

This document is an English translation of the notice for the general meeting of shareholders originally written in Japanese. This translation was made for reference purpose only and all warranties, and in particular the accuracy of this translation, are hereby disclaimed.

To Our Shareholders

I would like to take this opportunity to express my sincere gratitude to our shareholders for your continued support. I am pleased to deliver to you this notice of the 101st Ordinary General Meeting of Shareholders. OKI has upheld its “enterprising spirit” since its founding while remaining consistently aligned with the challenges of its customers on the ground throughout its 140-year history in providing them with products and services that support mission-critical social infrastructure for which downtime is not an option. As a Company committed to “Delivering OK! to your life,” OKI’s mission is to improve the foundations of life for all people across the globe.

With the Medium-Term Business Plan 2025, initiated in FY2023, focusing on three fields of contribution—“safe and convenient social infrastructure,” “job satisfaction and productivity enhancement,” and “protection of the global environment”—we are accordingly working to provide social value in each such field of contribution.

Results in FY2024, the second year of the Medium-Term Business Plan 2025, have culminated in steady recovery of our financial foundation, with net sales and operating income having returned to FY2019 levels combined with ROE in the upper half of the 8% range and shareholders’ equity ratio in the 35% range. Given those business results, we are proposing a year-end dividend of ¥45 per share for the fiscal year under review, for an increase of ¥15 over that of the previous fiscal year.

OKI has been steadily making progress in the right direction. With FY2025 marking completion of the Medium-Term Business Plan 2025, we will accelerate initiatives during the fiscal year toward achieving sustainable growth going forward enlisting an unwavering focus in pressing ahead with reforms.

We sincerely appreciate the continued unwavering support and guidance of our shareholders going forward.

Takahiro Mori

President, Representative Director and Chief Executive Officer

(Translation)

Please access the website on the right for financial highlights

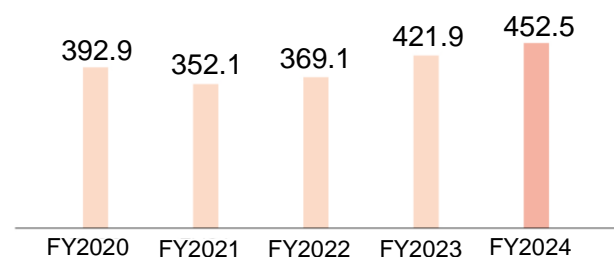
Financial Results for FY2024

<https://www.oki.com/en/ir/data/presen/>

Net sales

¥452.5 billion

Net sales (Billions of yen)

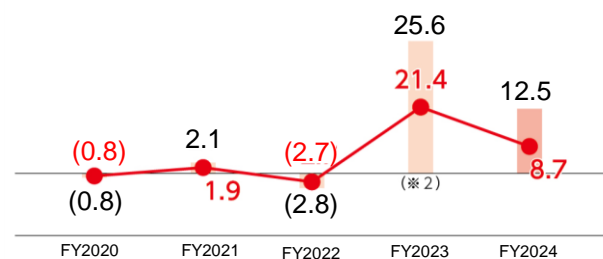


ROE

8.7%

Profit attributable to owners of parent
(Billions of yen)

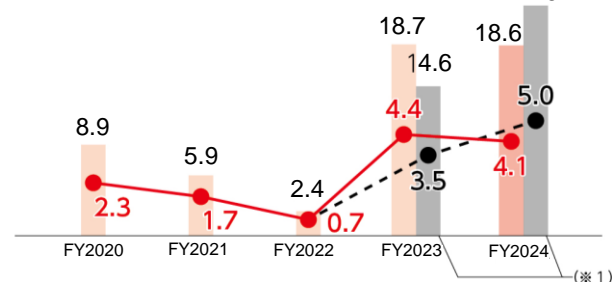
ROE (%)



Operating income

¥18.6 billion

Operating income (Billions of yen) Operating profit margin (%)

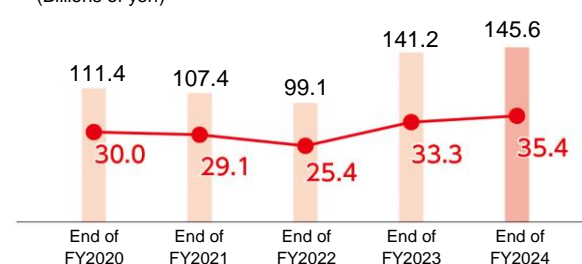


Shareholder's equity ratio

35.4%

Shareholder's equity (Billions of yen)

Shareholder's equity ratio (%)



*1 Revenue status in real terms excluding one-time factors (allowance for doubtful accounts related to trade receivables for Chinese ATM projects)

*2 Profit of ¥10.5 billion and ROE of 9.4% if one-time factors (income taxes-deferred of ¥11.0 billion, allowance for doubtful accounts of ¥4.1 billion in *1 have been excluded)

NOTICE OF 101ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders,

Oki Electric Industry Co., Ltd. (the “Company”) would hereby like to inform you that the 101st ordinary general meeting of shareholders will be held as follows.

When convening this general meeting of shareholders, the Company takes measures for providing in electronic format the information that constitutes the content of reference documents for the shareholders meeting, etc. (items for which measures for providing information in electronic format will be taken). This information is posted on each of the following websites as “Notice of Meeting of Shareholders (May 28, 2025),” so please access either of those websites to confirm the information.

The Company’s website:

<https://www.oki.com/jp/ir/stock/meeting.html> (in Japanese)

Website for informational materials for the general meeting of shareholders:

<https://d.sokai.jp/6703/teiji/> (in Japanese)

If you are unable to attend the meeting in person, you may exercise your voting rights via the Internet, etc. or in writing. Shareholders are kindly requested to review “Reference Documents for the General Meeting of Shareholders” and exercise their voting rights by no later than 5:15 p.m. on June 24 (Tuesday), 2025 (JST).

Please refer to pages 6 and 7 for the detailed procedures on exercising your voting rights via the Internet, etc., or in writing.

Yours faithfully,

Takahiro Mori
President, Representative Director
Oki Electric Industry Co., Ltd.
1-7-12 Toranomom, Minato-ku, Tokyo

- 1. Date and Time:** Wednesday, June 25, 2025, from 10:00 a.m. (Reception will open at 9:30 a.m.)
- 2. Location:** “Providence Hall,” 2F Tokyo Prince Hotel, 3-3-1 Shiba-koen, Minato-ku, Tokyo
- 3. Meeting Agenda**

Items to be reported:

1. Business Report, Consolidated Financial Statements and audit results of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 101st fiscal year (from April 1, 2024 to March 31, 2025)
2. Non-consolidated Financial Statements for the 101st fiscal year (from April 1, 2024 to March 31, 2025)

(Translation)

Items to be resolved:

Agenda Item 1: Appropriation of Surplus

Agenda Item 2: Election of Eight (8) Directors

Agenda Item 3: Election of Two (2) Audit & Supervisory Board Members

4. Items to be decided upon convocation

- (1) Among the items subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 15 of the Articles of Incorporation of the Company, the following items are not provided in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.

The Audit & Supervisory Board Members and the Accounting Auditor have audited the documents subject to audit, including the following items.

Business Report	Employees, Major creditors, Other significant events of the OKI Group, Shareholders' Equity, Equity Warrants, Status of Accounting Auditor and Policies and procedures of the Company
Consolidated Financial Statements	Consolidated Balance Sheet, Consolidated Statement of Operations, Consolidated Statement of Changes in Net Assets, Notes to Consolidated Financial Statements
Non-consolidated Financial Statements	Non-Consolidated Balance Sheet, Non-Consolidated Statement of Operations, Non-Consolidated Statement of Changes in Net Assets, Notes to Non-consolidated Financial Statements
Audit Reports	Audit Reports of the Accounting Auditor and the Audit & Supervisory Board, including Consolidated Financial Statements

- (2) If you exercise your voting rights in duplicate via both the Internet, etc. and the voting rights exercise form, we will regard the vote cast via the Internet, etc. to be effective. If you exercise your voting rights more than once via the Internet, etc., we will regard the last vote you cast to be the effective one.
- (3) If no approval or disapproval is indicated to the respective agendas in the returned voting rights exercise form, it will be treated as an approval vote for the Company's proposals.
- (4) If amendment to the items subject to measures for electronic provision arise, a notice of the amendment and the details of the items before and after the amendment will be posted on each of the websites shown above.

Notice on the Acceptance of Questions in Advance

We will accept questions regarding the meeting agenda for this general meeting of shareholders in advance via the Company's website. Of the questions received, those deemed to be of high interest to our shareholders will be addressed at this general meeting of shareholders.

Please access the Company's website via the URL or QR code below and submit your questions using the "Form for Submitting Questions in Advance Regarding the 101st Ordinary General Meeting of Shareholders."

Submission Deadline To be received no later than 5:15 p.m. on June 17 (Tuesday), 2025 (JST).

The Company's website: <https://www.oki.com/cgi-bin/inquiryForm.cgi?p=191j> (in Japanese)

- * Please limit your questions to matters related to the meeting agenda for this general meeting of shareholders and keep them concise, at no longer than 300 characters.

(Translation)

- * Please note that questions not addressed during this general meeting of shareholders will be taken into consideration as reference for the future, and we do not guarantee responses to all questions received; we would appreciate your understanding in advance.

(Translation)

Instructions for the Exercise of Voting Rights

Exercise of voting rights at the Company's General Meeting of Shareholders is shareholders' important right.
Please refer to the following and exercise your voting rights by either of the following methods.

In case of not attending the General Meeting of Shareholders

To exercise your voting rights via postal mail

Please indicate your approval or disapproval to each agenda on the enclosed voting rights exercise form, and return the completed form.

Deadline for voting: To be received no later than 5:15 p.m. on June 24 (Tuesday), 2025 (JST).

To exercise your voting rights via the Internet, etc.

Please refer to the following page for details.

Deadline for voting: To be received no later than 5:15 p.m. on June 24 (Tuesday), 2025 (JST).

In case of attending the General Meeting of Shareholders

Please submit the enclosed voting rights exercise form to reception.

Date and time of the General Meeting of Shareholders: From 10:00 a.m. (Reception will open at 9:30 a.m.) on June 25 (Wednesday), 2025 (JST)

Treatment of Voting Rights Exercised Multiple Times

- If you exercise your voting rights in duplicate via both postal mail and the Internet, etc., we will regard the vote cast via the Internet, etc. to be effective.
- If you exercise your voting rights more than once via the Internet, etc., we will regard the last vote you cast to be the effective one.

Instructions for the Exercise of Voting Rights via the Internet, etc.

How to scan QR code using smartphone “Smart Exercise”	How to enter voting rights exercise code and password
<p>1. To exercise your voting rights via smartphone, you do not need to enter your “voting rights exercise code” and “password.” You can log in by reading the “QR code for login” indicated on the slip of enclosed ballot (right side).</p> <p>* “QR code” is a registered trademark of Denso Wave Incorporated.</p> <p>2. Please input approval or disapproval to each proposal in accordance with the instructions on the screen.</p> <div><p>Exercising voting rights by “Smart Exercise” is available only once.</p><p>Please follow the instructions on the right for the second and subsequent login.</p></div> <div><p>You can view major contents of the notice of ordinary general meeting of shareholders via your personal computer or smartphone.</p><p>https://p.sokai.jp/6703/ (in Japanese)</p></div>	<p>How to use the voting site</p> <p>Voting site: https://soukai.mizuho-tb.co.jp/ (in Japanese)</p> <ol style="list-style-type: none">1. Please access the voting site.2. Please enter the “voting rights exercise code” printed on the voting rights exercise form.3. Please enter the “password” printed on the voting rights exercise form.4. Please input approval or disapproval to each proposal in accordance with the instructions on the screen.
<p>If you have any inquiries about the operation of a personal computer, a smartphone or a cellular phone regarding the exercise of voting rights via the Internet, please contact on the right-hand side:</p>	<p>Internet Help Dial, Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd. Tel: 0120-768-524 (toll free, only in Japan) (Operating hours: 9:00 a.m. to 9:00 p.m., excluding the year-end and New Year holidays)</p>

Institutional investors can utilize the electronic voting platform operated by ICJ, Inc.

Reference Documents for the General Meeting of Shareholders

Agenda Items and Reference Matters

Agenda Item 1: Appropriation of Surplus

The Company has given consideration to matters including the business performance of the fiscal year under review, business earnings projections for the next fiscal year (FY2025), the Company's financial position, etc., and it proposes to pay year-end dividends for the fiscal year under review as follows.

1. Type of dividend asset

Cash

2. Allocation of dividend assets and total amount of dividends

Common stock of the Company	¥45 per share
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Total dividends	¥3,901,957,875
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3. Effective date of dividend of surplus

June 26, 2025

(Reference) Dividend Policy

The Company regards the return of profits to shareholders as one of its most important management policies.









In terms of dividends, while maintaining the continuity of stable dividends as a basic policy, we will determine the dividend amount by comprehensively considering the cash flow situation based on business performance and investments necessary for future growth (capital investment, research and development investment, human capital investment) and the level of retained earnings. We will continue to strive to enhance shareholder returns while strengthening our financial base.

(Translation)

Agenda Item 2: Election of Eight (8) Directors

The tenure of office of all eight (8) Directors will expire at the conclusion of this general meeting of shareholders. Accordingly, the Company proposes the election of eight (8) Directors, and the candidates are shown as follows. The candidates for Directors have been approved by the Board of Directors after deliberation by the Personnel Affairs and Compensation Advisory Committee.


(Reference)


Candidate number	Name			Current position/ responsibility, etc. in the Company	Number of attendance at meetings of the Board of Directors (the year under review)	Number of years in office as Director (as of the conclusion of this general meeting of shareholders)
1		Takahiro Mori	Re-election	President, Representative Director and Chief Executive Officer	100% (14 out of 14 times)	3 years
2		Teiji Teramoto	Re-election	Senior Executive Vice President, Representative Director	100% (14 out of 14 times)	2 years
3		Yuichiro Katagiri	Re-election	Executive Vice President and Member of the Board	100% (11 out of 11 times)	1 year
4		Yoichi Kato	Newly nominated	Senior Vice President	—% (— out of — times)	— years
5		Tamotsu Saito	Re-election Outside Independent	Independent Outside Director	100% (14 out of 14 times)	7 years
6		Izumi Kawashima	Re-election Outside Independent	Independent Outside Director	100% (14 out of 14 times)	7 years
7		Makoto Kigawa	Re-election Outside Independent	Independent Outside Director	100% (14 out of 14 times)	6 years
8		Ryoko Toyama	Newly nominated Outside Independent	—	—% (— out of — times)	— years

Candidate number 1	Takahiro Mori	Number of years in office as Director: 3 years (as of the conclusion of this general meeting of shareholders) Number of attendance at meetings of the Board of Directors (the year under review): 14 out of 14 times (100%) Number of Oki shares held: Common stock: 10,500 shares
 (Born on August 29, 1964) [Re-election] Expected knowledge and experience <ul style="list-style-type: none">• Corporate management• Marketing• Technology & innovation• Human resources management• Legal affairs & risk management	Brief personal profile, position and responsibility in the Company and significant concurrent positions	
	Apr. 1988	Joined Oki Electric Industry Co., Ltd.
	Nov. 2006	General Manager of Partner Business Dept, Domestic Sales Division, Oki Data Corporation
	Oct. 2017	Director, Deputy Head of Product Development and Business Division, and Head of Office Printing Department, Oki Data Corporation
	Apr. 2019	Managing Executive Officer, Head of Product Development and Business Division, Oki Data Corporation
	Oct. 2019	Managing Executive Officer, Head of Product Development and Business Division, and Head of Domestic Sales Division, Oki Data Corporation
	Apr. 2020	Representative Director and President, Oki Data Corporation and Executive Officer, Oki Electric Industry Co., Ltd.
	Apr. 2021	Executive Officer, Head of Business Collaboration Division, Components & Platforms Business Group, Oki Electric Industry Co., Ltd.
	Apr. 2022	President and Chief Operating Officer
	Jun. 2022	President, Representative Director and Chief Operating Officer
Apr. 2023	President, Representative Director and Chief Executive Officer (incumbent)	
Reason for the selection of candidate for Director		
Mr. Takahiro Mori has extensive knowledge and experience leading the printer business in marketing divisions and the management of a subsidiary. Mr. Mori assumed the office of Executive Officer at the Company and the office of President at Oki Data Corporation in fiscal 2020. He has taken charge of the Company’s management as President, Representative Director and Chief Operating Officer since fiscal 2022 and as Chief Executive Officer since fiscal 2023. He is nominated as a candidate for Director as it is expected that, as a member of the Board of Directors, he will continue to share information with other Directors and strengthen the decision-making function and supervising function of the Board of Directors.		


Candidate number 2	Teiji Teramoto	Number of years in office as Director: 2 years (as of the conclusion of this general meeting of shareholders) Number of attendance at meetings of the Board of Directors (the year under review): 14 out of 14 times (100%) Number of Oki shares held: Common stock: 6,300 shares																						
<div><p>(Born on June 10, 1962) [Re-election]</p><p>Expected knowledge and experience</p><ul style="list-style-type: none">• Marketing• Human resources management• Global• Finance & accounting• Legal affairs & risk management</div>		<div><p>Brief personal profile, position and responsibility in the Company and significant concurrent positions</p><table><tr><td>Apr. 1985</td><td>Joined The Fuji Bank, Ltd.</td></tr><tr><td>Apr. 2013</td><td>Executive Officer, General Manager, Investment Banking Coordination Division, Mizuho Financial Group, Inc. & Mizuho Bank, Ltd.</td></tr><tr><td>Apr. 2014</td><td>Executive Officer, Europe, Middle East and Africa, Mizuho Bank, Ltd.</td></tr><tr><td>Apr. 2015</td><td>Managing Executive Officer, Head of Europe, Middle East and Africa, Mizuho Financial Group, Inc. & Mizuho Bank, Ltd.</td></tr><tr><td>Apr. 2017</td><td>Managing Executive Officer, Mizuho Financial Group, Inc. and Managing Executive Officer, Head of Global Corporate Division, Mizuho Bank, Ltd.</td></tr><tr><td>Apr. 2018</td><td>Senior Managing Executive Officer, Head of the Americas, Mizuho Financial Group, Inc. & Mizuho Bank, Ltd.</td></tr><tr><td>Jul. 2021</td><td>Senior Vice President, Deputy Head of Marketing & Sales Group, and Deputy Head of Components & Platforms Business Group, Oki Electric Industry Co., Ltd.</td></tr><tr><td>Apr. 2022</td><td>Senior Vice President, Head of Marketing & Sales Group, Deputy Head of Components & Platforms Business Group, and Head of Business Collaboration Division</td></tr><tr><td>Apr. 2023</td><td>Executive Vice President</td></tr><tr><td>Jun. 2023</td><td>Executive Vice President and Member of the Board</td></tr><tr><td>Apr. 2024</td><td>Senior Executive Vice President, Representative Director (incumbent), Chief Compliance Officer (incumbent), Chief Financial Officer (incumbent), Chief Human Resource Officer (incumbent), Internal Control Administrator</td></tr></table><p>Reason for the selection of candidate for Director</p><p>Mr. Teiji Teramoto has abundant experience and broad insight gained through his previous work in both domestic and international businesses at Mizuho Financial Group, Inc., and is familiar with the global business and governance on which the Company focuses. As a core member of management, since fiscal 2023, he has served as Executive Vice President and Officer in charge of Marketing & Sales and Global Business & Marketing, in June 2023, he assumed the office of Director, and since fiscal 2024, he has served as Senior Executive Vice President and Representative Director. He is nominated as a candidate for Director as it is expected that, as a member of the Board of Directors, he will continue to share information with other Directors and strengthen the decision-making function and supervising function of the Board of Directors.</p></div>	Apr. 1985	Joined The Fuji Bank, Ltd.	Apr. 2013	Executive Officer, General Manager, Investment Banking Coordination Division, Mizuho Financial Group, Inc. & Mizuho Bank, Ltd.	Apr. 2014	Executive Officer, Europe, Middle East and Africa, Mizuho Bank, Ltd.	Apr. 2015	Managing Executive Officer, Head of Europe, Middle East and Africa, Mizuho Financial Group, Inc. & Mizuho Bank, Ltd.	Apr. 2017	Managing Executive Officer, Mizuho Financial Group, Inc. and Managing Executive Officer, Head of Global Corporate Division, Mizuho Bank, Ltd.	Apr. 2018	Senior Managing Executive Officer, Head of the Americas, Mizuho Financial Group, Inc. & Mizuho Bank, Ltd.	Jul. 2021	Senior Vice President, Deputy Head of Marketing & Sales Group, and Deputy Head of Components & Platforms Business Group, Oki Electric Industry Co., Ltd.	Apr. 2022	Senior Vice President, Head of Marketing & Sales Group, Deputy Head of Components & Platforms Business Group, and Head of Business Collaboration Division	Apr. 2023	Executive Vice President	Jun. 2023	Executive Vice President and Member of the Board	Apr. 2024	Senior Executive Vice President, Representative Director (incumbent), Chief Compliance Officer (incumbent), Chief Financial Officer (incumbent), Chief Human Resource Officer (incumbent), Internal Control Administrator
Apr. 1985	Joined The Fuji Bank, Ltd.																							
Apr. 2013	Executive Officer, General Manager, Investment Banking Coordination Division, Mizuho Financial Group, Inc. & Mizuho Bank, Ltd.																							
Apr. 2014	Executive Officer, Europe, Middle East and Africa, Mizuho Bank, Ltd.																							
Apr. 2015	Managing Executive Officer, Head of Europe, Middle East and Africa, Mizuho Financial Group, Inc. & Mizuho Bank, Ltd.																							
Apr. 2017	Managing Executive Officer, Mizuho Financial Group, Inc. and Managing Executive Officer, Head of Global Corporate Division, Mizuho Bank, Ltd.																							
Apr. 2018	Senior Managing Executive Officer, Head of the Americas, Mizuho Financial Group, Inc. & Mizuho Bank, Ltd.																							
Jul. 2021	Senior Vice President, Deputy Head of Marketing & Sales Group, and Deputy Head of Components & Platforms Business Group, Oki Electric Industry Co., Ltd.																							
Apr. 2022	Senior Vice President, Head of Marketing & Sales Group, Deputy Head of Components & Platforms Business Group, and Head of Business Collaboration Division																							
Apr. 2023	Executive Vice President																							
Jun. 2023	Executive Vice President and Member of the Board																							
Apr. 2024	Senior Executive Vice President, Representative Director (incumbent), Chief Compliance Officer (incumbent), Chief Financial Officer (incumbent), Chief Human Resource Officer (incumbent), Internal Control Administrator																							


Candidate number 3	Yuichiro Katagiri	Number of years in office as Director: 1 year (as of the conclusion of this general meeting of shareholders) Number of attendance at meetings of the Board of Directors (the year under review): 11 out of 11 times (100%) Number of Oki shares held: Common stock: 6,200 shares																						
<div><p>(Born on August 9, 1961) [Re-election]</p><p>Expected knowledge and experience</p><ul style="list-style-type: none">• Marketing• Technology & innovation• Legal affairs & risk management• Manufacture & SCM</div>		<p>Brief personal profile, position and responsibility in the Company and significant concurrent positions</p> <table><tr><td>Apr. 1984</td><td>Joined Oki Electric Industry Co., Ltd.</td></tr><tr><td>Apr. 2000</td><td>Senior Manager, SE Department, Intelligent Transport Systems Division, Systems Solution Company</td></tr><tr><td>Apr. 2008</td><td>Senior Manager of Business Promoting Department, Government & Public Solutions Division, System Solutions Company, Information System Business Group, Systems Network Group</td></tr><tr><td>Apr. 2011</td><td>Senior Manager of Intelligent Transport Systems & Safety Systems Department, Public Systems Business Division</td></tr><tr><td>Apr. 2015</td><td>Executive Officer, Deputy Head of Public Systems Business Division, Senior Manager of Next Social Infrastructure Business Planning Taskforce</td></tr><tr><td>Apr. 2020</td><td>Senior Executive Officer, Deputy Head of Solution Systems Business Group</td></tr><tr><td>Apr. 2022</td><td>Senior Vice President, Head of Solution Systems Business Group</td></tr><tr><td>Apr. 2023</td><td>Senior Vice President, Chief Quality Officer (incumbent), Chief Environmental Officer (incumbent), Construction Business Executive Officer (incumbent) President, OKI Software Co., Ltd. (incumbent)</td></tr><tr><td>Apr. 2024</td><td>Executive Vice President, Head of Cross Industry Business Center</td></tr><tr><td>Jun. 2024</td><td>Executive Vice President and Member of the Board (incumbent)</td></tr><tr><td>Apr. 2025</td><td>Chief Information Officer (incumbent)</td></tr></table> <p>Reason for the selection of candidate for Director</p> <p>Mr. Yuichiro Katagiri has the extensive knowledge and experience based on his past experience serving in social infrastructure and information and communication business divisions, software divisions, and subsidiary management. As a core member of management, since fiscal 2024, he has served as Executive Vice President and Member of the Board. He is nominated as a candidate for Director as it is expected that, as a member of the Board of Directors, he will continue to share information with other Directors and strengthen the decision-making function and supervising function of the Board of Directors.</p>	Apr. 1984	Joined Oki Electric Industry Co., Ltd.	Apr. 2000	Senior Manager, SE Department, Intelligent Transport Systems Division, Systems Solution Company	Apr. 2008	Senior Manager of Business Promoting Department, Government & Public Solutions Division, System Solutions Company, Information System Business Group, Systems Network Group	Apr. 2011	Senior Manager of Intelligent Transport Systems & Safety Systems Department, Public Systems Business Division	Apr. 2015	Executive Officer, Deputy Head of Public Systems Business Division, Senior Manager of Next Social Infrastructure Business Planning Taskforce	Apr. 2020	Senior Executive Officer, Deputy Head of Solution Systems Business Group	Apr. 2022	Senior Vice President, Head of Solution Systems Business Group	Apr. 2023	Senior Vice President, Chief Quality Officer (incumbent), Chief Environmental Officer (incumbent), Construction Business Executive Officer (incumbent) President, OKI Software Co., Ltd. (incumbent)	Apr. 2024	Executive Vice President, Head of Cross Industry Business Center	Jun. 2024	Executive Vice President and Member of the Board (incumbent)	Apr. 2025	Chief Information Officer (incumbent)
Apr. 1984	Joined Oki Electric Industry Co., Ltd.																							
Apr. 2000	Senior Manager, SE Department, Intelligent Transport Systems Division, Systems Solution Company																							
Apr. 2008	Senior Manager of Business Promoting Department, Government & Public Solutions Division, System Solutions Company, Information System Business Group, Systems Network Group																							
Apr. 2011	Senior Manager of Intelligent Transport Systems & Safety Systems Department, Public Systems Business Division																							
Apr. 2015	Executive Officer, Deputy Head of Public Systems Business Division, Senior Manager of Next Social Infrastructure Business Planning Taskforce																							
Apr. 2020	Senior Executive Officer, Deputy Head of Solution Systems Business Group																							
Apr. 2022	Senior Vice President, Head of Solution Systems Business Group																							
Apr. 2023	Senior Vice President, Chief Quality Officer (incumbent), Chief Environmental Officer (incumbent), Construction Business Executive Officer (incumbent) President, OKI Software Co., Ltd. (incumbent)																							
Apr. 2024	Executive Vice President, Head of Cross Industry Business Center																							
Jun. 2024	Executive Vice President and Member of the Board (incumbent)																							
Apr. 2025	Chief Information Officer (incumbent)																							

