

Disclaimer:

This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

TOYO Corporation assumes no responsibility for this translation or for direct, indirect, or any other forms of damages arising from the translation.

December 4, 2025

Start date of measures for electronic provision: November 27, 2025

**To Those Shareholders with Voting Rights**

Toshiya Kohno

Representative Director, President and CEO

TOYO Corporation

1-6, Yaesu 1-chome, Chuo-ku, Tokyo, Japan

**NOTICE OF THE 73rd ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We would like to express our gratitude for your continued patronage.

We are pleased to announce the 73rd Ordinary General Meeting of Shareholders of TOYO Corporation (the "Company"), which will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and has posted the information on each of the following websites. Please access either of the websites to view the information.

---

The Company's website:

<https://www.toyo.co.jp/ir/library/meeting/> (in Japanese)

---

Tokyo Stock Exchange (TSE) website (Listed Company Search):

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

(Access the TSE website by using the Internet address shown above, enter the Company's name "TOYO Corporation" or the Company's securities code "8151," and click "Search." Then, click "Basic information" and select "Documents for public inspection/PR information." Under "Filed information available for public inspection," click "Click here for access" under "[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].")

---

If you do not attend the meeting in person, you may exercise your voting rights via the Internet or in writing (by postal mail). Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 5:30 p.m. on Thursday, December 18, 2025 (Japan Time).

**1. Date and Time** 10:00 a.m., Friday, December 19, 2025  
(Reception starts at 9:00 a.m.)

**2. Place** Room B-C, BELLESALLE Yaesu 2F  
(Yaesu First Financial Building)  
3-7, Yaesu 1-chome, Chuo-ku, Tokyo

**3. Agenda of the Meeting:**

**Matters to be reported:**

1. Business Report and Consolidated Financial Statements for the 73rd Fiscal Term (from October 1, 2024 to September 30, 2025) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Non-consolidated Financial Statements for the 73rd Fiscal Term (from October 1, 2024 to September 30, 2025)

**Proposals to be resolved:**

**Proposal No. 1:** Appropriation of Surplus

**Proposal No. 2:** Partial Amendment of Articles of Incorporation

**Proposal No. 3:** Election of Five Directors

**Proposal No. 4:** Introduction of a Post-grant Performance-linked Stock Compensation Scheme (Performance Share Units) for Directors, and Decision on the Amount of Compensation and Contents

---

Matters relating to the Notice and Reference Documents for the General Meeting of Shareholders

If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on each of the aforementioned websites.

**<Voting methods>**

You are kindly requested to review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights. You can exercise your voting rights by any of the following three methods:

1. By attending the Ordinary General Meeting of Shareholders to be held on Friday, December 19, 2025 at 10:00 a.m. (Japan Time) (Reception starts at 9:00 a.m.)

2. By postal mail

Deadline for exercise: Indicate your approval or disapproval of each proposal on your Voting Rights Exercise Form and return it so that your vote is received by post no later than 5:30 p.m. on Thursday, December 18, 2025 (Japan Time).

3. Via the Internet

Deadline for exercise: Enter your vote by no later than 5:30 p.m. on Thursday, December 18, 2025 (Japan Time).

**<Instructions on filling out your Voting Rights Exercise Form>**

**Please indicate your approval or disapproval using the method shown below.**

**Proposals 1, 2 and 4:**

If you approve: Put a circle in the box marked “賛” [Approve]

If you disapprove: Put a circle in the box marked “否” [Disapprove]

**Proposal No. 3:**

If you approve all candidates: Put a circle in the box marked “賛” [Approve]

If you disapprove all candidates: Put a circle in the box marked “否” [Disapprove]

If you selectively disapprove certain candidates: Put a circle in the box marked “賛” [Approve], and also write the candidate number for each candidate you disapprove.

**<Matters decided regarding the Notice>**

(1) Handling of duplicated exercise of voting rights both in writing (by postal mail) and via the Internet

If you exercise your voting rights both in writing (by postal mail) and via the Internet, the vote exercised via the Internet will be treated as valid.

(2) Handling of duplicated exercise of voting rights via the Internet

If you exercise your voting rights more than once via the Internet, the last vote will be treated as valid.

(3) Handling of cases where a vote in writing (by postal mail) does not indicate approval or disapproval of a proposal

In cases where a vote in writing (by postal mail) does not indicate approval or disapproval of a proposal on the voting form, it will be treated as though approval for the proposal had been indicated.

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1: Appropriation of Surplus

TOYO Corporation (the “Company”) regards the return of profits to shareholders as an important management priority, and intends to pay stable and steadily increasing dividends which correspond to a dividend on equity (DOE) of 5% or above.

Based on this policy, the Company proposes that the appropriation of surplus in the current fiscal year be as follows:

#### Year-End Dividend

(1) Type of dividend property

Cash

(2) Appropriation of dividend property to shareholders and total amount

Payment of ¥39 per common share

Total amount of dividends: ¥840,365,721

(3) Effective date of distribution of surplus

December 22, 2025

Note: Dividends for the fiscal year ended September 30, 2025

If this proposal is approved, combined with the interim dividend of ¥30 already disbursed, the total amount of the annual dividends for the fiscal year ended September 30, 2025 will be ¥69 per share.

## Proposal No. 2. Partial Amendment of Articles of Incorporation

### 1. Reasons for the Proposal

(1) On October 1, 2025, the Company made changes to roles of Directors and appointments of Executive Officers to promote separation of managerial decision-making and supervisory functions from business execution functions. This aimed to clarify responsibilities and authority, strengthen corporate governance, and promote the establishment of a business execution framework with a high degree of expertise and efficiency. In light of these organizational changes, and to enable Directors to perform their roles without undue restraint while actively pursuing business growth and ensuring the broad recruitment of human resources, the Company proposes to establish a new Article 31 of the Articles of Incorporation. This article will stipulate that, by resolution of the Board of Directors and within limits prescribed by laws, Directors may be exempt from liability, and that the Company may enter into limited liability contracts with Outside Directors. The establishment of a new Article 31 of the Articles of Incorporation has been approved by all members of the Audit & Supervisory Board.

(2) With respect to Audit and Supervisory Board members also, in order to ensure the broad recruitment of human resources to audit the execution of duties by directors, the Company proposes to newly establish Article 40 of the Articles of Incorporation. This article will stipulate that, by resolution of the Board of Directors and within limits prescribed by laws, Audit and Supervisory Board members may be exempt from liability, and that the Company may enter into limited liability contracts with Audit and Supervisory Board members.

