SEMI-ANNUAL SECURITIES REPORT

(The first six months of the 135th fiscal year)

KROSAKI HARIMA CORPORATION

SEMI-ANNUAL SECURITIES REPORT

1. This report is a print-out of the data submitted via the Electronic Data Processing System for Disclosure (Electronic Disclosure for Investors' Network: "EDINET") as set forth in Article 27-30-2 of the Financial Instruments and Exchange Act of Japan, with the addition of a table of contents and pagination.
2. The Independent Auditor's Report on Semi-annual Review of the Financial Statements ("*Hanki Rebyu Hokokusho*") attached to the Semi-annual Securities Report filed via the above method and the Document of Confirmation ("*Kakuninsho*") filed at the same time as the above Semi-annual Securities Report have been appended to the back of this report.

Contents

[Cover]

[Document Submitted]	Semi-annual Securities Report (“*Hanki Hokokusho*”)
[Article of the Applicable Law Requiring Submission of This Document]	Item 1 of the table in Article 24-5, Paragraph 1, of the Financial Instruments and Exchange Act of Japan
[Submitted to]	Director-General of the Kanto Local Finance Bureau
[Date of Submission]	November 14, 2025
[Accounting Period]	The first six months of the 135th fiscal year (from April 1, 2025 to September 30, 2025)
[Company Name]	KROSAKI HARIMA Kabushiki Kaisha
[Company Name in English]	KROSAKI HARIMA CORPORATION (the “Company”)
[Position and Name of Representative]	Kazuhiro Egawa, Representative Director, President
[Location of Head Office]	1-1, Higashihamamachi, Yahatanishi-ku, Kitakyushu City, Fukuoka, Japan
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[Contact for Communications]	Hajime Nishiyama, Corporate Officer, General Manager of General Administration Department
[Nearest Contact]	1-1, Higashihamamachi, Yahatanishi-ku, Kitakyushu City, Fukuoka, Japan
[Phone No.]	(093) 622-7224
[Contact for Communications]	Hajime Nishiyama, Corporate Officer, General Manager of General Administration Department
[Place Where Available for Public Inspection]	Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo, Japan) Securities Membership Corporation, Fukuoka Stock Exchange (2-14-2, Tenjin, Chuo-ku, Fukuoka City, Fukuoka, Japan)

Part I. Information on the Company
I. Overview of the Company

1. Key Financial Data and Trends

(Millions of yen, unless otherwise stated)

Fiscal period	For the six months ended September 30, 2024 of 134th fiscal year	For the six months ended September 30, 2025 of 135th fiscal year	134th fiscal year
Period of account	From April 1, 2024 To September 30, 2024	From April 1, 2025 To September 30, 2025	From April 1, 2024 To March 31, 2025
Net sales	88,090	88,405	177,921
Ordinary profit	6,540	8,006	15,316
Profit attributable to owners of parent	4,163	10,746	12,535
Comprehensive income	4,916	9,003	12,713
Net assets	95,359	108,423	101,640
Total assets	177,150	176,548	187,058
Profit per share (Yen)	123.63	319.10	372.23
Diluted profit per share (Yen)	—	—	—
Equity ratio (%)	50.6	57.7	50.8
Net cash provided by (used in) operating activities	3,967	17,796	3,144
Net cash provided by (used in) investing activities	(4,089)	3,017	(4,331)
Net cash provided by (used in) financing activities	(255)	(18,553)	986
Cash and cash equivalents at end of period	8,427	10,103	8,322

(Notes) 1. Key financial data and trends of the filing company are not shown since the Company prepares semi-annual consolidated financial statements.
2. “Diluted profit per share” is not shown since there was no dilutive stock.

2. Description of Business

The Group (the Company, consolidated subsidiaries, and entities accounted for using equity method) engages in business across the four categories stated in segment information: Refractories, Furnace, Ceramics, and Real Estate.

There were no material changes to the description of business of each of the segments during the six months ended September 30, 2025.

Changes in major subsidiaries and affiliates are as described below.

Refractories

Krosaki Middle East and Africa Ltd. was included in the scope of consolidation during the six months ended September 30, 2025, in conjunction with the acquisition of its shares on June 12, 2025.

Krosaki IBAR Refratários. LTDA. was included in the scope of application of equity method during the six months ended September 30, 2025, in conjunction with the capital contribution made on June 25, 2025.

Furnace

There were no changes in major subsidiaries and affiliates.

Ceramics

There were no changes in major subsidiaries and affiliates.

Real Estate

There were no changes in major subsidiaries and affiliates.

As a result, as of September 30, 2025, the Group consisted of the Company, 12 consolidated subsidiaries, and 3 entities accounted for using equity method.

II. Business Overview

1. Business and Other Risks

During the six months ended September 30, 2025, of the matters related to the status of business, accounting, and other information stated in this semi-annual securities report, there were no incidences of the major risks recognized by management as potentially having a material impact on the financial position, operating results, and cash flows of consolidated companies. There were also no material changes to the “Business and Other Risks” stated in the annual securities report for the previous fiscal year.

No significant events, etc. exist.

2. Management’s Analysis of Financial Position, Operating Results, and Cash Flows

The forward-looking statements included in this section are based on assessments as of September 30, 2025.

(1) Operating results

During the six months ended September 30, 2025 (April 1, 2025 to September 30, 2025), the Japanese economy remained on its moderate recovery trend, although impacts were observed, particularly in the automobile industry, due to factors such as the U.S. trade policy.