Candidate number 4	Yoichi Kato	Number of years in office as Director: — (as of the conclusion of this general meeting of shareholders) Number of attendance at meetings of the Board of Directors (the year under review): — out of — times (—%) Number of Oki shares held: Common stock: 1,700 shares
 (Born on February 12, 1963) [Newly nominated] Expected knowledge and experience • Technology & innovation • Manufacture & SCM	Brief personal profile, position and responsibility in the Company and significant concurrent positions	
	Apr. 1987 Apr. 2012 Apr. 2015 Apr. 2016 Apr. 2021 Apr. 2022 Apr. 2023 Apr. 2025	Joined Oki Electric Industry Co., Ltd. Senior Manager, Engineering Department No. 1, Defense Systems Department, Public Systems Business Division Senior Manager, SE Department No.1, Defense Systems Department, Public Systems Business Division Head of Defense Systems Department, ICT Business Group Executive Officer, Head of TOKKI Systems Division, Solution Systems Business Group Executive Officer, Deputy Head of Solution Systems Business Group and Head of TOKKI Systems Division Senior Executive Officer, Head of TOKKI Systems Division Senior Vice President (incumbent), Chief Technology Officer (incumbent), Head of Technology Division (incumbent)
	Reason for the selection of candidate for Director	
	Mr. Yoichi Kato has experience and insight gained through leading the TOKKI Systems business through to the present. Mr. Kato assumed the office of Executive Officer in fiscal 2021, and had been playing a core role in management by serving as Senior Executive Officer from fiscal 2023. He is nominated as a candidate for Director as it is expected that, as a member of the Board of Directors, he will share information with other Directors and strengthen the decision-making function and supervisory function of the Board of Directors.	

Candidate number 5	Tamotsu Saito	Number of years in office as Director: 7 years (as of the conclusion of this general meeting of shareholders) Number of attendance at meetings of the Board of Directors (the year under review): 14 out of 14 times (100%) Number of Oki shares held: Common stock: 7,800 shares																												
<div><p>(Born on July 13, 1952) [Re-election] [Outside] [Independent]</p><p>Expected knowledge and experience</p><ul style="list-style-type: none">• Corporate management• Marketing• Technology & innovation• Human resources management• Global• Legal affairs & risk management• Manufacture & SCM</div>		<p>Brief personal profile, position and responsibility in the Company and significant concurrent positions</p> <table><tr><td>Apr. 1975</td><td>Joined Ishikawajima-Harima Heavy Industries Co., Ltd. (currently IHI Corporation)</td></tr><tr><td>Jun. 2006</td><td>Executive Officer, Vice President of Aero-Engine & Space Operations</td></tr><tr><td>Apr. 2008</td><td>Director, Executive Officer, President of Aero-Engine & Space Operations</td></tr><tr><td>Apr. 2011</td><td>Executive Vice President</td></tr><tr><td>Apr. 2012</td><td>President</td></tr><tr><td>Apr. 2016</td><td>Chairman of the Board</td></tr><tr><td>Jun. 2017</td><td>Outside Director, JAPAN POST INSURANCE Co., Ltd.</td></tr><tr><td>Jun. 2018</td><td>Outside Director, Oki Electric Industry Co., Ltd. (incumbent)</td></tr><tr><td>Apr. 2020</td><td>Director, IHI Corporation</td></tr><tr><td>Jun. 2020</td><td>Advisor</td></tr><tr><td>Jun. 2021</td><td>Outside Director, Furukawa Electric Co., Ltd. (incumbent)</td></tr><tr><td>Jun. 2022</td><td>Outside Director, KAJIMA CORPORATION (incumbent)</td></tr><tr><td>Apr. 2023</td><td>Chairman, New Energy and Industrial Technology Development Organization (incumbent)</td></tr><tr><td>Apr. 2024</td><td>Senior Advisor, IHI Corporation (incumbent)</td></tr></table> <p>(Significant concurrent positions)</p> <p>Senior Advisor, IHI Corporation Outside Director, Furukawa Electric Co., Ltd. Outside Director, KAJIMA CORPORATION Chairman, New Energy and Industrial Technology Development Organization</p> <p>Reason for the selection of candidate for Outside Director and expected role, etc.</p> <p>As a long-time representative director of IHI Corporation and a business leader not only in the industry but also in Japan, Mr. Tamotsu Saito has a wealth of management experience and high ethical standards in the manufacturing industry. In addition, he has a high degree of independence from the management team, experience as an outside director of other companies, and serves as the member of the Personnel Affairs and Compensation Advisory Committee. Based on the above, and particularly on his manufacturing, development and global management experience, he is nominated as a candidate for Outside Director as it is expected that he will contribute to the deepening of deliberations on the progress of Medium-Term Business Plan, oversight of the medium- to long-term strategy and the development plan of successors, and improvement of risk management at the Board of Directors meetings.</p>	Apr. 1975	Joined Ishikawajima-Harima Heavy Industries Co., Ltd. (currently IHI Corporation)	Jun. 2006	Executive Officer, Vice President of Aero-Engine & Space Operations	Apr. 2008	Director, Executive Officer, President of Aero-Engine & Space Operations	Apr. 2011	Executive Vice President	Apr. 2012	President	Apr. 2016	Chairman of the Board	Jun. 2017	Outside Director, JAPAN POST INSURANCE Co., Ltd.	Jun. 2018	Outside Director, Oki Electric Industry Co., Ltd. (incumbent)	Apr. 2020	Director, IHI Corporation	Jun. 2020	Advisor	Jun. 2021	Outside Director, Furukawa Electric Co., Ltd. (incumbent)	Jun. 2022	Outside Director, KAJIMA CORPORATION (incumbent)	Apr. 2023	Chairman, New Energy and Industrial Technology Development Organization (incumbent)	Apr. 2024	Senior Advisor, IHI Corporation (incumbent)
Apr. 1975	Joined Ishikawajima-Harima Heavy Industries Co., Ltd. (currently IHI Corporation)																													
Jun. 2006	Executive Officer, Vice President of Aero-Engine & Space Operations																													
Apr. 2008	Director, Executive Officer, President of Aero-Engine & Space Operations																													
Apr. 2011	Executive Vice President																													
Apr. 2012	President																													
Apr. 2016	Chairman of the Board																													
Jun. 2017	Outside Director, JAPAN POST INSURANCE Co., Ltd.																													
Jun. 2018	Outside Director, Oki Electric Industry Co., Ltd. (incumbent)																													
Apr. 2020	Director, IHI Corporation																													
Jun. 2020	Advisor																													
Jun. 2021	Outside Director, Furukawa Electric Co., Ltd. (incumbent)																													
Jun. 2022	Outside Director, KAJIMA CORPORATION (incumbent)																													
Apr. 2023	Chairman, New Energy and Industrial Technology Development Organization (incumbent)																													
Apr. 2024	Senior Advisor, IHI Corporation (incumbent)																													

Candidate number 6	Izumi Kawashima	Number of years in office as Director: 7 years (as of the conclusion of this general meeting of shareholders) Number of attendance at meetings of the Board of Directors (the year under review): 14 out of 14 times (100%) Number of Oki shares held: Common stock: 1,500 shares
 (Born on June 25, 1955) [Re-election] [Outside] [Independent]		Brief personal profile, position and responsibility in the Company and significant concurrent positions Mar. 1985 Left Graduate School of Law, Waseda University after completing a doctoral course Apr. 1989 Associate Professor, Faculty of Economics, Gifu Keizai University Apr. 1996 Professor, School of Law, Senshu University Sep. 2004 Professor, Faculty of Social Sciences, Waseda University (incumbent) Jun. 2016 Outside Director, Oki Electric Cable Co., Ltd. Jun. 2018 Outside Director, Oki Electric Industry Co., Ltd. (incumbent) Aug. 2023 Outside Director, TAKARA & COMPANY LTD. (incumbent) (Significant concurrent positions) Outside Director, TAKARA & COMPANY LTD.
Expected knowledge and experience <ul style="list-style-type: none">• Human resources management• Legal affairs & risk management		Reason for the selection of candidate for Outside Director and expected role, etc. <p>Ms. Izumi Kawashima is currently a professor of the Faculty of Social Sciences at Waseda University. She specializes in commercial law (mainly the Companies Act) and the Financial Instruments and Exchange Act, and particularly has academic specialist knowledge relating to the Companies Act and corporate governance as well as high ethical standards. In addition, she has a high degree of independence from the management team, and has devoted her energies to the display of the Board of Directors functions as the chairperson of the Company’s Board of Directors since June 2021. Ms. Kawashima also has experience as an outside director of other companies, and serves as a member of the Personnel Affairs and Compensation Advisory Committee. Based on the above, and particularly on her knowledge as a legal expert in the Companies Act and the Financial Instruments and Exchange Act, etc., she is nominated as a candidate for Outside Director as it is expected that she will contribute to the deepening of deliberations on the progress of Medium-Term Business Plan, oversight of the medium- to long-term strategy and the development plan of successors, and improvement of risk management at the Board of Directors meetings. Although she has never had experience of being involved in corporate management other than as an outside officer, the Company determined that she will be able to carry out the duties of Outside Director appropriately for the aforementioned reason.</p>

Candidate number 7	Makoto Kigawa	Number of years in office as Director: 6 years (as of the conclusion of this general meeting of shareholders) Number of attendance at meetings of the Board of Directors (the year under review): 14 out of 14 times (100%) Number of Oki shares held: Common stock: 1,400 shares																										
 (Born on December 31, 1949) [Re-election] [Outside] [Independent] Expected knowledge and experience <ul style="list-style-type: none">• Corporate management• Marketing• Human resources management• Finance & accounting• Legal affairs & risk management• Manufacture & SCM	Brief personal profile, position and responsibility in the Company and significant concurrent positions <table><tr><td>Apr. 1973</td><td>Joined The Fuji Bank, Ltd. (currently Mizuho Bank, Ltd.)</td></tr><tr><td>Apr. 2004</td><td>Managing Director, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)</td></tr><tr><td>Mar. 2005</td><td>Resigned Mizuho Corporate Bank, Ltd.</td></tr><tr><td>Nov. 2005</td><td>Representative Managing Director, Yamato Holdings, Co., Ltd.</td></tr><tr><td>Apr. 2011</td><td>Representative Director, Executive Officer and President</td></tr><tr><td>Jun. 2016</td><td>Outside Director, Komatsu Ltd.</td></tr><tr><td>Apr. 2018</td><td>Chairperson of the Board of Directors, Yamato Holdings, Co., Ltd.</td></tr><tr><td>Jun. 2018</td><td>Outside Director, Seven Bank, Ltd. (incumbent)</td></tr><tr><td>Jun. 2019</td><td>Outside Director, Oki Electric Industry Co., Ltd. (incumbent), Special Advisor, Yamato Holdings, Co., Ltd.</td></tr><tr><td>Apr. 2020</td><td>Outside Corporate Auditor, The Higo Bank, Ltd.</td></tr><tr><td>Jun. 2021</td><td>Outside Director, The Higo Bank, Ltd. (incumbent)</td></tr><tr><td>Jun. 2022</td><td>Outside Director, ICMG Co., Ltd. (incumbent)</td></tr><tr><td>Jun. 2023</td><td>Associate Director, Yamato Holdings, Co., Ltd.</td></tr></table> <p>(Significant concurrent positions)</p> <p>Outside Director, Seven Bank, Ltd.</p> <p>Outside Director, The Higo Bank, Ltd.</p> <p>Outside Director, ICMG Co., Ltd.</p>		Apr. 1973	Joined The Fuji Bank, Ltd. (currently Mizuho Bank, Ltd.)	Apr. 2004	Managing Director, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)	Mar. 2005	Resigned Mizuho Corporate Bank, Ltd.	Nov. 2005	Representative Managing Director, Yamato Holdings, Co., Ltd.	Apr. 2011	Representative Director, Executive Officer and President	Jun. 2016	Outside Director, Komatsu Ltd.	Apr. 2018	Chairperson of the Board of Directors, Yamato Holdings, Co., Ltd.	Jun. 2018	Outside Director, Seven Bank, Ltd. (incumbent)	Jun. 2019	Outside Director, Oki Electric Industry Co., Ltd. (incumbent), Special Advisor, Yamato Holdings, Co., Ltd.	Apr. 2020	Outside Corporate Auditor, The Higo Bank, Ltd.	Jun. 2021	Outside Director, The Higo Bank, Ltd. (incumbent)	Jun. 2022	Outside Director, ICMG Co., Ltd. (incumbent)	Jun. 2023	Associate Director, Yamato Holdings, Co., Ltd.
	Apr. 1973	Joined The Fuji Bank, Ltd. (currently Mizuho Bank, Ltd.)																										
Apr. 2004	Managing Director, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)																											
Mar. 2005	Resigned Mizuho Corporate Bank, Ltd.																											
Nov. 2005	Representative Managing Director, Yamato Holdings, Co., Ltd.																											
Apr. 2011	Representative Director, Executive Officer and President																											
Jun. 2016	Outside Director, Komatsu Ltd.																											
Apr. 2018	Chairperson of the Board of Directors, Yamato Holdings, Co., Ltd.																											
Jun. 2018	Outside Director, Seven Bank, Ltd. (incumbent)																											
Jun. 2019	Outside Director, Oki Electric Industry Co., Ltd. (incumbent), Special Advisor, Yamato Holdings, Co., Ltd.																											
Apr. 2020	Outside Corporate Auditor, The Higo Bank, Ltd.																											
Jun. 2021	Outside Director, The Higo Bank, Ltd. (incumbent)																											
Jun. 2022	Outside Director, ICMG Co., Ltd. (incumbent)																											
Jun. 2023	Associate Director, Yamato Holdings, Co., Ltd.																											
Reason for the selection of candidate for Outside Director and expected role, etc. <p>After serving as an officer at a financial institution, Mr. Makoto Kigawa served as Representative Director of Yamato Holdings Co., Ltd. for more than ten years, and has extensive management experience and high ethical standards, mainly in the logistics industry, including the transformation of business models using ICT. In addition, he has a high degree of independence from the management team, experience as an outside director of other companies, and serves as the member of the Personnel Affairs and Compensation Advisory Committee. Based on the above, and particularly on his supply chain management and risk management experience, he is nominated as a candidate for Outside Director as it is expected that he will contribute to the deepening of deliberations on the progress of Medium-Term Business Plan, oversight of the medium- to long-term strategy and the development plan of successors, and improvement of risk management at the Board of Directors meetings.</p>																												

Candidate number 8	Ryoko Toyama	Number of years in office as Director: — (as of the conclusion of this general meeting of shareholders) Number of attendance at meetings of the Board of Directors (the year under review): — out of — times (—%) Number of Oki shares held: Common stock: 0 shares
 <p>(Born on January 4, 1965) [Newly nominated] [Outside] [Independent]</p> <p>Expected knowledge and experience</p> <ul style="list-style-type: none"> • Marketing • Technology & innovation • Global 		<p>Brief personal profile, position and responsibility in the Company and significant concurrent positions</p> <p>Mar. 1989 Completed the Master's Program at Division of Commerce, Hitotsubashi University Graduate School</p> <p>Dec. 1997 Completed the Doctoral Program at School of Business Administration, The University of Michigan; Ph.D.</p> <p>Apr. 2001 Associate Professor, Japan Advanced Institute of Science and Technology (JAIST)</p> <p>Apr. 2008 Dean, Chuo Graduate School of Strategic Management, Business School (incumbent)</p> <p>Jun. 2009 Audit & Supervisory Board Member, M3, Inc.</p> <p>Jun. 2016 Outside Director (Audit and Supervisory Committee Member), M3, Inc. Director (external), TOPPAN Inc. (currently TOPPAN Holdings Inc.) (incumbent)</p> <p>(Significant concurrent positions) Director (external), TOPPAN Holdings Inc.</p> <p>Reason for the selection of candidate for Outside Director and expected role, etc.</p> <p>Ms. Ryoko Toyama is currently a professor at the Graduate School of Strategic Management, Chuo University. Ms. Toyama has academic expertise in business in general and high ethical standards through her specialist knowledge in the field of strategic management. In addition, she has a high degree of independence from the management team, and experience as an outside director of other companies. Based on the above, and particularly on her academic expertise in all aspects of business, including marketing and innovation, Ms. Toyama is nominated as a candidate for Outside Director as it is expected that she will contribute to the deepening of deliberations on the progress of Medium-Term Business Plan, oversight of the medium- to long-term strategy and development plan of successors, and improvement of risk management at the Board of Directors meetings. Although she has never been involved in corporate management other than as an outside officer, the Company determined that she will be able to carry out the duties of Outside Director appropriately for the aforementioned reason.</p>

Notes:

1. There is no special conflict of interest between each candidate and the Company.
2. Mr. Tamotsu Saito, Ms. Izumi Kawashima, Mr. Makoto Kigawa, and Ms. Ryoko Toyama are candidates for outside directors.
3. The Company has entered into a liability limitation agreement with candidates for Outside Director Mr. Tamotsu Saito, Ms. Izumi Kawashima, and Mr. Makoto Kigawa. The outline of the agreement is provided in "Company Officers" of the Business Report. If their reappointment is approved, the Company will continue this agreement with them. In addition, if the appointment of Ms. Ryoko Toyama as Outside Director is approved, the Company will enter into a liability limitation agreement with her.
4. The Company has entered into a directors and officers liability insurance policy, naming all Directors as insured, and a summary of it is shown in "Company Officers" of the Business Report. The Company plans to continue and renew this policy, and if the appointment of each candidate is approved and they are appointed as Directors, each candidate will be insured under the policy.
5. There are transactions that amount to less than 1% of net sales between the Company and IHI Corporation, where Mr. Tamotsu Saito serves as Senior Advisor, and the New Energy and Industrial Technology Development Organization, where he serves as Chairman, respectively.
6. Mr. Tamotsu Saito served as a director of IHI Corporation from April 2008 to June 2020. During the term of office, it was revealed that the inspections of the maintenance of commercial aircraft engines were performed inappropriately. In March 2019, the Ministry of Economy, Trade and Industry ordered that IHI Corporation conduct the necessary repairs in an approved manner pursuant to the Aircraft Manufacturing Industry Act. In April 2019, IHI Corporation received a business improvement order from the Ministry of

Land, Infrastructure, Transport and Tourism in accordance with the Civil Aeronautics Law. It was also disclosed in April 2024 that improper modifications had been made to test operation records of marine and land-based engines manufactured by IHI Power Systems Co.,Ltd. (hereinafter referred to as “IHI Power Systems”), a subsidiary of IHI Corporation. Based on the investigation findings of the Special Investigation Committee, a final report, including measures to prevent recurrence, was prepared and disclosed in October of the same year. Over the course of investigations conducted in order to determine whether similar incidents had occurred, following the improper conduct at IHI Power Systems, it was found that improper practices had also taken place during snow removal performance tests on rotary-type snowplows manufactured by Niigata Transys Co.,Ltd., another subsidiary of IHI Corporation, and this was disclosed in July 2024. Since the discovery of this matter, investigations into the facts and root causes have been conducted, and measures to prevent recurrence have been formulated based on the findings of such investigations. In addition, in March 2025, the Japan Fair Trade Commission determined that IHI Transport Machinery Co.,Ltd., a subsidiary of IHI Corporation, had engaged in conduct that violated the Anti-Monopoly Act in connection with its mechanical parking system business. IHI Transport Machinery Co.,Ltd. voluntarily reported the violation to the Japan Fair Trade Commission through an application under the leniency program, and as this was accepted, the company was not made subject to either a cease and desist order or a surcharge payment order. It came to light that at JAPAN POST INSURANCE Co., Ltd., where Mr. Saito served as an outside director from June 2017 to June 2023, there was a case pertaining to contract transfers, etc. where it is possible to have caused a loss without acting in accordance with customers’ wishes. With regard to this case, the aforementioned company received administrative sanctions from the Financial Services Agency on December 27, 2019 based on the Insurance Business Act. However, Mr. Saito fulfilled his duties by continuously making proposals from the viewpoint of legal compliance, and after this case came to light, he made proposals, etc. in order to protect customers and prevent recurrence.

7. Mr. Tamotsu Saito, Ms. Izumi Kawashima, and Mr. Makoto Kigawa are independent officers based on the terms of the Tokyo Stock Exchange. If their reappointment is approved, they will continue to be independent officers. In addition, if the appointment of Ms. Ryoko Toyama as Outside Director is approved, she will be an independent officer. Please refer to the Company’s website for its independence criteria. (<https://www.oki.com/en/ir/corporate/governance/officers.html>)

(Translation)

(Reference) Skills Matrix for the Board of Directors Following the Approval of Agenda Item 2 (Plan)

The Company thinks that skills its Board of Directors needs as a whole for performing its roles and fulfilling its responsibilities become satisfied when respective Directors display their abilities by making the most of knowledge and experience expected from them according to the Company's management philosophy, vision and management plans, etc.

The Company expects the display of skills in the following fields in particular.

- "Corporate management," such as management strategy, business management and business strategy, for increasing the earning power of businesses and strengthening the governance structure
- "Marketing" for promoting the development of eco-systems in collaboration with customers
- "Technology & innovation" for developing new businesses toward the goals of further business development and growth
- "Human resources management" for securing human resources necessary for sustainable growth and cultivating abilities, thereby giving employees job satisfaction and enabling them to display abilities
- "Global" viewpoints for globalizing operations indispensable for securing growth opportunities
- "Finance & accounting" and "Legal affairs & risk management" that act as the basis for making decisions related to management and business activities
- "Manufacture & SCM" that act as important management bases in strengthening manufacturing and enhancing competitiveness comprising the Company's strengths

		Corporate management	Marketing	Technology & innovation	Human resources management	Global	Finance & accounting	Legal affairs & risk management	Manufacture & SCM
Inside	Takahiro Mori (Male)	●	●	●	●			●	
	Teiji Teramoto (Male)		●		●	●	●	●	
	Yuichiro Katagiri (Male)		●	●				●	●
	Yoichi Kato (Male)			●					●
Outside	Tamotsu Saito (Male)	○	○	○	○	○		○	○
	Izumi Kawashima (Female)				○			○	
	Makoto Kigawa (Male)	○	○		○		○	○	○
	Ryoko Toyama (Female)		○	○		○			

The above list does not represent all knowledge and experience respective individuals have.

- Required skills for Directors that have been acquired as a result of business execution experience at the OKI Group (up to five skills)
- Outside experience and specialist knowledge the Company expects in particular



(Translation)

Agenda Item 3: Election of Two (2) Audit & Supervisory Board Members




The tenure of office of Audit & Supervisory Board Members Toshiyuki Yokota and Yoshihiro Tsuda will expire at the conclusion of this general meeting of shareholders. Accordingly, the Company proposes the election of two (2) Audit & Supervisory Board Members, and the candidates are shown as follows.


