

This is the English translation for reference purposes only

Stock code: 7244

March 11, 2025

(Starting date of measures for electronic provision March 5, 2025)

To Our Shareholders

Itado 80, Isehara-shi, Kanagawa-ken  
 ICHIKOH INDUSTRIES, LTD.  
 Representative Director & Chairman  
 Ali Ordoobadi

### Notice of the 95th Ordinary General Meeting of Shareholders

We appreciate your continuing support to our company.

This is to inform you that the 95th Ordinary General Meeting of Shareholders of ICHIKOH INDUSTRIES, LTD will be held as described below.

For this General Meeting of Shareholders, we are taking the measures for electronic provision and the matters on the measures for electronic provision are published as “Notice of the 95th Ordinary General Meeting of Shareholders” on the following website on the Internet.

<http://www.ichikoh.com/>

Please review the material by selecting “For Inventors,” “IR Library,” “Notice of Shareholders Meeting” in the above website of our company.

In addition to the website above, information on the measures for electronic provision is also published on the website of the Tokyo Stock Exchange (TSE). Please access the website below and enter and search the issue name (company name) or securities code, and select “basic information” and “Inspection documents/PR information” and confirm  
 Website of TSE (TSE listed company information service)

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

You can exercise your voting rights in writing or electromagnetic means (via the Internet, etc.) instead of attending the meeting in person. Please review the “Reference Documents for the Ordinary General Meeting of Shareholders” which is published in the matters on electronic provision measures and exercise your voting rights in accordance with “4. Decisions made in convening the meeting” by 5:30 p.m., Wednesday, March 26, 2025.

Date and Time: Thursday, Mar 27, 2025 10:00 AM

Place: 348 Tanaka, Isehara-shi, Kanagawa-ken  
 Isehara Civic Culture Center, Small Hall on the 1st Floor

#### 3. Agenda:

##### Matters to be Reported:

1. Business Report, the Consolidated Financial Statements and the Audit Results of the Consolidated Financial Statements for the 95th Fiscal Year (from January 1, 2024 to December 31, 2024) by the Accounting Auditor and the Board of Auditors.
2. Report of the Non-consolidated Financial Statements for the 95th Fiscal Year (from January 1, 2024 to December 31, 2024).

##### Matters to be Resolved:

- |                 |  |
|-----------------|--|
| Proposal No. 1: | Disposition of Surpluses                         |
| Proposal No. 2: | Election of Nine (9) Directors                   |
| Proposal No. 3: | Election of One (1) Corporate Auditor            |
| Proposal No. 4: | Election of One (1) Substitute Corporate Auditor |

#### 4. Decisions made in Convening the meeting

##### (1) Exercising Voting Rights in Writing

Please indicate your approval or disapproval on the enclosed Voting Rights Exercise Form and return it so that it arrives no later than 5:30 PM on Wednesday, March 26, 2025.

(2) Exercising Voting Rights via the Internet, etc.

When exercising voting rights via the Internet, etc., please refer to “Information on exercising voting rights via the Internet, etc.” on page 3 and exercise by 5:30 PM on Wednesday, March 26, 2025.

(3) Exercising your voting rights twice in writing and via the Internet, etc.

The exercise of voting rights via the Internet, etc., will be taken as the validly exercised votes. If voting rights are exercised multiple times via the Internet, etc., the last one will be taken as the validly exercised votes.

(4) If there is no indication of approval or disapproval for each proposal on the Voting Rights Exercise Form that you send back to us, it is treated as an indication of approval.

(5) Based on laws and regulations and the provisions of Article 15 of the Company’s Articles of Incorporation, the following matters among the measures for electronic provision are not stated in the documents delivered to shareholders who request delivery of documents. Therefore, the documents delivered to shareholders who request delivery of documents constitute only by a part of the documents subject to audit by the Corporate Auditor and the Accounting Auditor when preparing the audit report.

1. Matters on the business report

“Status of Accounting Auditor” and “Systems to ensure appropriate business execution and status of execution”

2. Matters on the Consolidated Financial Statements

“Consolidated statements of changes in shareholders’ equity,” “Notes of the Consolidated Financial Statements,” “Accounting Auditor’s Report Regarding the Consolidated Financial Statements” and “Audit Report of the Board of Corporate Auditors”

3. Matters on Non-Consolidated Financial Statements

“Non-Consolidated statements of changes in shareholders’ equity,” “Notes of the Non-consolidated Financial Statements,” “Accounting Auditor’s Report” and “Audit Report of the Board of Corporate Auditors”

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You are kindly requested to present the enclosed Voting Rights Exercise Form to the person at the reception when you attend the meeting in person.

If any changes are made in the matters on the measures for electronic provision, they will be published on the website, which publishes the matters on the measures electronic provision.

If there are any material changes regarding operation and place of the Ordinary General Meeting of Shareholders, we will notify them on our website (<http://www.ichikoh.com/>).

### Information of Exercising Voting Rights via the Internet, etc.

When exercising voting rights via the Internet, etc., please be aware of the following matters in advance.

#### 1. Website for exercising voting rights

- (1) Voting rights can be exercised via the Internet, etc., only by using the following website for exercising voting rights designated by the Company.  
Website Address <https://www.web54.net>
  - (2) If you exercise voting rights using a smartphone, please use “Smart Exercising”.  
By scanning the “Login QR Code of website for Exercising Voting Rights for Smartphones” on the enclosed Voting Rights Exercise Form, you can exercise voting rights from the website for exercising voting rights without entering the “Voting Rights Exercise Code” and “Password”.  
Please note that you will need to scan the QR code again and enter the “Voting Rights Exercise Code” and “Password” printed on the Voting Rights Exercise Form if you want to change the content of the right you exercised after exercising your voting rights.
- \* For details, please refer to the enclosed information brochure.

#### 2. Handling of your exercise of voting rights

- (1) When exercising voting rights via the Internet, etc., please use the “Voting Rights Exercise Code” and “Password” printed on the enclosed Voting Rights Exercise form, and enter your votes following the on-screen guidance.
- (2) The deadline for exercising voting rights is 5:30 PM on Wednesday, March 26, 2025, so please exercise your rights as soon as possible.
- (3) If you exercise your voting rights twice in writing and via the Internet, etc., the exercise of voting rights via the Internet, etc., will be taken as the validly exercised votes. If voting rights are exercised multiple times via the Internet, etc., the last one will be taken as the validly exercised votes.
- (4) Internet provider’s connection fee and communication fees to your telecommunication service provider (including access fees) for accessing website for exercising voting rights shall be borne by the shareholder.

#### 3. Handling of passwords and voting rights codes

- (1) The Password is a crucial means through which to ascertain that a voting person is really a qualified shareholder. Please handle it with care as well as your personal seal and security code.
- (2) If you enter the wrong password more than a certain number of times, your password will be rendered unusable. If you would like to re-issue your password, please follow the on-screen guidance.
- (3) The code for exercising voting rights on the Voting Rights Exercise Form is valid only at this general meeting.

#### 4. For inquiries regarding the operation of personal computers

- (1) If you have any questions regarding the operation of personal computers in relation to the exercise of your voting rights, please call the number below.  
Sumitomo Mitsui Trust Bank, Limited Security Agent Web Support Dedicated Dial  
[Tel No.] 0120(652)031 (Service hours 9:00~21:00)
- (2) For other inquiries, please contact below.
  - i . Shareholders who have accounts at securities companies  
The securities companies in which you have your account
  - ii .Shareholders who do not have an account at a securities companies (Shareholders who have special account)  
Sumitomo Mitsui Trust Bank, Limited Security Agent Business Center  
[Tel No.] 0120(782)031 (Service hours 9:00~17:00 excluding weekends and holidays)

5. Platform for exercising voting rights

Institutional investors who applied to exercise the voting rights using the platform operated by a joint venture (ICJ Co., Ltd.) in advance, can use such platform as a method of an electromagnetic means to exercise voting rights of the Shareholders' Meeting of the Company in addition to the above-mentioned exercise of voting rights via the Internet.

## Reference Materials for the Shareholders Meeting

### Proposal No. 1: Disposition of Surpluses

Regarding disposal of surpluses, aiming the sustainable improvement of the corporate value, recognizing the growth strategy through research and development and capital investment, and the improvement of the return of profit to shareholders as the basic policies, and comprehensively taking into consideration the level of payout ratio, we propose to increase dividends as follows.

Description regarding year-end dividends

- (1) Class of dividend assets  
Cash
- (2) Description of distributed assets and the total amounts thereof  
6.5 yen per one Ichikoh share; total amount 625,181,291 yen.
- (3) Effective Date distribution of dividend  
March 28, 2025

**Proposal No. 2: Appointment of Nine (9) Directors**

The term of all of the nine (9) Directors, Ali Ordoobadi, Christophe Vilatte, Kazuyuki Miyashita, Hideki Shirato, Maurizio Matinelli, Raul Perez, Hideo Aomatsu, Akemi Sagawa and François-Xavier Lienhart will expire at the close of this Shareholders' Meeting. Therefore, we propose to appoint nine (9) Directors.

The candidates for Directors are as follows.

Candidate No.	Name (Date of Birth) [Gender]	Brief Profile, Positions and Responsibilities at Ichikoh [Status of Important concurrent positions in other companies]	Number of Ichikoh Shares held
1	[For re-election]  Ali Ordoobadi Nov. 15, 1960 [Male]	<p>June 2008: Ichikoh Director</p> <p>October 2010: Representative Director &amp; President, supervising Audit Department and Quality HQ</p> <p>June 2011: Representative Director, supervising Audit Department and R&amp;D HQ</p> <p>April 2012: Representative Director &amp; President, supervising Audit Department of the Company</p> <p>June 2017: Representative Director &amp; Chairman &amp; CEO, supervising Audit Department of the Company</p> <p>March 2021: Representative Director &amp; Chairman, supervising Audit Department of the Company</p> <p>January 2025 Representative Director &amp; Chairman (to date)</p> <p>[Background with Other Companies]</p> <p>1987: Siemens Technical Center R&amp;D Engineer</p> <p>1999: Valeo Group Vice President responsible for China (Valeo China HQ)</p> <p>2007: Valeo Group Vice President responsible for East Asia, Representative Director &amp; President of Valeo Japan Co., Ltd.</p> <p>2010: Valeo Group Vice President responsible for Japan, Representative Director of Valeo Engine Cooling Japan Co., Ltd. Representative Director &amp; President of Valeo Japan Co., Ltd.</p> <p>June 2017 Representative Director &amp; President of Valeo Japan Co., Ltd.(resigned in December 2024)</p> <p>Mar 2018 Representative Director &amp; President of Valeo Japan Co.,</p>	0

		<p>Ltd.  Director of Valeo Kapec Japan  KK(resigned in September  2024)  (to date)</p> <p>[Important concurrent positions in other  Company]  Has held no important positions in other  companies</p> <p>Reason for Candidacy for Director  Since taking the position of Representative  Director in 2010, he has reinforced and  improved performance of our group by  focusing the business resources into our core  businesses. He has also reinforced a  governance system, including stronger  compliance. He is continuously nominated as  a candidate for a Director in order to secure  sustainable growth of the Company.</p> <p>Length of service as Director (at the close of  this Shareholders Meeting): 16 years and 9  months</p>	
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Candidate No.	Name (Date of Birth) [Gender]	Brief Profile, Positions and Responsibilities at Ichikoh [Status of Important concurrent positions in other companies]	Number of Ichikoh Shares held
2	[For re-election] Christophe Vilatte (May 28, 1972) [Male]	<p>August 2011 Executive Officer Finance HQ Director of Ichikoh</p> <p>June 2012 Ichikoh Managing Executive Officer Finance HQ Director</p> <p>June 2014 Ichikoh Managing Executive Officer Lighting BU Director</p> <p>June 2017 Director &amp; Ichikoh Senior Managing Executive Officer Lighting RO Director</p> <p>March 2021 Representative Director &amp; President CEO, Lighting BU Director</p> <p>January 2025 Representative Director &amp; President CEO, Lighting BU Director supervising Audit Department (to date)</p> <p>[Background with Other Companies]</p> <p>1996 Valeo Klimasysteme GmbH (ex-Siemens) Industrial &amp; Project Controller (Germany)</p> <p>2000 Zexel Valeo Climate Control Corporation, Financial Controller Overseas Divisions &amp; General Manager Management Planning Department</p> <p>2006 Valeo Climate Control (France) Cabin Air Filtration Division, Division General Manager</p> <p>2010 Valeo Climate Control (France) Product Group Aftermarket Director</p> <p>[Important positions in other Company] Has held no other important positions in other companies from taking the position of Executive Officer of Ichikoh.</p> <p>Reason for Candidacy for Director After more than 20 years spent in the automotive industry working worldwide, he has been developing an extensive</p>	19,649



		<p>knowledge of this industry and has been also showing extraordinary performance in management. He is currently responsible for the management of Lighting Business of the Company, and he is continuously nominated as candidate for a Director because we judged that, by utilizing his insights and experiences in deliberations at the Board of Directors, he can contribute to the improvement of the corporate value of our Company group.</p> <p>Length of service as Director (at the close of this Shareholders Meeting): 7 years and 9 months</p>	
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Candidate No.	Name (Date of Birth) [Gender]	Brief Profile, Positions and Responsibilities at Ichikoh [Status of Important concurrent positions in other companies]	Number of Ichikoh Shares held
3	<p>[For re-election]</p> <p>Kazuyuki Miyashita (Nov. 9, 1966) [Male]</p>	<p>April 1990: Joined Ichikoh Industries, Ltd.</p> <p>October 2006 Manager of Start of Production Quality Assurance Section, Quality HQ</p> <p>April 2010 Executive Officer &amp; GM of Project Management Department</p> <p>June 2011 Managing Director, supervising Project Management Design HQ</p> <p>June 2012 Director &amp; Managing executive Officer responsible for Project Management HQ and R&amp;D HQ</p> <p>April 2014 Director &amp; Managing Executive Officer responsible for Project Management HQ and Production Division</p> <p>June 2016 Director &amp; Senior Managing Executive Officer responsible for R&amp;D HQ/Project Progress Control Office, Manager of Project Management HQ and Industrial HQ</p>	22,938

		<p>April 2018 Director &amp; Senior Managing Executive Officer responsible for R&amp;D HQ/, Adv.Dev. HQ/ Process Engineering HQ /Project Progress Control Office and General Manager of Project Management HQ</p> <p>June 2020 Director &amp; Senior Managing Executive Officer responsible for R&amp;D HQ/, Adv.Dev. HQ and General Manager of Project Management HQ</p> <p>March 2021 Representative Director&amp; Deputy President CTO responsible for R&amp;D HQ/, Adv.Dev. HQ and General Manager of Project Management HQ</p> <p>January 2023 Representative Director &amp; Deputy President CTO, responsible for R&amp;D HQ, General Manager of Project Management HQ and General Manager of Adv.Dev. HQ</p> <p>March 2024 Representative Director &amp; Deputy President CTO, responsible for R&amp;D HQ and Project Management HQ and General Manager of Adv.Dev. HQ (to date)</p> <p>[Background with Other Companies] January 2024 Japan CTO of Valeo Japan Co., Ltd</p> <p>[Important positions in other Company] Japan CTO of Valeo Japan Co., Ltd.</p> <p>Reason for Candidacy for Director After being involved for a long time in new product project management and quality control and further overseeing design and development and production, he is currently performing his duties as Representative Director, Deputy President &amp; CTO and supervisor of division of development, project management and advanced development with a high level of knowledge of manufacturing and engineering. He is continuously nominated as a candidate to continue as a Director because it is judged that continuously using</p>	
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		<p>his knowledge and experience is necessary to raise the value of our business.</p> <p>Length of service as Director (at the close of this Shareholders Meeting): 13 years and 9 months</p>	
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Candidate No.	Name (Date of Birth) [Gender]	Brief Profile, Positions and Responsibilities at Ichikoh [Status of Important concurrent positions in other companies]	Number of Ichikoh Shares held
4	[For re-election] Hideki Shirato (Jun. 4,1959) [Male]	<p>May 2014 Joined Ichikoh as the General Manager of Corporate Planning Department</p> <p>June 2014 Ichikoh Executive Officer, General Manager of Corporate Planning Department</p> <p>June 2016 Director &amp; Ichikoh Executive Officer responsible for Corporate Planning Department, Legal Department, Finance Headquarters and Compass GCC Department</p> <p>January 2017 Director &amp; Ichikoh Managing Executive Officer responsible for Corporate Planning Department, Legal Department and Finance Headquarters</p> <p>June 2017 Director &amp; Ichikoh Senior Managing Executive Officer responsible for Corporate Planning Department, Legal Department and Finance Headquarters</p> <p>March 2021 Director &amp; Senior Managing Executive Officer CFO, responsible for Corporate Planning Department, Legal Department and Finance Headquarters (to date)</p> <p>[Background with Other Companies]</p> <p>April 1983 Joined The Industrial Bank of Japan, Limited</p> <p>June 1998 Deputy General Manager, Chicago Branch of same bank</p> <p>March 2003 General Manager, Americas Office of Structured Finance Sales Dept., Mizuho Corporate Bank, Ltd.</p> <p>March 2006 General Manager, Advisory Dept. 5, Mizuho Securities Co., Ltd.</p> <p>June 2008 General Manager.,</p>	38,173

