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Code Number: 7309
March 6, 2026
(Start date of measures for electronic provision: February 27, 2026)

To Those Shareholders with Voting Rights

Taizo Shimano
President
SHIMANO INC.
3-77 Oimatsu-cho, Sakai-ku, Sakai City, Osaka, Japan

Notice of Convocation of the 119th Ordinary General Meeting of Shareholders

You are hereby notified that the 119th Ordinary General Meeting of Shareholders of Shimano Inc. will be held as below.

In convening this General Meeting of Shareholders, the Company takes measures for electronic provision and posts the matters subject to the measures for electronic provision on each of the following websites on the Internet. Please access either of the websites to confirm the matters subject to the measures for electronic provision.

< Company's website >
URL: https://www.shimano.com/en/ir/shareholdermeeting.html

< Tokyo Stock Exchange website (Tokyo Stock Exchange Listed Company Search) >
URL: https://www2.jpx.co.jp/tseHpFront/JJK020030Action.do

To view the information on the Tokyo Stock Exchange website (Listed Company Search), please access the said website, perform a search by entering the "Issue name (company name)" (Shimano) or "Code" (7309), select "Basic information" and "Documents for public inspection/PR information" in this order, and view the information of "Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting."

When not attending the Meeting in person on the day of the Meeting, shareholders can exercise their voting rights via the Internet, etc. or by post. Please review the Reference Documents for the General Meeting of Shareholders posted on the matters subject to the measures for electronic provision, and exercise your voting rights by 5:00 p.m. on Monday, March 23, 2026 (Japan Standard Time).

1. **Date and Time:** 10:00 a.m., Tuesday, March 24, 2026 (Japan Standard Time)
(The reception desk will open at 9:00 a.m.)

2. **Venue:** **Manufacturing Technology Center, Shimano Inc. Head Office**
3-77 Oimatsu-cho, Sakai-ku, Sakai City, Osaka

3. **Agenda:**

Matters to be reported: (1) The Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements for the 119th Fiscal Year (from January 1, 2025 to December 31, 2025)
(2) Results of Audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board

Proposals to be resolved:

<Company proposals (from Proposal No. 1 to Proposal No. 4)>

Proposal No. 1: Appropriation of Surplus
Proposal No. 2: Election of 4 Directors
Proposal No. 3: Election of 3 Audit & Supervisory Board Members
Proposal No. 4: Election of 1 Substitute Audit & Supervisory Board Member

<Shareholder proposal (Proposal No. 5)>

Proposal No. 5: Acquisition of Treasury Stock
The outline of the shareholder proposal (Proposal No. 5) is as presented in the Reference Documents for the General Meeting of Shareholders.

Instructions for the Exercise of Voting Rights

(1) Exercise of Voting Rights by Post

Please indicate your approval or disapproval of the proposals on the enclosed ballot form and return it so that it arrives by 5:00 p.m. on Monday, March 23, 2026 (Japan Standard Time). If you do not indicate your approval or disapproval for a proposal, your vote shall be counted as approval for the Company proposal, and as disapproval for the shareholder proposal.

(2) Exercise of Voting Rights via the Internet etc.

When exercising voting rights via the Internet etc., please refer to the Guidance for Exercising Voting Rights on pages 3 and 4 and exercise your voting rights by 5:00 p.m. on Monday, March 23, 2026 (Japan Standard Time).

(Notes)

- If you exercise your voting rights both by post and via the Internet etc., the exercise of voting rights via the Internet etc. shall prevail.
- If you exercise your voting rights via the Internet etc. multiple times, the final exercise of voting rights shall prevail.
- The Company participates in the electronic voting platform for institutional investors operated by ICJ, Inc., a joint-venture company established by the Tokyo Stock Exchange Inc., etc.

*** Shareholders who will attend the meeting are requested to submit the enclosed ballot form at the reception desk.**

*** If any necessary revisions are made to the contents of the matters subject to the measures for electronic provision up to the day before the General Meeting of Shareholders, revisions will be posted on each website described on the previous page.**

*** This notice of convocation serves also as a paper copy stating matters subject to the measures for electronic provision to be provided according to the request for delivery of a paper copy. Pursuant to laws and regulations as well as the Articles of Incorporation of the Company, the following matters are not stated in this notice of convocation.**

・ **Business Report:**	**Systems to Ensure the Appropriateness of Operations (Internal Control Systems) and the Status of Implementation of Such Systems** **Basic Policy on the Control of the Company**
・ **Consolidated Financial Statements:**	**Consolidated Statement of Shareholders' Equity** **Notes relating to Consolidated Financial Statements**
・ **Non-consolidated Financial Statements:**	**Non-consolidated Statement of Shareholders' Equity** **Notes relating to Non-consolidated Financial Statements**

[Guidance for Exercising Voting Rights]

If you are refraining from attending the General Meeting of Shareholders

・Exercising voting rights by post

Please indicate your approval or disapproval of each proposal shown on the enclosed ballot form and mail it back to the Company.

If you do not indicate your approval or disapproval of a proposal, it will be counted as approval for the Company proposal, and as disapproval for the shareholder proposal.

Deadline for the exercise of voting rights: The ballot form must arrive no later than 5:00 p.m. on Monday, March 23, 2026 (Japan Standard Time)

・Exercising voting rights on a smartphone and via the Internet

Please access the website for exercising voting rights (https://www.web54.net).

Please refer to the next page for details.

Deadline for the exercise of voting rights: 5:00 p.m. on Monday, March 23, 2026 (Japan Standard Time)

If you are attending the General Meeting of Shareholders

・Attending the General Meeting of Shareholders

Please submit the enclosed ballot form at the reception desk.

Please bring this Notice of Convocation with you to conserve resources.

Date and time of the General Meeting of Shareholders: 10:00 a.m. on Tuesday, March 24, 2026 (Japan Standard Time)
(The reception desk will open at 9:00 a.m.)

Exercising voting rights by post

*As it may take more time than usual for your mail to arrive, we request that you mail your ballot form early.

・How to fill in the ballot form

Please indicate your approval or disapproval of each proposal here.

For the proposals of officer election,

if you approve all candidates → mark ○ in the 賛 column

if you disapprove all candidates → mark ○ in the 否 column

if you disapprove some of the candidates → mark ○ in the 賛 column and, in the blank column next to it, enter the candidate number for each candidate you disapprove of.

・Notes for filling in the ballot form

If you have marked ○ in both the 賛 and 否 columns to indicate approval or disapproval on the ballot form the vote will be invalid.

If you have accidentally marked ○ in both the 賛 and 否 columns, please cross out either one.

Exercising voting rights via the Internet

1) Access the website for exercising voting rights: https://www.web54.net
Click
2) Log in
Enter the voting rights code
3) Enter the password
Enter the password
Please follow on-screen instructions to indicate your approval or disapproval of each proposal.

Exercising voting rights on a smartphone

1) Access the website for exercising voting rights on a smartphone
Scan "the QR Code for logging into the website for exercising voting rights on a smartphone" located on the bottom right of the enclosed ballot form with your smartphone or tablet device.
* "QR Code" is a registered trademark of DENSO WAVE INCORPORATED.
2) Open the website for exercising voting rights
Please follow on-screen instructions to indicate your approval or disapproval of each proposal.

Note: If you wish to change your votes after you have exercised your voting rights, you will need to scan the QR Code again and enter the "voting rights code" and the "password" printed on the enclosed ballot form (you may also exercise your voting rights by directly accessing the website for exercising voting rights (https://www.web54.net) from a device).

* The Company shall not be responsible for any charge for a dial-up connection and any telecommunication charges incurred when you use the website for exercising voting rights.
* Depending on your Internet environment, services you have subscribed to, and devices you use, the website for exercising voting rights may not be available.

Inquiries on how to use a computer or other device

Please contact the following if you have any questions on how to use a computer or other device to exercise voting rights on the website.
Stock Transfer Agency Web Support Hotline, Sumitomo Mitsui Trust Bank, Limited
0120-652-031 (toll-free number)
(open from 9:00 a.m. to 9:00 p.m. (Japan Standard Time))

Other inquiries

(i) Shareholders with an account at a securities company
Please contact your securities company.
(ii) Shareholders without an account at a securities company (with a special account)
Stock Transfer Agency Business Planning Dept., Sumitomo Mitsui Trust Bank, Limited
0120-782-031 (toll-free number)
(open from 9:00 a.m. to 5:00 p.m. (Japan Standard Time))
(excluding Saturday, Sunday, public holidays, and from Dec. 31 through Jan. 3)

Reference Documents for the General Meeting of Shareholders

<Company proposals (from Proposal No. 1 to Proposal No. 4)>

Proposal No. 1 Appropriation of Surplus

The Company considers the return of earnings to shareholders to be one of the most important issues for management. The Company's basic policy is to continue providing stable returns reflecting overall business performance and strategy. Pursuant to this policy, the Company will strive to improve shareholder returns to reach a total return ratio of at least 50%, by continuing to enhance dividends and engaging in acquisitions of treasury stock on a flexible, ongoing basis.

In accordance with the above policy, we propose payment of year-end cash dividends for fiscal year 2025 as below.

As the Company has paid an interim dividend of 169.50 yen per share, the annual dividend will amount to 339.00 yen per share.

(1) Type of dividend property: Cash

(2) Matters concerning the allotment of dividend property to shareholders and the total amount:
169.50 yen per share of the Company's common stock, for a total amount of 14,655,898,691 yen

(3) Effective date of dividends from surplus:
March 25, 2026 (Wednesday)

Proposal No. 2 Election of 4 Directors

The terms of office of the following 4 Directors will expire at the close of this General Meeting of Shareholders: Messrs. Yozo Shimano, Taizo Shimano, Takashi Toyoshima, and Masahiro Tsuzaki. Accordingly, we request the election of 4 Directors.

The candidates for Directors are listed below.

Candidate No.	Name (Date of birth)	Career summary, position, assignment, and significant concurrent positions	Number of shares of the Company held
1	Yozo Shimano (Nov. 12, 1948) Male Reappointment Attendance at meetings of the Board of Directors: 13/13 (100%)	Mar. 1974 Joined Shimano Inc. Feb. 1986 Director and Vice President, Sales Planning Dept. Dec. 1987 Director and Vice President, Domestic Fishing Tackle Sales Dept. Sep. 1990 Director and Head of Fishing Operations Div. Jan. 1995 Representative Director and Senior Executive Vice President Mar. 2001 Representative Director and President Mar. 2021 Representative Director, Chairman and CEO (to present) Reasons for nomination as a candidate for Director: Having served as the head of divisions, Mr. Yozo Shimano has a wealth of experience and advanced knowledge in the Company's businesses. He has been responsible for the Company's management as Representative Director and President since 2001 and Representative Director, Chairman and CEO of the Company since 2021 and has been contributing to the Company's development. Considering that based on his wealth of experience and achievements, he is able to make decisions on the Company's management and supervise the execution of business, the Company has nominated him as a candidate for Director.	644,627 shares

Candidate No.	Name (Date of birth)	Career summary, position, assignment, and significant concurrent positions	Number of shares of the Company held
2	Taizo Shimano (Dec. 17, 1966) Male Reappointment Attendance at meetings of the Board of Directors: 13/13 (100%)	Sep. 1991 Joined Shimano Inc. Jul. 2004 Vice President and Factory Manager, Shimano (Kunshan) Bicycle Components Co., Ltd. Apr. 2006 Vice President, Marketing Dept., Bicycle Components Div. Jan. 2010 Head of Fishing Operations Div. Mar. 2010 Director and Head of Fishing Operations Div. Mar. 2016 Executive Vice President and Head of Fishing Operations Div. Jan. 2018 Executive Vice President, Supervising of Fishing Operations Div. and Chief of Marketing Officer, Bicycle Components Div. Jan. 2019 Executive Vice President, Head of Bicycle Components Div. and Vice President, Marketing Dept., Sales Administration Dept., Bicycle Components Div. Mar. 2019 Senior Executive Vice President, Head of Bicycle Components Div. and Vice President, Marketing Dept., Sales Administration Dept., Bicycle Components Div. Jul. 2019 Senior Executive Vice President, Head of Bicycle Components Div. and Vice President, Marketing Dept., Bicycle Components Div. Jan. 2021 Senior Executive Vice President and Head of Bicycle Components Div. Mar. 2021 Representative Director and President (to present) Reasons for nomination as a candidate for Director: Having served as the head of divisions, Mr. Taizo Shimano has a wealth of experience and advanced knowledge in the Company's businesses. He has been contributing to the Company's development as Representative Director and President of the Company since 2021. Considering that based on his wealth of experience and achievements, he is able to make decisions on the Company's management and supervise the execution of business, the Company has nominated him as a candidate for Director.	110,649 shares

