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Matters Subject to Measures for Electronic Provision When Convening the 8th Annual General Meeting of Shareholders

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8th Fiscal Year

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

Kioxia Holdings Corporation

In accordance with the provisions of laws and regulations and the Company's Articles of Incorporation, these matters are excluded from the paper-based documents delivered to shareholders who have made a request for such paper-based documents (those which contain matters subject to measures for electronic provision).

1 Current Status of the Group

5. Principal Business Activities (As of March 31, 2026)

Research, development, design, manufacture, and sales of memory and SSD products

6. Principal Offices and Plants (As of March 31, 2026)

(1) The Company

Headquarters	Minato-ku, Tokyo
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(2) Subsidiary

Kioxia Corporation	Headquarters: Minato-ku, Tokyo
	Research and development site: Yokohama Technology Campus (Yokohama-shi, Kanagawa)
	Plants: Yokkaichi Plant (Yokkaichi-shi, Mie), Kitakami Plant (Kitakami-shi, Iwate)

For other major subsidiaries, please refer to “3. Major Parent Company and Subsidiaries”.

7. Employees (As of March 31, 2026)

(1) Status of Employees of the Group

Segment information is omitted as the Group operates as a single reportable segment, the Memory business.

Number of employees	Year on year change
15,218	+176

Note: The number of employees represents the total number of full-time employees and fixed-term contract workers who are working or are expected to work for more than one year (excluding those seconded outside the Group and including those seconded into the Group). Executive officers are not included in the number of employees.

(2) Status of the Company

Number of employees	Year on year change	Average age	Average years of service
140	+13	46.2	13.9

Note 1: The number of employees represents the total of full-time employees and fixed-term contract workers who are working or are expected to work for more than one year (excluding those seconded outside the Company and including those seconded into the Company).

Note 2: Average years of service is calculated using the total number of years of service within the Group, including years of service within the Toshiba Group for employees who joined the Company following its spin off from Toshiba Corporation.

Note 3: Executive officers are not included in the number of employees.

8. Major Lenders (As of March 31, 2026)

Lender	Loan amount
Sumitomo Mitsui Banking Corporation	98.7 billion yen
MUFG Bank, Ltd.	91.4 billion yen
Mizuho Bank, Ltd.	91.4 billion yen
Development Bank of Japan Inc.	87.8 billion yen

9. Other Important Matters Concerning the Current Status of the Group

Not applicable.

2 Current Status of the Company

2. Stock Acquisition Rights

(1) Stock Acquisition Rights Held by Officers of the Company, Granted as Compensation for Duties, as of the End of the Fiscal Year Ended March 31, 2026

		1st Series Stock Acquisition Right	2nd Series Stock Acquisition Right	9th Series Stock Acquisition Right
Resolution date for issuance		March 12, 2019	March 12, 2019	February 2, 2022
Number of stock acquisition rights*		62,322	28,631	2,990
Type and number of shares		Common shares: 3,739,320 (60 shares per right) (Note 1)	Common shares: 1,717,860 (60 shares per right) (Note 1)	Common shares: 179,400 (60 shares per right)
Amount paid for stock acquisition rights		No payment required in exchange for stock acquisition rights	No payment required in exchange for stock acquisition rights	No payment required in exchange for stock acquisition rights
Exercise price		100,000 yen per right (1,667 yen per share) (Note 1)	100,000 yen per right (1,667 yen per share) (Note 1)	156,000 yen per right (2,600 yen per share)
Exercise period		From March 31, 2021 to March 11, 2029	From March 31, 2020 to March 11, 2029	From February 22, 2022 to March 11, 2029
Conditions for exercise		(Note 2)	(Note 3)	(Note 4)
Stock acquisition rights held by officers	Directors (excluding outside directors)	Number of rights: 841 Number of shares: 50,460 Number of holders: 1	Number of rights: 13,880 Number of shares: 832,800 Number of holders: 2	Number of rights: 2,990 Number of shares: 179,400 Number of holders: 2

* As of the end of the fiscal year ended March 31, 2026

Note 1: Adjustments have been made to "Type and number of shares," "Exercise price," and "Number of shares" in "Stock acquisition rights held by officers" for the 60-for-1 stock split effective August 27, 2020.

Note 2: The conditions for the exercise of these rights are as follows:

1. One stock acquisition right cannot be partially exercised.
2. If the holder of stock acquisition rights ("rights holder") waives their stock acquisition rights, they cannot be exercised.
3. An outline of the exercise conditions stipulated in the Stock Acquisition Rights Allotment Agreement concluded between each rights holder and the Company are as follows:
 - (1) The stock acquisition rights vested in accordance with the schedule set forth in the Stock Acquisition Rights Allotment Agreement*¹ shall be exercisable upon an IPO.
 - (2) Notwithstanding (1) above, if there is an exercisable event*², all unvested stock acquisition rights shall be vested and exercisable immediately prior to the occurrence of the Exercisable Event (only after March 31, 2021). The Company or a person designated by the Company

may receive consideration for the stock acquisition rights or the Company's common shares acquired by exercise of said rights at fair value of the shares as of the applicable record date.

- *1 The vesting schedule is based on the term of employment of the rights holder, provided that they are employed by the Group at the time of vesting. The outline of the vesting schedule is as follows:

Starting from March 31, 2021, a certain percentage (cumulative) of the stock acquisition rights assigned to the rights holder will be vested sequentially at each point specified in the Stock Acquisition Rights Allotment Agreement.

- *2 "Exercisable event" refers to the transfer to a third party or disposal of all shares of the Company held by the Bain Capital Private Equity, LP, its affiliates, and the funds advised by them.

Note 3: The conditions for the exercise of these rights are as follows:

1. One stock acquisition right cannot be partially exercised.
2. If the rights holder waives their stock acquisition rights, they cannot be exercised.
3. An outline of the exercise conditions stipulated in the Stock Acquisition Rights Allotment Agreement concluded between the rights holders (excluding one listed in 4. below) and the Company are as follows:

- (1) The stock acquisition rights vested in accordance with the schedule set forth in the Stock Acquisition Rights Allotment Agreement*¹ shall be exercisable upon an IPO.
- (2) Notwithstanding (1) above, if there is an exercisable event*², all unvested stock acquisition rights shall be vested and exercisable immediately prior to the occurrence of the Exercisable Event. The Company or a person designated by the Company may receive consideration for the stock acquisition rights or the Company's common shares acquired by exercise of said rights at fair value of the shares as of the applicable record date.

- *1 The vesting schedule is based on the term of employment of the rights holder, provided that they are employed by the Group at the time of vesting. The outline of the vesting schedule is as follows:

Starting from March 31, 2020, a certain percentage (cumulative) of the stock acquisition rights assigned to the rights holder will be vested sequentially at each point specified in the Stock Acquisition Rights Allotment Agreement.

- *2 "Exercisable event" refers to the transfer to a third party or disposal of all shares of the Company held by the Bain Capital Private Equity, LP, its affiliates, and the funds advised by them.

4. An outline of the exercise conditions stipulated in the Amended Stock Acquisition Rights Allotment Agreement concluded between one of the rights holders and the Company are as follows:

- (1) The stock acquisition rights vested in accordance with the schedule*¹ set forth in the Amended Stock Acquisition Rights Allotment Agreement shall be exercisable upon an IPO. The rights holder may exercise the stock acquisition rights in accordance with the Stock Acquisition Rights Allotment Agreement until the stock acquisition rights expire.
- (2) Notwithstanding the provisions of the Stock Acquisition Rights Allotment Agreement, in the event of a Change of Control*², the Board of Directors of the Company may either (i) cancel the stock acquisition rights and pay in cash or by another method determined by the Board

of Directors the difference between the fair market value of the Company's common stock on the day of the transaction and the exercise price of each of stock acquisition rights or (ii) continue, assume, or provide a substitute for the stock acquisition rights.

- *1 The vesting of the stock acquisition rights is conditional upon the rights holder's continuous employment at each vesting date, according to the Amended Share Acquisition Right Allocation Agreement, with a specified portion ("Time-Based Vesting Options") vesting according to a time-based schedule, and the remainder ("Time- and Performance-Based Vesting Options") vesting according to both time and performance-based schedules. However, if a Change of Control occurs, all unvested Time-Based Vesting Options will vest immediately prior to the occurrence of such event, provided that the rights holder's employment remains valid at that time. The outlines of the Time-Based and Time- and Performance-Based Vesting Schedules are as follows:

Vesting Schedule for Time-Based Vesting Options

Starting one year from the grant date, a cumulative specified percentage of the stock acquisition rights allocated to rights holder will vest sequentially at each time point as specified in the Amended Share Acquisition Right Allocation Agreement.

However, if the rights holder's employment is terminated without cause, or if the rights holder resigns for good reason, any unvested stock acquisition rights shall vest as of the date of termination of employment, based on a proportion determined according to the reason for termination or resignation, the period from the grant date to the termination of employment, and other relevant factors.

Vesting Schedule for Time- and Performance-Based Vesting Options

Vesting requires satisfaction of both time-based and performance-based conditions, and will occur according to the schedule below.

- (1) Time-Based Vesting: Vesting occurs on a time basis according to the same schedule as the Time-Based Vesting Options.
- (2) Performance-Based Vesting: If BCPE (collectively referring to BCPE Pangea Cayman, L.P., BCPE Pangea Cayman 1A, L.P., and BCPE Pangea Cayman 1B, L.P.; the same shall apply hereinafter) achieves cash proceeds exceeding a specified multiple of its cumulative investment amount (the aggregate amount invested by BCPE in exchange for the BCPE-held shares up to a specified point in time), then 100% of the Time- and Performance-Based Vesting Options will vest on a performance basis. The term "cash proceeds" means (i) cash amounts received by BCPE as revenue, distributions, and surplus dividends related to the BCPE-held shares, and (ii) the market trading value of the BCPE-held shares during the six-month period following the IPO.

- *2 "Change of Control" refers to: (i) the sale of BCPE-held shares by BCPE or its affiliates to an entity or party other than a BCPE affiliate; (ii) the sale or transfer of all or substantially all of the assets of the Company to an entity or party other than a BCPE affiliate; or (iii) a merger or consolidation between the Company and an entity other than a BCPE affiliate, where, immediately following such transaction, persons other than BCPE and its affiliates acquire the right to appoint a majority of the members of the Board of Directors (or, in the case of (iii), the Board of Directors of the surviving company).