However, the steel industry, the Group’s main customers, is affected by the sluggish domestic demand for steel products for the construction and manufacturing industries as well as the impact of China’s continued excessive steel production and its high-volume, low-priced exports to global markets. As a result, domestic total crude steel output in the six months ended September 30, 2025 decreased by 4.2% from a year earlier to 40.08 million tons. According to the announcement by the World Steel Association, crude steel output from January to September 2025 decreased by 1.6% worldwide compared to a year earlier at 1,373.80 million tons, while that in India increased by 10.5% from a year earlier to 122.40 million tons.

In this challenging business environment, the Group’s business results for the six months ended September 30, 2025 showed increases in both net sales and profit from a year earlier, reflecting cost reduction measures through the self-help efforts to improve productivity and yields, etc., and the steady passing on of higher costs, including raw materials and energy prices, to selling prices in the Refractories business, as well as progress in the various measures set out in the 2025 Revised Management Plan, including the expansion of the India business and a steady increase in orders received for construction projects in the Furnace business.

Net sales

Net sales increased by ¥314 million from a year earlier to ¥88,405 million (a 0.4% increase year-on-year). Despite the decrease in domestic and overseas crude steel output, underlying sales increased as a result of the steady passing on of higher costs including raw materials and energy prices to selling prices in the Refractories business, as well as efforts to expand sales in India. However, net sales in the Refractories business decreased due to the decline in yen-converted sales reflecting the appreciation of the yen. Meanwhile, overall net sales increased, mainly owing to an increase in construction projects in the Furnace business. By region, net sales were ¥47,805 million (a 2.3% increase year-on-year) in Japan, ¥20,815 million (a 0.9% decrease year-on-year) in India, ¥4,014 million (a 0.7% increase year-on-year) in Asia, ¥8,568 million (a 10.7% decrease year-on-year) in Europe, and ¥7,201 million (a 6.3% increase year-on-year) in Others. Overseas net sales amounted to ¥40,599 million (a 1.9% decrease year-on-year), and the ratio of overseas net sales to total net sales was 45.9% (down by 1.0 percentage points year-on-year).

Gross profit

Gross profit increased by ¥1,463 million from a year earlier to ¥18,514 million (an 8.6% increase year-on-year). The ratio of gross profit to net sales increased by 1.6 percentage points from a year earlier to 20.9%.

Operating profit

Operating profit increased by ¥1,138 million from a year earlier to ¥7,421 million (an 18.1% increase year-on-year), and the ratio of operating profit to net sales increased by 1.3 percentage points from a year earlier to 8.4%. Selling, general and administrative expenses increased by ¥324 million from a year earlier to ¥11,092 million (a 3.0% increase year-on-year).

Ordinary profit

Ordinary profit increased by ¥1,465 million to ¥8,006 million (a 22.4% increase year-on-year), and the ratio of ordinary profit to net sales increased by 1.6 percentage points from a year earlier to 9.1%. Non-operating income increased by ¥346 million from a year earlier to ¥1,022 million (a 51.3% increase year-on-year) due to the increase in compensation income, while non-operating expenses increased by ¥19 million from a year earlier to ¥437 million (a 4.7% increase year-on-year) due to the increase in interest expenses.

Profit attributable to owners of parent

Profit attributable to owners of parent increased by ¥6,582 million from a year earlier to ¥10,746 million (a 158.1% increase year-on-year). Extraordinary income increased by ¥8,350 million from a year earlier to ¥8,362 million (a 721.1-fold increase year-on-year) due to the increase in gain on sale of non-current assets, and extraordinary losses increased by ¥404 million from a year earlier to ¥456 million (a 773.3% increase year-on-year) due to the recording of tender offer related expenses.

Operating results by business segment are as follows:
The net sales of each segment represent sales to external customers and do not include inter-segment sales or transfers. The amounts of segment profit or loss are based on operating profit or loss.

Refractories

Net sales in the Refractories segment decreased by 0.4% from a year earlier to ¥75,010 million. This was attributable to the decrease in yen-converted sales resulting from the appreciation of the yen, despite underlying sales increasing due to the steady passing on of higher costs including raw materials and energy prices to selling prices and efforts to expand sales in India, among other initiatives, in spite of the decrease in domestic and overseas crude steel output. Segment profit increased by 10.2% from a year earlier to ¥6,119 million, reflecting margin improvement as well as cost reduction measures through the self-help efforts to improve productivity and yields, etc.

Furnace

Net sales in the Furnace segment increased by 11.0% from a year earlier to ¥9,081 million due to an increase in orders received for construction projects and the steady passing on of higher material and other costs to selling prices, while segment profit increased by 228.0% from a year earlier to ¥983 million as a result of sales growth and cost reductions through streamlining of personnel, among other efforts.

Ceramics

Net sales in the Ceramics segment increased by 9.8% from a year earlier to ¥4,122 million. This was mainly attributable to a recovery in orders for materials for electronic components. Segment profit increased by 61.9% from a year earlier to ¥193 million.

Real Estate

Net sales in the Real Estate segment decreased by 48.4% from a year earlier to ¥190 million due to the sale of rental properties held by the Group. Segment profit decreased by 56.2% from a year earlier to ¥132 million.

Following the withdrawal from the lime business in the previous fiscal year, the “Others” segment has been eliminated effective from the first quarter of the current fiscal year.

(2) Financial position

1) Assets

The Group’s consolidated total assets decreased by ¥10,509 million from the previous fiscal year-end to ¥176,548 million. Current assets decreased by ¥9,059 million to ¥117,089 million, and non-current assets decreased by ¥1,450 million to ¥59,458 million.

A primary factor for the decrease in current assets was a decrease in notes and accounts receivable - trade, and contract assets, due to the collection of receivables from one-time orders. The main factor for the decrease in non-current assets was a decrease in investment securities resulting from their sale.