Candidate No.	Name (Date of birth)	Career summary, position, assignment, and significant concurrent positions	Number of shares of the Company held
3	Takashi Toyoshima (Jun. 12, 1956) Male Reappointment Attendance at meetings of the Board of Directors: 12/13 (92%)	Oct. 2001 General Manager, Imaging Systems Development Dept. and General Manager, Imaging Systems Purchasing Dept., Imaging Systems Company, Olympus Optical Co., Ltd. Apr. 2002 Division Manager, Imaging Systems Development & Purchasing Division and General Manager, Design Office, Olympus Optical Co., Ltd. Oct. 2002 Managing Director, Olympus Hong Kong and China Ltd. Oct. 2004 Director and Division Manager, Imaging Systems Purchasing Group, General Manager, Components Business Promotion Dept., and General Manager, Imaging Systems OEM Procurement Dept., Olympus Imaging Corp. May 2007 Joined Shimano Inc. Technology Advisor, Bicycle Components Div. Jan. 2008 Vice President, System Engineering Dept., Bicycle Components Div. Mar. 2010 Director and Vice President, System Engineering Dept., Bicycle Components Div. Mar. 2016 Executive Vice President and Chief of Technology Officer Jan. 2017 Executive Vice President, Chief of Technology Officer, Bicycle Components Div. and Vice President, Technology R&D Dept. and SMA (Shimano Modular Architecture) Development Dept., Bicycle Components Div. Jan. 2018 Executive Vice President, Chief of Technology Officer, Bicycle Components Div. and Vice President, Technology R&D Dept., SMA (Shimano Modular Architecture) Development Dept. and Product R&D Dept., Bicycle Components Div. Jan. 2019 Executive Vice President, Head of SDM (Shimano Digital Manufacturing) Development Div., Chief of Technology Officer, Bicycle Components Div. and Vice President, Technology R&D Dept., Bicycle Components Div. Mar. 2019 Senior Executive Vice President, Head of SDM (Shimano Digital Manufacturing) Development Div., Chief of Technology Officer, Bicycle Components Div. and Vice President, Technology R&D Dept., Bicycle Components Div. Aug. 2019 Senior Executive Vice President, Head of SDM (Shimano Digital Manufacturing) Development Div., Vice President, Assembly Engineering Dept., SDM Development Div., Chief of Technology Officer, Bicycle Components Div. and Vice President, Technology R&D Dept., Bicycle Components Div. Jan. 2020 Senior Executive Vice President, Head of SDM (Shimano Digital Manufacturing) Development Div., Vice President, Assembly Engineering Dept., Vice President, Shimano Research Laboratories, SDM Development Div., Chief of Technology Officer, Bicycle Components Div. and Vice President, Technology R&D Dept., Bicycle Components Div. Jan. 2021 Senior Executive Vice President, Head of SDM (Shimano Digital Manufacturing) Development Div., Vice President, Forming Technology Dept. and Information Systems Dept., SDM Development Div., Chief of Technology Officer, Bicycle Components Div. and Vice President, Technology R&D Dept., Bicycle Components Div. Mar. 2021 Representative Director and Deputy President (to present) Reasons for nomination as a candidate for Director: Having served as the head of development departments, etc. of the Bicycle Components Div., Mr. Takashi Toyoshima has a wealth of experience and advanced knowledge in the Company's businesses. He has been contributing to the Company's development as Representative Director and Deputy President of the Company since 2021. Considering that based on his wealth of experience and achievements, he is able to make decisions on the Company's management and supervise the execution of business, the Company has nominated him as a candidate for Director.	3,685 shares

Candidate No.	Name (Date of birth)	Career summary, position, assignment, and significant concurrent positions	Number of shares of the Company held
4	Masahiro Tsuzaki (May 12, 1956) Male Reappointment Attendance at meetings of the Board of Directors: 13/13 (100%)	Mar. 1980 Joined Shimano Inc. Jan. 2006 Vice President, Corporate Communications Jan. 2009 Vice President, Corporate Communications & Human Resources Dept., General Operations Div. Jan. 2010 Vice President, Corporate Communications Dept. and Human Resources Dept., General Operations Div. Mar. 2010 Director and Vice President, Corporate Communications Dept. and Human Resources Dept., General Operations Div. Mar. 2016 Executive Vice President, Chief of Human Resources and Corporate Communications Officer, General Operations Div. Jul. 2016 Executive Vice President, Chief of Human Resources and Corporate Communications Officer, General Operations Div. and Vice President, Corporate Communications Dept. Jan. 2018 Executive Vice President, Chief of Human Resources, Corporate Communications and General Affairs Officer, General Operations Div. and Vice President, Corporate Communications Dept. Mar. 2018 Executive Vice President, Vice President, Corporate Communications Dept., General Operations Div. and Supervising of Human Resources Dept., General Affairs Dept., and Lifestyle Gear Div. Mar. 2019 Executive Vice President, Vice President, Corporate Communications Dept., General Operations Div., Supervising of Human Resources Dept., General Affairs Dept., and Lifestyle Gear Div. and Chief of Internal Auditing Officer Jan. 2020 Executive Vice President, Head of General Operations Div., Vice President, Corporate Communications Dept., General Operations Div., Supervising of Lifestyle Gear Div. and Chief of Internal Auditing Officer Mar. 2020 Senior Executive Vice President and Head of General Operations Div. Jan. 2022 Senior Executive Vice President and Head of SDA Development Div. Mar. 2022 Representative Director and Deputy President (to present) Reasons for nomination as a candidate for Director: Having served as the head of administration departments, including the Corporate Communications Dept., Human Resources Dept. and General Affairs Dept., Mr. Masahiro Tsuzaki has a wealth of experience and advanced knowledge in the Company's businesses. He has been contributing to the Company's development as Representative Director and Deputy President of the Company since 2022. Considering that based on his wealth of experience and achievements, he is able to make decisions on the Company's management and supervise the execution of business, the Company has nominated him as a candidate for Director.	7,885 shares

Notes:

1. No conflict of interest exists between the Company and each candidate.
2. The Company has entered into a Directors and Officers liability insurance agreement insuring all Directors, and the Company shall be compensated for damages that may arise from covered Directors bearing liabilities regarding the execution of their duties or receiving claims in relation to pursuance of such liabilities.
   However, there are exemptions including that damages arising from criminal acts of the insureds or damages arising from actions taken while the insureds were aware of being in violation of laws and regulations will not be compensated.
   If each candidate is appointed as Director, each of them will be covered by the insurance agreement, and the Company plans to renew the insurance agreement during their terms of office.

Proposal No. 3 Election of 3 Audit & Supervisory Board Members

The terms of office of the following 3 Audit & Supervisory Board Members will expire at the close of this General Meeting of Shareholders: Mr. Kiyoshi Tarutani, Ms. Kanako Nozue, and Mr. Toshihiko Hashimoto. Accordingly, we request the election of 3 Audit & Supervisory Board Members.

The consent of the Audit & Supervisory Board has been obtained concerning this proposal.

The candidates for Audit & Supervisory Board Members are listed below. Mr. Masahiro Ohtake and Mr. Fuminori Mitera are new candidates for Audit & Supervisory Board Members.

Candidate No.	Name (Date of birth)	Career summary, position, and significant concurrent positions	Number of shares of the Company held
1	Masahiro Ohtake (Jan. 11, 1963) Male New candidate	Oct. 2014 Principal, Hay Consulting Group Co., Ltd. Jan. 2016 Joined Shimano Inc. Vice President in charge of Human Resources Planning, Human Resources Dept., General Operations Div. Jul. 2016 Vice President, Human Resources Dept., General Operations Div. Mar. 2018 Director and Vice President, Human Resources Dept., General Operations Div. Jan. 2020 Director and Vice President, Human Resources Dept. and Supervising of General Affairs Dept., General Operations Div. Jan. 2022 Director, Supervising of Corporate Governance Administration Dept. Mar. 2022 Executive Officer, Supervising of Corporate Governance Administration Dept. Jan. 2024 Executive Officer, Supervising of Global Internal Auditing (to present) Reasons for nomination as a candidate for Audit & Supervisory Board Member: Mr. Masahiro Ohtake has professional experience as a certified public accountant, and has served at human resources and internal audit departments at the Company. He has a wealth of knowledge and experience in finance, accounting, and the Company's internal audit system. Considering that based on his knowledge and experience, he is able to supervise the Company's management as an Audit & Supervisory Board Member, the Company has nominated him as a candidate for Audit & Supervisory Board Member.	1,665 shares
2	Kanako Nozue (Aug. 17, 1969) Female Reappointment Attendance at meetings of the Board of Directors: 13/13 (100%) Attendance at meetings of the Audit & Supervisory Board: 14/14 (100%)	Oct. 2001 Certified as attorney-at-law Joined Kikkawa Law Firm May 2004 Joined Nozue Law Firm Aug. 2007 Joined Tsujinaka Law Firm (to present) Mar. 2014 Audit & Supervisory Board Member, Shimano Inc. (to present) Significant concurrent position: Attorney-at-law, Tsujinaka Law Firm Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member: Ms. Kanako Nozue has professional experience as an attorney-at-law and outside director, and a wealth of knowledge and experience. Considering that based on her knowledge and experience, she is able to supervise the Company's management as an Outside Audit & Supervisory Board Member, the Company has nominated her as a candidate for Outside Audit & Supervisory Board Member.	200 shares

Candidate No.	Name (Date of birth)	Career summary, position, and significant concurrent positions	Number of shares of the Company held
3	Fuminori Mitera (Oct. 1, 1961) Male New candidate	Apr. 1987 Joined Osaka Regional Taxation Bureau Jul. 2020 Deputy Director, Osaka Regional Taxation Bureau Jul. 2021 Director, Kita Tax Office, Osaka Regional Taxation Bureau Aug. 2022 Opened Fuminori Mitera Certified Tax Accountant Office (to present) Significant concurrent position: Certified Tax Accountant, Fuminori Mitera Certified Tax Accountant Office Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member: Mr. Fuminori Mitera has professional experience as Director of Kita Tax Office and a certified tax accountant, and a wealth of knowledge and experience in tax and accounting. Considering that based on his knowledge and experience, he is able to supervise the Company's management as an Outside Audit & Supervisory Board Member, the Company has nominated him as a candidate for Outside Audit & Supervisory Board Member.	0 shares

Notes:

1. No conflict of interest exists between the Company and each candidate.
2. The Company has entered into a Directors and Officers liability insurance agreement insuring each candidate with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy covers damages and litigation costs incurred by the insured, arising out of claims in connection with the acts performed by the insured (including omissions) in their capacity as Directors and Officers of the Company. Insurance premiums of the insured are fully paid for by the Company.
   If each candidate is elected, each of them will be covered by the insurance agreement, and the Company plans to renew the insurance agreement during their terms of office under the same terms and conditions.
3. Ms. Kanako Nozue and Mr. Fuminori Mitera are candidates for Outside Audit & Supervisory Board Members.
   (Notes on candidates for Outside Audit & Supervisory Board Members)

(1) Ms. Kanako Nozue is an attorney-at-law and her knowledge and experience make her an extremely valuable person for ensuring the legal compliance of the execution of the Company's business. There is no business relationship, such as an agreement for legal services, between the Company and Tsujinaka Law Firm with which Ms. Nozue is affiliated.
Mr. Fuminori Mitera is a certified tax accountant and his knowledge and experience make him an extremely valuable person for ensuring the legal compliance of the execution of the Company's business. There is no business relationship, such as an agreement for tax advisory services, between the Company and Fuminori Mitera Certified Tax Accountant Office with which Mr. Mitera is affiliated.