Note 4: The conditions for the exercise of these rights are as follows:

1. One stock acquisition right cannot be partially exercised.
 2. If the rights holder waives their stock acquisition rights, they cannot be exercised.
 3. The rights holder may exercise their stock acquisition rights only if one of the following events occurs:
 - (1) An IPO (meaning a public offering or secondary offering for cash conducted through a registration statement under applicable securities laws, or in connection with the listing of the Company's voting shares on a securities exchange), where, assuming that the Common Shareholders (those holding the Company's common shares as of the conclusion date of the Share Acquisition Rights Allocation Agreement) were to sell all of their Common Shares (the Company's common shares held by such Common Shareholders as of such date) in the IPO, they would achieve cash proceeds exceeding a specified multiple of the "cumulative investment amount" (the aggregate amount invested by the Common Shareholders in exchange for common shares and convertible preferred shares up to a certain point in time). For this purpose, "cash proceeds" refers to (i) the cash amounts received by the Common Shareholders as revenue, distribution amounts, or surplus dividends related to the Common Shares, and (ii) the value of the tradable securities (meaning Common Shares that become tradable on a securities exchange through such IPO, referred to as "Tradable Securities") during the six-month period following the IPO. The value of the Tradable Securities shall be calculated on each relevant date by multiplying the average market price at the close of trading on the applicable securities exchange by the number of the Company's common shares held by the Common Shareholders immediately after the IPO.
 - (2) After the IPO, the Common Shareholders achieve cash proceeds exceeding a specified multiple of the cumulative investment amount.
 4. An outline of the exercise conditions stipulated in the Stock Acquisition Rights Allotment Agreement concluded between each rights holders and the Company (may vary depending on the specific agreement) are as follows:
 - (1) The stock acquisition rights vested in accordance with the schedule*¹ set forth in the Stock Acquisition Rights Allotment Agreement shall be exercisable following a Qualified IPO*². The rights holder may exercise the stock acquisition rights in accordance with the Stock Acquisition Rights Allotment Agreement until the stock acquisition rights expire.
 - (2) Notwithstanding the provisions of the Stock Acquisition Rights Allotment Agreement, in the event of a Qualified Change of Control*³, the Board of Directors of the Company may either (i) cancel the stock acquisition rights and pay in cash or by another method determined by the Board of Directors the difference between the fair market value of the Company's common stock on the day of the transaction and the exercise price of each of stock acquisition rights or (ii) continue, assume, or provide a substitute for the stock acquisition rights.
- *¹ The vesting of the stock acquisition rights is subject to the condition that the rights holder's employment continues at each vesting date, and vesting will occur according to a time-based and/or performance-based vesting schedule. For the stock acquisition rights to vest, they must vest either on a time basis or on both a time and performance basis, in accordance with the applicable Share Acquisition Right Allocation Agreement. The outlines of the main time-based and performance-based vesting schedules are as follows:

Time-Based Vesting Schedule

Starting from the grant date, a cumulative specified percentage of the stock acquisition rights allocated to the rights holder will vest sequentially at each time point as specified in each Share Acquisition Right Allocation Agreement, provided that the rights holder's employment continues on each vesting date.

Performance-Based Vesting Schedule

- (i) If the Common Shareholders achieve cash proceeds exceeding a specified multiple of the cumulative investment amount, 100% of the stock acquisition rights will vest on a performance basis, provided that the rights holder's employment continues on each vesting date.
- (ii) If a Qualified Change of Control Event occurs, all of the stock acquisition rights will vest immediately prior to the occurrence of such event, provided that the rights holder's employment is valid at the time of the event.
- (iii) If the rights holder's employment is terminated by the Company or its affiliate without cause, or if the rights holder resigns for good reason, any unvested stock acquisition rights shall vest as of the date of termination of employment.

*2 A "Qualified IPO" means either (i) an IPO in which, if the Common Shareholders were to sell all of their Common Shares in the IPO, they would achieve cash proceeds exceeding a specified multiple of their cumulative investment amount, or (ii) an IPO after which the Common Shareholders achieve cash proceeds exceeding a specified multiple of their cumulative investment amount.

*3 A "Qualified Change of Control" means a Change of Control whereby, if the Common Shareholders were to sell all of their Common Shares in connection with such event, they would achieve cash proceeds exceeding a specified multiple of their cumulative investment amount. A "Change of Control" refers to: (i) the sale of BCPE-held shares (with BCPE collectively referring to BCPE Pangea Cayman, L.P., BCPE Pangea Cayman 1A, L.P., and BCPE Pangea Cayman 1B, L.P.; the same shall apply hereinafter) by BCPE or its affiliates to an entity or party other than a BCPE affiliate; (ii) the sale or transfer of all or substantially all of the assets of the Company to an entity or party other than a BCPE affiliate; or (iii) a merger or consolidation between the Company and an entity other than a BCPE affiliate, where, immediately following such transaction, persons other than BCPE and its affiliates acquire the right to appoint a majority of the members of the Board of Directors (or, in the case of (iii), the Board of Directors of the surviving company).

(2) Status of Stock Acquisition Rights Granted to Employees and Others as Compensation for Duties Performed During the Fiscal Year Ended March 31, 2026

Not applicable.

4. Status of Accounting Auditor

(1) Name of Accounting Auditor PricewaterhouseCoopers Japan LLC

(2) Remuneration Amount

	Remuneration amount
Remuneration Amount for the Accounting Auditor for the Fiscal Year Ended March 31, 2026	218 million yen
Amount of Money and Other Property-Related Benefits Payable to the Accounting Auditor by the Company and Its Subsidiaries	334 million yen

Note 1: The audit contract between the Company and the accounting auditor does not clearly distinguish the amounts of remuneration for audits conducted under the Companies Act and those conducted under the Financial Instruments and Exchange Act, nor is it practically possible to distinguish them. Therefore, the stated amount of remuneration, for the accounting auditor for the fiscal year ended March 31, 2026 includes the total amount of both. Amounts payable under the audit contract that have not yet been finalized are included as estimated amounts.

Note 2: The Audit and Supervisory Board verified the appropriateness of the accounting auditor's audit plan, execution status of audit duties, and basis for calculating the estimated remuneration, among other matters, and subsequently consented to the amount of remuneration for the accounting auditor.

Note 3: Some subsidiaries of the Company are audited by firms other than the accounting auditor.

(3) Non-Audit Services

The Company has paid consideration to the accounting auditor for services other than those set forth in Article 2, paragraph (1) of the Certified Public Accountants Act (i.e., non-audit services), namely the preparation of comfort letters.

(4) Policy on Decisions Regarding Dismissal or Non-Reappointment of the Accounting Auditor

If the Audit and Supervisory Board determines that it is necessary, such as when there are obstacles to the proper execution of duties by the accounting auditor, it will decide on the contents of proposals regarding dismissal or non-reappointment of the accounting auditor to be submitted to the general meeting of shareholders.

Furthermore, if the accounting auditor is deemed to fall under any of the items stipulated in Article 340, paragraph (1) of the Companies Act, the Audit and Supervisory Board shall dismiss the accounting auditor with the unanimous consent of all Audit and Supervisory Board Members. In such a case, an Audit and Supervisory Board Member designated by the Audit and Supervisory Board shall report the dismissal of the accounting auditor and the reason for the dismissal at the first general meeting of shareholders convened after the dismissal.

5. Policy on Determination of Dividends of Surplus, Etc.

The Company's Articles of Incorporation provide that dividends of surplus may be distributed on record dates in addition to the fiscal year-end and interim periods. Pursuant to Article 459, paragraph (1) of the Companies Act, the Articles of Incorporation also stipulate that the Board of Directors may serve as the decision-making body for dividends of surplus.

Holders of Series 1 (*Kou*) preferred shares and Series 2 (*Otsu*) preferred shares (bond-type preferred shares) are entitled in the Company's Articles of Incorporation to receive dividends of surplus and distribution of residual assets before common shareholders. However, as of July 25, 2025, all Series 1 (*Kou*) preferred shares and Series 2 (*Otsu*) preferred shares have been repurchased and cancelled. As such, there are currently no issued Series 1 (*Kou*) preferred shares or Series 2 (*Otsu*) preferred shares.

Returns for shareholders will be considered going forward while taking into account each respective period's financial results and situation, while also balancing R&D and capital expenditures necessary for continuous growth of corporate value.

Systems to Ensure the Appropriateness of Business and Their Status

1. Overview of the decisions on systems to ensure the appropriateness of business operations

The following is an overview of the decisions regarding systems to ensure that the execution of duties by directors complies with laws and the Articles of Incorporation, as well as systems to ensure the appropriateness of the Company's business operations.

[Systems for Ensuring Appropriate Operations of the Company and Its Subsidiaries]

(1) System to ensure that the execution of duties by directors complies with laws and regulations and the Articles of Incorporation

- (a) The Board of Directors of the Company receives regular reports from directors on the status of their execution of duties and has them give reports as necessary at board meetings.
- (b) The Audit and Supervisory Board Members of the Company regularly hold meetings with directors.
- (c) In accordance with the Regulations on Reporting to Audit and Supervisory Board Members, the Audit and Supervisory Board Members receive immediate reports from directors on any significant legal violations or other material matters.
- (d) The Company has established the Kioxia Group Standards of Conduct, which clearly defines the shared values and codes of conduct for all officers and employees, and ensures that the Company's directors comply with this Code through ongoing executive training programs.

(2) Systems for the storage and management of information related to the directors' execution of duties

- (a) The Company's directors appropriately store and manage important documents such as management decisions and other reports in accordance with the Document Control Regulations.

