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

NOTICE OF THE 97th ORDINARY GENERAL MEETING OF SHAREHOLDERS

RIKEN TECHNOS CORPORATION

Mission

We are a challenger that harnesses the power of science to improve the quality of life and create a safe, affluent society.

We continuously provide new value and satisfaction to people, companies and society through our original and superior formulations and manufacturing technologies of multiple resins.

Core Value

We establish a bond of trust and work for the mutual benefit all.

We create new value.

We continually push ourselves to achieve more.

We enjoy our work and love what we do.

We work together to find solutions and produce the best results for everyone.

Basic Action

Lead without fear.

Take charge and enjoy your work.

Build a team by trusting and helping one other.

Listen attentively and speak sincerely.

Come with smile and leave with smile.

Stay ahead of customers' expectations.

Seek new things and ways.

Be a real professional through self-improvement.

Set goals and achieve on time.

Dear shareholders,

I would like to express my sincere greetings to all of you as we convene the 97th Ordinary General Meeting of Shareholders of RIKEN TECHNOS CORPORATION.

In the 97th fiscal year (from April 1, 2025 to March 31, 2026), the first year of our three-year Medium-term Business Plan, "One Vision, New Stage 2027," the Group has focused on the two main pillars of increasing our "Earning Power" and "Sustainability," while also working on financial strategies and stakeholder communication to support these efforts. As a result, we were able to reach a record high in each profit area for five consecutive years.

In the 98th fiscal year, the second year of our three-year Medium-term Business Plan, the Group will work together as one to implement various initiatives.

I would like to ask all shareholders for their continued support and encouragement.

Kazuaki Tokiwa
Representative Director, President & CEO

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Proposal 3: Election of 3 Directors serving as Audit & Supervisory Committee Members

*Following matters are to be provided electronically. Please check the Company's website.
Business Report 22
Consolidated Financial Statements 50
Non-Consolidated Financial Statements 52
Audit Report 54

(Stock Exchange Code 4220)
June 2, 2026
(Measures for electronic provision start on: May 27, 2026)

To Shareholders with Voting Rights:

Kazuaki Tokiwa
Representative Director, President & CEO
RIKEN TECHNOS CORPORATION
Main Office: 2-101, Kanda-Awajicho,
Chiyoda-ku, Tokyo

NOTICE OF THE 97th ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

We hereby notify you that the 97th Ordinary General Meeting of Shareholders of RIKEN TECHNOS CORPORATION (the "Company") will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision, and matters to be provided electronically are posted on the following website on the Internet.

The Company's website:
https://www.rikentechnos.co.jp/e/ir/news/

In addition to the above-mentioned website, matters to be provided electronically are posted on the website of the Tokyo Stock Exchange (TSE). Please access the following TSE website (TSE Listed Company Search), enter the issue name (company name) or the stock exchange code to search, and select "Basic information" and then "Documents for public inspection/PR information" to confirm the information.

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

If you are not planning on attending the meeting in person, you can exercise your voting rights via the Internet or in writing. Please review the Reference Documents for the General Meeting of Shareholders described in matters to be provided electronically, and exercise your voting rights by no later than 5:45 p.m. on Thursday, June 18, 2026, Japan time.

1. **Date and Time:** **Friday, June 19, 2026 at 10:00 a.m. Japan time**

2. **Place:** **Nomura Conference Plaza Nihonbashi 6F Large Hall, Nihonbashi Muromachi Nomura Building (YUITO) located at 2-4-3, Nihonbashimuromachi, Chuo-ku, Tokyo, Japan**

3. **Meeting Agenda:**

Matters to be reported:

1. The Business Report, Consolidated Financial Statements for the 97th term (from April 1, 2025 to March 31, 2026) and results of audits by Independent Accountants and Audit & Supervisory Committee of the Consolidated Financial Statements
2. Non-Consolidated Financial Statements for the 97th term (from April 1, 2025 to March 31, 2026)

Proposals to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Election of 5 Directors (Excluding Directors serving as Audit & Supervisory Committee Members)

Proposal 3: Election of 3 Directors serving as Audit & Supervisory Committee Members

◎ Of the matters for electronic provision, the following matters have not been included in the documents to be delivered to shareholders who have requested delivery of paper-based documents pursuant to the provisions of laws and regulations and the Company's Articles of Incorporation. Independent Accountants and the Audit & Supervisory Committee have audited the documents subject to auditing that include the following matters.

(1) The following item in the business report

Systems and Policies of the Company

(2) The following items in the consolidated financial statements

Consolidated Statements of Changes in Net Assets and Notes to the Consolidated Financial Statements

(3) The following items in the non-consolidated financial statements

Non-Consolidated Statements of Changes in Net Assets and Notes to the Non-Consolidated Financial Statements

◎ If any revisions are required in the matters to be provided electronically, the contents of revisions will be posted on each website on which those matters are posted.

◎ If no indication of favor or against is made in the voting form, it shall be deemed to be an indication of favor.

◎ If you exercise your voting rights both in writing and via the Internet, the one exercised via the Internet shall be valid. If you exercise your voting rights more than once via the Internet, the last exercise shall be valid.

◎ Please note that no souvenirs will be provided at the meeting.

◎ We will not hold a get-together for shareholders after the meeting.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The management of the Company has been positioning the distribution of profits to our shareholders through increased corporate value in the mid- to long-term as one of the most important management issues. The Company has changed its dividend policy from the 97th fiscal year, now calling for a basic policy of ensuring a steady and sustainable stream of dividends while considering future business investment, enhancement of shareholders' equity, and other factors, adopting a standard of a consolidated dividend payout ratio of at least 35% or a DOE (consolidated dividend on equity ratio) of at least 3.5%, whichever is higher.

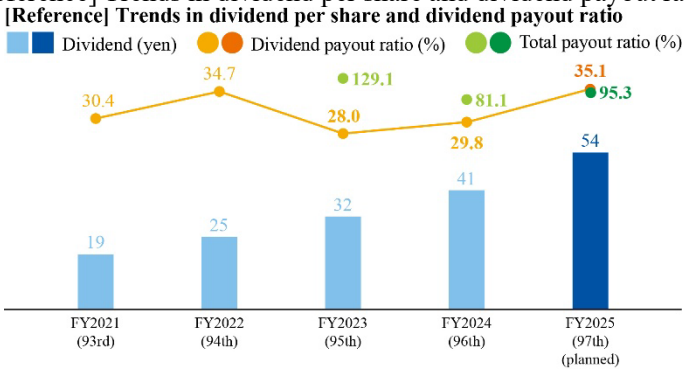
Based on the above-mentioned policy, we hereby propose paying a year-end ordinary dividend of ¥34 per share for the 97th fiscal year, an increase of ¥7 per share from the previous fiscal year.

(1) Type of dividend properties
Cash

(2) Allocation of dividend properties to shareholders and total amount thereof
¥34.00 per share of common stock of the Company
Total amount of dividends: ¥1,641,910,592
The annual dividend for the current fiscal year, including the interim dividend, will be ¥54.00 per share, an increase of ¥13 per share from the previous fiscal year.

(3) Effective date of distribution of surplus
June 22, 2026

[Reference] Trends in dividend per share and dividend payout ratio



* The annual dividends for FY2023 (95th fiscal year) and FY2024 (96th fiscal year) are calculated based on basic earnings per share excluding the impact of gains on sales of investment securities during each fiscal year from profit attributable to owners of parent in the same period.

Proposal 2: Election of 5 Directors (Excluding Directors serving as Audit & Supervisory Committee Members)

The terms of office of all 4 Directors (excluding Directors serving as Audit & Supervisory Committee Members, and the same applies hereinafter in this Proposal) will expire at the conclusion of this meeting. Accordingly, in order to further strengthen the management structure, we hereby propose the addition of 1 Outside Director and the election of 5 Directors.

The Company selected each candidate for nomination in consultation with the voluntary Nomination Committee chaired by an Independent Outside Director.

The Audit & Supervisory Committee has judged that the candidates for reappointment are qualified as Directors of the Company, after comprehensively evaluating the status of execution of duties in the 97th fiscal year, etc. In addition, the candidate for new appointment has been deemed qualified as a Director of the Company, after comprehensively considering past work experiences and other relevant factors.

The candidates for Directors are as follows:

No.		Name	Gender	Current positions and responsibilities in the Company	Attendance at the Board of Directors meetings
1	Reappointment	Kazuaki Tokiwa	Male	Representative Director President & CEO	17/17 times (100%)
2	Reappointment	Junji Irie	Male	Representative Director Executive Vice President Senior General Manager, Administrative Div.	17/17 times (100%)
3	Reappointment	Gakuyuki Kajiyama	Male	Director Senior Managing Executive Officer Senior General Manager, Sales & Marketing Div.	17/17 times (100%)
4	Reappointment	Tomozo Ogawa	Male	Director Managing Executive Officer Senior General Manager, Monozukuri Headquarters Senior General Manager, Compound Div., Monozukuri Headquarters Senior General Manager, Procurement Div., Monozukuri Headquarters	14/14 times (100%)
5	New appointment	Takeshi Hagiwara	Male		–

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	 Kazuaki Tokiwa (October 8, 1960) [Reappointment]	March 1983 Joined the Company April 2002 General Manager, Sales & Marketing Dept., RIMTEC CORPORATION January 2007 Managing Director, RIKEN ELASTOMERS CORPORATION October 2011 Deputy General Manager, Compound Div.; General Manager, Compound Sales & Marketing Dept., RIKEN TECHNOS CORPORATION April 2013 Vice Office Manager, Corporate Planning Office June 2013 Director; Office Manager, Corporate Planning Office April 2016 Representative Director, President & CEO (to present) [Significant concurrent positions] None	64,200
	[Reason for nomination as candidate for Director] Mr. Kazuaki Tokiwa carried out various measures to realize the Group's management strategy and business plan in the corporate planning division. He also has extensive experience and achievements as a corporate manager at the overseas group companies. He has promoted various measures in the Medium-term Business Plan by making use of the Company's global network and played a leading role in the Group's management as Representative Director, President & CEO since April 2016. The Company nominated him as a candidate for Director because we believe that he will continue to contribute to the Group's globally unified operation under the three-year Medium-term Business Plan that started in April 2025.		

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	 Junji Irie (July 27, 1958) [Reappointment]	April 1981 Joined The Fuji Bank, Limited (current Mizuho Bank, Ltd.) April 2009 Executive Officer; General Manager, Kobuna-cho Branch May 2011 Joined the Company June 2011 Office Manager, Legal & Compliance Office June 2012 Director; Office Manager, Legal & Compliance Office April 2013 Director; Senior General Manager, Administrative Div.; General Manager, General Affairs Dept. April 2016 Director, Managing Executive Officer; Senior General Manager, Administrative Div.; Senior General Manager, Corporate Planning Div. January 2017 Director, Managing Executive Officer; Senior General Manager, Administrative Div.; Senior General Manager, Corporate Planning Div.; General Manager, General Affairs Dept. April 2017 Director, Managing Executive Officer; Senior General Manager, Administrative Div.; General Manager, General Affairs Dept. October 2017 Director, Managing Executive Officer; Senior General Manager, Administrative Div. April 2019 Director, Senior Managing Executive Officer; Senior General Manager, Administrative Div.; Senior General Manager, Corporate Planning Div. April 2020 Director, Senior Managing Executive Officer; Senior General Manager, Administrative Div. June 2020 Representative Director, Senior Managing Executive Officer; Senior General Manager, Administrative Div. April 2022 Representative Director, Senior Managing Executive Officer; Senior General Manager, Administrative Div.; Senior General Manager, Corporate Planning Div. April 2023 Representative Director, Senior Managing Executive Officer; Senior General Manager, Administrative Div. April 2025 Representative Director, Executive Vice President; Senior General Manager, Administrative Div. (to present) [Significant concurrent positions] None	64,000
	[Reason for nomination as candidate for Director] Mr. Junji Irie has extensive work experience at leading commercial banks and has considerable insight into management derived from his experience working as a corporate executive. He has revised the corporate governance structure at the Company's administration division, and thereby contributed to strengthening the effectiveness of the Board of Directors' decision-making and supervising function. He has also contributed to streamlining the group management at the corporate planning department. The Company nominated him as a candidate for Director because we believe that he will continue to contribute to the reinforcement of group governance and the group management that leverages the group synergy.		

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions, responsibilities
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">3</td><td>
Gakuyuki Kajiyama
(October 29, 1962)

[Reappointment]</td><td>March 1985 Joined the Company
June 2008 Office Manager, Nagoya Sales Office; Office Manager, Compound Vehicle R&D Office
March 2010 Deputy General Manager, Compound Div.
April 2011 Vice Office Manager, Corporate Planning Office
September 2011 Managing Director, RIKEN ELASTOMERS CORPORATION
April 2016 Executive Officer, RIKEN TECHNOS CORPORATION; Managing Director, RIKEN ELASTOMERS CORPORATION
April 2017 Senior Executive Officer; Senior General Manager, Corporate Planning Div., RIKEN TECHNOS CORPORATION
June 2017 Director, Senior Executive Officer; Senior General Manager, Corporate Planning Div.
April 2019 Director, Managing Executive Officer; Senior General Manager, Sales & Marketing Div.
April 2025 Director, Senior Managing Executive Officer; Senior General Manager, Sales & Marketing Div. (to present)
[Significant concurrent positions]
None</td><td>44,000</td></tr>
<tr><td colspan="3">[Reason for nomination as candidate for Director]
Mr. Gakuyuki Kajiyama has extensive work experience at the Company’s R&D department and sales & marketing department. He has also contributed to strengthening the global competitiveness including promoting a global sales & marketing structure focused on North America, as a corporate manager of overseas group companies. He has engaged in the formulation and planning of management and business strategy of the entire Group in the Company’s corporate planning department since April 2017, and has promoted various measures in the Medium-term Business Plan. He has worked to strengthen a global sales structure at the sales & marketing department since April 2019. The Company nominated him as a candidate for Director because we believe that he will continue to contribute to the Group’s globally unified operation.</td></tr>
</table>

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	 Tomozo Ogawa (February 26, 1973) [Reappointment]	March 1996 Joined the Company January 2013 Technical Manager, RIKEN ELASTOMERS CORPORATION April 2018 Vice Office Manager, Corporate Planning Dept., RIKEN TECHNOS CORPORATION April 2020 Executive Officer; Senior General Manager, Manufacturing Div.; General Manager, Process Management Dept. October 2020 Executive Officer; Senior General Manager, Manufacturing Div.; General Manager, Film Manufacturing Dept.; General Manager, Process Management Dept. October 2022 Executive Officer; Senior General Manager, Manufacturing Div.; General Manager, Process Management Dept.; General Manager, TPM Promotion Dept. April 2023 Executive Officer; Senior General Manager, Manufacturing Div.; Factory Manager, Saitama Factory April 2024 Senior Executive Officer; Senior General Manager, Manufacturing Div.; Senior General Manager, Procurement Div. April 2025 Managing Executive Officer; Senior General Manager, Monozukuri Headquarters; Senior General Manager, Procurement Div., Monozukuri Headquarters June 2025 Director, Managing Executive Officer; Senior General Manager, Monozukuri Headquarters; Senior General Manager, Procurement Div., Monozukuri Headquarters January 2026 Director, Managing Executive Officer; Senior General Manager, Monozukuri Headquarters; Senior General Manager, Compound Div., Monozukuri Headquarters; Senior General Manager, Procurement Div., Monozukuri Headquarters (to present) [Significant concurrent positions] None	15,500
	[Reason for nomination as candidate for Director] Mr. Tomozo Ogawa has considerable insight into the Company's monozukuri derived from his many years of experience in the Company's R&D, manufacturing, and procurement departments. He also has broad insight into the Group's business strategies from his experience working in the corporate planning department. He is taking advantage of this knowledge and experience to integrally oversee and lead divisions involved in monozukuri (R&D, manufacturing, quality control, procurement, etc.) in the Monozukuri Headquarters, which was newly established in April 2025 to further strengthen our "Monozukuri Power" as a manufacturer. The Company nominated him as a candidate for Director because we believe that he will continue to further reflect the "monozukuri" perspective in the Board of Directors of the Company as a manufacturer.		

