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Securities code: 6440
March 25, 2025
(Commencement Date of Electronic Provision System: February 28, 2025)

To All Shareholders:

Atsushi Narikawa
Representative Director
JUKI CORPORATION
2-11-1, Tsurumaki, Tama-shi,
Tokyo, Japan

CONVOCATION NOTICE OF
THE 110TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We are pleased to announce the 110th 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 110th 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 110th 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 110th Ordinary General Meeting of Shareholders,” refer to the “Instructions on Exercise of Voting Rights” below, and exercise your voting rights by 5:15 p.m. on Monday, March 24, 2025.

Thank you very much for your cooperation.

1. Date and Time: Tuesday, March 25, 2025 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 110th Fiscal Year (January 1, 2024 to December 31, 2024), 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 110th Fiscal Year (January 1, 2024 to December 31, 2024)

Resolution matters:

- First proposal: Election of 6 Directors
- Second proposal: Election of 1 Audit & Supervisory Board Members
- Third proposal: Election of 1 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.
- The following items are not included in this document in accordance with the provisions of the law and Article 16, paragraph 2 of the Company's Articles of Association. Please refer to the Company's website or the TSE website. The auditors and accounting auditors have audited the documents to be audited, including the following matters
 - All of the "Business Report (partial)," "Consolidated Financial Statements," "Financial Statements," and "Audit Report"

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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 the event of any amendment to the "Convocation Notice of the 110th 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 110th 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 Tuesday, March 25, 2025

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 5:15 p.m. on Monday, March 24, 2025

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 5:15 p.m. on Monday, March 24, 2025

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 5:15 p.m. on Monday, March 24, 2025

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: Election of six(6) Directors

The term of office of all five (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	Atsushi Narikawa		Male
2	New election	Hiroshi Anzai		Male
3	New election	Keiichi Hashimoto		Male
4	Reelection	Yutaka Hori	Outside Independent	Male
5	Reelection	Junko Watanabe	Outside Independent	Female
6	New election	Hiroko Nihei	Outside Independent	Female

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p>Reelection</p> <p>Atsushi Narikawa (May 13, 1959)</p> <p>Male</p> <p>Attendance at Board of Directors meetings in FY 2024: 12/12</p>	<p>April 1982 Joined Fuji Bank Limited (currently Mizuho Bank, Ltd.)</p> <p>October 2000 Deputy Manager of Americas Sales Dept., ditto</p> <p>April 2002 Deputy Manager of Americas Non-Japanese Sales Div. No. 2, Mizuho Corporate Bank, Ltd.</p> <p>March 2003 Deputy Manager of Americas Products Sales Dept., ditto</p> <p>April 2004 Deputy Manager of Americas Business Administration Div., ditto</p> <p>March 2006 General Manager of Seoul Branch, ditto</p> <p>April 2009 Executive Officer and General Manager of Corporate Banking Div. No. 13, ditto</p> <p>April 2010 Managing Executive Officer, ditto</p> <p>July 2010 Chief Officer for the European Regional, ditto</p> <p>July 2013 Managing Executive Officer and Head of the Europe Regional Unit, Mizuho Bank, Ltd.</p> <p>May 2015 Joined Foster Electric Company, Limited, Advisor</p> <p>June 2015 Senior Managing Director and Assistant to the President, ditto</p> <p>June 2020 President and Representative Director, COO, ditto</p> <p>June 2022 President and Representative Director, CEO, ditto</p> <p>June 2023 Director and Chairperson, ditto (retired in March 2024)</p> <p>March 2024 Joined the Company, Director</p> <p>April 2024 Director and Senior Managing Officer</p> <p>July 2024 Representative Director and Representative Director, Chairman of Juki Automation Systems Corporation, and Representative Director of Juki Technosolutions Corporation (Present)</p>	27,446 shares
<p>[Reasons for nomination as candidate for Director]</p> <p>From 2015 to March 2024, he served as the manager of a global manufacturing company, where he achieved growth from the restructuring of the company's business.</p> <p>As President of the Company from July 2024, he has been working to rebuild the company's performance based on his wealth of experience in overseas operations and excellent knowledge of corporate management.</p> <p>He has been involved in the restructuring of the company's business performance based on his extensive experience in overseas operations and excellent knowledge of corporate management.</p> <p>We have judged that he is capable of driving the Group's medium- to long-term strengthening of its business foundations and improvement in corporate value.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p style="text-align: center;">New election</p> <p style="text-align: center;">Hiroshi Anzai (August 19, 1972)</p> <p style="text-align: center;">Male</p>	<p>March 1995 Joined the Company</p> <p>April 2014 General Manager of Corporate Planning Dept.</p> <p>April 2019 Executive Officer for Global Cooperate center (Corporate Planning Dept., Information Technology Dep.) , General Manager of Corporate Planning Dept. and General Manager of Information Technology Dept.</p> <p>April 2020 Executive Officer for Global Cooperate center (Corporate Planning Dept., Information Technology Dep.) and Development Center (Innovation Promotion Office), and Global Cooperate center (Information Technology Dep.)</p> <p>March 2021 Managing Officer for Development Center, and General Manager of Corporate Planning Dept.</p> <p>July 2022 Managing Officer for Development Center, and Managing Officer for Development Center of Juki Automation Systems Corporation, and Director and Managing Officer of Juki Technosolutions Corporation, and General Manager of Development Center of Juki Technosolutions Corporation</p> <p>December 2024 Managing Officer for Development Center, and Representative Director of Juki Automation Systems Corporation Managing Officer and General Manager of Industrial Equipment Business Unit</p> <p>January 2025 and in charge of Development Unit, (Present) and Representative Director of Juki Automation Systems Corporation, and Director of Juki America Inc., and Director of Essegi Automation S.r.l.</p>	<p style="text-align: center;">25,406 shares</p>
<p>[Reasons for nomination as candidate for Director] Mr. Hiroshi Anzai has served as an executive officer since 2019, and has broadly overseen corporate planning, information systems, and development, and has a wealth of experience and knowledge. He has extensive experience and knowledge in a wide range of areas, including corporate planning, information systems, and development, and has performed his duties appropriately in both business management and business operations. He has extensive experience and knowledge in a wide range of areas, including management planning, information systems, and development, The Company determined that we can expect him to contribute to the expansion and strengthening of the peripheral business areas of the industrial equipment business.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	<p style="text-align: center;">New election</p> <p style="text-align: center;">Keiichi Hashimoto (November 11, 1962)</p> <p style="text-align: center;">Male</p>	<p>April 1986 Joined Sony Corporation</p> <p>June 2003 Vice President of Sony Electronics Inc.</p> <p>September 2005 General Manager of Sony International (Hong Kong) Ltd.</p> <p>April 2007 General Manager of Corporate Planning Dept., and of Energy Business Headquarters of Sony Corporation</p> <p>May 2010 Deputy General Manager of Sony Precision Devices (Huizhou) Co.,Ltd.</p> <p>November 2013 General Manager of Sony Electronics Huanan Co.,Ltd.</p> <p>February 2015 Division General Manager of Corporate Administration Dept. ,Sony EMCS Corp. (currently Sony Global Manufacturing & Operations Corporation)</p> <p>March 2015 Director of Juki Automation Systems Corporation</p> <p>April 2015 Executive manager of Sony EMCS Corp. (currently Sony Global Manufacturing & Operations Corporation)</p> <p>April 2016 Director, ditto</p> <p>January 2020 Director, ditto and Managing Director of Sony Technology (Thailand) Co.,Ltd.</p> <p>July 2022 Joined the Company, Advisor</p> <p>March 2023 Executive Officer for Production Center, and General Manager of Production Planning Dept.</p> <p>July 2023 Managing Officer for Production Center, and General Manager of Production Planning Dept.</p> <p>January 2024 Managing Officer in charge of Production Center and in charge of Group Business Company of Industrial equipment & Systems Business Unit and General Manager of Production Planning Dept.</p> <p>January 2025 Managing Officer for Contract Business Company, for Production Unit and for "Internal Control & Compliance", and Head of Global Corporate Unit (Present)</p>	11,794 shares
<p>[Reasons for nomination as candidate for Outside Director and outline of expected roles]</p> <p>Mr. Keiichi Hashimoto has extensive experience as a corporate manager in global, production, and business management, and since 2023 has been appropriately fulfilling a wide range of duties in production centers, group businesses, and corporate planning.</p> <p>Since 2023, he has been appropriately carrying out his duties in a wide range of areas, including production centers, group businesses, and corporate planning. He has extensive experience in corporate management, including global production and management.</p> <p>The Company determined that we can expect him to execute his duties appropriately in decision-making as a director, backed by his deep knowledge of management.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
4	Reelection Outside Independent Yutaka Hori (October 5, 1949) Male Attendance at Board of Directors meetings in FY 2024 15/15	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)	
4		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)	
4		April 2010	Commissioner of Public Interest Corporation Commission (PICC) of the Cabinet Office	0 shares
		March 2016	Director of the Company (Present)	
4		June 2016	Outside Director of FIDEA Holdings Co. Ltd. (Present)	0 shares
		August 2017	Outside Director of Pasona Group Inc.	
[Reasons for nomination as candidate for Outside Director and outline of expected roles] Mr. Yutaka Hori has served as Outside Director of the Company since 2016, and his term of office will have been nine(9) 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.				
5	Reelection Outside Independent Junko Watanabe (May 26 1957) Female Attendance at Board of Directors meetings in FY 2024 12/12	April 1980	Joined Fuji bank Limited (currently Mizuho Bank, Ltd.)	0 shares
		June 2003	General Manager of Hiyoshi Branch, Mizuho Bank, Ltd.	
5		February 2006	General Manager of Oji Branch, ditto	0 shares
		April 2008	General Manager of Diversity Promotion Office, Human Resources Dept., ditto	
5		August 2010	Resigned from Mizuho Bank, Ltd	0 shares
		September 2010	Executive Officer of Mizuho Research Institute Ltd.	
5		March 2014	Resigned from Mizuho Research Institute Ltd.	0 shares
		April 2014	Joined Joban Kosan Co., Ltd., Executive Officer	
5		March 2020	Audit & Supervisory Board Member of the Company	0 shares
		June 2020	Managing Director of Joban Kosan Co., Ltd.	
5		June 2022	Audit & Supervisory Board Member (Outside) of KYB Corporation (Present)	0 shares
		March 2023	Director of the Company (Present)	
[Reasons for nomination as candidate for Outside Director and outline of expected roles] Ms. Junko Watanabe has served as Outside Director of the Company since 2023, and her term of office will have been two (2) years 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.				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	<p>New election Outside Independent</p> <p>Hiroko Nihei (August 23, 1976)</p> <p>Female</p> <p>Attendance at Board of Directors meetings in FY 2024 (as Outside Audit & Supervisory Board Member): 15/15</p>	<p>April 1999 Joined Fuji Bank Limited (currently Mizuho Bank, Ltd.)</p> <p>March 2008 Resigned from Mizuho Bank, Ltd.</p> <p>September 2009 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>October 2009 Joined O' Melveny & Myers LLP, Associate</p> <p>September 2014 Received Magister Juris (MJur) from University of Oxford</p> <p>January 2016 Counsel of O' Melveny & Myers LLP (Present)</p> <p>March 2019 Received Master of Laws in Studies of Legal Frontiers from Waseda University, Graduate School of Law, LL.M. in Intellectual Property Law</p> <p>June 2019 Outside Auditor of SEED Co., Ltd. (Present)</p> <p>January 2020 Supervisory Director of Invesco Office J-REIT, Inc.</p> <p>June 2022 Outside Director of Hokuetsu Corporation (Present)</p> <p>March 2023 Audit & Supervisory Board Member of the Company (Present)</p>	0 shares
<p>[Reasons for nomination as candidate for Outside Director and outline of expected roles]</p> <p>Ms. Hiroko Nihei has served as the Company's external auditor since 2023 and will have been in office for two(2) years at the conclusion of this Annual General Meeting.</p> <p>The Company determined that she is an appropriate person to serve as Outside Director, because she has extensive experience in legal affairs, including specialist legal knowledge and international commercial affairs cultivated as a lawyer, as well as experience as a director and auditor of other companies in the business world, and is expected to provide accurate advice and decision-making, including on compliance matters.</p>			

