 1) Expanding and challenging strategies in core business, 2) Evolving core products toward electrification, and 3) Promoting sustainability management. Through this, we will see changes in the business environment as opportunities and tackle management challenges, aiming to improve corporate value and contribute to solving social issues.

PRESeence28 Pursuing Quality and Enhancing Presence		FY2028 Management Targets				
		Net Sales	240.0 billion yen	Operating Profit Ratio	8.0% or higher	ROE
	Automotive-Related Business	Construction Machinery-Related Business(Cabins)				
Expanding and Challenging Strategies in Core Business	Business expansion through reorganization of automotive industry	Business expansion through wide range of cabin lineup				
	- Growth strategy leveraging various strategies of OEM manufactures - Proposal of technological development and pursuit of Monozukuri					
Evolving Core Products toward Electrification	- Development and proposal of core business products for EVs - Expansion of business in unique products for EVs					
Promoting Sustainability Management	- Diversity and revitalization of human capital - Contribution to the global environment and society - Strengthening corporate governance					

1) Expanding and challenging strategies in core business

In the Automotive-Related Business, we are advancing initiatives in line with the medium-term strategies of our major clients. As part of our efforts to expand volume, we plan to increase production capacity at our domestic plants and establish a new plant at our U.S. site to support local production in North America. In addition, we view the changes resulting from the reorganization of domestic commercial vehicle manufacturers as a growth opportunity, and we will maintain our market position and expand our business by leveraging our strengths in technology development and proposal capabilities.

In the Construction Machinery-Related Business, we will aim to expand our business by offering a wide range of cabin lineup that target model changes by customers. Targets include mini/small cabins for hydraulic excavators, wheel loaders, and cabins for agricultural and industrial machinery. With the rising geopolitical risks and U.S. tariff policies as a backdrop, we are taking advantage of changes in manufacturers’ procurement strategies to increase orders and maximize value. Our original cabins, which embody the full extent of our development capabilities, have been well received, and we are receiving new inquiries regarding the next model.

In the proposal of technological development and pursuit of Monozukuri for business expansion, we are also implementing various initiatives based on the themes of “enhancing our dominant presence in fundamental technologies,” “renewing press machines, optimizing configuration according to production processes, and reconstructing and renewing production lines” and “innovating toward enhanced DX.” As part of our efforts to promote automation, we are exploring the introduction of collaborative robots to achieve both safety and productivity through human-robot collaboration and to address labor shortages. Additionally, at the Utsunomiya Plant, to accommodate the high-mix, low-volume frame part production, we have newly built a flexible integrated production line that includes everything from hole drilling and cutting to roll forming/stamping, shot blasting, and painting. We have also newly installed shot blasting equipment and integrated it into the production line to enhance product marketability. We are also

advancing predictive maintenance through the use of DX technologies such as AI and IoT, aiming to achieve innovative improvements in productivity.

2) Evolving core products toward electrification

The pace of electrification varies by region, and we will address this with an all-encompassing strategy that includes ICE vehicles. As a company boasting a high market share in our core products, we are capable of manufacturing products for EVs using our existing production facilities, and we will leverage these strengths to adapt to changes in the business environment. In the development of core products for EVs, we continue to develop multifunctional frames considering battery installation and axle development for EVs, and in Thailand, we are further developing EV-exclusive axles that are currently in mass production to enhance their level.

In unique products for EVs, we are developing battery protection components and shock absorbing parts that are necessary due to changes in vehicle structure. In Europe, where EV adoption has advanced, we have already received orders and started mass production, and are taking new inquiries. Leveraging insights from our achievements and newly developed technologies, we will work to increase orders in Japan in anticipation of future regulatory changes.

3) Promoting sustainability management

In FY2022, the Group identified materiality to address from a long-term perspective and is promoting sustainability management accordingly. For FY2024, we have organized and clarified our goals for our materiality issues, and have set KPIs to measure achievement against these. To achieve each KPI, we will address the concrete actions related to materiality issues as we aim for the realization of a sustainable society and the enhancement of corporate value.

Diversity and revitalization of human capital is positioned as an important initiative supporting the future growth of the Group, and we are working on various measures under a human capital strategy based on the keywords of carrying through, creativity, diversity, and safety & security.

Among these, our Group places great importance on “carrying through” and we are launching a training program specifically designed to develop this trait as part of our corporate culture. In FY2025, we conducted an employee engagement survey to assess employees’ motivation and satisfaction. By identifying challenges and aligning our human capital strategy with them, we will work to revitalize the organization. We are promoting human rights initiatives based on the Human Rights Policy, and we are gradually rolling out human rights due diligence.

In contributions to the global environment and society, we are promoting key initiatives based on our environmental policy, such as addressing climate change issues, conservation of biodiversity, efforts for water security, resources circulation, and coexisting with local communities. In response to the issue of climate change, we have set out targets for Scope 1, 2, and 3 emissions on a consolidated basis, and are working to achieve carbon neutrality by 2050. Alongside energy conservation and enhanced production efficiency, we will implement a variety of measures—such as visualizing energy consumption and expanding the use of green power—to achieve the 2030 interim targets across the entire Group.

As part of our efforts to conserve biodiversity, we have conducted ecosystem surveys at our plants across the country and have begun conservation activities. By valuing the global environment and coexisting with society, we will contribute to the development of a sustainable and prosperous society.

As part of our efforts to strengthen corporate governance, we have established a specialized IR organization under the CFO to further enhance stakeholder engagement. We will work closely with the IR team to enrich our information disclosure and dialogue. We are also strengthening our risk management initiatives and will continue to implement the measures we have outlined to ensure stable business continuity and further enhance corporate value in a business environment characterized by rapid changes.

Furthermore, as part of our capital policy targets, we have set a total payout ratio of 60% or higher. During

the period of the medium-term management plan, we commit to pay 32 yen or higher of annual dividend per share and aim for 3.0% or higher of DOE.

(6) Status of principal parent company and subsidiaries (As of March 31, 2026)**(i) Relationship with parent company**

Not applicable.