		<p>Investment Bank Dept. 6 of the same company</p> <p>April 2012 President, Mizuho Americas LLC</p> <p>[Important positions in other Company] Has held no other important positions in other companies from taking the position of General Manager of Corporate Planning Department of Ichikoh to present.</p> <p>Reason for Candidacy for Director He has superior insight regarding business operations, which has been developed through broad experience with financial institutions, including overseas companies. At present, responsible for Corporate Planning Department, Legal Department and Finance Headquarters, he is pursuing work regarding business/governance/finance strategies. He is continuously nominated as a candidate for Director because it is judged that he can contribute to increase the value of our group's business by making use of this knowledge and experience in deliberations of the Board of Directors' meetings going forward.</p> <p>Length of service as Director (at the close of this Shareholders Meeting): 8 years and 9 months</p>	
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Candidate No.	Name (Date of Birth) [Gender]	Brief Profile, Positions and Responsibilities at Ichikoh [Status of Important concurrent positions in other companies]	Number of Ichikoh Shares held
5	[For re-election] Maurizio Martinelli (September 15, 1960) [Male]	<p>June 2017 Director, Ichikoh (to date)</p> <p>[Background with Other Companies]</p> <p>1994 Allied Signal Automotive Breaking Systems</p> <p>2000 Division general manager of Valeo Lighting Systems Italy</p> <p>2005 Director of Valeo Lighting Systems Northern Europe</p> <p>2008 Vice-President of Valeo Engine Cooling Branch</p> <p>2010 Vice-President of Thermal Powertrain, Thermal Systems Product Group</p> <p>2011 Valeo Italy Group President and Fiat – Iveco Group Customer Director</p> <p>2012 Vice President of Valeo Lighting Systems Product Group</p> <p>2014 Valeo Visibility Systems Business Group President</p> <p>2024 Valeo LIGHT Division CEO</p> <p>- (to date)</p> <p>[Important positions in other Company]</p> <p>CEO of Valeo LIGHT Division, Director and Legal Representative of VALEO S.p.A., President of VALEO VISION SAS, Director &amp; Chairman and Legal Representative of VALEO VISION BELGIQUE</p> <p>Reason for Candidacy for Outside Director</p> <p>He has long years of experience in the automotive parts industry and excellent management capability. He is nominated as candidate for a Director because it was judged that it is ideal to have his deep insights be utilized in deliberations of the Board of Directors' meeting going forward.</p> <p>Length of service as an outside Director (at the close of this Shareholders Meeting): 7 years and 9 months</p>	0

Candidate No.	Name (Date of Birth) [Gender]	Brief Profile, Positions and Responsibilities at Ichikoh [Status of Important concurrent positions in other companies]	Number of Ichikoh Shares held
6	[For re-election] Raul Perez (December 21, 1977) [Male]	<p>March 2022 Director, Ichikoh (to date)</p> <p>[Background with Other Companies]</p> <p>1999 VW GROUP – SEAT S.A.</p> <p>2002 Controller of VALEO SYLVANIA (America)</p> <p>2006 CFO of VALEO China Lighting Systems (China)</p> <p>2008 CFO of VALEO North America Electrical Systems</p> <p>2010 VALEO National Finance Director (Mexico)</p> <p>2012 Finance Director of VALEO Lighting Systems PG</p> <p>2022 Vice President responsible for Finance of VALEO Visibility BG</p> <p>2024 Vice President responsible for Finance of VALEO LIGHT Division</p> <p>- (to date)</p> <p>[Important positions in other Company] Vice President responsible for Finance of VALEO LIGHT Division</p> <p>Reason for Candidacy for Director He has been engaged in Accounting and Finance for over 20 years' experience in the automotive and automotive parts industry in Europe, North America, Central America and Asia, and is also demonstrating his experience and skills as a supervisor, and has thorough knowledge of Valeo Group Management. He is nominated as a candidate for a Director because it was judged that it is ideal to have his knowledge and experience utilized to supervise the management of the company group from a global perspective.</p> <p>Length of service as an outside Director (at the close of this Shareholders Meeting): 3 years</p>	0

Candidate No.	Name (Date of Birth) [Gender]	Brief Profile, Positions and Responsibilities at Ichikoh [Status of Important concurrent positions in other companies]	Number of Ichikoh Shares held
7	[For re-election]  [Outside Director] [Independent] Hideo Aomatsu (June 29, 1954) [Male]	<p>June 2015 Ichikoh Director (to date)</p> <p>[Background with Other Companies]</p> <p>April 1977 Analyst, McKinsey &amp; Company,</p> <p>January 1982 Industrial Project Finance Officer, the World Bank</p> <p>September 1986 Associate, McKinsey &amp; Company, Inc.</p> <p>February 1989 Vice President M&amp;A, Manager, Guaranty Trust Bank, (Currently JP Morgan)</p> <p>May 1992 Japan Representative of N M Rothschild &amp; Sons, Ltd.</p> <p>April 1996 President of Rothschild Japan K.K.</p> <p>October 1999 Representative partner, ACTIV Investments Partners</p> <p>June 2002 Representative Director and President, ACTIV Investments Partners</p> <p>December 2005 Representative Director of DRC Capital Ltd.</p> <p>February 2011 Director of KOJITUSANSO CO.,Ltd.</p> <p>October 2018 Representative Director and CEO of JPH Co., Ltd.</p> <p>August 2019 Director of Super Resin, Inc.</p> <p>April 2020 Director of Manzairaku Sake Kura Co., Ltd. (to date)</p> <p>[Important positions in other Company] Representative Director and President of DRC Capital Ltd., Representative Director &amp; Chairman of KOJITUSANSO CO.,Ltd., Director and President of JPH Co., Ltd., Representative Director &amp; Chairman of Super Resin, Inc., and Director of Manzairaku Sake Kura Co., Ltd.</p> <p>Reason for Candidacy for Outside Director He has advanced knowledge regarding business operations, developed through experience abroad with advisory companies and financial institutions, including overseas companies. Additionally, he has broad experience regarding the improvement of</p>	4,790



		<p>the businesses of investment target companies, which is gained through management of fund management companies. He is continuously nominated as a candidate of an Outside Independent Director because it is judged that it is ideal that he continues to monitor the company's business as an Outside Director.</p> <p>Length of service as an outside Director (at the close of this Shareholders Meeting): 9 years and 9 months</p>	
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Candidate No.	Name (Date of Birth) [Gender]	Brief Profile, Positions and Responsibilities at Ichikoh [Status of Important concurrent positions in other companies]	Number of Ichikoh Shares held
8	<p>[For re-election] [Outside] [Independent]</p> <p>Akemi Sagawa (January 1, 1962) [Female]</p>	<p>March 2024 Director, Ichikoh (to date)</p> <p>[Background with Other Companies]</p> <p>1985 Daiwa Securities, Research Analyst for automotive/electronics industry</p> <p>1991 Microsoft Corporation Product Manager (Tokyo/Seattle)</p> <p>2001 Open Interface North America, President &amp; CEO</p> <p>2008 Kamy International, President</p> <p>2017 Five Senses Foundation, President (to date)</p> <p>[Important positions in other Company]</p> <p>Kamy International, President, Five Senses Foundation, President</p> <p>Reason for Candidacy for Outside Director Having experience as a research analyst in the auto parts and electronics industries, and development and sales of software products, further in supporting Japanese start-up companies to develop in the United States, she has deep knowledge of corporate operations and management. In addition, she is recently working on promoting the universal value of Japanese traditional culture in the United States, and has insight into ESG and diversity. She is nominated as a candidate of an Outside Director because it is judged that it is ideal that she continuously monitors the company's business as an Outside Director from such a diverse perspective.</p> <p>Length of service as an outside Director (at the close of this Shareholders Meeting): 1 year</p>	0

Candidate No.	Name (Date of Birth) [Gender]	Brief Profile, Positions and Responsibilities at Ichikoh [Status of Important concurrent positions in other companies]	Number of Ichikoh Shares held
9	[For re-election] [Outside] [Independent]  François-Xavier Lienhart (April 26th, 1966) [Male]	<p>March 2024 (to date) Director, Ichikoh [Background with Other Companies]</p> <p>1989 Banque Indosuez Japan, Trader, Forex Options</p> <p>1990 Morgan-Stanley UK</p> <p>1991 Sanofi France, Financial Analyst</p> <p>1996 Saint Gobain, (France Financial controller ~Brazil CFO~Japan CFO~ Country Representative)</p> <p>2008 French External Trade Advisor, Japan Committee President since March 2021(to date) Board Member of the French Chamber of Commerce in Japan(to date)</p> <p>2015 LIXIL Kitchen Technology Japan, CEO</p> <p>2016 Buffet Crampon Japan, CEO,</p> <p>2019 ARaymond Japan, CEO</p> <p>2024 Japan Advisory Service Godo Kaisya Executive Member (to date)</p> <p>[Important positions in other Company] Japan Advisory Service Godo Kaisya Executive Member</p> <p>Reason for Candidacy for Director He has experience as a management team member in Japan in various industries such as building materials, housing equipment, musical instruments, and automobile parts. He is nominated as a candidate of an outside Director because it is judged that it is ideal that he monitors the company's business as an Outside Director with such extensive knowledge. Length of service as an outside Director (at the close of this Shareholders Meeting): 1 year</p>	0

## (Notes)

1. There is no special interest relationship between any of the other candidates and Ichikoh.
2. Hideo Aomatsu, Akemi Sagawa and François-Xavier Lienhart are the candidates for outside Directors. Hideo Aomatsu, Akemi Sagawa and François-Xavier Lienhart have been reported to the Tokyo Stock Exchange as independent corporate officers and, in the event that they are re-elected, we plan to continue to report them in the same status.
3. The Company participates in the Liability Insurance for Directors and Officers taken out by the group of the parent company Valeo and all candidates of Directors shall be covered by the Insurance when they are re-elected or elected upon approval of this Proposal, and the Agreement will be renewed during the term of office of Directors in this proposal. The summary of the content of the Insurance Agreement is as described in 2. Outline of Ichikoh Industries, Ltd. (3) Status of Ichikoh's Directors and Corporate Auditors (4) Summary of the Agreement of Liability Insurance for Directors, etc. of the Business Report.
4. We have executed agreements with Hideo Aomatsu, Akemi Sagawa and François-Xavier Lienhart based on the provisions of Article 427-1 of the Companies Act, limiting his liability for damages under Article 423-1 of said Act with minimum limit amount as set forth in

Article 425-1 of said Act, and in the event that they are re-elected, we intend to continue said agreement with them.

5. The number of shares of the Company that are held are noted is the number of shares actual held by each Director including the number of shares held through corporate officers stock ownership plan as of December 31, 2024.
6. The compensation of performance share of Valeo, was provided to the candidates for Directors Ali Ordoobadi, Christophe Vilatte, Kazuyuki Miyashita, and Hideki Shirato.

(Reference) Skill Matrix of each candidates

C a n d i d a t e N o .	Name	Knowledge/special field particularly expected of candidates for Board of Directors									
		C o r p o r a t e M a n a g e m e n t	E x p e r i e n c e i n A u t o m o t i v e P a r t s I n d u s t r y	T e c h n o l o g y / I n n o v a t i o n	L e g a l / R i s k M a n a g e m e n t	F i n a n c e / A c c o u n t i n g / M & A	E S G	C o o p e r a t i o n w i t h P a r e n t C o m p a n y	G o v e r n a n c e	I n d e p e n d e n c y	D i v e r s i t y ( G e n d e r )
1	Ali Ordoobadi	•	•	•				•	•		
2	Christophe Vilatte	•	•	•		•	•	•	•		
3	Kazuyuki Miyashita	•	•	•			•	•			
4	Hideki Shirato	•			•	•			•		
5	Maurizio Martinelli	•	•	•			•	•	•		
6	Raul Perez	•	•		•	•		•			
7	Hideo Aomatsu	•				•			•	•	
8	Akemi Sagawa	•				•	•		•	•	•
9	François-Xavier Lienhart	•	•			•			•	•	

**Proposal No. 3: Appointment of One (1) Corporate Auditor**

The term of one (1) Corporate Auditor, Nobuteru Kato will expire at the close of this Shareholders' Meeting. Therefore, we propose to appoint one (1) Corporate Auditor. This proposal has been agreed to by the Board of Corporate Auditors.

The candidate for Corporate Auditor is as follows.

Name (Date of Birth) [Gender]	Brief Profile, Positions and Responsibilities at Ichikoh [Status of Important positions in other companies]	Number of Ichikoh Shares Held
[For New election]  Masaki Takamori (Aug. 12, 1966) [Male]	<p>October 2011 Ichikoh Corporate Planning Department, Manager</p> <p>June 2012 Ichikoh Corporate Planning Department, Section Manager</p> <p>July 2016 Ichikoh Corporate Planning Department, General Manager</p> <p>January 2025 General Manager as an assistant to Corporate Auditor (to date)</p> <p>[Background with Other Companies]</p> <p>April 1989 Joined Mizuho Bank, Ltd. (former The Industrial Bank of Japan, Limited)</p> <p>June 1993 Expatriated to Ministry of Land, Infrastructure, Transport and Tourism (Former Ministry of Transport)</p> <p>June 2001 Expatriated to Huis Ten Bosch Co., Ltd.</p> <p>[Status of Other Important Positions Held] Has held no important positions in other companies since joining the Company.</p> <p>Reason for Candidacy for Outside Auditor He has broad experience in a financial institute and has engaged in the operation of important management meetings, IR&amp;PR, general administration, risk management and business reorganization in the Corporate Planning Department for more than 13 years since he joined Ichikoh. Because it is judged that it would be ideal for him to conduct an audit from his broad knowledge, he has been chosen as a candidate for Corporate Auditor.</p>	0

## Notes

1. The candidate has no special interest relationship with the Company.
3. In the event that he is elected, we intend to enter into the agreement based on the provisions of Article 427-1 of the Companies Act, limiting his liability for damages under Article 423-1 of said Act with minimum limit amount as set forth in Article 425-1 of said Act.
4. The Company participates in the Liability Insurance for Directors and Officers taken out by the group of the parent company Valeo and all candidates of Corporate Auditor shall be covered by the Insurance when he is elected upon approval of this Proposal, and the Agreement will be renewed for the term of office of Corporate Auditor in this proposal. The summary of the content of the Insurance Agreement is as described in 2. Outline of Ichikoh Industries, Ltd. (3) Status of Ichikoh's Directors and Corporate Auditors ④ Summary of the Agreement of Liability Insurance for Directors, etc. of the Business Report.

**Proposal No. 4: Appointment of One (1) Substitute Corporate Auditor**

We propose that one Substitute Corporate Auditor be appointed, in the event that the statutory number of the Corporate Auditors is not satisfied.

This proposal has been agreed to by the Board of Corporate Auditors.

The candidate for a Substitute Corporate Auditor is as follows.

Name (Date of Birth) [Gender]	Brief Profile, Positions and Responsibilities at Ichikoh [Status of Important positions in other companies]	Number of Ichikoh Shares Held
Shigenori Saito (October 1, 1970) [Male]	<p>2001 Registered as an attorney (Tokyo Bar Association) Joined Kamano Sogo Law Offices</p> <p>2006 Saito Law Office</p> <p>2016 Outside Director of Tokyo Soko Unyu Kabushikigaisha (to date)</p> <p>[Important positions in other Company] Saito Law Office Outside Director of Tokyo Soko Unyu Co.,LTD.</p> <p>Reason for Candidacy for Substitute Auditor He has broad experience as an attorney. He is nominated as a candidate for Substitute Corporate Auditor because it is judged that it would be ideal for him to take the position of Corporate Auditor in the event that a vacancy in the Corporate Auditor occurs and actively use his advanced knowledge in overseeing the company.</p>	0

## (Notes)

1. The candidate has no special interest relationship with the Company.
2. Candidate Mr. Shigenori Saito is a candidate for substitute Outside Corporate Auditor.
3. In the event that Mr. Shigenori Saito is appointed as a Corporate Auditor, we intend to register Mr. Shigenori Saito as an Independent Director as stipulated by the Tokyo Stock Exchange

4. In the event that Mr. Shigenori Saito is appointed as a Corporate Auditor, we intend to execute an agreement between him and Ichikoh, based on the provisions of Article 427-1 of the Companies Act, limiting his liability for damages under Article 423-1 of said Act with minimum limit amount as set forth in Article 425-1 of said Act.
5. The Company participates in the Liability Insurance for Directors and Officers taken out by the group of the parent company Valeo. Mr. Shigenori Saito shall be covered by the Insurance when he inaugurates as a Corporate Auditor. The summary of the content of the Insurance Agreement is as described in 2. Outline of Ichikoh Industries, Ltd. (3) Status of Ichikoh's Directors and Corporate Auditors ④ Summary of the Agreement of Liability Insurance for Directors, etc. of the Business Report.

Business Report  
(January 1, 2024 through December 31, 2024)

1. Present Status of the Corporate Group

(1) Status of Business for the Current Consolidated Business Year

① Progress and Result of Business

During this fiscal year, the Japanese economy remained on a recovery trend, with improvements in the employment and income environment and a pick-up in capital investment, despite the negative impact of high prices on personal consumption. On the other hand, concerns remained about the future of overseas economies, including the stagnation of the real estate market in China, policy trends in the United States, and the situation in the Middle East.

In the automobile industry, to which our group belongs, in Japan, production decreased compared to the previous year due to issues such as certification fraud by automobile manufacturers. Automobile production in ASEAN increased compared to the previous year in Malaysia, but decreased in Indonesia and Thailand due to sluggish sales due to a decline in the automobile loan usage rate, and the total number of automobiles produced in the three ASEAN countries decreased compared to the previous year.

Under these market conditions, in the current consolidated fiscal year, net sales decreased to 125,544 million yen (14.0% decrease from the previous year) due to the impact of a drop in sales from the mirror business sold in the previous fiscal year and the aftermarket business sold in the current consolidated fiscal year, as well as the impact of production cuts due to the certification fraud issue in Japan. Regarding profits, although there were positive aspects from progress of price pass-through, improvement in defective rate, and improvement in productivity, profits decreased due to the impact of decreased sales, operating income was 4,883 million yen (34.2% decrease from the previous year), and ordinary income was 6,517 million yen (19.8% decrease from the previous year) due to accounting of equity method investment income of 2,093 million yen. Net income attributable to owners of the parent company decreased to 4,470 million yen (43.0% decrease from the previous year), despite the recording of 869 million yen as a gain on the sale of affiliate company stocks due to the transfer of PIAA shares.