- (b) The Company's directors have established a system that allows directors and Audit and Supervisory Board Members to view important information, such as management decisions, financial documents, and business reports.
- (3) Regulations and systems for managing risk of loss
 - (a) The Company's Risk Management and Compliance Officer ("RC Officer") formulates and promotes measures related to crisis risk management for the Company and its subsidiaries in accordance with the Risk and Compliance Management Regulations.
 - (b) In accordance with the Business Risk Management Regulations, the Company's directors formulate and promote measures necessary to continuously identify business risk factors in the Company and its subsidiaries and to minimize losses when risks materialize.
- (4) Systems to ensure efficient execution of duties by directors
 - (a) The Company's Board of Directors determines the basic management policy, medium-term management plans, and annual budgets.
 - (b) The Board of Directors appropriately allocates authority and responsibilities among directors, and directors clarify the authority and responsibilities of employees in accordance with the Duties and Authority Regulations and the Executive Duty Regulations.
 - (c) The Company's directors set specific goals and roles for each division and employee.
 - (d) The Company's directors make business decisions in accordance with proper procedures based on the Board of Directors Regulations and the Authority Standards.
 - (e) The Company's directors appropriately evaluate the performance of the Company and its subsidiaries.
 - (f) The Company's directors promote the strengthening of the information security system and appropriately operate information processing systems such as the accounting system.
- (5) Systems to ensure that the execution of duties by employees complies with laws and regulations and the Articles of Incorporation
 - (a) Through continuous employee education the Company's Representative Director ensures that all officers and employees comply with the Kioxia Group Standards of Conduct, which clearly defines shared values and codes of conduct.
 - (b) The Company's RC Officer formulates and promotes compliance measures for the Company and its subsidiaries in accordance with the Risk Management and Compliance Regulations
 - (c) The Company has established a whistleblowing system that allows officers and employees to report illegal acts of the Company to the Company's executives, and the Company's directors use this system to detect problems at an early stage and take appropriate action
- (6) Systems to ensure the appropriateness of business in the corporate group comprising the Company, its parent company, and its subsidiaries

- (a) Subsidiaries adopt and implement the Kioxia Group Standards of Conduct and establish whistleblowing systems appropriate to the circumstances of each country.
- (b) The Company has established a system whereby, in the event of important matters arising in the business operations of a subsidiary, the subsidiary reports to the Company based on the Business Communication Guidelines.
- (c) The Company ensures that its subsidiaries promote measures aligned with the Company's policies, adjusted to the circumstances of each subsidiary.
- (d) Subsidiaries in Japan establish audit systems with Audit and Supervisory Board Members in accordance with the Kioxia Group Audit and Supervisory Board Members' Audit Policy.
- (e) The Company conducts internal audits of its subsidiaries covering accounting and business processes.

[Matters Necessary for the Execution of Duties by Audit and Supervisory Board Members]

- (1) System for assigning employees to assist Audit and Supervisory Board Members when requested

The Company's directors assign employees from divisions such as the Human Resources and Administration Division and the Finance Division to assist Audit and Supervisory Board Members in their duties.

- (2) Matters concerning the independence of the aforementioned employees from directors and ensuring the effectiveness of instructions given to them

The Company's directors consult with Audit and Supervisory Board Members in advance regarding the employees who assist in the duties of Audit and Supervisory Board Members.

- (3) Systems for reporting to Audit and Supervisory Board Members

- (a) Directors and employees of the Company report to the Audit and Supervisory Board Members as necessary whenever significant matters arise that may affect management or business performance, in accordance with separately established regulations.
- (b) Subsidiaries in Japan regularly report their status to the Company's Audit and Supervisory Board Members through channels such as the Group Audit Liaison Committee.
- (c) The Company's Representative Director provides Audit and Supervisory Board Members with opportunities to attend important meetings.
- (d) Systems to ensure that individuals who report to the Audit and Supervisory Board Members are not treated unfavorably

The Company specifies in its Regulations on Reporting to Audit and Supervisory Board Members that officers and employees of the Company and its subsidiaries who make such reports shall not be treated unfavorably for doing so.

- (e) Policies concerning procedures for advance payment or reimbursement of expenses incurred in the execution of duties by Audit and Supervisory Board Members, and handling of other expenses or liabilities related to their duties

When Audit and Supervisory Board Members request advance payment of expenses from the Company in accordance with Article 388 of the Companies Act

in relation to the execution of their duties, the relevant department shall review the request and, unless it is determined that the expenses are not necessary for the execution of such duties, the Company shall promptly process the expenses.

- (4) Other systems to ensure that audits by Audit and Supervisory Board Members are conducted effectively
 - (a) The Company's Representative Director regularly exchanges information with Audit and Supervisory Board Members.
 - (b) The Company's directors and employees report to the Audit and Supervisory Board Members regarding the status of their duties through regular hearings and on-site interviews.
 - (c) The Company's directors shall report the results of internal audits concerning accounting and business processes to the Audit and Supervisory Board Members as needed.

2. Overview of Systems for Ensuring Appropriate Operations and the Operational Status of such Systems

The overview of systems for ensuring appropriate operations and the operational status of such systems during the current consolidated fiscal year is as follows:

- (1) The Company's systems to ensure that the execution of duties by directors complies with laws and the Articles of Incorporation

The Company's directors provide regular reports on the status of their duty execution at scheduled Board of Directors meetings, and the Audit and Supervisory Board Members attend such meetings to verify the contents of these reports. The Company has adopted the Kioxia Group Standards of Conduct and provides various compliance training to its officers and employees to ensure adherence.

- (2) The Company's systems for the retention and management of information related to the execution of duties by directors

Important documents related to the execution of duties by directors, such as materials for Board of Directors meetings, are properly managed and preserved under the jurisdiction of the Legal Affairs Division and the Corporate Strategy Division, as specified in the Document Control Regulations.

- (3) Regulations and systems for managing risk of loss

Under the Risk Management Compliance Regulations, the Company's President & CEO serves as the RC Officer and takes the lead in supervising and promoting risk management compliance activities across the Kioxia Group. The Risk Management Compliance Committee is held at least once every six months as the committee with authority and responsibility over all risk management compliance matters within the Company, where necessary matters for risk and compliance management activities are deliberated, formulated, and promoted. The committee also handles and resolves crisis risk matters as described below.

Additionally, within the Group, authority is delegated under the Risk Management Compliance Regulations for risks arising in the course of business operations that require particular focus—such as business risks, financial/accounting risks, and information security risks. Individual committees and regulations are established for

each, enabling detailed analysis and management based on the nature of each risk. With respect to business risks, the President & CEO bears overall responsibility for business risk management under the Business Risk Management Regulations. The President & CEO identifies risks associated with decision-making items at management meetings, in management decision documents, and at the Board of Directors, determines and monitors risk indicators, and implements necessary measures. Regarding financial and accounting risks, under the Accounting Risk Management Compliance Regulations, the President & CEO serves as the Accounting Compliance Officer of the Company. An Accounting Compliance Committee has been established and is in general held twice a year to examine matters such as the development, promotion, evaluation (including evaluation of internal controls related to financial reporting), and improvement of the Company's accounting compliance framework, based on collected risk information, evaluation results, and internal audit outcomes.

For information security risks, the President & CEO has appointed a Chief Information Security Officer and established an Information Security Committee which meets semi-annually to deliberate on necessary matters to reinforce information security. The committee ensures the establishment and maintenance of the Company's information security framework. The secretariat of the Information Security Committee consists of the Information Security Department and the Information Systems Department.

Other risks, including those that could escalate into crisis risks (i.e., emergencies that are difficult to address via normal decision-making channels and which, if they materialize, could severely diminish corporate value due to reputational damage, loss of trust, or depletion of management resources), are also managed under the Risk Management Compliance Regulations. These are overseen by the Internal Management Reinforcement Division, Human Resources and Administration Division, Legal Affairs Division, and Corporate Strategy Division. Relevant divisions also monitor changes in applicable laws, regulations, and newly required social norms, and revise the risk table as needed.

(4) The Company's systems to ensure efficient execution of duties by directors

The Board of Directors decides on important matters of management policy and the allocation of business responsibilities for each director based on the Board of Directors Regulations. It also meets regularly to verify the appropriateness of business operations.

(5) System for assigning employees to assist Audit and Supervisory Board Members when requested

When Audit and Supervisory Board Members request the appointment of staff to assist with their duties, such staff are assigned from the Human Resources and Administration Division after prior consultation with the Audit and Supervisory Board Members. The Company ensures the independence of these staff from directors and secures the effectiveness of instructions given to them.

(6) Systems for reporting to the Audit and Supervisory Board Members

In addition to being given opportunities to attend important meetings, Audit and Supervisory Board Members receive reports from the Company's directors and employees on significant matters affecting management and performance as they arise. The Company specifies in its Regulations on Reporting to Audit and Supervisory Board

Members that officers and employees of the Company and its subsidiaries who make such reports shall not be treated unfavorably for doing so. Additionally, the status of the relevant subsidiaries is regularly reported to the Company's Audit and Supervisory Board Members through channels such as the Group Audit Liaison Committee.

- (7) Other systems to ensure that audits by Audit and Supervisory Board Members are conducted effectively

In the most recent fiscal year, the full-time Audit and Supervisory Board Members participated in important meetings such as the Board of Directors, expressed opinions as necessary, conducted regular interviews with directors, collaborated and shared information with the audit department and the accounting auditor to implement three-way audits, held Group Audit Liaison Committee meetings, and visited Company sites and Group companies in person or conducted remote interviews. Dialogues were also held during site visits. These activities were shared with the Audit and Supervisory Board, which in turn audited the governance system of the Group, monitored the risk and compliance management systems and their effectiveness, and verified the effectiveness of the whistleblowing systems.

Consolidated Statement of Changes in Equity

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

(Millions of yen)

	Share capital	Capital surplus	Other components of equity	Retained earnings (Accumulated deficit)	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of April 1, 2025	25,239	866,665	35,208	(189,547)	—	737,565	131	737,696
Profit	—	—	—	554,490	—	554,490	6	554,496
Other comprehensive income	—	—	92,170	—	—	92,170	13	92,183
Comprehensive income	—	—	92,170	554,490	—	646,660	19	646,679
Issuance of new shares	5,795	5,795	—	—	—	11,590	—	11,590
Purchase of treasury shares	—	—	—	—	(2)	(2)	—	(2)
Share-based payment transactions	250	3,344	(482)	4	—	3,116	—	3,116
Transfer from other components of equity to retained earnings	—	—	(2,008)	2,008	—	—	—	—
Total transactions with owners	6,045	9,139	(2,490)	2,012	(2)	14,704	—	14,704
Balance as of March 31, 2026	31,284	875,804	124,888	366,955	(2)	1,398,929	150	1,399,079

Notes to Consolidated Financial Statements

Notes on Significant Matters Forming the Basis for the Preparation of the Consolidated Financial Statements

1. Basis of preparation of consolidated financial statements

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (hereinafter “IFRS”), pursuant to the provisions of Article 120, Paragraph 1 of the Regulation on Corporate Accounting. In addition, pursuant to the latter part of the same paragraph, certain disclosure items required under IFRS have been omitted.

