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Notice of the 81st Ordinary General Meeting of Shareholders

ORGANO CORPORATION

To Shareholders

We would like to express our cordial appreciation for your continuous support and patronage.

I am delighted to present this notice of the 81st Ordinary General Meeting of Shareholders of ORGANO CORPORATION to be held on Friday, June 26, 2026.

Please confirm proposals of the General Meeting of Shareholders and business outline of the fiscal year 2025 presented in the documents.

June 2026
Representative Director and President,
President and Executive Officer
Masayuki Yamada



Management Philosophy

Organo serves as a valuable partner company by leveraging its leading-edge technologies cultivated through long experience with water treatment, by contributing to the industries that create the future, and by playing a key role in the development of societal infrastructure.

Long-term Management Vision

- At Organo, we seek to expand our business through high value-added separation and purification as well as analysis and manufacturing technologies, and by providing products and services that promote the creation of value and which resolve the challenges that confront industry and society.
- We proactively contribute to a better tomorrow by cultivating people today who will improve upon the way things were done yesterday, as a company where all employees are energetic and passionate about their work.

(Securities Code: 6368)

June 5, 2026

To our shareholders:

Representative Director and President
Masayuki Yamada
ORGANO CORPORATION
1-2-8, Shinsuna, Koto-ku, Tokyo

Notice of the 81st Ordinary General Meeting of Shareholders

We are pleased to announce the 81st Ordinary General Meeting of Shareholders of ORGANO CORPORATION (the “Company”), which will be held as indicated below.

When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the websites indicated below. Please access one of the websites to review the information.

The Company’s website Website for posted notices of the general meeting of shareholders:	https://www.organo.co.jp/english/ir/general-meeting-of-shareholders/
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TSE website Listed Company Search:	https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show
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On the TSE website, enter “ORGANO” in “Issue name (company name)” or the Company’s securities code “6368” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.”

Net de Shoshu (online convocations) website	https://s.srdb.jp/6368/ (in Japanese)
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If you are unable to attend the meeting in person, you may exercise your voting rights by mail (in writing) or via the Internet, etc. Please examine the Reference Documents for the General Meeting of Shareholders and then exercise your voting rights by 5:00 p.m. on Thursday, June 25, 2026 (JST).

1. **Date and Time:** Friday, June 26, 2026 at 10:00 a.m. (JST) (Reception is scheduled to be open at 9:00 a.m.)

2. **Venue:** Conference Room, 2nd floor, Head office building of the Company, 1-2-8, Shinsuna, Koto-ku, Tokyo

3. **Purpose of the Meeting**

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 81st fiscal year (from April 1, 2025 to March 31, 2026), and the results of audits of the Consolidated Financial Statements by the Independent Auditor and the Audit and Supervisory Board
2. The Non-consolidated Financial Statements for the 81st fiscal year (from April 1, 2025 to March 31, 2026)

Matters to be resolved:

- Proposal No. 1** Appropriation of Surplus
- Proposal No. 2** Election of Nine Directors
- Proposal No. 3** Election of One Audit and Supervisory Board Member
- Proposal No. 4** Election of Two Substitute Audit and Supervisory Board Members

4. **Other Matters Relating to General Meetings of Shareholders**

- If no indication of approval of proposals is made on the voting form when exercising voting rights by mail (in writing), it will be treated as an indication of approval having been made.
- In the case of duplicate voting done both in writing and via the Internet, etc., the vote placed via the Internet, etc. will be considered valid. Additionally, in the case of voting more than once via the Internet, etc., the last vote will be considered valid.

Matters for Disclosure over the Internet to Accompany Measures for Providing Information in Electronic Format

- Of those matters for which measures for providing information in electronic format are to be taken, the following matters are excluded from the paper-based documents delivered to shareholders who have made a request for delivery of such documents. Such matters are included in business reports, consolidated financial statements and non-consolidated financial statements audited by the Audit and Supervisory Board Members and the Audit and Supervisory Board, and consolidated financial statements and non-consolidated financial statements audited by the Independent Auditor.
 - (i) Development of systems to ensure the appropriateness of business operations and overview of operational status of systems to ensure appropriateness of business operations in the Business Report.
 - (ii) Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements
 - (iii) Statement of Changes in Equity and Notes to Non-consolidated Financial Statements
- If revisions to the matters for which measures for providing information in electronic format are to be taken arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the above-mentioned Company's website, the TSE website and the Net de Shoshu (online convocations) website.

Guide to Exercising Voting Rights

Attending the General Meeting of Shareholders

Please submit the voting form to the receptionist at the meeting.

Date and time of the Meeting: Friday, June 26, 2026, at 10:00 a.m. (Reception starts at 9:00 a.m.)

Not Attending the General Meeting of Shareholders

Exercising Voting Rights by Mail (in Writing)

Please indicate your approval or disapproval of the proposals in the voting form, and then return the form by postal mail so that your vote is received by the deadline.

Deadline: To arrive by no later than 5:00 p.m. Thursday, June 25, 2026

Exercising Voting Rights via the Internet, Etc.

Please access the designated website for exercise of voting rights, and enter your approval or disapproval by the deadline.

Deadline: Exercised by no later than 5:00 p.m. Thursday, June 25, 2026

For details, please see the “Guide to Exercising Voting Rights via the Internet, etc.”

In the case of duplicate voting done both in writing (by mail) and via the Internet, etc., the vote placed via the Internet, etc. will be considered valid. If you exercise your voting rights more than once via the Internet, etc., the last vote shall be deemed effective.

Guide to Exercising Voting Rights via the Internet, etc.

By scanning the QR code (“Smart Exercise”)

You can log in to the website for exercise of voting rights without entering the voting rights exercise code and password.

1. Please scan the QR code printed on the voting form at the bottom right.
*QR code is a registered trademark of DENSO WAVE INCORPORATED.
2. Then please follow the instructions on the screen and indicate your approval or disapproval.

The exercise of voting right by “Smart Exercise” is available only once.

In case you want to change your vote after exercising your voting right, please access the website for PCs and log in by entering the “voting rights exercise code” and “password” indicated in the voting form, to exercise your voting right again.

*You will be transferred to the website for PCs by scanning the QR code again.

By entering the voting rights exercise code and password

Website for exercise of voting rights: <https://www.web54.net> (in Japanese)

1. Please access the website for exercise of voting rights.
2. Please enter the “voting rights exercise code” indicated in the voting form.
3. Please enter the “password” indicated in the voting form.
4. Then please follow the instructions on the screen and indicate your approval or disapproval.

If you have any questions on how to exercise your voting rights via the Internet using a PC or smartphone, please contact the department below.

Sumitomo Mitsui Trust Bank, Limited,
Stock Transfer Agency Web Support, Dedicated line
0120-652-031 (toll free)
(Business hours: 9:00 a.m. - 9:00 p.m.)

Institutional investors can exercise their voting rights via the “Electronic Voting Rights Exercise Platform” for institutional investors operated by ICJ, Inc.

Reference Documents for General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

1. Year-end dividends

The Company treats the return of profits to shareholders as one of the Company's important management agendas, and it strives to distribute profits in a way that reflects consideration of the Company's revenue status, while adhering to a basic policy of providing stable and continuous dividends.

In accordance with the above policy, the Company proposes to pay year-end dividends for the 81st fiscal year as follows.

As a result, full-year dividends for the fiscal year under review will be ¥200 per share, including the interim dividend of ¥95 per share.

(1) Type of dividend property

Cash

(2) Allotment of dividend property and its total amount

¥105 per common share of the Company

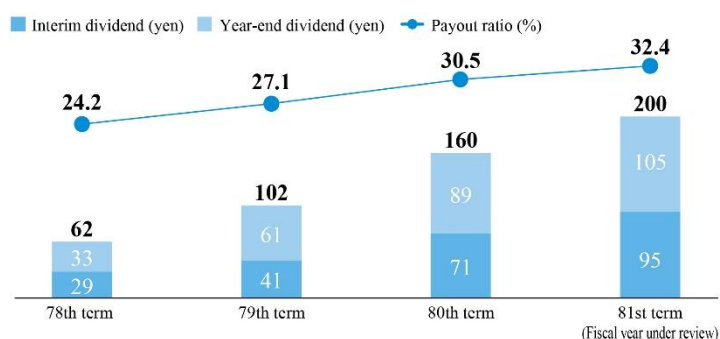
Total dividend amount is ¥4,832,140,740

(3) Effective date of dividends of surplus

June 29, 2026

(Reference)
Changes in dividends per share and dividend payout ratio per share

* A 4-for-1 common share split was implemented effective as of October 1, 2022. The interim dividend for the 78th term is stated on the supposition that this share split was implemented.




Proposal No. 2 Election of Nine Directors


The terms of office of all nine Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, the Company proposes the election of nine Directors including five Outside Directors.


The candidates for Directors are determined by the Board of Directors after obtaining opinions based on a review by the Nomination and Remuneration Advisory Committee, a voluntary advisory body of the Board of Directors. The candidates for Director are as follows:


Candidate No.	Name	Gender	Position in the Company	Times Attended Board of Directors Meetings
1	Masayuki Yamada Reelection	Male	Director and President (Representative Director), President and Executive Officer	14/14 (100%)
2	Nobuyoshi Suda Reelection	Male	Managing Director and Executive Officer President of R & D and Engineering	14/14 (100%)
3	Tetsushi Honda Reelection	Male	Managing Director and Executive Officer President of Corporate Management and Planning Managing Executive Officer	14/14 (100%)
4	Shojiro Koike New election	Male	Deputy President of Corporate Management and Planning and General Manager of Corporate Strategy and Planning Dept.	–
5	Daisaku Abe Reelection Outside Independent	Male	Outside Director	14/14 (100%)
6	Nobuko Hanano Reelection Outside Independent	Female	Outside Director	14/14 (100%)
7	Naomi Kodama Reelection Outside Independent	Female	Outside Director	14/14 (100%)
8	Masaya Chisaki Reelection Outside Independent	Male	Outside Director	11/11 (100%)
9	Hirohito Kodama New election Outside Independent	Male	Outside Audit and Supervisory Board Member	14/14 (100%)


- Notes: 1. Masaya Chiaki was elected at the 80th Ordinary General Meeting of Shareholders held on June 27, 2025 and assumed office, and therefore, the attendance at Board of Directors meetings for him pertains to the Board of Directors meetings held on or after June 27, 2025.
2. For Hirohito Kodama, the attendance at Board of Directors meetings as Audit and Supervisory Board Member is indicated.

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
1	 <p data-bbox="427 992 533 1021"><u>Reelection</u></p> <p data-bbox="391 1055 571 1106">Masayuki Yamada (January 7, 1959)</p> <p data-bbox="391 1137 571 1189">Tenure as Director 7 years</p>	<p data-bbox="662 331 1257 383">Apr. 1985 Joined Toyo Soda Manufacturing Co., Ltd. (currently Tosoh Corporation)</p> <p data-bbox="662 389 1257 450">June 2007 President of Tosoh Bioscience, Inc. President of Tosoh Bioscience LLC</p> <p data-bbox="662 456 1257 562">June 2011 Associate Director, Deputy Senior General Manager of Bioscience Division and Manager of Planning & Business Development of Tosoh Corporation</p> <p data-bbox="662 568 1257 703">June 2012 Associate Director, Senior General Manager of Bioscience Division and Manager of Planning & Business Development Chairman of the Board of Tosoh Europe, N.V. (retired in June 2019)</p> <p data-bbox="662 710 1257 815">June 2013 Director, Senior General Manager of Bioscience Division and Manager of Planning & Business Development of Tosoh Corporation</p> <p data-bbox="662 822 1257 994">June 2015 President (Representative Director) of Tosoh Techno-System, Inc. (retired in June 2019) Director of Tosoh Bioscience, Inc. (retired in June 2019) Director of Tosoh Bioscience LLC (retired in June 2019)</p> <p data-bbox="662 1001 1257 1077">June 2016 Senior Vice President, Senior General Manager of Bioscience Division of Tosoh Corporation</p> <p data-bbox="662 1084 1257 1218">June 2017 Director, Executive Vice President, President of Specialty Group and Senior General Manager of Bioscience Division Chairman of the Board of Tosoh America, Inc. (retired in June 2021)</p> <p data-bbox="662 1225 1257 1397">June 2019 Director, Executive Vice President, General Manager of Research and Development Planning, President of Specialty Group, and President of Engineering Group of Tosoh Corporation (retired in June 2021) Director of the Company</p> <p data-bbox="662 1404 1257 1458">June 2021 Senior Managing Director and Executive Officer</p> <p data-bbox="662 1464 1257 1525">June 2022 Director and President (Representative Director), President and Executive Officer (current position)</p>	25,100
[Reasons for nomination as candidate for Director]			
<p data-bbox="311 1574 1396 1800">Masayuki Yamada has been engaged in the bioscience field at Tosoh Corporation for many years. After being appointed as Director, Executive Vice President, he has been leading management and operation of not only the Specialty Group but also a wide range of divisions, such as the Research and Planning Division and Engineering Group, and contributed to creation and expansion of businesses of the aforesaid company. After being appointed as a Director of the Company, as the Director in charge, he has leveraged his global experience as well as demonstrated his skills in areas such as promoting companywide safety and quality improvement, cost reductions, and sustainability. Since assuming the position of Director and President, he has been demonstrating leadership in the promotion of long-term management plans and the devising and execution of strategy for the entire Group, including its overseas business.</p> <p data-bbox="311 1807 1396 1899">In addition to high ethical standards, and abilities to accurately make decisions and understand issues, which are essential for a Director, he also possesses the necessary experience and insight to promote sustainable growth and improvement of corporate value of the Group. Therefore, the Company nominates him as a candidate for Director.</p>			
[Significant concurrent positions outside the Company]			
None			
[Special interest between candidate and the Company]			
There is no special interest between the candidate and the Company.			


Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
2	 <p style="text-align: center;"> <u>Reelection</u> Nobuyoshi Suda (November 19, 1963) Tenure as Director 7 years </p>	<p>Apr. 1984 Joined the Company</p> <p>June 2010 Deputy General Manager of Planning and Design Dept., Technology & Production Center</p> <p>Apr. 2012 General Manager of Electronics Industry Sales Dept., Plant Division, Industrial Plant Business and Project Management Office and Engineering Dept., Engineering</p> <p>Jan. 2013 Representative Director and General Manager of Organo (Suzhou) Water Treatment Co., Ltd (retired in April 2016)</p> <p>Apr. 2016 General Manager of Corporate Strategy and Planning Dept., Corporate Management and Planning of the Company</p> <p>June 2017 Executive Officer, General Manager of Corporate Strategy and Planning Dept., Corporate Management and Planning Chairman of Organo (Vietnam) Co., Ltd. (retired in June 2018)</p> <p>June 2019 Director and Executive Officer, President of Corporate Management and Planning and General Manager of Corporate Strategy and Planning Dept. of the Company</p> <p>June 2020 Managing Director and Executive Officer, President of Corporate Management and Planning and General Manager of Corporate Strategy and Planning Dept.</p> <p>June 2021 Managing Director and Executive Officer, President of R & D and Engineering and Senior General Manager of R & D Center</p> <p>June 2023 Managing Director and Executive Officer, President of R & D and Engineering (current position)</p> <p>(Responsibilities) In charge of Environment, Safety and Quality Assurance Dept., Purchasing and Logistics Dept., and Performance Products Business</p>	30,500
[Reasons for nomination as candidate for Director]			
<p>Nobuyoshi Suda has been engaged in the Plant Technology Division, especially the electronics industry, for many years and has been responsible for businesses in the electronics industry field. In addition, he has been engaged in company management as the Representative Director and General Manager (President) of an overseas subsidiary of the Company. After being appointed as a Director of the Company, he has had a track record in establishment of a group-wide management strategy and management and operation plan as a Director in charge of all planning and administrative divisions. Currently, as a Director in charge of the overall technology development department, he has promoted the establishment of an optimal engineering structure, including initiatives to improve productivity and development of technical personnel. He has also promoted the planning and execution of strategic technology development including the enhancement of development capabilities, the creation of new technologies and products, and organic collaboration between research divisions and other divisions.</p> <p>In addition to high ethical standards, and abilities to accurately make decisions and understand issues, which are essential for a Director, he also possesses the necessary experience and insight to promote sustainable growth and improvement of corporate value of the Group. Therefore, the Company nominates him as a candidate for Director.</p>			
[Significant concurrent positions outside the Company]			
None			
[Special interest between candidate and the Company]			
There is no special interest between the candidate and the Company.			


Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
3	 <p style="text-align: center;"><u>Reelection</u></p> <p style="text-align: center;">Tetsushi Honda (May 1, 1963)</p> <p style="text-align: center;">Tenure as Director 5 years</p>	<p>Apr. 1986 Joined the Company</p> <p>Apr. 2012 Managing Director of Organo (Asia) Sdn. Bhd. (retired in January 2013)</p> <p>Jan. 2013 Director and Deputy President of PT Lautan Organo Water</p> <p>Apr. 2015 President (retired in July 2017)</p> <p>June 2017 Senior General Manager of Power Plant Division, Water Infrastructure and Energy of the Company</p> <p>June 2018 Executive Officer, Senior General Manager of Power Plant Division, Industrial Plant Business</p> <p>June 2019 Executive Officer, Deputy President of Industrial Plant Business, and Senior General Manager of Power Plant Division</p> <p>June 2020 Executive Officer, Senior General Manager of R & D Center, R & D and Engineering</p> <p>June 2021 Director and Executive Officer, President of Corporate Management and Planning and General Manager of Corporate Strategy and Planning Dept.</p> <p>June 2023 Managing Director and Executive Officer, President of Corporate Management and Planning (current position)</p> <p>June 2025 Chairman of Organo (Vietnam) Co., Ltd. (current position)</p> <p>March 2026 Chairman of ORGANO INDIA PRIVATE LIMITED (current position)</p> <p>(Responsibilities)</p> <p>In charge of Internal Auditing Office, Corporate Secretariat Office, Legal and Patent Dept., Trade Control Office, and Branches</p>	28,100
[Reasons for nomination as candidate for Director]			
<p>Tetsushi Honda has been engaged in the Sales Division of the electric power business and overseas business for many years and has also been engaged in company management as the President of an overseas subsidiary. After being appointed as a Director of the Company, he has promoted company-wide growth strategy planning and execution as the Director in charge of all planning and administrative divisions, as well as the planning and execution of sustainability initiatives to enhance the Company's corporate value through the use of digital technology.</p> <p>In addition to high ethical standards, and abilities to accurately make decisions and understand issues, which are essential for a Director, he also possesses the necessary experience and insight to promote sustainable growth and improvement of corporate value of the Group. Therefore, the Company nominates him as a candidate for Director.</p>			
[Significant concurrent positions outside the Company]			
None			
[Special interest between candidate and the Company]			
There is no special interest between the candidate and the Company.			


Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
4	 <p data-bbox="411 808 544 837">New election</p> <p data-bbox="392 869 563 920">Shojiro Koike (January 9, 1966)</p> <p data-bbox="387 949 568 1001">Tenure as Director -</p>	<p data-bbox="660 365 762 389">Apr. 1988</p> <p data-bbox="815 365 1011 389">Joined the Company</p> <p data-bbox="660 400 762 425">Jan. 2010</p> <p data-bbox="815 400 1209 452">Deputy Senior General Manager of IEC, Technology & Production Center</p> <p data-bbox="660 463 762 488">June 2010</p> <p data-bbox="815 463 1225 544">General Manager of Iwaki Factory Group, Planning and Design Dept., Technology & Production Center</p> <p data-bbox="660 555 762 580">Apr. 2016</p> <p data-bbox="815 555 1254 636">General Manager of Pharmaceutical Industry and High Separation Technology Sales Dept., Plant Division, Industrial Plant Business</p> <p data-bbox="660 647 762 672">June 2018</p> <p data-bbox="815 647 1219 698">Director of ORGANO PLANT SERVICE CORPORATION</p> <p data-bbox="660 710 762 734">June 2020</p> <p data-bbox="815 710 1225 817">Executive Officer of the Company Director and President (Representative Director) of ORGANO PLANT SERVICE CORPORATION (retired in June 2023)</p> <p data-bbox="660 828 762 853">June 2023</p> <p data-bbox="815 828 1241 936">Executive Officer, Deputy President of Corporate Management and Planning and General Manager of Corporate Strategy and Planning Dept. of the Company</p> <p data-bbox="660 947 762 972">June 2024</p> <p data-bbox="815 947 1246 1081">Managing Executive Officer, Deputy President of Corporate Management and Planning and General Manager of Corporate Strategy and Planning Dept. (current position)</p> <p data-bbox="660 1093 762 1117">June 2025</p> <p data-bbox="815 1093 1193 1144">Representative Director of Organo Technology Co., Ltd. (current position)</p>	10,100
[Reasons for nomination as candidate for Director]			
<p data-bbox="309 1189 1394 1413">Shojiro Koike has been engaged in plant engineering departments mainly for the pharmaceutical industry for many years and served as the head of the Pharmaceutical Industry and High Separation Technology Sales Unit. After being appointed as an Executive Officer, he was in charge of corporate management as president of a Japanese subsidiary. Currently, as General Manager of Corporate Strategy and Planning Dept. of Corporate Management and Planning, he is spearheading formulation and execution of corporate growth strategies. In addition, he assumed office as Outside Director of LIGHTz Inc., with which the Company is collaborating on engineering business transformation, thereby deepening his insight into corporate management and gaining further experience.</p> <p data-bbox="309 1413 1394 1525">In addition to high ethical standards, and abilities to accurately make decisions and understand issues, which are essential for a Director, he also possesses the necessary experience and insight to promote sustainable growth and improvement of corporate value of the Group. Therefore, the Company nominates him as a new candidate for Director.</p>			
[Significant concurrent positions outside the Company]			
Representative Director of Organo Technology Co., Ltd.			
[Special interest between candidate and the Company]			
There is no special interest between the candidate and the Company.			


Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
5	 <p style="text-align: center;"> Reelection Outside Independent </p> <p style="text-align: center;">Daisaku Abe (June 20, 1957)</p> <p style="text-align: center;">Tenure as Director 3 years</p>	<p>Apr. 1980 Joined The Industrial Bank of Japan, Limited</p> <p>Apr. 2007 Executive Officer of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.) (retired in April 2009)</p> <p>Apr. 2009 Managing Executive Officer, Mizuho Financial Group, Inc.</p> <p>June 2012 Managing Director, Managing Executive Officer</p> <p>Apr. 2013 Deputy President and Deputy President-Executive Officer Deputy President-Executive Officer, Mizuho Bank, Ltd. (retired in July 2013 due to merger) Deputy President-Executive Officer, Mizuho Corporate Bank, Ltd. (retired in April 2019) Managing Executive Officer, Mizuho Securities Co., Ltd. (retired in April 2014)</p> <p>June 2014 Deputy President and Executive Officer, Mizuho Financial Group, Inc. (retired in April 2019)</p> <p>June 2019 Director (Audit and Supervisory Committee Member), Mizuho Trust & Banking Co., Ltd. (retired in April 2020) Director (Audit and Supervisory Committee Member), Mizuho Securities Co., Ltd. (retired in April 2020) Outside Director, Mizuho Leasing Company, Limited</p> <p>Apr. 2020 Administrative Officer, Mizuho Financial Group, Inc. (retired in June 2020)</p> <p>June 2020 Director and Chairman (Outside Director), Mizuho Leasing Company, Limited</p> <p>June 2021 Director and Chairman</p> <p>June 2022 Executive Adviser (retired in June 2024) Outside Director, NIPPON STEEL KOWA REAL ESTATE CO., LTD. (current position)</p> <p>June 2023 Outside Director of the Company (current position)</p> <p>June 2024 Outside Director, Nissui Corporation (current position)</p>	200
<p>[Reasons for nomination as candidate for Outside Director and outline of the expected role]</p> <p>Daisaku Abe has years of involvement in IT/systems planning, corporate planning and other areas at financial institutions, and possesses deep knowledge of financial operations in general. He also possesses a wealth of corporate management experience through the series of successive officer and executive officer positions that he held at numerous financial institutions, including the role of Deputy President and the role of Deputy President and Executive Officer at the Mizuho Financial Group, Inc. Simultaneously, he has deepened his knowledge of multidimensional corporate management as an outside director of other listed companies. After being appointed as an Outside Director of the Company, he has been giving us useful opinions and advice on the management of the Company, utilizing his abundant knowledge of various kinds. As Chair of the Special Committee, he has been leading the deliberation of matters related to material transactions of the Company's parent company group and the Company. Additionally, as a member of the Nomination and Remuneration Advisory Committee, he has also been contributing to deliberations on matters related to the selection of candidates for Directors and the compensation of Directors. After his appointment, in addition to continuing to fulfill the above-mentioned roles, he is expected to fulfill the roles of Chair of the Nomination and Remuneration Advisory Committee and a member of the Special Committee.</p> <p>In addition to high ethical standards, and abilities to accurately make decisions and understand issues, which are essential for a Director, he also possesses the necessary experience and insight to promote sustainable growth and improvement of corporate value of the Group. Therefore, judging him as being capable of appropriately performing his duties as an Outside Director, the Company nominates him as a candidate for Outside Director.</p>			

	[Significant concurrent positions outside the Company] Outside Director, Nissui Corporation
	[Special interest between candidate and the Company] There is no special interest between the candidate and the Company.

