

JUKI CORPORATION

Securities code: 6440

# CONVOCAATION NOTICE

## OF THE 109<sup>TH</sup>

### ORDINARY GENERAL MEETING

### OF SHAREHOLDERS

Date and Time: Monday, March 25, 2024, at 10:00 a.m.

Place: Multi-purpose Hall, 3rd floor of the East  
Tower of the Company's Head Office,  
2-11-1, Tsurumaki, Tama-shi, Tokyo, Japan

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## Greetings

We would like to thank our shareholders for their ongoing support.

The Ordinary General Meeting of Shareholders will be held on Monday, March 25, 2024, and we hereby present the “Convocation Notice of the 109th Ordinary General Meeting of Shareholders.”

In the business environment surrounding the Company, the acceleration of a technological revolution in the form of AI/IoT, etc., and business developments due to changes in the market and customer base looking ahead to the post-pandemic period have created the need to build a new business model in response to the new-normal environment. In addition, in response to the “sustainable development goals (SDGs),” society as a whole is further accelerating efforts to realize a sustainable society from a long-term perspective. Meanwhile, although supply chain fragmentation and logistical disruptions are easing, economic activities were constrained by factors such as high resource prices due to the prolonged conflict in Ukraine and continuing tensions between the US and China, soaring costs due mainly to global inflation, delayed recovery of the Chinese economy, curtailment of investment activities, and foreign currency shortages in emerging countries.

Capital investment in sewing factories and electronic component manufacturing contract factories was cautious in the consolidated fiscal year under review, especially in China and Southeast Asian countries, the largest markets, with delays in materializing capital investments, and postponement of purchases due to foreign currency shortages in emerging countries in South Asia and other regions. As a result, net sales were 94.750 billion yen.

Additionally, the Company had strategically accumulated inventories to secure parts in response to the global disruption of parts supply and logistics starting in the second half of 2021 after COVID-19, but the subsequent slowdown in capital investment demand due to the delayed economic recovery in China and Southeast Asian countries caused delays in their inventory turnover. Therefore, from 2023, from the viewpoint of improving financial soundness, we have made thorough production adjustments and reductions. As a result, inventories decreased by 5,505 million yen compared to the end of the previous fiscal year, although profits in production were negative due to lower capacity utilization rates at factories.

In terms of profit, the ordinary loss was 3.684 billion yen due to a substantial decrease in sales more than initially anticipated, thorough production adjustments, and increases in various costs due to the impact of the depreciation of the yen, including overseas material costs and expenses. In addition, the Company posted an extraordinary loss associated with cost structure reforms, etc., which led to a severe result of a net loss of 7.035 billion yen.

In the light of this performance, the year-end dividend will be reduced by 5 yen per share to 15 yen. We would ask our shareholders for their understanding.

As described above, in light of the review of 2023 and changes in the business environment, the Company revised the Medium-term Management Plan 2023-2025. After reviewing the growth of the target markets and competitive situation, and examining the growth potential of JUKI, we redefined our businesses into three categories: “core foundations for sustainability,” “foundations for expansion and growth,” and “foundations for new exploration,” and revised our investment plan and personnel plan through selection and concentration. We will expand the growing regions and business fields, concentrate our investment in

management resources, strengthen the development of differentiated products by introducing cutting-edge technologies, and actively invest in SDGs and information systems to increase the certainty of our commitment to our stakeholders.

Our Group will work as one to address these issues and strive to meet the expectations of our shareholders. We would appreciate your ongoing guidance and support.

Akira Kiyohara  
Representative Director, Chairman, CEO and COO

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In the event of any discrepancy between these translated documents and the Japanese originals, the originals shall prevail. JUKI CORPORATION assumes no responsibility for these translations or for direct, indirect or any other forms of damages arising from the translations.

Securities code: 6440

March 25, 2024

(Commencement Date of Electronic Provision System: February 28 2024)

To All Shareholders:

Akira Kiyohara  
Representative Director  
JUKI CORPORATION  
2-11-1, Tsurumaki, Tama-shi,  
Tokyo, Japan

CONVOCATION NOTICE OF  
THE 109TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We are pleased to announce the 109th Ordinary General Meeting of Shareholders (the “Meeting”) of JUKI CORPORATION (the “Company”) to be held as indicated below.

An electronic provision system is adopted for convening this General Meeting of Shareholders, and the “Convocation Notice of the 109th Ordinary General Meeting of Shareholders” is posted on the following website on the Internet.

Website of the Company

<https://www.juki.co.jp/en/ir/library/>

The “Convocation Notice of the 109th Ordinary General Meeting of Shareholders” is available on the Tokyo Stock Exchange (TSE) website in addition to the above website. Please access the TSE website (Listed Company Search) below, enter “JUKI” in the “Issue name (company name)” or the Company’s security code “6440” in “Code,” and click “Search,” and then click “Basic information” and “Documents for public inspection/PR information.”

TSE website

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

In addition to attending the meeting, you can exercise your voting rights via the Internet or in writing. Please review the Reference Materials for the Ordinary General Meeting of Shareholders listed in the “Convocation Notice of the 109th Ordinary General Meeting of Shareholders,” refer to the “Instructions on Exercise of Voting Rights” below, and exercise your voting rights by 6:00 p.m. on Friday, March 22, 2024.

Thank you very much for your cooperation.

1. Date and Time: Monday, March 25, 2024, at 10:00 a.m.
2. Place: Multi-purpose Hall, 3rd floor of the East Tower of the Company's Head Office, 2-11-1, Tsurumaki, Tama-shi, Tokyo, Japan
3. Meeting Agenda:  
Report matters:
  1. The Business Report and the Consolidated Financial Statements for the 109th Fiscal Year (January 1, 2023 to December 31, 2023), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
  2. Non-consolidated Financial Statements for the 109th Fiscal Year (January 1, 2023 to December 31, 2023)

Resolution matters:

- First proposal: Appropriation of Surplus
- Second proposal: Election of 6 Directors
- Third proposal: Election of 3 Audit & Supervisory Board Members
- Fourth proposal: Election of 2 Substitute Audit & Supervisory Board Members

[Matters Decided upon Convening Shareholders Meeting]

- If voting rights are exercised in duplicate via the Voting Right Exercise Form and the Internet, the contents of the exercise of voting rights via the Internet will be treated as valid.
- In the event voting rights are exercised more than once via the Internet, the contents of voting rights most recently exercised will be treated as valid.
- In the event there is no indication of approval or disapproval of a proposal in the Voting Right Exercise Form, it will be treated as if the proposal has been affirmed.

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- If you plan to attend the Meeting, please submit the Voting Right Exercise Form to the receptionist at the Meeting.
  - In accordance with the provisions of laws and regulations and the provisions of Article 16, Paragraph 2 of the Articles of Incorporation of the Company, the notes to consolidated financial statements and the notes to non-consolidated financial statements are not included in this document. (These notes are posted on the website of the Company.)
  - In the event of any amendment to the "Convocation Notice of the 109th Ordinary General Meeting of Shareholders," details of such amendment will be posted on each of the websites listed.

## Instructions on Exercise of Voting Rights

Please refer to the “Reference Materials for the Ordinary General Meeting of Shareholders” in the Convocation Notice of the 109th Ordinary General Meeting of Shareholders and exercise your voting rights. To exercise your voting rights, please follow one of the methods described below.

Exercise of voting rights by attending the Meeting in person

Please bring the enclosed Voting Right Exercise Form and submit the form to the receptionist.

Please also bring this Notice with you.

Date and time of the Meeting: 10:00 a.m. on Monday, March 25, 2024

Exercise of voting rights when not attending the Meeting

Exercise of voting rights in writing

Please indicate your approval or disapproval of each of the proposals on the enclosed Voting Right Exercise Form and mail it to us so that it arrives no later than the deadline. In the event there is no indication of approval or disapproval of a proposal in the Voting Right Exercise Form, it will be treated as if the proposal has been affirmed.

Deadline: To be received no later than 6:00 p.m. on Friday, March 22, 2024

Exercise of voting rights via the Internet using the “Smart Voting” method

Please scan the QR code for “Smart Voting” printed on the bottom right of the Vote Right Exercise Form with your smartphone or tablet, and enter your approval or disapproval of each of the proposals.

Deadline: No later than 6:00 p.m. on Friday, March 22, 2024

Please refer to the next page for details.

Exercise of voting rights via the Internet by accessing the website

Please access Exercise of Voting Rights Website designated by the Company and enter your approval or disapproval of each of the proposals in accordance with the instructions on the screen.

Deadline: No later than 6:00 p.m. on Friday, March 22, 2024

Please refer to the next page for details.

## Instructions on Exercise of Voting Rights via the Internet

### Smart Voting Scanning the QR Code

You can simply log in to the voting website without entering the Exercise of Voting Rights Code and the Password.

1. Please scan the QR Code printed on the right-hand side of the Voting Right Exercise Form.  
\* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.  
This requires installation of an application or functionality that enables a device to read QR Codes.
2. Please enter your approval or disapproval in accordance with the instructions on the screen.

Note that your voting rights can be exercised only once by using the “Smart Voting” method.

If you need to make a correction to your approval/disapproval after you have exercised your voting rights, please access the website in accordance with “Entering Exercise of Voting Rights Code and Password” written on the right, and exercise your voting rights again.

- \* If you scan the QR code again, you will be transferred to the Exercise of Voting Rights Website.

### Exercise by Accessing the Website Entering Exercise of Voting Rights Code and Password

Exercise of Voting Rights Website:  
<https://soukai.mizuho-tb.co.jp/>

1. Please access the Exercise of Voting Rights Website.
2. Please enter the Exercise of Voting Rights Code (ID) printed on the right-hand side of the back of the Voting Right Exercise Form.
3. Please enter the password printed on the Voting Right Exercise Form. It is necessary for you to change your password when you log in for the first time.
4. Please enter information in accordance with the instructions on the screen.

- \* If you enter your password incorrectly for a certain number of times, the password will be locked and you will no longer be able to use it. If this occurs, please complete the procedures indicated in the instructions on the screen.
- \* If you exercise your voting rights both in writing and via the Internet, only your vote via the Internet shall be deemed effective. If you exercise your voting rights several times via the Internet, only your final vote shall be deemed effective.
- \* You shall bear your own expenses for connection to the Internet.

If you have any questions on how to exercise your voting rights via the Internet using a personal computer or a smartphone, please contact the contact information stated on the right.

Stock Transfer Agency Department,  
Mizuho Trust & Banking Co., Ltd.  
0120-768-524 (toll free within Japan only)  
(9:00 a.m. to 9:00 p.m. on weekdays)

## Reference Materials for the Ordinary General Meeting of Shareholders

### Proposals and Reference Information

#### First proposal: Appropriation of Surplus

The Company's basic policy on profit distribution is to endeavor to enhance returns to shareholders through stable dividends, while comprehensively considering factors such as internal reserves for aggressive investments in capital, development, and information systems, in order to build a solid business foundation for the future, in addition to the results for the fiscal year under review.

With regard to the year-end dividend for the fiscal year under review, we recorded a net loss for the fiscal year under review, but we anticipate a recovery in performance in the next fiscal year. Based on the above policy, we implement the following from the viewpoint of stable dividends.

#### Year-end dividend

- (1) Type of dividend assets  
Cash
- (2) Distribution of dividend assets to shareholders and the total amount of dividends  
Payment of 15.00 yen per share of common shares  
Total amount of dividends: 443,223,795 yen
- (3) Effective date of distribution of surplus  
March 26, 2024



Second proposal: Election of 6 Directors

The term of office of all (5) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the election of 6 Directors (including 3 Outside Directors) is proposed.

The candidates for Directors are as follows, and their career summaries and the reasons for their nomination are provided in the following pages.

