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February 12, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)

Company name: MAEZAWA KASEI INDUSTRIES CO., LTD.
Listing: Tokyo Stock Exchange
Securities code: 7925
URL: <https://www.maezawa-k.co.jp/>
Representative: Satoru Tanaka, Representative Director and President Executive Officer
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Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: No
Holding of financial results briefing: No

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|-------------------|-----------------|-------|------------------|------|-----------------|------|---|------|
| Nine months ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| December 31, 2025 | 18,593 | 4.2 | 1,766 | 9.3 | 2,125 | 12.7 | 1,572 | 17.3 |
| December 31, 2024 | 17,845 | (0.3) | 1,616 | 20.7 | 1,886 | 20.3 | 1,340 | 28.5 |

Note: Comprehensive income For the nine months ended December 31, 2025: ¥2,651 million [76.6%]
For the nine months ended December 31, 2024: ¥1,501 million [(23.8)%]

| | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
| Nine months ended | Yen | Yen |
| December 31, 2025 | 105.94 | – |
| December 31, 2024 | 90.32 | – |

(2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio |
|-------------------|-----------------|-----------------|-----------------------|
| As of | Millions of yen | Millions of yen | % |
| December 31, 2025 | 51,725 | 43,085 | 83.1 |
| March 31, 2025 | 49,901 | 41,513 | 83.0 |

Reference: Equity

As of December 31, 2025: ¥42,978 million
As of March 31, 2025: ¥41,407 million

2. Cash dividends

| | Annual dividends per share | | | | |
|--|----------------------------|--------------------|-------------------|-----------------|-------|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2025 | — | 30.00 | — | 39.00 | 69.00 |
| Fiscal year ending March 31, 2026 | — | 35.00 | — | | |
| Fiscal year ending March 31, 2026 (Forecast) | | | | 35.00 | 70.00 |

(Note) Revision to the most recently announced dividend forecast: None

3. Consolidated financial results forecast for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|-----------|-----------------|-----|------------------|-----|-----------------|-----|---|-----|--------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full year | 25,000 | 3.5 | 2,200 | 1.6 | 2,530 | 0.9 | 1,730 | 0.9 | 116.58 |

(Note) Revision to the most recently announced dividend forecast: None

* **Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of shares issued (common shares)

(i) Total number of shares issued at the end of the period (including treasury shares)

| | |
|-------------------------|-------------------|
| As of December 31, 2025 | 15,732,000 shares |
| As of March 31, 2025 | 15,732,000 shares |

(ii) Number of treasury shares at the end of the period

| | |
|-------------------------|----------------|
| As of December 31, 2025 | 879,009 shares |
| As of March 31, 2025 | 892,755 shares |

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

| | |
|-------------------------------------|-------------------|
| Nine months ended December 31, 2025 | 14,845,891 shares |
| Nine months ended December 31, 2024 | 14,839,325 shares |

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

Disclaimer with respect to forward-looking statements

The forward-looking statements including financial results forecast contained in this document are based on information currently available to us and certain assumptions that we believe to be reasonable. Accordingly, the Company does not guarantee the achievement of the forecast, and the actual results may differ materially due to various factors. For discussion of the assumptions and other factors considered by the Company in preparing the above financial results forecast and notes of caution for usage, please refer to “(3) Explanation of consolidated financial results forecasts and other future outlook” of “1. Overview of Financial Performance” on page 3 of the attached materials.

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1. Overview of Financial Performance

(1) Operating results for the period under review

During the period under review, the Japanese economy was in a moderate recovery trend thanks to improved employment and income conditions and vigorous demand from inbound tourists. On the other hand, however, the outlook of the domestic economy has remained uncertain as we have to carefully watch the impact of domestic and international trends in interest rates and unstable overseas situation, combined with the persistent stagnation in real wage affected by continued high prices mainly in foods, as well as growing budget-saving and financial security awareness of consumers.

The water supply and sewerage industry and the housing equipment industry, which the Group engages in, are facing the situation where demand from residential purchasers has been supported to a certain extent by the government's housing acquisition support measures and continued low interest rates. However, their motivation to purchase a home has been slackened noticeably by, among other factors, soaring housing prices and a sense of alert over a further rising policy interest rate by the Bank of Japan. Under these circumstances, we are facing a challenging business environment as the number of new single-family housing starts, which is closely related to the Company's financial results, continued to decline.