(ii) Status of principal subsidiaries

Company name	Share capital or investments in capital	Percentage of voting rights held by the Company (%)	Principal business
KYOWA MFG. CO., LTD.	100 million yen	100.00	Manufacture of automotive parts and construction machinery parts
ONOMICHI PRESS KOGYO CO., LTD.	15 million yen	83.33	Manufacture of automotive parts and construction machinery parts
BANKIN KOGYO CO., LTD.	25 million yen	100.00	Manufacture of automotive parts
TECMO CO., LTD.	20 million yen	100.00	Engineering of automotive parts
PK LOGISTICS CO., LTD.	32 million yen	100.00	Transportation of automotive parts
PKC CO., LTD.	50 million yen	100.00	Sale of materials
PK SERVICE CO., LTD.	100 million yen	100.00	Welfare services
PK U.S.A., INC.	49 thousand U.S. dollars	100.00	Manufacture of automotive parts
OCEAN STREAM ENTERPRISE, INC.	400 thousand U.S. dollars	100.00	Welfare services
PRESS KOGYO SWEDEN AB	45,000 thousand Swedish krona	100.00	Manufacture of automotive parts and agricultural machinery parts
THAI SUMMIT PKK CO., LTD.	300,000 thousand Thai baht	50.00	Manufacture of automotive parts
THAI SUMMIT PKK ENGINEERING CO., LTD.	50,000 thousand Thai baht	50.00	Manufacture of dies
THAI SUMMIT PKK BANGPAKONG CO., LTD.	100,000 thousand Thai baht	50.00	Manufacture of automotive parts
THAI SUMMIT PK CORPORATION LTD.	700,000 thousand Thai baht	50.00	Manufacture of automotive parts
PK MANUFACTURING (SUZHOU) CO., LTD.	13,100 thousand U.S. dollars	100.00	Manufacture of construction machinery parts
PRESS KOGYO MINI CABIN (SUZHOU) CO., LTD.	17,000 thousand U.S. dollars	100.00	Manufacture of construction machinery parts
PKC (SUZHOU) CO., LTD.	2,100 thousand U.S. dollars	100.00	Sale of materials
PT. PK Manufacturing Indonesia	30,000 thousand U.S. dollars	65.00	Manufacture of automotive parts and construction machinery parts

Notes: 1. The percentage of voting rights held by the Company includes indirect holdings through subsidiaries.

2. The dissolution of PK MANUFACTURING (SUZHOU) CO., LTD. was resolved at the Board of Directors meeting held on December 26, 2025, and is currently in the process of liquidation.

(7) Principal business (As of March 31, 2026)

Business	Principal products
Automotive-Related Business	Frames, axle housings, axle units, panels, stamping dies, automatic welding equipment, other automotive parts, etc.
Construction Machinery-Related Business	Construction machinery cabins and other construction machinery parts
Other	Construction-related parts, multi-layer decks parking systems, etc.

(8) Major offices and plants (As of March 31, 2026)

(i) The Company	
	Head Office & Kawasaki Plant (Kawasaki-ku, Kawasaki-shi, Kanagawa) Yokohama Office (Nishi-ku, Yokohama-shi, Kanagawa) Utsunomiya Plant (Shimotsuke-shi, Tochigi) Saitama Plant (Kawagoe-shi, Saitama) Fujisawa Plant (Fujisawa-shi, Kanagawa) Onomichi Plant (Onomichi-shi, Hiroshima)
(ii) Subsidiaries	
<i>Japan</i>	
KYOWA MFG. CO., LTD.	Head Office & Moka Plant (Moka-shi, Tochigi) Oyama Plant (Tochigi-shi, Tochigi)
ONOMICHI PRESS KOGYO CO., LTD.	Head Office & Plant (Onomichi-shi, Hiroshima)
BANKIN KOGYO CO., LTD.	Head Office & Plant (Fujisawa-shi, Kanagawa)
TECMO CO., LTD.	Head Office (Fujisawa-shi, Kanagawa)
PK LOGISTICS CO., LTD.	Head Office & Kawasaki Office (Kawasaki-ku, Kawasaki-shi, Kanagawa) Fujisawa Office (Fujisawa-shi, Kanagawa) Saitama Office (Kawagoe-shi, Saitama) Utsunomiya Office (Shimotsuke-shi, Tochigi) Tochigi Office (Moka-shi, Tochigi)
PKC CO., LTD.	Head Office & Sales Office (Fujisawa-shi, Kanagawa) Onomichi Office (Onomichi-shi, Hiroshima)
PK SERVICE CO., LTD.	Head Office & Fujisawa Office (Fujisawa-shi, Kanagawa) Kawasaki Office (Kawasaki-ku, Kawasaki-shi, Kanagawa)
<i>Overseas</i>	
PK U.S.A., INC.	Head Office & Indiana Plant (Shelbyville, Indiana, U.S.A.) Tennessee Plant (Gallatin, Tennessee, U.S.A.)
OCEAN STREAM ENTERPRISE, INC.	Head Office & Sales Office (Shelbyville, Indiana, U.S.A.)
PRESS KOGYO SWEDEN AB	Head Office & Plant (Oskarshamn, Sweden)
THAI SUMMIT PKK CO., LTD.	Head Office & Plant (Chonburi, Thailand)
THAI SUMMIT PKK ENGINEERING CO., LTD.	Head Office & Plant (Chonburi, Thailand)
THAI SUMMIT PKK BANGPAKONG CO., LTD.	Head Office & Plant (Chonburi, Thailand)
THAI SUMMIT PK CORPORATION LTD.	Head Office & Plant (Rayong, Thailand)
PK MANUFACTURING (SUZHOU) CO., LTD.	Head Office & Plant (Suzhou, Jiangsu, China)
PRESS KOGYO MINI CABIN (SUZHOU) CO., LTD.	Head Office & Plant (Suzhou, Jiangsu, China)
PKC (SUZHOU) CO., LTD.	Head Office (Suzhou, Jiangsu, China)
PT. PK Manufacturing Indonesia	Head Office & Plant (Karawang, Jawa Barat, Indonesia)

(9) Status of employees (As of March 31, 2026)**(i) Status of employees of the corporate group**

Business category	Number of employees	Change from the end of the previous fiscal year
Automotive-Related Business	4,536	+74
Construction Machinery-Related Business	701	-30
Other	27	-
Corporate (shared)	169	-49
Total	5,433	-5

Note: The number of employees does not include temporary employees and dispatch employees.

