

1. This document is a partial translation of the official Japanese Notice of the Convocation of the Ordinary General Meeting of Shareholders for the 107th Business Term.
2. This translation is provided only as a reference to assist shareholders in their voting and does not constitute an official document.
3. In the event of any discrepancies between this translated document and the Japanese original, the original shall prevail.

(Securities code: 7915)

March 3, 2026

(Commencement date of the electronic provision measures: March 2, 2026)

To All Shareholders

3 Mibu Hanai-cho, Nakagyo-ku, Kyoto, Japan

Nissha Co., Ltd.

Junya Suzuki, Chairman of the Board and Group CEO

Notice of Convocation of the Ordinary General Meeting of Shareholders for the 107th Business Term

We hereby notify that the Ordinary General Meeting of Shareholders for the 107th Business Term of Nissha Co., Ltd. (the “Company”) shall be held as described below.

In convening this meeting, the Company has taken electronic provision measures for the information contained in the Reference Materials for the General Meeting of Shareholders, etc. (matters subject to electronic provision measures) and posted such matters on the Company’s website on the Internet. You are kindly requested to access the Company’s website and read through the matters.

■ **NISSHA’s website:** <https://www.nissha.com/ir/stock/meeting.html>

(Reference: <https://www.nissha.com/english/ir/stock/meeting.html>)

The matters subject to electronic provision measures are also posted on the website of the Tokyo Stock Exchange (TSE), besides the aforementioned website. Please find the information by visiting the TSE’s website (Listed Company Search) linked below. On this page, you can search for the information by entering either the issue name “NISSHA” or the securities code “7915,” and then by selecting either “Basic information” or “Documents for public inspection/PR information” tab.

■ **TSE’s website (Listed Company Search):**

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

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

Instead of attending on the day, you may exercise your voting rights by an electromagnetic method (via the Internet, etc.) or in writing. You are requested to exercise your voting rights by 6:00 p.m. on March 23, 2026 (Mon.) after examining the Reference Materials for the General Meeting of Shareholders.

Ordinary General Meeting of Shareholders

1. **Date and time:** March 24, 2026 (Tue.), 10:00 a.m. (Reception for the meeting will start at 9:00 a.m.)
2. **Venue:** Company auditorium, 3 Mibu Hanai-cho, Nakagyo-ku, Kyoto, Japan
(Please refer to the “Guide to the Venue for the General Meeting of Shareholders” of the Japanese original.)
3. **Agenda:**
 1. **Matters to be reported**
 1. Report on the Business Report, Consolidated Financial Statements for the 107th business term (from January 1, 2025 through December 31, 2025) and the Audit Results of the Accounting Auditor and the Audit and Supervisory Board
 2. Report on the Non-consolidated Financial Statements for the 107th business term (from January 1, 2025 through December 31, 2025)

Proposals to be resolved

Proposal 1: Election of Nine (9) Directors of the Board

Proposal 2: Election of One (1) Audit and Supervisory Board Member

Any significant changes in the operation of the General Meeting of Shareholders will be notified through the Company’s website (<https://www.nissha.com/english/>).

Guide to the Exercise of Voting Rights

Voting rights at a general meeting of shareholders are important rights of shareholders to participate in management of the Company. You are kindly requested to exercise your voting rights referring to the guide below.

1 Exercise of voting rights via the Internet You are kindly requested to either scan the QR Code printed on the enclosed Voting Rights Exercise Form or access the voting right exercise website (https://soukai.mizuho-tb.co.jp/), and enter your approval or disapproval of the proposals in accordance with the instructions on the screen.
Deadline: accepted up to March 23, 2026 (Mon.), 6:00 p.m.
2 Exercise of voting rights in writing Please indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and send the form back to the Company.
Deadline: to be received by March 23, 2026 (Mon.), 6:00 p.m.
3 Exercise of voting rights by attending the meeting in person You are kindly requested to submit the enclosed Voting Rights Exercise Form to the reception desk at the meeting site.
Date and time: March 24, 2026 (Tue.), 10:00 a.m. (Reception for the meeting will start at 9:00 a.m.)

Handling of voting rights

- If you do not indicate your approval or disapproval of a proposal on the Voting Rights Exercise Form you sent back to the Company:
 - Your vote shall be treated as an approval for the Company's proposal.
 - If you exercise your voting rights in duplicate in writing and via the Internet:
 - The voting rights exercised via the Internet shall be deemed valid.
 - If you exercise your voting rights multiple times via the Internet:
 - The last vote shall be deemed valid.
1. Of the matters subject to electronic provision measures, the following matters are not included in the documents to be delivered to those shareholders who have requested the delivery of documents in accordance with laws and regulations, and the provisions of the Articles of Incorporation of the Company. Audit and Supervisory Board Members and the Accounting Auditor have audited documents subject to audit, which include the following matters.
 - (1) Matters Regarding Accounting Auditors, Systems to Ensure the Propriety of Operations and Overview of the State of Operations of the Systems, and Basic Policy Regarding the Control over the Company, all of which are contained in the Business Report
 - (2) Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements in the Consolidated Financial Statements
 - (3) Non-consolidated Statement of Changes in Equity and Notes to Non-consolidated Financial Statements in the Non-consolidated Financial Statements
 2. If the matters subject to electronic provision measures are corrected, a statement to that effect and the matters before and after the correction will be posted on the Company's website and the TSE's website.

Reference Materials for the General Meeting of Shareholders

Proposal 1: Election of Nine (9) Directors of the Board

The term of office of all nine (9) Directors of the Board shall expire at the close of this Ordinary General Meeting of Shareholders.

Therefore, the Company proposes the election of nine (9) Directors of the Board, including four (4) Independent Outside Directors of the Board.

Candidates for the position of Directors of the Board were determined based on a report of the Nomination and Compensation Committee chaired by an Independent Outside Director of the Board in accordance with the Company's standards for selecting candidates for the position of Directors of the Board. The candidates for the position of Independent Outside Directors of the Board satisfy the Company's "Standards for Independence of Independent Officers."

The candidates for the position of Directors of the Board are as follows:

No.	Name			Current positions and responsibilities at the Company	Period served as a Director of the Board	Attendance at meetings of the Board of Directors
1	Junya Suzuki	Male; Reappointment		Chairman of the Board Group CEO Chairman of Sustainability Committee Internal Control ESG Promotion	26 years and 9 months	100% (18 out of 18)
2	Wataru Watanabe	Male; Reappointment		Director of the Board Senior Executive Vice President Chief Strategy Officer Senior Director of New Business Development Office Senior Director of Devices Business Unit (Strategy Planning) Corporate Strategy Planning	8 years	100% (18 out of 18)
3	Hisashi Iso	Male; Reappointment		Director of the Board Senior Executive Vice President General Manager of Industrial Materials Business Unit	5 years	100% (18 out of 18)
4	Yutaka Nishimoto	Male; Reappointment		Director of the Board Senior Executive Vice President General Manager of Devices Business Unit Chief Quality and Production Officer	5 years	100% (18 out of 18)
5	Daisuke Inoue	Male; Reappointment		Director of the Board Senior Executive Vice President Legal Affairs Interim Chief Financial Officer Pharmaceutical and Medical Device Affairs Corporate Procurement and Logistics Chairman of Risk Management and Compliance Committee	8 years	100% (18 out of 18)
6	Kazuhito Osugi	Male; Reappointment Candidate for Independent Outside Director of the Board	Independent Officer	Director of the Board	9 years and 9 months	94.4% (17 out of 18)
7	Kazumichi Matsuki	Male; Reappointment Candidate for Independent Outside Director of the Board	Independent Officer	Director of the Board	7 years	100% (18 out of 18)
8	Juichi Takeuchi	Male; Reappointment Candidate for Independent Outside Director of the Board	Independent Officer	Director of the Board	4 years	100% (18 out of 18)
9	Yukiko Hashitera	Female; Reappointment Candidate for Independent Outside Director of the Board	Independent Officer	Director of the Board	2 years	100% (18 out of 18)

Candidate number	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares held
1	Junya Suzuki (December 8, 1964) Reappointment (Period served as a Director of the Board) 26 years and 9 months as of the close of the meeting (Attendance at meetings of the Board of Directors in FY2025.12) 18 out of 18 (100%)	<p>April 1990 Entered The Dai-ichi Kangyo Bank, Limited (currently, Mizuho Financial Group, Inc.), Ginza Branch Office</p> <p>April 1993 Industrial Research Office, Corporation Planning Division</p> <p>March 1995 Acquired credits from the Doctoral Program, Graduate School of Business and Commerce, Keio University</p> <p>March 1996 Los Angeles Branch Office, The Dai-ichi Kangyo Bank, Limited</p> <p>March 1998 Entered the Company</p> <p>June 1999 Director of the Board</p> <p>June 2001 Executive Director of the Board</p> <p>April 2003 Executive Director of the Board, General Manager of International Sales, Industrial Materials and Input Devices Business Unit</p> <p>June 2003 Senior Executive Director of the Board</p> <p>July 2005 Director of the Board, Corporate Vice President</p> <p>April 2006 Director of the Board, Corporate Vice President, General Manager of Corporate Strategy</p> <p>June 2007 Chairman of the Board and Group CEO (present post)</p> <p>【Responsibilities】 Chief Executive Officer, Chairman of Sustainability Committee, Internal Control, ESG Promotion</p>	593,766 shares

(Significant positions concurrently held)

Chairman of the Board, Nissha USA, Inc. / Chairman of the Board, Nissha Europe GmbH / Chairman of the Board, Nissha Metallizing Solutions N.V. / President and CEO, Representative Director, Suzuki Kosan Co., Ltd. / Chairman of the board of directors, Nissha Foundation / Chairman of the board of directors, Nissha Future Foundation

(Reasons for selecting the candidate for a Director of the Board)

Mr. Junya Suzuki has duly performed his duties as Chairman of the Board and Group CEO, such as decision-making on important managerial issues and the supervision of the execution of operations. He has also committed to management from medium- to long-term perspectives and has shown strong leadership and decisiveness toward the realization of the Nissha Group's Mission by pursuing growth driven by continual change since he assumed office as Chairman of the Board and Group CEO in 2007. We ask for his election so that he may continuously serve as a Director of the Board, since we judge that he is an appropriate talented person who will continue to carry out sound growth strategies for the Company and supervise the execution of operations.

Notes:

1. No special interests exist between Mr. Junya Suzuki and the Company.
2. Shares held under the name of the shareholding association are included in the number of shares held.
3. The Company has concluded a directors and officers liability insurance contract with an insurance company. If we obtain approval for the reelection of Mr. Junya Suzuki, he will continue to be insured under the insurance contract.
Please refer to "4. Matters Regarding Directors of the Board and Audit and Supervisory Board Members (4) Outline of the contents of the directors and officers liability insurance contract" of the Business Report for an outline of the insurance contract. If the renewal period of the insurance contract arrives, the contract will be renewed with the same content.