2. Scope of consolidation and application of the equity method

(1) Number of consolidated subsidiaries and names of major consolidated subsidiaries

- | | |
|---|--|
| A. Number of consolidated subsidiaries | 22 |
| B. Names of major consolidated subsidiaries | Kioxia Corporation
Kioxia Iwate Corporation
Kioxia America, Inc. |

(2) Number of associates accounted for using the equity method and their names

- | | |
|--|--|
| A. Number of equity-method affiliates | 6 |
| B. Names of major equity-method affiliates | D.T. Fine Electronics Co., Ltd.
Flash Forward LLC (Note)
Flash Partners, Ltd. (Note)
Flash Alliance Ltd. (Note) |

Note: These are joint operations. The Group recognizes its own assets, liabilities, income and expenses relating to the joint operations.

(3) Fiscal year-end of consolidated subsidiaries

Among the consolidated subsidiaries, the fiscal year-end of Kioxia (China) Co., Ltd. and Solid State Storage Technology (Guangzhou) Co., Ltd. is December 31, while that of Kioxia Energy Management Corporation is September 30. If the fiscal year-end of a consolidated subsidiary differs from that of the Company, the Group prepares provisional financial statements as of the Company’s fiscal year-end and consolidates them accordingly.

3. Material accounting policies

(1) Financial instruments

A. Financial assets

(i) Initial recognition and measurement

The Group initially recognizes a financial asset when the Group becomes a party to the contractual provisions of the instrument.

The Group classifies its financial assets into financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income, and financial assets measured at fair value through profit or loss. This classification is determined at initial recognition.

(a) Financial assets measured at amortized cost

The Group classifies a financial asset as measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model with an objective to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets measured at fair value through other comprehensive income
The Group makes an irrevocable election to classify a financial asset as measured at fair value through other comprehensive income at initial recognition for particular investments in equity instruments such as an investee's equity held for the purpose of maintaining or enhancing the relationship with the investee.

(c) Financial assets measured at fair value through profit or loss
The Group classifies a financial asset as measured at fair value through profit or loss unless it is measured at amortized cost in accordance with (a) or at fair value through other comprehensive income in accordance with (b).

All financial assets are measured initially at fair value plus transaction costs except for those classified as financial assets measured at fair value through profit or loss. The transaction costs for a financial asset measured at fair value through profit or loss are recognized in profit or loss.

(ii) Subsequent measurement

Financial assets are subsequently measured based on the classification as follows:

(a) Financial assets measured at amortized cost
Financial assets are measured at amortized cost using the effective interest method less impairment losses. Interest income is calculated using the effective interest method and is recognized in profit or loss for the period as a part of finance income.

(b) Financial assets measured at fair value through other comprehensive income
Equity instruments are measured at fair value on the reporting date and gain or loss recognized from changes in fair value are recognized in other comprehensive income. They are not subsequently transferred to profit or loss. However, the Group transfers the cumulative gain or loss from other components of equity to retained earnings when financial assets measured at fair value through other comprehensive income is derecognized.
Dividends received related to equity instruments are recognized in profit or loss on the date that the Group's right to the dividend is identified.

(c) Financial assets measured at fair value through profit or loss
Financial assets measured at fair value through profit or loss are measured at fair value with changes in fair value recognized in profit or loss.

(iii) Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on a financial asset measured at amortized cost. The loss allowance is measured based on an assessment as to whether there are significant increases in the credit risk of the

financial asset measured at each period end date, subsequent to initial recognition. The Group measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if it is determined that the credit risk of the financial asset has increased significantly since initial recognition. If the credit risk of a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for the financial asset at an amount equal to expected credit losses that arise within 12 months after the reporting date. However, for trade receivables which do not contain a significant financing component, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses regardless of whether there are significant increases in the credit risk of the financial assets since initial recognition.

The amount of expected credit losses is measured at the present value of the difference between the contractual cash flows that are due to the Group under the contract and the future cash flows that the Group expects to receive. This amount is recognized in profit or loss.

The Group measures interest income using the effective interest method on the gross carrying amount less the loss allowance, when the objective evidence shows that a financial asset is credit-impaired. The objective evidence includes a significant financial difficulty of the borrower and a breach of contract such as a default or delinquency.

In addition, when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof, the Group directly reduces the related amount from the gross carrying amount of the financial asset.

(iv) Derecognition of financial assets

The Group derecognizes its financial assets when the contractual rights to the cash flows from the assets expire or the Group transfers substantially all of the risks and rewards of ownership of the financial assets. When the Group retains control of the financial assets transferred, it continues to recognize financial assets and related liabilities to the extent of the Group's continuing involvement.

B. Financial liabilities

(i) Initial recognition and measurement

The Group initially recognizes a financial liability when the Group becomes a party to the contractual provisions of the instrument.

The Group classifies its financial liabilities into financial liabilities measured at amortized cost or financial liabilities measured at fair value through profit or loss. This classification is determined at initial recognition.

Financial liabilities measured at fair value through profit or loss are initially measured at fair value. Financial liabilities measured at amortized cost are measured at fair value less directly attributable transaction costs.

(ii) Subsequent measurement

Financial liabilities are subsequently measured based on the classification as follows:

(a) Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost are measured using the effective interest method. A gain or loss on a financial liability is recognized as a part of finance costs in profit or loss when the financial liability is derecognized or amortized using the effective interest method.

(b) Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss are measured at fair value with changes in fair value recognized in profit or loss.

(iii) Derecognition of financial liabilities

The Group derecognizes its financial liabilities when the financial liabilities are extinguished, that is, when obligations specified in the contracts are discharged, canceled, or the obligations expire.

C. Presentation of financial assets and liabilities

Financial assets and financial liabilities are offset against each other on the consolidated financial statements and shown in the net amounts, only when the Group has the legally enforceable right to offset and intent to either settle net or simultaneously realize assets and settle liabilities.

D. Derivatives

The Group utilizes derivatives such as forward exchange contracts and cross currency swaps in order to manage its exposure to foreign currency exchange rate risk.

The derivatives are initially measured at fair value when the contract is entered into and remeasured at fair value in subsequent periods.

The gains or losses on derivatives not designated as hedging instruments are recognized as profit or loss.

However, the derivatives that are designated as hedging instruments are accounted for as cash flow hedge. The Group formally documents the risk management strategies and objectives, the nature of risk to be hedged, and the hedge effectiveness when executing hedging transactions.

Under cash flow hedge, the effective portion of gains or losses on hedging instruments is recognized as other comprehensive income, while the ineffective portion is immediately recognized as profit or loss.

The amounts of hedging instruments recognized in other comprehensive income are reclassified to profit or loss when the transactions of the hedged items affect profit or loss.

(2) Inventories valuation standards and valuation methods

Raw materials, finished products held for sale or work-in-progress are measured at the lower of cost and net realizable value. Cost is calculated based on the average method. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(3) Standards and methods for valuation and depreciation of property, plant and equipment and intangible assets

A. Property, plant and equipment

Property, plant and equipment are presented at cost less accumulated depreciation and accumulated impairment losses.

Costs include expenses directly related to acquisition of the asset, costs of dismantling and removing the asset and restoration costs.

Depreciation expense on assets other than land and construction-in-progress is recognized using the straight-line method over estimated useful lives. The estimated useful lives of major classes of assets are as follows:

- Buildings and structures: 3-60 years
- Machinery and other assets: 3-17 years

The estimated useful life, residual value and depreciation method of an asset are reviewed at least once in a reporting period, generally as of the end of each reporting period, and any changes are accounted for as a change in an accounting estimate and are accounted for prospectively.

B. Intangible assets

(i) Research and development cost

Expenditures on research activities aimed at obtaining new scientific and technological knowledge and understanding are recognized as an expense when incurred.

Expenditures on development activities are recognized as an intangible asset when the expenditure attributable to the intangible asset is reliably measurable, products or processes are technically and commercially feasible, it is probable that future economic benefits to the Group will be generated, and the Group has the intention and sufficient resources to complete and use or sell those assets. Otherwise, the expenditure is recognized as an expense when it is incurred.

(ii) Other intangible assets

Separately acquired intangible assets are measured at cost at initial recognition.

Intangible assets other than those with indefinite useful lives are subsequently amortized over their estimated useful lives on a straight-line method and presented at carrying amounts equal to cost less accumulated amortization and impairment losses. Estimated useful lives of major classes of intangible assets are as follows.

The Group does not have intangible assets with indefinite useful lives.

- Software: 5 years
- Technology related assets: 4 years
- Customer related assets: 5 years

The estimated useful life, residual value and the amortization method of an asset are reviewed at least once in a reporting period, generally as of the end of each reporting period, and any changes are accounted for as a change in an accounting estimate and are accounted for prospectively.

C. Impairment of non-financial assets

The Group's non-financial assets other than inventories and deferred tax assets are assessed for indication of impairment as of the end of each reporting period. If an indication of impairment exists, the recoverable amount of the asset is estimated.

The recoverable amount of an asset or a cash-generating unit is the higher of its value in use and its fair value less costs of disposal. In calculating the asset's value in use, estimated future cash flows are discounted to present value using the pre-tax discount rate that reflects the time value of money and the risks specific to the asset. In calculating the asset's fair value less costs of disposal, the Group uses an appropriate valuation model supported by available indicators of fair value. Assets that are not individually tested for impairment are grouped into the smallest cash-generating units that generate largely independent cash inflows from other assets and asset groups through their continued use.

The Group's corporate assets do not generate independent cash flows. When there is indication of impairment on corporate assets, the recoverable amounts of the cash-generating units to which the corporate assets belong are determined.