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
	 <p style="text-align: center;"> Reelection Outside Independent </p> <p style="text-align: center;">Nobuko Hanano (October 6, 1968)</p> <p style="text-align: center;">Tenure as Director 3 years</p>	<p>Apr. 1991 Joined Nomura Research Institute, Ltd. (left in April 1995)</p> <p>Oct. 2000 Registered as Lawyer (Dai-Ichi Tokyo Bar Association) (current position) Joined KOHWA SOHGOH LAW OFFICES</p> <p>Oct. 2004 Partner (current position)</p> <p>Mar. 2019 Outside Audit and Supervisory Board Member, Kanro Inc. (current position)</p> <p>June 2021 Outside Audit and Supervisory Board Member of the Company</p> <p>June 2023 Outside Director (current position)</p>	400
6	<p>[Reasons for nomination as candidate for Outside Director and outline of the expected role]</p> <p>After working for one of Japan's largest consulting firms as a management researcher, Nobuko Hanano has worked extensively as a lawyer. In addition, she has served as an outside auditor of another listed company, deepening her knowledge on multidimensional corporate management. After being appointed as an Outside Audit and Supervisory Board Member of the Company, she has contributed to improving the effectiveness of the Company's audits. After being appointed as an Outside Director of the Company, she has been giving us useful opinions and advice on the management of the Company, utilizing her abundant knowledge of various kinds. As a member of the Nomination and Remuneration Advisory Committee, she has also been contributing to deliberations on matters related to the selection of candidates for Directors and the compensation of Directors. Additionally, as a member of the Special Committee, she has been contributing to the deliberation of matters related to material transactions of the Company's parent company group and the Company. After her appointment, in addition to continuing to fulfill the above-mentioned roles, she is expected to fulfill the role of Chair of the Special Committee.</p> <p>In addition to high ethical standards, and abilities to accurately make decisions and understand issues, which are essential for a Director, she also possesses the necessary experience and insight to promote sustainable growth and improvement of corporate value of the Group. Therefore, judging her as being capable of appropriately performing her duties as an Outside Director, the Company nominates her as a candidate for Outside Director.</p> <p>[Significant concurrent positions outside the Company]</p> <p>Lawyer Partner, KOHWA SOHGOH LAW OFFICES Outside Audit and Supervisory Board Member, Kanro Inc.</p> <p>[Special interest between candidate and the Company]</p> <p>There is no special interest between the candidate and the Company.</p>		

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
7	 <p style="text-align: center;"> Reelection Outside Independent </p> <p style="text-align: center;">Naomi Kodama (January 27, 1968)</p> <p style="text-align: center;">Tenure as Director 2 years</p>	<p>Apr. 1993 Joined Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry) (left in March 2018)</p> <p>Apr. 2013 Assistant Professor, Institute of Economic Research, Hitotsubashi University (retired in March 2016)</p> <p>Apr. 2016 Associate Professor, School of International and Public Policy, Hitotsubashi University (retired in March 2018)</p> <p>Apr. 2018 Professor, Nihon University College of Economics (retired in March 2021)</p> <p>Apr. 2021 Professor, Faculty of Economics, Meiji Gakuin University (current position)</p> <p>June 2024 Outside Director of the Company (current position)</p> <p>Dec. 2025 Outside Director, SHOEI CO., LTD. (current position)</p>	0
<p>[Reasons for nomination as candidate for Outside Director and outline of the expected role]</p>			
<p>Naomi Kodama has experience in a wide range of fields at the Ministry of Economy, Trade and Industry. At university institutions, her focus is on research in economics, and recently, she has also been engaged in research on human capital management and deepening her knowledge. After being appointed as an Outside Director of the Company, she has been giving us useful opinions and advice on the management of the Company, utilizing her abundant knowledge of various kinds. As a member of the Nomination and Remuneration Advisory Committee, she has also been contributing to deliberations on matters related to the selection of candidates for Directors and the compensation of Directors. Additionally, as a member of the Special Committee, she has been contributing to the deliberation of matters related to material transactions of the Company's parent company group and the Company. After her appointment, she is expected to continue to fulfill the above-mentioned roles.</p>			
<p>In addition to high ethical standards, and abilities to accurately make decisions and understand issues, which are essential for a Director, she also possesses the necessary experience and insight to promote sustainable growth and improvement of corporate value of the Group. Therefore, judging her as being capable of appropriately performing her duties as an Outside Director, the Company nominates her as a candidate for Outside Director.</p>			
<p>[Significant concurrent positions outside the Company]</p>			
<p>Professor, Faculty of Economics, Meiji Gakuin University Outside Director, SHOEI CO., LTD.</p>			
<p>[Special interest between candidate and the Company]</p>			
<p>There is no special interest between the candidate and the Company.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
8	 <p data-bbox="416 658 544 748"> <u>Reelection</u> <u>Outside</u> <u>Independent</u> </p> <p data-bbox="400 779 560 831">Masaya Chisaki (June 16, 1959)</p> <p data-bbox="384 860 576 911">Tenure as Director 1 year</p>	<p data-bbox="662 331 1198 383">Apr. 1983 Joined Tokyo Broadcasting System, Inc. (currently TBS HOLDINGS, INC.)</p> <p data-bbox="662 394 1241 501">June 2018 Director, TBS HOLDINGS, INC. (retired in June 2024) Director, Tokyo Broadcasting System Television, Inc.</p> <p data-bbox="662 512 1203 564">June 2020 Managing Director, Tokyo Broadcasting System Television, Inc.</p> <p data-bbox="662 575 991 604">July 2024 Executive Advisor</p> <p data-bbox="662 616 1219 667">June 2025 Outside Director of the Company (current position)</p> <p data-bbox="662 678 1171 730">July 2025 Advisor, Tokyo Broadcasting System Television, Inc. (current position)</p>	100
[Reasons for nomination as candidate for Outside Director and outline of the expected role]			
<p data-bbox="308 987 1388 1285">Masaya Chisaki has been engaged in stock administration, investor relations, public relations, and human resources and labor management, among others, in the broadcasting industry. Having served as Director of TBS HOLDINGS, INC. and Director and Managing Director of Tokyo Broadcasting System Television, Inc., he has a wealth of experience in corporate management and is well versed in sustainability and governance as well as IR and SR activities. After assuming the office of an Outside Director of the Company, he has been giving us useful opinions and advice on the management of the Company, utilizing his abundant knowledge of various kinds. Additionally, he has also been contributing to deliberations on matters related to the selection of candidates for Directors and the compensation of Directors as a member of the Nomination and Remuneration Advisory Committee as well as to deliberation of matters related to material transactions of the Company's parent company group and the Company as a member of the Special Committee. After his appointment, he is expected to continue to fulfill the above-mentioned roles.</p> <p data-bbox="308 1290 1388 1402">In addition to high ethical standards, and abilities to accurately make decisions and understand issues, which are essential for a Director, he also possesses the necessary experience and insight to promote sustainable growth and improvement of corporate value of the Group. Therefore, judging him as being capable of appropriately performing his duties as an Outside Director, the Company nominates him as a candidate for Outside Director.</p>			
[Significant concurrent positions outside the Company]			
None			
[Special interest between candidate and the Company]			
There is no special interest between the candidate and the Company.			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
9	 <p style="text-align: center;"> New election Outside Independent </p> <p style="text-align: center;">Hirohito Kodama (March 22, 1959)</p> <p style="text-align: center;">Tenure as Director -</p>	<p>Apr. 1981 Joined Kagome Co., Ltd.</p> <p>June 2006 Executive Officer, General Manager, Corporate Planning Department</p> <p>June 2008 Director & Executive Officer, General Manager, Research & Development Division</p> <p>June 2011 Director & Managing Executive Officer, General Manager, Research & Development Division</p> <p>Apr. 2013 Director & Managing Executive Officer, CEO, Asia Business Company</p> <p>Oct. 2015 Director & Managing Executive Officer, General Manager, Shared Service Preparation Office</p> <p>Apr. 2016 Director & Managing Executive Officer President & Representative Director (Representative Director) of Kagome Axis Co., Ltd. (retired in October 2017)</p> <p>Mar. 2018 Outside Audit & Supervisory Board Member of Dynapac Co., Ltd. Director (Full-time Audit and Supervisory Committee Member) of Kagome Co., Ltd. (retired in March 2024)</p> <p>Mar. 2020 Outside Director of Dynapac Co., Ltd. (Audit and Supervisory Committee Member) (current position)</p> <p>June 2023 Outside Audit and Supervisory Board Member of the Company (current position)</p>	400
<p>[Reasons for nomination as candidate for Outside Director and outline of the expected role]</p> <p>Hirohito Kodama has been in charge of corporate management for many years as a director of a major food manufacturer. In addition, as an outside director (Audit and Supervisory Committee Member) of another listed company, he has deepened his knowledge on multidimensional corporate management. After assuming the office of an Outside Audit and Supervisory Board Member of the Company, he has been contributing to enhancement of the effectiveness of the Company's auditing. After his appointment as an Outside Director of the Company, he is expected to give us useful opinions and advice on the management of the Company, utilizing his abundant knowledge of various kinds. Additionally, he is expected to contribute to deliberations on matters related to the selection of candidates for Directors and the compensation of Directors as a member of the Nomination and Remuneration Advisory Committee as well as to deliberations of matters related to material transactions of the Company's parent company group and the Company as a member of the Special Committee. In addition to high ethical standards, and abilities to accurately make decisions and understand issues, which are essential for a Director, he also possesses the necessary experience and insight to promote sustainable growth and improvement of corporate value of the Group. Therefore, judging him as being capable of appropriately performing his duties as an Outside Director, the Company nominates him as a new candidate for Outside Director.</p>			
<p>[Significant concurrent positions outside the Company]</p> <p>Outside Director of Dynapac Co., Ltd. (Audit and Supervisory Committee Member)</p>			
<p>[Special interest between candidate and the Company]</p> <p>There is no special interest between the candidate and the Company.</p>			

- Notes: 1. The positions and responsibilities held by Masayuki Yamada in the past ten years at the Company's parent company Tosoh Corporation and its subsidiaries (Tosoh Bioscience, Inc., Tosoh Bioscience LLC, Tosoh Techno-System, Inc., Tosoh Europe, N.V., and Tosoh America, Inc.) are presented in the above "Career summary, and position and responsibility in the Company."
2. Daisaku Abe, Nobuko Hanano, Naomi Kodama, Masaya Chisaki and Hirohito Kodama are candidates for Outside Director.
3. Daisaku Abe is scheduled to retire from the position of Outside Director of NIPPON STEEL KOWA REAL ESTATE CO., LTD. at the conclusion of the ordinary general meeting of shareholders of NIPPON STEEL KOWA REAL ESTATE CO., LTD. to be held in June 2026.


4. The tenure of Hirohito Kodama as Audit and Supervisory Board Member of the Company will be three years at the conclusion of this Ordinary General Meeting of Shareholders.
5. Currently, the Company has entered into respective agreements with Daisaku Abe, Nobuko Hanano, Naomi Kodama and Masaya Chisaki to set the minimum amount of liability provided by laws and regulations as the amount for liability for damages under Article 423, paragraph 1 of the Companies Act in cases where there is good faith and no gross negligence, in accordance with Article 427, paragraph 1 of the same Act and the Articles of Incorporation of the Company. If they are elected as Directors, the Company plans to continue the said agreement with each of them. In addition, if Hirohito Kodama is elected as Director, the Company plans to enter into the same agreement with him.
6. The Company has entered into indemnity agreements under Article 430-2, paragraph 1 of the Companies Act with all the Directors and Audit and Supervisory Board Members. Under these indemnity agreements, the Company shall indemnify them against the expenses under Item 1 and the losses under Item 2 of the same Act to the extent specified by laws and regulations. However, in order to ensure that the indemnity agreement does not impair the proper performance of the indemnitee's duties, there are certain exemptions, such as the indemnitee's bad faith in performing his or her duties, in which case the indemnification of the dispute expenses will not be applied. Masayuki Yamada, Nobuyoshi Suda, Tetsushi Honda, Daisaku Abe, Nobuko Hanano, Naomi Kodama, Masaya Chisaki and Hirohito Kodama have already entered into the said indemnity agreements, and if they are elected as Directors, the Company plans to continue the said indemnity agreement with each of them. In addition, if Shojiro Koike is elected as Director, the Company plans to enter into the same indemnity agreement with him.
7. At present, the Company and the insurance company have entered into an Officers' Liability Insurance Contract with all Directors included as insured persons as stipulated in Article 430-3, paragraph 1 of the Companies Act. In the event of a claim for damages arising from duties performed by the insured in his or her position during the insurance period, the insurance contract covers compensation for damage and dispute costs. However, there are certain exemptions, such as damage caused intentionally or by gross negligence that is not covered by the relevant insurance contract. Each candidate who is elected as a Director will be insured under the insurance contract. The term of the insurance contract is one year and shall be renewed upon resolution of the Board of Directors before the expiration of the term.
8. On March 18, 2025, Kanro Inc., for which Nobuko Hanano currently serves as an Outside Audit and Supervisory Board Member, and one of its employees were referred to prosecutors on suspicion of violating the Industrial Safety and Health Act. The reason for this is that Kanro Inc. failed to submit a report of worker casualties to the Labour Standards Inspection Office, despite the fact that an industrial accident occurred at the plant on August 14, 2024, causing one employee to be absent from work for five days. As a result of the investigation, a summary order was issued against one employee. However, Kanro Inc. was not indicted. Although she was unaware of this violation until she received a report from the company, she had been emphasizing compliance with laws and regulations concerning labor management and health and safety at the plants for some time, and had been striving to ensure no execution of operations in violation of laws and regulations, by stating opinions at Board of Directors meetings and Audit and Supervisory Board meetings. After becoming aware of the fact, she requested the company to investigate the fact and formulate measures to prevent recurrence, and confirmed the details of the initiatives to prevent recurrence, and thus, she has appropriately fulfilled her responsibilities.
9. The Company has submitted notification to the Tokyo Stock Exchange that Daisaku Abe, Nobuko Hanano, Naomi Kodama, Masaya Chisaki and Hirohito Kodama have been designated as independent officers as provided for by the aforementioned exchange. For the Company's "Criteria for Independence of Outside Officers," please see the "(Reference)" part that follows "Proposal No. 4: Election of Two Substitute Audit and Supervisory Board Members" in this Notice of the Ordinary General Meeting of Shareholders.

Proposal No. 3 Election of One Audit and Supervisory Board Member

Audit and Supervisory Board Member Hirohito Kodama will retire upon the conclusion of this General Meeting of Shareholders. Therefore, the Company proposes the election of one Audit and Supervisory Board Member.

In addition, the consent of the Audit and Supervisory Board has been obtained for the submission of this proposal.

The candidate for Audit and Supervisory Board Member is as follows:

Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
 <p data-bbox="411 965 544 1059">New election Outside Independent</p> <p data-bbox="371 1088 584 1144">Atsushi Iwamoto (September 14, 1968)</p>	<p data-bbox="660 669 1198 725">Apr. 1993 Joined the Legislative Bureau House of Councillors (retired in March 1997)</p> <p data-bbox="660 730 1225 875">Apr. 1999 Registered as Lawyer (Dai-Ichi Tokyo Bar Association) (current position) Joined Anzai Inoue & Toi Law Offices (currently Anzai Law Offices) (current position)</p> <p data-bbox="660 887 1206 943">Apr. 2011 Civil Conciliation Commissioner, Tokyo Summary Court (current position)</p> <p data-bbox="660 954 1246 1032">Sep. 2017 Special Research Officer, Cabinet Bureau of Personnel Affairs, Cabinet Secretariat (current position)</p>	0
[Reasons for nomination as candidate for Outside Audit and Supervisory Board Member]		
<p data-bbox="309 1245 1393 1406">Atsushi Iwamoto has advanced knowledge and extensive experience in legal and labor affairs as a lawyer. In addition, he is well-versed in labor law and personnel affairs systems, having served in government agencies where he mediated between labor and management from a neutral standpoint, as well as having been involved in investigations related to the personnel affairs of national civil servants. After his appointment as an Outside Audit and Supervisory Board Member of the Company, he is expected to contribute to highly effective auditing, utilizing his abundant knowledge of various kind.</p> <p data-bbox="309 1408 1393 1543">In addition to high ethical standards and an ability to make decisions fairly and impartially, which are essential for an Audit and Supervisory Board Member, he also possesses the necessary experience and insight to conduct an appropriate audit on the management of the Company. Therefore, judging him as being capable of appropriately performing his duties as an Outside Audit and Supervisory Board Member, the Company nominates him as a new candidate for Outside Audit and Supervisory Board Member.</p>		
[Significant concurrent positions outside the Company]		
<p data-bbox="309 1653 496 1709">Lawyer Anzai Law Offices</p>		
[Special interest between candidate and the Company]		
There is no special interest between the candidate and the Company.		

- Notes: 1. Atsushi Iwamoto is a candidate for Outside Audit and Supervisory Board Member.
2. Currently, the Company has entered into respective agreements with Audit and Supervisory Board Members to set the minimum amount of liability provided by laws and regulations as the amount for liability for damages under Article 423, paragraph 1 of the Companies Act in cases where there is good faith and no gross negligence, in accordance with Article 427, paragraph 1 of the same Act and the Articles of Incorporation of the Company. If Atsushi Iwamoto is elected as Audit and Supervisory Board Member, the Company plans to enter into the same agreement with him.
3. The Company has entered into indemnity agreements under Article 430-2, paragraph 1 of the Companies Act with all the Directors and Audit and Supervisory Board Members. Under these indemnity agreements, the Company shall indemnify them against the expenses under Item 1 and the losses under Item 2 of the same Act to the extent specified by laws and regulations. However, in order to ensure that the indemnity agreement does not

impair the proper performance of the indemnitee's duties, there are certain exemptions, such as the indemnitee's bad faith in performing his or her duties, in which case the indemnification of the dispute expenses will not be applied. If Atsushi Iwamoto is elected as Audit and Supervisory Board Member, the Company plans to enter into the same indemnity agreement with him.

4. At present, the Company and the insurance company have entered into an Officers' Liability Insurance Contract with all Audit and Supervisory Board Members included as insured persons as stipulated in Article 430-3, paragraph 1 of the Companies Act. In the event of a claim for damages arising from duties performed by the insured in his or her position during the insurance period, the insurance contract covers compensation for damage and dispute costs. However, there are certain exemptions, such as damage caused intentionally or by gross negligence that is not covered by the relevant insurance contract. If Atsushi Iwamoto is appointed as Audit and Supervisory Board Member, he will become the insured under the insurance contract. The term of the insurance contract is one year and shall be renewed upon resolution of the Board of Directors before the expiration of the term.
5. The Company has submitted notification to the Tokyo Stock Exchange that Atsushi Iwamoto shall be designated as an independent officer as provided for by the aforementioned exchange. For the Company's "Criteria for Independence of Outside Officers," please see the "(Reference)" part that follows "Proposal No. 4: Election of Two Substitute Audit and Supervisory Board Members" in this Notice of the Ordinary General Meeting of Shareholders.

Proposal No. 4 Election of Two Substitute Audit and Supervisory Board Members

To prepare for a situation where the number of Audit and Supervisory Board Members does not satisfy the number prescribed by laws and regulations, the Company proposes the election of two Substitute Audit and Supervisory Board Members.

The candidates for Substitute Audit and Supervisory Board Member are as follows. Chikara Furuuchi will be a substitute for Audit and Supervisory Board Member Yoshihiro Tajitsu, and Tatsuya Endo will be a substitute for an Outside Audit and Supervisory Board Member.

The appointment of the Substitute Audit and Supervisory Board Member shall be subject to the number of Audit and Supervisory Board Members not satisfying the number prescribed by laws and regulations, and the term of office thereof shall be the remaining term of office of a predecessor.

In addition, the consent of the Audit and Supervisory Board has been obtained for the submission of this proposal.

Candidate No.	Name (Date of birth)	Career summary and position in the Company	Number of the Company's shares owned
1	Chikara Furuuchi (October 11, 1954)	<p>Apr. 1977 Joined the Company</p> <p>Apr. 2010 Executive Officer, Senior General Manager of Performance Products Business Division and General Manager of Sales Dept. 2 Director and President (Representative Director) of Organo High-tech Co., LTD. (retired in March 2012)</p> <p>June 2010 Executive Officer, Senior General Manager of Performance Products Business Division, Industrial Plant Business of the Company</p> <p>Apr. 2012 Executive Officer of the Company Director and President (Representative Director) of ORGANO TOKYO CORPORATION (currently ORGANO CORPORATION) (retired in April 2014)</p> <p>June 2012 Director and Executive Officer of the Company</p> <p>Apr. 2014 Director and Executive Officer, General Manager of Human Resources Dept., Corporate Management and Planning</p> <p>Apr. 2015 Managing Director and Executive Officer, General Manager of Human Resources Dept., Corporate Management and Planning</p> <p>June 2015 Managing Director and Executive Officer, President of Corporate Management and Planning and General Manager of Human Resources Dept., Corporate Management and Planning</p> <p>Apr. 2016 Managing Director and Executive Officer, President of Corporate Management and Planning</p> <p>June 2016 Managing Director and Executive Officer, President of Industrial Plant Business</p> <p>June 2018 Advisor (retired in June 2020) Director and Vice President (Representative Director) of ORGANO ECO TECH CORPORATION (currently ORGANO CORPORATION) (retired in June 2019)</p> <p>June 2019 Director and President (Representative Director) of ORGANO ACTY CORPORATION (retired in June 2020)</p>	2,800
[Reasons for nomination as candidate for Substitute Audit and Supervisory Board Member]			
<p>Chikara Furuuchi has overseen corporate management for many years as a Director of the Company and as Director and President of the Company's subsidiaries. As well as administrative management divisions, such as accounting and human resources, he was also in charge of a wide range of the Company's businesses, such as Performance Products and Industrial Plant Businesses, thus contributing to the expansion of our operations. In addition to high ethical standards and an ability to make decisions fairly and impartially, which are essential for an Audit and Supervisory Board Member, he also possesses the necessary experience and insight to conduct an appropriate audit on the management of the Company. Therefore, the Company nominates him as a candidate for Substitute Audit and Supervisory Board Member.</p>			
[Significant concurrent positions outside the Company] None			
[Special interest between candidate and the Company] There is no special interest between the candidate and the Company.			