(2) Although neither Ms. Kanako Nozue nor Mr. Fuminori Mitera has experience of direct involvement in corporate management, they have ample knowledge of corporate governance for the above-stated reasons. The Company therefore believes they can appropriately execute the duties of an Outside Audit & Supervisory Board Member.

(3) Ms. Kanako Nozue's tenure of office as an Outside Audit & Supervisory Board Member of the Company will be 12 years at the close of this General Meeting of Shareholders.

(4) The Company has entered into a limited liability contract with Ms. Kanako Nozue, whereby her liability is limited to the amount provided for by laws and regulations. Upon approval of the reappointment of Ms. Kanako Nozue, the Company intends to maintain the above-mentioned limited liability contract with her.
In addition, upon approval of the appointment of Mr. Fuminori Mitera, the Company intends to enter into a contract with him under the same terms and conditions as Ms. Kanako Nozue.

(5) The Company has filed a notification with the Tokyo Stock Exchange for Ms. Kanako Nozue as an independent officer as defined by the rules of the said exchange. Upon approval of the reappointment of Ms. Kanako Nozue, the Company intends to continue her appointment as an independent officer. The Company also intends to file such notification with the said exchange for Mr. Fuminori Mitera, on the premise of the approval of this proposal.

(6) On September 17, 2025, during the tenure of Ms. Kanako Nozue, the Company received a recommendation from the Japan Fair Trade Commission pursuant to the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (currently, the Act Against Delay in Payment of Fees, etc. to Small and Medium-sized Entrusted Business Operators in Manufacturing and Other Specified Fields). Although Ms. Kanako Nozue was not aware of the fact before the incident was revealed, she had provided advice as appropriate from the perspective of legal compliance and compliance management even at the ordinary times, and appropriately fulfilled her responsibilities such as by expressing her opinions on prevention of recurrence after the legal violation incident was revealed.

Proposal No. 4 Election of 1 Substitute Audit & Supervisory Board Member

Mr. Yukihiro Kondo, who was elected as Substitute Audit & Supervisory Board Member at the 117th Ordinary General Meeting of Shareholders, expressed his intention to decline the position of Substitute Audit & Supervisory Board Member at the beginning of this General Meeting of Shareholders. Accordingly, to prepare for a contingency in which the number of Audit & Supervisory Board Members falls below the minimum stipulated by laws and regulations, we request the election of 1 Substitute Outside Audit & Supervisory Board Member.

The consent of the Audit & Supervisory Board has been obtained concerning this proposal.

The candidate for Substitute Audit & Supervisory Board Member is listed below.

Name (Date of birth)	Career summary, position, and significant concurrent positions	Number of shares of the Company held
Toshihiko Hashimoto (Jan. 29, 1954) Male	Apr. 1977 Administrative Official, Ministry of Finance Jul. 2012 Deputy Director, Osaka Regional Taxation Bureau Jul. 2013 Director, Kobe Tax Office Aug. 2014 Opened Hashimoto Certified Tax Accountant Office (to present) Mar. 2018 Audit & Supervisory Board Member, Shimano Inc. (to present) Jun. 2018 Outside Auditor, JA Hyogominami (to present) Jun. 2018 Auditor, Kakogawa Sangyokaikan Co., Ltd. (to present) Significant concurrent positions: Certified Tax Accountant, Hashimoto Certified Tax Accountant Office Outside Auditor, JA Hyogominami Auditor, Kakogawa Sangyokaikan Co., Ltd. Reasons for nomination as a candidate for Substitute Audit & Supervisory Board Member: Mr. Toshihiko Hashimoto has professional experience as Director of Kobe Tax Office and a certified tax accountant, and a wealth of knowledge and experience in tax and accounting. Considering that based on his knowledge and experience, he is able to supervise the Company's management as an Audit & Supervisory Board Member, the Company has nominated him as a candidate for Substitute Outside Audit & Supervisory Board Member.	300 shares

Notes:

1. No conflict of interest exists between the Company and the above candidate.
2. Mr. Toshihiko Hashimoto is a candidate for Substitute Outside Audit & Supervisory Board Member.
3. The Company has entered into a Directors and Officers liability insurance agreement covering each Director and Officer, and the Company shall be compensated for damages that may arise from covered Directors and Officers bearing liabilities regarding the execution of their duties or receiving claims in relation to pursuance of such liabilities. However, there are exemptions including that damages arising from criminal acts of the insureds or damages arising from actions taken while the insureds were aware of being in violation of laws and regulations will not be compensated. When Mr. Toshihiko Hashimoto assumes the position of Outside Audit & Supervisory Board Member, he will be covered by the said insurance agreement, and the Company plans to renew the said insurance agreement during his term of office.

(Notes on candidate for Outside Audit & Supervisory Board Member)

(1) Mr. Toshihiko Hashimoto is a certified tax accountant and his knowledge and experience make him an extremely valuable person for ensuring the legal compliance of the execution of the Company's business. There is no business relationship, such as an agreement for tax advisory services, between the Company and Hashimoto Certified Tax Accountant Office with which Mr. Hashimoto is affiliated.

(2) Although Mr. Toshihiko Hashimoto has no experience of direct involvement in corporate management, he has ample knowledge of corporate governance for the above-stated reasons. The Company therefore believes he can appropriately execute the duties of an Outside Audit & Supervisory Board Member.

(3) Mr. Toshihiko Hashimoto's tenure of office as an Outside Audit & Supervisory Board Member of the Company will be 8 years at the close of this General Meeting of Shareholders.

(4) When Mr. Toshihiko Hashimoto assumes the position of Outside Audit & Supervisory Board Member, the Company intends to enter into a limited liability contract with him, whereby his liability will be limited to the amount provided for by laws and regulations.

(5) When Mr. Toshihiko Hashimoto assumes the position of Outside Audit & Supervisory Board Member, the Company intends to file a notification with the Tokyo Stock Exchange for Mr. Toshihiko Hashimoto as an independent officer.

(6) On September 17, 2025, during the tenure of Mr. Toshihiko Hashimoto as Outside Audit & Supervisory Board Member, the Company received a recommendation from the Japan Fair Trade Commission pursuant to the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (currently, the Act Against Delay in Payment of Fees, etc. to Small and Medium-sized Entrusted Business Operators in Manufacturing and Other Specified Fields). Although Mr. Hashimoto was not aware of the fact before the incident was revealed, he had provided advice as appropriate from the perspective of legal compliance and compliance management even at the ordinary times, and appropriately fulfilled his responsibilities such as by expressing his opinions on prevention of recurrence after the legal violation incident was revealed.

[Reference] Independence Criteria for Outside Officers

The Company's Board of Directors has determined the criteria for independence of Outside Directors and Outside Audit & Supervisory Board Members (hereinafter collectively called, "Outside Officers") as follows:

1) If none of the following attributes applies to an Outside Officer, the Company judges that such Outside Officer is independent from the Company. (*1)

1. A major shareholder of the Company (holding 10% or more of the voting rights of the Company at the end of the most recent fiscal year) or an executive officer (*2) thereof
2. A person whose major business partner (*3) is the Company or an executive officer thereof
3. A person who is a major business partner of the Company or an executive officer thereof
4. A person engaged in auditing of the Company or any of its consolidated subsidiaries as the Accounting Auditor of the Company or a consolidated subsidiary or as an employee thereof
5. An attorney-at-law, judicial scrivener, patent attorney, certified public accountant, certified tax accountant, consultant, etc. who has received cash or other property exceeding 10 million yen from the Company in the most recent fiscal year other than officer remuneration (or if such person is an organization, such as a corporation or an association, a person who is affiliated with an organization whose revenue from the Company exceeds 2% of its annual revenue)
6. A principal lender to the Company (a lender whose name is indicated as a principal lender in the business report for the most recent fiscal year) or an executive officer thereof
7. A person who has received a donation exceeding 10 million yen from the Company in the most recent fiscal year (or if such person is an organization, such as a corporation or an association, an executive officer of an organization whose revenue from the Company exceeds 2% of its annual revenue)
8. A person to whom any of 1 to 7 above applied in the most recent three fiscal years
9. A spouse or relative within the second degree of kinship of a person to whom any of 1 to 8 above applies (only a significant person)
10. A spouse or relative within the second degree of kinship of an executive officer of the Company or a subsidiary (if a person is an employee, only a significant person)
11. A spouse or relative within the second degree of kinship of an executive officer of the Company or a subsidiary (if a person is an employee, only a significant person) in the most recent three fiscal years
12. In addition to the preceding items, a person who has a special reason that prevents him/her fulfilling his/her duty as an independent Outside Officer, such as a risk of causing permanent conflict of interest with the Company
13. Even in the case of a person to whom any of the preceding items applies, if the Company considers the person is appropriate as an independent Outside Officer in light of his/her personality and insight, etc., the Company may appoint such person as an Outside Officer, provided that the Company explains the reasons why the Company considers him/her appropriate as an Outside Officer to external parties.

2) An Outside Officer who is considered to be independent in accordance with the above criteria shall notify the Company immediately if he/she loses his/her independence.

*1. An investigation shall be conducted to the extent that is economical and reasonable.

*2. An executive officer is a person to whom any of the following applies.

1) An executive director, an executive or any other officer who executes business of a corporation etc.
2) An employee who executes business, a person who executes duties stipulated in Article 598, Paragraph 1 of the Companies Act, or any person with a similar role
3) An employee

*3. A major business partner is a person to whom sales exceed 2% of annual consolidated sales for the most recent fiscal year.

[Reference] Skills Matrix of Directors of the Company (Scheduled after the Ordinary General Meeting of Shareholders on March 24, 2026)

If all the candidates listed in this Notice of the Ordinary General Meeting of Shareholders are elected as originally proposed, the expertise and experience of each Director will be as follows:

Name	Corporate management/ Management strategy	Manufacturing/ Technology/ R&D	Marketing /Sales	Risk management /Legal affairs	Human resource management	Sustainability	Finance/ Accounting	IT/ Digital	Global
Yozo Shimano Male	●	●	●		●				●
Taizo Shimano Male	●	●	●		●			●	●
Takashi Toyoshima Male		●			●			●	●
Masahiro Tsuzaki Male			●	●	●	●			●
Chia Chin Seng Male		●					●		●
Kazuo Ichijo Male (Outside)	●					●	●	●	●
Mitsuhiro Katsumaru Male (Outside)				●		●			●
Sadayuki Sakakibara Male (Outside)	●	●			●		●		●
Hiromi Wada Female (Outside)		●						●	●
Atsumi Eguchi Female (Outside)		●				●			●

<Shareholder proposal (Proposal No. 5)>

Proposal No. 5 is a proposal made by a shareholder.

The outline of and reasons for the proposal received are presented as they originally appeared, without correcting typographical errors and omissions.

Proposal No. 5: Acquisition of Treasury Stock

(1) Outline of the proposal

Pursuant to provisions of Article 156, Paragraph 1 of the Companies Act, it is proposed that common stock of the Company be acquired for cash consideration, with a maximum of 15,000,000 shares in total and in an acquisition price of up to 200,000,000,000 yen in total (or, if an acquisition of treasury stock is resolved by the Board of Directors of the Company during the period from January 1, 2026 to the date of this General Meeting of Shareholders, in a price that deducts the total price of such acquisition of treasury stock), within a year after the close of this General Meeting of Shareholders.