This agenda has been approved by the Audit & Supervisory Board.


(Reference)

Candidate number	Name			Current position in the Company	Number of attendance at meetings of the Board of Directors (the year under review)	Number of attendance at meetings of the Audit & Supervisory Board (the year under review)	Number of years in office as Audit & Supervisory Board Member (as of the conclusion of this general meeting of shareholders)
1		Hajime Inoue	Newly nominated	Associate Director	—% (— out of — times)	—% (— out of — times)	— years
2		Yoshihiro Tsuda	Re-election Outside Independent	Independent Outside Audit & Supervisory Board Member	100% (14 out of 14 times)	100% (17 out of 17 times)	4 years

The Audit & Supervisory Board Members who will continue to remain in office.

Name				Current position in the Company	Number of attendance at meetings of the Board of Directors (the year under review)	Number of attendance at meetings of the Audit & Supervisory Board (the year under review)	Number of years in office as Audit & Supervisory Board Member (as of the conclusion of this general meeting of shareholders)
	Masashi Fuse			Standing Audit & Supervisory Board Member	100% (14 out of 14 times)	100% (17 out of 17 times)	2 years
	Yasuyuki Oda		Outside Independent	Independent Outside Audit & Supervisory Board Member	100% (11 out of 11 times)	100% (11 out of 11 times)	1 year
	Hiroshi Niinomi		Outside	Outside Audit & Supervisory Board Members	100% (11 out of 11 times)	100% (11 out of 11 times)	1 year

Candidate number 1	Hajime Inoue	Number of years in office as Audit & Supervisory Board Member: — (as of the conclusion of this general meeting of shareholders) Number of attendance at meetings of the Board of Directors (the year under review): — out of — times (—%) Number of attendance at meetings of the Audit & Supervisory Board (the year under review): — out of — times (—%) Number of Oki shares held: Common stock: 1,400 shares
 (Born on January 29, 1964) [Newly nominated]	Brief personal profile, position and significant concurrent positions	
	Apr. 1986 Apr. 2002 Apr. 2015 Apr. 2016 Apr. 2017 Oct. 2019 Apr. 2022 Apr. 2023 Apr. 2025	Joined Oki Electric Industry Co., Ltd. Senior Manager, VoIP SE Department No.1, Network SE Division, Network Systems Company Head, Smart Communication Business Department, Telecom Systems Group Head of Platforms Development Center, ICT Business Group Head, IoT Platforms Business Department, ICT Business Group Head, Corporate Network Systems Division, ICT Business Group Executive Officer, Deputy Head of Solution Systems Business Group and Head of Social Infrastructure Solutions Division Executive Officer, Head of Social Infrastructure Solutions Division Associate Director (incumbent)
	Reason for the selection of candidate for Audit & Supervisory Board Member	
	Mr. Hajime Inoue has demonstrated strong leadership in strengthening the business foundation as Head of both the Company's Telecom Systems Group and Social Infrastructure Solutions Division. He is nominated as a candidate for Audit & Supervisory Board Member as it is expected that he will be able to utilize his extensive experience and track record and effectively fulfill the role of auditing the execution of duties by Directors.	

Candidate number 2	Yoshihiro Tsuda	Number of years in office as Audit & Supervisory Board Member: 4 years (as of the conclusion of this general meeting of shareholders) Number of attendance at meetings of the Board of Directors (the year under review): 14 out of 14 times (100%) Number of attendance at meetings of the Audit & Supervisory Board (the year under review): 17 out of 17 times (100%) Number of Oki shares held: Common stock: 0 shares
 (Born on July 25, 1962) [Re-election] [Outside] [Independent]	Brief personal profile, position and significant concurrent positions	
	Mar. 1985 Joined Tohmatsu Awoki & Co. (currently Deloitte Touche Tohmatsu LLC) Mar. 1988 Registered as Certified Public Accountant Jul. 1993 Detroit Office, Deloitte & Touche (US) Jun. 1998 Appointed as Employee (currently Partner) of Deloitte Touche Tohmatsu Sep. 2002 London Office, Deloitte & Touche (UK) Jun. 2007 Representative Partner of Deloitte Touche Tohmatsu Jul. 2019 Retired from Deloitte Touche Tohmatsu LLC Aug. 2019 Head of Yoshihiro Tsuda CPA Office Sep. 2019 Audit & Supervisory Board Member, Oki Data Corporation Feb. 2020 Standing Audit & Supervisory Board Member, Tribeck Strategies Inc. (currently Tribeck Inc.) (incumbent) Jun. 2021 Outside Audit & Supervisory Board Member, PRONEXUS Inc. (incumbent) Outside Audit & Supervisory Board Member, Oki Electric Industry Co., Ltd. (incumbent) (Significant concurrent positions) Outside Standing Audit & Supervisory Board Member, Tribeck Inc. Outside Audit & Supervisory Board Member, PRONEXUS Inc.	
	Reason for the selection of candidate for Outside Audit & Supervisory Board Member	
	As a certified public accountant, Mr. Yoshihiro Tsuda has been engaged in accounting audits of various industries, including global, for many years. He is nominated as a candidate for Outside Audit & Supervisory Board Member as the Company judges that he will be able to perform auditing on the Company's management from a global perspective in an objective, neutral manner by utilizing his extensive experience, knowledge and high level of ethical standards. Although Mr. Yoshihiro Tsuda has never had experience of being involved in corporate management, the Company determined that he will be able to carry out the duties of Outside Audit & Supervisory Board Member appropriately for the aforementioned reason.	

Notes:

1. There is no special conflict of interest between each candidate and the Company.
2. Mr. Yoshihiro Tsuda is a candidate for Outside Audit & Supervisory Board Member.
3. The Company has entered into a liability limitation agreement with candidate for Outside Audit & Supervisory Board Member Mr. Yoshihiro Tsuda. The outline of the agreement is provided in "Company Officers" of the Business Report. If his reappointment is approved, the Company will continue this agreement with him. In addition, if the appointment as Audit & Supervisory Board Member of Mr. Hajime Inoue is approved, the Company will enter into a liability limitation agreement with him.
4. The Company has entered into a directors and officers liability insurance policy, naming all Audit & Supervisory Board Members as insured, and a summary of it is shown in "Company Officers" of the Business Report. The Company plans to continue and renew this policy, and if the appointment of each candidate is approved and they are appointed as Audit & Supervisory Board Members, each candidate will be insured under the policy.

(Translation)

5. Mr. Yoshihiro Tsuda is an independent officer based on the terms of the Tokyo Stock Exchange. If his reappointment is approved, he will continue to be an independent officer.
6. Mr. Yoshihiro Tsuda has served in the positions described above and has extensive knowledge in finance and accounting necessary for auditing of the Company.

Business Report

(From April 1, 2024 to March 31, 2025)

1. Status of the OKI Group

(1) Operating progress and results

Net sales	Operating income	Ordinary income	Profit attributable to owners of parent
¥452.5 billion	¥18.6 billion	¥16.8 billion	¥12.5 billion

The Japanese economy has continued on a moderate recovery trend, supported by improvements in employment and income conditions as well as the effects of various policy measures. On the other hand, uncertainties about the future have persisted due to continued price increases, developments in U.S. trade policy, fluctuations in foreign exchange rates, etc.

In such an environment, OKI's vision for 2031, the 150th anniversary of the company's founding, is to provide value that leads to the resolution of social issues as a company that does not stop and contributes to the maintenance of social infrastructure in the three fields of contribution: safe and convenient social infrastructure; job satisfaction and productivity enhancement; and conservation of the global environment. The Medium-Term Business Plan 2025 was put in place from the last fiscal year to achieve this vision. We are accelerating cultural reforms and style changes, and further promote steering toward growth during fiscal 2025, the second fiscal year of the plan.

For the business conditions in the fiscal year, steady performance in the Public Solutions business, Enterprise Solutions business, and Component Products business offset the negative impact of sluggish demand in the EMS business. As a result, net sales were ¥452.5 billion, a year-on-year increase of 7.3% or ¥30.6 billion.

For the profit side, operating income was ¥18.6 billion, a year-on-year decrease of ¥0.1 billion, or 0.3%, due to the positive impact of higher sales, despite higher fixed costs due to personnel expenses and growth investments. Ordinary income was ¥16.8 billion (a year-on-year decrease of ¥1.5 billion, or 8.1%), mainly due to an improvement in foreign exchange gains and losses, while profit attributable to owners of the parent was ¥12.5 billion (a year-on-year decrease of ¥13.1 billion, or 51.3%).

Looking at non-consolidated business performance, net sales were ¥320.6 billion, operating profit was ¥8.1 billion, ordinary profit was ¥14.5 billion and profit was ¥13.7 billion.

Status by major business**Public Solutions business**

Business:

Mainly manufacturing and sales of products such as road-related systems, aviation-related systems, firefighting and disaster prevention-related systems, systems for public offices, defense-related systems, aircraft equipment, and telecommunications equipment for telecommunications carriers, as well as system building and provision of solutions, and other services

Net sales
composition ratio
28.8%

Unit: Billions of yen	FY2023 (reference: previous fiscal year)	FY2024 (Fiscal year under review)	Changes
Net sales	94.0	130.5	38.9%
Operating income	4.4	14.1	217.2%

- Both Social Infrastructure and TOKKI Systems saw growth (sales 1.4x, operating profit margin 2x).

Enterprise Solutions business

Business:

Mainly manufacturing and sales of products such as ATM, cash processors, store terminals, reservation ticket terminals, check-in terminals, currency exchange machines, ATM monitoring and operation services, financial sales branch systems, centralized office systems, reservation ticket systems, as well as construction, maintenance, and other services

Net sales
composition ratio
39.7%

Unit: Billions of yen	FY2023 (reference: previous fiscal year)	FY2024 (Fiscal year under review)	Changes
Net sales	180.1	179.8	(0.2)%
Operating income	22.0	13.1	(40.3)%
Operating income (excluding one-time factors)	17.9	17.0	(4.6)%

- Sales and business profits in real terms excluding one-time factors continued to maintain high levels in part due to projects related to new Japanese banknotes extending on from the previous year.

(Translation)

Component Products business

Business:

Mainly manufacturing and sales of products such as edge devices (IoT), sensor networks, PBX, business phones, contact centers, cloud services, LED printers, and other services

Net sales
composition ratio
16.7%

Unit: Billions of yen	FY2023 (reference: previous fiscal year)	FY2024 (Fiscal year under review)	Changes
Net sales	73.4	75.8	3.2%
Operating income	0.6	2.9	417.9%

- Operating income improved year on year due to a profit-focused management approach.

EMS business

Business:

Mainly manufacturing and sales of products such as contract design and production, printed circuit boards, cables and electrode wires, engineering, and other services

Net sales
composition ratio
14.6%

Unit: Billions of yen	FY2023 (reference: previous fiscal year)	FY2024 (Fiscal year under review)	Changes
Net sales	73.9	65.9	(10.8)%
Operating income	1.1	(0.8)	—

- Due to the prolonged downturn in the semiconductor market and factory automation and robotics market, there was a decline in both sales and profit for the second consecutive period.

Please refer to the financial results presentation materials posted on our website for more detailed information on financial results for the fiscal year ended March 31, 2024.

<https://www.oki.com/en/ir/data/presen/>

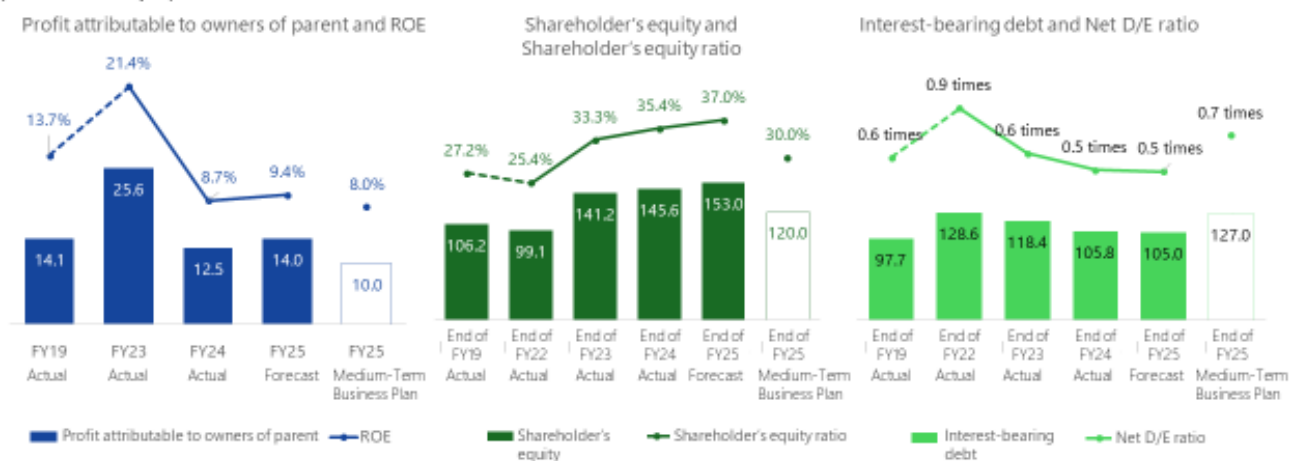
(2) Future challenges

Under the Medium-Term Business Plan 2025, we established management targets in aiming to achieve net sales of ¥450.0 billion, operating income of ¥18.0 billion, and shareholders' equity ratio of 30%. This is underpinned by the notions of seeking to "return to FY2019 levels of performance and restore the weakened financial foundation" and striving to "create future business for FY2026 and beyond," under a basic policy of working to "steer toward growth and break free from the downward trend." In achieving targets attained by fully implementing the initiatives set forth under the plan's "steering toward growth: 1st stage," we will transition to the plan's "steering toward growth: 2nd stage" (from FY2026) focused on expanding future business with our sights set on the year 2031, OKI's 150th anniversary.

1) Medium-Term Business Plan 2025 (Management Targets)

In FY2024, we achieved recovery of our financial foundation with net sales and operating income results having returned to FY2019 levels. In FY2025, we aim to exceed all of the management targets set under the Medium-Term Business Plan 2025 in seeking to achieve profit of ¥14.0 billion against the target of ¥10.0 billion, ROE of 9.4% against the target of 8%, shareholders' equity ratio of 37% against the target of 30%, and net D/E ratio of 0.5 times against the target of 0.7 times.

(Unit: Billions of yen)



2) Business Strategies

(Growth business)

◇ Public Solutions

This segment has achieved robust performance as a growth business.

In social infrastructure solutions, we are working towards expanding into the private network market for carrier products while continuing to strengthen our response to the firefighting, disaster prevention, and roads market. In TOKKI systems, using the expansion of demand for defense buildup to fuel our momentum, we are working to expand technology development and production capacity, and strengthen overseas operations.

◇ EMS

In light of the decline in sales and profits resulting from the prolonged slowdown of semiconductor markets and factory automation and robotics markets, EMS is focusing on recovering profitability in FY2025. Additionally, it will review strategies for the next Medium-Term Business Plan.

(Stabilizing business)

◇ Enterprise Solutions

Even after the conclusion of the projects related to new Japanese banknotes in FY2023 and FY2024, demand for renewal in the domestic financial market has continued, and we are also working to acquire market opportunities. Furthermore, we are working towards cost reduction resulting from the expansion of business in Vietnamese and Asian markets and transferring production to Vietnam. After stabilizing in terms of both scale and earnings, we will set our aim on shifting away from the stabilizing businesses under the next Medium-Term Business Plan.

◇ Component Products

We have our sights set on promoting structural reform leveraging involvement of ETRIA Co., Ltd., from which we aim to achieve positive effects culminating in stable profitability over the medium to long term.

(Future businesses creation)

- In crystal film bonding (CFB), we are working towards completing preparation in FY2025 toward mass production of photonics and power semiconductors in FY2026.
- Globally, we are accelerating our efforts to coordinate with startup enterprises in aiming to resolve social issues in the Global South region while utilizing co-creation funds and working on open innovation activities based in Silicon Valley.

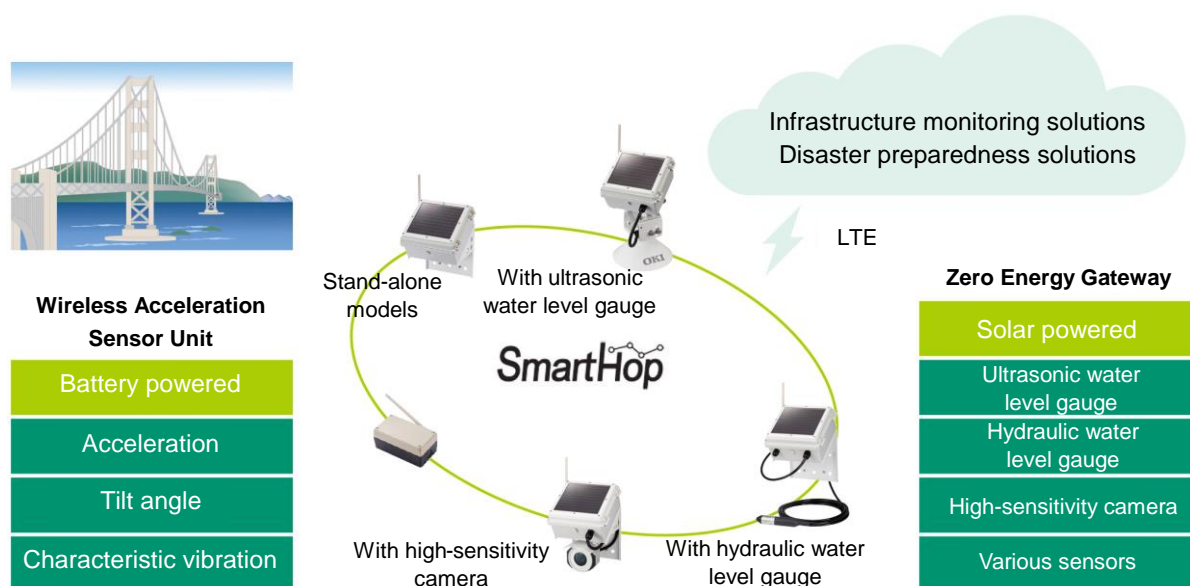
3) OKI Group's sustainability initiatives

■ Environment

Expansion and creation of environmental contribution products

The OKI Group is promoting the integration of environmental and business efforts within the Company to expand and create environmental contribution products, including those that address climate change. Environmental contribution products are defined as products that contribute directly or indirectly to objectives such as reducing environmental impact and damage. We accordingly seek to improve consistency and comprehensiveness in calculating net sales of such products through efforts that involve reviewing the definition taking into account external circumstances.

We are promoting expansion of our Zero-Energy IoT Series, which serves as one example of our products that directly address environmental issues. A situation where Japan faces the urgent issue of repairing and maintaining its social infrastructure as it progressively deteriorates with age is driving demand for solutions that reduce maintenance and management costs. Powered by solar energy, our Zero-Energy IoT Series enables remote monitoring through data transmission from water level sensors, high-sensitivity cameras, and more in environments without power sources. Using our proprietary wireless technology, data from nearby sensors is collected, stored, and transmitted in bulk, further reducing power consumption for wireless transmission. These products contribute to addressing environmental challenges both by reducing energy consumption of the products themselves and by providing solutions for contending with climate change.



■ Society

Creating growth opportunities for employees and enhancing programs that accommodate diverse talent

The OKI Group regards human resources as its most important form of management capital and is accordingly providing more opportunities that make it possible for employees to take initiative in gaining access to settings conducive to growth, particularly younger and mid-career employees. In FY2024, we enlisted employee involvement in projects for helping to resolve social issues in Japan, provided employees with opportunities to directly engage with issues and support activities in developing countries, and offered opportunities through our Global Challenge initiative for motivated employees eager to take on assignments at the OKI Group's overseas offices. We believe it is possible to accelerate employee growth by actively supporting their efforts to shape their own careers. Moreover, our efforts to develop management human resources have involved progressively strengthening our structured framework for identifying, training, promoting employees with such potential, and having them take on challenging work assignments.

Meanwhile, our initiatives to ensure an environment that empowers diverse human resources have involved establishing a new childcare leave support incentive program in FY2024, under which we pay out a maximum of ¥100,000 to be distributed among employees who ensure that the duties of employees taking childcare leave are carried out seamlessly during their absence. Employees who have benefited from the program have expressed positive feedback in terms of the program's role in making it easier to take maternity and childcare leave in that it encourages extended childcare leave and creates a supportive atmosphere with respect to colleagues. In addition, we have introduced other initiatives that include infertility treatment subsidies, childcare and household assistance subsidies, and babysitting service discount vouchers. We accordingly extend support to employees raising children as well as their colleagues who support them.



For more information on the OKI Group's sustainability initiatives, please refer to our website and the OKI Report 2024

Sustainability

<https://www.oki.com/en/sustainability/>

OKI Report 2024

<https://www.oki.com/en/sustainability/report/index.html>

(Translation)

(3) Trends in assets and profit/loss

Trends in assets and profit/loss for the fiscal year under review and the past three years are as follows.

	98th year (FY2021)	99th year (FY2022)	100th year (FY2023)	101st year (Fiscal year under review, FY2024)
Net sales	352.1 billion yen	369.1 billion yen	421.9 billion yen	452.5 billion yen
Profit attributable to owners of parent	2,065 million yen	(2,800) million yen	25,649 million yen	12,479 million yen
Basic earnings per share	23.85 yen	(32.33) yen	295.93 yen	143.93 yen
Total assets	369.2 billion yen	390.4 billion yen	423.4 billion yen	411.0 billion yen
Net assets	107.6 billion yen	99.3 billion yen	141.3 billion yen	145.7 billion yen
Net assets per share	1,240.62 yen	1,143.96 yen	1,628.78 yen	1,679.42 yen

Note: Basic earnings per share is computed based on the average number of shares during the year (weighted average). Net assets per share are computed based on the number of shares outstanding at the year-end. These figures exclude treasury stocks.

(4) Capital expenditure and research and development expenses

Capital expenditures and research and development expenses for the fiscal year under review equaled ¥11.5 billion and ¥11.0 billion, respectively.

Investment by segment were as follows.

(Unit: Billions of yen)

Segment	Amount of capital expenditure (Amount of research and development expenses)	Major capital expenditure
Public Solutions	1.8 (2.6)	Upgrading, etc. of facilities to design/manufacture new products and incidental facilities of plants in the areas of social infrastructure, network systems, and other fields, the defense business (marine and aviation), and the marine business
Enterprise Solutions	3.8 (2.2)	Development of solutions and new automated products and modules to solve social issues such as labor shortages and post-COVID-19 work efficiency improvements and adoption of non-contact/non-personal contact solutions
Component Products	2.1 (2.0)	Investment in the creation of new products in edge areas for business growth and strengthening the competitiveness of existing products, as well as the renewal of facilities to achieve a stable supply of products and services
EMS	2.6 (0.3)	Investments in production facility automation and IT to upgrade to the latest facilities, solve labor shortages, and improve productivity in order to strengthen comprehensive manufacturing services
Others/Company-wide (shared)	1.1 (4.0)	
Total	11.5 (11.0)	

(5) Financing

Operating funds and funds for capital expenditures necessary for business activities will be obtained from our own funds, borrowed funds, or other sources.

The Company maintains good business relationships with major partner financial institutions, so recognizes that it will be able to raise operating funds, funds for capital expenditure, etc. necessary for business activities without any problem.

In addition to the cash and cash equivalents at hand that are currently held, the OKI Group has a commitment line to ensure sufficient liquidity.

(Translation)

OKI Group emphasizes financial discipline and will focus on executing investments necessary for growth.

(6) Major offices and status of major subsidiaries

(i) Oki Electric Industry

- Head office Minato-ku, Tokyo
- Branch offices Hokkaido Area Operation (Sapporo, Hokkaido), Tohoku Area Operation (Sendai, Miyagi), Kitakanto, Hokushinetsu Area Operation (Takasaki, Gunma), Chubu Area Operation (Nagoya, Aichi), Kansai Area Operation (Osaka, Osaka), Chugoku Area Operation (Hiroshima, Hiroshima), Shikoku Area Operation (Takamatsu, Kagawa), and Kyushu Area Operation (Fukuoka, Fukuoka)
- Business offices, etc. OKI Shibaura Office (Minato-ku, Tokyo), OKI Warabi System Center (Warabi, Saitama), Takasaki Facility (Takasaki, Gunma), Honjo Plant (Honjo, Saitama), Tomioka Plant (Tomioka, Gunma), Numazu Plant (Numazu, Shizuoka), Nishiyokote Plant (Takasaki, Gunma), Komine Plant (Akiruno, Tokyo), Oki Kansai Techno Research Center (Osaka, Osaka)

(ii) Subsidiaries

Name	Capital	Company's voting right ratio (%)	Head office location	Major business
OKI Crosstech Co., Ltd.	2,001 million yen	100	Chuo-ku (Tokyo)	Equipment work, designing, construction and maintenance of electricity, telecommunication, firefighting and other facilities, maintenance, operations and technical support for ICT equipment and systems, and sales of related equipment and supplies
OKI Circuit Technology Co., Ltd.	480 million yen	100	Tsuruoka (Yamagata)	Development, design, manufacture and sales of printed circuit boards, electronic equipment and electronic parts
OKI Software Co., Ltd.	400 million yen	100	Warabi (Saitama)	Development, design, manufacture and maintenance of software and embedded software, system building services, SI/solution services, consulting, outsourcing and sales of information equipment
Oki Data Manufacturing (Thailand) Co., Ltd.	420 million baht	100	Thailand	Manufacture of printers and multifunction machines
Oki Europe Ltd.	141 million euro	100	UK	Sales and service of printers and multifunction machines for all of Europe, the Middle East, and Africa

(Translation)

(iii) Major partners

1) Major technical partners:

International Business Machines Corporation (US), Canon Inc.