Candidate No.	Name (Date of birth)	Career summary and position in the Company	Number of the Company's shares owned
2	Tatsuya Endo (August 18, 1959)	<p>Apr. 1985 Joined Arthur Andersen & Co., Tokyo Office</p> <p>Apr. 1990 Certified as Tax Accountant (current position)</p> <p>Sep. 1998 Partner, Arthur Andersen & Co., Tokyo Office (retired in June 2002)</p> <p>July 2002 Partner, Asahi KPMG Tax Corporation (currently, KPMG Tax Corporation)</p> <p>Jan. 2016 Deputy Senior Partner, KPMG Tax Corporation (retired in December 2019)</p> <p>Jan. 2020 Opened Tatsuya Endo Tax Accountant Office (current position)</p> <p>Mar. 2020 External Director (Audit and Supervisory Committee Member), Kagome Co., Ltd. (retired in March 2026)</p>	0
<p>[Reasons for nomination as candidate for Substitute Outside Audit and Supervisory Board Member]</p> <p>Tatsuya Endo has served as a partner at major accounting firms and tax accounting firms, and he has advanced knowledge and experience in corporate accounting and taxation as a certified public tax accountant. In addition, as an external director (Audit and Supervisory Committee Member) of another listed company, he deepened his knowledge on multidimensional corporate management.</p> <p>In addition to high ethical standards and an ability to make decisions fairly and impartially, which are essential for an Audit and Supervisory Board Member, he also possesses the necessary experience and insight to conduct an appropriate audit on the management of the Company. Therefore, judging him as being capable of appropriately performing his duties as an Outside Audit and Supervisory Board Member, the Company nominates him as a candidate for Substitute Outside Audit and Supervisory Board Member.</p>			
<p>[Significant concurrent positions outside the Company]</p> <p>Certified Public Tax Accountant Representative, Tatsuya Endo Tax Accountant Office</p>			
<p>[Special interest between candidate and the Company]</p> <p>There is no special interest between the candidate and the Company.</p>			

- Notes: 1. Tatsuya Endo is a candidate for Substitute Outside Audit and Supervisory Board Member.
2. If the number of Audit and Supervisory Board Members or Outside Audit and Supervisory Board Members does not satisfy the number prescribed by laws and regulations and Chikara Furuuchi or Tatsuya Endo is appointed, the Company plans to enter into an agreement to set the minimum amount of liability provided by laws and regulations as the amount for liability for damages under Article 423, paragraph 1 of the Companies Act in cases where there is good faith and no gross negligence, in accordance with Article 427, paragraph 1 of the same Act and the Articles of Incorporation of the Company.
3. If the number of Audit and Supervisory Board Members or Outside Audit and Supervisory Board Members does not satisfy the number prescribed by laws and regulations and Chikara Furuuchi or Tatsuya Endo is appointed, the Company plans to enter into an indemnity agreement under Article 430-2, paragraph 1 of the Companies Act with Chikara Furuuchi or Tatsuya Endo. Under these indemnity agreements, the Company shall indemnify them against the expenses under Item 1 and the losses under Item 2 of the same Act to the extent specified by laws and regulations. However, in order to ensure that the indemnity agreement does not impair the proper performance of the indemnitee's duties, there are certain exemptions, such as the indemnitee's bad faith in performing his or her duties, in which case the indemnification of the dispute expenses will not be applied.
4. At present, the Company and the insurance company have entered into an Officers' Liability Insurance Contract with all Audit and Supervisory Board Members included as insured persons as stipulated in Article 430-3, paragraph 1 of the Companies Act. In the event of a claim for damages arising from duties performed by the insured in his or her position during the insurance period, the insurance contract covers compensation for damage and dispute costs. However, there are certain exemptions, such as damage caused intentionally or by gross negligence that is not covered by the relevant insurance contract. If the number of Audit and Supervisory Board Members or Outside Audit and Supervisory Board Members does not satisfy the number prescribed by laws and regulations and Chikara Furuuchi or Tatsuya Endo is appointed, he will become the insured under the

insurance contract. The term of the insurance contract is one year and shall be renewed upon resolution of the Board of Directors before the expiration of the term.

5. If the number of Outside Audit and Supervisory Board Members does not satisfy the number prescribed by laws and regulations and Tatsuya Endo is appointed, the Company will designate him as an independent officer in accordance with the provisions of the Tokyo Stock Exchange and notify it to the Exchange. For the Company's "Criteria for Independence of Outside Officers," please see the "(Reference)" part that follows this proposal.

(Reference)

Policy on Nomination of Director Candidates

The number of members of the Board of Directors shall be between three and ten, and in principle, one-third or more of its members shall be comprised of Independent Outside Directors. In order to achieve sustainable growth and maximize corporate value over the medium to long term, the Company's policy on nomination of candidates for Director is to identify skills such as knowledge, experience, and abilities that should be provided as a Director and ensure that the entire Board of Directors has a well-balanced structure.

Skill matrix of Directors (planned) after the General Meeting of Shareholders

Based on the above policy, the Company has identified and selected the following items as the specific skills of each director candidate that are especially expected to be demonstrated in light of their respective roles. The skills possessed by each Director candidate are appropriately balanced, and the list is shown in the table below.

Name	Corporate Management/ Management Strategy	Finance/ Accounting	Legal Affairs and Risk Management	Global	Sales and Marketing	Technology	Human Resource Strategy	Sustainability
Masayuki Yamada	◎	◎	◎	◎		◎	◎	◎
Nobuyoshi Suda	◎			◎		◎		◎
Tetsushi Honda	◎	◎		◎	◎		◎	◎
Shojiro Koike	◎	◎			◎	◎		◎
Daisaku Abe (Outside)	◎	◎	◎			◎		◎
Nobuko Hanano (Outside)		◎	◎					◎
Naomi Kodama (Outside)			◎			◎	◎	◎
Masaya Chisaki (Outside)	◎		◎				◎	◎
Hirohito Kodama (Outside)	◎	◎	◎	◎				◎

Note: This matrix does not represent the full range of expertise and experience possessed by each director candidate.

(Reference)

Definition of each skill and reasons for selection

Skills	Definition and reasons for selection
Corporate Management/ Management Strategy	Skills required for executing high-level management judgment and supervising business execution when it is difficult to predict the long-term business environment. These skills provide the foundation for the Organo Group to achieve sustainable growth toward the realization of ORGANO2030 and maximize long-term corporate value.
Finance/Accounting	Skills required for establishing a sound and solid financial base and for promoting and supervising financial strategies, such as achievement of both investment for growth and shareholder returns. These skills provide the foundation for the Organo Group to achieve sustainable growth toward the realization of ORGANO2030 and maximize long-term corporate value.
Legal Affairs and Risk Management	Skills indispensable for supporting the foundation of fair and sound business activities by ensuring appropriate company-wide risk management and compliance. These skills provide the foundation for the Organo Group to achieve sustainable growth toward the realization of ORGANO2030 and maximize long-term corporate value.
Global	Experience in business management in international regions that include the areas where the Organo Group operates and an understanding of diverse lifestyles and values, and skills required for promoting and supervising a precise global strategy. These skills are necessary for accelerating growth in the areas of global business development defined by ORGANO 2030 and to achieve continuous business growth.
Sales and Marketing	Skills required for promoting and supervising the Organo Group’s initiatives for business growth strategies in priority businesses and fields and the strengthening of the supply chain and the reinforcement of domestic and overseas regional bases. These skills are necessary for addressing business growth strategies in priority businesses and fields and strengthening the supply chain and reinforcing domestic and overseas regional bases defined by ORGANO 2030.
Technology	Knowledge and experience in technology, a key competitive principle of the Organo Group, and skills required for promoting and supervising the strengthening of the value chain. These skills are necessary for strengthening the value chain, including strengthening the engineering structure, technology development and intellectual property strategy, and domestic and overseas regional bases defined by ORGANO 2030. Note: “Technology” includes skills related to “research and development,” “engineering,” “production and manufacturing,” and “IT, information and DX.”
Human Resource Strategy	Knowledge and experience in human resource strategy (organizational strategy, DEI, human resource development, etc.), which is positioned as one of the pillars of the management foundation of the Organo Group, and skills required for promoting and supervising the strengthening and enhancement of the management foundation. These skills are necessary for strengthening and enhancing the human resource strategy, which is positioned as one of the pillars of the management foundation defined by ORGANO 2030.
Sustainability	Knowledge and experience in sustainability (ESG/SDGs initiatives, respect for human rights, etc.), which is positioned as one of the pillars of the management foundation of the Organo Group, and skills required for promoting and supervising the strengthening and enhancement of the management foundation. These skills are necessary for realizing a sustainable society in collaboration with stakeholders and enhancing corporate value of the Organo Group through commitment to sustainability, which is positioned as one of the pillars of the management foundation defined by ORGANO 2030.

Criteria for Independence of Outside Officers

An outside officer of the Company will be deemed as not satisfying the requirements for independence if any of the following statuses are applicable to him/her.

- (i) A person who is currently, or who has been during the past ten years, an executive of the Company or a subsidiary of the Company.
- (ii) A person who is currently, or who has been during the past ten years, a non-executive director or an accounting advisor of the Company or a subsidiary of the Company (applicable only in the case of Outside Audit and Supervisory Board Members).
- (iii) A person who is currently, or who has been during the past ten years, an executive or a non-executive director of the Company's parent company.
- (iv) A person who is currently, or who has been during the past ten years, an Audit and Supervisory Board Member of the Company's parent company (applicable only in the case of Outside Audit and Supervisory Board Members).
- (v) A person who is currently, or who has been during the past ten years, an executive at a sister company of the Company.
- (vi) A person who is currently, or who has been during the past one year, either a person who has the Company as a major business partner, or an executive of such an entity.
- (vii) A person who is currently, or who has been during the past one year, either a person who is a major business partner of the Company or an executive of such an entity.
- (viii) A person who is currently, or who has been during the past one year receiving a large amount of money or other assets from the Company other than remuneration for directors (and other officers) either as a consultant, an accounting professional, or a legal professional.
- (ix) A person who is currently a major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a corporation).
- (x) A person who is currently an executive at an entity under circumstances where outside officers are mutually appointed between said entity and the Company.
- (xi) A person who is currently an executive at an entity that is receiving a significant amount of donations from the Company.
- (xii) A person whose spouse or relative within second degree of kinship falls under any of (i) through (viii) above (limited to material persons).

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

1. Status of the corporate group













(1) Business progress and results

During the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026), the global economy continued to face uncertainty due to concerns over geopolitical risks, including concerns about energy supply, rising prices, and impacts on supply chains stemming from the escalating situation in the Middle East, in addition to the impact of U.S. trade policy and the slowdown in the Chinese economy. However, the global economy remained on a gradual recovery trend overall.

In the electronics industry, the Organo Group's main market, demand for power semiconductors, including those for automotive applications, remained sluggish due to the slowdown in the growth of the electric vehicle (EV) market. However, capital investment for mass production of cutting-edge semiconductors remained at a high level throughout the year, driven by the rapid expansion of demand for generative artificial intelligence (AI) and the full-scale ramp-up of investment in data centers. In the general industry, and in the social infrastructure field, such as electric power/water supply and sewage, steady growth has been seen mainly driven by demand for maintenance services.

Under these conditions, while promoting order-taking and delivery activities for large-scale projects in Japan and overseas, the Organo Group strove to expand production and delivery capacities. Initiatives included establishment of a local engineering structure in the U.S., strengthening of our solutions structure in Japan and overseas, and establishment of a new site in India. In addition to promoting technology development and intellectual property strategies aligned with our business strategy, we worked to strengthen our management foundation by expanding investment in human resources in Japan and overseas, enhancing sustainability and governance, and renewing the core systems.

As a result, for the fiscal year ended March 31, 2026, orders received increased by 11.0% year on year to ¥167,956 million, net sales increased by 8.8% year on year to ¥177,654 million, operating profit increased by 21.0% year on year to ¥37,648 million, ordinary profit increased by 20.5% year on year to ¥38,130 million, profit attributable to owners of parent increased by 17.6% year on year to ¥28,401 million, and return on equity (ROE) was 21.5%, compared to 21.7% for the previous fiscal year. Orders received were lower than the initial plan but remained at a level exceeding the previous fiscal year's result. Net sales and profit at each stage surpassed the actual results of the previous fiscal year and the levels of the initial plan across the board and achieved record highs as in the previous fiscal year. The carry-over balance for the order backlog, which will form the basis for sales from the next fiscal year onward, was ¥96,503 million (down 8.8% year on year), remaining at a high level.

Orders received	Carry-over backorder	Net sales
¥167.9 billion	¥96.5 billion	¥177.6 billion
+11.0% YoY 	-8.8% YoY 	+8.8% YoY 
-6.7% vs. Plan 	-12.9% vs. Plan 	+1.5% vs. Plan 
<hr/>		
Operating profit	Operating profit ratio	Return on equity (ROE)
¥37.6 billion	21.2%	21.5%
+21.0% YoY 	+2.1 points YoY 	-0.2 points YoY 
+19.5% vs. Plan 	+3.2 points vs. Plan 	+2.7 points vs. Plan 

[Water Treatment Engineering Business Unit]

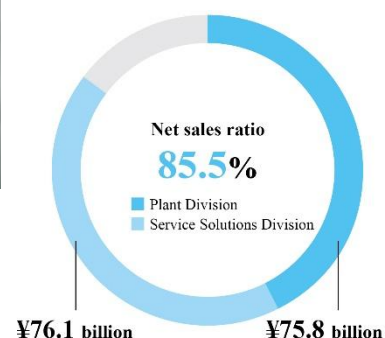
Orders received	Net sales	Operating profit
¥141.6 billion	¥151.9 billion	¥34.3 billion
+12.2% YoY	+10.0% YoY	+25.4% YoY

Major Business and Products



Plant Division
 Pure and ultrapure water production facilities, Industrial process water treatment facilities, Wastewater treatment and recovery facilities, Valuable material recovery facilities, Production processing-related facilities

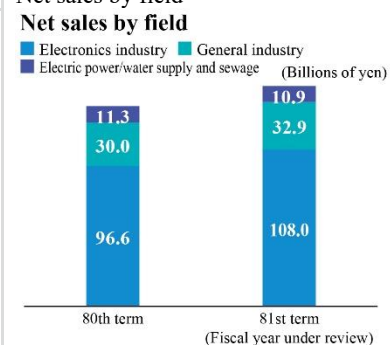
Service Solutions Division
 Replacement of expendable items, Maintenance, Operational support services, Renovation and reconditioning, Build-Own-Operate, Comprehensive maintenance service



Customers and Markets

Electronics Industry	General Industry	Electric Power/Water Supply and Sewage
Net sales	Net sales	Net sales
¥108.0 billion	¥32.9 billion	¥10.9 billion
<ul style="list-style-type: none"> Semiconductors Panels Electronic parts 	<ul style="list-style-type: none"> Pharmaceuticals, cosmetics Food and beverage Machinery and chemicals 	<ul style="list-style-type: none"> Thermal and nuclear power plants Water supply and sewage

Net sales by field



■Orders received

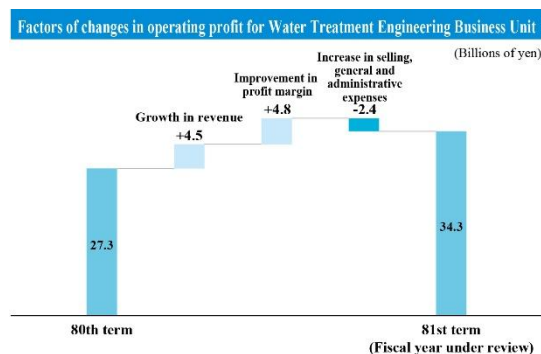
Orders received increased 12.2% year on year to ¥141,685 million. In the electronics industry, although orders received were lower than the initial forecast because the timing of the receiving of orders for some large-scale projects was delayed to the next fiscal year, orders received increased year on year due to securing large semiconductor projects in Taiwan, the U.S., and Europe, as well as strong performance of the Service Solutions Division, such as facility-owned services and various maintenance services. In the general industry, orders received decreased, reflecting the trend of orders for some large projects, but solutions projects such as various maintenance services remained strong. In the social infrastructure field, orders received increased due to securing of orders for new construction and expansion projects for thermal power plants.

■Net sales

Net sales increased 10.0% year on year to ¥151,961 million. In the electronics industry, net sales increased, reflecting strong performance of the Service Solutions Division, such as facility-owned services and various maintenance services, in addition to steady progress in plant projects in Japan, Taiwan, and the U.S. In the general industry, net sales increased, reflecting steady progress in plant projects in the electronics peripherals field and strong performance of the Service Solutions Division. In the social infrastructure field, sales were robust centering on maintenance of thermal and nuclear power plants.

■Operating profit

Operating profit increased 25.4% year on year to ¥34,339 million. Factors contributing to the increase in operating profit include expanded net sales, primarily in the electronics industry, and increased sales in the relatively high-margin Service Solutions Division. Furthermore, steady progress in profitable plant projects and improved gross profit margin resulting from efforts to improve profitability, mainly in overseas plant projects, as well as cost reductions had a large impact on offsetting an increase in selling, general and administrative expenses, primarily composed of personnel expenses and IT-related expenses.



[Performance Products Business Unit]

Orders received	Net sales	Operating profit
¥26.2 billion	¥25.6 billion	¥3.3 billion
+5.3% YoY 	+2.2% YoY 	-11.5% YoY 

Major Business and Products



Water Treatment Chemicals Division

RO membrane protection chemicals, Wastewater treatment chemicals, Cooling water treatment chemicals, Cleaning chemicals, Boiler water treatment chemicals



Standard Water Equipment and Functional Materials Division

Pure and ultrapure water production systems
Filters
Functional materials (separation and refinement materials)



Food Products Division

Food ingredients
Food processing agents



Customers and Markets

Water Treatment Chemicals Division

Net sales
¥9.4 billion

- Various manufacturing industries
- Buildings and commercial facilities

Standard Water Equipment and Functional Materials Division

Net sales
¥10.8 billion

- Medical institutions, research institutions
- Various manufacturing industries
- Food and beverage, convenience stores

Food Products Division

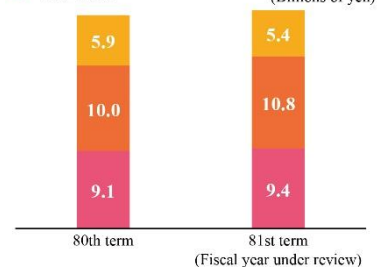
Net sales
¥5.4 billion

- Food factories, food processing industry
- Beverage manufacturing
- Nursing care food, health food manufacturing

Net sales by field

Net sales by field

Water treatment chemicals Standard water treatment equipment and filters Food products (Billions of yen)

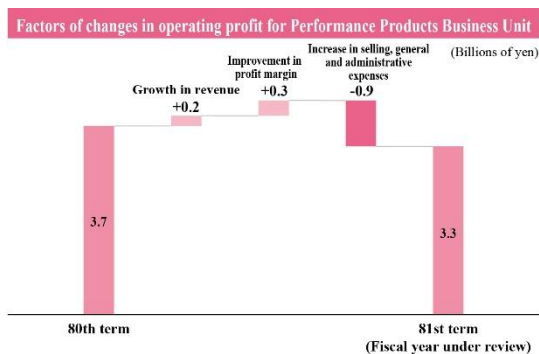


■Orders received/Net sales

Orders received increased 5.3% year on year to ¥26,270 million and net sales increased 2.2% year on year to ¥25,693 million. Despite the impact of rationalizing low-margin transactions in the Food Products Division, in the Standard Water Equipment and Functional Materials Division, orders and sales increased for small-scale pure water production systems for medical and research institutions and functional materials for advanced separation and refinement of electronic materials used in semiconductor manufacturing. In the Water Treatment Chemicals Division, orders and sales for RO membrane protection chemicals and wastewater treatment chemicals for the electronics industry were strong. As a result, both orders received and net sales of the Performance Products Business Unit increased.

■Operating profit

Operating profit decreased 11.5% year on year to ¥3,309 million. In addition to increased net sales, gross profit margin also improved due to factors such as growth in sales of relatively high-margin products such as water treatment chemicals and functional materials for the electronics industry and the rationalization of low-margin transactions in the Food Products Division. However, the increase in selling, general, and administrative expenses, primarily composed of personnel expenses, was not fully offset, resulting in a slight decrease in operating profit.



(2) Issues to be addressed

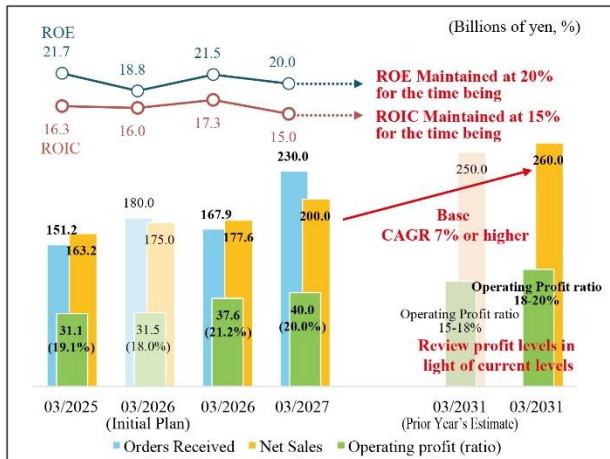
The Group's performance has been driven primarily by the electronics industry, centered on semiconductors, and has also been strong in the general industry, electric power, and performance products fields. As a result, we have continued to achieve increases in both net sales and profit over the past few years, and our business scale has been steadily expanding. In the semiconductor field, we expect that the supply of cutting-edge semiconductors for AI and data centers will continue to fall short of demand, and that investments in cutting-edge semiconductor manufacturing will become even more vigorous in Taiwan, where the Group holds a high market share, and in the U.S., where we are expanding our operations.

In light of these circumstances, regarding the numerical targets for fiscal 2030 under our medium- to long-term management plan, "ORGANO 2030," we have revised the targets, using the plan for fiscal 2026 as the starting point, to net sales of ¥260 billion, assuming an average annual growth rate of 7%, and an operating profit margin of 18% or higher. To achieve ORGANO 2030, we will expand our delivery capacity by strengthening our global engineering infrastructure to capitalize on business opportunities in the cutting-edge semiconductor market, where active investment is expected to continue. We will also accelerate technological development aimed at deepening our core technologies and creating new value. On the other hand, in the short- and medium-term growth trajectory leading up to fiscal 2030, we anticipate that the proportion of the semiconductor field and our concentration on specific customers and regions will increase further. Accordingly, from a long-term perspective, we recognize the need to continuously strengthen our business and geographic portfolios.

Regarding the business portfolio, our top priority is the growth of the Service Solutions Division, which is expected to be a source of stable revenue. As well as strengthening our systems and structures to consistently offer solutions that deliver high customer satisfaction to existing customers, we also aim to enhance capabilities to solve customers' problems and make effective proposals through the development of new technologies and products. Regarding the Performance Products Business Unit, we will focus on developing and expanding sales of competitive products and technologies, while pursuing synergies with the Water Treatment Engineering Business Unit in the fields of water treatment chemicals and functional materials, which are our key businesses.

Regarding the strengthening of the geographic portfolio, our top priority continues to be the cultivation of the U.S. market. For the time being, while focusing on the electronics industry centered on cutting-edge semiconductor projects, we will pursue multifaceted development in the chemicals business, the separation and refinement business, the small-scale pure water production systems business, the water treatment equipment business for the pharmaceuticals field, and the implementation of new wastewater treatment technologies. Furthermore, regarding India, which is expected to grow into a major market in the future, we have established a local subsidiary. After conducting detailed research of market trends and the business environment, we will formulate a business strategy and move into the implementation phase. In China and ASEAN, we will pursue flexible business development in response to changes in the business environment in each region.

