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Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under IFRS)

August 8, 2025

Company name: Kioxia Holdings Corporation

Stock Exchange Listing: Tokyo

Securities code: 285A URL: <https://www.kioxia-holdings.com/en-jp/top.html>

Representative: Representative Director, President & CEO Nobuo Hayasaka

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Scheduled date to commence dividend payments: -

Supplementary materials for financial results: Yes

Financial results briefings: Yes

(rounded to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results (Cumulative)

(% indicates variance against the same period of the previous year)

	Revenue		Non-GAAP operating profit (loss)		Operating profit (loss)		Profit (loss) before taxes		Profit (loss)	
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2025	342,799	(20.0)	45,214	(64.2)	44,899	(64.3)	27,294	(72.6)	18,273	(73.8)
Three months ended June 30, 2024	428,497	70.7	126,176	-	125,859	-	99,746	-	69,758	-

	Non-GAAP profit (loss) attributable to owners of parent		Profit (loss) attributable to owners of parent		Quarterly comprehensive income		Basic earnings (loss) per share	Diluted earnings (loss) per share
	million yen	%	million yen	%	million yen	%	JPY	JPY
Three months ended June 30, 2025	18,507	(73.6)	18,284	(73.8)	22,415	(64.9)	33.90	33.75
Three months ended June 30, 2024	69,984	-	69,758	-	63,925	-	134.80	133.16

Note: Non-GAAP measures, which are IFRS measures plus adjustments made for non-recurring items, are internal measures used by management and are not IFRS accounting items. As non-GAAP measures have not been audited or reviewed by auditors, they may not accurately reflect the Group's financial condition or operating results.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent
	million yen	million yen	million yen	%
As of June 30, 2025	2,894,023	760,301	760,168	26.3
As of March 31, 2025	2,919,679	737,696	737,565	25.3

2. Status of Dividends

	Annual dividends				
	End of first quarter	End of second quarter	End of third quarter	Fiscal year end	Total
	JPY	JPY	JPY	JPY	JPY
Fiscal year ended March 2025	-	0.00	-	0.00	0.00
Fiscal year ending March 2026	-				
Fiscal year ending March 2026 (forecast)		0.00	-	0.00	0.00

Note 1: There were no revisions from the most recently announced dividend forecast

Note 2: "Status of Dividends" above refers to dividends on common shares. For the status of dividends on unlisted shares with different voting rights than common shares issued by the Company, please refer to "Status of dividends on class shares" below.

3. Consolidated Business Outlook for the Second Quarter of the Fiscal Year Ending March 2026 (July 1, 2025 to September 30, 2025)

(JPY in millions unless indicated otherwise)
(% indicates variance against the prior quarter)

	Revenue		Non-GAAP operating profit		Operating profit		Non-GAAP profit attributable to owners of parent		Profit attributable to owners of parent	
Second quarter	420,000 to 470,000	22.5% to 37.1%	49,000 to 83,000	8.4% to 83.6%	48,000 to 82,000	6.9% to 82.6%	17,000 to 41,000	(8.1)% to 121.5%	16,000 to 40,000	(12.5)% to 118.8%

* Notes

(1) Significant changes in consolidation during the three months ended June 30, 2025: None

(2) Changes in accounting policies and estimates

(1) Changes in accounting policies required by IFRS: None

(2) Changes in accounting policies other than those required by IFRS: None

(3) Changes in accounting estimates: None

For details, please refer to "2. Condensed Quarterly Consolidated Financial Statements and Related Notes; (5) Notes to Condensed Quarterly Consolidated Financial Statements; 4. Material Accounting Policies".

(3) Number of issued shares (common shares)

(1) Number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	539,469,840	As of March 31, 2025	539,355,180
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(2) Number of treasury shares at the end of the period

As of June 30, 2025	-	As of March 31, 2025	-
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(3) Average number of shares during the period (cumulative)

As of June 30, 2025	539,420,549	As of June 30, 2024	517,500,000
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* Review of Japanese-language originals of the attached Quarterly Consolidated Financial Statements by certified public accountant or audit firm: Yes (voluntary)

* Appropriate use of business outlooks and other notes

(Note on forward-looking statements)

Forward-looking statements such as business outlooks contained in these financial statements are based on assumptions and beliefs that represent information available to the Company at the present time, and are subject to various risks and uncertainties (including, but not limited to, economic trends, market demand, and competition in the semiconductor industry) and may differ from actual results.

(Status of dividends on class shares)

The breakdown of dividends per share for shares with different voting rights than common shares is as follows.

	Annual dividends				
	End of first quarter	End of second quarter	End of third quarter	Fiscal year end	Total
Series 1 (<i>Kou</i>) preferred shares	JPY	JPY	JPY	JPY	JPY
Fiscal year ended March 2025	-	-	-	7,738,453.00	7,738,453.00
Fiscal year ending March 2026	-				
Fiscal year ending March 2026 (forecast)		-	-	-	-
Series 2 (<i>Otsu</i>) preferred shares	JPY	JPY	JPY	JPY	JPY
Fiscal year ended March 2025	-	-	-	8,041,552.00	8,041,552.00
Fiscal year ending March 2026	-				
Fiscal year ending March 2026 (forecast)		-	-	-	-

Series 1 (*Kou*) preferred shares and Series 2 (*Otsu*) preferred shares have been repurchased and cancelled as of July 25, 2025.

For details, please refer to “2. Condensed Quarterly Consolidated Financial Statements and Related Notes; (5) Notes to Condensed Quarterly Consolidated Financial Statements; 17. Subsequent Events, (2) Repurchase and Cancellation of Treasury Shares”.

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1. Overview of Operating Results Etc.

(1) Overview of Quarterly Operating Results

An overview of the operating results of the Company, its subsidiaries (collectively the “Group”), and interests in associates and joint arrangements is as follows.

As the Group operates as a single reportable segment, the Memory business, it does not provide segment information. However, the Group provides revenue by the application of each product, in accordance with its purpose of use. “SSD & Storage” primarily includes solid-state drives (SSDs) and memory products for PCs, data centers, and enterprises. “Smart Devices” include embedded memory products with control functions, which are used in consumer devices such as smartphones, tablets, and televisions, as well as in automotive and industrial devices. “Other” includes retail products such as SD memory cards and USB flash drives, as well as sales to the Sandisk group recorded through its three manufacturing joint ventures.

A characteristic of the semiconductor and memory industry of which the Group is a part is volatility in the business environment within short time spans. As a result, in order to provide investors with useful information, the Group provides its consolidated business outlook for the upcoming quarter with a range of amounts, and does not provide plans or progress reports for the overall fiscal year.

The Group discloses consolidated operating results in the form of measures based on International Financial Reporting Standards (IFRS), as well as internal measures used by management when making decisions (“non-GAAP measures”).

Non-GAAP measures exclude the impact of purchase price allocation (PPA), costs for stock-based remuneration, and the impact of significant changes to tax policies as non-recurring items from profits based on IFRS.

Management believes that disclosing non-GAAP measures makes it easier for stakeholders to compare the Group’s performance with that of other companies in the same industry and against previous fiscal years. In doing so the Group intends to provide useful information for understanding its regular operating results and business outlooks. Non-GAAP measures are used internally by management and are not accounting items based on IFRS, and have not been audited or reviewed by auditors. Therefore, such non-GAAP measures may not accurately reflect the Group’s financial condition or operating results. Non-recurring items are temporary gains and losses that the Group deems it best to exclude based on certain rules.

In regards to the global economy for the three months ended June 30, 2025, while increased uncertainty led to a slowdown in consumer spending and employment in developed countries, their economies remained strong as negative impacts from tariffs on the price of goods and capital expenditures were not seen. In developing countries, while exports increased due in part to last-minute demand before tariffs and consumer spending grew due in part to government measures promoting product replacement, investment fell as the real estate market continued to struggle and overall trends continued to be weak. High geopolitical risks, particularly in Ukraine and the Middle East, as well as changes in trade policies surrounding tariffs contribute to an uncertain outlook for the global economy. During the three months ended June 30, 2025, the yen appreciated against the US dollar compared to the three months ended June 30, 2024.

In the flash memory industry, PC and smartphone customers continued to optimize their inventories while demand for data centers and enterprise SSD products remains strong.

■Quarter on Quarter Comparison Table

(JPY in billions unless indicated otherwise)

	Three months ended March 31, 2025	Three months ended June 30, 2025	Quarter on quarter change
Revenue	347.1	342.8	-4.3
SSD & Storage	215.2	217.4	+2.2
Smart Devices	79.6	79.0	-0.5
Other	52.3	46.3	-6.0
Non-GAAP operating profit	37.5	45.2	+7.8
PPA impact (loss)	(0.3)	(0.3)	+0.0
Operating profit	37.1	44.9	+7.8
Profit before tax	15.1	27.3	+12.2
Profit	20.3	18.3	-2.0
Non-GAAP profit attributable to owners of parent	13.3	18.5	+5.2
Profit attributable to owners of parent	20.3	18.3	-2.0
Non-GAAP basic earnings per share in yen	24.60	34.31	+9.71
Basic earnings per share in yen	37.59	33.90	-3.70
Average USD to yen exchange rate	154 yen	145 yen	-9 yen

Note: Figures in this table are rounded to the nearest billion yen

Revenue for the three months ended June 30, 2025 was 342.8 billion yen, a decrease of 4.3 billion yen from the previous quarter. This was primarily due to the negative effect of exchange rates, partially offset by increased ASPs. SSD & Storage revenue was 217.4 billion yen, an increase of 2.2 billion yen from the previous quarter, and Smart Device revenue was 79.0 billion yen, a decrease of 0.5 billion yen from the previous quarter.

Operating profit was 44.9 billion yen, an increase of 7.8 billion yen from the previous quarter. This was primarily due to a one-time property tax charge for the year recorded in the previous quarter, as well as higher ASPs, partially offset by the negative effect of exchange rates. Profit before tax was 27.3 billion yen, an increase of 12.2 billion yen from the previous quarter.

Profit attributable to owners of parent was 18.3 billion yen, a decrease of 2.0 billion yen from the previous quarter. This decrease was due to a decrease in income tax expenses of 7.2 billion yen in the previous quarter, which was the result of a change in the effective statutory tax rate.