No.		Name	
1	Reelection	Akira Kiyohara	
2	Reelection	Shinsuke Uchinashi	
3	New election	Atsushi Narikawa	
4	Reelection	Kazumi Nagasaki	Outside Independent
5	Reelection	Yutaka Hori	Outside Independent
6	Reelection	Junko Watanabe	Outside Independent

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p style="text-align: center;">Reelection</p> <p style="text-align: center;">Akira Kiyohara (November 26, 1951)</p> <p style="text-align: center;">Male</p> <p style="text-align: center;">Attendance at Board of Directors meetings in FY 2023: 12/12</p>	<p>April 1974      Joined Fuji Bank Limited (currently Mizuho Bank, Ltd.)</p> <p>April 2002      Executive Officer and General Manager of Corporate Planning Dept. of Mizuho Bank, Ltd.</p> <p>March 2003      Managing Executive Officer, ditto</p> <p>March 2007      President of Mizuho Capital Co., Ltd.</p> <p>May 2009      Joined the Company, Advisor</p> <p>June 2009      Senior Managing Director, CAO, and CCO</p> <p>July 2009      Senior Managing Director, CFO, CAO, and CCO</p> <p>June 2010      Representative Director and President</p> <p>August 2013    Representative Director and President, and Representative Director and President of JUKI AUTOMATION SYSTEMS CORPORATION</p> <p>January 2021   Representative Director, Chairman and CEO, and Representative Director and President of JUKI AUTOMATION SYSTEMS CORPORATION</p> <p>March 2021    Representative Director, Chairman and CEO, and Representative Director, Chairman and CEO of JUKI AUTOMATION SYSTEMS CORPORATION</p> <p>July 2022      Representative Director, Chairman and CEO, and Representative Director, Chairman and CEO of JUKI AUTOMATION SYSTEMS CORPORATION, and Representative Director, Chairperson and CEO of JUKI TECHNOSOLUTIONS CORPORATION</p> <p>March 2023    Representative Director, Chairman, CEO and COO, and Representative Director, Chairman and CEO of JUKI AUTOMATION SYSTEMS CORPORATION, and Representative Director, Chairperson and CEO of JUKI TECHNOSOLUTIONS CORPORATION (Present)</p>	91,125 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Akira Kiyohara served as President of the Company from 2010, and since January 2021, he has been serving as Representative Director, Chairman and CEO. He has properly managed the Board of Directors' meetings as Chairman and has appropriately fulfilled his role in decision-making and supervising. He possesses an excellent track record in controlling the overall management of the Group through his wealth of experience and his knowledge as CEO. The Company determined that he is capable of exercising strong leadership to drive the Company toward its vision of improved corporate value over the medium to long term for the entire Group.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p>Reelection</p> <p>Shinsuke Uchinashi (March 26, 1957)</p> <p>Male</p> <p>Attendance at Board of Directors meetings in FY 2023: 12/12</p>	<p>April 1979      Joined Fuji Bank Limited (currently Mizuho Bank, Ltd.)</p> <p>August 2004    General Manager of Kamata Branch, Mizuho Bank, Ltd.</p> <p>April 2010      Executive Officer and General Manager of Credit Supervision Division IV, ditto</p> <p>May 2011        Joined the Company, Senior Executive Operating Officer</p> <p>March 2013      Managing Officer “In charge of Administration Center (Corporate Administration Dept. and Finance &amp; Accounting Dept.)”</p> <p>March 2014      Managing Officer “In charge of Administration Center (Finance &amp; Accounting Dept.)” and “In charge of Production Center”</p> <p>January 2017    Managing Officer “In charge of Global Cooperate Center (Finance &amp; Accounting Dept.)”, “In charge of Business Operation Center (Group Business Company)” and “In charge of Production Center”</p> <p>March 2017      Director and Managing Officer</p> <p>March 2018      Director and Senior Managing Officer</p> <p>March 2020      Representative Director and Senior Managing Officer</p> <p>January 2021    Representative Director, President and COO</p> <p>March 2023      Director and President in charge of Finance Dept.</p> <p>October 2023    Director and President in charge of Finance Dept., and Outside Director of AIMECHATEC, Ltd. (Present)</p>	56,992 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Shinsuke Uchinashi has served as Director since 2017. He possesses a wealth of experience and knowledge from taking charge of a wide swath of departments, including Finance &amp; Accounting, Group Business, and Production Center, and has appropriately fulfilled his duties in both administration and business management. He has served as an assistant to the President as a Representative Director since 2020 and as Representative Director, President and COO from January 2021 to March 2023. The Company determined that we can expect him to strengthen the Group’s business foundation over the medium to long term.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
3	New election  Atsushi Narikawa (May 13, 1959)  Male	April 1982	Joined Fuji Bank Limited (currently Mizuho Bank, Ltd.)	0 shares
		October 2000	Deputy Manager of Americas Sales Dept., ditto	
		April 2002	Deputy Manager of Americas Non-Japanese Sales Div. No. 2, Mizuho Corporate Bank, Ltd.	
		March 2003	Deputy Manager of Americas Products Sales Dept., ditto	
		April 2004	Deputy Manager of Americas Business Administration Div., ditto	
		March 2006	General Manager of Seoul Branch, ditto	
		April 2009	Executive Officer and General Manager of Corporate Banking Div. No. 13, ditto	
		April 2010	Managing Executive Officer, ditto	
		July 2010	Chief Officer for the European Regional, ditto	
		July 2013	Managing Executive Officer and Head of the Europe Regional Unit, Mizuho Bank, Ltd.	
		May 2015	Joined Foster Electric Company, Limited, Advisor	
		June 2015	Senior Managing Director and Assistant to the President, ditto	
		June 2020	President and Representative Director, COO, ditto	
		June 2022	President and Representative Director, CEO, ditto	
June 2023	Director and Chairperson, ditto (Scheduled to retire in March 2024)			
[Reasons for nomination as candidate for Director] From 2015 to the present, Mr. Atsushi Narikawa has served as a manager of the global manufacturing industry and demonstrated strong leadership, and he has substantial experience in achieving growth from the restructuring of the company's business. The Company determined that we can expect him to strengthen the Group's business foundation over the medium to long term based on his abundant experience and knowledge.				
4	Reelection Outside Independent  Kazumi Nagasaki (May 28, 1951)  Male  Attendance at Board of Directors meetings in FY 2023: 12/12	April 1976	Joined Bridgestone Tire Co., Ltd. (currently Bridgestone Corporation)	0 shares
		November 1998	General Manager of Production System Development Dept., ditto	
		March 2003	Plant Manager of Kumamoto Plant, ditto	
		January 2005	Plant Manager of Yokohama Plant, ditto	
		July 2005	Manager of Chemical and Industrial Products Production Div., ditto	
		July 2008	President of Bridgestone EMK Co., Ltd.	
		January 2014	Director Senior Advisor, ditto	
		February 2014	Senior Advisor, ditto	
March 2014	Director of the Company (Present)			
[Reasons for nomination as candidate for Outside Director and outline of expected roles] Mr. Kazumi Nagasaki has served as Outside Director of the Company since 2014, and his term of office will have been ten years at the conclusion of this Ordinary General Meeting of Shareholders. He possesses a wealth of experience and knowledge as a manufacturing manager, as well as considerable insight and supervisory ability with regard to corporate management. The Company determined that he is an appropriate person to serve as Outside Director because he can be expected to play a role in providing objective and pertinent advice and making decisions.				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
5	<p>Reelection Outside Independent</p> <p>Yutaka Hori (October 5, 1949)</p> <p>Male</p> <p>Attendance at Board of Directors meetings in FY 2023: 12/12</p>	April 1979	Registered as an attorney (Dai-ichi Tokyo Bar Association)	0 shares
		December 1989	Representative attorney of Hori & Associates Law Office (currently Hori & Partners) (Present)	
6	<p>Reelection Outside Independent</p> <p>Junko Watanabe (May 26 1957)</p> <p>Female</p> <p>Attendance at Board of Directors meetings in FY 2023 (including 2 times as Outside Audit &amp; Supervisory Board Member): 12/12</p>	June 1999	Lecturer at Graduate School of International Corporate Strategy, Hitotsubashi University	0 shares
		April 2004	Executive and Vice President, National University Corporation Chiba University (Present)	
		April 2010	Commissioner of Public Interest Corporation Commission (PICC) of the Cabinet Office	
		March 2016	Director of the Company (Present)	
		June 2016	Outside Director of FIDEA Holdings Co. Ltd. (Present)	
		August 2017	Outside Director of Pasona Group Inc.	
		April 1980	Joined Fujibank Limited (currently Mizuho Bank, Ltd.)	
		June 2003	General Manager of Hiyoshi Branch, Mizuho Bank, Ltd.	
		February 2006	General Manager of Oji Branch, ditto	
		April 2008	General Manager of Diversity Promotion Office, Human Resources Dept., ditto	
August 2010	Resigned from Mizuho Bank, Ltd			
September 2010	Executive Officer of Mizuho Research Institute Ltd.			
March 2014	Resigned from Mizuho Research Institute Ltd.			
April 2014	Joined Joban Kosan Co., Ltd., Executive Officer			
March 2020	Audit & Supervisory Board Member of the Company			
June 2020	Managing Director of Joban Kosan Co., Ltd.			
June 2022	Audit & Supervisory Board Member (Outside) of KYB Corporation (Present)			
March 2023	Director of the Company (Present)			
<p>[Reasons for nomination as candidate for Outside Director and outline of expected roles]</p> <p>Mr. Yutaka Hori has served as Outside Director of the Company since 2016, and his term of office will have been eight years at the conclusion of this Ordinary General Meeting of Shareholders. The Company determined that he is an appropriate person to serve as Outside Director because he can be expected to play a role in providing pertinent advice and making decisions on corporate management such as compliance based on the legal expertise he has built up as an attorney over many years and his experience serving as director for other companies in the business world.</p>				
<p>[Reasons for nomination as candidate for Outside Director and outline of expected roles]</p> <p>Ms. Junko Watanabe has served as Outside Director of the Company since 2023, and her term of office will have been one year at the conclusion of this Ordinary General Meeting of Shareholders. The Company determined that she is an appropriate person to serve as Outside Director because she can be expected to play a role in providing pertinent advice and making decisions based on her extensive experience and knowledge in diversity management and business management, as well as her deep insights and supervisory capabilities in corporate management as a corporate manager.</p>				

- (Notes)
- None of the above candidates for Directors have any special interest with the Company.
  - Mr. Kazumi Nagasaki, Mr. Yutaka Hori and Ms. Junko Watanabe are candidates for Outside Directors and will be independent officers as specified by the Tokyo Stock Exchange if the candidates are elected in accordance with the original proposal.
  - The Company has concluded a “Contract for Limitation of Liability” with Mr. Kazumi Nagasaki, Mr. Yutaka Hori and Ms. Junko Watanabe for the purpose of limiting their liability, as provided for in Article 423, paragraph (1) of the Companies Act, in accordance with Article 31 of the Company’s Articles of Incorporation. The maximum amount of liability under said contracts is the amount provided for in the applicable laws and regulations. If they are reelected, the Company plans to renew the aforementioned contracts.
  - The Company has entered into a directors and officers liability insurance policy with an insurance agency. This insurance policy covers damages arising from liability borne by the insured persons in the course of execution of their duties as an officer, etc. or claims pertaining to the pursuit of such liability.

The insurance was executed on July 25, 2023, and we plan to renew it on the same terms and conditions at the next renewal after one year.

(Reference)

The composition of officers and skill matrix if the second proposal is approved

If the second proposal is approved, the structure of the Board of Directors and the specialties of each officer will be as follows:

[Structure of the Board of Directors] Skill matrix of the Company's Directors

Name	Independent Outside Director	Corporate manage- ment	Finance /Accounting	Legal /Compli- ance	Global	Sales /Marketing	Manufac- ring /Quality control /Research and develop- ment	Environ- ment /Society	Human resources and labor relations /Human resource develop- ment
Akira Kiyohara		○	○	○	○	○		○	○
Shinsuke Uchinashi		○	○	○			○	○	
Atsushi Narikawa		○	○	○	○	○		○	○
Kazumi Nagasaki	○	○	○				○	○	○
Yutaka Hori	○	○		○	○			○	○
Junko Watanabe	○	○	○			○		○	○

(Note) The above list does not show all knowledge and experience of each candidate for Director, but indicates skills that are considered significant.

Third proposal: Election of 3 Audit & Supervisory Board Members

The term of office of Audit & Supervisory Board Members, Mr. Masato Tanaka and Ms. Hiroko Nihei, will expire at the conclusion of this Ordinary General Meeting of Shareholders. In addition, in order to strengthen the auditing system, we would like to increase the number of Audit & Supervisory Board Members by one. Accordingly, the election of 3 Audit & Supervisory Board Members is proposed.

The Audit & Supervisory Board consented to the proposal of this resolution.