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	 Takeshi Hagiwara (June 17, 1959) [New appointment] [Outside Director] [Independent Director]	April 1982 Joined Mitsubishi Corporation August 1991 Houston Branch, Mitsubishi International Corporation, U.S.A. January 1996 Chlor-Alkali Dept., Mitsubishi Corporation January 2005 General Manager, Chlor-Alkali Unit, Commodity Chemicals Div. March 2010 General Manager, Chemicals Group CEO Office April 2012 Division COO, Functional Chemicals Div. April 2013 Senior Vice President, Division COO, Functional Chemicals Div. April 2015 Senior Vice President, Division COO, Commodity Chemicals Div. A April 2016 Executive Vice President, Chemicals Group CEO April 2019 Executive Vice President, Petroleum & Chemicals Group CEO (retired in March 2021) March 2021 President, SPDC Ltd. (retired in March 2025) [Significant concurrent positions] None	0
	[Reason for nomination as candidate for Outside Director and expected roles] Mr. Takeshi Hagiwara has many years of experience in the chemicals field at a major general trading company, and has experience working overseas. He also has extensive experience and broad insight gained from his involvement in corporate management as a corporate manager. The Company nominated him as a candidate for Outside Director because we believe that he will take advantage of this knowledge and experience to contribute to the appropriate decision-making and management supervision of the Company's Board of Directors from a standpoint independent of management.		

(Notes) 1. No special interests exist between any of the above candidates and the Company.

2. The Company has entered into a directors and officers liability insurance agreement pursuant to Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance agreement covers legal damages and litigation expenses to be borne by the insured parties.
The candidates for reappointment are included as insured parties in the insurance agreement and will continue to be included if they are reelected by this Proposal. If the appointment of the new candidate, Mr. Takeshi Hagiwara, is approved and resolved, he is planned to be included in the insured parties.
The Company plans to renew the insurance agreement during their terms of office.

3. Matters concerning the candidate for Outside Director:
   (1) Mr. Takeshi Hagiwara is a candidate for Outside Director.
   (2) If Mr. Takeshi Hagiwara is elected as Outside Director, the Company plans to register him as Independent Director stipulated by the Tokyo Stock Exchange.
   (3) The Company plans to enter into an agreement with Mr. Takeshi Hagiwara to limit his liability for damages pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability under the said agreement is the minimum liability amount stipulated by laws and regulations.

Proposal 3: Election of 3 Directors serving as Audit & Supervisory Committee Members

The terms of office of 4 Directors serving as Audit & Supervisory Committee Members, Mr. Takashi Shimada, Mr. Shigeharu Nakamura, Mr. Shigeru Ehara, and Ms. Aogi Suemura, will expire at the conclusion of this meeting. Accordingly, in consideration of the composition of the Board of Directors as a whole, we hereby propose the reduction of 1 Director serving as Audit & Supervisory Committee Member and the election of 3 Directors serving as Audit & Supervisory Committee Members. If this proposal is approved and resolved, the number of Directors serving as Audit & Supervisory Committee Members will be reduced by 1 to 4. However, we believe that we can continue to ensure the effectiveness of the Audit & Supervisory Committee's auditing and supervision of the Group's management through collaboration with internal audit divisions and other means.

The Audit & Supervisory Committee previously has given its approval to this proposal.

The candidates for Directors serving as Audit & Supervisory Committee Members are as follows:

No.		Name	Gender	Current positions and responsibilities in the Company	Attendance at the Board of Directors meetings	Attendance at the Audit & Supervisory Committee
1	New appointment	Minoru Oba	Male	–	–	–
2	Reappointment	Shigeru Ehara	Male	Outside Director Audit & Supervisory Committee Member	17/17 times (100%)	14/14 times (100%)
3	Reappointment	Aogi Suemura	Female	Outside Director Audit & Supervisory Committee Member	17/17 times (100%)	14/14 times (100%)

(Reference) Director serving as Audit & Supervisory Committee Member who will remain in office is as follows.

Name	Gender	Current positions and responsibilities in the Company
Sachie Kinugawa	Female	Outside Director Audit & Supervisory Committee Member

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	 Minoru Oba (October 31, 1966) [New appointment]	April 1990 Joined Mitsubishi Corporation June 2005 Saudi Petrochemical Project Unit December 2013 General Manager, Sales & Marketing Dept., Petronas Chemicals Aromatics Malaysia April 2016 General Manager, Corporate Planning Dept., RIMTEC CORPORATION October 2016 President, RIMTEC COPORATION April 2017 EVP, RIKEN AMERICAS CORPORATION; President, RIMTEC CORPORATION August 2020 Internal Audit Dept., Mitsubishi Corporation July 2023 General Manager, Internal Audit Dept., Industrial Materials Group April 2024 General Manager, Internal Audit Dept., Materials Solution Group April 2026 Internal Audit Dept., Materials Solution Group [Significant concurrent positions] None	0
	[Reason for nomination as candidate for Director serving as Audit & Supervisory Committee Member and expected roles] Mr. Minoru Oba has many years of experience in the chemicals field at a major general trading company, and has extensive experience and broad insight gained from his experience working in an internal audit department. He also has experience in corporate management as a corporate manager at a US subsidiary of the Company. The Company nominated him as a candidate for Director serving as Audit & Supervisory Committee Member because we believe that he will leverage this knowledge and experience to contribute to strengthening the effectiveness of the decision-making and supervisory functions of the Board of Directors, and to auditing and supervision of the management and business execution of the Group.		

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions, responsibilities
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">2</td><td>
Shigeru Ehara
(December 18, 1958)

[Reappointment]
[Outside Director]
[Independent Director]</td><td>April 1981 Joined The Yasuda Fire & Marine Insurance Co., Ltd.
April 2011 Executive Officer, General Manager, Commercial Risk Solutions Department, Sompo Japan Insurance Inc.
April 2013 Director, Managing Executive Officer, Sompo Japan Insurance Inc.
Managing Executive Officer, NIPPONKOA Insurance Company, Limited
Executive Officer, NKSJ Holdings, Inc.
June 2013 Director, Executive Officer, NKSJ Holdings, Inc.
September 2014 Director, Managing Executive Officer, Sompo Japan Nipponkoa Insurance Inc.
Director, Managing Executive Officer, Sompo Japan Nipponkoa Holdings, Inc.
April 2016 Director, Senior Managing Executive Officer, Sompo Japan Nipponkoa Insurance Inc.
Director, Senior Managing Executive Officer, Sompo Japan Nipponkoa Holdings, Inc.
November 2016 Representative Director, Senior Managing Executive Officer, Sompo Holdings, Inc.
April 2017 CEO, Overseas Insurance and Reinsurance Business, Representative Director, Senior Managing Executive Officer
April 2018 Deputy President and Senior Executive Officer, Sompo Japan Nipponkoa Insurance Inc. (Retired in June 2018)
Director, Deputy President and Senior Executive Officer, Sompo Holdings, Inc. (Retired in June 2018)
June 2018 Executive Director, General Insurance Rating Organization of Japan (Retired in June 2022)
June 2022 Outside Director serving as Audit & Supervisory Committee Member, RIKEN TECHNOS CORPORATION (to present)
(Notes) 1. The Yasuda Fire & Marine Insurance Co., Ltd., Sompo Japan Insurance Inc., NIPPONKOA Insurance Company Limited, and Sompo Japan Nipponkoa Insurance Inc. are currently named as Sompo Japan Insurance Inc.
2. NKSJ Holdings, Inc. and Sompo Japan Nipponkoa Holdings Inc. are currently named as Sompo Holdings, Inc.
[Significant concurrent positions]
None</td><td>2,600</td></tr>
<tr><td colspan="3">[Reason for nomination as candidate for Outside Director serving as Audit & Supervisory Committee Member and expected roles]
Mr. Shigeru Ehara has deep insight into management derived from his involvement in companies in various types of businesses and industries through his experience working for casualty insurance companies and working as a corporate executive. He also has considerable knowledge in global corporate management through his extensive overseas work experience. He has provided wide-ranging and objective audits and advice to the management as an Outside Director serving as Audit & Supervisory Committee Member since June 2022. The Company nominated him as a candidate for Outside Director serving as Audit & Supervisory Committee Member because we believe that he will continue to contribute to the auditing and supervision of the Group’s management.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions, responsibilities
and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">3</td><td>
Aogi Suemura
(December 10, 1959)

[Reappointment]
[Outside Director]
[Independent Director]</td><td>October 1992 Joined Asahi Shinwa & Co. (currently KPMG AZSA LLC)
April 1996 Registered as certified public accountant
August 1999 Joined GOLDCREST Co., Ltd.
January 2002 Joined Sumitomo Shoji Financial Management Co., Ltd.
November 2004 Joined Deloitte Touche Tohmatsu (currently Deloitte Touche Tohmatsu LLC)
June 2008 Partner
January 2022 Representative, Aogi Suemura Certified Public Accountant Firm (to present)
June 2022 Outside Director serving as Audit & Supervisory Committee Member, RIKEN TECHNOS CORPORATION (to present)
March 2023 Outside Audit & Supervisory Board Member, Nippon Denko Co., Ltd.
March 2024 Outside Director (Audit & Supervisory Committee Member) (to present)
June 2024 External Director (Audit & Supervisory Committee Member), Nomura Real Estate Holdings, Inc. (retired in December 2025)
[Significant concurrent positions]
Outside Director (Audit & Supervisory Committee Member), Nippon Denko Co., Ltd.</td><td>2,600</td></tr>
<tr><td colspan="3">[Reason for nomination as candidate for Outside Director serving as Audit & Supervisory Committee Member and expected roles]
Ms. Aogi Suemura has engaged in operations such as supporting development of statutory audit/internal control systems for listed companies as a partner of a major audit corporation, and experienced mainly in consolidated financial reporting operations and M&A accounting at major companies as well. She also has extensive knowledge and experience in corporate accounting and management as a certified public accountant. She has provided wide-ranging and objective audits and advice to the management as an Outside Director serving as Audit & Supervisory Committee Member since June 2022. The Company nominated her as a candidate for Outside Director serving as Audit & Supervisory Committee Member because we believe that she will continue to contribute to the auditing and supervision of the Group’s management.</td></tr>
</table>

(Notes) 1. No special interests exist between any of the above candidates and the Company.

2. Matters concerning candidates for Outside Directors:

(1) Mr. Shigeru Ehara and Ms. Aogi Suemura are candidates for Outside Directors serving as Audit & Supervisory Committee Members.

(2) Although Ms. Aogi Suemura has not been involved in corporate management other than as an Outside Officer, we judge that she is capable of properly performing her duties as Outside Director serving as Audit & Supervisory Committee Member based on the reason for nominating her as Outside Director serving as Audit & Supervisory Committee Member.

(3) Mr. Shigeru Ehara and Ms. Aogi Suemura are currently Outside Directors serving as Audit &Supervisory Committee Members of the Company and their terms of office will be four years at the conclusion of this meeting.

(4) The Company has entered into agreements with Mr. Shigeru Ehara and Ms. Aogi Suemura to limit their liability for damages pursuant to Article 427, Paragraph 1 of the Companies Act. If their reelection is approved and resolved, the Company will continue the said agreements with them. The maximum amount of liability under the said agreement is the minimum liability amount stipulated by laws and regulations.

(5) The Company currently registers Mr. Shigeru Ehara and Ms. Aogi Suemura as Independent Directors stipulated by the Tokyo Stock Exchange. If their reelection is approved and resolved, the Company plans to continuously have them be Independent Directors.

(6) Mr. Minoru Oba is scheduled to retire from his position at Mitsubishi Corporation on October 31, 2026.

3. The Company has entered into a directors and officers liability insurance agreement pursuant to Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance agreement covers legal damages and litigation expenses to be borne by the insured parties.

Mr. Shigeru Ehara and Ms. Aogi Suemura are included as insured parties in the insurance agreement and will continue to be included if they are reelected by this Proposal. If the appointment of the new candidate, Mr. Minoru Oba, is approved and resolved, he is planned to be included in the insured parties.

The Company plans to renew the insurance agreement during their terms of office.

Reference [Management Structure After the Proposal Is Approved]

If Proposals 2 and 3 are approved as originally proposed, the Company's management structure will be as follows under the meetings of the Board of Directors and the Audit & Supervisory Committee held after the conclusion of this meeting:

Director

Name	Gender		Positions and Responsibility in the Company	
Kazuaki Tokiwa	Male	[Reappointment]	Representative Director President & CEO	
Junji Irie	Male	[Reappointment]	Representative Director Executive Vice President	Senior General Manager, Administrative Division
Gakuyuki Kajiyama	Male	[Reappointment]	Director Senior Managing Executive Officer	Senior General Manager, Sales & Marketing Division
Tomozo Ogawa	Male	[Reappointment]	Director Managing Executive Officer	Senior General Manager, Monozukuri Headquarters Senior General Manager, Compound Division, Monozukuri Headquarters Senior General Manager, Procurement Division, Monozukuri Headquarters
Takeshi Hagiwara	Male	[New appointment] [Outside] [Independent]	Outside Director	
Minoru Oba	Male	[New appointment]	Director Full-time Audit & Supervisory Committee Member	
Shigeru Ehara	Male	[Reappointment] [Outside] [Independent]	Outside Director Audit & Supervisory Committee Member	
Aogi Suemura	Female	[Reappointment] [Outside] [Independent]	Outside Director Audit & Supervisory Committee Member	
Sachie Kinugawa	Female	[Incumbent] [Outside] [Independent]	Outside Director Audit & Supervisory Committee Member	

[Outside] Outside Director

[Independent] Independent Directors who satisfy the independence standards stipulated by the Tokyo Stock Exchange and the Company

Executive Officer (Excluding those who concurrently serve as Directors)

Name	Positions and Responsibility in the Company	
Michio Noishiki	Senior Executive Officer	Senior General Manager, Corporate Planning Division
Fumitoshi Nakamura	Executive Officer	Regional Officer of ASEAN Deputy Senior General Manager, Sales & Marketing Division General Manager, Transportation Business Unit
Akihiro Tamura	Executive Officer	Senior General Manager, Film Division, Monozukuri Headquarters General Manager, Film R&D Department, Film Division, Monozukuri Headquarters General Manager, Core Technology R&D Department, Monozukuri Headquarters
Hiroaki Wakayama	Executive Officer	Regional Officer of North America President, RIKEN AMERICAS CORPORATION President, RIKEN ELASTOMERS CORPORATION
Hiroki Ieda	Executive Officer	Managing Director, RIKEN (THAILAND) CO., LTD.

