Note: This document has been translated from part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for any direct, indirect or any other forms of damages arising from this translation.

(Stock Exchange Code 9682)
June 3, 2026
(Date of commencement of measures for providing information in electronic format: May 28, 2026)

To Shareholders with Voting Rights:

Tomoaki Kitamura
Representative Director and President
DTS CORPORATION
2-23-1 Hatchobori Chuo-ku, Tokyo

NOTICE OF THE 54TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We hereby notify you of the 54th Annual General Meeting of Shareholders of DTS CORPORATION (the "Company"). The meeting will be held for the purposes as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information in electronic format and posted items subject to measures for providing information in electronic format as "Notice of the 54th Annual General Meeting of Shareholders" on the website indicated below.

The Company's website https://www.dts.co.jp/ir/stock/meeting/
(in Japanese)

In addition to the above website, the Notice is also posted on the website of the Tokyo Stock Exchange (TSE). To review the information on the TSE website, access the TSE website (TSE Listed Company Search), enter the Company's name "DTS" in the "Issue name (company name)" field or the Company's securities code "9682" in the "Code" field and click "Search," select "Basic information," then "Documents for public inspection/PR information," and select the Notice.

TSE website https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

Instead of attending the meeting, you can exercise your voting rights in writing or via the Internet, etc. Please review the Reference Documents for the General Meeting of Shareholders described in the items subject to measures for providing information in electronic format, and exercise your voting rights.

Guide to Exercise of Voting Rights

Exercise of Voting Rights by attending the General Meeting of Shareholders

Date of the meeting: Tuesday, June 23, 2026 at 10:00 a.m. (reception will open at 9:00 a.m.)
Please submit the enclosed Voting Rights Exercise Form at the reception desk.
Please bring this convocation notice with you to conserve natural resources.

Exercise of Voting Rights by Mail

Voting deadline: By 5:35 p.m. on Monday, June 22, 2026 (Arrival of Voting Forms)
Please review the attached Reference Documents for the General Meeting of Shareholders, indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form, and return it so that it is received by the voting deadline.

If there is no indication for or against any proposal, the vote will be deemed to have been cast for such proposal.

Exercise of Voting Rights by electromagnetic means (via the Internet, etc.)

Voting deadline: By 5:35 p.m. on Monday, June 22, 2026

Please access the voting rights exercise website noted on the Voting Rights Exercise Form (https://www.web54.net), review the Reference Documents for the General Meeting of Shareholders that are attached on this convocation notice or posted on the voting rights exercise website, and enter your vote for or against the proposals following the on-screen instructions.

* For the details of Exercise of Voting Rights via the Internet, etc., please refer to pages 4 through 5.

1. **Date and Time:** Tuesday, June 23, 2026 at 10:00 a.m. (reception will open at 9:00 a.m.)
2. **Venue:** 8F Conference Room (reception on 8F)
   DTS CORPORATION Headquarters
   Empire Building, 2-23-1 Hatchobori Chuo-ku, Tokyo

3. **Meeting Agenda:**

Matters to be reported:

1. Business Report, Consolidated Financial Statements for the Company’s 54th Fiscal Year (April 1, 2025–March 31, 2026) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company’s 54th Fiscal Year (April 1, 2025–March 31, 2026)

Proposals to be resolved:

Proposal 1: Partial Amendments to the Articles of Incorporation
Proposal 2: Appropriation of Surplus
Proposal 3: Election of Six (6) Directors Who Are Not Audit and Supervisory Committee Members
Proposal 4: Election of Two (2) Directors Who Are Audit and Supervisory Committee Members

(Request) When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Please also bring this Notice of Convocation with you.

(Notice) Should the items subject to measures for providing information in electronic format require revision, the revised versions will be posted on each website on which the information is posted.
For this General Meeting of Shareholders, we have sent documents containing the items subject to measures for providing information in electronic format to all shareholders regardless of whether they requested the delivery of paper-based documents or not. (However, pursuant to laws and regulations and provisions of the Articles of Incorporation, certain items are not included.)
Pursuant to laws and regulations and provisions of the Articles of Incorporation, the paper-based documents to be delivered to shareholders do not include the following items subject to measures for providing information in electronic format: system to ensure proper business execution; overview of operational progress of framework for ensuring appropriate business operations; consolidated statement of changes in equity; notes to the consolidated financial statements; non-consolidated statement of changes in equity; and notes to the non-consolidated financial statements. Therefore, the paper-based documents to be delivered to shareholders are part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor in preparing their respective audit reports.

Notes Regarding Exercise of Voting Rights via the Internet, etc.

When exercising your voting rights via the Internet, please access the voting rights exercise website using a smartphone, personal computer, or other similar device, and follow the on-screen instructions.

Voting deadline: By 5:35 p.m. on Monday, June 22, 2026
For the sake of tallying votes, please exercise your voting rights as soon as possible.

How to exercise your voting rights with smartphone

By reading the “QR Code for Login,” you can log in without entering the voting rights exercise code or password.
(QR code is a registered trademark of DENSO WAVE INCORPORATED.)
With the following method, only one vote can be entered.

1. Read the QR code
   Using your smartphone, read the “QR Code for Login” printed on the enclosed Voting Rights Exercise Form (right section).

2. Choose how to exercise your voting rights
   The screen for selecting your voting rights exercise method will be displayed. Please choose how to exercise your voting rights.
   Please follow the on-screen instructions to complete the exercise.
   From the second login onward, please follow the method using a personal computer on the next page.

3. Choose to vote for or against each proposal
   Follow the on-screen instructions to choose to vote for or against each proposal.
   Please follow the on-screen instructions to complete the exercise.
   From the second login onward, please follow the method using a personal computer on the next page.

* For security reasons, **from the second login onward**, **entering your login ID and password will be required** even when accessing via QR code.
* **Depending on your smartphone model, you may not be able to log in using the QR code.**
In that case, please exercise your voting rights following the method using a personal computer on the next page.

How to exercise your voting rights using a personal computer

1. Access the voting rights exercise website
   https://www.web54.net
- Click “Next”

2. Log in
- Enter the voting rights exercise code
- Click “Log In”

3. Register a password
- Enter the password
  Please set the new password you will actually use.
- Click “Register”

After that, please follow the on-screen instructions.

If you are using a smartphone or mobile phone with a QR code reading function, you can also access the website by reading the QR code on the right.

Voting rights exercise website

(1) Exercise of voting rights via the Internet is only possible by accessing the voting rights exercise website designated by the Company (https://www.web54.net) using a personal computer, smartphone, or mobile phone.

(2) Depending on your Internet usage environment, subscribed services, or the model for the personal computer, smartphone, or mobile phone, you may not be able to access the voting rights exercise website. For further details, please contact the help desk below.

Costs incurred when accessing the voting rights exercise website

Internet connection fees, communication charges, and other costs incurred when accessing the voting rights exercise website via a personal computer, smartphone, or mobile phone shall be borne by the shareholder.

Handling of voting rights in the event of multiple submissions

(1) If voting rights are exercised both by mail and via the Internet, the exercise of voting rights via the Internet will be deemed valid.

(2) If voting rights are exercised via the Internet multiple times, the last exercise of voting rights will be deemed valid.

For any inquiries on exercise of voting rights via the Internet, please contact the following: Stock Transfer Agency Web Support, Sumitomo Mitsui Trust Bank, Limited	
Dedicated line	0120 (652) 031 (Toll free within Japan) Open from 9:00 a.m. to 9:00 p.m.
Other inquiries	0120 (782) 031 (Toll free within Japan) Open from 9:00 a.m. to 5:00 p.m. (except for weekends and holidays)

For institutional investors	Nominal shareholders (including standing proxies) such as management trust banks, etc. can use the electronic voting rights exercise platform operated by ICJ, Inc., which was incorporated by the Tokyo Stock Exchange, Inc., as the electromagnetic method of exercising voting rights for the General Meeting of Shareholders of the Company, in addition to exercise of voting via the Internet as described above, if an application for participation in the platform is made in advance.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Partial Amendments to the Articles of Incorporation

The Company proposes to amend part of the current Articles of Incorporation as shown in the proposed amendments below.

1. Reasons for the amendments

   The Company has decided to relocate its head office for the purpose of accommodating an increase in personnel accompanying business expansion, improving the working environment for employees, and strengthening its competitiveness in recruiting talent. Accordingly, the location of the head office stipulated in Article 3 of the current Articles of Incorporation will be changed from Chuo-ku, Tokyo to Minato-ku, Tokyo.

2. Details of the amendments

   Details of the amendments are as follows (Underlined text indicates changes).

   The amendment to Article 3 (Location of Head Office) of the Articles of Incorporation under this proposal shall take effect on the date of relocation of the head office, which will be separately determined by the Board of Directors to be held by the date of the 55th Annual General Meeting of Shareholders, and the other amendments shall take effect at the conclusion of this General Meeting of Shareholders.

(Underlined text indicates changes.)

Current	Proposed amendment
Articles 1. – 2. (Text omitted)	Articles 1. – 2. (Unchanged)
Article 3. (Location of Head Office) The Company shall have its head office in <u>Chuo</u>-ku, Tokyo.	Article 3. (Location of Head Office) The Company shall have its head office in <u>Minato</u>-ku, Tokyo.
Articles 4. – 37. (Text omitted)	Articles 4. – 37. (Unchanged)
Supplementary Provisions	Supplementary Provisions
Article 1. (Text omitted)	Article 1. (Unchanged)
(Newly established)	<u>Article 2. (Effective Date)</u> <u>The amendment to Article 3 (Location of Head Office) of the Articles of Incorporation shall take effect on the date of relocation of the head office, which shall be determined by the Board of Directors to be held by the date of the 55th Annual General Meeting of Shareholders. This supplementary provision shall be deleted after the effective date of the relocation of the head office has passed.</u>

Proposal 2: Appropriation of Surplus

Regarding the appropriation of surplus, the Company proposes the following.

Matters concerning year-end dividends

The Company recognizes the return of profits to shareholders as one of its most important management issues, and believes that the enhancement of corporate value over the medium to long term will serve as the greatest source of the return of profits. Moving forward, by considering required funds held for business expansion and comprehensively taking into account trends in business results and financial conditions, the Company will strive to maintain a stable dividend policy and agilely implement capital management measures such as the purchase of treasury shares, with the aim of ensuring the return of profits to shareholders over the medium to long term.

Based on the above policy, the Company proposes the year-end dividend as follows.

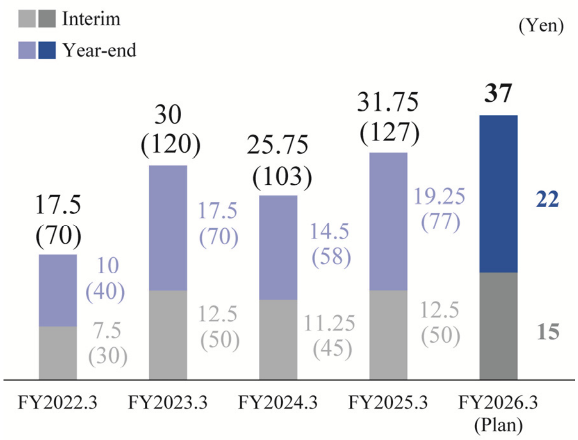
(1) Matters concerning the allotment of dividend assets and the total amount

Amount per share of common stock: 22 yen
Total amount: 3,505,481,166 yen

Annual dividend for this fiscal year including the interim dividend of 15 yen that has been already paid will be 37 yen per share.

(2) Effective date of distribution of surplus
June 24, 2026

Dividend per share



* The dividend for the fiscal year ended March 31, 2023 includes a commemorative dividend for the 50th anniversary of the Company's foundation (20 yen for the interim dividend and 30 yen for the year-end dividend before the stock split).

* The Company conducted a 4-for-1 stock split of common shares effective October 1, 2025. Figures in parentheses for the fiscal year ended March 31, 2025 and prior fiscal years indicate the amounts before the stock split.

Proposal 3: Election of Six (6) Directors Who Are Not Audit and Supervisory Committee Members

The terms of office of all of the six (6) Directors who are not Audit and Supervisory Committee Members will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Company proposes to elect six (6) Directors who are not Audit and Supervisory Committee Members.

The candidates are as follows:

No.	Name	Current positions at the Company	Attendance at the Board of Directors meetings	Number of years served as Director
1	Reelection Tomoaki Kitamura Male	Representative Director and President	15/15 (100%)	6 years
2	Reelection Isao Asami Male	Director Senior Managing Executive Officer	15/15 (100%)	7 years
3	Reelection Kazumasa Taninaka Male	Director Managing Executive Officer	12/12 (100%)	1 year
4	Reelection Shinichi Yamada Outside Independent Male	Director	15/15 (100%)	6 years
5	Reelection Yumiko Masuda Outside Independent Female	Director	14/15 (93%)	4 years
6	Reelection Shigeo Kizaki Outside Independent Male	Director	12/12 (100%)	1 year

(Note) As Mr. Kazumasa Taninaka and Mr. Shigeo Kizaki assumed the office of Director on June 24, 2025, attendance at the Board of Directors meetings held after their assumption of office (12 Board of Directors meetings) and the attendance rates are indicated.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	 Reelection Male Tomoaki Kitamura (September 24, 1964) Number of years served as Director: 6 years (at the conclusion of the meeting)	July 2003 Head, Business Development Sector, NTT DATA Corporation July 2009 Head, Data Center Business Unit, Business Solution Sector, NTT DATA Corporation July 2012 Head, Data Center Business Unit, Fundamental System Platforms Sector, NTT DATA Corporation June 2015 President and CEO, NTT DATA TOKAI Corporation June 2018 Senior Vice President and Head, Business Solution Sector, NTT DATA Corporation June 2018 Director, NTT DATA BUSINESS SYSTEMS CORPORATION June 2020 Director and Executive Vice President, the Company April 2021 Head, Digital Solution Sector April 2021 Representative Director and President (current position) [Significant concurrent positions] Not applicable	42,568
	[Reasons for nomination and outline of expected roles] Mr. Tomoaki Kitamura has a wealth of experience in technology and R&D and corporate management at a major information and telecommunications company and its group companies. He has been responsible for managing the Group as Representative Director and President since FY2021. The Company expects that he will leverage his abundant experience and achievements to continue promoting the business of the Group and play a role in supervising its business execution for promoting ESG management and creating new corporate value. Therefore, the Company reappoints him as a candidate for Director.		

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	 Reelection Male Isao Asami (October 20, 1964) Number of years served as Director: 7 years (at the conclusion of the meeting)	April 1987 Joined the Company April 2010 General Manager, Corporate Planning Department April 2012 Executive Officer April 2013 General Manager, Embedded Systems Business Department, iCT Sector April 2017 Representative Director and President, DTS INSIGHT CORPORATION (current position) June 2019 Director and Executive Officer, the Company April 2020 Director and Senior Executive Officer April 2022 Director and Managing Executive Officer March 2024 General Manager, Accounting and Finance Department April 2025 Director and Senior Managing Executive Officer (current position) April 2025 Head of Business Segments (current position) [Significant concurrent positions] Representative Director and President, DTS INSIGHT CORPORATION	85,171
	[Reasons for nomination and outline of expected roles] In addition to organizational management in the built-in software and telecommunications sector, Mr. Isao Asami has a wealth of experience and achievements in administrative departments, and has been responsible for the management of the Company. The Company expects that he will leverage his experience and achievements to continue promoting the business of the Group and playing a role in supervising its business execution. Therefore, the Company reappoints him as a candidate for Director.		
3	 Reelection Male Kazumasa Taninaka (January 21, 1970) Number of years served as Director: 1 year (at the conclusion of the meeting)	July 2015 Head, Planning Department, Business Solution Sector, NTT DATA Corporation April 2018 Head, AI & IoT Division, Business Solution Sector, NTT DATA Corporation July 2022 Head, Technology Consulting Sector, NTT DATA Corporation July 2024 Joined the Company July 2024 Senior Executive Officer November 2024 Head of New Business Group and Head of Common Group December 2024 Chairman of the Board of Directors, Partners Information Technology, Inc. (current position) April 2025 Managing Executive Officer, the Company April 2025 Head of Corporate Management (current position) June 2025 Director and Managing Executive Officer (current position) April 2026 General Manager, Public Relations Department (current position) [Significant concurrent positions] Chairman of the Board of Directors, Partners Information Technology, Inc.	8,787
	[Reasons for nomination and outline of expected roles] In addition to technology consulting services at a major information and communications company, Mr. Kazumasa Taninaka has a wealth of expertise and achievements in administrative departments, and has been responsible for the management of the Company. The Company expects that he will leverage his experience and achievements to continue promoting the business of the Group and playing a role in supervising its business execution. Therefore, the Company reappoints him as a candidate for Director.		