2) Major business partners:

Hewlett-Packard Company (US), Cisco Systems G.K.

(7) Employees

(i) Employees by segment

Segment	Number of employees	
	OKI Group	Oki Electric Industry
Public Solutions	3,257	1,804
Enterprise Solutions	4,851	1,285
Component Products	2,619	870
EMS	2,149	133
Others	592	82
Company-wide (shared)	438	438
Total	13,906	4,612

(ii) Employees of Oki Electric Industry

Number of employees	Average age	Average years of service	Average annual wage (yen)
4,612 (decreased by 36 from the end of the previous fiscal year)	44.2	19.1	7,810,663

(8) Major creditors

Major creditors of the OKI Group are as follows:

(Unit: Billions of yen)

Creditor	Loan balance
Mizuho Bank, Ltd.	24.7
Sumitomo Mitsui Banking Corporation	17.9
Mizuho Trust & Banking Co., Ltd.	7.1
The Norinchukin Bank	4.2
Resona Bank, Limited	3.9

(9) Other significant events of the OKI Group

Oki Banking Systems (Shenzhen) Co., Ltd. (hereinafter “OBSZ”), a consolidated subsidiary of the Company in China, has filed a request for arbitration against Shenzhen Yihua Computer Industrial Co., Ltd. (hereinafter “Yihua Industrial”) on October 10, 2015, demanding payment of accounts receivable of RMB1,115,463 thousand (¥22,967 million if converted to Japanese yen based on the exchange rate as of the end of the fiscal year under review) and compensation of damages (hereinafter “Case A”) with the South China International Economic and Trade Arbitration Commission. Further, OBSZ filed litigation to commingle property beyond legal personality with the High People’s Court of Guangdong Province against Shenzhen Yihua Computer Co., Ltd. (“Yihua Computer”), the parent of Yihua Industrial, and others as defendants, claiming that they are jointly and severally responsible for payment of the above claims against Yihua Industrial which had been unpaid, to request protection of property (Case B).

Subsequently, Case A was adjudicated by the South China International Economic and Trade Arbitration Commission on December 16, 2020, and it ruled that Yihua Industrial pay OBSZ the unpaid

amount for merchandise of RMB1,096.866 million (¥22,584 million if converted to Japanese yen based on the exchange rate as of the end of the fiscal year under review) as well as interest for arrears, legal costs, and others, and this is being settled by arbitration. Regarding Case B, on December 23, 2021, the High People's Court of Guangdong Province sentenced Yihua Computer and affiliates to take the collective liability for the payment to be made by Yihua Industrial to OBSZ. In response, Yihua Computer and affiliates lodged an appeal of Case B to the Supreme People's Court on January 5, 2022, but on June 1, 2023, the Supreme People's Court upheld the decision of the High People's Court of Guangdong Province (original court) and dismissed the appeal by Yihua Computer and affiliates. The OKI Group is making every effort to collect the full amount awarded.

(10) Corporate governance

(i) Basic policy

Guided by the corporate philosophy of “The people of OKI, true to the company’s “enterprising spirit,” are committed to creating superior network solutions and providing excellent information and communications services globally to meet the diversified needs of communities worldwide in the information age,” the OKI Group recognizes sustainable growth and increases corporate value over medium- to long-term as its most important management priorities in earning the trust of its various stakeholders. To this end, we are working to enhance corporate governance based on our fundamental policies of “enhancement of management fairness and transparency,” “timely decision-making processes,” and “full compliance and fortification of risk management.”

(ii) Corporate governance structure

(a) Outline of the structure

As a company with the Audit & Supervisory Board, the Company establishes the Board of Directors and Audit & Supervisory Board and adopts an executive officer system, aiming to promote “timely decision-making processes” by separating business execution and supervision. In addition, the Company also works on the “enhancement of management fairness and transparency” by nominating Outside Directors as well as setting up a voluntary committee concerned with personnel affairs and compensation, so as to ensure effective supervision from an independent and objective standpoint. In addition to audits by the Audit & Supervisory Board and its members, OKI seeks to ensure “full compliance and fortification of risk management,” such as by establishing the Risk Management Committee.

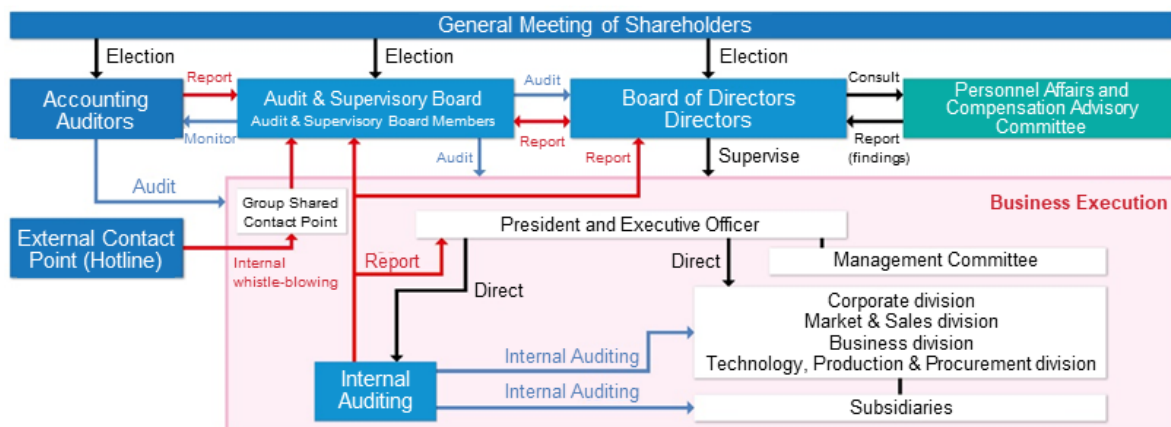
During the fiscal year under review (fiscal 2024), the Company was operated by eight Directors, including four Outside Directors (including one female Director); five Audit & Supervisory Board Members, including three Outside Audit & Supervisory Board Members; and 13 Executive Officers not serving concurrently as Directors. Outside Directors and Outside Audit & Supervisory Board Members are independent officers who are neutral and independent of the management. Although Mr. Hiroshi Niinomi does not have any conflicts of interest with general shareholders and meets the requirements for independent officers as stipulated by the Tokyo Stock Exchange, due to the policy of his law firm, he is not designated or notified as an independent officer. Furthermore, there is no system to receive consulting and advice, etc., from former representative directors and presidents, etc.

(b) Reason for selecting the current structure

The Company judges that it can stably achieve “enhancement of management fairness and transparency,” “timely decision-making processes,” and “full compliance and fortification of risk management” by conducting various measures including (i) enhancing the supervisory function of

the Board of Directors by separating business execution and supervision and promoting active involvement of outside directors; (ii) having objective auditing by Audit & Supervisory Board members who are independent of management and have a strong authority for investigation; and (iii) establishing voluntary Personnel Affairs and Compensation Advisory Committee. The Company will continue to seek sustainable growth and increase corporate value from a medium-to long-term viewpoint while recognizing its responsibility to its stakeholders and complying with the aims of the Corporate Governance Code.

Corporate Governance Structure



(iii) General Meeting of Shareholders

The General Meeting of Shareholders of the Company, a company with the Board of Directors, resolves items set forth in laws and regulations, and the Articles of Incorporation. The Board of Directors is authorized to resolve the following matters in accordance with relevant laws and regulations. It is stipulated that the amount of dividends, other than interim dividends, is determined at general meetings of shareholders.

(a) Organization to determine the acquisition of treasury stock

The Articles of Incorporation stipulate that the Company may acquire treasury stock through market transactions, etc. upon a resolution of the Board of Directors pursuant to Article 165, paragraph (2) of the Companies Act to swiftly implement capital policies.

(b) Organization to determine interim dividend

The Articles of Incorporation stipulate that the Company may pay interim dividends upon a resolution of the Board of Directors to distribute profits swiftly to shareholders.

(c) Requirements for special resolutions of a general meeting of shareholders

The Articles of Incorporation stipulate that, for smooth operations of general meetings of shareholders, special resolutions at a general meeting of shareholders set forth in Article 309, paragraph (2) of the Companies Act are passed by a majority of two-thirds or more of the votes of the shareholders present at the meeting where the shareholders holding one-third or more of votes of the shareholders entitled to vote at such shareholders meeting are present.

(iv) Board of Directors

(a) Duties, Composition, Operations, etc.

During the fiscal year under review, the Board of Directors consisted of eight Directors, held a meeting once a month in principle as well as special meetings when necessary, decided on significant matters including basic management policy, and supervised business execution based on laws and regulations, and the Articles in Incorporation.

To secure the functions of the Board of Directors, the Company selects candidates for Directors in consideration of diversities, such as expertise, career and gender, based on the skills matrix in the Reference Documents for the General Meeting of Shareholders, and includes four Independent Outside Directors (including one female Director) to improve the fairness and transparency of management, thinking that the roughly equal numbers of internal Executive Directors and highly independent Outside Directors create an appropriate balance.

The Board of Directors is chaired by a Director who is mutually appointed, but was chaired by an Independent Outside Director during the fiscal year under review.

The Board of Directors held 14 meetings including special meetings during the fiscal year under review, and these meetings were attended by all Directors every time. The attendance rates of the Outside Directors and Outside Audit & Supervisory Board Members are shown in “Outside Directors and Audit & Supervisory Board Members” of the Business Report. To contribute to in-depth discussions at the Board of Directors meetings, outside officers are given materials and explanations in advance by the secretariat of the Board of Directors, etc.

During the fiscal year under review, the Board of Directors meetings focused on confirming the progress of the Medium-Term Business Plan 2025, and each division in charge reported directly on the current status on a regular basis, utilizing off-site meetings, based on which the Board of Directors continuously held active discussions. Furthermore, complying with the aims of the Corporate Governance Code, the Board of Directors continues to deepen discussions on dialogue with shareholders (SR implementation plan and results), publication of the FY2024 version of the OKI Report, the Integrated Report, board effectiveness evaluations, and management of profits such as ROIC.

(b) Matters concerning Directors

i. Number of Directors

The Articles of Incorporation stipulate that the number of Directors of the Company shall be no more than 15.

ii. Requirements for resolution of election of Directors

The Articles of Incorporation stipulate that resolutions for election of Directors shall be passed by more than half of the votes of the shareholders present at the meeting where the shareholders holding one-third or more of votes of the shareholders entitled to vote at such shareholders meeting are present, and that no cumulative vote is adopted in the election of Directors.

iii. Tenure of office

The Articles of Incorporation stipulate that the tenure of office of Directors shall be set as one year to clarify management responsibility for each fiscal year.

(v) **Personnel Affairs and Compensation Advisory Committee**

The Company has established the Personnel Affairs and Compensation Advisory Committee as a voluntary committee to secure transparency and objectiveness in the decision-making processes concerning appointment and dismissal of Directors and determination of compensation for officers. The Committee holds a meeting as necessary. The Committee is consulted prior to resolutions at a Board of Directors meeting on appointment and dismissal of Directors, Executive Officers, etc. and the structure and level of their compensation, deliberates on these issues from an objective viewpoint, and reports the results to the Board of Directors. In addition, the Committee delivers its opinion on nomination of candidates for Audit & Supervisory Board Members to Audit & Supervisory Board Members. During the fiscal year under review, the Committee consisted of four Outside Directors and a Non-executive Inside Director, and was chaired by an Independent Outside Director by resolution of the Board of Directors. The Committee held 12 meetings in the fiscal year under review.

During the fiscal year under review, the committee deliberated and reported to the Board of Directors on such issues as the executive structure for achieving the Medium-Term Business Plan 2025, the discussion of the executive compensation system so that it functions sufficiently as an incentive to enhance performance for the continuous enhancement of corporate value, and the long-term issue of development plan of successors (management human resources development).

(vi) Election and dismissal of company officers

Upon the nomination of candidates for Directors and Audit & Supervisory Board Members and the appointment of Executive Officers, the Company makes a comprehensive judgment based on their legal eligibility, together with the following requirements.

- Those with excellent personality, insights, high ethical standards, fairness and integrity as well as a high-level awareness of compliance
- Those who can execute their duties towards the realization of the OKI Group's corporate philosophy and continuous improvement of the corporate value
- Those who have had a long term of office
- Audit & Supervisory Board Members who have the necessary knowledge of finance, accounting and legal affairs
- Outside officers who satisfy the independence criteria

A dismissal of a director, Audit & Supervisory Board member, or executive officer is proposed in cases where the said person engages, or is likely to engage, in an act in violation of laws and regulations or the Articles of Incorporation, or where a certain event occurs, which makes it difficult for the said person to fulfill the duties appropriately, and the Personnel Affairs and Compensation Advisory Committee promptly deliberates on such an event, and proposes a dismissal to the Board of Directors.

(vii) Matters related to stocks owned by the Company (As of March 31, 2025)

(a) Policy on cross-shareholdings

The Company has reduced cross-shareholdings phase by phase as a result of comprehensive consideration of conditions such as the medium- and long-term improvement of the corporate value of the Company and a share certificate-issuing company. The net asset ratio was approximately 30% as of the end of FY2022, but it decreased to approximately 24% as of the end of FY2024. The Company expects to achieve a net asset ratio of 20% or less* by the end of FY2025, the final year of the Medium-Term Business Plan 2025.

* Excluding the share acquisition in conjunction with the Company's involvement with ETRIA Co., Ltd. for printer development and production functions

(b) Outline of consideration-related cross-shareholdings

Every year, the Board of Directors validates cross-shareholdings. The decision on the suitability of holding is made for each stock based on a comprehensive consideration of quantitative and qualitative factors.

(c) Standards for the exercise of voting rights regarding cross-shareholdings

For the exercise of voting rights regarding cross-shareholdings, we classify proposals as follows, establish standards for exercise to make a decision and exercise the rights.

- In case of a proposal to elect an officer, the total number, ratio of independent officers, etc.
- In case of a proposal related to remuneration for officers, performance, asset status, etc.
- In case of a proposal for appropriation of surplus, performance, condition of retained earnings, etc.

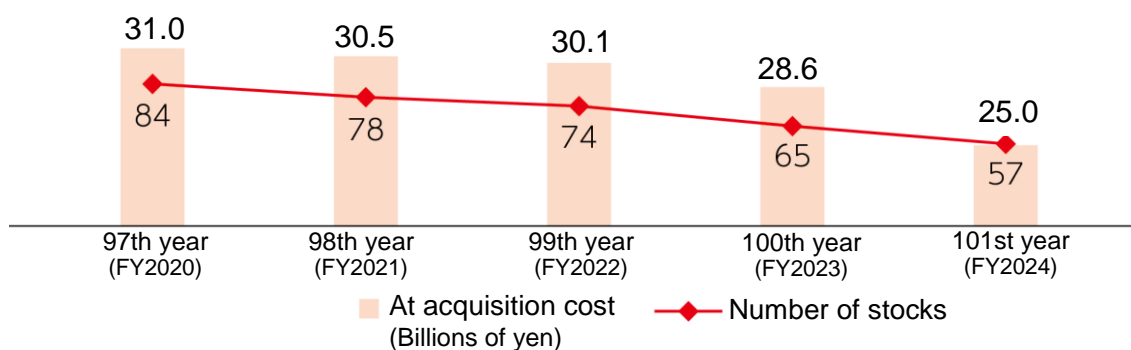
(Translation)

- We shall pay extra attention to the deliberation of a proposal for anti-takeover measures, M&A or third-party allocation of shares.

(d) Number of brands of the stocks that the Company owns for purposes other than pure investment and the total amount recorded in the balance sheet

		97th year (FY2020)	98th year (FY2021)	99th year (FY2022)	100th year (FY2023)	101st year (Fiscal year under review, FY2024)
Number of stocks (Stock)	Unlisted stock	59	52	50	45	45
	Stocks other than unlisted stock	25	26	24	20	12
	Total	84	78	74	65	57
Total amount recorded in the balance sheet (Unit: Billions of yen)	Unlisted stock	6.3	6.2	6.2	6.2	5.7
	Stocks other than unlisted stock	29.2	25.3	25.0	34.9	29.9
	Total	35.5	31.5	31.2	41.0	35.6
Net asset ratio (%)		32	29	31	29	24

(Reference) Trends in cross-shareholdings (at acquisition cost)



(Translation)

2. Shareholders' Equity

(1) Number of shares authorized to be issued by the Company:
240,000,000 shares

(2) Number of outstanding shares:
87,217,602 shares
(including 507,427 shares of treasury stock)

(3) Number of shareholders:
63,184

(4) Major shareholders (Top 10)

Name of shareholder	Number of shares held (shares)	Percentage of shares held (%)
The Master Trust Bank of Japan, Ltd. (trust account)	13,385,000	15.44
Custody Bank of Japan, Ltd. (trust account)	4,999,700	5.77
Oki Denki Group Employees' Shareholdings Committee	2,149,961	2.48
STATE STREET BANK AND TRUST COMPANY 505001	1,778,804	2.05
BNYM AS AGT/CLTS 10 PERCENT	1,721,400	1.99
Mizuho Bank, Ltd.	1,419,648	1.64
Meiji Yasuda Life Insurance Company	1,400,097	1.61
STATE STREET BANK AND TRUST COMPANY 505223	1,273,637	1.47
STATE STREET BANK WEST CLIENT - TREATY 505234	1,211,893	1.40
JP Morgan Chase Bank 385781	1,167,883	1.35

Note: The percentages of shares held are calculated after deducting treasury stock.

(Translation)

3. Equity Warrants

(1) Equity warrants granted to the Company's officers as consideration for their performance of duties

(i) Number of equity warrants

540

(ii) Type and number of shares subject to equity warrants

54,000 shares of the Company's common stock (100 shares per equity warrant)

(iii) Status of equity warrants held by the Company's officers

Issued Number (Exercise Price)	Exercise period	Director (excluding Outside Directors)	
		Number of equity warrants	Number of holders
FY2016 equity warrant (1 yen) (Issued on August 16, 2016)	August 17, 2016 to August 16, 2041	91	2
FY2017 equity warrant (1 yen) (Issued on August 15, 2017)	August 16, 2017 to August 15, 2042	104	2
FY2018 equity warrant (1 yen) (Issued on August 14, 2018)	August 15, 2018 to August 14, 2043	104	2
FY2019 equity warrant (1 yen) (Issued on August 14, 2019)	August 15, 2019 to August 14, 2044	104	2
FY2020 equity warrant (1 yen) (Issued on August 18, 2020)	August 19, 2020 to August 18, 2045	137	3

(2) Equity warrants issued to employees in consideration of performance during the fiscal year under review

No notes since no equity warrant was issued in this fiscal year.

(Translation)

4. Company Officers

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

Note 1	Name	Position	Status or main duties
	Shinya Kamagami	Director and Chairman of the Board	
X	Takahiro Mori	President, Representative Director	Chief Executive Officer
X	Teiji Teramoto	Senior Executive Vice President, Representative Director	Chief Compliance Officer Chief Financial Officer Chief Human Resource Officer Internal Control Administrator
X	Yuichiro Katagiri	Executive Vice President and Member of the Board	Chief Quality Officer Chief Environmental Officer Construction Business Executive Officer Head of Cross Industry Business Center President, OKI Software Co., Ltd.
	Shigeru Asaba	Director	Outside Director, Nippon Beet Sugar Manufacturing Co., Ltd.
	Tamotsu Saito	Director	Senior Advisor, IHI Corporation Outside Director, Furukawa Electric Co., Ltd. Outside Director, KAJIMA CORPORATION Chairman, New Energy and Industrial Technology Development Organization
	Izumi Kawashima	Director	Outside Director, TAKARA & COMPANY LTD.
	Makoto Kigawa	Director	Outside Director, Seven Bank, Ltd. Outside Director, The Higo Bank, Ltd. Outside Director, ICMG Co., Ltd.
	Masashi Fuse	Standing Audit & Supervisory Board Member	
	Toshiyuki Yokota	Standing Audit & Supervisory Board Member	
	Yoshihiro Tsuda	Audit & Supervisory Board Member	Outside Standing Audit & Supervisory Board Member, Tribeck Inc. Outside Audit & Supervisory Board Member, PRONEXUS Inc.
	Yasuyuki Oda	Audit & Supervisory Board Member	President, The Social Welfare Corporation, Fujikura Gakuen
	Hiroshi Niinomi	Audit & Supervisory Board Member	Office Executive Committee Partner, Nishimura & Asahi, Foreign Law Joint Enterprise

Notes:

1. X indicates Executive Officer.
2. Directors Shigeru Asaba, Tamotsu Saito, Izumi Kawashima, and Makoto Kigawa are Outside Directors.
3. Audit & Supervisory Board Members Yoshihiro Tsuda, Yasuyuki Oda, and Hiroshi Niinomi are Outside Audit & Supervisory Board Members.
4. Directors Shigeru Asaba, Tamotsu Saito, Izumi Kawashima, and Makoto Kigawa and Audit & Supervisory Board Members Yoshihiro Tsuda and Yasuyuki Oda have been reported as independent officers to Tokyo Stock Exchange. Although Mr. Hiroshi Niinomi does not have any conflicts of interest with general shareholders and meets the requirements for

- independent officers as stipulated by the Tokyo Stock Exchange, due to the policy of his law firm, he is not designated or notified as an independent officer.
5. There are no special relationships between the Company and Nippon Beet Sugar Manufacturing Co., Ltd., where Mr. Shigeru Asaba serves as an Outside Director.
 6. There are business relationships between the Company and IHI Corporation, where Mr. Tamotsu Saito serves as Special Advisor, Furukawa Electric Co., Ltd. and KAJIMA CORPORATION, where he serves as Outside Director, and the New Energy and Industrial Technology Development Organization, where he serves as Chairman.
 7. There are no special relationships between the Company and TAKARA & COMPANY LTD., where Ms. Izumi Kawashima serves as Outside Director.
 8. There are business relationships between the Company and The Higo Bank, Ltd., and ICMG Co., Ltd., where Mr. Makoto Kigawa serves as Outside Director. In addition, the Company has entered into an investment agreement for the ICMG Co-Creation Fund II established by ICMG Ventures Pte. Ltd. There are no special relationships between the Company and Seven Bank, Ltd., where Mr. Makoto Kigawa serves as an Outside Director.
 9. There are business relationships between the Company and PRONEXUS INC., where Mr. Yoshihiro Tsuda serves as outside Audit & Supervisory Board Member. There are no special relationships between the Company and Tribeck Inc., where Mr. Yoshihiro Tsuda serves as an Outside Standing Audit & Supervisory Board Member.
 10. There are no special relationships between the Company and Fujikura Gakuen social welfare corporation, where Mr. Yasuyuki Oda serves as President.
 11. There are business relationships between the Company and Nishimura & Asahi, Foreign Law Joint Enterprise, where Mr. Hiroshi Niinomi serves as an Office Executive Committee Partner.
 12. Audit & Supervisory Board Member Masashi Fuse has served in positions such as Officer in charge of the Accounting & Control Division, and has extensive knowledge in finance and accounting.
 13. Audit & Supervisory Board Member Yoshihiro Tsuda is a certified public accountant, and has extensive knowledge in finance and accounting.
 14. Audit & Supervisory Board Member Yasuyuki Oda headed the finance & accounting and planning divisions and presided over overseas subsidiaries at a manufacturing company, and has extensive knowledge in finance and accounting.
 15. Audit & Supervisory Board Member Hiroshi Niinomi has assisted many listed companies in the areas of corporate law and financial law as an attorney at law, has served as an Audit & Supervisory Board Member for an investment advisory firm, and has extensive knowledge in finance, accounting, and legal matters.