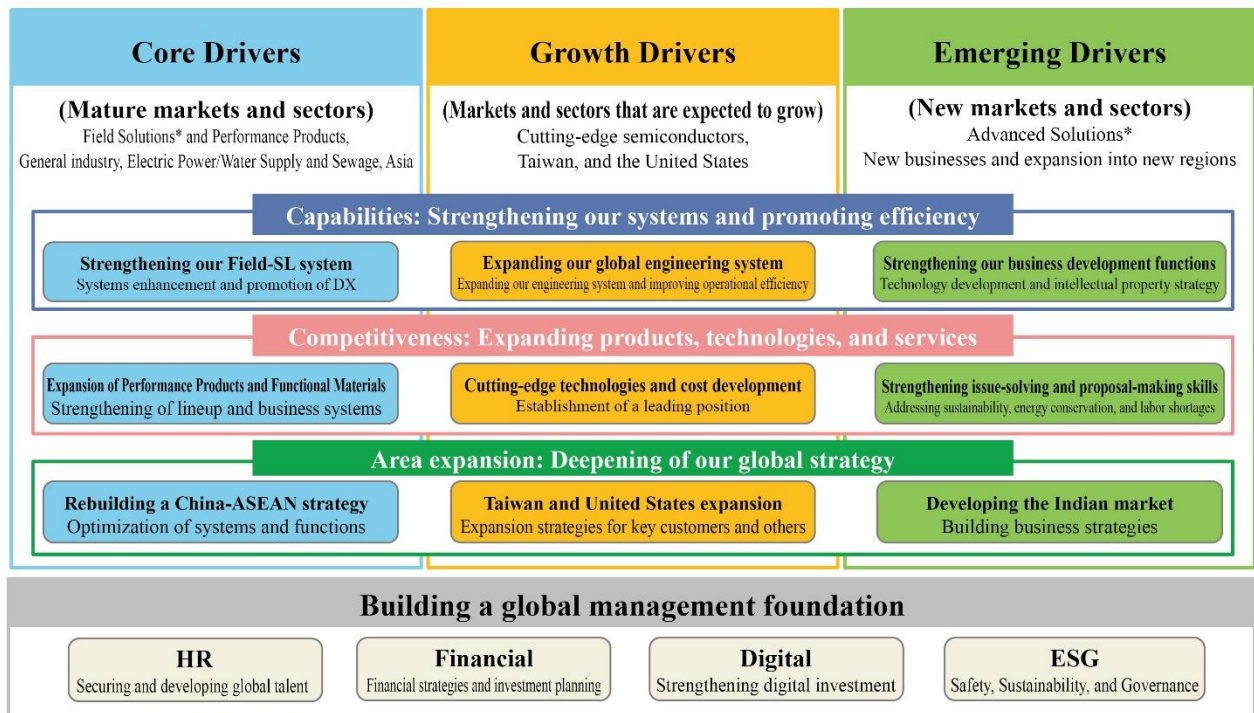
Regarding the business foundation that underpins the Group's growth, we will continue to strengthen our workforce from a long-term perspective, develop human resources through training and education, as well as the use of skill maps, and improve operational efficiency through the use of AI and digital technologies. In addition, based on our financial and investment strategies, we will vigorously make R&D investments and growth investments, such as IT infrastructure investments to improve operational efficiency. Furthermore, while ensuring safety and compliance, which are prerequisites for business continuity, we will strengthen ESG initiatives to promote the sustainable strengthening of our management foundation.



ORGANO 2030 Achievement Targets (FY ending 03/2031)

Net Sales	¥260 billion or more (Base CAGR 7% or higher)
Operating Profit Ratio	18-20% Maintain current strong profit levels
ROE	20% or higher Maintain current high ROE levels for the time being
ROIC	15% or higher Handle large-scale projects while working on efficiency improvements

*ROIC is calculated as NOPAT (operating profit after tax) divided by capital employed (interest bearing debt + equity)



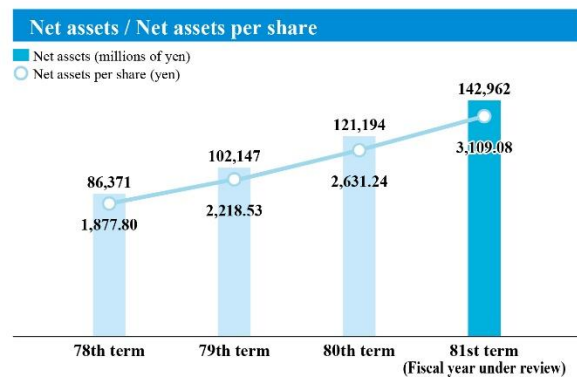
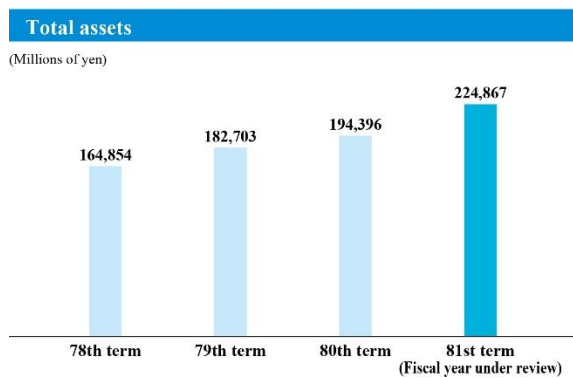
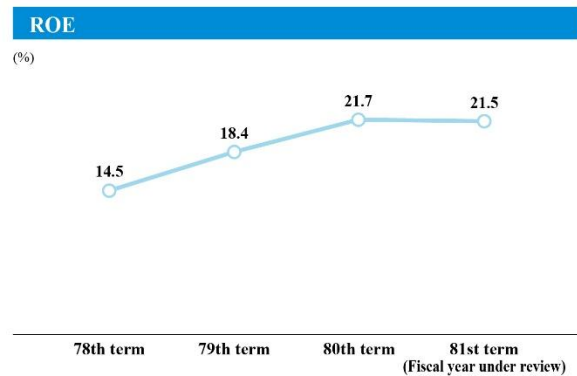
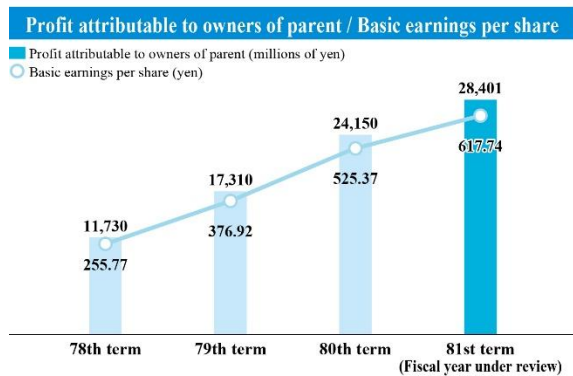
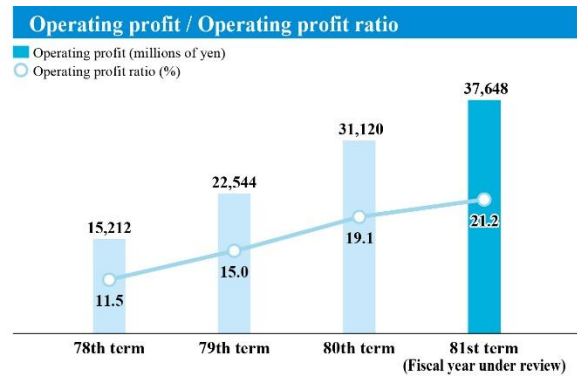
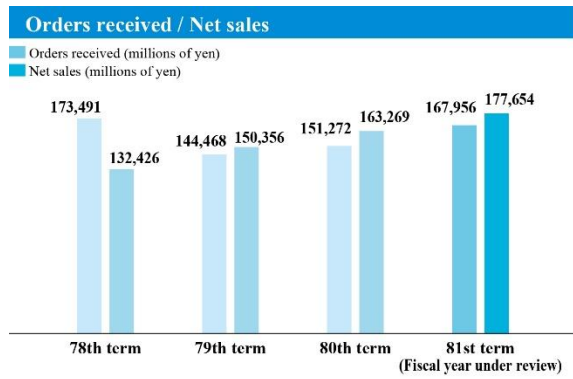
*Field Solutions (Field-SL): An area that generates profits as a stable source of revenue

*Advanced Solutions: Areas where we make growth investments to ensure competitiveness and drive future revenue

(3) Changes in assets and profit and loss

Category	78th term Fiscal year ended March 31, 2023	79th term Fiscal year ended March 31, 2024	80th term Fiscal year ended March 31, 2025	81st term (Fiscal year under review) Fiscal year ended March 31, 2026
Orders received (millions of yen)	173,491	144,468	151,272	167,956
Net sales (millions of yen)	132,426	150,356	163,269	177,654
Operating profit (millions of yen)	15,212	22,544	31,120	37,648
Operating profit ratio (%)	11.5	15.0	19.1	21.2
Ordinary profit (millions of yen)	16,020	23,425	31,639	38,130
Profit attributable to owners of parent (millions of yen)	11,730	17,310	24,150	28,401
Basic earnings per share (yen)	255.77	376.92	525.37	617.74
Return on equity (ROE) (%)	14.5	18.4	21.7	21.5
Total assets (millions of yen)	164,854	182,703	194,396	224,867
Net assets (millions of yen)	86,371	102,147	121,194	142,962
Net assets per share (yen)	1,877.80	2,218.53	2,631.24	3,109.08

- Notes: 1. The Company implemented a share split on October 1, 2022, splitting one common share into four. Basic earnings per share and net assets per share have been calculated as if the aforementioned share split had been carried out at the beginning of the 78th term.
2. When calculating basic earnings per share, common shares of the Company held by the Officer Share Delivery Trust have been included in treasury shares excluded from the calculation of the average number of shares during the period. Also, when calculating net assets per share, those shares have been included in treasury shares excluded from the total number of issued shares at the end of the period.



(4) Parent company and major subsidiaries

(i) Relationship with parent company

The Company's parent company is Tosoh Corporation, and it holds 20,429 thousand shares (equity ownership 44.1% includes the portion of indirect ownership) of the Company.

The Company purchases items such as some raw materials for water treatment chemicals, from Tosoh Corporation and it also carries out other transactions with Tosoh Corporation, such as selling various types of water treatment systems and related chemicals to the said company. The Company's dependence on Tosoh Corporation in terms of sales transactions is insignificant.

Tosoh Corporation and the Company have not entered into any contracts or other agreements regarding the Company's material financial and business policies. There are no particular restrictions on the Company's material financial and business policies in relation to Tosoh Corporation, including approval items in conducting business activities. Although the Company is engaged in businesses related to Tosoh Corporation and its subsidiaries (excluding the Company and its subsidiaries; the "Parent Company Group"), the two companies are clearly segregated in terms of the products they handle and the customers they do business with. The Company recognizes that as a listed company, it has secured a certain degree of management independence in its business activities and management decisions.

Moreover, the Company has established the Special Committee to monitor and supervise issues regarding conflicts of interest between the Parent Company Group and minority shareholders for the purpose of ensuring that transactions with the Parent Company Group are conducted fairly and that the interests of minority shareholders are adequately protected. When important transactions, etc. between the Parent Company Group and the Company arise, the Committee deliberates the nature of such transactions, etc. and provides recommendations or makes a report to the Board of Directors.

(ii) Major subsidiaries

Company name	Share capital	Ownership of the Company (%)	Major businesses
ORGANO PLANT SERVICE CORPORATION	93 (Millions of yen)	100.0	Installation and supervision of various types of water treatment systems
ORGANO FOOD TECH CORPORATION	50	100.0	Sales and manufacture of food ingredients and food processing agents
ORGANO ACTY CORPORATION	20	100.0	Printing business, agency business involving various forms of insurance and management outsourcing business
Organo (Asia) Sdn. Bhd.	7,000 (Thousands of MYR)	100.0	Sales and related construction of various types of water treatment systems and related chemicals
Organo (Suzhou) Water Treatment Co., Ltd.	5,000 (Thousands of USD)	100.0	Sales and related construction of various types of water treatment systems and related chemicals
Organo Technology Co., Ltd.	30,000 (Thousands of NTD)	100.0	Sales and related construction of various types of water treatment systems and related chemicals
Organo (Thailand) Co., Ltd.	120,100 (Thousands of THB)	*100.0	Sales and related construction of various types of water treatment systems and related chemicals
Organo (Vietnam) Co., Ltd.	3,150 (Thousands of USD)	100.0	Sales and related construction of various types of water treatment systems and related chemicals

Organo USA, Inc.	3,000 (Thousands of USD)	100.0	Sales and related construction of various types of water treatment systems and related chemicals
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- Notes:
1. Equity ownership with (*) mark includes the portion of indirect ownership held by the Company's subsidiaries.
 2. There is no subsidiary that falls under the category of specified wholly-owned subsidiary.
 3. The nine major subsidiaries above are consolidated subsidiaries of the Company, and two affiliated companies were accounted for by the equity method.
 4. On April 11, 2025, the Company transferred a portion of shares of PT Lautan Organo Water held by the Company, and as a result, PT Lautan Organo Water, which had been a consolidated subsidiary of the Company, became an affiliate accounted for by the equity method.

(5) Major business offices and factories (as of March 31, 2026)

In Japan

The Company

- ① Head Office (Koto-ku, Tokyo)

Factories

- ② Tsukuba Factory (Tsukuba City, Ibaraki)
- ③ Iwaki Factory (Iwaki City, Fukushima)

Research and Development Facility

- ④ R&D Center (Sagamihara City, Kanagawa)

Branches

- ⑤ Hokkaido Branch (Sapporo City, Hokkaido)
- ⑥ Tohoku Branch (Sendai City, Miyagi)
- ⑦ Kanto Branch (Koto-ku, Tokyo)
- ⑧ Chubu Branch (Nagoya City, Aichi)
- ⑨ Kansai Branch (Suita City, Osaka)
- ⑩ Chugoku Branch (Hiroshima City, Hiroshima)
- ⑪ Kyushu Branch (Fukuoka City, Fukuoka)

Subsidiaries

- ⑫ ORGANO PLANT SERVICE CORPORATION (Bunkyo-ku, Tokyo)
- ⑬ ORGANO FOOD TECH CORPORATION (Saitama City, Saitama)
- ⑭ ORGANO ACTY CORPORATION (Koto-ku, Tokyo)



Oversea

Subsidiaries

- ① Organo (Asia) Sdn. Bhd. (Malaysia)
- ② Organo (Suzhou) Water Treatment Co., Ltd. (China)
- ③ Organo Technology Co., Ltd. (Taiwan)
- ④ Organo (Thailand) Co., Ltd. (Thailand)
- ⑤ Organo (Vietnam) Co., Ltd. (Viet Nam)
- ⑥ Organo USA, Inc. (USA.)



(6) Employees (as of March 31, 2026)

(i) Employees of the Organo Group

Business Segment	Number of employees	Change from previous fiscal year-end
Water Treatment Engineering Business Unit	2,067	Decrease by 20
Performance Products Business Unit	379	Increase by 3
Company-wide (common)	212	Increase by 15
Total	2,658	Decrease by 2

Note: The decrease in the number of employees from previous fiscal year-end (total) includes the impact of the partial transfer of shares of PT Lautan Organo Water, which had been a consolidated subsidiary of the Company, resulting in the company becoming an affiliate accounted for by the equity method (a decrease of 106 employees).

(ii) Employees of the Company

Category	Number of employees	Change from previous fiscal year-end	Average age	Average years of service
Male	1,041	Increase by 39	44.1 years old	16.0 years
Female	242	Increase by 17	41.8 years old	13.5 years
Total or average	1,283	Increase by 56	43.7 years old	15.5 years

(iii) Ratio of female employees in managerial positions, rate of childcare leave taken by male employees and gender-based employee wage disparity at the Company

Fiscal year under review				
Ratio of female employees out of total managerial positions (%) (Note 1)	Rate of childcare leave taken by male employees (%) (Note 2)	Gender-based employee wage disparity (%) (Note 1)		
		All employees	Regular employees	Non-regular employees (Note 3)
5.0%	80.0%	77.2%	81.3%	66.2%

- Notes:
1. Calculated based on the provisions of the “Act on the Promotion of Women’s Active Engagement in Professional Life” (Act No. 64 of 2015).
 2. Calculated based on the rate of childcare leave, etc. taken under Article 71, paragraph (6), item (i) of the “Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members” (Ordinance of the Ministry of Labor No. 25 of 1991) based on the “Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members” (Act No. 76 of 1991).
 3. Includes contract and temporary employees. Excludes part-time employees.

(7) Capital investment

The Organo Group’s total outlays for capital investment amounted to ¥3,520 million (including intangible assets) during the fiscal year under review.

(8) Financing

No items to report.

(9) Major lenders (as of March 31, 2026)

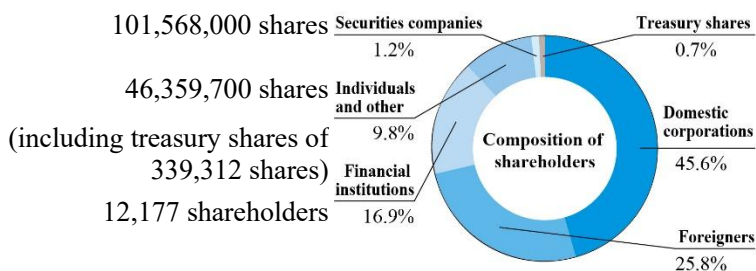
Lenders	Amount of Borrowings (Millions of yen)
Mizuho Bank, Ltd.	13,480
Sumitomo Mitsui Banking Corporation	6,100
Hachijuni Nagano Bank, Ltd.	4,270
Sumitomo Mitsui Trust Bank, Limited	4,012
MUFG Bank, Ltd.	2,860

(10) Status of acquisition or disposal of shares, other equity interests, or share acquisition rights, etc. of another company

On April 11, 2025, the Company transferred a portion of shares of PT Lautan Organo Water held by the Company, and as a result, PT Lautan Organo Water, which had been a consolidated subsidiary of the Company, became an affiliate accounted for by the equity method.

2. Shares of the Company (As of March 31, 2026)

(1) Total number of authorized shares:	101,568,000 shares	
(2) Total number of issued shares:	46,359,700 shares	
	(including treasury shares of 339,312 shares)	
(3) Number of shareholders:	12,177 shareholders	
(4) Major shareholders		



Name of shareholder	Number of shares held (Thousands of shares)	Holding ratio (%)
Tosoh Corporation	20,379	44.28
The Master Trust Bank of Japan, Ltd. (Trust account)	4,592	9.98
Custody Bank of Japan, Ltd. (Trust account)	1,755	3.81
KBC BANK NV-UCITS CLIENTS NON TREATY	1,111	2.42
THE BANK OF NEW YORK MELLON 140044	732	1.59
NORTHERN TRUST CO. (AVFC) RE NON TREATY CLIENTS ACCOUNT	717	1.56
STATE STREET BANK AND TRUST COMPANY 505001	643	1.40
Mizuho Bank, Ltd.	464	1.01
PBC IST 15 PCT LENDING ACCOUNT – CLIENT ACCOUNT	371	0.81
JP MORGAN CHASE BANK 385781	368	0.80

- Notes: 1. The treasury shares (339,312 shares) are excluded in the calculation of the holding ratio shown above.
2. 38,040 shares of the Company held by Custody Bank of Japan, Ltd. (Trust account) (shares in the Officer Share Delivery Trust) are not included in treasury shares.

(5) Shares issued to officers as compensation for the execution of their duties during the fiscal year under review

Category	Number of shares	Number of persons
Directors (excluding Outside Directors)	3,900 shares	4 persons

Note: Pursuant to a resolution at the 73rd Ordinary General Meeting of Shareholders held on June 28, 2018, the Company introduced a performance-linked, share-based remuneration plan using a trust for Directors (excluding Non-executive Directors) as well as Executive Officers (excluding non-residents) of the Company, in order to heighten awareness of contributing to enhancing the Organo Group's medium- to long-term operating results and increasing corporate value. The details are described in "3. (5) Remuneration, etc. for Directors and Audit and Supervisory Board Members." As of March 31, 2026, the trust established by the Company held 38,040 shares of the Company.

3. Officers

(1) Names etc. of Directors and Audit and Supervisory Board Members (as of March 31, 2026)

Position	Name	Responsibilities and significant concurrent positions outside the Company
Director and President (Representative Director) President and Executive Officer	Masayuki Yamada	
Managing Director and Executive Officer	Yasutoshi Nakayama	President of Industrial Plant Business
Managing Director and Executive Officer	Nobuyoshi Suda	President of R&D and Engineering In charge of Environment, Safety and Quality Assurance Dept., Purchasing and Logistics Dept., and Performance Products Business
Managing Director and Executive Officer	Tetsushi Honda	President of Corporate Management and Planning In charge of Internal Auditing Office, Corporate Secretariat Office, Legal and Patent Dept., Trade Control Office, and Branches
Director	Morifumi Wada	
Director	Daisaku Abe	Outside Director, NIPPON STEEL KOWA REAL ESTATE CO., LTD. Outside Director, Nissui Corporation
Director	Nobuko Hanano	Lawyer Partner, KOHWA SOHGOH LAW OFFICES Outside Audit and Supervisory Board Member, Kanro Inc.
Director	Naomi Kodama	Professor, Faculty of Economics, Meiji Gakuin University Outside Director, SHOEI CO., LTD.
Director	Masaya Chisaki	
Audit and Supervisory Board Member (Full-time)	Yoshihiro Tajitsu	
Audit and Supervisory Board Member	Wataru Higuchi	Lawyer Certified Public Accountant Representative Partner of Ootemon Law and Accounting Executive Officer of Advance Residence Investment Corporation Outside Director of Maruken Lease Co., Ltd. (Audit and Supervisory Committee Member)
Audit and Supervisory Board Member	Hirohito Kodama	Outside Director of Dynapac Co., Ltd. (Audit and Supervisory Committee Member)

- Notes: 1. Directors Morifumi Wada, Daisaku Abe, Nobuko Hanano, Naomi Kodama and Masaya Chisaki are Outside Directors.
2. Audit and Supervisory Board Members Wataru Higuchi and Hirohito Kodama are Outside Audit and Supervisory Board Members.
3. Changes in Directors and Audit and Supervisory Board Members during the fiscal year under review are as follows:
- (i) Director Kenji Hirai retired from his office due to expiration of his term of office at the conclusion of the 80th Ordinary General Meeting of Shareholders held on June 27, 2025.
 - (ii) Masaya Chisaki was elected as Director at the 80th Ordinary General Meeting of Shareholders held on June 27, 2025, and assumed his office.
4. Changes in the significant concurrent positions of Directors and Audit and Supervisory Board Members during the fiscal year under review are as follows:
- (i) Director Morifumi Wada retired as Director, Chairman of EIKEN CHEMICAL CO., LTD. on June 24, 2025.
 - (ii) Director Naomi Kodama assumed office as Outside Director of SHOEI CO., LTD. on December 24, 2025.
5. Audit and Supervisory Board Members Yoshihiro Tajitsu and Wataru Higuchi possess extensive financial and accounting knowledge as shown below.
- Audit and Supervisory Board Member Yoshihiro Tajitsu has past business experience at finance divisions at other companies for many years.
 - Audit and Supervisory Board Member Wataru Higuchi is qualified as a certified public accountant.

6. The Company has submitted notification to the Tokyo Stock Exchange that Outside Directors Morifumi Wada, Daisaku Abe, Nobuko Hanano, Naomi Kodama and Masaya Chisaki and Outside Audit and Supervisory Board Members Wataru Higuchi and Hirohito Kodama have been designated as independent officers as provided for by the aforementioned exchange.
7. Executive Officers who are not also Directors are as follows:

Position	Name	Responsibility
Managing Executive Officer	Shin Asano	Deputy President of R&D and Engineering, General Manager of Engineering Center
Managing Executive Officer	Shojiro Koike	Deputy President of Corporate Management and Planning and General Manager of Corporate Strategy and Planning Dept. Representative Director of Organo Technology Co., Ltd.
Executive Officer	Toru Amemiya	President of Performance Products Business
Executive Officer	Masahiro Eguchi	Senior General Manager of R&D Center, R&D and Engineering
Executive Officer	Satoshi Kasahara	General Manager of Data & Solution Promotion Dept., Corporate Management and Planning
Executive Officer	Masahisa Sotokawa	Senior General Manager of Water Systems and Solutions Division, Industrial Plant Business
Executive Officer	Taro Oe	General Manager of Marketing and Planning Dept., Industrial Plant Business
Executive Officer	Yasuharu Arisawa	Deputy Senior General Manager of Engineering Center, R&D and Engineering and General Manager of Planning Dept.

(2) Overview of limited liability agreements

Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act and the Company's Articles of Incorporation, the Company has entered into limited liability agreements with Directors Morifumi Wada, Daisaku Abe, Nobuko Hanano, Naomi Kodama and Masaya Chisaki and Audit and Supervisory Board Members Yoshihiro Tajitsu, Wataru Higuchi and Hirohito Kodama, which limit the amount of liability for damages as defined under Article 423, paragraph 1 of the Companies Act to the minimum liability amount as stipulated in laws and regulations, presuming they perform their respective duties in good faith and without gross negligence.