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Career summary, positions, responsibilities and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">4</td><td>
Reelection
Outside
Independent
Male
Shinichi Yamada
(February 25, 1952)

Number of years served as Director: 6 years (at the conclusion of the meeting)</td><td>June 2003 Director and Deputy Head, Business Development Sector, NTT DATA Corporation
May 2004 Director and Head, Business Development Sector, NTT DATA Corporation
June 2005 Senior Vice President and Head, Fundamental System Platforms Sector, NTT DATA Corporation
June 2007 President and CEO, NTT DATA INTELLILINK Corporation (retired in June 2011)
June 2007 Executive Vice President; Head, Fundamental System Platforms Sector and Head, Technology Development Sector, NTT DATA Corporation
June 2009 Representative Director and Executive Vice President; Head, Fundamental System Platforms Sector and Head, Technology Development Sector, NTT DATA Corporation
July 2009 Representative Director and Executive Vice President; Head, S&T Company; Head, SI Competency Sector and Head, Technology Development Sector, NTT DATA Corporation (retired in June 2011)
June 2011 President and CEO, NTT Software Corporation (retired in March 2017)
April 2017 Director, NTT TechnoCross Corporation (retired in June 2017)
June 2017 Special Advisor, NTT TechnoCross Corporation (retired in June 2018)
June 2020 Director, the Company (current position)
[Significant concurrent positions]
Not applicable</td><td>—</td></tr>
<tr><td colspan="3">[Reasons for nomination and outline of expected roles]
Mr. Shinichi Yamada has abundant experience and a high level of insight regarding the industry trends and corporate management in the IT industry. The Company expects that he will utilize this experience and insight in its management decisions and that he will contribute to strengthening the supervisory functions of business execution and provide advice from a broader perspective. Therefore, the Company appoints him as a candidate for Outside Director. He will have served as an Outside Director of the Company for six (6) years as of the conclusion of this Annual General Meeting of Shareholders.

[Matters concerning independence]
Mr. Shinichi Yamada satisfies the requirements for independence as set forth by the Tokyo Stock Exchange. In comprehensive consideration of personal, capital and business relationships between the Company and Mr. Yamada, it is judged that there is no risk of a conflict of interests with general shareholders. Therefore, the Company has determined that his independence has been secured.
Mr. Shinichi Yamada previously served as an executive officer of NTT DATA Corporation (currently NTT DATA Japan Corporation), which is one of our business partners. However, as it has already been 15 years since he resigned from said company, and he has not been involved in the execution of business of the company after his resignation, the Company has determined that his former position does not have any influence on his independence. NTT DATA Corporation and the Group had business transactions totaling less than 10.9 billion yen per year and less than 8% of net sales (the amount of business transactions including not only sales but also purchasing, etc. as a percentage of gross net sales; hereinafter the same applies) (consolidated results for the fiscal year ended March 31, 2026).
Furthermore, Mr. Shinichi Yamada previously served as an executive officer of NTT TechnoCross Corporation (NTT Software Corporation and NTT-IT Corporation were merged into NTT TechnoCross Corporation), which is one of our business partners. However, as it has already been nine (9) years since he resigned from said company, and he has not been involved in the execution of business of the company after his resignation, the Company has determined that his former position does not have any influence on his independence. NTT TechnoCross Corporation and the Group had business transactions totaling less than 100 million yen per year and less than 0.1% of net sales (consolidated results for the fiscal year ended March 31, 2026).

(Note) Mr. Shinichi Yamada is a candidate for Outside Director. The Company has notified the Tokyo Stock Exchange that Mr. Shinichi Yamada is an Independent Officer. If his election is approved, the Company will continue to designate him as an Independent Officer.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Career summary, positions, responsibilities and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">5</td><td>
Reelection
Outside
Independent
Female
Yumiko Masuda
(October 20, 1955)

Number of years served as Director: 4 years
(at the conclusion of the meeting)</td><td>May 1990 Joined BELLSYSTEM24, Inc. as Banking Group Manager (retired in June 1996)
September 1996 Solution Sales Representative, IBM Japan, Ltd.
January 2003 Cluster Partner, Financial Strategy Consulting, GS Consulting Sector, IBM Japan, Ltd. (retired in June 2006)
July 2006 Director, Strategic Industry Sales Department, Field Service Administration Division, SAP Japan Co., Ltd. (retired in May 2009)
June 2009 Representative Director, Consumer Voice Research Institute, Limited. (current position)
June 2018 Outside Director, PC DEPOT CORPORATION (retired in June 2024)
June 2022 Director, the Company (current position)
June 2024 Outside Director, NITTAN Corporation (current position)
March 2025 Outside Director, K&O Energy Group Inc. (current position)
[Significant concurrent positions]
Representative Director, Consumer Voice Research Institute, Limited.
Outside Director, NITTAN Corporation
Outside Director, K&O Energy Group Inc.</td><td>—</td></tr>
<tr><td colspan="3">[Reasons for nomination and outline of expected roles]
Ms. Yumiko Masuda has management experience at multiple major foreign IT companies, and has expertise in consumer- and customer-oriented management and customer relations, and abundant experience and a high level of insight regarding diversity & inclusion. The Company expects that she will utilize this experience and insight in its management decisions and that she will contribute to strengthening the supervisory functions of business execution and provide advice from a broader perspective. Therefore, the Company appoints her as a candidate for Outside Director. She will have served as an Outside Director of the Company for four (4) years as of the conclusion of this Annual General Meeting of Shareholders.

[Matters concerning independence]
Ms. Yumiko Masuda satisfies the requirements for independence as set forth by the Tokyo Stock Exchange. In comprehensive consideration of personal, capital and business relationships between the Company and Ms. Masuda, it is judged that there is no risk of a conflict of interests with general shareholders. Therefore, the Company has determined that her independence has been secured.
Ms. Yumiko Masuda serves as an executive officer of Consumer Voice Research Institute, Limited. However, the Group has no business relationship with said company.

(Note) Ms. Yumiko Masuda is a candidate for Outside Director. The Company has notified the Tokyo Stock Exchange that Ms. Yumiko Masuda is an Independent Officer. If her election is approved, the Company will continue to designate her as an Independent Officer.</td></tr>
</table>

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6	 Reelection Outside Independent Male Shigeo Kizaki (June 28, 1963) Number of years served as Director: 1 year (at the conclusion of the meeting)	January 2003 Vice President, Booz Allen Hamilton Inc. (retired in March 2010) April 2010 Partner, IBM Japan, Ltd. January 2012 Director, IBM Japan, Ltd. (retired in March 2013) April 2013 Representative Director and President, Brain and Capital Holdings, Inc. January 2014 Vice Chairman of the Board, Brain and Capital Holdings, Inc. (retired in March 2017) April 2015 Representative Director and President, ORION ELECTRIC Co., LTD. November 2016 Chairman of the Board, ORION ELECTRIC Co., LTD. (retired in March 2017) November 2017 Executive Officer, Future Corporation (retired in February 2019) March 2019 Representative Director, Kizaki Enterprise, Ltd. (current position) March 2019 External Director, Billing System Corporation (current position) June 2025 Director, the Company (current position) [Significant concurrent positions] Representative Director, Kizaki Enterprise, Ltd. External Director, Billing System Corporation	—
	[Reasons for nomination and outline of expected roles] Mr. Shigeo Kizaki has abundant experience and a high level of insight in consulting business and corporate management. The Company expects that he will utilize this experience and insight in its management decisions and that he will contribute to strengthening the supervisory functions of business execution and provide advice from a broader perspective. Therefore, the Company appoints him as a candidate for Outside Director. He will have served as an Outside Director of the Company for one (1) year as of the conclusion of this Annual General Meeting of Shareholders. [Matters concerning independence] Mr. Shigeo Kizaki satisfies the requirements for independence as set forth by the Tokyo Stock Exchange. In comprehensive consideration of personal, capital and business relationships between the Company and Mr. Kizaki, it is judged that there is no risk of a conflict of interests with general shareholders. Therefore, the Company has determined that his independence has been secured. Mr. Shigeo Kizaki serves as Representative Director of Kizaki Enterprise, Ltd., which was one of our business partners. From May to September 2023, the Company entered into a management support advisory agreement with Kizaki Enterprise, Ltd. and received management advisory services. The total compensation paid was 4.40 million yen (results for the fiscal year ended March 31, 2024). Since there have been no business transactions between the company and the Group since October 2023, we have determined that there is no influence on his independence. (Note) Mr. Shigeo Kizaki is a candidate for Outside Director. The Company has notified the Tokyo Stock Exchange that Mr. Shigeo Kizaki is an Independent Officer. If his election is approved, the Company will continue to designate him as an Independent Officer.		

(Notes)

1. There are no special interests between each candidate for Director and the Company.
2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Mr. Shinichi Yamada, Ms. Yumiko Masuda, and Mr. Shigeo Kizaki to limit their liability stipulated in Article 423, Paragraph 1 of the Companies Act. Under the agreement, their liability is limited to one (1) million yen or the amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is greater. If the reappointment of each of these candidates is approved, the Company plans to continue these liability limitation agreements with the candidates.
3. The Company has entered into a directors and officers liability insurance contract stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance covers damages that may arise when the Directors, etc. assume liability for the performance of their duties as well as litigation expenses. If each of the candidates is elected as a Director and assumes office, each of them will be insured under the insurance contract. The term of the insurance contract is one year, and will be renewed by resolution of the Board of Directors prior to the expiration of its term. The insurance premiums are fully borne by the Company.

Proposal 4: Election of Two (2) Directors Who Are Audit and Supervisory Committee Members

The terms of office of Directors who are Audit and Supervisory Committee Members, Taeko Ishii and Hiroshi Ohno, will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Company proposes to elect two (2) Directors who are Audit and Supervisory Committee Members. If this proposal is approved and resolved, the number of Directors who are Audit and Supervisory Committee Members will be four (4), including the incumbent Directors who are Audit and Supervisory Committee Members.

The Audit and Supervisory Committee has given its consent to this Proposal.

The candidates are as follows:

No.	Name	Current positions at the Company	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee meetings	Number of years served as Director who is Audit and Supervisory Committee Member
1	Reelection Taeko Ishii Outside Independent Female	Director Audit and Supervisory Committee Member	15/15 (100%)	11/11 (100%)	4 years
2	Reelection Hiroshi Ohno Outside Independent Male	Director Audit and Supervisory Committee Member	15/15 (100%)	11/11 (100%)	2 years

(Notes)

- Mr. Yutaka Nakamura and Mr. Nobuyasu Iimuro will continue to serve as Directors who are Audit and Supervisory Committee Members.
- If this proposal is approved and resolved, Ms. Taeko Ishii is to become the chairperson of the Audit and Supervisory Committee.

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Career summary, positions, responsibilities and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">1</td><td>
Reelection
Outside
Independent
Female
Taeko Ishii
(May 7, 1956)

Number of years served as Director who is Audit and Supervisory Committee Member:
4 years
(at the conclusion of the meeting)</td><td>April 1986 Registered as an attorney (Member of Dai-Ichi Tokyo Bar Association)
March 1992 Deputy Director, Ota Ishii Law Office (current position)
April 1998 Civil Conciliation Commissioner, Tokyo District Court (current position)
April 2003 Member of Study Group for Case Law on Public Employees, Human resources and Pension Bureau, Ministry of Internal Affairs and Communications (currently Study Group for Case Law on Public Employees, Cabinet Human Resources Bureau, Cabinet Secretariat) (current position)
April 2004 Outside Corporate Auditor, Furusato Service Co., Ltd. (current position)
November 2007 Special Committee Member, Central Construction Work Disputes Committee, Ministry of Land, Infrastructure, Transport and Tourism (current position)
June 2018 Corporate Auditor, the Company
June 2018 Outside Audit & Supervisory Board Member, NEC Corporation (retired in June 2022)
June 2018 Outside Director, Sumitomo Metal Mining Co., Ltd. (current position)
June 2021 Outside Audit & Supervisory Board Member, Dai Nippon Printing Co., Ltd. (current position)
June 2022 Director (Audit and Supervisory Committee Member), the Company (current position)
[Significant concurrent positions]
Deputy Director, Ota Ishii Law Office
Outside Corporate Auditor, Furusato Service Co., Ltd.
Outside Director, Sumitomo Metal Mining Co., Ltd.
Outside Audit & Supervisory Board Member, Dai Nippon Printing Co., Ltd.</td><td>—</td></tr>
<tr><td colspan="3">[Reasons for nomination and outline of expected roles]
Ms. Taeko Ishii is a licensed attorney, and has abundant experience and expertise regarding legal and labor affairs. The Company expects that she will utilize this experience and expertise in the audit structure of the Company, and that she will contribute to strengthening the supervisory functions of business execution and provide advice from a broader perspective. Therefore, the Company appoints her as a candidate for Outside Director who is an Audit and Supervisory Committee Member. She will have served as an Outside Director who is an Audit and Supervisory Committee Member of the Company for four (4) years as of the conclusion of this Annual General Meeting of Shareholders.

[Matters concerning independence]
Ms. Taeko Ishii satisfies the requirements for independence as set forth by the Tokyo Stock Exchange. In comprehensive consideration of personal, capital and business relationships between the Company and Ms. Ishii, it is judged that there is no risk of a conflict of interests with general shareholders. Therefore, the Company has determined that her independence has been secured.
Ms. Taeko Ishii serves as an executive officer of Ota Ishii Law Office. However, the Group has no business relationship with said office.

(Note) Ms. Taeko Ishii is a candidate for Outside Director who is an Audit and Supervisory Committee Member. The Company has notified the Tokyo Stock Exchange that Ms. Taeko Ishii is an Independent Officer. If her election is approved, the Company will continue to designate her as an Independent Officer.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Career summary, positions, responsibilities and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">2</td><td>
Reelection
Outside
Independent
Male
Hiroshi Ohno
(April 26, 1961)

Number of years served as Director who is Audit and Supervisory Committee Member:
2 years
(at the conclusion of the meeting)</td><td>May 2007 General Manager, Oita Branch, The Chuo Mitsui Trust and Banking Company, Limited
October 2008 General Manager, Financial Institutions Department, The Chuo Mitsui Trust and Banking Company, Limited
June 2010 General Manager, Shibuya Branch, The Chuo Mitsui Trust and Banking Company, Limited
January 2012 General Manager, Corporate Business Department 5, Tokyo, The Chuo Mitsui Trust and Banking Company, Limited
April 2012 Executive Officer and General Manager, Corporate Business Department 5, Tokyo, Sumitomo Mitsui Trust Bank, Limited
April 2014 Executive Manager, Sumitomo Mitsui Trust Bank, Limited (retired in June 2014)
July 2014 Counselor, Construction Business Headquarters, HAZAMA ANDO CORPORATION
October 2014 Executive Officer, HAZAMA ANDO CORPORATION
April 2023 Counselor in charge of Sales Headquarters, HAZAMA ANDO CORPORATION (retired in March 2024)
April 2024 Counselor, The Developer Sanshin Co., Ltd. (retired in June 2024)
June 2024 Director (Audit and Supervisory Committee Member), the Company (current position)
[Significant concurrent positions]
Not applicable</td><td>—</td></tr>
<tr><td colspan="3">[Reasons for nomination and outline of expected roles]
Mr. Hiroshi Ohno has abundant experience and a high level of insight as a manager in the trust banking and construction industry. The Company expects that he will utilize this experience and insight in the audit structure of the Company, and that he will contribute to strengthening the supervisory functions of business execution and provide advice from a broader perspective. Therefore, the Company appoints him as a candidate for Outside Director who is an Audit and Supervisory Committee Member. He will have served as an Outside Director who is an Audit and Supervisory Committee Member of the Company for two (2) years as of the conclusion of this Annual General Meeting of Shareholders.