In light of such a business environment, the Group announced on May 14, 2024 a new medium-term management plan "SHIFT 2026" that covers a three-year period from fiscal 2024 to fiscal 2026. We have positioned the coming three years as "a phase for establishing foundations for growth" in order to carve out a steady future growth trajectory, while confronting our ongoing business challenges identified in the previous medium-term management plan "Look Forward 2023." To this end, we have set out four basic policies: "Enhancing the Group's earning power and creating new corporate value," "Strengthening revenue base," "Implementing strategic investment for growth and improving capital efficiency," and "Promoting sustainability management" as well as key strategies to achieve these policies. We will work to achieve sustainable growth and improve our corporate value by steadily implementing the key strategies based on these basic policies.

Amid the tough circumstances in which the number of new single-family housing starts significantly declined year-on-year, the operating results for the period under review outperformed those for the previous fiscal year. This was mainly attributable to the effect of price revisions implemented in 2024 and solid results in the Water/Environmental Engineering segment which is positioned as a growth segment in the medium-term management plan SHIFT 2026.

As a result, the Group posted net sales of 18,593 million yen (up 4.2% year-on-year) with operating profit of 1,766 million yen (up 9.3% year-on-year), ordinary profit of 2,125 million yen (up 12.7% year-on-year), and profit attributable to owners of parent of 1,572 million yen (up 17.3% year-on-year).

Operating results for each segment are as follows.

(i) Pipes and Engineering Plastic

In the Pipes and Engineering Plastic segment, while the number of new single-family housing starts remained sluggish, we continued to work hard to strengthen sales of key sales products in the areas of building equipment, exterior, and disaster prevention and secure sales of mainstay product lines. We also worked on improving profitability by aggregating logistics centers as part of efforts to limit the cost of logistics. As for the key sales products, sales remained firm as a result of our active sales activities mainly targeting developers and housing manufacturers and efforts to uncover new demand. In mainstay product lines, despite impacts of rises in the price of raw materials and other factors, we saw the lingering effect of price revisions carried out in 2024 and new adoption of our products by housing manufacturers, leading to steady growth.

As a result of the above, net sales amounted to 16,666 million yen (up 1.5% year-on-year) with segment profit of 1,631 million yen (up 2.7% year-on-year).

(ii) Water/Environmental Engineering

In the Water/Environmental Engineering segment, we have proposed and constructed a diversity of water treatment systems designed to allow customers to improve operating efficiency and protect the environment in their water treatment. We have also been engaged in receiving orders and performing construction work for various works in the public and private sectors, such as plumbing and sanitary equipment, and agricultural irrigation/drainage pump plants. In the period under review, large-scale public and private works ordered in the previous fiscal year progressed as scheduled, and we steadily gained orders for repair and maintenance works, leading to results exceeding those in the previous fiscal year.

As a result of the above, net sales amounted to 1,261 million yen (up 78.7% year-on-year) with segment profit of 125 million yen (segment profit of 5 million yen for the same period of the previous fiscal year).

(iii) Plastic Molding

In the Plastic Molding segment, we have focused on development and sales of own-label products in order to continue promoting management with an emphasis on profitability and create new revenue sources. Under the severe business environment in which the number of orders continued to decrease, we constantly worked on improving productive efficiency and reducing fixed costs to strengthen profitability, but due to the impacts of a decrease in sales and an increase in outsourcing costs, the operating results decreased year on year.

As a result of the above, net sales amounted to 807 million yen (down 3.3% year-on-year) with segment profit of 23 million yen (down 28.1% year-on-year).

(2) Financial position for the period under review

Totals assets as of December 31, 2025 increased by 1,823 million yen from the end of the previous fiscal year to 51,725 million yen. This increase can be explained primarily by a total increase of 2,079 million yen in securities and investment securities due to the rise in the market value of stock.

Total liabilities increased by 250 million yen from the end of the previous fiscal year to 8,639 million yen. This increase can be explained primarily by an increase in deferred tax liabilities of 567 million yen due mainly to an increase in unrealized gain on investment securities.