In terms of segment performance, in our mainstay Japanese market, the year-on-year decline in sales for our company exceeded the market decline rate, as many of our vehicle models had production cutbacks. In ASEAN, while the market for the three ASEAN countries decreased compared to the previous year, the total sales of our three ASEAN subsidiaries increased compared to the previous year due to strong sales in Malaysia. As a result, sales in the auto parts business were 121,345 million yen (12.0% decrease from the previous year) and operating income was 4,679 million yen (33.8% decrease from the previous year).

In the aftermarket business, we have accounted the results of our subsidiary PIAA, but due to the transfer of this company's shares at the end of August, we have accounted the results up to June in the current consolidated fiscal year. As a result of this, both sales and profits decreased compared to the previous year, with sales of 5,002 million yen (49.1% decrease from the previous year) and operating income of 206 million yen (42.2% decrease from the previous year).

Regarding dividends, in the investor relations meeting materials and integrated report released in September 2024, we published our cash allocation strategy for the four years starting from fiscal year 2025 as part of our measures to improve corporate value. While retaining 17 billion yen of liquidity on hand to ensure financial soundness, we have decided to allocate two-thirds of the 44 billion yen investment over four years to growth strategies and one-third to strengthen our management base. As for our dividend policy, we aim to return 8 billion yen to shareholders over four years, with a dividend payout ratio of 30% and a dividend on equity (DOE) ratio of 2.5% as indicators. We will strive to achieve either of these indicators and meet the expectations of long-term investors who desire stable dividends. As a step toward the above, we have decided to pay an interim dividend of 6.50 yen per share for the fiscal year ending December 2024 in order to continue returning profits to our shareholders. As a step toward next year, we



would like to pay a year-end dividend of 6.50 yen per share, bringing the annual dividend to 13 yen, an increase of 2 yen from last year.

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(Note) The Business Report is described under the following rules.

1. The figures shown in the unit of millions of yen are rounded down to the nearest million.
2. The shares shown in the unit of thousands are rounded down to the nearest thousand.

| Category                  | Sales in million yen | Operating Income in million yen |
|---------------------------|----------------------|---------------------------------|
| Automotive Parts Business | 121,345              | 4,679                           |
| After-market Business     | 5,002                | 206                             |

② Status of Capital Investment

The total amount of capital investment in this fiscal year was 4,116 million yen, and the major investments are new products of lamps, model changes and capital investment for expansion of facilities of Atsugi plant and improvement of productivity.

③ Status of Funding

In this fiscal year, the Company did not make any new financing.

④ Status of Assignment of Business, Absorption-type Split and Incorporation-type Split

All shares of PIAA, a subsidiary that sells automotive parts for the aftermarket, were transferred to Usami Koyu Corp. on August 30, 2024. Furthermore, on August 29, 2024, we entered into a business partnership agreement with PIAA for the sale of aftermarket products from our company to automobile manufacturers.

⑤ Status of Taking over of Business of other Companies

Not applicable.

⑥ Status of the assignment of rights and obligations of other corporation, etc., by means of Absorption-type Merger or Absorption-type Split

Not applicable.

⑦ Status of Acquisition or Disposition of Other Companies' Stock and other Equity or Share Subscription

Not applicable.

## (2) Status of Properties and Financial Results

| Classification                                                 | FY2021<br>92 <sup>nd</sup> Term | FY2022<br>93 <sup>rd</sup> Term | FY2023<br>94 <sup>th</sup> Term | FY2024<br>95 <sup>th</sup> Term<br>(current) |
|----------------------------------------------------------------|---------------------------------|---------------------------------|---------------------------------|----------------------------------------------|
| Net Sales (M yen)                                              | 125,510                         | 135,451                         | 145,897                         | 125,544                                      |
| Ordinary Income (M yen)                                        | 6,506                           | 5,351                           | 8,130                           | 6,517                                        |
| Net profit attributable to parent company shareholders (M yen) | 3,983                           | 4,423                           | 7,838                           | 4,470                                        |
| Net Income per Share (yen)                                     | 41.44                           | 46.02                           | 81.53                           | 46.48                                        |
| Total Assets (M yen)                                           | 112,521                         | 125,915                         | 129,417                         | 130,089                                      |
| Net Assets (M yen)                                             | 49,523                          | 55,007                          | 64,730                          | 70,951                                       |
| Net Assets per Share (yen)                                     | 508.97                          | 565.32                          | 666.00                          | 728.29                                       |

## (3) Status of Important Parent Companies and Subsidiaries

## ① Status of Parent Company

Valeo Bayen and its parent company Valeo. S.E. are the parent companies of the Company, and own 58,791 thousand shares of the Company (61.12% of shares).

At the end of this consolidated fiscal year, in order to improve fund efficiency, including the parent company group, the group of the Company has loans to the parent company and its affiliates as follows:

Loans 25,917 million yen

Matters related to the above transactions are as follows:

- i. Matters to which attention was paid to avoid impairment of interest of the Company in making the transactions  
As for loans to the parent company or its affiliates, it was confirmed that the interest rate was determined considering the market interest rate.
- ii. Judgments by the Board of Directors whether or not the transaction(s) impairs the Company's interest and its reasons  
As described in (i) above
- iii. Opinion by Independent Outside Directors if it is different from the opinion of the Board of Directors  
Not applicable.

## ② Status of Important Subsidiaries

| Company Name                           | Capital Amount | Ichikoh's Share | Main Business                             |
|----------------------------------------|----------------|-----------------|-------------------------------------------|
| Kyushu Ichikoh Industries, Ltd.        | 50 M yen       | 100.0 %         | Manufacture and sales of automotive parts |
| Ichikoh (Malaysia) SDN. BHD.           | MYR 9,000 K    | 70.0 %          | Manufacture and sales of automotive parts |
| PT. Ichikoh Indonesia                  | IDR 133,124 M  | 100.0 %         | Manufacture and sales of automotive parts |
| Ichikoh Industries (Thailand) Co. Ltd. | THB 2,360 M    | 99.9 %          | Manufacture and sales of automotive parts |

## (4) Major Operations (as of December 31, 2024)

Major line of business of Ichikoh group is the manufacture and sales of automotive lamps as outlined below:

| Category                | Major products                                          |
|-------------------------|---------------------------------------------------------|
| Lamps                   | Head Lamps<br>Rear Combination Lamps<br>Fog Lamps, etc. |
| Other Automotive Parts  | Wiper, etc.                                             |
| Non-automotive Products | Lamps for railroad carriages, house apparatus, etc.     |

## (5) Major Sales Offices and Plants (as of December 31, 2024)

## ① Ichikoh Industries, Ltd.

| Name          | Location                 | Name                             | Location           |
|---------------|--------------------------|----------------------------------|--------------------|
| Head Office   | Isehara-shi,<br>Kanagawa | Chubu Branch Ota<br>Sales Office | Nagoya-shi, Aichi  |
| Isehara Plant | Isehara-shi,<br>Kanagawa | Tokyo Sales Office               | Ota-shi, Gunma     |
| Atsugi Plant  | Atsugi-shi,<br>Kanagawa  | Osaka Sales Office               | Shinjuku-ku, Tokyo |
| Fujioka Plant | Fujioka-shi, Gunma       |                                  | Suita-shi, Osaka   |

## ② Subsidiaries

| Name                            | Location                    | Name                                   | Location             |
|---------------------------------|-----------------------------|----------------------------------------|----------------------|
| Kyushu Ichikoh Industries, Ltd. | Nakatsu-shi<br>Oita         | PT. Ichikoh Indonesia                  | West Java, Indonesia |
| Ichikoh (Malaysia) SDN. BHD.    | Negri Sembilan,<br>Malaysia | Ichikoh Industries (Thailand) Co. Ltd. | Amata-city, Thailand |

## (6) Information about Employees (as of December 31, 2024)

## ① Status of Employees of Ichikoh Group

| Number of Employees | Comparison to End of Last Fiscal Year |
|---------------------|---------------------------------------|
| 2,930 (1,252)       | Decreased by 234 (Decreased by 498)   |

(Note) The number of employees includes only those with no fixed term contract, exclusive of the number of employees with fixed term contract, such as part-timers and temporary workers, which is shown in parentheses by the annual average number.

## ② Status of Employees of Ichikoh

| Number of Employees | Comparison to End of Last Fiscal Year | Average Age | Average Years of Service |
|---------------------|---------------------------------------|-------------|--------------------------|
| 1,485 (701)         | Decreased by 37 (decreased by 44)     | 41.1        | 17.1                     |

(Note) The number of employees includes only those with no fixed term contract, exclusive of the number of employees with fixed term contract, such as part-timers and temporary workers, which is shown in parentheses by the annual average number.

## (7) Information about Major Loan Providers (as of December 31, 2024)

| Loan Provider          | Balance of Loaned Amount (million yen) |
|------------------------|----------------------------------------|
| Bank of Mitsubishi UFJ | 13 Million yen                         |

#### (8) Issues to be Addressed

The Mission of our Company group is “Create a driving environment that feels safe, offers more protection, and provides more comfort,” and the Vision is to “continuously endeavor to become a corporation that satisfies both customers and society by pioneering the frontiers of technology and supplying optimal solutions which being ecologically minded.” The Company group completed the sales of subsidiary for aftermarket business PIAA on 30th of August 2024 and will work to further strengthen our competitiveness by concentrating management resources on the lighting business.

Given the long-term prospects of the volume of automobile production, which is the market of our Company group, the domestic market tends to be reaching the limit due to the declining birthrate and aging society, and the demand increase coming from increased production volume can be expected in emerging ASEAN markets. In addition, the automobile industry is at a major turning point as the needs for electric vehicles and autonomous driving are increasing due to environmental regulations and advances in IT technology.

Following such a market trend, we will pursue growth centering three main pillars:

① Enhancing the added value of lighting functions ② Expanding the range of components through products in new areas ③ Offering these products as integrated systems. Specifically, we will promote the development of new products that meet market needs, such as LED headlamp modules, HD (high definition) lighting, road surface projection lamps that communicate with road users around the vehicle and “e-Grille,” which combines radiator grilles and lighting. In ASEAN, factories in Japan serve as mother factories, and mother-daughter activities that educate and support ASEAN factories have been effective in improving operations and quality in ASEAN, and we will continue to utilize the high technological capabilities we have cultivated in Japan. In addition to the current market growth in our area, we will also consider investing in new markets to capture further demand.

In addition to strengthening product technology capability such as research and development, we also need to accelerate the development of manufacturing technology to strengthen cost competitiveness. The business environment is becoming increasingly uncertain due to protectionism movements around the world and the rising cost of imported parts due to the weak yen and efforts to reduce environmental impact, so strengthening our business foundation through efficiency investments and other means is an important issue.

In order to carry out these growth strategies and to deal with the issues efficiently, we will maximally strengthen synergy with Valeo, which extends to the broad area such as development of advanced technology through joint research and development, utilization of the development bases in the region which has cost competitiveness, cost reduction by joint procurement, taking full advantage of scale merit, improvement of productivity by introducing advanced technologies such as automation and digitalization to factories, acquisition of additional market share in the global market by expanding our customer base and strengthening geographical mutually complementary relationship.

The TSE has been advancing a framework which aims to motivate listed companies to autonomously pursue medium- to long-term enhancements in corporate value, emphasizing aspects like management conscious with the cost of capital cost. Regrettably, our Price Book-value Ratio (PBR), highlighted as a key metric within this framework, remains low. To address this, we recognize the need to: (1) consistently elevate our earnings, (2) provide clarity on our growth strategy, and (3) increase returns to our shareholders, and we have reviewed our growth strategy and announced a four-year cash allocation strategy starting in 2025.

In addition, with regard to strengthening our internal control system, we increased the ratio of independent directors on the Board of Directors to one-third (of which one is female) , ensure the reliability of financial reporting, and ensure thorough risk management. By doing so, we will strive to improve the compliance awareness of all those involved in the business of our group, and fulfill our social responsibility as a company.

We thank our shareholders for their ongoing support and understanding.

## 2. Outline of Ichikoh Industries, Ltd.

## (1) Information about Shares (as of December 31, 2024)

- ① Total number of shares authorized to be issued: 200,000,000  
 ② Total number of shares issued: 96,363,161  
 ③ Number of Shareholders: 7,026  
 ④ Major Shareholders: Major 10 shareholders

| Name of Shareholder                                                             | Investment in Ichikoh |               |
|---------------------------------------------------------------------------------|-----------------------|---------------|
|                                                                                 | Number of Shares      | Holding Ratio |
| Valeo Bayen                                                                     | 58,791 thousand       | 61.12%        |
| The Master Trust Bank of Japan, Ltd. (Trust Account)                            | 5,086 thousand        | 5.28%         |
| BNP PARIBAS LUXEMBOURG / 2S / JASDEC / FIM / LUXEMBOURG FUNDS/UCITS ASSETS      | 4,327 thousand        | 4.49%         |
| Custody Bank of Japan, Ltd. (Trust Account)                                     | 2,722 thousand        | 2.83%         |
| GOLDMAN SACHS INTERNATIONAL                                                     | 1,313 thousand        | 1.36%         |
| Nihon Life Insurance                                                            | 988 thousand          | 1.02%         |
| NOMURA PB NOMINEES LIMITED OMUNIBUS-MARGIN(CASHPB)                              | 956 thousand          | 0.99%         |
| BNP PARIBAS LONDON BRANCH FOR PRIME BROKERAGE SEGREGATION ACC FOR THIRD PARTY   | 803 thousand          | 0.83%         |
| MSIP CLIENT SECURITIES                                                          | 800 thousand          | 0.83%         |
| NORTHERN TRUST CO.(AVFC) RE IEDU UCITS CLIENTS NON LENDING 15 PCT TREATYACCOUNT | 800 thousand          | 0.83%         |

(Note) The shareholding ratio was calculated excluding the treasury stock (181,424 shares).  
 The figures less than the unit are rounded down.

## (2) Status of Share Subscription Right (as of December 31, 2024)

Not applicable.

## (3) Status of Ichikoh's Directors and Corporate Auditors

## ① Status of Directors and Corporate Auditors (as of December 31, 2024)

| Title                                          | Name                | HQ./Dept. in charge and status of important concurrent position                                                                                           |
|------------------------------------------------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Representative Director & Chairman             | Ali Ordoobadi       | Oversees Audit Dept                                                                                                                                       |
| Representative Director & President CEO        | Christophe Vilatte  | Lighting RO Director                                                                                                                                      |
| Representative Director & Deputy President CTO | Kazuyuki Miyashita  | In charge of R&D HQ and PM HQ and Advanced Dev. HQ Director, Japan CTO of Valeo Japan Co., Ltd.                                                           |
| Director CFO                                   | Hideki Shirato      | In charge of Corp. Planning Dept., Legal Dept., Finance HQ                                                                                                |
| Director                                       | Maurizio Martinelli | Valeo LIGHT Division CEO, Valeo S.p.A. Director & Legal Representative, Valeo Vision SAS President, Valeo Vision Belgique Director & Legal Representative |
| Director                                       | Raul Perez          | Vice President responsible for Finance of VALEO LIGHT Division                                                                                            |

|                               |                          |                                                                                                                                                                                                                                                                                          |
|-------------------------------|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Director                      | Hideo Aomatsu            | Representative Director and President of DRC Capital, Ltd., Representative Director and Chairman of KOJITUSANSO CO.,Ltd., Representative Director and President of JPH Co., Ltd., Representative Director and Chairman of Super Resin, Inc. , Director of Manzairaku Sake Kura Co., Ltd. |
| Director                      | Akemi Sagawa             | Kamy International, President, Five Senses Foundation, President                                                                                                                                                                                                                         |
| Director                      | François-Xavier Lienhart | Japan Advisory Service Godo Kaisya Executive Member                                                                                                                                                                                                                                      |
| Corporate Auditor (Full Time) | KATO Nobuteru            |                                                                                                                                                                                                                                                                                          |
| Corporate Auditor             | TSURUMAKI, Aki           | Kamijo/Tsurumaki Law Office (Attorney at Law) Outside Director of BELLSYSTEM24 Holdings, Inc., Outside Corporate Auditor of JPH Co., Ltd                                                                                                                                                 |
| Corporate Auditor             | Jean-Yves Jouas          | Representative of Wizdom Consulting, Consultant SASU (France), Representative of Wizdom Consulting, Consultant K.K.                                                                                                                                                                      |

(Notes)

1. Hideo Aomatsu and Akemi Sagawa and François-Xavier Lienhart are the outside directors stipulated by Article 2-15 of the Companies Act. The Company submitted to the TSE a notice of independent officers appointing Hideo Aomatsu and Akemi Sagawa and François-Xavier Lienhart as the independent officers.
2. Corporate Auditors, Aki Tsurumaki and Jean-Yves Jouas, are outside corporate auditors stipulated by Article 2-16 of the Companies Act. The Company submitted to the TSE a notice of independent officers appointing Aki Tsurumaki and Jean-Yves Jouas, both Corporate Auditors, as the independent officers.
3. Nobuteru Kato, a Corporate Auditor, has been engaged in quality-related duties for many years, and accumulated knowledge of compliance, internal control, and audit in terms of prevention of quality irregularities, and has good experience of internal audit of the Company.

② Director who resigned during the fiscal year

| Title at the time of resignation | Name                 | Date of resignation | Reason of resignation        | HQ./Dept. in charge and status of important concurrent position at the time of resignation |
|----------------------------------|----------------------|---------------------|------------------------------|--------------------------------------------------------------------------------------------|
| Director                         | LAVIGNE Jean-Jacques | March 27, 2024      | Expiration of term of office | N/A                                                                                        |
| Corporate Auditor                | SEVAISTRE, Pierre    | March 27, 2024      | Expiration of term of office | N/A                                                                                        |

③ Summary of the Agreement Limiting the Liability

Directors Hideo Aomatsu Akemi Sagawa and François-Xavier Lienhart, Corporate Auditors Aki Tsurumaki, Jean-Yves Jouas , and Nobuteru Kato, and the Company entered into an agreement limiting the liability under Article 423-1 of the Company Act, based on our Articles of Incorporation and Article 427-1 of the Company Act. The maximum amount of the limited liability based on this agreement is as set forth in Article 425-1 of the Company Act.