2) Liabilities

The Group’s consolidated total liabilities decreased by ¥17,292 million from the previous fiscal year-end to ¥68,125 million. Current liabilities decreased by ¥12,451 million to ¥45,928 million and non-current liabilities decreased by ¥4,840 million to ¥22,196 million.

A primary factor for the decrease in current liabilities was the repayment of commercial papers. The main factor for the decrease in non-current liabilities was a decrease in long-term borrowings due to the transfer.

3) Net assets

The Group's net assets increased by ¥6,782 million from the previous fiscal year-end to ¥108,423 million.

A primary factor for the increase in net assets was an increase in retained earnings due to the recording of profit attributable to owners of parent.

(3) Status of cash flows

The Group's cash and cash equivalents (hereinafter, "cash") as of September 30, 2025 increased by ¥1,780 million from the previous fiscal year-end to ¥10,103 million.

Status of cash flows during the six months ended September 30, 2025 was as follows:

1) Cash flows from operating activities

Net cash provided by operating activities amounted to ¥17,796 million compared with ¥3,967 million provided for the same period in the previous fiscal year.

This consisted primarily of ¥15,911 million in profit before income taxes, ¥2,235 million in depreciation, ¥7,605 million in gain on sale of non-current assets, a ¥9,590 million decrease in trade receivables, and ¥1,622 million in income taxes paid.

2) Cash flows from investing activities

Net cash provided by investing activities amounted to ¥3,017 million compared with ¥4,089 million used for the same period in the previous fiscal year.

This consisted primarily of ¥4,237 million in purchase of non-current assets, ¥8,268 million in proceeds from sale of non-current assets, and ¥1,599 million in repayments of deposits received.

3) Cash flows from financing activities

Net cash used in financing activities amounted to ¥18,553 million compared with ¥255 million used for the same period in the previous fiscal year.

This consisted primarily of a ¥1,726 million increase in short-term borrowings, a ¥15,000 million decrease in commercial papers, ¥3,210 million in repayments of long-term borrowings, and ¥2,015 million in dividends paid.

(4) Information on capital resources and cash liquidity

The balance of interest-bearing liabilities as of September 30, 2025 was ¥25,329 million, a decrease of ¥16,409 million from the previous fiscal year-end.

(5) Objective financial data to determine the management policies, management strategies, etc., and achievement status of the management targets

Regarding the objective financial data to determine the management policies, management strategies, etc., and the achievement status of the management targets ("Management Policies, etc.") during the six months ended September 30, 2025 and during the period after September 30, 2025 to the date of filing of this semi-annual securities report (November 14, 2025), there were no material changes to the content of the securities reports previously filed and no new Management Policies, etc. were established.

(6) Business and financial issues to be preferentially addressed

There were no material changes or new issues to be preferentially addressed in the six months ended September 30, 2025.

(7) Research and development activities

Research and development costs in the six months ended September 30, 2025 amounted to ¥667 million.

There were no material changes in the research and development activities of the Group in the six months ended September 30, 2025.

3. Material Business Agreements, etc.

No agreements, etc. that are material to management were decided or concluded during the six months ended September 30, 2025.

III. Information on the Filing Company

1. Information on the Company's Shares

(1) Total number of shares, etc.

1) Total number of shares

Class	Total number of shares authorized to be issued
Common share	140,000,000
Total	140,000,000

2) Total number of shares issued

Class	As of September 30, 2025 (Shares)	As of the submission date (Shares) (November 14, 2025)	Stock exchange on which the Company is listed	Description
Common share	36,458,112	36,458,112	Prime Market of the Tokyo Stock Exchange The Fukuoka Stock Exchange	One unit of stock constitutes 100 shares.
Total	36,458,112	36,458,112	—	—

(2) Status of subscription rights to shares

1) Stock option plans

Not applicable

2) Other status of subscription rights to shares

Not applicable

(3) Status in the exercise of bonds with subscription rights to shares with exercise price amendment

Not applicable

(4) Changes in the total number of shares issued and the amount of share capital and other

(Millions of yen, unless otherwise stated)

Date	Changes in the total number of shares issued (Shares)	Balance of the total number of shares issued (Shares)	Changes in share capital	Balance of share capital	Changes in legal capital surplus	Balance of legal capital surplus
September 30, 2025	—	36,458,112	—	5,537	—	5,138

(5) Major shareholders

As of September 30, 2025

Name	Address	Number of shares held (Thousands of shares)	Percentage of shares held to the total number of issued shares (excluding treasury shares) (%)
NIPPON STEEL CORPORATION	2-6-1, Marunouchi, Chiyoda-ku, Tokyo	15,632	46.42
The Master Trust Bank of Japan, Ltd.	Akasaka Intercity AIR, 1-8-1, Akasaka, Minato-ku, Tokyo	1,716	5.10
Custody Bank of Japan, Ltd.	1-8-12, Harumi, Chuo-ku, Tokyo	1,536	4.56
JPMorgan Securities Japan Co., Ltd.	Tokyo Building, 2-7-3, Marunouchi, Chiyoda-ku, Tokyo	1,110	3.30
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC) (Standing Proxy: MUFG Bank, Ltd.)	PETERBOROUGH COURT 133 FLEET STREET LONDON EC4A 2BB UNITED KINGDOM (Transaction Services Division, 1-4-5, Marunouchi, Chiyoda-ku, Tokyo)	911	2.71
The Bank of Fukuoka, Ltd.	2-13-1, Tenjin, Chuo-ku, Fukuoka City, Fukuoka	743	2.21
Morgan Stanley MUFG Securities Co., Ltd.	Otemachi Financial City South Tower, 1-9-7, Otemachi, Chiyoda-ku, Tokyo	711	2.11
NOMURA INTERNATIONAL PLC A/C JAPAN FLOW (Standing Proxy: Nomura Securities Co., Ltd.)	1 ANGEL LANE, LONDON, EC4R 3AB, UNITED KINGDOM (1-13-1, Nihonbashi, Chuo-ku, Tokyo)	685	2.04
JP JPMSE LUX RE UBS AG LONDON BRANCH EQ CO (Standing Proxy: MUFG Bank, Ltd.)	BAHNHOFSTRASSE 45 ZURICH SWITZERLAND 8098 (Transaction Services Division, 1-4-5, Marunouchi, Chiyoda-ku, Tokyo)	531	1.58
MORGAN STANLEY & CO. LLC (Standing Proxy: Morgan Stanley MUFG Securities Co., Ltd.)	1585 BROADWAY NEW YORK, NEW YORK 10036, U.S.A. (Otemachi Financial City South Tower, 1-9-7, Otemachi, Chiyoda-ku, Tokyo)	401	1.19
Total	—	23,981	71.21