(2) Reasons for the proposal

The Company's shareholders' equity ratio is over 90%, and a majority of its net assets is accounted for by net financial assets, primarily "cash and time deposits" that do not contribute to generating business value. Such an extremely conservative capital structure has become a factor behind the structural slump in return on equity (ROE) of the Company.

The Tokyo Stock Exchange requests companies to implement "management that is conscious of cost of capital and stock price." The request calls for management that emphasizes cost of capital and return on capital based on a balance sheet. Moreover, clarification of accountability for "rationality of cash holdings" has become one of the topics in the recent discussions over the revision of Japan's Corporate Governance Code. Given such trends, retaining excessive funds with no specific purpose of use is seen as a management issue that should no longer be ignored from the perspective of capital discipline.

As its shareholder return initiatives, the Company has set a total return ratio target of at least 50% and announced a plan to acquire treasury stock totaling approximately 100.0 billion yen over the two years from fiscal year 2025. However, in light of the massive liquidity on hand that amounts to over 450.0 billion yen, these initiatives alone should be insufficient for structurally eliminating the excess capital. What is vital for the Company to sustainably enhance its corporate value is to optimize its capital structure more fundamentally, instead of offering partial profit returns.

The Company holds approximately 454.1 billion yen of cash and time deposits as of September 30, 2025. Accordingly, even if the acquisition of treasury stock is implemented based on this proposal, we believe its solid financial base as a source for M&As and R&D, as well as to prepare for unforeseeable risks, can be still maintained, and no concern would arise about its financial safety.

○ Opinion of the Board of Directors

The Board of Directors of the Company opposes this proposal.

The Company considers the return of earnings to shareholders to be one of the most important issues for management. The Company's basic policy is to continue providing stable returns reflecting overall business performance and strategy.

In accordance with the above policy, the Company has submitted Proposal No.1, a company proposal, to pay out year-end cash dividends for fiscal year 2025 of 169.50 yen per share, an increase of 15 yen per share from the year-end cash dividends paid in the previous year. If this proposal is approved, the cash dividends for the full fiscal year 2025, combined with the interim dividends of 169.50 yen, will amount to 339 yen per share (a dividend payout ratio of 87%), an increase of 30 yen per share from the cash dividends paid in the previous year. This will also mark the fifth consecutive year of dividend increases since fiscal year 2021. The cash dividends for the full fiscal year 2026 are scheduled to increase further to 363 yen per share.

In addition to the foregoing, the Company has continually engaged in the acquisition and cancellation of treasury stock since 2021 as part of its important shareholder return initiatives. As announced in "Notice Regarding Shareholder Returns Policy, Cancellation of Acquisition of Treasury Stock and Establishment of New Limit for Acquisition of Treasury Stock" dated February 12, 2025, the Company has set a policy to implement acquisitions of treasury stock in the approximate amount of 100.0 billion yen over the next two years from the said date (hereinafter, the "Shareholder Returns Policy"). In accordance with this policy, we recently acquired about 50.0 billion yen worth of treasury stock within one year. All these efforts resulted in the Company's total return ratio (inclusive of the annual dividend) reaching an exceptionally high level of 234% for fiscal year 2025. Accordingly, the Company's equity decreased from 882.4 billion yen as of the end of fiscal year 2024 to 868.3 billion yen as of the end of fiscal year 2025, which represents about a 2% reduction within one year. Of this, shareholders' equity, excluding the impact of market conditions, such as fluctuations in stock prices, interest rates and exchange rates, decreased from 715.4 billion yen as of the end of fiscal year 2024 to 670.6 billion yen as of the end of fiscal year 2025, which represents about a 6% reduction within one year. Under its basic policy of not reducing dividends, the Company will strive to implement shareholder returns with a target total return ratio of at least 50%, by continuing to enhance progressive dividends and engaging in the acquisition and cancellation of treasury stock on a flexible, ongoing basis. In line with its Shareholder Returns Policy, the Company has also established a new limit for the acquisition of treasury stock of 50.0 billion yen as announced in "Notice Concerning Establishment of Limit for Purchase of Treasury Stock" dated February 10, 2026, with the acquisition period set from February 12, 2026 to January 31, 2027 (hereinafter, "Limit for Treasury Stock Acquisition Dated February 10, 2026"). By acquiring approximately 50.0 billion yen worth of treasury stock, we seek to achieve further reduction in equity and shareholders' equity.

At the same time, the Company believes that efficient cash allocation must be achieved upon determining an optimal balance between growth investment and shareholder returns. Capital investment is a prerequisite for further enhancement of corporate value and growth of the Company. Such capital investments cover the following areas: Shimano Digital Manufacturing, an activity we are promoting as a development-oriented digital manufacturing company; manufacturing facilities to accelerate this activity and achieve exceptional quality; product development powered by generative AI; and technologies to enhance production capability using physical AI (capital investments amounted to 46.3 billion yen and R&D expenses amounted to 16.3 billion yen in fiscal year 2025). In addition to the said investments, the Company focuses on human capital investments such as wage hikes to boost employee engagement and increasing incentive payments to the employees' shareholding association; ESG investments that are highly relevant to the Company's business; and growth investments including M&As to pursue further technical

innovations and foster a culture in its bicycle components and fishing tackle businesses. Furthermore, securing funds is essential to ensure the stable operation of the Company's business and to prepare for contingencies and the emergence of risks. The Company seeks to achieve efficient cash allocation, such as growth investments in a flexible and efficient manner, on a continual basis from a medium- to long-term perspective. We believe that this approach will sustainably enhance our corporate value and ultimately our stock price, thereby contributing to shareholder returns.

Based on the above stance, at a meeting of the Board of Directors held on February 10, 2026, the Company formulated initiatives entitled "Cash allocation and improvement of capital efficiency (FY2025 Result and FY2026 Schedule_Announced in February 2026)," and announced them in the Supplemental Information to Consolidated Financial Results. The Company's Price Book-value Ratio (PBR) as of December 31, 2025 stood at 1.65, which is relatively higher than the average of 1.14 among its industry peers (in the transportation equipment sector) listed on Prime Market of the Tokyo Stock Exchange as of December 30, 2025. Without resting on our current achievements, we will strive for further improvement.

Under this shareholder proposal, a large-scale purchase of treasury stock is proposed, with a total acquisition price of 200.0 billion yen (inclusive of a total of 50.0 billion yen under the Limit for Treasury Stock Acquisition Dated February 10, 2026) within a short period of one year. The proposed acquisition price of 200.0 billion yen is nearly six times higher than the Company's consolidated net income of 34.0 billion yen for fiscal year 2025. Conducting such a scale of purchase within a short time frame of one year may lessen the scope for growth investment, which is necessary for the Company to enhance corporate value, and hinder its ability to adapt to the major changes in the bicycle and fishing tackle businesses. Moreover, such a scale of purchase may unnecessarily decrease the Company's resilience against the emergence of contingencies and risks (relating to natural disasters, infectious diseases, geopolitics, trade and tariff policies, cyber security, etc.), which could hamper and destabilize the entire supply chain for bicycles and fishing tackle, in which the Company holds a high market share. Especially in the bicycle industry, in the event of a supply-demand imbalance of completed bicycles under unforeseeable circumstances, the Company should act as a buffer in order to minimize the impact on the entire industry. To provide for such situations, we hold a certain amount of cash and time deposits on hand to retain our financial soundness. In fact, during the phase of declining demand and market inventory adjustment following the surge in demand for completed bicycles amid the COVID-19 pandemic from around 2021 to 2022, the Company underpinned the entire industry by taking flexible actions, such as accepting order cancellations from our customers, to mitigate the impact on the entire industry. We believe that playing such a role enables us to secure trust within the industry, helps stabilize the market, and eventually builds a new foundation for growth. Consequently, we believe this to be one of the factors behind the Company's high market share in the industry. Assuming that a large-scale purchase of treasury stock is conducted within a short period of time, as suggested in this shareholder proposal, we are concerned that such a purchase may undermine the Company's business resilience, which is necessary for it to act as a buffer in the market. Such purchase may also eventually threaten the Company's credibility within the industry, the foundation for growth, and the high market share currently held by the Company. This shareholder proposal also mentions the amount of cash and time deposits held by the Company as grounds for the proposal, but due to our growth investment and proactive shareholder returns, the amount of cash and time deposits held by the Company has decreased by 56.7 billion yen, or about 11%, compared with the figure as of the end of fiscal year 2024. Moreover, as stated in "Cash Position management policy (Announced in February 2026)" released as the Supplemental Information to Consolidated Financial Results dated February 10, 2026, although the amount of cash and time deposits on the Company's consolidated balance sheet as of the end of fiscal year 2025 increased by approximately 170.0 billion yen compared with the pre-pandemic level recorded at the end of fiscal year 2020, about 120.0 billion yen of this increase is attributable to foreign exchange effects arising from conversion of foreign currency-denominated cash and time deposits into yen amid the ongoing yen depreciation, and it must be noted that this increase in the amount of cash and time deposits is limited on a local currency basis, such as dollars and euros. Therefore, we deem it not appropriate to judge immediately that there is excess accumulation of cash and time deposits merely because of the increase in the amount of cash and time deposits that is converted into yen on the balance sheet. The intended use of the cash balance as of December 31, 2025 is summarized as follows: 170.0 billion yen or more as working capital; 130.0 billion yen or more for growth investment; 120.0 billion yen or more as contingency funds; and 50.0 billion yen for shareholder returns, and the Company believes that the current cash holdings are deemed appropriate.

In light of the foregoing, the Company has established a limit for the acquisition of treasury stock of 50.0 billion yen, which is the Limit for Treasury Stock Acquisition Dated February 10, 2026. We deem it appropriate to strive for further reduction in equity and shareholders' equity, by steadily engaging in the acquisition of treasury stock, based on the Limit for Treasury Stock Acquisition Dated February 10, 2026.

Due to the above reasons, the Board of Directors opposes this shareholder proposal.

BUSINESS REPORT

(From January 1, 2025 to December 31, 2025)

1. Overview of the Shimano Group

(1) Review and Results of Operations

During fiscal year 2025, the global economy followed a gradual recovery trend. However, views on the economic outlook continued to be cautious due to trade policies around the world and rising geopolitical risks such as prolonged international conflicts that created a sense of uncertainty in the current economic conditions.

In Europe, stability in the employment and income environment and prices underpinned personal consumption, and the economy recovered moderately.

In the U.S., the previously strong economy came to a standstill amid the cooling of consumer sentiment due to rising prices caused by tariff policies and a slowdown in the labor market.

In China, the economy remained weak due to the prolonged recession in the real estate sector and a slump in personal consumption.

In Japan, surges in food prices subsided, and the economy maintained a moderate recovery, supported partly by an improvement in the income environment and continuation of monetary easing.

In this environment, demand for bicycles and fishing tackle continued to be weak, and for fiscal year 2025, net sales increased 3.4% from the previous year to 466,243 million yen. Operating income decreased 20.6% to 51,677 million yen, ordinary income decreased 52.3% to 47,029 million yen, and net income attributable to owners of parent decreased 55.5% to 33,991 million yen.

Reportable Segment Overview

Bicycle Components

While the strong interest in bicycles continued as a long-term trend, adjustments of market inventories made gradual progress as a whole, although the situations were mixed by region.

Overseas, in the European market, retail sales of completed bicycles were robust backed by stable weather conditions, but market inventories remained at a somewhat high level.

In the North American market, while retail sales of completed bicycles remained weak due to economic uncertainty, market inventories maintained appropriate levels.

In the Asian and Central and South American markets, although retail sales of completed bicycles remained somewhat weak due to weak personal consumption, market inventories maintained an appropriate level overall. On the other hand, in the Chinese market, while interest in cycling as a sport remained firm, demand for road bikes showed signs of easing, retail sales were lackluster, and market inventories remained at a high level.

In the Oceanian market, retail sales were initially weak, but subsequently remained strong, and market inventories also maintained appropriate levels.