Net assets increased by 1,572 million yen from the end of the previous fiscal year to 43,085 million yen. This is primarily attributable to an increase in valuation difference on available-for-sale securities of 1,091 million yen due to a rise in the stock price of investment securities.

(3) Explanation of consolidated financial results forecasts and other future outlook

There is no change to the full-year consolidated financial results forecasts announced in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2025, dated May 14, 2025.

2. Consolidated Financial Statements and Major Notes

(1) Consolidated balance sheets

(Millions of yen)

| | As of March 31, 2025 | As of December 31, 2025 |
|--|----------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 12,905 | 12,703 |
| Notes and accounts receivable - trade, and contract assets | 4,868 | 3,577 |
| Electronically recorded monetary claims - operating | 4,691 | 5,795 |
| Securities | 1,300 | 2,500 |
| Merchandise and finished goods | 2,334 | 2,464 |
| Work in process | 784 | 882 |
| Raw materials and supplies | 887 | 925 |
| Other | 635 | 831 |
| Allowance for doubtful accounts | (0) | (0) |
| Total current assets | 28,409 | 29,680 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 13,360 | 13,565 |
| Accumulated depreciation and impairment | (8,716) | (8,967) |
| Buildings and structures, net | 4,643 | 4,598 |
| Machinery, equipment and vehicles | 12,136 | 11,944 |
| Accumulated depreciation and impairment | (11,251) | (11,186) |
| Machinery, equipment and vehicles, net | 884 | 757 |
| Tools, furniture and fixtures | 17,774 | 17,861 |
| Accumulated depreciation and impairment | (17,517) | (17,569) |
| Tools, furniture and fixtures, net | 257 | 292 |
| Other | 240 | 231 |
| Accumulated depreciation and impairment | (167) | (173) |
| Other, net | 73 | 57 |
| Land | 4,357 | 4,357 |
| Construction in progress | 411 | 285 |
| Total property, plant and equipment | 10,628 | 10,349 |
| Intangible assets | | |
| Goodwill | 117 | 105 |
| Software | 321 | 320 |
| Other | 87 | 3 |
| Total intangible assets | 527 | 429 |
| Investments and other assets | | |
| Investment securities | 9,629 | 10,509 |
| Deferred tax assets | 17 | 16 |
| Retirement benefit asset | 237 | 232 |
| Other | 600 | 656 |
| Allowance for doubtful accounts | (148) | (149) |
| Total investments and other assets | 10,336 | 11,265 |
| Total non-current assets | 21,492 | 22,044 |
| Total assets | 49,901 | 51,725 |

(Millions of yen)

| | As of March 31, 2025 | As of December 31, 2025 |
|---|----------------------|-------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 1,865 | 1,762 |
| Electronically recorded obligations - operating | 1,672 | 1,824 |
| Short-term borrowings | 330 | 330 |
| Income taxes payable | 523 | 266 |
| Provision for bonuses | 439 | 227 |
| Provision for bonuses for directors (and other officers) | 38 | 33 |
| Other | 2,009 | 2,142 |
| Total current liabilities | 6,879 | 6,587 |
| Non-current liabilities | | |
| Deferred tax liabilities | 1,046 | 1,614 |
| Provision for share awards for directors (and other officers) | 71 | 68 |
| Asset retirement obligations | 229 | 232 |
| Other | 161 | 137 |
| Total non-current liabilities | 1,509 | 2,051 |
| Total liabilities | 8,388 | 8,639 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 3,387 | 3,387 |
| Capital surplus | 6,368 | 6,378 |
| Retained earnings | 29,434 | 29,901 |
| Treasury shares | (1,014) | (998) |
| Total shareholders' equity | 38,175 | 38,669 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 2,962 | 4,053 |
| Remeasurements of defined benefit plans | 270 | 256 |
| Total accumulated other comprehensive income | 3,232 | 4,309 |
| Non-controlling interests | 105 | 107 |
| Total net assets | 41,513 | 43,085 |
| Total liabilities and net assets | 49,901 | 51,725 |

(2) Consolidated statements of income and consolidated statements of comprehensive income