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

No.	Name (Date of birth)	Career summary, positions, and significant concurrent positions		Number of shares of the Company held
1	<p>Reelection Outside Independent</p> <p>Hiroko Nihei (August 23, 1976)</p> <p>Female</p> <p>Attendance at Board of Directors meetings in FY 2023 (after she assumed office as Outside Audit &amp; Supervisory Board Member): 10/10</p> <p>Attendance at Audit &amp; Supervisory Board meetings in FY 2023 (after she assumed office as Outside Audit &amp; Supervisory Board Member): 10/10</p>	<p>April 1999</p> <p>March 2008</p> <p>September 2009</p> <p>October 2009</p> <p>September 2014</p> <p>January 2016</p> <p>March 2019</p> <p>June 2019</p> <p>January 2020</p> <p>June 2022</p> <p>March 2023</p>	<p>Joined Fuji Bank Limited (currently Mizuho Bank, Ltd.)</p> <p>Resigned from Mizuho Bank, Ltd.</p> <p>Completed the Legal Training and Research Institute of the Supreme Court of Japan, and registered as an attorney (Dai-ichi Tokyo Bar Association)</p> <p>Joined O' Melveny &amp; Myers LLP, Associate</p> <p>Received Magister Juris (MJur) from University of Oxford</p> <p>Counsel of O' Melveny &amp; Myers LLP (Present)</p> <p>Received Master of Laws in Studies of Legal Frontiers from Waseda University, Graduate School of Law, LL.M. in Intellectual Property Law</p> <p>Outside Auditor of SEED Co., Ltd. (Present)</p> <p>Supervisory Director of Invesco Office J-REIT, Inc.</p> <p>Outside Director of Hokuetsu Corporation (Present)</p> <p>Audit &amp; Supervisory Board Member of the Company (Present)</p>	0 shares
<p>[Reasons for nomination as candidate for Outside Audit &amp; Supervisory Board Member]</p> <p>Ms. Hiroko Nihei has served as Outside Audit &amp; Supervisory Board Member of the Company since 2023, and her term of office will have been one year at the conclusion of this Ordinary General Meeting of Shareholders. The Company determined that Ms. Hiroko Nihei is an appropriate person as Outside Audit &amp; Supervisory Board Member, because the Company can expect her to be capable of providing pertinent advice and conducting audits on matters such as compliance based on her vast experience in legal matters such as international commerce, etc. and the legal expertise she has built up as an attorney in addition to the perspective of promotion of diversity.</p>				
2	<p>New election Outside Independent</p> <p>Minoru Takenaka (September 30, 1972)</p> <p>Male</p>	<p>October 2000</p> <p>June 2009</p> <p>March 2015</p> <p>December 2015</p> <p>December 2015</p>	<p>Joined Deloitte Touche Tohmatsu LLC</p> <p>Retired from Deloitte Touche Tohmatsu LLC</p> <p>Registered as a certified public accountant</p> <p>Registered as a certified public tax accountant</p> <p>Director of Minoru Takenaka Accounting Office (Present)</p>	0 shares
<p>[Reasons for nomination as candidate for Outside Audit &amp; Supervisory Board Member]</p> <p>The Company has determined that Mr. Minoru Takenaka is an appropriate person as Outside Audit &amp; Supervisory Board Member, because he has experience in corporate auditing at an auditing firm and sufficient knowledge of accounting as a certified public accountant and tax accountant, and can be expected to provide advice and conduct audits based on his professional knowledge and experience in order to strengthen the Company's auditing system.</p>				



No.	Name (Date of birth)	Career summary, positions, and significant concurrent positions		Number of shares of the Company held
3	New election Outside Independent  Takashi Yoneyama (February 16, 1975)  Male	October 2003  October 2003 May 2009  May 2010 January 2014	Registered as an attorney (Daini Tokyo Bar Association) Joined TMI Associates Graduated from University of Southern California Gould School of Law (LL.M.) Qualified as a New York State Attorney Partner of TMI Associates (Present)	0 shares
	[Reasons for nomination as candidate for Outside Audit & Supervisory Board Member] The Company determined that Mr. Takashi Yoneyama is an appropriate person as Outside Audit & Supervisory Board Member, because the Company can expect him to be capable of providing advice and conducting audits in areas such as compliance, intellectual property disputes, and risk management based on his vast experience in international legal matters and the legal expertise he has built up as an attorney.			

- (Notes)
- None of the above candidates for Audit & Supervisory Board Members have any special interest with the Company.
  - Ms. Hiroko Nihei, Mr. Minoru Takenaka and Mr. Takashi Yoneyama are candidates for Outside Audit & Supervisory Board Members and will be independent officers as specified by the Tokyo Stock Exchange if the candidates are elected in accordance with the original proposal.
  - The Company has concluded a “Contract for Limitation of Liability” with Ms. Hiroko Nihei for the purpose of limiting her liability, as provided for in Article 423, paragraph (1) of the Companies Act, in accordance with Article 43 of the Company’s Articles of Incorporation. The maximum amount of liability under said contracts is the amount provided for in the applicable laws and regulations. If she is reelected, the Company plans to renew the aforementioned contracts. If Mr. Minoru Takenaka and Mr. Takashi Yoneyama are elected, the Company plans to enter into the same “Contract for Limitation of Liability” with them.
  - The Company has entered into a directors and officers liability insurance policy with an insurance agency. This insurance policy covers damages arising from liability borne by the insured persons in the course of execution of their duties as an officer, etc. or claims pertaining to the pursuit of such liability. The insurance was executed on July 25, 2023, and we plan to renew it on the same terms and conditions at the next renewal after one year.

Fourth proposal: Election of 2 Substitute Audit & Supervisory Board Members

The resolution by the General Meeting of Shareholders on the election of substitute Audit & Supervisory Board Members, Mr. Hirofumi Gotoh and Mr. Shuichi Inoue, shall remain in effect until the start of this Ordinary General Meeting of Shareholders. Accordingly, in order to prepare for a case in which the number of Audit & Supervisory Board Members falls short of the number stipulated by laws and regulations, the election of 2 substitute Audit & Supervisory Board Members is proposed.

The Audit & Supervisory Board consented to the proposal of this resolution.

The candidates for substitute Audit & Supervisory Board Members are as follows:

No.	Name (Date of birth)	Career summary, positions, and significant concurrent positions		Number of shares of the Company held
1	Hirofumi Gotoh (January 9, 1955)  Male	April 1977	Joined Fuji Bank Limited (currently Mizuho Bank, Ltd.)	21,000 shares
		October 1995	General Manager of Shibakoen Branch, ditto	
		January 2005	Joined the Company	
		April 2005	Division Manager of Household Sewing Machinery Div.	
		June 2009	General Manager of Finance Dept.	
		July 2010	Corporate Officer and Director and General Manager of JUKI (CHINA) CO., LTD.	
		March 2014	Managing Officer and Chairman and General Manager of JUKI (CHINA) CO., LTD.	
		March 2016	Managing Officer "In charge of Global Cooperate Center (Corporate Planning Dept., Human Resources Dept., Business Renovation and Electronic Assembly Systems BPR)," "In charge of Secretariat," "In charge of Internal Auditing Dept." and "In charge of Internal Control and Compliance"	
		March 2017	Full-time Audit & Supervisory Board Member	
		March 2019	Managing Officer and Chairman and General Manager of Head Office of JUKI (CHINA) CO., LTD.	
		January 2022	Retired	
[Reasons for nomination as candidate for substitute Audit & Supervisory Board Member] Mr. Hirofumi Gotoh assumed office as Full-time Audit & Supervisory Board Member in 2017. The Company determined that Mr. Hirofumi Gotoh is an appropriate person because he can be expected to provide pertinent advice and audits on the Company's overall management based on his wealth of experience being in charge of departments such as Finance, Corporate Planning, Internal Auditing, and Internal Control, and Compliance.				
2	Shuichi Inoue (May 4, 1950)  Male	April 1974	Joined Tokio Marine & Fire Insurance Co., Ltd. (currently Tokio Marine & Nichido Fire Insurance Co., Ltd.)	0 shares
		June 2001	General Manager of Financial Planning Dept., Financial Division, ditto	
		October 2004	General Manager of Financial Planning Dept., ditto and Counselor of Tokio Marine Holdings, Inc.	
		June 2006	Executive Officer and General Manager of Financial Planning Dept., ditto	
		June 2007	Retired as Executive Officer, ditto	
		June 2007	Full-time Audit & Supervisory Board Member of Tokio Marine & Nichido Life Insurance Co., Ltd.	
		June 2013	Retired as Full-time Audit & Supervisory Board Member, ditto	
[Reasons for nomination as candidate for substitute Audit & Supervisory Board Member] Mr. Shuichi Inoue has extensive experience in corporate finance and accounting. The Company determined that Mr. Shuichi Inoue is an appropriate person because he can be expected to provide pertinent advice and audits on the Company's overall management based on his extensive experience and wide-ranging knowledge as a corporate auditor.				

(Notes) 1. None of the above candidates for substitute Audit & Supervisory Board Members have any special interest with the Company.

2. Mr. Hirofumi Gotoh is a substitute for Audit & Supervisory Board Member other than Outside Audit & Supervisory Board Member, and Mr. Shuichi Inoue is a substitute for Outside Audit & Supervisory Board Member.
3. Mr. Shuichi Inoue satisfies the requirements for an independent officer specified by the Tokyo Stock Exchange. Upon the approval of the election of Mr. Shuichi Inoue in this proposed resolution and his assuming office as Audit & Supervisory Board Member, the Company plans to submit notification to the aforementioned exchange concerning his appointment as an independent officer.
4. Upon the approval of the election of Mr. Shuichi Inoue in this proposed resolution and his assuming office as Outside Audit & Supervisory Board Member, the Company will conclude a “Contract for Limitation of Liability” with him for the purpose of limiting his liability, as provided for in Article 423, paragraph (1) of the Companies Act, in accordance with Article 43 of the Company’s Articles of Incorporation. The maximum amount of liability under said contract is the amount provided for in the applicable laws and regulations.
5. The Company has entered into a directors and officers liability insurance policy with an insurance agency in which the Audit & Supervisory Board Members are listed as the insured persons. If the substitute for Outside Audit & Supervisory Board Member should be appointed as Audit & Supervisory Board Member, this insurance policy covers damages arising from liability borne by the insured persons in the course of execution of their duties as an officer, etc. or claims pertaining to the pursuit of such liability.
6. The Company may cancel the election of substitute Audit & Supervisory Board Members before they assume office as Audit & Supervisory Board Members. The cancellation procedure requires a resolution by a majority of the Board of Directors and a consent of the Audit & Supervisory Board.

Business Report  
(January 1, 2023 to December 31, 2023)

1. Overview of the JUKI Group (the “Group”)

**(1) Business Progress and Results**

During the fiscal year ended December 31, 2023, in the business environment surrounding the Company, the acceleration of a technological revolution in the form of AI/IoT/5G/VR, etc., and business developments due to changes in the market and customer base looking ahead to the post-pandemic period have created the need to build a new business model/management base in response to the new-normal environment. In addition, in response to the “sustainable development goals (SDGs),” society as a whole is further accelerating efforts to realize a sustainable society from a long-term perspective.

Meanwhile, although supply chain fragmentation and logistical disruptions are easing, economic activities were constrained by factors such as high resource prices due to the prolonged conflict in Ukraine and continuing tensions between the US and China, soaring costs due mainly to global inflation, delayed recovery of the Chinese economy, curtailment of investment activities, and foreign currency shortages in emerging countries.

Under this business environment in the fiscal year ended December 31, 2023, the Company strove to expand sales, but capital investment in sewing factories and electronic component manufacturing contract factories was cautious, especially in China and Southeast Asian countries, the largest markets, with delays in the materialization of capital investment, and postponement of purchases due to foreign currency shortages in emerging countries in South Asia and other regions. As a result, net sales decreased to 94,750 million yen (down 19.3% year-on-year).

Additionally, the Company had strategically accumulated inventories to secure parts in response to the global disruption of parts supply and logistics starting in the second half of 2021 after COVID-19, but the subsequent slowdown in capital investment demand due to the delayed economic recovery in China and Southeast Asian countries caused delays in their inventory turnover. Therefore, from 2023, from the viewpoint of improving financial soundness, we have made thorough production adjustments and reductions. As a result, inventories decreased by 5,505 million yen compared to the previous fiscal year-end, although profits in production were negative due to lower capacity utilization rates at factories.