Non-GAAP operating profit (excludes items such as a PPA impact of 0.3 billion yen) was 45.2 billion yen, an increase of 7.8 billion yen from the previous quarter. Non-GAAP profit attributable to owners of parent was 18.5 billion yen, an increase of 5.2 billion yen from the previous quarter.

■Year on Year Comparison Table

(JPY in billions unless indicated otherwise)

	Three months ended June 30, 2024	Three months ended June 30, 2025	Year on year change
Revenue	428.5	342.8	-85.7
SSD & Storage	223.1	217.4	-5.6
Smart Devices	151.9	79.0	-72.8
Other	53.6	46.3	-7.2
Non-GAAP operating profit	126.2	45.2	-81.0
PPA impact (loss)	(0.3)	(0.3)	+0.0
Operating profit	125.9	44.9	-81.0
Profit before tax	99.7	27.3	-72.5
Profit	69.8	18.3	-51.5
Non-GAAP profit attributable to owners of parent	70.0	18.5	-51.5
Profit attributable to owners of parent	69.8	18.3	-51.5
Non-GAAP basic earnings per share in yen	135.23	34.31	-100.93
Basic earnings per share in yen	134.80	33.90	-100.90
Average USD to yen exchange rate	155 yen	145 yen	-10 yen

Note: Figures in this table are rounded to the nearest billion yen from the figures in “2. Condensed Quarterly Consolidated Financial Statements and Related Notes”, excluding Non-GAAP figures and PPA impact

Revenue for the three months ended June 30, 2025 was 342.8 billion yen, a decrease of 85.7 billion yen from the three months ended June 30, 2024, primarily due to lower ASPs and the negative effect of exchange rates.

Operating profit was 44.9 billion yen, a decrease of 81.0 billion yen from the three months ended June 30, 2024, primarily due to the aforementioned decrease in revenue. Profit before tax was 27.3 billion yen, a decrease of 72.5 billion yen from the three months ended June 30, 2024.

Profit attributable to owners of parent was 18.3 billion yen, a decrease of 51.5 billion yen from the three months ended June 30, 2024.

Non-GAAP operating profit (excludes items such as a PPA impact of 0.3 billion yen) was 45.2 billion yen, a decrease of 81.0 billion yen from the three months ended June 30, 2024. Non-GAAP profit attributable to owners of parent was 18.5 billion yen, a decrease of 51.5 billion yen from the three months ended June 30, 2024.

(2) Overview of Quarterly Financial Position

(JPY in billions unless indicated otherwise)

	As of March 31, 2025	As of June 30, 2025	Change from the end of the previous fiscal year
Total assets	2,919.7	2,894.0	-25.7
Total liabilities	2,182.0	2,133.7	-48.3
Total equity	737.7	760.3	+22.6
Equity attributable to owners of parent	737.6	760.2	+22.6
Ratio of equity attributable to owners of parent	25.3%	26.3%	+1.0 percentage points

Note: Figures in this table are rounded to the nearest billion yen from the figures in "2. Condensed Quarterly Consolidated Financial Statements and Related Notes"

(Assets)

Assets at the end of the quarter were 2,894.0 billion yen, a decrease of 25.7 billion yen from the end of the previous fiscal year.

This was primarily due to a decrease in property, plant and equipment of 29.2 billion yen resulting from depreciation and reduction entries for government grants, as well as a decrease in trade and other receivables of 27.1 billion yen.

(Liabilities)

Liabilities at the end of the quarter were 2,133.7 billion yen, a decrease of 48.3 billion yen from the end of the previous fiscal year.

This was primarily due to a decrease in income taxes payable of 31.9 billion yen, partially offset by an increase in trade and other payables of 23.9 billion yen.

(Equity)

Equity at the end of the quarter was 760.3 billion yen, an increase of 22.6 billion yen from the end of the previous fiscal year.

This was primarily due to a profit for the quarter of 18.3 billion yen. As a result, the ratio of equity attributable to owners of parent was 26.3%, up 1.0 percentage points from the end of the previous fiscal year.

(3) Overview of Quarterly Cash Flows

(JPY in billions unless indicated otherwise)

	Three months ended June 30, 2024	Three months ended June 30, 2025	Year on year change
Net cash provided by (used for) operating activities	95.1	61.1	-34.0
Net cash provided by (used for) investing activities	(31.0)	(34.1)	-3.1
Net cash provided by (used for) financing activities	(84.2)	(17.3)	+66.9

Note: Figures in this table are rounded to the nearest billion yen from the figures in "2. Condensed Quarterly Consolidated Financial Statements and Related Notes"

The balance of cash and cash equivalents at the end of the quarter was 178.4 billion yen, an increase of 10.5 billion yen from the end of the previous fiscal year.

Details of each cash flow are as follows.

(Operating Activities)

The Group recorded 61.1 billion yen in cash inflow as a result of its operating activities (it recorded 95.1 billion yen in cash inflow in the three months ended June 30, 2024).

This included a profit before tax of 27.3 billion yen (99.7 billion yen in the three months ended June 30, 2024) and 80.0 billion yen in depreciation and amortization (78.5 billion yen in the three months ended June 30, 2024). The main reason for the 34.0 billion yen decrease in cash inflow year on year was a decrease in profit before tax from the three months ended June 30, 2024 and trade and other payables turning from an increase to a decrease, despite trade and other receivables also turning from an increase to a decrease.

(Investing Activities)

The Group recorded 34.1 billion yen in cash outflow as a result of its investing activities (it recorded 31.0 billion yen in cash outflow in the three months ended June 30, 2024).

This included 52.5 billion yen for the purchase of property, plant and equipment. The main reason for the 3.1 billion yen increase in cash outflow year on year was a decrease in cash used for the purchase of property, plant and equipment.

(Financing Activities)

The Group recorded 17.3 billion yen in cash outflow as a result of its financing activities (it recorded 84.2 billion yen in cash outflow in the three months ended June 30, 2024).

This included 63.5 billion yen used for the repayment of long-term borrowings. The main reason for the 66.9 billion yen decrease in cash outflow year on year was an increase in proceeds from long-term borrowings and a net decrease in short-term borrowings and Revolving Credit Facility balances executed turning to a net increase.

(4) Explanation of Consolidated Business Outlook and other Forward-Looking Information

The business outlook for the second quarter of the consolidated fiscal year ending March 2026 (July 1, 2025 to September 30, 2025) is as follows. As a characteristic of the semiconductor and memory industry of which the Group is a part is volatility in the business environment within short time spans, the Group provides its consolidated business outlook for the upcoming quarter with a range of amounts.

As demand for data centers and enterprise SSD products is expected to remain strong and bit shipment for Smart Device customers is expected to increase, both revenue and profit for the second quarter are expected to increase from the first quarter of the consolidated fiscal year ending March 2026.

In accordance with refinancing done in July, an increase of 13.0 billion yen for finance costs are expected for the second quarter and are included in the figures below.

Consolidated Business Outlook

Second quarter of the consolidated fiscal year ending March 2026 (July 1, 2025 to September 30, 2025)

(JPY in billions unless indicated otherwise)
(% indicates variance against the prior quarter)

	Results of the three months ended June 2025	Outlook for the three months ending September 2025	
Revenue	342.8	420.0 to 470.0	+22.5% to +37.1%
Non-GAAP operating profit	45.2	49.0 to 83.0	+8.4% to +83.6%
Operating profit	44.9	48.0 to 82.0	+6.9% to +82.6%
Non-GAAP profit attributable to owners of parent	18.5	17.0 to 41.0	-8.1% to +121.5%
Profit attributable to owners of parent	18.3	16.0 to 40.0	-12.5% to +118.8%
Average USD to yen exchange rate	145 yen	145 yen	-0 yen

(Note on forward-looking statements)

Forward-looking statements included in this document are prepared based on the Company's expectations and projections in light of the information currently available to it, which involve various risks and uncertainties (including, but not limited to, economic trends, market demand and the highly competitive semiconductor industry). Such risks and uncertainties may cause the Group's actual results to be materially different from any future results expressed or implied by these forward-looking statements. The Company undertakes no obligation to update any forward-looking statement included herein.

The information and projections regarding the flash memory industry included in this document are derived from information currently available to the Company. Whilst this document is provided in good faith, it does not purport to be comprehensive and has not been independently verified. The Company makes no representations with respect to such information and projections.

This document includes non-GAAP measures, which are internal measures which management relies upon in making decisions that differ from financial measures prepared in accordance with IFRS. The non-GAAP measures, which are IFRS measures plus adjustments made for non-recurring items, have not been audited or reviewed by auditors. Therefore, such non-GAAP measures may not accurately reflect the Group's financial condition or operating results.

2. Condensed Quarterly Consolidated Financial Statements and Related Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

Millions of yen

	Notes	As of June 30, 2025	As of March 31, 2025
Assets:			
Current assets:			
Cash and cash equivalents		178,421	167,932
Trade and other receivables		211,542	238,594
Other financial assets	13	1,804	3,971
Inventories	14	371,882	352,863
Other current assets		44,791	43,349
Total current assets		808,440	806,709
Non-current assets:			
Property, plant and equipment	15	1,071,030	1,100,181
Right-of-use assets		200,606	197,063
Goodwill		395,570	395,256
Intangible assets		11,004	10,658
Investments accounted for using equity method		7,252	7,401
Other financial assets	13	67,235	63,179
Other non-current assets		18,712	20,069
Deferred tax assets		314,174	319,163
Total non-current assets		2,085,583	2,112,970
Total assets		2,894,023	2,919,679

	Notes	As of June 30, 2025	As of March 31, 2025
Liabilities and equity:			
Liabilities:			
Current liabilities:			
Borrowings	7	261,820	246,508
Trade and other payables	8	527,946	504,011
Lease liabilities		44,004	42,521
Other financial liabilities	7 and 13	12,693	28,058
Income taxes payable		6,299	38,183
Provisions		2,440	3,328
Other current liabilities		101,192	122,564
Total current liabilities		956,394	985,173
Non-current liabilities:			
Borrowings	7	507,057	531,198
Lease liabilities		182,551	179,294
Other financial liabilities	7 and 13	321,699	321,261
Retirement benefit liability		46,319	46,477
Provisions		7,444	7,560
Other non-current liabilities		112,254	111,017
Deferred tax liabilities		4	3
Total non-current liabilities		1,177,328	1,196,810
Total liabilities		2,133,722	2,181,983
Equity:			
Share capital	9	25,338	25,239
Capital surplus	9	866,764	866,665
Other components of equity		39,324	35,208
Retained earnings (Accumulated deficit)		(171,258)	(189,547)
Total equity attributable to owners of parent		760,168	737,565
Non-controlling interests		133	131
Total equity		760,301	737,696
Total liabilities and equity		2,894,023	2,919,679

The accompanying notes are an integral part of these financial statements.