Candidate number	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares held	
2	Wataru Watanabe (December 11, 1971) Reappointment (Period served as a Director of the Board) 8 years as of the close of the meeting (Attendance at meetings of the Board of Directors in FY2025.12) 18 out of 18 (100%)	March 1996	Entered the Company	12,801 shares
		April 2010	Chief Executive Officer, Nissha USA, Inc.	
		September 2011	Completed MBA, Kellstadt Graduate School of Business, DePaul University	
		October 2011	Director of Corporate Strategy Planning	
		April 2014	Director of Corporate Strategy Planning and Director of Secretary's Office	
		April 2015	Vice President, Director of Corporate Strategy Planning and Director of Secretary's Office	
		January 2018	Senior Vice President, Director of Corporate Strategy Planning and Director of Secretary's Office	
		March 2018	Director of the Board, Senior Vice President, Director of Corporate Strategy Planning and Director of Secretary's Office	
		January 2019	Director of the Board, Senior Vice President, Director of Corporate Strategy Planning, Director of New Business Development, Director of Secretary's Office and Interim General Manager of Industrial Materials Business Unit	
		October 2019	Director of the Board, Senior Vice President, Director of Corporate Strategy Planning, Director of New Business Development and Director of Secretary's Office	
		January 2020	Director of the Board, Executive Vice President, Director of Corporate Strategy Planning and Director of New Business Development	
		January 2021	Director of the Board, Executive Vice President, Director of Corporate Strategy Planning and Senior Director of New Business Development Office	
		January 2023	Director of the Board, Executive Vice President, Director of Corporate Strategy Planning, Director of ESG Promotion and Senior Director of New Business Development Office	
January 2024	Director of the Board, Senior Executive Vice President, Senior Director of New Business Development Office			
April 2025	Director of the Board, Senior Executive Vice President, Senior Director of New Business Development Office and Senior Director of Devices Business Unit (Strategy Planning) (present post)			
		【Responsibilities】 Senior Executive Vice President, Chief Strategy Officer, Senior Director of New Business Development Office, Senior Director of Devices Business Unit (Strategy Planning), Corporate Strategy Planning		

(Reasons for selecting the candidate for a Director of the Board)

Mr. Wataru Watanabe has duly performed his duties as a Director of the Board, such as decision-making on important managerial issues and the supervision of the execution of operations. As well as promoting and verifying the effectiveness of medium-term business plans as Senior Executive Vice President and Chief Strategy Officer, he shows strong leadership in accelerating the reorganization of the business portfolio of the Company and expanding business performance by creating new businesses as Senior Director of New Business Development Office. We ask for his election so that he may continuously serve as a Director of the Board, since we judge that he is an appropriate talented person who will continue to carry out sound growth strategies for the Company and supervise the execution of operations.

Notes:

1. No special interests exist between Mr. Wataru Watanabe and the Company.
2. Shares held under the name of the shareholding association are included in the number of shares held.
3. The Company has concluded a directors and officers liability insurance contract with an insurance company. If we obtain approval for the reelection of Mr. Wataru Watanabe, he will continue to be insured under the insurance contract.

Please refer to "4. Matters Regarding Directors of the Board and Audit and Supervisory Board Members (4) Outline of the contents of

the directors and officers liability insurance contract” of the Business Report for an outline of the insurance contract. If the renewal period of the insurance contract arrives, the contract will be renewed with the same content.

Candidate number	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares held	
3	Hisashi Iso (December 12, 1964) Reappointment (Period served as a Director of the Board) 5 years as of the close of the meeting (Attendance at meetings of the Board of Directors in FY2025.12) 18 out of 18 (100%)	April 1987	Entered the Company	11,646 shares
		April 2007	Director of PC Marketing and Sales, Industrial Materials and Input Devices Business Unit	
		April 2011	Director of Procurement and Sourcing, Devices Business Unit	
		October 2013	Senior Director of Devices Business Unit (Customer Relationship Management)	
		April 2015	Vice President, Senior Director of Devices Business Unit (Customer Relationship Management)	
		April 2017	Vice President, Senior Director of Devices Business Unit (Customer Relationship Management and Module Products)	
		January 2018	Vice President, Senior Director of Devices Business Unit (Customer Relationship Management and Procurement)	
		January 2019	Vice President, Senior Director of Devices Business Unit (Customer Relationship Management, Supply Chain Management and Procurement)	
		July 2019	Vice President, Senior Director of Industrial Materials Business Unit (Customer Relationship Management) and Senior Director of Devices Business Unit (Supply Chain Management and Procurement)	
		January 2020	Vice President, Senior Director of Industrial Materials Business Unit (Customer Relationship Management and Procurement)	
		June 2020	Senior Vice President, General Manager of Industrial Materials Business Unit	
		March 2021	Director of the Board, Senior Vice President, General Manager of Industrial Materials Business Unit	
		January 2022	Director of the Board, Executive Vice President, General Manager of Industrial Materials Business Unit	
January 2025	Director of the Board, Senior Executive Vice President, General Manager of Industrial Materials Business Unit (present post)			
	【Responsibilities】 Senior Executive Vice President, General Manager of Industrial Materials Business Unit			

(Significant positions concurrently held)

Chairman of the Board and CEO, Taiwan Nissha Co., Ltd.

(Reasons for selecting the candidate for a Director of the Board)

Mr. Hisashi Iso has duly performed his duties as a Director of the Board, such as decision-making on important managerial issues and the supervision of the execution of operations. He assumes responsibility for business management as Senior Executive Vice President and General Manager of Industrial Materials Business Unit, showing strong leadership in establishing and implementing marketing-based strategies for winning new orders. We ask for his election so that he may continuously serve as a Director of the Board, since we judge that he is an appropriate talented person who will continue to carry out sound growth strategies for the Company and supervise the execution of operations.

Notes:

1. No special interests exist between Mr. Hisashi Iso and the Company.
2. Shares held under the name of the shareholding association are included in the number of shares held.
3. The Company has concluded a directors and officers liability insurance contract with an insurance company. If we obtain approval for the reelection of Mr. Hisashi Iso, he will continue to be insured under the insurance contract. Please refer to “4. Matters Regarding Directors of the Board and Audit and Supervisory Board Members (4) Outline of the contents of the directors and officers liability insurance contract” of the Business Report for an outline of the insurance contract. If the renewal period of the insurance contract arrives, the contract will be renewed with the same content.

Candidate number	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares held	
4	Yutaka Nishimoto (December 22, 1969) Reappointment (Period served as a Director of the Board) 5 years as of the close of the meeting (Attendance at meetings of the Board of Directors in FY2025.12) 18 out of 18 (100%)	March 1993	Entered the Company	14,551 shares
		April 2008	Director of Foil Printing Production, Kameoka Factory, Nitec Industries, Inc.* (currently, Nissha Industries, Inc.)	
		April 2012	Representative Director, Nitec Precision, Inc.* (currently, Nissha Precision and Technologies, Inc.)	
		April 2013	Director of the board and Factory Manager, Kaga Factory, Nitec Precision and Technologies, Inc.* (currently, Nissha Precision and Technologies, Inc.)	
		February 2014	Director of the board and Chief Operating Officer	
		April 2015	Vice President, Senior Director of Devices Business Unit (Production), the Company	
		April 2015	Representative Director and CEO, Nitec Precision and Technologies, Inc. (present post)	
		September 2015	Vice President, Senior Director of Devices Business Unit (Production and Procurement), the Company	
		January 2018	Senior Vice President, Senior Director of Devices Business Unit (Production)	
		January 2021	Executive Vice President, Senior Director of Devices Business Unit (Quality and Production)	
		March 2021	Director of the Board, Executive Vice President, Senior Director of Devices Business Unit (Quality and Production)	
		January 2022	Director of the Board, Executive Vice President, Senior Director of Devices Business Unit (Quality, Engineering and Production)	
		January 2024	Director of the Board, Executive Vice President, Senior Director of Digital Transformation Promotion Office and Senior Director of Devices Business Unit (Quality, Procurement and Production)	
		January 2025	Director of the Board, Senior Executive Vice President, and Senior Director of Devices Business Unit (Quality, Production and Procurement)	
April 2025	Director of the Board, Senior Executive Vice President, General Manager of Devices Business Unit (present post)			
		【Responsibilities】 Senior Executive Vice President, General Manager of Devices Business Unit, Chief Quality and Production Officer		

* Wholly-owned subsidiaries of the Company

(Significant positions concurrently held)

Representative Director and CEO, Nissha Precision and Technologies, Inc. / Director, Company President, Nissha Vietnam Co., Ltd.

(Reasons for selecting the candidate for a Director of the Board)

Mr. Yutaka Nishimoto has duly performed his duties as a Director of the Board, such as decision-making on important managerial issues and the supervision of the execution of operations. As Senior Executive Vice President and General Manager of Devices Business Unit, he is responsible for business management. At the same time, as Chief Quality and Production Officer, he shows strong leadership in improving a comprehensive quality assurance system and designing and implementing the optimum deployment and streamlining of production capacity in accordance with our business strategy from the perspective of the Nissha Group as a whole. We ask for his election so that he may continuously serve as a Director of the Board, since we judge that he is an appropriate talented person who will continue to carry out sound growth strategies for the Company and supervise the execution of operations.

Notes:

1. No special interests exist between Mr. Yutaka Nishimoto and the Company.
2. Shares held under the name of the shareholding association are included in the number of shares held.

3. The Company has concluded a directors and officers liability insurance contract with an insurance company. If we obtain approval for the reelection of Mr. Yutaka Nishimoto, he will continue to be insured under the insurance contract.
Please refer to “4. Matters Regarding Directors of the Board and Audit and Supervisory Board Members (4) Outline of the contents of the directors and officers liability insurance contract” of the Business Report for an outline of the insurance contract. If the renewal period of the insurance contract arrives, the contract will be renewed with the same content.

Candidate number	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares held
5	Daisuke Inoue (February 1, 1966) Reappointment (Period served as a Director of the Board) 8 years as of the close of the meeting (Attendance at meetings of the Board of Directors in FY2025.12) 18 out of 18 (100%)	<p>April 1989 Entered The Sumitomo Bank, Limited (currently, Sumitomo Mitsui Banking Corporation)</p> <p>January 1997 Atlanta Branch</p> <p>January 1998 New York Branch</p> <p>April 1999 Head Office Marketing and Sales Division I</p> <p>January 2002 Hong Kong Branch</p> <p>April 2006 Entered the Company</p> <p>April 2007 Director of Strategies for Subsidiaries and Associates, Corporate Strategy</p> <p>April 2008 Director of Corporate Strategy Planning, Corporate Strategy</p> <p>April 2009 Deputy General Manager of Corporate Strategy</p> <p>March 2010 Completed MBA, Graduate School of Management, Ritsumeikan University</p> <p>April 2011 Vice President, Director of Corporate Strategy Planning</p> <p>September 2012 Vice President, Senior Director of Devices Business Unit</p> <p>April 2013 Senior Vice President, Senior Director of Devices Business Unit</p> <p>April 2015 Executive Vice President, General Manager of Devices Business Unit</p> <p>March 2018 Director of the Board, Executive Vice President, General Manager of Devices Business Unit</p> <p>January 2021 Director of the Board, Senior Executive Vice President, General Manager of Devices Business Unit</p> <p>April 2025 Director of the Board, Senior Executive Vice President (present post)</p> <p>【Responsibilities】 Senior Executive Vice President, Legal Affairs, Interim Chief Financial Officer, Pharmaceutical and Medical Device Affairs, Corporate Procurement and Logistics, Chairman of Risk Management and Compliance Committee</p>	15,017 shares

(Reasons for selecting the candidate for a Director of the Board)

Mr. Daisuke Inoue has duly performed his duties as a Director of the Board, such as decision-making on important managerial issues and the supervision of the execution of operations. In addition, he shows strong leadership from the perspective of the Nissha Group as a whole as Senior Executive Vice President, an executive responsible for Legal Affairs, Interim Chief Financial Officer and an executive responsible for Pharmaceutical and Medical Device Affairs. In addition, he promotes building an efficient and cost advantageous procurement and logistics systems from a global point of view as an executive responsible for Corporate Procurement and Logistics. We ask for his election so that he may continuously serve as a Director of the Board, since we judge that he is an appropriate talented person who will continue to carry out sound growth strategies for the Company and supervise the execution of operations.

Notes:

1. No special interests exist between Mr. Daisuke Inoue and the Company.
2. Shares held under the name of the shareholding association are included in the number of shares held.
3. The Company has concluded a directors and officers liability insurance contract with an insurance company. If we obtain approval for the reelection of Mr. Daisuke Inoue, he will continue to be insured under the insurance contract.
Please refer to “4. Matters Regarding Directors of the Board and Audit and Supervisory Board Members (4) Outline of the contents of the directors and officers liability insurance contract” of the Business Report for an outline of the insurance contract. If the renewal period of the insurance contract arrives, the contract will be renewed with the same content.