Reference [Skills Matrix of the Board of Directors (Corporate Governance Code Supplementary Principle 4-11-1)]

In order to appropriately supervise the promotion of the three strategies set forth in the "One Vision, New Stage 2027," a management policy under our three-year Medium-term Business Plan, as well as the measures supporting those strategies, we have identified the skills expected of the Board of Directors as follows and formulated a skills matrix.

<Relationship between management strategies and skill items>

<table>
<tr><td rowspan="2">Three-year Medium-term Business Plan</td><td colspan="3">Growth/Earning Power</td><td rowspan="2">Perpetuity/ sustainability</td><td rowspan="2">Financial strategy</td></tr>
<tr><td>Strategy 1
Global One Company</td><td>Strategy 2
Stay ahead of customers' expectations</td><td>Strategy 3
Take on the challenge toward new businesses and products</td></tr>
<tr><td rowspan="3">Skill items</td><td>Corporate management/ Management strategy</td><td>Sales/ Marketing</td><td rowspan="2">R&D/ Manufacturing</td><td>ESG/ Sustainability</td><td rowspan="3">Finance/ Accounting</td></tr>
<tr><td>Global experience</td><td>DX/IT</td><td rowspan="2">Legal/ Risk management</td></tr>
<tr><td colspan="3">Personnel/Labor/Human resource development</td></tr>
</table>

<Definition of skills>

	Skill items	Definition
1	Corporate management/ Management strategy	Experience as a director, executive officer, etc., at other companies (at a consolidated subsidiary, experience as a president) Work experience at a corporate planning division, etc.
2	Sales/Marketing	Experience as a sales rep in the chemical industry, work experience in marketing division, etc.
3	Global experience	Overseas work experience, work experience in international division, etc.
4	R&D/Manufacturing	Work experience in R&D/manufacturing, or similar divisions
5	Finance/Accounting	Work experience in accounting/finance divisions, or financial institutions, etc. Knowledge of finance/accounting
6	Legal/Risk management	Work experience in legal/risk management, or similar divisions Knowledge of legal/risk management
7	Personnel/Labor/ Human resource development	Work experience in personnel/labor/human resources development, or similar divisions Knowledge of personnel/labor/human resources development
8	ESG/Sustainability	Work experience in ESG-related divisions Knowledge of ESG/sustainability
9	DX/IT	Experience in promoting business innovation using DX/IT (including initiatives to promote digital transformation in manufacturing, research and development, and other functions) Knowledge of DX/IT

< Skill possession status>

If Proposals 2 and 3 are approved as originally proposed, the skills held by the Board of Directors will be as follows. The positions will be officially decided at meetings of the Board of Directors, the Audit & Supervisory Committee, and the outside Board of Directors held after the conclusion of this meeting.

Name	Position	Skills								
		Corporate management/ Management strategy	Sales/ Marketing	Global experience	R&D/ Manufacturing	Finance/ Accounting	Legal/Risk management	Personnel/ Labor/ Human resource development	ESG/ Sustainability	DX/IT
Kazuaki Tokiwa	Representative Director, President & CEO	○	○	○	○				○	
		・Experience as a president of a U.S. subsidiary ・Experience as a Sales, Corporate Planning, and Quality Assurance team member								
Junji Irie	Representative Director, Executive Vice President	○				○	○	○	○	○
		・Experience as an executive officer at a bank ・Experience as a senior general manager of the Company's administrative (personnel/accounting/legal/system)/corporate planning divisions								
Gakuyuki Kajiyama	Director, Senior Managing Executive Officer	○	○	○	○				○	
		・Experience as a president of a U.S. subsidiary ・Experience as a senior general manager of corporate planning division ・Experience as a member of the sales and R&D divisions								
Tomozo Ogawa	Director, Managing Executive Officer	○		○	○				○	○
		・Experience as a senior general manager in a manufacturing division ・Experience as a manager of a U.S. subsidiary ・Experience as working in corporate planning/R&D divisions								
Takeshi Hagiwara	Outside Director, (Independent)	○	○	○				○		
		・Experience as an Executive Officer in a trading company ・Experience as an overseas employee ・Experience as a professional in the chemical industry at a trading company								
Minoru Oba	Director, Full-time Audit & Supervisory Committee Member	○	○	○			○			
		・Experience as President of a U.S. subsidiary ・Experience as a professional in the chemical industry at a trading company ・Experience as an audit professional at a trading company								
Shigeru Ehara	Outside Director, Audit & Supervisory Committee Member (Independent)	○		○		○	○	○		
		・Experience as a vice president/executive officer at a non-life insurance company ・Experience as an overseas employee								
Aogi Suemura	Outside Director, Audit & Supervisory Committee Member (Independent)					○	○	○		
		・Experience as a partner at an auditing firm ・Certified Public Accountant qualification								
Sachie Kinugawa	Outside Director, Audit & Supervisory Committee Member (Independent)	○				○		○	○	
		・ Experience as an executive officer of a securities company ・ Experience as a president of a human resource services company								

Reference

<Independence Standards for Outside Directors>

The Company deems that Outside Directors of the Company are independent if they are judged not to fall under any of the following:

1. A person who has been an Executive (*1) of the Company or subsidiaries of the Company (hereinafter referred to as "Each Group Company") at present or in the most recent ten (10) years;
2. A person who falls under the following items at present or in the most recent three (3) business years:

(1) A person with a relationship with major business partners of Each Group Company (*2) or an Executive thereof;

(2) A major borrower (*3) of Each Group Company or an Executive thereof;

(3) A major shareholder of the Company (*4) (if such major shareholder is a juridical person, a person who is an Executive of the juridical person);

(4) A consultant, accounting specialist, legal specialist, etc. who has received a large amount of money or other property (*5) from Each Group Company in addition to compensation for officers (if a person who has received such property is an organization such as a juridical person or association, the person belonging to such organization);

(5) A person who belongs to an auditing firm that is the Accounting Auditor of Each Group Company;

(6) An Executive of a party under mutual appointment as Outside Officer; or

(7) A person receiving a large amount of donations or grants (*6) from Each Group Company or an Executive thereof.

3. A spouse or relative within the second degree of kinship of a person who falls under any of the items of 1 or 2 above; or
4. A person whose total term of office as an Outside Director of the Company exceeds ten (10) years.

(Notes)

*1 An Executive includes a Director, Corporate Officer, Executive Officer, manager, or other employee who executes the business of a juridical person or other organization.

*2 Relationship with major business partners is defined as the case in which the total amount of transactions with Each Group Company accounts for two percent (2%) or more of consolidated sales (average for the most recent three (3) business years) in either of the Company or business partners (including their parent company and significant subsidiaries) in the most recent three (3) business years.

*3 A major borrower is defined as the case where the total amount of borrowings by Each Group Company accounts for two percent (2%) or more of the total consolidated assets (average for the most recent three (3) business years) as of the last day of the most recent three (3) business years.

*4 A major shareholder means a person who holds ten percent (10%) or more of the total voting rights directly or indirectly.

*5 A large amount of money or other property means ten million (10,000,000) yen or more per year.

*6 Large amount of donations or grants means ten million (10,000,000) yen or more per year.

Reference [Reduction of Strategic-Holding Shares]

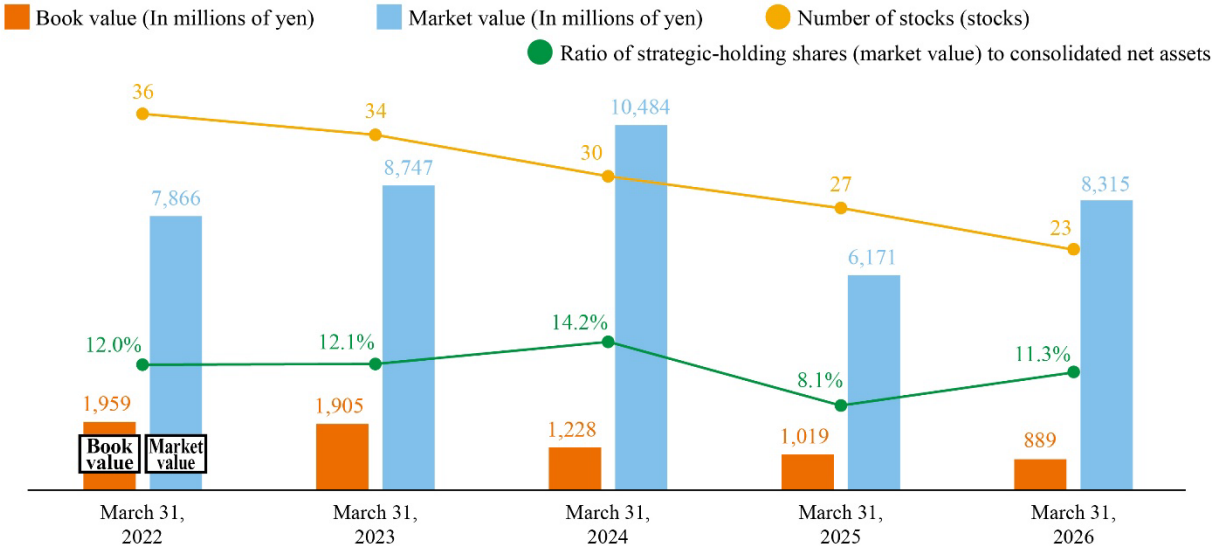
With regard to strategic-holding shares, the Company shall ensure that the Board of Directors annually review specifically the rationality of holding each company's stocks including the cost of equity and the benefits of holding, reducing the ratio of strategic-holding shares to reach less than 10% of consolidated net assets.
In fiscal 2025, in addition to reviewing the appropriateness of holding for every individual stock, the Company conducted a comprehensive review that included our capital policy, etc., and disposed of all or part of the 6 of the 27 stocks held.

<Sales of strategic-holding shares over the past three years>

	FY2023 The 95th fiscal year	FY2024 The 96th fiscal year	FY2025 The 97th fiscal year (Fiscal year under review)
Number of stocks sold	24 stocks	15 stocks	6 stocks
Total sales amount	¥2,577,949 thousand	¥1,830,136 thousand	¥914,719 thousand

(Note) The table shows the figures on a non-consolidated basis.

<Changes in ratio of strategic-holding shares>



(Note) The chart shows the figures on a non-consolidated basis.

Business Report

(April 1, 2025 - March 31, 2026)

1. Overview of the Corporate Group

(1) Business Progress and Results

The Japanese economy during the fiscal year under review was on a moderate recovery track, showing signs of improvement in consumer spending and capital investment against the backdrop of improved employment and income situations, despite the impact of US trade policies and price increases.

Overseas, while the US economy continued its moderate expansion, uncertainty persisted mainly owing to the backdrop of higher tariff rates in the US, the economic slowdown in China caused by the sluggish real estate market, as well as the situation in the Middle East.

In this environment, the Group advanced concrete initiatives under the three strategies, namely, “Global One Company,” “Stay ahead of customers’ expectations,” and “Take on the challenge toward new businesses and products,” in the first year of the three-year Medium-term Business Plan “One Vision, New Stage 2027.”

As a result, consolidated net sales amounted to 131,377 million yen, or up 2.5% year on year, consolidated operating profit was 11,408 million yen, or up 8.8% year on year, consolidated ordinary profit came to 11,786 million yen, or up 11.3% year on year, and profit attributable to owners of parent was 7,569 million yen, or up 2.7% year on year. Net sales and each profit area reached record highs for five consecutive years.

Net sales		Operating profit	
¥131,377 million	Up 2.5% YoY	¥11,408 million	Up 8.8% YoY

Ordinary profit		Profit attributable to owners of parent	
¥11,786 million	Up 11.3% YoY	¥7,569 million	Up 2.7% YoY

Return on sales (ROS)		Return on equity (ROE)	
8.7%	Up 0.5% YoY	11.4%	Up 0.0% YoY

Results by segment are as follows.

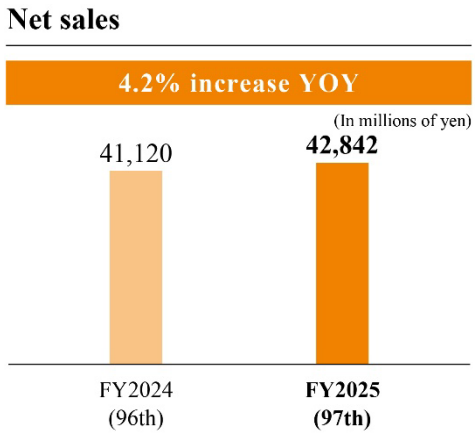
1) Transportation

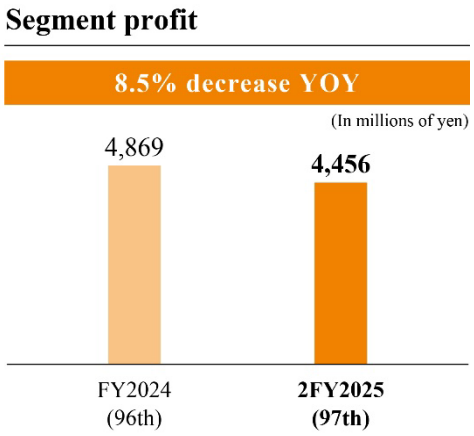
In Japan, revenue increased due to expanded sales of elastomer compounds.

Overseas, revenue increased due to expanded sales of compounds in ASEAN.

Segment profit decreased as higher sales in Japan and overseas were offset by increased costs related to capital investments in these regions.

As a result, net sales amounted to 42,842 million yen, and segment profit came to 4,456 million yen.