(2) Condensed Quarterly Consolidated Statement of Profit or Loss and Condensed Quarterly Consolidated Statement of Comprehensive Income
Three months ended June 30, 2025 and 2024
Condensed Quarterly Consolidated Statement of Profit or Loss

Millions of yen except per share amounts

	Notes	From April 1, 2025 to June 30, 2025	From April 1, 2024 to June 30, 2024
Revenue	11	342,799	428,497
Cost of sales		271,620	271,905
Gross profit		71,179	156,592
Selling, general and administrative expenses		29,847	31,001
Other income		3,921	1,477
Other expenses		354	1,209
Operating profit		44,899	125,859
Finance income		2,398	199
Finance costs	10	19,860	26,192
Share of profit (loss) of investments accounted for using equity method		(143)	(120)
Profit before tax		27,294	99,746
Income tax expense		9,021	29,988
Profit		18,273	69,758
Profit attributable to:			
Owners of parent		18,284	69,758
Non-controlling interests		(11)	0
Profit		18,273	69,758
Earnings per share:			
Basic earnings per share in yen	12	33.90	134.80
Diluted earnings per share in yen	12	33.75	133.16

The accompanying notes are an integral part of these financial statements.

Condensed Quarterly Consolidated Statement of Comprehensive Income

Millions of yen

	Notes	From April 1, 2025 to June 30, 2025	From April 1, 2024 to June 30, 2024
Profit		18,273	69,758
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Net change in financial assets measured at fair value through other comprehensive income	13	2,868	(4,039)
Remeasurements of defined benefit plans		3	2
Total of items that will not be reclassified to profit or loss		2,871	(4,037)
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		1,633	3,683
Effective portion of cash flow hedges		(356)	(5,490)
Share of other comprehensive income of investments accounted for using equity method		(6)	11
Total of items that may be reclassified to profit or loss		1,271	(1,796)
Other comprehensive income, net of tax		4,142	(5,833)
Comprehensive income		22,415	63,925
Comprehensive income attributable to:			
Owners of parent		22,413	63,919
Non-controlling interests		2	6
Comprehensive income		22,415	63,925

The accompanying notes are an integral part of these financial statements.

(3) Condensed Quarterly Consolidated Statement of Changes in Equity
Three months ended June 30, 2025

Millions of yen

	Notes	Share capital	Capital surplus	Other components of equity	Retained earnings (Accumulated deficit)	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of April 1, 2025	9	25,239	866,665	35,208	(189,547)	737,565	131	737,696
Profit		—	—	—	18,284	18,284	(11)	18,273
Other comprehensive income		—	—	4,129	—	4,129	13	4,142
Comprehensive income		—	—	4,129	18,284	22,413	2	22,415
Issuance of new shares	9	95	95	—	—	190	—	190
Share-based payment transactions	9	4	4	(10)	2	—	—	—
Transfer from other components of equity to retained earnings		—	—	(3)	3	—	—	—
Total transactions with owners		99	99	(13)	5	190	—	190
Balance as of June 30, 2025	9	25,338	866,764	39,324	(171,258)	760,168	133	760,301

Three months ended June 30, 2024

Millions of yen

	Notes	Share capital	Capital surplus	Other components of equity	Retained earnings (Accumulated deficit)	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of April 1, 2024	9	10,000	851,517	51,172	(463,054)	449,635	131	449,766
Profit		—	—	—	69,758	69,758	0	69,758
Other comprehensive income		—	—	(5,839)	—	(5,839)	6	(5,833)
Comprehensive income		—	—	(5,839)	69,758	63,919	6	63,925
Share-based payment transactions		—	—	(1)	—	(1)	—	(1)
Transfer from other components of equity to retained earnings		—	—	(2)	2	—	—	—
Total transactions with owners		—	—	(3)	2	(1)	—	(1)
Balance as of June 30, 2024	9	10,000	851,517	45,330	(393,294)	513,553	137	513,690

The accompanying notes are an integral part of these financial statements.

(4) Condensed Quarterly Consolidated Statement of Cash Flows

Millions of yen

	Notes	From April 1, 2025 to June 30, 2025	From April 1, 2024 to June 30, 2024
Cash flows from operating activities			
Profit before tax		27,294	99,746
Depreciation and amortization		79,987	78,493
Impairment losses		70	2
Finance income		(2,398)	(199)
Finance costs		19,860	26,192
Share of loss (profit) of investments accounted for using equity method		143	120
Loss (gain) on sales and retirement of non- current assets		(2,541)	(419)
Decrease (increase) in inventories		(18,336)	(31,702)
Decrease (increase) in trade and other receivables		24,831	(48,364)
Increase (decrease) in trade and other payables		(8,946)	45,954
Increase (decrease) in retirement benefit liability		(161)	280
Other		10,611	(23,590)
Subtotal		130,414	146,513
Interest and dividends received		248	294
Interest paid	10	(32,733)	(46,628)
Income taxes refund (paid)		(36,823)	(5,037)
Net cash provided by operating activities		61,106	95,142
Cash flows from investing activities			
Purchase of property, plant and equipment		(52,512)	(46,091)
Proceeds from sale of property, plant and equipment		3,945	724
Purchase of intangible assets		(1,065)	(75)
Proceeds from government grants		15,525	14,398
Other		(15)	6
Net cash used in investing activities		(34,122)	(31,038)
Cash flows from financing activities			
Net increase (decrease) in short-term borrowings and Revolving Credit Facility balances executed	7	10,000	(12,564)
Proceeds from long-term borrowings	7	43,487	12,749
Repayments of long-term borrowings	7	(63,499)	(77,151)
Repayments of lease liabilities		(7,455)	(7,191)
Proceeds from issuance of shares	9	190	—
Net cash used in financing activities		(17,277)	(84,157)
Effect of exchange rate changes on cash and cash equivalents		782	2,533
Net increase (decrease) in cash and cash equivalents		10,489	(17,520)
Cash and cash equivalents at beginning of period		167,932	187,593
Cash and cash equivalents at end of period		178,421	170,073

The accompanying notes are an integral part of these financial statements.

(5) Notes to Condensed Quarterly Consolidated Financial Statements

1. Going Concern Assumption

Not applicable.

2. Reporting Entity

Kioxia Holdings Corporation (the “Company”) is a corporation located in Japan. The registered address of the Company’s headquarters is 1-21, Shibaura 3-chome, Minato-ku, Tokyo, Japan. The condensed quarterly consolidated financial statements as of, and for the three months period ended June 30, 2025 are comprised of the Company, its subsidiaries (collectively the “Group”) and interests in associates and joint arrangements. As of June 30, 2025, the ultimate controlling party of the Company is Bain Capital Investors LLC.

The Group engages in research and development activities, manufacturing, sales, and other services of memory and related products.

3. Basis of Preparation

(1) Compliance with IFRS

The Group prepares its condensed quarterly consolidated financial statements in accordance with International Accounting Standards 34, “Interim Financial Reporting” under the provision of Article 5, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc.

The condensed quarterly consolidated financial statements do not contain all of the information that would be required on consolidated financial statements for a fiscal year. Therefore, the condensed quarterly consolidated financial statements should be used with the consolidated financial statements for the prior fiscal year.

The condensed quarterly consolidated financial statements were approved by Nobuo Hayasaka, President, Representative Director and Chief Executive Officer, and Hideki Hanazawa, Senior Managing Executive Officer on August 8, 2025.

(2) Measurement basis

The condensed quarterly consolidated financial statements of the Group are prepared on a historical cost basis except for financial instruments, etc. measured at fair value.

(3) Functional and presentation currencies

The condensed quarterly consolidated financial statements of the Group are presented in Japanese yen, which is the functional currency of the Company. Amounts are rounded to the nearest million yen.

4. Material Accounting Policies

The material accounting policies presented in the consolidated financial statements for the fiscal year ended March 31, 2025 are applied consistently in the preparation of these condensed quarterly consolidated financial statements, except for the following. The income tax expense for the three months ended June 30, 2025 is calculated using the estimated average annual effective tax rate.

(Share-based payments)

The Group has adopted a continuous service and performance-linked stock-based remuneration plan as an incentive to directors and officers of the Group. The portion of the payment under this plans that relates to the settlement by equity is measured with reference to the fair value of the Company's stock, recognized as an expense under the in profit or loss, and the same amount is recognized as an increase in equity. On the other hand, for the portion that

relates to the settlement by cash, recognized as an expense under the in profit or loss, and the same amount is recognized as an increase in liabilities. The fair value of the liabilities is remeasured at the end of each reporting , and changes in the fair value are recognized in profit or loss.

5. Significant Accounting Estimates and Judgements

Preparation of condensed quarterly consolidated financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that have significant effects on adopting accounting policies and the amounts of assets, liabilities, revenues and expenses. Actual results may differ from those estimates.

The estimates and underlying assumptions are continuously reviewed. The effects of a change in accounting estimates are recognized in the period of the change and future periods.

In principle, significant accounting estimates and judgments used in the condensed quarterly consolidated financial statements are the same as those used in the preceding fiscal year.

6. Segment Information

Information about reportable segment

Segment information is omitted as the Group operates as a single reportable segment, the Memory business.

7. Borrowings and Other Financial Liabilities

The components of borrowings and other financial liabilities are as follows:

	Millions of yen	
	As of June 30, 2025	As of March 31, 2025
Current liabilities:		
Financial liabilities measured at amortized cost:		
Short-term borrowings	10,000	—
Current portion of long-term borrowings (Note 1 and 2 and 4)	251,820	246,508
Accrued interest	6,345	24,476
Financial liabilities measured at fair value through profit or loss:		
Derivative liabilities	6,348	3,582
Subtotal	274,513	274,566
Non-current liabilities:		
Financial liabilities measured at amortized cost:		
Long-term borrowings (Note 1 and 2 and 4)	507,057	531,198
Preferred shares (Note 3)	321,699	321,261
Subtotal	828,756	852,459
Total	1,103,269	1,127,025

The balances unexecuted of borrowings related to the Revolving Credit Facility Agreement and other items are as follows:

	Millions of yen	
	As of June 30, 2025	As of March 31, 2025
Revolving Credit Facility	210,000	210,000
The balances executed	—	—
The balances unexecuted	210,000	210,000

Note 1: Based on the resolution of the Board of Directors Meeting held on June 10, 2024, the Company signed an amendment agreement with financial institutions on the financing arrangements below in order to refinance existing loans as of June 12, 2024. The carrying amounts of current portion of long-term borrowings and long-term borrowings based on the Senior Facility Agreement as of June 30 and as of March 31, 2025 are 396,196 million yen and 429,417 million yen, respectively.