Candidate number	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares held
6	Kazuhito Osugi (July 31, 1953) Reappointment Candidate for Independent Outside Director of the Board Independent Officer (Period served as a Director of the Board) 9 years and 9 months as of the close of the meeting (Attendance at meetings of the Board of Directors in FY2025.12) 17 out of 18 (94.4%)	<p>April 1977 Entered the Bank of Japan</p> <p>May 1984 Completed MBA, Graduate School of Business Administration, University of Michigan</p> <p>November 1986 Economist, BIS (Bank for International Settlements)</p> <p>June 1999 General Manager, the Bank of Japan Matsumoto Branch</p> <p>May 2001 Deputy General Manager, the Bank of Japan Osaka Branch</p> <p>May 2003 Senior Director, Industrial Revitalization Corporation of Japan</p> <p>July 2005 Deputy Director- General, Head of Center for Advanced Financial Technology, the Bank of Japan Financial System and Bank Examination Department</p> <p>May 2006 Director-General, the Bank of Japan Internal Auditors' Office</p> <p>April 2007 Director-General, the Bank of Japan Secretariat of the Policy Board</p> <p>April 2009 Guest professor, Ochanomizu University</p> <p>September 2011 Auditor, the Bank of Japan</p> <p>October 2015 Advisor of Security Transport Business Division, NIPPON EXPRESS CO., LTD.</p> <p>June 2016 Independent Outside Director of the Board, the Company (present post)</p> <p>August 2018 Independent Outside Director of the Board, Frontier Management Inc.</p> <p>June 2021 Independent Outside Director of the Board, The Gunma Bank, Ltd. (present post)</p> <p>March 2024 Independent Outside Director of the Board (Audit and Supervisory Committee Member), Frontier Management Inc. (present post)</p>	0 shares

(Significant positions concurrently held)

Independent Outside Director of the Board (Audit and Supervisory Committee Member), Frontier Management Inc. / Independent Outside Director of the Board, The Gunma Bank, Ltd.

(Reasons for selecting the candidate for an Independent Outside Director of the Board and outline of expected roles)

Mr. Kazuhito Osugi has given valuable advice and opinions across the whole range of the Company's management, making the most of the deep insight in the field of finance he has cultivated in the Bank of Japan over the years and broad experience fostered by participating in corporate management as an Independent Outside Director of the Board for the Company and other companies. Mr. Kazuhito Osugi has duly performed his duties, such as the supervision of the execution of operations. We ask for his election so that he may continuously serve as an Independent Outside Director of the Board since we expect that he will continue to give his valuable counsel and contribute to enhancing management supervisory functions from an independent point of view across the whole range of the Company's management.

Notes:

- No special interests exist between Mr. Kazuhito Osugi and the Company.
- Mr. Kazuhito Osugi is a candidate for Independent Outside Director of the Board as stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
- The Company has concluded a contract for limitation of liability with Mr. Kazuhito Osugi, and if we obtain approval for his reelection, we will continue the contract.
The aforementioned contract limits liability for damages to the Company under Article 423, Paragraph 1 of the Companies Act to the minimum liability limit stipulated in Article 425, Paragraph 1 of the Companies Act, when the Director of the Board's duty is performed in good faith and with no gross negligence.
- The Company has transactional relations, including logistics services, with NIPPON EXPRESS CO., LTD., a company for which Mr. Kazuhito Osugi served as an Advisor until May 2021. The amount, however, meets the "Standards for Independence of Independent Officers" of the Company, with the amount of transactions in the most recent fiscal year being less than 1% of consolidated gross sales of the Nissha Group and the NIPPON EXPRESS Group, and would not affect the independence of Mr. Kazuhito Osugi as an Independent

Outside Director of the Board.

5. The Company has concluded a directors and officers liability insurance contract with an insurance company. If we obtain approval for the reelection of Mr. Kazuhito Osugi, he will continue to be insured under the insurance contract.
Please refer to “4. Matters Regarding Directors of the Board and Audit and Supervisory Board Members (4) Outline of the contents of the directors and officers liability insurance contract” of the Business Report for an outline of the insurance contract. If the renewal period of the insurance contract arrives, the contract will be renewed with the same content.
6. The Tokyo Stock Exchange has been notified of Mr. Kazuhito Osugi as an Independent Officer of the Company.

Candidate number	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares held	
7	Kazumichi Matsuki (August 17, 1951) Reappointment Candidate for Independent Outside Director of the Board Independent Officer (Period served as a Director of the Board) 7 years as of the close of the meeting (Attendance at meetings of the Board of Directors in FY2025.12) 18 out of 18 (100%)	April 1976	Entered Mitsubishi Corporation	0 shares
		June 1979	Harvard Law School, LL.M. (Master of Laws)	
		January 2003	General Manager of Legal Dept., Mitsubishi Corporation	
		April 2007	Senior Vice President	
		May 2007	Chairman, The Association of Corporate Legal Departments	
		April 2009	Senior Vice President, Senior Assistant to Corporate Functional Officer and General Manager of Compliance Dept., Mitsubishi Corporation	
		October 2009	Temporary member of International Jurisdiction Legislation Subcommittee, Legislative Council of the Ministry of Justice	
		April 2010	Visiting Professor, The University of Tokyo Graduate Schools for Law and Politics	
		June 2011	Director, Hokuetsu Kishu Paper Co., Ltd. (currently, Hokuetsu Corporation)	
		June 2011	Member of Special Committee on Criminal Justice System of New Age, Legislative Council of the Ministry of Justice	
		June 2013	Managing Director, Hokuetsu Kishu Paper Co., Ltd.	
		June 2016	Independent Outside Director of the Board (Audit and Supervisory Committee Member), Dream Incubator Inc.	
		June 2016	Independent Audit and Supervisory Board Member, SANDEN HOLDINGS CORPORATION (currently, SANDEN CORPORATION)	
		June 2017	Director, Japan Criminal Policy Society (present post)	
		June 2018	Independent Outside Director of the Board, ANEST IWATA Corporation	
		March 2019	Independent Outside Director of the Board, the Company (present post)	
June 2020	Independent Outside Director of the Board (Audit and Supervisory Committee Member), ANEST IWATA Corporation (present post)			
June 2023	Independent Outside Director of the Board, TOYO CONSTRUCTION CO., LTD.			
June 2024	Councilor, International Civil and Commercial Law Centre Foundation (present post)			

(Significant positions concurrently held)

Independent Outside Director of the Board (Audit and Supervisory Committee Member), ANEST IWATA Corporation / Director, Japan Criminal Policy Society / Councilor, International Civil and Commercial Law Centre Foundation

(Reasons for selecting the candidate for an Independent Outside Director of the Board and outline of expected roles)

Mr. Kazumichi Matsuki has given valuable advice and opinions across the whole range of the Company's management, making the most of his hands-on experience in proactive and broad business development and deep insight concerning its governance as he assumed important posts regarding legal affairs and compliance at a company globally developing business while participating in corporate management at manufacturers. Mr. Kazumichi Matsuki has duly performed his duties, such as the supervision of the execution of operations. We ask for his election so that he may continuously serve as an Independent Outside Director of the Board since we expect that he will continue to give his valuable counsel and contribute to enhancing management supervisory functions from an independent point of view across the whole range of the Company's management.

Notes:

1. No special interests exist between Mr. Kazumichi Matsuki and the Company.
2. Mr. Kazumichi Matsuki is a candidate for Independent Outside Director of the Board as stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
3. The Company has concluded a contract for limitation of liability with Mr. Kazumichi Matsuki, and if we obtain approval for his reelection, we will continue the contract.

The aforementioned contract limits liability for damages to the Company under Article 423, Paragraph 1 of the Companies Act to the minimum liability limit stipulated in Article 425, Paragraph 1 of the Companies Act, when the Director of the Board's duty is performed in good faith and with no gross negligence.

4. The Company has concluded a directors and officers liability insurance contract with an insurance company. If we obtain approval for the reelection of Mr. Kazumichi Matsuki, he will continue to be insured under the insurance contract.
Please refer to “4. Matters Regarding Directors of the Board and Audit and Supervisory Board Members (4) Outline of the contents of the directors and officers liability insurance contract” of the Business Report for an outline of the insurance contract. If the renewal period of the insurance contract arrives, the contract will be renewed with the same content.
5. The Tokyo Stock Exchange has been notified of Mr. Kazumichi Matsuki as an Independent Officer of the Company.

Candidate number	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares held
8	Juichi Takeuchi (October 14, 1959) Reappointment Candidate for Independent Outside Director of the Board Independent Officer (Period served as a Director of the Board) 4 years as of the close of the meeting (Attendance at meetings of the Board of Directors in FY2025.12) 18 out of 18 (100%)	<p>April 1983 Entered Terumo Corporation</p> <p>July 2006 VP & COO, Terumo Medical Corporation</p> <p>April 2007 President & CEO</p> <p>November 2010 President (Europe and the United States), D&D Group, General Hospital Company, Terumo Corporation, and President & CEO, Terumo Medical Corporation</p> <p>June 2011 Executive Officer, Terumo Corporation</p> <p>October 2014 Executive Officer, President, Terumo Pharmaceutical Solutions, and General Manager, Overseas Promotion Office, General Hospital Company</p> <p>April 2015 Executive Officer, President and CEO, Terumo Americas Holding, Inc., and Regional Representative, Latin America</p> <p>October 2016 Executive Officer, President and CEO, Terumo Americas Holding, Inc., Regional Representative, Latin America, and President, Terumo Latin America Corporation</p> <p>April 2018 Senior Executive Officer, Terumo Corporation</p> <p>April 2020 Senior Executive Advisor</p> <p>March 2022 Independent Outside Director of the Board, the Company (present post)</p>	0 shares

(Reasons for selecting the candidate for an Independent Outside Director of the Board and outline of expected roles)

Mr. Juichi Takeuchi has given valuable advice and opinions across the whole range of the Company's management, making the most of his broad hands-on experience and extensive knowledge in the medical market, a priority market of the Company, as he has been engaged in management strategies, alliances, sales and marketing in a medical devices company, where he led its global strategies and assumed responsibility for its overseas subsidiaries over the years. Mr. Juichi Takeuchi has duly performed his duties, such as the supervision of the execution of operations. We ask for his election so that he may continuously serve as an Independent Outside Director of the Board since we expect that he will continue to give his valuable counsel and contribute to enhancing management supervisory functions from an independent point of view across the whole range of the Company's management.

Notes:

- No special interests exist between Mr. Juichi Takeuchi and the Company.
- Mr. Juichi Takeuchi is a candidate for Independent Outside Director of the Board as stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
- The Company has concluded a contract for limitation of liability with Mr. Juichi Takeuchi, and if we obtain approval for his reelection, we will continue the contract.
The aforementioned contract limits liability for damages to the Company under Article 423, Paragraph 1 of the Companies Act to the minimum liability limit stipulated in Article 425, Paragraph 1 of the Companies Act, when the Director of the Board's duty is performed in good faith and with no gross negligence.
- The Company has concluded a directors and officers liability insurance contract with an insurance company. If we obtain approval for the reelection of Mr. Juichi Takeuchi, he will continue to be insured under the insurance contract.
Please refer to "4. Matters Regarding Directors of the Board and Audit and Supervisory Board Members (4) Outline of the contents of the directors and officers liability insurance contract" of the Business Report for an outline of the insurance contract. If the renewal period of the insurance contract arrives, the contract will be renewed with the same content.
- The Tokyo Stock Exchange has been notified of Mr. Juichi Takeuchi as an Independent Officer of the Company.

Candidate number	Name (Date of birth)	Career summary, positions and responsibilities		Number of shares held
9	Yukiko Hashitera (November 19, 1966) Reappointment Candidate for Independent Outside Director of the Board Independent Officer (Period served as a Director of the Board) 2 years as of the close of the meeting (Attendance at meetings of the Board of Directors in FY2025.12) 18 out of 18 (100%)	April 1989	Entered UENO FINE CHEMICALS INDUSTRY, LTD.	0 shares
		April 2003	General Manager of Quality Assurance Office, R-TECH UENO, LTD.	
		August 2003	Director, General Manager of Business Management Department	
		June 2004	Representative and Executive Director, General Manager of Business Management Department	
		April 2006	Representative Director and President	
		March 2012	Completed MPH (Master of Public Health) program, Kyoto University School of Public Health	
		March 2013	Completed MBA, Graduate School of Management, Kyoto University	
		March 2018	CEO, Phoenixi Co., Ltd. (present post)	
		January 2023	Management Director, Cyn-K Bio, Inc. (present post)	
		March 2024	Independent Outside Director of the Board, the Company (present post)	
		June 2024	Independent Outside Director of the Board, Tosoh Corporation (present post)	

(Significant positions concurrently held)

CEO, Phoenixi Co., Ltd. / Management Director, Cyn-K Bio, Inc. / Independent Outside Director of the Board, Tosoh Corporation

(Reasons for selecting the candidate for an Independent Outside Director of the Board and outline of expected roles)

Ms. Yukiko Hashitera has given valuable advice and opinions across the whole range of the Company's management, making the most of her broad hands-on experience and extensive knowledge in corporate management, innovations, and human resources development cultivated through her career in the pharmaceutical industry in the medical market, a priority market of the Company, where, after engaging in research and development, she gained experience in leading an IPO and corporate management as Representative Director of a bio venture company, as well as in co-founding and serving as CEO of an incubator to create new businesses. Ms. Yukiko Hashitera has duly performed her duties, such as the supervision of the execution of operations. We ask for her election so that she may continuously serve as an Independent Outside Director of the Board since we expect that she will continue to give her valuable counsel and contribute to enhancing management supervisory functions from an independent point of view across the whole range of the Company's management.