(3) The numbering of subsequent Articles will be amended in accordance with these new Articles of Incorporation.

### 2. Amendments of Articles of Incorporation

The proposed amendments to the Articles of Incorporation are as follows. (Underlined text indicates changes)

(Underlined text indicates changes)

Current Articles of Incorporation	Proposed Amendments
Articles 1-30 (Omitted)  (Newly established)	Articles 1-30 (Unchanged)  <u>Article 31. The Company may, by resolution of the Board of Directors, exempt a Director (including former Directors) from liability for damages arising from neglect of their duties to the extent permitted by law in accordance with Article 426-1 of the Companies Act.</u>  <u>(2) In accordance with Article 427-1 of the Companies Act, the Company may enter into an agreement with a Director (excluding those that are Executive Directors or otherwise engaged in the execution of business) to limit their liability for damages arising from neglect of their duties. However, the maximum amount of liability under the said agreement shall be the amount prescribed by</u>

<u>Articles 31-38</u>	(Omitted)	<u>Articles 32-39</u>	(Unchanged)
	(Newly established)		<p><u>Article 40. The Company may, by resolution of the Board of Directors, exempt an Audit and Supervisory Board member (including former Audit and Supervisory Board Members) from liability for damages arising from neglect of their duties to the extent permitted by law in accordance with Article 426-1 of the Companies Act.</u></p> <p><u>(2) In accordance with Article 427-1 of the Companies Act, the Company may enter into an agreement with an Audit or Supervisory Board member to limit their liability for damages arising from neglect of their duties. However, the maximum amount of liability under the said agreement shall be the amount prescribed by law.</u></p>
<u>Articles 39-42</u>	(Omitted)	<u>Articles 41-44</u>	(Unchanged)

**Proposal No. 3: Election of Five (5) Directors**

Messrs. Toshiya Kohno, Takeo Kiuchi, Toshiaki Matsui, Tomoki Yoda and Ms. Miyuki Suka, the five (5) incumbent Directors of the Company, will complete their term of office at the closing of this General Meeting of Shareholders. Consequently, the Company proposes the election of five (5) Directors.

Having received a recommendation from the Nomination and Compensation Committee, the Board of Directors nominates Directors who have a deep understanding of the Group's corporate philosophy, have excellent management capabilities and leadership qualities, broad perspective and foresight necessary for global management, and who have a strong desire to participate in management decisions to achieve sustainable growth of the Group as a member of society. As for candidates for Outside Directors, we nominate human resources who are expected not only to provide advice from an objective perspective to ensure the validity and appropriateness of decision-making by the Board of Directors, but also to make proactive recommendations based on their extensive experience and knowledge, including expertise in specialized fields etc., for the execution of business in the Company's business divisions.

The candidates for Directors are as follows:

Candidate No.	Name (Date of Birth)	Career summary		
1 Reelection	<p>Toshiya Kohno (Male) (December 30, 1958)</p> <p>Term of office for Director: 12 years</p> <p>Attendance at the Board of Directors meetings: 17/17 (100%)</p>	<p>March 1989 October 2010</p> <p>December 2013</p> <p>August 2015</p> <p>December 2017</p> <p>December 2019</p> <p>December 2020</p> <p>December 2023</p> <p>October 2024</p> <p>August 2025</p> <p>October 2025</p>	<p>Joined the Company Executive Officer, Division Manager, EMC &amp; Microwave Systems of the Company, and Chairman and Managing Director of TOYO Corporation China</p> <p>Director, Division Manager, EMC &amp; Microwave Systems of the Company, and Chairman and Managing Director of TOYO Corporation China</p> <p>Director, in charge of Analysis System Sales Division, 1st Sales Division, EMC &amp; Microwave Systems Division and Medical System Sales Division of the Company, and Chairman of TOYO Corporation China</p> <p>Director, Executive VP, COO, in charge of Global Business Promotion Division, EMC &amp; Microwave Systems Division, Marketing Division and One Technologies Company of the Company, and Chairman of TOYO Corporation China</p> <p>Representative Senior Managing Director, in charge of Global Business, Global Business Promotion Division, EMC &amp; Microwave Systems Division, Engineering Head Office, Marketing Division, Information Systems Division and One Technologies Company of the Company, and Chairman of TOYO Corporation China</p> <p>President and Chief Executive Officer, also in charge of Corporate Planning Division of the Company</p> <p>President and Chief Executive Officer, also in charge of Corporate Planning Division, One Technologies Company and Osaka Branch of the Company</p> <p>President and Chief Executive Officer, also in charge of Corporate Planning Division and Osaka Branch of the Company</p> <p>President and Chief Executive Officer, also in charge of Corporate Planning Division, the Quantum Computing Company and Osaka Branch of the Company</p> <p>Representative Director, President and CEO, also in charge of the Quantum Computing Company (<b>current position</b>) (Responsibilities in the Company) <b>Representative Director, President and CEO, also in charge of the Quantum Computing Company</b></p>	<p>Number of shares held: 51,000 shares</p> <p>Number of potential shares held: 31,500 shares</p> <p>Total: 82,500 shares</p>

Candidate No.	Name (Date of Birth)	Career summary	
Reasons for nomination as candidate for Director	<p>Mr. Toshiya Kohno has experience in various operations in the sales field since joining the Company and, in 2010, he established the Company's first overseas base, TOYO Corporation China, laying the foundation for the globalization of the Company's business. After assuming office as Director in 2013, he has contributed to the Company's performance, improving sales capabilities and promoting global business with his abundant business experience and extensive knowledge in the sales field. After assuming office as President and Chief Executive Officer in 2020, he has led the Company with his strong leadership and a high level of corporate management capabilities. Therefore, the Company proposes his reelection as Director, expecting that he can contribute to enhancing the Company's corporate value.</p>		