(ii) Status of employees of the Company

Number of employees	Change from the end of the previous fiscal year	Average age	Average years of service
1,756	-10	43.0 years	19.3 years

Note: The number of employees does not include temporary employees and dispatch employees.

(10) Status of principal lenders (As of March 31, 2026)

Lender	Amount of borrowings (Millions of yen)
Sumitomo Mitsui Banking Corporation	2,633
Mizuho Bank, Ltd.	2,336

(11) Other important matters regarding the current status of the corporate group

Not applicable.

2 Matters Regarding Shares of the Company (As of March 31, 2026)

(1) Total number of shares to be issued 240,000,000 shares

(2) Total number of issued shares 98,066,400 shares

(3) Number of shareholders 28,151

(4) Major shareholders (Top 10)

Name of shareholder	Number of shares owned (Thousands of shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	12,245	12.6
Isuzu Motors Limited	10,151	10.4
NIPPON STEEL TRADING CORPORATION	5,020	5.1
Custody Bank of Japan, Ltd. (Trust Account)	4,481	4.6
STATE STREET BANK AND TRUST COMPANY 505223	3,385	3.5
Marubeni-Itochu Steel Inc.	3,300	3.4
Press Kogyo Employees' Shareholdings	2,586	2.7
Press Kogyo Suppliers' Shareholdings	2,551	2.6
Custody Bank of Japan, Ltd. (Trust Account 4)	1,842	1.9
DFA INTL SMALL CAP VALUE PORTFOLIO	1,813	1.9

Note: The shareholding ratio has been calculated after deducting treasury shares (513,456 shares).

(5) Status of shares granted to Directors during the fiscal year as consideration for performance of duties

	Number of shares	Number of persons granted shares
Directors (excluding Directors who are Audit & Supervisory Committee Members and External Directors)	55,000 shares	7

Note: The details on the share-based remuneration of the Company are described in 4 (4) "Remuneration, etc. of Directors."

(6) Other important matters regarding shares of the Company

The company has conducted a disposal of treasury shares to the employee shareholdings association as outlined below. This action aims to assist employees in wealth creation, to provide incentives to boost the Company's corporate value on an ongoing basis, and to promote a deeper level of sharing value sharing with the Company's shareholders.

(i) Disposal of treasury stock (Resolution of the Board of Directors on May 13, 2025)

Date of disposal	September 3, 2025
Type and number of shares of disposal	Common stock: 117,500 shares
Total amount of disposal	66,035,000 yen (562 yen per share)
Method of disposal	Third-party allotment
Allottee	Press Kogyo Employees' Shareholdings, Press Kogyo Group Employees' Shareholdings

In addition to the acquisition of treasury shares as part of its efforts to return profits to shareholders, the Company acquired and canceled treasury shares for the purpose of flexibly executing capital policies, as described below.

(ii) Acquisition of treasury stock (Resolution of the Board of Directors on November 11, 2025)

Type of shares to be acquired	Common stock
Total number of shares acquired	1,933,600 shares
Acquisition price of shares	1,499,998,900 yen
Period of acquisition of shares	(From November 12, 2025 to December 8, 2025)
Method of acquisition	Market purchase on the Tokyo Stock Exchange

(iii) Cancellation of treasury stock (Resolution of the Board of Directors on November 11, 2025)

Type of shares cancelled	Common stock
Total number of shares cancelled	Total number of shares of treasury stock acquired as above (ii) (1,933,600 shares)
Total number of issued shares after cancellation	98,066,400 shares
Date of cancellation	March 31, 2026

3 Matters Regarding Share Acquisition Rights, Etc., of the Company

Not applicable.

4 Matters Regarding Company Officers

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

Position	Name	Areas of responsibility and significant concurrent positions outside the Company
Representative Director & President	Yuki Shimizu	President & CEO
Representative Director & Executive Vice President	Noboru Masuda	Executive Vice President & CTO Overseeing of Engineering & Development Division and Manufacturing Division
Director	Takekazu Karaki	Senior Executive Managing Officer & CFO Overseeing of Management Planning Dept., Accounting Dept., and Overseas Operations, in charge of Business Planning Dept., Chief IR Officer
Director	Masahiko Sato	Senior Executive Managing Officer In charge of Engineering & Development Division
Director	Harumasa Nikkawa	Executive Managing Officer In charge of Manufacturing Division
Director	Kyoko Okada	Executive Managing Officer Overseeing of General Affairs Dept., Personnel Dept. and Employee Relations Dept. General Manager of 100-Year History Compilation Dept. In charge of IR
Director	Kan Okugakiuchi	Executive Managing Officer In charge of Business Development and Administration Division
Director (Full-time Audit & Supervisory Committee Member)	Masanori Sakano	
Director (Audit & Supervisory Committee Member)	Yasuo Yamane	
Director (Audit & Supervisory Committee Member)	Kenji Furusato	(Significant concurrent positions outside the Company) Attorney of Tokyo Fuji Law Office Professor of Nihon University Law School
Director (Audit & Supervisory Committee Member)	Yuki Okabe	
Director (Audit & Supervisory Committee Member)	Kayo Murakami	(Significant concurrent positions outside the Company) Partner & CEO of Kazu and Company LLC External Director of SANYO SHOKAI LTD. Outside Director of Bunka Shutter Co., Ltd. Advisory Fellow of IT Innovation and Strategy Center Okinawa

Notes: 1. Changes in Directors during the current fiscal year were as follows.