Notes:

- No special interests exist between Ms. Yukiko Hashitera and the Company.
- Ms. Yukiko Hashitera is a candidate for Independent Outside Director of the Board as stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
- The Company has concluded a contract for limitation of liability with Ms. Yukiko Hashitera, and if we obtain approval for her reelection, we will continue the contract.
The aforementioned contract limits liability for damages to the Company under Article 423, Paragraph 1 of the Companies Act to the minimum liability limit stipulated in Article 425, Paragraph 1 of the Companies Act, when the Director of the Board's duty is performed in good faith and with no gross negligence.
- The Company has concluded a directors and officers liability insurance contract with an insurance company. If we obtain approval for the reelection of Ms. Yukiko Hashitera, she will continue to be insured under the insurance contract.
Please refer to "4. Matters Regarding Directors of the Board and Audit and Supervisory Board Members (4) Outline of the contents of the directors and officers liability insurance contract" of the Business Report for an outline of the insurance contract. If the renewal period of the insurance contract arrives, the contract will be renewed with the same content.
- The Tokyo Stock Exchange has been notified of Ms. Yukiko Hashitera as an Independent Officer of the Company.

(Reference) [Standards for Independence of Independent Officers]

Nissha Co., Ltd. (hereinafter, the “Company”) will determine that its Independent Outside Directors of the Board and Independent Audit and Supervisory Board Members (hereinafter, collectively, “Independent Officers”) or candidates for Independent Officers are fully independent from the Company when they do not correspond to any of the criteria prescribed hereunder.

1. Persons who are or were executive persons (*) of the Company and its affiliated companies (hereinafter, collectively, the “Group”). In addition, with Independent Audit and Supervisory Board Members, persons who were Directors of the Board that did not conduct Group business.
(*) An executive person means the executive person prescribed in Article 2, Paragraph 3, Item 6 of the Ordinance for Enforcement of the Companies Act, and includes not only executive Directors of the Board but also employees, and does not include Audit and Supervisory Board Members.
2. Persons who are counterparties who have transactions principally with the Group, or are their executive persons. In addition, principal counterparties (*) of the Group, or their executive persons.
(*) A principal counterparty means a company or person whose payments or receipts for transactions with the Group in the current or any of the past three fiscal years represent 2% or more of the annual consolidated gross sales of the Group or the counterparty.
3. Major shareholders (*) of the Group or their executive persons. In addition, executive persons of companies in which the Group is a major shareholder.
(*) A major shareholder means a shareholder that holds votes representing 10% or more of total voting rights.
4. Attorneys, certified public accountants, consultants or the like who receive large amounts of cash or other assets (*) other than officer compensation from the Group (if the entity receiving the assets is a corporation, partnership or other group, then persons belonging to that group).
(*) A large amount of cash or other assets means the earning of cash or other property benefits in excess of JPY 10 million per year as an average of the past three fiscal years. In the case of a group, it means the payment of 2% or more of annual consolidated gross sales in each of the preceding three fiscal years inclusive of the most recent fiscal year.
5. Persons receiving large donations (*) from the Group (if the entity receiving the property is a corporation, partnership or other group, the executive persons of that group).
(*) A large donation means an annual donation of more than JPY 10 million in each of the preceding three fiscal years inclusive of the most recent fiscal year.
6. Executive persons of another company having a mutual appointment of Independent Officer (*) relationships with the Group.
(*) A mutual appointment of Independent Officers means the Company’s welcoming of Independent Officers from another company that have received Independent Officers, who are/were executive persons of the Group within the past 10 years, or from its parent or subsidiary companies.
7. Persons belonging to the auditing firm serving as the Group’s Accounting Auditor.
8. Persons who have corresponded to items 2 through 7 above within the past three years.
9. Spouses or relatives within two degrees of kinship of persons (limited to key personnel (*)) corresponding to any of items 1 through 8 above.
(*) Key personnel means (1) Directors of the Board, (excluding Independent Outside Directors of the Board), Corporate Officers, and employees holding a position of Senior Director or higher, (2) certified public accountants belonging to an auditing firm who are partners, and attorneys belonging to a law office, and (3) persons affiliated with incorporated foundations, incorporated associations, incorporated educational institutions and other corporations who are objectively and reasonably determined to be councilors, directors, auditors or other officers, or persons having equal importance.
10. Persons in circumstances which are otherwise objectively and reasonably found unsuitable for the duties of an Independent Officer.

Proposal 2: Election of One (1) Audit and Supervisory Board Member

The term of office of Audit and Supervisory Board Member, Mr. Kenji Imai, shall expire at the close of this Ordinary General Meeting of Shareholders.

Therefore, the Company proposes the election of one (1) Audit and Supervisory Board Member.

The approval of the Audit and Supervisory Board has been obtained in regard to this proposal.

A candidate for the position of Audit and Supervisory Board Member was determined based on a report of the Nomination and Compensation Committee chaired by an Independent Outside Director of the Board in accordance with the Company's standards for selecting candidates for the position of Audit and Supervisory Board Member.

The candidate for the position of Audit and Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and positions		Number of shares held
Kenji Imai (December 3, 1961) Reappointment (Period served as an Audit and Supervisory Board Member) 4 years as of the close of the meeting (Attendance at meetings of the Board of Directors in FY2025.12) 18 out of 18 (100%) (Attendance at meetings of the Audit and Supervisory Board in FY2025.12) 14 out of 14 (100%)	April 1985	Entered the Company	3,123 shares
	April 2008	Director of Business Strategy Planning, Industrial Materials and Input Devices Business Unit	
	April 2011	Director of Business Strategy Planning, Devices Business Unit and Director of Business Strategy Planning, Industrial Materials Business Unit	
	April 2012	Director of Business Strategy Planning, Devices Business Unit	
	January 2020	Director of Procurement and Sourcing, Devices Business Unit	
	March 2022	Full-time Audit and Supervisory Board Member (present post)	

(Reasons for selecting the candidate for an Audit and Supervisory Board Member)

Mr. Kenji Imai is well-versed in the Group's businesses and has broad experience and deep insight cultivated through his long career of engaging in sales and business strategies in the Industrial Materials and Devices businesses of the Company by leading the formulation and implementation of performance and investment plans. Since he assumed the position in March 2022, Mr. Kenji Imai has duly performed supervisory functions as a Full-time Audit and Supervisory Board Member of the Company, making the most of such experience and insight he has gained. We ask for his election so that he may continuously serve as an Audit and Supervisory Board Member since we judge that he can appropriately execute his duties as an Audit and Supervisory Board Member.

Notes:

1. No special interests exist between Mr. Kenji Imai and the Company.
2. Shares held under the name of the shareholding association are included in the number of shares held.
3. The Company has concluded a directors and officers liability insurance contract with an insurance company. If we obtain approval for the reelection of Mr. Kenji Imai, he will continue to be insured under the insurance contract. Please refer to "4. Matters Regarding Directors of the Board and Audit and Supervisory Board Members (4) Outline of the contents of the directors and officers liability insurance contract" of the Business Report for an outline of the insurance contract. If the renewal period of the insurance contract arrives, the contract will be renewed with the same content.

Attachments

Business Report

(from January 1, 2025 through December 31, 2025)

1. Current status of the Nissha Group (1) Progress and results of operations

During the fiscal year ended December 31, 2025, the global economy experienced restrained economic activity due to disruptions caused by the U.S. tariff policies and heightened geopolitical risks; however, the economy showed a gradual recovery. In the United States, inflation and a softening labor market dampened consumer sentiment, slowing the pace of economic expansion. In Europe, while some stagnation was observed, the economy trended toward recovery amid easing inflationary pressures and gradual interest rate cuts. In China, despite the implementation of measures to promote replacement purchases of durable consumer goods, the stagnant real estate market led to continued weakness in the economy. Meanwhile, in Japan, although the impact of the U.S. tariff policies was observed mainly in the automotive industry, the economy trended toward a moderate recovery.

Under these conditions, during the fiscal year ended December 31, 2025, product demand remained firm in the Industrial Materials and the Medical Technologies segments. On the other hand, in the Devices segment, product demand for tablets declined compared to the previous fiscal year, when demand grew due to new product launches. The contract design/development and manufacturing organization (CDMO) of over-the-counter (OTC) drugs that we have recently been focusing on have seen increased demand due to the effects of the corporate acquisition. As for profit, profitability was also pressured by upfront expenses for future growth, including the production start-up of new products for mobility components in the Industrial Materials segment and the impairment losses of existing facilities to expand production capacity in the CDMO business for OTC drugs.

As a result, regarding the financial results for the fiscal year ended December 31, 2025, net sales were ¥194,898 million (a decrease of 0.4% as compared to the previous year), operating profit was ¥4,040 million (a decrease of 26.0% as compared to the previous year) and profit attributable to owners of parent was ¥1,001 million (a decrease of 74.0% as compared to the previous year).

Industrial Materials

In the Industrial Materials segment, we mainly offer proprietary technologies that enable the creation of added value on the surfaces of various materials. IMD, IML, and IME, which facilitate simultaneous in-mold decoration, design and function adding of plastic products, are extensively used in mobility components and home appliances in global markets. Also, the metallized paper, which unites the properties of metallic luster and printing friendliness, has the largest market share in the industry as sustainable materials for beverages and foods on a global basis.

During the fiscal year ended December 31, 2025, demand for mobility components in the fields of decorations remained firm, while demand for home appliances and other applications stayed solid, resulting in an increase in net sales year on year. On the other hand, operating profit decreased year on year mainly due to upfront expenses associated with new products for mobility components.

As a result, segment sales for the fiscal year ended December 31, 2025 were ¥76,315 million (an increase of 3.0% as compared to the previous year). Segment profit (operating profit) was ¥3,741 million (a decrease of 23.2% as compared to the previous year).

Principal products

In-mold decoration (IMD), in-mold labeling (IML), in-mold electronics (IME),* transfer foil, metallized paper and sustainable molded parts

*IMD, IML and IME are registered trademarks of Nissha Co., Ltd.

Devices

In the Devices segment, we produce components and module products that pursue precision and functionality. Our main products, film-based Touch Sensors are widely adopted mainly in tablets, handheld terminals (logistics related), mobility components, and gaming devices in global markets. In addition, we offer gas sensors that can detect gas conditions, along with other products.

During the fiscal year ended December 31, 2025, demand for tablets declined, resulting in a year-on-year decrease in net sales. However, operating profit increased year on year due to improved efficiency and productivity, reflecting pre-emptive measures, including the production restructuring.

As a result, segment sales for the fiscal year ended December 31, 2025 were ¥58,452 million (a decrease of 13.5% as compared to the previous year). Segment profit (operating profit) was ¥2,130 million (an increase of 18.5% as compared to the previous year).

<u>Principal products</u>

Film-based Touch Sensor, gas sensor and force sensor
--

Medical Technologies

The Medical Technologies segment is a business segment that offers high-quality and value-added products in medical devices and other related markets to contribute to healthy and affluent life. The segment currently provides contract design/development manufacturing services for major medical device manufacturers, especially for those in North America and Europe, with products such as surgical instruments for minimal invasive medical treatments and medical wearable sensors used for a wide range of therapeutic areas. In addition to these, the segment manufactures and sells its own brand products to medical institutions.