As mentioned above, in response to the severe business environment and the future changes in the new-normal global situation, we are promoting cost structural reforms, including reductions in logistics costs, personnel reductions at sales offices, thorough control of ordinary expenses, furloughs at Japanese and overseas factories, and reductions in production costs. We also have initiated factory reorganization in China, integration of sales companies in each region, and other measures to build a lean and highly efficient business structure for the future.

In terms of profits, a larger than expected decline in sales, thorough production adjustments, and an increase in various costs due to the yen depreciation, including overseas material costs and expenses, resulted in an operating loss of 2,699 million yen (versus an operating profit of 2,858 million yen in the same period of the previous fiscal year); and an ordinary loss of 3,684 million yen (versus an ordinary profit of 1,163 million yen in the same period of the previous fiscal year). In addition, extraordinary losses were recorded as a result of special severance payments due to cost structural reforms and impairment losses on non-current assets in anticipation of factory reorganization, etc., and deferred tax assets were partially reversed after reviewing the recoverability of deferred tax assets. This resulted in a loss attributable to owners of parent of 7,035 million yen (versus a loss attributable to owners of parent of 78 million yen in the same period of the previous year).

(Circumstances by Segment)

Business results by major segment are as follows:

1) Sewing Machinery and Systems Business Segment

Sales of industrial sewing machines decreased significantly due to delays in the materialization of capital investment in sewing factories, mainly in China and Southeast Asian countries, and postponement of purchases due to the impact of foreign currency shortages in emerging countries in South Asia and other regions, resulting in overall sales of 58,204 million yen (down 27.2% year-on-year) for the Sewing Machinery and Systems Business.

In terms of profits, we are reaping the benefits of our cost structural reforms, in addition to normalizing semiconductor costs and reducing logistics, sales, and production costs. However, a more significant decline in sales beyond initial expectations and lower capacity utilization rates at factories resulted in a segment loss (ordinary loss) of 3,300 million yen, compared with a profit of 119 million yen in the same period of the previous fiscal year.

2) Industrial Equipment and Systems Business Segment

ii) Industrial Equipment and Systems Business

Sales of electronics assembly & systems increased year-on-year in Europe and the U.S. due to firm capital investment demand, but growth was sluggish, especially in China, due to weak capital investment demand from electronic component manufacturing contract factories, resulting in year-on-year drop in overall sales. However, sales were firm in the Group Businesses such as contract manufacturing, mainly in Japan, partly due to a rise in demand for capital investment as customers moved to deal with supply chain fragmentation. As a result, net sales for the Industrial Equipment and Systems Business as a whole were 36,231 million yen (down 2.7% year-on-year).

In terms of profits, segment profit (ordinary profit) was 392 million yen (down 79.8% year-on-year), due mainly to lower sales in China in electronics assembly & systems, lower capacity utilization rates at factories, and higher overseas costs resulting from the yen depreciation.

**(2) Capital Investments**

Capital investment totaling 2,865 million yen was disbursed in FY 2023, including 566 million yen for machinery, equipment, and vehicles, 375 million yen for software, and 687 million yen for tools, furniture, and fixtures.

**(3) Financing**

Financing for FY 2023 was arranged using the Group's own funds and borrowings from financial institutions, etc.

**(4) Issues to Address**

(Acknowledgement of business environment)

As to the global economy in the fiscal year ending December 2024, although geopolitical risks remain, such as the prolonged conflict between Russia and Ukraine and the continuation of tensions between the United States and China, economic growth is expected in areas west of India and the region surrounding Europe and the United States.

In addition, technological innovations such as AI/IoT/5G/VR and business development due to the post-pandemic changes in market/customers are proceeding, requiring the construction of new business models/management bases in response to such a "New Normal" environment. In response to the "sustainable development goals (SDGs)," society as a whole is further accelerating efforts to realize a sustainable society from a long-term perspective.

In the business environment surrounding the Company, while there are concerns that capital investment will continue to be delayed in the first half due to the slow recovery of demand in China and Southeast Asia and the shortage of foreign currencies in emerging countries such as South Asia, demand for capital investment is expected to expand in growing economic areas such as areas west of India, Central and South America, Eastern Europe, and Africa, and we also believe that there will be an increase in movements that lead to new business opportunities by responding to the new normal environment and utilizing new technologies.

#### (Revision of Medium-term Management Plan)

In light of the review of 2023 and changes in the business environment, the Company revised the Medium-term Management Plan 2023-2025.

Under the new “Medium-term Management Plan 2024-2025,” based on the long-term vision of being “a global and innovative ‘manufacturing and value-creation’ company that survives the 21st century,” the Company upholds as the vision for 2025, “By delivering good impressions and peace of mind to customers, JUKI remains a company that customers select as a solution partner. And by practicing ESG management, we also aim to be a company that society needs and trusts.” We will steadily realize measures centered on Six Transformations (6X), with the management priorities of “maintaining and expanding our customer base by transforming the value-added structure,” “improving capital efficiency through cost structure transformation,” and “transforming human resources/culture through behavioral reforms.”

In addition, after reviewing the growth of the target markets and competitive situation and examining the growth potential of JUKI, we redefined our businesses into three categories: “base businesses required for corporate sustainability (core foundations for sustainability),” “businesses to grow significantly based on market growth and business development potential (foundations for expansion and growth),” and “businesses to proceed with new business development as next-generation pillars (foundations for new exploration),” and revised our investment plan and personnel plan through selection and concentration.

We will expand the growing “regions and business fields,” concentrate our investment in management resources, strengthen the development of differentiated products by introducing cutting-edge technologies, and continue to actively invest in SDGs and information systems to increase the certainty of our commitment to our stakeholders.

#### (Targets for the Medium-term Management Plan)

Based on the review of the first year of the Medium-term Management Plan and recognition of the current business environment, the Company revised targets for the Medium-term Management Plan.

In terms of specific targets, the Company will systematically improve earnings by strengthening the earnings base and reviewing fixed cost levels, and aim for net sales of 141.2 billion yen (82.7 billion yen for the Sewing Machinery and Systems Business and 58.5 billion yen for the Industrial Equipment and Systems Business) and ordinary profit of 5.8 billion yen (4.4 billion yen for the Sewing Machinery and Systems Business and 1.4 billion yen for the Industrial Equipment and Systems Business) in fiscal 2025. (Assumed dollar-yen exchange rate: 120 yen)

In the business portfolio, the Company aims to achieve continuous business sales growth centered on an expansion of business domains in the priority fields of each business. In terms of profits, the Company will strive to improve profitability by expanding high-value-added fields, such as IoT platform and storage businesses.

#### (ESG management)

As a company, we are committed to achieving sustainable societies and sustained growth by incorporating various solutions for sustainability issues in the Medium-term Management Plan and thoroughly implementing management that emphasizes ESG perspectives.

Specifically, through the Sustainability Committee, we will strive to achieve carbon neutrality and pursue initiatives in line with the TCFD recommendations.

We are committed to addressing these issues in a unified manner throughout the Group and striving to meet the expectations of shareholders. We look forward to your continued support and guidance.

## (5) Changes in Assets and Profit (Loss)

### 1) Group

(million yen, except for per share amounts)

Item	The 106th fiscal year ended December 31, 2020	The 107th fiscal year ended December 31, 2021	The 108th fiscal year ended December 31, 2022	The 109th fiscal year ended December 31, 2023
Net sales	70,401	101,292	117,454	94,750
Ordinary profit (loss)	(3,957)	3,439	1,163	(3,684)
Profit (loss) attributable to owners of parent	(4,688)	2,154	(78)	(7,035)
Basic earnings (loss) per share	¥(160.04)	¥73.55	¥(2.66)	¥(238.54)
Total assets	110,230	129,114	145,169	139,304
Net assets	31,368	35,672	37,482	32,370
Net assets per share	¥1,059.32	¥1,203.14	¥1,250.84	¥1,069.34

- (Notes) 1. Basic earnings (loss) per share is calculated using the average number of outstanding shares during the fiscal year (excluding treasury shares). Net assets per share is calculated using the number of outstanding shares as of the end of the fiscal year (excluding treasury shares).  
2. We have applied the “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan (ASBJ) Statement No. 29, March 31, 2020), etc. since the beginning of the 108th fiscal year.

### 2) Company

(million yen, except for per share amounts)

Item	The 106th fiscal year ended December 31, 2020	The 107th fiscal year ended December 31, 2021	The 108th fiscal year ended December 31, 2022	The 109th fiscal year ended December 31, 2023
Net sales	28,326	49,474	61,565	35,991
Ordinary profit (loss)	(2,914)	738	2,017	(3,734)
Profit (loss)	(2,806)	446	1,856	(5,393)
Basic earnings (loss) per share	¥(95.81)	¥15.24	¥63.24	¥(182.87)
Total assets	86,531	96,765	105,175	100,887
Net assets	28,135	28,009	29,181	23,451
Net assets per share	¥960.41	¥956.12	¥993.56	¥793.68

- (Notes) 1. Basic earnings (loss) per share is calculated using the average number of outstanding shares during the fiscal year (excluding treasury shares). Net assets per share is calculated using the number of outstanding shares as of the end of the fiscal year (excluding treasury shares).  
2. We have applied the “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan (ASBJ) Statement No. 29, March 31, 2020), etc. since the beginning of the 108th fiscal year.

(6) Principal Subsidiaries

1) Principal Subsidiaries

Company name	Capital	The Company's percentage of voting rights		Main business
		Direct	Indirect	
JUKI AUTOMATION SYSTEMS CORPORATION	(million yen) 2,618	91.8%	–	Sales of mounters, inspection equipment, and others
JUKI TECHNOSOLUTIONS CORPORATION	100	80%	–	Sales of sewing machinery
JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION	90	100%	–	Manufacture and sales of mounters, inspection equipment, and others
JUKI SALES (JAPAN) CORPORATION	86	100%	–	Sales of sewing machinery in Japan
JUKI SINGAPORE PTE. LTD.	U.S.\$29,435 thousand	100%	–	Sales of sewing machinery in Asian regions
JUKI (CHINA) CO., LTD.	RMB358,365 thousand	100%	–	Administration of subsidiaries in China and sales of sewing machinery
JUKI (SHANGHAI) INDUSTRIAL CO., LTD.	RMB239,025 thousand	22.7%	77.3%	Manufacture and sales of industrial sewing machines
JUKI AMERICA, INC.	U.S.\$26,346 thousand	100%	–	Sales of sewing machinery in the Americas
TOKYO JUKI INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	RMB5,001 thousand	100%	–	Sales of mounters, inspection equipment, and others in China
JUKI CENTRAL EUROPE SP. ZO.O.	PLN50 thousand	100%	–	Sales of sewing machinery in European regions
JUKI (VIETNAM) CO., LTD.	U.S.\$5,000 thousand	100%	–	Manufacture and sales of industrial sewing machines, precision casting parts and others
JUKI (LANGFANG) INDUSTRIAL CO., LTD.	RMB160,000 thousand	–	100%	Manufacture and sales of industrial sewing machines

2) Status of Specified Wholly Owned Subsidiaries

No items to report.



(7) Principal Businesses

Segment	Summary of business
Sewing Machinery and Systems Business Unit	Manufacture and sales of industrial sewing machines and household sewing machines
Industrial Equipment and Systems Business Unit	Manufacture and sales of electronics assembly & systems (mounters, inspection equipment and others), sales of parts, maintenance services and commissioned processing business

(8) Principal Offices and Plants

Company name	Office or plant	Location
JUKI CORPORATION	Head Office	Tokyo
	Ohtawara Plant	Tochigi
JUKI AUTOMATION SYSTEMS CORPORATION	Head Office	Tokyo
JUKI TECHNOSOLUTIONS CORPORATION	Head Office	Tokyo
JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION	Head Office and Plant	Akita
JUKI SALES (JAPAN) CORPORATION	Head Office	Tokyo
JUKI SINGAPORE PTE. LTD.	Head Office	Singapore
JUKI (CHINA) CO., LTD.	Head Office	Shanghai, China
JUKI (SHANGHAI) INDUSTRIAL CO., LTD.	Head Office and Plant	Shanghai, China
JUKI AMERICA, INC.	Head Office	Florida, U.S.A.
TOKYO JUKI INTERNATIONAL TRADING (SHANGHAI) CO., LTD.	Head Office	Shanghai, China
JUKI CENTRAL EUROPE SP. ZO.O.	Head Office	Warsaw, Poland
JUKI (VIETNAM) CO., LTD.	Head Office and Plant	Ho Chi Minh, Vietnam
JUKI (LANGFANG) INDUSTRIAL CO., LTD.	Head Office and Plant	Hebei Province, China

(9) Employees

1) Group

(As of December 31, 2023)

Segment	Number of employees	Change from previous fiscal year-end
Sewing Machinery and Systems Business Unit	2,612	(464)
Industrial Equipment and Systems Business Unit	1,773	(46)
Other business	105	1
Corporate headquarters (common)	223	(8)
Total	4,713	(517)

(Note) The above figures include contract employees and part-timers and exclude dispatched employees.