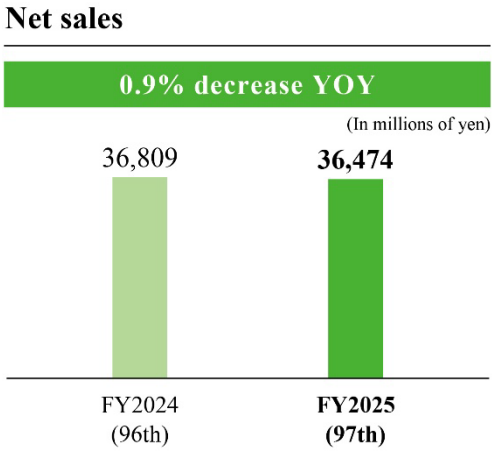
2) Daily Life & Healthcare

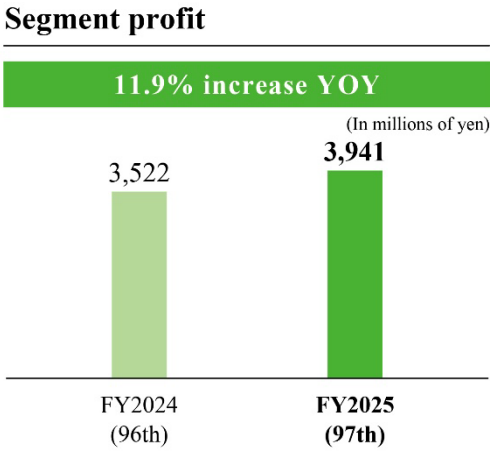
In Japan, while sales of PVC compounds for consumer goods remained steady, sales of household wrap products and films fell, resulting in a decrease in revenue.

Overseas, sales of PVC compounds fell in the US and China markets, resulting in a decline in revenue.

Segment profit increased due to expanded sales of PVC compounds for the medical market in ASEAN.

As a result, net sales amounted to 36,474 million yen, and segment profit came to 3,941 million yen.





3) Electronics

In Japan, there was progress in transferring the soaring raw material costs into sales prices amid sluggish demand for electric wires, leading to an increase in revenue.

Overseas, sales of PVC compounds rose in the US, Thai, and Chinese markets, resulting in an increase in revenue.

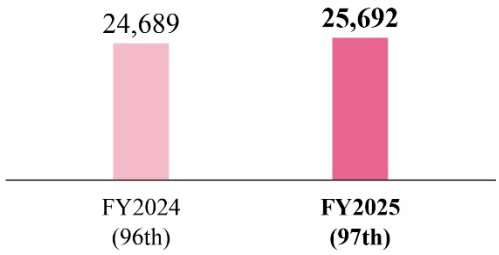
Segment profit increased due to revision of sales prices of compounds and films in Japan to fair and reasonable levels.

As a result, net sales amounted to 25,692 million yen, and segment profit came to 1,835 million yen.

Net sales

4.1% increase YOY

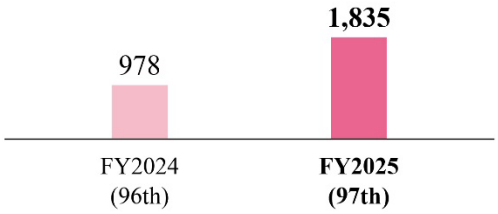
(In millions of yen)



Segment profit

87.7% increase YOY

(In millions of yen)



4) Building & Construction

In Japan, there was progress in transferring the higher costs of compounds and films into sales prices, and higher sales of PVC compounds, resulting in an increase in revenue.

Overseas, sales of PVC compounds decreased in Thailand, resulting in a decline in revenue.

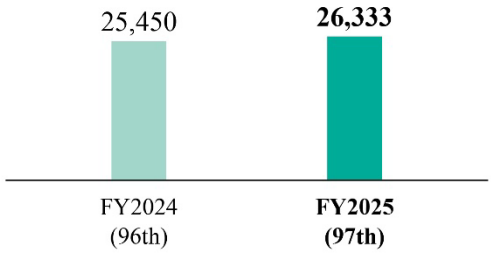
Segment profit increased due to the revision of sales prices of compounds and films in Japan to fair and reasonable levels.

As a result, net sales were 26,333 million yen, and segment profit amounted to 1,041 million yen.

Net sales

3.5% increase YOY

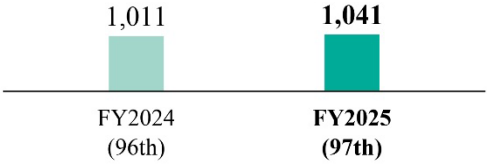
(In millions of yen)



Segment profit

2.9% increase YOY

(In millions of yen)



(2) Capital Investments

Total capital expenditures amounted to 5,257 million yen in the fiscal year under review. Major investments are described below.

Major facilities under development in the fiscal year under review

・ The Company Mie Factory

Construction of additional compounds manufacturing facilities

(3) Financing

No material items to report.

(4) Issues to Be Addressed

The Japanese economy is expected to follow a moderate expansionary trend, underpinned by an increase in internal demand, such as consumer spending and capital investment. However, the outlook will likely remain uncertain as there are concerns over the impact of rising energy prices stemming from the situation in the Middle East, the continued depreciation of the yen, and growing personnel expenses.

In such a situation, with its management policy of "One Vision, New Stage 2027" in the three-year Medium-term Business Plan, the Group aims to become the leading provider of comfort for all living spaces.

FY2026 is the second year of the three-year Medium-term Business Plan. The Group will focus on two pillars of increasing "Earning Power" and "Sustainability," while also working on financial strategies and stakeholder communication. To increase "Earning Power," the Group will pursue the three strategies of "Global One Company," "Stay Ahead of Customers' Expectations," and "Take on the Challenge Toward New Businesses and Products."

[Earning Power]

1) Global One Company

While we aim to operate as a globally unified company and our focus on ASEAN remains unchanged, we will also prioritize growth investments within Japan. We will also focus on expanding business with non-Japanese companies as well as Japanese companies in the global market.

2) Stay Ahead of Customers' Expectations

We will enhance our information gathering and analysis capabilities, and, most importantly, invest in the development of personnel, to enable us to deepen our understanding of our customers' markets and provide better and more optimal proposals. Following the establishment of the new Monozukuri Headquarters in FY2025, we have been taking measures to achieve this. Going forward, our R&D, manufacturing, quality control, and procurement divisions will further advance their unified efforts to propose and provide optimal products for our customers more quickly. We will also focus on investments in MI and DX to support these efforts.

3) Take on the Challenge Toward New Businesses and Products

Under the Monozukuri Headquarters, we will focus even more on developing new products demanded by the market as a challenger to increase the proportion of new products in our business portfolio. Regarding new businesses, we are also conducting joint research with numerous universities, aiming to launch these projects as new businesses during the three-year Medium-term Business Plan.

[Sustainability]

As a major pillar alongside each of the "Earning Power" strategies, we will work on environmental initiatives, including decarbonization, as well as enhancing governance and risk management. We view these initiatives in particular as issues of perpetuity, concerning our medium- to long-term corporate existence, and recognizing that they will help reduce the cost of equity, we will pursue them steadily.

[Financial strategies]

We will continue to promote reforms aiming to build a "value-creating balance sheet." Taking into account the impact of the situation in the Middle East, we will consider temporary increases in cash and deposits and assets, while also implementing structural reforms of our balance sheet, such as improving the cash conversion cycle and reducing our holdings of investment securities. Using the cash generated in addition to the three-years of operating cash flow, we will promote growth/strategic investments, shareholder returns, and other initiatives.

[Stakeholder communication]

We intend to strengthen our external communications, including IR and SR activities, to ensure that our stakeholders understand the above initiatives outlined in our three-year Medium-term Business Plan. We will also work to expand the base of shareholders who are willing to invest in us.

Looking by segment, in "Transportation," we will strengthen our efforts in the fields of Vehicle Wires and Molded Parts for Automobiles, while working to increase sales of existing products and tap into new markets on a global scale.

In "Daily Life & Healthcare," we will strengthen our efforts in the Medical Market and the Food Packaging fields, and implement a sales strategy from a global perspective.

In "Electronics," our focus will be placed on the fields of Electric Power and Industrial Wires, and Telecommunications/Mobility/Robotics/FA, and on advancing sales promotion activities on a global scale.

In "Building & Construction," we will strengthen initiatives in Construction Films for housing and non-housing markets, and the Housing and Building Materials fields, while also expanding sales overseas where demand in infrastructure and building materials is increasing.

In terms of corporate governance, we will implement our management philosophy, "RIKEN TECHNOS WAY," further strengthen group governance, and ensure the transparency and impartiality of group management.

The Group will also engage in deeper constructive dialogue with shareholders and investors and will strive to increase its corporate value over the medium and long term.

We anticipate that competition will become increasingly severe on a global scale. Each division and consolidated subsidiary in Japan and abroad will cooperate in tackling various issues, with all employees working as one toward accomplishing the three-year Medium-term Business Plan.

[Reference] Sustainability Initiatives

1. Governance system

In light of dramatic changes in the environment surrounding the RIKEN TECHNOS Group (the "Group"), we have established the Sustainability Committee as a function linking the frontlines and management in order to further incorporate the expectations of stakeholders into our corporate activities. The Sustainability Committee and its subordinate organization, the Environment Committee, deliberate on various material issues (materialities) including climate change, and report their deliberations and findings to the Management Committee.

The Sustainability Committee defines key performance indicators (KPI) for the material issues (materialities) identified as being of particular importance to the Group, and the Board of Directors resolves them. Initiatives for achieving the KPIs were implemented, and the progress of these initiatives was reported to the Board of Directors on a quarterly basis. By managing this progress, the Group is repeating the PDCA cycle and working to realize its long-term vision.

(Sustainability promotion structure chart)



2. Strategies and indicators

The Group has identified material issues (materialities) that need to be addressed to realize our long-term vision. The following 12 items of the materialities were considered as of particular importance. To promote initiatives, the Group has set KPIs for these items. The progress of materialities is managed by the Sustainability Committee.

Materialities	Evaluation standards (KPIs)	Mid- to long-term targets	
		FY2027	FY2030
Contribute to a sustainable global environment	・Achieve emissions reduction targets for 2030 (non-consolidated)	29,792 t	24,139 t (46.2% decrease from FY2019)
	・Carbon neutrality in 2050 (Group)	-	-
	・Ratio of total waste to total production (non-consolidated)	3.2% or below	3.0% or below
Promote health management and occupational safety and health	・Number of accidents resulting in absence from work (domestic)	0	0
	・Certification of the Outstanding Organizations of KENKO Investment for Health	Acquire certification	Maintain certification
Nurture appropriate human resources for a challenger	・Training cost per employee (non-consolidated)	¥160 thousand	¥200 thousand
	・Positive response rate of applicable questions in the employee opinion survey (non-consolidated)	70%	75%
Improve quality and secure product safety	・Significant quality incident resulting in recall (non-consolidated)	0	0
	・Major violation of legal compliance and laws and regulations on the use of chemical substances (non-consolidated)	0	0
Create new businesses and products	・Number of patent applications (non-consolidated)	(Accumulated) 75 (FY2025 to FY2027)	(Accumulated) 210 (FY2022 to FY2030)
	・New product sales ratio (non-consolidated and overseas manufacturing subsidiaries)	23%	25%
Improve production technologies and production efficiency	・Production capacity (non-consolidated)	(vs. FY2021) +11%	(vs. FY2021) +15%
Business reforms based on DX	・Nurture MI personnel (non-consolidated) * Personnel capable of teaching MI	15	20
	・DX training attendance rate (non-consolidated)	100%	100%
Improve employee engagement	・Engagement score (positive response rate) (non-consolidated)	60%	70%
Promote diversity, equity and inclusion (DE&I)	・Percentage of global personnel* in managerial positions (Group) * Personnel with at least one year of work experience outside of their home country	24%	26%
	・Percentage of female managers (Group)	20%	22%
Respect for human rights	・Degree of penetration of respect for human rights (non-consolidated)	Increase compared to FY2025	Increase compared to FY2027
	・Implementation of human rights due diligence for suppliers and improvement rate of 100% (non-consolidated)	100%	100%
Dialogue with stakeholders	・Interviews with investors and existing shareholders (non-consolidated)	190	200 companies or more per year
	・Assessment response rate to customer satisfaction survey results* (non-consolidated) * Percentage of customers that have completed improvement measures among those deemed to require action	100%	100%
Stable supply of products	・Identify supply risks for core products and determine/execute policies (non-consolidated)	Identify supply risks for core products and determine/execute policies	Strengthen risk control for core products

3. Response to climate change (Contribute to a sustainable global environment)

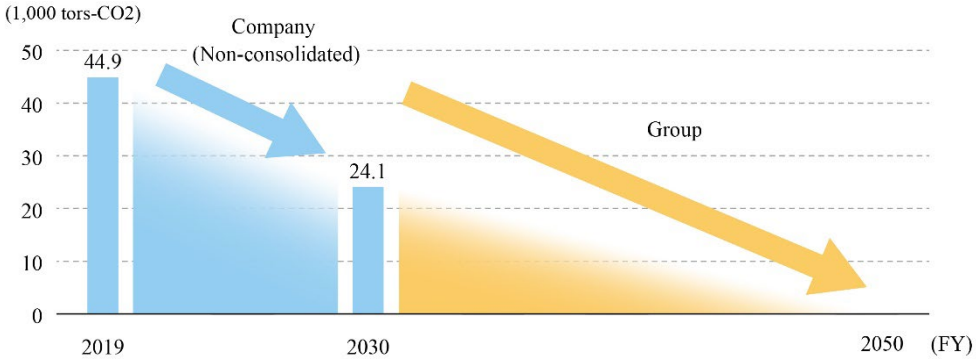
Addressing greenhouse gas emissions poses a risk for the Group's overall financial condition. Meanwhile, by developing products acceptable to a decarbonized society, this situation can also lead to business opportunities. In addition to setting medium- to long-term emissions reduction targets for the Group as a whole, we are planning specific initiatives to cut CO_2 emissions and have determined indicators to manage the progress of these initiatives.

The Group's medium- to long-term CO_2 emissions reduction targets (Scope 1 and 2)

- The Company's non-consolidated targets for 2030 (Scope 1 and 2)
  24,139 tons (46.2% decrease from FY2019) *(FY2019 baseline: 44,868 tons)

We are seeking to achieve carbon neutrality for the entire Group by 2050.

CO_2 emissions reduction targets



4. Human resource strategy (“Nurture appropriate human resources for a challenger”)

We consider it to be the most important to secure and nurture personnel who are required to execute the strategies under the Group’s three-year Medium-term Business Plan, and are implementing various initiatives.

Medium-term business plan strategies	Human resources needed for strategy implementation
Global One Company	Human resources who can perform overseas or undertake management with a global perspective
Stay ahead of customers’ expectations	Human resources with analytical skills and strategic perspectives that stay ahead of customers’ expectations
Take on the challenge toward new businesses and products	Human resources with diverse viewpoints who give birth to new businesses and products

The Group formulated its “Human Resource Development Policy” and “Internal Environment Development Policy” to realize diverse ways of working and to create schemes and environment where diverse human resources feel comfortable in exerting their individualities and work to their fullest potential freely and energetically.

<Human Resource Development Policy>

Employees and the Company have a relationship of mutual growth, and “the employee’s growth means the company’s growth.”

Our policy for human resource development aims for a state in which 1) each employee implements the “RIKEN TECHNOS WAY” and grows into human resource that the Company expects them to be; and 2) the Company achieves growth simultaneously by uniting abilities possessed by each individual and exerting it as an organizational capability.

<Internal Environment Development Policy>

To become a globally competitive company, the policy for internal environment development of the Company is to establish systems and foster a culture so that employees with diverse individualities can play active roles at work.