- (i) At the 123rd Annual Shareholders' Meeting held on June 26, 2025, Kyoko Okada and Kan Okugakiuchi were newly elected as Directors (excluding Directors who are Audit & Supervisory Committee Members), and each assumed their respective positions.
 - (ii) At the conclusion of the 123rd Annual Shareholders' Meeting held on June 26, 2025, Representative Director & Chairperson Tetsushi Mino and Director (excluding Director who is an Audit & Supervisory Committee Member) Hiroshi Yahara retired from office due to the expiration of their terms of office.
2. Changes in Directors after the current fiscal year were as follows.
- (i) Director Takekazu Karaki was elected as Representative Director and Senior Executive Managing Director and assumed the position on April 1, 2026.
 - (ii) Director Masahiko Sato was elected as Representative Director and Senior Executive Managing Director and assumed the position on April 1, 2026.
 - (iii) The management position of Noboru Masuda was changed from Representative Director and Executive Vice President to Director on April 1, 2026.
3. Director who is an Audit & Supervisory Committee Member Yuki Okabe retired as External Director (Audit & Supervisory Committee Member) of DIGITAL HOLDINGS, Inc. on March 27, 2026.
4. Directors who are Audit & Supervisory Committee Members Yasuo Yamane, Kenji Furusato, Yuki Okabe, and Kayo Murakami are External Directors.
5. Director who is an Audit & Supervisory Committee Member Yuki Okabe is a Certified Public Accountant, and has considerable knowledge regarding finance and accounting.
6. Director who is an Audit & Supervisory Committee Member Kenji Furusato is qualified as an attorney, and has considerable knowledge regarding laws.
7. Director who is an Audit & Supervisory Committee Member Kayo Murakami has a Master of Business Administration (MBA) degree, and has systematic knowledge regarding management, finance, marketing and organizations.

8. To enhance the practicality of information gathering and other aspects of audits, and strengthen audit and supervisory functions, Masanori Sakano has been appointed as Full-time Audit & Supervisory Committee Member. Masanori Sakano has many years of experience at financial institutions in Japan and overseas, and also has experience of participating as General Manager of Financial Dept. of the Company, particularly in financial and accounting departments. As such, he has considerable knowledge regarding finance and accounting.
9. The Company has designated all External Directors as Independent Officers as specified in the regulations of the Tokyo Stock Exchange and notified the Exchange of their designation.

(2) Outline of the contents of liability limitation contracts

Each Director who is an Audit & Supervisory Committee Member has entered into a contract with the Company to limit their liabilities for damages under Paragraph 1 of Article 423 of the Companies Act, pursuant to Paragraph 1 of Article 427 of the said Act. Under the said contract, the maximum amount of liability for damages shall be set at the minimum liability amount provided for by the relevant laws and regulations.

(3) Outline of the contents of directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy with an insurance company. Under this insurance policy, the insureds are covered for losses that may arise from their assumption of liability incurred in the course of their performance of duties, or receipt of claims pertaining to the pursuit of such liability. However, there are certain reasons for coverage exclusion, such as performance of an illegal act with full knowledge of its illegality.

Furthermore, this insurance policy includes the deductible clause, whereby losses within the deductible are not covered by the insurance policy.

The scope of the insureds under this insurance policy is the Company's Directors, the Company's Executive Officers, and company officers of domestic and overseas affiliates (excluding PK U.S.A., INC.), and all insurance premiums are paid by the Company.

(4) Remuneration, etc. of Directors

(i) Total amount, etc., of remuneration, etc., for the current fiscal year

Category	Total amount of remuneration, etc. (Millions of yen)	Total amount by type of remuneration, etc. (Millions of yen)			Number of eligible officers (Persons)
		Basic compensation (Fixed compensation)	Performance-based compensation (Bonuses for Officers)	Non-monetary remuneration etc.	
Directors (Excluding Directors who are Audit & Supervisory Committee Members)	442	252	158	31	9
Directors who are Audit & Supervisory Committee Members (Of which External Directors)	52 (30)	52 (30)	– (–)	– (–)	5 (4)
Total (Of which External Directors)	495 (30)	305 (30)	158 (–)	31 (–)	14 (4)

Notes: 1. The above amounts paid to Directors do not include the employee salary portion for Directors serving concurrently as employees.

2. The performance indicators selected as the basis for calculating the amounts of performance-based compensation, etc., include profit attributable to owners of parent and total return ratio. The financial indicators are net sales, operating profit ratio, and ROE, while the non-financial indicators of CO2 emissions reduction and initiative target of human capital strategies are also taken into account.

The reason for selecting these performance indicators is to conduct business in a way that is conscious of the Company's share price, with consideration given to the medium-term business plan, and to provide an incentive to improve corporate value. With regard to the method of calculating the amount of performance-based compensation, etc., decisions concerning the allocation of payment are determined by resolution of the Board of Directors after consideration of position and personal level of contribution, based on consultations with and reports from the Nomination & Remuneration Committee.

Furthermore, information concerning trends in profit attributable to owners of parent, net sales, operating profit ratio, and ROE, including the current fiscal year, is provided in "1 (4) Status of assets and profit (loss) in the most recent three fiscal years" of the Business Report, and information concerning trends in total return ratio, including the current fiscal year, is provided in "Proposal 1: Appropriation of Surplus" of the Reference Documents for the Shareholders' Meeting.

*At the meeting of the Board of Directors held on March 10, 2026, it has resolved to make the following changes.

The performance indicators selected as the basis for calculating the amounts of performance-based compensation, etc., include profit attributable to owners of parent and total return ratio. In addition, the financial indicators net sales, operating profit ratio, and ROE, and non-financial indicators KPIs established based on materiality, including 1) Strengthening of corporate governance, 2) Diversity and revitalization of human capital, 3) Contributions to the global environment and society (including CO2 emissions reduction), and 4) The quality growth of the Group, are also taken into account.

The reason for selecting these performance indicators is to conduct business in a way that is conscious of the Company's share price, with consideration given to the medium-term business plan, and to provide an incentive to improve corporate value. With regard to the method of calculating the amount of performance-based compensation, etc., decisions concerning the allocation of payment are determined by resolution of the Board of Directors after consideration of position and personal level of contribution, based on consultations with and reports from the Nomination & Remuneration Committee.