- (Notes)
- None of the above candidates for Directors have any special interest with the Company.
 - Mr. Yutaka Hori, Ms. Junko Watanabe and Ms. Hiroko Nihei 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. 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. Also, in the event that Ms. Hiroko Nihei is elected, a similar contract will be concluded.
 - 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, 2024, 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- turing /Quality control /Research and develop- ment	Environ- ment /Society	Human resources and labor relations /Human resource develop- ment
	Mr. Atsushi Narikawa		○	○	○	○	○		○
Mr. Hiroshi Anzai		○		○		○	○	○	
Mr. Keiichi Hashimoto		○		○	○		○	○	○
Mr. Yutaka Hori	○	○		○	○			○	○
Ms. Junko Watanabe	○	○	○			○		○	○
Ms. Hiroko Nihei	○			○	○			○	○

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

Second proposal: Election of one (1) 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 one (1) 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	New election Michinari Sougawa (August 25, 1962) Male	<p>April 1986 Joined Fuji Bank Limited (currently Mizuho Bank, Ltd.)</p> <p>November 2000 Resigned from Mizuho Bank, Ltd.</p> <p>May 2005 Joined the Company, Project leader of Corporate Planning Dept.</p> <p>April 2009 Head of Public Relations and Investor Relations Office, Corporate Planning Dept.</p> <p>March 2015 Deputy General Manager of General Affairs Dept. and Group Leader of General Affairs & Corporate Communication Group.</p> <p>March 2017 General Manager of Secretariat</p> <p>March 2023 General Manager of Corporate Communications Dept. and General Manager of Secretariat</p> <p>April 2023 Executive Officer, General Manager of Corporate Communications Dept. and General Manager of Secretariat</p> <p>January 2025 Advisor, Affiliated to Global Corporate Unit (Present)</p>	6,556 shares
<p>[Reasons for nomination as candidate for Audit & Supervisory Board Member]</p> <p>Mr. Sougawa is in charge of various corporate communications with stakeholders, drawing on his experience in financial institutions and in the Company's Corporate Planning Department and Public Relations and Investor Relations Department. In addition to being in charge of various corporate communications with stakeholders, he also brings a wealth of experience and knowledge to the company as the head of the secretarial department.</p> <p>The Company determined that he is an appropriate person to serve as Internal Auditor, because the Company can expect to be able to conduct accurate audits of the Company's overall management based on his wealth of experience and knowledge as the General Manager of the Secretarial Office.</p>			

- (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, 2024, and we plan to renew it on the same terms and conditions at the next renewal after one year.

Third proposal: Election of one (1) Substitute Audit & Supervisory Board Member

The resolution by the General Meeting of Shareholders on the election of substitute Audit & Supervisory Board Member, 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 one (1) substitute Audit & Supervisory Board Members is proposed.

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

The candidate for substitute Audit & Supervisory Board Members is as follows:

No.	Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of shares of the Company held
1	Mr. Masahiko Suzuki (January 25, 1958) Male	<p>April 1980 Joined the Company</p> <p>November 2006 Deputy General Manager of Accounting Dept.</p> <p>November 2009 Deputy General Manager of Corporate Planning Dept., Planning HQ</p> <p>June 2011 General Manager of Finance & Accounting Dept.</p> <p>April 2016 Corporate Officers and General Manager of Finance & Accounting Dept.</p> <p>March 2019 Full-time Internal Auditor and Auditor of Juki Automation Systems Corporation</p> <p>July 2022 Full-time Internal Auditor (Full-time), Auditor of Juki Automations Systems Corporation, and Auditor of Juki Technosolutions Corporation (Present)</p>	13,231 shares
<p>[Reasons for nomination as candidate for substitute Audit & Supervisory Board Member]</p> <p>Mr. Masahiko Suzuki has been a full-time auditor since 2019 and audits the directors' performance of their duties objectively and neutrally. Group.</p> <p>His experience as responsible for the business administration, financial and accounting management of the Group companies enables him to conduct accurate audits of the Company's overall management.</p> <p>The Company determined that he is suitable for the position as he can be expected to conduct accurate audits of the Company's overall management.</p>			

- (Notes)
- None of the above candidates for substitute Audit & Supervisory Board Members have any special interest with the Company.
 - Mr. Masahiko Suzuki is a substitute for Audit & Supervisory Board Member other than Outside Audit & Supervisory Board Members.
 - 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.
 - The Company may cancel the election of substitute Audit & Supervisory Board Members before he 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, 2024 to December 31, 2024)

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

(1) Business Progress and Results

During the fiscal year ended December 31, 2024, the global economic outlook remained uncertain due to such factors as geopolitical risks including the prolonged conflict between Russia and Ukraine and conflict in the Middle East, soaring costs resulting mainly from high resource prices and global inflation, the delayed recovery of the Chinese economy and curtailment of investment activities, and foreign currency shortages in emerging countries. On the other hand, there is a need to accelerate technological revolution in the form of AI/IoT/5G/VR, etc., and to build a new business model/management base in response to changes in markets and customers.

In the business environment surrounding the Company, there was growing demand for capital investment in areas including Asia, particularly areas west of India, and China, but in Europe and the United States, this recovery in demand was slower and in emerging countries, capital investment continued to be postponed due to a shortage of foreign currencies.

Under this business environment in the fiscal year ended December 31, 2024, sales of sewing machinery increased 7% year-on-year as demand in China and other Asian countries grew, especially from the middle of the year onward, and performance in markets west of India was strong. However, sales of electronics assembly & systems were sluggish, particularly in China. As a result, net sales remained roughly level with the previous fiscal year at 95,185 million yen (up 0.5% year-on-year).

In terms of profits, although costs associated with inventory reductions and production adjustments to facilitate inventory reductions were incurred from the middle of the second quarter onward, efforts to smooth out sales and other measures started to produce results from the middle of the year onward and yen depreciation also had an effect. As a result, the results for the fourth quarter showed a return to profitability for the first time in nine consecutive quarters, with an operating profit of 907 million yen (versus an operating profit of 171 million yen in the same period of the previous fiscal year), an ordinary profit of 1,117 million yen (versus an ordinary loss of 567 million yen in the same period of the previous fiscal year) and a profit attributable to owners of parent of 1,315 million yen (versus a loss attributable to owners of parent of 2,972 million yen in the same period of the previous year).

The fiscal year ended December 31, 2024 resulted in an operating loss of 962 million yen (versus an operating loss of 2,699 million yen in the same period of the previous fiscal year); and an ordinary loss of 3,327 million yen (versus an ordinary loss of 3,684 million yen in the same period of the previous fiscal year).

In addition, an extraordinary profit of 2,324 million yen, which included gain on sale of non-current assets, and an extraordinary loss of 1,007 million yen, which included business restructuring expenses, were recorded following efforts to build a streamlined, highly efficient business structure for the future, including the closing of factories and sale of real estate in China, the integration of sales companies in China, the US, and Thailand, and sale of cross-shareholdings. This resulted in a loss attributable to owners of parent of 3,235 million yen (versus a loss attributable to owners of parent of 7,035 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 were especially good in China and other Asian countries, including Vietnam, from the middle of the year onward, and performance in the growth market of India was also strong, resulting in overall sales of 62,496 million yen (up 7.4% year-on-year) for the Sewing Machinery and Systems Business.