2) Company

Number of employees	Change from previous fiscal year-end	Average age	Average years of service
815	19 persons decreased	44.5 years old	17.7 years

(Note) The above figures include contract employees and part-timers and exclude dispatched employees.

(10) Major Creditors and Balance of Borrowings

(As of December 31, 2023)

Creditor	Balance of borrowings (million yen)
Mizuho Bank, Ltd.	25,873
Sumitomo Mitsui Trust Bank, Limited	11,127
Development Bank of Japan Inc.	6,321
The Hiroshima Bank, Ltd.	6,233
Mizuho Trust & Banking Co., Ltd.	6,020
The Shoko Chukin Bank, Ltd.	4,209

2. Status of Shares (As of December 31, 2023)

- (1) Total Number of Authorized Shares 80,000,000 shares
- (2) Total Number of Issued Shares 29,874,179 shares  
(including 325,926 treasury shares)
- (3) Number of Shareholders 18,351 persons
- (4) Major Shareholders (Top 10)

Shareholder name	Number of shares	Shareholding ratio
	thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,815	9.53
PEGASUS CO., LTD.	1,045	3.54
Mizuho Bank, Ltd.	938	3.17
Nippon Life Insurance Company	732	2.48
Asahi Mutual Life Insurance Company	569	1.93
The Dai-ichi Life Insurance Company, Limited	511	1.73
Custody Bank of Japan, Ltd. (Trust Account)	470	1.59
Meiji Yasuda Life Insurance Company	460	1.56
Mizuho Trust & Banking Co., Ltd.	401	1.36
JUKI Client Shareholding Association	351	1.19

(Note) The shareholding ratio is calculated by means of deducting treasury shares (325,926 shares) from the number of the issued shares.

- (5) The status of shares delivered to officers as a consideration for the execution of duties during the relevant fiscal year

Details of stock-based remuneration delivered during the current fiscal year are as follows.

	Number of shares	Number of persons subject to delivery
Directors (excluding Outside Directors)	44,532 shares	2 persons
Executive Officers and managers	105,911 shares	21 persons

(Note) In addition to the above, 27,094 shares were delivered to seven Directors, Executive Officers, and managers of JUKI AUTOMATION SYSTEMS CORPORATION and JUKI TECHNOSOLUTIONS CORPORATION, subsidiaries of the Company, as a consideration for the execution of their duties.

### 3. Company Officers

#### (1) Directors and Audit & Supervisory Board Members

(As of December 31, 2023)

Position	Name	Areas of responsibility within the Company	Significant concurrent positions
Representative Director Chairman, CEO and COO	Akira Kiyohara		Representative Director Chairman & CEO of JUKI AUTOMATION SYSTEMS CORPORATION and Representative Director Chairperson & CEO of JUKI TECHNOSOLUTIONS CORPORATION
Director and President	Shinsuke Uchinashi	In charge of Finance Dept.	Outside Director of AIMECHATEC, Ltd.
Director	Kazumi Nagasaki		
Director	Yutaka Hori		Attorney Executive and Vice President, National University Corporation Chiba University (Present) Outside Director of FIDEA Holdings Co. Ltd.
Director	Junko Watanabe		Audit & Supervisory Board Member (Outside) of KYB Corporation
Audit & Supervisory Board Member (Full-time)	Masahiko Suzuki		Audit & Supervisory Board Member of JUKI AUTOMATION SYSTEMS CORPORATION and Audit & Supervisory Board Member of JUKI TECHNOSOLUTIONS CORPORATION
Audit & Supervisory Board Member	Masato Tanaka		Attorney Appeal Examination Counselor of the Japan Patent Office
Audit & Supervisory Board Member	Hiroko Nihei		Attorney Outside Auditor of SEED Co., Ltd. Outside Director of Hokuetsu Corporation

- (Notes) 1. Director Ms. Junko Watanabe and Audit & Supervisory Board Member Ms. Hiroko Nihei were newly elected and assumed their positions at the 108th Ordinary General Meeting of Shareholders held on March 28, 2023.
2. Audit & Supervisory Board Member Ms. Junko Watanabe resigned at the conclusion of the 108th Ordinary General Meeting of Shareholders held on March 28, 2023.
3. Directors Mr. Kazumi Nagasaki, Mr. Yutaka Hori, and Ms. Junko Watanabe are Outside Directors as defined in Article 2, item (xv) of the Companies Act and independent officers as specified by the Tokyo Stock Exchange.
4. Audit & Supervisory Board Members Mr. Masato Tanaka and Ms. Hiroko Nihei are Outside Audit & Supervisory Board Members as defined in Article 2, item (xvi) of the Companies Act and independent officers as specified by the Tokyo Stock Exchange.
5. Audit & Supervisory Board Member Mr. Masahiko Suzuki has many years of financial- and accounting-related experience, etc. and has sufficient financial and accounting knowledge.

(2) Summary of contract for limitation of liability

The Company has concluded contracts for limitation of liability with Outside Directors Mr. Kazumi Nagasaki, Mr. Yutaka Hori, and Ms. Junko Watanabe, and Outside Audit & Supervisory Board Members Mr. Masato Tanaka and Ms. Hiroko Nihei, to limit their liability as stipulated in Article 423, paragraph (1) of the Companies Act up to the total sum stipulated in Article 425, paragraph (1) of the Companies Act.

(3) Summary of contract for a directors and officers liability insurance policy

The Company concluded a directors and officers liability insurance policy stipulated in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The scope of the insureds under the insurance agreement covers the Company's officers (Directors, Audit & Supervisory Board Members, Managing Officers, and Corporate Officers), and all of the insurance premiums are borne by the Company.

The insurance agreement will cover legal damages and costs incurred by the insureds for a claim for damages attributable to the execution of their duties.

However, by excluding the damage, etc., arising from any criminal acts and illegal acts that the insureds benefited personally or received favorable treatment, the Company has put in place measures to maintain the appropriateness of the execution of duties by the insured.

(4) Amount of Remuneration, etc. to Directors and Audit & Supervisory Board Members

1) Matters related to the policy for determining the details of individual remuneration for Directors

At a meeting of the Board of Directors held on February 9, 2023, the Company resolved the policy for determining details of remuneration, etc. for individual Directors. Details of the determination policy are as follows.

(Basic policy)

The remuneration, etc., for Directors of the Company, is provided under a remuneration system whereby incentives function to enhance the company's sustainable growth and corporate value.

Directors' remuneration, etc. consists of "monthly remuneration (fixed remuneration)" and "performance-linked remuneration (bonus)," as well as "restricted stock-based remuneration."

Directors' monthly remuneration is determined based on the evaluation of the Director's responsibilities every fiscal year. Performance-linked remuneration (bonus) is determined based on the evaluation of individual performance and achievement and paid at a determined point in time every fiscal year by taking into account comprehensive factors, including the status of achieving company business performance and dividends and calculating the total payment amount using consolidated ordinary profit as a key indicator, which reflects the level of earning power of the Company Group. In addition, in connection with restricted stock-based remuneration, with the aim of further promoting the sharing of value with shareholders, the Company will determine the allocation of shares in quantities according to job responsibilities each fiscal year after evaluating job responsibilities. In the fiscal year under review, a consolidated ordinary loss of 3.684 billion yen was recorded, and performance-linked remuneration (bonus) was not paid.

Remuneration, etc., for Outside Directors consists of only monthly remuneration from the viewpoint of their role of overseeing and supervising management and their independence.

The overview of restricted stock-based remuneration is as follows:

- Maximum amount of restricted stock-based remuneration: 50 million yen in total (per year)
- Maximum number of restricted stocks granted: 100,000 (per year)
- Transfer restriction period: Until the day of resignation

(Determination process)

As for the process of determining Directors' remuneration, etc., to reinforce the independence and objectivity of the function related to the determination of remuneration for Directors, the Designation and reward Advisory Committee, which is comprised of four Directors, including three Independent Outside Directors, deliberates a remuneration plan proposed by the Representative Director, Chairman and CEO, and reports to the Board of Directors. The Board of Directors deliberates the appropriateness of the details of the report submitted by the committee.

In addition, with regard to remuneration, etc. for individual Directors for the current fiscal year, the Board of Directors has confirmed that the method for determining the contents of remuneration, etc. and the contents of remuneration, etc. determined are consistent with the determination policy resolved by the Board of Directors based on the report by the said committee and judged that these are in line with the relevant determination policy.

The remuneration, etc. of Audit & Supervisory Board Members consists of only monthly remuneration by taking into account their roles.

2) Matters related to the resolution of the Board of Directors concerning remuneration, etc.

The 92nd Ordinary General Meeting of Shareholders held on June 28, 2007, resolved that the maximum amount of the remuneration, etc. for the Directors (excluding employee salary for employees concurrently assuming a position as a Director) and Audit & Supervisory Board Members of the Company would be 480 million yen and 80 million yen per year, respectively.

As of the conclusion of the General Meeting of Shareholders, the number of Directors was nine, and the number of Audit & Supervisory Board Members was four.

In addition, it was resolved at the 107th Ordinary General Meeting of Shareholders held on March 28, 2022 that, within the scope of remuneration, etc. above, the annual amount of restricted stock-based remuneration shall be 50 million yen or less, and the maximum number of shares shall be 100,000 with respect to Directors other than Outside Directors. The number of Directors excluding Outside Directors as of the conclusion of the General Meeting of Shareholders was three.

3) Total Amount of Remuneration, etc.

Classification	Total Amount of Remuneration (million yen)	Total amount of remuneration, etc. by type (million yen)			The number of target officers
		Monthly remuneration (fixed remuneration)	Performance-linked remuneration (bonus)	Stock-based remuneration	
Director (Outside Director)	124 (23)	98 (23)	– (–)	26 (–)	6 (3)
Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member)	30 (14)	30 (14)	– (–)	– (–)	4 (3)
Total amount (Outside Officer)	155 (37)	129 (37)	– (–)	26 (–)	10 (6)

- (Notes) 1. The above number of payees and amount of remuneration, etc. include one Director and one Audit & Supervisory Board Member who retired during the fiscal year under review.  
2. The above stock-based remuneration represents the amount recorded in the current fiscal year as expenses for restricted stock-based remuneration.

(5) Outside Officers

1) Significant concurrent positions

Significant concurrent positions held by outside officers are as described on page 28. There are no specific relationships between the Company and such outside officers/the organizations where their concurrent positions are held.

2) Main activities

Title	Name	The status of main activities and the outline of duties conducted in relation to expected roles by Outside Directors
Director	Kazumi Nagasaki	Participated in all 12 Board of Directors' meetings held in FY 2023, and actively provided objective and appropriate advice on and proposals for the management of the Company and its Group companies by sharing his specific stories based on his actual experiences given his abundant experience and knowledge as a corporate manager in the manufacturing industry, his deep insight into company management, and his supervising capability.
	Yutaka Hori	Participated in all 12 Board of Directors' meetings held in FY 2023. Actively provided objective and appropriate advice on and proposals for the management of the Company and its Group companies by drawing on his legal expertise as a lawyer accumulated over many years and his experience as a director of other companies in the business world.
	Junko Watanabe	Participated in all 12 Board of Directors' meetings held in FY 2023 (including 2 times as Audit & Supervisory Board Member), and actively provided objective and appropriate advice on and proposals for the management of the Company and its Group companies based on her abundant experience and knowledge as a corporate manager regarding diversity

		management and business management, her deep insight into company management, and her supervising capability.
Audit & Supervisory Board Member	Masato Tanaka	Participated in all 12 Board of Directors' meetings and in all 13 Audit & Supervisory Board meetings held in FY 2022; provided expert opinions, mainly as an attorney, as necessary.
	Hiroko Nihei	Participated in all 10 Board of Directors' meetings and in all 10 Audit & Supervisory Board meetings held after she assumed office as Outside Audit & Supervisory Board Member; provided expert opinions, mainly as an attorney, as necessary.