During the fiscal year ended December 31, 2025, net sales increased year on year, despite a partial stagnation in demand for our mainstay contract design/development manufacturing services for medical devices. On the other hand, operating profit decreased year on year, mainly due to a deterioration in the product mix of our own brand medical devices, among other factors.

As a result, segment sales for the fiscal year ended December 31, 2025 were ¥47,130 million (an increase of 3.3% as compared to the previous year). Segment profit (operating profit) was ¥2,035 million (a decrease of 14.8% as compared to the previous year).

<u>Principal products*</u>

Minimally invasive surgical devices, medical wearable sensors and medical electrodes
--

*Products are not produced or sold in Japan (as of December 31, 2025).

(2) Status of fund procurement, etc.

1) Status of fund procurement

The Company did not raise funds through the issuance of corporate bonds or new shares during the current fiscal year.

2) Status of capital investment

The Group's Mission is to use the diverse capabilities of its people and core technologies as an engine for growth to create highly competitive, feature-rich products and services that realize customer value and contribute to better lives for all.

Guided by this Mission, as our Sustainability Vision (our long-term vision), we aim to create economic and social value by contributing to solving global social issues related to medical, mobility, and the environment, with the integration and orchestration of the diverse talents of our people and our technologies.

To this end, during the current fiscal year, we renewed and expanded production facilities at domestic, North American, and European bases in the Industrial Materials business segment. We also expanded production facilities at a North American base in the Medical Technologies business segment.

As a result, capital investment amounted to ¥5,362 million in the Industrial Materials business segment, ¥1,719 million in the Devices business segment, ¥2,322 million in the Medical Technologies business segment, and ¥2,302 million in other and common corporate divisions (R&D and Administration divisions). The overall capital investment of the Nissha Group stood at ¥11,707 million (an increase of 21.8% as compared to the previous year).

The details of our major capital investment are as follows:

Segments	Breakdown of major capital investment
Industrial Materials	Renewal and expansion of production facilities at domestic, North American, and European bases
Devices	Renewal of domestic production facilities
Medical Technologies	Expansion of production facilities
Other and common corporate divisions (R&D and Administration divisions)	Expansion of production facilities, introduction of research and development equipment, etc.

(3) Status of consolidated assets and profit and loss

(Millions of Yen)

Items	FY2022.12 [the 104 th business term]	FY2023.12 [the 105 th business term]	FY2024.12 [the 106 th business term]	FY2025.12 (current term) [the 107 th business term]
Net sales	193,963	167,726	195,598	194,898
Operating profit (loss)	9,520	(3,817)	5,457	4,040
Profit (loss) before tax	12,373	(2,762)	6,202	3,551
Profit (loss) attributable to owners of parent	10,140	(2,988)	3,851	1,001
Basic earnings (loss) per share (Yen)	203.65	(61.13)	79.93	21.13
Total assets	230,212	217,853	251,847	250,120
Total equity	111,518	110,852	115,783	117,872

- Notes:
1. The Company finalized the provisional accounting treatment pertaining to business combinations in FY2025.12 (the 107th business term), and reflected the details of the finalization of the provisional accounting treatment on figures related to FY2024.12 (the 106th business term).
 2. Effective from FY2020.12 (the 102nd business term), the Group began preparing consolidated financial statements in accordance with International Financial Reporting Standards (IFRS).
 3. Basic earnings (loss) per share are calculated based on the average number of shares outstanding during the fiscal year (after deducting the average number of treasury shares).
 4. The Company has introduced the Board Benefit Trust (BBT) from FY2017.3 (the 98th business term), and the Stock Benefit Trust (J-ESOP) and Stock Benefit Trust (Employee Shareholding Association Purchase-type) from FY2019.12 (the 101st business term). When calculating basic earnings (loss) per share, the Company shares that remain in the trust recorded as treasury shares under shareholders' equity are included in treasury shares to be deducted in the calculation of the average number of shares outstanding during the fiscal year.
 5. (Reference) The audits for the fiscal years prior to FY2024.12 (the 106th business term) have been completed in each of the past fiscal years; therefore, they are not subject to the audit in FY2025.12 (the 107th business term).

(4) Issues to be addressed

The Group's Mission is to use the diverse capabilities of its people and core technologies as an engine for growth to create highly competitive, feature-rich products and services that realize customer value and contribute to better lives for all.

Guided by this Mission, as our Sustainability Vision (our long-term vision), we aim to create economic and social value by contributing to solving global social issues related to medical, mobility, and the environment, with the integration and orchestration of the diverse talents of our people and our technologies.

In addition, to realize our Sustainability Vision, we have identified "Creating Business Opportunities," "Risk Reduction," "Strengthening Management Foundation," and "Corporate Governance" as materialities.

Materialities of Nissha Group

• Creating Business Opportunities

- Solve medical issues
- Contribute to the safety and comfort of transportation and logistics, and the reduction of environmental impact
- Promotion of circular economy

• Risk Reduction

- Responding to climate change
- Respect for human rights
- Providing responsible products and services
- Sustainable procurement
- Data security in response to the increased use of generative AI

• Strengthening Management Foundation

- Enhancing human capital
- Efficiency and productivity improvement

• Corporate Governance

- Improving the effectiveness of the Board of Directors
- Advancement of global governance

The 8th Medium-term Business Plan and forecast for the fiscal year ending December 31, 2026

The Group has been implementing the three-year 8th Medium-term Business Plan since 2024 to realize the Sustainability Vision as our long-term vision. Under the 8th Medium-term Business Plan, we are pursuing stable growth and capital efficiency improvement. Accordingly, we are working to improve and stabilize profitability through strengthening the business portfolio we have built up to date.

During the fiscal year ended December 31, 2025, the second year of the 8th Medium-term Business Plan, product demand remained firm in the Industrial Materials and the Medical Technologies segments. On the other hand, in the Devices segment, product demand for tablets declined compared to the previous fiscal year, when demand grew due to new product launches. The contract design/development and manufacturing organization (CDMO) of over-the-counter (OTC) drugs that we have recently been focusing on have seen increased demand due to the effects of the corporate acquisition. As for profit, profitability was also pressured by upfront expenses for future growth, including the production start-up of new products for mobility components in the Industrial Materials segment and the impairment losses of existing facilities to expand production capacity in the CDMO business for OTC drugs.

In the fiscal year ending December 31, 2026, the global economy is expected to make a gradual recovery; however, the outlook remains uncertain due to factors such as the fragmentation of the global economy, foreign exchange rate fluctuations, and trends in geopolitical risks.

Under such conditions, in the fiscal year ending December 31, 2026, the final year of the 8th Medium-term Business Plan, the Industrial Materials segment will respond to firm demand in existing fields and expects demand for new products for mobility exterior components to expand. In the Devices segment, we anticipate a decline in demand, mainly for tablets, while continuing initiatives to further improve the profitability structure. In the Medical Technologies segment, we expect the launch of new products in contract design/development manufacturing services for medical devices in the second half of the fiscal year. Demand for CDMO services

for OTC drugs is expected to remain steady.

As a result, for the consolidated financial results for the fiscal year ending December 31, 2026, we expect net sales of ¥191,500 million, operating profit of ¥6,600 million, profit before tax of ¥5,000 million and profit attributable to owners of parent of ¥2,300 million. These figures are based on an exchange rate of 1US\$ = ¥145 for the fiscal year ending December 31, 2026.

(5) Principal bases, etc. of the Nissha Group (as of December 31, 2025)

1) Principal offices and factories

(i) The Company

Headquarters	Kyoto
Division Headquarters	Tokyo (Shinagawa-ku, Tokyo)

(ii) Subsidiaries

Nissha Industries, Inc.	Headquarters/Factory (Koka, Shiga Pref.)
	Kameoka Factory (Kameoka, Kyoto Pref.)
Nissha Precision and Technologies, Inc.	Headquarters/Factory (Himeji, Hyogo Pref.)
	Kaga Factory (Kaga, Ishikawa Pref.)
	Tsu Factory (Tsu, Mie Pref.)
	Kyoto Factory (Kyoto)
Nissha FIS, Inc.	Headquarters/Factory (Osaka)
Nissha Printing Communications, Inc.	Headquarters (Kyoto)
	Osaka Sales Office (Osaka)
	Tokyo Sales Office (Shinagawa-ku, Tokyo)
	Kameoka Factory (Kameoka, Kyoto Pref.)
Nissha Zonnedo Pharma Co., Ltd.	Headquarters/Factory (Hachioji, Tokyo)
SHIGAKEN. PHARM. IND. CO., LTD.	Headquarters/Factory (Koka, Shiga Pref.)
Nissha Business Service, Inc.	Headquarters (Kyoto)
Nissha USA, Inc.	Head Office (U.S.A.)
Eimo Technologies, Inc.	Head Office/Factory (U.S.A.)
Nissha PMX Technologies, S.A. de C.V.	Head Office/Factory (Mexico)
Nissha Medical International, Inc.	Head Office (U.S.A.)
Graphic Controls Holdings, Inc.	Head Office (U.S.A.)
Graphic Controls Acquisition Corp.	Head Office (U.S.A.)
Nissha Medical Technologies Ltd.	Head Office/Factory (U.K.)
Nissha Europe GmbH	Head Office (Germany)
Nissha Advanced Technologies Europe GmbH	Head Office/Factory (Germany)
Nissha Metallizing Solutions N.V.	Head Office/Factory (Belgium)
Nissha Metallizing Solutions Produtos Metalizados Ltda.	Head Office/Factory (Brazil)
Nissha Korea Inc.	Head Office (Korea)
Nissha Industrial and Trading (Shenzhen) Co., Ltd.	Head Office (China)
Nissha (Kunshan) Precision IMD Mold Co., Ltd.	Head Office/Factory (China)
Guangzhou Nissha High Precision Plastics Co., Ltd.	Head Office/Factory (China)
Taiwan Nissha Co., Ltd.	Head Office (Taiwan)
Nissha Industrial and Trading Malaysia Sdn. Bhd.	Head Office (Malaysia)
Nissha Precision Technologies Malaysia Sdn. Bhd.	Head Office/Factory (Malaysia)
Nissha Vietnam Co., Ltd.	Head Office (Vietnam)

2) Status of employees

(i) Status of employees of the Nissha Group

Segments	Number of employees	Increase (Decrease) from the previous fiscal year-end
Industrial Materials	2,520	+61
Devices	750	-109
Medical Technologies	1,335	-138
Other and common corporate divisions (R&D and Administration divisions)	700	+94
Total	5,305	-92

Note: "Number of employees" indicates the number of employees actually working.

(ii) Status of employees of the Company

Number of employees		Increase (Decrease) from the previous fiscal year-end	Average age	Average length of service
Male	484	-40	45.1 years	17.8 years
Female	240	+6	37.5 years	11.5 years
Total or average	724	-34	42.6 years	15.7 years

Note: "Number of employees" indicates the number of employees actually working.

(6) Status of important parent company and subsidiaries (as of December 31, 2025)

1) Status of the parent company

Not applicable.

2) Status of subsidiaries

Company name	Capital	Equity stake of the Company	Major businesses
Nissha Industries, Inc.	¥12 million	100%	Production of decorative films and molded parts
Nissha Precision and Technologies, Inc.	¥20 million	100%	Production of film-based Touch Sensors, etc.
Eimo Technologies, Inc.	USD 0	100%*	Production and sales of plastic injection molded parts
Graphic Controls Acquisition Corp.	USD 0	100%*	Production and sales of medical devices, consumable medical products, etc.
Nissha PMX Technologies, S.A. de C.V.	Mexico Peso 901 million	100%*	Production and sales of plastic molded parts
Nissha Metallizing Solutions N.V.	EUR 9,000 thousand	100%	Production and sales of metallized papers

- Notes:
1. The figure ending with an * includes the ratio of indirect equity participation.
 2. Important subsidiaries are selected according to the criteria of capital, net assets, net sales, etc.
 3. The “Capital” column of Eimo Technologies, Inc. is stated at the amount of common shares. The total paid-in capital of Eimo Technologies, Inc. (an amount consisting of common shares and additional paid-in capital) is USD 11,407 thousand.
 4. The “Capital” column of Graphic Controls Acquisition Corp. is stated at the amount of common shares. The total paid-in capital of Graphic Controls Acquisition Corp. (an amount consisting of common shares and additional paid-in capital) is USD 140,672 thousand.