In terms of profits, profitability improved significantly in the fourth quarter mainly due to the improvement of gross profit margins for industrial sewing machines over the course of several periods, the effects of selling cost reductions through measures including those to smooth out sales, and yen depreciation. However, the reduction in loss was limited to less than 900 million yen due to segment loss (ordinary loss) of 2,439 million yen (compared with a loss of 3,300 million yen in the same period of the previous fiscal year).

2) Industrial Equipment and Systems Business Segment

Sales of electronics assembly & systems decreased year on year due to sluggish sales, particularly in China. Sales in the Group Businesses such as contract manufacturing, mainly in Japan, also trended downward. As a result, net sales for the Industrial Equipment and Systems Business as a whole were 32,385 million yen (down 10.6% year-on-year).

In terms of profits, segment profit (ordinary profit) was 757 million yen (up 92.9% year-on-year), due mainly to sales growth for high-margin IoT-related equipment and systems, supplemented by yen depreciation and the effects of cost structural reforms.

(2) Capital Investments

Capital investment totaling 3,817 million yen was disbursed in FY 2024, including 1,717 million yen for software, 757 million yen for machinery, equipment, and vehicles, and 390 million yen for tools, furniture, and fixtures.

(3) Financing

Financing for FY 2024 was arranged using the Group's own funds and borrowings from financial institutions, etc.

(4) Issues to Address

(Acknowledgement of business environment and issues)

As to the global economy in the fiscal year ending December 2025, 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, Southeast Asia, and the United States among other regions.

In addition, technological innovations such as AI/IoT/5G/VR and business development due to the changes in market/customers are proceeding, requiring the construction of new business models/management bases in response to such 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.

Amid the growing importance of sustainability (realization of a decarbonized society, reduction of environmental footprints, job mobility, quality and safety, automation, and corporate governance), we are taking a management approach which is centered on ESG. We are also tackling supply chain disruptions caused by geopolitical risks, the slowdown in the Chinese economy, and the growth of the global south by working to realize a sustainable supply chain and focusing business resources on growth markets. In response to the paradigm shift driven by technologies such as AI, robotics, and IoE, we are enhancing the added value offered by our products and business operation through the use of cutting-edge technologies.

(Acknowledgement of business environment and issues for each business)

In the business environment around the Sewing Machinery and Systems Business, there is a growing need among customers for IoT, automation, systematization, and the reduction of environmental footprints (reduction of CO₂ emissions), and as markets in the global south grow and sewing factories

shift from China to other Asian regions, manufacturers of low-price sewing machines are emerging in China and other countries.

In the business environment around the Industrial Equipment and Systems Business, there is a growing need among customers for productivity enhancement and for making production processes labor-saving or labor-free, as well as for the MI equipment (odd-shaped component insertion machines) that is one of our strengths. Also, while the market for automated warehouses is growing, price competition is intensifying in the market for mounters.

(Revision of the Medium-term Management Plan and formulation of new management philosophies)

Previously, we had been implementing our Medium-term Management Plan which has 2025 positioned as the goal, but in light of the considerable changes in the business environment, we judged that there is a need to significantly alter the direction of the business models in our main businesses and to rebuild our management foundation to make it more responsive to sustainability issues. Therefore, we have carried out full-scale revisions.

These revisions started with the formulation of new management philosophies. For more than 85 years, the JUKI Group has been meeting people's essential needs, particularly in the clothing field, by delivering solutions that enable the stable provision of well-sewn clothes to customers around the world. Taking this into account, we have set "We will continue to be a company that supports sustainability in clothing and society based on the track record we have built in sewing machine technology," as the JUKI Raison D'être.

Alongside this, we have formulated "Eight Standards*" as "Our Values" that each individual employee will come to embody as part of their personal growth. We have also set "Innovation for your Sustainable Future" as our Vision, through which we will aim to solve the various social issues facing the world today.

Under these new management philosophies, we have formulated Building Sustainable JUKI as our new five-year Medium-term Management Plan.

*Eight Standards: Accumulated trust, serious responsibility, profound connection, meaningful innovation, spirit to handle pressure, a robust production technology base, a focus on sustainability, and a passion that resonates strongly.

(The new Medium-term Management Plan's vision and basic policies)

In Building Sustainable JUKI, our new five-year Medium-term Management Plan, we will spend the first three years aiming to become a "significant strategic partner that demonstrates JUKI's essential qualities." During this period, we will build new business models by shifting to growth areas. For the remaining two years, we will become "the one and only solutions partner supporting the future of clothing and society" by further developing the business models built during the first three years, with the goal of realizing sustainable growth.

Our basic policies will be to focus growth on our two main businesses, sewing machinery and industrial equipment, to tighten financial discipline, and to practice ESG management.

(Focus growth on our two main businesses)

In the Sewing Machinery and Systems Business, we will build a revenue base by strengthening and expanding koto-uri business (selling systems and services), which incorporates IoT, and work to develop a proposal-based solutions business targeting high-end and growing companies.

In the Industrial Equipment and Systems Business, we will transition from a business centered on mounters by expanding our business in peripheral equipment fields, including highly profitable MI equipment (odd-shaped component insertion machines) and automated warehouses.

(Tighten financial discipline)

We will tighten financial discipline in order to strengthen our revenue base and ensure financial soundness. The main measures will be to improve cash flow by reducing inventory and encouraging gains on trade receivables and to optimize our asset portfolio, including sales of shares, real estate, and other assets.

(Initiatives to realize carbon neutrality)

We are working to realize a decarbonized society by reducing Scope 1, 2, and 3 emissions. Initiatives to curb Scope 1 and 2 emissions include advancing energy-saving measures in our production processes, upgrading facilities and equipment to increase efficiency, switching to renewable energy, and using Non-fossil Fuel Certificates. Initiatives to curb Scope 3 emissions include developing products with a low environmental footprint, developing solutions, increasing our renewable material usage ratio, reducing the weight of products, and advancing renewable business.

(Implement our Grand Design for Human Resources)

In order to develop a management approach centered on employee happiness, we will formulate our Grand Design for Human Resources by gathering the opinions of a wide range of employees of different ages and from different organizations. Once the details have been arranged, the plan will be put into action.

(Strengthen governance)

We are enhancing risk management and further strengthening our governance structure with a focus on compliance with the objectives of minimizing risk in the business environment and responding appropriately to legal and social obligations.

(Practice thorough quality management)

Our brand power is the trust customers have in the quality of JUKI products and the peace of mind this brings. We formulated our Quality Policy to enhance quality awareness on a Group-wide basis. We will build a framework for enhancing the quality of products and services by enhancing the quality of business operations.

(Targets for the Medium-term Management Plan)

We will set achievable targets based on our business strategies, with a focus on improving profitability rather than just pursuing sales. We will also generate cash flows by reducing current operating funds and work to shrink interest-bearing debt.

In terms of specific targets, the Company will systematically improve earnings by strengthening the earnings base and reviewing fixed costs. First, we will realize a return to profitability in fiscal 2025 and then aim for net sales of 156.0 billion yen (114.2 billion yen for the Sewing Machinery and Systems Business and 41.6 billion yen for the Industrial Equipment and Systems Business) and ordinary profit of 14.5 billion yen (11.4 billion yen for the Sewing Machinery and Systems Business and 3.1 billion yen for the Industrial Equipment and Systems Business) in fiscal 2029 (Assumed dollar-yen exchange rate: 145 yen).

Our fiscal 2029 cash conversion cycle targets are 6.0 months for net sales (3.0 months for trade receivables and 5.0 months for inventory) and to shrink interest-bearing debt to 4.7 months. We will also aim for an equity ratio of 31% and ROE of 25%.

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 107th fiscal year ended December 31, 2021	The 108th fiscal year ended December 31, 2022	The 109th fiscal year ended December 31, 2023	The 110th fiscal year ended December 31, 2024
Net sales	101,292	117,454	94,750	95,185
Ordinary profit (loss)	3,439	1,163	(3,684)	(3,327)
Profit (loss) attributable to owners of parent	2,154	(78)	(7,035)	(3,235)
Basic earnings (loss) per share	¥73.55	¥(2.66)	¥(238.54)	¥(109.00)
Total assets	129,114	145,169	139,304	142,219
Net assets	35,672	37,482	32,370	32,234
Net assets per share	¥1,203.14	¥1,250.84	¥1,069.34	¥1,049.72

- (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 107th fiscal year ended	The 108th fiscal year ended	The 109th fiscal year ended	The 110th fiscal year ended
	December 31, 2021	December 31, 2022	December 31, 2023	December 31, 2024
Net sales	49,474	61,565	35,991	37,732
Ordinary profit (loss)	738	2,017	(3,734)	(2,033)
Profit (loss)	446	1,856	(5,393)	(2,510)
Basic earnings (loss) per share	¥15.24	¥63.24	¥ (182.87)	¥ (84.58)
Total assets	96,765	105,175	100,887	105,269
Net assets	28,009	29,181	23,451	20,519
Net assets per share	¥956.12	¥993.56	¥793.68	¥690.05

- (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.	RMB363,366 thousand	100%	–	Administration of subsidiaries in China and sales of sewing machinery, mounters, inspection equipment and others
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
JUKI CENTRAL EUROPE SP. ZO.O.	PLN50 thousand	100%	–	Sales of sewing machinery in European regions
JUKI (VIETNAM) CO., LTD.	U.S.\$20,000 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.
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, 2024)

Segment	Number of employees	Change from previous fiscal year-end
Sewing Machinery and Systems Business Unit	2,623	11
Industrial Equipment and Systems Business Unit	1,699	(74)
Other business	100	(5)
Corporate headquarters (common)	199	(24)
Total	4,621	(92)

(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
795	20 persons decreased	45.8 years old	18.5 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, 2024)

Creditor	Balance of borrowings (million yen)
Mizuho Bank, Ltd.	27,479
Sumitomo Mitsui Trust Bank, Limited	11,558
The Hiroshima Bank, Ltd.	6,560
Mizuho Trust & Banking Co., Ltd.	5,620
Development Bank of Japan Inc.	5,174
The Shoko Chukin Bank, Ltd.	3,717
The Joyo Bank, Ltd.	3,125