(Reference) Managing Officers and Corporate Officers

(As of December 31, 2023)

Position	Name	Responsibilities and significant concurrent positions
Executive Vice President	Hirokazu Nagashima	Executive Unit Officer of Industrial Equipment and Systems Business Unit, President of Electronics Assembly & Systems Company, and Representative Director President & COO of JUKI AUTOMATION SYSTEMS CORPORATION
Senior Managing Officer	Katsumi Nihei	"In charge of Business Operation Center (deputy) (Sewing Machinery and Systems Business Unit)," and Chairman of JUKI INDIA PVT. LTD.
Managing Officer	Minoru Nitta	Executive Unit Officer of Sewing Machinery and Systems Business Unit and Representative Director, President and COO of JUKI TECHNOSOLUTIONS CORPORATION
Managing Officer	Yutaka Abe	"In charge of Business Operation Center (deputy) (Sewing Machinery and Systems Business Unit)," Executive Director and President (Sales) of JUKI (CHINA) CO., LTD.
Managing Officer	Jirou Ishibashi	Executive Unit Officer of IoT Platform Equipment & Systems Business Unit
Managing Officer	Kiyoshi Matsumoto	"In charge of Global Cooperate Center"
Managing Officer	Hiroshi Anzai	"In charge of Development Center"
Managing Officer	Keiichi Hashimoto	"In charge of Production Center"
Corporate Officer	Tsuyoshi Inoue	General Manager of Innovation and Technology Development Dept.
Corporate Officer	Tomohiro Takeda	CDO and General Manager of Information System Dept.
Corporate Officer ("In charge of Group Companies")	Kunio Nukui	Executive Director of Head Office of JUKI (CHINA) CO., LTD.
Corporate Officer	Kenji Nakao	"In charge of Production Center (deputy)" and General Manager of Ohtawara Plant
Corporate Officer	Keiichi Uekusa	Deputy Executive Unit Officer of IoT Platform Equipment & Systems Business Unit and Company President of Customer Business Company
Corporate Officer	Akira Tsukano	General Manager of Human Resources Dept. and Representative Director and President of JUKI PROSERVE CORPORATION
Corporate Officer ("In charge of Group Companies")	Masanori Suzuki	President of SUZUTAMI PRECISION INDUSTRY CO., LTD.
Corporate Officer	Yasuyuki Suzuki	General Manager of Sewing Machinery Development Dept.
Corporate Officer ("In charge of Group Companies")	Toshiyuki Yamanaka	Managing Director of JUKI SINGAPORE PTE. LTD.
Corporate Officer	Daizo Minami	General Manager of Finance & Accounting Dept.



Position	Name	Responsibilities and significant concurrent positions
Corporate Officer ("In charge of Group Companies")	Hideya Sudo	Representative Director President of JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION
Corporate Officer ("In charge of Group Companies")	Masanori Awasaki	President of JUKI AMERICA, INC.
Corporate Officer	Michinari Sougawa	General Manager of Corporate Communication Dept.

#### 4. Accounting Auditor

(1) Accounting Auditor's Name

Deloitte Touche Tohmatsu LLC

(2) Accounting Auditor's Remuneration, etc.

1) Remuneration to Accounting Auditor as provided in Article 2, paragraph (1) of the Certified Public Accountants Act of Japan	76 million yen
2) Total amount of cash and other property benefits payable by the Company and its subsidiaries to Accounting Auditor	80 million yen

- (Notes) 1. The audit contract between the Company and Accounting Auditor does not clearly distinguish between remuneration, etc. paid for the audit conducted in accordance with the Companies Act and remuneration, etc. paid for the audit conducted in accordance with Financial Instruments and Exchange Act. It is practically impossible to make such a distinction. Accordingly, the amount specified in 1) above is the aggregate amount of remuneration, etc. for these two types of audits.
2. The Audit & Supervisory Board has checked and reviewed the audit plan, the status of the execution of duties of the Accounting Auditor and the grounds for calculation of remuneration estimates. As a result of this review, the Audit & Supervisory Board consents to the remuneration for the Accounting Auditor in accordance with Article 399, paragraph (1) of the Companies Act.
3. Among the principal subsidiaries, JUKI SINGAPORE PTE. LTD., JUKI (CHINA) CO., LTD., JUKI (SHANGHAI) INDUSTRIAL CO., LTD., TOKYO JUKI INTERNATIONAL TRADING (SHANGHAI) CO., LTD., JUKI CENTRAL EUROPE SP. ZO.O., JUKI (VIETNAM) CO., LTD., and JUKI (LANGFANG) INDUSTRIAL CO., LTD. are audited by audit corporations other than the Company's Accounting Auditor.

(3) Policy Regarding Determination of Termination or Nonrenewal of Appointment of Accounting Auditors

If any of the reasons provided in the Article 340, paragraph (1) of the Companies Act applies to the Accounting Auditor, the Audit & Supervisory Board shall terminate the appointment of the Accounting Auditor with the full consensus of the Audit & Supervisory Board Members. In such cases, an Audit & Supervisory Board Member appointed by the Audit & Supervisory Board shall report on the termination and the reason for it at the first General Meeting of the Shareholders of the Company to be convened following the termination.

Moreover, the Audit & Supervisory Board shall determine the content of proposals for submission to the General Meeting of Shareholders of the Company relating to the termination or nonrenewal of Accounting Auditors if it judges that it is difficult for the Accounting Auditor to carry out its duties appropriately.

5. Systems to ensure that business is conducted properly

Details of the systems for ensuring appropriate business operations resolved on March 28, 2023, and confirmed on February 9, 2024, by the Board of Directors of the Company are as follows.

- (1) System to ensure that Directors execute their duties in compliance with relevant laws and regulations and the Articles of Incorporation of the Company
  - 1) The Company shall establish the “JUKI Code of Conduct”, which shall provide the principles of the JUKI corporate philosophy as a legal entity, in order to make clear its positive attitude towards legal compliance.
  - 2) The Company shall establish the “JUKI Group Employees’ Code of Conduct”, a set of specific guidelines for the execution of duties, in order to make officers and employees proactively acknowledge the importance of compliance with laws and regulations.
  - 3) The system for compliance and compliance management of the whole business Group consisting of the Company and its subsidiaries (hereinafter “Group companies”) shall be provided in the “Compliance Rules”.
  - 4) The Company shall take a resolute attitude toward any antisocial individuals and organizations that adversely influence social order and sound corporate activities.
- (2) System to store and control information related to Directors’ execution of duties
  - 1) The Company shall establish the “Rules for Retaining Important Documents” and shall retain and control information related to the execution of duties by Directors in accordance with the said Rules.
- (3) Rules and other systems for managing risk of loss of the Company and Group companies
  - 1) The Company shall establish the “Risk Management Rules” to manage risks of the Company and all Group companies.
  - 2) The Company shall establish the “Risk Management Committee” to examine significant risks the Company faces and prepare preventive measures against such risks, and shall manage each division’s and each department’s preventive measures activities against risks.
  - 3) The “Crisis Control Headquarters” or the “Crisis-Management Task Force” shall take prompt actions against any materialized risks depending on the scale of the risks.
- (4) System to ensure that Directors, etc. of the Company and Group companies execute their duties efficiently
  - 1) The Company is striving to facilitate the prompt execution of duties by Directors by adopting a Managing Officer and Corporate Officer system (Corporate officers are Managing Officers who are not Directors) under which the Managing Officers and Corporate Officers may be given some of the authority required for executing Directors’ duties.
  - 2) Employees may be given some of the authority required for executing Directors’ duties in accordance with the “Board of Directors Rules” and “Authorization Rules”, for the purpose of efficient decision making.
  - 3) Important decision-making matters shall be discussed at the “Management Strategy Committee” and shall be decided by the Representative Director, Chairman, and COO after such discussion.
  - 4) The Sustainability Promotion Committee deliberates and decides on the formulation of company-wide policies and targets for sustainability, establishes and maintains systems for implementing them, and monitors various measures.
  - 5) Rules for executing Directors’ duties shall be provided in the “Organization Rules”, and Directors shall make efforts to efficiently execute their duties in accordance with the said Rules.

- (5) System to ensure that employees of the Company, and Directors, etc. and employees of Group companies execute their duties in compliance with relevant laws and regulations and the Articles of Incorporation of the Company
  - 1) The Company shall establish the “JUKI Code of Conduct”, which shall provide the principles of the JUKI corporate philosophy as a legal entity, in order to make clear its positive attitude towards legal compliance.
  - 2) The Company shall establish the “JUKI Group Employees’ Code of Conduct”, a set of specific guidelines for the execution of duties, in order to make employees proactively acknowledge the importance of compliance with laws and regulations.
  - 3) The department in charge of handling legal affairs shall conduct activities to spread compliance education and compliance management for enhanced legal compliance.
  - 4) The position of Corporate Officer in charge of Internal Control & Compliance shall be established, and this Officer shall be responsible for legal compliance and shall bear the duties of supervision of relevant organizations and their activities.
  - 5) The system for compliance and compliance management of the Company and all Group companies shall be provided in the “Compliance Rules”.
  - 6) The Company shall establish a “Compliance Helpline” available for direct access by employees, for the purpose of making such Helpline available to respond to questions related to compliance raised by employees.
- (6) System to report to the Company of matters related to the execution of duties of Directors, etc. of Group companies
  - 1) The Group companies shall report the management policies and management plans to the Company at the “Group Management Conference” and check and adjust them.
  - 2) The Group companies shall report to the Company regularly and as required, in accordance with the “Group companies management rules”.
  - 3) The Directors, etc. of the Group companies shall promptly report to the Corporate Officer in charge of Internal Control & Compliance of the Company on any event likely to cause significant damage to their group companies, any sign of fraudulence in the Directors’ execution of duties, any serious event in violation of laws and regulations or the Articles of Incorporation, and other events equivalent thereto.
- (7) Other systems to ensure the propriety of the business operations of the business group consisting of the Company and Group companies
  - 1) The Company shall determine the management control system according to functional organization in its “Organization Rules” and “Group companies management rules”.
  - 2) Decision making on the allocation of management resources in Group companies shall be provided in the “Authorization Rules”.
  - 3) The Internal Auditing Department of the Company shall conduct internal audits, as needed, on Group companies.
- (8) Employees to be assigned at the request of Audit & Supervisory Board Members for their assistance
  - 1) The “Audit & Supervisory Board Members Section” directly reporting to the Audit & Supervisory Board Members shall be established as an organization to assist the Audit & Supervisory Board Members.

- (9) Independence from Directors of such employees as specified in the preceding item (8) and matters related to ensuring the effectiveness of instructions of Audit & Supervisory Board Members of the Company to such employees
- 1) The Audit & Supervisory Board Members may express opinions on the personnel transfer and performance evaluation of the employees belonging to the “Audit & Supervisory Board Members Section”.
  - 2) Employees belonging to the “Audit & Supervisory Board Members Section” shall follow the directions and instructions of the Audit & Supervisory Board Members and collect information necessary for the Audit & Supervisory Board Members’ audit promptly.
- (10) System for Directors, etc. and employees of the Company and Group companies to report to Audit & Supervisory Board Members of the Company
- 1) Full-time Audit & Supervisory Board Members shall attend the Board of Directors’ meetings, Management Strategy Committee, Group Management Conference, Risk Management Committee, and other important meetings, and collect necessary information by themselves.
  - 2) Directors, etc. and employees of the Company and Group companies shall promptly report to the Audit & Supervisory Board Members on any event likely to cause significant damage to the Company or Group companies, any sign of fraudulence in the Directors’ execution of duties, any serious event in violation of laws and regulations or the Articles of Incorporation, and other events equivalent thereto.
  - 3) Audit & Supervisory Board Members shall request the relevant departments of the Company and Directors, etc. and employees of Group companies to directly report to them on any information the Audit & Supervisory Board Members deem to be necessary.
- (11) System to ensure that the reporting person of the preceding item (10) does not receive unfavorable treatment for making such report
- 1) The Company shall state in the “Compliance Rules” that a person who has made a report to an Audit & Supervisory Board Member shall not receive unfavorable treatment for making such a report, and it shall give the widest possible publicity of this rule to Directors, etc. and employees of the Company and Group companies.
- (12) Procedures for prepayment or reimbursement of costs arising from the execution of duties of the Audit & Supervisory Board Members and policy related to the handling of costs and liabilities arising from the execution of other duties
- 1) The Company shall ensure the availability of funds to meet costs, etc. arising from the execution of duties of Audit & Supervisory Board Members by including a planned budget for Audit & Supervisory Board Members in annual budgeting.
  - 2) The Company shall respond appropriately in the event of the expectation of the occurrence of costs judged by the Audit & Supervisory Board Member as necessary to ensure the effectiveness of audits, regardless of whether it was included in the budgeting of the previous sub-item.
- (13) Other systems to ensure that the Audit & Supervisory Board Members conduct audits effectively
- 1) In addition to expressing their opinions at the Board of Directors’ meetings, the Audit & Supervisory Board Members shall exchange opinions with Representative Directors as needed in order to enhance the effectiveness of the Audit & Supervisory Board Members’ audits.
  - 2) Audit & Supervisory Board Members shall conduct the Audit & Supervisory Board Members’ audit in cooperation with the Group Internal Auditing Department, as needed.
  - 3) Audit & Supervisory Board Members shall conduct the Audit & Supervisory Board Members’ audit in cooperation with corporate attorneys and certified public accountants, as needed.