Candidate No.	Name (Date of Birth)	Career summary		
2 Reelection	<p>Takeo Kiuchi (Male) (November 23, 1956)</p> <p>Term of office for Director: 2 years</p> <p>Attendance at the Board of Directors meetings: 17/17 (100%)</p>	<p>April 1981 October 1999 December 2001 April 2005 January 2017 October 2019 October 2020 December 2023 October 2024 <b>October 2025</b></p>	<p>Joined Honda Motor Co., Ltd. Deputy General Manager, Generic Technology Research Center Department of Honda Motor Co., Ltd. Deputy General Manager, Race Development Department, Tochigi Research Center of Honda Motor Co., Ltd. Senior Researcher, Tochigi Research Center of Honda Motor Co., Ltd. Joined the Company Chief, Technical Research Laboratory of the Company CTO, General Manager, Engineering Head Office of the Company Executive Officer, CTO, also in charge of Engineering Head Office, and General Manager, Engineering Head Office of the Company Director, CTO, also in charge of Engineering Head Office, and General Manager, Engineering Head Office of the Company Director, CTO, also in charge of One Technologies Company, Engineering Head Office, and General Manager, Engineering Head Office of the Company <b>Director, Senior Executive Officer CTO, also in charge of One Technologies Company and Engineering Head Office of the Company (current position)</b> (Responsibilities in the Company) <b>Director, Senior Executive Officer CTO, also in charge of One Technologies Company and Engineering Head Office of the Company</b></p>	<p>Number of shares held: 34,123 shares Number of potential shares held: 12,000 shares Total: 46,123 shares</p>
Reasons for nomination as candidate for Director	<p>Mr. Takeo Kiuchi has diverse work experience at Honda Motor Co., Ltd. including in Formula One, which is the pinnacle of the four-wheeled racing world, and in the field of research and development of electric vehicles, such as hybrid vehicles, fuel cell vehicles and EVs. Since joining the Company in 2017, he has been using his abundant knowledge to enhance the Company's engineering capabilities. Since 2020, he has been an executive officer in charge of Engineering Head Office. As he can be expected to use his past experience to contribute to enhancing the Company's corporate value, the Company proposes his reelection as Director.</p>			

Candidate No.	Name (Date of Birth)	Career summary		
3 Reelection	<p>Toshiaki Matsui (Male) (December 25, 1962)</p> <p>Term of office for Director: 2 years</p> <p>Attendance at the Board of Directors meetings: 17/17 (100%)</p>	<p>April 1987 June 2009 June 2012 March 2014 May 2017 May 2019 October 2022 December 2023 October 2024 October 2025</p> <p>Joined Mitsubishi Corporation COO, Corporate Accounting Division of Metal One Corporation Director, Executive Vice President and General Manager, Corporate Planning Office of Mitsubishi Corporation Financial &amp; Management Services(Japan)Ltd. General Manager, Energy Business Group Management Dept. of Mitsubishi Corporation Executive Vice President, Member of the Board, in charge of Corporate Functional Division, and Chief Compliance Officer of Mitsubishi Corporation Technos Director, Executive Vice President and General Manager, Administration Division of NIKKEN CORPORATION Joined the Company Executive Officer in charge of Accounting Division of the Company Director, CFO, also in charge of Information Systems Division, Accounting Division, Human Resources &amp; General Affairs Division, Logistics Division, and Risk Management of the Company Director, CFO, also in charge of Information Systems Division, Accounting Division, Human Resources Division, General Affairs Division, Logistics Division, and Risk Management of the Company <b>Director, Senior Executive Officer CFO, also in charge of the Information Systems Division, Accounting Division, General Affairs Division, Logistics Division, Facilities Engineering Division, Audit Division, and Risk Management of the Company (current position)</b> <b>(Responsibilities in the Company)</b> <b>Director, Senior Executive Officer CFO, also in charge of the Information Systems Division, Accounting Division, General Affairs Division, Logistics Division, Facilities Engineering Division, Audit Division, and Risk Management of the Company</b></p>	<p>Number of shares held: 12,900 shares</p> <p>Number of potential shares held: 0 shares</p> <p>Total: 12,900 shares</p>	
Reasons for nomination as candidate for Director	<p>Mr. Toshiaki Matsui has abundant work experience and knowledge in corporate planning and administration departments, and from 2022 he carried out his duties as the executive officer in charge of the Accounting Division of the Company. Since December 2023, he has used his experience and knowledge to date as Director in charge of the corporate divisions. As he can be expected to contribute to enhancing the Company's corporate value, the Company proposes his reelection as Director.</p>			

Candidate No.	Name (Date of Birth)	Career summary			
4 Reelection Outside Independent	<p>Miyuki Suka (Female) (May 24, 1961)</p> <p>Term of office for Outside Director: 4 years</p> <p>Attendance at the Board of Directors meetings: 17/17 (100%)</p>	<p>April 1984</p> <p>November 1997</p> <p>July 2012</p> <p>April 2020</p> <p>October 2021</p> <p><b>December 2021</b></p> <p>March 2024</p>	<p>Joined Orient Leasing Co., Ltd. (currently ORIX Corporation)</p> <p>Branch Manager, Funabashi Branch of Orient Leasing Co., Ltd.</p> <p>General Manager, Sales Promotion Department of ORIX Bank Corporation</p> <p>Joined Hitachi Solutions, Ltd.</p> <p>Deputy General Manager of Diversity &amp; Inclusion Development Center of Hitachi Solutions, Ltd.</p> <p>Head of Diversity &amp; Inclusion Development Center of Hitachi Solutions, Ltd.</p> <p><b>Outside Director of the Company (current position)</b></p> <p>Retired from Hitachi Solutions, Ltd. (Responsibilities in the Company) <b>Outside Director</b></p>	Number of shares held: 1,000 shares	
Reasons for nomination as candidate for Outside Director and overview of expected roles	<p>Ms. Miyuki Suka has abundant experience and profound insight in the sales field and diversity, and has already been engaged in management of the Company as Outside Director for four years. She can be expected to continue to provide appropriate opinions and guidance regarding the Company's overall management and promotion of diversity, and provide appropriate guidance on decision-making by the Board of Directors regarding the selection of candidates for officers and decisions on executive compensation, etc. from an objective and neutral standpoint. Although she has not been involved in the management of another company, the Company judges she will appropriately fulfill her duties as an Outside Director, and the Company proposes her reelection as Outside Director.</p>				

