

(FOR REFERENCE PURPOSE)

*Note: This document has been translated from 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.*

(Security code: 4552)

Start date of measures for electronic provision: June 2, 2026  
June 1, 2026

To the Shareholders

3-19 Kasuga-cho, Ashiya, Hyogo, 659-0021

JCR Pharmaceuticals Co., Ltd

Representative Director, President

Hiroyuki Sonoda

## Notice of Convocation of The 51st Ordinary General Meeting of Shareholders

We wish to notify you as follows that the Company will hold the 51st Ordinary General Meeting of Shareholders of JCR Pharmaceuticals Co., Ltd. (“JCR” or the “Company”) to be held at the time and place as detailed below.

When convening the Ordinary General Meeting of Shareholders, information contained in reference documents, etc., for the General Meeting of Shareholders (Matters for Electronic Provision) is provided in electronic format in each of the following websites on the Internet. Please access one of the websites and confirm.

(FOR REFERENCE PURPOSE)

■The Company’s website

<https://www.jcrpharm.co.jp/> (in Japanese)

(Please access the above websites, select from the top page “Shareholders and Investors,” “Stock and Shareholder Information,” “Shareholder Meetings” and “2026 Annual General Meeting of Shareholders” in this order, and confirm.)

■Website for posting the materials for the General Meeting of Shareholders (in Japanese)

<https://d.sokai.jp/4552/teiji/>

■Tokyo Stock Exchange Website (TSE Listed Company Information Service) (in Japanese)

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

Please access the above websites, enter “JCR Pharma” in “Security name (Company name)” or the Company’s security code “4552” in the “Code” and search, and select “Basic information” and “Documents for public inspection/PR information” in this order, and confirm based on the “Notice of Convocation of General Meeting of Shareholders/Reference Materials for General Meeting of Shareholders” section in the “Documents for public inspection.”

To exercise your voting rights in advance, please review the following proposals and the “Proposals and reference information” described later and **exercise your voting rights no later than 6:00 p.m., Monday, June 22, 2026 (Japan Standard Time).**

■Voting by Electromagnetic Methods (the Internet, etc.)

Please review the “Instructions for Voting by Electromagnetic Methods (the Internet, etc.)” (available only in Japanese as provided in the original document or on the online voting website), and indicate your approval or disapproval of the proposals by the deadline noted above by using one of two methods: by scanning the QR code provided on the enclosed voting form (“Smart Exercise” method), or by visiting the website for exercising voting rights (<https://www.web54.net>) and manually entering your “voting code” and “password.”

(FOR REFERENCE PURPOSE)

■ Voting in Writing

Please indicate your approval or disapproval of the proposals on the voting form enclosed with this Notice of Convocation, and return the Form to the Company so that it will arrive by the deadline noted above.

Yours faithfully,

Details

1. **Date and Time** 10:00 a.m., June 23, 2026 (Tuesday)
2. **Place** ANA Crowne Plaza Hotel Kobe (Room “The Ballroom” on the 10th floor)  
1 Chome, Kitano-cho, Chuo-ku, Kobe
3. **Agenda:**
  - Matters to be Reported:** Report on business results, Non-consolidated Financial Statements and Consolidated Financial Statements, and Audit Report of Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 51st Fiscal Year (from April 1, 2025 to March 31, 2026)
  - Matters to be Resolved:**
    - Proposal 1 Appointment of Twelve (12) Directors
    - Proposal 2 Revision of the Maximum Amount of Compensation for Directors

<Requests to Shareholders>

- The abovementioned information is subject to updates due to factors such as the situation through to the day of the Ordinary General Meeting of Shareholders and details of announcements by the government or other bodies. Please confirm the latest information through the Company’s website.
- We accept questions about this Ordinary General Meeting of Shareholders at the Advance Question Acceptance Site. In addition to presenting some of the replies to the questions we received during this Ordinary General Meeting of Shareholders, we will post them on the Company website later. Questions other than those about the contents concerning Matters to Be Reported and Agenda for this Ordinary General Meeting of Shareholders may not be answered, while for overlapping questions and others, the contents of questions may be reorganized by the Company. Moreover, we will not reply individually to shareholders who have submitted questions in advance. We would appreciate your understanding in advance.

(FOR REFERENCE PURPOSE)

- ⦿ When there is a revision to the Matters for Electronic Provision, we will post a statement to that effect in the abovementioned websites on the Internet with items before and after the revision.
- ⦿ Among the Matters for Electronic Provision, the following ones are not included in documents to be provided to shareholders who have requested the provision in writing, in accordance with the provisions of laws and regulations and the Company's Articles of Incorporation:

- 1) "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements and,
- 2) "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements.

The aforementioned documents excluded from documents to be provided to shareholders who have requested the provision in writing are some of the Business Report, the Consolidated Financial Statements and the Non-consolidated Financial Statements that were audited on the occasion of preparation of the audit report by Audit & Supervisory Board Members and the accounting audit report by the Accounting Auditor, respectively.

Note: The Company's website: <https://www.jcrpharm.co.jp/en/site/en/index.html>

Website to receive questions in advance: <https://links-v.pdcp.jp/4552/2026/jcrpharm/>

Deadline for receipt of questions: 6:00 p.m., June 12, 2026 (Friday)

- When logging in, you will need to enter your ID (9 digit shareholder number) and password (your 7 digit postal code) in half-width characters.
- Please be sure to make a note of your shareholder number before sending the voting form.

## Details of Voting Methods

Voting in Person by Attending  
Ordinary General Meeting of  
Shareholders

Exercising your voting rights in advance



You are kindly requested to bring the voting form enclosed with this Notice of Convocation with you on the day of the Shareholders' Meeting, and please submit it at the reception desk.

Date and Time

10 a.m., June 23, 2026  
(Tuesday)



Voting by Electromagnetic  
Methods (the Internet, etc.)

Please consider the reference documents for the Ordinary General Meeting of Shareholders, and enter your approval or disapproval of the proposal on the Company's designated website for exercising voting rights (<https://www.web54.net>).

Please refer to the next  
page for details ▶

Deadline for Exercise

6 p.m., June 22, 2026  
(Monday)



Voting by Mail

Please consider the reference documents for the Ordinary General Meeting of Shareholders, and indicate your approval or disapproval of the proposal on the voting form enclosed with this Notice of Convocation, and return it so that it will arrive by the following deadline.

Deadline for Exercise

6 p.m., June 22, 2026  
(Monday)

### Notes

- If there is no indication of your approval or disapproval of the proposal on the returned voting form, it shall be treated as an indication of approval.
- In the event that a voting right is exercised twice via the online and the enclosed voting form, only the online vote shall be counted as an effective vote.
- In the event that a voting right is exercised online more than once, only the most recent vote shall be counted as an effective vote.
- Depending on the use environment of the Internet, the network service, and the device used for communication, the online voting website may not be available.
- Shareholders shall bear the connection charges of the Internet providers and the communication charges of the telecommunications carriers (telephone charges, etc.) for accessing the online voting website.

(FOR REFERENCE PURPOSE)

## Instructions for Voting by Electromagnetic Methods (the Internet, etc.)

Deadline for Exercise

6:00 p.m., June 22, 2026 (Monday)

**\*Please be reminded that the online voting website and phone inquiries services are available only in Japanese.**

### 1. Exercising Voting Rights via the Internet

Please note the following matters if you choose to exercise your voting rights via the Internet.

- (1) Online voting is available only by accessing the following online voting website designated by the Company.  
**[Online voting website URL] <https://www.web54.net>** (in Japanese)

\*You may also access the online voting website by scanning the QR Code on the right side of voting form [shown in the Japanese original] that allows you to directly login without entering voting code and password if your smartphone is equipped with a barcode reader. For more detailed instructions on this procedure, please refer to the user manual of your smartphone.



(QR Code is trademarked by DENSO WAVE INCORPORATED)

- (2) When you vote online, please enter the “voting code” and the “password” provided in the enclosed voting form, and indicate your approval or disapproval of the proposals by following the instructions displayed on the screen.
- (3) Online votes will be accepted until 6:00 p.m., Monday, June 22, 2026 (Japan Standard Time), the day immediately prior to the date of the Ordinary General Meeting of Shareholders. However, your early voting would be highly appreciated for the convenience of vote counting.
- (4) Shareholders shall bear the connection charges of the Internet providers and the communication charges of the telecommunications carriers (telephone charges, etc.) for accessing the online voting website.
- (5) If you have any question related to online voting, please contact the following for inquiry services.

**Stock Transfer Agency Web Support, Sumitomo Mitsui Trust Bank, Limited.**

**[Special Phone Line] 0120-652-031**

**(9:00 a.m. to 9:00 p.m. (Japan Standard Time), toll-free within Japan)**

### 2. Electronic Voting Platform for Institutional Investors

Institutional investors may also use the “Electronic Voting Platform” operated by ICJ, Inc. to vote in this Ordinary General Meeting of Shareholders.

(FOR REFERENCE PURPOSE)

## Proposal 1 Appointment of Twelve (12) Directors

All of the current eleven (11) Directors will reach the maturity of the term of office at the end of this Ordinary General Meeting of Shareholders. Therefore, in order to strengthen the governance in line with the Company's global expansion going forward, we would like to request an increase in the number of Directors by one (1), and to request the appointment of twelve (12) Directors including seven (7) Outside Directors.

The twelve (12) candidates nominated by the Board are as follows.

| Candidate No. | Candidate Name                        | (Reference)  |  |
|---------------|---------------------------------------|--|--|
|               |                                       | Present Position of the Company  | Attendance of the Board Meetings of Directors in the 51st Fiscal Year (from April 1, 2025 to March 31, 2026) |
| 1             | Reappointed Toru Ashida               | Representative Director<br>Chairman  | 12/12 (100%)   |
| 2             | Reappointed Hiroyuki Sonoda,<br>Ph.D. | Representative Director<br>President<br>Chief Scientific Officer                               | 12/12 (100%)   |
| 3             | Reappointed Andrea Spezzi             | Director, Senior Managing<br>Executive Officer<br>Development                                  | 12/12 (100%)   |
| 4             | Reappointed Yoshio Hiyama, Ph.D.      | Director, Managing<br>Executive Officer<br>Executive Director of<br>Quality Assurance Division | 12/12 (100%)   |
| 5             | Reappointed Shin Ashida               | Director, Founder  | 12/12 (100%)   |
| 6             | Reappointed Takashi Suetsuna          | Outside<br>Director<br>Independent<br>Director   | Outside Director<br>12/12 (100%)   |
| 7             | Reappointed Yuko Hayashi, Ph.D.       | Outside<br>Director<br>Independent<br>Director   | Outside Director<br>12/12 (100%)   |

## (FOR REFERENCE PURPOSE)

| Candidate No. | Candidate Name                           | (Reference)                              |  |
|---------------|--|--|--|
|               |  | Present Position of the Company          | Attendance of the Board Meetings of Directors in the 51st Fiscal Year (from April 1, 2025 to March 31, 2026) |
| 8             | Reappointed Yutaka Atomi, M.D.,<br>Ph.D. | Outside Director<br>Independent Director | Outside Director<br>12/12 (100%)   |
| 9             | Reappointed Philippe Fauchet OBE         | Outside Director<br>Independent Director | Outside Director<br>11/12 (91%)  |
| 10            | Newly-appointed Toshio Asano             | Outside Director<br>Independent Director | —<br>—   |
| 11            | Reappointed Marc Dunoyer                 | Outside Director                         | Outside Director<br>11/12 (91%)  |
| 12            | Reappointed Toshihide Yoda               | Outside Director                         | —<br>Outside Director<br>9/12 (75%)  |

(FOR REFERENCE PURPOSE)

Candidate  
No.

1

Toru Ashida (October 31, 1968)

Number of Shares of 770,369  
the Company Owned shares

Reappointed



Summary of the Profile, Position, Responsibilities and Significant Concurrent Positions

|              |   |            |   |
|--------------|---|------------|---|
| April 1992   | Joined Nippon Life Insurance Company  | June 2019  | In charge of Corporate Strategy   |
| April 2002   | Appointed Representative Director and President at the establishment of JBS Co., Ltd.   |            | Head of Quality Assurance Division, Corporate Planning Division, Administration Division, and Medical Affairs Department of the Company |
| January 2014 | Joined the Company  | April 2020 | Executive Director of Sales Division of the Company   |
| July 2014    | Appointed Corporate Officer of the Company Executive Director of Corporate Business Support Division and Director of Corporate Strategy Department of the Company | June 2020  | Appointed Vice President of the Company and in charge of Sales Division   |
| April 2016   | Head of Office of the President of the Company  | June 2021  | Appointed Senior Vice President of the Company and in charge of Sales and Administration  |
| June 2018    | Appointed Senior Executive Director of the Company Head of Quality Assurance Division, Corporate Planning Division, and Medical Affairs Department of the Company | April 2023 | In charge of Sales  |
|              |   | June 2024  | Appointed Director and Senior Managing Executive Officer of the Company   |
|              |   | April 2026 | Appointed Representative Director Chairman of the Company (to present)  |

[Significant Concurrent Positions]

Representative Director and President of Future Brain Co., Ltd.

Reason for Nomination as a Candidate for Director

He has abundant experience in managing the organization at a major financial institution and operating an organization which supports facilities for clinical trial. Moreover, since 2020 he has overseen the Sales Division, and has contributed by demonstrating strong leadership in its development. The Company has nominated him to continue as a Member of the Board of Directors of the Company because as a Director from the founding family, he is an appropriate person for enhancement of the corporate value of the Company.

(FOR REFERENCE PURPOSE)

Candidate  
No.

2

Reappointed



Hiroyuki Sonoda, Ph.D. (June 15, 1978)

Number of Shares of  
the Company Owned 78,365  
shares

Summary of the Profile, Position, Responsibilities and Significant Concurrent Positions

|              |   |              |  |
|--------------|---|--------------|--|
| April 2003   | Joined the Company  | June 2020    | Appointed Senior Executive Director of the Company   |
| April 2016   | Director of Corporate Planning Division (In charge of Research) of the Company                                      |              | and in charge of Research and Development Division   |
| October 2017 | Leader of Frontier Research Unit and Director of Corporate Planning Division (In charge of Research) of the Company |              | Executive Director of Research Division, and Director of Drug Discovery Research Institute |
| April 2018   | Executive Director of Research Planning Division of the Company   | June 2021    | Appointed Vice President of the Company and in charge of Research and Corporate Strategy   |
| June 2018    | Appointed Corporate Officer of the Company  |              | Executive Director of Research Division  |
|              |   | October 2022 | Representative Director and President of AlliedCel Corporation                             |
|              |   | April 2023   | In charge of Research  |
|              |   | June 2024    | Appointed Director and Senior Managing Executive Officer of the Company                    |
|              |   | April 2026   | Appointed Representative Director President of the Company (to present)                    |
|              |   |              | Appointed Chief Scientific Officer of the Company (to present)                             |

Reason for Nomination as a Candidate for Director

He has demonstrated high-level capabilities in the research field and produced results in leading his division since he joined the Company, as well as contributing significantly to increasing corporate value in new areas of research that are indispensable to the future growth of the Company. The Company has therefore nominated him to continue as a Member of the Board of Directors of the Company because he can be expected to strongly lead efforts to further strengthen the Company's foundation as an R&D company.

(FOR REFERENCE PURPOSE)

Candidate  
No.

3

Reappointed



Andrea Spezzi

(October 31, 1965)

Number of Shares of  
the Company Owned 60,000  
shares

**Summary of the Profile, Position, Responsibilities and Significant Concurrent Positions**

|               |   |                |  |
|---------------|---|----------------|--|
| June 1994     | Consultant Paediatrician/Staff Grade<br>Paediatrician of Princess Alexandra Hospital,<br>Saint Jamue Hospital, Pedro de Elizalde<br>Children's Hospital | September 2015 | Founded Andrea Spezzi Executive<br>Consultant (to present)   |
| March 2003    | Research Physician, Hammersmith Medicines<br>Research   | January 2016   | Co-founder and Chief Medical Officer of<br>Orchard Therapeutics  |
| November 2004 | Global Medical Director, Takeda Global R&D  | June 2021      | Independent Board Director of Bloomsbury<br>Genetic Therapies (to present)                                   |
| July 2009     | Vice President R&D, Medicines Development<br>Leader Rare Diseases, Rare Diseases Business<br>Unit of GlaxoSmithKline                                    | September 2021 | Co-Founder, President and CEO/Board<br>Executive Director of Rejuvitas Inc.                                  |
|               |   | September 2023 | Advisor and acting Partner of Discovery<br>Ventures Healthcare Fund (to present)                             |
|               |   | December 2023  | Global Strategic Adviser of the Company  |
|               |   | June 2024      | Appointed Director and Managing<br>Executive Officer of the Company<br>In charge of Development (to present) |
|               |   | April 2026     | Appointed Director and Senior Managing<br>Executive Officer of the Company (to<br>present)                   |

**[Significant Concurrent Positions]**

Andrea Spezzi Executive Consultant  
Independent Board Director of Bloomsbury Genetic Therapies  
Advisor and acting Partner of Discovery Ventures Healthcare Fund

**Reason for Nomination as a Candidate for Director**

The Company has nominated her to continue as a Member of the Board of Directors of the Company because she has abundant experience and knowledge as a pediatrician with clinical experience and as the head of a pharmaceutical company related to rare diseases, and it deems her an appropriate person who can be expected to greatly contribute to enhancing the corporate value of the Company.