(Notes) 1. Shares held by Custody Bank of Japan, Ltd. and The Master Trust Bank of Japan, Ltd. are categorized as shares related to trust business.

2. In addition to the shares above, the Company owns 2,782,205 shares of treasury shares.
The aforementioned number of treasury shares is what is listed in the register of shareholders. The actual number of treasury shares is 2,781,805 as of September 30, 2025.

3. A statement of large-volume holdings (a statement of changes) that was made available for public inspection as of August 7, 2023 states that Sumitomo Mitsui DS Asset Management Company, Limited held the following shares as of July 31, 2023. However, as the Company is not able to confirm the accuracy of the information as of September 30, 2025, it is not included in the list of major shareholders presented above.
The information in the statement of large-volume holdings is as follows:
The Company conducted a 4-for-1 stock split of its common shares as of April 1, 2024. However, the number of share certificates, etc. held, indicated below, represents the number of shares prior to the said stock split.

Name	Address	Number of share certificates, etc. held (Thousands of shares)	Ownership ratio of share certificates, etc. (%)
Sumitomo Mitsui DS Asset Management Company, Limited	Toranomon Hills Business Tower 26F, 1-17-1, Toranomon, Minato-ku, Tokyo	373	4.10

4. A statement of large-volume holdings (a statement of changes) that was made available for public inspection as of July 18, 2024 states that Schroder Investment Management (Japan) Limited and its joint holders held the following shares as of July 12, 2024. However, as the Company is not able to confirm the accuracy of the information as of September 30, 2025, it is not included in the list of major shareholders presented above.
The information in the statement of large-volume holdings is as follows:

Name	Address	Number of share certificates, etc. held (Thousands of shares)	Ownership ratio of share certificates, etc. (%)
Schroder Investment Management (Japan) Limited	1-8-3, Marunouchi, Chiyoda-ku, Tokyo	1,385	3.80
Schroder Investment Management (Hong Kong) Limited	Level 33, Two Pacific Place, 88 Queensway, Hong Kong	39	0.11
Schroder Investment Management (Singapore) Ltd.	138 Market Street, #23-01, CapitaGreen, Singapore 048946	43	0.12

5. A statement of large-volume holdings (a statement of changes) that was made available for public inspection as of September 5, 2025 states that Asset Management One Co., Ltd. held the following shares as of August 29, 2025. However, as the Company is not able to confirm the accuracy of the information as of September 30, 2025, it is not included in the list of major shareholders presented above.
The information in the statement of large-volume holdings is as follows:

Name	Address	Number of share certificates, etc. held (Thousands of shares)	Ownership ratio of share certificates, etc. (%)
Asset Management One Co., Ltd.	1-8-2, Marunouchi, Chiyoda-ku, Tokyo	1,620	4.44

(6) Status of voting rights

1) Issued shares

As of September 30, 2025

Classification	Number of shares (Shares)	Number of voting rights (Units)	Details
Shares without voting rights	—	—	—
Shares with limited voting rights (treasury shares, etc.)	—	—	—
Shares with limited voting rights (others)	—	—	—
Shares with full voting rights (treasury shares, etc.)	(Treasury shares) Common shares 2,781,800	—	—
Shares with full voting rights (others)	Common shares 33,563,800	335,638	—
Shares below one unit	Common shares 112,512	—	—
Total number of shares issued	36,458,112	—	—
Total voting rights held by all shareholders	—	335,638	—

(Notes) 1. The number of common shares in the "Shares with full voting rights (others)" box includes 2,500 shares (25 units of voting rights) held by Japan Securities Depository Center, Inc.

2. The number of common shares in the "Shares below one unit" box includes 5 shares of treasury shares held by the Company and 48 shares held by Japan Securities Depository Center, Inc.

2) Treasury shares, etc.

As of September 30, 2025

Shareholder	Address of shareholder	Number of shares held under own name (Shares)	Number of shares held under the names of others (Shares)	Total (Shares)	Percentage of shares held to the total number of issued shares (%)
(Treasury shares) KROSAKI HARIMA CORPORATION	1-1, Higashihamamachi, Yahatanishi-ku, Kitakyushu City, Fukuoka	2,781,800	—	2,781,800	7.63
Total	—	2,781,800	—	2,781,800	7.63

(Note) In addition to the shares above, there are 400 shares (4 units of voting rights) under the name of the Company in the register of shareholders which are not actually held by the Company.
The aforementioned shares are included as common shares in the "Shares with full voting rights (others)" box in "Issued shares" above.