[Matters concerning independence]
Mr. Hiroshi Ohno satisfies the requirements for independence as set forth by the Tokyo Stock Exchange. In comprehensive consideration of personal, capital and business relationships between the Company and Mr. Ohno, it is judged that there is no risk of a conflict of interests with general shareholders. Therefore, the Company has determined that his independence has been secured.

(Note) Mr. Hiroshi Ohno is a candidate for Outside Director who is an Audit and Supervisory Committee Member. The Company has notified the Tokyo Stock Exchange that Mr. Hiroshi Ohno is an Independent Officer. If his election is approved, the Company will continue to designate him as an Independent Officer.</td></tr>
</table>

(Notes)

1. There are no special interests between each of the candidates for Directors who are Audit and Supervisory Committee Members and the Company.
2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Ms. Taeko Ishii and Mr. Hiroshi Ohno to limit their liability stipulated in Article 423, Paragraph 1 of the Companies Act. Under the agreement, their liability is limited to one (1) million yen or the amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is greater. If the reappointment of each of these candidates is approved, the Company plans to continue these liability limitation agreements with the candidates.
3. The Company has entered into a directors and officers liability insurance contract stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance covers damages that may arise when the Directors, etc. assume liability for the performance of their duties as well as litigation expenses. If each of the candidates is elected as a Director who is an Audit and Supervisory Committee Member and assumes office, each of them will be insured under the insurance contract. The term of the insurance contract is one year, and will be renewed by resolution of the Board of Directors prior to the expiration of its term. The insurance premiums are fully borne by the Company.

[Reference] Skills Matrix

Toward achieving the Company's Long-Term Outlook (Vision 2030) and the Medium-Term Management Plan (FY2025 to FY2027), we identified skills that Directors are expected to demonstrate in light of the five key issues. These skills and the skills matrix are as follows:

■ Key issues

Increase in the value of proposals; Combination of SI and digital technology; Pursuit of new fields and the global market; Enhancement of ESG initiatives; and Reform of its management base

■ Our stance on skills

Skills	Our stance on skills
Corporate management	To <u>enhance ESG initiatives</u> with an aim to become a company that practices sustainable management and grows together with society, management experience and skills gained at listed companies are expected.
Internationality	To <u>pursue new fields and the global market</u> with an aim to capture new opportunities for business growth and revenue source, insight gained through experiencing overseas businesses and skills for future business development are expected.
Sales / Marketing	To <u>increase the value of proposals</u> through a broad range of proposal capabilities and solutions based on leading technologies, business experience and skills in sales and marketing field are expected.
Development / R&D	To add on digital solution services to the SI business at which we excel with an aim to realize the <u>combination of SI and digital technology</u>, business experience and skills in development / R&D field are expected.
Finance / Capital strategy	Besides accurate financial reporting, to strengthen the operations and <u>reform our management base</u> through continuous investments by taking advantage of our solid financial base, business experience and skills in finance / capital strategy field are expected.
Human resource development / D&I	To realize diversity and inclusion where employees share the joy of work and respect diversity with an aim to <u>enhance ESG initiatives</u>, business experience and skills in human resource development / D&I field are expected.
Internal control / Risk management	To strengthen governance and to establish and practice risk management systems, as well as to <u>enhance ESG initiatives</u>, business experience and skills in internal control / risk management field are expected.

■ Skills Matrix

Name			Corporate management	Internationality	Sales / Marketing	Development / R&D	Finance / Capital strategy	Human resource development / D&I	Internal control / Risk management
	Tomoaki Kitamura		●		●	●		●	
	Isao Asami				●	●		●	●
	Kazumasa Taninaka			●		●	●		●
	Shinichi Yamada	Outside Independent	●	●		●			
	Yumiko Masuda	Outside Independent		●	●			●	
	Shigeo Kizaki	Outside Independent	●	●	●		●		
Audit and Supervisory Committee Member	Yutaka Nakamura				●		●		●
	Taeko Ishii	Outside Independent						●	●
	Nobuyasu Iimuro	Outside Independent		●			●		●
	Hiroshi Ohno	Outside Independent	●		●		●		

(Note) A maximum of four items that are particularly expected to be performed are indicated as ● for each person. Not all expertise and experience are presented in the table.

Business Report

(April 1, 2025 - March 31, 2026)

1. Overview of the Corporate Group

(1) Business Progress and Results

In the fiscal year under review, the Japanese economy has been recovering moderately, although it is necessary to closely monitor the impact of the circumstances in the Middle East. Furthermore, we must be aware of the impact of fluctuations in the financial and capital markets, as well as developments surrounding trade policies in the United States, among others.

With the Medium-Term Management Plan (2025–2027), which is the 2nd Stage in “Vision 2030,” the Group is focusing on three pillars: “evolution of focus businesses and deepening of core businesses,” “execution of strategic alliances,” and “strengthening of the Group’s management foundation,” and working on initiatives to promote our business growth and expansion as well as enhance stability and reliability.

Net sales for the fiscal year under review were 135,213 million yen (+7.4% year on year), operating profit was 16,434 million yen (+13.4% year on year), and EBITDA was 17,790 million yen (+13.9% year on year).

■ Evolution of focus businesses and deepening of core businesses

In the Medium-Term Management Plan (2025–2027), we have newly set “concentrated investment areas” (Note 2) and “forward-looking investment areas” (Note 3) within the “focus businesses” (Note 1) that we are strengthening as growth areas for the Group.

We are promoting our target of net sales of focus businesses making up 57% of total net sales by the fiscal year ending March 31, 2028. In the fiscal year under review, the focus business net sales ratio was 62.9%, showing steady progress toward our goal.

In April 2025, we established the Generative AI Business Promotion Office to promote customer support for AI utilization in the field of generative AI, integration into our own solutions, and utilization in our own development processes, as we expand forward-looking investment areas. We aim to achieve 10.0 billion yen in net sales related to AI and generative AI in fiscal 2030 by improving our clients’ business value through the use of generative AI and other technologies.

■ Execution of strategic alliances

In September 2025, we began partnering with OpenAI Japan LLC to advance the practical application of generative AI technology. We will strive to increase sophistication of the value that we propose, enhance added value, and improve productivity by combining generative AI technologies with our comprehensive strengths as a total system integrator, including building AI technology into systems, developing our own AI-native solutions, and providing code generation support. In addition, we are utilizing generative AI to improve the efficiency of various operations such as research/analysis and inquiry handling. We will continue to pursue the creation of new value and business growth through the use of generative AI.

Moreover, in collaboration with the Yasuto Nakanishi Lab (Faculty of Environment and Information Studies, Keio University), we launched a joint research project on “Affective AI Agents” aimed at stimulating human creativity. We will facilitate the societal implementation of human-AI intellectual collaboration by positioning AI as a catalyst that attunes to human sensitivities and context and triggers new insights and ideas. This includes developing affective AI agent prototypes and systematizing their behavioral models.

■ Strengthening of the Group’s management foundation

To strengthen our management foundation, we will invest in human capital, reinforce group governance and system infrastructure, and improve capital efficiency, aiming for sustained, stable enhancement of corporate value.

To improve capital efficiency, implement cash allocation based on the Medium-Term Management Plan, and further increase returns to shareholders, we repurchased our treasury shares for approximately 2.5 billion yen from May through July 2025. All of the repurchased treasury shares for approximately 2.5 billion yen during the fiscal year under review have been canceled.

(Note 1) Focus businesses

Business fields on which the Group will focus

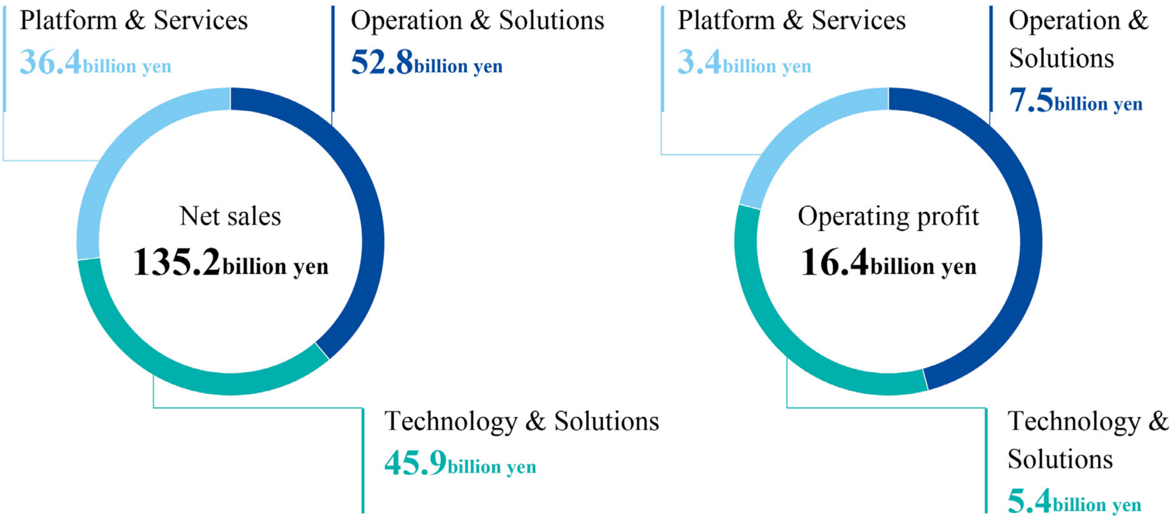
(Note 2) Concentrated investment areas

The five areas that we have redefined to further expand our business scale: i.e., (1) Cloud computing & modernization, (2) Data utilization, (3) Security & managed services, (4) Enterprise Application Services, and (5) IoT & Edge Technology. These are the areas that are expected to grow particularly within our focus businesses.

(Note 3) Forward-looking investment areas

Areas expected to see rapid market expansion and increased customer business value in the future, i.e., AI, generative AI, and customer experience value (CX)

The overview of the initiatives by segment is as follows.



Net sales and operating profit by segment
(Figures in square brackets indicate proportions in total)

(Millions of yen)

	Net sales			Operating profit		
	53rd fiscal year (FY2024)	54th fiscal year (FY2025)		53rd fiscal year (FY2024)	54th fiscal year (FY2025)	
Operation & Solutions	53,207 [42.3%]	52,810 [39.1%]	Year-on-year Down 0.7%	6,802 [46.9%]	7,507 [45.6%]	Year-on-year Up 10.4%
Technology & Solutions	42,877 [34.1%]	45,998 [34.0%]	Year-on-year Up 7.3%	4,583 [31.6%]	5,478 [33.3%]	Year-on-year Up 19.5%
Platforms & Services	29,823 [23.7%]	36,405 [26.9%]	Year-on-year Up 22.1%	3,092 [21.3%]	3,442 [20.9%]	Year-on-year Up 11.3%
Total	125,908 [100.0%]	135,213 [100.0%]	Year-on-year Up 7.4%	14,489 [100.0%]	16,434 [100.0%]	Year-on-year Up 13.4%

Operation & Solutions Segment

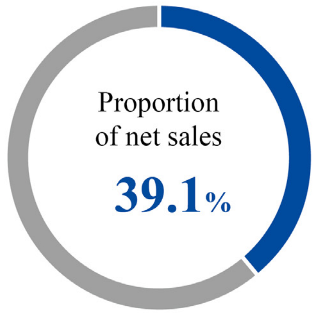
Net sales came to 52,810 million yen (−0.7% year on year) as a reaction to the temporary increase in projects for banks in the same period of the previous fiscal year, despite the expansion of fire service system renewal projects for local governments.

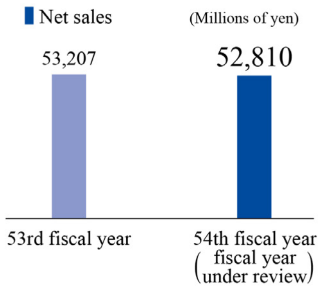
In initiatives for our “focus businesses,” we will combine industry expertise in areas such as the financial and public sectors with digital technology to expand areas of concentrated investment, such as cloud shifting and migration services, and drive business growth.

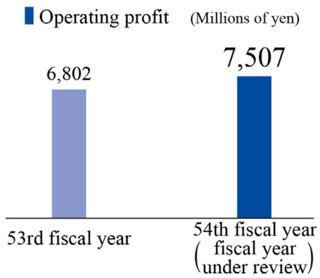
Tohoku Systems Support Co., Ltd., a group company, has released MR20 (wearable device) and SR160 (handheld device with barcode scanning functions), which are RFID readers designed to improve work efficiency in picking and inspection operations. We will continue to expand RFID solutions and contribute to DX promotion in the logistics, manufacturing, and retail industries.

Furthermore, we have been contracted by the National Institute of Technology and Evaluation (NITE) to redesign their Chemical Substance Control Act liaison system. We have commenced the development aimed at establishing an environment capable of securely managing highly confidential information, based on cloud services compliant with the Japanese government’s designated cloud security standard “ISMAP (Information system Security Management and Assessment Program),” while also targeting the prevention of misdelivery, streamlining inquiry and communication operations, and reducing operational maintenance costs. Moving forward, we will continue to contribute to the digital transformation of operations in the public sector through rapid development and operational improvements utilizing low-code/no-code solutions and cloud technology.

In March 2026, KYUSHU DTS CORPORATION opened the Kitakyushu Development Center in Kokurakita-ku, Kitakyushu City. We will contribute to the development of the local economy through local talent utilization and industry-academia collaboration, while strengthening the nearshore development system primarily for projects from the Tokyo metropolitan area.







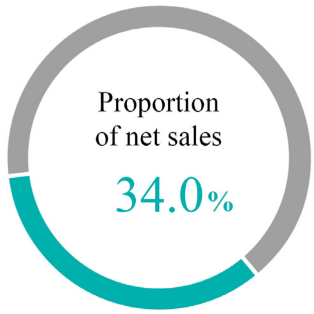
Main businesses

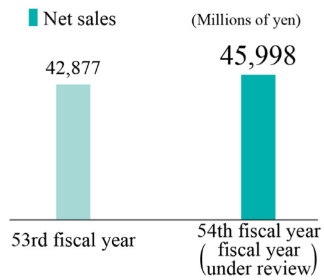
The Group offers the following services by adding digital technology to project management capabilities and industry insights, which are some of our strengths, to generate new added values.

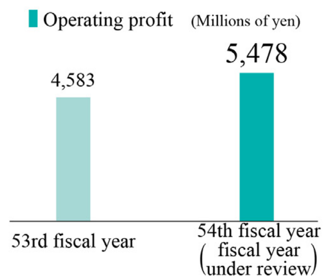
- Consulting in relation to the deployment of systems
- Design, development, operation, maintenance, etc. of systems (including design and construction of platforms, networks and so on)
- Development of industry-specific solutions

Technology & Solutions Segment

Net sales came to 45,998 million yen (+7.3% year on year), due to the steady progress in various projects, including core system renewals for IP businesses, cloud infrastructure renewals and cybersecurity measures for securities firms, housing-related solutions, and embedded system projects.







In our initiatives for focus businesses, we will drive the expansion of the Group’s focus businesses by expanding concentrated investment areas such as Enterprise Application Services, as well as forward-looking investment areas such as generative AI.

In May 2025, our first mcframe implementation project won the Take Off Award, part of the mcframe Award 2025 sponsored by Business Engineering Corporation, for our high-quality implementation support and proposal capabilities with a focus on scalability. We will maintain our efforts to promote business innovation and digitalization in the manufacturing industry.