(Reference) Executive officers as of April 1, 2025 (excluding those who concurrently serve as Directors)

Name	Position	Principal duty
Hiroshi Nishimura	Senior Vice President	Head of Production & Procurement Management Division
Yoichi Kato	Senior Vice President	Chief Technology Officer and Head of Technology Division
Takashi Inoue	Executive Officer	Head of Component Products Division
Takashi Itou	Executive Officer	Head of Corporate Planning Division, responsible for Corporate Communication Division and Business Service Center
Shotaro Nakatsu	Executive Officer	Head of Enterprise Solutions Division
Akira Ogasawara	Executive Officer	Head of Accounting & Finance Division
Nobuya Suzuki	Executive Officer	Responsible for Business Promotion Strategy Division, Carrier Network Business Promotion Division, Public Business Promotion Division (Business for Government & Social Infrastructure), Enterprise Business Promotion Division, Industry Business Promotion Division
Masaya Motosugi	Executive Officer	Head of TOKKI Systems Division
Kurato Maeno	Executive Officer	Head of Electronics Manufacturing Services Division
Kei Kato	Executive Officer	Head of Global Marketing Center
Hiroe Nakanishi	Executive Officer	Head of Human Resources Strategy Division
Naohiro Amamoto	Executive Officer	Head of Corporate Strategy Division
Hiroshi Tanabe	Executive Officer	Head of Social Infrastructure Solutions Division

(2) Outline of liability limitation agreements

The Company concluded agreements to limit liabilities with all Outside Directors and Audit & Supervisory Board Members under the provisions of Article 427, paragraph (1) of the Companies Act. The outline of the agreements is as follows:

- In cases where Outside Directors and Audit & Supervisory Board Members are liable for any damages arising from their negligence to the Company, they shall compensate for such damages only to the extent of the minimum liabilities as stipulated in laws and regulations.
- The above limitation shall be applied only when the relevant Outside Directors and Audit & Supervisory Board Members have executed their duties that caused the liabilities in good faith and without gross negligence.

(3) Outline of liability insurance agreement for Directors

The Company concluded liability insurance agreements as defined in the provisions of Article 430-3, paragraph (1) of the Companies Act covering Directors, Audit & Supervisory Board Members, Executive Officers, Executive General Managers, and those who concurrently serve as Outside Directors, etc. of the Company; Directors, Executive Officers, Audit & Supervisory Board Members and Corporate Officers of all of the domestic subsidiaries; and Directors, Executive Officers, Audit & Supervisory Board Members, Corporate Officers and employees who hold executive positions at some foreign subsidiaries in the U.S., China, Thailand, etc. as the insured. The Company or a subsidiary bears the full amount of premium including riders, and the insured has no burden to pay the premium. The insurance agreement compensates for damage which may be incurred when the insured has responsibility to execute duties or receives a claim related to the pursuit of responsibility. However, it determines certain reasons for exceptions such as damage that arises due to an act conducted while realizing it breaches laws and regulations. In addition, the insurance agreement defines the scope of deductibles, and the damage up to the deductibles will not be compensated for by the insurance. In this way, by defining the provisions on the reasons for exceptions and deductibles, the Company intends not to impair the adequacy of the duties of Directors, etc.

(4) Compensation, etc. paid to Directors and Audit & Supervisory Board Members in the fiscal year under review

(i) Policy on determining the content of individual compensation, etc. for Directors

The Company established the policy on determining the content of individual compensation, etc. for Directors, and a summary is as follows.

- Basic policy

OKI's basic policy on compensation for directors and executive officers is to serve as incentives for the performance improvement with the aim of the continuous enhancement of the corporate value and enforcement of the corporate competitiveness while being the compensation structure that can attract excellent human resources.

- Structure of compensation

The compensation structure is divided into performance-linked compensation and compensation other than performance-linked compensation, and consists of basic compensation, which is a fixed compensation; and annual incentive compensation and medium- to long-term incentive compensation, which are performance-linked compensation. These compensations have been provided as part of efforts to develop an environment for a shift to the management focused on "more aggressive goal setting" and "growth over medium- to long-term" in order to achieve "continuous growth" of the OKI Group. The compensation for outside directors consists only of basic compensation.

	Basic compensation	Annual incentive	Medium- to long-term incentive
Inside Directors (Concurrently serving as Executive Officer)	○	○	○
Outside Directors	○	-	-

As for medium- to long-term incentive compensation, the 99th Ordinary General Meeting of Shareholders held on June 27, 2023, approved a resolution for a performance-linked stock compensation system for Directors, and the Company has adopted a performance-linked stock compensation (performance share units) in which shares will be delivered in proportion to the achievement of the performance of the Medium-Term Business Plan (three years) from FY2023.

- Content of compensation

Content of compensation is as shown in the table below.

Type		Content of compensation
Basic compensation	Fixed compensation	<ul style="list-style-type: none"> • When serving as Executive Officer concurrently, monetary compensation shall be determined and paid monthly while being individually tailored to the position, followed by duties.
Annual incentive compensation	Performance-linked compensation	<ul style="list-style-type: none"> • Once a year, monetary compensation shall be paid and determined individually with a linkage with the single year's consolidated business performance of the OKI Group and that of the division each Director is responsible for. • The rate of payment is determined within a scope of 0% to 250%, according to linkage with the quantitative assessment by business performance and qualitative assessment by the President or the Personnel Affairs and Compensation Advisory Committee. • It is set that the degree of linkage with business performance is higher for a person in a higher position. The amount of payment is set to 35% to 45% of the basic compensation when the rate of payment is 100%.
Medium- to long-term incentive compensation		<ul style="list-style-type: none"> • Performance-linked stock compensation (performance share units) is adopted. • The performance share units will be granted for the performance evaluation period of three years, which is the period of the Medium-Term Business Plan, and shares will be delivered after the evaluation period in accordance with the degree of achievement of the Medium-Term Business Plan (however, a portion of the shares to be delivered will be paid in cash). • The rate of payment will be determined within the scope of 0 to 250%, depending on the degree of achievement of the targets. • It is set that the degree of linkage with business performance is higher for a person in a higher position. The amount of payment is set to 15% to 20% of the basic compensation when the rate of payment is 100%. • In the event that the Board of Directors recognizes that a director, etc. has violated laws or regulations, etc. in a material respect, the right to receive delivery of shares will be forfeited (clawback provision)

Calculation method for performance-linked compensation

For annual incentive compensation, 80% of the amount to be paid is calculated by multiplying the standard compensation amount set for each position in advance by a performance evaluation factor based on quantitative evaluation, and 20% of the amount to be paid is calculated by qualitative evaluation. The performance indicators used in the quantitative evaluation are those (sales, operating income, and working capital) that have been determined to be appropriate as performance evaluation indicators for achieving the OKI Group's sustainable growth. The quantitative evaluation consists of the OKI Group's consolidated performance-linked portion and the performance-linked portion by the division in charge, and the announced figures (the targets are set based on the following announced figures) and actual results of the performance evaluation indicators for the OKI Group's consolidated performance-linked portion are as follows. Working capital is calculated based on the number of days.

(Unit: Billions of yen)

Performance evaluation indicator	Announced figures	Actual results
Net sales	460.0	452.5
Operating income	16.0	18.6
Working capital	—	109.0

Note: The announced figures are the figures that were announced on May 9, 2024.

Medium- to long-term incentive compensation is based on ROE, which is judged to be an appropriate indicator* for improving corporate and shareholder's value over the medium and long term and for sharing value with shareholders, as well as on sales and ESG (the CO2 emissions reduction rate of the Company's sites and the percentage of female executives), which is judged to be an appropriate indicator for placing greater emphasis on medium- to long-term growth and for improving linkage with the Medium-Term Business Plan. The number of shares to be delivered will be calculated by dividing the pre-determined standard compensation amount for each position by the stock price at the beginning of the performance evaluation period, and multiplying this number by a performance evaluation factor. (However, a portion of the shares to be delivered will be converted into cash at the stock price at the time of delivery.) The actual values of the performance evaluation indicators are calculated at the end of the performance evaluation period and therefore are not fixed at the time of reporting.

* Medium-Term Management Plan 2025 targets (ROE 8%, net sales of ¥450.0 billion, 21% reduction in CO2 emissions at the Company's sites, 5% female ratio in executive roles)

- Compensation decision process

As for how to determine the policy on determining individual compensation, etc. for Directors and Executive Officers, in order to secure transparency and objectiveness in the decision-making processes concerning compensation for officers, the Company has established the Personnel Affairs and Compensation Advisory Committee, consisting of four Outside Directors and one Non-executive Internal Director and chaired by an Outside Director. It deliberates, prior to resolutions at a Board of Directors meeting, on the structure and level of compensation for Directors and Executive Officers, and reports the results to the Board of Directors. In addition, the appropriateness of the structure and level of compensation is validated mainly utilizing objective evaluation data from external organizations.

The Personnel Affairs and Compensation Advisory Committee held a total of 12 meetings during the fiscal year under review, discussed the compensation structure for officers in two of these meetings, and reported the results twice.

Since the Board of Directors decided the content of individual compensation, etc. for Directors for the fiscal year under review after confirming the content of the report, it was evaluated that the content of the individual compensation, etc. for Directors for the fiscal year under review complied with the policy above.

(ii) Matters related to the resolution for the compensation, etc. for Directors and Audit & Supervisory Board Members of the ordinary general meeting of shareholders

As for the amount of monetary compensation for Directors, at the 82nd ordinary general meeting of shareholders held on June 29, 2006, it was resolved that the annual amount for Directors

would be ¥600 million or less (not including employee salary for an employee who is serving as Director). The number of Directors at the end of the ordinary general meeting of shareholders was eleven (including one outside director).

Separately from such monetary compensation, the 99th ordinary general meeting of shareholders held on June 27, 2023, resolved that the maximum number of shares for performance-linked stock compensation (performance share units) shall be 362,100 shares for each performance evaluation period, and the maximum amount shall be 362,100 shares multiplied by the stock price at the time of delivery. The number of Directors (excluding Outside Directors) at the end of the ordinary general meetings of shareholders was four (including three eligible Directors).

As for the amount of monetary compensation for Audit & Supervisory Board Members, at the 82nd ordinary general meeting of shareholders held on June 29, 2006, it was resolved that it would be ¥100 million or less per year. The number of Audit & Supervisory Board Members at the end of the ordinary general meeting of shareholders was four.

- (iii) Matters related to the commission of the decision on the content of individual compensation, etc. for Directors

The Company commissions the decision on the specific content of individual remuneration related to annual incentive compensation for Directors based on a resolution for the commission of the Board of Directors as below. As for the part commissioned to a Director who is concurrently serving as President and Executive Officer, the Company has taken measures such as deliberating the validation at the Personnel Affairs and Compensation Advisory Committee to ensure that the Director adequately executes his/her authority.

Applicable Directors	Commissioned person	Content of the commissioned authority	Reason for the commission of the authority
Director concurrently serving as the President and Executive Officer	Members of the Personnel Affairs and Compensation Advisory Committee (Directors Shinya Kamagami, Shigeru Asaba, Tamotsu Saito, Izumi Kawashima, and Makoto Kigawa)	Qualitative evaluation for 20% of annual incentive compensation	To secure transparency of the process and objectivity of evaluation
Executive Director other than the above	Director concurrently serving as the President and Executive Officer (Director Takahiro Mori)		To focus on aggressive goal-setting for each task assigned to the person

Note: The position and duties of a commissioned person are as stated under “4. Company Officers, (1) Names, etc. of Directors and Audit & Supervisory Board Members.”

(Translation)

(iv) Compensation paid to Directors and Audit & Supervisory Board Members, etc.

Officer Title	Amount of payment	Amount of payment by type of compensation			Number of applicable officers
		Fixed compensation	Performance-linked compensation		
		Basic compensation	Annual incentive	Medium- to long-term incentive	
Directors (excluding Outside Directors)	¥265 million	¥183 million	¥58 million	¥22 million	5
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	¥46 million	¥46 million	—	—	2
Outside officers					
Outside Directors	¥55 million	¥55 million	—	—	4
Outside Audit & Supervisory Board Members	¥27 million	¥27 million	—	—	5

Notes:

1. Medium- to long-term incentive compensation is performance-linked stock compensation (performance share units), the details of which are described in (i) above, and the amount recorded as expenses in the current fiscal year.
2. The numbers of Directors (excluding Outside Directors) and Outside Audit & Supervisory Board Members as of the end of the fiscal year under review are different from the number shown above, and the above numbers include those who retired at the conclusion of the 100th Ordinary General Meeting of Shareholders held on June 21, 2024.

(5) Outside Directors and Audit & Supervisory Board Members**(i) Major activities in the fiscal year under review**

Position	Name	Number of attendance at meetings of the Board of Directors	Number of attendance at meetings of the Personnel Affairs and Compensation Advisory Committee	Principal comments at the Board of the Directors and summary of the duties executed for the role expected of outside director
Director	Shigeru Asaba	14 out of 14 times (100%)	12 out of 12 times (100%)	He provided advice and made proposals for the appropriateness and properness of decision making by the Board of Directors. He also contributed to strengthening compliance by providing a good example to managerial personnel through his leadership, and as Chairperson of the Personnel Affairs and Compensation Advisory Committee, he has engaged in discussions on the rationality of the compensation system and the fairness of executive performance evaluations, providing advice on the personnel system and talent development plans. He has contributed to the improvement of the Company's corporate value by fulfilling his expected role, in particular by actively giving advice and making proposals based on his academic expertise in all aspects of business, including marketing and innovation, in order to supervise the progress of the Medium-Term Business Plan, the medium- to long-term strategy, and the development plan of successors, and deepen deliberations on risk management by the Board of Directors.
	Tamotsu Saito	14 out of 14 times (100%)	11 out of 12 times (92%)	He provided advice and made proposals for the appropriateness and properness of decision making by the Board of Directors. He also contributed to strengthening compliance by providing a good example to managerial personnel through his leadership and enhancing the management fairness and transparency as a member of the Personnel Affairs and Compensation Advisory Committee. He has contributed to the improvement of the Company's corporate value by fulfilling his expected role, in particular by actively giving advice and making proposals based on his experience in manufacturing, development, and global management, in order to supervise the progress of the Medium-Term Business Plan, the medium- to long-term strategy and the development plan of successors, and deepen deliberations on risk management by the Board of Directors.
	Izumi Kawashima	14 out of 14 times (100%)	12 out of 12 times (100%)	She led discussions by the Board of Directors as its chairperson, and provided advice and made proposals for the appropriateness and properness of decision making by the Board of Directors. She also contributed to strengthening compliance by providing a good example to managerial personnel through her leadership and enhancing the management fairness and transparency as a member of the Personnel Affairs and Compensation Advisory Committee. She has contributed to the improvement of the Company's corporate value by fulfilling her expected role, in particular by actively giving advice and making proposals based on her knowledge as a legal expert of the Companies Act, Financial Instruments and Exchange Act, etc. in order to supervise the progress of the Medium-Term Business Plan, the medium- to long-term strategy and the development plan of successors, and deepen deliberations on risk management by the Board of Directors.

(Translation)

Position	Name	Number of attendance at meetings of the Board of Directors	Number of attendance at meetings of the Personnel Affairs and Compensation Advisory Committee	Principal comments at the Board of the Directors and summary of the duties executed for the role expected of outside director
Director	Makoto Kigawa	14 out of 14 times (100%)	12 out of 12 times (100%)	He provided advice and made proposals for the appropriateness and properness of decision making by the Board of Directors. He also contributed to strengthening compliance by providing a good example to managerial personnel through his leadership and enhancing the management fairness and transparency as a member of the Personnel Affairs and Compensation Advisory Committee. He has contributed to the improvement of the Company's corporate value by fulfilling his expected role, in particular by actively giving advice and making proposals based on his management experience in supply chain management and risk management in order to supervise the progress of the Medium-Term Business Plan, the medium- to long-term strategy and the succession planning, and deepen deliberations on risk management by the Board of Directors.

Position	Name	Number of attendance at meetings of the Board of Directors	Number of attendance at meetings of the Audit & Supervisory Board	Principal comments at the Board of the Directors
Audit & Supervisory Board Member	Yoshihiro Tsuda	14 out of 14 times (100%)	17 out of 17 times (100%)	He leveraged his extensive experience and knowledge concerning accounting audit on companies operating globally as a certified public accountant to audit the business execution of Directors as well as to make statements aimed at achieving sustainable growth and establishing high-quality corporate governance systems for the Company.
	Yasuyuki Oda	11 out of 11 times (100%)	11 out of 11 times (100%)	He audited the business execution of Directors and leveraged his extensive experience and global insights gained from his roles as an executive, Officer, Auditor, and Audit & Supervisory Committee Member (Chairman) at a manufacturing company to make statements aimed at achieving sustainable growth and producing medium- to long-term corporate value for the Company.
	Hiroshi Niinomi	11 out of 11 times (100%)	11 out of 11 times (100%)	He has provided expert advice on the Companies Act and financial law as an attorney at law, and has leveraged his extensive experience and knowledge, including his role as an Audit & Supervisory Board Member at an investment advisory firm, to audit the business execution of Directors as well as to make statements aimed at achieving sustainable growth and establishing high-quality corporate governance systems for the Company.

(Note) The number of meetings for Audit & Supervisory Board Members Yasuyuki Oda and Hiroshi Niinomi represents the number of meetings held since they took office in June 2024.

5. Status of Accounting Auditor

(1) Name: PricewaterhouseCoopers Japan LLC

(2) Policy and reason for the appointment

The Company has appointed the accounting auditor with comprehensive consideration by assessing indicators, such as the quality control scheme, independence, auditing scheme, and estimated compensation for auditing services.

(3) Policy regarding decision to dismiss or not reappoint

The Audit & Supervisory Board, in principle, will determine the detail of the proposal to be submitted to the general meeting of shareholders regarding dismissal or non-reappointment of the accounting auditor if it is deemed unlikely that the accounting auditor will be able to perform audits properly. In addition, if the accounting auditor falls under provisions of the items in Article 340, paragraph (1) of the Companies Act, the Audit & Supervisory Board will dismiss the accounting auditor upon the consent of all the Audit & Supervisory Board Members.

(4) Assessment of the audit corporation by Audit & Supervisory Board members and the Audit & Supervisory Board

The Audit & Supervisory Board members and the Audit & Supervisory Board of the Company assess the audit corporation. The assessment is comprehensive based on indicators, such as the audit corporation's quality control scheme, independence, auditing scheme, group auditing scheme, and estimated compensation for auditing services.

(5) Contents, etc. of compensation for auditing services

(i) Compensation, etc.

Category	Previous fiscal year		Fiscal year under review	
	Compensation for audit attestation services (millions of yen)	Compensation for non-auditing services (millions of yen)	Compensation for audit attestation services (millions of yen)	Compensation for non-auditing services (millions of yen)
Oki Electric Industry	296	7	350	10
Consolidated subsidiaries	82	—	86	—
Total	378	7	436	10

Notes:

1. The Company does not distinguish between auditor compensation regarding (i) auditing in accordance with the Companies Act, and (ii) auditing in accordance with the Financial Instruments and Exchange Act. The total of these amounts is recorded above.
2. Among our major subsidiaries, Oki Data Manufacturing (Thailand) Co., Ltd. and Oki Europe Ltd. have undergone statutory audits by accounting auditors other than the accounting auditor of the Company.

(ii) Content of non-auditing services

(Previous fiscal year)

The Company has entrusted the accounting auditor with “procedures for securitization of receivables” and other services, which are services other than the audits specified in Article 2, paragraph (1) of the Certified Public Accountants Act, and pays the auditor compensation for the services.

(Fiscal year under review)

The Company has entrusted the accounting auditor with “procedures for securitization of receivables” and other services, which are services other than the audits specified in Article 2, paragraph (1) of the Certified Public Accountants Act, and pays the auditor compensation for the services.

(iii) Policy regarding determination of compensation for auditing services

The Company has no particular rules or regulations regarding decisions on compensation for auditing services to the audit corporation but has determined the compensation after having fully considered the audit plan, etc. of the audit corporation and verified the validity of the time, contents, etc. of the auditing services.

(iv) Reason for the Audit & Supervisory Board to consent to compensation for accounting auditor

The Audit & Supervisory Board has decided to consent to the compensation to be paid to the accounting auditor proposed by the Board of Directors in accordance with Article 399, paragraph (1) of the Companies Act. This is because it has performed necessary verification as to the appropriateness of matters such as the content of the accounting auditor’s audit plan, the status of performance of duties by the accounting auditor, and the basis for calculating the estimated compensation for the accounting auditor, and has found them appropriate.

6. Policies and procedures of the Company

(1) Procedures to ensure that Directors and employees comply with applicable laws, regulations and the Articles of Incorporation in conducting their business and other systems to ensure appropriate operations

The Company's Board of Directors has adopted a resolution on the Basic Policy for the Establishment of an Internal Control System in accordance with the Companies Act, and confirms the status of establishment and operation of the internal control system at the end of each fiscal year, and reports the results to the Board of Directors. The details of the resolution on the basic policy as of the end of the current fiscal year are as follows.

[Basic Policy for the Establishment of an Internal Control System]

In accordance with the Companies Act and the Regulations for Enforcement of the Companies Act, the Company has established the following basic policy regarding internal control, and will establish, operate, and continuously improve an internal control system based on this basic policy, with the aim of contributing to the sustainable development of society through the voluntary and autonomous achievement of goals and the enhancement of corporate value.

- (i) Procedures to ensure that Directors and employees comply with applicable laws, regulations and the Articles of Incorporation in conducting their business
 - (a) Directors and Executive Officers shall take the initiative in setting an example of the OKI Group Charter of Corporate Conduct and the OKI Group Code of Conduct, which were established to establish corporate ethics in the Company and its subsidiaries (hereinafter "OKI Group") and to ensure compliance with laws, the Articles of Incorporation, and internal regulations by Directors, Executive Officers, and other employees, and shall repeatedly communicate and disseminate the importance of compliance with these codes.
 - (b) The Company has established a Compliance Committee chaired by the Chief Compliance Officer to report, deliberate, and decide on matters related to compliance in the OKI Group.
 - (c) Based on the decisions formulated by the Compliance Committee, the division responsible for compliance plans, draws up, and promotes specific measures such as education and training for Directors, Executive Officers, and employees in order to raise awareness of compliance among all OKI Group personnel.
 - (d) Violations of laws, regulations, the Articles of Incorporation, etc. shall be strictly punished in accordance with disciplinary regulations.
 - (e) The OKI Group's compliance with laws, the Articles of Incorporation, and internal regulations shall be audited by an independent internal audit department under the direct control of the President, and problems shall be pointed out and remedial measures shall be proposed.
 - (f) The Company establishes whistle-blowing regulations which enable reporting to Outside Directors and Audit & Supervisory Board Members and provides a contact point for reporting and consultation, aiming to detect any misconduct at its earliest stages and make improvements.
 - (g) The Company stands firmly against antisocial groups that threaten the order and safety of civil society in cooperation with the police and related organizations, and refuses to have any relationship with them as a whole.

- (ii) Procedures to retain and manage information relating to Directors' conduct of business
 - (a) The Company retains and manages documents and information relating to the conduct of business by Directors as appropriate in accordance with applicable laws, regulations and internal rules.
 - (b) With respect to information security, the OKI Group shall clarify its responsibility for information security in accordance with rules for electronic information management and related regulations, and establish a system to continuously implement measures to maintain and improve information security in the OKI Group.
 - (c) The Company shall establish regulations related to personal information protection and trade secret management, and appropriately and safely store and manage personal information and important trade secrets.
 - (d) The Company shall establish rules related to the disclosure of important corporate information, and put in place a system to ensure the appropriate, timely, and fair disclosure of information to be disclosed in accordance with the requirements of laws, regulations, or the rules and regulations of the stock exchange.
- (iii) Rules concerning risk management and other procedures
 - (a) For risk management, the Company shall establish a Risk Management Committee chaired by the President and Executive Officer pursuant to risk management rules for appropriately grasping risks that may occur in relation to business activities of the OKI Group and preventing such risks from emerging.
 - (b) Pursuant to risk management rules, each section of the OKI Group manages risks that may occur in relation to its main duties. At the same time, the Company has established a supervisory section to deal with risks needing company-wide management. This section assesses risks, draws up policies for risk countermeasures and develops appropriate structures based on such policies.
 - (c) In the event that the OKI Group recognizes the occurrence or signs of a crisis, etc., it shall promptly report the situation to the Risk Management Committee. The Committee shall give instructions on how to respond, and report particularly important matters to the Directors and Audit & Supervisory Board Members. In the event of a disaster, etc., the Company shall respond by establishing an emergency countermeasure headquarters, taking into consideration the area of occurrence, the scale of the disaster, and other relevant factors.
 - (d) The Board of Directors shall also review the risk management system annually.
- (iv) Procedures to secure efficient business performance by Directors
 - (a) The Company holds regular meetings of the Board of Directors once a month in principle to decide important matters including basic management policies and supervise the business execution of Directors.
 - (b) The Company appoints Executive Officers to execute business based on basic management policies determined by the Board of Directors so as to separate the functions of business execution and supervision, and promote timely decision-making processes. In addition, the Company holds meetings of the Management Committee consisting of Executive Officers, etc. to assist the President in making decisions.
 - (c) The Company assigns Directors responsibilities and authority pursuant to rules on division of duties and authorities.
 - (d) The Board of Directors shall determine the OKI Group's Medium-Term Business Plan and annual plan, and supervise the execution thereof.