2. Information on the Company's Officers

Not applicable

IV. Financial Information

1. Preparation method of semi-annual consolidated financial statements
   The Company's semi-annual consolidated financial statements have been prepared pursuant to the Ordinance on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements (Ordinance of the Ministry of Finance No. 28, 1976) (the "Ordinance on Consolidated Financial Statements").
   The Company also falls under the category of companies listed in the left column of Item 1 of the table in Article 24-5, Paragraph 1 of the Financial Instruments and Exchange Act of Japan, and prepares Type 1 interim consolidated financial statements in accordance with Part 1 and Part 3 of the Ordinance on Consolidated Financial Statements.

2. Audit certification
   Pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, the Company's semi-annual consolidated financial statements for the six months ended September 30, 2025 (April 1, 2025 to September 30, 2025) were reviewed by KPMG AZSA LLC.

1. Semi-annual Consolidated Financial Statements

(1) Semi-annual Consolidated Balance Sheets

(Millions of yen)

	Fiscal Year Ended March 31, 2025 (As of March 31, 2025)	Six Months Ended September 30, 2025 (As of September 30, 2025)
Assets		
Current assets		
Cash and deposits	8,323	10,104
Notes and accounts receivable - trade, and contract assets	69,270	59,482
Merchandise and finished goods	18,345	18,065
Work in process	5,145	4,928
Raw materials and supplies	16,474	17,144
Other	9,067	7,668
Allowance for doubtful accounts	(477)	(304)
Total current assets	126,148	117,089
Non-current assets		
Property, plant and equipment		
Buildings and structures	49,385	41,815
Accumulated depreciation	(33,048)	(25,397)
Buildings and structures, net	16,336	16,417
Machinery, equipment and vehicles	80,349	80,593
Accumulated depreciation	(61,394)	(62,002)
Machinery, equipment and vehicles, net	18,954	18,590
Tools, furniture and fixtures	6,707	6,836
Accumulated depreciation	(4,951)	(5,047)
Tools, furniture and fixtures, net	1,756	1,789
Land	7,320	6,842
Construction in progress	2,441	2,916
Total property, plant and equipment	46,809	46,557
Intangible assets		
Goodwill	3,094	2,871
Other	650	593
Total intangible assets	3,745	3,464
Investments and other assets		
Investment securities	3,966	3,039
Retirement benefit asset	4,625	4,593
Deferred tax assets	165	172
Other	1,843	1,863
Allowance for doubtful accounts	(246)	(232)
Total investments and other assets	10,354	9,436
Total non-current assets	60,909	59,458
Total assets	187,058	176,548

(Millions of yen)

	Fiscal Year Ended March 31, 2025 (As of March 31, 2025)	Six Months Ended September 30, 2025 (As of September 30, 2025)
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	5,039	4,926
Accounts payable - trade	17,054	16,098
Short-term borrowings	7,905	9,664
Commercial papers	15,000	–
Income taxes payable	1,432	4,228
Provision for bonuses	3,779	3,719
Provision for loss on construction contracts	79	79
Other	8,088	7,210
Total current liabilities	58,379	45,928
Non-current liabilities		
Long-term borrowings	18,833	15,664
Deferred tax liabilities	2,916	2,912
Provision for retirement benefits for directors (and other officers)	527	520
Retirement benefit liability	586	540
Asset retirement obligations	153	153
Other	4,021	2,404
Total non-current liabilities	27,037	22,196
Total liabilities	85,417	68,125
Net assets		
Shareholders' equity		
Share capital	5,537	5,537
Capital surplus	1,971	1,970
Retained earnings	81,125	89,850
Treasury shares	(1,671)	(1,674)
Total shareholders' equity	86,962	95,685
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,878	1,225
Foreign currency translation adjustment	3,950	2,873
Remeasurements of defined benefit plans	2,196	2,089
Total accumulated other comprehensive income	8,025	6,188
Non-controlling interests	6,652	6,549
Total net assets	101,640	108,423
Total liabilities and net assets	187,058	176,548

(2) Semi-annual Consolidated Statements of Income and Semi-annual Consolidated Statements of Comprehensive Income

Semi-annual Consolidated Statements of Income

(Millions of yen)

	Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)	Six Months Ended September 30, 2025 (April 1, 2025 to September 30, 2025)
Net sales	88,090	88,405
Cost of sales	71,039	69,890
Gross profit	17,051	18,514
Selling, general and administrative expenses	*1 10,768	*1 11,092
Operating profit	6,282	7,421
Non-operating income		
Interest income	36	46
Dividend income	72	52
Share of profit of entities accounted for using equity method	151	164
Foreign exchange gains	229	281
Insurance claim income	8	97
Compensation income	9	127
Other	168	251
Total non-operating income	675	1,022
Non-operating expenses		
Interest expenses	172	189
Loss on removal of non-current assets	106	62
Compensation expenses	28	80
Other	109	105
Total non-operating expenses	418	437
Ordinary profit	6,540	8,006
Extraordinary income		
Gain on sale of non-current assets	11	7,609
Gain on sale of investment securities	–	753
Total extraordinary income	11	8,362
Extraordinary losses		
Loss on sale of non-current assets	4	3
Loss on retirement of non-current assets	11	138
Impairment losses	36	–
Tender offer related expenses	–	314
Total extraordinary losses	52	456
Profit before income taxes	6,499	15,911
Income taxes - current	1,721	4,389
Income taxes - deferred	145	317
Total income taxes	1,866	4,706
Profit	4,632	11,204
Profit attributable to non-controlling interests	469	458
Profit attributable to owners of parent	4,163	10,746

Semi-annual Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)	Six Months Ended September 30, 2025 (April 1, 2025 to September 30, 2025)
Profit	4,632	11,204
Other comprehensive income		
Valuation difference on available-for-sale securities	(545)	(652)
Deferred gains or losses on hedges	(15)	–
Foreign currency translation adjustment	865	(1,359)
Remeasurements of defined benefit plans, net of tax	(129)	(107)
Share of other comprehensive income of entities accounted for using equity method	108	(82)
Total other comprehensive income	283	(2,201)
Comprehensive income	4,916	9,003
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,572	8,909
Comprehensive income attributable to non-controlling interests	344	94