With regard to the 3D home CAD system “Walk in home” housing solution, we have enhanced design expression for stairs and balconies and improved rendering speed. We have also improved the convenience of proposals and information sharing with customers through web browser compatibility for presentation boards and the use of animation in presentations. In addition, we are improving sales effectiveness and promoting the efficiency and standardization of design operations through an AI-powered image generation function for proposals, a 3D markup function, and enhanced integration with “Walk in home 360x.” Furthermore, to align with the Building Information Modeling (BIM) drawing review system scheduled for implementation in April 2026, we plan to release the next version this autumn. This update will enable the output of IFC data (Note 4) and a Declaration of Compliance with Input/Output Standards.

In July 2025, we launched “DTS Managed Services for ServiceNow,” providing comprehensive support ranging from routine ServiceNow operations to in-house development assistance. We will continue to support our customers’ digital transformation by reducing operational burdens, driving continuous operational improvements, and maximizing IT investment returns through advanced initiatives such as operational standardization, automation, AI utilization, and ITSM integration.

In addition, we have been certified under Microsoft’s Solutions Partner program in two areas: Infrastructure (Azure) and Security. We will continue to support customers in migrating to the Azure cloud more quickly and effectively, while also promoting the design, construction, and operational support of secure and reliable security environments utilizing Microsoft 365 Security and other solutions.

Main businesses

The Group offers the following services across industries and regions by specializing in digital technology and solutions, in order to meet the diverse needs of customers by using the latest technologies.

- Consulting in relation to the deployment of systems
- Design, development, operation, maintenance, etc. of systems (including design, construction and embedding of platforms, networks and so on)
- Deployment, operation, maintenance, etc. of (in-house or other companies’) solutions

Platforms & Services Segment

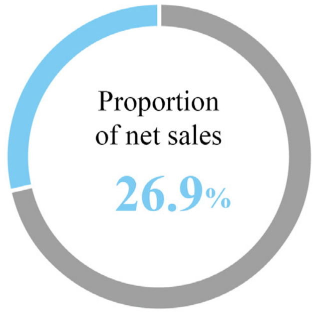
Net sales came to 36,405 million yen (+22.1% year on year), due to strong progress mainly in generative AI infrastructure construction for data centers and areas of operations.

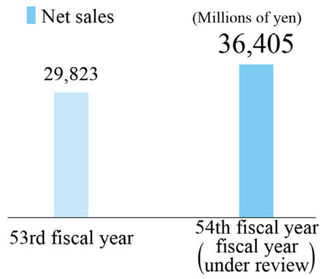
In our initiatives for focus businesses, in addition to expanding our operational service menu centered on ReSM and ReSM plus, we will advance our operational services through the use of AI to shorten failure recovery time and other measures.

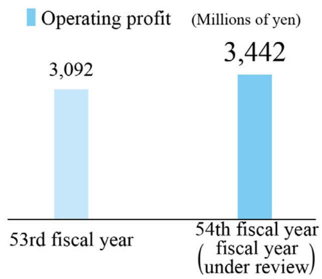
In August 2025, we enhanced the capabilities of our in-house help desk outsourcing service, “ReSM plus,” and launched a new service integrating generative AI with human operators. By combining automated responses using natural language processing with human support for unresolved inquiries, we will continuously enhance the knowledge base of FAQs and internal documentation while improving response accuracy. This approach will ultimately lead to increased user satisfaction.

In addition, by organizing a joint team, including Digital Technologies Corporation, one of our group companies, we were contracted to build the system for the Quantum-HPC (Note 5) Integrated Platform Supercomputer Project led by RIKEN. We provided support throughout every phase, from equipment sourcing to system development and installation, as well as maintenance and operation. The development of the system was completed by the end of FY2025.

Furthermore, we have achieved the “Service Management Specialization” certification in Atlassian Pty Ltd’s Partner Program. Going forward, we will support the implementation, adoption, and continuous improvement of cross-organizational service management based on Jira Service Management, including the utilization of AI features in Atlassian Pty Ltd products. This will contribute to enhancing our customers’ business value and advancing their digital transformation.







Main businesses

The Group offers the following services across industries and regions in order to support IT environments in which customers can feel reassured.

- Deployment of advanced IT equipment and building of IT platforms
- Operational design and maintenance of total information systems, including cloud-related services and virtualization systems
- System operation either through permanently stationed personnel or remote access, monitoring services
- System operational diagnosis and optimization services, primarily for IT infrastructure
- Fee-based businesses, such as subscription and recurring business

(Note 4) IFC data

IFC stands for Industry Foundation Classes. It refers to an international standard format designed for data sharing among software applications.

(Note 5) HPC

High Performance Computing

(2) Capital Investment

Capital investment during the fiscal year under review amounted to 840 million yen.

This mainly comprised 307 million yen for the purchase of tools, furniture and fixtures such as office equipment and network equipment, 91 million yen for the development and purchase of software for internal use, and 232 million yen for the development of software for market sale.

A description by type of business is omitted due to the difficulty in providing such information.

(3) Financing

There were no items to be reported in the fiscal year under review.

(4) Issues to Be Addressed

The environment surrounding the Group is expected to change drastically.

With advances in technology, executive agendas are increasingly centered around themes such as strengthening customer relationships and data-driven management. In line with and influenced by these shifts, corporate IT investments are expected to move toward information systems and customer contact services.

To achieve these objectives, in our Medium-Term Management Plan (FY2025 to FY2027), which is the 2nd Stage in Vision 2030, the Group will focus on three pillars: "evolution of focus businesses and deepening of core businesses," "execution of strategic alliances," and "strengthening of the Group's management foundation," and will work on initiatives to promote our business growth and expansion as well as enhance stability and reliability.

Medium-Term Management Plan (2025–2027)

In the Medium-Term Management Plan (FY2025 to FY2027), which is the 2nd Stage in Vision 2030, the Group has set the following goals.

<Management goals for the fiscal year ending March 31, 2028>

Operating revenue	Consolidated net sales	160.0 billion yen
	Operating profit	18.7 billion yen
	EBITDA	20.0 billion yen
	EBITDA margin	12.5%
	Percentage of focus businesses' (*1) net sales to total	57.0% or more
	Productivity (operating profit per employee)	3.2 million yen
Management efficiency	ROE	18% or more
Investment	Growth investment (cumulative total for three years)	32.5 billion yen
Shareholder returns	Payout ratio	50% or more
	Total return ratio	70% or more
Cash on hand	Percentage of cash on hand in total assets	33% or less
Non-financial targets (*2)	Engagement score	55 or more
	Ratio of female managers	8.5% or more
	Ratio of female Directors	20% or more
	Ratio of Independent Outside Directors	Majority

(*1) Business fields on which the Group will focus

(*2) Reduction of CO_2 emissions (relative to FY2021): 60% (reference value)

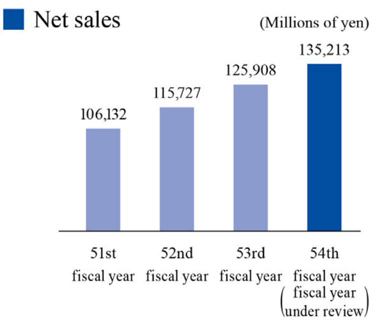
(5) Status of Assets and Income during the Most Recent Three Fiscal Years

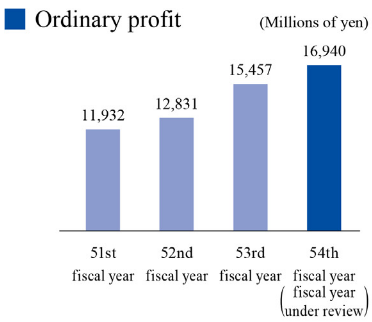
1) Status of assets and income of the corporate group

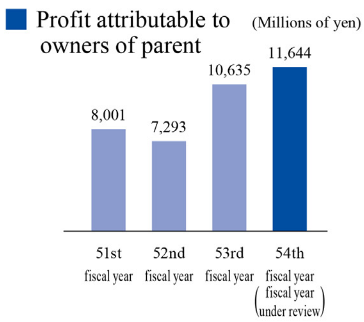
(Millions of yen, unless otherwise specified)

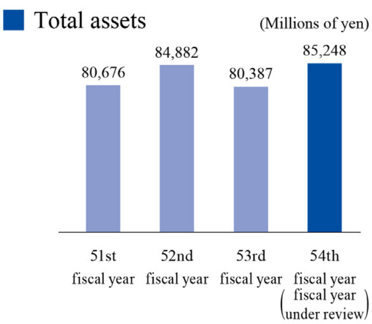
Item	The 51st fiscal year ended March 31, 2023	The 52nd fiscal year ended March 31, 2024	The 53rd fiscal year ended March 31, 2025	The 54th fiscal year ended March 31, 2026 (Fiscal year under review)
Net sales	106,132	115,727	125,908	135,213
Ordinary profit	11,932	12,831	15,457	16,940
Profit attributable to owners of parent	8,001	7,293	10,635	11,644
Total assets	80,676	84,882	80,387	85,248
Net assets	62,376	63,402	59,344	64,691
Net assets per share (yen)	352.20	362.90	360.22	398.60
Basic earnings per share (yen)	45.35	42.13	63.45	72.94

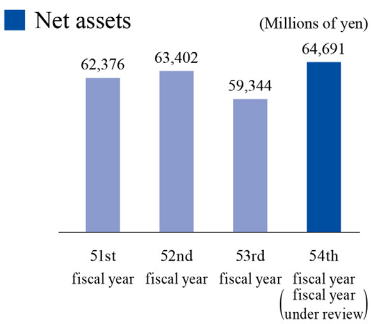
(Notes)
1. Net assets per share is calculated based on the total number of issued shares at the end of the period, and rounded to two decimal places.
2. Basic earnings per share is calculated based on the average number of shares during the period, and rounded to two decimal places.
3. The Company conducted a 4-for-1 stock split of common shares effective October 1, 2025. Accordingly, net assets per share and basic earnings per share are calculated assuming that the stock split took place at the beginning of the 51st fiscal year.









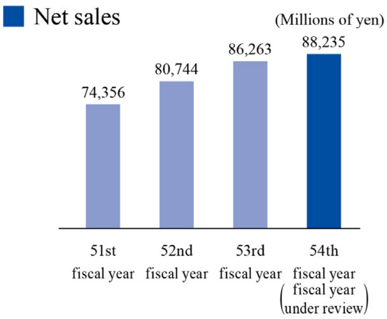


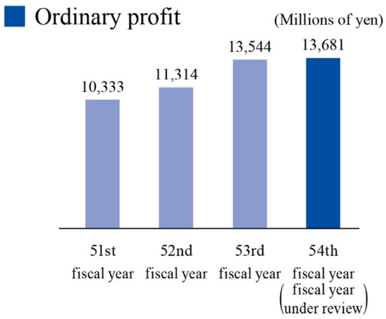
2) Status of assets and income of the Company

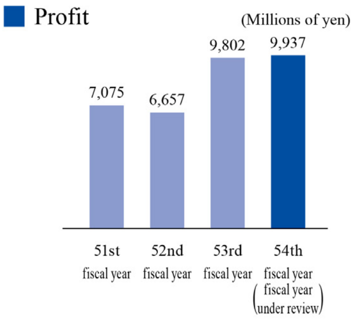
(Millions of yen, unless otherwise specified)

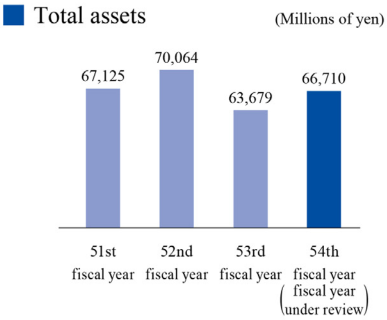
Item	The 51st fiscal year ended March 31, 2023	The 52nd fiscal year ended March 31, 2024	The 53rd fiscal year ended March 31, 2025	The 54th fiscal year ended March 31, 2026 (Fiscal year under review)
Net sales	74,356	80,744	86,263	88,235
Ordinary profit	10,333	11,314	13,544	13,681
Profit	7,075	6,657	9,802	9,937
Total assets	67,125	70,064	63,679	66,710
Net assets	55,743	55,570	50,181	53,668
Net assets per share (yen)	319.65	323.86	311.33	336.82
Basic earnings per share (yen)	40.10	38.45	58.48	62.24

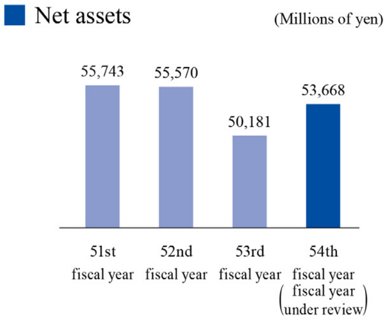
(Notes) 1. Net assets per share is calculated based on the total number of issued shares at the end of the period, and rounded to two decimal places.
2. Basic earnings per share is calculated based on the average number of shares during the period, and rounded to two decimal places.
3. The Company conducted a 4-for-1 stock split of common shares effective October 1, 2025. Accordingly, net assets per share and basic earnings per share are calculated assuming that the stock split took place at the beginning of the 51st fiscal year.











(6) Main Places of Business and Material Subsidiaries

1) Main places of business

Name	Location
Head Office	2-23-1 Hatchobori, Chuo-ku, Tokyo
Hatchobori Development Center	2-31-1 Shinkawa, Chuo-ku, Tokyo
Shinkawa Development Center	1-28-44 Shinkawa, Chuo-ku, Tokyo
Uchisaiwaicho Development Center	1-5-11 Nishishimbashi, Minato-ku, Tokyo
Kansai Development Center	2-3-13 Azuchimachi, Chuo-ku, Osaka City
Nippori Office	5-7-18 Higashinippori, Arakawa-ku, Tokyo

2) Material subsidiaries

Name	Location	Share capital	Percentage of voting rights held	Main business
Digital Technologies Corporation	5-7-18 Higashinippori, Arakawa-ku, Tokyo	100 million yen	100.00%	Information Service
DTS INSIGHT CORPORATION	4-30-3 Yoyogi, Shibuya-ku, Tokyo	200 million yen	100.00%	Information Service
JAPAN SYSTEMS ENGINEERING Corporation	2-7-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo	310 million yen	100.00%	Information Service
Partners Information Technology, Inc.	888 S Disneyland Drive, Suite 500, Anaheim, CA, 92802-1846 USA	5,000 US dollars	51.00%	Information Service
DTS WEST CORPORATION	2-3-13 Azuchimachi, Chuo-ku, Osaka City	100 million yen	100.00%	Information Service
Tohoku Systems Support Co., Ltd.	1-6-35 Chuo, Aoba-ku, Sendai City	98.8 million yen	100.00%	Information Service
avanza Co., Ltd.	3-10-13 Shibuya, Shibuya-ku, Tokyo	60 million yen	100.00%	Information Service
KYUSHU DTS CORPORATION	2-19-24 Hakata-Ekimae, Hakata-ku, Fukuoka City	100 million yen	100.00%	Information Service

(7) Employees

1) Number of employees of the corporate group

Segment name	Number of employees
Operation & Solutions	3,124
Technology & Solutions	2,001
Platforms & Services	1,010
Total	6,135

(Note) The number of employees of the corporate group excludes those seconded to companies outside the Group, and includes those seconded to the Group from outside.

2) Number of employees of the Company

Number of employees	Increase (decrease) from the end of the previous fiscal year	Average age	Average years of service
3,199	+ 27	39.7	15.1

Segment name	Number of employees
Operation & Solutions	1,243
Technology & Solutions	1,106
Platforms & Services	850
Total	3,199

(Note) The number of employees of the Company excludes those seconded to other companies, and includes those seconded to the Company from other companies.