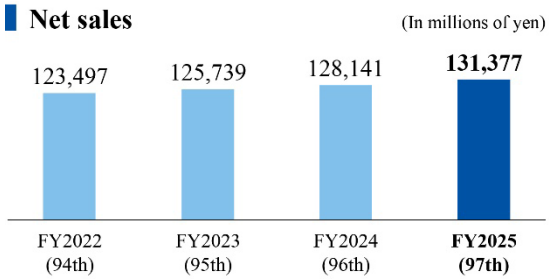
(5) Trends in Assets and Income

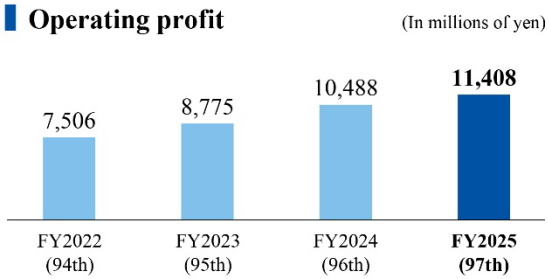
1) Trends in assets and income of the corporate group

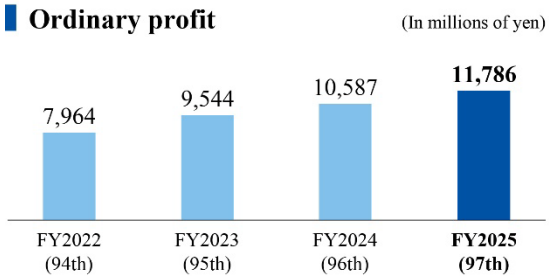
(In millions of yen, unless otherwise specified.)

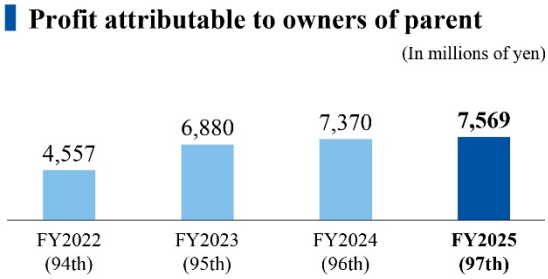
Item	FY2022 The 94th fiscal year	FY2023 The 95th fiscal year	FY2024 The 96th fiscal year	FY2025 The 97th fiscal year (Fiscal year under review)
Net sales	123,497	125,739	128,141	131,377
Operating profit	7,506	8,775	10,488	11,408
Ordinary profit	7,964	9,544	10,587	11,786
Profit attributable to owners of parent	4,557	6,880	7,370	7,569
Basic earnings per share (yen)	72.11	114.24	137.67	153.72
Total assets	112,002	115,650	116,469	119,103
Total net assets	72,165	74,017	75,780	78,442
Net assets per share (yen)	999.00	1,171.61	1,267.50	1,421.00

(Note) The Company has applied "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022) from the 96th fiscal year onward. The status of assets and income for the 96th fiscal year is presented based on figures after applying the said accounting standard.







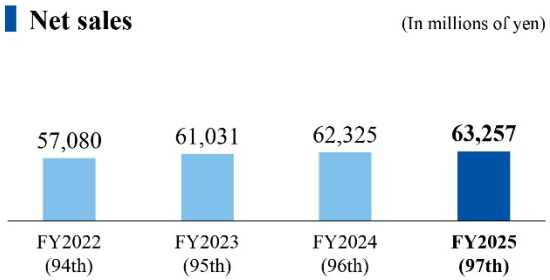


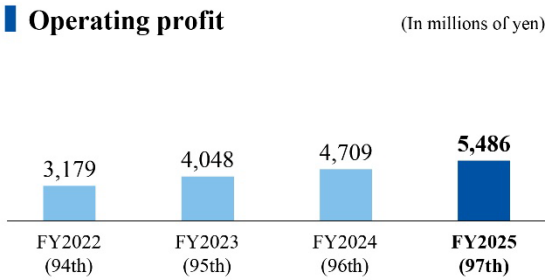
2) Trends in assets and income of the Company

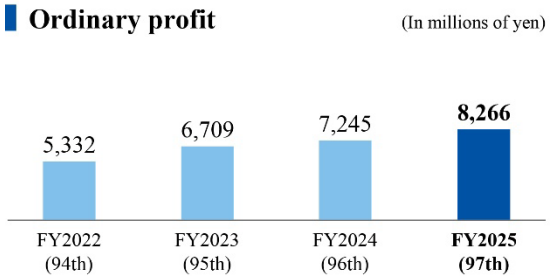
(In millions of yen, unless otherwise specified.)

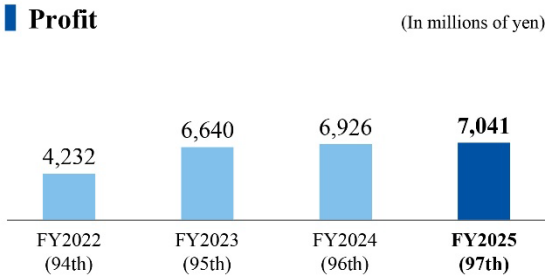
Item	FY2022 The 94th fiscal year	FY2023 The 95th fiscal year	FY2024 The 96th fiscal year	FY2025 The 97th fiscal year (Fiscal year under review)
Net sales	57,080	61,031	62,325	63,257
Operating profit	3,179	4,048	4,709	5,486
Ordinary profit	5,332	6,709	7,245	8,266
Profit	4,232	6,640	6,926	7,041
Basic earnings per share (yen)	66.96	110.26	129.37	143.00
Total assets	76,493	78,494	73,453	76,070
Total net assets	54,469	53,973	52,156	53,844
Net assets per share (yen)	861.05	981.30	1,019.12	1,131.44

(Note) The Company has applied "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022) from the 96th fiscal year onward. The status of assets and income for the 96th fiscal year is presented based on figures after applying the said accounting standard.









(6) Material Parent Companies and Subsidiaries

1) Parent companies

Not applicable.

2) Material subsidiaries

Company	Capital	Shareholding by the Company (%)	Main business item
RIKEN CABLE TECHNOLOGY CO., LTD.	Thousand JPY 48,000	100.00	Manufacture and sales of electric wire and cable
KYOEI PLASTIC MFG CO., LTD.	Thousand JPY 24,000	100.00	Molding, processing and sales of synthetic resin products
RIKEN CHEMICAL PRODUCTS CO., LTD.	Thousand JPY 300,000	100.00	Manufacture and sales of PVC and high functional plastic compound
IMI Co., LTD.	Thousand JPY 30,000	89.23	Wholesaling of flooring and wall-covering materials, planning and design services for wall-covering materials, and wholesaling of other building materials
RIKEN (THAILAND) CO., LTD.	Thousand THB 120,000	40.00	Manufacture and sales of PVC compound
RIKEN ELASTOMERS (THAILAND) CO., LTD.	Thousand THB 300,000	100.00	Manufacture and sales of high functional plastic compound
PT. RIKEN INDONESIA	Thousand USD 11,000	56.22	Manufacture and sales of PVC compound
RIKEN VIETNAM CO., LTD.	Thousand USD 20,000	100.00	Manufacture and sales of PVC compound
RIKEN TECHNOS INDIA PVT. LTD.	Thousand INR 20,000	100.00 (1.00)	Sales, import and export of plastic products
SHANGHAI RIKEN TECHNOS CORPORATION	Thousand USD 7,500	70.00	Manufacture and sales of PVC compound and procurement and sales of functional film products
RIKEN TECHNOS (JIANGSU) CORPORATION	Thousand USD 13,500	92.59	Manufacture and sales of food wrapping film
RIKEN TECHNOS INTERNATIONAL KOREA CORPORATION	Thousand KRW 1,800,000	100.00	Sales, import and export of plastic products
RIKEN U.S.A. CORPORATION	Thousand USD 1,000	100.00	Procurement and sales of functional film
RIKEN AMERICAS CORPORATION	Thousand USD 30,000	62.94	Sales of high functional plastic compound and PVC compound
RIMTEC CORPORATION	Thousand USD 13,415	62.94 (62.94)	Manufacture of PVC compound
RIKEN ELASTOMERS CORPORATION	Thousand USD 28,741*3	62.94 (62.94)	Manufacture of high functional plastic compound and PVC compound

Notes: 1. Figures in parenthesis in Shareholding by the Company indicate indirect ownership ratio included in the total.

2. RIMTEC CORPORATION is RIMTEC MANUFACTURING CORPORATION in the company register.

3. Capital marked with an asterisk includes legal capital surplus.

(7) Principal Business

The Group conducts business in the following four segments based on markets in the three business domains of compounds, films, and food packaging.

Segment name [market]	Key fields	Major products
Transportation [automobile, railroad, and shipping markets, etc.]	Vehicle Wires Molded Parts for Automobiles	Compounds Films
Daily Life & Healthcare [healthcare, consumer goods and food wrapping film markets, etc.]	Medical Market (blood circuit and single-use) Food Packaging (small-roll and commercial-use)	Compounds Films Food wrapping films
Electronics [energy, telecommunications, and IT devices markets, etc.]	Electric Power and Industrial Wires (ASEAN) Telecommunications/Mobility/Robotics/FA	Compounds Films
Building & Construction [housing, buildings, construction materials, and civil engineering markets, etc.]	Construction Films Housing and Building Materials	Compounds Films

(8) Principal Sales Offices and Factories

1) The Company

Name	Location
Head Office	Chiyoda-ku, Tokyo
Osaka Branch Office	Kita-ku, Osaka-shi
Nagoya Sales Office	Naka-ku, Nagoya-shi
Saitama Factory	Fukaya-shi, Saitama
Mie Factory	Kameyama-shi, Mie
Gunma Factory	Ota-shi, Gunma
Nagoya Factory	Minami-ku, Nagoya-shi
R&D Center	Ota-ku, Tokyo / Fukaya-shi, Saitama / Kameyama-shi, Mie

2) Subsidiaries

Name	Location
RIKEN CABLE TECHNOLOGY CO., LTD.	Iruma-shi, Saitama
KYOEI PLASTIC MFG CO., LTD.	Nishi Shirakawa-Gun, Fukushima
RIKEN CHEMICAL PRODUCTS CO., LTD.	Konan-shi, Shiga
IMI Co., LTD.	Chiyoda-ku, Tokyo
RIKEN (THAILAND) CO., LTD.	Pathumthani, THAILAND
RIKEN ELASTOMERS (THAILAND) CO., LTD.	Pranakorn Sri Ayutthaya, THAILAND
PT. RIKEN INDONESIA	Jawa Barat, INDONESIA
RIKEN VIETNAM CO., LTD.	Binh Duong Province, VIET NAM
RIKEN TECHNOS INDIA PVT. LTD.	Haryana, INDIA
SHANGHAI RIKEN TECHNOS CORPORATION	Shanghai, CHINA
RIKEN TECHNOS (JIANGSU) CORPORATION	Jiangsu Province, CHINA
RIKEN TECHNOS INTERNATIONAL KOREA CORPORATION	Asan-si, Korea
RIKEN U.S.A. CORPORATION	Michigan, U.S.A.
RIKEN AMERICAS CORPORATION	Kentucky, U.S.A.
RIMTEC CORPORATION	New Jersey, U.S.A.
RIKEN ELASTOMERS CORPORATION	Kentucky, U.S.A.

Note: RIMTEC CORPORATION is RIMTEC MANUFACTURING CORPORATION in the company register.

(9) Employees

1) Employees of the corporate group

Number of employees	Change from the previous fiscal year-end
1,877	Decreased by 9

2) Employees of the Company

Number of employees	Change from the previous fiscal year-end	Average age	Average years of service
780	No changes	43.0 years old	17.6 years

Note: Number of employees is the number of full-time employees (excluding persons who were transferred to other companies and including persons who were transferred to the Company).

(10) Principal Lenders

(In millions of yen)

Lender	Amount of borrowing
Mizuho Bank, Ltd.	4,802
Resona Bank, Limited	1,500
Sumitomo Mitsui Banking Corporation	2,610
The Bank of Yokohama, Ltd.	789
City of Hopkinsville, Kentucky, U.S.A.	1,599

Notes: 1. The amount of borrowing from Mizuho Bank, Ltd. includes borrowings from PT. Bank Mizuho Indonesia, its local subsidiary in Indonesia.

2. The amount of borrowing from Resona Bank, Limited includes borrowings from PT Bank Resona Perdania, its local subsidiary in Indonesia.

(11) Other Significant Matters concerning the Corporate Group

Not applicable.

2. Status of Shares

(1) Total Number of Shares Authorized to Be Issued 236,000,000 shares

(2) Total Number of Shares Outstanding 51,274,821 shares

(3) Number of Shareholders 16,832 persons

(4) Major Shareholders (10 Major Shareholders)

Name	Number of shares held	Shareholding ratio
	Thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,949	10.25
Custody Bank of Japan, Ltd. (Trust Account)	1,908	3.95
Mizuho Bank, Ltd.	1,860	3.85
Resona Bank, Limited	1,860	3.85
Shin-Etsu Chemical Co., Ltd.	1,700	3.52
Meiji Yasuda Life Insurance Company	1,604	3.32
Marubeni Corporation	1,513	3.13
Mitsubishi Corporation	1,459	3.02
MITSUI & CO., LTD.	1,344	2.78
Sumitomo Mitsui Banking Corporation	1,284	2.66

Notes: 1. Treasury shares (2,983,333 shares) were excluded in the calculation of shareholding ratio.
2. Treasury shares (2,983,333 shares) above do not include 702,200 shares in the Company held by Trust Account E, which was established at the introduction of Board Benefit Trust (BBT) and Employee Stock Benefit Trust (J-ESOP).

(5) Status of Shares Granted to Company Officers during the Fiscal Year under Review as Consideration for performance of duties

Stock-based compensation delivered to officers of the Company through the Board Benefit Trust (BBT) during the fiscal year under review is as follows.

Officer classification	Number of shares	Number of eligible officers
Director (excluding Director serving as Audit & Supervisory Committee Member and Outside Director)	26,300	1

Note: The above represents shares delivered to the Company's officers who have retired.

(6) Other Important Matters regarding Shares

The Company cancelled 2,000,198 treasury shares on June 30, 2025, based on a resolution at a meeting of the Board of Directors held on June 20, 2025.

3. Matters Regarding Share Acquisition Rights

Not applicable.