Candidate No.	Name (Date of Birth)	Career summary			
5 Reelection Outside Independent	<p>Tomoki Yoda (Male) (January 4, 1959)</p> <p>Term of office for Director: 2 years</p> <p>Attendance at the Board of Directors meetings: 17/17 (100%)</p>	<p>April 1981 October 2014</p> <p>April 2018</p> <p>June 2019</p> <p>June 2022</p> <p>March 2023</p> <p><b>December 2023</b></p>	<p>Joined Mitsubishi Corporation General Manager, Machine Group CEO Office of Mitsubishi Corporation President &amp; CEO of Mitsubishi Corporation Technos Chairman of Japan Machine Tool Distributors Association Retired from Chairman of Japan Machine Tool Distributors Association Special Adviser of Mitsubishi Corporation Technos Retired from Special Adviser of Mitsubishi Corporation Technos <b>Outside Director of the Company (current position)</b> (Responsibilities in the Company) <b>Outside Director</b></p>	<p>Number of shares held: 1,000 shares</p>	
Reasons for nomination as candidate for Outside Director and overview of expected roles	<p>Mr. Tomoki Yoda has global business management experience and extensive knowledge, having served as President &amp; CEO of Mitsubishi Corporation Technos. Also, he has already been serving as Outside Director of the Company for two years. As he can be expected to provide appropriate opinions and guidance regarding the Company's overall management and sales activities, and to be involved in the selection of candidates for officers and decisions on executive compensation, etc. from an objective and neutral standpoint, the Company proposes his reelection as Outside Director.</p>				

Notes:

1. No conflict of interest exists between the Company and the above candidates for Directors.
2. Ms. Miyuki Suka and Mr. Tomoki Yoda are candidates for Outside Directors.
3. The Company has registered Ms. Miyuki Suka and Mr. Tomoki Yoda as Independent Directors pursuant to the rules of Tokyo Stock Exchange, Inc. If they are reelected, the Company intends to continue to designate them as Independent Directors.
4. If this proposal is approved, the number of the Company's Directors will be eight (8) (of whom three (3) are Outside Directors).
5. The number of potential shares held corresponds to the unexercised portion of stock acquisition rights held as share-based remuneration stock options.
6. If Ms. Miyuki Suka and Mr. Tomoki Yoda are reelected as Directors, the Company will enter into an agreement with them to limit their liability for damages prescribed in Article 423, Paragraph 1 of the Companies Act to the amount stipulated by laws and regulations pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act and the Company's Articles of Incorporation, providing that "Proposal No. 2: Partial Amendments to the Articles of Incorporation" is approved and passed as originally proposed.
7. Overview of directors and officers liability insurance policy  
The Company has concluded a directors and officers liability insurance policy with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act with the officers, etc. of the Company and its consolidated subsidiaries as insured persons, which is scheduled to be renewed in April 2026.  
If this proposal is approved as proposed and each candidate assumes office, the candidates will be insureds.
  - (i) Summary of insurance incidents covered  
The policy covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties as an officer or a person at a certain position, or receipt of claims pertaining to the pursuit of such liability.
  - (ii) Insurance premiums  
Insurance premiums are borne by the Company.

<Policies for the election (nomination) of Directors>

We nominate Directors who have a deep understanding of the Group's corporate philosophy, have excellent management capabilities and leadership qualities, broad perspective and foresight necessary for global management, and who have a strong desire to participate in management decisions to achieve sustainable growth of the Group as a member of society.

As for candidates for Outside Directors, we nominate human resources who are expected not only to provide advice from an objective perspective to ensure the validity and appropriateness of decision-making by the Board of Directors, but also to make proactive recommendations based on their extensive experience and knowledge, including expertise in specialized fields, etc., for the execution of business in the Company's business divisions.

Furthermore, in order to strengthen the supervisory function of business execution, we nominate human resources who meet the following requirements as independent Outside Directors.

- Oversee management through important decision making by the Board of Directors
- Oversee conflicts of interest between the Company, management and controlling shareholders, etc.
- Appropriately reflect the opinions of minority shareholders and other stakeholders to the Board of Directors
- Oversee management from an objective standpoint independent of the management
- There is no risk of conflict of interest with general shareholders.

<Procedures for the election (nomination) of Directors>

Regarding the procedure for nominating candidates for Directors, after receiving the deliberation and recommendation of the Nomination and Compensation Committee, the Board of Directors will make a resolution and submit it to the General Meeting of Shareholders.

<Criteria for judging independence>

The Company selects candidates for Independent Directors and Corporate Auditors in accordance with the requirements of independence of the Tokyo Stock Exchange, Inc.

<Reference>

The Skills Matrix of the Board of Directors, after Proposal No. 3 is approved as proposed, is as follows:

**Skills Matrix of the Company's Board of Directors**

In light of the Company's medium- to long-term management direction and business strategy, the Company's officers have the expertise and experience shown below so that the Board of Directors of the Company can exercise its decision-making and supervisory functions appropriately toward realization of the Medium-term Management Plan.

	Name	Corporate Management	Science & Technology	Sales/ Marketing	Global Business	Finance/ Accounting/	Human Resources	Legal/Risk Management
Inside Directors	Toshiya Kohno	●	●	●	●		●	
	Mitsuru Onodera	●	●	●	●		●	
	Yoshimichi Imaizumi	●	●	●	●			
	Takeo Kiuchi		●		●		●	
Outside Directors	Toshiaki Matsui	●			●	●	●	●
	Katsuya Nishi	●			●	●	●	●
	Miyuki Suka			●	●	●	●	●
	Tomoki Yoda	●		●	●		●	●
Outside Corporate Auditors	Makoto Shibuya	●				●	●	●
	Kiyo Morikawa		●					●
	Shigehisa Horinokita					●		●
	Kumiko Fujiwara					●		●

**Proposal No. 4: Introduction of a Post-grant Performance-linked Stock Compensation Scheme (Performance Share Units) for Directors, and Decision on the Amount of Compensation and Contents**

With regard to the remuneration of our directors, at the 67th General Shareholders' Meeting on December 19, 2019, the Company obtained approval for a maximum total annual amount of monetary remuneration for Directors of up to ¥350 million (including up to ¥25 million for Outside Directors, and excluding salaries as employees for directors who concurrently serve as employees). Separately from the monetary remuneration above, at the 69th General Shareholders' Meeting on December 23, 2021, the Company introduced a restricted stock-based compensation scheme for Directors (excluding Outside Directors), and at the 72nd General Shareholders' Meeting on December 20, 2024 the upper limit for the stock-based compensation scheme of ¥200 million per year (including ¥20 million for Outside Directors) was approved and the maximum number of shares to be issued was approved to be 100,000 shares per year (including up to 10,000 shares for Outside Directors).

The Company has decided to partially revise the remuneration system for Directors in order to enhance the linkage between the remuneration of Directors and the environmental, social, and corporate governance indicators (hereafter "non-financial metrics") so that Directors are more strongly aware of their commitment to sustainable management, in addition to sharing shareholder value, in order to enhance sustainable corporate value.

Specifically, for the purpose of promoting sustainable growth and initiatives to resolve important social issues, we request your approval to newly introduce a Post-grant performance-linked stock compensation scheme (Performance Share Unit) (hereafter "Scheme") for Eligible Directors of the Company excluding Outside Directors (hereafter "Eligible Directors") with the payment rate varying based on the achievement of non-financial metrics.