2. **Matters Concerning the Company's Shares** (as of March 31, 2026)

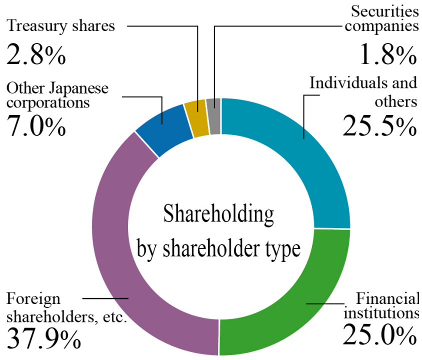
(1) Total Number of Authorized Shares	400,000,000 shares
(2) Total Number of Issued Shares	163,954,928 shares
(3) Number of Shareholders	6,632 persons

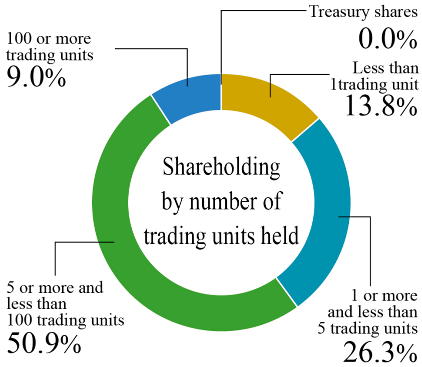
(4) Major Shareholders

Name of shareholder	Number of shares held	Holding ratio
	Thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust Account)	23,753	14.91
DTS Group Employee Shareholding Association	11,855	7.44
STATE STREET BANK AND TRUST CLIENT OMNIBUS ACCOUNT OM02 505002	9,160	5.75
Custody Bank of Japan, Ltd. (Trust Account)	7,024	4.41
NTC Corporation	4,684	2.94
STATE STREET BANK AND TRUST COMPANY 505001	4,520	2.84
THE BANK OF NEW YORK MELLON 14004	4,142	2.60
Chitomu Kosaki	3,213	2.02
NTT DATA Japan Corporation	3,084	1.94
THE CHASE MANHATTAN BANK, N.A. LONDON SECS LENDING OMNIBUS ACCOUNT	2,870	1.80

(Note) The Company holds 4,615 thousand shares of treasury stock. The holding ratio is calculated after deducting treasury stock.

Distribution of shares





(5) Shares Delivered to Company Officers as Compensation for Execution of Duties during the Fiscal Year Under Review

Details of the shares delivered to Company officers as compensation for execution of duties during the fiscal year under review are indicated below.

Category	Number of shares	Number of eligible officers
Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors)	17,972 shares	3
Outside Directors (excluding Directors who are Audit and Supervisory Committee Members)	-	-
Directors who are Audit and Supervisory Committee Members	-	-

(Note) Details of the Company's stock-based compensation are as stated in "(4) Compensation for Directors for the Fiscal Year Under Review, 5) Content of non-monetary compensation" on page 37.
The Company conducted a 4-for-1 stock split of common shares effective October 1, 2025, and the number of shares listed above is the number of shares after the stock split.

(6) Other Important Matters Concerning Shares

The Company conducted a 4-for-1 stock split of common shares effective October 1, 2025. Accordingly, the total number of authorized shares is 400,000,000 shares, and the total number of issued shares is 163,954,928 shares.

3. Company Officers

(1) Directors and Auditors (as of March 31, 2026)

Positions	Name	Responsibilities and significant concurrent positions
Representative Director and President	Tomoaki Kitamura	-
Director	Isao Asami	Senior Managing Executive Officer Head of Business Segments Representative Director and President, DTS INSIGHT CORPORATION
Director	Kazumasa Taninaka	Managing Executive Officer Head of Corporate Management Chairman of the Board of Directors, Partners Information Technology, Inc.
Director Outside Independent	Shinichi Yamada	-
Director Outside Independent	Yumiko Masuda	Representative Director, Consumer Voice Research Institute, Limited. Outside Director, NITTAN Corporation Outside Director, K&O Energy Group Inc.
Director Outside Independent	Shigeo Kizaki	Representative Director, Kizaki Enterprise, Ltd. External Director, Billing System Corporation
Director (Full-time Audit and Supervisory Committee Member)	Yutaka Nakamura	-
Audit and Supervisory Committee Member Outside Independent	Taeko Ishii	Deputy Director, Ota Ishii Law Office Outside Corporate Auditor, Furusato Service Co., Ltd. Outside Director, Sumitomo Metal Mining Co., Ltd. Outside Audit & Supervisory Board Member, Dai Nippon Printing Co., Ltd.
Audit and Supervisory Committee Member Outside Independent	Nobuyasu Iimuro	President, Nobuyasu Iimuro Certified Public Accountant Office Auditor, Meiji Pharmaceutical University
Audit and Supervisory Committee Member Outside Independent	Hiroshi Ohno	-

(Notes)
1. Mr. Shinichi Yamada, Ms. Yumiko Masuda, Mr. Shigeo Kizaki, Ms. Taeko Ishii, Mr. Nobuyasu Iimuro and Mr. Hiroshi Ohno are Outside Directors.
2. Director who is an Audit and Supervisory Committee Member Nobuyasu Iimuro is qualified as a certified public accountant, and has a considerable degree of knowledge concerning finance and accounting.
3. Mr. Shinichi Yamada, Ms. Yumiko Masuda, Mr. Shigeo Kizaki, Ms. Taeko Ishii, Mr. Nobuyasu Iimuro and Mr. Hiroshi Ohno have been registered as Independent Officers with the Tokyo Stock Exchange.
4. To enable the Audit and Supervisory Committee Members to continuously and effectively verify the legality, validity, and efficiency of management, the Company has appointed Mr. Yutaka Nakamura as a full-time Audit and Supervisory Committee Member to perform

day-to-day auditing duties, including internal control system audits and interviews with officers and employees of group companies, and to attend important internal meetings related to business execution such as the Management Council meetings to ensure sophisticated information gathering capabilities of the Audit and Supervisory Committee as a whole and smooth collaboration with the Internal Audit Office.

5. Mr. Minoru Takeuchi and Mr. Shinya Shishido retired from the office of Directors who are not Audit and Supervisory Committee Members at the conclusion of the 53rd Annual General Meeting of Shareholders held on June 24, 2025, due to expiration of their terms of office.
6. Mr. Takao Sakamoto resigned from the office of Director who is an Audit and Supervisory Committee Member at the conclusion of the 53rd Annual General Meeting of Shareholders held on June 24, 2025.
7. The positions, responsibilities, and significant concurrent positions of Directors that changed effective April 1, 2026, after the end of the fiscal year under review, are as follows.

Position	Name	Responsibilities and significant concurrent positions
Director	Kazumasa Taninaka	Managing Executive Officer Head of Corporate Management and General Manager, Public Relations Department Chairman of the Board of Directors, Partners Information Technology, Inc.

8. Executive Officers (excluding those serving concurrently as Directors) as of April 1, 2026, are as follows.

Name	Responsibilities and significant concurrent positions
Makoto Kondo	Managing Executive Officer Head of Operation & Solutions Segment and Head of Public Systems and Social Infrastructure Sector Chairman, DTS (Shanghai) Corporation Chairman, DTS SOFTWARE VIETNAM CO., LTD.
Hiroyuki Norikane	Senior Executive Officer Head of Technology & Solutions Segment and Head of Digital Solution Sector
Hiroshi Tani	Senior Executive Officer Head of Platforms & Services Segment and Head of IT Platform Service Sector Director, Digital Technologies Corporation
Nobuhisa Abe	Senior Executive Officer CISO and General Manager, Business Development Department Director (Board of Directors) and Member (Audit Committee), Nelito Systems Private Limited Director, Spice Factory Co. Ltd.
Hiroyuki Mabuchi	Executive Officer Director and President & Chief Executive Officer, DTS America Corporation Executive Vice President and Director, Partners Information Technology, Inc.
Masanori Tamura	Executive Officer Head of Financial Sector Director (Board of Directors), Nelito Systems Private Limited
Masakazu Takada	Executive Officer Representative Director and President, JAPAN SYSTEMS ENGINEERING Corporation Representative Director and President, Anshin Project Japan Inc.
Naoki Minase	Executive Officer Deputy Head of Operation & Solutions Segment Chairman and Director (Board of Directors) and Chairman (Audit Committee), Nelito Systems Private Limited

Name	Responsibilities and significant concurrent positions
Hiroshi Nakashima	Executive Officer General Manager, AI Center of Excellence
Ayano Kumagai	Executive Officer General Manager, Human Resources Department Representative Director and President, MIRUCA CORPORATION
Masayuki Kimura	Executive Officer Head of Enterprise and Solution Sector
Shigeyoshi Kashimura	Executive Officer Head of Finance Planning Group and General Manager, Sustainability Promotion Department
Hiroko Onoda	Executive Officer General Manager, Corporate Planning Department Director (Board of Directors) and Member (Audit Committee), Nelito Systems Private Limited

(2) Summary of Agreement on Limitation of Liability

Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Directors (excluding Executive Directors, etc.) to limit their liability stipulated in Article 423, Paragraph 1 of the Companies Act. Under the agreement, their liability is limited to one (1) million yen or the amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is greater.

(3) Summary of Directors and Officers Liability Insurance Contract

The Company has entered into a directors and officers liability insurance contract with an insurance company under which all the Directors, Auditors, and Executive Officers of the Company and its subsidiaries are the insured parties, stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance covers any damages that may arise when the Directors, etc. assume liability for the performance of their duties as well as litigation expenses. The term of the insurance contract is one year, and renewal is planned by resolution of the Board of Directors prior to the expiration of this term. The insurance premiums are fully borne by the Company. As a measure to ensure the appropriate execution of duties, the insurance contract does not cover causes subject to certain exemptions.

(4) Compensation for Directors

1) Compensation for Directors for the fiscal year under review

i. Matters concerning policy for determining individual compensation, etc. for Directors who are not Audit and Supervisory Committee Members

At the Board of Directors meeting held on June 22, 2023, the Company resolved on the policy to determine the details of compensation for individual Directors who are not Audit and Supervisory Committee Members (hereinafter referred to as the “Decision Policy”).

The amount or the method of calculation of compensation, etc. for Directors who are not Audit and Supervisory Committee Members (excluding Outside Directors) shall be determined upon the comprehensive consideration of past payment records and the Company’s performance. Compensation, etc. shall consist of fixed compensation, performance-linked compensation and non-monetary compensation. Compensation for Outside Directors (excluding Directors who are Audit and Supervisory Committee Members) shall consist of fixed compensation only.

Performance-linked compensation shall be paid as a bonus, and shall be calculated by establishing an amount of consolidated ordinary profit as a standard, comparing it against the consolidated ordinary profit in the fiscal year in which the bonus is to be paid, and multiplying the growth rate by the amount of the performance-linked standard and adjusting the result by the degree of achievement of performance forecasts and the degree of achievement of the medium-term management plan (financial and non-financial KPIs). However, in the event that business performance deteriorated significantly, the bonus may not be paid.

Non-monetary compensation shall be paid as stock-based compensation, in the form of restricted shares, and shall be calculated based on a standard amount predetermined in accordance with position in order to appropriately function as an incentive to sustainably enhance the corporate value of the Company. The standard amount shall be determined annually, based on an assessment of corporate value (Company’s TSR compared with TOPIX growth rate), the degree of achievement of performance forecasts, and the degree of achievement of the medium-term management plan.

When determining the payment ratios of fixed compensation, performance-linked compensation and non-monetary compensation, the ratio of basic compensation (fixed compensation) shall decrease the higher the position, and the ratios of bonus (performance-linked compensation) and stock-based compensation (non-monetary compensation) shall increase the higher the position. In the case of standard performance, the composition of compensation for Directors who are not Audit and Supervisory Committee Members (excluding Outside Directors) is generally as follows: base compensation 58-68%, bonuses 26-20%, and stock-based compensation 16-12%.

The timing for payment of compensation, etc. for Directors who are not Audit and Supervisory Committee Members shall be monthly for basic compensation and once a year for bonuses and stock-based compensation (for Directors who are not Outside Directors).

The Board of Directors refers the Decision Policy to the Nomination and Compensation Committee (the majority of whose members are Outside Directors) for deliberation, and determines it after receiving the report of the Nomination and Compensation Committee.

When determining the amounts of compensation for individual Directors who are not Audit and Supervisory Committee Members, the Nomination and Compensation Committee (the majority of whose members are Outside Directors) considers the matter from a variety of perspectives, including compatibility with the Decision Policy. The Representative Director and President, delegated authority by the Board of Directors, calculates these amounts in accordance with the results of deliberation reported by the Nomination and Compensation Committee (the majority of whose members are Outside Directors), and the Company therefore considers that they conform to the Decision Policy.

Fixed compensation (base compensation) for individual Directors who are Audit and Supervisory Committee Members is determined through discussion between Directors who are Audit and Supervisory Committee Members, and performance-linked compensation (bonuses) and non-monetary compensation (stock-based compensation) are not paid to them.

ii. Matters concerning resolutions by General Meetings of Shareholders on compensation for Directors

The date of the resolution of the shareholders' meeting concerning compensation, etc. for Directors who are not Audit and Supervisory Committee Members of the Company was June 23, 2022. The resolution established a maximum amount of compensation, including bonuses, for Directors who are not Audit and Supervisory Committee Members of 300 million yen per annum (including a maximum amount of 40 million yen per annum for Outside Directors). Nine Directors who are not Audit and Supervisory Committee Members (including four Outside Directors) are subject to this rule. The amount of compensation, etc. for Directors who are not Audit and Supervisory Committee Members does not include compensation received in the capacity of an employee, for Directors who serve concurrently as employees.

The date of the resolution of the shareholders' meeting concerning the payment of compensation for the allotment of restricted shares was June 23, 2022. The shareholders' meeting resolved to pay monetary compensation receivables for the allotment of restricted shares to Directors who are not Audit and Supervisory Committee Members (excluding Outside Directors) in an amount not exceeding 45 million yen per annum, separate from the compensation limit for Directors who are not Audit and Supervisory Committee Members of 300 million yen per annum. Under this resolution, the maximum total number of common shares to be issued or disposed of is 26 thousand shares per annum. Five Directors who are not Audit and Supervisory Committee Members (excluding Outside Directors) are subject to this rule. Restricted shares are also allotted to Executive Officers of the Company.

The date of the resolution of the shareholders' meeting concerning compensation for Directors who are Audit and Supervisory Committee Members of the Company was June 23, 2022. The resolution established a maximum amount of compensation for Directors who are Audit and Supervisory Committee Members of 60 million yen per annum. Four Directors who are Audit and Supervisory Committee Members are subject to this rule.

iii. Matters concerning the delegation of decisions on compensation, etc. for individual Directors who are not Audit and Supervisory Committee Members

When determining the amounts of compensation for Directors who are not Audit and Supervisory Committee Members, the Company, at the meeting of the Board of Directors held after the Annual Shareholders' Meeting, delegates the determination of the amounts of compensation, bonuses, and stock-based compensation for individual Directors for the relevant fiscal year to the Representative

Director and President Tomoaki Kitamura, within the annual compensation limits approved at the shareholders' meeting.

The reason for delegating this authority to the Representative Director and President is because he has the most thorough understanding of aspects such as the Company's business environment and condition, and is able to determine the amounts of compensation for individual Directors from a comprehensive perspective. Furthermore, the Company considers that this delegation of authority contributes to the flexible and agile determination of compensation amounts.

Measures are in place to ensure that the individual amounts of compensation are not determined arbitrarily, and this authority is appropriately exercised, with the Representative Director and President determining these amounts in accordance with the results of deliberation reported by the Nomination and Compensation Committee (the majority of whose members are Outside Directors).

iv. Matters concerning performance-linked compensation

The indicators for performance-linked compensation comprise consolidated ordinary profit, as an indicator that ensures a healthy medium-term earnings structure across the entire Group, as well as the publicly announced performance forecasts (consolidated net sales, profit attributable to owners of parent, EBITDA, and ROE), as indicators associated with short-term business growth and the enhancement of corporate value. Moreover, the Company uses the targets of the medium-term management plan (consolidated net sales, EBITDA, growth investment, ROE) as financial indicators associated with medium-term enhancement of corporate value and non-financial indicators (employee engagement score, ratio of female managers) as sustainability indicators. The Company has established internal rules on how to determine the amount of performance-linked compensation.

