Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

July 31, 2026

To All Concerned Parties

Company Name	Air Water Inc.	
Representative	Representative Director President and Executive Officer	Yoshihiro Senzai
	（Code Number 4088　Tokyo Stock Exchange Prime Market, Sapporo Stock Exchange Market）	
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Notice Regarding the Transition to a Company with an Audit and Supervisory Committee

We are rebuilding our corporate governance structure as part of the recurrence prevention measures formulated in response to the occurrence of inappropriate accounting treatment within our Group, as announced in our “Notice Concerning the Formulation of Recurrence Prevention Measures (Detailed Version)” dated April 3, 2026.

In this process, we have repeatedly considered the optimal organizational structure from the perspective of enhancing corporate governance through strengthening the supervisory function of the Board of Directors.

As part of these efforts, at the meeting of the Board of Directors held today, we resolved to transition from a Company with an Audit & Supervisory Board to a Company with an Audit and Supervisory Committee, subject to approval of the necessary amendments to the Articles of Incorporation at the Extraordinary General Meeting of Shareholders of the Company scheduled to be held on September 22, 2026. We hereby announce the details as described below.

This transition is intended to prevent the recurrence of inappropriate accounting matters and strengthen corporate governance. Through this transition, we aim to further enhance the effectiveness of the Board of Directors’ oversight and supervisory functions in order to restore the trust of our shareholders, investors, and other stakeholders.

For details of the Extraordinary General Meeting of Shareholders, please refer to the “Notice Regarding Non-Holding of the Continued Session of the 26th Annual Meeting of Shareholders and an Extraordinary General Meeting of Shareholders” released today.

1. Purpose of the Transition

The purpose of this transition is to prevent the recurrence of inappropriate accounting matters and to strengthen corporate governance. By making directors who serve as Audit and Supervisory Committee Members voting members of the Board of Directors, we will transition to a framework under which audit and supervisory functions can be exercised from the stage of deliberation and decision-making by the Board of Directors, thereby enhancing the effectiveness of the Board of Directors’ oversight and check-and-balance functions over business execution.

In addition, pursuant to Article 399-13, Paragraph 6 of the Companies Act, a portion of the authority for making decisions regarding business execution will be delegated to directors. This will enable the Board of Directors to devote greater attention to important matters, including medium- to long-term management strategies, Group governance, risk management, and the development and operation of internal controls, without spending excessive time deliberating on individual business execution matters.

Through these measures, we will clarify the respective roles of supervision and execution, enhance both the effectiveness of the Board of Directors’ supervisory function and the agility of management, and thereby achieve sustainable enhancement of corporate value and restore the trust of our shareholders, investors, and other stakeholders.

2. Timing of the Transition

Subject to approval of the necessary amendments to the Articles of Incorporation at the Extraordinary General Meeting of Shareholders scheduled to be held on September 22, 2026, we plan to transition to a Company with an Audit and Supervisory Committee.

3. Other Matters

Details of the amendments to the Articles of Incorporation and changes in directors and officers in connection with the transition will be announced once they have been determined.

END