Furthermore, information concerning trends in profit attributable to owners of parent, net sales, operating profit ratio, and ROE, including the current fiscal year, is provided in "1 (4) Status of assets and profit (loss) in the most recent three fiscal years" of the Business Report, and information concerning trends in total return ratio, including the current fiscal year, is provided in "Proposal 1: Appropriation of Surplus" of the Reference Documents for the Shareholders' Meeting.

3. The amounts in "Non-monetary remuneration etc." represent remuneration for granting restricted shares of the Company. The allocation conditions and other details are described in "(iii) Policy for determining Directors' remuneration, etc." The status of granted shares is described in "2 (5) Status of shares granted to Directors during the fiscal year as consideration for performance of duties." The figures represent the amounts charged for remuneration for granting restricted shares to nine (9) Directors (excluding Directors who are Audit & Supervisory Committee Members).

(ii) Matters regarding Shareholders' Meeting resolutions pertaining to remuneration, etc. of Directors

A resolution that monetary remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) shall be composed of fixed compensation as well as bonuses for Officers as performance-based compensation, with a maximum amount of 500 million yen per year (However, monetary remuneration for Non-executive Directors and External Directors shall only be fixed compensation from the viewpoint of securing independence and exclude bonuses for Officers. The amounts of remuneration for Directors [excluding Directors who are Audit & Supervisory Committee Members] do not include the employee salary portion for Directors serving concurrently as employees.) was resolved at the 120th Annual Shareholders' Meeting held on June 29, 2022. The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) at the conclusion of the 120th Annual Shareholders' Meeting was seven (7).

Additionally, a resolution that remuneration for granting restricted shares is provided to Directors (excluding Directors who are Audit & Supervisory Committee Members, Non-executive Directors and External Directors) in addition to the aforementioned monetary remuneration scheme, with a maximum amount of 60 million yen per year and a maximum number of shares of 300,000 per year, was resolved at the 120th Annual Shareholders' Meeting held on June 29, 2022. The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) at the conclusion of the 120th Annual Shareholders' Meeting was seven (7).

A resolution that the maximum amount of remuneration for Directors who are Audit & Supervisory Committee Members should not exceed 60 million yen per year was resolved at the 114th Annual Shareholders' Meeting held on June 29, 2016. The number of Directors who are Audit & Supervisory Committee Members at the conclusion of the 114th Annual Shareholders' Meeting was five (5).

(iii) Policy for determining Directors' remuneration, etc.

a. Method of determining the policy for determining remuneration, etc. of Directors

At a meeting of the Board of Directors, the Board of Directors passed a resolution concerning the policy for determining remuneration, etc. of Directors ("determination policy"), based on consultation with and reports from the Nomination & Remuneration Committee, in which a majority of the members are External Directors.

b. Outline of the contents of the determination policy

<Matters pertaining to policy regarding the determination of officer remuneration, etc. and its calculation method>

The Company will determine the policy for remuneration, etc. for Executive Directors, Non-executive Directors and Directors who are Audit & Supervisory Committee Members as follows.

Directors' (excluding Directors who are Audit & Supervisory Committee Members) remuneration, etc. is determined upon ensuring objectivity and transparency through deliberation with the Nomination & Remuneration Committee, in which majority of the members are External Directors, and opinions from the Audit & Supervisory Committee each fiscal year.

<Remuneration, etc., for Executive Directors>

1 Remuneration, etc., for executive directors, from among the Company's Directors (excluding Directors Who Are Audit & Supervisory Committee Members), shall be determined taking into consideration the ratio of fixed compensation and performance-based compensation (bonuses for Officers as a short-term incentive) and non-monetary remuneration (restricted share-based remuneration as a medium- to long-term incentive). The ratio of fixed compensation, performance-based compensation and non-monetary remuneration shall be properly determined to allow them to function as sound incentives, while being based on policies for determining each type of remuneration.

- 2 The allocation of remuneration, etc., for individual Executive Directors, fixed compensation and performance-based compensation (bonuses for Officers) is determined by the Board of Directors, within the limits of the aggregate amount resolved at the Shareholders' Meeting. For non-monetary remuneration (restricted share-based remuneration), each number of shares to be allotted is determined by the Board of Directors within the limits of the aggregate amount and the number of shares resolved at the Shareholders' Meeting.

<Remuneration, etc., for Non-executive Directors>

- 1 Remuneration, etc., for Non-executive Directors who will advise and supervise the management of the Company from an independent standpoint, from among the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members), shall only be fixed compensation from the viewpoint of securing independence.
- 2 The allocation of remuneration, etc., for individual Non-executive Directors is determined by the Board of Directors, within the limits of the aggregate amount resolved at the Shareholders' Meeting.

<Remuneration, etc., for Directors who are Audit & Supervisory Committee Members>

- 1 Remuneration, etc., for Directors who are Audit & Supervisory Committee Members shall only be fixed compensation from the viewpoint of securing the appropriateness of their duties including conducting audits and supervising the execution of business.
- 2 The allocation of remuneration, etc., for individual Directors who are Audit & Supervisory Committee Members shall be determined by consultation of Audit & Supervisory Committee Members, within the limits of the aggregate amount resolved at the Shareholders' Meeting.

<Policy regarding the determination of the amount of personal compensation, etc. for fixed compensation>

Fixed compensation is based on the basic compensation decided by position, and is paid monthly upon its resolution within the scope of the maximum amount of monetary remuneration (including fixed compensation and bonuses for Officers) of 500 million yen per year for Directors (excluding Directors who are Audit & Supervisory Committee Members) (resolved at the 120th Annual Shareholders' Meeting held on June 29, 2022), and 60 million yen per year for Directors who are Audit & Supervisory Committee Members (resolved at the 114th Annual Shareholders' Meeting held on June 29, 2016).