(3) Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)	Six Months Ended September 30, 2025 (April 1, 2025 to September 30, 2025)
Cash flows from operating activities		
Profit before income taxes	6,499	15,911
Depreciation	2,074	2,235
Impairment losses	36	–
Amortization of goodwill	287	273
Increase (decrease) in provision for bonuses	(63)	(48)
Increase (decrease) in retirement benefit liability	35	(34)
Increase (decrease) in other provisions	(51)	(160)
Interest and dividend income	(108)	(99)
Interest expenses	172	189
Foreign exchange losses (gains)	(38)	51
Share of loss (profit) of entities accounted for using equity method	(151)	(164)
Loss (gain) on sale of non-current assets	(7)	(7,605)
Loss on retirement of non-current assets	11	138
Loss (gain) on sale of investment securities	–	(753)
Tender offer related expenses	–	314
Decrease (increase) in trade receivables	(2,343)	9,590
Decrease (increase) in inventories	1,567	(739)
Increase (decrease) in trade payables	(4,424)	(221)
Other, net	2,902	591
Subtotal	6,399	19,469
Interest and dividends received	577	434
Interest paid	(177)	(186)
Income taxes paid	(2,832)	(1,622)
Tender offer related expenses paid	–	(298)
Net cash provided by (used in) operating activities	3,967	17,796

(Millions of yen)

	Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)	Six Months Ended September 30, 2025 (April 1, 2025 to September 30, 2025)
Cash flows from investing activities		
Purchase of non-current assets	(3,981)	(4,237)
Proceeds from sale of non-current assets	17	8,268
Payments for retirement of non-current assets	(135)	(62)
Proceeds from sale of investment securities	–	882
Payments for investments in capital of subsidiaries and associates	–	(54)
Purchase of shares of subsidiaries	–	(54)
Loan advances	(2)	(2)
Proceeds from collection of loans receivable	0	0
Repayments of deposits received	–	(1,599)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(106)
Other, net	11	(17)
Net cash provided by (used in) investing activities	(4,089)	3,017
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(5,750)	1,726
Net increase (decrease) in commercial papers	6,000	(15,000)
Proceeds from long-term borrowings	5,431	200
Repayments of long-term borrowings	(3,645)	(3,210)
Purchase of treasury shares	(1)	(2)
Dividends paid	(2,013)	(2,015)
Dividends paid to non-controlling interests	(231)	(248)
Proceeds from share issuance to non-controlling shareholders	–	50
Other, net	(43)	(54)
Net cash provided by (used in) financing activities	(255)	(18,553)
Effect of exchange rate change on cash and cash equivalents	320	(479)
Net increase (decrease) in cash and cash equivalents	(56)	1,780
Cash and cash equivalents at beginning of period	8,483	8,322
Cash and cash equivalents at end of period	*1 8,427	*1 10,103

[Notes]

(Changes in the scope of consolidation and the scope of application of equity method)

Six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)
(Significant changes in the scope of consolidation) Krosaki Middle East and Africa Ltd. was included in the scope of consolidation during the six months ended September 30, 2025, in conjunction with the acquisition of its shares on June 12, 2025. (Significant changes in the scope of application of equity method) Krosaki IBAR Refratários. LTDA. was included in the scope of application of equity method during the six months ended September 30, 2025, in conjunction with the capital contribution made on June 25, 2025.

(Additional information)

At the meeting of the Board of Directors held on August 1, 2025, the Company resolved, as its current opinion regarding the tender offer (the “Tender Offer”) by NIPPON STEEL CORPORATION (the “Tender Offeror”) for the common shares of the Company, that if the Tender Offer is commenced, the Company will express its opinion in support of the Tender Offer and recommend that the Company’s shareholders tender their shares in the Tender Offer.

The above resolution of the Board of Directors was made on the premise that the Tender Offeror intends, through the Tender Offer and the subsequent series of procedures, to make the Company its wholly owned subsidiary, and that the Company’s shares are scheduled to be delisted. For details, please refer to the “Notice regarding Expression of Opinion in Support of and Recommendation to Tender in the Planned Commencement of Tender Offer by Our Parent Company, NIPPON STEEL CORPORATION, for the Company’s Shares, etc.” announced separately on August 1, 2025.

(Notes to Semi-annual Consolidated Balance Sheets)

1. Contingent liabilities

(i) Guarantee obligation (Millions of yen)

Previous fiscal year (As of March 31, 2025)		Six months ended September 30, 2025 (As of September 30, 2025)	
Employees		Employees	
Loan from financial institution for home loans	205	Loan from financial institution for home loans	204

(ii) Retrospective obligations due to liquidation of claims (Millions of yen)

	Previous fiscal year (As of March 31, 2025)	Six months ended September 30, 2025 (As of September 30, 2025)
Transfer balance of notes	475	478

(Notes to Semi-annual Consolidated Statements of Income)

*1. Major components and amounts of selling, general and administrative expenses are as follows:

(Millions of yen)

	For the six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)	For the six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)
Depreciation	123	141
Amortization of goodwill	287	273
Provision for bonuses	944	909
Retirement benefit costs	114	106
Provision for retirement benefits for directors (and other officers)	51	36
Shipment and haulage expenses	2,531	2,580
Directors' and auditors' compensations and salaries	2,637	2,755
Research and development costs	620	667

(Notes to Semi-annual Consolidated Statements of Cash Flows)

*1. Relationship between the balance as of September 30 of cash and cash equivalents and the amount of semi-annual consolidated balance sheet items is as follows:

(Millions of yen)

	For the six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)	For the six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)
Cash and deposits	8,428	10,104
Time deposits with a tenor of more than three months	(1)	(1)
Cash and cash equivalents	8,427	10,103

(Notes to shareholders' equity)

I For the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

1. Dividends paid

Resolution	Class of shares	Total amount of dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date	Source of dividends
Annual Shareholders' Meeting on June 26, 2024	Common share	2,020	240.0	March 31, 2024	June 27, 2024	Retained earnings

(Note) The Company conducted a 4-for-1 stock split of its common shares as of April 1, 2024. Accordingly, the dividends per share represent the actual dividends prior to the said stock split.