(3) Outline of the Indemnity Agreement

The Company has entered into indemnity agreements under Article 430-2, paragraph 1 of the Companies Act with all the Directors and Audit and Supervisory Board Members. Under these indemnity agreements, the Company shall indemnify them against the expenses under Item 1 and the losses under Item 2 of the same Act to the extent specified by laws and regulations. However, in order to ensure that the indemnity agreement does not impair the proper performance of the indemnitee's duties, there are certain exemptions, such as the indemnitee's bad faith in performing his or her duties, in which case the indemnification of the dispute expenses will not be applied.

(4) Outline of the Officers' Liability Insurance Contract

The Company has entered into the Officers' Liability Insurance Contract for Directors and Audit and Supervisory Board Members of the Company and its subsidiaries, as well as Executive Officers of the Company, with an insurance company as insured persons, as stipulated in Article 430-3, paragraph 1 of the Companies Act. The contract is renewed every year. In the event of a claim for damages arising from duties performed by the insured in his or her position during the insurance period, the insurance contract covers compensation for damage and dispute costs. However, there are certain exemptions, such as damage caused intentionally or by gross negligence that is not covered by the relevant insurance contract. The total amount of insurance expenses is shared proportionally by the Company and its subsidiaries.

(5) Remuneration, etc. for Directors and Audit and Supervisory Board Members

(i) Policies and procedure of determining remuneration for Directors and Audit and Supervisory Board Members

a. Directors

The following is a summary of the Company's "Policy for determining remuneration, etc. to Directors" resolved at the Board of Directors meeting held on March 26, 2026. This policy is resolved by the Board of Directors after obtaining opinions based on review by the Nomination and Remuneration Advisory Committee, of which the majority are Independent Outside Directors.

The Board of Directors has confirmed that the method of determining the details of remuneration, etc. and the content of remuneration, etc. determined for each individual Director for the fiscal year under review are consistent with this policy and that the opinions of the Nomination and Remuneration Advisory Committee have been respected. The Board of Directors has determined that the content of remuneration, etc. is in line with this policy.

(a) Basic policy

The remuneration system for Executive Directors, in addition to the fixed remuneration (cash), encourages business execution in line with management policies and management targets and establishes a remuneration framework and remuneration standards which provide strong incentives for the achievement of short-term and mid- to long-term management targets in order to achieve sustainable growth and improve the corporate value of the Group. The remuneration system for Non-Executive Directors, including Outside Directors, shall be fixed remuneration (cash) only, for the purpose of ensuring the effectiveness of their supervisory and monitoring functions.

(b) Remuneration framework

i. Executive Directors

Remuneration for Executive Directors consists of fixed remuneration and performance-linked remuneration, and performance-linked remuneration consists of short-term performance-linked remuneration (cash) and medium- to long-term performance-linked remuneration (shares). The remuneration level is designed to be appropriate for each position by comparing and verifying it with objective data such as remuneration levels from external remuneration consultants and remuneration survey data from external research organizations.

1) Fixed remuneration

The total amount of remuneration based on the remuneration table set for each position shall be paid in equal monthly installments from July to June of the following year.

2) Performance-linked remuneration

The ratio of the total amount of performance-linked remuneration is designed to be approximately 50% to 60% when the performance evaluation index is the standard value set by the Board of Directors, and this ratio is higher for Directors of higher ranks. In addition, the ratio of short-term performance-linked remuneration (cash) to medium- to long-term performance-linked remuneration (shares) shall be designed to be approximately 8:2 in the case that the performance evaluation index is at the standard value set by the Board of Directors.

- Short-term performance-linked remuneration (cash)

The short-term performance-linked remuneration shall be monetary remuneration. From the perspective of clarifying the relationship between business performance and remuneration, the Company shall use the consolidated operating profit, which is an important management index of the Group, as the performance evaluation index, and shall pay the total amount calculated with the remuneration table for each position according to the consolidated operating profit of the previous fiscal year in equal monthly installments from July to June of the following year. The amount paid varies in the range of 0 to 140% depending on the amount of consolidated operating profit.

- Medium- to long-term performance-linked remuneration (shares)

The medium- to long-term performance-linked remuneration is a stock-based remuneration plan using a trust. From the perspective of improving corporate values over the medium to long term and aligning the interests with those of shareholders, the Company shall use the consolidated return on equity (ROE), which is an important management indicator of the Group and indicates capital efficiency, as the performance evaluation indicator, and shall deliver shares of the Company calculated based on the performance-linked coefficient determined in accordance with the consolidated return on equity for the previous fiscal year and the basic amount for each position. The amount equivalent to the payment varies in the range of 0 to 200% depending on the consolidated return on equity. In addition, the Company has established a three-year transfer restriction period from the time of delivery of the shares to be delivered.

ii. Non-executive Directors

The remuneration for Non-executive Directors consists of fixed remuneration only, and the total remuneration based on their position is paid in equal monthly installments from July to June of the following year. The remuneration level is designed to be appropriate for each position by comparing and verifying it with objective data such as remuneration levels from external remuneration consultants and remuneration survey data from external research organizations, and by taking into consideration the appointment of each Director as a member of important committees and the nature of their duties.

(c) Process of determining remuneration

The Company has established the Nomination and Remuneration Advisory Committee as a non-statutory advisory body to the Board of Directors in order to ensure objectivity and transparency in the process of determining remuneration, etc. and provide an appropriate amount of remuneration. The amount of remuneration for the Company's Directors and the method of calculating such amount shall be determined by resolution of the Board of Directors based on the opinion of the Nomination and Remuneration Advisory Committee and within the scope of the remuneration limit determined by resolution of the General Meeting of Shareholders. The Nomination and Remuneration Advisory Committee shall review matters such as the total amount of remuneration for Directors, confirmation of the amount of remuneration for individual Directors, and the policy of remuneration, etc. for Directors, and report to the Board of Directors. Among the remunerations for Directors, the amount of remuneration and the number of shares to be paid for performance-linked remuneration shall be determined in unison in accordance with a predetermined method.

b. Audit and Supervisory Board Members

Remuneration for Audit and Supervisory Board Members is a fixed amount according to their respective positions in the Company. The amount of remuneration is determined

through discussion by the Audit and Supervisory Board Members within the scope of the remuneration limit determined by resolution of the General Meeting of Shareholders.

(ii) Resolutions of the General Meeting of Shareholders related to remuneration, etc. for Directors and Audit and Supervisory Board Members

Type of remuneration, etc.	Resolution date	Subject of remuneration	Description	Number of persons at time of resolution
Monetary remuneration, etc.	June 29, 2023	Directors	Within ¥340 million per annum (Of which not more than ¥90 million is for Outside Directors)	9 persons (Of whom 5 persons are Outside Directors)
	June 29, 2006	Audit and Supervisory Board Members	Within ¥60 million per annum	4 persons
Non-monetary remuneration, etc. (Medium- to long-term performance-linked remuneration (shares))	June 28, 2018	Directors (Excluding Non-executive Directors)	Not more than ¥300 million/162,000 shares per three fiscal years (not more than 54,000 shares per fiscal year)	6 persons

Note: The Company implemented a share split on October 1, 2022, splitting one common share of the Company into four. However, the number of shares making up non-monetary remuneration, etc. (medium- to long-term performance-linked remuneration (shares)) is stated as that at the time of the resolution (June 28, 2018).

(iii) Total amount of remuneration, etc. for Directors and Audit and Supervisory Board Members for the fiscal year under review

Category	Total amount of remuneration, etc. (Millions of yen)	Total amount of remuneration, etc. and number of persons covered classified by type				
		Fixed remuneration		Performance-linked remuneration		
				Short-term	Mid- and long-term	
		Monetary remuneration, etc.			Non-monetary remuneration, etc. (Shares)	
		Total amount (Millions of yen)	Number of persons covered	Total amount (Millions of yen)	Total amount (Millions of yen)	Number of persons covered
Directors (excluding Outside Directors)	226	84	4	94	48	4
Audit and Supervisory Board Members (excluding Outside Audit and Supervisory Board Members)	23	23	1	–	–	–
Outside Directors	55	55	6	–	–	–
Outside Audit and Supervisory Board Members	21	21	2	–	–	–
Total	327	185	13	94	48	4

- Notes: 1. The above figures include one Outside Director who retired at the conclusion of the 80th Ordinary General Meeting of Shareholders held on June 27, 2025.
2. The total amount of remuneration, etc. to Directors does not include salaries as employees paid to Directors who are also employees.
3. The details of the performance indicators related to the performance-linked remuneration, the reasons for selecting such performance indicators, and the calculation method of the performance-linked remuneration are described in “(i) Policies and procedure of determining remuneration for Directors and Audit and Supervisory Board Members,” and changes in the performance indicators including in the current fiscal year are described in “1. (3) Changes in assets and profit and loss.”
4. The details of non-monetary remuneration, etc. (medium- to long-term performance-linked remuneration (shares)) are described in “(i) Policies and procedure of determining remuneration for Directors and Audit and

Supervisory Board Members.” The amount of non-monetary remuneration, etc. (shares) above includes the amount of remuneration delivered in the current fiscal year and the amount to be delivered in the following fiscal year, which should be recorded as expenses in the current fiscal year. The status of shares issued to officers is described in “2. (5) Shares issued to officers as compensation for the execution of their duties during the fiscal year under review.”

(6) Outside Directors and Outside Audit and Supervisory Board Members

- (i) Significant concurrent positions outside the Company and relation between the Company and such other corporations

Significant concurrent positions outside the Company are as described in “(1) Names etc. of Directors and Audit and Supervisory Board Members (As of March 31, 2026).” The Company does not have any important dealing or other special relationship with the said organizations where the officers hold significant concurrent positions.

- (ii) Principal activities during the fiscal year under review

Category	Name	Attendance at Board of Directors meetings	Attendance at Audit and Supervisory Board meetings	Attendance at Nomination and Remuneration Advisory Committee meetings
Directors	Morifumi Wada	14/14 (100%)	—	10/10 (100%)
	Daisaku Abe	14/14 (100%)	—	10/10 (100%)
	Nobuko Hanano	14/14 (100%)	—	10/10 (100%)
	Naomi Kodama	14/14 (100%)	—	10/10 (100%)
	Masaya Chisaki	11/11 (100%)	—	8/8 (100%)
Audit and Supervisory Board Members	Wataru Higuchi	14/14 (100%)	14/14 (100%)	—
	Hirohito Kodama	14/14 (100%)	14/14 (100%)	—

- Notes: 1. Director Masaya Chisaki was elected at the 80th Ordinary General Meeting of Shareholders held on June 27, 2025 and assumed office, and therefore, the attendance at Board of Directors meetings and the attendance at Nomination and Remuneration Advisory Committee meetings for him pertain to the meetings held on or after June 27, 2025.
2. In addition to the number of Board of Directors meetings stated above, one written resolution deemed to be a resolution of the Board of Directors pursuant to Article 370 of the Companies Act and the Company's Articles of Incorporation was adopted.

●Directors

Name	Status of Expression of Opinions and Summary of Duties Performed in Relation to the Expected Role
Morifumi Wada	<p>He has been fulfilling his role appropriately by mainly providing opinions as necessary on such issues as management plans, business strategies, R&D strategy, human resource strategy, financial strategy, risk management, and safety management, based on his extensive knowledge and experience in corporate management as a manager of a listed company in the pharmaceutical industry.</p> <p>As Chair of the Nomination and Remuneration Advisory Committee, in addition to reviewing the revisions to the amounts of remuneration for the Company's officers and the Company's officer development plan, he was responsible in part for the supervisory function in the process of selecting candidates, etc. for the Board of Directors and determining the remuneration, etc. for Directors. Furthermore, as a member of the Special Committee, he was responsible in part for the supervisory function, including deliberations on and reviewing of matters as to whether any important transactions between the Company and the Parent Company Group exist, from the viewpoint of protecting the interests of minority shareholders.</p>
Daisaku Abe	<p>He has been fulfilling his role appropriately by mainly providing opinions as necessary on such issues as management plans, IR strategy, dividend policy, global strategy, financial strategy, risk management and personnel policies, based on his extensive knowledge and experience in corporate management mainly as a manager of a financial institution.</p> <p>As a member of the Nomination and Remuneration Advisory Committee, in addition to reviewing the revisions to the amounts of remuneration for the Company's officers and the Company's officer development plan, he was responsible in part for the supervisory function in the process of selecting candidates, etc. for the Board of Directors and determining the remuneration, etc. for Directors. Furthermore, as Chair of the Special Committee, he has been leading the supervisory function, including deliberations on and reviewing of matters as to whether any important transactions between the Company and the Parent Company Group exist, from the viewpoint of protecting the interests of minority shareholders.</p>
Nobuko Hanano	<p>She has been fulfilling her role appropriately by mainly providing opinions as necessary on such issues as management plans, business strategies, IR strategy, financial strategy, human resource strategy, risk management, safety management, and global strategy, based on her extensive legal knowledge and experience related to legal operations as a lawyer.</p> <p>As a member of the Nomination and Remuneration Advisory Committee, in addition to reviewing the revisions to the amounts of remuneration for the Company's officers and the Company's officer development plan, she was responsible in part for the supervisory function in the process of selecting candidates, etc. for the Board of Directors and determining the remuneration, etc. for Directors.</p> <p>Furthermore, as a member of the Special Committee, she was responsible in part for the supervisory function, including deliberations on and reviewing of matters as to whether any important transactions between the Company and the Parent Company Group exist, from the viewpoint of protecting the interests of minority shareholders.</p>
Naomi Kodama	<p>She has been fulfilling her role appropriately by mainly providing opinions as necessary on such issues as management plans, business strategies, human resource strategy, risk management, safety management, sustainability, and IR strategy, based on her extensive knowledge as an economics researcher at university institutions and experience in a wide range of fields at the Ministry of Economy, Trade and Industry.</p> <p>As a member of the Nomination and Remuneration Advisory Committee, in addition to reviewing the revisions to the amounts of remuneration for the Company's officers and the Company's officer development plan, she was responsible in part for the supervisory function in the process of selecting candidates, etc. for the Board of Directors and determining the remuneration, etc. for Directors.</p> <p>Furthermore, as a member of the Special Committee, she was responsible in part for the supervisory function, including deliberations on and reviewing of matters as to whether any important transactions between the Company and the Parent Company Group exist, from the viewpoint of protecting the interests of minority shareholders.</p>
Masaya Chisaki	<p>He has been fulfilling his role appropriately by mainly providing opinions as necessary on such issues as management plans, business strategies, global strategy, IR strategy, risk management, safety management, human resource strategy, and personnel policies based on his extensive knowledge and experience in corporate management mainly as a manager of a listed company in the broadcasting industry.</p> <p>As a member of the Nomination and Remuneration Advisory Committee, in addition to reviewing the revisions to the amounts of remuneration for the Company's officers and the Company's officer development plan, he was responsible in part for the supervisory function in the process of selecting candidates, etc. for the Board of Directors and determining the remuneration, etc. for Directors.</p>

●Audit and Supervisory Board Members

Name	Status of Expression of Opinions
Wataru Higuchi	He mainly provided opinions as necessary on such issues as internal audits, internal control, risk management, safety management, compliance, finance and accounting, information management, and group governance, based on his extensive knowledge and experience related to legal, finance and accounting operations as a lawyer and certified public accountant.
Hirohito Kodama	He mainly provided opinions as necessary on such issues as internal audits, internal control, personnel policies, compliance, risk management, group governance, and finance and accounting, based on his extensive experience of audit operation as a director (Full-time Audit and Supervisory Committee Member) of a major food manufacturer.

4. Independent Auditor

(1) Name of Independent Auditor

KPMG AZSA LLC

(2) Amount of remuneration, etc. for Independent Auditor for the fiscal year under review

Category	Amount of remuneration, etc.
Amount of remuneration, etc. for Independent Auditor for the fiscal year under review	¥64 million
Total amount of money and other financial profits to be paid by the Company and its subsidiaries	¥77 million

Notes: 1. The audit agreement between the Company and KPMG AZSA LLC, the Independent Auditor, does not clearly distinguish remuneration, etc. paid for audit work performed in conformity with the Companies Act and remuneration, etc. paid for audit work performed in conformity with the Financial Instruments and Exchange Act, and it is effectively impossible to do so. Therefore, the figure presented in the amount of remuneration, etc. for the fiscal year under review above shows the total amount.

2. The Audit and Supervisory Board has checked and comprehensively reviewed the content of the audit plan, the status of the performance of duties of the Independent Auditor and the grounds for calculation of remuneration estimates. As a result of this review, the Audit and Supervisory Board consents to the remuneration, etc. for the Independent Auditor in accordance with Article 399, paragraph 1 of the Companies Act.

(3) Audit of consolidated subsidiaries

Among the Company's major overseas subsidiaries, Organo Technology Co., Ltd. and four other companies are audited by other certified public accountants or audit firms (including those who have equivalent certificates in foreign countries) other than the Company's Independent Auditor.

(4) Description of non-auditing services

The Company pays consideration to the Independent Auditor for "supporting services related to projects aimed at application of the Accounting Standard for Leases (ASBJ Statement No. 34)" and for "services concerning climate change measures," which are services outside the scope of those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act.

(5) Policy for decisions on dismissal or non-reappointment of the Independent Auditor

When the matters prescribed in the items in Article 340, paragraph 1 of the Companies Act are applicable to the Independent Auditor, the Audit and Supervisory Board of the Company will dismiss the Independent Auditor by the unanimous consent of the Audit and Supervisory Board Members. In such case, an Audit and Supervisory Board Member appointed by the Audit and Supervisory Board will report on the decision of dismissal and its reasons at the first General Meeting of Shareholders convened after the dismissal.

Furthermore, the Audit and Supervisory Board shall determine the details of a proposal with regards to dismissal or non-reappointment of the Independent Auditor if such a proposal is deemed necessary to be submitted to the General Meeting of Shareholders, such as in cases where the Independent Auditor falls under any of the items described in Article 340, paragraph 1 of the Companies Act or where the Independent Auditor has difficulty in performing audit operation properly.

5. Company systems and policies

(1) Corporate governance

(i) Basic views on corporate governance

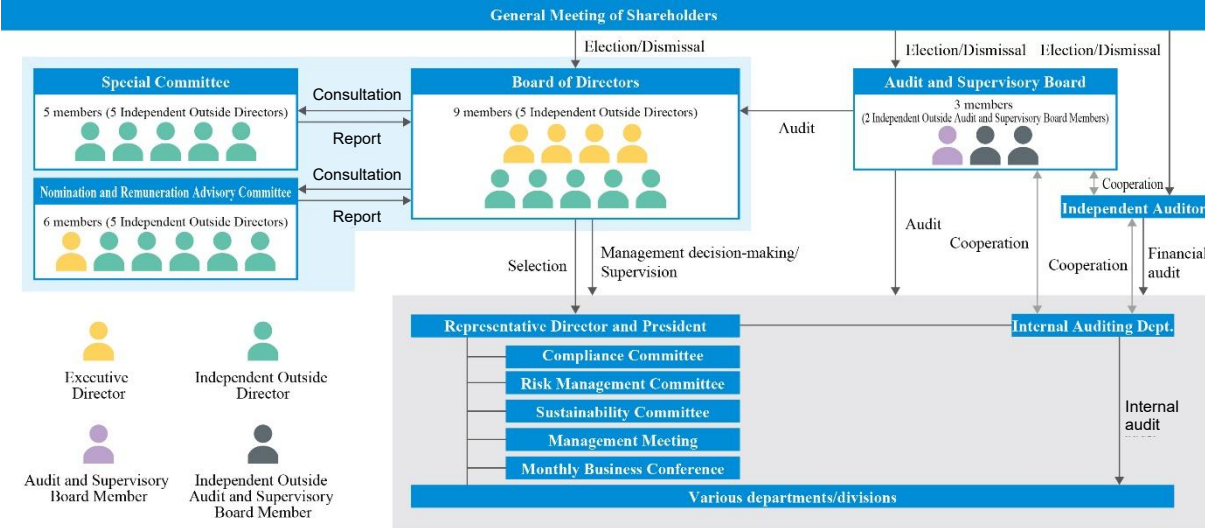
The Company has been engaging in efforts to enhance corporate governance that conforms to the following basic views in order to realize fair and trustworthy management and improve management efficiency.

- a. The Company will respect the rights of shareholders and ensure equality.
- b. The Company will take into account the benefits for a wide range of stakeholders including shareholders/investors, consumers/customers, business partners, employees and local communities, and cooperate with these stakeholders appropriately.
- c. The Company will disclose the Company’s information in a timely and proper way, and ensure transparency.
- d. The Directors, Audit and Supervisory Board Members, and Executive Officers will recognize their fiduciary responsibilities, and will effectively fulfill their expected roles and duties.
- e. The Company will hold constructive dialogue with shareholders.

The Company’s basic views and basic policy on corporate governance are provided in the “Organo Corporate Governance Guidelines” available on the Company’s website.

(<https://www.organo.co.jp/english/company/governance/guidance/>)

(ii) Schematic view of corporate governance structure



(iii) Organization structure

a. Board of Directors

The Board of Directors consists of nine Directors (including five Independent Outside Directors), and provides decision-making for the execution of important business and supervises the status of business execution.

b. Audit and Supervisory Board

The Audit and Supervisory Board consists of three Audit and Supervisory Board Members (including two Independent Outside Audit and Supervisory Board Members), two of whom have appropriate knowledge relating to finance and accounting, and one of whom has appropriate knowledge of legal matters.

c. Nomination and Remuneration Advisory Committee

The Nomination and Remuneration Advisory Committee consists of six Directors (including five Independent Outside Directors). It reviews matters relating to nomination of officers including the election and dismissal of Directors and Executive Officers as well as remuneration for Directors, and reports the results to the Board of Directors.

d. Special Committee

The Special Committee, which consists solely of five Independent Outside Directors, monitors and supervises issues regarding conflicts of interest between the Parent Company Group and minority shareholders. To adequately protect the interests of minority shareholders, when important transactions, etc. between the Parent Company Group and the Company arise, the Committee deliberates the nature of those transactions, etc. and makes a report to the Board of Directors.

e. Executive Officer System

The Company has introduced an Executive Officer System, and 12 members (in which four Executive Officers concurrently serve as Director) are selected. This system allows for differentiating between the “management decision-making and supervision function” of Directors and the “business execution function” of Executive Officers, thereby clarifying responsibilities and accelerating decision-making.

f. Management Meeting

The Management Meeting consists of Executive Directors and Executive Officers with titles, and proposes medium- and long-term strategies, etc., and discusses important management agendas.

Non-executive Directors and Audit and Supervisory Board Members are able to participate in the Management Meeting and express opinions, etc., as necessary, and in this way the Company strives to ensure the effectiveness of supervision by Directors and audits by the Audit and Supervisory Board Members.

g. Monthly Business Conference

The Monthly Business Conference consists of Executive Directors, Executive Officers, General Managers, etc., and announces matters already approved at the Management Meeting, and confirms the progress made in each business, the Medium-term Management Plan, and the profit plan for each fiscal year.

In addition, once every quarter the Monthly Business Conference is held as the Group Liaison Conference, and it includes Presidents of group companies, etc., and the same progress confirmation, etc., is made for the overall Group including the group companies.

Non-executive Directors and Audit and Supervisory Board Members are able to participate in the Monthly Business Conference and express opinions, etc., as necessary, and in this way the Company strives to ensure the effectiveness of supervision by Directors and audits by the Audit and Supervisory Board Members.

h. Compliance Committee

The Compliance Committee consists of eight Internal Officers (including four Directors), and engages in efforts to establish the compliance system and formulate compliance education plans.

i. Risk Management Committee

The Risk Management Committee consists of Executive Directors, Executive Officers with titles, and other members who are selected from General Managers in charge of a division managing Major Risks and from presidents of subsidiaries. The Committee meets four times a year in principle to appropriately manage risks that may have a significant impact on business activities (Major Risks). The Risk Management Committee makes decisions or receives reports on matters necessary to identify, analyze and assess Major Risks and promote countermeasures to Major Risks, and it submits or reports important matters to the Board of Directors.

j. Sustainability Committee

The Sustainability Committee, which consists of Executive Directors and Executive Officers with titles, plans, proposes and implements measures to promote sustainability management based on the basic policy determined by the Board of Directors.