The compensation ratio under this Scheme for Eligible Directors is designed to be approximately 10% of variable compensation, with 26% of the annual stock grant amount under the existing restricted stock compensation system being transferred to this system.

As a result, the Company will build a framework for reflecting not only short-term earnings performance, but also performance-based compensation aimed at sustainable growth and creation of social value.

The revisions to the compensation scheme do not introduce any major new additions to the compensation framework, but involve a partial reconfiguration of the existing stock-based compensation scheme to strengthen the firm's commitment to non-financial metrics.

**<Overview of the Scheme>**

The Scheme is a performance-linked stock-based compensation plan (Performance Share Units) that in principle awards common stock in arrears with the aim of incentivizing improvements in corporate value over three consecutive fiscal years in line with the medium-term management plan.

In principle, the delivery of the Company's shares will be made after the end of the performance evaluation period by providing monetary compensation claims to Eligible Directors. Similar to our existing restricted stock compensation plan, when the Company issues shares or disposes of treasury shares, the entirety of these monetary compensation claims will be contributed in kind, thereby resulting in delivery of the Company's shares.

The initial evaluation period for the Scheme will be the two fiscal years beginning October 1, 2025 and ending September 30, 2027. The subsequent periods will be performance evaluation periods covering three consecutive fiscal years, within the scope and subject to approval of the Proposal No.4.

**(1) Upper limit for compensation and number of shares issued under the Scheme**

Under the Scheme, the number of units (hereafter "standard stock units") awarded to each Eligible Director is determined by multiplying the number of units (one unit = one share) by a payout rate based on the achievement of performance evaluation metrics to determine the number of shares of the Company to be granted.

The number of standard stock units shall be the total of an amount equivalent to 26% of the shares awarded for each under each position under the existing restricted stock compensation scheme accumulated over three fiscal years.

The total amount of these monetary compensation claims shall be calculated by multiplying the number of confirmed stock units by the closing price of the company's shares on the Tokyo Stock Exchange on the trading day immediately preceding the date of the board's decision to issue shares or disposal of treasury stock under the above scheme after the end of the earnings evaluation period (if the closing price is not published on that day, it shall be the share price calculated retroactively to the most recent day for which the closing price is available (hereafter "grant date share price"). The upper limit for the number of shares awarded to Eligible Directors (hereafter "number of shares to be awarded") is set at 60,000 for the three fiscal years (up to 20,000 shares per fiscal year), and the upper limit on total monetary compensation receivables per year to ¥120 million for the three years in question (up to ¥40 million per fiscal year).

(Note) The total number of confirmed stock units and the maximum number of shares to be delivered shall be adjusted within a reasonable range in the event of a stock split (including a free allotment of the Company's common stock) or reverse stock split, or in the event of any other event in which it will be necessary to adjust the number of common shares issued or disposed of, following the date on which this proposal is approved.

(2) Method for calculating the number of shares and the monetary compensation claims to be granted

The formula is as follows.

(A) Number of shares awarded to each Eligible Director

Standard stock units x payout ratio

(Payout Ratio)

The board of directors sets the items and targets for non-financial metrics, and the payout ratio varies according to the achievement status towards these targets, set between 60% and 140%. The following metrics shall be the targets in the initial period. The Board of Directors shall determine the targets for non-financial metrics from the second period onwards.

Metrics

1. Achievement of GHG Emission Reduction Rate
2. Improving CDP Climate Change Scores
3. Increase in sales of solutions that contribute to decarbonized society
4. Increasing the proportion of female managers
5. Certified as an Outstanding Health & Productivity Management Organization

(B) Value of monetary compensation claims paid to each Eligible Director

Number of shares issued in (A) x grant date share price (share price at time of award)

(3) Handling in the event of resignations etc.

For Eligible Directors who resign during the performance evaluation period due to legitimate reasons such as the expiration of term of office, shares of the Company shall be granted to them according to a reasonable calculation based on their period of service as a director during the performance evaluation period. In addition, at the time of granting the shares, a transfer restriction agreement as described in (6) shall be concluded.

Furthermore, if the Eligible Director retires as a result of death during the performance evaluation period, the monetary compensation claims will be paid in cash to the heirs of the Eligible Director, without requiring contribution in kind, based on the total amount of monetary compensation claims reasonably calculated for the Eligible Director, taking into account the director's term of office and other relevant factors. The Company will not award shares to any heirs of Eligible Directors.

Except in cases when the Board of Directors determine that there is a valid reason such as expiration of term or death, the Eligible Director shall lose their rights to the Scheme if he or she resigns.

(4) Handling during company reorganization etc.

In the event that, during the performance evaluation period, a merger agreement under which the Company becomes the dissolving company, a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or any other matter related to a reorganization etc. is approved at the Company's general meeting of shareholders (or, if such approval is not required at the general meeting of shareholders for the relevant reorganization, by the Company's board of directors), the Company may, without having the monetary compensation claims contributed in kind, pay the Eligible Directors a cash amount reasonably calculated based on the total value of the monetary compensation claims reasonably determined by taking into account factors such as the period up to the effective date of the said reorganization.

(5) Conditions for awarding shares under this Scheme

- 1) Position as a director during the performance evaluation period
- 2) That no specific misconduct, as determined by the Board of Directors, or any other reasons deemed by the Board of Directors to justify the forfeiture of rights under this Scheme, has occurred.
- 3) That requirements set by the Board of Directors as necessary to achieve this performance-linked stock compensation scheme have been satisfied.