(FOR REFERENCE PURPOSE)

Candidate  
No.

4

Reappointed



Yoshio Hiyama, Ph.D. (August 29, 1960)

Number of Shares of  
the Company Owned 53,611  
shares

**Summary of the Profile, Position, Responsibilities and Significant Concurrent Positions**

|              |  |                |   |
|--------------|--|----------------|---|
| April 1986   | Joined Daiichi Pharmaceuticals Co., Ltd.<br>(currently Daiichi Sankyo Co., Ltd.)                                       | April 2020     | Marketing Supervisor, General<br>Director of Pharmacovigilance Dept., and<br>PMS Office Manager   |
| October 1999 | PMD VAC Co., Ltd. (secondment)   | September 2020 | Director of Corporate Planning Division<br>(In charge of Vaccine Business) and<br>Pharmacovigilance Dept.   |
| April 2005   | Manager of Regulatory Affairs Group of PMD<br>VAC Co., Ltd.  | June 2021      | Appointed Senior Executive Director of the<br>Company<br>In charge of Production and Quality<br>Assurance/Executive Director of Production<br>Division  |
| October 2011 | Daiichi Sankyo Co., Ltd. (returned),<br>Group Manager of R&D Group of Vaccine<br>Planning Dept.                        | March 2024     | Director of JCR Luxembourg S.A. (to present)  |
| July 2012    | Japan Vaccines Co. Ltd. (secondment),<br>Marketing Supervisor of General and Quality<br>and Safety Management Director | April 2024     | In charge of Quality Assurance<br>Executive Director of Quality Assurance Division<br>and Director of Regulatory Affairs Department<br>Appointed Director and Managing Executive<br>Officer of the Company (to present) |
| April 2019   | Joined the Company<br>Assistant Director of Production Division  | June 2024      | In charge of Quality Assurance<br>Executive Director of Quality Assurance Division<br>(to present)  |

**[Significant Concurrent Positions]**

Director of JCR Luxembourg S.A.

**Reason for Nomination as a Candidate for Director**

The Company has nominated him to continue as a Member of the Board of Directors of the Company because he has a wealth of knowledge and wide-ranging operation experience concerning the manufacture, quality control, and supply chain, among others, of a wide range of pharmaceuticals, and it deems him an appropriate person who can be expected to greatly contribute to enhancing the corporate value of the Company.

(FOR REFERENCE PURPOSE)

Candidate  
No.

5

**Shin Ashida** (January 2, 1943)

Number of Shares of 246,900  
the Company Owned shares

Reappointed



**Summary of the Profile, Position, Responsibilities and Significant Concurrent Positions**

|                |   |            |  |
|----------------|---|------------|--|
| September 1975 | Appointed Representative Director and President at the establishment of the Company         | June 2007  | Appointed President of the Company<br>Appointed Chief Operating Officer (COO) of the Company |
| June 2005      | Appointed Chairman of the Company<br>Appointed Chief Executive Officer (CEO) of the Company | April 2026 | Appointed Director and Founder of the Company (to present)                                   |

**[Significant Concurrent Positions]**

Member of the Board of Directors of Future Brain Co., Ltd.  
Representative Director and President of JCR INTERNATIONAL SA

**Reason for Nomination as a Candidate for Director**

The Company has nominated him to continue as a Member of the Board of Directors of the Company because his ability and actual achievements as a founder and business manager of the Company, along with his abundant experience and deep insight as a founder with regard to the Company's business, contribute to sustained enhancement of the corporate value in the future.

(FOR REFERENCE PURPOSE)

Candidate  
No.

6

Reappointed

Outside  
Director

Independent  
Director



**Takashi Suetsuna** (March 8, 1949)

Number of Shares of  
the Company Owned 3,900  
shares

**Summary of the Profile, Position, Responsibilities and Significant Concurrent Positions**

|                |  |           |  |
|----------------|--|-----------|--|
| April 1974     | Joined the National Police Agency  | June 2013 | Outside Audit & Supervisory Board Member of Marubeni Corporation                             |
| February 1994  | Chief of Kochi Prefectural Police Headquarters   | June 2015 | Outside Director of Totetsu Kogyo Co., Ltd.  |
| September 1997 | Director of Finance Division of Commissioner-General's Secretariat of National Police Agency | June 2016 | Outside Audit & Supervisory Board Member of Keikyu Corporation                               |
| September 2001 | Chief Inspector General of Commissioner-General's Secretariat of National Police Agency      |           | Outside Audit & Supervisory Board Member of Kandenko Co., Ltd. (to present)                  |
| August 2002    | Chief of Kanagawa Prefectural Police Headquarters  | June 2017 | Appointed Outside Audit & Supervisory Board Member of the Company                            |
| August 2004    | Deputy Superintendent General of National Police Agency                                      | June 2018 | Appointed Member of the Board of Directors (Outside Director) of the Company (to present)    |
| September 2005 | Grand Chamberlain to the Crown Prince at the Imperial Household Agency                       | June 2018 | Outside Audit & Supervisory Board Member of Aioi Nissay Dowa Insurance Co., Ltd.             |
| April 2009     | Ambassador Extraordinary and Plenipotentiary to Grand Duchy of Luxembourg                    | June 2025 | Outside Director (Audit and Supervisory Committee Member) of Keikyu Corporation (to present) |
| June 2012      | Retired from the above office  |           |  |

**[Significant Concurrent Positions]**

Outside Director (Audit and Supervisory Committee Member) of Keikyu Corporation  
Outside Audit & Supervisory Board Member of Kandenko Co., Ltd.

**Reason for Nomination as a Candidate for Outside Director and Overview of expected role**

Although he has not been involved in corporate management except as an outside officer of a company, the Company has nominated him to continue as a Member of the Board of Directors of the Company because he has a wealth of experience in government institutions and a global perspective as a diplomat, and he can be expected to contribute significantly to improving the Company's corporate value by providing supervision from an expert perspective of the Board of Directors' execution of business and advice to management and so forth.

(FOR REFERENCE PURPOSE)

Candidate  
No.

7

Yuko Hayashi, Ph.D. (February 18, 1965)

Number of Shares of  
the Company Owned 3,900  
shares

Reappointed

Outside  
Director

Independent  
Director



Summary of the Profile, Position, Responsibilities and Significant Concurrent Positions

|              |  |              |   |
|--------------|--|--------------|---|
| April 1988   | Joined IBM Japan, Ltd.   | April 2012   | Associate Professor of Graduate School of Innovation and Technology Management of Yamaguchi University    |
| October 2003 | Visiting Researcher of Research Center for Advanced Science and Technology of The University of Tokyo  | June 2015    | Professor of Graduate School of Innovation and Technology Management of Yamaguchi University (to present) |
| April 2007   | Lecturer of Graduate School of Innovation and Technology Management of Yamaguchi University<br>Visiting Researcher of National Graduate Institute for Policy Studies | January 2017 | Executive Board Member of Special Olympics Nippon Foundation  |
| March 2011   | Executive Director of 3.11 Earthquake Orphans Cultural and Sports Support Facilitation Corporation of Public Interest Incorporated Association (to present)          | April 2018   | Visiting Co-Researcher of Graduate School of Frontier Sciences of The University of Tokyo                 |
|              |  | June 2018    | Appointed Member of the Board of Directors (Outside Director) of the Company (to present)                 |

[Significant Concurrent Positions]

Professor of Graduate School of Innovation and Technology Management of Yamaguchi University  
Executive Director of 3.11 Earthquake Orphans Cultural and Sports Support Facilitation Corporation of Public Interest Incorporated Association  
Director of Kawamura Scholarship Foundation  
Director of Urakami Foundation for Food and Food Culture Promotion  
Director of Institute for Drug Discovery Innovation

Reason for Nomination as a Candidate for Outside Director and Overview of expected role

Although she has not been involved in corporate management except as an outside officer of a company, the Company has nominated her to continue as a Member of the Board of Directors of the Company because she has expert knowledge related to commercialization of innovation and abundant insight in diverse areas such as research activities related to cutting-edge medicine and diversity, and she can be expected to contribute significantly to improving the Company's corporate value by providing supervision from an expert perspective of the Board of Directors' execution of business and advice to management and so forth.

(FOR REFERENCE PURPOSE)

Candidate  
No.

8

Yutaka Atomi, M.D.,  
Ph.D.

(December 5, 1944)

Number of Shares of  
the Company Owned 3,900  
shares

Reappointed

Outside  
Director

Independent  
Director



Summary of the Profile, Position, Responsibilities and Significant Concurrent Positions

|              |   |             |   |
|--------------|---|-------------|---|
| April 1970   | Attending Surgeon of First Department of Surgery of Faculty of Medicine of The University of Tokyo                    | June 2017   | Outside Director of Sumitomo Dainippon Pharma Co., Ltd. (currently Sumitomo Pharma Co., Ltd.) |
| April 1982   | Chief of Medical Staff of First Department of Surgery of Faculty of Medicine of The University of Tokyo               | April 2018  | President Emeritus of Kyorin University (to present)  |
| June 1988    | Visiting Researcher of Department of Surgery of University of California, San Francisco                               | June 2018   | President of Pancreas Research Foundation of Japan  |
| July 1992    | Assistant Professor of First Department of Surgery of Faculty of Medicine of The University of Tokyo                  | April 2019  | President of International Medical Research Foundation (to present)                           |
| October 1992 | Professor of First Department of Surgery of Faculty of Medicine of Kyorin University                                  | June 2019   | Outside Audit & Supervisory Board Member of Sanki Engineering Co., Ltd. (to present)          |
| April 2004   | Dean of Faculty of Medicine of Kyorin University  | June 2022   | Appointed Member of the Board of Directors (Outside Director) of the Company (to present)     |
| April 2010   | President of Kyorin University  | June 2023   | President of Atomi Gakuen (to present)  |
| June 2013    | Outside Audit & Supervisory Board Member of Sumitomo Dainippon Pharma Co., Ltd. (currently Sumitomo Pharma Co., Ltd.) | June 2023   | Director of The Japan China Medical Association (to present)                                  |
|              |   | August 2023 | Outside Director of Pasona Inc.   |
|              |   | August 2025 | Outside Director (Audit and Supervisory Committee Member) of Pasona Inc. (to present)         |

[Significant Concurrent Positions]

President Emeritus of Kyorin University  
Outside Audit & Supervisory Board Member of Sanki Engineering Co., Ltd.  
Outside Director (Audit and Supervisory Committee Member) of Pasona Inc.  
President of Atomi Gakuen  
President of International Medical Research Foundation  
President of The Japan China Medical Association

Reason for Nomination as a Candidate for Outside Director and Overview of expected role

Although he has not been involved in corporate management except as an outside officer of a company, the Company has nominated him to continue as a Member of the Board of Directors of the Company because he has expert knowledge related to commercialization of innovation and abundant insight in diverse areas such as research activities related to cutting-edge medicine and diversity, and he can be expected to contribute significantly to improving the Company's corporate value by providing supervision from an expert perspective of the Board of Directors' execution of business and advice to management and so forth.

(FOR REFERENCE PURPOSE)

Candidate  
No.

9

Philippe Fauchet OBE (November 2, 1957)

Number of Shares of  
the Company Owned 3,900  
shares

Reappointed

Outside  
Director

Independent  
Director



**Summary of the Profile, Position, Responsibilities and Significant Concurrent Positions**

|                |  |                |   |
|----------------|--|----------------|---|
| October 1984   | Joined Roussel UCLAF S.A., France (currently, Aventis S.A.)  | April 2017     | Chairman of GlaxoSmithKline plc.  |
| September 1996 | Joined Sanofi S.A., France   | November 2017  | Resigned as Outside Director of the Company   |
| June 2001      | Appointed President and Representative Director of Sanofi-Synthelabo K.K. (currently, Sanofi K.K.) | February 2019  | Stepped down as Chairman of GlaxoSmithKline K.K.  |
| May 2005       | Appointed President and Representative Director of Sanofi-Aventis K.K. (currently, Sanofi K.K.)    | May 2019       | External Director of Bonac Corporation  |
| January 2010   | Appointed President and Representative Director of GlaxoSmithKline K.K.                            | March 2020     | External Director of Noile-Immune Biotech Inc. (to present)                               |
| June 2013      | Appointed Outside Director of the Company  | September 2020 | External Director of Rezolute, Inc. (RZLT) (to present)                                   |
|                |  | June 2022      | Outside Director of LUCA Science Inc. (to present)  |
|                |  | June 2022      | Appointed Member of the Board of Directors (Outside Director) of the Company (to present) |

**[Significant Concurrent Positions]**

External Director of Noile-Immune Biotech Inc.  
External Director of Rezolute, Inc. (RZLT)  
Outside Director of LUCA Science Inc.  
Director of Medical Excellence JAPAN

**Reason for Nomination as a Candidate for Outside Director and Overview of expected role**

The Company has nominated him to continue as a Member of the Board of Directors of the Company because he has abundant experience and knowledge as the head of a global pharmaceutical company, and he can be expected to contribute significantly to improving the Company's corporate value by providing supervision from an expert perspective of the Board of Directors' execution of business and advice to management and so forth.

(FOR REFERENCE PURPOSE)

Candidate  
No.

10

Newly-  
appointed

Outside  
Director

Independent  
Director



Toshio Asano

(December 4, 1952)

Number of Shares of  
the Company Owned —  
shares

Summary of the Profile, Position, Responsibilities and Significant Concurrent Positions

|              |   |              |  |
|--------------|---|--------------|--|
| October 2003 | Executive Officer of Asahi Kasei Pharma Corporation                       | June 2017    | Outside Director of Medipal Holdings Corporation (to present)    |
| April 2008   | Director and Managing Executive Officer of Asahi Kasei Pharma Corporation | June 2019    | Outside Director of Daicel Corporation (to present)              |
| April 2010   | President and Chief Executive Officer of Asahi Kasei Pharma Corporation   | June 2019    | Outside Director of Tokyo Century Corporation (to present)       |
| April 2011   | Executive Officer of Asahi Kasei Corporation                              | January 2020 | Special Advisor of the Company (to present)                      |
| April 2014   | Presidential Executive Officer of Asahi Kasei Corporation                 | June 2021    | Chairman of Japanese Foundation for Cancer Research (to present) |
| June 2014    | President & Representative Director of Asahi Kasei Corporation            | June 2024    | Special Advisor of Asahi Kasei Corporation (to present)          |
| April 2016   | Director of Asahi Kasei Corporation                                       | June 2025    | President of Japan Bioindustry Association (to present)          |

[Significant Concurrent Positions]

Outside Director of Medipal Holdings Corporation  
Outside Director of Daicel Corporation  
Outside Director of Tokyo Century Corporation  
Chairman of Japanese Foundation for Cancer Research  
President of Japan Bioindustry Association

Reason for Nomination as a Candidate for Outside Director and Overview of expected role

The Company has nominated him as a new Member of the Board of Directors of the Company because he has a wealth of experience and knowledge as a head of a company including a pharmaceutical company, and he can be expected to contribute significantly to improving the Company's corporate value by providing supervision from an expert perspective of the Board of Directors' execution of business and advice to management and so forth.

(FOR REFERENCE PURPOSE)

Candidate  
No.

11

Reappointed

Outside  
Director



Marc Dunoyer

(October 12, 1952)

Number of Shares of  
the Company Owned 3,900  
shares

**Summary of the Profile, Position, Responsibilities and Significant Concurrent Positions**

|               |   |               |  |
|---------------|---|---------------|--|
| October 1999  | Representative Director Vice President of GlaxoWellcome KK            | June 2010     | Outside Director of the Company  |
| March 2000    | Representative Director President of GlaxoWellcome KK                 | April 2013    | Resigned as Outside Director of the Company  |
| January 2001  | Representative Director President of GlaxoSmithKline KK               | June 2013     | Executive Vice President of Global Portfolio & Product Strategy of AstraZeneca PLC                     |
| March 2003    | Corporate Executive Team Member of GlaxoSmithKline PLC                | November 2013 | Member of the Board of Directors and Executive Director and Chief Financial Officer of AstraZeneca PLC |
| May 2008      | Regional President of Asia Pacific & Japan of GlaxoSmithKline PLC     | June 2018     | Chairman of AstraZeneca KK (to present)  |
| January 2010  | Representative Director Chairman of GlaxoSmithKline KK                | August 2021   | Member of the Board of Directors of Orchard Therapeutics PLC   |
| February 2010 | Foundational Global Head of Rare Diseases Unit of GlaxoSmithKline PLC | June 2023     | Chief Executive Officer of Alexion, AstraZeneca's Rare Disease Group (to present)                      |
|               |   | December 2023 | Chief Strategy Officer of AstraZeneca Group (to present)   |
|               |   |               | Appointed Member of the Board of Directors (Outside Director) of the Company (to present)              |
|               |   |               | Director of Collectis SA (to present)  |

**[Significant Concurrent Positions]**

Chief Strategy Officer of AstraZeneca Group  
Chief Executive Officer of Alexion, AstraZeneca's Rare Disease Group  
Chairman of AstraZeneca KK  
Director of Collectis SA

**Reason for Nomination as a Candidate for Outside Director and Overview of expected role**

The Company has nominated him to continue as a Member of the Board of Directors of the Company because he has abundant experience and knowledge as the head of a global pharmaceutical company, where he actively participated on the front lines over many years, and he can be expected to contribute significantly to improving the Company's corporate value by providing supervision from an expert perspective of the Board of Directors' execution of business and advice to management and so forth.