2. Dividends whose record date fell in the six months ended September 30, 2024, but whose effective date comes after September 30, 2024

Resolution	Class of shares	Total amount of dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date	Source of dividends
Board of Directors' Meeting on October 29, 2024	Common share	1,515	45.0	September 30, 2024	November 29, 2024	Retained earnings

3. Significant changes in shareholders' equity

Not applicable

II For the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

1. Dividends paid

Resolution	Class of shares	Total amount of dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date	Source of dividends
Annual Shareholders' Meeting on June 24, 2025	Common share	2,020	60.0	March 31, 2025	June 25, 2025	Retained earnings

2. Dividends whose record date fell in the six months ended September 30, 2025, but whose effective date comes after September 30, 2025

Not applicable

3. Significant changes in shareholders' equity

Not applicable

(Segments of an enterprise and related information)

[Segment information]

I For the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

Net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segments					Others (Note 1)	Total	Adjust-ments (Note 2)	Consolidated (Note 3)
	Refractories	Furnace	Ceramics	Real Estate	Subtotal				
Net sales									
External customers	75,279	8,184	3,755	368	87,589	501	88,090	—	88,090
Inter-segment or transfer	26	148	—	—	175	—	175	(175)	—
Total	75,306	8,333	3,755	368	87,764	501	88,265	(175)	88,090
Segment profit	5,555	299	119	301	6,276	4	6,280	2	6,282

(Notes) 1. The “Others” category is a business segment which is not included in the reportable segments and includes production and sale of lime for steel mills.
2. An adjustment of ¥2 million in segment profit primarily consists of the elimination amount of unrealized gains.
3. Segment profit is adjusted for operating profit in the semi-annual consolidated statements of income.

II For the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

Net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segments					Others (Note 1)	Total	Adjust-ments (Note 2)	Consolidated (Note 3)
	Refractories	Furnace	Ceramics	Real Estate	Subtotal				
Net sales									
External customers	75,010	9,081	4,122	190	88,405	—	88,405	—	88,405
Inter-segment or transfer	41	240	—	—	281	—	281	(281)	—
Total	75,052	9,321	4,122	190	88,686	—	88,686	(281)	88,405
Segment profit	6,119	983	193	132	7,428	—	7,428	(7)	7,421

(Notes) 1. The “Others” category is a business segment which is not included in the reportable segments and includes production and sale of lime for steel mills. Following the withdrawal from the lime business in the previous fiscal year, the “Others” segment has been eliminated effective from the first quarter of the current fiscal year.
2. An adjustment of ¥(7) million in segment profit primarily consists of the elimination amount of unrealized gains.
3. Segment profit is adjusted for operating profit in the semi-annual consolidated statements of income.

(Notes to revenue recognition)

For the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(Millions of yen)

	Reportable segments					Others (Note)	Total
	Refractories	Furnace	Ceramics	Real Estate	Subtotal		
Japan	34,572	8,166	3,115	–	45,854	501	46,355
India	20,997	–	7	–	21,005	–	21,005
Asia	3,639	18	328	–	3,986	–	3,986
Europe	9,310	–	287	–	9,598	–	9,598
Other	6,759	–	16	–	6,776	–	6,776
Revenue from contract(s) with customers	75,279	8,184	3,755	–	87,220	501	87,721
Other revenues	–	–	–	368	368	–	368
Sales to external customers	75,279	8,184	3,755	368	87,589	501	88,090

(Note) The "Others" category is a business segment which is not included in the reportable segments and includes production and sale of lime for steel mills.

For the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(Millions of yen)

	Reportable segments					Others (Note)	Total
	Refractories	Furnace	Ceramics	Real Estate	Subtotal		
Japan	34,949	9,067	3,597	–	47,614	–	47,614
India	20,807	–	7	–	20,815	–	20,815
Asia	3,638	14	362	–	4,014	–	4,014
Europe	8,428	–	139	–	8,568	–	8,568
Other	7,185	–	15	–	7,201	–	7,201
Revenue from contract(s) with customers	75,010	9,081	4,122	–	88,214	–	88,214
Other revenues	–	–	–	190	190	–	190
Sales to external customers	75,010	9,081	4,122	190	88,405	–	88,405

(Note) The "Others" category is a business segment which is not included in the reportable segments and includes production and sale of lime for steel mills. Following the withdrawal from the lime business in the previous fiscal year, the "Others" segment has been eliminated effective from the first quarter of the current fiscal year.

(Per share information)

Profit per share and the basis for calculation of profit per share are as follows:

(Millions of yen, unless otherwise stated)

Item	For the six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)	For the six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)
Profit per share (Yen)	123.63	319.10
(Basis for calculation)		
Profit attributable to owners of parent	4,163	10,746
Profit not attributable to common shareholders	－	－
Profit attributable to owners of parent related to common stock	4,163	10,746
Weighted average number of common shares during the period (Thousands of shares)	33,677	33,676

(Note) Diluted profit per share is not stated because there is no dilutive stock.