In the Japanese market, retail sales continued to be sluggish due to the soaring price of completed bicycles, but market inventories maintained appropriate levels.

Under these market conditions, the Shimano Group's products were well received, including XTR, the flagship model in our renewed components for mountain bikes, as well as the DEORE XT and DEORE series, and Q'AUTO, which features self-powered automatic gear-shifting function.

As a result, net sales from this segment increased 2.7% from the previous year to 354,972 million yen, and operating income decreased 20.9% to 42,841 million yen.

Fishing Tackle

While the interest in fishing tackle continued, sales remained firm mainly overseas, and market inventories improved to an appropriate level overall.

In the Japanese market, although adjustments of market inventories progressed, sales remained weak due to a decline in personal consumption as affected by price hikes and extreme heat.

Overseas, in the North American market, sales remained strong, thanks to favorable offshore fishing conditions mainly in the West Coast and the Northeast areas throughout the year, and market inventories maintained appropriate levels.

In the European market, sales were strong thanks to stable weather conditions, and market inventories remained at an appropriate level.

In the Asian market, sales were strong backed by demand for high-priced reels mainly in the Chinese market, and adjustments of market inventories made progress.

In the Australian market, sales were strong and market inventories remained at an appropriate level, supported by stable weather conditions and favorable offshore fishing conditions.

Under these market conditions, the new spinning reel STELLA SW and baitcasting reels ANTARES were

well-received in the market. In addition, order-taking was brisk for POISON ULTIMA, the pinnacle of our POISON bass rod series.

As a result, net sales from this segment increased 5.6% from the previous year to 110,832 million yen, and operating income decreased 18.9% to 8,865 million yen.

Others

Net sales from this segment decreased 2.3% from the previous year to 439 million yen and operating loss of 29 million yen was recorded, following an operating loss of 1 million yen for the previous year.

1) Sales by segment

	FY2024 January 1, 2024 to December 31, 2024		FY2025 January 1, 2025 to December 31, 2025		Year-over-year change (Figures in parentheses indicate a decrease.)	
	Amount	Percentage of total	Amount	Percentage of total	Amount	Percentage change
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Bicycle Components	345,553	76.6	354,972	76.1	9,418	2.7
Fishing Tackle	104,990	23.3	110,832	23.8	5,841	5.6
Others	449	0.1	439	0.1	(10)	(2.3)
Total	450,993	100.0	466,243	100.0	15,249	3.4

2) Situation by segment

1. Trend of sales by segment (Millions of yen)

	FY2022 (116th) January 1, 2022 to December 31, 2022	FY2023 (117th) January 1, 2023 to December 31, 2023	FY2024 (118th) January 1, 2024 to December 31, 2024	FY2025 (119th) January 1, 2025 to December 31, 2025
Bicycle Components	517,436	364,679	345,553	354,972
Fishing Tackle	110,993	109,225	104,990	110,832
Others	479	457	449	439

2. Trend of operating income by segment (Millions of yen)

	FY2022 (116th) January 1, 2022 to December 31, 2022	FY2023 (117th) January 1, 2023 to December 31, 2023	FY2024 (118th) January 1, 2024 to December 31, 2024	FY2025 (119th) January 1, 2025 to December 31, 2025
Bicycle Components	144,994	65,251	54,157	42,841
Fishing Tackle	24,163	18,413	10,929	8,865
Others	1	(11)	(1)	(29)

Note: Figures in parentheses indicate operating loss.

3. Trend of net sales by geographical area (Millions of yen)

	FY2022 (116th) January 1, 2022 to December 31, 2022	FY2023 (117th) January 1, 2023 to December 31, 2023	FY2024 (118th) January 1, 2024 to December 31, 2024	FY2025 (119th) January 1, 2025 to December 31, 2025
Japan	54,383	48,713	41,448	42,341
North America	57,643	44,679	46,870	48,423
Europe	299,934	198,432	160,625	206,403
Asia	191,479	159,150	178,995	145,686
Others	25,468	23,386	23,053	23,388

Note: Net sales are classified by countries and regions according to customer location.

(2) Capital Investment and Financing

Consolidated capital investment totaled 46,322 million yen during fiscal year 2025. Capital investment was mainly used for reinforcing product development capabilities, increasing production capacity and improving production efficiency. By segment, capital investment totaled 22,087 million yen for bicycle components, 5,052 million yen for fishing tackle, 28 million yen for others, and 19,154 million yen for Company-wide (common). All capital investment was funded from cash flow.

(Millions of yen)

	FY2022 (116th) January 1, 2022 to December 31, 2022	FY2023 (117th) January 1, 2023 to December 31, 2023	FY2024 (118th) January 1, 2024 to December 31, 2024	FY2025 (119th) January 1, 2025 to December 31, 2025
Bicycle Components	19,209	21,822	25,715	22,087
Fishing Tackle	5,582	3,153	7,546	5,052
Others	2	0	14	28
Company-wide (common)	2,968	6,379	11,405	19,154
Total	27,762	31,356	44,682	46,322

Note: The amount of capital investment stated under “Company-wide (common)” concerns administrative departments.

(3) Summary of Assets and Profits

1) Assets and profits of the Shimano Group

		FY2022 (116th) January 1, 2022 to December 31, 2022	FY2023 (117th) January 1, 2023 to December 31, 2023	FY2024 (118th) January 1, 2024 to December 31, 2024	FY2025 (119th) January 1, 2025 to December 31, 2025
Net sales	(Millions of yen)	628,909	474,362	450,993	466,243
Operating income	(Millions of yen)	169,158	83,653	65,085	51,677
Ordinary income	(Millions of yen)	176,568	103,369	98,674	47,029
Net income attributable to owners of parent	(Millions of yen)	128,178	61,142	76,329	33,991
Basic earnings per share		1,408.22 yen	676.77 yen	853.36 yen	388.17 yen
Net assets	(Millions of yen)	741,095	802,396	883,613	869,501
Total assets	(Millions of yen)	826,413	871,731	958,953	938,250

2) Assets and profits of the Company

		FY2022 (116th) January 1, 2022 to December 31, 2022	FY2023 (117th) January 1, 2023 to December 31, 2023	FY2024 (118th) January 1, 2024 to December 31, 2024	FY2025 (119th) January 1, 2025 to December 31, 2025
Net sales	(Millions of yen)	368,070	284,739	255,297	276,467
Operating income	(Millions of yen)	75,017	38,731	28,579	26,083
Ordinary income	(Millions of yen)	85,199	64,504	103,227	132,027
Net income	(Millions of yen)	63,920	40,475	94,110	129,841
Basic earnings per share		702.25 yen	448.00 yen	1,052.15 yen	1,482.77 yen
Net assets	(Millions of yen)	209,751	211,469	259,952	313,582
Total assets	(Millions of yen)	268,115	250,664	300,992	348,121

Note: Basic earnings per share indicated in 1) and 2) above is computed based on the average number of outstanding shares during the fiscal year, excluding treasury stock.

(4) Issues to be Addressed

Although the global economy is expected to grow firmly, it may be swayed by factors such as policy trends around the world and developments in geopolitical risks amid global instability.

In Europe, the economy is expected to follow a moderate recovery trend, backed by price stability and a recovery in personal consumption.

In the U.S., as the international situation is becoming increasingly unpredictable, the sense of uncertainty about the economic outlook may heighten, and there are concerns about the impact on the previously strong economy.

In China, the economy is expected to remain weak with the continuation of the recession in the real estate sector and the high unemployment rate.

In Japan, a moderate economic recovery is expected, thanks to improvements in the employment and income environment and the government social policies supporting domestic demand, but the economy may be affected by directions of the economic policies.

In these circumstances, the Company emphasizes not only striving to offer high-grade, attractive and "captivating products" as a "development-oriented digital manufacturing company" of Japan origin by reflecting customers' viewpoints, while closely monitoring trends in demand for bicycles and fishing tackle, but also moving forward step by step as a "value creating company" that continues to create a shared value between corporations and society. Taking a long-term perspective, we will endeavor to further enhance management efficiency and strive for sustainable corporate growth by keeping in mind the creation of new cycling and fishing culture.

(5) Principal Business Segments of the Shimano Group

Segment	Description of main businesses
Bicycle Components	Manufacture and sale of derailleurs and other drive components, brakes and other braking components, other bicycle components and related goods
Fishing Tackle	Manufacture and sale of reels, rods and other recreational fishing gear
Others	Manufacture and sale of rowing-related equipment, etc.

(6) Principal Operating Sites, etc. of the Shimano Group

1) Principal operating sites of the Company

Head office		3-77 Oimatsu-cho, Sakai-ku, Sakai City, Osaka
Factories	Sakai Factory	Sakai-ku, Sakai City, Osaka
	Shimonoseki Factory	Shimonoseki City, Yamaguchi Prefecture
Development site	Tokyo Office	Chuo-ku, Tokyo
Sales offices	Tokyo Sales Office	Ota-ku, Tokyo
	Nagoya Sales Office	Nakagawa-ku, Nagoya City, Aichi Prefecture
	Osaka Sales Office	Sakai-ku, Sakai City, Osaka
	Chushikoku Sales Office	Minami-ku, Okayama City, Okayama Prefecture
	Kyushu Sales Office	Tosu City, Saga Prefecture

2) Principal operating sites of subsidiaries

Domestic	Shimano Sales Co., Ltd.	Sakai-ku, Sakai City, Osaka
	Shimano Kumamoto Co., Ltd.	Yamaga City, Kumamoto Prefecture

Overseas	Shimano (Singapore) Pte. Ltd.	Singapore
	Shimano Components (Malaysia) Sdn. Bhd.	Malaysia
	Shimano Europe B.V.	The Netherlands
	Shimano North America Holding, Inc.	USA
	Shimano (Kunshan) Bicycle Components Co., Ltd.	China
	Shimano (Tianjin) Bicycle Components Co., Ltd.	China

(7) Employees of the Shimano Group

Segment	Number of employees	
Bicycle Components	6,633	(1,920)
Fishing Tackle	2,619	(1,063)
Others	257	(36)
Company-wide (common)	733	(114)
Total	10,242	(3,133)

Notes:

1. Figures refer to full-time employees (excluding any employees on assignment from the Shimano Group to other firms, but including any employees on transfer from outside the Shimano Group). Annual average numbers of part-time employees in each segment are shown in parentheses.
2. “Company-wide (common)” figures refer to employees that belong to administrative departments.
3. Part-time employees are defined as anyone working for the Shimano Group on anything less than a full-time basis (excluding any temporary staff).

(8) Major Subsidiaries

Company name	Capital	Ownership(%)	Principal business
Shimano (Singapore) Pte. Ltd.	S$ 65,994 thousand	100	Manufacture and sale of bicycle components, sale of fishing tackle, and management of manufacturing subsidiaries in Asia
Shimano Components (Malaysia) Sdn. Bhd.	RM 18,000 thousand	100 (100)	Manufacture and sale of bicycle components and manufacture of fishing tackle
Shimano Europe B.V.	EUR 5,148 thousand	100	Sale of bicycle components and fishing tackle and management of sales subsidiaries in Europe
Shimano North America Holding, Inc.	US$ 14,000 thousand	99	Sale of bicycle components and fishing tackle and management of sales subsidiaries in North America
Shimano (Kunshan) Bicycle Components Co., Ltd.	US$ 34,500 thousand	100 (100)	Manufacture and sale of bicycle components
Shimano Sales Co., Ltd.	JPY 277 million	100	Sale, repair and storage of bicycle components, and repair and storage of fishing tackle
Shimano (Tianjin) Bicycle Components Co., Ltd.	US$ 24,000 thousand	100 (100)	Manufacture and sale of bicycle components

Note: Figures in parentheses refer to parent company equity stakes held via indirect ownership.