(FOR REFERENCE PURPOSE)

Candidate  
No.

12

Reappointed

Outside  
Director



Toshihide Yoda

(January 8, 1963)

Number of Shares of  
the Company Owned —  
share

**Summary of the Profile, Position, Responsibilities and Significant Concurrent Positions**

|               |  |               |   |
|---------------|--|---------------|---|
| April 1985    | Joined Nippon Kangyo Kakumaru Securities   | April 2012    | Managing Director of Medipal Holdings Corporation<br>In charge of IR and General Manager of Business Development Department CMA®                                |
| May 1989      | Joined UBS Securities Japan Co., Ltd.  |               |   |
| July 1996     | Joined ING Bearing Securities  | May 2016      | Director of SPLine Corporation<br>Director of Medie Co., Ltd.   |
| December 2000 | Joined Lehman Brothers Japan Inc.  |               |   |
| October 2008  | Joined Barclays Capital Securities Japan Limited (currently, Barclays Securities Japan Limited)<br>Managing Director of Barclays Capital Securities Japan Limited (currently, Barclays Securities Japan Limited) | June 2016     | Director of Mediceo Corporation   |
|               |  | February 2018 | Director of JCR USA, Inc. (to present)  |
|               |  | June 2018     | Senior Vice President of Medipal Holdings Corporation (to present)<br>Appointed Member of the Board of Directors (Outside Director) of the Company (to present) |
| June 2010     | Director of Medipal Holdings Corporation   | June 2022     | General Manager of Business Development Department of Medipal Holdings Corporation (to present)   |

**[Significant Concurrent Positions]**

Senior Vice President of Medipal Holdings Corporation  
Director of JCR USA, Inc.

**Reason for Nomination as a Candidate for Outside Director and Overview of expected role**

The Company has nominated him to continue as a Member of the Board of Directors of the Company because he has wide-ranging knowledge as pharmaceutical sector analyst in the finance industry and experience of leading numerous new businesses, and he can be expected to contribute significantly to improving the Company's corporate value by providing supervision from an expert perspective of the Board of Directors' execution of business and advice to management and so forth.

(FOR REFERENCE PURPOSE)

- (Notes)
1. The number of shares of the Company owned by each candidate includes the equity interests in the JCR Officer Shareholding Association.
  2. Mr. Marc Dunoyer is Chief Executive Officer of Alexion, AstraZeneca Rare Disease, a specified related business operator of the Company. His positions and responsibilities as an executive officer currently and over the past ten years at Alexion, AstraZeneca Rare Disease are as described in the profile.
  3. Mr. Toshihide Yoda is a Senior Vice President of Medipal Holdings Corporation, of which Mr. Toshihide Yoda serves as Senior Vice President, is a major shareholder of the Company.
  4. There are no particular vested interests between other candidates and the Company.
  5. Mr. Takashi Suetsuna will have served as an Outside Director for nine (9) years, Mr. Toshihide Yoda and Dr. Yuko Hayashi will have served as an Outside Director for eight (8) years, Dr. Yutaka Atomi and Mr. Philippe Fauchet will have served as an Outside Director for four (4) years, and Mr. Marc Dunoyer will have served as an Outside Director for three (3) years at the conclusion of this General Shareholders Meeting.
  6. When this proposal is approved as originally proposed, Mr. Takashi Suetsuna, Dr. Yuko Hayashi, Dr. Yutaka Atomi and Mr. Philippe Fauchet will be registered at the Tokyo Stock Exchange as Independent Director without particular vested interests with the shareholders in general, as defined by the Tokyo Stock Exchange. Furthermore, Mr. Toshio Asano satisfies the requirements for an independent officer as provided for by the Tokyo Stock Exchange, and the Company plans to submit notification concerning his designation as independent officer.
  7. In accordance with Article 28, Paragraph 2 of the Company's Articles of Incorporation, the Company has concluded a contract with Mr. Takashi Suetsuna, Mr. Toshihide Yoda, Dr. Yuko Hayashi, Dr. Yutaka Atomi, Mr. Philippe Fauchet and Mr. Marc Dunoyer with respect to limiting their liabilities for damages under Paragraph 1 of Article 423 of the Companies Act to the Minimum Liability Amount stipulated in Paragraph 1 of Article 425 of the Companies Act so far as they are performing their duties in good faith and without gross negligence. If the proposal is approved as originally proposed and six (6) directors are re-elected, the above contract will be continued. Moreover, if Mr. Toshio Asano's election is approved, the Company plans to conclude the same liability limitation contract with him.
  8. The Company has concluded an officer liability insurance contract with the insurance company, and each candidate for director shall be the insured under such insurance contract. Please refer to "4 Officers, 3 Summary of the details of directors and officers liability insurance contract" in the Report on business results. In addition, in the event each candidate assumes the post of director, the applicable insurance contract shall be renewed during the term of office.

Criteria for independence of Outside Directors

In nomination of candidates for Outside Director of Member of the Board of Directors of the Company, the Company places great emphasis on abundant experience and high insight in corporate management etc. in addition to the requirements under the Companies Act. Independent Director has been designated as a person who fulfills the guidelines of an independent Director who is not likely to conflict of interest with the general shareholders as defined by the Tokyo Stock Exchange.

## Proposal 2 Revision of the Maximum Amount of Compensation for Directors

At the 42nd Ordinary General Meeting of Shareholders held on June 28, 2017, it was resolved that the amount of compensation for Directors shall not exceed 500 million yen per year (of which no more than 100 million yen per year for Outside Directors), and this resolution is still current. However, we would like to request the revision of the amount of compensation for Directors to within 750 million yen per year (of which no more than 150 million yen for Outside Directors), from the perspective of responding to the recent economic situation and securing and retaining suitable human resources for responding to the Company's global expansion going forward.

This proposal will be treated as a separate framework from the one approved at the 49th Ordinary General Meeting of Shareholders held on June 26, 2024, which stipulates that the total annual amount of monetary compensation claims to be paid for the granting of restricted stock to Directors (including Outside Directors) shall be 200 million yen or less (of which 20 million yen or less is allocated to Outside Directors) and that the total annual number of common shares of the Company to be issued or disposed of shall be no more than 250,000 shares (of which 25,000 shares or less are allocated to Outside Directors).

Furthermore, as before, the amount of compensation for Directors does not include the amounts paid as employee salaries.

As stated in the Business Report, a resolution was passed at the Board of Directors meeting held on May 10, 2024 regarding the policy for determining the details of individual Directors' compensation. The decision was made by the Board of Directors after deliberation by the Advisory Committee for Nomination, Compensation, etc., chaired by an Independent Outside Director and comprised of a majority of Independent Outside Directors, and the Company believes it was appropriate.

The number of Directors is currently eleven (11) (including six (6) Outside Directors), and if Proposal 1 is approved as originally proposed, it will be twelve (12) (including seven (7) Outside Directors).

## (FOR REFERENCE PURPOSE)

(Reference)

Skill Matrix of each Director and Audit &amp; Supervisory Board Member after the Conclusion of the General Meeting of Shareholders

|                    | Name                      | Position                                    | Skills             |                    |                   |     |            |       |     |                           |     |                            |                |                 |       |   |
|--------------------|---------------------------|---|--------------------|--------------------|-------------------|-----|------------|-------|-----|---------------------------|-----|----------------------------|----------------|-----------------|-------|---|
|                    |                           |   | General Management | Industry Knowledge | Global Experience | R&D | Production | Sales | ICT | Administrative Experience | Law | Tax & Financial Accounting | Sustainability | Risk Management | Other |   |
| Board of Directors | Toru Ashida               | Representative Director, Chairman           | ○                  |                    |                   |     |            |       | ○   |                           |     |                            | ○              | ○               |       |   |
|                    | Hiroyuki Sonoda, Ph.D.    | Representative Director, President          | ○                  | ○                  |                   | ○   |            |       |     |                           |     |                            |                |                 | ○     |   |
|                    | Andrea Spezzi             | Director, Senior Managing Executive Officer | ○                  | ○                  | ○                 | ○   |            |       |     |                           |     |                            |                |                 |       |   |
|                    | Yoshio Hiyama, Ph.D.      | Director, Managing Executive Officer        |                    |                    | ○                 |     | ○          |       |     |                           |     |                            | ○              | ○               |       |   |
|                    | Shin Ashida               | Director, Founder                           | ○                  |                    |                   |     |            |       |     |                           |     |                            |                |                 |       |   |
|                    | Takashi Suetsuna          | Director (Independent/ Outside)             |                    |                    | ○                 |     |            |       |     |                           | ○   | ○                          |                |                 | ○     |   |
|                    | Yuko Hayashi, Ph.D.       | Director (Independent/ Outside)             | ○                  |                    |                   |     |            |       |     | ○                         |     |                            |                | ○               |       | ○<br>Diversity and inclusion                                      |
|                    | Yutaka Atomi, M.D., Ph.D. | Director (Independent/ Outside)             |                    | ○                  |                   | ○   |            |       |     |                           |     |                            |                | ○               | ○     |   |
|                    | Philippe Fauchet OBE      | Director (Independent/ Outside)             | ○                  | ○                  | ○                 |     |            |       |     |                           |     |                            |                |                 |       | ○<br>Business Development/ Medical Affairs/PR/ Government Affairs |
|                    | Toshio Asano              | Director (Independent/ Outside)             | ○                  | ○                  | ○                 | ○   |            |       |     |                           |     |                            |                |                 |       |   |
|                    | Marc Dunoyer              | Director (Outside)                          | ○                  | ○                  | ○                 | ○   |            |       |     |                           |     |                            |                |                 |       |   |
| Toshihide Yoda     | Director (Outside)        | ○   | ○                  | ○                  |                   |     |            |       |     |                           |     |                            |                | ○               |       |   |

(Note) Up to four of the main areas (including Other) of the expertise and experience possessed by each Director are indicated in the above table.

(FOR REFERENCE PURPOSE)

|                           | Name             | Position   | Skills             |                    |                   |     |            |       |     |                           |     |                            |                |                 |       |   |                     |
|---------------------------|------------------|--|--------------------|--------------------|-------------------|-----|------------|-------|-----|---------------------------|-----|----------------------------|----------------|-----------------|-------|---|---------------------|
|                           |                  |  | General Management | Industry Knowledge | Global Experience | R&D | Production | Sales | ICT | Administrative Experience | Law | Tax & Financial Accounting | Sustainability | Risk Management | Other |   |                     |
| Audit & Supervisory Board | Kazumasa Oizumi  | Audit & Supervisory Board Member (Independent/Outside) | ○                  |                    |                   |     |            |       | ○   |                           |     |                            |                |                 |       |   | ○<br>Audit Practice |
|                           | Masayuki Mitsuka | Audit & Supervisory Board Member (Independent/Outside) | ○                  | ○                  |                   | ○   |            |       |     |                           |     |                            |                |                 |       | ○ |                     |
|                           | Miya Miyama      | Audit & Supervisory Board Member (Independent/Outside) |                    |                    |                   |     |            |       |     |                           | ○   | ○                          |                | ○               | ○     |   |                     |

(Note) Up to four of the main areas (including Other) of the expertise and experience possessed by each Audit & Supervisory Board Member are indicated in the above table.

(FOR REFERENCE PURPOSE)





[Attachment] Report on business results (From April 1, 2025 to March 31, 2026)

## 1 Current Situation of the Corporate Group

### 1. Progress of business and its results

#### (1) Summary of consolidated operating results for the fiscal year under review

The overview of this consolidated fiscal year is as follows.

| Net Sales  | Operating Income   | Ordinary Income  | Profit Attributable to Owners of Parent  |
|--|--|--|--|
| 40,319   | 555  | 1,165  | 2,178  |
| million yen  | million yen  | million yen  | million yen  |
|  Against Previous Fiscal Year |  Against Previous Fiscal Year |  Against Previous Fiscal Year |  Against Previous Fiscal Year |
| 21.9%  | -  | -  | -  |
| increase   |  |  |  |

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

#### 1. Net Sales

Net sales amounted to 40,319 million yen (up 21.9% year on year). The main factors increasing revenues against the previous fiscal year were strong product sales and an increase in revenue from licensing.

#### 2. Operating Income or Loss and Ordinary Income or Loss







Operating income of 555 million yen (compared with operating loss of 6,219 million yen in the previous fiscal year), ordinary income of 1,165 million yen (compared with ordinary loss of 7,046 million yen in the previous fiscal year), and profit attributable to owners of parent of 2,178 million yen (compared with loss attributable to owners of parent of 4,460 million yen in the previous fiscal year), each of the amounts was up from the previous fiscal year.

It was mainly because gross profit increased 36.2% as a result of higher net sales. R&D expenses increased 8.6% to 16,761 million yen.

(FOR REFERENCE PURPOSE)

### 3. Main components of sales

The main components of sales are as follows.

|   | Net sales for FY2025  |   | Year-on-year change  |
|---|---|---|--|
| Recombinant human growth hormone product<br>GROWJECT®                                   | 17,933 million yen  | <br>(0.9)%   | 164 million yen decrease   |
| Mucopolysaccharidoses Type II treatment<br>IZCARGO®                                     | 6,766 million yen   | <br>18.3%    | 1,047 million yen increase   |
| Regenerative medical products<br>TEMCELL® HS Inj.                                       | 2,831 million yen   | <br>(2.5)%   | 73 million yen decrease  |
| Renal anemia treatments<br>Epoetin Alfa BS Inj. [JCR]<br>Darbepoetin Alfa BS Inj. [JCR] | 3,622 million yen<br>1,121 million yen<br>2,501 million yen | <br>(4.3)%   | 162 million yen decrease<br>569 million yen decrease<br>407 million yen increase |
| Fabry disease treatment<br>Agalsidase Beta BS I.V. Infusion<br>[JCR]                    | 1,292 million yen   | <br>12.4%    | 142 million yen increase   |
| Revenue from licensing  | 5,549 million yen   | <br>972.8% | 5,032 million yen increase   |

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

- In the previous consolidated fiscal year, revenue from licensing originated mainly from the conclusion of license agreements for commercialization and contracts for joint promotion, while in this consolidated fiscal year, revenue from licensing originates from the license agreements for commercialization and the achievement of milestones, etc.

## (2) The status of R&D

### [Treatments for lysosomal storage diseases]

- In treatments for lysosomal storage diseases for which there are more than 17 types of treatment, we are currently prioritizing research and development on new drugs that employ our unique blood-brain barrier (BBB) technology, J-Brain Cargo®.
- Regarding our BBB-penetrating therapeutic enzyme for the treatment of Hunter Syndrome, pabinafusp alfa (development code: JR-141), we are currently conducting the global Phase III clinical trial. The trial is proceeding well, and enrolment has reached the target number of cases. Furthermore, in June 2025 we met with the U.S. Food and Drug Administration (FDA) to discuss our strategy for filing a new drug application.
- Regarding our BBB-penetrating therapeutic enzyme for the treatment of mucopolysaccharidose type I (development code: JR-171), thirteen-week Phase I/II clinical trials in Japan, Brazil, and the U.S., and their continuation studies have been completed. We plan to develop this therapeutic enzyme through licensing out rather than in-house, and are currently engaged in out-licensing negotiations with potential partners.
- Regarding our BBB-penetrating therapeutic enzyme for the treatment of mucopolysaccharidose type III A, posnafusp alfa, (development code: JR-441), Phase I/II clinical trials are currently underway in Germany, and planned enrolment of cases has been completed. Furthermore, for the Phase I clinical trials currently taking place in Japan, enrolment of the target number of cases has been completed, and the trial is proceeding smoothly. The drug received orphan drug designation from the European Commission (EC) in January 2022, the FDA in December 2023, and the Ministry of Health, Labour and Welfare of Japan in December 2024.
- Regarding our BBB-penetrating therapeutic enzyme for the treatment of mucopolysaccharidose type III B (development code: JR-446), in September 2023, we entered into a license agreement with Medipal Holdings Corporation for overseas commercialization and a co-development and commercialization agreement in Japan. Administration of the investigational drug began in Phase I/II clinical trials in Japan in December 2024. Furthermore, the drug received orphan drug designation from the FDA in April 2025, the EC in June 2025, and the Ministry of Health, Labour and Welfare of Japan in September 2025.
- Regarding a candidate treatment for fucosidosis (development code: JR-471), another developmental treatment that employs J-Brain Cargo®, based on the license agreement concluded in October 2022, an exclusive license with a relicense right for commercialization such as research, development, manufacture and sale all over the world except Japan was granted to Medipal Holdings Corporation. Currently, a clinical study is being conducted to gather natural history data for the patients. Furthermore, in August 2025, we entered into a license agreement with Medipal Holdings Corporation for overseas commercialization and a co-development and commercialization agreement in Japan for a candidate treatment for GM2 gangliosidosis (development code: JR-479).