4. Company Officers

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

Position	Name	Responsibilities and significant concurrent positions
Representative Director, President & CEO	Kazuaki Tokiwa	
Representative Director, Executive Vice President	Junji Irie	Senior General Manager, Administrative Div.
Director, Senior Managing Executive Officer	Gakuyuki Kajiyama	Senior General Manager, Sales & Marketing Div.
Director, Managing Executive Officer	Tomozo Ogawa	Senior General Manager, Monozukuri Headquarters Senior General Manager, Compound Div., Monozukuri Headquarters Senior General Manager, Procurement Div., Monozukuri Headquarters
Director (Full-time Audit & Supervisory Committee Member)	Takashi Shimada	
Director (Audit & Supervisory Committee Member)	Shigeharu Nakamura	
Director (Audit & Supervisory Committee Member)	Shigeru Ehara	
Director (Audit & Supervisory Committee Member)	Aogi Suemura	Outside Director (Audit & Supervisory Committee Member), Nippon Denko Co., Ltd
Director (Audit & Supervisory Committee Member)	Sachie Kinugawa	Outside Director, The Bank of Nagoya, Ltd. Outside Audit & Supervisory Board Member, Nissan Chemical Corporation Outside Director, Takachiho Koheki Co., Ltd.

Notes: 1. Directors (Audit & Supervisory Committee Members), Mr. Shigeharu Nakamura, Mr. Shigeru Ehara, Ms. Aogi Suemura, and Ms. Sachie Kinugawa are Outside Directors.
2. Directors (Audit & Supervisory Committee Members), Mr. Shigeharu Nakamura, Mr. Shigeru Ehara, Ms. Aogi Suemura, and Ms. Sachie Kinugawa are registered as Independent Directors with the Tokyo Stock Exchange.
3. Director (Audit & Supervisory Committee Member) Mr. Shigeharu Nakamura has many years of experience working at a leading commercial bank and have considerable knowledge about finance and accounting.
4. Director (Audit & Supervisory Committee Member) Mr. Shigeru Ehara has many years of experience working at casualty insurance companies as well as an officer in charge of finance, and has considerable knowledge about finance and accounting.
5. Director (Audit & Supervisory Committee Member) Ms. Aogi Suemura is a certified public accountant and has considerable knowledge about finance and accounting.
6. Director (Audit & Supervisory Committee Member) Ms. Sachie Kinugawa has many years of experience working at leading commercial banks and securities firms, and has extensive experience and broad knowledge as a corporate manager.
7. A full-time Audit & Supervisory Committee Member has been elected to strengthen the auditing and supervising functions of the Audit & Supervisory Committee by enabling the information gathering from each division within the Company and close collaboration with internal audit divisions.
8. Director, Managing Executive Officer Mr. Tomozo Ogawa was newly elected at the 96th Ordinary General Meeting of Shareholders held on June 20, 2025 and assumed the respective office.
9. Director (Audit & Supervisory Committee Member) Ms. Sachie Kinugawa was newly elected at the

96th Ordinary General Meeting of Shareholders held on June 20, 2025 and assumed the respective office.

10. Director (Audit & Supervisory Committee Member) Mr. Shigeharu Nakamura retired as Outside Director (Audit and Supervisory Committee Member) of TOYO KANETSU K.K. as of June 26, 2025, where he used to hold concurrent positions.
11. Director (Audit & Supervisory Committee Member) Ms. Aogi Suemura retired as External Director and Audit & Supervisory Committee Member of Nomura Real Estate Holdings, Inc. on December 31, 2025, where she used to hold concurrent positions.
12. Changes in the positions and responsibilities of Directors during the fiscal year under review are as follows.

Name	After change	Before change	Date of change
Tomozo Ogawa	Director, Managing Executive Officer Senior General Manager, Monozukuri Headquarters Senior General Manager, Procurement Div., Monozukuri Headquarters	Managing Executive Officer Senior General Manager, Monozukuri Headquarters Senior General Manager, Procurement Div., Monozukuri Headquarters	June 20, 2025
Tomozo Ogawa	Director, Managing Executive Officer Senior General Manager, Monozukuri Headquarters Senior General Manager, Compound Div., Monozukuri Headquarters Senior General Manager, Procurement Div., Monozukuri Headquarters	Director, Managing Executive Officer Senior General Manager, Monozukuri Headquarters Senior General Manager, Procurement Div., Monozukuri Headquarters	January 19, 2026

(2) Directors Who Resigned during the Fiscal Year under Review

Not applicable.

(3) Summary of Limited Liability Agreement

The Company has entered into agreements with all Outside Directors to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability under the said agreement is the minimum liability amount stipulated by laws and regulations.

(4) Summary of Directors and Officers Liability Insurance Agreement

The Company has entered into a directors and officers liability insurance agreement pursuant to Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insured parties of the said insurance agreement are the Company's Directors (excluding Directors serving as Audit & Supervisory Committee Members), Directors (Audit & Supervisory Committee Members) and Executive Officers. The insured parties do not bear insurance premiums. The insurance agreement covers litigation expenses and legal damages in the event of claims for damages made against the insured parties during the insurance period.

However, to ensure that the properness of the performance of duties by the insured parties is not impaired, there are certain exemptions; for example, damages caused as a result of any conduct committed while knowing that the conduct is in violation of laws and regulations shall not be covered.

(5) Compensation of Directors

1) Matters regarding policy for determining individual compensation, etc., for Directors

a. How to decide the determination policy

The policy for determining individual compensation, etc., for Directors was decided at a meeting of the Board of Directors held on February 22, 2021. Its contents were then partially revised based on decision at meetings of the Board of Directors held on February 21, 2022, February 26, 2024, and February 25, 2025. The Board of Directors consulted in advance with the Compensation Committee, where more than half of the members are Independent Outside Directors, with respect to the results of such reports, and decided the policy.

b. Outline of contents of the determination policy

The following is a summary of the contents of the determination policy decided at the Board of Directors meeting held on February 25, 2025.

(i) Basic Policy

Compensation for Directors (excluding Directors serving as Audit & Supervisory Committee Members) is set at an appropriate level of compensation in accordance with the positions and responsibilities of Directors, based on a compensation plan that motivates Directors to improve business performance in each fiscal year and improve corporate value over the medium to long term, while also enabling them to share value with shareholders. To ensure objectivity and transparency when determining these levels, respect is shown to the opinions of the Compensation Committee, where more than half of the members are Independent Outside Directors.

Specifically, compensation for Directors (excluding Directors serving as Audit & Supervisory Committee Members) consists of executive compensation and supervisory compensation. Executive compensation consists of a fixed amount of basic compensation (cash), bonuses as short-term performance-linked compensation (cash and stock benefits), and stock benefits paid as medium- to long-term performance-linked compensation. Supervisory compensation consists of a fixed amount of basic compensation (cash) and a fixed amount of stock benefits.

(ii) Policy for Determining the Amount of Individual Compensation, etc., for Basic Compensation (Including Policies Related to Determining the Timing or Terms of Compensation, etc.)

Of executive compensation for Directors (excluding Directors serving as Audit & Supervisory Committee Members), basic compensation consists of fixed compensation paid monthly as cash, after the amount of individual compensation is determined for the relevant fiscal year based on the basic compensation standards in accordance with position and rank (evaluation), and adjusted for the Company's performance, etc. (consolidated) in the case of those who serve concurrently as Executive Officers with special titles of Managing Executive Officer or higher, and adjusted for their responsibilities in the relevant fiscal year, the expected level of performance in the departments under their supervision, and their expected level of contribution, etc. to the company-wide strategy in the case of other Directors (excluding Directors serving as Audit & Supervisory Committee Members).

In addition, of supervisory compensation, basic compensation consists of fixed compensation paid monthly as cash, after the amount of individual compensation is determined in accordance with whether or not the Director has the authority of representation.

(iii) Policy for Determining the Calculation Method for the Content, Amount, and Number of Performance-Linked Compensation (Including Policies Related to Determining the Timing or Terms of Compensation, etc.)

Performance-linked compensation for Directors (excluding Directors serving as Audit & Supervisory Committee Members) consists of bonuses as short-term performance-linked compensation (cash and stock benefits) and stock benefits paid as medium- to long-term performance-linked compensation.

Bonuses (cash and stock benefits) paid as short-term performance-linked compensation for Directors (excluding Directors serving as Audit & Supervisory Committee Members) is calculated by adjusting the amount of basic bonuses, which is set based on basic compensation (cash) as a component of individual executive compensation, for the level of achievement of the following short-term performance-linked indicators for the relevant fiscal year, and a certain percentage of the bonuses is paid as stock benefits according to the position of the Director. Furthermore, bonuses are paid in July of each year.

Short-term performance-linked indicators consist of company performance indicators and individual performance indicators. However, performance-linked indicators for Directors who serve

concurrently as Executive Officers with special titles of Managing Executive Officer or higher consist only of company performance indicators. Company performance indicators are calculated using consolidated operating profit, consolidated ordinary profit, and ROE, to motivate the improvement of business performance for the relevant fiscal year. Individual performance indicators are calculated using the performance of departments under supervision and contribution to the company-wide strategies in order to reflect the execution of duties by individuals and their contribution to the realization of management strategies in their compensation.

The amount of the stock benefit as medium- to long-term performance-linked compensation is calculated taking into account the level of achievement rate of the following medium- to long-term performance-linked indicators for the relevant fiscal year in addition to the fixed amount for each individual. Stock benefits are paid in July of each year.

The medium- to long-term performance-linked indicators consist of Medium-term Business Plan target-linked indicators, materiality-linked indicators, human resource diversity-linked indicators, and individual contribution indicators in order to motivate the enhancement of corporate and shareholder value over the medium- to long-term. However, performance-linked indicators for Directors who serve concurrently as Executive Officers with special titles of Managing Executive Officer or higher consist only of Medium-term Business Plan target-linked indicators, materiality-linked indicators, and human resource diversity-linked indicators. Medium-term Business Plan target-linked indicators are calculated using consolidated operating profit, ROE, ROIC, and EBITDA. Materiality-linked indicators are calculated using multiple material issue KPIs. Human resource diversity-linked indicators are calculated using diversity-linked indicators for management positions in the Group as a whole and the diversity-linked indicators for core human resources in the Company on a non-consolidated basis. Individual contributions indicators are calculated based on a comprehensive assessment of the level of contribution to achieving the targets in the Medium-term Business Plan, material issues, and human resource diversity.

(iv) Policy for Determining the Calculation Method for the Content, Amount, and Number of Non-cash Compensation (Including Policies Related to Determining the Timing or Terms of Compensation, etc.)

Stock benefits (performance-linked compensation as a component of executive compensation and supervisory compensation), which are a form of non-cash compensation for Directors (excluding Directors serving as Audit & Supervisory Committee Members), consist of a Board Benefit Trust (BBT). Points corresponding to the amount of compensation are granted in July of each year, and a number of stock benefits corresponding to the number of points is paid upon retirement.

Of executive compensation, stock benefits paid as performance-linked compensation are determined as described in the above (iii). In addition, of supervisory compensation, stock benefits paid are a fixed amount, determined on an individual basis.

(v) Policy for Determining the Ratio of the Amount of Cash Compensation, the Amount of Performance-Linked Compensation, etc., and the Amount of Non-cash Compensation, etc. to the Amount of Individual Compensation, etc., for Directors

With regard to compensation for Directors (excluding Directors serving as Audit & Supervisory Committee Members), for each individual, the ratio of the amount of cash compensation excluding performance-linked compensation (basic compensation as a component of executive compensation and basic compensation as a component of supervisory compensation), the amount of bonuses paid as short-term performance-linked compensation (cash and stock benefits), the amount of stock benefits paid as medium- to long-term performance-linked compensation and the fixed amount of stock benefits, is approximately 50:30:10:10, assuming that the level of achievement for performance-linked compensation is 100%. In addition, for each individual, the ratio of the amount of cash compensation (basic compensation as a component of executive compensation and the cash portion of the bonus as short-term performance-linked compensation, as well as the basic compensation as a component of supervisory compensation) and the amount of stock-based compensation (stock benefits paid as the performance-linked compensation component of executive compensation and fixed stock benefits paid as supervisory compensation) is approximately 75:25, assuming that the level of achievement for performance-linked compensation is 100%.

Furthermore, the individual ratios of the amounts of compensation are revised as appropriate by the Board of Directors after consulting with the Compensation Committee, based on any changes in compensation levels, etc.

(vi) Policy for Reducing and Repaying the Amount of Compensation (malus and clawback provision)

With regard to compensation for Directors (excluding Directors serving as Audit & Supervisory Committee Members), if there is a material error in the financial statements or a material accounting irregularity, or if Directors (excluding Directors serving as Audit & Supervisory Committee Members) violate laws, regulations, or the Articles of Incorporation, etc., the Company shall be able to demand a reduction of the amount of compensation or the repayment of compensation paid.

The specific amount of the reduction or repayment demanded shall be determined by the Board of Directors after consulting with the Compensation Committee, with respect to the results of such reports.

(vii) Matters Related to the Determination of Individual Compensation, etc., for Directors

The details of the compensation system and individual compensation, etc., for Directors (excluding Directors serving as Audit & Supervisory Committee Members), are determined by the Board of Directors after consulting in advance with the Compensation Committee, a majority of which is composed of Independent Outside Directors, with respect for the results of such reports.

c. Reasons why the Board of Directors judged that the contents of individual compensation, etc. for Directors for the fiscal year under review were compliant with the determination policy

In determining contents of individual compensation, etc., for Directors (excluding Directors serving as Audit & Supervisory Committee Members), the Compensation Committee examined the draft in a comprehensive manner, including the consistency with the determination policy. Paying respect for the Committee's report, the Board of Directors judged that the contents were compliant with the determination policy.

2) Matters regarding performance-linked compensation, etc.

a. Contents of performance indicators and reasons for selection

This information is as described in 1) b. (iii) above.

b. Calculation method of the amount or units of performance-linked compensation, etc.

This information is as described in 1) b. (iii) above.

c. Actual results of performance indicators

Actual results of performance-linked indicators in the fiscal year under review are consolidated operating profit of 11,408 million yen, consolidated ordinary profit of 11,786 million yen, consolidated ROE of 11.4%, ROIC of 11.7%, and EBITDA of 15,676 million yen.

3) Details of non-monetary compensation

In order to achieve sustained growth of corporate value by having Directors share benefit with shareholders through shareholdings, the Company grants points to Directors under a Board Benefit Trust (BBT). The content of the plan is as provided in 1) b. (iv) above.

As described in "4) Compensation, etc. for the fiscal year under review" below, as compensation, etc. to Directors for the fiscal year under review, the Company recorded 20,458 thousand yen for Directors (excluding Audit & Supervisory Committee Members) (excluding Outside Directors), 933 thousand yen for Directors (Audit & Supervisory Committee Members) (excluding Outside Directors), and 1,911 thousand yen for Outside Directors (Audit & Supervisory Committee Members), all as provision for Board Benefit Trust (BBT).