(6) Outline of transfer restrictions for shares awarded under the Scheme

In the case of the issuance or disposal of common stock under this Scheme, the Company shall enter into a restricted share allotment agreement with Eligible Directors (hereafter "Allotment Agreement"), the details of which are as follows:

i) Transfer restriction period:

The Eligible Director shall not transfer, pledge, or otherwise dispose of the Company's common shares granted under this Allotment Agreement (hereafter "Allotted Shares") during the period from the date of grant under this Allotment Agreement until the date of resignation as a director of the Company (hereafter "Transfer Restriction Period"). However, if the date of resignation occurs before a day that is three months after the end of the fiscal year to which the allotment of the said Allotted Shares pertains, the end of the transfer restriction period may be adjusted within a reasonable range.

ii) Lifting of transfer restriction:

On the condition that the resignation of an Eligible Director from the Company is due to expiration of term, illness preventing the continuation of duties, death, or other reasons deemed reasonable by our Board of Directors, the transfer restrictions may be lifted for all of the Allotted Shares (provided, however, that if the Company acquires part of the Allotted Shares free of charge under section iii) below, the transfer restrictions shall be lifted only on the remaining shares after such free acquisition) upon the expiration of the Transfer Restriction Period.

iii) Free acquisition of shares in this allotment:

The Company shall automatically acquire without compensation any of the Allotted Shares for which the transfer restrictions have not been lifted based on the provisions of ii) above upon expiration of the Transfer Restriction Period. In addition, if during the Transfer Restriction Period the Director is sentenced to imprisonment or a more severe punishment, or engages in business that competes with the Company's business, commits certain violations of laws, regulations, or violates the Company's internal rules in a significant way, or otherwise falls under the reasons stipulated by the Board of Directors, the Company may acquire all or part of these Allotted Shares without compensation.

iv) Handling during reorganization etc.

Notwithstanding the provisions of i) above, if, during the Transfer Restriction Period, a merger agreement under which the Company becomes the dissolving company, a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or any other matter related to a reorganization etc. is approved at the Company's general meeting of shareholders (or, if such approval is not required at the general meeting of shareholders for the relevant reorganization, by the Company's Board of Directors), the transfer restrictions shall be lifted prior to the effective date of such reorganization. In such scenario, the Company shall automatically acquire without compensation any of the Allotted Shares for which transfer restrictions have not yet been lifted.

If Proposal 3 "Election of Five (5) Directors" is approved as originally proposed, the number of Eligible Directors subject to this proposal will be five (5).

The Nomination and Compensation Committee, which is chaired by an Independent Outside Director and a majority of whose members are Independent Outside Directors, has submitted a report to the effect that the content of this proposal is appropriate.

Business Report  
(From October 1, 2024 to September 30, 2025)

(1) Overview of consolidated operating results of the Group for the year ended September 30, 2025

From the fiscal year ended September 30, 2025, until the final year ending September 30, 2027, TOYO Corporation ("the Company") is pursuing growth strategies to achieve its management targets set out in the medium-term management plan "TY2027" of net sales of ¥45 billion and operating profit of ¥4.5 billion as well as an ROE of 11.0%.

During the fiscal year ended September 30, 2025, in terms of sales, the Advanced Mobility business in particular declined significantly as the planned booking of multiple large domestic and overseas orders was pushed to the following year due to customer-side factors. Additionally, sales were also down in the Sustainable Energy business, which saw a low order backlog at the beginning of the fiscal year. However, the ICT / Information Security and Ocean / Defense & Security businesses grew thanks to solid demand. As a result, consolidated net sales totaled ¥32,559 million (down 7.1% YoY). This broke down as domestic sales of ¥30,886 million (down 2.4% YoY) and overseas sales (mainly to the US and China) of ¥1,672 million (down 50.5% YoY). We expect the deferred orders to boost profits in the next fiscal year and beyond.

In terms of profit, although the gross profit margin was higher compared to last year, operating profit was ¥1,914 million (down 43.1% YoY) due to the significant impact of lower sales, as well as increases in R&D and personnel expenses. Ordinary profit came to ¥1,985 million (down 41.2%) due to non-operating income such as foreign exchange gains; while profit attributable to owners of parent was ¥1,195 million (down 52.6%), as changes in the profit mix among operating companies led to a higher consolidated effective tax rate than the statutory effective tax rate.

New orders were a record high of ¥40,151 million (up 19.4% YoY) following significant growth in the Ocean / Defense & Security segment, which received multiple large-scale orders, and order increases were posted across nearly all businesses. The order backlog was ¥24,625 million (up 44.6% YoY), significantly greater than the previous year, due to increases in orders and projects with longer durations.

Following a review of management divisions and the organizational structure, and from the current consolidated period, the Group renamed its business segments as follows: the Mechatronics / Noise & Vibration / Sensors segment has become Advanced Mobility, Physics / Energies is now Sustainable Energy, while Life Science is now included under Others. Furthermore, we transferred the product lines in the mobility domain from Physics / Energies to Advanced Mobility, which has a similar business scope and where synergies may be generated. Moreover, the product lines in the Materials Science (materials testing) field were transferred from Physics / Energies to the Others. Segment information for the previous fiscal year has been prepared in accordance with the revised reportable segment classification method, and year-on-year comparisons below also use restated figures in accordance with the revised segment classification method.

The results by segment were as follows:

**(Advanced Mobility)**

In the Advanced Mobility business, sales of large overseas evaluation system projects for AD (Autonomous Driving)/ADAS (Advanced Driver Assistance System) development and large domestic projects in the e-mobility field were delayed until next fiscal year or later due to delays in building and facility construction at customers, so sales decreased. However, sales were strong in noise and vibration measurement-related products. As a result, sales were ¥7,595 million (down 22.7% YoY) and segment profit ¥707 million (down 65.9%).

**(Sustainable Energy)**

In the Sustainable Energy business, while sales of electrochemical measurement systems and ultra low-temperature and magnetic field measurement systems performed above the initial plan, sales overall were down compared to the strong results of the previous consolidated fiscal year due to a smaller order backlog at the year start. In addition to lower sales, segment profit also declined due to higher SG&A expenses including those for expanded production capacity at subsidiary L. Tail Co., Ltd., a manufacturer of hydrogen-related equipment. As a result, sales were ¥5,841 million (down 11.3% YoY) and segment profit ¥943 million (down 40.8%).

#### (ICT / Information Security)

In ICT, sales of core network performance testing products for major communication carriers outperformed the initial plan, while vulnerability scanners, proprietary large-capacity packet capture systems and other products also showed YoY growth. In cybersecurity, service provider orders remained firm, and the booking of large government agency contracts boosted sales. As a result, sales were ¥8,120 million (up 8.5% YoY) and segment profit ¥686 million (up 76.8%).

#### (EMC & Antenna Systems)

In the EMC & Antenna Systems business, while sales declined due to a lower order backlog at the start of the year and an order pushed back to the following fiscal year from delays in the completion of construction of anechoic chamber at a customer site, the order backlog at year-end grew, and we expect a recovery next year. Moreover, segment profit decreased due to lower sales and booking of costs associated with new product development. As a result, sales were ¥4,427 million (down 5.4% YoY) and segment profit ¥168 million (down 28.9%).