<Policy regarding the determination of the calculation method for performance-based compensation, etc. and policy regarding the determination of the amount of their personal compensation, etc. for performance-based compensation>

The payment of bonuses for Officers as performance-based compensation (short-term incentive) for executive directors is considered each fiscal year, and if they are paid, they will be paid at a certain period of time every fiscal year upon a resolution within the scope of the maximum amount of monetary remuneration (including fixed compensation and bonuses for Officers) of 500 million yen per year for Directors (excluding Directors who are Audit & Supervisory Committee Members) (resolved at the 120th Annual Shareholders' Meeting held on June 29, 2022).

The total amount of bonuses for Officers takes performance and other factors for each fiscal year into consideration. However, the main reference indicators pertaining to bonuses for Officers include financial indicators (net sales, operating profit ratio, and ROE) and non-financial indicators (CO2 emission reduction and initiative target of human capital strategies) and the total amount of bonuses for Officers is determined based on factors such as profit attributable to owners of parent and total return ratio. Furthermore, bonuses will be paid to eligible Directors upon consideration of position and personal level of contribution.

*At the meeting of the Board of Directors held on March 10, 2026, it has resolved to make the following changes.

The payment of bonuses for Officers as performance-based compensation (short-term incentive) for Executive Directors is considered each fiscal year, and if they are paid, they will be paid at a certain period of time every fiscal year upon a resolution within the scope of the maximum amount of monetary remuneration (including fixed compensation and bonuses for Officers) of 500 million yen per year for Directors (excluding Directors who are Audit & Supervisory Committee Members) (resolved at the 120th Annual Shareholders' Meeting held on June 29, 2022).

The total amount of bonuses for Officers takes performance and other factors for each fiscal year into consideration. However, the main reference indicators pertaining to bonuses for Officers include financial indicators (net sales, operating profit ratio, and ROE) and non-financial indicators (KPIs established based on materiality, including 1) Strengthening of corporate governance, 2) Diversity and revitalization of human capital, 3) Contributions to the global environment and society (including CO2 emissions reduction), and 4) The quality growth of the Group), and the total amount of bonuses for Officers is determined based on factors such as profit attributable to owners of parent and total return ratio. Furthermore, bonuses will be paid to eligible Directors upon consideration of position and personal level of contribution.

<Policy regarding the determination of the calculation method for non-monetary remuneration, and policy regarding the determination of the amount of personal remuneration, etc. for non-monetary remuneration>

Restricted share-based remuneration shall be provided as non-monetary remuneration (medium- to long-term incentive) for Executive Directors for each fiscal year.

Restricted share-based remuneration shall be based on the standard amount decided by position and provided at a certain period of time every fiscal year upon the resolution of each number of shares to be allotted within the scope of the amount of 60 million yen and 300,000 shares per year (to be resolved at the 120th Annual Shareholders' Meeting scheduled for June 29, 2022).

- c. Reasons the Board of Directors has judged that the content of personal remuneration, etc., for each Director in the current fiscal year is consistent with the determination policy

When determining the content of personal remuneration, etc., for each Director, the Board of Directors consulted the Nomination & Remuneration Committee about the determination policy for remuneration, etc., for Directors. The Board of Directors has therefore judged that the content thereof is consistent with the determination policy, based on the fact that the content of personal remuneration, etc., for Directors has been determined after following these procedures.

- (iv) Matters regarding the determination of personal remuneration, etc., for each Director

The allocation of remuneration for individual Directors (excluding Directors who are Audit & Supervisory Committee Members) is determined by resolution of the Board of Directors, within the limits of the aggregate amount resolved at the Shareholders' Meeting, based on consultation with and the results of discussions and report from the Nomination & Remuneration Committee.

(5) Matters regarding external officers

- (i) Status of significant concurrent positions as executives of other corporations, etc., and relationships between the Company and these other corporations, etc.

Director who is an Audit & Supervisory Committee Member Kenji Furusato serves as an attorney of Tokyo Fuji Law Office and Professor of Nihon University Law School. There are no special interests between the Company and these corporations.

Director who is an Audit & Supervisory Committee Member Kayo Murakami is the Partner & CEO of Kazu and Company LLC and the Advisory Fellow of IT Innovation and Strategy Center Okinawa. There are no special interests between the Company and these corporations.

- (ii) Status of significant concurrent positions as external officers, etc., of other corporations, etc., and relationships between the Company and these other corporations, etc.

Director who is an Audit & Supervisory Committee Member Kayo Murakami serves concurrently as External Director of SANYO SHOKAI LTD. and Outside Director of Bunka Shutter Co., Ltd. Although the Company has a business relationship with Bunka Shutter Co., Ltd., regarding purchasing equipment, the transaction amount in the current fiscal year was very small, at less than 0.002% of the Company's consolidated sales amount and less than 0.002% of the consolidated sales amount of Bunka Shutter Co., Ltd. There are no special interests between the Company and SANYO SHOKAI LTD.

- (iii) Status of main activities in the current fiscal year

- Attendance

	Board of Directors		Audit & Supervisory Committee		Nomination & Remuneration Committee	
	Attendance at meetings	Attendance rate	Attendance at meetings	Attendance rate	Attendance at meetings	Attendance rate
Director who is an Audit & Supervisory Committee Member Yasuo Yamane	17/17	100%	12/12	100%	5/5	100%
Director who is an Audit & Supervisory Committee Member Kenji Furusato	17/17	100%	12/12	100%	5/5	100%
Director who is an Audit & Supervisory Committee Member Yuki Okabe	17/17	100%	12/12	100%	5/5	100%
Director who is an Audit & Supervisory Committee Member Kayo Murakami	17/17	100%	12/12	100%	5/5	100%

Note: In addition to the number of meetings of the Board of Directors shown above, one resolution of the Board of Directors was made in writing pursuant to Article 370 of the Companies Act and Article 25 of the Company's Articles of Incorporation.