2. Status of Shares (As of December 31, 2024)

- (1) Total Number of Authorized Shares 80,000,000 shares
- (2) Total Number of Issued Shares 29,874,179 shares
(including 138,456 treasury shares)
- (3) Number of Shareholders 16,522 persons
- (4) Major Shareholders (Top 10)

Shareholder name	Number of shares	Shareholding ratio
	thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,928	13.21
PEGASUS CO., LTD.	1,045	3.52
Mizuho Bank, Ltd.	938	3.15
Nippon Life Insurance Company	732	2.46
Custody Bank of Japan, Ltd. (Trust Account)	702	2.36
Asahi Mutual Life Insurance Company	569	1.91
The Dai-ichi Life Insurance Company, Limited	511	1.72
Meiji Yasuda Life Insurance Company	460	1.55
Mizuho Trust & Banking Co., Ltd.	401	1.35
JUKI Client Shareholding Association	390	1.31

(Note) The shareholding ratio is calculated by means of deducting treasury shares (138,456 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)	68,977 shares	3 persons
Executive Officers and managers	98,031 shares	23 persons

(Note) In addition to the above, 22,639 shares were delivered to eight (8) 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, 2024)

Position	Name	Areas of responsibility within the Company	Significant concurrent positions
Representative Director, Chairman	Akira Kiyohara		
Representative Director, President	Atsushi Narikawa		<ul style="list-style-type: none"> • Representative Director Chairman of Juki Automation Systems Corporation and • Representative Director Chairman of Juki Technosolutions Corporation
Director	Shinsuke Uchinashi	In charge of Finance Dept.	• Outside Director of AIMECHATEC, Ltd.
Director	Kazumi Nagasaki		
Director	Yutaka Hori		<ul style="list-style-type: none"> • Attorney • Executive and Vice President, National University Corporation Chiba University • 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	Hiroko Nihei		Attorney Outside Auditor of SEED Co., Ltd. Outside Director of Hokuetsu Corporation
Audit & Supervisory Board Member	Minoru Takenaka		Certified Public Accountant (CPA) • Certified Public Tax Accountant
Audit & Supervisory Board Member	Takashi Yoneyama		Attorney

- (Notes) 1. Director Mr. Atsushi Narikawa, Audit & Supervisory Board Member Mr. Minoru Takenaka and Mr. Takashi Yoneyama were newly elected and assumed their positions at the 109th Ordinary General Meeting of Shareholders held on March 25, 2024.
2. 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.
3. Audit & Supervisory Board Members Ms. Hiroko Nihei, Mr. Minoru Takenaka and Mr. Takashi Yoneyama 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.
4. Audit & Supervisory Board Members Mr. Masahiko Suzuki has many years of financial- and accounting-related experience, etc. and has sufficient financial and accounting knowledge. And Mr. Minoru Takenaka
5. Representative Director & Chairman Mr. Akira Kiyohara resigned on December 31, 2024.

(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 Ms. Hiroko Nihei, Mr. Minoru Takenaka and Mr. Takashi Yoneyama 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 December 12, 2024, 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 3,327 million 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 (4) Directors, including three (3) Independent Outside Directors, deliberates a remuneration plan proposed by the Representative Director 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)	130 (25)	95 (25)	– (–)	34 (–)	6 (3)
Audit & Supervisory Board Member (Outside Audit & Supervisory Board Member)	35 (19)	35 (19)	– (–)	– (–)	5 (4)
Total amount (Outside Officer)	165 (45)	130 (45)	– (–)	34 (–)	11 (7)

(Notes) 1. The above number of payees and amount of remuneration, etc. include 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 23. 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 15 Board of Directors' meetings held in FY 2024, 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 15 Board of Directors' meetings held in FY 2024, and 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 15 Board of Directors' meetings held in FY 2024, 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	Hiroko Nihei	Participated in all 15 Board of Directors' meetings and in all 14 Audit & Supervisory Board meetings held in FY 2024; provided expert opinions, mainly as an attorney, as necessary.
	Minoru Takenaka	Participated in all 12 Board of Directors' meetings and in all 10 Audit & Supervisory Board meetings held after he assumed office as Outside Audit & Supervisory Board Member; provided expert opinions, mainly as a certified public accountant and certified public tax accountant, as necessary
	Takashi Yoneyama	Participated in all 12 Board of Directors' meetings and in all 10 Audit & Supervisory Board meetings held after he assumed office as Outside Audit & Supervisory Board Member; provided expert opinions, mainly as an attorney, as necessary

(Reference) Executive Vice President, Senior Managing Officer & Managing Officers

(As of December 31, 2024)

Position	Name	Responsibilities and significant concurrent positions
Executive Vice President	Hirokazu Nagashima	"In charge of Electronics Assembly & Systems Company of Industrial Equipment and Systems Business Unit" and President of Electronics Assembly & Systems Company
Senior Managing Officer	Katsumi Nihei	"In charge of Business Operation Center (deputy) (Sewing Machinery and Systems Business Unit)," and Director and Chairman of JUKI INDIA PVT. LTD.
Senior Managing Officer	Minoru Nitta	Executive Unit Officer of Sewing Machinery and Systems Business Unit and Representative Director, President of JUKI TECHNOSOLUTIONS CORPORATION
Managing Officer	Yutaka Abe	"In charge of "Electronics Assembly & Systems Company (deputy) " (Industrial Equipment and Systems Business Unit) and "In charge of Business Operation Center (deputy) (Sewing Machinery and Systems Business Unit)
Managing Officer	Jirou Ishibashi	Executive Unit Officer of IoT Platform Equipment & Systems Business Unit and "In charge of Business Operation Center (deputy) (Sewing Machinery and Systems Business Unit)
Managing Officer	Kiyoshi Matsumoto	"In charge of Global Cooperate Center"
Managing Officer	Hiroshi Anzai	"In charge of Development Center" and Representative Director President of JUKI AUTOMATION SYSTEMS CORPORATION
Managing Officer	Keiichi Hashimoto	"In charge of Production Center"

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. Our principal subsidiaries are audited by audit corporations other than the Company's Accounting Auditor (including those who have qualifications equivalent to these qualifications in foreign countries).

(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 December 12, 2024, and confirmed on February 13, 2025, 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 system and Executive Officer system (Executive officers are Corporate Officers who are not Managing Officer) under which the Managing Officers and Executive Officer 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 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 once 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, 2024 - December 31, 2024)

Consolidated Balance Sheet
(As of December 31, 2024)

(million yen)

Description	FY 2024 (As of December 31, 2024)	Description	FY 2024 (As of December 31, 2024)
(Assets)		(Liabilities)	
Current assets	105,384	Current liabilities	86,352
Cash and deposits	13,170	Notes and accounts payable - trade	9,401
Notes and accounts receivable - trade, and contract assets	31,562	Electronically recorded obligations - operating	2,770
Merchandise and finished goods	40,925	Short-term borrowings	64,611
Work in process	4,452	Lease liabilities	215
Raw materials and supplies	12,920	Accounts payable - other	1,084
Other	3,006	Accrued expenses	3,886
Allowance for doubtful accounts	(651)	Income taxes payable	365
Non-current assets	36,835	Contract liabilities	2,265
Property, plant and equipment	22,596	Provision for bonuses	7
Buildings and structures, net	9,726	Notes payable - facilities	56
Machinery, equipment, and vehicles, net	3,035	Forward exchange contracts	374
Tools, furniture, and fixtures, net	807	Other	1,311
Land	6,316	Non-current liabilities	23,632
Leased assets, net	1,085	Long-term borrowings	15,858
Construction in progress	264	Lease liabilities	890
Other	1,360	Provision for retirement benefits for directors (and other officers)	49
Intangible assets	4,023	Retirement benefit liability	4,868
Software	2,965	Other	1,965
Software in progress	149	Total liabilities	109,985
Other	907	(Net assets)	
Investments and other assets	10,215	Shareholders' equity	24,248
Investment securities	5,853	Share capital	18,044
Long-term loans receivable	25	Capital surplus	1,798
Long-term prepaid expenses	44	Retained earnings	4,519
Deferred tax assets	1,354	Treasury shares	(143)
Retirement benefit asset	1,851	Accumulated other comprehensive income	6,965
Other	1,607	Valuation difference on available-for-sale securities	546
Allowance for doubtful accounts	(521)	Foreign currency translation adjustment	6,084
		Remeasurements of defined benefit plans	334
		Non-controlling interests	1,020
		Total net assets	32,234
Total assets	142,219	Total liabilities and net assets	142,219

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

Consolidated Statement of Income
(January 1, 2024 – December 31, 2024)

(million yen)

Description	FY 2024 (Fiscal year ended December 31, 2024)	
Net sales		95,185
Cost of sales		69,461
Gross profit		25,723
Selling, general, and administrative expenses		26,686
Operating loss		962
Non-operating income		
Interest income	120	
Dividend income	124	
Commission income	92	
Reversal of allowance for loan losses	20	
Subsidy income	102	
Income from recycling	121	
Other	357	939
Non-operating expenses		
Interest expenses	1,661	
Foreign exchange losses	1,365	
Equity method investment losses	139	
Other	138	3,304
Ordinary loss		3,327
Extraordinary income		
Gain on sales of non-current assets	1,610	
Gain on sales of investment securities	522	
Gain on change in equity	188	
Other	2	2,324
Extraordinary losses		
Loss on sales and retirement of non-current assets	118	
Loss on valuation of investment securities	1	
Business restructuring expenses	868	
Loss on disaster	19	1,007
Loss before income taxes		2,010
Income taxes – current	728	
Income taxes – deferred	530	1,259
Loss		3,269
Profit attributable to non-controlling interests		34
Loss attributable to owners of parent		3,235