- (e) Executive Officers shall efficiently execute their duties in accordance with the OKI Group's Medium-Term Business Plan and annual plan determined by the Board of Directors, and the progress of the annual plan shall be confirmed by the Management Committee and reported to the Board of Directors.
- (v) Procedures to secure appropriate Group (Company and subsidiaries) operations
 - (a) Provide guidance and support to subsidiaries with respect to the procedures to secure appropriate their operations.
 - (b) In order to improve the soundness and efficiency of management within the OKI Group, Directors and Audit & Supervisory Board Members shall be dispatched to each subsidiary as necessary in accordance with the Subsidiaries and Affiliates Management Rules, and an administrative division within the Company shall be designated to receive reports from and discuss important matters concerning the business operations of the subsidiary. In addition, particularly important matters shall be submitted to the Company's Management Committee or the Board of Directors.
 - (c) Each subsidiary establishes whistle-blowing regulations that enable reporting to their Outside Directors and Audit & Supervisory Board Members, provides a contact point for reporting and consultation, and aims to detect any misconduct at its earliest stages and make improvements after reporting to the Company.
 - (d) The Company shall establish various rules and regulations to be complied with by the Group as the Group's common rules, in order to improve the efficiency of each company's decision-making and business operations.
 - (e) The internal audit section of the Company shall audit the appropriateness of the OKI Group's operations and provide verification, advice, etc.
- (vi) System to ensure the reliability of financial reporting
 - (a) In order to secure the reliability of the OKI Group's financial reporting, the Company shall establish, maintain, and improve an internal control system for financial reporting in accordance with the Corporate Calculation Regulations, the Financial Instruments and Exchange Act, and other applicable laws and regulations.
 - (b) Each section of the Company and its subsidiaries shall endeavor to ensure the appropriateness of financial reporting by implementing checks and balances through segregation of duties and daily monitoring in the execution of their own duties.
- (vii) Matters concerning employees assisting Audit & Supervisory Board Members and independence of such employees from Directors
 - (a) The Company assigns employees as staff to assist Audit & Supervisory Board Members.
 - (b) The Company assigns employees, who are not subject to Directors' instructions and orders, as staff to assist Audit & Supervisory Board Members, and any reassignment and evaluation of such employees requires the prior consent of the Audit & Supervisory Board.
- (viii) Procedures for Directors and employees to report to Audit & Supervisory Board Members; procedures for Audit & Supervisory Board Members to receive other reports
 - (a) If any Director or employee, or any Director, Audit & Supervisory Board Member, or employee of a subsidiary discovers any fact that may cause significant damage to the Company, they are required to immediately report it to the Audit & Supervisory Board Members, either directly or through the administrative division, pursuant to applicable laws and regulations.

- (b) In addition to the Board of Directors meetings, Directors shall ensure that Standing Audit & Supervisory Board Members have opportunities to attend management meetings and have access to important documents such as approval documents so that Audit & Supervisory Board Members can grasp the process of important decision-making and the status of business execution.
 - (c) Directors shall establish a system to enable Audit & Supervisory Board Members to attend and receive reports from the Risk Management Committee.
 - (d) Directors shall ensure that Audit & Supervisory Board Members receive whistle-blowing reports based on whistle-blowing regulations, and that a system is in place to report to Audit & Supervisory Board Members on the status of internal reporting.
 - (e) Directors shall ensure a system to regularly report to Audit & Supervisory Board Members on the status of establishment and operation of the internal control system and the status of internal audits, and to request reports from Directors and employees on matters deemed necessary by the Audit & Supervisory Board Members.
 - (f) The Company ensures that a person who made a whistle-blowing report to Audit & Supervisory Board Members will not be treated unfavorably on account of making such report.
 - (g) Directors and employees of subsidiaries shall promptly report to the Audit & Supervisory Board Members of subsidiaries on matters for which they are requested to report by the Audit & Supervisory Board Members of subsidiaries, in addition to matters required by laws, regulations, and rules, and shall report to the administrative division in charge of the subsidiaries of the Company.
- (ix) Other procedures to secure effective audits by Audit & Supervisory Board Members
- (a) In conducting inspections on the Company's operations and assets and performing other audit duties, Audit & Supervisory Board Members shall conduct audits efficiently and effectively in close cooperation with the internal audit section.
 - (b) Audit & Supervisory Board Members implement efficient audits by closely cooperating with the accounting auditor. To this end, Audit & Supervisory Board Members hold meetings with the accounting auditor on a regular basis, attend on-site audits by the accounting auditor, and request reports from the accounting auditor on the progress of audits when necessary.
 - (c) The Company pays all the expenses necessary for the execution of the duties of Audit & Supervisory Board Members.
 - (d) When deemed necessary in conducting audits, Audit & Supervisory Board Members may, at the Company's expense, obtain advice on audit work from attorneys, certified public accountants, and other professionals.

(2) Overview of Status of Operations

The following is a summary of the status of operation of the internal control system at the Company. The status of such operation is evaluated at the end of each fiscal year, and the results are reported at a meeting of the Board of Directors.

- (i) Status of procedures relating to compliance
 - (a) As a basis for ensuring compliance, the OKI Group Charter of Corporate Conduct, which clearly states the social responsibilities that the OKI Group must fulfill based on its corporate philosophy, and the OKI Group Code of Conduct, which serves as a code to which all OKI Group officers and employees must conform in order to realize these responsibilities, have been established. In addition, the management team, having re-affirmed the importance of

compliance, takes the initiative in compliance activities, and officers of the Company and Group companies are working on compliance activities in conformance with the Compliance Commitment. The Company has established this commitment to reassure shareholders, customers, employees and all other stakeholders within and outside the Company that it strives to foster awareness of compliance and makes a thorough commitment to compliance throughout the OKI Group.

- (b) The Compliance Committee, chaired by the Chief Compliance Manager, held meetings twice a year, where it summarized activities in the previous fiscal year, formulated education plans, and reviewed the status of implementation of various measures in individual sections.
 - (c) The Company held group training such as training sessions for compliance managers, in which compliance managers and promoters of the OKI Group participated, and training sessions on the Anti-Monopoly Act for officers and employees chiefly in the Market & Sales Section. It also conducted e-learning on personal information protection, information security, internal control and general compliance-related topics for all employees in Japan. In addition, employees of overseas subsidiaries also participated in some of the sessions. The Company also regularly presents case studies on compliance on the intranet and internal publications.
 - (d) The Company clearly has defined that in case of non-compliance, the Company takes disciplinary action in accordance with the workplace regulations, etc., and has the Group Disciplinary Action Committee, which is chaired by the President and Executive Officer, to consider said action.
 - (e) The Company has established a whistle-blower system that allows employees to directly report improper conduct and ensure that all employees are aware of the system to ensure quick discovery and effective correction of improper conduct.
 - (f) The internal audit section conducts operational audits of the OKI Group and evaluates internal controls over financial reporting to ensure the effectiveness and efficiency of operations and the reliability of financial reporting.
- (ii) Status of procedures relating to risk management
- (a) In accordance with the Risk Management Regulations, the OKI Group has established a Risk Management Committee chaired by the President and Chief Executive Officer to develop measures to prevent risks from materializing and a system to prepare for the occurrence of risks.
 - (b) The OKI Group's risk management system categorizes risks that exist within the Group and defines them as risk areas to cover the entire Group, and the department responsible for the risk area provides support, guidance, and advice, etc. to each department and subsidiary regarding events that occur in the area. In addition, the department responsible for the risk area handles risks that are common to the OKI Group and require focused management in cooperation with the department responsible for the risk area.
 - (c) If any risk materializes, the department in which it arises takes the necessary steps for the risk, and promptly reports the details of the event to the Risk Management Committee according to the OKI Group Emergency Response System. This Committee manages crisis information in a unified manner, determines a response system and manager promptly, giving consideration to the severity and urgency of the said crisis, implements necessary measures, and gives support to the said department.
- (iii) Status of procedures relating to subsidiary management
- (a) The officer in charge of the management administrative division of each subsidiary designated in the Subsidiaries and Affiliates Management Rules manages it with the authority and responsibilities stipulated by the authority regulations, clarifies the mission of the subsidiary under their control, and provides the necessary support and guidance. Appointment and

dismissal of chief officers of subsidiaries is determined by the President and Executive Officer of the Company, and appointment and dismissal of other officers is determined by the officers who are in charge of the respective management administrative divisions.

- (b) The head of the management administrative division provides support, guidance, and periodic monitoring in the formulation and implementation of business policies, conducts corporate performance evaluations, and also monitors the operational status of the general meeting of shareholders and the Board of Directors and the compliance adherence of Directors of subsidiaries. In addition, when necessary, a division in charge of a particular business is established to manage that business.
- (c) At the accounting division of each subsidiary, the Company has appointed staff with the necessary knowledge and experience. The Company works to conduct the maintenance and improvement of an internal control system for financial reporting conducted in accordance with related laws and regulations.
- (d) To prevent losses from violations, misconduct, scandals, or accidents related to any laws, rules or ethics, or loss from failing to appropriately perform risk management, the Company holds regular training seminars for directors and audit & supervisory board members of subsidiaries. Seminar topics include responsibilities and obligations as a subsidiaries' officer, compliance, and internal controls.
- (iv) Status of procedures to ensure appropriateness of audits by Audit & Supervisory Board Members
 - (a) One staff member independent from the execution of duties is assigned to assist Audit & Supervisory Board Members in their duties. The Standing Audit & Supervisory Board Members assess important decision-making processes and the status of business operations by attending meetings of the Board of Directors and the Management Committee in addition to reading resolution approval documents.
 - (b) The Audit & Supervisory Board Members have received whistle-blowing reports based on whistle-blowing regulations, and frequently received detailed reports on the status of operation.
 - (c) In addition to receiving reports on the development and operational status of the internal control system at the meetings of the Board of Directors, the Audit & Supervisory Board Members exchange opinions with the President, executive officers, general managers of divisions and representatives of the subsidiaries, confirming the development and operation of the internal control system in the process.
 - (d) The Audit & Supervisory Board Members hold discussions and exchanges of opinion with the Internal Auditing Division by taking part in site visits and meetings to report on the results of audits held by the Internal Auditing Division, and utilize the results of audits in audits by Audit & Supervisory Board Members.
 - (e) The Audit & Supervisory Board Members have maintained close cooperation with the Accounting Auditor including meeting and exchanging opinions with the Accounting Auditor and attending site visits by the Accounting Auditor, to implement effective audits.

Note: indication of amounts

Figures in this business report are indicated as follows.

1. Units of ¥1 million: Figures less than one unit are disregarded.
2. Units of ¥100 million: Figures less than one unit are rounded to the nearest unit.

(Translation)

Consolidated Balance Sheet

(as of March 31, 2025)

(Millions of yen)

Account title	Amount	Account title	Amount
(Assets)		(Liabilities)	
Current assets	231,878	Current liabilities	166,992
Cash and deposits	36,865	Notes and accounts payable	61,429
Notes and accounts receivable, and contract assets	112,215	Short-term borrowings	41,390
Lease receivables and lease investment assets	4,728	Accounts payable, others	22,543
Finished goods	18,441	Others	41,629
Work in process	15,122	Long-term liabilities	98,226
Raw materials and supplies	31,436	Long-term debt	56,773
Others	13,187	Lease obligations	4,839
Allowance for doubtful receivables	(118)	Deferred tax liabilities	4,152
Non-current assets	179,086	Liability for retirement benefits	27,100
Property, plant and equipment	60,288	Others	5,361
Buildings and structures	25,319	Total liabilities	265,219
Machinery, equipment and vehicles	7,338	(Net Assets)	
Tools, furniture and fixtures	8,605	Shareholders' equity	145,728
Land	16,075	Capital stock	44,000
Construction in progress	2,948	Additional paid-in capital	18,940
Intangible assets	18,153	Retained earnings	83,501
Investments and other assets	100,645	Treasury stock, at cost	(713)
Investments in securities	38,380	Other accumulated comprehensive income	(105)
Asset for retirement benefits	34,617	Net unrealized holding gain/loss on other securities	7,769
Others	40,523	Loss/gain on deferred hedges	(126)
Allowance for doubtful receivables	(12,875)	Translation adjustments	(7,301)
		Accumulated retirement benefits liability adjustments	(448)
		Subscription rights to shares	44
		Non-controlling interests	78
		Total net assets	145,745
Total assets	410,965	Total liabilities and net assets	410,965

(Translation)

Consolidated Statement of Operations

(From April 1, 2024 to March 31, 2025)

(Millions of yen)

Account title	Amount	
Net sales		452,457
Cost of sales		339,096
Gross profit		113,361
Selling, general and administrative expenses		94,733
Operating income		18,627
Non-operating income		
Interest income	1,175	
Dividend income	1,438	
Dividend income of insurance	397	
Other	609	3,620
Non-operating expenses		
Interest expense	2,289	
Foreign exchange loss	1,397	
Other	1,752	5,439
Ordinary income		16,808
Extraordinary profit		
Gain on sale of investments in securities	1,448	1,448
Extraordinary loss		
Loss on sale and disposition of property, plant and equipment	690	
Loss on impairment of fixed assets	1,834	
Special retirement benefits	528	3,052
Profit before income taxes		15,205
Income taxes	3,417	
Income taxes deferred	(705)	2,711
Profit		12,493
Profit attributable to non-controlling interests		13
Profit attributable to owners of parent		12,479

(Translation)

Consolidated Statement of Changes in Net Assets

(From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Additional paid-in capital	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at April 1, 2024	44,000	18,960	73,622	(761)	135,820
Changes during the term under review					
Dividends from surplus			(2,600)		(2,600)
Profit attributable to owners of parent			12,479		12,479
Purchases of treasury stock				(1)	(1)
Disposition of treasury stock		(20)		50	29
Net changes in items other than shareholders' equity during the term under review					
Net changes during the term under review	—	(20)	9,879	48	9,907
Balance at March 31, 2025	44,000	18,940	83,501	(713)	145,728

	Other accumulated comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Net unrealized holding gain/loss on other securities	Loss/gain on deferred hedges	Translation adjustments	Accumulated retirement benefits liability adjustments	Total other accumulated comprehensive income			
Balance at April 1, 2024	9,069	(10)	(7,020)	3,315	5,353	73	65	141,314
Changes during the term under review								
Dividends from surplus								(2,600)
Profit attributable to owners of parent								12,479
Purchases of treasury stock								(1)
Disposition of treasury stock								29
Net changes in items other than shareholders' equity during the term under review	(1,299)	(115)	(280)	(3,763)	(5,459)	(29)	12	(5,476)
Net changes during the term under review	(1,299)	(115)	(280)	(3,763)	(5,459)	(29)	12	4,431
Balance at March 31, 2025	7,769	(126)	(7,301)	(448)	(105)	44	78	145,745

Notes to Consolidated Financial Statements

Notes to Principles for Preparing Consolidated Financial Statements

1. Scope of consolidation

Number of consolidated subsidiaries: 57

Names of major consolidated subsidiaries:

OKI Crosstech Co., Ltd.; OKI Circuit Technology Co., Ltd.; OKI Software Co., Ltd.;

Oki Data Manufacturing (Thailand) Co., Ltd.; Oki Europe Ltd.

2. Application of equity method

The number of affiliated companies to which the equity method is applied: 1

Name of major company, etc. Force Co., Ltd.

3. Accounting standards

(1) Valuation standards and methods for significant assets

(i) Negotiable securities

The Company and its domestic consolidated subsidiaries value securities in accordance with how they are held as indicated below.

Other negotiable securities:

Those other than shares without market value:

Stated at fair value (Any difference between book value and fair value is included in net assets; sales costs are calculated by mainly the moving average method.)

Shares without market value:

Mainly stated at cost based on the moving average method

In regard to investments in limited partnerships and similar entities (which are deemed securities under Article 2, paragraph (2) of the Financial Instruments and Exchange Act), the method used is to incorporate the equity equivalent amount on a net basis, based on the most recent financial statements available, which have been obtained in accordance with the settlement reporting date as specified in the partnership agreement.

(ii) Inventories

The Company and its domestic consolidated subsidiaries value inventories as below. Overseas consolidated subsidiaries primarily apply the lower of cost or fair value.

Finished goods:

Primarily stated at cost based on the moving average method. (Balance sheet values are measured by the method of devaluing the book price to reflect declines in profitability.)

Work in process:

Primarily stated at cost based on the specific identification method. (Balance sheet values are measured by the method of devaluing the book price to reflect declines in profitability.)

Raw materials and supplies:

Primarily stated at cost based on the moving average method. (Balance sheet values are measured by the method of devaluing the book price to reflect declines in profitability.)

(iii) Derivatives:

Stated at fair value

(2) Depreciation and amortization of important assets

(i) Property, plant and equipment (excluding lease assets):

The Company and its domestic consolidated subsidiaries primarily apply the declining-balance method; overseas consolidated subsidiaries primarily apply the straight-line method.

(ii) Intangible assets (excluding lease assets)

The Company and its domestic consolidated subsidiaries apply the straight-line method.

For software sold in the market, amortization is based on the estimated amounts of sales in the estimated number of years for sales (3 years). For software for internal use, the straight-line method, based on the estimated durable years (mainly 5 years), is used.

Overseas consolidated subsidiaries primarily apply the straight-line method.

(iii) Lease assets

Lease assets relating to finance lease transactions that do not transfer ownership are depreciated over the lease contract's lifetime by the straight-line method, assuming the residual value is zero.

(3) Basis for provision of reserves

Allowance for doubtful receivables

To prepare for any losses of accounts receivable and loans, the Company and its domestic consolidated subsidiaries calculate the amount of potential loss by using the historical loss ratio for non-classified loans/receivables and individual assessment for classified loans/receivables. Overseas consolidated subsidiaries calculate the amount of potential loss by individually assessing the possibility of collection for specific loans/receivables.

(4) Basis for provision of income and expense

(i) Sales of products

Revenue from product sales in the Public Solutions business, the Enterprise Solutions business, the Component Products business and the EMS business is recognized when the customer's acceptance inspection is complete if the acceptance inspection is carried out, or when the delivery is made in the case where the acceptance inspection is not carried out, depending on the agreement, etc. with the given customer. This is because the Company deems that the control transfers to the customer and the performance obligation is satisfied at such timing.

Consideration for transactions is received mainly within one year from the satisfaction of the performance obligation and does not include a significant financial component.

(ii) Provision of services

Revenue from provision of services in the Public Solutions business, the Enterprise Solutions business, the Component Products business and the EMS business is recognized accordance to the provision of services. In the case that the provision of services is made over the agreed duration, such as regular maintenance contracts, revenue is recognized based on the elapsed time period because the Company deems that the performance obligation is satisfied corresponding to the elapsed time period.

For contract productions and engineering work of social infrastructure mainly in the Public Solutions business and the Enterprise Solutions business, revenue is recognized based on the progress of the performance obligation, on the assumption that the obligation is satisfied over a

certain period. In such a case, the progress is measured by the ratio of the costs incurred by the end of the term to the estimated total costs.

Consideration for transactions is received mainly within one year from the satisfaction of the performance obligation and does not include a significant financial component.

(5) Important hedge accounting methods

(i) Hedge accounting methods

Deferred hedging is applied. Allocation treatment is applied for forward exchange contracts eligible for allocation treatment. Special treatment is applied to interest rate swaps that meet the requirements for special treatment.

(ii) Means of hedging and hedged item

Forward exchange contracts are used to hedge fluctuations of exchange rates on credits and debts in foreign currencies. Interest rate swaps are employed to hedge fluctuations of market interest rates on variable-rate and long-term debt.

(iii) Hedging policy

Derivative instruments are used to hedge fluctuations of market rates on credits and debts.

(iv) Assessment method of the effectiveness of hedges

To determine the effectiveness, the Company compares the accumulated total of the market fluctuations or the cash flow fluctuations for the hedged item and that of the market fluctuations or the cash flow fluctuations for the means of hedging, during the period from the start of hedging to the assessment. The Company then makes a decision based on the changes of the two.

(6) Other important matters in preparation of consolidated financial statements

(i) Method of accounting for retirement benefits

a. Attributing expected retirement benefits to a period

When calculating retirement benefit obligations, the Company applies the benefit formula basis to attribute expected retirement benefits to the period until the end of the fiscal year under review.

b. Accounting for actuarial gains and losses, and prior service costs

Prior service costs are amortized by the straight-line method over a set number of years (11 to 13 years) within the average remaining years of service of employees.

Actuarial gains and losses are amortized by the straight-line method over a set number of years (9 to 13 years) within the average remaining years of service of employees.

(ii) Application of group tax sharing system

The group tax sharing system is applied.

Notes on Changes in Accounting Policies

Application of “Accounting Standard for Current Income Taxes”

The “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter, “2022 Revised Accounting Standard”) has been applied from the beginning of the fiscal year under review.

With regard to the revision of the classification of income taxes (taxation on other comprehensive income), the Company adheres to the transitional treatment stipulated in the provisory clause of paragraph 20-3 of the 2022 Revised Accounting Standard, as well as that in the provisory clause of paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022). This change has no impact on the consolidated financial statements.

Notes on Accounting Estimates

1. Estimate of recoverability of claims for which litigation is currently pending

- (1) Amount recognized on the consolidated financial statements for the fiscal year

Others under investments and other assets ¥16,561 million

Allowance for doubtful receivables ¥(4,167) million

- (2) Information regarding important accounting estimates for the item identified

- (i) Overview

Okii Banking Systems (Shenzhen) Co., Ltd. (hereinafter “OBSZ”), a consolidated subsidiary of the Company in China, has filed a request for arbitration with the South China International Economic and Trade Arbitration Commission against Shenzhen Yihua Computer Industrial Co., Ltd. (hereinafter “Yihua Industrial”), on October 10, 2015, demanding payment of accounts receivable of RMB1,115.463 million (¥22,967 million if converted to Japanese yen based on the exchange rate as of the end of the fiscal year under review) and compensation of damages (Case A). Further, OBSZ filed litigation to commingle property beyond legal personality with the High People’s Court of Guangdong Province against Shenzhen Yihua Computer Co., Ltd. (“Yihua Computer”), the parent of Yihua Industrial, and others as defendants, claiming that they are jointly and severally responsible for payment of the above claims against Yihua Industrial which had been unpaid, to request protection of property (Case B).

Subsequently, Case A was adjudicated by the South China International Economic and Trade Arbitration Commission on December 16, 2020, and it ruled that Yihua Industrial pay OBSZ the unpaid amount for merchandise of RMB1,096.866 million (¥22,584 million if converted to Japanese yen based on the exchange rate as of the end of the fiscal year under review) as well as interest for arrears, legal costs, and others, and this is being settled by arbitration. Regarding Case B, on December 23, 2021, the High People’s Court of Guangdong Province sentenced Yihua Computer and affiliates to take the collective liability for the payment to be made by Yihua Industrial to OBSZ. In response to this, Yihua Computer and affiliates lodged an appeal regarding Case B to the Supreme People’s Court on January 5, 2022, but the Supreme People’s Court upheld the sentence of the High People’s Court of Guangdong Province (original trial) on June 1, 2023 in a ruling that rejected the appeal of Yihua Computer and affiliates.

Given that it was expected to take a considerable amount of time before Yihua Industrial would fulfill the arbitration result of Case A, OBSZ has considered the abovementioned status of the lawsuits, and we are revising future cash flows and the future period of collection in light of outcomes such as the forced execution of assets held by Yihua Computer and affiliates, including real estate that is protected property (hereinafter “protected real estate”) and the fair value of protected real estate. Due to those impacts, provision of allowance for doubtful receivables of ¥3,928 million was accounted for as selling, general and administrative expenses, and interest income of ¥1,028 million was accounted for as non-operating income during the fiscal year under review.

- (ii) Calculation method for the amount recognized on the consolidated financial statements for the fiscal year and major assumptions to the calculation

OBSZ has recorded RMB804.367 million (¥16,561 million if converted to Japanese yen based on the exchange rate as of the end of the fiscal year under review) in others under investments and other assets by discounting cash flows for the period that is considered to be required for recovery based on accounts receivable that remain uncollected (hereinafter “discounting cash flows”). Meanwhile, OBSZ estimates RMB202.412 million (¥4,167 million if converted to Japanese yen based on the exchange rate as of the end of the fiscal year under review) to be irrecoverable and added this to allowance for doubtful receivables, by discounting cash flows that are considered recoverable when the outcomes such as the forced execution of assets held by Yihua Computer and

affiliates and the fair value of protected real estate are taken into account. Note, the fair value measurement of protected real estate, primarily uses the real estate appraisal values obtained from real estate appraisers.

(iii) Impact on the consolidated financial statements for the next fiscal year

The amount that is estimated to be irrecoverable and the period that is considered to be required for recovery may vary significantly according to the outcomes such as the forced execution of assets held by Yihua Computer and affiliates and the fluctuation in fair value of protected real estate.

2. Estimate of total costs used to measure the progress of the performance obligation in the recognition of revenue

(1) Amount recognized on the consolidated financial statements for the fiscal year

Among the revenue associated with the performance obligation satisfied over a certain period, revenue recorded based on the progress calculated by the ratio of the incurred costs to the estimated total costs was ¥86,833 million (including revenue for projects completed before the end of the fiscal year). Of which, an amount recognized for the fiscal year in relation to construction projects that were work-in-progress at the end of the fiscal year is ¥49,303 million.

(2) Information regarding important accounting estimates for the item identified

(i) Calculation method for the amount recognized on the consolidated financial statements for the fiscal year and major assumptions to the calculation

As for the method of estimating progress towards satisfaction of performance obligations, the degree of progress is calculated at the proportion of actual cost to estimated total costs (input method).

In addition, when estimating total cost, a reliably estimate of the amount is made based on judgment of construction supervisors and the management. For example, we review the execution budget in a timely and appropriate way and it has been developed by collecting sufficient and detailed information relating to changes in the work scope based on customers' requests.