- Status of remarks and outline of duties performed in relation to the role expected of External Directors

Director who is an Audit & Supervisory Committee Member Yasuo Yamane fulfilled an appropriate role in ensuring the validity and appropriateness of decision-making at meetings of the Board of Directors and the Audit & Supervisory Committee, including providing his views based on his experience and abundant insights as a university professor. In addition, as the chairman of the Nomination & Remuneration Committee, in which a majority of the members are External Directors, he attended meetings of the committee and performed a supervisory function in relation to the selection of candidates for Directors of the Company and processes for determining remuneration, etc. of Directors, from an objective and neutral standpoint.

Director who is an Audit & Supervisory Committee Member Kenji Furusato fulfilled an appropriate role in ensuring the validity and appropriateness of decision-making at meetings of the Board of Directors and the Audit & Supervisory Committee, including providing his views mainly on laws and regulations and the Articles of Incorporation from his perspective as an attorney. In addition, as a member of the Nomination & Remuneration Committee, in which a majority of the members are External Directors, he attended meetings of the committee and performed a supervisory function in relation to the selection of candidates for Directors of the Company and processes for determining remuneration, etc. of Directors, from an objective and neutral standpoint.

Director who is an Audit & Supervisory Committee Member Yuki Okabe fulfilled an appropriate role in ensuring the validity and appropriateness of decision-making at meetings of the Board of Directors and the Audit & Supervisory Committee, including providing her views on finance, accounting, and other matters, from an expert perspective as a Certified Public Accountant. In addition, as a member of the Nomination & Remuneration Committee, in which a majority of the members are External Directors, she attended meetings of the committee and performed a supervisory function in relation to the selection of candidates for Directors of the Company and processes for determining remuneration, etc. of Directors, from an objective and neutral standpoint.

Director who is an Audit & Supervisory Committee Member Kayo Murakami fulfilled an appropriate role in ensuring the validity and appropriateness of decision-making at meetings of the Board of Directors and the Audit & Supervisory Committee, including providing views based on her expert perspective on and abundant experience in corporate management, as well as her experience and knowledge as an expert on digital transformation (DX). In addition, as a member of the Nomination & Remuneration Committee, in which a majority of the members are External Directors, she attended meetings of the committee and performed a supervisory function in relation to the selection of candidates for Directors of the Company and processes for determining remuneration, etc. of Directors, from an objective and neutral standpoint.

5 Status of Accounting Auditor

(1) Name of Accounting Auditor

KPMG AZSA LLC

(2) Outline of the contents of liability limitation contracts

Not applicable.

(3) Amount of remuneration, etc.

	Amount paid (Millions of yen)
Amount of remuneration, etc., for the Accounting Auditor for the current fiscal year	94
Total amount of money or other economic benefits to be paid to the Accounting Auditor by the Company and its subsidiaries	94

Notes: 1. KPMG AZSA LLC is a member firm of the KPMG global organization of independent member firms, and other member firms conduct accounting audits of some principal consolidated subsidiaries of the Company overseas.

2. Under the audit agreement between the Company and the Accounting Auditor, the amounts of remuneration, etc., for audits pursuant to the Companies Act and audits pursuant to the Financial Instruments and Exchange Act are not clearly separated, and it is not practically possible to separate. Consequently, the total amount of remuneration, etc., for these audits has been provided as the amount of remuneration, etc., for the Accounting Auditor for the current fiscal year.

3. The Audit & Supervisory Committee of the Company has agreed upon the amount of remuneration, etc., for the Accounting Auditor, after verifying the appropriateness of the content of the Accounting Auditor's audit plans, the status of the execution of duties related to accounting audits, the calculation basis for the remuneration estimate, etc.

(4) Content of non-audit services

Not applicable.

(5) Policies related to decisions concerning the dismissal or non-reappointment of the Accounting Auditor

If it is judged necessary by the Audit & Supervisory Committee, such as cases when there are obstacles to the execution of duties by the Accounting Auditor, the Audit & Supervisory Committee will make a decision concerning a proposal related to the dismissal or non-reappointment of the Accounting Auditor. Based on this decision, the Board of Directors will make this a purpose to be resolved at the Shareholders' Meeting.

In addition, if the Accounting Auditor is recognized as falling under any the categories set forth in each item of Paragraph 1 of Article 340 of the Companies Act, or is subject to any disciplinary action as a result of violations of the Companies Act, the Certified Public Accountants Act, or other laws and regulations, or other actions from supervisory government agencies, the Audit & Supervisory Committee will dismiss the Accounting Auditor, pursuant to the unanimous approval of all Audit & Supervisory Committee Members. In this case, a selected Audit & Supervisory Committee Member will provide a report concerning the fact that the Accounting Auditor has been dismissed and the reasons for dismissal, at the first Shareholders' Meeting convened after the dismissal.

6 System to Ensure the Appropriateness of Operations and Outline of Its Operational Status

In order to maintain the soundness of management and enhance corporate value as a corporate group, the Company has formulated the Press Kogyo Group Vision.

Press Kogyo Group Vision
With pride and self-belief, we will continue to grow
together with our stakeholders as a positive presence in
our society

The Company has established basic policies and is implementing the necessary measures as follows, based on the understanding that the development of a system to ensure the appropriateness of operations (“internal controls”) is an important issue for achieving the Press Kogyo Group Vision.

- (1) System to ensure that the execution of duties by Directors and employees complies with laws, regulations, and with the Company’s Articles of Incorporation**
 - (i) The Company ensures that Directors and employees are kept informed of the Press Kogyo Group’s Vision and Code of Ethics.
 - (ii) The Internal Audit Department audits the execution of operations for conformance with laws and regulations and with the Company’s Articles of Incorporation. In addition, this department monitors the progress of setting up the internal control system and delivers reports to the Internal Control Committee, made up of all Directors.
 - (iii) The Internal Control Committee receives reports on the operation of the internal control system and monitors the execution of operations for conformance with laws and regulations and with the Company’s Articles of Incorporation.
 - (iv) The Company works to prevent scandals by using the Hotline (whistleblower) System, deterring illegal or unethical acts in the Company. The Hotline System enables Group employees to communicate with, and receive advice directly from, those designated to deal with these situations.