④ Summary of the Agreement of Liability Insurance for Directors, etc.

The Company has the Agreement of Liability Insurance for Directors and Officers that are insured by the group of the parent company Valeo, and the insured includes Directors,

Corporate Auditors and Executive Officers of Valeo and the Company group. This agreement of insurance covers damages and litigation costs when the insured receives a claim for damages in connection with the execution of its business. The insurance fee for this agreement is appropriately apportioned within and borne by the Valeo group and the Company group. In addition, in this agreement of insurance, the liability for damages against the insured person by the Company pursues is a disclaimer of insurance which is the measures to secure the appropriateness of the execution of duties of the insured person is not impaired.

⑤ Total Remuneration to Directors and Corporate Auditors (Jan. 2024 through Dec. 2024)  
Remuneration paid during the Current Business Year

| Classification                                                                                                                  | Amount Paid<br>(Million yen) | Total Amount of Compensation<br>Classified by type (Million yen) |        |        | Number<br>of<br>Persons |
|---------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------------------------------------------|--------|--------|-------------------------|
|                                                                                                                                 |                              | Base<br>Compens<br>ation                                         | Bonus  | Others |                         |
| Directors<br>(Outside Directors<br>included in the above)                                                                       | 249 (37)                     | 153 (35)                                                         | 69 (-) | 26 (1) | 8 (4)                   |
| Corporate Auditors<br>(Outside Corporate<br>Auditors included in the<br>above)                                                  | 28 (9)                       | 27 (9)                                                           | - (-)  | 1 (-)  | 4 (3)                   |
| Total of Directors &<br>Corporate Auditors<br>(Outside Directors and<br>Outside Corporate<br>Auditors included in the<br>above) | 278 (47)                     | 181 (45)                                                         | 69 (-) | 27 (1) | 12 (7)                  |

(Notes)

1. The above list does not include two non-executives Directors who do not receive any remuneration.
2. The numbers for remuneration shown above were rounded down to the million.

⑥ Policy and determination method of compensation amount and calculation method of such compensation for Directors and Corporate Auditors

【Policy to determine the compensations for an individual Director】

The Company has adopted the base compensation (fixed monthly compensation and various allowances, if applicable), bonus, and stock compensation as compensation for Directors, and determines the content of the compensations for an individual Director at the Board of Directors after confirming that such content is reported after deliberation by the Compensation Advisory Committee in accordance with the determination policy for the content of the compensations for an individual Director as follows(the “Policy”) which was approved by the Board of Directors. As for the composition ratio of base compensation, bonus and stock compensation at the Company, the system is designed so that the ratio is 60%: 30%: 10% in principle. The compensation of the Company Auditor consists only of base compensation (fixed monthly compensation).

As for the composition ratio of base compensation, bonus, and stock compensation, the system is designed with the principle ratio of 60%:30%: 10%. The remuneration of Corporate Auditors consists only from the base compensation (monthly compensation) and is determined after deliberation by the Board of Corporate Auditors. .

The contents of the resolution of the Shareholders' Meeting regarding the Compensation of the Directors of the Company are as follows.

| Classification | Classification of Compensation | Date of the Resolution of the Shareholders' Meeting            | Contents of the Resolution                                                                                                                                                                                                                     | Number of Directors Pertaining to the Provisions of the Resolution                                |
|----------------|--------------------------------|----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| Directors      | Base Compensation and Bonus    | The 82nd Ordinary Shareholders' Meeting held on June 22, 2012  | The amount of remuneration for directors is 360 million yen or less per year (including 60 million yen or less for Outside Directors, not including employee salaries for Directors who also serve as employees)                               | 8 Directors at the end of the 82nd Ordinary Shareholders' Meeting (including 2 Outside Directors) |
|                | Stock Compensation             | The 86th Ordinary Shareholders' Meeting held on June 29, 2016  | The total amount of monetary receivables paid for granting restricted stocks is up to 76 million yen per year (including up to 1 million yen for Outside Directors, not including employee salaries for Directors who also serve as employees) | 8 Directors at the end of the 86th Ordinary Shareholders' Meeting (including 4 Outside Directors) |
|                |                                | The 90th Ordinary Shareholders' Meeting held on March 26, 2020 | The total amount of base compensation for all eligible directors under this system per fiscal year is up to 40 million yen (including 6 million yen for Outside Directors)                                                                     | 8 Directors at the end of the 90th Ordinary Shareholders' Meeting (including 2 Outside Directors) |
|                |                                | The 91st Ordinary Shareholders' Meeting held on March 25, 2021 | Those who are newly elected as directors in the year in which stock compensation is granted, and who did not receive post issuance type stock compensation as an executive officer prior to the election are excluded from Eligible Directors. | 8 Directors at the end of the 91st Ordinary Shareholders' Meeting (including 2 Outside Directors) |
|                |                                | The 92nd Ordinary Shareholders' Meeting held on March 25, 2022 | Please refer to "(3) Policy for Stock Compensation, and Calculation Method of the Amount or the Number" below                                                                                                                                  | 7 Directors at the end of the 92nd Ordinary Shareholders' Meeting (including 2 Outside Directors) |
| Auditors       | Base Compensation              | The 82nd Ordinary Shareholders' Meeting held on June 22, 2012  | The amount of compensation for Auditors is 60 million yen or less per year (including 12 million yen or less for Outside Auditors)                                                                                                             | 3 Auditors at the end of the 82nd Ordinary Shareholders' Meeting (including 2 Outside Auditors)   |

(1) Policy for Amount and Calculation Method of Base Compensations

As for monthly compensation out of the base compensations, the monthly compensation at the time of first appointment as Director is determined taking into account the position of executive officer which the Director additionally serves and whether the Director concurrently serve as HQ Director. After the second year, it increases or decreases each year in accordance with annual evaluation of results for the previous fiscal year, achievement level of individual target of KPI (Key Performance Index) which is set semiannually for bonus, and consumer price index.

(2) Policy for Performance Indicator of Bonus, and Calculation Method of the Amount or the Number

As for bonus, the KPI for 5 target items is semiannually set individually according to the role



of each Director, from operating margin, amount of order intake, cash flow, ratio of sales price reduction ratio to cost reduction ratio, profit of each development project, and ROCE (Return on Capital Employed), from the perspective of indicator linked to final corporate performance. The amount of bonus is calculated by multiplying monthly compensation by total number of evaluation month of 5 items of KPI which is according to the achievement level of each KPI: less than 100%→0 month, 100%→0.6 month, more than 100% to less than 150%→number of the month proportionally increases from 0.6 month to 0.9 month, 150% or more→0.9 month).

(3) Policy for Stock Compensation, and Calculation Method of the Amount or the Number  
The systems of stock compensation of the company are as follows.

(A) Eligible Directors

Directors eligible for this system are Executive Directors (excluding the Executive Directors who are newly elected as Directors in the year in which stock compensation is provided and had not been granted the post-issuance type stock compensation as an executive officer prior to the selection) and Outside Directors (hereinafter referred to the “Eligible Directors”).

(B) Performance Evaluation Period

The period to evaluate performance based on this system is 3 consecutive years starting from the business year during which the provision of compensation to the Eligible Directors under the system is determined in the Board of Directors meeting (hereinafter referred to the “Performance Evaluation Period”).

(C) Composition of the System and calculation method of Final Number of Stocks to be Provided

The System consists of the three portions, the portion in which the number of stocks to be provided is determined based on achievement level of target of ROA (Return on Asset) and of the operating margin in Performance Evaluation Period (hereinafter referred to the “Performance Evaluation Type Performance Share Unit”), the portion in which the number of stocks to be provided is determined qualitatively evaluating the contribution to performance of the Company by Eligible Directors in Performance Evaluation Period (hereinafter referred to the “Qualitative Evaluation Type Performance Share Unit”), and the portion in which the stocks are provided by Eligible Directors’ continuous enrollment for the period from the date of the Shareholders’ Meeting held in the business year during which the provision of compensation to the Eligible Directors under the System is determined in the Board of Directors (hereinafter referred to the “Initial Board of Directors”) to the date of the Shareholders’ Meeting first held after the expiration of the Performance Evaluation Period (hereinafter referred to the “Vesting Period”)(hereinafter referred to the “Restricted Stock Unit”).

(a) Base Number of Stocks to be Provided

First, at the resolution of the Initial Board of Directors, the number of stocks to be provided if the Director’s achievement level of Performance Evaluation Type Performance Share Unit and evaluation of Qualitative Evaluation Type Performance Share Unit are both 100% and also if the Director enrolled for three years (hereinafter referred to the “Base Number of Stocks to be Provided”) is determined, by dividing the amount obtained by multiplying the monthly compensation amount of the next month of the appointment as a Director by 2 (however, in the event that a lower amount than such amount is determined at the Initial Board of Directors, such amount shall apply) (hereinafter referred to the “Base Compensation Amount”), by the closing price of the Company’s stock at the Tokyo Stock Exchange on the business day immediately prior to the date of the said resolution of Board of Directors(if no trading is concluded on the day, the closing price on the most recent trading day preceding that date).

The total amount of Base Compensation Amount for all Eligible Directors per business year shall not exceed 40 million yen (including 6 million yen for Outside Directors), which is considered to be appropriate based on the purpose of this system, and the specific amount for the Eligible Director shall be determined at the Board of Directors in accordance with the above provisions on the Base Amount of Compensation, and if the total amount of Base

Compensation Amount calculated in accordance with the above provisions exceeds the above upper limit, it shall be reasonably adjusted to fall into the upper limit at the Board of Directors.

(b) Performance Evaluation Type Performance Share Unit

50% of Base Number of Stocks to be Provided is allotted to Performance Evaluation Type Performance Share Unit (hereinafter referred to the “Number of Stocks to be allotted by Performance Evaluation”). Final Number of Stocks to be Provided regarding Performance Evaluation Type Performance Share Unit is calculated by multiplying Number of Stocks to be allotted by Performance Evaluation by Issuance rate calculated in the range of 0% to 100% as described below according to the number of years in which ROA and operation margin targets were achieved (hereinafter referred to the “Final Number of Stocks to be Provided Based on Achievement Evaluation”), from the perspective of the index highly correlated with stock prices. If the number of years in which the target was achieved is two, it's not limited to consecutive years. Targets of ROA and Operation margin are determined in every business year, in principle at the Board of Directors held within two months from the day the Ordinary Shareholders' Meeting was held in the such business year during the Performance Evaluation Period, and the level of achievement of targets of ROA and Operation margin is discussed and determined at the Board of Directors held to determine the grant of Post-issuance Type Stock Compensation based on the System.

| Issuance rate   |      | OM Achievement |     |      |      |
|-----------------|------|----------------|-----|------|------|
|                 |      | 0yr            | 1yr | 2yrs | 3yrs |
| ROA Achievement | 0yr  | 0%             | 50% | 60%  | 70%  |
|                 | 1yr  | 50%            | 60% | 70%  | 80%  |
|                 | 2yrs | 60%            | 70% | 80%  | 90%  |
|                 | 3yrs | 70%            | 80% | 90%  | 100% |

The target achievement status for FY2020 to FY2023 is as follows, and the Issuance rate for Post-Issuance type Stock Compensation paid in FY2024 will be 60% according to the table above.

| ROA  | Target | Actual | Result |
|------|--------|--------|--------|
| 2021 | 3.8%   | 3.6%   | ×      |
| 2022 | 4.7%   | 3.7%   | ×      |
| 2023 | 4.4%   | 6.1%   | ○      |

| OM   | Target | Actual | Result |
|------|--------|--------|--------|
| 2021 | 4.8%   | 4.4%   | ×      |
| 2022 | 5.2%   | 2.9%   | ×      |
| 2023 | 4.3%   | 5.1%   | ○      |

(c) Qualitative Evaluation Type Performance Share Unit

25% of Base Number of Stocks to be Provided is allotted to Qualitative Evaluation Type Performance Share Unit (hereinafter referred to the “Number of Stocks to be allotted by Contribution Evaluation”). Final Number of Stocks to be Provided regarding Qualitative Evaluation Type Performance Share Unit (hereinafter referred to the “Final Number of Stocks to be Provided Based on Contribution Evaluation”) is calculated by multiplying Number of Stocks to be allotted by Contribution Evaluation by Issuance rate calculated in the range of 0% to 100% according to the contribution rate of each Eligible Director in the Performance Evaluation Period (hereinafter referred to the “Contribution Condition Issuance Rate”). Specifically, the Representative Director makes a proposal to the Compensation Advisory Committee, and through the deliberation of the Committee, it is determined by resolution of the Board of Directors held to determine the Final Number of Stocks to be Provided.

However, for the Outside Directors, Contribution Condition Issuance Rate is 100%.

(d) Restricted Stock Unit

25% of Base Number of Stocks to be Provided is allotted to Restricted Stock Unit, and this is the Final Number of Stocks to be Provided if the Directors meet the following payment conditions (hereinafter referred to the “Final Number of Stocks to be Provided Based on the Enrollment”).

(e) Final Number of Stocks to be Provided

The final number of stocks to be provided is the total number of the Final Number of Stocks to be Provided Based on Achievement Evaluation, the Final Number of Stocks to be Provided Based on Contribution Evaluation and the Final Number of Stocks to be Provided Based on the Enrollment.

The number of stocks to be provided to the Eligible Directors under the System by the Company in one business year shall not exceed 20,000 stocks per Eligible Director (however, 3,000 stocks per Outside Director), and a total of 200,000 stocks for all Eligible Directors (including 10,000 stocks, for all Outside Directors). However, if the total number of issued stocks of the Company fluctuates due to consolidation of shares, split of shares, gratis allotment of stocks, etc., the upper limit and the number of shares to be delivered to Eligible Directors will be reasonably adjusted according to its ratio.

(D) Payment Condition of Compensation under the System

Eligible Directors are subject to those who continuously serve as Directors or Executive Officers of the Company during the vesting period. In case he or she resigns the post of Director or Executive Officer in the period (excluding the case of reappointment immediately after the resignation), neither monetary compensation receivable nor the Company's Stock is provided under the System.

(4) Policy for Ratio of Each Compensations Type of Individual Compensations

Compensation for Directors of the Company consists of three types of compensation, base compensation (fixed monthly compensation and various allowances if applicable), bonus and stock compensation. As for the composition ratio of base compensation, bonus, and stock compensation, the system is designed with the principle ratio of 60%:30%:10%.

(5) Policy for Timing of Provision of Compensations

The base compensation is provided monthly, and the bonus is provided in July and December of each year. As for stock compensation, it is provided after the performance evaluation period, through the procedures described in the above (3).

(6) Determination Method of Individual Compensations for Directors

As for determination process of monthly compensation and bonus for Directors of the Company, the Executive Directors, Executive Officer in charge of human resources who are members of the Compensation Advisory Committee makes proposals to such Committee, and the Compensation Advisory Committee deliberates based on the proposals and prepare a report to the Board of Directors, and the Board of Directors which receives the report, mandates the authority to determine the compensation for the respective Directors to the Representative Director and Chairman Ordooadi Ali /Representative Director Vilatte Christophe, on the condition that it respects the report by the Compensation Advisory Committee and within the scope of approval at the Shareholders' Meeting, because they best understand directors' performance in terms of business execution the best.. Stock compensation is to be decided by the Board of Directors based on the recommendation by the Compensation Advisory Committee.

⑦ Matters regarding Outside Corporate Officers

A. Hideo Aomatsu, Director

(a) Status of Concurrent Position as a person executing business or as an Outside Corporate Officers in Other Entity(ies) and the Relationship between the Company and such Other Entity(ies):

Representative Director and President of DRC Capital Ltd., Representative Director and Chairman of KOJITUSANSO CO.,Ltd., Representative Director and President of JPH Co., Ltd., Representative Director and Chairman of Super Resin Inc., Director of Manzairaku Sake Kura Co., Ltd.

There is no specific relationship between such entity and the Company.

(b) Business Relationship with Specific Related Business Entities such as Major Business Partners:

Not applicable.

(c) Main Activities During the Current Business Year

He attended all 11 Board meetings out of 11 meetings held during this current business year, expressing his opinions based on his abundant experience as a management executive.

(d) Content of duties performed as the role expected to be performed by Outside Directors

The Company expects his advice based on his knowledge such as experience in corporate management, statements representing the interests of minority shareholders, supervision of conflicts of interest, and he fulfilled those roles through participation in the meetings consisting of only independent officers, and meetings of Compensation Advisory Committee, Conflict of Interest Monitoring Committee and Board of Directors.

B. Akemi Sagawa, Director

(a) Status of Concurrent Position as a Director Executing Business or as an Outside Corporate Officers in Other Entity(ies) and the Relationship between the Company and such Other Entity(ies):

Kamy International, President, Five Senses Foundation, President

There is no specific relationship between such entity and the Company.

(b) Business Relationship with Specific Related Business Entities such as Major Business Partners:

Not applicable.

(c) Main Activities During the Current Business Year

She attended 9 of 9 Board of Directors meetings held after her appointment as an outside director, and mainly made comments from the perspective of an experienced manager. (d)

Content of duties performed regarding the role expected to be performed by Outside Directors

She fulfilled her role by participating in meetings consisting only of independent officers, the Conflict of Interest Monitoring Committee, and the Board of Directors from a diverse perspective utilizing her deep knowledge of corporate operations and management as well as her insight into ESG and diversity,

C. François-Xavier Lienhart, Director

(a) Status of Concurrent Position as a Director Executing Business or as an Outside Corporate Officers in Other Entity(ies) and the Relationship between the Company and such Other Entity(ies):

Japan Advisory Service Godo Kaisya Executive Member

There is no specific relationship between such entity and the Company.