(ii) Impact on the consolidated financial statements for the next fiscal year

Contract manufacturing and construction for social infrastructure performed by the Group are highly individualized in nature given they are designed based on instructions of customers. Accordingly, changes in work scope at the request of a customer, unexpected defects during the manufacturing process of software, and other factors may result in a considerable increase in work-hours required for manufacturing. On the other hand, cost to be incurred in the future may be reduced as a result of our own efforts.

If the estimated total cost changes due to those impacts and other factors, net sales may change in conjunction with a change in the degree of progress.

3. Estimate of recoverability of deferred tax assets

(1) Amount recognized on the consolidated financial statements for the fiscal year

Deferred tax assets: ¥22,031 million

(Of which, those related to the Company's tax sharing group) ¥21,702 million

(2) Information regarding important accounting estimates for the item identified

(i) Calculation method for the amount recognized on the consolidated financial statements for the fiscal year and major assumptions to the calculation

The Group evaluates the recoverability of deferred tax assets by taking into account the possibility of being able to use deductible temporary difference and part of loss carry forwards in the estimation of future taxable income.

With regard to the deferred tax assets of the Company and domestic subsidiaries within the Group that apply the Group tax sharing system (hereinafter "tax sharing group"), the Company has determined corporate classifications based on the "Implementation Guideline on Recoverability of

Deferred Tax Assets” (ASBJ Guidance No. 26, October 28, 2022), and records deferred tax assets within the forecast scope of the effects of mitigating the future amount of tax payable based on the estimate of taxable income before adjusting for future temporary differences, etc. within a reasonably estimable period and on the results of scheduling the temporary differences, etc. corresponding to such corporate classification.

When examining the above corporate classifications as of the end of the fiscal year under review, we have judged that such deferred tax assets are recoverable due to rationally founded forecasts of tax income before adjusting for temporary difference for multiple future years despite the fact that material tax losses have arisen in the past at tax sharing group. This is as a result of considering the cause of such material tax losses, the Medium-Term Business Plan, the status of past achievement of Medium-Term Business Plans, as well as the trend in taxable income and tax losses in the past and in the fiscal year under review. Consequently, the tax sharing group recorded ¥21,702 million of deferred tax assets (before offsetting deferred tax liabilities) for the fiscal year under review.

Estimate of taxable income before adjusting for future temporary differences, etc. is based on the next year’s business plan, which enlist projections of future net sales and expenses, etc., based on management strategy taking into account past performance and the current business environment, as major assumptions.

(ii) Impact on the consolidated financial statements for the next fiscal year

The management judges the abovementioned major assumptions reasonable. However, if actual future taxable income differs from the estimate as a result of significant changes in the management environment and other factors, the recoverability of deferred tax assets may be evaluated differently.

Notes to Consolidated Balance Sheet

1. Assets pledged as collateral for borrowings	
Investments in securities	¥4,474 million
Liabilities collateralized by the abovementioned assets:	
Short-term borrowings	¥2,500 million
2. Accumulated depreciation on property, plant and equipment	¥170,832 million
3. Liabilities for guarantee	
Guarantee for borrowings by employees	¥14 million

4. Contingent liabilities

The Company’s consolidated subsidiary OKI INDIA PRIVATE LIMITED (hereinafter “OKI India”) received a demand for payment of a basic custom duty of INR359 million (¥629 million if converted to Japanese yen based on the exchange rate as of the end of the fiscal year under review) from the Indian customs authorities. Although OKI India objected, it received notification on December 27, 2024 stating that its objection had been dismissed. As OKI India refuses to accept this demand for payment from the authorities, it has filed an objection with the court.

The Company cannot reasonably estimate the probability of the occurrence of a loss or the amount of a loss at present.

(Translation)

Notes to Consolidated Statement of Changes in Net Assets

1. Matters concerning class and total number of shares outstanding as of the end of FY2024

Common stock: 87.217 million shares

2. Matters concerning dividends from of surplus

(1) Dividends paid

Resolution	Class of shares	Source of dividends	Total dividends (millions of yen)	Dividends per share (yen)	Record date	Effective date
Ordinary General Meeting of Shareholders on June 21, 2024	Common stock	Retained earnings	2,600	30.00	March 31, 2024	June 24, 2024

(2) Dividends for which the record date falls in the fiscal year under review and the effective date falls in the following fiscal year

Proposal	Class of shares	Source of dividends	Total dividends (millions of yen)	Dividends per share (yen)	Record date	Effective date
Ordinary General Meeting of Shareholders on June 25, 2025	Common stock	Retained earnings	3,901	45.00	March 31, 2025	June 26, 2025

3. Number of shares to be issued upon exercise of subscription rights to shares

Category	Breakdown of subscription rights to shares	Type of shares to be issued upon exercise of subscription rights to shares	Number of shares to be issued upon exercise of subscription rights to shares (shares)
The Company	FY2016 Subscription Rights to Shares (issued on August 16, 2016)	Common stock	9,100
	FY2017 Subscription Rights to Shares (issued on August 15, 2017)	Common stock	10,400
	FY2018 Subscription Rights to Shares (issued on August 14, 2018)	Common stock	10,400
	FY2019 Subscription Rights to Shares (issued on August 14, 2019)	Common stock	10,400
	FY2020 Subscription Rights to Shares (issued on August 18, 2020)	Common stock	13,700

Notes on Financial Instruments

1. Matters concerning the status of financial instruments

(1) Policy on financial instruments

The OKI Group mainly uses short-term deposits and highly safe marketable securities for fund management. Also, it raises its funds primarily through borrowings from financial institutions and issuance of corporate bonds. The Group uses derivatives to hedge risk as described below, and does not engage in speculative transactions.

(2) Description of financial instruments, related risks, and risk management system

The Group strives to mitigate its customers' credit risks associated with notes and accounts receivable, which are operating receivables, by carrying out customer credit investigations in accordance with regulations for the management of accounts receivable of individual companies.

For borrowings, the Group raises short-term funds mainly for working capital and long-term funds for working capital and capital investment. For borrowings exposed to the interest rate risk, the Group applies derivative instruments (interest rate swap transactions) to hedge its risk.

Derivative transactions consist of forward foreign exchange contracts, which aim to hedge exchange rate fluctuation risks related to foreign currency-denominated receivables and payables, and interest rate swap transactions, which aim to hedge interest rate fluctuation risks related to the payment of borrowings. The assessment of hedge effectiveness for interest rate swap transactions that satisfy the requirements for special treatment is omitted. The Group executes and manages derivative transactions in accordance with the OKI Group's policy.

Financing related liquidity risk is managed by the finance department preparing and updating funding plans in a timely manner based on information from each department, and aiming to maintain liquidity on hand.

(3) Supplemental explanation regarding the disclosure concerning fair value of financial instruments

Because fluctuation factors are incorporated into the calculation of the fair value of financial instruments, it may change if different prerequisites, etc. are used.

(Translation)

2. Disclosure concerning fair value of financial instruments

As of March 31, 2025 (consolidated balance sheet date), the amount recorded in the consolidated balance sheet, fair value, and the amount of differences are as shown in the table below.

(Unit: Millions of yen)

	Amount recorded in consolidated balance sheet (*1)	Fair value (*1)	Difference
(1) Investments in securities (*3)	30,882	30,893	11
(2) Long-term debt (*4)	(75,017)	(74,951)	(65)
(3) Derivative transactions (*5)	(171)	(171)	—

(*1) Those recorded as liabilities are shown in brackets.

(*2) Notes are omitted on cash and deposits; notes and accounts receivable, and contract assets; notes and accounts payable; short-term borrowings; and accounts payable, others, because they are settled within a short period and thus the fair values are close to the book values.

(*3) Shares without market value (unlisted shares, ¥7,123 million in the consolidated balance sheet) and contribution in capital for investment partnerships (¥375 million in the consolidated balance sheet) are not included in “(1) Investments in securities.”

(*4) Long-term debt that will be reimbursed within one year (¥18,244 million) is classified as “short-term” borrowings in the consolidated balance sheet.

(*5) Net claims receivable and payable incurred from derivative transactions are shown in net amount, and items whose totals are net liabilities are shown in brackets.

3. Matters concerning components of fair value of financial instruments by appropriate category, etc.

The fair value of financial instruments is categorized into the following three levels, depending on the observability and significance of the inputs used to calculate the fair value.

Level 1: The fair value that is calculated from the market price associated with the asset or liability subject to the calculation of given fair value in the active market, among inputs used to calculate an observable fair value

Level 2: The fair value that is calculated using inputs other than the inputs applicable to Level 1, among inputs used to calculate an observable fair value

Level 3: The fair value that is calculated using inputs that are used for calculation of unobservable fair value

In the case where more than one input is used, among inputs that have a significant impact on the calculation of the fair value, the fair value is categorized into the level with the lowest priority for calculation of the fair value, among the levels to which those inputs belong.

(1) Financial instruments listed in the consolidated balance sheet with their fair value

Category	Fair value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Investments in securities				
Other negotiable securities				
Equity securities	30,876	—	—	30,876
Derivative transactions*	—	(171)	—	(171)

* Net claims receivable and payable incurred from derivative transactions are shown in net amount, and items whose totals are net liabilities are shown in brackets.

(2) Financial instruments other than those listed in the consolidated balance sheet with their fair value

Category	Fair value (Millions of yen)			
	Level 1	Level 2	Level 3	Total
Investments in securities				
Other negotiable securities				
Golf club memberships	—	17	—	17
Long-term debt	—	74,951	—	74,951

(Note) Fair value evaluation technique and inputs for fair value calculation

Investments in securities

Listed shares and golf club memberships are evaluated using the market price. Since listed shares are traded in the active market, the fair value is categorized in Level 1. On the other hand, golf club memberships are traded in the inactive market at the market value of the same asset; therefore, the fair value is categorized in Level 2.

Long-term debt

The fair value of these items is based primarily on the method of calculation whereby the sum of principal and interest is discounted by an assumed interest rate on the assumption that the said sum is freshly borrowed in a similar manner. Some long-term debt with floating interest rates is prescribed to be subject to special accounting treatment applicable to interest rate swaps. Hence, the fair value of a long-term debt is based on the method of calculation whereby the sum of principal and interest, treated in combination with the said interest rate swap, is discounted by a reasonably estimable interest rate on the assumption that the said amount is freshly borrowed in a similar manner. The fair value of the long-term debt is categorized in Level 2.

(Translation)

Derivative transactions

The fair value is calculated based on the price presented by the partner financial institutions, and is categorized in Level 2. Derivative transactions subject to special accounting treatment applicable to interest rate swaps are treated in combination with long-term debt as hedged items. Hence, their fair value is included in that of long-term debt.

(Translation)

Notes on Revenue Recognition

1. Information on disaggregation of revenue from contracts with customers

(Unit: Millions of yen)

	Reportable segment					Other (Note)	Total
	Public Solutions	Enterprise Solutions	Compo- nent Products	EMS	Total		
<Breakdown of net sales>							
Revenue from contracts with customers	130,506	177,312	75,769	65,918	449,507	448	449,956
Other revenue	–	2,491	10	–	2,501	–	2,501
Total net sales	130,506	179,804	75,780	65,918	452,009	448	452,457
<Geographical market>							
Revenue from contracts with customers							
Japan	127,660	169,866	44,892	57,078	399,497	429	399,927
Europe	169	78	18,730	988	19,966	19	19,985
Asia	2,676	7,361	6,085	6,343	22,467	–	22,467
North America	–	–	3,995	1,446	5,441	–	5,441
Others	–	6	2,066	61	2,134	–	2,134
Other revenue							
Japan	–	2,491	10	–	2,501	–	2,501
<Timing of revenue recognition>							
Revenue from contracts with customers							
Revenue recognized at one point	30,332	35,461	68,998	62,773	197,566	131	197,697
Revenue recognized over time	100,174	141,851	6,771	3,144	251,941	317	252,258

(Note) “Other” includes businesses that are not under the reporting segment, such as service provision.

2. Information to understand the revenue from contracts with customers

Information forming the basis for understanding revenue is as stated in “Notes to Principles for Preparing Consolidated Financial Statements 3. Accounting standards (4) Basis for provision of income and expense.”

3. Information to understand the revenue in this fiscal year and onwards

(1) Balances of receivables from contracts with customers, contract assets and contract liabilities

(Unit: Millions of yen)

	As of April 1, 2024	As of March 31, 2025
Receivables from contracts with customers	79,443	80,923
Of which, notes receivable	3,960	5,222
Of which, accounts receivable	75,482	75,700
Contract assets	34,229	30,931
Contract liabilities	6,116	6,852

(Note 1) Contract assets are recognized as right to consideration recorded by recognition of revenue in accordance with the degree of progress mainly on contracted manufacturing and various types of construction work. When the right to consideration becomes unconditional, they are transferred into receivables. Contract liabilities are related mainly to deposits received from customers based on service provision contracts that recognize revenue over a certain period, and are revised upon recognition of revenue.

(Translation)

(Note 2) Among the revenue recognized in this fiscal year, the amount included in the contract liabilities at the beginning of the year was ¥3,766 million. The amount of revenue recognized from the performance obligation that was satisfied (or partly satisfied) in the past period has no significance.

(Note 3) Contract liabilities are included in “Others” under the current liabilities in the consolidated financial statements.

(2) Trading amount of unsatisfied performance obligation

The Group applies practical expedient to the notes on the trading amount allocated to the unsatisfied performance obligation. Notes are omitted for unsatisfied performance obligation based on the agreements initially expected to last for a year or shorter.

The total trading amount allocated to the unsatisfied performance obligation at the end of this fiscal year and the duration within which the revenue may be recognized are as follows.

(Unit: Millions of yen)

	Fiscal year under review
Within one year	68,142
One year to three years	32,701
Over three years	2,626
Total	103,470

Notes to Per-share Information

1. Net assets per share: ¥1,679.42
2. Earnings per share: ¥143.93

Other Notes (Notes on Loss on Impairment of Fixed Assets)

The Group posted impairment losses of ¥1,834 million and major impairment losses are described below.

Business	Purpose of use	Type of assets	Amount (millions of yen)
EMS business	Business assets	Buildings and structures	173
		Machinery, equipment and vehicles	1,100
		Tools, furniture and fixtures	96
		Construction in progress	106
		Intangible assets	12

Regarding business assets, the Group basically sets up asset groups based on business segments. However, if certain business assets (e.g. assets to be disposed of) are considered to independently create cash flows, they are grouped by asset.

As the business assets of the EMS business have ceased to be likely to generate income originally expected, their book values have been reduced to the recoverable values. The recoverable values have been measured based on net sales value or value in use.

Other Notes (Notes on Business Combination, etc.)

Business Separation

To join ETRIA Co., Ltd. (hereinafter “ETRIA”), a joint venture company for multifunction printer development and production formed on July 1, 2024 by Ricoh Company, Ltd. (hereinafter “Ricoh”) and Toshiba Tec Corporation (hereinafter “Toshiba Tec”), the Company resolved at the Board of Directors meeting held on February 13, 2025 to enter into an agreement stipulating the conditions for integrating business related to printer development and production (hereinafter “Business Integration”) through a company split amongst the Company, Ricoh, and ETRIA with a (planned) effective date of October 1, 2025, as well as a shareholders agreement related to the Business Integration with the Company, Ricoh, and Toshiba Tec, and entered into both agreements on the same day.

1. Overview of business separation

(1) Name of the company to be separated to
ETRIA Co., Ltd.

(2) Business to be separated
Business related to the development and production of printers

(3) Reason for the business separation

The Company, with an “enterprising spirit,” is committed to providing products that contribute to the development of the information society and aims to contribute to the realization of a comfortable and prosperous life for people around the world, as part of our corporate philosophy. As a Company “Delivering OK! to your life,” we provide value that contributes to solving social issues in the three contribution areas of “safe and convenient social infrastructure,” “job satisfaction and productivity enhancement,” and “conservation of the global environment.” Through our participation in ETRIA, we will promote the integration of technologies, including our LED print head technology, and strengthen our engine development capabilities, which will lead to improved product competitiveness. At the same time, we aim to expand profitability by standardizing engines and key parts, as well as streamlining production and procurement, while building a resilient production system that can flexibly adapt to changes in the environment. In addition, with regard to new business creation, we expect that by combining the strengths of each participating company in ETRIA, we will be able to generate innovations that would have been impossible to achieve with just our company alone. We will further strive to provide our customers with stable, high-value-added products.

(4) Business separation date
October 1, 2025 (scheduled)

(5) Other items regarding outline of transaction including legal forms

An absorption-type split method in which the Company is the splitting company and the separated company is the successor company

2. Reportable segments that include the business to be separated

Component Products

(Translation)

Non-Consolidated Balance Sheet

(as of March 31, 2025)

(Millions of yen)

Account title	Amount		Account title	Amount	
(Assets)			(Liabilities)		
Current assets			Current liabilities		
Cash and deposits		25,962	Notes payable		2,719
Notes receivable		1,511	Accounts payable, trade		48,034
Accounts receivable, trade		56,637	Short-term borrowings		21,973
Contract assets		21,300	Current portion of long-term debt		18,244
Lease investment assets		4,709	Lease obligations		2,173
Finished goods		10,556	Accounts payable, others		20,816
Work in process		11,397	Other accrued expenses		8,516
Raw materials and supplies		18,793	Income taxes payable		1,062
Advance payments - trade		101	Contract liabilities		5,133
Prepaid expenses		5,680	Deposits received		19,008
Short-term loans receivable		18,347	Unearned revenue		3
Accounts receivable, others		5,829	Provision for product warranties		1,163
Others		1,035	Provision for directors' bonuses		172
Allowance for doubtful receivables		(9)	Provision for loss on construction contracts		2,772
Total current assets		181,856	Provision for contingent loss		1,526
Non-current assets			Asset retirement obligations		2
Property, plant and equipment			Others		290
Buildings	43,815		Total current liabilities		153,614
Accumulated depreciation	30,577	13,238	Long-term liabilities		
Structures	2,403		Long-term debt		56,773
Accumulated depreciation	1,821	581	Lease obligations		3,481
Machinery and equipment	14,607		Long-term income taxes payable		30
Accumulated depreciation	12,498	2,108	Deferred tax liabilities		6,321
Vessels	192		Retirement benefits		10,017
Accumulated depreciation	125	67	Provision for product warranties		307
Vehicles	92		Provision for loss on business of subsidiaries and affiliates		875
Accumulated depreciation	78	14	Provision for contingent loss		15
Tools, furniture and fixtures	44,125		Provision for share awards		147
Accumulated depreciation	37,711	6,414	Asset retirement obligations		1,181
Land		8,666	Others		1,145
Construction in progress		744	Total long-term liabilities		80,296
Total property, plant and equipment		31,835	Total liabilities		233,911
Intangible assets			(Net Assets)		
Right of using facilities		32	Shareholders' equity		
Software		16,510	Capital stock		44,000
Total intangible assets		16,542	Additional paid-in capital		21,422
Investments and other assets			Capital reserve		15,000
Investments in securities		35,982	Other additional paid-in capital		6,422
Investments in and advances to subsidiaries and affiliates		31,214	Retained earnings		40,456
Contribution		6	Other retained earnings		40,456
Contribution in subsidiaries and affiliates		1,545	Retained earnings carried forward		40,456
Long-term loans receivable from subsidiaries and affiliates		21,803	Treasury stock, at cost		(705)
Claims provable in bankruptcy, rehabilitation and other		23	Total shareholders' equity		105,173
Long-term prepaid expenses		5,977	Valuation, translation adjustments and others		
Prepaid pension cost		24,197	Net unrealized holding gain/loss on other securities		7,324
Lease and guarantee deposits		2,594	Loss/gain on deferred hedges		(126)
Others		277	Total valuation, translation adjustments and others		7,198
Allowance for doubtful receivables		(7,528)	Subscription rights to shares		44
Total investments and other assets		116,094	Total net assets		112,416
Total non-current assets		164,471	Total liabilities and net assets		346,327
Total assets		346,327			

(Translation)

Non-Consolidated Statement of Operations

(From April 1, 2024 to March 31, 2025)

(Millions of yen)

Account title	Amount	
Net sales		320,599
Cost of sales		253,138
Gross profit		67,461
Selling, general and administrative expenses		59,341
Operating income		8,120
Non-operating income		
Interest income	653	
Dividend income	11,467	
Other	878	12,999
Non-operating expenses		
Interest expense	2,213	
Foreign exchange loss	628	
Provision of allowance for doubtful receivables	2,525	
Other	1,222	6,590
Ordinary income		14,529
Extraordinary profit		
Gain on sale of investments in securities	1,433	1,433
Extraordinary loss		
Loss on sale and disposition of property, plant and equipment	467	
Loss on impairment of fixed assets	620	
Loss on sale of investments in securities	42	
Nondeductible write-downs of shares of subsidiaries and affiliates	212	
Loss on valuation of contribution in subsidiaries and affiliates	606	1,949
Profit before income taxes		14,013
Income taxes	(498)	
Income taxes deferred	772	273
Profit		13,739

(Translation)

Non-Consolidated Statement of Changes in Net Assets

(From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity							
	Capital stock	Additional paid-in capital			Retained earnings		Treasury stock, at cost	Total shareholders' equity
		Capital reserve	Other Additional paid-in capital	Total additional paid-in capital	Other retained earnings	Total retained earnings		
					Retained earnings carried forward			
Balance at April 1, 2024	44,000	15,000	6,442	21,442	29,317	29,317	(754)	94,006
Changes during the term under review								
Dividends from surplus					(2,600)	(2,600)		(2,600)
Profit					13,739	13,739		13,739
Purchases of treasury stock							(1)	(1)
Disposition of treasury stock			(20)	(20)			50	29
Net changes in items other than shareholders' equity during the term under review								
Net changes during the term under review	—	—	(20)	(20)	11,139	11,139	48	11,167
Balance at March 31, 2025	44,000	15,000	6,422	21,422	40,456	40,456	(705)	105,173

	Valuation, translation adjustments and others			Subscription rights to shares	Total net assets
	Net unrealized holding gain/loss on other securities	Loss/gain on deferred hedges	Total valuation, translation adjustments and others		
Balance at April 1, 2024	8,678	(10)	8,668	73	102,748
Changes during the term under review					
Dividends from surplus					(2,600)
Profit					13,739
Purchases of treasury stock					(1)
Disposition of treasury stock					29
Net changes in items other than shareholders' equity during the term under review	(1,353)	(115)	(1,469)	(29)	(1,498)
Net changes during the term under review	(1,353)	(115)	(1,469)	(29)	9,668
Balance at March 31, 2025	7,324	(126)	7,198	44	112,416

Notes to Non-consolidated Financial Statements

Notes to Significant Accounting Policies

1. Standards and valuation methods for negotiable securities

Shares of subsidiaries and affiliated companies:

Stated at cost based on the moving average method

Other negotiable securities:

Those other than shares without market value:

Stated at fair value.

(The difference between book value and fair value is included in net assets. The sale cost is calculated by using the moving average method.)

Shares without market value:

Stated at cost based on the moving average method

In regard to investments in limited partnerships and similar entities (which are deemed securities under Article 2, paragraph (2) of the Financial Instruments and Exchange Act), the method used is to incorporate the equity equivalent amount on a net basis, based on the most recent financial statements available, which have been obtained in accordance with the settlement reporting date as specified in the partnership agreement.

2. Standards and valuation methods for derivatives

Derivatives: Stated at fair value

3. Standards and valuation methods for inventories

Finished goods: Primarily stated at cost based on the moving average method. (Balance sheet values are measured by the method of devaluing the book price to reflect declines in profitability.)

Work in process: Primarily stated at cost based on the specific identification method. (Balance sheet values are measured by the method of devaluing the book price to reflect declines in profitability.)

Raw materials and supplies:

Primarily stated at cost based on the moving average method. (Balance sheet values are measured by the method of devaluing the book price to reflect declines in profitability.)

4. Depreciation and amortization of non-current assets

Property, plant and equipment (excluding lease assets): Declining-balance method

The straight-line method is applied to buildings, excluding annexed structures, acquired on or after April 1, 1998.

Intangible assets (excluding lease assets)

Software for sale in the market:

Amortization method based on the estimated amounts of sales in the estimated number of years for sales (3 years)

Software for internal use:

Straight-line method based on the estimated durable years (mainly 5 years)

Others: Straight-line method

Lease assets

(Lease assets relating to finance lease transactions without transfer of ownership):

They are depreciated over the lease contract's lifetime by the straight-line method, assuming the residual value is zero.

5. Basis for provision of reserves

Allowance for doubtful receivables

To prepare for any losses on accounts receivable and loans, the Company calculates the amount of potential loss by using the historical loss ratio in the case of non-classified loans/receivables and by individual assessment in the case of classified loans/receivables.

Provision for product warranties

To prepare for the expenses caused by free repairs that occur after product sales, the Company includes a provision for product warranties based on past performance or individual estimates.

Provision for directors' bonuses

To prepare for the payment of bonuses to officers (includes Executive Officers, the same applies below), the Company records the amount attributable to the current fiscal year out of the amount of bonuses expected to be paid to officers.