Performance indicators as the basis for calculation of the amount of bonus
(calculated by comparing the standard amount against the consolidated ordinary profit in the fiscal year in which the bonus is to be paid, multiplying the growth rate by the amount of the performance-linked standard)

Financial/non-financial	Performance indicator	Standard amount	Result
Financial indicator	Consolidated ordinary profit	10.0 billion yen	16.94 billion yen

Indicators associated with short-term enhancement of corporate value
(assessed each year and reflected in bonuses and stock-based compensation)

Financial/non-financial	Performance indicators	Weight	Targets	Results
Financial indicators	Consolidated net sales	40%	135.0 billion yen	135.21 billion yen
	Profit attributable to owners of parent	15%	10.9 billion yen	11.64 billion yen
	EBITDA	15%	16.7 billion yen	17.79 billion yen
	ROE	30%	18.3%	19.1%

v. Content of non-monetary compensation

In order to provide an incentive to Directors who are not Audit and Supervisory Committee Members of the Company (excluding Outside Directors) to sustainably enhance the Company's corporate value and further promote the sharing of value with shareholders, the Company has introduced a restricted stock compensation plan as non-monetary compensation. An overview of the plan is shown below.

[Recipients]
Directors who are not Audit and Supervisory Committee Members (excluding Outside Directors)
[Transfer restriction period]
30 years from the payment date (transfer restrictions removed upon retirement)
[Total amount of monetary compensation receivables]
Within 45 million yen per annum
[Maximum number of shares of common stock to be issued or disposed of]
Within 26,000 shares per annum

The standard amount used to calculate non-monetary compensation is predetermined based on position, but is revised annually based on factors such as corporate value (share price) and the degree of achievement of medium-term plans.

A similar restricted stock compensation plan has been introduced for Executive Officers of the Company.

Indicators associated with medium-term enhancement of corporate value
(assessed after the final year of the medium-term management plan and reflected in stock-based compensation)

Financial/non-financial	Performance indicators	Weight	Targets
Financial indicators	Consolidated net sales	20%	160.0 billion yen or higher
	EBITDA	20%	20.0 billion yen or higher
	Growth investment (cumulative total for three years)	15%	32.5 billion yen
	ROE	15%	18% or higher
Non-financial indicators	Employee engagement score	15%	55 or higher
	Ratio of female managers	15%	8.5% or higher

Indicators associated with long-term enhancement of corporate value
(assessed every year and reflected in stock-based compensation)

Performance indicator	Results (FY2025)		Assessment coefficient (Company's TSR compared with TOPIX growth rate including dividends)
	The Company's TSR	TOPIX growth rate including dividends	
The Company's TSR (compared with TOPIX growth rate)	106.53%	134.65%	79.1%

vi Total amounts of compensation, etc. for Directors for the fiscal year under review

Category	Total amount of compensation, etc. (Millions of yen)	Amount of compensation, etc. by type (Millions of yen)			Number of eligible officers (persons)
		Fixed compensation	Performance-linked compensation, etc.	Non-monetary compensation, etc.	
Directors who are not Audit and Supervisory Committee Members (Of whom Outside Directors)	171 (21)	109 (21)	42 (–)	20 (–)	8 (4)
Directors who are Audit and Supervisory Committee Members (Of whom Outside Directors)	39 (21)	39 (21)	– (–)	– (–)	5 (3)

(Notes) 1. The amount of compensation, etc. for Directors does not include compensation received in the capacity of an employee, for Directors who serve concurrently as employees.
2. Non-monetary compensation, etc. above is the amount of expense recorded for restricted stock compensation for four Directors (excluding Outside Directors) in the fiscal year under review.
3. The above table includes two Directors and one Director (who is an Audit and Supervisory Committee Member) who retired from office at the conclusion of the 53rd Annual General Meeting of Shareholders held on June 24, 2025.

2) Compensation for Directors from the fiscal year ending March 31, 2027

At the Board of Directors meeting held on March 26, 2026, the Company resolved to revise the basic policy on compensation for officers ("Policy for Determining Individual Compensation, etc. for Directors"). The policy for determining the amount of compensation, etc. for Directors who are not Audit and Supervisory Committee Members or the method of calculation thereof is as follows. This policy shall apply to officer compensation for the fiscal year ending March 31, 2027 and thereafter.

i. Matters concerning to policy for determining individual compensation, etc. for Directors who are not Audit and Supervisory Committee Members

At the Board of Directors meeting held on March 26, 2026, the Company resolved on the policy to determine the details of compensation, etc. for individual Directors who are not Audit and Supervisory Committee Members (hereinafter referred to as the "Decision Policy"), based on the results of deliberation by the Nomination and Compensation Committee.

Compensation, etc. for Directors who are not Audit and Supervisory Committee Members (excluding Outside Directors) consists of fixed compensation, performance-linked compensation determined upon comprehensive consideration of the Company's and individual performance, and non-monetary compensation. Compensation for Outside Directors (excluding Directors who are Audit and Supervisory Committee Members) consists of fixed compensation only.

The amount of compensation or the method of calculation thereof is as follows.

a. Fixed compensation shall be determined based on the responsibilities associated with each position.

b. Performance-linked compensation shall be paid as a bonus, and shall be determined by multiplying the standard amount predetermined in accordance with position by a coefficient. In calculating the coefficient, the performance evaluation allocation ratio shall be determined for the Company's performance and individual performance, including the performance of the organization under the Director's responsibility. For Director and President, only the Company's performance shall be reflected. For Directors who are Senior Managing Executive Officers or Managing Executive Officers, the Company's performance shall account for 70% and individual performance shall account for 30%. Financial indicators are set as indicators of the Company's performance from the perspectives of profitability and growth. However, in the event that business performance deteriorates significantly, this compensation may not be paid.

c. Non-monetary compensation shall be paid as stock-based compensation, in the form of restricted shares, and shall be determined by multiplying the standard amount predetermined in accordance with position by a coefficient. The coefficient shall be calculated according to the degree of achievement of indicators that reflect the share price during the period of the medium-term management plan and the degree of achievement of the targets of the medium-term management plan, in order to encourage officers' commitment to management and business execution with a view to achieving the medium-term management plan.

When determining the payment ratios of fixed compensation, performance-linked compensation and non-monetary compensation, the ratio of basic compensation (fixed compensation) shall decrease the higher the position, and the ratios of bonus (performance-linked compensation) and stock-based compensation (non-monetary compensation) shall increase the higher the position. In the case of standard performance, the composition of compensation for Directors who are not Audit and Supervisory Committee Members (excluding Outside Directors) is generally as follows: for Director and President, fixed compensation 50%, bonuses 35%, and stock-based compensation 15%; and for Directors who are Senior Managing Executive Officers or Managing Executive Officers, fixed compensation 55%, bonuses 31.5%, and stock-based compensation 13.5%.

The timing for payment of compensation, etc. for Directors who are not Audit and Supervisory Committee Members shall be monthly for basic compensation and once a year for bonuses and stock-based compensation (for Directors who are not Outside Directors).

The Board of Directors refers the Decision Policy to the Nomination and Compensation Committee (the majority of whose members are Outside Directors) for deliberation, and determines it after receiving the report of the Nomination and Compensation Committee.

When determining the amounts of compensation for individual Directors who are not Audit and Supervisory Committee Members, the Nomination and Compensation Committee (the majority of whose members are Outside Directors) considers the matter from a variety of perspectives, including compatibility with the Decision Policy. The Representative Director and President, delegated authority by the Board of Directors, calculates these amounts in accordance with the results of deliberation reported by the Nomination and Compensation Committee (the majority of whose members are Outside Directors), and the Company therefore considers that they conform to the Decision Policy.

Fixed compensation (base compensation) for individual Directors who are Audit and Supervisory Committee Members is determined through discussion between Directors who are Audit and Supervisory Committee Members, and performance-linked compensation (bonuses) and non-monetary compensation (stock-based compensation) are not paid to them.

ii. Matters concerning resolutions by General Meetings of Shareholders on compensation for Directors

The date of the resolution of the shareholders' meeting concerning compensation, etc. for Directors who are not Audit and Supervisory Committee Members of the Company was June 23, 2022. The resolution established a maximum amount of compensation, including bonuses, for Directors who are not Audit and Supervisory Committee Members of 300 million yen per annum (including a maximum amount of 40 million yen per annum for Outside Directors). Nine Directors who are not Audit and Supervisory Committee Members (including four Outside Directors) are subject to this rule. The amount of compensation, etc. for Directors who are not Audit and Supervisory Committee Members does not include compensation received in the capacity of an employee, for Directors who serve concurrently as employees.

The date of the resolution of the shareholders' meeting concerning the payment of compensation for the allotment of restricted shares was June 23, 2022. The shareholders' meeting resolved to pay monetary compensation receivables for the allotment of restricted shares to Directors who are not Audit and Supervisory Committee Members (excluding Outside Directors) in an amount not exceeding 45 million yen per annum, separate from the compensation limit for Directors who are not Audit and Supervisory Committee Members of 300 million yen per annum. Under this resolution, the maximum total number of common shares to be issued or disposed of is 104 thousand shares per annum (after the stock split). Five Directors who are not Audit and Supervisory Committee Members (excluding Outside Directors) are subject to this rule. Restricted shares are also allotted to Executive Officers of the Company.

The date of the resolution of the shareholders' meeting concerning compensation for Directors who are Audit and Supervisory Committee Members of the Company was June 23, 2022. The resolution established a maximum amount of compensation for Directors who are Audit and Supervisory Committee Members of 60 million yen per annum. Four Directors who are Audit and Supervisory Committee Members are subject to this rule.

iii. Matters concerning the delegation of decisions on compensation, etc. for individual Directors who are not Audit and Supervisory Committee Members

When determining the amounts of compensation for Directors who are not Audit and Supervisory Committee Members, the Company, at the meeting of the Board of Directors held after the Annual Shareholders' Meeting, delegates the determination of the amounts of compensation, bonuses, and stock-based compensation for individual Directors for the relevant fiscal year to the Representative Director and President Tomoaki Kitamura, within the annual compensation limits approved at the shareholders' meeting.

The reason for delegating this authority to the Representative Director and President is because he has the most thorough understanding of aspects such as the Company's business environment and condition, and is able to determine the amounts of compensation for individual Directors from a comprehensive perspective. Furthermore, the Company considers that this delegation of authority contributes to the flexible and agile determination of compensation amounts.

Measures are in place to ensure that the individual amounts of compensation are not determined arbitrarily, and this authority is appropriately exercised, with the Representative Director and President determining these amounts in accordance with the results of deliberation reported by the Nomination and Compensation Committee (the majority of whose members are Outside Directors).

iv. Matters concerning performance-linked compensation

The indicators for performance-linked compensation are the publicly announced performance forecasts (profit attributable to owners of parent, EBITDA, and consolidated net sales), which are adopted as indicators related to short-term business growth and enhancement of corporate value by ensuring a sound earnings structure through the united efforts of the Group. The Company has established internal rules on how to determine the amount of performance-linked compensation.

Performance indicators for calculation of the amount of bonus
(assessed each year and reflected in bonuses)

Financial/non-financial	Performance indicators	Weight	Targets
Financial indicators	Profit attributable to owners of parent	25%	11.7 billion yen
	EBITDA	25%	18.3 billion yen
	Consolidated net sales	50%	142.0 billion yen

v. Content of non-monetary compensation

In order to provide an incentive to Directors who are not Audit and Supervisory Committee Members of the Company (excluding Outside Directors) to sustainably enhance the Company's corporate value and further promote the sharing of value with shareholders, the Company has introduced a restricted stock compensation plan as non-monetary compensation. An overview of the plan is shown below.

[Recipients]
Directors who are not Audit and Supervisory Committee Members (excluding Outside Directors)
[Transfer restriction period]
30 years from the payment date (transfer restrictions removed upon retirement)
[Total amount of monetary compensation receivables]
Within 45 million yen per annum
[Maximum number of shares of common stock to be issued or disposed of]
Within 104,000 shares per annum
*The Company conducted a 4-for-1 stock split of common shares effective October 1, 2025, and the number of shares listed above is the number of shares after the stock split.

The standard amount used to calculate non-monetary compensation is predetermined based on position, but is revised annually based on factors such as corporate value (share price) and the degree of achievement of medium-term plans.

A similar restricted stock compensation plan has been introduced for Executive Officers of the Company.

Performance indicators associated with medium- and long-term enhancement of corporate value (assessed after the final year of the medium-term management plan and reflected in stock-based compensation)

Financial/non-financial	Performance indicators	Weight	Targets
Financial indicators	EBITDA margin	20%	12.5%
	Consolidated net sales	20%	160.0 billion yen or higher
	ROE	20%	18% or higher
	Productivity (operating profit per employee)	20%	3.2 million yen or higher
Non-financial indicators	Ratio of female managers	10%	8.5% or higher
	Ratio of female Directors	10%	20% or higher
Total		100% (converted to 80%)	

(assessed every year and reflected in stock-based compensation)

Performance indicator	Calculation formula	Weight
The Company's TSR (compared with TOPIX growth rate)	Relative TSR: A value calculated by dividing the Company's total shareholder return (TSR) for the evaluation period by the growth rate of the Tokyo Stock Price Index (TOPIX growth rate including dividends) for the same period.	20%

(Note) The Company's TSR and the TOPIX growth rate including dividends used for performance evaluation are the TSR and growth rate for the one-year period starting from the end of the previous fiscal year.

(5) Matters Concerning Outside Officers

1) Significant concurrent positions and relationship with the Company (as of March 31, 2026)

i. Significant concurrent service as an executive officer of another company, etc., and the relationship between the Company and the company where this position is held

Director who is not an Audit and Supervisory Committee Member Yumiko Masuda serves as Representative Director of Consumer Voice Research Institute, Limited. However, the Company has no business relationship with said company.

Director who is not an Audit and Supervisory Committee Member, Shigeo Kizaki, serves as Representative Director of Kizaki Enterprise, Ltd. However, the Company has no business relationship with said company.

Director who is an Audit and Supervisory Committee Member Taeko Ishii serves as Deputy Director of Ota Ishii Law Office. However, the Company has no business relationship with said office.

Director who is an Audit and Supervisory Committee Member Nobuyasu Iimuro serves as President, Nobuyasu Iimuro Certified Public Accountant Office. However, the Company has no business relationship with said office.

ii. Significant concurrent service as an outside officer of another company, etc., and the relationship between the Company and the company where this position is held

Director who is not an Audit and Supervisory Committee Member Yumiko Masuda serves as Outside Director of NITTAN Corporation and K&O Energy Group Inc. However, the Company has no business relationship with said companies.

Director who is not an Audit and Supervisory Committee Member, Shigeo Kizaki, serves as External Director of Billing System Corporation. However, the Company has no business relationship with said company.

Director who is an Audit and Supervisory Committee Member Taeko Ishii serves as Outside Corporate Auditor of Furusato Service Co., Ltd. and Outside Audit & Supervisory Board Member of Dai Nippon Printing Co., Ltd. The Company has no business relationship with Furusato Service Co., Ltd. The Company has business relationship including systems development with Dai Nippon Printing Co., Ltd. She also serves as Outside Director of Sumitomo Metal Mining Co., Ltd. However, the Company has no business relationship with said company.