Date of initial agreement	May 31, 2019																										
Major lenders	Sumitomo Mitsui Banking Corporation MUFG Bank, Ltd. Mizuho Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited																										
Financing amount	Term loan 544,541 Million yen Revolving Credit Facility 210,000 Million yen																										
Interest rate	TIBOR + Spread																										
Repayment	June 17, 2027																										
Financial covenants	<p>The amendment agreement has the following financial covenants.</p> <p>(i) The “Consolidated Leverage Ratio” shall not exceed the figures in the table below on a continuous basis.</p> <table> <tr> <th></th><th>Fiscal year ending March 31, 2025</th><th>Fiscal year ending March 31, 2026</th><th>Fiscal year ending March 31, 2027</th></tr> <tr> <td>Second Quarter</td><td>3.69:1</td><td>2.17:1</td><td>1.70:1</td></tr> <tr> <td>Fourth Quarter</td><td>2.39:1</td><td>1.94:1</td><td>1.45:1</td></tr> </table> <p>(ii) The “Consolidated Equity” shall be greater than the figures below.</p> <ul style="list-style-type: none"> - As of September 30, 2024: 823,000 Million yen - As of the last day of each second quarter and fourth quarter after the third quarter of the fiscal year ending March, 2025: 823,000 million yen or 80 percent of “Total equity” in the consolidated statement of financial position of the corresponding period last year added 323,000 million yen, whichever is higher <p>(iii) The “Consolidated Debt to Equity Ratio” shall not exceed the figures in the table below.</p> <table> <tr> <th></th><th>Fiscal year ending March 31, 2025</th><th>Fiscal year ending March 31, 2026</th><th>Fiscal year ending March 31, 2027</th></tr> <tr> <td>Second Quarter</td><td>137%</td><td>118%</td><td>93%</td></tr> <tr> <td>Fourth Quarter</td><td>130%</td><td>105%</td><td>80%</td></tr> </table> <p>(iv) The Group shall not have negative consolidated profit for the year in any two consecutive full fiscal years ending on or after March 31, 2025.</p>				Fiscal year ending March 31, 2025	Fiscal year ending March 31, 2026	Fiscal year ending March 31, 2027	Second Quarter	3.69:1	2.17:1	1.70:1	Fourth Quarter	2.39:1	1.94:1	1.45:1		Fiscal year ending March 31, 2025	Fiscal year ending March 31, 2026	Fiscal year ending March 31, 2027	Second Quarter	137%	118%	93%	Fourth Quarter	130%	105%	80%
	Fiscal year ending March 31, 2025	Fiscal year ending March 31, 2026	Fiscal year ending March 31, 2027																								
Second Quarter	3.69:1	2.17:1	1.70:1																								
Fourth Quarter	2.39:1	1.94:1	1.45:1																								
	Fiscal year ending March 31, 2025	Fiscal year ending March 31, 2026	Fiscal year ending March 31, 2027																								
Second Quarter	137%	118%	93%																								
Fourth Quarter	130%	105%	80%																								

	<p>[Definitions and calculation formulas]</p> <p>(i) "Consolidated" means the amount in the consolidated financial statements prepared in accordance with IFRS.</p> <p>(ii) "Consolidated Leverage Ratio" means the ratio of "Consolidated Debt" to "Consolidated EBITDA".</p> <ul style="list-style-type: none"> - "Consolidated Debt" is consolidated interest-bearing debt (excluding preferred shares and lease liabilities). - "Consolidated EBITDA" is consolidated operating profit plus depreciation and amortization regarding "Property, plant and equipment" and "Intangible assets" which are including consolidated operating profit. <p>(iii) "Consolidated Equity" is "Total equity" in the consolidated statement of financial position plus the amount of preferred shares (323,000 million yen as of June 30, 2025).</p> <p>(iv) "Consolidated Debt to Equity Ratio" means the ratio of "Consolidated Debt" to "Consolidated Equity".</p>
Collateral etc.	<p>The Company offers collateral to the financing institutions for the amendment agreements. In addition, Kioxia Corporation not only offers collateral to the financial institutions but also provides a joint guarantee for the Company's borrowings.</p>

Note 2: The Group raises funds through sale and leaseback of some property, plant and equipment. Sale and leaseback transactions executed after the adoption of IFRS 16 "Leases" ("IFRS 16") are not accounted for as sales and leases since they do not meet the conditions for revenue recognition under IFRS 15 "Revenue from Contracts with Customers" ("IFRS 15"). Accordingly, funds raised through such transactions are accounted for as long-term borrowings. Borrowings associated with such transactions included in the current portion of long-term borrowings and long-term borrowings as of June 30 and March 31, 2025 are 330,791 million yen and 336,709 million yen, respectively.

Note 3: Based on the resolution of the Board of Directors Meeting held on June 10, 2024, the Company agreed with Development Bank of Japan Inc. to extend the accrual date of request for acquisition of the Company's non-convertible preferred shares, and the conditions The administrative procedures for the amendment to the Articles of Incorporation were completed as of July 18, 2024, and the Company also signed an amended investment agreement with Development Bank of Japan Inc. as of July 19, 2024. The holders of the issued and allotted preferred shares do not have voting rights and do not include any call or put options in exchange for ordinary shares. Therefore, these preferred shares do not have dilutive effects on the ordinary shares.

The holders of the preferred shares have rights to dividends and residual assets in preference to the holders of the ordinary shares.

The preferred shares are classified as financial liabilities under IFRS, because the Company has an obligation to redeem these shares with cash on a specified date (June 17, 2028). The Company has the right to redeem the preferred shares prior to the required date based upon a resolution of the Board of Directors. This redemption right constitutes an embedded derivative. The embedded derivatives are not accounted for separately from the host contracts because they are closely related to the host contracts. Therefore, the Company classifies all of the preferred shares as financial liabilities measured at amortized costs.

(i) Series 1(*Kou*) Preferred shares

Number of offered shares	Series 1 (<i>Kou</i>) Preferred shares 1,200 shares
Paid-in amount of offered shares	100,000,000 yen per share (The total amount to be paid in is 120,000 million yen.)
Paid-in date	June 17, 2019
Means of allotment of offered shares	All offered shares are allocated to Development Bank of Japan Inc. by third-party share allotment.
Dividends of surplus	<p>(1) When the Company makes a distribution of dividends from surplus, the Company shall make a distribution of dividends in cash to the holders of the Series 1 (<i>Kou</i>) Preferred Shares (hereinafter referred to as the “Series 1 (<i>Kou</i>) Preferred Shareholders”) or to the registered pledgees of the Series 1 (<i>Kou</i>) Preferred Shares (hereinafter referred to as the “Registered Series 1 (<i>Kou</i>) Preferred Pledgees”) (such dividends to the Series 1 (<i>Kou</i>) Preferred Shareholders or Registered Series 1 (<i>Kou</i>) Preferred Pledgees hereinafter referred to as the “Series 1 (<i>Kou</i>) Preferred Dividends Distribution”) whose names are listed or recorded on the shareholders’ register as of the close of the record date with respect to such distribution, in preference to the holders of Common Shares (hereinafter referred to as the “Common Shareholders”) or registered pledges of the Common Shares (hereinafter referred to as the “Registered Common Share Pledgees”) (such dividends to Common Shareholders and Registered Common Share Pledgees hereinafter referred to as the “Common Dividends Distribution”) in the amount set forth in Paragraph 2 of this Article per Series 1 (<i>Kou</i>) Preferred Share (hereinafter referred to as the “Series 1 (<i>Kou</i>) Preferred Dividends”). Payment of the Series 1 (<i>Kou</i>) Preferred Dividends Distribution to Series 1 (<i>Kou</i>) Preferred Shareholders or Registered Series 1 (<i>Kou</i>) Preferred Pledgees and the Series 2 (<i>Otsu</i>) Preferred Dividends Distribution (defined in Paragraph 2 of the Article for “(ii) Series 2 (<i>Otsu</i>) Preferred shares”; hereinafter the same shall apply) to the holders of the Series 2 (<i>Otsu</i>) Preferred Shares (hereinafter referred to as the “Series 2 (<i>Otsu</i>) Preferred Shareholders”) or the registered pledgees of the Series 2 (<i>Otsu</i>) Preferred Share (hereinafter referred to as the “Registered Series 2 (<i>Otsu</i>) Preferred Pledgees”) shall rank <i>pari passu</i>.</p> <p>(2) (a) The total amount of Series 1 (<i>Kou</i>) Preferred Dividends per Series 1 (<i>Kou</i>) Preferred Share shall be equal to an amount calculated as follows: the product of (i) the Series 1 (<i>Kou</i>) Preferred Dividend Rate and (ii) the Series 1 (<i>Kou</i>) Preferred Share Base Price for the business year to which the record date with respect to the distribution of dividends belongs (in case of the distribution of dividends is made in a business year to which the issue date belongs or as of a record date which is not the last day of any business year, the product of (i), (ii) and (iii) the actual days elapsed from the first day of such business year (in case that such business year is the one that the issue date belongs to, the issue date) (inclusive) to such record date (inclusive), divided by three hundred sixty five (365) (with divisions made at the end and rounded down to the nearest integral number) (the same shall apply to the following pro-rata calculations)); provided, however, that distributions of all or any part of dividends as of record dates that belong to such business year have been made, the accumulated amount of such dividends shall be deducted.</p>

(b) The “Series 1 (*Kou*) Preferred Share Base Price” shall be one hundred million Japanese Yen (JPY 100,000,000) in the business year to which the issue date belongs and, in the subsequent business years, equal to the sum of the amount of the Series 1 (*Kou*) Preferred Share Base Price on the last date of the previous business year and, if the Company did not make a distribution of all or any part of Series 1 (*Kou*) Preferred Dividends based of record dates that belong to such previous business year, the amount of such unpaid Series 1 (*Kou*) Preferred Dividends; provided, however, if the Company makes a distribution of Series 1 (*Kou*) Special Dividends, defined in Paragraph 4 of this Article, in a certain business year, the amount of such paid Series 1 (*Kou*) Special Dividends shall be deducted from the amount of the Series 1 (*Kou*) Preferred Share Base Price on the date of such payment. In the case the Company distributes the Series 1 (*Kou*) Special Dividends, the amount of the Series 1 (*Kou*) Preferred Dividends shall be calculated on the pro-rata basis (i) for the period until the day before the payment date (inclusive) of said Series 1 (*Kou*) Special Dividends, based on the Series 1 (*Kou*) Preferred Share Base Price without deduction of the amount of said Series 1 (*Kou*) Special Dividends, and (ii) for the period after the payment date (inclusive) of said Series 1 (*Kou*) Special Dividends, based on the Series 1 (*Kou*) Preferred Share Base Price with deduction of the amount of said Series 1 (*Kou*) Special Dividends.