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

Consolidated Statement of Changes in Equity
(January 1, 2024 - December 31, 2024)

(million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	18,044	1,894	8,193	(341)	27,791
Changes of items during period					
Dividends of surplus			(443)		(443)
Loss attributable to owners of parent			(3,235)		(3,235)
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(96)		198	102
Change in scope of consolidation			33		33
Net changes in items other than shareholders' equity					—
Total changes during period	0	(96)	(3,644)	198	(3,543)
Balance at end of period	18,044	1,798	4,549	(143)	24,248

(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	627	3,066	112	3,805	773	32,370
Changes of items during period						
Dividends of surplus						(443)
Loss attributable to owners of parent						(3,235)
Purchase of treasury shares						(0)
Disposal of treasury shares						102
Change in scope of consolidation						33
Net changes in items other than shareholders' equity	(81)	3,018	222	3,160	246	3,407
Total changes during period	(81)	3,018	222	3,160	246	(136)
Balance at end of period	546	6,084	334	6,965	1,020	32,234

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

Notes to Consolidated Financial Statements

1. Notes on the Basis for the Preparation of Consolidated Financial Statements, etc.

(1) Scope of consolidation

1) Number of consolidated subsidiaries: 24

Names of major consolidated subsidiaries:

JUKI AUTOMATION SYSTEMS CORPORATION, JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION, JUKI SINGAPORE PTE. LTD., JUKI (CHINA) CO., LTD., JUKI (SHANGHAI) INDUSTRIAL CO., LTD., and 19 other subsidiaries.

2) Names of major non-consolidated subsidiaries:

Five non-consolidated subsidiaries, including JUKI MACHINERY VIETNAM CO., LTD., are excluded from the scope of consolidation because their exclusion does not preclude reasonable judgment on the Group's financial situation and management results as a whole.

(2) Application of equity method

Number of associates accounted for using the equity method: 2

Company name: AIMECHATEC, Ltd., ESSEGI AUTOMATION S.r.l.

The five non-consolidated subsidiaries and NISSEN Co., Ltd. and two other associates are excluded from the scope of application of the equity method because their exclusion does not preclude reasonable judgment on the Group's financial situation and management results as a whole.

(3) Accounting periods of consolidated subsidiaries

The year-end balance sheet dates for all consolidated subsidiaries, other than JUKI INDIA PVT. LTD. whose balance sheet date is March 31, are the same as the consolidated balance sheet date. The financial statements of JUKI INDIA PVT. LTD. prepared on the basis of a provisional closing of accounts as of the consolidated balance sheet date are used in preparing the consolidated financial statements.

(4) Accounting policies

1) Standards and methods for valuation of important assets

A. Securities

Available-for-sale securities other than shares that do not have a market value

Stated based on the market price, etc. on the consolidated balance sheet date

(Unrealized gains and losses are excluded from income and reported in a separate component of net assets. The cost of sales is calculated using the moving-average method.)

Available-for-sale securities that have no market value

Stated at cost using the moving-average method

B. Derivatives

Stated mainly at market

C. Inventories

Stated at the lower of cost or market

Merchandise and finished goods and work in process

Mainly by the average method or first-in first-out method

Raw materials and supplies

Mainly by the average method or last cost method

2) Depreciation & amortization method for important depreciable assets

A. Property, plant, and equipment (excluding leased assets)

The declining-balance method is applied for the Company and its domestic consolidated subsidiaries. However, the straight-line method is applied for buildings acquired on and after April 1, 1998 (excluding any facilities attached to buildings) and facilities attached to buildings and structures acquired on and after April 1, 2016. Overseas consolidated subsidiaries are mainly subject to the straight-line method.

The main economic useful lives are as follows:

Buildings and structures	10 - 50 years
Machinery, equipment, and vehicles	3 - 17 years
Tools, furniture, and fixtures	2 - 20 years

B. Intangible assets (excluding leased assets) and long-term prepaid expenses

The Company and its domestic consolidated subsidiaries use the straight-line method. Software bundled with a device sold is amortized every fiscal year at no less than an amount equally divided over the effective period (three years), and software used in-house is amortized using the straight-line method over a useful life of five years. Overseas consolidated subsidiaries are subject to the straight-line method.

C. Leased assets

Leased assets pertaining to finance leases without ownership transfer of the leased assets to the lessee

The straight-line method is applied on the assumptions that the useful life equals the lease term and the residual value is zero.

3) Standards for recognition of important reserves

A. Allowance for doubtful accounts

For loss caused by uncollectible debt to the Company and its domestic consolidated subsidiaries, an allowance for doubtful accounts is provided based on the historical write-off rate for ordinary receivables and the estimated amount of irrecoverable debt based on the recoverability of individual cases for specified receivables such as debt with a possibility of default. For overseas consolidated subsidiaries, the estimated write-off amount is provided.

B. Provision for bonuses

A provision for bonuses is provided based on the estimated future payment of bonuses to employees.

C. Provision for retirement benefits for directors (and other officers)

Seven consolidated subsidiaries provide the provision in an amount that would be required by the internal rule if all the eligible Directors retired at the balance sheet date.

4) Standards for recording revenue and expenses

The Company recognizes revenue by applying the following five steps with respect to a customer contract. Consideration for performance obligation is generally received within one year and does not include significant financial elements.

Step 1: Identify the customer contract.

Step 2: Identify the performance obligations under the contract.

Step 3: Calculate the transaction price.

Step 4: Allocate the transaction price to performance obligations under the contract.

Step 5: Recognize revenue when a company has fulfilled (or as it fulfills) the performance obligations.

In the Sewing Machinery and Systems Business, the Company engages mainly in the manufacture and sales of industrial sewing machines and household sewing machines. In the Industrial Equipment and Systems Business, we mainly engage in the manufacture and sales of mounters, inspection equipment, printing equipment, and others. In sales of these products, because control over these products is transferred to the customer and the performance obligation is fulfilled at the time such products are delivered to the customer or at the time the customer accepts these products, the Company recognizes revenue at the aforementioned point in time.

The Company applies the alternative treatment stipulated in Paragraph 98 of the Implementation Guidance on Accounting Standard for Revenue Recognition, and recognizes revenue, in domestic

sales of products, at the time of shipment in cases where the period between shipment and transfer of control over those products to the customer is normal.

In export sales, the Company recognizes revenue when risk-bearing based on trade conditions set out in Incoterms and others is transferred to the customer.

5) Method of amortization of goodwill and amortization period

Goodwill is amortized using the straight-line method over a period of seven years.

6) Method of accounting for retirement benefits

A. Method of attributing expected retirement benefits to periods

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

B. Method of recognizing actuarial gains and losses and past service cost

Actuarial gains and losses are amortized on a straight-line basis over a period equal to or less than the average remaining service period for employees at the time of each fiscal year in which such gains and losses are realized (10 years). The amortization of net gains and losses starts from the fiscal year immediately following the year in which such gains and losses are realized.

Past service cost is expensed wholly in the fiscal year in which it is realized.

C. Application of simplified accounting method by small-size enterprises

In calculating the retirement benefit liability (net defined benefit liability) and retirement benefit expenses, certain consolidated subsidiaries apply a simplified accounting method in which retirement benefit obligations are determined based on the amount of retirement benefits required to pay if all eligible employees retired voluntarily at the balance sheet date.

7) Standards for translation of important assets or liabilities in foreign currencies into yen

Monetary assets and liabilities in foreign currencies are translated into yen based on the spot exchange rate in the foreign exchange market on the consolidated balance sheet date, and the foreign exchange gains and losses from the translations are recognized in the income statement. Assets and liabilities of overseas consolidated subsidiaries are translated into yen based on the spot exchange rate in the foreign exchange market on the consolidated balance sheet date, while revenue and expenses are translated into yen based on the average exchange rate for the fiscal term. The differences resulting from these translations are included in “Foreign currency translation adjustment” and “Non-controlling interests” under net assets.

8) Accounting for important hedging activities

A. Method

Deferred hedge accounting is applied.

Designation is applied to forward exchange contracts that qualify for designation, and designated exceptional accounting is applied to interest rate swaps that qualify for exceptional accounting.

B. Means for hedging and hedged item

<u>Means for hedging</u>	<u>Hedged item</u>
Interest rate swaps	Long-term borrowings
Forward exchange contracts	Foreign currency receivables (including forecast transactions)

C. Hedging policy

Based on internal rules, hedging is limited to transactions (including forecast transactions) in the scope of practical purposes under the management of the Company’s department in charge of finance and is undertaken to avoid future risks from fluctuations in interest rates and foreign exchange rates.

D. Method for assessing the effectiveness of hedges

At the start of hedging, the Company assesses the effectiveness of offset in interest rate or foreign exchange rate fluctuation. Then, during the period of hedging, the Company uses the predetermined assessment method to assess whether the high effectiveness of offset is maintained at every fiscal year-end. For forward exchange contracts, assessment of the effectiveness of hedges is omitted as important terms regarding hedged items and means for hedging are the same, and changes in the cash flow from foreign exchange rate fluctuations are expected to be completely offset. Assessment of the effectiveness of interest rate swaps subject to designated exceptional accounting is also omitted.

2. Notes on Significant Accounting Estimates

Impairment loss on fixed assets

(1) Amount recorded on Consolidated Financial Statements for the fiscal year under review

Property, plant, and equipment	22,596 million yen
Intangible assets	4,023 million yen

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

1) Calculation method

The Company Group sets a business unit and each company as a grouping unit for the Company and its consolidated subsidiaries, respectively, and determines whether there is any sign of impairment for each asset group. When we find a sign of impairment, we estimate future cash flow generated with the asset group and compare it with the book value to judge if it is necessary to recognize an impairment loss.

In the fiscal year ended December 31, 2024

, signs of impairment in some asset groups of the Sewing Machinery and Systems Business and the Industrial Equipment and Systems Business, which has been successively generating operating losses, were identified; however, since the amount of the undiscounted future cash flows exceeded the carrying amount, impairment loss was not recorded.