2) Main activities during the fiscal year under review

Position and name	Board of Directors meetings	Audit and Supervisory Committee meetings	Main activities (Status of statements at Board of Directors Meetings and expected roles, etc.)
	Number of meetings attended (Attendance rate)	Number of meetings attended (Attendance rate)	
Director Shinichi Yamada	15/15 (100%)	– (–)	In addition to offering comments and remarks at Board of Directors meetings, mainly from the perspective of his abundant experience regarding industry trends and corporate management in the IT industry, he contributed to effective supervision of the execution of duties. In this way, he fulfilled the roles expected of an outside officer.
Director Yumiko Masuda	14/15 (93%)	– (–)	In addition to offering comments and remarks at Board of Directors meetings, mainly from the perspective of her expertise in consumer- and customer-oriented management and customer relations, and abundant experience and a high level of insight regarding diversity & inclusion, she contributed to effective supervision of the execution of duties. In this way, she fulfilled the roles expected of an outside officer.
Director Shigeo Kizaki	12/12 (100%)*	– (–)	In addition to offering comments and remarks at Board of Directors meetings, mainly drawing on his abundant experience in consulting business and corporate management, he contributed to the effective supervision of the execution of duties. In this way, he fulfilled the roles expected of an outside officer.
Director (Audit and Supervisory Committee Member) Taeko Ishii	15/15 (100%)	11/11 (100%)	In addition to offering comments and remarks at Board of Directors meetings, mainly based on her specialized perspective and high-level insight as an attorney, she contributed to the audit of the Company. At Audit and Supervisory Committee meetings, she conducted audits and provided advice based on such experience and knowledge. In this way, she fulfilled the roles expected of an outside officer.
Director (Audit and Supervisory Committee Member) Nobuyasu Iimuro	15/15 (100%)	11/11 (100%)	In addition to offering comments and remarks at Board of Directors meetings, mainly based on his specialized perspective and high-level insight as a certified public accountant, he contributed to the audit of the Company. At Audit and Supervisory Committee meetings, he conducted audits and provided advice based on such experience and knowledge. In this way, he fulfilled the roles expected of an outside officer.
Director (Audit and Supervisory Committee Member) Hiroshi Ohno	15/15 (100%)	11/11 (100%)	In addition to offering comments and remarks at Board of Directors meetings, mainly based on his specialized perspective and high-level insight as a senior manager of a trust bank, he contributed to the audit of the Company. At Audit and Supervisory Committee meetings, he conducted audits and provided advice based on such experience and knowledge. In this way, he fulfilled the roles expected of an outside officer.

(Note) As Mr. Shigeo Kizaki assumed office of Director on June 24, 2025, attendance at the Board of Directors meetings held after his assumption of office (12 Board of Directors meetings) and the attendance rates are indicated.

4. Accounting Auditor

(1) Name of Accounting Auditor

Ernst & Young ShinNihon LLC

(2) Compensation, etc. for the Accounting Auditor

Type of compensation	Amount
1) Amount of compensation, etc. for the fiscal year under review	64 million yen
2) Total amount of monetary and other financial benefits payable by the Company and its subsidiaries	64 million yen

(Notes) 1. The Company's Audit and Supervisory Committee has checked trends in the time taken and audit fees for each audit item, as well as the audit plan and its implementation results in the previous fiscal year, and examined the appropriateness of the estimated audit times and fees for the fiscal year under review, based on the Practical Guidelines for Cooperation with Accounting Auditors published by the Japan Audit & Supervisory Board Members Association. As a result, it has given its consent to compensation for the Accounting Auditor as prescribed in Article 399, Paragraph 1 of the Companies Act.

2. The audit contract between the Company and the Accounting Auditor does not distinguish between the amounts of audit fees for audit based on the Companies Act and audit based on the Financial Instruments and Exchange Act. The amount shown in 1) above therefore includes compensation, etc. for the Accounting Auditor based on the Financial Instruments and Exchange Act.

3. In addition to the above, the Company paid an additional fee of 9 million yen for the audit of the previous fiscal year.

(3) Details of Non-Audit Services

None.

(4) Policy Regarding Decisions on the Dismissal and Non-reappointment of the Accounting Auditor

If any of the causes listed in Article 340, Paragraph 1 of the Companies Act is applicable to the Accounting Auditor, the Audit and Supervisory Committee will dismiss the Accounting Auditor with the consent of all Audit and Supervisory Committee Members. In this event, an Audit and Supervisory Committee Member selected by the Audit and Supervisory Committee will report on the dismissal of the Accounting Auditor and the reason for the dismissal at the first shareholders' meeting held after the dismissal.

The Audit and Supervisory Committee may also decide, by resolution, on the content of proposals concerning the dismissal or non-reappointment of the Accounting Auditor where deemed necessary in other cases, based on factors such as the independence of the Accounting Auditor or the status of its execution of duties. Based on this decision, the Board of Directors will submit this proposal to the shareholders' meeting.

5. Status of Corporate Governance

(1) Basic Views on Corporate Governance

The Company recognizes corporate governance as one of the most important management issues. The Company has established the following basic policy and is working aggressively to develop corporate governance and internal control systems in order to ensure fair and efficient shareholder-oriented management, establish highly transparent management, continuously improve corporate value, and build relationships of trust with our stakeholders.

<Basic Policy>

1) Ensuring shareholder rights and equality

- We provide shareholders with the necessary information to enable them to exercise their rights in a timely and accurate manner, and strive to create an environment for exercising voting rights.
- When shareholders attempt to exercise their rights, the Company responds in good faith in accordance with laws.

2) Cooperating appropriately with stakeholders other than shareholders

- We commit to fulfilling our obligations and responsibilities to various stakeholders through the practice of our corporate philosophy, credos, code of conduct, and other relevant policies, and to building even stronger relationships of trust with them.

3) Ensuring appropriate information disclosure and transparency

- We strive to enhance trust in the market by proactively disclosing information to shareholders and investors at the right time.
- We aim to realize transparent management by communicating smoothly with stakeholders through information disclosure.

4) Responsibilities of the Board of Directors, etc.

- We set goals for enhancing long-term corporate value based on our corporate philosophy and determine the direction of the Company that will give concrete shape to the strategies and measures designed to achieve those goals.
- We continue to appoint Outside Directors to maintain and further improve the supervisory function of Directors in the execution of their duties.

5) Dialogue with shareholders

- We seek to communicate constructively with shareholders and investors by actively providing them with information relating to the Company's financial conditions, progress on initiatives, and other similar matters not only at the shareholders' meeting but also at financial results presentation meetings and other IR activities.

(2) Overview of the Corporate Governance System

The Company has adopted the system of a company with an Audit and Supervisory Committee in order to expedite decision-making and further enhance discussion at the Board of Directors, as well as to strengthen the supervisory functions of the Board of Directors and further reinforce corporate governance by having the Audit and Supervisory Committee Members responsible for auditing the execution of duties by Directors as members of the Board of Directors.

<Board of Directors>

Of the 10 members of the Company's Board of Directors, six members, the majority of the members, have been elected as Outside Directors, two of whom are female Directors. The names of the members of the Board of Directors are as stated in "Company Officers (1) Directors and Auditors" in the Business Report, and the Board of Directors is chaired by the Representative Director and President.

The Outside Directors play key roles particularly in relation to strengthening our management function based on the knowledge and experience acquired in their respective fields and strengthening the supervisory function of the Board's business execution. The Outside Directors who are members of the Nomination and Compensation Committee are appropriately involved in the Committee by reporting to the Board of Directors in determining the compensation of officers and in nominating candidates for Director.

The Company ensures that elected Directors, including elected Outside Directors, are persons who are well-versed on the industry in which the Company operates, the Company's business, corporate function, etc. and have a considerable degree of knowledge, experience, and skills, etc. regarding corporate management. The Company believes that each of the current Directors has the background to be expected to address major management issues and makes decisions quickly and decisively, and that the Board of Directors has a well-balanced composition in view of the Company's business size, business type, etc.

The Company has a policy to elect Director candidates based on a comprehensive review from the perspective of their respective knowledge, accurate decision-making and supervision, and expectations for improving corporate value over the medium to long term.

The Board of Directors, in accordance with the internal regulations, makes decisions on basic policies regarding the Company's corporate management, important matters regarding the Company's corporate management and business execution, matters authorized by a resolution of General Meetings of Shareholders, and other matters stipulated in laws and regulations and the Company's Articles of Incorporation. The Board of Directors also receives reports on matters stipulated in laws and regulations, the status of the Company's important business execution, etc.

<Audit and Supervisory Committee>

The Audit and Supervisory Committee has four members, including three Outside Directors, one of whom is a female Director. The names of the members of the Audit and Supervisory Committee are as stated in "Company Officers (1) Directors and Auditors" in the Business Report, and the Audit and Supervisory Committee is chaired by an Outside Director.

Outside Directors each play an important role in establishing an objective and fair audit system. The Company seeks to strengthen management accountability and improve management transparency by appointing Outside Directors. The Company believes that it has an appropriate system in place for securing the trust of shareholders, investors, and other stakeholders.

The Audit and Supervisory Committee, in accordance with the audit policy and audit plans, audits Directors' execution of their duties by regularly exchanging opinions with the Representative Directors, attending meetings of the Board of Directors and other important meetings including of meetings of various Committees, etc., collaborating with the Accounting Auditor and the Internal Audit Office, and examining the status of the operations and assets, etc.

<Nomination and Compensation Committee>

The Nomination and Compensation Committee has four members, including the Representative Director and President and three Outside Directors, and the Nomination and Compensation Committee is chaired by an Outside Director.

The Nomination and Compensation Committee is asked by the Board of Directors to provide advice regarding the determination of the compensation for Directors (excluding Directors who are Audit and Supervisory Committee Members) and the nomination of candidates for Directors. The Nomination and Compensation Committee then deliberates appropriately, with Outside Directors playing a leading role, and reports back to the Board of Directors.

The Board of Directors makes decisions on the compensation for Directors (excluding Directors who are Audit and Supervisory Committee Members) and the nomination of candidates for Directors by paying the maximum possible attention to the reports from the Nomination and Compensation Committee.

<Executive officer system and Management Council>

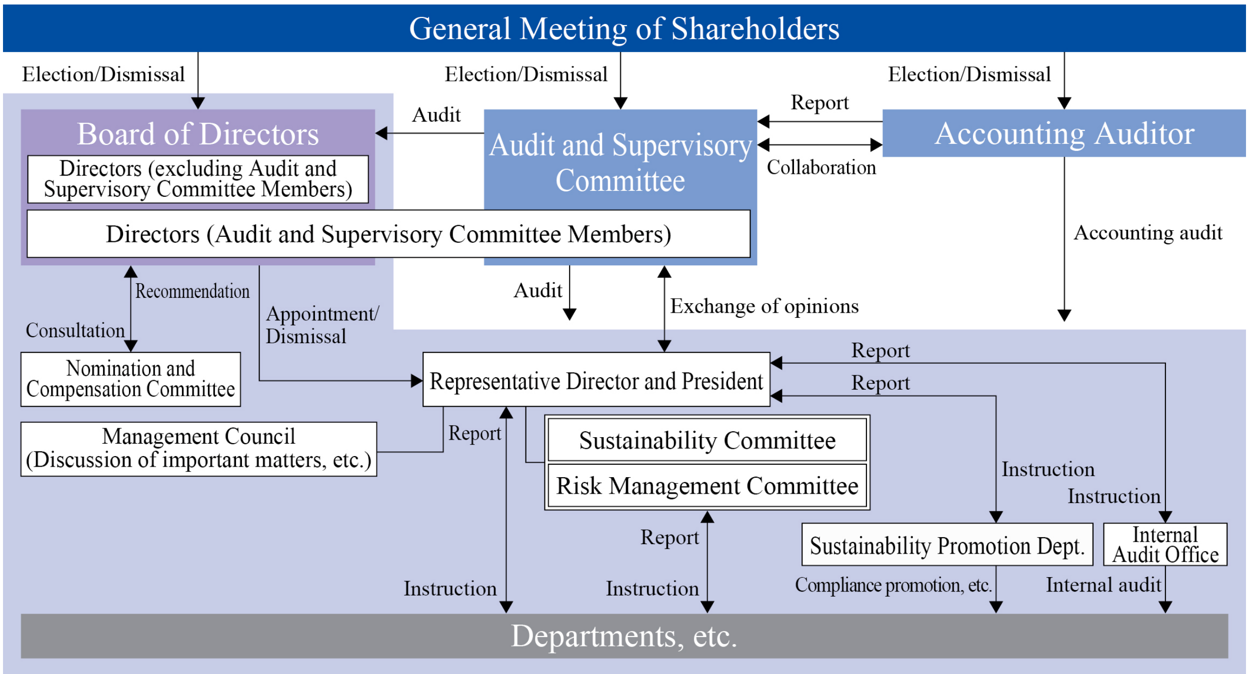
The Company has 15 Executive Officers (two of whom serve concurrently as Directors). This system enables us to separate the supervisory functions of Board of Directors' decision-making and business execution from the Company's business execution functions and to establish a management system that facilitates prompt and appropriate business execution. In addition, the Company has established the Management Council, which is chaired by the Representative Director and President and mainly consists of Directors and Executive Officers, to serve as an organization for the Representative Director and President to discuss policies and plans for business execution and other important matters.

<Risk Management Committee>

The Company has established a Risk Management Committee, which is chaired by the Representative Director and President and mainly consists of Directors and Executive Officers, to appropriately manage various risks. The Committee regularly assesses risks and strives to identify and grasp problems, formulates and promotes risk response planning, and monitors the organization for risks.

<Sustainability Committee>

The Company has established a Sustainability Committee, which is chaired by the Representative Director and President and mainly consists of Directors and Executive Officers, and operates under the supervision of the Board of Directors. The Sustainability Committee formulates policies, targets and action plans for the Company's initiatives to address social issues such as those related to the environment and human resources, manages and assesses the progress against the targets, deliberates on individual measures, and regularly reports and makes recommendations to the Board of Directors.



(As of April 1, 2026)

(3) Evaluation of the Effectiveness of the Board of Directors

The Company has been analyzing and evaluating the effectiveness of the Board of Directors since fiscal 2018 with the aim of improving the functions of the Board and enhancing corporate value. The outline of that analysis is as follows:

1) Method of implementation

Implementation period: November to December 2025

Evaluation method: Self-evaluation by all officers (including Audit and Supervisory Committee Members) (10 Directors including six Outside Directors)

Key interview topics:

Operation of the Board of Directors; Composition, roles and functions of the Board; Matters discussed by the Board; Support provided to Directors; Operation of the Audit and Supervisory Committee; Operation of the Nomination and Compensation Committee; Gathering opinions on discussion topics related to corporate governance

2) Initiatives based on the evaluation results for the previous fiscal year, etc.

In the previous fiscal year, the Company implemented the following initiatives to further improve the effectiveness of the Board of Directors:

- Regularly monitored the progress of the Medium-Term Management Plan starting in FY2025 through Board of Directors meetings.
- Increased opportunities to share information, such as updates on on-site initiatives, and strengthened support for Outside Directors.

3) Evaluation results

The evaluation results were positive across all officers, with comments such as “the size of the Board and the balance between inside and outside directors are appropriate, and diversity is also ensured;” “the Board was able to engage in substantive deliberations on the next Medium-Term Management Plan;” and “it was very valuable for Outside Directors to have opportunities to hear directly from on-site employees about the Company’s business conditions.” Based on this, we recognize that the effectiveness of the Company’s Board of Directors is being appropriately maintained.

4) Actions based on evaluation results, etc.

The Company has decided to promote the following initiatives to further improve the effectiveness of the Board of Directors:

- To continue regularly monitoring the progress of the Medium-Term Management Plan through Board of Directors meetings.
- To continue providing opportunities to share information, such as updates on on-site initiatives, and supporting Outside Directors.