[Human growth hormone product]

- Regarding the recombinant long-acting human growth hormone redalsomatropin alfa (rDNA origin) (development code: JR-142), we are currently conducting a Phase III clinical trial in Japan, and have completed patient enrolment. The continuation trial of the Phase II clinical trial is still in progress.
- For the currently marketed product GROWJECT®, a Phase III dose comparison clinical trial has started in Japan for pediatric patients with growth hormone deficiency. This trial is expected to help improve the final adult height and quality of life (QoL) following growth hormone treatment in Japan by narrowing the gap with international dosing practices for this condition.

[Treatment for Duchenne muscular dystrophy]

- In December 2025, we obtained an exclusive license from Italfarmaco S.p.A to develop and commercialize givinostat (marketed as Duvyzat® in Europe and the U.S.) in Japan, a treatment for Duchenne muscular dystrophy. We are currently examining development plans for the drug, aiming to obtain early approval in Japan.

[Creation of platform technology]

J-Brain Cargo®

- We are advancing research to expand the applicability of “J-Brain Cargo®,” JCR’s own BBB-penetrating technology, to various modalities, while focusing on out-licensing the technology. In July 2025, we concluded an option agreement with Acumen Pharmaceuticals for the out-licensing of J-Brain Cargo® technology, aiming to develop a BBB-penetrating treatment for Alzheimer’s disease.

JUST-AAV

- We are focusing on the creation of a new platform technology following J-Brain Cargo® technology. One of the outcomes of this research is the creation of a new gene therapy technology called JUST-AAV, which uses adeno-associated virus vectors. This technology not only enables efficient delivery of vectors to specific tissues, but is also expected to reduce side effects by minimizing vector accumulation in the liver. We are currently developing it as a new platform technology. With regard to this technology, we began joint research with Modalis Therapeutics Corporation in December 2023 to develop new gene therapies using this technology, and concluded a new joint research agreement in January 2025, after successfully verifying the initial technical concepts of this joint research project. Moreover, in July 2025, we concluded a license agreement to out-license JUST-AAV technology to Alexion, AstraZeneca Rare Disease, aiming to develop new gene therapy products.

[Other]

- In December 2025, we concluded an agreement with Italfarmaco S.p.A. for strategic collaboration in rare disease therapies. The agreement aims to enhance both companies’ portfolios and explore joint opportunities across JCR’s R&D pipeline and platform technologies.
- We established a new research hub, the Advanced Biopharmaceutical Research Institute, within Creative Lab Kobe (CLIK) at the Kobe Biomedical Innovation Cluster (KBIC) to advance biopharmaceutical

(FOR REFERENCE PURPOSE)

research and development and the creation of core technologies (operations commenced on April 1, 2026).

(FOR REFERENCE PURPOSE)

## [Reference] Research and Development Status of New Products

| Code<br>Nonproprietary name<br>(Product name) | Indication   | Status   | Mechanism   | Remarks  |
|---|--|--|---|--|
| JR-141<br>pabinafusp alfa<br>(IZCARGO® 10mg)  | LSD<br>MPS type II (Hunter)                        | Global:<br>Phase III                                     | BBB-penetrating<br>iduronate-2-<br>sulfatase (rDNA<br>origin)                   | • ERT<br>• J-Brain Cargo®  |
| JR-142  | Pediatric growth hormone<br>deficiency             | Japan:<br>Phase III                                      | Long-acting human<br>growth hormone<br>(rDNA origin)                            | • J-MIG System®  |
| JR-401G                                       | Pediatric growth hormone<br>deficiency             | Japan:<br>Phase III                                      | Recombinant<br>human growth<br>hormone  | Development of a dosing regimen<br>that allows for dose adjustment |
| JR-171<br>lepunafusp alfa                     | LSD<br>MPS type I (Hurler etc.)                    | Global:<br>Phase I/II                                    | BBB-penetrating $\alpha$ -<br>L-iduronidase<br>(rDNA origin)                    | • ERT<br>• J-Brain Cargo®<br>• J-MIG System®                       |
| JR-441  | LSD<br>MPS type III A<br>(Sanfilippo A)            | Germany:<br>Phase I/II<br>Japan:<br>Phase I              | BBB-penetrating<br>heparan N-sulfatase<br>(rDNA origin)                         | • ERT<br>• J-Brain Cargo®  |
| JR-446  | LSD<br>MPS type III B<br>(Sanfilippo B)            | Japan:<br>Phase I/II                                     | BBB-penetrating $\alpha$ -<br>N-<br>acetylglucosamini-<br>dase<br>(rDNA origin) | • ERT<br>• J-Brain Cargo®  |
| Givinostat                                    | Duchenne muscular<br>dystrophy                     | Japan:<br>Clinical<br>development<br>plan in<br>progress |   | Licensed from Italfarmaco S.p.A.                                   |
| JR-471  | LSD<br>fucosidosis                                 | Preclinical  | BBB-penetrating $\alpha$ -<br>L-fucosidase<br>(rDNA origin)                     | • ERT<br>• J-Brain Cargo®  |
| JR-479  | LSD<br>GM2-gangliosidosis<br>(Tay-Sachs, Sandhoff) | Preclinical  | BBB-penetrating $\beta$ -<br>hexosaminidase-A<br>(rDNA origin)                  | • ERT<br>• J-Brain Cargo®  |

(Note) LSD: Lysosomal storage disorder

## 2. State of financing

In order to procure quick and stable working capital, the Company has entered into commitment line agreements with major financial institutions totaling 49.5 billion yen. Of that amount, 26.5 billion yen was from commitment line agreements to raise funds related to the construction of a new formulation plant. As for the construction, the new plant has been selected by the Ministry of Economy, Trade and Industry (METI) for its “Project for Establishing Biopharmaceutical Manufacturing Sites to Strengthen Vaccine Production,” and the construction will be carried out using subsidies from this project. The commitment line agreement is intended to provide the necessary funds until the receipt of the subsidies.

## 3. State of capital expenditure

Capital expenditures in the fiscal year under review totaled 10,740 million yen, including capital investments of 181 million yen in R&D facilities and of 9,233 million yen in pharmaceutical manufacturing and marketing facilities.

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

## 4. Challenges need to be addressed

Forward-looking statements contained in this document are based on information available as of the end of the fiscal year under review.

### (1) Business Policies

In September 2025, we marked the 50th anniversary of our founding. We have taken a moment to reflect on what truly matters—our role in society, what we stand for, and how we move forward. This reflection has led us to renew our corporate philosophy, bringing even more clarity to our purpose and the values we share, in May 2025.

#### ○ Corporate philosophy

We create treatments that go beyond rare disease to solve the world’s most complex healthcare challenges

#### ○ Core values

##### People

Everything starts with people. Patients, families and healthcare professionals as well as our employees who are taking the same journey. Our initiatives start by responding to each individual’s needs.

(FOR REFERENCE PURPOSE)

Originality

We are not bound by conventional wisdom or precedent. Creating things that no-one else can in our own way. That is the spirit in the basics of JCR's manufacturing.

Evolution

We do not stop. We always challenge the limits and continue to advance with the power of research. We keep moving forward for the future of patients and their families.

Excellence

Patients, employees and partners. We continue to strive for the highest levels for people. Commitment to quality is our pride as well as our responsibility.

Guided by its mission, "to create treatments that go beyond rare disease to solve the world's most complex healthcare challenges," JCR has engaged in R&D of first-in-Japan and first-in-the-world therapies by leveraging advanced technologies such as regenerative medicine, recombinant protein engineering, and gene therapy, and constantly taken on challenges. To mark our 50th founding anniversary, as we embark on a new stage, we have formulated a new corporate slogan: "Life is Rare."

The slogan reflects our respect for irreplaceable life and each individual patient's existence, the rarity and difficulty of the domains that we work in, the uniqueness of the technologies we create, and our stance of pursuing one-of-a-kind value. Rare refers not only to rare diseases, but also symbolizes our resolve to take on unresolved medical challenges.

The Company transitioned to a new management structure from April 1, 2026.

Under the new management structure, with the values we have cultivated over the 50 years since our founding forming the basis for our next 50 years, we will continue to fulfill our mission, "to create treatments that go beyond rare disease to solve the world's most complex healthcare challenges."

(2) Corporate strategy, etc.

As for the financial results in fiscal 2025, we recorded net sales of 40,319 million yen (up 7,247 million yen from the previous fiscal year) and operating income of 555 million yen (up 6,775 million yen from the previous fiscal year).

We have started our five-year Midterm Business Plan "Reach Beyond, Together" in fiscal 2023. Under the plan, we have taken on unprecedented challenges in order to provide patients with treatments for lysosomal storage disease that employ our unique blood-brain barrier (BBB) technology "J-Brain Cargo<sup>®</sup>" as quickly as possible.

We are also continuing to pursue the introduction of products expected to have a synergistic effect with our strengths in the rare disease field. As a result, while net sales increased by approximately 2.5 billion yen compared to the initial forecast, operating income decreased by approximately 2.2 billion yen compared to the initial forecast due mainly to the recording of a lump sum payment based on the

(FOR REFERENCE PURPOSE)

commercialization agreement for the Duchenne muscular dystrophy treatment in Japan, which was concluded in December 2025, as an R&D expense.

We have established systems and enhanced personnel for research and development, and to promote clinical development, particularly overseas, as well as to expand production activities. As a result, the number of JCR Group's employees became 985 as of March 31, 2026. Due to the establishment of overseas development systems and active development activities, we were able to complete the subject enrollment for the global Phase III clinical trial of JR-141 ahead of the anticipated schedule, and we are currently actively working towards submitting a global marketing authorization application. In addition to JR-141, we are advancing research and development of BBB-penetrating ERT that apply "J-Brain Cargo®," including JR-171, JR-441, JR-446, JR-471, and JR-479. We are planning to enter clinical trials for several of these items in the near future. In the research field, we are advancing efforts to create new value through the development of "JUST-AAV," a new gene therapy technology that applies "J-Brain Cargo®," achieving technological innovation by addressing the challenges of traditional gene therapy through enhanced brain tropism and muscle tropism while dramatically reducing liver tropism. As a result of actively promoting the out-licensing activities of newly created technologies and research items, we concluded several licensing agreements with pharmaceutical companies in fiscal 2025.

Furthermore, in the production field, the outsourcing of vaccine drug manufacturing in 2021 served as a catalyst for discovering the potential of contract manufacturing business utilizing the Company's production technologies and know-how. In July 2025, we were selected as a recipient of the METI's subsidy for "Support Program for Regenerative Medicine, Cell Therapy, and Gene Therapy Manufacturing Facilities." Additionally, the construction of a new formulation plant, which began in February 2025 and was selected for the METI's "Project for Establishing Biopharmaceutical Manufacturing Sites to Strengthen Vaccine Production," is progressing smoothly towards completion in fiscal 2026. In the operation field, the net sales of GROWJECT®, which expanded in fiscal 2023 due to competitors' supply issues, continue to maintain the top market share in the current fiscal year. With regard to IZCARGO®, net sales have continued to increase as a result of our company-wide activities aimed at building up evidence and supplying information.

The Company has continued active and future-oriented growth investment through the licensing revenue from the sales of domestic products and out-licensing agreements to external companies. Meanwhile, we are working to transform the sources of our growth investment, which rely not only on product sales but also on licensing revenue, into a more stable profit structure. As part of these efforts, in fiscal 2025, we concluded a domestic licensing agreement for Givinostat, a treatment for Duchenne muscular dystrophy. We are proceeding with preparations to obtain approval by 2028.

Additionally, we have initiated activities to out-license products to overseas companies, leveraging Japan's marketing authorization. In October 2025, we concluded an agreement to license the development and marketing rights for Agalsidase Beta BS I.V. Infusion [JCR] in nine countries, Turkey and nations in the Middle East and North Africa.

(FOR REFERENCE PURPOSE)

At present, we have active discussion about matters including the improvement in our drug discovery capabilities so that we can quickly deliver the latest pharmaceuticals to people in Japan. In addition, in the U.S. there is a rapidly changing regulatory environment. As one of Japan's few companies with biopharmaceutical technologies and gene therapy technologies, the Company will continue to develop our business with stability by monitoring the direction of domestic and overseas policies and the regulatory environment, while setting the reinforcement of our domestic business foundation over the medium to long term as a top priority, so that we can supply the world with fundamental technologies and revolutionary pharmaceuticals made with those technologies.

(FOR REFERENCE PURPOSE)

[Reference] Our Approach to Sustainability

Since its founding in 1975, the Group has sought to create groundbreaking new drugs that address unmet medical needs, primarily for rare diseases, using cutting-edge biotechnology, cell therapy, and regenerative medicine technologies.

The situation and challenges surrounding the global environment and society are changing with each passing year, but the Group believes that it is important to pursue sustained corporate value creation through our business activities as a pharmaceutical manufacturer and to contribute to the development of a sustainable society. We have identified priority issues (materiality) of Rare Diseases, Environment, Society, and Corporate Governance as the core areas and are advancing initiatives in these areas.

Rare Diseases in particular is an area closely related to our business activities in which the Group is able to make a unique contribution.

By actively engaging in the development of treatments and the creation of new business models even for ultra-rare diseases with an extremely small number of patients, we aim to create a society in which no patient waiting for treatment is left behind, not only in Japan but around the world.

<Materiality>

| Category           | Materiality<br>(priority issue)                        |
|--------------------|--|
| Rare Diseases (RD) | Providing treatment options for rare diseases          |
| Environment (E)    | Consideration for the natural environment              |
| Society (S)        | Creating innovative platform technologies              |
|                    | Building a global supply system for biopharmaceuticals |
|                    | Developing human resources to support growth           |
| Governance (G)     | Management with high ethical standards                 |

For more information on our sustainability initiatives, please visit the following web page.  
<https://www.jcrpharm.co.jp/sustainability/>

(FOR REFERENCE PURPOSE)

[Reference] Our Approach to Human Resources Strategy

To realize our Long-Term Management Vision “Toward 2030,” we will promote the creation of a workplace environment that utilizes diversity and the advancement of human resource development as the core of our medium- to long-term human resources strategy, based on the shared conviction that JCR’s value originates from “Team JCR.”

At the same time, we will develop initiatives to achieve “growth of people and organizations” by strengthening the development and recruitment of next-generation leaders with an eye on global business development.

Based on this policy, we will revise our personnel system, align future organizational strategies and staffing plans, regularly align perspectives on talent across departments, and build a “dynamic talent portfolio” that optimizes talent allocation to help implement the strategy.

In addition, we will develop a system of job performance and performance evaluation centered on contributions to achieve the desired talent profile and implement a human resources management framework that links organizational growth with individual growth.

The Company has adopted “Think by oneself, and act by oneself” as its human resources development policy. To realize this, we will create systematic opportunities for skills development, including foundational training tailored to level, career, and role; individual capability enhancement and promotion of active contribution; and support for taking on challenging future endeavors.

Through these human resource foundations, we will continue to invest in human capital and accelerate the development of human resources who contribute to enhancing corporate value. Starting with the widespread adoption of our human resource management framework, we will implement a dynamic talent portfolio and support organizational transformation that enables individuals who embody our ideal—“Be the doer”—to take ownership and autonomously generate synergies, driving global growth.

For more information regarding our human resource development that supports growth, please visit the following web page.