The Sustainability Implementation Meeting, the subordinate organization, promotes specific measures.

(2) Basic policy on control of the Company

The Company has not particularly prescribed a basic policy regarding the nature of parties that control the determination of the finance and business policy of the Company.

(3) Policy on determination of dividends of surplus and others

The Company treats the return of profits to shareholders as one of the Company's most important management agendas, and it strives to provide distribution of profits taking into account the Company's revenue status while adhering to a basic policy of providing stable and continuous dividends.

The Company will utilize internal reserve funds in business investments and R&D investments, etc., to achieve sustainable growth.

The Company has included provisions in the Articles of Incorporation on the payment of dividends, etc., of surplus by resolution of the Board of Directors. Dividend payments are made twice a year in interim dividends and year-end dividends, and year-end dividends are in principle a matter for resolution of the Ordinary General Meeting of Shareholders.

Monetary amounts in this Business Report are rounded down to the nearest unit.

Consolidated Financial Statements

Consolidated Balance Sheet (As of March 31, 2026)

(Millions of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	192,002	Current liabilities	70,939
Cash and deposits	31,055	Notes and accounts payable - trade	19,953
Notes receivable - trade	203	Electronically recorded obligations - operating	2,959
Accounts receivable - trade	47,786	Short-term borrowings	28,402
Electronically recorded monetary claims - operating	3,991	Income taxes payable	6,512
Contract assets	33,202	Contract liabilities	3,516
Investments in leases	53,856	Provision for bonuses	2,338
Merchandise and finished goods	8,552	Provision for product warranties	1,324
Work in process	5,386	Provision for loss on construction contracts	18
Raw materials and supplies	4,625	Provision for share awards for Directors (and other officers)	90
Other	3,426	Other	5,823
Allowance for doubtful accounts	(82)	Non-current liabilities	10,965
Non-current assets	32,864	Long-term borrowings	6,000
Property, plant and equipment	22,402	Deferred tax liabilities	90
Buildings and structures	7,019	Retirement benefit liability	4,702
Machinery, equipment and vehicles	1,087	Other	172
Land	12,570	Total liabilities	81,904
Construction in progress	246	Net assets	
Other	1,478	Shareholders' equity	136,008
Intangible assets	1,572	Share capital	8,225
Investments and other assets	8,889	Capital surplus	7,508
Investment securities	2,723	Retained earnings	120,916
Retirement benefit assets	3,262	Treasury shares	(642)
Deferred tax assets	2,535	Accumulated other comprehensive income	6,954
Other	509	Valuation difference on available-for-sale securities	324
Allowance for doubtful accounts	(141)	Foreign currency translation adjustment	4,624
		Remeasurements of defined benefit plans	2,005
		Total net assets	142,962
Total assets	224,867	Total liabilities and net assets	224,867

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

(Millions of yen)

Item	Amount	
Net sales		177,654
Cost of sales		112,570
Gross profit		65,084
Selling, general and administrative expenses		27,435
Operating profit		37,648
Non-operating income		
Interest and dividend income	282	
Foreign exchange gains	271	
Share of profit of entities accounted for using equity method	163	
Other	94	811
Non-operating expenses		
Interest expenses	298	
Other	31	330
Ordinary profit		38,130
Extraordinary income		
Gain on sale of non-current assets	4	
Gain on sale of investment securities	150	
Gain on sale of shares of subsidiaries and associates	40	195
Extraordinary losses		
Loss on sale of non-current assets	0	
Loss on abandonment of non-current assets	15	15
Profit before income taxes		38,309
Income taxes - current	10,360	
Income taxes - deferred	(452)	9,908
Profit		28,401
Profit attributable to owners of parent		28,401

Non-consolidated Financial Statements

Balance Sheet (As of March 31, 2026)

(Millions of yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	137,704	Current liabilities	49,048
Cash and deposits	8,994	Accounts payable - trade	8,532
Notes receivable - trade	61	Electronically recorded obligations - operating	2,304
Accounts receivable - trade	34,802	Short-term borrowings	23,400
Electronically recorded monetary claims - operating	3,735	Current portion of long-term borrowings	3,200
Contract assets	15,499	Accounts payable - other	2,037
Investments in leases	54,222	Income taxes payable	3,325
Merchandise and finished goods	7,483	Contract liabilities	871
Work in process	4,329	Deposits received	1,015
Raw materials and supplies	2,112	Provision for bonuses	1,778
Advance payments - trade	906	Provision for product warranties	1,285
Prepaid expenses	566	Provision for loss on construction contracts	31
Short-term loans receivable	4,137	Provision for share awards for Directors (and other officers)	90
Other	862	Other	1,176
Allowance for doubtful accounts	(11)		
Non-current assets	29,433	Non-current liabilities	11,515
Property, plant and equipment	20,770	Long-term borrowings	6,000
Buildings	5,594	Provision for retirement benefits	5,479
Structures	365	Other	35
Machinery and equipment	1,014		
Vehicles	16	Total liabilities	60,563
Tools, furniture and fixtures	1,215		
Land	12,319	Net assets	
Construction in progress	244	Shareholders' equity	106,256
Intangible assets	1,316	Share capital	8,225
Software	933	Capital surplus	7,508
Other	382	Legal capital surplus	7,508
Investments and other assets	7,346	Other capital surplus	0
Investment securities	836	Retained earnings	91,165
Shares of subsidiaries and associates	2,139	Legal retained earnings	832
Guarantee deposits	108	Other retained earnings	90,333
Prepaid pension costs	1,249	Reserve for dividends	140
Deferred tax assets	2,911	Reserve for research and development	90
Other	242	Reserve for tax purpose reduction entry of non-current assets	447
Allowance for doubtful accounts	(141)	Reserve for promotion of open innovation	51
		General reserve	40,065
		Retained earnings brought forward	49,537
		Treasury shares	(642)
		Valuation and translation adjustments	317
		Valuation difference on available-for-sale securities	317
		Total net assets	106,574
Total assets	167,137	Total liabilities and net assets	167,137

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

(Millions of yen)

Item	Amount	
Net sales		106,796
Cost of sales		64,959
Gross profit		41,836
Selling, general and administrative expenses		21,685
Operating profit		20,151
Non-operating income		
Interest and dividend income	7,688	
Rental income from non-current assets	271	
Other	89	8,049
Non-operating expenses		
Interest expenses	244	
Depreciation	110	
Property tax	15	
Other	11	382
Ordinary profit		27,818
Extraordinary income		
Gain on sale of investment securities	150	
Gain on sale of shares of subsidiaries and associates	40	190
Extraordinary losses		
Loss on abandonment of non-current assets	14	14
Profit before income taxes		27,994
Income taxes - current	5,890	
Income taxes - deferred	(400)	5,490
Profit		22,503

Figures are rounded down to the nearest unit.

Audit Report

(English translation)

Certified copy of Independent Auditor's audit report on the Consolidated Financial Statements

Independent Auditor's Report

May 11, 2026

To the Board of Directors of
ORGANO CORPORATION:

KPMG AZSA LLC
Tokyo Office, Japan

Kentaro Yamamoto
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Takashi Watanabe
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes of ORGANO CORPORATION ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), as at March 31, 2026 and for the year from April 1, 2025 to March 31, 2026 in accordance with Article 444-4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the consolidated financial statements were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

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

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. Audit and Supervisory Board Members and the Audit and Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

We have nothing to report in this regard.

Responsibilities of Management and Audit and Supervisory Board Members and the Audit and Supervisory Board for the Consolidated Financial Statements

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

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

Audit and Supervisory Board Members and the Audit and Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the

consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

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

We also provide Audit and Supervisory Board Members and the Audit and Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Independent Auditor's Report:

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act for the conveniences of the reader.

(English translation)

Certified copy of Independent Auditor's audit report

Independent Auditor's Report

May 11, 2026

To the Board of Directors of
ORGANO CORPORATION:

KPMG AZSA LLC
Tokyo Office, Japan

Kentaro Yamamoto
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Takashi Watanabe
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the accompanying supplementary schedules (“the financial statements and the accompanying supplementary schedules”) of ORGANO CORPORATION (“the Company”) as at March 31, 2026 and for the year from April 1, 2025 to March 31, 2026 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the financial statements and the accompanying supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

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

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. Audit and Supervisory Board Members and the Audit and Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

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

In connection with our audit of the financial statements and the accompanying supplementary schedules, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the accompanying supplementary schedules or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

We have nothing to report in this regard.

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

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

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

Audit and Supervisory Board Members and the Audit and Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the accompanying supplementary schedules.

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

- Identify and assess the risks of material misstatement of the financial statements and the accompanying supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the accompanying supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements and the accompanying supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and the accompanying supplementary schedules, including the disclosures, and whether the financial statements and the

accompanying supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide Audit and Supervisory Board Members and the Audit and Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

We do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Reader of Independent Auditor's Report:

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader.

(English translation)

Certifies Copy of Audit Report by Audit and Supervisory Board Member

Audit Report

With respect to the Directors' performance of their duties during the 81st fiscal year from April 1, 2025 to March 31, 2026, the Audit and Supervisory Board has prepared this Audit Report after deliberations based on the audit reports prepared by each Audit and Supervisory Board Member. We hereby report as follows:

1. Method and Content of Audits by Audit and Supervisory Board Members and the Audit and Supervisory Board
 - (1) The Audit and Supervisory Board specified audit policies, assigned duties to each Audit and Supervisory Board Member and received reports from each Audit and Supervisory Board Member on the status of implementation and results of audit, and received reports from Directors, etc. and the Independent Auditor on the status of the performance of their duties and asked them for explanations as necessary.
 - (2) In conformity with the auditing standards stipulated by the Audit and Supervisory Board, and in accordance with auditing policies and the assignment of duties, all Audit and Supervisory Board Members strived to achieve effective communication with Directors, the Internal Auditing Dept. and other employees, collected information and improved the audit environment. In addition, all Audit & Supervisory Board Members conducted an audit in the following methods.
 - (i) Audit and Supervisory Board Members attended the Board of Directors meetings and other important meetings, received reports from Directors and employees about the status of the performance of their duties, obtained explanations as necessary, reviewed important approval documents, and conducted investigations on the status of the business operations and assets of the Company at its head office and other major offices. Furthermore, Audit and Supervisory Board Members also worked to facilitate communication and information exchange with the Directors, Audit and Supervisory Board Members and others of the subsidiaries of the Company, and received reports on the business conditions of subsidiaries as necessary.
 - (ii) Audit and Supervisory Board Members received reports periodically from Directors and employees on the content of the resolution made by the Board of Directors concerning the development of a system for ensuring that the performance of duties by Directors conforms with laws and regulations and the Company's Articles of Incorporation, as described in the Company's business report, and other systems prescribed in Article 100, paragraphs 1 and 3 of the Regulation for Enforcement of the Companies Act as systems necessary for ensuring proper business conduct by a corporate group formed by a stock company and its subsidiaries (internal control system), as well as the construction and status of operation of the internal control system developed based on said resolution. As necessary, Audit and Supervisory Board Members also asked for explanations from Directors and employees and expressed opinions.
 - (iii) Audit and Supervisory Board Members monitored and verified whether the Independent Auditor maintained its independence and properly conducted its audit, received a report from the Independent Auditor on the status of their performance of duties, and asked for explanations as necessary. The Independent Auditor reported to us that the "Systems for Ensuring Proper Performance of Duties" (listed in each item of Article 131 of Regulation on Corporate Accounting) have been developed in accordance with the "Quality Control Standards concerning Audit" (Business Accounting Council) and other applicable regulations, and we asked the Independent Auditor for explanations as necessary.

Based on the methods mentioned above, we have reviewed the business report, and their supplementary schedule, non-consolidated financial statements (balance sheet, statement of income, statement of changes in equity, and notes to non-consolidated financial statements), and their supplementary schedules, and consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity, and notes to consolidated financial statements) for the fiscal year under review.

2. Result of Audit

(1) Results of Audit of Business Report, Etc.

- (i) We confirm that the business report and its supplementary schedules present fairly the situation of the Company in accordance with relevant laws and regulations and the Company's Articles of Incorporation.
- (ii) With respect to the Directors' performance of their duties, we confirm that there has been no improper act committed or important violation of applicable laws and regulations or of the Articles of Incorporation.
- (iii) The resolution of the Board of Directors regarding the internal control system is fair and reasonable. There are no matters requiring additional comment regarding the contents of the business report on such internal control system and the performance of duties by Directors.

(2) Result of Audit of non-consolidated financial statements and supplementary schedules thereof

We confirm that the auditing methods and results of KPMG AZSA LLC, the Independent Auditor, are proper.

(3) Results of audit of consolidated financial statements

We confirm that the auditing methods and results of KPMG AZSA LLC, the Independent Auditor, are proper.

May 12, 2026

Audit and Supervisory Board, ORGANO
CORPORATION

Audit and Supervisory Board Member (Full-time)
Yoshihiro Tajitsu [Seal]

Outside Audit and Supervisory Board Member
Wataru Higuchi [Seal]

Outside Audit and Supervisory Board Member
Hirohito Kodama [Seal]

**81st Ordinary General Meeting of Shareholders
Other Matters Subject to Measures for Electronic Provision
(Matters Excluded From Delivered Paper-based Documents)**

81st fiscal year
(From April 1, 2025 to March 31, 2026)

- (i). Business Report
 - Development of systems to ensure the appropriateness of business operations
 - Overview of operational status of systems to ensure appropriateness of business operations
- (ii). Consolidated Financial Statements
 - Consolidated Statement of Changes in Equity
 - Notes to Consolidated Financial Statements
- (iii). Non-consolidated Financial Statements
 - Statement of Changes in Equity
 - Notes to Non-consolidated Financial Statements

ORGANO CORPORATION

<p>In accordance with the provisions of laws and regulations and the Company's Articles of Incorporation, the above matters (i) through (iii) are excluded from the paper-based documents delivered to shareholders who have made a request for delivery of such documents.</p>

Company systems and policies

(1) Development of systems to ensure the appropriateness of business operations

The Company, in its Board of Directors meetings, made a resolution regarding the basic policy on systems to ensure the appropriateness of business operations (internal control system) as follows:

- (i) System to ensure that Directors and employees perform their duties in compliance with relevant laws and regulations and the Articles of Incorporation
 - The Company shall establish the Organo Group Company Code of Conduct and the Compliance Regulations and shall ensure that all officers and employees of the Company are aware of them.
 - To promote compliance, the Company shall establish the Compliance Committee to formulate a compliance education plan, establish a compliance system, and enact other company-wide initiatives.
 - The Company has established the Whistleblowing Regulations in order to ensure the effectiveness of compliance, and the system allows the Company's officers and employees to directly report to or consult with the Company's Legal Division, the Audit and Supervisory Board Members, or external lawyers about systematic or personal legal violations, etc.
 - The Company shall seek to raise awareness of compliance by providing compliance training to the Company's officers and employees as necessary.
 - The Internal Auditing Dept. will perform periodic audits concerning the performance of duties and compliance practices.
 - In order to carry out appropriate financial reporting for the Group, the Company establishes and operates a system of internal control over financial reporting, including the establishment of an internal control policy for financial reporting and the establishment of an Internal Control Division, and evaluates this system.
- (ii) System for retaining and managing information pertaining to the performance of duties by Directors
 - The Company shall appropriately retain and manage documents and other information concerning the performance of duties by Directors in accordance with internal rules such as the Information Basic Management Regulations and the Document Management Regulations.
 - The Directors and the Audit and Supervisory Board Members shall inspect such documents and other information as necessary.
- (iii) Rules and other systems for management of risk of loss
 - The Company shall establish the Risk Management Basic Regulations and other related rules and establish and operate a risk management system in order to appropriately manage the various risks in business activities.
 - The Company shall establish the Risk Management Committee in order to appropriately manage risks that may have a significant impact on the Group's business activities (Major Risks) and to identify, analyze and assess Major Risks and promote countermeasures to Major Risks.
 - In the event of a natural disaster, accident, or other unforeseen circumstances, the Company shall establish the crisis headquarters and other systems in accordance with the Crisis Management Basic Regulations and other related rules and implement appropriate measures to minimize damage.

(iv) Systems to ensure efficiency of the performance of duties by Directors

- The Company shall ensure the establishment of the system that enables appropriate and efficient performance of duties. Specifically, among others, the Board of Directors makes decisions on important business execution and supervises the status of business execution at the meetings (held at least once per month in principle), whereas Executive Directors and Executive Officers with titles formulate medium- to long-term strategies, etc. and discuss important management issues at the Management Meetings (held twice per month in principle).
- The Company has introduced an Executive Officer System to allow differentiation between the “management decision-making and supervision function” of Directors and the “business execution function” of Executive Officers, thereby clarifying responsibilities and accelerating decision-making.
- In business management, the Company sets company-wide goals based on the Medium-term Management Plan approved by the Board of Directors and the profit plan for each fiscal year, and at the Monthly Business Conference (in principle, held once per month, and once per quarter as the Group Liaison Conference including Presidents of group companies, etc.) consisting of Executive Directors, Executive Officers, and General Managers, etc., ensures the appropriate execution of all projects through evaluating progress reports by the General Managers on the business of each division.

(v) System to ensure the appropriateness of business operations of the corporate group consisting of the Company, its parent company and subsidiaries

- a. Systems for the reporting of items related to the performance of the duties of directors, etc. of subsidiaries to the Company

The Company shall provide Group Companies Management Regulations, and require reports from the group companies on management policies/management plans, human resources/organization, accounting/financial affairs, audits, disasters/accidents, and other important matters. These reports shall be made at the Group Liaison Conference (in principle, held once per quarter).

- b. Rules and other systems for management of risk of loss at subsidiaries

The Company shall include its group companies within the scope of the Risk Management Basic Regulations, apply the risk management system to the entire Group, and manage the risks throughout the Group in a comprehensive manner.

- c. System to ensure efficiency of the performance of duties by directors, etc. of subsidiaries

- The Company shall set company-wide goals based on the Organo Group’s Medium-term Management Plan approved by the Board of Directors and the profit plan for each fiscal year, and at the Group Liaison Conference shall ensure the appropriate execution of all projects through evaluating business progress reports by the Presidents of each group company.
- The Company shall establish a system to make the business operations of group companies more efficient by providing and sharing indirect business operations and optimizing funding and management.

- d. System to ensure that directors, etc. and employees of subsidiaries perform their duties in compliance with relevant laws and regulations and the Articles of Incorporation
 - The Company shall prescribe the Organo Group Company Code of Conduct as a basic code of conduct with which all officers and employees of group companies must comply, and seek to spread awareness.
 - The Company shall provide compliance training to the group companies' officers and employees as necessary.
 - The Company's Internal Auditing Dept. shall perform audits concerning the performance of duties and compliance practices of group companies.
 - The officers and employees of group companies are also able to use the Company's whistleblowing system.

- e. Other system to ensure the appropriateness of business operations of the corporate group consisting of the Company, its parent company and subsidiaries
 - From the perspective of internal controls pertaining to consolidated financial statements, the Company's Internal Control Division and Accounting Division shall cooperate in the development and operation of the accounting and financial reporting processes of the group companies.
 - The Company shall ensure a certain degree of independence in business activities and management decisions from the Company's parent company, Tosoh Corporation, and promotes appropriate coordination of activities through regular meetings, etc., with the company.

- (vi) Matters relating to employees that assist the Audit and Supervisory Board Members upon the request of such Audit and Supervisory Board Members for assistance, matters relating to independence of the relevant employees from Directors and matters relating to ensuring effectiveness of directions given to such employees
 - The Company shall establish a secretariat for the Audit and Supervisory Board and assign employees that assist in the duties of Audit and Supervisory Board Members.
 - Audit and Supervisory Board Members shall make personnel evaluations of employees that assist in the duties of Audit and Supervisory Board Members, and shall determine proper procedures for handling matters related to human affairs, including personnel changes, for employees that assist in the duties of the Audit and Supervisory Board Members with the prior consent of the Audit and Supervisory Board.
 - Employees that assist in the duties of the Audit and Supervisory Board Members shall not receive instructions or orders from executives, but shall follow direct instructions or orders from Audit and Supervisory Board Members.

- (vii) System for directors, etc., and employees of the Company and its subsidiaries to report to Audit and Supervisory Board Members of the Company, and system for ensuring that these parties shall not be treated adversely due to making reports
 - If Audit and Supervisory Board Members of the Company request reports from Directors and employees of the Company and group companies or audit and supervisory board members of group companies, they shall provide an appropriate report without delay.
 - Directors and employees of the Company and group companies or audit and supervisory board members of group companies shall immediately report to the Audit

and Supervisory Board Members of the Company if they discover facts that could cause significant damage to the Company or the group companies.

- Audit and Supervisory Board Members shall participate in important meetings such as the Board of Directors, the Group Liaison Conference, etc., and shall request explanations from the Directors and employees of the Company and group companies as necessary.
- The Legal Division and external lawyers who serve as contact points for the whistleblowing system shall report to the Audit and Supervisory Board Members of the Company on the whistleblowing information received from the Directors and employees of the Company and group companies in accordance with the Whistleblowing Regulations.
- The Company's Audit and Supervisory Board Members also serve as a contact point for the whistleblowing system.
- The Company shall ensure that Directors and employees of the Company and group companies who make reports to the Audit and Supervisory Board Members of the Company, or otherwise make a report in accordance with the Whistleblowing Regulations, shall not be treated adversely due to the report or the act of making the report.

(viii) Other systems to ensure that Audit and Supervisory Board Members perform audits effectively

- The Representative Director shall regularly exchange opinions with the Audit and Supervisory Board Members on matters related to overall management.
- The Audit and Supervisory Board Members shall receive reports from the Independent Auditor, Internal Auditing Dept., and Audit and Supervisory Board Members of group companies, seeking mutual cooperation and consulting with lawyers as necessary.
- The Company shall bear any expenses incurred by Audit and Supervisory Board Members in the performance of duties, provided that these expenses have not been deemed unnecessary in the performance of duties by Audit and Supervisory Board Members.

(2) Overview of operational status of systems to ensure appropriateness of business operations

The Company has established the internal control systems listed above, and engaged in the following specific initiatives based on that basic policy.

The Company has a systematic approach to promoting compliance to ensure that all officers and employees are aware of laws and regulations and internal rules with which they must comply. More specifically, the Company distributes the Organo Group Company Code of Conduct Card to its employees to conduct education, as well as conducts education (e-learning) on harassment prevention, corporate ethics and compliance, and provides hierarchical patent and legal education programs, etc., so as to raise awareness of compliance. With regard to safety, the Company has established an organization to strengthen its safety system and is implementing initiatives aimed at fostering a safety culture.

To minimize loss or disadvantage suffered by the Company and group companies, the Company is working to develop, operate, and promote its crisis management system. The Company has established a BCP (Business Continuity Plan) and as part of these initiatives, in September 2025, the Company and its group companies conducted safety confirmation drills. In addition, in response to the growing risk of cyberattacks, the Company established ORGANO-CSIRT on January 1, 2026, as a specialized organization to handle security incidents, and has developed response manuals and conducted email-based training.

In addition, the Company is building the PDCA cycle of the process to ensure and enhance the effectiveness of group-wide risk management. To ensure more appropriate management of Major Risks, we established the Risk Management Committee and have put in place a system that promotes risk management led by the Risk Management Committee. In executing management plans and strategies, the Risk Management Committee extracts candidates for Major Risks of the Company among the risks pointed out by various departments/divisions and group companies, and the Board of Directors determines the Major Risks and the supervising departments/divisions that lead the countermeasures against those Major Risks. The Risk Management Committee monitors the progress of the risk management plan formulated by the supervising departments/divisions and reports the results to the Board of Directors, thereby supervising the progress of the risk countermeasures. In addition, the Internal Auditing Office evaluates the operation of the risk management process from an independent standpoint to enhance the effectiveness of risk management.