Provision for loss on construction contracts

To prepare for any losses on construction contracts, the estimated amounts of losses for the following fiscal years are calculated for some of the order backlog as of the end of the fiscal year under review, which are likely to incur losses and for which the amounts thereof can be reasonably estimated.

Provision for contingent loss

To prepare for losses that may occur in the future, the Company includes a provision for contingency losses rationally calculated based on individual risks, etc.

Provision for share awards

To prepare for granting stock compensation to officers in accordance with the performance-linked stock compensation plan, the estimated amount of stock benefit obligation as of the end of the fiscal year under review is recorded.

Retirement benefits

To prepare for payment of retirement benefits to employees, the Company records the amount recognized to accrue at the end of the fiscal year based on the estimated values of retirement benefit obligations and pension assets.

Prior service cost is amortized by the straight-line method over a certain number of years (11 years) within the average remaining years of service of employees.

The actuarial difference is amortized proportionately using the straight-line method over a certain number of years (11 to 12 years) within the average remaining service period of the employees from the fiscal year after the one in which it arises.

Provision for loss on business of subsidiaries and affiliates

In order to prepare for a loss on business of subsidiaries and affiliates, the Company records the amount of expected loss to bear in consideration of the financial position, operating results, etc. of these companies.

6. Basis for provision of income and expense

(1) Sales of products

Revenue from product sales is recognized when the customer's acceptance inspection is complete if the acceptance inspection is carried out, or when the delivery is made in the case where the acceptance inspection is not carried out, depending on the agreement, etc. with the given customer. This is because the Company deems that the control transfers to the customer and the performance obligation is satisfied at such timing.

Consideration for transactions is received mainly within one year from the satisfaction of the performance obligation and does not include a significant financial component.

(2) Provision of services

Revenue from provision of services is recognized according to the provision of services. In the case that the provision of services is made over the agreed duration, such as regular maintenance contracts, revenue is recognized based on the elapsed time period because the Company deems that the performance obligation is satisfied corresponding to the elapsed time period.

For contract productions and engineering work of social infrastructure, revenue is recognized based on the progress of the performance obligation, on the assumption that the obligation is satisfied over a certain period. In such a case, the progress is measured by the ratio of the costs incurred by the end of the term to the estimated total costs.

Consideration for transactions is received mainly within one year from the satisfaction of the performance obligation and does not include a significant financial component.

7. Hedge accounting methods

(1) Hedge accounting methods

Deferred hedging is applied. Allocation treatment is applied for forward exchange contracts eligible for allocation treatment. Special treatment is applied to interest rate swaps that meet the requirements for special treatment.

(2) Means of hedging and hedged item

Forward exchange contracts are used to hedge fluctuations of exchange rates on credits and debts in foreign currencies. Interest rate swaps are employed to hedge fluctuations of market interest rates on variable-rate and long-term debt.

(3) Hedging policy

Derivative instruments are used to hedge fluctuations of market rates on credits and debts.

(4) Assessment method of hedging effectiveness

To determine the effectiveness, the Company compares the accumulated total of the market fluctuations or the cash flow fluctuations for the hedged item and that of the market fluctuations or the cash flow fluctuations for the means of hedging, during the period from the start of hedging to the assessment. The Company then makes a decision based on the changes of the two.

8. Other important matters in preparation of non-consolidated financial statements

(1) Accounting for retirement benefits

The methods of accounting for unappropriated amounts of unrecognized prior service costs and unrecognized actuarial gains and losses for retirement benefits differ from those in the consolidated financial statements.

(2) Application of group tax sharing system

The group tax sharing system is applied.

Notes on Changes in Accounting Policies

Application of “Accounting Standard for Current Income Taxes”

The “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter, “2022 Revised Accounting Standard”) has been applied from the beginning of the fiscal year under review.

With regard to the revision of the classification of income taxes, the Company adheres to the transitional treatment stipulated in the provisory clause of paragraph 20-3 of the 2022 Revised Accounting Standard. This change has no impact on the non-consolidated financial statements.

Notes on Accounting Estimates

1. Estimate of recoverability of receivables from consolidated subsidiaries

(1) Amount recognized on the non-consolidated financial statements for the fiscal year

Long-term loans receivable from subsidiaries and affiliates	¥21,803 million
Allowance for doubtful receivables	¥(7,439) million

(2) Information regarding important accounting estimates for the item identified

(i) Overview

The Company provides Oki Hong Kong, Ltd. (hereinafter “OHL”), a consolidated subsidiary which primarily engages in the material procurement and logistics management businesses in China, with loans in the amounts of US\$116 million and RMB216.5 million (¥21,803 million if converted to Japanese yen based on the exchange rate as of the end of the fiscal year under review) as of the end of the fiscal year, and they are included in long-term loans receivable from subsidiaries and affiliates. In addition, OHL has accounts receivable from Oki Electric Industry (Shenzhen) Co., Ltd. (hereinafter “OSZ”), which has accounts receivable from Oki Banking Systems (Shenzhen) Co., Ltd. (hereinafter “OBSZ”).

As described in the “Notes to Consolidated Financial Statements, Notes on Accounting Estimates, 1. Estimate of recoverability of claims for which litigation is currently pending,” accounts receivable from Shenzhen Yihua Computer Industrial Co., Ltd. (hereinafter “Yihua Industrial”) have been outstanding at OBSZ and, as a result, the payment of a similar amount from OBSZ to OSZ, and from OSZ to OHL remains unpaid. In light of such retention status, OHL recorded an allowance for doubtful receivables against accounts receivable from OSZ in conjunction with the accounting process in OBSZ for accounts receivable from Yihua Industrial. This resulted in negative net worth at OHL at the end of the fiscal year, giving rise to a serious issue regarding repayment of the loans provided by the Company.

(ii) Calculation method for the amount recognized on the non-consolidated financial statements for the fiscal year and major assumptions to the calculation

The Company classifies the loans to OHL into doubtful accounts and recorded an allowance for doubtful receivables for an estimated amount of loss based on the amount by which OHL’s liabilities exceed its assets, as a result of making judgment of OHL’s activities in the material procurement and logistics management businesses, management status, and ability to pay comprehensively. The amount of US\$49.751 million (¥7,439 million if converted to Japanese yen based on the exchange rate as of the end of the fiscal year) was recognized at the end of the fiscal year.

(iii) Impact on the non-consolidated financial statements for the next fiscal year

As the amount by which OHL’s liabilities exceed its assets changes in tandem with the accounting process in OBSZ for accounts receivable from Yihua Industrial, the estimated amount of loss may vary significantly subject to the status of the appeal by OBSZ.

(Translation)

2. Estimate of total costs used to measure the progress of the performance obligation in the recognition of revenue

(1) Amount recognized on the non-consolidated financial statements for the fiscal year

Among the revenue associated with the performance obligation satisfied over a certain period, revenue recorded based on the progress calculated by the ratio of the incurred costs to the estimated total costs was ¥60,989 million (including revenue for projects completed before the end of the fiscal year). Of which, an amount recognized for the fiscal year in relation to construction projects that were work-in-progress at the end of the fiscal year is ¥40,856 million.

(2) Information regarding important accounting estimates for the item identified

The calculation method for the amount in (1) is the same as the one described in the Notes to Consolidated Financial Statements, “Notes on Accounting Estimates 2. Estimate of total costs used to measure the progress of the performance obligation in the recognition of revenue.”

3. Estimate of recoverability of deferred tax assets

(1) Amount recognized on the non-consolidated financial statements for the fiscal year

Deferred tax assets	¥11,109 million
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(2) Information regarding important accounting estimates for the item identified

The calculation method for the amount in (1) is the same as the one described in the Notes to Consolidated Financial Statements, “Notes on Accounting Estimates, 3. Estimate of recoverability of deferred tax assets.”

(Translation)

Notes to Non-consolidated Balance Sheet

1. Assets provided as collateral

Investments in securities ¥4,474 million

Liabilities collateralized by the abovementioned assets

Short-term borrowings ¥2,500 million

2. Guarantee liabilities:

The Company provides guarantees for bank borrowings made by employees, and subsidiaries and affiliates as shown below.

Oki Europe Ltd. ¥2,906 million

(GBP15 million)

OKI Circuit Technology Co., Ltd. ¥1,802 million

OKI INDIA PRIVATE LIMITED ¥1,206 million

(INR689.164 million)

Oki Data Manufacturing (Thailand) Co., Ltd. ¥822 million

(US\$5.5 million)

OKI Crosstech Co., Ltd. ¥466 million

Three other entities: ¥762 million

Total: ¥7,967 million

3. Monetary claims receivable from and payable to subsidiaries and affiliates

Short-term monetary claims receivable from subsidiaries and affiliates: ¥32,547 million

Long-term monetary claims receivable from subsidiaries and affiliates: ¥1,103 million

Short-term monetary claims payable to subsidiaries and affiliates: ¥37,360 million

Long-term monetary claims payable to subsidiaries and affiliates: ¥67 million

Notes to Non-consolidated Statement of Operations

Transactions with subsidiaries and affiliates

Net sales: ¥36,432 million

Purchases: ¥88,484 million

Non-operating transactions: ¥13,794 million

Notes to Non-consolidated Statement of Changes in Net Assets

Type and number of treasury stock as of the end of the fiscal year

Common stock: 507 thousand shares

Notes to Deferred Tax Accounting

1. Major factors giving rise to deferred tax assets and liabilities

Deferred tax assets

Nondeductible write-downs of shares of subsidiaries and affiliates	¥10,144 million
Loss carry forwards	¥9,951 million
Nondeductible retirement benefits	¥4,427 million
Adjustments of losses on transfers among consolidated subsidiaries	¥3,518 million
Allowance for doubtful receivables	¥2,375 million
Nondeductible write-downs of inventories	¥1,602 million
Nondeductible accrued bonuses	¥1,473 million
Balance of trust property with retirement benefits	¥855 million
Provision for loss on construction contracts	¥852 million
Loss on impairment of fixed assets	¥663 million
Excess depreciation	¥599 million
Others	¥3,457 million
Subtotal deferred tax assets	¥39,916 million
Valuation allowance	¥(28,806) million
Total deferred tax assets	¥11,109 million

Deferred tax liabilities

Prepaid pension cost	¥(6,574) million
Gain on valuation of investments in securities	¥(4,504) million
Net unrealized holding gain/loss on other securities	¥(3,304) million
Nondeductible unrealized gain on contribution of securities to the pension trust	¥(1,816) million
Others	¥(1,233) million
Total deferred tax liabilities	¥(17,431) million
Net deferred tax assets	¥(6,321) million

2. Accounting process of corporate tax and local corporate tax or accounting process of tax effect accounting relating thereto

The Company has applied the group tax sharing system, and in accordance with “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (ASBJ PITF No. 42, August 12, 2021), the Company has performed the accounting process of the corporate tax and local corporate tax or the accounting process of the tax effect accounting relating thereto and has disclosed such information.

(Translation)

Notes to Related Party Transactions

Subsidiaries, etc.

Attribute	Name of company, etc.	Location	Capital	Business	Voting right ratio	Relationship with related party	Description of transactions	Transaction amount (mil. yen)	Account item	Ending balance (mil. yen)
Subsidiary	OKI Crosstech Co., Ltd.	Chuo-ku, Tokyo	¥2,001 million	Equipment work, designing, construction and maintenance of electrical, telecommunication, firefighting and other facilities, maintenance, operations and technical support for ICT equipment and systems, and sales of related equipment and supplies	(Direct) 100%	Supply products, etc., purchase of services	Borrowings of funds	—	Deposits received	7,608
Subsidiary	OKI Circuit Technology Co., Ltd.	Tsuruoka (Yamagata)	¥480 million	Design, manufacture, assembly and sales of printed circuit boards, electronic equipment and electronic parts	(Direct) 100%	Purchase of products and services, lending of funds	Lending of funds	5,995	Short-term loans receivable	6,534
Subsidiary	OKI Nextech Co., Ltd.	Tokorozawa (Saitama)	¥400 million	Development, design, manufacture, sales and maintenance of information and communications devices, industrial electronic devices, medical electronic equipment and other electronic devices as well as electronic parts	(Direct) 100%	Purchase of products and services, lending of funds	Lending of funds	8,054	Short-term loans receivable	8,169
Subsidiary	Oki Data Manufacturing (Thailand) Co., Ltd.	Thailand	420 million Thai baht	Manufacture of information processing equipment	(Direct) 100%	Purchase of products	Purchase of products	32,948	Accounts payable, trade	5,265
Subsidiary	Oki Hong Kong, Ltd.	Hong Kong	US\$10.292 million	Holdings company, material procurement	(Direct) 100%	Purchase of products Lending of funds	Lending of funds	23,874	Long-term loans receivable from subsidiaries and affiliates	21,803

Notes:

1. The transaction amount excludes consumption tax, etc., while the ending balance includes consumption tax, etc.
2. Conditions of transactions and policy in determining conditions
 - (1) The Company determines conditions regarding purchase of services and purchase of products based on market prices and conducting negotiation.
 - (2) The Company determines the interest rate for the lending of funds by taking the market rate of interest into consideration. However, for some subsidiaries, the Company determines the said interest rate by taking the financial position of the subsidiaries. Transaction amount shows the average balance during the fiscal year because the transactions are repetitive.
3. An allowance for doubtful receivables of ¥7,439 million has been recorded for loans to Oki Hong Kong, Ltd. Furthermore, an allowance for doubtful receivables of ¥2,526 million has been provisioned this fiscal year.

Notes to Per-share Information

1. Net assets per share: ¥1,295.95
2. Earnings per share: ¥158.46

Other Notes (Notes on Business Combination, etc.)

Business Separation

Notes are omitted since the same contents are described in “Other Notes (Notes on Business Combination, etc.)” in the Notes to Consolidated Financial Statements.

(Translation)

Notes on Revenue Recognition

Notes on the information to understand the revenue from contracts with customers are omitted since the same contents are described in “Notes on Revenue Recognition” in the Notes to Consolidated Financial Statements.

Explanatory Notes on Company to Which Consolidated Dividend Regulations Apply

The Company will be a company to which consolidated dividend regulations apply after the final day of the fiscal year under review becomes the final day of the final fiscal year.

Transcript of Accounting Auditors' Report on Consolidated Financial Statements

Independent Auditors' Report

May 21, 2025

To: Board of Directors
Oki Electric Industry Co., Ltd.

PricewaterhouseCoopers Japan LLC
Tokyo Office
Tsuyoshi Saito,
Engagement Partner, Certified Public Accountant
Tomomi Shinbo,
Engagement Partner, Certified Public Accountant
Norie Iwamoto,
Engagement Partner, Certified Public Accountant

Audit opinion

We have audited the consolidated financial statements – the consolidated balance sheet, the consolidated statement of operations, the consolidated statement of changes in net assets and notes to the consolidated financial statements – of Oki Electric Industry Co., Ltd. for the 101st term from April 1, 2024 to March 31, 2025 in accordance with Article 444 paragraph (4) of the Companies Act.

We concluded that the consolidated financial statements fairly present in all aspects of Oki Electric Industry's and its subsidiaries' assets and income or loss in accordance with corporate accounting standards generally accepted in Japan.

Basis for audit opinion

We have conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the "Responsibility of auditors for the audit of the consolidated financial statements" section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information refers to the business report and its supplementary schedules. Management is responsible for preparing and disclosing the other information. In addition, the Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the reporting process for the other information.

The scope of our audit opinion on the consolidated financial statements does not include the content of the other information, and we do not express an opinion regarding the other information.

Our responsibility in auditing the consolidated financial statements is to read through the other information, and in the process of reading it, we examine whether there are material differences between the other information and the consolidated financial statements or the knowledge we have gained in the auditing process, and we also pay attention as to whether there are any indications in the other information of material errors besides such material differences.

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

There are no matters to report regarding the other information.

Responsibilities of management, Audit & Supervisory Board Members and the Audit & Supervisory Board for preparing consolidated financial statements

Oki Electric Industry's management is responsible for preparing and presenting fairly these consolidated financial statements in accordance with corporate accounting standards generally accepted in Japan. This includes designing and operating internal control that the management determines necessary to prepare and fairly present these consolidated financial statements that are without material misstatement due to fraud or errors.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of a going concern, and in accordance with corporate accounting standards generally accepted in Japan, for disclosing, as necessary, matters related to going concern.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

Responsibility of auditors for the audit of the consolidated financial statements

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that expresses our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of these consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- When auditing the consolidated financial statements, obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and the appropriateness of related notes thereto.
- Conclude on the appropriateness of preparing the consolidated financial statements with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and notes to the consolidated financial statements are in accordance with corporate accounting standards generally accepted in Japan, as well as evaluate the presentation, structure, and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements fairly present the underlying transactions and accounting events.
- Plan and perform audit of the consolidated financial statements to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to provide a basis for our opinion on the consolidated financial statements. We are responsible for the direction, supervision and inspection of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We report to the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with them all relationships and other matters that may reasonably be deemed to bear on our independence, any countermeasures we have taken to eliminate obstruction factors, and any safeguards we have applied in order to reduce obstruction factors to an acceptable level.

Conflict of interest

We or engagement partners have no interests in the Company and its consolidated subsidiaries, which should be stated in compliance with the Certified Public Accountants Act.

Transcript of Accounting Auditors' Report

Independent Auditors' Report

May 21, 2025

To: Board of Directors
Oki Electric Industry Co., Ltd.

PricewaterhouseCoopers Japan LLC
Tokyo Office
Tsuyoshi Saito,
Engagement Partner, Certified Public Accountant
Tomomi Shinbo,
Engagement Partner, Certified Public Accountant
Norie Iwamoto,
Engagement Partner, Certified Public Accountant

Audit opinion

We have audited the non-consolidated financial statements—the non-consolidated balance sheet, the non-consolidated statement of operations, the non-consolidated statement of changes in net assets and notes to the non-consolidated financial statements—and its supporting schedules (“Financial Statements, etc.”) of Oki Electric Industry Co., Ltd. for the 101st term from April 1, 2024 to March 31, 2025 in accordance with Article 436, paragraph (2), item (i) of the Companies Act.

We concluded that the Financial Statements, etc. fairly present in all aspects of Oki Electric Industry’s assets and income or loss in accordance with corporate accounting standards generally accepted in Japan.

Basis for audit opinion

We have conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the “Responsibility of auditors for the audit of the Financial Statements, etc.” section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information refers to the business report and its supplementary schedules. Management is responsible for preparing and disclosing the other information. In addition, the Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors’ performance of duties within the maintenance and operation of the reporting process for the other information.

The scope of our audit opinion on the Financial Statements, etc. does not include the content of the other information, and we do not express an opinion regarding the other information.

Our responsibility in auditing the Financial Statements, etc. is to read through the other information, and in the process of reading it, we examine whether there are material differences between the other information and the Financial Statements, etc. or the knowledge we have gained in the auditing process, and we also pay attention as to whether there are any indications in the other information of material errors besides such material differences.

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

There are no matters to report regarding the other information.

Responsibility of management, Audit & Supervisory Board Members and the Audit & Supervisory Board for preparing Financial Statements, etc.

Oki Electric Industry’s management is responsible for preparing and presenting fairly the Financial Statements, etc. in accordance with corporate accounting standards generally accepted in Japan. This includes designing and operating internal control that the management determines necessary to prepare and fairly present the Financial Statements, etc. that are without material misstatement due to fraud or errors.

In preparing the Financial Statements, etc., management is responsible for assessing whether it is appropriate to prepare the Financial Statements, etc. with the assumption of a going concern, and in accordance with corporate accounting standards generally accepted in Japan, for disclosing, as necessary, matters related to going concern.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors’ performance of duties within the maintenance and operation of the financial reporting process.

Responsibility of auditors for the audit of the Financial Statements, etc.

Our responsibilities are to obtain reasonable assurance about whether the Financial Statements, etc. as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that expresses our opinion on the Financial Statements, etc. based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of the Financial Statements, etc.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process to perform the following:

- Identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures

responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- When auditing the Financial Statements, etc., obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances in making risk assessments, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and the appropriateness of related notes thereto.
- Conclude on the appropriateness of preparing the Financial Statements, etc. with the assumption of a going concern by management, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the notes to the Financial Statements, etc. or, if the notes to the Financial Statements, etc. on material uncertainty are inadequate, to express a qualified opinion with exceptions on the Financial Statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation of the Financial Statements, etc. and notes thereto are in accordance with corporate accounting standards generally accepted in Japan, as well as evaluate the presentation, structure, and content of the Financial Statements, etc., including the related notes thereto, and whether the Financial Statements, etc. fairly present the underlying transactions and accounting events.

We report to the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with them all relationships and other matters that may reasonably be deemed to bear on our independence, any countermeasures we have taken to eliminate obstruction factors, and any safeguards we have applied in order to reduce obstruction factors to an acceptable level.

Conflict of interest

We or engagement partners have no interests in the Company, which should be stated in compliance with the Certified Public Accountants Act.

Transcript of Audit & Supervisory Board's Report

Audit & Supervisory Board's Report

We, the Audit & Supervisory Board, have prepared upon consultation this Audit Report based on reports compiled by each Audit & Supervisory Board Member with respect to Directors' performance of their duties during the 101st fiscal year from April 1, 2024 to March 31, 2025, as follows:

1. Auditing methods used by Audit & Supervisory Board Members and the Audit & Supervisory Board, and details of audit

- (1) The Audit & Supervisory Board specified an audit policy, compiled audit plans and received reports from each Audit & Supervisory Board Member on the status of implementation and results of audits and also received reports from Directors and accounting auditors on the status of the execution of their duties and asked them for explanations as needed.
- (2) Each Audit & Supervisory Board Member, according to the audit standards, policy and plans set up by the Audit & Supervisory Board, has maintained good communications with Directors, the internal audit division and other employees and strived to collect information and improve the audit environment and conducted an audit by following the methods described below:
 - (a) We attended the meetings of the Board of Directors and other meetings as deemed important, received from Directors and employees reports on the execution of their duties, asked for explanations as necessary, perused the documents whereby the important decisions were made, and examined business and financial conditions at the head office and principal operating offices. With respect to the subsidiaries of the Company, we have maintained good communications and exchanged information with Directors, Audit & Supervisory Board Members and others and received reports on business conditions from the subsidiaries as needed.
 - (b) In addition, we have periodically received reports from Directors and employees, among others, required explanation when necessary, and made opinions with regard to the status of operations and the systems established thereon (internal control systems) made by the Board of Directors concerning the establishment of systems defined in Article 100, paragraph (1) and paragraph (3) of the Regulations for Enforcement of the Companies Act as necessary for ensuring compliance with laws and the Company's Articles of Incorporation in the performance of duties by Directors, described in the Business Report, and for ensuring appropriateness of duties of corporate group consisting of joint stock company and its subsidiaries. With respect to the internal controls over financial reporting, we have received reports on the internal control evaluation and status of the audits from the Directors, etc. and the accounting auditors, and asked them for explanations as necessary.
 - (c) We have monitored and verified whether the accounting auditors maintained their independence and properly implemented audits, received from the auditors reports on the performance of their duties and asked them for explanations as necessary. The accounting auditors reported to us that "systems for ensuring proper execution of duties" (listed in each item of Article 131 of the Corporate Calculation Regulations) have been established in accordance with the quality control standards concerning audits (Business Accounting Council), and asked them for explanations as necessary.

Based on the methods mentioned above, we have reviewed the business report for the said fiscal year and their supplementary schedules, financial statements for the said fiscal year (balance sheet, statement of operations, statement of changes in net assets, and notes to non-consolidated financial statements), their supplementary schedules and consolidated financial statements (consolidated balance sheet, consolidated statement of operations, consolidated statement of changes in net assets, and notes to consolidated financial statements).

2. Results of Audit

- (1) Results of audit of the business report
 - (a) We consider that the business report and its supplementary schedules fairly present the situation of the Company in accordance with relevant laws and regulations and the Company's Articles of Incorporation.
 - (b) With respect to the Directors' performance of their duties, we have found neither undue transactions nor material facts that violate relevant laws and regulations or the Company's Articles of Incorporation.
 - (c) We consider that the details of the resolution made by the Board of Directors concerning internal control procedures are proper. With respect to the details described in the Business Report and the Directors' performance of their internal control duties, we have found no issues to be pointed out. Furthermore, regarding internal controls over financial reporting, as of the creation of this audit report, we have received reports from Directors, etc. and accounting auditors to the effect that there are no significant deficiencies that should be disclosed.
- (2) Results of audit of financial statements and their supplementary schedules

We consider that the auditing methods and results of the Company's Accounting Auditors, PricewaterhouseCoopers Japan LLC, are proper.
- (3) Results of audit of consolidated financial statements

We consider that the auditing methods and results of the Company's Accounting Auditors, PricewaterhouseCoopers Japan LLC, are proper.

May 22, 2025

The Audit & Supervisory Board, Oki Electric Industry Co., Ltd.
Masashi Fuse, Standing Audit & Supervisory Board Member
Toshiyuki Yokota, Standing Audit & Supervisory Board Member
Yoshihiro Tsuda, Outside Audit & Supervisory Board Member
Yasuyuki Oda, Outside Audit & Supervisory Board Member
Hiroshi Niinomi, Outside Audit & Supervisory Board Member