Human Resources Management | JCR Pharmaceuticals Co., Ltd.  
[https://www.jcrpharm.co.jp/sustainability/society/human\\_rights/](https://www.jcrpharm.co.jp/sustainability/society/human_rights/)

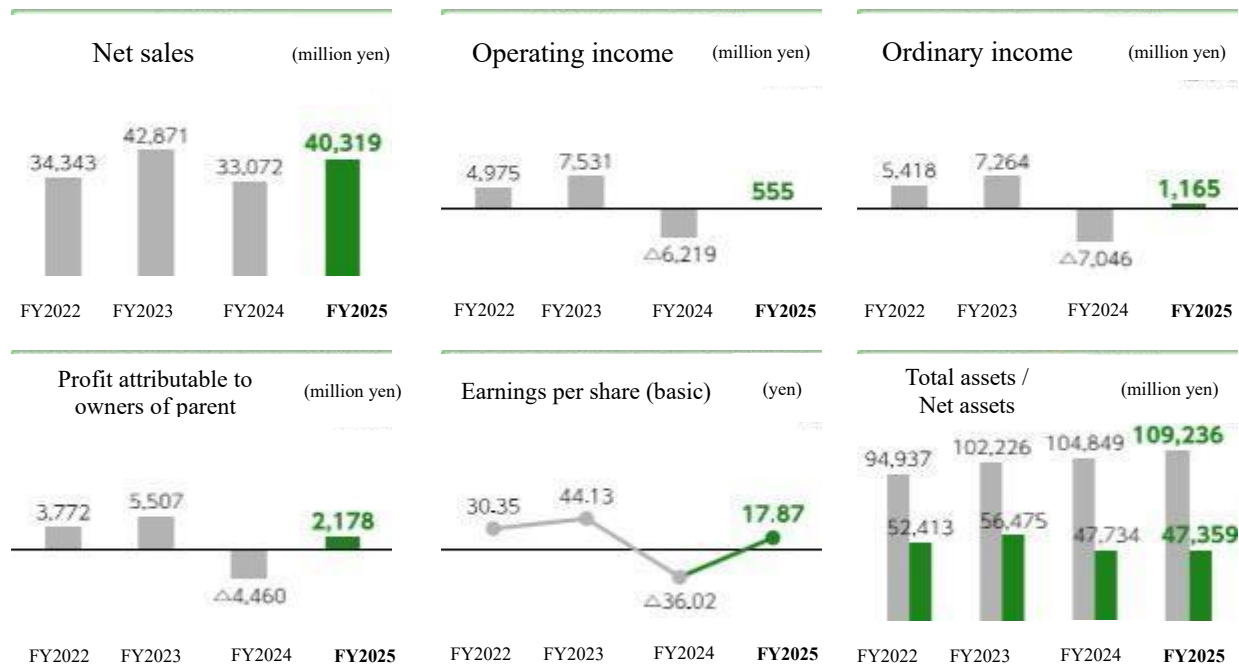
(FOR REFERENCE PURPOSE)

## 5. Trends in assets and profit and loss

### (1) Trends in the state of business results and assets of JCR Group

| Category                                       |               | 48th term<br>Fiscal year 2022 | 49th term<br>Fiscal year 2023 | 50th term<br>Fiscal year 2024 | 51st term (term<br>under review)<br>Fiscal year 2025 |
|--|---------------|-------------------------------|-------------------------------|-------------------------------|--|
| Net sales                                      | (million yen) | 34,343                        | 42,871                        | 33,072                        | <b>40,319</b>  |
| Operating income (loss)                        | (million yen) | 4,975                         | 7,531                         | (6,219)                       | <b>555</b>   |
| Ordinary income (loss)                         | (million yen) | 5,418                         | 7,264                         | (7,046)                       | <b>1,165</b>   |
| Profit (loss) attributable to owners of parent | (million yen) | 3,772                         | 5,507                         | (4,460)                       | <b>2,178</b>   |
| Earnings (loss) per share (basic)              | (yen)         | 30.35                         | 44.13                         | (36.02)                       | <b>17.87</b>   |
| Total assets                                   | (million yen) | 94,937                        | 102,226                       | 104,849                       | <b>109,236</b>                                       |
| Net assets                                     | (million yen) | 52,413                        | 56,475                        | 47,734                        | <b>47,359</b>  |

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



(FOR REFERENCE PURPOSE)

(2) Trends in the business results and assets of the Company

| Category                  |               | 48th term<br>Fiscal year 2022 | 49th term<br>Fiscal year 2023 | 50th term<br>Fiscal year 2024 | 51st term (term<br>under review)<br>Fiscal year 2025 |
|---------------------------|---------------|-------------------------------|-------------------------------|-------------------------------|--|
| Net sales                 | (million yen) | 34,343                        | 42,871                        | 33,071                        | <b>40,319</b>  |
| Operating income (loss)   | (million yen) | 5,095                         | 7,549                         | (6,469)                       | <b>368</b>   |
| Ordinary income (loss)    | (million yen) | 5,284                         | 8,048                         | (7,138)                       | <b>745</b>   |
| Profit (loss)             | (million yen) | 3,687                         | 6,364                         | (4,447)                       | <b>1,919</b>   |
| Earnings (loss) per share | (yen)         | 29.67                         | 51.00                         | (35.91)                       | <b>15.74</b>   |
| Total assets              | (million yen) | 94,551                        | 102,102                       | 103,813                       | <b>107,842</b>                                       |
| Net assets                | (million yen) | 52,006                        | 56,141                        | 46,553                        | <b>45,606</b>  |

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

6. Important subsidiaries, etc.

Subsidiaries

| Company Name   | Capital          | Investment<br>Ratio of the<br>Company | Description of Main Business   |
|--|------------------|---------------------------------------|--|
| Chromatech Co., Ltd.   | 10 million yen   | 100.0 %                               | Sale of medical and laboratory equipment   |
| JCR Engineering Co., Ltd.  | 10 million yen   | 100.0 %                               | Processing and custody of facility information<br>Facility management<br>Construction management |
| JCR INTERNATIONAL SA   | 1 million CHF    | 100.0 %                               | Surveys toward market development and<br>investments related to pharmaceuticals                  |
| JCR USA, Inc.  | 5 million USD    | 65.0 %                                | Management and supervision of outsourcing to the<br>CRO related to clinical trials               |
| ArmaGen, Inc.  | 1 USD            | 100.0 %                               | Development of pharmaceuticals and management<br>of intellectual property and licenses           |
| JCR DO BRASIL<br>FARMACÊUTICOS<br>IMPORTAÇÃO E EXPORTAÇÃO<br>LTDA. | 10 million BRL   | 100.0 %                               | Clinical operations, regulatory affairs and<br>development in Brazil                             |
| JCR Luxembourg S.A.  | 5 million Euro   | 100.0 %                               | Manufacture, packaging, storage and distribution of<br>pharmaceuticals and raw materials         |
| JCR Europe B.V.  | 0.5 million Euro | 100.0 %                               | Clinical operations, regulatory affairs and<br>development in Europe                             |

## 7. Scope of main business

The Company Group manufactures, purchases and sells ethical pharmaceuticals, regenerative medicine products, active pharmaceutical ingredients and raw materials and also purchases and sells laboratory instruments, apparatus and medical equipment.

## 8. Main places of business and manufacturing sites

### (1) JCR Pharmaceuticals Co., Ltd.

| Category            | Name (Location)                           |
|---------------------|---|
| Head Office         | Head Office (Ashiya, Hyogo Prefecture)    |
| Office              | Tokyo Office (Minato-ku, Tokyo)           |
| Manufacturing Sites | Seishin Plant (Nishi-ku, Kobe)            |
|                     | Kobe Plant (Nishi-ku, Kobe)               |
|                     | Murotani Plant (Nishi-ku, Kobe)           |
|                     | Kobe API Plant (Nishi-ku, Kobe)           |
| Research Laboratory | Kobe Science Park Center (Nishi-ku, Kobe) |
|                     | Research Institute (Nishi-ku, Kobe)       |
|                     | Bio Research Center (Nishi-ku Kobe)       |

(FOR REFERENCE PURPOSE)

## (2) Subsidiaries

| Category | Name (Location)  |
|----------|--|
| Japan    | Chromatech Co., Ltd. (Ashiya, Hyogo)<br>JCR Engineering Co., Ltd. (Nishi-ku, Kobe)   |
| Overseas | JCR INTERNATIONAL SA (Switzerland)<br>JCR USA, Inc. (USA)<br>ArmaGen, Inc. (USA)<br>JCR DO BRASIL FARMACÊUTICOS IMPORTAÇÃO E EXPORTAÇÃO LTDA.<br>(Brazil)<br>JCR Luxembourg S.A. (Luxembourg)<br>JCR Europe B.V. (the Netherlands) |

## 9. Employees

| Business Division                        | Number of Employees |
|--|---------------------|
| Pharmaceuticals                          | 847                 |
| Medical devices and laboratory equipment | 7                   |
| Company-wide (shared)                    | 131                 |
| Total                                    | 985                 |

(Note) The number of employees refers to the employed workforce.

## 10. Principal Lenders

| Lender                              | Loan Value         |
|-------------------------------------|--------------------|
| MUFG Bank, Ltd.                     | 16,924 million yen |
| Sumitomo Mitsui Banking Corporation | 14,045 million yen |
| Mizuho Bank, Ltd.                   | 12,476 million yen |

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

## 2 Matters Related to the Shares of the Company

### 1. State of shares

|  |                     |  |
|--|---------------------|--|
| (1) Total number of authorized shares                          | 320,000,000 shares  |  |
| (2) Total number of outstanding shares                         | 129,686,308 shares  | (including 7,479,502 shares held as treasury shares) |
| (3) Number of shareholders at the end of the term under review | 25,949 shareholders |  |

### 2. Principal shareholders (Top 10)

| Name of Shareholder  | Number of Shares Held | Ratio of Shareholding |
|--|-----------------------|-----------------------|
| Medipal Holdings Corporation                                       | 29,131,000 shares     | 23.83%                |
| The Master Trust Bank of Japan, Ltd. (Trust Account)               | 9,273,000 shares      | 7.58%                 |
| Future Brain Co., Ltd.   | 8,711,000 shares      | 7.12%                 |
| The Nomura Trust and Banking Co., Ltd. (Trust A Account)           | 5,498,000 shares      | 4.49%                 |
| Custody Bank of Japan, Ltd. (Trust Account)                        | 5,169,000 shares      | 4.22%                 |
| Kissei Pharmaceutical Co., Ltd.                                    | 4,918,000 shares      | 4.02%                 |
| Mochida Pharmaceutical Co., Ltd.                                   | 2,200,000 shares      | 1.80%                 |
| Goldman Sachs Japan Co., Ltd. BNYM                                 | 1,527,000 shares      | 1.24%                 |
| Koji Yoshimura   | 1,500,000 shares      | 1.22%                 |
| Employee Shareholding Association of JCR Pharmaceuticals Co., Ltd. | 1,489,000 shares      | 1.21%                 |

- (Notes) 1. For Number of Shares Held, values of less than 1,000 shares are rounded down, and for Ratio of Shareholding, all amounts are rounded down to the second decimal place.
2. The Company holds 7,479,502 shares of the Company; however it is not included in the table above.
3. 213,900 shares of the Company held with Custody Bank of Japan, Ltd. (Trust E Account) following the adoption of Benefit Trust Scheme (J-ESOP), are not included in treasury shares of the Company (7,479,502 shares).
4. Ratios of shareholding have been calculated after deducting treasury shares from the total number of outstanding shares.

(FOR REFERENCE PURPOSE)

3. State of shares granted as compensation for the execution of duties to officers of the Company during the fiscal year under review

|   | Number of Shares | Recipients |
|---|------------------|------------|
| Directors (excluding Outside Directors) | 61,500 shares    | 5          |
| Outside Directors                       | 9,500 shares     | 5          |

(Note) Details of the Company's stock-linked compensation can be found in "4. Officers 4. Compensation, etc. of Directors and Audit & Supervisory Board Members" of the Report on business results.

4. Other important matters related to shares

Disposal of treasury shares as restricted share compensation

In accordance with the resolution of the 49th Ordinary General Meeting of Shareholders held on June 26, 2024, the Company has introduced a restricted share compensation plan. In the fiscal year under review, the Board of Directors resolved on June 25, 2025, to dispose of treasury shares as restricted share compensation. Accordingly, on July 25, 2025, the Company disposed of 111,000 shares of treasury shares to the following recipients: ten (10) Directors (including Outside Directors) and eight (8) recipients including Corporate Officers (not concurrently serving as Directors).

(FOR REFERENCE PURPOSE)

### 3 Matters Related to the New Shares Acquisition Rights of the Company

#### 1. State of shares acquisition rights granted as compensation for the execution of duties held by Officers of the Company on the last day of the fiscal year under review

| Date of Resolution on Issue | Period of Exercise | Exercise Price                     | Recipients | Number of Rights                   |    |
|-----------------------------|--------------------|------------------------------------|------------|------------------------------------|----|
| July 25, 2014               | From<br>To         | August 15, 2014<br>August 14, 2044 | 1 yen      | 1 Audit & Supervisory Board Member | 10 |

#### 2. State of new share acquisition rights granted to the Company employees as compensation for the execution of duties during the fiscal year under review

No relevant items

#### 3. Other important matters related to new share acquisition rights, etc.

No relevant items

## 4 Officers (As of March 31, 2026)

### 1. Names, etc., of Directors and Audit & Supervisory Board Members

| Position   | Name             | Responsibilities, Principal Duties, and Significant Concurrent Positions   |
|--|------------------|--|
| Representative Director, Chairman and President<br>Chief Executive Officer (CEO) and Chief Operating Officer (COO) | Shin Ashida      | Member of the Board of Directors of Future Brain Co., Ltd.<br>Representative Director and President of JCR INTERNATIONAL SA  |
| Member, Board of Directors<br>Senior Managing Executive Officer  | Toru Ashida      | In charge of Sales<br>Executive Director of Sales Division,<br>Representative Director and President of Future Brain Co., Ltd.   |
| Member, Board of Directors<br>Senior Managing Executive Officer  | Hiroyuki Sonoda  | In charge of Research<br>Executive Director of Research Division<br>Representative Director and President of AlliedCel Corporation   |
| Member, Board of Directors<br>Managing Executive Officer   | Yoshio Hiyama    | Executive Director of Quality Assurance Division<br>Director of JCR Luxembourg S.A.  |
| Member, Board of Directors<br>Managing Executive Officer   | Andrea Spezzi    | In charge of Development<br>Andrea Spezzi Executive Consultant<br>Independent Board Director of Bloomsbury Genetic Therapies<br>Advisor and acting Partner of Discovery Ventures Healthcare Fund   |
| Member, Board of Directors   | Takashi Suetsuna | Outside Director (Audit and Supervisory Committee Member) of Keikyu Corporation<br>Outside Audit & Supervisory Board Member of Kandenko Co., Ltd.  |
| Member, Board of Directors   | Yuko Hayashi     | Professor of Graduate School of Innovation and Technology Management of Yamaguchi University<br>Executive Director of 3.11 Earthquake Orphans Cultural and Sports Support Facilitation Corporation of Public Interest Incorporated Association<br>Director of Kawamura Scholarship Foundation<br>Director of Urakami Foundation for Food and Food Culture Promotion<br>Director of Institute for Drug Discovery Innovation |

## (FOR REFERENCE PURPOSE)

| Position                                   | Name             | Responsibilities, Principal Duties, and Significant Concurrent Positions  |
|--|------------------|---|
| Member, Board of Directors                 | Yutaka Atomi     | President Emeritus of Kyorin University<br>Outside Audit & Supervisory Board Member of Sanki Engineering Co., Ltd.<br>Outside Director (Audit and Supervisory Committee Member) of Pasona Inc.<br>President of Atomi Gakuen<br>President of International Medical Research Foundation<br>President of The Japan China Medical Association |
| Member, Board of Directors                 | Philippe Fauchet | External Director of Noile-Immune Biotech Inc.<br>External Director of Rezolute, Inc. (RZLT)<br>Outside Director of LUCA Science Inc.<br>Director of Medical Excellence JAPAN   |
| Member, Board of Directors                 | Marc Dunoyer     | Chief Strategy Officer of AstraZeneca Group<br>Chief Executive Officer of Alexion, AstraZeneca's Rare Disease Group<br>Chairman of AstraZeneca KK<br>Director of Cellectis SA   |
| Member, Board of Directors                 | Toshihide Yoda   | Senior Vice President of Medipal Holdings Corporation<br>Director of JCR USA, Inc.  |
| Full-Time Audit & Supervisory Board Member | Kazumasa Oizumi  |   |
| Audit & Supervisory Board Member           | Masayuki Mitsuka | Outside Audit & Supervisory Board Member of Medipal Holdings Corporation<br>External Director of SAWAI GROUP HOLDINGS Co., Ltd.   |
| Audit & Supervisory Board Member           | Miya Miyama      | Attorney of CITY-YUWA PARTNERS<br>Outside Director of Totetsu Kogyo Co., Ltd.<br>Outside Corporate Auditor of GS Yuasa Corporation  |

- (Notes) 1. The Company designated six (6) Outside Directors; Mr. Takashi Suetsuna, Dr. Yuko Hayashi, Dr. Yutaka Atomi, Mr. Philippe Fauchet, Mr. Marc Dunoyer and Mr. Toshihide Yoda, among which the four (4) Outside Directors; Mr. Takashi Suetsuna, Dr. Yuko Hayashi, Dr. Yutaka Atomi and Mr. Philippe Fauchet are Independent Directors who are not likely to conflict of interest with the general shareholders as defined by the Tokyo Stock Exchange, Inc.
2. The Company designated three (3) Outside Audit & Supervisory Board Members; Mr. Kazumasa Oizumi, Mr. Masayuki Mitsuka and Ms. Miya Miyama are Independent Audit & Supervisory Board Members who are not likely to conflict of interest with the general shareholders as defined by the Tokyo Stock Exchange, Inc.
3. Audit & Supervisory Board Member Mr. Kazumasa Oizumi has many years of experience at financial institutions.
4. Audit & Supervisory Board Members Mr. Kazuhiko Yamada and Mr. Kenjiro Miyatake resigned at the conclusion of the 50th Ordinary General Meeting of Shareholders held on June 25, 2025.
5. As of April 1, 2026, Mr. Shin Ashida has been appointed as Director, Founder; Mr. Toru Ashida as Representative Director, Chairman; and Mr. Hiroyuki Sonoda as Representative Director, President and Chief Scientific Officer.
6. Director Mr. Hiroyuki Sonoda retired as Representative Director and President of AlliedCel Corporation as of March 31, 2026.