4) Compensation, etc. for the fiscal year under review

Officer classification	Total amount of compensation, etc. (Thousands of yen)	Total amount by type of compensation, etc. (Thousands of yen)				Number of eligible Directors (Persons)
		Fixed compensation	Performance-linked compensation (Bonuses)		Fixed stock benefits	
		Basic compensation	Cash	Stock benefits		
Directors (excluding Audit & Supervisory Committee Members) (excluding Outside Directors)	203,975	120,471	63,044	10,425	10,033	4
Directors (Audit & Supervisory Committee Members) (excluding Outside Directors)	17,733	16,800	–	–	933	1
Outside Directors (Audit & Supervisory Committee Members)	37,911	36,000	–	–	1,911	4
Total	259,619	173,271	63,044	10,425	12,877	9

Notes: 1. The maximum amount of compensation for Directors (excluding Audit & Supervisory Committee Members) was resolved at the 87th Ordinary General Meeting of Shareholders held on June 24, 2016, to be no more than 250 million yen per year (including compensation for duties performed as Executive Officers by Directors serving concurrently as Executive Officers). The number of Directors (excluding Audit & Supervisory Committee Members) at the conclusion of this Ordinary General Meeting of Shareholders was four (4). Furthermore, the corresponding amount of compensation, etc., for Directors (excluding Audit & Supervisory Committee Members) for the fiscal year under review was 183,516 thousand yen (basic compensation: 120,471 thousand yen, bonuses (cash): 63,044 thousand yen).

2. The maximum amount of compensation for Directors (Audit & Supervisory Committee Members) was resolved at the 87th Ordinary General Meeting of Shareholders held on June 24, 2016, to be no more than 60 million yen per year. The number of Directors (Audit & Supervisory Committee Members) at the conclusion of this Ordinary General Meeting of Shareholders was four (4). Furthermore, the corresponding amount of compensation, etc., for Directors (Audit & Supervisory Committee Members) for the fiscal year under review was 52,800 thousand yen (basic compensation for Directors (Audit & Supervisory Committee Members) (excluding Outside Directors): 16,800 thousand yen, basic compensation for Outside Directors (Audit & Supervisory Committee Members): 36,000 thousand yen).

3. Separately to the amounts of compensation in the items 1. and 2. above, at the 87th Ordinary General Meeting of Shareholders held on June 24, 2016, a resolution was adopted to introduce a stock-based compensation plan "Board Benefit Trust (BBT)," and at the 92nd Ordinary General Meeting of Shareholders held on June 18, 2021, a resolution was adopted to make partial revisions to this plan. Under this stock-based compensation plan, for each period of three fiscal years starting from the fiscal year ended March 31, 2017, the Company will establish a trust with the contribution of cash of up to 210 million yen (including 150 million yen for Directors (excluding Audit & Supervisory Committee Members), 18 million yen for Directors (Audit & Supervisory Committee Members), and 42 million yen for Executive Officers who do not serve concurrently as Directors) as funds necessary for the acquisition of shares corresponding to the three fiscal years. The number of Directors (excluding Audit & Supervisory Committee Members) was five (5) and the number of Directors (Audit & Supervisory Committee Members) was four (4) at the conclusion of the 92nd Ordinary General Meeting of Shareholders held on June 18, 2021.

4. The total amount of compensation, etc., for Directors (excluding Audit & Supervisory Committee Members) (excluding Outside Directors) includes 113,100 thousand yen in compensation for duties performed as Executive Officers by Directors serving concurrently as Executive Officers.

5. The total amount of compensation, etc., for Directors (excluding Audit & Supervisory Committee Members) (excluding Outside Directors) includes provisions of 20,458 thousand yen for the Board Benefit Trust (BBT) and 63,044 thousand yen in provisions for bonuses for directors (and other officers), recorded in the fiscal year under review.

6. The total amount of compensation, etc., for Directors (Audit & Supervisory Committee Members) (excluding Outside Directors) includes provisions of 933 thousand yen for the Board Benefit Trust (BBT), recorded in the fiscal year under review.

7. The total amount of compensation, etc., for Outside Directors (Audit & Supervisory Committee Members) includes provisions of 1,911 thousand yen for the Board Benefit Trust (BBT), recorded in the fiscal year under review.

5) Amount of compensation, etc. paid during the fiscal year under review, in addition to 4) above

As bonuses (cash and stock benefits) pertaining to the 96th fiscal year, a total of 89,823 thousand yen (cash: 66,727 thousand yen and stock benefits: 23,096 thousand yen) were paid to four Directors (excluding Audit & Supervisory Committee Members). The amount includes provision for bonuses for directors (and other officers) of 47,286 thousand yen and provision for Board Benefit Trust (BBT) of 14,994 thousand yen recorded in the fiscal year.

(6) Matters concerning Outside Officers

1) Concurrent positions as executives of other corporations and relationships between the Company and other corporations

Not applicable.

2) Concurrent positions as outside directors (and other officers) of other corporations and relationships between the Company and other corporations

Outside Director (Audit & Supervisory Committee Member), Mr. Shigeharu Nakamura concurrently served as Outside Director (Audit & Supervisory Committee member) of TOYO KANETSU K.K. until June 26, 2025. No special interests exist between the Company and the said company.

Outside Director (Audit & Supervisory Committee Member), Ms. Aogi Suemura concurrently serves as Outside Director (Audit and Supervisory Committee Member) of Nippon Denko Co., Ltd. and served as an Outside Director (Audit & Supervisory Committee member) of Nomura Real Estate Holdings, Inc. until December 31, 2025. No special interests exist between the Company and the said company.

Outside Director (Audit & Supervisory Committee Member), Ms. Sachie Kinugawa concurrently serves as Outside Director of The Bank of Nagoya, Ltd., Outside Audit & Supervisory Board Member of Nissan Chemical Corporation, and Outside Director of Takachiho Koheki Co., Ltd. No special interests exist between each of these companies and the Company.

3) Status of the main activities of each Outside Director and outline of duties performed in relation to expected roles

Category	Name	Status of the main activities and outline of duties performed in relation to expected roles
Outside Director (Audit & Supervisory Committee Member)	Shigeharu Nakamura	<Main activities> Mr. Shigeharu Nakamura attended all 17 meetings of the Board of Directors and all 14 meetings of the Audit & Supervisory Committee held in the fiscal year under review and expressed his opinions as appropriate. He served as a member of the Nomination Committee and chaired the Compensation Committee, and attended all 4 meetings of the Nomination Committee and all 3 meetings of the Compensation Committee held in the fiscal year under review. From an independent and objective standpoint, he provided opinions and suggestions as appropriate concerning the personnel affairs and compensation of Directors and Executive Officers. <Outline of duties performed in relation to expected roles> With his extensive experience and knowledge at leading banks, he is expected to contribute to the auditing and supervision of the Group's management. Based on the experience and knowledge, he provided broad and objective auditing and supervision of the Group's management, mainly through offering comments and suggestions as appropriate from various perspectives at meetings of the Board of Directors, the Audit & Supervisory Committee, the Nomination Committee and Compensation Committee.
	Shigeru Ehara	<Main activities> Mr. Shigeru Ehara attended all 17 meetings of the Board of Directors and all 14 meetings of the Audit & Supervisory Committee held in the fiscal year under review and expressed his opinions as appropriate. He chaired the Nomination Committee and served as a member of the Compensation Committee, and attended all 4 meetings of the Nomination Committee and all 3 meetings of the Compensation Committee held in the fiscal year under review. From an independent and objective standpoint, he provided opinions and suggestions as appropriate concerning the personnel affairs and compensation of Directors and Executive Officers. <Outline of duties performed in relation to expected roles> With his extensive experience and knowledge at casualty insurance companies, he is expected to contribute to the auditing and supervision of the Group's management. Based on the experience and knowledge, he provided broad and objective auditing and supervision of the Group's management, mainly through offering comments and suggestions as appropriate from various perspectives at meetings of the Board of Directors, the Audit & Supervisory Committee, the Nomination Committee and Compensation Committee.

Category	Name	Status of the main activities and outline of duties performed in relation to expected roles
Outside Director (Audit & Supervisory Committee Member)	Aogi Suemura	<Main activities> Ms. Aogi Suemura attended all 17 meetings of the Board of Directors and all 14 meetings of the Audit & Supervisory Committee held in the fiscal year under review and expressed her opinions as appropriate. She served as a member of the Nomination Committee and the Compensation Committee, and attended all 4 meetings of the Nomination Committee and all 3 meetings of the Compensation Committee held in the fiscal year under review. From an independent and objective standpoint, she provided opinions and suggestions as appropriate concerning the personnel affairs and compensation of Directors and Executive Officers. <Outline of duties performed in relation to expected roles> With her extensive experience and knowledge as a certified public accountant, she is expected to contribute to the auditing and supervision of the Group's management. Based on the experience and knowledge, she provided broad and objective auditing and supervision of the Group's management, mainly through offering comments and suggestions as appropriate from various perspectives at meetings of the Board of Directors, the Audit & Supervisory Committee, the Nomination Committee and Compensation Committee.
	Sachie Kinugawa	<Main activities> Ms. Sachie Kinugawa attended all 14 meetings of the Board of Directors and all 11 meetings of the Audit & Supervisory Committee held after taking office on June 20, 2025 and expressed her opinions as appropriate. She served as a member of the Nomination Committee and the Compensation Committee, and attended both meetings of the Nomination Committee and both meetings of the Compensation Committee held after taking office on June 20, 2025. From an independent and objective standpoint, she provided opinions and suggestions as appropriate concerning the personnel affairs and compensation of Directors and Executive Officers. <Outline of duties performed in relation to expected roles> With her extensive experience and knowledge at leading banks and securities firms, she is expected to contribute to the auditing and supervision of the Group's management. Based on the experience and knowledge, she provided broad and objective auditing and supervision of the Group's management, mainly through offering comments and suggestions as appropriate from various perspectives at meetings of the Board of Directors, the Audit & Supervisory Committee, the Nomination Committee and Compensation Committee.

4) Actions taken to prevent unfair execution of business and a response taken after the occurrence
Not applicable.

5) Total amount of compensation for officers, etc. received by Outside Directors from subsidiaries
Not applicable.

6) Opinions of Outside Directors
Not applicable.

5. Accounting Auditor

(1) Accounting Auditor's Name
Ernst & Young ShinNihon LLC

(2) Outline of Liability Limitation Agreement
The Company has not entered into an agreement with the Accounting Auditor to limit their liability for damages pursuant to Article 423, Paragraph 1 of the Companies Act.

(3) Amount of Accounting Auditor's Compensation, etc. for the Fiscal Year under Review
1) Accounting Auditor's compensation, etc., for the fiscal year under review
55 million yen
Notes: 1. The Audit & Supervisory Committee of the Company agreed on the amount of the compensation, etc. of the Accounting Auditor after confirming and verifying the descriptions in the audit plan prepared by the Accounting Auditor, the status of execution of audit duties, the basis for the calculation of the estimated amount of compensation estimation, etc., based on the "Guidelines for Coordination with Accounting Auditors" published by the Japan Audit & Supervisory Board Members Association.
2. Under the audit agreement between the Company and its Accounting Auditor, the amounts of compensation, etc. for audits pursuant to the Companies Act and audits pursuant to the Financial Instruments and Exchange Act are not separated, and otherwise cannot be separated practically. Consequently, the above amount reflects total compensation.

2) Total amount of cash and other profits payable by the Company and its subsidiaries
55 million yen
The financial statements of RIKEN (THAILAND) CO., LTD., RIKEN ELASTOMERS (THAILAND) CO., LTD., PT. RIKEN INDONESIA, RIKEN VIETNAM CO., LTD., SHANGHAI RIKEN TECHNOS CORPORATION, RIKEN TECHNOS (JIANGSU) CORPORATION and RIKEN TECHNOS INDIA PVT. LTD., all of which are the Company's subsidiaries, as well as the consolidated financial statements of RIKEN AMERICAS CORPORATION, are audited by certified public accountants and accounting firms (including entities possessing qualifications in other countries corresponding to these qualifications) other than the Accounting Auditor of the Company.

(4) Description of Non-Audit Services
Not applicable.

(5) Policy on Determination of Dismissal or Non-reappointment of Accounting Auditor
Contents of decision on the policy on determination of dismissal or non-reappointment of the Accounting Auditor is as follows.

If there is any difficulty in execution of duties by the Accounting Auditor, or when the Audit & Supervisory Committee deems it necessary, the Audit & Supervisory Committee will decide the details of the proposal for the dismissal or non-reappointment of the Accounting Auditor to be submitted to the General Meeting of Shareholders.

In addition, in the event that the Accounting Auditor is deemed to have met the items set forth in the clauses of Article 340, Paragraph 1 of the Companies Act, the Audit & Supervisory Committee shall dismiss the Accounting Auditor subject to the unanimous consent of the Audit & Supervisory Committee Members. In this case, an Audit & Supervisory Committee Member selected by the Audit & Supervisory Committee will report the dismissal and the reasons for the dismissal at the first General Meeting of Shareholders to be convened after the dismissal.

Note: Figures and the number of shares presented in this business report were rounded down to the unit used for presentation.

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousands of yen)

Account item	(Reference) 96th fiscal year (As of March 31, 2025)	97th fiscal year (As of March 31, 2026)	Account item	(Reference) 96th fiscal year (As of March 31, 2025)	97th fiscal year (As of March 31, 2026)
Assets			**Liabilities**		
Current assets	**74,322,947**	**74,257,660**	**Current liabilities**	**34,958,052**	**32,485,175**
Cash and deposits	24,472,764	26,552,535	Notes and accounts payable - trade	20,713,412	17,916,387
Notes receivable - trade	735,947	423,347	Electronically recorded obligations - operating	419,987	571,410
Accounts receivable - trade	21,191,220	21,334,601	Short-term borrowings	9,102,182	7,599,247
Electronically recorded monetary claims - operating	4,942,652	4,516,358	Current portion of long-term borrowings	396,012	662,498
Merchandise and finished goods	10,936,170	9,949,322	Lease liabilities	47,468	36,299
Work in process	1,071,231	1,315,751	Accrued expenses	943,801	1,123,763
Raw materials and supplies	9,844,655	9,074,456	Income taxes payable	924,728	1,696,505
Prepaid expenses	917,382	833,712	Accrued consumption taxes	247,890	212,963
Short-term loans receivable	323	327	Provision for bonuses	1,105,819	1,140,331
Other	296,657	373,785	Provision for bonuses for directors (and other officers)	116,654	124,928
Allowance for doubtful accounts	(86,058)	(116,539)	Other	940,094	1,400,839
Non-current assets	**42,146,411**	**44,846,158**	**Non-current liabilities**	**5,731,196**	**8,176,478**
Property, plant and equipment	**30,583,035**	**30,509,159**	Long-term borrowings	2,198,657	3,154,562
Buildings and structures	12,061,650	11,547,305	Lease liabilities	54,848	64,335
Machinery, equipment and vehicles	8,712,596	11,054,262	Long-term income taxes payable	30,000	–
Land	6,592,746	5,259,059	Deferred tax liabilities	1,678,008	2,691,276
Leased assets	86,451	94,245	Provision for share awards	–	6,361
Construction in progress	2,239,497	1,613,530	Provision for share awards for directors (and other officers)	274,560	292,359
Other	890,094	940,755	Retirement benefit liability	1,049,268	1,120,695
Intangible assets	**2,646,496**	**2,420,403**	Provision for loss on business restructuring	–	450,000
Software	1,222,378	1,016,622	Other	445,853	396,887
Leased assets	3,375	37,438	**Total liabilities**	**40,689,249**	**40,661,653**
Other	1,420,742	1,366,342	**Net assets**		
Investments and other assets	**8,916,879**	**11,916,595**	**Shareholders' equity**	**55,807,605**	**56,470,052**
Investment securities	6,194,352	8,346,083	**Share capital**	**8,514,018**	**8,514,018**
Long-term loans receivable	1,159	832	**Capital surplus**	**6,597,580**	**6,597,580**
Retirement benefit asset	1,524,780	2,216,858	**Retained earnings**	**42,595,295**	**45,587,813**
Deferred tax assets	485,293	720,009	**Treasury shares**	**(1,899,288)**	**(4,229,360)**
Other	715,843	637,361	**Accumulated other comprehensive income**	**9,060,594**	**11,154,164**
Allowance for doubtful accounts	(4,549)	(4,549)	**Valuation difference on available-for-sale securities**	**3,615,641**	**5,173,736**
			Foreign currency translation adjustment	**5,013,068**	**5,232,194**
			Remeasurements of defined benefit plans	**431,884**	**748,233**
			Non-controlling interests	**10,911,908**	**10,817,948**
			Total net assets	**75,780,109**	**78,442,165**
Total assets	**116,469,358**	**119,103,818**	**Total liabilities and net assets**	**116,469,358**	**119,103,818**

Note: Figures presented are rounded down to the nearest thousand yen.