2. Share-related Information

(1) Total number of shares authorized: 262,400,000 shares
(2) Total number of shares issued: 86,530,000 shares (including treasury stock of 64,521 shares)
(3) Number of shareholders: 14,683
(4) Major shareholders (Top 10)

Name of shareholder	Number of shares (Thousands of shares)	Percentage of ownership (%)
The Master Trust Bank of Japan, Ltd. (trust account)	11,126	12.87%
Minato Kosan Co., Ltd.	7,936	9.18%
JP MORGAN CHASE BANK 380055	6,425	7.43%
Custody Bank of Japan, Ltd. (trust account)	3,145	3.64%
STATE STREET BANK AND TRUST COMPANY 505001	2,609	3.02%
Three S Co., Ltd.	2,171	2.51%
STATE STREET BANK AND TRUST COMPANY 505223	1,870	2.16%
Nippon Life Insurance Company	1,801	2.08%
STICHTING PENSIOEN FONDS ZORG EN WELZIJN	1,590	1.84%
THE BANK OF NEW YORK MELLON 140042	1,549	1.79%

Note: The percentage of ownership is calculated excluding treasury stock (64,521 shares).

(5) Shares delivered to Directors as consideration for execution of duties during the fiscal year under review

In accordance with a resolution of the 116th Ordinary General Meeting of Shareholders held on March 29, 2023, the Company introduced a restricted stock remuneration system that uses shares of the Company's common stock that are subject to certain conditions such as a transfer restriction period and cause for the acquisition of such shares by the Company for no consideration, to Directors (excluding Outside Directors and foreign Directors), with the aim of providing an incentive to strive for the sustainable enhancement of the Company's corporate value and further promoting shared value between Directors and all shareholders. The total maximum amount of monetary remuneration claims to be granted as remuneration, etc. for the delivery of restricted stock shall be 80 million yen per annum, and the total number of shares of the Company's common stock to be issued or treasury stock to be used instead shall be 7,500 shares per annum, except in the case of a split or reverse split of shares.

The Company delivered the following stock remuneration to Directors of the Company during fiscal year 2025:

Category	Number of shares	Number of recipients
Directors (excluding Outside Directors and a foreign Director)	1,676	4

3. Information related to Officers

(1) Directors and Audit & Supervisory Board Members

(As of December 31, 2025)

Title	Name	Assignment	Significant concurrent positions
Chairman and CEO Representative Director	Yozo Shimano [Male]	Chairman of the Board	
President Representative Director	Taizo Shimano [Male]		
Deputy President Representative Director	Takashi Toyoshima [Male]		
Deputy President Representative Director	Masahiro Tsuzaki [Male]		
Senior Executive Vice President	Chia Chin Seng [Male]		Executive Chairman, Shimano (Singapore) Pte. Ltd. President, Shimano Components (Malaysia) Sdn. Bhd.
Director	Kazuo Ichijo [Male]		Professor, International Institute for Management Development Outside Director, PIA Corporation
Director	Mitsuhiro Katsumaru [Male]		Of Counsel, Shiba International Law Offices
Director	Sadayuki Sakakibara [Male]		Honorary Chair, Japan Business Federation (Keidanren) Outside Director, Chairman of The Board, The Kansai Electric Power Company, Incorporated Chairman (Representative Director), Nippon Professional Baseball Organization
Director	Hiromi Wada [Female]		Part-time Advisor, Panasonic Automotive Systems Co., Ltd. Representative Director, HIROZ Co., Ltd. Outside Director, TS TECH CO., LTD. Outside Director, NTN Corporation
Director	Atsumi Eguchi [Female]		Outside Director, Nissui Corporation Outside Director, YAMAZEN CORPORATION
Full-time Audit & Supervisory Board Member	Kiyoshi Tarutani [Male]		
Full-time Audit & Supervisory Board Member	Masayoshi Yoshimoto [Male]		
Audit & Supervisory Board Member	Kanako Nozue [Female]		Attorney-at-law, Tsujinaka Law Firm
Audit & Supervisory Board Member	Toshihiko Hashimoto [Male]		Certified Tax Accountant, Hashimoto Certified Tax Accountant Office Outside Auditor, JA Hyogominami Auditor, Kakogawa Sangyokaikan Co., Ltd.

Notes:

1. Directors Kazuo Ichijo, Mitsuhiro Katsumaru, Sadayuki Sakakibara, Hiromi Wada, and Atsumi Eguchi are Outside Directors as defined in the Companies Act.
2. Audit & Supervisory Board Members Kanako Nozue and Toshihiko Hashimoto are Outside Audit & Supervisory Board Members as defined in the Companies Act.
3. The Company has filed notifications with Tokyo Stock Exchange, Inc. for all of its Outside Directors and Outside Audit & Supervisory

Board Members as independent officers.

4. Audit & Supervisory Board Member Toshihiko Hashimoto is a certified tax accountant and possesses considerable knowledge of tax and accounting matters.

(2) Outline of Limited Liability Agreements

In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has concluded limited liability agreements with all Outside Officers under Article 423, Paragraph 1 of the same Act. The maximum contractual liability of such Outside Officers under these agreements is set at the minimum figure specified in Article 425, Paragraph 1 of the same Act.

(3) Outline of Directors and Officers Liability Insurance Agreement

1) The scope of the insured

Major executive officers such as officers and important employees at the Company and its subsidiaries

2) Outline of the insurance agreement

The insurance covers damages and litigation costs incurred by the insured, arising out of claims in connection with the acts performed by the insured (including omissions) in the course of their duties as Directors and Officers of the Company mentioned in item 1). However, any damages arising from criminal acts of the insureds or damages arising from actions taken while the insureds were aware of being in violation of laws and regulations will not be covered, as measures to ensure that the insurance does not impair the appropriate execution of duties by Directors and Officers. Insurance premiums are fully paid for by the Company.

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

1) Policy for determining the amount or calculation method of remuneration, etc. for officers

The annual remuneration for Directors and Audit & Supervisory Board Members is decided within the maximum total remuneration amounts for all Directors and all Audit & Supervisory Board Members, respectively, established by resolution of the General Meeting of Shareholders.

Regarding the amount of annual remuneration for each Director, the Nomination and Remuneration Advisory Committee whose members include Outside Directors examines whether the remuneration system for Directors and the level of remuneration are functioning as incentives aligned with sustainable development, and the Board of Directors resolves the determination of the amount of remuneration, with its scope of discretion being the establishment of appropriate indicators on financial performance, based on the recommendation from the said Committee.

The amount of annual remuneration for each Audit & Supervisory Board Member is decided through discussion by the Audit & Supervisory Board Members.

Remuneration of Directors, excluding Outside Directors, consists of monthly remuneration, bonuses, and stock remuneration (foreign Directors are not eligible for stock remuneration). Monthly remuneration is based on the role and the scope of responsibilities corresponding to each position, while bonuses are paid to individual Directors, based on their level of achievement in the actual results against the target performance, for which planned net sales and operating income for the fiscal year under review are set forth as performance indicator with an aim to enhance motivation for improving the Company's growth and profitability, as well as growth compared with previous fiscal years. Whereas the net sales and operating income initially planned for fiscal year 2025 were 470,000 million yen and 70,000 million yen, respectively, the actual results turned out to be 466,243 million yen and 51,677 million yen, respectively. Stock remuneration is delivered through the issuance of new shares or the disposition of treasury stock in return for the contribution in kind of monetary remuneration claims granted by the Company, within the total maximum amount of stock remuneration established by resolution of the General Meeting of Shareholders, from the viewpoint of reflecting medium- to long-term financial performance. This stock remuneration is delivered as shares of the Company with transfer restrictions, of a number corresponding to a certain basic amount of remuneration reflecting position and calculated on the basis of the Company's share price on the business day immediately preceding the date of the decision by the Board of Directors regarding the amount of the said remuneration. The date of the removal of transfer restrictions shall be the date of retirement from all service as a director or executive officer of the Company. The composition ratio of remuneration in a case where standard financial performance is achieved is approximately 5:4:1 of fixed remuneration to performance-linked remuneration to stock remuneration.

Directors (excluding foreign Directors) engaged in business execution contribute a certain amount or more from their monthly remuneration to purchase shares of the Company through the Directors' shareholding association, from the viewpoint of reflecting medium- to long-term financial performance in their remuneration. The shares purchased shall be held while the Directors remain in office.

Remuneration for Outside Directors shall not be linked with financial performance, from the viewpoint

of securing their high independence and only monthly remuneration shall be paid to them.

The above policy was resolved by the Board of Directors following the recommendations of the Nomination and Remuneration Advisory Committee.

The Nomination and Remuneration Advisory Committee met twice to discuss remuneration for Directors to be paid in fiscal year 2025 from the viewpoint of securing objective and transparent decision-making on remuneration. The Board of Directors made a resolution concerning remuneration for Directors, upon receiving the committee's recommendations. As the said content of remuneration, etc. for individual Directors was determined following multifaceted consideration by the Nomination and Remuneration Advisory Committee, including consideration of the consistency of the draft proposal with the determination policy, the Board of Directors respects the committee's recommendations and believes that the content is in line with the determination policy.

2) Resolution of the General Meeting of Shareholders on remuneration, etc. for Directors and Audit & Supervisory Board Members

With regard to the remuneration, etc. for the Company's Directors, it was resolved at the 118th Ordinary General Meeting of Shareholders held on March 27, 2025 (9 Directors (including 4 Outside Directors) subject to the resolution) that the maximum total amount of remuneration for Directors shall be 720 million yen a year (including 90 million yen for Outside Directors), and that the amount of remuneration for Directors shall not include remuneration for employment or bonuses. In addition to the remuneration limit for Directors described above, it was resolved at the 116th Ordinary General Meeting of Shareholders held on March 29, 2023 (9 Directors (including 4 Outside Directors and 1 foreign Director) subject to the resolution) that the maximum total amount of restricted stock remuneration to be granted to Directors excluding Outside Directors and foreign Directors shall be 80 million yen a year (provided, however, that the total number of shares of restricted stock to be allotted shall not exceed 7,500 shares). With regard to the remuneration, etc. for the Company's Audit & Supervisory Board Members, it was resolved at the 104th Ordinary General Meeting of Shareholders held on March 30, 2011 (4 Audit & Supervisory Board Members (including 2 Outside Audit & Supervisory Board Members) subject to the resolution) that the maximum total amount of remuneration for Audit & Supervisory Board Members shall be 70 million yen a year.

3) Total remuneration, etc. of Directors and Audit & Supervisory Board Members

Category	Total amount of remuneration, etc. (Millions of yen)	Total amount of remuneration, etc. by type (Millions of yen)			Number of eligible officers
		Basic remuneration	Performance-linked remuneration, etc.	Non-monetary remuneration, etc.	
Directors (Outside Directors)	500 (66)	322 (66)	144 (-)	33 (-)	10 (5)
Audit & Supervisory Board Members (Outside Audit & Supervisory Board Members)	60 (15)	60 (15)	-	-	4 (2)

Notes:

1. Bonuses are paid to Directors as performance-linked remuneration, etc.
2. The Company delivers stock remuneration to its Directors (excluding Outside Directors and foreign Directors) as non-monetary remuneration. The details of the stock remuneration and their delivery are as provided in “2. Share-related Information (5) Shares delivered to Directors as consideration for execution of duties during the fiscal year under review.”
3. Trends in net sales and operating income (selected performance indicators), including figures for fiscal year 2025, are as provided in “1. Overview of the Shimano Group (3) Summary of Assets and Profits.”
4. The above amount of remuneration, etc. of Directors includes the provision for accrued officer bonuses amounting to 144 million yen recorded for fiscal year 2025.
5. The above amounts do not include remuneration for employment by the Company and the associated payroll bonuses to Directors.

(5) Outside Officers

1) Directors

(a) Relationship between other companies/organizations where Outside Directors concurrently hold positions and the Company

The Company has no relationships with other companies/organizations where Outside Directors concurrently hold positions.