(c) The “Series 1 (*Kou*) Preferred Dividend Rate” shall be the rate per annum defined below; provided, however, in the case the Series 1 (*Kou*) Preferred Dividend Rate is to change during the period from the first day of a business year to the record date pertaining to such Series 1 (*Kou*) Preferred Dividend, the amount of Series 1 (*Kou*) Preferred Dividend shall be calculated pro rata, using the Series 1 (*Kou*) Preferred Dividend Rate before the change for the period before the change and the Series 1 (*Kou*) Preferred Dividend Rate after the change for the period after the change.

- From the issue date to June 16, 2024: four point zero five percent (4.05%)
- From June 17, 2024 to March 31, 2025: eight point zero five percent (8.05%)
- From April 1, 2025 to September 30, 2026: seven point zero five percent (7.05%)
- From October 1, 2026 to March 31, 2027: eight point thirty five percent (8.35%)
- From April 1, 2027: nine point sixty five percent (9.65%)

(3) In the event that the total amount of Series 1 (*Kou*) Preferred Dividends per share paid in cash in accordance with Paragraph 1 of this Article to Series 1 (*Kou*) Preferred Shareholders or Registered Series 1 (*Kou*) Preferred Pledgees as of any record date belonging in a business year is less than the amount of the Series 1 (*Kou*) Preferred Dividends of such business year, any such deficiencies shall not be cumulative for the subsequent business years respectively.

(4) The Company may, at its option, make a distribution of dividends to Series 1 (*Kou*) Preferred Shareholders or Registered Series 1 (*Kou*) Preferred Pledgees prior to or after the payment of Common Dividends, Series 1 (*Kou*) Preferred Dividends or Series 2 (*Otsu*) Preferred Dividends (defined in Paragraph 4 of the Article for “(ii) Series 2 (*Otsu*) Preferred shares”; hereinafter the same shall apply), to the extent that the amount of such dividends does not exceed the amount of the Series 1 (*Kou*) Preferred Share Base Price at that time less 100,000,000 yen. The distribution of Series 1 (*Kou*) Special Dividends to Series 1 (*Kou*) Preferred Shareholders or Registered Series 1 (*Kou*) Preferred Pledgees and the distribution of Series 2 (*Otsu*) Special Dividends to Series 2 (*Otsu*) Preferred Shareholders or Registered Series 2 (*Otsu*) Preferred Pledgees shall rank *pari passu*.

(5) Other than the dividends set forth in Paragraphs 1 and 4 of this Article, no dividend shall be paid to the Series 1 (*Kou*) Preferred Shareholders or Registered Series 1 (*Kou*) Preferred Pledgees.

Distribution of residual assets	<p>(1) If and when the Company distributes the residual assets upon its dissolution, the Company shall pay to Series 1 (<i>Kou</i>) Preferred Shareholders or Registered Series 1 (<i>Kou</i>) Preferred Pledgees, in preference to Common Shareholders or Registered Common Share Pledgees and Series 2 (<i>Otsu</i>) Preferred Shareholders or Registered Series 2 (<i>Otsu</i>) Preferred Pledgees, the amount set forth in Paragraph 2 of this Article (hereinafter referred to as the "Series 1 (<i>Kou</i>) Preferred Shares Redemption Amount") per Series 1 (<i>Kou</i>) Preferred Share.</p> <p>(2) Series 1 (<i>Kou</i>) Preferred Shares Redemption Amount per Series 1 (<i>Kou</i>) Preferred Share shall be the Series 1 (<i>Kou</i>) Preferred Share Base Price of the business year to which the payment date of the residual assets belongs and the equivalent amount of unpaid dividends per Series 1 (<i>Kou</i>) Preferred Share on the payment date of the residual assets. The "equivalent amount of unpaid dividends per Series 1 (<i>Kou</i>) Preferred Share on the payment date of the residual assets" means the amount of Series 1 (<i>Kou</i>) Preferred Dividends calculated on a pro-rata basis using the actual number of days from the first day of the business year to which the payment date of residual assets belongs (in case that such business year is the one that the issue date belongs to, the issue date) (inclusive) to such payment date (inclusive), assuming the payment date of residual assets to be the record date for distribution of dividends; provided, however, that distributions of all or any part of dividends as of record dates that belong to such business year have been made, the accumulated amount of such dividends shall be deducted.</p> <p>(3) Other than the distribution set forth in Paragraph 1 of this Article, the Company does not distribute any residual asset to Series 1 (<i>Kou</i>) Preferred Shareholders or Registered Series 1 (<i>Kou</i>) Preferred Pledgees.</p>
Put options in exchange for cash	<p>The Series 1 (<i>Kou</i>) Preferred Shareholders shall, when and if any of the events listed in Items below occurs, to the extent permitted by laws and regulations, be entitled to demand the Company to deliver cash in exchange for any part or all of the Series 1 (<i>Kou</i>) Preferred Shares owned by them (the date that such demand is made is hereinafter referred to as the "Series 1 (<i>Kou</i>) Preferred Shares Demand Date"). Upon such demand, the Company shall pay to such Series 1 (<i>Kou</i>) preferred Shareholders, to the limited extent of the distributable amount calculated in accordance with Article 461, Paragraph 2 of the Companies Act on the Series 1 (<i>Kou</i>) Preferred Shares Demand Date, an amount of cash equivalent to Series 1 (<i>Kou</i>) Preferred Shares Redemption Amount set forth in Paragraph 2 of the Article of "Distribution of residual assets" (provided, however, that the amount shall be calculated as of the Series 1 (<i>Kou</i>) Preferred Shares Demand Date instead of the payment date of the residual assets); provided, however, that the number of the Series 1 (<i>Kou</i>) Preferred Shares to be acquired by the Company shall be determined on a pro rata basis or in any other reasonable and fair way that the Board of Directors of the Company decides in a case where Series 1 (<i>Kou</i>) Preferred Shareholders make such demand in the amount beyond the distributable amount.</p> <p>(a) After December 17, 2027;</p> <p>(b) The distributable amount of the Company on the last day of a business year calculated based on the financial statements for such business year that is approved at a shareholders' meeting of the Company in accordance with applicable law is less than the sum of (a) the aggregate amount of Series 1 (<i>Kou</i>) Preferred Shares Redemption Amount of all the outstanding Series 1 (<i>Kou</i>) Preferred Shares on the last day of such business year and (b) the aggregate amount of Series 2 (<i>Otsu</i>) Preferred Shares Redemption Amount of all the outstanding Series 2 (<i>Otsu</i>) Preferred Shares as of the last day of such business year (provided, however, that this shall not apply, on or before the date falling three (3) months from the date of the shareholders' meeting at which the financial statements of the Company for the relevant business year were approved, the distributable amount of the Company becomes equal to or more than the sum of (a) the aggregate amount of Series 1 (<i>Kou</i>) Preferred Shares Redemption Amount of all the outstanding Series 1 (<i>Kou</i>) Preferred Shares on the last day of such business year and (b) the aggregate amount of Series 2 (<i>Otsu</i>) Preferred Shares Redemption Amount of all the outstanding Series 2 (<i>Otsu</i>) Preferred Shares on the last day of such business year.);</p>

	<p>(c) Any financial indebtedness of the Company or Kioxia Corporation is declared to be immediately due and payable prior to its specified maturity as a result of an event of default (however described) with respect to such financial indebtedness; provided, however, this shall not apply to the financial indebtedness whose amount is less than JPY 2,000,000,000 (or its equivalent in any other currency) or the financial indebtedness incurred under intra-group loan or any subordinated debts.</p> <p>If put options are not exercised based on the above events (a) to (c), unless otherwise agreed, all of those put options shall be exercised, to the extent permitted by laws and this agreement, on June 17, 2028.</p>
Call option in exchange for cash	<p>The Company may, acquire, to the extent permitted by laws and regulations, on the day determined by a resolution of the Board of Directors of the Company (the day is hereinafter referred to as the "Series 1 (<i>Kou</i>) Preferred Shares Acquisition Day") any part or all of the Series 1 (<i>Kou</i>) Preferred Shares in exchange for an amount of cash equivalent to Series 1 (<i>Kou</i>) Preferred Shares Redemption Amount (provided, however, that the amount shall be calculated as of the Series 1 (<i>Kou</i>) Preferred Shares Acquisition Day instead of the payment date of the residual assets). The Series 1 (<i>Kou</i>) Preferred Shares to be acquired by the Company shall be determined on a pro rata basis or in any other reasonable and fair way that the Board of Directors of the Company decides in a case where the Company acquires a part of Series 1 (<i>Kou</i>) Preferred Shares.</p>