- (2) System to ensure that Directors’ duties are executed efficiently**
 - (i) The Company will continue to promote more efficient management and accelerated execution of operations by improving the Executive Officer system that is now in use.
 - (ii) The execution of important operations is deliberated on at the Management Meeting, made up of full-time Executive Officers and Full-time Audit & Supervisory Committee Members. Matters to be resolved by meetings of the Board of Directors are deliberated on and actions decided at meetings of the Board of Directors.
 - (iii) The Company works to efficiently use management resources by drawing up a medium-term business plan to clearly define the goals to be achieved.

- (3) Regulations covering management of risk of loss and other systems**
 - (i) Risk Management Regulations stipulate the appointment of a manager responsible for Group risk management and the promotion of risk management activities.
 - (ii) The Risk Management Committee has been established to identify, analyze, and assess the Group-wide risks, as well as review risk management activities and provide feedback to organizations.
 - (iii) The Risk Management Committee regularly reports on the Group’s risk management activities to the Management Meeting and the Board of Directors.

(4) System for the storage and management of information related to the execution of Directors' duties

In accordance with laws, regulations, and the Company's own regulations, the Company stores and manages documents related to important reports and decisions made in relation to the execution of Directors' duties.

(5) System to ensure the appropriateness of operations in the corporate group (the Company and subsidiaries)

- (i) Every department in the Company and all subsidiaries establish an internal control system based on the formulation plan prescribed by the Internal Control Committee. The Internal Audit Department regularly audits the internal control systems of every department of the Company and all subsidiaries, and then delivers reports of the status to the Internal Control Committee.
- (ii) The department in charge of managing subsidiaries works in concert with various other departments and is guided by Regulations on Management of Affiliates to manage the Company's subsidiaries.
- (iii) The Company receives reports on the significant concerns of subsidiaries, and may discuss these concerns, as appropriate, while respecting the individual initiative and independence of the subsidiaries.
- (iv) Each subsidiary implements risk management activities and reports on the status of those activities to the Risk Management Committee.
- (v) In addition to the supervisory departments managing and guiding the operations of subsidiaries, the Directors or the Audit & Supervisory Board Members of the subsidiaries, as a rule, are dispatched from the Company to ensure that all operations are being handled appropriately.

(6) Matters related to Directors and employees who support the duties of the Audit & Supervisory Committee; matters related to the independence of these employees from Directors (excluding Directors who are Audit & Supervisory Committee Members); and matters related to ensuring the effectiveness of instructions to these employees

- (i) Employees are assigned to support the duties of the Audit & Supervisory Committee, and related HR issues are determined by consulting with Representative Directors and the Audit & Supervisory Committee. Note that Directors are not assigned to support the duties of the Audit & Supervisory Committee.
- (ii) Employees who support the duties of the Audit & Supervisory Committee must obey instructions and orders from the Audit & Supervisory Committee in relation to the support operations.

(7) System whereby Directors (excluding Directors who are Audit & Supervisory Committee Members) and employees report to the Audit & Supervisory Committee; other system related to the report to the Audit & Supervisory Committee; and the system to ensure that Directors and employees are not unfavorably treated for making reports

- (i) Directors (excluding Directors who are Audit & Supervisory Committee Members) and employees of the Company and subsidiaries report to the Audit & Supervisory Committee if there is an incident, or the risk of an incident, that could seriously harm the Group. Specific matters to be reported are subject to discussion between Representative Directors and the Audit & Supervisory Committee.
- (ii) Unfavorable treatment of anyone who has made a report to the Audit & Supervisory Committee is prohibited.
- (iii) The Internal Audit Department regularly reports on the results of audits to the Full-time Audit & Supervisory Committee Member.

(8) Matters related to the policy for processing expenses or debts resulting from the execution of duties by Audit & Supervisory Committee Members (limited to matters related to the execution of the duties of the Audit & Supervisory Committee)

When, in relation to the execution of duties by Audit & Supervisory Committee Members, any committee member requests the Company to pay expenses in advance, etc. or requests advice from an external expert, etc., any expenses or debts resulting from the requests are promptly processed and borne by the Company, except in cases where they are not recognized as necessary for the duties of Audit & Supervisory Committee Members.

(9) Other systems to ensure that audits by the Audit & Supervisory Committee are executed effectively

- (i) Full-time Audit & Supervisory Committee Members may attend important meetings, including Management Meetings, and can express their opinions.
- (ii) Audit & Supervisory Committee Members perform effective audit operations in cooperation with the Internal Audit Department and the Accounting Auditors.

(10) Outline of operational status of system to ensure the appropriateness of operations

Regarding the system to ensure the appropriateness of operations at the Company, the Internal Audit Department confirms the status of the development of internal controls, the status of compliance with laws and regulations and the Articles of Incorporation of the execution of business operations, and makes reports to the Internal Control Committee. Furthermore, the executive officers in charge of each department and the presidents of each affiliate company submit reports on risk management status to the Risk Management Committee. These measures for rectification and improvement are conducted in relation to any issues discovered as a result of this process, as part of the Company's endeavor to create and operate more appropriate internal control systems.

An outline of the operational status of this system in the current fiscal year is as follows.

- (i) The Internal Control Committee met four (4) times and engaged in deliberations related to fiscal year plans for internal controls, as well as the status of progress thereof, etc.
- (ii) The Risk Management Committee met seven (7) times and engaged in deliberations related to fiscal year plans for risk management, as well as the status of progress thereof, etc.
- (iii) Regarding the Hotline (whistleblower) system, the Company established contact points both within and outside the Company. In the current fiscal year, the Company also worked to spread awareness of this system among employees by featuring it in the Group internal magazine regularly. In addition, the Company also responded to content about which there were consultations and reports, based on the "Hotline Regulations."
- (iv) The Full-time Audit & Supervisory Committee Member attended the Management Meeting, and also shared information related to the details of the Management Meeting with other Audit & Supervisory Committee Members at meetings of the Audit & Supervisory Committee.