(b) Principal activities in fiscal year 2025

Category	Name	Activities and summary of duties performed related to the expected roles of Outside Directors
Director	Kazuo Ichijo	Attended all 13 meetings of the Board of Directors held in fiscal year 2025. He demonstrated his ability to supervise business execution by providing professional advice and proposals for deliberations concerning the Company's management from a long-term perspective that is based on knowledge and experience of the business world, and from the perspective of international business strategy. For his expected roles, he exchanges information with Audit & Supervisory Board Members to gather information and coordinate with them. In addition, he attends meetings of the Company's Nomination and Remuneration Advisory Committee as its member and expresses his opinions from an independent and objective standpoint regarding the nomination and remuneration of Directors.
Director	Mitsuhiro Katsumaru	Attended all 13 meetings of the Board of Directors held in fiscal year 2025. He demonstrated his ability to supervise business execution by providing professional advice and proposals for deliberations concerning the Company's management from a specialized and objective perspective as an expert in the compliance field. For his expected roles, he exchanges information with Audit & Supervisory Board Members to gather information and coordinate with them. In addition, he attends meetings of the Company's Nomination and Remuneration Advisory Committee as its member and expresses his opinions from an independent and objective standpoint regarding the nomination and remuneration of Directors.
Director	Sadayuki Sakakibara	Attended all 13 meetings of the Board of Directors held in fiscal year 2025. He demonstrated his ability to supervise business execution by providing professional advice and proposals for deliberations concerning the Company's management from an objective perspective based on his wealth of experience and deep insight that he accumulated as a manager of global companies. For his expected roles, he exchanges information with Audit & Supervisory Board Members to gather information and coordinate with them.
Director	Hiromi Wada	Attended all 13 meetings of the Board of Directors held in fiscal year 2025. She demonstrated her ability to supervise business execution by providing professional advice and proposals for deliberations concerning the Company's management from an objective perspective based on her wealth of experience and deep insight as an engineer in IT and digital fields. For her expected roles, she exchanges information with Audit & Supervisory Board Members to gather information and coordinate with them. In addition, she attends meetings of the Company's Nomination and Remuneration Advisory Committee as its member and expresses her opinions from an independent and objective standpoint regarding the nomination and remuneration of Directors.

Category	Name	Activities and summary of duties performed related to the expected roles of Outside Directors
Director	Atsumi Eguchi	After assuming office in March 2025, attended all 10 meetings of the Board of Directors held in fiscal year 2025. She demonstrated her ability to supervise business execution by providing professional advice and proposals for deliberations concerning the Company's management from an objective perspective based on her wealth of experience and deep insight in R&D and CSR fields. For her expected roles, she exchanges information with Audit & Supervisory Board Members to gather information and coordinate with them.

2) Audit & Supervisory Board Members

(a) Relationship between other companies/organizations where Outside Audit & Supervisory Board Members concurrently hold positions and the Company

The Company has no relationships with other companies/organizations where Outside Audit & Supervisory Board Members concurrently hold positions.

(b) Principal activities in fiscal year 2025

Category	Name	Activities
Audit & Supervisory Board Member	Kanako Nozue	Attended all 13 meetings of the Board of Directors and all 14 meetings of the Audit & Supervisory Board in fiscal year 2025. She fully demonstrated her ability to supervise the Company's management by providing mainly specialist counsel in a legal capacity. She coordinates with the Accounting Auditor, the internal audit department, and the compliance department including participation in three-way audit report meetings and shares information with Outside Directors to build cooperative relationships. Furthermore, she holds regular meetings with Directors, executive officers and department heads to gather information.
Audit & Supervisory Board Member	Toshihiko Hashimoto	Attended all 13 meetings of the Board of Directors and all 14 meetings of the Audit & Supervisory Board in fiscal year 2025. He fully demonstrated his ability to supervise the Company's management by providing mainly specialist counsel in the capacity of tax accountant. He coordinates with the Accounting Auditor, the internal audit department, and the compliance department including participation in three-way audit report meetings and shares information with Outside Directors to build cooperative relationships. Furthermore, he holds regular meetings with Directors, executive officers and department heads to gather information.

Note:

On September 17, 2025, during the tenure of five Outside Directors Kazuo Ichijo, Mitsuhiro Katsumaru, Sadayuki Sakakibara, Hiromi Wada, and Atsumi Eguchi, and that of Outside Audit & Supervisory Board Members Kanako Nozue and Toshihiko Hashimoto, the Company received a recommendation from the Japan Fair Trade Commission pursuant to the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (currently, the Act Against Delay in Payment of Fees, etc. to Small and Medium-sized Entrusted Business Operators in Manufacturing and Other Specified Fields). Although each of the Outside Directors and Outside Audit & Supervisory Board Members was not aware of the fact before the incident was revealed, they had provided advice as appropriate from the perspective of legal compliance and compliance management even at the ordinary times, and appropriately fulfilled their responsibilities such as by expressing their opinions on prevention of recurrence after the legal violation incident was revealed.

4. Accounting Auditor

(1) Name of the Accounting Auditor Appointed by the Company: Seiryo Audit Corporation

(2) Amount of Compensation for the Accounting Auditor for Fiscal Year 2025:

Category	Amount paid (Millions of yen)
1) Total amount of audit fee and other fees to be paid to the Accounting Auditor by the Company	45
2) Total amount of monetary and other financial interest to be paid to the Accounting Auditor by the Company and its subsidiaries	45

Notes:

1. The Audit & Supervisory Board conducted necessary examination as to whether the content of the audit plan of the Accounting Auditor, its performance of accounting audit, and the basis for estimation of the amount of compensation are appropriate for the Company's business scale, etc. As a result, the Audit & Supervisory Board gave consent for the amount of compensation for the Accounting Auditor.
2. The contract between the Company and Seiryo Audit Corporation makes no distinction between auditing services, as stipulated in the Companies Act, and auditing services, as stipulated in the Financial Instruments and Exchange Act. Moreover, since no essential distinction could be made between these two categories, the amount above is the total amount for both types of audit services.
3. Audit firms other than Seiryo Audit Corporation are engaged in audits of major overseas subsidiaries of the Company.

(3) Policy for Determination of Dismissal or Non-reappointment of the Accounting Auditor

In the event that the Audit & Supervisory Board deems that there may be major disruptions to the audit of the Company by the Accounting Auditor, and it is impossible for the Accounting Auditor to appropriately perform its duties, or in the event that the Audit & Supervisory Board deems it to be necessary, the Audit & Supervisory Board shall determine the content of a proposal for dismissal or non-reappointment of the Accounting Auditor to be submitted to the General Meeting of Shareholders.

In the event that any of the items stipulated in Article 340, Paragraph 1 of the Companies Act apply to the Accounting Auditor, the Audit & Supervisory Board may dismiss the Accounting Auditor by the unanimous consent of all Audit & Supervisory Board Members. In such event, an Audit & Supervisory Board Member selected by the Audit & Supervisory Board shall report the dismissal of the Accounting Auditor and the reason for dismissal at the first General Meeting of Shareholders called after the dismissal.

Notes:

1. Regarding amounts, numbers of shares, etc. presented in this business report, any fractions less than the units indicated are rounded down. However, percentages are rounded to the nearest significant digit.
2. Consumption taxes are not included in the amounts presented in this business report.
3. Figures and information in this report are as of December 31, 2025, unless otherwise specified.

Consolidated Balance Sheet

(As of December 31, 2025)

(Millions of yen)

Accounts	Amount	Accounts	Amount
(Assets)		(Liabilities)	
Current assets	666,119	Current liabilities	58,917
Cash and time deposits	477,324	Accounts payable-trade	16,774
Notes and accounts receivable-trade	38,460	Lease obligations	1,423
Merchandise and finished goods	83,669	Income taxes payable	9,161
Work in process	40,999	Accrued employee bonuses	3,479
Raw materials and supplies	7,328	Accrued officer bonuses	144
Others	18,837	Provision for product warranties	3,317
Allowance for doubtful accounts	(501)	Others	24,616
Fixed assets	272,130	Long-term liabilities	9,830
Property, plant and equipment	201,141	Lease obligations	2,607
Buildings and structures	97,623	Deferred income taxes	2,449
Machinery and vehicles	31,587	Net defined benefit liability	1,473
Land	15,815	Provision for product warranties	2,555
Leased assets	6,040	Others	744
Construction in progress	43,940	Total liabilities	68,748
Others	6,133	(Net assets)	
Intangible assets	29,323	Shareholders' equity	670,554
Goodwill	1,455	Common stock	35,613
Software	18,091	Capital surplus	5,324
Software in progress	8,386	Retained earnings	630,717
Others	1,389	Treasury stock	(1,100)
Investments and other assets	41,665	Accumulated other comprehensive income	197,702
Investment securities	29,348	Unrealized gain (loss) on other securities	10,144
Deferred income taxes	4,618	Foreign currency translation adjustments	187,557
Net defined benefit asset	5,550	Non-controlling interests	1,245
Others	2,627		
Allowance for doubtful accounts	(478)		
		Total net assets	869,501
Total assets	938,250	Total liabilities and net assets	938,250

Note: Amounts are rounded down to the nearest million yen.

Consolidated Statement of Income

(From January 1, 2025 to December 31, 2025)

(Millions of yen)

Accounts	Amount	
Net sales		466,243
Cost of sales		299,627
Gross profit		166,616
Selling, general and administrative expenses		114,938
Operating income		51,677
Non-operating income		
Interest and dividend income	17,849	
Others	1,740	19,589
Non-operating expenses		
Interest expenses	109	
Others	24,127	24,237
Ordinary income		47,029
Extraordinary income		
Gain on sales of investment securities	3,222	
Reversal of provision for loss on free inspection	6,284	9,507
Extraordinary losses		
Loss on factory reconstruction	179	179
Income before income taxes		56,358
Income taxes-current	19,151	
Income taxes-deferred	3,049	22,201
Net income		34,156
Net income attributable to non-controlling interests		165
Net income attributable to owners of parent		33,991

Note: Amounts are rounded down to the nearest million yen.

Non-consolidated Balance Sheet

(As of December 31, 2025)

(Millions of yen)

Accounts	Amount	Accounts	Amount
(Assets)		(Liabilities)	
Current assets	181,454	Current liabilities	31,439
Cash and time deposits	84,317	Accounts payable-trade	10,612
Notes receivable	611	Accounts payable-other	5,697
Accounts receivable-trade	28,661	Income taxes payable	4,409
Finished goods	33,118	Accrued expenses	369
Work in process	21,319	Deposit payable	5,638
Raw materials	1,352	Accrued employee bonuses	423
Supplies	249	Accrued officer bonuses	144
Accounts receivable-other	2,258	Provision for product warranties	2,939
Others	9,568	Others	1,204
Allowance for doubtful accounts	(3)	Long-term liabilities	3,100
Fixed assets	166,667	Provision for product warranties	2,555
Property, plant and equipment	100,400	Others	544
Buildings	58,033	Total liabilities	34,539
Structures	2,438	(Net assets)	
Plant and machinery	6,821	Shareholders' equity	303,349
Vehicles	94	Common stock	35,613
Tools, equipment and furniture	2,811	Capital surplus	5,822
Land	9,884	Capital reserve	5,822
Leased assets	71	Retained earnings	263,014
Construction in progress	20,245	Legal reserve	3,194
Intangible assets	20,198	Other retained earnings	259,820
Industrial property	15	Unappropriated retained earnings	259,820
Software	16,423	Treasury stock	(1,100)
Software in progress	3,687	Valuation and translation adjustments	10,232
Others	73	Unrealized gain (loss) on other securities	10,232
Investments and other assets	46,067		
Investment securities	24,295		
Subsidiaries' and affiliates' stock	13,884		
Investments in capital	29		
Long-term prepaid expenses	959		
Prepaid pension costs	5,550		
Deferred income taxes	564		
Others	1,227		
Allowance for doubtful accounts	(442)		
		Total net assets	313,582
Total assets	348,121	Total liabilities and net assets	348,121

Note: Amounts are rounded down to the nearest million yen.