(14) System to ensure the reliability of financial reporting

- 1) The Company shall develop and manage systems for effective internal control over financial reporting in order to ensure reliable financial reporting.

## 6. Overview of operation status of system to ensure that business is conducted properly

An overview of the operation status of the system to ensure that business is conducted properly in FY 2022 is as follows.

### (1) Compliance system

- In accordance with the “Compliance Rules”, the Company and its Group companies have been rigorously applying the system to ensure compliance.
- The “JUKI Group Employees’ Code of Conduct” has been enacted, the contents of which have been made simple and universal so that the Group employees can easily understand, and which has been distributed to ensure that each Group employee has a thorough understanding of compliance.
- The Company has made a “Declaration with Regard to Antisocial Forces”, which is reflected in clauses of contracts.

### (2) Risk management system

- In accordance with the “Risk Management Rules”, the Company held the Risk Management Committee meetings once every quarter in principle to identify, evaluate and take measures to risks including those at Group companies.
- The Company improved the system by establishing the “Crisis Control Headquarters” and the “Crisis-Management Task Force” to address risks depending on the regions, scale, and content of the emerged risks, and carry out deliberation and reports to the Board of Directors.

### (3) System for Directors to execute their duties

- Under the “Board of Directors Rules”, “Director and Managing Officer Rules”, “Corporate Officer Rules”, “Authorization Rules”, and “Organization Rules”, the Company strives to ensure that duties are executed promptly and efficiently by Directors.
- The Management Strategy Committee is held twice a month in principle, and decisions on important matters are made promptly.
- The “Sustainability Promotion Committee” is held four times a year, in principle, and it deliberates and decides on sustainability-related policies, plans, and measures, confirms progress, and reports and makes proposals to the Board of Directors, etc.

### (4) System for management of Group companies

- The Company has determined the reporting system, and the management control system by functional organization in its “Organization Rules” and “Group Companies Management Rules”. The Group Management Conference was held three times in the current fiscal year to report on management policies and management plans of Group companies, and to check and adjust their implementation.

### (5) Internal audits

- Internal audits of the Company and its Group companies were conducted in accordance with an internal audit plan.
- Self-assessments centered on key matters and individual topics were carried out, targeting Group companies and sites, and guidance for improvement was given based on the outcomes of these self-assessments.

### (6) System relating to activities of the Audit & Supervisory Board Members

- The “Audit & Supervisory Board Members Section” has been established as an organization to assist the Audit & Supervisory Board Members, and has been collecting necessary information.
- The Audit & Supervisory Board Members have been exchanging opinions with the Representative Director once every three months.
- The Audit & Supervisory Board Members have been regularly exchanging information with certified public accountants regarding accounting audits, to ensure the effectiveness of the audits.

Consolidated Financial Statements  
(January 1, 2023 - December 31, 2023)

Consolidated Balance Sheet  
(As of December 31, 2023)

(million yen)

Description	FY 2023 (As of December 31, 2023)	Description	FY 2023 (As of December 31, 2023)
(Assets)		(Liabilities)	
Current assets	102,779	Current liabilities	80,854
Cash and deposits	7,199	Notes and accounts payable - trade	6,075
Notes and accounts receivable - trade, and contract assets	36,169	Electronically recorded obligations - operating	2,735
Merchandise and finished goods	40,456	Short-term borrowings	63,321
Work in process	4,085	Lease liabilities	105
Raw materials and supplies	12,382	Accounts payable - other	1,463
Other	2,984	Accrued expenses	3,545
Allowance for doubtful accounts	(498)	Income taxes payable	481
Non-current assets	36,524	Contract liabilities	791
Property, plant and equipment	22,505	Provision for bonuses	8
Buildings and structures, net	10,136	Notes payable - facilities	77
Machinery, equipment, and vehicles, net	3,354	Forward exchange contracts	598
Tools, furniture, and fixtures, net	1,237	Other	1,651
Land	6,317	Non-current liabilities	26,079
Leased assets, net	498	Long-term borrowings	19,123
Construction in progress	85	Lease liabilities	406
Other	875	Provision for retirement benefits for directors (and other officers)	47
Intangible assets	3,107	Retirement benefit liability	5,034
Software	991	Other	1,466
Software in progress	1,160	<b>Total liabilities</b>	<b>106,933</b>
Other	955	(Net assets)	
Investments and other assets	10,911	Shareholders' equity	27,791
Investment securities	6,340	Share capital	18,044
Long-term loans receivable	46	Capital surplus	1,894
Long-term prepaid expenses	49	Retained earnings	8,193
Deferred tax assets	1,694	Treasury shares	(341)
Retirement benefit asset	1,535	Accumulated other comprehensive income	3,805
Other	1,743	Valuation difference on available-for-sale securities	627
Allowance for doubtful accounts	(499)	Foreign currency translation adjustment	3,066
		Remeasurements of defined benefit plans	112
		Non-controlling interests	773
		<b>Total net assets</b>	<b>32,370</b>
<b>Total assets</b>	<b>139,304</b>	<b>Total liabilities and net assets</b>	<b>139,304</b>

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



Consolidated Statement of Income  
(January 1, 2023 – December 31, 2023)

(million yen)

Description	FY 2023 (Fiscal year ended December 31, 2023)	
Net sales		94,750
Cost of sales		70,990
Gross profit		23,760
Selling, general, and administrative expenses		26,459
Operating loss		2,699
Non-operating income		
Interest income	63	
Dividend income	133	
Commission income	134	
Reversal of allowance for loan losses	5	
Shares of profit of entities accounted for using equity method	191	
Subsidy income	125	
Income from recycling	143	
Other	261	1,059
Non-operating expenses		
Interest expenses	1,481	
Foreign exchange losses	443	
Other	119	2,044
Ordinary loss		3,684
Extraordinary income		
Gain on sales of non-current assets	16	
Gain on sale of investment securities	73	90
Extraordinary losses		
Loss on sales and retirement of non-current assets	40	
Loss on valuation of investment securities	183	
Business restructuring expenses	386	
Impairment losses	369	
Loss on disaster	2	982
Loss before income taxes		4,576
Income taxes – current	774	
Income taxes – deferred	1,655	2,430
Loss		7,006
Profit attributable to non-controlling interests		28
Loss attributable to owners of parent		7,035

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

Consolidated Statement of Changes in Equity  
(January 1, 2023 - December 31, 2023)

(million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	18,044	1,972	15,816	(527)	35,306
Changes of items during period					
Dividends of surplus			(587)		(587)
Loss attributable to owners of parent			(7,035)		(7,035)
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(78)		186	108
Change in scope of consolidation					–
Net changes in items other than shareholders' equity					–
Total changes during period	0	(78)	(7,622)	185	(7,515)
Balance at end of period	18,044	1,894	8,193	(341)	27,791

(million yen)

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	482	1,048	(99)	1,431	743	37,482
Changes of items during period						
Dividends of surplus						(587)
Loss attributable to owners of parent						(7,035)
Purchase of treasury shares						(0)
Disposal of treasury shares						108
Change in scope of consolidation						–
Net changes in items other than shareholders' equity	145	2,017	211	2,373	30	2,403
Total changes during period	145	2,017	211	2,373	30	(5,111)
Balance at end of period	627	3,066	112	3,805	773	32,370

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

Non-consolidated Financial Statements  
(January 1, 2023 - December 31, 2023)

Non-consolidated Balance Sheet  
(As of December 31, 2023)

(million yen)			
Description	FY 2023 (As of December 31, 2023)	Description	FY 2023 (As of December 31, 2023)
<b>(Assets)</b>		<b>(Liabilities)</b>	
Current assets	50,326	Current liabilities	60,244
Cash and deposits	709	Notes payable - trade	141
Notes receivable - trade	411	Electronically recorded obligations - operating	682
Accounts receivable - trade	20,202	Accounts payable - trade	2,743
Merchandise and finished goods	3,241	Short-term borrowings	35,664
Work in process	1,919	Short-term borrowings from subsidiaries and associates	3,408
Raw materials and supplies	84	Lease obligations	23
Accrued income	440	Accounts payable - other	13,859
Short-term loans receivable	11,125	Accrued expenses	2,852
Accounts receivable - other	10,579	Income taxes payable	32
Other	1,610	Contract liabilities	71
Non-current assets	50,560	Deposits received	106
Property, plant and equipment	11,567	Electronically recorded obligations - facilities	54
Buildings, net	6,773	Forward exchange contracts	598
Structures, net	71	Other	3
Machinery and equipment, net	217	Non-current liabilities	17,191
Vehicles, net	2	Long-term borrowings	14,102
Tools, furniture, and fixtures, net	163	Lease obligations	68
Land	4,220	Provision for retirement benefits	2,886
Leased assets, net	91	Deferred tax liabilities	119
Construction in progress	26	Other	14
Intangible assets	2,225	<b>Total liabilities</b>	<b>77,435</b>
Patent right	418	<b>(Net assets)</b>	
Software	647	Shareholders' equity	22,824
Software in progress	1,145	Share capital	18,044
Other	14	Capital surplus	2,094
Investments and other assets	36,767	Legal capital surplus	2,094
Investment securities	2,476	Retained earnings	3,027
Shares of subsidiaries and associates	24,141	Legal retained earnings	754
Investments in capital of subsidiaries and associates	8,416	Other retained earnings	2,272
Investments in capital	352	Retained earnings brought forward	2,272
Long-term accounts receivable from subsidiaries and associates - other	2,991	Treasury shares	(341)
Distressed receivables	18	Valuation and translation adjustments	626
Long-term prepaid expenses	22	Valuation difference on available-for-sale securities	626
Other	514	<b>Total net assets</b>	<b>23,451</b>
Allowance for doubtful accounts	(2,166)	<b>Total liabilities and net assets</b>	<b>100,887</b>
<b>Total assets</b>	<b>100,887</b>		

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

Non-consolidated Statement of Income  
(January 1, 2023 - December 31, 2023)

(million yen)

Description	FY 2023 (Fiscal year ended December 31, 2023)	
Net sales		35,991
Cost of sales		31,637
Gross profit		4,353
Selling, general, and administrative expenses		9,430
Operating loss		5,076
Non-operating income		
Interest and dividend income	1,522	
Commission income	1,047	
Other	435	3,005
Non-operating expenses		
Interest expenses	562	
Foreign exchange losses	1,099	
Other	1	1,663
Ordinary loss		3,734
Extraordinary income		
Gain on sale of investment securities	73	
Other	0	74
Extraordinary losses		
Loss on sales and retirement of non-current assets	5	
Impairment losses	7	
Business restructuring expenses	20	
Loss on valuation of investment securities	183	217
Loss before income taxes		3,878
Income taxes - current	198	
Income taxes - deferred	1,317	1,515
Loss		5,393

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

Non-consolidated Statement of Changes in Equity  
(January 1, 2023 - December 31, 2023)

(million yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surpluses	Legal retained earnings	Other retained earnings	Total retained earnings
					Retained earnings brought forward		
Balance at beginning of period	18,044	2,094	–	2,094	695	8,390	9,086
Changes of items during period							
Provision of legal retained earnings					58	(58)	–
Dividends of surplus						(587)	(587)
Profit						(5,393)	(5,393)
Purchase of treasury shares							–
Disposal of treasury shares			(78)	(78)			–
Transfer of loss on disposal of treasury shares			78	78		(78)	(78)
Net changes in items other than shareholders' equity							–
Total changes during period	–	–	–	–	58	(6,117)	(6,058)
Balance at end of period	18,044	2,094	–	2,094	754	2,272	3,027

(million yen)

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(527)	28,697	483	483	29,181
Changes of items during period					
Provision of legal retained earnings		–			0
Dividends of surplus		(587)			(587)
Profit		(5,393)			(5,393)
Purchase of treasury shares	(0)	(0)			(0)
Disposal of treasury shares	186	108			108
Transfer of loss on disposal of treasury shares		–			–
Net changes in items other than shareholders' equity			142	142	142
Total changes during period	185	(5,873)	142	142	(5,730)
Balance at end of period	(341)	22,824	626	626	23,451

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

(English Translation)  
Accounting Auditor's audit report on the Consolidated Financial Statements

Independent Auditor's Report

February 15, 2024

To the Board of Directors  
JUKI CORPORATION

Deloitte Touche Tohmatsu LLC  
Tokyo Office

Satoshi Komatsu, CPA  
Designated Unlimited Liability Partner,  
Engagement Partner  
Kazutaka Yoshihara, CPA  
Designated Unlimited Liability Partner,  
Engagement Partner

Audit Opinion

Pursuant to Article 444, paragraph (4) of the Companies Act, we have audited the consolidated financial statements, that is, the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity and notes to consolidated financial statements of JUKI CORPORATION (the "Company") for the fiscal term from January 1, 2023 to December 31, 2023.