Impairment losses are recognized in profit or loss when the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. Impairment losses recognized on cash-generating units are firstly allocated to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then are allocated to the other assets of the cash-generating unit pro rata on the basis of the carrying amount of each asset within the cash-generating unit.

For non-financial assets excluding goodwill, as of the end of each reporting period, the Group assesses whether there is any indication that an impairment loss recognized in prior periods may have decreased or may no longer exist. An impairment loss recognized in prior periods is reversed if there has been a change in the estimate used to determine the asset's recoverable amount. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined, net of amortization or depreciation, had no impairment loss been recognized for the asset in prior years.

(4) Provisions

A provision is recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount of a provision is determined by discounting estimated future cash flows using a pre-tax rate that reflects the time value of money and the risks specific to the liability. The unwinding of the discount amount due to the passage of time is recognized as a finance cost.

(5) Accounting for employee benefits

A. Post-employment benefits

The Group operates defined-benefit plans and defined-contribution plans as post-employment benefit plans.

Retirement benefit liability or asset is determined by deducting the fair value of plan assets from the present value of the defined benefit obligation. However, when the plan has a surplus, the amount of net defined benefit asset recognized is limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Group estimates the present value of the defined benefit obligation using the projected unit credit method.

The discount rate is determined as of the end of the reporting period based on market yields for high quality corporate bonds over the discount period, which is based on future expected benefit payment dates.

Remeasurements of defined benefit plans are recognized in other comprehensive income and immediately transferred from other components of equity to retained earnings in the period when they occur.

Net interest is calculated by multiplying the net liabilities or assets for retirement benefit by the discount rate and is included in defined benefit cost.

Past service costs are recognized in the profit or loss during the period in which they arise.

Expenses related to defined contribution plans are recognized in the period in which employees provide services.

B. Termination benefits

The Group provides termination benefits as a result of either the Group's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment. The Group recognizes a liability and expense for termination benefits at the earlier of the date when the Group can no longer withdraw the offer of those benefits or when the Group recognizes costs for a restructuring that involves the payment of termination benefits.

C. Short-term employee benefits

Expenses related to short-term employee benefits are not discounted and are recognized in the periods in which related services are received.

The Group recognizes the future payment of bonuses and paid absences as a liability when the Group has a present legal or constructive obligation to make such payments as a result of services provided by employees, and a reliable estimate of the obligation can be made.

(6) Revenue

The Group recognizes revenue based on the five-step approach below.

- Step 1: Identify the contract with a customer
- Step 2: Identify performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to performance obligations
- Step 5: Recognize revenue when performance obligations are satisfied

The Group manufactures and sells memory-related products. The Group recognizes revenue at a point in time when performance obligations are satisfied by transferring such

products to the customer (when the customer obtains control of the products). Revenue is measured at the price contracted with the customer less any discount, rebates, and other deductions.

(7) Goodwill

The measurement of goodwill at initial recognition is described in “(9) Business combinations.”

Goodwill is not amortized, but tested for impairment in every reporting period. Impairment is described in “(3) Standards and methods for valuation and depreciation of property, plant and equipment and intangible assets – C. Impairment of non-financial assets.” Impairment losses of goodwill are recognized in profit or loss, and are not reversed in subsequent periods.

After initial recognition, goodwill is carried at the acquisition cost less any accumulated impairment losses.

(8) Leases

The Group recognizes the right-of-use asset (real estate, machinery, etc.) and the lease liability at the commencement date of the lease. The right-of-use asset is initially measured at cost, which includes the amount of the initial measurement of the lease liability plus any initial direct costs, plus lease payments made at or before the commencement date less any lease incentives received. After the commencement date, the Group depreciates the right-of-use asset using the straight-line method over the shorter of the useful life of the asset or the lease term.

The lease liability is initially measured at the present value of the remaining lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments include fixed lease payments, variable lease payments that depend on an index or a rate, and the exercise price of a purchase option if the Group is reasonably certain to exercise that option. After the commencement date, the lease liability is adjusted to reflect interest on the lease liability and the lease payments made. Each lease payment is allocated between repayments of the lease liability and finance costs.

The carrying amount of the lease liability is remeasured and the amount of the remeasurement is recognized as an adjustment to the right-of-use asset if there is a change in the lease term, change in future lease payments resulting from a change in an index or a rate, or a change in the assessment of an option to purchase the underlying asset.

(9) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the sum of fair values on the acquisition date of the assets transferred, liabilities assumed and equity instruments issued by the Company in exchange for control of the acquiree. When the cost of an acquisition exceeds the fair value of net identifiable assets and liabilities, the difference is recognized as goodwill in the consolidated financial statements. When the cost of an acquisition is below the fair

value of identifiable assets and liabilities, the difference is immediately recognized in profit on the consolidated financial statements.

Transaction costs incurred in relation to a business combination such as agents' fees, legal fees, and due diligence fees are expensed as incurred.

If the initial accounting for a business combination has not been completed as of the end of the consolidated fiscal year in which the business combination occurs, those items not completed are reported at provisional amounts. If information on facts and circumstances existing at the date of the acquisition are obtained during the period in which the information would have affected the measurement of the amounts had the information been known at the date of acquisition ("measurement period"), provisional amounts recognized at the date of acquisition are retrospectively corrected in light of such information. If the newly obtained information leads to recognition of new assets and liabilities, such additional assets and liabilities are recognized. The measurement period is one year at the longest.

Additional acquisition of non-controlling interests that do not result from loss of control are accounted for as an equity transaction and therefore do not lead to recognition of goodwill.

Acquiree's identifiable assets and liabilities are measured at fair value on the date of acquisition, except for the following:

- deferred tax assets and liabilities, and assets and liabilities related to employee benefit contracts
- share-based payments of the acquiree
- assets or disposal groups classified as held-for-sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*

Business combinations under common control, in which all combined companies or operations are ultimately controlled by the same parties before and after the business combination and the control is not temporary, are accounted for based on carrying amounts. Capital surplus is adjusted for if there is a difference between the consideration transferred at acquisition and the carrying value of the acquiree's equity.

(10) Foreign currency translations

A. Foreign currency transactions

Foreign currency transactions are translated into the functional currency of the respective group entity using the exchange rate at the date of the transaction. Foreign-currency denominated monetary assets and liabilities are translated into the functional currency using the exchange rate as of the end of the reporting period. Foreign-currency denominated nonmonetary assets and liabilities measured at fair value are translated into the functional currency using the exchange rate at the date when the fair value was measured.

Exchange differences arising from translation or settlement are recognized in profit or loss. However, exchange differences arising from financial assets measured at fair value through other comprehensive income are recognized in other comprehensive income.

B. Financial information of foreign operations

Assets and liabilities of foreign operations are translated into the Japanese yen using the exchange rate as of the end of the reporting period, whereas incomes and expenses are translated using the average rate for the period, unless the rates fluctuate significantly. Exchange differences arising from translating financial information of foreign operations are recognized in other comprehensive income. Exchange differences of foreign operations are recognized in profit or loss in the period in which the foreign operations are disposed of.

(11) Government grants

Government grants are measured and recognized at fair value when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants will be received. Government grants related to acquisition of assets are deducted from the cost of the assets.

(12) Share-based payments

The Group has adopted a stock-based remuneration plan as an incentive to directors, officers and employees of the Group. Stock options are measured at fair value at the grant date and recognized as expense over the vesting periods with corresponding increases in equity, after considering the number of stock options that are expected to be eventually vested. If subsequent information indicates that the number of stock options expected to vest differs from previous estimates, the Group revises the estimates, as appropriate.

Continuous service stock-based remuneration plan and performance-linked stock-based remuneration plan are share-based payment plans with share issuance in the future. Continuous service stock-based remuneration plan is vested subject to continued employment with a Group Company and performance-linked stock-based remuneration plan is vested in response to the company's stock price.

The portion of the payment under these plans that relates to the settlement by equity is measured with reference to the fair value of the Company's stock, recognized as an expense under the in profit or loss, and the same amount is recognized as an increase in equity. On the other hand, for the portion that relates to the settlement by cash, recognized as an expense under the in profit or loss, and the same amount is recognized as an increase in liabilities. The fair value of the liabilities is remeasured at the end of each reporting, and changes in the fair value are recognized in profit or loss.

(13) Other significant matters related to the preparation of consolidated financial statements

Presentation of amounts

Amounts are rounded to the nearest million yen.

Notes on Accounting Estimates

Preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that have significant effects on adopting accounting policies and

the amounts of assets, liabilities, revenue and expenses. Actual results may differ from those estimates.

The estimates and underlying assumptions are continuously reviewed. The effects of a change in accounting estimates are recognized in the period of the change and future periods. The estimates and underlying assumptions that have significant effects on the amounts recognized in the consolidated financial statements made by the management are as follows:

- Net realizable value of inventories (Inventories: 412,612 million yen)
- Impairment of non-financial assets (Property, plant and equipment: 1,055,255 million yen; Right-of-use assets: 178,092 million yen; Goodwill: 395,585 million yen; Intangible assets: 11,192 million yen)
- Recoverability of deferred tax assets (Deferred tax assets: 177,506 million yen)
- Measurement of defined benefit obligations (Retirement benefit liability: 42,871 million yen)

Inventories are measured at the lower of cost and net realizable value. If the assumption of estimated selling price, which is the basis for calculating net realizable value, changes due to uncertain future economic conditions or other factors, the amount of inventories could be materially affected.

The recoverable amount used in impairment testing of non-financial assets may be significantly affected by changes in assumptions underlying estimates such as business plans, growth rates, and discount rates, due to future changes in uncertain economic conditions.

Deferred tax assets are evaluated for collectability based on the expected timing and amount of taxable income in future business plans. These business plans include assumptions related to market trends, and if such assumptions change due to uncertain future economic conditions, it may affect the collectability of deferred tax assets.

Defined benefit obligations are calculated using discount rates as actuarial assumptions. Changes in discount rates in response to market interest rate fluctuations may significantly affect the recorded amount of retirement benefit liabilities.