In the fiscal year under review, the Company held 14 meetings of the Board of Directors, 23 Management Meetings to discuss important management agendas, and continued to strive to ensure the appropriateness and efficiency of business execution by Directors. In addition, the Monthly Business Conference was held 12 times (including four Group Liaison Conferences), and progress on goal developed based on the Medium-term Management Plan and the profit plan for the fiscal year under review was confirmed through the reception of status reports on business by the General Managers of each division, etc.

The Company's Audit and Supervisory Board Members participated in meetings of the Board of Directors, the Management Meeting, the Monthly Business Conference and other important meetings, established internal controls for the Company, and confirmed the status of operations through regular reports from the Legal and Patent Dept., Corporate Strategy and Planning Dept., Accounting Dept., Internal Auditing Office and other departments pertaining to internal control while making efforts to improve the efficiency and effectiveness of its audits by exchanging information and opinions with Independent Auditors as necessary. In addition, the Representative Director and the Audit and Supervisory Board Members held opinion exchanges on overall management twice and endeavored to ensure the effectiveness of audits.

Consolidated Statement of Changes in Equity

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

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,225	7,508	100,982	(746)	115,969
Changes during period					
Dividends of surplus	—	—	(8,467)	—	(8,467)
Profit attributable to owners of parent	—	—	28,401	—	28,401
Purchase of treasury shares	—	—	—	(5)	(5)
Disposal of treasury shares	—	—	—	110	110
Net changes in items other than shareholders' equity	—	—	—	—	—
Total changes during period	—	—	19,934	104	20,038
Balance at end of period	8,225	7,508	120,916	(642)	136,008

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	256	3,397	1,323	4,978	246	121,194
Changes during period						
Dividends of surplus	—	—	—	—	—	(8,467)
Profit attributable to owners of parent	—	—	—	—	—	28,401
Purchase of treasury shares	—	—	—	—	—	(5)
Disposal of treasury shares	—	—	—	—	—	110
Net changes in items other than shareholders' equity	67	1,226	682	1,976	(246)	1,729
Total changes during period	67	1,226	682	1,976	(246)	21,767
Balance at end of period	324	4,624	2,005	6,954	—	142,962

Notes to Consolidated Financial Statements

1. Notes on significant matters for the basis of the preparation of consolidated financial statements

(1) Scope of consolidation

(i) Status of consolidated subsidiaries

- Number of consolidated subsidiaries:
9 companies
- Names of principal consolidated subsidiaries:
ORGANO PLANT SERVICE CORPORATION
Organo Technology Co., Ltd.
Organo (Suzhou) Water Treatment Co., Ltd

(ii) Status of non-consolidated subsidiaries

- Number of non-consolidated subsidiaries:
2 companies
- Name of the principal non-consolidated subsidiary:
HOSTEC
- Reason for exclusion from scope of consolidation:
The two non-consolidated subsidiaries are both small in size and the aggregate total assets, net sales, profit or loss (based on the Company's ownership percentage), retained earnings (based on the Company's ownership percentage), and other indicators do not have a material effect on the consolidated financial statements and have therefore been excluded from the scope of consolidation.

(2) Application of the equity method

(i) Status of affiliates accounted for by the equity method

- Number of affiliates accounted for by the equity method:
2 companies
- Names of the affiliates accounted for by the equity method:
TOHOKU DENKI TEKKO Co., Ltd.
PT Lautan Organo Water

(ii) Status of non-consolidated subsidiaries and affiliates not accounted for by the equity method

- Number of non-consolidated subsidiaries and affiliates not accounted for by the equity method:
2 companies
- Name of the principal non-consolidated subsidiary or affiliate not accounted for by the equity method:
HOSTEC
- Reason for not applying equity method:
Since the two non-consolidated subsidiaries to which the equity method was not applied would have only a minimal impact on the consolidated financial statements when removed, judging from profit or loss (based on the Company's ownership percentage), retained earnings (based on the Company's ownership percentage) and the like, and they are not material, they are removed from the scope to which the equity method is applied.

(3) Changes in the scope of consolidation

PT Lautan Organo Water, which had been a consolidated subsidiary of the Company, became an affiliate accounted for by the equity method as a result of the Company's transfer of a portion of the shares of PT Lautan Organo Water held by the Company on April 11, 2025.

(4) Fiscal year-end of consolidated subsidiaries

Of consolidated subsidiaries, six overseas subsidiaries have their fiscal year-end on December 31. In the preparation of the consolidated financial statements, their financial statements as of this date have been used, with adjustments made as necessary upon consolidation for material transactions that occur between their fiscal year-end and that of the Company.

- (5) Accounting policies
- (i) Valuation standards and methods for significant assets
- a. Securities
- Other securities
- Other than shares, etc. without market prices
- Stated at fair value (Valuation differences are included in a separate component of net assets, and cost of sales is determined by the moving-average method.)
- Shares, etc. without market prices
- Stated at cost using the moving-average method
- b. Derivatives
- Stated at fair value
- c. Inventories
- Inventories held for sale in the ordinary course of business
- Stated at cost (based on the method of writing down the book value in accordance with the declining in profitability).
- Merchandise, finished goods and raw materials
- Stated using the moving-average method principally
- Work in process
- Stated using the identified cost method
- (ii) Depreciation and amortization method for significant depreciable assets
- a. Property, plant and equipment (excluding leased assets)
- Depreciated mainly using the declining balance method.
- Buildings (excluding facilities attached to buildings) acquired on or after April 1, 1998 and facilities attached to buildings and structures acquired on or after April 1, 2016 are depreciated using the straight-line method.
- The estimated useful lives of major items are as follows.
- Buildings and structures: 3 to 50 years
- Machinery, equipment and vehicles: 4 to 17 years
- b. Intangible assets (excluding leased assets)
- Depreciated using the straight-line method.
- Software for internal use is amortized using the straight-line method over the internally expected useful life (mainly five years).
- c. Leased assets
- Leased assets under finance lease transactions that do not transfer ownership
- Depreciated by the straight-line method assuming the lease periods as useful lives without residual value.
- (iii) Standards for recognition of principal allowances and provisions
- a. Allowance for doubtful accounts
- To prepare for losses from bad debt, an estimated uncollectible amount is recorded at the amount estimated by using the historical rate of credit loss for ordinary receivables, and based on individual consideration of collectability for specific receivables such as highly doubtful receivables.
- b. Provision for bonuses
- To prepare for payment of employee bonuses, of the estimated future bonus payment, an amount to be borne during the fiscal year under review is recorded.
- c. Provision for product warranties
- To prepare for warranties against defects in completed construction contracts, etc., an amount is recorded by giving consideration to the expected amount of future guarantees

based mainly on the past two years' performance. For items that can be estimated individually, the estimated amount is recorded.

- d. Provision for loss on construction contracts
To prepare for any losses on undelivered construction projects, the estimated amount of losses in or after the following fiscal years is recorded for some of the construction projects as of the end of the fiscal year under review, which are highly probable to incur losses and for which the amounts thereof can be reasonably estimated.
 - e. Provision for share awards for directors (and other officers)
To prepare for the delivery of the Company's shares, etc. to Directors and Executive Officers, pursuant to the Share Delivery Regulations, the Company recorded a provision for share awards for directors (and other officers) based on estimated share benefit obligations at the end of the fiscal year under review.
- (iv) Standards for recognition of revenues and expenses
- a. Revenue from contracts with customers
Details of main performance obligations in business relating to revenue from contracts with customers of the Company and its consolidated subsidiaries, and the typical point in time (typical point in time revenue is recognized) at which such performance obligations are satisfied are as follows.
 - i. Water Treatment Engineering Business Unit
The water treatment engineering business unit provides various water treatment services that mainly include construction work of water treatment plant, renovation and reconditioning of existing facilities, maintenance, and operational support. In these transactions, judging that performance obligations are satisfied over a certain period of time, revenue is recognized based on the progress toward satisfying the performance obligations. The measurement of progress in construction contracts, including construction and renovation and reconditioning of facilities, is based on the ratio of construction costs incurred until the last day of each reporting period to the total estimated construction costs. This is due to the fact that construction work is believed to progress in proportion to the extent construction costs are incurred. Furthermore, the measurement of progress in water treatment service transactions in contracts with one-year or multi-year terms, including maintenance and operational support of facilities, is based on the time elapsed and the assessment of the results achieved. This is because consideration and service-rendering items for each period are defined in contracts in advance, and customer acceptance is conducted for each period. In addition, the Company is to recognize revenue using the cost recovery method in cases where it expects to recover costs incurred but is unable to reasonably estimate the extent of progress made toward satisfying performance obligations.
 - ii. Performance Products Business Unit
The performance products business unit manufactures and sells mainly water treatment chemicals, standard equipment and functional materials, food ingredients and food processing agents. For such sales transactions, revenue is recognized at the time merchandise and finished goods are each delivered to customers. This is because, at such point, legal ownership and physical possession of merchandise and finished goods, as well as significant risks and economic values from owning finished goods are transferred to the customer, and therefore it can be judged that the right to receive payment of transaction consideration from the customer has been obtained. In their domestic sales, however, since the period from the time of shipment to the time of delivery is a normal period, the alternative treatment regarding materiality, etc. is applied, and revenue is recognized at the time of shipment of such merchandise and finished goods. Among sales transactions of merchandise, for items where it is judged the Company and its consolidated subsidiaries correspond to agents, the net amount, which is the amount receivable in exchange for merchandise provided by another party minus the amount payable to such other party, is recognized as revenue.

- b. Standard for recognition of revenue related to finance lease transactions
Revenue related to finance lease transactions follows a method of accounting net sales and cost of sales at the time of receiving lease fees.
- (v) Method of significant hedge accounting
 - a. Method of hedge accounting
Principally, accounted for with deferred hedge accounting. The designated hedge accounting (the “Furiate-shori”) is applied to forward exchange contracts that satisfy requirements for such accounting, and the exceptional treatment (the “Tokurei-shori”) is applied to interest rate swaps that satisfy the requirements for such treatment.
 - b. Hedging instruments and hedged items
Hedging instruments: Forward exchange contracts and interest rate swaps
Hedged items: Foreign currency-denominated monetary claims, obligations, etc., and borrowings
 - c. Hedging policy
Foreign exchange rate fluctuation risk and market interest rate fluctuation risk are hedged within a certain range based on transaction management regulations that stipulate authorization relating to derivatives and other matters.
 - d. Method of assessing hedge effectiveness
The Company assesses hedge effectiveness by comparing cumulative cash flow or fair value fluctuations of hedged items with those of hedging instruments quarterly and based on those fluctuation amounts.
However, assessment of effectiveness is omitted for interest rate swaps which are accounted for applying the exceptional treatment.
- (vi) Other significant matters for the basis of the preparation of consolidated financial statements
 - Standard for recognition of retirement benefit liability
To prepare for the payment of employees’ retirement benefits, the amount of retirement benefit obligations minus plan assets is recorded as retirement benefit liability, based on the estimated amount at the end of the fiscal year under review.
If the amount of plan assets exceeds the amount of retirement benefit obligations, retirement benefit assets will be recorded.
Past service costs are recognized as expenses at the time they are incurred.
Actuarial gains and losses are amortized in the year following the year in which the gains or losses are recognized by the straight-line method in equally allocated amounts over a certain number of years (principally ten years) which are within the average remaining years of service of the eligible employees at the time of occurrence.
Unrecognized actuarial gains and losses are recorded in the remeasurements of defined benefit plans in the accumulated other comprehensive income of the net assets after adjusting for tax effects. In the calculation of retirement benefit obligations, the method used to attribute expected retirement benefits to periods up to the fiscal year under review is benefit formula basis.

2. Notes to accounting estimates

Accounting estimates are reasonable amounts calculated based on information available at the time of preparation of the consolidated financial statements. Of the amounts recorded in the consolidated financial statements for the current fiscal year that are based on accounting estimates, the following items have the risk of having a material impact on the consolidated financial statements for the following fiscal year.

(Recording of revenue regarding transactions recognizing revenue over a certain period of time in the water treatment engineering business unit)

- (1) Amount recorded in the consolidated financial statements for the fiscal year under review

In the consolidated statement of income, the Company recorded ¥127,309 million of revenue on performance obligations satisfied over a certain period of time in the water treatment engineering business unit for the fiscal year under review. The amount includes various water treatment services contracts that mainly include maintenance and operational support and construction contracts using the cost recovery method, and the revenue excluding these is ¥86,275 million.

(2) Information on the details of significant accounting estimates for identified items

The Company and its consolidated subsidiaries recognize revenue over a certain period of time in alignment with satisfaction of performance obligations to transfer goods or services to customers when control over a good or service is to be transferred to the customer over a certain period of time. Revenue is recorded by reasonably estimating the total amount of construction revenue, total amount of construction cost, and progress as of the end of the fiscal year.

The Company estimates the total amount of construction cost, which is the basis for the recognition of the revenue, as the expected cost for each contract. However, the content of the work may change due to an increase in the number of man-hours or changes in site conditions caused by facts that become known after the start of the construction contract. In particular, large-scale construction projects require a long time to complete, and therefore there is a high degree of uncertainty in estimating the work content and man-hours required for completion.

More specifically, the estimate of the total cost of construction at the end of the consolidated fiscal year will be significantly affected by the identification of the work required for the completion of a construction contract, the estimation of the cost of that work, and the timely and appropriate reflection of changes in the work due to changes in conditions after the start of construction.

3. Notes to the consolidated balance sheet

- (1) Accumulated depreciation for property, plant and equipment ¥26,825 million
- (2) Contingent liabilities
Joint and several guarantee obligation for building lease contract of HOSTEC ¥852 million

4. Notes to the consolidated statement of changes in equity

(1) Total number of shares issued

Class of shares	Number of shares at beginning of period (Thousands of shares)	Increase in number of shares during the period (Thousands of shares)	Decrease in number of shares during the period (Thousands of shares)	Number of shares at end of period (Thousands of shares)
Common shares	46,359	-	-	46,359

(2) Number of treasury shares

Class of shares	Number of shares at beginning of period (Thousands of shares)	Increase in number of shares during the period (Thousands of shares)	Decrease in number of shares during the period (Thousands of shares)	Number of shares at end of period (Thousands of shares)
Common shares	393	0	16	377

- Notes: 1. The increase of 0 thousand shares in the number of treasury shares reflects the increase of 0 thousand shares due to the purchase of shares less than one unit.
2. The decrease of 16 thousand shares in the number of treasury shares reflects the decrease of 16 thousand shares due to the delivery of the Company's share held by the Officer Share Delivery Trust.
3. The number of treasury shares at the end of the fiscal year under review includes 38 thousand shares of the Company held by the Officer Share Delivery Trust.

(3) Dividends of surplus

(i) Dividends paid, etc.

- a. Dividends resolved at the 80th Ordinary General Meeting of Shareholders held on June 27, 2025

• Total dividends:	¥4,095 million
• Dividend per share:	¥89
• Record date:	March 31, 2025
• Effective date:	June 30, 2025

Note: Total dividends include ¥4 million in dividends for shares of the Company held by the Officer Share Delivery Trust.

- b. Dividends resolved at the meeting of the Board of Directors held on October 31, 2025

• Total dividends:	¥4,371 million
• Dividend per share:	¥95
• Record date:	September 30, 2025
• Effective date:	December 1, 2025

Note: Total dividends include ¥3 million in dividends for shares of the Company held by the Officer Share Delivery Trust.

- (ii) Dividends whose record date falls in the fiscal year under review and which have an effective date in the next fiscal year

The following dividends are proposed for the 81st Ordinary General Meeting of Shareholders, scheduled for June 26, 2026.

• Total dividends:	¥4,832 million
• Source of dividends:	Retained earnings
• Dividend per share:	¥105
• Record date:	March 31, 2026
• Effective date:	June 29, 2026

Note: Total dividends include ¥3 million in dividends for shares of the Company held by the Officer Share Delivery Trust.

5. Notes to financial instruments

(1) Status of financial instruments

(i) Policy for handling financial instruments

The Organo Group procures long-term capital and short-term operating capital from banks in accordance with its capital investment plan, etc.

Derivatives are used to hedge the various risks as described in detail below, and the Company does not enter into derivatives for trading or speculative purposes.

(ii) Details of financial instruments and associated risks

Notes receivable - trade, accounts receivable - trade, electronically recorded monetary claims - operating and investments in leases, all of which are trade receivables, are exposed to credit risks of customers. Although foreign currency-denominated trade receivables that arise in conducting business in overseas are exposed to foreign exchange rate fluctuation risk, the Company hedges the risk with the use of forward exchange contracts as necessary.

Investment securities are mainly shares held to strengthen relationships with business partners or purely for investment. These are exposed to market price fluctuation risk.

Notes and accounts payable - trade and electronically recorded obligations - operating that are trade payables are mainly due within one year. Furthermore, these include foreign currency-denominated payables associated with imports, which are exposed to foreign exchange fluctuation risk. However, these are hedged as necessary using forward exchange contracts.

Borrowings are mainly for the purpose of procuring capital needed for capital investment and short-term operating capital. Although some of them have floating rates and are exposed to interest rate risks, they are hedged through derivatives (interest rate swaps).

Derivatives are forward exchange contracts executed for the purpose of hedging foreign exchange rate fluctuation risk associated with foreign currency-denominated trade receivables and payables, and interest rate swaps executed for the purpose of hedging interest rate fluctuation risk associated with borrowings. With respect to hedging instruments and hedged items, hedging policy and method of assessing hedge effectiveness, please refer to “1. Notes on significant matters for the basis of the preparation of consolidated financial statements (5) Accounting policies (v) Method of significant hedge accounting” previously described.

(iii) Management system for risks associated with financial instruments

a. Management of credit risks (risks of contractual defaults by business partners)

For trade receivables, the sales divisions within each business segment conduct regular monitoring of the status of business partners, and manage maturity dates and balances by counterparty in accordance with the internal rules. In addition, they endeavor to quickly identify and mitigate any concerns regarding the collection of receivables due to deteriorated financial conditions of business partners. The consolidated subsidiaries exercise similar management based on the regulations of the Company.

In utilizing derivatives, the Organo Group has transactions only with high-rated financial institutions to mitigate credit risks.

b. Management of market risks (risks of fluctuations in foreign exchange rates and interest rates)

The Organo Group, with respect to foreign currency-denominated trade receivables and payables, hedges foreign exchange fluctuation risk identified by each transaction with the use of forward exchange contracts as necessary.

The Organo Group also utilizes interest rate swaps to limit the risks of fluctuations in interest rates on borrowings.

In terms of investment securities, the Organo Group assesses the market values and financial positions of issuers (business partners) on a regular basis. As for those excluding held-to-maturity debt securities, the Organo Group continuously reviews positions in consideration of the market conditions and relationships with business partners.

Execution and management of derivatives is conducted with the approval of the decision-making person in the responsible department in accordance with transaction management regulations that stipulate authorization relating to derivatives and other matters.

c. Management of liquidity risk associated with procurement of funds (risk of becoming unable to repay on payment date)

The Organo Group in a timely way develops and updates the financing plans through divisions in charge of accounting based on reports from each division, and manages liquidity risks by maintaining cash balances.

(iv) Supplemental remarks on fair values of financial instruments

As changeable factors are included in calculating fair values of financial instruments, if different assumptions, etc. are used, these values could vary.

(v) Concentration of credit risks

Of the trade receivables as of the consolidated balance sheet date for the current fiscal year, 56.7% are those from the top three companies.

(2) Fair value of financial instruments

Amount on the consolidated balance sheet as of March 31, 2026, fair values and the difference are as follows. Shares, etc. without market prices are not included in the following table. (Please refer to Note.) Furthermore, notes are omitted for cash. Notes are also omitted for deposits, notes receivable - trade, electronically recorded monetary claims - operating, notes and accounts payable - trade,

electronically recorded obligations - operating, and short-term borrowings, given that the fair values are proximate to the book values since they are settled in a short term.

(Millions of yen)

	Amounts on consolidated balance sheet	Fair value	Differences
(i) Accounts receivable - trade	47,786	47,786	(0)
(ii) Investments in leases	53,856	53,334	(521)
(iii) Investment securities	521	521	—
Total assets	102,163	101,642	(521)
Long-term borrowings			
(i) (including current portion of long-term borrowings)	9,200	9,045	(154)
Total liabilities	9,200	9,045	(154)
Derivatives [*]	0	0	—

[*] Net claims/obligations that arise from derivatives are indicated as net amounts, and the amounts of items for which net obligations are recognized in total are indicated in parentheses.

Note: Shares, etc. without market prices

(Millions of yen)

Category	Amounts on consolidated balance sheet
Unlisted shares	2,201

The Company does not include unlisted shares in “(iii) Investment securities.”

(3) Breakdown, etc. of fair value of financial instruments by appropriate category

Fair values of financial instruments are categorized into the following three levels depending on the observability and significance of inputs used for fair value measurement.

Level 1 fair value: Fair value measured by using, of observable inputs for fair value measurement, quoted prices in active markets for assets or liabilities that are subject to the fair value measurement concerned

Level 2 fair value: Fair value measured by using, of observable inputs for fair value measurement, inputs other than Level 1 inputs for fair value measurement

Level 3 fair value: Fair value measured by using unobservable inputs for fair value measurement

If multiple inputs that have a significant impact on fair value measurement are used, the inputs are categorized under the lowest priority level of fair value measurement in which each input belongs.

(i) Financial assets and financial liabilities recorded at fair value on consolidated balance sheet

(Millions of yen)

Category	Fair value			
	Level 1	Level 2	Level 3	Total
Investment securities				
Other securities				
Shares	521	—	—	521
Derivatives				
Currency derivatives	—	0	—	0
Total assets	521	0	—	522

(ii) Financial assets and financial liabilities not recorded at fair value on consolidated balance sheet

(Millions of yen)

Category	Fair value			
	Level 1	Level 2	Level 3	Total
Accounts receivable - trade	—	47,786	—	47,786
Investments in leases	—	53,334	—	53,334
Total assets	—	101,120	—	101,120
Long-term borrowings (including current portion of long-term borrowings)	—	9,045	—	9,045
Total liabilities	—	9,045	—	9,045

Note: Description of valuation techniques and inputs used for fair value measurement

Investment securities

Listed shares are appraised using market price. Since listed shares are traded in active markets, the fair values are categorized under Level 1 fair value.

Derivatives

Fair values of forward exchange contracts are measured by a discounted cash flow method using observable inputs such as foreign exchange rates. They are categorized under Level 2 fair value.

Accounts receivable - trade

Fair values of accounts receivable - trade are measured by a discounted cash flow method based on amount of receivables, period to maturity, and interest rates that take into account credit risks of each receivable categorized by period of time. They are categorized under Level 2 fair value.

Investments in leases

Fair values of investments in leases are measured by a discounted cash flow method, under which the sum of principal and interest is discounted at an interest rate assumed in a case of similar new lease transactions. They are categorized under Level 2 fair value.

Long-term borrowings (including current portion of long-term borrowings)

Fair values of long-term borrowings are measured by a discounted cash flow method, under which the sum of principal and interest is discounted at an interest rate assumed in a case of similar new borrowings. They are categorized under Level 2 fair value. Of the long-term borrowings with floating rates, fair values of ones subject to exceptional treatment for interest rate swaps are measured by a discounted cash flow method, under which the sum of principal and interest treated in combination with the said interest rate swap is discounted based on a reasonably estimated rate applied to a similar new borrowing.

6. Notes to revenue recognition

(1) Information on disaggregation of revenue from contracts with customers

(Millions of yen)

	Reportable Segment			Total
	[Water Treatment Engineering Business Unit]	[Performance Products Business Unit]	Total	
Japan	77,126	23,922	101,048	101,048
Taiwan	44,067	153	44,220	44,220
U.S.	9,364	345	9,710	9,710
China	5,706	478	6,185	6,185
Southeast Asia	4,982	618	5,601	5,601
Other	633	174	808	808
Revenue from contracts with customers	141,881	25,693	167,574	167,574
Other revenue	10,079	—	10,079	10,079
Sales to external customers	151,961	25,693	177,654	177,654

(Change in the method of presentation)

In the previous fiscal year, "U.S." was included in "Other." However, due to its increased materiality, it is presented separately from the current fiscal year.