Consolidated statements of income

(Millions of yen)

| | Nine months ended December 31, 2024 | Nine months ended December 31, 2025 |
|--|--|--|
| Net sales | 17,845 | 18,593 |
| Cost of sales | 11,292 | 11,717 |
| Gross profit | 6,553 | 6,875 |
| Selling, general and administrative expenses | 4,937 | 5,108 |
| Operating profit | 1,616 | 1,766 |
| Non-operating income | | |
| Interest income | 16 | 58 |
| Dividend income | 146 | 194 |
| Rental income | 69 | 69 |
| Other | 52 | 50 |
| Total non-operating income | 285 | 373 |
| Non-operating expenses | | |
| Interest expenses | 3 | 4 |
| Commission expenses | 0 | 1 |
| Rental expenses | 8 | 8 |
| Other | 2 | 0 |
| Total non-operating expenses | 15 | 13 |
| Ordinary profit | 1,886 | 2,125 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 0 | 0 |
| Gain on sale of investment securities | 114 | 203 |
| Total extraordinary income | 115 | 204 |
| Extraordinary losses | | |
| Loss on sale of non-current assets | — | 1 |
| Loss on retirement of non-current assets | 1 | 4 |
| Loss on cancellation of leases | 0 | 0 |
| Total extraordinary losses | 2 | 5 |
| Profit before income taxes | 1,999 | 2,324 |
| Income taxes - current | 631 | 671 |
| Income taxes - deferred | 25 | 77 |
| Total income taxes | 656 | 749 |
| Profit | 1,342 | 1,574 |
| Profit attributable to non-controlling interests | 2 | 1 |
| Profit attributable to owners of parent | 1,340 | 1,572 |

Consolidated statements of comprehensive income

(Millions of yen)

| | Nine months ended December 31, 2024 | Nine months ended December 31, 2025 |
|---|--|--|
| Profit | 1,342 | 1,574 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 166 | 1,091 |
| Remeasurements of defined benefit plans, net of tax | (7) | (14) |
| Total other comprehensive income | 159 | 1,076 |
| Comprehensive income | 1,501 | 2,651 |
| Comprehensive income attributable to: | | |
| Owners of parent | 1,499 | 2,649 |
| Non-controlling interests | 2 | 1 |

(3) Notes to consolidated financial statements

Segment information and other related information

Segment information

I. Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

1. Information on amounts of net sales, profit or loss, assets, liabilities, and other items by reportable segment

(Millions of yen)

| | Pipes and Engineering Plastic | Water/ Environmental Engineering | Plastic Molding | Total | Reconciliation (Note 1) | Carrying amount on consolidated financial statements (Note 2) |
|--|-------------------------------------|--|-----------------|--------|----------------------------|--|
| Net sales | | | | | | |
| Goods transferred at a point in time | 16,413 | 430 | 726 | 17,570 | — | 17,570 |
| Goods transferred over time | — | 275 | — | 275 | — | 275 |
| Revenue from contracts with customers | 16,413 | 705 | 726 | 17,845 | — | 17,845 |
| Other revenue | — | — | — | — | — | — |
| Revenue from external customers | 16,413 | 705 | 726 | 17,845 | — | 17,845 |
| Intersegment sales or transfers | 13 | — | 108 | 122 | (122) | — |
| Total | 16,427 | 705 | 834 | 17,968 | (122) | 17,845 |
| Segment profit | 1,587 | 5 | 32 | 1,625 | (9) | 1,616 |

Notes: 1. Reconciliation of segment profit represents the elimination of intersegment transactions.

2. Segment profit was reconciled with operating profit in the consolidated financial statements.

2. Information on impairment losses or gains on non-current assets and goodwill by reportable segment

Not applicable.

II. Nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

1. Information on amounts of net sales, profit or loss, assets, liabilities, and other items by reportable segment

| | (Millions of yen) | | | | | |
|---------------------------------------|-------------------------------|----------------------------------|-----------------|--------|-------------------------|---|
| | Pipes and Engineering Plastic | Water/ Environmental Engineering | Plastic Molding | Total | Reconciliation (Note 1) | Carrying amount on consolidated financial statements (Note 2) |
| Net sales | | | | | | |
| Goods transferred at a point in time | 16,649 | 555 | 681 | 17,886 | — | 17,886 |
| Goods transferred over time | — | 706 | — | 706 | — | 706 |
| Revenue from contracts with customers | 16,649 | 1,261 | 681 | 18,593 | — | 18,593 |
| Other revenue | — | — | — | — | — | — |
| Revenue from external customers | 16,649 | 1,261 | 681 | 18,593 | — | 18,593 |
| Intersegment sales or transfers | 16 | — | 125 | 142 | (142) | — |
| Total | 16,666 | 1,261 | 807 | 18,735 | (142) | 18,593 |
| Segment profit | 1,631 | 125 | 23 | 1,779 | (13) | 1,766 |

Notes: 1. Reconciliation of segment profit represents the elimination of intersegment transactions.