Notes on the consolidated statement of financial position

1. Assets pledged as collateral and corresponding liabilities

(1) Assets pledged as collateral and corresponding liabilities

A. Assets pledged as collateral

Non-current assets

Property, plant and equipment	11,011 million yen
Total	11,011 million yen

B. Liabilities corresponding to the assets pledged as collateral

Current liabilities

Borrowings	240 million yen
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Non-current liabilities

Borrowings	11,100 million yen
Total	11,340 million yen

(2) Assets and liabilities for sale and leaseback transactions

The Group does not have legal title to the assets below for sale and leaseback transactions since the transactions are not recognized as sales but continuously accounted for as property, plant and equipment.

A. Assets for sale and leaseback transactions

Non-current assets

Property, plant and equipment	130,919 million yen
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B. Assets and liabilities for sale and leaseback transactions

Current liabilities

Borrowings	95,575 million yen
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Non-current liabilities

Borrowings	192,765 million yen
Total	288,340 million yen

2. Loss allowance deducted directly from assets

Trade and other receivables:	1,224 million yen
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3. Total accumulated depreciation on assets (including accumulated impairment losses)

Total accumulated depreciation of property, plant and equipment and right-of-use assets:	2,576,219 million yen
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4. Financial covenants

Certain borrowings of the Company (Senior Facility Agreement, 400,414 million yen) are subject to financial covenants. The key terms are as follows:

- (1) The Group shall not have negative consolidated profit for the year in any two consecutive full fiscal years.

- (2) The total equity on the consolidated statement of financial position exceeds the greater of 500 billion yen or 75% of the total equity as of the same period in the previous fiscal year.
- (3) The “Consolidated Leverage Ratio” shall not exceed the figures in the table below for two consecutive quarters.

September 30, 2025	3.25:1
March 31, 2026	3.25:1
September 30, 2026	3.00:1
March 31, 2027	3.00:1
September 30, 2027	3.00:1
March 31, 2028	3.00:1
September 30, 2028	2.75:1
March 31, 2029	2.75:1

[Definitions and calculation formulas]

- A. “Consolidated” means the amount in the consolidated financial statements prepared in accordance with IFRS.
- B. “Consolidated Leverage Ratio” means the ratio of “Consolidated Debt” to “Consolidated EBITDA.”
- “Consolidated Debt” is consolidated interest-bearing debt (excluding lease liabilities).
 - “Consolidated EBITDA” is consolidated operating profit plus depreciation and amortization regarding “Property, plant and equipment” and “Intangible assets” which are included in consolidated operating profit.

Notes on the consolidated statement of changes in equity

1. Total number and classes of shares issued as of the end of the consolidated fiscal year

Common shares (Note 1): 546,086,290 shares

Series 1 (*Kou*) preferred shares (Note 2): — shares

Series 2 (*Otsu*) preferred shares (Note 2): — shares

Note 1: The increase in the number of common shares was 6,728,880 shares through the exercise of share acquisition rights and 2,230 shares through the delivery under restricted stock units.

Note 2: The decrease in the number of Series 1 (*Kou*) preferred shares and Series 2 (*Otsu*) preferred shares were 1,200 shares and 1,800 shares through the purchased and cancelled Series 1 (*Kou*) preferred shares and Series 2 (*Otsu*) preferred shares based on the resolution of the Board of Directors Meeting held July 17, 2025.

2. Dividends

(1) The amount paid as dividends

Date of resolution	Series of shares	Total amount of dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
May 15, 2025 Board of Directors Meeting	Series 1 (<i>Kou</i>) preferred shares	9,286	7,738,453	March 31, 2025	June 30, 2025
	Series 2 (<i>Otsu</i>) preferred shares	14,475	8,041,552		

Note: Series 1 (*Kou*) and Series 2 (*Otsu*) preferred shares are recognized as financial liabilities under IFRS. Dividends are recognized as “Finance costs” in the consolidated statement of profit or loss.

(2) Dividends whose record date is during the fiscal year ended March 31, 2026, whereas the effective date is after March 31, 2026.

Not applicable.

3. Number and class of shares underlying share acquisition rights as of the end of the consolidated fiscal year (excluding those for which the commencement date of the exercise period has not yet arrived)

Common shares: 5,353,380 shares

Notes on financial instruments

1. Status of financial instruments

(1) Capital management

The Group makes capital expenditures and research and development expenditures, in order to enhance its corporate value through global growth.

Those expenditures are managed to achieve an optimal balance between equity and net interest-bearing debt which is interest-bearing debt excluding cash and cash equivalents.

The Group monitors the net debt-to-equity ratio and the ratio of equity attributable to owners of the parent as capital management indicators.

(2) Credit risk management

Credit risk is the risk of financial loss resulting from the failure of a customer to fulfill its contractual obligation. With regard to trade receivables, the Group sets and manages credit limits for counterparties in accordance with its credit management policy. The Group's receivables are from a large number of counterparties, spread across diverse industries and geographical areas, and therefore the Group does not have significant concentrated credit risk exposure to any single counterparty or any group of counterparties.

The credit risk on derivatives is limited because the counterparties are limited to financial institutions with high credit ratings and the counterparties are diversified.

The carrying amount of the financial assets after deducting impairment losses in the consolidated financial statements is the Group's maximum exposure to the credit risk of the financial assets.

(3) Liquidity risk management

Liquidity risk is the risk that the Group will be unable to meet its repayment obligations on the due dates of its financial liabilities.

The Group manages liquidity risk by diversifying financing sources, securing appropriate funds for repayments, securing credit facilities from financial institutions that can be utilized at any time, and monitoring forecasted and actual cash flows on an ongoing basis.

(4) Foreign currency risk management

The Group's exposure to foreign currency risk relates primarily to performance, assets, and liabilities denominated in foreign currencies, especially the US dollar, associated with international business.

The Group enters into derivatives such as forward exchange contracts and currency swaps, which are designed to mitigate its exposure to foreign currency exchange rate risk of assets and liabilities.

(5) Interest rate risk management

The Group is exposed to various interest rate risks, particularly, the risk that interest rate fluctuations could have a significant impact on the Group's borrowing costs.

(6) Market risk management

The Group is exposed to the risk of stock price fluctuations arising from equity instruments (shares).

The Group periodically reviews the fair values and the financial condition of the issuers, and reviews the holdings of the shares as necessary, considering the relationship with related business counterparties.

2. Fair value of financial instruments

The carrying amount and the fair value of financial instruments are as follows. If the carrying amount of the instruments represents a reasonable approximation of its fair value, disclosure is omitted.

(Millions of yen)

Category	Carrying amount	Fair value
Non-current liabilities		
Bonds and Borrowings (Bonds)	347,474	359,175

Note: The fair value hierarchy of bonds is Level 2.

The fair value of financial instruments is calculated as described below:

(1) Cash and cash equivalents, trade and other receivables, trade and other payables

The fair value is determined at the carrying amount which approximates their fair value, as they are settled in a short period of time.

(2) Other financial assets, other financial liabilities

The fair value of listed shares is the market price as of the end of the period.

The fair value of unlisted shares is calculated based on an appropriate valuation technique such as comparable company analysis.

The fair value of debt instruments is calculated based on the net assets method.

The fair value of derivatives is calculated based on observable market data, such as the price offered by a financial institution, as of the end of the period.

The fair value of accrued interest is determined at the carrying amount which approximates its fair value, as it is settled in a short period of time.

(3) Bonds and Borrowings

The fair value of short-term borrowings is determined at the carrying amount which approximates its fair value, as it is settled in a short period of time.

The fair value of long-term borrowings is determined at the carrying amount which approximates its fair value, as long-term borrowings mainly have variable interest rates that regularly reflect market rates and considering the remaining term of the debt and the credit standing of the Group.

The fair value of bonds is calculated by referring to publicly available market prices.

The fair value measurements of financial instruments are categorized into Levels 1, 2 or 3 according to the market observability of the inputs used in the fair value measurement. Transfers between levels of the fair value hierarchy are recognized on the date of the event or change in the circumstances that caused the transfer.

Level 1: Fair value is measured at the quoted prices in active markets for identical assets or liabilities.

Level 2: Fair value is calculated based on directly or indirectly observable market data, other than Level 1 prices.

Level 3: Fair value is calculated based on a valuation technique that includes an unobservable input.

Level categories based on the fair value hierarchy of financial assets and financial liabilities measured at fair value on a recurring basis in the Consolidated Statement of Financial Position are as follows:

Millions of yen

	Level1	Level2	Level3	Total
Assets:				
Financial assets measured at fair value through profit or loss				
Derivative assets				
Foreign exchange forward contracts	—	7,025	—	7,025
Currency swaps	—	37,325	—	37,325
Debt instruments	—	—	1,706	1,706
Financial assets measured at fair value through other comprehensive income				
Equity instruments	165,972	—	8,992	174,964
Total	165,972	44,350	10,698	221,020
Liabilities:				
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities				
Foreign exchange forward contracts	—	25,988	—	25,988
Total	—	25,988	—	25,988

Note: There was no significant transfer between Level 1, 2 and 3 of the fair value hierarchy.

The reconciliation of financial instruments categorized in Level 3 from the opening balance to the closing balance is as follows:

Millions of yen	
Opening balance	4,256
Gains and losses	
Profit or loss (Note)	566
Other comprehensive income	5,224
Purchases	510
Other	142
Closing balance	10,698

Profit or loss which is attributable to the change in unrealized gains or losses relating to financial assets held at the end of the reporting period (Note)	566
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Note: Profit or loss is recorded in "Finance income" in the Consolidated Statement of Profit or Loss for financial assets measured at fair value through profit or loss.

Assets categorized in Level 3 are evaluated and the valuation results are analyzed by the appropriate person in charge according to an internal regulation. The appropriateness of the valuation results is ensured through an appropriate approval process.

Assets categorized in Level 3 consist of equity instruments and debt instruments. Significant unobservable inputs for equity instruments primarily include illiquidity discounts of 20%. Fair value decreases (increases) due to an increase (decrease) in the illiquidity discount. Changing unobservable inputs to reflect reasonably possible alternative assumptions would not materially affect fair value. The debt instruments are mainly investments in funds and the fair value is calculated based on net assets method as a valuation technique.