#### (Ocean / Defense & Security)

In the Ocean / Defense & Security business, sales increased due to robust demand for defense equipment and the early delivery of a large-scale project originally slated for the following fiscal year. However, segment profits declined from one-off costs on large orders. As a result, sales were ¥2,706 million (up 19.7% YoY) and segment profit ¥251 million (down 45.4%).

#### (Software Quality & Productivity)

In the Software Quality & Productivity business, sales grew due to solid sales to gaming and automotive-related firms. However, higher SG&A expenses from increased procurement costs impacted by a stronger GBP and from increased headcount for new business expansion weighed down segment profits. As a result, sales were ¥2,382 million (up 11.9% YoY) and segment profit ¥349 million (down 13.9%).

#### (Others)

In the Others business segment, while subsidiary LEXI Co., Ltd performed well in the life sciences field, sales in the material science field were down compared to last year, when several large electron microscope projects were booked. Furthermore, in addition to the sales decline, valuation losses on long-term life sciences-related inventory led to a significant decline in segment profits. As a result, sales were ¥1,483 million (down 28.6% YoY) and segment profit ¥29 million (down 74.2%).

**Consolidated Balance Sheet**

(As of September 30, 2025)

(Thousands of yen)

Account Title	Amount	Account Title	Amount
<b>Assets</b>		<b>Liabilities</b>	
<b>Current assets</b>	<b>19,490,370</b>	<b>Current liabilities</b>	<b>10,811,336</b>
Cash and deposits	3,657,789	Notes and accounts payable – trade	1,744,170
Notes and accounts receivable – trade, and contract assets	5,401,096	Income taxes payable	580,372
Electronically recorded monetary claims – operating	427,328	Contract liabilities	3,616,754
Securities	2,082,301	Short-term loan payable	2,700,000
Merchandise and finished goods	3,785,008	Provision for bonuses	983,290
Prepaid Expenses	2,059,602	Provision for directors' bonuses	63,310
Other	2,079,242	Other	1,123,438
Allowance for doubtful accounts	(2,000)	<b>Non-current liabilities</b>	<b>1,006,020</b>
<b>Non-current assets</b>	<b>20,446,676</b>	Net defined benefit liability	799,848
<b>Property, plant and equipment</b>	<b>12,898,819</b>	Other	206,172
Buildings and structures	828,485	<b>Total liabilities</b>	<b>11,817,357</b>
Vehicles	1,501	<b>Net assets</b>	
Tools, furniture and fixtures	812,702	<b>Shareholders' equity</b>	<b>27,815,392</b>
Land	4,716,725	Capital stock	4,158,000
Construction in progress	6,539,403	Capital surplus	4,616,989
<b>Intangible assets</b>	<b>2,387,157</b>	Retained earnings	24,866,224
Goodwill	1,482,923	Treasury stock	(5,825,821)
Software	717,802	<b>Accumulated other comprehensive income</b>	<b>189,261</b>
Software in progress	98,348	Valuation difference on available-for-sale securities	119,227
Other	88,082	Deferred gains or losses on hedges	41,734
<b>Investments and other assets</b>	<b>5,160,700</b>	Foreign currency translation adjustments	25,248
Investment securities	2,392,783	Remeasurements of defined benefit plans	3,050
Net defined benefit asset	736,629	<b>Subscription rights to shares</b>	<b>71,786</b>
Deferred tax assets	859,356	<b>Equity of non-controlling shareholder</b>	<b>43,249</b>
Long-term time deposits	700,157	<b>Total net assets</b>	<b>28,119,689</b>
Other	504,371	<b>Total liabilities and net assets</b>	<b>39,937,046</b>
Allowance for doubtful accounts	(32,599)		
<b>Total assets</b>	<b>39,937,046</b>		

Note: Amounts are rounded down to the nearest thousand yen.

**Consolidated Statement of Income**  
 (From October 1, 2024 to September 30, 2025)

Account Title	Amount	(Thousands of yen)
<b>Net sales</b>		<b>32,559,176</b>
<b>Cost of sales</b>		<b>18,351,196</b>
<b>Gross profit</b>		<b>14,207,979</b>
<b>Selling, general and administrative expenses</b>		<b>12,293,335</b>
<b>Operating income</b>		<b>1,914,644</b>
<b>Non-operating income</b>		
Interest income	40,055	
Dividend income	26,922	
Gain on investment partnership management	14,446	
Foreign exchange gains	65,673	
Other	71,897	218,995
<b>Non-operating expenses</b>		
Interest expenses	18,822	
Commission for purchase of treasury stock	16,748	
Settlement payments	110,000	
Other	2,873	148,444
<b>Ordinary income</b>		<b>1,985,195</b>
<b>Extraordinary income</b>		
Gain on sales of non-current assets	19,552	
Gain on sales of investment securities	13,847	33,400
<b>Extraordinary losses</b>		
Loss on disposal of non-current assets	4,532	
Loss on valuation of investment securities	57,974	62,506
<b>Income before income taxes</b>		<b>1,956,090</b>
Income taxes - current	900,585	
Income taxes - deferred	(133,866)	766,719
<b>Net income</b>		<b>1,189,370</b>
Profit (loss) attributable to non-controlling interests		(6,224)
<b>Net income attributable to owners of parent</b>		<b>1,195,595</b>

Note: Amounts are rounded down to the nearest thousand yen.

**Consolidated Statement of Changes in Shareholders' Equity**

(From October 1, 2024 to September 30, 2025)

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total equity
Balance at beginning of period	4,158,000	4,611,997	25,242,691	(5,830,415)	28,182,273
Change during period					
Dividends of surplus			(1,572,061)		(1,572,061)
Profit attributable to owners of parent			1,195,595		1,195,595
Purchase of treasury shares				(83,615)	(83,615)
Disposal of treasury shares		4,992		88,209	93,201
Net changes in items other than shareholders' equity					
Total change during period	—	4,992	(376,466)	4,593	(366,880)
Balance at end of period	4,158,000	4,616,989	24,866,224	(5,825,821)	27,815,392

	Other Comprehensive Income					New share rights	Non-controlling interests	Total net assets
	Gains/losses on securities	Hedge gains/losses	FX translation adjustments	Adjustments for retirement benefits	Other comprehensive income			
Equity as of 1 October 2024	17,401	(94,863)	(147,017)	44,379	(180,099)	77,998	47,436	28,127,608
Change during period								
Dividends paid								(1,572,061)
Income attributable to owners of the parent								1,195,595
Acquisition of treasury stock								(83,615)
Cancellation of treasury stock								93,201
Change during period for items other than shareholders' equity	101,825	136,597	172,266	(41,328)	369,361	(6,211)	(4,187)	358,962
Total change during period	101,825	136,597	172,266	(41,328)	369,361	(6,211)	(4,187)	(7,918)
Equity at end of period	119,227	41,734	25,248	3,050	189,261	71,786	43,249	28,119,689