2) Major assumptions

The undiscounted future cash flows are estimated based on the Medium-Term Management Plan, etc., which factors in significant accounting estimates involving significant judgments and uncertainties such as a certain assumption about a recovery in demand.

3) Impact on the consolidated financial statements for the following fiscal year

The estimates may be affected by changes of uncertain economic conditions. If future business performance, etc., deviates from the estimates, it may affect the valuation of fixed assets and significantly impact the consolidated financial statements for the following fiscal year.

3. Notes to Consolidated Balance Sheet

(1) Assets offered as collateral and collateralized loans

(Assets offered as collateral)

Buildings and structures	2,527 million yen
Machinery, equipment, and vehicles	390 million yen
Tools, furniture, and fixtures	5 million yen
Land	2,379 million yen
Intangible assets	164 million yen
Investment securities	1,439 million yen
Total	6,907 million yen

of which assets offered as foundation mortgage 4,260 million yen

(Collateralized loans)

Short-term borrowings	41,944 million yen
Long-term borrowings	12,158 million yen
Total	54,102 million yen

of which loans collateralized as foundation mortgage 52,697 million yen

(2) Accumulated depreciation of property, plant, and equipment 51,679 million yen

The accumulated impairment loss is included in the accumulated depreciation.

(3) Bills receivable discount amount 455 million yen

4. Notes to Consolidated Statement of Changes in Equity

(1) Type and total number of issued shares as of this fiscal year-end

Common shares 29,874,179 shares

(2) Treasury shares

Type of stock	Balance at beginning of period	Increase	Decrease	Balance at end of period
Common shares (shares)	325,926	2,177	189,647	138,456

(Summary of reasons for change)

Detail of the increase in number are as follows:

Increase due to the purchase of shares of less than one unit 675 shares

Increase due to free acquisition of retired employees of restricted stock compensation plan 1,502 shares

Details of the decrease in number are as follows:

Decrease due to allotment to Directors, etc. as restricted stock-based remuneration 189,647 shares

(3) Dividends

1) Dividends paid

Resolution	Type of stock	Source of dividend	Total dividends (million yen)	Dividend per share (yen)	Record date	Effective date
Ordinary General Meeting of Shareholders on March 25, 2024	Common shares	Retained earnings	443	15.00	December 31, 2024	March 26, 2024

5. Notes on Financial Instruments

(1) Status of financial instruments

The Group procures necessary funds mainly by borrowing from financial institutions based on the capital investment plan. A temporary surplus fund is invested in financial assets that are highly secure.

For customer credit risk concerning trade receivables (notes and accounts receivable - trade), write-off risk is kept lower by the division in charge according to the credit control rules. Investment securities are mainly stocks and the market value of listed stocks is checked quarterly.

Borrowed money is used for working funds (mainly short-term) and capital investment funds (long-term). Interest-swap contracts are used against the interest fluctuation risk of some long-term borrowings to fix the amount of interest expenses. Derivative transactions (related to foreign exchange and interest rate) are conducted only in the scope of practical purposes according to the internal control rules.

(2) Fair value of financial instruments

The amounts posted on the consolidated balance sheet, fair values, and differences thereof as of December 31, 2024 (consolidated balance sheet date for this fiscal year) are as follows:

Securities that have no market value are not included.

Descriptions of “cash and deposits,” “notes and accounts receivable – trade,” “notes and accounts payable – trade,” and “short-term borrowings” are omitted, because these items are cash, or their fair values are equivalent to book values as they are settled over the short term.

(million yen)

	Consolidated balance sheet amount (*1)	Fair value (*1)	Difference
(1) Investment securities Available-for-sale securities	1,878	1,878	–
(2) Long-term borrowings (*2)	[24,099]	[24,002]	(96)
(3) Derivative transactions of which hedge accounting is not applied	[374]	[374]	–

(*1) Amounts for which the net total is payable are shown in [].

(*2) Current portion of long-term borrowings, an item included in short-term borrowings in the consolidated balance sheet, is included in long-term borrowings here.

Note 1: Method for calculating the fair value of financial instruments

(1) Investment securities

The going share price on the exchange is used as the fair value.

(2) Long-term borrowings

The fair value of long-term borrowings is calculated by discounting the sum of principal and interest by an interest rate assumed in cases where similar borrowing is to be newly conducted. The fair value of long-term borrowings with variable interest rates to which special treatment of interest rate swaps is applied (see (3) below) is calculated by discounting the sum of principal and interest, which is treated in combination with the said interest rate swaps, at a reasonably estimated rate applied to a similar new borrowing.

(3) Derivative transactions

The fair value of derivative transactions is calculated based on the prices submitted by financial institutions.

The fair value of interest rate swaps to which special treatment is applied is included in the fair value of the hedged long-term borrowings, because these transactions are treated in combination with the said long-term borrowings.

Note 2: Securities that have no market value (3,975 million yen included in the consolidated balance sheet) are not included in “(1) Investment securities, Available-for-sale securities.”

(3) Matters on breakdown by fair value level of financial instruments

The Company categorizes the fair value of financial instruments according to the observability and significance of inputs for fair value measurement into the following three levels.

Level 1 fair value: Fair value measured using observable inputs for fair value measurement, which are quoted prices in active markets for identical assets or liabilities

Level 2 fair value: Fair value measured using observable inputs for fair value measurement other than the inputs in Level 1

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

In cases where multiple inputs that have a material impact on fair value measurement are used, the fair value measurement is categorized at the level with the lowest priority among the levels to which such inputs belong.

1) Financial assets and financial liabilities recorded on the consolidated balance sheet using their fair values

(million yen)

	Fair value			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities				
Shares	1,878	–	–	1,878
Derivative transactions				
Currency-related	–	(374)	–	(374)
Total assets	1,878	(374)	–	1,504

2) Financial assets and financial liabilities not recorded on the consolidated balance sheet using their fair values

(million yen)

	Fair value			
	Level 1	Level 2	Level 3	Total
Long-term borrowings	–	(24,196)	–	(24,196)
Total liabilities	–	(24,196)	–	(24,196)

Note: Explanation of the valuation methods and inputs used for fair value measurement

Investment securities

Listed shares are valued using quoted prices. Because listed shares are traded on active markets, their fair value is categorized as Level 1 fair value.

Derivative transactions

The fair value of exchange contracts is measured based on the discounted present value method using exchange rates and other observable inputs and is categorized as Level 2 fair value.

Long-term borrowings

Long-term borrowings are valued using the discounted method of taking the total amount of principal and interest and discounting it by the rate assumed for an equivalent new loan, and their fair value is categorized as Level 2 fair value. Long-term borrowings with variable interest rates that are subject to the special provisions for interest-rate swaps are valued by taking the total amount of principal and interest treated as one along with the relevant interest-rate swap and discounting it by a reasonably estimated rate assumed to be applied for an equivalent loan, and their fair value is categorized as Level 2 fair value.

6. Notes on Revenue Recognition

(1) Breakdown of revenue generated from customer contracts

(million yen)

	Japan	Asia	China	India	The Americas	America	Europe	Others	Total
Sewing Machinery & Systems Business Unit	5,217	16,698	14,355	8,953	1,685	6,870	7,225	1,489	62,496
Industrial Equipment & Systems Business Unit	11,102	4,712	4,885	2,025	1,468	6,004	3,008	177	32,385
Other business	304	–	–	–	–	–	–	–	304
Total	16,623	21,411	19,240	9,978	3,153	12,875	10,234	1,667	95,185

Note: Net sales are based on the location of customer and categorized under country or region.

Effective from the current fiscal year, “India”, which was previously included in “Asia”, and “America”, which was included in “The Americas”, have been presented separately due to their increased importance.

(2) Basic information for understanding revenue generated from customer contracts

Basic information for understanding revenue generated from customer contracts is as stated in “1. Notes on the Basis for the Preparation of Consolidated Financial Statements, etc. (4) Accounting policies 4) Standards for recording revenue and expenses.”

(3) Information for understanding revenue amounts in the fiscal year under review and subsequent fiscal years

1) Balance of contract assets and contract liabilities

	Current consolidated fiscal year
Contract assets (beginning of period)	1,293 million yen
Contract assets (end of period)	20 million yen
Contract liabilities (beginning of period)	791 million yen
Contract liabilities (end of period)	2,265 million yen

2) Allocation of transaction prices to residual performance obligations

Since the JUKI Group has no significant transactions whose initial expected contract period exceeds one year, we apply a practical expedient and omit the description of information on residual performance obligations. In addition, there is no significant amount that is not included in transaction prices in consideration generated from customer contracts.