Earnings per Share

Equity attributable to owners of parent per share: 2,561.74 yen

Basic earnings per share: 1,024.07 yen

Notes on revenue recognition

(1) Disaggregation of revenue from contracts with customers

The Group mainly provides memory and related products used for applications such as SSD & Storage and Smart Devices, and recognizes consideration for the products received from customers as revenue. Information on revenue by application is as follows:

SSD & Storage	1,362,638 million yen
Smart Devices	759,978 million yen
Other	215,012 million yen
Total	2,337,628 million yen

Regarding sales of products, revenue arising from products is recognized when control of the products is transferred to a customer. The legal title, physical possession, and the significant risks and rewards of ownership for products are transferred to a customer when products are delivered to a customer's designated location.

The Group may offer rebates depending on certain conditions such as sales volume or sales value. The Group also provides price adjustment payments to compensate certain customers for market pricing declines compared to initial contractual values. In such cases, the transaction price is determined at the amount of consideration promised in a contract with a customer less the estimated amount of adjustments such as rebates. Adjustments, including rebates and price adjustments are estimated reasonably, using the most likely amount method based on all the available information (historical, current, and forecast) and revenue is recognized only to the extent that it is highly probable that a significant reversal of revenue will not occur.

Consideration for a transaction is generally received within a few months after the delivery of the product, which is the satisfaction of the performance obligation. Therefore, the transaction price of the Group does not include significant financing components.

In terms of product sales, payment for replacement of a functioning product resulting from product defect is considered as an assurance-type product warranty and is accounted for as a provision for product warranties.

(2) Contract balances

Contract balances of the Group are as follows:

	(Millions of yen)	
	March 31, 2026	April 1, 2025
Trade and other receivables (Accounts receivable and electronically recorded monetary claims)	630,365	215,835

(3) Transaction price allocated to the remaining performance obligations

The transaction price allocated to the remaining performance obligations is 182,779 million yen. These performance obligations relate to manufacturing services and the

continuing supply of products, regarding the extension of Yokkaichi joint venture agreement. Revenue is expected to be recognized through 2034 as the obligations are satisfied. These amounts are translated from transaction prices denominated in U.S. dollars using the exchange rate at the end of the reporting period. Accordingly, the actual revenue recognized may vary depending on future exchange rate fluctuations. In addition, the Group applies the practical expedient and does not disclose information about remaining performance obligations for contracts with an original expected duration of one year or less.

- (4) Assets recognized from the costs to obtain or fulfill a contract with a customer
 Costs for obtaining a contract are expensed as incurred, as the goods and services of the Group are generally transferred to customers within a year.
 There is no asset recognized from the costs incurred to fulfill a contract with a customer.

Notes to significant subsequent events

- (1) Acquisition of equity in Nanya Technology Corporation

On April 8, 2026, Kioxia Corporation acquired the common stocks of Nanya Technology Corporation. The total consideration for the acquisition is 15,673 million TWD (78,208 million yen).

- (2) Accelerated repayment of term loans and Termination of the Senior Facility Agreement

On April 27, 2026, the Company repaid 127,500 million yen of term loans under the following agreements, in advance of their original maturity.

On May 15, 2026, the Company provided a notice of repayment of the remaining term loans and termination of agreements to the lenders under the following agreements.

This repayment and termination are scheduled to be executed on May 25, 2026.

The impact from the repayment and termination on the consolidated statements of profit or loss was not material.

Date of agreement	July 17, 2025
Major lenders	Sumitomo Mitsui Banking Corporation MUFG Bank, Ltd. Mizuho Bank, Ltd. Development Bank of Japan Inc.
Financing amount	447,500 Million yen Revolving loan 210,000 Million yen
Interest rate	TIBOR + Spread
Repayment	July 31, 2029
Financial covenants	Please refer to Notes on the consolidated statement of financial position 4. Financial covenants.
Collateral	No collateral is expected to be provided to the lenders in relation to the Loan Agreement.

Statement of Financial Position
(As of March 31, 2026)

(Millions of yen)

Item	Amount	Item	Amount
(Assets)		(Liabilities)	
Current assets	128,727	Current liabilities	87,390
Cash and deposits	754	Current portion of borrowings	80,000
Accounts receivable - other	5,856	Accounts payable - other	1,608
Accrued income	2,492	Accrued expenses	3,326
Current portion of loans receivable from subsidiary	80,000	Income taxes payable	398
Deposits paid to subsidiary	39,500	Accrued consumption taxes	354
Prepaid expenses	112	Provision for share-based payment	1,540
Other	10	Other	161
Non-current assets	1,538,732	Non-current liabilities	661,466
Property, plant and equipment	1	Borrowings	327,500
Tools, furniture and fixtures	1	Bonds	326,656
Intangible assets	3	Deposits from subsidiary	2,222
Software	3	Provision for share-based payment	4,897
Investments and other assets	1,538,727	Other	190
Shares of subsidiary	879,850	Total liabilities	748,856
Loans receivable from subsidiary	654,156	(Net assets)	
Accounts receivable - other	1,979	Shareholders' equity	918,228
Deferred tax assets	518	Share capital	31,284
Other	2,222	Capital surplus	795,092
		Legal capital surplus	22,684
		Other capital surplus	772,407
		Retained earnings	91,854
		Legal retained earnings	1,099
		Other retained earnings	90,754
		Retained earnings brought forward	90,754
		Treasury shares	(2)
		Share acquisition rights	374
		Total net assets	918,602
Total assets	1,667,459	Total liabilities and net assets	1,667,459

Statement of Income
(From April 1, 2025 to March 31, 2026)

(Millions of yen)

Item	Amount	
Operating revenue		
Management fees of subsidiary	8,787	
Dividends from subsidiary	90,796	99,583
Operating expenses		8,693
Selling, general and administrative expenses		8,693
Operating profit		90,889
Non-operating income		
Interest income	23,453	
Commission income	20,385	43,839
Non-operating expenses		
Interest expenses	22,270	
Commission expenses	15,257	
Bond issuance costs	4,314	
Miscellaneous loss	31	41,873
Ordinary profit		92,855
Extraordinary income		
Reversal of share acquisition rights	4	4
Profit before income taxes		92,859
Income taxes - current	893	
Income taxes - deferred	1,211	2,105
Profit		90,754

Statement of Changes in Equity
(From April 1, 2025 to March 31, 2026)

(Millions of yen)

	Shareholders' equity									Share acquisition rights	Total net assets
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total share-holders' equity		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings				
						Retained earnings brought forward					
Balance as of April 1, 2025	25,238	16,639	1,126,056	1,142,695	1,099	499	1,598	-	1,169,532	856	1,170,389
Changes in items during period											
Issuance of new shares	5,795	5,795	—	5,795	—	—	—	—	11,590	—	11,590
Share-based payment transactions	250	250	—	250	—	—	—	—	500	—	500
Dividends of surplus	—	—	(23,261)	(23,261)	—	(499)	(499)	—	(23,760)	—	(23,760)
Profit	—	—	—	—	—	90,754	90,754	—	90,754	—	90,754
Cancellation of treasury shares	—	—	(330,386)	(330,386)	—	—	—	330,386	—	—	—
Purchase of treasury shares	—	—	—	—	—	—	—	(330,389)	(330,389)	—	(330,389)
Net changes in items other than shareholders' equity	—	—	—	—	—	—	—	—	—	(482)	(482)
Total changes in items during period	6,045	6,045	(353,648)	(347,603)	—	90,255	90,255	(2)	(251,304)	(482)	(251,786)
Balance as of March 31, 2026	31,284	22,684	772,407	795,092	1,099	90,754	91,854	(2)	918,228	374	918,602

Notes to Non-consolidated Financial Statements

1. Notes on significant accounting policies

(1) Basis and method for valuation of securities

Shares of subsidiaries and associates: Cost method using the moving average method

(2) Basis and method for valuation of derivative instruments

Derivative instruments: Stated at fair value

(3) Depreciation method for non-current assets

Property, plant and equipment

Property, plant and equipment are depreciated using the straight-line method. The principal useful lives are as follows:

Tools, furniture and fixtures: 8 years

Intangible assets

Intangible assets are depreciated using the straight-line method. The principal useful lives are as follows:

Software (for internal use): 5 years (period available for internal use)

(4) Accounting principles for provisions

Provision for share-based payment

In order to prepare for the delivery of the Company's shares to directors and executive officers based on rules of share delivery, the Company records a provision for share-based payments based on the estimated amount of share delivery obligations at the end of the current fiscal year.

(5) Revenue and expense recognition criteria

A. Management fees of subsidiary

The Company applies the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and the "Implementation Guidance on Accounting Standard for Revenue Recognition" (ASBJ Guidance No. 30, March 26, 2021). Revenue from contracts with customers is recognized based on the following five-step approach:

Step 1: Identify the contract with a customer

Step 2: Identify performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to performance obligations

Step 5: Recognize revenue at the point in time or over time when performance obligations are satisfied

The Company formulates and manages the business strategies of the Group and regards its subsidiaries as customers. Under contracts related to management guidance, the Company identifies the provision of guidance and advice to its subsidiaries on overall management matters as its performance obligation. Since these performance obligations are satisfied over time, revenue is recognized over the contract period.

B. Dividends from subsidiary

Dividends from subsidiaries and associates are recognized on the effective date.

(6) Accounting for hedge transactions

<Hedge accounting>

Deferral hedge accounting

<Derivative instruments for hedging and hedged items>

Derivative instruments for hedging: Currency swap contracts

Hedged items: Foreign currency-denominated corporate bonds

<Hedging policy>

The Company uses currency swaps to hedge foreign exchange risk associated with hedged items denominated in foreign currencies.

<Effectiveness of hedge transactions>

Currency swaps qualify for hedge accounting. Effectiveness of the hedge transaction is omitted.

(7) Other significant matters forming the basis for the preparation of financial statements

Presentation of amounts

Amounts are rounded down the nearest million yen.

2. Notes on accounting estimates

With respect to unlisted shares of subsidiary (amount recorded in the financial statements for the current fiscal year: 879,850 million yen), if the financial condition of the issuing company deteriorates and the actual value of the shares declines significantly, a substantial write-down is made at the fiscal year-end, unless there is sufficient evidence—based on business plans or other relevant information—demonstrating that recovery will occur within approximately five years. These business plans include assumptions related to market trends, and if such assumptions change due to uncertain future economic conditions, it may necessitate impairment. As a result, the value of shares of subsidiary presented in the financial statements for the following fiscal year may be significantly affected.