2. Segment profit was reconciled with operating profit in the consolidated financial statements.

2. Information on impairment losses or gains on non-current assets and goodwill by reportable segment

Not applicable.

Notes on substantial changes in the amount of shareholders' equity

Not applicable.

Going concern assumption

Not applicable.

Notes to the quarterly consolidated statements of cash flows

Consolidated statements of cash flows for the period under review have not been prepared. Depreciation (including amortization expenses pertaining to intangible assets excluding goodwill) and amortization of goodwill pertaining to the period under review are as follows.

| | (Millions of yen) | |
|--------------------------|---|---|
| | Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024) | Nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025) |
| Depreciation | 745 | 778 |
| Amortization of goodwill | 11 | 11 |

Additional information

Management Integration through the Establishment of a Joint Holding Company (Share Transfer) with Maezawa Industries, Inc.

Maezawa Industries, Inc. (“Maezawa Industries”) and MAEZAWA KASEI INDUSTRIES CO., LTD. (“MAEZAWA KASEI INDUSTRIES”) Maezawa Industries and MAEZAWA KASEI INDUSTRIES are collectively referred to as the “Companies”) have agreed to integrate their management (the “Management Integration”) by establishing MAEZAWA Holdings CO., LTD. (the “Joint Holding Company”), which will become the wholly owning parent company of the Companies through a joint share transfer (the “Share Transfer”) scheduled to take effect on June 1, 2026. Based on the resolutions adopted at the respective meetings of the Boards of Directors of the Companies held on December 16, 2025, the Companies have entered into a management integration agreement relating to the Management Integration (the “Management Integration Agreement”) and have jointly prepared a share transfer plan concerning the Share Transfer (the “Share Transfer Plan”) on the same date.

It should be noted that the implementation of the Management Integration and the Share Transfer is subject to the approval of the shareholders of the Companies at their respective general meetings of shareholders.

1. Background and Purpose of the Management Integration

Since its founding in 1937, Maezawa Industries has operated under its corporate philosophy of “advancing together with water, pursuing human dignity, and contributing to society,” contributing not only to the development of social infrastructure in water-related fields but also, in recent years, actively engaging in initiatives that support society through renewable energy and energy-saving solutions. Through these efforts, the company has delivered technologies and products that are friendly to both people and the environment. In its core water supply and sewage businesses, Maezawa Industries needs to address numerous challenges, including population decline driven by a low birth rate and an aging population, shortages of skilled engineers, and the aging of facilities and equipment. In addition, the company needs to address energy-related challenges to help achieve a decarbonized and circular society. Amid this increasing importance of the role to be fulfilled by the Maezawa Industries Group, the company is implementing its three-year Medium-Term Management Plan for the fiscal years 2024 through 2026—guided by the slogan “Pioneering the Future Through People and Technological Capabilities”—pursuing key initiatives aimed at value creation and sustainable growth amid societal and market changes. These initiatives consist of: (1) Promoting growth strategies, (2) Strengthening the profitability of existing businesses, and (3) Reinforcing the management foundation to enhance corporate value. As a result of these initiatives, consolidated net sales for the fiscal year ended May 31, 2025 progressed steadily to ¥37,499 million, an increase of 2.7% year on year. Nevertheless, in order to pursue further growth beyond the current trajectory, the company recognizes the need to strengthen public-private partnership initiatives, enhance proposal capabilities to meet customer needs, and promote new business development beyond its existing business domains.

Since its establishment in 1954, MAEZAWA KASEI INDUSTRIES has operated under its management philosophy of “creating happiness for society by developing hearts and technology that can enrich people.” Centering its business on the water supply and sewage fields, the company has supported the lifelines of the water environment through the development, manufacture, and sale of products that improve the living environment to make it more comfortable and enriched, as well as products related to disaster prevention and mitigation for flood control and water-related disasters.