**Non-consolidated Balance Sheet**

(As of September 30, 2025)

(Thousands of yen)

Account Title	Amount	Account Title	Amount
<b>Assets</b>		<b>Liabilities</b>	
<b>Current assets</b>	<b>15,962,698</b>	<b>Current liabilities</b>	<b>9,759,508</b>
Cash and deposits	1,216,978	Notes payable - trade	12,710
Notes and accounts receivable - trade, and contract assets	4,677,595	Accounts payable - trade	1,643,562
Electronically recorded monetary claims - operating	420,053	Accounts payable - other	452,034
Securities	2,082,301	Income taxes payable	482,504
Merchandise	3,438,371	Contract liabilities	2,940,694
Advance payments - trade	1,725,201	Short-term borrowings	2,700,000
Advance payments - other	2,045,026	Provision for bonuses	950,000
Short-term loans receivable from subsidiaries and associates	148,890	Provision for directors' bonuses	63,310
Other	210,279	Other	514,692
Allowance for doubtful accounts	(2,000)	<b>Non-current liabilities</b>	<b>729,603</b>
<b>Non-current assets</b>	<b>22,647,253</b>	Provision for retirement benefits	654,481
<b>Property, plant and equipment</b>	<b>12,426,825</b>	Asset retirement obligations	46,012
Buildings	567,429	Other	29,110
Structures	3,227	<b>Total liabilities</b>	<b>10,489,112</b>
Vehicles	1,501	<b>Net assets</b>	
Tools, furniture and fixtures	652,792	<b>Shareholders' equity</b>	<b>27,888,091</b>
Land	4,663,725	Capital stock	4,158,000
Construction in progress	6,538,148	Capital surplus	4,616,989
<b>Intangible assets</b>	<b>794,719</b>	Legal capital surplus	4,603,500
Software	693,031	Other capital surplus	13,489
Software in progress	69,567	Retained earnings	24,938,923
Other	32,120	Legal retained earnings	581,208
<b>Investments and other assets</b>	<b>9,425,708</b>	Other retained earnings	24,357,714
Investment securities	2,392,783	General reserve	17,000,000
Shares of subsidiaries and associates	2,743,905	Retained earnings brought forward	7,357,714
Investments in capital of subsidiaries and associates	390,200	Treasury stock	(5,825,821)
Long-term loans receivable from subsidiaries and associates	594,071	<b>Valuation and translation adjustments</b>	<b>160,961</b>
Insurance funds for directors	229,485	Valuation difference on available-for-sale securities	119,227
Prepaid pension cost	737,582	Deferred gains or losses on hedges	41,734
Deferred tax assets	753,767	<b>Subscription rights to shares</b>	<b>71,786</b>
Long-term time deposits	700,000		
Other	912,988		
Allowance for doubtful accounts	(29,075)	<b>Total net assets</b>	<b>28,120,839</b>
<b>Total assets</b>	<b>38,609,952</b>	<b>Total liabilities and net assets</b>	<b>38,609,952</b>

Note: Amounts are rounded down to the nearest thousand yen.

**Non-consolidated Statement of Income**

(From October 1, 2024 to September 30, 2025)

(Thousands of yen)

Account Title	Amount
<b>Net sales</b>	<b>30,052,646</b>
<b>Cost of sales</b>	<b>17,697,562</b>
<b>Gross profit</b>	<b>12,355,084</b>
<b>Selling, general and administrative expenses</b>	<b>10,225,295</b>
<b>Operating income</b>	<b>2,129,788</b>
<b>Non-operating income</b>	
Interest income	747
Interest on securities	7,446
Dividend income	26,160
Foreign exchange gain	90,057
Gain on investment partnership management	14,446
Outsourcing income	47,974
Rent on real estate	24,156
Other	66,210
	277,200
<b>Non-operating expenses</b>	
Interest expenses	16,556
Commission for purchase of treasury stock	16,748
Compensation expenses	110,000
Other	1,477
	144,782
<b>Ordinary income</b>	<b>2,262,207</b>
<b>Extraordinary income</b>	
Gain on sales of non-current assets	19,552
	19,552
<b>Extraordinary losses</b>	
Loss on disposal of non-current assets	1,170
Loss on valuation of investment securities	57,974
	59,144
<b>Income before income taxes</b>	<b>2,222,615</b>
Income taxes - current	760,000
Income taxes - deferred	(77,802)
	682,197
<b>Net income</b>	<b>1,540,418</b>

Note: Amounts are rounded down to the nearest thousand yen.

**Non-consolidated Statement of Changes in Shareholders' Equity**

(From October 1, 2024 to September 30, 2025)

(Thousands of yen)

	Shareholders' equity							
	Capital stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Capital surplus total	Legal retained earnings	Other retained earnings	Retained earnings brought forward	
Balance at beginning of period	4,158,000	4,603,500	8,497	4,611,997	581,208	17,000,000	7,389,358	24,970,566
Change during period								
Dividends of surplus							(1,572,061)	(1,572,061)
Net income							1,540,418	1,540,418
Purchase of treasury shares								
Disposal of treasury shares			4,992	4,992				
Net changes in items other than shareholders' equity								
Total change during period	—	—	4,992	4,992	—	—	(31,643)	(31,643)
Balance at end of period	4,158,000	4,603,500	13,489	4,616,989	581,208	17,000,000	7,357,714	24,938,923

	Shareholders' equity		Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Treasury stock	Shareholders' equity total	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Valuation and translation adjustments total		
Balance at beginning of period	(5,830,415)	27,910,149	17,401	(94,863)	(77,461)	77,998	27,910,685
Change during period							
Dividends of surplus		(1,572,061)					(1,572,061)
Net income		1,540,418					1,540,418
Purchase of treasury shares	(83,615)	(83,615)					(83,615)
Disposal of treasury shares	88,209	93,201					93,201
Net changes in items other than shareholders' equity			101,825	136,597	238,423	(6,211)	232,212
Total change during period	4,593	(22,057)	101,825	136,597	238,423	(6,211)	210,154
Balance at end of period	(5,825,821)	27,888,091	119,227	41,734	160,961	71,786	28,120,839

Note: Amounts are rounded down to the nearest thousand yen.