(ii) Series 2(*Otsu*) preferred shares

Number of offered shares	Series 2 (<i>Otsu</i>) Preferred shares 1,800 shares
Paid-in amount of offered shares	100,000,000 yen per share (The total amount to be paid in is 180,000 million yen.)
Paid-in date	June 17, 2019
Means of allotment of offered shares	All offered shares are allocated to Development Bank of Japan Inc. by third-party share allotment.
Dividends of surplus	<p>(1) When the Company makes a distribution of dividends from surplus the Company shall make a distribution of dividends in cash to Series 2 (<i>Otsu</i>) Preferred Shareholders or to Registered Series 2 (<i>Otsu</i>) Preferred Pledgees (such distribution of dividends to the Series 2 (<i>Otsu</i>) Preferred Shareholders or Registered Series 2 (<i>Otsu</i>) Preferred Pledgees hereinafter referred to as the “Series 2 (<i>Otsu</i>) Preferred Dividends Distribution”) whose names are listed or recorded on the shareholders’ register as of the close of the record date with respect to such distribution, in preference to Common Dividends in the amount set forth in Paragraph 2 of this Article per Series 2 (<i>Otsu</i>) Preferred Share (hereinafter referred to as the “Series 2 (<i>Otsu</i>) Preferred Dividends”). Payment of the Series 2 (<i>Otsu</i>) Preferred Dividends Distribution to Series 2 (<i>Otsu</i>) Preferred Shareholders or Registered Series 2 (<i>Otsu</i>) Preferred Pledgees and the Series 1 (<i>Kou</i>) Preferred Dividends Distribution to Series 1 (<i>Kou</i>) Preferred Shareholders or Registered Series 1 (<i>Kou</i>) Preferred Pledgees shall rank <i>pari passu</i>.</p> <p>(2) (a) The total amount of Series 2 (<i>Otsu</i>) Preferred Dividends per Series 2 (<i>Otsu</i>) Preferred Share shall be equal to an amount calculated as follows: the product of (i) the Series 2 (<i>Otsu</i>) Preferred Dividend Rate and (ii) the Series 2 (<i>Otsu</i>) Preferred Share Base Price for the business year to which the record date with respect to the distribution of dividends belongs (in case of the distribution of dividends is made in a business year to which the issue date belongs or as of a record date which is not the last day of any business year, the product of (i), (ii) and (iii) the actual days elapsed from the first day of such business year (in case that such business year is the one that the issue date belongs to, the issue date) (inclusive) to such record date (inclusive); provided, however, that distributions of all or any part of dividends as of record dates that belong to such business year have been made, the accumulated amount of such dividends shall be deducted. (b) The “Series 2 (<i>Otsu</i>) Preferred Share Base Price” shall be JPY 100,000,000 in the business year to which the issue date belongs and, in the subsequent business years, equal to the sum of the amount of the Series 2 (<i>Otsu</i>) Preferred Share Base Price on the last date of the previous business year and, if the Company did not make a distribution of all or any part of Series 2 (<i>Otsu</i>) Preferred Dividends based of record dates that belong to such previous business year, the amount of such unpaid Series 2 (<i>Otsu</i>) Preferred Dividends; provided, however, if the Company makes a distribution of Series 2 (<i>Otsu</i>) Special Dividends in a certain business year, the amount of such paid Series 2 (<i>Otsu</i>) Special Dividends shall be deducted from the amount of the Series 2 (<i>Otsu</i>) Preferred Share Base Price on the date of such payment. In the case the Company distributes the Series 2 (<i>Otsu</i>) Special Dividends, the amount of the Series 2 (<i>Otsu</i>) Preferred Dividends shall be calculated on the pro-rata basis (i) for the period until the day before the payment date (inclusive) of said Series 2 (<i>Otsu</i>) Special Dividends, based on the Series 2 (<i>Otsu</i>) Preferred Share Base Price without deduction of the amount of said Series 2 (<i>Otsu</i>) Special Dividends, and (ii) for the period after the payment date (inclusive) of said Series 2 (<i>Otsu</i>) Special Dividends, based on the Series 2 (<i>Otsu</i>) Preferred Share Base Price with deduction of the amount of said Series 2 (<i>Otsu</i>) Special Dividends.</p>

	<p>(c) The “Series 2 (<i>Otsu</i>) Preferred Dividend Rate” shall be the rate per annum defined below; provided, however, in the case the Series 1 (<i>Kou</i>) Preferred Dividend Rate is to change during the period from the first day of a business year to the record date pertaining to such Series 1 (<i>Kou</i>) Preferred Dividend, the amount of Series 1 (<i>Kou</i>) Preferred Dividend shall be calculated pro rata, using the Series 1 (<i>Kou</i>) Preferred Dividend Rate before the change for the period before the change and the Series 1 (<i>Kou</i>) Preferred Dividend Rate after the change for the period after the change.</p> <ul style="list-style-type: none"> - From the issue date to June 16, 2024: four point three percent (4.30%) - From June 17, 2024 to March 31, 2025: eight point three percent (8.30%) - From April 1, 2025 to September 30, 2026: seven point three percent (7.30%) - From October 1, 2026 to March 31, 2027: eight point six percent (8.60%) - From April 1, 2027: nine point nine percent (9.90%) <p>(3) In the event that the total amount of Series 2 (<i>Otsu</i>) Preferred Dividends per share paid in cash in accordance with Paragraph 1 of this Article to Series 2 (<i>Otsu</i>) Preferred Shareholders or Registered Series 2 (<i>Otsu</i>) Preferred Pledgees as of any record date belonging in a business year is less than the amount of the Series 2 (<i>Otsu</i>) Preferred Dividends of such business year, any such deficiencies shall not be cumulative for the subsequent business years respectively.</p> <p>(4) The Company may, at its option, make a distribution of dividends to Series 2 (<i>Otsu</i>) Preferred Shareholders or Registered Series 2 (<i>Otsu</i>) Preferred Pledgees prior to or after the payment of Common Dividends, Series 1 (<i>Kou</i>) Preferred Dividends or Series 2 (<i>Otsu</i>) Preferred Dividends, to the extent that the amount of such dividends does not exceed the amount of the Series 2 (<i>Otsu</i>) Preferred Share Base Price at that time less 100,000,000 yen. The distribution of Series 2 (<i>Otsu</i>) Special Dividends to Series 2 (<i>Otsu</i>) Preferred Shareholders or Registered Series 2 (<i>Otsu</i>) Preferred Pledgees and the distribution of Series 1 (<i>Kou</i>) Special Dividends to Series 1 (<i>Kou</i>) Preferred Shareholders or Registered Series 1 (<i>Kou</i>) Preferred Pledgees shall rank <i>pari passu</i>.</p> <p>(5) Other than the dividends set forth in Paragraphs 1 and 4 of this Article, no dividend shall be paid to the Series 2 (<i>Otsu</i>) Preferred Shareholders or Registered Series 2 (<i>Otsu</i>) Preferred Pledgees.</p>
Distribution of residual assets	<p>(1) If and when the Company distributes the residual assets upon its dissolution, the Company shall pay to Series 2 (<i>Otsu</i>) Preferred Shareholders or Registered Series 2 (<i>Otsu</i>) Preferred Pledgees, in preference to Common Shareholders or Registered Common Share Pledgees, the amount set forth in Paragraph 2 of this Article (hereinafter referred to as the “Series 2 (<i>Otsu</i>) Preferred Shares Redemption Amount”) per Series 2 (<i>Otsu</i>) Preferred Share.</p> <p>(2) Series 2 (<i>Otsu</i>) Preferred Shares Redemption Amount per Series 2 (<i>Otsu</i>) Preferred Share shall be the Series 2 (<i>Otsu</i>) Preferred Share Base Price of the business year to which the payment date of the residual assets belongs and the equivalent amount of unpaid dividends per Series 2 (<i>Otsu</i>) Preferred Share on the payment date of the residual assets. The “equivalent amount of unpaid dividends per Series 2 (<i>Otsu</i>) Preferred Share on the payment date of the residual assets” means the amount of Series 2 (<i>Otsu</i>) Preferred Dividends calculated on a pro-rata basis using the actual number of days from the first day of the business year to which the payment date of residual assets belongs (in case that such business year is the one that the issue date belongs to, the issue date) (inclusive) to such payment date (inclusive), assuming the payment date of residual assets to be the record date for distribution of dividends; provided, however, that distributions of all or any part of dividends as of record dates that belong to such business year have been made, the accumulated amount of such dividends shall be deducted.</p> <p>(3) Other than the distribution set forth in Paragraph 1 of this Article, the Company does not distribute any residual asset to Series 2 (<i>Otsu</i>) Preferred Shareholders or Registered Series 2 (<i>Otsu</i>) Preferred Pledgees.</p>

Put options in exchange for cash	<p>The Series 2 (<i>Otsu</i>) Preferred Shareholders shall, when and if any events set forth in each of the Item in Paragraph (a) to (c) of the Article of “Put options in exchange for cash” for the Series 1 (<i>Kou</i>) Preferred Shares, to the extent permitted by laws and regulations, be entitled to demand the Company to deliver cash in exchange for any part or all of the Series 2 (<i>Otsu</i>) Preferred Shares owned by them (the date that such demand is made is hereinafter referred to as the “Series 2 (<i>Otsu</i>) Preferred Shares Demand Date”). Upon such demand, the Company shall pay to such Series 2 (<i>Otsu</i>) preferred Shareholders, to the limited extent of the distributable amount calculated in accordance with Article 461, Paragraph 2 of the Companies Act on the Series 2 (<i>Otsu</i>) Preferred Shares Demand Date, an amount of cash equivalent to Series 2 (<i>Otsu</i>) Preferred Shares Redemption Amount set forth in Paragraph 2 of the Article of “Distribution of residual assets” (provided, however, that the amount shall be calculated as of the Series 2 (<i>Otsu</i>) Preferred Shares Demand Date instead of the payment date of the residual assets); provided, however, that the number of the Series 2 (<i>Otsu</i>) Preferred Shares to be acquired by the Company shall be determined on a pro rata basis or in any other reasonable and fair way that the Board of Directors of the Company decides in a case where Series 2 (<i>Otsu</i>) Preferred Shareholders make such demand in the amount beyond the distributable amount.</p> <p>If put options are not exercised based on the above events (a) to (c), unless otherwise agreed, all of those put options shall be exercised, to the extent permitted by laws and this agreement, on June 17, 2028.</p>
Call option in exchange for cash	<p>The Company may, acquire, to the extent permitted by laws and regulations, on the day determined by a resolution of the Board of Directors of the Company (the day is hereinafter referred to as the “Series 2 (<i>Otsu</i>) Preferred Shares Acquisition Day”) any part or all of the Series 2 (<i>Otsu</i>) Preferred Shares in exchange for an amount of cash equivalent to Series 2 (<i>Otsu</i>) Preferred Shares Redemption Amount (provided, however, that the amount shall be calculated as of the Series 2 (<i>Otsu</i>) Preferred Shares Acquisition Day instead of the payment date of the residual assets). The Series 2 (<i>Otsu</i>) Preferred Shares to be acquired by the Company shall be determined on a pro rata basis or in any other reasonable and fair way that the Board of Directors of the Company decides in a case where the Company acquires a part of Series 2 (<i>Otsu</i>) Preferred Shares.</p>

Note 4: Based on the resolution of the Board of Directors Meeting held on September 13, 2024, the Group signed the Capex Facility Agreement with financial institutions for a loan facility of 120,000 million yen on September 19, 2024, for the purpose of specific capital expenditure. The carrying amounts of current portion of long-term borrowings and long-term borrowings based on the agreement as of June 30 and as of March 31, 2025 are 20,370 million yen and no, respectively.