(b) Business Relationship with Specific Related Business Entities such as Major Business Partners:

Not applicable.

(c) Main Activities During the Current Business Year

He attended 9 of 9 Board of Directors meetings held after his appointment as an outside director, and mainly made comments from the perspective of an experienced manager.

(d) Content of duties performed regarding the role expected to be performed by Outside Directors

He fulfilled his role by participating in meetings consisting only of independent officers, The Compensation Advisory Committee, the Conflict of Interest Monitoring Committee, and the Board of Directors utilizing the knowledge gained from his experience as a management team in Japan in various industries,

D. Aki Tsurumaki, Corporate Auditor

(a) Status of Concurrent Position as a person executing business or as an Outside Corporate Officers in Other Entity(ies) and the Relationship between the Company and such Other Entity(ies):

Kamijo • Tsurumaki Law Office, Outside Director of BELLSYSTEM24 Holdings, Inc., Outside Corporate Auditor of JPH Co., Ltd

There is no specific relationship between such entity and the Company.

(b) Business Relationship with Specific Related Business Entities such as Major Business Partners:

Not applicable.

(c) Main Activities During the Current Business Year

He attended 10 times out of 11 Board meetings held during this current business year, and 14 times out of 14 Board of Corporate Auditors' meetings during this current fiscal term, expressing his opinions from the specialized viewpoint as a lawyer.

(d) Content of duties performed as the role expected to be performed by Outside Corporate Auditors

The Company expects his advice based on his knowledge such as lawyer experience, perspective on behalf of minority shareholders, and supervision of conflicts of interest, and he fulfilled those roles through participation in meetings consisting of only independent officers and of Board of Directors meetings.

D. Jean-Yves Jouas, Corporate Auditor

(a) Status of Concurrent Position as a person executing business or as an Outside Corporate Officers in Other Entity(ies) and the Relationship between the Company and such Other Entity(ies):

Representative of Wizdom Consulting, Consultant SASU (France), Representative of Wizdom Consulting, Consultant K.K.

There is no specific relationship between such entity and the Company.

(b) Business Relationship with Specific Related Business Entities such as Major Business Partners:

Not applicable.

(c) Main Activities During the Current Business Year

He attended 9 board meetings out of 9 meetings held after his appointment as a Corporate Auditor, and all 10 times out of 10 Corporate Auditors' meetings after his appointment as a Corporate Auditor, expressing his opinions based on his abundant experience and knowledge of audit and risk management.

(d) Content of duties performed regarding the role expected to be performed by Outside Corporate Auditors

The Company expects his advice based on his extensive knowledge in internal control, risk management, accounting/finance, perspective on behalf of minority shareholders, and supervision of conflicts of interest, and he fulfilled those roles through participation in meetings consisting of only independent officers and of Board of Directors.

## (4) Status of Accounting Auditor

① Name of Firm: EY ShinNihon LLC

② Amount of Compensation:

|                                                                                                                             | Amount Paid    |
|-----------------------------------------------------------------------------------------------------------------------------|----------------|
| Compensation paid to the Accounting Auditor for the Current Business Year                                                   | 75 million yen |
| Aggregate of Money and other Proprietary Interests to be paid to the Accounting Auditor by the Company and its Subsidiaries | 75 million yen |

(Notes)

1. The auditing agreement between the Company and the accounting auditor does not clearly distinguish the amount of compensation for the audit under the Company Act and that under the Financial Instruments and Exchange Act, and such distinction is practically impossible. Therefore, the amounts shown in Compensation paid to the Accounting Auditor for the current business year represent the aggregate amount of these compensations.
2. Board of Corporate Auditors gave consent on the remuneration of accounting auditor under the Section 1 of the Article 399 of the Company Act as a result of the examination of the validity of audit time and the estimates of remuneration in addition to the confirmation of the audit plan and the actual performance in the last year.
3. In addition to the above, in the current consolidated fiscal year, there is an amount of additional compensation of 3 million yen related to audits for previous consolidated fiscal years.

## ③ Policy on Decision of Dismissal or Non-reappointment of an Accounting Auditor

The Board of Corporate Auditors will make a decision on the content of the resolution to dismiss or not reappoint the accounting auditor as the agenda of the shareholders' meeting, if it determines that it is necessary to do so, e.g., in case of the inability of accounting auditor's performing his/her duties.

The Board of Corporate Auditors will dismiss the accounting auditor, by the consent of all members of the Board of Corporate Auditors, if it determines that any of the conditions stipulated in Section 1 of Article 340 of the Company Act applies to the accounting auditor. In this case, the Corporate Auditor designated by the Board of Corporate Auditors will report the dismissal of the accounting auditor with the reason of such dismissal at the shareholders' meeting that is first convened after the dismissal.

## ④ Status of Auditing of the company's Subsidiaries by CPAs or Audit Firm who are not the Company's Accounting Auditor

Ichikoh Malaysia SDN.BHD, PT. Ichikoh Indonesia and Ichikoh Industries (Thailand) Co. Ltd. were audited by auditors (foreign auditors with qualification equivalent to that of the Company's Accounting Auditor) other than the Company's Accounting Auditor, as required by applicable laws.

### 3. System to Ensure Appropriateness of Business Execution and Status of its Operation

#### (1) System to ensure that execution of duties by Directors of the Company conforms to laws and the Articles of Incorporation and the other system to ensure appropriateness of the business operations

An outline of matters resolved at a meeting of the Board of Directors as a system for the Company to ensure appropriate business operations is shown below:

##### ① System to ensure that execution of duties by Directors of the Company conforms to laws and the Articles of Incorporation:

Ichikoh Group Code of Conduct shall be implemented and each Director shall take initiative in complying with such Code. In addition, the Conflict of Interest Committee shall investigate transactions between the Parent Company and report the result to the Board of Directors. And also, awareness of the compliance with laws and the Articles of Incorporation by the Directors shall be enhanced through training of Directors and regular report from Compliance·CSR Committee and Global Compliance Committee at the Board of Directors meetings, participation of Outside Directors in Board of Directors meetings, and activities of Independent Directors meeting.

##### ② System to maintain and control the information relating to the execution of duties by the Directors of the Company:

The internal rules shall be implemented respectively for the minutes of the shareholders' meeting, Board of Directors meeting and other important meetings as well as important decision making documents, and, such minutes and documents shall be appropriately and properly managed and maintained according to such internal rules as well as the "Information Management Rules."

##### ③ The rules and other system to manage risks for losses of the Company:

Management system for the risk for the emergency situation and daily activities shall be established through the activities of identifying, analyzing and evaluating risks foreseeable in the corporate management, based on the Risk Management Rules. In particular, in case of an emergency situation, the Company will secure the continuity of business through the "Business Continuity Management Rules," disaster countermeasures manual and emergency communication network in preparation of a disaster and the person in charge of a disaster which the Company established.

##### ④ System to ensure efficient execution of duties by Directors of the Company:

The materials for the Board of Directors meeting shall be described well in advance and thus enough time to review the subject shall be secured. The Directors who execute business shall also take the position of executive officer and the area of responsibility of each such Director shall be determined and the business is executed by each such Director. The yearly budget and mid-term management plan shall be prepared and deployed, and the business is executed.

##### ⑤ System to ensure that execution of duties by employees of the Company conforms to laws and the Articles of Incorporation:

Thorough observation to the "Compliance Rules" and the "CSR Rules" shall be promoted, and internal "whistle blow" system has been operated. Awareness by individual employee of compliance to laws shall have been enhanced by monitoring the activities of the Company and employees and providing training as the activities of the Compliance·CSR Committee

and Global Compliance Committee.

- ⑥ System to ensure appropriateness of the operation of Corporate Group consisting of the Company and its subsidiaries:

The soundness and effectiveness of the corporate management of subsidiaries shall be checked and, as necessary, corrective action and guidance shall be provided to subsidiaries by implementing "Affiliate Companies Management Rules" and other rules relating to the affiliated companies.

- ⑥1) The matters relating to the report to the Company on the execution of the duties by Directors (and the equivalent) of the subsidiaries of the Company:

The status of the execution of the duties by Directors of the subsidiaries shall be supervised by both appointing Directors of the subsidiary and having submitted the minutes of the Board of Directors meetings to the Company. Any important matters shall be timely and properly reported to the Company by the subsidiaries in accordance with the "Affiliated Companies Management Rules" and other rules relating to the affiliated companies.

- ⑥2) The rules and other system to manage risks for losses of the subsidiaries of the Company:

The system for risk management as a corporate group shall be implemented by having the subsidiaries establish the risk management rules, regularly obtaining the information of the risks of the subsidiaries and analyzing and evaluating such risks.

- ⑥3) System to ensure efficient execution of duties by Directors of the subsidiaries of the Company:

The authority of the Directors of the subsidiary shall be established in the "Affiliated Company Management Rules" and the scope and policy of the business of each subsidiary shall be made clear in the mid-term plan.

- ⑥4) System to ensure that execution of duties by Directors and employees of the subsidiaries of the Company conforms to laws and the Articles of Incorporation:

Ichikoh Group Code of Conduct and "Compliance Rules" shall be deployed to each subsidiary and internal whistle blow system shall be implemented. The activities for compliance by each subsidiary shall be reported in the Compliance・CSR Committee and Global Compliance Committee.

- ⑦ The matters relating to employee assigned to provide assistance to the duties of the Corporate Auditor, when the Corporate Auditor requests such employee:

When a Corporate Auditor requests to assign an employee who provides assistance to the duty of the Corporate Auditor, the company shall have Audit Department and other organization provide such assistance.

- ⑧ The matters relating to the independency of the employee who should provide assistance to the duties of the Corporate Auditor from Directors of the Company:

In the case of personal change of the person who should provide assistance to the duties of the Corporate Auditor, the Company shall in advance consult with the Corporate Auditor and make a decision taking into account the opinion of the Corporate Auditor.



- ⑨ The matter to ensure the efficient execution of the instruction from the Corporate Auditor to the person who should provide assistance to the Corporate Auditor:

Directors should not intervene in the instruction by the Corporate Auditor to the person who should provide assistance to the duties of the Corporate Auditor. The job description of the Audit Department should clearly state the assistance to the duties of the Corporate Auditor.

- ⑩ System for reporting to the Corporate Auditors of the Company:

Directors and employees shall report the status of execution of business and provide other information in the Board of Directors meetings and other important internal meetings where the Corporate Auditor is present. Directors will fully cooperate in the audit pursuant to the audit plan prepared by Corporate Auditors and provide information.

- ⑩1) System for reporting by Directors and employees to the Corporate Auditor.

Directors and employees of the Company shall make report to the Corporate Auditor in the Board of Directors meetings, Management Committee meetings and other important meetings where the Corporate Auditor is present, directly during audit, the opportunity for the communication with President, Accounting Auditor and any other opportunities depending on the importance of the subject.

- ⑩2) System for reporting to the Corporate Auditor of the Company by Directors (and equivalent) and employees of the subsidiaries of the Company and the person who receives the report from such Directors and employees.

The Corporate Auditor of the Company shall receive reports from the Directors, employees of the subsidiaries of the Company and the person who receives the report from such Directors and employees through information exchange with the corporate auditor of the subsidiaries and audit of the subsidiaries. In addition, the Corporate Auditor shall directly receive whistle blow notice in the internal Whistle Blow system.

- ⑪ System to ensure that the person who makes a report to the Corporate Auditor of the Company shall not be adversely treated because of making such a report.

The rules relating to the internal Whistle Blow system clearly prohibits the adverse treatment to the person who makes the whistle blow notice because of making such whistle blow notice.

- ⑫ The matters relating to policy of the procedure for the advance payment or repayment of the expenses incurred as a result of performance of the duties by the Corporate Auditor of the Company and for the other processing of the expenses or the debt incurred as a result of such performance of the duties.

The Company shall not refuse the payment of the expenses necessary for the performance of the duties by the Corporate Auditor. When requested by the Corporate Auditor, such request shall be processed in accordance with the laws and procedure for the processing of expenditure and payment schedule of the Company.

- ⑬ Other system to ensure efficient audit by Corporate Auditors of the Company:

The Company shall respect "Rules for the Board of Auditors," "Rules for the Audit by the Corporate Auditor" and "Standard for the Audit by the Corporate Auditor" and cooperate with the execution of the audit plan.

(February 22, 2022)

**(2) The status of the operation of the system to ensure the appropriateness of business operations**

Overview of the implementation status of the system to ensure the appropriateness of the Company's business operations in the current fiscal year is as follows.

① Actions taken in relation to compliance

The Company hold the meetings of the Compliance·CSR Committee, which is chaired by the Officer in charge of Corporate Planning Department, 4 times this year, in accordance with the Compliance·CSR Committee Management Guidelines. The Committee has conducted maintenance of internal rules, such as Rules for Prevention of Insider Trading, education for non-Japanese managers, investigation whether there is any anti-social forces in our customers, report on the contact with competitors to secretariat office of the Compliance·CSR Committee and survey on status of compliance with laws and regulations using a tool by an external service provider. For internal reporting system, among other things, by including the Corporate Auditor as a recipient of the report, the Company has been trying to thoroughly eliminate the disadvantageous treatment of whistleblowers. In addition, the company also regularly conducts education for compliance awareness on a group-wide basis such as training of legal responsibility and Corporate Ethics for non-Japanese officers and training for foreign subsidiaries.

Furthermore, the Conflict of Interest Monitoring Committee has been examining the conditions of the transactions with Valeo group companies and reported the result to the Board of Directors 3 times.

② Activities on risk management

Based on the Company's risk management regulations, the company has been extracting the significant risks including those of the Group companies and has been planning the way to reduce the risk, and the follow-up including the progress of the plan has been made in the management meeting in which the President participates. In addition, in particular, with regard to hazard risks, such as the earthquake and the typhoon, the BCM committee meetings were held 3 times a year, and an annual activity plan has been followed up in the meetings where the executives participate.

③ Activities on subsidiary management

Reporting and approval system is secured in accordance with the Affiliated Company Management Rules and the Overseas Affiliated Company Management Rules, activities of ASEAN foreign subsidiaries management have been reviewed on a monthly basis with participation by the President, and the activities of domestic subsidiaries have been followed up by the responsible business unit. In addition, in the current fiscal year, the business plans for all group companies have been reported and shared by holding Leaders (policy presentation) in which the President of subsidiaries also participated. Furthermore, the Global Compliance Committee meeting was held 4 times this year to develop and strengthen the Group compliance system.

④ Audit by Corporate Auditors

The Company's Board of Corporate Auditors is composed of three auditors, including two outside auditors and, for this fiscal year, meetings of the Board of Corporate Auditors were held 14 times. Corporate Auditors attended the meetings of the Board of Directors on the basis of the audit plan, participated as observers in the Compliance·CSR Committee meetings, and shared information with the accounting auditor. In addition to above activities as auditors, full-time corporate auditor also utilized supporting employees, attended the Management Committee meetings, participated as observers in the Global Compliance Committee meetings, had the conference with the internal audit department, made visiting audits to domestic and overseas subsidiaries and the individual audit, and all through these activities, he gathered

various information. By all these means, the Corporate Auditors audit whether or not performance of duties of the Board of Directors violates the laws and regulations and the Articles of Incorporation of this company.