In our opinion, the above consolidated financial statements fairly present, in every material aspect, the financial position and results of operations of the Group consisting of the Company and its consolidated subsidiaries for the relevant term of the consolidated financial statements, in accordance with the business accounting standards generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that we have obtained sufficient and appropriate audit evidence to support our audit opinion.

Contents of Other Statements

Contents of other statements consist of the business report and supplementary schedules thereof. Management is responsible for preparing and disclosing the contents of other statements. In addition, the responsibility of the Audit & Supervisory Board Members and the Audit & Supervisory Board is to monitor the execution of duties by the Directors in the development and operation of the reporting process of the contents of other statements.

Our audit opinion regarding the consolidated financial statements does not include the contents of other statements, and we do not express an opinion on the contents of other statements.

Our responsibility when auditing the consolidated financial statements is to review the contents of other statements and, in the course of the review, to examine whether there are any material differences between the contents of other statements and the consolidated financial statements or knowledge obtained in the course of auditing, and to pay attention to whether there are any signs of material errors in the contents of other statements besides such material differences.

We are required to report the facts if we determine that there are any material errors in the contents of other statements based on the work performed.

There are no matters that we should report in connection with the contents of other statements.

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

The responsibility of management is to prepare consolidated financial statements in accordance with business accounting standards generally accepted in Japan and present appropriate accounting information. This responsibility includes the establishment and operation of internal controls deemed necessary by management for the preparation of consolidated financial statements free of material misstatement due to fraud or error and the presentation of appropriate accounting information.

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 the Group's ability to

continue as a going concern, and disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design, implementation, and maintenance of the Group's financial reporting process.

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

Our 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 includes 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 economic decisions of users taken on the basis 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. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. Design and perform audit procedures responsive to those risks. The procedures selected to be applied depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of auditing the consolidated financial statements to express an opinion on the effectiveness of the Group'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 related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the consolidated financial statements or, if such notes 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 overall presentation of the consolidated financial statements and the notes thereto are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the consolidated financial statements, including the notes thereto, and whether the consolidated financial statements represent the underlying transactions and accounting events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding 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, and other matters required by auditing standards.

We also provide 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 thought to bear on our independence, and where applicable, any measures taken to eliminate disincentive or safeguards applied to reduce disincentive to an acceptable level.

#### Interests in the Company

Our firm and its engagement partners have no interest in the Group which shall be disclosed pursuant to the provisions of the Certified Public Accountants Act.

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*Notice to Readers:*

The original consolidated financial statements, which consist of the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in equity, and the notes to consolidated financial statements, are written in Japanese.



(English Translation)

Accounting Auditor's audit report on the Non-consolidated Financial Statements

Independent Auditor's Report

February 15, 2024

To the Board of Directors  
JUKI CORPORATION

Deloitte Touche Tohmatsu LLC  
Tokyo Office

Satoshi Komatsu, CPA  
Designated Unlimited Liability Partner,  
Engagement Partner  
Kazutaka Yoshihara, CPA  
Designated Unlimited Liability Partner,  
Engagement Partner

Audit Opinion

Pursuant to Article 436, paragraph (2), item (i) of the Companies Act, we have audited the non-consolidated financial statements, that is, the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity and notes to non-consolidated financial statements, and the supplementary schedules (collectively, "non-consolidated financial statements, etc.") of JUKI CORPORATION (the "Company") for the 109th fiscal term from January 1, 2023 to December 31, 2023.

In our opinion, the above non-consolidated financial statements, etc. fairly present, in every material aspect, the financial position and results of operations of the Company for the relevant term of the non-consolidated financial statements and the supplementary schedules, in accordance with the business accounting standards generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc. section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that we have obtained sufficient and appropriate audit evidence to support our audit opinion.

Contents of other statements

Contents of other statements consist of the business report and supplementary schedules thereof. Management is responsible for preparing and disclosing the contents of other statements. In addition, the responsibility of the Audit & Supervisory Board Members and the Audit & Supervisory Board is to monitor the execution of duties by the Directors in the development and operation of the reporting process of the contents of other statements.

Our audit opinion regarding the non-consolidated financial statements, etc. does not include the contents of other statements, and we do not express an opinion on the contents of other statements.

Our responsibility when auditing the non-consolidated financial statements, etc. is to review the contents of other statements and, in the course of the review, to examine whether there are any material differences between the contents of other statements and the non-consolidated financial statements, etc. or knowledge obtained in the course of auditing, and to pay attention as to whether there are any signs of material errors in the contents of other statements besides such material differences.

We are required to report the facts if we determine that there are any material errors in the contents of other statements based on the work performed.

There are no matters that we should report in connection with the contents of other statements.

Responsibilities of Management, Audit & Supervisory Board Members, and the Audit & Supervisory Board for the Non-consolidated Financial Statements, Etc.

The responsibility of management is to prepare non-consolidated financial statements, etc. in accordance with business accounting standards generally accepted in Japan and present appropriate accounting information. This responsibility includes the establishment and operation of internal controls deemed necessary by management for the preparation of non-consolidated financial statements, etc. free of material misstatement due to fraud or error and the presentation of appropriate accounting information.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. with the assumption of the

Company's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design, implementation, and maintenance of the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc.

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated 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 includes our opinion on the non-consolidated 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 economic decisions of users taken on the basis of these non-consolidated financial statements, etc.

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

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, etc., whether due to fraud or error, and design and perform audit procedures responsive to those risks. The procedures selected to be applied depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of auditing the non-consolidated financial statements, etc. to express an opinion on the effectiveness of the Company'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 related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the non-consolidated financial statements, etc. and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the non-consolidated financial statements, etc. or, if such notes are inadequate, to express a qualified opinion with exceptions on the non-consolidated 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 overall presentation of the non-consolidated financial statements, etc. and the notes thereto are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure, and content of the non-consolidated financial statements, etc., including the notes thereto, and whether the non-consolidated financial statements, etc. represent the underlying transactions and accounting events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding 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, and other matters required by auditing standards.

We also provide 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 thought to bear on our independence, and where applicable, any measures taken to eliminate disincentive or safeguards applied to reduce disincentive to an acceptable level.

#### Interests in the Company

Our firm and its engagement partners have no interest in the Company which shall be disclosed pursuant to the provisions of the Certified Public Accountants Act.

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#### *Notice to Readers:*

The original non-consolidated financial statements, which consist of the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in equity, and the notes to non-consolidated financial statements, and the supplementary schedules thereof, are written in Japanese.

(English Translation)

The Audit & Supervisory Board's audit report

### Audit Report

The Audit & Supervisory Board, following review and deliberations on the reports made by each Audit & Supervisory Board Member concerning the execution of duties by Directors for the 109<sup>th</sup> fiscal term from January 1, 2023 to December 31, 2023, prepared this Audit Report and hereby submits it as follows:

1. Summary of Auditing Methods by Audit & Supervisory Board Members and the Audit & Supervisory Board
  - (1) The Audit & Supervisory Board established auditing policies and the division of duties, received reports regarding the status of audits and the results thereof from each Audit & Supervisory Board Member, received reports regarding the status of the execution of duties from Directors and the Accounting Auditor, and requested explanation as necessary.
  - (2) In accordance with the auditing standards for Audit & Supervisory Board Members determined by the Audit & Supervisory Board, and in compliance with auditing policies and the division of duties, each Audit & Supervisory Board Member made efforts to collect information and establish auditing circumstances through communication with Directors, internal audit staff and other employees, and perform the audit in accordance with the following procedures.
    1. Each Audit & Supervisory Board Member attended the Board of Directors' meetings and other important meetings to receive reports regarding execution of duties from Directors and employees, and requested explanations as necessary. Each Audit & Supervisory Board Member also inspected the approved documents and examined the status of operations and conditions of assets at the head office and principal offices. And each Audit & Supervisory Board Member communicated and shared information with the directors, auditors, etc. of the subsidiaries and received from the subsidiaries their business reports as necessary.
    2. Each Audit & Supervisory Board Member verified the resolutions adopted by the Board of Directors regarding the establishment of a system for ensuring that the Directors' duties, as stated in the business report, are executed in conformity of laws and regulations, and the Articles of Incorporation of the Company, and the establishment of a system necessary to ensure proper business operations of the whole business group consisting of a stock company and its subsidiaries set forth in Article 100, paragraphs (1) and (3) of the Regulation for Enforcement of the Companies Act. It also regularly received reports from Directors and employees on the status of the establishment and operation of the system (internal control system) established in accordance with such resolutions adopted by the Board of Directors, and requested explanations as necessary and expressed his/her opinions. With regard to the internal control over financial reporting, Audit & Supervisory Board Members received reports from Directors and Deloitte Touche Tohmatsu LLC on the status of discussion between them and the evaluation of such internal control and the status of audit, and requested explanations as necessary.
  3. Audit & Supervisory Board Members monitored and verified that the Accounting Auditor maintains independence and conduct the audits appropriately. Each Audit & Supervisory Board Member also received reports on the status of the execution of duties from Accounting Auditor and requested explanation as necessary. In addition, we were informed of the arrangement of the "System for ensuring that the duties are performed appropriately" (matters stipulated in the items of Article 131 of the Regulation on Accounting of Companies) in accordance with "Standards for the Quality Control of Audits" (Business Accounting Council) from the Accounting Auditor and requested explanations as necessary.

In accordance with the procedures mentioned above, we reviewed the business reports and supplementary schedules, the non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity, and notes to non-consolidated

financial statements), the supplementary schedules thereto, and the consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in equity, and notes to consolidated financial statements) for the fiscal term ended December 31, 2023.

## 2. Results of Audit

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

1. The business report and supplementary schedules present fairly the financial condition of the Company in conformity with related laws and regulations and the Articles of Incorporation of the Company.
2. Regarding the execution of duties by Directors, there were no instances of misconduct or material matters in violation of laws and regulations, nor of the Articles of Incorporation of the Company.
3. The resolution of the Board of Directors regarding the internal control system is fair and reasonable. There are no matters requiring additional comment regarding the contents of the business report on such internal control and the execution of duties by Directors. With regard to the internal control over financial reporting, the Audit & Supervisory Board received reports from Directors and Deloitte Touche Tohmatsu LLC that there were no material defects as of the date this audit report was prepared.

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

The auditing methods and results of the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are fair and reasonable.

### (3) Results of Audit of Consolidated Financial Statements

The auditing methods and results of the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are fair and reasonable.

February 16, 2024

Audit & Supervisory Board, JUKI CORPORATION

Audit & Supervisory Board Member (Full-time)	Masahiko Suzuki
Audit & Supervisory Board Member	Masato Tanaka
Audit & Supervisory Board Member	Hiroko Nihei

(Note) Audit & Supervisory Board Members Masato Tanaka and Hiroko Nihei are Outside Audit & Supervisory Board Members who are required to be appointed in accordance with Article 2, item (xvi) and Article 335, paragraph (3) of the Companies Act.