In an increasingly challenging business environment—marked by rising concerns over the contraction of the single-family housing market due to population decline driven by a declining birth rate and an aging population, as well as soaring housing prices resulting from higher construction material costs and labor expenses, and the emerging risk of future interest rate increases—the company is pursuing sustainable growth and enhancing corporate value. This is being achieved through the steady execution of strategic initiatives based on four basic policies: (1) Strengthen group earning power / create new corporate value, (2) Reinforce earnings base, (3) Implement strategic growth investments and improve capital efficiency, and (4) Promote sustainability management.

As a result, consolidated net sales for the fiscal year ended March 31, 2025 have remained steady, increasing 1.0% year on year to ¥24,166 million despite concerns over the market contraction. Nevertheless, in order to pursue further growth going forward, the company recognizes the need to develop new markets and expand its business domain in the Pipes and Engineering Plastic Business, as well as to strengthen the Water/Environmental Engineering Business, which is positioned as the second pillar following the Pipes and Engineering Plastic Business.

Taking into account these circumstances and challenges, the Companies have reached a shared recognition that, in order to achieve further business growth and enhance corporate value, it is necessary to establish a stronger business foundation that supports water, an essential component of social infrastructure, through a management integration. On this basis, the Companies have agreed to establish the Joint Holding Company and proceed with the management integration.

The Companies believe that, through the Management Integration, they will be able to generate significant synergies by expanding the business domains in which they can respond, leveraging the strengths of each company. By delivering proposals tailored to customer and regional needs through the combined management resources of the Companies, they aim to capture renewal demand arising from the aging of water supply and sewage facilities, strengthen competitiveness through enhanced project formation, and create new revenue opportunities by combining their respective areas of expertise—such as biogas plants and industrial wastewater treatment systems. In particular, in the field of wastewater treatment, as wide-area and joint wastewater treatment and facility development aligned with regional characteristics continue to advance, integrating the Companies’ solutions across sewer systems, rural community wastewater treatment facilities, and septic tanks will enable one-stop solution proposals and help establish a competitive advantage.

Furthermore, in addition to the above, the Companies also expect the Management Integration to generate synergies such as (1) enhancing profitability through the integration of financial bases as a unified entity, enabling larger-scale strategic

investments and the mutual utilization of existing facilities, IT systems, and assets; and (2) achieving cost reductions and allocating resources to new initiatives through the organic reorganization of overlapping corporate functions that could not have been realized by either company alone.

Through these initiatives, the Companies aim to achieve sustainable growth and further enhance corporate value, while evolving into an integrated water solutions group under the “MAEZAWA—The Water Company” brand.

2. Outline of the Share Transfer

(1) Method of the Share Transfer

The Share Transfer will be a joint share transfer under which Maezawa Industries and MAEZAWA KASEI INDUSTRIES will become wholly owned subsidiaries through the share transfer, and the Joint Holding Company to be established will become the wholly owning parent company resulting from the share transfer.

(2) Timeline of the Share Transfer

| | |
|---|----------------------------|
| Approval by the Boards of Directors of the Management Integration Agreement and the Share Transfer Plan (the Companies) | December 16, 2025 |
| Execution of the Management Integration Agreement and preparation of the Share Transfer Plan (the Companies) | December 16, 2025 |
| Date of public notice of the record date for the extraordinary meetings of shareholders (the Companies) | December 16, 2025 |
| Record date for the extraordinary meetings of shareholders (the Companies) | December 31, 2025 |
| Extraordinary meetings of shareholders to approve the Share Transfer Plan (the Companies) | March 31, 2026 (scheduled) |
| Last trading day (the Companies) | May 27, 2026 (scheduled) |
| Delisting date (the Companies) | May 28, 2026 (scheduled) |
| Establishment date (effective date) of the Joint Holding Company | June 1, 2026 (scheduled) |
| New listing date of the Joint Holding Company's shares | June 1, 2026 (scheduled) |

It should be noted that the above schedule may be changed, upon consultation between the Companies, if such change becomes necessary due to procedural requirements relating to the progress of the Management Integration or for any other reason. In addition, if, in the course of the procedures or discussions relating to the Management Integration, circumstances arise that delay or make it difficult to proceed with the Management Integration—such as the need to file notifications with the Japan Fair Trade Commission or other relevant authorities, or for any other reason—the Companies will make an announcement promptly.