## Consolidated balance sheet

(As of December 31, 2024)

(Unit: million yen)

| Department                            | Amount  | Department                                                  | Amount  |
|---------------------------------------|---------|-------------------------------------------------------------|---------|
| (Assets Department)                   |         | (Liabilities)                                               |         |
| current assets                        | 66,512  | current liabilities                                         | 48,082  |
| cash and deposits                     | 12,642  | Notes payable and accounts payable                          | 14,091  |
| accounts receivable                   | 16,606  | Electronically recorded debt                                | 16,554  |
| electronically recorded debt          | 19      | short-term borrowings                                       | 13      |
| Goods and products                    | 1,888   | lease obligation                                            | 635     |
| Work in process                       | 3,210   | Accounts payable                                            | 3,366   |
| Raw materials and supplies            | 3,668   | Accrued corporate taxes, etc.                               | 1,021   |
| short term loans receivable           | 25,917  | accrued expenses                                            | 6,406   |
| others                                | 2,639   | Reserve for bonuses                                         | 910     |
| Allowance for doubtful accounts       | △81     | Reserve for directors' bonuses                              | 34      |
|                                       |         | Product warranty reserve                                    | 973     |
|                                       |         | others                                                      | 4,075   |
| fixed assets                          | 63,577  | fixed liabilities                                           | 11,055  |
| Tangible fixed assets                 | 38,461  | lease obligation                                            | 3,731   |
| buildings and structures              | 9,921   | Liabilities related to retirement benefits                  | 7,148   |
| Machinery and vehicles                | 16,355  | asset retirement obligation                                 | 26      |
| Tools, equipment and supplies         | 1,791   | others                                                      | 149     |
| land                                  | 1,781   |                                                             |         |
| Lease assets                          | 3,520   |                                                             |         |
| Construction in progress              | 5,089   |                                                             |         |
| Intangible fixed assets               | 38      | Total debt                                                  | 59,138  |
| Investments and other assets          | 25,076  | (Net assets section)                                        |         |
| investment securities                 | 3,474   | stockholders' equity                                        | 66,323  |
| long term loans receivable            | 769     | capital                                                     | 9,003   |
| Affiliated company investment         | 12,921  | capital surplus                                             | 2,523   |
| Assets related to retirement benefits | 2,633   | retained earnings                                           | 54,853  |
| Deferred tax assets                   | 3,891   | Treasury Stock                                              | △56     |
| others                                | 1,389   | Accumulated other comprehensive income                      | 3,724   |
| Allowance for doubtful accounts       | △2      | Foreign currency translation adjustment account             | 4,195   |
|                                       |         | Cumulative adjustment amount related to retirement benefits | △470    |
|                                       |         | Non-dominated strains                                       | 902     |
|                                       |         | host points                                                 |         |
|                                       |         | Total net assets                                            | 70,951  |
| Total assets                          | 130,089 | Total liabilities and net assets                            | 130,089 |

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

# Joint profit and loss calculation book

( From January 1,  
2024  
Until December 31,  
2024 )

(Unit: million yen)

| Department                                                   | Amount of money |         |
|--------------------------------------------------------------|-----------------|---------|
| Sales                                                        |                 | 125,544 |
| Cost of sales                                                |                 | 103,639 |
| gross profit                                                 |                 | 21,904  |
| Selling, general and administrative expenses                 |                 | 17,021  |
| Operating profit                                             |                 | 4,883   |
| Non-operating income                                         |                 |         |
| Interest and dividends received                              | 212             |         |
| Equity method investment income                              | 2,093           |         |
| others                                                       | 18              | 2,324   |
| Non-operating expenses                                       |                 |         |
| Interest expense                                             | 166             |         |
| Payment fee                                                  | 6               |         |
| Exchange loss                                                | 517             |         |
| others                                                       | 0               | 690     |
| Ordinary profit                                              |                 | 6,517   |
| Extraordinary income                                         |                 |         |
| Gain on disposal of fixed assets                             | 7               |         |
| Gain on sale of affiliated company stocks                    | 869             | 876     |
| Extraordinary losses                                         |                 |         |
| Loss on disposal of fixed assets                             | 100             |         |
| Business structure improvement costs                         | 432             | 532     |
| Net profit for the period before taxes and other adjustments |                 | 6,861   |
| Corporate tax, resident tax and business tax                 | 1,877           |         |
| Corporate tax, etc. adjustment amount                        | 394             | 2,272   |
| Net profit for the current period                            |                 | 4,589   |
| Net income attributable to non-controlling shareholders      |                 | 118     |
| Net income attributable to owners of parent company          |                 | 4,470   |

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

## Consolidated statement of changes in shareholders' equity

( From January 1,  
2024  
Until December 31,  
2024 )

(Unit: million yen)

|                                                                              | Stockholder capital |                 |                   |                |                            |
|------------------------------------------------------------------------------|---------------------|-----------------|-------------------|----------------|----------------------------|
|                                                                              | capital             | capital surplus | retained earnings | Treasury Stock | Total shareholders' equity |
| Balance at the beginning of the current period                               | 8,996               | 2,515           | 51,536            | △55            | 62,993                     |
| Current period change amount                                                 |                     |                 |                   |                |                            |
| Net income attributable to owners of parent company                          | —                   | —               | 4,470             | —              | 4,470                      |
| Issuance of new shares                                                       | 7                   | 7               |                   |                | 14                         |
| dividend of surplus                                                          | —                   | —               | △1,154            | —              | △1,154                     |
| Acquisition of treasury stock                                                | —                   | —               | —                 | △0             | △0                         |
| Current period changes in items other than shareholders' equity (net amount) | —                   | —               | —                 | —              | —                          |
| Total amount of changes for the current period                               | 7                   | 7               | 3,316             | △0             | 3,330                      |
| Balance at end of current period                                             | 9,003               | 2,523           | 54,853            | △56            | 66,323                     |

|                                                                           | Accumulated other comprehensive income        |                                         |                                                         |                                                  | non-dominated Plant branch | host net worth total |
|---------------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------|---------------------------------------------------------|--------------------------------------------------|----------------------------|----------------------|
|                                                                           | others securities Valuation difference amount | currency conversion Adjustm ent account | retirement benefits related to Adjust cumulative amount | Other including benefits total cumulative amount |                            |                      |
| Balance at the beginning of the current period                            | 89                                            | 2,014                                   | △1,058                                                  | 1,044                                            | 692                        | 64,730               |
| Current period change amount                                              |                                               |                                         |                                                         |                                                  |                            |                      |
| Net income attributable to owners of parent company                       | —                                             | —                                       | —                                                       | —                                                | —                          | 4,470                |
| Issuance of new shares                                                    |                                               |                                         |                                                         |                                                  |                            | 14                   |
| dividend of surplus                                                       | —                                             | —                                       | —                                                       | —                                                | —                          | △1,154               |
| Acquisition of treasury stock                                             | —                                             | —                                       | —                                                       | —                                                | —                          | △0                   |
| Items other than stockholders' equity Current period changes (net amount) | △89                                           | 2,180                                   | 588                                                     | 2,679                                            | 210                        | 2,890                |
| Total amount of changes for the current period                            | △89                                           | 2,180                                   | 588                                                     | 2,679                                            | 210                        | 6,220                |
| Balance at end of current period                                          | —                                             | 4,195                                   | △470                                                    | 3,724                                            | 902                        | 70,951               |

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

## ■ Consolidated notes table

Notes on important matters that form the basis for preparing consolidated financial statements

### 1. Matters regarding the scope of consolidation

#### (1) Status of consolidated subsidiaries

|                                       |                                                                                                                                  |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| • Number of consolidated subsidiaries | 4 companies                                                                                                                      |
| • Name of consolidated subsidiary     | Kyushu Ichikoh Industries, LTD.<br>Ichikoh(Malaysia) SDN.BHD.<br>P.T. Ichikou Indonesia<br>Ichikoh Industries(Thailand) Co.,Ltd. |

During the current consolidated fiscal year, all shares of PIAA Corporation, which was a consolidated subsidiary of the Company, were sold and the company was excluded from the scope of consolidation.

### 2. Matters regarding application of equity method

#### (1) Status of equity method affiliates

|                                      |                                                                              |
|--------------------------------------|------------------------------------------------------------------------------|
| • Number of equity method affiliates | 2 companies                                                                  |
| • Name of equity method affiliate    | Valeo Ichikoh Holding<br>Valeo Ichikoh (China) Automotive Lighting Co., Ltd. |

#### (2) Status of unconsolidated subsidiaries or affiliated companies to which the equity method is not applied

No applicable items.

### 3. Matters regarding the business year of consolidated subsidiaries

The closing date of consolidated subsidiaries is the same as the consolidated closing date.

#### 4. Matters related to accounting policies

##### (1) Evaluation standards and methods for important assets

###### ① Securities

Other securities

|                                   |                                         |
|-----------------------------------|-----------------------------------------|
| Stocks, etc. with no market price | Cost method using moving average method |
|-----------------------------------|-----------------------------------------|

###### ② Inventories

Products, raw materials,  
work in process

Cost method using first-in, first-out method  
(The balance sheet amount is calculated  
using the method of writing down the book  
value due to a decline in profitability.)

storage goods

Cost method using moving average method

##### (2) Depreciation method for important depreciable assets

###### ① Tangible fixed assets (excluding leased assets): Straight line method

The main useful lives are as follows.

|                               |                      |
|-------------------------------|----------------------|
| buildings and structures      | 10 years to 50 years |
| Machinery and vehicles        | 4 years to 12 years  |
| tools, furniture and fixtures | 2 years to 10 years  |

###### ② Intangible fixed assets (excluding lease assets): Straight line method

For software (for internal use), the straight-line method is used based on the estimated useful life within the company (5 years).

###### ③ Lease assets

Lease assets related to finance lease transactions that do not transfer ownership

The straight-line method is used, with the lease term as the useful life and the residual value as zero.

##### (3) Standards for recording important reserves

###### ① Allowance for doubtful accounts

In order to prepare for bad debt losses on trade receivables, loans, etc., we record estimated uncollectible amounts based on the actual bad debt rate for general receivables, and take into account the collectability of specific receivables such as doubtful debts.

###### ② Reserve for bonuses

In order to cover the expense of bonuses paid to employees, the amount of the estimated payment amount for the current consolidated fiscal year is recorded.

###### ③ Reserve for directors' bonuses

The Company and its domestic consolidated subsidiaries record bonuses for directors based on the estimated amount to be paid at the end of the current consolidated fiscal year.



④Product warranty reserve

In order to prepare for expenses associated with product warranties, we record estimated amounts calculated based on past performance rates, and for specific products, estimated amounts calculated individually.

(4) Accounting method for retirement benefits

① Method of attributing expected retirement benefits to period

In calculating retirement benefit obligations, the benefit formula basis is used to attribute the expected amount of retirement benefits to the period up to the end of the current consolidated fiscal year.

② Expense treatment method for actuarial differences

Actuarial differences are amortized using the straight-line method over a certain number of years (11 years) within the average remaining service period of employees at the time of occurrence, and are expensed from the fiscal year following the respective occurrence.

(5) Standards for recording important income and expenses

The details of the main performance obligations of the main products related to revenue generated from contracts with customers of the Company and its consolidated subsidiaries and the usual time to satisfy the performance obligations (normal time to recognize revenue) are as follows.

a. Auto parts

In this business, we mainly manufacture and sell automobile parts, and our customers are domestic and foreign automobile manufacturers and automobile parts manufacturers. The Group primarily identifies the delivery of finished products to customers as a performance obligation, and revenue is recognized for the sale of such products at the time of delivery of each product to the customer or upon acceptance by the customer.

Additionally, revenue is measured at the amount calculated by deducting returns, discounts, rebates, etc. from the consideration promised in the contract with the customer.

The consideration for the transaction was received within one year after the performance obligation was satisfied and does not include a significant financial component.

b. Molds sold to customers

For molds that are collected from customers over a certain period of time from the start of mass production based on a contract with the customer, revenue is recognized at the time mass production begins.

Additionally, revenue is measured at the amount calculated by deducting returns, discounts, rebates, etc. from the consideration promised in the contract with the customer.

(6) Criteria for converting significant foreign currency-denominated assets or liabilities into Japanese currency

Monetary receivables and payables denominated in foreign currencies are converted into yen at the spot exchange rate on the consolidated closing date, and the exchange differences are treated as profit or loss. The assets and liabilities of overseas subsidiaries, etc. are converted into yen at the spot exchange rate on the consolidated closing date, and revenues and expenses are converted into yen at the average exchange rate during the period, and the exchange differences are included in foreign currency translation adjustments and non-controlling interests in net assets.

## Notes on accounting estimates

### Product warranty reserve

(1) Amounts recorded in the consolidated financial statements for the current consolidated fiscal year

(million yen)

|                          | Current consolidated fiscal year |
|--------------------------|----------------------------------|
| Product warranty reserve | 973                              |

(2) Information regarding the content of significant accounting estimates related to the identified items

In order to prepare for expenditures related to product warranties, the Group estimates and records the expected amount based on past performance rates. In addition, reserves for individual product warranties that are expected to be incurred due to market measures, etc. are recorded using an individual estimation method when the expenditure is likely to occur and a reasonable estimate can be made. The amount is estimated and recorded based on currently available information and past repair or replacement experience, taking into account the number of products affected, the repair or replacement cost per unit, the proportion of liability with the customer, and, if relevant, the status of product recovery cost insurance coverage.

We believe that the estimates of the assumptions used to calculate product warranty costs are reasonable. However, because these estimates contain uncertainties, actual product warranty costs may differ from the estimates due to unforeseen changes in assumptions, and as a result, the reserve for product warranties may need to be revised.

## Notes to the consolidated balance sheet

1. Accumulated depreciation of 53,180 million yen  
property, plant and equipment

2. Electronically recorded monetary claim  
discount amount

Electronically recorded monetary  
claim discount amount 3,687 million yen

## Notes regarding consolidated statement of changes in equity

## 1. Type and total number of issued shares as of the end of the current consolidated fiscal year

Common stock 96,363,161

## 2. Matters regarding dividends

## (1) Dividend payment amount

| resolution                                                   | Type of stock | Source of dividend | total amount of dividends (million yen) | per share dividend amount (yen) | Base date             | Effective date         |
|--------------------------------------------------------------|---------------|--------------------|-----------------------------------------|---------------------------------|-----------------------|------------------------|
| 2024<br>March 27th<br>regular shareholder<br>general meeting | Common stock  | retained earnings  | 528                                     | 5.5                             | 2023<br>December 31st | 2024<br>March 28th     |
| 2024<br>August 8th<br>board of directors                     | Common stock  | retained earnings  | 625                                     | 6.5                             | 2024<br>June 30th     | 2024<br>September 10th |

## (2) Among dividends whose record date falls in the current consolidated fiscal year, the effective date of the dividend is in the next consolidated fiscal year.

| resolution                                                                 | Type of stock | Source of dividend | total amount of dividends (million yen) | per share dividend amount (yen) | Base date             | Effective date     |
|----------------------------------------------------------------------------|---------------|--------------------|-----------------------------------------|---------------------------------|-----------------------|--------------------|
| 2025<br>March 27th<br>regular shareholder<br>general meeting<br>(schedule) | Common stock  | retained earnings  | 625                                     | 6.5                             | 2024<br>December 31st | 2025<br>March 28th |

## Notes regarding financial instruments

### 1. Matters related to the status of financial instruments

As a general rule, the Group limits its fund management to short-term deposits, etc., and procures funds through bank loans and loans from Valeo. Derivatives are used to avoid interest rate fluctuation risk and exchange rate fluctuation risk on borrowed funds, and we do not engage in speculative transactions.

We strive to reduce customer credit risks related to notes and accounts receivable-trade and electronically recorded monetary claims by managing due dates and balances for each business partner. In addition, investment securities are mainly stocks, and the market value of listed stocks is determined on a quarterly basis.

The borrowings will be used for working capital (mainly short-term) and capital investment funds (long-term).

### 2. Matters related to the market value of financial instruments, etc.

The amount recorded on the consolidated balance sheet, the market value, and the difference between these as of December 31, 2024 (consolidated closing date for the current fiscal year) are as follows.

(Unit: million yen)

|                                                                     | Consolidated<br>balance sheet<br>Recorded amount | Market price | difference |
|---------------------------------------------------------------------|--------------------------------------------------|--------------|------------|
| Lease obligations<br>(Including repayment schedule within one year) | 4,366                                            | 4,334        | △31        |
| Liability calculation                                               | 4,366                                            | 4,334        | △31        |

(Note 1) "Cash and deposits," "Notes and accounts receivable," "Electronically recorded monetary claims," "Short-term loans," "Notes and accounts payable-trade," "Electronically recorded obligations," and "Short-term loans payable" are omitted because they are settled in a short period of time and their market values approximate book values.

(Note 2) Stocks, etc. without market prices are not included in the above table. The amount recorded on the consolidated balance sheet of the financial instrument is as follows.

| Classification        | Consolidated balance sheet amount (million yen) |
|-----------------------|-------------------------------------------------|
| Unlisted stocks, etc. | 16,395                                          |

### 3. Matters regarding the breakdown of market values of financial instruments by level, etc.

The market value of financial instruments is classified into the following three levels depending on the observability and materiality of the inputs used to calculate the market value.

|                       |                                                                                                                |
|-----------------------|----------------------------------------------------------------------------------------------------------------|
| Level 1 market price: | Market value determined from (unadjusted) quoted prices in active markets for identical assets or liabilities. |
| Level 2 market price: | Market value determined using directly or indirectly observable inputs other than Level 1 inputs               |
| Level 3 market price: | Market value determined using significant unobservable inputs                                                  |

If multiple inputs that have a significant impact on the calculation of market value are used, the market value is classified into the level that has the lowest priority in calculating market value among the levels to which each of those inputs belongs.

(1) Financial instruments recorded on the consolidated balance sheet at market value

No applicable items.

(2) Financial instruments other than those recorded on the consolidated balance sheet at market value

| Classification                                                     | Market value (million yen) |         |         |       |
|--------------------------------------------------------------------|----------------------------|---------|---------|-------|
|                                                                    | level 1                    | level 2 | level 3 | total |
| lease obligation<br>(Including repayment schedule within one year) | —                          | 4,334   | —       | 4,334 |
| Liability calculation                                              | —                          | 4,334   | —       | 4,334 |

(Note) Explanation of valuation techniques used to calculate market value and inputs related to calculation of market value

#### lease obligation

These fair values are calculated using the discounted present value method based on the total amount of principal and interest, the remaining term of the debt, and the interest rate that takes into account credit risk, and are classified as Level 2 market values.

## Notes on revenue recognition

## 1. Information disaggregating revenue generated from customer contracts

(Unit: million yen)

|                                                 | Reportable segment |                        | total   |
|-------------------------------------------------|--------------------|------------------------|---------|
|                                                 | auto parts         | Automotive Aftermarket |         |
| Sales                                           |                    |                        |         |
| Domestic                                        | 83,870             | 3,892                  | 87,763  |
| Overseas                                        | 37,474             | 305                    | 37,780  |
| Revenue generated from contracts with customers | 121,345            | 4,198                  | 125,544 |
| Other income                                    | —                  | —                      | —       |
| Sales to external customers                     | 121,345            | 4,198                  | 125,544 |

## 2. Information that is the basis for understanding revenue generated from contracts with customers

The information that serves as the basis for understanding revenue generated from contracts with customers is as stated in "Notes on important matters underlying the preparation of consolidated financial statements, 4. Matters regarding accounting policies, (5) Standards for recording significant revenues and expenses."

## 3. Information for understanding the amount of revenue for the current consolidated fiscal year and the following consolidated fiscal year onwards

## (1) Balance of contract assets and contract liabilities

(Unit: million yen)

|                                           | Current consolidated fiscal year |                |
|-------------------------------------------|----------------------------------|----------------|
|                                           | Beginning balance                | Ending balance |
| Receivables from contracts with customers | 24,780                           | 16,626         |
| Contract Assets                           | —                                | —              |
| Contract Liability                        | —                                | 1,462          |

Contract liabilities relate to consideration received prior to satisfaction of performance obligations under contracts with customers. It is included in "Other" under "Current Liabilities" on the consolidated balance sheet.

Contract liabilities are reversed as revenue is recognized.

Furthermore, as the balance of contract assets is immaterial and no significant changes have occurred, the information has been omitted.