(7) Principal creditors and amount of borrowings (as of December 31, 2025)

(Millions of Yen)

Creditors	Amount of borrowings
Mizuho Bank, Ltd.	10,000
The Bank of Kyoto, Ltd.	5,500
Development Bank of Japan Inc.	5,000
MUFG Bank, Ltd.	4,500

2. Matters Regarding Shares of the Company (as of December 31, 2025)

- (1) Total number of shares authorized 180,000,000 shares
- (2) Total number of common shares issued 48,016,100 shares
(including 1,206 treasury shares)
- (3) Number of shareholders 11,298
- (4) Major shareholders (Top 10)

Name	No. of Shares Held (thousand shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	5,212	10.85
Custody Bank of Japan, Ltd. (Trust Account)	4,135	8.61
Suzuki Kosan Co., Ltd.	2,563	5.33
Meiji Yasuda Life Insurance Company	2,107	4.38
Mizuho Bank, Ltd.	2,076	4.32
The Bank of Kyoto, Ltd.	1,442	3.00
JPMorgan Securities Japan Co., Ltd.	1,140	2.37
Nissha Kyoekai	1,137	2.36
STATE STREET BANK AND TRUST COMPANY 505301	1,031	2.14
JUNIPER	936	1.94

- Notes: 1. The shareholding ratio was computed after excluding treasury shares from the total number of common shares issued.
2. The Company introduced a performance-linked stock compensation plan, the Board Benefit Trust (BBT), as well as the Stock Benefit Trust (J-ESOP) and Stock Benefit Trust (Employee Shareholding Association Purchase-type), and Custody Bank of Japan, Ltd. (Trust E Account) (hereinafter, the "Trust E Account") holds 628 thousand shares of the Company's stock. The shares of the Company's stock held by the Trust E Account are not included in treasury shares.
3. The shares held by Mizuho Bank, Ltd., mentioned above, are trust assets of a retirement benefit trust contributed by the bank (the name in the register of shareholders is Mizuho Trust & Banking Co., Ltd. Retirement Benefit Trust Mizuho Bank Account Retrustee Custody Bank of Japan, Ltd.).
4. Nissha Kyoekai is a shareholding association for business partners of the Company.

(5) Shares granted to Directors of the Board of the Company as compensation for execution of duties during the current fiscal year

Not applicable.

(6) Other important matters regarding the shares of the Company

1) Acquisition of treasury shares

The Company resolved to acquire treasury shares at the meeting of the Board of Directors held on November 8, 2024 in accordance with the provisions of Article 156 of the Companies Act, as applied by replacing the terms and phrases pursuant to the provisions of Article 165, Paragraph 3 of the same act as follows:

Class of shares acquired	Common share
Total number of shares acquired	Up to 600,000 shares
Total acquisition price of shares	Up to ¥1,000,000,000
Acquisition period	From November 11, 2024 to March 31, 2025
Acquisition method	Market purchase on the Tokyo Stock Exchange

Based on the above resolution of the Board of Directors, the Company acquired 600,000 shares at a total amount of ¥922,498,800 until March 24, 2025.

2) Disposal of treasury shares

The Company disposed of treasury shares through a third-party allocation based on a resolution at the meeting of the Board of Directors held on August 6, 2025 as detailed below.

Class of shares disposed of	Common share
Number of shares disposed of	289,500 shares
Total disposition price	¥389,956,500
Subscriber	Custody Bank of Japan, Ltd. (Trust E Account)
Date of disposition	September 10, 2025

3) Cancellation of treasury shares

The Company cancelled treasury shares based on a resolution at the meeting of the Board of Directors held on November 21, 2025 as detailed below.

Class of shares cancelled	Common share
Number of shares cancelled	2,839,538 shares
Date of cancellation	December 4, 2025

3. Matters Regarding Stock Acquisition Rights

Not applicable.

4. Matters Regarding Directors of the Board and Audit and Supervisory Board Members (as of December 31, 2025)

(1) Status of Directors of the Board and Audit and Supervisory Board Members of the Company

Position	Name	Responsibilities	Significant positions concurrently held
Chairman of the Board and Group CEO	Junya Suzuki	Chief Executive Officer Chairman of Sustainability Committee Internal Control ESG Promotion	Chairman of the Board, Nissha USA, Inc. Chairman of the Board, Nissha Europe GmbH Chairman of the Board, Nissha Metallizing Solutions N.V. President and CEO, Representative Director, Suzuki Kosan Co., Ltd. Chairman of the board of directors, Nissha Foundation Chairman of the board of directors, Nissha Future Foundation
Director of the Board	Wataru Watanabe	Senior Executive Vice President Chief Strategy Officer Senior Director of New Business Development Office Corporate Strategy Planning Senior Director of Devices Business Unit (Strategy Planning)	
Director of the Board	Hisashi Iso	Senior Executive Vice President General Manager of Industrial Materials Business Unit	Chairman of the Board and CEO, Taiwan Nissha Co., Ltd.
Director of the Board	Yutaka Nishimoto	Senior Executive Vice President General Manager of Devices Business Unit Chief Quality and Production Officer	Representative Director and CEO, Nissha Precision and Technologies, Inc. Director, Company President, Nissha Vietnam Co., Ltd.
Director of the Board	Daisuke Inoue	Senior Executive Vice President Legal Affairs Interim Chief Financial Officer Pharmaceutical and Medical Device Affairs Corporate Procurement and Logistics Chairman of Risk Management and Compliance Committee	
Director of the Board	Kazuhito Osugi		Independent Outside Director of the Board (Audit and Supervisory Committee Member), Frontier Management Inc. Independent Outside Director of the Board, The Gunma Bank, Ltd.
Director of the Board	Kazumichi Matsuki		Independent Outside Director of the Board (Audit and Supervisory Committee Member), ANEST IWATA Corporation Independent Outside Director of the Board, TOYO CONSTRUCTION CO., LTD. Director, Japan Criminal Policy Society Councilor, International Civil and Commercial Law Centre Foundation

Position	Name	Responsibilities	Significant positions concurrently held
Director of the Board	Juichi Takeuchi		
Director of the Board	Yukiko Hashitera		CEO, Phoenixi Co., Ltd. Management Director, Cyn-K Bio, Inc. Independent Outside Director of the Board, Tosoh Corporation
Full-time Audit and Supervisory Board Member	Tetsuya Taniguchi		
Full-time Audit and Supervisory Board Member	Kenji Imai		
Audit and Supervisory Board Member	Yusuke Nakano		Senior Partner, SEIYU AUDIT CORPORATION Senior Partner, SEIYU TAX CORPORATION General Manager, NAKANO C.P.A. OFFICE Independent Outside Director of the Board (Audit and Supervisory Committee Member), SK-Electronics Co., Ltd. Independent Audit and Supervisory Board Member, Sanyo Chemical Industries, Ltd.
Audit and Supervisory Board Member	Yusaku Kurahashi		Representative Partner, Kurahashi Law Office Independent Audit and Supervisory Board Member, KANEMATSU CORPORATION Independent Outside Director of the Board (Audit and Supervisory Committee Member), UNITED ARROWS LTD. Independent Audit and Supervisory Board Member, Mitsubishi Logistics Corporation

- Notes: 1. Mr. Kazuhito Osugi, Mr. Kazumichi Matsuki, Mr. Juichi Takeuchi, and Ms. Yukiko Hashitera are all Independent Outside Directors of the Board as stipulated in Article 2, Item 15 of the Companies Act.
2. Both Mr. Yusuke Nakano and Mr. Yusaku Kurahashi are Independent Audit and Supervisory Board Members as stipulated in Article 2, Item 16 of the Companies Act.
3. Mr. Yusuke Nakano, Audit and Supervisory Board Member, has a qualification as certified public accountant and possesses considerable knowledge with regard to finance and accounting.
4. Mr. Yusaku Kurahashi, Audit and Supervisory Board Member, has a qualification as attorney-at-law and possesses considerable knowledge with regard to overall legal affairs.
5. Changes in Directors of the Board and Audit and Supervisory Board Members during the current fiscal year are as follows:
- (1) As a result of changes in the responsibilities of Directors of the Board as of April 1, 2025, the current responsibilities of Directors of the Board are as follows:

Position	Name	Responsibilities	Significant positions concurrently held
Chairman of the Board and Group CEO	Junya Suzuki	Chief Executive Officer Chairman of Sustainability Committee Internal Control ESG Promotion	Chairman of the Board, Nissha USA, Inc. Chairman of the Board, Nissha Europe GmbH Chairman of the Board, Nissha Metallizing Solutions N.V. President and CEO, Representative Director, Suzuki Kosan Co., Ltd. Chairman of the board of directors, Nissha Foundation

Position	Name	Responsibilities	Significant positions concurrently held
Director of the Board	Wataru Watanabe	Senior Executive Vice President Chief Strategy Officer Senior Director of New Business Development Office Corporate Strategy Planning Senior Director of Devices Business Unit (Strategy Planning)	
Director of the Board	Hisashi Iso	Senior Executive Vice President General Manager of Industrial Materials Business Unit	Chairman of the Board and CEO, Taiwan Nissha Co., Ltd.
Director of the Board	Yutaka Nishimoto	Senior Executive Vice President General Manager of Devices Business Unit Chief Quality and Production Officer	Representative Director and CEO, Nissha Precision and Technologies, Inc. Director, Company President, Nissha Vietnam Co., Ltd.
Director of the Board	Daisuke Inoue	Senior Executive Vice President Legal Affairs Pharmaceutical and Medical Device Affairs Corporate Procurement and Logistics Chairman of Risk Management and Compliance Committee	

(2) Mr. Daisuke Inoue, Director of the Board, assumed office as Interim Chief Financial Officer as of April 18, 2025.

(3) Mr. Junya Suzuki, Chairman of the Board and Group CEO, assumed office as Chairman of the board of directors, Nissha Future Foundation as of August 1, 2025.

6. As a result of changes in the significant positions concurrently held of Directors of the Board as of January 1 and January 21, 2026, the current positions concurrently held of Directors of the Board are as follows:

Position	Name	Responsibilities	Significant positions concurrently held
Chairman of the Board and Group CEO	Junya Suzuki	Chief Executive Officer Chairman of Sustainability Committee Internal Control ESG Promotion	Chairman of the Board, Nissha USA, Inc. Chairman of the Board, Nissha Europe GmbH Chairman of the Board, Nissha Metallizing Solutions N.V. President and CEO, Representative Director, Suzuki Kosan Co., Ltd. Chairman of the board of directors, Nissha Foundation Chairman of the board of directors, Nissha Future Foundation (Nissha Future Foundation is accredited as a Public Interest Incorporated Foundation.)
Director of the Board	Kazumichi Matsuki		Independent Outside Director of the Board (Audit and Supervisory Committee Member), ANEST IWATA Corporation Director, Japan Criminal Policy Society Councilor, International Civil and Commercial Law Centre Foundation

7. The Company has introduced a Corporate Officer System to enhance corporate governance. The 17 Corporate Officers including four Corporate Officers who concurrently serve as Directors of the Board were appointed to Corporate Officers on January 1, 2026.

8. Mr. Kazuhito Osugi, Mr. Kazumichi Matsuki, Mr. Juichi Takeuchi, and Ms. Yukiko Hashitera, Directors of the Board, and Mr. Yusuke Nakano and Mr. Yusaku Kurahashi, Audit and Supervisory Board Members, are registered as Independent Officers of the Company with the Tokyo Stock Exchange.

(2) Outline of the details of contracts for limitation of liability

The Company has concluded contracts for limitation of liability with all Independent Outside Directors of the Board and all Independent Audit and Supervisory Board Members to limit liability for damages to the Company under Article 423, Paragraph 1 of the Companies Act to the minimum liability limit stipulated in Article 425, Paragraph 1 of the Companies Act, when the Director of the Board's or Audit and Supervisory Board Member's duty is performed in good faith and with no gross negligence.

(3) Outline of the details of indemnity agreements

Not applicable.