(3) Details of allotment pertaining to the Share Transfer

| | Maezawa Industries | MAEZAWA KASEI INDUSTRIES |
|----------------------|--------------------|--------------------------|
| Share transfer ratio | 1 | 1.11 |

(Note 1) Details of allotment of shares pertaining to the Share Transfer

One (1) share of the Joint Holding Company's common stock will be allotted for each share of Maezawa Industries' common stock, and 1.11 shares of the Joint Holding Company's common stock will be allotted for each share of MAEZAWA KASEI INDUSTRIES' common stock. If, as a result of the Share Transfer, there is any fraction of less than one (1) share in the respective numbers of shares of the Joint Holding Company's common stock to be delivered to the shareholders of Maezawa Industries and MAEZAWA KASEI INDUSTRIES, the amount corresponding to such fraction of less than one (1) share will be paid to the relevant shareholders in accordance with the provisions of Article 234 of the Companies Act and other related laws and regulations.

However, the share transfer ratios specified above are subject to change through consultation between the Companies, if a material change arises in, or a material discrepancy is identified with respect to, the conditions that form the basis for the valuation.

In addition, the number of shares constituting one (1) unit of the Joint Holding Company will be 100 shares.

(Note 2) Scheduled number of new shares to be delivered by the Joint Holding Company through the Share Transfer 38,252,768 shares of common stock

The above figure is calculated based on the total number of issued shares of Maezawa Industries as of May 31, 2025 (20,790,248 shares) and the total number of issued shares of MAEZAWA KASEI INDUSTRIES as of September 30, 2025 (15,732,000 shares).

(Note 3) Treatment of shares less than one (1) unit

The shareholders of Maezawa Industries and MAEZAWA KASEI INDUSTRIES to whom the shares of the Joint Holding Company are allotted in any number less than one (1) unit (100 shares) will be unable to sell their allotted shares on the Tokyo Stock Exchange or any other financial instruments exchange. However, it is possible for shareholders who may come to hold such fractional shares to demand the Joint Holding Company to purchase such fractional shares held by them, in accordance with Article 192, Paragraph 1 of the Companies Act. In addition, pursuant to Article 194, Paragraph 1 of the Companies Act and the provisions to be set forth in the Articles of Incorporation of the Joint Holding Company, the shareholders will also be able to request the Joint Holding Company to sell to them the number of shares that, when combined with their fractional share units, will constitute one (1) full unit.

3. Status of the Joint Holding Company to be established through the Share Transfer

| | | | |
|--|--|-------------------|---|
| (1) Company name | MAEZAWA Holdings CO., LTD. | | |
| (2) Head office location | 1-6-1 Yaesu, Chuo-ku, Tokyo | | |
| (3) Corporate governance structure | Company with an Audit and Supervisory Committee | | |
| (4) Planned candidates to assume office as representatives or officers | New position (to be appointed) | Name | Current position |
| | Representative Director and President | Kazumasa Miyagawa | Representative Director and President, Maezawa Industries |
| | Representative Director and Executive Vice President | Satoru Tanaka | Representative Director and President Executive Officer MAEZAWA KASEI INDUSTRIES |
| | Audit and Supervisory Committee Member | Terutaka Inoue | Full-time Corporate Auditor, Maezawa Industries |
| | Audit and Supervisory Committee Member | Masahiro Ito | Audit and Supervisory Committee Member MAEZAWA KASEI INDUSTRIES |
| | Audit and Supervisory Committee Member (Outside Director) | Takashi Hosoda | Outside Director, Maezawa Industries |
| | Audit and Supervisory Committee Member (Outside Director) | Mami Kato | Audit and Supervisory Committee Member (Outside Director), MAEZAWA KASEI INDUSTRIES |
| (5) Description of business | Management of subsidiaries and other entities and any incidental or related businesses | | |
| | | | |
| (6) Share capital | ¥100 million | | |
| (7) Financial year-end | March 31 | | |
| (8) Net assets (consolidated) | To be determined. | | |
| (9) Total assets (consolidated) | To be determined. | | |