(FOR REFERENCE PURPOSE)

7. The Company has introduced a Corporate Officer system in order to streamline the management organization and strengthen the functions of the Board of Directors.

The Corporate Officers are as follows.

|                                   |                        |  |
|-----------------------------------|------------------------|--|
| Director                          | Toru Ashida            | In charge of Sales   |
| Senior Managing Executive Officer |                        | Executive Director of Sales Division   |
| Director                          | Hiroyuki Sonoda        | In charge of Research  |
| Senior Managing Executive Officer |                        | Executive Director of Research Division  |
| Director                          | Yoshio Hiyama          | In charge of Quality Assurance   |
| Managing Executive Officer        |                        | Executive Director of Quality Assurance Division                                     |
| Director                          | Andrea Spezzi          | In charge of Development   |
| Managing Executive Officer        |                        |  |
| Senior Managing Executive Officer | Toshihiro Ishikiriyama | Executive Director of Business Development Division                                  |
| Managing Executive Officer        | Junichi Ando           | Executive Director of Production Division  |
| Senior Executive Officer          | Yoh Ito                | Executive Director of Corporate Strategy Division                                    |
| Senior Executive Officer          | Yutaka Honda           | Executive Director of Administration Division  |
| Senior Executive Officer          | Takayo Egawa           | Manager of International Affairs Office  |
| Senior Executive Officer          | Anne Bechet            | Executive Director of Development Division   |
| Executive Officer                 | Makoto Ashida          | Assistant Director of Production Division<br>Director of Production Management Unit. |

The names and positions of Corporate Officers who underwent personnel changes as of April 1, 2026, are as follows.

|                                   |                        |  |
|-----------------------------------|------------------------|--|
| Director                          | Andrea Spezzi          | In charge of Development   |
| Senior Managing Executive Officer |                        |  |
| Senior Managing Executive Officer | Yutaka Honda           | Executive Director of Administration Division<br>Head of Office of the President   |
| Senior Managing Executive Officer | Toshihiro Ishikiriyama | Executive Director of Business Development Division  |
| Managing Executive Officer        | Makoto Ashida          | Executive Director of Production Division  |
| Managing Executive Officer        | Anne Bechet            | Executive Director of Development Division,<br>Manager of International Affairs Office                                   |
| Senior Executive Officer          | Takayo Egawa           | Manager of International Affairs Office  |
| Executive Officer                 | Tomohiko Miyagawa      | Executive Director of Sales Division   |
| Executive Officer                 | Kazutoshi Mihara       | Executive Director of Research Division<br>Director of CMC Research Institute  |
| Executive Officer                 | Hiroyuki Fukuya        | Director of Legal and Compliance Department and<br>Director of Internal Control Department of<br>Administration Division |

## 2. Summary of the details of liability limitation contract

The Company has set a provision in the Articles of Incorporation for concluding liability limitation contracts with Directors and Audit & Supervisory Board Members who do not participate in the execution of operation so that we can call on excellent and appropriate human resources readily and they can fully exercise their expected role.

(FOR REFERENCE PURPOSE)

Under the said provision and based on the stipulations of Article 427, Paragraph 1 of the Companies Act and the Articles of Incorporation, the Company has concluded contracts with the six (6) Outside Directors and the three (3) Audit & Supervisory Board Members with respect to limiting their liabilities for damages under Article 423, Paragraph 1 of the Companies Act to the Minimum Liability Amount stipulated in Article 425, Paragraph 1 of the Companies Act so far as they are performing their duties in good faith and without gross negligence.

### 3. Summary of the details of directors and officers liability insurance contract

We have concluded an officer liability insurance (D&O insurance) contract with the insurance company as set forth in Paragraph 1 of Article 430-3 of the Companies Act, with Directors, Audit & Supervisory Board Members, and Corporate Officers as insured persons.

The outline of the contents of the applicable insurance contract shall be covered by the applicable insurance contract with respect to any loss or damage that the insured may incur as a result of the insured assuming responsibility for the execution of its duties or receiving a claim pertaining to the pursuit of such liability.

Provided, however, that such insurance contract shall not indemnify the insured against any claim for damages arising out of the willful or gross negligence of the insured.

The Company shall bear all insurance premiums and the insured shall not bear any insurance premiums.

### 4. Compensation, etc. of Directors and Audit & Supervisory Board Members

(1) Policies for determining details of executive compensation, etc.

At a meeting of the Board of Directors held on May 10, 2024, JCR passed a resolution regarding policies for determining the details of individual compensation, etc. for Directors.

On the occasion of this resolution by the Board of Directors, JCR consulted the Advisory Committee for Nomination, Compensation, etc. composed of one internal Director and four Outside Directors beforehand and followed their recommendations. Furthermore, the Representative Director and President, delegated by the Board of Directors, determined the fixed compensation and the Board of Directors determined the restricted share compensation, respectively, and they are judged to be in line with said policies.

The details of the policies for determining individual compensation, etc., for Directors are as follows.

#### Basic policy concerning compensation, etc.

The basic policy on executive compensation is to establish and operate a system that is intended to enhance motivation to contribute to improved corporate value and morale while aiming for continued improvements to business performance on a medium- to long-term basis.

Compensation for Directors and Audit & Supervisory Board Members is classified into two types: fixed compensation and stock compensation. For the time being, the Company has not adopted a performance-linked compensation system.

Specifically, internal and outside Directors shall be compensated by fixed compensation and, with the aim of continuously increasing corporate value, stock-based compensation linked to shareholder returns.

(FOR REFERENCE PURPOSE)

Compensation for Audit & Supervisory Board Members consists solely of fixed compensation in the form of basic compensation.

Additionally, JCR has established an Advisory Committee for Nomination, Compensation, etc. with the goal of ensuring the independence and objectivity of Board of Director functions with regards to compensation, etc. As an advisory body to the Board of Directors, the committee includes Independent Outside Directors and Independent Outside Audit & Supervisory Board Members.

1. Policy for determining amount of individual compensation, etc., for fixed compensation (monetary compensation) (including policy for the period of providing compensation etc. and determination of requirements)

Fixed compensation for Directors is paid as monthly fixed compensation in accordance with each Director's duties. JCR determines the amount in line with the size of the individual's role while also referencing business conditions, social standards, and past payment history, etc., and pays the compensation at a specified time during the term of office. Note that Representative Director and President, who is delegated by the Board of Directors, makes the final decision within a range determined through a resolution by the General Meeting of Shareholders upon full deliberation by the Advisory Committee for Nomination, Compensation, etc.

Fixed compensation for Audit & Supervisory Board Members is paid as monthly fixed compensation in accordance with each Audit & Supervisory Board Member's duties. The amount is determined while referencing business conditions and social standards. Note that compensation for Audit & Supervisory Board Members is decided through discussion with Audit & Supervisory Board Members within a range determined through a resolution by the General Meeting of Shareholders.

2. Policy concerning performance-linked compensation

JCR has made it its management policy to aim for long-term growth by actively investing in research and development in innovative fields. The Company has decided not to adopt performance-linked compensation, which changes the amount of compensation in coordination with recent business performance, for the time being out of concern that it would work to discourage this type of investment activity.

3. Policy concerning details of non-monetary compensation and methods for calculating amounts and number of payments (including policy for the period of providing compensation etc. and determination of requirements)

Restricted share compensation plan provided as non-monetary compensation to internal Directors and Outside Directors is intended to enhance motivation to contribute to continued improvement in business performance and corporate value on a medium- to long-term basis, and is allotted every year on at a certain period. The number of shares to be allotted to each Director will be determined in accordance with each Director's position and role by the Board of Directors upon full deliberation by the Advisory Committee for Nomination, Compensation, etc.

4. Policy for determining the ratios of the amounts of monetary compensation and non-monetary compensation in the amount of individual compensation, etc.

With regard to the amounts of monetary and non-monetary compensation for internal Directors and Outside Directors, the ratio of the amount of individual compensation will be determined each fiscal year in order to

## (FOR REFERENCE PURPOSE)

respond flexibly to the contributions to business results by each Director in each fiscal year. In deciding the amounts, the Advisory Committee for Nomination, Compensation, etc. discusses the amounts to ensure they are appropriate for each type of compensation for each Director after taking into account all the elements set forth in the policy, while giving consideration to JCR's performance and business conditions.

The Board of Directors and the Representative Director and President, who is delegated by the Board of Directors, determine the details of individual compensation for each Director within the ratios for each type of compensation indicated by the Advisory Committee for Nomination, Compensation, etc., respecting its recommendations. Compensation for Audit & Supervisory Board Members shall consist solely of fixed compensation (monetary compensation) in the form of basic compensation.

#### 5. Matters concerning decisions about details of individual compensation, etc. for Directors

Concerning the decision of the amount of individual compensation, the Representative Director and President shall be delegated to decide on the specific details based on a resolution by the Board of Directors, and given authority to determine the amount of compensation for each Director. The Board of Directors consults the Advisory Committee for Nomination, Compensation, etc. about the original proposal so that the authority is exercised appropriately. Having been delegated, the Representative Director and President makes a decision based on the content of the recommendation.

#### (2) Total compensation, etc. for the current fiscal year

| Category   | Total compensation, etc. (million yen) | Total compensation, etc. by type (million yen) |                                       |                                 | Eligible executives |
|--|--|--|---------------------------------------|---------------------------------|---------------------|
|  |  | fixed compensation                             | Performance-linked compensation, etc. | Non-monetary compensation, etc. |                     |
| Director<br>(Outside Directors)  | 509<br>(75)                            | 469<br>(69)                                    | –<br>(–)                              | 40<br>(5)                       | 10<br>(5)           |
| Audit & Supervisory Board Member (Outside Audit & Supervisory Board Members) | 46<br>(46)                             | 46<br>(46)                                     | –<br>(–)                              | –<br>(–)                        | 7<br>(7)            |
| Total (of which are outside executives)                                      | 556<br>(121)                           | 516<br>(116)                                   | –<br>(–)                              | 40<br>(5)                       | 17<br>(12)          |

(Notes) 1 All amounts are rounded down to the nearest million yen.

2. Total compensation, etc. for Directors does not include the salaries of Directors who concurrently serve as employees.
3. The above includes two (2) Outside Audit & Supervisory Board Members who stepped down and two (2) Outside Audit & Supervisory Board Members who resigned at the conclusion of the 50th Ordinary General Meeting of Shareholders held on June 25, 2025.

(FOR REFERENCE PURPOSE)

4. The content of non-monetary compensation is our restricted share compensation, and the conditions at the time of allotment and the status of deliveries in the current fiscal year are described on “2 Matters Related to the Shares of the Company 3. State of shares granted as compensation for the execution of duties to officers of the Company during the fiscal year under review” and “4 Officers, 4. Compensation, etc. of Directors and Audit & Supervisory Board Members, (1) Policies for determining details of executive compensation, etc.” of the Report on business results.
5. At the 42nd Ordinary General Meeting of Shareholders held on June 28, 2017, it was resolved that the amount of compensation for Directors shall not exceed 500 million yen per year (of which no more than 100 million yen for Outside Directors; not including the salaries of Directors who concurrently serve as employees). At the conclusion of this Ordinary General Meeting of Shareholders, the number of Directors was ten (10) (including five (5) Outside Directors).  
Moreover, separately from the above fixed compensation, at the 49th Ordinary General Meeting of Shareholders held on June 26, 2024, it was resolved that the maximum total annual amount of monetary compensation claims to be paid for the granting of restricted stock to Directors (including Outside Directors) shall be 200 million yen or less (of which 20 million yen or less is allocated to Outside Directors, and excluding the portion of salaries of Directors who concurrently serve as employees). It was also resolved that the total number of common shares of the Company shall be no more than 250,000 shares (of which 25,000 shares or less are allocated to Outside Directors). The number of eligible Directors at the conclusion of this Ordinary General Meeting of Shareholders was ten (10) (including five (5) Outside Directors).
6. At the 42nd Ordinary General Meeting of Shareholders held on June 28, 2017, it was resolved that the amount of compensation for Audit & Supervisory Board Members shall not exceed 80 million yen per year. The number of Audit & Supervisory Board Members at the conclusion of this Ordinary General Meeting of Shareholders was five (5).
7. The Board of Directors delegates determination of the amount of fixed compensation for each Director to Representative Director, President Shin Ashida. The reason for this delegation is that the Company has decided that the Representative Director and President is suitable to evaluate the Directors in the division of which they are in charge, while giving consideration to the performance of the Company overall. The Board of Directors has decided non-monetary compensation (stock-linked compensation stock options/restricted share compensation). At the time of this determination, JCR consulted the Advisory Committee for Nomination, Compensation etc. beforehand and verified its validity etc.

## 5. Matters regarding the Outside Directors and Outside Audit & Supervisory Board Members

- (1) The Relationships between the Company and the Companies or Organizations Where the Outside Directors and Outside Audit & Supervisory Board Members Concurrently Hold Significant Positions
1. The Company and Medipal Holdings Corporation, which holds 23.83% of the Company's share, have entered into the agreement of investment in development pipeline, etc. of the Company.
  2. Mediceo Corporation, which is a subsidiary of Medipal Holdings Corporation, has a trading relationship with the Company. The annual transaction amount is 37.4% of the total sales of the Company.
  3. JCR USA, Inc. is a subsidiary of the Company.
  4. We concluded joint research, option and licensing agreements with Alexion AstraZeneca Rare Disease on candidate materials of treatments for which the Company's J-Brain Cargo® technology is employed, targeting neurodegenerative diseases.
  5. There is no significant trading relationship between the Company and entities where its Outside Directors and Outside Audit & Supervisory Board Members hold concurrent positions, other than those indicated above.

### (2) The Principal Activities of the Outside Directors and Outside Audit & Supervisory Board Members

| Category         | Name                | Principal Activities   |
|------------------|---------------------|--|
| Outside Director | Takashi Suetsuna    | Among the twelve (12) meetings held by the Board of Directors during the fiscal year under review, he attended all meetings, and he made statements at those meetings, primarily based on his career and knowledge in public administrations over many years and global insights. In addition, as a member of the Nomination and Compensation Advisory Committee, he is actively involved from an objective and neutral standpoint in the selection of candidates for our executive positions and in the determination of compensation. In this way, he properly fulfills his roles and responsibilities as an outside director in ensuring the speed and appropriateness of decision-making with respect to our overall management.   |
| Outside Director | Yuko Hayashi, Ph.D. | Among the twelve (12) meetings held by the Board of Directors during the fiscal year under review, she attended all meetings, and she made statements at those meetings, primarily based on her expertise on a wide range of extensive experience such as research activities on advanced medical care, diversity, and promotion of women's participation and advancement in the workplace. In addition, as a member of the Nomination and Compensation Advisory Committee, she is actively involved from an objective and neutral standpoint in the selection of candidates for our executive positions and in the determination of compensation. In this way, she properly fulfills her roles and responsibilities as an outside director in ensuring the speed and appropriateness of decision-making with respect to our overall management. |

## (FOR REFERENCE PURPOSE)

| Category                                 | Name                      | Principal Activities   |
|--|---------------------------|--|
| Outside Director                         | Yutaka Atomi, M.D., Ph.D. | Among the twelve (12) meetings held by the Board of Directors during the fiscal year under review, he attended all meetings. He has extensive experience and professional knowledge as a medical scholar, and he made statements at those meetings, primarily based on his standpoint as a medical scholar. In addition, as a member of the Nomination and Compensation Advisory Committee, he is actively involved from an objective and neutral standpoint in the selection of candidates for our executive positions and in the determination of compensation. In this way, he properly fulfills his roles and responsibilities as an outside director in ensuring the speed and appropriateness of decision-making with respect to our overall management. |
| Outside Director                         | Philippe Fauchet OBE      | Among the twelve (12) meetings held by the Board of Directors during the fiscal year under review, he attended eleven (11) meetings. He made statements at those meetings based on his abundant experience as the head of a global pharmaceutical company. In addition, as a member of the Nomination and Compensation Advisory Committee, he is actively involved from an objective and neutral standpoint in the selection of candidates for our executive positions and in the determination of compensation. In this way, he properly fulfills his roles and responsibilities as an outside director in ensuring the speed and appropriateness of decision-making with respect to our overall management.  |
| Outside Director                         | Marc Dunoyer              | Among the twelve (12) meetings held by the Board of Directors during the fiscal year under review, he attended eleven (11) meetings. He made statements at those meetings based on his abundant experience as the head of a global pharmaceutical company, where he actively participated on the front lines over many years. In this way, he properly fulfills his roles and responsibilities as an outside director in ensuring the speed and appropriateness of decision-making with respect to our overall management.   |
| Outside Director                         | Toshihide Yoda            | Among the twelve (12) meetings held by the Board of Directors during the fiscal year under review, he attended nine (9) meetings, and he made statements at those meetings, primarily based on his extensive knowledge as an analyst of pharmaceutical sector and experience engaging in much new company business. In this way, he properly fulfills his roles and responsibilities as an outside director in ensuring the speed and appropriateness of decision-making with respect to our overall management.   |
| Outside Audit & Supervisory Board Member | Kazumasa Oizumi           | He attended all twelve (12) meetings held by the Board of Directors and all twelve (12) meetings held by the Audit & Supervisory Board during the fiscal year under review, and he made statements at those meetings, primarily based on his career in the financial industry and experience as Outside Audit & Supervisory Board Member.  |

(FOR REFERENCE PURPOSE)

| Category                                 | Name             | Principal Activities  |
|--|------------------|---|
| Outside Audit & Supervisory Board Member | Masayuki Mitsuka | Since his appointment on June 25, 2025, he attended nine (9) meetings among the ten (10) meetings held by the Board of Directors and nine (9) meetings among the ten (10) meetings held by the Audit & Supervisory Board during the fiscal year under review, and he made statements at those meetings, primarily based on his experience as a business manager in the pharmaceutical industry as Outside Audit & Supervisory Board Member. |
| Outside Audit & Supervisory Board Member | Miya Miyama      | Since her appointment on June 25, 2025, she attended nine (9) meetings among the ten (10) meetings held by the Board of Directors and nine (9) meetings among the ten (10) meetings held by the Audit & Supervisory Board during the fiscal year under review, and she made statements at those meetings, primarily based on her extensive experience in the legal profession as Outside Audit & Supervisory Board Member.                  |

## 5 Accounting Auditor

### 1. Name of Accounting Auditor

Deloitte Touche Tohmatsu LLC

### 2. Amount of compensation, etc., for the Accounting Auditor related to the fiscal year under review

(1) Amount of compensation for the auditing work as the Accounting Auditor of the Company

63.5 million yen

(2) Amount of compensation for the non-auditing work as the Accounting Auditor of the Company

– million yen

(3) Total value of money that the Company and the Company's subsidiaries should pay and other economic benefits

63.5 million yen

(Notes)1. All amounts are rounded down to the nearest million yen.