Consolidated Financial Statements

Consolidated Balance Sheet

(As of March 31, 2026)

(Millions of yen)

Account item	(Reference) 53rd fiscal year (As of March 31, 2025)	(Fiscal year under review) 54th fiscal year (As of March 31, 2026)	Account item	(Reference) 53rd fiscal year (As of March 31, 2025)	(Fiscal year under review) 54th fiscal year (As of March 31, 2026)
(Assets)			**(Liabilities)**		
Current assets	**57,798**	**61,422**	**Current liabilities**	**20,445**	**19,634**
Cash and deposits	29,922	29,775	Accounts payable - trade	7,566	6,804
Notes and accounts receivable - trade, and contract assets	23,847	27,729	Accounts payable - other	2,071	1,770
Securities	596	791	Income taxes payable	3,160	3,087
Merchandise and finished goods	1,130	1,033	Provision for bonuses	3,754	3,224
Work in process	368	169	Provision for bonuses for directors (and other officers)	72	91
Raw materials and supplies	86	76	Provision for loss on orders received	27	561
Other	1,869	1,864	Other	3,792	4,094
Allowance for doubtful accounts	(22)	(18)	**Non-current liabilities**	**596**	**922**
Non-current assets	**22,588**	**23,826**	Retirement benefit liability	254	239
Property, plant and equipment	**4,335**	**4,642**	Other	341	683
Buildings and structures	1,417	1,599	**Total liabilities**	**21,042**	**20,556**
Land	2,285	2,254	**(Net assets)**		
Other	633	788	**Shareholders' equity**	**55,255**	**59,133**
Intangible assets	**5,900**	**5,482**	**Share capital**	**6,113**	**6,113**
Goodwill	4,988	4,578	**Capital surplus**	**4,992**	**4,992**
Software	900	882	**Retained earnings**	**48,562**	**52,674**
Other	10	21	**Treasury shares**	**(4,412)**	**(4,645)**
Investments and other assets	**12,353**	**13,700**	**Accumulated other comprehensive income**	**2,805**	**4,379**
Investment securities	7,447	8,707	**Valuation difference on available-for-sale securities**	**1,726**	**3,004**
Retirement benefit asset	792	1,502	**Foreign currency translation adjustment**	**263**	**243**
Deferred tax assets	1,528	713	**Remeasurements of defined benefit plans**	**816**	**1,130**
Other	2,591	2,784	**Non-controlling interests**	**1,283**	**1,178**
Allowance for doubtful accounts	(6)	(7)	**Total net assets**	**59,344**	**64,691**
Total assets	**80,387**	**85,248**	**Total liabilities and net assets**	**80,387**	**85,248**

Consolidated Statement of Income

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

(Millions of yen)

Account item	(Reference) 53rd fiscal year (April 1, 2024 to March 31, 2025)		(Fiscal year under review) 54th fiscal year (April 1, 2025 to March 31, 2026)	
Net sales		**125,908**		**135,213**
Cost of sales		**97,538**		**105,537**
Gross profit		**28,370**		**29,676**
Selling, general, and administrative expenses		**13,880**		**13,241**
Operating profit		**14,489**		**16,434**
Non-operating income				
Interest income	111		125	
Dividend income	112		127	
Foreign exchange gains	－		106	
Gain on investments in investment partnerships	570		－	
Other	244	1,039	298	658
Non-operating expenses				
Interest expenses	6		5	
Loss on investments in investment partnerships	－		139	
Commission for purchase of treasury shares	16		3	
Foreign exchange losses	35		－	
Other	13	71	3	152
Ordinary profit		**15,457**		**16,940**
Extraordinary income				
Gain on sale of non-current assets	6		13	
Gain on sale of investment securities	－	6	67	80
Extraordinary losses				
Loss on sale of non-current assets	－		0	
Impairment losses	249		－	
Loss on retirement of non-current assets	24		5	
Loss on valuation of investment securities	47		－	
Loss on sale of shares of subsidiaries and associates	－		129	
Office relocation expenses	11	332	－	135
Profit before income taxes		**15,131**		**16,885**
Income taxes - current	4,551		5,076	
Income taxes - deferred	(89)	4,462	96	5,172
Profit		**10,669**		**11,712**
Profit attributable to non-controlling interests		34		67
Profit attributable to owners of parent		**10,635**		**11,644**

Non-consolidated Financial Statements

Non-consolidated Balance Sheet

(As of March 31, 2026)

(Millions of yen)

Account item	(Reference) 53rd fiscal year (As of March 31, 2025)	(Fiscal year under review) 54th fiscal year (As of March 31, 2026)	Account item	(Reference) 53rd fiscal year (As of March 31, 2025)	(Fiscal year under review) 54th fiscal year (As of March 31, 2026)
(Assets)			**(Liabilities)**		
Current assets	**33,334**	**35,640**	**Current liabilities**	**12,853**	**12,438**
Cash and deposits	14,940	14,267	Accounts payable - trade	4,783	4,530
Notes and accounts receivable - trade, and contract assets	16,161	19,988	Accounts payable - other	1,292	1,065
Securities	497	398	Accrued expenses	410	326
Merchandise	568	65	Income taxes payable	2,335	2,221
Work in process	183	—	Contract liabilities	210	188
Supplies	7	7	Deposits received	115	116
Advance payments to suppliers	137	64	Provision for bonuses	2,593	2,026
Prepaid expenses	579	680	Provision for bonuses for directors (and other officers)	39	53
Other	262	171	Provision for loss on orders received	—	510
Allowance for doubtful accounts	(3)	(3)	Other	1,071	1,398
Non-current assets	**30,344**	**31,069**	**Non-current liabilities**	**644**	**603**
Property, plant and equipment	**3,085**	**3,255**	Provision for retirement benefits	468	302
Buildings	908	1,080	Asset retirement obligations	175	301
Tools, furniture and fixtures	210	208	**Total liabilities**	**13,497**	**13,041**
Land	1,965	1,965	**(Net assets)**		
Intangible assets	**851**	**671**	**Shareholders' equity**	**48,455**	**50,663**
Software	850	669	**Share capital**	**6,113**	**6,113**
Other	1	1	**Capital surplus**	**6,190**	**6,190**
Investments and other assets	**26,407**	**27,143**	Legal capital surplus	6,190	6,190
Investment securities	6,672	7,933	**Retained earnings**	**40,563**	**43,005**
Shares of subsidiaries and associates	15,768	15,768	Legal retained earnings	411	411
Investments in capital of subsidiaries and associates	327	266	Other retained earnings	40,151	42,593
Long-term loans receivable from subsidiaries and associates	184	105	Reserve for tax purpose reduction to promote open innovation	62	62
Distressed receivables	1	1	General reserve	11,170	11,170
Long-term prepaid expenses	724	641	Retained earnings brought forward	28,919	31,361
Deferred tax assets	1,689	1,144	**Treasury shares**	(4,412)	(4,645)
Other	1,045	1,288	**Valuation and translation adjustments**	**1,726**	**3,004**
Allowance for doubtful accounts	(6)	(6)	**Valuation difference on available-for-sale securities**	**1,726**	**3,004**
			Total net assets	**50,181**	**53,668**
Total assets	**63,679**	**66,710**	**Total liabilities and net assets**	**63,679**	**66,710**

Non-consolidated Statement of Income

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

(Millions of yen)

Account item	(Reference) 53rd fiscal year (April 1, 2024 to March 31, 2025)		(Fiscal year under review) 54th fiscal year (April 1, 2025 to March 31, 2026)	
Net sales		**86,263**		**88,235**
Cost of sales		**67,201**		**68,799**
Gross profit		**19,061**		**19,436**
Selling, general, and administrative expenses		**7,639**		**6,852**
Operating profit		**11,422**		**12,583**
Non-operating income				
Interest income	11		15	
Interest on securities	17		22	
Dividend income	1,105		1,150	
Gain on investments in investment partnerships	570		—	
Gain on reversal of allowance for loss on guarantees of subsidiaries and associates	119		—	
Reversal of business loss reserve of subsidiaries and associates	236		—	
Other	81	2,142	54	1,242
Non-operating expenses				
Loss on investments in investment partnerships	—		139	
Commission for purchase of treasury shares	16		3	
Other	4	20	1	144
Ordinary profit		**13,544**		**13,681**
Extraordinary income				
Gain on sale of non-current assets	—		0	
Gain on sale of investment securities	—	—	67	67
Extraordinary losses				
Impairment losses	110		—	
Loss on retirement of non-current assets	3		0	
Loss on valuation of investments in capital of subsidiaries and associates	—	113	60	60
Profit before income taxes		**13,430**		**13,689**
Income taxes - current	3,597		3,795	
Income taxes - deferred	30	3,628	(43)	3,751
Profit		**9,802**		**9,937**

Transcript of Accounting Auditor's Audit Report on Consolidated Financial Statements

Independent Auditor's Report
(English Translation)

May 14, 2026

To the Board of Directors
DTS CORPORATION

Ernst & Young ShinNihon LLC
Tokyo office

Masaki Mitsuji
Certified Public Accountant
Designated and Engagement Partner

Saori Nakata
Certified Public Accountant
Designated and Engagement Partner

Opinion

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity and the notes to the consolidated financial statements of DTS CORPORATION (the "Company") for the fiscal year from April 1, 2025 through March 31, 2026.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the DTS Group, which consists of the Company and its consolidated subsidiaries, for the period covered by the consolidated financial statements in conformity with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan (including provisions applied to audits of the financial statements of public interest entities), and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Statements

Other statements consist of the business report and the supplementary schedules. Management is responsible for the preparation and disclosure of the other statements. The Audit and Supervisory Committee is also responsible for overseeing the directors' performance of their duties with regard to the design and implementation of the reporting process for the other statements.

Our audit opinion on the consolidated financial statements and the supplementary schedules does not include the other statements, and we express no opinion on the other statements.

Our responsibility in the audit of the consolidated financial statements and the supplementary schedules is to read the other statements carefully and, in the course of that reading, to consider whether there are material differences between the other statements and the consolidated financial statements and the supplementary schedules or our knowledge obtained in the audit, and to pay attention to whether there is any indication of material errors in the other statements besides such material differences.

If, based on the work we have performed, we determine that there are material errors in the other statements, we are required to report those facts.

We have no other matters to report in respect to the other statements.

Responsibilities of Management and the Audit and Supervisory Committee for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

The Audit and Supervisory Committee is responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

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

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the consolidated financial statements from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated

financial statements fairly present the transactions and accounting events on which they are based.

- Plan and conduct the audit of the consolidated financial statements in order to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries, which forms the basis for expressing an opinion on the consolidated financial statements. The auditor is responsible for the direction, supervision, and review of the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

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

We also provide the Audit and Supervisory Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures taken to eliminate inhibiting factors or apply safeguards to reduce them to an acceptable level.

Interest

Our firm and engagement partners have no interests in the Company or its consolidated subsidiaries requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

Transcript of Accounting Auditor’s Audit Report on Non-consolidated Financial Statements

Independent Auditor’s Report
(English Translation)

May 14, 2026

To the Board of Directors
DTS CORPORATION

Ernst & Young ShinNihon LLC
Tokyo office

Masaki Mitsuji
Certified Public Accountant
Designated and Engagement Partner

Saori Nakata
Certified Public Accountant
Designated and Engagement Partner

Opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in equity and the related notes, and the accompanying supplementary schedules of DTS CORPORATION (the “Company”) for the 54th fiscal year from April 1, 2025 through March 31, 2026.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2026, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in “Auditor’s Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules.” We are independent of the Company in accordance with the provisions related to professional ethics in Japan (including provisions applied to audits of the financial statements of public interest entities), and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Statements

Other statements consist of the business report and the supplementary schedules. Management is responsible for the preparation and disclosure of the other statements. The Audit and Supervisory Committee is also responsible for overseeing the directors’ performance of their duties with regard to the design and implementation of the reporting process for the other statements.

Our audit opinion on the financial statements and the supplementary schedules does not include the other statements, and we express no opinion on the other statements.

Our responsibility in the audit of the financial statements and the supplementary schedules is to read the other statements carefully and, in the course of that reading, to consider whether there are material differences between the other statements and the financial statements and the supplementary schedules or our knowledge obtained in the audit, and to pay attention to whether there is any indication of material errors in the other statements besides such material differences.

If, based on the work we have performed, we determine that there are material errors in the other statements, we are required to report those facts.

We have no other matters to report in respect to the other statements.

Responsibilities of Management and the Audit and Supervisory Committee for the Financial Statements and the Accompanying Supplementary Schedules

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

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing whether it is appropriate to prepare the financial statements and the accompanying supplementary schedules in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

The Audit and Supervisory Committee is responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

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

Our responsibility is to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the financial statements and the accompanying supplementary schedules from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the financial statements and the accompanying supplementary schedules.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the financial statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the financial statements and the accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the financial statements and the accompanying supplementary schedules in the audit report, or if the notes to the financial statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the financial statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.

- Besides assessing whether the presentation of and notes to the financial statements and the accompanying supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the financial statements and the accompanying supplementary schedules including related notes, and whether the financial statements and the accompanying supplementary schedules fairly present the transactions and accounting events on which they are based.

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

We also provide the Audit and Supervisory Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures taken to eliminate inhibiting factors or apply safeguards to reduce them to an acceptable level.

Interest

Our firm and engagement partners have no interests in the Company requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

Transcript of the Audit Report by the Audit and Supervisory Committee

Audit Report

(English Translation)

The Audit and Supervisory Committee has audited the Directors' performance of their duties during the 54th fiscal year from April 1, 2025 to March 31, 2026, and hereby reports as follows in regard to the method and results of those audits:

1. Auditing Method Used by the Audit and Supervisory Committee, and Details Thereof

The Audit and Supervisory Committee has determined the audit policy and the division of duties, and in compliance with the audit policy and division of duties, has communicated with Directors, the Internal Audit Office and other employees, etc., endeavored to collect information and enhance the audit environment, and undertaken audits using the methods described below.

1) Audit and Supervisory Committee Members attended meetings of the Board of Directors, and other important meetings, received reports on matters related to the execution of duties from Directors, employees, etc., requested explanations as necessary, reviewed important approval documents, etc., and investigated the status of operations and assets at Head Office and important business sites. In addition, with regard to subsidiaries, Audit and Supervisory Committee Members took steps to communicate and exchange information with the Directors, Auditors, etc. of subsidiaries, and received business reports from subsidiaries as necessary.
2) With respect to the content of resolutions of the Board of Directors concerning the establishment of systems to ensure that the execution of duties by Directors complies with laws, regulations, and the Articles of Incorporation, and other systems that are necessary to ensure proper operations of the corporate group consisting of the Company and its subsidiaries, and the systems (internal control systems) established based on these resolutions, the Audit and Supervisory Committee regularly received reports from Directors and employees, etc., regarding the status of establishment and operation of these systems, requested explanations as necessary, and expressed opinions.
3) The Audit and Supervisory Committee monitored and verified whether the Accounting Auditor maintained its independence and implemented appropriate audits, received reports from the Accounting Auditor regarding the status of the performance of its duties, and requested explanations as necessary. In addition, the Audit and Supervisory Committee received notice from the Accounting Auditor that the "system for ensuring that duties are being carried out correctly" (matters set forth in each item of Article 131 of the Regulations on Corporate Accounting) had been prepared in accordance with the "Quality Control Standards Relating to Auditing" (issued by the Business Accounting Council) and other relevant standards, and requested explanations as necessary.

Based on the above method, the Audit and Supervisory Committee reviewed the business report and its accompanying supplementary schedules, the non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity, and notes to non-consolidated financial statements) and the accompanying supplementary schedules, as well as the consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity, and notes to consolidated financial statements) for the fiscal year under review.

2. Results of Audit
   (1) Results of Audit of Business Report, etc. and Other Relevant Documents
      1) In our opinion, the business report and the accompanying supplementary schedules present fairly the conditions of the Company in conformity with the applicable laws and regulations and the Articles of Incorporation of the Company.
      2) We have found no instances of misconduct or material violation of the applicable laws and regulations or the Articles of Incorporation with respect to performance of duties by the Directors.
      3) In our opinion, the contents of the resolutions of the Board of Directors related to the internal control systems are fair and reasonable. In addition, we have found no matters requiring special mention regarding the description in the Business Report and the performance of duties by the Directors related to such internal control systems.
   (2) Results of Audit of Non-consolidated Financial Statements, the Accompanying Supplementary Schedules, and the Consolidated Financial Statements
      In our opinion, the method and the results of the audit performed by Ernst & Young ShinNihon LLC are fair and reasonable.

May 14, 2026

The Audit and Supervisory Committee, DTS CORPORATION

Full-time Audit and Supervisory Committee Member (Director)	Yutaka Nakamura
Audit and Supervisory Committee Member (Outside Director)	Taeko Ishii
Audit and Supervisory Committee Member (Outside Director)	Nobuyasu Iimuro
Audit and Supervisory Committee Member (Outside Director)	Hiroshi Ohno

End