3. Notes on the balance sheet

(1) Accounts receivable and payable to subsidiary (excluding those presented separately)

Short-term accounts receivable: 8,304 million yen

Long-term accounts receivable: 1,979 million yen

Short-term accounts payable: 856 million yen

Long-term accounts payable: 190 million yen

(2) Total accumulated depreciation of property, plant and equipment:

0 million yen

4. Notes on the statement of income

(1) Transactions with subsidiary

Operating transactions:

Management fees of subsidiary: 8,787 million yen

Dividends from subsidiary: 90,796 million yen

Non-operating transactions:

Interest income: 23,446 million yen

Commission income: 20,385 million yen

(2) Dividends from subsidiary

As a result of restructuring of capital structure of Kioxia Corporation, dividends from a subsidiary of 90,796 million yen were recorded.

5. Notes on the statement of changes in net assets

(1) Classes and total number of issued shares as of the end of the fiscal year

Common shares: 546,086,290 shares

Series 1 (*Kou*) preferred shares: - shares

Series 2 (*Otsu*) preferred shares: - shares

Note 1: The increase in the number of common shares was 6,728,880 shares through the exercise of share acquisition rights and 2,230 shares through the delivery under restricted stock units.

Note 2: The decrease in the number of Series 1 (*Kou*) preferred shares and Series 2 (*Otsu*) preferred shares were 1,200 shares and 1,800 shares through the purchased and cancelled Series 1 (*Kou*) preferred shares and Series 2 (*Otsu*) preferred shares based on the resolution of the Board of Directors Meeting held July 17, 2025.

(2) Classes and total number of treasury shares as of the end of the fiscal year

Common shares: 161 shares

Series 1 (*Kou*) preferred shares: - shares

Series 2 (*Otsu*) preferred shares: - shares

Note: The increase in the number of treasury shares of common shares was 161 shares through the purchase of shares constituting less than one unit.

6. Notes on tax effect accounting

The main causes of deferred tax assets are accrued expenses, provision for share-based payment, etc.

The Company applies the group tax sharing system and accounts for corporate and local corporate income taxes, as well as related tax effect accounting and disclosures, in accordance with the "Practical Solution on Accounting and Disclosure Under the Group Tax Sharing System" (PITF No. 42, August 12, 2021).

Due to the enactment of the "Act on Partial Revision of the Income Tax Act" (Act No. 13 of 2025) by the National Diet on March 31, 2025, the "Special Defense Corporation Tax" will be imposed from fiscal years beginning on or after April 1, 2026.

Accordingly, for temporary differences expected to be reversed in fiscal years beginning on or after April 1, 2026, deferred tax assets and liabilities are calculated using a revised statutory effective tax rate of 31.52%, instead of the previous 30.62%.

7. Notes on transactions with related parties

(1) Subsidiary

(Millions of yen)

Type	Name	Ownership Ratio of Voting Rights, etc.	Relationship with Related Parties	Details of transactions	Transaction amount	Item	Balance as of March 31, 2026
Subsidiary	Kioxia Corporation	Direct 100.0%	Management guidance Lending of funds, etc. Financial guarantees received Dual roles of executives	Receipt of management advisory fees (Note 1)	8,787	Accounts receivable - other	3,685
				Lending of funds (Note 2)	774,156	Current portion of long-term loans receivable from subsidiary	80,000
				Collection of funds (Note 2)	465,941	Long-term loans receivable from subsidiary	654,156
				Receipt of interest (Note 2)	23,207	Accrued income	2,490
				Receipt of fees (Note 2)	20,385	Accounts receivable - other	261
				Group finance (Note 3)	—	Deposits paid to subsidiary	39,500
				Receipt of interest (Note 3)	238	Accrued income	2
				Receipt of dividends (Note 4)	358,213	—	—
				Charge for share-based payment (Note 5)	2,136	Accounts receivable - other Long-term accounts receivable - other	156 1,979
				Financial guarantees received (Note 6)	736,454	—	—
Subsidiary	Kioxia Energy Management Corporation	Indirect 100.0%	Financial guarantees received	Financial guarantees received (Note 6)	736,454	—	—
Subsidiary	Kioxia Systems Corporation	Indirect 100.0%	Financial guarantees received	Financial guarantees received (Note 6)	736,454	—	—

Note 1: The management advisory fee is determined through mutual consultation between the two companies with reference to general transaction conditions.

Note 2: Loans of funds have been provided. Transaction amounts and other terms are determined through negotiation.

Note 3: For group finance transactions, the amount is omitted due to the recurring nature of the Group's internal fund management.

Note 4: This transaction represents the receipt of dividends on preferred stock funded by capital surplus. Out of the transaction amount, 267,417 million yen is accounted for

as a decrease in the carrying amount of shares of subsidiary, and 90,796 million yen is accounted for as dividends from subsidiary.

Note 5: The Company has entered into a cumulative debt assumption agreement with Kioxia Corporation to deliver shares of the Company to the executive officers of Kioxia Corporation. Instead of the Company assuming the compensation obligations to the executive officers of Kioxia Corporation, the Company has invoiced Kioxia Corporation for the same amount.

Note 6: The Company received guarantees for borrowings and bonds from financial institutions, the transaction amount reflects the balance as of March 31, 2026. The Company does not pay guarantee fees.

(2) Directors and major individual shareholders

(Millions of yen)

Type	Name	Ownership Ratio of Voting Rights, etc.	Relationship with Related Parties	Details of transactions	Transaction amount	Item	Balance as of March 31, 2026
Officer	Stacy Smith	direct 0.0%	Director of the Company Chairman and Corporate Executive Officer of the Company	Exercise of stock acquisition rights (Note 1) (Note 2)	4,555	–	–
Officer	Nobuo Hayasaka	direct 0.0%	Director of the Company President and Corporate Executive Officer of the Company	Exercise of stock acquisition rights (Note 1)	24	–	–

The terms of transactions and policies

Note 1: This represents the exercise of stock acquisition rights issued pursuant to the provisions of Articles 236, 238, and 239 of the Companies Act of Japan, granted by a resolution at the extraordinary general meeting of shareholders held on March 12, 2019. Transaction amount represents the amount of paid-in capital to the Company, and reflects the total sum of the exercise price and the grant date fair value.

Note 2: This represents the exercise of stock acquisition rights issued pursuant to the provisions of Articles 236, 238, and 240 of the Companies Act of Japan, granted by a resolution at the meeting of the Board of Directors held on February 2, 2022. Transaction amount represents the amount of paid-in capital to the Company, and reflects the total sum of the exercise price and the grant date fair value.

8. Notes on per share information

Net assets per share: 1,681.47 yen
Profit per share: 167.61 yen

9. Notes on revenue recognition

The basic information for understanding revenue is provided in “1. Notes on Significant Accounting Policies, (5) Revenue and expense recognition criteria.”

10. Notes to significant subsequent events

Accelerated repayment of term loans and Termination of the Senior Facility Agreement
Please refer to “Notes to Consolidated Financial Statements Notes to significant subsequent events.”

Supplementary Schedules on the Non-Consolidated Financial Statements

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

1. Property, plant and equipment and Intangible assets

(Millions of yen)

Category	Type of assets	Carrying amount at beginning of period	Increase	Decrease	Depreciation	Carrying amount at end of period	Accumulated depreciation
Property, plant and equipment	Tools, furniture and fixtures	1	–	–	0	1	0
	Total	1	–	–	0	1	0
Intangible assets	Software	–	4	–	0	3	
	Total	–	4	–	0	3	

2. Provision

(Millions of yen)

Item	Balance at beginning of period	Increase	Decrease	Balance at end of period
Provision for share-based payment	–	6,460	22	6,437

3. Selling, general and administrative expenses

(Millions of yen)

Item	Amount
Personnel expenses	7,195
Outsourcing expenses	1,415
Leasing fees	48
Insurance expenses	785
Miscellaneous expenses	439
Taxes and dues	597
Management fees	(1,789)
Other	0
Total	8,693

Independent Auditor's Report
(English Translation*)

May 15, 2026

To the Board of Directors of Kioxia Holdings Corporation

PricewaterhouseCoopers Japan LLC
Tokyo office

Hiroyuki Sawayama, CPA
Designated limited liability Partner
Engagement Partner

Masashi Ogawa, CPA
Designated limited liability Partner
Engagement Partner

Opinion

We have audited, pursuant to Article 436 (2) (i) of the Companies Act of Japan, the accompanying financial statements, which comprise the balance sheet, profit and loss statement, statement of changes in net assets and notes to the financial statements, and the supplementary schedules of Kioxia Holding Corporation (hereinafter referred to as the "Company") for the 8th fiscal year from April 1, 2025 to March 31, 2026.

In our opinion, the financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and its financial performance for the period covered by the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

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

Emphasis of Matter

We draw attention to the Notes to significant subsequent events to the financial statements, which describes that On May 15, 2026, the Company provided a notice to repay the remaining term loans under the Senior Facility Agreement with financial covenants concluded on July 17, 2025, and to terminate the agreement. This repayment and termination are scheduled to be executed on May 25, 2026.

Our opinion is not modified in respect of this matter.

Other Information

The other information comprises the business report and the supplementary schedules.

Management is responsible for the preparation and disclosure of the other information. In addition, those charged with governance are responsible for overseeing the directors' execution of their duties in designing and operating the reporting process over the other information.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or to remain alert for whether there are the indications that the other information appears to be materially misstated beyond such material inconsistencies.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and the Supplementary Schedules

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

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

Those charged with governance are responsible for overseeing the directors' execution of their duties in designing and operating the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements and the Supplementary Schedules

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

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

- Identify and assess the risks of material misstatement of the financial statements and the supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the financial statement audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures of the financial statements and the supplementary schedules are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the financial statements and the supplementary schedules, including the disclosures, and whether the financial statements and the supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

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

*** Notes to the Readers of Independent Auditor's Report**

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader. The original was prepared in Japanese. All possible care has been taken to ensure that the translation is an accurate representation of the original, however, in all matters of interpretation of information, views or opinions, the original language version of the report takes precedence over the translated version.