7. Notes on Per Share Information

(1) Net assets per share	1,049.72 yen
(2) Basic loss per share	109.00 yen

Non-consolidated Financial Statements

(January 1, 2024 - December 31, 2024)

Non-consolidated Balance Sheet
(As of December 31, 2024)

(million yen)			
Description	FY 2024 (As of December 31, 2024)	Description	FY 2024 (As of December 31, 2024)
(Assets) Current assets Cash and deposits Notes receivable - trade Accounts receivable - trade Merchandise and finished goods Work in process Raw materials and supplies Accrued income Short-term loans receivable Accounts receivable - other Other Non-current assets Property, plant and equipment Buildings, net Structures, net Machinery and equipment, net Vehicles, net Tools, furniture, and fixtures, net Land Leased assets, net Construction in progress Intangible assets Patent right Software Software in progress Leased assets, net Other Investments and other assets Investment securities Shares of subsidiaries and associates Investments in capital of subsidiaries and associates Investments in capital Long-term accounts receivable from subsidiaries and associates - other Distressed receivables Long-term prepaid expenses Other Allowance for doubtful accounts	52,075 7,585 89 16,854 3,823 1,994 139 317 10,324 9,352 1,595 53,193 11,561 6,598 65 192 1 221 4,202 101 178 3,200 402 2,641 132 10 14 38,430 2,062 26,971 7,626 352 3,180 17 23 505 (2,309)	(Liabilities) Current liabilities Notes payable - trade Electronically recorded obligations - operating Accounts payable - trade Short-term borrowings Short-term borrowings from subsidiaries and associates Lease obligations Accounts payable - other Accrued expenses Income taxes payable Contract liabilities Deposits received Electronically recorded obligations - facilities Forward exchange contracts Other Non-current liabilities Long-term borrowings Lease obligations Provision for retirement benefits Deferred tax liabilities Other Total liabilities (Net assets) Shareholders' equity Share capital Capital surplus Legal capital surplus Retained earnings Legal retained earnings Other retained earnings Retained earnings brought forward Treasury shares Valuation and translation adjustments Valuation difference on available-for-sale securities Total net assets Total liabilities and net assets	70,195 31 1,107 4,490 43,680 4,964 25 12,063 3,112 87 59 145 48 374 3 14,554 11,312 85 2,704 95 356 84,749 19,973 18,044 2,094 2,094 (22) 798 (821) (821) (143) 546 546 20,519 105,269
Total assets	105,269	Total liabilities and net assets	105,269

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

Non-consolidated Statement of Income
(January 1, 2024 - December 31, 2024)

(million yen)

Description	FY 2024 (Fiscal year ended December 31, 2024)	
Net sales		37,732
Cost of sales		32,041
Gross profit		5,609
Selling, general, and administrative expenses		10,294
Operating loss		4,603
Non-operating income		
Interest and dividend income	3,428	
Commission income	809	
Other	439	4,677
Non-operating expenses		
Interest expenses	783	
Foreign exchange losses	1,312	
Other	11	2,107
Ordinary loss		2,033
Extraordinary income		
Gain on sale of non-current assets	10	
Gain on sale of investment securities	515	
Other	2	527
Extraordinary losses		
Loss on retirement of non-current assets	2	
Business restructuring expenses	36	
Loss on valuation of investment securities	790	829
Loss before income taxes		2,335
Income taxes - current	175	175
Loss		2,510

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

Non-consolidated Statement of Changes in Equity
(January 1, 2024 - December 31, 2024)

(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	754	2,272	3,027
Changes of items during period							
Provision of legal retained earnings					44	(44)	–
Dividends of surplus						(443)	(443)
Profit						(2,510)	(2,510)
Purchase of treasury shares							–
Disposal of treasury shares			(96)	(96)			–
Transfer of loss on disposal of treasury shares			96	96		(96)	(96)
Net changes in items other than shareholders' equity							–
Total changes during period	–	–	–	–	44	(3,094)	(3,050)
Balance at end of period	18,044	2,094	–	2,094	798	(821)	(22)

(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	(341)	22,824	626	626	23,451
Changes of items during period					
Provision of legal retained earnings		–			–
Dividends of surplus		(443)			(443)
Profit		(2,510)			(2,510)
Purchase of treasury shares	(0)	(0)			(0)
Disposal of treasury shares	198	102			102
Transfer of loss on disposal of treasury shares		–			–
Net changes in items other than shareholders' equity			(80)	(80)	(80)
Total changes during period	198	(2,851)	(80)	(80)	(2,932)
Balance at end of period	(143)	19,973	546	546	20,519

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

Notes to Non-consolidated Financial Statements

1. Notes on Significant Accounting Policies

(1) Standards and methods for valuation of assets

1) Securities

Shares of subsidiaries and associates

Stated at cost using the moving-average method

Available-for-sale securities with market quotations

Stated based on the market price, etc. on the balance sheet date

(Unrealized gains and losses are excluded from income and reported in a separate component of net assets. The cost of sales is calculated using the moving-average method.)

Available-for-sale securities without market quotations

Stated at cost using the moving-average method

2) Derivatives

Stated mainly at market

3) Inventories

Stated at the lower of cost or market

Merchandise and finished goods and work in process Using the average method

Raw materials and supplies Using the last cost method

(2) Depreciation & amortization method for non-current assets

1) Property, plant, and equipment (excluding leased assets)

The declining-balance method is applied. However, the straight-line method is applied for buildings acquired on and after April 1, 1998 (excluding any facilities attached to buildings) and facilities attached to buildings and structures acquired on and after April 1, 2016.

The main economic useful lives are as follows:

Buildings 10 - 50 years

Structures 10 - 50 years

Machinery, equipment, and vehicles 3 - 15 years

Tools, furniture, and fixtures 2 - 20 years

2) Intangible assets (excluding leased assets) and long-term prepaid expenses

The straight-line method is applied. Software bundled with a device sold is amortized every fiscal year at no less than an amount equally divided over the effective period (three years), and software used in-house is amortized using the straight-line method over a useful life of five years.

3) Leased assets

Leased assets pertaining to finance leases without ownership transfer of the leased assets to the lessee

The straight-line method is applied on the assumptions that the useful life equals the lease term and the residual value is zero.

(3) Standards for recognition of reserves

1) Allowance for doubtful accounts

For loss caused by uncollectible debt, an allowance for doubtful accounts is provided based on the historical write-off rate for ordinary receivables and the estimated amount of irrecoverable debt based on the recoverability of individual cases for specified receivables such as debt with a possibility of default.

2) Provision for retirement benefits

A provision for retirement benefits is provided based on the estimated retirement benefit obligation and plan assets as of this fiscal year-end.

A. Method of attributing expected retirement benefits to periods

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

- B. Method of recognizing actuarial gains and losses and past service cost
 Actuarial gains and losses are amortized on a straight-line basis over a period equal to or less than the average remaining service period for employees at the time such gains and losses are realized (10 years). The amortization of net gains and losses starts from the fiscal year immediately following the year in which such gains and losses are realized.
 Past service cost is expensed wholly in the fiscal year in which it is realized.

(4) Standards for recording revenue and expenses

The Company recognizes revenue by applying the following five steps with respect to a customer contract. Consideration for performance obligation is generally received within one year and does not include significant financial elements.

- Step 1: Identify the customer contract.
- Step 2: Identify the performance obligations under the contract.
- Step 3: Calculate the transaction price.
- Step 4: Allocate the transaction price to performance obligations under the contract.
- Step 5: Recognize revenue when a company has fulfilled (or as it fulfills) the performance obligations.

In the Machinery and Systems Business, the Company engages mainly in the manufacture and sales of industrial sewing machines and household sewing machines. In sales of these products, because control over these products is transferred to the customer and the performance obligation is fulfilled at the time such products are delivered to the customer or at the time the customer accepts these products, the Company recognizes revenue at the aforementioned point in time.

The Company applies the alternative treatment stipulated in Item 98 of the Implementation Guidance on Accounting Standard for Revenue Recognition, and recognizes revenue, in domestic sales of products, at the time of shipment in cases where the period between shipment and transfer of control over those products to the customer is normal.

In export sales, the Company recognizes revenue when risk-bearing based on trade conditions set out in INCOTERMS and others is transferred to the customer.

(5) Other significant basic matters for the preparation of financial statements

1) Standards for translation of assets and liabilities in foreign currencies into yen

Monetary assets and liabilities in foreign currencies are translated into yen based on the spot exchange-rate in the foreign exchange market on the balance sheet date, and the foreign exchange gains and losses from the translations are recognized in the income statement.

2) Accounting for hedging activities

A. Method

Deferred hedge accounting is applied.

Designation is applied to forward exchange contracts that qualify for designation, and designated exceptional accounting is applied to interest rate swaps that qualify for exceptional accounting.

B. Means for hedging and hedged item

Means for hedging	Hedged item
Interest rate swaps	Long-term borrowings
Forward exchange contracts	Foreign currency receivables (including forecast transactions)

C. Hedging policy

Based on internal rules, hedging is limited to transactions (including forecast transactions) in the scope of practical purposes under the management of the department in charge of finance, and is undertaken to avoid future risks from fluctuations in interest rates and foreign exchange rates.

D. Method for assessing the effectiveness of hedges

At the start of hedging, the Company assesses the effectiveness of offset in interest rate or foreign exchange rate fluctuation. Then, during the period of hedging, the Company uses the predetermined assessment method to assess whether the high effectiveness of offset is maintained at every fiscal year-end. For forward exchange contracts, assessment of the effectiveness of hedges is omitted as important terms regarding hedged items and means for hedging are the same, and changes in the cash flow from foreign exchange rate fluctuations are expected to be completely offset. Assessment of the effectiveness of interest rate swaps subject to designated exceptional accounting is also omitted.

- 3) Method of accounting for retirement benefits
The accounting methods for unrecognized actuarial gains and losses relating to retirement benefits are different from the accounting methods in the consolidated financial statements.

2. Notes to Significant Accounting Estimates

Recoverability of deferred tax assets

(1) Amount recorded on Non-consolidated Financial Statements for the fiscal year under review

Deferred tax assets (net)	— million yen
Deferred tax liabilities (net)	95 million yen

(The gross amount before offsetting against deferred tax liabilities is — million yen.)

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

1) Calculation method

Future taxable income is estimated based on deductible temporary difference and the carryforward of unused tax losses, and the recoverable amount of deferred tax assets is calculated within a scope deemed to have the effect of reducing future tax payable.

2) Major assumptions

An important assumption about the recoverability of deferred tax assets is the estimate of taxable income based on the Medium-Term Management Plan, etc., formulated based on a certain assumption about a recovery in demand etc.

3) Impact on Non-consolidated Financial Statements for the following fiscal year

The estimates may be affected by changes in uncertain economic conditions. When actual profit earned, a period in which taxable income incurs, and taxable income amounts differ from the estimates, it may significantly impact the amount of deferred tax assets in the non-consolidated financial statements for the following fiscal year.