## (2) Transaction price allocated to remaining performance obligations

Regarding the transaction price allocated to remaining performance obligations, the Company and its consolidated subsidiaries do not have any significant transactions with an expected contract period exceeding one year. Additionally, there are no significant amounts of consideration arising from contracts with customers that are not included in the transaction price.

## Notes regarding business combinations, etc.

### Transfer of subsidiary stock

#### 1. Overview of subsidiary stock transfer

- ① Name and business details of the subsidiary to be transferred
 

|                  |                                 |
|------------------|---------------------------------|
| Name             | PIAA Corporation                |
| Business content | Automotive Aftermarket business |
- ② Transferee name      USAMI KOYU CO.,LTD
- ③ Reason for stock transfer  
Our group has decided to make this transfer because we believe that we can secure even stronger competitiveness by selecting and concentrating on the remaining lighting business and allocating our limited management resources.
- ④ Stock transfer date      August 30, 2024
- ⑤ Other matters regarding the outline of transactions  
Stock transfer where the consideration received is only property such as cash

#### 2. Summary of accounting procedures performed

- ① Amount of gain or loss on transfer      Gain on sale of company stocks  
869 million yen
- ② Appropriate book value and main breakdown of assets and liabilities related to the transferred subsidiary
 

|                     |                   |
|---------------------|-------------------|
| current assets      | 4,764 million yen |
| fixed assets        | 2,172 million yen |
| Total assets        | 6,936 million yen |
| current liabilities | 3,994 million yen |
| fixed liabilities   | 564 million yen   |
| Total debt          | 4,559 million yen |
- ③ accounting treatment  
The difference between the consolidated book value and sale price of the transferred shares is recorded as "gain on sale of affiliated company stocks" in extraordinary income.

#### 3. Name of the reportable segment that included the business whose shares were transferred

Automotive Aftermarket business

#### 4. Approximate amount of profit and loss related to the transferred subsidiary recorded in the consolidated statement of income for the current consolidated fiscal year

|                  |                   |
|------------------|-------------------|
| Sales            | 4,198 million yen |
| Operating profit | 206 million yen   |

## Notes regarding per share information

|                      |                |
|----------------------|----------------|
| Net assets per share | 728 yen 29 sen |
| Net income per share | 46 yen 48 sen  |

# Loan/borrow comparison table

(As of December 31, 2024)

(Unit: million yen)

| Department                      | Amount | Department                        | Amount |
|---------------------------------|--------|-----------------------------------|--------|
| (Assets Department)             |        | (Liabilities)                     |        |
| current assets                  | 49,069 | current liabilities               | 34,545 |
| cash and deposits               | 3,179  | Accounts payable                  | 7,666  |
| accounts receivable             | 12,943 | Electronically recorded debt      | 14,715 |
| electronically recorded debt    | 19     | short-term borrowings             | 13     |
| Goods and products              | 1,230  | lease obligation                  | 272    |
| Work in process                 | 2,001  | Accounts payable                  | 2,985  |
| Raw materials and supplies      | 2,022  | Accrued corporate taxes, etc.     | 502    |
| prepaid expenses                | 256    | accrued expenses                  | 4,362  |
| Accounts receivable             | 1,500  | deposit                           | 1,087  |
| short term loans receivable     | 25,775 | Reserve for bonuses               | 560    |
| others                          | 228    | Reserve for directors' bonuses    | 34     |
| Allowance for doubtful accounts | △87    | Product warranty reserve          | 904    |
|                                 |        | others                            | 1,441  |
| fixed assets                    | 41,376 | fixed liabilities                 | 7,986  |
| Tangible fixed assets           | 26,796 | lease obligation                  | 2,350  |
| building                        | 7,030  | Reserve for retirement benefits   | 5,609  |
| construct                       | 260    | asset retirement obligation       | 26     |
| machinery and equipment         | 9,561  |                                   |        |
| vehicle carrier                 | 80     |                                   |        |
| tools, furniture and fixtures   | 1,467  |                                   |        |
| land                            | 1,518  |                                   |        |
| Lease assets                    | 2,575  |                                   |        |
| Construction in progress        | 4,301  |                                   |        |
|                                 |        |                                   |        |
| Intangible fixed assets         | 36     |                                   |        |
| Leasehold right                 | 3      |                                   |        |
| Facility usage rights           | 22     |                                   |        |
| software                        | 10     |                                   |        |
|                                 |        | Total debt                        | 42,531 |
| Investments and other assets    | 14,543 | (Net assets section)              |        |
| investment securities           | 45     | stockholders' equity              | 47,915 |
| Affiliated company stocks       | 4,550  | capital                           | 9,003  |
| Affiliated company investment   | 1,908  | capital surplus                   | 2,336  |
| long term loans receivable      | 769    | capital reserves                  | 2,336  |
| long-term prepaid expenses      | 267    | retained earnings                 | 36,631 |
| Prepaid pension costs           | 2,530  | Other retained earnings           | 36,631 |
| Deferred tax assets             | 3,405  | Retained earnings carried forward | 36,631 |
| others                          | 1,068  | Treasury Stock                    | △56    |
| Allowance for doubtful accounts | △2     |                                   |        |
|                                 |        | Total net assets                  | 47,915 |
| Total assets                    | 90,446 | Total liabilities and net assets  | 90,446 |

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



# Profit and loss calculation book

( From January 1,  
2024  
Until December 31,  
2024 )

(Unit: million yen)

| Department                                   | Amount of money |        |
|----------------------------------------------|-----------------|--------|
| Sales                                        |                 | 87,042 |
| Cost of sales                                |                 | 72,299 |
| gross profit                                 |                 | 14,743 |
| Selling, general and administrative expenses |                 | 12,731 |
| Operating profit                             |                 | 2,012  |
| Non-operating income                         |                 |        |
| Interest received                            | 360             |        |
| Dividends received                           | 1,001           |        |
| fixed asset rent                             | 79              |        |
| others                                       | 10              | 1,451  |
| Non-operating expenses                       |                 |        |
| Interest expense                             | 105             |        |
| Payment fee                                  | 6               |        |
| Fixed asset lending costs                    | 67              |        |
| Exchange loss                                | 353             |        |
| others                                       | 0               | 533    |
| Ordinary profit                              |                 | 2,929  |
| Extraordinary income                         |                 |        |
| Gain on sale of affiliated company stocks    | 1,872           | 1,872  |
| Extraordinary losses                         |                 |        |
| Loss on disposal of fixed assets             | 86              |        |
| Business structure improvement costs         | 224             | 310    |
| Net income before tax                        |                 | 4,491  |
| Corporate tax, resident tax and business tax | 1,094           |        |
| Corporate tax, etc. adjustment amount        | △31             | 1,062  |
| Net profit for the current period            |                 | 3,428  |

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

# Statement of changes in shareholders' equity

( From January 1,  
2024  
Until December 31,  
2024 )

(Unit: million yen)

|                                                | Stockholder capital |                  |                       |                                                          |                         |
|------------------------------------------------|---------------------|------------------|-----------------------|----------------------------------------------------------|-------------------------|
|                                                | capital             | Capital surplus  |                       | Benefits Surplus money                                   |                         |
|                                                |                     | capital reserves | capital surplus total | Other retained earnings<br>Accumulated retained earnings | retained earnings total |
| Balance at the beginning of the current period | 8,996               | 2,328            | 2,328                 | 34,356                                                   | 34,356                  |
| Current period change amount                   |                     |                  |                       |                                                          |                         |
| Net profit for the current period              | —                   | —                | —                     | 3,428                                                    | 3,428                   |
| Issuance of new shares                         | 7                   | 7                | 7                     |                                                          |                         |
| dividend of surplus                            | —                   | —                | —                     | △1,154                                                   | △1,154                  |
| Acquisition of treasury stock                  | —                   | —                | —                     | —                                                        | —                       |
| Total amount of changes for the current period | 7                   | 7                | 7                     | 2,274                                                    | 2,274                   |
| Balance at end of current period               | 9,003               | 2,336            | 2,336                 | 36,631                                                   | 36,631                  |

|                                                | Stockholder capital |                            | net worth total |
|------------------------------------------------|---------------------|----------------------------|-----------------|
|                                                | Treasury Stock      | stockholders' equity total |                 |
| Balance at the beginning of the current period | △55                 | 45,626                     | 45,626          |
| Current period change amount                   |                     |                            |                 |
| Net profit for the current period              | —                   | 3,428                      | 3,428           |
| Issuance of new shares                         |                     | 14                         | 14              |
| dividend of surplus                            | —                   | △1,154                     | △1,154          |
| Acquisition of treasury stock                  | △0                  | △0                         | △0              |
| Total amount of changes for the current period | △0                  | 2,288                      | 2,288           |
| Balance at end of current period               | △56                 | 47,915                     | 47,915          |

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

## ■Individual notes table

### Matters related to important accounting policies

#### 1. Asset valuation standards and methods

##### (1) Securities

- ①Subsidiary stocks and affiliated company stocks Cost method using moving average method
- ②Other securities
  - Stocks, etc. with no market price Cost method using moving average method

##### (2) Inventories

- ①Products, raw materials, work in process Cost method using first-in, first-out method  
(The balance sheet amount is calculated using the book value reduction method based on the decline in profitability)
- ②Stored goods Cost method using moving average method

#### 2. Fixed asset depreciation method

##### (1) Tangible fixed assets (excluding leased assets)

Amortized using the straight-line method.

The main useful lives are as follows.

|                               |                      |
|-------------------------------|----------------------|
| buildings and structures      | 10 years to 50 years |
| Machinery and vehicles        | 4 years to 12 years  |
| tools, furniture and fixtures | 2 years to 10 years  |

##### (2) Intangible fixed assets (excluding lease assets)

- Software for internal use

Amortized using the straight-line method based on the internal estimated useful life (5 years).

- Other intangible fixed assets

Amortized using the straight-line method.

##### (3) Lease assets

- Lease assets related to finance lease transactions that do not transfer ownership

The straight-line method is used, with the lease term as the useful life and the residual value as zero.

### 3. Standards for recording reserves

(1) Allowance for doubtful accounts

In order to prepare for bad debt losses on trade receivables, loans, etc., we record the expected uncollectible amount based on the actual bad debt rate for general receivables, and consider the collectability of specific receivables such as doubtful debts individually.

(2) Reserve for bonuses

In order to prepare for the payment of bonuses to employees, the estimated amount to be paid for the current fiscal year is recorded.

(3) Reserve for directors' bonuses

In preparation for the payment of bonuses to directors, an amount is recorded based on the estimated payment amount at the end of the current fiscal year.

(4) Reserve for product warranties

In order to prepare for expenses associated with product warranties, we record estimated amounts calculated based on past actual rates, and for specific products, estimated amounts calculated individually.

(5) Reserve for retirement benefits

To prepare for employee retirement benefits, an amount is recorded based on the estimated amount of retirement benefit obligations and pension assets at the end of the current fiscal year.

The treatment method for retirement benefit reserves and retirement benefit expenses is as follows.

① Method of attributing expected retirement benefits to period

In calculating retirement benefit obligations, the benefit formula basis is used to attribute the estimated retirement benefit amount to the period up to the current fiscal year.

② Expense treatment method for actuarial differences

Actuarial differences are amortized using the straight-line method over a certain number of years (11 years) within the average remaining service period of employees at the time of occurrence, and are expensed from the fiscal year following the respective occurrence.

The treatment of unrecognized actuarial gains and losses in the balance sheet is different from that in the consolidated balance sheet.

#### 4. Basis for recording significant income and expenses

The details of the main performance obligations of the main products related to revenue generated from the Company's contracts with customers and the usual time to satisfy the performance obligations (normal time to recognize revenue) are as follows.

##### a. Auto parts

This business primarily manufactures and sells automobile parts, and its customers are domestic and foreign automobile manufacturers and automobile parts manufacturers. The Company primarily identifies the delivery of finished products to customers as a performance obligation, and revenue is recognized for the sale of such products at the time each product is delivered to the customer or accepted by the customer.

Additionally, revenue is measured at the amount calculated by deducting returns, discounts, rebates, etc. from the consideration promised in the contract with the customer.

The consideration for the transaction was received within one year of satisfaction of the performance obligation and does not include a significant financial component.

##### b. Molds sold to customers

For molds that are collected from customers over a certain period of time from the start of mass production based on a contract with the customer, revenue is recognized at the time mass production begins.

Additionally, revenue is measured at the amount calculated by deducting returns, discounts, rebates, etc. from the consideration promised in the contract with the customer.

#### 5. Standards for converting foreign currency-denominated assets and liabilities into Japanese currency

Monetary receivables and payables denominated in foreign currencies are converted into yen at the spot exchange rate on the closing date, and the exchange differences are treated as profit or loss.

## Notes on accounting estimates

### Product warranty reserve

(1) Amount recorded in the financial statements for the current fiscal year

(million yen)

|                          | Current fiscal year |
|--------------------------|---------------------|
| Product warranty reserve | 904                 |

(2) Information regarding the content of significant accounting estimates related to the identified items

In order to prepare for expenditures related to product warranties, the Company estimates and records the expected amount based on past performance rates. In addition, reserves for individual product warranties that are expected to be incurred due to market measures, etc. are recorded using an individual estimation method when the expenditure is highly likely to occur and a reasonable estimate can be made. The amount is estimated and recorded based on currently available information and past repair or replacement experience, taking into account the number of products affected, the repair or replacement cost per unit, the proportion of liability with the customer, and, if relevant, the status of product recovery cost insurance coverage.

We believe that the estimates of the assumptions used to calculate product warranty costs are reasonable. However, because these estimates contain uncertainties, actual product warranty costs may differ from the estimates due to unforeseen changes in assumptions, and as a result, the reserve for product warranties may need to be revised.

## Notes on the balance sheet

1. Accumulated depreciation of property, plant and equipment 32,614 million yen

2. Electronically recorded monetary claim discount amount 3,687 million yen

## 3. Monetary claims and debts to affiliated companies

short-term monetary claims 27,223 million yen  
 long-term monetary claims 769 million yen  
 short-term financial obligations 2,662 million yen

## 4. debt guarantee

We provide debt guarantees for the debts of the following affiliated companies.

| Guarantee                             | Target debt balance<br>(million yen) | Contents of guaranteed debt     |
|---------------------------------------|--------------------------------------|---------------------------------|
| Ichikoh Industries(Thailand) Co.,Ltd. | 54                                   | Guarantee for lease obligations |

## Notes on the income statement

## Transaction volume with affiliated companies

Sales 1,897 million yen  
 Purchase amount 9,213 million yen  
 Selling, general and administrative expenses 900 million yen  
 Transaction volume other than business transactions 441 million yen

## Notes regarding statement of changes in equity, etc.

Type and number of treasury stock at the end of the current fiscal year  
 Common stock 181,424

## Notes on tax effect accounting

## Breakdown of deferred tax assets and deferred tax liabilities by main cause

## Deferred tax assets

|                                                     |                           |
|-----------------------------------------------------|---------------------------|
| Reserve for retirement benefits                     | 1,715 million yen         |
| Loss on valuation of stocks of affiliated companies | 1,848 million yen         |
| undetermined debt                                   | 1,358 million yen         |
| Research and development expenses                   | 334 million yen           |
| Product warranty reserve                            | 276 million yen           |
| Reserve for bonuses                                 | 171 million yen           |
| inventory                                           | 191 million yen           |
| Fixed assets (impairment)                           | 146 million yen           |
| others                                              | 174 million yen           |
| Deferred tax asset subtotal                         | <u>6,216 million yen</u>  |
| Valuation allowance                                 | <u>△2,030 million yen</u> |
| Total deferred tax assets                           | <u>4,185 million yen</u>  |

## Deferred tax liability

|                              |                          |
|------------------------------|--------------------------|
| Prepaid pension costs        | 773 million yen          |
| Prepaid property tax         | <u>6 million yen</u>     |
| Total deferred tax liability | <u>780 million yen</u>   |
| Net deferred tax assets      | <u>3,405 million yen</u> |



## Notes regarding related party transactions

## 1. Parent company and major corporate shareholders, etc.

(Unit: million yen)

| attribute      | company etc. name | Voting rights, etc. ownership of (owned) ratio | related parties relationship with | trading content             | transaction amount | Subject                     | End of term balance |
|----------------|-------------------|------------------------------------------------|-----------------------------------|-----------------------------|--------------------|-----------------------------|---------------------|
| Parent company | Valeo             | owned indirect 61.14%                          | Loaning funds/settlement of funds | loan of funds (Note)1       | 3,299              | short term loans receivable | 21,899              |
|                |                   |                                                |                                   | Interest received (Note) 2  | 5                  |                             |                     |
|                |                   |                                                |                                   | Settlement of funds (Note)3 | 491                | deposit                     | 869                 |

Transaction conditions and policy for determining transaction conditions, etc.

(Note) 1. Transaction amounts for lending and collection of funds are the net increase/decrease from the end of the previous fiscal year to the end of the current fiscal year.

(Note) 2. Regarding loans to Valeo, interest rates are determined by taking into account market interest rates.

(Note) 3. Fund settlements are carried out to improve the efficiency of deposit and withdrawal operations with third parties outside the group throughout the group. The net increase/decrease from the end of the previous fiscal year to the end of the current fiscal year is stated.