8. Trade and Other Payables

The Group has entered into supplier finance arrangements with third-party financial institutions. Under these arrangements, the Group makes payments to the third-party financial institutions 120 to 180 days after the invoice date, based on agreements with each supplier. The due dates are similar to those of comparable trade payables that are not part of a supplier finance arrangement. Suppliers may, at their discretion, receive early payment at a discount from a third-party financial institution. The Group has not pledged any assets or provided any third-party guarantees for supplier finance arrangements.

The carrying amounts of financial liabilities related to supplier finance arrangements as of June 30 and as of March 31, 2025 are 197,827 million yen and 165,743 million yen, respectively. Of these amounts, 100,755 million yen and 79,103 million yen, respectively are paid to suppliers as of June 30 and as of March 31, 2025.

9. Share Capital and Capital Surplus

Total number of authorized shares, number of issued shares, and balances of share capital, etc. are as follows:

Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

	Series of shares (Note 1)	Total number of authorized shares (Shares)	Number of issued shares (Shares)	Share capital in millions of yen	Capital surplus in millions of yen
As of April 1, 2025	Ordinary shares	2,070,000,000	539,355,180	25,239	866,665
	Preferred shares		3,000	—	—
	Total		539,358,180	25,239	866,665
Additions (reductions) (Note 2)	Ordinary shares	—	114,660	99	99
	Preferred shares		—	—	—
	Total		114,660	99	99
As of June 30, 2025	Ordinary shares	2,070,000,000	539,469,840	25,338	866,764
	Preferred shares		3,000	—	—
	Total		539,472,840	25,338	866,764

Note 1: As the preferred shares are redeemable in cash on a specific day, these are classified as financial liabilities measured at amortized cost under IFRS. The details of the preferred shares are described in “7. Borrowings and Other Financial Liabilities.”

Note 2: As a result of the exercise of subscription rights to shares, the total number of issued shares increased by 114,660 shares, and share capital and capital surplus increased by 99 million yen respectively.

Three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)

	Series of shares (Note)	Total number of authorized shares (Shares)	Number of issued shares (Shares)	Share capital in millions of yen	Capital surplus in millions of yen
As of April 1, 2024	Ordinary shares	2,070,000,000	517,500,000	10,000	851,517
	Preferred shares		3,000	—	—
	Total		517,503,000	10,000	851,517
Additions (reductions)	Ordinary shares	—	—	—	—
	Preferred shares		—	—	—
	Total		—	—	—
As of June 30, 2024	Ordinary shares	2,070,000,000	517,500,000	10,000	851,517
	Preferred shares		3,000	—	—
	Total		517,503,000	10,000	851,517

Note: As the preferred shares are redeemable in cash on a specific day, these are classified as financial liabilities measured at amortized cost under IFRS. The details of the preferred shares are described in “7. Borrowings and Other Financial Liabilities.”

10. Dividends

Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

(1) The amount paid as dividends

Date of resolution	Series of shares	Total amount of dividends	Dividends per share	Record date	Effective date
May 15, 2025 the Board of Directors Meeting	Series 1 (Kou) Preferred shares	9,286 Million yen	7,738,453 Yen	March 31,2025	June 30,2025
	Series 2 (Otsu) Preferred shares	14,475 Million yen	8,041,552 Yen		

Note: Series 1(Kou) and Series 2(Otsu) preferred shares are recognized as financial liabilities under IFRS. Dividends are recognized as "Finance costs" in the condensed quarterly consolidated statement of profit or loss.

(2) Dividends whose record date is during the three months ended June 30, 2025, whereas the effective date is after June 30, 2025

Not applicable.

Three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)

(1) The amount paid as dividends

Date of resolution	Series of shares	Total amount of dividends	Dividends per share	Record date	Effective date
June 10, 2024 the Board of Directors Meeting	Series 1 (Kou) Preferred shares	5,219 Million yen	4,349,156 Yen	March 31,2024	June 28,2024
	Series 2 (Otsu) Preferred shares	8,348 Million yen	4,637,595 Yen		

Note: Series 1(Kou) and Series 2(Otsu) preferred shares are recognized as financial liabilities under IFRS. Dividends are recognized as "Finance costs" in the condensed quarterly consolidated statement of profit or loss.

(2) Dividends whose record date is during the three months ended June 30, 2024, whereas the effective date is after June 30, 2024

Not applicable.

11. Revenue

Disaggregation of revenue from contracts with customers

The Group mainly provides memory and related products used for applications such as SSD & Storage and Smart Devices, and recognizes consideration for the products received from customers as revenue.

Information on the main types of goods and services is as follows:

	Millions of yen	
	From April 1, 2025 to June 30, 2025	From April 1, 2024 to June 30, 2024
SSD & Storage	217,411	223,059
Smart Devices	79,040	151,877
Other	46,348	53,561
Total	342,799	428,497

12. Earnings per Share

The basis for the calculation of basic earnings per share and diluted earnings per share are as follows:

	From April 1, 2025 to June 30, 2025	From April 1, 2024 to June 30, 2024
Profit attributable to owners of parent in millions of yen	18,284	69,758
Weighted average number of ordinary shares	539,420,549	517,500,000
Exercise of subscription rights to shares	114,660	—
Dilutive effect in shares	2,326,674	6,359,721
Number of shares after dilutive effect	541,747,223	523,859,721
Earnings per share:		
Basic earnings per share in yen	33.90	134.80
Diluted earnings per share in yen	33.75	133.16

Note : The number of dilutive potential shares not factored into earnings per share were 579,600 and no for the three months ended June 30, 2025 and 2024, respectively.

13. Fair Value of Financial Instruments

The carrying amount and the fair value of financial instruments are as follows. If the carrying amount of the instruments represents a reasonable appropriation of its fair value, disclosure is omitted.

Millions of yen

	As of June 30, 2025		As of March 31, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Other financial liabilities (Preferred shares)				
Non-current liabilities:	321,699	319,383	321,261	317,960
Total	321,699	319,383	321,261	317,960

Note: The fair value hierarchy of other financial liabilities (preferred shares) is Level 3.

The fair value of financial instruments is calculated as described below:

(Cash and cash equivalents, trade and other receivables, trade and other payables)

The fair value is determined at the carrying amount which approximates their fair value, as they are settled in a short period of time.

(Other financial assets, other financial liabilities)

The fair value of listed shares is the market price at the end of the period.

The fair value of unlisted shares is calculated based on appropriate valuation techniques such as comparable company analysis.

The fair value of debt instruments is calculated based on net assets method.

The fair value of accrued interest is determined at the carrying amount which approximates its fair value, as it is settled in a short period of time.

The fair value of derivatives is calculated based on observable market data, such as the price offered by a financial institution, at the end of the period.

The fair value of preferred shares is calculated based on the present value of estimated future cash flows.

(Borrowings)

The fair value of short-term borrowings is determined at the carrying amount which approximates its fair value, as it is settled in a short period of time.

The fair value of long-term borrowings is determined at the carrying amount which approximates its fair value, as long-term borrowings mainly have variable interest rates that regularly reflect market rates and considering the remaining term of the debt and the credit standing of the Group.

The fair value measurements of financial instruments are categorized into Levels 1, 2 or 3 according to the market observability of the inputs used in the fair value measurement. Transfers between levels of the fair value hierarchy are recognized on the date of the event or change in the circumstances that caused the transfer.

Level 1: Fair value is measured at the quoted prices in active markets for identical assets or liabilities.

Level 2: Fair value is calculated based on directly or indirectly observable market data, other than Level 1 prices.

Level 3: Fair value is calculated based on a valuation technique that includes an unobservable input.

Level categories based on the fair value hierarchy of financial assets and financial liabilities measured at fair value on a recurring basis in the condensed quarterly consolidated statement of financial position are as follows:

As of June 30, 2025

Millions of yen

	Level1	Level2	Level3	Total
Assets:				
Financial assets measured at fair value through profit or loss				
Derivative assets	-	1,670	-	1,670
Debt instruments	-	-	980	980
Financial assets measured at fair value through other comprehensive income				
Equity instruments	57,577	-	3,468	61,045
Total	57,577	1,670	4,448	63,695
Liabilities:				
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities	-	6,348	-	6,348
Total	-	6,348	-	6,348

Note: There was no significant transfer between Level 1, 2 and 3 of the fair value hierarchy for the three months ended June 30, 2025.

As of March 31, 2025

Millions of yen

	Level1	Level2	Level3	Total
Assets:				
Financial assets measured at fair value through profit or loss				
Derivative assets	-	3,848	-	3,848
Debt instruments	-	-	1,000	1,000
Financial assets measured at fair value through other comprehensive income				
Equity instruments	53,747	-	3,256	57,003
Total	53,747	3,848	4,256	61,851
Liabilities:				
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities	-	3,582	-	3,582
Total	-	3,582	-	3,582

Note: There was no significant transfer between Level 1, 2 and 3 of the fair value hierarchy for the fiscal year ended March 31, 2025.

The reconciliation of financial instruments categorized in Level 3 from the opening balance to the closing balance is as follows:

Millions of yen

	From April 1, 2025 to June 30, 2025	From April 1, 2024 to June 30, 2024
Opening balance	4,256	5,402
Gains and losses		
Other comprehensive income (Note)	214	150
Other	(22)	81
Closing balance	4,448	5,633

Note: Gains and losses included in other comprehensive income are recorded in “Net change in financial assets measured at fair value through other comprehensive income” in the Condensed Quarterly Consolidated Statement of Comprehensive Income.

Assets categorized in Level 3 are evaluated and the valuation results are analyzed by the appropriate person in charge according to an internal regulation. The appropriateness of the valuation results is ensured through an appropriate approval process.