3. Notes to Non-consolidated Balance Sheet

(1) Assets offered as collateral and collateralized loans

(Assets offered as collateral)

Buildings, net	218 million yen
Structures, net	9 million yen
Machinery and equipment, net	0 million yen
Land	637 million yen
Investment securities	1,439 million yen
Total	2,304 million yen

of which assets offered as foundation mortgage 865 million yen

(Collateralized loans)

Short-term borrowings	36,398 million yen
Long-term borrowings	10,097 million yen
Total	46,495 million yen

of which loans collateralized as foundation mortgage 46,495 million yen

(2) **Accumulated depreciation of property, plant, and equipment** 18,654 million yen

(3) Guarantee liability

The Company provides guarantees on borrowings from financial institutions by other companies.

JUKI SINGAPORE PTE. LTD.	8,067 million yen
JUKI (VIETNAM) CO., LTD.	2,555 million yen
JUKI CENTRAL EUROPE SP. ZO.O.	1,662 million yen
Total	12,284 million yen

(4) **Bills receivable discount amount** 184 million yen

(5) Monetary receivables from and payables to subsidiaries and associates (excluding accounting items presented separately)

Short-term monetary receivables	36,194 million yen
Short-term monetary payables	17,149 million yen

4. Notes to Non-consolidated Statement of Income

Transactions with subsidiaries and associates (excluding accounting items presented separately)

Net sales	35,487 million yen
Purchase	32,634 million yen
Other operating transactions	5,225 million yen
Transactions other than operating transactions	4,777 million yen

5. Notes to Non-consolidated Statement of Changes in Equity

Type and number of treasury shares as of this fiscal year-end	
Common shares	138,456 shares

6. Notes on Tax Effect Accounting

Major causes for accrual of deferred tax assets and deferred tax liabilities

(million yen)

Deferred tax assets	
Enterprise tax payable	26
Provision for retirement benefits	714
Allowance for doubtful accounts	707
Impairment loss	64
Loss on valuation of inventories	160
Loss on valuation of shares of subsidiaries and associates	2,559
Loss on valuation of investments in capital of subsidiaries and associates	248
Loss brought forward	2,814
Other	1,105
Total	<u>8,401</u>
Valuation allowance	<u>(8,401)</u>
Total deferred tax assets	–
Offset to deferred tax liabilities	<u>–</u>
Net deferred tax assets	<u>–</u>
Deferred tax liabilities:	
Valuation difference on available-for-sale securities	<u>95</u>
Total deferred tax liabilities	<u>95</u>
Offset to deferred tax assets	<u>–</u>
Net deferred tax liabilities	<u>95</u>

7. Notes on Transactions with Related Parties

Subsidiaries and associates

Category	Company name	Ownership of voting rights, etc. (Ownership percentage)	Relationship with the related parties	Transaction details	Transaction amounts (million yen)	Receivables or payables on transactions	
						Account item	Fiscal year-end balance (million yen)
Subsidiaries	JUKI SINGAPORE PTE. LTD.	Direct ownership 100.0%	Sales and maintenance of the Company's products	Sales of products	14,297	Accounts receivable - trade	7,597
				Support for sales	1,528	Accrued expenses	1,674
				Debt guarantee	8,067	-	-
	JUKI (CHINA) CO., LTD.	Direct ownership 100.0%	Sales and maintenance of the Company's products	Sales of products	3,736	Accounts receivable - trade	670
				Provision of loan	6,538	Accounts receivable - other	4,362
				Recovery of funds	4,621	Short-term loans receivable	1,928
				Receipt of interest	46	-	-
	JUKI (SHANGHAI) INDUSTRIAL CO., LTD.	Direct ownership 22.7% Indirect ownership 77.3%	Manufacture of the Company's products	Purchase of products	5,692	Accounts payable - trade	925
	JUKI TECHNO-SOLUTIONS CORPORATION	Direct ownership 80.0%	Manufacture of the Company's products	Borrowing of fund	562	Short-term borrowings	1,308
				Repayment of fund	521	-	-
				Payment of interest	11	-	-
	JUKI CENTRAL EUROPE SP. ZO.O.	Direct ownership 100.0%	Sales and maintenance of the Company's products	Sales of products	4,983	Accounts receivable - trade	3,051
				Debt guarantee	1,662	-	-
	JUKI INDIA PVT. LTD.	Direct ownership 94.6% Indirect ownership 5.4%	Sales and maintenance of the Company's products	Sales of products	2,369	Accounts receivable - trade	1,867
	JUKI SALES (JAPAN) CORPORATION	Direct ownership 100.0%	Sales and maintenance of the Company's products	Sales of products	3,692	Accounts receivable - trade	2,115
JUKI AUTOMATION SYSTEMS GMBH	Direct ownership 100.0%	Sales and maintenance of the	Sales of products	-	Accounts receivable - other	1,227	
					Long-term accounts receivable from subsidiaries and associates - other	1,771	

Category	Company name	Ownership of voting rights, etc. (Ownership percentage)	Relationship with the related parties	Transaction details	Transaction amounts (million yen)	Receivables or payables on transactions	
						Account item	Fiscal year-end balance (million yen)
	JUKI AUTOMATION SYSTEMS CORPORATION	Direct ownership 91.8%	Sales and maintenance of the Company's products	Purchase of products	— (*)	Accounts payable - other	11,543
				Provision of loan	2,019	Short-term loans receivable	7,355
				Recovery of funds	2,410	—	—
				Receipt of interest	94	—	—
	JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION	Direct ownership 100.0%	Manufacture of the Company's products	Receipt of collateral	(Note 3)	—	—
	JUKI AMERICA, INC.	Direct ownership 100.0%	Sales and maintenance of the Company's products	Sales of products	5,406	Accounts receivable - trade	1,171
				—	—	Accounts receivable - other	1,041
				Borrowing of fund	462	Short-term borrowings	1,696
				Payment of interest	98	—	—
	JUKI (VIETNAM) CO., LTD.	Direct ownership 100.0%	Manufacture of the Company's products	Purchase of products	8,866	Accounts payable - trade	1,117
				Provision of loan	1,751	Short-term loans receivable	585
				Recovery of funds	3,576	—	—
				Receipt of interest	152	—	—
				Debt guarantee	2,555	—	—
	JUKI SMT ASIA CO., LTD.	Direct ownership 100.0%	Sales and maintenance of the Company's products	Sales of products	— (*)	Accounts receivable - other	81
						Long-term accounts receivable from subsidiaries and associates - other	1,408

Terms for transactions and policies to decide them:

- (Notes)
1. Terms for sales and purchases are decided in consideration of factors such as market prices.
 2. Loan rates are reasonably decided in consideration of market interest rates and the financial status of borrowers.
 3. Real estate owned by JUKI INDUSTRIAL EQUIPMENT TECHNOLOGY CORPORATION has been received as collateral against the Company's borrowings from financial institutions (revolving mortgage at a maximum 11,640 million yen). No fees connected with collateral pledging have been paid.
 4. Debt guarantee for JUKI SINGAPORE PTE. LTD., JUKI CENTRAL EUROPE SP. ZO.O. and JUKI (VIETNAM) CO., LTD. is provided with regard to borrowing from banks. A fixed debt guarantee charge has been received.
 5. 2,294million yen in allowance for doubtful accounts has been recorded regarding claims to long-term accounts receivable from subsidiaries and associates - other with a possibility of default above. In relation to this allowance, a total of 148 million yen of provision of allowance for doubtful accounts has been recorded in the current fiscal year.
 6. Transaction amounts do not include consumption taxes. The fiscal year-end balance includes consumption taxes.
 7. Sales support for JUKI SINGAPORE PTE. LTD. entails providing the subsidiary with support aimed at promoting sales and maintaining market competitiveness.
- (*) Because the Company has been carrying out sales transactions as the agent of JUKI AUTOMATION SYSTEMS CORPORATION in the Electronic Assembly Systems Business since August 1, 2013, the amounts in the non-consolidated statement of income are presented with the balance of the said sales transactions offset against the balance of purchase transactions.
- The balance of sales to JUKI AUTOMATION SYSTEMS GMBH is 1,760 million yen, the balance of sales to JUKI SMT ASIA CO., LTD. is 109 million yen, and the balance of purchases from JUKI AUTOMATION SYSTEMS CORPORATION is 10,571 million yen.

8. Notes on Per Share Information

(1) Net assets per share	690.05 yen
(2) Basic loss per share	84.58 yen

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

Independent Auditor's Report

February 19, 2025

To the Board of Directors
JUKI CORPORATION

Deloitte Touche Tohmatsu LLC
Tokyo Office

Satoshi Komatsu, CPA
Designated Unlimited Liability Partner,
Engagement Partner
Seibeï Kyojima, CPA
Designated Unlimited Liability Partner,
Engagement Partner
Sintaro Sugihara, 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, 2024 to December 31, 2024.

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.

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 19 2025

To the Board of Directors
JUKI CORPORATION

Deloitte Touche Tohmatsu LLC
Tokyo Office

Satoshi Komatsu, CPA
Designated Unlimited Liability Partner,
Seibeï Kyojima, CPA
Designated Unlimited Liability Partner,
Engagement Partner
Sintaro Sugihara, 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 110th fiscal term from January 1, 2024 to December 31, 2024

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.

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 110th fiscal term from January 1, 2024 to December 31, 2024, prepared this Audit Report and hereby submits it as follows:

8. 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.

9. 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 20, 2025

Audit & Supervisory Board, JUKI CORPORATION

Audit & Supervisory Board Member (Full-time)	Masahiko Suzuki
Audit & Supervisory Board Member	Hiroko Nihei
Audit & Supervisory Board Member	Minoru Takenaka
Audit & Supervisory Board Member	Takashi Yoneyama

(Note) Audit & Supervisory Board Ms. Hiroko Nihei, Mr. Minoru Takenaka and Mr. Takashi Yoneyama 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.