2. Regarding the compensation, etc., for the Accounting Auditor, the Audit & Supervisory Board has given consent to it under Paragraph 1, Article 399 of the Companies Act after having checked the time of audits by audit item, the transition of compensations for audits, the audit plan and achievements of past fiscal years, in light of the “Practical Guidelines for Cooperation with Financial Auditors” released by the Japan Audit & Supervisory Board Members Association followed by considering the adequacy and applicability of the estimated time of audits and amount of compensations for the fiscal year under review.
3. The amounts of the audit compensation, etc., for audits based on the Companies Act and audits based on the Financial Instruments and Exchange Act are not clearly distinguished in the audit contract concluded between the Company and the Accounting Auditor, and cannot be distinguished in reality either therefore the values given above are the total values.
4. In addition to the above, during the fiscal year under review, the Company paid an additional remuneration of 3.5 million yen for the audit for the previous fiscal year.

### 3. Details of non-auditing work

No relevant items

### 4. Policy for determination of the dismissal or non-reappointment of an Accounting Auditor

(1) The Audit & Supervisory Board may dismiss an Accounting Auditor with the unanimous consent of all Audit & Supervisory Board Members if they are of the opinion that the Accounting Auditor falls under one of the categories stipulated in the items of Article 340, Paragraph 1 of the Companies Act and would cause a material adverse effect against the auditing work of the Company. In that case, Audit & Supervisory Board Members nominated by the Audit & Supervisory Board shall present a report at the earliest General Meeting of Shareholders convened after the dismissal to the effect that the Accounting Auditor has been dismissed, together with the reason for the dismissal.

(FOR REFERENCE PURPOSE)

(2) Apart from cases based on the circumstances of the Company, the Audit & Supervisory Board may also determine the contents of a proposal for the dismissal or non-reappointment of an Accounting Auditor and the Board of Directors may submit the proposal to a General Meeting of Shareholders based on the determination, if the Accounting Auditor violates or infringes a law such as the Companies Act or Certified Public Accountants Act, etc., and in the opinion of the Audit & Supervisory Board, the duties of the Accounting Auditor is not or will not be carried out appropriately, or if a material adverse effect has or will have arisen in the auditing work of the Company due to the Accounting Auditor being punished with a work suspension order by the supervisory authorities

#### 5. Summary of the details of liability limitation contracts

The Company has no contract with the Accounting Auditor that limits its liability for damages under Article 423, Paragraph 1 of the Companies Act.

## 6 Company Systems and Policies

### 1. Systems to ensure the appropriateness of work

#### (1) Systems to ensure the appropriateness of work

- [1] Systems to ensure that the execution of the duties of Directors and employees conforms to laws and regulations, and the Articles of Incorporation

The Company has stipulated JCR Compliance Policy to ensure that the execution of the duties of Directors and the execution of the duties of employees who execute their duties under the direction and supervision of Directors conforms to laws and regulations. Moreover, the Company has prepared Compliance Handbook that have put the details of those standards into concrete form and is aiming for the diffusion and thorough implementation of the corporate philosophy, corporate ethics and compliance on an everyday basis by distributing those handbooks to all Directors and employees.

Furthermore, the Company will enhance educational activities by implementing internal training meetings organized by the Compliance Committee and issuing periodical compliance communications to ensure systems that enable strong awareness of both the Board of Directors and employees with regard to compliance at all times, and strive for the prevention of behavior that violates laws and regulations as well as voluntary industry standards and internal regulations.

Moreover, the Company is maintaining an internal audit system by the Internal Audit Division, conducting audits of the appropriate processing and efficiency of work management and audits of cross checks and monitoring of work, and preparing systems that allow the results of internal audits to be reflected fully in compliance systems.

- [2] Systems related to the storage and control of information pertaining to the execution of the duties of Directors

The Company prepares, stores and controls documents such as requests for approval, contracts based on internal regulations such as the regulations on requests for approval, document control regulations, information security and control regulations, and contract work management regulations, etc., and ensures that system with regard to access to information pertaining to the execution of the duties of Directors and the execution of the duties of employees who execute their duties under the direction and supervision of Directors. The Company will strive for the further enhancement of these systems in the future.

- [3] Regulations related to management of the risk of loss and their systems

The Company establishes a basic risk management guideline and develops a risk management system under the guideline. The Company apprehends exposure of risk in corporate activities as a company that handles products, namely drugs, related to people's health, has established procedures related to risk control in each division, as well as systems with which it can prevent the occurrence of risk, manage risk, and respond to risk that has occurred in collaboration with the concerned committees such as the Risk Management Promotion Committee, Internal Control Committee and Compliance Committee. In particular, as a

(FOR REFERENCE PURPOSE)

pharmaceutical company, the Company regularly holds meetings of the three executives of manufacturing and marketing (the marketing supervisor-general, quality assurance manager and safety management supervisor) in accordance with regulations of the Pharmaceutical and Medical Device Act, and has constructed systems that assure the quality, effectiveness and safety of drugs.

Moreover, while expanding its operations globally, the Company will introduce the global-standard drug quality system and pursue an even higher level of safety.

[4] Systems to ensure that the execution of the duties of Directors is carried out efficiently

The Company has introduced a Corporate Officer system and adopted systems whereby work based on decision-making by the Board of Directors is executed promptly and efficiently by each Corporate Officer. The Company holds regular meetings of the Board of Directors once a month, otherwise regularly holds meetings of a Management Council with members comprising Directors and Corporate Officers etc., aims for communication between both Directors and Corporate Officers with regard to the execution of duties and has established systems that enable appropriate measures to be taken quickly based on regular reporting of matters like the state of progress toward the work targets of each division.

Decision-making in the everyday execution of duties is carried out based on the regulations on the segregation of duties and the regulations on management authority, etc., and the Company will further simplify decision-making routes and make the execution of duties more efficient in the future by the revision of management authority, etc. at appropriate times.

[5] Systems to ensure the appropriateness of work in the Company Group

The Company manages its subsidiaries based on regulations on the management of affiliated companies. In addition, regarding reporting to the Company about matters related to execution of duties of Directors, etc. of subsidiaries, has supervisory Directors report regularly in regard to the status of execution of work at meetings of the Company's Board of Directors, and has adopted systems whereby the financial status and status of execution of work can be confirmed at all times.

Regarding the management of the risk of loss at subsidiary companies, we have constructed a system to manage risks, including risk prevention, and to deal with risks that have occurred, by applying the Company's basic risk management guideline at subsidiary companies. We also have subsidiary companies report the status of the risk management to the Company periodically or as needed. Furthermore, in order to ensure that the duties of Directors, etc. at subsidiary companies are executed efficiently, the Company has streamlined the decision-making route and made the execution of duties more efficient, and periodically received reports of the status of these matters.

In addition, JCR Compliance Policy and Compliance Handbook are applied at subsidiary companies to ensure that the duties of Directors, etc. and employees at subsidiary companies are executed in compliance with laws, regulations and the Articles of Incorporation.

Audit & Supervisory Board Members requests subsidiary companies to report on operations when it is necessary for Audit & Supervisory Board Members to execute its duties and also surveys the state of business and asset performance of the Group companies.

(FOR REFERENCE PURPOSE)

- [6] Systems related to the employees in question in the event of the appointment of employees having been requested by Audit & Supervisory Board Members to assist in its duties and systems related to the independence of those employees from Directors and the securing of the effectiveness of instructions by Audit & Supervisory Board Members to those employees

Employees who shall assist the duties of Audit & Supervisory Board Members shall be appointed in accordance with the needs of Audit & Supervisory Board Members and the Directors shall respect the opinions of Audit & Supervisory Board Members in regard to those personnel matters in order to ensure the independence of those employees from Directors. In securing the effectiveness of instructions by Audit & Supervisory Board Members to those employees, the employees shall execute their duties under the supervision and direction of Audit & Supervisory Board Members and the Company cooperates in improving the auditing environments.

- [7] Systems related to reports from the Company's and subsidiary companies' Directors and employees to Audit & Supervisory Board Members and systems to ensure that those reporters will not be unfavorably treated due to those reports

The Managing Directors shall regularly report on the status of the execution of their duties at meetings of the Board of Directors, and the Company's Directors and employees shall report promptly, from time to time as prescribed by Audit & Supervisory Board Members, with regard to the work of the Company and important matters that exert an impact on the work of the Company or its subsidiaries.

In addition, the Company has set up a contact point for whistle-blowing inside and outside the Company for all of the Company's and subsidiary companies' employees, and from the viewpoints of laws, regulations and rules, the Company has adopted a system whereby behaviors against them and events that will have a significant influence will be promptly reported to Audit & Supervisory Board Members through an outside contact point.

The Company ensures, pursuant to the whistle-blowing system, that individuals who make a report to Audit & Supervisory Board Members will not be unfavorably treated at all due to the report.

- [8] Matters related to expenses incurred for the execution of duties of Audit & Supervisory Board Members or matters related to policies on the disposal of debts

When Audit & Supervisory Board Members request an advance payment of expenses incurred for the execution of their duties, a reimbursement of expenses, spent, or debts borne, this request shall be accepted according to predefined procedures unless the said expenses requested are recognized obviously unnecessary for the execution of duties of Audit & Supervisory Board Members.

- [9] Other systems to ensure that the audits by Audit & Supervisory Board Members are carried out effectively  
Audit & Supervisory Board Members shall attend meetings of the Board of Directors and other important meetings, or review important documents related to the execution of work and arrange the auditing environments so that they can request explanations from Directors, employees or the Accounting Auditor as necessary.

(FOR REFERENCE PURPOSE)

[10] The fundamental principles towards the exclusion of anti-social forces and its scheme

The basic policy of the Company is to “resolutely confront antisocial forces that pose a threat to civil society and make unjust and illegal demands” and the Company raises that policy in its code of practice to familiarize all executives and employees thoroughly. The Company has also constructed and maintained close-knit cooperative relations with police forces of respective district and expert external institutions and gathered information on anti-social forces and groups proactively. The Company has constructed systems that enable it to cooperate closely with external institutions and legal experts and cope when any incident occurs.

(2) Summary of the operational status of systems to ensure the adequacy of work

[1] Operational status for ensuring that the execution of the duties of Directors and employees conforms to laws and regulations, and the Articles of Incorporation

We communicate and disseminate the compliance and the JCR Compliance Policy to all Directors and employees including subsidiary companies by means such as distribution of Compliance Handbooks, implementation of company-wide training and regular issuance of compliance newsletters. Additionally, we make efforts for prevention and suppression of violating acts by setting up a contact point for whistleblowing inside and outside the Company. Furthermore, we reflect the results of internal audits in the execution of work and enrichment of the compliance system.

[2] Operational status related to the storage and control of information pertaining to the execution of the duties of Directors

Regarding the handling of information at the Company, we have rigorous access restrictions in place for each job level, division, department and project. Information to be transmitted externally is utilized in a rigorous manner in accordance with the “Detailed Regulations on Handling of Internal Information to be Transmitted Outside the Company.”

[3] Operational status related to management of the risk of loss

In order to minimize losses or disadvantages, the Company regularly sorts out significant risks across the company and at each division under the initiative of the Risk Management Promotion Office, and constructs and runs preventive measures and countermeasures in collaboration with the Internal Control Committee, the Compliance Committee and the Safety and Health Committee.

[4] Operational status for ensuring that the execution of the duties of Directors is carried out efficiently

In addition to meetings of the Board of Directors and the Audit & Supervisory Board to be held twice a month, we regularly hold meetings of a Management Council consisting of Directors and Corporate Officers twice a month, and confirm and evaluate whether the execution of work is operated efficiently and accurately at each conference body.

[5] Operational status for ensuring the adequacy of work in the Company Group

Subsidiary companies’ Directors review the status of the execution of work and the status of financial affairs and then report regularly to the Company’s Board of Directors. Also regarding the management of the risk

(FOR REFERENCE PURPOSE)

of loss and the conformity to laws, regulations and the Articles of Incorporation, the Company regularly checks the operational status through making efforts for sorting out and handling risks and disseminating the compliance by applying the Company's related regulations.

[6] Operational status for ensuring that the audits by Audit & Supervisory Board Members are carried out effectively

Audit & Supervisory Board Members perform audits based on the auditing plan established by the Audit & Supervisory Board, and also conduct hearing of Corporate Directors, employees, Directors of subsidiary companies, and the Accounting Auditor as needed.

[7] Efforts toward the exclusion of anti-social forces

We make efforts for regularly communicating basic policies with Corporate Directors and employees and collecting information from related institutions, and at the time of occurrence of an event, we collaborate with the competent police and law firms.

## 2. Policy on the declaration of dividends of surplus

The Company regards the distribution of its profits to shareholders as an important management policy.

The basic policy of the Company in regard to the declaration of dividends of surplus, etc., is to provide continuous and stable dividends by taking into account of factors such as business performance and cash flow while securing sufficient internal reserves for the development of new drug products and the strengthening of financial status that will be the source of future profits. The Board of Directors meeting held on May 13, 2026 resolved to pay a dividend of 10 yen per share in the year-end dividend under the abovementioned basic policy.

Accordingly, the full-year dividend for the fiscal year under review after adding the interim dividend is 20 yen per share (interim dividend of 10 yen; year-end dividend of 10 yen).

The Company intends to retain undistributed surplus as a resource for funding the enhancement of business structure and contribution to continuous profit return.

Furthermore, for the next fiscal year (fiscal year ending March 31, 2027), the Company plans to pay dividends of 20 yen per share (interim dividend of 10 yen; year-end dividend of 10 yen).