## 2. Subsidiaries and affiliated companies, etc.

(Unit: million yen)

| attribute          | company etc. name               | Voting rights, etc. ownership of (owned) ratio | related parties relationship with                                                                                           | trading content                                                        | transaction amount | Subject                     | End of term balance |
|--------------------|---------------------------------|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|--------------------|-----------------------------|---------------------|
| subsidiary         | Kyushu Ichikoh Industries ,Ltd. | direct 100.0%                                  | Purchase of parts and products Paid supply Concurrent officer positions                                                     | Purchase of parts and products (Note)1                                 | 8,227              | Accounts payable            | 1,576               |
|                    |                                 |                                                |                                                                                                                             | Fixed asset rental (Note)1                                             | 76                 |                             |                     |
| subsidiary         | P.T. Ichikou Indonesia          | direct 99.9% indirect 0.1%                     | Purchase and sale of parts and products technical support royalty agreement Concurrent positions of officers/loans of funds | Sale of parts and products technical support royalty agreement (Note)1 | 1,448              | accounts receivable         | 391                 |
|                    |                                 |                                                |                                                                                                                             | loan of funds (Note) 2                                                 | 217                | short term loans receivable | 3,875               |
|                    |                                 |                                                |                                                                                                                             | Interest received (Note)3                                              | 343                | Accounts receivable         | 193                 |
| affiliated company | Valeo Ichikoh Holding           | direct 15.0%                                   | loan of funds                                                                                                               | loan of funds (Note) 2                                                 | 32                 | long term loans receivable  | 769                 |
|                    |                                 |                                                |                                                                                                                             | Interest received (Note)3                                              | 42                 | Accounts receivable         | 98                  |

Transaction conditions and policy for determining transaction conditions, etc.

(Note) 1. Prices and other transaction conditions are determined through negotiation based on consideration calculated by the Company, taking into account market prices, etc.

(Note) 2. Transaction amounts for lending and collection of funds are the net increase/decrease from the end of the previous fiscal year to the end of the current fiscal year.

(Note) 3. Interest rates for loans to P.T. Ichiko Indonesia and Valeo Ichikoh Holding are determined by taking

market interest rates into consideration.

#### Notes regarding per share information

|                      |                |
|----------------------|----------------|
| Net assets per share | 498 yen 17 sen |
| Net income per share | 35 yen 65 sen  |

#### Notes on revenue recognition

The information that is the basis for understanding revenue generated from contracts with customers is the same as described in "Notes on Revenue Recognition" in the consolidated notes, so the notes are omitted.

## Accounting auditor's audit report regarding consolidated financial statements

## Independent auditor's audit report

February 25, 2025

To the Board of Directors Ichikoh Industries, Ltd.

## Ernst &amp; Young ShinNihon LLC

## Tokyo office

|                                     |                             |          |
|-------------------------------------|-----------------------------|----------|
| Designated limited liability member | certified public accountant | Chihiro  |
| Executive employee                  |                             | Yasunaga |
| Designated limited liability member | certified public accountant | Masao    |
| Executive employee                  |                             | Yamamoto |

## audit opinion

Based on the provisions of Article 444, Paragraph 4 of the Companies Act, our audit firm conducted an audit of Ichikoh Industries, LTD.'s consolidated financial statements for the consolidated fiscal year from January 1, 2024 to December 31, 2024, namely, the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in shareholders' equity, and consolidated notes.

We believe that the consolidated financial statements referred to above fairly present, in all material respects, the status of assets and profits and losses of the corporate group consisting of Ichikoh Industries, Ltd. and its consolidated subsidiaries for the period pertaining to the consolidated financial statements, in accordance with corporate accounting standards generally accepted in Japan.

## Basis of audit opinion

Our auditing firm conducted the audit in accordance with auditing standards that are generally accepted as fair and reasonable in Japan. Our responsibilities under the auditing standards are described in "Auditor's Responsibilities in Auditing Consolidated Financial Statements." Our auditing firm is independent from the company and its consolidated subsidiaries in accordance with the rules regarding professional ethics in Japan, and also fulfills other ethical responsibilities as an auditor. We believe that we have obtained sufficient appropriate audit evidence to form the basis of our opinion.

## Other contents

The other contents are the business report and its attached specifications. Management is responsible for preparing and disclosing other information. In addition, the responsibility of the corporate auditors and the board of corporate auditors is to monitor the execution of duties by directors in the development and operation of other reporting processes. Our audit firm's audit opinion on the consolidated financial statements does not include any other written content, and our audit firm does not express any opinion on any other written content.

Our responsibility in the audit of the consolidated financial statements is to read through the other statements and, in the process of reading them, to consider whether there are material differences between the other statements and the consolidated financial statements or the knowledge we have obtained in the course of the audit, and to pay attention to whether there are any signs of material errors in the other statements in addition to such material differences.

If our audit firm determines that there is a material error in other written information based on the work we have performed, we are required to report that fact.

There are no other matters to be reported by our auditing firm.

## Responsibilities of management, corporate auditors, and board of corporate auditors regarding consolidated financial statements

The responsibility of management is to prepare and properly present consolidated financial statements in accordance with corporate accounting standards that are generally accepted as fair and appropriate in Japan. This includes developing and operating internal controls that management deems necessary to prepare and properly present consolidated financial statements that are free from material misstatements due to fraud or error.

When preparing consolidated financial statements, management is responsible for evaluating whether it is appropriate to prepare consolidated financial statements based on the going concern assumption and, if necessary, disclosing matters regarding going concern based on corporate accounting standards generally accepted in Japan.

The responsibility of the corporate auditors and the board of corporate auditors is to monitor the execution of duties by directors in the development and operation of the financial reporting process.

#### Auditor's responsibilities in auditing consolidated financial statements

The auditor's responsibility is to obtain reasonable assurance, based on the audit conducted by the auditor, as to whether the consolidated financial statements as a whole are free of material misstatement due to fraud or error, and to express an opinion on the consolidated financial statements from an independent standpoint in the audit report.

Misstatements may arise from fraud or error and are determined to be material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of the consolidated financial statements.

Auditors will exercise professional judgment and maintain professional skepticism throughout the audit process in accordance with auditing standards generally accepted in Japan, and will:

- Identify and assess risks of material misstatement due to fraud or error. In addition, the Company plans and implements audit procedures that address the risks of material misstatement. The selection and application of audit procedures is at the discretion of the auditor. In addition, obtain sufficient appropriate audit evidence on which to base the opinion.
- Although the purpose of an audit of consolidated financial statements is not to express an opinion on the effectiveness of internal controls, when conducting risk assessments, auditors consider internal controls related to the audit in order to plan audit procedures appropriate to the circumstances.
- Evaluate the appropriateness of accounting policies adopted by management and their application methods, as well as the reasonableness of accounting estimates made by management and the appropriateness of related notes.
- Conclude whether it is appropriate for management to prepare consolidated financial statements on the basis of going concern, and whether there are significant uncertainties regarding events or circumstances that cast material doubt on the going concern assumption, based on the audit evidence obtained. If there is a material uncertainty regarding the going concern assumption, the auditor is required to draw attention to the notes to the consolidated financial statements in the auditor's report, or, if the notes to the consolidated financial statements regarding the material uncertainty are inappropriate, to express an opinion with exceptions on the consolidated financial statements. Although the auditor's conclusions are based on audit evidence obtained up to the date of the auditor's report, future events or circumstances may cause the entity to no longer continue as a going concern.
- Evaluate whether the presentation and notes of the consolidated financial statements comply with corporate accounting standards generally accepted in Japan, as well as whether the presentation, structure, and content of the consolidated financial statements, including related notes, and whether the consolidated financial statements fairly represent the underlying transactions and accounting events.
- Plan and conduct an audit of the consolidated financial statements in order to obtain sufficient and appropriate audit evidence regarding the financial information of the company and its consolidated subsidiaries, which will serve as the basis for expressing an opinion on the consolidated financial statements. The auditor is responsible for directing, supervising and reviewing the audit of consolidated financial statements. The auditor is solely responsible for the audit opinion.

The auditor shall report to the corporate auditors and the board of corporate auditors regarding the scope of the planned audit and its implementation timing, important audit findings, including material deficiencies in internal controls identified during the audit process, and other matters required by auditing standards.

The auditor shall report to the corporate auditors and the board of corporate auditors that the auditor has complied with Japan's professional ethics regulations regarding independence, as well as matters that are reasonably considered to affect the auditor's independence, and the details of any measures taken to eliminate impediments or the application of safeguards to reduce impediments to an acceptable level.

#### conflict of interest

According to the provisions of the Certified Public Accountants Act, there is no conflict of interest between the company and its consolidated subsidiaries and our auditing firm or its executive members.

END

## Accounting auditor's audit report

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                             |          |                   |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|----------|-------------------|
| Independent auditor's audit report                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                             |          | February 25, 2025 |
| To the Board of Directors Ichikoh Industries, Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                             |          |                   |
| Ernst & Young ShinNihon LLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                             |          |                   |
| Tokyo office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                             |          |                   |
| Designated limited liability member                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | certified public accountant | Chihiro  |                   |
| Executive employee                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                             | Yasunaga |                   |
| Designated limited liability member                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | certified public accountant | Masao    |                   |
| Executive employee                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                             | Yamamoto |                   |
| audit opinion                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                             |          |                   |
| Based on the provisions of Article 436, Paragraph 2, Item 1 of the Companies Act, our audit firm conducted an audit of Ichikoh Industries, LTD.'s financial statements for the 95th fiscal year from January 1, 2024 to December 31, 2024, namely, the balance sheet, income statement, statement of changes in shareholders' equity, notes to individual notes, and their supplementary schedules (hereinafter referred to as "Financial Statements, etc."). Our auditing firm deems that the above financial statements, etc. properly present the status of assets and profits and losses for the period related to the financial statements, etc. in all material respects in accordance with corporate accounting standards that are generally accepted as fair and appropriate in Japan.                                                                                                                                                                                                                                               |                             |          |                   |
| Basis of audit opinion                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                             |          |                   |
| Our auditing firm conducted the audit in accordance with auditing standards that are generally accepted as fair and reasonable in Japan. Our auditing corporation's responsibilities under the auditing standards are described in "Auditor's Responsibilities in Audits of Financial Statements, etc." In accordance with Japan's professional ethics regulations, our auditing firm is independent from the company and fulfills other ethical responsibilities as an auditor. We believe that we have obtained sufficient appropriate audit evidence to form the basis of our opinion.                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                             |          |                   |
| Other contents                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                             |          |                   |
| The other contents are the business report and its attached specifications. Management is responsible for preparing and disclosing other information. In addition, the responsibility of the corporate auditors and the board of corporate auditors is to monitor the execution of duties by directors in the development and operation of other reporting processes. Our audit firm's audit opinion on financial statements, etc. does not include any other written content, and our audit firm does not express an opinion on other written content. Our auditing firm's responsibility in auditing financial statements, etc. is to read through the other statements, and in the process of reading through them, to consider whether there are material differences between the other statements and the financial statements, etc. or the knowledge we have obtained in the course of the audit, and to pay attention to whether there are any signs of material errors in other statements in addition to such material differences. |                             |          |                   |
| If our audit firm determines that there is a material error in other written information based on the work we have performed, we are required to report that fact.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                             |          |                   |
| There are no other matters to be reported by our auditing firm.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                             |          |                   |
| Responsibilities of management, corporate auditors, and board of corporate auditors regarding financial statements, etc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                             |          |                   |
| The responsibility of management is to prepare and properly present financial statements in accordance with corporate accounting standards that are generally accepted as fair and appropriate in Japan. This includes developing and operating internal controls that management deems necessary to prepare and properly present financial statements, etc. that are free from material misstatements due to fraud or error.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                             |          |                   |
| When preparing financial statements, etc., management is responsible for assessing whether it is appropriate to prepare financial statements, etc. based on the going concern assumption, and if it is necessary to disclose matters related to going concern based on corporate accounting standards that are generally accepted as fair and appropriate in Japan, the management is responsible for disclosing such matters.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                             |          |                   |
| The responsibility of the corporate auditors and the board of corporate auditors is to monitor the execution of duties by directors in the development and operation of the financial reporting process.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                             |          |                   |

Auditor's responsibilities in auditing financial statements, etc.

The auditor's responsibility is to obtain reasonable assurance, based on the audit conducted by the auditor, as to whether the financial statements, etc. as a whole are free of material misstatements due to fraud or error, and to express an opinion on the financial statements, etc. from an independent standpoint in the audit report. Misstatements may arise from fraud or error, and are determined to be material if, individually or in the aggregate, they can reasonably be expected to influence the decision-making of users of financial statements, etc.

Auditors will exercise professional judgment and maintain professional skepticism throughout the audit process in accordance with auditing standards generally accepted in Japan, and will:

- Identify and assess risks of material misstatement due to fraud or error. In addition, the Company plans and implements audit procedures that address the risks of material misstatement. The selection and application of audit procedures is at the discretion of the auditor. In addition, obtain sufficient appropriate audit evidence on which to base the opinion.
- Although the purpose of an audit of financial statements, etc. is not to express an opinion on the effectiveness of internal controls, when conducting risk assessments, auditors consider internal controls related to the audit in order to plan audit procedures appropriate to the circumstances.
- Evaluate the appropriateness of accounting policies adopted by management and their application methods, as well as the reasonableness of accounting estimates made by management and the appropriateness of related notes.
- Conclude whether it is appropriate for management to prepare financial statements, etc. on the assumption of going concern, and whether there are significant uncertainties regarding events or circumstances that cast significant doubt on the assumption of going concern, based on the audit evidence obtained. If there is a material uncertainty regarding the going concern assumption, the auditor is required to call attention to the notes on the financial statements, etc. in the audit report, or, if the notes on the financial statements, etc. regarding the material uncertainty are inappropriate, to express an opinion with exceptions on the financial statements, etc. Although the auditor's conclusions are based on audit evidence obtained up to the date of the auditor's report, future events or circumstances may cause the entity to no longer continue as a going concern.
- Evaluate whether the presentation and notes of financial statements, etc. comply with corporate accounting standards that are generally accepted as fair and reasonable in Japan, as well as whether the presentation, structure, and content of financial statements, including related notes, and whether the financial statements, etc. appropriately represent the underlying transactions and accounting events.

The auditor shall report to the corporate auditors and the board of corporate auditors regarding the scope of the planned audit and its implementation timing, important audit findings, including material deficiencies in internal controls identified during the audit process, and other matters required by auditing standards.

The auditor shall report to the corporate auditors and the board of corporate auditors that the auditor has complied with Japan's professional ethics regulations regarding independence, as well as matters that are reasonably considered to affect the auditor's independence, and the details of any measures taken to eliminate impediments or the application of safeguards to reduce impediments to an acceptable level.

conflict of interest

There is no conflict of interest between the company and our auditing corporation or our executive members that should be stated pursuant to the provisions of the Certified Public Accountants Act.

END

## Audit report of the Board of Corporate Auditors

### Auditor report

The Board of Corporate Auditors has prepared this audit report after deliberation based on the audit reports prepared by each corporate auditor regarding the execution of duties by directors for the 95th business year from January 1, 2024 to December 31, 2024, and reports as follows.

1. Audit methods and content by corporate auditors and the board of corporate auditors
  - (1) The Board of Corporate Auditors established audit policies, division of duties, etc., received reports from each corporate auditor on the implementation status and results of their audits, received reports from directors, etc. and the accounting auditor on the status of execution of their duties, and requested explanations as necessary.
  - (2) Each Audit & Supervisory Board Member complied with the Audit & Supervisory Board Audit Standards established by the Audit & Supervisory Board, and in accordance with the audit policy, division of duties, etc., communicated with directors, the internal audit department, and other employees, and worked to collect information and improve the audit environment, and conducted audits using the following methods.
    - ① Attended meetings of the Board of Directors and other important meetings, received reports from directors and employees regarding the status of execution of their duties, requested explanations as necessary, inspected important approval documents, etc., and investigated the status of operations and assets at the head office and major offices. In addition, with regard to subsidiaries, we communicated and exchanged information with their directors, auditors, etc., and received business reports from subsidiaries as necessary.
    - ② A system to ensure that the execution of duties by directors described in the business report complies with laws and regulations and the articles of incorporation, and other systems specified in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act as necessary to ensure the appropriateness of the operations of a corporate group consisting of a stock company and its subsidiaries. Regarding the details of the resolution of the Board of Directors regarding the development of a system for the management of business conditions and the system established based on the resolution (internal control system), we regularly received reports from Directors and employees regarding the status of its construction and operation, and requested explanations and expressed opinions as necessary.
    - ③ In addition to monitoring and verifying whether the accounting auditor maintains an independent position and conducts appropriate audits, we received reports from the accounting auditor on the status of execution of its duties and requested explanations as necessary. In addition, we received notification from the accounting auditor that a "system to ensure that duties are carried out properly" (matters listed in Article 131 of the Corporate Accounting Regulations) is in place in accordance with the "Quality Control Standards for Audits," etc., and requested explanations as necessary.

Based on the above method, we have examined the business report, its supplementary schedules, financial statements (balance sheet, income statement, statement of changes in shareholders' equity, and individual notes), its supplementary schedules, and consolidated financial statements (consolidated balance sheet, consolidated income statement, consolidated statement of changes in shareholders' equity, and consolidated notes) for the relevant business year.

## 2. Audit results

### (1) Audit results of business reports, etc.

- ① We believe that the business report and its supplementary specifications accurately represent the company's situation in accordance with laws and regulations and the articles of incorporation.
- ② No fraudulent acts or serious violations of laws or regulations or the Articles of Incorporation have been found regarding the execution of duties by directors.
- ③ We acknowledge that the content of the resolution of the Board of Directors regarding the internal control system is appropriate. Furthermore, we have found no matters to point out regarding the contents of the business report and the execution of duties by the directors regarding the internal control system.
- ④ Regarding the transactions with the parent company, etc. mentioned in the business report, we do not find anything that should be pointed out regarding the matters that were taken into account when conducting such transactions so as not to harm the interests of the Company, the board of directors' judgment as to whether the transactions would not harm the interests of the Company, and the reasons therefor.

### (2) Audit results of financial statements and their supplementary specifications

We acknowledge that the auditing methods and results of the accounting auditor, Ernst & Young ShinNihon LLC, are appropriate.

### (3) Audit results of consolidated financial statements

We acknowledge that the auditing methods and results of the accounting auditor, Ernst & Young ShinNihon LLC, are appropriate.

February 25, 2025

Ichikoh Industries, Ltd.

Board of Auditors

Full-time auditor Nobuteru Kato (印)

Outside auditor Aki Tsurumaki (印)

Outside auditor Jean-Yves  
Jouas (印)

END