Assets categorized in Level 3 consist of equity instruments and debt instruments. Significant unobservable inputs for equity instruments primarily include illiquidity discounts of 20%. Fair value decreases (increases) due to an increase (decrease) in the illiquidity discount. Changing unobservable inputs to reflect reasonably possible alternative assumptions would not materially affect fair value. The debt instruments are mainly investments in funds and the fair value is calculated based on net assets method as a valuation technique.

14. Inventories

The amounts of write-down of inventories to net realizable value are as follows:

Millions of yen

	From April 1, 2025 to June 30, 2025	From April 1, 2024 to June 30, 2024
Write-down of inventories	20,265	54,000

Note: “Cost of sales” in the condensed quarterly consolidated statement of profit or loss consists primarily of the cost of inventories sold during the period, as the main business of the Group is manufacturing and marketing of memory and related products used for applications such as SSD & Storage and Smart Devices.

15. Property, Plant and Equipment

Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

(1) Acquisition, sale and disposal

The carrying amount of acquisition of property, plant and equipment is 82,323 million yen, and the carrying amount for sale and disposal of property, plant and equipment is 17 million yen.

(2) Commitment

The total amount of commitments for the purchase of property, plant and equipment is 109,423 million yen.

Three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)

(1) Acquisition, sale and disposal

The carrying amount of acquisition of property, plant and equipment is 50,732 million yen, and the carrying amount for sale and disposal of property, plant and equipment is 391 million yen.

(2) Commitment

The total amount of commitments for the purchase of property, plant and equipment is 107,194 million yen.

16. Contingent Liabilities

The Group is involved in several pending lawsuits.

Based on the currently available information, the Company does not believe that the results of these lawsuits will have a significant adverse impact on the financial position and operation results of the Group.

17. Subsequent Events

Restructuring of capital structure

The Company repurchased all of the Preferred Shares through the issuance of USD-denominated unsecured notes and obtained new unsecured term loans with improved ancillary conditions to achieve reduction of capital costs and Improvement of cash liquidity by smoothing of repayment schedules.

The summary of the elements are as follows:

(1) Issuance of USD-denominated unsecured notes

The Company issued the USD-denominated unsecured notes on July 24, 2025. based on the resolution of the Board of Directors Meeting held July 14, 2025. The summary of the elements are as follows:

	USD-denominated 5-year senior notes	USD-denominated 8-year senior notes
Principal amount	USD 1,100 Million	USD 1,100 Million
Interest rate	6.25% per year	6.625% per year
Interest rate after currency swap	3.2934% per year	3.6638% per year
Offering price	100% of principal amount	
Maturity date	July 24, 2030	July 24, 2033

(2) Repurchase and Cancellation of Treasury Shares

The Company repurchased and canceled the treasury shares, namely Series 1 (Kou) Preferred Shares and Series 2 (Otsu) Preferred Shares described in “7. Borrowings and Other Financial Liabilities” on July 25, 2025 based on the resolution of the Board of Directors Meeting held July 17, 2025.

The summary of the elements are as follows:

(Repurchase details)

Type of shares	Series 1 (Kou) and Series 2 (Otsu) preferred shares
Number of repurchase shares	Series 1 (Kou) preferred shares: 1,200 shares Series 2 (Otsu) preferred shares: 1,800 shares
Repurchase price per share	Series 1 (Kou) preferred shares: 110 Million yen per share Series 2 (Otsu) preferred shares: 110 Million yen per share
Aggregate repurchase amount	330,387 Million yen

Aggregate repurchase amount above includes unpaid dividends.

(Cancellation details)

Type of cancellation share	Series 1 (Kou) preferred shares: 1,200 shares Series 2 (Otsu) preferred shares: 1,800 shares
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(3) Repayment and obtaining long-term borrowings

The Company entered into an agreement with financial institutions based on the resolution of the Board of Directors Meeting held July 17, 2025, repayed existing term loans relating to the long-term debt (Senior Facility Agreement) described in “7. Borrowings and Other Financial Liabilities” and obtained new unsecured term loans on July 25, 2025. The summary of the key elements of the agreement are as follows:

Date of amendment agreement	July 17, 2025
Major lenders	Sumitomo Mitsui Banking Corporation MUFG Bank,Ltd Mizuho Bank,Ltd. Development Bank of Japan Inc.
Financing amount	447,500 Million yen Revolving loan 210,000 Million yen (Commitment)

Interest rate	TIBOR + Spread																
Repayment	July 31, 2029																
Financial covenants	<p>(i) The Group shall not have negative consolidated profit for the year in any two consecutive full fiscal years.</p> <p>(ii) That the total equity on the consolidated statement of financial position exceeds the greater of 500 billion yen or 75% of the total equity as of the same period in the previous fiscal year.</p> <p>(iii) The “Consolidated Leverage Ratio” shall not exceed the figures in the table below for two consecutive quarters</p> <table data-bbox="536 521 1114 826"> <tr> <td>September 30, 2025</td><td>3.25 : 1</td></tr> <tr> <td>March 31, 2026</td><td>3.25 : 1</td></tr> <tr> <td>September 30, 2026</td><td>3.00 : 1</td></tr> <tr> <td>March 31, 2027</td><td>3.00 : 1</td></tr> <tr> <td>September 30, 2027</td><td>3.00 : 1</td></tr> <tr> <td>March 31, 2028</td><td>3.00 : 1</td></tr> <tr> <td>September 30, 2028</td><td>2.75 : 1</td></tr> <tr> <td>March 31, 2029</td><td>2.75 : 1</td></tr> </table> <p>[Definitions and calculation formulas]</p> <p>(i) “Consolidated” means the amount in the consolidated financial statements prepared in accordance with IFRS.</p> <p>(ii) “Consolidated Leverage Ratio” means the ratio of “Consolidated Debt” to “Consolidated EBITDA”.</p> <ul style="list-style-type: none"> - “Consolidated Debt” is consolidated interest-bearing debt (excluding preferred shares and lease liabilities). - “Consolidated EBITDA” is consolidated operating profit plus depreciation and amortization regarding “Property, plant and equipment” and “Intangible assets” which are including consolidated operating profit. 	September 30, 2025	3.25 : 1	March 31, 2026	3.25 : 1	September 30, 2026	3.00 : 1	March 31, 2027	3.00 : 1	September 30, 2027	3.00 : 1	March 31, 2028	3.00 : 1	September 30, 2028	2.75 : 1	March 31, 2029	2.75 : 1
September 30, 2025	3.25 : 1																
March 31, 2026	3.25 : 1																
September 30, 2026	3.00 : 1																
March 31, 2027	3.00 : 1																
September 30, 2027	3.00 : 1																
March 31, 2028	3.00 : 1																
September 30, 2028	2.75 : 1																
March 31, 2029	2.75 : 1																
Collateral	No collateral is expected to be provided to the lenders in relation to the Loan Agreement																

Independent Auditor's Interim Review Report on Quarterly Consolidated Financial Statements
(English Translation*)

August 8, 2025

To the Board of Directors of Kioxia Holdings Corporation

PricewaterhouseCoopers Japan LLC
Tokyo office

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Auditor's Conclusion

We have reviewed the condensed quarterly consolidated financial statements of Kioxia Holdings Corporation (the "Company") provided in the materials attached to the Consolidated Financial Results, which comprise the condensed quarterly consolidated statement of financial position, condensed quarterly consolidated statements of profit or loss, comprehensive income, changes in equity, cash flows, and notes to the condensed quarterly consolidated financial statements for the three-month period from April 1, 2025 to June 30, 2025 of the consolidated fiscal year from April 1, 2025 to March 31, 2026.

Based on our interim review, nothing has come to our attention that causes us to believe that the condensed quarterly consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company as at June 30, 2025, and the consolidated results of their financial performance and cash flows for the three-month period then ended in accordance with International Accounting Standard 34, "Interim Financial Reporting" prescribed in Article 5, Paragraph 2 of Standards for Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc.

Basis for Auditor's Conclusion

We conducted our review in accordance with interim review standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Interim Review of the Condensed Quarterly Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to audits of financial statements of public interest entities in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that we have obtained the evidence to provide a basis for our conclusion.

Responsibilities of Management and Those Charged with Governance for the Condensed Quarterly Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the condensed quarterly consolidated financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting", and for such internal control as management determines is necessary to enable the preparation of the condensed quarterly consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the condensed quarterly consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as applicable, matters related to going concern in accordance with International Accounting Standard 1, "Presentation of Financial Statements" paragraph 4.

Those charged with governance are responsible for overseeing the directors' execution of their duties in designing and operating the Company's financial reporting process.

Auditor's Responsibilities for the Interim Review of the Condensed Quarterly Consolidated Financial Statements

Our objective is to express a conclusion on these condensed quarterly consolidated financial statements in our independent auditor's interim review report based on our review.

As part of a review in accordance with interim review standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the interim review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters, and apply analytical and other interim review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan.
- Conclude on whether anything has come to our attention that causes us to believe that matters related to going concern are not appropriately disclosed in the condensed quarterly consolidated financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting", based on the evidence obtained, if, in the auditor's judgment, there exists a material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's interim review report to the related disclosures in the condensed quarterly consolidated financial statements or, if such disclosures are inadequate, to express a qualified or adverse conclusion. Our conclusions are based on the evidence obtained up to the date of our auditor's interim review report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether anything has come to our attention that causes us to believe that the presentation and disclosures of the condensed quarterly consolidated financial statements are not in accordance with International Accounting Standard 34, "Interim Financial Reporting", and that the overall presentation, structure and content of the condensed quarterly consolidated financial statements, including the disclosures, and the condensed quarterly consolidated financial statements do not represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain evidence regarding the financial information of the Company as a basis for expressing a conclusion on the condensed quarterly consolidated financial statements. We are responsible for the direction, supervision and review of the interim review of the condensed quarterly consolidated financial statements. We remain solely responsible for our review conclusion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the interim review and significant review findings.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

- * Notes to the Readers of Independent Auditor's Interim Review Report
- This is an English translation of the Independent Auditor's Interim Review Report for the conveniences of the reader. The original was prepared in Japanese. All possible care has been taken to ensure that the translation is an accurate representation of the original, however, in all matters of interpretation of information, views or opinions, the original language version of the report takes precedence over the translated version.

(Notes) 1. The original of the Independent Auditor's Interim Review Report above is kept separately by the Company (the company of the Consolidated Financial Results).

2. XBRL data and HTML data are not included in the scope of the interim review.