## (FOR REFERENCE PURPOSE)

## Consolidated Balance Sheet (as of March 31, 2026)

(unit: million yen)

| Accounting Item  | Amount          | Accounting Item  | Amount          |
|--|-----------------|--|-----------------|
| <b>Assets</b>  |                 | <b>Liabilities</b>                                       |                 |
| <b>[Current assets]</b>                                    | <b>[56,076]</b> | <b>[Current liabilities]</b>                             | <b>[48,135]</b> |
| Cash and deposits  | 14,007          | Notes and accounts payable - trade                       | 523             |
| Notes and accounts receivable - trade, and contract assets | 14,163          | Short-term loans payable                                 | 38,092          |
| Merchandise and finished goods                             | 2,117           | Current portion of long-term loans payable               | 3,600           |
| Work in process  | 6,908           | Accounts payable - other                                 | 2,871           |
| Raw materials and supplies                                 | 15,016          | Income taxes payable                                     | 532             |
| Other  | 3,864           | Provision for bonuses                                    | 1,136           |
| Allowance for doubtful accounts                            | -1              | Provision for directors' bonuses                         | 125             |
|  |                 | Other  | 1,255           |
| <b>[Non-current assets]</b>                                | <b>[53,160]</b> | <b>[Non-current liabilities]</b>                         | <b>[13,741]</b> |
| <b>Property, plant and equipment</b>                       | <b>(39,244)</b> | Long-term loans payable                                  | 12,200          |
| Buildings and structures                                   | 6,598           | Provision for employee shares benefit                    | 129             |
| Machinery, equipment and vehicles                          | 1,261           | Net defined benefit liability                            | 914             |
| Land   | 11,029          | Special suspense account for tax purpose reduction entry | 245             |
| Construction in progress                                   | 19,411          | Other  | 252             |
| Other  | 943             | <b>Total liabilities</b>                                 | <b>61,877</b>   |
| <b>Intangible assets</b>                                   | <b>(2,596)</b>  | <b>Net Assets</b>  |                 |
| Patents  | 1,604           | <b>[Shareholders' equity]</b>                            | <b>[45,697]</b> |
| Other  | 992             | Capital stock  | 9,061           |
| <b>Investments and other assets</b>                        | <b>(11,318)</b> | Capital surplus  | 10,378          |
| Investment securities                                      | 7,833           | Retained earnings  | 31,226          |
| Net defined benefit asset                                  | 440             | Treasury shares  | -4,969          |
| Deferred tax assets  | 2,466           | <b>[Accumulated other comprehensive income]</b>          | <b>[1,170]</b>  |
| Other  | 583             | Valuation difference on available-for-sale securities    | 438             |
| Allowance for doubtful accounts                            | -4              | Deferred gains or losses on hedges                       | -2              |
|  |                 | Foreign currency translation adjustment                  | 533             |
|  |                 | Remeasurements of defined benefit plans                  | 200             |
|  |                 | <b>[Share acquisition rights]</b>                        | <b>[72]</b>     |
|  |                 | <b>[Non-controlling interests]</b>                       | <b>[417]</b>    |
| <b>Total assets</b>  | <b>109,236</b>  | <b>Total net assets</b>                                  | <b>47,359</b>   |
|  |                 | <b>Total liabilities and net assets</b>                  | <b>109,236</b>  |

(Note) Amounts of less than one million yen are rounded down to the nearest million yen.

(FOR REFERENCE PURPOSE)

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

(unit: million yen)

| Accounting Item   | Amount |               |
|---|--------|---------------|
| <b>Net sales</b>  |        | <b>40,319</b> |
| <b>Cost of sales</b>  |        | <b>10,134</b> |
| <b>Gross profit</b>   |        | <b>30,185</b> |
| <b>Selling, general and administrative expenses</b>         |        | <b>29,629</b> |
| <b>Operating income</b>                                     |        | <b>555</b>    |
| <b>Non-operating income</b>                                 |        |               |
| Interest income   | 81     |               |
| Dividend income   | 38     |               |
| Foreign exchange gains                                      | 706    |               |
| Gain on sale of investment securities                       | 457    |               |
| Other   | 165    | 1,449         |
| <b>Non-operating expenses</b>                               |        |               |
| Share of loss of entities accounted for using equity method | 184    |               |
| Interest expenses   | 398    |               |
| Depreciation  | 125    |               |
| Commission fee  | 50     |               |
| Other   | 80     | 839           |
| <b>Ordinary income</b>                                      |        | <b>1,165</b>  |
| <b>Extraordinary income</b>                                 |        |               |
| Gain on sale of investment securities                       | 209    |               |
| Subsidy income  | 1,882  | 2,091         |
| <b>Extraordinary losses</b>                                 |        |               |
| Loss on disposal of non-current assets                      | 32     | 32            |
| <b>Profit before income taxes</b>                           |        | <b>3,224</b>  |
| Income taxes-current  | 462    |               |
| Income taxes-deferred                                       | 554    | 1,017         |
| <b>Profit</b>   |        | <b>2,207</b>  |
| Profit attributable to non-controlling interests            |        | 28            |
| <b>Profit attributable to owners of parent</b>              |        | <b>2,178</b>  |

(Note) Amounts of less than one million yen are rounded down to the nearest million yen.

## (FOR REFERENCE PURPOSE)

## Consolidated Statements of Changes in Equity (From April 1, 2025 to March 31, 2026)

(unit: million yen)

|   | Shareholders' Equity |                 |                   |                 |                            |
|---|----------------------|-----------------|-------------------|-----------------|----------------------------|
|   | Capital              | Capital Surplus | Retained Earnings | Treasury Shares | Total Shareholders' Equity |
| Balance at beginning of current period                            | 9,061                | 10,392          | 31,191            | -5,066          | 45,579                     |
| Cumulative effects of correction of errors                        |                      |                 | 299               |                 | 299                        |
| Balance at beginning of current period after correction of errors | 9,061                | 10,392          | 31,490            | -5,066          | 45,878                     |
| Changes of items during period                                    |                      |                 |                   |                 |                            |
| Dividends of surplus  |                      |                 | -2,442            |                 | -2,442                     |
| Profit attributable to owners of parent                           |                      |                 | 2,178             |                 | 2,178                      |
| Disposal of treasury shares                                       |                      | -14             |                   | 97              | 83                         |
| Net changes of items other than shareholders' equity              |                      |                 |                   |                 |                            |
| Total changes of items during period                              | -                    | -14             | -264              | 97              | -181                       |
| Balance at end of current period                                  | 9,061                | 10,378          | 31,226            | -4,969          | 45,697                     |

|   | Accumulated other comprehensive income                                |   |  |  |  | Subscripti<br>on Rights<br>to Shares | Non-<br>controlling<br>Interests | Total Net<br>Assets |
|---|---|---|--|--|--|--------------------------------------|----------------------------------|---------------------|
|   | Valuation<br>Difference<br>on<br>Available-<br>for-sale<br>Securities | Deferred<br>gains or<br>losses on<br>hedges | Foreign<br>Currency<br>Transla-<br>tion<br>Adjust-<br>ment | Remea-<br>surements<br>of<br>Defined<br>Benefit<br>Plans | Total<br>Accumu-<br>lated<br>Other<br>Compre-<br>hensive<br>Income |                                      |                                  |                     |
| Balance at beginning of current period                            | 937   | 2   | 393  | 53   | 1,387  | 75                                   | 392                              | 47,435              |
| Cumulative effects of correction of errors                        |   |   |  |  |  |                                      |                                  | 299                 |
| Balance at beginning of current period after correction of errors | 937   | 2   | 393  | 53   | 1,387  | 75                                   | 392                              | 47,734              |
| Changes of items during period                                    |   |   |  |  |  |                                      |                                  |                     |
| Dividends of surplus  |   |   |  |  |  |                                      |                                  | -2,442              |
| Profit attributable to owners of parent                           |   |   |  |  |  |                                      |                                  | 2,178               |
| Disposal of treasury shares                                       |   |   |  |  |  |                                      |                                  | 83                  |
| Net changes of items other than shareholders' equity              | -498  | -4  | 139  | 146  | -216   | -2                                   | 25                               | -194                |
| Total changes of items during period                              | -498  | -4  | 139  | 146  | -216   | -2                                   | 25                               | -375                |
| Balance at end of current period                                  | 438   | -2  | 533  | 200  | 1,170  | 72                                   | 417                              | 47,359              |

(Note) Amounts of less than one million yen are rounded down to the nearest million yen.

## (FOR REFERENCE PURPOSE)

## Balance Sheet (as of March 31, 2026)

(unit: million yen)

| Assets  |                 | Liabilities  |                 |
|---|-----------------|--|-----------------|
| Accounting Item                                 | Amount          | Accounting Item  | Amount          |
| <b>[Current assets]</b>                         | <b>[53,436]</b> | <b>[Current liabilities]</b>                             | <b>[48,391]</b> |
| Cash and deposits                               | 10,736          | Accounts payable - trade                                 | 521             |
| Accounts receivable - trade and contract assets | 14,410          | Short-term loans payable                                 | 38,092          |
| Merchandise and finished goods                  | 2,129           | Current portion of long-term loans payable               | 3,600           |
| Work in process                                 | 6,908           | Lease obligations  | 34              |
| Raw materials and supplies                      | 15,016          | Accounts payable - other                                 | 3,245           |
| Prepaid expenses                                | 665             | Accrued expenses   | 372             |
| Other   | 3,571           | Income taxes payable                                     | 464             |
| Allowance for doubtful accounts                 | -1              | Advances received  | 309             |
|   |                 | Deposits received  | 67              |
|   |                 | Provision for bonuses                                    | 1,126           |
|   |                 | Provision for directors' bonuses                         | 125             |
|   |                 | Other  | 431             |
| <b>[Non-current assets]</b>                     | <b>[54,406]</b> | <b>[Non-current liabilities]</b>                         | <b>[13,844]</b> |
| <b>Property, plant and equipment</b>            | <b>(36,803)</b> | Long-term loans payable                                  | 12,200          |
| Buildings                                       | 6,006           | Lease obligations  | 67              |
| Structures                                      | 217             | Provision for retirement benefits                        | 1,037           |
| Machinery and equipment                         | 1,257           | Provision for employee shares benefit                    | 129             |
| Vehicles  | 2               | Asset retirement obligations                             | 72              |
| Tools, furniture and fixtures                   | 802             | Special suspense account for tax purpose reduction entry | 245             |
| Land  | 11,029          | Other  | 92              |
| Leased assets                                   | 96              | <b>Total liabilities</b>                                 | <b>62,235</b>   |
| Construction in progress                        | 17,391          | <b>Net Assets</b>  |                 |
| <b>Intangible assets</b>                        | <b>(944)</b>    | <b>[Shareholders' equity]</b>                            | <b>[45,097]</b> |
| Software  | 714             | Capital stock  | 9,061           |
| Telephone subscription right                    | 5               | Capital surplus  | 10,378          |
| Other   | 224             | Legal capital surplus                                    | 7,827           |
| <b>Investments and other assets</b>             | <b>(16,657)</b> | Other capital surplus                                    | 2,550           |
| Investment securities                           | 7,679           | Retained earnings  | 30,625          |
| Shares of subsidiaries and associates           | 3,879           | Legal retained earnings                                  | 279             |
| Investments in capital                          | 2               | Other retained earnings                                  | 30,346          |
| Long-term prepaid expenses                      | 196             | General reserve  | 951             |
| Prepaid pension cost                            | 270             | Retained earnings brought forward                        | 29,395          |
| Deferred tax assets                             | 2,556           | Treasury shares  | -4,969          |
| Other   | 2,078           | <b>[Valuation and translation adjustments]</b>           | <b>[436]</b>    |
| Allowance for doubtful accounts                 | -4              | Valuation difference on available-for-sale securities    | 438             |
|   |                 | Deferred gains or losses on hedges                       | -2              |
|   |                 | <b>[Share acquisition rights]</b>                        | <b>[72]</b>     |
|   |                 | <b>Total net assets</b>                                  | <b>45,606</b>   |
| <b>Total assets</b>                             | <b>107,842</b>  | <b>Total liabilities and net assets</b>                  | <b>107,842</b>  |

## (FOR REFERENCE PURPOSE)

(Note) Amounts of less than one million yen are rounded down to the nearest million yen.

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

(unit: million yen)

| Accounting Item  | Amount |               |
|--|--------|---------------|
| <b>Net sales</b>   |        | <b>40,319</b> |
| <b>Cost of sales</b>                                       |        | <b>10,136</b> |
| <b>Gross profit</b>  |        | <b>30,183</b> |
| <b>Selling, general and administrative expenses</b>        |        | <b>29,814</b> |
| <b>Operating income</b>                                    |        | <b>368</b>    |
| <b>Non-operating income</b>                                |        |               |
| Interest income  | 117    |               |
| Interest on securities                                     | 0      |               |
| Dividend income  | 38     |               |
| Gain on sale of securities                                 | 457    |               |
| Foreign exchange gains                                     | 528    |               |
| Other  | 165    | 1,307         |
| <b>Non-operating expenses</b>                              |        |               |
| Interest expenses  | 397    |               |
| Commission expenses  | 50     |               |
| Depreciation   | 125    |               |
| Loss on valuation of stocks of subsidiaries and affiliates | 276    |               |
| Other  | 80     | 931           |
| <b>Ordinary income</b>                                     |        | <b>745</b>    |
| <b>Extraordinary income</b>                                |        |               |
| Gain on sale of investment securities                      | 209    |               |
| Subsidy income   | 1,882  | 2,091         |
| <b>Extraordinary losses</b>                                |        |               |
| Loss on disposal of non-current assets                     | 32     | 32            |
| <b>Profit before income taxes</b>                          |        | <b>2,804</b>  |
| Income taxes - current                                     | 330    |               |
| Income taxes - deferred                                    | 554    | 885           |
| <b>Profit</b>  |        | <b>1,919</b>  |

(Note) Amounts of less than one million yen are rounded down to the nearest million yen.

(FOR REFERENCE PURPOSE)

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

(unit: million yen)

|   | Shareholders' equity |                       |                       |                         |
|---|----------------------|-----------------------|-----------------------|-------------------------|
|   | Capital Stock        | Capital Surplus       |                       |                         |
|   |                      | Legal Capital Surplus | Other Capital Surplus | Total Capital Surpluses |
| Balance at beginning of current period                            | 9,061                | 7,827                 | 2,565                 | 10,392                  |
| Cumulative effects of correction of errors                        |                      |                       |                       |                         |
| Balance at beginning of current period after correction of errors | 9,061                | 7,827                 | 2,565                 | 10,392                  |
| Changes of items during period                                    |                      |                       |                       |                         |
| Dividends of surplus  |                      |                       |                       |                         |
| Profit  |                      |                       |                       |                         |
| Disposal of treasury shares                                       |                      |                       | -14                   | -14                     |
| Net changes of items other than shareholders' equity              |                      |                       |                       |                         |
| Total changes of items during period                              | -                    | -                     | -14                   | -14                     |
| Balance at end of current period                                  | 9,061                | 7,827                 | 2,550                 | 10,378                  |

|   | Shareholders' Equity    |                         |        |                                   |                               |                 |                            |
|---|-------------------------|-------------------------|--------|-----------------------------------|-------------------------------|-----------------|----------------------------|
|   | Legal Retained Earnings | Retained earnings       |        |                                   | Total Other Retained Earnings | Treasury Shares | Total Shareholders' Equity |
|   |                         | Other retained earnings |        | Retained Earnings Brought Forward |                               |                 |                            |
|   |                         | General Reserve         |        |                                   |                               |                 |                            |
| Balance at beginning of current period                            | 279                     | 951                     | 29,620 | 30,850                            | -5,066                        | 45,238          |                            |
| Cumulative effects of correction of errors                        |                         |                         | 299    | 299                               |                               | 299             |                            |
| Balance at beginning of current period after correction of errors | 279                     | 951                     | 29,919 | 31,149                            | -5,066                        | 45,537          |                            |
| Changes of items during period                                    |                         |                         |        |                                   |                               |                 |                            |
| Dividends of surplus  |                         |                         | -2,442 | -2,442                            |                               | -2,442          |                            |
| Profit  |                         |                         | 1,919  | 1,919                             |                               | 1,919           |                            |
| Disposal of treasury shares                                       |                         |                         |        |                                   | 97                            | 83              |                            |
| Net changes of items other than shareholders' equity              |                         |                         |        |                                   |                               |                 |                            |
| Total changes of items during period                              | -                       | -                       | -523   | -523                              | 97                            | -440            |                            |
| Balance at end of current period                                  | 279                     | 951                     | 29,395 | 30,625                            | -4,969                        | 45,097          |                            |

## (FOR REFERENCE PURPOSE)

|   | Valuation and Translation Adjustments                 |                                    |   | Share acquisition rights | Total Net Assets |
|---|---|------------------------------------|---|--------------------------|------------------|
|   | Valuation Difference on Available-for-sale Securities | Deferred gains or losses on hedges | Total Valuation and Translation Adjustments |                          |                  |
| Balance at beginning of current period                            | 937   | 2                                  | 940   | 75                       | 46,254           |
| Cumulative effects of correction of errors                        |   |                                    |   |                          | 299              |
| Balance at beginning of current period after correction of errors | 937   | 2                                  | 940   | 75                       | 46,553           |
| Changes of items during period                                    |   |                                    |   |                          |                  |
| Dividends of surplus  |   |                                    |   |                          | -2,442           |
| Profit  |   |                                    |   |                          | 1,919            |
| Disposal of treasury shares                                       |   |                                    |   |                          | 83               |
| Net changes of items other than shareholders' equity              | -498  | -4                                 | -503  | -2                       | -506             |
| Total changes of items during period                              | -498  | -4                                 | -503  | -2                       | -946             |
| Balance at end of current period                                  | 438   | -2                                 | 436   | 72                       | 45,606           |

(Note) Amounts of less than one million yen are rounded down to the nearest million yen.