Consolidated Statements of Income

(Thousands of yen)

Account item	(Reference) 96th fiscal year (April 1, 2024 to March 31, 2025)		97th fiscal year (April 1, 2025 to March 31, 2026)	
Net sales		**128,141,144**		**131,377,381**
Cost of sales		**103,819,666**		**105,766,299**
Gross profit		**24,321,478**		**25,611,082**
Selling, general and administrative expenses		13,832,968		14,202,155
Operating profit		**10,488,509**		**11,408,926**
Non-operating income				
Interest and dividend income	324,008		301,568	
Foreign exchange gains	–		325,990	
Other	148,900	472,909	194,171	821,729
Non-operating expenses				
Interest expenses	300,425		368,897	
Foreign exchange losses	8,293		–	
Other	65,231	373,950	74,926	443,824
Ordinary profit		**10,587,468**		**11,786,832**
Extraordinary income				
Gain on sale of non-current assets	3,469		465,965	
Gain on sale of investment securities	1,592,270		782,902	
Other	11,947	1,607,687	–	1,248,867
Extraordinary losses				
Loss on sale and retirement of non-current assets	165,675		89,012	
Provision for loss on business restructuring	–	165,675	450,000	539,012
Profit before income taxes		**12,029,480**		**12,496,686**
Income taxes- current	2,712,230		3,279,219	
Income taxes - deferred	58,942	2,771,173	(112,795)	3,166,424
Profit		9,258,306		9,330,262
Profit attributable to non-controlling interests		1,887,754		1,760,709
Profit attributable to owners of parent		**7,370,551**		**7,569,553**

Note: Figures presented are rounded down to the nearest thousand yen.

Non-Consolidated Financial Statements

Non-Consolidated Balance Sheets

(Thousands of yen)

Account item	(Reference) 96th fiscal year (As of March 31, 2025)	97th fiscal year (As of March 31, 2026)	Account item	(Reference) 96th fiscal year (As of March 31, 2025)	97th fiscal year (As of March 31, 2026)
Assets			**Liabilities**		
Current assets	**46,321,446**	**46,382,086**	**Current liabilities**	**19,869,203**	**19,886,169**
Cash and deposits	16,540,001	17,489,929	Accounts payable - trade	13,603,959	12,603,265
Notes receivable - trade	494,833	246,753	Electronically recorded obligations - operating	256,737	209,048
Accounts receivable - trade	14,397,016	14,136,167			
Electronically recorded monetary claims - operating	4,816,601	4,377,754	Electronically recorded obligations - non-operating	29,685	270,240
Merchandise and finished goods	5,720,816	5,352,297	Short-term borrowings	2,950,000	2,950,000
Work in process	831,601	1,082,077	Lease liabilities	3,750	2,462
Raw materials and supplies	2,238,553	2,569,782	Accounts payable - other	254,658	464,092
Prepaid expenses	196,015	188,298	Accrued expenses	838,913	828,032
Short-term loans receivable	216	216	Income taxes payable	588,727	1,216,914
Other	1,171,658	1,018,309	Provision for bonuses	956,532	985,604
Allowance for doubtful accounts	(85,868)	(79,500)	Provision for bonuses for directors (and other officers)	116,654	124,928
Non-current assets	**27,131,613**	**29,688,132**			
Property, plant and equipment	**12,707,695**	**13,186,923**	Other	269,585	231,582
Buildings and structures	4,241,429	4,285,786	**Non-current liabilities**	**1,427,315**	**2,339,603**
Machinery and equipment	2,972,831	4,042,747	Lease liabilities	5,283	2,821
Vehicles	31,256	32,959	Long-term income taxes payable	30,000	–
Tools, furniture and fixtures	584,585	614,251	Deferred tax liabilities	565,578	1,193,335
Land	4,659,551	3,291,794	Provision for share awards	–	6,361
Leased assets	8,082	4,551	Provision for share awards for directors (and other officers)	274,560	292,359
Construction in progress	209,958	914,833			
Intangible assets	**614,210**	**438,532**	Provision for retirement benefits	138,300	17,133
Software	599,763	424,084	Asset retirement obligations	337,301	341,962
Other	14,447	14,447	Provision for loss on business restructuring	–	450,000
Investments and other assets	**13,809,707**	**16,062,676**			
Investment securities	6,171,207	8,315,656	Other	76,289	35,630
Shares of subsidiaries and associates	4,548,885	4,548,885	**Total liabilities**	**21,296,519**	**22,225,772**
			Net assets		
Investments in capital of subsidiaries and associates	1,715,213	1,715,213	**Shareholders' equity**	**48,545,976**	**48,680,335**
			Share capital	**8,514,018**	**8,514,018**
Long-term loans receivable from employees	216	–	**Capital surplus**	**6,532,977**	**6,532,977**
			Legal capital surplus	6,532,977	6,532,977
Prepaid pension costs	1,040,410	1,149,363	**Retained earnings**	**35,398,268**	**37,862,699**
Other	338,324	338,107	Legal retained earnings	1,107,369	1,107,369
Allowance for doubtful accounts	(4,549)	(4,549)	Other retained earnings	34,290,899	36,755,330
			General reserve	12,000,000	12,000,000
			Retained earnings brought forward	22,290,899	24,755,330
			Treasury shares	(1,899,288)	(4,229,360)
			Valuation and translation adjustments	**3,610,563**	**5,164,110**
			Valuation difference on available-for-sale securities	**3,610,563**	**5,164,110**
			Total net assets	**52,156,540**	**53,844,446**
Total assets	**73,453,059**	**76,070,218**	**Total liabilities and net assets**	**73,453,059**	**76,070,218**

Note: Figures presented are rounded down to the nearest thousand yen.

Non-Consolidated Statements of Income

(Thousands of yen)

Account item	(Reference) 96th fiscal year (April 1, 2024 to March 31, 2025)		97th fiscal year (April 1, 2025 to March 31, 2026)	
Net sales		**62,325,106**		**63,257,556**
Cost of sales		**49,183,431**		**49,382,080**
Gross profit		**13,141,675**		13,875,476
Selling, general and administrative expenses		8,432,021		8,389,231
Operating profit		**4,709,654**		**5,486,245**
Non-operating income				
Interest and dividend income	2,534,916		2,417,728	
Foreign exchange gains	–		316,196	
Other	134,113	2,669,030	139,590	2,873,515
Non-operating expenses				
Interest expenses	26,328		39,843	
Foreign exchange losses	53,811		–	
Depreciation of assets for rent	31,455		28,452	
Other	22,005	133,601	25,089	93,384
Ordinary profit		**7,245,082**		**8,266,375**
Extraordinary income				
Gain on sale of non-current assets	1,649		458,896	
Gain on sale of investment securities	1,592,270		782,902	
Other	11,947	1,605,867	–	1,241,799
Extraordinary losses				
Loss on retirement of non-current assets	157,341		82,032	
Provision for loss on business restructuring	–	157,341	450,000	532,032
Profit before income taxes		**8,693,608**		**8,976,141**
Income taxes- current	1,647,264		2,027,987	
Income taxes - deferred	120,193	1,767,457	(93,311)	1,934,676
Profit		**6,926,150**		**7,041,465**

Note: Figures presented are rounded down to the nearest thousand yen.

Accounting Auditor's Audit Report on the Consolidated Financial Statements

Translation

Independent Auditor's Report

May 14, 2026

The Board of Directors
RIKEN TECHNOS CORPORATION

Ernst & Young ShinNihon LLC
Tokyo Office, Japan

Hideyuki Inoue
Designated Engagement Partner
Certified Public Accountant

Kazunori Yoshida
Designated Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 444, paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets, and notes to the consolidated financial statements of RIKEN TECHNOS CORPORATION and its consolidated subsidiaries (the Group) applicable to the fiscal year from April 1, 2025 to March 31, 2026.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position and results of operations of the Group applicable to the fiscal year ended March 31, 2026, 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 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 information included in the Group's business report and its supplementary schedules. Management is responsible for preparation and disclosure of the other information. The Audit & Supervisory Committee is responsible for overseeing the Group's reporting process of 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 the Audit & Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these 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 and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Audit & Supervisory Committee is responsible for overseeing 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. 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 an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not expressing 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 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 in accordance with accounting principles generally accepted in Japan.

- Plan and conduct the audit of the consolidated financial statements to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group, which forms the basis for our opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Audit & Supervisory Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them regarding matters that are reasonably considered to have an impact on our independence and any measures that have been taken to eliminate obstacles or safeguards that have been put in place to reduce these obstacles to an acceptable level.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

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

Notes to the Readers of Independent Auditor's Report

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

Accounting Auditor's Audit Report on the Non-Consolidated Financial Statements

Translation

Independent Auditor's Report

May 14, 2026

The Board of Directors
RIKEN TECHNOS CORPORATION

Ernst & Young ShinNihon LLC
Tokyo Office, Japan

Hideyuki Inoue
Designated Engagement Partner
Certified Public Accountant

Kazunori Yoshida
Designated Engagement Partner
Certified Public Accountant

Opinion

Pursuant to Article 436, paragraph 2, item (i) of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets, and notes to the financial statements of RIKEN TECHNOS CORPORATION (the Company) applicable to the 97th fiscal year from April 1, 2025 to March 31, 2026.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position and results of operations of the Company applicable to the fiscal year ended March 31, 2026, 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 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 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 information included in the Company's business report and its supplementary schedules. Management is responsible for preparation and disclosure of the other information. The Audit & Supervisory Committee is responsible for overseeing the Company's reporting process of the other information.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and,

in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or 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 the Audit & Supervisory Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

The Audit & Supervisory Committee is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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. 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.

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

- Identify and assess the risks of material misstatement of the financial statements, 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.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the financial statements is not expressing 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 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 the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

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

We also provide the Audit & Supervisory Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them regarding matters that are reasonably considered to have an impact on our independence and any measures that have been taken to eliminate obstacles or safeguards that have been put in place to reduce these obstacles to an acceptable level.

Disclosed by the Certified Public Accountants Act of Japan

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

Notes to the Readers of Independent Auditor's Report

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Translation

Audit Report

The Audit & Supervisory Committee audited the performance of duties by the Directors for the 96th fiscal year from April 1, 2024 to March 31, 2025, and hereby submits the method and results of the audit.

1. Auditing Methods and Details Thereof

The Audit & Supervisory Committee received reports periodically from Directors, employees and other relevant personnel about the details of the Board of Directors resolution concerning the matters set forth in Article 399-13, Paragraph 1, Item 1 (b) and (c) of the Companies Act, as well as the establishment and operation of the system based on such resolution (the internal control system), sought explanations as necessary, expressed opinions and conducted the audit through the methods described below.

1) In accordance with our audit policy and job responsibilities established by the Audit & Supervisory Committee, and in cooperation with the internal audit division, we attended important meetings taking advantage of telephone and online conference tools as well, received reports from Directors and employees on the status of performance of their duties, requested explanations as necessary, reviewed important approval documents, and examined business operations and financial conditions at the head office and other principal business locations. With respect to subsidiaries, we communicated and exchanged information with directors, corporate auditors and other relevant personnel of subsidiaries as well as received reports from subsidiaries on their business as necessary.
2) We monitored and verified whether the Accounting Auditor maintained its independence and implemented appropriate audits, as well as received reports from the Accounting Auditor regarding the performance of its duties and sought explanations as necessary. In addition, we received notice from the Accounting Auditor that the "systems for ensuring that the performance of duties is being carried out correctly" (matters set forth in each item of Article 131 of the Regulation on Corporate Accounting) had been prepared in accordance with the "Standards on Quality Control for Audits" (issued by the Business Accounting Council) and other relevant standards, and sought explanations as necessary.

Based on the above methods, we examined the business report and its supplementary schedules, the non-consolidated financial statements (non-consolidated balance sheets, non-consolidated statements of income, non-consolidated statements of changes in net assets, and notes to the non-consolidated financial statements) and their supplementary schedules, as well as the consolidated financial statements (consolidated balance sheets, consolidated statements of income, consolidated statements of changes in net assets and notes to the consolidated financial statements) for the relevant fiscal year.

2. Results of Audit

(1) Results of Audit of Business Report and Other Relevant Documents

1) In our opinion, the business report and its supplementary schedules are in accordance with laws, regulations and the Articles of Incorporation, and fairly represent the Company's condition.
2) We have found no material facts of wrongful action or violation of laws, regulations or the Articles of Incorporation in the performance of duties by the Directors.
3) In our opinion, the contents of the resolutions of the Board of Directors related to the internal control system are fair and reasonable. In addition, we have found no matters to be reported regarding the description in the business report and the performance of duties by the Directors related to such internal control system.

(2) Results of Audit of Non-Consolidated Financial Statements and Supplementary Schedules

In our opinion, the methods and results employed and rendered by the Accounting Auditor Ernst & Young ShinNihon LLC are fair and reasonable.

(3) Results of Audit of Consolidated Financial Statements

In our opinion, the methods and results employed and rendered by the Accounting Auditor Ernst & Young ShinNihon LLC are fair and reasonable.

May 19, 2025

Audit & Supervisory Committee, RIKEN TECHNOS CORPORATION

Full-Time Audit & Supervisory Committee Member	Takashi Shimada
Audit & Supervisory Committee Member	Shigeharu Nakamura
Audit & Supervisory Committee Member	Shigeru Ehara
Audit & Supervisory Committee Member	Aogi Suemura

Note: Audit & Supervisory Committee Members, Shigeharu Nakamura, Shigeru Ehara and Aogi Suemura are Outside Directors as stipulated in Article 2, Item 15 and Article 331, Paragraph 6 of the Companies Act.

Notes to the Readers of Audit Report

This is an English translation of the Audit Report as required by the Companies Act of Japan for the conveniences of the reader.