(2) Basic information to understand revenue from contracts with customers

(i) Water Treatment Engineering Business Unit

The water treatment engineering business unit provides various water treatment services that mainly include construction work of water treatment plant facilities, renovation and reconditioning of existing facilities, maintenance, and operational support to customers in Japan and overseas regions. Amounts of variable consideration in prices of these transactions are insignificant.

At a point in time when performance obligations are satisfied, they are judged to be satisfied over a certain period of time. With respect to construction contracts, this is because the majority of transactions are the building of facilities on the customer's grounds based on the customer's specifications, and any of the following conditions are satisfied:

- a. Fulfillment of performance obligation arises when a new asset is created or the value of an asset is increased and the customer takes control of that asset or that asset's increased value.
- b. By fulfillment of performance obligation, an asset that cannot be operated for a different purpose is created and the Company has the legal right to receive from the customer the amount of consideration corresponding to the part that performance obligation was completed for.

As for provision of services such as maintenance, performance obligations are judged to be satisfied over a certain period of time since customers are able to enjoy benefits as obligations are performed by the Company and its consolidated subsidiaries.

The measurement of progress in construction contracts is based on the ratio of construction costs incurred until the last day of each reporting period to the total estimated construction costs. This is due to the fact that construction work is believed to progress in proportion to the extent construction costs are incurred. Furthermore, the measurement of progress in water treatment service transactions in contracts with one-year or multi-year terms is based on the time elapsed and the assessment of the results achieved. This is because consideration and service-rendering items for each period are defined in contracts in advance, and customer acceptance is conducted for each period. In addition, the Company is to recognize revenue using the cost recovery method in cases where it expects to recover costs incurred but is unable to reasonably estimate the extent of progress made toward satisfying performance obligations.

Consideration is in accordance with the conditions set forth in the contract and is generally received in steps, in proportion to the progress of performance obligations. The remaining consideration is received generally within one year after all performance obligations are satisfied.

No significant financing component is included.

Construction and maintenance contracts, etc. have product warranty obligations where defects found generally within two years after delivery will be repaired or replaced at no charge. As such warranty obligations guarantee customers that finished goods will function as intended according to the specification set forth in the contracts with customers, they are recognized as a provision for product warranties.

(ii) Performance Products Business Unit

The performance products business unit manufactures and sells mainly water treatment chemicals, standard equipment and functional materials, food ingredients and food processing agents to customers in Japan and overseas regions. Amounts of variable consideration in prices of these transactions are insignificant.

The time performance obligations are satisfied is set at the point when each piece of merchandise and finished goods is delivered to the customer. This is because, at such point,

legal ownership and physical possession of merchandise and finished goods, as well as significant risks and economic values from owning finished goods are transferred to the customer, and therefore it can be judged that the right to receive payment of transaction consideration from the customer has been obtained. In their domestic sales, however, revenue is recognized at the time of shipment of such merchandise and finished goods.

Among sales transactions of merchandise, for items where it is judged the Company and its consolidated subsidiaries correspond to agents, the net amount, which is the amount receivable in exchange for merchandise provided by another party minus the amount payable to such other party, is recognized as revenue.

Consideration is received generally within four months after delivery, and no significant financing component is included.

- (3) Information on relation between satisfaction of performance obligations based on contracts with customers and cash flow arising from such contracts, and expected amount and period of revenue recognition from the following fiscal year based on contracts with customers existing as of the end of the fiscal year under review
- (i) Balance of contract assets and contract liabilities, etc.

(Millions of yen)

	Fiscal year under review
Receivables from contracts with customers (balance at beginning of period)	46,124
Receivables from contracts with customers (balance at end of period)	49,983
Contract assets (balance at beginning of period)	36,223
Contract assets (balance at end of period)	33,202
Contract liabilities (balance at beginning of period)	2,564
Contract liabilities (balance at end of period)	3,516

Contract assets are rights to consideration in exchange for the satisfied portion of performance obligations to mainly construction work of water treatment plant, renovation and reconditioning of existing facilities, and maintenance and they are measured based on the progress as of the end of the fiscal year, net of receivables. Contract assets are transferred to receivables arising from contracts with customers at the time rights to consideration by the Company and its consolidated subsidiaries become unconditional.

Contract liabilities are mainly advances received from customers. Contract liabilities are reduced when revenue is recognized.

Of the revenue amount recognized in the fiscal year under review, the amount included in the balance of contract liabilities as of the beginning of the period was ¥2,181 million.

There is no significance in the amount of revenue recognized in the fiscal year under review from performance obligations satisfied (or partially satisfied) in a past period.

- (ii) Transaction prices allocated to remaining performance obligations

The Company and its consolidated subsidiaries adopt a practical expedient when noting transaction prices allocated to remaining performance obligations, and do not include performance obligations relating to water treatment service transactions performed under contracts with an initially expected term of one year or less, and one year or multi-year contracts claiming fixed amounts based on implementation of service-rendering items set forth in the contracts in advance. The unsatisfied (or partially unsatisfied) performance obligations as of the end of the fiscal year under review were ¥58,179 million. Such performance obligations are mainly related to the construction work of water treatment plant, renovation and reconditioning of existing facilities and maintenance in the water treatment engineering business unit. Approximately 80% is expected to be recognized as revenue within one year after the last day of the period, and of the remaining approximately 20%, approximately 14% within two years that follow, and approximately 6% thereafter.

7. Notes to per share information

Net assets per share	¥3,109.08
Basic earnings per share	¥617.74

- Notes:
1. When calculating net assets per share, common shares of the Company held by the Officer Share Delivery Trust have been included in treasury shares excluded from the total number of issued shares at the end of the period (38 thousand shares at the end of the fiscal year under review).
 2. When calculating basic earnings per share, common shares of the Company held by the Officer Share Delivery Trust have been included in treasury shares excluded from the calculation of the average number of shares during the period (43 thousand shares in the fiscal year under review).

8. Significant subsequent events

Not applicable

9. Other notes

(Business combination)
Business divestiture

The Company transferred part of its shareholding in the consolidated subsidiary PT Lautan Organo Water (hereinafter referred to as “LOW”) to PT Lautan Air Indonesia (hereinafter referred to as “LAI”), a subsidiary of PT Lautan Luas Tbk (hereinafter referred to as “LTL”) that is the Company’s partner in the joint venture LOW, on April 11, 2025.

Upon completion of the share transfer, LOW ceased to be a consolidated subsidiary, and became an equity-method affiliate of the Company.

(1) Outline of business divestiture

1) Name of the divested subsidiary and description of business

- | | |
|------------------------------|-----------------------------|
| (i) Name | PT Lautan Organo Water |
| (ii) Description of business | Water treatment engineering |

2) Name of the company to which the business was divested

PT Lautan Air Indonesia

3) Reason for the business divestiture

In 2012, the Company acquired 51% of the issued shares in LOW, which was LTL’s subsidiary under the name of PT Hydro Hitech Optima at the time. Through this joint venture with LTL, the Company has since engaged in the water treatment business targeting both Japanese and Indonesian clients; however, the business has been growing at a slower pace than initially anticipated.

LTL, meanwhile, has been expanding its water treatment business through LAI, a group company that conducts the business with focus on water treatment chemicals. Based on the consideration that the best way to boost LOW’s water treatment business in Indonesia would be to enhance the synergy with the LTL Group, the Company decided to transfer part of its shareholding to LAI.

Going forward, the Company will continue to engage in the water treatment business in Indonesia market through this joint venture with the LTL Group, while always being mindful of optimizing the business portfolio.

4) Date of business divestiture

- | | |
|----------------|--------------------------|
| April 11, 2025 | (Date of share transfer) |
| April 1, 2025 | (Deemed transfer date) |

5) Other matters related to the outline of the transaction including the legal form

Share transfer where the consideration received is solely cash or other types of properties

(2) Outline of the implemented accounting processes

- 1) Amount of gain or loss on transfer
40 million yen

2) Fair book value of assets and liabilities pertaining to the transferred business and the major components thereof

Current assets	555 million yen
Non-current assets	254 million yen
Total assets	810 million yen
Current liabilities	216 million yen
Non-current liabilities	90 million yen
Total liabilities	306 million yen

3) Accounting process

The difference between the consolidated book value and the transfer price of the transferred shares is recorded as gain on sale of shares of subsidiaries and associates in extraordinary income.

4) Reportable segments in which the divested business was included

Water Treatment Engineering Business Unit and Performance Products Business Unit

5) Estimated amount of gain or loss pertaining to the divested business, which is recorded in the Consolidated Statement of Income for the consolidated fiscal year

Since the business divestiture was carried out with the beginning of the current consolidated fiscal year as the deemed transfer date, the Consolidated Statement of Income for the current consolidated fiscal year does not include “Net sales” and “Operating profit” pertaining to the divested business.

Figures are rounded down to the nearest unit.

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

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Legal retained earnings	Other retained earnings		
Balance at beginning of period	8,225	7,508	0	832	76,297	(746)	92,116
Changes during period							
Dividends of surplus	—	—	—	—	(8,467)	—	(8,467)
Profit	—	—	—	—	22,503	—	22,503
Reversal of reserve for tax purpose reduction entry of non-current assets	—	—	—	—	—	—	—
Purchase of treasury shares	—	—	—	—	—	(5)	(5)
Disposal of treasury shares	—	—	—	—	—	110	110
Net changes in items other than shareholders' equity	—	—	—	—	—	—	—
Total changes during period	—	—	—	—	14,035	104	14,140
Balance at end of period	8,225	7,508	0	832	90,333	(642)	106,256

(Millions of yen)

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	252	252	92,369
Changes during period			
Dividends of surplus	—	—	(8,467)
Profit	—	—	22,503
Reversal of reserve for tax purpose reduction entry of non-current assets	—	—	—
Purchase of treasury shares	—	—	(5)
Disposal of treasury shares	—	—	110
Net changes in items other than shareholders' equity	64	64	64
Total changes during period	64	64	14,204
Balance at end of period	317	317	106,574

(Components of other retained earnings)

(Millions of yen)

	Reserve for dividends	Reserve for research and development	Reserve for tax purpose reduction entry of non-current assets	Reserve for promotion of open innovation	General reserve	Retained earnings brought forward	Total
Balance at beginning of period	140	90	467	51	40,065	35,482	76,297
Changes during period							
Dividends of surplus	—	—	—	—	—	(8,467)	(8,467)
Profit	—	—	—	—	—	22,503	22,503
Reversal of reserve for tax purpose reduction entry of non-current assets	—	—	(19)	—	—	19	—
Purchase of treasury shares	—	—	—	—	—	—	—
Disposal of treasury shares	—	—	—	—	—	—	—
Net changes in items other than shareholders' equity	—	—	—	—	—	—	—
Total changes during period	—	—	(19)	—	—	14,054	14,035
Balance at end of period	140	90	447	51	40,065	49,537	90,333

Notes to Non-consolidated Financial Statements

1. Significant accounting policies

- (1) Valuation standards and methods for assets
 - (i) Securities
 - Shares of subsidiaries and associates
 - Stated at cost using the moving-average method
 - Other securities
 - Other than shares, etc. without market prices
 - Stated at fair value (Valuation differences are included in a separate component of net assets, and cost of sales is determined by the moving-average method.)
 - Shares, etc. without market prices
 - Stated at cost using the moving-average method
 - (ii) Derivatives
 - Stated at fair value
 - (iii) Inventories
 - Inventories held for sale in the ordinary course of business
 - Stated at cost (based on the method of writing down the book value in accordance with the declining in profitability).
 - Merchandise, finished goods and raw materials
 - Stated using the moving-average method
 - Work in process
 - Stated using the identified cost method
 - Supplies
 - Stated using the last purchase cost method
- (2) Depreciation and amortization of non-current assets
 - (i) Property, plant and equipment
 - Depreciated using the declining balance method.
 - Buildings (excluding facilities attached to buildings) acquired on or after April 1, 1998 and facilities attached to buildings and structures acquired on or after April 1, 2016 are depreciated using the straight-line method.
 - The estimated useful lives of major items are as follows.
 - Buildings and structures: 3 to 50 years
 - Machinery, equipment and vehicles: 4 to 17 years
 - Tools, furniture and fixtures: 2 to 20 years
 - (ii) Intangible assets
 - Depreciated using the straight-line method.
 - Software for internal use is amortized using the straight-line method over the internally expected useful life (five years).
- (3) Standards for recognition of allowances and provisions
 - (i) Allowance for doubtful accounts
 - To prepare for losses from bad debt, an estimated uncollectible amount is recorded at the amount estimated by using the historical rate of credit loss for ordinary receivables, and based on individual consideration of collectability for specific receivables such as highly doubtful receivables.
 - (ii) Provision for bonuses
 - To prepare for payment of employee bonuses, of the estimated future bonus payment, an amount to be borne during the fiscal year under review is recorded.

(iii) Provision for product warranties

To prepare for warranties etc. against defects in completed construction contracts, an amount is recorded based on the past two years' performance and giving consideration to the expected amount of future guarantees. For items that can be estimated individually, the estimated amount is recorded.

(iv) Provision for loss on construction contracts

To prepare for any losses on undelivered construction projects, the estimated amount of losses in or after the following fiscal years is recorded for some of the construction projects as of the end of the fiscal year under review, which are highly probable to incur losses and for which the amounts thereof can be reasonably estimated.

(v) Provision for share awards for directors (and other officers)

To prepare for the shares of the Company's shares, etc. to Directors and Executive Officers, pursuant to the Share Delivery Regulations, the Company recorded a provision for share awards for directors (and other officers) based on estimated share benefit obligations at the end of the fiscal year under review.

(vi) Provision for retirement benefits

To prepare for the payment of employees' retirement benefits, the Company recorded a provision for retirement benefits, which was recognized at the end of the fiscal year under review, based on estimated retirement benefit obligations and plan assets at the end of the fiscal year under review.

If the amount of plan assets exceeds the amount of the retirement benefit obligations adjusted by unrecognized actuarial gains and losses, it is recorded under prepaid pension costs.

Past service costs are recognized as expenses at the time they are incurred. Actuarial gains and losses are amortized in the year following the year in which the gains or losses are recognized by the straight-line method over a certain number of years (ten years) which are within the average remaining years of service of the eligible employees at the time of occurrence.

(4) Standards for recognition of revenues and expenses

(i) Revenue from contracts with customers

Details of main performance obligations in business relating to revenue from contracts with customers of the Company and the typical point in time (typical point in time revenue is recognized) at which such performance obligations are satisfied are as follows.

a. Water Treatment Engineering Business Unit

The water treatment engineering business unit provides various water treatment services that mainly include construction work of water treatment plant, renovation and reconditioning of existing facilities, maintenance, and operational support. In these transactions, judging that performance obligations are satisfied over a certain period of time, revenue is recognized based on the progress toward satisfying the performance obligations. The measurement of progress in construction contracts, including construction and renovation and reconditioning of facilities, is based on the ratio of construction costs incurred until the last day of each reporting period to the total estimated construction costs. This is due to the fact that construction work is believed to progress in proportion to the extent construction costs are incurred. Furthermore, the measurement of progress in water treatment service transactions in contracts with one-year or multi-year terms, including maintenance and operational support of facilities, is based on the time elapsed and the assessment of the results achieved. This is because consideration and service-rendering items for each period are defined in contracts in advance, and customer acceptance is conducted for each period. In addition, the Company is to recognize revenue using the cost recovery method in cases where it expects to recover costs incurred but is unable to reasonably estimate the extent of progress made toward satisfying performance obligations.

b. Performance Products Business Unit

The performance products business unit manufactures and sells mainly water treatment chemicals, standard equipment and functional materials, food ingredients and food processing agents. For such sales transactions, revenue is recognized at the time merchandise and finished goods are each delivered to customers. This is because, at such point, legal ownership and physical possession of merchandise and finished goods, as well as significant risks and economic values from owning finished goods are transferred to the customer, and therefore it can be judged that the right to receive payment of transaction consideration from the customer has been obtained. In their domestic sales, however, since the period from the time of shipment to the time of delivery is a normal period, the alternative treatment regarding materiality, etc. is applied, and revenue is recognized at the time of shipment of such merchandise and finished goods. Among sales transactions of merchandise, for items where it is judged the Company corresponds to an agent, the net amount, which is the amount receivable in exchange for merchandise provided by another party minus the amount payable to such other party, is recognized as revenue.

- (ii) Standard for recognition of revenue related to finance lease transactions
Revenue related to finance lease transactions follows a method of accounting net sales and cost of sales at the time of receiving lease fees.
- (5) Method of significant hedge accounting
 - (i) Method of hedge accounting
Principally, accounted for with deferred hedge accounting. The designated hedge accounting (the “Furiate-shori”) is applied to forward exchange contracts that satisfy requirements for such accounting, and the exceptional treatment (the “Tokurei-shori”) is applied to interest rate swaps that satisfy the requirements for such treatment.
 - (ii) Hedging instruments and hedged items
Hedging instruments: Forward exchange contracts and interest rate swaps
Hedged items: Foreign currency-denominated monetary claims, obligations, etc., and borrowings
 - (iii) Hedging policy
Foreign exchange rate fluctuation risk and market interest rate fluctuation risk are hedged within a certain range based on transaction management regulations that stipulate authorization relating to derivatives and other matters.
 - (iv) Method of assessing hedge effectiveness
The Company assesses hedge effectiveness by comparing cumulative cash flow or fair value fluctuations of hedged items with those of hedging instruments quarterly and based on those fluctuation amounts.
However, assessment of effectiveness is omitted for interest rate swaps which are accounted for applying the exceptional treatment.
- (6) Other significant matters for the basis of the preparation of non-consolidated financial statements
 - Accounting treatment of retirement benefits
The accounting treatment method for unrecognized actuarial gains or losses related to retirement benefits is different from the treatment for the item in the consolidated financial statements.

2. Notes to accounting estimates

Accounting estimates are reasonable amounts calculated based on information available at the time of preparation of the non-consolidated financial statements. Of the amounts recorded in the non-consolidated financial statements for the fiscal year under review that are based on accounting estimates, the following items have the risk of having a material impact on the non-consolidated financial statements for the following fiscal year.

(Recording of revenue regarding transactions recognizing revenue over a certain period of time in the

water treatment engineering business unit)

- (1) Amount recorded in the non-consolidated financial statements for the fiscal year under review
In the non-consolidated statement of income, the Company recorded ¥60,508 million of revenue on performance obligations satisfied over a certain period of time in the water treatment engineering business unit for the fiscal year under review. The amount includes various water treatment services contracts that mainly include maintenance and operational support and construction contracts using the cost recovery method, and the revenue excluding these is ¥31,437 million.
- (2) Information on the details of significant accounting estimates for identified items
The details are the same as those described in “(2) Information on the details of significant accounting estimates for identified items” in “2. Notes to accounting estimates” of Notes to Consolidated Financial Statements.

3. Notes to the non-consolidated balance sheet

(1) Accumulated depreciation for property, plant and equipment	¥25,010 million
(2) Contingent liabilities	
Joint and several guarantee obligation for building lease contract of HOSTEC	¥852 million
Joint and several suretyship for bank loans	
Organo (Suzhou) Water Treatment Co., Ltd.	¥1,863 million
Performance bonds	
Organo (Asia) Sdn. Bhd.	¥1,264 million
Organo (Suzhou) Water Treatment Co., Ltd.	¥791 million
Organo Technology Co., Ltd.	¥566 million
Organo (Vietnam) Co., Ltd.	¥107 million
Organo (Thailand) Co., Ltd.	¥8 million
(3) Monetary claims and obligations to subsidiaries and associates	
Short-term monetary claims	¥8,360 million
Short-term monetary obligations	¥3,245 million

4. Notes to the non-consolidated statement of income

Total transactions with subsidiaries and associates	
Operating transactions (income)	¥9,210 million
Operating transactions (payment)	¥15,328 million
Transactions other than operating transactions (income)	¥7,994 million
Transactions other than operating transactions (payment)	¥7 million

5. Notes to the non-consolidated statement of changes in equity

Number of treasury shares

Class of shares	Number of shares at beginning of period (Thousands of shares)	Increase in number of shares during the period (Thousands of shares)	Decrease in number of shares during the period (Thousands of shares)	Number of shares at end of period (Thousands of shares)
Common shares	393	0	16	377

- Notes:
- The increase of 0 thousand shares in the number of treasury shares reflects the increase of 0 thousand shares due to the purchase of shares less than one unit.
 - The decrease of 16 thousand shares in the number of treasury shares reflects the decrease of 16 thousand shares due to the delivery of the Company's share held by the Officer Share Delivery Trust.
 - The number of treasury shares at the end of the fiscal year under review includes 38 thousand shares of the Company held by the Officer Share Delivery Trust.

6. Note to tax-effect accounting

Breakdown of deferred tax assets and liabilities by main cause

	(Millions of yen)
Deferred tax assets	
Provision for bonuses	560
Enterprise tax payable	229
Provision for retirement benefits	1,726
Provision for product warranties	404
Provision for loss on construction contracts	9
Provision for share awards for directors (and other officers)	28
Testing and research facilities	108
Allowance for doubtful accounts	48
Loss on valuation of right to use facilities	61
Loss on valuation of shares of subsidiaries and associates	167
Other	650
Subtotal deferred tax assets	3,994
Valuation allowance	(313)
Total deferred tax assets	3,681
Deferred tax liabilities	
Valuation difference on available-for-sale securities	(145)
Prepaid pension costs	(393)
Reserve for tax purpose reduction entry of non-current assets	(206)
Reserve for promotion of open innovation	(23)
Total deferred tax liabilities	(769)
Net deferred tax assets	2,911

7. Note to transactions with related parties

Subsidiaries

Name of the company	Location	Share capital	Voting rights ownership ratio	Relationship with related parties	Details of transaction	Transaction amount (Millions of yen)	Item	Balance at end of period (Millions of yen)
ORGANO PLANT SERVICE CORPORATION	Bunkyo-ku, Tokyo	¥93 million	Direct ownership 100.0%	Installation of various types of water treatment systems and ordering of supervision services Dispatching of officers	Installation of various types of water treatment systems and ordering of supervision services	10,141	Accounts payable - trade	2,212
Organo (Suzhou) Water Treatment Co., Ltd.	Jiangsu, China	US\$5,000 thousand	Direct ownership 100.0%	Sales of various types of water treatment systems and related chemicals Dispatching of officers	Debt guarantees	2,655	-	-
					Loan of funds	2,980	Short-term loans receivable	2,980
Organo Technology Co., Ltd.	Hsinchu City, Taiwan, R.O.C.	NT\$30,000 thousand	Direct ownership 100.0%	Sales of various types of water treatment systems and related chemicals Dispatching of officers	Sales of various types of water treatment systems and related chemicals	5,828	Accounts receivable - trade	2,288
							Contract assets	4,535

- Notes:
1. Conditions of transaction and policies for deciding conditions of transaction are determined by referencing general trading conditions in consideration of market prices, etc.
 2. Interest rates on loans of funds are reasonably determined taking interest rates on the market into account.
 3. The Company provides debt guarantees on their loans from financial institutions, and guarantee fees are determined based on the amount of guarantees, etc.

8. Notes to revenue recognition

Basic information to understand revenue from contracts with customers

The details are the same as those described in “(2) Basic information to understand revenue from contracts with customers” in “6. Notes to revenue recognition” of Notes to Consolidated Financial Statements.

9. Notes to per share information

Net assets per share	¥2,317.72
Basic earnings per share	¥489.45

- Notes:
1. When calculating net assets per share, common shares of the Company held by the Officer Share Delivery Trust have been included in treasury shares excluded from the total number of issued shares at the end of the period (38 thousand shares at the end of the fiscal year under review).
 2. When calculating basic earnings per share, common shares of the Company held by the Officer Share Delivery Trust have been included in treasury shares excluded from the calculation of the average number of shares during the period (43 thousand shares in the fiscal year under review).

10. Notes to significant subsequent events

Not applicable

11. Other notes

(Business combination)

Business divestiture

The details are the same as those described in “9. Other notes” of Notes to Consolidated Financial Statements.

Figures are rounded down to the nearest unit.