(4) Outline of the contents of the directors and officers liability insurance contract

The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance covers damages to be borne by the insureds due to claims for damages arising from business activities, litigation costs, and other damages. However, the Company has taken measures to ensure that the appropriateness of the execution of duties by Directors of the Board and other officers is not impaired by excluding compensation for criminal acts such as bribery and damages caused by Directors of the Board and other officers themselves who intentionally commit illegal acts.

The insureds of the insurance contract are Directors of the Board, Audit and Supervisory Board Members, and Corporate Officers, etc. of the Company. The insurance premiums are fully borne by the Company for all the insureds.

(5) Compensation paid to Directors of the Board and Audit and Supervisory Board Members

1) Policy for determining the details of individual compensation for Directors of the Board (hereinafter, the "determination policy")

(i) Method of determining the determination policy

The Company resolved the determination policy at a meeting of the Board of Directors. The Company consulted the Nomination and Compensation Committee, chaired by an Independent Outside Director of the Board and composed of a majority of Independent Outside Directors of the Board, in advance regarding the details of the resolution made at the meeting of the Board of Directors and received its report.

(ii) Outline of the details of the determination policy

The Company's compensation plan for Directors of the Board was designed to lead to the sustainable growth of the Nissha Group and the improvement of corporate value over the medium to long term and to ensure that their respective duties are duly performed. The compensation level was designed to be market-competitive in achieving growth as a global company.

The basic policy on compensation for Directors of the Board who are responsible for business execution is to promote the sharing of value with shareholders and contribute to the improvement of corporate performance and corporate value. The compensation consists of a base salary (monetary compensation), which is fixed compensation, bonus (monetary compensation), which is short-term performance-linked compensation, and stock compensation, etc., which is medium- to long-term performance-linked compensation. The base salary (monetary compensation) is fixed monthly compensation and determined based on the importance of duties each Director of the Board is responsible for and their positions. The amount of the bonus (monetary compensation), which is short-term performance-linked compensation, is determined based on the attainment levels of consolidated net sales, consolidated operating profit, and consolidated ROE targets as well as individual evaluations to function as an incentive to achieve consolidated performance targets for each fiscal year and to encourage appropriate management. The bonus is paid at a fixed time each year. Stock compensation, etc., which is medium- to long-term performance-linked compensation (non-monetary compensation, etc.), was designed to function as an incentive to promote a sense of contribution to the sustainable growth of the Nissha Group and the improvement of corporate value over the medium to long term. Specifically, a Board Benefit Trust (BBT) is used. Under this system, the Company awards points to Directors

of the Board, etc. according to their titles and the attainment levels of the consolidated performance targets and the Medium-term Business Plan targets for each fiscal year during a three-year period covered by the Medium-term Business Plan. On a fixed date in every final fiscal year of the Medium-term Business Plan, the Company grants or pays shares in the Company and cash equivalents of such shares at their market value through the trust according to the number of points awarded. As for indicators for awarding points, consolidated net sales and consolidated operating profit are used for the consolidated performance targets for each fiscal year, while the level of achievement of the consolidated ROE target (three-year average), one of our key business management indicators, in the final fiscal year of the Medium-term Business Plan and ESG metrics are used for the Medium-term Business Plan targets. The ESG metrics are a metric related to climate change (reduction of CO₂ emissions at the Nissha Group), a metric related to women's empowerment at the Company (ratio of female managers and ratio of next-generation female managers), and a metric related to employee engagement at the Nissha Group (willingness to contribute to the organization and organizational commitment). The Company stipulates conditions under which stock compensation, etc. will not be paid in the event of wrongdoings or misconduct in order to encourage sound execution of duties by Directors of the Board.

The ratios of compensation by type are determined based on the compensation level of companies of a similar scale to the Company and global companies in related industries and general trends.

Compensation for Independent Outside Directors of the Board does not include performance-linked compensation as they supervise management from a standpoint independent from business execution. It consists solely of a base salary, which is fixed compensation, and is determined by considering the career and responsibilities of the relevant Independent Outside Director of the Board.

The Company has established a Nomination and Compensation Committee as an advisory panel for the Board of Directors of the Company. The Nomination and Compensation Committee is chaired by an Independent Outside Director of the Board and the majority of its members are Independent Outside Directors of the Board. The Chairman of the Board, President and CEO prepares proposed compensation amounts for Directors of the Board in accordance with predetermined calculation methods within the range of compensation limits determined at General Meetings of Shareholders. Upon consultation by the Board of Directors, the Nomination and Compensation Committee deliberates the details of the proposed compensation amounts and submits a report to the Board of Directors. The Board of Directors then determines the compensation amounts based on the report.

- (iii) Reasons for the Board of Directors' determination that the details of compensation for Directors of the Board for the current fiscal year are in line with the determination policy

The Nomination and Compensation Committee deliberated on the individual compensation for Directors of the Board for the current fiscal year from various viewpoints and confirmed that the details of compensation for Directors of the Board and the determination process are in line with the determination policy. With respect to the report from the Nomination and Compensation Committee, the Board of Directors determined that the details of compensation are in line with the determination policy.

2) **Matters regarding compensation for Audit and Supervisory Board Members**

Compensation for Audit and Supervisory Board Members is determined through discussions among Audit and Supervisory Board Members within the range of a compensation limit determined at a General Meeting of Shareholders. It consists solely of a fixed base salary as Audit and Supervisory Board Members are responsible for auditing the entire Nissha Group from an independent standpoint.

3) Total amount of compensation paid to Directors of the Board and Audit and Supervisory Board Members

Title	Number of officers	Total amount of compensation	Total amount of compensation by type		
			Fixed compensation	Performance-linked compensation, etc.	
			Base salary	Bonus	Stock compensation, etc. (Non-monetary compensation, etc.)
Directors of the Board (Independent Outside Directors of the Board)	9 (4)	¥513 million (¥40 million)	¥295 million (¥40 million)	¥151 million (-)	¥66 million (-)
Audit and Supervisory Board Members (Independent Audit and Supervisory Board Members)	4 (2)	¥51 million (¥18 million)	¥51 million (¥18 million)	-	-

- Notes: 1. It was resolved at the Ordinary General Meeting of Shareholders for the 106th Business Term, held on March 21, 2025, that the amount of compensation, excluding stock compensation, etc., to be paid to Directors of the Board in total per year shall not exceed ¥840 million (of which, the amount of compensation to be paid to Independent Outside Directors of the Board shall not exceed ¥70 million). The number of Directors of the Board at the close of the Ordinary General Meeting of Shareholders was nine (including four Independent Outside Directors of the Board). In addition to the total amount of compensation for Directors of the Board mentioned above, it was resolved at the Ordinary General Meeting of Shareholders for the 106th Business Term, held on March 21, 2025 that, under a performance-linked stock compensation plan, the maximum number of Company Shares to be provided every three fiscal years shall be equivalent to 275,000 shares. At the close of the Ordinary General Meeting of Shareholders, the number of Directors of the Board was nine, and the number of Directors of the Board eligible for this plan was five (excluding Independent Outside Directors of the Board).
2. The performance-linked stock compensation, etc. is stated at the amount of provision for management board benefit trust recorded for the current fiscal year. The Company Shares will be actually granted on a fixed date after the end of the period covered by the 8th Medium-term Business Plan (from January 1, 2024 through December 31, 2026).
3. Please refer to “1) Policy for determining the details of individual compensation for Directors of the Board” above for the details of performance indicators selected as the basis for calculation of performance-linked compensation, etc., reasons for the selection, and calculation methods. The results of the performance indicators for the current fiscal year were ¥194.8 billion in consolidated net sales, ¥4.0 billion in consolidated operating profit, and 0.9% of ROE.
4. It was resolved at the Ordinary General Meeting of Shareholders for the 106th Business Term, held on March 21, 2025, that the amount of compensation to be paid to Audit and Supervisory Board Members in total per year shall not exceed ¥70 million (of which, the amount of compensation to be paid to Independent Audit and Supervisory Board Members shall not exceed ¥25 million). The number of Audit and Supervisory Board Members at the close of the Ordinary General Meeting of Shareholders was four (including two Independent Audit and Supervisory Board Members).

(6) Matters Regarding Independent Outside Directors of the Board and Independent Audit and Supervisory Board Members

1) Major activities of Independent Outside Directors of the Board

Name	Attendance at meetings of the Board of Directors	Attendance at meetings of the Nomination and Compensation Committee	Major activities and outline of duties performed concerning expected duties
Kazuhito Osugi	94.4% (17 out of 18)	100% (4 out of 4)	<p>At meetings of the Board of Directors, he gave advice and opinions concerning the management of the Company based on his deep insight into the field of finance and duly performed his duties, such as the supervision of the management.</p> <p>He also served as the Chairman of the Nomination and Compensation Committee and played an important role in ensuring objectivity and fairness in the appointment of Directors of the Board and Audit and Supervisory Board Members and treatment of Directors of the Board.</p>
Kazumichi Matsuki	100% (18 out of 18)	100% (4 out of 4)	<p>At meetings of the Board of Directors, he gave advice and opinions concerning the management of the Company based on his deep insight into legal affairs and compliance cultivated at a trading company and in the manufacturing industry as well as his broad experience in corporate management and duly performed his duties, such as the supervision of the management.</p> <p>He also served as a member of the Nomination and Compensation Committee and played an important role in ensuring objectivity and fairness in the appointment of Directors of the Board and Audit and Supervisory Board Members and treatment of Directors of the Board.</p>
Juichi Takeuchi	100% (18 out of 18)	100% (4 out of 4)	<p>At meetings of the Board of Directors, he gave advice and opinions concerning the management of the Company based on his broad experience and extensive knowledge of leading global strategies in a medical devices company for many years and duly performed his duties, such as the supervision of the management.</p> <p>He also served as a member of the Nomination and Compensation Committee and played an important role in ensuring objectivity and fairness in the appointment of Directors of the Board and Audit and Supervisory Board Members and treatment of Directors of the Board.</p>
Yukiko Hashitera	100% (18 out of 18)	100% (4 out of 4)	<p>At meetings of the Board of Directors, she gave advice and opinions concerning the management of the Company based on her broad experience of corporate management and her deep insight into the pharmaceutical industry and duly performed her duties, such as the supervision of the management.</p> <p>She also served as a member of the Nomination and Compensation Committee and played an important role in ensuring objectivity and fairness in the appointment of Directors of the Board and Audit and Supervisory Board Members and treatment of Directors of the Board.</p>

2) Major activities of Independent Audit and Supervisory Board Members

Name	Attendance at meetings of the Board of Directors	Attendance at meetings of the Audit and Supervisory Board	Major activities
Yusuke Nakano	100% (18 out of 18)	100% (14 out of 14)	At meetings of the Board of Directors and the Audit and Supervisory Board, he gave advice and opinions mainly from a professional standpoint as a certified public accountant.
Yusaku Kurahashi	100% (18 out of 18)	100% (14 out of 14)	At meetings of the Board of Directors and the Audit and Supervisory Board, he gave advice and opinions mainly from a professional standpoint as a lawyer.

3) Total amount of compensation of Independent Outside Directors of the Board and Independent Audit and Supervisory Board Members received from subsidiaries of the Company

Not applicable.

5. Policy regarding the decision of distribution of the dividends of surplus, etc.

The Company, while giving consideration to financial safety, uses cash flows generated by operating activities, etc. mainly for growth investments, including M&As, capital investment, and research and development, which will contribute to the improvement of the corporate value over a medium- to long term. Our basic policy is to provide stable ongoing dividends to our shareholders. In determining distributions of profits to shareholders, the Company implements the basic policy of consistent dividends by taking into account a full range of factors including its business results, payout ratios, financial soundness, and other factors. The Company will consider, as appropriate, special dividends reflecting its business results in the current fiscal year and acquisition of treasury shares as a way of improving capital efficiency.

The Company decided to pay a year-end dividend of ¥25 per share for the current fiscal year, totaling ¥50 per share for the annual dividend with an interim dividend of ¥25 per share.

In order to flexibly implement distribution of the dividends of surplus, etc., it is provided for in the Company's Articles of Incorporation that the Company may decide dividends of surplus, etc. by resolution of the Board of Directors.