Non-consolidated Statement of Income

(From January 1, 2025 to December 31, 2025)

(Millions of yen)

Accounts	Amount	
Net sales		276,467
Cost of sales		194,493
Gross profit		81,974
Selling, general and administrative expenses		55,890
Operating income		26,083
Non-operating income		
Interest income	364	
Dividend income	107,426	
Others	266	108,057
Non-operating expenses		
Interest expenses	86	
Others	2,026	2,113
Ordinary income		132,027
Extraordinary income		
Gain on sales of investment securities	3,222	
Reversal of provision for loss on free inspection	6,284	9,507
Extraordinary losses		
Loss on factory reconstruction	179	179
Income before income taxes		141,356
Income taxes-current	8,725	
Income taxes-deferred	2,788	11,514
Net income		129,841

Note: Amounts are rounded down to the nearest million yen.

Accounting Auditor's Report concerning Consolidated Financial Statements

Report of the Independent Auditors

February 5, 2026

The Board of Directors,
Shimano Inc.

Seiryo Audit Corporation
Osaka Office
Designated Partner
Engagement Partner
Certified Public Accountant
Yoshihito Funakoshi
Designated Partner
Engagement Partner
Certified Public Accountant
Kentaro Nakamura

Opinion

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of shareholders' equity and the notes relating to consolidated financial statements of Shimano Inc. (the "Company") for the fiscal year from January 1, 2025 through December 31, 2025.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Company, which consists of the Company and its consolidated subsidiaries, for the period covered by the consolidated financial statements in conformity with accounting principles generally accepted as fair and appropriate in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted as fair and appropriate in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Information

Other information refers to the business report and accompanying supplementary schedules. Management is responsible for the preparation and disclosure of other information. Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the reporting process for other information.

Other information is not included in the scope of our opinion on the consolidated financial statements, and we express no opinion on it.

Our responsibility with respect to the audit of the consolidated financial statements is to read through other information and, in this process, to consider whether any material differences exist between other information and the consolidated financial statements or knowledge we have gained through the auditing process, as well as to remain alert for any other indications of material error in other information.

We are required to report any matter that we consider constitutes a material error in other information, based on the work we have undertaken.

We have nothing to report regarding other information.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted as fair and appropriate in Japan, and for designing and operating such internal control as management determines is necessary to enable the presentation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted as fair and appropriate in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our responsibility is 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 express an opinion on the consolidated financial statements from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

We make professional judgment in the audit process in accordance with auditing standards generally accepted as fair and appropriate in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes relating to the consolidated financial statements in the audit report, or if the notes relating to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes relating to the consolidated financial statements are in accordance with accounting principles generally accepted as fair and appropriate in Japan, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Plan and perform the audit of the consolidated financial statements in order to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries, which serves as the basis for the auditor to express an opinion on the consolidated financial statements. The auditor is responsible for directing, supervising, and reviewing the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence, and if measures have been taken to eliminate obstacles or safeguards have been applied to reduce obstacles to an acceptable level, the auditor reports on the details of such measures or safeguards.

Interest

Our firm and engagement partners have no interests in the Company or its consolidated subsidiaries requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

The above is a translation, for convenience only, of the original report issued in the Japanese language.

Accounting Auditor's Report

Report of the Independent Auditors

February 5, 2026

The Board of Directors,
Shimano Inc.

Seiryo Audit Corporation
Osaka Office
Designated Partner
Engagement Partner
Certified Public Accountant
Yoshihito Funakoshi
Designated Partner
Engagement Partner
Certified Public Accountant
Kentaro Nakamura

Opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying non-consolidated financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of shareholders' equity and the notes relating to non-consolidated financial statements, and the accompanying supplementary schedules of Shimano Inc. (the "Company") for the 119th fiscal year from January 1, 2025 through December 31, 2025.

In our opinion, the non-consolidated financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and the results of its operations for the year then ended in conformity with accounting principles generally accepted as fair and appropriate in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted as fair and appropriate in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Non-consolidated Financial Statements and the Accompanying Supplementary Schedules." We are independent of the Company in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Information

Other information refers to the business report and accompanying supplementary schedules. Management is responsible for the preparation and disclosure of other information. Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the reporting process for other information.

Other information is not included in the scope of our opinion on the non-consolidated financial statements and the accompanying supplementary schedules, and we express no opinion on it.

Our responsibility with respect to the audit of the non-consolidated financial statements and the accompanying supplementary schedules is to read through other information and, in this process, to consider whether any material differences exist between other information and the non-consolidated financial statements and the accompanying supplementary schedules or knowledge we have gained through the auditing process, as well as to remain alert for any other indications of material error in other information.

We are required to report any matter that we consider constitutes a material error in other information, based on the work we have undertaken.

We have nothing to report regarding other information.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Non-consolidated Financial Statements and the Accompanying Supplementary Schedules

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted as fair and appropriate in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the non-consolidated financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements and the accompanying supplementary schedules, management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements and the accompanying supplementary schedules in accordance with the

premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted as fair and appropriate in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Non-consolidated Financial Statements and the Accompanying Supplementary Schedules

Our responsibility is to obtain reasonable assurance about whether the non-consolidated financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the non-consolidated financial statements and the accompanying supplementary schedules from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the non-consolidated financial statements and the accompanying supplementary schedules.

We make professional judgment in the audit process in accordance with auditing standards generally accepted as fair and appropriate in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the non-consolidated financial statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the non-consolidated financial statements and the accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes relating to the non-consolidated financial statements and the accompanying supplementary schedules in the audit report, or if the notes relating to the non-consolidated financial statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the non-consolidated financial statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes relating to the non-consolidated financial statements and the accompanying supplementary schedules are in accordance with accounting principles generally accepted as fair and appropriate in Japan, assess the presentation, structure, and content of the non-consolidated financial statements and the accompanying supplementary schedules including related notes, and whether the non-consolidated financial statements and the accompanying supplementary schedules fairly present the transactions and accounting events on which they are based.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence, and if measures have been taken to eliminate obstacles or safeguards have been applied to reduce obstacles to an acceptable level, the auditor reports on the details of such measures or safeguards.

Interest

Our firm and engagement partners have no interests in the Company requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

The above is a translation, for convenience only, of the original report issued in the Japanese language.

Audit Report by the Audit & Supervisory Board

Audit Report

In regard to the Directors' performance of their duties for the 119th fiscal year from January 1, 2025 to December 31, 2025, the Audit & Supervisory Board has prepared this Audit Report after deliberations based on the audit reports prepared by each Audit & Supervisory Board Member and reports as follows.

1. Method and Contents of Audits by the Audit & Supervisory Board Members and the Audit & Supervisory Board

(1) The Audit & Supervisory Board determined the audit policies and division of duties, etc. and received reports from each Audit & Supervisory Board Member regarding the implementation status and results of their audits, in addition to which it received reports from the Directors, etc. and the Accounting Auditor regarding the status of the performance of their duties and requested explanations as necessary.

(2) In compliance with the Audit & Supervisory Board Regulations established by the Audit & Supervisory Board and in accordance with the audit policies and division of duties, etc., each Audit & Supervisory Board Member communicated with the Directors, the internal audit department, and other employees, etc., endeavored to gather information and develop the audit environment, and conducted audits using the following methods.

1) The Audit & Supervisory Board Members attended meetings of the Board of Directors and other important meetings, received reports from Directors and employees, etc. regarding the status of the performance of their duties, requested explanations as necessary, viewed important decision-making documents, etc., and inspected the status of operations and assets at the head office and main business locations. Additionally, in regard to subsidiaries, the Audit & Supervisory Board Members communicated and exchanged information with the Directors and Audit & Supervisory Board Members, etc. of subsidiaries and received reports on business from subsidiaries as necessary.

2) In regard to the content of resolutions of the Board of Directors regarding the development of systems to ensure that the Directors' performance of their duties complies with laws, regulations, and the Articles of Incorporation and other systems provided for in Article 100, paragraph (1) and paragraph (3) of the Ordinance for Enforcement of the Companies Act as systems necessary to ensure the appropriateness of operations of the corporate group composed of a stock company and its subsidiaries, as well as the systems developed pursuant to those resolutions (i.e., internal control systems) stated in the business report, the Audit & Supervisory Board Members periodically received reports from Directors and employees, etc. regarding the status of the establishment and operation of those systems and as necessary requested explanations and expressed opinions in regard thereto.

3) In regard to the basic policy concerning control of a stock company recorded in the Company's business report (basic policy provided for in Article 118, item (iii) (a) of the Ordinance for Enforcement of the Companies Act, the efforts provided for in item (iii) (b) of that article), the Audit & Supervisory Board Members considered the contents thereof taking into account matters such as the status of deliberations at meetings of the Board of Directors and other deliberations.

4) The Audit & Supervisory Board Members oversaw and verified whether the Accounting Auditor maintained an independent position and conducted an appropriate audit, received reports from the Accounting Auditor on the status of the performance of its duties, and requested explanations as necessary. Additionally, the Audit & Supervisory Board Members received notification from the Accounting Auditor that, in accordance with the "Quality Control Standards for Audits" (Business Accounting Council), etc., it had developed systems in order to ensure that its duties are appropriately performed (i.e., notification of the matters stated in the items of Article 131 of the Ordinance on Accounting of Companies) and requested explanations as necessary.

Using the methods above, the Audit & Supervisory Board examined the business report, the supplementary schedules thereto, the accounting documents (i.e., the balance sheet, statement of income, statement of shareholders' equity, and explanatory notes to accounting documents), the supplementary schedules to the accounting documents, and the consolidated accounting documents (i.e., the consolidated balance sheet, consolidated statement of income, consolidated statement of shareholders' equity, and explanatory notes to consolidated accounting

documents) for the business year.

2. Audit Results

(1) Results of audit of the business report, etc.

1) We find that the business report and the supplementary schedules thereto accurately present the status of the Company in accordance with laws, regulations, and the Articles of Incorporation.

2) We do not find any misconduct nor any material fact constituting a violation of any law, regulation, or the Articles of Incorporation in relation to the Directors' performance of their duties.

3) We find the content of the resolutions of the Board of Directors regarding internal control systems to be reasonable. Additionally, we do not find any matters that should be commented upon in regard to the statements in the business report or the Directors' performance of their duties relating to the internal control systems.

On September 17, 2025, the Company received a recommendation from the Japan Fair Trade Commission pursuant to the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (currently, the Act Against Delay in Payment of Fees, etc. to Small and Medium-sized Entrusted Business Operators in Manufacturing and Other Specified Fields). The Audit & Supervisory Board has confirmed that the Company is thoroughly engaging in corrective actions and the prevention of recurrence.

4) We do not find any matters that should be commented upon in regard to the basic policy regarding persons who control the determination of financial and business policies of the Company stated in the business report. We find that the efforts provided for in Article 118, item (iii) (b) of the Ordinance for Enforcement of the Companies Act stated in the business report are in compliance with that basic policy and do not harm the common interests of the shareholders of the Company, and that their purpose is not to maintain the positions of the Directors of the Company.

(2) Results of audit of accounting documents and supplementary schedules thereto

We find the methods and results of the audit by the Accounting Auditor, Seiryo Audit Corporation, to be reasonable.

(3) Results of audit of consolidated accounting documents

We find the methods and results of the audit by the Accounting Auditor, Seiryo Audit Corporation, to be reasonable.

February 10, 2026

Audit & Supervisory Board, Shimano Inc.
Full-time Audit & Supervisory Board Member: Kiyoshi Tarutani
Full-time Audit & Supervisory Board Member: Masayoshi Yoshimoto
Outside Audit & Supervisory Board Member: Kanako Nozue
Outside Audit & Supervisory Board Member: Toshihiko Hashimoto

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