2. Others
   Not applicable

Part II. Information on Guarantors for the Filing Company

Not applicable

Independent Auditor’s Report on Semi-annual Review of the Financial Statements

November 14, 2025

To the Board of Directors of KROSAKI HARIMA CORPORATION.

KPMG AZSA LLC
Fukuoka Office

Yoshinao Abe
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Shingo Kuroda
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Conclusion

We have conducted a semi-annual review of the accompanying semi-annual consolidated financial statements of KROSAKI HARIMA CORPORATION and its consolidated subsidiaries provided in the “Financial Information” section in the Company’s Semi-annual Securities Report, which comprises the semi-annual consolidated balance sheets as at September 30, 2025, the semi-annual consolidated statements of income, the semi-annual consolidated statements of comprehensive income, and the semi-annual consolidated statements of cash flows for the six-month period then ended, and explanatory information, in accordance with Article 193-2 (1) of the Financial Instruments and Exchange Act of Japan.
In the semi-annual review we have conducted, the semi-annual consolidated financial statements are found to contain no matters, in all material respects, that would lead us to believe that the semi-annual consolidated financial statements fail to present fairly the financial position of KROSAKI HARIMA CORPORATION and its consolidated subsidiaries as at September 30, 2025, and their financial performance and status of cash flows for the six-month period then ended in accordance with corporate accounting principles generally accepted in Japan.

Basis for Conclusion

We conducted our semi-annual review in accordance with standards for semi-annual review generally accepted in Japan. Our responsibilities under those standards are further described in the Independent Auditor’s Responsibility for the Semi-annual Review of the Semi-annual Consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with provisions related to professional ethics in Japan, including the provisions applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as an independent auditor. We believe that we have obtained the evidence to provide a basis for our conclusion.

Emphasis of Matter

As described in the Notes (Additional information), at the meeting of the Board of Directors held on August 1, 2025, the Company resolved, regarding the tender offer (the “Tender Offer”) by NIPPON STEEL CORPORATION for the common shares of the Company, that if the Tender Offer is commenced, the Company will express its opinion in support of the Tender Offer and recommend that the Company’s shareholders tender their shares in the Tender Offer. Our conclusion is not affected by this matter.

Responsibilities of Management and Auditors and the Board of Auditors for the Semi-annual Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these semi-annual consolidated financial statements in accordance with corporate accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and presentation of semi-annual consolidated financial statements that are free from material misstatements, whether due to fraud or error.
In preparing the semi-annual consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the semi-annual consolidated financial statements in accordance with the premise of going

concern, and for disclosing matters relating to going concern when it is required to do so in accordance with corporate accounting principles generally accepted in Japan.
Auditors and the Board of Auditors are responsible for overseeing the Directors' performance of their duties related to designing and operating the financial reporting process.

Independent Auditor's Responsibility for the Semi-annual Review of the Semi-annual Consolidated Financial Statements

The independent auditor's responsibility is to express a conclusion on the semi-annual consolidated financial statements from an independent standpoint in a report on the semi-annual review based on the semi-annual review.
In accordance with standards for semi-annual review generally accepted in Japan, the independent auditor exercises professional judgment in the semi-annual review process and performs the following while maintaining professional skepticism.

- Conduct questioning procedures primarily to management and those who are responsible for financial and accounting matters, analytical procedures, and any other semi-annual review procedures. Semi-annual review procedures are limited procedures compared to audit of the annual financial statements that is conducted in accordance with auditing standards generally accepted in Japan.
- If the independent auditor determines that 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, he or she concludes whether the semi-annual consolidated financial statements are found to contain no matters that would lead him or her to believe that the semi-annual consolidated financial statements fail to present fairly those events or conditions in accordance with corporate accounting principles generally accepted in Japan, based on the evidence obtained. If there is a significant uncertainty, the independent auditor is required to draw attention in its report on semi-annual review to the notes to the semi-annual consolidated financial statements or, if the notes pertaining to the significant uncertainty are inadequate, issue a qualified conclusion or negative conclusion on the semi-annual consolidated financial statements. While the conclusions of the independent auditor are based on the evidence obtained up to the date of its report on semi-annual review, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation and notes to the semi-annual consolidated financial statements are found to contain no matters that would lead the independent auditor to believe that the presentation and notes to the semi-annual consolidated financial statements fail to be in accordance with corporate accounting principles generally accepted in Japan, assess the overall presentation, structure, and content of the semi-annual consolidated financial statements, including related notes, and whether the semi-annual consolidated financial statements are found to contain no matters that would lead him or her to believe that the semi-annual consolidated financial statements fail to fairly present the underlying transactions and accounting events.
- Obtain evidence regarding the financial information of the Company and its consolidated subsidiaries to provide a basis on which a conclusion on the semi-annual consolidated financial statements is expressed. The independent auditor is responsible for directing, supervising, and inspecting the semi-annual review of the semi-annual consolidated financial statements. The independent auditor is solely responsible for its conclusion.

The independent auditor reports to Auditors and the Board of Auditors regarding the scope and timing of implementation of the planned semi-annual review, and significant findings on semi-annual review.
The independent auditor also reports to Auditors and the Board of Auditors regarding its observance of provisions relevant to professional ethics in Japan and matters that may reasonably be thought to bear on its independence, and where applicable, related safeguards necessary to eliminate or reduce threats to an acceptable level.

Other Matter

Our firm and engagement partners have no interest in the Company and its consolidated subsidiaries which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

<u>Notes to the reader of the semi-annual review report</u>:
The Independent Auditor's Report on Semi-annual Review herein is the English translation of the Independent Auditor's Report on Semi-annual Review as required by the Financial Instruments and Exchange Act of Japan.