Consolidated Statements of Financial Position

(As of December 31, 2025)

(Millions of Yen)

Items	Amount	Items	Amount
(ASSETS)		(LIABILITIES)	
Current assets	116,221	Current liabilities	81,041
Cash and cash equivalents	39,213	Trade and other payables	32,719
Trade and other receivables	39,427	Bonds and borrowings	38,781
Inventories	31,892	Other financial liabilities	1,131
Other financial assets	525	Lease liabilities	2,228
Other current assets	5,162	Income taxes payable, etc.	551
		Provisions	181
		Other current liabilities	5,447
Non-current assets	133,898	Non-current liabilities	51,206
Property, plant and equipment	49,279	Bonds and borrowings	23,711
Goodwill	33,277	Other financial liabilities	4,319
Intangible assets	23,144	Lease liabilities	9,077
Right-of-use assets	10,176	Retirement benefit liability	5,214
Investments accounted for using equity method	5,542	Provisions	164
Other financial assets	11,075	Deferred tax liabilities	8,213
Retirement benefit asset	80	Other non-current liabilities	505
Deferred tax assets	938		
Other non-current assets	382	Total liabilities	132,247
		(EQUITY)	
		Equity attributable to owners of parent	115,316
		Share capital	12,119
		Capital surplus	8,583
		Retained earnings	71,541
		Treasury shares	(1,171)
		Other components of equity	24,242
		Non-controlling interests	2,555
		Total equity	117,872
Total assets	250,120	Total liabilities and equity	250,120

(Note) Amounts are rounded down to the nearest million yen.

Consolidated Statements of Profit or Loss

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

(Millions of Yen)

Items	Amount
Net sales	194,898
Cost of sales	(151,203)
Gross profit	43,695
Selling, general and administrative expenses	(38,408)
Other income	628
Other expenses	(1,515)
Share of profit (loss) of investments accounted for using equity method	(358)
Operating profit	4,040
Finance income	1,435
Finance costs	(1,925)
Profit before tax	3,551
Income tax expense	(2,168)
Profit	1,383
Profit attributable to:	
Owners of parent	1,001
Non-controlling interests	381
Profit	1,383

(Note) Amounts are rounded down to the nearest million yen.

Non-consolidated Balance Sheet

(As of December 31, 2025)

(Millions of Yen)

Items	Amount	Items	Amount
(ASSETS)		(LIABILITIES)	
Current assets	48,998	Current liabilities	58,923
Cash and deposits	17,268	Accounts payable-trade	15,983
Notes receivable-trade	153	Electronically recorded obligations	1,818
Accounts receivable-trade	15,974	Short-term borrowings	10,000
Short-term loans receivable	5,658	Current portion of bonds payable	10,000
Merchandise and finished goods	3,726	Current portion of long-term borrowings	10,020
Work in process	951	Accrued expenses	1,915
Raw materials and supplies	1,144	Income taxes payable	75
Accounts receivable-other	1,273	Provision for bonuses	887
Consumption taxes receivable	1,189	Provision for directors' bonuses	156
Income taxes refund receivable	808	Other	8,065
Other	851		
Allowance for doubtful accounts	(1)	Long-term liabilities	21,154
Non-current assets	107,568	Bonds payables	9,000
Property, plant and equipment	18,214	Long-term borrowings	5,369
Buildings	9,583	Deferred tax liabilities	2,286
Structures	224	Provision for management board benefit trust	232
Machinery and equipment	167	Provision for stock benefit trust	81
Vehicles	0	Net defined benefit liability	2,651
Tools, furniture and fixtures	969	Other	1,532
Land	5,788	Total liabilities	80,077
Lease assets	1,019	(NET ASSETS)	
Construction in progress	461	Shareholders' equity	71,715
Intangible assets	734	Share capital	12,119
Software	529	Capital surplus	13,550
Other	204	Legal capital surplus	13,550
Investments and other assets	88,618	Retained earnings	47,008
Investment securities	8,522	Legal retained earnings	1,230
Shares of subsidiaries and associates	62,475	Other retained earnings	45,778
Investments in capital of subsidiaries and associates	5,946	Reserve for open innovation promotion	34
Long-term loans receivable	12,764	General reserve	28,766
Claims provable in bankruptcy, claims provable in rehabilitation and other	224	Retained earnings brought forward	16,977
Prepaid pension cost	63	Treasury shares	(962)
Other	1,039	Valuation and translation adjustments	4,773
Allowance for doubtful accounts	(2,417)	Valuation difference on available-for-sale securities	4,773
Total assets	156,567	Total net assets	76,489
		Total liabilities and net assets	156,567

(Note) Amounts are rounded down to the nearest million yen.

Non-consolidated Statement of Income

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

(Millions of Yen)

Items	Amount	
Net sales		73,394
Cost of sales		62,926
Gross profit		10,468
Selling, general and administrative expenses		15,919
Operating loss		5,451
Non-operating income		
Interest and dividend income	2,917	
Non-current assets rent	1,184	
Other	106	
		4,208
Non-operating expenses		
Interest expenses	293	
Interest on bonds	181	
Expenses for non-current asset loaned	251	
Idle asset expenses	439	
Foreign exchange loss	35	
Other	63	
		1,265
Ordinary loss		2,508
Extraordinary income		
Gain on sale of non-current assets	3	
State subsidy	9	
Gain on sale of investment securities	19	
Reversal of allowance for doubtful accounts for subsidiaries and associates	186	
		218
Extraordinary losses		
Loss on sale and retirement of non-current assets	23	
Loss on valuation of investment securities	109	
Impairment loss	1,009	
Loss on guarantees	28	
		1,171
Loss before income taxes		3,461
Income taxes - current	(292)	
Income taxes - deferred	(165)	
		(458)
Loss		3,003

(Note) Amounts are rounded down to the nearest million yen.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

February 13, 2026

To the Board of Directors of
Nissha Co., Ltd.:

Deloitte Touche Tohmatsu LLC
Kyoto office

Designated Engagement Partner,
Certified Public Accountant:

Kenichi Takai

Designated Engagement Partner,
Certified Public Accountant:

Tomomi Tsuji

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of Nissha Co., Ltd. and its consolidated subsidiaries (the "Group"), namely, the consolidated statement of financial position as of December 31, 2025, and the consolidated statement of income and consolidated statement of changes in equity for the fiscal year from January 1, 2025 to December 31, 2025, and the related notes.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025, and its consolidated financial performance for the year then ended in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under IFRS Accounting Standards as issued by the IASB.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under IFRS Accounting Standards as issued by the IASB, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. The other information in “the accompanying supplemental schedules” referred to in the “Other Information” section of this English translation is not translated.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

February 13, 2026

To the Board of Directors of
Nissha Co., Ltd.:

Deloitte Touche Tohmatsu LLC
Kyoto office

Designated Engagement Partner,
Certified Public Accountant:

Kenichi Takai

Designated Engagement Partner,
Certified Public Accountant:

Tomomi Tsuji

Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the nonconsolidated financial statements of Nissha Co., Ltd. (the "Company"), namely, the nonconsolidated balance sheet as of December 31, 2025, and the nonconsolidated statement of income and nonconsolidated statement of changes in equity for the 107th fiscal year from January 1, 2025 to December 31, 2025, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying nonconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the nonconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the nonconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the nonconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Nonconsolidated Financial Statements

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

In preparing the nonconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the nonconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nonconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the nonconsolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the nonconsolidated financial statements, including the disclosures, and whether the nonconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. "The accompanying supplemental schedules" referred to in the "Opinion" section of this English translation are not included in the attached financial documents. The other information in "the accompanying supplemental schedules" referred to in the "Other Information" section of this English translation is not translated.

(TRANSLATION)

AUDIT REPORT

The Audit and Supervisory Board, having deliberated thereon, has prepared this audit report based on the audit reports prepared by each Audit and Supervisory Board Member regarding the execution of duties by the Directors during the 107th business term from January 1, 2025, to December 31, 2025, and hereby reports as follows:

1. Auditing Methods Employed by the Audit and Supervisory Board Members and the Audit and Supervisory Board, and Details Thereof
 - (1) The Audit and Supervisory Board established the auditing policy, auditing plans and other guidelines, received reports from each Audit and Supervisory Board Member on the execution of audits and results thereof, and in addition, received reports from the Directors, etc. and the Accounting Auditor on the execution of their duties, and when necessary, requested explanations regarding such reports.
 - (2) In accordance with the auditing standards for the Audit and Supervisory Board Members, established by the Audit and Supervisory Board, and the auditing policy, auditing plans and other guidelines, each Audit and Supervisory Board Member ensured clear communication with the Directors, the internal audit division, other employees, etc., and collected information and improved the auditing environment. Based thereon, audits were conducted using the following methods.
 - 1) We attended meetings of the Board of Directors and other meetings deemed important, received reports on the execution of their duties from the Directors, employees, etc. and, when necessary, requested explanations, inspected documents on the basis of which important decisions were made, and examined status of business and assets at the head office and principal offices. We also ensured clear communication and exchanged information with the Directors, Audit and Supervisory Board Members and others of subsidiaries of the Company and, as necessary, received reports from such subsidiaries on their business conditions..
 - 2) We regularly received reports from the Directors and employees, etc., requested explanations regarding such reports when necessary and expressed our opinions on the status of the establishment and operation of systems resolved by the Board of Directors concerning the establishment of systems necessary to ensure that the execution of the duties by the Directors complies with laws, regulations and the Company's Articles of Incorporation, which is listed in business report, and systems defined under Paragraph 1 and Paragraph 3 of Article 100 of the Ordinance for Enforcement of the Companies Act as what is other systems necessary to ensure the appropriateness of operations of the company group, which consists of a joint stock company and its consolidated subsidiaries, and systems established on the basis of the said resolution (internal control systems).
 - 3) With regard to the basic policy defined under Item 3(a) of Article 118 of the Ordinance for Enforcement of the Companies Act, which is stated in the business report, and various activities defined under Item 3(b) of Article 118 of the same Act, we reviewed details based on the deliberations of the Board of Directors, etc.
 - 4) We also monitored and verified whether the Accounting Auditor maintains independence and properly conducts audits, received reports from the Accounting Auditor on the execution of duties and, when necessary, requested explanations. We received a report from the Accounting Auditor that "systems for ensuring proper execution of duties" (listed in each item of Article 131 of the Ordinance for Corporate Accounting) have been established in accordance with the "Standards for Quality Control of Audit Practices" (Business Accounting Council), etc. and, when necessary, requested explanations from the Accounting Auditor.

Based on the methods mentioned above, we reviewed the business report for the said business term and their supplementary schedules, the non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity and notes to non-consolidated financial statements), their supplementary schedules and the consolidated financial statements (consolidated statements of financial position, consolidated statements of profit or loss, consolidated statement of changes in equity and notes to consolidated financial statements).

2. Results of Audit

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

- 1) The business report and its supplementary schedules are found to accurately present the status of the Company in conformity with laws, regulations, and the Company's Articles of Incorporation.
- 2) With respect to the execution of duties by the Directors, no misconduct or material fact in violation of laws, regulations or the Company's Articles of Incorporation is found to exist.
- 3) The details of resolutions passed by the Board of Directors concerning internal control systems are found to be appropriate. In addition, there is nothing to be reported on the contents of the business report and the execution of duties by the Directors regarding the relevant internal control systems.
- 4) There is nothing to be reported on the basic policy regarding parties who hold control over the determination of the Company's financial matter and business policies, which is stated in the business report. Various activities defined under Item 3(b) of Article 118 of the Ordinance for Enforcement of the Companies Act comply with the relevant basic policy and are found neither to damage the common interests of shareholders of the Company nor to have the purpose of maintaining the positions of the Directors and Audit and Supervisory Board Members of the Company.

(2) Results of audit of non-consolidated financial statements and their supplementary schedules

The methods and results of the audit conducted by the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are found to be appropriate.

(3) Results of audit of consolidated financial statements

The methods and results of the audit conducted by the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are found to be appropriate.

February 13, 2026

Audit and Supervisory Board of Nissha Co., Ltd.

Full-time Audit and Supervisory Board Member Tetsuya Taniguchi (Seal)

Full-time Audit and Supervisory Board Member Kenji Imai (Seal)

Independent Audit and Supervisory Board Member Yusuke Nakano (Seal)

Independent Audit and Supervisory Board Member Yusaku Kurahashi (Seal)

END